UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS
FIRST SESSION

VOLUME 107—PART 9

JUNE 26, 1961, TO JULY 14, 1961
(PAGES 11167 TO 12620)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1961

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 26, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Acts 17: 11: *They received the word with all readiness of mind and searched the Scriptures daily.*

Almighty God, we thank Thee for the sacred and sublime truths of the Scriptures, teaching us Thy ways and inspiring us to discipline and bring our lives under the sovereignty of Thy wise and holy will with gratitude and humility.

Grant that we may always cultivate and maintain an exalted view of the dignity and worth of human personality and never allow our lower and baser self to mock and sneer at the lofty ideals and principles as foolish and futile.

We pray that in these tumultuous and troublous days, which seem to have for humanity so little of enduring peace, we may keep the light of hope aglow, cheered by a vision of the moral and spiritual realities.

Fill us with a sincere desire to bequeath to the young people of our generation and all who will come after us a strong and virile faith, manifesting thereby not only the secret of our own conquest over trials and hardships, but making it easier for them to perceive and lay hold of the truth that will make them victorious and free.

Hear us in the name of the Captain of our Salvation and the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 15, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6441. An act to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. KERR, Mr. MCNAMARA, Mr. RANDOLPH, Mr. CASE of South Dakota, Mr. COOPER, and Mr. SCOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 614. An act to authorize the use of Commodity Credit Corporation owned surplus grains by the States for emergency use in the feeding of resident game birds and other resident wildlife; to authorize the use of such surplus grain by the Secretary of the Interior for emergency use in the feeding of migratory birds, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1922) entitled "An act to assist in the provision of housing for moderate and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. DOUGLAS, Mr. CLARK, Mr. WILLIAMS of New Jersey, Mr. MUSKIE, Mr. LONG of Missouri, Mr. CAPEHART, Mr. BUSH, and Mr. BEALL, to be the conferees on the part of the Senate.

FEDERAL-AID HIGHWAY ACT OF 1961—CONFERENCE REPORT

Mr. FALLON. Mr. Speaker, I call up the conference report on the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 564)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

TITLE I

The managers on the part of the House and the managers on the part of the Senate as to title I of the bill having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 3.

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2, and agree to the same.

GEORGE H. FALLON,
CLIFFORD DAVIS,
JOHN A. BLATNIK,
GORDON H. SCHERER,
WILLIAM C. CRAMER,
Managers on the Part of the House.

ROBERT S. KERR,
PAT MCNAMARA,
JENNINGS RANDOLPH,
FRANCIS CASE,
JOHN SHERMAN COOPER,
Managers on the Part of the Senate.

TITLE II

The managers on the part of the House and the managers on the part of the Senate as to title II of the bill having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, 6, 8, 12, 15, 16, and 17.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 9, 10, 11, 13, and 14 and agree to the same.

W. D. MILLS,
CECIL R. KING,
THOS. J. O'BRIEN,
N. M. MASON,
JOHN W. BYRNES,
Managers on the Part of the House.

HARRY F. BYRD,
ROBERT S. KERR,
RUSSELL LONG,
JOHN J. WILLIAMS,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

TITLE I

The managers on the part of the House as to title I of the bill submit the following statement in explanation of the effect of the action agreed upon by the conferees as to title I of the bill and recommended in the accompanying conference report:

Amendment No. 1. This Senate amendment would provide that funds appropriated for defense access roads under section 210 of title 23 of the United States Code shall be available to pay the cost of damage caused to highways by the operation of vehicles and equipment in the construction of

classified military installations and ballistic missile facilities. The Secretary of Commerce must first determine the State highway department could not have prevented the damage without placing such restrictions on the use of the highway as to interfere with or delay the completion of the construction contract for the military installation or facility. These funds are made available notwithstanding any provision of contract holding any party to such contract responsible for this type of damage, if the Secretary of Defense or his designee, determine that the construction estimates and bid of that party did not include an allowance for repairing this type of damage. The amendment applies to damage caused by construction work begun before June 1, 1961, and still in progress on that date, and to damage caused by construction commenced or for which a contract is awarded on or after June 1, 1961.

The House recedes.

Amendment No. 2. This Senate amendment extends to July 1, 1963, the cutoff date prior to which a State may enter into an agreement to carry out the national policy with respect to outdoor advertising adjacent to the National System of Interstate and Defense Highways in order to qualify for the additional one-half of 1 percent of the Federal share of the cost of the affected project. The House recedes.

GEORGE H. FALLON,
CLIFFORD DAVIS,
JOHN A. BLATNIK,
GORDON H. SCHERER,
WILLIAM C. CRAMER,
Managers on the Part of the House.

TITLE II

The managers on the part of the House as to title II of the bill submit the following statement in explanation of the effect of the action agreed upon by the conferees as to title II of the bill and recommended in the accompanying conference report:

TREAD RUBBER

Amendments Nos. 4 and 8; The House bill increased the tax on tread rubber by 2 cents a pound (from 3 cents a pound to 5 cents a pound). Senate amendment numbered 4 limits the increase to 1 cent a pound (that is, the existing tax rate of 3 cents a pound is increased to 4 cents a pound). Senate amendment numbered 8 is a related conforming amendment reducing the floor stocks tax on tread rubber held by a dealer on July 1, 1961, from 2 cents a pound to 1 cent a pound.

The Senate recedes.

GASOLINE LOST BY SHRINKAGE, ETC.

Amendments Nos. 5, 6, 12, 15, 16, and 17: Senate amendment numbered 5 provides for payments to compensate retail dealers of gasoline for tax paid on gasoline lost by shrinkage, evaporation, and so forth. Under the amendment, the retail dealer would be entitled to an amount equal to 1 percent of the tax paid under section 4081 of the 1954 Code on gasoline sold by him. Senate amendments numbered 6, 12, 15, 16, and 17 are related conforming clerical, technical, and effective date amendments.

The Senate recedes.

In connection with the action of the conferees on these amendments, the Treasury Department has been requested to conduct, in cooperation with other appropriate agencies of the Federal Government, a scientific study for the purpose of obtaining data on the percentage of the gasoline bought by retail dealers which is lost by shrinkage or evaporation or for other causes. Representatives of the Treasury Department have given assurances that this study will be conducted. The results of this study are to be reported to the Ways and Means Committee of the House of Representatives and to the Committee on Finance of the Senate before January 1, 1962.

INNER TUBES FOR BICYCLE TIRES

Amendments Nos. 7, 9, 10, and 11: Amendment numbered 7 provides that the floor stocks tax of 1 cent a pound imposed on inner tubes held by dealers, etc., on July 1, 1961, for sale or use is not to apply to inner tubes for bicycle tires. Similarly, amendment numbered 11 provides that the floor stock refund of 1 cent a pound provided for inner tubes held by dealers, etc., on October 1, 1972, for sale or use is not to apply to inner tubes for bicycle tires. Amendments numbered 9 and 10 are related clerical amendments.

The House recedes.

TRANSFERS TO HIGHWAY TRUST FUND

Amendments Nos. 13 and 14: Section 209(c)(1)(C) of the Highway Revenue Act of 1956 at present provides that there shall be transferred to the highway trust fund amounts equivalent to 50 percent of the tax received under section 4061(a)(1) of the 1954 Code (that is, the tax on trucks, buses, etc.). The House bill amended this provision so that, in the case of amounts so received after June 30, 1961, the percentage transferred is to be 100 percent instead of 50 percent. Under Senate amendments numbered 13 and 14, the change in the percentage from 50 percent to 100 percent is delayed one year and applies only to tax received after June 30, 1962.

The House recedes.

W. D. MILLS,
CECIL R. KING,
THOS. J. O'BRIEN,
N. M. MASON,
JOHN W. BYRNES,
Managers on the Part of the House.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas

There was no objection.

Mr. MILLS. Mr. Speaker, you will recall that H.R. 6713 as passed by the House contained revenue-raising provisions which would have resulted in a highway trust fund surplus at the termination of the Federal highway program in 1972 of an estimated $165 million. As passed by the other body, however, H.R. 6713 was amended by the addition of three revenue-losing amendments which would have reduced highway trust fund revenues by an estimated $458 million between now and 1972.

The first of these amendments would have reduced the excise tax on tread rubber from 5 cents a pound, as was provided in the House bill, to 4 cents a pound. Between now and 1972 this 1 cent per pound reduction in tax would have reduced trust fund revenues by an estimated $79 million. However, your conferees were successful in insisting on the provisions of the House bill and the conferees of the other body receded on this amendment.

Your conferees were also successful in deleting an amendment made by the other body which would have granted retail gasoline dealers a 1-percent refund of tax paid on gasoline they purchased in order to take account of the gasoline that is allegedly lost due to shrinkage and evaporation. This amendment would have reduced revenues by an estimated $18 million a year and by some $236 million over the entire Federal highway program period.

Under the conference agreement, however, the Treasury Department has been requested to make a scientific study for the purpose of obtaining data on the percentage of gasoline purchased by retail dealers which is lost by shrinkage or evaporation or for other causes and to make a report of the results of this study before January 1, 1962. At the present time the data that have been presented on this subject is conflicting.

The third major amendment made by the other body to H.R. 6713 as passed by the House provides for a 1-year deferral of the diversion of the remaining one-half—5 percentage points—of the Federal excise tax on trucks, buses and trailers from the general funds of the Treasury to the highway trust fund. It will be recalled that one-half of the present 10 percent tax on these items are already earmarked for the trust fund. This amendment will reduce highway trust fund revenues by an estimated $143 million during the next fiscal year. The provisions of the House bill in this regard would have provided for the diversion of these tax proceeds to the highway trust fund commencing on July 1 of this year. Under the conference agreement, this scheduled diversion will take place on July 1, 1962. However, over the life of the program, based on present estimates, the receipts in the trust fund will still slightly exceed the estimated disbursements. Therefore, your conferees agreed to this Senate amendment in view of the fact that it will not cause a net deficit over the life of the trust fund.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MASON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MASON. Mr. Speaker, the adoption of the conference report on H.R. 6713, the Federal-Aid Highway Act of 1961 is now before the House. Title II of this report pertains to the financing of the Federal-aid highway program. It will be recalled that the House-passed version of this legislation provided for the full financing of the projected program with a surplus in the trust fund of $165 million. The Senate in acting on on the bill made three amendments of substance that resulted in the program being underfinanced by $293 million.

The proposed Senate substantive amendments were as follows:

First. Tread rubber: Under existing law a tax of 3 cents per pound applies to the tread rubber used in tire recapping. The administration had proposed that this tax be increased to 10 cents per pound and the House had acted to make the tax 5 cents per pound; this was reduced to a 4-cent rate by the Senate. This Senate change would have reduced the trust fund receipts by $79 million over the period of the program. On this amendment the Senate receded with the

result that the tax will be 5 cents per pound under the bill as it becomes law.

Second. Transfer of truck tax: Under existing law receipts from the 10-percent Federal manufacturers' excise tax on trucks is equally divided between the Treasury general fund and the highway trust fund.

The House-passed version of H.R. 6713 would have provided for the 5 percentage points of the tax that now goes into the general fund to be earmarked for the highway trust fund. The Senate acted to postpone this diversion for 1 year and the House conferees accepted the Senate amendment. This change reduces the payments into the highway trust fund for 1 year by $143 million.

Third. Gasoline lost by shrinkage: The Senate provided an amendment which would entitle a retail dealer to a refund for gasoline lost by shrinkage in amount equal to 1 percent of the tax paid on gasoline sold by him. The House bill did not contain such a provision. The Senate conferees receded, but it is the intention of the conferees on these amendments that the appropriate executive departments will conduct a study for the purpose of obtaining data on the percentage of gasoline bought by retail dealers which is lost by shrinkage or evaporation or for other causes. The results of this study will enable the Congress to act in an informed manner with respect to this problem. The Senate amendment would have cost the trust fund approximately $236 million over the period of the program.

Mr. Speaker, as a consequence of the action by the House-Senate conferees on this legislation we have a highway program that is soundly financed with adequate revenues to pay for estimated costs.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE SESSIONS DURING GENERAL DEBATE TODAY OBJECTED TO

Mr. FALLON. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during the week during general debate in the House.

Mr. GROSS. Mr. Speaker, reserving the right to object, as I understand the increase in the debt ceiling is coming up this afternoon.

Mr. FALLON. My request is during general debate only.

Mr. GROSS. Even so, to me, the increase in the debt limitation is one of the most important issues to come before this Congress, and I am constrained, Mr. Speaker—I will object to any committee sitting this afternoon.

Mr. FALLON. Mr. Speaker, I withdraw my request.

DISTRICT OF COLUMBIA CALENDAR

The SPEAKER. This is District Day. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN].

RESPONSIBILITY FOR CRIMINAL CONDUCT

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 7052) to amend section 927 of the act of March 3, 1901, relating to responsibility for criminal conduct, and for other purposes, and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 927 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, sec. 24–301 and the following), is amended to read as follows:

"§ 927. Insane criminals

"(a) Mental disease or defect excluding responsibility; sociopathic and psychopathic personality is not disease or defect:

"(1) A person is not responsible for criminal conduct if at the time of such conduct as a result of mental disease or defect he lacks substantial capacity either to know or appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law.

"(2) The terms 'mental disease or defect' do not include an abnormality manifested only by repeated criminal or otherwise antisocial conduct.

"(b) Evidence of mental disease or defect admissible when relevant to element of the offense:

"(1) Evidence that the defendant in a criminal proceeding suffered from a mental disease or defect shall be admissible whenever it is relevant to prove that the defendant did or did not have a state of mind which is an element of the offense.

"(c) Mental disease or defect excluding responsibility is affirmative defense; requirement of notice; form of verdict:

"(1) Mental disease or defect excluding responsibility is an affirmative defense which the defendant must establish by showing of substantial evidence.

"(2) Evidence of mental disease or defect excluding responsibility shall not be admissible unless the defendant, at the time of entering his plea of not guilty or within fifteen days thereafter or at such later time as the court may for good cause permit, files with the court and the prosecution written notice of his purpose to rely on such defense.

"(3) When the defendant is acquitted on the ground of mental disease or defect excluding responsibility, the verdict and the judgment shall so state.

"(d) Mental disease or defect excluding fitness to proceed:

"(1) No person who as a result of mental disease or defect lacks capacity to understand the proceedings against him or to assist in his own defense shall be tried or sentenced for the commission of an offense so long as such incapacity endures.

"(e) Psychiatric examination of defendant with respect to mental disease or defect excluding responsibility or fitness to proceed:

"(1) Whenever the defendant has filed a notice of intention to rely on the defense of mental disease or defect excluding responsibility supported by prima facie evidence submitted to the court or there is substantial reason to doubt his fitness or capacity to proceed, or substantial reason to believe that mental disease or defect of the defendant will otherwise become an issue in the case, the court shall appoint at least one qualified psychiatrist or shall request the Superintendent of the District of Columbia General Hospital or the Superintendent of Saint Elizabeths Hospital or the superintendent of any other appropriate institution to designate at least one qualified psychiatrist, which designation may be or include the superintendent of such hospital, to examine and report upon the mental condition of the defendant. The court may order the defendant committed to a hospital or other suitable facility for the purpose of examination for such reasonable period as the court may determine to be necessary for the purpose of such examination and report. The court's power to so commit a defendant shall exist notwithstanding the fact that the defendant has been at large on bond or bail.

"(2) In such examination any method may be employed which is accepted by the medical profession for the examination of those thought to be suffering from mental disease or defect.

"(3) The report of the examination shall include the following:

"(A) A description of the nature of the examination;

"(B) A diagnosis of the mental condition of the defendant;

"(C) If the report concludes that defendant suffers from a mental disease or defect, an opinion as to his capacity to understand the proceedings against him and to assist in his own defense; and

"(D) When a notice of intention to rely on the defense of irresponsibility has been filed, and opinion as to the extent if any, to which the capacity of the defendant to know or appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was impaired at the time of the criminal conduct charged.

"(E) If the examination cannot be conducted by reason of the unwillingness of the defendant to participate therein, the report shall so state and shall include, if possible, an opinion as to whether such unwillingness of the defendant was the result of mental disease or defect.

"(F) The report of the examination shall be filed in triplicate with the clerk of the court who shall cause copies to be delivered to the prosecution and to defense counsel.

"(f) Determination of fitness to proceed; effect of finding of unfitness; proceedings if fitness is regained:

"(1) When the defendant's mental fitness to proceed is drawn in question, the issue of such fitness shall be determined by the court. If neither the prosecution nor counsel for the defendant contests the finding of the report filed pursuant to subsection (e), the court may make the determination on the basis of such report. If the finding is contested, the court shall hold a hearing on the issue without a jury. If the report is received in evidence upon such hearing the parties who contested the finding thereof shall have the right to summon and cross-examine the psychiatrists who joined in the report and to offer evidence upon the issue. If the court determines that the defendant possesses fitness to proceed to trial, that is, that the defendant has the capacity to understand the proceedings against him and to assist in his own defense, the court shall order the defendant to stand trial within a reasonable time.

"(2) If the court determines at any stage of the proceedings that the defendant lacks mental fitness to proceed, the proceeding against him shall be suspended, pending trial in the future, and the court shall commit the defendant to an appropriate hospital or institution for so long as such unfitness shall endure. Such suspension of proceedings shall not cause jeopardy to attach barring subsequent trial. Whenever the defendant who has been committed to such hospital or other institution is restored to

mental fitness in the opinion of the superintendent of such hospital or institution, such superintendent shall certify such fact to the clerk of the court in which the charge against the defendant is pending and the clerk of that court shall furnish copies of said certificate to the parties to the cause.

"(3) After the court receives the certificate of such superintendent that the defendant has regained mental fitness to proceed and the court determines that the defendant has regained such fitness to proceed, the trial proceedings shall be resumed or commenced within a reasonable time. Such determination of fitness may be made by the court on the basis of such certificate that the defendant has regained fitness to proceed provided neither the Government nor counsel for the defendant contests the findings that the defendant has regained such fitness to proceed. If the finding that the defendant has regained fitness to proceed is contested, the court shall hold a hearing without a jury on the issue and shall determine such fitness to proceed.

"(4) If, however, the court is of the opinion that so much time has elapsed since the commitment of the defendant (to determine fitness to proceed) that it would be unjust to resume the criminal proceedings, the court may dismiss the charge and may order the defendant committed for examination and determination of status by the Mental Health Commission under the provisions of applicable law.

"(g) Determination of irresponsibility on basis of report; access to defendant by psychiatrists of own choice; form of expert testimony:

"(1) If the report filed pursuant to subsection (e) finds that the defendant at the time of the criminal conduct charged suffered from a mental disease or defect which substantially impaired his capacity to appreciate the criminality of his conduct or to conform his conduct to the requirements of law, and the court is satisfied that such impairment was sufficient to exclude responsibility, the court shall enter judgment of acquittal on the ground of mental disease or defect excluding responsibility.

"(2) When, notwithstanding the report filed pursuant to subsection (e), the defendant wishes to be examined by qualified psychiatrists of his own choice, such psychiatrists shall be permitted to have reasonable access to the defendant for the purposes of such examination.

"(3) Upon the trial, the psychiatrists who filed reports pursuant to subsection (e) may be called as witnesses by the prosecution, the defendant, or the court. If called by the court, such witnesses shall be subject to cross-examination by the prosecution and by the defendant. Both the prosecution and the defendant may summon any other qualified psychiatrist to testify but no one who has not examined the defendant shall be competent to testify to his opinion as a psychiatrist with respect to the mental condition or responsibility of the defendant.

"(4) When a psychiatrist who has examined the defendant testifies concerning his mental condition, the witness shall be permitted to make a statement as to the nature of his examination, and his diagnosis of the mental condition of the defendant at the time of the commission of the offense charged. Such psychiatrist shall be permitted to make any explanation reasonably serving to clarify his diagnosis and opinion and may be cross-examined as to any matter bearing on his competency or credibility or the validity of his diagnosis or opinion.

"(5) Nothing herein shall exclude the prosecution from causing an examination of the defendant to be made to determine whether or not he had the capacity either to know or appreciate the wrongfulness of his conduct, to conform his conduct to the requirements of law or to understand the proceedings against him and assist in his own defense, provided the prosecution makes available to a defendant or his counsel the results of such examination.

"(h) Legal effect of acquittal on the ground of mental disease or defect excluding responsibility; commitment; release or discharge:

"(1) When a defendant is acquitted on the ground of mental disease or defect excluding responsibility, the court shall order him to be committed to a hospital having facilities for the custody and care of the mentally ill.

"(2) If the superintendent of such hospital is of the view that a person committed to his custody pursuant to paragraph (1) of this subsection is no longer suffering from mental illness and may be discharged or released on probation without danger to himself or to others, he shall make application for the discharge or release of such person in a report to the court by which such person was committed and shall transmit a copy of such application and report to the prosecution and defense counsel. The court shall thereupon appoint at least two qualified psychiatrists to examine such person and to report within sixty days or such longer period as the court determines to be necessary for the purpose, their opinion as to his mental condition. To facilitate such examination and the proceedings thereon, the court may cause such person to be confined in any institution which is suitable for the temporary detention of irresponsible persons.

"(3) If the court is satisfied by the report filed pursuant to paragraph (2) of this subsection and the testimony of the psychiatrists making such report, if the court deems it advisable to hear their testimony, that the committed person may be discharged or released on probation without danger to himself or others, the court shall order his discharge or release upon probation, on such conditions as the court determines to be necessary. If the court is not so satisfied, it shall promptly order a hearing to determine whether such person may safely be discharged or released. Any such hearing shall be deemed a civil proceeding and the burden shall be upon the committed person to prove that he may safely be discharged or released. According to the determination of the court upon the hearing, the committed person shall thereupon be discharged or released on probation on such conditions as the court determines to be necessary, or shall be recommitted to the custody of such hospital subject to discharge or release only in accordance with the procedure prescribed above for a first hearing.

"(4) If after the release on probation of a committed person, the court shall determine, after notice and hearing, that the conditions of probation have been violated and that for the safety of such person or the safety of others his probation should be revoked, the court shall forthwith order him recommitted to a hospital having facilities for the custody, care, and treatment of the mentally ill subject to discharge or release only in accordance with the procedure prescribed above for a first hearing.

"(5) A committed person may make application for his discharge or release to the court by which he was committed and the procedure to be followed upon such application shall be the same as that prescribed above in the case of an application by the superintendent of such hospital. However, no such application by a committed person need be considered until he has been confined for a period of not less than six months from the date of the order of commitment, and if the determination of the court be adverse to the application, such person shall not be permitted to file a further application until one year has elapsed from the date of any preceding hearing on an application for his release or discharge.

"(i) Jury not to be told of consequences of verdict:

"(1) The jury shall not be told by the court or counsel for the Government or the defendant at any time regarding the consequences of a verdict of not guilty or acquittal by reason of insanity.

"(j) Availability of habeas corpus:

"(1) Nothing herein contained shall preclude a person confined under the authority of this Act from establishing his eligibility for release by a writ of habeas corpus.

"(k) Court concerned:

"(1) This section shall apply only to proceedings brought by information or indictment in the United States District Court for the District of Columbia, and the municipal court of the District of Columbia, and to proceedings brought to juvenile court in the District of Columbia.

"(l) Severability:

"(1) The invalidity of any portion of this section shall not affect the validity of any other portion thereof which can be given effect without such invalid part."

SEC. 2. Nothing contained in the amendment made by the first section of this Act shall be deemed to alter, amend, or repeal section 928 or section 929(b) of such Act of March 3, 1901, as amended, or the Act entitled "An Act relating to the testimony of physicians in the courts of the District of Columbia", received by the President May 13, 1896 (29 Stat. 138; D.C. Code, sec. 14–308).

SEC. 3. Subsection (a) of section 929 of such Act of March 3, 1901, as amended (D.C. Code, sec. 24–303(a)), is hereby repealed.

SEC. 4. This Act shall take effect on the date of its enactment.

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter and tables.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COHELAN. Mr. Speaker, I sincerely regret that I did not get the opportunity to discuss H.R. 7052 on the floor of the House today. I had assumed that time would be made available for full debate on such a complex subject as amending the rule relating to the responsibility for criminal conduct.

Under the circumstances, I would like to submit for the consideration of my colleagues, and in the hope that the other body will take cognizance of this opposition, the minority views submitted by myself and my colleagues on the District Committee, Mr. DAWSON and Mr. MULTER:

MINORITY VIEWS

We dissent from the views expressed in the majority report, and we urge the House to reject H.R. 7052.

We oppose the bill because we believe that it has not been given adequate consideration. It would make radical and far-reaching changes in a highly complex and controversial field of the law. Yet the committee in its abbreviated hearings made no effort to receive testimony from any medical and psychiatric expert, from the representatives of the organized bar, from any of the many groups and educational institutions now studying the problem, or from specialists on mental health and criminology. To

enact this complex bill without thorough study and consideration of the views of informed persons would produce incalculable harm and confusion.

We oppose the bill because we believe it would fasten on the District of Columbia an obsolete, inadequate, and unjust standard of criminal responsibility.

We oppose the bill because we believe it would infringe upon the constitutional rights of persons accused of criminal offenses.

We oppose the bill because we believe that it will not remedy the evils which it is designed to cure. On the contrary, it will breed confusion, it will reduce the protection for the community against criminals, and it will foster injustices to individuals.

I. THE INSANITY DEFENSE AS PRESENTLY ADMINISTERED IN THE DISTRICT AFFORDS THE COMMUNITY GREAT PROTECTION

At the outset we wish to make several points absolutely clear.

First, we do not believe that the present District procedure in insanity cases involves any mollycoddling or undue sentimentality toward persons who invoke the insanity defense. A person who is found not guilty by reason of insanity in the District is not turned loose after the trial. Instead, he is automatically committed to a mental institution, and he must remain there until both the hospital authorities and the District court are satisfied that he has recovered his sanity and will not be dangerous to the community or to himself, if he is released (D.C. Code, sec. 24–301(d) (Supp. VIII, 1960); *Overholser* v. *Leach*, 257 F. 2d 67 (D.C. Cir. 1958), cert. denied, 359 U.S. 1013 (1959); *Ragsdale* v. *Overholser*, 281 F. 2d 943 (D.C. Cir. 1960)).

Moreover, the defendant bears the burden of showing that he is entitled to release, and it is a heavy burden. He must show (1) that he does not suffer from an abnormal mental condition; (2) that in the reasonable future he will not be dangerous to himself or to others; and (3) that the hospital superintendent acted arbitrarily in refusing to recommend his unconditional release (*Overholser* v. *Russell*, 283 F. 2d 195, 197 (D.C. Cir. 1960)).

The Court of Appeals for the District of Columbia has formulated an exacting test of dangerousness which makes release more difficult to obtain in doubtful cases. The court of appeals ruled:

"We think the danger to the public need not be possible physical violence or a crime of violence. It is enough if there is competent evidence that he may commit any criminal act * * * (*Overholser* v. *Russell*, 283 F. 2d 195, 198 (D.C. Cir. 1960))."

Hence, the court indicated, a prognosis that the accused may engage in nonviolent crimes such as forgeries if he is released, justifies his continued detention.

It should be pointed out, also, that the person seeking release must prove his case by more than a fair preponderance of the evidence, since the court has ruled that if there is a reasonable doubt that he will be dangerous to anyone upon release, the doubt must be resolved against him (*Ragsdale* v. *Overholser*, 281 F. 2d 943, 947 (D.C. Cir. 1960)).

In addition to these judicial obstacles to premature release, there are practical difficulties. Hospital authorities are very conservative about recommending release of a person committed after a criminal charge, since they are concerned over public criticism if he commits another offense. Thus, Dr. Winfred Overholser, the Superintendent of St. Elizabeths Hospital, has stated:

"In the case of persons who have been arrested, particularly if charged with serious offenses, a greater degree of conservatism must be practicted in the matter of release, in consideration of the attitudes of the public (Krash, 'The Durham Rule and Judicial Administration of the Insanity Defense in the District of Columbia,' 70 Yale L.J. 905, 947 (May 1961))."

Furthermore, most defendants committed to mental institutions are indigent and encounter great difficulty in attempting to obtain expert psychiatric testimony to contradict the opinion of the hospital staff.

The result is, according to Dr. Overholser, that "the odds favor such a person spending a longer period of confinement in a hospital than if a sentence was being served in jail" (statement in the American Weekly magazine, June 18, 1961, p. 5).

The truth is that the present commitment procedure affords greater protection to the community than would imprisonment of mentally ill offenders. Persons who are sent to jail are released at the expiration of their sentence, even though they are predictably dangerous. But persons who are committed to a mental institution when they are found not guilty by reason of insanity are not released unless there is reasonable assurance that they will not be dangerous to anyone. Judge Biggs, chief judge of the Court of Appeals for the Third Circuit, in a recent decision, pointed out his distinction between imprisonment and hospitalization:

"Instead of being treated as are ordinary criminals, they [persons of unsound mind] should be confined to institutions for the insane at the first offense and not be released until or unless cured. The throwing of the mentally ill individual from the jail back into the community, untreated and uncured, presents a great and immediate danger (*United States* v. *Currens*, No. 13,152 (3d Cir. May 1, 1961))."

We respectfully submit that the community is far better protected when defendants of unsound mind are committed to a mental institution to receive medical treatment than if they are sent to prison.

Second, the rule as to criminal responsibility (the Durham rule) which the committee proposes to change has nothing whatever to do with the work of the police. The police apprehend offenders, who may or may not be mentally competent. The Durham rule is applied at the trial itself, long after the arrest. It governs the testimony at the trial and the instructions to the jury by the trial judge. There is not the slightest evidence that the Durham rule has affected the work of the police in any way, or that it has anything to do with the recent increase in criminal behavior in the District.

Third, we think it is important to maintain an accurate perspective concerning the dimensions of this problem. The Durham case was decided on July 1, 1954. In the following 6 fiscal years ending July 1, 1960, over 9,400 persons were charged with criminal offenses in the District of Columbia; but only 106 defendants were found not guilty by reason of insanity. In other words, only about 1 percent of all accused persons have been acquitted during this period on insanity grounds. All of them were committed to a mental institution, and many of them are still confined as mental patients.

It is also relevant to note what happened to those who were subsequently unconditionally released from St. Elizabeths Hospital. According to a comprehensive survey published in the Washington Post of August 9, 1959 (p. E–5), of 90 persons acquitted by reason of insanity between July 1, 1954, and August 9, 1959, unconditional releases had been granted to 25 persons and conditional releases to 4 others. Of the 25 permanently released, only 3 were subsequently convicted on felony charges and only 4 were convicted of minor offenses. This is a low rate of recidivism, compared to the over 67-percent rate of recidivism of inmates of Federal prisons.[1]

It is evident that the use of the Durham rule by the courts of the District of Columbia has not loosed a flood of criminals upon the public. On the contrary, it has afforded greater protection to the community, and has been more just to the individual, than the usual criminal sanctions.

Number of acquittals by reason of insanity in the U.S. District Court for the District of Columbia

Fiscal year	Total defendants	Number of persons acquitted by reason of insanity [1]	Percentage of acquittals by reason of insanity
1951	1,936	0	0
1952	1,692	3	0.2
1953	2,103	3	.1
1954	1,932	7	.4
Durham decided July 1, 1954:			
1955	1,416	10	.7
1956	1,650	15	.9
1957	1,517	7	.5
1958	1,714	14	.8
1959	1,705	30	1.8
1960	1,401	30	2.1

[1] Figures for 1957–60 are from the Administrative Office of the U.S. Courts.

II. THE BILL WOULD MAKE FAR-REACHING CHANGES IN A HIGHLY COMPLICATED AND CONTROVERSIAL AREA, AND IT HAS NOT RECEIVED ADEQUATE CONSIDERATION

H.R. 7052 in effect establishes a new code to govern (a) the insanity defense in criminal cases in the District, and (b) the procedures relating to commitment and discharge from hospital confinement of persons who have been found not guilty by reason of insanity.

It would govern the procedure at pretrial where insanity is an issue. It would create a new standard of responsibility to be applied at the trial itself. It would affect the conduct of the trial—specifically the burden of proof, the nature of the testimony by psychiatrists and laymen, and the instructions that would be given to the jury by the trial judge.

The bill also spells out the procedure to be followed after the trial if a verdict of not guilty by reason of insanity is entered. It relates, in other words, to the questions of posttrial confinement and release from hospitalization, an issue on which the Senate Subcommittee on Constitutional Rights has recently held hearings.

Questions relating to judicial administration of the insanity defense are among the most complicated and controversial problems in administering criminal justice. The authors of the American Law Institute's Model Penal Code—a group which includes some of the country's most distinguished judges, lawyers, and law professors—have noted that:

"No problem in the drafting of a penal code presents larger intrinsic difficulty than that of determining when individuals whose

[1] The Federal Bureau of Prisons has provided the following data concerning persons committed to Federal prisons with sentences of over 1 year who had served previous sentences:

Fiscal year ending June 30—	Total number of persons committed during fiscal year	Persons who served previous commitments	Percentages
1957	10,326	6,762	65.5
1958	10,323	6,871	66.6
1959	10,613	7,179	67.6
1960	10,734	7,230	67.4

conduct would otherwise be criminal ought to be exculpated on the ground that they were suffering from mental disease or defect when they acted as they did (Model Penal Code, tentative draft No. 4, p. 156)."

Similarly, Judge Stanley N. Barnes has pointed out that the question of criminal responsibility, "far from being ordinary, is perhaps the most controversial problem existing in the criminal law today" (Barnes, J., in *Sauer* v. *United States*, 241 F. 2d 640, 644 (9th Cir. 1957)).

H.R. 7052 was introduced scarcely a month ago and has received only a cursory hearing by a subcommittee of this committee. The printed hearings cover only 149 pages, and the most of the testimony at the hearings related to a different bill (the so-called Mallory bill, H.R. 7053) and other subjects. The subcommittee did not hear the views of a single representative of the bar, except for the present and former U.S. attorneys. It did not hear testimony on the subject matter of this bill from any doctor, penologist, psychiatrist, psychologist, medical social worker, or other expert in the field of mental health. Certainly, it should be obvious that "so long as the defense of irresponsibility by reason of insanity is recognized in any form, the law needs to be aided in its administration by expert psychiatric testimony" (interim report of subcommittee of the Governors' conference on the defense of insanity, New York, May 29, 1958, mimeographed draft, p. 5).

We do not suppose that anyone would seriously suggest that a bill relating to workmen's compensation for heart disease should be enacted without consulting cardiologists, or that an act relating to the medical effects of the use of drugs would be approved without hearing from physicians who are specialists in the field. Yet not one psychiatrist was invited to comment on H.R. 7052.

Similarly, the committee did not receive the testimony of a single representative of the many universities now studying this problem. In short, the committee did not receive testimony from a representative group of persons. The principal witnesses before the committee were the District Chief of Police and a single district judge. With all due respect, we must say that we do not feel that the Chief of Police is a qualified authority with respect to the problem of the insanity defense; and the district judge testified as follows at the hearings (p. 48):

"Mr. HUDDLESTON. Judge, have you examined Judge Davis' bill, H.R. 7052?

"Judge HOLTZOFF. I haven't had a copy of it. I haven't seen it."

The fact is that the Durham rule has been widely praised and strongly supported by many informed persons. It has been supported by a substantial majority of the District's Court of Appeals, including two former chief judges, E. Barrett Prettyman and Henry Edgerton. The Durham rule has been approved by an overwhelming majority of psychiatrists. It has been strongly endorsed by mental health specialists who have had the most intimate contact with the administration of criminal justice, including two of the country's most eminent authorities. Dr. Winfred Overholser, Superintendent of St. Elizabeths Hospital, recently told the Senate Subcommittee on Constitutional Rights (May 2, 1961):

"I have been from the start a supporter of the so-called Durham formulation. I believe it is much sounder psychiatrically than any of the other so-called tests."

Dr. Manfred Guttmacher, chief medical officer of the supreme bench of Baltimore, stated that the formula of the Durham opinion "was favored by nearly 90 percent" of the psychiatrists participating at a recent annual meeting of the American Psychiatric Association (Guttmacher, "The Psychiatrist as an Expert Witness," 22 Univ. of Chicago Law Review 325, 327 (1955)).

In addition, it is significant that the present bill is not supported by the District of Columbia Bar Association. Indeed, a proposal to abolish Durham and to substitute a statutory rule somewhat similar to that contained in H.R. 7052 was voted down by the District of Columbia Bar Association, by an overwhelming majority, in September 1959 (26 Journal, Bar Association, D.C., 301, 316, 448–449).

The Durham rule was developed from the similar New Hampshire rule (*State* v. *Dike*, 49 N.H. 399 (1869)), and has been followed in two other jurisdictions—Maine and the Virgin Islands. The courts of a number of States have decided not to follow it, in part because the rule in many States is embodied in a statute which can be altered only by the State legislature. However, there is widespread and growing support for reform in this field.

Only recently the Court of Appeals for the Third Circuit adopted a new test of criminal responsibility (*United States* v. *Currens*, No. 13,152 (3d Cir., May 1, 1961)). In doing so, the court of appeals flatly rejected the language contained in section (a)(2) of H.R. 7052, which eliminates consideration of abnormality manifested by repeated criminal or otherwise antisocial conduct.

In New York, the Governors' Conference on the Defense of Insanity (May 29, 1958) has proposed a new test and new procedural rules with respect to the insanity defense.

Various facets of this topic are now being intensively researched in various universities, including Yale, University of Pennsylvania, University of Minnesota, University of Chicago, Temple, Stanford, University of California, and others. Yet, the committee gave no perceptible consideration to these studies and reports.

We do not believe that any legislation in this field should be proposed for a vote by the House until there have first been extensive committee hearings and serious consideration of the testimony of experts and various informed persons in this difficult field.

III. THE PROPOSED STANDARD OF RESPONSIBILITY IS ANTIQUATED, AMBIGUOUS, AND WOULD PRODUCE INJUSTICE

The heart of H.R. 7052 is section (a)(1) which would create a new standard of criminal responsibility for the District.

At the present time the rule applied in the District of Columbia is that "[A]n accused person is not criminally responsible if his unlawful act was the product of mental disease or defect" (*Durham* v. *United States*, 214 F. 2d 862, 874–875 (D.C. Cir. 1954)).

The Durham test, adopted in 1954, has three great virtues. First, it brings the test of criminal responsibility into harmony with modern medical knowledge concerning mental disorder.

Second, it permits psychiatric experts to testify freely and to give juries the benefit of their expert knowledge. They are allowed to tell the jury the truth and nothing but the truth about their diagnosis.

Third, the Durham test focuses attention squarely on the question of mental disease and defect as a causal factor in criminal conduct.

H.R. 7052 proposes to abolish this test and to substitute in its stead the following standard:

"(a) * * * (1). A person is not responsible for criminal conduct if at the time of such conduct as a result of mental disease or defect he lacks substantial capacity either to know or appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law."

The test contained in the bill has been presented by some as the American Law Institute test. The fact, however, is that it differs from the American Law Institute test in a critical respect. The phrase "to know" does not appear in the ALI test, which is set out in the footnote below.[2] The committee has taken this part of the test from the long discredited "knowledge of right and wrong test" adopted by the English House of Lords in 1843 in the *M'Naghten* case (10 Cl. & Fin. 200 (H.L. 1843)). In other words, that part of the proposed test which provides that a defendant shall be criminally responsible unless he lacks capacity "to know * * * the wrongfulness of his conduct" is an attempt to perpetuate the 1843 English rule—a rule adopted long before the rise of modern psychiatry.

The basic difficulty with knowledge of right and wrong as a test of responsibility is that an individual may intellectually know that his conduct is illegal, but he may emotionally lack the capacity to control his conduct. The ALI Model Penal Code points out that "even though cognition still obtains, mental disorder may produce a total incapacity for self control" (Tentative Draft No. 4, p. 157, 1954).

The knowledge of wrongfulness test proposed in H.R. 7052 is far too narrow, since nearly all insane persons know the difference between right and wrong. Dr. Gutmacher, chief medical officer, Supreme Bench of Baltimore, has pointed out:

"But, we know that most inmates of institutions for the insane, if examined in regard to their knowledge of right and wrong, would pass the test perfectly. Otherwise, it would be impossible to have wards with a hundred inmates and one or two attendants, as is all too often the case in many of our State hospitals (Gutmacher, 'The Psychiatrist as an Expert Witness,' 22 University of Chicago Law Review 325, 328 (1955))."

Thus, persons who are so mentally ill that it would be unreasonable and unjust to hold them accountable could be deemed responsible under the right and wrong test.

The right and wrong test has been forcefully and repeatedly condemned by judges, lawyers, criminologists, and psychiatrists. Thirty years ago, Judge Cardozo pointed out that this test "has little relation to the truths of mental life" (Cardozo, "Law and Literature," 106 (1931)). A Royal Commission in England which made an exhaustive and wise quoted study of this problem concluded:

"In our view the test of criminal responsibility contained in the McNaghten rules cannot be defended in the light of modern medical knowledge and modern penal views ('Report of the Royal Commission on Capital Punishment,' 1949–53, p. 103)."

In testimony before the Royal Commission, Justice Frankfurter characterized the right and wrong rules as "in large measure shams" ("Royal Commission Report," p. 102). And only recently, Chief Judge Biggs, of the Court of Appeals for the Third Circuit, said that "the McNaghten rules are not only unfair to the individual defendant but are dangerous to society" (*United States* v. *Currens*, No. 13,152 (May 1, 1961)).

We do not believe that the Congress should now adopt a test which contains as an essential feature a standard so severely condemned in so many informed quarters.

Moreover, the test of responsibility formulated in the bill is highly ambiguous. Are the phrases "to know" and "to appreciate" used as synonyms, or do they mean different things? If they mean the same, why are both phrases used? If "to know" means

[2] The ALI test reads as follows: "A person is not responsible for criminal conduct if at the time of such conduct, as a result of mental disease or defect he lacks substantial capacity either to appreciate the criminality (wrongfulness) of his conduct or to conform his conduct to the requirements of law."

something apart from "to appreciate," what does each mean? Furthermore, what is meant by the phrase "wrongfulness"—does it mean knowledge by the accused that his conduct is illegal, or that it is morally wrong? In addition, we think that as a jury instruction the proposed test is awkward and confusing.

Whatever may be the merits or demerits of the Durham test, we have no hesitation in saying that the test of "knowing" or "appreciating" the "wrongfulness of his conduct," as proposed in the bill, would not represent any improvement whatsoever.

IV. THE BILL WOULD VIOLATE CONSTITUTIONAL RIGHTS

We are deeply concerned by various features of the bill which threaten to prejudice constitutional rights of accused persons in criminal cases.

Section (c)(1) of the bill provides as follows:

"(c) * * * (1). Mental disease or defect excluding responsibility is an affirmative defense which the defendant must establish by showing of substantial evidence."

For more than 60 years, it has been the rule in all Federal courts that once sanity is in issue, the prosecution must prove that the defendant was sane beyond a reasonable doubt (*Davis* v. *United States*, 160 U.S. 469, 488 (1895); *Rivers* v. *United States*, 270 F. 2d 435, 439 (9th Cir. 1959), cert. denied, 362 U.S. 920 (1960)).

This rule rests on two pillars:

First, under our system of law, the defendant is presumed innocent. An element of a criminal offense is criminal intent. To excuse the prosecution from proving criminal intent would subvert the presumption of innocence. Only a person of sound mind can have criminal intent; and the prosecution must, therefore, prove that the accused is of sound mind if sanity is an issue.

Second, many defendants in criminal cases are indigent and illiterate. The prosecution, on the other hand, has at its disposal extensive investigative facilities and personnel. In the District of Columbia, all of the fine staff and facilities of St. Elizabeths Hospital, one of this country's great mental institutions, is fully available to the District prosecutors.

We believe such shifting of the burden of proof as proposed in section (c)(1) of the bill is contrary to the spirit of the Constitution because it undermines the presumption of innocence.

In any event, we feel that it does not fairly reflect the relative strength and position of the prosecution and the defendant. It loads the scales far too heavily in favor of the prosecution.

V. THE BILL WOULD PRECLUDE FAIR CONSIDERATION OF THE INSANITY DEFENSE BY THE JURY

Section (i)(1) of H.R. 7052 provides:

"(i) * * * (1). The jury shall not be told by the court or counsel for the Government or the defendant at any time regarding the consequences of a verdict of not guilty or acquittal by reason of insanity."

This provision is designed to reverse a series of carefully considered rulings by the court of appeals, including *Lyles* v. *United States* (254 F. 2d 725 (D.C. Cir. 1957), cert. denied, 346 U.S. 961 (1958)), and *Taylor* v. *United States* (222 F. 2d 398, 404 (D.C. Cir. 1955)).

We believe this provision of the bill strikingly reveals the one-sided character of the proposed legislature. A jury commonly knows the consequences when it renders a verdict of guilty or a verdict of not guilty. Jurymen are typically aware that unless probation is granted, a defendant who is found guilty may be executed, imprisoned, or fined. The consequences of a verdict of not guilty by reason of insanity, however, are not commonly understood. The jury does not usually know that a defendant who is acquitted on insanity grounds will be confined in a mental institution. Thus, a jury which believes that the defendant will be turned loose may convict him although there is impressive and persuasive evidence that he is of unsound mind.

The bill would thus simply keep relevant information from the jury. We know of no legitimate reason which can be advanced in support of such a rule. To the contrary, considerations of fairness and the rational administration of justice impel the conclusion that the jury should be informed of the disposition that will be made of the accused.

Still another example of how the bill would keep relevant information from the jury is the provision in the third sentence of section (g)(3), on page 9 of the bill, which specifies that a psychiatrist who has not examined the defendant shall be prohibited from giving expert psychiatric opinion testimony with respect to the mental condition or responsibility of the defendant.

Opinion testimony by medical experts, including psychiatrists, who have not examined the particular person whose physical or mental health is involved in the litigation is commonplace in many types of trials—e.g., automobile accidents cases, will contest cases, etc. Such testimony provides valuable aid to the court and jury in their ascertainment of the relevant facts. The fact that the medical expert has not examined the particular person whose health is involved in the litigation may affect the weight to be given to his testimony, but is not a reason for excluding it.

There is no valid reason to adopt a different rule for psychiatric testimony in criminal cases. A competent psychiatrist can make a provisional diagnosis without actual interview or examination of the defendant. He can obtain relevant data concerning the defendant's mental condition by observing his demeanor, attitude, conversation, responses to questions of others, and similar reactions. He can also express an opinion as to the defendant's mental health on the basis of facts stipulated by the prosecution and defense counsel, or on the basis of information supplied by persons who have had close contact with the defendant. In short, the provision in section (g)(3), prohibiting such testimony, unconstitutionally operates to keep relevant information from the jury, and to weigh the scales against indigent defendants, who cannot easily obtain full examination by independent psychiatrists.

VI. THE POSTTRIAL DISCHARGE PROVISIONS OF THE BILL RAISE MANY SERIOUS QUESTIONS

Section (b) of H.R. 7052, codifying the postacquittal procedures, not only fails to deal with many problems concerning posttrial commitment and release, but also restricts applications for release in a way that could deprive sane persons of their constitutional rights.

The critical question in a trial where insanity is pleaded as a defense is whether the accused suffered from a mental disease at the time of the offense. Since the defendant must be mentally competent in order to be tried, it is possible—indeed, it is not uncommon—for a jury to conclude that the defendant is not guilty by reason of insanity as of the time of the offense, although he may be of sound mind at the time of the verdict.

Under present District law, a defendant who is found not guilty by reason of insanity is automatically hospitalized. The defendant may immediately apply for his release by a petition for habeas corpus on the ground that he has recovered his sanity and that he will not be dangerous to the community or to himself if he is relased.

Recently, the Senate Subcommittee on Constitutional Rights conducted extensive hearings with respect to the problems of posttrial commitment and the release of persons committed to a mental institution after verdict of not guilty by reason of insanity. A number of witnesses testified that the present procedures are unfair to defendants because there is no provision for a hearing immediately following the trial to ascertain whether the defendant is then of unsound mind.

Moreover, should an independent panel of psychiatrists be appointed by the court to examine the defendant and to advise the court, thus eliminating the "battle of experts"? Should there be a separate hearing immediately following the conclusion of the trial to ascertain only if the defendant is then "dangerously insane"? The latter point has been strongly urged by an experienced District lawyer, Charles Halleck, Jr., Esq. (Halleck, "The Insanity Defense in the District of Columbia—A Legal Lorelei," 49 Geo. L.J. 294, 318–319 (1960)).

In addition, questions were raised in the Senate subcommittee hearings as to the standards which should be followed in determining whether and under what circumstances a defendant should be released from hospital confinement. For example, should the test for release be phrased in terms of (1) whether the defendant has recovered his sanity or (2) whether the defendant would be dangerous to anyone if he is discharged?

H.R. 7052 does not take into account any of these issues. It does not incorporate any of the suggestions for procedural reform that were recommended to the Senate Subcommittee on Constitutional Rights. The Congress certainly should await the report of that subcommittee before dealing with the posttrial discharge provisions of this bill.

In addition, section (h)(5) of H.R. 7052 raises far-reaching constitutional issues. This section provides that a person who is committed to a mental institution, after acquittal on grounds of insanity at the time of the offense, cannot apply for release until after 6 months from the date of his confinement. However, the defendant may be sane at the time of the verdict. Under this bill, therefore, a sane man could be commited to a mental institution for a minimum of 6 months without any opportunity to obtain his release. Furthermore, if his application at the end of the 6-month period is denied for any reason, the bill prohibits his filing another application for 12 additional months. Such provisions are clearly unconstitutional as a deprivation of liberty without due process of law.

CONCLUSION

During the past 7 years, the Court of Appeals for the District of Columbia has been developing through the judicial process a progressive approach to the problem of dealing with the significant role that mental illness has in criminal conduct. The court has done so in a manner that best protects the community as well as the individual defendant. The court's decisions, which have resulted in extensive discussion throughout the United States, have been warmly approved by eminent judges, legal commentators, psychiatrists, and others who have carefully studied the matter.

H.R. 7052 is designed to reverse or modify many of the court's decisions. The bill would undo the work of the court, and do so on the basis of the most superficial consideration. It would substitute an obsolete and indefensible standard of criminal responsibility. It would establish new rules of procedure which would seriously compromise constitutional rights. H.R. 7052 is a backward-looking bill which should be voted down.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks on each of the District bills to be considered today immediately following the passage of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BROYHILL. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks on each of the District bills to be considered today immediately following the passage of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. McMILLAN. Mr. Speaker, H.R. 7052 is based upon the formulation recommended by the American Law Institute as the test of insanity as a defense in criminal cases, sometimes referred to as the test of criminal responsibility. H.R. 7052 is intended to apply to criminal cases in the District of Columbia, replacing the test of criminal responsibility stated by the U.S. Court of Appeals for the District of Columbia Circuit in *Durham* v. *United States*, 94 U.S. App. D.C. 228, 214 F. 2d 862 (1954).

The Durham rule has been considered by a number of State and Federal courts. Every such court which has considered the rule has rejected it. See the concurring opinion of Judge Burger in *Blocker* v. *United States*, decided March 3, 1961. In footnote 22 at page 27 of the slip decision in that case, Judge Burger has collected the citations of the cases in which all of such courts have rejected the Durham rule. They are as follows: *Dusky* v. *United States*, 27 F. 2d 385, 401 (8th Cir. 1959), reversed on other grounds, 362 U.S. 402 (1960); *Black* v. *United States*, 269 F. 2d 38 (9th Cir. 1959), certiorari denied, 361 U.S. 938 (1960); *Voss* v. *United States*, 259 F. 2d 699 (8th Cir. 1958); *Sauer* v. *United States*, 241 F. 2d 640 (9th Cir.), certiorari denied, 354 U.S. 940 (1957); *Anderson* v. *United States*, 237 F. 2d 118 (9th Cir. 1956); *Howard* v. *United States*, 232 F. 2d 274 (5th Cir. 1956); *United States* v. *Kunak*, 5 U.S.C.M.A. 346, 17 C.M.R. 346 (1954); *United States* v. *Smith*, 5 U.S.C.M.A. 314, 17 C.M.R. 314 (1954) *State* v. *Crose*, 357 P. 2d 136 (Ariz. 1960); *Downs* v. *State*, 330 S.W. 2d 281 (Ark. 1959); *People* v. *Nash*, 52 Cal. 2d 36, 338 P. 2d 416 (1959); *Early* v. *People*, 352 P. 2d 112 (Colo. 1960) (McNaghten test incorporated in statute); *State* v. *Taborsky*, 147 Conn. 194, 158 A. 2d 239 (1960); *State* v. *Davies*, 146 Conn. 137, 148 A. 2d 251, certiorari denied, 360 U.S. 921 (1959); *Piccott* v. *State*, 116 So. 2d 626 (Fla. 1959); *People* v. *Carpenter*, 11 Ill. 2d 60, 142 N.E. 2d 11 (1957); *Flowers* v. *State*, 236 Ind. 151, 139 N.E. 2d 185 (1957); *State* v. *Andrews*, 357 P. 2d 739 (Kans. 1960); *Bryant* v. *State*, 207 Md. 565, 115 A. 2d 502 (1955); *Thomas* v. *State*, 206 Md. 575, 112 A. 2d 913 (1955); *Commonwealth* v. *Chester*, 337 Mass. 702, 150 N.E. 2d 914 (1958); *State* v. *Finn*, 100 N.W. 2d 508 (Minn. 1960) (test incorporated in statute); *State* v. *Goza*, 317 S.W. 2d 609 (Mo. 1958); *State* v. *Kitchen*, 129 Mont. 331, 286 P. 2d 1079 (1955) (dictum); *Sellars* v. *State*, 73 Nev. 248, 316 P. 2d 917 (1957) (dictum); *State* v. *Lucas*, 30 N.J. 152 A. 2d 50, 64–69 (1959); *People* v. *Johnson*, 169 N.Y.S. 2d 217 (Westchester County Ct. 1957) (test incorporated in statute); *State* v. *Robinson*, 168 N.E. 2d 328 (Ohio Ct. App. 1958) (deferring to the State supreme court); *Commonwealth* v. *Woodhouse*, 164 A. 2d 98 (Pa. 1960); *State* v. *Kirkham*, 7 Utah 2d 108, 319 P. 2d 859 (1958); *State* v. *Goyet*, 120 Vt. 12, 133 A. 2d 623, 650–654 (1957); *State* v. *Collins*, 50 Wash. 2d 740, 314 P. 2d 660 (1957).

This new formulation is intended, not so much as a repudiation of the Durham rule, as an effort to develop it, give it more specific content, and establish criteria to provide guidance to trial courts and juries. The Durham rule simply states "that an accused is not criminally responsible if his unlawful act was the product of mental disease or mental defect." In that case the Court discarded a well-established test of insanity as a defense, that is the rule in the McNaghten case. The McNaghten rule held to the proposition that a person was responsible for his criminal conduct if he possessed the capacity to distinguish between right and wrong. In the District of Columbia that rule was somewhat modified in *Smith* v. *United States*—59 U.S. App. D.C. 144, 36 F. 2d 548 (1929). The Smith rule as it affected the McNaghten rule permitted a defendant to avoid criminal responsibility, if, though he could distinguish between right and wrong, he was impelled to commit the criminal act because of an impulse which irresistibly motivated his conduct. It is clear that the Smith case clearly contemplated that a person was to be held responsible for his criminal behavior if he possessed the capacity to control his conduct and knew the difference between right and wrong. In other words, under the Smith rule a person was held responsible for his acts, if, knowing the difference between right and wrong, he possessed the capacity to select the right and discard the wrong.

In a nutshell, it may be said that the McNaghten rule as modified by the Smith case brought to the law a system of values which were grounded upon the basic proposition that a person who possesses a free will is responsible for the misuse of such free will.

The *Durham* case—94 U.S. App. D.C. 228, 214 F. 2d 862—brings to the law a rule which tends to favor the proposition that mental denormality should operate to excuse criminal behavior. Nevertheless, the committee would not turn the clock completely back to the McNaghten rule. The Durham rule, however, unsatisfactory it may now appear by reason of its exceedingly general terms, does take into account the vast gains in psychiatric knowledge since McNaghten days, when a criminal's ability to distinguish right from wrong could not be much refined by medical knowledge, as a test of mental condition. The court of appeals in the Durham opinion, in emphatic and express terms, encouraged the application of psychiatric knowledge and evidence of various symptoms of mental disease in determining the defendant's criminal responsibility. These features of the Durham rule we would retain in more concretely developed form.

THE DURHAM RULE IS TOO GENERAL

The rule in the Durham case is so simple in its form and so general that it does not give guidance to trial courts or juries. The Durham case defines a mental disease as something which is subject to change and it defines a mental defect as something which is not subject to change. That is all of the guidance the opinion contains in terms of definition. The words "product of" and "caused by" are question-begging terms. These terms are also too general in their meaning. The court of appeals in a subsequent opinion, *Carter* v. *United States*, 102 U.S. App. D.C. 227, 252 F. 2d 608 (1957), endeavored to clear up some of the problems arising out of the "productivity" language of Durham. All that seems to be gained by the Carter case is a catalog of synonyms. The net result of the Durham decision as explained in Carter, is to place upon the prosecutor the duty of proving the negative of causation or productivity. This comes down to a duty to prove the negative of a negative. The experience of a prosecutor under the Durham decision is that it is well-nigh impossible to prove the negative of productivity. This is the case because the psychiatrists will not usually address themselves to such a concept and they usually say that "productivity" is a jury question, or a legal question. If then the prosecutor fails to procure psychiatric testimony of this character the court of appeals will be inclined to reverse and remand for the reason that there was insufficient proof of the negative of the productivity concept. See *Wright* v. *United States*, 102 U.S. App. D.C. 36, 250 F. 2d 4 (1957); *Douglas* v. *United States*, 99 U.S. App. D.C. 232, 239 F. 2d 52 (1956). In Douglas, the court of appeals disregarded strong lay testimony indicating soundness of mind and in effect said that the prosecutor must meet psychiatric testimony with psychiatric testimony.

Of course, that idea was not followed in the Carter case, supra, where there was reversal and remand in a situation where all the psychiatrists, including a defense witness, favored the Government's position and 15 lay witnesses testified about examples of behavior such as the defendant's propensity to steal, to beat up on smaller children, to wet the bed, to not be able to get along with foster parents, to masturbate, and the like. The Carter decision as an interpretation of Durham is rather singular in that the psychiatric witnesses, not favored by the Court in this instance, all considered and discarded as unimportant the various law testimony symptoms. The law testmony prevailed in that case.

APPELLATE REVIEW UNDER THE DURHAM PRINCIPLE HAS BEEN AD HOC IN CHARACTER

It appears that the appellate court in considering questions under Durham conducts itself on an ad hoc basis. For example, in the Carter case, supra, the reliance by the court was upon the lay

testimony which had been discarded by the psychiatric witnesses as being inappropriate. On the other hand in the Douglas case, the court discarded the lay testimony which favored the Government, saying in effect that expert testimony must be met by expert testimony if the Government should prevail. Such ad hoc treatment gives no guidance to the trial courts. A rule so general as the Durham rule lends the opportunity for such ad hoc action.

UNDER THE DURHAM DECISION THE PSYCHIATRIST HAS BECOME THE ARBITER

There is a wealth of testimony before this committee to the effect that under the Durham decision the psychiatrist has become the arbiter or the final judge of the issues of criminal responsibility. A prime example of this proposition is the famous "big switch" in United States against Leach. In that case, which was tried in November of 1957, certain witnesses who were psychiatric experts representing St. Elizabeths Hospital testified that Leach was a sociopath. They said that a sociopath did not suffer from a mental disease or defect. A weekend ensued between the time of their testimony and the Monday when the Assistant Superintendent of St. Elizabeths Hospital was called to the stand by the Government. That gentleman, who was also a psychiatric expert, then testified that as of that morning, that is, the day of his testimony, he and the Superintendent of St. Elizabeths Hospital had made the determination that a sociopathic personality or psychopath should no longer be classified as being without mental disorder. Reference to this "big switch" is to be found in the record of this committee including, but not limited to, the testimony of a former U.S. attorney. The record reflects that the psychiatrist who was responsible for the "big switch" on that fateful Monday had been interviewed the preceding Saturday, at which time he stated an opinion inconsistent with the "big switch." The "big switch" details in the record of this committee are to be found at pages 73 and 74 of the record. These details are unchallenged.

Prior to the Leach case, the psychopath or the sociopath was not considered to be a person suffering from a mental disease. The decision on the part of the psychiatrists at St. Elizabeths Hospital in November 1957, to change their position and to treat the sociopathic personality as being within the realm of mental disease has cluttered the picture to the point where the mental disease concept has expanded beyond all sense and proportion. The bill proposed by this committee will correct that situation.

THE STATISTICS OF CASES UNDER THE DURHAM RULE

Prior to the Durham decision less than 1 percent of the criminal cases tried in the U.S. District Court for the District of Columbia resulted in verdicts of not guilty by reason of insanity. The Durham decision was handed down on July 1, 1954. Thereafter the percentage did not change remarkably. However, in the year 1957 the percentage was 1.5, in 1959 it climbed to 6 percent. The following year, 1960, it became 8 percent. During the first 6 months of fiscal 1961 the figure rose to 14.2 percent, and in the month of February of 1961 it was 25 percent. This means that in February 1961, 25 percent of the persons tried in the District Court for the District of Columbia for criminal offenses were found not guilty by reason of insanity. It is evident that the shift in statistics occurred at about the time of the big switch in the Leach case.

THE "SOME EVIDENCE" RULE

In the District of Columbia the burden is upon the United States or the prosecutor to prove the sanity of a defendant if some evidence of insanity is introduced into the case *Davis* v. *United States*, 160 U.S. 469; *Davis* v. *United States*, 165 U.S. 373, and *Tatum* v. *United States*, 88 U.S. App. D.C. 386, 190 F. 2d 612 (1951). That rule, that is the "some evidence" rule, did not impose an undue burden on the Government so long as the Government's duty involved only the type of proof required by the right and wrong test and the irresponsible impulse test. That is the case because those concepts were capable of responsible management by a fair prosecutor. The "some evidence" rule, however, takes on an entirely different meaning in relation to the Durham rule, as such rule has been explained in Carter, supra. It will be recalled that under the Durham test the Government must prove beyond a reasonable doubt that there is no mental disease or defect. Failing that proof, the Government must then prove beyond a reasonable doubt the negative of productivity. In other words, the first burden is to prove the negative of insanity and the second burden is to disprove or prove the negative of productivity.

It will be recalled that it has been shown above that psychiatrists usually refuse to address themselves to such negative concepts, saying that these are matters for the jury. It will also be recalled that failing such proof, that is the proof refused by the psychiatrist, the court of appeals will reverse and remand because of the failure of the Government to assume its duty of disproving productivity beyond a reasonable doubt. It may be said that the Government is faced with an impossible burden of proof under the "some evidence" rule as such is applied to cases in relation to the Durham rule.

THIS IS A LEGITIMATE AREA FOR LEGISLATIVE ACTION

It has been said by apologists for the Durham rule that the rule of criminal responsibility in the District of Columbia is judge-made law and should never be overturned by legislative action. That statement is based upon reference to the fact that the McNaghten case, the Smith case and the Durham case were all determined judicially. However, such apologists for the Durham doctrine fail to take into consideration in dictum of the Supreme Court on this very point. *Fisher* v. *United States*, 320 U.S. 463 (1946). In that case the appellant sought to establish a rule of "diminished responsibility" for criminal behavior resulting from personality defects. The Supreme Court discarded the contention that diminished responsibility should be imposed upon the law of the District of Columbia and had the following to say on the point (328 U.S. at 476):

> We express no opinion upon whether the theory for which petitioner contends should or should not be made the law of the District of Columbia. Such a radical departure from common law concepts is more properly a subject for the exercise of legislative power or at least for the discretion of the courts of the District.

It is very clear, therefore, that the Congress of the United States has the power to make or modify a rule of criminal responsibility. Moreover there is no such thing as sanctuary in the law wherein only the judges modify such rules. At least the Supreme Court of the United States does not consider such to be the case.

THE RULE PROPOSED

The rule proposed by this committee at this time is patterned after and follows closely the formulation of the American Law Institute. The American Law Institute has studied the question over a long period of time and has considered the matter in a most profound manner. Such leaders of the bench as the late great Judge John J. Parker, Judge Edward Jordan Dimock, and the late Judge James Alger Fee participated in the preparation of the formulation here proposed. It is clear from a fair reading of the proposed bill that the intention of the formulators of the same is to restore to the law the concept of control on the part of the accused over his behavior. The rule proposed is that a person is not responsible for criminal conduct if, at the time of such conduct as a result of mental disease or defect, he lacks substantial capacity to know or appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law. Stated another way, a person under this bill would be responsible for his criminal conduct if he has substantial capacity to know or appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law. Thus it appears that a person would be excused only if a mental disease or defect deprives him of substantial capacity to conduct himself in accordance with the requirements of law. This rule specifically renders the sociopath or the psychopath, whose abnormal behavior is manifested only by repeated criminal or otherwise antisocial conduct, responsible for his conduct.

The bill also provides that mental disease or defect excluding responsibility in an affirmative defense which the defendant must establish by substantial evidence. Moreover the defendant must give notice in a timely manner of his defense if he seeks to avoid responsibility because of mental disease or defect. The bill also sets forth at great detail the procedures to be followed should there be a verdict of not guilty by reason of insanity. The bill provides that after such a verdict, there shall be hospitalization. Thereafter, any release shall be conditioned upon the supervision of the court.

The requirement that there be notice regarding the interposition of the defense of insanity is based upon recent

experience in the U.S. District Court for the District of Columbia. Monte Durham was subject to be tried for his second offense. The Government requested the court to permit an examination to determine Durham's competence to be tried and cited in support of the motion the voluminous history of Durham's so-called prior mental illness. Durham's attorney objected to the procedure. The trial judge was compelled to deny the Government's motion. At trial Durham's attorney imposed the defense of insanity. The Government was deprived of the opportunity of rebuttal because of Durham's insistence through counsel that the Government's pretrial motion be denied. This is cited as an example of how the defense of insanity may become a plaything and frivolous unless the defense is circumscribed by rules such as the one proposed here concerning notice.

The proposed bill also goes into the subject of determinations concerning competence to be tried. Such provisions are self-explanatory and very clear. The primary emphasis in this respect is on the necessity for the substantive rule which is contained in paragraph A1 and A2. This, your committee considers to be necessary legislation in order that there be no further problems such as those encountered under the Durham decision. Your committee also believes that the defendant in a criminal proceeding should have the duty to give timely notice and to establish the defense of mental disease and defect excluding responsibility as an affirmative defense by a showing of substantial evidence.

Moreover, your committee believes that with the bill here proposed we shall restore to juries the jury functions. Thereby, we shall be able to avoid such miscarriage of justice as we find in the Douglas and Wright cases cited above where the appellate court has substituted its judgment for that of the jury.

The formulation which we propose will also avoid the disastrous results arising from the use of question begging language such as "productivity" and the various synonyms of that term. In this connection it is borne in mind that the experts tend to refuse to address themselves to questions concerning productivity and the result usually is that the appellate court then has the opportunity to reverse and remand because of the failure of proof on the part of the Government. This bill will eradicate sources of such vicious circles and will negate the monumental confusion which has arisen from the Carter case explanation of the Durham rule. Reference here is to attempt in Carter, supra, to explain the concept of productivity in a framework in which the court ad hoc discarded the psychiatric testimony in favor of the lay testimony which in turn had been discarded by the psychiatrists.

Your committee was urged by the U.S. attorney for the District of Columbia to recommend an amendment to the bill which would place the burden of proof upon the defendant to prove the presence of mental disease or mental defect, and the burden of proving that the mental disease or mental defect deprived him of substantial capacity to understand or conform his conduct, and the burden of proving that the crime was the result of such deprivation. The U.S. attorney proposed that the quantum of proof required to carry this burden be a "preponderance of the evidence," the same as the burden of proof prevailing in most civil cases.

Twenty States place the burden on the defendant of proving insanity as a defense by a preponderance of the evidence. One State, the State of Oregon, imposes upon the defendant the duty of proving such a defense beyond a reasonable doubt. That burden has been approved by the Supreme Court of the United States in *Leland* v. *Oregon*, 343 U.S. 790 (1952).

In failing to adopt the U.S. attorney's proposal, regarding the burden of proof, the committee does not repudiate the merit of the proposal, but believes that further experience is desirable under the newly proposed rule of criminal insanity before the more drastic step is taken of changing the burden of proof so far as it relates to the insanity defense. The proposal to change the burden of proof may appear desirable at a later time and your committee reserves this question. There are signs of abuse of the defense of insanity that, perhaps, can only be corrected by a change in the burden of proof. A particularly recent and shocking example is in the testimony of the roommate of one Paul McGee recently acquitted, by reason of insanity, of armed holdup of the Apex Theater, in the course of which McGee shot and wounded a policeman. The roommate testified that he discussed jokingly with McGee where a robbery should be committed by a thoughtful criminal, suggesting to McGee that he select New York as a community where his family might be influential. McGee's reply was that he would select the District of Columbia, because there he could "feign insanity."

SUMMARY OF THE POINTS BY WHICH THE PROPOSED STATUTE IMPROVES UPON THE EXISTING LAW

In the following respects the bill which is proposed by your committee accomplishes a decided improvement over the existing law:

First. The Durham rule is too general in its definition of mental disease and defect. The proposed bill provides a working formula which has the approval of the American Law Institute.

Second. Under the Durham rule and related cases, the "some evidence" rule imposes the impossible burden of proof on the Government. The proposed bill places the burden where it belongs. It imposes upon the defendant the duty of establishing his defense by substantial evidence.

Third. The present law does not require the defendant to give notice of his defense. The proposed bill places that burden upon the defendant. This will reduce the use of the defense of insanity in a frivolous manner.

Fourth. Under the Durham decision, the psychiatrist has become the arbiter. Under the proposed bill, the factfinding function will be returned to the jury where it belongs.

Fifth. The Durham decision permits ad hoc appellate treatment. Under the proposed bill the standards will be so clear that there will be guidance from case to case thereby improving the ad hoc problem.

Sixth. Under the Durham decision the concept of personal responsibility for crime is subordinated to general notions concerning mental disease or mental defect. The proposed bill will return to the law the proposition that when a person is capable of controlling his conduct he is responsible for his crimes. This return to ideas of personal responsibility is essential to law enforcement in the District of Columbia.

Seventh. Under the Durham and Carter decision, supra, there is little or no guidance regarding the meaning of the words "causation" and "productivity" as they are incorporated in the Durham rule. The proposed bill will eliminate the confusion arising in this area by returning to the law the proposition that when one has a free will and is capable of controlling his activities, he is responsible for the wrongs which he commits.

Eighth. Under the Durham decision, defendants such as Paul McGee may choose the District of Columbia as the place for their criminal behavior. The bill which your committee proposes will eliminate the basis for the selection of the District of Columbia as a place within which to commit crime.

Mr. BROYHILL. Mr. Speaker, this bill is intended to apply to criminal cases in the District of Columbia, replacing the test of criminal responsibility stated by the U.S. Court of Appeals for the District of Columbia in Durham against United States.

The Durham rule has been considered by a number of State and Federal courts, and every such court which has considered the rule has rejected it. The Durham rule simply states that "an accused is not criminally responsible if his unlawful act was the product of mental disease or mental defect." In that case the court discarded a well established test of insanity as a defense, which held to the proposition that a person was responsible for his criminal conduct if he possessed the capacity to distinguish between right and wrong. It is true that in the District of Columbia that rule had been somewhat modified in Smith against United States. This Smith rule permitted a defendant to avoid criminal responsibility if, though he could distinguish between right and wrong, he was impelled to commit the criminal act because of an impulse which irresistibly motivated his conduct. In other words, under the Smith rule a person was held responsible for his acts if, knowing the difference between right and wrong, he possessed the capacity to select the right and discard the wrong.

The Durham case brings to the law a rule which tends to favor the proposition that mental denormality should operate to excuse criminal behavior. This case defines a mental disease as something which is subject to change

and it defines a mental defect as something which is not subject to change. There is a wealth of testimony to the effect that under the Durham decision the psychiatrist has become the arbiter or the final judge of the issues of criminal responsibility.

Prior to 1957, the psychopath or the sociopath was not considered to be a person suffering from a mental disease. The decision on the part of the psychiatrists at St. Elizabeths Hospital in November 1957 to change this position and to treat the sociopath personality as being within the realm of mental disease has cluttered the picture to the point where the mental disease concept has expanded beyond all sense and proportion. H.R. 7052 will correct that situation.

Under the Durham test the Government must prove beyond a reasonable doubt that there is no mental disease or defect. Failing that proof, it is then incumbent on the Government to prove that the act was not committed as a result of such mental disease or defect. It may be said that the Government is faced with a virtually impossible burden of proof under this rule.

Prior to the Durham decision less than 1 percent of the criminal cases tried in the U.S. District Court for the District of Columbia resulted in verdicts of not guilty by reason of insanity. The Durham decision was handed down on July 1, 1954. Thereafter the percentage did not change remarkably at first. However, in the year 1957 the percentage was 1.5; in 1959 it climbed to 6 percent. In 1960, it became 8 percent. During the first 6 months of fiscal year 1961 the figure rose to 14.2 percent, and in the month of February 1961, 25 percent of the persons tried in this court for criminal offenses were found not guilty by reason of insanity.

The rule proposed in this bill is patterned after and follows closely the formulation of the American Law Institute on this subject. The intent of this bill is to restore to the law the concept of control on the part of the accused over his behavior. The rule proposed is that a person is not responsible for his criminal conduct if, at the time of such conduct as a result of mental disease or defect, he lacks substantial capacity to know or appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law. Thus a person would be excused only if a mental disease or defect deprives him of substantial capacity to conduct himself in accordance with the requirements of law. This rule specifically renders the sociopath or the psycopath, whose abnormal behavior is manifested only by repeated criminal or otherwise antisocial conduct, responsible for his conduct. The bill also provides that mental disease or defect, excluding responsibility, is an affirmative defense which the defendant must establish by substantial evidence. The bill also sets forth in great detail the procedures to be followed should there be a verdict of not guilty by reason of insanity. In the event of such a verdict, it is specified that hospitalization shall ensue, and thereafter any release shall be conditioned upon the supervision of the court.

I am very strongly of the opinion that the abuse of the defense of insanity which the Durham rule has made prevalent in criminal cases in the District, and which has made this city a haven for criminals in which they can feign insanity and thus avoid punishment for their crimes, must be stopped. Hence I heartily endorse this legislation which I feel is so sorely needed.

Mr. WHITENER. Mr. Speaker, I have been very much interested in H.R. 7052. It seems to me that it serves a very worthwhile purpose in trying to bring order out of the chaos resulting from the case of Durham against the United States decided by the U.S. Court of Appeals for the District of Columbia in 1954.

At the outset I believe that it is appropriate to bring into focus the generally applied legal principles with reference to mental capacity to commit a crime. With these principles as a base I am sure that we can have a greater understanding of the work that we are doing here today.

Since a criminal intent is an essential element of crime, if by reason of insanity a person is incapable of forming such intent, he cannot be regarded by the law as guilty. The mental derangement must be such as to render the one afflicted therewith incapable of forming a criminal intent.

The test generally applied is the ability of the accused to distinguish between right and wrong. This has been the common law rule since the decision in the McNaghten case.

Every man is presumed to be sane, and to possess a sufficient degree of reason to be responsible for his crimes, until the contrary be proved to the satisfaction of the jury; to establish a defense on the ground of insanity, it must be clearly proven, that at the time of committing the act, the party accused was laboring under such a defect of reason, from disease of mind, as not to know the nature and quality of the act he was doing, or, if he did know, that he did not know he was doing wrong.

Some courts have construed the rule as referring to the power to distinguish between right and wrong in general.

But the prevailing view is apparently to the effect that capacity of the accused to distinguish right from wrong in respect to the act charged as a crime at the time of its commission is made the test of his responsibility, and not his capacity or ability to distinguish right from wrong in the abstract.

According to this view, the capacity to distinguish between right and wrong need not be general; it is only necessary that it relate to the particular act in question.

A person may be perfectly sane on every subject but one, and yet if that one subject is the very act with which he is charged, and with respect to it he is unable to distinguish between right and wrong, his defense is complete.

But his defense is not complete and he is not entitled to acquittal on the ground of insanity if, at the time of the commission of the crime, he had sufficient capacity to enable him to distinguish between right and wrong, to understand the nature and consequences of his act, and had mental power sufficient to apply that knowledge to his own case.

Whatever may be his mental weakness, if a person has knowledge and consciousness that the act he is doing is wrong and will deserve punishment, whatever may be his mental weakness, he is, in the eyes of the law, of sound mind and memory, and subject to punishment.

If the prisoner at the time he committed homicide was in a state to comprehend his relations to other persons, the nature of the act and its criminal character, or, if he was conscious of doing wrong at the time he committed the act, he is responsible. But if, on the contrary, he was under the visitation of God and could not distinguish between good and evil, and did not know what he did, he is not guilty of any offense against the law, as guilt arises from the mind and wicked will.

While in my law office in North Carolina over the past weekend I was pleased to note that the publishers of Corpus Juris Secundum had revised during this month volume 22 of that work, and particularly the section on criminal law. The Durham case and its resulting effects caused the publishers of this outstanding legal reference work to devote a great deal of space to a discussion of it. As a part of my remarks I include sections 58 and 59—omitting the footnotes—of 22 Corpus Juris Secundum, which cover pages 198 through 206.

SECTION 58. DEGREE OF CAPACITY AND TESTS OF RESPONSIBILITY IN GENERAL

Dissatisfaction with the generally accepted tests of criminal responsibility has led to the adoption of a new criterion, known as the Durham rule, under which an accused is not criminally responsible if his act was the product of mental disease or defect, but many courts have refused to adopt it. Generally speaking, legal, as distinguished from medical, insanity must be shown, and one may be criminally responsible although abnormal or subnormal. A mental defect insufficient to excuse commission of crime may affect the power to entertain a specific intent essential to the commission of a higher grade of an offense.

"Insanity, as affecting criminal responsibility, has been and is being more widely discussed than perhaps any subject in criminal law, and has given rise to what has been referred to as a labyrinth of conflicting decisions. There seems to be one common theme running through these discussions and this is that the law on the subject leaves much to be desired. A considerable portion of the criticism has been aimed at the McNaghten rule, as discussed infra section 59, under which the test of criminal responsibility is in essence the capacity of accused to know what he was doing and to know that it was wrong. Dissatisfaction with the McNaghten rule as an exclusive test of criminal responsibility led the courts of New Hampshire, as far back as 1870, to adopt a rule under which accused was not regarded as criminally responsible if his unlawful act was the product of mental disease, and led the courts in a number of jurisdictions, as discussed infra section 61, to recognize volitional incapacity, or inability to choose the right and refrain from wrong, often referred

to in terms of irresistible impulse, as a basis for absolving a person of criminal responsibility, even though he may have been able to distinguish between right and wrong and know that his act was wrong. However, the New Hampshire rule found no adherents in American jurisdictions until in 1954 the Court of Appeals for the District of Columbia adopted a similar rule, which has come to be known as the Durham rule, and which differs from the New Hampshire rule only in that it extends to mental defects, whereas the New Hampshire rule seems to have been originally limited to mental diseases, so that under this new criterion accused is not criminally responsible if his unlawful act was the product of mental disease or defect. Under this rule a person suffering from a mental disease or defect is still responsible for his unlawful act if the act is not the product of such abnormality or there is no causal connection between such abnormality and the act. The rule does not supersede the test of knowledge of right or wrong, as discussed infra section 59, or the test of ability to choose the right and refrain from wrong, as discussed infra section 61, but is supplemental to them. Under the Durham rule it would appear that scientific and medical standards of insanity and responsibility cannot be considered irrelevant. The Durham rule has generated a great deal of discussion and comment, favorable and unfavorable. The chief criticism directed against the Durham rule has been said to be that it leaves the words 'disease,' 'defect,' and 'product' undefined. For this and various other reasons many courts have refused to adopt it, although they have in some instances recognized that existing rules are not entirely satisfactory.

"In applying legal tests of insanity and criminal responsibility, other than that embraced in the Durham rule, scientific and medical standards of insanity and responsibility are considered irrelevant, and as a general rule to afford a valid defense to a criminal charge mental derangement must amount to legal, as distinguished from medical, insanity. This is especially true where the test of insanity is embodied in a statute couched in legal and not medical terms. In determining whether accused is to be exonerated from criminal responsibility the inquiry must be directed to his mental capacity with reference to the particular act in question.

Generally speaking, the law does not draw any distinction between insanity and imbecility, and insanity, constituting a defense, may be occasioned by idiocy, imbecility, lunacy, or any other defect or disease of the mind rendering it incapable of entertaining criminal intent. It includes a mental condition resulting from low mentality or a weak mind which makes the possessor thereof incapable of distinguishing between right and wrong or of comprehending the nature and consequence of his act. Conversely, one knowing the nature and quality of his act and the difference between right and wrong, and, in jurisdictions recognizing the irresistible impulse doctrine, possessing a sane power of control, may be convicted of crime, although he was in the eyes of the doctors feebleminded, idiotic, imbecilic, or moronic, as where his mental age was that of a child.

"The courts are agreed that mere mental weakness does not exempt from responsibility where there is sufficient capacity to know that the act is wrong, that not every slight mental aberration or derangement will excuse violation of the law, and it is generally held that neither abnormality nor subnormality precludes responsibility for crime where there exists sufficient mental capacity to entertain the requisite criminal intent or distinguish between right and wrong with respect to the particular act in question. The criminal law recognizes the distinction between sanity and insanity, but does not attempt to measure degrees of intellect, nor to make distinctions with respect thereto, where the power of thought and reason exists.

"One apprehending the consequences and moral wrong of his act may be guilty of a criminal offense, although he is very ignorant and of a low order of intelligence, or suffers from temperamental fits or spells of irritation and anger. On the other hand it is not necessary, in order to exempt one from responsibility, that he shall have been totally deprived of his reason, and, when at the time of committing a crime one is so diseased in mind that he cannot comprehend the nature of his act nor distinguish between right and wrong with respect thereto, he is not criminally responsible, however his insanity may be manifested.

"Depression ordinarily resulting from physical illness does not excuse from the consequences of criminal acts, insanity relieving one of responsibility for crime does not embrace every kind of mental disease and disorder, nor does the fact that one is deaf and dumb preclude his possessing sufficient mental capacity to commit crime; and, while a mind may be so prostrated from the effects of worry, drugs, bodily disease, and want of sleep as to render one incapable of entertaining the criminal intent essential to commission of crime, the rule excusing one from responsibility for crime on such a ground should be applied with caution, and, where in such a case accused knew the nature and quality of his act and that it was wrong, he may be found guilty.

"Grade or degree of offense: It has been held that there is no degree of insanity which may be established to fix the degree of the crime, and that a person with a mind deviating from the normal, but possessing capacity to distinguish right from wrong, cannot be punished for a lower grade of offense, if found guilty, than one with a normal mind, although it has also been held that insanity may reduce the degree of the offense where the crime is divided into degrees and where a particular intent is a necessary element of the greater degree, and that a mental defect, while insufficient to excuse commission of crime, may be considered in determining whether or not one possessed the capacity to entertain the deliberate and premeditated design requisite to higher degrees of the offense and in this way may operate to reduce the grade of his offense."

SECTION 59. KNOWLEDGE OF RIGHT AND WRONG

The general test of criminal responsibility may be stated to be the capacity to understand the nature and consequences of the act charged and the ability to distinguish between right and wrong as to such act, and in a majority of jurisdictions this is the exclusive test.

"The general test of responsibility for crime, commonly known as the McNaghten rule, may be stated to be the capacity to understand the nature and consequences of the act charged and the ability to distinguish between right and wrong as to such act.

"While accused should apprehend the nature and quality of his act in order to be guilty, it is not essential to guilt that his mental condition be such as to enable him to realize the fullest extent of his act; and it has been said that the test is not whether accused knew the gravity or seriousness of the act he committed, but whether he knew the nature and quality of the act, and whether he knew that it was wrong. Some courts hold that knowledge of the nature and quality of the act refers to its physical nature and quality, and that knowledge that it is wrong refers to its moral side.

"In determining whether accused has the capacity to distinguish between right and wrong, the inquiry must be addressed to his capacity in respect of the particular act involved, and not his capacity in the abstract. The knowledge that the act is wrong should be a knowledge that it is wrong according to generally accepted moral standards, not knowledge that it is wrong according to accused's own individual standards, nor knowledge merely that the act is contrary to law, although there is authority supporting the view that knowledge that the act is punishable under the laws of the State is sufficient to support conviction. A mind so prostrated by disease as to be unable to formulate an intent or to deliberate or premeditate is a mind unable to know the nature and quality of a criminal act, or that the act was wrong.

"In what has been said to be a majority of American jurisdictions, knowledge of right and wrong is the exclusive test of criminal responsibility. While it has been recognized that the science of psychiatry has made tremendous strides since that test was laid down in McNaghten's case, its progress has not reached a point where its learning would require elimination of the test on constitutional grounds. Moreover, it must be recognized that choice of a test of legal sanity involves not only questions of scientific knowledge but questions of basic policy as to the extent to which that knowledge should determine criminal responsibility. However, much criticism of the rule by psychiatrists, physicians, and jurists has been noted, based in part on recognition of the fact that there are persons suffering from mental disease who, although having the capacity to distinguish between right and wrong are unable to control their actions, and a number of courts have rejected the right and wrong test as an exclusive criterion of criminal responsibility. A few courts have rejected it in favor of the rule discussed supra, section 58, that accused is not criminally responsible if his unlawful act was the product of mental disease or defect, but a larger number of courts have rejected it as an exclusive test by adopting the volitional or irresistible impulse test discussed infra, section 61. Where the capacity to distinguish between right and wrong has been rejected as an exclusive test, while such capacity is no longer the earmark of legal sanity, lack of such capacity remains one of the earmarks of legal insanity and is a proper subject of inquiry.

The Durham case has also been reported in full in 45 American Law Reports 2d 1430. In connection with the reprint of the decision of the case the editors of this outstanding legal reference work have prepared an exhaustive annotation which I would strongly recommend to our colleagues who are interested in a further study of this important measure.

The members of our Committee on the District of Columbia who have subscribed to the minority views set forth on pages 16 through 26 of the committee report are each sincere and conscientious gentlemen. I am sure that no one would question the sincerity with which they advance their views in opposition to the enactment of this legislation. However, I think it should be pointed out that these gentlemen are supporting legal principles which do not find support in the courts of their own States.

The above-quoted portions of Corpus Juris Secundum and the above referred to American Law Reports 2d annotation set forth many citations from the States of California, Illinois, and New York showing that these States, through their courts, have turned their backs on the arguments advanced by the authors of

the minority views. It seems, therefore, that some of the contentions made by our brethren of the minority on our committee constitute a disagreement, not only with the majority of the Committee on the District of Columbia, but with the courts of their own States.

These gentlemen say that, in brief, they oppose this bill for four reasons. The first reason they assign is that they do not believe it has been given adequate consideration in that there has not been adequate testimony from medical and psychiatric experts.

Mr. Speaker, this contention can be made to any legislation that we might consider because it is a matter of personal opinion as to when adequate consideration and sufficient testimony has been taken in connection with any legislative proposal. Any legislative result that is reached which is in conflict with an individual's thinking can always be attacked on the ground that inadequate consideration has been given to it because a sincere opponent of such a result always feels that if further consideration were given that the inescapable conclusion would be the one which that individual prefers. So, I think we can dismiss that contention on the part of our friends who are in opposition to this bill.

The second reason given for their opposition is that they "believe it would fasten on the District of Columbia an obsolete, inadequate, and unjust standard of criminal responsibility." The answer to this argument is that the enlightened courts of practically all jurisdictions, including California, Illinois, and New York, have continuously held, and still hold, that the general test of responsibility for crime may be stated to be the capacity to understand the nature and consequences of the act charged and the ability to distinguish between right and wrong as to such act. It, therefore, seems to me that the creation of the court-made Durham rule here in the District of Columbia has resulted in fastening upon the District of Columbia an inadequate and unjust standard of criminal responsibility rather than an orderly rule of procedure. So the argument of the minority against this bill does not seem to me to be well founded when they contend that our action would bring confusion to the practice of criminal law and the protection of the rights of the citizens in the criminal courts in the District. Certainly it will be more conducive to the orderly administration of justice and the protection of the rights of the public and the accused individuals if the rule of evidence is followed which is in keeping with well-established principles of law.

Third, the opponents say that they oppose the bill because they "believe it would infringe upon the constitutional rights of persons accused of criminal offenses." The answer to that contention is found in 22 Corpus Juris Secundum 206, where it is said:

> In what has been said to be a majority of American jurisdictions, knowledge of right and wrong is the exclusive test of criminal responsibility. While it has been recognized that the science of psychiatry has made tremendous strides since that test was laid down in McNaghten's case its progress has not reached a point where its learning would require elimination of the test on constitutional grounds.

The foregoing statement is consonant with the decision of the Supreme Court of the United States in *Leland* v. *Oregon*, 343 U.S. 790 (1952), where it was held that a statute adopting the "right and wrong" test of legal insanity in preference to the "irresistible impulse" test does not offend any concept of ordered liberty and is not in violation of the due process clause of the Federal Constitution. I believe that this adequately answers any contention by anyone that the constitutional rights of persons accused of crimes would be infringed by the enactment of a statute in the District of Columbia of the tests that we now have under consideration.

The fourth contention made by the opponents is that they do not believe that the bill will "remedy the evils which it is designed to cure. On the contrary it will breed confusion, it will reduce the protection for the community against criminals, and it will foster injustices to individuals." In this statement the opponents of H.R. 7052 are again ignoring the true situation confronting the courts of the District of Columbia and the criminal litigants who may be before it since the Durham decision.

In 22 Corpus Juris Secundum 199, we find the following statement:

> The chief criticism directed against the Durham rule has been said to be that it leaves the words "disease," "detect," and "product" undefined. For this and various other reasons many courts have refused to adopt it, although they have in some instances recognized that existing rules are not entirely satisfactory.

Thus it will be seen that outstanding legal scholars and jurists have taken the position that the Durham decision has bred great confusion rather than to eliminate it. It is, therefore, difficult to understand how, in the light of the many decisions of the courts of this country to the effect that they will not follow the Durham case because of the confusion that falls in its wake, our friends who today oppose us can take the position which they assert in their minority views.

To put it simply, it appears to me that the opponents would have the important adjudication of mental capacity of an accused made in a clinic rather than in the courtroom. They seem to be greatly persuaded by arguments made by some of the psychiatrists of our country who seem to feel that the science of psychiatry has reached such an advanced state that it might well be substituted for well-established judicial procedures. I cannot accept that premise as valid, nor can I believe that it would be to the best interest of the general public, or any individual member of the public, to permit such a contention to continue in existence in the District of Columbia. The psychiatrists may argue with persons learned in the law with reference to legal principles, but I respectfully submit that psychiatrists are not trained in the law and the science of jurisprudence and for that reason cannot be permitted to chart the course which will be followed by the courts in the administration of justice.

I recently read a comment by one psychiatrist to the effect that it was the duty of psychiatrists to put the new wine of psychiatry into the old bottles of the law and conduct themselves within the framework of these established principles of law rather than undertake to reshape court procedures. That warning, I think, might well be given to those who would entrust to the psychiatrists the welfare of the public in the enforcement of the criminal laws.

The experience here in the District of Columbia referred to on page 4 of the committee report clearly points out the lack of wisdom of permitting psychiatrists to substitute their judgment for that of the courts. The so-called "big switch," which was observed in 1957, should serve as a warning to all of us that the time-honored principles should not be abandoned in this field of nonguilt by reason of insanity. This "big switch" occurred when over a weekend the Superintendent of St. Elizabeths Hospital had made a determination that a sociopathic personality or psychopath should no longer be classified as being without mental disorder, notwithstanding the opposite opinion expressed by them the preceding week.

Mr. Speaker, I believe that the Durham rule has been one of the greatest hindrances to good law enforcement in the District of Columbia that has ever been experienced by law enforcement officers in any jurisdiction. It has brought about confusion and an intolerable situation generally in the enforcement of criminal laws. I believe that henceforth we should apply the rules so clearly set forth in H.R. 7052, which rules are consistent with the model code recommendations of the American Law Institute. If this is done, law enforcement will be again returned to the field of jurisprudence and away from the psychiatric mumbo-jumbo that has been witnessed in many cases in this jurisdiction since the Durham case.

Mr. HARSHA. Mr. Speaker, I wish to commend the gentleman from North Carolina on his remarks and position on this legislation. I feel he has reached the core of this problem. Certainly such legislation as H.R. 7052, which endeavors to establish an orderly procedure and method for raising the question of insanity and a method for proving it, will bring order out of chaos, and I heartily commend the gentleman and wish to associate myself with his remarks.

AMENDING THE LIFE INSURANCE ACT OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 6495) to amend the Life Insurance Act of the District of Columbia.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 10 of chapter V of the Life Insurance Act, as amended (D.C. Code 35–710), is amended by

adding at the end thereof the following new subsection:

"(8) A policy of group life insurance issued to a credit union organized pursuant to the laws of the District of Columbia or pursuant to the Federal Credit Union Act, which credit shall be deemed the policyholder; to insure members of the credit union for the benefit of persons other than the credit union, subject to the following requirements:

"(a) The members eligible for insurance under the policy shall be all of the members of the credit union, or all of any class or classes thereof determined by age, or by membership in the credit union, or both.

"(b) The premium for the policy shall be paid by the policyholder, either from the credit union's own funds, or from charges collected from the insured members specifically for the insurance, or both. A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least 75 per centum of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to to insurer.

"(c) The policy must cover at least twenty-five members at date of issue.

"(d) The amount of insurance on the life of any member shall not exceed the total amount of his shares and deposits in the credit union or $2,000, whichever is less.

With the following committee amendment:

On page 2, line 24, strike the quote at the end of the line and insert the following new sentence: "Such policy may be issued either in addition to, or in lieu of, a policy issued pursuant to section 35-710(2)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, the purpose of this bill, H.R. 6495, is to amend the Life Insurance Act of the District, to permit the issuance of group life insurance contracts to credit unions to insure their eligible members for amounts of insurance not in excess of their savings in the credit union, or $2,000, whichever is less.

Credit unions are closely associated groups of people who save their money together and make loans to each other for good purposes at low interest rates.

In addition to the group credit life insurance generally in use by credit unions to insure the loans of their borrowing members, most credit unions, under a plan of group life insurance, provide each of their members with life insurance equal to their savings in shares of the credit union up to a maximum of $2,000. Credit unions call this latter form of insurance "life savings insurance." The purpose of life savings insurance is to encourage the credit union member to save money regularly. For each dollar saved in the credit union, he is provided an equal dollar of life insurance. In the event of his death, his family receives both his savings and the life insurance benefits. The results have been excellent. Life savings insurance has been in use by credit unions since 1938. Today, over 16,000 credit unions provide it for their members with total coverage exceeding $2¼ billion. Experience has demonstrated that it is being safely written.

While life savings insurance for members of credit unions is approved by 48 States, no provision of the present District of Columbia Life Insurance Act allows its writing. For this reason, District of Columbia credit unions desiring to provide life savings insurance for their members must obtain it outside the District of Columbia with a resulting loss of local business and revenue. This results also in inconvenience to these credit unions. It likewise gives the Superintendent of Insurance of the District of Columbia no supervision or control over the issuance of policies covering members of credit unions of the District. H.R. 6495, amending the District of Columbia Life Insurance Act to the extent of authorizing group life insurance for members of credit unions, will correct this situation. Credit unions will then be able to obtain the insurance locally and they will be able to enjoy the protection of their interest by the District of Columbia Department of Insurance. Additional revenues will be paid to the District in the form of premium taxes.

Life savings insurance for members of credit unions is in the public interest, it is soundly underwritten, it is in demand by credit unions of the District and it does not unfairly interfere with the rights of others. It should be allowed.

The purpose of the amendment adopted by the committee is to make clear that a credit union member who has both a loan from, and savings in, his credit union may be insured under both the plan of group credit life insurance and group life savings insurance.

Mr. BROYHILL. Mr. Speaker, the purpose of this bill is to amend the Life Insurance Act of the District of Columbia so as to permit the issuance of group life insurance contracts to credit unions, in order that they may insure their members for amounts not to exceed their savings in the credit union or $2,000, whichever is less.

Credit unions are groups of people who save their money together, from which pool members may borrow money for good purposes at low interest rates.

Credit unions customarily issue group credit life insurance to insure the loans made to their borrowing members. In addition to this, however, most credit unions, under a plan of group life insurance, provide each of their members with life insurance equal in amount to their savings in the credit union, up to a maximum of $2,000, the premiums on which policies are paid by the credit unions. In the event of a member's death, under this plan his family thus receives both his savings and the life insurance benefits. The purpose of this life savings insurance is to encourage regular savings on the part of the members.

Life savings insurance has been in use by credit unions since 1938, and experience has shown that it is being safely written. It is authorized today in 48 States, and more than 16,000 credit unions provide it for their members with total coverage exceeding $2¼ billion.

The present Life Insurance Act of the District of Columbia, however, does not allow this insurance to be written in the District. Consequently, District of Columbia credit unions desiring to provide life savings insurance for their members must obtain it outside of the District of Columbia. Not only is this an inconvenience for the credit unions, but also it permits the Superintendent of Insurance for the District of Columbia no supervision or control whatever over the issuance of such policies to members of credit unions in the District.

H.R. 6495 thus will correct a situation which is actually an inequity. I am convinced that life savings insurance for members of credit unions is in the public interest, and am pleased to support this bill which will authorize its issuance in the District of Columbia.

AMENDING THE LIFE INSURANCE ACT OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 7482) to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter III of the Life Insurance Act, as amended (sec. 35-501, et seq., D.C. Code, 1951 ed.), is amended by adding a new section 42 as follows:

"SEC. 42. (a) Every domestic life insurance company which has established one or more separate accounts in connection with contracts providing for payments which vary directly according to investment experience may provide in its articles of incorporation that variable contract owners shall have the right to vote on:

"(i) the annual election of a committee of variable contract owners, provided that each member of such committee shall own one or more variable contracts but not own capital stock of such company;

"(ii) the filling of vacancies on such committee;

"(iii) the approval, amendment, continuance or termination of any investment advisory contract with respect to investments of separate accounts;

"(iv) the employment of an independent public accountant for such accounts; and

"(v) any change in the fundamental policies with respect to such accounts set forth in any prospectus relating to variable contracts issued by such company.

Except as provided in paragraph (c) of this section, the voting rights of variable contract owners under such articles of incorporation shall be limited to the foregoing matters. For purposes of this section, variable contract owners shall mean owners of contracts the current cash value of which varies according to the investment experience of any such separate account and persons entitled currently to receive payments which vary directly according to the investment experience of any such separate account. Such articles of incorporation may exclude stockholders and/or policyholders who are not variable contract owners as defined in the preceding sentence from the right to vote on the foregoing matters.

"(b) On every matter as to which a variable contract owner shall be granted voting rights pursuant to paragraph (a) of this section he shall be entitled to such number of votes as equals the gross valuation reserve less indebtedness on his contract divided by an amount not to exceed $10: *Provided*, That no fraction of a vote shall be recognized: *And provided further*, That every group contract shall entitle the owner thereof to one vote only. As used herein, valuation reserve shall mean reserve as determined on the basis employed by the company for such contracts in computing the aggregate reserve for such contracts as shown in its annual statement to the Superintendent of Insurance pursuant to section 8 of chapter II (sec. 35–407, D.C. Code, 1951 ed.).

"(c) The provisions of paragraph (a) of this section shall not limit the voting rights to which a variable contract owner who is a policyholder of a mutual company shall be entitled pursuant to section 1(f) of chapter III (sec. 35–501(f), D.C. Code, 1951 ed.). Notwithstanding the provisions of the last sentence of such section 1(f), a stock company granting voting rights to variable contract owners pursuant to this section need not grant voting rights to other policyholders, and in the event a stock company grants voting rights to other policyholders the term 'policyholders' appearing in the last clause of such sentence shall not be deemed to include variable contract owners.

"(d) The articles of incorporation of any company referred to in paragraph (a) of this section may grant authority to the committee of variable contract owners, subject to voting rights reserved to variable contract owners pursuant to such paragraph (a) to:

"(i) fill any vacancy occurring on such committee by the remaining members thereof;

"(ii) act on any investment advisory contract with respect to investments of separate accounts; and

"(iii) approve the employment of any independent public accountant for such accounts;

but any such action pursuant to subparagraphs (ii) and (iii) of this paragraph shall be subject to approval by the board of directors of such company. Such articles of incorporation may also provide that investment decisions relating to assets in separate accounts must be made by a majority of the members of such committee, but any such investment decision must, before becoming effective, also be approved by the board of directors or by a committee designated by the board. If the committee of variable contract owners fails or refuses to act on a proposed investment decision within thirty days after the submission thereof to such committee by the company or its investment advisor, the board of directors of the company or a committee designated by the board may take final action on such investment decision. With respect to any matter over which the committee of variable contract owners is granted authority pursuant to this paragraph (d), the members of such committee shall be subject to the fiduciary responsibilities which would apply to them if they were members of the board of directors of the company. The term 'investment decisions' as used in this paragraph means investing in, purchasing, selling, or disposing of securities or other property."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, this bill adds a section to the Life Insurance Act of the District of Columbia. It is intended to deal with the problem of management and representation of owners of variable annuity contracts. It will provide a fair and feasible method of reconciling traditional insurance regulatory concepts and the requirements of the Investment Company Act of 1940 relating to companies engaged in selling variable contracts.

The variable annuity contract is a recent insurance innovation providing for payments to the annuitant which vary directly according to the investment experience of the insurance company. The difference between variable annuities and fixed dollar annuities was recently described in the report of the Senate Finance Committee on the Life Insurance Income Tax Act of 1959, Senate Report No. 291, 86th Congress, 1st session:

Variable annuities differ from the ordinary or fixed dollar annuities in that the annuity benefits payable under the variable annuity vary with the insurance company's overall investment experience. The fixed-dollar annuity, on the other hand, guarantees the payment of a specified amount irrespective of the actual investment earnings. Both the fixed dollar annuities and the variable annuities, however, are based upon the principle of paying out either specified amounts or specified units with values which vary with investment experience, over the life of each member of an annuitant group. Thus, in both cases the insurance company bears the mortality risk. In view of this your committee believes variable annuities should in general be treated like other annuities for tax purposes.

Last year Public Law 86–520 was enacted to provide for the regulation of variable annuity insurance business in the District of Columbia. That law, first, required District of Columbia life insurance companies to maintain a separate account or accounts for funds received in connection with variable annuity contracts; second, gave the Superintendent of Insurance more detailed authority to regulate such separate accounts; third, gave such Superintendent authority to refuse to allow any life insurance company, whether incorporated in the District of Columbia, to issue such contracts if he believed that the company did not satisfy the test laid down in the act; and, fourth, permitted life insurance companies issuing variable annuity contracts to invest a greater percentage of assets held in separate accounts in common and preferred stocks and corporate bonds.

Many proposals have been considered by the two variable companies incorporated in the District of Columbia and the other District of Columbia insurance companies. These have been discussed with the Superintendent of Insurance and others. Because of the principles of corporate law existing in most, if not all, of the States, it was determined that the election of the representatives of the variable contract holders to the board of directors might violate the principle that the directors were responsible solely to the stockholders. It was determined that such a provision was not feasible. It now appears that the most practical and effective way to protect the interests of the variable contract holders is to provide for an advisory committee on investments as set forth herein.

First. Paragraph (a) sets forth the matters on which the right to vote may be granted by charter to variable contract owners. It also covers the following points:

(a) To specify that the representatives of the contract owners shall be elected annually.

(b) To require that each such representative shall be a variable contract owner and not a stockholder.

(c) To specify the types of action with respect to investment advisory contracts on which variable contract owners may vote.

(d) To identify more specifically the "fundamental policies" as to which contract owners will have the right to vote, that is, those set forth in the company's prospectus which, of course, will reflect such policies as contained in the Securities and Exchange Commission form N–8B–1.

(e) To make clear that the charter may not grant voting rights to variable contract owners beyond those specified in paragraph (a), except that in mutual companies the voting rights of such contract owners as policyholders will be recognized.

(f) To define variable contract owners so as to make clear the term includes both (i) owners of contracts the current cash value of which varies with the investment experience of the separate account, and (ii) persons who are currently entitled to receive variable payments—including recipients of such payments under insurance settlement options.

(g) To establish that the charter may exclude stockholders and/or policyholders who are not variable contract owners, as defined, from the right to vote on the matters specified.

Second. Paragraph (b) relates to the manner of calculating the number of votes to which a variable contract owner is entitled.

Third. Paragraph (c) of the bill makes clear that a mutual company may grant owners of variable contracts the right to vote pursuant to paragraph (a) in addition to any general right to vote which they may have as policyholders under D.C. Code, section 35–501(f).

Fourth. There were suggestions and proposals that the representatives elected by the variable contract owners should be members of the board of directors of the company. As set forth above, study of these proposals raised serious doubts as to their validity under the corporate law of most States. Under the traditional view, members of the board of directors of any stock corporation owe a fiduciary duty to the stockholders to the exclusion of any other group. Therefore, the present bill does not provide for the election of representatives of the variable contract owners to the board. Rather, it provides that they shall constitute a committee of variable contract owners. No limitation is placed on the number of persons who may be elected to such committee. Paragraph (d) of the bill defines the authority which may be granted by the articles of incorporation to such committee and deals with their relationship to the

board of directors. Paragraph (d) has been framed with a view to permitting the charter to allocate to the committee authority with respect to all the matters specified in paragraph (a)—except change of fundamental policies and the committee's election—in accordance with the pattern of the Investment Company Act provisions governing relations between security holders and management on these matters. Thus the committee could be given authority to act on renewal of an investment advisory contract and employment of the independent public accountant for the separate accounts and to make all investment decisions relating to assets in the separate account.

After discussion with the Superintendent of Insurance and representatives of District companies, it is believed to be essential that the bill recognize the ultimate responsibility of the board of directors for the management of all the affairs of the company including the separate account. Accordingly, it is deemed necessary to require that the actions of the committee, before becoming effective, be approved by the board of directors. This bill provides a reasonable procedure for dealing with the case of a committee which arbitrarily fails or refuses to act on proposed investment decisions. Since the bill as now drawn raises no question of delegation by the board of its duties or responsibilities, it is considered unnecessary to recite that the bill shall not have any such effect.

Mr. BROYHILL. Mr. Speaker, the purpose of this bill is to add a new section 43 to the Life Insurance Act of the District of Columbia, so as to delineate more fully the application of regulatory authority to life insurance companies which issue variable contracts of insurance and to recognize the need for difference in treatment of the two types of policyholders—owners of fixed dollar insurance contracts and the owners of variable insurance contracts—and enabling insurance companies to provide by charter for the means of granting limited voting rights and representation in relation to separate account matters within the general framework of the Life Insurance Act.

During the 86th Congress, Public Law 86–520 was enacted authorizing life insurance companies in the District of Columbia to issue variable contracts of insurance. A variable annuity contract is one under which the current cash value varies according to the investment experience, and the owner of such a contract is entitled currently to receive payments which vary according to the investment experience of any such separate account. The law cited above requires that separate accounts be established for such contracts, so as to assure the owners of variable annuity contracts and the owners of fixed dollar contracts that the investment premium would accrue benefits to the respective types of contracts.

Aside from the separate accounts amendment, the Life Insurance Act as amended does not recognize the difference between the owners of variable insurance contracts and the owners of fixed dollar insurance contracts. In the course of efforts to work out means of satisfying the basic purposes of the Investment Company Act administered by the Securities and Exchange Commission, conflicts have arisen regarding the application of the requirements of the Life Insurance Act as administered by the Superintendent of Insurance.

This bill is designed to remove areas of doubt and to avoid conflict between the two regulatory bodies. It seeks to preserve for the benefit of the owners of fixed insurance contracts the present protections of the Life Insurance Act, to provide to the owners of variable contracts of insurance the substantial protections of the Investment Company Act of 1940 under the supervision of the Securities and Exchange Commission, and to clarify the authority of the Superintendent of Insurance in relation to the Securities and Exchange Commission as to companies issuing variable insurance contracts.

This bill enables domestic life insurance companies to provide by charter to the owners of variable contracts limited voting power and representation in the management of their separate accounts.

The new section added to the Life Insurance Act by this bill would authorize life insurance companies with separate accounts for variable contracts to provide by charter for exclusive voting by the owners of variable contracts on a limited number of matters relating to such separate accounts. These include the annual election of a committee to represent the variable contract owners, action on investment advisory contracts, the employment of independent accountants for separate accounts, and changes in basic investment policies related to separate accounts.

This bill has the approval of the Superintendent of Insurance for the District of Columbia. I feel that it is sound and in the public interest, and am pleased to endorse it.

LIFE INSURANCE ACT FOR DISTRICT OF COLUMBIA

, Mr. McMILLAN. I call up the bill (H.R. 7044) to amend section 35 of chapter III of the Life Insurance Act for the District of Columbia.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (10) of section 35 of chapter III of the Life Insurance Act (D.C. Code 35–535 (10)) is amended by redesignating the present subsection "(10)" as subsection "(10)(a)" and by adding a new paragraph at the end thereof to be designated as subsection "(10)(b)", to read as follows:

"(b) In addition to the investments authorized in paragraph (10)(a), common stocks of any insurance company (other than as prohibited in section 35–540) created under the laws of the United States, or of any State thereof, or the District of Columbia: *Provided, however,* That stocks may be acquired under this paragraph (10)(b) only (i) with the intention of ultimately acquiring ownership or control of the issuing corporation as an affiliate or a subsidiary, (ii) if such acquisition will not cause the acquiring company's aggregate cost of investments under this paragraph to exceed, in the case of a capital stock company, the amount of capital, surplus, and contingency reserves in excess of $150,000 or, in the case of a mutual company, the amount of surplus and contingency reserves in excess of $150,000, and (iii) after the Superintendent of Insurance of the District of Columbia has been furnished with such information as he may require and has given to the acquiring company his written approval of the proposed acquisition stating his opinion that it will not substantially lessen competition, will not tend to create a monopoly in any line of insurance, and will not impair the financial stability of the acquiring company."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, the purpose of this legislation is to amend subsection (10) of section 35, chapter III of the Life Insurance Act—D.C. Code 35–535 (10)—by adding a new paragraph to permit, in addition to the investments authorized for a domestic life insurance company in the present subsection (10), acquisition of common stocks of any other insurance company for the purpose of acquiring a subsidiary or an affiliate. Total investment under this new subsection is limited to an amount equal to the investing company's capital, surplus, and contingency reserves in excess of the minimum statutory requirements of $150,000. Furthermore, acquisition of stock under this new subsection can only be made after the written approval of the Superintendent of Insurance of the District of Columbia who must state his opinion that the acquisition will not substantially lessen competition and that it will not tend to create a monopoly in any line of insurance and will not impair the financial stability of the acquiring company.

The purpose of the proposed amendment is to permit District of Columbia life insurance companies to compete on an equal basis with companies incorporated in other States. The practical effect of existing statutes is that a District of Columbia company is not able to form an effective subsidiary company nor can it acquire affiliates if it wishes to expand or diversify its business. The proposed amendment will permit domestic life insurance companies to diversify their business by entering one or more other closely allied insurance fields such as fire, casualty, or health and accident either by organizing a subsidiary company to enter one or more of these lines, or by acquiring common stock of a company already established.

The laws of 30 States specifically authorize their life companies to buy insurance company stocks, and life companies in many other States are permitted to buy insurance company stocks under general provisions, not specifically mentioning insurance company stocks. At the present time, the following 24 States specifically authorize life insurance companies to acquire controlling interest in other insurance companies or to make investments in insurance company subsidiaries:

Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Indiana, Kansas, Kentucky, Louisiana,

Missouri, Montana, Nebraska, New Jersey, Oklahoma, Oregon, Pennsylvania, Tennessee, Texas, Utah, Washington, and West Virginia.

In recent years, many life insurance companies have become affiliated with fire and casualty insurance companies so that today over 100 life companies in this country are so affiliated and able to offer a multiple line insurance service. The advantages of multiple line insurance service are not available to District of Columbia domestic insurance companies under existing statutes but are available to insurance companies incorporated in many other States and doing business in the District of Columbia. The proposed legislation will enable the domestic insurance companies to compete on an equal basis with companies incorporated in other States. It will thereby strengthen the domestic companies and provide more adequate security and service to their policyholders.

The bill has the approval of the Superintendent of Insurance for the District of Columbia. The following five domestic life insurance companies are also in favor of the passage of the bill:

Acacia Mutual Life Insurance Co., Equitable Life Insurance Co., Government Employees Life Insurance Co., People Life Insurance Co., and United Services Life Insurance Co.

Mr. BROYHILL. Mr. Speaker, the purpose of this bill is to permit life insurance companies in the District of Columbia to acquire common stocks of any other insurance companies for the purpose of acquiring a subsidiary or an affiliate. The total of such an investment, however, will be limited to an amount equal to the investing company's capital, surplus, and contingency reserves in excess of the minimum statutory requirement of $150,000. Also, acquisition of stock under this authority could be made only after written approval of the Superintendent of Insurance for the District of Columbia, who must declare it his opinion that such acquisition will not substantially lessen competition nor tend to create a monopoly, and also will not impair the financial stability of the acquiring company.

This proposed amendment to the Life Insurance Act of the District of Columbia will permit life insurance companies in the District to compete on an equal basis with companies incorporated in other States, which is not possible today because under existing statutes a District of Columbia company is not permitted to form an effective subsidiary company nor to acquire affiliates which will enable it to expand or diversify its business. Thus, H.R. 7044 will make it possible for the first time for domestic life insurance companies to diversy their business by entering one or more other closely allied fields of insurance such as fire, casualty, or health and accident, either by organizing a subsidiary company or by acquiring stock of a company already engaged in those fields.

At present, 24 States authorize life insurance companies to acquire controlling interest in other insurance companies or to invest in insurance company subsidiaries. As a result, today more than 100 life insurance companies are affiliated with fire and casualty companies and thus are able to offer multiple line insurance service.

The advantages of multiple line insurance services are not available to domestic insurance companies in the District of Columbia under existing statutes, and I feel that this is a situation which should be corrected so as to strengthen the domestic companies and to provide more adequate security and service to their policyholders.

For these reasons, I support this bill and urge its passage.

Mr. McMILLAN. Mr. Speaker, I yield to the gentleman from Texas [Mr. DOWDY], to call up the next two bills, as they are reported from his subcommittee.

AMENDING LAWS RELATING TO GAMBLING IN THE DISTRICT OF COLUMBIA

Mr. DOWDY. Mr. Speaker, I call up the bill (H.R. 4669) to amend the law relating to gambling in the District of Columbia.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 866 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (District of Columbia Code, sec. 22–1505, 1951 edition), is amended to read as follows:

"(c) All moneys, vehicles, furnishings, fixtures, equipment, stock (including, without limitation, furnishings and fixtures adaptable to nongambling uses, and equipment and stock for printing, recording, computing, transporting, safekeeping, or communication), or other things of value used or to be used—

"(1) in carrying on or conducting any lottery, or the game or device commonly known as a policy lottery or policy, contrary to the provisions of section 863 of this Act;

"(2) in setting up or keeping any gaming table, bank, or device contrary to the provisions of section 865 of this Act; or

"(3) in maintaining any gambling premises,

shall be subject to seizure by any member of the Metropolitan Police force, or the United States Park Police, or the United States marshal, or any deputy marshal, for the District of Columbia, and any property seized shall be proceeded against in the municipal court for the District of Columbia by libel action brought in the name of the District of Columbia by the Corporation Counsel or any of his assistants, and shall, unless good cause be shown to the contrary, be forfeited to the District of Columbia and shall be made available for the use of any agency of the government of the District of Columbia, or otherwise disposed of as the Commissioners of the District of Columbia may, by order or by regulation, provide: *Provided*, That if there be bona fide liens against the property so forfeited, then such property shall be disposed of by public auction. Bona fide liens against property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property. Forfeit moneys and other proceeds realized from the enforcement of this section shall be deposited in the Treasury of the United States to the credit of the District of Columbia."

SEC. 2. This Act shall not be considered as affecting the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824), and the performance of any function vested by said plan in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners shall continue to be subject to delegation by said Board of Commissioners in accordance with section 3 of such plan. Any function vested by this Act in any agency established pursuant to such plan shall be deemed to be vested in said Board of Commissioners and shall be subject to delegation in accordance with said plan.

With the following committee amendment:

On page 2, line 14, following the word "seized" insert "regardless of its value."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DOWDY. Mr. Speaker, the purpose of this bill is to authorize the Corporation Counsel for the District of Columbia or any of his assistants to bring libel action against property seized under the gambling laws of the District of Columbia—section 866 of the act entitled "An act to establish a Code of Law for the District of Columbia," approved March 2, 1901; as amended; section 22–1505, District of Columbia Code, 1951 edition.

The necessity for this legislation is pointed up by the fact that in recent years the District of Columbia has made a number of unsuccessful attempts to accomplish forfeiture of such property under present law. Opinions were written in two such cases in 1957, to the effect that the statute as now written does not permit the District to file such a suit. One of these opinions states, in part:

This court held that it had no authority to entertain such proceedings in that the suit of the District of Columbia acting through its attorney, the Corporation Counsel, was without warrant in law and the proceedings were dismissed.

It states further:

If there is to be any change, it must be by legislation and not by seeking to confer upon the Corporation Counsel and the District an authority which Congress, up to now at least, has declined to grant.

In view of these opinions, these two cases have been held in suspension pending further action by Congress. Also, we are informed that some 18 other similar suits have since been filed and are in various stages of progress, but that nothing can be done to bring about a satisfactory conclusion to these cases until the amendment sought in H.R. 4669 is enacted into law.

This bill provides further that such property shall be forfeited to the District of Columbia, unless good cause be shown to the contrary, and shall be used or otherwise disposed of as the Commissioners of the District of Columbia by order or regulation may provide. If bona fide liens exist against such property, it shall be sold at public auction and the lien shall be transferred from

the property to the proceeds of the sale. Moneys realized from the enforcement of this law shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

This committee is of the opinion that this legislation will serve to strengthen the position of the District of Columbia materially in its prosecution of gambling activities.

The Board of Commissioners of the District of Columbia has expressed its approval of this legislation.

Mr. BROYHILL. Mr. Speaker, this bill is designed to strengthen the position of the District of Columbia in its prosecution of gambling activities.

The principal feature of the bill is to authorize the Corporation Counsel to bring libel action against property seized under the gambling laws of the District of Columbia. Such property would then be forfeited to the District, unless good cause were shown to the contrary, and it could then be used by any agency of the District government or otherwise disposed of by order or regulation as the Commissioners of the District of Columbia may provide.

In recent years, the District of Columbia has been thwarted in numerous attempts to accomplish forfeiture of such property under present law. Two opinions were written in 1957 to the effect that the statute as now written does not permit the Corporation Counsel to file such a suit. Also, some 18 other such suits have been filed since that time and are now pending in various stages. However, none can be successfully concluded until the authority which H.R. 4669 would grant has been enacted into law.

I regard this authority as essential to effective control over gambling activities in the District of Columbia, and strongly support this legislation which will confer that authority.

AMEND LAW RELATING TO INDECENT PUBLICATIONS IN DISTRICT OF COLUMBIA

Mr. DOWDY. Mr. Speaker, I call up the bill (H.R. 4670) to amend the law relating to indecent publications in the District of Columbia.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 872 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (D.C. Code, sec. 22–2001), is amended (1) by inserting "(a)" immediately before "Whoever", and (2) by adding at the end thereof the following new subsections:

"(b) Whoever, in the District of Columbia, shall engage in the business of editing, publishing, or disseminating any newspaper, pamphlet, magazine, or any printed paper devoted mainly to the publication of scandals, whoring, lechery, assignations, intrigues between men and women, and immoral conduct of persons, or shall knowingly have in his possession for sale or shall keep for sale or distribute or in any way assist in the sale, or shall give away such newspaper, pamphlet, magazine, or printed matter, or whoever shall engage in the showing and exhibition of lewd and lascivious motion pictures, or of lewd and lascivious pictures, or of indecent objects or pictures, or indecent, lewd, or lascivious recordings of any type, shall be fined not more than $500, or imprisoned not more than one year, or both.

"(c) All moneys, vehicles, furnishings, fixtures, equipment, stock (including without limitation, furniture and fixtures, adaptable to other uses, and equipment and stock for printing, filming, exhibiting, recording, transporting, safekeeping, or communications) or other things of value used or to be used in violating subsection (a) or (b) hereof shall be subject to seizure by any officer or member of the Metropolitan Police force or the United States Park Police, or the United States marshal, or any deputy marshal for the District of Columbia and shall, upon seizure, be proceeded against by libel action brought in the municipal court for the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his assistants and shall unless good cause be shown to the contrary, be forfeited to the District of Columbia and shall be made available for the use of any agency of the Government of the District of Columbia or otherwise disposed of as the Commissioners of the District of Columbia may, by order or regulation, provide, except that all such property of a lewd, obscene, lascivious, or indecent nature shall, upon order of the court, be destroyed, and any lien thereon shall be deemed not to be a bona fide lien: *Provided,* That if there be bona fide liens against any other property so forfeited then such property shall be disposed of by public auction. Bona fide liens against the property so forfeited shall, on good cause shown by the lienor, be transferred from the property to the proceeds of the sale of the property. The proceeds of the sale of such property shall be available for the payment of such liens and for all expenses incident to such sale, and the remainder of the proceeds shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

"(d) Any house, building, vessel, garage, shed, booth, shelter, enclosure, room, lot, or other premises to which the public commonly resort or congregate for business or pleasure, where publications, pictures, films, recordings, and other things and devices forbidden by this section are kept, possessed, sold, exhibited, manufactured, bartered, or given away, or to which persons resort for the purpose of observing same, is hereby declared to be a common nuisance and may be enjoined as hereinafter provided. Any person who knowingly maintains or assists in maintaining such a place is guilty of maintaining a nuisance.

"(e) Evidence that any of said prohibited acts are frequently committed in any of such places shall be prima facie proof that the proprietor or person having custody or control knowingly permitted the same, and evidence that persons have been convicted of committing any said act in any of such places is admissible to show knowledge on the part of the defendants that this section is being violated in the house or premises. The original papers and judgments, or certified copies thereof in such cases of convictions may be used in evidence in the suit for injunction, and oral evidence is admissible to show that the offense for which said parties were convicted was committed in said house or premises. Evidence of general reputation of said houses or premises shall also be admissible to prove the existence of said nuisance.

"(f) An action to enjoin any nuisance defined in this section may be brought in the name of the District of Columbia by the Corporation Counsel of the District of Columbia or any of his assistants in the municipal court for the District of Columbia against any person conducting or maintaining such nuisance or knowingly permitting such nuisance to be conducted or maintained. The rules of the municipal court for the District of Columbia relating to the granting of an injunction or restraining order shall be applicable with respect to actions brought under this subsection, except that the District as complaining party shall not be required to furnish bond or security. It shall not be necessary for the court to find the building, ground, premises, or place was being unlawfully used as aforesaid at the time of the hearing, but on finding that the material allegations of the complaint are true, the court shall enter an order restraining the defendant from keeping, possessing, selling, exhibiting, manufacturing, bartering, or giving away publications, pictures, films, recordings, or other things and devices forbidden by this section. When an injunction, either temporary or permanent, has been granted, it shall be binding on the defendant throughout the District of Columbia. Upon final judgment of the court ordering such nuisance to be abated, the court may order that the defendant, or anyone claiming under him, shall not occupy or use, for a period of one year thereafter, the building, ground, premises, or place upon which the nuisance existed, but the court may, in its discretion permit the defendant to occupy or use the said building, ground, premises, or place, if the defendant shall give bond with sufficient security to be approved by the court, in the penal and liquidated sum of not less than $1,000 nor more than $5,000, payable to the District of Columbia, and conditioned that the acts prohibited by this section shall not be done or permitted to be done in or upon the buildings, grounds, premises, or place. On violation of such bond the whole sum may be recovered as a penalty in the name of and for the District of Columbia and shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

"(g) In the case of the violation of any injunction, temporary or permanent, rendered pursuant to the provisions of this section, proceedings for punishment for contempt may be commenced by the Corporation Counsel, or any of his assistants, by filing with the court in the same case in which the injunction was issued a petition under oath setting out the alleged offense constituting the violation and serving a copy of said petition upon the defendant requiring him to appear and answer the same within ten days from the service thereof. The trial shall be promptly held and may be upon affidavits or either party may demand the production and oral examination of the witnesses. Any person found guilty of contempt under the provisions of this section shall be punished by a fine of not more than $1,000, or by imprisonment for not more than twelve months, or by both such fine and imprisonment."

SEC. 2. This Act shall not be considered as affecting the authority vested in the Board of Commissioners of the District of Columbia by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824), and the performance of any function vested by said plan in the Board of Commissioners or in any office or agency under the jurisdiction and control of said Board of Commissioners shall continue to be subject to delegation by said Board of Commissioners in accordance with section 3 of such plan. Any function vested by this Act in any agency established pursuant to such plan shall be deemed to be vested in said Board of Commissioners and shall be subject to delegation in accordance with said plan.

With the following committee amendment:

On page 2, line 20, following "seizure," insert the following: "regardless of its value."

The committee amendment was agreed to.

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COHELAN. Mr. Speaker, I am keenly disappointed that I did not get the opportunity today to discuss H.R. 4670, a bill to amend the law relating to indecent publications in the District of Columbia.

I would like, at this point, however, to express my opposition to this bill, and urge consideration of an amendment which I had hoped to present to the House today.

Mr. Speaker, I am unalterably opposed to those who prey on innocent minds in order to make a fast buck; to those who sell or exhibit pornography. I deplore the blatant traffic in obscene, lewd, and indecent materials both in the District of Columbia and throughout the United States.

I, like many of you, have a family. I have four children, two boys and two girls, ranging in age from 12 to 19. I do not want them subjected to these materials. I yield to no one in my desire to stamp out this morally corrosive material.

If additional laws are needed to halt the flow of obscene materials we should have them and I will support them. I had hoped to send an amendment to the House which I believed would be helpful and constructive in dealing with this problem. At the same time, and for this reason, I must object to H.R. 4670 as it has been drafted, I am opposed to any legislation which while attempting to attack obscenity, is so broadly written as to possibly prohibit the writing and publication of perfectly legitimate newspapers, magazines, and books.

The committee held only 1 day of hearings on this bill. During that time, however, the U.S. attorney for the District of Columbia, along with a representative of the Corporation Counsel and the District Commissioners, testified that this bill in its present form is so broadly written, that it contains such vague and indefinite language as to infringe upon rights guaranteed in the first amendment to the Constitution.

It has long been a crime in the District of Columbia for anyone to sell, offer to sell, or give away obscene, lewd, or indecent books, pamphlets or drawings. While these terms are difficult to define, they have been given a degree of clarity by judicial interpretation.

H.R. 4670, however, uses very different terms; terms which pose a whole category of riddles. What is covered for instance by prohibiting the "publication of scandals"? Most newspapers regularly report on such things as political frauds and corruption in the business world. Are these to be classified as scandals? What is covered by the broad phrase "intrigues between men and women"? Life itself is full of, and newspapers as a matter of course regularly report on intrigues between men and women.

H.R. 4670 as drafted could not only affect legitimate newspapers, it could affect the world's classics as well. In his testimony before the committee, the U.S. Attorney pointed out that Romeo and Juliet, and the Scarlet Letter are devoted mainly to intrigues between men and women. Indeed, most of our noted authors have at one time or another written books which could run afoul of the terms used in H.R. 4670.

It is all very well for the proponents of this bill to say that it is not aimed at reputable publications. The fact is that it could do far more than strike at the purveyors of pornography. The range of newspapers, magazines and books which could be reached by the language in this bill is virtually unlimited, and there is no question in my mind that this bill as drafted would clearly violate the free press guarantee of the Constitution.

I am in complete agreement with the Washington Star when it stated last June and I quote:

> We are wholeheartedly in favor of present laws, or new ones if needed, to protect the public from salacious, pornographic or other printed filth. Such laws, however, should be drawn up with extreme care so as to be explicit in their aims and to be in consonance with constitutional guarantees of a free press. The proposed House bill clearly does not meet these standards.

While I am opposed to the language of H.R. 4670, the bill does have one great virtue—it highlights the fact that the present District law is not clear in its prohibition of obscene motion pictures.

This is a vital area in our attempt to deal with those who prey upon the youths of our city. We must strike directly at these persons, and my amendment would do so without the confusing, meaningless language of the committee bill.

I am submitting my amendment in the hope that it or some reasonable variation will be fully considered by the other body, and if adopted, that it will be accepted by House conferees, should the bill go to conference:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish a code of law for the District of Columbia," approved March 3, 1901, is amended by adding the following section immediately after section 872 (31 Stat. 1332; D.C. Code, sec. 22–2001) of said Act:

"SEC. 872–A. Whoever, in the District of Columbia, shall engage in the business of making, editing, showing or exhibiting any type of obscene, lewd, lascivious, and indecent motion pictures, other pictures, objects or recordings, shall be fined not more than $500, or imprisoned not more than one year, or both."

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. MOSS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOSS. Mr. Speaker, I am opposed to H.R. 4670 because it would impose censorship of the worst possible sort. The bill is utterly ambiguous and totally without bounds. Its enforcement would rest on the unrestrained vagaries and whims of individual policemen, and the punishments sanctioned by this bill are grossly disproportionate to the offense.

The bill is intended to strike at disreputable purveyors of pornography. But it is drafted so broadly that it actually strikes at all forms of literature, newspapers, magazines, booksellers, and writers.

H.R. 4670 would make it criminal for anyone to engage in the business of editing, publishing, or disseminating any newspaper, pamphlet, magazine, or any printed paper devoted mainly to the publication of scandals, whoring, lechery, assignations, intrigues between men and women, and immoral conduct of persons.

Here is a catalog of riddles. What would be covered by the word "scandals"? Suppose a newspaper devoted most of an issue to reporting on the padding of expense accounts by employees of a Federal agency? Would such publication of scandals be a criminal offense under the statute?

Most newspapers contain a great deal of reporting about "intrigues between men and women." Meetings of the local PTA—indeed, much of the life in the city of Washington—concern intrigue between men and women. Would such newspapers violate the law?

The word "assignation" means merely "meetings." Sometimes, it means meetings of lovers. Is it to be criminal for lovers to meet?

There is not a newspaper in this country which does not, in almost every issue, deal with immoral conduct of persons. The Bible, many of Shakespeare's plays, numerous works of literature, almost all dramatic and theater plays, deal with material that could be considered, by some bluenoses, to be scandals, intrigues between men and women, or immoral conduct of persons.

I am against obscenity, lewdness and lasciviousness. There is ample law in the District of Columbia Code, section 22–2001, to reach pornography. But the words in the bill have no fixed legal meaning.

This bill is so utterly vague as to what it covers that it violates the elementary requirements of due process of law, as well as the guarantees of freedom of speech under the First Amendment to the Constitution. The Supreme Court's decision in *Winters* v. *New York* (333 U.S. 507, (1948)) shows that a law which fails to give fair notice of what acts will be punished and which prohibits expressions that are protected by the constitutional guarantee of freedom of speech and press, would surely be invalidated by the courts.

The vice of vagueness that is present in this bill would necessarily result in law enforcement based solely on the private views of morality held by the police and the prosecutor.

The vague language of this bill could be applied to tabloid newspapers, screen magazines, society pages with their traditional gossip, confession magazines,

publications of atheists, and other groups holding diverse views in our society.

It could become the vehicle for oppression of religious groups such as Jehovah's Witnesses, of bookstores selling pocket books or screen magazines, of small-circulation newspapers specializing in exposing low moral standards or police corruption, of magazines reporting the doings of fringe groups, of nightclubs providing risque entertainment, of movie houses showing foreign films of greater frankness than the ordinary Hollywood cowboy film, and of legitimate theaters presenting a play of Tennessee Williams.

Equally serious are the drastic penalties of confiscation and forfeiture which this bill would authorize. The provisions concerning confiscation and forfeiture are not limited to the particular offending materials, but provide that all moneys, vehicles, furnishings, fixtures, equipment, stock, and other things of value used or to be used in violating subsection (a) or (b) shall be subject to seizure by any policeman or deputy marshal in the District of Columbia.

Thus, a storekeeper or owner of a department store which may sell a magazine containing a story of extramarital love may be subjected not only to criminal prosecution but also face the seizure of everything in his store, since every fixture or other thing of value in a retail store might be considered to be used or available to be used to further sales of a magazine. No matter how remote the use, the bill would authorize seizure and forfeiture. Moreover, the bill seems to provide that in any judicial proceedings concerning such seizure, the burden of proof would be placed on the defendant, since the bill provides for forfeiture unless good cause be shown to the contrary.

In addition, the bill specifies that the physical premises are declared a nuisance whose use may be enjoined for a full year. The bill applies even where the owner is not the actual purveyor of the offending magazine or publication. Suppose a landlord knows that his tenant is selling Playboy magazine. How can he protect himself if he is afraid of these drastic results? If he evicts his tenant, but a judge should later find that the magazine is not covered by the statute, the landlord would be liable for damages for wrongful eviction or interference with his tenant's business.

The net effect of this bill is that it would intimidate the lawful as well as the lawbreaker. It would create confusion and fear. It would exercise a power censorship on the freedom to speak and to publish.

Under this bill, a newspaper would face confiscation of its presses because in one issue it had printed a large number of articles on sex, crimes, or religious heresies. A department store could lose its delivery truck fleet, all its fixtures, and even be closed for an entire year because its music department sold an offcolor record. A newsstand could be closed down because it sold a copy of a Readers' Digest condensation of a new Kinsey Report. A man could lose his automobile and go to jail because he delivered a copy of the New York Daily News to a friend. All of these consequences are possible under the language of H.R. 4670.

A bill that is so poorly drafted and so full of unconstitutional censorship potentialities should not be enacted. Private notions of morality should not become the basis of punishment and forfeitures. Law enforcement should not be based on loose and vague language that contains no fixed legal meaning. I hope that this bill will not become law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DOWDY. Mr. Speaker, the purpose of this bill is to amend the law relating to indecent publications in the District of Columbia—31 Statute 1332; section 22–2201, D.C. Code, 1951 edition.

The first provision of H.R. 4670 is that persons engaged in the editing, publishing, or dissemination of obscene literature, or persons participating in any way in the sale or giving away of such literature, or persons engaged in the showing of lewd and lascivious pictures, objects, or recordings of any type, shall be fined not more than $500 of imprisoned not more than 1 year, or both.

This bill also authorizes forfeiture to the District of Columbia of property used in connection with a violation of law relating to indecent publications. The procedure prescribed for forfeiting such property contemplates a libel action being brought in the municipal court for the District of Columbia by the Corporation Counsel or any of his assistants. Unless good cause be shown to the contrary, the property is forfeited to the District, and may be made available for the use of any agency of the District government or otherwise disposed of as the Commissioners may, by order or regulation, provide; except that all property of a lewd, obscene, lascivious, or indecent nature shall, upon order of the court, be destroyed. Provision is made for the sale at public auction of property which is not of a lewd, obscene, lascivious, or indecent nature whenever there are bona fide liens against such property, and for the transfer of such liens to the proceeds of the sale.

The proceeds of the sale are available for the payment of bona fide liens and expenses incident to the sale, and the remainder of the proceeds shall be deposited in the U.S. Treasury to the credit of the District of Columbia.

This bill provides also that any house, building, vessel, garage, shed or other premises to which the public commonly resort or congregate for business or pleasure, and which is used for the purpose of violating the law relating to indecent publications is declared to be a common nuisance, and as such may be enjoined. Further, any person who knowingly has any part in maintaining such a place is guilty of maintaining a nuisance. In this connection, it is specified further that evidence that any of said prohibited acts are frequently committed in any such place shall be prima facie proof that the person having custody or control knowingly permitted the same. In the case of a violation of any such injunction, proceedings for punishment for contempt may be commenced by the Corporation Counsel or any of his assistants by filing a petition with the court in the same case in which the injunction was issued. Any person found guilty shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 12 months, or both.

The final section of H.R. 4670 assures that the intent of Reorganization Plan No. 5 of 1952—66 Statute 824—will be made applicable to this proposed amendment to existing law.

Mr. BROYHILL. Mr. Speaker, this bill seeks to amend the law relating to indecent publications in the District of Columbia.

The bill provides for a fine of not more than $500 or imprisonment of not more than 1 year, or both, for persons who engage in the editing, publishing, or distribution of obscene literature, or persons participating in the sale or giving away of such literature, or persons who engage in the showing of lewd and lascivious pictures, objects, or recordings of any type.

Further, H.R. 4670 authorizes the forfeiture to the District of Columbia of property used in connection with a violation of the law relating to indecent publications. The procedure would involve a libel action brought against the property by the Corporation Counsel. Upon being forfeited to the District, the property could then be used by any agency of the District of Columbia government or otherwise disposed of as the Commissioners, by order or regulation, may provide. It is specified also that all property of a lewd, obscene, lascivious, or indecent nature shall be destroyed upon order of the court.

There is a further provision that any building or other premises to which the public commonly congregate for business or for pleasure, and which is used for the purpose of violation of the law relating to indecent publications, will be declared a common nuisance and as such may be enjoined.

Upon final order of the court ordering such nuisance to be abated, the court may order the defendant not to occupy the premises for a period of 1 year; however, in its discretion the court may permit the defendant to occupy the premises upon the giving of bond in the sum of not less than $1,000 nor more than $5,000, payable to the District of Columbia, conditioned that the acts prohibited by this law not be done or permitted to be done on the premises. Violation would cause the entire sum to be recovered by the District.

It is provided that any monetary proceeds under this act shall be deposited in the Treasury of the United States to the credit of the District of Columbia.

I am very strongly in favor of any legislation which will provide more effective measures against the purveyors of lewd and indecent materials which

have such a degrading effect on the moral fiber of the juveniles of our country and which will militate against this insidious traffic. I am convinced that H.R. 4670 will very materially aid in this most important fight, and I urge its enactment.

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT UNDER SECOND LIBERTY BOND ACT

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, and on behalf of the gentleman from Virginia [Mr. SMITH], I call up House Resolution 351 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7677) to increase for a one-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means. Amendments offered by direction of the Committee on Ways and Means may be offered to the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Ohio [Mr. BROWN].

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 97]

Addabbo	Coad	Glenn
Alford	Colmer	Granahan
Anfuso	Cramer	Grant
Ashley	Davis, James C.	Gray
Ayres	Davis, Tenn.	Green, Oreg.
Bass, N.H.	Donohue	Hall
Battin	Farbstein	Halpern
Bennett, Mich.	Feighan	Harrison, Wyo.
Blatnik	Fenton	Hébert
Blitch	Fino	Holifield
Bow	Flynt	Hosmer
Brademas	Fogarty	Ikard, Tex.
Brooks, La.	Frelinghuysen	Inouye
Cannon	Gallagher	Karth
Celler	Keogh	Kearns
Lindsay	Philbin	Smith, Miss.
McVey	Pilcher	Springer
Macdonald	Pirnie	Staggers
Miller, Clem	Powell	Stratton
Miller, George P.	Rabaut	Teague, Tex.
Morrison	Reifel	Thompson, La.
Moulder	Rivers, S.C.	Tupper
Multer	Roberts	Van Pelt
O'Neill	Rogers, Colo.	Vinson
Osmers	Rousselot	Whalley
Passman	St. Germain	Willis
	Santangelo	Young
	Shelley	

The SPEAKER. On this rollcall, 356 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT UNDER SECOND LIBERTY BOND ACT

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, by direction of the Committee on Rules, I present to you this morning House Resolution 351, the purpose of which is to make in order the bill H.R. 7677; and that bill, again, in view of the extravagances of the Congress, raises the debt limit, this time by $13 billion—from $285 billion to $298 billion.

I want to make a few remarks on the subject, futile as they are. I would hope that I might interest you in these figures. This bill is something you have got to pass; you have spent the money you have appropriated, you have gone through the back door with lots of it, and now the bills are going to be presented and you have got to pay them.

The history of our debt limit in the last few years—and I have had to bring similar bills out at various times and you have had to pass them. That was all you could do, because you spent the money, but that does not seem to give anybody pause. The recent history of this debt limit—and remember this is peacetime—is that it got up to $300 billion during World War II. After the Second World War it dropped back to $275 billion then it went up to $281 billion, and in 1957 it dropped back to the $275 billion. And do you know what Congress has done with it since then? From that time, including this increase it has gone up every year; every year you have had to have a bill in here to increase the debt limit because Congress was spending more money than we were collecting. Last year it went up permanently by $10 billion to $285 billion, and also temporarily by $8 billion to $293 billion. Well, of course, that $8 billion was temporary, just a little method of sugar coating it, because everybody knew it was going to be permanent. This year it goes up $5 billion more, and this bill calls for a total increase of $13 billion because of the fact that the last year's $8 billion temporary increase was not repaid.

What I want to suggest to you is that the time is almost here to quit shadowboxing with temporary increases in the debt limit. The January budget has been increased by the present budget, and it has been increased three times—on March 24, March 28, and May 25.

Under permission, I include a table by agencies showing the increases, the first table reflecting the two March revisions and the second one the May 25 revisions:

CHANGES IN 1961 AND 1962 BUDGETS, MARCH 24 AND 28, 1961

New obligational authority by major agency

[Fiscal years. In millions]

Agency	1961		1962	
	January estimate	Current revision	January estimate	Current revision
Legislative branch and the judiciary	$176	$176	$180	$184
Executive Office of the President	72	72	116	116
Funds appropriated to the President:				
Mutual security—Economic and contingencies	2,131	2,131	2,200	2,400
Other	607	607	13	13
Independent offices:				
Atomic Energy Commission	2,781	2,781	2,598	2,628
Federal Aviation Agency	690	690	686	745
National Aeronautics and Space Administration	965	965	1,110	1,236
Veterans' Administration	5,577	5,577	5,101	5,141
Other	756	780	755	832
General Services Administration	520	521	556	558
Housing and Home Finance Agency	1,119	1,819	948	1,368
Department of Agriculture	5,361	8,330	5,509	6,169
Department of Commerce	549	549	612	677
Department of Defense—Military:				
Military functions	41,308	41,371	41,840	43,794
Military assistance	1,800	1,800	1,800	1,600
Department of Defense—Civil	978	978	972	994
Department of Health, Education, and Welfare	3,909	3,940	4,026	5,505
Department of the Interior	837	838	888	940
Department of Justice	297	297	297	299
Department of Labor	525	1,506	264	289
Post Office Department	728	876	63	63
Department of State	268	268	351	363
Treasury Department:				
Interest	8,993	8,993	8,593	8,693
Other	992	993	1,126	1,156
District of Columbia	79	73	63	63
Allowance for contingencies	150	150	200	200
Total	82,008	87,141	80,867	86,026

NOTE.—Detail may not add to totals because of rounding.

Changes in the fiscal 1962 budget, May 25, 1961

[In millions]	New obligational authority
March 28, 1961—Budget estimate	$86,026
Changes proposed:	
Department of Commerce: Meteorological satellite	53
Department of Defense:	
Military functions:	
Space	77
Army	100
Marine Corps	60
Military assistance	285
Mutual Security—Economic and contingencies: Presidential contingency fund	250
Department of Labor: Training, retraining and increased worker mobility	75
National Aeronautics and Space Administration: Space	549
Small Business Administration: Loan program increase	130
U.S. Information Agency: Program expansion	2
Total, including changes proposed in President's message of May 25, 1961	[1] 87,607
Net increase	1,581

[1] Excludes amount for expansion of civil defense program.

For the fiscal year 1961 there has been an increase asked over the January budget of $5,073 million; for fiscal 1962, first an increase asked for $5,159 million. There, in the Presidential message of May 25, it is found that that was insufficient, and a further increase of $1,581 million for 1962 was requested. That totals up to $11,813 million, a good sized bite out of your $13 billion you are increasing the debt limit today.

There is, so far, an overall increase of at least $12,854 million that we can nail down. That comes about in two ways. One is the increase asked in the budget of $11,813 million. That is on the spending side. On the receiving side the President asked for an increase in postal rates to take care of the postal deficit of $741 million. A couple of days ago when the Committee on Post Office and Civil Service met, that bill was considered. Did they give the President the money he asked for? No. By one vote, I am told, they turned down that $741 million that is so desperately needed. That adds another $741 million to the budget increase I have spoken about.

Then within the past month this House passed the Keogh bill which involved a reduction of receipts in the Internal Revenue Department. This half year it will not take up the full amount, but annually thereafter it is estimated there will be a loss of $300 million a year in the long run.

Add the $11,813 million to the $741 million loss to the budget by the postal deficit and the $300 million and you have $12,854 million.

You are increasing your debt limit $13 billion today. You can start out with an offset of $12,854 million if the present bill is passed.

I mentioned this in the discussion of a rule on the housing bill. I referred to some of these figures and I undertook to inform the House what sort of financial situation you were getting into and hoped that bill could be cut down or not passed at all for the time being. But no, it went whizzing through. There was not a vote changed in view of the situation. It never changed a vote in this House.

There are a lot of people in this House who are worried about the approaching bankruptcy of this Nation. They are really worried. They know these bills are due, they know they have to be paid, yet they say to me, "If we keep on increasing the debt limit every time they want to spend some more money, we increase the debt limit when we do not have the money to pay it." They say, "I am going to vote against the increase in the debt limit because I think the sooner we bring this thing to a head and do not have the money in the bank to pay the checks, that is the only way it is going to wake up this House."

I remember having a conversation away back yonder. Somehow or other I am a fellow who never had much money and big figures always worried me. I have been somewhat reluctant about appropriations. We had one of these new bills away back yonder in the 1930's. It was to be renewed and extended. I spoke to Senator Glass about it. You remember Senator Glass, who used to be Secretary of the Treasury. I said:

Senator, you are not going to vote for this, are you?

Do you know what he said to me?

Yes, SMITH, we are going to * * * just as fast as we can, and the sooner we get there the sooner we can turn around and come back.

That has been nearly 30 years ago, but I have not seen a sign of turning around or coming back either, and I do not see any today.

Now, Mr. Speaker, I ask unanimous consent to include certain statistics in connection with my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Illinois.

Mr. MASON. If a Member of this House has voted against all increases in the debt limit, as I have, and also voted against many, if not most, of these wild extravagant spending bills that have been brought before the House in the last 20 years, then would that Member be justified in voting against this increase in the debt limit as a protest vote against this wild spending that not only the administration but the Congress has been engaged in in the last 20 years?

Mr. SMITH of Virginia. Now, the distinguished gentleman from Illinois does not want any advice from me, I know, because if there is anybody in this House that is independent and votes what he thinks, it is the gentleman from Illinois.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Virginia.

Mr. GARY. I want to commend my distinguished colleague for the remarks that he has made. I think we are facing a very serious situation.

Mr. SMITH of Virginia. I thank my friend for his commendation.

Now I want to talk about another subject that he is very much interested in, which is back-door spending, and I am just coming to that. Of course, we have had a lot of conversation around here about back-door spending. Some Members take offense at the words "back door," so out of deference to them maybe I should use the term "Treasury financing." They both mean the same thing, and it means that they get money out of the Treasury of the United States without ever coming to the Committee on Appropriations for it, and without us having an opportunity to consider an appropriation bill. I want to speak a few minutes on that, because I have been trying for several years to get a resolution out of the Committee on Rules to change the rules of the House so as to bring us back into the constitutional way to appropriate the taxpayers' money of this country. Other Members have taken it up this year. And, I was very hopeful about it this year, because the Committee on Rules early in this session was revised and extended, as we say, and it was done on the theory that the old Committee on Rules would not bring certain bills to the floor of the House. The theory of democratic government was that the Members were brave enough to vote their sentiments and convictions. They all wanted the bills to come to the House and they all wanted an opportunity to cast their votes openly so that their constituents would know how they voted. So, I thought we would come out with a bill to stop the back-door spending, and I was encouraged when one-third of the Members of this House signed a petition to the Committee on Rules asking them to bring that bill down to the floor and let the House vote upon it. Well, I was disappointed. The same old rule applied, and a majority of the committee voted against giving the House an opportunity to vote on back-door spending.

Let us take a minute on the history of that, to show you to what extent it has gone. It started away back in 1932 in a small way.

Up to this time, do you have any idea how much money has gone out of the Treasury without first having come to the Committee on Appropriations of this House? I shall tell you—and these figures are accurate. They come from the Treasury. The figure is $121,218,819,000 that you never even got a taste of or a smell of or a chance to vote on through an appropriation bill. Since that time $16,281,606,000 has been charged off as a loss. That would buy a lot of peanuts. That is $16 billion that has been lost already. Some of it has been paid back and there is now outstanding of that type, $34,866,503,000. How much of that we are going to get back I do not know. Usually I say in that kind of transaction, when you get

down to the point where most of it has been paid off, you might as well charge off the rest of it.

What are you going to do this year about back-door spending? It is getting to be a very popular pastime, particularly in the other body. As you know, appropriations under our rules initiate in this body. But that is a way to get them initiated in the other body, through back-door spending; and a great many bills are coming over with that type of financing.

Here is what we have done this year under what are termed politely "Treasury transactions." That is where you pass an authorization bill authorizing somebody to go down to the Treasury, give them a note, and get all the money he wants. It never comes to the Committee on Appropriations. A number of us have been trying to get something done about it, but the House will not do anything about it.

Let us consider the depressed areas bill. I am now talking about this year, the first 4 or 5 months of the 87th Congress. I do not know what you are going to do from now on out. If you do as you did on that tremendous housing bill, nobody can predict what you are finally going to do. For depressed areas, through Treasury transactions, the figure is $300 million. On top of that little gift is the use of the receipts that are returned. In other words, it is a revolving fund, so you never get any of the $300 million back. If any of it is paid back, then they give it to somebody else.

Then there are the direct veterans' loans. That figure is $1,050 million. That passed the House.

Then the housing bill, which passed the House last week. FNMA mortgage purchases, $1,550 million. College housing: We have three or four other bills here concerning colleges. I am sure you have heard something about them. This is another one. College housing loans, $1.2 billion.

Community facilities: We just passed a community facilities bill the other week, raising the amount from $50 million to $100 million. And do you know what the housing bill did last week? It added another $500 million to it, through the back door—half a billion dollars.

Then there is farm housing, $407 million. That comes to $3,657 million of Treasury transactions up to now, the first part of the session.

Then we have foreign aid bills that are pending. For development loans, whatever they are—it looks as though we are developing the world, and I do not know how much luck we are having at it—$7,300 million. That is for development loans, and your Treasury would be obligated to pick up the check for $7.3 billion if that goes through.

These are debt transactions only; these do not include appropriations authorized. And they do not include contract authorities in these bills. These are our public debt back-door spending transactions in the first 5 months of this session of Congress. The total of these bills is $12,307 million.

Then there are the REA and the farmers home loans—$629,900,000—adopted by the House some weeks ago in the appropriation bill. That makes a total of $12,936,900,000 to go out the back door. And if somebody will take his pencil right quick, he will find that there is only $63,100,000 left of your $13 billion debt increase.

We may well be coming back here with another bill just like this before the session is out, asking for another increase. When are you going to stop shadowboxing and get down to business?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. Is it not true that there is almost $24 billion of back-door spending authority enacted by the House up to this point or proposed? Is that not right?

Mr. SMITH of Virginia. These basic figures I got out of the budget. When you get up to half a billion it is out of my field.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Washington.

Mr. PELLY. The distinguished gentleman from Virginia mentioned there is about $34 billion of public debt transactions outstanding at this moment and borrowed from the Treasury, but he did not mention the authority for these agencies right now, any time they want to, to go and get $25 billion. Certainly, if they do that, we will have to raise the debt ceiling very much more than this. It is right in the budget.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. TABER. Is not this about the situation the United States is facing: Unless we turn this down and bring the thing up sharp we are going to find ourselves in a situation where we will have to stop this spending and do it very soon. For that reason, I cannot vote for the bill.

Mr. BROWN. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, once more it is my responsibility, and of course my duty, to draw your attention to the fact that we have before us a rule which provides there shall be no amendments offered or considered to this bill, except at the direction of the committee itself. This is another closed or gag rule, despite the pledges which were made earlier in the session that it was necessary and advisable and wise to pack the Rules Committee in order that the House of Representatives might have the opportunity to work its will.

Of course, under this gag rule, which provides 4 hours of general debate, the only opportunity to amend, outside of committee action itself, and the committee already has acted, is through a motion to recommit. I realize that in all probability this rule will be adopted and that this bill will probably be passed.

I am more concerned over this piece of legislation than any that I have had to bring to the House from our side of the aisle for a long time.

I am not unmindful of the fact, as most of you are, that Communist Russia, through Premier Khrushchev, has virtually served an ultimatum on the United States, the NATO nations, and the entire free world as to their determination to take over West Berlin. There are those among us and in high places elsewhere who are warning us that this ultimatum may mean, and probably will mean—we all pray to God that it does not—the beginning of world war III before the present year is up, as has been pointed out before on the floor of the House.

Yet I am not unmindful of the fact that those who were the originators of communism and have taught it from the very beginning, Marx, Engels, and Lenin, consistently preached that the way to destroy a free country, or a free people, is to get it or them to spend their way into bankruptcy. Through the past few years this Republic has been making great progress toward that end.

Certainly in our present fiscal condition, with our great, huge national debt hanging over us, far more debt than all the other nations and all the other governments in the world combined now owe, there is a grave question as to whether this country can finance another war. In order to do so it would certainly be necessary to impose upon the American people dictatorial controls never known before; and that it might be necessary, in a war of survival, to surrender all of our liberties and freedom, because of the foolish policies we have been following in the past, and are following today.

I listened with much attention to the gentleman from Virginia [Mr. SMITH] when he spoke of the responsibility of the Congress and of the House of Representatives, especially, of course, to approve this legislation in order to pay for that which had been done. I am in a great quandary, in my own mind, as to whether that is a logical, sound and good argument, or whether, perhaps, the time has come when we should call a halt on the continuous extending of our national debt limit. I realize and appreciate one thing, and I believe my people know it, that so far as I am concerned, and so far as most of the Members on my side of the aisle are concerned, we have continuously voted against the wasteful and extravagant spending that has created this huge debt, that has caused us, year after year, to come in here and vote an increase in the national debt limit so that once more we could go out and borrow the money to meet the obligations of government—money which must be repaid, if it is ever to be repaid, by our children and our children's children and, yes, by children yet unborn.

During the past 30 years this Government of ours operated in the red for 24 years, for we have lived on borrowed money, to a lesser or greater extent, during that time. Only in 6 years did we have a balanced budget, or did we live within our national income. I watched with a great deal of interest, and participated to some extent, this past week when we considered the last

bill before the House, outside of the minor ones which came up this morning, to spend anywhere from $5 billion to $9.2 billion on the most fantastic so-called housing bill ever conceived by the mind of man, or ever introduced or considered in any legislative body in all history anywhere in the world. I voted against that bill as did a great many Members of the House of Representatives. So I am not so sure I have any responsibility to vote to continue to borrow money to pay for this and other foolish and asinine—and let me use the word "stupid"—spending bills and programs which have been put into effect by this administration, and by past administrations, by this Congress and by past Congresses, over my opposition thereto.

Somehow or other, sometime we are going to have to call a halt on this wild spending, and the only way I know that you can stop some people from being spendthrifts is not to permit them to have any money to spend.

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. Does not the gentleman also agree that in the last bill the gentleman mentioned 97 percent of the $9 billion that is going to be spent will be back-door spending? And does not the gentleman also think that in view of the fact that we come back here year after year, and the gentleman from Virginia has pointed that out very clearly to us, that maybe it would be better for us to take off the limit and have no restraint on our actions?

Mr. BROWN. We could, of course, do that; and perhaps by doing so we could serve notive on the American people that the sky is the limit, and that they could expect spending to go on until we finally descended into financial bankruptcy.

On the other hand, what is our fiscal responsibility, let me ask the gentlewoman from New York? Is it to continue to furnish the power and means to borrow more and more money so more and more spending can take place? Or is it our fiscal responsibility to stop this wasteful deficit spending any way we can? That is the question which concerns me in connection with this bill.

Mrs. ST. GEORGE. If the gentleman will yield further. If the American people could hear and read the words that have been spoken here I believe they would have to admit that something has got to be done before we go completely down the road to ruin.

Mr. BROWN. I would like to read, if I may, one paragraph from the official report on this bill. It reads as follows:

> Of the total cost of $6.7 billion in new obligation authority proposed during the course of 5 months by the Kennedy administration over and above the $80.9 billion recommended in the January budget, 34 percent, or $2.3 billion, is for major national security items; and 66 percent, or $4.4 billion, is for other purposes and functions of the Federal Government.

What does that say? And what does it plainly mean? That we cannot give as an excuse that the spending we are doing and the increase in the national debt which is proposed is for national defense purposes, because we are spending practically twice as much for nondefense purposes, above the budget in new increased authorizations, in new spending programs, if you please, than we are devoting to our national defense; and, yet, we are told that the clouds of war are growing darker and darker over Europe and over the free world.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from North Carolina.

Mr. JONAS. The gentleman remembers we had an appropriation bill on the floor about 10 days ago from the Independent Offices Subcommittee of the Appropriations Committee. The funds in that bill covered 23 civilian agencies of government, and the budget called for an increase in personnel, an increase in jobs of more than 10,000 for 23 civilian agencies.

Mr. BROWN. That is correct; and I think if the gentleman will check he will find, if I can read the report correctly, that proposals which have already been sent to Congress, or have in many instances been approved in various appropriation bills, to increase the number of Federal employees by tens and tens of thousands, 40,000 or 50,000, or even more, if you please.

Mr. JONAS. That is right. I was referring only to the 23 civilian agencies.

Mr. BROWN. I agree. And I think it is time that you and I, if we feel any responsibility to the people we represent, or if we believe we have any responsibility to the children we have sired, that it is about time we stop, look, and listen.

How can we stop this continuous reckless spending? There are many among us who believe the best method may be to vote down this bill, saying to the spenders: "You cannot have more money, and if you do not have it you cannot spend it; you will be forced to practice economy."

There are others who say, "Well, you have the responsibility," as the gentleman from Virginia has said, "to pay for that which has been spent or obligated, even though those obligations and those expenditures were made over your opposition, over your vote."

"That is our responsibility," others say.

In my opinion, we have come to the time for soul searching in the Congress of the United States, because, as the gentleman from Virginia has said, even if war should not come, before the end of this calendar year we will see the spenders back in here asking for another increase in the national debt.

I asked the question in the Rules Committee as to why, instead of increasing this permanent debt limit by $13 billion on a temporary basis for 1 year, up to $298 billion, we did not just make the limit $300 billion?

The reply was given to me, perhaps facetiously, perhaps not, that to a great many people who read the advertising pages $2.98 is always more attractive than $3. They may think they will get a little better bargain.

Those who oppose our way of life, those who would destroy us, either from without or, as they have preached in the past, from within, because of our internal weaknesses, certainly can get nothing but pleasure and enjoyment out of that which they see in the Congress of the United States today. Almost immediately after we passed the huge and costly housing bill last Thursday, the newspapers, and even the proponents of that measure, frankly stated it contained sweeteners for everybody. So here we are, meeting today in the Congress of the United States to consider an increase in the permanent debt limit on a temporary basis, we are told, but every man and woman in this body knows there will be nothing temporary about the $13 billion increase to pay for spending program like that contained in the housing bill.

Marx, Lenin, and others may be smiling and perhaps chuckling a bit, as they look up from wherever they are, over seeing a great Republic committing fiscal suicide.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. BROWN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. HOFFMAN].

Mr. HOFFMAN of Illinois. Mr. Speaker, I would like to talk for a few moments about this subject. I believe it is probably the most important subject I will ever talk upon in this or any other Congress.

I agree with the chairman of our great Rules Committee that this misnomer of a temporary debt is just one of the things they use to fool the people of the United States.

I would like to compare our position to the situation that existed when Pandora, in the tale from Greek mythology, opened the box given to her by Zeus and she released into the world all of the ills of the world. They all escaped the box except for one, and that one was Hope.

In 1913 when the Federal income tax became the law of the land, we opened Pandora's box, but the sponsors were smart enough to open it slowly so that full realization of the program was not recognized.

Apparently they did not realize that when you give a government an unlimited taxing power that government can subsidize many things, including the businesses, the people, and the subdivisions of government all over the United States and the countries all over the world. When a government subsidizes, it wants and it gets control of whatever it subsidizes.

I was interested in reading paragraph 2 of the Communist Manifesto by Karl Marx on the destruction of capitalism. He advocated a heavy progressive and graduated income tax.

This Pandora's box of taxation has slowly opened but as yet not all of the evils have escaped. Down on the bottom Hope is badly mangled and crushed.

This country is far removed from the country we like to think it is. Today we have come to the point where we can reach in and rescue Hope and let it fly to the four corners of the United States by defeating this bill to raise the statutory debt limit and by holding firm and

commencing in the immediate future to reduce that debt. Then we shall bring hope to the American people.

The other day I was interested in trying to determine in my own mind what a billion dollars was. So, I took this $9 billion plus that we pay out in interest every year, and I measured a bill. I found it measured 6 1/16 inches long by 2 11/16 inches wide, and I figured that if we totaled that $9 billion that we owed on our national debt and if we laid these dollar bills end to end and side by side, it would establish a pathway 7 1/2 feet wide around the world. Think of that. That is the interest we pay.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Illinois. I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Speaker, there is no man in the House of Representatives that has a finer record for economy in government than the gentleman from Illinois [Mr. HOFFMAN]. As you know, he is a former State treasurer of that great State, and he is one man who I think we should all pay a lot of attention to when he comes to the well of the House and talks on economy. You know, this particular legislation that we have up today is a demagogic paradise. There are those who say, "I voted against increasing the debt limit" and they vote for every big spending bill that comes along. And, I might say for the gentleman who is present in the well, the gentleman from Illinois [Mr. HOFFMAN], that he has consistently voted against these wild, radical spending bills and has voted for strict constitutional requirements and economy in government.

Mr. HOFFMAN of Illinois. I thank the gentleman from Ohio.

It is my belief that the defeat of this bill will serve notice on the spenders that Congress has finally reached a point at which we will give back to the subdivisions of the Government—the States, counties, and cities—their freedom and the God-given right to proceed on their own initiative. By reaching this point we will start to restore to the people the right to advance under their own power.

It is a right that all Americans are guaranteed by the Constitution of the United States—the right of advancing to the goals they seek by the sweat of their brows and by their own handiwork.

This right cannot be obtained by strangling governmental controls and catering to their weaknesses by running to the Government for help at each and every opportunity.

Let us give everyone freedom of opportunity by defeating this bill.

Mr. BROWN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, it was a week ago we listened to two talks, very factual, very eloquent, very persuasive; one by the gentleman from Virginia [Mr. SMITH] and one by our colleague from Ohio [Mr. BROWN], pointing to the danger which threatened us. Today we just heard similar warnings. My colleague, the gentleman from Illinois [Mr. MASON], who always knows what is going on, a capable member of the Ways and Means Committee—nodding his head in agreement—the other day the two gentlemen frightened us. Some Members have trouble sleeping nights since that day last week.

But it all boils down to thin vapor. We do not do anything to avoid or meet the danger, from time to time to raise the debt limit and let the executive departments spend more. I wish those two gentlemen or some Member would tell me how some of us can do something other than vote against these appropriation bills, as some have continued to vote. We have voted against the authorizations, but when you gentlemen talk on the floor this way, and then outvote us, what can we do to prevent excessive spending? Will you please tell us? I am anxious to do something effective. After 20 years of voting "no" on wasteful appropriations, and with the debt limit constantly going up, am I just a mental case or is a majority of the House to admit it is a little off mentally?

Mr. SMITH of Virginia. Mr. Speaker, I yield the balance of the time to the gentleman from Missouri, the distinguished chairman of the Appropriations Committee [Mr. CANNON].

Mr. CANNON. Mr. Speaker, this is a notable day. Today for the first time since Congress convened last January we have heard the public debt referred to here on the floor. Apparently, "public debt" is a bad term. It does not seem to be respectable. It is not used in good society here on this floor. We go our way constantly increasing the debt. Every day we rate it higher, but we do not talk about it. It is not mentioned on the floor. Nothing is ever said about how much it is—or about paying it—or about its demoralizing effect on the national economy.

The most alarming thing about the public debt is that nobody is alarmed about it—although it is affecting the standard of living of every family in America.

But if you go to your banker to borrow money the first thing he asks is: "How much do you owe? How much paper do you have out?" The next thing he asks is: "When did you make a payment on it? When did you reduce your indebtedness?"

Never in the peacetime history of any country in the history of the world has any nation owed as much money as we owe today, and never in the history of any nation in which the debt was not repudiated have we failed to reduce it, failed to pay something on account, failed to make any arrangement under which we would make periodic payments on the public debt.

We owe so much today, Mr. Speaker, that the interest on it, the bare interest on the national debt, is more than the entire budget was just a few years ago. Now we go constantly deeper in debt with no debate on the floor of any plan or effort to pay it.

But do not think that we are getting away with it. Do not think that we are not going to have to pay for it through the nose. And do not think that the country is not going to have to pay for it in a very unpleasant way.

They tell us down in the departments that never before have there been so many men who have retired but who are coming back wanting to get on the rolls again, because their retirement annuities have been so depreciated in buying power that they do not have enough money on which to live. Of course, deficit spending—spending money we do not have for things we can get along without—lowers the buying power of the dollar.

And it has dropped so low today that men cannot live on the annuities which Congress provided for them when they retired.

What kind of a Congress is this?—promising our constituents a contented, carefree old age and then jerking the rug out from under them.

It is even worse than that. Congress arranged for employer and employees to contribute jointly their dollars worth 100 cents to the dollar to a wonderful social security program—and then, as a reward for all their frugality and self-denial, paying them off with 20-cent dollars.

We may think we are making a lot of votes passing all these deficit-spending bills to be paid by their children and grandchildren. But just wait until their social security annuities come due and they find how shamelessly they have been shortchanged. And then who will get the votes?

So what are we going to remedy in this bill? The law which it proposes to annul is the law which flashes the danger signal when the national economy is threatened—like the thermometer in a nitroglycerin factory. In this bill we propose to save the factory by throwing away the thermometer.

It is time to be sensible. Anybody knows that if he owed as much in proportion as this country owes your bankers would sell you out tomorrow.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from North Carolina.

Mr. JONAS. Does the gentleman realize, and has he ever figured this out, and I assume he has, when reference is made to the amount of interest, if we do not cut out this spending and if we keep on increasing the debt we will in 30 years have paid out in interest an amount equal to the amount of the debt and still owe every dollar of the principal? Does that make sense to the gentleman?

Mr. CANNON. And the astonishing thing is that in time of peace and easy money the United States has this year had to pay as high as 5 percent to get money to run the Government. Congress has battered the dollar around pretty badly to bring it to that.

It is time to vote for a sound dollar—and retirement and social security annuities that will buy as much when they are paid as the dollars they put in.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7677) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7677, with Mr. JENNINGS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas [Mr. MILLS] will be recognized for 2 hours, and the gentleman from Illinois [Mr. MASON] will be recognized for 2 hours.

The Chair recognizes the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the Committee on Ways and Means reported the bill, H.R. 7677, to the House after having heard the Secretary of the Treasury and the Director of the Bureau of the Budget in hearings which have been published and are available to the membership of the House.

The bill itself, Mr. Chairman, is not difficult to understand. The bill provides that in addition to the permanent debt which may be created by the issuance of bonds under the Second Liberty Bond Act, the Secretary of the Treasury may issue not to exceed $13 billion additional in debt for the period the next fiscal year, that is, the period beginning July 1 next.

Mr. Chairman, the House has done this on a number of occasions. The first time the House passed legislation involving a temporary debt ceiling was in connection with the approval of a conference report in the year 1954. It will be recalled that Secretary Humphrey and the administration at that time in 1953 called our attention to the fact that it would be impossible to live within the debt ceiling of that time and recommended an increase in the permanent debt ceiling by $15 billion making the ceiling $290 billion.

Mr. Chairman, it will be recalled that when that matter was on the floor of the House, I offered a motion to recommit to change the permanent addition to the debt of $15 billion to a temporary debt increase of that amount. The House saw fit to vote down my motion to recommit. Mr. Chairman, the measure went to the other body, and the other body decided in its wisdom that it would not be necessary to have a debt increase of $15 billion in that year and converted the increase to a temporary increase and reduced it from $15 billion to $6 billion of temporary increase. The conferees on the part of the House agreed to it in conference and the conference report was adopted by the House.

Since that time, we have been engaging in this practice of increasing the size of the debt on a temporary basis periodically. I have discussed what happened in 1954. Now let me go to 1955.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr MILLS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I think you should call attention to the fact that it was in 1953, July, that the House passed this bill and that it was more than a year later before the other body took action on that bill.

Mr. MILLS. The House passed it in 1953 and the Senate finally did act on it in 1954. That is true.

In 1955 the House and the Senate continued that temporary increase of $6 billion. In 1956 provision was made for another temporary increase. In February 1958 there was another temporary increase enacted by the Congress. In September 1958 a second increase was voted. You will recall that the country was in a downturn that year, and we had a rather staggering deficit to face during the fiscal year. We increased the permanent debt ceiling to $283 billion in September of 1958, and provided for $5 billion additional temporary debt at that time.

In 1959, at the request of the administration then in power, we again increased the permanent debt ceiling from $283 billion to $285 billion, and provided a $10 billion temporary debt increase, amounting in total to $295 billion. That was in the year 1959.

In 1960 it was possible for us to get by with only an $8 billion temporary debt increase on top of the permanent $285 billion. I wanted the record, Mr. Chairman, to be very clear that the Congress has in the past done what I think Congress must do on this occasion, face up to the facts that are before us.

Hindsight, of course, is always better than foresight with me, and I presume it is with respect to most of us. Here we are today faced with a factual situation and we say that we regret our actions over a period of years that gave rise to the necessity of taking this action that is again today before the House of Representatives.

What am I talking about? On June 30 of this year without this legislation there will only be authority on the part of the Secretary of the Treasury to have outstanding $285 billion of securities under the Second Liberty Loan Act. That is the permanent ceiling. The amount of securities that will be outstanding on that date, however, will be almost $287 billion. That means there is $2 billion of debt in excess of the permanent ceiling. The Congress, and this administration, and the previous administration, have all contributed in creating this debt. Some would have us look back and in our wisdom today say that we made a mistake last year, that we made a mistake in our actions so far this year; that we regret what the Appropriations Committee has done, we regret what the authorizing committees of the House have done. So now what are we going to do? Are we going to register a vote of protest about what we have already done?

I asked the Secretary of the Treasury and the Director of the Bureau of the Budget to set forth in the hearings the facts. I wanted to know what would be our situation if we refused to provide this temporary increase. How much would we have to reduce our spending in Government? The administration expects the debt to stand at $286.4 billion on June 30 and $291.9 billion come September 15. And where would we reduce expenditures by September 15, 1961, to be able to live within the permanent ceiling of $285 billion. Even without any flexibility available to the Secretary of the Treasury for debt operations, we would have a debt of $294.9 billion on December 15. To stay under a $285 billion debt limit we would have to reduce our outgo by $10 billion; that is, spending would have to be reduced to the extent of achieving a reduction in the debt of $10 billion.

I asked, "Where can we do that?" I would like to do it if we can if we can possibly do it without creating a situation that none of us wants to experience. Where can it be done? Can we cut in the area of nondefense spending to the extent of $10 billion within that period of time in order to be able to live within the permanent debt ceiling? If we give the President the authority to borrow only $285 billion, we must necessarily give him then the authority to cut back on what the Congress has already authorized or on what the Congress has appropriated. Where would he find the area to reduce? It would not be possible because of commitments under law to pay amounts such as veterans' benefits, to cut back in certain areas such as that. It would not be possible for us to cut back on interest on the debt without being able to float bonds at a less interest rate than we can get them today.

It would be necessary to cut and cut deeply in our defense program, because there we are in a position of not having fixed commitments of Congress and limitations in the law that we would be faced with as we would be in some of the nondefense areas.

Do you want us to say to the President of the United States, "Because our hindsight is so much better than our foresight in voting these authorizations and these appropriations, we have been unable to do the job that the Constitution of the United States imposes upon us, namely, to exercise some degree of control with respect to spending, you take the responsibility to cut where you think it ought to be cut to the extent of $10 billion."

I wonder what the situation would be. Would we not be saying that we trust the President of the United States to do a better job in this respect, a more scientific job, a job in the better interest of the people of the United States, than we ourselves have been able to do here on the floor of the House? I do not think the Congress wants to abdicate this responsibility, I do not think the Congress ought to abdicate this responsibility. I think the committee headed by the gentleman from Missouri must take some responsibility itself, I think

the gentlemen who are chairmen of all of the other committees must take some responsibility themselves to operate within the limitations of what revenues can be produced under our tax system and decide ahead of time what spending levels in this country we want. After reaching their decisions, we should not expect to save everything for a field day, when we will decide that what we have done in the past was not right, we can correct it all today with one vote. This is not responsibility.

Let me tell you what you would be doing. They cannot cut back except in the areas I have referred to. If we cut back in the area of defense, if that is where half of the cut is, would you, my friend from Texas, as the expert and capable chairman of the responsible subcommittee, tell us that we can afford to do that in the immediate future with the situation such as it is? Perhaps over time that much could be saved in avoidance of waste and things of that sort, but that is the responsibility of the gentleman's committee and of other committees. That is not the responsibility of somebody downtown after the appropriation act has been passed.

I think we are treading on dangerous ground if we contemplate rejection of this proposal. Are you certain that you are acting in the interest of the people of the United States when you say that you want the President of the United States to cut rather than the Congress doing it, wherever he says he can? Do you think his judgment might be better in this respect than the Congress set up under the Constitution to do the job?

If this is not done, and we get to the point where we cannot pay our bills, what is the situation? Do you know what the effect might be on the financial institutions of this country? Have you contemplated where it might be? Where can you cut $2 billion between now and the 30th of June—the end of this week—to get your debt under $285 billion? We have before us today a very serious matter.

Yes, I know there are those who have not made any contribution to the accumulation of a part of this debt, but let me ask you this: Do you realize that $211 billion of this debt was created in the time of World War II? Do you realize that about $24 billion of this debt was created in World War I, and only part of it reduced following World War I? Do you realize that about $16 billion, as I remember, was created in the time of the Korean conflict? Add those figures together and reduce the amount that we have applied to the public debt during the twenties, and you come out with about $241 billion of the total attributable exclusively to those fiscal years when we had war, including the Korean conflict.

Yes, we can look back and say today we did not want these things to happen, but frankly, if you decide, as many have, that you do not like all of it, you still have got the question left in your mind with respect to: What will you do now that you are called upon to face up to the facts of the situation? Are you going to tell the Secretary of the Treasury that he cannot pay $2 billion of bills that will come due in the next 4 days between now and June 30? Are you going to say to the people of the country and world that in spite of the fact that the Congress has created these authorizations and these expenditures that we have so little regard for our fiscal situation that we will not allow the Secretary of the Treasury to pay these bills?

Yes, I would like to see reductions made, but I do not want them made on a helter-skelter basis by somebody downtown. I want the Congress of the United States, if it feels so concerned today, to take action in the remaining days of this session to reevaluate these old programs, to reevaluate new programs, and take such action as the Congress of the United States should take under the Constitution to determine what it wants to do and not leave to somebody else that which is our constitutional responsibility.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Texas.

Mr. MAHON. The gentleman from Arkansas made reference to the gentleman from Texas.

Mr. MILLS. In a very complimentary way.

Mr. MAHON. Yes, and I appreciate the statement of my friend. As I see it, the answer to your question is that there is nothing more for us to do today than to raise the debt limit. I see no way to escape it, because we all, I think, recognize that the debt limit under these circumstances will have to be raised. And, this mere fact, in this one instance, would not be so troublesome except that it seems to me that we ought to resolve today that come 1 year from now, if we vote for bills which increase spending, if we vote for aid to depressed areas, if we vote for big housing bills, if we vote for Federal aid to education, we at the same time vote the money to pay our way so that we will not engage in deficit spending and so that it will not be necessary for the able chairman of the Committee on Ways and Means to come again and ask for an increase in the debt limit. It seems to me that is a lesson that we should and must get from this action; that we should pay our own way, including even the payment of the annual cost of the postal service. Does not the gentleman feel there is some merit in this statement?

Mr. MILLS. I agree with the gentleman's thought completely, and that is what I am appealing to the House to do. Let us do it that way and not take action here looking backward saying that what we have done in the past is all wrong and creating a situation, the depth and seriousness of which I cannot describe to you.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. In your discussion about the history of this debt increase, increasing the ceiling, I do not think the gentleman went back far enough, because on June 26, 1946——

Mr. MILLS. I did not go back that far.

Mr. JONES of Missouri. No, I know you did not, but I think it should be pointed out. On June 26, 1946, we did reduce the debt ceiling to $275 billion. And, I want to add this, that from the period 1946 to 1954, which included the Korean conflict, we did not increase the debt ceiling.

Mr. MILLS. If my friend will look back, during that period of time we did not have the Secretary of the Treasury in any straitjacket allowing him only $3 billion of additional authority for flexibility which is all he is asking today. In 1948, the debt itself on June 30 was only $252 billion, with a ceiling of $275 billion. There was a great deal of flexibility.

But in recent years we have created a situation such as that in 1958 when miscalculation on the part of the then Secretary of the Treasury, not because of any pennypinching on our part, caused him to have to delay the actual payment of obligations of the Federal Government and to require that agencies of the Federal Government that could borrow directly from the American people, go out hurriedly and borrow money and pay obligations they had previously undertaken with the Federal Treasury, and at rates of interest far in excess of rates that the Secretary of the Treasury was paying at that time.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield further?

Mr. MILLS. I yield.

Mr. JONES of Missouri. During that same period of time and during the Korean conflict—and ordinarily we think that during a period of war we have to increase the public debt—did we not actually increase some taxes at that time, and were not the people willing to pay more taxes to avoid an increase in the debt?

Mr. MILLS. Certainly we voted increases in World War II——

Mr. JONES of Missouri. I was referring to the Korean conflict.

Mr. MILLS. I know what the gentleman is talking about. We voted them at the time of the Korean war; we voted them, yes, but we did not vote enough and none of us thought we could to pay the total cost of either one of those engagements each year. We did not do it in World War I. We created additional debt. Traditionally and of necessity we have gone in debt in time of war. But there is only so much you can take from the American people in any taxable year under our system of taxation. You cannot take enough to finance all the costs of an expensive war such as we have faced.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. I listened carefully to the statement of the gentleman from Arkansas [Mr. MILLS], and I listened carefully to the statement of the gentleman from Texas [Mr. MAHON]. I am

sure that every time this matter of debt renewal comes before the House of Representatives we hear exactly the same statement. The matter of raising the debt ceiling of this country was brought up the other day when the housing bill was before the House. And yet this House by a substantial vote passed the housing bill. The same question was raised when the depressed areas bill was before the House and yet by a substantial majority we passed that bill.

I am not going to name names or point a finger at anyone. They know who they are. They know who voted for these proposals.

Mr. MILLS. The gentleman does not have any more regret about the facts of the hour than I do. But I trust that the gentleman will recognize that there are some things that are even worse, perhaps. The gentleman can conceive, as I can, things that are even worse than the facts of our existing situation. To me, one of them is this: that the Congress, whichever one it is, that creates obligations of Government on one day will say to the American people on hindsight that we will not permit those obligations to be paid by the Secretary of the Treasury. Let us do what the gentleman from Texas [Mr. MAHON] suggested we do. Let us think now about what we will be faced with about this time next year; and if we do not want an increase on a temporary basis in the public debt a year from today, let us take action ourselves to prevent the necessity of doing it and not wake up some 4 days before the final date of the fiscal year to try to do something about it through this vehicle of legislation after the fact.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. YOUNGER. I agree with the gentleman that the debt must be increased during a period of war. But what is the reason for continuing to increase the public debt during a period of so-called peace? In other words, why do we not have a tax bill along with these expenditures, if that is what Congress wants, to pay for what we want?

Mr. MILLS. Let me tell my friend this. I am glad he mentioned the matter; I meant to say something about it myself. On our present base for Federal income taxes, I doubt very seriously that by adjusting rates upward over the course of a year or two, you would find that you are getting as much money under those higher rates as you are getting under existing rates.

There are some things that can be done to get more money, but you cannot do it, in my opinion, by increasing the rate structure on the basis of the present base applicable to those rates. I would not want to have to bring a tax bill to the floor of the House raising $10 billion of revenue now and ask you to approve it. I would not want you to have to be faced with that issue.

Mr. MASON. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, we have listened to a very impassioned, to a very eloquent, and to a very convincing speech—convincing to those who have voted for these appropriations which have caused the necessity of increasing the debt limit. The speech was perhaps not too convincing to some of us who have voted against these wild, extravagant expenditures that have made necessary the increase in the debt limit.

I am one who has always believed that I should cut my cloth to fit my pocketbook, and I have always done that. I think any sensible citizen should do the same. The only reason any citizen should go into debt is in case of an emergency, sickness or otherwise, that forces him to go into debt.

I believe the same thing should apply to governments. The only reason I can see for any government's going into debt is in case of an emergency, a war emergency, and then of course we just have to do it whether we want to do it or not.

However, much of this increase in debt, particularly since the last war, that has made necessary the lifting of the debt ceiling has been in times of peace. I know we have had to prepare for defense, but a large part of the necessity for increasing the debt limit has come about by such actions as we took last week in that housing bill, and in a dozen other bills that I consider were not necessary.

So when the time comes I shall offer a motion to recommit this bill, and I do it because it gives some of us, a few of us, the opportunity to show that we are opposed not particularly to this bill but to the things that brought about the necessity for this bill. That is our only way of showing that.

Mr. Chairman, in view of the fact that I have consistently and without deviation voted against increasing the debt limit in prior years, I am sure it will come as no surprise to the membership of the House to learn that I am opposed to the bill before us today, H.R. 7677.

When I first came to Congress the debt limit was $45 billion and the actual debt was in the neighborhood of $35 billion. During my service in the Congress the debt has increased eightfold and the debt limit somewhat less than that. The increases in the actual debt and the debt limit have occurred without my concurrence and I predict—accurately I am sure—that the debt limit will be further increased today without my concurrence thereby authorizing an increase in the actual debt to be paid by tax burdens to be imposed and collected in the future.

Mr. Chairman, I oppose an increase in the debt ceiling because I believe that this ceiling is the one effective mechanism left to the Congress by which the legislative branch of our Federal Government can insist that we conduct our Government affairs with fiscal responsibility on a basis of paying our bills as we incur them. While it is true that the Congress has the final say on what money can be spent by the Executive, there is little question that the Congress and the Executive acting together have been guilty of authorizing too many spending programs with the result that our actual spending through the appropriation process has become almost automatic. I would make that spending result less automatic by rigid adherence to the debt ceiling limitation except in possible time of war. This would force the hard decision as to where we are going to cut our spending rather than continuing to extend the debt limit and thereby postponing the day of reckoning.

During my service in the Congress I have constantly advocated that we spend less so that we could tax less; I have constantly advocated that we avoid giving our substance away to foreign nations when the fact of that international charity has been to place us further and further into debt.

Even during the two wars in which our Nation has fought during the time I have been in Congress I have been critical of the fiscal policies that were pursued to finance those wars. I believe, and an increasing number of informed people are joining in this opinion, that responsible financing in the periods of those wars, and this is particularly true of World War II, would have found our Nation making a greater effort to finance the cost of the war currently rather than resorting to such a vast extent to deficit financing. If we had pursued that wiser fiscal course, we would have found not only our debt to be less than it today is, but we would also have found that we would have avoided the tragic debasement of our currency that occurred as a consequence of the inflation resulting from deficit financing.

But, Mr. Chairman, it is not just wartime fiscal operations that have placed us in our present predicament. We have engaged in deficit financing almost as consistently in peace as we have in war. The years have been few in the last three decades in which we have succeeded in having a budgetary surplus. The New Deal and the Fair Deal demonstrated an indifference to balanced budgets and we now have the New Frontier resuming where those previous Democratic administrations left off. The present administration inherited from the Eisenhower administration proposed balanced budgets for fiscal years 1961 and 1962. Immediately upon taking office this past January the Kennedy administration set about converting those two balanced budgets into deficit budgets.

Mr. Chairman, I earnestly submit to the membership of the House that if America is unable to pay its way at the present time, there is very grave doubt as to whether or not we will ever be able to pay our way. This means that we will continue to engage in annual deficits which will add to a mounting indebtedness that will bring about inflation, the debasement of our currency, and fiscal chaos. I refuse to support legislation making this consequence possible. I would prefer that we face up today to the fiscal realities that so severely confront us. I have opposed the spending that has created the debt and I therefore oppose the license to go further into debt. To those of my colleagues who have consistently voted for extravagance that our Nation cannot afford, I express regret that my deep conviction on this matter will not permit me to abet you in your spending endeavors that have taken us beyond our capacity to pay.

Mr. MASON. Mr. Chairman, I yield to the gentleman from Missouri [Mr. CURTIS] 15 minutes.

Mr. CURTIS of Missouri. Mr. Chairman, I was interested in the impassioned plea of the chairman of the Appropriations Committee before the House about the necessity of fiscal responsibility, and want to emphasize, I might say, the very splendid statement of the chairman of the Ways and Means Committee, which I feel in large measure was in answer to the chairman of the Appropriations Committee. Let me say this on behalf of the members of the Committee on Appropriations as well as the members of the Committee on Ways and Means, and I might say of Members of the House. We do not have the machinery in the House for insuring that we turn out balanced budgets. In the 1946 Reorganization Act, we created this super-duper budgetary committee which, incidentally, still exists and which met, I think, once, consisting of members of the House Committee on Appropriations, the Senate Committee on Appropriations, the Committee on Ways and Means, and the Senate Finance Committee. The thought behind this super-duper committee was the necessity for the machinery in the Congress to ride herd over the appropriation bills once we had passed them all and saw what the total was. I still feel we could develop that machinery in the House. In my supplemental views on the debt limitation bill 2 years ago, I believe, I suggested one technique whereby we could do that without any change in the rules, and all that was required was the leadership of the Congress in the House to bring this about by calling the Committee on Appropriations leaders before the Committee on Ways and Means and say, "Now, look, here is our revenue position. You people are in charge of appropriations. We do not want to usurp your jurisdiction. Go back and see where you can cut $1 or $2 billion or whatever the amount is that should be cut."

But, I remind everyone, we do not have that machinery and this bill before us, as I have so often pointed out and as the chairman of the Committee on Ways and Means has pointed out, is not really a debt limitation bill at all. It is simply a question of how many bonds—how much in total of bonds we are going to permit the Treasury Department to market. The debt has already been created. The debt is in existence. We can pay for it in two ways, and both ways are in the jurisdiction of the Committee on Ways and Means. One is by raising the debt ceiling, as we call it, which permits the Treasury to market more bonds. The other way is to come in with a tax increase bill. I happen to share the views of the chairman of the Committee on Ways and Means. I think our present tax structure, actually, at the present time is in such a shape that we are at the point of diminishing returns and even if we came in with increased rates, I doubt very much that it would mean increased revenues.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Of course, there is nothing to prevent this Congress from reevaluating and reconsidering some of the actions already taken this year which will increase the cost next year. There is nothing to prevent us going back and reconsidering, for instance, the mistake that was made last Thursday in the passage of the housing bill with costs even in excess of what the President asked for, as well as many other items of expenditure.

Mr. CURTIS of Missouri. I could not agree with the gentleman from Wisconsin more. And to the chairman of the Committee on Appropriations, let me say there are still appropriation bills to come before the House and there are appropriation bills in the other body, and indeed we can if we will, go to work at this end of the matter, and that is the real answer.

Mr. Chairman, it has been pointed out many times before that calling this bill a debt limitation bill is in error. The debt has already been created by the appropriation acts previously passed by the Congress and signed by the President. This bill increases the amount of bonds the Federal Government can sell on the market to obtain the cash necessary to pay its obligations. The so-called permanent limitation on the amount of bonds that may be legally issued by the Federal Government is $285 billion. To this permanent amount was added $8 billion to total $293 billion. The $8 billion extension ends June 30, 1961. This bill authorizes a $13 billion addition to the $285 billion to a total $298 billion for fiscal year 1962.

The actual debt of the United States—the amount of money we are liable to pay in the event of serious adversity ranges somewhere between $500 billion to $750 billion depending upon the methods of estimation employed.

The $293 billion of Federal bonds issued has had its average maturity diminished over the past few years. The result is that the job of simply selling new bonds to replace the matured bonds has become increasingly difficult.

Each year the total amount of bonds coming due which must be paid off by selling new issues causes more disruption of the investment markets, not just in the United States but abroad.

Adding another $5 billion to the total debt which must be financed by selling more bonds seriously aggravates this problem. The camel's back is being loaded to a breaking point.

The gold flow out of the United States to countries abroad has its origin in the manner in which the United States handles its debt. The amount of the debt, and whether it is increasing or decreasing, bears directly on the methods that are employed in handling the debt.

The United States has three important roles in international economics. The role of a world investor—both through its private citizens and through its own institutions—the role of a world trader; and the role of the world banker. The success that we have experienced as a world investor, in the private sector, and as a world trader has enabled us to maintain with considerable success a position as the world's banker.

However, our handling or mishandling of our Federal debt has placed an undue burden on the strengths we have built up as a world investor and as world trader. It is questionable how long these strengths will enable us to remain the world's banker in light of our fiscal policies.

This is particularly true because the Kennedy administration has erroneously diagnosed our world position. It looks upon our strengths as weaknesses that need bolstering and our weaknesses as strengths upon which we can further rely. To correct the gold flow problem the Kennedy administration proposals actually undermine our solid position in world investment and world trade—the two strengths that enable us to maintain whatever position we do maintain as a world banker.

To carry out the administration programs President Kennedy would spend more governmental money. Since he would pay for these programs through deficit financing this puts a heavier burden on our already weakened position as a world banker.

This bill to increase the amount of bonds that the Federal Government is permitted to sell comes before us to some extent because the Kennedy administration has adopted a policy of deficit financing. It has taken the slight favorable balance in the Eisenhower prepared budget for the fiscal year 1961 and turned it into a deficit. The Kennedy administration has prepared a budget for fiscal year 1962 which has an imbalance of $5 billion. Looking at the appropriation bills already passed by the House and sent to the other body and the bills which create more, not less, back-door spending. I think we can assume that the $5 billion deficit will be closer to an $8 billion deficit. In that event the administration will be back with a further request to raise the limitation on the amount of bonds the U.S. Treasury can market.

I have charged that this is fiscal irresponsibility of the most serious nature. It does not even have the redeeming theory which in itself is unproven that went along with previous budgets which had deliberate deficits—that this was necessary in times of recession and some deficit would be recouped in times of prosperity.

The administration, and all economists I have listened to and read, predict that fiscal year 1962 will be a prosperous year, not a year of recession.

The Secretary of the Treasury, Mr. Dillon, has sought to cling to the rationale of deficit financing by pointing out that Government revenues lag behind business recovery. However, I point out that the theory of deficit financing related to business recession and business prosperity, not Government revenues. The theory was that in times of recession there should be a net balance to the private sector in the transfer between the Government and the private sector to stimulate the economy. In times of prosperity the net balance

should go the other way to hold the inflationary forces existing in periods of prosperity.

There is no question that the Kennedy administration has embarked upon a new and even more dangerous fiscal theory than that of deficit financing. This new theory is that we make up what Government overspends through the economic growth that this expenditure theoretically creates in the future.

We are getting quite close now to a ridiculous theory that we can lift ourselves by our bootstraps—the theory that Government creates wealth.

This new fiscal policy adopted by the Kennedy administration will create inflationary forces that it will be impossible to stem. This will badly damage our competitive position as a world investor and trader. It will put the finishing touches on our efforts to be the world banker.

There is nothing that we can do here in the Congress today other than to talk about it. Someone has stated that the minority supplemental view accompanying the majority report on this bill was political. Last Thursday during the debate on the housing bill I stated that I had hoped that this minority report was not a narrowly partisan political statement, but that the two political parties might well choose up sides on the issue of fiscal policy and go to the people for their decision in 1962.

I believe this has become necessary. The Democratic leaders in this Congress have not only approved the Kennedy administration expenditure proposals in the budgets for fiscal year 1961 and fiscal year 1962, knowing they were based upon defict financing, they have agreed to exceed these expenditures. The decision of the leaders of the Congress has been confirmed by the Democratic majorities in the Congress over strenuous Republican opposition.

The gentleman from New York [Mr. MULTER] during the debate on the housing bill endeavored to ridicule the Republican position which stated that the basic issue in this bill was one of fiscal responsibility. The Democratic majority apparently agreed with Mr. MULTER that the issue of fiscal responsibility was specious, otherwise it would have voted down the administration housing bill.

I think the issue has been drawn, gentlemen, and my advice to my colleagues from the South is to get out the economic treatises of Lord Keynes and his Fabian Socialist followers and start boning up on them. You are going to need all the arguments you can muster to support the fiscal theories of the New Frontier which you have supported with your votes. As far as my northern Democratic friends and some of my Republican friends are concerned, you will have to lean doubly hard on the political activity of the special interest groups to whom you have been opening up the U.S. Treasury, because the tax of inflation will be upon us and the specter of rising unemployment resulting from pricing ourselves out of the market will be with us.

The tax cut the Kennedy administration suggests will come in 1963 from the prosperity that deficit financing will bring may come about, but if it does it will be in dollars with cut purchasing power. So it will be meaningless.

I cannot close this justified jeremiad without pointing out the tragedy of promoting this foolish and untried fiscal policy at this crucial time in world affairs when we need all the economic strength we can muster. Gentlemen, I can only look forward to the 1962 elections when we go to the people to test this new political philosophy. I hope my political party has the courage to give the people a clear-cut choice at this time in every congressional district from Maine to Georgia, from Texas to Alaska, in the North, in the South, in the East, and in the West. If this issue of spending is political as alleged, then, Mr. Chairman, I am ready.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. KARSTEN].

Mr. KARSTEN. Mr. Chairman, almost every year for the past several years the Committee on Ways and Means has come before the House with requests to raise the national debt ceiling. I would be less than honest if I did not concede that the members of the Committee on Ways and Means have never derived enjoyment from these assignments.

Some of my friends on the opposite side of the aisle have been using this occasion to berate the Kennedy administration for having to increase the public debt limit. No less than eight times during the previous Republican administration we were confronted with similar requests. My friends seem to have very short memories.

Let me read from the 1961 budget message of former President Eisenhower, delivered to the Congress on January 16 of this year. Mr. Eisenhower said, and I quote:

> It will again be necessary for the Congress to provide a temporary increase in the debt limit during 1962.

It is interesting to note that in the paragraph preceding the one I quoted, the former President's budget message estimated to a tenth of a billion dollars the level of the public debt on June 30, 1962. Despite this intriguing precision, the budget message did not explain to the Congress how large an increase in the debt limit would be required. There is, however, no difficulty in reconstructing the general magnitude. Just 1 year ago, that is, in June 1960, the Republican administration requested an increase in the debt limit on a temporary basis of $8 billion to deal with the seasonal financing problem and to provide a reasonable contingency reserve. In the budget message itself, the administration predicted that the budget for the fiscal year 1961 would be approximately in balance. Actually, the budget showed a $79 million surplus for the fiscal year 1961 by the fiction of assuming that Congress would pass the requested postal rate increases in time for these to become effective on April 1. Without this fanciful assumption about postal rate increases, the fiscal year 1961 budget, even in January, would have shown a deficit.

On this basis alone, if the Republican administration were still in power and if things had come up to their January expectations, they would still have had to request an increase in the public debt limit of $8 billion.

There is more, however, we know now that tax revenues between January and June of this year have been running below the forecast that former President Eisenhower made last January, by almost a billion dollars. In addition, President Kennedy's March budget statement indicated that the costs of carrying out certain programs within the policy previously established by the Eisenhower administration were going to be about half a billion dollars more than had been predicted in January. Taking these circumstances into account, a reconstruction of the debt limit increase that the former administration would have had to request, if it were still in power, would be about $10 billion.

All of us share some responsibility for the national debt. This responsibility is not confined exclusively to the Congress, nor to the executive branch of the Government. Every 2 years, we have a national election in order to afford the people of the United States an opportunity to express themselves. In these national elections, while the people vote for specific candidates for President, for Congress, and for the other elective offices, they also express themselves on the kind of government they desire and how much government they want.

In the national election last November the people of the country, by a majority vote, expressed themselves in favor of the Democratic Party, which advocated programs of improved social security, medical care for the aged, improved educational facilities, housing, area development, unemployment compensation, and a better and stronger America. The majority of the people by their votes expressed approval of these programs, a number of which have passed this House within recent months.

The present request for a $13 billion increase in the public debt limit is suggestive of the general level of costs of these programs over and above the revenue increases that will be provided by getting back on the road of economic growth.

In view of the suddenness with which the recession has turned around, and in view of the magnitude of the shift of business forecasters from pessimism in December to optimism in June, we can only conclude that this is cheap at the price.

Mr. MILLS. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

WHEN AND HOW TO REDUCE THE FEDERAL DEBT—SHOULD THE FEDERAL BUDGET BE BALANCED EACH AND EVERY YEAR? HOW DID THE DEBT COME ABOUT? HOW MUCH CAN PRESENT SPENDING BE REDUCED WITHOUT WEAKENING OUR NATIONAL DEFENSE? SHOULD WE HAVE A MORE FLEXIBLE TAX SYSTEM? HOW MUCH IS THE PRESENT HIGH INTEREST RATE COSTING THE TAXPAYERS?

Mr. PATMAN. Mr. Chairman, the proposal to raise the ceiling on the Federal debt is a matter of deep concern to all of us. Indeed the large Federal debt

and the prospect of adding further to this debt in the present year, although the additions will be quite small, is a matter of deep concern to responsible citizens everywhere. Thoughtful citizens believe, and I think correctly, that the Federal Government should adopt a definite, determined plan for reducing the Federal debt.

On February 28 of this year, the House and Senate in Texas adopted a concurrent resolution calling on the Congress of the United States to propose to the States an amendment to the Constitution which would require the President of the United States on or before the 15th day of each regular session of Congress to transmit to Congress a budget setting forth an estimate of the Government's receipts for the coming year and requiring, further, that—

If Congress shall authorize expenditures to be made during such ensuing fiscal years in excess of such estimates of the receipts, it shall not adjourn for more than 3 days at a time until such action had been taken as shall be necessary to balance the budget.

Since this resolution of the House and Senate of Texas reflects a very deep concern on the part of two highly responsible bodies, I would like to insert the entire resolution as follows:

HOUSE CONCURRENT RESOLUTION 10,
STATE OF TEXAS

Whereas the U.S. Government is presently indebted in an approximate sum of $295 billion and the debt increases each year; and

Whereas the U.S. Government now pays approximately $9 billion in interest on the present indebtedness each fiscal year; and

Whereas the value of a dollar continues to decrease, particularly since World War II, largely due to the inflationary fiscal policy of the Federal Government; and

Whereas the people of the United States are already bearing a practically confiscatory and excessive burden of taxes, particularly from the Federal Government: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the State of Texas hereby urges and memorializes the Congress of the United States to propose to the States an amendment to the Constitution of the United States as provided by article V of the Constitution, to read as follows, to wit:

"SECTION 1. On or before the 15th day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimate of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimate of the receipts. The President in transmitting such budget may recommend measures for raising additional revenue and his recommendations for the expenditure of such additional revenue. If the Congress shall authorize expenditures to be made during such ensuing fiscal year in excess of such estimate of the receipts, it shall not adjourn for more than 3 days at a time until such action has been taken as may be necessary to balance the budget for such ensuing fiscal year. In case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding 1 year each.

"SEC. 2. This article shall take effect on the first day of the calendar year next following the ratification of this article.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress"; and, be it further

Resolved, That a certified copy of this resolution be furnished to the President of the Senate and the Speaker of the House of Representatives of the Congress, and to each congressional Representative from the State.

BEN RAMSEY,
President of the Senate.
JAMES A. TURMAN,
Speaker of the House.

I hereby certify that House Concurrent Resolution No. 10 was adopted by the House on January 31, 1961, by the following vote: Yeas 74, nays 60.

DOROTHY HALLMAN,
Chief Clerk of the House.
CHARLES SCHNABEL,
Secretary of the Senate.

In other words, the resolution of the Legislature of Texas calls upon the Congress of the United States to balance the Federal budget each and every year and not to take a recess of more than 3 days until it has completed the task of balancing the budget.

Both the objective and the general principle expressed in this resolution are highly laudable. I, for one, agree wholeheartedly that the budget should, in the long run at least, be kept in balance. Indeed, I believe that in the long run the Federal debt should be substantially reduced.

SIGNIFICANCE OF BUDGET IN ECONOMIC CYCLE

As to the precise technique which the Texas Legislature proposed for the purposes, which is to balance the budget each and every year, this manifestly overlooks some important economic wisdom which has been accumulated in recent decades. Let us consider this point in some detail, because it is extremely important that the general public better understand the modern principles of budget making, the effect of the Federal budget on business profits, personal income and employment, as well as, of course, the effect of business profits, personal income and employment on the revenues of the Federal Government.

Up until about 30 years ago, the conservative view and the generally accepted view of responsible fiscal action on the part of Government was that when each downturn occurred, Government should reduce its own spending and by all means keep its budget in balance. The idea seems to have been that by reducing its tax income and its spending, Government would somehow make available funds needed for other purposes and would thus tend to offset depression and recession. Most of us know today that no view could have been more mistaken. What actually happened when this practice was tried was that economic activity was further reduced, employment further declined, business profits further dropped, bankruptcies ensued, and, in short, the Government's policies materially added to the deflationary spiral and tended to produce a chronic and incurable depression. Such a policy today, in view of what we have learned, would be the height of fiscal irresponsibility. We have learned that fiscal responsibility, in the narrowest sense of the term, means that Federal Government must not conduct its business in a way which undermines the fiscal health of business firms and employees.

ROLE OF THE AUTOMATIC STABILIZERS

Over the past 30 years, we have built into our Federal tax and spending systems certain so-called automatic stabilizers, with the very reason that we have sought to maintain general economic health of the private economy and because there is a better general understanding of how our economy functions.

Certainly we have the best economic system yet. In fact, the superiority of our economic system, both in terms of the volume of goods and services which it produces and the standard of living which it has brought about and, in terms which we cherish, is too well known to need elaboration. Despite all the advantages of this free enterprise system, the system does have a certain weakness in that it is afflicted with cyclical ups and downs. At times, business expands rapidly, the total demand for goods and services is greater and the economy's current capacity to produce is such that overemployment of resources brings about inflation of prices and, at other times, there is a recession cycle with unemployment, underutilization of capacity and a general decline in business prices. Such cycles have to be expected in a market economy where an aggregate of each activity is a sum total of millions of individual decisions—decisions of consumers to buy or not to buy, and decisions of business firms to expand or not to expand to capacity or to accumulate or liquidate inventories.

In view of these facts, would it be wise then for the Federal Government to expand its spending in boom times, when its own revenues are increasing and to reduce its spending in recession times when its revenues are declining? No, such a policy would only add to instability. Such a policy would increase the inflationary forces in boom times and increase the recessionary forces in times of recession.

COMMENTS OF SECRETARY DILLON

Secretary of the Treasury Dillon, discussed the points at some length in his address to the National Press Club last week. Secretary Dillon, a Republican, can hardly be regarded as having leanings toward fiscal irresponsibility. Speaking of the progress which has been made over the years of the art of government, Secretary Dillon said:

Unfortunately, as I have said on an earlier occasion, we have not yet mastered the art of maintaining steady growth at full capacity. Our economy is still plagued by ups and downs. Although we have made substantial progress in terms of preventing major depressions, we still suffer periodically from periods of recession when growth slows to a halt and unemployment mounts rapidly. However, although we still have a great deal to learn on the preventive side, we have learned how to slow a decline and how to initiate recovery by using the automatic stabilizers we have built into our

economy. It is largely thanks to these stabilizers that our recessions of the past decade have been so much more moderate than the wrenching depressions of pre-World War II days.

These automatic stabilizers so generally credited with softening our recent economic declines, are:

First, an automatic and rapid decrease in tax yields, as corporate profits and employment decline.

Second, a prompt buildup of unemployment compensation and retirement payments as jobs grow harder to find and to hold.

Their effect is automatically to increase Government outpayments and decrease Government receipts. The result is a deficit which helps to arrest the economic decline.

The automatic stabilizers have been operating since last fall. We can largely thank the stimulating effects of their action for the mildness of the recession. It is also due to their action that we are facing a substantial budgetary deficit this fiscal year.

These automatic stabilizers, Secretary Dillon points out, while they have helped to halt the recession, they have also been responsible for a net shift of $5.1 billion in the Federal budget, from an anticipated surplus to, now, an anticipated deficit of about $3 billion in the present fiscal year.

CUTTING GOVERNMENT EXPENDITURES WOULD HAVE DEEPENED RECESSION

What then would have been the result had the Government been so unwise as to follow the alternative course of reducing its expenditures to match its reduced income, resulting from the decline of business profits and individual incomes. Secretary Dillon pointed out:

The alternative—of reducing Government expenditures to match reduced revenues—would not only have meant no temporary unemployment compensation, but also a substantial addition to the unemployment rolls as Government programs were curtailed * * * to say nothing of the damage to our national security caused by the defense cutbacks that would have been required.

Let me underscore this point: reductions in expenditures to match reduced revenues would have increased the severity of the recession, enlarged unemployment, and thereby further reduced our revenues. We would have found ourselves in a deflationary spiral that could easily have lead to a severe and prolonged economic depression.

In actual fact, this alternative was so clearly unacceptable that there has been little responsible complaint about the deficit for the current fiscal year. There has, however, been considerable concern about the deficit of some $3.7 billion which we face in the coming fiscal year. This reaction is perfectly understandable. For recovery is well underway. It is probable that by this time next year our economy will be rolling in high gear. We may well be in the midst of an economic boom.

Let us consider, then, whether the proposal to balance the Federal budget each and every year would be appropriate in the circumstances of the fiscal year ahead. Secretary Dillon considers it this way:

When we evaluate the coming deficit for fiscal 1962, we should look back to fiscal year 1959, when the country faced an identical economic situation. The upturn from an earlier low started in the spring of 1958. The entire fiscal year 1959 was one of substantial recovery. Yet the deficit reached the staggering figure of over $12 billion—more than three times the deficit presently in sight for next year. It is clear that there is nothing unusual about a deficit in the year immediately following a period of recession.

It is with all this in mind—reduced recession revenues, growing national needs, unused plant capacity, excessive unemployment, and absence of inflationary pressures—that I reiterate my earlier statement that a deficit of the size which we envisage for fiscal year 1962—a deficit one-third the size of the 1959 deficit—is both inevitable and appropriate.

The alternative—to reduce expenditures to match recession revenues, with resulting dangers to our national security, neglect of our national needs, slowing of our progress toward full employment and toward full utilization of our plant capacity—is totally unacceptable.

This alternative course is equally unpalatable if we look ahead to the revenue prospects for fiscal year 1963. By then, revenues should be flowing from a prospering economy. They could well jump as much as 10 percent over what we can expect for fiscal 1962. With reasonable prosperity during 1962, our fiscal 1963 revenues should approximate $90 billion, compared to the $81.4 billion that we now foresee for the coming fiscal year.

Once again this would parallel past experience. For in fiscal 1960, our revenues jumped a full $9.8 billion over the recession revenues of 1959.

EXPENDITURES AND DEBT SHOULD BE REDUCED IN LONG RUN

A policy of greater fiscal responsibility on the part of Government, it seems to me, would involve a determined effort, not only to balance our Federal budget over the long run, but to reduce the Federal debt. For these purposes, the Government should do three things:

First, Federal spending should be reduced, not in recessionary periods, but in boom periods. There is a limit, of course, to the savings which can be made in this way because an overwhelming percentage of the Federal expenditures are going to national defense. Another large percentage represents commitments which cannot properly be reduced, such as the commitments for our war veterans. I will elaborate on the types of defense and other commitments in our present budget at a later point.

A second way by which the Federal Government definitely can and should reduce expenditures is to return to a policy of more reasonable interest rates.

During the World War II years, public opinion recognized that most of our people would be and were being called upon to make supreme sacrifices for the Nation's defense. Such was the case of those who served in the Armed Forces, many of whom gave up their lives in the Nation's defense. Accordingly, it was then considered that those who lent the money to finance the war should draw only a modest return of interest on the funds lent. During the World War II years, and indeed in the postwar years, up until 1951, the Federal Government kept interest rates on the Federal debt at a modest level. During these 12 years, interest rates on long-term Government bonds were not permitted to rise above 2½ percent. In truth, interest yields on these bonds were, throughout these years, at somewhat less than 2½ percent.

FEDERAL RESERVE HAS BOOSTED INTEREST RATES SHARPLY SINCE 1952

But memories are short, while debt is continuing. Since 1952, The Federal Reserve System has raised interest rates on Government bonds, which means that it has raised interest rates on our vast wartime debt, progressively until now the taxpayers are paying almost twice as much interest on our World War II debt as they were paying in the earlier years.

If the Federal Reserve had left interest rates at their 1952 levels, Federal spending for interest over the past 9 years would have been $9.5 billion less than it actually has been. Furthermore, the Federal debt could have been decreased by $9.5 billion less than it is today. And at the same time, the problem of lengthening the average maturity of the Federal debt, which we hear so much about today, need not have arisen. Under the same circumstances I have recited, the Federal debt could have been maintained at the same average maturity as prevailed in 1952.

COST OF HIGHER INTEREST RATES

Recently I asked one of the experts on the staff of the Joint Economic Committee to compute the cost to the Federal Government of the increase in interest rates since 1952. His computations are as follows:

1. The amount of Federal securities outstanding which are subject to the statutory debt limitation stood at $287,284 million as of March 31, 1961. A calculation is desired to show how much less the outstanding debt would be at the end of fiscal 1961 under the following three assumptions:

(a) Interest rates remained at their June 30, 1952 levels.

(b) The saving in interest charges on the Federal debt (due to assumption (a)) for fiscal years 1953 through 1961 was applied each year to reduce the debt outstanding.

(c) The average maturity distribution of the debt was held constant at its June 30, 1952 status.

2. The average annual interest rate paid on the interest-bearing public debt as of June 30, 1952 was 2.329 percent. If this average rate had prevailed during each succeeding fiscal year, and each year's interest saving had been applied to reduce the public debt at the end of said fiscal year, the following yearly amounts of interest saving would have resulted (in millions of dollars):

Fiscal year	Actual Interest paid (1)	Interest at 2.329 on reduced public debt (2)	Interest saving (3)
1953	6,504	6,147	357
1954	6,382	6,255	127
1955	6,370	6,318	52
1956	6,787	6,273	514
1957	7,244	6,229	1,015
1958	7,607	6,350	1,257
1959	7,593	6,487	1,106
1960	9,182	6,494	2,688
1961 [1]	8,861	6,472	2,389
Total interest saving applied to debt reduction			9,505

[1] Fiscal 1961 figures partly estimated.

In short, had these conditions been fulfilled, the total Federal debt outstanding on June 30, 1961, would be reduced by the amount of $9.5 billion.

3. It should be observed that the actual interest charges (col. 1 above) were paid on a total debt structure the average maturity of which was declining over the period. This decline operated, of course, to reduce the actual interest burden. If the interest charges shown in column 2 above had been calculated for an average maturity distribution which declined similarly over the period, the interest saving and the total debt reduction would have exceeded $9.5 billion.

AUTOMATIC STABILIZERS NEED IMPROVING

A third thing which we might do to manage Federal fiscal affairs in a better way, and at the same time contribute to economic stability, is to adopt a more flexible system of taxes. We might consider a tax system which would permit quick but temporary increases in the tax rates in boom periods, and quick but temporary reductions in the tax rates when recessions occur.

In order to focus attention on the need for improving our stabilization system, I introduced such a bill last year, one which would give the President discretionary powers to raise or lower the tax rates within a range of 10 percentage points. This bill carried the proviso that such powers to raise taxes must, in fact, be used as an alternative to raising interest rates. As of now, the Government raises interest rates still higher in boom periods as a means of dampening economic activity. Raising interest rates is itself an arbitrary action much like raising taxes except that the revenues from this kind of "tax" go into increased profits for the money lenders rather than into the Federal Treasury to reduce the Federal debt.

I believe that one of the next advances in the art of government will be in this field of flexible taxes.

OUR FEDERAL DEBT AND HOW IT WAS INCURRED

Let us look at the facts concerning our Federal debt. This debt at the end of last year amounted to $286.5 billion or nearly $1,600 for every American man, woman, and child.

How did we incur this debt?

About 80 percent of the present debt was incurred during World War II. In 1940 we had a Federal debt of $43 billion; by the end of 1946 it amounted to $269 billion. In the following 4 years it decreased to $257.4 billion. Thereafter it increased to $286.5 billion, due in part to the Korean war.

Spending to fight World War II is hardly the kind of spending that could have been avoided. True, my own feeling is, and was at the time, that we could have, and should have, paid more on the pay-as-you-go basis during the war years. In fact, I sponsored such measures for more taxes and voted for measures for increased taxes in those years which a majority of Congress in its wisdom did not pass, despite the fact that President Roosevelt strongly urged more taxes during the war.

But let us look at the Federal spending since the end of the war. How much has this been and for what purposes has the money been spent.

During 1946–60, Federal expenditures have totaled $892 billion, a truly tremendous amount. This amount could have bought every American family a $15,000 home and a $3,000 automobile.

Where has this money gone? We do not have to look far for the answer. Four items accounted for $745 billion, or 84 percent of the total. These include major national security expenditures, 58.3 percent; interest on the Federal debt, 10.8 percent; veterans' services 9 percent; and international affairs and finance, 5.5 percent.

MOST INCREASED EXPENDITURES RELATED TO NATIONAL SECURITY

These items all have one thing in common: they either are primarily the outgrowth of World War II or have been incurred because of the military and related obligations necessary to forestall the spread of communism since 1945. For example, in the years immediately preceding World War II, interest on the national debt averaged well under $1 billion annually; in 1960 it cost $9.3 billion.

Let us recognize these facts well. Our Federal Government expenditures have been so very high because of past wars and to prevent future wars. It has been the continuing threat which totalitarian governments pose to democracy which has been the chief cause of our high taxes.

America emerged from World War II as the world's strongest power. This placed an awful responsibility on us. Modern warfare made it impossible for us to withdraw from world affairs, even had we wished to do so.

Suppose things had been different, and we could have gone back to the prewar expenditures for defense and related items. For the entire period, 1920 to 1940, we spent about $57 billion—or about $2.8 billion a year—on national defense and the related matters mentioned above. Had the march of history permitted us to continue spending at this rate, we would have spent only about $42 billion on defense and related matters during 1946–60. Hence, if all other Federal expenditures had remained the same, total Federal expenditures would have been $190 billion instead of $892 billion. This would have permitted us to run the Federal Government with only about 21 percent of what it has actually cost. People would have had to pay only about one-fifth as much as they actually paid in Federal taxes. Or, alternatively, we could have paid off the entire national debt existing in 1945 and also cut total taxes by about 55 percent.

We have spent more on defense and related matters during the last 7 years, 1954–60, than Federal expenditures for all purposes—including the cost of financing World War I and three other wars—during the entire period 1789 to 1940. In this comparison I have taken into account changes in the value of the dollar during this period.

Total Federal Government expenditures and amounts spent for national security, international affairs, veterans, and interest on the Federal debt

[In millions of dollars]

Year	Total Federal expenditures	Major national security	Interest on Federal debt	Veterans' services	International affairs and finance	Subtotal	Percent of total
1960	76,539	45,627	9,266	5,060	1,833	61,786	80.72
1959	80,342	46,426	7,671	5,174	3,780	63,051	78.48
1958	71,369	44,142	7,689	5,026	2,231	59,088	82.79
1957	68,966	43,270	7,308	4,793	1,973	57,344	83.15
1956	66,540	40,641	6,846	4,756	1,846	54,089	81.29
1955	64,570	40,626	6,438	4,457	2,181	53,702	83.17
1954	67,772	46,904	6,470	4,256	1,732	59,362	87.59
1953	74,274	50,363	6,583	4,298	2,216	63,460	85.44
1952	65,408	43,976	5,934	4,863	2,826	57,599	88.06
1951	44,058	22,444	5,714	5,342	3,736	37,236	84.52
1950	39,617	13,009	5,817	6,646	4,674	30,146	76.09
1949	39,507	12,908	5,445	6,725	6,052	31,130	78.80
1948	33,069	11,771	5,248	6,653	4,566	28,238	85.39
1947	39,032	14,368	5,012	7,381	6,536	33,297	85.31
1946	60,448	43,176	4,816	4,415	3,107	55,514	91.84
Total	891,511	519,651	96,257	79,845	49,289	745,042	83.57
1945	98,416	81,216	3,662	2,095	3,312	90,285	91.74
1944	95,059	76,696	2,623	745	3,642	83,706	88.06
1943	79,407	63,159	1,825	606	3,299	68,889	86.75
1942	34,046	23,937	1,272	538	1,839	27,606	81.08
1941	13,262	6,036	1,123	566	145	7,870	59.34
Total	320,190	251,044	10,505	4,570	12,237	278,356	86.93
1933–40	58,800	7,353	6,864	7,207	173	21,597	36.73
1920–32	48,449	14,111	10,906	9,850	681	35,508	73.29
1917–19	33,189	21,260	839	730	9,139	31,968	96.32
1900–16	10,730	4,431	428	2,605	[1] 26	7,490	69.80
1789–1899	16,022						
1789–1940	167,190						

[1] Prior to 1912 International Affairs & Finance not given separately.

FEDERAL DEBT GETTING SMALLER, NOT LARGER

Now let us keep the Federal debt in proper prospective. True, this debt is vast, creates a tremendous burden to the American people and should be reduced. But, at the same time, we should not allow ourselves to imagine that the debt has been increasing relative to our ability to pay, or that it is leading to insolvency.

In the first place, we might note that while the capital debt is high, it is not

nearly as high today as at the end of World War II. At the end of 1946, the Federal debt was equal to $1,911 for each American. At the end of 1960, it had been reduced, relatively speaking, to $1,592 for each American.

In the same years, furthermore, the average wealth has increased enormously and so, too, has our average income.

At the end of 1946 the Federal debt was equal to more than the gross national product—that is, it was more than the value of all the goods and services produced in that year. By the end of 1960, in view of the vast increase of the gross national product, Federal debt had been reduced to 47.9 percent of the gross national product.

Net debt as percent of gross national product

Period	Federal	State and local	Corporate and other private
1946	109.0	6.5	73.1
1951	66.4	7.1	85.8
1956	53.8	10.2	104.8
1960	47.9	11.9	115.6

Source: Department of Commerce.

In truth, relatively speaking, the Federal debt since the end of World War II has fared much better than that of State and local governments and even better than that of corporate and private debt.

The figures for these various classes of debt are as follows:

Gross national product and net public and private debt, 1946, 1951, 1956, and 1960 [1]

[Dollar amounts in billions]

Period	Gross national product	Total debt	Total debt as percent of GNP	Federal debt	State and local debt	Corporate and other private debt
1946	$210.7	$397.4	188.6	$229.7	$13.6	$154.1
1951	329.0	524.0	159.3	218.5	23.3	282.2
1956	419.2	707.5	168.8	225.4	42.7	439.4
1960	503.2	882.9	175.5	241.0	60.0	581.9

[1] Date is for end of year except State and local debt which is for June 30.

Source: Department of Commerce.

All of these comparisons demonstrate that the burden of our Federal debt is much less today than it was at the end of the war. This is conclusive proof that we are not on the verge of insolvency; on the contrary, the Federal debt is becoming less and less of a burden as our economy grows. This is another reason why it is absolutely essential that we maintain a prosperous and growing economy.

AMERICANS MUST KNOW THE FACTS

I have recited these facts at some length because I think every American should be reminded periodically of the primary reason for our high taxes and great national debt. There is only one compelling reason for them: totalitarianism has been threatening democratic institutions for the past two decades.

Let us always place the blame where it belongs: on the totalitarian governments threatening democracy, not on Presidents Roosevelt, Truman, Eisenhower, and Kennedy, and the other elected representatives of the people. To do otherwise is to undermine people's faith in their own great democratic Government.

The price of preserving freedom has been truly enormous. But let us not throw away this precious freedom by undermining people's confidence in our democratic institutions through false charges of reckless spending by irresponsible elected officials. Admittedly, mistakes may have been made in our efforts to forestall and combat, first, fascism and then communism. In a democracy we are especially conscious of our mistakes and shortcomings. But over the long pull, this has proven to be one of our strengths, not an inherent weakness.

OUR CHILDREN'S INHERITANCE

Critics frequently point out that every American baby born assumes a $1,600 debt as his share of the Federal debt. But what such critics neglect to point out is that every newborn American also inherits the most precious of all things—individual freedom and a democratic government—and that this precious heritage has been protected in part by incurring our Federal debt. And, incidentally, they also fail to mention that each infant is born into the world's wealthiest Nation, with total wealth of nearly $10,000 per person. Yes, each American receives a truly rich intangible and tangible inheritance. I am certain the vast majority of parents outside the United States would like to give their children such an inheritance.

Even so, this is no reason for complacency or lack of diligence on our part to find and adopt better ways for managing the Government's affairs. We must use all the intelligence and economic wisdom that we have to achieve better fiscal responsibility, not merely from the narrowest standpoint of the Federal Treasury income and outgo, but to achieve greater stability in the private economy and a higher rate of economic growth, so that all Americans will have improved opportunities for good jobs and success in business. In material terms, this is the real heritage we must leave our children.

Mr. Chairman, I agree that this bill should be passed. The alternative is as Speaker RAYBURN said a while ago: If someone were to present a bill for money due and the Secretary of the Treasury should be unable to pay that bill, of course we would have a panic on our hands. That would be such a situation as we have never had in this country. So in order to be intellectually honest, we must vote for the passage of this bill.

There were many things which went into this bill for which I did not vote, but I am in part responsible for them, as I am a Member of Congress. We must have fiscal responsibility. We cannot have a policy of voting for appropriation bills and then of voting against tax bills to pay the cost or voting against raising the debt limit to borrow the money to pay our just and honest debts. We must pay them.

I wish to state that I agree with what has been said by the gentleman from Arkansas [Mr. MILLS]. He made a sensible and informative speech.

Most of the debt we have with us today was incurred during World War II. President Roosevelt tried to get Congress to raise taxes, during the war, to meet most of the cost of the war on a pay-as-you-go basis. But Congress did not see it that way. Mr. Roosevelt tried to get us to raise taxes sufficient to pay up to 50 percent of the Federal expenditures. We refused to do it. We paid only about 25 percent of the cost of the war as we went along.

Twenty-six billion dollars of the present debt, as has been said by the gentleman from Arkansas [Mr. MILLS], came as the result of World War I. But practically all the rest came by reason of World War II. The Korean war, I suppose, is the only war in history that was fought substantially on a pay-as-you-go basis. There is not much in the debt for Korea.

It is my belief that the debt ceiling would not have had to be raised during the entire Eisenhower administration, commencing in 1953, if interest rates had been kept as they were in 1952. Remember that in 1952 the interest rates were then higher then they had been for many, many years, yet if they had been left at the level of 1952, the last year of the Democratic administration, we would not have been compelled to raise the debt limit during President Eisenhower's administration. But in fact we were compelled to raise it every year during the entire 8 years.

Twelve years of our history, from 1939 to 1951, were the most serious years in the history of this country. From 1939 to 1945, we were spending money at the rate of a quarter of a billion dollars a day on the battlefield, shooting it away. Our debt limit was going up from $26 billion to $299 billion during that 6 years.

The next 6 years, from 1945 to 1951, was the most inflationary peacetime period in history. People had money in their pockets, and money in the banks, and wanted to buy all the things they had done without or postponed buying during the war. But not enough goods were available. Automobiles were not available, appliances were not available.

What was the interest rate during these years? Two and a half percent on long-term Government bonds. It never went up above that during those 12 years. Some think these bonds went below par, but they did not. Not one bond went below par. Not one bond was the Government compelled to pay more than 2.5 percent on. If the Government, and I mean the Federal Reserve, can keep interest rates down in such times as those, it can do it anytime. So what are we waiting on?

The Federal Reserve has not been carrying out its duty. It has been causing interest rates to increase. There is where our trouble is.

The point is the Federal Reserve System can correct these interest rates and keep interest rates at any level the Government desires the interest rates to be.

It has been done in the past; it can be done in the future. But, I think that is because of the Federal Reserve banking system refusing to carry out its duties under the law. Remember, the Federal Reserve Act is a law just like the Interstate Commerce Act, just like the Federal Trade Commission Act and just like the truth in securities or SEC Act or any of the rest of them. It is a law. Under the Constitution, it is the duty of the President of the United States to take care that the laws are faithfully executed. So I am apprehensive that the time is coming when the President is going to have to say to the Federal Reserve, "You have to protect the people from these extortionate interest rates and these high interest rates that are causing our national debt to go up all the time or we will have to do something about it."

It is possible that time will be reached. But, I want to repeat that the main cause of this debt being high—the principal cause—is high interest rates which were unnecessary—absolutely unnecessary.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Washington.

Mr. PELLY. I have always thought that artificially low interest rates encouraged borrowing, and that that was a source of inflation and on that ground I would disagree with the gentleman.

Mr. PATMAN. I can cite the gentleman one good example. Back during the days of Mr. Hoover's administration at a time when interest rates were low, people would not borrow the money. Why? Because they could not make money with what they borrowed. We were in a deep depression. If people cannot make money on it or the money they can borrow, they will not accept it, I do not care if you have a negative interest rate. So a reasonable rate of interest is all right anytime—good times or bad. But, I agree that now is no time, as the gentleman from Arkansas [Mr. MILLS] said, to increase taxes. We are in a recession. We are not out of it yet. I hope we are nearly out of it, but we are not out yet, and this is no time to levy taxes, in a recession, because you will make matters worse. It is no time to pull in on expenditures. We tried that back in Mr. Hoover's administration. I was here during the 4 years of Mr. Hoover's administration, and I witnessed one of the greatest mistakes that was made—an honest mistake, I know—the mistake of cutting down on expenditures, more and more, and letting the country get in a worse condition all the time. That policy finally resulted in the greatest depression in history.

When times are bad we must recognize the fact, and have deficit financing. When times are good, we must maintain taxes, and perhaps increase taxes, not only to balance the budget, but to make substantial payments on the debt

Personally, I would pay off the Federal debt just as quickly as possible. But you cannot commence paying it off in poor times, because you will make the situation worse. You should only pay off the debt in good times. If half of the national debt were paid off next year, we would have the worst depression in history, because whenever you cancel a debt, you cancel money, and you cannot afford to do that in bad times. You do not want to cancel money, reduce business profits and throw more people out of work. You want to have more money in order to have better times.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Is it not your contention that the more money there is in circulation, the better off we are?

Mr. PATMAN. No, not necessarily.

Mr. HOFFMAN of Michigan. Is that not it?

Mr. PATMAN. In inflationary times, you should pay off on the national debt; but when times are bad, that is no time to cut Federal expenditures or raise taxes.

Mr. HOFFMAN of Michigan. I have followed the gentleman very closely during the last 20 years, and I thought it was the gentleman's idea that the more money in circulation the better off we were.

Mr. PATMAN. It all depends on the times. Right now you do not want to take any more out, because that would increase unemployment and hurt business, to say nothing of the fact that you would, if you cut much, cut out some essential Government service.

Mr. HOFFMAN of Michigan. Then, if the gentleman will yield further, what you have been saying all boils down to the proposition that we are all right now.

Mr. PATMAN. No, we are not all right now; we are in rather deep economic troubles. The recession is not over, and we are not pulling out of it as fast as we should. Almost 7 percent of the Nation's labor force is unemployed, and the prospects are that 6 percent will still be unemployed by the end of the year. Things are better than they were a few months ago, but we are coming out of this thing slowly. We do not want to do things that will make it worse instead of better.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield once more?

Mr. PATMAN. I yield.

Mr. HOFFMAN of Michigan. What the gentleman has just been saying is that what we really need and want to do is to put more money in. That is what the record shows.

Mr. PATMAN. We need expenditures, for good and sound purposes, not just creating money.

Mr. KNOX. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise today to set forth my views on the legislation which is pending before the House, because I feel that the amount that is requested, $13 billion, may well prove to be in excess of what is needed. I realize that I may be unduly optimistic in that observation, but certainly the $13 billion request is premature, because of the fact that today we have major authorizations and appropriation bills recommended by the administration that have not been reported from the committees to the floor of the House for our consideration. We are called upon to act on this legislation increasing the debt limit before there exists the necessity and justification for having the debt flexibility requested in order to meet our responsibility for debts we have incurred. Until we know what spending the Congress will authorize, how can we know the additional authority for debt that will be required?

This legislation, in my opinion, should be geared to a $293 billion and not a $298 billion limitation. In the committee we discussed this very thoroughly. However, the only amount that could be agreed to and sanctioned by the Secretary of the Treasury was $298 billion. But this $298 billion limitation projects costs of Government that have never been approved by the Congress. Actually, it is my concern that if the Congress approves this $298 billion debt ceiling, it is possible that it will be construed as putting the stamp of approval on all pending spending legislation recommended by the administration. That is the reason I feel it is premature. For example, we have a message from the President of the United States requesting a new 5-year foreign aid program that in its total will cost several billion dollars, including $8,800 million in backdoor spending.

The Congress has not passed judgment on the foreign aid bill, nor has the committee which has jurisdiction over it. On top of that $8,800 million in backdoor spendings the President of the United States has also requested another $4.8 billion in current appropriations for foreign aid. That has not been approved by the Congress. Therefore, I can see no justification at this particular time to increase the temporary ceiling to $298 billion. I believe that $293 billion can be justified in order to allow the necessary flexibility to the Treasury to meet obligations as they become due, but I do not feel we should go to the extent of providing an additional $5 billion to be injected into this program at the present time before the Congress has taken positive action with authorizations to go ahead with these appropriations. If we do that, then, naturally, we are obligated as Members of the Congress to proceed to make the necessary financing available so that our obligations will be met.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Chairman, I would like to call the attention of my colleagues to the minority reports that are found in the committee report accompanying this bill, and I should like to aline myself with those views and to point out several things. My position today will be a different one than I have ever taken since I have been in Congress, but I think it is a consistent one. I really believe the policies of this Congress and the

present administration if followed will bankrupt the Nation. It is just that simple.

So it was for the first time I opposed the tax extension bill the other day, for a similar reason, not that we do not need the money, but that we will strangle American industry, and when you bankrupt business it pays no taxes.

So I say to you today I am against this debt limit, not because we should not be responsible and face up to the bill we have run up, but because we must endeavor to focus attention that we are lacking self-discipline in our fiscal policy. It is now obvious that the restraint on spending has to come from the Congress because this administration, unlike the previous administration, is designing a deliberate program and policy that plans for deficits. I stress they are planned deficits. This is something new. I will concede, this Congress since I have been here under Democratic leadership, has, generally speaking, been fiscally irresponsible. But I must say also that the Eisenhower administration endeavored to make both ends meet. I no longer see any attempt on the part of this administration to pay as we go or to have a balanced budget. That is the reason I am opposing this debt increase.

Mr. Chairman, I would like to call the attention of the Members to the minority views on the last page where the gentleman from California and I joined in pointing out what a gimmick this temporary debt limit is. The gentleman from California and I feel it is just a gimmick. It tends to give us an aura of responsibility to an area that is absolutely irresponsible. Let us throw it out of the window, because it has no restraining effect whatsoever in limiting the spending money.

Finally, we suggest in those views that what we really need is some relationship between the spending and the tax committees. There is none at the present time. The Committee on Appropriations and the Committee on Ways and Means tip their hats at each other once in a while, but there is no coordinated limitation on what is done.

In the minority views I am one of those to suggest that we have a constitutional amendment, which I have offered every year since I have been here to force the Government to stay within the budget so that the debt is kept within bounds, a constitutional limitation on the Federal Government to tax, spend, and borrow.

Further, I would like to call attention by way of contrast and comparison to the views that are in the minority report. They start on page 11 of the report accompanying the bill. I would like to compare that to the facts that confronted President Eisenhower and Secretary of the Treasury Humphrey after the Eisenhower administration came into power. Here we have an interesting and comparable situation where a new administration was taking over from the old. Listen to what Secretary Humphrey said. Compare his report with what these minority views say today of what the present administration today can say in relationship to the outgoing administration. Secretary Humphrey pointed out that when the Eisenhower administration took office in January of 1953 it was confronted with a Truman administration budget providing a deficit of $9.4 billion for 1953 and a planned deficit of $9.9 billion for 1954. The new Eisenhower administration had to deal with a continuing spiral of inflation which under the New Deal and Fair Deal had reduced the purchasing power of the dollar from 100 cents in 1939 to 77 cents by 1945 and down to 52 cents by 1952. The Truman administration also left a legacy of approximately $80 billion in unpaid bills without any money in the till with which to meet them.

President Eisenhower within a month of taking office in 1953 in his state of the Union message called attention to the "inescapable need for economic health and strength." In that message he stated:

> Our immediate task is to chart a fiscal and economic policy that can:
>
> First, reduce the planned deficits and then balance the budget, which means, among other things, reducing Federal expenditures to the safe minimum;
>
> Second, meet the huge costs of our defense;
>
> Third, properly handle the burden of our inheritance of debt and obligations;
>
> Fourth, check the menace of inflation;
>
> Fifth, work toward the earliest possible reduction of the tax burden;
>
> Sixth, make constructive plans to encourage the initiative of our citizens.

Against that background of fiscal chaos from the Truman administration and the statement of sound Republican principles by President Eisenhower, it is significant to note what the Eisenhower administration did toward the accomplishment of its stated goals.

The Eisenhower administration reduced the planned deficit for fiscal year 1954 from its $9.9 billion Truman level to an actual deficit of $3.5 billion. The Truman spending that had reached a proposed high of $77.9 billion in fiscal year 1954 was reduced by the Republican administration working in cooperation with a Republican Congress to a low of $64.4 billion for fiscal year 1955. After that fiscal year the Nation's spending was approved by a Congress that was under the control of a Democratic majority and, of course, the spending level rose.

The fiscal prudence under the Republican Party in control of the executive and legislative branches of our Government made possible the largest tax reduction in the history of our Nation in excess of $7 billion. The rampant inflation was halted and the purchasing power of the dollar protected. Budget surpluses were achieved until Democratic proposed spending in the Democratic controlled Congress got back into high gear and we began to outspend our resources in fiscal year 1958.

Mr. Chairman, it is significant to contrast this record of reduced Government expenditures, lessened tax burdens, stable prices, and controlled debt management that the Eisenhower administration molded out of the fiscal chaos it inherited from the Truman administration on the one hand, with the actions of the Kennedy administration upon taking over from the Eisenhower administration on the other hand.

In the latter case, the Eisenhower administration bequeathed to the new administration balanced budgets for fiscal years 1961 and 1962, which the Kennedy administration within 5 months has succeeded in converting to unbalanced budgets through its excessive spending programs. Instead of reducing the level of spending, the Kennedy administration added $5.1 billion in new obligational authority to the Eisenhower recommendations for fiscal year 1961 and $6.7 billion for fiscal year 1962. Instead of achieving a total budget surplus for these 2 fiscal years of $1.6 billion as projected by the Eisenhower administration, the Kennedy administration has again returned our Nation to planned deficit financing and proposes to add $6.2 billion to the debt for these 2 fiscal years. The Kennedy administration has abandoned the Eisenhower regard for preserving the integrity and strength of our Federal Government's finances and has returned to the inflationary path of deficit spending which was such an important part of the Roosevelt and Truman fiscal folly.

Let me remind my colleagues, those who have said that there have been numerous debt increases under the Eisenhower administration, that only one Congress—the 83d Congress of 1953–54—was Republican, that for the 6 years I was here under the Eisenhower administration the big spending came from the Democratic leadership. Of course, the President had to spend it when the Congress has established programs calling for the spending.

So, I point out to my colleagues that increases in the debt limit under the Eisenhower administration were forced upon that administration by the Democratic Congresses. It is bad enough when Congress is irresponsible, but now we see an administration that is asking us to forget about a balanced budget.

I, for one, refuse to pick up the tab for the big spenders any further, even in the extension of the Korean tax proposal. We all know that wealth is created only through the private sector of our economy, and when we siphon the money off from individuals and businesses we are actually preventing the private sector from producing more wealth for the improved status of our people. So, what we need is less spending, less taxing, less deficit financing, and I propose to oppose this debt increase, which, of course, will not be temporary.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman said a moment ago that a Democratic Congress forced appropriations upon former President Eisenhower that he had to spend; is that correct?

Mr. ALGER. That is correct.

Mr. McCORMACK. Well, now, the gentleman knows that Congress cannot force any President to spend any money that he does not want to spend.

Mr. ALGER. Now, the gentleman knows better than that, and I contest what the gentleman just said.

Mr. McCORMACK. I think you know better than that. Do you deny that?

Mr. ALGER. Would the gentleman repeat his question?

Mr. McCORMACK. If the Congress appropriated and if the President does not want to spend, he does not have to.

Mr. ALGER. The President can veto it.

Mr. McCORMACK. No, no, not veto. We authorized an increase of 25,000 in the Army. He did not spend that.

Mr. ALGER. Does the gentleman suggest that the President does not spend the money that Congress appropriates?

Mr. McCORMACK. If Congress appropriates the money and the President thinks that it should not be spent, he can freeze it.

Mr. ALGER. Is that justification, may I ask the gentleman?

Mr. McCORMACK. Never mind the justification. I am talking facts. You said a Democratic Congress forced upon President Eisenhower appropriations that the President had to spend. The President does not have to spend if he does not want to. He can freeze it. President Eisenhower has and other Presidents have. I am not criticizing a President for the exercise of his judgment, although I disagreed with him in the 25,000 increase in the Army and the 25,000 in the Marine Corps. But, we appropriated money to increase both, and the President did not spend the money because he did not have to. There is no reason for us to say that the preceding Congress appropriated the money and forced upon the administration the taking of legislation of greatly increased spending.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Chairman, I should like to direct this to the attention of the gentleman from Massachusetts [Mr. McCORMACK]. I think there is one aspect of his statement to which I would think he would want to give recognition. There are occasions when the Congress can order the President to spend, when the Congress can authorize or appropriate and the President has no alternative except to follow the direction of the Congress. I shall give one instance where the President had to do so even though he vetoed the original bill. I call the gentleman's attention to the pay increase legislation. The Congress ordered it. Even though the President refused to approve the bill, they ordered it over his veto. He had no alternative. But the expenditure had to be made.

I believe the gentleman will recognize that there are some instances where his statement would not stand.

Mr. McCORMACK. I think the gentleman is correct in that statement; but will the gentleman also admit that I am correct in the statement that I made with reference to the increase of the Armed Forces. There are occasions when that has been done.

Mr. BYRNES of Wisconsin. I agree that there are.

Mr. McCORMACK. But it does not necessarily follow that because we appropriate money the President has to spend it all; is that right?

Mr. ALGER. Mr. Chairman, I cannot yield further at the moment.

Mr. McCORMACK. And both of us do not agree with the gentleman from Texas.

Mr. ALGER. Mr. Chairman, I ask for the regular order. I am sure our majority leader will have plenty of opportunity to take the floor.

Mr. Chairman, I simply feel the majority leader is attempting to take the play away. I admit that that is pretty good strategy. But the point that I am trying to make is that when the increase in spending comes along, the question is, what are we going to do about it? Some of us have been picking up the tab. I have, every year.

Once again, I try to make the point that we who have been picking up the tab and doing it willingly in the interest of fiscal solvency are not going to continue doing so in the face of an administration that is determined to produce deficits. As we see the waste and duplication in these Government spending programs, we see the urgent need for a slowdown in giving the administration the authority and the means to spend our Nation further into debt. What do you think some of us are going to do? Sooner or later we are going to get tired. You do not have to join me, of course. I may be the only one, although I doubt it. In fact, I know there are several who feel this way on my side of the aisle. The people of this country are tired of the constant spending and are helplessly saying as we have done today, What else can we do?

I will tell you what we can do. We can deny them the money, and you and I know that we will not leave Congress before we produce the money, because we will be coming back here on a responsible basis, with a total of the expenses made up for us. We do not know what the Kennedy administration wants. They have not told us. We get these bills piecemeal for spending. Some of us are tired of that. This is the only way we have to register our objection. Whether we carry the field today or not, is not the point. The point that I make is that some of us are not going to continue to pick up the tab for the big spenders.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from New York.

Mr. BECKER. Mr. Chairman, I would like to join the gentleman from Texas in what he has said. What he has said is absolutely true. I just call your attention to the highway bill this year. They brought in a bill for the money and the taxes to pay for the bill. Why do they not do this with the housing bill or the Federal-aid-to-education bill, or the distressed areas bill—bring in the tax bill along with the spending bill? Then we would be responsible; and not ask us to do it this way through back-door spending, and so forth, ask us to make good the deficit by increasing the national debt limit.

Mr. Chairman, I agree with the gentleman.

Mr. ALGER. I appreciate the gentleman's statement.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, even in connection with the salary increase bill, and with the appropriations made, if a president wanted to freeze the money he could. Of course, he would not do it. Everyone knows that Congress can appropriate, but the President does not have to spend. He can freeze the money, as has been done on many occasions. So, knowing that the gentleman from Texas [Mr. ALGER] made his statement in good faith, nevertheless the statement he made, the broad statement he made, was inconsistent with the facts and the truth.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the gentleman.

Mr. BYRNES of Wisconsin. I asked the gentleman to yield because the Congress just does not accept as proper procedure the right of the President to freeze funds or to fail to follow out the directions of Congress, although, I agree that has been done.

Mr. McCORMACK. That is true. I will agree with that.

Mr. BYRNES of Wisconsin. The President has frozen funds and has not spent them, but I think we have always seriously questioned whether he should do so in those cases.

Mr. McCORMACK. From a legislative angle.

Mr. BYRNES of Wisconsin. I would not want to write a record here that would be interpreted by any President, the present one or future ones, that the Executive could ignore the will of Congress with abandon.

Mr. McCORMACK. I will agree to that. All I said was that Congress can appropriate but the President does not have to spend. Of course he is supposed to carry out the will of Congress, but we all realize there may be changed conditions between the time of appropriation and the time of expenditure, when the President in the exercise of his wisdom decides that the expenditure of these appropriated funds is unnecessary and he puts them in a freeze. It may be that before the fiscal year is over he might unfreeze. But the statement that the Congress forced upon the President the spending of money is not of itself correct.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. BASS of Tennessee. The gentleman from Texas [Mr. ALGER] castigated the President for spending money. We are governed by the approval, the mandate by the people. Apparently the American people approved of what Congress was doing because three times in a row while Eisenhower was President the American public elected a majority, and a large majority, of Democrats to legislate for them in the Congress of the United States.

Mr. McCORMACK. Of course the country is becoming more and more democratic and the people are wise to support the Democratic Party.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. The gentleman has a party of his own.

Mr. GROSS. The gentleman is right about that party. Therefore the gentleman from Iowa can speak from a nonpartisan standpoint, if such is possible.

Mr. McCORMACK. What standpoint?

Mr. GROSS. I just wanted to call the attention of the gentleman from Massachusetts to an election down in Texas not long ago.

Mr. McCORMACK. Well, we will not get into that because sometimes I have seen a Republican lose in a Republican district and a Democrat win. The Republican lost the election. Occasionally I see a Republican getting in in a Democratic district or State where the Democrat loses the election and the Republican wins. It is due to the campaigning of the Democrat. I do not say it happened in that case, but we have both seen it in the case of both parties.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. COLLIER. I just want to make the observation that the party of the gentleman from Iowa has two members, and they have both been elected repeatedly. They are, in fact, "batting 1.000." No other political party can make that claim.

Mr. McCORMACK. They are here. They are nominal Republicans.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HOFFMAN of Michigan. Conservative Republicans.

Mr. McCORMACK. Nominal Republicans. You are Republicans in name, anyway.

Mr. HOFFMAN of Michigan. So far as the gentleman is concerned, a curiosity.

Mr. BASS of Tennessee. They refer to the election in Texas as establishing a great trend. I read in the papers the same thing, referring to the special election in Tennessee. It happens that this district has not sent a Democrat to the Congress since the Civil War, but they say because they elected a Republican it established a national trend. The same thing happened in Texas.

Mr. McCORMACK. I am glad the gentleman brought politics in because I do not like to talk about politics myself, personally. There is no reason why a Republican member should not be in duty bound to support the bill. In the last 8 years there have been five of these bills, five of them increasing the debt ceiling. One of these was to increase it from $275 billion permanent to $283 billion temporary. That occurred in the 83d Congress, Republican-controlled. The other increases, increasing it from $283 to $288 billion, from $285 to $295 billion, and from $285 to $293 billion, took place while we Democrats were in control of Congress.

We Democrats did not stand up in the well of the House and criticize President Eisenhower on those occasions. We were faced with a condition and not a theory. We supported President Eisenhower on each one of those occasions.

Reference has been made to the cost of government. I recognize the import of that argument, but we are living in a strange world. We are living in a world of great tensions where the direct threat is made to the existence of our form of government.

I can remember back in 1952, when former President Eisenhower in a speech at Peoria, Ill., said, and I quote:

> My goal, assuming that the cold war gets no worse, is to cut Federal spending to something like $60 billion within 4 years. Such a cut would eliminate the deficit in the budget and would make way for substantial debt and tax reduction.

Former President Eisenhower made that statement in good faith on that occasion. But what happened during the 8 years? Subsequently, conditions arose which he probably could not foresee and, instead of reducing expenditures, we find that expenditures for 1954 which were in the amount of $67,500 million rose to $80,900 million in the last year of his administration. So we, Democrats, supported President Eisenhower on five of the five occasions during the last 8 years when a resolution was introduced increasing the debt limit. Certainly, under these conditions our Republican friends ought to support this resolution.

In the second year of President Eisenhower's administration the debt limit was increased from $275 billion permanent limitation to $281 billion temporary. That was a $6 billion increase. This is somewhat comparable. When the budget was submitted last year by President Eisenhower in his last budget message, we did not take into consideration the recession or the depth of the recession, which faces President Kennedy and which has had to be taken into consideration by him. So we are not talking politics because this is too serious—of course, we had a little byplay here and it was amusing and sometimes a little humor is a good thing, but talking seriously, we Democrats supported President Eisenhower who, of course, was my President but who, also of course, was the leader of the Republican Party. We supported him five out of five times during the 8 years of his administration 4 of them passed by Democratic controlled Congresses. We did it because we felt that responsibility in government called for such action. We did not stand in the well of the House to criticize him. We took the floor supporting him. I think on this occasion the least we can expect is that most of our Republican colleagues will support this resolution.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I would like to say to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK], that if my memory serves me correctly, something like 113 Democrats voted against the last extension of the debt ceiling, and I believe there were some 80 or 81 Republicans who voted against it. Not all the Democrats in the House voted for the last increase in the debt ceiling.

Mr. Chairman, the gentleman from Arkansas [Mr. MILLS] in his earlier remarks expressed concern about what the people of the world think if the House refused to raise this debt ceiling. Too many Members have been paying too much attention to what the people of the world might think, and too little attention to what the people of this country think, and how they are going to pay the debts that are being piled on them.

Mr. Chairman, this is an interesting day in the House of Representatives.

This is the day when the free wheeling spenders must face up to the facts of life and lay a still heavier yoke of debt upon the necks of the American people now living and those yet unborn.

This is also the day when some Republicans ought to pause and ask themselves why they and certain of their so-called leaders have not been fighting—in and out of Congress—this fiscal irresponsibility, the spending of billions of dollars beyond income which opens the door to inflation and is destructive of the welfare of American families dependent upon earnings and pensions.

Even as this increase in the Federal debt comes before us, we are witnessing today as in the past an attempt by the New Frontier planners to create a synthetic public opinion in favor of big spending programs. Emphasis at the moment is directed in favor of the annual multibillion-dollar foreign aid handout.

Those who have been in Congress for a few years are all too familiar with these theatrical performances, and we are also well aware that usually these attempted brainwashings are promoted and made possible through the use of public funds, gouged out of the pockets of the taxpayers.

The recent meeting for this purpose was held in Washington under the auspices of an outfit known as the National Conference on International Economic and Social Development. A few weeks ago newspaper and radio news editors were summoned to Washington in an attempt to indoctrinate them in the ways of the "planners."

There was a time when some of the citizens of this country may have been misled by these sham theatricals. Today, there is growing evidence that although more money is passing through their hands, Americans are acutely aware they can buy less with it. They are fast coming to understand that this synthetic prosperity is built upon the quicksands of borrowed money—upon deficit, debt, inflation—upon fiscal irresponsibility.

They do not know the technical details nor do they care about them. They do know that the so-called new economies of the New Frontier are not new, and that all the fine talk about restraint in Federal spending is meaningless and untrue.

If there are any doubters as to this statement they might take a look at the recent senatorial election in Texas where the voters had a clear-cut choice between liberals and conservatives, and these Texans made it completely clear they have had enough profligacy in the Federal Government.

Already more than half the value of our dollar has been eroded and is gone, and a continuation of unbalanced budgets and deficits will inevitably destroy what remains of the integrity of the dollar.

I propose that instead of increasing the debt ceiling, the Ways and Means Committee and the House give immediate consideration and approval to my bill to provide for mandatory balanced budgets and mandatory payments each year on the Federal debt.

By imposing upon the executive branch of Government a ceiling on spending beyond which it cannot go, Congress will have reestablished its constitutional authority to control the Federal purse.

As stated in the minority views of the gentleman from California [Mr. UTT] and the gentleman from Texas [Mr. ALGER], the present rubber debt ceiling is a gimmick to lend an aura of responsibility to what is fiscally irresponsible. The Bureau of the Budget is not deterred by a debt limit. It will not be deterred until Congress says, "It makes no difference how many bills are voted, the total of spending must not go above income."

Until Congress summons the courage to write the equivalent of these words into legislation, and make the legislation and the words stick, there will be a continuation of this phony business of temporary increases in the debt ceiling that become permanent.

Mr. BYRNES of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. BECKER] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BECKER. Mr. Chairman, in June of 1960, I said I would vote against increasing the national debt, temporary or otherwise. We were not in any state of emergency and the necessity was created by those who want to spend above the income of the Federal Government.

For years, I have been lending my voice and my vote against these vast spending bills, but without effect. However, now that the responsibility to pay these bills arises, I am asked to be fiscally responsible. This argument is fallacious. The spending goes on, deficits are created through sheer irresponsibility. When is this ever going to cease? When will the Congress say, place taxes for these programs if you want to spend? This would be the responsible way of doing things.

Therefore, again this year, billions are being authorized and appropriated above the national income, again requiring deficit spending, causing a request to again raise the debt limit. I have constantly, this year, voted against this spending bill, and therefore feel conscience bound to vote against the increase.

There must come a time, and I believe it is imminent, that someone put the brakes on. We are told today that the bills must be paid. Fine, then do not spent the money already authorized and I could understand the request. But I will not be a party to saddling untold billions on the backs of the children yet unborn and without any voice or vote. This policy I believe to be immoral. I cannot subscribe to it and must vote against it.

Mr. BYRNES of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. KILBURN] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KILBURN. Mr. Chairman, in the past I have voted to increase the debt limit on the theory that our defense appropriations had to be extra large because of the world situation. I realize that that sometimes necessitates an increase in the national debt.

However, with the present administration, we have a reckless spending program. For that reason I am voting against increasing the national debt in the hope that the present administration will be curbed in their excessive and reckless spending.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I appreciate being allotted this time in order to express my views with regard to H.R. 7677, a bill to increase the public debt limit by a temporary addition of $13 billion for the fiscal year beginning July 1.

I should like to say first, Mr. Chairman, that prospects for a 1962 budget deficit are mounting. When President Kennedy sent his budget message to Congress last March, he suggested a deficit of $2.8 billion. However, his subsequent spending proposals as transmitted to Congress have changed the picture. As I see it, the 1962 budget request will add up to $90 billion plus, with more to come. This is approximately $9 billion over President Eisenhower's 1962 budget. I understand that there is some indication of an upsurge in tax revenue. Nevertheless, the fiscal year now about to begin certainly will show a deficit of between $6 and $7 billion.

Mr. Chairman, if I were a member of the great Committee on Ways and Means I most assuredly would be a signatory to the separate views that appear in the report on H.R. 7677. I certainly agree with the minority members in their statement that the administration should immediately address itself to the urgent task of bringing order to our fiscal affairs instead of compounding them by massive spending programs.

Can anyone doubt, on the basis of spending proposals of the Kennedy administration and legislation in prospect, that Congress again next year will have to increase the debt limit? Certainly the debt will go above $300 billion in 1962.

But I desire to address myself in particular at this time to the separate views of the minority concerning the public debt transactions financing of programs. As the Members of this body know, President Eisenhower had sought to avoid any new back-door financing, as well as to redirect existing back-door programs to the regular appropriations process.

As the minority views point up so clearly, the Kennedy administration's proposals would reverse this trend and shift from regular appropriations procedures to back-door financing huge costly new programs. Already, this shift was evidenced in the area redevelopment bill. This House last week acted on the Kennedy administration's $8,800 million back-door type of housing bill. Soon the Kennedy mutual security proposal calling for another $8 billion in back-door spending for loans for underdeveloped countries will be considered in the House. Thus, $20 billion in additional back-door spending in the first 5 months of the new administration, as pointed up in the minority views, indicate the trend.

Mr. Chairman, under special approval, I included at this point a record of public debt transactions since the beginning of back-door spending in 1932. This table shows year by year the balance of borrowing from the Federal Treasury at each year's end. It points up the growing use of back-door spending in the past so that presently the Treasury is compelled to carry the notes and obligations of various Government agencies to finance their programs, in the amount of $33 billion. Meanwhile, likewise, this table shows the unused balance of authority of these agencies to borrow from the Treasury, a total which has grown year by year and as of June 30, 1960, was approximately $26 billion.

Record of public debt transactions from June 30, 1932, to June 30, 1960

[In millions of dollars]

Fiscal year	Borrowings and other advances from Treasury	Unused balance of authority at end of year	Balance of borrowing from Treasury at yearend
1932	$350.0	$1,150.0	$350.0
1933	1,235.0	2,537.4	1,585.0
1934	1,670.0	7,570.7	3,255.0
1935	825.0	5,590.4	3,655.0
1936	865.0	4,586.9	4,030.0
1937	227.0	4,997.8	3,630.0
1938	345.0	5,783.8	882.7
1939	426.3	6,235.2	273.3
1940	641.8	6,874.3	104.3
1941	798.2	9,374.4	301.7
1942	4,178.3	18,868.4	4,078.7
1943	6,969.0	15,774.7	7,519.1
1944	7,615.0	15,156.8	10,717.3
1945	4,149.0	16,810.0	12,168.7
1946	3,553.1	24,527.1	12,504.9
1947	7,346.6	21,206.2	16,879.8
1948	5,505.0	15,166.8	9,122.7
1949	5,851.0	13,473.8	13,184.3
1950	4,031.7	16,991.4	14,756.8
1951	3,780.6	17,604.9	15,360.7
1952	2,739.2	21,326.7	15,654.1
1953	4,420.4	20,006.2	18,369.3
1954	5,398.4	20,738.4	19,067.4
1955	6,224.0	19,245.2	22,347.6
1956	5,273.1	17,979.9	26,172.8
1957	6,077.7	19,834.4	28,887.9
1958	7,301.7	25,197.4	28,019.2
1959	9,958.7	23,185.7	32,827.7
1960	6,733.6	25,734.0	33,068.4
Total	114,489.6		

It is obvious from these figures a great deal of our national debt is due to back-door spending. I might add that this debt would have been some $16 billion higher had not Congress canceled or forgiven $16 billion of such obligations in the past. Further, I might point out that the largest amount outstanding at the present time is the almost $13 billion owed to the Treasury by the Commodity Credit Corporation for its agricultural support program. Does any Member of the House seriously believe that this full $13 billion will ever be repaid? Of course it will not.

Now, Mr. Chairman, I suggest, too, that if a new $8 billion foreign aid bill is financed by borrowings from the Treasury, advances under that program will never be repaid. The back-door procedure in this case would be a device to draw money from the Treasury and to spend it without congressional scrutiny or control. It would simply put off into some future time the write-off as a bad debt of this $8 billion foreign aid transaction.

At some later time I expect to discuss that situation on the floor of this House, but meanwhile I simply want to associate myself with the strong criticism of the minority views of the way this administration is conducting its financial programs.

Now, as to the matter at hand, namely, the increase in the limitation on the public debt, I say that the $298 billion figure is unrealistic as far as the administration's massive spending programs are concerned. I say further that in my judgement, back-door spending has become a kind of racket, a subterfuge to avoid review of administration programs by the appropriations process and I repeat, too, that one of the major contributing factors in our huge national debt, as shown by the figures I gave earlier, is the device of back-door spending. Wherever the Committee on Appropriations has had the opportunity to scrutinize expenditures it has been able to weigh needs and urgency of various programs against the financial condition of the Nation and the amount of revenue available. Through back-door spending, on the other hand, we have pursued an irresponsible fiscal policy without congressional control.

Mr. Chairman, to bring to a halt this fiscal irresponsibility and restore some sensible procedures I had hoped to introduce a motion to recommit. This motion would have returned H.R. 7677 to the Committee on Ways and Means, with instructions to report it back forthwith with an amendment providing a limitation on the total of Federal agency obligations which the Secretary of the Treasury may hold at any one time. I had such an anti-back-door motion to recommit with instructions prepared and intended to seek recognition for the purpose of offering it. But in discussing such a course of action with the gentleman from Wisconsin [Mr. BYRNES] a distinguished member of the Committee on Ways and Means, he suggested this means of curbing back-door spending should be given more study to assure it would not disrupt existing programs, if a ceiling was placed on the Treasury to stop new schemes such as the foreign aid bill.

Incidentally, speaking of the debt ceiling, I have a list of various proposals by Members of the House to reduce the national debt. I shall not list them all, nor give the names of their authors, but certainly there is a large group of Members of the House who recognize the serious nature of the debt problem. These various bills relating to the limitation or reduction of the public debt offer various plans. One, for example, provides that with an increase of the net annual revenue of the country a percentage of it would go to the reduction of the national debt. Another bill directs the President to provide in his budget so as to reduce the national debt at an increasing percentage of the annual revenue of the United States. Another directs the President to include in his budget submitted to Congress each year a sum of not less than $2 billion to be applied toward reduction of the national debt. Still another plan would require a percentage of the budget receipts to go toward debt retirement.

Sometimes, I think it would be interesting to analyze the voting records of the authors of these bills to ascertain whether such sponsors of meritorious legislation practice what they preach. In other words, whether they vote for massive spending programs or really believe in economy is the important question. I know a number of those Members do not support budget-busting programs, but I think the voters are entitled to know just how conscientious each of us is in translating our words into deeds.

As far as my vote on the debt increase is concerned, I might say I voted against similar legislation to increase the debt limit last year. As I stated at that time, it was my one way of protesting against the spending policies that resulted in the need to increase the debt limit. If I had introduced a motion to recommit so as to include an anti-back-door-spending amendment in the bill, I would vote for this bill. Instead, I shall again express my opposition to back-door spending and reckless policies by voting against the increase in the debt limit.

Obviously, on a case-by-case basis, such as with the Housing bill, it is impossible to change the method of financing these back-door programs to the normal appropriations process. A simple resolution to end back-door spending, as members know, is bottled up in the Committee on Rules. A limitation on the amount of public debt transactions provides one way which could effectively curtail back-door spending. It might be a solution. But whether it is or is not, the time has come when public opinion should be alerted and for the American people to insist that their money, or the money that is borrowed in their behalf, not be spent except in consequence of a careful scrutiny and annual review only available through the appropriations process established in the Constitution.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from Michigan.

Mr. GRIFFIN. I rise to compliment the distinguished gentleman from Washington and to commend him upon the great work he is doing in focusing the attention, not only of the Congress, but of the whole country on the back-door spending device and the great threat which it poses to our Nation.

Many of those who have argued here today in support of this bill have pleaded with great eloquence that Congress should begin to reexamine spending legislation to cut down on appropriations and to tailor expenditures. Of course, this could be done in the instances where spending must go through the annual appropriation procedure. But the gentleman from Washington has made an important point in calling attention to the fact many programs are financed through back-door spending, and in those cases where we do not have the opportunity year by year to examine appropriation requests and to pass upon appropriation bills. I understand that in those areas, there is some $26 billion of spending authority available which can be spent to incur more debt, without appropriation by the Congress. Therefore in the areas where back-door spending is utilized we do not have the opportunity to vote for or against appropriation bills nor to amend them and thereby trim proposed expenditures. In the areas where back-door spending has been authorized, the debt ceiling provides almost the only limitation; is that correct?

Mr. PELLY. The gentleman is absolutely right, and I might point out that there are records which will show that where the Committee on Appropriations has had an opportunity to scrutinize these various programs it has been successful in reducing the amount of the budget; whereas with the back-door spending approach spending has always exceeded the request of the President.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield further?

Mr. PELLY. I yield to the gentleman from Michigan.

Mr. GRIFFIN. I might add that both the administration and the leadership on the other side of the aisle could expect, in my opinion, much more support for the bill before us today if there were not this determined effort on their part to authorize more and more back-door spending.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PELLY. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I too want to commend the gentleman for the fight he has conducted against this back-door spending, and emphasize that those who do not like to have this called to the public's attention in rather typical fashion are now saying that the term "back door" is not descriptive of this kind of spending. Indeed, it is completely descriptive of this kind of spending. It is the kind of spending that the Congress loses control of through the Appropriations Committee.

I would say this: Some of this backdoor spending is even more dangerous and insidious than that which the gentleman from Michigan [Mr. GRIFFIN] has pointed out, because some of it does not even come under and would not be handled by the debt limit or the amount of bonds we can market to pay for this debt. A lot of this is contingent liability, and as I pointed out in my remarks, the estimate of what the real debt is—that is, the real debt would be if we faced disaster and had to pay it—it would be around $500 billion to $750 billion, and not $298 billion.

Mr. PELLY. The gentleman is absolutely correct.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. DEVINE].

Mr. DEVINE. Mr. Chairman, I had no intention of speaking here today. I have no prepared remarks, but after listening to some of my colleagues I think there are some things that need to be said.

You know, the day on which the bill comes on the floor to increase the ceiling on the national debt is a red-letter day because many of the big spenders become conservative for that one day.

I am reminded of a law which we have back in my home State. There is a law on the books that makes it a crime to execute and deliver a check with insufficient funds. It is a crime to do that, and it is a felony. Here we are today with big spending programs having gone through Congress and our colleagues tell us we have an obligation to pay these obligations, when they have recklessly incurred these debts, without the money to pay for them. We did not have the money in the bank to start with. We have a national debt approaching $290 billion a year, and the interest is $9 billion a year. I broke that down one day to figure out what it cost, and I think it is about $18,000 a minute, just to finance the interest on the national debt.

It seems to me we are fast reaching a point in the not far distant future, whenever someone introduces a bill in the Congress of the United States and expects it to be enacted, he must introduce a companion bill providing the revenues rather than doing it by deficit spending. Congress is not a one-way street. The big spenders come in here wanting to increase the public debt obligation every year or two, when the Congress absolutely should be reducing the debt. Some people spell the word "progress" s-p-e-n-d.

I am not a Johnny-come-lately in this particular economy drive. My voting record has consistently been for economy in Government. I have testified before the Rules Committee of this great body requesting that all Members be required to answer to the roll on any appropriation bill. That bill, of course, died in the Rules Committee time and again.

I have been the author in the last session and again this session of a bill requiring the President, whoever he may be at any time, to apply 10 percent of the anticipated revenues each year to the systematic reduction of the national debt, not to increase the ceiling each year.

I think we must face up to our responsibilities. Let us not talk about President Truman or President Eisenhower or President Kennedy. The responsibility for appropriation measures is in the Congress of the United States. In placing responsibility, as our distinguished majority leader did here in his talk earlier this afternoon, I think it should be borne in mind that the Congress has been controlled by the majority party for 28 out of the last 32 years.

Mr. BYRNES of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHADEBERG. Mr. Chairman, the Ten Commandments have served mankind as a guide in morals and ethics for many centuries. They need no explanation. They are clear and brutally frank. They cannot be misunderstood. Among these Commandments are two of which we are compelled to take note in our present circumstance. "Thou shalt not covet"—10th—and "Thou shalt not steal"—8th.

The policy of this great body of passing bills to provide material benefits for the present living generation and promises of greater benefits to each succeeding generation and at the same time placing the burden of paying for these benefits on generations yet unborn, is in my mind not merely a political issue nor a social or economic issue. It is a moral issue.

It is considered to be irresponsible for a person to consistently spend more than he earns. Some excuse could be made for him to spend beyond his income when he is a victim of unemployment, due to circumstances beyond his control, but it is unthinkable that he should neglect to seek to wipe out his debt or to live beyond his means when he is earning to the limit of his capacity.

No responsible person or institution involved in financing could possibly in conscience keep loaning him money which he, in turn, must secure from others and with which he is entrusted. What would the community think of an individual who kept spending and spending to please himself—living beyond his means—even if he did not possess as much as his neighbor—while mortgaging the income of his children to finance his spending spree to satisfy his selfish desires?

What can the American people—indeed, people of the world—think of a Nation which continues to spend more than it is assured it can receive in taxes? What can they think of a Nation that mortgages the income of generations yet unborn so that today it can live beyond its means?

Colleagues, to continue to follow the course of spending and then turn the bill over to our children to be paid is immoral. Think for a moment. Are we not coveting for ourselves what we cannot afford and then stealing from generations yet unborn what belongs to them? "Thou shalt not covet. Thou shalt not steal."

If we are to be a responsible body we can still vote down the $9 billion housing bill when it comes out of conference. We can pass a bill to raise our own taxes to pay for our spendthriftness. Besides this we can refuse to pass this bill to raise the debt and tailor the remainder of our programs to bring them within limits of the budget.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. BEERMANN].

Mr. BEERMANN. Mr. Chairman, on February 22 this year, as a freshman Congressman, I had the honor of reading George Washington's Farewell Address on this floor.

Today, by way of commenting on the bill under consideration by this body, I would like to reread a portion of that address which may have been missed by my colleagues.

I am going to repeat part of one paragraph of the speech. I am simply going to say that President Washington was full of concern for this new Republic he had helped create and in the light of his age and experiences he was simply trying to point out a few things that might imperil this struggling Nation.

By way of this thought he pointed out several things to avoid, among them foreign entanglements, despots seeking power, and other dangers.

He then went on to say:

> As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. BEERMANN. I yield to the gentleman from New York.

Mr. BECKER. I would like to compliment the gentleman for calling to the attention of the House the remarks of George Washington in those days, and to say simply this: It might be better if we adhered to his remarks even during this time. The tragedy of our day is that we have gotten so far away from the fundamental expressed by George Washington that we could use it well right now. I thank the gentleman for putting these remarks in the RECORD.

Mr. BEERMANN. I thank the gentleman from New York.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I rise in opposition to this legislation which would further increase the debt limit. I have opposed these increases in the past. It has been stated on the floor that the Government must pay its bills

and that is true. However, I have consistently voted against excessive spending and against the start of new nondefense spending programs. The majority of the Congress evidently felt differently about these programs and they have been adopted. Therefore, I do not hesitate to vote against this bill because I had nothing to do with the legislation which makes it necessary to increase the debt ceiling. Had the majority in the Congress voted as I did we would not have this legislation before us at this time. It is now their responsibility to vote for this legislation and be on record with the people throughout the country who will be hurt by the resultant inflationary effects. I consider my vote in opposition as a protest to this continual spending of money which we do not have.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this matter of the debt ceiling is becoming, I believe, our annual exercise in frustration. At this late date—5 days before the end of the fiscal year—there is no alternative available except to grant a further increase in the temporary debt ceiling. However, I would suggest that unless we do something about the excessive spending that creates the debt, it is not going to be next June that we are going to be back here asking for a further increase in the debt limit. Instead, we will probably be here in this coming January asking for an increase in the debt limit beyond what we are providing now. This danger of a further debt limits increase in a few months' time is before us because of all the grandiose spending schemes of the executive branch and of certain people in this Congress. If these schemes are carried out, we will not be able to keep up with the borrowing and the debts under the ceiling now in effect or proposed in this bill.

When I say that at this late date there is no alternative available, I would call your attention to the fact that on this Friday, which is the 30th, the debt ceiling under which the Treasury is authorized to borrow will go down to its permanent level of $285 billion. Yet, on this Friday, it is estimated our public debt will be at least $286 billion and closer to $289 billion. So where is the Treasury going to find the $4 billion that would be necessary to redeem the excessive debt that is outstanding? Where will you find the wherewithal to meet the bills that are presented on July 1?

Let me call your attention also to the fact that on July 15, a little more than 2 weeks from now, it is anticipated we will have to have an outstanding public debt approaching $291.6 billion. If we do not pass this bill and increase the public debt at least on a temporary basis today, where are we going to find $6.6 billion by July 15? There will not be any cash in the Treasury to take care of the excess debt over the permanent ceiling.

All I am pointing out is that this is truly an exercise in frustration because as of this date, as of this time, the only responsible action, frankly, is to provide for more debt because the bills which will be presented to the Treasury for payment must be paid. The only way to pay them is to go out and borrow the money with which to pay them. It is just as simple as that.

I think it is well, though, that on an occasion such as this, during the consideration of this legislation, we ask ourselves how we got into this situation. I would hope that as we examine our conscience as to why we got into this plight, we might make some resolution to mend our ways so that in the future we would not be faced with a similar situation.

Mr. Chairman, really, what we are doing today, judged by past experience, is in effect passing a tax bill. We talk about it in simple terms that all we are doing is increasing the capacity of the Government to borrow, but if you really look at what we are doing and what past action requires us to do, you will find we are passing a tax bill. Thus, today the Congress is given its annual opportunity to enact tax legislation increasing not the tax burden imposed on our present day taxpayers but instead authorizing an increase in the tax burden to be imposed on our children and their children as they reach adulthood and taxpayer status. We are today talking about and acting on a tax increase for tomorrow.

As America goes into debt today we are committing the productivity of America's future to pay the cost of the past. By our willingness to be improvident and to tend to insolvency we are encroaching upon the future opportunity of tomorrow's citizens to decide the way in which the America of their day will utilize the goods and services that they create. Because we have been content to go into debt, they—the future Americans—will have to be content with less.

I submit, Mr. Chairman, that by engaging in deficit financing we are guilty of "taxation without representation" with respect to future generations—an act that is, indeed, alien to the history of Lexington and Concord and the sacrifices of Valley Forge. Are we less able than our national forebears to stand for the protection of liberty? Do we want our children to have less freedom than we have? These are questions that are inescapably involved in the issue of public indebtedness that is before us today and that is before us every time we vote on a bill authorizing public spending that we either cannot or will not pay for. If we support nonessential Government expenditures that result in debt, we are saying: "Yes, we care less for liberty than our forebears; we are willing for our children to have less freedom than we have."

Mr. Chairman, this is not the answer I support nor is it the answer of the citizens we represent. It is necessary that each generation provide for itself so as not to leave debts to encumber the freedom and opportunity of the next generation. We must regard our duty as legislators to include an obligation to safeguard our country against unwarranted debt just as we would against attack. Our duty as legislators requires not that we acquiesce in the demands of pressure groups nor that we accept the temporarily expedient course of countenancing fiscal intemperance. Our duty requires that the hard decisions be made with courage, logic, and wisdom. Our duty requires that we lead in formulating public opinion rather than becoming its servant. Our duty is the cause of freedom and our freedom is not license to neglect that duty.

We talk about making America strong for the future. We are not going to be making America strong for the future if we require that the production of that future be dedicated to pay the costs of today, costs that we were unwilling to assume.

Mr. Chairman, today the Congress is asked to respond favorably to a record peacetime recommendation for a debt ceiling. We are asked to authorize a potential $298 billion in public debt. We have no plans of which I have heard for paying it back; in fact, recent new spending schemes strongly suggest to me that we only have plans for making it bigger. From 1931 through fiscal year 1961—a period of 31 years—we have on only six occasions managed to pay our own way in a particular year. The other 25 years—more than 80 percent of the time—we have willfully decided to spend more than we could afford and we have had budgetary deficits. Do you know of any present plans to reverse that trend? I am sorry to say that I do not.

Mr. Chairman, who is going to pay off the debt that we have so willingly accumulated? Are we? I doubt it. The austerity and fiscal restraint necessary to achieve a succession of annual billion dollar surpluses seems beyond us, and yet even with debt retirement at the modest rate of $1 billion a year it would be the year A.D. 2251 before we would again be even with the board. That is a 64 percent longer period than the time that has elapsed since the founding of our country to the present. Could we go so long without once going into debt? Again, I doubt it. The pressures to spend more than we can afford will not subside until we demonstrate sufficient self-discipline to withstand those pressures. When we have the courage to say "No" to deficit financing, then, and only then, will the constant demands for bigger and new spending abate.

Our present debt currently costs the American people in interest or carrying charges alone approximately $9 billion per year. This cost of just maintaining the debt without a penny toward its reduction is 11 percent of our total budget; it is a larger expenditure item than we spend for veterans, agriculture, or atomic research and development—in fact, it is larger than we spend for any other single budget category except for defense. In only 3 of the 50 States in the Union—California, Illinois, and New York—is the total of Federal, State, and local taxes paid by all the citizens and all the businesses in the respective State of a magnitude equal to the $9 billion interest-cost item on the public debt. That is how much it costs us to have the debt without doing anything about debt retirement. It is my simple but sincere suggestion that the time is urgently at hand when we must act to make the debt smaller and not bigger.

Mr. Chairman, since 1935 our debt has increased more than tenfold and 16

times in the intervening period the Congress has acted to increase the authority for our Government to go deeper and deeper into debt. In peace as well as in war the Congress has been too willing to have today's bill paid for with tomorrow's taxes, presumably on the foolish theory that the next generation will have no need for use of its own tax dollars. Former President Eisenhower recently said that "continuing deficit financing is immoral." He went on to say, "I look in vain and with concern for fiscal responsibility in today's public affairs."

Today we are debating the question of whether or not to pass a bill authorizing a debt ceiling of $298 billion for one reason and one reason only. That reason is that we have spent too freely of that which we did not have last year, the year before, and for the past three decades; and the present ominous indications are that we are going to spend even more freely in the future. Based on the fiscal experience of the past 5 months and recent pronouncements reported in the press, I fear that our present Treasury officials have joined the ranks of the deficit spenders. I fear that our country is left without a "fiscal conscience" to advocate discipline and restraint in fiscal affairs unless we in the Congress will fill the void caused by the Treasury sellout. Just as business experience has proved the danger of putting the sales manager in charge of the credit department, so it is in Government that the spenders must not be allowed to claim the key to the Treasury as their own.

Mr. Chairman, it is high time that the Congress once again filled its traditional responsibility as controller of the public purse strings and as the evaluator of the national needs and priorities in authorizing spending programs within the framework of a balanced budget. It is a plausible but not practical theory that the spenders preach to the effect that our budget need only be balanced over a period of years and that annual deficits are of themselves good in times of economic recession. The fallacy in this theory is proved by the answer to the question, "Where are the spenders when the downturn is past and it is time to pay off the deficit with less spending and a budgetary surplus?" Tragically, experience has proved that they are still in the ranks of the spenders eagerly trying to devise new bureaucratic schemes in which to spend the added revenues. Economic theory is no substitute for sound principle and courageous determination when it comes to budget balancing.

My committee chairman suggested in his brief appropriate remarks that it would be fitting to have a reexamination of some of our spending if we are going to do anything about this debt, that we had better reorganize some of the authorizations that Congress has passed for new spending, that we reorganize old authorizations and old programs to see whether some cutting cannot be made so that we can tailor the garment to fit the cloth. I would suggest, Mr. Chairman, that that is long past due.

We do not have to look very far back to find one of the instances that will give rise to the need for this debt bill plus a further increase possibly next year. I refer to the housing bill that we passed just last Thursday. I think there are many Members of this House who can well examine their conscience who, knowing that this debt bill was coming up, did not even limit themselves to the authorization and expenditures that were recommended by their President; they had to go beyond their President. According to them, he was not asking Congress to spend enough. They had to add at least $1 billion to the cost of the housing bill that was sent up by the President; and I do not think anybody is going to accuse our President of being parsimonious in his requests for some of these programs, but apparently even what he asked was not enough to satisfy a majority in this Congress.

Mr. Chairman, in the past several months we have heard about many new Government programs to be undertaken for the first time which are in addition to all the existing programs. This is the administration's formula whereby America is to spend itself rich, smart, and secure. We either have or are scheduled to have new farm programs, new relief programs, and new housing programs to which I just referred; we are to have Federal aid to education and brandnew foreign aid. As we do these things through deficit financing, we weaken our national strength not only for the present but in the future as well. As we borrow to finance a Federal aid to education program, we are telling our children that they will have to pay for their own educations and that of their children. Every time we approve a new Federal program—while we have debt and deficits, we are asking our children to give it to us. We cannot be bountiful providers unless we pay our way; if we do not pay our way, we are parasites living on the productivity of the future.

Mr. Chairman, part of the fiscal story of how the administration proposes that America should spend itself rich, smart, and secure is found on pages 14 and 15 of the committee report. In table 2 on page 14 of the report we learn that in fiscal years 1961 and 1962 the administration would have us spend over $6 billion more than was proposed by the Eisenhower administration; the administration would have us convert a projected $1.6 billion surplus for the 2 fiscal years into a $6.2 billion deficit; the administration would have us add $6 billion to the debt and would increase new obligational authority—the license for the Government to spend in the future—by a staggering $11.8 billion. Table 3 on page 14 of the report discloses that for fiscal year 1962 the increase in new obligation authority requested by the Kennedy administration over that recommended by the Eisenhower administration is allocated 34 percent for major national security items and 66 percent for other purposes.

Mr. Chairman, if the added spending being urged by the administration were for necessary defense reasons that would be another matter. But table 3 on page 14 shows the spending increase largely is for purposes other than defense and table 4 on page 16 suggests some of the nondefense functions for which we will be spending. Not a single departmental appropriation bill for fiscal year 1962 has passed the Congress; we have no idea how much spending we are going to authorize. It is possible we will spend less than the President has proposed but I suspect that we may spend even more.

The point is that in the next 2 months in acting on authorization and appropriation bills, this Congress can effectively act to prevent the 87th Congress from being recorded in history as the one that authorized recordbreaking debt in peacetime because we were more willing to spend than to tax. As we complete our work on the appropriation bills, we can determine whether we are to be recordbreaking spenders.

The approval of the debt ceiling request of the administration cannot be construed to indicate approval of the spending proposals of this administration. A vote for the legislation before us today cannot be construed as approval of the debt and deficit financing policies of this administration. The truth of the matter is that even those of us who have been frugal and prudent in voting on spending are all too often called upon to pick up the tab for those who vote "yea" on every proposal to spend and vote "nay" on every proposal to pay the bill as their hypocritical token gesture toward fiscal respectability.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Indiana, the distinguished minority leader.

Mr. HALLECK. Mr. Chairman, I would like to associate myself with the gentleman in the position he has taken.

In the past I have supported these increases in public debt limitations. I have done so reluctantly and I shall do so reluctantly on this occasion. The gentleman from Wisconsin has ably pointed out that it will be interesting to see as the roll is called how some of the big spenders here in the House of Representatives vote on this resolution. I can understand that there is some justification for a Member who has voted against excessive and irresponsible spending in taking the position he is not going along with this sort of action as a protest vote. The gentleman has referred to the housing bill that we had here last week. Anyone who voted for the billions that were put in that bill which were unneeded and unnecessary—but which in the debate it was indicated were put in there to get the votes to pass the bill—is hard put to explain a vote against the bill now before us. I do not see how anyone who voted for that housing bill could turn around and vote against this increase in the national debt which is necessary to pay the "rent" on the housing bill.

May I make this further observation. On this occasion, as in the past, I shall vote for this increase because, as I have heard from responsible people in our

Government through the years, it would be unthinkable for the Government of the United States to default on its current obligations. It could mean chaos and a rough situation indeed both at home and abroad. Having that in mind, with the gentleman's permission, I would like to point out that there are bills coming to the floor of the House of Representatives having additional multibillion-dollar spending schemes that I do not think are justified. So I think it is high time that the people here in the House of Representatives, if they have any regard for the fiscal responsibility and leadership that we must provide, should do what I asked them to do when we had the debate here on the housing bill last week, and that is to take a long, hard look at these various spending proposals before they vote to support them.

Mr. BYRNES of Wisconsin. I thank the gentleman and commend him for the contribution he has made to the debate today.

During the course of the hearings before the committee on this legislation, I made inquiry of administration witnesses as to what some of the new authorizations under the new programs in addition to those programs of Government that were in existence for the last fiscal year, would cost in terms of expenditures in the fiscal year 1962 that begins this coming Saturday.

I, in effect, inquired as to what we were adding on, in other words, in view of our debt picture to the cost of Government by way, not of enlargement of old programs or continuation of old programs, but just programs that require new authorizations, new action by the Congress. This information, as I previously indicated, is found on page 16 of the committee report in table 4 which was furnished by the administration spokesmen. Understand, this table does not include anything in the military field. I asked them for nonmilitary expenditures. You will find that the requests from the President, if enacted into law, will increase $2,035 million the expenditures in the immediate fiscal year just ahead that we still have some control over.

I am concerned, like some of the speeches made today expressed concern, about the debts that we incur. Let them take out their table on page 16 and they can find some places where they can save money and prevent some of this additional borrowing.

I call your attention to one item that is being discussed currently, elementary and secondary education, $500 million in just the next year.

Now, let the facts before us show this very clearly: We have no money. The Federal Government has no money from any of its revenue sources to pay a bill of $500 million for that Federal aid program. That is very clear. It has to be borrowed. Now, when that bill comes before us, you have your choice. You can increase your debt, the tax burden on your children, by $500 million just next year, or you can say, "Yes, we will spend it but we will not pay it," or you can say it is important enough to raise taxes. But, unless you are going to increase taxes to produce $500 million next year, you cannot pass an aid to education bill without going $500 million further into debt. That is just one of these programs, and there are others. And, I would ask my friends who are concerned about deficit spending and going further into debt to take table 16 just as a starting point, because every penny of that $2 billion increase in expenditures is going to be paid for with borrowed funds, because we do not have the money today to add any additional spending.

Mr. Chairman, as I said in the beginning, at this late date, with 5 days before the end of the fiscal year and the debt ceiling going down to $285 billion if we do not act, we have no alternative but to extend the temporary debt limit. It is because of the undeniable realities of the fiscal situation as it now exists that I shall certainly vote for this bill, because I think responsibility requires it. We cannot have the situation that would exist and the chaos that would result should we have a situation whereby bills were presented to the U.S. Treasury but they could not be honored because of insufficient funds. Chaos would develop here and abroad if that day were ever to come to America.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Illinois.

Mr. ARENDS. I agree wholeheartedly with what the gentleman from Wisconsin has just now said. We are in this peculiar situation that requires us to vote for this debt ceiling increase because of the obligations that are outstanding as a result of excessive spending. But, certainly it seems to me that we have the right to wave the red flag and say these spending programs either stop or we start raising taxes to meet the obligations as they are incurred.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Iowa.

Mr. GROSS. We were in that position last year and the year before, and the year before.

Mr. BYRNES of Wisconsin. I agree with the gentleman. This expression of concern is a voice sometimes crying in the wilderness, and I agree it is a frustrating experience. That is why my first words were: "This is an exercise in frustration."

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. The gentleman from Wisconsin was present in the Committee on Ways and Means, I believe, when I asked the Director of the Bureau of the Budget certain questions, and I guess if one would read a copy of the hearings, he might conclude that I engaged somewhat in lecturing the Director of the Bureau of the Budget.

Mr. BYRNES of Wisconsin. I think the gentleman did, although I think the lecture is needed here, too, to the Congress, because I do not put all of the blame for this on the executive branch.

Mr. MILLS. I do not at all. And, certainly, we lecture ourselves here daily, but I did want my friend to admit that the red flag has been held up in other places than just here about the future of this situation, and caution has been suggested. That is true, is it not?

Mr. BYRNES of Wisconsin. I think the gentleman is perfectly right. But, I would suggest that unless we have an administration and a President, and unless we have a Congress, that are willing to recognize the caution light and act accordingly with restraint and commonsense, we are in for dire and dangerous consequences.

Mr. MILLS. I agree with the gentleman.

Mr. BYRNES of Wisconsin. If we see a red light we must either stop or expect a terrible collision. Such a catastrophe is coming just as surely as night follows day, unless we change our fiscal philosophy and our attitude toward debt and overspending in this country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Iowa.

Mr. GROSS. The red flag was raised last Thursday here on the floor of the House.

Mr. BYRNES of Wisconsin. I agree with the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. GROSS. I wonder how many heeded the red flag? Some of those today who say we must increase the debt ceiling voted for the bill on last Thursday and some who say we must not increase the debt limit also voted for the housing bill last Thursday.

Mr. BYRNES of Wisconsin. I would suggest that people reading the record might like to turn to the CONGRESSIONAL RECORD of June 22, 1961, at pages 11141–11142, and they will find the rollcall on both the motion to recommit the housing bill to cut it down to be somewhat in line with the needs of the country, and they will also find the record vote on the final passage of that bill. I think on that rollcall they can draw some very firm conclusions. It might be well to compare voting records on that bill with voting records on this bill.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I would call attention to the fact that there has been no red flag apparently raised in the executive branch of the Government, either; no message to this Congress telling us to cut back on some of these programs. Quite the contrary. The last message, as I recall, on May 25, if I recall the exact date, came up here in my judgment as a very irresponsible document and suggested many very costly programs, but not one word was said about how we were going to pay for them.

This administration is committed to deficit financing, and I think if there are going to be red flags that mean anything we are going to have to raise them here.

Mr. BYRNES of Wisconsin. I thank the gentleman.

Mr. Chairman, this Congress has authorized spending and the executive branch has made commitments and obligations pursuant to contracts that must be paid, the bills for which will be presented during the next fiscal year. I regret to say the enactment of H.R. 7677 seems under present conditions to be an essential prerequisite to the payment of those bills.

Mr. ASHBROOK. Mr. Chairman, I am opposed to an increase in the debt limitation of the United States. I realize that we have bills and obligations of the country that must be paid. If the administration were serious about paying them, however, they would not have submitted such gigantic housing, foreign aid, depressed areas and other spending bills without tangible provisions for meeting their costs.

As a justification, we continually hear that there was a large deficit during 1958 and 1959 in the Eisenhower administration. Let me point out one difference, however, that is very significant. Everyone recognized at the time that the Eisenhower administration was endeavoring to cut expenditures. It was often criticized bitterly by the majority party for doing this. Deficits largely came because revenues fell below anticipated levels. That is considerably different than setting out on a deliberate policy of spending on top of spending which is what we have now. The Kennedy administration is not making any effort to cut expenditures. In fact, we have already had requests for increases in spending in 1961 and 1962 for $11.8 billion over the requests of the Eisenhower administration—this is the key. If, as in 1958, the revenues of the Government are curtailed because of recession, think of the condition the country will be in when coupled with the unbridled spending inclination of this administration.

We were told a few weeks ago that we had to extend the temporary excise taxes because there were obligations against the Government. We are now told the same thing in an effort to push through an increase in our debt limitation. It is about time that we come to recognize that taxes are extended and debt limitations are raised because of spending programs which are excessive, unreasonable and inopportune.

The time has come when we must act with responsibility. If the spenders would bring tax bills with them at the time they promote multibillion-dollar housing, foreign aid, depressed areas and other spending bills we could look with sympathy upon their protestations when the annual ritual of increasing the debt limitations is before us. This they do not have the courage and honesty to do. I do not intend to cast my vote in such a manner that it will make this annual action necessary and I oppose continually passing our obligations on to future generations. It is time we act with at least a little responsibility and if, as the majority party wants to do, we pass bill after bill which has a gigantic price tag on it, let us have the honesty to make the American people pay for it and not charge it off to the future, thus undermining our fiscal solvency and responsibility.

Mr. Chairman, this administration, I fear, is hopelessly committed to deficit spending. It is time that we raise a red flag and we could do it today by focusing attention on the unfortunate state of affairs in this country—that the Government has no money at a time when we want to spend billions on new and in most cases unadvisable programs—by turning down this request for raising our debt limitation.

Mr. GOODELL. Mr. Chairman, I shall vote against the temporary increase in the debt ceiling. I recognize that some increase is necessary this year and would vote for a sensible and reasonable amount requested by a fiscally responsible administration. An increase of $15 billion for the fiscal year 1962 is requested now only because this Congress has been irresponsible in expenditures. The money of our grandchildren and generations yet unborn is pouring forth to feed political appetites without justification or merit. The administration now tells us that the economy is moving sharply upward and fiscal year 1962 promises prosperity. Under such circumstances, can we justify the degree of deficit financing requested today? I in good conscience cannot, and will protest with my vote.

Mr. JONES of Missouri. Mr. Chairman, I have listened with interest to the debate during this afternoon, and, during my colloquy with Chairman MILLS during his opening statement, pointed out some of the reasons why I have felt justified over the years in voting against the principle of increasing the ceiling on the national debt. I can appreciate and understand the reasons advanced here today for voting for the bill, yet in view of the position I have taken in previous years, I feel that I would be most inconsistent if I voted to increase the ceiling merely because there has been a change in the administration. On the other hand I have been fairly consistent in voting against some of the programs and appropriations which have contributed to the increase in the debt. No one likes to vote for tax increases, but if a tax increase is necessary in order to avoid increasing the ceiling on the national debt, then I would have no difficulty in making that choice. For in increasing the national debt, we also increase the amount of interest that has to be paid annually on that debt, which in the long run means either one of two things; either greater taxes to pay off the debt including the additional interest, or a repudiation of the debt, and I pray that the latter may never happen.

Mr. Chairman, over the weekend, in preparing my weekly newsletter which is published in many of the newspapers in the 10th District, I discussed the situation in which we find ourselves today, and I would like to quote from that part of the newsletter since it expresses my views on this subject:

As Congress is being asked to raise the ceiling on the national debt by another $5 billion over the temporary debt limit of $293 billion, which expires on June 30, it is interesting to review the action of the past two decades.

As World War II ended, the ceiling on the national debt stood at $300 billion. On June 26, 1946, at President Truman's request the debt limit was lowered to $275 billion, where it remained throughout his term of office even during the Korean conflict.

Although President Eisenhower came into office pledging a program of economy, reduced taxes, and a cut in the national debt, he came before the Congress early in his term asking that the permanent debt ceiling be increased some $15 billion to $290 billion. It was in July 1953 that the House of Representatives honored the President's request and voted this increase. (Your Representative voted against this.) However, the Senate, more conservative at that time than at the present, took no action on this legislation until more than a year later. In August 1954 it voted a temporary increase of $6 billion, thereby raising the limit to $281 billion. A year later, again at President Eisenhower's request, the temporary increase was extended for another year to June 30, 1956.

Another year later, in July 1956 Congress voted a temporary increase of $3 billion with the stipulation that the permanent ceiling would revert on July 1, 1957 to $275 billion.

In February 1958, however, at the request of President Eisenhower the debt limit was increased temporarily to $283 billion, with an additional $5 billion temporary limitation, raising the total to $288 billion. Again in June 1959, at the request of President Eisenhower the permanent limitation was fixed at $285 billion, with a temporary increase of $5 billion, for a total of $290 billion, expiring on June 30, 1959, at which time the temporary increase was raised to $10 billion, for a total limitation of $295 billion, expiring on June 30, 1960.

On June 30, 1960, the temporary increase was extended in the amount of $8 billion, making the debt ceiling $293 billion with an expiration date of June 30, 1961.

Thus, it will be seen that at the end of the Truman administration the ceiling on the national debt was $275 billion, remaining at this figure from June 26, 1946, until August 28, 1954, the second year of the Eisenhower administration when a temporary increase of $6 billion was authorized. The peak of the debt ceiling was reached on July 1, 1959, when a temporary increase of $10 billion was added to the permanent ceiling of $285 billion, for a ceiling of $295 billion.

The question naturally arises, If Congress is going to continually raise or adjust the ceiling on the national debt, why have a ceiling? I think that is a good question, but I don't have, and have not heard what I consider a satisfactory answer. On the other hand, I have been hoping that sometime we could realize the cost of maintaining this national debt—approximately $10 billion a year. Just the interest on this national debt is costing the taxpayers more than the total cost of operating the Federal Government slightly more than 20 years ago. This is the thing that has brought on inflation which appears to be gaining more momentum with each passing year.

No less an authority than the Honorable CLARENCE CANNON, chairman of the Appropriations Committee, advises me that he estimates the deficit for fiscal year 1962 will be $5 billion. The interest on this increase alone will be about $200 million annually. There can be no hope of tax reduction as long as this trend continues, but you can be assured the cost of living index will continue to rise if this and succeeding Congresses do not assume more fiscal responsibility.

This fiscal situation was just one of several reasons why your Representative voted against the housing bill, passed by the House late Thursday, 235 to 178, after a motion to recommit failed by 18 votes. Three Missourians were among the 39 Democrats who

voted against this bill. The 40-year, no-downpayment provision of the bill, mentioned in this column last week, was slightly amended by the author who offered an amendment cutting down to 35 years the period of repayment, and requiring a downpayment of 3 percent on the total cost, including closing costs. Among the other features of the bill which have caused me great concern is the fact that it provides a 4-year program, although there is nothing to prevent the commitment of all the loan and grant authority within the first year. In addition much of this authority involves back-door spending which means that the Government becomes obligated for payments which are not required to be approved by the Appropriations Committee, which in itself is one of the more dangerous policies in which Congress is becoming increasingly involved. Subsidized public housing is another feature which in my opinion has not been justified, and which is embarking this Nation on a wave of socialism which I believe a majority of our people do not approve.

Mr. UDALL. Mr. Chairman, by ancient tradition freshmen Congressmen are counseled to be seen and not heard. My strong inclination to heed this advice is overcome by a stronger concern about present financial procedures of our Federal Government. Perhaps some impressions of one just in from the countryside might be of interest to those whose knowledge and experience far outdistance mine.

The House is confronted this week with H.R. 7677 which would increase the public debt limit on a temporary basis to $298 billion. Since World War II, the debt limit has been raised on five other occasions. It has been correctly noted that the debt limit is a misnomer, because the debts of the Government are already incurred and existing. I will support the resolution since I believe that responsible Congressmen cannot put the Treasury Department in the impossible position of being unable to sell enough securities to pay bills Congress has authorized.

At the same time I think we ought to start positive action now to insure that we will never again—barring war or national catastrophe—be faced with the necessity of another increase in the debt limit. Let us not just talk about balanced budgets; let us do something.

At the outset let me make this clear: I am proud to be a Democrat in the Wilson, Roosevelt, Truman, Kennedy tradition. Democratic legislation of the recent decades has not led us down the road to socialism. On the contrary it has strengthened the free enterprise system of this country so that we are the world's great bulwark against socialism and communism.

Free enterprise works best when the Government actively plays its role of referee by effective laws such as those against monopoly, stock market manipulations, and food and drug frauds. Such measures, together with social security, unemployment compensation, old-age assistance, insurance of bank deposits and mortgages, measures to encourage housing, and so forth, have enabled us to cushion the violent economic swings which had earlier discredited free enterprise capitalism.

But new political winds are blowing, and these social gains are in danger. As one fresh from the political hustings I address these remarks as an open letter to my fellow Democrats and to every man who believes that the destiny of our country is progress, not stagnation or retreat to "good old days." Responsible statesmen of both parties had a deep concern for people and their problems and we must never lose it. But those of us who support these programs put them in serious danger if we fail to be the leaders who insist on fiscal responsibility and elimination of inefficient and outmoded Government procedures. The answer to budget deficits is not "nit-picking" about the "booze" allowance, nor any shotgun harassment of "bureaucrats." Nor partisan bickering about which administration caused the present national debt. The recurrent problem of the unbalanced budget will be solved, in my judgment, only by responsible, detailed (and sometimes painful) overhaul of the system.

More than $241 billion of the present national debt is due to our involvement in World War I, World War II, and the Korean war.

Those of us who support programs which stimulate free enterprise and encourage social progress ought to be the leaders in insisting on a solution to the recurrent problem of the unbalanced budget. We ought to face the fact that pay-as-you-go Federal financing is important to our long-range security and prosperity and is the single best weapon against inflation.

The failure of our elected representatives to devise and put in effect a businesslike budget system in my judgment does more than any other one thing to discredit our National Government and the kind of programs which our people need and want.

I believe the people of this great and wealthy country are willing to pay on a current basis the price of our national security plus reasonable programs for the development of our natural resources, and the improvement of our Nation's health, housing, education, schools, and highways.

Recent political successes of the right-wing Republicans, and my congressional mail, suggest that there is an increasing resistance to social welfare programs, a feeling that the Federal Government has "gone too far." These people are fortified every time a new deficit is announced. I am asked again and again by intelligent, sincere people why it is that Congress is so anxious to expand old spending programs and institute new ones when tax revenues do not pay for our present activities. An Arizonan writes:

> I believe in social security, the Federal highway program, unemployment compensation, old-age assistance and the like, but you Democrats had better do some worrying about a balanced budget before I'll support any aid-to-education measure.

First things should be put first, and it seems to me that Democrats and Republicans in this Congress who favor continued or increased expenditures in the housing, highway, labor, welfare, education fields ought to take a hard look at some basic problems. As Judge Finch of New York once told a man who sought to make gifts before paying his creditors, "We must be just before we are generous."

Let us be reminded of this fact: In the 29 fiscal years prior to 1960 the Federal budget showed a surplus in only 5. Excluding the justifiable deficits of the early thirties and World War II years, this is still a poor performance. A large deficit is on the horizon for fiscal 1962 and a $3 billion shortage is the latest prediction for the current fiscal year.

SAVINGS FROM MORE EFFICIENT SPENDING PROCEDURES

These anticipated deficits can be avoided either by increasing revenues or decreasing expenditures, or a combination of both.

Even with the present rate of expenditures the budget could be balanced if the Congress and the executive departments would take the lead in providing the government service our people need and want for less dollars than we now spend. We need to ponder these important facts:

First. The defense and space programs which take almost 60 percent of our national expenditures can be reorganized and managed with several billions less each year if we will have the will to insist on new procedures and the will to resist local pressure and interest groups. Nearly 85 percent of the dollar volume of defense contracts is negotiated individually rather than awarded on competitive bid. This is wrong. Bases and functions can be consolidated if selfish local pressures are faced with courage. The wage scandals at Cape Canaveral suggest that other similar situations exist. Senator PAUL DOUGLAS, of Illinois, has done a commendable service in criticizing and reporting wasteful practices in this and other departments of government.

Second. In these difficult times we must scrutinize more carefully programs for public works to assure that only the essential ones are authorized. This is no time for "pork barrel as usual." We ought to be willing to practice Federal economy in our own community, not just in other States.

Third. Many recommendations of the Hoover Commissions are not yet put into effect. Too often a reorganization plan which could make savings through efficiency is blocked by the special-interest groups affected.

Fourth. Every executive department ought to have a top-level assistant with authority to recommend termination of outdated programs, consolidation of overlapping functions, and to look for savings in routine operations.

Fifth. Congress must have the courage to place the Post Office Department on a solvent basis. We have properly provided better pay scales for Post Office workers, but we should be equally diligent in seeing that postal revenues pay in full for the operation of the Department.

STATES HAVE FEW DEFICITS

These suggestions are not new, but they need to be mentioned loudly and often until they are achieved. But let us

look now at the revenue side of the budget.

Why is it that the Federal budget almost never balances? Perhaps we could find an answer by contrasting the Federal fiscal structure with that of the States, for the States rarely have deficit problems. In my home State of Arizona, the legislature meets and appropriates the money it deems sufficient for all State agencies and functions. Then, and only then, the taxing authorities meet and by mandate of law set tax rates sufficient to raise the amount appropriated. Tax rates are flexible and depend entirely on the amount appropriated. An unbalanced budget almost never occurs.

One vital reason for the success of the States, and the failure of the United States, becomes obvious: in the States the rates of taxation are flexible. The Federal rates are rigid and inflexible.

Present Federal income tax rates were fixed by 1954 legislation. Subsequent Congresses have gone about the job of authorizing new programs and appropriating moneys for national needs. The amount required changes from year to year, but the tax rates, which determine the amount of revenue produced, never change, or rarely change. This is the root of the trouble, and a point where revision is needed. Even Mr. Eisenhower, who was dedicated to a balanced budget as an aim of highest priority, could not surmount the obstacles of our present system. The eight budgets he administered resulted in a net deficit of $18.2 billion.

FLEXIBLE TAX RATES PROPOSED

Accordingly, I intend to draft and present legislation which would change our revenue system along these lines:

First. The present rates of normal and surtax on individual incomes, and the present rates of tax on corporation incomes, would be set by Congress as "basic" income tax rates, to continue in effect until otherwise fixed by Congress or by Executive authority.

Second. The President would be charged with the duty of assuring that sufficient income is raised in each fiscal year to meet the amounts appropriated and required for expenditure under the laws of Congress, plus an annual increment of at least $1 billion to reduce the Federal debt. To carry out this duty the President would be given power on or before December 1 of each year to revise by Executive order the "basic" income tax rates for that calendar year.

Third. No revision by the President could increase or decrease "basic" rates more than 6 percent. Any such revision could be disapproved by the Congress within 60 days.

Fourth. Withholding of taxes and payment of estimated tax during the year would be based on the "basic" rates.

Fifth. Where a deficit results in any specific year, for any reason (including a lower tax rate ordered by the President pursuant to this new authority), he would be obliged within the next following 4 fiscal years to fix rates, within the allowable limits, so as to create sufficient surplus to offset such deficit.

SOME OBJECTIVES CONSIDERED

This seems simple and workable on its face, but let us meet some of the logical objections. First, it is said that taxpayers want to know in advance the amount of their tax bill. No one, even under the present system, knows exactly what he will pay. The expectation is always approximate and the proposal would merely enlarge by 6 percent the area of uncertainty. Property owners are already accustomed to having city, county, and school district tax bills fluctuate from year to year and they understand the reasons.

Secondly, will Congress or should Congress give up its constitutional power to fix tax rates? Nothing is more sensitive to political considerations than revision of tax rates, and there are many in Congress who would like to keep complete control. But it seems to me that the processes of legislation are so slow that this branch is not equipped to act as swiftly as modern conditions require. The total Federal tax "take" is seriously affected by the rate of economic activity, and a tax rate which appears adequate in June may be too high or too low with the knowledge available in November.

My proposal involves no surrender of legislative power. The final taxing authority resides in Congress, and the Executive discretion if abused could be repealed at any time.

Some will say that flexible income taxes would be an open invitation for increased Federal spending, since Members of Congress would know that revenue for any new program would be automatically forthcoming.

The range for maneuver under my plan could not exceed 6 percent of the basic rates. Nothwithstanding this, it is my judgment that this plan would make Congressmen more, rather than less, responsible on spending proposals.

Under the present system a Congressman can follow the cynical advice the old Member is supposed to have given the neophyte: "Young man, if you want to get ahead in Congress do two things—vote for every appropriation bill and against every tax bill."

A Congressman might be more cautious about appropriation measures if he knew that before the year was out he would have to defend his contribution to increased tax rates. Under the present system he knows rates will be unchanged regardless of appropriations.

Many persons who have studied this problem say that our tax base is so narrow that increased tax rates would not necessarily produce any more revenue. It is true that we have so narrowed our tax base by special exemptions, deductions and exceptions that increased rates may not always produce proportionate additional revenues. It is obvious that we need basic income tax reform to establish a more equitable tax base; the Congress should have the courage to act along these lines. But I believe that an across-the-board increase in first bracket rates, especially in prosperous times, would produce additional revenues.

SIMILAR RECENT PROPOSALS

The idea of flexibility in tax rates has recently been considered by responsible persons both in this country and in Great Britain. U.S. News & World Report of May 1, 1961, indicates that the conservative government of Mr. Macmillan looks favorably on this approach and the Prime Minister will ask Parliament this summer for executive authority to raise or lower tax rates within fixed limits. The Committee for Economic Development, in a recent report of its Commission on Money and Credit, urges consideration of an automatic "formula flexibility" for tax rates to insure greater economic stability.

THE CYCLICAL BUDGET?

The flexible plan outlined above would empower the Executive to balance the budget in each and every year. When one explores this subject in depth he soon encounters the widely held modern economic theory advocating deficit spending in recession years and budget surplus in times of prosperity. Thus, it is argued, we need a balanced budget over the business cycle, but not in each specific fiscal year. Mr. Kennedy's budget message of March 24 presents this theory.

This may well be sound economics and for purposes of argument I will accept it. The flexible tax idea may be tailored to the business cycle if Congress so directs. But the present system will balance the budget neither on a yearly nor a cyclical basis.

If we are to give the Executive power to balance the budget over the business cycle we must be sure that his authority and his duty are clearly spelled out commensurate with the difficulties. No one can yet predict the business cycle nor determine precisely its beginning or end. No one can tell at a particular moment the phase the cycle is in.

There are always pressures for deficit spending in times of recession. Yet there are never pressures for compensating surpluses in good years. A cyclical budget plan must have effective safeguards against these pressures. We had a $12.4 billion deficit in fiscal 1959. If a $12.4 billion surplus were to develop in this fiscal year few legislators would advocate letting it stand. Indeed we have immediate evidence at hand of this unfortunate tendency. In the 3 fiscal years after 1959 we have this prospect:

	Billions
1960 budget surplus	$1.3
1961 estimated deficit	3.0
1962 estimated deficit	4.0
Total deficit	5.7

According to a recent issue of the U.S. News & World Report there is an anticipated budget surplus for 1963 of something like $6 billion. No responsible voice urges that we let this surplus stand to offset the 1961–62 deficit total of a similar amount, let alone repay some part of the 1959 deficit. These deficits are forgotten, and numerous plans are already being made for an election-year tax cut which will substantially eliminate this anticipated 1963 surplus. This sort of thinking seems irresponsible to me. It

can lead only to a steady increase in the Federal debt.

CONCLUSION

Whether we balance the budget annually or over the business cycle the important thing is that we demonstrate to the country that we can and will do it. The 1961 budget could still be balanced if all income taxes were increased by something like 3 percent so that the business executive paying $1,000 paid $1,030, the worker paying $300 paid $309, and the corporation paying $20,000 paid $20,600.

The idea of financial solvency is very basic with Americans. I believe the people of our great and wealthy country want a balanced budget and are willing to pay the price of our national needs as we go along. Congress need only show them the way.

This problem is detailed and undramatic, but in the long run it is as important as the more dramatic needs for schools, housing, roads, and space exploration.

My comments are seriously advanced. The specific suggestions may have defects and surely need refinement. Nonetheless, our present procedures do not work and are demonstrably wrong. They are certain to give us a continued series of deficits, and contribute to inflation. This kind of financial procedure will further undermine the confidence of the American people in the fiscal responsibility of its legislative and executive leaders. We have nothing to lose and everything to gain. Let us give it a try.

Mr. MILLS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments offered by direction of the Committee on Ways and Means. Are there any committee amendments?

Mr. MILLS. Mr. Chairman, there are no committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. JENNINGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7677) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act, pursuant to House Resolution 351, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

CALL OF THE HOUSE

Mr. JONES of Missouri. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 98]

Addabbo	Fogarty	Minshall
Anfuso	Frelinghuysen	O'Brien, N.Y.
Ashmore	Glenn	Osmers
Ayres	Grant	Passman
Battin	Green, Oreg.	Pilcher
Bennett, Mich.	Hall	Pillion
Blatnik	Halpern	Pirnie
Blitch	Hébert	Powell
Boykin	Herlong	Reifel
Brooks, La.	Holifield	Roberts
Celler	Hosmer	Rogers, Colo.
Coad	Inouye	St. Germain
Colmer	Kearns	Santangelo
Cramer	Keogh	Springer
Davis, James C.	Landrum	Staggers
	Lindsay	Stratton
Davis, Tenn.	McVey	Thompson, La.
Dawson	Macdonald	Van Pelt
Fenton	May	Vinson
Fino	Michel	Whalley
Flynt	Miller, George P.	Willis

The SPEAKER. On this rollcall 375 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT UNDER SECOND LIBERTY BOND ACT

Mr. MASON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MASON. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MASON moves to recommit the bill H.R. 7677 to the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. MASON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 231, nays 148, not voting 58, as follows:

[Roll No. 99]

YEAS—231

Abbitt	Burleson	Edmondson
Addonizio	Byrne, Pa.	Elliott
Albert	Byrnes, Wis.	Ellsworth
Arends	Cahill	Everett
Ashley	Carey	Evins
Aspinall	Chelf	Fallon
Avery	Chenoweth	Farbstein
Bailey	Clark	Fascell
Baker	Cohelan	Feighan
Baldwin	Conte	Finnegan
Barrett	Cook	Flood
Bass, Tenn.	Cooley	Ford
Bates	Corbett	Fountain
Beckworth	Corman	Frazier
Belcher	Curtis, Mo.	Friedel
Bennett, Fla.	Daddario	Gallagher
Betts	Daniels	Garmatz
Blatnik	Davis, John W.	Gary
Boggs	Delaney	Gathings
Boland	Denton	Giaimo
Bolling	Diggs	Gilbert
Bonner	Dingell	Granahan
Brademas	Donohue	Gray
Breeding	Dooley	Green, Pa.
Brooks, Tex.	Downing	Griffin
Buckley	Doyle	Griffiths
Burke, Ky.	Dulski	Hagan, Ga.
Burke, Mass.	Dwyer	Hagen, Calif.
Halleck	Mack	Riehlman
Hansen	Madden	Riley
Harding	Magnuson	Rivers, Alaska
Hardy	Mahon	Rivers, S.C.
Harris	Mailliard	Rodino
Harrison, Va.	Marshall	Rooney
Harvey, Mich.	Mathias	Roosevelt
Hays	Matthews	Rostenkowski
Healey	Meader	Roush
Hébert	Merrow	Ryan
Hechler	Miller, Clem	Saund
Hemphill	Mills	Schneebeli
Henderson	Monagan	Scranton
Holifield	Montoya	Seely-Brown
Holland	Moorhead, Pa.	Selden
Holtzman	Morgan	Shelley
Ichord, Mo.	Morris	Shipley
Ikard, Tex.	Morrison	Sibal
Jarman	Morse	Sisk
Jennings	Moss	Slack
Joelson	Moulder	Smith, Iowa
Johnson, Calif.	Multer	Smith, Miss.
Johnson, Md.	Murphy	Smith, Va.
Johnson, Wis.	Murray	Spence
Jones, Ala.	Natcher	Stafford
Judd	Nix	Steed
Karsten	Norblad	Stubblefield
Karth	Norrell	Sullivan
Kastenmeier	O'Brien, Ill.	Teague, Calif.
Kee	O'Hara, Ill.	Thomas
Keith	O'Hara, Mich.	Thompson, N.J.
Kelly	Olsen	Thompson, Tex.
Kilday	O'Neill	Thornberry
King, Calif.	Patman	Toll
King, Utah	Perkins	Trimble
Kirwan	Peterson	Tuck
Kluczynski	Pfost	Udall
Kornegay	Philbin	Ullman
Kowalski	Pike	Vanik
Kunkel	Poage	Van Zandt
Lane	Powell	Wallhauser
Lankford	Price	Walter
Lesinski	Pucinski	Watts
Loser	Quie	Westland
McCormack	Rabaut	Wickersham
McDowell	Rains	Yates
McFall	Randall	Young
McMillan	Reuss	Zablocki
Machrowicz	Rhodes, Pa.	Zelenko

NAYS—148

Abernethy	Fulton	Nelsen
Adair	Garland	Nygaard
Alexander	Gavin	O'Konski
Alger	Goodell	Ostertag
Andersen, Minn.	Goodling	Pelly
	Gross	Pillion
Anderson, Ill.	Gubser	Poff
Andrews	Haley	Ray
Ashbrook	Harrison, Wyo.	Reece
Auchincloss	Harsha	Rhodes, Ariz.
Baring	Harvey, Ind.	Robison
Barry	Hiestand	Rogers, Fla.
Bass, N.H.	Hoeven	Rogers, Tex.
Becker	Hoffman, Ill.	Roudebush
Beermann	Hoffman, Mich.	Rousselot
Bell	Horan	Rutherford
Berry	Huddleston	St. George
Bolton	Hull	Saylor
Bow	Jensen	Schadeberg
Bray	Johansen	Schenck
Brewster	Jonas	Scherer
Bromwell	Jones, Mo.	Schweiker
Broomfield	Kilburn	Schwengel
Brown	Kilgore	Scott
Broyhill	King, N.Y.	Sheppard
Bruce	Kitchin	Short
Cannon	Knox	Shriver
Casey	Kyl	Sikes
Cederberg	Laird	Siler
Chamberlain	Langen	Smith, Calif.
Chiperfield	Latta	Stephens
Church	Lennon	Taber
Clancy	Lipscomb	Taylor
Collier	McCulloch	Teague, Tex.
Cunningham	McDonough	Thomson, Wis.
Curtin	McIntire	Tollefson
Curtis, Mass.	McSween	Tupper
Dent	MacGregor	Utt
Derounian	Martin, Mass.	Weaver
Derwinski	Martin, Nebr.	Weis
Devine	Mason	Wharton
Dole	Michel	Whitener
Dominick	Miller, N.Y.	Whitten
Dorn	Millikin	Widnall
Dowdy	Minshall	Williams
Durno	Moeller	Wilson, Calif.
Findley	Moore	Wilson, Ind.
Fisher	Moorehead, Ohio	Winstead
Forrester		Wright
Dague	Mosher	Younger

NOT VOTING—58

Addabbo	Ashmore	Bennett, Mich.
Alford	Ayres	Blitch
Anfuso	Battin	Boykin

Brooks, La.	Hall	Passman
Celler	Halpern	Pilcher
Coad	Herlong	Pirnie
Colmer	Hosmer	Reifel
Cramer	Inouye	Roberts
Davis, James C.	Kearns	Rogers, Colo.
Davis, Tenn.	Keogh	St. Germain
Dawson	Landrum	Santangelo
Fenton	Libonati	Springer
Fino	Lindsay	Staggers
Flynt	McVey	Stratton
Fogarty	Macdonald	Thompson, La.
Frelinghuysen	May	Van Pelt
Glenn	Miller, George P.	Vinson
Grant	O'Brien, N.Y.	Whalley
Green, Oreg.	Osmers	Willis

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Pirnie for, with Mr. Alford against.
Mr. Ayres for, with Mr. Ashmore against.
Mr. Lindsay for, with Mr. Colmer against.
Mr. Keogh for, with Mr. Fino against.
Mr. Stratton for, with Mr. Van Pelt against.
Mr. Fogarty for, with Mr. Cramer against.
Mr. Anfuso for, with Mr. Hall against.
Mr. Reifel for, with Mr. Hosmer against.
Mr. Addabbo for, with Mr. James C. Davis against.
Mr. Inouye for, with Mrs. Blitch against.
Mr. Santangelo for, with Mr. Passman against.

Until further notice:

Mr. Libonati with Mr. Battin.
Mr. George P. Miller with Mr. Halpern.
Mr. Pilcher with Mr. Osmers.
Mr. Willis with Mr. Whalley.
Mr. Thompson of Louisiana with Mr. Fenton.
Mr. Staggers with Mr. Bennett of Michigan.
Mr. Roberts with Mr. Glenn.
Mr. St. Germain with Mr. Springer.
Mr. Macdonald with Mr. McVey.
Mr. Flynt with Mr. Frelinghuysen.
Mr. Herlong with Mrs. May.
Mrs. Green of Oregon with Mr. Kearns.

Mr. ICHORD of Missouri changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGOWN, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6713) entitled "An act to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes."

HOUSE RESOLUTION 328, DISAPPROVING REORGANIZATION PLAN NO. 5 PROVIDING FOR REORGANIZATION OF THE NATIONAL LABOR RELATIONS BOARD

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, in 1888, the Congress created the Labor Department to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment.

Employers' abuse of their economic power and the use of the "yellow dog" contracts, which barred employment if the applicant was a member of a union, led to the enactment of the Wagner law in 1935.

The purpose was to diminish the causes of labor disputes burdening interstate and foreign commerce by granting to employees the right to organize, bargain collectively, engage in concerted activities promoting their overall welfare.

The act created a National Labor Relations Board, whose duty it was to implement the act and aid employees and unions in exercising the special privileges granted.

The act and the Board administering it failed to protect the rights of employers who created employment and met payrolls to such an extent that today labor organizations exercise far more power than do employers or their associations.

Labor organizations have grown so wealthy and so powerful that, during the Roosevelt administration, it became necessary for one political party to clear the vice presidential nomination with labor's Sidney Hillman before a nomination could be made.

More recently, labor organizations, because of their wealth, through the exercise of their political power, named the candidate who now holds the Presidential Office.

One of the inherent defects in the Wagner law, contributing to the unfortunate results, was the fact that, in large part, its terms were dictated by the then general counsel of the CIO, Lee Pressman, who, according to his sworn admission, at the time was a member of a Communist cell in Washington, D.C.

Pressman's overall thinking, as indicated by his activities, seemed to be that employers were a necessary evil, their profits should be limited, management of their operations shared by the representatives of organized labor.

The Labor Board never was, and probably never was intended to be, a judicial body. It was not bound, either in making investigations or reaching decisions, by the rules or practices of the courts.

It received hearsay evidence. Its decisions were based in the beginning upon conclusions reached by trial examiners, by the Board.

At one time, the Board made findings and conclusions based upon the findings of the examiner. During another period, the Board's findings of fact, and its orders granting relief were sustained, if based upon a preponderance of the testimony taken by the examiner and the Board. Later, the law stated that the findings of the Board with respect to questions of fact—

If supported by substantial evidence on the record considered as a whole shall be conclusive.

At one time, the U.S. Supreme Court sharply rebuked the circuit court of appeals because of its failure to enforce the Board's order when it substituted its judgment on disputed facts for the Board's judgment. It said:

"Whether the Court would reach the same conclusion as the Board from the conflicting evidence is immaterial and the Court's (U.S.C.A.) disagreement with the Board could not warrant the disregard of the statutory division of authority set up by Congress." [1]

The activities of the Board were carried on by partisans, selected by an administration, one of whose objectives seemed to be the coralling of the vote of organized labor.

Experience seems to have demonstated that the Democratic political organization, due to its more efficient and ruthless practices, was more successful than was the Republican outfit. President Eisenhower could not—evidently had no desire to—be as effective as was President Truman, an expert political manipulator.

An early member of the Board, one of the Smiths, was a Communist. Nathan Witt was likewise a Communist and a member of the same cell to which Lee Pressman belonged. Witt, from January of 1937 to June of 1940 is listed in the Congressional Directory either as Assistant General Counsel of the Board or as Secretary of the Board.

Many of its employees were not only incompetent, with no experience and little knowledge of American law or traditions, but many sincerely believed that employers were oppressors of those for whom they provided jobs.

Reference has been made to the political power of the unions, which has swung so far to the left that we now have the reverse of the yellow dog contract, under which union membership was a ban to a job. Today, the reverse is true and lack of membership in a union to an equal degree bars an applicant from the opportunity of earning a livelihood.

The abuse of the power granted labor organizations, the racketeering and extortion, as well as unpunished open defiance of State and Federal law by unions and their agents, as well as utter disregard of the public health and welfare, became so great that public indignation and anger forced Congress, in a somewhat make-believe gesture, to pass the Taft-Hartley Act in 1947 and, later, the Landrum-Griffin Act in 1959.

Unfortunately, neither act, although both were vehemently denounced as union-busting legislation, effectively struck at the root of the evil, which, simply stated, was the oppressive abuse and misuse of special privileges granted labor.

The obvious remedy is to suspend or take from unions those special privileges granted them when they fail to comply with organic law, unjustly endanger the public welfare and, when war threatens, our national defense.

That unions have misused and today are misusing the power granted them to

[1] *National Labor Relations Board* v. *Waterman Steamship Corp.* (309 U.S., 206, 226).

such an extent that the public health and welfare is adversely affected, efforts toward an effective national defense impeded, is obvious from the perusal of any authentic record detailing strike activities in the past, or by the reading of today's press or listening to current radio news programs.

Two current examples are sufficient for the record. Last week, in Washington, D.C., approximately 250 hoisting engineers, desiring a wage increase from the $3.97 to a flat $5 hourly rate, went on strike and tied up four major Federal construction jobs, threw out of work in Washington several thousand other employees.

At the same time, Congress has granted and is contemplating further grants of unemployment compensation and public assistance for the needy.

The maritime strike in New York to a large extent has tied up interstate commerce throughout the Nation, caused a food shortage so severe in the new State of Hawaii that its Governor has called upon the President for relief.

Not only has interstate commerce been drastically interfered with, but international complications are imminent.

Because of the arbitrary misuse of the power granted, its effect upon industry, because of conduct adversely affecting the public, the racketeering and extortion practiced by a few professional criminals using the cloak of union membership as a screen, and because of organized labor's demands which adversely affect international shipping, it is obvious that a real remedy must be found, and that without delay.

That such a remedy cannot and will not be available if power to write labor legislation and select the officals who enforce it is left or given through a reorganization plan to the present administration is obvious.

It is matter of common knowledge that the administration now in power owes its success to support of organized labor.

It is but natural for that administration to repay its supporters by favoring legislation which will not curtail any of the special privileges granted organized labor. That it will select by appointment, as interpreters and enforcers of that legislation, individuals whose political philosophy is in accord with the thinking of labor leaders, whose determination to obtain labor's objectives by fair means or foul is obvious.

Plan No. 5 provides:

AUTHORITY TO DELEGATE

(a) In addition to its existing authority, the National Labor Relations Board, hereinafter referred to as the Board, shall have the authority to delegate, by published order or rule, any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter: *Provided, however*, That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act (60 Stat. 241), as amended.

The real remedy lies with Congress, not with an administration under obligation to organized labor. An adequate remedy, notwithstanding past failures, will be found when the people at home make clear to senatorial and congressional candidates that the home folk not only are aware of the situation but that they intend to refuse election to those candidates who lack the inclination or courage to do whatever may be necessary to see to it that legislation shall have the purpose and be adequately enforced to protect the welfare of all, rather than that of any special group which loudly asserts that its support must be paid for by the granting of special immunity as well as unearned benefits.

Repeated misuse of power, inexcusable disregard of the public health, safety, and welfare should be met by suspension or repeal of the legislation which makes such action possible.

Statements just made are of record and record will be cited when the plan comes before the House for discussion. House Resolution 328, which would reject plan No. 5, should be supported.

TRANSPORTATION ON CANADIAN VESSELS BETWEEN PORTS IN SOUTHEASTERN ALASKA, ETC.

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 707) to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers may be transported on Canadian vessels between ports in southeastern Alaska, and passengers and merchandise may be transported on Canadian vessels between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation until the Secretary of Commerce determines that United States-flag service is available to provide such transportation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the gentleman from Alaska [Mr. RIVERS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. RIVERS of Alaska. Mr. Speaker, I rise in support of S. 707, which would authorize Canadian vessels to deliver cargo to Hyder, Alaska, and allow the carriage of passengers between towns in southeastern Alaska. The waiver involved would be effective only until such time as some U.S.-flag carrier offers such service. Presently, it would be most uneconomical for the principal shipping line, the Alaska Steamship Co., to serve Hyder, as it is a long way from the main route, but in an area served by Canadian ships. Accordingly the Alaska Steamship Co. is in favor of this arrangement, which has prevailed now for about 6 years. This bill is to extend the waiver now in existence, but which expires on the 30th of this month. It is likewise agreeable to all concerned to allow the waiver for the carriage of passengers by Canadian vessels between ports in Alaska as neither the Alaska Steamship Co. nor any other waterborne U.S.-flag carrier renders passenger service in southeastern Alaska. I urge passage of this legislation.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those Members who desire to do so may have permission to extend their remarks in the RECORD just prior to the vote on the debt ceiling bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENDING AND INCREASING THE SPECIAL MILK PROGRAM FOR CHILDREN

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 146) to extend and increase the special milk program for children.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended by inserting immediately after "$95,000,000," the following: "and for the fiscal year beginning July 1, 1961, not to exceed $105,000,000,".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOIL BANK ACT AMENDMENT

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2113) to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to

permit the harvesting of hay on conservation reserve acreage under certain conditions.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOEVEN. Mr. Speaker, reserving the right to object, I understand this is a Senate bill and was unanimously reported out of the House Committee on Agriculture.

Mr. COOLEY. That is correct.

Mr. HOEVEN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 107(a)(3) of the Soil Bank Act is amended by changing the period at the end thereof to a comma and adding the following: "and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster."

(b) The amendment made by this section shall expire one year from the date of enactment of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL MILK PROGRAM FOR CHILDREN

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. JOHNSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I want to urge the passage of S. 146, a bill that was cosponsored in the Senate by Wisconsin Senators WILLIAM PROXMIRE and ALEXANDER WILEY, Minnesota Senators HUBERT HUMPHREY and EUGENE MCCARTHY, and 23 of their colleagues. The measure provides for a 1-year extension of the special milk program for children, which would carry this program through June 30, 1962. The bill also authorizes the expenditure of up to $105 million in Commodity Credit Corporation funds for the program during that fiscal year.

On February 16, I introduced similar legislation in the House to extend and expand this worthwhile program so that it can keep pace with increased school participation and growing school enrollment. As chairman of the House Dairy and Poultry Subcommittee, I conducted hearings on this bill and similar measures on April 11 and 12. The testimony was overwhelmingly in favor of extending and expanding the milk-for-schoolchildren program, which has more than proven its value during the 7 years it has been in operation.

In testimony before the subcommittee, U.S. Department of Agriculture officials estimated that some 2.5 billion half pints of milk would be consumed in about 85,500 schools and child-care institutions by the close of the 1960–61 school year. This volume represents more than 2 percent of all the fluid milk consumed by our nonfarm population and is over and above the 2.3 billion half pints of milk to be consumed under the national school lunch program.

Mr. Speaker, while this is a remarkably good record, there is still room for additional progress. About 3 out of every 4 children now have milk available to them during school hours as a result of the special milk and school lunch programs. It is my feeling, and the feeling of the Department of Agriculture, that we must concern ourselves with getting milk to the rest of our school population as well as seeing to it that schools already participating in the program are able to continue to do so.

President Kennedy has made himself very clear on this subject. In his farm message to Congress on March 16, the President stated:

> To improve further our system of distribution, I recommend extension and improvement of the special school milk program. Existing authority for this program expires June 30. No lapse should be permitted.

Title IV of the administration's farm bill, H.R. 6400, includes a provision for extending the special milk program for 1 year with a $105 million authorization. H.R. 6400 also provides that beginning July 1, 1962, the program would be put on a permanent basis with funds to be appropriated as needed to encourage the consumption of milk by children in nonprofit elementary and high schools, nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children.

As you know, the House Agriculture Committee has conducted extensive hearings on H.R. 6400 and is now holding executive sessions on the measure. However, it will not be possible to have the bill reported out and enacted into law before the current authorization for the special milk program expires on June 30. Therefore, it is essential we pass S. 146 so that there will not be any lapse in the program.

Mr. Speaker, although most schools are now out of session, we have the summer camps and child-care institutions to consider. During July of last year, children in 4,280 summer camps and child-care centers drank 29,962,000 half pints of milk under the special milk program. I am sure you agree that the youngsters attending summer camps and child-care institutions this year should have the same opportunity to receive milk through this program.

The day after the Senate Committee on Agriculture and Forestry favorably reported out S. 146, the Senate passed the measure, a fact which emphasizes the need for fast action. I strongly urge my colleagues in the House to pass this bill and speed it on its way to the White House.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that the members of the Committee on the District of Columbia be permitted to extend their remarks immediately following the passage of the District bills today.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

RESOLVED THAT ROBERT FROST BE NAMED AS "NATIONAL POET OF THE UNITED STATES"

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusets?

There was no objection.

Mr. LANE. Mr. Speaker, I propose adoption of a House resolution naming Robert Frost as "National Poet of the United States." Although many people do not realize it, the whole world is involved in a struggle that will determine whether human values—or material values—will shape the future of mankind. Military power, economic aid, and scientific progress are essential for the protection and expansion of freedom. But they are not enough.

Man does not live by bread alone. The underprivileged people of this world are seeking human dignity and fulfillment. And for this, the arts are the universal language that expresses the aspirations and the truths that unify the race of man.

At a symposium conducted by Yale University last October, Archibald MacLeish, poet and playwright said:

> To a right reader, if I may borrow Robert Frost's wonderful phrase, a poem is a living action and therefore a living relationship; a relationship the terms of which are man and the world, man and man's experience of the world. Rightly perceived, the end of poetry is to make truth come true—to give it the form which will endow it with the meaning which will make it true not only for our analyzing, abstracting minds but for ourselves as men. For only when poetry itself—which means all the powers of all the arts—regains its place in the consciousness of mankind will the triumphant civilization the sciences have prepared for us become a civilization in which man can live alive.

Robert Frost is 86 years old, but his spirit is as bright and hopeful and untarnished as when he was a youth. The dean of American poets was born in San Francisco, Calif. His father, who admired the Confederate General Robert E. Lee, named his son for that noble warrior.

After her husband's death, Mrs. Frost brought her children back East and enrolled them in the public schools of Lawrence, Mass. It is recorded that Robert disliked study, and refused to read any book by himself until he was 12.

Then came the turning point in his life. At Lawrence High School, however, he developed an enthusiasm for learning, and was graduated in 1892 as valedictorian and class poet. After a brief stay at Dartmouth College, Robert Frost returned to Lawrence. For the next few years he worked in the textile mills, tried newspaper reporting, and helped his mother in the management of a small private school. It was during this period that his first poem was accepted for publication by the New York Independent.

He married his high school sweetheart, and enrolled as a special student at Harvard, but restless in the search to find his true expression, he left after 2 years of formal study. In 1900 he moved to Derry, N.H., not far from Lawrence, where he struggled to support his family as a poultry farmer, with ill success, until 1909. From 1906 until 1911, he taught English at Pinkerton Academy in Derry, N.H., and for the academic year 1911–12, was teacher of psychology at the State Normal School, Plymouth, N.H.

The courageous individualism fostered by the small town of Derry, N.H., is evident in the lives of our leading poet, Robert Frost, and our first astronaut, Alan B. Shepard, Jr.

The need for counterbalancing scientific progress with cultural progress was recognized by President Kennedy when he called upon Frost to take a prominent role in the inauguration ceremonies by reading to the distinguished gathering his celebrated poem, "The Gift Outright."

On June 19, the Vermont House of Representatives passed a resolution naming Robert Frost as poet laureate of that State.

> We can't act for the Nation, but we can lead the way—

Said Representative Janice Waterbury, who introduced the legislation.

Freedom falls short of its great potential when it fails to encourage and recognize excellence in every field.

Through the creative arts, we speak to the hearts and minds of all people.

For this purpose, I believe we should pass this resolution naming Robert Frost as the "national poet of the United States." And thereby show to the world that we respect and honor those achievements that are an inspiration to humanity.

INTERNAL SECURITY

Mr. SCHERER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHERER. Mr. Speaker, there have been a series of happenings in the past 5 months which have caused those of us who are dealing daily with matters which affect the internal security of this Nation grave concern.

A general with an outstanding record of service to his country, who recognizes that internal subversion is more dangerous to the security of this Nation than nuclear weapons, is reprimanded when he speaks out against people in high places who do not recognize the danger.

The President appoints Dr. James R. Killian to investigate and supervise our Central Intelligence Agency, which is alleged to have fumbled the ball on a number of occasions, the last time in Cuba. I do not have time today, Mr. Speaker, to discuss Dr. Killian's background and pronouncements, but let me assure you that they should demonstrate to the least informed that he is one of the last men who should be put in this key position.

Last week, to curry favors with and pay a political debt to a nationality group, the President appointed Salvatore Anthony Bontempo to head the State Department's Bureau of Security and Consular Affairs—and the Lord knows the State Department needs the best that is available for such a position. But Bontempo has no background or experience whatsoever in security problems. The New York Times, in reporting his appointment, said:

> As commissioner of conservation for the State of New Jersey, Bontempo put some 80,000 miles on the speedometer of his State car in pursuit of proper utilization of the State's natural resources. He has led the drive to reclaim and develop the Jersey meadowlands. He has initiated plans for a wholesale food market and spearheaded a drive for regional planning.

These might be excellent qualifications for director of national parks and playgrounds, but, when we are engaged in a cold war in which our security is the focal point of attack, such an appointment is a farce.

Mr. Speaker, some of us were shocked when the National Science Foundation, created by the Congress in the interests of national defense, awarded a fellowship of taxpayer's money at the University of Illinois to a man who has been convicted in the Federal courts for refusal to answer questions concerning his activities as a colonizer for the Communist Party in defense industry.

I do not know how many more of these mistakes the country can stand. But here is another that has just happened which should give the American people the creeps.

The Organization of American States, 60 percent of the cost of which is borne by the United States, is supposed to be one of the great bulwarks against Communist penetration of the Western Hemisphere.

Early this month Dr. J. Robert Oppenheimer was selected to inaugurate a professorship program under which American professors will lecture in Latin America and Latin American professors will come here for the same purpose. Some will be given chairs for periods of from 3 months to 1 year. Dr. Oppenheimer went to Mexico the first week in June for about 10 days and will leave shortly for Brazil, Argentina, Chile, and Uruguay, spending a week or so lecturing in each country.

Now Dr. Oppenheimer is the same man whose security clearance, after extensive hearings and reviews, was suspended on December 23, 1953. On June 29, 1954, members of the Atomic Energy Commission voted to deny him access to restricted material. The AEC's Personnel Security Board, chairmaned by the Honorable Gordon Gray, established that a number of Communist Party officials between 1942 and 1945 had made statements to the effect that J. Robert Oppenheimer was a member of the Communist Party but that because of his position he could not be active in the party and that his name should be removed from the Communist Party's mailing list.

The Board also established that Oppenheimer had made periodic contributions to the Communist Party of between $500 and $1,000 each year for 4 years, ending in April 1942. The Board found that Oppenheimer's wife had been a Communist and was formerly married to a Communist; that his brother, Frank Oppenheimer, had been a Communist official; that his brother's wife had been a member of the Communist Party; that he had an intimate association from 1936 to 1943 with Dr. Jean Tatlock, a member of the Communist Party, which Oppenheimer himself admitted.

Oppenheimer himself, under oath, during the hearings admitted that he had lied to security officers. He admitted lying to Gen. Leslie R. Groves who had headed the Manhattan project.

The Security Board, in its final conclusion, among other things, said:

> We have regretfully concluded that Dr. Oppenheimer has been less than candid in several instances in his testimony before this Board.

Perhaps the most significant finding was stated in these terms:

> We have found a susceptibility to influence which could have serious implications for the security interests of the country.

Mr. Speaker, the taxpayers of the United States are paying 60 percent of the cost of this program which is being inaugurated by Dr. J. Robert Oppenheimer. There are thousands of highly competent, dedicated professors of unquestioned loyalty in the universities of this country who would welcome the opportunity to serve in this capacity. I would like to know and I think most Americans would like to know why it is that Dr. Oppenheimer was selected to do this job in these perilous times.

DECEIT, THE PRESS, AND THE COMMUNIST CONSPIRACY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, there was a time when readers of the New York Times could believe—at least when they read its advertisements—that they were not being hoodwinked and sold a bill of goods. The Times had a reputation for screening the copy submitted by its advertisers and refusing to print anything that was obviously and clearly fraudulent and deceitful.

Those days are gone, however, if one is to judge by recent New York Times

advertising policy. I will cite the latest—and the most flagrant—case bearing on this statement.

Last Thursday, June 22, the Times published a large ad paid for by the national committee of the so-called Communist Party. This ad dealt with the recent Supreme Court decisions on the Smith and Internal Security Acts. The text of the ad revealed without question that, as in the past, the Communist conspiracy is relying upon lies and deceit as its major weapon in its attempts to accomplish its treasonous purpose. From beginning to end, the ad was a tissue of false and fraudulent statements which, with the help of the New York Times, have reached hundreds of thousands of people.

What I have said of the Times has also been allegedly true of the Washington Post, which published this same ad this morning and thus helped the Communist Party reach additional hundreds of thousands of people with its lies.

The ad has also been published in the pages of the Worker, official Communist organ, and the National Guardian, the Communist weekly. Actually, it did no harm in these publications because their readers are Communists and fellow travelers who already subscribe to the falsehoods it contains.

The ad was in the form of an open letter to the American people and bore the salutation "Fellow Americans." This, in itself, was insulting and contemptuous. The word "Americans" designates persons devoted to this country, its Constitution, principles, and ideals. The Communists are devoted to the Soviet Union, the world Communist dictatorship, and all its vicious objectives which stand in such sharp contrast to American principles.

Today, there is no question about this point—the truth that the so-called Communist Party is Moscow controlled and its members are, therefore, not Americans, but foreign agents. It has been the finding of the Congress for over 10 years; it has been the finding for many years of numerous scholars of both liberal and conservative outlook; it has been the finding of Presidents of this country; and, as the Attorney General pointed out in his statement on the Supreme Court decision in the Internal Security Act case, the question of Moscow's direction, domination, and control of the CPUSA is no longer a matter of charges and accusations, but a matter of judicial finding. I might add that this is a judicial finding by the highest Court in the land.

Here are a few of the fraudulent statements which the New York Times, and the Washington Post have helped a Kremlin-dominated conspiracy spread in this country:

First. The so-called Communist Party is a legal political party.

The truth is that the Congress of the United States, in passing the Communist Control Act of 1954, stated that the Communist Party is not entitled to any of the rights, privileges, and immunities attendant upon legal bodies created under the jurisdiction of the laws of the United States, and also stated that whatever rights, privileges, and immunities had previously been granted this conspiracy under the laws of this country are hereby terminated. Clearly, it is not a legal political party.

Second. The U.S. Government now possesses the right to license voluntary associations.

The truth is that, under the Internal Security Act, the U.S. Government now merely has the right to demand certain minimum information of foreign-directed conspiracies operating within its borders with the aim of destroying it by violent overthrow.

Third. The Subversive Activities Control Board has the right to decide which American citizens may or may not voluntarily associate themselves in any organization.

The truth is that neither the SACB nor any other Government agency has any such right. The SACB merely has the right, under strictly prescribed procedures and on the basis of clearly established, realistic criteria, to hold hearings to determine whether or not the Soviet Union or its U.S. fifth column controls an organization in this country.

Fourth. Persons who associate themselves together in any organization without the blessing of the Subversive Activities Control Board can be found guilty without the right to a trial.

The truth is that any organization subject to proceedings by the Board, as a result of evidence collected by the Department of Justice, has the right to counsel, to produce witnesses in its behalf, to cross-examine Government witnesses; has the right to certain information in Government files, and also the right to review of the SACB's findings by the courts of this land.

Fifth. The Government can falsely attach the Communist label to political parties, peace groups, labor unions, Negro organizations, and civic bodies, depriving their members of many rights and subjecting them to criminal prosecution unless they publicly denounce themselves as traitors.

The truth is that under the Internal Security Act, no organization can be found to be Communist except under the conditions I have previously enumerated, conditions which grant every reasonable protection to individual and group rights and which, the Supreme Court has found, are in conformity with the Constitution.

Sixth. The Declaration of Independence and the Bible can now be designated "Communist propaganda."

The truth is only that all literature distributed by Communist organizations cited as such by the SACB must indicate the nature of the organization. The literature itself—even if it were the Communist manifesto—would not be designated as "Communist propaganda."

With the help of the New York Times, and the Washington Post, Khrushchev's fifth column in the United States has succeeded in presenting to their readers who are not informed on the actual provisions of the Smith and Internal Security Acts, a picture of police-state America, an America whose Constitution and Bill of Rights is a joke, an America that has deserted its principles and practices political repression, an America that is no longer America.

This ad is not only a vicious detraction of the United States, it is an unconscionable whitewash of the Communist conspiracy, the kind of thing we expect from Communists, but also the kind of thing which the New York Times, and the Washington Post, if they had any self-respect, would not touch. The ad charged that the Supreme Court of the United States in its recent Smith and Internal Security Act decisions relied on two fraudulent arguments; namely, that the Communists are foreign agents and that they advocate forceful overthrow of the United States.

Over 10 years ago, in 1948, the Committee on Un-American Activities, in a special report based largely on the writings of the Communists themselves, documented the fact that Communists are foreign agents; and that is exactly the determination made by the Court after the Communist Party was given every opportunity to disprove the charge. As the Attorney General said of this case, the Communist Party has had its day, and in fact, its years in Court on this very point.

On the question of forceful overthrow of the U.S. Government, I like to bring to the attention of all Members of this House the following fact:

Less than 2 years ago, there was published in Moscow, and in the Russian language, a book entitled "Fundamentals of Marxism-Leninism." An English language translation of this work is now available in the United States and is being sold in Communist book stores and literature distribution centers throughout the country. The official Communist organs, the Worker and Political Affairs, have promoted and praised this book, saying its publication is an event of major importance. All members of the conspiracy have been told, in effect, that this book is their new "bible."

I quote from page 619 of this book, a book that is now being studied in Communist clubs and cells throughout the country:

> Of course, it would be wrong to think that power could be won by parliamentary means on any election day. Only reformists who are convinced that profound social changes are decided by a mere vote could believe this. Marxist-Leninists do not have so primitive a conception of the coming of the working class to power through parliament.

And on page 617 this world Communist directive states:

> Wherever the reactionary bourgeoisie has a strong army and police force at its disposal, the working class will encounter fierce resistance. There can be no doubt that in a number of capitalist countries the overthrow of the bourgeois dictatorship will inevitably take place through an armed class struggle.

Most of you know, I am sure, that according to the Communist line set by Moscow—and accepted by the U.S. conspiracy—the United States is the world's prime example of a country where the reactionary bourgeoisie has a strong army and police force at its disposal. It is, in other words, the country where

armed and violent overthrow must take place.

I cannot help wondering why the New York Times and the Washington Post, if they want to present the Communist side truthfully, do not publish some of the choice tidbits such as these from the "Fundamentals of Marxism-Leninism," instead of accepting and promoting—for cash—the smear-America lies of the Communists.

Perhaps it all depends on one's idea of just what is fit to print.

MR. FRANK REEVES

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, anyone appointed to an office of public service and trust must have a record that recognizes public responsibility. By his own example he must show that he is meticulous about his obligations as a citizen and lives up to them. One of these requirements is the prompt payment of taxes that are legally due and for which he has received the proper notice. Therefore it was with considerable misgivings that I read in the Sunday Star—June 25th—that Mr. Frank Reeves, nominated by the President for the important post of a District Commissioner had failed to pay his District income tax for the years of 1957 and 1958, and that these taxes had recently been collected after a lien had been filed against him by the authorities. Such a record should absolutely disqualify this man for this public position of such great responsibility. If he were running for an elective office his opponent would blast him out of the running because the people will not countenance such an attitude.

Mr. Reeves' reported explanation that this delinquency was an "oversight" on the part of his wife is hard to believe, but if true it shows great carelessness in his attitude toward his obligations as a citizen and it cannot be condoned. His further explanation that he is "human"—whatever that means—is an insult to the intelligence of the thousands of taxpayers who meet their obligations, no matter how difficult it may be.

The President could not have known about this tax default or he would never have made the appointment, and now that it has been revealed the appointment should be withdrawn. In any event, I trust the Senate will make a thorough investigation and if the facts are as they have been reported, refuse to confirm this man. We must keep the government of our National Capital free from chiselers and those who do not meet their responsibilities of citizenship.

PROPOSED SWAP OF U.S.-BUILT TRACTORS FOR CUBAN PRISONERS

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a letter directed to the Attorney General and his reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, Members of this House are aware that I have been very critical of the proposed swap of U.S.-built tractors for Cuban prisoners. In the first instance, we pointed up the difference between so-called agricultural general-purpose tractors and the much larger track-type, Caterpillar D–8's originally requested by Castro. Since that time the Tractors for Freedom Committee has been negotiating for the smaller tractors, and while this does not make the deal any more palatable to me, I was glad to see that the distinction was drawn and predicted that Fidel Castro would refuse acceptance of the smaller units, for he knew precisely what he was asking for in the first instance. Quite frankly, I thought the whole deal had fallen through as of last Friday, but now as of this morning we learn through the press that the whole dirty business is being revived.

Mr. Speaker, you will recall that on June 13 I addressed a letter to the Attorney General suggesting that this negotiating committee was acting in violation of section 953 of title 18 of the United States Code, the so-called Logan Act. On June 22—9 days later, after prompting with a telegram—I received a reply to my letter. Mr. Speaker, I include the full text of my letter of June 13, together with the reply from Attorney General Robert Kennedy, in their entirety at this point in the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 13, 1961.

Hon. ROBERT F. KENNEDY,
The Attorney General,
Department of Justice, Washington, D.C.

DEAR ATTORNEY GENERAL KENNEDY: It is my understanding that this morning a group of individuals representing the so-called Tractors for Freedom Committee departed the United States for Cuba to negotiate an exchange of 500 U.S.-built tractors for 1,200 Cuban prisoners. Aside from the many facets of this blackmail swap with which we may be in disagreement, I shall address myself in this communication to only one in which I believe there is a violation of the law.

I would respectfully draw your attention to section 953 of title 18 of the United States Code. This section states:

"Any citizen of the United States, wherever he may be, who, without authority of the United States, directly or indirectly commences or carries on any correspondence or intercourse with any foreign government or any officer or agent thereof, with intent to influence the measures or conduct of any foreign government or of any officer or agent thereof, in relation to any disputes or controversies with the United States, or to defeat the measures of the United States, shall be fined not more than $5,000 or imprisoned not more than three years, or both."

While there have been no convictions under this statute since its original enactment in 1799 (1 Stat. 613), it has been mentioned in judicial context on several occasions.

In reviewing the legislative history of this statute, I find that Thomas Pinckney of South Carolina said in debate on the bill:

"If an individual goes forward to a foreign government to negotiate on national concerns, what answer could he give to such a government when he was asked, 'Upon what authority do you come?' He must say, 'I have no power, I am undelegated; but our administration is either weak or wicked, and will not do what is for the interest of the country, and therefore I come, because I think myself more wise, and better disposed to serve my country than its constituted authorities.' And is there no criminality * * * in this throwing censure on those who have been appointed by the people to administer the Government? If such an act produces any effect at all, it must produce a bad one. Any sensible government must either laugh at such a man as mad, or conclude that he is the agent of a deep-rooted party opposed to the government of the country from whence he comes. And certainly no individual ought to be permitted to do an act with impunity which might throw so great a contempt upon the government of his country." (8–9 Annals of Congress, 2609–2610).

I would ask you, Mr. Attorney General, upon what authority can this committee negotiate any kind of an agreement with the head of a foreign government except that they do so in violation of the aforementioned statute? It would seem to me that until this question is officially resolved that the Government should take appropriate steps to bar the shipment of any tractors or equipment agreed upon by this committee and which currently are under Government embargo.

I would appreciate having an early expression from you in answer to the question which I have raised on the legality of the transaction being negotiated by the so-called Tractors for Freedom Committee.

Sincerely yours,

ROBERT H. MICHEL,
Member of Congress.

Hon. ROBERT H. MICHEL,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MICHEL: I refer to your letter to me of June 13, 1961, inquiring whether the negotiations of the Tractors for Freedom Committee with the Cuban Government involve any violation of the Logan Act, 18 U.S.C. 953.

That act, the text of which is set forth in your letter, makes it a crime for any citizen of the United States, without authority of the United States, to commence or carry on correspondence or intercourse with a foreign government, with intent to influence the measures or conduct of any foreign government in relation to any dispute or controversy with the United States, or to defeat the measures of the United States. The act was passed in 1799 as the result of the private efforts of Dr. George Logan, of Pennsylvania, to arrange a peaceful settlement of outstanding disputes between the United States and France, following the failure of the mission of the special envoys sent by President Adams for this purpose. The underlying intent of the legislation, as stated by its sponsor, Mr. Griswold, was to prohibit "an interference of individual citizens in the negotiations of our Executive with foreign governments" (9 Annals of Congress 2489). (See to the same general effect, 9 Annals of Congress 2494 (Mr. Griswold), 2502 (Mr. Pinckney), 2591 (Mr. Bayard), 2617 (Mr. Harper).)

On the basis of the information available to the Department of Justice, it does not appear that the negotiations now in progress by the Tractors for Freedom Committee involve any interference with negotiations between the Governments of the United States and Cuba, or any intent to influence the measures or conduct of the Cuban Government "in relation to any disputes or controversies with the United States" or to "defeat the measures of the United States." The President has stated his sympathy with the humanitarian objectives of the commit-

tee and the intention of the Government not to interfere with or put obstacles in the way of a legitimate private, humanitarian effort. A copy of the President's statement is attached.

In view of the foregoing, I do not believe any violation of the Logan Act is involved.

Sincerely,

ATTORNEY GENERAL.

[From the New York Times, May 25, 1961]

STATEMENT OF PRESIDENT KENNEDY, WASHINGTON, MAY 24, 1961

The tractors-for-freedom movement is a wholly private humanitarian movement aimed at saving the lives of several hundred men. It is supported by free men and women throughout the Americas.

When Fidel Castro first made his offer to "exchange" the lives and liberty of 1,200 prisoners for 500 agricultural tractors, the American people responded with characteristic compassion. A number of private committees were organized to raise the necessary funds and many private citizens, in this country and throughout the hemisphere, inquired as to where they could contribute.

My concern was to help make certain that a single, representative group of citizens headed this effort in the United States. I am grateful to Mrs. Roosevelt, Walter Reuther, and Dr. Milton Eisenhower for their leadership.

The U.S. Government has not been and cannot be a party to these negotiations. But when private citizens seek to help prevent suffering in other lands through voluntary contributions—which is a great American tradition—this Government should not interfere with their humanitarian efforts.

Neither law nor equity calls upon us to impose obstacles in their path as they seek to save those who fought to restore freedom in our hemisphere. I am advised that the Logan Act is not involved, inasmuch as it covers only negotiations "in relation to any disputes or controversies with the United States, or to defeat the measures of the United States"; that tax exemption is granted as a matter of course to any "charitable" organization engaged in the rehabilitation and assistance of needy refugees; and that export licenses are routinely granted for humanitarian reasons, to ship farm produce and medicines to Cuba, and would thus be granted for a humanitarian shipment of farm implements.

While this Government is thus putting forward neither obstacles nor assistance to this wholly private effort, I hope that all citizens will contribute what they can. If they were our brothers in a totalitarian prison, every American would want to help. I happen to feel deeply that all who fight for freedom—particularly in our hemisphere—are brothers.

THE 1961 YEARBOOK OF AGRICULTURE

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. GOODELL] is recognized for 15 minutes.

Mr. GOODELL. Mr. Speaker, yesterday, June 25, 1961, the 62d Yearbook of Agriculture was released by the U.S. Department of Agriculture and through our congressional offices will be made available to the American people.

We in the 43d Congressional District of New York are exceedingly proud of the contribution made to this volume by one of our fine citizens from Fredonia, N.Y. I speak of Mr. John F. Schiffman, vice president of the Hygrade Seed Co. in Fredonia. More than 2 years ago John Schiffman urged that one of the annual yearbooks published by the Department of Agriculture should deal with the important subject of seeds. Mr. Schiffman has been a leader in the production of this excellent and useful volume.

These volumes were first called yearbooks in 1895 when their annual publication began. However, the history of the publication actually dates back to 1849 when the Commissioner of Patents issued his annual report. Part II of that report was devoted to agriculture.

The present volume, representing months of work, contains 75 chapters with 48 pages of photographs and other illustrations. It is the work of a total of 128 writers and could well become the definitive text in its field. The Secretary of Agriculture, in the foreword, states that "good seeds are both a symbol and a foundation of the good life our people have gained."

The subject matter of seeds was among the first concerns of the early settlers on these shores and helped to expand the country through the West. It is with seeds and improved methods of using them that untamed sectors of our land are being utilized today. Seeds are an important factor around the world in the continuing struggle to raise the standard of living of all the nations of the globe.

Against this backdrop of worldwide attention to seeds, the Department of Agriculture has issued this highly readable report on "Seeds". It is significant that it is being issued concurrently with the meeting of the American Seed Trade Association in Chicago, Ill., this week. The book also is being issued just prior to the celebration of World Seed Year being observed by many free nations with the actual celebration being held in Rome during the summer months.

John Schiffman has lived in Chautauqua County all his life. We have in Chautauqua County a rich rural tradition. Many of our finest citizens have grown up close to the soil. With his general interest in gardening and agriculture in his early school years, John Schiffman became associated with the Hygrade Seed Co., Inc., some 23 years ago. He is now the vice president. He has served on many committees in the American Seed Trade Association and in 1959 was chairman of the Wholesale Packet Division. As such, he was a member of the board of directors of the association.

Mr. Speaker, I am not standing on this floor today, however, simply to extol the virtues of my area or the citizens of my area, great though they may be. This yearbook deserves the careful study of all people who are interested in plants and plant life. As you can see in my hand, the yearbook has an attractive cover and format. The material within is equally attractive and interesting. I have already read several articles and perused the entire contents of this book. It is fascinating to me, a nonexpert, and appears to make an authoritative contribution to the future of our American agriculture.

Mr. Speaker, the last 13 Agriculture Yearbooks have been distributed throughout the world. There are a total of 3,663,771 copies now on the bookshelves in America. The 1961 Yearbook of Agriculture, entitled "Seeds," is a proud and valuable addition to this series.

We in the 43d Congressional District congratulate the Department of Agriculture and all those who had a part in the production of this volume. We particularly express today our pride in the contribution of our outstanding citizen from Fredonia, N.Y., John Schiffman.

My colleagues, I invite your studious attention to this volume and urge that you invoke every means to make it available to your constituents.

THE DALLAS (TEX.) FEDERAL BUILDING

The SPEAKER pro tempore (Mr. MILLS). Under previous order of the House, the gentleman from Texas [Mr. ALGER] is recognized for 1 hour.

Mr. ALGER. Mr. Speaker, I am compelled to take the floor of the House because the Dallas Federal building project was killed in the Committee on Public Works by a straight party line vote; a building that has been considered since the act of 1954, Public Law 519, title I.

Since that time 105 other buildings without exception have been approved. I take the floor, Mr. Speaker, because this building has been approved by the GSA, the Bureau of the Budget, by the House and Senate alternately three times, and then it was killed by a straight party line vote June 20 and 21 of this year.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield at that point?

Mr. ALGER. Yes, I yield.

Mr. EDMONDSON. I think as a member of the committee which had some executive proceedings with regard to the matter on which the gentleman is speaking that it might be of some significance in the remarks which he is going to make to set the record straight to the extent that the rules of the House will permit. I do not believe it is accurate to say, on the basis of the record of the executive proceedings, that any project regarding Dallas has been killed. The gentleman may have information and be at liberty to speak regarding the executive session which is not in my possession, but I do not think on the basis of my understanding of the session that took place that it is accurate to say that the project has been killed by the committee. As I recall, it was simply a matter of deferring action on certain controversies attendant to the acquisition of the site for the building.

Mr. ALGER. Mr. Speaker, I ask unanimous consent that I may strike the word "killed" wherever it appeared in the statement I just made and substitute this language, that the Dallas building was voted down by a straight party line vote, 16 to 14.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. EDMONDSON. Mr. Speaker, reserving the right to object on that particular request——

Mr. ALGER. Mr. Speaker, I withdraw my request, and I do not yield further.

I had not intended to yield until I had presented this matter to the House. I am trying to do something to inform the membership, and what the committee does—and certainly I shall work with them, I want to help in any way I can; but today I am focusing attention, if nothing else, and I am very hopeful that the committee will reconsider. Maybe I can strike some of this language or at least the necessity for making this appearance, but I cannot dodge this obligation.

Mr. Speaker, I have had well-meaning people in my area in Texas tell me that I had better not say anything and who have appealed to me not to say anything about it. Yet I must. In a sense I do this reluctantly. But when we have a party line vote on a Federal building, I think we understand the situation. I shall go as far as I can under the rules of the House today. Today I intend to inform the membership. One million people in this country deserve an answer why this project was rejected. And if they do not get an answer why in this particular instance, I ask my colleagues to think what it might mean in their case were they in that position of representing 1 million people, or however many people they represent, and being so denied an answer.

It seems to me I deserve an answer, because the people of Dallas and this gentleman representing them, expect a building on merit and merit alone. If that building is not merited, we would join others and say we do not want the building. I intend to show you why the building is merited, and if any of these facts are wrong I will say again later what I have just said. If it is not meritorious, Dallas does not want that building, not by a long shot.

I want to point out that we want this building on grounds of efficiency, convenience, and economy. The efficiency and convenience come about because Dallas is the hub of the Southwest. We now have 17 widely scattered Federal operations in that area. The convenience, of course, will accrue to our citizens, our people, as they try to find an agency of the Government because, instead of running all over the area, they can go to one central point. That would be the Federal Government building, which would house some 17 agencies of government and the Federal courts. Such a building would permit convenience and efficiency for Government personnel, too.

As to the justifications, perhaps I should read from the original prospectus which I think says it better than I could say it.

The determination of need:

It has been determined that, first, the needs for space for the permanent activities of the Federal Government in this particular area cannot be satisfied by utilization of any existing suitable property now owned by the Government; and, second, the best interests of the United States will be served by taking action hereunder.

Mr. Speaker, at this point I have, and shall place in the RECORD, but not take the time to read them, many exhibits that represent certifications of need. I could run through them by name: the Tax Court, the Department of Justice, the Department of Agriculture, the CIA, Civil Service, Air Force, Army, Navy, Federal Mediation and Conciliation Service, Federal General Accounting Office, Food and Drug Administration, Housing and Home Finance Agency, Department of Interior, Interstate Commerce Commission, Secretary of Labor, Railroad Retirement Board, Department of State, Treasury Department, Veterans' Administration.

Also I have a letter from the Director of the Budget in 1956 giving the reasons for this project. The need is thus clearly established by each agency.

As I said, these agencies are scattered, and they would be centered in one building. That is the convenience and the efficiency. It would be convenient for the citizens, several millon in that area. It would be convenient, and there would be greater efficiency for the Government workers themselves, to have the public facilities this building would provide. But that is not enough. It will be economic. I direct your attention to the economy of the building as a matter of fact. I quote from the second prospectus that was given out on September 11, 1959, and this justification said:

The result of the savings and rentals will be approximately $990,000 a year.

In the past, Dallas has been accused of getting a lot of Federal aid. But this is the kind of Federal aid we want to lose, namely the present higher rental cost. Why should Dallas complain? Dallas people are interested in saving the Government approximately $1 million a year in rent. In addition, it will cost the Government $870,000 in the next 5 years to refurbish the building now occupied by the Government at 1114 Commerce. Third, the cost to the Government under this bill will be $2.35 a square foot per year compared to the going rate of $5 a square foot or more. That is economy for you in three different ways by constructing the building.

The interest of this Member of Congress is threefold. First, I want better service for our citizens and better working conditions for the Government workers. Second, I want to save the taxpayers money. And third, I want to help in any way I can to protect government of law, not men, and that the proper procedures of the House be followed.

Here is the history of this building, and I will run through it quickly. I will put in the RECORD at this time a number of exhibits, and I should like to run through them quickly to tell you a little bit about them to give you a better idea of what they are. First is this rather thick prospectus I have mentioned, and I shall place it in the RECORD at this point as Document No. 1. This prospectus comes about because of Public Law 519, that was written by the 83d Congress back in 1954. That is the law under which this building was originally justified. That goes back 8 years, to the period of my predecessor, when he as a Democrat represented the Fifth District of Texas in a Republican-led Congress and Republican administration. I mention that to show this Congress that under no circumstance could this be construed to be political in its origination. Since that time the General Services Administration, the House and Senate, and the Bureau of the Budget have approved the project.

1. Brief description of proposed building:

The project contemplates the erection of a court house and Federal office building on a site to be acquired by the Government. The building will be multistoried and will provide approximately 597,000 square feet of net assignable space.

2. Estimated maximum cost and financing:

(a) Maximum cost of site and building, $24,490,000.

(b) Proposed contract term, 25 years.

(c) Maximum rate of interest on purchase contract, 4 percent.

3. Certificates of need:

There are attached certificates of need signed by the heads of the agencies (or their duly authorized representatives) which will use the facility. Certification is hereby made as to the need for GSA regional office space, service space, and expansion. Upon completion of the facility, assignment and reassignment of space will be made in accordance with existing law.

4. Nonavailability of existing space:

Suitable space owned by the Government is not available and suitable rental space is not available at a price commensurate with that to be afforded through the contract proposed.

5. Estimated annual managerial, custodial, heat, and utility costs: (Services to be supplied by Government), $627,000.

6. Estimated annual tax liability, upkeep and maintenance:

(a) Taxes, post construction (contract period), $333,000.

(b) Upkeep and manitenance (to be provided by Government), $90,000.

7. Current housing costs:

Rents and other housing costs currently paid by the Government for agencies to be housed in the building to be erected, $756,592 p.a.

It has been determined that (1) the needs for space for the permanent activities of the Federal Government in this particular area cannot be satisfied by utilization of any existing suitable property now owned by the Government, and (2) the best interests of the United States will be served by taking action hereunder.

Submitted at Washington, D.C., on July 3, 1956.

Recommended:

F. MORAN MCCONIHE,
Commissioner of Public Buildings Service.

Approved:

FRANKLIN G. FLOETE,
Administrator of General Services.

8. Statement of Director, Bureau of the Budget:

Washington, D.C., July 18, 1956.

Hon. FRANKLIN G. FLOETE,
Administrator, General Services Administration, Washington, D.C.

MY DEAR MR. FLOETE: Pursuant to section 411(e)(8) of the Public Buildings Purchase Contract Act of 1954 (Public Law 519), the proposal for a new court house and Federal office building, received July 3, 1956, has been examined and in my opinion "is necessary and in conformity with the policy of the President." This approval is given with the following understanding:

1. That the stated project cost of $24,490,000 (including $2 million for a site to be acquired) is a maximum figure.

2. That every effort will be made to design and construct space conducive to maximum efficient utilization, and to take advantage of any revision of cost downward which may be found possible as the plans develop and negotiations are advanced.

You appreciate, of course, that this project will receive further detailed review as to cost and space utilization.

Sincerely yours,

PERCIVAL F. BRUNDAGE,
Director.

TAX COURT OF THE UNITED STATES,
Washington.

CERTIFICATE OF NEED

Proposed courthouse and Federal office building, Dallas, Tex.
Project No. 7–TEX–04

The undersigned, the acting chief judge of the Tax Court of the United States, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 2,100 net square feet of space to accommodate operations of the Tax Court of the United States.

C. R. ARUNDELL,
Acting Chief Judge.

Certified at Washington, D.C., August 22, 1955.

ADMINISTRATION OFFICE OF THE U.S. COURTS,
Washington, D.C.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned, the Director of the Administrative Office of the U.S. Courts, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 26,935 net square feet of space to accommodate operations of the U.S. District Court for the Northern District of Texas.

HENRY P. CHANDLER,
Director.

Certified at Washington, D.C., March 8, 1956.

CERTIFICATE OF NEED

Proposed courthouse and Federal office building, Dallas, Tex.

The undersigned, the Administrative Assistant Attorney General, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 7,120 net square feet of space to accommodate operations of the Department of Justice.

S. A. ANDRETTA,
Administrative Assistant Attorney General.

Certified at Washington, D.C., April 11, 1956.

DEPARTMENT OF AGRICULTURE,
Washington, May 20, 1955.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned, Acting Secretary of Agriculture, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 19,310 square feet of space to accommodate operations of the U.S. Department of Agriculture.

TRUE D. MORSE,
Acting Secretary.

Certified at Washington, D.C., May 20, 1955.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned, the Director of Central Intelligence, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 200 net square feet of space to accommodate operations of the Central Intelligence Agency.

ALLEN W. DULLES,
Director.

Certified at Washington, D.C., January 21, 1956.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 17,600 net square feet of space to accommodate operations of the U.S. Civil Service Commission.

DAVID F. WILLIAMS,
Director, Bureau of Management Services.

DEPARTMENT OF THE AIR FORCE,
Washington.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.

The undersigned, the Special Assistant for Installations, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.), certifies that there is a current need in this project for approximately 11,500 net square feet of space to accommodate operations of the Air Force Establishment.

JOHN M. FERRY,
Special Assistant for Installations.

Certified at Washington, D.C., June 27, 1955.

DEPARTMENT OF THE ARMY,
Washington, D.C.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.

The undersigned, the Assistant Secretary of the Army (Financial Management), in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 69,539 net square feet of space to accommodate operations of the Department of the Army.

CHESTER R. DAVIS,
Assistant Secretary of the Army (Financial Management).

Certified at Washington, D.C., May 26, 1955.

DEPARTMENT OF THE NAVY,
Washington, D.C.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.

The undersigned, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 17,598 net square feet of space to accommodate operations of the Department of the Navy.

R. H. FOGLER,
Acting Secretary of the Navy.

Certified at Washington, D.C., August 6, 1955.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned, the Director, Federal Mediation and Conciliation Service in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 1,360 net square feet of space to accommodate operations of the Federal Mediation and Conciliation Service.

JOSEPH F. FINNEGAN,
Director, Federal Mediation and Conciliation Service.

Certified at Washington, D.C., May 10, 1955.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned, the Comptroller General of the United States in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 4,200 net square feet of space to accommodate operations of the U.S. General Accounting Office.

HUGH CAMPBELL,
Comptroller General of the United States.

Certified at Washington, D.C., May 3, 1955

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

I, the undersigned, the Secretary of Health, Education, and Welfare, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.), certify that there is a need in the project for approximately 44,503 net square feet of space to accommodate the permanent activities of the Bureau of Old-Age and Survivor's Insurance, Social Security Administration, the Food and Drug Administration, and Regional Office VII.

OVETA CULP HOBBY,
Secretary of Health, Education, and Welfare.

Certified at Washington, D.C., June 3, 1955.

HOUSING AND HOME FINANCE AGENCY,
Washington, D.C., March 1, 1956.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned, the Director, General Services Branch, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 25,340 net square feet of space to accommodate operations of the Housing and Home Finance Agency.

GEORGE H. HUDSON,
Director, General Services Branch.

Certified at Washington, D.C., March 1, 1956.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C.

AMENDED CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex.
Project No. 7–TEX–04.

The undersigned, the Chief Clerk, Department of the Interior, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 5,825 net square feet of space to accommodate operations of the Department of the Interior.

FLOYD E. DOTSON,
Chief Clerk.

Certified at Washington, D.C., June 23, 1955.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex. Project No. 7–TEX—01.

The undersigned, the Chairman, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 1,050 net square feet of space to accommodate operations of the Interstate Commerce Commission.

ANTHONY ARPAIA,
Chairman.

Certified at Washington, D.C., April 10, 1956.

U.S. DEPARTMENT OF LABOR,
Washington.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex. Project No. 7–TEX–04.

The undersigned, the Administrative Assistant Secretary, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 12,525 net square feet of space to accommodate the activities of the Department of Labor.

This certification is made under authority of Reorganization Plan No. 6 of 1950 and General Order No. 6 (revised) of the Secretary of Labor.

JAMES E. DODSON,
Administrative Assistant Secretary.

Certified at Washington, D.C., May 11, 1955.

UNITED STATES OF AMERICA,
RAILROAD RETIREMENT BOARD,
844 Rush Street, Chicago, Ill.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex. Project No. 7–TEX–04.

The undersigned, the Chairman, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 8,015 net square feet of space to accommodate operations of the Railroad Retirement Board.

RAYMOND J. KELLY,
Chairman.

Certified at Chicago, Ill., May 25, 1955.

DEPARTMENT OF STATE,
Washington.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex. Project No. 7–TEX–04.

The undersigned, the Deputy Assistant Secretary for Operations, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certified that there is a permanent need in this project for approximately 400 net square feet of space to accommodate operations of the Department of State.

THOMAS S. ESTES,
Deputy Assistant Secretary for Operations.

Certified at Washington, D.C. May 9, 1956.

TREASURY DEPARTMENT,
Washington.

REVISED[1] CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex. Project No. 7–TEX–04.

The undersigned, the Director of Administrative Services, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a permanent need in this project for approximately 156,734 net square feet of space to accommodate operations of the Treasury Department.

PAUL MCDONALD,
Director of Administrative Services.

Certified at Washington, D.C., this 3d day of November 1955.

CERTIFICATE OF NEED

Proposed Federal office building, Dallas, Tex. Project No. 7–TEX–04.

The undersigned, the Administrator of Veterans' Affairs, in pursuance of the provisions of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.) certifies that there is a need for approximately 53,212 net square feet of space to accommodate permanent activities of the Veterans' Administration in Dallas, Tex.

H. V. HIGLEY,
Administrator.

Certified at Washington, D.C., July 7, 1955.

Project data submitted under title I of Public Law 519, 83d Cong., 2d Sess.

The following details are not a part of the prospectus:

Courthouse and Federal office building, Dallas, Tex.:

A. Building data:

Submission contemplates:

1. Multistoried building.
2. Brick facing, stone trim.
3. Air conditioning.
4. Outside vehicle storage for 100 cars.
5. Gross area, 950,700 square feet.
6. Net area, 666,046 square feet.
7. Ratio net to gross, 70.1 percent.
8. Net assignable space, 597,046 square feet.

B. Estimated cost of project:

1. Total cost of project	$24,490,000
(a) Items not included in purchase contract: (1) A–E services, supervision, land, etc	$3,180,000
(b) Purchase contract costs (1) Improvements	$21,310,000

C. Analysis of improvement costs:

1. Cost of improvements, normal:	
(a) Construction	$15,150,00
(b) Elevators	850,000
(c) Air conditioning	2,630,000
Cost per gross square foot, $19.60.	
Total	18,630,000
2. Cost of improvements, additional:	
(a) Demolition	20,000
(b) Extra on foundation	480,000
(c) Approach work and paving	60,000
(d) Built-in courtroom furniture	56,000
Total	616,000
3. Miscellaneous costs:	
(a) Interest, taxes, etc., during construction	1,104,000
(b) Contingencies	960,000
Total	2,064,000
4. Total estimated cost of improvements	21,310,000
Cost per gross square foot, $22.42	

D. Estimated annual costs (post construction):

1. 25-year contract term:	
(a) Purchase contract payments:	
(1) Amortization and interest	$1,311,600
(2) Taxes	333,000
Total	1,644,600
Rate per net square foot, $2.47.	
(b) Costs not included in purchase contract payments:	
(1) Managerial, custodial, heat, and utilities	$627,000
(2) Upkeep and maintenance	90,000
Total	717,000
Rate per net square foot, $1.08.	
(c) Total estimated annual cost	2,361,600
Rate per net square foot, $3.55.	
2. Second 25-year term:	
(a) Managerial, custodial, heat, and utilities	627,000
(b) Upkeep and maintenance	119,000
(c) Total estimated annual cost	746,000
Rate per net square foot, $1.12.	
3. 50-year average:	
(a) Total estimated annual cost	1,553,800
Rate per net square foot, $2.33.	
4. Annual rental costs for comparable space:	
There is no suitable basis for computing comparable rental for court space. First class commercial office space in the community rents from $4 to $6.50 per square foot per annum.	
5. Maximum annual payment permitted by law	3,673,500

NOTE.—All estimates based on January 1956 price levels.

E. Present annual rental and other housing costs:

	Net square feet	Unit cost	Total cost
1. Leased space:			
Rent free	1,871		
Rent paid	208,630	$2.05	$427,576
2. Existing Federal building	296,440	1.11	329,016
3. Total	506,941		756,592

F. Justification of project:

1. The urgent need for this project is based upon the inadequacy of existing space in federally-owned buildings to meet the current space requirements of the Federal courts and other Government agencies.

The creation of additional judgeships in Dallas has resulted in the need for additional court facilities. The present space occupied by court activities in the existing post office and courthouse is 18,835 net square feet. The current requirement for court space is 36,155 net square feet, which

[1] Supersedes Revised Certificate of Need dated Oct. 31, 1955.

is about twice that now occupied. It is impractical to remodel or to construct an extension to the existing post office and courthouse.

3. The consolidation of agencies from the present eight widely scattered locations will result in closer coordination and more efficient operation.

4. This proposal will enable the relinquishment of approximately 210,000 square feet of commercially leased space at an annual rental saving of about $428,000. The release of this leased space will not adversely affect the rental market.

5. This proposal is based on the disposal of the Government-owned building at 1114 Commerce Street. This building, built in 1924, was acquired by the Army in 1942 and transferred to GSA in 1949 without reimbursement. The building was designed basically as a warehouse and merchandise mart type of structure; does not lend itself to economical and efficient office space type of operation; has considerable obsolescence in building service facilities; and is on the fringe of an economically blighted area. It is estimated that an expenditure of $870,000 will be required during the next 5 years for deferred items of repairs, replacements, and improvements.

6. This proposal is also based on the retention of the present Post Office and Court House, and the Post Office Terminal Annex, and relocation of agencies from these buildings to provide space for postal expansion.

7. There is no existing commercial building available for purchase which would be adequate and suitable for Government occupancy.

8. The proposed building will be functional in concept and devoid of excessive embellishment and extravagant appointments. The design of the building and facilities will provide for the utmost economy in construction, maintenance, and operation costs considered.

G. Analysis of project space

Agency	Present		Proposed	
	Net square feet	Personnel	Net square feet	Personnel
(a) Distribution				
Tax Court			2,100	2
District courts (including attorney and marshal)	18,835	31	34,055	47
Subtotal courts	18,835	31	36,155	49
Agriculture	20,308	178	19,310	154
Central Intelligence	291	2	200	2
Civil Service	19,246	126	17,550	94
Defense	74,949	599	[1] 82,051	634
Federal Mediation and Conciliation	818	3	1,296	4
General Accounting	3,612	55	4,200	68
Health, Education, and Welfare	28,101	196	44,503	266
Housing and Home Finance	22,050	203	25,340	203
Interior	5,107	16	5,825	20
Interstate Commerce	753	4	1,050	7
Labor	13,642	85	12,525	88
Railroad Retirement	7,734	62	8,015	61
(a) Distribution—Continued				
State	306	3	400	3
Treasury	147,277	976	156,734	1,068
Veterans' Administration	89,419	494	53,212	370
GSA, regional office	32,309	208	36,655	223
Subtotal, agency space	465,922	3,210	468,866	3,265
Reserve for expansion			75,000	
General Services:				
Custodial	22,184		12,325	
Health unit and vending stand			1,400	
Communications			3,300	
Net assignable space			597,046	
Horizontal circulation			69,000	
Total, net area	506,941	3,241	666,046	3,314
(b) Utilization: Agency space (exclusive of courts) square feet per person	145		144	

[1] Variance reflects agency space to remain in present quarters.

H. Other selected data:

1. The proposed contract provisions will not exceed the amount necessary to:

(a) Amortize principal (including insurance, taxes, and interest during construction).

(b) Provide interest not to exceed 4 percent of the outstanding principal.

(c) Reimburse contractor for postconstruction real property taxes.

2. It is proposed to make awards on financing and construction by competition.

3. Estimated completion date for the project is 43 months from date of final approval of propectus.

4. Taxes estimated on basis 50 cents per square foot net area.

5. Insurance included during construction only as part of total cost borne by construction contractor. During postconstruction period Government will act as self-insurer.

6. Sale of existing Government-owned property is expected to realize approximately $2,900,000.

Second, I would like to read the statements of members of the other body who, without exception, have all approved the building:

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, D.C., July 24, 1956.

Hon. BRUCE ALGER,
House of Representatives,
Washington, D.C.

DEAR BRUCE: Thank you very much for your letter of July 21.

I realize the importance of the Dallas Court House and Federal Office Building and I have talked with the Chairman of the Senate Public Works Committee, as well as other members of that Committee.

I am glad to report that the Committee met this afternoon and approved the project.

Best regards.

Sincerely,

LYNDON B. JOHNSON.

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
July 23, 1956.

Hon. BRUCE ALGER,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: In the absence of Senator DANIEL, I am taking the liberty of acknowledging and thanking you for your letter concerning the Dallas Court House and Federal Office Building project now before the Senate Public Works Committee.

On the Senator's behalf, I have urged the Chairman of the Senate Committee to take immediate action in favorably considering the Dallas project, and Price has asked me to get in touch today with as many members of the Committee as I can in an effort to secure favorable consideration. I hope that we can get the project cleared for construction since Price agrees with you fully as to its need, and wants to help in every way possible.

Kindest personal regards.

Sincerely yours,

JAKE JACOBSEN,
Administrative Assistant to Senator Price Daniel.

YARBOROUGH TO BATTLE FOR CENTER—SOLON WILL TRY TO GET MONEY FOR PROJECT HERE

Senator RALPH YARBOROUGH Tuesday said he will attempt to get appropriations restored for the building of a new $24 million Federal center in Dallas.

Funds for the proposed center were omitted from President Eisenhower's budget Monday, delaying the project for at least a year unless action is taken to restore or appropriate the funds.

Representative BRUCE ALGER, the Congressman from Dallas, did not seem perturbed over the project's omission from the budget.

"The only reason for a Federal building as justified by the General Services Administration before the Public Works Committee was that a saving could be made and greater efficiency would result," he commented. ". . . If this is false economy and the earlier reasons were valid, then it would be false economy indeed and I would be opposed myself."

Mr. ALGER said he had been reassured that the Federal building was not eliminated "but only temporarily postponed. He added that "very possibly work of preliminary nature will continue without delay with funds already available."

Senator YARBOROUGH said "I am greatly disappointed there is nothing in the budget for the new Dallas Federal building.

"It is a backward looking budget," he continued. "We're used to dynamic growth. This postponement is not in keeping with the expansion and growth of our people.

"I am going to work to get back in and take an optimistic attitude," he said.

David S. Phillips, Dallas head of the GSA, said the project appeared to be delayed for a year.

"GSA had 21 projects approved by the Budget Bureau and the two House committees and the Dallas Federal Center was one of them," Mr. Phillips said.

But, in order to fit the projects within the limits of the budget a priority system must be set up on the basis of the urgency of the

need. Nine projects were given priority. Dallas was not one of these.

The omission of Dallas from the budget means that we'll have a delay of a year. However, the project is still very much alive and we're proceeding with the plans and the decisions that have been made.

The architects are working with the final working drawings of the center and those drawings will be completed about June.

Funds must be appropriated by Congress before we can put the job on the market. So we must wait until Congress acts on the Dallas appropriation.

Plans for the center call for the erection of an 18-story building—16 above street level—adjacent to the Santa Fe Building between Commerce and Jackson at Griffin.

Third, I would like to read the prospectus updating the building. The building was approved in 1956, when I had the honor to be a member of the Public Works Committee of the House. By the way, it was approved in the Senate that year, too, with the distinguished senior Senator from Texas taking part and seeing that it got through because of the importance of that building, which he recognized and admitted, and got it through the other body.

I have here the prospectus that gives the justification and, again, the list of Federal agencies, even to the personnel involved. I submit that for the RECORD at this point.

PROSPECTUS FOR PROPOSED CONSTRUCTION UNDER PUBLIC BUILDINGS ACT OF 1959

(Courthouse and Federal office building, Dallas, Tex.)

1. Description of proposed project: The project contemplates construction of a building with fallout shelter for courts and other agency use on a site owned by the Government. The preparation of drawings and specifications has been contracted for and completion is anticipated in May 1960.

Gross area, 1,047,900 square feet. Net assignable area, 643,127 square feet.

2. Estimated maximum cost of project:

(a) Site, design, etc	$2,415,000
(b) Construction	22,775,000
(c) Equipment and other post construction items	1,510,000
Total estimated maximum cost	26,700,000

3. Justification:

This project was authorized pursuant to the Public Buildings Purchase Contract Act of 1954 (Public Law 83–519) and funds have been appropriated for site acquisition and building design. The project will provide increased Court facilities and other agency space urgently needed in Dallas to satisfy the existing shortage of facilities.

The proposed building will permit consolidation in a central location of substantially all nonpostal agencies now housed in inadequate Government-owned and in diverse leased quarters, thereby affording increased operational efficiency and greater convenience to the public.

The resultant savings in rentals will be approximately $990,000 per annum.

4. Current housing costs[1]:

	Area square feet	Annual cost
(a) Leased space: Rent and other costs	330,052	$990,156
(b) Government-owned space: Operation, maintenance and upkeep costs	85,929	128,894
Total		1,119,050

5. Proposed space plan for housing Federal agencies: A comprehensive plan for housing Federal agencies in the locality is attached (Exhibit A). Upon completion of construction, assignment and reassignment of space will be made in accordance with existing law.

6. Statement of need: It has been determined that (1) the needs for space of the Federal Government in this area cannot be satisfied by utilization of existing suitable property now owned by the Government, and (2) suitable rental space is not available at a price commensurate with that to be afforded through the proposed action.

Submitted at Washington, D.C., on September 11, 1959.

Recommended:

LAWSON B. KNOTT, JR.,
Acting Commissioner of Public Buildings Service.

Approved: FRANKLIN G. FLOETE,
Administrator of General Services.

[1] For agencies to be housed in the proposed building.

EXHIBIT A, DALLAS, TEX.

Comprehensive housing plan

[Net assignable square feet]

Department or agency	Present housing				Proposed housing				
	Total	Personnel	Government owned	Leased	Total	Personnel	Retained Government owned [1]	Retained, leased	New buildings
Post Office	286,691		286,691		317,021		317,021		
U.S. and tax courts (including U.S. attorney and marshal)	13,143	25	13,143		36,369	60			36,369
Agriculture	88,342	893	526	87,816	89,500	904		6,000	83,500
Central Intelligence	325	2		325	325	2			325
Civil Service	20,439	120	20,184	255	17,600	104			17,600
Commerce	13,620	115		13,620	13,715	116		8,665	5,050
Defense	290,976	1,308	49,472	241,504	302,540	1,363	94,320	184,423	23,797
Federal Communications	1,878	5		1,878	1,800	5			1,800
Federal Trade	251	1	251		200	1			200
Federal Mediation and Conciliation	1,071	3	1,071		1,400	4			1,400
General Accounting	3,850	67		3,850	4,200	68			4,200
General Services (regional office)	52,919	303	44,367	8,552	49,300	282	49,300		
Health, Education, and Welfare	36,941	249	35,213	1,728	69,600	470			69,600
Housing and Home Finance	34,714	246	486	34,228	34,700	246			34,700
Interior	8,813	34	5,190	3,623	8,900	34			8,900
Interstate Commerce	942	7		942	950	7			950
Justice	16,708	116	12,500	4,208	18,804	131			18,804
Labor	17,141	99	17,141		17,340	100	17,340		
Office of Civil and Defense Mobilization	335	2	335		350	2	350		
Railroad Retirement	11,084	63		11,084	11,900	68			11,900
Selective Service	4,105	16	4,105		4,105	16	4,105		
Small Business	10,828	98		10,828	11,000	98			11,000
State	704	4		704	700	4			700
Treasury	178,940	1,031	66,701	112,239	190,268	1,093	70,774	3,819	115,675
Veterans' Administration	53,869	321	3,471	50,398	56,683	337	3,471		53,212
Total	1,148,629	5,128	560,847	587,782	1,259,270	5,524	556,681	202,907	499,682

Summary, net assignable space, new building:	Square feet
Agency space	499,682
Reserve for expansion	80,788
Garage	39,232
Building operational space:	
Custodial	16,175
Communications	2,000
Health unit and vending stand	2,200
Conference	1,800
Congressional space	1,000
Credit union	250
Total	643,127

[1] Retained Government-owned buildings:

Identity:	Square feet
Post office and courthouse	121,954
Terminal annex	187,368
1114 Commerce St	247,359
Agency Space	556,681
Service space	41,192
Total, net assignable space	597,873

Fourth, I should like to submit for the RECORD my letter to Mr. Floete, then Administrator of the General Services Administration, and his response in which he answers some of the questions I directed to him, showing the cost of the building, and economy, mentioning for the first time the site acquisition, and then stating that the rental savings would be about $990,000 per year.

FEBRUARY 15, 1960.

Hon. FRANKLIN G. FLOETE,
Administrator, General Services Administration, Washington, D.C.

Subject: Dallas Federal building.

DEAR MR. FLOETE: I need some information. In view of the unanticipated delay in constructing a Federal center building in Dallas, and because the latest detailed figures I have are taken from GSA's prospectus of some 5 years ago, updated answers to the following questions would assist me considerably:

1. What is GSA's current estimate of the total cost of the Dallas building, including land acquisition, architectural and engineering services, as well as construction costs?

2. How much has been spent, and is the Federal Government already obligated by contract to spend, on the Dallas Federal Center Building?

3. What are your current estimates of the prospective managerial, custodial, heat, and utility costs?

4. What would be the estimated annual payment by the Government in lieu of State and local taxes?

5. What is the expected cost of upkeep and maintenance?

6. What is the Government presently paying in rent and other housing costs for agencies which would be expected to move into the new building? How does this cost breakdown per net square foot?

7. Based on a 50-year amortization schedule, what will be the total cost or rate per net square foot over that period for the new building?

8. According to your most recent figures, what are the annual rental rates for comparable office space in downtown Dallas?

I should appreciate having these figures, or such of them as may be readily available, as promptly as possible, for, as I said, they would assist me greatly both in my own thinking and in communicating to various interested people in my district.

With best regard,

Sincerely yours,

BRUCE ALGER.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., March 18, 1960.

Hon. BRUCE ALGER,
House of Representatives,
Washington, D.C.

DEAR MR. ALGER: This refers to your letter of February 15 covering the proposed Federal building for Dallas. Answers to your questions are as follows:

1. Enclosed is a copy of the prospectus on the project which was transmitted to the Committee on Public Works of the Senate and House of Representatives, respectively, on September 11, 1959. The project was approved by the Senate committee on February 3 and is still pending in the House committee. The prospectus contains current estimates of cost, excluding $310,600 contributed by local interests toward the acquisition of the site.

2. Obligations through January 31, 1960 for site acquisition, design, and related costs total $2,097,896, of which $1,516,618 represents accrued costs. Included in the foregoing amounts is $310,600 contributed by local interests toward the acquisition of the site.

3. The estimate of prospective managerial, custodial, heat, and utility costs for the building based on current costs is $1.30 per net square foot, or $836,000 per year.

4. This project was originally approved for construction under the Public Buildings Purchase Contract Act of 1954, which required the payment of State and local real estate taxes until such time as title to the property is vested in the United States. It is now proposed to construct the building by direct appropriation under the Public Buildings Act of 1959 and there would be no payment of real estate taxes or payments in lieu of taxes under this method of financing.

5. Although it is anticipated that only minimum upkeep and maintenance would be required during the first 10 years of occupancy of the new building, such costs for a 50-year life we estimate will average approximately $143,000 per year.

6. The estimated annual rental savings through occupancy of the building would be about $990,000 per year. This represents an average rental rate of approximately $3 per square foot per year.

7. The total cost for 50 years occupancy is estimated at $75,625,000 which cost includes site, design, construction, operation, maintenance, and upkeep, or $2.35 per square foot per year.

8. The annual rental rates for comparable space in downtown Dallas will approximate $5 per square foot.

Sincerely yours,

FRANKLIN FLOETE,
Administrator.

I repeat:

This represents an average rental rate of approximately $3 per square foot per year.

In Dallas, as I have pointed out, it runs twice that on other buildings.

The letter continues:

The total cost for 50 years occupancy is estimated at $75,625,000 which cost includes site, design, construction, operation, maintenance and upkeep, or $2.35 per square foot per year.

The annual rental rates for comparable space in downtown Dallas will approximate $5 per square foot.

Mr. Speaker, next I would like to submit for the RECORD a GAO report which was the subject partially of debate here on the last day of the last Congress, when I had occasion to question the condition of the Federal building at that time. I had a little difficulty in getting this report placed in the RECORD at that time, but I will now submit it for the RECORD.

This report outlines a study that the General Accouting Office made of the Dallas Federal Building, when questioned not only by Dallas citizens but by others, including Members of the Congress, about the allegedly questionable site acquisition—at least that is the way it came about. It seems there were 14 businessmen who agreed to indemnify the Federal Government for any cost of getting this site, by donating the cost, over a million dollars. On the surface, earlier Members of this Congress thought that this was a little bit questionable, so I submit this for the RECORD.

Mr. Speaker, I would like to read just a portion of it relative to this matter of the donation, and just what it represented of certain moneys beyond a million dollars for this site acquisition.

Again, I want to make it perfectly plain, as my colleagues know, that I do not have a research staff and I am not responsible for the GAO report. I would say though to you my colleagues, as I talked to you, that I feel no greater reliability as to the facts I give than what the GAO contends. If there is other information that I do not have or wish the GAO did not take into account, it would make a difference in my own outlook about this matter. But since the GAO made a thorough study, at the request of the gentleman heading the subcommittee which was looking into the propriety of this land acquisition, I submit it for the RECORD at this point and adopt its findings as my own. I want to quote from this report:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 4, 1960.

Hon. JACK BROOKS,
Chairman, Subcommittee on Government Activities, Committee on Government Operations, House of Representatives

DEAR MR. CHAIRMAN: Your letter of March 8, 1960, acknowledged March 9, requests our cooperation in clarifying several points concerning the propriety of the action taken by General Services Administration incident to the selection and acquisition of the site for a new courthouse and Federal office building in Dallas, Tex.

The record shows that this project was originated as a lease-purchase project under title I of Public Law 519, approved July 22, 1954, as amended (40 U.S.C. 356), and that the formal prospectus for the proposed building was approved on July 20, 1956, by the Senate and House Committees on Public Works. The project as then approved contemplated the erection of the building on a site to be acquired. The justification for the project contained the following statement concerning the Government-owned building at 1114 Commerce Street.

"5. This proposal is based on the disposal of the Government-owned building at 1114 Commerce Street. This building, built in 1924, was acquired by the Army in 1942 and transferred to GSA in 1949 without reimbursement. The building was designed basically as a warehouse and merchandise mart type of structure; does not lend itself to economical and efficient office space type of operation; has considerable obsolescence in building service facilities; and is on the fringe of an economically blighted area. It is estimated that an expenditure of $870,000 will be required during the next 5 years for deferred items of repairs, replacements, and improvements."

The site finally approved and acquired adjoins the building above referred to, and the project now contemplated consists of the remodeling of that building and construction of a new extension thereon.

From the letter of February 24, 1960, from the Administrator of General Services to you, it appears that following approval of the project by the Public Works Committees it was deemed in the public interest to give further consideration to the retention of the building at 1114 Commerce Street, in which event a smaller site area would be required. Pursuant to normal policy and site selection procedure an area was delineated bounded by Ross Avenue, Lamar Street, Pacific Avenue, Houston Street, Young Street, Preston Street, and Central Expressway as appropriate for the location of the new building, and during the period January 1 through January 20, 1957, proposals were solicited for the sale or donation to the United States of alternate ground areas of 40,000 square feet (minimum area required for extending 1114 Commerce Street building), or 75,000 square feet (minimum

area required for a separate new site). In response to this invitation 21 proposals were received, including one dated January 23, 1957 (submitted by W. W. Overton, Jr.) et al., guaranteeing that the costs to the United States of three tracts offered, each adjoining the 1114 Commerce Street building site and comprising areas of (1) 43,500, (2) 79,500, and (3) 89,500 square feet, would not exceed the amounts of $885,000, $1,665,000, and $2 million, respectively, and undertaking, if the Government selected one of those sites, to reimburse the Government for any acquisition cost in excess of the specified amounts, up to $200,000. The owners of the three sites mentioned did not submit proposals in response to the invitation.

It is stated that, following an inspection of the sites offered in response to the invitation for bids and other sites considered suitable but not offered, 3 sites were found to be outside the specified area and 15 were eliminated because of size, undesirability or unsuitability. This left four sites for further consideration, one of which was comprised of the several tracts stipulated in the guaranty offer; two more were alternate locations in one block, one of 75,000 square feet offered for $1,500,000 and the other of 173,541 square feet offered in exchange for the 1114 Commerce Street Building; and the fourth site, which was not offered, contained 73,250 square feet valued at $1,406,560. It is stated further that an analysis of the available sites and evaluation of all factors involved led to the conclusion that the most practical solution for resolving the matter of site selection was to erect the new building in the vicinity of 1114 Commerce Street, which would enhance the value of existing Government-owned building at 1114 Commerce Street and would provide a convenient location for Government employees and the public. The intention to so locate the building was first announced on October 3, 1957, at which time it was stated that the site would be selected in the near future on the basis of relative cost and desirability. Following further inspection of the competing locations, in the latter part of December 1957, there was selected as the site for the new building the tract of land immediately west of the 1114 Commerce Street Building, between Commerce and Jackson Streets and containing an area of approximately 58,000 square feet, and this selection was publicly announced in Dallas and reported in the local newspapers. It is explained, however, that this site—which was within the boundaries of the tracts designated in the guaranty offer received—was selected only after an understanding had been reached with the 14 local businessmen who had submitted the original guaranty proposal, whereby they agreed to pay all of the purchase price of the selected site in excess of $1 million.

It is reported that appraisals of the selected site totaling $1,334,100 and $1,527,500 were obtained by GSA; that thereafter purchase negotiations with the individual owners of the selected site on the basis of amounts not in excess of the appraised fair market values resulted in acquisition of lot 7, block 63, for the sum of $180,000; that since satisfactory proposals could not be obtained from the owners of the remaining eight lots the Attorney General, on October 31, 1958, was requested to institute condemnation proceedings; that on December 1, 1958, a declaration of taking was filed, at which time there was deposited with the court $1,130,600 as the estimated award. The guarantors have paid to GSA the sum of $310,000, representing the difference between the estimated cost deposited in court, plus the $180,000 paid for lot 7, and the Government's maximum obligation of $1 million under the guarantee agreement.

On the basis of the foregoing you ask us to furnish the following:

First. An opinion on whether or not the alleged bid by the syndicate was a proper responsive one, inasmuch as the syndicate was neither owner nor agent for the property it was offering to the Government.

Second. An opinion on the legality of this condemnation policy in which a private, profitmaking group offered the Government property it did not own and agreed to share the condemnation costs with the Government.

Third. The location and date of acquisition of all lands owned by the subject Dallas syndicate within the bounds cited in the invitation to bid in this matter.

Also, cite whether any of said lands were offered to the Government under this invitation to bid.

The solicitation for proposals as published in the Dallas Morning News on January 3, 1957, was "for the sale or donation to the United States of alternative sites for a Federal office building at Dallas." Owners were informed that they might submit their own proposals and proposals submitted by agents were required to be accompanied by documentary evidence of authority.

The original proposal submitted by the guarantee syndicate specifically stated that it was being submitted pursuant to the next to last paragraph of the solicitation for proposals, wherein the bidders were informed that the Government reserved the right, as its interest might require, to reject any and all offers, and that consideration would be given to sites other than those offered in response to the invitation and that a site deemed more advantageous to the Government than any site offered might be acquired by negotiation or condemnation. The proposal also specifically stated that the property adjoining the 1114 Commerce Street building, which they urged should be purchased by GSA, would have to be acquired by or on behalf of the Government by negotiation or by condemnation proceedings, and that none of the parties submitting the proposal owned any of the land or any interest therein or had any authority as agent or otherwise to sell, offer for sale, or donate such land to the Government.

The original letter of guarantee attached to the guarantors' proposal was superseded by another letter of guarantee dated December 24, 1957, wherein the guarantors jointly and severally undertook to guarantee that the acquisition cost for the site selected by GSA for construction of the new building would not exceed $1 million, and, in the event the acquisition cost exceeded such amount, to pay to the Government or at its direction all sums in excess of $1 million necessary to acquire the full fee simple title to the property. By letter of February 28, 1958, referring to the letter of December 24, 1957, each of the guarantors was notified that the Government was actively beginning proceedings for acquisition of the proposed new site.

Regarding your first question, it is our view that the proposal submitted by the syndicate was not intended to be a bid in response to the advertisement. Rather, it was an offer that if the Government would select and acquire one of the sites specifically described in their proposal, the syndicate would pay any excess of the acquisition cost over the amount stipulated in the offer, to the extent of $200,000. Thus, it is clear that the syndicate did not offer to sell any site to the Government. Presumably, as you suggest, the guarantee offer was not made without some motive on the part of the guarantors, such as enhancement of the value of their own properties. However, there is nothing in the record to indicate that they would personally benefit in any manner different in nature from the benefits which would normally be expected to accrue to any owners of property in the vicinity of the site selected.

It has been held that a voluntary donation or contribution of cash may not be accepted by a Government official in the absence of specific authority (36 Comp. Gen. 268). However, we do not believe that the acceptance of the guarantee in this instance is legally objectionable, in view of the provisions of 40 U.S.C. 298a, under which the Administrator of GSA is authorized to accept on behalf of the United States unconditional gifts of real or personal property, or other property, in aid of any project or function within his jurisdiction. Although in this instance the offer of the gift was conditioned upon selection of a particular site by the Government, the gift itself was to be outright and absolute, and we do not interpret the word "unconditional" in the statute as preventing the acceptance of such an offer. Accordingly, in answer to your first question, it is our opinion that the proposal of the syndicate was not illegal from that standpoint, even though the syndicate or its individual members may stand to realize some indirect profit by the Government's acquisition of one of the sites forming the basis of the guarantee proposal.

Regarding your second question, as stated above, we do not consider that the syndicate offered the Government property it did not own. On the contrary, the syndicate's proposal specifically stated that none of the parties submitting the proposal owned any of the land suggested for selection as a site and that none of them had any authority as agent or otherwise to sell, offer for sale, or donate such land. The amended proposal as set forth in the letter of December 24, 1957, was submitted "in order to induce the United States * * * to select and acquire the hereinafter described property as a site for a Federal building." The proposal was made in consideration of selection and acquisition by the United States of one of the suggested sites. By guaranteeing that the acquisition cost of the property suggested "shall not exceed the sum of $1 million" the syndicate did, in effect, indirectly agree to share the condemnation costs with the Government, if such costs exceeded that amount. As we pointed out in the answer to the first question in view of the provisions of 40 U.S.C. 298a such a guarantee would not appear to be legally objectionable in the absence of other considerations even though the syndicate might profit from selection by GSA of one of the suggested parcels.

Because of the particular and unusual circumstances leading up to the selection of the site, it is understandable that the former owners of the propery taken might question the propriety of the action taken. "Since a declaration of taking has now been filed in the U.S. District Court for the Northern Division of Texas, any question as to the legality of the taking which may arise out of the peculiar circumstances of the guaranty would appear to be one to be put in issue before the court for determination, since it has exclusive jurisdiction over all matters pertaining to the taking of the land." Your second question is answered accordingly.

As to question 3 our auditors have reviewed the Dallas County plat records showing the present ownership of property within the area included in the solicitation for proposals. The property ownerships of the numbers of the syndicate in the downtown Dallas area are set out on the attached sheet marked "Exhibit 1" and shown in green on the attached large map of the Dallas business district, marked "Exhibit 2." The areas outlined in red on exhibit 2 represent the sites offered under the solicitation. It is noted that lots 2 and 3 in block No. 352 are owned by Justin S. McCarty, one of the guarantors, and that this

site was offered in response to the solicitation by William M. Alexander, as agent.

In examining the land records it was observed that, beginning near the end of the year 1955 and spring of 1956 and continuing through 1959, a large number of lots and parcels of land in the blocks to the north of the Commerce Street site were acquired in the name of S. B. Cimiotti, trustee. These sites are marked in red on exhibit 3 and it will be noted that several of such sites are immediately across Commerce Street from the site selected for the new Federal building. The deeds conveying title to the trustee did not disclose the names of the trustors or the purpose of the trust and we did not find a trust agreement on record. Attached as exhibit "4" is a list of the lots in question, which indicates the pages of the platbooks on which the transfers, and the dates thereof, are shown. Photostatic copies from the Dallas County platbooks covering the area within the solicitation for proposals are also enclosed.

If any additional information or assistance should be desired concerning this matter we shall be glad to furnish same upon your request.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Mr. Speaker, I am not going to read the entire statement, but it is packed with facts on the building and the acquisition of the site on which the building was to be constructed adjoining the present building, which is the original warehouse that the Federal Government is now using, which is hardly well suited for this type of office use, but which has been used by the Federal Government and is somewhat inconvenient compared to our modern buildings and our Federal workers have not been complaining too much. This new site we are speaking of will adjoin this building and will be added to the building even as they are refurbishing the existing building, the new building will be joined to it.

Then, I would like to refer next to a letter from the General Services Administration answering again some pointed questions by myself. This is by Mr. Floete, the former Administrator.

Because of the importance of the matter early last year I was interested not only in the site selection but in other information relative to the progress of the Federal building. I have been doing everything I can through the normal procedures of Congress to expedite the program and have not under any circumstances taken any undue action or precipitous action or impatient action or even expressed displeasure when the project was slowed down time after time.

In any event a letter was directed to me, again from Mr. Floete. He went through the whole proposition stating they went through their normal policy and procedure, stating that they solicited proposals for the sale or donation to the United States of sites through advertising in the local newspapers.

He also said: "Our intention to so locate the new building was first publicly announced on October 3, 1957," and that they were at that time and still are convinced that this location is the most suitable and desirable, all pertinent factors considered, as the location for the proposed new building. He stated that the adjacency of the old and new buildings will enable realization of savings resulting from lower building management costs, better space utilization, and occupant agencies operating costs. The plans for the new structure provide access between several floors and, consequently, joint use of the two structures more or less as a single entity.

He describes further the matter of site acquistion. Finally he said this:

It is our policy based upon express statutory authority to accept donations of suitable sites for Federal buildings and to accept donations in furtherance of projects within our responsibility.

The letter in its entirety follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., March 19, 1960.

Hon. BRUCE ALGER,
House of Representatives,
Washington, D.C.

DEAR MR. ALGER: Your letter of March 7, 1960, requested details about the manner in which the Government acquired title to the site for the Courthouse and Federal office building in Dallas, Tex.

The project to construct a courthouse and Federal office building at Dallas, Tex., was approved July 20, 1956, pursuant to title I, Public Law 519, 83d Congress. The project, as then approved, opposed disposal of the Government-owned building at 1114 Commerce Street. However, prior to solicitation of site proposals, it was deemed to be in the public interest to give further consideration to the retention and extension of the 1114 Commerce Street building in which event a smaller site area was required.

In accordance with our normal policy and procedure in selecting sites for proposed new Federal buildings, based upon an analysis of the Government's total space requirements; special requirements of agencies to be housed; the existing Government-owned building at 1114 Commerce Street and its possible extension; business and redevelopment centers; convenience to the public and employees; subsurface and topographic conditions; economy and efficiency in the construction, maintenance, and operation of the building, etc., we delineated an area in the city of Dallas bounded by Ross Avenue, Lamar Street, Pacific Avenue, Houston Street, Young Street, Preston Street, and Central Expressway as appropriate for the location of the new courthouse and Federal office building. Thereafter, during the period January 1 through 20, 1957, we solicited proposals for the sale or donation to the United States of sites through advertising in the local newspapers for alternate ground areas of 40,000 square feet (minimum area required for use in extending 1114 Commerce Street building) or 75,000 square feet (minimum area required for a separate new site).

Twenty-one proposals were received in response to our advertising, which were opened on January 24, 1957. Among those was an offer dated January 23, 1957, submitted by W. W. Overton, Jr., et al., as guarantors, guaranteeing that the costs to the United States of three different size tracts, each of which adjoined the 1114 Commerce Street Building and having ground areas of (1) 43,500 square feet; (2) 79,500 square feet, and (3) 89,500 square feet, would not exceed the sums of $885,000, $1,655,000, and $2 million, respectively. This offer was accompanied by appraisals made by the Dallas Real Estate Board estimating the value of the several sites. The cost guarantee represented the Dallas Real Estate Board estimate plus 10 percent and the offer was to assume the cost in excess of the guaranteed amount up to $200,000. The owners of these three tracts did not submit proposals in response to the invitation.

On March 19, 1957, a report on the inspection of all locations including those offered in response to the public advertising, and others not offered, as possible locations for the proposed building was made by the regional office of GSA in Dallas. Three of the possible sites were outside the delineated area and 15 were eliminated because they were either too small and not capable of enlargement to required dimensions or were otherwise undesirable or unsuitable as a site for the building, leaving 4 potential sites for further consideration. One of the 4 remaining sites was comprised of the several tracts covered by the offer of the guarantors dated January 23, 1957. Two of the remaining sites were alternate locations in one block, one covering 75,000 square feet offered for $1,500,000 and the other being an offer of 173,541 square feet in exchange for the 1114 Commerce Street Building. The fourth site, which was not offered, contained an area of 73,250 square feet and had an estimated fair market value of $1,406,560.

Analysis of the available sites and evaluation of all factors involved led to the conclusion that the most practical solution for resolving the Federal building site selection in Dallas was to erect the new building in the vicinity of 1114 Commerce Street. It was felt that erecting the new building that area would enhance the value of the existing Government-owned building as well as provide a convenient location for Government employees and the public. Our intention to so locate the new building was first publicly announced on October 3, 1957, at which time it was stated that the specific site would be selected in the near future on the basis of relative cost and desirability. Subsequently, the competing locations were inspected and the tract of land immediately west of the 1114 Commerce Street Building, between Commerce and Jackson Streets and extending southerly approximately 300 feet to the northerly line of Griffin Street as proposed to be extended through the block and containing an area of approximately 58,000 square feet, was selected in the latter part of December 1957 as the site for the new building. This selection was publicly announced in Dallas and reported in the local newspapers. This site was selected only after an understanding had been reached with the 14 local businessmen who had submitted the above-mentioned offer whereunder they agreed to pay so much of the purchase price of the selected site as exceeded $1 million.

We were at that time and still are convinced that this location is the most suitable and desirable, all pertinent factors considered, as the location for the proposed new building. The adjacency of the old and new buildings will enable realization of savings resulting from lower building management costs, better space utilization, and occupant agencies operating costs. The plans for the new structure provide for access between several floors and, consequently, joint use of the two structures more or less as a single entity.

Appraisals of the selected site were obtained by GSA from Mr. Joseph R. Smith and Knapp-Rowan & Co., Inc., and totaled $1,334,100 and $1,527,500, respectively. We then proceeded to negotiate with the owners for proposals to sell to the United States the individual parcels making up the total site for amounts not in excess of the fair market value of each parcel as determined by our review of the contract appraisals.

As the result of negotiations with the owners, a proposal of Mr. Rosser J. Coke for the sale to the United States of lot 7, block 63, for the sum of $180,000 was accepted on November 28, 1958, and the title transaction was closed in June 1959.

As satisfactory proposals could not be secured from the former owners of the remaining eight lots in seven individual ownerships, the Attorney General was requested by letter dated October 31, 1958, to institute condemnation proceedings for the acquisition of the remainder of the parcels through the filing of a declaration of taking and deposit into the registry of the court of the sum of $1,130,600, representing estimated just compensation for the properties taken. The declaration of taking was filed on December 1, 1958. In the interim the guarantors transmitted to us the sum of $310,600, representing the difference between total estimated cost of the property and the Government's maximum obligation of $1 million under the guarantee agreement.

Since the condemnation suit was instituted, and in accordance with usual procedures in such matters, negotiations have continued toward compromise settlement with the various owners for the amount to be paid to the former owners as just compensation for the properties taken for Federal purposes. Final rejection or acceptance of all settlement offers in condemnation cases is a matter for determination by the Department of Justice. The amount of compensation to be paid for all properties not settled by compromise will be determined by the Federal courts.

It is our general policy to obtain the best possible location for Federal buildings at the least possible cost to the United States. We believe that fair treatment of the owners of property within selected sites is assured by our policy of negotiating with them upon the basis of estimates of value determined by independent contract appraisals obtained under contract and, in those instances where genuine differences of opinion as to value exist between the Government and the owner, by referring the question for determination by the Federal courts in the manner provided by general law. This is the procedure which has been followed in the Dallas case. The property owners are assured of just compensation and the amount of compensation they will receive has in no way been adversely affected by the underwriting agreement.

On the other hand, the underwriting agreement has provided the best possible location for the new building and assured the Federal Treasury a savings of not less than $310,600, and probably substantially in excess of that amount.

"It is our policy based upon express statutory authority to accept donations of suitable sites for Federal buildings and to accept donations in furtherance of projects within our responsibility. In effect, the cost guarantee agreement in the Dallas case was the method by which a donation of a substantial portion of the site cost was accepted by the United States. The fact that the donation was a principal factor in the site selection renders the selection and acceptance of the donation no less advantageous to the United States. Quite the contrary is true. Unquestionably the best location for the new Federal building has been assured at substantially less public expense than would otherwise have been possible and the former owners are assured of the identical just compensation for their properties as they would have received had the savings to the Federal Government not been achieved.

"You also requested information about a protest having been made. At the request of the Honorable JACK BROOKS, chairman, Subcommittee on Government Activities, Committee on Government Operations, representatives of the General Services Administration did appear at an informal hearing of the subcommittee and responded to questions concerning this acquisition. At the request of the chairman of the subcommittee, a letter was addressed to him advising as to the action taken by GSA in the selection and acquisition of the site. The letter contained substantially the information set forth above."

Sincerely yours,

FRANKLIN FLOETE,
Administrator.

I have here also a resolution adopted by the Dallas Chamber of Commerce, representing thousands of business owners and employees, stating they believe the Dallas Federal Office Building to be economically sound, that the project has been unnecessarily delayed, referring to the Public Buildings Act of 1959 and prospectuses submitted by Gentral Services Administration.

The letter of transmittal and the resolution referred to follow:

DALLAS CHAMBER OF COMMERCE,
February 17, 1961.

Hon. BRUCE ALGER,
Representative, Fifth Texas Congressional District, House Office Building, Washington, D.C.

DEAR BRUCE: The enclosed resolution was adopted by unanimous vote of the chamber's board of directors at its regular monthly meeting this morning. For your information, of 23 members, 17 were present and voting.

It was the unanimous feeling of the board that the unnecessary delay in start of construction on this project has resulted in a waste of Federal funds as well as an impairment of operating efficiency for the Federal installations in Dallas.

The full text of this resolution was sent by telegram to President Kennedy and to the Honorable John L. Moore, Administrator of the General Services Administration. Copies are also being transmitted to other appropriate officials of the executive departments and to Members of the Congress.

Sincerely,

AVERY MAYS.

Whereas President Kennedy has directed expedited construction of sound public works projects which can be initiated immediately, stating in his economic message to the Congress on February 2, 1961, that—

"(A) I have directed the heads of the departments and agencies to carry out an immediate review of their procurement and construction plans through the end of the current year with a view to expediting such procurement and construction wherever possible, giving priority to actions which will have an early effect on unemployment.

"(B) I have directed the Cabinet and agency heads to submit by February 17 inventories of * * * (3) any additional construction or other projects which could be initiated at an early date"; and

Whereas the site has been acquired and architectural/engineering plans have been completed for a new Federal office building in Dallas, and the status of this project would permit award of construction contracts in the immediate future; and

Whereas the Dallas Federal Office Building is economically sound and administratively desirable, and is the type of project which would have an early effect on unemployment in other areas as well as in Dallas; and

Whereas this project has been unnecessarily delayed, even though there is no element of controversy as to its need or merits; and

Whereas the same sound principles adopted by American business have guided the Federal Government in the establishment of Federal installations in Dallas to serve the Southwest, and good business policy requires that these installations be brought together in modern, adequate, and economical housing; and

Whereas the General Services Administration of the United States Government, pursuant to established national policy, initiated recommendations for the new Dallas Federal Office Building in 1954, demonstrating large savings which could be effected for the Federal Treasury by its construction; and

Whereas the House Public Works Committee authorized this project on July 19, 1956, the Senate Public Works Committee authorized it on July 20, 1956, and the Administrator of General Services Administration on October 6, 1956, issued his directive to proceed with acquisition of site; and

Whereas a contract for architectural/engineering plans was awarded on November 7, 1958, and the final working drawings were accepted on December 8, 1960; and

Whereas the Public Building Act of 1959 required that General Services Administration resubmit this and similar projects for reauthorization by the Public Works Committees of the House of Representatives and the Senate, respectively; and

Whereas the Senate Public Works Committee reauthorized the Dallas Federal Office Building project on February 2, 1960, but the House Public Works Committee has not acted upon General Services Administration's resubmittal of the project; and

Whereas the prospectuses submitted by General Services Administration and the records of the Public Works Committees of the House and the Senate demonstrate that the Dallas Federal Office Building is one of the most urgently needed, economically sound, and fully justifiable projects of its type has been recommended by the General Services Administration; and

Whereas the merits of the Dallas Federal building project have never been challenged since General Services Administration initiated its recommendations some 7 years ago; and

Whereas the report on the independent offices appropriations bill, 1961, from the House Committee on Appropriations specifically recommended that funds for the new Federal office buildings in Dallas and six other cities "should be considered for (fiscal year) 1962"; and

Whereas the Dallas Federal Office Building—with site acquired, and working drawings completed—needs only the reauthorization by the House Public Works Committee and the appropriation of funds to enable General Services Administration to advertise for construction bids; and

Whereas this is clearly the type of fully justified project which President Kennedy wisely proposes for expedited construction: Now, therefore, be it

Resolved, That the board of directors of the Dallas Chamber of Commerce respectfully directs the attention of President Kennedy to the merits of the Dallas Federal building project, to the beneficial impact on the national economy which can be expected from immediate construction of this project, and to the advantages which will accrue to the Federal departments and agencies and to the Treasury from its early completion; that it also respectfully urges prompt action by the House Public Works Committee to reauthorize the project on its merits; and that it further respectfully urges that the Congress appropriate funds to permit the start of construction on this project within the immediate future; and be it further

Resolved, That copies of this resolution be transmitted to President Kennedy; to other appropriate officials of the executive departments; to the Honorable SAM RAYBURN, Speaker of the House of Representatives, and to the members of the Public Works Committees of the House and Senate, respectfully.

I have here three newspaper accounts which point up the need for this building.

The newspaper articles follow:

EXPLANATION NEEDED

Dallas has not asked for a new Federal office building on the basis of political gravy. The center was conceived on the grounds that putting many agencies under one roof would be a convenience to the taxpayer, an economy for the Government, and an aid in administration. If the proposed building does not meet those criteria, it should be forgotten.

The building has been approved by the General Services Administration but is bogged down in congressional committees. One committee last year refused to approve it; another is investigating it but won't announce results of the investigation.

Representative BRUCE ALGER has written Speaker SAM RAYBURN for an explanation, repeating his April 11 request to help get the structure started.

He—and Dallas—deserve proper explanation. Similar projects all over the Nation have been approved; that in Dallas mysteriously is stymied. This is no way to conduct public business. A public policy of fairness is more important than Mr. ALGER, Mr. RAYBURN, or any other elected official; certainly it is more important than political pettiness.

[From the Dallas Morning News, June 15, 1961]

FEDERAL BUILDING DEFERRED

Refusal by a congressional subcommittee to authorize appropriation for the Federal building in Dallas is explained. The matter is in controversy, we are told.

Ostensibly, the controversy was over whether the new building ought to be next door to the old Santa Fe Building or on a site somewhere else.

Undisputed are these facts: (1) The site has already been designated, approved, and paid for; (2) architectural plans are completed and approved; and (3) the subcommittee itself is approving $819,000 for refurnishing the old Santa Fe Building, which is a part of the plan for the Federal center, with the new building as its principal feature.

What, then, is the controversy now? Nobody says. And the subcommittee refuses to hold a hearing to find out what the controversy is.

Dallas is left to conclude that this building is held up to punish Dallas for having voted Republican. Yet Fort Worth gets a $20 million Federal building—and Tarrant County gave Republican JOHN TOWER a majority of more than 4,000.

The truth is that all the larger cities in Texas went heavily for TOWER. Harris County alone assured the election of TOWER. San Antonio, Amarillo, Lubbock, El Paso—it makes quite a list, with Austin and Waco as the outstanding exceptions for Blakley.

With the drift in Texas in this direction, Washington can well afford to do some more thinking on this matter of punitive politics. The News does not believe that the Tower vote was really a 100-percent Republican vote. But, for TOWER or Blakley, the conservatives did turn out. And political Washington will not win votes in Texas by reprisal.

Texas does not take kindly to reprisal. The brass collar is wearing thin.

[From the Dallas Times Herald, Jan. 27, 1960]

LEADERS HOPING FEDERAL CENTER FUNDS RESTORED

(By Rip Manning)

Dallas civic, business, and political leaders expressed hope Wednesday that funds for Dallas' planned $25 million Federal center will be put into this year's Federal budget.

"There's no point in fooling around with that project," said Mayor R. L. Thornton. "It ought to be in the budget right now so we can get on with it."

The mayor's sentiments were echoed by Ben Wooten, of the First National Bank:

"The project is economically sound. Surveys have showed that the center would pay for itself. The amount of money now being paid as rent by Federal agencies scattered over the city would amortize the cost of the new building in 25 years or less.

"It should be restored to the budget immediately."

News that funds for the center were left out of the budget President Eisenhower sent to Congress—thus delaying the project at least a year—came as a shock to many Dallasites.

Assurances had been made for years that appropriations would be on hand whenever funds were needed for actual construction. But now final plans are nearing completion and construction contracts cannot be let until the funds are voted.

Representative BRUCE ALGER, Dallas County's congressional Representative, Saturday wrote President Eisenhower commending him for his overall budget, although he expressed regret that no funds were included for the Dallas building, he praised the President for denying many local requests for money so that the budget can be cut.

Senator RALPH YARBOROUGH has expressed interest in the Dallas project. Lyndon Johnson has not committed himself.

J. Ben Critz, vice president and general manager of the Dallas Chamber of Commerce, termed the project "badly needed."

"Getting all the Federal agencies together in one building would be so much handier for the citizens," Mr. Critz said. "Now they have to look all over Dallas to find the agency they're looking for."

County Judge W. L. Sterrett said he was disappointed over the deletion of the project from the budget.

"The center would be a great boon to this end of town which needs it," the judge said. "I'd be glad to work with groups interested in getting it back into this year's budget."

A random telephone check of area residents indicated that only about half of them even knew the $25 million project was being planned for downtown Dallas, much less that it has been delayed.

Of those who did know, slightly less than half think that the need for the center has been proved and it should be built immediately. Slightly more than half thought "delay of a year or so won't hurt."

R. E. Abernathy, 301 North Market: "This delay is a disappointment to all our citizens. I am in sympathy with the President's efforts at economy, but I feel that this facility would be a step in economy because it would relieve the Government of paying vast sums of rental for multiple locations over our city which would more than retire the cost of the building."

Joe Bavra, 254 Casa Linda: "I'm against Federal spending. They have a place for those Federal agencies now."

W. A. Livingston, 1116 South Beckley: "If we don't have the money now, delay the project. I'll go along with BRUCE ALGER on it."

F. R. Bishop, 3605 East Illinois: "We need the center. It would help the economy of this area—and we need it. It ought to be in this year's budget."

C. C. Cross, 1550 Holcomb: "I just pay the income taxes and let them spend the money however they want to. They'll do that anyway. I don't know anything about any Federal center."

I am interested in this project, and in the last day's debate of the last session of Congress, that I had with the gentleman from Texas [Mr. BROOKS], I was appealing once again for the committee to take action. He said it would be necessary to wait until next year; and at that time it was not considered.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield.

Mr. HOFFMAN of Michigan. Who killed the project, Cock Robin?

Mr. ALGER. I do not want to use the word "killed"; let us say "defeated."

Mr. HOFFMAN of Michigan. Why not?

Mr. ALGER. Would the gentleman mind changing that word to "defeat"?

Mr. HOFFMAN of Michigan. Why? Do you not like the sound of it?

Mr. ALGER. I would rather not use the word. I am trying to get this project through and would like the gentleman's help.

Mr. HOFFMAN of Michigan. If it is not dead, what is it?

Mr. ALGER. I do not know whether it is or not, but I do know we have not gotten any action on it since it was approved in 1956.

Mr. HOFFMAN of Michigan. Why was it not built?

Mr. ALGER. We will learn later. I wish the gentleman would help me. I cannot tell you.

Another exhibit is my letter to the Administrator of General Services Administration, John L. Moore, of April 11 this year.

Again, I have done everything I can to try to work within the framework of existing procedure.

And there is the answer to my letter, his reply of May 4.

(The letters referred to follow:)

APRIL 11, 1961.

Hon. JOHN L. MOORE,
Administrator of General Services, General Services Administration, Washington, D.C.

DEAR MR. MOORE: On December 11, 1959, the General Services Administration approved construction of a Federal building for Dallas, Tex. The project had previously been authorized by Congress after investigation proved it to be sound and in the best interest of serving the people of the Southwest at a saving to the taxpayers.

In 1960 the Budget Bureau did not include the Dallas project for completion because of limited funds and the fact that approved projects were further along in planning at that time. It was understood by GSA, the Budget Bureau, and the Congress that the building would be included in the 1961 appropriation. However, this was not possible because, for reasons unknown to this office but alleged by many to be political, reauthorization of the project was not made. The stated reason for the failure was that it was to be held up pending the outcome of the investigation of site acquisition by the Government Activities Subcommittee of the Government Operations Committee.

My investigation of the subcommittee activity and a debate on the floor of the House with the subcommittee chairman resulted in establishing a clean bill of health for the site acquisition, as substantiated by a GAO investigatory report of April 1960.

In view of these developments it is expected authorization will be obtained in this session of Congress and I hope GSA will support the project because of the advantages it will offer to the people of this area and the savings which will be made in Federal operations. I would appreciate your views.

With kind regards.

Sincerely yours,

BRUCE ALGER.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., May 4, 1961.

Hon. BRUCE ALGER,
House of Representatives,
Washington, D.C.

DEAR MR. ALGER: Your letter of April 11 concerns the proposed new Federal office building at Dallas, Tex.

The design of the project has been completed and further action is awaiting reauthorization of the project by the Committee on Public Works of the House of Representatives pursuant to section 7(a) of the Public Buildings Act of 1959. The Senate Committee on Public Works approved the project by resolution dated February 3, 1960.

In the event the House committee approves the construction of the project this agency will be in a position to request construction funds in the next budget, assuming the overall budgetary situation permits.

Sincerely yours,

BERNARD L. BOUTIN,
Acting Administrator.

Mr. ALGER. Then there is my letter of September 7 of last year to Hon. CHARLES A. BUCKLEY, chairman, Public Works Committee.

(The letter referred to follows:)

SEPTEMBER 7, 1960.

Hon. CHARLES A. BUCKLEY,
Chairman, Public Works Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Dallas Federal Building reauthorization by the Committee on Public Works has been delayed this year pending the outcome of the investigation of site acquisition by the Government Activities Subcommittee of the Government Operations Committee.

My investigation of the subcommittee activity and floor discussion on this subject with the subcommittee chairman, the gentleman from Texas [Mr. JACK BROOKS], as you may know, resulted in establishing a clean bill of health for the site acquisition, as substantiated by a GAO investigatory report of last April.

The delay in Members securing this information was caused by Subcommittee Chairman BROOKS' suppression of the release of this report, in my case going so far as to refuse me the privilege of seeing it on my request when I went to the subcommittee office.

I am pleased that the record is now set straight and equally pleased over private assurances by our colleagues that the Federal building authorization will now quickly go forward. Delay in construction, of course, is costly. The GAO estimated "that an expenditure of $870,000 will be required during the next 5 years for deferred items of repairs, replacements, and improvements" in the present Federal office building located at 1114 Commerce Street.

Let me affirm my own belief, remembering earlier work with you and the other members of the Public Works Committee, that justification for this building, or any Federal building, must be on need and merit, the criteria being economy and efficiency of operation.

On this basis and this basis alone I solicit your attention and continued consideration of this meritorious project.

Sincerely yours,

BRUCE ALGER.

Mr. ALGER. He says:

In the event the House committee approves the construction of the project, this agency will be in a position to request construction funds in the next budget, assuming the overall budgetary situation permits.

Obviously, the budgetary considerations have yet to be considered. First you have to have the authorization.

Then, another exhibit at this point will be the letter of historical presentation, prospectus, and the site, which I sent to every Member of Congress, because I have done my best to inform my colleagues because what happens to this building and the millions of people involved to be served will actually reflect and have a bearing on every seated Member of this House.

(This document is as follows:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 14, 1961.

DEAR COLLEAGUE: This letter is to make you aware of an issue which affects every Member of the House—can a Federal project be denied to a district for political reasons, or should it be decided upon its merits, whether or not it will best serve the people at the least cost to the taxpayers? Today the Committee on Public Works, on a straight party-line vote, refused to approve construction of the Dallas Federal Building. I am calling this matter to your attention because I feel an issue is involved which could well affect any Member of Congress who may come under the disfavor of the House-Senate leadership. After 7 years, in which I have tried every reasonable means within the procedures of the House of Representatives to have this matter settled upon its merits, I must reluctantly agree with those who have claimed from the beginning that the Federal Building for Dallas would not be approved so long as a Republican Member represents that district.

I have defended the leadership of Congress against those charges because I refused to admit that any Member of Congress could be guilty of political coercion or attempted bribery of the people of a congressional district to influence the selection of a Representative acceptable to those who happen to be in control of Congress. Now, as a result of today's vote by the Members of the majority party, and the long history of discrimination against this project, I have no other choice than to reach the conclusion that the Dallas Federal Building is being held up for purposes of political retaliation and in an attempt to punish me as the Representative of the people of the Fifth District of Texas.

For your information, I am enclosing a brief résumé of the history of the legislative progress of the Dallas Federal Building. The project has been investigated and approved by the General Services Administration, the Budget Bureau, and on three occasions by the House and Senate Public Works Committee. Still, approval is withheld for further investigation or another report from GSA, or, as some suggest, until the House leadership "gives the word."

Perhaps it would be politically wiser for me to go along and not make an issue of the principle at stake here. It may be that if I were to keep quiet the House leadership might "give the word" at some uncertain date in the future and the Dallas Federal Building would be approved. If I take that course of forbearance in the face of intimidation, what then confronts any individual Member of the House when any action in which the man engages brings down upon him the displeasure of the leadership? How can we truly represent the people of our individual districts in a manner in keeping with our beliefs if we can be reprimanded or the people bribed into electing only representatives acceptable to certain leaders? Because I feel that the very foundation of representative government is threatened by the political manipulation manifest in handling approval for the Dallas Federal Building, I think it is imperative we face the issue squarely and determine once and for all that political reprisal and bribery and the tyranny of leadership are not to be tolerated in the Congress of the United States.

This issue is important to every member of the minority party as well as every individual Member of Congress. I hope you will support my efforts to bring about fair and impartial consideration of the Dallas Federal Building with a decision being reached on merit alone as to whether the project is in the best interest of the people of Texas and the Southwest and will save money for the taxpayers.

I intend to pursue this question further on the floor of the House and will be glad to yield to any Member who may want to express himself on this vital issue.

With kind regard.

Sincerely yours,

BRUCE ALGER.

PROPOSED FEDERAL BUILDING IN DALLAS, TEX., UNDER TITLE 1, PUBLIC LAW 519, 83D CONGRESS, 2D SESSION, PROJECT NO. 7–TEX–04

Description: The project contemplates the erection of a courthouse and Federal building on the site to be acquired by the Government.

The project was first proposed in 1953. General Services Administration conducted a survey of Government needs for office space throughout the Dallas area and presented cost analysis figures which would indicate that economies could be effected by consolidating the space required under one roof to be eventually owned by the Government on a lease-purchase basis.

July 3, 1956: General Services Administration prospectus—Determination of need: "It has been determined that (1) the needs for space for the permanent activities of the Federal Government in this particular area cannot be satisfied by utilization of any existing suitable property now owned by the Government and (2) the best interests of the United States will be served by taking action hereunder."

July 17, 1956: Budget Bureau approved Federal building.

July 19, 1956: House Public Works Committee approved Federal building.

July 24, 1956: Letter from Senator LYNDON B. JOHNSON to Congressman BRUCE ALGER: "I realize the importance of the Dallas Courthouse and Federal Building and I have talked with the chairman of the Senate Public Works Committee, as well as other members of that committee. I am glad to report that the committee met this afternoon and approved the project."

December 28, 1956: Letter from General Services Administration advising as follows: "We are instructing our regional office at Dallas to advertise for sites within the area bounded by Ross Avenue, Lamar Street, Pacific Avenue, Houston Street, Young Street, Preston Street, and Central Expressway. The advertisement will appear in the Dallas papers as soon as the regional office can contract for advertising space and make the necessary arrangements."

October 3, 1957: General Services Administration news release:

"General Services Administration announced today that it will acquire a site for the new Federal office building in Dallas, Tex., in the vicinity of the presently owned Federal building at 1114 Commerce Street."

March 21, 1958: Independent Offices Appropriation bill, 1959; committee report, page 5:

"Public buildings projects outside the District of Columbia programed for construction after 1959: Dallas, Tex.; direct appropriation cost, $15,137,000; lease-purchase cost, $30,291,960."

October 9, 1958: General Services Administration news release:

"The GSA today announced the award of a design contract for the new courthouse and Federal office building in Dallas, Tex., to

the firms of George Dahl and Mark Lemmon, both of that city. It is estimated that working drawings and specifications will be completed in late 1959."

January 1960: President's budget message: Federal building was not included in the budget message, forcing reauthorization by congressional committees.

February 3, 1960: Senate Public Works Committee reapproved Federal building.

March 29, 1961: Letter to the Speaker regarding published report that Dallas would receive no Federal projects as long as ALGER was in office.

March 31, 1961: Letter from D. B. Hardeman quoting Speaker as saying he categorically denies statements.

April 11, 1961: Letter to the Speaker asking his support to clear the way for reauthorization by the House Public Works Committee of the Federal building.

April 11, 1961: Letter to Hon. John L. Moore, Administrator, GSA, asking for report on current status of Federal building.

April 11, 1961: Letter to Hon. ROBERT JONES, chairman, Subcommittee on Public Buildings, asking for committee consideration of Dallas Federal Building.

April 18, 1961: Letter from General Services Administration:

"A prospectus recommending construction of a courthouse and Federal building in Dallas was resubmitted to the Public Works Committees of the Senate and House of Representatives on September 11, 1959, for consideration in accordance with the Public Building Act of 1959. This is 1 of 22 projects previously approved under provision of the Public Buildings Purchase Contract Act of 1954 on which reapproval is necessary following enactment of the Public Building Act of 1959. The current project was approved by the Public Work Committee of the Senate on February 3, 1960. * * * Should the project be approved by the House committee, it would become eligible for an appropriation of construction funds, and would be included in our list of proposed building projects, now totaling in excess of $600 million nationwide, for which construction funds have not been appropriated by the Congress."

May 1, 1961: Letter to Hon. ROBERT JONES reiterating request for action by the committee and asking acknowledgment of letter of April 11, 1961.

May 4, 1961: Letter to the Speaker requesting acknowledgment of letter of April 11, 1961.

June 13, 1961: Subcommittee on Public Buildings, Committee on Public Works, failed to approve project; wanted new investigation by General Services Administration.

June 14, 1961: Full Public Works Committee voted against proposal to approve building on a straight party-line vote, 16 to 14.

Mr. ALGER. Another exhibit I have is a transcript of the record of the Public Works Committee. I have been forewarned this is not to be used, that it would be violating the House rules, but I can paraphrase it. When the gentleman who was chairing that committee was asked about having some additional studies and subcommittee reports, he said——

Mr. EDMONDSON. Mr. Speaker, a point of order.

The SPEAKER pro tempore (Mr. MILLS). The gentleman will state it.

Mr. EDMONDSON. Mr. Speaker, I make the point of order against the paraphrasing of a transcript of an executive session of a committee of the House unless it has been released by the committee. I was informed last week on a similar question it was out of order to make any reference to what takes place in executive sessions of the committee without the consent of the committee.

The SPEAKER pro tempore. The Chair is ready to rule.

The gentleman from Texas will proceed in order and not refer to proceedings in executive session of a committee.

Mr. ALGER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ALGER. Mr. Speaker, is it appropriate to announce to the Members they may see that transcript if they go to the Committee on Public Works?

The SPEAKER pro tempore. That is within control of the committee.

Mr. ALGER. I am thinking of a certain section of House rules, although I cannot recall the section at this time, that committee executive meetings transcripts are available to any Member of the Congress who wants to see it.

The SPEAKER pro tempore. That is correct, but it is still within the control of the committee.

Mr. CURTIS of Missouri. Mr. Speaker, I would make the observation to the gentleman who raises this objection, and they do not want the source of the information stated, that the gentleman from Texas would be perfectly within the rules of the House just to say it is within his knowledge that such and such is the case, without any reference, I might say, to what might be going on or has gone on.

Mr. EDMONDSON. Mr. Speaker, I make a point of order against the suggestion by the gentleman from Missouri that it is in order to circumvent the rule of the House.

Mr. CURTIS of Missouri. Mr. Speaker, the point I am making is that it is like when one testifies before a grand jury.

Mr. GROSS. Mr. Speaker, a point of order. What happened to the point of order made by the gentleman from Oklahoma?

The SPEAKER pro tempore. The Chair is suggesting that the gentleman from Missouri proceed in order. The gentleman from Missouri has been proceeding in order.

Mr. GROSS. Mr. Speaker, what happened to the point of order made by the gentleman from Oklahoma?

The SPEAKER pro tempore. The Chair's reference to the matter presumably was intended by the Chair to overrule the point of order as far as the gentleman from Missouri is concerned.

Mr. GROSS. You do not presume.

The SPEAKER pro tempore. I thought the Chair made it clear.

Mr. CURTIS of Missouri. I am trying to suggest that there are ways that the gentleman from Texas can get the information before the House without disclosing where he might have received that information. I may say that is not circumventing the rules of the House, it is just trying to get the information that is within the gentleman's knowledge before the House. Where he gets the information, where many of us gain information, perhaps is within our purview to either disclose or not disclose if there is an insistence on the rules of the House which state that the gentleman is not permitted to disclose where he obtained certain information. I think the gentleman can state that he knows of his own knowledge certain things to be so. I think that is perfectly within the rules of the House. I regret that there is this resistance to bringing out in the open something that certainly should be out in the open.

Mr. ALGER. I thank the gentleman.

Mr. HOFFMAN of Michigan. In addition to what the gentleman from Missouri has just said, the statute expressly provides that the records of the committee are available to any Member of the House. The Speaker so ruled; not the present Speaker, but the Speaker of the House, the elected Speaker.

Mr. ALGER. I thank the gentleman. I think we understand that this material is available. And, I would like to stress that point, while the membership is slim here at the moment, yet all Members can go and ask to see the transcript. It will be most informative. And, I can assure my colleagues on that committee that I am not trying to be obstructionist, and I shall not try to circumvent the rules in any way. I have a transcript which I think is accurate, but at this point I will not refer to it further.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Iowa.

Mr. GROSS. Let me see if I understand the situation. The building was authorized at least once or twice?

Mr. ALGER. Yes; it has been authorized.

Mr. GROSS. How many times has it been authorized? Once under lease purchase?

Mr. ALGER. Yes. And then it needed to be reauthorized, and all it takes at the moment is to have the committee reauthorize it.

Mr. GROSS. But it has been authorized by the Committee on Public Works of the House and the Committee on Public Works, or whatever it is, in the other body?

Mr. ALGER. That is correct. The Public Buildings Act of 1959 requires a reauthorization of buildings then on the books; buildings that were going to be constructed. But, they had to be reauthorized by the Committee on Public Works, and they have done it on all buildings except this one.

Mr. GROSS. Do I understand that the Federal Government is presently spending $900,000 plus for rent for quarters in Dallas, Tex.?

Mr. ALGER. It is much more than that. It is the savings that will be approximately $990,000, according to the GSA. The rental now is in the millions per year in Dallas for these agencies.

Mr. GROSS. What is the projected cost of this Government building?

Mr. ALGER. The total cost is $26 million; with $2 million, approximately, site selection and design, and $1.5 million for equipment and machinery, approximately.

Mr. GROSS. Could the gentleman tell me how they are obtaining buildings in other congressional districts in the State of Texas?

Mr. EDMONDSON. May I answer that?

Mr. GROSS. Are there any impediments or roadblocks thrown up to the obtaining of buildings that are justified in any other district of Texas or, if the gentleman will add to that, any other district in the State of Oklahoma?

Mr. EDMONDSON. Do you want me to answer that? I could tell the gentleman of several buildings that have been delayed for one reason or another.

Mr. GROSS. If the gentleman knows. I am asking the gentleman from Texas.

Mr. ALGER. Let me answer. Part of my answer will be my next exhibit, which I would have presented had not this colloquy ensued, giving a list of 105 projects approved quite some time since the law which made the Dallas Federal Building appropriate.

Prospectus on public building projects approved by House and Senate Committees on Public Works

	Location
1954	No Federal office buildings.
1955:	
May 23	Albuquerque, N. Mex.
June 15	Huntington, W. Va.
Do	Richmond, Va.
July 27	Minneapolis, Minn.
July 29	Parkersburg, W. Va.
1956:	
June 4	Parkersburg, W. Va.
June 13	San Francsico, Calif.
Do	Kingsport, Tenn.
June 22	Sacramento, Calif.
Do	Oklahoma City, Okla.
July 19	Los Angeles, Calif.
Do	Houston, Tex.
Do	Boston, Mass.
Do	Phoenix, Ariz.
Do	Little Rock, Ark.
July 20	Washington, D.C.
Do	Do.
Do	Moorehead, Minn.
Do	Washington, D.C.
Do	Sedan, Kans.
Do	Redwood Falls, Minn.
Do	Beaver, Pa.
Do	Manning, S.C.
July 23	Washington, D.C.
Do	Miami, Fla.
Do	Jonesboro, La.
Do	Laurel, Miss.
Do	McKinney, Tex.
Do	Terrell, Tex.
Do	Washington, D.C.
July 24	Do.
Do	Dallas, Tex.
July 25	Breese, Ill.
Sept. 22	Hartford, Conn.
Do	Monticello, Fla.
Do	Milledgeville, Ga.
Do	Baltimore, Md.
Do	Denton, Md.
Do	Bemidge, Minn.
Do	Brainerd, Minn.
Do	Moberly, Mo.
Do	St. Louis, Mo.
Do	Do.
Do	Brooklyn, N.Y.
Do	New York, N.Y.
Do	Cincinnati, Ohio.
Do	Portland, Oreg.
Do	Pittsburgh, Pa.
Do	Sharon, Pa.
Do	Lafayette, Tenn.
Do	Daingerfield, Tex.
Do	Orange, Tex.
Do	San Marcos, Tex.
Do	Salt Lake City, Utah.
Do	Portsmouth, Va.
Do	Waynesboro, Va.
Do	Charleston, W. Va.
Do	Wailuku, Hawaii.
Do	Toledo, Ohio.

Prospectus on public building projects approved by House and Senate Committees on Public Works—Continued

	Location
1957	No Federal office buildings.
1958	Do.
1959	Do.
1960:	
Feb. 24	Decatur, Ala.
Do	Juneau, Alaska.
Do	Los Angeles, Calif.
Do	San Francisco, Calif.
Do	Denver, Colo.
Do	Wilmington, Del.
Do	Tampa, Fla.
Do	Miami, Fla.
Do	Boise, Idaho.
Do	Chicago, Ill. (2).
Do	Augusta, Maine.
Do	Baltimore, Md.
Do	Boston, Mass.
Do	Clarksdale, Miss.
Do	Tupelo, Miss.
Do	Kansas City, Mo.
Do	Billings, Mont.
Do	Reno, Nev.
Do	Santa Fe., N. Mex.
Do	New York, N.Y.
Do	Cincinnati, Ohio.
Do	Toledo, Ohio.
Do	Tulsa, Okla.
Do	Pittsburgh, Pa.
Do	Charleston, S.C.
Do	Memphis, Tenn.
Do	Austin, Tex.
Do	Ogden, Utah
May 17	Cleveland, Ohio.
Do	Pierre, S. Dak.
Do	Washington, D.C. (3).
[APPROVED BY HOUSE COMMITTEE JUNE 14]	
1961	Jacksonville, Fla.
Do	St. Petersburg, Fla.
Do	Des Moines, Iowa.
Do	London, Ky.
Do	Louisville, Ky.
Do	New Orleans, La.
Do	St. Paul, Minn.
Do	Harrisburg, Pa.
Do	Philadelphia, Pa.
Do	Fort Worth, Tex.
Do	Spokane, Wash.
Do	Washington, D.C.

Mr. GROSS. Approved where?

Mr. ALGER. All over the United States.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield now?

Mr. ALGER. I yield.

Mr. EDMONDSON. I happen to represent a district with 16 counties where I have been trying to get a Federal building in two counties for 9 years. And, I do not have a Federal building yet in any of those 16 counties. I have been trying for 9 years to get one constructed there. I did not have the cooperation of the General Services Administration that the gentleman from Dallas has had for the last 8 years, prior to the last 6 months.

Mr. ALGER. I hope that this discussion will not get off on extraneous matters. Who does not get a Federal building is not of particular moment. I submit that if some district in Oklahoma can save money by having a Federal building, I am for it. So again, I want to keep the eye focused on the target here.

I do not know why this building was turned down. I want to explore this, to direct attention to it, because when we have a straight vote every Member of this House knows that is not just a coincidence.

I do not want to press further into that, although I may have to.

But, I cannot understand why a meritorious building is turned down for any reason other than the facts themselves. Now, if this building does not have merit then the case should be called to the attention of the American people and this body. If, however, this building does have merit, then the building should be constructed. On any other basis, I myself do not feel that the people of my district can well afford to accept the answer. It strikes me that if any Member of this House on either side of the aisle had a project of his defeated by a party-line vote in a committee he would necessarily, on his honor and through dedication to his job and the people he has the honor to represent, be where I am today, appealing to his colleagues to look at the facts, and the merit. If the merit is not there, I will admit it, and then I would repeat, we do not want the building. If, however, it is meritorious, the building ought to be built. I will have no part in having a building except on the basis of efficiency, economy, and convenience.

I think every Member of this House in either party, and I think every district, deserves this meritorious basis of project approval, and I think every person in the United States who is a taxpayer deserves it, and ought to have it.

Mr. Speaker, I will gladly yield to any of my colleagues who may have questions or who want to pursue this matter further.

Mr. Speaker, I ask unanimous consent to insert in the RECORD the remainder of the material to which I have referred.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, in view of the interest of the gentleman from Oklahoma, I would ask that the gentleman from Texas yield to him first, and I will ask my questions later.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. In the first place, I would like to make this very clear to the gentleman from Texas, that insofar as the Representative of the Second District of Oklahoma is concerned, there has been no final decision of any kind with regard to the Dallas Federal building. The Dallas Federal building is in the same status as a number of other Federal building proposals.

Mr. ALGER. There has never been a Federal building turned down by party line vote in that committee to my knowledge. Does the gentleman know of one?

Mr. EDMONDSON. The gentleman from Texas was on the Public Works Committee before the gentleman from Oklahoma was on it, and the gentleman from Oklahoma is not acquainted with the complete history of the votes in the

Public Works Committee, as the gentleman from Dallas appears to be.

Mr. ALGER. I am informing the gentleman this is a fact; I have checked it. That is my understanding.

Mr. EDMONDSON. To my knowledge during the time I have been on the committee there have been a number of decisions on questions involving building construction which have followed party lines, and I think you will find that that happens in practically every committee in Congress, for that matter.

I was talking just a few minutes ago to the gentleman from Missouri who represents the Independence district, and he told me the experience of the city of Independence in trying for 8 years under the administration which preceded the Kennedy administration to get a survey by the Post Office Department of the needs of that city for a post office. For 8 years, according to the gentleman from Missouri, there was an absolute refusal to conduct a survey of the post office needs of the city of Independence. The gentleman knows who is the principal and best-known resident of the city of Independence, the former President of the United States, Harry S. Truman.

Mr. ALGER. I would respond to the gentleman by saying if that is a wrong, as the gentleman is presenting it, two wrongs do not make a right. I do not know the details of that instance, and I fail to see what bearing that instance has on this case today. I wish the gentleman would direct his attention and keep it focused on this case. He can help us in this. If I am wrong in this I would like to be so corrected.

Mr. EDMONDSON. Insofar as the Dallas Federal building project is concerned, I am satisfied there are a number of Democrats on that committee who will be ready to vote for forward movement of the Dallas project when we get a return from the General Services Administration on the request of the committee to the General Services Administration.

I think that the gentleman credits that committee with a state of mind that is absolutely unfair. If he reaches the conclusion that the committee is absolutely unfair in its feeling with regard to Dallas, he certainly does his cause no good insofar as the future of that project is concerned.

Mr. ALGER. The gentleman is not afraid of the future if right is on his side. That is spelled with an "r".

Mr. BALDWIN. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from California.

Mr. BALDWIN. It was my privilege to serve with the gentleman from Texas on the Public Works Committee in the 84th Congress. I want to testify about the diligence and competence with which he represented his district on that committee, because I refer to the diligence and competence that he expressed for the project in Dallas. However, the authorization for the project expired with the expiration of the act under which it was approved.

Both of the illustrations given by the gentleman from Oklahoma do not apply, because this has been approved by the General Services Administration and both of the gentleman's illustrations were not approved. Therefore, they are not comparable.

I, for one, feel it is completely proven that there should be a new Federal building in Dallas by the very facts submitted by the General Services Administration. The GSA and other agencies of Government are now paying in Dallas far more money than would be our cost if we actually built one Federal building in which to consolidate all of the Federal agencies that are now distributed all over Dallas wherever they can get facilities. So the gentleman from Texas in pursuing this case is actually pursuing the best interests of the taxpayers of the United States. I congratulate him on his fight. He is doing a service not only for the citizens of Dallas but for the citizens in all parts of the country, including my own district. I have voted for the Dallas project every time it has come up in the committee, and I will continue to do so.

Mr. ALGER. I appreciate the gentleman's statement.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Texas.

Mr. WRIGHT. I should like to say at this point, without taking up the gentleman's time, because I have a special order immediately following his, that at that time I will be very happy to explain what has happened in the Public Works Committee and explain further that the building has not been killed, as he seems to have gained the impression. It is rather that action on it has been deferred pending the receipt of reports in which many members of the committee are interested.

Further, the gentleman is incorrectly informed when he states that on June 20 and 21 the building was killed on a straight party line vote. That reflects on the integrity of the committee. I know that in the subcommittee on June 20 the motion to take up the Dallas Federal building at that particular time was beaten, but not on a straight party line vote. Following this, by unanimous vote it was agreed to summon additional information on the controversial matter of the site acquisition and take the project up again in the current session. As to the vote on the following day a motion was indeed offered to kill the project outright, but this did not prevail. Instead, the full committee voted to ratify the action of the subcommittee. I am not certain whether or not it was a straight party line vote, and I fail to see any particular significance as to whether it was or not.

Mr. ALGER. I can assure the gentleman it was, and the gentleman who voted contrary on it before then joined his colleagues on the second vote. I know this as a matter of record. Now, you can check the transcript of the record, which the rules of the House prevent my showing you. The rules of the House prevent my telling you about what happened there.

Mr. WRIGHT. There is no disposition on the part of the Committee on Public Works of the House to conceal any facts. The committee is not ashamed of any decision it has made. I know of no occasion in which this committee has ever attempted to prevent any member from going through its hearings on any subject.

Mr. ALGER. Fine. Then we will bring this out in the open finally.

Mr. SCHERER. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Ohio.

Mr. SCHERER. It is the opinion of the gentleman from Ohio, who has served on the Public Works Committee since 1953, that irrespective of the merits of the Dallas Federal building you are not going to get out of the Public Works Committee a Federal building for Dallas as long as the gentleman from Texas [Mr. ALGER] represents that district.

Mr. ALGER. I hate to agree with the gentleman, but I know what the gentleman is saying.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would just like to state this. That may be the opinion of the gentleman from Ohio, but it certainly is not the opinion of the gentleman from Oklahoma. I think if the gentleman from Ohio believes that this decision is being made on that basis, he does an injustice to his colleagues on the committee. Here is the gentleman from Dallas who has held this office for a period, if I am not mistaken, of 7 years and he was unable to obtain a Federal building during 6 years of the Eisenhower administration, and now in the first 6 months of the Democratic administration, he is trying to cry politics because he does not have a new Federal building. That does not make much sense to me.

Mr. SCHERER. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Ohio.

Mr. SCHERER. The gentleman realizes that we did not have a Republican administration in the House during those 6 years. It was just the first 2 years that we had a Republican House and a Republican administration.

Mr. ALGER. Of course, I think again we are getting off the course, gentlemen. I repeat again—I am not asking for a Federal building. If anybody here thinks that that is what I want—they are wrong. I am talking about economy, efficiency and conveniency. Those are the yardsticks and this building is warranted on the basis of economy, efficiency and conveniency. If it is going to be turned down, it should be done on the basis that everyone can understand. So far as I am concerned, I am completely fearless of the political consequences. But, Mr. Speaker, that is not the point, as I said. The point is that a million people whom I have the honor to represent would like to know why it has been turned down. If there is some hidden government that we cannot see, or if somewhere deals are being made, I do not know of it. I have come here on the floor of the House

and maybe I am wrong, appealing to you about this party vote. Maybe I am making a mistake. I have had people tell me not to rock the boat. They have told me for the last 4 years—do not rock the boat—you are going to get the building. Look—I do not want the building if it does not provide better service at the least cost to the taxpayers. What more can I say? If you, gentlemen, join in, as those gentlemen said they might, then it would be different.

I know the transcript of that committee record, which has been ruled unacceptable in this presentation.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Texas.

Mr. WRIGHT. Surely the gentleman remembers that in 1956 when the Democratic majority of that committee, on which I served at the time, first considered this project, though I had some reservations regarding it I helped him to get it approved and I voted with him and it was approved. The gentleman knows that later the questions arose regarding the irregular acquisition of the site. The gentleman knows also that the Committee on Public Works has done many, many things for the gentleman's district since the gentleman from Dallas has represented his district.

Mr. ALGER. Based solely on merit. This is not something for the gentleman from Dallas.

Mr. WRIGHT. That is just what I am saying—that the committee has been acting on the basis of the merits of each proposition. This, additionally, I will undertake to explain in a moment on my own time rather than to take the time of the gentleman from Dallas. The gentleman from Dallas is the one who is drawing the inference of the committee acting otherwise than on merit. The gentleman from Dallas is the one who keeps injecting partisan politics into this discussion.

The gentleman from Dallas is the one who sent out a letter saying the committee was discriminating against him and that the building would not be built as long as a Republican represents his district. It would seem that the gentleman is trying to pose as a martyr. Can the gentleman name a single other Member of this Congress who feels that he individually has been discriminated against by this committee, or any other committee for that matter, because of his party affiliation?

Mr. ALGER. Mr. Speaker, I will not yield further to the gentleman. The gentleman says he is going to speak on his time. I will listen to him when he takes the floor, but I will not yield further at this time. As a matter of fact, some of the things he is saying the press says are too hot to print. I do not know what the gentleman thinks. I am looking solely to what happened in the committee about which I am precluded by the rules of the House from telling what the statement of the chairman was. He was chairman of the full committee relative to the new Dallas building. There are reasons for thinking that we are not going to have a Dallas building and the gentleman knows what happened.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I believe the gentleman from Texas, in view of the unsaid things that have been referred to here this afternoon, has been extremely fair and extremely sound and extremely calm in his analysis. I certainly hope the members of the Committee on Public Works as well as the Members of the House will take stock not only of his words but of the items he will exhibit in the RECORD. I certainly hope the gentleman from Dallas gets full study and attention—nonpartisan attention—of the House which he deserves in this case.

Mr. ALGER. I thank the gentleman. I think I have been getting, perhaps, too much attention, but not enough action.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I want to join in what the gentleman from Illinois is saying and also to make this observation—that properly so, under the rules of the House, many things that bear on this issue cannot be said. There are many things that have been said in the public press, in the news columns, which make this a great deal more aggravated. I know the gentleman from Oklahoma is aware of these outside factors, and the gentleman from Texas [Mr. WRIGHT] is too. Therein lies the difficulty of trying to handle this matter in the proper fashion on the floor of the House which I think is the proper place to bring this out. I commend the gentleman from Texas for doing it in this fashion. I think this is an issue that affects all Members of the House whatever side of the aisle they are on. I do recommend that those Members who might be curious as to what else lies behind this inform themselves about what has been said in the press and outside the well of the House.

Mr. HOFFMAN of Michigan. I have been around here quite a while trying to get an understanding of this thing. As I understand, you are the only Republican Congressman from Texas—I do not mean Senator—Representative, is that right?

Mr. ALGER. That is right.

Mr. HOFFMAN of Michigan. And some prominent influential Democratic politician has said that the people of Dallas will not get this Federal building as long as he represents that district, there will not be any public improvements in there. Is that it?

Mr. ALGER. That allegedly has been said.

Mr. HOFFMAN of Michigan. Is that the substance of it?

Mr. ALGER. That is the substance of what magazines have said was said.

Mr. HOFFMAN of Michigan. Is that what you are kicking about?

Mr. ALGER. No; I am kicking about the building not being built.

Mr. HOFFMAN of Michigan. I know if somebody came into my district and tried to defeat me by saying that my people would not get something as long as I represented them, I would certainly complain.

The only people of the press who would make such an attack on me would be Walter Winchell or Drew Pearson, and their opposition would help me.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield.

Mr. EDMONDSON. For the record, I would like to make it clear that no prominent Democratic politician has ever made any such statement to me as a member of that committee or as a member of the subcommittee regarding the future of the Dallas post office or the Dallas Federal building. The only time I have ever heard anybody say that the party affiliation of the gentleman from Dallas is responsible for not having the building is today when it was said by the gentleman from Ohio [Mr. SCHERER].

The gentleman from Dallas knows I have come to him a number of times while the other party was in the White House and asked for help with agencies in Dallas, Federal agencies, that were dealing with matters concerning the Second District of Oklahoma. I have always found the gentleman from Dallas to be receptive.

I am a little surprised that to this date the gentleman from Dallas has never sat down with the gentleman from Oklahoma to say one word about this Federal building in Dallas. I do not know why, but that is the state of the record as of today.

Mr. ALGER. I must say to the gentleman that I appreciate his compliments and I would like to return the same.

I am not asking for a new public building at Dallas as a personal favor. This is not a favor or something you are doing for us. Have I said anything today which indicates that I wanted that?

I have presented some 10 documents, and I have not had anybody contest them. They will be printed in the RECORD.

Mr. EDMONDSON. The gentleman has made passing reference in his remarks about the manner in which the site was located and acquired.

We had a disturbance in the gallery just a few minutes ago that I am told proceeds directly from their resentment, particularly that of one prominent businessman in the city of Dallas, over the procedures that were followed down there.

The gentleman knows that this is a matter that could very properly concern the members of the committee. It is entirely proper that the members of the committee look into this matter of having 14 businessmen offer to reimburse the Government for part of the cost of acquiring the site they wanted if it exceeded a certain figure. That is quite extraordinary and I do not think it is unreasonable for the members of the committee to want to look into it and discuss it and come to a conclusion as to whether it is proper or not.

Mr. ALGER. All that was gone into by the GAO and is a matter of record.

If the members of the Committee on Public Works had done their homework they would know this material. I have not made up any of this. From 1956,

when a gentleman in the other body from our State of Texas got it through the other body, saying it was important, I have been trying to present the facts for the record. You have had 5 years since, and I do not want to reflect on the gentleman or the committee not doing its work. I tell the gentleman that the work is not being done, that you are passing this over on a political vote, that you do have the facts and material to support it.

This has also been tied up in another committee, the Government Operations Committee, because there was an alleged irregularity. I brought that up myself earlier because there is nothing to hide. Then I gave the gentleman the GAO report. Do you know that GAO report was asked for way back early last year? It is in the files of the Public Buildings Subcommittee of the Government Operations Committee so that we in the Congress can have it. Yet I had to demand a copy of it, a copy of that GAO report. The chairman of the subcommittee, Mr. BROOKS of Texas, sat on it for some 5 months in the subcommittee, they took no action. Then the subcommitteee chairman put out a statement purporting to be the action of the committee when we clearly established it was the action of that one individual. I contacted members of that committee and they said they did not know about it, they had no part in it. That is part of it. If the gentleman wants to open this up, the gentleman sat for 5 months on the GAO report. The GAO has facts and figures on the acquisition of this site. I do not expect the gentleman to come on every Ways and Means matter to me or to the other members of the committee to divulge to us his interest in every tax bill, nor do I think it behooves me to take such action with his committee.

I am appealing to my colleagues solely on the law. If the gentleman feels that either the building will be approved or disapproved, and the reasons given, the people of Dallas will know that justice is being done. But when there is a vote, as there was 2 weeks ago, after 5 years of approval, after its having originated in the 83d Congress 8 years ago, I do not have to spell it out any clearer than that, and I think we are wasting time to belabor the matter further.

Mr. EDMONDSON. The gentleman is of course a busy member of the Committee on Ways and Means.

Mr. ALGER. We are all busy, I should say.

Mr. EDMONDSON. I think the gentleman ought to recognize that there are others who have committee assignments, Members who have more than one committee assignment, to keep them busy. The gentleman thinks it would be an imposition on his time to give to some of us certain of the facts.

Mr. ALGER. The gentleman did not say that, and the gentleman is not saying that. The gentleman himself brought the matter up.

Mr. EDMONDSON. We have to take all of this matter before the committee.

Mr. ALGER. It is the responsibility of each one of us, first to do our committee work so that we can represent legislation before our colleagues on this floor. And I repeat to the gentleman this information has been in his committee. If the gentleman thinks I would come to his committee and ask special attention or consideration, that is not my intention. I do not expect special attention. I was forced to take this action today by this party vote in the committee. We have had this for 5 to 7 years. The building was approved by the other body.

I am not complaining. But you are now costing the taxpayers a million dollars a year, each year of delay. I do not know whether the folks in Oklahoma are less money conscious and thrifty than we are. As a matter of fact, you are now paying Dallas businessmen far more rent than you ought to.

Mr. EDMONDSON. With reference to that million dollars a year, has the gentleman calculated the tax loss on the income that is coming in from it?

Mr. ALGER. There are many features I have not calculated. This was a straight party vote. If the gentleman has information on this that we have developed today on the subject matter, give it to us and we will have it in the record side by side, the statements I have developed, and the statements the gentleman from Oklahoma will develop. If you have additional information for us, give it to us.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Iowa.

Mr. GROSS. Since when has a tax law factor become so acute around here? We are going to demolish buildings over here that are being taxed because somebody wanted to buy property over here on the Hill.

Mr. BALDWIN. Mr. Speaker, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from California.

Mr. BALDWIN. Actually, the facts are not as stated or implied by the gentleman from Oklahoma that the committee needs to have individual Members bring to them facts relative to these buildings; because, as a matter of fact, the General Services Administration came before the other committee and the General Services Administration made the studies in Dallas.

They had resolved the questions involved in these problems, and they had formulated their recommendations. They not only did that, but they obtained approval of the Bureau of the Budget, and all of that information was available to the committee. So, there was no reason whatever for anybody to have any mistaken idea as to the facts. The information was available before the committee to proceed and act on that proposal.

Mr. ALGER. I thank the gentleman. I do not understand some of the remarks made by the gentleman from Oklahoma about my visiting the committee. I yield back the remainder of my time, Mr. Speaker.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. WRIGHT] is recognized for 30 minutes.

Mr. WRIGHT. Mr. Speaker, I take this time simply to clarify the record with respect to the allegation that the Public Works Committee is acting unfairly and in a discriminatory way toward one of our Members. This, I think, is a very serious allegation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Yes, I will be glad to yield to the distinguished majority leader.

Mr. McCORMACK. Any time I introduce a bill I always contact the members of the committee. I am very much interested in getting a bill through that I introduce. I try to have a committee act favorably on any matters that I introduce. I try to persuade not only my Democratic colleagues but my Republican colleagues on the committee. I do everything I can with the committee members to try and have them report my bill out, because I know that before it comes to the floor it has to come out of committee.

Now, coming to the Committee on Public Works, I introduced a very little simple resolution back a couple of years ago called the New England Compact Ratification. The gentleman from Texas [Mr. WRIGHT] will remember that.

Mr. WRIGHT. I remember it very distinctly.

Mr. McCORMACK. You know, I introduced that bill for the Republicans. One of my Republican colleagues met me in the corridor outside and asked me if I would introduce it, and I said "Sure." The Boston Chamber of Commerce was deeply interested in it, the New England Council, all the business groups. I will say that 95 percent of the members of these business groups, good, fine Americans, good businessmen, but politically Republicans, would not vote for a Democrat under any conditions. And, I say that not unkindly. I could get 10 New England compacts through and they would not vote for me if they thought they could beat me. But, I was glad to do it, because I believed in the compact. You know, when the votes came up there was a solid Republican vote against it. Am I not right?

Mr. WRIGHT. To the best of my recollection, the gentleman is correct.

Mr. McCORMACK. There were 12 votes against it; all 12 Republicans. This was just a little compact for New England, and there we found a straight party vote on the part of the Republicans solidly lined up against it. I spoke to one or two of my Republican friends and said, "Give me a vote; at least, do not have it a solid party vote." I could not break them down. I am not complaining. Now, I do not know anything about this Dallas project and I am not injecting myself into it except that when the observation is made about the gentleman from the district where this building would be located not going to see members of the committee, I simply want it understood that when I am interested in anything, I do not hesitate going to the members. I know the value of committees, and I know the importance of committees, because for all practical purposes, congressional government requires congressional action.

And, I know the importance of getting a bill out of committee or getting favorable action in committee, and I do everything I can with members of the committee to try to convince them as to the justice of my case. I am not saying this for my friend from that district, but I think it would be a nice thing to go around to your friends and have a little chat with them.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. ALGER. I must say to the majority leader, whom I respect, that I was on the committee. I have lived with the project on that committee for 2 years.

I saw no further reason to go back. It would just be carrying coals to Newcastle. I have been to the committee and have been to the Members.

Mr. McCORMACK. Mr. Speaker, the only reason I made the observation to what the gentleman from Oklahoma [Mr. EDMONDSON] said is that certainly I would have been around seeing them.

Mr. EDMONDSON. Will the gentleman from Fort Worth yield to me at this time?

Mr. WRIGHT. I will be delighted to yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Just to complete the record on the question of the Dallas post office, there is one gentleman from Texas who has spoken to the gentleman from Oklahoma in behalf of that building down there, and that is the gentleman from Fort Worth, Tex. [Mr. WRIGHT], who is in the well of this Chamber at this time. No other member of the Texas delegation has said a word to me about the need for, the justification and the desirability of this particular Federal building. Certainly the gentleman from Dallas has never advocated this building to me, or discussed its need with me, but the gentleman from Fort Worth has.

Mr. WRIGHT. I thank the gentleman from Oklahoma.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. If the gentleman will permit me, I have a few things which I would like to say first. After I have covered a few points I will be delighted and honored to yield to the gentleman and any others who may wish me to yield.

I want to say that no Member is simply discriminated against by this committee, that to my personal knowledge the committee has authorized many projects in the district of the gentleman from Dallas, and that in my judgment this project also will be authorized once the committee is satisfied concerning the manner in which the site was acquired which has nothing whatever to do with the gentleman's party affiliation which he keeps injecting into this discussion.

I take the floor somewhat reluctantly today because it is not pleasing to dispute something that has been said by one's colleague from one's own State. Yet as the ranking Texas member of the Committee on Public Works I feel perhaps that it is my responsibility to do so. This committee should be defended against the unwarranted attack which has just been made upon it.

Implicit today in the remarks of the gentleman from Dallas and explicit in other public statements which he has issued from time to time is a very harsh criticism leveled at the committee on which it is my privilege to serve.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

What harsh criticism? I ask the gentleman, What harsh criticism?

Mr. WRIGHT. Among other things, the charge by the gentleman from Dallas contained in his letter of June 14 which he has just inserted in the RECORD to the effect that he is the victim of political retaliation because of his party affiliation. This seems to me a very harsh charge. It certainly reflects upon the integrity of the committee.

In addition to this, the criticism that was injected into the RECORD in the way of an exchange of letters with the office of our distinguished Speaker seemed to me to imply some unwarranted and wholly unjustified criticism of that distinguished American.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. If the gentleman will be patient, I will be glad to yield later.

Mr. ALGER. Mr. Speaker, I did not hear from the Speaker. I heard from one of his assistants.

Mr. WRIGHT. I did not say the gentleman heard from the Speaker. I am not here to answer for the Speaker, but I am here to answer for the Public Works Committee of the House. I am here to answer for what I believe to be the majority of the Texas delegation and of the membership when the Speaker is criticized and when unworthy motives are imputed to him.

During the 7 years of my service on this committee, it has approved more than 100 Federal buildings and similar Federal projects. A very great many of these have been approved for districts served by Republican Members. Never in the entire 7-year period that it has been my privilege to serve on that committee has the question of a man's party affiliation ever arisen in the Committee on Public Works in connection with consideration of a project. Not once had it arisen with respect to any of the projects awaiting our consideration until the gentleman from Dallas injected party politics into this particular discussion.

The gentleman from Dallas apparently thinks someone is plotting against him.

One would be forced to conclude that the gentleman from Dallas were attempting to insinuate that the committee was discriminating against him because he is a Republican and because the majority of the members of the committee are Democrats.

Well, in disproof of that unwarranted allegation I offer the fact that never once has a project been disapproved in that committee on the ground of the party affiliation of the Member representing the district in which it was located; never once to my recollection.

With particular respect to the Member from Dallas, let me point out that the Committee on Public Works during the years in which I have been privileged to serve on it has done a very great many things for Dallas County, the district served by the gentleman from Dallas. In fact, I feel quite sure that we have approved more projects in Dallas County that in any other county in my State and perhaps in the entire United States. So it seems to me that it comes in very poor grace for the gentleman from Dallas, the recipient of the largess of our committee, now to come and put on the cloak of self-righteous martyrdom pretending he is being discriminated against.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. If I recall correctly, in the last action taken by the committee with regard to the approval of projects one of the major projects that was before us was the Federal building to be constructed in the district of the gentleman from Florida [Mr. CRAMER], who is the only Republican member of the Florida delegation in Congress.

Mr. WRIGHT. That is correct.

Mr. EDMONDSON. If I recall correctly, that project received the united and unanimous vote and support of the entire membership of the committee.

Mr. WRIGHT. The gentleman is eminently correct. If the committee had been discriminating against Members due to party affiliation, it would seem that we would have perforce disallowed that project.

Mr. BALDWIN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. BALDWIN. Is the gentleman from Texas [Mr. WRIGHT] in favor of this project?

Mr. WRIGHT. We have tried to help on numerous occasions, as the gentleman from California must know.

Mr. BALDWIN. Would the gentleman be willing to make a motion in our committee to approve it?

Mr. WRIGHT. I fully expect that this will be forthcoming. As a matter of fact, in the Public Buildings and Grounds Subcommittee only a few days ago when a motion was made to bring up this building for immediate consideration, I voted to do so. In place of that motion, which failed, another motion was made to defer action until the time when we could sit down and discuss it in depth, get all the conflicting reports, reconcile all the controversial arguments, and make a decision; and implicit in that motion was the requirement that this be done before this session shall have ended. And I voted for that motion

Mr. BALDWIN. May I ask this question: As to this request of GSA to come in with this report, is the gentleman from Texas [Mr. WRIGHT] stating therefore that if that report continues with this recommendation that the Dallas project be approved the gentleman from Texas [Mr. WRIGHT] will take the initiative in the committee to make a motion to approve it?

Mr. WRIGHT. I expect to do so. Certain questions relating to this project about which other Members continue to

have serious reservations have been largely explained to my own personal satisfaction.

Mr. BALDWIN. I am delighted to hear that, and I will be glad to support such a motion.

Mr. WRIGHT. Let me explain to the Members of the House what this committee has already done for the district of our colleague from Dallas. Dallas County has 53 facilities housing Federal agencies, including leased and federally owned space, all of which with the exception of 6 have been constructed or leased in the past 7 years.

Mr. ALGER. Mr. Speaker, will the gentleman yield for a correction?

Mr. WRIGHT. I will be glad to yield for a correction.

Mr. ALGER. May I ask the gentleman to rephrase it? The committee is not doing it for me, it is doing it for the people of Dallas, one of the fastest growing communities in the country.

Mr. WRIGHT. I would be very honored to have that correction stipulated, because everything the committee has done for Dallas County has been done for the people of Dallas County, this regardless of whether we have particular rapport with their Representative in Congress, despite whether or not he attempts to be cooperative with us, this in spite of the fact that he has felt moved occasionally to make speeches on the floor of the House attempting to strike out projects in districts of other members of our delegation.

I think it would be most reprehensible indeed for a committee of the House to vote on a project on the basis of whether it liked or disliked the Member in whose district a project was located. We might have some highly unusual results.

I do want to point out that the Democratic majority on this committee has in the past 7 years done a lot for the people in Dallas and Dallas County. During this period it will be noted that a Democratic majority has existed in the committee. The gentleman from Dallas comes before us in very bad grace to insist that he is being personally discriminated against.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a list of the public buildings in Dallas and the agencies which occupy them.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The list referred to follows:

Dallas County, Tex., new construction for postal facilities placed under contract by the Post Office Department, January 1954 through May 1961

Location	Unit	Estimated construction cost
Dallas	Casa Linda station [1]	$40,800
Do	Preston station	40,416
Do	Park Cities branch	53,495
Do	South Dallas station	46,350
Do [2]	Greenville Ave. station	4,150
Do	Farmers Branch branch	19,180
Richardson	Post office	27,000
Dallas	Airlawn station	48,000
Mesquite	Post office	62,625
Dallas [2]	Lakewood station	9,655
Do	Casa View station	53,000
Do	Trinity station [2]	85,524
Grand Prairie	Post office	136,171
Garland	Post office	$108,211
Dallas	Royal Lane station	82,476
Irving	Post office	142,638
Dallas	Station A	133,174
Do [2]	Beverly Hills station	9,500
Do [2]	Pleasant Grove station	54,494
Seagoville	Post office	67,063
Dallas [2]	Medical Center station	8,500
Do [2]	White Rock station	13,600
Do [2]	Fair Park station	40,000
Total		1,286,022

[1] Now White Rock station.
[2] Major remodeling.
[3] Now South Oak Cliff station.
NOTE.—16 new facilities, 7 major remodeling projects, and at least 3 lease-purchase.

Buildings leased by GSA for Federal agency establishments, January 1954 through May 1961

Location	Occupant	Annual rental
Crane Bldg., 1200 Jackson St	HEW, Army Recruiting, GSA, Internal Revenue, Bureau of Mines (Interior).	$64,931
Lynch Bldg., 2101 Pacific Ave	Internal Revenue, GSA	279,780
409 North Pearl St. (adjoins Lynch Bldg.).	Internal Revenue	
3032 Bryan St.[1]	Food and Drug Administration (Agriculture).	109,714
Guardian Savings & Loan Bldg., 1215 Main St.	Army, Agriculture (FHA), General Accounting Office, State Department.	23,544
Merchandise Mart Bldg., 500 South Ervay St.	Agriculture, Air Force, Commerce, Census.	281,389
Wholesale Merchandise Bldg., 912 Commerce St.	Agriculture, Army, Navy, GSA, Interior, Treasury.	77,101
Fidelity Bldg., 1000 Main St	Interstate Commerce Commission, Railroad Retirement Board, Small Business Administration.	59,570
Commercial Bldg., 1104 Main St	Immigration and Naturalization Service.	12,624
Wilson Bldg., 1621 Main St	Housing and Home Finance Agency	28,692
Thomas Bldg., 1314 Wood St	Interior	3,036
Produce Exchange Bldg., 910 South Pearl St.	Agriculture	1,050
708-14 Jackson St	Agriculture, Federal Communications Commission, Treasury, Navy.	$58,496
Universal Bldg., 901 Ross Ave	Army	24,384
211 North Ervay St	Classified agency	1,524
Annuity Center Bldg., 511 North Akard St.	Veterans' Administration	306,144
Butcher Electric Bldg., 4232 Hershel St.	Fish and Wildlife Service (Interior)	900
Pacific Bldg., 1315 Pacific Ave	Internal Revenue	13,836
1416 Commerce St	Air Force, Army	10,050
Rio Grande National Life Bldg., 251 North Field St.	Army, Labor	22,676
7007 Carpenter Freeway [2] (new building, cotton classing laboratory, 100 percent occupied by Agriculture).	Agriculture	21,876
Rawlins Bldg.,[2] 3710 Rawlins St. (new building, OASI occupancy).	HEW (OASI)	31,716
Reliance Life Bldg., 505 South Ervay St.	Treasury, Post Office Audit	10,147
Exchange Bank & Trust Co. Bldg., 100 Exchange Park North.	Army	1,923

[1] Constructed to meet Government requirements only for occupancy by Food and Drug Administration.
[2] Constructed since 1954.
NOTE.—24 for General Government occupancy and 3 built since 1954.

Mr. WRIGHT. It will be noticed that 24 of these listed buildings house agencies other than post offices and 3 of these agency buildings were constructed during the past few years to house new projects, such as the cotton laboratory and the Social Security Administration.

Twenty-three of the buildings represent new construction for postal facilities—construction that has taken place during these recent 7 years.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to my colleague from Oklahoma.

Mr. EDMONDSON. I would just like to state, as a matter of record at this point, that these 23 buildings constructed in Dallas, while the gentleman from Dallas has been in office, represent about four times as many buildings as have been constructed in the district represented by the gentleman from Oklahoma who has approximately 400,000 people whom he represents in the Second District of Oklahoma.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I will be glad to yield once more to the gentleman but before my time expires I do want to answer his question which he repeatedly asked in his speech, as to why this building has

been thus far delayed. It seems incredible to me that the gentleman from Dallas would not know why it has been delayed, and he keeps on asking the question. Surely he is aware of the problems posed by the site requisition.

Mr. ALGER. I know why.

Mr. WRIGHT. Then why does the gentleman ask the question if he knows why? And why does he continually inject party politics into the discussion?

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I decline to yield further at this particular point. If I can, before I finish, then I will be more than happy to yield to the gentleman.

As the gentleman from Dallas undoubtedly knows, only last week when authorizing other public buildings that had to be authorized in a hurry to come under the qualifications of the Independent Office appropriation bill for acquiring new sites, we approved an $819,000 appropriation for major improvements on the Santa Fe Building, and this is in addition to $300,000 earlier authorized. It was not necessary at that particular time to authorize the Dallas project on that particular day because, as the gentleman knows, it already has a site. This is the reason it was delayed. Certainly, having adopted this deferral and this resolution to take it up later in the session in subcommittee, those of us who had been present in the subcommittee, naturally, voted to sustain and uphold the action of the subcommittee on the following day when some of the Members offered prematurely to overturn the decision of the subcommittee and to bring it up for immediate consideration on that day. We had just faced this question on the day before and had made a decision. I will say clearly to the gentleman from Dallas, in the absence of the clarification which needs to be made in the minds of the committee with respect to the irregular procedure by which this site was acquired, if the project had been brought up that second day for immediate consideration, it would undoubtedly have been voted down and probably killed.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I will yield later because the gentleman well knows that there is a very——

Mr. ALGER. Will the gentleman yield so that I can enlighten him? Does the gentleman want an exchange of views here?

Or is the gentleman going to lecture? Does the gentleman want an exchange of views here or a colloquy so that I can enlighten him? The gentleman keeps on looking at me and talking to me, and I would like to answer the gentleman.

Mr. WRIGHT. The gentleman earlier yielded a few times to me, and I believe that I have already yielded to him more times than he yielded to me. In addition I have only half the time that he had. But, later, I will be happy to yield still further to him, if I have the time left.

Mr. ALGER. I can be here every day this week and we can go over these things. If the gentleman is going to continue to talk to me, I would like to answer him.

Mr. WRIGHT. Mr. Speaker, I should like to state what I have to say today and get it said. I do not care to come here every day this week and belabor this matter. I do not think it would serve the cause of this project which I do believe can be justified to house agencies currently renting space in Dallas. I will be happy to yield to the gentleman later, if I have time. Right now I would like to proceed.

Mr. ALGER. Does the gentleman care to share in an exchange of views on this?

Mr. WRIGHT. I decline to yield further at this particular time for the reasons I have just stated.

Mr. Speaker, I think it is important to point out that there is a very substantive question which has delayed action on this building. Uniquely, in my experience, the site for this proposed building was acquired by a group of businessmen indemnifying the Government, as the gentleman from Dallas says, in order to secure the location of a certain tract of land. It was acquired by a group of businessmen going to the Government and saying "if you will buy this particular site as opposed to other sites which you have under consideration, we will guarantee any money that is necessary over the amount of one million dollars."

It is my recollection that the local business group subsidized the Government's purchase in the amount of some $355,000. This was done to prevail upon the Government to select this certain location for the building.

The charge has been made, whether fairly or not, that the Government thus became a party to a real estate speculation which thus enhanced the value of adjacent property in which some of the participating group had financial interests.

These charges have been advanced by other Dallas individuals.

I am not trying to say that this is evil. I have investigated it, and as far as I am concerned I believe those men were acting from public-spirited motives. Certainly I am not going to assign to them ulterior motives unless otherwise proven, but I am sure the gentleman from Dallas can see where a situation like this which was objected to in the city and which created controversy of such a nature that people from Dallas came up and objected, should be looked into carefully by committees of this House.

I can see where the Federal Government is laying itself liable to the charge of engaging in real estate speculation. I feel the committee under such circumstances would be derelict in its duties if it did not look into all the ramifications and satisfy itself on these matters.

Mr. ALGER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield at this time. I am sorry I could not earlier, but I wanted this to be explained so that other Members could understand the cause of the delay in approving this building.

Mr. ALGER. Does the gentleman know what the GAO said after looking into it? This matter has been kicking around here for 5 years. For 5 years the gentleman has known about it.

Mr. WRIGHT. I will say to the gentleman that I did not hear about it that long ago. It has not been said that it is illegal. The question has not been whether it was illegal but whether it was proper. I think there is a serious question as to whether the Government should engage in a real estate speculation; and while I intend to help get this building approved, I intend to insist that the General Services Administration or any other Government agency refrain in the future from laying itself liable to the charge that it was engaging in real estate speculation or acting in league with private interests, however public spirited they may be. I do not want my Government liable to the charge of being party to a project of accepting subsidies and enhancing adjacent property values to the benefit of any group or private interest as opposed to others. The gentleman from Dallas should know this full well, and that this is the reason for the delay, in order that adequate, full consideration can be given.

Certainly the gentleman from Dallas is not so naive as to believe——

Mr. ALGER. Mr. Speaker, will the gentleman yield? He has mentioned my name.

Mr. WRIGHT. I was trying to avoid mentioning the gentleman's name.

Mr. ALGER. The gentleman has done it several times. I must call the gentleman's attention to what he has failed to understand in all this exchange, that this problem was first raised 5 years ago. I have put all this material in the RECORD, and if the gentleman will read my remarks——

Mr. WRIGHT. I do not yield further at this point.

Mr. ALGER. I want the RECORD to show that the gentleman does not yield.

Mr. WRIGHT. No, I do not yield further because this is merely a rehash and repetition of what the gentleman said for 60 minutes just a little while ago.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. EDMONDSON. I believe the gentleman has just touched upon the point that I think is more significant than anything else that he has discussed, referring to the Dallas Federal Building, and that is the matter of whether by putting a committee sanction upon the transaction and on the way this site was obtained our committee is going to give a congressional seal of approval to that procedure and establish a precedent for future location of Federal buildings; because, if we do, if we take this step, if we establish this as a precedent, then in effect what we are doing is to tell groups of businessmen to get together and see how much money they can raise, make their bids, and the Government will select the site of the group that will pay the most. I say that is not the way to

locate a Federal building, and that we should not establish such a precedent, I do not care whether the GAO says it is right or not. This is the question and the doubt that troubles me, and what might happen in the future from such a policy.

I thank the gentleman for bringing that up and for calling the matter to the attention of the House. It makes the matter of record a very serious affair, which is at the very heart of this proposal. I regret that the gentleman from Dallas apparently feels he is too busy with his committee activities to sit down and talk to any member of the committee about this project, to explain this background and go into it, and to give us some justification for following this kind of precedent.

Mr. WRIGHT. This is, of course, the heart of the matter, and a question our committee must resolve. It is a question our committee cannot put off to some other Government agency and let others determine whether or not to honor this kind of real estate transaction. It is clearly the legislative responsibility of the House committees when matters of this kind are brought to them.

I have said to the gentleman, as I said to my subcommittee some 2 weeks ago, that as far as I am concerned, I have resolved the question satisfactorily in my mind. I do not think it was an act of greed, nor an act of evil, nor of acquisitiveness but an act of intended helpfulness on the part of certain Dallas businessmen. For that reason I am disposed to help the gentleman and all those people in Dallas get this Federal building. But when this is done I want it pointed out clearly that in doing this we are not honoring it as a precedent for the future. I think the gentleman surely can understand that this is not a question which should be glossed over lightly. It is not a delegation of authority which the Congress should make to the GAO, or the GSA or anybody else. It is a question that the Congress of the United States itself must determine, as to the propriety of this kind of acquisition.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the RECORD should show what is meant by "this group of businessmen." I have sat here listening, and I have not a clear picture of what is "this group." What did it do? I think the RECORD ought to show the situation. A reference was made to the fact that certain ones might be interested in the enhancement of adjoining property and the value thereof. I think the RECORD should show all of that.

Mr. WRIGHT. The charge has been made in Dallas by some of those who had opposed acquisition of this particular site that it was done for the purpose of enhancing adjacent property. I am not going to assume wrong motives on the part of people. I assume they were acting from good motives, and that is what I personally believe.

As the gentleman from Oklahoma recalls, having been present in the committee and having discussed this matter, it becomes quite difficult when the representative from the very district you are trying to help criticizes your committee so vociferously, and seizes upon opportunities to make a party issue out of everything, when it has nothing to do with partisan politics. I have no idea what party affiliation these men enjoyed, and it doesn't make any difference.

Mr. McCORMACK. Were the members of this committee who approached the Government in reference to the site also interested in adjoining property, the value of which would be enhanced if this site were selected?

Mr. WRIGHT. Some of them are owners and part owners of nearby adjacent property. There was a gentleman from Dallas who came to my office once earlier and pointed out there was one site a block away from the site selected which could be had for $10.90 a square foot, but instead the Government, subsidized by these private people, paid something like $24 a square foot for a smaller site. At least that is my recollection. But the GSA is satisfied that we got the best possible site. I do not know that it is the business of the Congress to tell the General Services Administration what is a good or what is a bad site, but I think a committee ought to look very carefully into the methods of acquiring sites.

In closing, I want to comment very briefly about a remark made by the gentleman from Ohio [Mr. SCHERER] that this building will not be approved as long as the gentleman from Dallas represents that district, and the suggestion made by the gentleman from Michigan [Mr. HOFFMAN] to the effect that the gentleman from Dallas is the only Republican from Texas and, therefore, this is being done to punish him. I think that is a most serious charge. I think it is a most unworthy charge.

The gentleman from Oklahoma [Mr. BELCHER] enjoys a very fine relationship, if I understand correctly, with the other members of the Oklahoma delegation. He does not go around calling names or criticizing the other members of the Oklahoma delegation to the press or to anyone else. He is not forever holding himself up as holier than thou and imputing insincere motives to everything his colleagues do. On the contrary, he helps them with projects in which they are interested and they in turn help him. I marvel at the wonderful relationship that has existed between the members of the Democratic delegation from Oklahoma and the single member of the Republican delegation from that State. I wish that such a relationship might exist elsewhere and, in fact, in every delegation.

This Congress has a responsibility to act with probity. Each Member has a responsibility to refrain from making irresponsible charges against his colleagues. I realize that often we become upset and distraught, but much more harmonious work could be accomplished if each of us were to view things carefully on their merits and try to give as much undertsanding and as much consideration as we demand for ourselves.

FEDERAL GOVERNMENT USE OF BID BROKERS IS BAD BUSINESS FOR THE TAXPAYERS; SHOULD NOT ONE AGENCY OF THE FEDERAL GOVERNMENT BENEFIT FROM THE BAD EXPERIENCE OF ANOTHER AGENCY OF GOVERNMENT IN THE AWARDING OF CONSTRUCTION CONTRACTS; SHOULD NOT THERE BE MORE COORDINATION AMONG FEDERAL AGENCIES IN ORDER THAT ONE HAND WILL KNOW WHAT THE OTHER IS DOING?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Nebraska [Mr. CUNNINGHAM] is recognized for 30 minutes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, earlier this month I spoke of an award by the Veterans' Administration to the Malan Construction Co., of New York, for a $14,740,000 hospital in Cleveland. I briefly reviewed the poor record of this company in construction of missile base sites in eastern Nebraska and also made reference to work it is performing at O'Hare Field in Chicago.

I would like now to give a more complete report on this matter and to include a letter I received from the Veterans' Administration in regard to this contract.

First, I will quote from a letter I received last October from the Department of the Army. This letter concerned an investigation made by the Army Inspector General of the work at the Nebraska missile sites. The letter states that the Malan Co. was the low bidder for this large contract, but that its bid was rejected because the firm lacked an adequate capability for this complex construction. The Malan Co. then joined with another New York construction company known as Grove, Shepherd, Wilson & Kruge to form a combine known as Malan-Grove.

There was a meeting in the Pentagon which involved representatives of both of these separate firms, Army Engineers, and others. The Army reports that—

> The Chief of Engineers advised the Omaha District Engineer that the original firm had been strengthened and recommended reevaluation of the preaward survey. The District Engineer, upon being assured of the clear and positive authority of the new firm, awarded the contract for the sum of $12,870,000.

As time passed it became evident that something was wrong. The construction lagged seriously and construction of these vital bases was pretty well messed up. The Department of the Army advised that their investigation showed as follows:

> The considerable difficulties encountered in meeting contractual schedules at Offutt Air Force Base were due to poor managerial

performance on the part of the prime contractor, his lack of aggressiveness, failure to promptly marshal his subcontractors and selection in some cases of poor subcontractors. The decision not to terminate his contract was based upon administrative consideration that such action would further delay the completion of the project.

The Lincoln, Nebr., Evening Journal reported on July 20, 1960, as follows:

The Malan Construction Co. of New York, which is handling the Omaha project, has used 46 different subcontractors.

The Lincoln Journal also reported in the same article:

The problem of subcontractors, over whom the Corps (of Engineers) now has no direct authority, seems to be a main reason why missile work at Omaha, scheduled to be fully completed late this summer, is months behind schedule.

Our colleague, the gentleman from Nebraska [Mr. MARTIN], recently made a firsthand inspection of the Omaha-Offutt sites and reported to the House on June 8 as follows:

The Malan Construction Co. of New York was awarded a contract of approximately $12 or $13 million at Offut missile site. This company had little equipment and was not knowledgeable in missile construction. The work was constantly behind schedule and a tremendous waste of the taxpayers' money resulted from this contract. * * * according to testimony this firm was caught red-handed doing work which did not meet specifications. They were ordered to tear out the work done and redo it. At the present time I am told that this firm has a claim against the Government of approximately $4½ million, whereas testimony from all sides clearly indicates that the entire job was done in an unsatisfactory manner. It was charged that bribe offers were made in the amount of $50,000 to a Mr. Max Breese, who was employed by the George A. Fuller Co., a nationwide general contracting firm, who were employed by the Corps of Engineers to help assure that this project would be completed at the earliest possible date.

One of the major subcontractors was the Wallace Process Piping Co., which had untold difficulties. The result of this situation has been filing of over thirty law suits in Federal District Court in Omaha against the Wallace Co. and/or the Malan Co. I list now the suits which are still pending. At least six more have been settled out of court.

Pending cases

Case No. and title	Filed	Prayer
01071. *Hendrie & Bolthoff Co. v. Malan Construction Corp. and Continental Casualty Co*	Aug. 18, 1960	$9,878.53
01092. *Alfred F. Christensen, d/b/a Christensen Lumber Co. v. Malan Construction Co., Malan-Grove, a joint venture, Continental Casualty Co., Standard Accident Ins. Co. of Detroit, Michigan, Wallace Processed Piping Co., American Employer's Ins. Co., Inc*	Oct. 12, 1960	3,742.97
01093. *Julius Abrahamson, d/b/a American Plumbers Supply Co. v. Malan Construction Corp., Continental Casualty Co., and Standard Accident Ins. Co*	do	1,035.47
01096. *Layne-Western Co. v. Malan Construction Corp., Continental Casualty Co., Standard Accident Ins. Co., Wallace Process Piping Co., Inc., and American Employers' Ins. Co*	Oct. 22, 1960	6,231.14
01100. *Young Radiator Co. v. Malan Construction Corp., Continental Casualty Co., and Standard Accident Ins. Co*	Oct. 31, 1960	32,614.96
01104. *Pittsburgh-Des Moines Steel Co. v. Malan Construction Corp., Continental Casualty Co., and Standard Accident Ins. Co*	Nov. 4, 1960	41,500.00
01107. *Cook Electric Co. v. Malan Construction Corp., Continental Casualty Co., and Standard Accident Ins. Co*	Nov. 8, 1960	55,537.87
01121. *Permanent Filter Corp. v. Standard Accident of New York, Continental Casualty, Wallace Process Piping Co., Inc., and Malan Grove*	Nov. 22, 1960	29,283.00
01128. *John C. Shea and Robert E. Shea, d/b/a Shea Roofing Co. v. Malan Construction Corp., Continental Casualty Co., Standard Accident Ins. Co., Wallace Process Piping Co., Inc., and American Employer's Ins. Co*	Dec. 5, 1960	8,281.10
01133. *Union Tank Car Co. v. Malan Construction Corp., Continental Casualty Co., and Standard Accident Ins. Co*	Dec. 8, 1960	64,478.67
01138. *Fairbanks, Morse & Co. v. Malan Construction Corp., Grove Shepherd Wilson & Kruge, Wallace Process Piping Co., Inc., Continental Casualty Co., Standard Accident Ins. Co. and American Employers Ins. Co*	Dec. 15, 1960	31,258.00
01139. *Crane Co. v. Malan Construction Corp., Malan-Grove a joint venture composed of Malan Construction Corp. and Grove Shepherd Wilson & Kruge, Inc.; Continental Casualty Co., Standard Accident Ins. Co., and Wallace Process Piping Co., Inc*	Dec. 16, 1960	50,536.74
01140. *Pamacciotti Equipment Inc. v. Malen-Grove, Malen Construction Corp., Standard Accident Ins. Co., and Continental Casualty Co*	Dec. 19, 1960	10,402.49
01160. *Pennsylvania Pump & Compressor Co. v. Malan Construction Corp., Continental Casualty Co., and Standard Accident Ins. Co*	Jan. 17, 1961	47,800.00
01167. *Interstate Electric Supply Co. v. The Malan Construction Corp., Grove Shepherd Wilson & Kruge, Inc., The Continental Casualty Co., and Wallace Process Piping Co., Inc*	Jan. 25, 1961	2,380.84
01168. *Pasco Engineering & Manufacturing Co. v. Malan Construction Corp., Grove, Shepherd, Wilson & Kruge, Inc., Malan-Grove, Standard Accident Ins. Co., Continental Casualty Co., Wallace Process Piping Co., Inc., and American Employers Ins. Co*	Jan. 27, 1961	9,680.72
01169. *Scott Equipment Co. v. Malan Construction Corp., Grove, Shepherd, Wilson & Kruge, Inc., Malan-Grove, Standard Accident Ins. Co., Continental Casualty Co., Wallace Process Piping Co., Inc., and American Employers Ins. Co*	do	2,115.52
01170. *Patterson Supply Co. v. Malan Construction Corp., Grove, Shepherd, Wilson & Kruge, Inc., Malan-Grove, Standard Accident Ins. Co., Continental Casualty Co., Wallace Process Piping Co., Inc., and American Employers Ins. Co*	do	1,500.48
01171. *Grinnell Co. v. Wallace Process Piping Co., Inc., of Colorado, Malan-Grove, Malan Construction Corp., Grove, Shepherd, Wilson & Kruge, Inc., American Employers Ins. Co., Continental Casualty Co., and Standard Accident Ins. Co*	Jan. 30, 1961	9,428.20
01172. *Keenan Pipe & Supply Co. v. The Wallace Process Piping Co., Inc., American Employer's Ins. Co., Malon Construction Corp., Continental Casualty Co., Standard Accident Ins. Co*	do	9,074.30
01177. *Dailey Painting, Inc. v. The Malan Construction Corp., Malan-Grove, Continental Casualty Co., and Standard Accident Ins. Co*	Feb. 16, 1961	2,601.85
01178. *J. F. Pritchard & Co. of California v. Malan Construction Corp., Continental Casualty Co., Standard Accident Ins. Co., and Wallace Process Piping Co., Inc*	do	43,672.00
01189. *Christensen Sand & Gravel Co. v. Malan Construction Corp., Grove, Shepherd, Wilson & Kruge, Inc., Continental Casualty Co., Standard Accident Ins. Co., Wallace Process Piping Co*	Mar. 10, 1961	749.88
01223. *Sidles Co. v. Malan Construction Corp., Grove, Shepherd, Wilson & Kruge Inc., Malan-Grove, Standard Accident Ins. Co., Continental Casualty Co., Wallace Process Piping Co., Inc., and American Employers Ins. Co*	Apr. 18, 1961	1,025.33
429 L. *The Hertz Corp. v. Malan Construction Corp., Continental Casualty Co., and Standard Accident Ins. Co*	May 3, 1961	343.27
01236. *Enterprise Electric Co. v. Malan Construction Corp., Continental Casualty Co., Standard Accident Ins. Co., Aetna Ins. Co., and Superior Electric Construction Co., Inc*	May 12, 1961	2,155.40
01244. *J. H. Ganley, d/b/a J. H. Ganley Co. v. Malan Construction Corp., Grove, Shepherd, Wilson & Kruge, Inc., Continental Casualty Co., Standard Accident Ins. Co*	May 24, 1961	31,896.47
01255. *Standard Oil Division of American Oil Co. v. Malan Construction Corp., J. H. Ganley Co., Inc., Howard Ganley, Inc., Continental Casualty Co., Standard Accident Ins. Co., and Travelers Indemnity Co*	June 13, 1961	4,763.96

Two of the suits which have been settled out of court involved the J. J. Hanighen Co. and a subsidiary, the Pioneer Pipe & Supply Co. These two firms sued for $87,494.79 and $21,489.57. They settled for 87½ percent of their claims. The reason they agreed to settle, according to Mr. J. J. Hanighen, Jr., president of the firms, was the possibility of lengthy litigation "that might last 5 years due to Malan-Grove and their bonding company refusal to assume their responsibility."

The Hanighen Co. is one of the reputable subcontractors who were on the job. Many other subcontractors were not as experienced or capable. For instance, Mr. Martin reports that "J. Hilding Johnson, of Cleveland, was a subcontractor in 1958 and 1959 on construction work at the Offutt missile site. The contract was approximately $2 million. His qualifications: operator of a steakhouse and assets of $150,000. His work was unsatisfactory."

I turn now to the performance of the Malan Construction Co. at Chicago's O'Hare Airport.

I include an interesting article from the Chicago Sun-Times of May 24, 1961:

O'HARE CONTRACTOR PAYMENTS HELD UP BECAUSE OF LIENS

The city decided Tuesday to hold up payments to a New York construction company with a major share of O'Hare Airport contracts because of claims against the firm.

More than $550,000 in claims, secured by liens, have been filed against the Malan Construction Co., which has more than $31 million in contracts at O'Hare, including the $18,366,000 pact for construction of the twin terminal buildings.

John F. Ward, city purchasing agent, said payment on the firm's contracts will be made to an escrow account in the city controller's office until the claims are settled.

FIVE-HUNDRED-AND-TWENTY-SEVEN-THOUSAND-DOLLAR CLAIM

The largest claim against Malan is for $527,000. It was filed May 12 by the Consolidated Construction Co., which charged Malan has not paid for excavation and concrete work on the terminal buildings.

According to Ward's files, the work was completed September 21.

A $23,967 claim was filed April 11 by the Ingalls Iron Works Co., for materials delivered and not paid for.

The third claim was for $1,008 for materials supplied on Malan's fuel tank farm contract by Hoiss-Kuhn-Chuman Co., 2715–23 W. 47th.

Ward said that under the specifications of city contracts, the city is obliged to withhold progress payments to Malan until liens of subcontractors are satisfied.

SUBCONTRACTS WORK

Malan subcontracts most of its work. Although the firm is ahead of schedule on its terminal contracts, it was late in finishing

the tank farm and in the past has been severely criticized for its performance on contracts with other governmental agencies.

A Malan spokesman referred all questions about the liens to the firm's attorney, whom he identified as Ald. Thomas E. Keane (31st).

Keane is chairman of the city council finance committee, which is responsible for investigations of the city's financial affairs. Keane could not be reached for comment.

Also an article from the Chicago Daily News of May 25, 1961:

JOB AT O'HARE MUDDIED BY A NEW RIDDLE—SUBCONTRACTOR UNPAID, BUT CITY CERTIFIES WORK AS COMPLETE

(By Jay McMullen)

The $527,000 in construction work at O'Hare Field for which Malan Construction Co. has refused to pay a subcontractor has been certified as completed satisfactorily by city engineers.

This certification, disclosed in records of the city comptroller's office, threw new mystery into the dispute centering on Malan's refusal to pay.

Malan, a contracting company from New York, has acquired a powerful political ally in Ald. Thomas E. Keane (31st) for its invasion of the lucrative Chicago construction business.

Keane is chairman of the city council finance committee, which would investigate any irregularities in city contracts.

Malan has won six contracts totaling $40 million in the huge O'Hare Field airport terminal project.

Three firms, including Consolidated Construction Co., a Chicago firm, have filed liens totaling over $550,000 against Malan on grounds that Malan has refused to pay them for work performed under subcontracts.

A fourth subcontractor, Paul Rosenthal, president of Crest Concrete Systems, Inc., Chicago, had threatened to file a $48,000 lien against Malan.

But Thursday, Rosenthal said Malan suddenly paid an overdue $48,000 for prestressed concrete beams furnished by Crest Concrete in Malan's $18 million terminal building contract.

The $527,000 lien was filed against Malan by Consolidated Construction Co.

A Malan official, Irving Feldman, treasurer, said some of the work performed by Consolidated was not of satisfactory quality and was late, causing extra costs to Malan.

However, Robert W. Pancoe, president of Consolidated, noted that engineers for Naess & Murphy, consulting engineers for the city on the terminal project, certified the work in Consolidated's subcontract as complete and authorized payment to Malan of a total of $2,495,000 for the items involved.

The money was paid, except for the $527,000 claim of Consolidated's, which was placed in an escrow account until the dispute is settled.

Carter Manny, Jr., of Naess & Murphy, said he was told by Malan officials that Malan was forced to hire workmen on its own to complete work started by Consolidated but not finished properly or on time.

Pancoe replied that this is untrue, adding, "they (Malan) had a bunch of men wandering around and sweeping up. We did all we were supposed to do. This was just part of the continual harassment Malan inflicts on subcontractors."

There is a wide disparity between the amount Malan billed the city for work covered by two subcontracts and the total of the two subcontracts on file in the city purchasing agent's office.

Malan billed the city for $2,495,000 for work covered by Consolidated and Crest Concrete.

However, the Consolidated subcontract is listed as $1,550,000 in the city files and Crest Concrete's as $352,000.

And the latest information I have on the situation, two articles from the Chicago Daily News of June 14 and 16, 1961:

NEW CLAIM HITS O'HARE CONTRACTORS—AMENDED LIEN ASKS $1,153,000

An amended lien for $1,153,000 was filed Wednesday with the city against Malan Construction Corp., by a subcontractor who said his firm has not been paid for work done at O'Hare Field.

Consolidated Construction Co., 6350 N. Clark, has $1,153,000 coming from Malan, a New York firm, Alvin L. Weber, city comptroller, was notified by Consolidated officials.

The firm said the new lien replaces an earlier one for $527,000 filed May 9.

Malan has seven contracts totaling nearly $40 million for construction work at O'Hare Field.

SUES FOR $1 MILLION ON O'HARE WORK—CONSOLIDATED CONSTRUCTION CO. CHARGES BREACH OF CONTRACT

Consolidated Construction Co. has filed a $1 million breach-of-contract suit as the result of a hassle over payment for its work at O'Hare Field.

The suit, filed late Thursday in Federal court, is against the Malan Construction Corp., five of its officers and the city of Chicago.

Consolidated has been a subcontractor for Malan, a New York City firm, on construction of the terminal building and surrounding area at the airport.

The company, which has offices at Roosevelt and Union, is asking $1,153,330 plus damages.

Consolidated charges the money is owned [sic] to it by Malan for work performed between September 23, 1960, and June 13, 1961.

Coleman Lochten, attorney for Consolidated, said he would set the damage estimate at a later date.

Malan signed an $18,366,000 contract with the city last September 16.

Consolidated charges that it was hired by Malan a few days later to do a portion of the work but was never paid.

The company also claims that on May 9 it notified the city that the money was still owed to it.

A lien was filed against the city by Consolidated Wednesday.

Officers of the Malan Corp. named in the suit are Irving, Hyman, Edward, Sidney, and S. G. Feldman.

In addition to the money and damages, the suit asks for a release from the contract.

There seems to be a sort of pattern in this, and I would call your attention especially to a sentence in the Sun-Times story:

Malan subcontracts most of its work.

Now I turn to another interesting aspect of the work at Chicago. I include without further comment an article from the Chicago Daily News of June 6, 1961:

HOOD-LINKED FIRM ON JOB AT O'HARE—ELECTRICAL CONTRACTORS WORKING DESPITE LACK OF CITY APPROVAL

(By Jay McMullen)

An electrical contracting company linked to the hoodlum-dominated Twin Food Products Co., and the Sterling Harris Auto Agency has been hired by Malan Construction Corp., for a $300,000 subcontract at the O'Hare Field Terminal project.

The company, the Sheridan Electric Co., 4200 W. Fullerton, has had a crew of workmen at O'Hare for 2 weeks doing preliminary work on the subcontract despite the fact that no city approval has been given of the company as a subcontractor.

Approval of subcontractors by city officials, including John F. Ward, city purchasing agent, and by Naess & Murphy, consulting architects for the city, as [sic] required on all city projects.

Ward has not yet been asked to approve of Sheridan Electric.

Clifford P. Severns, administrative and contracting officer of Naess & Murphy, said Malan has asked him for approval of Sheridan Electric. But he said he was withholding approval because "I'm still looking into it."

He said Malan's request was submitted about a week ago.

Severns, informed that Sheridan Electric already has workmen on the job, said: "That's news to me. The 'field' takes care of that."

By the "field," he said he was referring to Walter Metschke, project engineer at O'Hare for Naess & Murphy.

"If they're working on the job, he (Metschke) ought to know about it," Severns said.

Metschke told a Daily News reporter that he had no knowledge of Sheridan Electric's being on the job.

However, Anthony Cicola, shop supervisor for Sheridan Electric, said their workmen started preliminary work 2 weeks ago on the heating and refrigeration plant contract obtained by Malan.

He said they had only five workmen on the site now but that that number would be greatly expanded shortly.

Sheridan Electric broke into the news early last month when State officials discovered that Leo Rugendorf, 46, crime syndicate loan shark, was using a Sheridan Electric truck to make deliveries for his meat market.

This discovery resulted in arrest of the driver by investigators for Charles F. Carpentier, Illinois secretary of state, for six vehicle license law violations.

Dr. Samuel Andalman, city health commissioner, said that it was improper for Rugendorf to haul meat in the electric company truck, which had not been checked for cleanliness by city inspectors.

Sheridan Electric also was revealed to have purchased 2 of 300 cars that vanished from the Sterling Harris auto agency in the gangland missing autos mystery.

The purchase was made by Sheridan Electric the day the autos disappeared from the Sterling Harris lot.

Now the basic problem in this whole matter is the fact that the Malan Construction Co. is a "bid broker" or "bid jobber." A company such as this will figure—in some way—what to bid on a construction job. It will, of course, make every possible attempt to submit the low bid.

If it is successful in submitting the low bid and if it is then awarded the contract, it begins to shop around for subcontractors. It may or may not find the most qualified subcontractors, frequently finds a small firm willing to do certain parts of the job for a certain price; but it turns out this small subcontractor just does not have the ability, experience, or capital to get the work done.

There is pressure put on the more reputable subcontractors to shave their bid to meet the offer from a smaller, less-well-qualified company. In other words, the company which received the prime

contract plays one company against another, shops around for the lowest possible bids and most importantly, often does not make the necessary checks to see that its subcontractors are qualified and able to do the work. Trouble often develops, as with the Omaha-Offutt Bases and O'Hare Field work.

That these bid brokers or bid jobbers are a problem can best be seen by examining the policy of certain Government departments which handle a great deal of construction work. The Bureau of Public Roads requires that the prime contractor on any of its projects actually performs at least 50 percent of the work itself. This regulation applies on all Federal aid highway projects, including the tremendous interstate highway program. This regulation was adopted for the sole purpose of eliminating bid brokers.

On April 12, 1961, the gentleman from California [Mr. SHEPPARD], who is chairman of the House Military Construction Appropriations Subcommittee, took the floor to announce a new policy of the Department of Defense which requires that the prime contractor on any Department of Defense contract must perform with his own organization work equal to at least 20 percent of the total amount of the work to be performed under the contract. In the case of housing projects, the minimum is 15 percent.

In addition, the new policy requires that each bidder submit a description of the work which he will perform with his own organization and the estimated cost thereof.

The gentleman from California said on that occasion:

> The military construction program has been plagued for some time by the award of contracts to so-called broker contractors. This type of contractor is awarded a project and does little if any of the work with his own forces but performs most of it by subcontracting. He all too frequently seeks to make his profit by chiseling on the Government and subcontractors wherever possible.

He also said:

> Many of us, perhaps, would like to see more drastic action taken, but certainly this is a step in the right direction.

This situation involving bid brokers came to the attention of the Congress several years ago. In the 82d and 83d Congresses, a number of bills were introduced which aimed at overcoming the difficulties posed by bid brokers.

In the 84th Congress, the Senate passed a bill requiring bidders to list their subcontractors in their bids. The measure received a majority vote in the House but failed of passage since it was brought to the floor under suspension of rules, requiring a two-thirds vote.

In the 85th Congress a similar bill was passed by the House but failed to reach the floor of the Senate before adjournment, although it was reported by the Senate Judiciary Committee.

The gentleman from Massachusetts [Mr. LANE] has introduced similar legislation this year, but there has been no action to date.

Because of my concern over the performance of the Malan Co., I wrote the Veterans' Administration when I learned of the contract award to that company last month. The reply I received from the VA follows:

JUNE 22, 1961.

Hon. GLENN CUNNINGHAM,
House of Representatives,
Washington, D.C.

DEAR MR. CUNNINGHAM: Thank you for your letter of June 9, which I have carefully checked with our Assistant Administrator for Construction.

Invitations to bid on the construction of an 800-bed Veterans' Administration hospital in Cleveland were issued on March 24, 1961. Four bids were received on the bid-opening date of May 9, 1961.

The Malan Construction Corp. submitted the low bid of $14,740,000. The bids ranged from this figure to a high of $16,111,000, an amount $1,371,000 above the Malan bid.

As I am sure you appreciate, it is necessary to protect the integrity of open and competitive public bidding, and to insure that Government construction is performed at the lowest possible cost to the taxpayer. This requires award of contract to the lowest bidder unless there are overriding reasons to the contrary. These reasons could include such things as fraud, default on previous contracts, abandonment of the job, or the barring of a firm from further Government bid participation based on past performance. None of these reasons is applicable in the instant case.

Once the bids are in, the VA follows certain procedures before it awards a contract. It first makes sure that the bid is responsive to actual contract provisions.

The agency checks to make certain the firm is not listed as a debarred or ineligible bidder, and also requires a listing of current and recent construction projects performed by the low bidder, and checks the performance on these contracts.

The Malan Corp. has engaged in a number of multi-million-dollar construction projects. The firm has completed, or is in the process of completing about $35 million worth of work at the Chicago-O'Hare International Airport. In regard to this work, we have been advised that the quality of workmanship has been satisfactory on all jobs, and that all jobs—with one "slightly behind schedule" exception—have been completed on schedule or ahead of schedule. A current terminal building contract amounting to a little more than $18 million is running ahead of schedule.

The firm also has engaged in a number of construction projects for the Federal Government, including multiple, million-dollar-plus contract jobs for the Corps of Engineers, the Atomic Energy Commission, and the Department of Navy.

The VA has received reports of satisfactory work on some of these projects, and reports involving some delays and some lack of supervision on others, including the work done at the Offutt Air Force Base.

On the Offutt project, however, the contract was not terminated for lack of performance, an action that can be taken by any Government agency, and there has been no move by any agency to bar the firm from further competitive bidding.

Based on the total record, there was insufficient adverse information available to support an unfavorable finding of such serious import as to justify rejection of the Malan bid on grounds of irresponsibility.

Please be assured that the VA invokes ample safeguards to protect the interests of the Government on every construction project. Here, for instance, are some of the general safeguards and their applicability in this particular contract:

The contractor has been required to furnish a performance bond in the amount of $7,370,000, which is 50 percent of the total contract, and a payment bond of $2,500,000 for the protection of persons furnishing labor or materials for the project.

The VA holds back 10 percent of the monthly progress payments it pays the contractor for construction work actually put in place, or materials delivered to the site as a further assurance of performance.

The VA requires all prime contractors to perform with their own forces not less than 15 percent of the construction work, and every contract contains a liquidated damages clause establishing a penalty for unreasonable delay in completion. In this case, this clause stipulates a penalty of $650 per day for every day the project runs beyond the permitted 800 days.

The VA for good cause can terminate the right of a contractor to proceed, and can also recommend debarment from future bid proceedings.

The VA on every major project has its own professional resident engineers to supervise and check on construction progress.

Based on our check into this matter, and on conferences the VA has had with the contracting firm, I believe I can assure you that a good job can and will be done on our Cleveland hospital. If, however, the performance should prove unacceptable, I can assure you that the VA will not hesitate to employ the sanctions it has at its command.

I appreciate the desire to be helpful that I am sure prompted your letter.

Sincerely,

J. S. GLEASON, Jr.,
Administrator.

I sincerely hope that the confidence expressed in the VA letter is not poorly placed. I still have serious doubts based on the information I have outlined. I think most people who read this record will have the same doubts. It would seem only logical that one department of Government should refuse to do business with a contractor who has been so severely criticized by another department of Government.

I am preparing legislation, which will require that all prime contractors having Federal contracts must do at least 35 percent of the actual construction work with their own forces. I believe this simple requirement will provide the necessary supervision on construction projects in the future which obviously has been lacking in many projects in the past.

It is my hope that other Members will agree with me that such action is reasonable to protect the interest of the Federal Government and the taxpayers. I believe it is the minimum which is necessary in order to discourage—even eliminate—bid brokers from further Government work.

NEWSMEN COVERING VICE PRESIDENT JOHNSON'S RECENT MISSION TO SOUTHEAST ASIA

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. FOUNTAIN] may extend his remarks at this point in the RECORD and include extraneous matter and tables.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I noted with interest some recent press comments and statements by Members of the House concerning what was described as subsidization of newsmen covering Vice President JOHNSON'S recent mission to

southeast Asia. These comments were based on the fact that newsmen accompanying the Vice President paid only $1,200 each for their transportation, whereas the pro rata share of each passenger, based on the capacity of the plane, would have been around $2,000.

In view of the interest which has been shown in alleged subsidization of newsmen, I think it is appropriate to place in the RECORD pertinent information concerning some of the oversea trips taken by former Secretary of Agriculture Benson.

In 1957 then Secretary Benson took a round-the-world tour in a Government plane, accompanied by his wife and two daughters. In 1959 the Secretary took a Government plane to northern Europe with his wife, 2 daughters and 10 newsmen. During 1960 Mr. Benson used Government planes for three separate trips to Western Europe and the Middle East, South America and the Far East. He was accompanied on one or more of these trips by his wife, four daughters, a son, a daughter-in-law, a son-in-law, and from five to nine newsmen.

The total cost of chartered planes for these five trips, at the rates charged other Government agencies by the Military Air Transport Service, was $184,926.15. Had commercial transportation been used, the cost to the taxpayers for the plane fares of the official travelers would have been approximately $40,800, a saving of more than $144,000.

For the 1957 round-the-world trip, Mr. Benson paid the Government $710 each for the transportation of his daughters. The estimated commercial cost for such a trip would have been more than $2,000 each. For subsequent trips to Europe, the Middle East, South America, and the Far East, no payment was made by Mr. Benson for transportation of his relatives. The reason Mr. Benson did not reimburse the Government for transportation of his relatives is said to be because officials of the State Department told him this was not necessary and stressed the good will value to the United States of his family accompanying him. However, no one at the Department of Agriculture or the Department of State has so far been able to identify the State Department officials who talked with Mr. Benson.

It is my understanding that Mr. Benson's son-in-law, who took a tour of the Far East at the expense of U.S. taxpayers, is a Canadian citizen. Perhaps this represented a personal version of the good neighbor policy on the part of former Secretary Benson.

None of the newsmen who accompanied Mr. Benson and his family on four oversea trips in 1959 and 1960 were required to make any payment to the Government for the cost of their transportation. I do not know how the selection of newsmen for these trips was made, nor do I know whether any priority system was set up to determine whether family members or favored newsmen got first chance at these free oversea trips. It is a mystery to me, also, why a trip to the Far East in November 1960 was necessary for a Secretary of Agriculture who had just been voted out of office.

I am including with my remarks a tabie showing the persons making each trip, the cost to the Government for a chartered plane, the cost of commercial transportation for official travelers as estimated by the Department of Agriculture, the excess cost for chartered planes, and the pro rata cost of transportation for relatives of former Secretary Benson.

Date	Itinerary	Agriculture Department officials	Benson relatives	Press or other non-Government	Cost of plane	Estimated commercial transportation cost	Excess [1] cost to Government	Cost [2] to Government of transportation for relatives
Oct. 22–Nov. 16, 1957	Around the world	6	Mrs. Ezra Benson Bonnie Benson. Beverly Benson.	None	$27,948.75	$14,400	$13,548.75	[3] $9,316.26
Sept. 23–Oct. 9, 1959	Northern Europe	5	Mrs. Ezra Benson Bonnie Benson. Beverly Benson.	10	28,840.20	6,500	22,340.20	4,806.09
July 30–Aug. 17, 1960	Western Europe and Middle East.	4	Mrs. Ezra Benson Beth Benson.	8	50,094.00	6,500	43,594.00	7,156.28
Oct. 20–Nov. 3, 1960	South America	5	Bonnie Benson Reed Benson. Mrs. Reed Benson.	9	27,775.20	4,400	23,375.20	4,901.49
Nov. 10–28, 1950	Far East	5	Mrs. Ezra Benson Beverly Benson. Dr. Robert Walker (son-in-law). Mrs. Barbara Walker (daughter).	5	50,268.00	9,000	41,268.00	14,362.28
			Total		184,926.15	40,800	144,126.15	[4] 40,543.00

[1] Excess of cost of chartered plane over estimated commercial fares for official travelers.

[2] Pro rata cost based on number of persons traveling on chartered plane.

[3] Reimbursement of $1,420 made to Government for 1957 trip.

COMMITTEE ON HOUSE ADMINISTRATION

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Enrolled Bills and Library of the Committee on House Administration may be permitted to sit tomorrow during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

THE LATE WILLIAM J. CONNORS

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. LIBONATI] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LIBONATI. Mr. Speaker, as a boy, Senator William J. Connors started life for himself on the near North Side of Chicago. His was a struggle with the fates at the very start.

His early camping ground was the Chicago River, where he and his chums took turns in dog-treading its murky drainage waters. He attended the Kinzie Elementary School and entered old North Division High School.

But life's money problems at home were rugged, and so he left school before graduation to find employment. He worked at all sorts of small jobs that were open to a young man in a poor neighborhood. He knew what it was to suffer in adversity.

His first public office was that of deputy bailiff of the municipal court. He then was elected to the Illinois Legislature in 1932, and served two terms, 1932–34. He was elected to the Illinois State Senate in 1934, serving as minority leader of that body in the 65th, 66th, and 67th sessions. Senator Connors was completing his sixth term—24 years—in the Senate.

The people of the State of Illinois, the county of Cook, and the city of Chicago, together with the residents of his district and ward, owe this strong, vibrant American, whose great ability in leadership, simplicity of manner, rugged individualism, and wide experience in public affairs, the prayers of a grateful people for his years of public service.

Senator Connors was a real and true friend. He never forgave a phony—no man ever crossed him more than once. Although, if an enemy were down and out, Connors was there to help.

He was a silent man, who observed closely the most minute political maneuvers—but if he was hurt, no one could become more vociferous in defense of his position.

His many charities were given without fanfare. He was not an exhibitionist. He held a strong feeling of kindness for the poor.

He was a wonderful father and husband. He adored his beautiful wife,

Sarah, and talented daughter, Dorsey—a celebrated television artist—and his grandchild, Mrs. Edward Lyng. He admired and worshipped his son, the distinguished and honored assault tank captain of World War II, Patrick.

Senator Connors was never defeated in any undertaking, political or otherwise. He thought well and planned well and won well. He never left sores after his fights. Although many times he used the political know-how drastically, he worked in the open, and his opponents could only admit the fight had been fair. As a thinker he appealed to reason alone. In all things he was forceful. He knew where he was going every inch of the way.

As committeeman and senate leader, he studied every angle, retained his knowledge and knew when and where to use it.

He was a confidant of every Democratic leader throughout his career. His sense of party loyalty marked him as a rigid, stubborn and firm leader.

It can be truly said that Senator Connors finished his life's work as one of the most powerful Democratic leaders ever developed in the North River ward domain. His sterling leadership of the Illinois State Senate, during Gov. Adlai Stevenson's administration in Illinois, contributed much to its success.

Many will mourn this day, especially the poor, who give life's prayers for a few such friends as Senator Bill Connors, their benefactor.

We, of the Democratic Illinois delegation in Congress, send our heartfelt condolences to the members of his bereaved family.

May God rest his soul.

OUTDOOR RECREATION RESEARCH CENTERS

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. OLSEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OLSEN. Mr. Speaker, more and more attention is being given to the acute need for accommodating the tremendous demand that has arisen across the country for healthful, outdoor recreational opportunity. Each year, the visitation figures compiled by the administrators of private, State, and Federal lands and waters show a pyramiding of recreational demand and usage. Annual sales of boats and motors, tents, fishing tackle, hunting gear, and all other outdoor equipment continue to rise each year. More than 100 million mandays of recreation are expected on the national forests this year. Visits to the national parks and to Federal impoundments also should exceed the 200 million man-days mark.

Studies in California, Wisconsin, and New York show that outdoor recreation is not just another fad. It is becoming a way of life for many millions of our people, and all signs point to a greatly expanded demand for recreational opportunity in the coming years. The National Outdoor Recreation Resources Review Commission has made an extensive study of the problems and opportunities for meeting the public demands, and the Commission's report should be rendered to Congress early next year. My bill would authorize an action program to meet the challenge with which we are faced.

The legislative measure I introduced today would authorize the Secretary of the Interior to enter into cooperative agreements with other Federal departments and agencies, State and local agencies and instrumentalities, colleges and universities, business and other private organizations, scientific societies, and individuals to establish, equip, operate, and maintain a maximum of six cooperative outdoor recreation research centers for the purpose of conducting research into outdoor recreation resources, needs, and activities; for maintaining liaison between Federal, State, and local agencies and private groups relating to the development and use of recreation resources; for providing training, primarily at the graduate level, in recreation research and resource management; and for the encouragement of education in the broad field of outdoor recreation. By enacting this legislation, the Congress would be exploiting a new breakthrough and creating a new horizon in fulfilling responsibilities to meet the public's recreational needs. Congress would be initiating and maintaining a planned and continuing program that would assure regular measurement of recreational demands and trends so that information will be available on which all interested agencies and groups can base decisions and programs. Time and experience have shown that irregular inventories and casual studies are not enough. The problem daily grows more complex, and legislative bodies and administrative agencies must have accurate information so they can make the right decisions at the right times.

The six cooperative outdoor recreation research centers would be strategically located so as to provide solutions to regional problems. The sum of $150,000 per annum would be authorized to be appropriated, with an annual budget of $25,000 for discharging the Federal Government's participation in each of the cooperative research centers. I am sure that my colleagues will agree that $150,000 is a modest investment in achieving the benefits that are anticipated. Much more than that in funds, services, and facilities would be contributed by cooperating groups.

The establishment of the proposed outdoor recreation research centers has a proven and successful precedent, Mr. Speaker. The centers are patterned after the cooperative wildlife research unit program in which the Department of the Interior has participated since the mid-1930's. Wildlife research units presently are operating at 16 land-grant colleges. One of the newer units, at Montana State University, in Missoula, Mont., is now in its 11th year. The Montana unit, like the others, is cooperatively supported and administered by the university, the State fish and game department, the Department of the Interior, and private groups. They serve a useful purpose and useful results are being achieved.

The major objectives of the excellent and widely acclaimed cooperative wildlife research unit program are worth noting. They are to train personnel for responsible positions in the field of wildlife management; to conduct research basic to the proper use of these resources; to promote education through demonstrations, lectures, and publications; and to provide technical assistance to State conservation departments and other agencies in their wildlife management problems. About 3,000 specialists have received training under the cooperative wildlife research unit program.

My bill largely would apply similar objectives to the field of outdoor recreation. The contemplated research centers would facilitate the conducting of essential studies and basic research into those recreation problems faced jointly and individually by agencies that administer land and water resources. By giving young people on the graduate level an opportunity to participate in the program, we would have assurance of a supply of well-trained specialists to enter the field of recreation as employees of Federal, State, and private agencies and groups. Public awareness would be developed through demonstrations, lectures, publications, and other activities of the centers.

Present developments convince me that there is an urgent need for the program that would be authorized by this legislation, Mr. Speaker. It is hoped that my bill will receive favorable consideration at an early time.

STRUGGLE AGAINST THE COMMUNIST THREAT

Mr. CAREY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOLIFIELD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, thinking men and women in every nation of the free world are profoundly concerned by the lack of unity that dangerously weakens us in the struggle against the Communist threat.

For the Communist axis is no respecter of geography, nationalities, or races, including currently, the drives on Laos, Korea, and our own Western Hemisphere with Cuba only 90 miles from our shores.

It is late in the day, but only in the aggregate strength forged of genuine unity can the West regain its equilibrium sufficiently to stop Communist aggression.

It is significant that since 1939 Mr. A. N. Spanel, founder of International Latex Corp., has presented editorial advertisements in paid newspaper space warning against divisiveness, and plead-

ing for free world unity. This has been done with such persistence in our hemisphere and throughout free Europe that it can only be characterized as a ceaseless patriotic dedication.

These constructive efforts certainly merit highest recognition by us and our free world allies.

Mr. Speaker, I therefore ask unanimous consent that the timely International Latex Corp. editorial advertisement which appeared in the Washington Post and Times Herald on June 1, 1961, be printed in the body of the CONGRESSIONAL RECORD as follows:

LEST FREEDOM GO THE WAY OF THE DINOSAURS

(By A. N. Spanel)

Scientists tell us that in prehistoric times dinosaurs brought on their own extinction, not because they lacked physical power and the ability to meet enemies offensively and defensively. They vanished from the face of the earth because they failed to adapt themselves to the challenge posed by forces of nature—a challenge that could not be met individually by any single species.

Formidable in size and strength though they were, they failed to develop brains to match; and sheer force was not enough. Thus for lack of intelligence, cooperation among the species was lost, and for lack of cooperation survival itself was lost.

This episode of natural history holds a warning for mankind today. The size, population, industrial and military power of nations are no guarantee of survival if the indispensable wisdom is absent. Unless the species today known as free nations achieve a high degree of genuine cooperation in meeting the common challenge of Communist barbarism, they may join the dinosaurs in the limbo of extinction.

Consider the current (October 2, 1958) crisis in the Formosa area. We know from bitter experience that freedom is indivisible; that should the United States suffer a political or military defeat, every other free nation would be equally hurt. Yet the United States is virtually alone, with the total might of the Communist coalition alined against it.

This tragedy of standing isolated, whatever the merits of the American position, is the product of past failures to coordinate free-world policies. The one certainty is that this weakness will be endlessly compounded until our world, mortally menaced, learns to combine rather than to splinter its strength.

In political and diplomatic problems common to the nations of the free world, it is compelling upon us—and no less upon every one of our allies—to steer courses arrived at on the basis of continuous consultation. Merely to inform one another after the fact, or even to notify allies before the fact that we shall act unilaterally, is a caricature of the principle of unity. It can only lead to the confused, disoriented and ineffective policies that too often characterize the free world nations individually and collectively.

Think of the irony of the situation. The American people have willingly taxed themselves year after year to help needy countries everywhere. In 11 years, they have given away more than $75 billion, $52.5 billion in economic aid and $22.5 billion in direct military assistance—a generosity unmatched in the history of man. Yet, because of our immature and inept conduct of foreign affairs, this astronomical generosity has not sufficed to unify the free world. It has not offset resentments of allies who have felt themselves ignored and underrated in foreign policy decisions impinging on their vital interests.

America's might is repeatedly channeled into improvised foreign policy without benefit of consultation with allies who are as rich in diplomatic and political experience as is the United States in material power. It is this prime blunder that has brought the free world to its present state of disunity, divided counsel and confusion—a condition skillfully exploited by the common enemy.

In NATO, the Atlantic powers have in the main succeeded in creating a limited form of unity resting on consultation and cooperation. But these concepts, while honored in the military sphere, continue to be ignored when it comes to policy decisions.

The record of the past couple of years is sufficiently dismal. For example, unilateral action by Britain and France in the fall of 1956 in Egypt, born of desperation in face of Nasser's endless threats and harassments; followed by America's blind counteraction in consort with Soviet Russia; capped by a unilateral Eisenhower doctrine. Military intervention in Lebanon and Jordan this summer, with an ally no less deeply concerned, namely France, cold-shouldered in the process. And now the Formosa challenge, amidst a Babel of free-world disagreements.

Such are the bitter fruits of disunity which the Kremlin jubilantly describes as the "contradictions" in our camp.

The Communist world, by contrast, speaks with one voice and acts as a unit. True, its unity is imposed by brute force. We know that under the policed surface there are tensions between component nations, especially between Red Russia and Red China, and smoldering popular hatreds of their police-states within each of the nations. If we had worked in true unity over the years, we could have taken advantage of these conditions to keep the Soviet empire off balance, strengthening our world by weakening theirs.

Yet that totalitarian unity enforced by terror, is effective in Red foreign policy. We have no alternative but to confront it with a unity of our own, resting on free men's consent; otherwise we may well lose the historic struggle between the two worlds by default. The free world must promptly mobilize its aggregate strength. It must create disciplined agencies for consultation, not for moments of crisis and panic but on a continuing basis, in much the same way as NATO operates on military matters. It must pool its moral, diplomatic, industrial and technical resources no less than its military potentials. The demonstrated ability to work in close unity, as in NATO, can and must be carried over to nonmilitary tasks, especially in the formulation of common, considered foreign policy.

Let's not dissipate our strength by fragmentation, lest freedom go the way of the dinosaurs.

RESOLUTION ON GERMANY

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BECKER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BECKER. Mr. Speaker, I have today, introduced a "no backdown" resolution that would place the House on record as stating that the United States should not accept a unilateral abrogation by Russia of agreements regarding access to Berlin as affecting in any way the rights and responsibilities of the West. This resolution is identical in form to the one introduced in the Senate by the senior Senator from New York, Mr. JAVITS. It contains the following five basic points:

First. We should not accept a forced solution or be under pressure because of Chairman Khrushchev's deadlines or threats or even the actuality of the U.S.S.R. making a separate peace treaty with the East German Communist regime.

Second. We should await the outcome of the elections in the German Federal Republic in September to permit the German people themselves to give a new mandate as to their wishes on Berlin.

Third. We should recognize that the East German Communist regime is not the expression of the freely declared will of the people of East Germany.

Fourth. Negotiations on Berlin should be based upon the reunification of Germany by free elections; the security of Europe, both East and West, including a reunified Germany; and the joint responsibility of the Governments of the United States, the United Kingdom, France, and the U.S.S.R. for this result.

Fifth. The United States should under no circumstances accept the unilateral abrogation of its rights and the rights of its allies for continued and assured access to Berlin and for the unification of Germany in accordance with the four-power agreements made at the end of World War II.

I would urge that all Members study this resolution and also read the speech made by Senator JAVITS in the Senate on last Thursday, June 22, 1961, and found on pages 11044 and 11051 of the CONGRESSIONAL RECORD for that day. It is one of the finest analyses of the Berlin situation and German reunification.

I firmly believe that the House should act upon this resolution. The free world must be assured that we will stand by our commitments. There is nothing else we can do. We cannot equivocate, procrastinate, or appease. Instead of considering Khrushchev's demand, we should demand of Russia, free elections not only on the reunification of Germany, but free elections in all the countries now held under Communist slavery, from Poland to Bulgaria. We should demand constantly of Khrushchev to stop talking hypocritically about peace, but act in the cause of freedom which will bring about a peace all over the world.

GALLUP POLL ON KENNEDY HEALTH BILL; AN EXERCISE IN DECEPTION

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, on June 8, 1961, Dr. George Gallup, director, American Institute of Public Opinion, issued a press release and the purported findings of a carefully selected sample of 1,536 adults by Gallup

poll interviewers who were asked this one question:

> Would you favor or oppose having the social security tax increased in order to pay for old age medical insurance?

There was no statement of what the benefits might be or the amount of the tax increase, or whether it was to be compulsory or voluntary, or what part of the aged would be covered; just the bare question was asked.

Dr. Gallup's press release as printed in the New York Herald Tribune goes far afield and far beyond this simple and almost meaningless question. It starts with this lead sentence:

> With battle lines drawn in the fight over President Kennedy's medical care for the aged bill a majority of the public now stand with the administration forces.

The question asked the selected sample has little or nothing to do with President Kennedy's health care for the aged bill.

The administration bill on health care for the aged is neither a medical care bill nor is it a bill to provide insurance. It covers only a portion of the aged. For a portion of health institutional costs. The major arguments against the administration bill are completely ignored in the question asked by the Gallup pollsters.

The Anderson-King bills, containing the administration proposal, only provide for services in hospitals, in nursing homes, in diagnostic clinics, and for visiting nurses. Medical care in its proper sense relates to doctor's care.

The President, in transmitting his request for legislation in this field on February 9, 1961, stated:

> No service performed by any physician at either home or office, and no fee he charges for such services would be involved, covered, or affected in any way.

Presumably our aged would enter the hospitals without medical examination.

The only medical services covered, if any, would be those of an emergency nature by interns and hospital staff doctors. The chronic ailments of the aged, and day-to-day treatment of them, as well as home confining illnesses requiring doctor's care, would not be covered.

Furthermore, the administration bill does not propose an insurance program in any correct use of the word "insurance." The people that it would immediately cover will never pay a cent of tax or premium for the limited hospital or nursing home benefits they might receive. It is a dole program for them and the only way this dole is kept from being relief is by including the wealthy older people, all old people who are on social security, whether they can afford to pay or not. The old people not on social security, one and a half million of them, who as a group need help the most are excluded. It is not an insurance program even for those coming under the program in the future. There is no contract enforcible in law. Those in social security will have to pay taxes immediately, but they will get no health cost protection until they reach age 65. What kind of health insurance is this? Already on the market real medical, not just hospital insurance, is available to any person for his old age. However, when you buy it, you not only get the coverage in your old age prepaid, but you get coverage immediately for the years you are paying before you reach 65.

Dr. George Gallup is too knowledgeable a man in the field of public opinion polling not to know the complete chicanery of the press release his organization has issued and the conclusions it draws from the question his interviewers asked the selected sample of 1,536. The deception that is being foisted on the public by this kind of propaganda and in other ways by the Kennedy administration about its limited health program for a limited number of the aged, including the wealthy aged, has its counterpart only in dictatorships. It has no place in representative government.

The real answer of the promoters of the Anderson-King bill to the criticism that it is limited in scope to hospital costs, in dollar amounts, in coverage of the aged, is that this bill is just a beginning. What the promoters ultimately envisage is their original bill—the Wagner-Dingell bill—compulsory medical care for all of us. Why does not the Kennedy administration advance this forceful reply to its critics, instead of deceiving the people about the pittance their bill would give them? The answer is they are on the sharp horns of a dilemma. If they answer honestly, they demonstrate that their real program is socialized medicine and that the King-Anderson bill is only a small start. They tell their adherents who are in the know, "Have patience, this is all we can get now. Let us get this and nothing can stop the growth to complete social coverage." They are indeed right. Plant this seed of cancer and it will grow rapidly, to cover the entire social body. It will be difficult or almost impossible to stop.

Let Dr. Gallup poll the people on this question: "Would you favor or oppose beginning a program of having the social security tax increased in order to pay for old-age hospital costs which its proponents say though limited in amounts of benefits and coverage now will shortly be increased to complete coverage for us all, but which its opponents say is the beginning of socialized medicine?"

The answer the people would give to this question would put an entirely different light on whether "the majority of the public now stand with the administration forces" or not.

Let the people have the truth as both sides see it and then get their answer. Will the Kennedy administration accept this challenge or continue to propagandize the people and corrupt public opinion polls to further their Machiavellian ends?

AUTOMATIC RETIREMENT OF THE PUBLIC DEBT

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, I cast my vote against H.R. 7677 as a protest against the continual climb of our debt. It is time that we started voting to lower our national debt rather than voting to raise it every year. I feel that we must take action soon to provide for automatic retirement of the Federal public debt by reducing it a certain amount each year. I feel that this is the only proper step which we as a nation can properly take in order to lessen the mortgage which we have on our children, grandchildren, and the generations to follow.

I have had volumes of mail from constituents who are demanding that something be done to lessen the national debt. I feel that the United States is drifting deeper into serious financial trouble each time the debt limit is raised, which provides for further deficit spending. It is time that all the people in this country realize that fiscal sanity must begin now; we may soon reach the point of no return, if we have not already done so.

By my vote against raising the debt limit today, I feel that I am representing the feelings of an overwhelming majority of my constituents.

SPECIAL SCHOOL MILK PROGRAM

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. STAFFORD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I am gratified and the people of my State will be happy to learn that the House passed the special school milk program this afternoon.

Vermont is proud of the fact that the exceptionally fine milk produced by its dairy herds has been utilized in this program since its inception. Good table milk helps keep our schoolchildren healthy and alert, ready to meet the stresses, strains, and demands of this exacting age. Vermont, the Nation's most intensive dairy State, hails the extension of this program.

ADDITIONAL VIEWS ON HOUSE RESOLUTION 328 TO DISAPPROVE REORGANIZATION PLAN NO. 5 OF 1961 (NATIONAL LABOR RELATIONS BOARD)

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. GRIFFIN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRIFFIN. Mr. Speaker, for the information of the membership, I am inserting in the RECORD at this point, the

additional views concurred in by nine of the Republican members of the Committee on Government Operations which were filed today as part of the report to accompany House Resolution 328 to disapprove Reorganization Plan No. 5:

INTRODUCTION

Reorganization Plan No. 5 of 1961 is the fifth in a succession of reorganization plans which are fundamentally identical and designed to effect a further concentration of executive power. With minor technical exceptions the reasons for disapproving one of them apply with equal validity to all.

Minority views with respect to plan No. 1 (Securities and Exchange Commission), plan No. 2 (Federal Communications Commission), plan No. 3 (Civil Aeronautics Board), and plan No. 4 (Federal Trade Commission) are set forth respectively in House Report No. 509 accompanying House Resolution 302, House Report No. 446 accompanying House Resolution 303, House Report No. 510 accompanying House Resolution 304 and House Report No. 511 accompanying House Resolution 305. Of these four plans, two have been disapproved by the Congress.

THE ROLE OF THE NATIONAL LABOR RELATIONS BOARD

Plan No. 5, like the rest, was submitted with the intention, as stated by President Kennedy, of relieving "the Board members from the necessity of dealing with many matters of lesser importance and thus conserve their time for the consideration of major matters of policy and planning."[1]

This ignores the fact that in neither the Wagner Act nor the Taft-Hartley law, nor the Landrum-Griffin Act, did Congress, with respect to the trial of unfair labor practice cases, delegate any authority in policy matters to the Board. This fact sets the National Labor Relations Board apart from other administrative agencies which have been the subject of Reorganization Plans 1 through 4 of 1961 previously considered by this committee.

Congress in its wisdom granted broad policymaking authority to the Securities and Exchange Commission, the Federal Communications Commission, the Civil Aeronautics Board and the Federal Trade Commission. This is not the case with the National Labor Relations Board with respect to unfair labor practice cases. The Wagner Act, the Taft-Hartley law, and the Landrum-Griffin Act spell out in definite terms what constitute unfair labor practices.

In unfair labor practice cases the Board is limited to making a judicial finding as to whether specific acts violate the terms of the law. Thus any validity that the argument might have had with respect to the other agencies, it is not applicable here. The role of the National Labor Relations Board in this respect was intended to be that of a court.

AMENDING FUNDAMENTAL LAW

In its efforts to distinguish its disapproval of Reorganization Plan No. 2 from its approval of Reorganization Plans Nos. 1, 3, and 4, the majority claimed plan No. 2 amended the basic provisions of the Communications Act of 1934. The gentleman from Arkansas, Mr. HARRIS, chairman of the Committee on Interstate and Foreign Commerce, which has legislative jurisdiction over the regulatory agencies, stated that "such a change in basic policy should be considered by the regular legislative committee in the regular, ordinary way" (CONGRESSIONAL RECORD, June 15, 1961, p. 10455).

The distinguished Speaker of the House, Mr. RAYBURN, stated: "My objection to this reorganization plan is that it attempts by a reorganization plan to amend the fundamental law in the Communications Act. I think that is a function of the Congress and I think the gentleman from Arkansas believes something ought to be done about it but he does not think it ought to be done in this way and I do not either" (CONGRESSIONAL RECORD, June 15, 1961, p. 10456).

The House then voted down the plan by a vote of 323 to 77.

Since plan No. 5 also has the effect of amending fundamental law, it is subject to the same condemnation.

First, if plan No. 5 were permitted to become law, it would effectively supersede section 701(b) of the Labor-Management Reporting and Disclosure Act of 1959 (the Landrum-Griffin Act).

Second, the plan would deprive litigants of rights which they now have and which were established by fundamental law.

Third, Reorganization Plan No. 5 would remove congressionally created curbs on arbitrary action.

(1) Supersedes section 701(b) of the Landrum-Griffin Act

Section 701(b) of the Labor Management Reporting and Disclosure Act of 1959 amended section 3(b) of the National Labor Management Relations Act (Taft-Hartley) to authorize the Board to delegate to its regional directors only its powers under section 9 to determine the bargaining unit and otherwise determine representation cases.

After carefully and deliberately considering the problem, Congress limited the delegations to purely administrative matters. The questions to be resolved by the delegated functions were in essence: (1) Who is eligible to vote? and (2) What is the appropriate bargaining unit? These are not adversary proceedings and decisions in such cases are only subject to review in subsequent unfair labor cases. Representation cases are purely administrative.

The Congress saw fit in the Landrum-Griffin Act to allow the Board to delegate a particular administrative chore to specifically named high-ranking subordinate officers—the Board's regional directors. Congress carefully restricted this authority to delegates. The authority to delegate could be applied only to the conduct of employee elections. Congress did not permit the Board to delegate any other function to anyone.

The implications are clear. Congress in 1959 was unwilling to amend the statute in a manner which would allow any delegation of the Board's judicial function to persons not Board members. Yet this proposed plan No. 5 would now make a major intrusion upon the basic statute by allowing, as has been pointed out, the delegation of the Board's judicial responsibility to trial examiners with no absolute right of appeal to the Board itself.

Not only does this have the effect of a major amendment of the statute, it also represents a massive curtailment of the rights heretofore enjoyed by those who are litigants under this law.

It is clear that Congress regarded final decisions in unfair labor practice cases as the responsibility of the Board itself. Even the Administrative Procedures Act circumscribed the right to delegate other functions of the Board in adjudication cases. This is in accord with the clear pattern established by Congress with respect to all administrative agencies of not delegating final adjudicatory powers except to officials nominated by the President and approved by the Senate.

Without exception Congress has refused, in its statutory enactments of labor law, to delegate such functions to anonymous examiners—examiners over whom the Board has no control, examiners who may be deeply committed to one point of view. Examiners need not be lawyers, nor expert in the field of law administered by the National Labor Relations Board.

Trial examiners do not require Senate approval as do Board members and Federal judges. Yet this plan would elevate trial examiners to the status of judges. According to the Board's testimony, approximately 75 percent of trial examiners' decisions are appealed to the Board. Of the decisions to which exceptions are taken, approximately 24 percent are either overruled or modified by Board action. This indicates some of the danger inherent in the delegation that would be authorized by plan No. 5. In view of the record, Congress should be most reluctant to give away such far-reaching power.

This plan would authorize redelegations to hearing examiners beyond the control of Congress and not even under the control of the National Labor Relations Board. Hearing examiners are hired under procedures prescribed by the Civil Service Commission. They are removable by the Board only as prescribed under section 11 of the Administrative Procedure Act "for good cause established and determined by the Civil Service Commission after opportunity for hearing and upon the record thereof."

(2) Plan No. 5 would deprive litigants of rights

It is said that the plan is necessary in order to relieve the National Labor Relations Board of the burden of reviewing unfair labor practice cases when exceptions are filed to the report of the trial examiner. Thus it is that the plan would deprive litigants of rights they now have under present law.

That is to say, the right of a de novo review by the Board which, in unfair labor practice proceedings, is now available to a litigant—a right which Congress made available to the litigant himself in the Wagner Act and retained under the Taft-Hartley Act and the Landrum-Griffin Act—would be taken away by virtue of this reorganization. To say that the final decision of a trial examiner may then be appealed to the circuit court of appeals does not meet this objection. Traditionally, in Anglo-Saxon law the appellate court should substitute its judgment for that of the trier of the facts only in unusual circumstances.

On trials in the circuit courts, even today, except in the most unusual circumstances, the findings of the trier of the facts are binding on the court. Thus, where the finding of the Board is supported by substantial evidence, there is no judicial review on the facts.

The courts increasingly take the view that these Boards are experts and hesitate to substitute their judgment for the expertise of the Boards. It should be emphasized that under this plan, the final trier of the facts would be the examiner—not the Board. His findings would not, in the usual case, be subject to review by the Board and in the overwhelming number of cases would be binding on the parties on appeal to the court.

Presently the Board members and their staffs review de novo intermediate reports of trial examiners to which exceptions are taken and, in the words of Stuart Rothman, General Counsel, National Labor Relations Board, "The same procedure is followed whether the case turns on the credibility of a particular witness or on fundamental questions which decision may affect labor relations throughout the country."[2]

The right of review would remain only when the Board, at its discretion, granted it. Thus what is now a right of review will become only a privilege of review, and the findings of the examiner will, in the overwhelming number of instances, be the final administrative ruling.

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[1] Message from the President of the United States transmitting Reorganization Plan No. 5 of 1961 (H. Doc. 172, 87th Cong., 1st sess.).

[2] Hearings before a subcommittee of the Committee on Government Operations, House of Representatives, 87th Cong., 1st sess., June 12, 1961, on Reorganization Plan No. 5 of 1961, p. 4.

As suggested by one of the proponents of Reorganization Plan No. 5,[3] "the trial examiner under this Reorganization Plan becomes really in a most technical sense now very much like a judge and his powers become very, very great and his responsibility becomes much greater than it is now."

(3) *Removal of safeguards to arbitrary action*

Furthermore, if permitted to become law, Reorganization Plan No. 5 would remove congressionally created curbs on arbitrary action.

The redelegation to employees of the Board of powers and functions vested in the Board by the Congress automatically eliminates important safeguards devised by Congress to prevent abuse of power.

One such safeguard is that of limiting the delegation of vast power to persons whose qualifications have been examined by the U.S. Senate and who have been confirmed by the Senate. To permit this vast power now vested in known officials who are to a degree controlled by the electorate to be redelegated to the lower echelons of a faceless bureaucracy does violence to the rights of the people.

Not only does the plan trample roughshod over the rights of all citizens by removing checks on arbitrary action but it also tramples on the rights of any minority on the Board.

The delegating authority of the Board could be controlled by a majority of members on the Board and they could, directly or by delegation to the Chairman, make assignments isolating members not in accord with the views of the majority on routine cases or exiling them to remote sections of the country and thus impair the effectiveness of dissenting members.

While it is true that this plan does not contain any specific provision as to powers of the Chairman as did the four preceding plans, there was testimony before the subcommittee to the effect that the plan appeared to authorize the delegation of all of the Board's powers to the chairman:[4]

"Mr. BROWN. All right, answer my question, whether or not, under this reorganization plan, in your legal opinion, the Board could delegate all of its powers to the Chairman to, in turn, set up these different examiners and delegate authority where he pleases.

"Mr. ROTHMAN. The reorganization plan appears broad enough to so authorize."

Apparently, "quite a sleight of hand as far as this reorganization plan is concerned," according to one witness.[5]

The opposition of the undersigned to Reorganization Plan No. 5 is not to be construed as an unwillingness to remedy the difficulties confronting the National Labor Relations Board. Our position is simply that Reorganization Plan No. 5 is not the way to do it. Perhaps the agency should be divested of its judicial function. Perhaps the National Labor Relations Board should handle only representation matters and unfair labor practice cases tried in Federal district courts. Perhaps the agency should be decentralized to regional boards. In any event, the problem is too basic and complex to be dealt with except by Congress itself in the legislative process.

CLARE E. HOFFMAN, R. WALTER RIEHLMAN, GEORGE MEADER, CLARENCE J. BROWN, FLORENCE P. DWYER, ROBERT P. GRIFFIN, ODIN LANGEN, JOHN B. ANDERSON, F. BRADFORD MORSE.

[3] Mozart G. Ratner "considered by many," according to the Honorable ROMAN C. PUCINSKI, chairman of the ad hoc Subcommittee on National Labor Relations Board, Committee on Education and Labor, House of Representatives, "as one of the great experts on the National Labor Relations Board." (Stenographic transcript of hearings before the ad hoc committee, p. 1546.)

[4] Hearings before the ad hoc Subcommittee on National Labor Relations Board, Committee on Education and Labor, House of Representatives, June 12, 1961, on H.R. 141. (Stenographic transcript, p. 1521.)

[5] Hearings before a subcommittee of the Committee on Government Operations, House of Representatives, 87th Cong., 1st sess., June 12, 1961, on Reorganization Plan No. 5 of 1961 (National Labor Relations Board), p. 13.

[6] Eugene Keeney, attorney, Labor Relations Legal Department, U.S. Chamber of Commerce, at hearings before a subcommittee of the Committee on Government Operations, House of Representatives, 87th Cong., 1st sess., June 12, 1961, on Reorganization Plan No. 5 of 1961 (National Labor Relations Board), p. 32.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ASHMORE (at the request of Mr. RILEY) for today on account of official business—attending a funeral in the District.

Mr. ADDABBO for Monday, June 26, on account of official business.

Mr. ANFUSO (at the request of Mr. HOLTZMAN) for June 26, 1961, on account of official business.

Mr. INOUYE for today and the balance of the week on account of official business—accompanying the Honorable LYNDON B. JOHNSON, the Vice President, to Hawaii.

Mr. HERLONG for Monday and the balance of the week on account of official business in the District.

Mr. O'BRIEN of New York (at the request of Mr. DULSKI) on Monday and Tuesday, June 26 and 27, on account of business in his district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WRIGHT, for 30 minutes, today.

Mr. CUNNINGHAM, for 30 minutes, today.

Mr. SELDEN, for 1 hour on June 29.

Mr. SHELLEY (at the request of Mr. CAREY), for 15 minutes on June 28.

Mr. DERWINSKI, on Wednesday, June 28, for 1 hour.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. TOLL.

(The following Members (at the request of Mr. CAREY) and to include extraneous matter:)

Mr. ALGER.
Mr. MULTER.
Mr. GALLAGHER.
Mr. HARDING.
Mr. CLEM MILLER.
Mr. DENT.
Mr. MONAGAN.
Mr. BUCKLEY.

Mr. PATMAN, his remarks in the Committee of the Whole today, and to include extraneous matter.

Mr. PELLY to include a table in his remarks in the Committee of the Whole today.

(The following Members (at the request of Mr. DERWINSKI) and to include extraneous matter:)

Mr. HOSMER.
Mr. DOOLEY.
Mr. VAN ZANDT.
Mr. BRAY.
Mrs. CHURCH.
Mr. GOODELL.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 614. An act to authorize the use of Commodity Credit Corporation-owned surplus grains by the States for emergency use in the feeding of resident game birds and other resident wildlife; to authorize the use of such surplus grain by the Secretary of the Interior for emergency use in the feeding of migratory birds, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3283. An act to revise the boundaries and to change the name of Fort Vancouver National Monument, in the State of Washington, and for other purposes;

H.R. 5475. An act to transfer a section of Blue Ridge Parkway to the Shenandoah National Park, in the State of Virginia, and for other purposes;

H.R. 5760. An act to revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes;

H.R. 5765. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

H.R. 6422. An act to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes;

H.R. 7446. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates; and

H.J. Res. 384. Joint resolution providing for acceptance by the United States of America of the Agreement for the Establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

ADJOURNMENT

Mr. CAREY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 26 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 27, 1961, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by sec-

tion 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

"I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by each of the following Members of the 87th Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend section 30 of the Revised Statutes of the United States" (U.S.C., title 2, sec. 25), approved February 18, 1948:

ARIZONA

2. MORRIS K. UDALL.

ARKANSAS

6. CATHERINE D. NORRELL.

INDIANA

5. J. EDWARD ROUSH.

PENNSYLVANIA

16. JOHN C. KUNKEL.

TENNESSEE

1. LOUISE G. REECE.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1063. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the act relating to the importation of adult honeybees"; to the Committee on Agriculture.

1064. A letter from the Acting Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting a report concerning agreements concluded during May 1961 under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.) as amended, pursuant to Public Law 85–128; to the Committee on Agriculture.

1065. A letter from the Secretary of the Army, transmitting a draft of a proposed bill entitled "A bill to restore authority in the Armed Forces to prepare the remains, on a reimbursable basis, of certain deceased dependents of military personnel and to transport the remains at Government expense to their homes or other appropriate place for interment"; to the Committee on Armed Services.

1066. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a copy of the report of operations of the Federal Deposit Insurance Corporation for the calendar year 1960, pursuant to the Federal Deposit Insurance Act; to the Committee on Banking and Currency.

1067. A letter from the Attorney General, transmitting a report entitled "Report of the Attorney General on Review of Voluntary Agreements and Programs as of May 9, 1961, Pursuant to the Defense Production Act of 1950, as Amended"; to the Committee on Banking and Currency.

1068. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to promote safe driving and eliminate the reckless and irresponsible driver from the streets and highways of the District of Columbia by providing that any person operating a motor vehicle within the District while apparently under the influence of intoxicating liquor shall be deemed to have given his consent to a chemical test of certain of his body substances to determine the alcoholic content of his blood, and for other purposes"; to the Committee on the District of Columbia.

1069. A letter from the Chairman, National Labor Relations Board, transmitting the 25th Annual Report of the National Labor Relations Board for the fiscal year ended June 30, 1960, pursuant to the Labor Management Relations Act of 1947; to the Committee Education and Labor.

1070. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 31, 1961, submitting a report, together with accompanying papers and illustrations, on an interim report on Cass Lake, Minn., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted June 7, 1945. It is also in full response to Resolution of the Committee on Public Works, U.S. Senate, adopted September 23, 1949; to the Committee on Public Works.

1071. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to expand and extend the saline water conversion program being conducted by the Secretary of the Interior"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 21, 1961, the following bills were reported on June 23, 1961:

Mr. McMILLAN: Committee on the District of Columbia. H.R. 4669. A bill to amend the law relating to gambling in the District of Columbia; with amendment (Rept. No. 569). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 4670. A bill to amend the law relating to indecent publications in the District of Columbia; with amendments (Rept. No. 570). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 6495. A bill to amend the Life Insurance Act of the District of Columbia; with amendment (Rept. No. 571). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 7044. A bill to amend section 35 of chapter III of the Life Insurance Act for the District of Columbia; without amendment (Rept. No. 572). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 7482. A bill to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended; without amendment (Rept. No. 573). Referred to the House Calendar.

Under clause 2 of rule XIII, pursuant to the order of the House of June 22, 1961, the following bill was reported on June 23, 1961:

Mr. MAHON: Committee on Appropriations. H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes; without amendment (Rept. No. 574). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 26, 1961*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JAMES C. DAVIS: Committee on Post Office and Civil Service. H.R. 6007. A bill to amend section 505(d) of the Classification Act of 1949, as amended, with respect to certain positions in the General Accounting Office; with an amendment (Rept. No. 575). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. House Resolution 328. Resolution disapproving Reorganization Plan No. 5 transmitted to Congress by the President on May 24, 1961; without amendment (Rept. No. 576). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 146. An act to extend and increase the special milk program for children; without amendment (Rept. No. 577). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 2113. An act to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions (Rept. No. 578). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on Foreign Affairs. S. 1720. An act to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world; without amendment (Rept. No. 579). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 7678. A bill to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States; without amendment (Rept. No. 580). Referred to the Committee of the Whole House on the State of the Union.

Mr. SELDEN: Committee on Foreign Affairs. House Resolution 353. Resolution congratulating the Congress of the Republic of Chile for 150 years of liberty and democracy on July 4, 1961; without amendment (Rept. No. 581). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of June 22, 1961, the following bill was introduced June 23, 1961:

By Mr. MAHON:

H.R. 7851. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes.

[*Introduced and referred June 26, 1961*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 7852. A bill to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H.R. 7853. A bill to amend the Civil Service Retirement Act to increase to 2½ percent the multiplication factor for determining annuities for certain Federal employees engaged in hazardous duties; to the Committee on Post Office and Civil Service.

H.R. 7854. A bill to modify the project for the Duluth-Superior Harbor, Minn. and Wis., to provide for the abandonment of the 21st Avenue West Channel, and for other purposes; to the Committee on Public Works.

By Mr. BROOKS of Texas:

H.R. 7855. A bill granting the consent of Congress to an amendment to a compact ratified by the States of Louisiana and Texas and relating to the waters of the Sabine River; to the Committee on Interior and Insular Affairs.

By Mr. HARRIS:

H.R. 7856. A bill to amend the Communications Act of 1934, as amended, for the purpose of facilitating the prompt and orderly conduct of the business of the Federal Communications Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. HARVEY of Indiana:

H.R. 7857. A bill to provide that until the national debt is retired, not less than 5 percent of the net budget receipts of the United States for each fiscal year shall be utilized solely for reduction of the national debt; to the Committee on Government Operations.

H.R. 7858. A bill to regulate the foreign commerce of the United States by providing for fair competition between domestic industries operating under the Fair Labor Standards Act and foreign industries that supply articles imported into the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. KEOGH:

H.R. 7859. A bill to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947; to the Committee on Ways and Means.

By Mr. KING of Utah:

H.R. 7860. A bill to amend the Internal Revenue Code of 1954 to change certain dates prescribed for making declarations and installment payments of estimated income tax by individuals so that such payments will be due at regular 3-month intervals; to the Committee on Ways and Means.

By Mr. NYGAARD:

H.R. 7861. A bill to amend the law establishing the Indian revolving loan fund; to the Committee on Interior and Insular Affairs.

By Mr. OLSEN:

H.R. 7862. A bill to provide for the establishment of cooperative outdoor recreation research centers; to the Committee on Interior and Insular Affairs.

By Mr. ROBERTS:

H.R. 7863. A bill to amend title 18, United States Code, to proscribe travel in interstate or foreign commerce for purposes of inciting to riot, or committing other unlawful acts; to the Committee on the Judiciary.

By Mr. VINSON:

H.R. 7864. A bill to dissolve Federal Facilities Corporation, and for other purposes; to the Committee on Armed Services.

By Mr. DAWSON:

H.R. 7865. A bill to repeal that portion of the act of March 3, 1893, which prohibits the employment, in any Government service or by any officer of the District of Columbia, of any employee of the Pinkerton Detective Agency or any similar agency; to the Committee on Government Operations.

By Mr. FERNÓS-ISERN:

H.R. 7866. A bill to amend the Poultry Products Inspection Act to extend the application thereof to the Commonwealth of Puerto Rico; to the Committee on Agriculture.

H.R. 7867. A bill to amend the Automobile Information Disclosure Act so as to extend the provisions of that act to the Commonwealth of Puerto Rico, Guam, and the Virgin Islands; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7868. A bill to amend the provisions of the Flammable Fabrics Act and the Textile Fiber Products Identification Act with respect to the Commonwealth of Puerto Rico, Guam, and the Virgin Islands; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK:

H.R. 7869. A bill to authorize the modification of the existing project for the New Melones Dam and Reservoir, Stanislaus River, Calif., and for other purposes; to the Committee on Public Works.

By Mr. CORBETT:

H.R. 7870. A bill to amend title 39 of the United States Code to provide for the establishment of an improved postal policy with respect to public services, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Iowa:

H.R. 7871. A bill to amend the Meat Inspection Act to extend the coverage of that act to meat and meat products slaughtered or prepared in establishments subject to the jurisdiction of the National Labor Relations Board; to the Committee on Agriculture.

By Mr. BLATNIK:

H. J. Res. 464. Joint resolution providing for the designation of the week commencing October 1, 1961, as "National Public Works Week"; to the Committee on the Judiciary.

By Mr. BECKER:

H. Res. 359. Resolution expressing the sense of the House of Representatives with respect to United States policy regarding Berlin; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. BARING: Senate Joint Resolution No. 6 of the State of Nevada: Resolution to prevent the designation of any Federal lands in Nevada as primitive or wilderness areas; to the Committee on Interior and Insular Affairs.

Also, Assembly Joint Resolution No. 21 of the State of Nevada: Resolution expressing its condemnation of the unregulated importation of foreign-made musical recordings and the use of such recordings in American television productions; to the Committee on Ways and Means.

By the SPEAKER: A memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the future use of military airports; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Delaware, memorializing the President and the Congress of the United States requesting the President of the United States to take the necessary action to assure the citizens of the State of Delaware of adequate radio reception; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States requesting support of the bills in the Congress directing the President to designate the Homestead Centennial in the year 1962, and the Postmaster General to issue a commemorative stamp of the 100th anniversary of the Homestead Act; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to House Concurrent Resolution No. 2 adopted by the 57th Legislature of Texas, and requesting the Congress of the United States to propose it as an article of amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H.R. 7872. A bill for the relief of Francis C. Wu; to the Committee on the Judiciary.

By Mr. BECKER:

H.R. 7873. A bill for the relief of Mrs. Maria Gonzalez Fernandez Long; to the Committee on the Judiciary.

By Mr. BRADEMAS:

H. R. 7874. A bill for the relief of Andre Pachany; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H.R. 7875. A bill for the relief of Ruby Lin-Mei Chang Young; to the Committee on the Judiciary.

By Mr. CAREY:

H.R. 7876. A bill relating to the effective date of the qualification of the joint pension plan for employees of Local Unions 645, 1507, and 1511 Brotherhood of Painters, Decorators and Paperhangers of America as a qualified trust under section 401(a) of the Internal Revenue Code of 1954; to the Committee on the Judiciary.

By Mr. GALLAGHER:

H.R. 7877. A bill for the relief of Wiktor Bogatko; to the Committee on the Judiciary.

By Mr. HAGAN of Georgia:

H.R. 7878. A bill for the relief of Ioannis Sotirakos; to the Committee on the Judiciary.

H.R. 7879. A bill for the relief of Christos Theodorou; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H.R. 7880. A bill to provide compensation for moving certain improvements from the Trinity River division, Central Valley project, California, and for other purposes; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 7881. A bill for the relief of Panagiotis Tsangaris; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 360. Resolution expressing the sense of the House of Representatives that Robert Frost should be known as the national poet of the United States of America; to the Committee on House Administration.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

136. By Mr. BARING: Petition of the California-Nevada Fire Research Council petitioning the Congress to initiate immediately a strengthened program of fire-weather forecasting service as an urgent need in protecting natural resources from fire; to the Committee on Agriculture.

187. By the SPEAKER: Petition of W. L. Stark, city clerk, Tampa, Fla., relative to approving a suggested investigation of the Department of State of the United States of America; to the Committee on Rules.

SENATE

MONDAY, JUNE 26, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Honorable LEE METCALF, a Senator from the State of Montana.

The chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Lord, our God, reverently we bow in the plenitude of Thy mercies which are new every morning.

We give Thee thanks for the tasks which Thou hast given us to accomplish and for the strength to do whatever is committed to our hands.

Give us to see that the lessons which Thou hast set us to learn in Thy great school of discipline are the steps to deeper comprehensions and to broader fields of service.

Amid all masquerades of error and the sophistries of the cynical which seek to deceive our day lead us in the paths of righteousness and truth.

In this hour we would lift our prayer for the undergirding of Thy sustaining grace for a trusted and beloved colleague of all in this Chamber, upon whose path have fallen the shadows of a deep personal grief.

While carrying the heavy responsibilities of his national stewardship, Thou knowest the anxiety and concern of this servant of the Nation as he has tenderly ministered to the dear companion of the long years as her strength ebbed away with the passing months.

And now as the one who has taken and the other left, may the honored President pro tempore of this body, whose patience and quiet poise are a source of strength to all his counselors here, himself be sustained by the consolations of Thy grace and by a strength not his own, bringing the realization in his poignant loss that underneath are the everlasting arms.

We ask it in the name of that One who is the resurrection and the life. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 26, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 22, 1961, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of January 17, 1961, Mr. HOLLAND, from the Committee on Appropriations, on June 23, 1961, reported favorably, with amendments, the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, and submitted a report (No. 442) thereon.

ENROLLED BILL SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of June 22, 1961, the President pro tempore, on June 23, 1961, signed the enrolled bill (S. 1343) for the relief of Dr. Tung Hui Lin, which had previously been signed by the Speaker of the House of Representatives.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on June 23, 1961, he presented to the President of the United States the enrolled bill (S. 1343) for the relief of Dr. Tung Hui Lin.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Ratchford, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On June 21, 1961:

S. 847. An act to change the name of the Army and Navy Legion of Valor of the United States of America, Incorporated, and for other purposes;

S. 1852. An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; and

S.J. Res. 65. Joint resolution designating the week of May 13–19, 1962, as Police Week and designating May 14, 1962, as Peace Officers Memorial Day.

On June 23, 1961:

S. 1343. An act for the relief of Dr. Tung Hui Lin.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. PATMAN, Mr. RAINS, Mr. MULTER, Mr. KILBURN, Mr. MCDONOUGH, and Mr. WIDNALL were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a joint resolution (H.J. Res. 463) to extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 277. An act for the relief of Erica Barth;

S. 610. An act to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce;

S. 1342. An act to provide that participation by members of the National Guard in the reenactment of the Battle of First Manassas shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes;

H.R. 1441. An act for the relief of certain aliens;

H.R. 1642. An act for the relief of Mrs. Lilyan Robinson;

H.R. 1677. An act for the relief of Elie Hara;

H.R. 1710. An act for the relief of Narinder Singh Somal;

H.R. 1717. An act for the relief of Angelo Li Destri;

H.R. 1718. An act for the relief of Jaime E. Concepcion;

H.R. 1860. An act for the relief of Jovenal Gornes Verano;

H.R. 1888. An act for the relief of Tomislav Lazarevich;

H.R. 2152. An act for the relief of Mrs. Francisca Hartman;

H.R. 2351. An act for the relief of Hans Hangartner;

H.R. 2671. An act for the relief of Giovanna Bonavita;

H.R. 2991. An act for the relief of Joseph Maz;

H.R. 3146. An act for the relief of Jozef Gromada;

H.R. 3283. An act to revise the boundaries and to change the name of Fort Vancouver National Monument, in the State of Washington, and for other purposes;

H.R. 4023. An act for the relief of Mieczyslaw Bajor;

H.R. 4201. An act for the relief of Evangelia Kurtales;

H.R. 4482. An act for the relief of Urszula Sikora, Radoslav Vullin, and Desanka Vulin;

H.R. 5416. An act to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes;

H.R. 5475. An act to transfer a section of Blue Ridge Parkway to the Shenandoah National Park, in the State of Virginia, and for other purposes;

H.R. 5760. An act to revise the boundaries of the Scotts Bluff National Monument, Nebraska, and for other purposes;

H.R. 5765. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

H.R. 6422. An act to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes;

H.R. 7446. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain exise-tax rates; and

H.J. Res. 384. An act providing for acceptance by the United States of America of the Agreement for the Establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 463) to extend through June 30, 1962, the life of the U.S. Citizens Commission on North Atlantic Treaty Organization was read twice by its title and referred to the Committee on Foreign Relations.

CALL OF THE CALENDAR DISPENSED WITH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar, under the rule, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Aeronautical and Space Sciences was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nomination on the calendar will be stated.

WORLD HEALTH ORGANIZATION

The Chief Clerk read the nomination of Dr. H. van Zile Hyde, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DEATH OF MRS. CARL HAYDEN

Mr. MANSFIELD. Mr. President, on behalf of the distinguished minority leader, myself, and 97 other Members of the Senate, I submit a resolution for which I request immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be read, for the information of the Senate.

The resolution (S. Res. 166) submitted by Mr. MANSFIELD (for himself, Mr. DIRKSEN, Mr. AIKEN, Mr. ALLOTT, Mr. ANDERSON, Mr. BARTLETT, Mr. BEALL, Mr. BENNETT, Mr. BIBLE, Mr. BOGGS, Mr. BRIDGES, Mr. BURDICK, Mr. BUSH, Mr. BUTLER, Mr. BYRD of Virginia, Mr. BYRD of West Virginia, Mr. CANNON, Mr. CAPEHART, Mr. CARLSON, Mr. CARROLL, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. CHURCH, Mr. CLARK, Mr. COOPER, Mr. COTTON, Mr. CURTIS, Mr. DODD, Mr. DOUGLAS, Mr. DWORSHAK, Mr. EASTLAND, Mr. ELLENDER, Mr. ENGLE, Mr. ERVIN, Mr. FONG, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GORE, Mr. GRUENING, Mr. HART, Mr. HARTKE, Mr. HICKENLOOPER, Mr. HICKEY, Mr. HILL, Mr. HOLLAND, Mr. HRUSKA, Mr. HUMPHREY, Mr. JACKSON, Mr. JAVITS, Mr. JOHNSTON, Mr. JORDAN, Mr. KEATING, Mr. KEFAUVER, Mr. KERR, Mr. KUCHEL, Mr. LAUSCHE, Mr. LONG of Missouri, Mr. LONG of Hawaii, Mr. LONG of Louisiana, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MCGEE, Mr. MCNAMARA, Mr. METCALF, Mr. MILLER, Mr. MONRONEY, Mr. MORSE, Mr. MORTON, Mr. MOSS, Mr. MUNDT, Mr. MUSKIE, Mrs. NEUBERGER, Mr. PASTORE, Mr. PELL, Mr. PROUTY, Mr. PROXMIRE, Mr. RANDOLPH, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SCHOEPPEL, Mr. SCOTT, Mr. SMATHERS, Mr. SMITH of Massachusetts, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. TALMADGE, Mr. THURMOND, Mr. TOWER, Mr. WILEY, Mr. WILLIAMS of New Jersey, Mr. WILLIAMS of Delaware, Mr. YARBOROUGH, Mr. YOUNG of North Dakota, and Mr. YOUNG of Ohio) was read, as follows:

Resolved, That the Senate has learned with profound sorrow of the death of Mrs. Carl Hayden, and extends sincere sympathy to their beloved colleague, the President pro tempore, the illustrious senior Senator from Arizona.

The ACTING PRESIDENT pro tempore. Without objection, the resolution will be considered; and, without objection, it is unanimously agreed to.

THE HOUSING ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate the message received from the House of Representatives on the omnibus housing bill.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, which was to strike out all after the enacting clause and insert:

That this Act may be cited as the "Housing Act of 1961".

TITLE I—NEW HOUSING PROGRAMS

Housing for Moderate Income Families

SEC. 101. (a) Section 221 of the National Housing Act is amended by—

(1) inserting before the text of such section a section heading as follows:

"Housing for Moderate Income and Displaced Families"

(2) striking out subsection (a) and inserting in lieu thereof the following:

"(a) This section is designed to assist private industry in providing housing for low and moderate income families and families displaced from urban renewal areas or as a result of governmental action.";

(3) inserting in subsection (b) after "any mortgage" the following: "(including advances during construction on mortgages covering property of the character described in paragraphs (3) and (4) of subsection (d) of this section)";

(4) striking out all of subsection (d)(2) down through "other prepaid expenses:" and inserting in lieu thereof the following:

"(2) be secured by property upon which there is located a dwelling designed principally for a single-family residence, conforming to applicable standards prescribed by the Commissioner under subsection (f) of this section, and meeting the requirements of all State laws, or local ordinances or regulations, relating to the public health or safety, zoning, or otherwise, which may be applicable thereto, and shall involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount (A) not to exceed $11,000, except that the Commissioner may increase such amount to not to exceed $15,000 in any geographical area where he finds that cost levels so require; and (B)(i) in the case of new construction, not to exceed the appraised value (as of the date the mortgage is accepted for insurance) of any such property, less such amount, in the case of any mortgagor, as may be necessary to comply with the succeeding provisos, and (ii) in the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation: *Provided*, That if the mortgagor is the owner and occupant of the

property at the time of insurance, he shall have paid on account of the property at least $200 in the case of a family displaced from an urban renewal area or as a result of governmental action, or at least 3 per centum of the appraised value of the property as of such time in any other case, which amount may include amounts to cover settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premium, and other prepaid expenses:";

(5) striking out the last proviso in subsection (d)(2);

(6) striking out subsection (d)(3) and inserting in lieu thereof the following:

"(3) if executed by a mortgagor which is a public body or agency (other than a public housing agency under the United States Housing Act of 1937), a cooperative (including an investor-sponsor who meets such requirements as the Commissioner may impose to assure that the consumer interest is protected), or a limited dividend corporation (as defined by the Commissioner), or a private nonprofit corporation or association regulated or supervised under Federal or State laws or by political subdivisions of States, or agencies thereof, or by the Commissioner under a regulatory agreement or otherwise, as to rents, charges, and methods of operation, in such form and in such manner as in the opinion of the Commissioner will effectuate the purposes of this section—

"(i) not exceed $12,500,000;

"(ii) not exceed for such part of such property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator-type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require; and

"(iii) not exceed (1) in the case of new construction, the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed (the replacement cost may include the land, the proposed physical improvements, utilities within the boundaries of the land, architect's fees, taxes, interest during construction, and other miscellaneous charges incident to construction and approved by the Commissioner), or (2) in the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation: *Provided*, That such property or project, when constructed, or repaired and rehabilitated, shall be for use as a rental or cooperative project, and low and moderate income families or families displaced by urban renewal or other governmental action shall be eligible for occupancy in accordance with such regulations and procedures as may be prescribed by the Commissioner and the Commissioner may adopt such requirements as he determines to be desirable regarding consultation with local public officials where such consultation is appropriate by reason of the relationship of such projects under other other local programs; or";

(7) striking out in subsection (d)(4) "which is not a nonprofit organization" and inserting in lieu thereof "other than a mortgagor referred to in subsection (d)(3)";

(8) striking out subsection (d)(4)(ii) and inserting in lieu thereof the following:

"(ii) not exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require;";

(9) striking out in subsection (d)(4)(iv) all that follows "(iv)" down through *"And provided further"* and inserting in lieu thereof the following: "not exceed 90 per centum of the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation if the proceeds of the mortgage are to be used for the repair and rehabilitation of a property or project: *Provided*";

(10) striking out in subsection (d)(5) "but not to exceed forty years from the date of insurance of the mortgage" and inserting in lieu thereof "but as to mortgages coming within the provisions of subsection (d)(2) not to exceed forty years from the date of beginning of amortization of the mortgage in the case of a family displaced from an urban renewal area or as a result of governmental action or thirty-five years from such date in any other case,";

(11) inserting before the period at the end of subsection (d)(5) the following: "; *Provided*, That a mortgage insured under the provisions of subsection (d)(3) shall bear interest (exclusive of any premium charges for insurance and service charge, if any) at not less than the annual rate of interest determined, from time to time by the Secretary of the Treasury at the request of the Commissioner, by estimating the average market yield to maturity on all outstanding marketable obligations of the United States, and by adjusting such yield to the nearest one-eighth of 1 percentum, and there shall be no differentiation in the rate of interest charged under this proviso as between mortgagors under subsection (d)(3) on the basis of differences in the types or classes of such mortgagors";

(12) inserting the following at the end of subsection (f): "A property or project covered by a mortgage insured under the provisions of subsection (d)(3) or (d)(4) shall include five or more family units. The Commissioner is authorized to adopt such procedures and requirements as he determines are desirable to assure that the dwelling accommodations provided under this section are available to families displaced from urban renewal areas or as a result of governmental action. Notwithstanding any provision of this Act, the Commissioner, in order to assist further the provision of housing for low and moderate income families, in his discretion and under such conditions as he may prescribe, may insure a mortgage which meets the requirements of subsection (d)(3) of this section as in effect after the date of enactment of the Housing Act of 1961, with no premium charge, with a reduced premium charge, or with a premium charge for such period or periods during the time the insurance is in effect as the Commissioner may determine, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to reimburse the Section 221 Housing Insurance Fund for any net losses in connection with such insurance; but in any case where the premium charge is waived or reduced (either as to amount or as to period payable) or where the interest rate as determined under the proviso in subsection (d)(5) is below the market rate for similar mortgages as determined by the Commissioner, initial occupancy of a project covered by such a mortgage shall be limited under regulations of the Commissioner to families and individuals whose incomes make it impossible for them to obtain decent, safe, and sanitary housing in the private market. No mortgage shall be insured under this section after July 1, 1963, except pursuant to a commitment to insure before that date, or except a mortgage covering property which the Commissioner finds will assist in the provision of housing for families displaced from urban renewal areas or as a result of governmental action.";

(13) redesignating paragraph (3) of subsection (g) as paragraph (4) and inserting after paragraph (2) of subsection (g) a new paragraph as follows:

"(3) as to mortgages meeting the requirements of this section which are insured or initially endorsed for insurance on or after the date of enactment of the Housing Act of 1961, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such paragraphs in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage, and after the acquisition of any such mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this paragraph, and the appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this paragraph, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages so acquired (A) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund, (B) all references in section 204 to section 203 shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund; or";

(14) striking out in paragraph (4) of subsection (g) as redesignated by the preceding paragraph) the phrase "this paragraph (3)", each place it appears, and inserting in lieu thereof "this paragraph"; and

(15) inserting in the last sentence of subsection (h) after "cash adjustments," the following: "cash payments,".

(b) Section 101(c) of the Housing Act of 1949 is amended by—

(1) striking out "under section 220 or 221" and inserting in lieu thereof "under section 220 or section 221(d)(3)";

(2) striking out "of section 220(d), or under section 221 of the National Housing Act, as amended, if the mortgaged property is in an area described in clause (3) of section 221(a) of said Act, or in a community referred to in clause (2)(B) of said section" and inserting in lieu thereof "of section 220(d) of the National Housing Act"; and

(3) striking out clause (iii) and renumbering clause (iv) as clause (iii).

(c) Section 305 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"(h) Notwithstanding clause (2) of section 302(b) and any provision of this Act which is inconsistent with this subsection, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in, mortgages insured under the provisions of section 221(d)(3) of this Act."

(d) Section 223 of the National Housing Act is amended by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"(b) Nothwithstanding any of the provisions of this title and without regard to limitations upon eligibility contained in section 221, the Commissioner may in his discretion insure under section 221(d)(3) any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage covering an existing property or project (other than a one- to four-family structure) located in an urban renewal area, if the Commissioner finds that such insurance will facilitate the occupancy of dwelling units in the property or project by families of low or moderate income or families displaced from an urban renewal area or displaced as a result of governmental action."

Home Improvement and Rehabilitation Loans

SEC. 102. (a) Section 220 of the National Housing Act is amended by—

(1) striking out the provisos in subsections (d)(3)(A)(i) and (d)(3)(B)(ii) and inserting in lieu thereof in each subsection the following: ": *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation rather than upon the Commissioner's estimate of the replacement cost";

(2) striking out "mortgage insurance" in subsection (a) and inserting in lieu thereof "loan and mortgage insurance"; and

(3) adding at the end thereof the following subsection:

"(h)(1) To assist further in the conservation, improvement, repair, and rehabilitation of property located in the area of an urban renewal project, as provided in paragraph (1) of subsection (d) of this section, the Commissioner is authorized upon such terms and conditions as he may prescribe to make commitments to insure and to insure home improvement loans (including advances during construction or improvement) made by financial institutions on and after the date of enactment of the Housing Act of 1961. As used in this subsection, 'home improvement loan' means a loan, advance of credit or purchase of an obligation representing a loan or advance of credit made for the purpose of financing the improvement of an existing structure (or in connection with an existing structure) used or to be used primarily for residential purposes: 'improvement' means conservation, repair, restoration, rehabilitation, conversion, alteration, enlargement, or remodeling; and 'financial institution' means a lender approved by the Commissioner as eligible for insurance under section 2 or a mortgagee approved under section 203(b)(1).

"(2) To be eligible for insurance under this subsection, a home improvement loan shall—

"(i) not exceed the Commissioner's estimate of the cost of improvement, or $10,000 per family unit, whichever is the lesser;

"(ii) be limited to an amount which when added to any outstanding indebtedness related to the property (as determined by the Commissioner) creates a total outstanding indebtedness which does not exceed the limits provided in subsection (d)(3) for properties (of the same type) other than new construction;

"(iii) bear interest at not to exceed a rate prescribed by the Commissioner, but not in excess of 6 per centum per annum of the amount of the principal obligation outstanding at any time, and such other charges (including such service charges, appraisal, inspection, and other fees) as may be approved by the Commissioner;

"(iv) have a maturity satisfactory to the Commissioner, but not to exceed twenty years from the beginning of amortization of the loan or three-quarters of the remaining economic life of the structure, whichever is the lesser;

"(v) comply with such other terms, conditions, and restrictions as the Commissioner may prescribe; and

"(vi) represent the obligation of a borrower who is the owner of the property improved, or a lessee of the property under a lease for not less than 99 years which is renewable or under a lease having a period of not less than 50 years to run from the date of the loan.

"(3) Any home improvement loan insured under this subsection may be refinanced and extended in accordance with such terms and conditions as the Commissioner may prescribe, but in no event for an additional amount or term in excess of the maximum provided for in this subsection.

"(4) There is hereby created a separate Section 220 Home Improvement Account to be maintained under the Section 220 Housing Insurance Fund and to be used by the Commissioner as a revolving fund for carrying out the provisions of this subsection. The Commissioner is authorized to transfer to such fund the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. Any premium charges, and appraisal and other fees received on account of the insurance of any home improvement loan accepted for insurance under this subsection, and the receipts derived from the sale, collection, deposit, or compromise of any evidence of debt, contract, claim, property, or security assigned to or held by the Commissioner in connection with the payment of insurance under this subsection, shall be credited to the Section 220 Home Improvement Account. Insurance claims under this subsection and expenses incurred in the handling, management, renovation, and disposal of any properties acquired by the Commissioner under this subsection shall be charged to the Section 220 Home Improvement Account. General expenses of operation of the Federal Housing Administration and other expenses incurred under this subsection may be charged to the Section 220 Home Improvement Account. Moneys in the Account not needed for the current operation of the Federal Housing Administration under this subsection shall be deposited with the Treasurer of the United States to the credit of the Account, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. In order to protect the solvency of the Section 220 Home Improvement Account, adequate security shall be taken in connection with loans insured under this subsection in such manner as the Commissioner may require.

"(5) The Commissioner is authorized to fix a premium charge for the insurance of home improvement loans under this subsection but in the case of any such loan such charge shall not be less than an amount equivalent to one-half of 1 percentum per annum nor more than an amount equivalent to 1 percentum per annum of the amount of the principal obligation of the loan outstanding at any time, without taking into account delinquent payments or prepayments. Such premium charges shall be payable by the financial institution either in cash or in debentures (at par plus accrued interest) issued by the Commissioner as obligations of the Section 220 Home Improvement Account, in such manner as may be prescribed by the Commissioner, and the Commissioner may require the payment of one or more such premium charges at the time the loan is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the loan. If the Commissioner finds upon presentation of a loan for insurance and the tender of the initial premium charge or charges so required that the loan complies with the provisions of this subsection, such loan may be accepted for insurance by endorsement or otherwise as the Commissioner may prescribe. In the event the principal obligation of any loan accepted for insurance under this subsection is paid in full prior to the maturity date, the Commissioner is authorized to refund to the financial institution for the account of the borrower all, or such portions as he shall determine to be equitable, of the current unearned premium charges theretofore paid.

"(6) In cases of defaults on loans insured under this subsection, upon receiving notice of default, the Commissioner, in accordance with such regulations as he may prescribe, may acquire the loan and any security therefor upon payment to the financial institution in cash or in debentures (as provided in the loan insurance contract) of a total amount equal to the unpaid principal balance of the loan, plus any accrued interest, any advances approved by the Commissioner made previously by the financial institution under the provisions of the loan instruments, and reimbursement for such collection costs, court costs, and attorney fees as may be approved by the Commissioner.

"(7) Debentures issues under this subsection shall be executed in the name of the Section 220 Home Improvement Account as obligor, shall be signed by the Commissioner, by either his written or engraved signature, shall be negotiable, and shall be dated as of the date the loan is assigned to the Commissioner and shall bear interest from that date. They shall bear interest at a rate established by the Commissioner pursuant to section 224, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature ten years after their date of issuance. They shall be exempt from taxation as provided in section 207(1) with respect to debentures issued under that section. They shall be paid out of the Section 220 Home Improvement Account which shall be primarily liable therefor and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and the guaranty shall be expressed on the face of the debentures. In the event the Section 220 Home Improvement Account fails to pay upon demand, when due, the principal of or interest on any

debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon, to the extent of the amount so paid, the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures. Debentures issued under this subsection shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury, and they may be in coupon or registered form. Any difference between the amount of the debentures to which the financial institution is entitled, and the aggregate face value of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Commissioner to the financial institute from the Section 220 Home Improvement Account.

"(8) The provisions of subsections (c), (d), and (h) of section 2 shall apply to home improvement loans insured under this subsection, and for the purposes of this subsection references in subsections (c), (d), and (h) of section 2 to 'this section' or 'this title' shall be construed to refer to this subsection.

"(9)(A) Notwithstanding any other provisions of this Act, no home improvement loan executed in connection with the improvement of a structure for use as rental accommodations for five or more families shall be insured under this subsection unless the borrower has agreed (i) to certify, upon completion of the improvement and prior to final endorsement of the loan, either that the actual cost of improvement equaled or exceeded the proceeds of the home improvement loan, or the amount by which the proceeds of the loan exceed the actual cost, as the case may be, and (ii) to pay forthwith to the financial institution, for application to the reduction of the principal of the loan, the amount, if any, certified to be in excess of the actual cost of improvement. Upon the Commissioner's approval of the borrower's certification as required under this paragraph, the certification shall be final and incontestable, except for fraud or material misrepresentation on the part of the borrower.

"(B) As used in subparagraph (A), the term 'actual cost' means the cost to the borrower of the improvement, including the amounts paid for labor, materials, construction contracts, off-site public utilities, streets, organization and legal expenses, such allocations of general overhead items as are acceptable to the Commissioner, and other items of expense approved by the Commissioner, plus a reasonable allowance for builder's profit if the borrower is also the builder, as defined by the Commissioner, and excluding the amount of any kickbacks, rebates, or trade discounts received in connection with the improvement.

"(10) Notwithstanding any other provision of this Act, the Commissioner is authorized and empowered (i) to make expenditures and advances out of funds made available by this Act to preserve and protect his interest in any security for, or the lien or priority of the lien securing, any loan or other indebtedness owing to, insured by, or acquired by the Commissioner or by the United States under this subsection, or section 2 or 203(k); and (ii) to bid for and to purchase at any foreclosure or other sale or otherwise acquire property pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any loan or other indebtedness owing to or acquired by the Commissioner or by the United States under this subsection, or section 2 or 203(k). The authority conferred by this paragraph may be exercised as provided in the last sentence of section 204(g)."

(b) Section 203 of the National Housing Act is amended by—

(1) striking out in subsection (e) "of the mortgage" and inserting in lieu thereof "of the loan of mortgage";

(2) striking out in subsection (e) "approved mortgagee" each place it appears and inserting in lieu thereof "approved financial institution or approved mortgagee"; and

(3) adding at the end thereof the following subsection:

"(k) to supplement the mortgage insurance provisions of this section in order to assist the conservation, improvement, and alteration of housing, the Commissioner is authorized to make commitments to insure and to insure a home improvement loan (including advances during construction or improvement) under this subsection in accordance with the provisions of section 220(h), except that (1) the structures improved shall be designed for occupancy by not more than four families and shall not be required to be located in the area of an urban renewal project, (2) the Commissioner shall find that the project with respect to which the loan is executed is economically sound, (3) all funds received and all disbursements made shall be credited or charged, as appropriate, to a separate Section 203 Home Improvement Account to be maintained as hereinafter provided under the Mutual Mortgage Insurance Fund, and (4) insurance benefits shall be paid in debentures executed in the name of the Section 203 Home Improvement Account. For the purposes of this subsection, the Commissioner shall have all the authority provided in section 220(h). Debentures issued with respect to loans insured under this subsection shall be issued in accordance with sections 220(h)(6) and 220(h)(7), except that as applied to those loans references in section 220(h) to 'this subsection' shall be construed to refer to this section 203(k), references to the Section 220 Home Improvement Account shall be construed to refer to the Section 203 Home Improvement Account, and references to the Section 220 Housing Insurance Fund shall be construed to refer to the Mutual Mortgage Insurance Fund. All of the provisions in section 220(h)(4) relative to the Section 220 Home Improvement Account shall be equally applicable to the Section 203 Home Improvement Account. There is hereby created a separate Section 203 Home Improvement Account under the Mutual Mortgage Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this subsection, and the Commissioner is authorized to transfer to such Account the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. The provisions of section 205(c) shall not be applicable to loans insured under this subsection."

(c) Section 305 of the National Housing Act is amended by adding at the end thereof (after the new subsection added by section 101(c) of this Act) the following new subsection:

"(i) Notwithstanding any other provision of this Act, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in, any home improvement loans insured under section 220(h) of this Act."

Experimental Housing Mortgage Insurance

SEC. 103. Title II of the National Housing Act is amended by adding at the end thereof the following section:

"Experimental housing

"SEC. 233. (a) In order to assist in lowering housing costs and improving housing standards, quality, livability, or durability or neighborhood design through the utilization of advanced housing technology, or experimental property standards, the Commissioner is authorized to insure and to make commitments to insure, under this section, mortgages (including, in the case of mortgages insured under subsection (b)(2) of this section, advances on such mortgages during construction) secured by properties including dwellings involving the utilization and testing of advanced technology in housing design, materials, or construction, or experimental property standards for neighborhood design if the Commissioner determines that (1) the property is an acceptable risk, giving consideration to the need for testing advanced housing technology or experimental property standards, (2) the utilization and testing of the advanced technology or experimental property standards involved will provide data or experience which the Commissioner deems to be significant in reducing housing costs or improving housing standards, quality, livability, or durability, or improving neighborhood design, and (3) the mortgages are eligible for insurance under the provisions of this section and under any further terms and conditions which may be prescribed by the Commissioner to establish the acceptability of the mortgages for insurance.

"(b) To be eligible for insurance under this section a mortgage shall—

"(1) meet the requirements of section 203(b), except that the maximum principal obligation of the mortgage as computed under clauses (i), (ii), and (iii) of section 203(b)(2) shall be determined on the basis of the Commissioner's estimate of the cost of replacing the property using comparable conventional design, materials, and construction rather than value, and the proviso in section 203(b)(8) shall not be applicable to mortgages insured under this section; or

"(2) meet the requirements of section 207(b) and section 207(c), except that the maximum principal obligation of the mortgage as computed under section 207(c)(2) shall be determined on the basis of the Commissioner's estimate of the cost of replacing the property using comparable conventional design, materials, and construction rather than value.

"(c) The Commissioner may enter into such contracts, agreements, and financial undertakings with the mortgagor and others as he deems necessary or desirable to carry out the purposes of this section, and may expend available funds for such purposes, including the correction (when he determines it necessary to protect the occupants), at any time subsequent to insurance of a mortgage, of defects or failures in the dwellings which the Commissioner finds are caused by or related to the advanced housing technology utilized in their design or construction or experimental property standards.

"(d) The Commissioner may make such investigations and analyses of data, and publish and distribute such reports, as he determines to be necessary or desirable to assure the most beneficial use of the data and information to be acquired as a result of this section.

"(e) Any mortgagee under a mortgage insured under subsection (b)(1) of this section shall be entitled to the benefits of the insurance as provided in section 204(a) with respect to mortgages insured under section 203, and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 shall apply to the mortgages insured under subsection (b)(1), except that as applied to those mortgages (1) all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, and (2) all references therein to section 203 shall be construed to refer to this section.

"(f) Any mortgagee under a mortgage insured under subsection (b)(2) of this section shall be entitled to the benefits of the insurance as provided in section 207(g) with respect to mortgages insured under section 207, and the provisions of subsections (d), (e), (h), (i), (j), (k), (l), (m), (n) and (p) of section 207 shall apply to the mortgages insured under subsection (b)(2) of this section, except that as applied to those mortgages (1) all references therein to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, and (2) all references therein to 'this section' shall be construed to refer to this section 233.

"(g) Notwithstanding the provisions of subsections (e) and (f) of this section, in the case of default of any mortgage insured under this section, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such subsections in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner made previously by the mortgage under the provisions of the mortgage. After the acquisition of the mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the mortgage. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this subsection, and the appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this subsection, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages insured under this section (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, (2) all references in section 204 to section 203 shall be construed to refer to this section, and (3) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Experimental Housing Insurance Fund.

"(h) There is hereby created an Experimental Housing Insurance Fund to be used by the Commissioner as a revolving fund to carry out the provisions of this section, and the Commissioner is directed to transfer the sum of $1,000,000 to the Fund from the War Housing Insurance Fund created by section 602 of this Act. General expenses of operation of the Federal Housing Administration and other expenses incurred under this section may be charged to the Experimental Housing Insurance Fund."

Individually Owned Units in Multifamily Structures

SEC. 104. Title II of the National Housing Act is amended by adding after section 233 (as added by section 103 of this Act) the following section:

"Mortgage Insurance for Individually Owned Units in Multifamily Structures

"SEC. 234. (a) The purpose of this section is to provide an additional means of increasing the supply of privately owned dwelling units where, under the laws of the State in which the property is located, real property title and ownership are established with respect to a one-family unit which is part of a multifamily structure.

"(b) The terms 'mortgage', 'mortgagee', 'mortgagor', 'maturity date', and 'State' shall have the meanings respectively set forth in section 201, except that the term 'mortgage' for the purposes of this section may include a first mortgage given to secure the unpaid purchase price of a fee interest in, or a long-term leasehold interest in, a one-family unit in a multifamily structure and an undivided interest in (or share in cooperative ownership of) the common areas and facilities which serve the structure where the mortgage is determined by the Commissioner to be eligible for insurance under this section. The term 'common areas and facilities' as used in this section shall be deemed to include the land and such commercial, community, and other facilities as are approved by the Commissioner.

"(c) The Commissioner is authorized, in his discretion and under such terms and conditions as he may prescribe (including the minimum number of family units in the structure which shall be offered for sale and provisions for the protection of the consumer and the public interest), to insure any mortgage covering a one-family unit in a multifamily structure and an undivided interest in (or share in cooperative ownership of) the common areas and facilities which serve the structure, if (1) the mortgage meets the requirements of this section and of section 203(b), except as that section is modified by this section; (2) the structure is or has been covered by a mortgage insured under another section (except section 213) of this Act, notwithstanding any requirements in any such section that the structure be constructed or rehabilitated for the purpose of providing rental housing; and (3) the mortgagor is acquiring a one-family unit for his own use and occupancy and not for speculative purposes. Any project proposed to be constructed or rehabilitated after the date of enactment of the Housing Act of 1961 with the assistance of mortgage insurance under this Act, where the sale of family units is to be assisted with mortgage insurance under this section, shall be subject to such requirements as the Commissioner may prescribe. To be eligible for insurance pursuant to this section a mortgage shall (A) involve a principal obligation in an amount not to exceed the limits per room and per family dwelling unit provided by section 207(c)(3), and not to exceed the sum of (i) 97 per centum of $13,500 of the amount which the Commissioner estimates will be the appraised value of the family unit including common areas and facilities as of the date the mortgage is accepted for insurance, (ii) 90 per centum of such value in excess of $13,500 but not in excess of $18,000, and (iii) 70 per centum of such value in excess of $18,000, and (B) have a maturity satisfactory to the Commissioner but not to exceed, in any event, thirty years from the date of the beginning of amortization of the mortgage or three-fourths of the Commissioner's estimate of the remaining economic life of the structure, whichever is the lesser. In determining the amount of a mortgage in the case of a non-occupant mortgagor the reference to paragraph (2) of section 203(b) in section 203(b)(8) shall be construed to refer to the preceding sentence in this section. The mortgage shall contain such provisions as the Commissioner determines to be necessary for the maintenance of common areas and facilities and the multifamily structure. The mortgagor shall have exclusive right to the use of the one-family unit covered by the mortgage and, together with the owners of other units in the multifamily structure, shall have the right to the use of the common areas and facilities serving the structure and the obligation of maintaining all such common areas and facilities. The Commissioner may require that the rights and obligations of the mortgagor and the owners of other dwelling units in the structure shall be subject to such controls as he determines to be necessary and feasible to promote and protect individual owners, the multifamily structure, and its occupants. For the purposes of this section, the Commissioner is authorized in his discretion and under such terms and conditions as he may prescribe to permit one-family units and interests in common areas and facilities in multifamily structures covered by mortgages insured under any section of this Act (other than section 213) to be released from the liens of those mortgages.

"(d) Any mortgagee under a mortgage insured under this section is entitled to receive the benefits of the insurance as provided in section 204(a) of this Act with respect to mortgages insured under section 203, and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 shall be applicable to the mortgages insured under this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Apartment Unit Insurance Fund, (2) all references therein to section 203 shall be construed to refer to this section, and (3) the excess remaining, referred to in section 204(f)(1), shall be retained by the Commissioner and credited to the Apartment Unit Insurance Fund.

"(e) There is hereby created the Apartment Unit Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this section. The Commissioner is authorized to transfer to the Fund the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. General expenses of operation of the Federal Housing Administration under this section may be charged to the Apartment Unit Insurance Fund. The provisions of the second and third paragraphs of section 220(g) shall be applicable to the Apartment Unit Insurance Fund and to this section, all references therein to the Section 220 Housing Insurance Fund or the Fund shall be construed to refer to the Apartment Unit Insurance Fund, and all references therein to 'this section' shall be construed to refer to this section 234.

"(f) The provisions of section 225, 229, and 230 shall be applicable to the mortgages insured under this section."

TITLE II—HOUSING FOR ELDERLY PERSONS AND LOW INCOME FAMILIES

Housing for the Elderly

Direct loans

SEC. 201. (a) Section 202 of the Housing Act of 1959 is amended by—

(1) inserting in subsection (a)(1) after the words "private nonprofit corporations" the following: "or consumer cooperatives";

(2) striking out in subsection (a)(2) the words "for the provision of rental housing" and inserting in lieu thereof the following: "or to any consumer cooperative for the provision of rental or cooperative housing";

(3) striking out in subsection (a)(2) "unless the corporation" and inserting in lieu thereof "unless the applicant";

(4) striking out in subsection (a)(3) "A loan to a corporation under this section" and inserting in lieu thereof "A loan under this section"; and

(5) striking out in subsection (c)(3) "corporation undertaking" and inserting in lieu thereof "corporation or consumer cooperative undertaking".

(b) Section 202(a)(3) of such Act is amended by striking out "98 per centum of".

(c) Section 202(a)(4) of such Act is amended by striking out "$50,000,000" and

inserting in lieu thereof "$150,000,000", and by striking out the second sentence.

(d) Section 202(d)(4) of such Act is amended by striking out "sixty-two years of age or over" each place it appears and inserting in lieu thereof "sixty years of age or over".

(e) Section 202 of such Act is further amended by adding at the end thereof the following new subsection:

"(e) Nothing in this section or in regulations promulgated under this section shall prevent a corporation or consumer cooperative from obtaining a loan under this section for the provision of housing and related facilities for elderly families and elderly persons, notwithstanding the fact that such corporation or cooperative has theretofore obtained a commitment from the Federal Housing Administration for mortgage insurance under section 231 of the National Housing Act with respect to the housing involved, if (1) such corporation or cooperative is otherwise eligible for such loan under this section, (2) such commitment was obtained prior to the date of enactment of the Housing Act of 1961, and (3) the Administrator determines that the financing of such housing through a loan under this section rather than through mortgage insurance under such section 231 is necessary or desirable in order to avoid hardship for the elderly families and elderly persons who are the prospective tenants of such housing."

Low-rent Public Housing

Eligibility requirement for disabled persons

SEC. 202. Section 2 of the United States Housing Act of 1937 is amended by striking out the words "has attained the age of fifty and" in the second and third sentences of paragraph (2).

Additional subsidy for elderly tenants

SEC. 203. Section 10(a) of the United States Housing Act of 1937 is amended by inserting the following proviso before the period at the end of the third sentence thereof: ": *Provided*, That the Authority may, in addition to the payments guaranteed under the contract, pay not to exceed $120 per annum per dwelling unit occupied by an elderly family on the last day of the project fiscal year where such amount, in the determination of the Authority, was necessary to enable the public housing agency to lease the dwelling unit to the elderly family at a rental it could afford and to operate the project on a solvent basis".

Dwelling unit authorization

SEC. 204. (a) Section 10(e) of the United States Housing Act of 1937 is amended by striking out the first three sentences and inserting in lieu thereof the following: "The Authority is authorized to enter into contracts for annual contributions aggregating not more than $336,000,000 per annum, but any such contracts for additional units for any one State shall not, after the date of enactment of the Housing Act of 1961, be entered into for more than 15 per centum of the aggregate amount not already guaranteed under contracts for annual contributions on such date: *Provided*, That no such new contract for additional units shall be entered into after the date of enactment of the Housing Act of 1961 except with respect to low-rent housing for a locality respecting which the Administrator has made the determination and certification relating to a workable program as prescribed in section 101(c) of the Housing Act of 1949, and the Authority shall enter into only such new contracts for preliminary loans as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into."

(b) Section 10(i) of such Act is repealed; and section 15(10) of such Act is redesignated as section 10(i) and transferred (as so redesignated) to the place heretofore occupied by the section so repealed.

(c) Section 21(d) of such Act is repealed.

Extension of waiver in case of veterans and servicemen

SEC. 205. The proviso in section 15(8)(b) of the United States Housing Act of 1937 is amended by striking out "October 1, 1961" and inserting in lieu thereof "October 1, 1965".

Miscellaneous public housing amendments

SEC. 206. (a) Section 15 of the United States Housing Act of 1937 is amended by—

(1) inserting in paragraph (5) after the second parenthetical clause the following: "on which the computation of any annual contributions under this Act may be based";

(2) striking out "$2,500" in paragraph (5) and inserting in lieu thereof "$3,000";

(3) striking out paragraph (6), redesignating paragraph (9) as paragraph (6), and transferring paragraph (9), as so redesignated, to the place heretofore occupied by the paragraph so stricken out; and

(4) striking out "or 5 per centum in the case of any family entitled to a first preference as provided in section 10(g)" in paragraph (7)(b) and inserting in lieu thereof "except in the case of a family displaced by urban renewal or other governmental action or an elderly family".

(b) Section 10(h) of such Act is amended by inserting the following after the word "project" the third time it appears therein: "(exclusive of any portion thereof which is not assisted by annual contributions under this Act)".

(c) Section 10(j) of such Act is repealed.

TITLE III—URBAN RENEWAL AND PLANNING

Increased Federal Aid for Small Communities; Pooling Grants-in-Aid Between Projects

SEC. 301. (a) Section 103(a) of the Housing Act of 1949 is amended by inserting "(1)" after "(a)", by striking out the last two sentences, and by inserting at the end thereof the following:

"(2) The aggregate of such capital grants with respect to all of the projects of a local public agency (or of two or more local public agencies in the same municipality) on which contracts for capital grants have been made under this title shall not exceed the total of—

"(A) two-thirds of the aggregate net project costs of all such projects to which neither subparagraph (B) nor subparagraph (C) applies, and

"(B) three-fourths of the aggregate net project costs of any such projects which are located in a municipality having a population of fifty thousand or less (one hundred fifty thousand or less in the case of a municipality situated in an area which, at the time the contract or contracts involved are entered into or at such earlier time as the Administrator may specify in order to avoid hardship, is designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act) according to the most recent decennial census, and

"(C) three-fourths of the aggregate net project costs of any of such projects (not falling within subparagraph (B)) which the Administrator, upon request, may approve on a three-fourths capital grant basis.

"(3) A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project."

(b) Section 104 of such Act is amended by striking out the second sentence and inserting in lieu thereof the following: "Such local grants-in-aid, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency (or two or more local public agencies in the same municipality) on which contracts for capital grants have theretofore been made, shall be at least equal to the total of one-third of the aggregate net project costs of such projects undertaken on a two-thirds capital grant basis and one-fourth of the aggregate net project costs of such projects undertaken on a three-fourths capital grant basis."

(c) The third and fourth sentences of section 110(e) of such Act are each amended by striking out "pursuant to the proviso in the second sentence of section 103(a)" and inserting in lieu thereof "pursuant to section 103(a)(2)(C)".

Capital Grant Authorization

SEC. 302. Section 103(b) of the Housing Act of 1949 is amended by striking out the first sentence and inserting in lieu thereof the following: "The Administrator may, with the approval of the President, contract to make grants under this title aggregating not to exceed $4,000,000,000."

Relocation Payments

SEC. 303. Section 106(f)(2) of the Housing Act of 1949 is amended—

(1) by inserting after "$3,000" the following: "(or, if greater, the total certified actual moving expenses)"; and

(2) by inserting "and actual direct losses of property" before the period at the end of the last sentence.

Financial Assistance for Displaced Business Concerns

SEC. 304. Section 7(b) of the Small Business Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) a new paragraph as follows:

"(3) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small-business concern if the Administration determines that such concern has suffered substantial economic injury (for which reimbursement or compensation is not otherwise made, exclusive of relocation payments; if any, under section 106(f) of the Housing Act of 1949) as a result of its displacement by an urban renewal project included in an urban renewal area respecting which a contract for capital grant has been executed under such Act."

Resale of Property in Urban Renewal Areas for Housing for Moderate Income Families

SEC. 305. (a) Section 107 of the Housing Act of 1949 is amended by—

(1) changing the title thereof to read "PROPERTY TO BE USED FOR PUBLIC HOUSING OR HOUSING FOR MODERATE INCOME FAMILIES";

(2) inserting "(a)" before the first sentence and striking out the words "to be" in such sentence;

(3) striking out "is incorporated" and inserting in lieu thereof "was incorporated on or after September 23, 1959,"; and

(4) adding at the end thereof the following new subsection:

"(b) Upon approval of the Administrator and subject to such conditions as he may determine to be in the public interest, any real property held as part of an urban renewal project may be made available to (1) a limited dividend corporation, nonprofit corporation or association, cooperative, or public body or agency, or (2) a purchaser who would be eligible for a mortgage insured under section 221(d)(4) of the National Housing Act, for purchase at fair value for use by such purchaser in the provision of

new or rehabilitated rental or cooperative housing for occupancy by families of moderate income."

(b) Clause (4) of the second sentence of section 110(c) of the Housing Act of 1949 is amended by inserting before the semicolon at the end thereof the following: "or as provided in section 107".

Rehabilitation

SEC. 306. (a) The second sentence of section 110(c) of the Housing Act of 1949 is amended by—

(1) striking out "and" at the end of paragraph (5);

(2) striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(3) adding after paragraph (6) a new paragraph as follows:

"(7) acquisition and repair or rehabilitation for guidance purposes, and resale by the local public agency, of structures which are located in the urban renewal area and which, under the urban renewal plan, are to be repaired or rehabilitated for dwelling use or related facilities: *Provided*, That the local public agency shall not acquire for such purposes, in any urban renewal area, structures which contain or will contain more than (A) one hundred dwelling units, or (B) 5 per centum of the total number of dwelling units in such area which, under the urban renewal plan, are to be repaired or rehabilitated, whichever is the lesser."

(b) The third sentence of section 110(c) of such Act is amended by inserting after "include" the following: "(except as provided in paragraph (7) above)".

Increase in Nonresidential Exception

SEC. 307. The fifth sentence of section 110(c) of the Housing Act of 1949 is amended by—

(1) striking out "Housing Act of 1959" and inserting in lieu thereof "Housing Act of 1961"; and

(2) striking out "20 per centum" and inserting in lieu thereof "30 per centum".

Eligibility of Certain Local Grants-in-Aid

SEC. 308. Section 110(d) of the Housing Act of 1949 is amended by adding at the end thereof the following new paragraph:

"Notwithstanding the provisions of section 312 of the Housing Act of 1954 or any request previously made by any local public agency pursuant to such section, upon request of the local public agency the eligibility of the local grants-in-aid for any project of such local public agency in connection with which the final capital grant payment has not been made shall be determined in accordance with the provisions of this subsection (and, if applicable, section 112)."

Urban Renewal Areas Involving Colleges, Universities, or Hospitals

SEC. 309. Section 112 of the Housing Act of 1949 is amended to read as follows:

"Urban Renewal Areas Involving Colleges, Universities, or Hospitals

"SEC. 112. (a) In any case where an educational institution or a hospital is located in or near an urban renewal project area and the governing body of the locality determines that, in addition to the elimination of slums and blight from such area, the undertaking of an urban renewal project in such area will further promote the public welfare and the proper development of the community (1) by making land in such area available for disposition, for uses in accordance with the urban renewal plan, to such educational institution or hospital for redevelopment in accordance with the use or uses specified in the urban renewal plan, (2) by providing, through the redevelopment of the area in accordance with the urban renewal plan, a cohesive neighborhood environment compatible with the functions and needs of such educational institution or hospital, or (3) by any combination of the foregoing, the Administrator is authorized to extend financial assistance under this title for an urban renewal project in such area without regard to the requirements in section 110 hereof with respect to the predominantly residential character or predominantly residential reuse of urban renewal areas. The aggregate expenditures made by any such institution or hospital (directly or through a private redevelopment corporation or municipal or other public corporation) for the acquisition within, adjacent to, or in the immediate vicinity of the project area, of land, buildings, and structures to be redeveloped or rehabilitated by such institution for educational uses or by such hospital for hospital uses, in accordance with the urban renewal plan (or with a development plan proposed by such institution, hospital, or corporation, found acceptable by the Administrator after considering the standards specified in section 110(b), and approved under State or local law after public hearing) and for the demolition of such buildings and structures if, pursuant to such urban renewal or development plan, the land is to be cleared and redeveloped, and for the relocation of occupants from buildings and structures to be demolished or rehabilitated, as certified by such institution or hospital to the local public agency and approved by the Administrator, shall be a local grant-in-aid in connection with such urban renewal project: *Provided*, That no such expenditure shall be eligible as a local grant-in-aid in any case where the property involved is acquired by such educational institution or hospital from a local public agency which, in connection with its acquisition or disposition of such property, has received, or contracted to receive, a capital grant pursuant to this title.

"(b) No expenditure made by any educational institution or hospital, as provided in subsection (a), shall be deemed ineligible as a local grant-in-aid in connection with any urban renewal project if made not more than seven years prior to the authorization by the Administrator of a contract for a loan or capital grant for such project.

"(c) The aggregate expenditures made by any public authority, established by any State, for acquisition, demolition, and relocation in connection with land, buildings, and structures acquired by such public authority and leased to an educational institution for educational uses or to a hospital for hospital uses shall be deemed a local grant-in-aid to the same extent as if such expenditures had been made directly by such educational institution or hospital.

"(d) As used in this section—

"(1) the term 'educational institution' means any educational institution of higher learning, including any public educational institution or any private educational institution, no part of the net earnings of which inures to the benefit of any private shareholder or individual; and

"(2) the term 'hospital' means any hospital licensed by the State in which such hospital is located, including any public hospital or any nonprofit hospital, no part of the net earnings of which inures to the benefit of any private shareholder or individual."

Urban Planning Assistance

SEC. 310. Section 701 of the Housing Act of 1954 is amended by—

(1) striking out "50 per centum" in the first sentence of subsection (b) and inserting in lieu thereof "two-thirds";

(2) striking out "$20,000,000" in the last sentence of subsection (b) and inserting in lieu thereof "$50,000,000";

(3) inserting after "public facilities" in clause (1) of subsection (d) ", including transportation facilities"; and

(4) adding at the end thereof the following new subsection:

"(f) The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in the comprehensive planning for the physical growth and development of interstate metropolitan or other urban areas, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts."

Historical Site in Urban Renewal Area

SEC. 311. (a) Notwithstanding section 110(c)(4) of the Housing Act of 1949, as amended, or any other provision of law, the urban renewal project in Knoxville, Tennessee, known as the Riverfront-Willow Street redevelopment project, may include the donation by the Knoxville Housing Authority to the James White's Fort Association, by a suitable instrument of conveyance, of all right, title, and interest of the authority in and to the following described tract of land, constituting a portion of tract T–2 of the said project and containing 0.985 acres more or less:

Beginning at an iron pin located at the intersection of the east property line of Collins Alley and the south property line of Rouser Alley; thence in a northerly direction, north 32 degrees 35 minutes west, 111.0 feet to an iron pin located in the east property line of Collins Alley; thence in a westerly direction, south 55 degrees 20 minutes west, 207.0 feet to an iron pin; thence in a southwesterly direction, south 35 degrees 05 minutes west, 80 feet to an iron pin; thence in a southerly direction south 27 degrees 25 minutes east, 193.40 feet to an iron pin located in the north property line of Hill Avenue; thence in an easterly direction, north 67 degrees 43 minutes east, 33.54 feet to an iron pin; thence in an easterly direction, north 60 degrees 02 minutes east, 31.64 feet to an iron pin; thence in an easterly direction, north 58 degrees 30 minutes 30 seconds east, 53 feet to an iron pin located in the north property line of Hill Avenue; thence in a northerly direction, north 30 degrees 22 minutes 30 seconds west, 134.03 feet to an iron pin; thence in an easterly direction, north 59 degrees 21 minutes 30 seconds east, 175.61 feet to the point of beginning.

(b) The conveyance authorized to be included in the Riverfront-Willow Street redevelopment project under subsection (a) of this section shall be made only if the James White's Fort Association represents, and furnishes such assurances as may be required by the Knoxville Housing Authority, that such association (1) will undertake the reconstruction on the site conveyed of General James White's cabin and fort, and (2) will develop, preserve, and operate such property on a nonprofit basis as a historical site or monument.

Credit for Cost of School Construction

Sec. 312. No public facility, the provision of which is otherwise eligible as a local grant-in-aid for any urban renewal project receiving assistance under title I of the Housing Act of 1949 in the city of Roanoke, Virginia, and the construction of which was commenced prior to January 1, 1961, shall be deemed to be ineligible as a local grant-in-aid because of any change in the urban renewal plan for such project which is determined by the Housing and Home Finance Administrator to have resulted from the proposed location within the urban renewal area in which such project was undertaken of a federally aided highway. For the purpose of computing the portion of the cost of any such facility which may be allowed as a local grant-in-aid, the degree of benefit of the facility to such urban renewal area shall be based on the latest estimate of benefit

submitted by the local public agency and accepted by the Administrator prior to such change in the urban renewal plan.

Technical Amendments

SEC. 313. (a) Section 101(c) of the Housing Act of 1949 is amended by inserting in clause (1) after "workable program" the words "for community improvement".

(b) Section 102(a) of such Act is amended by inserting in the second proviso after "demolition and removal" the first place it appears the following: ", together with administrative, relocation, and other related costs and payment,".

(c) Clause (4) of the second sentence of section 110(c) of such Act is amended by striking out "initial".

Parks and Recreational Facilities

SEC. 314. Section 105(a) of the Housing Act of 1949 is amended by striking out "and" preceding clause (iii), and by adding at the end thereof the following: "and (iv) the urban renewal plan gives due consideration to the provision of adequate park and recreational areas and facilities, as may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the plan;".

TITLE IV—COLLEGE HOUSING

Loan Authorization

SEC. 401. Section 401(d) of the Housing Act of 1950 is amended by striking out the first colon and all that follows and inserting in lieu thereof the following: ", which amount shall be increased by $300,000,000 on July 1 in each of the years 1961 through 1964: *Provided*, That the amount outstanding for other educational facilities, as defined herein, shall not exceed $175,000,000, which limit shall be increased by $30,000,000 on July 1 in each of the years 1961 through 1964: *Provided further*, That the amount outstanding for hospitals, referred to in clause (2) of section 404(b) of this title, shall not exceed $100,000,000, which limit shall be increased by $30,000,000 on July 1 in each of the years 1961 through 1964."

Apportionment by States

SEC. 402. Section 403 of the Housing Act of 1950 is amended by striking out "10 per centum" and inserting in lieu thereof "12½ per centum".

HOUSING PROVIDED BY NONPROFIT CORPORATIONS

SEC. 403. (a) Clause (3) of section 404(b) of the Housing Act of 1950 is amended—

(1) by striking out "established by any institution included in clause (1) of this subsection for the sole purpose" and inserting in lieu thereof "established for the sole purpose"; and

(2) by striking out "such institution" where it first appears and inserting in lieu thereof "one or more institutions included in clause (1) of this subsection".

(b) Clause (3) of section 404(b) of such Act is further amended by striking out "will pass to such institution" and inserting in lieu thereof "will pass to such institution (or to any one or more of such institutions) unless it is shown to the satisfaction of the Administrator that such property or the proceeds from its sale will be used for some other nonprofit educational purpose".

(c) Section 404(b) of such Act is further amended by adding at the end thereof the following new sentence: "In the case of any loan made under section 401 to a corporation described in clause (3) of this subsection which was not established by the institution or institutions for whose students or students and faculty it would provide housing, the Administrator shall require that the note securing such loan be co-signed by such institution (or by any one or more of such institutions)."

TITLE V—COMMUNITY FACILITIES

Public Facility Loans

SEC. 501. (a)(1) The first paragraph of section 201 of the Housing Amendments of 1955 is amended by striking out "the States and their political subdivisions" and inserting in lieu thereof "municipalities and other political subdivisions of States".

(2) The third paragraph of section 201 of such Amendments is amended by striking out "States, municipalities, or" and inserting in lieu thereof "municipalities and".

(3) The first sentence of section 202(a) of such Amendment is amended to read as follows: "The Housing and Home Finance Administrator, acting through the Community Facilities Administration, is authorized to purchase the securities and obligations of, or make loans to, municipalities and other political subdivisions of States (including public agencies and instrumentalities of one or more municipalities or other political subdivisions in the same State), to finance specific projects for public works or facilities under State, municipal, or other applicable law."

(b) Section 202(b)(2) of such Amendments is amended by adding at the end thereof the following new sentence: "Subject to such maximum maturity, the Administrator in his discretion may provide for the postponement of the payment of interest on not more than 50 per centum of any financial assistance extended to an applicant under this section for a period up to ten years where (A) such assistance does not exceed 50 per centum of the development cost of the project involved, and (B) it is determined by the Administrator that such applicant will experience above-average population growth and the project would contribute to orderly community development, economy, and efficiency; and any amounts so postponed shall be payable with interest in annual installments during the remaining maturity of such assistance."

(c)(1) Section 202(b) of such Amendments is further amended by adding at the end thereof the following new paragraph:

"(3) Financial assistance extended under this section shall bear interest at a rate determined by the Administrator which shall be not more than the higher of (A) 2¾ per centum per annum, or (B) the total of one-quarter of 1 per centum per annum added to the rate of interest paid by the Administrator on funds obtained from the Secretary of the Treasury as provided in section 203(a)."

(2) The third sentence of section 203(a) of such Amendments is amended to read as follows: "Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the issuance by the Administrator and adjusted to the nearest one-eighth of 1 per centum."

(d) Section 202(b) of such Amendments is further amended by adding at the end thereof (after the paragraph added by subsection (c)(1) of this section) the following new paragraph:

"(4) No financial assistance shall be extended under this section to any municipality or other political subdivision having a population of fifty thousand or more (one hundred fifty thousand or more in the case of a community situated in an area designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act) according to the most recent decennial census, or to any public agency or instrumentality of one or more municipalities or other political subdivisions having a population (or an aggregate population) equal to or exceeding that figure according to such census."

(c) Section 302(b) of such Amendments is further amended by adding at the end thereof (after the paragraph added by subsection (d) of this section) the following new paragraph:

"(5) Financial assistance extended under this section to any applicant with respect to any one project shall not exceed $10,000,000 outstanding at any one time."

(f) Section 202 of such Amendments is further amended by adding at the end thereof the following new subsection:

"(d) The types of public works and facilities for which financial assistance under this section may be extended on and after the date of enactment of the Housing Act of 1961 shall be the same as those for which such assistance could be extended in accordance with regulations of the Administrator immediately prior to such date."

(g) Section 203(a) of such Amendments is amended by striking out "$150,000,000" and inserting in lieu thereof "$650,000,000".

(h) Title II of such Amendments is further amended by adding at the end thereof the following new section:

"SEC. 207. The Administrator is authorized to establish technical advisory services to assist municipalities and other political subdivisions in the budgeting, financing, planning, and construction of community facilities. There are hereby authorized to be appropriated such sums as may be necessary, together with any fees that may be charged, to cover the cost of such services."

Advances for Public Works Planning

SEC. 502. Section 702 of the Housing Act of 1954 is amended by—

(1) striking out in subsection (a) "10" and inserting in lieu thereof "12½";

(2) striking out the first sentence of subsection (b) and inserting in lieu thereof the following: "No advance shall be made hereunder with respect to any individual project, including a regional or metropolitan or other area-wide project, unless (1) it is planned to be constructed within or over a reasonable period of time considering the nature of the project, (2) it conforms to an overall State, local, or regional plan approved by a competent State, local, or regional authority, and (3) the public agency formally contracts with the Federal Government to complete the plan preparation promptly and to repay such advance or part thereof when due.";

(3) inserting after "1958;" in subsection (e) the following: "$10,000,000 which may be made available to such fund on or after July 1, 1961;"; and

(4) striking out in subsection (e) "$48,000,000" and inserting in lieu thereof "$58,000,000".

TITLE VI—AMENDMENTS TO THE NATIONAL HOUSING ACT

Federal National Mortgage Association

Special assistance authorization

SEC. 601. (a) Section 305(c) of the National Housing Act is amended to read as follows:

"(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $1,700,000,000 outstanding at any one time."

(b) Section 305(g) of such Act is amended by adding before the period at the end thereof the following: ": *Provided further*, That the authority of the Association to make purchases and commitments under this subsection shall terminate on the date of enactment of the Housing Act of 1961, and any portion of the total amount of such authority as specified in the first proviso in this subsection which on such date would otherwise be available for making such purchases and commitments shall be transferred to and merged with the authority granted by

subsection (a) and added to the amount of such authority as specified in subsection (c)".

(c) Section 306 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any of the provisions of this Act or of any other law, an amount equal to the net decrease for the preceding fiscal year in the aggregate principal amount of all mortgages owned by the Association under this section shall, as of July 1 of each of the years 1961 through 1964, be transferred to and merged with the authority provided under section 305(a), and the amount of such authority as specified in section 305(c) shall be increased by any amounts so transferred."

Limitation on mortgage amount

SEC. 602. (a) Section 302(b) of the National Housing Act is amended by striking out "or 803" and inserting in lieu thereof "or title VIII".

(b) Section 302(b) of such Act is further amended by inserting before "or a mortgage covering property" the following: "or insured under section 213 and covering property located in an urban renewal area,".

Federal National Mortgage Association lending authority

SEC. 603. (a) Section 302(b) of the National Housing Act is amended by striking out "to make commitments" and all that follows down through the first colon and inserting in lieu thereof the following: ", pursuant to commitments or otherwise, to purchase, lend (under section 304) on the security of, service, sell, or otherwise deal in any mortgages which are insured under the National Housing Act, or which are insured or guaranteed under the Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code:".

(b) The first sentence of section 303(b) of such Act is amended by inserting immediately before the period at the end thereof the following: "; and by requiring each borrower to make such payments, equal to not more than one-half of 1 per centum of the amount lent by the Association to such borrower under section 304".

(c) Section 303(c) of such Act is amended by striking out the first sentence and by inserting in lieu thereof the following: "The Association shall issue from time to time, to each mortgage seller or borrower, its common stock (only in denominations of $100 or multiples thereof) evidencing any capital contributions (adjusted by reason of any payments into surplus required by the Association) made by such seller or borrower pursuant to subsection (b) of this section."

(d) Section 304(a) of such Act is amended by inserting "(1)" before "To carry out", and by adding at the end thereof the following new paragraph:

"(2) In the further interest of assuring sound operation, any loan made by the Association in its secondary market operations under this section, and any extension or renewal thereof, shall not exceed 80 per centum of the unpaid principal balances of the mortgages securing the loan, and shall bear interest at a rate consistent with general loan policies established from time to time by the Association's board of directors. Any such loan shall mature in not more than twelve months and the term of any extension or renewal shall not exceed twelve months. The volume of the Association's lending activities and the establishment of its loan ratios, interest rates, maturities, and charges or fees, in its secondary market operations under this section, should be determined by the Association from time to time; and such determinations, in conjunction with determinations made under paragraph (1), should be consistent with the objectives that the lending activities should be conducted on such terms as will reasonably prevent excessive use of the Association's facilities, and that the operations of the Association under this section should be within its income derived from such operations and that such operations should be fully self-supporting. Notwithstanding any Federal, State, or other law to the contrary, the Association is hereby empowered, in connection with any loan under this section, whether before or after any default, to provide by contract with the borrower for the settlement or extinguishment, upon default, of any redemption, equitable, legal, or other right, title, or interest of the borrower in any mortgage or mortgages that constitute the security for the loan; and with respect to any such loan, in the event of default and pursuant otherwise to the terms of the contract, the mortgages that constitute such security shall become the absolute property of the Association."

(e) Section 304(b), section 309(c) and section 310 of such Act are each amended by inserting "or other security holdings" after "mortgages".

FHA Insurance Programs

Limitations on insurance authorizations

SEC. 604. (a) Section 2(a) of the National Housing Act is amended by striking out in the first sentence "1961" and inserting in lieu thereof "1965".

(b) Section 203(a) of such Act is amended by striking out the colon and all that follows the colon and inserting in lieu thereof a period.

(c) Section 217 of such Act is amended—

(1) by striking out "all mortgages which may be insured" and inserting in lieu thereof "all mortgages and loans which may be insured";

(2) by striking out "shall not exceed" and the remainder of the first paragraph and inserting in lieu thereof the following: "after October 1, 1965, shall not exceed the sum of (1) the outstanding principal balances as of that date of all insured mortgages and loans (as estimated by the Commissioner based on scheduled amortization payments without taking into consideration prepayments or delinquencies), and (2) the principal amount of all outstanding commitments to insure on that date.";

(3) by inserting "after October 1, 1965" before the period at the end of the first sentence in the third paragraph; and

(4) by striking out "hereafter" in the second sentence of the third paragraph and inserting in lieu thereof "after that date".

(d) Section 803(a) of the National Housing Act, as amended, is amended by striking out the last proviso and inserting in lieu thereof the following: "And provided further, That no more mortgages shall be insured under this title after October 1, 1962, except pursuant to a commitment to insure before such date, and not more than twenty-eight thousand family units shall be contracted for after June 30, 1959, pursuant to any mortgage insured under section 803 of this title after such date."

Section 203 residential housing insurance

SEC. 605. (a) Section 203(b)(2) of such Act is amended—

(1) by striking out "$13,500" each place it appears and inserting in lieu thereof "$15,000";

(2) by striking out "$18,000" each place it appears and inserting in lieu thereof "$20,000"; and

(3) by striking out "70 per centum" and inserting in lieu thereof "75 per centum".

(b) Section 203(b)(2) of such Act is amended by striking out all that precedes "or $35,000" and inserting in lieu thereof the following:

"(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $27,500 in the case of property upon which there is located a dwelling designed principally for a one-, two-, or three-family residence (whether or not such residence may be intended to be rented temporarily for school purposes);".

(c) Section 203(b)(3) of such Act is amended by striking out "thirty years" and inserting in lieu thereof "forty years".

Authority to reduce premium charges

SEC. 606. The first sentence of section 203(c) of the National Housing Act is amended to read as follows: "The Commissioner is authorized to fix premium charges for the insurance of mortgages under the separate sections of this title but in the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments: *Provided*, That any reduced premium charge so fixed and computed may, in the discretion of the Commissioner, also be made applicable in such manner as the Commissioner shall prescribe to each insured mortgage outstanding under the section or sections involved at the time the reduced premium charge is fixed."

Section 207 rental housing insurance

SEC. 607. Section 207 of the National Housing Act is amended by—

(1) striking out the first paragraph of subsection (b)(2) and inserting in lieu thereof the following:

"(2) any other mortgagor approved by the Commissioner which, until the termination of all obligations of the Commissioner under the insurance and during such further period of time as the Commissioner shall be the owner, holder, or reinsurer of the mortgage, is regulated or restricted by the Commissioner as to rents or sales, charges, capital structure, rate of return, and methods of operation to such extent and in such manner as to provide reasonable rentals to tenants and a reasonable return on the investment. The Commissioner may make such contracts with and acquire, for not to exceed $100, such stock or interest in the mortgagor as he may deem necessary to render effective the regulations or restrictions. The stock or interest acquired by the Commissioner shall be paid for out of the Housing Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Commissioner under the insurance.";

(2) inserting in subsection (c)(3) after the words "attributable to dwelling use" the following: "(excluding exterior land improvements as defined by the Commissioner)";

(3) striking out "$1,500 per space" in subsection (c)(3) and inserting in lieu thereof "$1,800 per space"; and

(4) inserting in the first sentence of subsection (i) after the words "of this section" the following: ", except that debentures issued pursuant to the provisions of section 220(f), 221(g), and section 233 may be dated as of the date the mortgage is assigned (or the property is conveyed) to the Commissioner".

Section 213 cooperative housing insurance

SEC. 608. (a) Section 213 of the National Housing Act is amended by—

(1) inserting in paragraph (2) of subsection (b) after the words "as may be attributable to dwelling use" the following: "(excluding exterior land improvements as defined by the Commissioner)";

(2) striking out "eight or more family units" in subsection (d) and inserting in lieu thereof "five or more family units"; and

(3) striking out in subsection (h) "such mortgagor shall not thereafter be eligible by reason of such paragraph (3) for insur-

ance of any additional mortgage loans pursuant to this section" and inserting in lieu thereof the following: "the Commissioner is authorized to refuse, for such period of time as he shall deem appropriate under the circumstances, to insure under this section any additional investor-sponsor type mortgage loans made to such mortgagor or to any other investor-sponsor mortgagor where, in the determination of the Commissioner, and of its stockholders were identified with such mortgagor".

(b) Section 213(b)(2) of such Act is amended by adding at the end thereof the following new sentence: "In determining the economic feasibility of a project in the case of a mortgagor of the character described in paragraph (3) of subsection (a), the sole test of such feasibility shall be the availability of people in the community who need the housing to be provided by the project and who can afford such housing at the monthly charges applicable under its continued use as a cooperative."

(c) Section 213 of such Act is further amended by adding at the end thereof the following new subsection:

"(j)(1) With respect to any property covered by a mortgage insured under this section (or any cooperative housing project covered by a mortgage insured under section 207 as in effect prior to the enactment of the Housing Act of 1950), the Commissioner is authorized, upon such terms and conditions as he may prescribe, to make commitments to insure and to insure supplementary cooperative loans (including advances during construction or improvement) made by financial institutions approved by the Commissioner. As used in this subsection, 'supplementary cooperative loan' means a loan, advance of credit, or purchase of an obligation representing a loan or advance of credit made for the purpose of financing any of the following:

"(A) Improvements or repairs of the property covered by such mortgage; or

"(B) Community facilities necessary to serve the occupants of the property.

"(2) To be eligible for insurance under this subsection, a supplementary cooperative loan shall—

"(A) be limited to an amount which, when added to the outstanding mortgage indebtedness on the property, creates a total outstanding indebtedness which does not exceed the original principal obligation of the mortgage;

"(B) have a maturity satisfactory to the Commissioner but not to exceed the remaining term of the mortgage;

"(C) be secured in such manner as the Commissioner may require;

"(D) contain such other terms, conditions, and restrictions as the Commissioner may prescribe; and

"(E) represent the obligation of a borrower of the character described in paragraph (1) of subsection (a)."

(d) Section 305(e) of such Act is amended by adding at the end thereof the following new sentences: "Whenever the Federal Housing Commissioner shall have issued pursuant to section 213 a statement of feasibility on a project including an estimate as to maximum amount of the mortgage involved, and an application for mortgage insurance under such section is thereafter filed with the Commissioner with respect to such project, the Association is authorized to enter into a commitment contract to reserve funds for the purchase of such mortgage; and such reservation shall be for such period as may be certified by the Commissioner as being necessary, taking into account the estimated time required to issue a commitment for mortgage insurance. The Association, at the time the Commissioner issues a commitment to insure such mortgage, may impose a charge equal to one-half of the fee which would be payable to it under the last sentence of subsection (b) of this section at the time of the issuance of its advance commitment to purchase the mortgage, with the amount of such charge being credited toward such fee if and when the advance commitment is later issued by the Association."

Section 220 sales housing mortgage insurance

SEC. 609. (a) Section 220(d)(3)(A)(i) of the National Housing Act is amended—

(1) by striking out "$13,500" each place it appears and inserting in lieu thereof "$15,000";

(2) by striking out "$18,000" each place it appears and inserting in lieu thereof "$20,000"; and

(3) by striking out "70 per centum" and inserting in lieu thereof "75 per centum".

(b) Section 220(d)(3)(A) of such Act is further amended by striking out all that precedes "or $35,000" and inserting in lieu thereof the following:

"(A)(i) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $27,500 in the case of property upon which there is located a dwelling designed principally for a one-, two-, or three-family residence;".

Nursing homes

SEC. 610. Section 232(d)(2) of the National Housing Act is amended by striking out the words following the comma and inserting in lieu thereof the following: "and not to exceed 90 per centum of the estimated value of the property or project when the proposed improvements are completed."

Housing for defense-impacted areas

SEC. 611. (a)(1) Section 810(b) of the National Housing Act is amended (A) by striking out "the Secretary of Defense or his designee shall have certified to the Commissioner that", and (B) by striking out the last sentence.

(2) Section 810(d) of such Act is amended (A) by striking out "until advised by the Secretary of Defense or his designee" and inserting in lieu thereof "until he finds", and (B) by striking out ", as evidenced by certification" and all that follows and inserting in lieu thereof a period.

(3) Section 810(l) of such Act is repealed.

(b)(1) Section 305 of such Act is amended by adding at the end thereof (after the new subsection added by section 102(c) of this Act) the following new subsection:

"(j) Notwithstanding any other provision of this Act, the Association is authorized to make commitments to purchase, and to purchase, service, or sell, any mortgage or participation therein which is insured under section 810; but the total amount of purchases and commitments authorized by this subsection shall not exceed $25,000,000 outstanding at any one time."

(2) Section 305(j) of such Act is amended by striking out "title VIII of this Act" and inserting in lieu thereof "section 803 or 809 of this Act".

(c) Section 406(a) of the Act of August 30, 1957 (71 Stat. 556), is amended by striking out ", and no certificates with respect to any family housing units shall be issued by the Secretary of Defense or his designee under section 810 of the National Housing Act, as amended,".

Miscellaneous FHA amendments

Sec. 612. (a) Section 203 of the National Housing Act is amended by—

(1) striking out in subsection (b)(3) the words "insurance of the mortgage" and inserting in lieu thereof "beginning of amortization of the mortgage", and

(2) striking out in the first proviso of the second sentence of subsection (c) the words "particular insurance fund" and inserting in lieu thereof "particular insurance fund or account".

(b) The second sentence of section 204(d) of such Act is amended by inserting after "mortgagee after default," the following: "except that debentures issued pursuant to the provisions of section 220(f), section 221(g), and section 233 may be dated as of the date the mortgage is assigned (or the property is conveyed) to the Commissioner,".

(c) The last sentence of section 204(g) of such Act is amended to read as follows: "The power to convey and to execute in the name of the Commissioner deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein heretofore or hereafter acquired by the Commissioner pursuant to the provisions of this Act, may be exercised by the Commissioner or by any Assistant Commissioner appointed by him, without the execution of any express delegation of power or power of attorney: *Provided*, That nothing in this subsection shall be construed to prevent the Commissioner from delegating such power by order or by power of attorney, in his discretion, to any officer, agent, or employee he may appoint: *And provided further*, That a conveyance or transfer of title to real or personal property or an interest therein to the Federal Housing Commissioner, his successors and assigns, without identifying the Commissioner therein, shall be deemed a proper conveyance or transfer to the same extent and of like effect as if the Commissioner were personally named in such conveyance or transfer."

(d) Section 209 of such Act is amended by striking out in the second sentence "shall be charged as a general expense of the Fund, the Housing Fund, and the Defense Housing Insurance Fund in such proportion as the Commissioner shall determine" and inserting in lieu thereof "shall be charged as a general expense of such insurance fund or funds, or account or accounts, as the Commissioner shall determine".

(e) Section 212 of such Act is amended by—

(1) striking out in the second sentence of subsection (a) "any mortgage under section 220" and inserting in lieu thereof "any loan or mortgage under section 220 or section 233"; and

(2) striking out in the third sentence of subsection (a) "in subsection (d)(4)" and inserting in lieu thereof "in subsection (d)(3) in the case of a cooperative or a limited profit mortgagor, or in subsection (d)(4)".

(f) Section 218 of such Act is amended to read as follows:

"SEC. 219. Notwithstanding any limitations contained in other sections of this Act as to the use of moneys credited to the Title I Insurance Account, the Title I Housing Insurance Fund, the Section 203 Home Improvement Account, the Housing Insurance Fund, the War Housing Insurance Fund, the Housing Investment Insurance Fund, the Armed Services Housing Mortgage Insurance Fund, the National Defense Housing Insurance Fund, the Section 220 Housing Insurance Fund, the Section 220 Home Improvement Account, the Section 221 Housing Insurance Fund, the Experimental Housing Insurance Fund, the Apartment Unit Insurance Fund, or the Servicemen's Mortgage Insurance Fund, the Commissioner is hereby authorized to transfer funds from any one or more of such insurance funds or accounts to any other such fund or account in such amounts and at such times as the Commissioner may determine, taking into consideration the requirements of such funds or accounts, separately and jointly to carry out effectively the insurance programs for which such funds or accounts were established."

(g) Section 220(f) of such Act is amended by—

(1) striking out "or" at the end of paragraph (1),

(2) striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or", and

(3) adding at the end thereof the following:

"(3) as to mortgages meeting the requirements of this section that are insured or initially endorsed for insurance on or after the date of enactment of the Housing Act of 1961, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such paragraphs in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage. After the acquisition of the mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan. The appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this paragraph, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages so acquired (A) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 220 Housing Insurance Fund, (B) all references in section 204 to section 203 shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Section 220 Housing Insurance Fund."

(h)(1) Section 223(a) of such Act is amended by striking out "213, or 222" each place it appears and inserting in lieu thereof "213, 220, 221, 222, 231, 232, or 233".

(2) Section 223(a)(7) of such Act is amended—

(A) by striking out "section 903 or section 908 of title IX" and inserting in lieu thereof "section 220, 221, 903, or 908"; and

(B) by striking out "insured under section 608 or 908".

(3) Section 223 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) With respect to any mortgage, other than a mortgage covering a one- to four-family structure, heretofore or hereafter insured by the Commissioner, and notwithstanding any other provision of this Act, when the taxes, interest on the mortgage debt, mortgage insurance premiums, hazard insurance premiums, and the expense of maintenance and operation of the project covered by such mortgage during the first two years following the date of completion of the project, as determined by the Commissioner, exceed the project income, the Commissioner may, in his discretion and upon such terms and conditions as he may prescribe, permit the excess of the foregoing expenses over the project income to be added to the amount of such mortgage, and extend the coverage of the mortgage insurance thereto, and such additional amount shall be deemed to be part of the original face amount of the mortgage."

(i) The first sentence of section 224 of such Act is amended to read as follows: "Notwithstanding any other provisions of this Act, debentures issued under any section of this Act with respect to a loan or mortgage accepted for insurance on or after thirty days following the effective date of the Housing Act of 1954 (except debentures issued pursuant to paragraph (4) of section 221(g)) shall bear interest at the rate in effect on the date the commitment to insure the loan or mortgage was issued, or the date the loan or mortgage was endorsed for insurance, or (when there are two or more insurance endorsements) the date the loan or mortgage was initially endorsed for insurance, whichever rate is the highest, except that debentures issued pursuant to section 220(f), section 220(h)(7), section 221(g), or section 233 may, at the discretion of the Commissioner, bear interest at the rate in effect on the date they are issued."

(j) Section 226 of such Act is amended by—

(1) striking out in the first sentence "222, or" and inserting in lieu thereof "222, 233, 234, or"; and

(2) striking out in the third sentence the words "that a written statement setting forth such estimate" and inserting in lieu thereof the following: "or on the basis of any other estimates of the Commissioner, that a written statement setting forth such estimate or estimates, as the case may be,".

(k) Section 227 of such Act is amended by—

(1) striking out in subsection (a) "or (vi) under section 810 if the mortgage meets the requirements of subsection (f)" and inserting in lieu thereof "(vi) under section 233 if the mortgage meets the requirements of subsection (b)(2), or (vii) under section 810 if the mortgage meets the requirements of subsection (f)";

(2) striking out in subsection (b) the word "value" and inserting in lieu thereof "value, cost,"; and (3) striking out in the second and third sentences of subsection (c) "section 221 if the mortgage meets the requirements of paragraph (4) of subsection (d) thereof, or section 231," and inserting in lieu thereof "setcion 221(d)(3), section 221(d)(4), section 231, or section 233(b)(2),".

(l) Section 229 of such Act is amended to read as follows:

"Voluntary termination of insurance

"SEC. 229. Notwithstanding any other provision of this Act and with respect to any loan or mortgage heretofore or hereafter insured under this Act, except under section 2, the Commissioner is authorized to terminate any insurance contract upon request by the borrower or mortgagor and the financial institution or mortgagee and upon payment of such termination charge as the Commissioner determines to be equitable, taking into consideration the necessity of protecting the various insurance Funds and Accounts. Upon such termination, borrowers and mortgagors and financial institutions and mortgagees shall be entitled to the rights, if any, to which they would be entitled under this Act if the insurance contract were terminated by payment in full of the insured loan or mortgage."

(m) Section 231(c)(2) of such Act is amended to read as follows:

"(2) not exceed, for such part of such property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $9,000 per family unit if the number of rooms in such property or project is less than four per family unit): *Provided*, That as to projects to consist of elevator type structures, the Commissioner may, in his discretion, increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room and the dollar amount limitation of $9,000 per family unit to not to exceed $9,400 per family unit, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; except that the Commissioner may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,250 per room, without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require;".

TITLE VII—OPEN SPACE AND LAND DEVELOPMENT

Part 1—Permanent open land

Findings and Purpose

SEC. 701. (a) The Congress finds that a combination of economic, social, governmental, and technological forces have caused a rapid expansion of the Nation's urban areas, which has created critical problems of service and finance for all levels of government and which, combined with a rapid population growth in such areas, threatens severe problems of urban and suburban living, including the loss of valuable open-space land in such areas, for the preponderant majority of the Nation's present and future population.

(b) It is the purpose of this part to help curb urban sprawl and prevent the spread of urban blight and deterioration, to encourage more economic and desirable urban development, and to help provide necessary recreational, conservation, and scenic areas by assisting State and local governments in taking prompt action to preserve open-space land which is essential to the proper long-range development and welfare of the Nation's urban areas, in accordance with plans for the allocation of such land for open-space purposes.

Federal Grants

SEC. 702. (a) In order to encourage and assist in the timely acquisition of land to be used as permanent open-space land, as defined herein, the Housing and Home Finance Administrator (hereinafter referred to as the "Administrator") is authorized to make grants to State and local public bodies acceptable to the Administrator as capable of carrying out the provisions of this part to help finance the acquisition of title to, or other permanent interests in, such land. The amount of any such grant shall not exceed 20 per centum of the total cost, as approved by the Administrator, of acquiring such interests: *Provided*, That this limitation may be increased to not to exceed 30 per centum in the case of a grant extended to a public body which (1) exercises responsibilities consistent with the purposes of this part for an urban area as a whole, or (2) exercises or participates in the exercise of such responsibilities for all or a substantial portion of an urban area pursuant to an interstate or other intergovernmental compact or agreement.

(b) The Administrator may make grants under this part aggregating not to exceed $100,000,000. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments as well as to carry out all other purposes of this part.

(c) No grants under this part shall be used to defray development costs or ordinary State or local governmental expenses, or to help finance the acquisition by a public body of land located outside the urban area for which it exercises (or participates in the exercise of) responsibilities consistent with the purpose of this part.

(d) The Administrator may set such further terms and conditions for assistance under this part as he determines to be desirable.

(e) The Administrator shall consult with the Secretary of the Interior on the general policies to be followed in reviewing applications for grants. To assist the Administrator in such review, the Secretary of the

Interior shall furnish him appropriate information on the status of recreational planning for the areas to be served by the open-space land acquired with the grants. The Administrator shall provide current information to the Secretary from time to time on significant program developments.

Planning Requirements

SEC. 703. (a) The Administrator shall make grants for the acquisition of land under this part only if he finds that (1) the proposed use of the land for permanent open space is important to the execution of a comprehensive plan for the urban area meeting criteria he has established for such plans, and (2) a program of comprehensive planning (as defined in section 701(d) of the Housing Act of 1954) is being actively carried on for the urban area.

(b) In extending financial assistance under this part, the Administrator shall take such action as he deems appropriate to assure that local governing bodies are preserving a maximum of open-space land, with a minimum of cost, through the use of existing public land; the use of special tax, zoning, and subdivision provisions; and the continuation of appropriate private use of open-space land through acquisition and leaseback, the acquisition of restrictive easements, and other available means.

Conversions to Other Uses

SEC. 704. No open-space land for which a grant has been made under this part shall, without the approval of the Administrator, be converted to uses other than those originally approved by him. The Administrator shall approve no conversion of land from open-space use unless he finds that such conversion is essential to the orderly development and growth of the urban area involved and is in accord with the then applicable comprehensive plan, meeting criteria established by him. The Administrator shall approve any such conversion only upon such conditions as he deems necessary to assure the substitution of other open-space land of at least equal fair market value and of as nearly as feasible equivalent usefulness and location.

Technical Assistance, Studies, and Publication of Information

SEC. 705. In order to carry out the purpose of this part the Administrator is authorized to provide technical assistance to State and local public bodies and to undertake such studies and publish such information, either directly or by contract, as he shall determine to be desirable. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to provide for such assistance, studies, and publication. Nothing contained in this section shall limit any authority of the Administrator under any other provision of law.

Definitions

SEC. 706. As used in this part—

(1) The term "open-space land" means any undeveloped or predominantly undeveloped land in an urban area which has (A) recreational value; (B) conservation value in protecting natural resources; or (C) historic or scenic value.

(2) The term "urban area" means any area which is urban in character, including those surrounding areas which, in the judgment of the Administrator, form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities.

(3) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

Part 2—FHA insurance for site preparation and development

Land Development Insurance

SEC. 710. The National Housing Act is amended by adding at the end thereof the following new title:

"TITLE X—LAND DEVELOPMENT INSURANCE

"SEC. 1001. As used in this title—

"(1) the term 'mortgage' means a lien on real estate in fee simple, or on the interest of either the lessor or lessee thereof (A) under a lease for not less than ninety-nine years which is renewable, or (B) under a lease having a period of not less than fifty years to run from the date the mortgage was executed; and the term 'first mortgage' includes such classes of first liens as are commonly given to secure advances (including but not being limited to advances during construction) on, or the unpaid purchase price of, real estate under the laws of the State in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby, and may be in the form of trust mortgages or mortgage indentures or deeds of trust securing notes, bonds, or other credit instruments;

"(2) the terms 'mortgagee', 'mortgagor', and 'State' shall have the same meaning as when used in section 207 of this Act;

"(3) the term 'improvements' means water lines and water supply installations, sewer lines and sewer disposal installations, utilities, pavements, curbs, gutters, and other installations or work, whether on or off the site, (A) which are necessary or desirable to convert raw land in an urban or suburban community into building sites primarily for the construction of structures designed for residential use, and (B) which are in keeping with applicable governmental requirements and with standards not lower than those reflected in general practice in the community; and

"(4) the term 'development' means the process of making and installing improvements.

"SEC. 1002. (a) The Commissioner is authorized upon application by the mortgagee to insure under this title as hereinafter provided any first mortgage (including advances during construction) which is eligible for insurance as hereinafter provided and, upon such terms and conditions as he may prescribe, to make commitments for the insurance thereof prior to the date of insurance; but no mortgage shall be insured under this title after July 1, 1963, except pursuant to a commitment to insure issued before such date.

"(b) To be eligible for mortgage insurance under this title a mortgage shall—

"(1) cover the land and improvements unless they are in public ownership or are excepted or released from the lien of the mortgage with the approval of the Commissioner;

"(2) involve an original principal obligation in an amount not to exceed $2,500,000 and not to exceed 75 per centum of the estimated value of the security covered thereby as of the completion of the development to be financed with the proceeds of the mortgage; but in no event shall any such mortgage exceed 75 per centum of the estimated value of the land as of the date of commitment plus 75 per centum of the estimated cost of development thereof;

"(3) have a maturity satisfactory to the Commissioner but not to exceed five years;

"(4) contain repayment provisions satisfactory to the Commissioner and bear interest (exclusive of premium charges for mortgage insurance) at a rate satisfactory to the Commissioner, but not to exceed 6 per centum per annum, on the amount of the principal obligation outstanding at any time;

"(5) contain such other conditions as the Commissioner may prescribe with respect to protection of the security, payment of taxes, delinquency charges, prepayment, additional and secondary liens, release of a portion or portions of the mortgaged property from the lien of the mortgage, and other matters as the Commissioner may in his discretion prescribe; and

"(6) be executed by, and cover property held by, a mortgagor approved by the Commissioner and have been made to and be held by a mortgagee approved by the Commissioner.

"(c) No mortgage shall be accepted for insurance under this title unless the Commissioner finds that—

"(1) it will aid in the development of land owned by or to be acquired by the mortgagor, and the development of such land is economically sound;

"(2) the assistance provided by this title is needed to meet the housing and related needs of moderate income families; and

"(3) the mortgagor will develop the land under a schedule reasonably assuring the timely completion of all desirable neighborhood facilities and either will construct upon the land, within a reasonable period after its development, structures primarily for residential use by moderate income families, or will make the developed land available to other persons for such purpose; and the Commissioner shall require the mortgagor to enter into such agreements or covenants as the Commissioner in his discretion may deem appropriate to assure that such construction will take place within such period.

"(d) The mortgage may include a provision permitting the mortgagee to make advances subsequent to full disbursement of the original principal: *Provided*, That the total amount of such advances outstanding at any one time shall not exceed the face amount of the mortgage.

"(e) The Commissioner shall collect a premium charge for the insurance of mortgages under this title, but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. Such charge shall be payable by the mortgagee, either in cash or in debentures of the Land Development Insurance Fund issued by the Commissioner under this title at par plus accrued interest. In addition to the premium charge herein provided for, the Commissioner is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of the property offered for insurance and for the inspection of such property and the development thereof during construction, but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

"(f) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), (m), (n), and (p) of section 207 of this Act shall be applicable to mortgages insured under this title, except that as applied to such mortgages (1) all references therein to the Housing Insurance Fund or the Housing Fund shall be construed to refer to the Land Development Insurance Fund, and (2) all references therein to section 207 or 210 shall be construed to refer to this section.

"(g) There is hereby created a Land Development Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this title. The Commissioner is hereby authorized and directed to transfer immediately to such fund the sum of $10,000,000 from the War Housing Insurance Fund created by section 602 of this Act, which sum shall be reimbursed to the War Housing Insurance Fund from appraisal and inspection fees and

charges hereafter collected under this title. General expenses of operation of the Federal Housing Administration under this title may be charged to the Land Development Insurance Fund.

"SEC. 1003. Any contract of insurance executed by the Commissioner under this title with respect to a mortgage shall be conclusive evidence of the eligibility of such mortgage for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or misrepresentation on the part of such approved mortgage.

"SEC. 1004. Nothing in this title shall be construed to exempt any real property acquired and held by the Commissioner under this title from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

"SEC. 1005. The Commissioner is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this title.

"SEC. 1006. Notwithstanding any other provision of this Act, no mortgage shall be finally endorsed for insurance under this title nor shall any advance thereon during construction be insured under this title unless the mortgagor has executed an agreement in form and content satisfactory to the Commissioner that he will certify to the Commissioner (and shall submit such records and data in support of such certification as the Commissioner shall prescribe) the actual cost of the development of the land (being the cost of constructing the on-site and off-site improvements reasonable and necessary for such development, including amounts paid for labor, materials, construction contracts, organizational and legal expenses, professional fees, a reasonable allowance for builders' profit if the mortgagor is also the builder as defined by the Commissioner, and other items of expense approved by the Commissioner). Notwithstanding any other provisions of this title (1) no mortgage shall be finally endorsed for insurance if the principal amount thereof exceeds 75 per centum of the Commissioner's estimate of the value of the land when the proposed development is completed and (2) no advance on such mortgage shall be insured if such advance, when added to previous insured advances, exceeds 75 per centum of the Commissioner's estimate of the value of the land as of the date of commitment plus 75 per centum of the cost of such development to the date of such disbursement as shown by the mortgagor's certificate; but in no event shall more than 90 per centum of the principal obligation of the loan be disbursed prior to the completion of the development contemplated by the Commissioner's commitment. The mortgagor shall also agree that, in the event the final amount of the mortgage or the amount of any advance exceeds the amount permitted under clause (1) or (2) (as the case may be) of the preceding sentence, he will reduce the mortgage or the insured advance by the amount of the excess."

Conforming Amendments

SEC. 711. (a) Section 219 of the National Housing Act (as amended by section 612(f) of this Act) is amended by inserting after "the Section 221 Housing Insurance Fund," the following: "the Land Development Insurance Fund,".

(b) Section 215 of such Act is amended by striking out "or title IX" and inserting in lieu thereof "title IX, or title X".

(c) The first paragraph of section 24 of the Federal Reserve Act is amended by inserting before the last sentence the following new sentence: "Notwithstanding the limitations and restrictions in this section, any national banking association may make loans for site preparation and development which are secured by mortgages insured under title X of the National Housing Act."

TITLE VIII—FARM HOUSING

SEC. 801. (a) Section 502 (b) (1) of the Housing Act of 1949 is amended by striking out "and such additional security" and inserting in lieu thereof the words "or such other security".

(b) Sections 511, 512, and 513 of such Act are each amended by striking out "1961" and inserting in lieu thereof "1965".

SEC. 802. The second sentence of section 511 of the Housing Act of 1949 is amended by striking out "$450,000,000" and inserting in lieu thereof "$650,000,000".

SEC. 803. (a) Section 501 (a) of the Housing Act of 1949 is amended by inserting "(1)" before "to owners of farms", and by inserting before the period at the end thereof the following: ", and (2) to owners of other real estate in rural areas to enable them to provide dwellings and related facilities for their own use and buildings adequate for their farming operations".

(b) Section 501 (c) of such Act is amended by inserting before the semicolon at the end of clause (1) the following: ", or that he is the owner of other real estate in a rural area without an adequate dwelling or related facilities for his own use or buildings adequate for his farming operations."

(c) Section 501 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) As used in this title (except in sections 503 and 504 (b)), the terms 'farm', 'farm dwelling', and 'farm housing' shall include dwellings or other essential buildings of eligible applicants."

SEC. 804. (a) Title V of the Housing Act of 1949 is further amended by adding at the end thereof the following new section:

"Insurance of Loans for the Provision of Housing and Related Facilities for Domestic Farm Labor

"SEC. 514. (a) The Secretary is authorized to insure and make commitments to insure loans made by lenders other than the United States to the owner of any farm, any association of farmers, any State or political subdivision thereof, or any public or private nonprofit organization for the purpose of providing housing and related facilities for domestic farm labor in accordance with terms and conditions substantially identical with those specified in section 502; except that—

"(1) no such loan shall be insured in an amount in excess of the value of the farm involved less any prior liens in the case of a loan to an individual owner of a farm, or the total estimated value of the structures and facilities with respect to which the loan is made in the case of any other loan;

"(2) no such loan shall be insured if it bears interest at a rate in excess of 5 per centum per annum;

"(3) out of interest payments by the borrower the Secretary shall retain a charge in an amount not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan;

"(4) the insurance contracts and agreements with respect to any loan may contain provisions for servicing the loan by the Secretary or by the lender, and for the purchase by the Secretary of the loan if it is not in default, on such terms and conditions as the Secretary may prescribe; and

"(5) the Secretary may take mortgages creating a lien running to the United States for the benefit of the insurance fund referred to in subsection (b) notwithstanding the fact that the note may be held by the lender or his assignee.

"(b) The Secretary shall utilize the insurance fund created by section 11 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1005a) and the provisions of section 13 (a), (b), and (c) of such Act (7 U.S.C. 1005c (a), (b), and (c)) to discharge obligations under insurance contracts made pursuant to this section, and

"(1) the Secretary may utilize the insurance fund to pay taxes, insurance, prior liens, and other expenses to protect the security for loans which have been insured hereunder and to acquire such security property at foreclosure sale or otherwise;

"(2) the notes and security therefor acquired by the Secretary under insurance contracts made pursuant to this section shall become a part of the insurance fund. Loans insured under this section may be held in the fund and collected in accordance with their terms or may be sold and reinsured. All proceeds from such collections, including the liquidation of security and the proceeds of sales, shall become a part of the insurance fund; and

"(3) of the charges retained by the Secretary out of interest payments by the borrower, amounts not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan shall be deposited in and become a part of the insurance fund. The remainder of such charges shall be deposited in the Treasury of the United States and shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually to and become merged with any appropriation for such expenses.

"(c) Any contract of insurance executed by the Secretary under this section shall be an obligation of the United States and incontestable except for fraud or misrepresentation, of which the holder of the contract has actual knowledge.

"(d) The aggregate amount of the principal obligations of the loans insured under this section shall not exceed $25,000,000 in any one fiscal year.

"(e) Amounts made available pursuant to section 513 of this Act shall be available for administrative expenses incurred under this section.

"(f) As used in this section—

"(1) the term 'housing' means (A) new structures suitable for dwelling use by domestic farm labor, and (B) existing structures which can be made suitable for dwelling use by domestic farm labor by rehabilitation, alteration, conversion, or improvement; and

"(2) the term 'related facilities' means (A) new structures suitable for use as dining halls, community rooms or buildings, or infirmaries, or for other essential services facilities, and (B) existing structures which can be made suitable for the above uses by rehabilitation, alternation, conversion, or improvement; and

"(3) the term 'domestic farm labor' means citizens of the United States who receive a substantial portion (as determined by the Secretary) of their income as laborers on farms situated in the United States."

(b) Title V of such Act is further amended—

(1) by inserting in section 506(a) "and section 514," immediately after "501 to 504, inclusive," each place it appears; and

(2) by striking out "under this title" in section 507 and inserting in lieu thereof "under sections 501 to 504, inclusive".

(c) The first paragraph of section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended by inserting after "the Act of August 28, 1937, as amended" the following: ", or title V of the Housing Act of 1949, as amended".

SEC. 805. (a) Section 506 of the Housing Act of 1949 is amended—

(1) by striking out the last sentence of subsection (a);

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following new subsections:

"(b) The Secretary is further authorized to conduct research and technical studies including the development, demonstration, and promotion of construction of adequate farm dwellings and other buildings for the purpose of stimulating construction, improving the architectural design and utility of such dwellings and buildings, and utilizing new and native materials, economies in materials and construction methods, and new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

"(c) The Secretary is further authorized to carry out a program of research, study, and analysis of farm housing in the United States to develop data and information on—

"(1) the adequacy of existing farm housing;

"(2) the nature and extent of current and prospective needs for farm housing, including needs for financing and for improved design, utility, and comfort, and the best methods of satisfying such needs;

"(3) problems faced by farmers and other persons eligible under section 501 in purchasing, constructing, improving, altering, repairing, and replacing farm housing;

"(4) the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and

"(5) any other matters bearing upon the provision of adequate farm housing.

"(d) To the extent determined by him to be advisable, the Secretary may carry out the research and study programs authorized by subsections (b) and (c) through grants made by him on such terms, conditions, and standards as he may prescribe to land-grant colleges established pursuant to the Act of July 2, 1862 (7 U.S.C. 301–308) or through such other agencies as he may select."

(b) Section 513 of such Act is amended by striking out "and (c)" and inserting in lieu thereof the following: "(c) not to exceed $250,000 per year for research and study programs pursuant to subsections (b), (c), and (d) of section 506 during the period beginning July 1, 1961; and ending June 30, 1965; and (d)".

SEC. 806. (a) Section 508 of the Housing Act of 1949 is amended by striking out "of $5 per day" in subsection (a) and inserting in lieu thereof "determined by the Secretary".

(b) Section 508 of such Act is amended by striking out "their opinions of the reasonable values of the farms" in the second sentence of subsection (b) and inserting in lieu thereof "as to the amount of the loan or grant."

TITLE IX—MISCELLANEOUS

Homeowners Loan Act of 1933

SEC. 901. (a) Section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "in loans insured under title I of the National Housing Act, as amended," in the first sentence of the second paragraph and inserting in lieu thereof "in loans insured under title I of the National Housing Act, in home improvement loans insured under title II of the National Housing Act,".

(b) Section 5(c) of such Act is further amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection except the area restriction and the $35,000 limitation, any such association may invest an amount not exceeding at any one time 5 per centum of its assets in nonamortized loans which are made on the security of first liens upon homes or combinations of homes and business property and which (1) are repayable within a period of eighteen months, (2) provide that interest payments be made at least semi-annually, and (3) do not exceed 80 per centum of the appraised value of the property involved. For the purposes of this paragraph the term 'first liens' includes the assignment of the whole of the beneficial interest in a trust having a corporate trustee whereunder real estate held in the trust can be subjected to the satisfaction of the obligation or obligations secured with the same priority as a first mortgage, a first deed of trust, or a first trust deed in the jurisdiction where the real estate is located."

(c) Section 5(c) of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (b) of this section) the following new paragraph:

"Without regard to any other provision of this subsection except the area restriction, any such association is authorized to invest an amount not exceeding at any one time 5 per centum of its assets in amortized loans or participating interests therein which are secured by first liens upon improved real estate used to provide housing facilities for the aging, subject to the following qualifications:

"(1) each such loan shall be repayable within a period of thirty years;

"(2) no such loan shall exceed 90 per centum of the appraised value of the improved real estate given as security therefor; and

"(3) each such loan—

"(A) shall be made upon and secured by real estate which is improved by housing accommodations, individual or multiple, designed for the purpose of providing accommodations for occupancy by aging persons, or of providing rest homes or nursing homes, so constructed or altered as to be suitable primarily for the occupancy of persons over fifty-five years of age and limited principally to the occupancy of such persons; and

"(B) shall be made for the implementation of the purpose described in clause (A)."

(d) Section 5(c) of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (c) of this section) the following new paragraph:

"Without regard to any other provision of this subsection, any such association is authorized to invest not more than 5 per centum of its assets in certificates of beneficial interest issued by any urban renewal investment trust. For the purposes of this paragraph the term 'urban renewal investment trust' means an unincorporated trust established by written agreement between the authorized officers of two or more savings institutions the savings or share accounts of which are insured by an agency of the Federal Government, which agreement—

"(1) expressly limits the purposes of the trust and the investment powers of the trustees to the elimination or prevention of the spread of slums and blighted or deteriorated or deteriorating areas and the redevelopment, renewal, rehabilitation, or conservation of such areas by private enterprise through financing the purchase or rehabilitation of real property, or the construction of improvements thereon, designed or usable for industrial, commercial, or housing purposes within the confines of an urban renewal area (as defined in section 110 of the Housing Act of 1949);

"(2) expressly limits the beneficial ownership of the trust to savings and loan associations or banks the savings or share accounts of which are insured by an agency of the Federal Government;

"(3) provides that such beneficial ownership be evidenced by certificates of beneficial interest, which certificates shall have first claim at all times on the assets of the trust without preference between the holders thereof, and shall be fully transferable and assignable between any such banks and savings and loan associations at all times; and

"(4) expressly provides that it shall be effective and binding between the parties thereto only upon being approved by the board.

Any association chartered under the provisions of this section may become a party to any urban renewal investment trust. The Federal Home Loan Bank Board shall prescribe such rules and regulations, not inconsistent with the provisions of this paragraph, as it may deem necessary for the proper establishment of urban renewal investment trusts, for the effective operation thereof, and the participation in such operations of eligible institutions either as parties, as trustees, or as the holders of certificates of beneficial interest."

Federal Reserve Act

SEC. 902. Section 24 of the Federal Reserve Act is amended by inserting at the end of the next to the last paragraph a new sentence as follows: "Home improvement loans which are insured under the provisions of section 203(k) or 220(h) of the National Housing Act may be made without regard to the first lien requirements of this section."

Voluntary home mortgage credit program

SEC. 903. Section 610(a) of the Housing Act of 1954 is amended by striking out "1961" and inserting in lieu thereof "1965".

Disposal of Passyunk war housing project

SEC. 904. Section 802(a) of the Housing Act of 1959 is amended by striking out "five" in the first sentence and inserting in lieu thereof "seven".

Disposal of Nathanael Greene Villa housing project

SEC. 905. Notwithstanding the provisions of section 606 of the Act entitled "An Act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, as amended, and any agreements entered into thereunder, the Housing and Home Finance Administrator and the Public Housing Administration are authorized and directed to agree to the sale by the Housing Authority of Savannah, Georgia, to the City of Savannah, Georgia, of all right, title, and interest in and to Nathanael Greene Villa (low-rent Housing project GA–2–8; formerly war housing project GA–9041), for a total price of $275,000, which shall be paid to the Administration and deposited by the Administration in the Treasury as miscellaneous receipts in accordance with section 606(d) of such Act.

Hospital construction

SEC. 906. (a) Section 605(b) of the Housing Act of 1956 is amended by striking out "1960" and inserting in lieu thereof "1962".

(b) Section 605(c) of such Act is amended by striking out "and June 30, 1961" and inserting in lieu thereof "June 30, 1961, and June 30, 1962".

Payment in lieu of taxes by Holyoke Housing Authority

SEC. 907. Notwithstanding the provisions of any other law or any contract or rule of law, the Public Housing Commissioner shall approve the payment in lieu of taxes, in the amount of $9,933.47, made by the Holyoke Housing Authority to the city of Holyoke, Massachusetts, under section 10(h) of the United States Housing Act of 1937, for its fiscal year ended December 31, 1956.

Administrative

SEC. 908. Section 502 of the Housing Act of 1948 is amended by—

(1) striking out in subsection (c)(3) the first proviso, the colon thereafter, and the words *"And provided further,"* and inserting in lieu thereof *"Provided,"*; and

(2) adding at the end thereof the following subsection:

"(d) The Housing and Home Finance Administrator, the Federal Housing Commissioner, and the Public Housing Commissioner, respectively, may utilize funds made

available to them for salaries and expenses for payment in advance for dues or fees for library memberships in organizations (or for membership of the individual librarians of the respective agencies in organizations which will not accept library membership) whose publications are available to members only, or to members at a price lower than to the general public, and for payment in advance for publications available only upon that basis or available at a reduced price on prepublication order."

Mr. MANSFIELD. Mr. President, I move that the Senate disagree to the amendment of the House, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate. Let me say that the chairman of the Banking and Currency Committee has requested the appointment as conferees on the part of the Senate of the Members whose names I now send to the desk.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Acting President pro tempore appointed Mr. SPARKMAN, Mr. DOUGLAS, Mr. CLARK, Mr. WILLIAMS of New Jersey, Mr. MUSKIE, Mr. LONG of Missouri, Mr. CAPEHART, Mr. BUSH, and Mr. BEALL the conferees on the part of the Senate.

Mr. CLARK. Mr. President, will the Senator from Montana yield briefly?

Mr. MANSFIELD. I yield.

Mr. CLARK. Have the conferees on the housing bill been appointed?

Mr. MANSFIELD. Yes; just now.

Mr. CLARK. I should like to speak on that subject.

Mr. MANSFIELD. I wish the Senator from Pennsylvania had told me before now of his desire in that connection. But I yield.

Mr. CLARK. Mr. President, as my colleagues will remember, I have been arguing for some time that the Senate members of conference committees should be so selected that a majority on any particular committee will reflect the prevailing view of the Senate on the major matters in disagreement which occasion the appointment of the committee.

This issue has arisen many times in the history of the Senate. When it has been pressed, adjustments have often been made in the selection of conferees, so that the majority does reflect the prevailing view of the Senate. When the issue has not been pressed, the custom of appointing committee members or subcommittee members on the basis of seniority has been followed.

The result has been that the Senate often sends into battle warriors who do not believe in the cause for which they are fighting. While they are duty bound to argue the position of the Senate with which they are out of sympathy, I think the record will show that in such circumstances they usually lose the argument. Sometimes it happens in a matter of minutes; sometimes it takes a little longer.

During the past 4 years, this anomalous situation has developed mainly on matters within the jurisdiction of the Finance Committee, when those of us who support the views of the Kennedy administration have won a battle on the floor, only to see our amendments taken to conference by some of the members of the Finance Committee who did not agree with the point of view of Senator Kennedy, when he was a member of this body, and do not now respond to his point of view as President of the United States.

Today, the shoe is on the other foot; and I would not be honest with myself and with my colleagues if I did not rise here to say that it pinches painfully.

The conferees designated to represent the Senate on the housing bill are the nine members of the Housing Subcommittee. On at least four major issues which will be before the conference, these conferees have expressed a view in conflict with the position of the Senate, and I was with them on every one of those matters.

The first is the downpayment requirement under the new moderate-income housing program covering 1- to 4-family houses. The subcommittee bill provided for no downpayment at all. When the eloquent Senator from Tennessee [Mr. GORE] offered his amendment to eliminate this program, six of the nine subcommittee members voted against his amendment, which carried. When the title was modified, so as to provide a 3-percent downpayment, it was restored to the bill. Thus, the majority of the Senate is clearly in favor of a 3-percent downpayment; while a majority of the conferees was in favor of no downpayment at all, until we were forced to compromise. The House position is about halfway between; so this will be a conference issue on which the Senate managers will be unrepresentative.

The second issue concerns cash payments by the FHA in lieu of debentures in cases of default under some of the new programs. The subcommittee bill authorized cash payments, which the administration regards as vital to the success of the programs. But in the full committee, the cash payments provisions were removed for several programs. The Senate confirmed the position of the committee. But the House version contains the provisions originally approved by a majority of the subcommittee, who will now attempt to defend a position with which they personally have disagreed.

The third issue concerns the amendment offered by the distinguished senior Senator from Minnesota [Mr. HUMPHREY] to increase from two-thirds to three-fourths the Federal share of urban renewal costs in communities under 150,000 located in redevelopment areas. This provision is in the House version. When it was offered by the Senator from Minnesota, the Senate rejected it. But six of the nine Senate conferees supported the Humphrey amendment, and thus are not representative of the position of the Senate.

The fourth issue is the open space program, which is contained in the House version.

On motion of the able Senator from South Dakota [Mr. CASE], this program was stricken from the Senate version. But six of the nine Senate conferees voted to retain it, and are therefore in agreement with the House position, rather than the Senate position.

Under these circumstances, Mr. President, and in view of the number of times I have spoken out against unrepresentative conference committees, I have pondered whether I should decline to serve as a Senate member of the conference committee on the housing bill.

I entered the Chamber a minute after the conferees were appointed; but I had intended to remain on the conference committee, subject to announcing my intention to resign if any other Member of the Senate felt I should do so.

Two considerations have led me to the conclusion that I should not decline to serve in the absence of such an expression from another Senator.

First, my resignation alone would not correct the situation. Since six of the nine conferees have opposed the position of the Senate on at least three, and probably all, of the four major issues I have mentioned, my resignation would leave the Senate conferees still unrepresentative, by a 5 to 4 margin. Other adjustments would have to be made; and in view of the complexity of the bill and the extraordinary number of issues in dispute—82, to be exact—it would take some careful calculation to make shifts which would correct the representation on these four issues without at the same time making it incorrect on others. While there is no question that such calculations can be made, everybody concerned would have to agree with the objective and cooperate in working out the solution. And, unfortunately, the principle of representative conference committees has yet not been accepted by all concerned.

Second, some of my colleagues have protested to me that we cannot have one practice for administration supporters and another practice for those who oppose the administration. Where the accidents of assignment and seniority give the administration supporters an advantage over those who oppose the Kennedy administration, we should not relinquish that advantage, it is argued, unless the conservatives are willing to relinquish their advantage when the situation is reversed. In other words, the Kennedy men should not undertake unilateral disarmament.

As one Senator has put it, "Until this wormy tree of seniority is felled, I want my share of its fruits." I think both sides are wrong in eating from this tree, and I feel so keenly about it that I have been wielding a lonely ax.

If there is a disposition to recast this conference committee so as to make it representative, and if it is agreed that this shall be a precedent for the future, then I shall be happy to step aside in favor of some Senator who was on the prevailing side when the views of the Housing Subcommittee were overridden on the floor. If not, I can only express a hope that some of my friends on the other side will take note that this careless and undemocratic parliamentary practice cuts both ways. Perhaps some of them will wish to join in sponsoring my resolution now before the Rules and Administration Committee, Senate

Resolution 9, which would make it possible for any Senator to force the Senate to appoint representative conference committees by simply raising a point of order.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CLARK. I shall be happy to yield. Are we operating under a 3-minute limitation?

Mr. BUSH. I do not know, but the Senator has made a statement which involves me.

Mr. CLARK. I shall be glad to respond to the Senator's question, or yield the floor, whichever is best.

Mr. BUSH. I would like first to have the Senator yield in order that I may make a comment. Then I wish the floor in my own right.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. DIRKSEN. I think the Senator from Pennsylvania would be entitled to time in respect to the reference of the housing bill and the appointment of conferees. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator would have been entitled to time. The time had been disposed of when he came into the Chamber.

Mr. DIRKSEN. I ask unanimous consent that it be made retroactive in the sense that the Senator be given time to be heard on this matter.

The ACTING PRESIDENT pro temport. Is there objection? Without objection, it is so ordered.

Mr. BUSH. I thank the Senator for yielding. I should like to make a couple of observations. First, I attended an informal meeting of the supposed conferees between the House and the Senate before any action was taken here. I would say to the Senator, from his point of view, I feel the House bill, if we go into conference, is very much more in line with his philosophy than is the Senate bill.

Mr. CLARK. The Senator is correct.

Mr. BUSH. So if the Senate is going to do anything on a compromise, it is going to be on the up side so far as expenditures and more liberal use of Government credit are concerned.

Mr. CLARK. The Senator is correct. That is why I raised the point.

Mr. BUSH. I would like to finish. I did not interrupt the Senator from Pennsylvania. I do not know what the Senator is cautioning us about, because we cannot very well do any less than what the Senate bill provided, and the only way we can go is up.

I think the Senator is making an unreasonable request of individual Senators who have their own convictions about legislative matters. Those convictions cannot be changed. Right here on the floor of the Senate, when the housing bill was before us, we supported the Gore amendment to strike out title I from the housing bill by a vote of 49 to 44, or thereabouts. Two or three hours later, with pressures from the White House, this provision of the bill came back, with a slightly different aspect to it, a very minor change. Then, due to pressures from the White House, within 2 or 3 hours, enough votes were changed so as to put that feature back into the bill.

What represented the view of the Senate? The first vote or the second vote? I personally think the first vote of approximately 49 against 44 Senators who voted to strike the title.

So I wish to say to the Senator, who is my friend—I do not mean to get too excited about this—that he is making a very unreasonable request of those of us who have strong convictions about some parts of the bill, just as strong as the feelings of the Senator from Pennsylvania.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. CLARK. I wish the Senator would point out any unreasonable request I have offered.

Mr. BUSH. The Senator's unreasonable request that Senators, like myself, who do not wish to resign from the committee, represent views we do not believe in.

Mr. CLARK. That is the last thing from my mind. I feel the Senator has misrepresented my position.

Mr. BUSH. I have not done so intentionally.

Mr. CLARK. I know that. My suggestion is that those who supported the Senate in matters of disagreement may ask Senators who do not represent those views to get off the conference committee. I am prepared to do so.

Mr. BUSH. If the Senator wants to get off the committee, that is his business. I do not want him to get off. It seems to me, in defense of the chairman, that the way to select the conferees was the way they were selected, namely, the members of the subcommittee. After all, who is more familiar with the legislation, who lived through the hearings, who conducted the debate? They were the men who had most knowledge of it. The Senator was one of them. I do not see why he has a kick.

Mr. CLARK. I do not have a kick. The Senator has a kick. I am prepared to support the Senator from Connecticut if he wants to kick me.

Mr. BUSH. I do not want the Senator kicked at all. I am perfectly satisfied. The conferees were appointed. I certainly do not intend to be under any inhibition from voting my conscience in conference, any more than on the Senate floor. That is what I think the Senator's proposed rule is designed to do—to put us under wraps when we go to conference, and do what the Senate wants us to do. I do not think the word "conference" suggests we do that. The word "conference" means to confer and to come to agreement on matters before a conference.

Mr. CLARK. Mr. President, I shall not further detain the Senate except to make this point crystal clear. In my judgment, no attorney can properly represent a client in whose case he does not believe. We are now in a situation where a majority of the conferees—not including the Senator from Connecticut—are going to be expected to support the Senate's position on several matters in which they do not believe. I include myself in that number. And I have the feeling it is likely a vote will prevail early in the day for provisions in this bill in which a majority of our colleagues did not believe. My only point is that in view of the situation, in which I cannot represent the Senate's viewpoint, I should get off the committee.

Mr. BUSH. If the Senator would have his way, there would be no representation of a minority on conference committees. Is that what the Senator wants?

Mr. CLARK. No. If the Senator will read my proposed rule, he will see it provides that a majority of the members of a conference committee should have supported by their votes on the floor the position of the Senate in matters of disagreement with the House. That is not so with this conference committee. It is 6 to 3 in opposition on four of the main issues which will rise between the conferees.

Mr. ROBERTSON. Mr. President, I do not think that anybody who wants to knock the cork out of the bunghole of the Treasury is going to have any complaint with regard to service on the conference committee. The chairman was much opposed to the whole proposal of 100,000 public housing units, $2½ billion for urban renewal, and minimum downpayment for houses underwritten by the Federal Housing Administration. I refused to serve on the conference committee. The chairman thought he was very generous when he indicated to the leadership that he would like to have the Members of the Housing Subcommittee, who are 2 to 1 or 3 to 1 or 4 to 1 for the Senate bill, named as conferees.

The press has reported this bill as a $4.9 billion bill—less than the Senate bill. As a matter of fact, it provides more than the Senate bill. The Senate adds for current spending for housing in the next fiscal year some $485 million. The House adds for current spending in the next budget approximately $628 million.

If any member of the press went to a bank and refused to disclose he had made commitments over a 40-year period totaling $3,100 million and got a loan on that basis, he could be prosecuted. Time after time I have pointed out on the floor of the Senate that the bill commits this Government unconditionally to make annual grants, for approximately 100,000 units averaging about $14,000 each, involving a maximum commitment of more than $3 billion for principal and interest over 40 years. Yet I cannot get the press to carry that as a liability.

Once more, Mr. President, I ask unanimous consent to have printed at this point in the RECORD a comparative statement with regard to the bill as passed by the Senate and by the House, to show the effects within a year; and a comparative statement of all the unconditional promises, which will extend, ultimately, as long as 40 years. These statements show that under the Senate

bill there would be an obligation of $9.2 billion, and under the House bill an obligation of $10 billion.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Comparison of major loan and grant authorizations in S. 1922, as passed by the Senate and as amended by the House

[In millions]

Subject	Authorization		Larger bill has excess of—	
	Senate	House	Senate	House
FNMA special assistance	$750	[1] $1,575		$825
Loan programs:				
College housing loans	1,350	1,200	$150	
Public facility loans	150	500		350
(Mass transportation)	(100)	([2])	(100)	
Housing for the elderly loans	50	100		50
VA direct housing loans	1,200	[3] 1,200		
SBA disaster loans	50	([2])	50	
Public works planning loans	([2])	10		10
Farm housing loans	([2])	200		200
Subtotal, loans	2,800	3,210	200	610
Grant programs:				
Urban renewal grants	2,500	2,000	500	
(Mass transportation)	(50)	([2])	(50)	
Urban planning assistance grants	80	30	50	
Public housing:				
Annual contributions	3,100	3,100		
Demonstration grants	10	10		
Open space	([2])	100		100
Farm housing research	([2])	1		1
Defense, hospitals	([2])	15		15
Subtotal, grants	5,690	5,256	550	116
Grand total	9,240	[1] 10,041	750	[1] 1,551

[1] Includes $750,000,000 FNMA additional at Presidential discretion, plus $25,000,000 for defense housing, plus about $200,000,000 transferred from program No. 10, plus an estimated $600,000,000 in mortgage repayments transferred from the management and liquidation fund over 4 years. (The management and liquidation fund repayments could amount to as much as the entire portfolio of $1,600,000,000 if completely liquidated.)
[2] No provision.
[3] In H.R. 5723, as passed by the House.

Comparison of estimated net budget expenditures in the fiscal year 1962 under the major loan and grant authorizations in S. 1922, as passed by the Senate and as amended by the House

[In millions]

Subject	Net budget expenditure	
	Senate	House
FNMA special assistance	$65	$232
Loan programs:		
College housing loans	10	10
Public facility loans	25	50
(Mass transportation)	(10)	
Housing for the elderly loans	10	20
VA direct housing loans	300	[1] 300
SBA disaster loans	25	([2])
Public works planning loans		
Farm housing loans	40	
Subtotal, loans	410	380
Grant programs:		
Urban renewal grants	5	3
(Mass transportation)	([2])	3
Urban planning assistance grants	3	3
Public housing:		
Annual contributions		
Demonstration grants	2	
Open space		10
Farm housing research		
Defense hospitals		
Subtotal, grants	10	16
Grand total	485	628

[1] Assumes outlays are identical to estimate given under Senate bill.
[2] No provision.

NOTE.—Based on data submitted by Senator SPARKMAN, CONGRESSIONAL RECORD, June 12, 1961, p. 9998, plus H. Rept. 447, p. 52.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

EXPANSION OF SALINE WATER CONVERSION PROGRAM

A communication from the President of the United States, transmitting a draft of proposed legislation to expand and extend the saline water conversion program being conducted by the Secretary of the Interior (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF ACT RELATING TO IMPORTATION OF HONEYBEES

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act relating to the importation of adult honeybees (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON AGREEMENTS CONCLUDED UNDER TITLE I OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Acting Administrator, Foreign Agricultural Service, Department of Agriculture, reporting, pursuant to law, on agreements concluded during May 1961, under title I of the Agricultural Trade Development and Assistance Act of 1954, with the Governments of Brazil, Israel, Republic of Korea, Spain, and United Arab Republic (Egypt) (with accompanying papers); to the Committee on Agriculture and Forestry.

PREPARATION OF REMAINS OF CERTAIN DECEASED DEPENDENTS OF MILITARY PERSONNEL

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to restore authority in the Armed Forces to prepare the remains, on a reimbursable basis, of certain deceased dependents of military personnel and to transport the remains at Government expense to their homes or other appropriate place of interment (with an accompanying paper); to the Committee on Armed Services.

REPORT OF ATTORNEY GENERAL ON REVIEW OF VOLUNTARY AGREEMENTS AND PROGRAMS

A letter from the Attorney General, transmitting, pursuant to law, a report on review of voluntary agreements and programs, as of May 9, 1961 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Chairman, Federal Deposit Insurance Corporation, Washington, D.C., transmitting, pursuant to law, a report of that Corporation, for the calendar year 1960 (with an accompanying report); to the Committee on Banking and Currency.

IMPLIED CONSENT LAW FOR DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to promote safe driving and eliminate the reckless and irresponsible driver from the streets and highways of the District of Columbia by providing that any person operating a motor vehicle within the District while apparently under the influence of intoxicating liquor shall be deemed to have given his consent to a chemical test of certain of his body substances to determine the alcoholic content of his blood, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON EDUCATIONAL EXCHANGE ACTIVITIES

A letter from the Chairman, U.S. Advisory Commission on Educational Exchange, Washington, D.C., transmitting, pursuant to law, a report on the educational exchange activities conducted under the U.S. Information and Education Exchange Act of 1948 (with an accompanying report); to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the Legislature of the State of Nebraska; to the Committee on the Judiciary:

"RESOLUTION 40

"Whereas the year 1962 is the centennial on the Homestead Act; and

"Whereas the monument of the National Park Service to the Nation's first homestead entryman is located near Beatrice, Nebr.: Now, therefore, be it

"Resolved by the members of the Nebraska Legislature in seventy-second session assembled:

"1. That the Members of Congress are hereby memorialized to support the bills in Congress directing the President of the United States to designate the Homestead centennial in the year 1962, and the Postmaster General of the United States to issue a commemorative stamp of the 100th anniversary of the Homestead Act.

"2. That copies of this resolution be transmitted by the Clerk of the Legislature to the Vice President of the United States as President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to each member from Nebraska in the Senate of the United States and in the House of Representatives of the United States."

A concurrent resolution of the Legislature of the State of Texas; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION 2

"Whereas the electoral colleges as the system for the election of the President of the United States was established by our Con-

stitution in the founding of this Nation; and

"Whereas our country has made great strides in development and growth since those early days, resulting in many social, economic, and political changes; and

"Whereas the continued use of the electoral college system under our present structure is in semiconflict with the democratic principle upon which our Government was founded; and

"Whereas House Joint Resolution 2, 81st Congress, 1st session, commonly known as the Gossett-Lodge amendment to the U.S. Constitution, would accomplish the following necessary changes; namely:

"(1) Abolish the electoral college;

"(2) Abolish electors;

"(3) Provide for direct voting for President and Vice President; and

"(4) Retain the electoral vote of each State as at present, but provide that it be divided in exact ratio of each candidate's popular vote in each State; and

"Whereas, if the Gossett-Lodge amendment were passed and ratified by the States, some benefits to be expected are:

"(1) Elections in which everybody's vote counts for the person for whom cast;

"(2) No tie votes; the high man wins: Now, therefore, be it

"Resolved, That the house of representatives of the 57th legislature, the senate concurring, most urgently request the Congress to pass the above-mentioned House Joint Resolution 2, and propose it as an article of amendment to the Constitution of the United States; and that copies of this resolution be forwarded to all Members of Congress from Texas."

A resolution adopted by the California State Board of Agriculture, Sacramento Calif., relating to the impact of agricultural imports upon California agriculture; to the Committee on Finance.

A pamphlet in the nature of a petition entitled "A Report to the President of the United States," from the Associated Ceramic Mosaic Tile Manufacturers, relating to conditions of the ceramic mosaic tile business as opposed by imports from Japan; to the Committee on Finance.

A resolution adopted by the City Council of the City of Tampa, Fla., approving a suggested investigation of the Department of State; to the Committee on Foreign Relations.

A resolution adopted by the Texas Real Estate Association, San Antonio, Tex., opposing the enactment of H.R. 6028, which would permit a maturity payment of 40 years for purchasers of residential units and other homes; ordered to lie on the table.

By Mr. ELLENDER:

A concurrent resolution of the Legislature of the State of Louisiana; ordered to be printed in the RECORD:

"SENATE CONCURRENT RESOLUTION 39

"Concurrent resolution to urge the Louisiana delegation in the U.S. Congress to request U.S. Postmaster General to issue a commemorative postage stamp in 1962 to commemorate the 100th year of the discovery of rock salt on the North American Continent at the historic Avery Island in Louisiana

"Whereas the year 1962 will mark the century of the discovery of rock salt on the North American Continent of historic Avery Island in Louisiana; and

"Whereas salt is vital to life as we know it today and serves us in some 14,000 different ways and is the very foundation upon which the American chemical industry has been built; and

"Whereas it is only fitting that steps should be taken to commemorate such an important discovery, a discovery which has contributed so much in so many ways to the well-being and happiness of the people of this great State and Nation: Therefore, be it

"Resolved by the Senate of the Legislature of the State of Louisiana (the House of Representatives concurring herein), That the Louisiana delegation in the U.S. Congress is hereby urged to request the U.S. Postmaster General to issue a commemorative postage stamp in 1962 to commemorate the 100th year of the discovery of rock salt on the North American Continent at the historic Avery Island in Louisiana; be it further

"Resolved, That a duly inscribed copy of this resolution shall be sent to each member of the Louisiana delegation in the U.S. Congress."

CALIFORNIA LEGISLATURE BACKS YOUTH CONSERVATION CORPS—JOINT RESOLUTION

Mr. HUMPHREY. Mr. President, I was pleased to be able to announce that the Legislature of the State of California has approved a resolution urging enactment of a bill which I have introduced, S. 404, to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men in our national and State parks and forests. I wish to publicly express my appreciation to the California State Legislature for adopting this resolution, which I understand was passed unanimously.

I ask unanimous consent that this resolution be printed at this point in the RECORD and that it be referred to the Subcommittee on Employment and Manpower which is presently conducting hearings on this specific measure.

There being no objection, the joint resolution was referred to the Committee on Labor and Public Welfare, and ordered printed in the RECORD, as follows:

SENATE JOINT RESOLUTION 45

Relative to establishment of a Youth Conservation Corps

Whereas the Senate and House of Representatives of the United States are now considering legislation to establish a Youth Conservation Corps; and

Whereas among the most pressing and depressing problems of today are the rise in unemployment, rising relief costs, and increase of juvenile delinquency; and

Whereas it has been established that a Youth Conservation Corps would be a most important resource of combating all of these three undesirable phases of our national life; and

Whereas such a Youth Conservation Corps could achieve essential public improvements, worth more than the cost entailed; and

Whereas the work most needed to be done generally lies in national forests, in national parks, or in such projects as flood prevention and prevention of soil erosion, far removed from the cities or States where most of the youths enrolled for such program now reside; and

Whereas the State of California and several of the counties of this State have camp programs for youths already under sentence by the courts, and the Federal Youth Conservation Corps would provide for voluntary enrollment: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully urges Congress to enact legislation as proposed in S. 404, which would authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas; and be it further

Resolved, That the Secretary of the Senate is hereby directed to transmit a copy of this resoltuion to the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. PELL. Mr. President, on behalf of my colleague, the senior Senator from Rhode Island [Mr. PASTORE] and myself, I am delighted to submit a resolution recently passed by the General Assembly of the State of Rhode Island and Providence Plantations memorializing Congress to enact legislation to convey Fort Adams, Newport, R.I., from the Federal Government to the State of Rhode Island for recreational purposes.

The Department of the Navy has declared 59 acres at Fort Adams to be in excess of its needs and, therefore, it is indeed appropriate that this historic site, which was constructed during the War of 1812 and which I understand has never fired a shot in anger, should become a recreation area for all our citizens to enjoy.

We Newporters are proud of the historical and recreational resources of our city and so especially hope that this land may be turned over to our State for these purposes. State Senators Joseph Savage, of Newport, and Pat Nero, of Cranston, are to be complimented on their sponsorship of this resolution in our general assembly.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD, and appropriatley referred.

There being no objection, the resolution was referred to the Committee on Armed Services, and, under the rule, ordered to be printed in the RECORD, as follows:

RESOLUTION 327

Whereas, Fort Adams, located at Newport, R.I., comprising 59 acres of land, has been declared by the Department of the Navy to be in excess of its needs; and

Whereas the State of Rhode Island has expressed its desire to develop a portion of Fort Adams into a State recreational area; and

Whereas on two occasions bills have been introduced into the Congress of the United States attempting to convey this property to the State of Rhode Island, and these bills died when the Congress adjourned; and

Whereas the State of Rhode Island has requested that the Federal Government transfer Fort Adams to the State of Rhode Island for the above-named purpose: Now, therefore, be it

Resolved, That the Senators and Representatives from Rhode Island in the Congress of the United States be and they are hereby respectfully requested to introduce legislation to effect this conveyance and to make every effort and all necessary steps to obtain said Fort Adams from the Federal Government; and be it further

Resolved, That copies of this resolution be forwarded by the secretary of state to the Senators and Representatives of Rhode Island in the Congress of the United States, and to the Department of the Navy.

FIRE HAZARD RESULTING FROM UNTENDED SOIL BANK LAND—REPORT AND RESOLUTION

Mr. PROXMIRE. Mr. President, the Board of Supervisors of Winnebago County has joined a large number of other Wisconsin counties in expressing grave concern about the fire hazard resulting from untended soil bank land.

In an official resolution, adopted June 6, 1961, they point out that unoccupied, unclipped farmlands constitute a serious potential fire hazard to nearby farm buildings and livestock.

To bring this matter to the attention of the responsible authorities, I ask unanimous consent that the text of the resolution be printed in the RECORD, and that it be referred to the appropriate committee.

There being no objection, the report and resolution were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

REPORT AND RESOLUTION

To the Board of Supervisors of Winnebago County, Wis.:

Your agriculture and education committee begs leave to report that a member of the State fire marshal's department has met with your committee and requested that a resolution be brought before the county board with regard to future soil bank contracts. We have had the matter under consideration and, therefore, wish to present the following resolution:

Whereas many acres of unoccupied farmlands by owners have grown up into tall matured grass and other vegetative growth, presenting a fire hazard during the spring and fall months; and

Whereas many of the rural areas are not too well equipped with firefighting equipment; and

Whereas human lives, many farm buildings, and fire equipment are endangered by fires from grass areas immediately adjacent to these buildings; and

Whereas considerable acreage of wildlife habitat and area, tree-planted areas, and forest land are endangered by these potential fire hazards on unoccupied lands: Therefore be it

Resolved by the Winnebago County Board of Supervisors, That—

1. A stipulation be included in future soil bank contracts that would require the establishment of fire prevention breaks according to the following specifications:

a. Areas shall be disked at least once between August 15 and September 15 of each year. All land that was considered cropland, at the time the farm was put into the soil bank, shall be protected by a disked firebreak at least 50 feet in width—this firebreak being on the outside perimeter of the land in the soil bank and on unoccupied farms.

b. A firebreak of at least 50 feet in width shall be maintained by disking around all buildings—regardless of whether these buildings are on land in the soil bank or on adjoining lands.

A firebreak shall also be maintained by disking, of at least 50 feet in width around woodlots and woods, tree-planted areas, or wildlife-developed areas.

2. The county agricultural stabilization and conservation committee be requested to contact all present owners of soil bank land, and ask them to comply with the above fire prevention measures.

3. That copies of this resolution be sent to the county agricultural stabilization and conservation committee, the State ASC office, the U.S. Senators from Wisconsin, and the Sixth District Representative.

Dated June 6, 1961.

Submitted by:

VAN E. JACKSON,
WARREN MIRAVLE,
MAX CARPENTER,
Agriculture and Education Committee.

STATE OF WISCONSIN,
County of Winnebago, ss:

I, Nell A. Hoffmann, county clerk in and for said county, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Winnebago County Board of Supervisors on June 6, 1961.

Witness my hand and official seal at Oshkosh, Wis., this 20th day of June 1961.

[SEAL] NELL A. HOFFMAN,
County Clerk, Winnebago County, Wis.

RESOLUTIONS OF THE BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA INDIANS

Mr. PROXMIRE. Mr. President, the Bad River Band of Lake Superior Chippewa Indians, located at Odanah on the Lake Superior shore of northern Wisconsin, recently adopted a series of resolutions on subjects which they wish to bring to the attention of Congress and agencies in Washington.

The first resolution expresses support for the Operation Bootstrap bill for American Indians, H.R. 313. The second pertains to the transfer of certain submarginal lands to Indian tribes.

The third resolution urges that the present food stamp plan be expanded to include needy Indians in Michigan, Wisconsin, Minnesota, Iowa, and Illinois. I ask unanimous consent that the text of these three Resolutions 1303, 1304, and 1305, which have been certified by Mr. Donald R. Ames, chairman of the tribal council, and Clara DeCoteau, secretary, be printed in the RECORD and referred to the appropriate committees.

There being no objection, the resolutions were referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

RESOLUTION 1303

RESOLUTION OF BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA INDIANS, ODANAH, WIS., PERTAINING TO H.R. 313, OPERATION BOOTSTRAP BILL FOR AMERICAN INDIANS

Whereas there has been introduced in the Congress of the United States a bill, H.R. 313, introduced by Congressman E. Y. BERRY, of South Dakota, which provides a tax incentive inducement for industry which will be located on Indian reservation areas; and

Whereas it has been demonstrated that industries have not been inclined to look to Indian reservations or communities for plant expansion even though there are large pools of unemployment on almost every reservation or community, and it is felt that there may be a tendency to overlook the welfare of the Indian in Senate bill 1; and

Whereas it has been demonstrated not only in Puerto Rico but in many foreign countries that tax incentives have proven to be the inducement necessary to get industry interested in locating in those areas; and

Whereas the people of this organization exist in a substandard economy, causing great hardship and little if any opportunity for the members of the tribe, and that industry on this reservation would mean employment for members of the tribe, and employment means income and opportunity and the privilege of improvement of our own housing and living conditions, our own health and economic standards without Federal or State assistance; and

Whereas we believe that H.R. 313 or similar legislation offering a tax incentive to industry is the answer to our problems: Now therefore be it

Resolved, That the Bad River Band of Lake Superior Chippewa Indians endorses H.R. 313 and requests immediate passage by the Congress of the United States; and be it further

Resolved, That copies of this resolution be sent to the Secretary of the Interior, President of the Senate, Speaker of the House of Representatives, Senator Alexander Wiley, Senator William Proxmire, State Senator Carl Lauri, Assemblyman Robert Barabe, and Congressman Alvin E. O'Konski.

For the Bad River Band of Lake Superior Chippewa Indians:

DONALD R. AMES,
Chairman, Tribal Council.

Attest:

CLARA DECOTEAU,
Secretary, Bad River Band of Lake Superior Chippewa Indians.

RESOLUTION 1304

RESOLUTION OF BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA INDIANS, ODANAH, WIS., PERTAINING TO THE TRANSFER OF CERTAIN SUBMARGINAL LANDS TO CERTAIN TRIBES

Whereas the Executive Order No. 7868 of Franklin D. Roosevelt dated April 15, 1938, had transferred certain submarginal lands from the Secretary of Agriculture to the Secretary of the Interior, and that such order had specified "that the Secretary of the Interior is hereby authorized (1) to administer * * * such lands for the uses for which they were * * * acquired * * * for the benefit of such Indians as he may designate"; and

Whereas such lands on the Stockbridge-Munsee, Lac Court Oreilles, and Bad River Reservations in Wisconsin, and the L'Anse Reservation in Michigan have not been used for the benefit of such Indians; and

Whereas the transfer of title to the above bands of Indians will comply with the purpose for which such lands were originally acquired, will multiply the land base of the reservations concerned, and will greatly increase the possibilities of a beneficial resource development program: Now be it therefore

Resolved, That it is the sense of the Bad River Band of Lake Superior Chippewa Indians that it be enacted by the Senate and House of Representatives of the United States of America in Congress, that all title, right and interest of the United States of America in the lands, and the improvements thereon, that were acquired under title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and section 55 of the act of August 24, 1935 (49 Stat. 750, 781), and that are now under the jurisdiction of the Department of the Interior for administration for the benefit of the Indian tribes or groups named below, are hereby declared to be held by the United States in trust for such Indian tribes or groups, and that tribal rights of hunting, fishing, trapping, and gathering wild rice or other fruits of the soil shall pass to the tribe or group upon such transfer:

Submarginal land project, Indian tribe or group, and approximate acreage

L'Anse, LI–MI–8, Keweenaw Bay Indian L'Anse community, 4,016;

Bad River, LI–WI–8, Bad River Band of Lake Superior Tribe of Chippewa Indians, 13,069;

Lac Court, LI–WI–9, Lac Court Oreilles Band of Chippewa Indians of Lake Superior, 13,185;

Stockbridge, LI–WI–11, Stockbridge-Munsee community, 13,077; and be it further

Resolved, That copies of this resolution be sent to the Secretary of the Interior, President of the Senate, Senators WILEY and PROXMIRE, the Speaker of the House of Representatives, and Congressman ALVIN E. O'KONSKI.

For the Bad River Band of Lake Superior Chippewa Indians:

DONALD R. AMES,
Chairman, Tribal Council.

Attest:

CLARA DECOTEAU,
Secretary, Bad River Band of Lake Superior Chippewa Indians.

RESOLUTION 1305

RESOLUTION OF BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA INDIANS, ODANAH, WIS., PERTAINING TO THE APPLICATION OF THE PRESENT FOOD STAMP PROGRAM TO INDIAN RESERVATIONS

Whereas there are many Indians of this area who are in dire need of a substantial nutritional diet; and

Whereas such a diet cannot now be obtained through present agencies; and

Whereas the income of the people of the depressed Indian communities is not sufficient to provide such a diet: Now be it therefore

Resolved by the Bad River Band of Lake Superior Chippewa Indians, That Congress be urged to extend the present food-stamp plan to include needy Indians in Michigan, Wisconsin, Minnesota, Iowa, and Illinois; and be it further

Resolved, That copies of this resolution be sent to the President of the Senate, the Speaker of the House of Representatives, Senators WILEY and PROXMIRE, and Congressman ALVIN E. O'KONSKI.

Dated at Odanah, Wis., this 6th day of June 1961.

For the Bad River Band of Lake Superior Chippewa Indians:

DONALD R. AMES,
Chairman, Tribal Council.

Attest:

CLARA DECOTEAU,
Secretary, Tribal Council.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MORSE, from the Committee on the District of Columbia, without amendment:

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act (Rept. No. 444).

By Mr. BARTLETT, from the Committee on Commerce, without amendment:

S. 1725. A bill to permit the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates (Rept. No. 443).

ATTENDANCE AT MEETING OF COMMONWEALTH PARLIAMENTARY ASSOCIATION—REPORT OF A COMMITTEE (S. REPT. NO. 447)

Mr. FULBRIGHT. Mr. President, from the Committee on Foreign Relations, I report an original concurrent resolution—Senate Concurrent Resolution 29—authorizing attendance of delegations from the Senate and House of Representatives at meeting of the Commonwealth Parliamentary Association, and an original resolution—Senate Resolution 168—authorizing attendance of a delegation from the Senate at meeting of the Commonwealth Parliamentary Association, and I submit a report thereon. I ask that the report be printed.

The ACTING PRESIDENT pro tempore. The report will be received and printed, and the resolutions will be appropriately referred.

The resolutions were referred to the Committee on Rules and Administration, as follows:

S. CON. RES. 29

Resolved by the Senate (the House of Representatives concurring), That the Vice President and the Speaker of the House of Representatives are authorized to appoint four Members of the Senate and four Members of the House of Representatives, respectively, to attend the next general meeting of the Commonwealth Parliamentary Association, to be held in London, England, at the invitation of the United Kingdom Branch of the Association, and to designate the chairmen of the delegations from each of the Houses to be present at such a meeting.

SEC. 2. The expenses incurred by the members of the delegations and staff appointed for the purpose of carrying out this concurrent resolution shall not exceed $15,000 for each delegation and shall be paid from the contingent fund of the House of which they are Members, upon submission of vouchers approved by the chairman of the delegation of which they are members.

S. RES. 168

Resolved, That the Vice President is authorized to appoint four Members of the Senate as a delegation to attend the next general meeting of the Commonwealth Parliamentary Association, to be held in London, England, at the invitation of the United Kingdom Branch of the Association, and to designate the chairman of said delegation.

SEC. 2. The expenses of the delegation including staff members designated by the chairman to assist said delegation shall not exceed $15,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

REPORT ENTITLED "NATIONAL TRANSPORTATION POLICY"—REPORT OF A COMMITTEE (S. REPT. NO. 445)

Mr. MAGNUSON. Mr. President, pursuant to Senate Resolutions 29, 151, and 244 of the 86th Congress, from the Committee on Commerce, I submit a report entitled "National Transportation Policy," prepared by its Special Study Group on Transportation Policies in the United States, which I ask to have printed.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

REPORT ENTITLED "THE UNITED STATES AND WORLD TRADE—CHALLENGES AND OPPORTUNITIES" (S. REPT. NO. 446)

Mr. MAGNUSON. Mr. President, I submit the final report of the Committee on Commerce on the study of U.S. foreign commerce, pursuant to Senate Resolution 243, 86th Congress, entitled "The United States and World Trade—Challenges and Opportunities." I ask that the report be printed, with illustrations.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated June 19, 1961, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COOPER:

S. 2139. A bill to exempt from taxation certain property of the American War Mothers, Inc., to the Committee on the District of Columbia;

S. 2140. A bill for the relief of Aldo Martini; and

S. 2141. A bill for the relief of Lino Santi and his wife, Dinora Santi, nee Balestri; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 2142. A bill for the relief of Vincent Lee Chebat;

S. 2143. A bill for the relief of Mrs. Eva London Ritt; and

S. 2144. A bill for the relief of Alex Vedeler; to the Committee on the Judiciary.

By Mr. CLARK:

S. 2145. A bill to provide 300 fellowships in city planning; to the Committee on Labor and Public Welfare.

By Mr. HILL:

S. 2146. A bill to permit coverage under the Federal Employees Health Benefits Act of 1959 and the Retired Federal Employees Health Benefits Act of employees of the Tennessee Valley Authority heretofore retired or hereafter retiring under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. LONG of Hawaii:

S. 2147. A bill for the relief of Felipe O. Pagdilao; to the Committee on the Judiciary.

By Mr. EASTLAND (for himself and Mr. STENNIS):

S. 2148. A bill to amend the Miller Act of August 24, 1935, to provide that persons entitled to protection under State laws relating to mechanic's or materialman's liens who have furnished labor or materials for public works shall have a right to receive payment out of payment bonds furnished by the prime contractor on such public works; to the Committee on the Judiciary.

By Mr. CLARK:

S. 2149. A bill for the relief of Hugo Kolberg; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S.J. Res. 111. Joint resolution proposing an amendment to the Constitution of the United States to limit the power of the States and their political subdivisions to tax the salaries and wages of persons who are not domiciliaries or residents thereof; to the Committee on the Judiciary.

(See the remarks of Mr. CASE of New Jersey when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTION

DELEGATIONS FROM SENATE AND HOUSE OF REPRESENTATIVES AT MEETING OF COMMONWEALTH PARLIAMENTARY ASSOCIATION

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original concurrent resolution (S. Con. Res. 29) authorizing attendance of delegations from the Senate and House of Representatives at meeting of the Commonwealth Parliamentary Association, which was referred to the Committee on Rules and Administration.

(See the above concurrent resolution printed in full when reported by Mr. FULBRIGHT, which appears under the heading "Reports of Committees.")

RESOLUTIONS

DEATH OF MRS. CARL HAYDEN

Mr. MANSFIELD (for himself and 98 other Senators) submitted a resolution (S. Res. 166) relative to the death of Mrs. Carl Hayden, wife of the President pro tempore of the Senate, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

INVESTIGATION OF INTERNATIONAL AIR TRANSPORTATION

Mr. COTTON (for himself, Mr. SCHOEPPEL, Mr. SCOTT, Mr. MORTON, Mr. THURMOND, and Mr. SMATHERS) submitted a resolution (S. Res. 167) authorizing an investigation of matters pertaining to international air transportation, which was referred to the Committee on Commerce.

(See the above resolution printed in full when submitted by Mr. COTTON, which appears under a separate heading.)

ATTENDANCE OF DELEGATION FROM THE SENATE AT MEETING OF COMMONWEALTH PARLIAMENTARY ASSOCIATION

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original resolution (S. Res. 168) authorizing attendance of a delegation from the Senate at meeting of the Commonwealth Parliamentary Association, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. FULBRIGHT, which appears under the heading "Reports of Committees.")

PROPOSED AMENDMENT TO CONSTITUTION TO LIMIT POWER OF STATES TO TAX SALARIES OF PERSONS NOT RESIDENTS THEREOF

Mr. CASE of New Jersey. Mr. President, I introduce, for appropriate reference, a joint resolution providing for a constitutional amendment to limit the rights of States and municipalities to tax the incomes of nonresidents. Millions of Americans now paying taxes to more than one State would be affected by this proposal. In my own State, the constitutional amendment is of particular importance to residents of northern New Jersey who work in New York City and State, and to residents of southern New Jersey who pay the Philadelphia wage tax because they work in that city.

The States of New York and New Jersey have been completing arrangements to permit similar income tax deductions for New Jersey taxpayers who work in New York as are received by New York residents working in their own State.

This action does not dispose of the central problem—the inequitable practice of taxing residents of any State twice, once in their own State and once in the State or municipality where they are employed.

For regardless of concessions made by New York State, New Jerseyites who work there must still pay an income tax to New York. Double taxation itself is unfair and ought to be eliminated.

It is unfair because New Jerseyites pay New York State income taxes on their New York earnings and, in addition, they also pay their full share of the cost of New Jersey's State and local governments. This is double taxation, no matter how you look at it.

In effect, the latest action taken by New York State simply grants to New Jerseyites, at long last, the same kind of income tax deductions which New Yorkers have been getting all along.

This will result in some tax savings for New Jersey residents working in New York, but, as I have said, it will not remove the unfair burden of double taxation itself.

And, apart from the New York aspects of the problem, the same situation clearly faces residents of southern New Jersey who work in Philadelphia and who must pay a wage tax to that city.

The best solution, of course, would be for each State to tax only its own residents. But New York has shown no sign of being willing voluntarily to give up its tax on New Jersey residents. So the only immediate course is to introduce an amendment to the Constitution which limits the right of any State or political subdivision to levy taxes upon the incomes of nonresidents.

My proposal of today is similar to a joint resolution I introduced in the previous Congress. At that time I requested—and received—a public hearing on a similar constitutional amendment which I had introduced. The hearing was conducted by a subcommittee of the Senate Judiciary Committee. Though no final committee action was taken, the hearing kept the spotlight on the whole inequitable practice and, eventually, New York State made its modest concession to New Jersey residents.

I have no illusions about the difficulties facing those of us who support this objective. Thirty-four States raise revenue by means of income taxes. All of them tax nonresidents as well as residents. As unfair as I believe nonresident taxation to be, it is doubtful that these 34 States are going to give up, without a struggle, this particular source of tax revenue. And even if my constitutional amendment should be approved by Congress, it must still be ratified by three-fourths of the legislatures of all the States.

We still have another method of getting this constitutional amendment to the floor of Congress for a vote, should the Committee on the Judiciary fail to give its approval.

This session of Congress has already seen the start of another attempt by Pennsylvania Congressmen and Senators to use the Federal Government as a tax collector for the wage tax which Philadelphia levies on residents and nonresidents alike. Right now, the law does not permit the Federal Government to step in and become a city tax collector.

In the past, Pennsylvania has sought to require the Federal Government to act as withholding agent for this wage tax levied upon Federal employees who live in New Jersey and work in Philadelphia. Several thousand of these Federal employees work in the Philadelphia Navy Yard.

If this bill which would put Uncle Sam in the tax collecting business should pass the House again—it has already been approved by the House Ways and Means Committee—I will offer my constitutional amendment as an amendment to the bill which the Pennsylvania delegation will present.

In this fashion, we would have an opportunity to force a vote on the larger question. By that I mean, of course, on the question of whether it is fair and right for any State or any city to tax the residents of some other State or some other city who presently must pay double taxes.

We will, I hope, eventually win this fight for the millions of Americans who travel to another State to work. Double taxation is an evil which limited tax concessions cannot erase.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 111) proposing an amendment to the Constitution of the United States to limit the power of the States and their political subdivisions to tax the salaries and wages of persons who are not domiciliaries or residents thereof, introduced by Mr. CASE of New Jersey, was received, read twice by its title, and referred to the Committee on the Judiciary.

INVESTIGATION OF INTERNATIONAL AIR TRANSPORTATION

Mr. COTTON. Mr. President, last month our State Department announced it has reopened negotiations with the Netherlands over the request of the Dutch Government airline, KLM, to extend its U.S. air service to Los Angeles.

This State Department announcement may seem like "small potatoes" in these days when international crises, summit conferences, and Geneva negotiations fill

most of the headlines. Nevertheless, the current United States-Dutch talks highlight a growing problem in international aviation policy—a problem of critical importance to American air carriers who operate overseas.

The problem can best be illustrated by considering the air travel picture across the North Atlantic Ocean, the most competitive and heavily traveled of the international air routes.

In 1948, approximately 75 percent of the air traffic on North Atlantic routes was carried on U.S.-flag air carriers. By 1955, the U.S. share of this market had dropped to 53 percent, and today only about 40 percent of the traffic is being carried by the regularly scheduled American carriers.

U.S. airlines, thus, have lost about 35 percent of the North Atlantic market in little more than a decade. The loss becomes even more critical when you realize that two-thirds of the transatlantic travel is generated by this country. For every three persons who fly the Atlantic, two are Americans. Furthermore, a similar decline in the share of the U.S. air carriers has taken place on the major air routes elsewhere in the world. For instance, the American-flag carrier accounted for over half the traffic between North America and Australia in 1949, but its share had declined to less than 25 percent in 1959.

This trend is alarming. It is alarming to the industry and its employees, and should be of grave concern to the Congress. Chairman Alan S. Boyd, Chairman of the Civil Aeronautics Board, recently told Congress that—

> U.S. carriers, their employees, and our Government are concerned about U.S. carrier earnings and their declining share of the world market.

The decline is already producing serious consequences by limiting the ability of the U.S. airline industry to increase employment, industrial capacity, and capital investment. Although the export of aviation products to foreign-flag carriers, particularly jet aircraft, improves the U.S. international balance of payments in the short run, the dollars earned by such carriers over a decade tends to worsen the outflow of gold which has plagued the Congress and the Nation in recent months.

In addition, this loss of traffic means a decline in our position as the world's leader in aviation—a prospect which ought not be treated lightly in an era when American prestige has assumed such vital importance.

The situation is bad enough now, but all the indications are that it will get worse unless prompt and effective steps are taken to reverse the trend. Today, 3 U.S.-flag airlines are certificated to operate across the North Atlantic in competition with 18 foreign-flag carriers—2 of which are Canadian—and numerous other foreign carriers already hold operating authority which they may exercise in the future. More and more of the foreign airlines are planning expanded operations, not just this summer, but for 1962, and 1963, and even beyond. New foreign air carriers are seeking to enter the high traffic cities in the United States and existing operators are expanding their services at a rapid rate.

The problem has a good many facets. Some of them are beyond the reach of the American industry or the U.S. Government. One example is the proliferation of government-owned international airlines. This is one result of the tremendous rise in nationalism throughout the world. Many countries which never before had an international airline now are operating a government-owned flag carrier in competition with privately owned nonsubsidized American carriers. Their aim is international prestige and the satisfaction of national pride. The economics of air carrier operation are a strictly secondary consideration. The mere fact that there are so many of these airlines makes the routes uneconomic in a number of parts of the world, and this helps to drag down the earnings of the American carriers.

Our own air carriers, of course, will have to exert every possible effort to compete effectively with the foreign airlines. Undoubtedly, there are some areas in which they can improve their services and heighten their appeal to the traveling public, and they should expect little in the way of sympathy from the Congress or the Government unless they are making a vigorous effort to compete in every possible way.

But the declining American share of the international air traffic market cannot be explained away on the basis of new national airlines. It cannot be written off as the loss of the spirit of aggressive competition on the part of the American-flag carriers.

The U.S. Government itself must be charged with a considerable part of the blame for the decline of America's international air carriers. All of the evidence, in my opinion, clearly demonstrates that the Government has been excessively and damagingly generous in granting air transport rights to foreign nations.

The avowed policy objective of the Government is to exchange air transport rights with individual foreign nations on the basis of a fair trade in terms of economic benefits. Unfortunately, this policy has often been applied without much regard for the hard realities of the situation. Some of the agreements have been virtually one-for-one exchanges. The foreign government airline may get the right to serve New York while U.S carriers in turn get the right to serve their largest city. Such a one horse for one rabbit trade completely ignores the fact that the right to serve New York is many times more valuable than the right to serve the largest city of almost any other nation in the world.

For example, we gave the Australian airline a valuable route from San Francisco to Europe via New York in exchange for a route between Australia and Antarctica with a few minor points in the Pacific thrown in.

A recent decision by a CAB hearing examiner has put this situation in a clear, strong light:

> The rights that have been granted to the Australian carrier by the U.S. authorities offer "reciprocity" several times more valuable than what Australia has granted U.S.-flag carriers (examiner's decision in the Quantas case, docket 11826, issued June 7, 1961).

Similarly, the rights which our Government has granted to KLM have proved, in terms of actual revenues, to be 24 times as valuable as the rights which our carriers have received from the Dutch Government.

Perhaps we cannot stop newly independent countries from setting up ambitious international airlines but we can at least try to discourage such plans as they are almost invariably uneconomic for the foreign country concerned and actually tend to be in conflict with the economic development of that nation.

Despite our Government's generosity, there is ample evidence that other countries are not living up to their half of the bargain. Many of the nations of the world are utilizing illegal restrictions in order to curb the operations of U.S. air carriers and give an added boost to their own airlines. Other foreign airlines are flagrantly violating the capacity provisions of the international air agreements. KLM, for instance, has persistently ignored the capacity clauses in the United States-Netherlands Air Transport Agreement.

Chairman Boyd of the CAB expressed it well when he told the House Appropriations Committee not long ago that a number of countries with whom we are dealing today and with whom we have agreements say, "To heck with the agreement."

Frankly, I want to say to the Senate I do not believe we can permit situations like this to continue. It may be all right to be generous in our own foreign relations. But I do not see how the United States can be regarded as the defender of the free world if it cannot even look out for its own citizens.

Furthermore, it is not just our international air carriers who are affected. There has been a serious adverse impact on our domestic airlines. Let me illustrate. Foreign air carriers are presently scheduling 4,800 seats each week between California and Europe. The traffic carried on these flights would produce an estimated $17,500,000 annually if handled by domestic airlines over the California-New York route. And this is just one of the numerous routes where foreign carriers compete with the domestic U.S. airlines. This kind of traffic diversion cuts deep into an industry which did $2 billion worth of business last year but earned profits which were not even enough to buy a single modern airliner.

In order to tackle these problems we must have some understanding of their origin.

First, there is no general international treaty governing air transport activities. The international airline traffic rights, in most cases, are settled by means of bilateral, country-by-country negotiations which, if successful, produce what in this country is considered as an agreement—not a treaty which has to be ratified by the Senate. However, these agreements may have the status of treaties in certain

foreign countries and require the approval of their parliaments.

The first major agreement of this type was negotiated with the British in 1947. The talks took place at Bermuda and the agreement, of course, is familiarly referred to as the Bermuda Agreement. Its principles, the Bermuda principles, have formed the basis for most of the 48 international air agreements which this country has entered into since 1947.

Bear in mind that the Bermuda agreement was drawn up in the early postwar period when the United States had a preponderance of the planes, the personnel, the skills, and experience needed for international airline operations. As far as the fast-moving airline industry is concerned, 1947 was almost four generations ago. A lot of things have changed since then, and it is obvious that the Bermuda principles are not a very satisfactory answer to the problems of international aviation today.

Of course, the problems are touchy and in many respects cannot be divorced from other aspects of our international relations. But I do not believe it is necessary to sacrifice our international air industry at the altar of foreign policy.

We must give added weight to the importance of these matters within the Department of State. Aviation problems are now handled by an able staff in the Office of Transport and Communications, but that staff is buried under three or four echelons of higher officials in the Department. There have been suggestions that the situation could be improved by the establishment of an Assistant Secretary of State for Aviation. I am not prepared to endorse such a suggestion at this point. I am always reluctant to add even one more official and staff to our ever-growing bureaucracy. Nevertheless, I believe the proposal deserves the careful attention of the Department and the Congress.

It seems clear, however, that the role of the CAB in international aviation needs to be strengthened, and it must be assured of an adequate staff to handle these key matters.

Steps such as these ought not be delayed. The problems grow in severity with each passing week. Violations of the agreements are increasing, and are going unchecked in some instances.

The volume of international negotiations is increasing. Already our Government has definite commitments or is conducting, or recently completed, consultations with Brazil, India, Iraq, New Zealand, Pakistan, Peru, Spain, Russia, Canada, Morocco, Japan, France, and Italy. In fact, more than 45 major negotiations and consultations are expected next year.

Unless we can go into these talks with a firm position, determined to get a dollar's worth of benefits for a dollar's worth of concessions, this country's international air carriers will face an ignominious decline.

Furthermore, we must start now to revise the U.S. policy toward route exchanges and airline capacity and to revamp it in terms of all the economic and foreign relations problems that impinge on international aviation. We simply cannot drift along, using outmoded policies, in the jet age unless we are content to come in last in terms of aviation supremacy.

In my view, all of these considerations underscore the need for a congressional reexamination of our international air transportation policies. No such investigation has been undertaken since 1956, and the demands of the future clearly indicate that such a study cannot be postponed any more.

Therefore, Mr. President, I submit, for appropriate reference, a resolution authorizing the Senate Committee on Commerce to undertake a special and searching inquiry into the special problems involved in international air transportation, and calling upon the committee to submit recommendations to the Senate early next year.

The resolution is cosponsored by Senators SCHOEPPEL, MORTON, SCOTT, THURMOND, and SMATHERS.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 167) was referred to the Committee on Commerce, as follows:

Resolved, That the Committee on Commerce, or the appropriate subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to international air transportation, including but not limited to:

(1) the decline of the share of United States-flag air carriers in international air transportation;

(2) Federal policy with respect to negotiations of international air agreements;

(3) the authority, responsibility, and organization of the Civil Aeronautics Board and the Department of State with respect to such policy;

(4) the enforcement of the provisions of international air agreements; and

(5) the effect of international air agreements on domestic air commerce.

SEC. 2. For the purpose of this resolution the committee is authorized (1) to make such expenditures as it deems advisable; (2) to employ on a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The Committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $_____, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

EXTENSION OF TIME FOR COMMITTEE ON FOREIGN RELATIONS TO FILE FINAL REPORT TO JANUARY 31, 1962

Mr. MANSFIELD. Mr. President, Senate Resolution 336, which was approved late in the 2d session of the 85th Congress, authorized the Committee on Foreign Relations to "make a full and complete study of U.S. foreign policy." The committee was directed to complete its study by June 30, 1961.

Although all basic studies have been completed and a number of hearings have been held on them, the heavy legislative schedule this year of the Committee on Foreign Relations has prevented submission of a final report to the Senate. The committee has considered and reported over 100 ambassadorial and other nominations since the first of the year, and in addition to taking care of our routine committee business, we are currently working on the foreign aid bill and the Peace Corps bill.

With this in mind, I ask unanimous consent that the time for the Committee on Foreign Relations to file its final report with the Senate be extended until January 31, 1962.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

CHANGE OF REFERENCE

Mr. JOHNSTON. Mr. President, the bill S. 990 presently before the Senate Committee on Post Office and Civil Service would amend the Civil Service Retirement Act to provide that benefits payable thereunder are not to be considered as income in determining eligibility of veterans for non-service-connected disability pensions.

It is not for the Post Office and Civil Service Committee to decide what should or should not influence eligibility for a pension under the Veterans' Benefit Act. That is a matter for determination by the Finance Committee. Accordingly, by unanimous vote of the committee in executive session Tuesday, June 20, permission is being requested to have the bill referred to the Committee on Finance.

Mr. President, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from the further consideration of the bill S. 990, and that it be referred to the Finance Committee for consideration.

I have discussed this matter with the chairman of the Committee on Finance, and he agrees.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 26, 1961, he pre-

sented to the President of the United States the following enrolled bills:

S. 277. An act for the relief of Erica Barth;

S. 610. An act to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce; and

S. 1342. An act to provide that participation by members of the National Guard in the reenactment of the Battle of First Manassas shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes.

NOTICE OF RECEIPT OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Robert F. Woodward, of Minnesota, to be an Assistant Secretary of State; and Seymour J. Rubin, of the District of Columbia, to be General Counsel of the International Cooperation Administration, in the Department of State.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts from address delivered by him over Wisconsin radio stations over the weekend of June 25, 1961, on the subject "Healthy U.S. Free Enterprise for Economic Progress."

By Mr. RANDOLPH:

Program of annual son and daughter banquet of West Virginia Society of the District of Columbia, together with sundry addresses in connection therewith.

By Mr. BUSH:

Interview by Senator CAPEHART with wife of American prisoner Drexel Gibson, American businessman, arrested in Cuba on April 19.

TRIBUTE TO M. S. SZYMCZAK

Mr. COOPER. Mr. President, on May 31, 1961, the Honorable M. S. Szymczak resigned his position as a member of the Board of Governors of the Federal Reserve System.

The service of M. S. Szymczak as a member of the Board of Governors is unique in the history of the Federal Reserve System, which began in 1913. From his initial appointment to the Board by President Roosevelt on June 13, 1933, until President Kennedy accepted his resignation on May 31, 1961, Governor Szymczak served for nearly 28 years as a member of this important Federal agency dedicated to safeguarding the Nation's currency. At the time of his appointment he was the youngest man ever to have served on the Board and at the time of his retirement he had served longer than any other member of the Board had ever served.

In 1951 the Committee on Banking and Currency of the House stated that Governor Szymczak had "served with honor and distinction during the whole tenure of his office on the Board." Now that he has added 10 more years of outstanding service since then, it is altogether fitting to record briefly the contributions he has made to the Federal Reserve System and to the Government as a whole throughout his career of public service at the national level.

Over the years, as a member of the Board, Governor Szymczak has served in a variety of capacities, but his experience in the field of international monetary affairs is worthy of special note. As an adviser to the U.S. delegation to the Bretton Woods Conference in 1944, he helped in the formation of the International Monetary Fund and the International Bank for Reconstruction and Development. He has served as the alternate for the Chairman of the Board as a member of the National Advisory Council which coordinates the international financial policies of the United States with its domestic policy.

His knowledge of international matters proved extremely valuable to the Government during World War II and the early postwar years as he served in a succession of important responsibilities. In his first wartime assignment he helped to evacuate persons of Japanese ancestry from strategic locations on the Pacific coast. Later he was chairman of a mission to London for the Foreign Economic Administration to consider the reconstruction needs of Belgium. In consideration of his assistance to Belgium during World War II Governor Szymczak was decorated by His Royal Highness, the Prince Regent, with the insignia of Commander of the Order of the Crown. The successful accomplishment of the Belgium mission led to his service in the Office of Military Government for Germany as chief of the Trade and Commerce Branch of the Economics Division and later as the director of the Economics Division.

In addition to this interest in international monetary affairs Governor Szymczak has played a leading role in the formulation of monetary and credit policies of the Federal Reserve System. As a member of the Board he has served on the System's most important policymaking body—the Federal Open Market Committee—since 1935. In addition, he has served as the representative of the Board of Governors on the Board of Trustees of the Federal Reserve Retirement System.

Over the years he has been especially concerned about an adequate degree of public understanding of the activities of the Federal Reserve System. This has led him to accept innumerable speaking engagements from one end of the country to the other and from all kinds of groups, both large and small, that indicated an interest in knowing more about the central bank of this country. This same concern persuaded him to lecture each summer since 1946 at the School of Banking of the University of Wisconsin. For the past 8 years he has also taught a course at the Graduate School of Economics of Georgetown University on central banking practices throughout the world. He has also helped in the organization and sponsorship of seminars and forums for banking, business, and labor groups in the pursuance of his objective to increase public understanding of the Federal Reserve System.

Economic problems, of course, have been his primary concern, but Governor Szymczak has also given most generously of his time and energies to various community service activities, and has been especially active in the American Red Cross blood donor program. He was, for some period of time, governmental chairman of the Blood Donor Committee of the D.C. Chapter of the Red Cross, in charge of recruiting donors in all Government agencies and departments. He has been a member of the board of directors of the Red Cross Chapter here in Washington for many years. During World War II, he was also a member of the board of directors of the National War Fund, which raised funds through various agencies and organizations for foreign relief and community war chests.

In a recent conference on National Economic Goals conducted by the Center for Human Relations at the University of Detroit, Governor Szymczak said:

> We cannot consider economic goals in isolation from the social, cultural, and moral aspirations of our society. Indeed, most of our economic objectives are desired principally as a means to broader ends such as the enlargement of individual welfare, the maintenance of world peace, and protection against external dangers.

Governor Szymczak's long career of governmental service has been dedicated to the achievement of these ends. The Federal Reserve System and the Government have lost a distinguished public servant.

Governor Szymczak attended St. Mary's College at St. Mary's, Ky., in Marion County, one of the great colleges of our State, and the people of Kentucky have followed with great interest his career of outstanding service to our country.

DOMINICAN REPUBLIC

Mr. LAUSCHE. Mr. President, the question is being asked, "Who are the forces in the U.S. Government preventing the settlement of the controversy existing between the Dominican Republic on the one hand and the United States and the other nations of the Western Hemisphere on the other?"

The question has become especially important in the face of the clean bill of health given to the Government in the Dominican Republic by the members of the Organization of American States mission who were sent into that

country to study the truth about persecution, mass arrests, and brutalities allegedly committed by the Government of the Dominicans.

The question becomes doubly pertinent when we recognize the speed with which our Government gave recognition to Castro in the face of evidences, now revealed, that he was in contact with the Communists.

It was the U.S. Government which asked for the establishment of the mission to visit the Dominican Republic and there to investigate and ascertain the truth. The Dominican Government immediately acquiesced in that proposal; the mission was sent, and the investigation made. The findings made by the mission are completely contrary to the accusations that the successor government was guilty of brutal persecutions, mass arrests, and oppressions.

The accusers, being dissatisfied with the findings, now are asking that the judgment of the mission be disregarded. Their action is akin to that of the litigant who goes before a chosen court and then, finding that the judgment is against him, refuses to abide by it. It is analogous to a person praising the judge when he rules with him and condemning him when he rules against him.

The Dominican Republic threw open its prison doors to foreign investigators and reporters; stated that it would welcome the continued presence of impartial observers; and has promised free elections in the Dominican land.

Richard Starnes puts it appropriately in his column of June 19:

> The United States can have anything it wants in this land. It can have a slow transition to democracy, or it can have convulsion and chaos. One cannot help wondering which it is the voices in Washington really want.

Under the conditions found existing by the OAS mission, I can see no justification for any further delay by our Government in settling this issue. What difference is there between Castro and Trujillo? Castro was given prompt recognition even in the face of his flirtations with the Communists, but Trujillo promptly rejected.

In the interest of our country and the nations of the Western Hemisphere, our Government should abide by the findings of the mission, should give recognition to the successor government, and should settle this vexing question promptly.

We are altogether too prone to give lip recognition to those who lean to the extreme left and to look coldly upon those who lean to the conservative aspects of government.

Mr. LAUSCHE subsequently said: Mr. President, I ask unanimous consent that following my remarks on the controversy concerning the recognition of the present Government of the Dominican Republic that there be printed two articles expressing opposite views on the findings informally expressed by the OAS Commission. The first is an editorial which was published in the Washington Post recently taking exception with the report. The second article was written by Mr. Richard Starnes and was published in the Washington Daily News of June 19, approving the report.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Washington Post]

QUICK AND THE DEAD

Have the Trujillo heirs outfoxed a fact-finding subcommittee sent to the Dominican Republic by the Organization of American States? It is disquieting that the delegation took less than a week to investigate conditions in a country ruled by terror for more than three decades.

It is noteworthy that the State Department was taken aback by the promptness with which the four-man subcommittee completed what was to have been a long and searching inquiry. In a statement issued Thursday, the Department stressed that the OAS responsibility to the Dominican Republic is a continuing one and that the return of the investigator does not mean that the matter has been resolved.

Those who were in the Dominican Republic in the days immediately after the assassination of the benefactor found firsthand evidence of police brutality. The following list, supplied by knowledgable sources, contains the names of only some Dominican citizens whose lives were imperiled during the postassassination roundup. Certainly the OAS will want to make sure that these and other persons will not be jailed, tortured, or slain in the absence of an OAS presence:

Luis Ramon Pena Gonzales, Eugenio Perdomo Rimirez, Miguel Angel Perdomo Ramirez, Jorge Kohurie, Salmon Jorge, Aldo D'alandro Tavarez, Manuel Gonzales Franco, Rafael Estevez, Manual Tejada Tolentito, Juan Leopoldo Moline Pichardo, Luis Antonio Alvarez Pereyra, Ramon Isidro Imbert Rainoeri, Jose Antonio Fernandez Caminero, Miguel Angel Lama Mitre, Domingo Antonio Pena Castillo, Miguel Angel Varquez Fernandez, Ruben Antonio Francisco Diza Moreno, Danilo Aquilo Hidalgo, Tomas Josue Erickson Alvarez.

And Antonio Canto Sosa, Manuel Antonio Arias Villamén, Rafael Armondo Rodriguez Mendez, Oscar Aristides Juliao Gonzalez, Cesar Rafael Batisto Valdez, Luis Jose German Olivier, Rafael Augusto Sanchez, Christobal Gomez Yanguela, Guillermo Valerio, Tabare Perozo, Mario Emilio Sanchez Cordova, Rene Sanchez Cordova, Segvndo Manuel Imbert, Carlos Conrado Bogaert Dominguez, Manuel Enrique Tavares Espaillat, Olga Despradel de Cedeno, Rafael Batlle Vinas, Manual A. Duran Barrera, Miguel Angel Baez Diaz, Tomas Baez Diaz, Modesto Diaz, Fernando Amiama Tio, Guarione Estrella, Eliseo Martinez, and Pepito Sanchez Tejada.

[From the Washington Daily News, June 19, 1961]

THE QUESTION: WHAT IS SOUGHT?—U.S. POLICYMAKERS PUZZLE DOMINICANS BY THEIR ACTIONS

(By Richard Starnes)

CIUDAD TRUJILLO, June 19.—Dominicans are frustrated and puzzled over continuing attempts by some U.S. policymakers to forestall any honorable settlement of the dispute between this Caribbean nation and the rest of the hemisphere.

There is no disposition here to sugar-coat or excuse the excesses of the late Rafael Trujillo, whose dubious benefactions toward the Dominican Republic were ended in grisly fashion 3 weeks ago.

But there is bewilderment and dismay at Washington's apparently steadfast intent to hold to the philosophy of irredeemable sin with respect to this island country.

When Trujillo's career was turned off by the guns and knives of assassins, the Byzantine byways of Washington immediately produced three poorly considered and largely unfounded observations:

That the Dominican Republic was aflame with fighting, terror, and mass arrest.

Americans on the island were in danger of meeting the same cheerless fate that befell Trujillo, and a fleet was to be dispatched for their rescue.

That the Clan Trujillo should instantly divest itself of any voice in the destiny of the nation, so that meaningful democracy could flower in the place of tyranny.

These ideas sounded as high-minded as a Sunday school picnic, but only if one resolutely ignored the facts.

THE BIG TRUTH

The truth is that neither mass arrests, insurrection, nor danger to Americans existed. Moreover, the cry for instant democracy was monumentally naive. Not one element necessary for the growth of true democracy exists today in the Dominican Republic.

Most of the Dominicans living today can remember no rule except that handed down by the late benefactor. Press and radio have been under rigid controls for more than three decades; indeed, to the point that some outside advice is going to be necessary before any freedom of information can be established.

Against this background, of course, the call for abdication by the heirs of Trujillo's legacy was foolish and mischievous. The demand by the United States that an Organization of American States (OAS) Mission be admitted to investigate the repressions that were said to follow the assassination made more sense.

CLEAR NOW

But now it is clear that chagrin was the reaction in Washington when the Dominican Government acceded to the request and invited the mission here. Then it cooperated fully in the investigation.

This, later events made plain, was not the plan at all. If the OAS sleuths had been kept out of the country, all the stories of brutal repression would have been accepted as true. But the OAS mission did come here, did conduct an investigation, and did not find any evidence to support the sensational tales of violence and brutal repression.

There is, at this writing, every indication that the OAS mission will give the post-Trujillo government a clean bill of health.

Now, sadly but predictably, the forces which seemed determined to create chaos in the Dominican Republic are busily leaking the story that the United States is dissatisfied with the OAS investigation. One wonders if these curious—and characteristically anonymous—spokesmen would have found the weeklong investigation superficial if its findings had supported their fanciful horror stories, instead of exploding them.

PROMISE

The Dominican Republic has promised free elections. It has indicated it would accept a continuing "presence." It has opened its prisons to foreign gumshoes and foreign reporters—a thing without precedent to my knowledge, but one is forced to conclude that nothing it has done or can do will satisfy the requirements of the anonymous voices from our State Department.

The United States can have anything it wants in this land. It can have a slow transition to democracy, or it can have convulsion and chaos. One cannot help wondering which it is the voices in Washington really want.

ANCHORAGE: INTERNATIONAL AIR CROSSROADS

Mr. GRUENING. Mr. President, the city of Anchorage, Alaska, is fast becoming a major center of international air travel. This summer about 10,000 people will stop at Anchorage every month

on their way to Europe, Japan, and other destinations in the Far East.

One particularly interesting aspect of this travel is that many who stop at Anchorage are passengers from one foreign country to another. They stop at Anchorage while their planes refuel and go on to a country other than the United States. Anchorage is the only American city ever seen by these passengers. For many of them it will be their only chance in a lifetime to see the United States. It is a regrettable brief glimpse of our country.

Mayor George Byer, of Anchorage, has sponsored a unique program for showing America off to the visitors to Anchorage to the limited extent that it may be possible in so short a time. Mayor Byer, seeing the opportunity to inform travelers from other countries about America during their stop in Anchorage, is now seeking assistance from the Federal Government to make this possible. It is a most worthy and worthwhile objective.

The mayor envisages an international reception center at the Anchorage Airport where there would be interesting displays of America's cities, its culture, and its way of life. Here our foreign visitors in transit would glimpse a little bit of the United States and, it is hoped, gain a friendly feeling toward this country which should show good results in all our international relations.

I take this opportunity to salute Mayor Byer for his good idea in behalf of better international relations, and for his energy in seeking his goal.

I ask unanimous consent that at the conclusion of these remarks a news story about Mayor Byer and the international reception center at Anchorage which appeared in the Washington Post and Times Herald on June 21, 1961, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Washington Post, June 21, 1961]

ANCHORAGE SEEKS SPOT TO IMPRESS ITS ONE-STOP AIR VISITORS TO UNITED STATES

The mayor of Anchorage, Alaska, is in our town trying to get the Federal Government to build an international reception center in his town.

Mayor George H. Byer wants the center built at the Anchorage airport so the thousands of foreign travelers and dignitaries who pass through there can get a better picture of what America is really like.

Anchorage is the lone rest stop in America for international jet flights over the polar route between Africa, Europe, Japan, and the Far East.

Mayor Byer, first to admit that Anchorage is not quite a typical American city, said about 10,000 people a month will be passing through Anchorage this summer on the one-stop international flights which pause there about an hour to refuel.

"This has given Anchorage a unique role in the international picture and the responsibility for answering the thousands of questions they ask about the United States during their brief stops," Byer said.

"The travelers range from ordinary vacationers to Indian princes, heads of foreign nations, or diplomats going from Japan or Australia to London, Paris, Rome, or other cities across the Atlantic," the 45-year-old mayor said.

Byer said an international reception center at the Anchorage Airport, with picture and caption displays of America's cities and its culture, philosophies, freedoms, and religions, would perform a vital international good will service for this country.

The U.S. Conference of Mayors last week passed a resolution urging Congress and the administration to adopt Byer's plan so that international polar travelers could "see America through Anchorage."

Byer, who estimated the center would cost about $1.5 million to build, said he has assurances from the State and Commerce Departments that they would help plan the exhibits.

AID FOR THE FISHERIES

Mr. GRUENING. Mr. President, while the Congress is wrestling with the farm program and seeking to find ways and means of further assisting those who produce food from the soil, I hope that there will be increasing appreciation of the fact that we have done so little for a corresponding group of Americans who farm the sea in quest of the great marine resources of food, chemicals for medicines, and other ingredients essential to life.

Recently, hearings were held, conducted by my distinguished colleague from Alaska [Mr. BARTLETT] before the Subcommittee on Fisheries of the Committee on Commerce, on my bill, S. 1230, which was cosponsored by 27 other Members of the Senate. We need to give far more attention to these marine resources and to the toilers of the sea who make those resources available to mankind. An excellent editorial on this bill appeared recently in the Fishermen's News, published in Seattle.

I ask unanimous consent to have this editorial printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STATE AID NEEDED

Among all of the bills in the current Congress to adjust the operations of the Saltonstall-Kennedy Act, S. 1230, by Senator ERNEST GRUENING, of Alaska, appears to be the one which we would favor for a number of reasons.

Primarily, it looks to be the best hope for passage. With some 30 Senators joining Senator GRUENING as cosponsors, the bill should have a fairly easy path in the U.S. Senate. Further, in that the bill does not disturb the present allocations of S-K funds, it should find no opposition from those currently benefiting, such as the Department of Interior.

Basically, Senator GRUENING's bill would provide for an additional 30 percent of the gross receipts from duties collected on fishery products to be allocated to the States. Our chief criticism of the S-K funds in the past has centered on the "big bite" of the total made by the Bureau of Commercial Fisheries. Indeed, it would appear that the BCF has come to list these funds as a part of their operating budget—which is, to our way of thinking, a far cry from the original intent of the Saltonstall-Kennedy bill. As a matter of fact, our recollection of the original debate on the bill indicated that the effort was to be specifically outside the jurisdiction of the Interior Department, to attempt to increase research by independent agencies, States, universities, and private research institutions.

Such funds are much needed. State agencies are hard put, particularly on the west coast where civilization has far preceded adequate salmon protection, to cope with the costly known methods of maintaining the resource. They need funds if they are to properly protect our fishery resources. In many cases, they have competent research and engineering staffs ready and waiting, but with the surge of social legislation which breeds popular support, the fish do well to retain last year's budget, at the State legislatures.

Two problems arise, however, in the increase of S–K allotments to the respective States. Actually they are, in our way of thinking, interrelated. No. 1 is the problem of coordination. It would be inconceivable if the money would be dissipated by repetitive effort on the part of the States and Federal Government due to a lack of agreement on the areas of effort. One way, and this is the second problem, to accomplish this would be through the creation of a separate advisory committee which might help coordinate the activities, not only of the respective States, but with the Federal programs as well to prevent wasteful overlapping.

Should such a committee be formed, we would insist on a better representation of fishermen—a cause which we have long fought in the makeup of the American Advisory Committee which now serves to allocate S-K funds under the existing act.

We would quote once again the words of Dr. W. F. Royce, of the Fisheries Research Institute of the University of Washington, as he spoke last year to the Association of Pacific Fisheries. His remarks pointed out that the needs for research were not always money, a prerequisite to funds being proper coordination of effort. Despite the hue and cry raised earlier this year, we are sticking to our guns in support of the proposal that the Pacific Marine Fisheries Commission is still the best medium for such coordination.

With Alaska becoming a part of the former tristate pact, an extended annual meeting could plot a course of progress for each year with all other affected agencies sitting in, either in advisory or official capacities.

WATER POLLUTION A NATIONAL PROBLEM

Mr. COTTON. Mr. President, last Thursday, when the Senate considered the water pollution bill, it was my purpose to offer an amendment to section 8 of the bill. I had also desired to make a statement concerning the bill. In the interest of saving time and saving the bill, I refrained from doing so. I ask unanimous consent to have printed at this point in the RECORD the remarks I had intended to deliver last Thursday.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR COTTON

Next to the air we breathe, water is the most important necessity of life. A man can survive for days without food, but only for a few hours without water.

Water shortages have plagued parts of our country in recent years. Those affected have learned at bitter cost how much they miss the water when the well runs dry. Fortunately, perhaps, their hardships have opened the eyes of the entire country to the fact that a scarcity of clean, usable water may become one of our greatest sources of worry.

We use water at a fantastic rate. The Nation's homes, farms, and factories, which used 40 billion gallons of water a day in 1900, now require 300 billion. By 1980 we will need 560 billion gallons a day.

It takes 37 gallons of water to produce a single slice of bread; 400 gallons for a helping of potatoes. A pound of beef, on the hoof, has required 3,750 gallons of water for the animal and the grass he eats. It takes 18,000 gallons of water to make a ton of iron, and 65,000 gallons to convert that iron into a ton of steel. A barrel of gasoline requires 7,000 gallons of water. A single new oil refinery in Delaware needs as much water as a city of 2 million people.

Despite this tremendous demand for water, we have an adequate total supply of it. The water required for steel production and oil refining, for instance, can be used and reused again and again. We now consume, or use up, about 10 percent of our water supply. Even by the year 2,000, we will be using up only about 25 percent of our water. The New England area is especially favored, having more than ample supplies of water for the foreseeable future, in contrast to some of the western regions of the country.

But there is a joker in the picture. Water can be reused only if it is relatively pure and unpolluted. Pollution is the heart of the Nation's water problem, in every region.

The enormous increase in the use of water has brought an even faster rise in pollution. A burgeoning population, new chemicals, detergents, atomic wastes, industrial processes, all add to the burden of pollution which infects so much of our water.

Pollution threatens the health and life of many citizens. It limits the growth of our towns and cities in many areas. It hinders and impairs the development of many industries.

Furthermore, water pollution is not just a local blight. A glance at any map will prove otherwise. The Nation's rivers and streams are no respecters of State or local boundaries. Sewage and other pollution dumped in a river at one point does not automatically turn back when it reaches the city line, the county line, or the State line. Except in Alaska and Hawaii, it is a small and unusual river indeed which does not cross State lines before emptying into the ocean. More than 116 communities and 80 major industries draw on the Ohio River alone for their water supplies. Pollution caused by one user can seriously affect all the rest. It cannot be brushed off as a local problem.

Unless we meet the growing problem of the pollution which contaminates our rivers and streams with prompt and resolute steps, we could find ourselves in the position of Coleridge's Ancient Mariner: "Water, water, everywhere, nor any drop to drink."

Prompt and concerted action on the part of our cities, our States, and the Federal Government must be taken to check the spread of pollution. In 1956, Congress enacted legislation to encourage the construction of treatment plants and facilities to protect the purity of our water resources. This program has been highly effective. Through November 1960, a total of 2,483 sewage treatment projects have received Federal grants totaling $205 million. The total cost of these projects is estimated at $1.2 billion. Thus, the local communities spend more than $4 of their own money for every dollar of Federal aid. Furthermore, the program has stimulated pollution control work even where Federal grants are not involved. The President's Water Pollution Control Advisory Board recently reported that "there has been no slowdown in the rate of construction of such treatment works financed entirely by non-Federal funds."

The pollution control grant program, in my view, meets a vital national need at a minimum cost. It recognizes water pollution as primarily a State and local matter, but one in which the national interest cannot be neglected.

The time has come to make certain that the Federal grant program, in view of its demonstrated effectiveness, comes closer to meeting the real needs of the Nation in this field.

To me, the control of water pollution is an outstanding example of the kind of activity that merits, indeed requires, participation and assistance by the Federal Government. The preserving of our water resources for future generations is clearly a Federal responsibility. I have never been able to believe that it is wise or legitimate for the Federal Government to build houses, locate factories, and otherwise support and control the economy of the various States and communities. Water pollution is a different matter. To combat it is a basic national necessity. For that reason I have always supported an increasing program of Federal assistance.

There is, however, one very dangerous feature to Senate bill 120, and that is found in section 8 which deals with enforcement measures against pollution of navigable waters.

The amendment would permit abatement action on navigable waters by the Surgeon General, without regard to the State's position in the matter.

This is a totally undesirable and unnecessary intrusion of Federal authority.

No evidence has been offered anywhere to indicate any need for such an extension of Federal enforcement authority. Many problems dealing with intrastate and interstate waters have been solved without this expansion of Federal jurisdiction in the field of water pollution.

The Federal Water Pollution Control Act has worked successfully for many years. It has been successful because it left the States free to form their own plans, finance with Federal assistance their own projects, and control their own antipollution programs.

Allowing this intrusion by the Federal Government will open a veritable Pandora's box of trouble for both the State and Federal Government. The Water Pollution Control Act has been one of our finest examples of Federal-State cooperation to achieve a jointly desirable goal. If this amendment, expanding Federal jurisdiction, is allowed to stand, it could bring about the end of Federal and State Government cooperation in this vitally important program.

With section 8 deleted I can give S. 120 my wholehearted support.

BOLSHEVISM AND DEMOCRACY

Mr. HICKENLOOPER. Mr. President, prior to World War I, and for a short period thereafter, I had the rare privilege and opportunity of being a student at what was then known as Iowa State College under Dr. Louis Bernard Schmidt, who was then head of the history department of Iowa State College.

Professor Schmidt was a professor of rare perception. His prophetic view on politics and the future of political and social events in this country is phenomenal. In July and August of 1919 he had two articles published in Successful Farming, a farm magazine published at Des Moines. The articles, published in two separate divisions, were published in the issues of July 1919 and August 1919. One article, in two sections, is entitled "Bolshevism and Democracy."

Dr. Schmidt is now professor emeritus of history and political science of Iowa State University and lives in retirement at Tucson, Ariz. Because of Dr. Schmidt's prophetic outlines of bolshevism and communism, its objectives, and what it would do, as contained in these articles printed in 1919, I ask unanimous consent, because of their historic value and as a matter of tribute to the prophecy and vision of this distinguished professor and his great ability, that the article entitled "Bolshevism and Democracy," published in two sections, one in the July 1919 issue of Successful Farming and the last half of the article published in the August 1919 issue of Successful Farming, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Successful Farming (Des Moines), July 1919]

BOLSHEVISM AND DEMOCRACY—SOME FUNDAMENTALS OF THE TWO FORMS OF GOVERNMENT

(By Louis Bernard Schmidt)

The world is full of the menace and fear of bolshevism. It, therefore, becomes our duty to understand more thoroughly than we do at present the real nature and magnitude of this revolutionary movement and to give serious and intelligent consideration to the most wholesome and effective methods for its extirpation. It is with the hope of contributing something to this end that this article has been written.

In accordance with this general aim it is proposed, first, to review the genesis and program of bolshevism; second, to show that bolshevism is the enemy of democracy, even more to be dreaded than autocracy; third, to urge that while the conditions which have bred and fostered bolshevism in Europe do not prevail in this country, nevertheless its insidious propaganda has been systematically exploited throughout the land by the revolutionary elements in our population until it has become a real danger; and, fourth, to suggest some of the principal expedients which must be employed if bolshevism is to be exterminated both in this country and in Europe.

Bolshevism is a radical, revolutionary philosophy. Most of its doctrines originated with Karl Marx (1818–83), whose ideals and principles were embodied in his great work, "Das Kapital," which was published in 1867 and translated into English in 1887. Marx taught that from the beginning of civilization all classes were divided into two classes: the exploiter and the exploited. In feudal times the nobles and landowners held the great masses of the serfs in subjection. Later the bourgeoisie or middle class democracy came into existence, acquiring much of the land and some of the power of the nobility or aristocracy. The proletariat or workingmen were first exploited by the aristocracy, and finally by both the aristocracy and bourgeoisie.

Marx taught, further, that all capital tends to an increasing extent to become concentrated in a few hands; that wage slavery is inevitable under the regime of a capitalistic state; and that workingmen, i.e., those who labor with their hands, are the sole and defrauded producers of wealth. Marx, therefore, urged that the wage slaves should wrest by degrees all capital not only from the aristocracy, but also from the bourgeoisie and that all instruments of production should be centralized in the hands of the state which was to be proletariat organized as the ruling class. The proletariat was urged to become class conscious, to organize, and to dethrone the capitalists and the property owning bourgeoisie. Once in control of the political organization, the proletariat was to proceed to set up a new civilization based upon the divine right of communism or mass ownership and rulership.

The doctrines of Marx and his followers have during the past 50 years gained considerable public favor. This is the result not so much of propaganda as of suffering and discontent. The working classes of Europe have always been exploited by the privileged classes. Political autocracy and a false political economy have had a large share of the responsibility for the poverty, misery, and discontent which have prevailed among the peoples of the continent. Men and women have been treated as hands and the iron law of wages has been accepted by nearly every economist of the countries now in revolution. Oppression and starvation have bred revolution and violence. The overturning of despotisms and the destruction of autocracies has cleared the way for the workers to revolt and establish the world order proclaimed by Marx and his followers.

This is the historical basis of bolshevism, which has appeared at different times and places and under different names. But the conditions produced by the war and by the revolution in Russia have brought into prominence certain methods and expedients which differentiate the program of bolshevism for the program of orthodox socialism.

Bolshevism, as the present revolutionary movement in Europe is called, owes its rapid rise and spread to the intolerable conditions of famine and suffering which have prevailed in Russia since the beginning of the war and which have been more acute and widespread there than in any other country in the world. Even before the war, Russia was the hotbed of revolutionary propaganda and uprisings. The bureaucratic government of Nicholas II, was as intolerant as it was corrupt and as inefficient as it was tyrannical. The working classes after repeated refusals of the czar to grant promised economic and political reforms grew impatient, dissatisfied, and rebellious. Plots and conspiracies against government officials became the order of the day. Murders and assassinations were the only methods calculated to give the needed relief from oppression and afford Russia opportunity for self-expression and development.

The Government confronted a grave internal crisis which was averted by Russia's entrance into the war. All classes united in patriotic response to the Nation's call in defense of the empire against the threat of German imperialism. The Russian Armies saved France, but they were compelled to endure hardships and suffering and to make terrible sacrifices of life such as no other nation was compelled to undergo and for which the Government was to a considerable degree responsible. Industries were permitted to become disorganized. The soldiers were not properly fed, clothed, and munitioned. The transportation system broke down. Famine, sickness, and death visited hundreds of thousands. Reduced to poverty and desperation the workmen and the soldiers rebelled and overthrew the Government which had sacrificed whatever respect or fear the people had held for it at the beginning of the struggle.

A REIGN OF TERROR

The revolution once begun was proclaimed by many false prophets as the beginning of a new era for Russia. But it was only to make the beginning of a reign of terror and bloodshed, such as Russia had never before experienced. Led by Lenin and Trotsky the Bolsheviki (a name given to the radical wing of the Russian Socialist Democratic Party which is composed chiefly of industrial workers), gained complete control of the government, the army, and the industrial establishments and at once proceeded to carry their revolutionary doctrines into effect. Bolshevik propaganda, as the infamous treaty of Brest-Litovsk has clearly shown, was led, fostered, and spread among the people by German agents without number whose business it was to light the fires of revolution in order that Germany might not only be saved from a Russian invasion but that she might be greatly benefited at Russia's expense.

Bolshevism is now holding terror-stricken and helpless Russia under its cloven hoof, bidding defiance to the world. At the same time it is carrying its insidious doctrines into the Western countries, realizing full well that if it does not succeed abroad it must ultimately fall at home. While autocracy has been beaten and destroyed, bolshevism has arisen from the smouldering ruins of a great world war as the new archenemy of democracy. For 4½ years democracy has been engaged in a titanic struggle against autocracy and the world has been taught to think largely in terms of this conflict. It has hardly had time in the midst of triumph to evaluate the new enemy which democracy must overthrow. It must think in terms of the struggle which is now engulfing humanity; the struggle of democracy versus bolshevism. What, then, is bolshevism?

Bolshevism stands for the absolute rule of the working classes. It holds that war between the proletariat and the capitalist middle class is inevitable and that the workers must find a favorable opportunity to rise in revolt and assume the mastery. It stands for the arbitrary seizure of all political power by the proletariat and the disfranchisement of the bourgeoisie or middle class democracy and the plutocrats. It stands, in short, for the dictatorship of the proletariat in order that the proposed reconstitution of society may be effected. This is the central principle of bolshevism.

Bolshevism holds to the socialistic tenet of land nationalization and the abolition of all private property. It justifies the seizure of all industrial plants by the workers, the closing of all industries not essential to the welfare of society, and the reduction of the number of working hours a week. It means the repudiation of all debts, both public and private, and the destruction of all banking institutions which are but the evidences of capitalism.

Bolshevism stands for internationalism. It regards the state a matter of convenience only, hence it would remove all economic barriers between states so that nations poor in natural resources can draw upon the wealth of their more fortunate neighbors. Nationalism, patriotism, and citizenship are regarded as barriers to social justice and therefore should be discarded. Standing armies then will no longer be needed and so disarmament becomes a very important principle in the realization of the new world order. Thus the International, the organization for the dissemination of this propaganda, has for its slogan: "Workingmen of the World Unite."

But until these principles are achieved, bolshevism means class war pure and simple. It justifies violence in the pursuit of its ends. It burns, pillages, and destroys and it commits murders and assassinations wholesale, as history has already recorded. And bolshevism defends all these acts of violence in order that it may achieve what it wants and what it wants is a new world organization in which the proletariat shall own and control everything.

Such is the essence of bolshevism. It proposes the overthrow and destruction of all existing political, economic, and social institutions by the ruthless use of force and violence. Society is to be reconstructed. A new civilization is to be established founded on the rule of the proletariat. All established institutions are to be uprooted, for they are all wrong. The capitalist is to be converted to the new order or murdered. The middle class is to be treated in a similar manner. Property is to be confiscated. Farmers and shopkeepers must surrender their precious possessions. Home, school, and the church must all go. Everything is to be swept into the wonderful melting pot of the new utopia.

Bolshevism does not mean democracy, as many of its leaders and apologists contend. Democracy means liberty, not economic equality. Liberty means the right and freedom of every individual to make the best of himself; to attain the highest position of honor and influence of which he is capable and worthy. Economic equality is the denial of liberty, for it would hold down the more efficient in order that they may not outrun the less efficient, for there is no way by which the less efficient can be spurred up to equal the achievements of the more efficient. Equality of ability, equality of efficiency, and equality of physical force are unknown among men.

Democracy recognizes inequality among men, and under the operation of the law of liberty, opens the way for every individual to develop his latent ability to the utmost capacity. Democracy is therefore able to provide itself with real leadership and command. Bolshevism denies inequality among men. It restricts liberty in order to promote economic equality. It reduces all classes to the level of the proletariat in the hope that economic equality may be realized. It destroys individual initiative which is the real spur to progress and substitutes collective responsibility in matters relating to property and production. If we but fix in mind this fundamental distinction between liberty and equality of capacity, equality of attainment, and equality of possessions, we shall have arrived at a very important distinction between democracy and bolshevism.

Bolshevism in reducing all classes to the level of the proletariat abolishes the very class which is the mainspring and the balance wheel of democracy. This is the middle class. History shows that whatever progress nations have made in democracy is to be attributed to a powerful middle class: Numerous, well-to-do, intelligent, patriotic, and self-respecting. It is the middle class which has always promoted and advanced the cause of liberty and justice. To it democracy owes it rapid advancement in the United States, Great Britain, and France, and in all the other progressive nations the world over. Democracy has never succeeded without the middle class and it never will as long as human nature remains what it is. Through it democracy reaches its highest perfection, which is the government of all through all, under the leadership of the best and the wisest.

Bolshevism is being given its initial experiment in a country which has virtually no middle class and probably will not have for at least another generation; a country from 86 to 90 percent of whose vast population cannot read or write. Autocracy and class privilege having been swept away, the pendulum has swung to the opposite extreme and society has come under the control of the working classes dominated and led by fanatics like Lenin and Trotsky who do not hesitate to drench Russia in a sea of blood in the effort to regenerate society and set up a new world commonwealth.

Lenin's government is based on the organized will of the urban proletariat which comprises but 10 percent of the population. Bolshevism is, therefore, primarily an urban movement composed of industrial workers who, under the leadership of able but radical leaders, have gained control of the government, the army, the workshops, the press, and all the avenues of communication and transportation. It declares itself the enemy of bourgeois, or middle class, democracy and all its machinery. It makes its appeal to the proletariat which has already demonstrated itself to be as yet too ill-prepared and too incompetent to be entrusted with the control of the government and the management of society. It sweeps aside the lessons

of history and abolishes all those institutions which are the outgrowth of a slow and painful evolution and which are the very safeguards of civilization. It establishes the dictatorship of the proletariat and institutes a reign of violence, tyranny, and bloodshed with the bold assertion that only by such a program, a holy war as it is called, can Russia secure freedom, prosperity, local self-government, and human brotherhood. It proposes, in short, to accomplish by the shortcut of revolution what history and experience have already shown cannot be achieved except by the long process of evolution.

Nor is this all. Bolshevism is inimical to the interests of the peasantry in that it proposes to bring about the nationalization of the land. All private property in land is to be abolished and the new proletariat state is to become the great landowner, whereupon the land is to be redistributed among the peasants in such amounts only as their actual needs require and but for such limited time as they may make use of it. Private ownership in land being surrendered, the peasants may never hope to buy or sell nor to inherit or bequeath property in land.

Thus does bolshevism strike at the fundamental tenet of the peasants who hope and struggle for the day when they will become the owners of their farms. With the denial of this right which democracy recognizes and safeguards, the tillers of the soil lose one of the primary incentives to labor. Even the thriftiest peasants, says Ernest Poole in "The Village," will do little work until they have a clear title to their farms. When to this is added the fact that bolshevism is responsible for industrial chaos and the breakdown of the whole distributing system, thus destroying the farmer's market for his products and consequently his purchasing power for the products of industry which are not even procurable, it will be readily understood how great a menace bolshevism really is to the peasant classes of Europe.

Bolshevism has not, therefore, won the sympathy and support of the great mass of the Russian peasantry. According to E. J. Dillon, the distinguished journalist and writer who is perhaps more intimately acquainted with conditions in Russia than any other authority, no less than 50 million Russian people look upon the Bolshevists as murderers and cutthroats, but they are absolutely helpless against them for they are unorganized and without the weapons of defense. These 50 million need the sympathy and material support of the allied nations if Russia is to be saved from virtual annihilation. Meanwhile, bolshevism has overrun Hungary, invaded Germany, entered the ranks of the French Allied Socialists and the British labor congresses. Bolshevik propaganda is spreading in the United States where it has received the welcome embrace of the anti-American elements in our population. It is, in short, disseminating its pernicious doctrines everywhere in the hope of enlisting a worldwide sympathy and support which shall insure its ultimate triumph. It is threatening existing political, economic, and social institutions everywhere. It has, therefore, become the great world menace.

[From Successful Farming (Des Moines), August 1919]

BOLSHEVISM AND DEMOCRACY—SOME FUNDAMENTALS OF THE TWO FORMS OF GOVERNMENT

(By Louis Bernard Schmidt)

But why bolshevism in the United States? "There is," says the Public Ledger in an editorial of March 19, "something so essentially ludicrous in a Bolshevik America, particularly just after a period of unprecedented high wages and plentiful employment, that it is not at all surprising that most comfortable folk fail to take it seriously. They know that, logically, it should not exist. So they complacently assume that it cannot exist."

But, "We must remember, in all fairness," continues this journal, "that new conditions have just fallen upon the wage earners of America which may in some cases tend to produce discontent, uneasiness, and even a sense of soreness and provocation. Work, recently so plentiful, has become scarcer. The abnormal wages of wartime are failing. The soldiers are being mustered out of the Army and into the ranks of competing labor. This is all inevitable. We have always known that it would come. But it is precisely the sort of thing that plows the soil for Jacobin - Bolshevist - Spartacan - I.W.W. seed." It is, in short, the unsettled economic and social conditions of the Reconstruction period which have afforded bolshevism a favorable opportunity for the extension of its propaganda and which gives rise to the inquiry as to whether bolshevism has not become a disturbing and proselytizing influence in America.

Bolshevism is not, indeed, a new thing in this country. Its doctrines were preached in the United States before the outbreak of the World War, but under other names such as syndicalism of I.W.W. propaganda. The I.W.W. doctrines are taken from syndicalism which, in the words of Emma Goldman written in 1913, "is, in essence, the economic expression of anarchism." The I.W.W.'s advocate direct action: "sabotage." They insist upon the general strike and the control of the industries by workingmen's committees. They demand the overthrow and extermination of the middle class. They justify any measure, however underhanded or violent, in the destruction of the existing structure of society. They hold that all men and women are born with equal ability and that committees of workmen can at once step successfully into the technical and administrative work of running industries.

The I.W.W.'s have furnished bolshevism with many of its doctrines and also with many of its foremost leaders. Of the 72 men who compose the Central Soviet Executive Committee at Moscow, 11 are said on good authority to control it. These 11 powerful men, including Lenin and Trotsky, have nearly all been in the United States. While here they were more or less associated with, and under the influence of, the I.W.W.'s absorbing many of their doctrines from this group, they returned to Russia to become the leaders of the Bolshevik Revolution.

The I.W.W.'s are actively interested in the success of Russian bolshevism. From the beginning they have carried on an extensive propaganda in its behalf, with the result that the real and dangerous character of the movement is neither understood nor feared by the great majority of our people. Encouraged by the unsettled social and economic conditions which are the inevitable accompaniment of the war and reconstruction period, the I.W.W.'s, like their twin brothers, the Russian Bolshevists, look upon the present as the most favorable moment for bringing about a great upheaval which shall sweep away all established institutions and leave the proletariat absolute masters of society.

There is, then, to call it by its proper name, an American bolshevism. It numbers among its adherents the I.W.W.'s with whom it is most closely identified; the pro-German propagandists who are zealously promoting the movement in the hope that whatever injury it brings to our country may accrue to Germany's advantage in enabling her to gain her place in the sun; the radical Socialists who find in bolshevism a common rallying ground for revolutionary reform and the anarchists who welcome bolshevism because it gives them an opportunity to join forces with those who would bring about the overthrow of the Government and reduce society to a condition of anarchy and chaos. Bolshevism has, in short, enlisted the support of the impure elements in our population which have escaped Americanization.

American bolshevism is today preaching the same doctrines which Russian bolshevism is carrying into effect. Its voice is heard in the factories and workshops of the great industrial centers of the East and in the mining and lumber camps of the Far West. It is found wherever men destroy industrial plants, wreck bridges and railway trains, and destroy crops. It is found wherever men seek to sow dissension between our country and the Allied Nations with the hope that radicals may yet reap a great advantage before the nations recover from war. It is heard wherever men vilify our President, speak against the Liberty loan, and insult the Stars and Stripes.

American bolshevism must not be confused or identified with trade unionism. Trade unionism has displayed an unquestioned loyalty and patriotism in our great national crisis. It has had an honorable part in the winning of the war. This is eloquent testimony to the genuine Americanism of the rank and file of our workers under the leadership of their able representative—Samuel Gompers. But bolshevism has entered the ranks of trade unionism, as well as the ranks of unorganized labor. With the enrollment of 3,500,000 men in the Army, a large proportion of whom were withdrawn from the trade unions, a great burden was placed upon our industries for the production of the materials of war. The call for more laborers to supply the labor deficiency met with ready response, but with the result that trade unionism became infected with a Bolshevistic element of which recently exposed plots and conspiracies have already given evidence. That trade unionism will purge itself of this dangerous element is hardly to be seriously doubted when once this dark and sinister enemy is dragged out and exposed to the full light of day and proper protective measures are adapted both for union and nonunion laborers.

Bolshevism is primarily an urban movement as it is in Russia and as it is in every country where it has made its appearance: whether in Germany, Austria-Hungary, France, Italy, or Great Britain. But even so, it is a menace to the American farmer, for it threatens to upset our farming industry by destroying the market for farm products and by tying up the transportation system of the country. Bolshevism, moreover, in attacking the concept of private property in land, strikes at the fundamental tenet of our farming class. It asks the farmer who has toiled for years for the title to his truck-patch of a few acres or his farm of 80, or 160, or 640 acres to surrender his title, thus abolishing private property in land and vesting the ownership thereof in society, which, under bolshevism would be the workers. Imagine the farmers' reply to such a program.

There is, as a matter of fact, little bolshevism among American farmers. The farmer is above all, an individualist who is accustomed to do his own thinking. He has rapidly come to realize, however, that in order to protect himself against predatory interests, it is necessary for him to adopt the only effective weapon of defense: namely, organization. The conditions growing out of the Civil War taught the farmer this need and the Granger movement of the seventies further convinced him that if the farmers were once really organized they would be able to get a hearing and to have a voice in legislation. Today, we are in the midst of a new reconstruction period. The unsettled conditions produced by the Great War have given a renewed emphasis to organization. It is, therefore, in order to sound a note of warning, calling upon the organized farmers of America to guard against the epidemic of bolshevism which is threatening to invade their ranks.

Farmers, generally, have been prosperous during the period of the war. It has, therefore, been difficult for them to recognize that bolshevism is a matter of really serious concern. They have been slow to comprehend its violent revolutionary character and its rapid spread westward in Europe and into America. To the extent that they have given expression to the movement, they have declared themselves opposed to it. And there the matter ends so far as the farmer is concerned. But passive resistance against bolshevism is not enough. The unsettled times through which we are passing require united action in its suppression. Organized farmers must fight bolshevism, as organized labor under the leadership of Samuel Gompers is doing, if this revolutionary state of mind which has made its appearance in this country under various names is to be overcome and cured. But if bolshevism is to be suppressed, public opinion must be thoroughly aroused to combat it. In order to accomplish this end, a safe and intelligent leadership is necessary. These considerations bring us to the all-important question: How can bolshevism, which is nothing more or less than a revolutionary state of mind enacted into tyranny, be extirpated? The limits of this paper will permit of but a brief consideration of some of the most important expedients which must be employed if democracy is to be safeguarded.

First. The most immediate pressing need is a vigorous assertion of executive authority: Federal, State, and municipal, in the suppression of bolshevistic propaganda and conspiracies. This should include, in the first place, the employment of an adequate detective force to ferret out Bolshevik agitators, who should be subjected to speedy investigation and immediate trial and upon conviction be sentenced to imprisonment: or in the case of alien enemies the penalty should be deportation. While something has already been done to bring these conspirators to trial, there has not as yet been a general awakening on the part of responsible authorities. When alien enemies, such as the leaders of the bolshevistic movement in New York City and Philadelphia and other industrial centers of the country are permitted openly to carry on bolshevistic propaganda, organize Bolshevik societies, and publish Soviet newspapers, it is time to inquire whether freedom of speech and of the press should not be curtailed in order that liberty and democracy may be rendered more safe and secure. Investigation should be followed by action. Bolshevik propaganda and Bolshevik societies must be nipped in the bud; for bolshevism is a contagion more to be dreaded than the Spanish influenza epidemic. It must either die or spread. It certainly cannot remain stationary.

State and municipal authorities may well emulate Mayor Ole Hanson of Seattle. When the workers of that city under the influence of a bolshevistic leadership threatened a tie-up of the street railway system and the closing of the industries which were not to be opened again until they could be opened under the control of workingmen's committees, Mayor Hanson called out 1,000 heavily armed police and commanded them to shoot on the spot anyone who should interfere with the city's activities. The threatened strike did not take place. If it had, there were a half dozen or more cities on the Pacific coast that would have been similarly affected. Bolshevik leaders must be treated as criminals, murderers, and traitors to our country. Our safety and honor require eternal vigilance and the rooting out of bolshevism by drastic methods wherever it is found.

Second. The Americanization of our immigrant population is another matter which should be given serious attention by those who would make our country safe for democracy. There are today too many unAmericanized foreigners in our country. For nearly 300 years our land has been the melting pot of European nationalities. As long as we had a frontier, the melting pot did the work; but with the disappearance of the frontier and the concentration of large colonies of various European stocks in the cities, the melting pot has been running over into the fire. The process of Americanization has been rendered more difficult. The war has taught us the importance of bringing these neglected elements into the currents of American life. Much can be done in this direction by stricter naturalization laws, the giving of instruction in the English language and the publication and circulation of English newspapers among the immigrants. The English language opens up the door to an understanding and appreciation of American ideals of liberty and justice. It is essential to the building up of a better American citizenship. The importance of this fact cannot be overemphasized in considering the problem of the Americanization of the foreign elements in our population.

Third. It has been pointed out that the underlying cause of bolshevism is suffering, and that the exploitation of the working classes by the masters of the industry, starvation, and land hunger, and false theories of productive values and class domination are in large measure responsible for this condition. If this is true, it is obvious that capital and labor must get together, recognizing the fact that their interests are in reality identical, not antagonistic. Intelligent workingmen must have a larger share in the organization and operation of our industrial life.

MENTAL ATTITUDE THE BIG PROBLEM

The great problem is to cure a revolutionary state of mind. We can suppress anarchy, but we cannot conquer convictions by the use of force. We can deport alien enemies but we cannot deport a false idea. Our problem is to show the men and women who are obsessed with a false economic and political philosophy that they are wrong and that their proposals are in reality inhuman and unjust.

There is wealth enough produced to satisfy the just claims of all workingmen; but we have not solved the problem of the distribution of the wealth created by labor and brains. While it is indeed true that the general level of existence has been raised, it is nevertheless also true that there is an unjust disparity in the distribution of rewards. The mass of laborers live in more or less constant fear of poverty, due to sickness, nonemployment, and panics. Some methods of securing a good living, not merely a minimum wage, must be secured for all men and women willing to work. In working out this problem it must be remembered that manhood and womanhood are more important than efficiency.

Lenin has already proved the impotence of an uneducated proletariat to conduct successfully either the industrial or political life of the nation. The slavery of bolshevism has shown itself to be more inhuman and unjust than the slavery of capitalism. The Marxian theory has been proven to be a false philosophy: untrue and ruthless in its injustice. But only a full understanding of its basal errors and a steady, patient counterpropaganda based on a scientific and humane analysis of the situation can meet and correct the economic and social nightmare that is stalking in our midst.

Fourth. Bolshevism, in short, must be studied if its spread is to be thwarted. This means the growth of an enlightened public opinion concerning the genesis and program of the movement. This must be brought about by the press, the platform, the school, and the church. It is encouraging to note that the leading newspapers of the country are inaugurating a nationwide campaign against this menace. There is as yet, however, too much confusion in the public mind concerning this movement. Pro-Bolshevik newspapers have been at considerable pains to present it in a favorable light, while anti-Bolshevik newspapers, although presenting the menace in its true light, have not ventured to engage in constructive criticism. It is time that serious attention be given to the working out of a program for its suppression and ultimate extirpation. By way of example of what may be accomplished in this direction, the Public Ledger (Philadelphia) may be mentioned as one of the foremost newspapers in the country engaged in this campaign of education. Mention, too, should be made of our standard magazines and periodicals which have begun tc devote considerable space to this subject. At the same time, however, it is important that the freedom of the press should not be abused to the extent of permitting the publication of Bolshevik newspapers. These should be suppressed if freedom is to be preserved.

Again, we are just now inaugurating a nationwide campaign in support of a League of Nations. Speakers are being drafted to appear in thousands of cities from the Atlantic to the Pacific coast. It is a rare opportunity that they have of laying bolshevism wide open. It is to be hoped that the advantage will not be lost.

Moreover, the public schools and colleges throughout the land possess a powerful influence and leadership which should be brought to bear on the suppression of bolshevism. There is no more important service to be rendered by the public schools, the colleges, and the universities, than to train the men and women who leave the halls of learning for a better American citizenship which will lead the battle host of democracy against the enemy within the gates.

The church, too, must join the forces of liberty and justice in organizing public opinion to fight this movement. Having demonstrated its power and usefulness in the war, and its readiness to face the problems of the reconstruction period it can be counted upon to do its part in combating the common enemy.

These are the forces which, when thoroughly aroused, as surely they will be, can be relied upon to save our country and the world against the greatest menace of the reconstruction period.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I should like the attention of the Senate, in order to make a unanimous consent request at this time, because I must leave to attend a meeting of the committee on Democratic policy.

I ask unanimous consent that at the conclusion of morning business the unfinished business, H.R. 6027, an act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, be laid before the Senate and made the pending business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SEEDS: 1961 AGRICULTURE YEARBOOK

Mr. KEATING. Mr. President, I am delighted today to call attention to the publication yesterday of the 1961 Yearbook of Agriculture. The yearbook this

year is entitled "Seeds," and is a full and comprehensive statement on this very vital agricultural subject.

I have had an opportunity prior to the publication date to go through a copy of "Seeds." I am struck by the vast amount of information available in this volume. The yearbook covers every conceivable type of crop. Experts in each field have been called upon to describe the variety of seeds and the ways in which they mature and develop into hardy plants.

I also call attention to the fact that a distinguished constituent of mine, Mr. John F. Schiffman, vice president of the Hygrade Seed Co. of Fredonia, N.Y., has had a leading role to play in the preparation of the 1961 yearbook. He was one of the first people to suggest and urge that an agriculture yearbook be devoted to seeds. Representing the American Seed Trade Association, he provided much valuable information and also worked on several chapters of the 1961 yearbook. I take this opportunity to commend Mr. Schiffman and all the other experts in this field who have had a hand in the publication of this useful work in a long series of excellent books on agriculture.

I also point out that 1961 has been designated as "World Seed Year" by free countries throughout the world. I know that the 1961 yearbook will aid and assist this important international project.

THREE YOUTHS EXPRESS A VIEWPOINT ON JUVENILE DELINQUENCY

Mr. KEATING. Mr. President, a short time ago I had the opportunity to be present at the special showing of the motion picture, "The Young Savages," which was filmed in the city of New York and utilized much local talent.

Subsequent to the showing of the film, I met with three of the youthful stars of the film: Stanley Kristien, Luis Arroyo, and Richard Velez, with whom I had a pleasant and stimulating discussion of youth problems. Meeting these boys was especially interesting because all three had previously been connected with juvenile gangs, but had later found the road to rehabilitation. A few days ago I received from these boys a statement in which they described their own views concerning the problem of juvenile delinquency. I know many of my colleagues would like to have the benefit of reading what these boys' sentiments are on the problem presented to the Nation by juvenile delinquency.

I ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY STANLEY KRISTIEN, LUIS ARROYO, AND RICHARD VELEZ

It is our opinion—and we've been on the streets of New York and around the gangs for years—that there are two main reasons for gang trouble and juvenile delinquency. One reason is the housing problem. The other is the weather. And we are not joking.

Now there is nothing wrong with gangs in themselves. For the past year or so, we have been out of gangs, we have been acting, and we've made a motion picture, "The Young Savages," that deals with gang trouble and juvenile delinquency and murder. And we've been traveling around the country. So we've seen a few new things. For example, outside of the big cities, teenagers join up, but it's not a gang, it's a social and athletic club. Or if you go to college, it's a fraternity.

The trouble is, when gangs go wrong and get into trouble. We said a reason is housing. Well, most of the gang trouble comes from people who live in the worst housing in this country. They live in one- or two-room apartments, and there are three or four people, grown up, that is, a couple of teenagers, and maybe four or five kids all crowded in. And do you know what the rent is? Sometimes it's as high as $35, $40, or $50 a week—a week, not a month—for this. That's the same rent as a high-class apartment house. And there is no air conditioning. Instead of air conditioning, there are bugs and rats. The bugs are as big as rats and the rats are as big as cats.

In the winter, it's bad enough. Everyone gets under the same blanket, because that's the only way to keep warm. If you think that's good, think again.

The summer is the worst. It's hot. It gets so hot that it drives everyone out on the streets. And when they get out on the street, it's still hot, so hot that it sends everyone running around crazy, like lice on a hot frying pan. Kids just don't know what to do. They got to do something or else they'll explode. So they explode and there's violence, delinquency, and murder.

This is a fact. Check the newspapers. You'll see that most juvenile delinquency takes place in the summer. And the hotter the summer, the more there's bopping and murder. The way things are set up, that's the way it's got to be. And even though we got nothing against youth boards, youth board's won't change it.

Well, what's to be done. First thing, provide decent housing at a fair rent. And get after gouging landlords. And have the health department make the landlords provide heat in winter, and get rid of rats and roaches. Why, some of these apartments don't have toilets that work or running water.

About the weather, no one is going to change the weather. But people interested in stopping gang trouble and cutting down on juvenile delinquency, have to do more than they're doing, and maybe take another look at what they have been doing. How about more parks with lights kept on at night, and more play areas for teenagers, in the sections where there is gang trouble? Maybe there should be activities that will interest gang members. The three of us were on the streets with gangs, and now we figure we are respectable citizens. We got interested in dramatics through the Reverend Ben Moring, and finally went to work in the motion picture, "The Young Savages." We lost interest in the gangs, because we had something more interesting. It's not that every JD should be an actor, but every JD, like everyone else in the world, should have something serious and worth while to interest him.

We know that the whole problem is very complicated and it is not going to be solved in any easy way. But we think that two things, housing and weather—or what to do when the weather is driving you nuts—should be acted on if you want to deal seriously with gang trouble and JD.

AWAKE AMERICA

Mr. WILEY. Mr. President, recently the Vice President of the United States, speaking in California, called attention to the very serious situation that has resulted from Khrushchev's recent and continuous remarks in relation to Berlin.

Communism—the international conspiracy aiming at world conquest—continues to be the major threat to our security and peace. To win against this hard-driving system will require a greater dedication by the American people and the free world.

Particularly in the propaganda battle, Mr. Khrushchev and his henchmen are especially effective. Regrettably, for example, there is increasing evidence that Communist propaganda is convincing people not only inside and outside the Iron and Bamboo Curtains, but also even more gravely, convincing people in America. To my just dismay, there is a prevalent—and growing—fatalistic feeling among the American people that Khrushchev may be right: that communism will one day surpass our free system. This is a tragic and dangerous trend in U.S. thinking. If we cannot dispel such apathy and fatalism then, indeed, we may be doomed for failure. Fortunately, this kind of thinking still represents only a minority, not majority view; nevertheless, it is evident enough to be alarming.

It is true that, following World War II, U.S. citizens—particularly through taxes, mutual aid, and other programs—contributed substantially to stopping Communist expansionism. However this is not enough. Whether we want to become aware of it or not, this is an all-out life-and-death battle. We will not survive by a "let George—or Uncle Sam alone—do it" attitude.

Because of the grave dangers involved there are, in my judgment, at least two minimum things required:

First. Demonstrate a greater sense of urgency in our policies and leadership, and

Second. Provide more opportunity—and the machinery—for American citizens, "stirred to action"—as we must be "stirred" to survive—to make a real contribution in word and/or deed to battling this threat to our survival.

We recall the words of Edmund Burke: "The only thing necessary for the triumph of evil is that good men do nothing." Now, we must ask ourselves: Are we doing too little?

Recently, I was privileged to make two addresses over radio station WGN, discussing differing aspects of the battle against communism. I ask unanimous consent to have excerpts from the addresses printed at this point in the RECORD.

There being no objection, the excerpts from the addresses were ordered to be printed in the RECORD, as follows:

KENNEDY-KHRUSHCHEV GLOBAL TALKS ON WORLD CHALLENGE

The security of the Nation, the fulfillment of hopes of all people—here and everywhere—for a better life: these depend on peace.

We recognize, of course, that the No. 1 threat to peace continues to be communism.

Over the years, real efforts have been made to resolve the East-West differences. Unfortunately, a solution is extremely difficult. Why? The fundamental reason is that there

are different goals: The free world wants peace, and the Communists want to rule the world.

Through the long, headachy negotiations, the East-West positions have become crystallized, and, to a large degree, hardened. This is particularly true on disarmament and Berlin.

Naturally, we feel the West proposes the best, most logical, solutions. Our objectives would serve not only our national interests but, we feel, the interests of the world. The ultimate goal is to create a global climate in which all nations have an opportunity to solve their problems and, by self-determination, to attain their national goals.

To the contrary, the Communists are still shooting for a different target: world conquest.

Experience has taught us that there is only a faint hope, if any at all, that the Reds will ever change their self-serving policies.

However, the deadlock threatens not only to further tensions, but also to increase the possibility of global war.

Now, what can be done?

With East and West at a standoff militarily, our efforts need to be directed toward (1) stopping Communist expansionism; (2) continuing efforts to find a solution to differences; and (3) mustering greater support throughout the non-Communist world—and also, if possible, behind the Iron and Bamboo Curtains—for the Western proposals for peace.

Now, how can we, for example, succeed in better enlightening and mobilizing world opinion in this battle?

In my judgment, worldwide talks by President Kennedy and Khrushchev could result in better understanding of the respective approaches of East and West on the peace-threatening problems.

This is particularly true on such tough problems as Berlin and disarmament.

Given equal time on global television, radio, and in newspapers, the leaders of the free and Communists worlds could, again, present their positions to the people of the world.

For the West, this would provide opportunity to (1) refute much of the illogical, self-serving propaganda of the Communists; (2) and to more effectively present Western proposals.

What have we to lose?

Let's face it: The Communists are tough, clever fighters in the propaganda battle.

On a global scale they have turned truth into falsehood, fact into fiction, right into wrong. They commit crimes and yet successfully accuse Western nations of the same crimes. They commit aggression and tag the Western nations as aggressors. The greatest imperialists of modern times, they successfully brand the Western nations as imperialists.

To the world, the Red leaders pose as missionaries of peace. With one hand, they hold aloft the dove of peace; meanwhile, with the other blood-dripping hand, they inhumanely wield the sword of slaughter. And, this time, the right hand knows what the left hand is doing and vice versa.

Propagandawise, they brazenly distort the truth and make it stick.

With the Communist bloc and Western alliances, then, becoming more concretely solidified into two opposing camps, such discussions between East and West leaders would be beneficial, in my judgment, in enlightening and mobilizing world opinion to the real issues—and obstructionists—in negotiation. This would help not only our cause, but the cause of peace. All people—Communists and non-Communists—have a great stake in the outcome of the struggle; namely, their own survival.

NEEDED: LABOR FRONTIERSMANSHIP IN THE SPACE AGE

As a nation, we face complex, difficult problems at home and abroad. To meet these challenges, we need to:

More effectively mobilize our people and resources.

Design new policies to meet the unique problems of the times.

Encourage the full cooperation of all segments of the economy.

Progress and security—a challenge for all of us—depends particularly upon the dedication and resourcefulness of our more than 71.5 million working men and women.

As a dynamic force in the space age, they provide real manpower and brainpower for a powerful forward thrust into the future.

Traditionally, workers and their unions have been basically concerned with obtaining a fair share of the rewards of their production, including wages, better working conditions, job security, retirement, and other benefits.

Within our free system, we need to carefully and vigilantly protect and perpetuate the rights of workers to speak, to organize, and to bargain—to obtain a just share of the fruits of their labor.

With a strong and growing voice, however, there also goes hand-in-hand a greater sense of dedication and responsibility.

In these perilous, difficult times, the challenges include the following:

Adherence to policies in labor-management negotiations that spur, not obstruct, economic progress; and

Recognition of public, as well as worker, interest, in negotiations with management.

In the struggle against communism, unions have also a great opportunity—yes, a responsibility—to serve as a strong voice of peace, progress, and freedom.

Around the globe, there is a uniquely strong, common bond among the workers of all nations.

In contact with fellow laborers, elsewhere on the globe, the workers of the United States and their unions have a tremendous opportunity to serve as dynamic transmitters of the ideas and ideals of freedom.

They can present a true, realistic picture of:

How free trade unions can best serve the working people and the Nation.

How free, collective bargaining can create a workers-share-in-the-rewards kind of economy—not a trickle-down benefit for workers from either a cartel-like business system or a state-controlled dictatorship.

How, under freedom, the worker enjoys respect for his rights and integrity, including the maximum degree of freedom allowable within an organized society.

How participation in government of, by, and for the people has created for the American worker the best standards of living in the history of the world, and promises ever higher standards of living for the future.

As we face the challenges ahead, then, our Nation—and the cause of peace—can benefit tremendously from a stronger, more creative public interest role of labor in serving our Nation in national and international affairs.

EXPANDING SOIL AND WATER CONSERVATION

Mr. WILEY. Mr. President, the conservation of our soil and water resources is absolutely essential—if we are to meet the ever-increasing needs of a vast population in the future.

My home State of Wisconsin has made splendid progress in development of conservation programs. Elsewhere in the country, however, there is still a good deal of work to be done.

Recently, the president of the Wisconsin Association of Soil Conservation District Supervisors, Mr. Lloyd Howard Johnson, forwarded a copy of a letter to the President on the need for expanding of the watershed program.

Believing that these recommendations deserve, as well, the consideration of Congress, I ask unanimous consent to have this letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WISCONSIN ASSOCIATION OF SOIL CONSERVATION DISTRICT SUPERVISORS,
New Richmond, Wis., June 15, 1961.

President JOHN F. KENNEDY,
The White House,
Washington, D.C.

DEAR PRESIDENT KENNEDY: As president of the Wisconsin Association of Soil and Water Conservation District Supervisors, I want to express our organization's sincere appreciation for your expressed support of soil and water conservation districts.

Except for one newly created county, the former Menomonie Indian Reservation, Wisconsin is completely covered by soil and water conservation districts. Each district has entered into memorandums of understanding with the U.S. Department of Agriculture and the Soil Conservation Service.

The SCS provides limited personnel to each of our districts. We are also receiving excellent cooperation from the State soil and water conservation committee, the agricultural conservation program service, the Agricultural Extension Service, the Farmers Home Administration, and the Wisconsin Conservation Department.

Supervisors of every soil and water conservation district annually prepare an estimate of the kinds and total amounts of soil and water conservation work that farmers are ready to establish during the ensuing year. The technical time needed for planning and installing the conservation measures can be converted into many years. Total manpower assistance now at our disposal does not nearly approach the amount required. In fact, Assemblyman Franklin Jahnke, in a statement made before the assembly agricultural committee, indicated that Wisconsin would need about 100 more man-years of technical help to adequately handle the workload in the immediate offing. Mr. Jahnke estimated that this would cost nearly $400,000.

Our State association sponsored a bill that is now before the State legislature providing an appropriation of $72,000 for the next fiscal year and $108,000 thereafter for direct assistance to soil and water conservation districts. This fund is to be matched by county appropriations. We are quite optimistic regarding the passage of this bill. Even though it is enacted we will still have a considerable shortage in technical assistance available to us.

I believe you will be interested in the progress being made in Wisconsin through the Watershed Protection and Flood Prevention Act, Public Law 566. Thus far, 28 applications have been completed. Of this number, 8 projects have been approved for operations, 5 for planning, and 15 have merely been accepted by the State soil and water conservation committee. There are still new applications in the making.

Wisconsin is at the present time in dire need of another watershed planning party. Our present Soil Conservation Service party is preparing from four to five work plans a year. As a minimum, we feel that this number should be doubled.

Wisconsin supervisors recognize your friendly and genuine interest in the work of our soil and water conservation districts and we solicit your support in securing additional technical assistance and another watershed planning party for Wisconsin.

Anything you can do to help us will be appreciated.

Very truly yours,

LLOYD H. JOHNSON,
President.

GI BILL NEEDED TO HELP END EDUCATIONAL LAG

Mr. YARBOROUGH. Mr. President, in the entire history of our Nation the most important and far-reaching legislation in the field of Federal aid to education, next to the Land-Grant College Act of 1862, was the World War II GI bill. Educators, legislators, and professional men of both major political parties state almost to a man that the World War II GI bill and the Korean conflict GI bill had an invaluable impact on the lives of millions of Americans and upon the progress and development of our national economy.

The need for a similar education bill to educate and train veterans of the cold war is so overwhelming that it is astonishing to me that we have not already established such a program.

For example, statistics show that the previous GI bills gave this Nation 450,000 engineers, 150,000 physicists, chemists and other scientists, 180,000 doctors, nurses, and medical technicians, and hundreds of thousands of other professionally and technically trained citizens. This Nation sorely needs hundreds of thousands of additional professionally and technically trained people today.

One phase of this need for greater numbers of technically trained Americans was pointed up in an excellent article by Mr. Frank C. Porter, a staff writer for the Washington Post. He reported:

> The Engineers Joint Council estimates that some 264,000 young men and women will graduate from Russian technical institutes this year against 16,000 from equivalent U.S. schools.
>
> This single stark statistic throws into relief America's lagging performance in the scientific race.
>
> Our output of top-level scientists and engineers is bad enough—for every American university graduate in technological fields the Russians graduate three.
>
> But in the category of engineering support personnel, which includes graduates of technical institutes, our showing is even worse. The ratio is better than 15 to 1 in favor of the Soviet.

Mr. President, the cold war veterans GI education bill, S. 349, would be a long step in the right direction for meeting this problem. It offers us the opportunity to reestablish a proven program that would be of vast national interest as well as beneficial to millions of individuals.

I ask unanimous consent to have printed at this point in the RECORD the text of the aforementioned article by Mr. Porter, which appeared in the June 17, 1961, issue of the Washington Post under the heading, "The Gap in Technical Training: 34-Year-Old CREI Seeks to Relieve Shortage."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GAP IN TECHNICAL TRAINING—34-YEAR-OLD CREI SEEKS TO RELIEVE SHORTAGE

(By Frank C. Porter)

The Engineers Joint Council estimates that some 264,000 young men and women will graduate from Russian technical institutes this year against only 16,000 from equivalent United States schools.

This single stark statistic throws into high relief America's lagging performance in the scientific race.

Our output of top-level scientists and engineers is bad enough—for every American university graduate in technological fields the Russians graduate three.

But in the category of engineering support personnel which includes the graduates of technical institutes, our showing is even worse. The ratio is better than 15 to 1 in favor of the Soviet.

Our lack in this second line of scientific personnel means that often an American Ph. D., who might better be engaged in original research, is pressed into a routine ordinarily assigned to a laboratory technician.

The fight against the gap in technical personnel is nowhere more in evidence than at the Capitol Radio Engineering Institute at 3224 16th Street NW., which an officer describes as a "private proprietary profit-seeking, profit-making institute."

There some 700 youths attend classes night and day in an austere, intensive 27-month course on the junior college level which offers them the degree of associate in applied science.

But this is only part of CREI's activities. It has also an enrollment of some 20,000 others in its home study program, and it conducts special, off-campus training programs for some of the Nation's largest corporations and for a variety of Government agencies.

"It's work, work, work, and more work—no frills—no life adjustment classes," says H. E. McCallick, executive vice president and a former University of Houston professor. He explains that the workload is similarly tough for the Institute's 45-man faculty and for a corps of consulting engineers and scientists who write and continually update the schools' texts.

The result, McCallick says, is an extremely flexible curriculum which keeps pace with industrial and Government needs for men with up-to-date knowledge of electronics, microwave communications, computer and missile technology and the like.

Because their training is more au courant, some CREI graduates actually command better starting salaries than university graduates, McCallick adds. Of the most recent class of 55, all of them had from 2 to 9 different job offers from which to pick several months before graduation, he explains.

CREI was founded in 1927 and is still headed by Eugene H. Rietzeke, who entered the Navy in 1917, worked up to chief radioman, and developed the Navy's first advanced radio materiel courses at the Naval Research Laboratory.

He began CREI initially as a home study school, establishing residence courses in 1932. Since then he has founded CREI Atomics, a nuclear division of the school, and has added a European division with offices in London. CREI's own textbooks have circulated throughout the world, been translated into a number of languages, and have even been appropriated, company officers suspect, by the Russians for incorporation in some of their own courses.

Today CREI has developed and runs special courses for the U.S. Information Agency, for NASA's Goddard Space Flight Center, for the ballistic missile early warning system, Pan American World Airways, Martin Co., Melpar, Inc., Douglas Aircraft, RCA, the Navy Hydrographic Office, FAA, and the International Association of Police Chiefs among others.

The ACTING PRESIDENT pro tempore. The time of the Senator from Texas has expired.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. YARBOROUGH. Mr. President, I ask for an additional minute and a half.

The ACTING PRESIDENT pro tempore. Without objection, the Senator may proceed.

Mr. YARBOROUGH. I yield to the Senator from Alaska.

Mr. GRUENING. I commend the senior Senator from Texas for his very constructive sponsorship of the legislation to which he has made reference. I testified in favor of it at the committee hearings. I consider it one of the most beneficial pieces of legislation that Congress will be called to pass upon. I understand there is a possibility that the educational provisions of that bill to supply post-Korean war veterans with the same educational opportunities as were afforded World War II and Korean war veterans may be included in the pending defense education legislation. Wherever it is, I shall be happy to support it. I know of no legislation which would be more desirable not only to those called into the armed services after the Korean war, who have been left out of earlier legislation, but to education in general. I am glad to associate myself with Senator YARBOROUGH in his vigorous campaign to secure the same treatment for these young men taken from private life as was given those earlier called for the military training and whose civilian careers were thereby interrupted and disadvantaged. Moreover, adult education, which they would receive thereby, is more than ever needed in this day of rapidly expanding knowledge. It is not provided in the education bill which the Senate enacted recently, which I was also glad to support.

Mr. YARBOROUGH. I thank the distinguished Senator from Alaska for his support of the proposed legislation. His support of educational programs and of all programs which aid this country in its education and in its economy are well known.

With reference to his comments, on Friday last the Education Subcommittee of the Committee on Labor and Public Welfare took the educational provisions of the cold war GI bill, which are really the heart of the bill and the major portion of the bill, and added them to the provisions of the National Defense Education Act. No provision of any act could be more related to the national defense and to education than the educational provisions of the cold war veterans' bill.

As was so ably pointed out by the distinguished Senator from Alaska, it would not only benefit the veterans, but also all of the people of the United States. The proposed legislation is not offered as a bonus for service, any more than the World War II GI Act and the Korean Conflict Act were bonus acts. They

were introduced as readjustment bills, as is the bill I have introduced. They were readjustment bills, as was stated by their sponsors and as the record was made on them. The purpose of those bills was to enable veterans to readjust themselves to civilian life, and thereby make their full contribution to the social, economic, and governmental life of this country.

That is the spirit in which the educational provisions of the cold war GI bill were added to the National Defense Education Act last Friday. I congratulate the subcommittee on its action, and I hope that their farsighted and patriotic action will be matched by the action of the full Committee on Labor and Public Welfare this week, and later on the floor of the Senate when the bill is taken up by the Senate shortly after July 4.

TIME FOR ACTION ON PADRE ISLAND AND OTHER PROPOSED NATIONAL SEASHORE AREA PROPOSALS; THE NEW LEADER QUOTES SENATOR NEUBERGER

Mr. YARBOROUGH. Mr. President, recently the Senator from Oregon [Mrs. NEUBERGER], made one of the most eloquent pleas in behalf of preserving our seashores that ever has been voiced in this Chamber.

Her remarks inspired Mr. William E. Bohn, distinguished editor of the New Leader, to write a column concerning the proposals to establish national seashore recreation areas on Padre Island, the Oregon Dunes, Cape Cod, and at Point Reyes.

I ask unanimous consent to have printed in the body of the RECORD the aforementioned column by Mr. Bohn, which was entitled "The Restless but Restful Sea."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RESTLESS BUT RESTFUL SEA

(By William E. Bohn)

On April 27, that tireless Senator from Oregon, Mrs. MAURINE NEUBERGER, began a speech in this way: "Ceaseless motion of the sea shapes and molds our Nation's coastline every hour of the day. But the inexorable changes thus wrought pale in significance when compared to another force at work on our vanishing shoreline. I refer, of course, to the pressure of population, the increased industrialization and erosion by commercialization.

"Like King Canute, we cannot slow the tides with wishes, but we can provide legislative safeguards to the outstanding scenic grandeurs of our seacoast. This, of course, is the moving spirit behind the efforts to give national park status to recreation areas at Cape Code in Massachusetts, Padre Island in Texas, Point Reyes in California, and the magnificent sand dunes of Oregon."

Senator NEUBERGER made her eloquent plea largely in order to place in the CONGRESSIONAL RECORD a fine article about the Oregon dunes by Anthony Netboy, who over the years has contributed some excellent pieces on conservation matters to the New Leader. Writing in the Oregon Journal, Netboy provided a sparkling description of the dunes, and with obvious purpose he mentioned the number of the Senator's bill, S. 902.

It is to be hoped that many readers of both the Journal and the New Leader will write to Senator NEUBERGER, or to their Senators and Congressmen, in favor of establishing this new national seashore. For the enemy is always on hand and alert. There are always investors who would rather make a few dollars than see millions of people have a good time or know that one of the most beautiful spots on the continent is preserved and improved for the benefit of coming generations.

This is the time for those who believe in conservation to get busy. We have done wonderfully well in taking over and developing our national parks. No other country in the world except Canada has come near to us in this field. I have just counted 59 national parks and monuments registered and described in a book devoted to this subject. These are possessions of which we have every right to be proud.

But with regard to our seacoasts we have been curiously neglectful. There is the magnificent Cape Hatteras area in North Carolina, the Florida Everglades and the tiny Acadia balanced on the tip of the State of Maine. As far back as the 1870's the conservationists were agitating to save the beauty spots of the West. But for a long time there was little concern about the East and practically none about the beaches.

During the last few years, however, there has been a change. In 1935 the National Park Service made a survey with a view to spotting shores which were suitable for purchase and development. It suggested that 12 major strips with 437 miles of beach be purchased. But it was a long time before anything really happened. In the meantime investment and development went on with horrifying speed. Many of the finest shore spots have gone under the hammer.

At the present time, amidst all the excitement of the 87th Congress, there is more chance of some action about national parks than there has been for a long time. If any of my readers are interested in helping push this good work along, now is the time to do it. There are five projects in particular, which seem to be exciting a lot of interest: Cape Cod; the Indiana Sand Dunes; Padre Island, Tex.; Reyes Point, Calif.; and the Oregon Sand Dunes.

Good old Cape Cod, where the Pilgrims first sighted the American shore, surely deserves to be preserved and improved. The interests of the old towns and of the residents should be carefully guarded by taking over and protecting the whole long and magnificent beach. This is one of the first parts of New England which I learned to love, and I shall not feel that is safe until the proposed law has been passed.

Then there are the great dunes along the southern shore of Lake Michigan. They struck me with wonder when first I saw them as a boy, and many a time since then when I have passed them on my way to Chicago I was curious to know why nothing has ever been done about them. They are surely the most striking and distinctive feature of that entire midland region. But little has been done to make their beauty available to the public. A number of steel companies have already encroached upon them—and others are waiting to pounce.

Padre Island is a beauty spot which I have never seen. Its special champion is Democratic Senator RALPH W. YARBOROUGH, of Texas. When it has been taken over, along with Florida's Everglades, it will be clear that the United States truly extends into the tropics. A trip from Glacier National Park to Padre Island will give our people a lively idea of the spread of this country from north to south, a much-needed lesson in geography. But it is necessary to act quickly: The real estate men are on the move. You can vote with a postcard.

KENAI: ALASKA OLD AND NEW

Mr. GRUENING. Mr. President, I call the attention of the Senate to the "Face of America" section of the Saturday Evening Post of June 24, 1961. In it there is a magnificent photograph of the old village Russian orthodox church in Kenai, Alaska. Today's children are playing around it. To its left, in the background, the snowy 10,000-foot cone of Mount Redoubt, an extinct volcano, soars into the blue vault of heaven. This is the second double-page colored photograph taken in Alaska to appear in this feature of the Post in recent weeks. A few weeks ago a photograph of the Mendenhall Glacier, the most accessible and best-known glacier in Alaska, just 11 miles by highway north of the capital, Juneau, appeared. I am happy to see that such a nationally circulated magazine as the Post has realized what natural and manmade wonders Alaska holds.

Kenai has been a small fishing village about 65 miles south of Anchorage. It shelters, according to recent, and no doubt obsolete, census reports, about 600 folk, not a few of whom are of Russian descent. The hewn log chapel was built in 1846, when Alaska was still a part of Russian America. Its founder was a Russian monk, Egumen Nicolais, the first man to bring Christianity into the area. He came into a region of beautiful scenery, of lofty snow-capped mountains visible to the west across the salt waters of Cook Inlet; of virgin forest and myriad lakes; and to the east, the mighty uplands culminating in the jagged peaks and glaciers of the rugged Kenai Mountains, a southward extension of the coastal Chugach Range—an area abounding with big game—moose, bear, Dall sheep, and mountain goat. Yet this part of Alaska—yes, all of Alaska at the mid-19th century—could then only be classified as an almost untrodden wilderness.

Kenai, today, more than 110 years after the old log-hewn church was built, is still a frontier town, but like much of Alaska, it is on the move. Because of the hard work and raw courage of Alaska's first citizens, pioneers like Egumen Nicolais no less than the homesteaders of today, Alaska's wilderness has begun to be settled. Alaska, long unknown, is emerging as a new and exciting place to live. Its citizens are proud to participate in its growth.

Mr. President, today Kenai and its church are striking examples of the old and the new. Just a few weeks ago I was privileged, in company with Postmaster General Edward Day, to attend the dedication of a fine new post office building there. It was a day of celebration for the people of Kenai, who welcomed us with typically warm Alaskan hospitality. Today, the rough, unpainted old Russian church lies juxtaposed to a shining new sign proclaiming Kenai as "The Oil Capital of Alaska." For around Kenai, in the past 3 years, fabulous new oil strikes, which could make Alaska one of the foremost oil-producing States in the Union, have been made. They have doubled Kenai's population and catapulted the town into statewide prominence.

Today, in the new Kenai, in the new Alaska, this church stands as a memorial to the brave souls who pioneered a remote wilderness. The wilderness in all its beauty, abundance, and mystery is, happily, still there, a priceless legacy, which must be preserved at all cost. But the sign represents the new Alaska, developing an economy which will make possible a good livelihood for its pioneers of yesterday, today, and tomorrow, as well as for those other Americans in the older, long-settled, more crowded parts of our Union, who, with the love of adventure in their hearts, wish to join their fellow citizens on "the last frontier."

ADDRESSES BY ASSISTANT SECRETARY OF THE INTERIOR CARVER AT THE INAUGURATION OF THE GOVERNORS OF GUAM AND SAMOA

Mr. GRUENING. Mr. President, recently I served as a member of a special subcommittee of the Committee on Interior and Insular Affairs which visited both American Samoa and the territory of Guam, and various other places in the American Trust Territories of the Pacific, to consider governmental problems in those far-western Pacific areas.

The people living on our Pacific front represent—or at least should represent—a living example of this Nation's progress and purpose for all the peoples of the world—particularly in nearby Asia—to observe.

While we have done some things in all of these areas of which the United States can be proud, there is much, much more to be done.

I commend to the attention of the Senate the remarks which were made last month by the Honorable John A. Carver, Jr., the very able Assistant Secretary of the Interior, at Agana, Guam and Pago Pago, American Samoa, at the inaugurations of the new Governors of those American territories. I ask unanimous consent that Mr. Carver's remarks be printed at this point in the RECORD.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

REMARKS BY ASSISTANT SECRETARY OF THE INTERIOR JOHN A. CARVER, JR., AT AGANA, GUAM, MAY 20, 1961, AT THE INAUGURATION OF HON. WILLIAM P. DANIEL AS GOVERNOR OF GUAM

I am honored by your invitation to participate in this ceremony. It is clear that Governor Daniel and his handsome family have been taken to your hearts, and I'm happy to have a part in such a festive occasion. Governor Daniel's abilities promise a most successful administration. The Guam government, under his leadership, I know will achieve greater prosperity and development of this beautiful island and its people. I'd like at this time to read publicly Secretary Udall's greeting to him.

My remarks today will be brief and directed to what I consider the essence of Guam's present situation—namely, your hopes and aspirations for the future and the attitude of the rest of the United States toward them. This requires that we consider soberly and fundamentally what Guam means in the world situation.

In this age of mass media, suggestion and symbolism shortcut and short circuit the communication of ideas. The slogan and the symbol are the thing. We accept that "Luckies taste better" without inquiring "Better than what?" The world lives and acts on the basis of symbols and the feelings they generate among the people of our globe. To us of the West, Hungary and Korea conjure up definite reactions as to the methods and morals of the Sino-Soviet bloc. Undoubtedly, Berlin constitutes for them an irritating symbol of our resistance to their goals, just as sputnik and Gargarin depict their scientific accomplishments.

In this world of mental pictures and resulting stimuli, Guam, too, is a symbol. Just so are the Virgin Islands and American Samoa symbols. Therein lies a heavy responsibility for you of Guam.

Guam's progress for an outpost of European colonialism to the threshold of complete self-government to us is a symbol of our national maturity. We know that the United States has never been a colonial power, even though it has not always done the best possible job. Our performance in this area of the world—Guam and the trust territory, for which you serve as headquarters—now endure the security of the whole world—the free, the uncommitted and the enslaved. The Government of the United States cannot be a neutral in the drama of advancement in this area. We will be judged according to success or failure in achieving the self-sufficiency so essential to true freedom.

You will remember that the inauguration of President Kennedy marked an innovation among such ceremonies by having the arts represented in the person of our recognized but uncrowned poet laureate, Robert Frost. That truly great and always amazing octogenarian had composed a dedicatory poem for the occasion which, because of sun glare and breeze, he was unable to read in its entirety. I consider it a great pity that the world could not have heard that poem from the author's lips. His great wisdom and gentle wit touched penetratingly upon practically every major development in our national history.

Of our self-conscious and uncertain approach to territorial matters, Mr. Frost had this to say:

"We see how seriously the races swarm
In their attempts at sovereignty and form
They are our wards we think to some extent
For the time being and with their consent
To teach them how Democracy is meant."

But then he goes on to emphasize that it was our example that led to much of the worldwide demand for freedom, and the resulting din of change that disturbs the present world:

"New order of the ages, did they say?
If it looks none too orderly today,
'Tis a confusion it was ours to start
So in it have to take courageous part."

And so it is. The declaration of human rights and dignity which keynoted our own rebellion against 18th century colonial policies has become our most favorable export item. Jefferson is a hero to the Egyptian, the Congolese, the Indonesian, and the Pakistani alike. Can he be any less for the Guamanian, the Marshallese, or the Samoan?

We have been the exponents of freedom—the authors of its modern doctrine. There is a vast difference between 1776 and 1961, however: what had to come from rebellion in arms against George III will never require that sacrifice in alien lands where we have been sovereign. We do take "courageous part" in the confused world of today. We recognize and discharge the obligation for positive action to prepare our fellow citizens and dependent peoples for their rightful place in whatever governmental structure we mutually devise. The process is a truly mutual one.

You earned citizenship in the cauldron of war, and I know you willingly assume a frontline role equivalent to your wartime experience in resisting the effort to depict the United States as a colonialist power.

Your Governor was appointed by the President of the United States and confirmed by the U.S. Senate. Just as he is not a subordinate official in the Department of the Interior, so also the government and the people of Guam do not have a passive or subordinate position in this affirmative effort.

I pledge to you that as the position of Guam in the U.S. system is discussed in symbolic terms in the United Nations, you will be consulted and kept informed to the full extent that the Department of the Interior can arrange for it. It may well be that in this process of consultation you will be able to make a significant, even decisive contribution to preserve the anticolonialist reputation of the United States.

As communications and travel improve, you have moved close to the geographic center of American democracy, just as your Organic Act brought you closer to our ideological bosom. The poet has said, "America is promises." Its promises have been fulfilled at an ever-accelerating pace—not only for mainlanders, but for the Philippines and Hawaii and Alaska and Puerto Rico and the Virgin Islands and Guam and, most recently Samoa. Each, to the extent of its capacity and in accordance with its preferences, has achieved or moved toward the promise of self-government. That promise is still open. There are no arbitrary limits on your choices for the political future.

Guam is the symbol of our future in the world community. Our reputation and esteem among the underdeveloped, uncommitted and inexperienced nations will depend upon the portrait painted here of the opportunities available under the American system. The portrait will depend upon the understanding and assistance we extend in your efforts to build an economy, a society and a political structure which will permit a truly free choice among the alternatives which our flexible system offers.

Guam is the symbol of the hopes of all of the Micronesian peoples. What we do here will signify to them what they may become as their institutions develop. While our relationships are different and must continue so under the terms of the United Nations trusteeship arrangement, there is one area where the situation is exactly the same. That is the freedom on the part of the people to determine the course and direction of their own political future. Our system has accommodated and assisted independence in the Philippines, commonwealth status in Puerto Rico, statehood in Hawaii and Alaska. There is no indication that we have reached the end of our resourcefulness. Whatever your ultimate goals, we will work with you to achieve them—we will never knowingly create obstructions of those aspirations.

Obviously these are not decisions we can make today or even next year—each of the alternatives I have mentioned has practical prerequisites which must be met—but as experience has demonstrated in other areas, they are well within your reach if you would really have them.

The task right now is to get on with the work at hand. Many lessons are yet to be learned within the framework of territorial experience. You greet today an appointive Governor. No matter how capable, sympathetic or helpful he may prove, he is not your elected choice. You have no voice in the passage of national legislation affecting your land and its people. Some of you at least do not regard the Organic Act as the perfect charter for current operation even under your present territorial status. Let us not be timid about securing changes whenever the majority is agreed that change is needed.

These are challenges that we can meet right now. Let us use Guam as the laboratory in which we can develop the instruments of a democratic government constructed to promote the society you want to create, or to preserve, in Guam. In so doing you serve not only your own interests but by your example those of the other Pacific islands. Your success will demonstrate to the world that free institutions serve the ultimate goals of freemen.

I place upon you, therefore, a heavy burden in the struggle of the free world for the survival of those institutions which permit me to speak with you today—not as a superior authority, but as a partner in the process of advancing our mutual interests.

REMARKS BY ASSISTANT SECRETARY OF THE INTERIOR JOHN A. CARVER, JR., AT PAGO PAGO, AMERICAN SAMOA, MAY 27, 1961, AT THE INAUGURATION OF HON. H. REX LEE AS GOVERNOR OF AMERICAN SAMOA

Governor Lee, Governor Coleman, President of the Senate Sotoa, Speaker of the House Tuia, territorial leaders, servants of God, honored guests, fellow Americans, it is a matter of great personal satisfaction to me to have a part in the inauguration of Governor Lee. I know that he will be a great Governor—he is a man of outstanding ability, skilled in the arts of government, and sensitive to human values. He understands and truly believes in democracy, and under his leadership I know that the Samoan government will achieve a new prosperity and development of these beautiful islands and their people.

There is much talk in the world today about self-determination. Much of that talk is a blatantly cynical cover for the cultivation of confusion out of which the imperialism of the 20th century is built.

The attempt is being made to make the people of American Samoa a pawn in this imperialist game. Your neighbors of Western Samoa will celebrate their independence in a few months; the eyes of the world, drawn to this event, will fall upon American Samoa.

We know that the United States has never been a colonial power. Yet our position with regard to the so-called dependent areas—the Virgin Islands, Guam, and American Samoa, and the Trust Territory of the Pacific Islands—is under a constant and often unfriendly scrutiny. The free, the uncommitted, and the enslaved watch us.

What we do speaks more loudly than what we say. What we have done is impressive—we have fulfilled our promises at an ever accelerating pace. The hallmark of our policy is freedom on the part of the people to determine the course and direction of their own political future. Our system has accommodated and assisted independence in the Philippines and Cuba, commonwealth status in Puerto Rico, statehood in Hawaii and Alaska. Guam and the Virgin Islands have organic acts and the people there have full citizenship.

But what we have not done speaks loudly, too. Let us start with American Samoa. Thirty years ago a congressionally created commission made a survey in Samoa. Its chairman, the distinguished Senator from Connecticut, Hon. Hiram Bingham is still remembered here, and all of us are pleased and proud that Senator Bingham's son, Hon. Jonathan Bingham, the U.S. representative to the Trusteeship Council of the United Nations, is a member of the official group attending this inauguration.

In the report of the Bingham Commission to the Congress, it was concluded "that the time has come to do away with administration by rules, regulations and orders and to begin that by law under an act of Congress in which the functions of the Governor shall be confined to the executive, the courts presided over by a chief justice independent of the Governor, and the legislative authority vested in an assembly of the people."

It was also concluded "that the Samoans are capable of accepting and should receive full American citizenship."

Taking that 1931 report as a yardstick against which to measure progress in the intervening years, the comparison is not heartening. It is true that your legislature now has full legislative powers under a constitution of your own devising, but this has just happened. Under the Department of the Interior, some of the arbitrary trappings of a military government, however beneficent, have been softened. Judicial power is no longer in the executive.

But from a material standpoint, there has not been any striking gain. The withdrawal of the Navy's operating establishment here deprived Samoa of a payroll and a cash economy which has never been fully replaced. Even your cannery does not rely upon Samoans for its supply of fish. Your young people are found in Honolulu, San Diego, and San Francisco—the skills which they acquire with distinction and honor to Samoa at the institutions of higher learning in Hawaii and on the mainland are usefully employed—but not in American Samoa.

Is it possible that the younger Bingham must be less sanguine about the future of Samoa than his father was?

But the picture is not all dark. There is an ingredient which to me seems worthy of a great deal more attention than it has had. I forecast an important role for Samoa in resisting the blandishments of those who would equate your situation with that of the emerging nations of Africa—they are Pied Pipers whose interest in your welfare is selfish.

American Samoa has never been conquered or occupied by a foreign power. Samoa became a part of the American system through wholly voluntary acts of cession. The agreement to cede was absolute, and without reserve, and the islands of eastern Samoa, possessing full sovereignty, gave it up to the United States of America.

Only Texas and Hawaii, of all the areas under the flag, are in the select company of former sovereign nations. And both Texas and Hawaii used their sovereignty to dicker—to ask for and to get concessions and commitments. Only Samoa demonstrated unequivocal confidence in the American system.

Herein is a source of great strength and great responsibility for the United States and for American Samoa.

Such a demonstration of confidence deserves that succeeding generations, both American and Samoan, work out the permanent form of democratic society on the same high moral plane of trust, good will and mutual respect.

But this cannot be done by fiat from either Washington or Pago Pago. If we are to be true to this great and unique tradition, we must provide the leadership, the assistance, the education so that the solution arises out of the Samoan people to and through their leaders designated in the best democratic process.

Two peoples can join in harmonious and mutually profitable political association only when each makes its own distinctive contributions to the united effort. When this ceases to be the case, then we see moves of separatism—and the union is dissolved. We mainlander and Samoan, have a great opportunity to keep our associations vibrant and strong because our widely different cultures offer so many opportunities for each to enrich and reinforce the other.

On our part, the vast technological and educational resources of the United States can be drawn upon for the benefit of your people. Our experience in democratic living and political organization is available to guide you in the evolution of whatever kind of government ultimately may be found best adapted to your needs and aspirations. To the extent which is customary in our system of national-local relations, the financial resources of the United States have and will be utilized to afford greater equality of opportunity for your people. Finally, I would count our complete and unlimited good will as our ultimate contribution to your future development.

On the other side of this enduring partnership, you have already demonstrated that most precious of all qualities in human and social relationships—an unswerving loyalty to our joint cause, even under adverse conditions. This the people of mainland America will always cherish and savor.

On a less tangible front, you have been and must continue to be our mentor in the ways of other cultures. Your history, your way of life, is exotic by the standards of our customary contacts. As an integral part of the American system and structure, you provide both a leavening influence within our society and a bridge to better understanding of the peoples to the west. Your cultural personality stimulates us to a new appreciation of values which our technological and economic pace might otherwise reduce to the mundane. Your art, music, and handicraft need to be better known as a new and vital part of American life.

But, above all, you contribute the unique moral base for self-government arising from your special history.

The task now is to get on with the work at hand. I know we can count on the Samoans to make the pride they feel in that history—former independent sovereignty and voluntary associations with the United States—a mighty bulwark and weapon in the struggle to preserve and defend the anti-colonialist reputation of the United States.

On behalf of Secretary Stewart Udall, the administration of President Kennedy, and the Department of the Interior, I promise that you will be consulted and kept informed on matters affecting your future; I promise harmonious and constructive working relationships with your new Governor. Together, the Samoan people, the Samoan government, the administration in Washington will demonstrate to the world that free institutions serve the ultimate goals of freemen.

TRIBUTE TO THE LATE GEORGE H. BENDER

Mrs. SMITH of Maine. Mr. President, there were many issues on which the late Senator George Bender and I did not agree. But one could not deny the vigor and the tenacity with which he pursued his course and the verve of his extremely active career. He will not soon be forgotten.

TAX-FREE, HIGH-COST NAVAL SHIPYARD COMPETITION WITH TAXPAYING, LOW-COST PRIVATE SHIPYARDS

Mr. BUTLER. Mr. President, Senator BUSH, Senator CANNON, and I have proposed Senate bill 721 which is intended to stretch the defense dollar where conversions, alterations, and repairs to naval vessels are concerned. More than 80 percent of this work is now arbitrarily allocated to tax-free, high-cost naval shipyards. Less than 20 percent is awarded to taxpaying, low-cost, private shipyards on a competitive basis. S. 721, if enacted, would bring about a more realistic and more equitable distribution

of Navy ship repairs, conversions, and alterations between naval and private shipyards.

Companion bills have been introduced by Members of the House of Representatives, and thus sponsorship is available from other sections of the country except the Pacific coast. I am unable to explain this situation. Nevertheless, a number of editorials and resolutions from west coast newspapers and organizations endorsing the purposes of these bills have just come to my attention. Obviously, some measure of public support for a correction of the Navy's present practices affecting repairs, alterations, and conversions to naval vessels also exists on the Pacific coast, and, Mr. President, I therefore ask unanimous consent that these editorials and resolutions be printed in the body of the RECORD at this point.

There being no objection, the editorials and resolutions were ordered to be printed in the RECORD, as follows:

[From the San Francisco Examiner, Apr. 15, 1961]

NAVY SHOULDN'T HOG REPAIRS

The complaint by the Western Shipbuilding Association that private shipyards are getting a disproportionately small share of Navy ship repair work is entitled to investigation.

The point raised that the Navy spends 50 percent more money for repair work in its own yards than the sums allotted for identical jobs performed by private industries is impressive.

The private yards are not alone in worrying about the fact, as the association asserts, that five Pacific coast shipyards and ship repair companies have been forced out of business since 1957. To what extent inequitable Navy yard competition contributes to this situation should be determined.

But it has an important bearing on this matter that the Federal Government also has major investments in Navy shipbuilding and repair installations, of which the tremendous Hunters Point Yard in San Francisco is a prime example.

An integral and indispensable part of the national defense system, Hunters Point and comparable Navy facilities contribute basically to security and a prosperous economy.

[From the San Francisco Chronicle, Apr. 12, 1961]

NAVY'S SHIP REPAIRS

A pointed attack on the Navy for its failure to give a bigger share of ship repair work to private yards has been launched by the Western Shipbuilding Association, a San Francisco-based organization of 150 firms and labor unions in the Pacific coast maritime industry.

It is WSA's contention that the U.S. Navy Bureau of Ships annually places $500 million worth of repair work in Navy yards against only about $100 million worth in private yards—this in the face of White House and Defense Department directives to eliminate Navy business activities where practical.

The most weighty of the private shipbuilders' complaints is the charge that the Navy must spend a dollar and a half to get the same job done in one of its yards as would cost a dollar in a private yard. If this can be established by congressional inquiry it should clinch the argument for steering more repair work into private yards. No doubt the Navy needs a corps of ship repairmen at the base for quick expansion of operations in an emergency, but this need does not warrant the Navy's having 10 employees at work in its Pacific coast yards to every 4 in private yards.

The record shows that five coast ship repair yards have folded in 4 years, the latest having been Moore Dry Dock Co., of Oakland. Thus the Bureau of Ships' policy is driving private yards out of business. This calls urgently for a review of Navy policies.

[From the Marine Digest, Apr. 15, 1961]

MORE NAVY WORK IN PRIVATE YARDS

The Western Shipbuilding Association makes six conclusions in a major research project made public this week.

1. The Government should not compete with private industry.

2. Navy shipyards should be confined to work which private yards are unable to perform.

3. The Government does not compete with any other industry to the extent that Navy shipyards compete with private yards.

4. The Bureau of Ships current policy is not in the best interests of the taxpayer.

5. The Bureau of Ships current policy is not in the best interests of the Navy as the Navy is not getting the most "mileage" out of its appropriated dollars.

6. A dollar and a half is spent for Navy ship repairs in Bureau of Ships yards for every dollar spent in private shipyards for identical ship repair work.

WSA is supporting a bill now before the U.S. Senate (S. 721) which would require that 75 percent of all naval ship repair work be done in private yards. Five major Pacific coast shipyards have closed down since 1957 for lack of work. The award of more Navy repair work to private yards will be a substantial factor in preventing any more closures.

[From the Oregonian, Apr. 23, 1961]

SHIP REPAIR MUDDLE

Oregon, which receives a microscopic part of the American defense dollar, should support wholeheartedly the campaign by the Western Shipbuilding Association to divert 75 percent of Navy ship repair work to private yards.

Ship repair and conversion fluctuate considerably in this State. We have the facilities and the skilled labor but too often both are idle. If the Navy's Bureau of Ships followed instructions from Federal civilian authorities and used private yards instead of Navy yards for repair work wherever possible this important industry would become much more stable. It would then be ready, at a time of emergency, to expand quickly and help provide, as it did in World War II, the "bridge of ships" vital to national survival.

Instead, the Navy in 1959 gave $500 million in ship repair orders to its own yards and only $100 million to private yards in all parts of the United States. Over a 7-year period the ratio was more than 4 to 1 in favor of Navy yards.

Not only is this unfair competition by the Government against private enterprise, but it costs the taxpayers millions of dollars every year. In new ship construction, the Navy prefers private yards by more than 3 to 1 over Navy yards. A sound reason for this is that it gets half again as much tonnage from private firms for the same amount of money. The shipbuilders argue with logic that this would be as true of repairs and conversions as of new construction.

Rear Adm. Albert G. Mumma said in 1956 before a subcommittee of the House Merchant Marine and Fisheries Committee: "A vastly increased need for shipyard skills and facilities is expected during any future defense emergency. To meet this need, a shipbuilding and repair potential capable of rapid expansion must be maintained in peacetime."

Yet, instead of nourishing this vital defense line, the Navy has starved it to the extent that five west coast shipyards and repair yards have been forced to close for lack of business since 1957. This is poor policy and should be reversed. If the Navy does not do so under directives already issued, Congress should require it by passing a bill under consideration in the Senate which would accomplish that purpose.

[From the San Leandro (Calif.) News, Apr. 20, 1961]

NAVY SHIP REPAIR REFORM NEEDED

The Western Shipbuilding Association, a Pacific coastwide organization composed of some 150 shipyards, ship repair firms and allied businesses, published a research report this week that can be of major benefit to the entire Pacific coast area as well as the country, if it receives the proper public support.

Heart of the report is that a policy change by the U.S. Navy Bureau of Ships will not only prevent the closing of more private shipyards on the Pacific coast but will actually foster employment throughout the country—"employ 10 more men for every expenditure of large amounts of public moneys."

The report proves the point that the present policy of the Bureau of Ships is resulting in the waste of public funds. It does that by citing testimony of the Bureau before a congressional committee to the effect that "$30 million could be saved by building a large aircraft carrier in a private yard instead of in a Navy yard."

It underscores the point by citing figures to show that whereas the Government-owned shipyards throughout the country employ 10 men for every 4 employed in private shipyards, the Government insisted last year on spending $500 million for Navy ship repairs in Government yards as against only one-fifth that amount for repairs in private yards.

But what really brings the matter completely home, especially to people in the bay area, is the fact that among the five shipyards and ship repair firms that have been compelled to close their doors since 1957—largely because of the Bureau of Ships policy—are two in Oakland. They are the Moore Dry Dock Co. and Wagner-Niehaus, both within the past year.

Such closings obviously have a deleterious effect on all business and industry in the area. In one way or another they adversely affect everyone.

Accordingly, the Morning News urges the support and passage of U.S. Senate bill No. 721, which would require that henceforth 75 percent of all naval ship repair work be done in private yards.

Its passage, though it needs to be followed by more legislation regarding the construction of new ships, would be a major step in the right direction.

[From the Bakersfield (Calif.) Californian, Apr. 18, 1961]

SHIPYARD WORK CITED AS JOB FACTOR

Although early in the past decade, there was a general assertion that steps would be taken to "get the Government out of business enterprises," a recent report compiled by the Western Shipbuilding Association reveals that actually little or nothing was done in this direction during that period insofar as the western shipyard work is concerned.

The survey compiled as a major research work by the association reveals that the policy adhered to by the U.S. Navy Bureau of Ships and uncontradicted by the Department of Defense under three Secretaries resulted in annual expenditures of more than $500 million for Navy ship repairs in Government-owned shipyards on the west coast, as compared with only $100 million spent in private yards annually.

The report also cited testimony given by U.S. Navy Bureau of Ships personnel that $30 million would have been saved by building a large aircraft carrier in a private shipyard instead of in a Navy shipyard. The report asserts: "These two conflicting policies do not add up. If it is cheaper to build new Navy ships in private yards, it is cheaper to repair in private yards. To stretch the defense dollar, the Bureau of Ships should have the same policy on repair as on new building."

Association researchers found that Government-owned shipyards on both sides of the continent employ 10 men for every 4 employed in private yards. The result of the policy of sending ships into Government yards has resulted in the closing down of five shipyard and ship repair companies on the Pacific coast since 1957. Latest of the yards to fold up was the 63-year-old Moore Dry Dock Co., of Oakland, known throughout the world for its excellent record in two World Wars. Other yards closed at Seattle, San Pedro and Oakland. The loss in payroll, taxes and other economic benefits to the Pacific coast was extensive.

The effect of the loss has not been confined to the coastal areas, but like all other business declines, has swept its influence to inland areas. It has also had a damaging effect on the country's merchant marine, one of the most important activities in the Nation's economic and military strength.

[From the Alameda (Calif.) Times-Star, Apr. 14, 1961]

NAVY SHIP REPAIR REFORM NEEDED

The Western Shipbuilding Association, a Pacific coastwide organization composed of some 150 shipyards, ship repair firms, and allied businesses, published a research report this week that can be of major benefit to the entire Pacific coast area, as well as the country, if it receives the proper public support.

Heart of the report is that a policy change by the U.S. Navy Bureau of Ships will not only prevent the closing of more private shipyards on the Pacific coast but will actually foster employment throughout the country.

The report proves the point that the present policy of the Bureau of Ships is resulting in the waste of public funds. It does that by citing testimony of the Bureau before a congressional committee to the effect that "$30 million could be saved by building a large aircraft carrier in a private yard instead of in a Navy yard."

It underscores the point by citing figures to show that whereas the Government-owned shipyards throughout the country "employ 10 men for every 4 employed in private shipyards," the Government insisted last year on spending $500 million for Navy ship repairs in Government yards as against only one-fifth that amount for repairs in private yards.

But what really brings the matter completely home, especially to people in the bay area, is the fact that among the five shipyards and ship repair firms that have been compelled to close their doors since 1957—largely because of the Bureau of Ships' policy—two are in Oakland. They are the Moore Dry Dock Co. and Wagner-Niehaus, both within the past year.

Such closings obviously have a deleterious effect on all business and industry in the area. In one way or another they adversely affect everyone.

Accordingly, the Times-Star urges the support and passage of U.S. Senate bill No. 721, which would require that henceforth 75 percent of all naval ship repair work be done in private yards.

Its passage, though it needs to be followed by more legislation regarding the construction of new ships, would be a major step in the right direction.

RESOLUTION RELATING TO GOVERNMENT COMPETITION WITH PRIVATE INDUSTRY BY SAN FRANCISCO CHAMBER OF COMMERCE

Whereas the Federal Bureau of the Budget, by Bulletin No. 60–2, dated September 21, 1959, established the general policy of the administration that "the Federal Government will not start or carry on any commercial-industrial activity—if such product or service can be procured from private enterprise through ordinary business channels"; and

Whereas said policy has been reaffirmed by public testimony of the Secretary of Defense of the present administration; and

Whereas the Western Shipbuilding Association and the Atlantic & Gulf Coasts Drydock Association have published well documented studies, showing that the Department of the Navy, during the years 1953–59, inclusive, has allocated over 80 percent (average) of the dollar volume of repair and conversion work on naval craft to naval shipyards, while private shipyards were suffering from lack of work; and

Whereas a recent statement by the General Accounting Office indicates that such division of work on naval vessels was continued into 1960 by the Department of the Navy, which is contrary to the expressed policy of the executive branch of the Government: Now, therefore, be it

Resolved, That the San Francisco Chamber of Commerce urges generally that all Government agencies be guided by the policy established in Bulletin 60–2, and specifically, that the Department of the Navy, in the allocation of repair and conversion work on naval vessels, be urged to use private shipyards for a majority of such work, since there is strong evidence that such private yards can perform such work in less time and at lower cost than the naval shipyards; and be it further

Resolved, That the appropriate committees of the Congress of the United States should promptly hold hearings and conduct suitable inquiries into this whole subject.

MAY 11, 1961.

To: The Board of Directors of the Portland Chamber of Commerce.

From: The industries committee.

Subject: Ship repairs to Navy vessels—S. 721.

The industries committee recommends the Portland Chamber of Commerce adopt the following resolution:

"Whereas the Government of the United States of America was founded on the principles of free enterprise and democracy; and

"Whereas the great growth and progress of these United States has been a direct result of the free enterprise system; and

"Whereas Government should not compete with private enterprise where private enterprise can better perform services efficiently and economically; and

"Whereas Government has, through its policies and practices, deprived private enterprise the opportunity of doing substantial Navy ship repair and construction activity by allocating $500 million in Navy ship repair work to Government shipyards in 1959 as compared to just over $100 million allocated to private yards in the same period; and

"Whereas from the period 1953 to 1959 inclusive, private shipyards turned out Navy vessels at $9,543 per ton; during the same period the Navy yard costs per ton were $14,380; and

"Whereas if private enterprise were to perform the bulk of the repair requirements of the Navy, the people of the United States would benefit through lower costs of construction and also through additional tax dollars paid by private firms as opposed to Government operations which do not pay local or Federal taxes: Now, therefore, be it

"Resolved, That the Portland Chamber of Commerce oppose continuation of the policy of the Navy to concentrate their preponderant portion of naval ship repair in Government yards, and further that the Congress be petitioned to direct that naval ship repair work be liberally allocated to private yards in the United States toward the end that they may assume their proper role in the economic system and become functioning auxiliary facilities immediately available to the Navy in event of national crisis; and be it further

"Resolved, That copies of this resolution be forwarded to the Department of the Navy and to western congressional representatives with the request that due attention be immediately given to this vital facet of America's mobilization potentials."

RESOLUTION 6108

(By Alameda Chamber of Commerce, Alameda, Calif.)

Whereas it is an accepted principle of a free democratic society that governmental functions be limited to those required to be performed by Government and not be extended to those functions that can be provided by private initiative; and

Whereas the Congress of the United States, by various acts, has proposed to limit the tendencies of Government to grow larger by engaging in commercial functions obtainable through private business; and

Whereas administrations of the Federal Government, both Democratic and Republican, have directed governmental agencies to refrain from engaging in commercial activities and in competition with private industry; and

Whereas recognition for the need of Government to stay out of private business, if the product or service can be procured through ordinary business channels, has been given by the executive branch of the Department of Defense, the Hoover Commission and the Bureau of the Budget; and

Whereas the Bureau of Ships despite directives to reduce its industrial activity gave $500 million in repair work to Government shipyards in 1959 as compared to just over $100 million to private yards, with a 7-year average from 1953 through 1959 of over 4 to 1 in favor of Government yards; for every 10 Navy employees private shipyards employed only 4 in 1959; and

Whereas from the period 1953 to 1959 exclusively private shipyards turned out Navy vessels at $9,543 per ton; during the same period the Navy yard costs per ton were $14,380; and

Whereas there are presently some 33,000 persons employed in Navy shipyards on the Pacific coast for the most part engaged in ship repair work private yards are fully capable of performing—as against only 14,000 employed in private yards in the same area: Now, therefore, be it

Resolved, That the Alameda Chamber of Commerce hereby adopts a policy in keeping with the Congress, the Bureau of the Budget, Secretary of Defense, and the Hoover Commission, and urges that all repair work on vessels of the U.S. Navy be performed in private shipyards whenever said work does not extend to repair or conversion work which for reasons of national security, or unavailability of service from private shipyards, must be performed in a Navy shipyard; and be it further

Resolved, That copies of this resolution be forwarded to the appropriate governmental agencies, ship repair firms, and congressional representatives in order that due attention and consideration be immediately given to this vital part of our mobilization potential.

RESOLUTION BY CITY OF LOS ANGELES

Whereas the American people believe that their Government should limit its activities to governmental functions and not engage in commercial or professional activities in

competition with private enterprise, except when private enterprise cannot supply a particular service or commodity which the public welfare demands; and

Whereas Democratic and Republican administrations have ordered Government bureaus to refrain from direct competition with private enterprise; and

Whereas the Government does not compete with any other industry to the extent that Navy shipyards compete with private shipyards; and

Whereas the Bureau of Ships repairs, in its own yards, five times as many ships as it has repaired in private yards; and

Whereas this same Bureau of Ships builds three times as many ships in private yards as Navy yards; and

Whereas it is cheaper to build and repair ships in private yards; and

Whereas many private shipyards are forced out of business because the Navy denies them their proper share of repair work; and

Whereas the private ship repair industry is essential in maintaining our mobilization potential: Now, therefore, be it

Resolved, that the Council of the City of Los Angeles endorses the Western Shipbuilding Association's program supporting the enactment of Federal legislation which would require 75 percent of all Navy repair work to be performed in private shipyards, thus saving taxpayers millions of dollars while insuring them of a greater degree of national security.

RESOLUTION BY SAN PEDRO CHAMBER OF COMMERCE

Resolved, That the San Pedro Chamber of Commerce does hereby urge the Armed Services Committees of the U.S. Senate and the House of Representatives to hold hearings promptly on S. 721, or other appropriate legislation, so as to accomplish a review of the policy of the Navy Bureau of Ships, as a result of which policy Government-owned and operated shipyards in the last full year recorded, enjoyed $500 million in Navy ship repairs as against only $100 million allocated to private yards; and

Resolved further, That the Bureau of Ships is urged most strongly to allocate to private shipyards all possible naval vessel repair, alteration and conversion work consistent with its defense mission, so as to prevent the closing of more private shipyard facilities, five of which went out of business on the Pacific coast in the past 4 years, and all of which could have survived had they been allocated a reasonable amount of additional Navy work.

PUBLIC HEALTH SERVICE AWARD TO MOORE-McCORMACK LINES, INC.

Mr. BUTLER. Mr. President, it is noteworthy when an American shipping company achieves such excellence of performance as to warrant awards by the U.S. Government. Such a development has just taken place for the Moore-McCormack Lines, Inc., which has been cited by the Public Health Service for maintaining excellent sanitation standards aboard the company's ships during 1960.

The citation was presented by Dr. John D. Porterfield, Deputy Surgeon General of the Public Health Service to Mr. William T. Moore, President of Moore-McCormack Lines, at a ceremony aboard the company's vessel, the steamship *Brasil*, on Monday, June 12, at 12:00 noon.

The special citation was awarded because each of the company's 45 vessels achieved a rating of 95 or better on an official Public Health Service inspection involving 166 separate items of sanitary construction, maintenance, and operation.

Moore-McCormack operates the new luxury liners *Brasil* and *Argentina* between the east coast of the United States, and the east coast of South America; between New York and northern Europe; on "sea safaris" to South America, Africa, and the Mediterranean; and on special cruises from the U.S. east coast. Moore-McCormack's fast cargo-passenger ships ply in those same trade route areas plus service from the U.S. west coast to the Caribbean and the South American east coast.

NEED FOR A NATIONAL FUELS AND ENERGY RESOURCES STUDY

Mr. BYRD of West Virginia. Mr. President, several days ago I appeared before the Senate Interior and Insular Affairs Committee to ask favorable action on Senate Resolution 105, of which I am a cosponsor, in support of a national fuels and energy resources study.

The report of the hearing will be replete with information and statistics substantiating the need for an energy study; meanwhile I should like to call particular attention to a phase of the testimony which merits the immediate attention of Members of Congress. It is of vital importance to the security of the United States and of the free world in general.

I refer to a warning issued by Secretary of the Interior Stewart L. Udall and reiterated by Stephen F. Dunn, president of the National Coal Association. Their emphatic insistence that everything possible be done to avoid development of a dangerous energy gap cannot be deferred to the future-action file. It is incumbent upon Congress to look into this matter without delay. Procrastination could be fatal. If my colleagues will recall, an energy gap did in fact develop during the first year of World War II. It did not materially affect the war effort, but only because our coal industry was able to accelerate production rapidly to meet war demands on relatively short notice.

Look back, if you will to 1938, the year before Hitler declared war on Poland. America's bituminous coal production was then running only 348 million tons per annum. As this Nation's involvement in hostilities became more evident, the mobilization program boosted coal demands upward and production went over the 500-million-ton mark in 1941, when we became an active participant. Otherwise, the coal industry could not logically have been expected to meet the sudden new demands resulting from the shortage of oil that developed in New England, when enemy submarines began to infest coastal waters along the eastern seaboard.

One important factor in the coal industry's ability to meet war conditions was the availability of rich reserves near the surface of mining regions in Pennsylvania and West Virginia. By removing relatively small amounts of overburden, mine operators were able to extract large volumes of coal on short notice. Meanwhile, with coal production rising between 1939 and 1942, railroads had an opportunity to place more hoppers and gondolas into operation.

As enemy underwater craft knocked out tankers from the gulf coast bound for New York and New England, a definite energy gap became apparent in those areas. War production plants, hospitals, schools, and commercial buildings were forced to close until coal could come to the rescue. The experience should at least alert America to the need for better planning of fuel supplies, particularly in periods of severe world tension. Our present situation is more precarious than in pre-World War II because a much larger ratio of energy is coming from foreign sources. In another emergency it would be folly to expect continuation of tanker traffic to our ports from the Middle East and South America. Secretary Udall has wisely warned that the country must make certain that we will never be faced with an energy gap.

Stephen F. Dunn attended a meeting of coal-producing nations of the free world in Geneva earlier this year. He reported that there is general concern among our allies with regard to the developing fuels pattern, especially since Russia has entered the oil export market on a wide scale. The Soviet Union is resorting to every possible device to force Red oil into non-Communist nations. The danger is obvious. If our allies are so credulous as to permit themselves to become dependent upon a source of energy that can become controlled by the conspirators in the Kremlin, what would happen in the event of a world outbreak? The matter requires the urgent attention of both Congress and the executive department.

Meanwhile there is no justification for the failure of this country to meet the issue head on. We cannot afford to lose a single day in setting up a defense against the possibility of an energy gap. The Office of Civil and Defense Mobilization is in the process of investigating the effects of imports of residual oil from the standpoint of national security. I have interceded with OCDM for more stringent restrictions on the residual oil shipments that are flooding our eastern seaboard and endangering the coal industry's capacity to meet emergency requirements. In lieu of positive steps by OCDM, Congress should enact necessary legislation to make certain that there will be no energy gap under any circumstance.

I thank the Senator from New Mexico [Mr. ANDERSON] and his fellow members of the Interior and Insular Affairs Committee for their consideration of S. 105. I trust that the framework for an energy study will soon be announced. A complete evaluation of this Nation's portfolio of fuels is needed so that there will be no guesswork about which stocks are sound and which stocks require a close watch lest they be unnecessarily depleted. National security, to say nothing of the needs of future generations, demands that this knowledge be collected and diligently pursued.

Mr. President, I ask unanimous consent that portions of the testimony of Secretary Udall and Mr. Dunn be included in the RECORD:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SECRETARY OF THE INTERIOR, STEWART L. UDALL, BEFORE THE SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE, JUNE 12, 1961, IN SUPPORT OF A NATIONAL FUELS AND ENERGY STUDY

I welcome this opportunity to reiterate before your committee my strong support for a thorough, intensive, and balanced study of America's fuel and energy resources, their capacity to fulfill the future demands that will be placed upon them, and the public policies that should henceforth guide us in this field.

More than ever before worldwide social doctrines as well as political events are tied to industrial development. And energy resources are fundamental to industrial development. If we are to maintain our own domestic well-being, as well as meet our worldwide responsibilities, we should now review our own energy situation in relation to the total situation confronting us. We should weigh carefully all the implications of the fact that we have become on balance an energy-importing Nation.

Our own demands for energy have been accelerating at a phenomenal rate. Per capita consumption of energy in the United States is about six times the world's average. On the basis of various estimates of future energy demand in the United States, our energy requirements could double by 1975 and double again by the turn of the century.

To meet these tremendous prospective demands, we must be fully alert to the real extent and nature of our own energy resources. We must also define carefully our position in relation to energy resource availabilities and greatly increasing demands throughout the free world. And, in so doing, we must be fully aware of the expansion and relative potentialities in those areas of the world which are not free.

In short, we should take action now to insure against an energy gap. A study of fuels and energy by a Senate committee, and appropriate action based upon its recommendations, would go far toward assuring all Americans that they will never be faced with such a gap.

This administration fully supports such a Senate study. We want a long-range study, a balanced study that will look very thoroughly into this field and, in weighing all the considerations involved, will use as its yardstick the enlightened longrun good of the country as a whole. We cannot let policy affecting resources as important as fuels and energy be set by drift, by default, or by piecemeal actions which do not reflect such paramount considerations as the future health of our economy, national security, and our concern for the well-being of the free world.

A sound long-term energy policy under our system of political democracy must include assurance—

That consumers shall continue to have a wide range of choice of energy sources;

That consistent with the requirements of national security the public interest in low-cost energy supplies is met;

That our electric energy systems, based upon low-cost energy supplies, will achieve most productive use and low rates to consumers through optimum utilization of present and future advances in transmission and generating technology;

That a balanced set of economic incentives is provided, as may be necessary, to insure the adequacy of energy supplies;

That shortages will not occur tomorrow through waste in exploitation today or through default or failure to provide adequately for research;

That energy-deficient regions will be given adequate consideration even though they are not represented in the councils of our producer groups;

That we will achieve a proper balance between small producers and large corporations, so as to maintain economic freedom; and

That the longrun interests of our Nation—the kind of country we hand to our children's children—takes precedence over short-term selfish interests.

STATEMENT OF STEPHEN F. DUNN, PRESIDENT, NATIONAL COAL ASSOCIATION, BEFORE THE SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE

Mr. Chairman, the testimony already submitted to the committee has emphasized that the objective of the resolution is of vital concern to the national security, as well as to economic considerations. There is principle involved which mutually affects oil producing and gas producing, as well as the coal-producing regions of our country. Nor is the question at hand peculiar to our fuel-producing States. We are all consumers of coal, oil, and natural gas. We use petroleum products in our cars and in a variety of household items. Few areas of the country are without natural gas for cooking, hot water, and home heat. Coal serves the Nation in miscellaneous ways. It generates more electricity than oil, gas, and water power combined. It is a necessary ingredient of the steelmaking process, and its byproducts include medicines, nylons, detergents, plastics, fertilizers, and a multitude of other everyday items.

The proposed resolution embraces the question of whether our sources of energy are being used judiciously, whether they will be in ample supply in the event of an emergency, and whether we are giving proper consideration to the needs of future generations whose inheritance of our natural resources is currently in our hands.

In days past, there was wanton waste in the production of gas, crude oil, and coal. Little consideration was given to future requirements. For the most part, such extravagances could be excused because we were novices at extracting this energy from the ground. As engineering techniques were improved, and as State governments interested themselves in production activities, considerable more care was exercised in the removal of all these fuels.

For all our advancement productionwise, however, there has been a tendency to overlook the laws of conservation—particularly the unwritten rules which should be inherent to a society—in the use of our national energy resources. It is vitally essential for us to take stock of what we have in the ground, what we are going to need as population increases and standards of living rise, and whether we are keeping in step with defense requirements. These are questions that can and should be answered in the proposed study. Such an investigation would also decide just how much dependence should be placed upon sources of energy in areas outside our borders. For more than a decade we have been increasing reliance upon crude oil and products shipped from the Middle East and the Dutch West Indies. In recent years, large storehouses of petroleum and natural gas have been discovered in Canada. Some of it is coming into the United States now.

It would seem reasonable for the Federal Government to find out how much of these reserves Canada expects to make available to us and how that volume coincides with our requirements. In fact, would it not be logical to list these fuels in the energy budget with those coming in from abroad? We then could determine how much of each could be relied upon if the dark clouds of world tension should suddenly erupt into an international storm.

There is growing interest on the part of the Government and the general public in America's water resources. Measurements include rainfall, runoff, contamination, and accelerated use; recommendations are received from meteorologists and geologists; and experiments are conducted in saline water conversion. These activities are, without a doubt, essential to assuring adequate water supplies in the years ahead. A nation must have sufficient water or it will perish. At the same time, in a country where power has become the key to economic and military progress, the question of adequacy of our sources of energy has by comparison been neglected. The resolution under consideration could provide a vehicle for correcting this laxity.

Energy resources are a nation's valued possession. The United States is most fortunate in having been endowed so richly in this regard. To husband this heritage is a moral responsibility which, under no circumstances, can be disregarded. A national energy study could determine the proper approach to fulfilling this obligation.

Energy requirements, calculated on a basis of rising population and better living standards, can be ascertained with a high degree of accuracy. The magnitude of our fuels cupboards can and has been estimated with minimal margin of error and even the percentage of new discoveries to be added to this treasure can be predicted with established confidence. Under the circumstances, there is no valid reason why we cannot plan an orderly withdrawal of fuel resources under a program designed to prevent waste, to provide for the national security, and to assure supplies for future generations. In fact, perhaps we are already guilty of delaying too long the establishment of a basic policy that would set up guidelines for the development and utilization of our fuel resources.

Other nations have been similarly delinquent, though some have made starts toward formulation of overall fuels policies.

Mr. Love has referred to instances in which Germany, England, France, and Belgium have initiated programs to provide some sort of balance to their fuel economics. Mr. Love and Mr. Moody have mentioned the Russian strategy of using oil exports as a diplomatic and political device. I shall attempt to avoid repeating testimony of preceding witnesses, but I feel that the committee would be interested in my expanding upon the desirability of the proposed resolution from the standpoint of international considerations.

Last January 16–26, I served as a U.S. employer delegate to a tripartite technical meeting of the International Labor Organization in Geneva. In addition to the United States, these countries were represented with delegates from management, labor, and government: Belgium, France, West Germany, Japan, Netherlands, and the United Kingdom. The announced purpose of the meeting was to study the social consequences of the crisis in the coal mining industry, but many hours were also devoted to petroleum, natural gas, and atomic energy. It was unanimously agreed that one reason coal industries throughout the free world have been in economic decline is the absence of well-defined energy policies in the respective countries. One draft conclusion of the meeting recommends that "attention of the Government should be drawn to the paramount need to promote in each country concerned a policy to enable the coal mining industry to maintain an essential position within each national economy." It was also recommended that the several coal-producing countries promote coordinated national fuels policies aimed at "the best possible balance between

the coal-mining industry and other sources of energy."

Whether coordination of fuels policies on an international scale could be realizable in an era of diametrically differing basic philosophies is open to conjecture. At least the free nations might begin to work in concert toward fashioning an international energy policy compatible with long-term supply and demand projections, yet sufficiently flexible to provide for a world emergency.

The resolution before this committee offers an excellent springboard to the kind of pattern that could be used in the friendly nations concerned with the current fuels perplexity. If the committee acts favorably on Senate Resolution 105 and Congress directs that the study be compiled, it is my intention to keep my fellow ILO delegates from other nations advised of this country's approach to the energy problem, and to make available all progress reports of an unclassified nature. If and when national energy policies are established in the respective countries, then we may find it advantageous to pursue the possibility of coordinating our programs and, ultimately, of undertaking to formulate an international energy policy.

Certainly the United States must lead the way in preventing development of a critical energy gap that would handicap the free world in the all-out defense effort. Our experiences during World War II should stand as a grim reminder of what can happen if an imbalance of fuels availability occurs during periods of crisis.

* * * * *

As Mr. Love has pointed out, the Solid Fuels Administration of the Department of the Interior was prompted to appeal for the immediate conversion of 20 to 30 more tons of coal equivalent from oil to coal on the eastern seaboard. The problem was eventually solved because coal was able to accelerate production to the levels necessary to meet all demands and railroads eventually put enough gondola and hopper cars into service to transport this fuel to the energy-destitute sectors of our country.

If it was impossible to carry oil from Houston to New York at a time when Germany possessed less than 50 underwater craft, it would seem entirely illogical to expect the safe movement of ships from the Middle East and Venezuela should Soviet Russia throw its force of an estimated 500 submarines into the job of halting commerce on the high seas.

Our allies recognize this situation. They, too, are concerned with the debilitation of the coal industries of the free world at a time when international tension is so high. Representatives to the ILO tripartite conference expressed concern at the grave injury sustained by their coal industries through excessive oil imports from Dutch-Anglo-American producers. This concern has been accelerated by Russia's entry into the oil export business on a progressively greater scale. Mr. Moody touched on this subject briefly. The committee is no doubt familiar with the document "Soviet Oil in the Cold War" recently published by the Committee on the Judiciary, which describes the new Soviet oil offensive from the political, military, and economic perspectives.

If the threat is not diminished by positive action on the part of non-Communist nations, a number of nations now outside the Soviet orbit could become dangerously dependent upon Red oil for vital fuel supplies.

* * * * *

Indeed, Mr. Chairman, the Soviet oil push—while it has not yet included the U.S. fuel markets as one of its targets—has a very direct impact in this country. As Red oil engulfs markets of the free world, distributors of Middle East and Venezuela production must look elsewhere for sales outlets. Russia is extending pipelines into Western Europe and building tankers of enormous capacities to handle rising production. As the Kremlin usurps a greater share of markets, U.S. consumers will look increasingly attractive to the Middle East and Venezuela producers and distributors.

The White House has taken notice of the danger of excessive residual oil imports to the national security. In consequence, the oil import control program was established and has been continued in operation. It is essential that this program be maintained, although we feel that the present quota allocations permit a higher volume of residual oil imports than is commensurate with mobilization standards. I would also remind the committee that the oil imports control program was the outcome of a national defense study and was not predicated in any way on economic considerations. Because of the severe impact of residual oil imports on the economy of the coal industry and of mining communities, it is essential that this implication be taken under advisement also.

* * * * *

I have confined my remarks largely to one phase of the many problems influencing the need for such a study. The danger presented by excessive residual oil imports—with Russia's new export program accentuating the problem—is, in my estimation, in itself adequate reason for favorable action on Senate Resolution 105.

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In asking that the committee act favorably on this resolution, I want you to know that I appreciate this opportunity to appear before you, and that I hope you will act favorably on the resolution. Thank you.

SOCIAL SECURITY AMENDMENTS OF 1961

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed. Under the previous agreement, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making persons eligible for benefits under the program, and for other purposes, which had been reported from the Committee on Finance with amendments.

WHY WE LAG IN SPACE

Mr. SYMINGTON. Mr. President, there has been much discussion in and out of Congress of President Kennedy's recently recommended space program.

In the interest of the future of the United States, I urge that this program be supported.

There has also been a great deal of discussion about why the Soviets, up to now, have achieved first place in so many space achievements.

Once again, much of the reason for this failure we now plan to overcome is because we have permitted the functioning of the Department of Defense to be shackled with an antique organization structure.

In this case, however, there is more involved; and in effort to avoid continuing in second place, we herewith review certain past decisions, also the programing and budgets incident to the decisions; to find out why we have lagged; and so as to benefit by that knowledge in the future.

This country spends a very large amount on space.

Other nations may spend a higher percentage of their gross national product in this field than does the United States, but not more dollars; and it is dollars that buy equipment and material.

Our scientists, engineers and other professional people, so necessary to the research and development of new ideas, are as good as those found in other parts of the world, if not better.

If there is any doubt on this score, let us examine our buildings, highways, aircraft, ships, automobiles and machinery.

Generally, the best is made here in the United States.

But if funds, and decisions to go with those funds, are not available, we cannot win the space race.

What has happened in the past proves what could happen in the future.

October 4, 1957, was the day Russia put the first satellite in orbit around the earth. Nearly all of us were astonished. The world had misjudged Russia's capability, and we in turn had misjudged the importance to the United States of being first with an earth satellite.

When the first big sputnik went up the next month—November 1957—it became very clear how far we were behind in thrust.

After an investigation, on January 23, 1958, the Senate Preparedness Subcommittee recommended we should "start work at once on the development of a rocket motor with 1 million pounds of thrust."

A month later, Secretary of Defense McElroy testified that work was proceeding on a single-chamber million-pound-thrust engine. The Secretary said then:

> If an engine of this thrust should be required before the proposed single-chamber engine becomes available, the requirement can be met by clustering several engines of smaller thrust which the Air Force has in a more advanced state of development.

For 2 months the Secretary had had in his office an Army study which included a proposal for clustering large rocket engines to provide a booster of 1½ million pounds thrust. This proposed vehicle was called the Super Jupiter.

In August 1958, the Department of Defense, through the Advanced Research Projects Agency—ARPA—authorized development of a 1½-million-pound-thrust clustered booster, first known as Juno V, now known as the Saturn. This was 6 months after the Secretary of Defense testified, 7 months after the Senate made its recommendation, and 8 months after the Army submitted its 1.5-million-pound booster study.

But for 18 months, despite all the well meaning phrases and assurances, because of its starvation budget, the Saturn was forced to proceed on a shoestring.

The first authorization was for a feasibility demonstration only. Later the program was increased to four vehicles, but it was still funded by dribs and drabs. Actually, so little money was

provided that the so-called Von Braun group at Huntsville, Ala., could not even submit a proper program.

As evidence, in October 1958, the first development plan submitted to higher authority contained this statement:

> This report outlines the suggested development program based on the available funds. Funding limitations make this program a compromise from a desirable development program required to meet the national need at the earliest possible date.

At that time the Juno V—Saturn—flight test program scheduled was laid down as follows:

Captive dynamic demonstration of booster—December 1959.

Flight test of vehicle No. 1—September–October 1960.

Flight test of vehicle No. 2—January 1961.

Flight test of vehicle No. 3—June–July 1961.

Flight test vehicle No. 4—October–November 1961.

The plan warned that lack of decision on second stage configuration would cause a serious schedule delay, and therefore required immediate attention. It stated:

> Although no decision has been made at to which of several possible second stages will be used for vehicles 3 and 4, it is necessary that action be taken to provide funding to accomplish engineering, fabrication, and testing of the second stage system. * * * Engineering should begin the latter part of 1958, and be completed not later than November 1959. It will also be necessary to procure long leadtime items for the second stage early in 1959, to insure delivery of hardware to meet the proposed schedule.

The plan further warned:

> The anticipated firing schedule which includes the launching of two 2-stage vehicles with orbital capabilities requires a decision within 3 months on the second stage to be used. Funds up to $5.96 million, fiscal year 1959 and 1960 money, will be required, depending on the type of second stage selected.

But the Army did not get a firm second stage decision until December 1959. This was 14 months after it was requested within 3 months. It was over 2 years after the first heavy sputnik, and nearly 2 years after the Senate recommendation.

At that time Saturn vehicle management was split into the prevalent Pentagon bureaucracy at its best; or rather worst.

ARPA was responsible for the first stage.

NASA and ARPA together were to agree on the second stage. This latter stage had to be compatible with both the military third stage—Centaur—and whatever third stage NASA decided to choose for its own missions.

The record shows that the agreement was long drawn out, involved, and cause for continuous delay.

In April 1959, the Air Force suggested a management concept that would give the Air Force Saturn project responsibility.

In June, ARPA turned the Air Force down, stating that the Army would be responsible; in fact, ARPA had already told the Army the previous May to go ahead on a Titan 120-inch-diameter second stage for the Saturn.

After announcement of the second-stage decision, several happenings occurred simultaneously:

For the Army, ARPA requested $6 million for the Saturn funding for the second stage.

At about the same time, for the Air Force, ARPA requested a $5.5 million increase in the Centaur program.

Dr. York granted the Centaur request, but turned down the Saturn request, with this comment:

> In the Saturn case, I consider that there are other more urgent cases requiring support from the limited amount of the emergency fund which remains uncommitted. Accordingly, if further reprograming within funds now available to ARPA is impracticable some slippage (in Saturn) must be accepted.

Immediately after the upper stage decision, the Air Force and the Army started arguing about who would contract for the second stage, who would do the technical supervision, who would have responsibility for systems engineering on the Saturn second stage, and so forth.

Army and Air Force continued to propose, counterpropose, and counter-counterpropose—literally getting nowhere.

On July 9, 1959, ARPA ordered the Air Force to "cease and desist," giving the Army a clear mandate to proceed.

The Air Force proposal to develop a big booster—the Titan C—was then accepted, to be used to boost the initial unmanned Dyna-Soar vehicle.

At the same time a "hold" order was given the Army on the second stage of Saturn. At that time Dr. York stated:

> I have decided to cancel the Saturn program on the grounds that there is no military justification therefor, on the grounds that any military requirement can be accommodated by Titan C as proposed by the Air Force, and on the ground that by the cancellation the Defense Department will be in a position to terminate the costly operation now being conducted at ABMA (Army Ballistic Missile Agency at Huntsville, Ala.).

Only 5 days after signing contracts with Martin and Aerojet on the Titan second stage for Saturn, the Army issued stop orders on second-stage work, pending resolution of the Titan C question.

Then there were more weeks of studies, and presentations, and hasseling.

The Air Force claimed the Titan C could be developed at 75 percent of the cost of Saturn; also that the Titan C was the optimum vehicle for the defense missions.

But the Titan C was only a proposal, and was not under development; and, if developed, it would have had less thrust than the Saturn.

In September, a committee heard them both out—ARPA and the Army on Saturn, the Air Force on Titan C. As a result, the decision to cancel Saturn was reversed.

Meanwhile, apparently in anticipation of a Titan C victory in this committee, the Secretary of Defense was moving to give the Air Force the entire space-booster mission.

The committee judging Saturn versus Titan C deliberated September 16–18, 1959; but on the same day when the Saturn was reconfirmed—September 18—the Secretary of Defense assigned the whole space booster mission to the Air Force.

Thus, the Army was given the responsibility for the development; but the Air Force was given the mission, thereby violating every known concept of management.

Apparently, this was recognized, and an extraordinary action resulted.

The Secretary of Defense offered Dr. von Braun's team and the whole Saturn project to NASA.

Mr. HOLLAND. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I am glad to yield to my able friend, the Senator from Florida.

Mr. HOLLAND. I simply wish to say to the distinguished Senator from Missouri that I believe he is rendering a service to the entire Nation, not just to the Congress. The lamentable history of delay, based on interagency argument and dispute, upon vacillation and indecision on the part of executive agencies, as related by the distinguished Senator from Missouri, ought to inform the entire country that we need firmer policy and more decisiveness. We need to decide where we are going, and then get there.

I commend the Senator from Missouri for issuing this warning, that we are just dilly-dallying, and meanwhile we are spending billions of dollars in this inconclusive argument of agency against agency and indecision on the part of those in high executive office, who from time to time have started running in one direction, then have stopped, then have run in the other direction, and then have reversed themselves so often that it has been quite apparent that they have not been getting anywhere.

So I commend the Senator from Missouri; and I hope that the result of his bringing this important message to the attention of the people of the United States will be that we shall have a program and plans which can be followed up, and will result in speedy accomplishment in this field, in which it seems to me we have lagged further and further behind.

I warmly thank the distinguished Senator.

Mr. SYMINGTON. Mr. President, I thank the able senior Senator from Florida for his comments. I have the honor of serving with him on the Aeronautical and Space Sciences Committee. As is typical of him, he puts his finger directly on the problem. The question is not only one of the waste of money; but, as both of us know, it involves our future national security.

So much for this unfortunate history of delay, argument, and waste.

Now for some fiscal history.

In mid-1959, the Army prepared its fiscal year 1961 budget, at that time requesting $250 million for the Saturn program.

The request was reduced $120 million by the Department of Defense, to $130 million.

On September 15 and 16, 1959, I personally went to the Redstone Arsenal at Huntsville, Ala., and talked with General Medaris.

What he told me about these reductions and delay was so hard to believe and so shocking that I checked it all the next day, September 17, with Dr. von Braun in Washington. Dr. von Braun confirmed without reservation all statements made by General Medaris.

They both said the Saturn schedule had slipped because of lack of funds, delayed technical decisions, and denial of a high national priority.

At that time I found the Saturn 1960 request for $130 million had been reduced to $70 million; in fact, the money allowed for Saturn in 1960 was so stringently reduced that no overtime whatever could be authorized.

General Medaris also mentioned the long delay in the choice of a second stage, the arguments over contracting after the second stage decision had been made, and the constant threat to cancel Saturn.

On November 2, 1959, the President approved the transfer to NASA of the Von Braun team and the Saturn program. Thereupon, for some unknown reason, obstacles in the path of the Saturn promptly melted, as evidenced by the following facts:

First. Overtime was authorized.

Second. Money came—all that could be used in the remainder of the fiscal year 1960.

In addition, the amounts refused the Army were added to the 1961 budget for NASA—$90 million.

This meant the Von Braun team received exactly what they had asked for when they became part of NASA, but which they were refused as part of the Army. But this team could not be given back the lost time.

Third. A DX priority, the highest national priority, was assigned to Saturn. It had been requested repeatedly by the Army since 1958, but had been refused.

Fourth. A firm second stage decision was given—a high energy second stage would be used; it would be built around four Pratt & Whitney 17,500-pound thrust hydrogen-lox engines, clustered. This second-stage decision was made almost exactly 1 year late.

With respect to the money which was given Saturn as soon as it was transferred to NASA, General Medaris testified before the Senate Space Committee:

> I don't think it makes much difference to the taxpayer whether it is a Defense dollar that is being spent or NASA dollars. Is there some difference in the $90 million that we could not get 90 million Defense dollars, but NASA can get 90 million NASA dollars? When they come out of my pocket as a taxpayer, they all look alike to me; and when they are spent, I think they cost the same amount.

In summary, after the transfer to NASA, the program proceeded as rapidly as possible under the circumstances. But the feasibility demonstration slipped 6 months—from late 1959 to June 1960; and the first flight of a Saturn vehicle slipped a year. Now, probably it will not take place until the fourth quarter of 1961.

The first Saturn flight will now be about the date originally scheduled for the fourth flight. The latter would have given us in 1961 a 10,000-pound payload in orbit, instead of just a first stage booster test.

The manufacturer has not been able to meet his commitment on the second stage engines, which were to have been uprated from 15,000 to 17,500 pounds thrust.

Since this cannot be done on schedule, the plan has been changed; and Douglas Aircraft will now cluster six 15,000 pound thrust Pratt & Whitney hydrogen-lox engines so as to make the second stage for the initial Saturn flight vehicles.

If flights are delayed still more because of trouble with second stage hardware, the United States may have even more cause to regret the arguments, the waste, the consequent delays and second place position now known around the world.

Economy, safety, delivering the goods—as promised and on time, are trademarks of the Von Braun team. This group delivered both the Redstone missile system and the Jupiter missile systems on time, within estimated costs and in accordance with specified performance. When given the go-ahead on the Explorer and Pioneer programs, they gave us the first U.S. satellite and the first U.S. moon probe. More recently, the Redstone missile took Commander Shepard into space.

Who, therefore, was responsible for administratively clipping the wings of this fine Saturn team when it was part of the Army, holding Saturn back nearly 2 years, then turning it over to a new civilian agency? What was the point?

Let us look at the incredible record of what we have lost as a result of the frustration and slow action which have been characteristic of recent years.

If money and authority to proceed had not been withheld, the United States could have orbited a satellite in 1956, 1 year before the Russians.

If money and authority had not been withheld, the United States could have impacted the moon in 1957, 2 years before the Russians.

If money and authority had not been withheld, the United States could have flown Commander Shepard down range in 1959, 2 years before the Russians put their man in space.

If money and authority had not been withheld, this country could have landed a man on the moon in 1965, with a permanent outpost by 1966—for a cost estimated in June 1959 to average about $660 million a year.

We have lost at least 2 years' time, but if we start now, as the President requested last May 25, we may make it faster, because the President has now set space accomplishment as a national goal.

In the future, let us remember this comment from Dr. von Braun:

> The most effective way to possess a missile 2 years earlier is to begin work on it 2 years earlier; this simple truth is very ofter overlooked. We usually wait and wait and then all of a sudden initiate a crash program.

In summary, the two fundamental reasons for our lag in space are:

First. The failure to establish clearly defined objectives for space exploration. Unanimity of purpose is vital to major achievement.

Second. The constant power struggle within the Defense Department.

Let us profit from this history of the past.

In his recent joint session address, President Kennedy stated that it was "time for this Nation to take a clearly leading role in space achievement."

The President initiated action to correct the first of the reasons for our lag in space. He requested that landing a man on the moon before this decade runs out be established as a national objective.

The President also said:

> It means a degree of dedication, organization, and discipline which have not always characterized our research and development efforts.

He then added:

> New objectives and new money cannot solve these problems.

If we do not have a collective national space effort, regardless of the amount of money expended, we will never lead in space—and that can only react against our security.

Let us all join together, therefore, in a true collective space effort.

Mr. YOUNG of Ohio. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I am glad to yield to the able Senator from Ohio.

Mr. YOUNG Of Ohio. The distinguished senior Senator from Missouri [Mr. SYMINGTON] is a great student and a great authority on this subject. The statement he has made today is a most important one, and should have a great impact in this country. He is to be commended for the painstaking services he has rendered over the past months and years. Had his views, his advice, and his voice, which was, in fact, a voice crying in the wilderness, and which was based upon study and experience, been followed during the past several years of the former administration, billions of dollars of taxpayers' money would have been saved in the exploration of outer space and the development of missiles and rockets. We would be far ahead of where we are at the present time.

I desire to congratulate the distinguished, able, and scholarly Senator, for the great public service he has been rendering, and for the service he has performed today. I trust his statement will be widely read throughout the Nation.

Mr. SYMINGTON. I thank my friend from Ohio for his kind but undeserved remarks. He and I serve together on the Aeronautical and Space Sciences Committee. He is right as to the reason why I have made this short talk this afternoon. Over the years some of us have become increasingly apprehensive about the constant successes of the Soviet Communists in the space field, especially when it comes to the movement in space of large vehicles. That, of course, is not only important from the standpoint of civilian communications, weather, and so

forth, but also from a military standpoint. Therefore, for many weeks I have been investigating the reason for these delays.

The history points up arguments and disagreements and therefore delay and waste in the Department of Defense. The consequent, unnecessarily heavy costs are presented this afternoon to my colleagues, not in any spirit of dwelling unnecessarily on the past, but in the hope that in the future, whatever our program, we will first decide on it, then go ahead and get it done, at minimum cost, and with minimum delay.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to the distinguished and able Senator from Kentucky.

Mr. COOPER. I am glad the Senator from Missouri is bringing before the Senate, and also to the Executive, facts that should lead to the expedition of our space program. The Senator followed a similar course respecting our defense program during the past 7 or 8 years.

I am not in a position to comment upon the facts he has stated. I do know, as the Senator from Ohio has stated, when the Senator from Missouri undertakes the study of a subject, as was demonstrated by his interest in the security of our country, he is very thorough. I am sure he has given full consideration to our space program.

From my study, I believe that until 1954 or 1955, practically nothing was done about a space program. And great progress has been made since sputnik: in the number of satellites placed in orbit, and in their sophistication, the United States has surpassed the Soviet effort.

As the Senator has said, we are behind in our ability to produce launching vehicles able to send great weights into space. I am not in a position to know why we have not made greater progress, even since 1957.

About a year ago I listened to Mr. Glennan former Director of our space program—I believe it was "Meet the Press"—he said as I recall, that action on the Congress in reducing appropriations had, in the judgment of some scientists, set back the development of a launching vehicle between 6 and 18 months.

I do not have to agree with all the conclusions of the Senator from Missouri, but I can say I believe it was the Senator from Missouri who was the first in the Senate of the United States, several years ago, to bring to national attention the necessity for doing more in the field of defense. The Senator has done a great deal of work in this field.

It cannot be said categorically that the Senator has done more than any other person to strengthen our defenses, for the Senator from Georgia [Mr. RUSSELL] has worked unceasingly, as well as the Senator from Massachusetts [Mr. SALTONSTALL] and other Senators, and Members of the House. But so far as bringing the defense needs of our country to national attention and in his never-ceasing fight for a stronger defense I believe the Senator from Missouri has done more than anyone else in the last 7 or 8 years and he has rendered the highest patriotic service to our country.

I think it is good for the country, when the Senator begins to goad, to warn, to advise the Senate and the people of the country of the necessity for the steps which must be taken if we are to have an adequate space program.

Mr. SYMINGTON. Mr. President, I am very grateful to the Senior Senator from Kentucky. As I am sure the rest of my colleagues know, despite the fact that we do not sit on the same side of the aisle, to many of us over here the Senator is one of the great public servants of our time.

I have also been glad that, over the years, the Senator and I have been largely in agreement as to the vital importance of reorganizing the Department of Defense on the basis of progress instead of continuing to let it drift in tradition.

I remember that program on "Meet the Press" and the appearance of Dr. Keith Glennan. Dr. Glennan is an affable and able gentleman. But I never thought that program did him much credit.

At that time, as I remember the program, he referred to a $30 million congressional reduction in the space program, made in the other body. After the program was over, one of the members of the panel told me he had asked Dr. Glennan:

> How could you be so far apart from SYMINGTON, who has been protesting what he said were heavy cuts in the Saturn program?

He said Dr. Glennan replied:

> I presume he was referring to the cuts in the Saturn program prior to the time it was transferred to NASA, and I of course know little about that.

I regretted the fact Dr. Glennan gave this impression, because based upon what he told a member of the panel, he knew that the program had been very heavily cut before it was transferred to NASA. I have given the record of those reductions in my talk this afternoon.

Mr. President, again I express my appreciation to the Senator from Kentucky for his undeserved remarks. I hope that in the future we will be together on the space program trying to eliminate the arguments, with their consequent delays and waste. I personally am in full accord with the position of President Kennedy that with this program we must move ahead rapidly, not only from the standpoint of national prestige, but also from the standpoint of national security.

Mr. COOPER. Mr. President, will the Senator yield again?

Mr. SYMINGTON. I am glad to yield to my friend from Kentucky.

Mr. COOPER. I had a very interesting experience 3 or 4 weeks ago. Shortly after the President made his speech before a joint session of the two Houses, proposing that our Government embark on a program to send a man to the moon and to return him to earth, I was invited to participate in a seminar on space at the University of Kentucky. I was in a pretty difficult situation, accompanying two scientists and an officer from the Air Force, who was connected with the missile program.

Mr. SYMINGTON. Based on the record, I would say the Senator is never in difficult circumstances in Kentucky.

Mr. COOPER. I thank the Senator very much, but I must say I found myself in a pretty difficult spot. I did not talk about the specifics of the space program or anything connected with the scientific approach, but only about what Congress had done by way of appropriations, and the history and prospects of the program in the Congress.

I was interested in the large number of people who came to the seminar, and in their intense interest in space. The people of my State are intelligent. But I think it is true, that it is not generally understood yet why the United States should send a man to the moon, and return him to earth. We know the project has military aspects, and that it involves the prestige of the United States. Of course, we know that the engagement in such a project is a quest for knowledge, and engages the desire of man always to know more. Yet, I think it is true, that the President has not made it clear to the country, the basic reasons why the United States should embark on a program to send a man to the moon and to return him, a program which would cost about $9 billion, as the President estimates, in the next 5 years, and which could eventually cost $30 billion or more.

I thought, as I listened to the President, that his statement emphasized too much—the feat, rather than the broad purposes and advantages which would inhere in such a space goal. I do not say the project should not be undertaken, or that we should not have such a goal.

But in my judgment, I believe if this is to be a program of the President and of his administration, which they wish to achieve, much more must be done to explain to the Congress and the people of the United States, the reasons which demand the program.

Mr. SYMINGTON. Mr. President, I thank the able Senator for his views.

Unfortunately, much that could and should be said in this regard is withheld from the public because it is classified as secret. As the Senator knows, I am one who believes the strength of a nation depends upon the will of the people, and in our form of government, that will can only function if the people are informed.

I agree with the Senator that the people have not yet been given all possible facts with respect to the space program. It is unfortunate, for example, that we are now engaged in a national debate without the people having much knowledge, but in which the people are interested, apparently more interested than they are about space. I refer to this question of nuclear test resumption.

Apparently all those people associated with the program, members of the Joint Committee on Atomic Energy, to the best of my knowledge, are for a resumption in testing as a result of the way things have been going in the world recently. In this case, the more one knows about

the subject the more one is willing to express a position which may not be in accord with those who are satisfied with our position in the world today.

Only last week I attended a farewell dinner for Gen. Thomas D. White, who is retiring as Chief of Staff of the U.S. Air Force and who, as we know, is a scholar on military matters and other subjects.

I believe I am quoting General White correctly as saying at the dinner in his honor that in his opinion, from a military standpoint, nothing could be more important than America maintaining a position in space second to none. I present that thought to the Senator because of the remarks he has just made.

It is too bad that we have so many laws and so much unnecessary classifications of information to which the people are entitled.

Recently I asked how many dependents of military personnel we have abroad. I did so because the answer could have a great effect on some other policies we must consider shortly on this floor. I was told how many but, to my amazement, that figure is classified. The American people are not allowed to know how many dependents of service men are abroad.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. PROXMIRE. Mr. President, will the Senator withhold his request? I have some morning hour business I wish to present.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded, and that the distinguished Senator from Wisconsin be permitted to proceed as he desires, with the understanding that when he has concluded, he will suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

PLEA FOR THE OPEN MIND

Mr. PROXMIRE. Mr. President, recently an editorial entitled "Some Liberals a Danger" was published in the Rochester Democrat and Chronicle. The opening sentence in the editorial is as follows:

> The idealistic liberal who will not listen to any more than he wants to believe, far from being a functional arm of this democracy, is as great a danger as the medieval type conservative.

Then the editorial concludes:

> There is nothing new to the idea that what we need definitely in this country today are more liberal conservatives, or conservative liberals—whichever way you please. But it is a dramatic need.

Although I suppose many people will feel that speaking of a liberal conservative or a conservative liberal is an exercise in futility, I believe there is a great deal of merit in the editorial. The fact is that liberals properly pride themselves on primarily being able, with open minds, to change and modify their positions as the facts persuade them to do so. There is a tendency, however, on the part of many liberals to be orthodox in their liberalism. They take a position and hold to it, regardless of what the facts show. The liberal position becomes ossified, petrified, eternally frozen. The liberal becomes fervently, unchangeably orthodox. There are at least three conspicuous examples of this point now current. One is the insistence on the part of liberal economists—and I have encountered this situation throughout my State, and it has become orthodoxy in teaching economics—that so long as we have substantial unemployment, regardless of any other factors, the Federal Government should run a deliberate and big deficit. There is a very strong and almost spiritual resistance by so-called liberal economists to consideration of any other way of meeting this serious problem. And unemployment is our most serious domestic problem. Another tendency by orthodox liberals is a feeling that there should be no discriminating, critical consideration of foreign aid proposals. They must be accepted pretty much as offered. They are not subject by orthodox liberal standards to criticism, analysis, or rejection.

Finally, recently there has been a tendency on the part of others, particularly liberal Members of Congress, to accept defense reccommendations as something that not only cannot be questioned, but must be increased.

I believe it is quite shocking that the Senate has authorized an increase of more than $500 million above the request of the President of the United States and as I expect to show later far above what can even be spent when the proper time comes on appropriations.

The great license function of the questing mind, the willingness to reconsider on the basis of the facts, which is the real function that liberals should perform, is not being performed in any of these areas.

I ask unanimous consent that the very brief editorial to which I have referred, published in the Rochester Democrat and Chronicle of recent date, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOME LIBERALS A DANGER

> The idealistic liberal who will not listen to any more than he wants to believe, far from being a functional arm of this democracy, is as great a danger as the medieval type conservative who begrudges every penny spent for foreign aid, who refuses to see that in an atomic war we can be knocked out as fast as we can do the knocking out, and whose concepts of world order ended along about 1908.
>
> There is nothing new to the idea that what we need desperately in this country today are more liberal conservatives, or conservative liberals—whichever way you please. But it is a dramatic need.

UNIVERSITY OF WISCONSIN IS HOST TO SYMPOSIUM ON POLYPEPTIDES AND POLYAMINO ACIDS

Mr. PROXMIRE. Mr. President, the University of Wisconsin College of Agriculture last week was host to a unique symposium, on a small but basic and vitally important area of science: polypeptides and polyamino acids. To most of us these words mean little. But the now foreseeable applications that may stem from research on these chemicals could someday mean life and health for millions of people.

Dr. Mark Stahmann, the distinguished biochemist at the university was the sponsor and chairman of the symposium. It is a well-deserved tribute to his great talents and accomplishments that the meeting was held there.

I ask unanimous consent that a report on the symposium, prepared by the Department of Agricultural Journalism at the University of Wisconsin, be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

> MADISON.—Some 65 top scientists met in Madison this past week (June 18–24) to discuss something most of us have never heard about. They came from countries as far away as Israel and Japan, from hospitals and industrial laboratories, from famous universities.
>
> These men have been called from all the outstanding laboratories of the world to exchange knowledge on a small but very basic and important area of science—polypeptides and polyamino acids. These terms don't mean much to the man in the street, but the fruits of research on these chemicals could someday mean life itself for millions of humans.
>
> That day may not be far off. This field of science is pregnant with fascinating practical possibilities. Manmade polypeptides, for instance, may yield synthetic vaccines to fight our smallest but deadliest enemies, virus diseases.
>
> The polypeptides have halted the growth of certain cancers in mice. They are capable of killing some of the most stubborn fungus diseases attacking humans. They also show promise as plasma extenders to replace blood in transfusions.
>
> And you someday may wear clothes made from synthetic polypeptides—cloth with an even closer resemblance to wool or silk than you find in today's manmade fibers.
>
> The scientists attending the Madison meetings—the first international symposium on this subject—take these practical possibilities for granted, and have speculated about still other roles their chemicals may play in future life.
>
> But Ephraim Katschalski and his colleagues did not travel 7,000 miles from Israel to engage in speculations. C. H. Bamford and his associates did not leave their important theoretical work for a British scientific organization to mull over possibilities. The Japanese delegation did not cross the Pacific to hear research reports which they could read in their scientific journals a few months from now.
>
> The National Academy of Sciences, Public Health Service, Office of Naval Research, and the University of Wisconsin Graduate School Research Committee did not pay for this meeting merely to hear promises that polypeptide chemistry may answer some of their most vexing practical problems.
>
> This international symposium was organized for a more basic purpose—to outline and consider the important problems involving polypeptides and to discuss methods now available for attacking such problems. In effect, then, these research men—the top people in their field—are in Madison as planners, to set up the pattern and establish priorities for polypeptide work in the years to come. They'll discuss how to make polypeptides, the physical properties and struc-

ture of these materials, and their biological properties.

This kind of coordination and direction will assure—if anything can—advances even more spectacular than those already made in this infant science.

The largest contributions on polypeptides have been made since World War II. But interest in the field started much earlier—in the 19th century when scientists learned of the importance of proteins and got their first hunches about how proteins are built.

Most people now know that proteins are an important part of our diets, and that we get them from meat, eggs, milk, and such foods. Proteins are also involved in most of the body's important functions—involving enzymes, hormones, even reproduction of genes and chromosomes that determine inheritance. Proteins are indeed the most important class of chemicals you can name—and in fact the word itself, if you trace it back to the Greek and Latin, means "of first importance."

Proteins are made out of simpler compounds called amino acids, which in turn are made primarily from carbon, nitrogen, oxygen, and hydrogen. Some proteins contain several thousand amino acids, several different kinds, all hooked together in a chain.

The kinds of amino acids and their order along the chain makes a large difference in the kind of protein it is. One amino acid hooks to its neighbor by chemical bonds which are named peptide bonds—thus the name "polypeptides," a material formed with many such bonds.

Polypeptides or polyamino acids are like pieces of protein. They can be made up of a thousand separate amino acids, but normally only one or two different ones. They are not proteins, but they are enough like proteins to serve as scientific models.

Science has long wanted to combine amino acids and to actually make proteins. Thanks to basic research on polypeptides and protein structure, this has now been accomplished.

The first biologically active polypeptide or small protein duplicated in the laboratory was a hormone called oxytocin—a very simple protein, containing only eight amino acids. It governs such things as the release of milk from mammary glands. The scientist who put it together from amino acids won the Nobel prize in 1955. Since then two other hormones have been synthesized in laboratories. One of the symposium participants, Klaus Hoffman, has reported success in making a hormone called Acth—a hormone which regulates production of other essential hormones.

Basic research on polyamino acids also showed scientists how to determine the complete structure and sequence of amino acids in proteins. The first important protein whose structure was worked out was the hormone insulin, which regulates blood sugar content. The researcher who determined the structure of insulin, in 1953, won the Nobel prize in 1958.

These two recent prizes illustrate the importance attached to this kind of work by the international scientific community.

Actually, the first synthetic polypeptides were put together by a German chemist named Emil Fischer early in the 20th century. Earlier Fischer had worked out the chemistry of carbohydrate metabolism and had won a Nobel prize in 1902 for the work. His best effort in building a protein—adding the amino acids one at a time—resulted in a polypeptide chain with 18 amino acids. One of his students added one more a few years later.

Since proteins may have 10,000 or so amino acids, adding one at a time to build up a protein is an almost impossible job. Now, however, chains of more than a thousand amino acids have been put together in the laboratory.

Some of the credit for this goes to one of the scientists at the Madison meeting—Ephraim Katschalski of Israel—who has studied a sort of chain reaction which hooks amino acids together.

Recently Wisconsin biochemists succeeded in adding an amino acid to a natural protein.

Another intriguing thing about polypeptides is their resemblance to proteins. Researchers figure they can use polypeptides for simple models of proteins. They can control the structure of the polypeptide and work with much less complicated molecules than protein.

By using polypeptides put together in various fashions, it may be possible to study the relation of a protein's structure to its function. For instance, a certain characteristic of structure may endow a protein with antibiotic qualities. Or structure may throw some light on protein solubility problems.

There are many finer points about structure which interest protein chemists. Much polypeptide work concerns matters of structure which the scientists study by X-ray diffraction, light scattering, isotopic labeling, spectroscopy, and chromatography.

The scientists have found that most polypeptide chains are not straight, but resemble coil springs or spiral staircases. The technical name for such a configuration is "alpha helix." In many proteins, the coils themselves are intertwined in coil shapes much like the intertwined hemp strands in a rope.

These coils explain the remarkable stretching qualities of some proteins. A hair for instance can be stretched to three times its normal length. When it is, the coil expands—just as a coil spring will expand if you pull on it.

These coils of polypeptides can latch onto each other at the sides, too—joining hands chemically. Chemists think this accounts for the extreme strength of some proteins such as spiderwebs and silk, and the extreme hardness of the proteins in fingernails and horns.

Basic reason for the coiling of the polypeptide chains is somewhat like magnetism. There's a slight electrical attraction between a hydrogen atom in one twist of the coil and an oxygen or nitrogen atom in the next twist. Each twist of the coil contains 3.6 amino acids, according to measurements made by R. B. Corey and Nobel Prize Winner Linus Pauling.

At the University of Wisconsin, much of polypeptide research is done by biochemist Mark Stahmann and his associates. Stahmann was also chairman of the committee which planned the international symposium and the university's official host for the meetings.

Stahmann and his group have tested several polypeptides for biological activity. One of the materials, called polylysine, has shown antitumor, antifungal, and antibacterial action. Their recent findings illustrate more definitely some of the promise these manmade chemicals may have for disease control.

Their findings do not mean the material is ready for use in cancer treatment or for injections to control virus or bacterial diseases. Full evaluation of its potential worth must await much more experimental study. However, knowledge of how the material works against cancerous cells will often generate new ideas and allow better aiming of research efforts.

Research with laboratory mice showed that synthetic polylysine made in the laboratory slowed down or prevented growth of certain kinds of transplanted experimental tumors. The reproductive process of the tumor cells was disrupted by the treatment.

Normally, materials inside the cell divide into two identical parts, each part moving to a different end of the cell. This process occurs without a hitch untold millions of times each day in growing tissues. Such cell division is even more rapid in tumor tissue.

But in tumor cells of mice treated with polylysine, the research men found that the cell materials were often pulled to only one end of the cell. This stopped cell division, so growth of the cancerous tissue was much slower than it would have been if tumor cells were dividing as they normally do.

This supports the idea that polylysine combines with tumor cells because the tumor cells carry a strong negative electrical charge. Most normal cells have a weaker charge, thus attract less polylysine.

Another feature of polylysine is its antibiotic activity. It acts against certain disease-causing fungi and bacteria.

Stahmann's team found that the material works against certain bacteria by making the organisms clump together, slowing their growth, sometimes actually killing the bacteria outright, or causing an increase in the rate at which body cells attack the bacteria.

For instance, high concentrations of polylysine killed Staphylococcus aureus organisms, and the organisms do not seem to develop resistance to the material. This bacterium is the cause of boils, abscesses, and occasional food poisoning; it is currently a major problem in hospitals and also in dairy cattle mastitis.

In laboratory tests, polylysine acted against Streptococcus, a common sorethroat organism. But the material didn't work so well when injected into mice carrying the organism.

Various types of organisms which cause pneumonia also varied in their reaction to polylysine. Tests with mice showed striking protection in some cases, depending on the specific type of organism and the method of injection.

The action against the anthrax organism was also very rapid. The researchers believe polylysine works against the pneumonia and anthrax organisms by neutralizing the electrical charge of the bacteria particles.

The material also stopped growth in test tubes of skin fungus organisms which cause ringworm, athlete's foot, and thrush.

As with use against cancers, the researchers warn that it's much too early to say whether there's any practical use for polylysine in fighting disease. More tests—possibly thousands more—are necessary.

But Israeli Chemist Ephraim Katschalski, who delivered the keynote address at the first symposium meeting, underlined the importance of the scientific imagination which has led to such results. He quoted another noted chemist, Claude Bernard:

"When you put on your white coat in the laboratory, become cynical; don't believe what others tell you—don't even believe yourself. But when you go out of the laboratory, dream your wildest dreams. Of such dreams is scientific progress made."

The dream of the men attending the Madison symposium is to be able to sit in a laboratory and make molecules comparable to the largest and most complicated molecules occurring in nature. Future research on polyamino acids—along lines mapped out at the symposium—may provide the means for making this dream a reality.

FIVE HUNDRED AND SEVENTY-SECOND ANNIVERSARY OF THE BATTLE OF KOSSOVO IN 1389

Mr. PROXMIRE. Mr. President, the great and decisive Battle of Kossovo was fought between the small but brave band of Serbs and the huge Turkish army in 1389. It ended in the most disastrous Serbian defeat. That battle, on the "Field of Blackbirds," resulted in the death of the Serb's beloved and brave

King Lazar and the destruction of their army. It also jeopardized the independence, language, religion, and civilization of the Serbian people.

Thenceforth, for more than four centuries they had to live under the oppressive rule of the Ottoman Turks. But during that long, unhappy period the Serbs succeeded in preserving the best in their national traits and traditions, particularly their characteristic bravery and moral stamina.

During the last 572 years the terrible impact of the fateful Battle of Kossovo has not been forgotten by the Serbian people, and annually on June 28, its anniversary, the Serbian Vidovdan is celebrated as their national holiday.

ST. JANEZ DAY—SLOVENE NATIONAL HOLIDAY

Mr. PROXMIRE. Mr. President, the Slovenes are one of the three South Slavic peoples in today's Yugoslavia. They are not as well known to the outside world as they deserve to be. These sturdy and stout-hearted people in northwestern Yugoslavia have had a long, eventful history, during which they have demonstrated their bravery, tenacity, and industry. In the course of their modern history, when they were suffering under Ottoman Turkish rule, they clung steadfastly to their fine national traditions.

They had to fight several wars to preserve their identity and traditions. The most famous of these wars was fought late in the 17th century, when the Turks were repelled from southern Europe. The historic victory over the Turks is celebrated on June 24, the day of St. John the Baptist, at which time also their great leader, Svetokriski Janez, is honored. In Slovenia this anniversary is observed by lighting huge bonfires on mountainsides, symbolizing the signal which gave warning of the approaching enemy.

On the observance of this day, their national holiday, I gladly join all Slovene-Americans to honor the memory of this great victory.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENT KENNEDY'S ADDRESS AT THE NATIONAL CONFERENCE ON INTERNATIONAL ECONOMIC AND SOCIAL DEVELOPMENT

Mr. HUMPHREY. Mr. President, in recent weeks there has been a great deal written and said in regard to the foreign aid program—both pro and con. In my judgment this discussion will be of real value in helping us as a nation to focus our thought and attention on just what is the real purpose of our foreign aid program. I believe that this great discussion will prove constructive and result in a revitalized, reorganized aid program designed to help alleviate human misery, and promote economic development and political freedom.

On June 16, President Kennedy made a precise and moving address before the National Conference on International Economic and Social Development in which he spelled out why our country is carrying on a foreign aid program. This speech is required reading for all citizens. In one sentence the President clearly summarized why we are engaged in this expensive and difficult task. The President said:

> I therefore urge those who want to do something for the United States, for this cause, to channel their energies behind this new foreign aid program to help prevent the social injustice and economic chaos upon which subversion and revolt feed; to encourage reform and development; to stabilize new nations and weak governments, train and equip the local forces upon whom the chief burden of resisting local Communist subversion rests.

I am confident that the American people will respond to the President's appeal for support of our foreign aid program.

I ask unanimous consent that the President's speech appear at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT THE NATIONAL CONFERENCE ON INTERNATIONAL ECONOMIC AND SOCIAL DEVELOPMENT, SHOREHAM HOTEL, WASHINGTON, D.C., JUNE 16, 1961

Governor Kerner, Mr. Chairman, Secretary Dillon, Secretary McNamara, Secretary Ribicoff, Senator Humphrey, distinguished Members of Congress, Mr. Black, Mr. Day, ladies, and gentlemen, I was most anxious to come here today because I think that the work that you are doing and effort that you are making represents a fulfillment of your responsibilities as citizens at the highest level.

There is no work in which you could be engaged in these days, that is more important to the welfare of your country, to the security of the cause of freedom. There is no work probably more thankless, there is no work probably that may be less appreciated, but I hope the very fact that all those matters may be true, I hope give a sense of satisfaction. The easiest work and the popular work, I think, can be left to many hands. But this work requires the effort of committed and dedicated citizens. So I was extremely anxious to come here today to express my appreciation to you for the effort that you have made, and hope the work in which you are engaged will be understood by our fellow citizens across the country; that from this meeting a new understanding of this great national commitment and effort will pass through the country so that in the coming weeks we will be able to commit ourselves to a program in the coming months and years that will give us a greater degree of security.

As I said in my speech the other night, I cannot understand those who are the most vigorous in wishing to stem the tide of communism around the world and who are at the same time bombarding the Congress and the administration with attacks on this program. We all get used to paradoxes, but I must say that in all my political life that is one of the most extreme. This is a program which does offer hope of stemming the advance. I know of no program at the present time other than those that go to the actual military security of the United States and the strengthening of the Armed Forces of this country, and offer a comparable return. And therefore we should recognize the close identification of this effort—the effort to protect those societies which wish to be free. Because it does involve our own security.

This is not an effort even though it brings about beneficial results and fulfills responsibilities that we have as human beings to those who are less fortunate, this is a program that involves very importantly the security of the United States. And it is therefore, in my opinion, a program that deserves the support of every American who recognizes the real nature of the struggle in which we are engaged.

Now I know that there are those who are tired of carrying what they regard as a burden, and it is a burden. But if they say that then they mean they are tired of the struggle. And the struggle is reaching its climax in the sixties. And as I am not tired of the struggle, and you're not tired of the struggle, and this country isn't tired of struggling, we should be willing to pay and bear our burdens in this regard for a longer period of time. And if we are tired of that then we should recognize the implications of that fatigue.

In 1952, when foreign aid was developed in this scale it was regarded as a period of transition and trial. In 1952, the Communists were seeking to expand their influence primarily through military means. In 1952, the United States was concerned about Korea-type control and invasions with actual military forces. Now, however, we have seen an entirely different concept which the Communists have frankly and generously explained to us at great lengths—Mr. Khrushchev's speech in January, he reiterated it again in Vienna, the so-called war of liberation, which is not the Korean type of war, where armed forces of one side passes across en masse the frontier of another country, but instead the seizure of power internally by what he considers the forces of liberation, but which are, as we know in many cases, forces which are Communist controlled and which are supported from outside the country, but which are internal in their operation. It is for these reasons and because of this change in the Government strategy, which they believe offers them the best hope of success, that this work is more important today than it has ever been before.

I think that we should recognize that efforts to seize power in these countries, particularly those that are bordering the periphery of the Communist bloc, can be stemmed only, particularly in those countries where poverty and ignorance and illiteracy are the order of the day, can be stemmed only by one thing. And that is governments which are oriented and directed toward assisting the people, and identified with causes which mean a better life for the people of those countries.

Quite obviously we cannot stem any tide which is inevitable. But I do not believe it inevitable that the governments in those areas should adopt policies which are reactionary. I think it is inevitable that they will adopt policies which are progressive and I think we should assist them. If we are not prepared to assist them, then quite obviously they cannot carry this burden in many cases by themselves. And if we are not prepared to assist them, whatever efforts they make will be doomed to failure. So I think that what we want to see in these areas are governments which are concerned with the life of their people, which are making a genuine effort, which are making and putting forth programs which, after a period of time, promise a better life for the people and then we should be prepared to play our part and that is what we are suggesting in this program and that, in my

opinion, is in the best interest of our country at this time.

Now I know it's possible to go through foreign aid in the past and show the mistakes that have been made. But as HUBERT HUMPHREY and all of us know, who have been through this, we can go through any section of the Government and show where mistakes have been made in the past and where money has been wasted. It isn't just in foreign aid. It is difficult to spend the people's money in an effective way, always wisely, always with judgment, always with integrity, and we find errors which have been made in many sections of governmental spending in the past. The Hoover Commissions were only one indication of things that they unveiled in waste in Government. It is done every day in military establishments; in the White House, in the Congress. There is waste. There is waste in our private expenditures. What we have got to do is try to make sure that there is as little waste as possible, that we have the best people directing these programs that we can; that we do it as well as we can.

When I talked with Ambassador Bunger, who is in India, who had a distinguished record there, the other day, and he said he did not believe in his long experience as head of one of the most important companies in the United States—he did not believe that he had ever seen money as usefully and as wisely spent as the American assistance which he saw in India. We can show the obvious examples of the waste, but we can show many, many countries which if we had not helped them in the past 10 years would have long ago collapsed. My trip through western Europe indicates the extraordinary success of one facet of this program.

Now I think if we are going to talk about the mistakes we should also talk about the successes. Western Europe is an obvious one and there are others. The effort we have made in India, that we are making in Pakistan have also been most helpful. There isn't any doubt in my mind that if we had not played a role in other countries, in the Middle East, in Asia, and in Southeast Asia, and up through the island chain, the countries would have collapsed.

So that you may say that Laos is an unfortunate example and perhaps it was and perhaps it is and perhaps the money was not wisely spent; and there have been other examples. But I can show you, also, examples of countries that would today be Communist dominated if it had not been for this effort and I think we should consider the program in totality. Even though we must recognize that mistakes have been made in the past and that a real effort is being made in this program to improve it. First we are attempting to reorganize the agency so that there is one man in charge of all the aid programs in each country, who will have the responsibility instead of the present duplication. Secondly, we are attempting to reorganize so that we get in personnel. We are going to attempt to borrow them from some of our most successful companies. We are attempting to recruit them from all parts of the United States. And anyone of talent and experience in this field who wishes to serve is invited now to join us in a position which may not have great public acclaim but which will make a measurable contribution in this area. And thirdly, we are attempting, and we think this most important, to provide long-range financing for this program. If we say to a country which is attempting an economic program, "If you do such and so over a period of 5 years, devote so much to public investment, do so much in tax reform, do so much in agriculture and all the rest, then we are prepared to support you year by year to the amount of X assistance." And that is far better than our being able to say, "Well, we can do this in 12 months and after that we don't know if we can do anything." What incentive is there for them to devote a percentage of their national income to a particular area unless they are sure that we are going to play a supporting role?

Mr. Black in the World Bank has seen the effectiveness of this kind of long-range planning on a responsible basis, which has been the secret of the World Bank success. And no bank could function either locally or through the world if it only loaned for 12 months on any program which required a 5- or 10-year development period. So that I think that the Congress will have under the proposal we have suggested great authority in case the money is in any way wasted, they continue to maintain their control of it. But they do, I think, permit us under this program to provide a more effective use of the taxpayers' money.

And let me say finally, that since my return from abroad, I've found in Washington and about the country the desire to do something, to stop the spread of communism, to bolster the cause of freedom, to exercise initiative in world affairs; and I have heard talk about new military commitments and troop deployments, and there have been extra funds to be made available to our military purposes. All of this is important. But the so-called war of liberation Mr. Khrushchev has described cannot be stopped by a new B–58 squadron. They cannot be deterred—these internal movements cannot be deterred by military guarantees. They cannot for the most part be resisted by American intervention in the absence of outside Communist troop intervention.

I therefore urge those who want to do something for the United States, for this cause, to channel their energies behind this new foreign program to help prevent the social injustice and economic chaos upon which subversion and revolt feed; to encourage reform and development; to stabilize new nations and weak governments, train and equip the local forces upon whom the chief burden of resisting local Communist subversion rests.

Those who oppose foreign economic and military assistance should know that the Communists do not oppose it. That their aid to less developed countries is rising sharply, that they have already sent some 8,000 technicians into these areas, and that they make credits available on a long-term basis without subjecting the recipient country to the perils of annual legislative review. Even in our own hemisphere, Communist bloc aid is dangled before the eyes of those who have long been devoted to freedom but have longed for an end to their poverty. We have read in recent weeks about the proposal which grandiosely states, but which is somewhat incompletely filled in, but at least it is proposed, to give Bolivia a loan of a $150 million steel mill with supporting equipment—in our own hemisphere, by the Soviet Union. In short there is no point in speaking out against the spread of communism unless we are willing to do our part in giving those who are fighting communism the weapon to fight it. There is no point in calling for vigorous action to protect our security if we are unwilling to pay the price and maintain the burden which are necessary for that security, and as the late Arthur Vandenberg said long ago, "There is no point in throwing a drowning man 20 feet off the beach a 10-foot rope."

I don't say that our program will be free from error. Mistakes will be made and setbacks will be suffered. But I am more concerned about the waste to our security which will result from too small a program in this critical year and too short a period of authority than I am about anything else. I am less concerned about the dangers of meeting our full responsibility and about—in a crucial year—and this well may be the crucial year of 1961—of doing too little and too late.

I therefore want to say to all of you that I am most grateful to your coming. I hope that your example of support will be followed by citizens across the country. It is difficult for me to believe that in the climactic period of this great era, that the United States is going to fail to meet its responsibility to itself and to those who look to it. I believe that we have an opportunity to play our part. I am confident that we are going to do so. And I think it is most important those who are burdened and those who are fatigued and those who feel that we have been through this so much for so many years—I would think that they should realize that that challenge will be with us for a long time to come. This is an obligation and an opportunity. There is more than self-interest and anticommunism involved. I want it to be said that this generation of Americans—jealous of its rights, conscious of its responsibilities—met its responsibility in the year 1961 and in the years to come—met it with all the resources and all the wisdom and all the judgment, and made prevail.

MEXICAN FARM LABOR IMPORTATION PROGRAM

Mr. HUMPHREY. Mr. President, some 38 Protestant, Catholic, and Jewish leaders spoke out strongly and forcefully last week concerning the Mexican farm labor importation program, or Public Law 78. In a rare joint statement on a legislative issue, they declared:

> We speak directly to you, our elected representatives. Gentlemen, on very few issues which come before you is there such a clear cut moral urgency. On very few issues could you find greater agreement among religious groups than the recommendations here presented.

Signing the statement was a very distinguished group of religious and lay leaders of the Protestant, Catholic, and Jewish faiths. They included the Reverend Edward T. Dahlberg of St. Louis, past president of the National Council of the Churches of Christ in the U.S.A.; Methodist Bishop John Wesley Lord of Washington, D.C.; Archbishop Edwin V. Byrne, of Santa Fe, N. Mex.; Archbishop Robert E. Lucey, of San Antonio, Tex.; Rabbi Julius Mark, of New York, incoming president of the United Synagogue Council of America and Rabbi Philip Hiat, of New York, executive director of the Synagogue Council.

Their statement was presented by Mr. Martin Work, executive secretary of the National Council of Catholic Men, during the hearings on Public Law 78 held last week by the Subcommittee on Agricultural Research and General Legislation, headed by the able junior Senator from North Carolina [Mr. JORDAN].

The religious leaders left no doubt how they felt about Public Law 78. They stated:

> Public Law 78, then, is patently inimical to the moral interests of the United States as well as to its economy, to its farmers in general, and to its domestic farmworkers most specifically. Ideally, it should not be extended beyond December 31, 1961, its present expiration date. Certainly a definite and not distant date must be set for the program's elimination.
>
> But because its abrupt termination could entail undue disruptions and hardships, we believe it is necessary to accept a brief extension, an extension, however, which must include ironclad provisions for safeguarding

the interests of all concerned—the braceros, the domestic workers, and the great majority (98 percent) of farmers who do not use Mexican workers.

We urge, therefore, the passage of S. 1945, introduced by Senator EUGENE MCCARTHY and cosponsored by many other Senators.

Significantly, they added:

Any extension of Public Law 78 which does not include these minimum reforms would be entirely unacceptable and we would feel obliged respectfully to urge the President to veto it.

The strong views on Public Law 78 of the religious leaders were echoed throughout the hearings by the representatives of many organizations. Consumer organizations, labor unions, small farm groups, and civic organizations all lashed the many abuses of the Mexican farm labor importation program during the hearings.

The National Farmers Union, the AFL–CIO, the GI forum—representing Mexican Americans—the National Consumers League, National Catholic Welfare Conference, the National Council of the Churches of Christ in the U.S.A., the Amalgamated Meat Cutters and Butcher workmen, AFL–CIO, National Advisory Committee on Farm Labor, United Packinghouse Workers of America, AFL–CIO, and many other groups attacked the present operations of Public Law 78.

Some of these groups urged an outright end to the Mexican farm labor importation program. They said that it so depressed the already pitiful wages and working conditions of American citizens who worked as farm laborers that it should not be extended. They urged that it was so dangerous to many competing family farmers that it should not be renewed beyond its December 31, 1961, expiration date.

There is very strong feeling about the Mexican farm labor importation program, Mr. President. The words, "evil" and "an abomination" were not unusual in the hearings.

Yet various associations of users of Mexican farm labor strongly attacked the modest Public Law 78 reform measures suggested by the administration and introduced by the distinguished junior Senator from Minnesota [Mr. MCCARTHY] and 15 other Senators, including myself.

The growers are literally playing Russian roulette with the continuation of Public Law 78. Their opposition to S. 1945 is nothing short of that.

For, as the Secretary of Labor pointed out in the hearings, the reforms which the administration is requesting are modest and moderate. They would effectuate the original intent of Congress in protecting our citizen farmworkers and our family farmers from being hurt by the importation of cheap labor.

Mr. Goldberg pointed out that the administration had been under heavy pressure to oppose any extension of Public Law 78. But it decided against termination of the program because of, as he stated:

The uncertainty of meeting the labor requirements at this time of our agricultural producers entirely from our own labor supply.

He declared pointedly, however, in his statement:

But it should be equally clear that the administration opposes any extension of this law unless it is appropriately amended to provide sorely needed protection for our own workers; protection against the rampant competition for available jobs from an almost inexhaustible reservoir of foreign workers accustomed to work for wages and under conditions which compared with ours are substandard and which we have long relegated to the past.

The basic question is: Do we not have a solemn responsibility to our own workers to provide safeguards against the adverse impact upon their wages, working conditions, and employment opportunities that must inevitably flow from the large-scale use of foreign supplemental labor?

Mr. President, I sincerely hope that the growers will read the handwriting on the wall and realize that the modest and moderate reforms of S. 1945 must be enacted if Public Law 78 is to be extended. To reject S. 1945 is to doom Public Law 78.

I urge them to regard the Mexican farm labor importation program as a source of supplemental labor for unskilled and temporary work; that is what Congress intended it to be. It is not a substitute for our citizen farmworkers. And it must not be a means for holding down farm-labor wages to as low a level as 50 cents an hour.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the full statement of the Protestant, Catholic, and Jewish leaders.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT ON PUBLIC LAW 78 TO BE SUBMITTED ON JUNE 12, 1961, TO THE SENATE COMMITTEE ON AGRICULTURE BY THE UNDERSIGNED PROTESTANT, CATHOLIC, AND JEWISH LEADERS

A cardinal fact of our democratic system is that government seldom originates social and economic progress, but rather responds to the expression of its people. It follows that when any definable segment of our population is inarticulate, it draws to itself little public attention and in consequence remains outside the range of most progressive actions. Such is the case with the migratory farmworkers of America, who, to this day, remain bereft of the benefits of most labor and social legislation enacted in recent years.

Expressly excluded from the Nation's minimum wage law, many of these farmworkers labor for 35 to 50 cents an hour and earn an average of less than $1,000 a year. With longer and more frequent layoff periods than other workers, they do not enjoy the benefits of the unemployment insurance system, and so must carry the burden of their own joblessness. Should they be hurt or otherwise become physically impaired while working in the fields, extremely few of them are covered under State workmen's compensation laws.

Perhaps the most harmful of all is the categorical exclusion of farmworkers from legislation that protects the right of other workers to organize into unions and bargain with their employers. Had farmworkers been given this protection under the National Labor Relations Act, it is reasonable to conclude they would have acquired for themselves a far more equitable position in our economy than they now occupy. In our way of life there is no substitute for properly constituted representation.

Without this protection, farmworkers are mute and impotent, relegated to the very lowest level of our economy and to the fringe of our society, truly a strange and wholly indefensible position for the workers in our greatest industry, an industry, moreover, which otherwise is rightly considered an honorable as well as a necessary part of our economy.

The errors of omission and neglect that our society has allowed to be inflicted on all farmworkers are intensified for the half million families who are migratory. Their's is truly a dreary and discouraging world, a world of family nomads, living for today on today's meager earnings, always uncertain of what tomorrow will bring. To earn a yearly average of less than $1,000, a migrant must subject himself and his family to the rigors of long, often haphazard travel, to the denial of society's benefits, to the loss of education for the children, because to eat is basic and urgent. He is rootless because he lacks the wherewithal to nurture roots.

Into this situation already deplorable to the extreme is introduced another element adding a further crushing burden to the backs of those least able to bear it: the importation into this country, under Public Law 78, of hundreds of thousands of directly competing workers from Mexico.

Poverty stricken and without adequate economic opportunity in their own country, the Mexican "braceros," as they are called, welcome this chance to earn a few dollars, even if it means leaving their families for many months and working in a foreign land under conditions not much different from indentured servitude.

Started as a World War II emergency measure under which less than 90,000 Mexican male workers were imported in any one year, the dimensions of this program under Public Law 78 have since expanded enormously. In 1959, 438,000 Mexican men were imported under the program; in 1960 a combination of circumstances cut the number to 316,000—all of them employed on less than 2 percent of the Nation's farm enterprises.

As could readily be expected, the continued and expanded use of these Mexican workers has had a devastating effect on the well-being of our citizen farmworkers. In 1959, a group of distinguished Americans made an exhaustive study of the situation at the request of James P. Mitchell, then Secretary of Labor. In an emergency program designed to provide supplemental labor to meet peak season harvesting shortages, the consultants found 20,000 Mexicans employed on a year-round basis. In addition to those employed as tractor operators and ranch hands, they found thousands more engaged in skilled and semiskilled jobs. They found that domestic farm wages—already desperately low—lagged even more in areas and crops in which Mexicans were employed, and the job duration of domestic workers cut short because of the presence of the imported workers. Moreover, it is not insignificant that at the peak of harvesting they found that 60 percent of all Mexicans were employed in crops then in surplus supply—such as cotton, a price-supported crop.

These are only a few of the disturbing conditions brought to light; there are many others. The facts brought out by the consultants and by innumerable other objective studies prove conclusively that Public Law 78 by exploiting the poverty of Mexicans has appreciably worsened the already deplorable poverty of our own citizen migrants.

Public Law 78, then, is patently inimical to the moral interests of the United States as well as to its economy, to its farmers in general, and to its domestic farmworkers most specifically. Ideally, it should not be extended beyond December 31, 1961, its present expiration date. Certainly a definite and not distant date must be set for the program's elimination. But because its abrupt

termination could entail undue disruptions and hardships, we believe it is necessary to accept a brief extension, an extension, however, which must include ironclad provisions for safeguarding the interests of all concerned—the braceros, the domestic workers, and the great majority (98 percent) of farmers who do not use Mexican workers.

We urge, therefore, the passage of S. 1945, introduced by Senator EUGENE MCCARTHY and cosponsored by many other Senators. This bill, now before this committee, embodies the minimum reforms we believe to be necessary:

1. The Secretary of Labor is given authority to limit the number of foreign workers who may be employed by any one employer.

2. To be eligible to obtain foreign workers a farm employer must first offer (and actually pay) U.S. workers terms and conditions reasonably comparable to those guaranteed Mexican workers.

3. The employer of Mexican workers must pay those workers at least as much as the average hourly rate for farmworkers in the State or Nation, whichever is lower; but any yearly increase is limited to 10 cents an hour.

4. Mexican workers are limited to seasonal and nonmachine jobs.

Any extension of Public Law 78 which does not include these minimum reforms would be entirely unacceptable and we would feel obliged respectfully to urge the President to veto it.

In conclusion, we speak directly to you, our elected representatives. Gentlemen, on very few issues which come before you is there such a clearcut moral urgency. On very few issues could you find greater agreement among religious groups than on the recommendations here presented.

We plead with you to vote on this issue from an enlightened and aroused conscience. Surely it is possible for you to recognize that despite the opposing pressures this is an issue where the right and courageous action is dictated by an inescapable moral responsibility.

Signatories to the above joint statement:

From the Protestant community: Mrs. John C. Bennett, New York, N.Y.; Rev. Edwin T. Dahlberg, St. Louis, Mo.; Rev. Ray Gibbons, New York; Rev. Shirley E. Greene, St. Louis, Mo.; Rev. Cameron P. Hall, New York, N.Y.; Dr. Benson Y. Landis, Scarsdale, N.Y.; Bishop John Wesley Lord, Washington, D.C.; Miss Edith Lowry, New York, N.Y.; Rev. Victor C. Obenhaus, Chicago, Ill.; Mr. Victor G. Reuther, Washington, D. C.; Mrs. Eleanor Roosevelt, New York, N.Y.; Miss Thelma Stevens, New York, N.Y.; Mrs. William Sale Terrell, West Hartford, Conn.; and Mrs. Theodore O. Wedel, Washington, D.C.

From the Catholic community: Archbishop Edwin V. Byrne, D.D., Santa Fe, N. Mex.; Mr. Michael Coleman, Chicago, Ill.; Rt. Rev. Msgr. George Higgins, Washington, D.C.; Archbishop Robert E. Lucey, D.D., San Antonio, Tex.; Miss Margaret Mealey, Washington, D.C.; Rev. Edward O'Rourke, Des Moines, Iowa; Very Rev. Msgr. William Quinn, Chicago, Ill.; Mr. Robert Senser, Chicago, Ill.; Rev. John A. Wagner, San Antonio, Tex.; Mr. Martin Work, Washington, D.C.; Bishop Stephen S. Woznicki, D.D., Saginaw, Mich., and Rev. James L. Vizzard, S.J., Washington, D.C.

From the Jewish community: Rabbi Theodore L. Adams, New York, N.Y.; Rabbi Abraham J. Feldman, Hartford, Conn.; Mr. Philip Greene, New York, N.Y.; Rabbi Philip Hiat, New York, N.Y.; Rabbi Israel Klaren, New York, N.Y.; Dr. Bernard Lander, New York, N.Y.; Rabbi Julius Mark, New York, N.Y.; Rabbi Uri Miller, Baltimore, Md.; Rabbi Bernard Segal, New York, N.Y.; Mr. Albert Vorspan, Long Island, N.Y.; Rabbi Wolfe Kelman, New York, N.Y., and Rabbi Edward P. Sandrow, Cedarhurst, Long Island, N.Y.

FEDERAL AID TO WASHINGTON HOSPITALS

Mr. MORSE. Mr. President, as chairman of the Public Health, Education, Welfare, and Safety Subcommittee of the Senate Committee on the District of Columbia, I submit a favorable report on H.R. 4913, a bill to amend the act of August 7, 1946, relating to the District of Columbia Hospital Center to extend the time during which appropriations may be made for the purposes of that act.

H.R. 4913 has the dual purpose of providing the District and interested Federal agencies with 1 year of additional time to formulate a coordinated program of Federal assistance to George Washington University Hospital, Greater Washington-Southeast Community Hospital, and other hospitals in the metropolitan area, and also preserving the present program of expanding private hospitals in the District through Federal grants provided under the provisions of the Hospital Center Act.

I ask unanimous consent to have printed at this point in my remarks an editorial which appeared in the Washington Evening Star on June 22, 1961, entitled "More Time Needed." The editorial supports the action taken by the House in approving the measure and points out that Congress must act quickly to extend the Hospital Center Act as the act expires on Friday of this week. I hope that with the cooperation of the majority and minority leaders the bill can be called up quickly for Senate action so that it can be sent to the President for his signature by Friday of this week.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MORE TIME NEEDED

The House was justified in voting to extend for another year the legislative authority for granting Federal aid to Washington hospitals. This extension would give George Washington University Hospital and the Greater Washington-Southeast Community Hospital more time in which to seek such aid. The Hospital Center Act, under which hospitals have been helped with Federal funds, is due to expire at the end of this month.

George Washington University Hospital is planning a comprehensive medical center and is seeking Government aid in building a $5 million addition to the present hospital at Washington Circle. The Southeast Hospital is seeking additiong Federal funds for construction of a 300-bed institution to serve the eastern section of the city and outlying suburbs. Since the District is required by the law to reimburse the Federal Treasury for one-third of the hospital aid, the financing plan has encountered budgetary troubles at the District Building. However, the hospital needs are so urgent that Congress would be wise to extend the Hospital Center Act, pending further consideration of these financing problems.

SOCIAL SECURITY AMENDMENTS OF 1961

The Senate resumed the consideration of the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making persons eligible for benefits under the program, and for other purposes.

Mr. KERR. Mr. President, the bill reported by the Committee on Finance incorporates the changes in the social security law which passed the House of Representatives, and makes some further changes in the law. As to the old-age, survivors, and disability insurance program the bill effectuates the major social security recommendations of President Kennedy's economic message, but reduces them somewhat in scope. It adds amendments which would facilitate the coverage of certain State and local employees and certain ministers with respect to the coverage of the system.

The committee also added a public assistance provision to the House-approved bill which increases the Federal matching maximum for the needy aged, blind, and disabled. In addition, the committee authorizes the expenditure of Federal funds for temporary assistance to U.S. nationals who have returned from foreign countries and are without immediately available resources.

The major social security provisions of the committee bill, like the House-approved bill, would increase the minimum monthly benefit from $33 to $40; provide the option of early retirement to men at age 62 with benefits on an actuarially reduced basis; increase the widow's benefit by 10 percent; and liberalize the insured status requirement for benefit eligibility purposes. As a result, over 4.4 million people will get new or increased benefits totaling $780 million, in the first full year of operation. The breakdown of persons affected and the additional benefits payable in the first full year of operation is as follows:

	Persons affected	1st-year benefits
		Millions
Increase in the minimum benefit	2,175,000	$170
Reduced benefits for men at 62	560,000	440
Change in insured status	100,000	65
Increase in widows' benefits	1,525,000	105

These liberalizations of the program will be financed by an increase in the social security tax rate of one-eighth of 1 percent on both the employer and the employee, and of approximately three-eighths of 1 percent on the self-employed. This is a reduction of one-half in the tax rate increase recommended by the President and is possible because the long-range cost of the bill, as passed by the House and reported by the Committee on Finance, was cut in half. On the basis of responsible testimony, the committee found that the benefits and tax increases provided are in actuarial balance so as to keep the system on a soundly financed basis.

The public assistance amendment added by the committee would raise the maximum amount which would be matched by the Federal Government by an average of $2.50 per recipient per month for a temporary period of 1 year commencing July 1, 1961. The old-age assistance, aid to the blind, and aid to the permanently and totally disabled programs would be affected, and the

States would be required to pass along the increase in Federal funds to the needy recipients. It is estimated that this provision will cost the Federal Government about $20 million for the year. It should be noted, incidentally, that, according to estimates furnished to the committee by the Department of Health, Education, and Welfare, the changes made by the bill in the social security program—primarily the increase in the minimum and the widow's benefits—will effect substantial savings in Federal and State public assistance expenditures.

Finally, the bill includes a provision which would authorize the expenditure of the Federal funds for the temporary assistance of U.S. nationals without available resources who have returned, or been brought back, to this country because of illness or destitution or because of war, threat of war, invasion, or similar crisis. The assistance would be furnished exclusively in this country, primarily at ports of entry. Funds for the program will come from the Federal Government, and the Secretary of Health, Education, and Welfare—who will administer the program—can provide assistance directly or through the facilities of State, local, or private agencies. Those individuals who can reimburse the Federal Government will be required to do so under regulations promulgated by the Secretary.

The need for this authority is particularly acute at the present time because of the repatriation of a substantial number of American citizens from Cuba. However, for many years, the welfare needs of sick and destitute nationals arriving in this country have presented a problem to State welfare and private agencies in port areas.

Mr. President, I ask that the committee amendments be agreed to en bloc and that the bill as amended be treated as original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 10, line 2, after the letter "(q)", to insert "of section 202"; on page 24, after line 20, to insert a new section, as follows:

"EXTENSION OF TIME WITHIN WHICH CERTAIN STATE-FEDERAL AGREEMENTS MAY BE MODIFIED

"SEC. 106. (a) Section 218(d)(6)(F) of the Social Security Act is amended by striking out 'prior to 1960 or, if later, the expiration of one year after the date' and inserting in lieu thereof 'prior to 1963 or, if later, the expiration of two years after the date'.

"(b) Section 218(d)(6)(F) of the Social Security Act is further amended by adding at the end thereof the following new sentence: 'Notwithstanding subsection (f)(1), any such modification or later modification, providing for the transfer of additional positions within a retirement system previously divided pursuant to subparagraph (C) to the separate retirement system composed of positions of members who desire coverage, shall be effective with respect to services performed after the same effective date as that which was specified in the case of such previous division.'"

On page 25, after line 13, to insert a new section, as follows:

"INCLUSION OF NEW MEXICO AMONG STATES WHICH MAY DIVIDE THEIR RETIREMENT SYSTEMS INTO TWO PARTS

"SEC. 107. The first sentence of section 218(d)(6)(C) of the Social Security Act is amended by inserting 'New Mexico,' after 'Minnesota,'."

At the beginning of line 20, to change the section number from "106" to "108"; on page 26, line 14, after the word "to", to strike out "4 11/16" and insert "4.7"; in line 19, after the word "to", to strike out "5 7/16" and insert "5.4"; in line 23, after the word "to", to strike out "6 3/16" and insert "6.2"; on page 27, at the beginning of line 3, to strike out "6 15/16" and insert "6.9"; on page 29, after line 2, to insert a new section, as follows:

"EXTENSION OF TIME TO ELECT COVERAGE ON BEHALF OF MINISTERS

"SEC. 202. (a) Section 1402(e) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

"'(6) CERTIFICATE FILED BY FIDUCIARIES OR SURVIVORS ON OR BEFORE APRIL 15, 1962.—In any case where an individual, whose death has occurred after September 12, 1960, and before April 16, 1962, derived earnings from the performance of services described in subsection (c)(4), or in subsection (c)(5) insofar as it relates to the performance of service by an individual in the exercise of his profession as a Christian Science practioner, a certificate may be filed after the date of enactment of this paragraph, and on or before April 15, 1962, by a fiduciary acting for such individual's estate or by such individual's survivor within the meaning of section 205(c)(1)(C) of the Social Security Act. Such certificate shall be effective for the period prescribed in paragraph (3)(A) as if filed by the individual on the day of his death.'

"(b) The amendment made by subsection (a) shall take effect on the date of enactment of this Act; except that no monthly benefits under title II of the Social Security Act for the month in which this Act is enacted or any prior month shall be payable or increased by reason of such amendment, and no lump-sum death payment under such title shall be payable or increased by reason of such amendment in the case of any individual who died prior to the date of enactment of this Act."

On page 30, after line 15, to insert a new section, as follows:

"ASSISTANCE FOR RETURNING UNITED STATES NATIONALS

"SEC. 302. Title XI of the Social Security Act is amended by adding at the end thereof the following new section:

"ASSISTANCE FOR UNITED STATES NATIONALS RETURNED FROM FOREIGN COUNTRIES

"'SEC. 1113. (a)(1) The Secretary is authorized to provide temporary assistance to the United States nationals and to dependents of United States nationals, if they (A) are identified by the Department of State as having returned, or been brought, from a foreign country to the United States because of the destitution of the United States national or the illness of such national or any of his dependents or because of war, threat of war, invasion, or similar crisis, and (B) are without available resources.

"'(2) Except in such cases or classes of cases as are set forth in regulations of the Secretary, provision shall be made for reimbursement to the United States by the recipients of the temporary assistance to cover the cost thereof.

"'(3) The Secretary may provide assistance under paragraph (1) directly or through utilization of the services and facilities of appropriate public or private agencies and organizations, in accordance with agreements providing for payment, in advance or by way of reimbursement, as may be determined by the Secretary, of the cost thereof. Such cost shall be determined by such statistical, sampling, or other method as may be provided in the agreement.

"'(b) The Secretary is authorized to develop plans and make arrangements for provision of temporary assistance within the United States to individuals specified in subsection (a)(1). Such plans shall be developed and such arrangements shall be made after consultation with the Secretary of State and the Secretary of Defense. To the extent feasible, assistance provided under subsection (a) shall be provided in accordance with the plans developed pursuant to this subsection, as modified from time to time by the Secretary.

"'(c) For purposes of this section, the term "temporary assistance" means money payments, medical care, temporary billeting, transportation, and other goods and services necessary for the health or welfare of individuals (including guidance, counseling, and other welfare services) furnished to them within the United States upon their return to the United States from a foreign country and for such period after their return as may be provided in regulations of the Secretary.'"

On page 32, after line 9, to insert a new section, as follows:

"ADDITIONAL FEDERAL PARTICIPATION IN PUBLIC ASSISTANCE PAYMENTS

"SEC. 303. (a)(1) Paragraph (1) of section 3(a) of the Social Security Act is amended by striking out 'and' at the end of clause (C) and inserting in lieu thereof 'plus' and by adding after such clause (C) the following:

"'(D) with respect to such expenditures during any quarter beginning after June 30, 1961, and ending prior to July 1, 1962, the smallest of the following:

"'(i) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clauses (B) and (C); or

"'(ii) the Federal percentage of the product of $2.50 multiplied by the sum of the total number, for each month of such quarter, of recipients of old-age assistance; or

"'(iii) 100 per centum of the product obtained by multiplying the sum of the total number, for each month of such quarter, of recipients of old-age assistance by the excess of the monthly average of old-age assistance per recipient for such quarter over the monthly average of old-age assistance per recipient for the base period, such excess being first reduced by the extent, if any, to which the monthly average of such assistance per recipient for such quarter from State or local funds is less than the monthly average of such assistance per recipient for the base period (which, for purposes of this subsection, means the quarter beginning January 1, 1961) from State or local funds; and'.

"(2) Paragraph (2) of such section is amended by striking out 'and' at the end of clause (B) and inserting in lieu thereof "plus" and by adding after such clause the following:

"'(C) with respect to such expenditures during any quarter beginning after June 30, 1961, and ending prior to July 1, 1962, the smaller of the following:

"'(i) one-half of the amount by which such expenditures exceed the maximum which may be counted under clauses (A) and (B); or

"'(ii) one-half of the product of $1.25 multiplied by the sum of the total number, for each month of such quarter, of recipients of old-age assistance; and'.

"(b)(1) Section 1003(a)(1) of the Social Security Act is amended by inserting 'plus' after the semicolon at the end of clause (B) and by adding after such clause (B) the following:

"'(C) with respect to such expenditures during any quarter beginning after June 30, 1961, and ending prior to July 1, 1962, the smaller of the following:

"'(i) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (B), not counting so much of any expenditure with respect to any month as exceeds the product of $67.50 multiplied by the total number of such recipients of aid to the blind for such month; or

"'(ii) 100 per centum of the product obtained by multiplying the sum of the total number, for each month of such quarter, of recipients of aid to the blind by the excess of the monthly average of aid to the blind per recipient for such quarter over the monthly average of aid to the blind per recipient for the quarter beginning January 1, 1961;'.

"(2) Section 1003(a)(2) of such Act is amended by inserting '(A)' before 'one-half' and adding after the semicolon at the end thereof the following: 'plus (B) with respect to such expenditures during any quarter beginning after June 30, 1961, one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of $36.25 multiplied by the total number of recipients of aid to the blind for such month;'.

"(c)(1) Section 1403(a)(1) of the Social Security Act is amended by inserting 'plus' after the semicolon at the end of clause (B) and by adding after such clause (B) the following:

"'(C) with respect to such expenditures during any quarter beginning after June 30, 1961, and ending prior to July 1, 1962, the smaller of the following:

"'(i) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (B), not counting so much of any expenditure with respect to any month as exceeds the product of $67.50 multiplied by the total number of such recipients of aid to the permanently and totally disabled for such month; or

"'(ii) 100 per centum of the product obtained by multiplying the sum of the total number, for each month of such quarter, of recipients of aid to the permanently and totally disabled by the excess of the monthly average of aid to the permanently and totally disabled per recipient for such quarter over the monthly average of aid to the permanently and totally disabled per recipient for the quarter beginning January 1, 1961;'.

"(2) Section 1403(a)(2) of such Act is amended by inserting '(A)' before 'one-half' and adding after the semicolon at the end thereof the following: 'plus (B) with respect to such expenditures during any quarter beginning after June 30, 1961, and ending prior to July 1, 1962, the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of $36.25 multiplied by the total number of recipients of aid to the permanently and totally disabled for such month;'."

And, on page 37, after line 3, to insert a new section, as follows:

"MEANING OF TERM 'SECRETARY'

"SEC. 304. As used in this title and title I, and in the provisions of the Social Security Act amended thereby, the term 'Secretary', unless the context otherwise requires, means the Secretary of Health, Education, and Welfare."

Mr. KERR. Mr. President, I send to the desk amendments of a technical or perfecting nature and ask for their immediate adoption.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 2, line 7, it is proposed to strike out "(see section 106)".

On page 15, line 23, strike out "(see section 106)".

On page 19, line 16, strike out "(see section 106)".

On page 20, line 18, strike out "12" and insert in lieu thereof "13".

On page 23, line 4, strike out "(see section 106)".

On page 24, lines 16 and 17, strike out "the date of the enactment of this Act" and insert in lieu thereof "July 1, 1961".

Mr. KERR. Mr. President, the first amendment remedies a defect in the language of the House-approved bill which would have the effect of revoking a right to a recomputation of benefits provided by the 1960 amendments for those individuals who became eligible for benefits on the basis of the liberalization of the insured status requirements at that time. Without this amendment a number of people might have the benefits to which they are presently entitled reduced to a substantial degree.

The second amendment remedies a provision of the House-approved bill caused by the passage of time. Under the House bill, if the legislation is not signed by July 1, 1961, which appears to be the case, disabled individuals who file for benefits and/or a disability freeze between July 1 and enactment date will have to file another application after the enactment date. The amendment remedies this situation so that all applications filed July 1, 1961, and thereafter, will be valid.

The third amendment remedies a drafting flaw caused by changing the section numbers of the provision concerning the effective date.

The PRESIDING OFFICER. Without objection, the several amendments are agreed to.

Mr. KERR. Mr. President, I ask unanimous consent that two members of the staff of the Legislative Counsel, Miss Helen E. Livingston and Mr. Frederick B. Arner, of the Library of Congress, be permitted to be present in the Chamber during the deliberations upon the bill, in order that their advice and information may be available.

I make the same request with reference to Mr. Wilbur J. Cohen, Assistant Secretary of Health, Education, and Welfare.

The PRESIDING OFFICER. Without objection, the request is granted.

Mr. KERR. Mr. President, I urge the passage of the bill as amended.

Mr. YOUNG of Ohio obtained the floor.

Mr. CLARK. Mr. President, will the Senator from Ohio yield to me for a moment?

Mr. YOUNG of Ohio. Mr. President, without losing my right to the floor, I yield to the distinguished Senator from Pennsylvania.

Mr. CLARK. Mr. President, I call up my amendment "6-21-61—B." I ask that it not be read but that the text be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 25, between lines 18 and 19, insert the following new section:

"EXEMPTION FROM COVERAGE OF SELF-EMPLOYED INDIVIDUALS WHO HOLD CERTAIN RELIGIOUS BELIEFS

"SEC. 108. (a) Subsection (c) of section 211 of the Social Security Act is amended (1) by striking out 'or' at the end of paragraph (4), (2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof '; or', and (3) by adding after paragraph (5) the following new paragraph:

"'(6) The performance of service by an individual during the period for which a certificate filed by such individual under section 1402(h) of the Internal Revenue Code of 1954 is in effect.'

"(b) Subsection (c) of section 1402 of the Internal Revenue Code of 1954 is amended (1) by striking out 'or' at the end of paragraph (4), (2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof '; or', and (3) by adding after paragraph (5) the following new paragraph:

"'(6) the performance of service by an individual during the period for which a certificate filed by such individual under section 1402(h) is in effect.'

"(c) Section 1402 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"'(h) MEMBERS OR ADHERENTS OF CERTAIN CHURCHES OR RELIGIOUS SECTS.—

"'(1) EXEMPTION CERTIFICATE.—Any individual who is a member or adherent of any recognized church or religious sect the tenets or teaching of which forbid its members or adherents from accepting social insurance benefits of the type provided by the insurance system established by title II of the Social Security Act may file a certificate (in such form and manner, and with such official, as may be prescribed by regulations made under this chapter) certifying that he elects not to have such insurance system extended to service performed by him in his trade or business.

"'(2) EFFECTIVE PERIOD OF CERTIFICATE.—A certificate filed pursuant to this subsection shall be effective for the taxable year in which it is filed and all succeeding taxable years, except that no such certificate shall be effective for any taxable year which ends before the date of enactment of this subsection.'"

On page 25, line 20, strike out "SEC. 108" and insert in lieu thereof "SEC. 109".

Mr. CLARK. Mr. President, I thank the distinguished Senator from Ohio for yielding to me.

Mr. YOUNG of Ohio. Mr. President, Americans who retire in their later years have earned the right to live comfortably, with dignity, and free from the haunting insecurity of penniless old age.

The Social Security Act, one of the greatest and most humane legislative achievements of all time, has through the years emancipated millions of Americans from the dread fear of destitution.

Today, under the beneficent provisions of this act, more than 72 million Americans have assurance that in their old age they will enjoy a measure of security.

Since the passage of the Social Security Act in 1935, Congress has made changes in keeping with the fast changing times. It is my happy personal recollection that, as a member of the committee on Ways and Means of the House of Representatives, I helped draft the present liberalized and expanded social security law.

However, the need for broader, more sweeping changes has outstripped our efforts to meet the needs of our rapidly growing and constantly changing society. Our social security program today does not give enough protection to enough people. It has not kept pace with the times, nor has it kept pace with expanding needs of our elderly citizens.

Today, most of our over 65 population have inadequate incomes, cannot afford proper medical care, and many are ill housed and ill fed. It is clear that expansion on a broad level in social security must be made now, to avoid catastrophe of sweeping proportions among our aged.

It is tragic that this important and deserving segment of our population has been, economically speaking, traveling by mule train, while most of our society has traveled by jet. Today, three-fifths of this aged group have less than $1,000 income annually. Four-fifths have less than $2,000.

Coincident with these shocking statistics is the fact that life expectancy is constantly increasing. The consequences of longer life on less money hold out the prospect of an increasingly impoverished, rapidly expanding, elderly population.

Only an ostrich would fail to see that care of the aged has become a major national problem. While we have been trying to help impoverished peoples all over the world, the fact is we have not fully taken care of our own.

During the last session of Congress, we in the Senate proposed to the Social Security Act a series of liberalizing amendments which would have helped to alleviate many of the needs of our elder citizens. Although a few, including the one ending the arbitrary age of 50 limitation for disabled workers, were agreed to by the other body, most of the more beneficent amendments were killed in conference. As the distinguished junior Senator from Louisiana [Mr. LONG] said at the time:

> We sent over a henhouse filled with hens, and the House of Representatives conferees gave us back a bag of feathers.

Mr. President, as we enter the 1960's under the leadership of President John F. Kennedy, the time has come for a major breakthrough toward the New Frontier—a crash program in social security.

Among the amendments before us today are four which, in my opinion, are essential if we are to be consistent with the spirit of the Social Security Act and our concern for the welfare of all Americans, nearly 4½ million Americans will benefit directly from this legislation. All Americans will benefit in the sense that we shall have a healthier and more economically sound Nation.

One amendment would increase the present $33 monthly minimum benefit to $40, for persons retiring after age 65. More than 2,175,000 Americans would acquire necessary added purchasing power from this provision; $40 monthly is certainly not a prince's ransom, but for millions of Americans this added $7 can make the struggle for a recent standard of living easier. For some, it will mean an extra bag of groceries or a previously postponed visit to the doctor. For others, it may mean a movie, a ball game, or other simple forms of entertainment which previously were out of reach.

The need for this is obvious. It is a fact that persons living on fixed incomes—and those dependent on social security are among them—suffer most from every increase in the cost of living. Increasing the minimum monthly benefit will enable these citizens at least to maintain their living standard. Certainly, in our affluent Nation we must make this possible.

Mr. President, a second important amendment would give men the option of retiring at age 62, instead of at age 65, with correspondingly reduced benefits. It is estimated that 560,000 men could elect to take this step within a year. Women beneficiaries have already been allowed this option, in previous legislation.

This step bears an important relationship to the unemployment problem now plaguing our economy, and which promises to continue to do so—although much less severely, we hope—for many years to come. Among those hardest hit by unemployment at all times have been the elderly. Men over 45, who in reality are young men—or, at least in my opinion, they are comparatively young—once they lose their jobs, rarely get them back. Finding new employment in industry has become very difficult for workers in this age bracket.

This amendment will help protect those citizens who are now, or will be, stranded in the desert of unemployment, with the promised land of security in old age many work-years away.

Humanity dictates that we enable men who have reached age 62 to have at least a choice between whether to try to remain in the labor market or to retire with the dignity and security this amendment would furnish.

Liberalization of insured status requirements is another segment of this bill for which I urge Senate approval. This would fully insure, for benefit purposes, a worker who has one quarter of coverage for every year after 1950, instead of the present requirement of one quarter of coverage for every three calendar quarters.

More than 160,000 people this year alone would benefit from this amendment and would qualify for retirement payments for the first time. It would help achieve the goal of making the Social Security Act truly universal in coverage.

Mr. President, no amendment is more important from the standpoint of our responsibility to the American people than that proposing a 10-percent increase in retirement benefits for elderly widows. It is tragic that more than half of the elderly widows in our rich land have less than $720 a year income, including all pensions and annuities. Elderly widows, most of whom receive social security benefits, are among the most impoverished groups in America. They receive, on the average, only $56 a month. We should increase this amount, for it is shockingly inadequate, and must be rectified. This proposal will also increase benefits for widowers and surviving parents. In all, over a million and one-half Americans will receive, under this provision, desperately needed increases in their meager incomes.

Our social security system is an actuarially sound insurance system, and must remain so. To assure this, these amendments will be financed by a very slight increase in the present payroll tax—one-eighth of 1 percent for employees and employers and three-sixteenths of 1 percent for all self-employed.

As was stated a few minutes ago by the distinguished senior Senator from Oklahoma [Mr. KERR], who is the floor manager for this proposed legislation, this is a pay-as-you-go program, and must be kept actuarily sound in every respect.

The hope all of us cherish is an old age free from care and want. To that end, people toil patiently and live closely, seeking to save something for the day when they can earn no more.

There has been no more pitiful tragedy than the lot of the worker who had struggled all his life to gain a competence, but at age 65 was poverty stricken and dependent upon charity.

The old-age, survivors, and disability insurance program offers security with dignity. It is not charity. It is social insurance. It proves that a free society, through elected representatives, can adapt itself to meet changing conditions in an orderly and progressive way. It is based on an economic right that has been earned by contributions over a person's productive years.

Madam President (Mrs. NEUBERGER in the chair), it was my hope that the Finance Committee would have reported even more extensive legislation than the excellent amendments we are considering today. Other improvements in our social security system are vitally needed.

Madam President, we take comfort in the fact that this session of Congress probably will continue until Labor Day or thereabouts, and that either at this session or at the next session of Congress, beginning next January, the Congress of the United States will take further action in this field for the welfare of the people of this country.

This Nation can no longer afford to handicap its elderly with inadequate benefits, while at the same time confining them to an unrealistic, unfair, and unnecessary earnings limitation of $1,350 a year. This present limitation imposes cruel financial punishment on persons still able to work after 65 and denies them a right they have earned by their own contributions into the social security

fund which their work and their money has built.

Men and women over 65 will, and many do, have the ability to participate in gainful employment after retirement. It is unfair to bar these men and women from receiving social security retirement payments for which they have paid premiums during their more active years. This can be remedied at no cost whatsoever to taxpayers by increasing the earnings limitation.

Madam President, our social security program should be universal, covering all employed and self-employed, whatever their occupation or profession.

For years, the ruling clique of the American Medical Association and its powerful lobby in Washington have stood in the way of inclusion of the medical profession under the beneficent provisions of the social security program. They have even resisted the strong sentiment within the ranks of the AMA itself to give coverage to doctors.

Wherever doctors have been polled—in Ohio, Pennsylvania, New York, and other States—from 65 to 70 percent have expressed themselves in favor of compulsory coverage within social security. Nevertheless, officials of the State medical associations and the AMA continue to bar the door.

Dentists and lawyers are now protected by this program, in response to the request of the vast majority in these professions expressed on every referendum taken through their various State dental associations and bar associations.

Only the American Medical Association, through its high-salaried leaders—political doctors who control the organization—has prevented the same coverage for physicians and surgeons, despite the mounting evidence that most physicians and surgeons themselves desire it. The attitudes and actions of the AMA house of delegates keep doctors as the only professional group who are still holdouts.

To remedy these omissions and others in the present law, I have introduced measures, S. 1120 and S. 1121.

Madam President, along with these provisions, it is my fervent hope that before the 87th Congress adjourns, we shall have given the American people a medical, surgical, and hospital care for the elderly program under our social security system. Of all the deficiencies in the present law, the lack of a medical care program is the most glaring. It is vital that we act favorably on President Kennedy's recommendations to correct this situation. We must overcome the objections of the little group of willful men lacking in vision and humanitarian ideals who are directing the American Medical Association. They are attempting to withhold from the American people this urgently needed legislation.

The truth is, Madam President, that the adoption of a modernized and expanded social security program, including the amendments before us today, will mean a stronger, more vibrant America, a Nation of expanded opportunity for all, where no one is forgotten, where the young have faith and the aged have hope, and where the dignity of the individual is still looked upon as the highest goal of civilized society.

I yield the floor.

Mr. CLARK. Madam President, I return to the amendment which is the pending business before the Senate.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. CLARK. I yield.

Mr. MANSFIELD. I wish to propound a unanimous-consent request, having to do with the pending amendment only, that a time limitation of one-half an hour be in effect, 15 minutes to be allocated to the Senator from Pennsylvania [Mr. CLARK] and 15 minutes to the minority leader [Mr. DIRKSEN].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CLARK. Madam President, I yield myself such time as I may require.

This amendment is jointly cosponsored by the able and beloved junior Senator from Arizona [Mr. GOLDWATER] and me.

One of our colleagues passing by the back row a few moments ago said, "Any such amendment, so cosponsored by Senators GOLDWATER and CLARK, ought to be adopted by a unanimous vote of the Senate, because it must be right."

I hope that this amendment will have the happy fate which my colleague suggested, but, being a realist, I somewhat doubt it.

The purpose of my amendment is to permit voluntary withdrawal from obligation to pay social security taxes and from receiving social security benefits to those self-employed persons whose religious views forbid participation in systems of social insurance.

Concretely, this amendment would apply to no more than 150 members of the Amish faith in the Pennsylvania Dutch country in my State, and a few hundred others in other States, who have a deeply held religious conviction that systems of social insurance are improper and violate the tenets of their religion.

A great many Pennsylvanians and other Americans were shocked this spring when three horses belonging to Valentine Y. Byler, of New Wilmington, Pa., were seized and sold by the Internal Revenue Service to meet Mr. Byler's unpaid social security self-employment tax, for which he became liable under the amendment to this act in 1954, which included within the coverage self-employed individuals who conducted farm operations.

Mr. Byler is a member of the Amish faith, which teaches its members to avoid insurance in any form. He therefore declined to pay his social security tax for 1956 to 1959, although he, quite properly, reported the tax on his income tax returns for those years.

The Commissioner of Internal Revenue subsequently indicated that, under existing law, his agency had no choice but to enforce collection of Mr. Byler's tax, which amounted, with interest, to $308.96.

Present law does not permit to laymen any exception from the social security tax obligation because of religious conviction.

Permitting exception from the operation of general laws where religious principles conflict, and the exception does not operate to the detriment of the general welfare, is well established in American legislative custom. For example, selective service legislation has for many years permitted registrants who are adherents of the "peace churches," or who give satisfactory evidence of religious objection to military service, to be designated conscientious objectors. Indeed, when social security was extended to include most professional groups, members of the clergy were permitted to participate on a voluntary basis.

Members of the medical profession, who appear to have something which quite closely approaches religious conviction with reference to passing a medical care for the aged bill under social security, are also a large group who were exempted from these social security taxes and benefits.

Similarly, members serving under the civil service provisions of various States and localities are exempted. In other words, there are plenty of precedents, if we wish to make another exception for this very small number of conscientious people whose religious beliefs are deeply held.

Madam President, the design of the amendment is simple.. It would permit any adherent of a recognized church or religious sect, the teachings of which forbid its members from accepting social insurance benefits of the type provided by social security, to file with the appropriate Government official an exemption certificate. Following the filing of the certificate, the individual would be relieved of payment of social security self-employment taxes and would cease to be eligible for those benefits he otherwise would have been accruing.

I emphasize, Madam President, this would take away the benefits of the system, as well as relieving the Amish from the payment of the taxes.

The number of persons affected by the amendment, I thought at one point, would be pretty well limited to 3,000. I discover now, as a result of a letter I have received from the Commissioner of Internal Revenue, that the number would be far smaller. I wish to quote the letter which was written to me May 15, from the Commissioner of Internal Revenue.

The PRESIDING OFFICER. Will the Senator from Pennsylvania yield so that the Senate may receive a message from the House of Representatives?

Mr. CLARK. I yield, Madam President.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

SOCIAL SECURITY AMENDMENTS OF 1961

The Senate resumed the consideration of the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making persons eligible for benefits under the program, and for other purposes.

Mr. CLARK. Madam President, I assume that the time for the message from the House of Representatives will not be taken from my time on the amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. CLARK. Madam President, I wish to quote from the letter written by the Commissioner of Internal Revenue.

> Out of the 2,000 to 3,000 Amish farmers filing taxable returns there remained a number whose refusal to pay continued—
>
> Most of them finally and reluctantly paid the tax—
>
> in approximately 130 cases over the last 2 years, collection was enforced by levying on bank accounts and from the proceeds of farm produce. In a few cases enforcement in this manner was not possible, because of the inability of Internal Revenue officials to locate bank accounts or sources of income subject to the levy process.

In other words, Madam President, the number of people involved is minimal, yet the principle involved is of great importance. I submit that if we wish to pass legislation based upon compassion and to grant to people whose strongly held views prevent them from conscientiously accepting the social security system, because of a religious belief, the amendment should be agreed to.

This is not a widespread problem. I know of no other faith in the country which holds these views. The amount involved is relatively negligible, yet based upon the fine American principle of the right to a religious belief, I urge the Senate to accept the amendment.

Mr. PROXMIRE. Madam President, will the Senator yield?

Mr. CLARK. I am happy to yield to my friend from Wisconsin.

Mr. PROXMIRE. Is it not true that upon the basis of religious belief we have exempted from military service citizens of the United States who otherwise would have been obligated to serve their country during wartime?

Mr. CLARK. The Senator is correct.

Mr. PROXMIRE. Does it not follow, in view of this well-established principle, which is respected even by those who feel very strongly about the necessity for universal military service, that we should certainly abide by the same principle in terms of the payment of social security taxes, if people are self-employed?

Mr. CLARK. That would certainly be my view. I am glad to note that the Senator from Wisconsin is indicating by his questions he agrees.

Mr. PROXMIRE. I think the Senator has a logical amendment, and I am delighted to support it.

Mr. CLARK. I thank my friend from Wisconsin.

Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. CLARK. Madam President, I reserve the remainder of my time.

Mr. KERR. Madam President, I hope the Senator from Pennsylvania will not push the amendment which he has offered. This is a matter about which the Department of Health, Education, and Welfare has had much concern, and to which it has given extended consideration.

I should like to read into the RECORD at this point two paragraphs from a letter written by W. L. Mitchell, Commissioner, to Hon. KENNETH B. KEATING, U.S. Senate, dated June 21, 1961:

> This is in further reply to your letter of June 2 regarding an inquiry you received from Mr. Barry A. Motelson, 1921 Anthony Avenue, New York, N.Y., concerning the attitude of the Amish toward participation in the old-age, survivors, and disability insurance program.
>
> We have a deep respect for the religious convictions of the Amish. Their attitude toward social security, which grows out of their religious objections to any type of insurance, poses a difficult problem for which we have earnestly tried to find a solution. To this end, representatives of the Department of Health, Education, and Welfare have met with groups of the Amish bishops on a number of occasions, and have given much consideration to possible approaches that might be helpful.
>
> The objection of the Amish to social security does not stem from a reluctance to pay the necessary taxes but rather from the conviction that they should provide for the needs of their own members; the objection therefore is directed to the benefits that are available to the Amish by reason of participation in the social security program.

Madam President, no other Member of this body has a higher respect for the integrity of the objections by religious denominations to legislation on the basis of violating the principles of the separation of church and state than I. I have tried to familiarize myself with the amendment and with the objections of the very fine people of the Amish faith to the language of the law which prompted the amendment, and I am compelled to the conclusion that it is a matter of personal conviction, as is stated by Mr. Mitchell: "not from a reluctance to pay the necessary taxes but rather from the conviction that they should provide for the needs of their own members."

This is not an objection, Madam President, which prompts an amendment to exempt all the members of the denomination from the provisions of the social security law. If I correctly understand the amendment—and I ask the distinguished Senator to correct me if I am in error—the purpose of the amendment is to give optional exemption from the social security law to the individual members of the Amish faith.

Mr. CLARK. To those who draw up a certificate asking for exemption. The Senator is correct.

Mr. KERR. Yes. It would be on an individual basis.

Mr. CLARK. The Senator is correct.

Mr. KERR. I invite attention to another paragraph in the letter from Mr. Mitchell, in which he says:

> It is inevitable that employers would have responsibilities in connection with an exemption provision; otherwise they could not fulfill their tax reporting obligations. In addition to keeping records of workers for whom exemption had been granted, employers would in some cases become involved in the question of whether or not a worker qualifies for the exemption. It is not unlikely that such inquiries would sometimes have a damaging effect on the employer-employee relations. Because it does not necessarily follow that a person who is at one time a member of a sect or church will remain a member all his life some arrangement would probably have to be made for followup verification of a person's right to exemption. Although it is likely that any such followup inquiries would have to be initiated by the Government, employers would have to keep abreast of any changes in the exempt status of employees in order to carry out their social security reporting obligations.

I read one further paragraph:

> Exclusion from coverage on the basis of individual religious beliefs would create other problems which are in themselves significant. For example, such an exclusion would necessitate what some persons might think were unwarranted governmental inquiries into matters of religious affiliation and personal faith; many people might resent strongly the injection of an inquiry about their religion into an employment and social security matter. Also, it can be anticipated that some persons who claim and obtain exemption might later change their minds; in the case of a worker who obtains an exemption and later dies, the survivors might decide that they did not want the exemption to apply to them.

In view of the fact that questions of such far-reaching significance and implication are involved in the amendment, and in view of the fact that no hearings, either by the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, have been held on the amendment, I urgently oppose its adoption.

Mr. CLARK. Madam President, I yield myself 2 minutes.

It is a heavy burden in this body to carry an amendment over the opposition of the administration and over the opposition, accordingly, of the leadership on this side of the aisle, and I have no illusions as to what will happen to the amendment this time. But I should like the RECORD to show that the amendment is just, that it is in the American tradition, and that in my opinion, in due course—in the foreseeable future—the administration and the leadership will change its mind and will do simple justice to these simple people.

The objections of the administration on this proposal, I submit, are more illusory than real. A simple procedure is provided under which an exemption certificate, which would state that the man or woman claiming the exemption is a member of a religious faith which objects to the insurance system would be filed, and the exemption certificate would remain in force until there was some evidence that the individual had left the sect or that in due course he or she

had died. I reiterate that the number of people involved would be very small indeed. However, a principle is involved.

I am prepared to yield back the remainder of my time, if the Senator from Oklahoma is willing to yield back the remainder of his time.

Mr. KERR. I yield back the remainder of my time.

Mr. CLARK. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Pennsylvania.

The amendment was rejected.

Mr. COTTON. Madam President, I call up my amendment.

The PRESIDING OFFICER. The amendment of the Senator from New Hampshire will be stated.

The LEGISLATIVE CLERK. On page 25, between lines 18 and 19, it is proposed to insert a new section, as follows:

INCREASE IN THE EARNED INCOME LIMITATION

SEC. 108. (a)(1) Paragraphs (1), (3), and (4)(B) of subsection (f) of section 203 of the Social Security Act are each amended by striking out "$100" wherever it appears therein and inserting in lieu thereof "$150".

(2) The first sentence of paragraph (3) of such subsection (f) is amended by striking out ", except that of the first $300 of such excess (or all of such excess if it is less than $300), an amount equal to one-half thereof shall not be included".

(b) Paragraph (1)(A) of subsection (h) of section 203 of such Act is amended by striking out "$100" and inserting in lieu thereof "$150".

(c) The amendments made by this section shall be effective, in the case of any individual, with respect to taxable years of such individual beginning after June 1961.

On page 25, line 20, strike out "108" and insert in lieu thereof "109".

Mr. COTTON. Madam President, the senior Senator from New York [Mr. JAVITS] is associated with me in offering the amendment.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. COTTON. I yield to the distinguished majority leader, without losing my right to the floor.

Mr. MANSFIELD. Madam President, I propose a unanimous-consent agreement that time on the pending Cotton-Javits amendment be limited to 1 hour, one-half hour to be under the control of the Senator from New Hampshire [Mr. COTTON] and one-half hour under the control of the Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER. Is there objection?

Mr. COTTON. Madam President, reserving the right to object, may we have the understanding, as a part of the unanimous-consent agreement, that if we must have a quorum call for the sake of obtaining an order for the yeas and nays, it may be agreed that the time not be taken from either side?

Mr. MANSFIELD. I add that request to my proposal.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Madam President, I ask unanimous consent that, following consideration of the Cotton-Javits amendment, the amendment to be offered by the Senator from New York [Mr. JAVITS] be considered germane, and that debate on the amendment be allocated a 2-hour limitation, with 1 hour under the control of the Senator from New York [Mr. JAVITS] and 1 hour under the control of the Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. COTTON. Madam President, I yield myself 5 minutes.

I ask unanimous consent that the name of the junior Senator from New York [Mr. KEATING] also be added as a cosponsor, since both Senators from New York [Mr. JAVITS and Mr. KEATING] had submitted similar amendments. I ask that they be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. COTTON. Madam President, I ask unanimous consent that the name of the Senator from Pennsylvania [Mr. SCOTT] also be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Madam President, I shall take only a few minutes to explain the amendment. I believe Senators are familiar with the proposal, because it has been considered again and again. The amendment proposes that the amount of money a person on social security would be allowed to earn without being penalized or suffering loss of social security benefits be a straight $1,800 a year instead of the arrangement which now exists.

The proposal has been made many times. One reason I have presumed to insist upon asking for the yeas and nays on the amendment is that—so far as I know, despite the fact that the amendment was not considered by the committee, and that objection will doubtless be raised to the amendment—it has been considered so many times and has been so long before the Committee on Finance and the Senate that it is hardly cogent to say that the Senate should not express itself on the question without further hearings.

Mr. CARLSON. Madam President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CARLSON. In view of the statement of the Senator from New Hampshire, I think it should be stated for the record that the amendment was not considered by the appropriate committees this year, and that the proposal has been considered on several previous occasions by the Senate Committee on Finance. Last year I offered an amendment which was accepted in committee, and in a conference report the amount stated in the amendment was reduced to $1,500 at the request of the Department.

Mr. COTTON. I thank the Senator.

The Senate will recall that last year a sort of hybrid arrangement was adopted as a substitute for a provision which frankly and clearly increased the exemption. I am not criticizing the arrangement. I know it was done conscientiously, with great care, and with regard to the public interest.

It will be recalled that in the Senate last year a measure identical to the one which I am now introducing was passed in the Senate but was changed in conference to the present complex and impractical law. We now allow a social security beneficiary to earn up to $1,200, and he is allowed to keep only one-half of the first $300 over $1,200. Above $1,500 for every dollar that he earns, his income is reduced by $1. In effect, for every dollar over $1,500 earned by the person, he is taxed for 100 percent of his income.

Mr. CURTIS. Madam President, will the Senator yield for a question at that point?

Mr. COTTON. I yield.

Mr. CURTIS. At the present time, if the monthly earnings of a recipient of social security exceed $100, his benefits are reduced. Under the amendment offered by the Senator from New Hampshire, the ceiling on annual earnings would be $1,800. Suppose the recipient should earn in excess of $1,800? Would he lose the entire amount that would otherwise be payable to him?

Mr. COTTON. If his earnings exceeded $1,800, he would pay for every dollar that he received in addition to the $1,800.

Mr. CURTIS. Would the recipient lose his benefits? Would he lose his year's benefits?

Mr. COTTON. No; that is not the purpose of my amendment.

Mr. CURTIS. The present law provides that he does not lose his year's benefits.

Mr. COTTON. The purpose of my amendment is to permit a recipient to earn $1,800. If he earned more than that amount, he would pay for what he earned in excess of $1,800.

The arrangement that was adopted last year is so complicated that I recall that when it was presented by the conferees in the report to the Senate—I do not want to presume to speak for other Senators, although I am sure I do speak for some—it seemed to me that it was extremely difficult to determine what it meant. In speaking to people who benefit under the act, I have attempted sometimes to explain the provisions to them, but to no avail. In my opinion, Madam President, a straight exemption—which is clear cut, so that he who runs may read, and that is clear to everyone—is needed.

I assert that $1,800 is not an excessive amount. Medical science has increased the span of life. I have always contended that it is unfair to place elderly people on the shelf and to deny them social security benefits they have earned and paid for, and then curtail their earnings to such a small amount as $1,200. Certainly only people who are receiving a very small income would determine their retirement on a $600 difference. It would be of greater benefit to the smaller income beneficiary. In the light of the way we have been spending money in the past few months for assistance to various groups, I can think of

no group which can more justly ask for this relief.

Therefore I hope that the Senate, in place of what was adopted last year, will adopt my amendment, which is a clean-cut arrangement for an $1,800 exemption. If a person exceeds that, he has to pay on the excess. If he does not exceed it, he has the benefit of the social security payments to which he is entitled.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. I yield 5 minutes to the Senator from New York.

Mr. JAVITS. Madam President, I am deeply honored to join the Senator from New Hampshire in offering the amendment. Like other Members of the Senate, I have had a bill dealing with this subject in the Senate for a long time. I inherited it, in a sense, from our former distinguished colleague from North Dakota, Mr. Langer, who made this subject a holy war, to take the ceiling off entirely.

I deeply believe that that is dictated by the situation. If the social security system, as the committee states at page 10 of the report, shall be self-financing and that Congress shall no longer appropriate money out of general revenues for the purpose of maintaining the system, then benefits paid under the system cease to be a gift from the Government and become a wonderful, exciting, but nonetheless self-financing actuarially operated system. Under those circumstances there seems to be no reason that I can perceive why there should be a ceiling on what is earned by an individual beneficiary.

Mr. CARLSON. Madam President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. CARLSON. The Senator from New York is making it clear that the $1,800 of income refers only to earned income. A person may have unlimited income from dividends, rents, royalties, or from any other source, and have that income exempt. However, if he earns $1,500 at the present time, he is penalized, even though he may receive $1,500 or $1,800 or thousands of dollars in dividends or interest or other income. As long as it is not earned income, it does not count.

Mr. JAVITS. All of us, I am sure, acknowledge the outstanding leadership of the Senator from Kansas in this field. All that we are trying to do, actually, is to move the ball farther down on the field beyond the point to which he has already moved it, in a kind of relay race, knowing that he will take up the ball again, because of his interest in this field and his influence on the committee.

Madam President, I might say, too, that I have refrained from offering an amendment to remove the whole ceiling, as others have also refrained—I believe that my colleague from New York [Mr. KEATING] has introduced a bill of the same effect—because of my feeling that by trying gradually to raise the ceiling we will gradually phase into perhaps the complete lifting of the ceiling. Therefore I suggest that we at least make progress on that program. If we raise the $1,500 figure we will be making some progress.

I would therefore like to address a question, if I may, to the Senator from Oklahoma. I might say, in that connection, that I do not make my argument on any theory that the Senator from Oklahoma is dug in against us on this matter. The Senator has as much solicitude for the people we are talking about as those of us who are sponsoring this amendment, and is motivated by the same feelings that motivate us. I should like to ask him how those of us who feel as we do might best make progress beyond the point where he has already taken us. Would the Senator yield himself some time in that connection?

Mr. KERR. I yield myself 5 minutes.

In replying to the Senator from New York I must address myself briefly to the remarks of the Senator from New Hampshire in presenting the amendment. Last year the action by the conference on this amendment was, in my judgment, very constructive. Prior to last year's amendment, if a person retired under social security and earned $1 beyond $1,200 a year, he would immediately lose 1 month's benefit under the social security retirement benefit program.

We amended the law so that that would not be the case. The Committee on Finance of the Senate, as stated a short time ago by the distinguished Senator from Kansas [Mr. CARLSON], had this matter before it in its deliberations on the Social Security Amendments for 1960, and it approved an amendment offered by the Senator from New Hampshire, in the form in which he has offered it today.

We brought it to the floor of the Senate, and the Senate approved it. In conference, the administration called to the attention of the conferees that the provisions of the amendment, if implemented, would cost in the neighborhood of $500 million a year, or about two-tenths of 1 percent of the payroll tax on the amount at that time subject to the social security tax; and that an increase in benefits of the amount that this amendment would cost, without making provision for additional revenues to the social security fund, would impair the fiscal integrity of the social security fund. Therefore, in conference the Senate conferees, after having worked out the compromise referred to by the Senator from New Hampshire, receded and brought the bill back to the Senate, where the compromise was agreed to. Under the present law a beneficiary under the social security system can earn $1,200 without being penalized on the basis of the law prior to last year's amendment. Of the first $300 earned by a recipient of social security benefits, the beneficiary-retiree loses $1 of the social security benefits for each $2 earned above $1,200 per year, up to a maximum of $1,500. Above that he loses not the full amount of the retirement for going above $1,500 but only $1 of benefits for each additional dollar earned.

I say to my friend from New York that I am just as much interested as he is in having the benefits to the retirees increased. I am just as much interested as is the Senator from New Hampshire in making it possible for retirees to earn above the $1,350 net which is provided under existing law without suffering the loss of social security benefits.

It occurs to me, however, that in view of the regard which I know both the Senator from New York and the Senator from New Hampshire, and all other Senators, have for the fiscal integrity of the fund, no approach should be made for increasing the benefits without at the same time providing the revenues with which to pay for the benefits. The objection is valid and significant that adoption of the amendment offered by the Senator from New Hampshire and other Senators would result in the loss of $500 million a year, and that the loss would not be offset by an increase in the tax to provide money with which to pay the benefits. It therefore seems to me that in view of the fact that we have before us a bill which makes a very substantial increase in the benefits, on a basis which does not involve the impairment of the fiscal integrity of the fund, an amendment which would result in the impairment of the fiscal integrity of the fund should not be pressed.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. KERR. I yield.

Mr. JAVITS. I would not call the formula approved in conference, the Senator's own, because I believe the Senator is on our side temperamentally and from an ideological point of view, but taking the formula approved in conference, what would the Senator feel was the hope for improving that formula, perhaps making "300" "600"?

Mr. KERR. In conference last year, the House yielded to the fullest extent which the actuarial authorities of the Department indicated was possible without causing an impairment of the fiscal integrity of the fund. Therefore, I would have to take the position that any benefit Congress would provide would have to be offset by an increase in tax in an amount sufficient to pay the increase.

Mr. JAVITS. Can the Senator tell us what the cost actually was?

Mr. KERR. I do not recall the amount. The Assistant Secretary, who is seated beside me to provide information on questions such as this, says he will have the information for us in a little while.

Mr. JAVITS. I was thinking of the amount in terms of what we lawyers call deminimis. In other words, if the amount of the increase did not cause very much difference in the cost to the fund, might we not consider extending that principle and perhaps developing that idea, because, again, it would not have a material or an organic effect on the fund?

Mr. KERR. In my judgment, based upon what the representative of the Department of Health, Education, and Welfare has told me, the cost of the Senator's proposal would be between one-third and one-half of one-tenth of 1 percent.

There is in this fiscal year and there will be in the next fiscal year actually a substantial deficit in the cash reserves

of the social security fund. We have been assured by actuaries and technical representatives of the Department that the deficits now occurring will be recouped and more than offset by the present tax structure, with the increasing coverage of wages and the increasing averages of wages in the near years ahead.

But the definite fact is that as of now a substantial deficit is incurred each year in the cash reserve of the fund. In view of the fact that only last year two very substantial increases in benefits to the retirees were provided within the limits of the fiscal integrity of the fund, the part of wisdom seems to indicate that no further benefit should be made this year without offsetting it by an additional tax.

Mr. JAVITS. Whatever may happen to this amendment, I shall, of course, vote for it. I hope the Senator from Oklahoma might hold out this branch of hope to those who are affected; that as the situation may improve a bit, certainly early consideration will be given to improving the formula.

Mr. KERR. I thank the Senator from New York.

Mr. JAVITS. I thank the Senator from Oklahoma.

Mr. CURTIS. Madam President, will the Senator from Oklahoma yield time to me?

Mr. KERR. Madam President, I yield 5 minutes to the distinguished Senator from Nebraska.

Mr. CURTIS. Madam President, I am very much in sympathy with our citizens who are under social security or are about to be, and who would like to earn whatever amount they can earn without having to reduce the amount or denying themselves their social security benefits.

However, I have secured figures as to the cost of the amendment which would raise the amount of permissible earnings to a straight $1,800 a year. The chief actuary of the Social Security Administration tells me that in the first year this proposal would cost the fund $420 million, and that the average annual cost would be around $620 million.

Translating that into payroll, it is 0.19 percent—about one-fifth of 1 percent. Translating it into cost, it means that the worker who is now paying on $4,800 would have his social security tax increased about $4.50. A self-employed person would have his tax increased about $6.75 a year. The employer's tax on a worker earning $4,800 per year would be increased about $4.50 also.

Mr. DIRKSEN. For how long?

Mr. CURTIS. In perpetuity.

Here is the problem: The distinguished Senator from New York [Mr. JAVITS] pointed out that the statute prohibits the payment of social security benefits out of the general fund. Therefore, the implication is that the fund is self-sustaining.

That is partly true, but it is not true that the individual now or for some time to come pays or will pay for his own benefits.

The social security system has stood for years, and stands now, in much the same position as the oldtime assessment life insurance companies which sprang up over the country three-quarters of a century ago. Those companies enrolled many young persons as members. Few died in their youth. The assessments were very small.

By and by, as the early generation of members became old, their claims were paid, and the treasury dwindled away and the assessments became very high.

The social security system has this difference. It does not have to go out and get new members. The Federal Government has the power to tax. But if Senators wish to read some interesting figures about how social security works, I suggest that they turn to page 93 of the hearings.

Social security became effective January 1, 1936. The first persons to retire under the act did so in 1940.

I asked what would have been the maximum amount an individual could have paid from 1936 to 1940. In all those years, what would have been the total amount?

The answer was $90, a like amount having been paid by the employer.

The last line of the table is based upon the assumption that that person is alive today—and that his wife is of the same age and is still living. The amount they have drawn out is $23,240.70. That is a maximum case.

The minimum amount which would have been paid by someone who qualified for benefits for the same period was a tax of $3 and a like payment made by his employer. Such a person and his wife have drawn out $7,315.

These are extreme cases to illustrate a point, not in opposition to social security, but to present social security as it is; namely, as a tax on all the people who work, in order to pay a social benefit to those who reach an age at which they cannot work.

That is right; that is just. It is not insurance. No one has a social security insurance policy. The Government, in the act itself, reserves the right to change any portion of the act at any time, and Congress has taken away an expected benefit.

Social security is a system of taxing workers who are young, old, or middle aged, in order to pay social security benefits to those who retire. Within that purview we should make it as generous as we can, so that the load on those of middle age and on the young people and on the elderly who are working will not be too burdensome; yet we should do this as well as we can, in order to make adequate provision for the retired ones. A just balance should be reached between those who pay and those who receive.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. CURTIS. Let me ask the Senator from Oklahoma whether I may have a few more minutes.

Mr. KERR. I yield 2 more minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 2 more minutes.

Mr. CURTIS. I thank the Senator from Oklahoma.

Madam President, I wonder whether the distinguished Senator from New Hampshire [Mr. COTTON] will couple this with his amendment, a provision for the necessary tax increase, in order to treat these people more generously. I do not oppose his amendment, as such, but I believe we must realize that we are not paying these retired individuals something for which they have paid the entire cost, or nearly so. Instead, we are paying them a benefit that the clerk in a grocery store, those who work in the mines, those who work in the manufacturing plants, the farmers and all other Americans during their working years will pay for. I believe that when benefits are increased that the necessary taxes must be collected.

Mr. COTTON. Madam President, I yield myself 3 minutes; and then I shall yield some time to the Senator from New York.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 3 minutes.

Mr. COTTON. Madam President, first, I wish to make crystal clear—in order that there may be no misunderstanding—just what this amendment will do. It will allow a social security beneficiary to earn $1,800 and not pay a tax on it. If the beneficiary earns more than $1,800, the amount in excess of $1,800 would be deducted from his social security payments the next year. In other words, if he earned $1,900, $100 would be withheld from his social security payments the following year; or if he earned $2,100, $300 would be deducted from his social security benefits the following year.

With respect to the remarks of the distinguished Senator from Nebraska [Mr. CURTIS] and the distinguished Senator from Oklahoma [Mr. KERR], I wish to say that I am not questioning any of the figures submitted, for I have served on the Finance Committee, and I know well the accuracy of both of these gentlemen. But, on the other hand, I do not accept those figures. I do not know exactly what they are predicated on, but I suspect they are predicated on the assumption that everyone in this country who is on social security would promptly earn $1,800 a year, because figures of approximately $500 million or $600 million are rather large, in my book. In that connection, I am reminded of what Babbage, the inventor of the adding machine, observed when he read Lord Tennyson's poem—

> Fill the cup and fill the can,
> Have a rouse before the morn;
> Every moment dies a man
> Every moment one is born.

But Babbage said that was not accurate. He said that, actually, one and one-sixteenth men were born for every death, and that that change should be made in the poem. That exemplifies the fallacy of the expert mind, at times.

It is easy to project the millions of dollars this provision would cost. But I remember the situation when we raised the minimum wage and when we were providing more unemployment compensation for those who do not have jobs or for those whose jobs do not happen to appeal to them. These things may well cost money; but we are proposing

that this group of elderly persons receive only their social security.

The PRESIDING OFFICER. The time the Senator from New Hampshire has yielded to himself has expired.

Mr. COTTON. Madam President, I yield myself 1 more minute.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 more minute.

Mr. COTTON. Madam President, if there is any cost to this amendment, the cost is in what is taken away from the earnings of the elderly people who have retired.

The Senate has already gone on record, foursquare, as favoring this amendment; but the amendment was eliminated in conference last year. We arrived at a compromise which allows the retired to have a net of only $1,350 before the Government starts levying a 100-percent tax on their earnings.

I doubt that this will ever amount to one-fifth of 1 percent. But, Madam President, if there is any group of persons in the country who deserve this treatment, it is our elderly citizens.

At this time, I yield 3 minutes to the Senator from New York [Mr. KEATING].

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. KEATING. Madam President, bearing out the remarks about statistics and their pitfalls made by the distinguished Senator from New Hampshire [Mr. COTTON], and in line with the simile he suggested, I point out that a man can drown in a river with an average depth of 3 feet.

As indicated by the figures given by the distinguished members of the committee, and also as is apparently the judgment of the distinguished Senator from New Hampshire, it is presumed that most people would take advantage of this plan, if the permissible limit were raised to $1,800.

I have received—and I am sure that many other Members of the Senate have also received—many very appealing letters from elderly people who feel that their self-respect and their dignity will be maintained and enhanced by the fact that they continue to work beyond age 65. They will be happier and will lead more useful and active lives if they are not circumscribed by the current rigid provisions.

I have introduced, as have other Senators—but I have refrained from offering it here as an amendment—a bill which would completely eliminate the earnings test. I have every confidence in the world that we eventually shall reach this point in our social security legislation.

I have asked many who are covered by the social security law, "Would you be willing to pay the increased cost and would your employer be willing to pay the increased cost which would arise, in order to keep the system sound, if this earnings test were taken off?" They almost always say they would be willing to do so, and that such a provision, they feel, would be a reasonable one.

The PRESIDING OFFICER. The time yielded to the Senator from New York has expired.

Mr. COTTON. Madam President, I yield 2 more minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 more minutes.

Mr. KEATING. Madam President, I have also prepared an amendment to this bill which would approach this matter by changing the present $300 million in what the Senator has rightly called a rather complicated formula to $1200. The cost is only two-thirds of one-tenth of 1 percent, or .06 percent, which amounts, in total, to an estimated $138 million. It seems to me that if the Cotton amendment is opposed, there could well be some midground approach to this problem.

Mr. COTTON. Madam President, will the Senator from New York yield to me, if I yield an additional minute to him?

Mr. KEATING. Yes, I am happy to yield.

Mr. COTTON. I should like to ask the Senator from New York, who is so ably presenting this picture, this question: If there must be any compromise in connection with this matter, should it not be made in the conference committee? If we begin to chisel away on this matter on the floor of the Senate, we shall get exactly zero for the elderly.

So I hope the Senate will do as it did last year—namely, pass this as a clear-cut amendment. Then, if there must be some chiseling, let it be done in the conference committee.

Mr. KEATING. I agree emphatically with the distinguished Senator from New Hampshire. I would not want anything I have said to be construed as indicating that I favor a different approach.

I support the amendment of the junior Senator from New Hampshire enthusiastically but I realize that the other body has some different ideas from ours regarding this situation. I was pointing out the very modest amount involved in the amendment I have drafted to increase the present $300 figure to $1,200.

I feel confident that, if it is necessary to increase the assessment upon an employer or employee, they would be willing, indeed would be very ready, to increase it to the extent incorporated in the amendment so ably presented by the Senator from New Hampshire.

The PRESIDING OFFICER. The time of the Senator has expired.

FEDERAL-AID HIGHWAY ACT OF 1961—CONFERENCE REPORT

Mr. MANSFIELD. Madam President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield to the Senator from Montana.

Mr. MANSFIELD. I ask unanimous consent that I be yielded 5 minutes outside of the scope of the limitation agreed to, because of the fact that the conference report on the highway bill is ready for consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McNAMARA. Madam President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. JAVITS. I wish to ask the Senator what was done about the so-called relocation amendment as it passed the Senate.

Mr. McNAMARA. Will the Senator bear with me until I make the short statement describing the whole matter, after which I shall go into that matter with the Senator?

Mr. JAVITS. Yes.

Mr. McNAMARA. Madam President, I shall move the adoption of the conference report at the conclusion of a few brief remarks.

The report is signed by all the conferees on the part of the House and of the Senate, and the report has been accepted by the House of Representatives.

The Senate adopted three amendments to title I of H.R. 6713.

The first Senate amendment to title I provides that funds appropriated for defense access roads shall be available to pay the cost of damage caused to highways in any State by the operation of vehicles and equipment in the construction of classified military installations and ballistic missile facilities. The Secretary of Commerce must first determine that the State highway department could not have prevented the damage without placing such restrictions on the use of the highway as to interfere with or delay the completion of the construction contract for the military installation or facility. These funds are made available notwithstanding any provision of contract holding any party to such contract responsible for this type of damage, if the Secretary of Defense, or his designee, determines that the construction estimates and bid of that party did not include an allowance for repairing this type of damage. The provision applies to damage caused by construction work begun before June 1, 1961, and still in progress on that date, and to damage caused by construction commenced or for which a contract is awarded on or after June 1, 1961.

The House receded from its disagreement to this Senate amendment.

The second Senate amendment to title I extends to July 1, 1963, the date prior to which a State may enter into

an agreement to carry out the national policy with respect to regulation of outdoor advertising in areas adjacent to the National System of Interstate and Defense Highways, in order to qualify for the additional one-half of 1 percent of the Federal share of the cost of the affected project.

The House receded from its disagreement to this Senate amendment.

The third Senate amendment to title I—and this is the amendment in which the Senator from New York expressed an interest—would include, under the definition of the term "construction," the advisory and administrative expenses in connection with the relocation of building tenants from highway rights-of-way.

The Senate conferees receded from their position on this amendment.

In answer to the question raised by the Senator from New York, the House was adamant on this amendment. We tried to reason with the House conferees, but they were adamant and just would not consider it.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. JAVITS. What does the Senator think should be done about this really serious situation in which people are being put on equally as unjustly as they are in other programs such as urban renewal, and so forth?

Mr. McNAMARA. There are other agencies, under the Housing Agency and others, that deal with this question through the highway departments. I think there are great areas of the country, particularly New York, where there is a real problem. I think some money should be allocated for that purpose, but I do not think it should be in connection with this item.

Mr. JAVITS. We tried to get it done in the housing program, and we got nowhere. If the committee tells us it should be dealt with under the heading of housing, then we will have a clear path for seeking relief; but if the Senator merely says the House was adamant, that does not get us anywhere. Here is an injustice for which there is no relief as matters stand now, unless we create some relief.

Mr. McNAMARA. I think other agencies of government have been handling it pretty well up to now, except in certain instances, and the Senator has documented that situation pretty well.

Mr. JAVITS. I must disagree when the Senator says there are agencies of government dealing with it. This is an area in which people who are being displaced by road construction involving a national highway program are being hurt and have no appeal. They are out of luck. Let us get that perfectly straight. It is very unfair and unjust. Naturally, one is not going to seek to overthrow the whole conference report for that reason alone. We know that. But it does not change the injustice of what exists.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have 10 additional minutes, to be allowed outside of the time limitation already in effect.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. I thank the Senator from Montana.

Mr. McNAMARA. Let me reply to the last statement of the Senator from New York.

Mr. JAVITS. Yes.

Mr. McNAMARA. I am not familiar with conditions in other parts of the country, but in my State the reverse of what the Senator has said is true. The highway departments, through agencies of the State government, have done a good job in helping people displaced by the highway program.

Mr. JAVITS. I am trying to get the responsibility fixed. Does the Senator state it is the view of his committee—or perhaps the Senator might wish to talk to members of the committee about it—that this is a matter which State highway departments should do themselves, without Federal help, advisory or otherwise?

Mr. McNAMARA. I do not take any position. I say they should be helped by the Federal Government, but not out of the road funds or highway trust fund. I think the Senator is absolutely correct, but the funds should not come out of the highway trust fund.

Mr. JAVITS. Does the Senator advise that the Housing Authority be appealed to in order to see what is being done and then report to his committee?

Mr. McNAMARA. I cannot speak for that agency.

Mr. JAVITS. Which agency of the Government is helping? The Senator has said that is being done. I do not know of any.

Mr. McNAMARA. I assume it comes under the housing bill. I do not know.

Mr. JAVITS. The Senator does not know?

Mr. McNAMARA. No.

Mr. JAVITS. If it is true that these people are not getting relief from any element of the Government, would the Senator be sympathetic to doing something about it?

Mr. McNAMARA. I am sympathetic now to doing something about it, but not out of the highway trust fund.

Mr. BYRD of Virginia. Madam President, I ask that the conference report on H.R. 6713 be laid before the Senate.

The PRESIDING OFFICER. The Chair informs the Senator from Virginia that the conference report is before the Senate.

Mr. BYRD of Virginia. I thank the Chair.

Madam President, in title II of the highway bill the Senate, apart from conforming or minor technical changes, made three changes in the House-passed bill.

First, the tax on tread rubber which the House had increased from the present tax rate of 3 cents a pound to a rate of 5 cents a pound was, by the Senate, increased only to a rate of 4 cents a pound. It was estimated that this would reduce the revenues which otherwise would have been provided by the House bill by $4 million to $8 million a year or by $79 million over the 11¼-year period for which the highway trust fund is yet to be in existence.

Second, the bill passed by the Senate provided that a retail dealer in gasoline was to be compensated for the tax paid on gasoline which is lost by shrinkage or evaporation and other causes to the extent of 1 percent of the tax paid on the gasoline he sells. It was estimated that this would result in a revenue loss of about $18 million a year or $236 million over the period the highway trust fund is to be in existence.

The third change relates to the transfer of a half of the manufacturers' tax on trucks, buses, and trailers from the general fund to the highway trust fund. Half of this tax already is classified as a highway trust fund revenue source. The House bill would have provided that the remaining half was to be transferred to the trust fund beginning this July 1. The Senate modified this transfer to provide that it was to begin as of July 1, 1962, instead of July 1, 1961. This also had the effect of reducing highway trust fund revenues. In this case the revenue loss was $143 million. However, this action of the Senate differed from the prior two I have discussed in that by delaying the transfer 1 year the general fund revenues are $143 million larger than they would have been under the House bill.

Under the House-passed bill, according to the estimates provided by the Bureau of Public Roads, the apportionments provided for by present law could all be provided for and a balance would still remain in the highway trust fund in 1972 of $165 million. Under the action taken by the Senate, on the other hand, the revenues were short by $293 million the necessary funds to meet the commitments for this 11¼-year period. This was, of course, due to the $458 million decrease in revenues provided by the Senate bill over this 11¼-year period as a result of the three actions I have described. The conferees on the part of the House felt very strongly that the revenues provided by the fund must be adequate to meet the commitments for the full 11¼-year period. In view of this, the conferees found it necessary to recede to the House on two of the three basic amendments made by the Senate bill.

First, we receded to the House in the rate to be applicable in the case of tread rubber. Thus, the tax on tread rubber under the agreement by the conferees is to be the 5 cents per pound provided by the House bill rather than the 4 cents per pound provided by the Senate version of the bill. Although the Senate conferees were reluctant to agree with this amendment in view of the fact that many of these businesses are small businesses, nevertheless, this still is a small increase relative to the 10 cents a pound advocated in the case of this tax by the President.

The Senate conferees also found it necessary to recede to the House in one other respect. I refer to the 1-percent allowance which the Senate bill would have provided to retail dealers for shrinkage or evaporation of their stocks of gasoline. The Senate conferees did

their best to bring back this amendment to the Senate, but the House conferees pointed out the various conflicting claims as to the proper allowance to retail dealers for shrinkage or evaporation of gasoline. Finally, in view of this attitude, the Senate conferees agreed to defer action on this subject until this next year. In the meanwhile, the Treasury Department has been requested to conduct, in cooperation with other appropriate agencies of the Federal Government, a scientific study for the purpose of obtaining data on the percentage of gasoline bought by retail dealers which is lost by shrinkage or evaporation or for other causes. Representatives of the Treasury Department have given assurances that this study will be conducted. The results of this study are to be reported to the House Committee on Ways and Means and to the Senate Committee on Finance before January 1, 1962. A statement to this effect will be found in the statement of managers on the part of the House. In addition, I have been given assurances that the House Committee on Ways and Means will consider this problem early in the next session of Congress.

The third basic amendment provided by the Senate bill has been agreed to by the House conferees. This is the amendment which postponed until 1962 the transfer of the remaining half of the manufacturers' tax on trucks, buses, and trailers from the general fund to the highway trust fund. I am very glad that the House conferees acceded to the Senate in this respect. This means that the highway bill will not increase the general fund deficit for the fiscal year 1962 by this $143 million. This would have been the effect had the House version of this provision been adopted.

As a result of the compromise reached by the conferees, the revenues provided for the highway trust fund over the period of its existence will be adequate to meet all of the apportionments provided by title I of the bill. Senators will recall that earlier I explained that the House bill would have left a balance in the highway trust fund of $165 million on September 30, 1972. As a result of the action taken by the conferees this balance at that time will be $143 million less or will amount to $22 million. The conferees were assured by a representative of the Bureau of Public Roads that the revenues provided by title II as agreed to by the conferees are sufficient in each year to meet the apportionments set out for each year in title I of the bill. However, unfortunately for this to occur, the use of contract controls must be continued for a few years beyond this next year. This means that the assurances I gave the senior Senator from Florida [Mr. HOLLAND], that the use of contract controls would be dispensed with by the end of the fiscal year 1962, no longer is likely to occur. If these apportionments are all to be made in the years called for in title I, then these contract controls must be continued for a few years beyond the end of the fiscal year 1962. I am sure, however, that the Bureau of Public Roads thoroughly understands that the Senate desires the use of these contract controls be terminated at the earliest possible date.

Madam President, I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia.

The motion was agreed to.

SOCIAL SECURITY AMENDMENTS OF 1961

The Senate resumed the consideration of the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes.

Mr. COTTON. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from New Hampshire has 10 minutes remaining, and the Senator from Oklahoma has 14 minutes.

Mr. KERR. What was the Senator's inquiry?

Mr. COTTON. I asked about the time remaining. I have 10 minutes, and the Senator from Oklahoma has 14 minutes. Does the Senator wish to yield back his remaining time and vote?

Mr. KERR. I should like to say a few words first.

Mr. COTTON. Then I do not wish to yield back my remaining time.

Mr. KERR. The Senator can make any remarks he cares to.

Mr. COTTON. The proponents of the amendment ought to have an opportunity to say the last word, I believe.

The PRESIDING OFFICER. The time for this exchange will be equally divided between the two sides.

Mr. COTTON. Madam President——

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. COTTON. We have presented our case. I do not care to repeat it, but I do not wish to yield back my remaining time. If the Senator from Oklahoma wishes to proceed, that will be fine. If not, I suggest we both yield back our remaining time.

Mr. KERR. Madam President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. KERR. I deeply regret that I find myself in disagreement with the distinguished Senator from New Hampshire. I am a little surprised, however, to find the Senator in the posture he has taken in this matter. While I have been in the U.S. Senate, I have learned to have a very high regard for the Senator's sense of fiscal responsibility. It is seldom I have seen him in what I regarded as being an indefensible, undefensible, nondefensible position from the standpoint of fiscal responsibility.

I invite the attention of the Senator from New Hampshire and of the other Members of the Senate to the fact that in 1956 the balance in the social security fund was $22,519 million; that during fiscal year 1960 it decreased to $20,324 million, or nearly 10 percent; and that in fiscal 1961, the year to close June 30, the fund will be reduced to $20,026 million.

Under the provisions of the bill the fund, in fiscal year 1962, will be reduced to $19,198 million, or $824 million less for the fiscal year.

As I said a little while ago, the actuaries and technicians from the Department of Health, Education, and Welfare assured the committee that under the language of the bill the shrinkage would in subsequent years be recouped, having the net result that the long-range cost of the provisions of the bill would not adversely affect the fiscal integrity of the social security fund.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. KERR. I yield to the Senator from Montana.

Mr. MANSFIELD. Is it not correct to say that the proposal was adopted by the Senate last year and was rejected by the House?

Mr. KERR. In conference.

Mr. MANSFIELD. In conference.

Mr. KERR. The Senator is correct.

Mr. MANSFIELD. Is it not true that if the amendment is agreed to, the cost will be two-tenths of 1 percent on a payroll tax basis?

Mr. KERR. That is the figure which was given us. I believe nineteen one-hundredths, or approximately two-tenths of 1 percent, is the amount the actuaries and technicians in the Department of Health, Education, and Welfare advised the Finance Committee would be the cost.

Mr. MANSFIELD. If the amendment is agreed to, would it not mean there would be disbursements of approximately $500 million a year?

Mr. KERR. The estimates to the committee ranged from $427 million to $615 million. The figure the Senator has given is the figure which the technicians advise us we could expect as the cost of the amendment.

Mr. MANSFIELD. Is there in the amendment under consideration any proposal for the levying of contributions to pay for the additional benefits?

Mr. KERR. I will let the Senator from New Hampshire answer that question.

If there are any provisions in the amendment to provide an additional tax I have not heard of them, nor have I discovered them.

Mr. COTTON. The Senator from Oklahoma is entirely correct. There are none in the amendment.

Mr. KERR. That is all I asked.

Mr. MANSFIELD. If the Senator will yield further, Madam President, on the basis of the figures the Senator has enunciated with regard to the amount in the social security fund several years ago and the amount in the fund today, would it not be reasonable to assume that if an amendment of the kind proposed is agreed to, meritorious though it is and needed though it may be, it will have the effect of reducing still further the amount in the social security trust fund?

Mr. KERR. The Senator is correct.

Mr. MANSFIELD. Have any hearings been held either in the House or in the

Senate on this particular proposal this year?

Mr. KERR. The amendment was considered in the Finance Committee in executive session. No hearings were held on the amendment either in the House committee or in the Senate committee. I believe that to be the fact.

Mr. MANSFIELD. I personally think the amendment offered by the distinguished Senator from New Hampsire has a great deal of merit, but I hope in view of the long and detailed hearings held, in both the House and Senate Committees on Ways and Means and Finance, that the judgment of the Finance Committee will be upheld by the Senate in this particular instance and that further consideration will be given to the meritorious proposal at some future date.

Mr. KERR. I thank the Senator from Montana.

Mr. HUMPHREY and Mr. LAUSCHE addressed the Chair.

Mr. KERR. I yield to the Senator from Minnesota.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 3 minutes.

Mr. HUMPHREY. Can the Senator tell us what the total cost of the additional benefits to be provided by the bill will amount to?

Mr. KERR. The total cost of the benefits now in the bill will amount to $780 million in the first full year of operation.

Mr. HUMPHREY. Do I correctly understand that those costs are claimed to be a benefit to the recipients of the lowest grade of insurance; the people with the lowest figure of insurance, the widows?

Mr. KERR. The increase in the minimum benefit will go to the 2,175,000 people, at a cost of $170 million.

The reduced benefits for men at age 62 will be provided for 560,000, at a cost of $440 million.

The change in insured status will affect 160,000 people, at a cost of $65 million.

The increase in widows' benefits will be provided for 1,525,000, at a cost of $105 million.

Mr. HUMPHREY. In other words, as reported from the Committee on Finance, the bill seeks to provide a greater degree of protection under old-age and survivors insurance, first, to widows; second, to the recipients of the smallest amount of old-age insurance, by raising the minimum; and third, to provide for the opportunity of men to have an optional retirement at age 62 with reduced benefits, in the same manner as is now provided for women.

Mr. KERR. And the change in the insurance status.

Mr. HUMPHREY. And the change in the insurance status. What would be the cost in dollars of the proposed $1,800 exemption, which is an exemption, by the way, contained in one of my amendments submitted to the committee?

Mr. KERR. The estimates range from $425 million to $625 million. The Senator from Oklahoma took the position that the minimum cost would be $500 million.

Mr. HUMPHREY. So unless we wish to increase the tax by approximately two-tenths of 1 percent, we have the choice of either giving up some of the benefits which the Senator has already listed, such as the benefit to the widow and to the recipient of the minimum, the $30 benefit, or taking the $1,800——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself an additional minute.

The Senator is correct. There is a third choice. Without regard to the sacred integrity of the trust fund, we could impair the fiscal integrity of the trust fund for the 70-some million people now under social security.

Mr. HUMPHREY. I was of the opinion that no Senator would wish to take that action, and therefore I did not want to include it as an alternative. I am sure Congress has a very solemn obligation not to impair that trust fund. In fact, our obligation is to maintain its basic integrity.

Does the Senate Committee on Finance intend to give consideration to the request to increase from the present $1,500 to $1,800 the limit on earnings?

Mr. KERR. The Senate Committee on Finance will hold hearings on that question at any time Senators ask for them.

Mr. HUMPHREY. I recognize that if such action is to be taken, we must also face up to the tax situation. I do not believe we can expect all the proposed benefits without paying for them.

Mr. KERR. The Senator is correct.

Mr. HUMPHREY. In the past I have been willing to vote for the necessary taxes to pay for such items as the one to which we are now addressing our attention, and I shall do so in the future.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. I am sorry that the limit of $1,800 is not provided in the bill, but I can understand that with the number of benefits that have been provided, we cannot do everything at once.

Mr. KERR. The Senator is correct.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. KERR. Not at this time. Madam President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Oklahoma has 4 minutes remaining.

Mr. KERR. Perhaps the Senator from New Hampshire wishes to use some of his time.

Mr. COTTON. Madam President, how much time have I remaining?

The PRESIDING OFFICER. Ten minutes.

Mr. COTTON. I yield myself 5 minutes.

Madam President, the Senator from New Hampshire is sorry indeed that he has forfeited some of the confidence of his dear friend from Oklahoma, and that the Senator from Oklahoma has charged the Senator from New Hampshire with fiscal irresponsibility in offering and supporting this amendment.

I listened with keen interest to the distinguished Senator's review of the gradual depletion of the social security trust fund. The Senator from New Hampshire has the recollection and belief that Congress tore the bottom out of the social security trust fund the day it changed the character of the trust fund from an old-age retirement program, and made it, in a sense, a health insurance program by inserting the element of total disability.

To be sure, at that time provision to take care of the added costs of the new program was alleged to have been made, but it was a provision that started with a small amount and increased through the years. The program was a deferred payment idea; and it is the distinct impression, and certainly the honest opinion of the Senator from New Hampshire, that at that point we began to undermine the social security trust fund.

In the second place, the suggestion has been made by the Senator from Oklahoma—a suggestion which he first attributed entirely to some technicians who advised him, but which he later, in a sense, asserted—that this amendment, if agreed to, would increase the cost, I believe, two-tenths of 1 percent or two-fifths of 1 percent. I, for one, do not accept the assertion that has been made that the cost of the amendment would be as much as $500 million to $600 million. Whatever the program would cost, the cost should be taken care of; and I am prepared to take care of it.

The estimated figures are based on several false assumptions. We can worm around and attribute them to this technician and that technician; but, in the first place, the figures are based on the assumption that many people who are not on social security will decide to retire and accept social security because they can earn $1,800 a year instead of $1,200. That idea, I assert, is preposterous. The number of people in this country working and earning money who would predicate their decision to retire on a difference of $600 a year, I submit, would be very small and would be found in the lowest income group that we could possibly find. That is the group which my friends were most eager to benefit.

In the second place, the estimated figures are based on the assumption that everyone on retirement would proceed to earn at least $1,800 a year. The Senator from New Hampshire questions such an argument.

So, I am sincerely sure that we are being given the maximum amount of the possible cost of the amendment.

I need not review the expenditure of the billions of dollars that we have been dishing out in the present Congress since we began our deliberations last January. Those billions of dollars have not been dished out with the concurrence or support of my former fellow members of the Committee on Finance. I take this opportunity to pay tribute to them, because they are consistently careful, as they are being careful today.

But when I think of the able-bodied people in this country who are able to maintain themselves in the prime of life,

who have been assisted here and there by beneficial programs, I am surprised to see any Senator hold back when a proposal is made to give retired people a little more self-respect, and a little more opportunity to use the help, the talents, and the skills that God and medical science have given them in the evening of their lives—to the tune of how much? How much, I ask Senators who deal in billions? To the tune of $600 a year. We have been told that the amendment would cost social security two-tenths of 1 percent or two-fifths of 1 percent. Though I shall not mention gambling on the floor, poor as I am, I would otherwise accept a wager that it would not cost anywhere near the amount stated; and in my opinion such assertions will be disproved.

The Senate has once gone on record for this proposal.

I suggest that Senators go back to their States and tell the people in their States who find themselves curtailed in doing things they can do and want to do that they will be penalized after they have earned $1,200—under the compromise of last year. I suggest that Senators go back and talk to those people about the financial security and soundness of the social security trust fund. We played with the fund to the tune of many millions when we started down the road of total disability, a road upon which we shall be compelled to travel further, because a person can be just as totally disabled at the age of 30 as at the age of 50.

These are the reasons why the Senator from New Hampshire, in spite of all the gathering of the forces of the majority leadership that have rallied round on this amendment, wants a record vote on the amendment, to give us a chance to stand up and say in no uncertain terms whether the Senate will take the position it took last year and give an opportunity to the elderly social security beneficiaries. The cost, I repeat, is not going to be anywhere near the sums that have been bandied about in the Chamber. Whatever the cost, I for one am willing to pay it, in view of the money that we have been handing out.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. May I inquire as to what the time situation is with respect to both sides?

The PRESIDING OFFICER. The Senator from New Hampshire has 3 minutes remaining. The Senator from Oklahoma has 4 minutes remaining.

Mr. KERR. I ask unanimous consent that each side be granted an additional 3 minutes of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. I yield myself 3 minutes. The amendment offered by the Senator from New Hampshire is meritorious in principle on the basis of its approach. I remind him, however, of the fact that the $780 million in benefits under the bill before the Senate provides additional benefits to those who benefit the least under the present social security law.

This is done by raising the minimum from $33 to $40, by raising the widow's benefits, and by changing the benefits for male retirees at age 62. The amendment offered by the distinguished Senator from New Hampshire would give additional benefits to those who are working. His additional benefits would go to those who need them the least, not those who need them the most. His amendment would tax the present workers to provide additional benefits to those who have already retired and not making a contribution, whereby they would receive additional benefits without having to contribute to them, at the expense of those who are now paying for their own retirement programs.

As called to our attention by the Senator from Nebraska [Mr. CURTIS], a person making $4,800 a year would have to contribute an additional $9.12. A self-employed person now working would have to contribute 50 percent more, or about $13.66, or whatever the mathematical calculation would show, to provide additional benefits for those who had not acquired them in the time when they were making contributions. The Senator from New Hampshire has said that the Senate initiated fiscal irresponsibility when it set up the separate fund to provide social security benefits for those declared to be and found to be disabled.

Mr. COTTON. Madam President, will the Senator yield?

Mr. KERR. I have obtained 3 additional minutes, so that the Senator may answer me on his own time.

Mr. COTTON. I would like to answer a misquotation.

Mr. KERR. I wish the Senator would correct me, if I have misquoted him.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself 2 additional minutes.

The fact is that the amounts paid out to the disabled do not affect this fund. It is a separate fund contributed to for the purpose of establishing the fund for the disabled, not to be drawn on to provide a person benefits under the social security law, not drawn on to provide the $780 million in increased benefits under the bill, and not to be drawn on to pay benefits provided for by the Senator from New Hampshire. Therefore I submit that the amendment, without an accompanying provision for a tax to pay for it, is an effort to move in the direction of fiscal irresponsibility. I must say that I am surprised and shocked to find the man for whom I have such great respect, the Senator from New Hampshire, leading such an effort.

Mr. COTTON. Madam President, I yield myself 2 minutes.

In the first place, the Senator from New Hampshire has not accused anyone or any Congress of fiscal irresponsibility. I left that for others to charge. I simply said that when we started to put a drain on the employees and employers and expanded the social security program to cover the totally disabled, it cost more money no matter how the fund is administered from a bookkeeping standpoint.

The distinguished Senator from Oklahoma has just stated, and has repeated it over and over again, that the Senator from New Hampshire and those associated with him are trying to increase the benefits to those who are earning money and who need it the least. As a matter of fact the amendment does not increase benefits to anyone. All it does is to have the Government not grab back quite as much from the earnings of those who are able to work and who want to work. That has become a rather rare group in this country. It does not increase the benefits one single shiny shekel. The Senator from Oklahoma is fully aware of that fact. It says to those who want to earn a little more money in their old age, "We will let you earn $1,800, instead of $1,200, without taking some of it away from you." That is a great deal different from increasing benefits.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. Madam President, how much time remains?

The PRESIDING OFFICER. The Senator from New Hampshire has 4 minutes remaining.

Mr. COTTON. I yield 2 minutes to the distinguished Senator from Illinois.

Mr. DIRKSEN. Madam President, I believe that many Members of the Senate share my dilemma, in that I am interested in the actuarial soundness of the social security fund, having some background knowledge of what has happened to a great many fraternal organizations and insurance corporations who failed because they moved into a field that was actuarially unsound. That is the last thing we want to do.

However, what persists in my mind is that this same item appeared in the bill the Senate considered last year. I hope Senators will correct me if I am wrong. It was in the bill as it came from the committee, and when the bill passed, it passed the Senate by a vote of 91 to 2. It went to conference, and the conference notes indicate that this was the most important item considered by the conference. One would have thought, because of the public interest in the matter, that a good deal of research work would have been done on it long before this, so that we could deal with it on a strictly factual basis, and I have suggested to the distinguished chairman of the subcommittee, who is in charge of the bill on the floor, that he accept the amendment and take it to conference.

I understand his difficulty. He has made a case that he believes is earnest and sincere and convincing. However, on the other hand, if this matter is to be considered again, it can be considered only if it is incorporated in the bill and sent to conference. Deep as is my concern about the soundness of reserve, I will vote for the amendment, in the hope that when it gets to conference all the experts in the social security system can be brought in around the conference table so that the matter can be considered, and perhaps there can be contrived a formula less complicated than the one that was achieved last year and that will confer a larger measure of benefit upon the great group that has been so well styled by the distinguished Senator from New Hampshire as willing to work, want-

ing to work, but who simply by the inhibition in the law itself are denied that opportunity to work.

I shall support the amendment.

Mr. COTTON. Madam President, I yield 1 minute to the distinguished Senator from Kentucky.

Mr. MORTON. Madam President, we have heard much about encouraging an increase in economic productivity. I believe one of the encouragements of such an increase would be a willingness on the part of more people to become members of the great productive force in American society. The amendment of the distinguished Senator from New Hampshire will do just that; and I offered a similar amendment in the last Congress and in this Congress.

Let me emphasize the point which the Senator from New Hampshire so eloquently made. This proposal is not for an increase in benefits. Let us disabuse our minds of that. The amendment merely increases the incentive, so that older citizens, who enjoy the greater longevity which medical science has provided, will remain productive members of our great society.

Mr. COTTON. Madam President, I yield 1 minute to the distinguished Senator from South Dakota.

Mr. MUNDT. Madam President, first I congratulate the Senator from New Hampshire for renewing the fight which he has made on the floor of the Senate for several years in this connection. I, too, have an amendment providing the same consideration.

It seems to me that the Senator from Illinois put the question very clearly before the Senate when he suggested that this amendment be adopted, so that we would have something to consider in conference.

If we are to bring this situation into focus, based upon the realities and the judgment of experts in this field, we must have something on which proposed legislation can be based with actuarial soundness. Actually, since the original social security legislation was passed, the forces of inflation have made the purchasing power of the proposal less than that of the $1,300 originally available.

I urge that the Senate adopt this amendment today, and that it be taken to conference, so that we may ascertain if there are any good, valid, actuarial reasons for rejecting it. If there are not, let us incorporate it into the law.

The PRESIDING OFFICER. The yeas and nays have been ordered. Under the unanimous-consent agreement——

Mr. KERR. Madam President, does any time remain?

The PRESIDING OFFICER. Two minutes remain.

Mr. KERR. How much time remains for the proponents?

The PRESIDING OFFICER. Two minutes remain on each side.

Mr. LAUSCHE. Madam President, will the Senator from Oklahoma yield 1 minute of his time to me?

Mr. KERR. First, I yield 1 minute to the Senator from Minnesota; then I shall yield 1 minute to the Senator from Ohio.

Mr. HUMPHREY. Madam President, a parliamentary inquiry.

Mr. KERR. Madam President, the Senator does not need to have time yielded to him for a parliamentary inquiry, does he?

The PRESIDING OFFICER. Time is required for a parliamentary inquiry.

Mr. KERR. I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. Madam President, several Senators desire to offer a substitute for the pending amendment. May the substitute be offered now and be voted upon prior to the action upon the pending amendment?

The PRESIDING OFFICER. The amendment before the Senate is open to further amendment.

Mr. HUMPHREY. It is open to further amendment?

The PRESIDING OFFICER. Without any debate.

Mr. HUMPHREY. Without any debate? We desire to offer an amendment. I ask unanimous consent——

Mr. KERR. Madam President, I ask unanimous consent that the Senator from Minnesota may offer the amendment in the nature of a substitute and that 5 minutes be allotted to each side.

Mr. DIRKSEN. Madam President, I speak with the greatest kindliness and respect. This very proposal, in its present undiluted form, has been before the Senate many times. We voted on it during the consideration of the bill last year.

I believe the Senate should have an opportunity to take a clear-cut vote on the proposition which is offered by the distinguished Senator from New Hampshire. If it fails, the distinguished Senator from Minnesota may then offer his amendment in the nature of a substitute or any other amendment he wishes to offer. But since an amendment is now before the Senate, I think the distinguished Senator from New Hampshire is entitled to a clean-cut vote on his proposal.

I am constrained to object, and I object.

Mr. KERR. Madam President, I yield 30 seconds to the distinguished Senator from Ohio.

Mr. LAUSCHE. Based upon the advice of the experts, if the change as proposed by the committee is adopted, will the fund be actuarially sound? Second, will the fund be sound if the amendment offered by the Senator from New Hampshire shall be adopted?

Mr. KERR. The answer to the Senator's first question is that the fund will be actuarially sound.

To his second question, the answer is that the fund would be impaired by a minimum of $500 million a year if the amendment offered by the Senator from New Hampshire were adopted.

Mr. HARTKE. Madam President, is there time remaining?

The PRESIDING OFFICER. All time has expired.

Mr. HARTKE. Madam President, on behalf of myself, the Senator from Minnesota [Mr. HUMPHREY], and the Senator from West Virginia [Mr. RANDOLPH], I submit an amendment in the nature of a substitute and asked that it be stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

Mr. PASTORE. Madam President, may we have order in the Chamber, so that we can hear the amendment as it is read? We may not debate it, but we should be permitted to hear it.

The PRESIDING OFFICER. The Senate will be in order. The amendment to the amendment will be stated.

The legislative clerk read as follows:

SEC. — (a) paragraph (3) of section 203(f) of the Social Security Act is proposed to be amended by striking out "$300" wherever it appears therein and inserting in lieu thereof "$500".

(b) The amendment made by subsection (a) shall apply in the case of taxable years ending after the enactment of this Act.

Mr. HARTKE. Madam President on this amendment I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. There is a sufficient second, and the yeas and nays are ordered.

Mr. KERR. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oklahoma will state it.

Mr. KERR. Is the nature of the amendment of the Senator from Indiana to increase the application of the 50–50 formula above the $1,200 exemption, $500 instead of the $300 now provided in the law?

The PRESIDING OFFICER. The Chair has no authority to place an interpretation upon the amendment.

Mr. HARTKE. Madam President, the interpretation of the Senator from Oklahoma is correct.

Mr. HUMPHREY. That is also my understanding.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUNDT. Madam President——

The PRESIDING OFFICER. The call of the roll has started.

Mr. MUNDT. No Senator has answered to his name. I make the point of order that no Senator has answered to his name.

The PRESIDING OFFICER. The Senator from South Dakota will state his point of order.

Mr. MUNDT. Madam President, I ask unanimous consent that the proponents of this amendment be given 5 minutes to explain it, and that the opponents be given 5 minutes to oppose it, so that the Senate may have some idea of what we are expected to vote upon.

Mr. KERR. Madam President, I made a similar request a few minutes ago, and the Senator from Illinois [Mr. DIRKSEN] objected.

Mr. HUMPHREY. Madam President, I object.

The PRESIDING OFFICER. The clerk will resume the call of the roll.

The legislative clerk resumed and concluded the calling the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut

[Mr. DODD], the Senator from California [Mr. ENGLE], the Senator from Tennessee [Mr. GORE], the Senator from Georgia [Mr. RUSSELL], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Arizona [Mr. HAYDEN] is absent due to a death in the family.

I further announce that, if present and voting, the Senator from California [Mr. ENGLE], the Senator from Arizona [Mr. HAYDEN], and the Senator from Massachusetts [Mr. SMITH], would each vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from North Dakota [Mr. BURDICK]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from North Dakota would vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Pennsylvania would vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Hawaii [Mr. FONG], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from North Dakota [Mr. BURDICK]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from North Dakota would vote "yea."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from New Mexico would vote "yea."

The result was announced—yeas 59, nays 30, as follows:

[No. 83]

YEAS—59

Anderson	Hill	Morse
Bartlett	Holland	Moss
Bible	Humphrey	Muskie
Byrd, Va.	Jackson	Neuberger
Byrd, W. Va.	Johnston	Pastore
Cannon	Jordan	Pell
Carroll	Kefauver	Proxmire
Church	Kerr	Randolph
Clark	Lausche	Robertson
Curtis	Long, Mo.	Saltonstall
Douglas	Long, Hawaii	Smathers
Dworshak	Long, La.	Sparkman
Eastland	Magnuson	Stennis
Ellender	Mansfield	Symington
Ervin	McCarthy	Talmadge
Fulbright	McClellan	Thurmond
Gruening	McGee	Williams, N.J.
Hart	McNamara	Yarborough
Hartke	Metcalf	Young, Ohio
Hickey	Monroney	

NAYS—30

Aiken	Case, N.J.	Miller
Allott	Case, S. Dak.	Morton
Beall	Cooper	Mundt
Bennett	Cotton	Prouty
Boggs	Dirksen	Schoeppel
Bridges	Hickenlooper	Smith, Maine
Bush	Hruska	Tower
Butler	Javits	Wiley
Capehart	Keating	Williams, Del.
Carlson	Kuchel	Young, N. Dak.

NOT VOTING—11

Burdick	Fong	Russell
Chavez	Goldwater	Scott
Dodd	Gore	Smith, Mass.
Engle	Hayden	

So the amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now before the Senate is on agreeing to the amendment of the Senator from New Hampshire, as amended.

Mr. DIRKSEN. Madam President, I ask for the yeas and nays, if they have not been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from California [Mr. ENGLE], the Senator from Tennessee [Mr. GORE], the Senator from Georgia [Mr. RUSSELL], and the Senator from Massachusetts [Mr. SMITH], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Arizona [Mr. HAYDEN] is absent due to a death in the family.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from California [Mr. ENGLE], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Massachusetts [Mr. SMITH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Hawaii [Mr. FONG], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Arizona [Mr. GOLDWATER] and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 84]

YEAS—89

Aiken	Fulbright	Monroney
Allott	Gruening	Morse
Anderson	Hart	Morton
Bartlett	Hartke	Moss
Beall	Hickenlooper	Mundt
Bennett	Hickey	Muskie
Bible	Hill	Neuberger
Boggs	Holland	Pastore
Bridges	Hruska	Pell
Bush	Humphrey	Prouty
Butler	Jackson	Proxmire
Byrd, Va.	Javits	Randolph
Byrd, W. Va.	Johnston	Robertson
Cannon	Jordan	Saltonstall
Capehart	Keating	Schoeppel
Carlson	Kefauver	Smathers
Carroll	Kerr	Smith, Maine
Case, N.J.	Kuchel	Sparkman
Case, S. Dak.	Lausche	Stennis
Church	Long, Mo.	Symington
Clark	Long, Hawaii	Talmadge
Cooper	Long, La.	Thurmond
Cotton	Magnuson	Tower
Curtis	Mansfield	Wiley
Dirksen	McCarthy	Williams, N.J.
Douglas	McClellan	Williams, Del.
Dworshak	McGee	Yarborough
Eastland	McNamara	Young, N. Dak.
Ellender	Metcalf	Young, Ohio
Ervin	Miller	

NAYS—0

NOT VOTING—11

Burdick	Fong	Russell
Chavez	Goldwater	Scott
Dodd	Gore	Smith, Mass.
Engle	Hayden	

So Mr. COTTON's amendment, as amended, was agreed to.

Mr. DIRKSEN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KERR. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. KERR. Madam President, I ask that the yeas and nays be ordered on the question of passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the amendment of the Senator from New York, for himself and other Senators, will be considered. The amendment will be stated for the information of the Senate.

Mr. COTTON. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. When was the unanimous-consent agreement agreed to?

The PRESIDING OFFICER. The unanimous-consent agreement was adopted before debate on the amendment offered by the Senator from New Hampshire.

The clerk will state the amendment for the information of the Senate.

Mr. JAVITS. Madam President, I ask unanimous consent that the reading of the amendment may be dispensed with and that it may be printed in the RECORD. I shall explain it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

The amendment, offered by Mr. JAVITS, for himself and other Senators, ordered to be printed in the RECORD, is as follows:

"TITLE IV—MEDICAL BENEFITS FOR THE AGED

"SEC. 401. The title may be cited as the 'Health Insurance for the Aged Act'.

"SEC. 402. The Social Security Act is hereby amended by inserting at the end thereof the following new title:

"'TITLE XVI—MEDICAL BENEFITS FOR THE AGED

APPROPRIATION

"'SEC. 1601. For the purpose of assisting the States to improve the health care of aged individuals of low incomes by enabling them to secure, at cost reasonably related to their incomes, protection either against the expenses of preventive and diagnostic services and short-term illness treatment or against long-term illness expenses, there are hereby authorized to be appropriated for each fiscal year such sums as the Congress may determine. The sums made available under this section shall be used for making payments to States with State plans submitted by them and approved under this title.

"'*State plans*

"'SEC. 1602. The Secretary shall approve a State plan under this title which—

"'(a) provides for establishment or designation of a single State agency to administer

or supervise the administration of the State plan;

"'(b) provides that each eligible individual (as defined in section 1605(a)) who applies therefor (and only such an individual) shall be furnished whichever of the following he may elect:

"'(1) preventive, diagnostic, and short-term illness benefits, which, for purposes of this title, shall consist of payment on behalf of an eligible individual of the cost incurred by him for the following medical services rendered to him to the extent determined by the attending physician to be medically necessary (but subject to the limitations in section 1606)—

"'(A) inpatient hospital services for not to exceed twenty-one days in any enrollment year, except that at the request of the individual days of skilled nursing-home services may be substituted for any or all of such days of inpatient hospital services at the rate of three days of skilled nursing-home care for one day of inpatient hospital services;

"'(B) physicians' services furnished outside of a hospital or skilled nursing home, on not more than twelve days during an enrollment year;

"'(C) ambulatory diagnostic laboratory and X-ray services furnished outside of a hospital or skilled nursing home to the extent the cost thereof is not in excess of $100 in any enrollment year;

"'(D) organized home health care services for not more than twenty-four days in any enrollment year; and

"'(E) such additional medical services as the State may elect (subject to the limitations in clauses (E) (vi) and (vii) of paragraph (2) and to the limitations in section 1608); or

"'(2) long-term illness benefits, which, for purposes of this title, shall consist of payment on behalf of an eligible individual of 80 per centum of the cost above the deductible amount incurred by him for the following services (hereinafter in this title referred to as "medical services") rendered to him to the extent determined by the attending physician to be medically necessary (but subject to the limitations in section 1606)—

"'(A) inpatient hospital services for not to exceed one hundred and twenty days in any enrollment year;

"'(B) surgical services provided to inpatients in a hospital;

"'(C) skilled nursing home services;

"'(D) organized home health care services;

"'(E) such of the following services as the State may elect (subject to the limitations in section 1608)—

"'(i) physicians' services;

"'(ii) outpatient hospital services;

"'(iii) private duty nursing services;

"'(iv) physical restorative services;

"'(v) dental treatment;

"'(vi) laboratory and X-ray services to the extent the cost thereof is not in excess of $200 in any enrollment year;

"'(vii) prescribe drugs to the extent the cost thereof is not in excess of $350 in any enrollment year; and

"'(viii) inpatient hospital services in excess of one hundred and twenty days in any enrollment year; or

"'(3) private insurance benefits, which, for purposes of this title, shall consist of payment on behalf of such individual of one-half of the premiums of a private health insurance policy for him up to a maximum payment for any year of $60;

"'(c) provides for granting an opportunity for a fair hearing before the State agency to any individual whose claim for benefits under the plan has been denied;

"'(d) provides for payment of enrollment fees, payable annually or more frequently, as the State may determine by eligible individuals applying for long-term illness benefits or diagnostic and short-term illness benefits under the plan, the amounts of such fees to be determined by a schedule established by the State and approved by the Secretary as providing fees the lowest of which is equal to not less than 10 per centum of the per capita cost for the enrollment year involved of the benefits provided and the remainder of which vary in relation to the income (as defined in section 1605(b)) of the individuals;

"'(e) includes provisions for individuals who, for the enrollment year involved, would not be eligible individuals but for the provisions of section 1605(a)(2);

"'(f) includes such methods of administration as are found by the Secretary to be necessary for the proper and efficient operation of the plan, including—

"'(1) methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods;

"'(2) methods to assure that the applications of all individuals applying for benefits under the plan will be acted upon with reasonable promptness;

"'(3) methods relating to collection of enrollment fees for long-term illness benefits or diagnostic and short-term illness benefits under the plan, except that the State may not utilize the services of any nonpublic agency or organization in the collection of such fees, and

"'(4) methods for determining—

"'(A) rates of payment for institutional services, and

"'(B) schedules of fees or rates of payment for other medical services,

for which expenditures are made under the plan;

"'(g) sets forth criteria, not inconsistent with the provisions of this title, for approval by the State agency, for purposes of the plan, of private health insurance policies;

"'(h) provides that no benefits will be furnished any individual under the plan with respect to any period with respect to which he is receiving old-age assistance under the State plan approved under section 2, aid to dependent children under the State plan approved under section 402, aid to the blind under the State plan approved under section 1002, or aid to the permanently and totally disabled under the State plan approved under section 1402 (and for purposes of this paragraph an individual shall not be deemed to have received such assistance or aid with respect to any month unless he received such assistance or aid in the form of money payments for such month, or in the form of medical or any other type of remedial care in such month (without regard to when the expenditures in the form of such care were made));

"'(i) provide safeguards which restrict the use or disclosure of information concerning applicants for and recipients of benefits under the plan to purposes directly connected with the administration of the plan;

"'(j) includes (1) provisions, conforming to regulations of the Secretary, with respect to the time within which individuals desiring benefits under the plan may elect for any enrollment year between the types of benefits available under the plan and may apply for the benefits so elected for such year and (2) to the extent required by regulations of the Secretary, provisions, conforming to such regulations, with respect to the furnishing of benefits described in paragraph (1) or (2) of subsection (b) to eligible individuals during temporary absences from the State;

"'(k) provides for establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for any persons, institutions, and agencies, providing medical services for which expenditures are made under the plan; and

"'(l) provides that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports. Notwithstanding the preceding provisions of this section, the Secretary shall not approve any State plan under this title unless the State has established to his satisfaction that the medical or any other type of remedial care, together with the amounts, if any, included in old-age assistance in the form of money payments on account of their medical needs, for recipients of old-age assistance under the State plan approved under title I will be at least as great in amount, duration, and scope as the diagnostic and short-term illness benefits included under the State plan under this title.

"'(m) makes provision (1) authorizing employees' pension or welfare funds to contribute to the payment of enrollment fees under the plan for or on behalf of eligible members or beneficiaries of such funds, (2) authorizing employers (including the State or any political subdivision thereof when acting as an employer) to contribute to the payment of their employees' enrollment fees under the plan, and (3) permitting any employee, or member or beneficiary of an employees' pension or welfare fund, to authorize his employer (including the State or any political subdivision thereof when acting as an employer) or trustee or other governing body of such fund to deduct from his wages or from such fund, as the case may be, an amount equal to his enrollment fees under the plan and to pay the same to the State agency administering the plan;

"'Payments

"'SEC. 1603. (a) From the sums appropriated therefor each State which has a plan approved under section 1603 shall be entitled to receive, for each calendar quarter beginning with the quarter commencing July 1, 1962, an amount equal to (1) the Federal share for such State of the total amounts expended during such quarter by the State under the plan as long-term illness, diagnostic and short-term illness, or private insurance benefits, plus (2) one-half of the total of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

"'(b) Payment of the amounts due a State under subsection (a) shall be made in advance thereof on the basis of estimates made by the Secretary, with such adjustments as may be necessary on account of overpayments or underpayments during prior quarters; and such payments may be made in such installments as the Secretary may determine. Adjustments under the preceding sentence shall include decreases in estimates equal to the pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered by the State or any political subdivision thereof, with respect to benefits furnished under the State plan, whether as the result of being subrogated to the rights of the recipient of the benefits against another person, or as the result of recovery by the recipient from such other person, or because such benefits were incorrectly furnished, or for any other reason.

"'(c) For purposes of subsection (a), (1) expenditures under a State plan in any calendar year shall be included only to the extent they exceed the amount of the enrollment fees collected in such year under the State plan, and (2) expenditures under a State plan for preventive diagnostic and short-term illness benefits or for long-term

illness benefits in excess of $128 multiplied by the number of individuals enrolled for benefits under such plan in such year shall not be counted.

"'*Operation of State plans*

"'SEC. 1604. If the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of any State plan which has been approved under section 1602, finds—

"'(1) that the plan has been so changed that it no longer complies with the provisions of section 1602; or

"'(2) that in the administration of the plan there is a failure to comply substantially with any such provision;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to parts of the State plan not affected by such failure) until the Secretary is satisfied that there is no longer any such noncompliance. Until he is so satisfied, no further payments shall be made to such State (or payments shall be limited to parts of the State plan not affected by such failure).

"'*Eligible individuals*

"'SEC. 1605. (a) For the purposes of this title, the term "eligible individual" means, with respect to any enrollment year for any individual, an individual who—

"'(1) (A) is 65 years of age or over.

"'(B) resides in the State at the beginning of such year, and

"'(C) meets with respect to such year, the income requirements of subsection (b); or

"'(2) (A) resides in the State at the beginning of such year, (B) was an eligible individual for the preceding enrollment year, and (C) paid enrollment fees under the plan for the preceding enrollment year or had a private health insurance policy and the State made payments under the State plan toward the cost of the premiums of the policy during such year.

"'(b) For the purposes of this title, the income requirements of this subsection are met by any individual with respect to any enrollment year if, for his last taxable year (for purposes of the Federal income tax) ending before the beginning of such enrollment year—

"'(1) he did not pay any income tax, or

"'(2) (A) his income did not exceed $3,000 in the case of an individual who, at the beginning of such enrollment year, was unmarried or was not living with his spouse, or

"'(B) the combined income of such individual and his spouse did not exceed $4,500 in the case of an individual who, at the beginning of such enrollment year, was married and living with his spouse.

"'(c) The term "income" as used in subsection (b) means the amount by which the gross income (within the meaning of the Internal Revenue Code of 1954) exceeds the deductions allowable in determining adjusted gross income under section 62 of such Code; except that the following items shall be included (as items of gross income):

"'(1) Monthly insurance benefits under title II of this Act,

"'(2) Monthly benefits under the Railroad Retirement Acts of 1935 and 1937, and

"'(3) Veterans' pensions.

Determinations under this section shall be made (in the manner prescribed by the Secretary by regulations) by or under the supervision of the State agency administering or supervising the administration of the plan approved under section 1602.

"'*Benefits*

"'SEC. 1606. Subject to regulations of the Secretary—

"'(a) (1) Except as provided in paragraph (2), the term "medical services" means the following to the extent determined by the physician to be medically necessary:

"'(A) Inpatient hospital services;

"'(B) Skilled nursing-home services;

"'(C) Physicians' services;

"'(D) Outpatient hospital services;

"'(E) Organized home care services;

"'(F) Private duty nursing services;

"'(G) Therapeutic services;

"'(H) Major dental treatment;

"'(I) Laboratory and X-ray services; and

"'(J) Prescribed drugs.

"'(2) The term "medical services" does not include—

"'(A) services for any individual who is an inmate of a public institution (except as a patient in a medical institution) or any individual who is a patient in an institution for tuberculosis or mental diseases; or

"'(B) services for any individual who is a patient in a medical institution as a result of a diagnosis of tuberculosis or psychosis, with respect to any period after the individual has been a patient in such an institution, as a result of such diagnosis, for forty-two days.

"'Inpatient Hospital Services

"'(3) The term "inpatient hospital services" means the following items furnished to an inpatient by a hospital:

"'(1) Bed and board (at a rate not in excess of the rate for semiprivate accommodations);

"'(2) Physicians' services, nursing services, and interns' services; and

"'(3) Nursing services, interns' services, laboratory and X-ray services, ambulance service, and other services, drugs, and appliances related to his care and treatment (whether furnished directly by the hospital or, by arrangement, through other persons).

"'Surgical Services

"'(c) The term "surgical services" means surgical procedures provided to an inpatient in a hospital, other than those included in the term "inpatient hospital services", including oral surgery, and surgical procedures provided in an emergency in a doctor's office or by a hospital to an outpatient.

"'Skilled Nursing-Home Services

"'(d) The term "skilled nursing-home services" means the following items furnished to an inpatient in a nursing home:

"'(1) Skilled nursing care provided by a registered professional nurse or a licensed practical nurse which is prescribed by, or performed under the general direction of, a physician;

"'(2) Such medical supervisory services and other services related to such skilled nursing care as are generally provided in nursing homes providing such skilled nursing care; and

"'(3) Bed and board in connection with the furnishing of such skilled nursing care.

"'Physicians' Services

"'(e) The term "physicians' services" means services provided in the exercise of his profession in any State by a physician licensed in such State; and the term "physician" includes a physician within the meaning of section 1101(a)(7).

"'Outpatient Hospital Services

"'(f) The term "outpatient hospital services" means medical and surgical care furnished by a hospital to an individual as an outpatient.

"'Organized Home Health Care Services

"'(g) The term "organized home health care services" means—

"'(1) visiting nurse services and physicians' services, and services related thereto, which are prescribed by a physician and are provided in a home through a public or private nonprofit agency operated in accordance with medical policies established by one or more physicians (who are responsible for supervising the execution of such policies) to govern such services; and

"'(2) homemaker services of a nonmedical nature which are prescribed by a physician and are provided, through a public or private nonprofit agency, in the home to a person who is in need of and in receipt of other medical services.

"'Private Duty Nursing Services

"'(h) The term "private duty nursing services" means nursing care provided in the home by a registered professional nurse or licensed practical nurse, under the general direction of a physician, to a patient requiring nursing care on a full-time basis, or provided by such a nurse under such direction to a patient in a hospital who requires nursing care on a full-time basis.

"'Physical Restorative Services

"'(i) The term "physical restorative services" means services prescribed by a physician for the treatment of disease or injury by physical nonmedical means, including retraining for the loss of speech.

"'Dental Treatment

"'(j) The term "dental treatment" means services provided by a dentist, in the exercise of his profession, with respect to a condition of an individual's teeth, oral cavity, or associated parts which has affected, or may affect, his general health. As used in the preceding sentence, the term "dentist" means a person licensed to practice dentistry or dental surgery in the State where the services are provided.

"'Laboratory and X-ray Services

"'(k) The term "laboratory and X-ray services" includes only such services prescribed by a physician.

"'Prescribed Drugs

"'(l) The term "prescribed drugs" means medicines which are prescribed by a physician.

"'Hospital

"'(m) The term "hospital" means a hospital (other than a mental or tuberculosis hospital) which is (1) a Federal hospital, (2) licensed as a hospital by the State in which it is located, or (3) in the case of a State hospital, approved by the licensing agency of the State.

"'Nursing Home

"'(n) The term "nursing home" means a nursing home which is licensed as such by the State in which it is located, and which (1) is operated in connection with a hospital or (2) has medical policies established by one or more physicians (who are responsible for supervising the execution of such policies) to govern the skilled nursing care and related medical care and other services which it provides.

"'*Miscellaneous definitions*

"'SEC. 1607. For purposes of this title—

"'Federal Share

"'(a) (1) The "Federal share" with respect to any State means 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the Federal share shall in no case be less than 33⅓ per centum nor more than 66⅔ per centum, and (B) the Federal share with respect to Puerto Rico, the Virgin Islands, and Guam shall be 66⅔ per centum.

"'(2) The Federal share for each State shall be promulgated by the Secretary between July 1 and August 31 of each even-numbered year, on the basis of the average per capita income of each State and of the United States for the three most recent calendar years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the eight quarters in the period be-

ginning July 1 next succeeding such promulgations.

"'(3) As used in paragraphs (1) and (2), the term "United States" means the fifty States and the District of Columbia.

"'Deductible Amount

"'(b) The "deductible amount" for any individual for any enrollment year means an amount equal to $250 of expenses for medical services (determined without regard to the limitations in clauses (A) or (E) (vi) or (vii) of section 1602(a)(2)) which are included in the State plan and are incurred in such year by or on behalf of such individual, whether he is married or single, except that, in the case of an individual who is married and living with his spouse at the beginning of his enrollment year, it shall be an amount equal to $400 of expenses for medical services (so determined) incurred in such year by or on behalf of such individual or his spouse for the care or treatment of either of them, but only if application of such $400 amount with respect to such individual and his spouse would result in payment under the plan of a larger share of the cost of their medical services incurred in such year. Subject to the limitations in section 1608, the $250 amount referred to in the preceding sentence may be reduced for any State if such State so elects; and in case of such an election the $400 amount referred to, in such sentence shall be proportionately reduced.

"'Enrollment Year

"'(c) The term "enrollment year" means, with respect to any individual, a period of twelve consecutive months as designated by the State agency for the purposes of this title in accordance with regulations prescribed by the Secretary. Subject to regulations prescribed by the Secretary, the State plan may permit the extension of an enrollment year in order to avoid hardship.

"'Private Health Insurance Policy

"'(d) The term "private health insurance policy" means, with respect to any State, a policy, offered by a private insurance organization licensed to do business in the State, which is approved by the State agency (administering or supervising the administration of the plan approved under section 1602), which is noncancelable except at the request of the insured individual or for failure to pay the premiums when due and which is available to all eligible individuals in the State.

"'Cost

"'(e) The per capita cost of long-term illness benefits or diagnostic and short-term illness benefits for any year or other period shall be determined by the State, in accordance with regulations of the Secretary, on the basis of estimates and such other data as may be permitted in such regulations.

"'*Election of medical services to be provided by State*

"'SEC. 1608. Any election by a State pursuant to the provisions of clause (E) of paragraph (1) or the provisions of paragraph (2) of section 1602(b) or of the second sentence of section 1607(b) shall be valid for purposes of this title for any enrollment year or other period determined by the Secretary only if an election is also made by the State under the other of such provisions so that, in the judgment of the Secretary, the per capita cost of benefits under paragraph (1) of section 1602(b) and the per capita cost of benefits under paragraph (2) of such section for such period after such elections bear the same relationship to each other as the per capita cost of benefits under each such paragraph for such period without such elections bear to each other.

"'*Advisory council on health insurance*

"'SEC. 1609. (a) There shall be in the Department of Health, Education, and Welfare an Advisory Council on Medical Benefits for the Aged (hereinafter referred to as the "Council") to advise the Secretary on matters relating to the general policies and administration of this title. The Secretary shall secure the advice of the Council before prescribing regulations under this title.

"'(b) The Council shall consist of the Surgeon General of the Public Health Service and the Commissioner of Social Security, who shall be ex officio members (and one of whom shall from time to time be designated by the Secretary to serve as Chairman), and twelve other persons, not otherwise in the employ of the United States, appointed by the Secretary without regard to the civil service laws. Four of the appointed members shall be selected from among representatives of various State or local government agencies concerned with the provision of health care or insurance against the costs thereof, four from among nongovernmental persons who are concerned with the provision of such care or with such insurance, and four from the general public, including consumers of health care.

"'(c) Each member appointed by the Secretary shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of the members first taking office shall expire as follows: four shall expire two years after the date of the enactment of this title, four shall expire four years after such date, and four shall expire six years after such date, as designated by the Secretary at the time of appointment. None of the appointed members shall be eligible for reappointment within one year after the end of his preceding term.

"'(d) Appointed members of the Council, while attending meetings or conferences of the Council, shall receive compensation at a rate fixed by the Secretary but not exceeding $50 a day, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"'*Savings provision*

"'SEC. 1610. Nothing in this title shall modify obligations assumed by the Federal Government under other laws for the hospital and medical care of veterans or other presently authorized recipients of hospital and medical care under Federal programs.

"'*Planning grants to States*

"'SEC. 1611. (a) For the purpose of assisting the States to make plans and initiate administrative arrangements preparatory to participating in the Federal-State program of medical benefits for the aged authorized by title XVI of the Social Security Act, there are hereby authorized to be appropriated for making grants to the States such sums as the Congress may determine.

"'(b) A grant under this section to any State shall be made only upon application therefor which is submitted by a State agency designated by the State to carry out the purpose of this section and is approved by the Secretary. No such grant for any State may exceed 50 per centum of the cost of carrying out such purpose in accordance with such application.

"'(c) Payment of any grant under this section may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine. The aggregate amount paid to any State under this section shall not exceed $50,000.

"'(d) Appropriations pursuant to this section shall remain available for grants under this section only until the close of June 30, 1963; and any part of such a grant which has been paid to a State prior to the close of June 30, 1963, but has not been used or obligated by such State for carrying out the purpose of this section prior to the close of such date, shall be returned to the United States.

"'(e) As used in this section, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

"'*Technical amendment*

"'SEC. 1612. Effective July 1, 1962, section 1101(a)(1) of the Social Security Act (as amended by section 541 of this Act) is amended by striking out "and XIV" and inserting in lieu thereof "XIV, and XVI".'"

Mr. JAVITS. Madam President, I yield 4 minutes to the Senator from New Hampshire [Mr. COTTON].

Mr. COTTON. Madam President, I ask for the attention of the Senator from Oklahoma. I asked for the 4 minutes because I wished to comment on and to make the RECORD clear as to the vote the Senate has just taken.

Madam President, early in the discussion of my original amendment, which would raise the exemption to $1,800, the distinguished Senator from Oklahoma [Mr. KERR] expressed himself as extremely shocked and aggrieved at such irresponsibility. In response to a question from the Senator from New York as to whether a smaller amount could be agreed upon or some compromise might be effected, the Senator from Oklahoma indicated very sadly, and reluctantly, to be sure, that he was afraid that nothing could be obtained from the other body, which was adamant.

When the debate was concluded, the time had been consumed, and it began to be apparent—my statement is only an expression of opinion—that the Cotton amendment providing for a $1,800 exemption would be agreed to, at the last minute a substitute was proposed, which I assume provided a lesser amount or some consolation prize for our older people. I hope, in view of the fact that the substitute was agreed to, and that the original amendment which the Senator from New Hampshire offered was diluted at the last minute, that the Senator from Oklahoma will find that the opposition in the other body will have relaxed sufficiently so that we can have a tiny bit of fiscal irresponsibility and place the amendment into the bill, so that the old folks will have at least a modicum of results from the bill.

I want the RECORD to be clear that we obtained the benefit because we did not let go, and because we pushed to the very end to have the amendment agreed to.

Mr. KERR. Madam President, with the permission of the Senator from New York, I yield myself 2 minutes.

I appreciate the advice and admonition of the Senator from New Hampshire. I deeply regret that he saw fit some months or years previous to this time to find it necessary, on his own volition, to remove himself from the Committee on Finance. Had he remained, who knows but that he might even have been a member of the conference and have been placed in a position to maintain the integrity of the position

of the Senate in a manner suitable to his concept and his convictions.

However, in view of the fact that the Senator from New Hampshire withdrew from the Committee on Finance, and therefore under ordinary procedure he would not be eligible to be on the conference committee, I presume that he would indulge the possibility that Senators who are still members of the Committee on Finance, and who will be on the conference committee, might have as high a regard for the integrity of the position of the Senate as the distinguished Senator from New Hampshire might have had, had he maintained his own eligibility to be a member of the conference committee.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. JAVITS. I yield 1 minute to the Senator from Illinois.

Mr. DIRKSEN. I know of no inhibition under the rules by which the distinguished Senator from New Hampshire could not be made a conferee, and if the distinguished Senator from Oklahoma will ask for him, I am sure he will serve as a member of the conference with distinction.

Mr. KERR. Why should the Senator from Oklahoma impose upon the Senator from New Hampshire an obligation which he himself, by his own act, avoided?

Mr. DIRKSEN. He may have seen the light on this issue and now would be only too delighted to undertake that responsibility.

Mr. COTTON. Madam President, will the Senator from New York yield 1 additional minute?

Mr. JAVITS. I yield.

Mr. COTTON. I wish to say to my dear friend from Oklahoma, for whom I entertain the highest and deepest regard, that while I regret that I no longer serve as a member of the Committee on Finance, the one reason why I have some relief in no longer serving as a member of the Committee on Finance is that I was blinded by his brilliance, and blistered by his eloquence which was no less forceful in committee than on the floor of the Senate. I used to sit in hourly dread for fear I would fall into his displeasure, and be subjected to one of his tongue lashings. For that reason I withdrew.

Mr. KERR. Madam President, let the statement of the Senator from New Hampshire sound from State to State, until it echoes in the great State of Oklahoma, where those who hear it, and who might be of some benefit to the Senator from Oklahoma will be thus assured by the kindly and generous—and, I might say, accurate—remarks of the Senator from New Hampshire.

Mr. COTTON. Madam President, after serving with the able Senator from Oklahoma, and admiring his ability and his force, and after seeing him take away half of my amendment, I know that with his inimitable power, he can bring back the bacon from the conference with Members of the other body, if he wishes to do so, and I ask him to do it.

Mr. KERR. Madam President, the Senator from Oklahoma will do the best he can to bring back a bill that contains what the Senate has approved, but it is not one-half the amount provided by the Senator from New Hampshire, bless his noble and generous but unlearned heart; it is only 22½ percent of what the Senator would have provided.

Mr. JAVITS. Madam President, while there is a moment of charm and good fellowship, I should like to engage the attention of the Senate about a rather important point that arises in connection with my amendment. My proposal was voted on last year. In substance, a few changes have been made, but they are not material. The proposal is a general revenue plan for medical care for the aged. Traditionally the social security bill has been the vehicle for plans for medical care for the aged. Senators know that we do not have the votes to adopt the plan, any more than we had them the previous time.

There have been too many rumors going about with respect to the fact that the administration proposes, notwithstanding its strong advocacy of medical care for the aged, to place the subject on the shelf until 1962. I and the nine cosponsors of my bill felt that the subject should be brought out on the floor of the Senate, and the only way to do so was through an amendment on the appropriate bill, which is a proper vehicle, in order to determine the intentions of the administration.

Some of us who are cosponsoring the bill, though by no means all, have pledged ourselves to try to work out some approach with Senators on the other side of the aisle who are similarly minded and have some deference to our views, for example, on the subject of the importance of choice on the part of the beneficiary as between private plans and public plans, which would be provided with respect to preventive care, with respect to State action, and other provisions of the bill, which would give some real attention to the complaints which have been made against it, and which might receive the support essential to its passage.

Many Senators on this side of the aisle who are interested in the same objective that I am believe with me that the subject should not be used for a convenient campaign slogan. That is what ruined the measure the last time. We took such action in 1960, and no medical care for the aged resulted.

Mr. SALTONSTALL. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. SALTONSTALL. I am one of those who have sponsored the medical care bill. I am a sponsor of the bill because I believe medical aid for the aged should rest on a voluntary basis rather than on a social security basis. I do not necessarily think that the present bill is one on which the amendment should be offered, but I do believe that the Senator from New York is wise in bringing this subject before the Senate, and I am glad to have him bring it up at this time. While I agree that his amendment should not be adopted, I commend the Senator from New York for his action at this time.

Mr. JAVITS. I am grateful to my colleague, because it is always a problem, when one seeks to serve a purpose of this kind in bringing an issue to a head, as to when, how, and under what circumstances to do so in fairness to the Senate and in fairness to the issue. I am grateful to my distinguished colleague for his statement.

Mr. ALLOTT. Madam, will the Senator from New York yield for a short statement, to appear at the conclusion of his remarks?

Mr. JAVITS. I ask unanimous consent that I may yield for that purpose without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I yield myself 10 additional minutes. I yield myself 10 minutes in addition to the time that I have used.

The matter of medical care for the aged is a matter which we dealt with last year in part. The legislation we passed affected 2½ million Americans under the old age assistance program and those who are medically indigent. Although the cost is still undetermined, it does not appear to be great. The conditions confronting our aged are very serious, and a majority of these people do not have enough to live on, and are carrying the added burden of medical care which has become intolerable, having in mind also that the incidence of illness is far greater of those who are over 65.

Nonetheless, here it is the end of June and nothing has been done about it. We are assured that there will be hearings held in the other body. We have made inquiries here as to what would be done, but so far to no avail.

The problem is chronic and serious. Then we hear rumors that the matter would be allowed to go over until next year, which would have a fatal effect on the bill. I hope very much in the course of the discussion with the distinguished Senator who handled the matter on the floor last year, the Senator from New Mexico [Mr. ANDERSON], we might come to some meeting of minds as to what ought to be done.

The subject came up for debate last year after the nominations for President had been made. It was practically impossible in that atmosphere to expect that this matter could be successfully effectuated. So we saw the matter fall between two stools. The other side could not carry it, and we could not carry it. As a consequence, the matter got nowhere. It received what I consider very adequate treatment for those who need old age assistance and those who are medically indigent.

The measure which we proposed last year and which I proposed with some modifications this year, is the substance of my amendment now before the Senate.

We are determined that there should be a Federal program for health care for the aged, and we will persevere in the effort to find a way in which this can be done and to develop a program that can pass and be enacted into law.

This is not the social security plan. What we offered, we respectfully submitted at the time, was the fairest way to deal with the subject, in view of the

fact that those over 65 who would be the beneficiaries now did not contribute to the cost with social security payments.

I might say, from the researches that I have undertaken, with the aid of governmental authorities on this subject, and also private authorities, and also from exploring into what might be done with respect to the plan which I support, I am satisfied that with reference to those major criteria which I have stated on our side in terms of a medical care plan for the aged, as incorporated in this program, we are within areas of agreement. We can get together. The question is, When does this get done legislatively? So it is my purpose to see if it can be effectuated, with fairness to all who are interested in the subject, and to see that it is effectuated this year, rather than next year, in the atmosphere of a national congressional election.

Mr. ANDERSON. Madam President, will the Senator from New York yield?

Mr. JAVITS. I am glad to yield to the Senator from New Mexico.

Mr. ANDERSON. I do not intend to interrupt the Senator from New York. That is not my purpose. However, I wish to say to the Senator that I appreciate the very kind way in which he has discussed the possibility of reaching a harmonious solution of this problem. I have today been in consultation with the chairman of the House Ways and Means Committee, the Honorable WILBUR MILLS, of Arkansas. In that conference I tried to find out if he intended to go through with the program of holding hearings. The Senator from New York and I have served as Members of the House of Representatives. I served as a member of the Committee on Ways and Means, and I know that I have never seen that committee busier than it is now. I know that the Representative from Arkansas, Mr. MILLS, had hoped to have the hearings start during the month of June. He thought the committee could begin its hearings in the third week of June. However, because of the tax bills, that proved to be impossible.

I know that the Senator from New York, like myself, wants the House to complete its work in these other fields. In my discussion with the Representative from Arkansas, I asked him if he would set a date, but he said he did not want to establish another date, because we had had trouble in this respect in the past, but he did say that he hoped that they could be held around the 15th of July, and that he hoped that the hearings on all such proposals in the House would be completed in the month of July.

Therefore I appeal to the Senator from New York to take this fact into consideration, because he knows, as I know, that the House is very jealous of its privileges, as is the Senate jealous of its privileges.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself an additional 5 minutes.

Mr. ANDERSON. If we could let the House go ahead with its hearings and complete the hearings on the matter, I believe that we could make substantial headway. I do not believe that the goal that the Senator and I have set out is impossible to reach. I believe there are strongly developing areas of agreement.

I say frankly to the Senator from New York that I will seek his help and advice and counsel when we come to the time of writing a bill that will be acceptable to both sides of the aisle. Therefore I would hope that he would allow this matter to go until the House had held its hearings.

I understand that in the House hearings some suggestions may be made which have heretofore not appeared in the discussion of this question. I would hope that the Senator from Virginia [Mr. BYRD] would permit us to hold hearings very early, so that we would be dealing specifically with the subject, and that as a result of that we might bring before us a program that would take care of medical care for the aged, not in 1962, but during this year.

I recognize that this is asking quite a good bit on faith. I am sure Representative MILLS had intended and fully believed that he would be able to hold hearings during June. I also know that the Representative from Arkansas believed he would be able to hold hearings very early in July. As a matter of fact, he had notified the Department of Health, Education, and Welfare that they had better be ready to testify around the 10th of July. He now finds that that schedule is somewhat difficult to keep. He did say to me that he hoped that the schedule of July 15 would be possible to meet, and he has assured me that hearings would be definitely completed during the month of July.

Mr. JAVITS. Does the Senator believe that there will be other bills from the Ways and Means Committee coming over before the adjournment of this session?

Mr. ANDERSON. Yes, I do believe that there will be and I believe that there will be plenty of opportunity later on, if we cannot pass the bill in the ordinary way, to find a place to bring it before the body. The great advantage is that if the House holds its hearings, then when a bill passed by the Senate, if there should be one, comes to the House, Members of the House will not say, "We have had no chance to examine these matters at all. We have had no chance to explore the subject and find out what might be done." Whereas if they had hearings, and the bill which came to them was one on which they had not acted, the groundwork would have been laid to improve on the opportunity which had been presented.

Mr. JAVITS. I should like the Senator from New Mexico to comment on this point. This does not concern only me, it concerns the whole country. I am not nearly so concerned with what political mileage anyone may be able to pile up in this situation, because one never knows what it might be. It could turn out to be disastrous in 1962 for the people who think they have it thoroughly under control. I saw in 1960—and I think everyone else saw—how inauspicious was the atmosphere for getting the job done when we were in the shadow of a national election. Therefore, it was my hope that at least in the Senate we might act this year, at this session.

Can the Senator from New Mexico give us any assurance on that score? I do not think it is inappropriate to note that so far as the majority side is concerned, it is generally accepted that the Senator from New Mexico is the Senator who will be in charge of the bill, whatever it may be and whenever it may come before the Senate.

Mr. ANDERSON. Madam President, I wish I could guarantee to the Senator from New York that some bill would be brought up. I am one of the Senators who do not believe that the Senate should remain in session until Thanksgiving Day. Equally, it might be said that I should regret it if there is a possibility that we might be held here until Labor Day. I do not know what subjects may come up which will detain us a long time. I can conceive of bills coming up which would tie the Senate up for a long period of time.

The PRESIDING OFFICER. The additional time of the Senator from New York has expired.

Mr. JAVITS. Madam President, I yield myself an additional 5 minutes.

Mr. ANDERSON. I would not have wanted to make a pledge to the Senator from New York and then fail to live up to it. I say to him as sincerely as I can that I do not hope to see action on this proposal put off until 1962. I hope to see it brought before the Senate for action at the present session of Congress.

I have in mind that the legislative program is being handled by the majority leader and the minority leader, and that they may agree upon a program quite different from what the Senator from New York and I may decide upon. All I can say is that I know some headway will be made.

As a matter of fact, when it was the province of the Committee on Finance to write a bill a year ago, the Senator from New York had some ideas and the Senator from New Mexico had some ideas. We had no chance for a public hearing upon this question, because the question did not come before us in that way. Therefore, neither the program which the Senator from New York had envisioned, and which he finally translated into an amendment, nor the program which I had in mind, and which finally also resulted in an amendment, could be considered. The Senator from New York would be the first to agree that that is not the ideal way to proceed. It would be much better to have specific hearings as to his proposals, and specific hearings on behalf of the proposal I may make on behalf of myself and other Senators, and also on new proposals which might be offered.

I have assurance that that sort of hearing can be held in the Senate. It will be held in the House. I hope the result of those two hearings will be the passage by the Senate of a bill this year, at this session of Congress.

Mr. JAVITS. I understand perfectly well, in calling up my amendment, that we do not have the votes on this side to

adopt it, any more than we did the last time such an amendment was before the Senate. Nonetheless, if we are in a situation where nothing could be gained from waiting, then we might just as well have Senators state their position, record their votes, and let the matter go at that, rather than to await action by the other body.

Mr. ANDERSON. I think there is something to be gained. That is why I am appealing to the Senator from New York, who is very sincere in his approach to the problems in this field. The thing that is to be gained is that the House of Representatives will have had its hearing. Therefore, any bill which is brought to the House of Representatives will be considered by the House as something which is not completely strange to them, something on which they had not had the opportunity for long hearings, if they desire them. The mere fact that the gentleman from Arkansas plans to hold very good hearings is, in my opinion, something that will have been gained.

I am afraid—and I say this in all sincerity to the able Senator from New York—that if a vote were taken on the Senator's amendment today, and the vote was somewhat similar to the vote upon a similar amendment once before, some persons might construe that as an indication that we will not make much headway in this field. I think we will, and I think the Senator from New York is one of the reasons why we will. I think we will be helpful, when the time comes, in having a good measure presented to the Senate.

Much is to be gained by delay, in my opinion. The important thing is that the House will have had its hearings, and there will be hearings in the Senate in which persons can express themselves. Then we can examine the different plans, examine the strength and weaknesses of those plans, and as a result of that delay we will increase the likelihood of taking favorable action in this very year.

Mr. JAVITS. The reason why I am so concerned about delay is that the whole question may be taken over into 1962. Can the Senator from New Mexico give us this assurance, based upon his discussion with the Member of the other body: That he feels convinced that hearings will be held in the other body at this session, and that they will be completed?

Mr. ANDERSON. I have complete confidence that hearings will be held in the other body during this session.

Mr. JAVITS. Madam President, will the Senator from New Mexico yield me 5 minutes from his time?

Mr. ANDERSON. Madam President, in the absence of the Senator from Oklahoma, I yield, from the time on this side, 10 minutes to the Senator from New York.

Mr. JAVITS. Madam President, it is my deep conviction that this question needs to be acted on at this session. That it must be acted on responsibly is very clear. It is generally understood—the Senator from Massachusetts noted it and the Senator from New Mexico noted it—that we are not ready to act in a definitive way with respect to this particular measure today. I did not expect that we were. But I did put it forward today because it is my deep conviction that it is the only way in which this proposal can be pressed to issue—and pressed to issue it must be.

While this amendment is still before the Senate and it is being discussed, I should like to make four basic points of principle which, it seems to me, will have to be included in whatever medical care for the aged program is adopted. They are as follows:

First, there should be complete coverage for all the aged, even those outside the social security system. This, of course, is not now provided in the King bill, the so-called administration bill resulting from the message sent to Congress by the President in February of this year.

Second, there must be an alternative for the individual to manage his voluntary plan or his membership in a medical care plan attributable to his union, his corporation, or whatever the voluntary plan may be, rather than to enter into a Government plan, if that should be the way it comes out.

Third, there should be a preventive care program as an essential part of the medical care plan, and the medical care plan should not be strictly a hospital plan.

Fourth, and very importantly, there should be an opportunity in each State to improve upon the benefit package while preserving the basic minimum as a uniform plan in every State. This is attributable to the fact that the 50 States have very different opportunities for medical care of their aged person. Therefore, they should have an opportunity to improve upon the minimum benefit which the Federal Government, whether out of general revenues or under some social security plan, or variation thereof, may be able to support.

Before I take my seat, I shall withdraw my amendment from consideration and shall allow the bill—because I think mine is the last amendment—to pass, for the following reasons:

First. I am convinced that there will be another opportunity before the end of the session, in a measure coming out of the Committee on Ways and Means of the House of Representatives, thereby giving this amendment the same status it would have if attached to the social security bill.

Second, because I have a great feeling that if anything finally results in the way of a plan for medical care for the aged, it will be because of the willingness to cooperate by some of us on this side of the aisle with home on the other side of the aisle; otherwise, as it did before, that will not happen. It is because I do not wish in any way to breach that cooperation or to diminish what I know to be the encouragement which the Senator from New Mexico derives from that cooperation that I shall not press my amendment today.

I believed it was essential, without taking too much of the Senator's time, to raise the question as I did today. It may be essential before the end of the session to raise it in respect of another bill and actually to put it to a vote if we do not get the necessary action from the administration and from the majority side. I think is is fair to say that, certainly, the 10 Senators on this side of the aisle who are cosponsors of the amendment are deeply convinced that either we must have a definitive plan for medical care for the aged reflecting, to some extent, at least, our views upon which we will have the chance to vote before the end of this session, or we will feel dutybound to bring the amendment I have called up today, or some variation of it, to a vote. We feel that either way the subject must be definitely dealt with before the session ends.

Also, Madam President, I hope very much that what has transpired here today on the floor will find its echo in the House of Representatives and also will find its echo in the hearts of the millions of Americans who are very definitely affected. I never received more mail than that I have received in regard to the subject of medical care for the aged, and I believe that other Members have received such mail in similar amounts. I am deeply convinced that medical care for the aged remains a burning issue in our country, not only for the elderly, but also for the millions and millions of other Americans who, like myself, are maintaining the elderly. After all we pay these bills during our younger years; and unless proper and suitable provision is made, there will be no adequate means of enabling them to receive the medical care which society really owes them as a debt, in view of their present situation.

Therefore, Madam President, as I have stated, I shall withdraw the amendment at this time, based upon my sincere belief in the assurances which have been given us by the Senator from New Mexico and those which have been transmitted from the other body; namely, that before the end of the session, we shall have an opportunity to offer this amendment to a measure which will come from the House Ways and Means Committee, and also because of my feeling that the amendment we have proposed today will have served its purpose if it calls the attention of the President of the United States and the attention of all other Americans to the fact that the time to make these amendments is in the year 1961, rather than to wait until just before election in 1962.

Mr. ANDERSON. Madam President, I deeply appreciate the attitude of the Senator from New York and his willingness to withdraw the amendment. I feel that the provision in which he is interested is really on its way. I thank him most sincerely for his attitude in this connection.

Mr. JAVITS. Madam President, I now withdraw the amendment.

The PRESIDING OFFICER. The amendment of the Senator from New York has been withdrawn.

The bill is open to further amendment.

Mr. KERR. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll.

Mr. KERR. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Madam President, on behalf of the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. ANDERSON] and myself, I offer the following amendments: On page 26, in line 22, strike out "1969", and insert in lieu thereof "1968."

On page 27, in line 2, strike out "1968", and insert in lieu thereof "1967."

On page 27, in line 21, strike out "1968", and insert in lieu thereof "1967."

On page 27, in line 24, strike out "1968", and insert in lieu thereof "1967."

On page 28, in line 17, strike out "1968", and insert in lieu thereof "1967."

On page 28, in line 20, strike out "1968", and insert in lieu thereof "1967."

Madam President, the purpose of these amendments is to provide the funds with which to pay for the increased benefits which will accrue under the amendment the Senate adopted earlier today—that is to say, the amendment submitted by the Senator from Indiana [Mr. HARTKE], on behalf of himself, the Senator from Minnesota [Mr. HUMPHREY], and the Senator from West Virginia [Mr. RANDOLPH], as a substitute for the amendment submitted by the Senator from New Hampshire [Mr. COTTON].

It would do the following: Under the terms of the bill, the effective years for an increase in the tax rate are set forth, the pertinent dates being in line 22 on page 26, lines 2, 21, and 24 on page 27, and lines 17 and 20 on page 28.

Under the bill, the new tax rate becomes effective on the dates set forth in those places. The amendments which the Senator from Virginia, the Senator from New Mexico, and the Senator from Oklahoma are now offering would move up for 1 year the effective dates for that particular increase in the tax rate. The actuaries in the Department of Health, Education, and Welfare have advised the Senator from New Mexico, the Senator from Virginia, and the Senator from Oklahoma that the amendments would provide money to pay for the benefits created under the amendment adopted by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Oklahoma for himself and other Senators.

Without objection, the amendments will be considered en bloc.

The amendments were agreed to.

Mr. HUMPHREY. Madam President, I send to the desk an amendment, and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to add a new section as follows:

SEC. 108. (a)(1) subparagraph (D) of paragraph (11) of subsection (a) of section 2 of the Social Security Act is amended by striking out "and" at the end thereof.

(2) Subparagraph (E) of such paragraph (11) is amended by striking out the period and inserting in lieu thereof "and".

(3) Such paragraph (11) is further amended by adding at the end thereof the following new subparagraph:

"(F) provide that any individual eligible to receive medical assistance for the aged shall not be precluded by State law or regulation from receiving any care and services which are covered by the State plan from any provider of care or services who is licensed under State law to provide such care and services to individuals who are not recipients of medical assistance for the aged."

Mr. HUMPHREY. Madam President, I have discussed the amendment with the Senator from Oklahoma [Mr. KERR]. It was discussed at the time the medical assistance provision was enacted into law a year ago, but my amendment was not then offered. It was merely discussed.

The amendment makes clear that if a State establishes a medical care program to cooperate under the so-called Kerr-Mills medical assistance program, it cannot preclude by statute any eligible older person from selecting medical care and services of his own choice. It provides freedom of choice for such a person to select his doctor, hospital, and medical care.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. The amendment would not establish a new law or a new program, would it?

Mr. HUMPHREY. It would not.

Mr. JAVITS. It would operate within the framework of the Kerr-Mills program.

Mr. HUMPHREY. That is correct.

Mr. JAVITS. Has any State tried to prevent such freedom of choice?

Mr. HUMPHREY. No. The amendment is to assure that it does not.

Mr. JAVITS. My State has passed implementing legislation, putting out a good deal of money in the process. Does the Senator know whether this amendment would in any way interfere with New York State law?

Mr. HUMPHREY. I can assure the Senator it would not.

Mr. KERR. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. As I understand the amendment, I think it is appropriate and worthy. I wish to clear up one point. Under existing law, a patient receiving, or entitled to receive, medical care may choose to receive care from other than licensed physicians or surgeons—for example, believers in religious methods of assistance or healing, and certain other licensed practitioners.

Mr. HUMPHREY. That is correct.

Mr. KERR. It is not the purpose or effect of the Senator's amendment in any way to change that.

Mr. HUMPHREY. No.

Madam President, I have a statement that explains the very point I have discussed, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

FREEDOM OF CHOICE UNDER THE MEDICAL CARE FOR THE AGED PROGRAM

Last year the Congress after extensive consideration wrote into the Social Security Act the so-called Kerr-Mills plan to provide Federal grants to the States to enable them to establish medical assistance programs for older citizens who are not recipients of old-age assistance but whose income and resources are insufficient to meet the costs of necessary medical services.

I joined in supporting this plan although I was disappointed that a broader program to provide medical care for the aged by way of the social security system was not accepted.

I have been rather amazed that those who argue that medical care for the aged by way of the social security system is an encroachment on individual freedom do not express concern over the fact that the legislation we passed last year contains no provision to assure to our older citizens that they may be free to choose the hospital, or nursing home, or doctor or pharmacist of their own choice. There is nothing in the present law to prevent a State from setting up a medical care for the aged program requiring beneficiaries to go only to certain hospitals or nursing homes, or to only certain physicians or dentists or druggists. There is nothing in the act—as a matter of fact—which prevents a State if it so desires from setting up a system whereby older citizens would be required to go only to State hospitals, clinics, nursing homes, dispensaries, and to doctors employed by the State. In fact, the present law would permit a complete system of socialized medicine.

I do not believe in socialized medicine, and I know that no Member of this body does. I deplore the thought of the Government taking over or running a medical care system from stem to stern, of dictating to people what hospital they must go to and what doctor they must see and what druggist they must get their prescription from. But, I repeat, the law we passed last year did inadvertently give the States such power if they should care to exercise it.

I therefore sent to the desk an amendment to make it clear that no State can set up a program of medical assistance for the aged which would deny the right to select one's own hospital, nursing home, doctor, or druggist.

My amendment makes it clear that if a State establishes a medical care for the aged program—in accordance with the bill we passed last year—it cannot preclude by statute or by regulation any eligible older person from choosing a licensed provider of care and services of his own choice.

My amendment would assure that recipients of medical assistance for the aged are given the same freedom of choice as enjoyed by older citizens fortunate enough to be able to meet the costs of medical care through their own income and resources. I believe very strongly that the Government must respect and assure the dignity of our older citizens—regardless of their financial position. The criteria for the manner in which the Government treats its older citizens should not be the length of their purse.

I would call to my colleagues' attention the fact that the White House Conference on Aging passed a resolution endorsing this freedom of choice concept in medical care programs. The text of the resolution reads as follows:

"Every governmental program of medical assistance for the aged should embody a provision granting beneficiaries full freedom in choosing a physician, dentist, hospital,

nursing home, dispenser of prescription medications, or other provider of health services."

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LAUSCHE. Was the amendment which has now been offered by the Senator from Minnesota submitted to the committee?

Mr. HUMPHREY. Yes, it was before the committee, but it was not considered in connection with this particular bill. It was discussed in some detail last year.

Mr. LAUSCHE. But it was not submitted to the committee this year?

Mr. HUMPHREY. It was introduced as a separate bill, but was not offered as an amendment to this particular bill.

Mr. LAUSCHE. Were hearings held on the separate bill?

Mr. HUMPHREY. I do not think such hearings were held.

Mr. ANDERSON. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Does this amendment in any way involve hospitals which have contracts with physicians?

Mr. HUMPHREY. No. It merely precludes the States from saying, for example, that patients shall have no choice in selecting the hospital or the doctor for their care. In other words, it would preclude a State from saying that all patients under medical care plans shall go to a county hospital.

Mr. ANDERSON. It would not in any way involve the situation which exists regarding chiropractors or osteopaths?

Mr. HUMPHREY. It would not affect any particular profession. I believe that was the question raised by the Senator from Oklahoma.

Mr. ANDERSON. That question involved a question of religion, also. I am concerned mainly about the arguments that are constantly or sometimes raised as between chiropractors and doctors.

Mr. HUMPHREY. No; it does not affect that situation.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LAUSCHE. As I understand the situation, a separate bill is pending; and if this amendment is not accepted, hearings will be held on the separate bill, and in the consideration of that separate bill, the committee will then be able to pass on the propriety of making it law.

Mr. HUMPHREY. The Senator is more optimistic on some of these occasions than I am. There is a separate bill pending. I would hope if this amendment is not adopted, that there would be hearings on the bill, but there are many bills before committees.

This particular proposal has had the very active support of licensed groups in the healing profession. It seems to me its purpose is to make sure the program of medical care as authorized by the Congress is not a socialized medicine program. That is the purpose of the amendment.

Mr. LAUSCHE. If the amendment is now accepted, it will spare the Senator from Minnesota the task of making his case before the committee. Is that correct?

Mr. HUMPHREY. I shall be glad to do it all over again, I may say to the kind and generous Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

Mr. KERR. Madam President, if there are no further tributes to be paid on the floor between Senators, I recommend the adoption of the amendment.

Mr. LAUSCHE. Madam President, I cannot subscribe to the practice of offering separate bills as amendments to other bills. Though there may be full merit to what has been said, I think the normal procedure ought to be followed with respect to the bill as it is pending before the committee. It ought not to be tied in to the bill before the Senate in the manner suggested. Therefore, I wish to indicate my adverse vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

The amendment was agreed to.

Mr. MILLER. Madam President, I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 31, line 2, it is proposed to insert the following at the end thereof:

(As determined by the President of the United States.)

Also, it is proposed to strike the period at the end of line 4 and insert the following:

and their parents, children, brothers, or sisters are without resources which can be made available to said nationals or dependents; (c) have not absented themselves from the United States or any of its possessions to avoid prosecution for violation of any Federal or local law.

Also, it is proposed to insert after the word "State" in line 22, the following: ", the Attorney General,".

Mr. MILLER. Madam President, I have discussed the amendment with the distinguished Senator from Oklahoma [Mr. KERR] the manager of the bill. The amendment is not designed to do anything other than to make sure the interests of the United States are protected.

For one thing, the amendment points out that benefits under the particular provision of the bill will not be made available to anyone who either has resources of his own or has parents, brothers, sisters, or a child who can furnish these resources to him. I point out that it is not the intent of the amendments to preclude the Secretary from furnishing some benefits under the provision during an interim period when a determination is made as to whether the beneficiary does have resources which can subsequently be made available, or does have relatives in the classes enumerated who can make resources available to him.

Another point is that the benefits are not to be provided to those who have deliberately absented themselves from the United States for the purpose of avoiding prosecution either under State or Federal law. It would seem that the benefits should not be given to those people who see fit to come back under the conditions listed in the provision.

Nothing is provided, in the bill as it is now written, in regard to who is to determine whether there is a war or a threat of war or invasion or similar crisis. The determination of such events ought to be made by the President of the United States, and the amendment I have offered would so provide.

Finally, in addition to the Secretary of State and the Secretary of Defense, with whom plans are to be developed for implementing the provision, it would seem the Attorney General's office ought to be consulted. My amendment so provides.

I shall be happy to yield for questions if any Senators desire to ask questions.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. MILLER].

The amendment was agreed to.

Mr. HARTKE. Madam President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 25, between lines 18 and 19, it is proposed to insert the following:

BROADENING OF DEFINITION OF DISABILITY

SEC. 108. (a) Clause (A) of the first sentence of section 216(i)(I) of the Social Security Act is amended by striking out "which can be expected to result in death or to be of long-continued and indefinite duration".

(b) Paragraph (2) of section 223(c) of such Act is amended to read as follows:

"(2) The term 'disability' means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment. For purposes of clause (ii) of subsection (a)(1) and for purposes of section 202(d), an individual shall not be considered to be under a disability unless such impairment (A) has lasted or can be expected to last continuously for a period of at least 6 calendar months or (B) can be expected to result in death. An individual shall not be considered to be under a disability unless he furnishes such proof of the existence thereof as may be required."

(c) The amendments made by subsections (a) and (b) shall be effective with respect to an application for disability insurance benefits under section 223, for monthly insurance benefits under section 202(d), or for a disability determination under section 216(i), of the Social Security Act filed—

(1) on or after the date of enactment of this Act, or

(2) after 1957 and before such date of enactment, if the applicant has not died before such date of enactment and if—

(A) notice of the final decision of the Secretary of Health, Education, and Welfare has not been given to the applicant before such date of enactment; or

(B) the notice referred to in subparagraph (A) has been so given before such

date of enactment but civil action with respect to such final decision is commenced under section 205(g) of the Social Security Act (whether before, on, or after such date of enactment) and final judgment of the court has not been rendered before such date of enactment;

except that no monthly insurance benefits under title II of the Social Security Act shall be payable or increased by reason of the amendments made by subsections (a) and (b) for months before April 1961.

On page 25, line 20, strike out "SEC. 108" and insert in lieu thereof "SEC. 109".

Mr. HARTKE. Madam President, this amendment would carry into effect the President's recommendation made in the social security message to the Congress, to provide special consideration for those who are disabled for a period of more than 6 months.

Last year we removed the requirement that a person who was disabled must be at least 50 years of age. However, about 85,000 people still are excluded from the provisions of coverage, because of the fact that the present law requires the finding that the person either has a disability which will ultimately lead to his death or a disablement which will be of a long and enduring nature.

The amendment really adopts the principle of the private insurance carriers. What it provides, in substance, is that if a person is disabled for a period of 6 months there is a presumption, in effect, that he is totally disabled for life. At that time the person can draw social security payments. If at any time later the person were in a position to resume his employment, then, of course, the payments would be stopped.

Frankly, as the President indicated in his message to Congress, there is a psychological barrier at the present time. Whenever one tells a man he is totally and permanently disabled for life, there is a psychological barrier as to rehabilitation.

The provision has worked very well so far as private insurance carriers are concerned. They find no difficulty in enforcing such a rule. I see no reason why the same provision should not be employed so far as the social security law of the United States is concerned.

About 85,000 people would receive benefits the first year if the provision were changed. The effect on the payroll would be less than 1 percent; in fact, only three-one hundredths of a percent. The cost of the amendment, if agreed to, in the first year would be approximately $35 million.

This, in substance, is the entire proposal. The amendment is not an expensive one. The President asked for it. His advisers asked for it. The amendment was not adopted by the House Committee on Ways and Means. I offered the amendment in the Senate Committee on Finance, and it was rejected by the Finance Committee. That is why I present it to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana.

Mr. KERR. Madam President, the amendment offered by the Senator from Indiana is certainly based on generosity and on recognition of need, and has merit. However, I invite attention to the fact that, on the basis of amendments already provided in the bill as brought to the Senate and agreed to by the Senate, an additional $825 million will be payable from the trust fund in the first year. The action of the committee and of the Senate thus far has provided the money with which to pay these benefits.

The amendment offered by the Senator from Indiana would not go to expenditures from the trust fund account for all benefits other than for the disabled. Under the action of the Congress some years ago, a program for the disabled was set up and a separate tax was provided to pay for such benefits. The proceeds were to be collected and placed in a separate trust fund. The trust fund for disability benefits is separate and apart from the trust fund for all other social security benefits. It is financed by a separate tax.

I urge the distinguished Senator from Indiana not to press his amendment. If the amendment is pressed, I urge it not be agreed to. It is far reaching and significant. I do not think it should be acted upon until extended hearings have been held both by the House Ways and Means Committee and by the Senate Finance Committee, especially in view of the fact that it would be a charge to the extent of which, frankly, I have not been advised nor able to determine, against the separate disability fund in the social security trust fund. Therefore I hope that the amendment will not be pressed and, if pressed, that it will not be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana [Mr. HARTKE].

The amendment was rejected.

Mr. JOHNSTON. Madam President, much has been said today and in years preceding, both on the floor and in committee meetings, concerning the increase in social security benefits and retirement possibilities. I believe it is well known how I stand on this subject and I have consistently voted to broaden social security benefits. Consequently, I shall not take a great deal of the Senate's time this afternoon discussing this bill, but I would like made known for the record several points that I think sometimes are overlooked.

I would remind the opponents of this legislation that the Social Security Act is paid for in its entirety by contributions of workers and employers. Federal contributions are not involved and the increase allowed in this modest proposal will be paid for by an additional one-eighth of 1 percentage point payroll tax on all employees and employers covered by social security. The very modest increase in the minimum from $33 to $40 a month still will not allow a decent income for anyone trying to live on this assistance. The proposed change allowing a male worker to retire at age 62 is, in my mind, a fine step in the right direction. The worker can only get what he has contributed in the past and this proposal before us today would penalize him by decreasing his monthly payments, if he chooses to retire early. So early retirees would still only get what they had contributed to the program. I know many workers in my home State of South Carolina who have toiled all their lives since their early teens and have been contributing to the social security program since its inception, that are unable to continue to work past the age of 62 and have written me urging a change in the social security law such as this so they might be allowed to retire and draw now, when they need it, the retirement assistance they have paid for in this act. I repeat, the money belongs to the workers. They should, if they desire, be allowed to retire early at a more modest monthly rate. Likewise, the modest increase for widows is a step in the right direction and will definitely benefit the widows who are desperately trying to make ends meet in the face of inflation. I consider this legislation essential and am happy to give it my full endorsement.

Mr. YARBOROUGH subsequently said: I wish to congratulate the Committee on Finance for presenting the bill to improve our social security system and the public assistance program. More than 4 million older citizens will be tangibly benefited during the next year by these sound improvements recommended by the committee.

Each of the improvements proposed by the bill is well justified, but I am particularly pleased by the provision for optional retirement by men at age 62 instead of the present age requirement of 65. Many of my constituents have communicated their approval of this change to me; it will be of great value to the worker whom age has overtaken but who is not quite disabled.

Also of great benefit are the provisions increasing the minimum benefit from $33 to $40 a month, increasing the widow's benefits 10 percent, and easing the requirements for attaining the insured status by reducing the quarters of work required. I support these recommendations of the committee wholeheartedly, which are in line with the President's program.

There are other needed changes in the social security system which I have long advocated. I strongly support the increased earnings limit for social security recipients, and have long supported even more liberalized earnings limits for the older people. Other improvements also are needed in the social security system that I hope will be a part of the record of the 87th Congress. However, this bill represents fiscally sound progress at this time and I support its enactment today.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the Clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from California [Mr. ENGLE], the Senator from Tennessee [Mr. GORE], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Arizona [Mr. HAYDEN] is absent because of a death in the family.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from California [Mr. ENGLE], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], and the Senator from Massachusetts [Mr. SMITH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Hawaii [Mr. FONG], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

If present and voting, the Senator from Hawaii [Mr. FONG] and the Senator from Pennsylvania [Mr. SCOTT] would each vote "yea."

The result was announced—yeas 90, nays 0, as follows:

[No. 85]

YEAS—90

Aiken	Fulbright	Monroney
Allott	Gruening	Morse
Anderson	Hart	Morton
Bartlett	Hartke	Moss
Beall	Hickenlooper	Mundt
Bennett	Hickey	Muskie
Bible	Hill	Neuberger
Boggs	Holland	Pastore
Bridges	Hruska	Pell
Bush	Humphrey	Prouty
Butler	Jackson	Proxmire
Byrd, Va.	Javits	Randolph
Byrd, W. Va.	Johnston	Robertson
Cannon	Jordan	Russell
Capehart	Keating	Saltonstall
Carlson	Kefauver	Schoeppel
Carroll	Kerr	Smathers
Case, N.J.	Kuchel	Smith, Maine
Case, S. Dak.	Lausche	Sparkman
Church	Long, Mo.	Stennis
Clark	Long, Hawaii	Symington
Cooper	Long, La.	Talmadge
Cotton	Magnuson	Thurmond
Curtis	Mansfield	Tower
Dirksen	McCarthy	Wiley
Douglas	McClellan	Williams, N.J.
Dworshak	McGee	Williams, Del.
Eastland	McNamara	Yarborough
Ellender	Metcalf	Young, N. Dak.
Ervin	Miller	Young, Ohio

NAYS—0

NOT VOTING—10

Burdick	Fong	Scott
Chavez	Goldwater	Smith, Mass.
Dodd	Gore	
Engle	Hayden	

So the bill (H.R. 6027) was passed.

Mr. KERR. Madam President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. BYRD of Virginia. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERR. Madam President, I ask unanimous consent that the bill be printed showing the Senate amendments numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Madam President, I move that the Senate insist upon its amendments and ask a conference with the House of Representatives thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON conferees on the part of the Senate.

Mr. MANSFIELD. Madam President, once again I compliment the distinguished senior Senator from Oklahoma [Mr. KERR] for his rare managerial ability and skill. I believe he has managed more bills successfully through the Senate this year than has any other Member of the Senate. The record should show that he has done it with his usual intelligence and with a full knowledge of the bills which he had guided so successfully through the Senate, and with a tolerant understanding of the desire of other Members of the Senate, even though they may be in opposition to what he believes in.

Once again I salute the distinguished senior Senator for the excellent job he has done in piloting this bill so successfully to passage.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 146. An act to extend and increase the special milk program for children;

S. 707. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation; and

S. 2113. An act to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

FORD FOUNDATION AWARD TO BROWN UNIVERSITY

Mr. PELL. Madam President, Rhode Islanders take particular pride in the news that Brown University has been awarded a grant of $7.5 million by the Ford Foundation's special program in education. I believe that the remarks of the president of the Ford Foundation when announcing the grant are of particular interest when he said:

This grant was made in response to Brown University's potential for advancing higher education in New England and the country as a whole. Our program in education seeks to identify and help institutions with the capacity and ambition to achieve wholly new levels of academic excellence, administrative effectiveness, and financial support.

This grant confirms what many admirers of Brown have long known; that Brown University is one of the outstanding institutions of higher education in our country.

I know that the Senate joins me in congratulating the administration, faculty, students, and alumni of Brown on a well-deserved honor. I also want to take this opportunity to pay special tribute to my distinguished predecessor, Senator Theodore Francis Green who is the senior member of the board of fellows of Brown, and as an alumnus has had a great deal to do with Brown's outstanding reputation. We wish Brown well with the important new programs they will be able to initiate under the terms of the grant. Certainly the pursuit of excellence is one of the most important tasks which face all of us.

Madam President, I ask unanimous consent that the Ford Foundation's release announcing the award of this grant be printed in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

RELEASE FROM THE FORD FOUNDATION

NEW YORK, June 26.—The Ford Foundation today announced a grant of $7.5 million to Brown University under the foundation's special program in education.

The grant makes Brown the sixth university to participate in a major program to promote the development of selected private institutions as regional and national centers of excellence. The program began last September with grants of $46 million to Johns Hopkins, Stanford, and Vanderbilt Universities and the Universities of Denver and Notre Dame.

Like the other recipients, Brown must match the foundation's grant to receive the full amount. Brown will be required to raise $15 million in 3 years under a two-to-one matching formula, bringing the total of new funds to $22.5 million.

"This grant was made in response to Brown University's potential for advancing higher education in New England and the country as a whole," Henry T. Heald, president of the foundation said. "The aim is to strengthen the university's progress as a total institution. Our special program in education seeks to identify and help institutions with the capacity and ambition to achieve wholly new levels of academic excellence, administrative effectiveness, and financial support."

James W. Armsey, director of the special program in education, said that Brown and the other participating universities are given "full opportunity and responsibility to determine and pursue their own priorities. They are free to use their grants in any way they choose to advance their overall achievement. On the other hand, the matching conditions represent an exacting challenge to the universities' trustees, administrative officers, faculty, alumni, and other friends to improve their institutions' performance and thus strengthen the course of American higher education."

Of the $7.5 million grant to Brown, $1,890,000 will be paid on or before November 1, 1961, to help the university meet

pressing current needs. These funds will be used as follows:

Initial costs of library construction	$1,130,000
Endowment of a university professorship	500,000
Summer stipends for humanists	120,000
President's experimentation and research fund	60,000
Graduate fellowships in the humanities	20,000
Staff salaries for a new university press	20,000
Library fellowships	20,000
Internships in university administration	10,000
Planning for Latin American interdisciplinary studies	10,000

The remainder of the foundation's grant will be paid in annual installments as matching funds are accumulated. Not eligible for matching are funds received from government sources and grants made under other Ford Foundation programs or by organizations established by the foundation.

The foundation said that selection for the special program in education does not preclude Brown from participating in research and experimental activities supported under the foundation's 11 other grant-making programs. Since 1954, Brown has received $4,261,213 from the foundation and the fund for the advancement of education—an independent organization established by the foundation—for such activities as research and training in regional economics and experiments in the preparation of secondary-school and college teachers. Unlike the special program in education, grants for these and other aspects of the foundation's regular programs are restricted to specific uses.

Grants under the special program are a new departure in foundation giving and are designed to provide recipient institutions with wide flexibility in carrying out long-term development efforts. Criteria for selection include geographical location, excellence of leadership, strength of alumni and other constituencies, strategic importance to other universities of the same type and other universities in the same region, a tradition of scholarship or clear evidence of a desire and ability to achieve it, and plans to move toward greater scholarly accomplishment.

Including Pembroke College, its coordinate women's college, Brown in 1960–61 had 258 full-time faculty members, 3,251 undergraduate students, and 782 graduate students. Operating expenses for the year were approximately $14.4 million. By 1969–70, Brown expects to have 321 full-time teachers and enroll 3,929 undergraduates and 1,500 graduates. Operating expenses are expected to rise to over $36.5 million.

Top priority in Brown's building program is being given to a new university library. Other immediate objectves are a science library, a physics-engineering building, and additional residential facilities for Pembroke.

The university's academic plans for the next decade include endowment of ten new university professorships; increasing faculty salaries; expanding research stipends in the humanities and the social and physical sciences; and creation of scholarly and scientific programs in such fields as problems of the aging, materials research in applied physical sciences and mathematics, Latin-American studies, Near Eastern studies, and oriental languages.

Also during the next 10 years, Brown expects to establish a program of independent study for all juniors and seniors, and, as the quality of incoming students improves, to reduce the number of required subjects in the first 2 years. Graduate enrollment will be doubled; meanwhile, doctoral requirements will be simplified and intensified to expedite completion of the Ph. D.

The university also expects to increase the number of its research associates and postdoctoral fellows to include the humanities and social sciences as well as the physical sciences.

Including the $15 million to be raised by Brown under the terms of today's grant, matching funds required for the six universities participating in the special program in education total $132 million. The total of new funds expected to result from the program (foundation grants plus matching funds) is $185.5 million.

The following table gives the amount of each grant to date, the matching sum, and the total new funds resulting for each university.

[In millions]

	Foundation grant	Matching requirement	Total new funds
Brown University	$7.5	$15	$22.5
University of Denver	5.0	10	15.0
Johns Hopkins University	6.0	12	18.0
University of Notre Dame	6.0	12	18.0
Stanford University	25.0	75	100.0
Vanderbilt University	4.0	8	12.0
Total	53.5	132	185.5

MICHIGAN EDITOR PRAISES LEADERSHIP IN MENTAL HEALTH BY SENATOR HUBERT H. HUMPHREY

Mr. HART. Mr. President, one of the great challenges to the people of this Nation is to provide more effectively for the mental health of our citizens.

We are all familiar with the shocking statistics: not less than $15 billion a year is the direct financial toll exacted by mental illness; every other hospital bed in our country is devoted to a mental patient.

Mental illness is a problem confronting not only the Federal Government, but State and local governments as well.

It was with real interest, therefore, that I read in the June 7, 1961, issue of the Detroit Free Press a column by Mr. John C. Manning, Free Press contributing editor, urging a counterattack against mental illness.

The column paid well-deserved tribute to the senior Senator from Minnesota [Mr. HUMPHREY], who for many years has devoted attention to this and other health problems.

Most recently, and at present, as chairman of a Senate Government Operations Subcommittee, conducting a review of medical research, our colleague has been spotlighting the needs for Federal, State, and local cooperaiton in preventive, curative, and restorative medicine.

I ask unanimous consent that the text of Mr. Manning's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JACK MANNING SAYS: MENTAL HEALTH WAR LACKS PUNCH IT SHOULD HAVE

(By John C. Manning)

Michigan lawmakers will return to Lansing tomorrow to wind up their 1961 session. As Ray Courage pointed out Sunday in his Free Press political summary, "They are coming back with many of the real issues not solved. Most important is money."

"When the legislature meets Thursday morning," Courage explained, "the 1961–62 budget already will have been signed into law by the Governor. If it stands, the State's colleges and universities will chop enrollments rather than increase tuition; the mental health program will be cut back and various State agencies will begin tightening belts at expenses of public service."

At approximately the same time our legislature convenes tomorrow morning, the State mental health commission will be opening a conference of 62 organizations a couple of miles this side of the capitol at Michigan State University. Its purpose is to study ways of operating State hospitals through the coming fiscal year on gravely reduced budgets.

Last year's mental health budget was $72 million. This year's appropriation was $80,666,587. The legislature chopped it to $76 million.

Adelaide Hart, Detroit's new member of the mental health commission, who will direct the Michigan State University session, and Evangeline Shelbley, commission chairman, have been quoted as fearing that lack of funds might threaten such programs as community projects for emotionally disturbed children, additional nursing services in State hospitals, expansion of community clinic schedules, transfer of psychotics from Jackson Prison, and expansion of research and staff training.

NOT ENOUGH RESEARCH

We wish the M.S.U. meeting could have snared U.S. Senator HUBERT H. HUMPHREY, of Minnesota, for a walk. As chairman of the Senate Subcommittee on Reorganization, he is as well informed on our nationwide medical and health problems as any man in public life.

This corner agrees wholeheartedly with his recent observation that "there are lamentably few voices to speak for the hundreds of thousands of mentally ill and the Nation pays a staggering price for failing to strengthen medical research on mental disorders, and apply through some competent clearing house, what is already known."

Senator HUMPHREY's feeling, shared apparently by his committee associates, is that we waste money, effort, and time by not combining the numerous research studies which go their own way in colleges, hospitals, and laboratories all across the land. A tight interrelation would speed research development in the field of mental illness just the way it has so encouragingly advanced in the areas of cancer and tuberculosis.

Our State mental health commission should get hold, if it has not already done so, of a Senate report on "coordination of Federal agency programs in biomedical research and other scientific areas. It contains highly important statistical material.

It suggests among other things, that Washington should offer Federal financial aid to States in need, the way it hands out money for roads and housing.

It poses provocative questions. For example, how much should be allotted respectively for preventive medicine and curative medicine, and by whom? It notes that despite the research increase in recent years, out of every $100 spent today for health and medical care, only about $2.30 is being spent (publicly as well as privately) for research.

THE COST IS INVESTMENT

It reminds us that most of the 650,000 mental patients across the land receive care in State or Federal tax-supported institutions. They occupy half of the Nation's total hospital beds. Conservative estimates indicate that mental illness costs the taxpayer $1 billion a year not to mention incalculable losses in manpower.

"In my judgment," Senator HUMPHREY reported to the Senate a few weeks ago, "expenditures for health should be regarded as an investment in our country's greatest resource—its citizens, young and old. Such investment may yield the greatest return if a higher proportion is made at the right time—for instance, before disease and disability strike too hard.

This corner has long deplored the lackadaisical, hit-and-miss war against mental illness. We don't mean that people generally are indifferent to it but that they lack the knowledge they have been given about cancer and other major maladies.

An aggressive fighter and humanitarian like Senator HUMPHREY would be a good choice as flagbearer in the war which must soon get underway.

AID TO EDUCATION WITHOUT FEDERAL CONTROL

Mr. HART. Mr. President, I ask unanimous consent that a resolution passed by the Avondale School District at Auburn Heights, Mich., June 5, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That the Avondale Board of Education favors Federal assistance to public primary and secondary schools.

If possible we prefer some type of income tax reduction or credit that could be applied to local school systems thereby maintaining local control.

However, the Federal Government should be concerned with the gross national education product and it is therefore a responsibility of our National Government to aid education without Federal control and with a continuation of local effort.

Mr. HART. Mr. President, the resolution was forwarded to me by the superintendent of schools, LeRoy R. Watt, who thoughtfully suggested it might be of benefit to all of us if it could be made a part of the CONGRESSIONAL RECORD.

This school district, as much as any area in its region in Michigan, is putting forth the maximum of local effort. As we see from the resolution, it is finding it most difficult to achieve the level of excellence in education which all of us would hope to find across this country.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader about the program for the remainder of the day and for tomorrow and possibly the succeeding day.

Mr. MANSFIELD. Tomorrow, after the consideration, or perhaps during the consideration of the supplemental appropriation bill now pending before the Senate, it is the hope of the leadership to call up Calendar No. 402, S. 857, to provide for the establishment of Cape Cod National Seashore Park; Calendar No. 352, S. 1154, relating to educational and cultural exchanges; and Calendar 399, S. 901, the oceanographic bill.

It is not anticipated that there will be any yea and nay votes tonight.

Mr. DIRKSEN. I thank the Senator.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 12 o'clock noon tomorrow.

The PRESIDING OFFICER (Mr. PELL in the chair). Without objection, it is so ordered.

FOURTH SUPPLEMENTAL APPROPRIATIONS, 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to consider Calendar No. 401, H.R. 7712.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7712) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. DIRKSEN. The bill as it has been laid before the Senate—the fourth supplemental appropriation bill of 1961—contains an item relating to the financing of the emergency force in the Congo. As I have suggested, a number of Senators, including myself, are quite interested in that item. I feel certain there will be some well-rounded discussion on it. So I express the hope that after the distinguished Senator from Florida discusses the bill, the bill may then go over for further consideration on Tuesday.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. I am bringing up the bill at the specific request of the distinguished Senator from Arizona [Mr. HAYDEN], chairman of the Committee on Appropriations, who, as all Senators know, has not been present in the Senate today.

I promised the Senator from Arizona earlier today that I would bring up this measure in an endeavor to have it passed. If a situation develops under which it appears that there will be substantial debate, I will have no objection to the majority leader making any postponement of the bill until early tomorrow that he might deem appropriate.

However, I call the attention of the Senate to the fact that this will be the last supplemental appropriation bill for fiscal 1961. It must pass, go to the President, and become law by June 30. I hope there will be no substantial delay of any kind in its passage. However, if a delay until tomorrow's session is required, I think that still will enable the fulfillment of the necessities of the case.

Mr. DIRKSEN. Mr. President, I hope we may agree now that following the statement by the Senator from Florida on the bill, the bill will then go over until tomorrow for further discussion.

Mr. HOLLAND. The Senator from Florida does not know what the nature of the opposition may be which may develop. All I can do is to present the bill, in the hope that it will be speedily passed. If that proves to be impossible today, then, as I have already indicated, I will have no opposition to any disposition of the measure which the majority leader and the minority leader may care to make, provided that it may go over for early disposition tomorrow, because it is the last supplemental appropriation bill for fiscal 1961 and will have to reach the White House with all speed possible.

The distinguished Senator from Arizona [Mr. HAYDEN], who cannot be present, has advised the Senator from Florida and, through him, the Senate, of the fact that he has insisted upon the omission from the bill of many items so as to avoid a conference with the House and to expedite the passage of the bill in every way known to him.

Mr. MANSFIELD. Mr. President, on the basis of the suggestion made by the distinguished minority leader and the understanding statement made by the Senator from Florida, the leadership would, with the approval of the Senate, like to have the Senate consider the opening statement on the supplemental appropriation bill, the statement to be presented shortly by the Senator from Florida. The Senate then would adjourn until tomorrow, and the pending business at the conclusion of the morning hour would be the supplemental appropriation bill. Upon the conclusion of action on that bill, which I hope will not take too long, it is hoped it will be possible for the Senate to consider the Cape Cod Seashore bill.

Mr. HOLLAND. I have no opposition at all to that disposition of the question. I am not in opposition to the Cape Cod bill or to the other measure which was mentioned.

Mr. DIRKSEN. Mr. President, it is my understanding that the Senator from Florida will make an opening statement on the supplemental appropriation bill, and that the Senate will then adjourn until tomorrow. I thought Senators should be assured concerning the program for the remainder of the day.

Mr. HOLLAND. Mr. President, may I ask the Senator from Illinois if there is to be opposition to the supplemental appropriations bill?

Mr. DIRKSEN. Discussion, I should say. At least four or five Senators will engage in a considerable discussion of the Congo item in the bill.

Mr. SALTONSTALL. Mr. President, as one who was present at all the hearings on the appropriation bill, including the item now being discussed, I may say that there will not be opposition to the unanimous report of the committee, but there will be considerable discussion of the policy, the wisdom of the policy, and the future of the policy with reference to the United Nations expenditures, particularly where troops are involved, and where other nations may not be willing to contribute their share of the assessment

or their share of the expense of the United Nations.

Mr. HOLLAND. Mr. President, under those conditions, I certainly have no objection to the supplemental appropriation bill going over, to take first place on the calendar tomorrow, after the morning hour has been concluded.

Mr. DIRKSEN. I thank the Senator from Florida.

Mr. HOLLAND. Mr. President, the fourth supplemental appropriation bill was reported to the Senate on June 20, 1961. This is an emergency measure to provide appropriations for the few remaining days of fiscal 1961. I hope it will be passed by the Senate tomorrow with all possible speed, so that it may reach the White House without further delay. No amendments have been made in the bill, so it can be signed by the President immediately.

The Senate Appropriations Committee recommends an appropriation of $47,214,000 for the items contained in H.R. 7712, the fourth supplemental appropriation bill for 1961. This amount is identical to the amount recommended by the House Appropriations Committee, and passed by the House, and is $40,810,000 less than the budget estimate of $88,024,000.

Budget estimates were submitted to the Congress by the President for the Area Redevelopment Administration, the Federal Housing Administration, and the Federal Home Loan Bank Board. Because of the delay on this bill, the requests were finally withdrawn. Funds for the Area Redevelopment Administration were made available by transfer from the President's emergency fund.

I wish to make it very clear that neither the Senator handling the bill nor the Senate Committee on Appropriations intends in any way to obstruct the passage of appropriations for the Area Redevelopment Administration, regardless of the opposition which individual Senators may have taken on the passage of the authorization measure.

The largest single item in the bill is the $32,204,000 for the U.S. contribution to the United Nations program in the Congo. The committee concurs in the House action and recommends $405,000 for support of U.S. prisoners and $105,000 for the U.S. Secret Service.

For the Department of Defense, the committee recommends an appropriation of $14,500,000 for retired pay occasioned by an increase in the number on the rolls of retired personnel of the various components of the defense forces. The supplemental request of $40 million for military personnel, Army, was denied in the belief that this item might better be treated in the Department of Defense appropriation bill for 1962.

I yield at this time for any questions which may tend to clarify the subject. These items, all small except the one for the Congo, are necessitous items in order to close out the Nation's business and obligations for fiscal 1961.

The item relating to the Congo represents the appropriation of the regular part of the United Nations assessment incurred by our Nation under its commitments to the United Nations. It is a little more than 32 percent of the $100 million assessment made to meet the obligations of the United Nations in the Congo from January 1 through October 1 of this year.

Mr. President, unless there are further questions, I yield the floor.

SUBSIDY FOR PUBLICKER INDUSTRIES

Mr. HRUSKA. Mr. President, last Friday, an announcement was made by the Department of Agriculture of an agreement which was reached between it and the Publicker Chemical Corp., or one of its subsidiaries, the Publicker Industries, having to do with a contract, arranged and agreed upon, for the sale of certain corn to the Publicker Industries under certain conditions which drew the attention of the Senator from Nebraska, when he saw the announcement published in the Des Moines Register for the following day, Saturday, June 24, and also in the Washington Post.

I ask unanimous consent that the stories in each of those newspapers be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register June 24, 1961]

NIP MOLASSES FROM CUBANS

WASHINGTON, D.C.—The Government Friday announced an agreement had been reached under which the Publicker Chemical Corp. will stop importing molasses from Fidel Castro's Cuba.

The Agricultural Department said it had signed a 1-year contract with the Philadelphia, Pa., firm under which it will sell Publicker 14 million bushels of surplus corn for use in the production of industrial alcohol.

The corn, which the Government will sell at a loss, is designed to replace the imported molasses on which the company has depended to keep some of its operations going.

The White House had indicated 2 days ago that it was seeking such an agreement with Publicker to end the molasses imports, which it described as "not in the public interest" because they provide money to the Castro dictatorship.

Under the contract Publicker will pay 64 cents a bushel for the surplus corn. The corn will be taken from stocks in which the Government's investment is rated at $1.66 a bushel.

A provision in the contract with Publicker stipulates that all profits in excess of 2 percent after taxes on products derived from the corn will revert to the Government.

[From the Washington Post, June 24, 1961]

PUBLICKER'S CUBAN MOLASSES PURCHASE WINS QUICK CORN CONTRACT WITH UNITED STATES

(By Julius Duscha)

It took 2 million gallons of Cuban blackstrap to bring about a Government-industry agreement yesterday which has been as slow in coming as molasses in January.

The settlement of the Cuban molasses dispute between the Agriculture Department and Publicker Industries of Philadelphia was not as favorable to the Government as it might have been.

Nevertheless administration officials who have been stuck in the molasses mess almost since last January were as relieved as a little girl who had just disentangled herself from a batch of taffy.

BUY SURPLUS CORN

Under a contract signed by Publicker and Agriculture, the company will be able to purchase from the Government 14 million bushels of surplus corn at cutrate prices.

The corn will be used to replace Cuban molasses that Publicker has been using to produce industrial alcohol.

Since last winter the Government had been seeking to persuade Publicker to stop importing molasses from Cuba because of administration efforts to cut off trade with Fidel Castro's nation.

Negotiations with Publicker had lagged for several weeks until Wednesday when the company imported more than 2 million gallons of Cuban blackstrap.

SHIPMENT SPEEDS CONTRACT

The arrival of the shipment at New Orleans led to a pickup in the negotiations in Washington which culminated in the contract. Some Government officials believe that Publicker brought in the molasses to speed up the negotiating and to help get a favorable contract.

Others say, however, that the shipment led to warnings to Publicker that Cuban molasses imports would be confiscated under laws prohibiting the dumping of commodities at low prices on the American market, and that the company, therefore, signed the contract because it had no alternative.

Publicker is the only major American company that distills large amounts of alcohol from the blackstrap molasses, which is a byproduct of the third and final boiling of sugarcane in the refining process.

Most of the other industrial alcohol produced in the United States is a byproduct of natural gas operations. To operate its plant in Philadelphia in competition with other distillers, Publicker maintained that it must have cheap molasses.

Cuba has been the company's sole supplier, and Publicker argued that it should not be penalized because of a Government policy to halt trade with Cuba.

STICKY POINTS DEVELOP

The Agriculture Department agreed, but sticky points quickly developed in the negotiations. They involved the price of the corn, a contract provision to limit Publicker profits from the transaction and a limitation on the use of molasses in cattle feed.

The contract provides that Publicker can buy low-grade surplus corn for about one-third the current market price—64 cents a bushel as against 98 cents. The corn has been in storage bins for 3 to 4 years, but still makes good alcohol and cost the Government $1.66 a bushel.

Publicker's profits on the alcohol distilled from the corn will be limited to 2 percent, and the company must refrain from buying molasses from Cuba.

And what about the 2 million gallons of blackstrap that arrived in New Orleans on Wednesday? The Government apparently will allow Publicker to be stuck with it—which is all right with the company.

Mr. HRUSKA. Mr. President, when the announcement is studied, a number of questions immediately suggest themselves.

First of all, what was the statutory authority for the Department of Agriculture to sell corn to the Publicker Industries for 64 cents a bushel?

It happens that the current market price of that type of corn and of corn generally is approximately twice that amount. The cost to the Government, we are led to believe by the newspaper reports, was about $1.66 a bushel, although I do not know the basis of that computation. Yet, according to the report, the agreement was to sell the corn for 64 cents a bushel.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Nebraska yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Delaware?

Mr. HRUSKA. I am very happy to yield.

Mr. WILLIAMS of Delaware. I, too, was very much interested in this sale. I am sure the Senator from Nebraska is aware of the fact that the Government is not receiving 64 cents a bushel. That is the price delivered at Philadelphia, and the Government will have to pay the freight charge of 25 to 30 cents a bushel. The Government will actually receive a net of 30 to 35 cents a bushel, assuming there is no storage charge. As a matter of fact the storage charge will be even more than that. It is doubtful if the Government actually gets anything for this corn after storage costs are paid.

Mr. HRUSKA. The storage charge has been reported to be about 13 cents a bushel a year. There is no telling where the shipment will originate; but, in the main, very likely it will come from the Middle West. Therefore, the Senator's comment in regard to the freight charge is undoubtedly correct. As I understand, it will be between 25 and 30 cents.

In addition to the statutory authority for the transaction another question which arises is as to the kind of corn which would be delivered—whether it would be good corn or No. 1 corn or No. 2 corn, or other types of corn.

Upon preliminary inquiry, I am told that it will be about as poor corn as they can get. Every effort will be made to get poor corn, and I assume that it will be sample corn.

Furthermore, on the basis of recent sales of sample-grade corn, sold for delivery at Philadelphia, that price is anywhere from $1.31 to $1.32 or $1.35—namely, more than twice as much as Publicker is paying.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Nebraska yield again?

Mr. HRUSKA. I am happy to yield.

Mr. WILLIAMS of Delaware. I have discussed this matter with representatives of the Department; and they have confirmed that the corn of the grade which will be delivered to Publicker under the contract is today selling at about $1.31 or $1.32. In fact, the Government has sold some corn—corn of the same grade as that for which the contract provides—at those prices when delivered at Philadelphia.

In addition, as the Senator knows, the Department has advised that it does not think it has on hand enough of such low-grade corn which it could furnish under the contract and that it will no doubt have to deliver a lot of No. 2 corn, and perhaps No. 1 corn, to fill this contract with Publicker, but under the contract this better grade corn will be sold at the same price. In other words, some of the best corn the Department has may well be delivered under this contract.

Mr. HRUSKA. The Senator from Delaware is correct, because during the last 5 months there have been heavy sales of corn from Commodity Credit Corporation elevators. For example, from October 1, 1960, through June 16, 1961, almost 157 million bushels have been sold for domestic use from these stocks. That figure compares with the sales of approximately 74 million bushels for the same period a year earlier. The justification for the sale, as I understand, is that the corn was out of condition or was in danger of being out of condition.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Nebraska yield further?

Mr. HRUSKA. I yield, certainly.

Mr. WILLIAMS of Delaware. That was the argument used by the Department for its heavy sale of corn during the spring. However, many of us then felt that the Secretary of Agriculture was trying to drive down the price of corn on the farm in order to force the farmers to sign up under the Feed Grains Act. As evidence that we were right we have a survey showing that of 277 cars of corn shipped in a 4-week period, 97 carloads of that corn graded No. 1 or No. 2 at Chicago.

So the Department was then selling No. 1 corn and No. 2 corn at a low price in a deliberate effort to force down the corn market.

I understand—and the Department has readily confirmed this to me, as it has to the Senator from Nebraska—that under the contract with Publicker the Department will have to deliver some high-grade corn. After all, why is the Government selling this corn? Not because we need the increased production of industrial alcohol. The Government is not selling the corn because it is necessary to get rid of a low-grade corn. But the Government is approving this sale in order to get the Publicker Industries to agree not to deal with Castro. The Publicker Industries threatens to buy molasses from Castro unless the Government will sell it corn at a bargain price. To say the least, this has all the appearances of being a "sticky" deal.

In the past, before Castro, we were one of Cuba's best customers.

Are we now going to launch on a program of giving subsidies to various concerns, in order to get them to stop making purchases from Castro?

I think this is a dangerous precedent. Our farmers have been using molasses in their dairy feed; and molasses is a standard ingredient in many of the dairy feeds, and to a lesser extent some molasses is used in poultry feeds.

Are we going to start subsidizing the farmers now in order to get them not to purchase molasses from Cuba? Certainly not, they would resent the implication. Is this subsidy available only to the benefit of one company which has a "pull" in Washington whereby it can get what amounts to an $8 million subsidy on this one purchase of corn at below the market price?

Mr. HRUSKA. I do not know whether molasses will continue to be used to augment cattle feed or poultry feed.

Mr. President, in order to have the statistics in the RECORD which refer to sales from Commodity Credit Corporation stocks, I should like to repeat them:

For domestic use for the period of October 1, 1960, through June 16, 1961, the sales were 156,589,000 bushels.

For the same period a year earlier, the sales for domestic use totaled 74 million bushels.

For export, the figures for the year ending June 17, 1961, 63,923,000 bushels and for the same period a year earlier, 26,199,000 bushels.

In addition to the questions I have already suggested, these questions arise: Would others besides Publicker Corp. be able to buy corn under these same terms and under substantially the same conditions?

Are there specifications in writing for the purchase of corn even though the Executive order does not designate the Publicker Corp. by name?

Are the specifications so restricted that only Publicker Corp., can qualify under that situation?

These questions are very pertinent, and ones which I would like to have pursued.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. WILLIAMS of Delaware. I asked that same question of the Department and was advised that the specifications under which this cheap corn would be available were drafted in such form that the Publicker Corp. is the only company in the United States that could qualify under its order.

Mr. HRUSKA. Considering the volume of sales we have had from the Commodity Credit Corporation stocks—presumably they have been made on the basis that corn was out of condition or in danger of being out of condition—it would appear to me the Senator from Delaware is quite right when he says that the stock of that kind of corn has not only been depleted, but has been depleted for a long time. It means the Publicker Corp. will get the type of corn which other industries can use for their manufacturing purposes.

The final question I should like to ask is whether, if that is done, it will be done on a negotiated basis with Publicker alone or whether there will be an opportunity for other bidders to bid for that type of corn, as they ought to be entitled to.

On June 9, 1961, there were shipments from Blissfield, Mich., for delivery in Philadelphia, of sample yellow corn with a moisture content of 13.8 percent, at $1.315. There was another shipment from Blissfield, Mich., for delivery, in Philadelphia, of corn with a moisture content of 13 percent, at $1.335. There was another delivery from Kenton, Ohio, delivered in Philadelphia, of corn with a moisture content of 13.7 percent at $1.22. All were sample grade.

There was another shipment from Kenton, Ohio, to Philadelphia, of corn

with a moisture content of 14 percent, at $1.28.

There was another shipment from Maybee, Mich., of corn with a moisture content of 11.9 percent, also sample grade, at $1.29¼.

Those figures suggest the range in that field.

It is evident to the Senator from Nebraska that we have a market with actual sales at a price range twice as high as 64 cents a bushel. If it is going to be the rule to sell surplus corn at that figure notwithstanding the market price, will others get in on it? Again, what is statutory authority for this procedure?

In order to secure the facts, on June 24, 1961, I directed a letter to the Secretary of Agriculture asking several questions along this line.

I ask unanimous consent that at this point in the RECORD the text of the letter be set forth.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 24, 1961.

Hon. ORVILLE L. FREEMAN,
Secretary of Agriculture,
Washington, D.C.

MY DEAR MR. FREEMAN: This morning's newspaper carried a story about the agreement your Department reached with Publicker Industries of Philadelphia, by which it will be able to purchase 14 million bushels of surplus corn from the Government at cutrate prices.

Let me say that I completely support the effort to prevent imports of molasses from Cuba in light of the world situation and particularly our broken relations with that country. However, I am curious to know under what authority the Department can sell quantities of surplus corn to a private American business concern at 64 cents a bushel, which is about one-third the cost to the Government and about one-half the price support of corn set by you in 1961. To my knowledge, domestic uses have never before had an opportunity to buy surplus corn at such bargain prices.

By this agreement with Publicker it seems to me that a precedent has been established which others can point to in an effort to purchase corn at prices which will play havoc to the market, not to mention congressional policy. For this reason the announced action of the Department will surely cause grave concern to the Nation's producers, feeders, and the general taxpayers—all three of whom stand to lose by this generous concession to Publicker.

Your report on this transaction and citation of authority therefor will be greatly appreciated.

With kind regards, I am,
Cordially yours,

ROMAN L. HRUSKA.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. WILLIAMS of Delaware. I wish to compliment the Senator for calling this matter to the attention of the Senate. I join in the criticism of this entire transaction.

In addition, I have asked the Secretary of Agriculture to furnish for me, and others who may be interested, a complete record of all the shipments involved in this sale of 14 million bushels of corn, showing the grade of every carload shipped. The movement of corn by the Government is automatically inspected. I have asked for copies of the inspection reports on each car shipped, the origin of shipment, the year it was originally stored, and all other pertinent information. I want to know what grade of corn is to be delivered on this highly questionable contract.

The taxpayers have a right to know the full cost of the subsidy being given to this company.

At present estimates it appears that the taxpayers will lose over $8 million on this sale.

It marks the beginning of a subsidy program for the distilling industry.

The Department frankly admits that it fully expects to release some No. 1 and No. 2 corn in order to fill the contract. It claims it made this concession in order to get an agreement from the company that it would not insist on buying molasses from Castro.

I think it is a sad state of affairs when in this country we have to pay American citizens to keep them from dealing with the Castro government. Certainly the U.S. Government has all the authority it needs to stop the trade with Cuba, and it should have been stopped a long time ago.

There has been much criticism from Members of Congress and from the White House of the trade with Cuba by some of our neighbors to the north. Yet we now find our own Government condoning this trade right here in America.

We find our Government is subsidizing to the extent of a little over $8 million sales of corn at prices below the present market value in order to get consent from a company that it will refrain from further trade with Mr. Castro.

Since when did we have to pay Americans to be Americans? And how long has the company agreed to refrain from such trade? Twelve months. At the end of the 12 months if Publicker Corp., cannot get another bargain sale from the U.S. Government, presumably it will go back to trading with Mr. Castro. The agreement provides for the withholding of further purchases from Cuba for only a 12-month period.

Mr. HRUSKA. That is my understanding.

In all fairness, it should be stated that there is a so-called recovery clause in the contract, as reported in the press, to the effect that any profits, after taxes, which the Publicker Corp. will get over and above 2 percent will be payable to the U.S. Government.

But the Senator from Nebraska would like to pose this question. Here are buyers in an open and free market in a country that boasts of its capitalistic system. When buyers pay twice as much as what Publicker is paying, presumably they buy it to make a profit, and they do make it.

In due time they will pay income taxes on their profits.

It will, therefore, be an operation in keeping with our system of government. It avoids the pitfalls of a Government-industry agreement of this kind, under which the Government, in effect, goes into partnership with a corporation and says, "If you make more than 2 percent after you pay your regular taxes, we will take the excess."

It seems to me that such an agreement is totally out of order, in view of the type of market involved and in view of the type of corn which very likely will have to be delivered in order to fulfill the contract and to comply with it.

Mr. WILLIAMS of Delaware. Mr. President, if the Senator will yield further, I agree with him as to how impractical it is to apply a profit limitation to a business in America.

One of the officials in the Department or Agriculture pointed out that the so-called limitation is more or less window dressing. The company has a series of corporations. I have heard there are 14 different corporations under which the company operates. It was frankly admitted it would be mathematically impossible for them ever to follow the finished product with any degree of accuracy through the series of corporations until the product was marketed or to tell whether the profit was 2 percent or 10 percent. That fancy profit limitation is simply window dressing for public consumption.

Again it should be pointed out for emphasis that there have been in the past several months a number of purchases at the regular market price of other corn which has been converted into alcohol in this country. These purchases were mostly by competitors of this company. I understand that about 1½ to 2 million bushels has been purchased in recent months for which the regular market price was paid.

There is a byproduct which is related to this production; namely, the brewers' grains. The Department failed to consider the effect on the competitive position of other companies which are buying grain through the regular free enterprise system and paying the regular market price.

I do not think we can classify this sale as anything other than a favored sale to a company which happened to have enough political pull in Washington, D.C., to force a bargain under the threat that if the Government did not give them a subsidy it would go to Cuba and do business with Castro.

I have no patience with the arguments or the threats advanced by the Publicker Industries. They are not entitled to any subsidy or payoff to get them to stop trading with Castro.

Mr. HRUSKA. Mr. President, for some years my colleague from Nebraska [Mr. CURTIS] has been advocating an increase in the use of agricultural surplus products for industrial purposes. One of these has to do with the use of this kind of corn, which allegedly is the poorest in the business, to make industrial alcohol. The corn can be as black as one's boot, and still be highly useful and productive for the making of industrial alcohol, as useful and productive as it would be if it were the No. 2 corn in moisture content.

The Department of Agriculture opposed that proposal, on the grounds of the excessively high price which would be involved in such an operation. We have the situation now, apparently, that reverses its position, on behalf of one company and only one company.

The Department says: "Yes, go ahead and make industrial alcohol out of the poor corn. If we cannot give you the poor corn we will give you the best corn in the business. We will comply with our contract."

The company is getting the corn at 64 cents a bushel delivered in Philadelphia, when the carrying charges perhaps consume as much as half of that price. In other words, the company is getting the corn delivered at the manufacturing plant for approximately one-third of a dollar a bushel.

Mr. WILLIAMS of Delaware. If the corn used to fill this contract happens to be corn which has been in the Government warehouse for 3 years the Government will then get exactly nothing. It will take all of the one-third of a dollar to pay the storage cost.

Mr. HRUSKA. In that event there would be a further loss. According to the reports we have, the cost to the Government now is in the neighborhood of $1.66. Inevitably there would be a further loss, if the storage charges accumulated for 2 or 3 or 4 years, which may well be the case. Some of the corn which has been in storage, at least up until recently, has been on hand for 6 or 7, and, some, I believe, for 8 years.

Mr. WILLIAMS of Delaware. I asked one of the officials of the Department with whom I talked the question as to what he thought the Government would have received for the corn had the Government announced a program of an allocation of 20 million to 25 million bushels of corn to be used for industrial alcohol and asked for competitive bids from all the industry for this corn. His feeling was that the Government could have obtained at least 20 or 25 cents per bushel more than it did get from Publicker.

Mr. HRUSKA. Mr. President, in conclusion I should like to say that it is with a great deal of interest the Senator from Nebraska is awaiting the receipt of a letter from the Secretary of Agriculture. I have an idea I shall not be alone in respect to the interest which is expressed over this transaction with Publicker.

Mr. President, with reference to the sale of the surplus corn, it is one thing to think of the whole proposal as a splendid move to get rid of some tremendously large stocks of farm commodities. But it is not quite that simple, because when the processing of the corn for the purpose of manufacturing industrial alcohol has been completed, there will remain a byproduct which is highly nutritious. It is greatly in demand and, if it is thrown upon the market in great quantity within the next 12 months, will raise considerable havoc with the feed grains and the feed market.

For reasons such as this, I am looking forward with great interest to receiving a copy of the contract. I understand there is a provision that the Publicker corporation will not dispose of that residue at a rate greater than 4,000 tons a month, and the disposal is to be spread over a period of some 18 months. That shows the complexity of the proposal. It is not something superficial. It is not a master stroke to help out the agricultural situation or the plight of the farmers.

As the Senator from Delaware pointed out, more likely it is participation in international diplomacy and foreign policy as much as anything else.

I make that point, because this is a situation deserving of a great deal of scrutiny and study in order to understand its full implications.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. MORTON. The byproduct from the production of industrial alcohol is a high protein product which is used as a protein supplement in all sorts of animal feeds. What we are doing when we artificially throw extra protein on the market, through the dried grains which accumulate from the distillation of the "hot" corn, or the wet corn, into alcohol is to upset the soybean market, to upset the mill feed market, to upset the cottonseed mill market, to upset the brewers' dried grain market—to upset the whole segment of our economy which is closely linked to the processing of agricultural products.

I think the Secretary of Agriculture should think through the various vicissitudes which I am sure will develop as a result of the probable amount of high protein feed which will hang over the market, even though he has written in the contract a certain limitation that the buyer will hold the feed off the market for 18 months, and market 4 percent a month, or whatever the provision requires.

The feed is bound to influence the market. When the market of a processor is influenced, the market of the producer will likewise be influenced. This transaction will have its impact upon the price of soybean meal, the price of linseed meal, and even the price of wheat, because the price of wheat is in some way related to the value of the byproduct of wheat, which is also a high protein product.

Mr. HRUSKA. The remarks of the Senator from Kentucky are very much appreciated. Apparently it occurred to the Secretary of Agriculture that the operation is not a simple one. Provision was made bearing upon this point. Whether the transaction will be effectual for the purpose of anticipating the impact on the market in these ways and upon these many segments of our feed grains industry, our livestock industry, and so on, remains to be seen. I have an idea that because of the haste with which the contract had to be drawn, and apparently was drawn, we may find inadequacies, and probably will suffer a result that will not have been calculated in the original instance. I thank the Senator from Kentucky for his contribution.

ADDITIONAL FUNDS FOR VETERANS' DIRECT HOME LOAN PROGRAM

Mr. SPARKMAN. Mr. President, I wish to have the Senate take up a matter which can be disposed of very quickly. Therefore, I move that the Chair lay before the Senate House bill 5723, to which I propose to offer an amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama. [Putting the question.]

Mr. WILLIAMS of Delaware. Which bill is it?

Mr. SPARKMAN. It is on the table. It is the veterans' housing bill. What I propose to do is as follows: The House has already passed the bill. We left it on the table when we considered it in the Senate. We passed the veterans' housing bill. I propose to take it exactly as it was passed and put it in the House bill.

I have cleared the matter with the Senator from Indiana [Mr. CAPEHART], the Senator from Connecticut [Mr. BUSH], the minority leader [Mr. DIRKSEN], and the majority leader [Mr. MANSFIELD].

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 5723) to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program.

Mr. SPARKMAN. Mr. President, for myself and the Senator from Texas [Mr. YARBOROUGH] I offer an amendment to the bill, to strike out all after the enacting clause and add a provision. I ask unanimous consent that the amendment not be read, but that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment in the nature of a substitute, offered by Mr. SPARKMAN, for himself and Mr. YARBOROUGH, is as follows:

That (a) section 1803 of title 38, United States Code, is amended by striking out subsection (a) and inserting in lieu thereof the following:

"(a)(1) Any loan to a World War II or Korean conflict veteran, if made within the applicable period prescribed in paragraph (3) of this subsection for any of the purposes, and in compliance with the provisions, specified in this chapter is automatically guaranteed by the United States in an amount not more than 60 per centum of the loan if the loan is made for any of the purposes specified in section 1810 of this title and not more than 50 per centum of the loan if the loan is for any of the purposes specified in section 1812, 1813, or 1814 of this title.

"(2) If a loan report or an application for loan guarantee relating to a loan under this chapter is received by the Administrator before the date of the expiration of the veteran's entitlement, the loan may be guaranteed or insured under the provisions of this chapter after such date.

"(3)(A) A World War II veteran's entitlement to the benefits of this chapter will expire as follows:

"(i) ten years from the date of discharge or release from the last period of active duty of the veteran, any part of which occurred during World War II, plus an additional period equal to one year for each four months of active duty performed by the veteran during World War II, except that entitlement shall not continue in any case after July 25, 1967, nor shall entitlement expire in any case prior to July 25, 1962; or

"(ii) on July 25, 1967, for a veteran discharged or released for a service-connected disability from a period of active duty, any part of which occurred during World War II.

"(B) A Korean conflict veteran's entitlement to the benefits of this chapter will expire as follows:

"(i) ten years from the date of discharge or release from the last period of active duty of the veteran, any part of which occurred during the Korean conflict, plus an additional period equal to one year for each four months of active duty performed by the veteran during the Korean conflict, except that entitlement shall not continue in any case after January 31, 1975, nor shall entitlement expire in any case prior to January 31, 1965; or

"(ii) on January 31, 1975, for a veteran discharged or released for a service-connected disability from a period of active duty, any part of which occurred during the Korean conflict."

(b) The last sentence of section 1802(b) of title 38, United States Code, is amended to read as follows: "Entitlement restored under this subsection may be used by a World War II veteran at any time before July 26, 1967, and by a Korean conflict veteran at any time before February 1, 1975."

(c) Section 1814(b) of title 38, United States Code, is amended (1) by striking out paragraph (3); (2) by striking out "; and" at the end of paragraph (2) and inserting a period; and (3) by inserting "and" after the semicolon at the end of paragraph (1).

Sec. 2. (a) Paragraphs (2) and (3) of subsection (d) of section 1811 of title 38, United States Code, are amended by striking out "$13,500", wherever it appears in such paragraphs, and inserting in lieu thereof "$15,000".

(b) Subsection (h) of such section 1811 is amended to read as follows:

"(h) No loan may be made under this section to any veteran after the expiration of his entitlement pursuant to section 1803 (a)(3) of this title except pursuant to a commitment issued by the Administrator before such entitlement expires."

SEC. 3. (a) Section 1823(a) of title 38, United States Code, is amended—

(1) by deleting "June 30, 1962" in the second sentence and substituting therefor "June 30, 1961";

(2) by changing the comma to a period in the fourth sentence and deleting the remainder of that sentence;

(3) by inserting the following new sentences immediately after the third sentence: "The Secretary of the Treasury shall also advance to the Administrator from time to time such additional sums as the Administrator may request, not in excess of $100,000,000 to be immediately available, plus an additional amount not in excess of $400,000,000 after June 30, 1961, plus $200,000,000 after June 30, 1962, plus $150,000,000 after June 30, 1963, plus $150,000,000 after June 30, 1964, plus $100,000,000 after June 30, 1965, plus $100,000,000 after June 30, 1966. Any such authorized advance which is not requested by the Administrator in the fiscal year in which the advance may be made shall be made thereafter when requested by the Administrator, except that no such request or advance may be made after June 30, 1967. Such authorized advances are not subject to the quarter annual limitation in the second sentence of this subsection, but the amount authorized to be advanced in any fiscal year after June 30, 1962, shall be reduced only by the amount which has been returned to the revolving fund during the preceding fiscal year from the sale of loans pursuant to section 1811(g) of this title."

(b) The last sentence of section 1823(c) of title 38, United States Code, is amended by striking out "June 30, 1963" and inserting in lieu thereof the following: "June 30, 1976".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. SPARKMAN] for himself and Mr. YARBOROUGH.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 5723) was read the third time, and passed.

FOURTH SUPPLEMENTAL APPROPRIATIONS, 1961

Mr. SPARKMAN. Mr. President, I move that the Senate resume the consideration of the bill (H.R. 7712) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to; and the Senate resumed the consideration of the bill.

ADJOURNMENT

Mr. HART. Mr. President, if there be no further business to come before the Senate at this time, I move, pursuant to the order previously entered, that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 31 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, June 27, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 26, 1961:

DISTRICT OF COLUMBIA

Frank D. Reeves, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified.

U.S. ATTORNEY

David M. Satz, Jr., of New Jersey, to be U.S. attorney for the district of New Jersey for the term of 4 years, vice Chester A. Weidenburner.

U.S. MARSHAL

Forrest F. Walker, of Virginia, to be U.S. marshal for the eastern district of Virginia for the term of 4 years, vice Richard A. Simpson.

INTERNATIONAL COOPERATION ADMINISTRATION

Seymour J. Rubin, of the District of Columbia, to be General Counsel of the International Cooperation Administration, in the Department of State.

DEPARTMENT OF STATE

Robert F. Woodward, of Minnesota, a Foreign Service officer of the class of career minister, to be an Assistant Secretary of State.

IN THE NAVY LINE

Kenneth D. Brodeur, midshipman (Naval Academy), to be a permanent ensign in the line of the Navy, subject to the qualifications therefor as provided by law.

The following named (Naval Reserve Officers' Training Corps candidates) to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

William H. Beha, Jr.
Charlton H. Bonham III
George F. Stallos

The following named (graduates from naval enlisted scientific educational program) to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Floyd E. Corbin	Duane H. Pontius
Hilmer W. Dreifke	Frederick J. Richmond
Allen J. Frank	Deward V. Sloan, Jr.
Donald G. MacDougall	Fred W. Smith
Thomas F. O'Connor II	Paul L. Speckmann

David E. Farlow (naval enlisted scientific educational program) to be a permanent ensign in the Civil Engineer Corps of the Navy, subject to the qualifications therefor as provided by law.

MEDICAL CORPS

The following named (civilian college graduates) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

William M. Welch
Hamilton M. Winston

The following named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

Robert W. Cantrell	Bobby E. McKee
Vilnis A. Clemins	Ronald G. MacClary
Henry W. Coe	John B. Nevara
Joel S. Goodwin	Maurice Nottingham, Jr.
Alan J. Honig	Natale P. Schepis
Charles D. Lufkin	Raymond J. Sever
John I. Lynch, Jr.	Jay D. Williams, Jr
Richard P. McClintock, Jr.	

The following named (Naval Reserve officers) to be permanent lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

Robert J. Aiken	Harvey Z. Klein
John R. Brayton, Jr.	Oscar L. Majure, Jr.
Paul H. Broadley	Robert C. Myers
Jan G. deWaal	Miguel Nieves, Jr.
John P. Kasheta, Jr.	Mark S. Sexter

DENTAL CORPS

John H. Hegley (Naval Reserve officer) to be a permanent lieutenant and a temporary lieutenant commander in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, limited duty only, for temporary service, in the classification indicated, subject to qualifications therefor as provided by law:

DECK

Buford B. Akridge	Earl C. Price
Bryan L. Auwen	James F. Rankin
Alfred E. Manson	

ORDNANCE SURFACE

Noah R. Carder	George B. Steere
John A. Cole, Jr.	Charles R. Sutton
Willis A. Gunnels	

ADMINISTRATION

Charles A. Clemmons, Jr.	Robert F. Winter
Leon W. Lecy	Bernard D. Woody

ENGINEERING

Thomas R. Block
Joseph G. Dauber
William K. Daybert
Charles M. Fiske
Harold E. Finsterwald
James W. Flow
Robert C. Hughes
Joseph W. Leech
John J. McCann
Bradford O. Mosher
Bob J. Nolan
Byron K. Overbeck, Jr.
Conrad A. Thiele
George M. Valodin
A. D. Wall

ELECTRONICS

Frederick W. Carnes
Maxie R. Cunningham
Harold W. Cornelius
William H. Dewitt
Donald E. Gerould
Harold V. Gattis
Ira J. Lowe
John C. Phillips
Vernon A. Smith
Merle E. Tree

HULL

Robert F. Erni

ELECTRICIAN

Melvin C. Bott
Frederick F. Poyner
Norman C. Wettestead

CRYPTOLOGY

Robert B. Depeyster
Allison F. Himmerich
Walter H. Keasler
William J. Sprich
Walter A. Rau
John M. Wolfe

PHOTOGRAPHY

William P. Hayman

AEROLOGY

William F. Cody
Earl F. Gustafson

AVIONICS

Davey L. Boesch
Jack W. Chase
Allen J. Derr
James L. Delaney
Robert M. Donaldson
Alvin L. Eller
Charles C. Finch
Francis M. Floyd
Jack Hamer
Alexander H. Hilliard
Theodore A. Johnson
Thesle R. Jones
Robert C. Keating
Raymond E. Kirby
John F. Kralemann
Mack S. Lanham
Victor McCauley
Richard J. McDermott
Dewayne M. McGaa
Chester A. Murphy
Richard W. Neergaard
Raymond P. Reedy
Richard G. Sieg
Raymond E. Strong, Jr.
George L. Thompson
John H. Wieting
Newton H. Wilson, Jr.
Robert M. Worster

The following-named warrant officers to be lieutenants in the Navy, limited duty only, for temporary service, in the classification indicated, subject to the qualification therefor as provided by law.

DECK

James W. Quick

ADMINISTRATION

John C. Lordan

ENGINEERING

Paul E. Gould

CRYPTOLOGY

Clair B. White

AEROLOGY

Raymond C. Brykczynski

AVIONICS

Bobby R. Pharis

SUPPLY CORPS

Earl W. Graves

The following-named officers for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Allman, John I., III
Bradley, Carlton "S"
Calhoun, John F.
Cater, Michael C.
Davis, Marvin R.
Dupes, Yvonne M.
Elliott, Donald R.
Felderman, John L.
Gaffney, Harry Q.
Gard, Perry W., III
Hohman, Walter G.
Huddleston, Charles R., Jr.
Lamer, Wayne L.
Luhrs, Larry L.
Magee, Francis H.
McCarty, Kenneth R.
McGinty, Douglas "R"
Meyer, Donald C.
Myers, Russell D.
Norris, Elliott W.
Parker, Richard L.
Pellerin, Alfred E., III
Porter, Richard B.
Ray, Samuel F.
Spraker, Irvin L.
Sweeney, Charles J., Jr.
VonEssen, William A.
Wilcox, Guy I.
Zanin, Norman R.

SUPPLY CORPS

Bohensky, Donald F.
Brassington, Abram A.
Freeburg, Gene R.
Frizzell, Frank L., Jr.
Hickey, Daniel F., Jr.
Krakower, Matthew A.
McAllister, Dudley S., Jr.
Stehly, Frederick R.
Weiss, Frederick B.

CIVIL ENGINEER CORPS

Leonard, Daniel B., Jr.
Totten, John C.

Lt. (jg.) James W. Keathley, U.S. Navy, for temporary promotion to the grade of lieutenant subject to qualification therefor as provided by law.

Harry J. F. Korrell, Jr., Supply Corps, U.S. Navy, for transfer to and appointment in the line of the Navy in the permanent grade of ensign.

Daniel B. Leonard, Jr., U.S. Navy, for transfer to and appointment in the Civil Engineer Corps of the Navy in the permanent grade of lieutenant (junior grade).

The following-named line officers of the Navy for transfer to and appointment in the Civil Engineer Corps of the Navy in the permanent grade of ensign:

Boothe, Allen P.
Gunther, John A.
Leonard, Daniel B., Jr.
Matthews, William G.
Mintun, James H., Jr.
Wells, Howard A., Jr.

MEDICAL CORPS

The following-named officers for temporary appointment in the Medical Corps of the U.S. Navy, in the grades indicated, subject to qualification therefor as provided by law:

To be commanders

Allebach, Newton W.
Aune, Edwin F.
Cowart, Elgin C., Jr.
Garland, Charles M., Jr.
Giknis, Francis L.
Gray, Oscar, Jr.
Hodges, James C., Jr.
Ingram, William B.
Jenkins, Judson H.
Nelson, Albert D., Jr.
Nielsen, Orville F.
Rulon, David B.
Taylor, George W., Jr.
Waite, Charles L.

To be lieutenant commanders

Bernstine, Richard L.
Johnson, Burt C.
Martin, Stuart H.
Milnes, Roger F.

To be lieutenants

Hurvitz, Seymour A.
Kibbey, Ianthus I.
Stinely, Regis W.

The following-named officers for temporary appointment in the Dental Corps of the U.S. Navy, in the grades indicated, subject to qualification therefor as provided by law:

Commander

Armstrong, Lloyd M.
Brigance, Frederick W.
Brown, James J., Jr.
Carmen, Marvin
Conglis, Peter C.
Cordonier, Louis H.
Elder, Stewart T.
Ellis, Frank N.
Folkers, Charles W.
Hagerman, Wade H., Jr.
Hancock, Joseph G.
Hanson, Thomas J.
Hawkins, Donald C.
Hicks, Henry H.
Hodder, Edwin J.
Hoffman, Seymour
Hoyt, Joseph J.
Hurka, Joseph S.
Hutton, Edward G.
Mayo, Thomas H.
Monroe, William A., Jr.
Mumme, Henry T., Jr.
Naylor, Merlin E.
Nelson, Wayne A.
Newman, Dwight W.
Nystul, Oliver G.
Pape, Thomas J.
Papera, Fiore A.
Peterson, William A.
Pfaffmann, George A.
Ralls, Walter E.
Rovelstad, Gordon H.
Sedlacek, James W.
Smith, John
Sochowski, Richard T.
Stolitsky, Justin F.
Suehs, Leon G.
Thimes, Carl B.
Valentin, Enrique, Jr.
Wheat, Alva A.
Wilhelm, Carl L.
Williams, Leonard E.
Wood, Quentin L.

To be lieutenant commanders

Beall, Frank P., Jr.
Hutchinson, William G.
Swanson, Carl J.
Justiak, Michael

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Moriarty, Paul M.
Pickerell, Walter D.
O'Neal, William T.
Humphrey, Howard M.
Jordan, James D.
Cox, David M.
Reed, Edwin O.
Sloan, Jack R.
Boortz, Neal A.
Strandtman, Lesley V.
Miller, Thomas H., Jr.
Mickelson, Laurel M.
Dair, William G., Jr.
McClane, George E.
Martin, Benjamin G.
Lehnert, Robert C.
Barbour, Robert J.
Finlayson, Edwin H.
Hopkins, Warren G.
Peebles, Vernon J.
Wilson, Rex
Jennings, Francis C.
Idler, Basil T.
Kelly, George E.
Dominick, Robert L.
Brandon, William E.
Lomac, John M.
Cowper, William H.
Patton, Harvey M.
Hansen, John E.
Allen, Victor E.
Cleeland, David
Pietz, Reuel H.
Carver, Nathaniel H.
Danowitz, Edward F.
MacAskill, Ross M., Sr.
Hubka, Frank J.
Wagner, John H.
Anderson, Elmer A., Jr.
Lupton, Edward I.
Porter, Mervin B.
Bardon, Thomas J.
Buford, Ernest A., Jr.
Reed, Roy L.
McGough, James D.
Blatt, Wallace D.
Schmidt, Carl E.
Lodge, Orlan R.
Schultz, Leonard L.
Ebel, Ardell
Butcher, Warren A.
Howe, Odia E., Jr.
Lewis, Woodrow B.
Thorne, Nicholas G. W.
Woods, Ray
Finn, John, Jr.
Mitchell, Joseph A.
Bohannon, Thomas J.
Wilson, James E., Jr.
Carter, David V.
Terry, Wilson C.
Shoden, John C.
Smith, Richard B.
Lawrence, George E.
Barrow, Robert H.
Lobell, William R.
Donnell, James W.
Duncan, William R.
Beckington, Herbert L.
Sullivan, John B.
Casey, Thomas P.
Gibson, Baylor P., Jr.
Fribourg, Leonard E.
Hollenbeck, Marvin K.
Rainforth, Richard H.
Wailes, Eugene A.
Krumm, George A.
Graves, James B.
Wray, Robert P.
Morrison, Robert J.
Pope, Eugene J.
Boldman, James D.
Knapp, George C.
Henley, Paul B.
Warren, Stephen G.

The following-named officers of the Marine Corps for permanent appointment to the grade of major:

MacDonald, James A., Jr.
Adams, Rayford K., Jr.
Kritter, Eugene J., Jr.
George, Marshall E.
Sonneborn, Melvin D.
McClanahan, Paul G.
Wood, Paul A.
Pearce, Jacob M., Jr.
Rich, John E.
Oliver, Verne L.
Scribner, Robert G.
Wilson, James J.
Molsberry, Dale M.
Waryek, Henry
Storm, William W., III
Palatas, Michael V.
Will, Kenneth E.
Funderburk, Ray
Smith, Gordon N.
Wood, Frederick S.
Hill, Twyman R.
Zaudtke, Wilbur K.
Young, Robert E.
Brunnenmeyer, Sherwood A.
Solze, Robert L.
Lorence, Herbert M.
Meyers, Bruce F.
Graeber, William G., Jr.
Goggin, William F.
Hall, Chester L.
Culver, Ralph K.
Demaree, Ralph G.
Tanzler, Warren G.
Fisher, Joseph R.
Barcus, Paul W.
Gibson, Gerald W.
Burns, Edwin A.
Hollier, Louis S., Jr.
Kane, Douglas T.
Cooke, Morris D.
Holben, Donald E.
Hall, Joseph S.
Mitchell, John F.
Piehl, Robert H.
Carrubba, Harry D.
Moody, Clarence G., Jr.
Schoen, James R.
Preston, Herbert, Jr.
Clement, David A.
Baker, Edward S., Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Gray, James C., III
Howarth, Darrell L.
Dolan, Eugene T.
VanGaasbeek, Leonard S.
Regan, Edmund J., Jr.

Fein, Louis I.
Gamble, Ross M.
Abernathy, Thomas R.
Comer, Andrew G.
Shore, Bruce J.
Gartrell, Craig B.
Perry, Victor A.
Tucker, Leland W.
Ilig, Harvey G.
DeLaine, Louis, Jr.
Wiita, John W.
Perry, Aydlette H., Jr.
Gerichten, William S.
Brownell, Richard L.
Phillips, Bernard P.
Badamo, Frank J.
Ballek, Fred J.
Cheatham, Willard E.
DeLong, George J.
Booth, Charles L.
McCormick, James G.
O'Rourke, William T., Jr.
Cull, Albert L.
Thornbury, Billy D.
Harris, James B.
Madera, Leroy A.
Robertson, Duncan J.
Florence, John W.
Ostlund, Donald P.
Keller, Albert W.
King, Charles A., Jr.
Skagerberg, Alan E.
Schlarp, Jack E.
Roque, Ilow M.
Graney, Thomas E.
Woodring, Willard J., Jr.
Butler, Larry R.
Pullar, Walter S., Jr.
DeLong, Clyde S., Jr.
Willcox, Clair E.
Kramer, Milton C.
George, Gus J.
Gott, Michael J.
Townsend, Donald B.
Jellison, Harold M., Jr.
McKay, Conrad L.
Henderson, Walter J.
O'Rourke, James K.
Boles, Robert D.
Riseley, James P., Jr.
Whitmer, James A.
Hawkins, David H.
Fenenga, Gerit L.
Robbins, Morris G.
Como, Joseph A.
Charon, Larry P.
McCann, Henry J.
Coughlin, Richard L.
Vanek, Kenneth D.
Cable, Wiley R.
Gillen, John P.
Baldwin, William T.
Sutter, Rudolf S.
Rasdal, Robert W.
Robinson, James C.
Willis, Lawrence J.
Tilly, Robert C.
Battistone, Carl L.
Young, Earnest G.
Ashby, William C., Jr.
Lenihan, John D.
Luckett, Jackson R.
Andrews, Clifton B.
Dawson, Carl F.
Rexroad, Donald N.
Barker, Warren H.
Dowd, John A.
Gubany, Michael W.
Joy, Lester H.
Owens, Hosea
Hite, Harry W.
Downs, Roy
Goodale, Richard W.
Fojtlin, Louis
Huizenga, Elmer F.
Lumpkin, Aubrey L.
Friedman, Arthur D.
Bradley, Thomas E.
Bancroft, Richard A.
Cooper, Francis W.
Vitali, Henry R.
Dunn, John H.
Wright, Dennis W.
Morrow, Thomas E.
Shaffer, John C.
Dawson, Forest G.
Mills, Lewis L.
Beno, Joseph P.
Munter, Weldon R.
Newbill, Merrill S.
Clark, Merideth M.
Blair, Anthony L.
Muth, Harold F.
Modzelewski, Edward R.
Thompson, Joseph H.
Disher, William H.
Cummings, John M.
Sallade, Paul H.
Austin, John H.
Scyphers, Ruel T.
Carroll, Charles W.
MacDonald, Glenn A.
Smith, Buck D.
Gaffney, Joseph I.
Lubin, Irwin
Shimanoff, Morris S.
Axton, Robert H.
Keyes, Gerald W.
Stewart, James H.
Rush, Wesley M.

The following-named officers of the Marine Corps for temporary appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Connor, Briah K.
Farrington, Daniel O. W.
Leiker, Robert.

The following named for permanent appointment to the grade of second lieutenant for limited duty in the Marine Corps, subject to the qualification therefor as provided by law:

William F. Ayer
Armin Barton
Frank D. Brady
James H. Briggs
Charles S. Cahaskie
James J. Connell
Peter L. Deprecker
James T. East
James D. Eckert
John J. Fallon, Jr.
James P. Griffin
John J. Guenther
John H. Havel
George F. Hoffman
Donald W. Johnston
Thomas J. Kennedy
George Kiraly, Jr.
William P. Lakin
Robert E. Lippman
James W. Livezey
Frank Mann
William O. McClellan, Jr.
Kenneth A. McVay
Charles J. Mears, Jr.
Donald O. Meece
Ralph Nelms
Merton J. Oss
Willie G. Roberson
William P. Schlotzhauer
Russell R. Sherzer
James P. Smyth
Leo J. Still
Thomas M. Truax
Jaris L. Wagor
Donald H. Wahlstrom

The following named (Naval Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualification therefor as provided by law:

John M. Rose

The following named (Naval Academy graduate) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualification therefor as provided by law:

Fred J. Palumbo

The following-named officer of the Marine Corps for temporary appointment to the grade of captain, subject to qualification therefor as provided by law.

Frank Cruz, Jr.

Frank H. Taylor (naval enlisted scientific educational program) to be a permanent ensign in the restricted line of the Navy for the performance of aeronautical engineering duty (aerology) in lieu of ensign in the line of the Navy as previously nominated and confirmed.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 26, 1961:

WORLD HEALTH ORGANIZATION

Dr. H. van Zile Hyde, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

EXTENSIONS OF REMARKS

Russian Deportation of Lithuanians

EXTENSION OF REMARKS
OF
HON. CHARLES A. BUCKLEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 26, 1961

Mr. BUCKLEY. Mr. Speaker, on February 16 last, I rose on the floor of this House to pay tribute to the brave people of Lithuania and the Lithuanian nation.

Lithuania is today enslaved. It is awaiting the time when itself and its people will be free to control their own destinies.

The present condition of the Lithuanian nation is a reminder to all of us that better than half of the peoples of this world now live under intolerable conditions. Their basic God-given rights to a free existence are denied to them. No more striking example of this enslavement of millions of peoples exist than what has only recently been written into the pages of history—the days of June 15 and 16 in the years 1940 and 1941 when over 60,000 free Lithuanians were forceably deported to slave labor camps and untold miseries in the vast stretches of the Siberian subcontinent. This deportation took place under the orders and rule of the Soviets. If any proof is needed of the ruthlessness and the evils of communism, this act of barbarism is here for all the world to see.

We live in an age of the cold war—an age wherein we must be constantly on the alert at a time when the forces of freedom are sorely tried throughout the world. We are the leaders of the free world. All mankind looks to us for leadership. We must provide it. We cannot weaken in our determination to carry the day for the forces of democracy. To do so would be fatal for all of us know that communism is committed to world-wide domination. Therefore, let us remember these tragic days in the month of June in the history of the Lithuanian people. Let this be a reminder to all of us that we must be ever on the alert and eternally vigilant to defend our own precious freedoms and to carry our message throughout the world so that eventually all nations will have the right to determine their own futures in their own way.

I salute the brave people of Lithuania and I remind them that although the June days of the 15th and 16th in 1940 and 1941 were indeed black days in the history of their nation the example and reminder of these days is a continued inspiration to all men who truly desire to be free.

Poll of Residents of the Seventh District of Indiana

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 26, 1961

Mr. BRAY. Mr. Speaker, within the next 10 days many Seventh District residents will receive in the mail a questionnaire asking their views on problems of current interest. I am again asking my constituents for their opinions on these matters, as I have found such surveys very helpful in the past.

It seems likely that the Congress will continue in session until Labor Day, and in these next several weeks many important matters will be the subject of legislative decisions. The questions I have proposed deal with such hotspots as Cuba, Berlin, and Communist China. The poll also seeks to determine attitudes on aid to education, foreign aid, and medical care. No set of questions can be complete but I believe the range of the ones that follow is certainly broad. I will place the results of this poll in the CONGRESSIONAL RECORD.

Do you favor—

1. In our relations with Cuba: (a) Agreeing to the tractor-prisoner exchange? (b) Economic embargo on all goods? (c) Sending troops to displace Castro and the Communists?

2. Continuing U.S. opposition to admission of Red China to the United Nations?

3. Foreign aid being: (a) Continued at present levels? (b) Cut sharply? (c) Expanded? (d) Ended?

4. Stronger laws to protect domestic industries from competition of products imported from countries with cheap labor standards?

5. Increase in social security taxes to provide a compulsory, Government program for medical care of persons over 65?

6. Continuing to resist Communist attempts to force us to withdraw from West Berlin?

7. Federal tax money being used to aid States in: (a) School construction? (b) Teachers' salaries?

8. Permitting the Un-American Activities Committee to continue its investigations?

Cuban Prisoners for Tractors

EXTENSION OF REMARKS

OF

HON. PRESCOTT BUSH

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Monday, June 26, 1961

Mr. BUSH. Mr. President, the ill-conceived plan to submit to Castro's blackmail offer to trade Cuban prisoners for tractors has collapsed. The Tractors for Freedom Committee, formed with the backing of the President, has disbanded after accusing the Cuban dictator of bad faith in negotiations for the exchange.

Now that this unfortunate adventure in attempting to carry on diplomatic negotiations by other than official agencies is over, I hope that the State Department will redouble its efforts to exert pressures on Castro not only to release the Cubans in question but especially to secure the freedom of American prisoners held in Cuban prisons.

One such American prisoner is Drexel Gibson, an American businessman who was arrested in Cuba on April 19, and since that time has been imprisoned. When news of Mr. Gibson's imprisonment reached this country, I immediately communicated with the State Department to urge action to secure his release and have been in touch with the Department numerous times on this matter. The latest information I have received is that the Swiss Embassy in Havana, through which discussions with the Cuban Government are taking place, reports that Mr. Gibson is being investigated for "activities against the state." The Swiss Embassy has requested permission to visit Mr. Gibson and organize his defense.

Mr. Gibson's wife, a constituent of mine who resides in Riverside, Conn., was in Washington last week and was interviewed by the distinguished senior Senator from Indiana [Mr. CAPEHART]. Because the information brought out in this discussion is of interest not only to people of Connecticut but to those who are concerned about other Americans held prisoner in Cuba, I ask unanimous consent, Mr. President, that a transcription of the interview may be printed in the RECORD.

There being no objection, the transcript of the interview was ordered to be printed in the RECORD, as follows:

GUEST INTERVIEW WITH WIFE OF AMERICAN PRISONER IN CUBA

Announcer. From the Nation's Capital and a public service Senator HOMER E. CAPEHART reports to the people of Indiana. Today Senator CAPEHART has a special guest. Now here is Senator CAPEHART.

Senator CAPEHART. We have been trying to give to the American people and the people of Indiana the facts and the truth in connection with a number of issues facing them. At times they are not very pleasant because world conditions today are not pleasant.

But I am one who believes that the American people should have the facts. We ought to tell them the truth. And for that reason we put on this kind of a program. Today we have with us as a special guest a lady, a mother and a wife from the State of Connecticut, Mrs. Drexel Gibson, of Riverside, Conn., whose husband is a prisoner in Cuba. I thought that inasmuch as we are talking today about giving up some 500 tractors for some 1,200 Cuban citizens that you should meet Mrs. Gibson whose husband is in a Cuban prison. Likewise, I'll give you during this program the names of 22 Americans who are in prison in Cuba. And now we'll meet Mrs. Gibson. How do you do, Mrs. Gibson.

Mrs. GIBSON. How do you do, Senator CAPEHART.

Senator CAPEHART. You, I believe, lived in Cuba for a number of years.

Mrs. GIBSON. I lived there for 2 years. My husband was running the Berlitz School of Languages in Cuba.

Senator CAPEHART. That was a school that taught Cubans to speak English and other languages?

Mrs. GIBSON. Yes; they were very interested in English.

Senator CAPEHART. And you were there 2 years?

Mrs. GIBSON. I was there 2 years. I had to return last July because our young son had some medical problems.

Senator CAPEHART. And you returned from Cuba to the United States?

Mrs. GIBSON. Yes.

Senator CAPEHART. And then your husband came up later, did he?

Mrs. GIBSON. He came up and visited in November. Our son had had two operations at that point. My husband went back to Cuba and in March another operation was expected so he returned then. He went back the 11th of April. The invasion was the 17th. He was arrested the 19th.

Senator CAPEHART. He was arrested the 19th of April. That was after the invasion.

Mrs. GIBSON. Two days after the invasion.

Senator CAPEHART. And he is now, of course, in prison in Cuba. And he is an American citizen. You are an American citizen. You were born in Connecticut?

Mrs. GIBSON. Yes; he was born in Iowa.

Senator CAPEHART. He was born in Iowa and you were born in Connecticut. He was operating a legitimate business in Cuba. And they threw him into jail on April 19.

Mrs. GIBSON. Yes, the police were waiting for him when he arrived at his office.

Senator CAPEHART. Have you heard from him since?

Mrs. GIBSON. Not directly, with the exception of a paper giving permission for an operation on our son which the Swiss Embassy obtained through a Cuban lawyer for me.

Senator CAPEHART. What has your Government, the American Government, done to assist you in this matter?

Mrs. GIBSON. They cabled Berne, Switzerland, and Berne cabled the Swiss Embassy in Havana, and after 3 or 4 weeks I received the information that he was well 3 or 4 weeks ago.

Senator CAPEHART. And as far as you know that is all they have accomplished or made any effort to accomplish?

Mrs. GIBSON. That seems to be all they have done.

Senator CAPEHART. Well, at this point I want to say that this is a case where an American citizen is in a Cuban prison, and our Government seems to be making no effort to get him released. The so-called Tractors for Freedom Committee seems to be taking no interest in Americans that are in Cuban prisons either.

I think I ought to read the names of 22 Americans that were given to me today by the State Department. These are American citizens who are now in Cuban prisons:

AMERICANS IN PRISON IN CUBA—CRIME AND SENTENCE

1. Shergalis, William J., crimes against the state, awaiting trial since March 21, 1960.
2. Rundquist, Howard L., crimes against the state, awaiting trial since March 21, 1960.
3. Taransky, Edmund, crimes against the state, 10 years.
4. Danbrunt, Eustance, crimes against the state, 10 years.
5. Carswell, Daniel, crimes against the state, 10 years.
6. Young, Austin F., Jr., counterrevolutionary activities, 30 years.
7. Lambton, Peter John, counterrevolutionary activities, 25 years.
8. Del Pino, Rafael, counterrevolutionary activities, 30 years.
9. Martino, John V., counterrevolutionary activities, 13 years.
10. Roberts, John Howard, hotel debts (started serving sentence before breakup of diplomatic relations between United States and Cuba), 2 years.
11. Bradley, Leslie, plotting invasion, 10 years.
12. Peccoraro, Richard Allen, counterrevolutionary activities, 30 years.
13. Nordio, Mario, espionage, 30 years.
14. Koop, Juan Pedro, counterrevolutionary activities, 20 years.
15. Gibson, Alford E., counterrevolutionary activities, 30 years.
16. Scheidt, Leonard L., counterrevolutionary activities, 30 years.
17. Beck, George R., counterrevolutionary activities, 30 years.
18. Baker, Tommy L., counterrevolutionary activities, 30 years.
19. Beane, James R., counterrevolutionary activities, 30 years.
20. Green, Donald Joe, counterrevolutionary activities, 30 years.
21. Ponce de Leon, Maria, political, awaiting sentence.
22. Gentile, Robert John, counterrevolutionary activities, 10 years.

Now, folks, those are the names of 22 American citizens who are in Cuban prisons. The State Department tells me that they don't know how many Americans are in prison in Cuba where there has been no trial or no conviction.

The 22 U.S. citizens, whose names I have just read to you, have already been sentenced to from 10 to 30 years each. The shortest sentence I find is 10 years—the longest sentence is 30 years. And as I said a moment ago, they have made no effort to estimate the number of Americans that are in Cuban prisons that haven't been tried or sentenced. And Mrs. Gibson's husband is in that category. The State Department only knows about Mr.

Gibson because of Mrs. Gibson's efforts to do something for him.

Now the question, of course, that enters my mind is why is our Tractors for Freedom Committee, which is willing to have Castro blackmail us for 500 tractors, interested in the release of 1,200 Cuban prisoners, when we are making no effort to see that American prisoners are released. And this situation exists all over the world. We have Americans imprisoned in China, in Russia, and other places.

I am hopeful, as a result of this broadcast, that the American people who are listening will wire me and wire the President of the United States and demand that our Government do something about this situation. I think it's ridiculous and humiliating to think that we show more interest in Cuban prisoners than we do Americans who are in Cuban prisons.

The State Department also told me today that it has estimated that Castro has some 50,000 political prisoners. Most of these are Cubans, of course, except for the Americans.

I am hopeful that you people will write me and write your President, and demand that the Government do something to help this lady get her husband back. Mr. Gibson is an American citizen, he was in Cuba on legitimate business. The Gibsons have two children; they are American citizens and live in Connecticut. I hope that we can do something about this situation. And, as I say, this is not a pleasant broadcast, but I think the people ought to know what's going on in Cuba. You can multiply the Mrs. Gibsons by many, many times and you get a little idea of the grief in the United States on the part of man, American citizens as a result of our people, Americans, lying in prisons in Cuba and throughout the world.

Unless you have something else to say, Mrs. Gibson, we thank you very much, and I hope this program will be helpful to you. I assure you that I am going to do everything I possibly can to get our Government and other sources to assist you in getting your husband released from this Cuban prison.

Mrs. GIBSON. Well, thank you, Senator CAPEHART.

Senator CAPEHART. Thank you very, very much.

An Installation of Service to Country and Community

EXTENSION OF REMARKS
OF
HON. EDWIN B. DOOLEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 26, 1961

Mr. DOOLEY. Mr. Speaker, Fort Slocum in New Rochelle, Westchester County, N.Y., which is part of my constituency, has a record of distinguished service to the U.S. Army and to the country.

The island on which it stands was once owned by the Siwanoy Indians who included it in their grant to the Dutch West India Co. From the grim days of the Civil War to the present, the island has been used advantageously by the military for a number of different purposes. Back in 1870 the 8th Infantry Regiment left for San Domingo from Fort Slocum, and later on when the disastrous Chicago fire took place companies of men were dispatched from the fort to help police that area.

Named after Maj. Gen. Henry W. Slocum, the fort today contains a chaplain's school and an Army information school. In the former institution, chaplains of all three major faiths are educated to work in consonance with the Army and to appreciate military protocol. The information school trains enlisted personnel and civilian employees of the Army for public and troop information assignments. In this era of concise communication and wide appreciation of the importance of public sufferance, the function of the information school is most important to indoctrinate Army personnel in public relations techniques.

A long list of distinguished officers have directed the administration of the fort, including among them Col. William F. Jackson who is now military aide to the Vice President of the United States. The current commanding officer is Col. Frank C. Castagneto, a brilliant officer whose personal charm and sense of the fitness of things has endeared him not only to his own colleagues but to the people of New Rochelle and the surrounding country.

The first recorded mention of the island upon which Fort Slocum now stands was in 1640 when the Siwanoy Indians included the island in their grant to the Dutch West India Co. Then in 1666, Gov. Thomas Dugan granted the Manor of Pelham, including the island, to Thomas Pell as mayor. Through the ensuing years the island had many owners until, in 1861, after securing permission from Mr. Simeon Leland who had possession at that time, DeCamp General Hospital was established on the island. This hospital, the first military occupant, was named, it is believed, after an Army surgeon, Maj. Samuel G. I. DeCamp, and cared for the Civil War wounded of both sides. In the following year, 1862, the U.S. Government leased the island, then called David's Island, from Mr. Leland and used his homestead for quarters, messhall, and other facilities. On May 11, 1867, the U.S. Government purchased the island and the submerged lands surrounding it. This was under an act of Congress approved on February 18, 1867. The island was ceded to the United States by an act of the New York State Legislature, approved on April 20, 1868, and the water-covered lands approved on May 7, 1880.

Many units and organizations have used the excellent facilities at Fort Slocum over the years. In 1870 and 1871 the 8th Infantry Regiment prepared to depart for San Domingo and also sent companies to protect the property of sufferers from the Chicago fire. The island has been a reception and processing station for troops in both World Wars I and II, a coast artillery post, the training school for the Atlantic coast transportation officers, the U.S. Army cooks and bakers school, a rehabilitation center for repatriated American fliers, and an airbase.

Officially named Fort Slocum in 1896 in honor of Maj. Gen. Henry W. Slocum, who commanded the right wing of the Union forces at Gettysburg, the island has, since 1951, been the home of the Armed Forces Information School, which became the U.S. Army Information School in 1954, and the U.S. Army Chaplain's School. Located approximately one-half mile off the coast of New Rochelle in Long Island Sound, the island is ideally situated, both by its detachment from the mainland and its proximity to New York City, the communications center of the world, to forward the mission of both its schools.

The primary mission of the U.S. Army Information School is to prepare selected officers, enlisted personnel, and civilian employees of the Army for public and troop information assignments. However, it has the additional mission of accomplishing cross-service understanding of public and troop information techniques and operations by providing training for personnel of other components of the Armed Forces. Since April 18, 1951, when the school moved to Fort Slocum from Carlisle Barracks, it has graduated 8,232 Army personnel, 1,074 Navy, 1,983 Air Force, 163 civilian employees of all services, and 240 representatives of free countries throughout the world. With the increasing necessity for trained information personnel in all services, this 10-year output of 11,692 from the only specific information school in the Armed Forces may well be just a beginning.

The mission of the U.S. Army Chaplain School is to train civilian and military clergymen for duty with the U.S. Army. This training is done for all active duty chaplains and certain selected Reserve component chaplains not on extended active duty in the resident school. Our resident training is presented in two courses: An indoctrination course of 9 weeks is offered to all active duty chaplains during their first year of duty. A career course tailored to the training of active duty chaplains for staff duty in higher headquarters, of 17 weeks' duration, is presented to all active duty chaplains between their fifth and eighth year of duty. Since April 18, 1951, when the chaplain school came to Fort Slocum, 2,850 officers have graduated from courses presented by the resident department. About 3,950 Reserve component chaplains, not on extended active duty, are in training through the efforts of the nonresident department of this school.

Remarks of Hon. Abraham J. Multer, of New York, in Support of Two Additional Judges for the District of Columbia as Opposed to H.R. 6747 Which Would Abolish the Court

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 26, 1961

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the following statement which I submitted to Subcommittee No. 3 of the

House District of Columbia Committee in opposition to H.R. 6747:

STATEMENT OF HON. ABRAHAM J. MULTER BEFORE SUBCOMMITTEE NO. 3 OF THE HOUSE DISTRICT OF COLUMBIA COMMITTEE IN OPPOSITION TO H.R. 6747, JUNE 23, 1961

Mr. Chairman, I want to thank you for affording me this opportunity to make a statement on H.R. 6747, a bill to amend the Juvenile Court Act of the District of Columbia.

Mr. Chairman, this bill would destroy the years of good work and nullify all of the experience already gained by the juvenile court in the District of Columbia.

It would abolish the juvenile court, transfer its jurisdiction to the criminal court, and reduce the age limit from 18 to 16 so as to preclude those over 16 years of age being treated as juveniles and requiring that they be treated as criminals as a matter of law.

At the present time the juvenile court is swamped with cases and the sole juvenile court judge cannot possibly handle the situation, although his efforts have been heroic. At the present time funds and facilities for handling the juvenile delinquency problem in the District of Columbia are woefully inadequate.

This situation, however, does not offer itself as evidence that the court should be abolished—on the contrary, we should strengthen it and provide it with the necessary funds so that it will become a model for all juvenile courts throughout the country.

The present judge—the one person who is most familiar with this situation—has often stated his support of additional judges and facilities. Many, many of the civic organizations in the District of Columbia have spoken out in opposition to H.R. 6747. The National Council on Crime and Delinquency adopted a resolution in opposition to this bill on May 10, 1961.

Recognizing the need for a renewed and vigorous attack on the problem of juvenile delinquency, President Kennedy, on May 11, established by Executive order the President's Committee on Juvenile Delinquency and Youth Crime.

This Committee will study all of the aspects of the juvenile delinquency problem in this country and report its findings to the President. This, Mr. Chairman, is the first time that the Federal Government has ever coordinated its efforts in this field.

Heretofore several agencies of the Executive have handled these problems as best they could. In the Senate of the United States we have had some years now a subcommittee of the Senate Judiciary Committee which has been charged with the responsibility of investigating the juvenile delinquency problem.

Understaffed and without adequate funds to handle the enormous problems presented by juvenile delinquency in the United States, the subcommittee has long done excellent work within the limited scope permitted it by its legislative mandate.

H.R. 6747 would—to a large extent—negate all of these splendid beginnings and put us back where we started.

It is respectfully suggested that the proper procedure for us to follow is not one which would destroy the present system but rather one which would strengthen it.

With that purpose in mind I propose that we substtiute for H.R. 6747, a bill which would provide for the appointment of two additional judges for the juvenile court of the District of Columbia on a temporary basis, to serve until such time as the President's Committee on Juvenile Delinquency and Youth Crime shall submit its recommendations.

I submit that we cannot afford to destroy the juvenile court of the District of Columbia—the court which has become the model for all other juvenile courts in the United States. The additional provision of H.R. 6747 which would reduce the age limit to 16 is without question a step in the wrong direction. To permit this is to deny all of the evidence which years of experience has taught us is the proper procedure with regard to juvenile crime.

Healthy U.S. Free Enterprise for Economic Progress

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Monday, June 26, 1961

Mr. WILEY. Mr. President, our free enterprise system continues to be (a) a cornerstone of our way of life; and (b) a production plant pouring out the goods and materials for domestic progress and for defense.

Because of its significance, therefore, it is particularly important that we preserve and perpetuate a climate in which job-creating enterprises can grow and prosper.

In a recent address over Wisconsin radio stations, I was privileged to discuss ways and means for improving the economic climate.

I ask unanimous consent to have the text of the broadcast printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Now, and in the years ahead, we, as a nation, depend to a large degree upon our free enterprise system to (1) create more good things of life for our fast expanding population; (2) further improve our business and industrial programs for an accelerated rate of economic progress; (3) provide the economic strength to support a costly national defense program; (4) in addition to fulfilling the needs of our people, to support—as we can—global efforts to eradicate disease, malnutrition, poverty, illiteracy and other plagues of mankind—without which there can be no real peace.

The strength of our free enterprise system will determine to a degree our ability to meet these challenges.

Today, there are more than 4½ million businesses in the United States, including over 400,000 in Wisconsin. About 95 percent of these fall into the category of "small business." Providing a wide variety of goods and services, these small businesses represent the cornerstone of economic life in the community.

Now what can be done to better enable our small businessmen to serve their own and the public interest?

These steps then I believe should include the following:

1. Better educate our people on the operations of our free enterprise system and its indispensable contributions to better living and economic progress;

2. Encourage more citizens to invest in earnings and savings in enterprises large and small. Today, for example, there are over 13 million shareholders in publicly owned corporations throughout the country;

3. We need a reexamination of our tax laws to assure that these have incentive for, not impediments against, progress;

4. Creating more effective, efficient machinery for handling labor-management problems—to avoid strikes that are often costly to our workers, the public, and, yes, the security of the country;

5. Effective enforcement of our antitrust laws to assure a fair competitive climate in which job-creating enterprises can operate profitably;

6. Insuring a fair opportunity for small business to share proportionately in Government procurement programs. Today, this is a multi-billion-dollar business, particularly in defense;

7. The fostering of greater cooperative efforts among small business to pool resources to provide management counseling, research, and other essential activities that small businessmen, alone, cannot afford;

8. Brightening the trade outlook, including efforts to expand exports; and—at the same time—to protect the domestic economy from the adverse impact of imports; and

9. Encourage greater cooperation between the consumer, business, labor, and government—not only to combat inflation but to promote maximum progress.

EXPANDING FOREIGN TRADE

There are, of course, opportunities for improving the outlook for job-creating business and industry through expanding trade.

Traditionally, the U.S. market has been the major target for the production of our factories as well as farms. With further improvement of our mass production techniques—for stepping up production—however, we need to look for new horizons. Currently, for example, studies are underway by the Department of Commerce to see what new opportunity exists in the export field. As of now, only a minor portion of firms in Wisconsin, and the United States, have engaged in foreign commerce.

Around the world, however, there are many potential markets. The less-developed countries of Latin America, Africa, and Asia, particularly offer real prospects for new business opportunity. In effect, they need everything.

How can we take advantage of the emerging opportunities?

First, we need to broaden our horizons; to attempt to find new markets.

Second, expand United States and Wisconsin participation in international trade fairs, offering opportunity to locate customers.

Third, utilize services of Department of Commerce, as well as cooperate with other business, to locate and attempt to supply new markets.

EXPORT LEGISLATION

Currently, legislation is pending before Congress which proposes to:

1. Reduce risks of foreign trade.

2. Undertake market surveys and other commercial research in foreign countries and to disseminate the information gained thereby to American businesses; and to set up U.S. trade information centers at permanent and temporary trade fairs in other countries.

3. Create a council for export promotion and other activities.

4. The country, and particularly the economy, could benefit, I believe, from a renewed effort to find markets for the ever-growing output of our farms and factories.

IMPACT OF IMPORTS

We recognize that trade is a two-way street. Unfortunately, a number of Wisconsin and U.S. firms are now suffering from the impact of imports. We cannot ignore this situation. Instead, a realistic effort must be made to protect U.S. industries, and their workers, from being too hard hit by imports often produced by lower wage levels and operating expenses.

EXPANDING BUSINESS' SUPPORT OF U.S. POLICIES

A strong, forward-moving free enterprise system is essential not only to economic

health, but to progress and security for our whole way of life. For this reason, I have suggested, also, that business—in addition to effectively carrying out their role in the economy—also play a larger part in supporting national policy at home and abroad.

Today, for example, there is a need for stronger, more creative, nonmilitary efforts to stop the multipronged outspreading of communism.

Around the globe, U.S. firms operate in many, many countries for the benefit not only of themselves, but of the host nations. A tremendous majority of such firms have expressed a willingness to participate more fully in giving support for our foreign policy.

Practically speaking, these could, in my judgment, be better utilized as "built-in voices of America." These firms could do much to—

Spread U.S. ideas;

Distribute information on U.S. policies and programs for peace;

Serve as instruments of cooperation on projects of mutual interest and benefit between the United States and the host country;

Operate as channels for the spreading of free enterprise know-how, to help local communities help themselves—thus more intimately acquainting more people on how free institutions can best serve a people in their search for progress, honor, dignity, and self-determination;

And generally improving relations with the host country.

Greater utilization of firms operating abroad could, in my judgment, be an important adjunct to our foreign policy.

Tabulation of Annual Public Opinion Poll

EXTENSION OF REMARKS
OF

Hon. MARGUERITE STITT CHURCH

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mrs. CHURCH. Mr. Speaker, at the request of many Members, I am happy to place in the CONGRESSIONAL RECORD today the tabulation of answers obtained through a scientific sampling of the current opinions within the 13th District of Illinois on 29 leading issues, as expressed in my 1961 annual poll. The questioning was mailed to every fifth name on the list of registered voters throughout the entire district.

Only signed returns were tabulated, although every response—even if unsigned—was carefully noted. Signed returns, representing a response of 19.59 percent, gave the following results:

ANNUAL PUBLIC OPINION POLL TABULATION FROM MARGUERITE STITT CHURCH, REPRESENTATIVE IN CONGRESS—13TH DISTRICT, ILLINOIS

DEAR CONSTITUENT: As promised, I am sending to all who returned a signed copy of my public opinion poll, this complete tabulation of the 17,583 questionnaires returned before the deadline. I wish that it had been possible, also, to send an individual answer to each of those who added constructive comments and legislative suggestions. All have been personally and carefully noted by me. I thank you for your cooperation:

	Percent		
	Yes	No	No opinion
1. Is it essential to balance the national budget?	76.0	17.5	6.5
2. If new programs increase Government spending, do you prefer—			
(a) Increase in personal income and corporation taxes?	15.9	43.8	40.3
(b) New Federal sales or manufacturers' tax?	22.7	36.0	41.3
(c) Deficit spending, through increase in public debt?	5.9	46.7	47.4
(d) No new programs?	28.6	24.5	46.9
(e) Elimination of some current programs?	46.9	6.6	46.5
3. Do you approve the repeal of all wartime excise taxes with comparable cuts in Federal spending to offset loss in revenues?	65.2	25.8	9.0
4. Should income taxes be withheld on dividend and interest payments?	32.2	59.9	7.9
5. Should the Federal-State highway program be financed by present users?	86.6	6.6	6.8
If so, do you approve—			
(a) Extension of present temporary 1-cent increase in Federal gas tax?	55.5	18.6	25.9
(b) Increase in taxes on tires, tubes, trucks, etc.?	39.6	25.2	35.2
(c) Slowdown in the program instead of increased taxes?	27.2	34.7	38.1
6. Do you favor granting the President authority, without congressional action, to increase or cut income and corporation taxes, if in his judgment such action would benefit the economy?	12.1	84.8	3.1
7. Do you favor gradual transfer back to States and local communities of complete responsibility for local needs (education, slum clearance, sewage treatment plants, etc.) assuming a transfer of some tax sources from the Federal Government?	76.8	19.8	3.4
8. Where economic changes cause decreased industrial activity and unemployment, do you prefer—			
(a) Federal funds to solve the problem (aid to depressed areas)?	39.3	----------	5.3
(b) State and local effort only?	55.4	----------	----------
9. Do you approve of Federal aid to cities to meet cost of mass transit systems?	16.0	71.8	12.2
10. To meet educational needs, do you favor—			
(a) Continued reliance on local and State support?	76.3	11.2	12.5
(b) Federal funds to States for school construction?	30.2	49.5	20.3
(c) Federal funds to States for teachers' salaries?	17.5	61.8	20.7
(d) Federal aid for scholarships?	42.5	37.3	20.2
(e) Tax relief to individuals for educational expenses?	62.9	21.2	15.9
(f) Federal loans to private and parochial schools?	18.9	62.7	18.4
11. Do you favor a Federal medical care program for the aged?	40.8	32.0	27.2
If so, do you prefer—			
(a) Extension to all over 65, based on need, with Federal Government and States sharing the cost (present law)?	50.1	21.3	28.6
(b) Increased social security taxes on employees and employers to cover social security beneficiaries only?	19.1	38.0	42.9
12. Do you favor retirement for men at age 62 with reduced social security benefits?	35.1	57.1	7.8
13. Do you favor a change in the Federal minimum wage law to provide—			
(a) Extension of coverage to retail and service establishments not engaged in interstate commerce?	38.5	35.1	26.4
(b) Increase to $1.25 an hour?	36.7	40.2	23.1
(c) Increase to not more than $1.15 an hour?	30.4	38.1	31.5
14. Do you favor a proposed plan whereby farmer advisory committees, together with the Secretary of Agriculture, would recommend to Congress individual commodity programs to go into effect within 60 days, if not rejected by either House?	34.7	31.0	34.2
15. Do you favor postal rate increases to solve the post office deficit?	57.6	16.4	26.0
(a) By increase in 1st-class and airmail rates?	15.8	37.0	47.2
(b) By increases in 2d- and 3d-class rates?	49.0	15.2	35.8
(c) By across-the-board increases in all classes of rates?	40.9	30.9	28.2
16. Should the reciprocal trade agreements program be continued?	60.9	6.9	32.2
17. Should the differential in wages and working conditions between this country and foreign countries be taken into account in formulating our foreign trade regulations and policies?	54.4	18.9	26.7
If so, do you approve—			
(a) Restrictive quotas on imports?	35.3	26.8	37.9
(b) Increased tariffs and duties on competitive imports?	47.1	22.6	30.3
18. Do you favor continuation of the foreign aid (mutual assistance) program?	52.9	22.1	25.0
	Percent		
(a) At the same rate?	13.7		
At reduced rate?	49.4		
At increased rate?	6.7		
(b) In connection with nonmilitary assistance—			
Through increasing loans?	34.9	20.8	44.3
Through increasing grants?	8.5	38.1	53.4
(c) Through arrangements with other doner countries in preference to unilateral U.S. programs?	52.3	10.1	37.6
19. To finance our foreign aid program, do you prefer—			
(a) Direct appropriations by Congress?	67.4	13.3	19.3
(b) Authorization to administration to borrow from Treasury?	10.0	44.3	45.7
20. Would you approve of a U.N. international police force?	64.9	15.8	19.3
If so, should it be composed of—			
(a) Units provided by member nations?	60.8	10.5	28.7
(b) Individual recruits?	18.3	29.7	52.0
21. Do you approve of a Peace Corps for overseas service if volunteers are carefully selected and trained?	61.9	27.1	11.0
22. Should we liberalize our trading policy with U.S.S.R. and its satellites?	22.4	67.7	9.9

	Percent		
	Yes	No	No opinion
23. Do you favor U.S. aid to Communist satellite countries?	8.5	84.7	6.8
24. Do you favor diplomatic recognition by the United States of Communist China?	21.6	70.8	7.6
25. Should the Committee on Un-American Activities be abolished?	13.7	76.7	9.6
26. Without guarantee of a reliable inspection system, should we permanently abandon atomic tests?	6.2	88.4	5.4
27. Do you support the establishment of a Freedom Academy to train citizens for "total political war"?	45.0	28.0	27.0
28. Should the Secretary of Labor be allowed to establish employment standards for migratory workers?	56.1	28.0	15.9
29. Do you believe our electoral college system should be changed?	72.6	9.7	17.7
If so, do you prefer—			
(a) Election of President and Vice President by direct popular vote?	62.6	14.2	23.2
(b) Dividing the electoral vote for each State in proportion to the total vote cast in that State for each candidate?	18.4	29.3	52.3
(c) Proportional plan, whereby electors would cast presidential vote in keeping with the popular vote total in his electoral district?	15.8	31.2	53.0

Testing of Atomic Weapons

EXTENSION OF REMARKS
OF
HON. JOHN S. MONAGAN
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, June 26, 1961

Mr. MONAGAN. Mr. Speaker, in these days of difficult decisions, no problem is more fraught with fateful consequences than the problem of deciding on a resumption of testing of atomic weapons.

The people of this country have had divided counsel on this important subject but the time is at hand when a decision must be made in the interest of the security of the United States.

Senator THOMAS J. DODD has been customarily forthright in his discussion of this difficult problem and in his description of the considerations which impel the thoughtful person to the conclusion that resumption of testing is being forced upon the United States.

Senator DODD states the issue so clearly and so forcefully in a letter to the New York Times of today, June 26, that I believe the Congress and the public generally should read his words. I am happy to append his letter herewith:

TEST RESUMPTION WANTED—SENATOR DODD SAYS SOVIET ATTITUDE LEAVES UNITED STATES NO ALTERNATIVE

To the EDITORS OF THE NEW YORK TIMES:

Your editorial of June 14 stated that "we must not resume testing, certainly not at this time and preferably not before the Soviets resume testing." On June 19 a second editorial stated that "if we were to resume testing, we would give Russia an opportunity to catch up with us."

I do not know where the writer of these editorials obtains his information, but I am compelled to ask: How does he know that the Soviets have not been conducting clandestine tests ever since the moratorium began?

You may conceivably answer by asking me whether I have any proof that the Soviets have been cheating on the moratorium. Without any system of inspection there simply could be no proof that would stand up in court, even if the Soviets had conducted hundreds of clandestine tests, underground and in space, up to the megaton level. On the other hand, we have now had more than four decades of experience with international communism and, on the basis of this experience, certain things can be stated as facts.

It can be stated as a fact that communism is utterly without humanity or moral scruples.

It can be stated as a fact, and this fact is documented by a Senate study, that the Soviet Government since its establishment has violated more than 1,000 treaties and agreements into which it has entered. It can further be stated as a fact that Communist doctrine, from Lenin on down, sanctifies the violation of treaties if such action helps to advance the cause of world communism.

VIOLATING PACTS

Against these undisputed background facts it can be taken as axiomatic that if the Kremlin stands to make important gains from the violation of an agreement and if, in addition, it can violate this agreement with absolutely no risk of exposure or obloquy, it will certainly do so.

The moratorium on nuclear testing was in my opinion the most fatuous bipartisan blunder we have ever committed in the field of foreign policy. It was wrong no matter how you look at it. It was wrong because it based our security as a nation on the word of honor of a government that has consistently violated its word of honor.

It was wrong even from the standpoint of those who consider a test-ban treaty one of the chief objectives of our foreign policy. More than any other single factor, the moratorium has deprived us of all bargaining power in Geneva. There simply was no reason why the Soviets should agree to a test ban with inspection when we had, in effect, already agreed to a test ban without inspection.

Unless our policymakers and the editorial writers of the New York Times can establish beyond reasonable doubt that the Soviets have abided by the moratorium, prudence and a decent respect for the safety of our people point imperatively to the need for terminating the moratorium without further delay.

FIRST WITH BOMB

I would point out that America beat the Kremlin to the H-bomb by a matter of months only. Had President Truman procrastinated instead of ordering a crash program to develop it, America today might be a Soviet satellite. Other breakthroughs just as revolutionary are on the books. For example, if the Soviets got the neutron bomb before we did, we might then be confronted with the choice between surrendering without battle or engaging in all-out thermonuclear war.

I do not share the view that the United States will stand condemned in the eyes of the world if it renews nuclear testing. We have gone the extra mile 10 times over. If we again spread the record of Soviet perfidy before world opinion, if we unilaterally and without agreement commit ourselves to conduct no tests that contaminate the atmosphere, if we frankly set forth the military danger to the entire free world of a new Soviet breakthrough in nuclear weapons, if we then declare that Soviet intransigence at Geneva and Soviet opposition to inspection leave us with no alternative but to resume underground testing, I am confident that this position would enjoy overwhelming understanding and support from freemen everywhere.

THOMAS J. DODD,
U.S. Senator.

WASHINGTON, *June 22, 1961.*

The One-Way Street

EXTENSION OF REMARKS
OF
HON. JOHN H. DENT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 26, 1961

Mr. DENT. Mr. Speaker, under leave to extend my remarks, I wish to include a press release by me:

THE ONE-WAY STREET

A House subcommittee studying the impact of foreign trade on U.S. employment has received evidence of shocking and dangerous oil import practices, Representative JOHN H. DENT declared today.

After only 2 days of hearings that will ultimately cover a wide range of industries affected by international trade policies, Congressman DENT said he is reporting the information to call attention to the need for "immediate remedial action by the executive department and/or Congress."

Referring to testimony from anthracite and bituminous coal spokesmen, he said:

"Because of national defense as well as economic implications, this information cannot be withheld until the subcommittee report is prepared. With coal mining areas plagued by labor surplus conditions and world peace hinging on the fancy of a fanatical fiend in Moscow, it is past time for an adjustment of oil import policies.

"Information received during opening hearings may also be helpful to Congress in its deliberations on foreign aid, for we have evidence that some beneficiaries of our generosity have entered into barter deals to take anthracite from Russia instead of from Pennsylvania. Similar transactions are being developed with Soviet oil as bait, another situation which cannot be overlooked in the formulation of a new foreign economic assistance program."

In a statement prepared for delivery on the House floor, Congressman DENT declared that numerous communities in Pennsylvania and West Virginia would "automatically emerge" from the distressed area classification if residual oil imports were prevented from usurping much of coal's markets on the east coast. Atlantic seaboard consumers who demand unrestricted volumes of oil imports are "provincial and selfish," he charged, pointing particularly to New England business groups who demand unrestricted shipments of foreign residual oil

while insisting upon quotas and tariffs for textiles, fish, shoes, and other products native to that area.

Congressman DENT said that international oil shippers have a "leverage" to dispose of residual oil at whatever price is necessary to undersell coal because "whatever losses are incurred in these transactions can be absorbed by the profitable sales" of gasoline, lubricating oils, and other higher grade products of crude petroleum. Continuing, he said:

"This advantage—of being able to stick the American motorist with part of the tab for industrial sales of residual oil—has brought economic disaster and destruction to mining communities from the anthracite fields of Pennsylvania to bituminous regions beyond the Ohio River. The procedure is dually insidious in that it vitiates America's defense structure.

"If Khrushchev ever carried out one of his assortment of threats, the quick disruption of ocean tanker traffic is a foregone conclusion. For this reason the Office of Civil and Defense Mobilization should send a survey team up and down our east coast if necessary to find out which industrial fuel oil consumers now on foreign residual oil would be needed to take part in a mobilization program.

"If shipping from foreign refineries is knocked out, where will plants participating in the defense effort get their fuel supply? The answer to this question cannot wait until Khrushchev explodes over the Berlin issue or the Laos controversy."

Congressman DENT said that, while the oil import fiasco should be corrected immediately, there are other trade policies involving the Nation's energy supplies that also require close scrutiny on the part of Congress. He said that his hearings have produced evidence that the Polish Communist government is seeking to modernize some of its mining operations through use of foreign aid money from the United States. At the same time, he said, Polish coal is moving into Western Europe in competition with coal from American mines.

"In the course of our hearings, the entire energy picture—including new inroads by Russia in the oil export market—will be clarified," he said. "The subcommittee will also look into both the advantages and disadvantages of foreign trade policies with respect to other basic American industries.

"We are hopeful that the information will be particularly useful to the Ways and Means Committee when the Reciprocal Trade Agreements Act expires next year. Meanwhile it will be up to Congress to take steps to correct the very ugly oil import problem unless OCDM's study prompts the Interior Department to order sharp and immediate cutbacks."

The Public's Opinion

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. HOSMER. Mr. Speaker, the following public opinions are based on a poll taken by mail. Approximately 24,000 questionnaires were mailed and over 8,000 returned, a response rate of approximately one-third. These are preliminary tabulations, but final results are expected to vary only slightly. In releasing these results, I wish to express my sincere appreciation to the many thousands of thoughtful citizens who conscientiously cooperated in this effort.

The area polled was California's 18th Congressional District which I have the honor to represent. It is located in the metropolitan area of southeastern Los Angeles County and comprises the cities of Long Beach, Lakewood, and Signal Hill. Party affiliation in this area is about as follows: Democrats, 57 percent; Republicans, 40 percent; nonpartisan, 3 percent. Questionnaires were mailed in this party ratio and it is assumed they have been returned in the same ratio. This district characteristically votes close to the national average and should, therefore, approximately reflect the national thinking. As a consequence, I confidently present the results of this poll as the opinions of not just one area, but the Nation as a whole.

NUCLEAR TESTING

Four of every five Americans believe the United States should resume nuclear testing underground; only 1 in 10 opposes it; and about the same number expresses no opinion.

I have conveyed these figures to Secretary of State Dean Rusk and U.S. negotiator at the Geneva test ban talks, Arthur H. Dean. Both have been receiving large quantities of mail from "bleeding heart" sources and "front groups" which may have got them out of tune with these true feelings of the American people they are supposed to represent in international negotiations.

However, Americans see some value in keeping the talks going, so long as the self-imposed U.S. moratorium on nuclear testing, declared in 1958 by then President Eisenhower, is lifted promptly. Only three in five would call off the talks altogether, while one-third believe they should continue. Seven percent voiced no opinion.

RED CHINA POLICY

On the proposition of admitting Red China to the United Nations, our poll showed: For, 10 percent; against, 85 percent; do not know, 5 percent.

A slightly easier attitude was expressed on U.S. diplomatic recognition of Red China: For, 18 percent; against 74 percent; do not know, 8 percent.

POSTAL RATES

Over two-thirds of American letterwriters are willing to pay 5 cents instead of 4 cents to send their mail to help end the postal deficit. In our poll 68 percent of the people asked this question responded "Yes"; only 27 percent "No"; and 5 percent "do not know."

However, there was almost universally some very strong reservations. In return the people want the Post Office Department run efficiently and demand higher rates for other than first-class mail, particularly magazines which they appear to regard as "getting away with murder" by paying almost "giveaway" postal rates. The same attitude prevails, possibly even more strongly, as regards to junk mail advertising matter, which is far less popular than ants at a picnic.

FEDERAL AID TO EDUCATION

Of the over 8,000 persons answering the questionnaire, just about half favored Federal aid for school construction and just less than half wanted no Federal aid at all. Only 28 percent favored Federal aid for teachers' salaries; 58 percent were opposed on the salary issue; while 14 percent expressed no opinion.

CUBA, COMMUNISM AND COLD WAR

Over half the people of the United States favor sending U.S. Armed Forces right now to Cuba to get rid of Castro and communism. Fifty-seven percent of the persons asked this question gave a firm "Yes" in reply; 34 percent said "No," and 9 percent were undecided. So many hundreds of respondents volunteered comments relating to this subject that they deserve summation: It is, There is a definite and decided belief among the American people that the United States must properly police the Western Hemisphere.

The people of the country appear to be far ahead of the Kennedy administration in their inherent belief that positive U.S. action is necessary not only in the Americas, but worldwide, to halt the flow of communism. In this poll opinion was practically unanimous, over 90 percent on these points:

First, the United States is in a nonmilitary war with international communism which could result in total victory for either side without firing a shot.

Second, Americans collectively, through their Government, do not grasp that we are actually fighting such a war.

Third, our Government has not yet properly organized itself to fight it effectively.

Fourth, we are not putting enough skill and effort into the cold war.

Fifth, we are losing it.

Over two-thirds believe winning is going to take higher taxes and forgoing many desirable domestic programs to keep communism from taking over the world and they are impatient to get on with the job.

The demand is clear for U.S. leaders to stop pussyfooting and to back up bold speeches with bold actions. The American mood of frustration with the Eisenhower administration for not coming to grips with these basic problems is rapidly being transferred to the Kennedy administration.

The people are willing to work, to sacrifice, and to fight, if necessary, to preserve the United States of America. They are thoroughly discouraged because almost 6 months have passed under the Kennedy administration and no solid answers have yet been given to the question: "What can you do for your country?"

LABOR AND BUSINESS

Labor unions have earned a very poor public image and business a good one, according to poll results on the following two questions:

In general, do you feel there are enough laws restraining business? Results: yes, 79 percent; no, 16 percent; do not know, 5 percent.

In general, do you feel there are enough laws restraining labor unions? Results: yes, 13 percent; no, 83 percent; do not know, 4 percent.

Supporting comments most frequently added to questionnaires cited labor troubles at Cape Canaveral as "treasonable" and certain labor leaders, as distinguished from the labor movement itself, as "arrogant and unpatriotic." Antibusiness sentiment centered on price-fixing practices. At this point I should like to caution both labor and business leaders that I am merely relating what the results of our poll show public attitudes to be. If they do not like the results, it is up to them to put their own houses in order.

FARMERS

In metropolitan, nonfarm areas, our poll shows a high degree of antagonism to farm subsidies as illustrated by the following question and answers:

Should the farm price support program be scrapped entirely? Results: yes, 69 percent; no, 23 percent; do not know, 8 percent.

MEDICAL CARE FOR THE AGED AND DIVIDEND WITHHOLDING TAX

A rather interesting contrast in opinions on medical care for the aged and the divided withholding tax proposal was revealed in our poll by the following two questions:

Should there be a withholding tax on corporate dividends and savings account interest? Results: Yes, 19 percent; no, 74 percent; do not know, 7 percent.

Should the social security law be amended to include medical care for the aged? Results: Yes, 53 percent; no, 41 percent; do not know, 6 percent.

SUMMITRY AND KENNEDY'S SPECIAL RECOMMENDATIONS TO CONGRESS

President Kennedy's Vienna trip to meet Khrushchev was a public relations bust, his efforts to glamorize summitry flopped in a big way and more than half of his recommendations in a special message to Congress before he left for Europe fell on deaf public ears according to our findings.

When people were asked in our poll if they thought it was "a good idea" when they first heard of President Kennedy's trip, 55 percent answered "no," 41 percent "yes", and 4 percent were in doubt.

Then asked about the outcome of the trip "now that the Vienna talks have occurred," almost all felt "nothing was accomplished"; over half figured the Soviets got the best of the Vienna propaganda harvest, while around one-third either felt the United States got a break in this regard, or that the outcome was about even.

In our poll President Kennedy's loss was 4 to 3 when the public was ask how they would vote, if they were the Congressman, on his pre-Vienna proposals made in a personal message to Congress May 25. The feeling of the citizenry on the seven major proposals he made is approximately as follows:

Two to one against sending a man to the moon by 1970, and spending an additional $7 to $9 billion to do it.

Four to one against boosting foreign aid by $535 million.

One to one on tripling spending for civil defense.

Three to two for giving the U.S. Information Agency $121 million for oversea propaganda during the next year.

Two to one against setting up an enlarged disarmament administration.

Three to two against giving Mr. Kennedy a $250-million contingency fund for additional foreign aid spending.

Mr. Kennedy had a clear win, with almost everybody behind him, in his call to beef up Army and Marine Corps strength to meet brush fire wars. Only about 10 percent of persons polled were against this proposition.

After reading thousands of comments penned and penciled on these questionnaires by Americans obviously and patriotically concerned with the safety and welfare of their country I have come to this conclusion: The American people instinctively know that strength, not frills, is the way to stop the Kremlin menace; they are right, and they expect their Government to start acting accordingly.

U.S. Naval and Marine Corps Reserve Composite Company 5–48 Affords Members of Congress an Opportunity While in Washington To Continue Participation in the Nation's Military Reserve Program

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. VAN ZANDT. Mr. Speaker, every week when Congress is in session, U.S. Naval and Marine Corps Reserve Composite Company 5–48 meets on Capitol Hill. This volunteer training unit was established during January 1957 to afford Members of Congress an opportunity to continue their participation in the Reserve program at a time and place that makes it possible for them to continue their active interest in the Navy, Marine Corps, and Coast Guard.

The weekly meetings include a classified operational briefing of Navy and Marine Corps ship and unit dispositions, followed by a formal presentation on a subject of current military interest.

The meetings, for which the reservists receive no pay, are exceptionally well attended. These drills are also supplemented from time to time by field trips and active duty-for-training ashore and afloat. Recently for example, the unit spent more than 2 hours at the Naval Gun Factory inspecting two destroyers—one of which had been modernized. In the very near future, the unit will tour the David Taylor Model Basin.

The intense interest shown by the members in national defense matters keeps them well informed on the single most important problem before the Nation today, national security.

The following Senators and Representatives are on the rolls of the unit; all are members of the Naval Reserve, or Coast Guard Reserve: Representative WILLIAM H. BATES, of Massachusetts; Representative DANIEL B. BREWSTER, of Maryland; Representative JACK BROOKS, of Texas; Representative CHARLES E. CHAMBERLAIN, of Michigan; Representative JAMES C. CORMAN, of California; Representative ED EDMONDSON, of Oklahoma; Representative ROBERT F. ELLSWORTH, of Kansas; Representative JAMES G. FULTON, of Pennsylvania; Representative CRAIG HOSMER, of California; Representative GEORGE HUDDLESTON, JR., of Alabama; Representative PETER F. MACK, JR., of Illinois; Representative WILLIAM S. MAILLIARD, of California; Representative CHARLES MCC. MATHIAS, JR., of Maryland; Senator CLAIBORNE PELL, of Rhode Island; Representative J. T. RUTHERFORD, of Texas; Representative JOHN P. SAYLOR, of Pennsylvania; Representative HENRY C. SCHADEBERG, of Wisconsin; Senator HUGH SCOTT, of Pennsylvania; Representative ARMISTEAD I. SELDEN, JR., of Alabama; Representative ROBERT T. STAFFORD, of Vermont; Representative SAMUEL S. STRATTON, of New York; Representative AL ULLMAN, of Oregon; Representative JAMES E. VAN ZANDT, of Pennsylvania; Representative BOB WILSON, of California.

Additionally, congressional staff personnel with Reserve status participate in the unit activities.

Statement Before House Appropriations Committee

EXTENSION OF REMARKS

OF

HON. CORNELIUS E. GALLAGHER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. GALLAGHER. Mr. Speaker, under leave to extend my remarks in the RECORD I include the following testimony which I gave before the House Appropriations Committee, Subcommittee on Public Works, requesting adequate appropriations for the New Jersey meadowlands.

I would also like to include as part of my remarks the statement of Thomas Gangemi, supervisor of Hudson County:

STATEMENT BY HON. CORNELIUS E. GALLAGHER, OF NEW JERSEY, BEFORE HOUSE APPROPRIATIONS COMMITTEE, WEDNESDAY, JUNE 7, 1961

Mr. Chairman, within the shadows of Manhattan lies a vast unclaimed tract of land that if developed would, I am certain, be listed among the world's most valuable real estate. It lies adjacent to what is unquestionably the most productive, most valuable developed urban and port area of the world—New York City. This tract is not 45 minutes from Broadway. It is a mere 5 minutes by barge or by ferry or by motor vehicle through one of several tunnels.

In its vastness there is nothing, and undeveloped and unproductive, it is worth nothing. It's great worth to Metropolitan New York and New Jersey, and to the economy of the entire eastern seaboard is in its potential.

The development of the north Jersey meadowlands for industrial and transportation use, and even for large scale housing to accommodate the teeming millions who overcrowd Manhattan, almost defies imagination. By our failure to reclaim this wasteland, we are indeed thwarting progress. We are failing to make possible a solution to the shipping, traffic, transportation and housing problems that currently plague the great port of New York.

The thousands of swampy acres of the north Jersey meadowland, so important to the future development of the world's greatest port area, challenge the imagination of city and industrial planners and engineers who see in these wasted acres land upon which could be built efficient facilities and sites which would serve for the expansion of existing facilities on both sides of the Hudson River which now have nowhere to expand.

Consider what such expansion would do for the economy of the New Jersey side of the Hudson, most of which is a distressed labor area. The building of tremendous trucking, storage and transshipping facilities would create many thousand of jobs and would thus relieve the persistent unemployment in this area.

The north Jersey meadowland is a vast cancer, a sodden tract with raw sewage. It produces nothing and contributes nothing to the well-being of the people but a few bales of salt grass.

The full reclamation of this swamp, or reclamation of even a substantial part of it is too great a project to be undertaken without some Federal financial assistance. The officials of adjacent communities who have organized the Meadowlands Regional Development Agency are to be commended for their effort to bring about major reclamation. But these municipalities, even with the assistance of the State of New Jersey, cannot be expected to accomplish the improvement alone. There must be some help from the Federal Government.

The request this committee is considering is, I am certain, the distinguished members will agree, a modest start. It will serve merely to advance the planning and surveying necessary to the development of a fixed plan for development over a period of years.

There has been some very limited piecemeal reclamation, mainly by private interest, but this is not the effective approach to a project of this magnitude. Even the big Port of New York Authority does not have the capability of carrying out full reclamation. This must be a venture in which Federal, State, county and local governments join, for all will benefit by the improved economy.

While reclamation for housing to accommodate the millions of persons now living in Manhattan in less than substandard dwellings has not been too seriously considered by planners to this point, this is a distinct possibility. There is to my knowledge no reason why attractive and efficient housing could not rise on part of this vast tract. Indeed a young man in my district then studying engineering submitted to me several years ago a plan for the building, on a section of the reclaimed swamp, a whole city. The possibilities are unlimited and nothing has so impressed this upon me as the vision of my young constituent.

The testimony which this committee is hearing this morning in support of Federal funds for a survey of this tract is not a selfish plea, considering that the benefits to be derived from full development would accrue not alone to the communities in the area and shipping and industry in New York, but would benefit the commercial and industrial complexes of the entire eastern seaboard.

Reclaiming the New Jersey meadowlands would completely revitalize New Jersey. It would create thousands of jobs, reduce local taxes by creating new ratables. It would greatly increase Federal income by stimulating our entire economy in this area.

I sincerely feel that no investment by the Federal Government could reap greater returns from the Federal Government and the people of the metropolitan area.

Once the reclamation is a reality there would be a thousandfold return to the Federal Government for every dollar that went into making it possible.

The whole idea of reclaiming this vast tract of swamp and making it a useful and productive area, is too vast a project to be discussed before this learned committee in any detail. The possibilities are almost beyond the imagination of man.

I urge the distinguished members of this committee to favorably consider the proposal that there be included in the fiscal year 1962 appropriations bill funds to get started an engineering study that will lead to the realization of a full reclamation and development of the New Jersey meadowlands.

Appearing with me was the following delegation from Hudson County:

Hon. Dominick V. Daniels, Representative, 14th District, New Jersey; Ben Schlossberg, director of industrial and real estate development, who read Supervisor Thomas Gangemi's statement in his absence; John H. Brandle, director, Hudson County Board of Freeholders; George M. Bonelli, Hudson County freeholder; Edward P. Carey, Hudson County freeholder; Samuel Miller (Senator Kelly), Hudson County counsel; Walter Mohn, assistant county engineer; Joseph Healey, mayor of Kearny; Charles Weaver, mayor of North Bergen; and C. Harry Callari, Hudson County Mosquito Commission.

TESTIMONY BY THOMAS GANGEMI, SUPERVISOR OF HUDSON COUNTY, BEFORE CONGRESSIONAL APPROPRIATIONS COMMITTEE, JUNE 7, 1961

The county of Hudson urges this committee to recommend an initial appropriation of $50,000 for the purpose of conducting a survey affecting the streams and river basins in our area as outlined and authorized by Public Law 85–500.

The Army Engineers are not only sympathetic but very anxious to conduct this survey. However, as a result of many conferences, and in particular the one held on April 15, 1961, in my office in Jersey City with Frank L. Panuzzio, assistant chief engineer of the U.S. engineering district in New York, who was a witness to the damage caused by the floods at that time, the Army Engineers have been most anxious to cooperate. In fact, since March 19, 1959, as a result of their many inspections of the meadowlands area they have been most interested in cooperating with us.

We are convinced that the Army Engineers have the ability and facilities to conduct this survey. Proper reclamation of the wasteland of the meadows is a necessity which only the Federal Government can initiate.

The success of this endeavor will lead eventually to thousands of millions of dollars in new ratables and give employment to thousands of people in our area.

The Jersey meadows extend about 28 miles in length and 4 miles in depth through the counties of Hudson, Bergen, Essex, Union, and Middlesex.

Dutch engineers, viewing the marshes in the shadow of the Empire State Building, declared "only in America could it happen." Thus do Europeans regard our waste of a treasure.

It is estimated there are 30,000 acres of marshes, a fifth of which has been reclaimed.

The reclaimed portion gives an inkling of the value of this land when it is considered that built on it are massive electrical generating stations as heavy as a 50-story building; railroad marshaling yards, through which 30 million tons of freight pass annually; 2 airports, heavy industrial plants, some of the largest truck terminals in the world; ship terminals; refineries and petroleum distribution centers.

These developments are industrial proof that the marshes can be conquered and put to profitable use.

This conquest of the meadows, however, has been piecemeal and different methods of reclamation have been used, and the cost per acre is about the same as upland acres.

What is needed at this time is a survey which would be the basis for overall reclamation of the meadows with a view toward planned development.

From the survey, we would find the real extent of the poorly charted marshes; basic soils and engineering data.

Without this survey, the marshes will remain a wasteland in the midst of overoccupied land. The survey should tell us where to erect dikes and locks and pumping stations without regard to geographical borders.

Then, with the land reclaimed, industry would have a place to expand, municipalities would receive new tax ratables and our people would have more job opportunities as the overall economy was given a boost as the last frontier of the metropolitan area opened up.

These statements have been concurred in by the Hudson County Board of Freeholders and the mayors of Kearny, North Bergen, and Secaucus, the latter three municipalities embracing the major portion of the meadowland area.

"Don't Tread on Me"

EXTENSION OF REMARKS
OF
HON. CHARLES E. GOODELL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. GOODELL. Mr. Speaker, we of the New York congressional delegation point with pride to the Representative from the 37th District, HOWARD W. ROBISON. He has demonstrated to all of us not only his great ability, but also his quiet dignity and commonsense. He is a dedicated Congressman who sticks to the job and watches every detail of legislation affecting his people. I consider it a distinction to represent a congressional district bordering the one represented so ably by HOWARD W. ROBISON.

On Saturday, June 17, and June 18, 1961, Congressman ROBISON delivered an eloquent address at Flag Day ceremonies sponsored by the Elks Clubs in Corning, N.Y., and Endicott, N.Y. Demonstrating his deep understanding and appreciation of American history, Congressman ROBISON delivered a stirring and patriotic summons to his people. I commend it to the reading of my colleagues. The address follows:

"DON'T TREAD ON ME"

All of us who are members of this organization—known to us as distinctively American—can take pride in the fact that it was

this order that first, and some 40 years prior to the congressional resolution recognizing a Flag Day as such, set aside June 14 as an annual moment of rededication to the great heritage of freedom and free institutions which this flag represents.

In a day when there are some among us who decry patriotism, and who are indifferent to the memory of those stalwart forebearers of ours who pledged their lives, their fortunes, and their sacred honors in defense of all this glorious banner symbolizes, let us be glad that we Elks stand unashamed in the front ranks of those who are still thrilled by the privilege of pledging allegiance—wholeheartedly and without mental reservation—to this, our flag.

As a member of the Owego Lodge of Elks, and as a past exalted ruler of that organization, it was my privilege to take part on several occasions in the pageant of flags which we still use, as a part of these ceremonies, to depict the history of the American flag. Years prior to that my father, who was the first exalted ruler of the Owego Lodge, used to take me to those same ceremonies and, as a young boy the one flag in the colorful review that I shall always remember was that continental flag, only used for awhile, depicting a snake—do you remember it?—and the slogan warning "Don't Tread on Me."

That temporary banner had none of the beauty of Old Glory of today, that's for sure, but it typified a sort of Americanism that understood not such phrases as "appeasement" and "apathy"; that worried not about "prestige" but desired only to be first "right," and secondly "strong" enough to make right prevail; that knew that high-sounding words could never substitute for courageous deeds; that would not dip its proud banner to any man or any other nation of men, but only in reverence to God.

It was that sort of Americanism that gripped Capt. John Parker, saying to the Minutemen on Lexington Green in 1775: "Stand your ground. Don't fire unless fired upon, but if they mean to have a war let it begin here"; and Patrick Henry, of Virginia, when he uttered these flaming words that same year: "Is life so dear or peace so sweet as to be purchased at the price of chains and slavery? Forbid it, Almighty God. I know not what course others may take, but as for me, give me liberty or give me death."

It was that sort of Americanism that, a year later, moved John Hancock to affix his bold signature to the Declaration of Independence with a flourish, saying: "There; I guess King George will be able to read that."

It was that sort of Americanism that inspired John Paul Jones—whose ship first flew that snake flag—to later say, when asked if he was ready to surrender the Bonhomme Richard: "Surrender? I have not yet begun to fight."

It was that sort of Americanism that saw the successor to the snake flag carried victoriously across the bloody snows at Valley Forge, that successor being the Stars and Stripes, originally adopted as our National Emblem by action of the Continental Congress taken on June 14, 1777, by virtue of a resolution declaring: "The flag of the United States (shall) be 13 stripes, alternate red and white, (with) a Union (of) 13 stars, white in a blue field, representing a new constellation."

It was still that sort of Americanism that saw this Nation grow and helped it grow, as the people who lived and died under that banner, with faith in all for which it stood, with faith in their God and in each other, carried it again victoriously through the War of 1812, through those terrible years of a century ago when brother fought against brother but the Union was preserved, up San Juan Hill with the man who warned us to "Talk softly, but carry a big stick," through the hellfire of Belleau Wood, where Marine Sgt. Daniel Daly cried: "Come on, you so and so's, do you want to live forever," and that followed "Kilroy" through the foxholes of a wartorn Europe, and on Wake Island whose defenders, when asked in their desperate situation if they needed anything, radioed back merely: "Send us more Japs." It was that sort of Americanism that sought to "make the World safe for democracy," and, failing, sought to do so once again on the beach at Anzio and at far-away islands with strange sounding names all across the Pacific, and, again failing, sought to do so yet once more in a place called Korea.

And as men like Captain James Lawrence, aboard the frigate *Chesapeake* in 1813, while he lay dying, said: "Tell the men to fire faster and not to give up the ship; fight her till she sinks"; and Ulysses S. Grant at Spotsylvania Court House wired Washington, in 1864; "I propose to fight it out on this line if it takes all summer"; and someone named Howell Forgy on board the *New Orleans* on Sunday, December 7, 1941, at a place called Pearl Harbor, shouted: "Praise the Lord, and pass the ammunition." All this time this Nation grew in strength and in purpose, even as the number of stars that made up that new constellation on Old Glory grew and grew in number until there were 50 in all.

And so we come to recent years and to today, and to a new sort of war that is not a war—one that has been difficult for us to understand or else that, understanding, we have not wished to recognize, a war fought perhaps only in the hearts and minds of men instead of with shot and shell; a war that holds forth few if any opportunities for glory, but that nevertheless demands of every participant on the side of freedom more willing sacrifice and selfless dedication to the principles we have so far lived by than any other challenge that has so far been raised respecting our physical and spiritual survival.

And what do we see in the face of that threat? We see our flag torn down, and trampled and even spat upon with impunity; we see our representatives abused, reviled and threatened with bodily harm; too often, we see them step backward.

We have bargained away bits and pieces of the world to a mustached, faithless, and godless tyrant at places called Yalta, Teheran, and Potsdam, and have "gone the second mile," and, yes, the third, fourth, and fifth mile, too, with the unmustached shoe-pounding tyrant that replaced him, all in pursuit of the false promise of something called peaceful coexistence with a philosophy that has enslaved millions of people whom it promised to "liberate" from colonialism and imperialism.

We see a bearded disciple of that same philosophy firmly entrenched only 90 miles off our own coastline, hurling insults that we only stand and take because, when we sought to act against his regime of suppression and terror, by helping those brave few who dared to try to regain their native land, our aid consisted only of brave words and we withheld the vital air cover without which they could not succeed. Why did we withhold that air cover? Because, apparently, we feared the damage that might thereby have been caused to our prestige in other parts of the world—little realizing that that prestige would be equally as damaged, if not more so, by our apparent irresolution and lack of strength.

Don't tread on me.

Then, to somewhat ease our conscience—to help us forget what we had not done—we succumb to a shakedown by that same tinhorn, bearded dictator, accepting the principle of appeasement of communism, regardless of the high and sincerely humanitarian motives of those who sought thereby to save 1,200 lives, but forgot the 150,000 or more prisoners who rot in Castro's rathole prisons, those brave patriots in Hungarian prisons and even our own boys still held in the jails of communism somewhere on the mainland of China and in North Korea.

In my judgment, if those tractors that are not just farm tractors but also machines that can be used to build airstrips and missile bases are ever delivered to Castro—which perhaps now they will not be—we have once again compromised with the basic principle over which that war between brothers was fought, that 100 years ago, that man is more than just a piece of matter, and that human beings cannot be bartered like slaves on an auction block. Of course, we value human lives—any human life, American or not—more than money, but that is not the point, especially when the cost of doing so is strengthening the tyrant who denies their country's freedom.

Years ago—maybe in another sort of America—when the unsavory French Foreign Minister, Talleyrand, demanded a bribe as the price of negotiating with the United States, our envoy, Charles C. Pinckney, replied with his memorable, "Millions for defense, but not one cent for tribute."

What, then, has happened to the land of the free, and the home of the brave? What has happened to our national pride? Can we not learn from Yalta, Potsdam, and from Cuba, that communism understands only strength—respects only resolution—that it will take or seek to take a mile if given an inch—that, thus, every time we yield we only increase the danger of war, while every time we stand firm, as at Berlin, at Lebanon and in the Formosa Straits, the Reds have backed down and will continue to do so. Unless we accept this as fundamental policy—at long last—we will continue to drift from crisis to crisis and from stalemate to stalemate.

And, speaking of stalemates, I would like to call your attention to the most serious one of all—that which has existed for over 2 years at Geneva where we have been seeking to negotiate with the Communists to work out a mutually acceptable nuclear test ban agreement. In my judgment these talks have disintegrated into a burlesque whose humor is obscured by the fact that our destiny is at stake. With almost child-like innocence—knowing we are dealing with a sworn enemy that, since 1917, has defaulted on 52 out of 54 major, solemn agreements executed by and between that enemy and these United States—we have permitted Khrushchev to have what he has always wanted—an unpoliced moratorium on nuclear testing which, in all prudence, we must assume has been one-sided only, and this in a day and age of rapid technological advancement, not just in the peaceful uses of atomic power but in weaponry, as well. Can it be that the reason behind Khrushchev's glee and seemingly supreme confidence is the secret progress he has been making towards an ultimate weapon, while we, obsessed by the thought that if we break off those talks our prestige will once again suffer, talk hopelessly on and on?

I can appreciate our President's dilemma, here, but it seems to me that the security of the United States is of far greater importance than what others may think of us. On October 10, 1960, Mr. Kennedy, then a candidate for the Presidency, wrote a letter to Thomas Murray, prominent New York Democrat and former member of the Atomic Energy Commission, in which he said: "I intend (if elected) to prescribe a reasonable limit within which to determine whether significant progress (at the Geneva test-ban talks) is being made. At the beginning of the period I would direct the Atomic Energy Commission to proceed with preliminary preparation for underground tests."

It is now 7 months since his election. He has had a chance to talk directly with Khru-

shchev on this point, and has reported to us that he found no evidence that progress can be made at Geneva. And yet, no time limit within which the Reds must show their good faith has been set, and no green light to the AEC to begin the time-consuming planning for resumption of safe underground testing has been given. Members of the President's own party have urged him to give this problem his urgent consideration, and I think it is time that the American people also call upon him to do so.

The world is, indeed, watching to see what we will do. Freemen of stout heart are losing hope; their confidence in us is breached but not broken. It is not yet too late, if we act now, boldly and resolutely—but this may well be our last chance.

I think there is too much of a tendency among us to blame our seeming indecision, our floundering uncertainties, our inner fears, upon our leaders and elected representatives. But, let us be realistic enough to recognize that, if there are too many of us who secretly wonder if it might not, after all, "be better to be Red than dead"; if there are too many of us willing to give up our ship for a shore—to substitute the mother hen for the American eagle as our national symbol—to flinch at doing, each, our own small bit to use the eternal verities of freedom in making our system work, once again, as we know it can and will, if we but put our shoulders to the wheel—then, obviously some of that will be reflected in the thinking of our leaders and elected representatives and in the policies that they adopt.

Abraham Lincoln once said: "If destruction be our lot, we must ourselves be its author and finisher. As a nation of freemen, we must live through all time, or die by suicide."

And the history of the world's great civilizations has shown this inevitable sequence, which has taken in every instance about 200 years: From bondage to spiritual faith; from spiritual faith to great courage; from courage to liberty; from liberty to abundance; from abundance to selfishness; from selfishness to complacency; from complacency to apathy; from apathy to dependence; and from dependence back to bondage, again.

In just 15 years, the United States of America will be 200 years old; thus, the question is: Can we—you and I, together—reverse this trend in behalf of our children and our childrens' children, and in behalf of the cause of freedom, for which we are still the world's last, best hope?

To reverse that trend succesfully, will require a resurgence of patriotism and of nationialism—notice I do not say "isolationism," for that is a far different thing—it will require rejection of any notion of peaceful coexistence which pathway can only lead to surrender; it will require, from each of us, a better knowledge of our enemy, a greater awareness of our danger; it will demand a willingness to stand firm against aggression anywhere, regardless of the consequences; it will mean setting for ourselves the goal of freeing every Cuban in Cuba—not just a mere 1,200 of them—because they are all prisoners of the Communist conspiracy, just as are all the people of the so-called captive nations whom we must never forget.

These things—and others like them—in my judgment constitute the only brick and mortar with which we can build an impregnable fortress against communism. Will they also lead to war? God knows I hope not—for with my two sons I have as much to lose as anyone. But I deeply and sincerely believe, regardless of that awful possibility, that these are the things we must do if we are to save freedom and avert a general war. If we do not—if we do not stand firm, on sure ground, in defense of what we know is right, today—tomorrow will find us alone, not united, fighting from fear, not from courage; acting from desperation, not from confidence; fighting for our lives, rather than fighting for our freedom.

In his general orders to the Continental Army on July 2, 1776, George Washington said:

"The time is now near at hand which must probably determine whether Americans are to be freemen or slaves; whether they are to have any property they can call their own; whether their houses and farms are to be pillaged and destroyed, and themselves consigned to a state of wretchedness from which no human effort will probably deliver them.

"The fate of unborn millions will now depend, under God, on the courage and conduct of this Army—our cruel and unrelenting enemy leaves us only the choice of brave resistance, or the most abject submission."

I suggest that, in this day, we need only revise that last paragraph, changing but one phrase, and say:

"The fate of unborn millions will now depend, under God, on the courage and conduct of the American people—our cruel and unrelenting enemy leaves us only the choice of brave resistance, or the most abject submission.

Then, and again in the words of our first President:

"This is all we can expect. We have, therefore, to resolve to conquer or to die."

West Virginia Society of the District of Columbia Holds Annual Son and Daughter Banquet—Honors Dr. Phillip Sporn as Adopted Son of the Year, Miss Bessie B. Bell as Daughter of the Year, and Adm. Felix B. Stump (Retired) as Son of the Year

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EXTENSION OF REMARKS

OF

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, June 26, 1961

Mr. RANDOLPH. Mr. President, on June 23, the West Virginia Society of the District of Columbia held its annual banquet honoring the Son and Daughter of the Year and the Adopted Son of the Year. Our State society of some 800 members engages in a varied range of activities, but the son and daughter banquet is the high point of our meetings. On this occasion the 175 guests were treated to stimulating and provocative speeches by each of the persons honored by the society.

Dr. Phillip Sporn, president of American Electric Power Co., and introduced by Dr. M. G. Burnside, president of the West Virginia Society, was honored as the Adopted Son of the Year, and in his message of response he delivered an informative and thoughtful address on the development of the power industry in West Virginia and the significant contributions which are currently being made by electrical power installations to the expansion of the chemical, electrochemical, metallurgical, and electrometallurgical industries.

Miss Bessie B. Bell, recently retired from a long and distinguished career as a teacher at Glenville State College, Glenville, W. Va., was designated as Daughter of the Year and introduced by Judge Mary C. Barlow, former Daughter of the Year. Miss Bell, whom I have known for more than 40 years, is practically an institution herself, and on this occasion fulfilled the anticipations of her friends and delighted her listeners with remarks which sparkled with wit and humor.

It was my privilege to introduce Adm. Felix B. Stump, U.S. Navy, retired, of Parkersburg, W. Va., as our Son of the Year. Admiral Stump spoke extemporaneously, and though speaking as a private citizen, he drew from his many years of experience in positions of high public responsibility to renew his warnings of the dangers of international communism. Admiral Stump eloquently presented the challenge which confronts our free society in this time of peril and called for greater vigor and awareness on the part of the American people in the years ahead.

In the absence of my esteemed colleague, Senator ROBERT C. BYRD, who was unavoidably absent, the invocation was delivered by the Reverend Frederick Brown Harris, Chaplain of the Senate. I ask unanimous consent, Mr. President, that there be printed in the CONGRESSIONAL RECORD the program of the Son and Daughter Banquet of the West Virginia Society of the District of Columbia, the officers of the West Virginia Society, the speech by Dr. Phillip Sporn, excerpts from the remarks of Miss Bessie B. Bell, and my remarks in introduction of Adm. Felix B. Stump.

There being no objection, the program and related matters were ordered to be printed in the RECORD, as follows:

PROGRAM

Invocation: Senator ROBERT C. BYRD.

Dinner.

Master of ceremonies: Jack C. Burdett, vice president of the West Virginia Society.

Recognition of previous Sons and Daughters: Senator M. M. Neely, Col. Charles Yeager, Col. Michael Benedum, Walter Reuther, Senator Harley M. Kilgore, Dr. Irvin Stewart, Lew Burdette, Raymond E. Salvati, Senator Jennings Randolph, Mary Gamble Kump, Eleanor Steber, Col. Ruth Bradley, Hon. Elizabeth Kee, Dr. Corma A. Mowrey, Mrs. Rush D. Holt, Pearl Roberta Barrows, Mrs. Jackie Oblinger, Judge Mary C. Barlow.

Nineteen hundred and sixty-one Son and Daughter Awards and recipients responses.

Adopted Son of the Year: Dr. Phillip Sporn by Dr. M. G. Burnside.

Daughter of the Year: Miss Bessie B. Bell by Judge Mary C. Barlow.

Son of the Year: Adm. Felix B. Stump by Senator JENNINGS RANDOLPH.

Auld Lang Syne.

Officers of the West Virginia Society: Dr. M. G. Burnside, president; Annie D. Woolwine, executive vice president; Joseph G. Weeda, Alexander M. Carey, Hon. Cleveland M. Bailey, Jack C. Burdett, Martha Farley Thomas, Hon. John M. Slack, vice presidents. Pearl Roberta Barrows, financial secretary; Chester E. Barrows, treasurer; John Stupalsky, historian and public relations director; Frances Munsey, recording secretary; Charles Jules Rose, delegate to conference of State societies; F. Steele Earnshaw, chairman economic development committee.

Dinner committee: Dr. M. G. Burnside, general chairman; Pearl Roberta Barrows, Chester E. Barrows, Annie D. Woolwine, Jack C. Burdett, Joseph G. Weeda, Martha Farley Thomas, Frances Munsey, Alexander M. Carey, Charles Jules Rose.

REMARKS BY PHILLIP SPORN, PRESIDENT OF AMERICAN ELECTRIC POWER CO. ON THE OCCASION OF THE GRANTING TO HIM OF THE AWARD BY THE WEST VIRGINIA SOCIETY OF THE DISTRICT OF COLUMBIA AS THE HONORARY SON OF THE YEAR AT THE ANNUAL BANQUET OF THE SOCIETY HELD IN WASHINGTON, D.C., ON JUNE 23, 1961

Members of the society, distinguished guests, ladies and gentlemen, I am deeply moved by the honor accorded me by the board of directors of the West Virginia Society in making me this year's honorary son of West Virginia. I feel honored for many reasons: for being included in the company of Admiral Stump and Miss Bell as the Son and Daughter of the Year; for being honored by a State that has in the past and is currently contributing so much to the development, growth and expansion of this country of ours—to the welfare, industrial power, and might of this Nation; for being remembered by a State that has had so many great citizens—Stonewall Jackson, Elliot Daingerfield, and John W. Davis of more recent times, to name but three; and finally I feel especially honored because, through me, this award gives recognition to the almost half century of effort by the Appalachian Power Co. and the American electric power system, of which it is so important a part, to develop and bring into effective use the great energy resources of this State, to combine these with the most advanced technology and with the greatest asset of all—human skills and human enterprise—and through these to advance the welfare of the people of West Virginia and of the Nation as a whole.

The works in which these efforts have resulted are to be found in the history of the technical and industrial development of the power industry and in the history of many of the communities and many large areas of this great State; they are to be seen prominently on the West Virginia landscape. Their list is an impressive one. It starts with the Windsor plant in Brooks County, north of Wheeling, where the first modern mouth-of-mine plant was built in 1916–23; goes on to the Logan plant in Logan County where in 1934–37 was erected the largest single steam-electric, high-pressure, high-temperature boiler to burn coal; it continues with the development of three run-of-river hydroelectric plants combined with navigation projects on the Kanawha River at London, Marmet, and Winfield; it gains momentum with the Sporn plant at New Haven, in Mason County, one of the first plants to be projected for a total capacity of 1 million kilowatts, of which 600,000 kilowatts was actually built in the years 1948–51, and which has reached a capacity today of 1,100,000 kilowatts; it continues with the great Kanawha River plant in Kanawha County, one of the truly great modern plants which for 3 years, and as late as 1957, was the world's most efficient powerplant and among the three most efficient every year since its completion in 1953. Then it continues with the Kammer plant which supplies the power and is the center of a huge $200 million aluminum production complex at Omal near Clarington, Ohio—one of two such complexes that brought aluminum to the Ohio Valley, the second being the Kaiser Aluminum operation at Ravenswood with its power coming from the Sporn plant.

These plants have aided in attracting to West Virginia some of the greatest chemical organizations of the world—the Allied Chemical operation near Moundsville; the Pittsburgh Plate Glass operation not far from there; the Mobay Chemical plant; the Monsanto operation at Nitro; the great Du Pont operation at Belle; such plants as the huge complex of Union Carbide and the plants of Food Machinery. All these have helped to develop the Kanawha Valley into one of the great chemical centers of the world. Many other great industries requiring large quantities of power have also been attracted to West Virginia to take advantage of the ability of these great coal-fired plants to supply power at low cost such as the partially finished low-temperature carbonization operation at Captina and the ferro-alloys operation of the Vanadium Corp. at New Haven, adjacent to the Sporn plant. And this list of great industrial and power complexes which have in the past and are today contributing so much to the welfare and prosperity of the State of West Virginia and of the Nation is not a static one. On the contrary it is a dynamic and growing list. Only yesterday at Apple Grove, W. Va., in Mason County, Governor Barron threw a switch energizing electric transmission line conductors at the voltage of 750,000 volts, truly a voltage approaching that of Job's thunderbolts. This marked the beginning of one of the great research projects in the field of extra high voltage transmission, the object of which is to explore the mysteries of these high voltages, to uncover their secrets and to learn how to utilize them productively for the use of man here in West Virginia and elsewhere so as to make it possible to bring electric energy in in greater quantities and more economically to the service of man.

And more is yet to come. We have heard a great deal of this being an atomic age, about this decade being the atomic decade. But this, it is now realized by almost everyone who is taking the trouble to inform himself of the subject, is a superficial designation of our times. It is a wholly uninformed judgment as to how the wheels of industry, as well as the lights and appliances that give us the conveniences and comforts of our age, are actually turned or powered. The truth of the matter is that in West Virginia, as in other places where abundant conventional energy resources are economically available (and in West Virginia we have huge resources in the form of unmatched coal deposits), nuclear power is likely to make relatively minor inroads over the next two decades on the primary source of energy, and particularly the primary energy utilized into electric energy. This does not mean that the coal converted will not be subject to some competition from nuclear sources. It will be, and this represents a challenge to coal. But if coal responds to that challenge, as I am confident it can and will, then coal will continue to carry the principal share of the country's energy burden for some time to come and this will not only be true of the next two decades but beyond that when nuclear power, rather than displacing coal, will be required to complement our coal resources and assist coal to meet the total energy requirements by filling some of the gaps caused by dwindling oil and gas supplies.

And this should mean a great deal to the further industrial development of West Virginia. The decline in additions to the normal reserves of oil and particularly gas and the rise in prices at which they will have to be sold is bound to reduce and ultimately eliminate the advantages of these alternative fuels vis-a-vis coal. These developments can be given a powerful further impetus by the coal industry's vigorous reaction to the challenge of atomic power. Any success in getting coal out of the ground more scientifically and more economically than at present will be of enormous significance in enabling the industry to hold and to expand present markets. And it will be particularly helpful to an area such as the lower Kanawha Valley where mining is so close to generating plants that here at least coal, like nuclear fuel, can be virtually independent of the effect of freight charges.

This should open up a new era in the expansion of chemical, electrochemical, metallurgical, and electrometallurgical industries. We have seen this over the past several years in the coming of the great aluminum industry to the Ohio Valley I mentioned earlier. But we are now moving out of another recession. New industries basic to our economy are most certainly going to go through another expansion program and those requiring large quantities of electric energy are going to look to coal-supplied electric power for this source of energy. Many of these are what are known as primary industries but these industries in turn can attract numerous, important satellite industries built to supply them and to be supplied by them.

I believe a good many of these possibilities are going to materialize in the next 20 years in West Virginia because the fundamentals for their attainment are present. In West Virginia we have a number of established thriving industrial valleys; in West Virginia we are rich in natural resources—climate, ample water, salt and fuel; we have in West Virginia excellent transportation facilities. We have a skilled and experienced population from which to draw and we have proximity to markets. And, finally, there is every promise that the competitive position of coal based energy will become relatively more favorable than has been the case for more than a decade. What we need to do is to back up our optimism with hard work and enterprise to realize a solid broad-based further growth of industry. And this, I believe, will come if the people of the State live up to the promise and the potentialities of their future.

Ladies and gentlemen, in honoring me tonight I believe these are the things the West Virginia Society has been underscoring; this is what it has been affirming. And because it permits me to join it and you in such faith and confidence in West Virginia's future greatness I am greatly indebted to the society for what it has done tonight.

EXCERPT FROM THE REMARKS OF MISS BESSIE B. BELL

Glenville's page boy in the House of Representatives recently brought home a 50-star flag and presented it to the public school. The local newspaper said that Congressman BAILEY had helped obtain the flag. It was no ordinary flag, but one "which had flown over the Capitol." I wondered about Mr. BAILEY's sending us an old second-hand flag. Immediately Time magazine explained it in detail. It said such flags, furnished at cost from $2.91 to $6.25 are so much in demand that last year a full-time flag raiser was employed. He performed 16,013 raisings, about 61 a day. I suppose that was a 5-day a week job of 8 hours a day. And what about rainy days and blizzard times? You can see that the man is overworked, 8 minutes per flag and no time out for a coffee break, all the live-long day. Maybe sometimes he would have to wait for the wind to blow to make the flag fly over the Capitol, or maybe he would even dare to lower it without its having flown. The possibilities are terrifying to contemplate. The point of all this nonsense is that the Capitol Architect's office is asking Congress for an assistant flag raiser at $4,400. That would do me nicely. I do not suppose I would now have a chance in getting this job, because Mr. BAILEY would not give a recommendation to such blabbermouth.

REMARKS BY SENATOR JENNINGS RANDOLPH (DEMOCRAT OF WEST VIRGINIA), INTRODUCING ADM. FELIX B. STUMP (U.S. NAVY, RETIRED) AT THE SON AND DAUGHTER BANQUET OF THE WEST VIRGINIA SOCIETY OF THE DISTRICT OF COLUMBIA, SHERATON-PARK HOTEL, WASHINGTON, D.C., JUNE 23, 1961

Members of the West Virginia Society—ladies and gentlemen—I am delighted at this opportunity to present as Son of the Year

of 1961 a man who so highly merits this acknowledgment of our affection and esteem.

As a gallant naval officer and a brilliant aviator this native West Virginian served America with distinction during war and peace for 40 years. Today, though in retirement, he continues to advance the values of democracy as vice chairman of directors and chief executive officer of the Freedoms Foundation at Valley Forge.

Admiral Stump's career in the Navy spanned the period during which we witnessed the decline of the battleship and the ascendancy of the carrier as the main striking arm of our sea forces. As one of the pioneer naval aviators, having taken his flight training in 1920, he was well prepared to assume positions of leadership and responsibility in our naval air arm when war came in 1941.

Among his many citations for decorations received in the Pacific during World War II and after, there are two especially from which I would like to quote, in that they crystallize the elements of Admiral Stump's character which enable him to serve the United States so effectively in radically dissimilar situations.

In the citation accompanying the Gold Star to his previously awarded Navy Cross, the Navy decorated him for extraordinary heroism during the assault and amphibious occupation of Mindoro, Philippine Islands, declaring that "Rear Admiral Stump afforded excellent air cover for two widely separated convoys and a covering group of battleships, cruisers and destroyers, and in addition, located and launched destructive attacks against nearby Japanese airfields. In the course of these operations 67 enemy planes were definitely destroyed and 11 probably destroyed with a loss of only 8 of our planes."

Though a dangerous opponent in time of war, Admiral Stump was a careful and diplomatic guardian of American interests in time of peace. For "exceptionally meritorious service" as Commander in Chief, Pacific, from July 1953 to August 1958, he was awarded the Navy's Distinguished Service Medal, the accompanying citation stating in part that "Admiral Stump's comprehensive grasp of the military, political, and economic implications of an unparalleled international situation, and his expert and diplomatic use of the forces at his command in maintaining stability, in the western Pacific and southeast Asia have been strong contributing factors in the free world's efforts for international peace."

It gives me genuine pleasure, for all of you, to present our West Virginia Son of the Year, Adm. Felix B. Stump.

Washington Report

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of June 24, 1961:

WASHINGTON REPORT BY CONGRESSMAN BRUCE ALGER, FIFTH DISTRICT, TEXAS

JUNE 24, 1961.

The intemperance of Castro may in itself kill the tractor-prisoner transaction and save the United States from consummating this ignominious deal. It is surprising that the administration and the citizens committee haven't gotten wind of the disapproval of the American people. It strikes me that they're operating alone, in a vacuum, and not representing their fellow citizens. Senator DIRKSEN's statement is an excellent summary. "The tractor-prisoner negotiations with Castro now appear doomed to be our Cuban fiasco No. 2. The handling of the Cuban invasion was a disaster in itself but this tractor project is an incredible piece of business. First, the administration claimed it had nothing to do with a suddenly created citizens committee to raise money to meet Castro's blackmail demands. Two days later the White House reversed itself and revealed that President Kennedy himself had initiated the movement to raise money for the tractors demanded by Castro. Next, the whole project was immersed in doubt as to legality, there being four areas in question—its corporate charter, its right to export licenses, its possible conflict with the Logan Act, and the tax deductibility of any money collected. If there has been doubt about thoroughness with which the invasion plans were considered by the administration, it should be plain to all that even less thought went into the administration's handling of the tractor deal. It was a stumbling performance that has only resulted in further lowering our prestige abroad. It is to be hoped that the fundraising committee will quietly dissolve, returning the unopened contributions to their senders before some new embarrassment occurs."

House Concurrent Resolution 332 (ALGER, Texas, June 12, 1961) properly describes the Cuban situation and prescribes the right course of action now, it seems to me:

"HOUSE CONCURRENT RESOLUTION 332

"Whereas Castro's offer to trade one thousand two hundred Cuban prisons for five hundred heavy-duty tractors is admittedly indemnification by this Nation to a Communist country; and

"Whereas this is blackmail; and

"Whereas this is extortion; and

"Whereas this Nation, as the leading nation of the free nations of the world, would be kowtowing to the demands of a Communist dictator; and

"Whereas the tractors are not farm equipment to aid Castro's so-called agrarian reform but rather heavy-duty construction vehicles which could build airstrips and missile launching sites to be used against the free nations of this hemisphere; and

"Whereas these tractors comprise equipment negotiable with Red China or some other Communist nation and could be traded for war materiel; and

"Whereas this Nation's prestige would sink in the eyes of the world; and

"Whereas this is appeasement to communism; and

"Whereas there are one hundred fifty thousand more prisoners rotting in Castro's rathole prisons who could be traded, hundreds at a time, for further 'indemnification' from this country; and

"Whereas thousands of Americans lost their lives in two World Wars and Korea fighting to uphold the dignity of America and dying to affirm their dedication to her freedom; and

"Whereas, although there exists great sympathy for the Cuban freedom fighters, we must remember that soldiers of all nations have lost their lives willingly before bowing down to an enemy which raises question as to why the leaders of the Cuban freedom fighters would even agree to such a trade, knowing that it will only make stronger the enemy they are trying to defeat; and

"Whereas, in reality, the twelve hundred prisoners Castro speaks of are not twelve hundred prisoners of Cuba, but twelve hundred more Cuban prisoners for, in fact, every Cuban in Cuba today is a prisoner of the Communist conspiracy and it should, therefore, be this country's goal to free all the people of Cuba and not only the twelve hundred who recently returned to their homeland; and

"Whereas, although it may be argued that other nations of this hemisphere are making token donations to this cause, it is this country, and not others, that is being forced to make this trade in the name of indemnity; and

"Whereas freemen have traditionally been willing to sacrifice both liberty and life in defense of principle; and

"Whereas communism can never be defeated by governments or people too soft for sacrifice and who choose, instead, to pay tribute to tyranny: Now, therefore, be it

"*Resolved by the House of Representatives (the Senate concurring)*, That it is the sense of Congress that this Government oppose the trading of machines for humans as proposed by the Government of Cuba and request the President to withhold any executive approval of such a trade, to refuse to permit the issuance of export licenses for such machinery, and to refuse to permit gifts made for such a trade to be deducted for income tax purposes."

The Housing Act of 1961, a 169-page bill accompanied by a 171-page report, makes all previous legislation penny ante; $9.2 billion is poured into countless programs, many new ones. The bankruptcy of ideas in this administration was never more clearly seen than in this attempt to solve alleged problems by spending money. Some examples: (1) A 4-year program which preempts the authority of the next Congress; (2) $8.8 billion is so-called back-door spending, spending removed from congressional control; (3) $2 billion more into urban renewal, a program to enrich the big entrepreneur at the expense of all taxpayers, a program where any property can be taken under eminent domain "for spiritual and aesthetic values"; (4) 35 year, 3-percent downpayment (cut from 40 year, no downpayment) loans for those of moderate incomes ($4,000 to $6,000) for $15,000 homes (which will cost, counting interest, over $36,000) which after paying on 20 years, the owner will still owe more that the property is worth; without equity these are guaranteed future slum areas; (5) 100,000 more units of public housing, despite 100,000 now "in the pipeline" and 19,000 authorized by law but not yet committed; (6) many other equally bad programs.

As a former realtor, builder, and land developer, the housing field is one in which I am knowledgeable by practice. Unable to contest so many bad features in this bill for lack of time, I concentrated on the open space and land development section, title VII. Get this language:

"SEC. 701. (a) The Congress finds that a combination of economic, social, governmental, and technological forces have caused a rapid expansion of the Nation's urban areas, which has created critical problems of service and finance for all levels of government and which, combined with a rapid population growth in such areas, threatens severe problems of urban and suburban living, including loss of valuable open-space land in such areas, for the preponderant majority of the Nation's present and future population.

"(b) It is the purpose of this part to help curb an urban sprawl and prevent the spread of urban blight and deterioration, to encourage more economic and desirable urban development, and to help provide necessary recreational, conservation, and scenic areas by assisting State and local governments in taking prompt action to preserve open-space land which is essential to the proper long-range development and welfare of the Nation's urban areas, in accordance with plans for the allocation of such land for open-space purposes."

Then $100 million is allocated for "grants to State and local public bodies acceptable

to the Federal administration" to purchase land. Thereafter, "no open-space land for which a grant has been made under this grant shall, without the approval of the Administrator, be converted to uses other than those originally approved by him." How's that for Federal bureaucratic determination of Dallas' future growth? What now happens to land development by the individual developer and home builder? What jurisdiction will the Dallas City Council have? To ask the questions gives the answers. The Federal Government will not be a "junior partner" as one Member so described it. It will be, of course, as always, the all powerful central entity, directing and controlling our future. And we're supposed to be a Nation of freedom-loving free enterprisers. So the socialist sickness spreads to infect other, previously healthy, segments of our society. Will the people wake up in time?

A motion to substitute a milder bill was defeated 215 to 197 (ALGER and 5 Texans for, 14 Texans against). On final passage the bill passed 235 to 178. Texans for, BECKWORTH, BROOKS, IKARD, KILDAY, PATMAN, POAGE, RUTHERFORD, THOMAS, THOMPSON, THORNBERRY, WRIGHT, and YOUNG. Against, ALGER, BURLESON, CASEY, DOWDY, FISHER, KILGORE, MAHON, ROGERS, and TEAGUE.

Your Government—Your Future

EXTENSION OF REMARKS

OF

HON. RALPH R. HARDING

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. HARDING. Mr. Speaker, Rick's College is located in the beautiful Snake River Valley of eastern Idaho. It is possible to stand on the campus of this junior college and gaze at the towering Teton Peaks in neighboring Wyoming and at the same time survey the rich potato lands that dot the countryside.

It was in this location of outstanding beauty that the Church of Jesus Christ of Latter-day Saints founded Rick's College in 1888, 2 years before the Territory of Idaho achieved statehood.

This college has always had an outstanding faculty, presently headed by President John L. Clarke, which have labored under circumstances which have sometimes been very difficult.

The early students of Rick's College often found it necessary to pay their tuition with potatoes and other farm produce. Nevertheless, they struggled hard to achieve an education and make the world better for their posterity.

We in Idaho feel that our graduating class of 1961 from Rick's College will follow in this tradition of making the world a better place in which to live. The graduating class, the student body, and faculty of Rick's College, and the residents from surrounding communities were privileged to hear an outstanding commencement address delivered by Senator FRANK CHURCH on June 1.

In this address Senator CHURCH underscores the rights our free society provides and points out that these rights are not merely inherited but must be earned anew by each succeeding generation. It is with pleasure that I insert this thought-provoking and inspiring speech in the RECORD and call it to the attention of my colleagues and Americans everywhere:

YOUR GOVERNMENT—YOUR FUTURE

(Commencement address by Senator FRANK CHURCH, of Idaho, Rick's College, June 1, 1961)

Four years ago, shortly after I first came to the Senate, I invited my little boy, Forrest, to lunch with me at the Capitol. His mother brought him to the Senate restaurant, through the vaulted corridors, past the many marbled figures of our illustrious dead. After lunch, I took him to the great rotunda, showed him the historic paintings beneath the lofty dome, and then led him through the handsome bronze doors that open out upon the broad front steps of the Capitol.

Down the steps he went wide-eyed, to where his mother was waiting for him in our old, outmoded car. I waved them goodby and watched as they rattled off down the street. Forrest reflected in silence on his exciting adventure. He said nothing for several blocks. Then he turned suddenly to his mother and said, "Mommy, why is it that Daddy is so rich when we're so poor."

All of us, of course, are rich to be Americans—to be numbered among the lucky nephews of Uncle Sam. You are especially favored, for youth is still your possession, and your lives are still to be lived. Moreover, as college graduates, you have had the benefit of an education that equips you to play a leading role in the future of your community, State, and Nation. In this, I extend to you my heartfelt congratulations and best wishes.

Chancellor Bismarck is reputed to have said of Germany's university students that one-third would die of overwork, one-third of debauchery, and the remaining third would rule Germany.

Now I suspect that few of you will die of overwork, and I am confident none of you will die of debauchery. Therefore, I assume I am speaking to the third who will rule the United States in the difficult decades ahead.

Many of you have already come of age. As adult citizens of the United States, you have inherited a bundle of rights, upheld by law, which together form the measure of your freedom. Some foreign peoples have all of these rights; all foreign peoples have some of these rights. Wherever the bundle is large, we call the society free; wherever it is small, we say the people live under some form of tyranny.

Most people, most places, most of the time, have lived under some form of tyranny. A free society is hard to build, and hard to keep, and must be earned anew by each succeeding generation.

You have not yet earned the rights that will be yours when you come of age. They are the gift of your fathers. You inherit them by the lucky accident of being born children of a free land.

You shall earn your rights by using them, for they will never wear out with use, but they will quickly rust out with disuse. Your special trust will be to so use your rights that when the time comes to pass them on to your children, they will constitute no lesser bundle than was passed on to you. Then you will have earned them by having kept your country free.

What are these rights, yours to preserve and perfect?

To begin with, there is the right to move as you choose within your country, to live where you please, to travel as you like, without having to secure either passport or permission from the Government.

Then, there is the right to select your own work, without direction of the Government, and to quit one kind of work for another, without having to secure the consent of your employer.

Next, there is the right to acquire property, and to be protected in its possession against all trespassers. Even the State may not take it from you without compensation.

And should you ever be accused of a serious crime, there is the right to a public trial, under fixed and fair procedures, where the question of your guilt or innocence will be determined, not by an appointed magistrate, but by a jury of your peers.

There is the right to worship, or not to worship, according to your own conscience.

There is the right to know, if you want to know, with access to all the learning and the argument of the centuries, without censorship or restriction.

There is the right to differ, which is the essence of free speech, though the viewpoint you express be contrary to the popular conventional views of the moment.

There is, finally, the right to self-government by majority vote, where those who rule are elected by the people, and are held answerable to the people.

These are some of the fundamental liberties deriving from our belief that, though the people are sovereign, the individual is supreme, and, though society should impose such lawful controls upon the individual as the common interest might require, these controls must never penetrate the bundle of basic rights that make each one of us free.

Our vice President, LYNDON JOHNSON, put it most succinctly for himself, when, as Senate majority leader, he once said: "I am a freeman, an American, a U.S. Senator, and a Democrat—in that order."

How do we stay freemen, in an ever-changing life, in an ever-changing country, in an ever-changing world? This is the question. How do we solve the new and different problems thrust upon us? What should be the role of business, of labor, of the farmer in his field? What should be our public policy at home and abroad?

I wish there were easy answers to these perplexing questions. The quest for them is everlasting.

Some seek to find them in slogans. "That government rules best that rules least" is a slogan which still has currency in American politics. It better fit the life and times of colonial America, when 90 percent of our people lived upon the land, rather than in the cities as they do today, and when our needs were simple. But it was not really believed even then, for had it been, the Founding Fathers would hardly have spent that hot summer of 1787 in Philadelphia. They would have had no need to draft the Federal Constitution there. The government established by the Articles of Confederation would have been quite adequate. It would have been, in fact, ideal, for one can hardly imagine a government which did less governing.

No; slogans will never furnish us with answers to our problems, nor do I think we can find them in any given political or economic ideology. Neither the reactionary Right nor the radical Left offers us acceptable blueprints for the future.

Fortunately, both of our political parties have historically avoided the doctrinaire attitudes that so plague the politics of Western Europe. We have been pragmatists. We have sought our answers, not on the basis of nicely predetermined theories, but on a trial-and-error basis, examining the facts involved in each new problem with the object of finding that solution most likely to work best, whatever it might be.

So we have seen our system transformed in an unrelenting effort to keep pace with the sweeping changes in our lives wrought by stampeding science, by mammoth industry, and by the burgeoning growth and urbanization of America.

Would Adam Smith recognize our "free enterprise" system today, where the classical

capitalism of the 19th century has been largely supplanted by the corporate capitalism of the 20th, onto which we have engrafted so many different forms of municipal, State, and cooperative ownership?

Would Alexander Hamilton, who believed public affairs should be handled by an educated elite, "the rich and wellborn," ever have countenanced so socialistic a concept as a tax-supported universal system of free public schools?

Fifteen million people stood in breadlines, in the dark and desperate days of the great depression, before the Federal Government at last realized that our economy had outgrown effective local control, and required sufficient national regulation to stabilize the national banks, to police the Nation's stock exchange, and to protect the people against the total collapse of the Nation's business. Unemployment compensation, social security, minimum wage and hour laws, were then made the instruments of reform, as we began the long climb back to recovery.

Remember, whether one points to Andy Jackson's determined stand against a monopoly bank, or to the trustbusting campaign of Teddy Roosevelt, it has been by peaceful evolution that we have avoided the revolution which Thomas Jefferson believed each generation of Americans would have to fight. Only once did we fail, and we still bear the scars of the Civil War.

What incredible changes have been encompassed in this long process of evolution. Would not George Washington have looked with amazement upon the vast throng that assembled before our Capitol to witness John F. Kennedy take his oath as 35th President of the United States? Wouldn't he have wondered at the mighty city that bears his name, in and around which are thickly concentrated more people than lived in all the country when he became our first President? Wouldn't he surely have asked, "Through all of this, how is it that our Republic has endured?"

I submit that our Republic has endured because it has thus far found ways to meet the tests of change while preserving intact the bundle of individual rights that keep us free.

Indeed we have done more; we have added to the bundle of rights in the process. Slavery has been abolished; women's suffrage has been won; the many restrictions that once made voting the privilege of the propertied few have been slowly sloughed away. Only months ago we finally demonstrated we had become willing to rely upon the old American principle of separation of church and state, when a primarily Protestant nation elected its first Catholic President.

And so long as we continue our historic endeavor to live up to our declared ideals, striving now to secure equality of treatment for all our citizens, regardless of race or color, moving forward, step by step, in the knowledge that perfect freedom must always be reached for, but can never be possessed, so long will the Republic endure.

I have chosen as my subject, "Your Government, Your Future." You are your government, and the future is in your hands. You will be the opinionmakers, of your generation.

Of course, you will be expected to do the obvious things, incumbent upon every free citizen—to join a political party; to take an active part in the direction of your community school, church, or service club; to stand for public office when the occasion arises; to vote at election time. That you do these things is vital, but how you do them is what will really count.

I ask only that you approach the task of self-government with an open and inquiring mind. Life is filled with people who would do your thinking for you. Don't let them. Your college education is meant to give you the tools with which to do your own thinking.

If you will but apply these tools, then you will keep informed on both sides of every major public issue, then you will take an intelligent measure of each candidate for high public office, applying to him, and to his proposals, the same pragmatic tests that have served us so long and so well.

Then you will remember that your country is a mixture of many things, of people from every race and culture, of religions old and new, of differing political and economic concepts blended together, and that out of it all one colossal country has emerged, mighty beyond belief, so rich that she is held in awe and envy the world around, and great because she has achieved her wealth and power without the sacrifice of freedom.

Then you will be set to assume your duty as adult citizens of the United States, prepared to face a fast-changing life, ready to plumb for new answers to the unprecedented challenges of the atomic age, but determined always to do it in ways that will preserve those basic liberties that have made, and kept, us free.

In this task you must take up, I wish you well. Good work, good health, good character, when your time comes, good children, and good luck always.

Statement to Committee

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. TOLL. Mr. Speaker, in the June 8 issue of the CONGRESSIONAL RECORD, a statement appears regarding my oral testimony before the Government Operations Subcommittee which held hearings on bills urging the creation of a Department of Urban Affairs. I have examined the testimony which I gave on the subject, and it clearly discloses that I did not include snowstorms as a problem which would need attention on a Federal level for urban communities. My reference was made to draw attention to a letter written by the president of the Philadelphia City Council, which raised the question of the effect of severe snowstorms on projects in the city built under Federal authority. This is an area in which responsibility has not been for an expense of this character, and the limited jurisdiction of the agencies now in operation have not included a problem of this nature.

I have filed with the subcommittee a written statement, setting forth the major reasons why a Cabinet-level department should be created for urban affairs, in which I included a comparison with the reasons for the establishment of the Departments of Agriculture, Labor, Commerce, and Health, Education, and Welfare. This statement, which is set forth below, may be of interest to the Members of Congress:

STATEMENT TO COMMITTEE

The creation of a Department of Urban Affairs is one of the most vital issues facing the Nation today. Metropolitan area problems have long been under discussion and investigation. From these discussions we can see the necessity to find a more efficient way to solve the problems of the large urban centers. Seven reasons stand out which prove that the most efficient way to handle the problem would be to create a Department of Urban Affairs.

1. The United States today is a predominantly urban country. In the 1960's 80 percent of the population was rural but today 70 percent of the population is urban and 30 percent is rural, farm, and nonfarm. The problems of the cities today are much greater than the problems that faced the rural areas and which eventually led to the creation of the Department of Agriculture. These are not simply local difficulties, but, rather, are problems of extreme national significance. One must also remember that the urban areas are drastically underrepresented in both the State legislatures and in Congress.

2. The rapid urbanization process has left the cities with major problems in the areas of water supply, water, and air pollution, sewage disposal, transportation, crime and fire protection and prevention, highways, streets, housing, and slum control, education and recreation, planning and zoning, and general public health and welfare. These difficulties are increased due to the fact that most local governments simply do not have the resources to cope with the problems. Further complications arise when it is realized that the problems are not confined within one governmental jurisdiction; there is an overlapping of social and economic boundaries. Twenty-four of the largest metropolitan areas contain territory in two or more States. The problem must, therefore, be solved by coordinated governmental action and the most efficient method of coordination would be under a Department of Urban Affairs.

3. The Federal Government has taken an interest in many of the problems of the metropolitan areas. Federal authorities have begun programs in air pollution, airport construction, educational facilities, civil defense, disaster relief, hospital and medical facilities, housing and urban renewal, water pollution control and water supply facilities, highways, and public welfare assistance. If the Government is doing all of this for the metropolitan areas then why, you ask, is there a need for a Department of Urban Affairs? The answer lies in the fact that these services are provided by numerous and uncoordinated agencies. In order to achieve the necessary coordination of activities affecting urban centers, we must have a Cabinet-level department.

4. Extensive research is being conducted today on the problems of urban growth and development. It is necessary that the fruits of this research be made available to the local government officials. The proposed bill takes cognizance of this need and provides for the collection of information by the Department which would be analyzed and disseminated to the municipal officials; this would enable the local governmental units to more effectively strive toward the solution of their problems. The Department would become, therefore, a reliable source of technical advice.

5. There is a great need for State effort in attempting to solve urban problems. The new Department would enable the State and county governments to more effectively meet the needs of the local units of government. State efforts would be simplified and an incentive to provide more assistance would be established.

6. Governmental units would be encouraged to change their structures in order to take full advantage of areawide assistance which would become available under legislation to be administered by the new Department of Urban Affairs. Until now, little Federal legislation has been directed toward interstate and other cooperative efforts. We

have previously seen how the problems of the urban areas have little regard for conventional political boundaries, and there is overlapping of the problems into different jurisdictions. The new department will enable these jurisdictions to solve their difficulties jointly rather than singly.

7. The needs of the urban centers require great financial resources. It is the Federal Government that has the machinery to collect the necessary revenue and to distribute it equitably without being hampered by State and local boundaries. When we add to this situation the fact that local resources are limited and restricted geographically, one can see that Federal assistance administered through a Department of Urban Affairs is a logical step to the solution of urban problems.

The creation of a Department of Urban Affairs is further justified when one looks at the reasons for the creation of some of the existing departments. The Department of Labor, first organized as a bureau under the Interior Department in 1884, was created March 4, 1913. It was pointed out at that time that the "purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment." Today there is another interest which must be protected—the interest of the urban dweller. Never before have the inhabitants of our cities been plagued with so many problems; never before have the solutions proved so difficult. A Department of Urban Affairs would be the boon to the urban dweller that the Department of Labor was to wage earner.

The Department of Agriculture was created in 1862 and raised to Cabinet status in 1889. At the time of the creation of the Department, Congress stated that the general purpose of the Department would be to "acquire and diffuse among the people of the United States useful information on subjects concerned with agriculture." In a like manner the new Department of Urban Affairs will disseminate information to local units of government in order to provide assistance in the solution of their difficulties. Another reason for the creation of the Department of Agriculture was to "procure, propagate, and distribute among the people new and valuable seeds and plants." Surely the Department of Urban Affairs will perform services for the urban dweller which are as important to him as the distribution of seeds was to the farmer.

The newest Cabinet-level Department, the Department of Health, Education, and Welfare, will provide us with another example. When the Reorganization Plan was submitted to Congress on March 12, 1953, it was stated that, "The purpose of the plan is to improve the administration of the vital health, education, and security functions now being carried on in the Federal Security Agency by giving them departmental rank. Such action is demanded by the importance and magnitude of these functions, which affect the well-being of millions of our citizens." Functions of similar scope and magnitude in regard to our great cities are being carried on by numerous Federal agencies today. Just as it was vital in 1953 to elevate functions of health, education, and security to departmental status, so it is necessary today to elevate the functions of these other agencies to the Cabinet level in order that they be most efficiently administered.

As a final example let us look at the Department of Commerce. In the middle of the 19th century there was much agitation for the establishment of a Department of Commerce in order that the rapidly increasing volume of capital invested in commerce and manufactures could be the subject of Government supervision. In 1900 it was noted that "the same arguments advanced for the Department of Agriculture were applicable to one for the commercial and industrial life of the country; that the manufacturing interests in the United States exceeded in volume and in importance the industrial interests of any nation in the world, and yet there was no Government office specially charged with any duties relating directly to them, and in this respect the United States was almost alone among the nations of the world. Just as the Department of Commerce was created to aid and supervise the commercial interests of the Nation, so must a Department of Urban Affairs be organized in order that the resources of our cities be fully developed. A new Department would enable the urban centers to provide the best lives for their inhabitants and contribute to the general welfare of the entire Nation.

The city of Philadelphia is intensely interested in the establishment of a Department of Urban Affairs. We are proud of the pioneering role which Mayor Richardson Dilworth played to bring this new idea to the attention of municipal officials throughout the Nation, and then to the Nation at large. The idea of a Department of Urban Affairs was first brought to the official attention of municipal officials of the country in 1955 when Mayor Dilworth proposed it at the national congress of the American Municipal Association. Because the idea was then novel it was not immediately accepted, but, in 1958 the American Municipal Association unanimously adopted a resolution calling for the creation of a new Department of Urban Affairs headed by a person of Cabinet rank. In 1959 the U.S. Conference of Mayors followed suit. In 1960, Mayor Dilworth, representing both the American Municipal Association and the U.S. Conference of Mayors, appeared before the Democratic Platform Committee in Los Angeles and requested on behalf of both organizations that the Democratic Party endorse the idea of a new department. They did, and subsequently President Kennedy, then a Senator, added his personal endorsement and made a campaign pledge that he would work for the creation of the Department. After the election, Mayor Dilworth as president of the U.S. Conference of Mayors, met with President-elect Kennedy in New York to discuss with him the drafting of the legislation which is now before you.

Philadelphia, as most of you know, is currently engaged in a far-reaching civic renaissance. The problems of housing, urban renewal, mass transportation, airport improvement, water pollution, purification of water, and improvement of sewage facilities, in fact all of the myriad municipal problems which beset modern cities are being attacked with vigor and imagination. But the more vigorously Philadelphia attacks its problems, the more obvious it becomes that the Federal Government must assume a more positive role of leadership in the area of urban affairs.

One of the most vital problems that plagues our metropolitan areas is that of human relations. Never before have so many different races, religions, and nationalities been brought so close together. Unfortunately, this close proximity of so many divergent groups breeds friction and the cities are saddled with another problem. The proposed Department of Urban Affairs is in a position to help in this area. The bill calling for the establishment of the Department includes a section which calls for the establishment of a Federal Bureau of Intergroup Relations. This would be a great stride in fostering better relations among the many diversified peoples who make up our Nation. This is a problem which cannot be ignored; it must be attacked and the proposed Department includes the means to help solve this problem.

The problems of the urban areas can be solved. But, there is a limit to the abilities and to the financial resources of the metropolitan areas. The solution lies not in the hands of the cities, not in the hands of uncoordinated Federal agencies, but, rather, in a Department of Urban Affairs.

A Sister-City Success Story: Sausalito, Calif., and Vina del Mar, Chile

EXTENSION OF REMARKS

OF

HON. CLEM MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1961

Mr. CLEM MILLER. Mr. Speaker, I am always glad when a resident of my district receives due recognition for service to his community and to his country.

Such recognition was given last week to Mrs. M. Justin Herman, of Sausalito, in my home county of Marin, in California.

At a ceremony at the Department of State here in Washington, Mrs. Herman was honored for her work as the first chairman of her city's successful town affiliation program with the City of Vina del Mar, Chile. Her citation by the voluntary citizens' group known as the civic committee of the people-to-people program stated that she has "vastly furthered the cause of international peace and understanding through dedicated participation in the town affiliation program of the President's people-to-people program."

I am very proud of Mrs. Herman and of the other citizens of Sausalito who are achieving what I trust will be an enduring relationship with the citizens of Viña del Mar. I am also proud to be able to say that citizens of two other cities in my district are taking part in this valuable work. The city of Napa, Calif., is the sister city of Como, Italy, and the city of Sonoma, Calif., is the sister city of Chambolle-Musigny, France.

Day by day, hundreds of men and women and boys and girls of these three California communities and of their sister cities in South America and Europe are no longer mere spectators in world affairs and international relations; they are involved.

Nationwide, this program has grown rapidly in the last 5 years. It was given great impetus in 1958 when former President Eisenhower called for a nationwide program of people-to-people exchanges, including town affiliations. Today, more than 150 communities in this country and a like number of towns and cities in some 40 other countries are "sister cities." New affiliations are coming into being at the rate of 1 every 10 days.

This inspired program is deserving of the wide support and encouragement it has received from the Members of Congress and of the executive branch.

In a recent statement about the people-to-people program, President Kennedy said:

> No impersonal representation of a culture can fully communicate its reality to others who have never known its living substance. Through personal relations—people to people—curiosity can be fulfilled by a sense of knowledge, cynicism can give way to trust, and the warmth of human friendship be kindled.

As Mark Bortman, the Boston industrialist who is national chairman of the people-to-people program's civic committee, told the World Conference of Local Governments shortly after he awarded his committee's citation to Mrs. Herman:

> The sister-city affiliation program * * * is predicated upon the belief that there are greater similarities than differences amongst people. * * * The program is a simple, far-reaching and open-hearted plan to see your neighbor in the world community not as a problem or a prospective enemy, but as a fellow human.

During her visit to Washington to receive her citation and to take part in the World Conference, Mrs. Herman told me the story of Sausalito's town affiliation program.

Sausalito first became interested in the idea in 1958 after Mr. Howard Siever, who then was mayor, brought the idea home from a League of California Cities meeting. Other early enthusiasts included City Councilwoman Marjorie Brady and Councilman—now mayor—Philip Ehrlich, Jr. Mrs. Brady was chairman of a city council committee to study the proposal.

At an organization meeting in 1958, Mr. Bortman visited Sausalito and told representatives of a number of Sausalito citizens' groups how to do it. Local organizations represented at that meeting included the Sausalito Citizens' Council, Chamber of Commerce, Rotary Club, Sausalito Art Committee, City Council, City Planning Commission, Presbyterian Church, Episcopal Church, Little League baseball organization, Parent-Teacher Association, City Schools, Boy Scouts, Girl Scouts and Campfire Girls. As a result of this meeting a Sausalito Citizens' Committee for the People-to-People Program was organized and Mrs. Herman elected chairman.

The committee's preference for general location of a sister city soon narrowed to South America because of its importance and because teaching of Spanish had just been introduced in Sausalito's elementary schools. Eventually, with the help of the American Municipal Association and the U.S. Information Service, contact was established in November of 1959 with Viña del Mar. The mayor of Viña, the Honorable Gustavo Lorca Rojas, took up the idea with equal enthusiasm and the affiliation was formalized. It was the first U.S. city affiliation with a Chilean city.

Since, many visitors from Chile, including Chilean students in San Francisco Bay area schools and universities, have been entertained in Sausalito homes. Photographic exhibits have been exchanged, schoolchildren have exchanged tape recordings of greetings and songs. An exchange of artwork by sixth grade schoolchildren is now being arranged, as is an exchange of high school students. The recent opening of a binational cultural center in Viña del Mar—the Instituto Chileno-Norteamericano de Cultura—has opened new opportunities for contacts between citizens of the two communities.

The new relationship between the two cities received its first test in May of 1960, when much of Chile was struck by severe earthquakes and tidal waves. Viña was not damaged but it cared for refugees from the disaster areas. Sausalito's response was so prompt, it was apparent it came from the heart. About $1,400 was raised in a public fund drive and sent to Chile. Several thousand dollars' worth of medicine was flown to Chile under sponsorship of the Sausalito Rotary Club. A clothing collection booth was set up in Sausalito's town plaza by now renamed Plaza Viña del Mar.

As Mrs. Herman explains it, "We were one of the first to get on the ball because we felt closer to Chile."

One of the outcomes of this activity is that Sausalito is also working with another Chilean community. This is the town of Corral, which was damaged by tidal waves. This stricken town's plaza was destroyed. Funds contributed by citizens of Sausalito are now being used to pay about half the cost of rebuilding Corral's town plaza; the remainder of the funds are being raised by a committee in Corral. The rebuilt plaza will be renamed Plaza Sausalito.

At this point in my remarks, I include an article from the March 1961 issue of the magazine, Marin This Month:

SAUSALITO AND SISTER CITY CELEBRATE

(By Helen B. Kerr)

This month Sausalito celebrates the first anniversary of its sister city relationship with Viña del Mar, Chile.

Such international civic sisterhoods, promoted by the U.S. Government to "build new roads to international understanding" exist between several cities of the United States and foreign cities in many parts of the world. The technique is people-to-people contact without the leaden hand of official governmental protocol.

Council members Howard Sievers, then mayor; Philip Ehrlich, Jr., now mayor; and Marjorie Brady spearheaded the local program in 1959, and elected Mrs. M. Justin Herman chairman of the committee.

Mrs. Herman and her committee felt that the sister city relationship with a Spanish-speaking country in South America would be beneficial from many aspects. Spanish had just been introduced in the Sausalito elementary schools, and it was felt that having a purpose for learning would give impetus to that program.

Because Chile has often been likened to the west coast in topography and climate; because she is a democracy and good friend of the United States; because many of her residents came to the bay area in the gold rush days—some remaining to form San Francisco Little Chile—these and other favorable comparisons determined the choice of that country for the relationship.

The people-to-people program was new to South America; the only other sister city at that time on the continent was in Brazil. It took much correspondence and weeks of waiting for approval of the formal affiliation of Viña del Mar and Sausalito, the first relationship of its sort between the United States and Chile.

Ceremonies took place in both cities on March 5, 1960, on which date Sausalito named her main park Plaza Viña del Mar to mark the occasion, and Vina del Mar renamed its newest (and astoundingly enormous) park Parque Municipal Sausalito.

Enthusiastic exchanges are now acquainting the peoples of the two cities with each other. A photographic portrait exhibit, originally the project of the late Dulcie Duncan Ray and completed by Ted Castle with Michael Bry and Georgia Longini assisting, has been sent as Sausalito's major contribution to the Chilean-North American Exposition being held in Viña del Mar this month.

The Sausalito City Council last September received a handsome brass tray bearing inscriptions from Viña del Mar's mayor, the Honorable Gustavo Lorca Rojas.

Chilean students have arrived by the dozens, and also members of the Chilean Legislature, to become personally acquainted with their international relatives.

That Sausalito took its relationship seriously was more fully brought home when the earthquake and tidal wave disaster hit Chile in May 1960.

Besides stepping up Red Cross contributions earmarked for Chile relief, $1,400 was raised in a local drive and sent to the U.S. Ambassador at Santiago to use as he saw fit to assist distressed areas. Thousands of dollars in antibiotics were collected and flown to Chile by the Sausalito Rotary Club under the direction of Dr. Ronald Mackenzie. The Sausalito Summer Little Theater turned over proceeds of a night's performance.

After that crisis the relationship again resumed its happier atmosphere. Advanced Spanish students at Tamalpais High School sent Viña del Mar students a scrapbook, and tape recordings for the young people of Viña del Mar were skilfully prepared by Tam's choral group. Mrs. Herman's hospitality committee keeps busy entertaining Chilean visitors. Sausalito's two publications, Contact and Marin This Month, sent copies to Viña del Mar. The Sausalito Lions Club has donated a plaque to be placed near the main entrance to Plaza Viña del Mar, and the Sausalito Woman's Club observed their first Salute to Viña del Mar.

The objective stated in Sausalito's resolution to form its people-to-people program is already firmly grasped: to form a closer, deeper, and friendlier understanding and relationship between peoples of the United States and people of foreign lands to foster and promote the cause of freedom and world peace.

Mr. Speaker, as Helen Kerr's article points out, the people of Sausalito and Viña del Mar already have learned that there are greater similarities than differences between them and between their cities. Both cities are situated on protected bays and both are favored places to live. Both are near great seaports. Viña del Mar—in English, "Vineyard by the Sea"—is just north of the port of Valparaiso, and Sausalito is just north of the port of San Francisco. Chilean sailors who know both ports have called Valparaiso "Pancho" or "Little Francisco" because of their similarities. "California" poppies bloom just as brightly on the hills of Vina del Mar as they do on the hills of Sausalito.

Citizens of these cities who have been leaders in establishing this relationship include Mayor Lorca Rojas of Viña del

Mar, Mr. Carolos Ansaldo of his staff, and Mr. Lyman Shreve, a North American of Viña del Mar. In Sausalito, they include Mayor Ehrlich, honorary chairman of the Sausalito Citizens' Committee for the People-to-People Program; Mr. Charles H. Merrill, Jr., chairman; Mrs. Herman, now assistant chairman; Mrs. Gilbert Murphy, Miss Tita Lanser, Mrs. Denise Fleig, and Mrs. Charles Finney.

I am particularly interested in learning of the recent growth of the sister-city idea between communities of this hemisphere. When Sausalito began looking for a "sister" in South America, the only such relationship was with a city in Brazil. Now, as was reported to the World Conference last week, there are some 20 affiliations between North American cities and Latin American cities.

This is a most hopeful and encouraging portent. I hope there will be many more of these affiliations within our own hemisphere. As President Kennedy told a group of Latin American diplomats last March:

Our hemisphere's mission is not yet completed. * * * We invite our friends in Latin America to contribute to the enrichment of life and culture in the United States * * * for we have much to learn.

In this way you can help bring a fuller spiritual and intellectual life to the people of the United States—and contribute to understanding and mutual respect among the nations of the hemisphere.

At this point I insert a list of active town affiliations between North American and South and Central American cities, as reported by the American Municipal Association:

Argentina: Santa Fe Springs, Calif., and Santa Fe; Chula Vista, Calif., and General Roca.

Brazil: Orlando, Fla., and Goiania; Jacksonville, Fla., and Porto Alegre; Asheville, N.C., and Petropolis.

Chile: Sausalito, Calif., and Viña del Mar; Long Beach, Calif., and Valparaiso.

Colombia: Miami, Fla., and Bogotá; Coral Gables, Fla., and Cartagena.

Costa Rica: San Jose, Calif., and San José.

El Salvador: Santa Ana, Calif., and Santa Ana.

Guatemala: Savannah, Ga., and Guatemala City.

Mexico: Downey, Calif., and Guadalajara; Redondo Beach, Calif., and La Paz; Bellflower, Calif., and Los Mochis.

Nicaragua: Redondo Beach, Calif., and Managua; Gonzales, Calif., and Somoto.

Paraguay: York, Pa., and Asunción.

Uruguay: Montevideo, Minn., and Montevideo.

Venezuela: Akron, Ohio, and Valencia.

In the interest of encouraging this rewarding program, I note that the American Municipal Association—here in Washington—is prepared to supply names of foreign cities which have expressed interest in the town affiliation program, and otherwise to assist any interested U.S. city government and, indeed, any interested citizen in learning more about it.

SENATE

Tuesday, June 27, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Honorable Lee Metcalf, a Senator from the State of Montana.

Rev. Edward B. Lewis, minister, Capitol Hill Methodist Church, Washington, D.C., offered the following prayer:

Dear God and Father of mankind, we offer to Thee our praise and gratitude for this day which Thou hast given us. We are dependent upon Thee for life itself. We commit ourselves and our beloved Nation to Thy divine guidance.

Our prayer this moment is in the interest of good government here in our land and the good of all Thy children throughout the world. Bless with Thy presence these men and women who are elected leaders. Give them that inner serenity and calming peace that the good and the right can work through their proceedings here in the Senate of the United States of America.

We dedicate the heads, hearts, and hands of these people to intelligent service. Give clarity to these minds that discussions and decisions will prove to be wise. Sanctify these hearts to sincerity, honesty, and justice as inner motivations. Make steady these hands, that at the end of this day they may be dirty with hard work but clean from the stains of the blood of wrong participation, activity, and irresponsibility.

We pray for the President of these United States. Bless him and world leaders of good will toward all men. May they never be weary in well-doing, for in due season they shall reap, if they faint not.

This prayer and this people, we dedicate in the name and spirit of Jesus Christ our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., June 27, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. Lee Metcalf, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

Carl Hayden,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 26, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 4669. An act to amend the law relating to gambling in the District of Columbia;

H.R. 4670. An act to amend the law relating to indecent publications in the District of Columbia;

H.R. 6495. An act to amend the Life Insurance Act of the District of Columbia;

H.R. 7044. An act to amend section 35 of chapter III of the Life Insurance Act for the District of Columbia;

H.R. 7052. An act to amend section 927 of the act of March 3, 1901, relating to responsibility for criminal conduct, and for other purposes;

H.R. 7482. An act to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended; and

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 4669. An act to amend the law relating to gambling in the District of Columbia;

H.R. 4670. An act to amend the law relating to indecent publications in the District of Columbia;

H.R. 6495. An act to amend the Life Insurance Act of the District of Columbia;

H.R. 7044. An act to amend section 35 of chapter III of the Life Insurance Act for the District of Columbia;

H.R. 7052. An act to amend section 927 of the Act of March 3, 1901, relating to responsibility for criminal conduct, and for other purposes; and

H.R. 7482. An act to amend the Life Insurance Act of the District of Columbia approved June 19, 1934, as amended; to the Committee on the District of Columbia.

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act; to the Committee on Finance.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Constitutional Amendments of the Committee on the Judiciary and the Committee on Finance were authorized to sit during the session of the Senate today.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a resolution adopted by the Board of Governors of the Greater Tampa Chamber of Commerce, Tampa, Fla., favoring an investigation of the Department of State, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 207. A bill for the relief of Jean Goedicke (Rept. No. 451);

S. 245. A bill for the relief of Kam Yung (Lee) Chong (Rept. No. 452);

S. 489. A bill for the relief of Dellarose J. Dowler (Rept. No. 453);

S. 731. A bill for the relief of Charles F. Tjaden (Rept. No. 454);

S. 1450. A bill for the relief of Shim Dong Nyu (Kim Christine May) (Rept. No. 455);

S. 1698. A bill for the relief of Athena Nicholas Euteriadou (Rept. No. 456);

H.R. 1575. An act for the relief of Mrs. Anneliese Franziska Guay (Rept. No. 460);

H.R. 1602. An act for the relief of Ido Enrico Cassandro (Rept. No. 461);

H.R. 1887. An act for the relief of Helen Tilford Lowery (Rept. No. 462);

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore (Rept. No. 463);

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo (Rept. No. 464);

H.R. 2165. An act for the relief of Marie F. Balish (Rept. No. 465);

H.R. 2645. An act for the relief of Wieslawa Alice Klimowski (Rept. No. 466);

H.R. 2835. An act for the relief of Jose Lauchengco, Jr. (Rept. No. 467);

H.R. 3371. An act for the relief of George Sauter (also known as Georgois Makkas) (Rept. No. 468);

H.R. 3722. An act for the relief of Maria Czyz Krupa (Rept. No. 469);

H.R. 4636. An act for the relief of Ralph B. Cleveland (Rept. No. 470); and

H.R. 4796. An act for the relief of Richard A. Hartman (Rept. No. 471).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 29. A bill for the relief of Ok Nyu Choi (Ann Wollmar) (Rept. No. 457);

S. 1488. A bill to amend section 508 of title 28, United States Code, relating to attorneys' salaries (Rept. No. 476); and

S. 1990. A bill to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities (Rept. No. 458).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 270. A bill for the relief of Mrs. Telisa Prendic de Milenovic (Rept. No. 459).

By Mr. DIRKSEN, from the Committee on the Judiciary, without amendment:

S. 149. A bill for the relief of the estate of Gregory J. Kessenich (Rept. No. 449).

By Mr. COTTON, from the Committee on the Judiciary, without amendment:

S. 464. A bill granting the consent of Congress to interstate compacts for the development or operation of library facilities and services (Rept. No. 450).

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act (Rept. No. 472).

By Mr. MONRONEY, from the Committee on Post Office and Civil Service, with an amendment:

S. 1459. A bill to amend the provisions of law relating to longevity step increases for postal employees (Rept. No. 474).

By Mr. KERR, from the Committee on Aeronautical and Space Sciences, with an amendment:

H.R. 6874. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes (Rept. No. 475).

AMENDMENT OF PUBLIC LAW 85–626, RELATING TO DUAL-RATE CONTRACT AGREEMENTS—REPORT OF A COMMITTEE

Mr. MAGNUSON, from the Committee on Commerce, reported an original bill (S. 2154) to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual-rate contract agreements, and submitted a report (No. 473) thereon; which bill was read twice by its title and ordered to be placed on the calendar.

Mr. MANSFIELD subsequently said: Mr. President, I send a bill to the desk and ask unanimous consent for its immediate consideration because a time limitation is involved. The bill has been cleared with the minority. Action is necessary at the earliest moment.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2154) to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual-rate contract agreements.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2154) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "To amend the Shipping Act, 1916", approved August 12, 1958 (72 Stat. 574), as amended by an Act approved June 29, 1960 (74 Stat. 253), is further amended by striking out "1961" and inserting in lieu thereof "1962".

Mr. MAGNUSON subsequently said: Mr. President, the Senate just passed a bill, S. 2154, which was reported unanimously out of the Committee on Commerce, which relates to the extension of the dual-rate contract agreements.

The bill provides for a single extension for a period of time to allow us to work on permanent legislation. It came from the House and to our committee a week ago. The authority expires on June 30, and that was the reason for the urgent necessity to pass the bill.

The Senator from Washington discussed with the two Senators from Alaska a proposed amendment which merely stated that a Governor of a State could express his opinion about a certain rate within 30 days after it was put into effect, or words of that kind. I suggested they submit the amendment on the floor. I was called out of the Chamber for a conference with three members of the Interstate Commerce Commission. While I was away from the Chamber, by agreement of every Senator present, the bill was passed.

I want to protect the two Senators from Alaska. Although time is now of the essence, I shall ask to reconsider the action taken on the measure. We can straighten the matter out with them tomorrow, and the bill will be on its way.

So I therefore move to reconsider the votes by which S. 2154 was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Does the Senator want action on the motion, or merely that the bill go over?

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. The effect of the motion will be to hold the matter up until tomorrow. Is not that correct?

The PRESIDING OFFICER. The Senator is correct. The entering of the motion will hold it up.

Mr. MAGNUSON. I thank the Chair.

REPORT ENTITLED "ADMINISTERED PRICES: DRUGS"—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 448)

Mr. KEFAUVER. Mr. President, from the Committee on the Judiciary, pursuant to Senate Resolution 52, 87th Congress, 1st session, I submit a report entitled "Administered Prices: Drugs," together with the individual views of the Senator from Illinois [Mr. DIRKSEN], the Senator from Nebraska [Mr. HRUSKA], and the Senator from Wisconsin [Mr. WILEY]. I ask that the report, together with the individual views, and illustrations, be printed.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and printed, as requested by the Senator from Tennessee.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 2150. A bill to authorize the appointment of citizens of Guam to the U.S.

Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy; to the Committee on Armed Services.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. SALTONSTALL (for himself and Mr. BRIDGES):

S. 2151. A bill for the relief of Harvey Burstein; to the Committee on the Judiciary.

By Mr. HART (for himself and Mr. MCNAMARA):

S. 2152. A bill to establish in the State of Michigan the Pictured Rocks National Recreation Area, and for other purposes; and

S. 2153. A bill to establish in the State of Michigan the Sleeping Bear Dunes National Recreation Area, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HART when he introduced the above bills, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 2154. A bill to amend Public Law 85-626, as amended by Public Law 86-542, relating to dual-rate contract agreements; placed on the calendar.

(See the remarks of Mr. MAGNUSON when he reported the above bill, which appear under the heading "Reports of Committees.")

By Mr. CARROLL:

S. 2155. A bill for the relief of Stephen Patrick House, Ellen Myra Rachel House, Thomas Stephen Rendall House, and Jane Ellen House; to the Committee on the Judiciary.

By Mr. ANDERSON (for himself, Mr. KUCHEL, Mr. BIBLE, and Mr. HICKEY):

S. 2156. A bill to expand and extend the saline water conversion program being conducted by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN:

S. 2157. A bill for the relief of Sin Yang Hu; to the Committee on the Judiciary.

APPOINTMENT OF CITIZENS OF GUAM TO THE SERVICE ACADEMIES

Mr. SALTONSTALL. Mr. President, I introduce for appropriate reference a bill to authorize the appointment of citizens of Guam to the U.S. Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy.

On May 22, 1957, I introduced S. 2133 which would have authorized the appointment of citizens of Guam to the U.S. Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy. I did this at the request of Dr. A. B. Won Pat, speaker of the Guam House of Representatives. This bill was put aside because the Department of Defense was at that time considering a more comprehensive omnibus bill which provided for appointments from Guam. This omnibus plan was sent to the Bureau of the Budget and died there.

Therefore, I should like now to reintroduce the bill, and will comment briefly by way of explanation. At the present time some students are admitted to the various military academies from Puerto Rico and the Canal Zone. It would seem appropriate to include among these territories claiming this privilege the Territory of Guam. Because Guam is an American territory and because there are many American military installations on Guam, and, further, because Guamanians have constant contact with the American military authorities, it would certainly seem that not only would we find a potentially good source of military officers from Guam, but we would be extending an act of friendship to the Guamanians which would be thoroughly consistent with our policy toward our other territories. The Guamanians showed their sincere appreciation of my efforts in their behalf in 1957 by adopting a resolution in their legislature expressing their gratitude, and I am sure that they will much appreciate our action upon this bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2150) to authorize the appointment of citizens of Guam to the U.S. Military Academy, the U.S. Naval Academy, and the U.S. Air Force Academy, introduced by Mr. SALTONSTALL, was received, read twice by its title, and referred to the Committee on Armed Services.

ESTABLISHMENT OF PICTURED ROCKS NATIONAL RECREATION AREA AND SLEEPING BEAR DUNES NATIONAL RECREATION AREA, MICH.

Mr. HART. Mr. President, on behalf of my colleague, the senior Senator from Michigan [Mr. MCNAMARA], and myself, I introduce, for appropriate reference, two bills which I believe hold great promise not only for the people of Michigan but for all Americans.

These bills would establish in Michigan the Pictured Rocks National Recreation Area and the Sleeping Bear Dunes National Recreation Area.

There is handwriting on the wall for all to see who will but open their eyes. It tells us some basic facts:

We in the United States are facing a population increase just ahead; our population will double in 40 years;

More people will have more leisure and more money to spend than has been available to previous generations;

These people in ever greater numbers will require opportunities for outdoor recreation;

Simultaneous with this greater demand there will be—and indeed already there has been—a rapid and permanent destruction of our remaining outdoor recreation sites through private development and acquisition for industrial purposes;

Michigan is singularly fortunate in possessing several of the most beautiful remaining unspoiled areas in the Nation;

The era of the "vanishing shoreline" is upon us, and our decisions today on the disposition of these few remaining areas will determine whether future generations will have outdoor resources to enjoy.

In 1957 and 1958 the National Park Service made a survey of the U.S. portion of the Great Lakes shoreline, our inland sea. The survey summary, entitled "Our Fourth Shore," tells us that around the large metropolitan areas of Milwaukee, Chicago, Detroit, and Cleveland, existing public ownership provides for only one-quarter inch of frontage—on the lakes—per person living within 50 miles of the shore:

> Conversely, the remaining undeveloped areas are primarily in evidence along the south shore of Lake Superior, the northern and eastern shores of Lake Michigan, the northern section of Lake Huron and, in most cases, on the lake islands. This latter category is significant because, with the notable exception of Mackinac Island in Lake Huron and the Bass Islands in Lake Erie, these isolated bodies of land have withstood the onslaught of residential development. They may very well become the last strongholds against the urban sprawl.

In spite of the acquisitions by our Michigan State park system, overcrowding of existing park and playground facilities is such that, as the survey notes, "outdoor recreation is becoming a chore rather than a pleasure." The Forest Service tells me, as an example, that with respect to the two national forests in lower Michigan:

> If the present trends continue, it is anticipated that by the year 2000 the overall recreation use on these forests will be over nine and one-half times that of 1958. For camping and picnicking alone, the expected increase for the same period will be over 13 times greater.

Here is the situation: Michigan at this moment still has a shoreline whose scenic charm and beauty as a water wonderland cannot be challenged, in the judgment of those who have surveyed the entire U.S. coastline. "Today an opportunity still remains to set aside outstanding shore features for public benefit."

ECONOMIC IMPACT

Happily, we can meet this challenge and at the same time contribute to the economy of the areas involved. An evaluation of the probably economic impact on nearby countries was presented to our May 5 conference of Michigan mayors by Ben H. Thompson of the National Park Service. Here are some of the facts given us by Mr. Thompson:

> Finding of the economic study indicate that within 5 years of establishment of a national recreation area[1] at Sleeping Bear, an additional 1.2 million people could be expected to visit the region each year. Direct expenditures by the additional tourists would generate an estimated annual income to the region of some $10 million. Through the total probable Federal expenditures over a 25-year period, it is estimated that an additional $21.5 million would be infused into the regional economy if the proposed area is established. Undoubtedly the establishment of the national recreation area would benefit the local, regional, and State economies. This economic benefit is secondary, of course, to the satisfactions and pleasure added to the lives of the millions who might visit this outstanding area.
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> An indication of the effect of expenditures by visitors to a possible national recreation area along the Great Lakes is contained in articles by A. Robert Smith, which were reprinted in the CONGRESSIONAL RECORD. Mr. Smith examined the tax records of Dare County, N.C., where the national recreation area at Cape Hatteras is located. He found that total assessed valua-

[1] The words "recreation area" have been substituted for the word "seashore" through this quote.

tion within the county more than doubled from 1950 to 1958, going from $11 to $25 million. At the same time, tax rates were reduced from $1 to 80 cents per hundred. The volume of business from the tourist trade almost doubled within a 6-year period in the vicinity adjacent to the national recreation area.

Studies of the economic effects of visits to national parks have shown similar effects. For example, in 1956 a study at the Great Smoky Mountains National Park, made by State highway departments and the Bureau of Public Roads, showed that the 2.5 million people who visited the park during 1 year spent more than $28 million within a 30-mile radius of the park.

The University of Wyoming made an economic study of Teton County, where Grand Teton National Park is located, and found that between 1950 and 1958 trends in a variety of economic indicators were upward. The population of the county increased 27 percent in 8 years, retail sales were up 96 percent, and bank deposits nearly doubled.

Establishment of a national park or recreation area results in increased demand for hotels, restaurants, motels, service stations, food stores, and a multitude of other service establishments within the vicinity. Thus, it provides investment opportunities for local business and employment opportunities for local labor. Land and building values in areas contiguous to the area appreciate, thus broadening the tax base of local communities.

Dr. W. Paul Strassman of Michigan State University, in his report on "Economic Growth in Northern Michigan," has pointed out that the leading industry of northern Michigan is the tourist industry and that it is more profitable than either mining, manufacturing, or agriculture. He states that the main attraction of northern Michigan is relief from the noise and tensions of city life at a cool expanse of forest and water. Well-planned private resorts have their place, particularly for high-income groups, Dr. Strassman states, but he stresses that experience has shown that scenic and recreational resources—Great Lakes bluffs and dunes, inland beaches, forests and historical sites—are not likely to be well preserved and available to the optimum number of vacationers under exclusive private ownership and control.

As mayors and city managers, you may have read the report issued by the Department of Commerce, "Your Community Can Profit From the Tourist Business." The report states that many community leaders pin their hopes for community development entirely on industry and agriculture, but many communities need—and now have available—opportunities for tourist business to balance their economic structure. If your community hopes to get its share of the growing tourist business, the report states: What your community will get depends on the community itself—its attitude toward tourists, its recognition of the value of tourist business, and the steps it takes to stimulate and promote this business.

Dr. Strassman points out the major step that can be taken to stimulate and promote this business in northern Michigan, by stating: "If parks and recreational facilities are expanded generously, tourists will spend 100 to 150 percent more money in 1970 than the average of 1954–56. An area with a major industry that is likely to expand two or three times as fast as the national economy may, in this respect, consider itself fortunate."

* * * * *

You are indeed fortunate to live in a State with such outstanding recreation resources as Michigan possesses and to occupy positions that permit you to lead the way so that your communities can profit from the development of these resources. Your opportunity to provide an understanding within your communities of the economic advantages that arise from suitable development of recreation resources can contribute to the establishment of national, State, and local parks and recreation areas that will meet the recreation needs of the people who live in your community and that will also contribute to the economic welfare of your community.

HUNTING AND FISHING

To those who enjoy hunting and fishing and do not want to see important areas taken "out of circulation" for these purposes, I call special attention to the fact that both bills expressly state that:

> The Secretary [of the Interior] may permit hunting on lands and waters under his jurisdiction within the recreation area and under such regulations as he may prescribe. The Secretary shall consult with the appropriate officials of the State of Michigan and any political subdivision thereof which has jurisdiction of hunting prior to the issuance of any such regulations, and the Secretary is authorized to enter into cooperative arrangements regarding such hunting as he may deem desirable.

AREA COVERED

The two bills describe the general extent of the two recreation areas. In the case of Sleeping Bear Dunes, it would extend roughly 36½ miles from Betsie Point in Benzie County to Good Harbor Bay in Leelanau County, plus South Manitou Island—13 miles. The proposed Pictured Rocks area would extend roughly 38 miles from just east of the city of Munising almost to Grand Marais.

The width of the areas varies considerable. Total acreage of the proposed Sleeping Bear area would be 77,000 acres on the mainland—of which 11,000 acres is in inland lakes—plus 5,300 acres on South Manitou Island; of Pictured Rocks 67,000 acres—of which 19,000 is in inland lakes.

These dimensions are suggestions only. Not until we have had extensive public hearings should we settle on the areas.

ACQUISITION OF LAND

There is always understandable concern on the part of property owners when a proposal such as this is made. The Department of the Interior assures me that care would be taken, in the acquiring of land for these recreation areas, to ease property owners and localities through any difficulties that might arise during the period of transition. The process should be orderly. The first property acquired would consist of publicly owned lands and privately owned unimproved lands. The bill provides that owners of improved property could continue to use it for residential purposes for a period of 25 years if they chose to do so.

The bill also provides that commercial establishments existing within the area could remain for the life of the owner or a suitable alternative period. The only exception would be in instances where such procedure would prevent necessary park development.

ACTION NEEDED

The rapidity with which the remaining unspoiled areas are being removed from access to the public produced "foreboding" in the hearts of those who surveyed the Nation's shorelines. The call is for quick action, to be taken with bold strokes. I think we will all be the richer for such action, and I therefore hope we can move swiftly to maintain for future enjoyment these outstanding Michigan shores.

Mr. President, I ask unanimous consent to include at this point as part of my remarks, material supplied by the Department of the Interior with respect to these two areas, Pictured Rocks National Recreation Area and the Sleeping Bear Dunes National Recreation Area.

The ACTING PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bills, introduced by Mr. HART (for himself and Mr. MCNAMARA), were received, read twice by their titles, and referred to the Committee on Interior and Insular Affairs, as follows:

S. 2152. A bill to establish in the State of Michigan the Pictured Rocks National Recreation Area, and for other purposes; and

S. 2153. A bill to establish in the State of Michigan the Sleeping Bear Dunes National Recreation Area, and for other purposes.

The statement presented by Mr. HART is as follows:

SLEEPING BEAR DUNES

Throughout three centuries the economy of the Grand Traverse region has been based primarily on its natural resources. During the early periods of resource exploitation the economy was situated to peaks not experienced in recent years. As the natural resources were depleted chaotic economic conditions resulted. In the past 40 years the scenic and recreation resources of the region gave rise to the tourist industry which, today, appears to be replacing agriculture as the primary source of regional income.

The proposed Sleeping Bear Dunes National Recreation Area[1] is located in Benzie and Leelanau Counties, on Michigan's Lower Peninsula. Within the proposed area, nearly 10,000 acres of land and about 11,000 surface acres of inland lakes are already in public ownership. Over three-quarters of the land is presently forested, consisting mostly of cutover lands. By comparison with other portions of the two counties and with the Grand Traverse region generally, agriculture within the study area is not extensive. With less than one-fourth of the land cleared, an estimated 10 to 15 percent of the total land area within the proposed boundaries is devoted to cropland.

Over 20 million people live within an easy day's drive of the area, and it is apparent from a study of buildings within the proposed national recreation area that the local economy is based primarily on recreation. Sixty-four percent of the residential structures are private cottages, while another 12 percent are commercial cottages. Existing private and commercial development, already based substantially on recreation, appears to be basically compatible with the objectives of the proposed national recreation area. The fact that fewer people live in the Grand Traverse region today than 50 years ago, is highly significant in indicating changes in the level of economic activity. Even in the decade just past, the region experienced heavy out-migration, as did Benzie and Leelanau Counties, indicating a decline

[1] The words "recreation area" have been substituted for the word "seashore" throughout.

in the rate of economic growth. It is estimated that only about 8 percent of the combined population of Benzie and Leelanau Counties reside within the area under consideration. In the summer, however, the number of recreationists in the area far exceeds the number of permanent residents.

Since 1950 the growth in regional employment has been substantially below that in the rest of the State. In 1950 one-quarter of the region's labor force engaged in farming, while the proportion of the labor force engaging in agriculture was even higher in Benzie and Leelanau Counties. Most of the region's manufacturing activity, where earnings are higher, is centered in or around Traverse City. Because one-half of the manufacturing establishments in the region process food and fiber crops, manufacturing employment and payrolls are highly seasonal. The importance of tourism to the regional economy is shown by the employment in the trade and service industries, where seasonal employment variations have been no more pronounced than in manufacturing. It is expected tht the establishment of the proposed Sleeping Bear Dunes National Recreation Area would result in the immediate expansion of payrolls and employment in the trade, service, and construction industries. While there should be no immediate impact upon payrolls and employment in other industries, it appears reasonable to anticipate increases in the long run if the proposed area is established.

The three major sources of basic income in the regional economy are agriculture, manufacturing, and tourism. Developments in recent years indicate that the economy of the Grand Traverse region has undergone a transition from which one has been agriculturally oriented to an economy based upon recreation. The annual volume of the tourist business is estimated at more than $25 million in the Grand Traverse region and at approximately $8.2 million in Benzie and Leelanau Counties. Based on the continuation of past and present trends, it appears that the best prospect for future economic growth is the tourist industry. Since the essential ingredients for a thriving tourist industry are the region's scenic and recreation resources, the future depends upon the planned and orderly development of these resources.

Throughout the Grand Traverse region, as in the remainder of the State of Michigan and throughout the United States, there has been a rapidly growing use of outdoor recreation resources. The increased demand for recreation results from the growth in population, income, leisure, and mobility. Long-range trends in all four growth factors are expected to continue upward. Therefore, the pressure of recreation demand will be even greater in the future than today. The tourist industry of Michigan and the Grand Traverse region should gain from the potential future demand, providing the basic natural resources are protected. The establishment of the proposed Sleeping Bear Dunes National Recreation Area would preclude the unwise use and haphazard development of the tourist industry's major attraction in the region, thus increasing the probability of maximum long-range gains to local, regional, and State economies.

The Federal cost of land acquisition for the proposed area is estimated at $12.2 million. If legislation is enacted establishing the national recreation area, anticipated expenditures for capital improvements would be $10 million over the first 5-year period. Annual operating costs would average about $296,000 during the fifth year, and should remain near that level in the following years.

It has been recommended that lands for the proposed Sleeping Bear Dunes National Recreation Area would be acquired under a program designed to ease property owners and local communities through any difficulties that might arise during the period of transition. During the first 5 years after establishment, the major part of the lands acquired would consist of publicly owned and privately owned unimproved lands. Immediate revenue losses, therefore, would be small. Later, as improved properties are offered for sale to the Secretary of the Interior, increased revenues from new developments in the areas contiguous to the proposed recreation area would offset tax losses in the long run.

Five years after establishment of the proposed area an additional 1.2 million people could be expected to visit the region each year. Direct expenditures by the additional tourists would generate an estimated annual income to the region of some $10.8 million. If the proposed area is established, it is estimated that an additional $21.5 million would be infused into the regional economy through the total probable Federal expenditures over a 25-year period. Undoubtedly, the establishment of the proposed national recreation area would benefit local, regional, and probably State economies. Possibly a net economic gain to the Nation might result.

But the economic benefits to the proposed area would be only subsidiary. The true and vastly greater benefits to the people of Michigan and to all Americans cannot be measured in narrow monetary terms. The real benefits that would accrue to present and future generations of Americans can be evaluated only in terms of the pleasure added to the lives of the millions who might visit this outstanding area. In the words of Dr. Rensis Likert, director of the Institute for Social Research of the University of Michigan, "* * * the people of the United States, through the Congress, have indicated their interest in maintaining the national parks for their aesthetic and recreational value rather than for the economic gain that would be involved."

PICTURED ROCKS

The findings of this study indicate that the scenic and natural values of the Pictured Rocks-Grand Sable Dunes region are of national significance and should be preserved as a unit of the National Park System.

The grandeur of the Pictured Rocks has long been considered one of the scenic highlights of the Great Lakes. Vivid descriptions were recorded by many of the early explorers of the Great Lakes region dating back to the early 1600's. Longfellow used this Lake Superior region as the setting and background for his famous "Song of Hiawatha."

Closely associated geographically but perhaps less widely known are the adjacent Beaver Basin and the Grand Sable Dunes regions. The Beaver Basin embraces shore and inland into a composite relationship of beach, low dunes, lakes, forest, swamps and streams, inviting freedom of movement from one to the other. The Grand Sable Dunes perched atop the Grand Sable Banks on a shelf 275 feet above Lake Superior are the largest on the Lake Superior shore. These active dunes rise to heights of 100 feet and cover more than 2,200 acres.

These three dominant landscapes characterize the principal features of the proposed area. By uniting these with the many intermediary features of scenic and natural importance, the combined area gives a shoreline that is approximately 38 miles long, including 15 miles of spectacular rock formations, 12 continuous miles of undeveloped sand beach, 5 miles of towering windswept dunes, and 6 miles of connecting shore area. Backing up the shoreline is 65,400 acres of northern forest containing unique glacial embayments, combined with lakes, ponds, waterfalls, streams, and various types of forest cover, making a landscape combination that is not only worthy of preservation for its scenic beauty, but important for the natural and geologic history it contains.

To preserve the extraordinary features of this region for public inspiration and enjoyment, it is suggested that appropriate action be taken to combine all of these features into a single management unit and made a part of our national park system as a unique segment of our Nation's Great Lakes landscape.

EXTENSION OF SALINE WATER CONVERSION PROGRAM

Mr. ANDERSON. Mr. President, on behalf of the Senator from California [Mr. KUCHEL], the Senator from Nevada [Mr. BIBLE], the Senator from Wyoming [Mr. HICKEY], and myself, I introduce, for appropriate reference, a bill (S. 2156) to extend the saline water conversion program being conducted by the Secretary of the Interior.

This measure is similar to others introduced in this session of the Congress, and will accomplish the goals heretofore indicated in this very important phase of resource development.

The Secretary of the Interior, in his letter of transmittal to President Kennedy, stated:

This bill is designed to carry out the recommendations in your natural resources message for an extension of the current saline water research program. Its enactment will provide the Department of the Interior with the program authorities required to assure the most vigorous and effective research and development program possible in this field.

I am most happy to cooperate in carrying out the expressed desires of the President in this matter.

I think that I should warn my colleagues and the people of the United States that no miracles should be expected in this field. The road ahead can only be accomplished through an expansion of basic research and hard work. Our job is to give the administering agency the tools with which to do the job. I am hopeful that this can be accomplished through the enactment of this legislation.

I ask unanimous consent that the text of Secretary Udall's letter to President Kennedy and President Kennedy's letter of transmittal to Vice President JOHNSON be printed at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 22, 1961.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: I am enclosing a draft of bill to expand and extend the saline water conversion program being conducted by the Secretary of the Interior.

This bill is designed to carry out the recommendations in your natural resources message for an extension of the current saline water research program. Its enactment will provide the Department of the Interior with the program authorizations required to assure the most vigorous and effective research and development program possible in this field.

We know from the progress that has been achieved that sea or brackish water can be desalted and put to beneficial use, but better processes are needed to make it an economical source of supply for general use. Just prior to World War II, the cost of con-

version ranged upward from $5 per 1,000 gallons. Today, plants around the world are producing about 20 million gallons of fresh water from the sea per day. From the information we have available the most efficient plant now in commercial operation is on the Island of Aruba, just off the coast of Venezuela. This plant is producing 2,800,000 gallons of fresh water per day at a cost of about $1.75 per 1,000 gallons.

Construction of demonstration plants authorized by the act of September 2, 1958 (72 Stat. 1706), is already underway. On the basis of extrapolations prepared by staff engineers of the Office of Saline Water, we anticipate that at least two of these plants will produce fresh water in the range of $1 to $1.25 per 1,000 gallons. While these processes represent considerable progress, it is very unlikely that the conversion processes presently available for the demonstration plants are the best that can be developed. Further research is expected not only to improve those processes but it also holds promise of developing entirely new methods which may permit the attainment of a major breakthrough.

The results to date of this Department's saline water research and development activities under our basic authorization have in large part developed the technological advances that permit many communities in need of a dependable supply of fresh water to be interested now in the installation of conversion plants, if they could obtain the necessary financial assistance which we are recommending for your consideration. It is our opinion that the continuation of the program, which this bill would authorize, should help significantly to make it possible to bring good water supplies to local communities on a basis that is economically feasible. It should also lessen the obstacle to the financing of the investment of substantial sums of money in conversion plants.

Although many technological problems remain to be solved, results obtained from laboratory investigations give reliable indications that the objective of low cost converted water can be attained. If we can reach our objectives, converted saline water may become an important source of supplemental water for many areas of the United States and, indeed, of the world. Enactment of proposed legislation is necessary if this important work is to be continued beyond June 30, 1963.

This proposed bill has the same objectives as do related bills that have already been introduced.

Title I of the draft bill covers generally saline water research and development. It is substantially the same as existing law except in connection with the authorization of appropriations and the life of the program. We have incorporated in the attached draft bill various changes that we feel are appropriate.

Section 8 of title I removes the expenditure ceiling and extends the time limit because it is impossible to predict in advance the rate of progress that might be achieved, or to predict the cost of solving a technological problem of this magnitude. The time and fiscal limits set by the Congress in 1952 and 1955 have proved to be inadequate. For a program that is probing in an unprecedented manner into the secrets of nature to develop an inexhaustible supply of economically competitive fresh water, it seems wise to allow adequate flexibility in the rate at which such a program shall advance. Congress has recognized, and by this legislation would reaffirm, the importance of this program. With each passing year the program will be of much greater significance to mankind. It should be authorized to function until it has attained the objectives set forth by the Congress.

Title II repeats the 1958 law regarding demonstration projects but extends the duration of the program from 7 years to 15 years, removes the limitation on the appropriations, and authorizes the construction of an unspecified number of additional demonstration plants including ones capable of producing not to exceed 50 million gallons of water per day.

Title III, which we feel is essential to the whole program, would authorize financial assistance for the construction of conversion plants. This title is similar to the Small Reclamation Projects Act.

Title IV provides for grants to local governmental units or public or private utilities for that part of the capital investment necessary to reduce the price of water to a competitive price. It further provides for contracts with the borrower for Federal payment of the difference between the cost of converted water and a fair price for such water.

Title V directs the cooperation of the Secretary of Defense, the Secretary of State and heads of related agencies with the Department of the Interior in appropriate cases in the establishment of land-based saline water conversion plants.

I recommend that this legislation be submitted to the Congress for appropriate action.

Sincerely yours,

STEWART L. UDALL,
Secretary of the Interior.

THE WHITE HOUSE,
Washington, D.C., June 26, 1961.

Hon. LYNDON B. JOHNSON,
President of the U.S. Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: I am transmitting for the consideration of the Congress a draft bill to carry out the recommendations on saline water research in my natural resources message.

Water—one of the most familiar and abundant compounds on the earth's surface—is rapidly becoming a limiting factor on further economic growth in many areas of this Nation and the world. As time goes on, more and more communities will be faced with the prospect of economic distress and stagnation unless alternative sources of suitable water are developed.

It is essential, therefore, that we make every effort at this time to search for low-cost processes for converting sea and brackish water into fresh water to meet our future water needs and those of our neighbors throughout the world. I know of no Federal activity that offers greater promise of making a major contribution to the ultimate economic well-being of all mankind than this program.

This bill will provide the Department of the Interior with a wide variety of tools to attack the saline water conversion cost barrier. It contemplates a major acceleration of current programs of basic and applied research, and permits the construction of conversion plants far larger than any now in existence to test the feasibility of known and yet to be developed processes. I am confident that the Congress will share my view that we must move ahead with this important program, and I urge that favorable and prompt consideration be given this legislation.

I am enclosing a letter from the Secretary of the Interior describing this legislation in greater detail. A letter identical to this is being sent to the Speaker of the House of Representatives.

Sincerely,

JOHN F. KENNEDY.

Mr. ANDERSON. Mr. President, I request that the bill remain at the desk until Friday next, to allow additional Senators to join as sponsors of this bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred and, without objection, will lie on the desk as requested.

The bill (S. 2156) to expand and extend the saline water conversion program being conducted by the Secretary of the Interior, introduced by Mr. ANDERSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AMENDMENT OF PUBLIC LAW 85–626, RELATING TO DUAL RATE CONTRACT AGREEMENTS—AMENDMENT

Mr. GRUENING (for himself and Mr. BARTLETT) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 2154) to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual rate contract agreements, which was ordered to lie on the table and to be printed.

SENIOR CITIZENS SERVICE TRAINING ACT—ADDITIONAL COSPONSOR OF BILL

Mr. MCNAMARA. Mr. President, I ask unanimous consent that on the next printing of S. 1863, the Senior Citizens Service Training Act, the name of Senator PELL be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF HEARINGS BY COMMITTEE ON BANKING AND CURRENCY

Mr. ROBERTSON. Mr. President, I wish to announce that the Committee on Banking and Currency will hold hearings on the following bills:

S. 1005, which I introduced at the request of the Federal Reserve Board, to remove a statutory ceiling on the cost of Federal Reserve bank branch buildings;

S. 1486, introduced by Senator YARBOROUGH, to authorize the Comptroller of the Currency to establish reasonable maximum service charges which may be levied on dormant accounts by national banks;

S. 1771, introduced by myself and Senator SALTONSTALL, to improve the usefulness of national bank branches in foreign countries; and

S. 2130, an administration bill, to repeal certain obsolete provisions of law relating to the mints and assay offices, and for other purposes.

Hearings will be held on Monday, July 10, 1961, at 10 a.m., in room 5302 New Senate Office Building.

All persons who wish to appear and testify at the hearings on any of these bills are requested to notify Mr. Matthew Hale, chief of staff, Senate Committee on Banking and Currency, room 5304 Senate Office Building, telephone Capitol 4–3121, extension 3921, before the close of business on Friday, July 7, 1961.

TRUTH IN LENDING—NOTICE OF HEARINGS ON PROPOSED LEGISLATION TO REQUIRE DISCLOSURE OF FINANCE CHARGES IN CONNECTION WITH EXTENSIONS OF CREDIT

Mr. DOUGLAS. Mr. President, as chairman of the Subcommittee on Production and Stabilization of the Committee on Banking and Currency, I wish to announce the beginning of hearings on S. 1740, a bill to assist in the promotion of economic stabilization by requiring the disclosure of finance charges in connection with extensions of credit.

Hearings will begin on Monday, July 17, 1961, and run through at least Thursday, July 20, 1961, in room 5302, New Senate Office Building.

I might say that I think it is unlikely that we will be able to complete our hearings in these 4 days.

All persons who wish to appear and testify at hearings on this bill are requested to notify Mr. Jonathan Lindley, staff assistant for the Subcommittee on Production and Stabilization, Senate Committee on Banking and Currency, room 5304 Senate Office Building, telephone Capitol 4–3121, extension 3921, as soon as possible, and in any event, before the close of business on July 10, 1961.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

David M. Satz, Jr., of New Jersey, to be U.S. attorney, district of New Jersey, term of 4 years, vice Chester A. Weidenburner

Forrest F. Walker, of Virginia, to be U.S. marshal, eastern district of Virginia, term of 4 years, vice Richard A. Simpson

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, July 5, 1961, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HUMPHREY:

Address entitled "America in Today's World," delivered by Senator WAYNE MORSE, of Oregon, at graduating ceremonies at Suffolk University, Boston, Mass., June 18, 1961.

By Mr. McNAMARA:

Address, entitled "The Democratic Party and the Aged," delivered by Senator WILLIAMS of New Jersey before the 14th Annual Conference on Aging, at the University of Michigan, Ann Arbor, Mich., on June 20, 1961.

By Mr. KERR:

Address delivered by Senator MONRONEY at the annual dinner of the Washington professional chapter of Sigma Delta Chi, National Journalistic Society, on June 7, 1961.

By Mr. GOLDWATER:

Letter to the editor written by him and published in the Washington Post and Times Herald of June 27, 1961.

TRIBUTES TO LAW RISKEN

Mr. MANSFIELD. Mr. President, from time to time we all experience personal regret and loss with the passing of a friend, especially one whose life has been full of accomplishment, devotion to his profession, and a generous amount of human understanding. Recently I learned of the death of a very good friend, one of Montana's accomplished journalists, Law Risken, of Butte, Mont.

Law Risken worked his way up the ladder of journalism. He started as cub reporter, and finally became editor, manager, and, at the time of his death, editor emeritus of the Montana Standard, in Butte. Law was a good reporter and editor. He displayed great understanding and consideration of those around him. I considered Law Risken a true and loyal friend, one whom I shall miss greatly.

Mr. President, the Montana newspapers published a number of fine tributes to Law Risken. On behalf of my junior colleague [Mr. METCALF] and myself, I ask unanimous consent that editorials from the Montana Standard, the Independent Record, and an article from the Great Falls Tribune, be printed at the conclusion of my remarks in the CONGRESSIONAL RECORD.

There being no objection, the editorials and the article were ordered to be printed in the RECORD, as follows:

[From the Montana Standard, June 15, 1961]

TRIBUTE TO LAW RISKEN

Although we of this newspaper deal daily with human tragedy we never find ourselves quite capable of coping with it, especially when it comes close to home as it has in the death of Law Risken, who for so many years shared our labors and our joys and sorrows in a workaday world. Law was our boss for many years, but actually he was so soft spoken and mild that we always felt he was just another one of us.

We knew Law Risken as a fine and loyal friend. We knew him as a competent and talented draftsman in the profession of journalism. A fine writer and student of human nature, he had reached the heights of his profession. And he had helped to pull many a struggling young man along the difficult paths of newspaper work.

But if Law had any one specialty, it was a total capacity for friendship. Over the years friends came to this office in an unending stream. They came to share in the kindly humor, the understanding and the loyalty of this man who had these attributes in excess. They still came, even after Law Risken's retirement and during his long illness. They could have paid him no greater tribute.

As the years pass we shall miss Law. But we shall never forget him. And there will remain in our hearts the wish that we might have been more like him, especially in his understanding of human nature and his capacity to win and hold friends.

These newspapers are proud to have had Law as a cub reporter, reporter, sports editor, city editor, managing editor, editor, manager and—finally—editor emeritus. The many thousands of pages in our bound volumes stand as a lasting memorial to him.

[From the Independent Record, June 16, 1961]

IT IS "30" FOR LAW RISKEN

In the newspaper world's earlier days there used to be a signal which meant "the end."

When the number "30" came down the telegraph wire it apprised the one receiving that this was the end of the story.

And so the time has come to mark "30" at the end of the career of Law Risken, who once was the editor of this newspaper.

Law Risken was a newspaperman's editor.

He knew the business because it was his life's work.

When he became the executive head of this paper and later of the Montana Standard it was with the background of having done all the jobs well on the path which led to the top.

But Law Risken was more than that.

He was an editor who knew not only newspapering, but the community and the State in which he lived.

Those who have followed in the footsteps of Law Risken have a deep and abiding respect for the journalistic paths which he started.

He understood his work and he knew where he was going. He understood the motives of those around him and his influence extended far beyond his particular niche in the newspaper world.

And while it may be "30" in one sense for Law Risken, those who worked with him, those who worked for him, those who were trained by him, all knew that his influence will live on in their skills and in their attitudes.

[From the Great Falls Tribune, June 14, 1961]

LEADERS EULOGIZE RISKEN

The death of Law Risken in Butte Tuesday was termed "a great loss to the State of Montana" by Gov. Donald G. Nutter.

The State's chief executive said Risken "was a patriotic citizen and a fine newspaperman. People such as he are ever remembered but can never be replaced."

Other comments on the passing of the longtime Butte newspaper executive included these:

RESPECTED BY ASSOCIATES

"Those who have followed in the footsteps of Law Risken have a deep and abiding respect for the journalistic paths which he charted. He understood his work and he knew where he was going. He understood the motives of those around him and his influence extended far beyond his particular niche in the newspaper world."—ROBERT E. MILLER, editor of the Helena Independent Record.

"Law Risken was one of Montana's most discerning editors. His ability to make a rapid analysis of situations was uncanny and his inspiration to his fellow workers unequaled. Montana has lost a top newspaperman and a civic leader."—AL GASKILL, who knew Risken as a sports editor and then as editor of the combined Helena Independent Record, of which Gaskill became managing editor.

"Law Risken was a standout in the Montana newspaper world—he had what it takes to reach the top. He was a great guy and a fine citizen."—JOE L. MARKHAM, manager of the Montana Automobile Association and former Butte newspaperman.

FINE CITIZEN

"Law Risken was a thoughtful, public-spirited newspaperman and a great booster for Montana. He had a friendly feeling

toward everyone. I was shocked by his passing. Mr. Risken has left his mark on Montana."—Associate Justice HUGH ADAIR, of the Montana Supreme Court.

"Montana has lost a very sincere and capable newspaperman. He was extremely considerate toward everyone. His death is a shock to his host of friends."—Secretary of State FRANK MURRAY.

LET'S NOT DISTORT HISTORY

Mr. YOUNG of Ohio. Mr. President, on Sunday, June 25, the senior Senator from Wyoming [Mr. MCGEE] issued an extremely lucid statement in rebuttal to some recent press releases and articles emanating from the Republican National Committee.

The Senator from Wyoming has had many years experience as a professor of history, and is, at present, the only member of the American Historical Association in the U.S. Senate. In this statement he has, in an academic manner, accurately portrayed the actual events which transpired during the World War II meetings between President Roosevelt and Marshall Stalin at Teheran and President Roosevelt and Chiang Kai-shek at Cairo. His statement stands in stark contrast to recent articles circulated by the Republican National Committee, which attempt to reflect history to a partisan, political advantage.

Mr. President, I ask unanimous consent that Senator MCGEE's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LET'S NOT DISTORT HISTORY

(Statement by Senator MCGEE on June 25, 1961, in rebuttal to a series of articles in the Republican National Committee magazine Battle Line, which deal with the World War II meetings between President Roosevelt and Marshal Stalin, and President Roosevelt and Chiang Kai-shek)

The publication by the Department of State within the past week of the full documents of the historic World War II summit conferences at Cairo and Teheran is a commendable service to historical scholarship. As a former professor of history and still an active member of the American Historical Association, I particularly applaud the availability of these documents. They merit careful study as a further reminder, if one be needed, of the difficulties of negotiation with the Soviet Union and of the unreliability of Soviet commitments.

Coincident with the releasing of the documents, however, has been the entrance to the historical lists of the Republican National Committee. Under the name of that distinguished group, there has just been issued what is represented as being a series of "historical" tracts assessing these first two wartime conferences. Perhaps as the only member of the American Historical Association currently in the U.S. Senate, I should be expected to welcome them into the ranks of the historians.

I must say, however, that if the Republican National Committee is serious about venturing into the realm of history, those who draft their little bulletin, Battle Line, will have to become more respective of the facts. Any freshman history student who had dared turn in a set of papers such as those issued during the past week pertaining to the Cairo and Teheran meetings would have flunked the course.

A student of history risks a flunk, not when he disagrees with the professor, nor when he places a different interpretation upon a set of facts, but whenever he does violence to the simple rules of historical criticism in the search for historical truth. These violations include lifting statements out of context, omitting portions of quotes, distorting facts, and losing historical perspective. On all of these counts the June 17, 18, and 19 releases from national Republican headquarters fall short of the most elementary of historical standards.

For example: In an apparent attempt to support their contention that President Roosevelt agreed to a "sell-out" of Poland, the GOP release quotes from the minutes of a December 1, 1943, meeting between Roosevelt and Stalin as follows: "The President said [to Stalin] personally he agreed with Marshal Stalin" (Battle Line, June 17, p. 2). The passage in the official documents actually reads (p. 594) "He [President Roosevelt] said personally he agreed with the views of Marshal Stalin as to the restoration of a Polish state."

This is a classic illustration of the propagandist trick of changing meaning by partial quotation.

In another instance the GOP papers refer to the agreement between F.D.R. and Chiang Kai-shek for restoring Formosa to China as follows: "In this amazingly casual way Formosa, which had been the first independent Republic in Asia was transferred to China" (Battle Line, June 18, 1961, p. 1). That's plain bad history. Most history books indicate that Formosa had never been a republic; that it was under Chinese rule from the 17th century until Japan took it by force in 1895.

Perhaps it is enough to suggest that the basic "historical crime" committed in Republican headquarters has been to lift nearly all of their political blasts contained in the propaganda sheets at hand out of context. From over 900 pages of documents they focus on but a few; from among a half million words they select a handful of phrases. This is questionable editorial integrity.

But even more serious is the deliberate distortion of history in these GOP comments by conveying the false impression they give of the overall results of the wartime conferences. They are represented as negotiating defeats for the United States.

To be more honest with the facts and to recapture the perspective of the war conditions which prevailed in November and December of 1943, it is necesary to remind ourselves of the dire straits in which America found herself at the time.

There was yet no landing of American troops in Europe; the Japanese were in solid control of their newly won empire in Asia; Russia and the United States distrusted each other's intent in the war, Moscow believing we were dragging our feet in Europe while we believed the Soviets were holding back in Asia. The outcome of the war on both fronts was far from certain. Our own survival was still very much in doubt.

Chiang Kai-shek was lukewarm about continuing the fight against Japan, yet his soldiers kept several million Nipponese troops pinned down on the mainland of Asia. Even today in hindsight it is surely understandable that one of our top priorities was to keep the generalissimo in the war. Likewise, at Teheran a major goal was to close ranks with Russia in a joint military squeeze play to destroy Hitler and later Japan. These, then, were the real purposes, the prime targets at Cairo and Teheran.

Such conversations as there were about postwar settlements were secondary and largely incidental. The conversations were strictly informal and no negotiations or agreements on these questions were undertaken—at most they were exploratory.

For the Republican National Committee to choose to prowl through this section of the reports on Teheran, therefore, becomes a matter of deep concern. Obviously it is undertaken with the hope that out of raking through the ashes of the past some partisan advantage might be gained. I am confident that responsible Republican leaders will be equally concerned at this shoddy effort.

Bipartisan unity on key matters of foreign policy is one of the strongest and most important traditions of our Government, and this attempt to bring these matters into the domestic political marketplace imposes a strain on such unity at a critical time in our history.

Even more serious is the fact that this political attack goes to great lengths to bring into prominence those few phrases in the documents which are most likely—18 years after the fact—to cause resentment in such friendly countries as England, France, Germany, and India. It is one thing to have these controversial remarks preserved in the context of a scholarly publication. It is quite another to seek to convert them into press headlines. Had the Soviet Government undertaken to perform this hatchet job on our ties with our friends and allies, we could at least consider the source. But for it to come from one of our two great parties is an action of the gravest sort.

What shall be the judgment of history in regard to the two conferences? Chiang was kept in the war; Russia and the United States "closed the ring" around Germany. The prime purposes of the meetings were achieved with overwhelming success. This simple truth stands in stark contrast to the Republican allegations of serious defeats.

Even in the nonmilitary realm, the Teheran conversations evoked from Stalin expressions favorable to restoring a free Poland; respect for the territorial boundaries of Iran; and a tacit pledge to work for the "elimination of tyranny, slavery, oppression, and intolerance" in the postwar world. These were impressive beginnings, to say the least.

That more did not come of them in later years has little to do with the atmosphere of the talks in 1943. We would do well to recall a January 1958 comment of a great and responsible Republican, John Foster Dulles, when he said of the late Yalta agreements that the trouble was not with the agreements themselves but rather with the Russian failure to live up to them. This would seem to be an appropriate conclusion which a fair review of the history of Cairo and Teheran can yield for us now.

Apart from mangling history, the main purport of these GOP papers seems to be to try to somehow equate the long-past wartime conferences with the recent meetings in Paris, Vienna, and London between President Kennedy, President de Gaulle, Premier Khrushchev, and Prime Minister Macmillan. Again and again Battle Line refers to the Teheran and Cairo Conferences as horrible examples of the evil results of "the same kind of one-man secret diplomacy that President Kennedy has employed."

The GOP National Committee attacks make it appear that summits, one-man diplomacy, and face-to-face meetings between heads of state are the monopolies of one party. So soon have they forgotten the Camp David meeting between President Eisenhower and Premier Khrushchev. That conference was described by the press as "Secret Talk Held," and "President and Premier Confer at Length Without Advisers." There is plenty of room for honorable political disagreement over the desirability of summit conferences in general, or even a special one in particular. But the simple fact that we cannot be sure which tactic or what emphasis will turn out to be the successful one ought to make us cautious about recklessly attacking any personal efforts to probe for possible improvements.

No one can pretend that no mistakes were ever made during the difficult period of the wartime conferences. It is as unfair to castigate Roosevelt for Teheran or Cairo as it would be General Eisenhower for the Berlin decision during the war. Yet, surely from the standpoint of Monday morning quarterbacks, our 20/20 hindsight can always find things which might have been done differently.

Unfortunately, the times do not afford us the luxury of putting off today's critical decisions until we can examine them in hindsight 5 or 10 years hence. Judgments have to be made and chances have to be taken now. And whether the decisionmaker be a Roosevelt at Teheran or an Eisenhower in Berlin, we must understand that the major decisions were made by wise, able, and patriotic Americans who did what seemed to be the best thing to do in difficult circumstances amid conditions as they understood them at the time. The actions were undertaken by both Republicans and Democrats; they were widely approved at the time; and have survived the objective judgments of history as worthy acts of American statesmanship.

And, finally, the present times are altogether too critical to be raising national doubts about obscure circumstances of the past. This is hardly the time, either, to be opening old sores among our friends and allies. Least of all is this the moment to be calling into question the integrity and skills of our Presidents—past or present.

In 1961 the Nation—in fact, the free world—can ill afford to play reckless political games with the past. Our needs, both national and international, are too urgent to permit irresponsible political quackery. It is the moment for all Americans, regardless of party, to marshal the best we have in order to do the most we can toward achieving the goals we must.

"UNEMPLOYABLES," SO-CALLED, POSE ECONOMIC PROBLEM

Mr. YOUNG of Ohio. Mr. President, most economic indicators point to a recovery from the recession which caused so much hardship to so many worthy and industrious American workers.

In my view, much of the credit must go to President Kennedy's enlightened, progressive antirecession measures.

However, Mr. President, certain problems spawned by the recent recession and its predecessors in the postwar period will endure, despite the comeback our economy now appears to be making. Chief among these problems is the growth in chronic, long-term unemployment at an increasingly higher level following each major economic recession.

A new category has developed on the employment scene in the American economy. It is the category of the "unemployable workers," men and women who even in times of high general prosperity are unable to find employment.

Each recession in the past 15 years has left a higher level of unemployable workers in its wake. It is a fact that since 1953, more than 1 million jobs have vanished from American industry, apparently not to be replaced by the creation of new employment. Also, another milion jobs have disappeared from the agricultural field.

The hardest hit appear to be unskilled workers in heavy industry and those in industries which have suffered long-term decline and increasing competition from low-wage, sweatshop industries abroad.

Despite the fact that jobs have increased substantially in service industries, many unemployed factory workers appear to be unable to make the adjustment to new types of employment requiring new skills and further training, which in most cases is unavailable.

The burden of the hard-core unemployed falls principally on those who are, for whatever reason, society's stepchildren, to begin with. Unskilled workers make up 56 percent of those suffering from long-term unemployment. Negroes comprise 46 percent of this category. Workers over 45 years of age comprise 50 percent.

Mr. President, in April the number of American workers who had been unemployed for 15 consecutive weeks reached a postwar high of 2,128,000. The number of unemployed for 6 months or more is nearing 1 million. These figures are destined to grow even larger, unless steps are taken soon to meet this urgent problem.

One measure of a society, Mr. President, is its ability to provide employment for those who want to work. In our affluent democracy, it is cruel and unjust that millions who desire—and, indeed, need—work are unable to secure employment. This is due to economic conditions beyond their individual control.

I maintain that the plight of these people need not be left to mystical economic equations or glib, cold economic explanations.

The fact is that we are not utterly helpless in the face of this growing problem. In order to meet this challenge, officials of government, industry, and labor must begin planning now, before this unfortunate situation becomes completely unmanageable.

Training programs in new skills for displaced workers must be instituted. Should we fail to do this, many unemployed will never again obtain and enjoy full-time productive employment. These programs could be planned and administered jointly by leaders of government, business, and labor.

Mr. President, the time to begin dealing with the problem is when there is general recognition that the problem exists. It is dangerous to wait too long, because solutions then become more difficult. In my opinion, responsible leaders of industry, labor, and government acknowledge the fact that there is a serious problem in the existence of a hard core of unemployable American workers. It is my hope that concrete, productive planning to meet this problem will begin soon. We are met for the general welfare. Let us act before the end of this session.

VACATION IN WISCONSIN

Mr. WILEY. Mr. President, at this time of the year, for some 22 years now, when folks begin to get the vacation fever, I have suggested, in speaking on the floor of the Senate, that they cannot do better than to visit Wisconsin. After all, if they would pack up and go to Wisconsin, and there would realize the beauty of the State, with its wonderful 8,000 lakes, its rivers, its large herds of cows—more cows than people, in fact—and more milk than is to be found in any other State in the Union, they really would find that Wisconsin is an extremely fine place in which to spend their vacation.

After all, Mr. President, in our country, summer is a major vacation time.

In the days ahead, Mr. and Mrs. America and family will be packing up to get away from it all; to travel and see new and old faces and places; to enjoy recreational, educational, cultural, and other activities; to experience a renewal in body, mind, and spirit.

As Senators and their constituents search their souls—and consult their bank accounts—to determine how and where to best spend a vacation, let me extend a warm, friendly invitation to visit wonderful Wisconsin.

Truly a land of milk and honey, Wisconsin offers: Warmly human hospitality; great scenic beauty in natural lands of serene, beautiful forests, murmuring streams, and mirror lakes; unlimited opportunity for indoor and outdoor recreational, educational, and cultural activities; the handclasp of friendship from a great people.

Recently, the Wisconsin Department of Resource Development published an extremely informative brochure on "What Wisconsin Offers to the Vacationer." I believe this will be of interest to fellow Senators and all Americans—more than 6 million of whom visit Wisconsin annually. Therefore, I request unanimous consent that excerpts from the brochure be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

WHAT WISCONSIN OFFERS TO THE VACATIONER

Water: There are 8,830 inland lakes in the State with a total acreage of 915,036. There are 10,000 miles of fishing streams. The State also affords the vacationer access to Lakes Superior and Michigan as well as the Mississippi River.

Fish: There are 174 species of fish found in Wisconsin waters. These range from the smelt and perch to the muskellunge and sturgeon. The main sport fish taken in Wisconsin and the State records are as follows:

Largemouth bass: 11 pounds, 3 ounces.
Muskellunge: 69 pounds, 11 ounces.
Northern pike: 38 pounds.
Walleye: 16 pounds, 8 ounces.
Rainbow trout: 12 pounds, 3 ounces.
Brook trout: 9 pounds, 15 ounces.
Brown trout: 18 pounds, 12 ounces.

Game: Wisconsin has a large population of game birds, including ducks, coots, geese, woodcock, pheasant, quail, partridge, grouse, and prairie chicken.

Small game hunted in the State includes cottontail, jackrabbit, snowshoe hare, squirrel, fox, and racoon.

Large game available to hunters consists of deer and bear.

Other wildlife found in the State includes bobcat, wolf, coyote, muskrat, beaver, otter, mink, opossum, and badger.

Land: There are more than 300,000 acres of State forests, 182 wayside parks for the tourist, and 31 State parks. Campsites are available for approximately 3,000 camper units at any one time. In addition to the various State facilities there are large num-

bers of county, town, village, and city parks to appeal to vacationers.

Sightseeing: Wisconsin offers countless opportunities for sightseeing to the vacationer, ranging from natural attractions to museums and business activities. Some of the famous attractions include the cherry orchards of Door County and the apple orchards near Gays Mills during blossom time; the natural and manmade attractions of the Wisconsin Dells area; the breweries in Milwaukee; cheese factories throughout the State; the paper mills of the Fox River Valley; the logging museum at Hayward; the World Circus Museum at Baraboo; the Milwaukee Braves and Green Bay Packers in professional athletics; and the thousands of miles of roads throughout the northern half of the State much of which is highly scenic.

Facilities: There are approximately 6,500 licensed hotels, motels, resorts, and housekeeping cottages available to the vacationer. These are located throughout the State adjacent to all points of interest and vary from small motels to major hotels, from crude cabins to deluxe all-service facilities, and are fitted to every pocketbook.

WHAT THE VACATIONER MEANS TO WISCONSIN

He is numerous

Approximately 6 million vacationers spend one or more nights in Wisconsin. Thirty-eight percent are residents of Wisconsin. Sixty percent of the nonresidents live in Illinois.

He stays 1 week

Sixty percent take their main vacation in Wisconsin; 30 percent come on short vacation trips; 10 percent spend at least one night in Wisconsin while on their way to some other State. Residents spend an average of 7.3 days away from home on vacation trips in Wisconsin. Nonresidents spend an average of 7.4 days in Wisconsin.

He travels by car

More than 95 percent travel by automobile.

He is a member of all income classes

Twenty-five percent of Wisconsin vacationers have family incomes of between $7,000 and $9,999. Most of the remainder of the vacationers are equally spread in the $3,000 to $5,000, $5,000 to $6,000, $6,000 to $7,000, and $10,000 to $15,000 brackets.

He has varied occupations

Thirty-three percent of the vacationers are members of the professional, technical, managerial and proprietor class; 30 percent are craftsmen or nonfarm laborers; retired persons constitute 5 percent of Wisconsin vacationers.

He visits all sections

Fifty percent of the residents vacation in the northeastern section of the State; 40 percent in the northwest; and 10 percent in the southern half.

Twenty percent of the nonresidents vacation in southern Wisconsin and 40 percent each vacation in the northeast and the northwest.

He likes Wisconsin

Scenery and sightseeing are a major attraction in Wisconsin for 40 percent of the vacationers. Fishing is ranked first by 23 percent; rest and relaxation by 20 percent; good roads, 10 percent; friendly people, 9 percent; weather, climate and fresh air, 9 percent; good accommodations; 7 percent; and swimming, 7 percent.

He has few dislikes

He has few dislikes, but mosquitos and other insects are mentioned by 8 percent; poor fishing, 7 percent; heavy traffic, 6 percent; and poor accommodations, 5 percent.

He rates as good or excellent

Resorts, 88 percent; motels, 88 percent; fishing, 46 percent; sightseeing, 92 percent; camping, 65 percent; boating, 88 percent; swimming, 75 percent; golf, 84 percent; hiking, 89 percent; photographic opportunities, 96 percent; and opportunity for rest and relaxation, 97 percent.

Why he vacations in Wisconsin

Scenery and sightseeing, 23 percent; influence of friends and relatives, 17 percent; short traveling distance, 12 percent; and fishing, 12 percent.

Where he stays

He spends 55 percent of his time staying in resorts; 15 percent in his own cabin or cottage; 15 percent with friends or relatives; 12 percent in motels or hotels, and 3 percent camping.

There are 55,000 private cabins and cottages in Wisconsin and 6,500 licensed hotels, motels, resorts and housekeeping cottages catering to vacationers.

He brings his boat

The percentage bringing boats on their vacation trips varies with the type of activity, from 81 percent for private cottage vacationers to 7 percent of the tourists.

He may be a boy or girl

Wisconsin children's camps serve 80,000 boys and girls annually. Thirty-eight percent of the children are nonresidents. The camps generate $6.3 million in revenues.

He fishes

Six hundred and ten thousand residents, 60,000 resident sportsmen, and 295,000 nonresidents purchased 1960 fishing licenses.

He hunts

He bought 285,000 resident large game, 278,000 resident small game, 60,000 resident sportsman, and 9,000 nonresident hunting licenses.

He camps

Ninety-two thousand vacationers camped a total of 721,000 days in State parks and forests. The camper is a family man with the average party containing 4.4 campers.

He skis

He skied at 37 different ski areas. There were 44,000 skiers who skied an average of 10 days each during the 1959–60 season and spent more than $3 million.

HOW TO BE A GOOD OPPONENT

Mr. WILEY. Mr. President, Lincoln had three great pearls, as we say. He advised the development of a sense of humor, the utilization of prayer, and the development of a selfless devotion to a great cause.

I was interested in reading in one of the Sunday magazines what a fellow Senator has had to say along that line. He has some wonderful pearls to offer, too. The first one he suggests is to oppose, but not to hate. Then he urges "keep your sense of humor. Always oppose positively. Learn all the tricks. Applaud opponents, if right."

I refer to an article entitled "How To Be a Good Opponent," written by the distinguished junior Senator from Arizona [Mr. GOLDWATER]. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO BE A GOOD OPPONENT

(By Senator BARRY GOLDWATER)

If you are like everyone else, sooner or later you will be "agin" something. It's human to oppose—and thank heaven we in America have the freedom to express our opposition if we wish.

In many years of business and political life, I have learned a few solid facts about this vital right we possess to stand up and say: "I object."

I have discovered that you can fight for your side in such a way that you can become personally unpopular in no time at all. That way lies almost certain defeat for your cause and perhaps even social exile as well. On the other hand, you can conduct yourself as a decent, honorable human being as well as opponent—and that way lies attention for what you have to say and respect for you as a person.

You see, the Constitution guarantees you freedom of speech and thus the right to object, but nobody guarantees you against hurting yourself and your side if you go about your opposition like a bull in a china shop.

Time and again I have seen causes lost and even careers wrecked because people did not realize this simple truth. In our family store in Phoenix, a young executive lost promotion after promotion because of his smart-aleck methods of expressing his objections. The fact that his points were well taken was unfortunately obscured by the unfavorable impression his attitude created with superiors.

I would like to pass along my own secrets of opposition. I believe deeply in these rules not only because they are useful in arguments but because living by them can also help tone you up spiritually and morally. Thus you win no matter how the battle comes out.

They are practical, too. At one time or another you are going to rise up and object to something. Maybe you will disagree with the PTA on a project, fight a neighborhood rezoning plan or oppose views expressed by neighbors and friends. You may even find yourself on the opposite side of an issue with members of your own family.

When you do, remember these significant points:

1. OPPOSE—BUT DO NOT HATE

There seems to be a universal belief that you cannot wage a good fight unless you work up a hostility. As a result, many persons develop deep antagonisms. How often have lifelong enmities started because someone began hating a person instead of the issues?

The killer instinct may be essential in the boxing ring but it has no place in the arena of argument. Here are some personal examples of what I mean.

President Kennedy and I are poles apart on many issues but if you assume we must also be deadly personal enemies as well, you're entirely wrong. The fact is that while the President and I are fully aware of the gulf between us, neither has permitted these differences to develop into personal antagonisms.

For instance, the President personally telephoned Dr. Janet Travell immediately after her appointment as White House physician, requesting her to continue taking care of me for a back condition. His thoughtfulness is a clear illustration that one can oppose strongly and still maintain good personal relations.

I have teed off many times at Secretary of Labor Arthur J. Goldberg, yet telephoned him recently to say: "Arthur, a young newsman would like an interview with you. Would you see him?" "Sure, Barry," the Secretary replied, "send him right down."

Oppose a man's views if you wish, but respect him as an individual and a human being.

2. KEEP YOUR SENSE OF HUMOR

Fight hard for what you think is right, but find time every so often for a quip and a laugh. Some lightness now and then to balance the seriousness of argument lessens

your chances of losing your head and blurting out words you may want to eat later. I freely admit there are a number of my own words I would like to take back and chew up. But a sense of humor has kept these at a minimum.

Once last year Mr. Kennedy, then the Democratic nominee, was trying hard to get his secondary boycott bill out of committee in the Senate. The committee considering the measure met one morning but was one short of a quorum. I was a member but was standing outside the meeting room. As an opponent of the bill, and in line with accepted legislative procedure, I was absenting myself from the committee meeting to prevent the measure from being voted out.

Suddenly the then Senator Kennedy saw me. He insisted that since I was present at the committee session I could be counted to form the quorum. I quickly pointed out that I was outside, not inside, thus could not be counted. "You're here, aren't you?" Mr. Kennedy asked. "Yes," I said, "but not there."

The discussion got faster and funnier, with remarks flying about the "visible invisible man" and "the little man who wasn't there but here." Soon the entire committee was rocking with laughter. It could have become a bitter battle but didn't because both participants kept their sense of humor. (By the way, I wasn't counted after all.)

3. ALWAYS OPPOSE POSITIVELY

It's never enough just to be "agin" something—be for something at the same time. In other words, always be ready with an alternative or a solution as well as with criticism. If you don't like the new school site, present another and give reasons why yours is better.

This is constructive opposition. It is not only helpful but destroys your opponent's ability to say: "You're nothing but an obstructionist."

Remember that you oppose negatively if you are merely intent on tearing down the other fellow or side. This preoccupation with negative opposition can also lead you into the disastrous trap of mudslinging, which never produces good results in the long run and can only serve to sully the slinger as much as the receiver. It's impossible to hurl a fistful of mud and still remain spotless yourself.

Point out the weaknesses in your opponent's points, rip them apart one by one—but never stop there. Tearing something down only leaves a gaping hole. Build something at the site.

4. LEARN ALL THE TRICKS

Many people are convinced that debating tricks will give them the upper hand in an argument. I am often asked for "inside stunts" to whittle an opponent down. I always answer: "Know the tricks so that you can defend yourself but never use them yourself because they almost always boomerang."

A favorite trick of some politicians is the false comparison. For example, a candidate for Governor in a Midwestern State once told a campaign rally: "How can my opponent hope to solve our farm problem when his own farm has been losing money for 10 years?" On the surface the argument was impressive but the comparison was unfair—mainly because his opponent owned a small vacation farm that he wasn't trying to make pay at all. Watch for these tricks.

Another stunt is a variation of "Have you stopped beating your wife?" A civic leader out West announced stiff opposition to the location of a new hospital in his community. At once his opponent issued the charge that he was against more medical care for the town. He wasn't at all. He was merely insisting that the hospital be built someplace else in the same community.

5. APPLAUD OPPONENTS, IF RIGHT

A fairminded person hears out the opposition, weighs arguments justly and expresses approval if he agrees. Then, when he does rise to object, his opponents will know he isn't just popping off to hear his own voice but is genuinely convinced of the soundness of his stand.

These, then, are the fundamental rules of opposition I myself follow. They are simple but all-important rules of honest living. Whether you win or lose in an argument depends on the essential rightness of your point of view. But, win or lose, these principles will help you become a respected opponent and a human being of conviction and dignity.

A STRONG GOVERNMENT AND THE COLD WAR

Mr. McGEE. Mr. President, I call the attention of Members of the Senate to an enlightened column which appeared this morning, originating from the pen of an esteemed political observer of our times, Walter Lippmann, in which he puts his finger on what I think is the central issue we in America face. It is the quest for an answer to the question, "Can the United States cope successfully with world communism and the concentration of power elsewhere around the world by less government and fewer expenditures here at home?"

I think Mr. Lippmann is eminently correct when he says that we all wish that the answer could be "Yes," but that there is some real reason to doubt that the answer, in clear conscience, is "Yes"; that while it has been said by others that power corrupts, the absence of power is often an invitation to disaster, and we have to face international realities as we find them.

I ask unanimous consent that Mr. Lippmann's article may appear in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 27, 1961]

A STRONG GOVERNMENT AND THE COLD WAR

(By Walter Lippmann)

The country needs, I feel, to hear its leaders in both parties discuss and debate this question: "Can the United States cope successfully with world communism and at the same time make government smaller and expenditures less?"

There are many who think so, and for myself I wish I could think so too. For what more could our hearts desire than to win the cold war while we reduce the power of government to tax, to regulate, and to conscript?

If this could be done, we should have reached the millennium. But, unhappily, we have not reached the millennium. This is the cold war against the most formidable adversary that ever challenged us, and it is a daydream to suppose that we can have the better of this powerful and purposeful government by making our own Government less powerful and less purposeful. It is unpleasant, but it is true, that the cold war cannot be won cheaply, that it cannot be won without a government that is strong enough to mobilize our superior resources for defense, for the financing of our foreign policy, and for the development of our internal national power.

The Soviet Union is much poorer than the United States. Our total production of wealth is probably twice as great as that of the Soviet Union. Yet with this smaller wealth the Soviet Union has established a military power which we must treat as equal to our own. At the same time the Soviet Government is operating systems of public education and of public health which are enhancing greatly the real national power of the Soviet peoples. All this has been done by a powerful and purposeful government which puts national strength ahead of private affluence.

Our American task is to generate superior national strength. For this we must have a powerful and purposeful National Government. But because we are a richer and a more productive economy, it is possible for us to meet the cost of the cold war without any serious reduction in the private standard of life. What we cannot do is to refuse to meet the cost of the cold war because we do not want the National Government to be powerful and purposeful.

I think I am quite well aware, having written much about the subject for many years, that powerful and purposeful states are a menace to the liberties of their people. Thus, as we know, the Soviet state suppresses almost all the political liberties that for us are inalienable. We ourselves are still a reasonably free country. But the people of the United States are certainly less free than they were before the wars of the 20th century. We now have much to worry about in the preservation of our freedom as General Eisenhower said in the noble speech which was his valedictory.

There is no getting away from the fact that, as Lord Acton said, power corrupts. But also, there is no getting away from the fact that powerlessness invites confusion, demoralization, and defeat. The national power, which we must have in order to hold our place in the world, is expensive, inconvenient, irritating, and dangerous. But though we must be acutely vigilant, we must not delude ourselves into thinking that we can do without it.

THE CONGO

Mr. McGEE. Mr. President, I think it appropriate to observe that a year ago this week, the Congo was achieving its independence, and that in the hectic times since, we have passed through the valley of despair and deep concern.

A year ago it looked as though the Soviet Union was going to make serious penetration into central Africa through the Congo difficulty, and the West stood in a very bad light on the same question. The Congolese Army had gotten out of hand and was committing almost daily mayhem in parts of the Congo, and it seemed that the Congo was on the brink of civil war.

That was one of the reasons why some of us, during the recess of Congress, visited the Congo. Upon return, we made some suggestions about ways in which an orderly consequence might come from the chaos of those months. Those suggestions included the reconvening of Parliament, the establishment of a federally oriented government for the Congo, and a dependence upon the forces of power of the United Nations in a referee role while those matters were coming about.

I think it is extremely interesting at this moment that we concern ourselves with the course of events in the Congo of the last 6 months.

The ACTING PRESIDENT pro tempore. The time of the Senator from Wyoming has expired.

Mr. McGEE. Mr President, I ask unanimous consent that I may complete this short summation of an article I would like to include in the RECORD.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. McGEE. The convocation of Parliament is now underway on the campus of Louvain University, near Leopoldville. Likewise, U.N. troops are returning to Matadi, the supply port at the head of the Congo. Finally, Leopoldville and its central government is orienting its interests with those of some of the outlying groups, suggesting the situation may be measurably improved at the present time over what conditions were a year ago or over much of that intervening space of time.

I ask unanimous consent to include in the RECORD as a part of my remarks a summation of the Congo question in an article by William R. Frye, which appeared in the Sunday Star, and which summarizes the progress in the Congo as one of the bright spots in an otherwise very troubled international horizon at the present time, and an article which appeared in the Sunday edition of the Washington Post, written by Russell Howe, who has written very able and enlightening on-the-spot studies of the Congo crisis during the preceding months, and whose article is entitled "Cultural Factors Aid Communists in Africa."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PROGRESS IN CONGO IMPRESSIVE FOR U.N.

(By William R. Frye)

UNITED NATIONS, N.Y.—The first anniversary of the Congo's independence this week will come at a time of remarkable upturn in the fortunes of that unhappy land.

Amidst so many setbacks for the West—Laos, Cuba, the nuclear test ban, and others—it is a real relief to have some good news, at long last, from the Congo.

Convocation of Parliament by President Kasavubu is one very important symptom of the improvement. Return of U.N. troops to the critical supply port of Matadi is another. Incipient reconciliation between Leopoldville and Stanleyville (the latter the heart of Lumumba territory) is still another.

Only Katanga remains a stumbling block, and even there signs point to a return to the fold.

It is, of course, much too early to write off the Congo crisis as solved. The country is too mercurial, and tribal rivalries lie too close to the surface, for long-range stability. Bankruptcy lies too dangerously near.

But by comparison with a year ago, the transformation is dramatic.

THE SOVIET THREAT

A year ago, as independence dawned, the Congo seemed likely to become a major channel for Soviet influence in central Africa. The imperial ambitions of Ghana, Guinea, and the United Arab Republic were, in some ways, almost as serious a threat.

The West, represented by Belgium, was despised, not merely in the Congo itself but increasingly in other parts of black Africa.

The Congolese Army had gone almost totally out of control. Political chaos, virtually unrestrained rapine and murder, famine, epidemic, and collapse of the whole economic life of the country were either realities or seemed inevitable.

Above all, civil war on the Spanish model, with similar outside intervention, loomed—and as a result, world war was by no means impossible.

Today, many of these fears seem to have been greatly exaggerated. They were not; they were real and immediate at the time. The contrast, today, is testimony to the effectiveness of the rescue operation.

THE ELEMENTS INVOLVED

The U.N. was not alone in that operation. The CIA had an important hand in it. So did British, French, and Belgian operatives and money—though many believe these latter delayed the solution rather than promoted it.

What the U.N. did which the West probably could not have done was to persuade the Gizenga and Kasavubu factions to fight out their differences in the political arena instead of the battlefield; to persuade Ghana, Guinea, and the United Arab Republic to keep hands off, at least for the time being; to neutralize undesirable Belgian military and political influences; to block civil war by direct intervention; and to provide stabilizing advice from personnel who could not be suspected of self-serving.

In a word, the U.N. took over the Congo as a trusteeship—always denying vigorously, of course, that it was doing any such thing. The U.N. in effect provided the essentials of government, kept order, and maintained it for themselves, and were fanatically unwilling to let the Belgians or any other "colonialists" do it.

THE BRIGHT PROSPECT

Now, at long last, with the convening of Parliament, it is beginning to look as if the Congolese may be able to govern themselves. Even the army has submitted to temporary local disarming—a remarkable demonstration of discipline, by contrast with a year ago.

What has happened? The essential ingredients of the change were these:

The murder of Lumumba. At first, this grim act contributed only to deeper turmoil; now, 5 months later, it has emerged as an important ingredient in the solution. With Lumumba alive, there might never have been stability.

India's decisive intervention. The dispatch of some 5,000 tough Gurkha troops to Katanga in April squelched Tshombe and turned the tide when other countries were pulling out of the U.N. force, threatening its collapse.

New governments in Belgium and in the United States. Their predecessors both had taken, in private, a tough anti-Hammarskjold line, and Kasavubu had reflected it.

Assistance from the United Arab Republic and the Sudan in denying Soviet supplies a channel to the Congo.

The cost of the Congo operation has been formidable—and not merely in money. It has taken a terrible toll on the office of the Secretary General and on his personal effectiveness in other areas.

Soviet Premier Khrushchev, furious at the setback Russia has suffered, has lashed out at Mr. Hammarskjold and at the U.N. as a whole. The full effect of this attack has yet to be felt.

Thus it remains to be seen whether the U.N. will emerge stronger or weaker as a net result of rescuing the Congo. But the Congolese, at least, will long have reason to be grateful for the U.N.

CULTURAL FACTORS AID COMMUNISTS IN AFRICA

(By Russell Howe)

DAKAR, SENEGAL.—Modern Africa, a continent in search of a quick solution to its problems, is being offered the panacea of communism.

In this continent in which old social, political and economic structures—both those of African tradition and those of colonialism—are being torn down before new ones can be tried, the idea is spreading that "the revolution is incomplete." Something more material than independence is desired, and the Communist powers claim to have the key to material well-being.

"In Asia," an Indian diplomat said recently, "the lines are fairly clearly drawn." In fluid Africa, still largely if hesitatingly bound to the West, the scope for Soviet expansion is considerable.

The enormous weight of Africa's swollen vote at the United Nations, the strategic importance of this vast, relatively unarmed continent and its rich resources and growing markets all make its importance to East and West vital.

COLOR A DISADVANTAGE

Several cultural factors stand to help the growth of communism on this continent: the communal discipline of tribal society, the relative equality of African incomes and the fact that most wealthy persons are foreigners conspicuous by their color, plus the presence of a largely illiterate and often gullible mass which has little to lose.

The principal factors which militate against communism are, first, that Russians and their satellite peoples are white and therefore suspect of possessing a superiority complex and imperialistic designs (in African eyes, the Chinese are white also); and, second, the intense materialism of Africans.

To a staggering degree, Africans expect to go from bicycles to Cadillacs, from office boy to manager overnight. Ambitions, desires, even bribery demands are often out of all proportion to reality.

Africans presumably always resented poverty, but colonialism has made them believe that middle-class status is something conferred by government appointment, not work. Independence is expected to open the banks and bring fortunes cascading down on all.

Russians emerging from czarist serfdom could be held down by rigid austerity for a quarter of a century, but African leaders possess neither the power nor the inclination to put the national economy and infrastructural development entirely ahead of the immediate desires of electorates; the two must go together. Indeed, many African leaders share the general desire for disproportionately rapid material advancement; corruption is rife.

The Communist countries appear willing to make the cultural, economic, and political adjustments necessary to convert Africa. To overcome the disadvantage of being white, they work mostly through indigenous leaders—few of whom are convinced Communists.

IMPERIALISTS AS ALLIES

Russia works through the "Casablanca group" (UAR, Morocco, Guinea, Ghana, Mali) and appears to lean most on the three countries whose heads of government have their own imperialistic ambitions in Africa: the UAR, Guinea, and Ghana. Russia probably feels that it would be easier for a non-African, Communist power to take over a readymade empire indirectly than to forge one itself.

But the Communist powers are parsimonious and have spent relatively little money satisfying the second Marxist unorthodoxy—bread and circuses. Their economic adjustment to Africa is their willingness to let Western investment, not Communist loans, do the heavy work. Even in Guinea, Africa's only really Communist state, they have let a Western consortium take over a mining concession.

In the Congo, where an allout bid for control had to be made by the Russians and the Czechs quickly, the Communist attempt failed lamentably. The early work was done by the Belgian Communist Party and the failure of the venture possibly accounts for the lack of confidence the Communist countries seem to have in Western Communists. In Guinea, French Communists have been eased out of jobs by Communists from Eastern Europe.

Patrice Lumumba, the man who nearly became the Communist puppet in the Congo, was not a Marxist. But a series of events, the general crisis, the need for brute force to stay in the saddle and the influence of Ghana's Kwame Nkrumah pushed Lumumba, a weak and emotional leader, into Communist hands. The thousands of graves Lumumba left in the Congo were a result of his weakness rather than his undoubted ruthlessness, and it was this weakness that finally led Lumumba and his Communist backers into failure.

Lumumba's early overtures for assistance were addressed to the United States (which referred him to the U.N.) and his first (and last) economic agreement was with Edgar Detwiler of New York. From the Moscow point of view, therefore, he was a fair weather friend who would have to be controlled to be kept.

But his pro-Communist Vice Premier Antoine Gizenga and his Information Minister Anicet Kashamura, both of whom had had some training behind the Iron Curtain, were more reliable. It was they who propelled Lumumba to ask, in letters of which photostat copies exist, for volunteers, arms, aircraft, and cash from Moscow and Peking.

China, which exports through Hong Kong, sent 1 million pounds sterling, but the Russian effort was principally military. Russia provided transport planes, Soviet Air Force crews and Army officers to back Lumumba's army in Kasai, which was supporting the Lulua tribe in its genocidal war against the Baluba. The Soviets flooded the Leopoldville garrison with technicians and literature. This led to Mobutu's reaction and their own undoing.

Communist literature and funds for organizing unions—much of which was pilfered by Congolese union leaders—had been coming into the Congo from Eastern European sources via Brussels since well before independence. Communist political advice seemed evident in the way Kashamura handled and inflamed the July 1960 troubles by ruthless use of lies on the radio.

Stories of massacres of thousands of Congolese by Belgian forces brought the Congolese mobs and army to the boiling point. The aim appeared to be to create a completely revolutionary situation, a chaos out of which a 1917-type Communist government could be imposed on the Congo.

Although the attempt failed, the violence it sowed continues. It was probably the Congolese experience that taught the Communist countries to rely more on African intermediaries and less on direct intervention. Only in Guinea, where the terrain seemed especially safe, have eastern European technicians appeared in numbers.

The Russians and Czechs expelled from Leopoldville were given asylum in Accra. Ghana is not a Communist country, but nationalization plans, the takeover of government by the mostly nonelected politburo of Nkrumah's party, the president's own personality cult and the attempt to produce a nation in which the party infiltrates everything, including the office and the home, reflects a curious blend of Peron-like fascism and communism.

Nkrumah's international ambitions are today transparent. Conferences in Accra, African liberation movements based in Ghana, asylum for opposition leaders from neighboring states, the Ghanaian president's curiously ambiguous role at the Casablanca meeting of neutral African powers in January could all have only one intention. Above all, his manipulation of Lumumba—whose published letters from Nkrumah are most revealing in this respect—shows the boldness of his design. Nkrumah today is considered closer to the East, which backs his ambitions and his authoritarian rule, than to the West, which deplores both.

Nkrumah apparently feels that he can exploit the support of both East and West—just as the Communists believe that they can exploit him—but obviously he can trust the East more than the West to support his policies.

Nkrumah is not a Communist and he does not wish to become a satellite, but he admits in his autobiography "Ghana" that he is a Marxist and that he believes in totalitarian government. From Moscow's point of view, this presumably is quite enough.

In Mali, the outlook is equally uncertain for the Eastern bloc, for different reasons. With the emotional quarrel with Senegal closing the railroad line to Dakar—the only economic export route—Mali's peanuts, on whose sale to European cooking oil manufacturers Mali lives, must now go out by Czech truck through the Ivory Coast, another political enemy.

Though the Czechs are undoubtedly capable of building a tropical truck, the present Tatras and Skodas in Mali have difficulty surmounting the long mountainous route across rain-wrecked track to Abidjan.

In the atmosphere of poverty, inflation, and hopelessness of Bamako, the parsimonious Communist group has been reluctant to put in much money. The long frontier with Algeria has now almost lost its strategic value to Moscow, but there are plenty of bloc advisers.

The West, and particularly the United States, which usually tends to put more money and technical assistance into a country that is dallying with communism than into countries which safely support the West, has also, so far, done little to help Mali. There are Sahara oil deposits in northern Mali; probably both Mali and Russia would welcome that oil being brought out by Western firms.

President Modibo Keita, a 6-foot-4 giant, had friendly talks with De Gaulle's personal emissary, Andre Malraux, recently and is disposed to sign economic agreements with France, though nothing definite has been settled. Agreements with the United States should be signed this month.

Keita, once a strong opponent of African independence in the French National Assembly, is still less of a nationalist—in the Toure-Nkrumah sense—than Toure or Nkrumah. He retains the French-African franc and neither his Popular Bank nor anyone else in Mali will change the franc of Mali's sister state, Guinea.

The "Monrovia powers"—the 20 mostly moderate heads of government who met in Monrovia in May—seek to lure Keita back into the French-African orthodoxy. A delegation from the Voltaic Republic, led by President Maurice Yameogo, has just been to Bamako. Guesses vary as to whether Yameogo will convert Keita or vice versa, for the Voltaic Republic is poor and alinement with the Casablanca bloc could hardly make it poorer.

Although the influence of eloquent Labor Minister Ousmane Ba, who reads Lenin and Marx in bed each night and is learning Russian, and of the Trotsky-like figure of presidential adviser Doudou Gueye is felt in high places, there are reasonable chances that Mali will finally become a sort of "uncommitted" partner of the pro-Western Monrovia group. Both Gueye and Ba are of Senegalese, not Malinese, families and could become victims of tribal intrigue.

Although the Muslim leader of a predominantly Islamic nation, Keita is suspicious of Cairo and recently had one of his government party papers attack Nasser's imperialism just as an Egyptian trade delegation was arriving in Bamako. Another evidence of Keita's coolness to Cairo is that Jewish teachers supplied by Israel under a technical assistance agreement are teaching Muslim children in the local schools.

The Communist powers should pick up support from an independent Algeria, and may convert Somalia. Essentially, communism's best lever in Africa appears to be the Arab League, particularly Cairo, with Guinea appearing to be the most promising of the League's appendages in west Africa.

Communist links with Egypt should remain strong for obvious strategic reasons, but Moscow would have to start from zero to do anything again in the Congo. In Ghana and Mali, the Russians have expanded their sphere of influence but have no more cause for complacency than the West should have about its friends in Africa. For the moment, the Communists have Ghana and Mali on their side in world forums and as tools for attacking pro-Western regimes in Africa with agents, money, propaganda and advice.

Moreover, America's Peace Corps will presumably be a pretext for the Communist countries to send into Africa their own, more carefully prepared, more politically conscious equivalent movement. This means that as well as being inexperienced, suspected and misunderstood and—in an alien culture like Africa's—inevitably superficial, America's Peace Corps may boomerang and open the gate for communism's Trojan Horse. (French Africans pronounce the organization's name, ominously, the "Peace Corpse.")

So far, the West has been reasonably successful, and lucky, in Black Africa. Russia, in most of this area, has been less fortunate than it may have expected to be. However, Guinea, where communism with a strong indigenous flavor is today triumphant, is another story.

REJECTION BY TV NETWORKS OF DOCUMENTARY PROGRAMS FEATURING FORMER PRESIDENT HARRY S. TRUMAN

Mr. McGEE. Mr. President, I ask unanimous consent to have an article reporting hearings on TV programing, which particularly refer to a statement by Mr. David Susskind, included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NETWORKS SCORED AT FCC HEARING—SUSSKIND CITES REJECTION OF TV SERIES ON TRUMAN

(By John P. Thanley)

Television's three major networks have rejected a proposed series of documentary programs featuring former President Harry S. Truman, a producer told Federal investigators here yesterday.

David Susskind, appearing at a Federal Communications Commission hearing in the Federal courthouse, described the networks' rejection in connection with what he called their "death grip" on TV programing.

Mr. Susskind also blamed the FCC, Congress, and the public for the present state of TV, which he called "a gigantic comic strip." He declared:

"The daytime schedule is a scandal. The nighttime schedule is a disgrace."

He said he would produce and finance the Truman series, costing $2 million, despite the networks' apparent lack of interest. He described the projected programs as covering "the great issues of Mr. Truman's two

administrations" and emphasized that there would be no "partisan politics" involved in the telecasts.

TESTIFIES 3.5 HOURS

Mr. Susskind, appearing under subpena, testified for almost 3½ hours. He told reporters he had not been willing to appear voluntarily because he had often expressed his opinion publicly about the condition of TV.

He testified that after the announcement on June 5 of the proposed Truman series he had approached the networks and met with the following reactions from program executives:

At the American Broadcasting Co., Thomas A. Moore, vice president in charge of programs, said they "were up to their neck in Presidents," having already arranged to do telecasts about former Presidents Franklin D. Roosevelt and Dwight D. Eisenhower.

Richard Salant, president of the Columbia Broadcasting System News, called the proposed series "most exciting," but was not interested in anything produced by an outside concern.

David Levy, vice president in charge of programing for the National Broadcasting Co., said, "We pass."

CBS IN RETORT

Informed of this part of Mr. Susskind's testimony late yesterday, spokesmen for ABC and NBC said there would be no comment. Later an ABC executive confirmed that the network had declined to do the Truman programs.

James T. Aubrey, Jr., president of the CBS television network, said Mr. Susskind's statements were "fraught with errors and distortions." He declared that CBS would "set the record straight" at a later hearing of the Commission.

In his testimony, Mr. Susskind listed among the events to be covered in the Truman telecasts the decision to use the atomic bomb for the first time against Japan, the Korean war, the Marshall plan, and the Berlin airlift.

In finding fault with the FCC's role, Mr. Susskind charged that the agency had demonstrated "inertia, ineffectuality and indifference" and said that it had been "a handmaiden of the broadcasters."

Congress, he said, regarded TV as a "source of headlines instead of a national calamity."

Asserting that the public was "bored, lazy, tired and indifferent," he said: "I think a public that doesn't act and meet and wire and protest almost deserves what it gets."

Under questioning by Ashbrook P. Bryant, Chief of the Office of Network Studies of the Commission, Mr. Susskind said that his company, Talent Associates-Paramount Ltd., of which he is the executive vice president, produced 58 television network programs, most of them dramas, during the past season.

HAPPY SHOWS CITED

In a discussion of his differences with sponsors and agencies, he related that a representative of Kent cigarettes once told him: I want happy shows for happy people with happy problems."

"Most companies regard alcohol and sex as taboo and all controversy as taboo," the producer said.

He told Mr. Bryant he had once worked for the Music Corp. of America, but said of that organization:

"They have a disproportionate number of artists under their control. They also have one of the largest producing companies extant. They are producers and they are agents. I submit that it's impossible to be both."

Evaluating the networks, he said CBS was "clearly the best; they put a premium on imagination and showmanship."

He described NBC as "a disappointment except in the area of public affairs."

STANDARDS URGED

Calling ABC "beneath discussion," he characterized it as a combination of "Wild West magazine, True Story, and Real Mysteries."

In a discussion of costs in TV, he estimated that an hour-long drama, done for $14,000 in 1948, now would require a budget of $75,000.

He recommended tests for those who seek broadcasting licenses, declaring: "Dogcatchers, barbers, and postmen have to pass tests, but broadcasters don't. Make them meet a standard of judgment, mentality, and taste."

Other witnesses appearing at yesterday's session were Worthington Miner, producer, and Paddy Chayefsky, playwright.

Mr. Miner said that the "two basic evils" in TV were "talent agencies" and "going to Hollywood." "There are no ideas in Hollywood," he said. "It is a place of conformity and surrender at a price."

In describing TV as "immoral," Mr. Chayefsky said that this was a "cultural country," but that television does not convey that impression.

Witnesses scheduled to appear at today's hearing are George Jessel, Mildred Freed Alberg, Robert Saudek, Gore Vidal, and Robert Alan Aurthur.

The hearing, one of a series being conducted by the FCC, is investigating the creative aspects of TV programing. James D. Cunningham, the agency's chief hearing examiner, is presiding.

AMERICAN FARMER PLACED IN FEDERAL STRAITJACKET

Mr. LAUSCHE. Mr. President, the Congress has placed the American farmer in a Federal straitjacket and now is tightening that stricture with a constant expansion of farm controls. Senators are all aware of the case of the Michigan farmer who, deprived of the right to peacefully pursue his vocation because of Federal law, gave up in disgust and fled to Australia.

Mr. President, I would be the last to urge anyone, under any circumstances, to willfully flaunt either Federal, State, or local laws when properly and judiciously administered.

The most recent incident is one in which Federal agents seized and sold at public auction horses belong to a Pennsylvania Amish farmer to satisfy a judgment against him for delinquent social security assessments, in spite of the fact that his participation in the program is directly and specifically contrary to his established religious beliefs.

Already, Mr. President, there are rumblings and dark clouds appearing because of "the club in hand" provisions in the recently enacted feed grains bill which places an economic tool in the hands of the Federal Department of Agriculture to force signup and compliance. The farmer who elects not to sign up and to retain his freedom faces price depressing action by the Department through dumping on the market of surplus grain.

Mr. Khrushchev has used such tactics in the past by dumping on the world market to upset international trade to suit his whims.

And now, lastly, Mr. President, I direct attention to a newspaper article which appeared in the June 20 issue of the Dayton, Ohio, Daily News, describing how Federal agents descended upon the DeLoye farm family, of Yorkshire, Ohio, to force compliance and collection of $2,700 in fines for allegedly overplanting wheat acreage.

Mr. President, again, I do not countenance willful violation of law, but I do warn Congress that these incidents are fruits of its creation.

The DeLoye family has my deepest sympathy.

Mr. President, I ask unanimous consent that the newspaper article referred to be printed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHELBY CLAN TOLD G-MEN, "GET OFF"—SIX OFFICERS CHARGE PITCHFORKS WERE USED IN BATTLE

SIDNEY, June 20.—"They went through our house like they owned it."

That's the way a 30-year-old Shelby County farmer described the prelude to a wild battle with Federal agents at the farm he shares with his father near here yesterday.

He's Robert DeLoye, rural route 1, Yorkshire, who was arraigned in Dayton on an assault charge last night and released on $15,000 bond.

DeLoye and his father, Henry, 70, are accused of carrying on a pitchfork battle with six FBI agents at the DeLoye farm, 12 miles northwest of here, shortly before noon yesterday.

The elder DeLoye was scheduled to be arraigned today at Wilson Memorial Hospital here where he is being held for treatment for overexertion.

Ed Mason, agent in charge of the FBI bureau in Cincinnati, said the FBI men went to the farm to question the DeLoyes about an earlier assault on Federal agents.

Mason said one of the agents, Jim O'Keefe, of Dayton, was cut on the hand during the battle, and that several stitches were taken at the hospital here.

DeLoye contends that O'Keefe cut his hand on leg irons he tried to place on the elder farmer.

Mason said the elder DeLoye allegedly held two U.S. marshals at bay for an hour last February when they tried to serve a warrant on him. The marshals had gone to the farm with an order from U.S. district court in Dayton for DeLoye to pay $2,700 in fines for allegedly overplanting wheat acreage.

In the latest battle, Mason said the agents arrived at the farm and showed their badges to Mrs. DeLoye. The two Deloyes then drove up and Robert blocked the driveway with his tractor.

The DeLoyes have been charged with overplanting their wheat quota since 1955. The younger DeLoye denies the charge.

"We plant rye in the same field with our wheat and they [the Government] count it all as wheat," he says.

DeLoye said agriculture officials have never measured the wheat crop but only estimated the amount grown.

The elder DeLoye grabbed a pitchfork, swung it at the officers and lunged, Mason said. The younger DeLoye then joined in the barnyard melee.

Robert admitted participating in the fight, but denied pitchforks were used. He said the battle broke out after the agents twice ignored orders by his mother and his father to "get off the property."

Robert said there is a sign at the entrance to the property reading: "No trespassing. No Federal employees allowed."

The younger DeLoye said the agents carried no search warrant.

"They were all over the place when my father and I came in from the field where we were working," he said.

DeLoye said one agent clubbed his father in the head and knocked him to the ground. The other agents pulled their guns to subdue the son, he said.

DeLoye said his father lay on the ground for several hours before he could be moved. The elder DeLoye then was placed in Federal custody at the hospital here.

DISTRICT OF COLUMBIA HOSPITAL CENTER

Mr. MANSFIELD. Mr. President, after consultation with the distinguished minority leader, because there is a deadline attached, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 417, H.R. 4913.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 4913) to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purpose of that act.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. DIRKSEN. Mr. President, I understand this is an emergency situation in which a deadline will be encountered. Therefore, there must be expeditious action on the bill.

Mr. MANSFIELD. The Senator is correct.

Mr. DIRKSEN. It is only an authorization, I think, with respect to appropriations at some future date.

Mr. MANSFIELD. Yes. If the Senator will permit, I wish to read a portion of the report:

The purpose of H.R. 4913 is to extend the Federal grant authority of the Hospital Center Act for 1 year, from June 30, 1961, to June 30, 1962. The effect of this legislation will give George Washington University Hospital and the Greater Washington-Southeast Community Hospital more time in which to seek legislative authority for Federal aid.

The Hospital Center Act, approved August 7, 1946 (60 Stat. 896), authorizes appropriations for financing the construction of a hospital center and the making of grants to private agencies for designing, constructing, relocating, rebuilding, and otherwise providing or improving private hospital facilities in the District of Columbia. Under the formula for grant authorization, the recipient hospital must match the total grant on a dollar-for-dollar basis. Of the total grant, the District of Columbia, under the act, is obligated to pay 30 percent, and the Federal Government 70 percent.

On June 20, 1961, the Subcommittee on Public Health, Education, Welfare, and Safety of this committee held a hearing on S. 1326, a bill to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, by providing for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and by authorizing a grant for funds to the George Washington University Hospital, and for other purposes. This bill is identical in language to H.R. 4913 as originally introduced. Both S. 1326 and H.R. 4913 as originally introduced proposed the authorization of Federal grants under the Hospital Center Act of $2,500,000 for expansion and renovation of George Washington University Hospital, and extended the period during which the grant authorization could be sought from June 30, 1961, to June 30, 1965.

During the subcommittee hearing on June 20, 1961, representatives from George Washington University Hospital, and the Commissioners for the District of Columbia appeared and testified that they had no objection to amending the bill to provide for the extension of the Federal grant authority of the Hospital Center Act for a 1-year period. The Greater Southeast Community Hospital Foundation, Inc., also expressed this same view in a letter addressed to the chairman of the subcommittee under date of June 20, 1961.

The Commissioners for the District of Columbia also have reported to this committee that, while they recognize that on a metropolitan area basis there may be a need for the expansion of service and facilities at the George Washington University Hospital, in recent years the District has participated substantially in plans for expansion of private hospitals in the city in the amount of approximately $18.5 million. Because of this large financial contribution, coupled with the fact that between 30 and 35 percent of the patients in such hospitals are nonresidents of the District of Columbia, the Commissioners are of the opinion that the District should not be called upon to increase further its financial obligations in this area.

The Department of Health, Education, and Welfare also advised this committee in a letter dated June 30, 1961, that, while concurring in principle with the proposal for Federal assistance to expand George Washington University Hospital, it was the Department's opinion that such assistance should be provided by means of new legislation that the Department will present to the Congress at a later date.

Thus, H.R. 4913 has the dual purpose of providing the District and other interested Federal agencies with additional time to formulate a coordinated program of Federal assistance to George Washington University Hospital and other hospitals in the metropolitan area, and also preserving the present program of expanding private hospitals in the District through Federal grants provided under the provisions of the Hospital Center Act.

The ACTING PRESIDENT pro tempore. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 4913) was ordered to a third reading, was read the third time, and passed.

TRIBUTE TO SENATOR MARGARET CHASE SMITH OF MAINE

Mr. GOLDWATER. Mr. President, writing in the Sunday Star, Mary McGrory has very concisely related the unusual and probably-never-to-be-beaten record our colleague MARGARET CHASE SMITH has compiled in having answered 1,000 consecutive rollcalls.

That this record might be achieved by one who made it a point to do nothing else is recognized. Such is not the case with Senator SMITH. She is meticulous in her attention to committee assignments, she studies and understands legislation on which she votes, she is constantly and untiringly at work for her State of Maine, and she has visited her State for 50 consecutive months keeping touch with the thoughts of her constituents. This amazing record has been accomplished by an amazing woman with whom all of us are proud to associate.

Mr. President, I ask unanimous consent to have the article written by Mary McGrory printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MRS. SMITH RUNS UP A ROLLCALL RECORD

(By Mary McGrory)

MARGARET CHASE SMITH, Republican, of Maine, one of the Senate's two women Members, has probably the least frilly career of any Member of the upper Chamber.

Other Senators may tell themselves it is important to go home to see the folks, to dine out with diplomats, to accept plaques and plaudits from luncheon guests or even to rest from their labors. Mrs. SMITH regards it as her stern and rockbound duty to be in the Senate and to stand up and be counted when the roll is called on all issues great and small.

The result has been that while many Senators have been out reaping headlines or reassurance or other intangible things, she has rolled up an unparalleled record of having answered 1,000 consecutive rollcalls.

On June 15, the Senate adopted a resolution commending her for her devotion to duty. Awed and restive colleagues paid her a series of flowery tributes which Mrs. SMITH enjoyed in the fashion New Englanders sometimes permit themselves when the practice of virtue is being acknowledged and rewarded.

A PLAYFUL SUGGESTION

As soon as the ceremony was over, a fellow Yankee Senator, GEORGE AIKEN, of Vermont, came over and shook her hand.

"Now, MARGARET," he said jocosely. "I hope you'll go out on a bat and miss 20 votes in a row."

Neither felt it would ever happen.

"Don't start on your second thousand," he warned. "It's like being in jail."

But she is already launched, and if it is imprisonment, it is deliberate. Mrs. SMITH's conduct is patterned after two strict rules she adopted when she was first elected to the House in 1940, to the seat of her late husband, Clyde H. Smith.

"Everyone does things differently up here," she said. "Everyone runs their offices differently; they campaign differently. I don't judge anyone. I made a pledge that I would do two things: I would stay on the job and stay close to the people."

SAYS "NO" WITH FIRMNESS

Some people in public life regard these two rules conflicting. It is probably only because they have not learned to say no with the firmness that Mrs. SMITH can muster.

When the spring invitations start pouring in, she answers (always on the same day), that this is the heaviest season for the Appropriations Committee, of which she is a member, and that she feels she should stick to her knitting.

There is a certain amount of complaint, particularly if other Members of Congress manage to tear themselves away.

But Mrs. SMITH has been in the State every month for 50 consecutive months, and every fall the minute the session is over, she heads north for an 8-week canvass of her 700-mile-long State.

Any grievances are forgotten as Mrs. SMITH gives her personal attention to every person and problem that is brought to her attention.

"It depends on where you come from," she sometimes tells a colleague who is forced by a previous commitment to leave the Chamber as the rollcall begins. "I just think my people would like me to be here."

APPROVED IN MAINE

Whenever they get the chance, the people of Maine register their approval. In her third senatorial campaign last November, she came out with 62 percent of the vote, the highest percentage registered by any Republican candidate.

Mrs. SMITH, a trim and handsome woman of 62, who always wears a flower in a little vase on her lapel, is sometimes wistful as she watches her colleagues leaving their legislative cares while she remains at her post.

"Some people say you have to live your life and do your work in keeping," she said. "I don't know but what it makes more sense. I like to go as much as the other fellow, but I just don't do it. The Senate is my life."

She began her perfect record in June 1955, because, after 2 years of answering unbrokenly, she missed a vote one day while she was accepting a degree from Columbia University. It hasn't happened since.

HER HARDEST VOTE

The most difficult vote she ever made was in 1959 on the reappointment of Lewis Strauss to be Chairman of the Atomic Energy Commission. Admiral Strauss, a Navy man, whom she knew well as a member of the Armed Services Committee. She hated to vote against a Presidential nomination.

A few days before, Mr. Strauss asked to come and see her. He offered to pick out for her attention certain key passages in the voluminous hearings. He did not ask for her support. The following morning, Senator ANDERSON, Democrat, of New Mexico, at his request, came to call. He did not ask for her vote.

"I studied the hearings and decided that Strauss had evaded on some questions. I decided I could not in conscience vote for him."

Characteristically, she told no one of her decision. Each side was counting her vote for its own. When her "no" rang out in the Chamber and set off a chorus of gasps, Senator GOLDWATER, Republican, of Arizona, sprang up in protest, but at a calming word from Senator CASE, Republican, of South Dakota, angrily sat down again.

INDEPENDENT ACTION

Such independent action has not endeared Mrs. SMITH to her regular Republican colleagues, although she enjoys a pleasant relationship with Senator BRIDGES, Republican, of New Hampshire, a member of the Old Guard.

She never participates in leadership polls. No one attempts to influence her vote. She never is engaged in debate.

Says Mrs. SMITH dryly, "They say, 'she's so independent, if you want her to do something, don't ask her to do it.' "

BY COINCIDENCE

"If she votes with the Republicans," said a fellow Republican, "it's only by coincidence." Mrs. SMITH's voting record is of such a liberal cast that she was reckoned "right" 80 percent of the time by COPE, the labor movement's political arm, a circumstance that did not keep them from fighting her tooth and nail in her campaign against Lucia Cormier in Maine last fall.

She gave further proof of nonconformity, although none was needed, last summer when she absented herself from the Republican National Convention. She was invited with other candidates to make a nationwide, 2-minute appearance on television. The invitation, from Senate Campaign Chairman GOLDWATER arrived 2 weeks before the event, by which time, Mrs. SMITH had made meticulous plans for the launching of her campaign during a period when she could not possibly miss any votes.

Said Mrs. SMITH, expressing her own unique set of values, "I thought I could do myself a lot more good if I stayed in the State and got across to the people I was talking with."

GEN. CURTIS LEMAY: A MAN WHO GETS THINGS DONE

Mr. GOLDWATER. Mr. President, Mr. Bem Price, writing in the Sunday Star about Gen. Curtis LeMay, the new Chief of Staff for Air, terms him "A Man Who Gets Things Done." The first time I ever met the general I came to the same conclusion. This was at the airbase at Karagpor, India, where the general was commanding officer of the 20th Bomber Command. I was assigned to a mission to supply the B–59's of his command with critical parts, and it fell to my lot to pilot into that base the first C–54 loaded with two engines for the bombers. To everyone's amazement, there was no machine, which we called a forklift, to unload those very heavy engines, and as we planned to land a transport with at least two of these engines every 3 hours the problem of unloading was an immediate and an important one. The moment this situation was called to General LeMay's attention he "got things done." Calcutta lies just about 70 miles east of the small settlement where the base was located, and within minutes another transport was on its way to that city, where it picked up the needed equipment for unloading and returned it in time so that normal operation of our mission was not interfered with. He truly is one who gets things done, and America is fortunate to have a man like him leading the Air Force, at this time, on the retirement of another great airman, Gen. Thomas White.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEMAY: A MAN WHO GETS THINGS DONE

(By Bem Price)

Wherever he goes the legends of Gen. Curtis E. LeMay, the tough Air Force hero, always precede LeMay, the man.

He is "Old Ironpants," the unafraid, unsmiling perfectionist.

He is the man who declined an invitation to dinner from his subordinates on the grounds that a commanding officer should dine only with friends and a commanding officer has no friends.

And he is the man just picked by President Kennedy to move up from Vice Chief of Staff for the Air Force to Chief on July 1, succeeding Gen. Thomas White.

There were those who said—some in print—that the blunt, abrupt General LeMay would never get the top job, that he could never adjust to the niceties of political life where ambiguous language is often more highly regarded than plain talk.

At times the legends—and they are legion—about the 5-foot-10½-inch, 188-pound LeMay have almost obscured the fact that LeMay is really a first rate military manager.

Indeed, LeMay pioneered the use of management controls in the Air Force to produce a high quality product—the Strategic Air Command.

CLOSE TO M'NAMARA

Defense Secretary McNamara is also a manager type and this LeMay-McNamara affinity for getting things done reportedly led McNamara to recommend General LeMay for the top Air Force job.

There is no doubt that General LeMay gets things done. When he assumed command of SAC in 1948, General LeMay found his bombers manned mostly by World War II pilots still suffering a form of postwar letdown.

From his headquarters at Omaha, Nebr., he set about reorganizing SAC with a zeal akin to the religious fervor of a missionary toward heathen.

Under General LeMay SAC bombers would take off for 10 days in England—and get home 5 months later after intensive exercises in navigation and high altitude mock bombings with radar.

Until General LeMay came along, the Air Force simply counted the number of bombers on the ready line and toted up the number of available crewmen and labeled the combined total the current state of readiness.

General LeMay changed that. The SAC controllers used calculating machines to keep tabs on personnel and equipment aircraft maintenance, navigational proficiency, the number of bombs dropped visually and by radar and the theoretical result of each drop.

With these statistics, General LeMay could tell at a glance the overall efficiency of each wing, group, squadron, and individual plane crew.

Once a colonel complained to General LeMay that his efficiency rating had been reduced because an eagle flew into one of his aircraft and damaged it. The general brushed him off, saying "We can't afford to distinguish between the unfortunate and the inefficient. The result is the same."

CHANGE IN WEAPONS

In the end, General LeMay developed the finest, most efficient bomber force in existence, one that was—and is—on a constant worldwide alert.

General LeMay is taking over the top Air Force job at a time of vast upheaval in the technology of weapons systems, when there is an urgent need to rethink the problems of the cold war and the possible diplomatic-military solutions—if any.

As Air Force Chief, General LeMay will be one of the most influential men in the Nation. He will have a powerful bearing on the Nation's present and future military policies.

The fact that the Soviet Union has thermonuclear weapons and the means to deliver them has raised the question of strategic stalemate. It has forced a reexamination of the probability of nonnuclear wars in which the role of the Air Force will be limited to team membership with the Army and Navy on an equal footing.

NOT ACADEMY MAN

In this connection, it may be worth noting that General LeMay is not a graduate of a service academy, that most of his service career has been concerned with strategic bombers. There are some in the Army and Navy who doubt that he has a real understanding of the role of the infantry and the Navy in warfare.

Further, General LeMay is assuming command of the Air Force at a time when its ranks are split between (1) those who insist the manned bomber is a dead pigeon and that the Nation's future security lies in space and missiles, and (2) those who argue that the manned bomber is, and will remain, the Nation's chief deterrent weapon.

General LeMay has described himself as a mixed force man; that is, he believes in a strategic deterrent force of both bombers and missiles. He once said the guided missile

would never replace the manned aircraft because "it can't think."

General LeMay would not win any kind of popularity contest with the generals and admirals of the Army and Navy and these antagonisms may well carry over into the meetings of the Joint Chiefs of Staff.

In June 1959, General LeMay told a Senate subcommittee:

"As our weapons systems improve it is becoming more and more apparent that the function of individual services are beginning to overlap. I firmly believe we will need a modification of our military structure. I believe we must eventually progress toward a single service with a single Chief of Staff and one staff to operate the armed services."

The Navy and Army oppose a single staff system—especially if the Chief is going to be from the Air Force.

During an interview early this month, 12 questions were submitted to General LeMay, all designed to develop some pattern of thought and to clarify aspects of previous public statements.

General LeMay answered none. He pointed out that he was not yet Chief of Staff and that to answer the questions prior to interrogation by Congress of his fitness for the job would be improper.

TRAINED AS ENGINEER

The interview produced only the information that he was 3 pounds overweight, smoked 8 to 10 cigars a day, and earned his way through Ohio State University by working a 5 p.m. to 2 a.m. shift in a foundry before making 9 a.m. classes.

General LeMay's basic training was as a civil engineer. He is a tinkerer with motors and radios—and a good one, too.

If he is a widely read man, his associates don't know it. He likes to hunt, fish, and play poker. In 1954 he told an interviewer, "I laid out a course of military reading but I didn't get around to it. Maybe that is good because if you start following the book, you tie yourself to the past."

IRONWORKER'S SON

General LeMay was born November 15, 1906, at Columbus, Ohio, the son of Erving and Arizona Dove (Carpenter) LeMay. His father was a structural ironworker and for several years the family (three sons and two daughters) moved around the country before returning to Columbus where LeMay entered South High School. He was a lanky youth, weighing less than 100 pounds, but with a burning yen to fly airplanes.

Unable to obtain an appointment to West Point, LeMay entered Ohio State. On September 23, 1928, he left college, though he needed only 15 hours for graduation, and entered the Army Air Corps as a flying cadet. He completed his flight training at Kelly Field, Tex., and was commissioned a second lieutenant October 12, 1929.

General LeMay's initial assignments were in fighters, but he soon was transferred to bombers. He once said, "I saw the real power of the Air Force was in bombers. I wanted to be with them."

In 1932 LeMay was transferred to an airfield near Columbus and thus was able to return to college and earn his degree. In 1934 he married Helen Maitland, a Cleveland girl he had met while stationed at Selfridge Field, Mich. Four years later their only child, Patricia Jane, was born. She is now 23 and engaged to an Army doctor, Capt. James Lodge.

By March 1941, LeMay was a major. Just before World War II began he was a lieutenant colonel. In March 1943, he was appointed brigadier general. Thus, for 17 of his 31 years as an officer, LeMay has held general rank—a record no other active duty Air Force officer can match.

General LeMay devised the 18-plane box formation used by bombers throughout the European theater in World War II, a formation which enabled the lumbering aircraft to bring most of their guns to bear on German fighters and ended the need for violent evasive action which broke up formations and resulted in haphazard bomb drops.

One insight into General LeMay's thinking on strategy can be found in his testimony March 30, 1960, before a subcommittee of the House Committee on Government Operations. The subject was "Civil Defense and the Wisdom of Fallout Shelters." Before he touched on shelters, General LeMay argued for more hard missile sites in the United States, saying:

"If deterrence should fail these hardened sites will serve to reduce the number of casualties, they will draw some of the enemy intercontinental missiles away from our population centers."

DEPLOYING MISSILES

"It has been suggested from time to time that we deploy our missiles outside the United States. There are several reasons why this is not a prudent course of action.

"First, most such locations are within range of the much more numerous short range forces of our potential enemies, including nonnuclear forces. Deployment of our missiles in this manner would actually increase the potential danger to our civilian population by permitting more enemy long range weapons to be targeted against our urban industrial areas.

"A second consideration is the fact that there would be serious problems with regard to unilateral control of our nuclear forces.

"Perhaps the most important reason is the impact that this could have on our deterrent posture. The effectiveness of deterrence hinges a great deal on the credibility of our response to an attack on our forces.

"For example, there is no doubt in the minds of the Soviets that an attack on our military forces deployed within the United States will bring a sure automatic response; on the other hand, the Soviets may not be convinced that our response would necessarily be automatic if a significant portion of our strategic forces were based in open areas outside the United States. In such a case, the enemy might be tempted to attack them piecemeal."

While he has indicated a need for fallout shelters, General LeMay said that he would object to spending the estimated $17 billion to $20 billion needed to provide civilian protection.

"The question," he said, "comes to what will give you the most defense. Building holes in the ground to crawl into, or building something to fight with that will add to your deterrent force."

Between the two, the new Air Force Chief of Staff obviously prefers force.

NEWBURGH, N.Y., BITES FEEDING HAND

Mr. DIRKSEN. Mr. President, I should like to read into the RECORD a short editorial from the Chicago Daily News of June 24, 1961, which bears the caption "Newburgh Bites Feeding Hand."

Mr. President, this is not only whimsical, but also, at the same time, one of the most incisive editorials I have seen in a long time.

Newburgh, N.Y., is up to something rebellious, if not downright subversive.

Joseph Mitchell, city manager of the Hudson River town of 30,000, says Newburgh has virtually done away with welfare, at least in the modern sense of that word.

Under new regulations:

Able-bodied men on relief are going to work 40 hours a week for the city.

Welfare clients will receive vouchers for food, rent, and clothing instead of cash.

No family will get more relief than is paid in wages to the lowest salaried city employees with comparable-sized families.

The city has even put a ban on carefree motherhood. One more out-of-wedlock baby and they're off relief roles.

The State welfare department says Newburgh can't get away with it. A spokesman says there are laws prohibiting such municipal waywardness.

Mitchell, backed by the city council, says he'll go to court and fight for the right to enforce the new rules. He says the city is going broke paying out a third of its budget for relief. He says relief is costing more than the fire, police, or public works departments. He suggests the city will be money ahead even if it has to sacrifice State and Federal welfare aid.

Fiddlesticks, Mitchell. It's enough to have an island of communism 90 miles off Florida without having an island of bullheaded rugged individualism on the Hudson.

Get back in line. Play the game. Get America moving again. Don't bite the hand that's feeding you or you'll find it rammed down your throat. You can't secede from the welfare state.

How true.

EXTENSION OF PUBLIC LAWS 815 AND 874

Mr. MUNDT. Mr. President, our distinguished majority leader has brought before the Senate an emergency urgent matter for consideration today, and I should like to invite his attention and the attention of other Senators to a matter of real emergency.

Mr. President, next Friday night Public Laws 815 and 874 will terminate at the end of the current fiscal year. As my colleagues well know, these Federal impact laws have enabled communities throughout the country to maintain a satisfactory level of public education despite the rapid expansion of school enrollments directly caused by nearby military installations and other Federal activities.

On May 25 the Senate approved S. 1021, the general aid-to-education bill, which included extension of Public Laws 815 and 874 as titles II and III of that measure. However, it now appears that the House will not act on the general aid bill before late July, and some sources suggest that action will not be taken in this session of Congress. In any event, the temporary portions of the Federal impact laws seem destined to expire this week.

On the basis of information from the Department of Health, Education, and Welfare, this means that 4,000 school districts over the country must sharply cut back existing programs and drastically revise budgets already prepared. The Federal impact program is so vital to these districts that the suggestion of President Kennedy to cut back the program in his education message to Congress last February was overcome by the preponderance of evidence submitted to the Senate Labor and Public Welfare Committee. According to testimony before the committee, there are currently 219,000 children living on Federal property with a parent employed on Federal property who attend school in adjacent

communities, and this number increases from 8 to 14 percent each year as military housing projects already authorized by Congress are completed. In addition, some 1,375,000 children in 4,000 school districts are included in the Federal impact program, and this figure increases 4 to 6 percent each year.

Federal expenditures for national security and domestic projects are still at record levels because of the grave and unsettled international situation. The construction of Minuteman missile bases in my home State and in other areas of the country, as well, is bringing new Federal impacts into a number of smaller communities with limited financial resources. The Federal Government has a definite responsibility in connection with federally impacted areas, and because of this responsibility has compensated school districts in reasonable amounts under Public Laws 815 and 874. Because of this responsibility, the program has enjoyed a broad base of support in Congress since it was enacted in 1950. For that reason, its extension is merely a matter of time. In view of the fact that the general aid-to-education bill has become delayed in the House, I am appealing to the Senate today to consider and to enact S. 1950, extending for 4 years the Federal impact program, introduced by my distinguished colleagues from New Hampshire [Mr. BRIDGES and Mr. COTTON] and my distinguished colleague from Kansas [Mr. SCHOEPPEL].

Mr. COTTON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. COTTON. I commend the Senator for what he has said. S. 1950 was introduced by my colleague from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. SCHOEPPEL], and myself, because we anticipated exactly what has happened. The passage of the Federal aid-to-education bill, one title of which would extend aid to impacted areas, depends upon several possibilities. It might fail to pass because of the complications involved, or its passage might be delayed, which would cause hardship to these areas. As one of the sponsors of the bill, I appreciate what the distinguished Senator from South Dakota has said, and I join with him in asking that the Senate take immediate action on the bill so that the affected regions will not suffer.

Mr. MUNDT. I thank the Senator. I believe the bill is noncontroversial. I point out that we are now in the season of the year when school boards and school administrators are engaged in contracting with teachers and making arrangements for the fall term of school. I believe it would be highly detrimental if we were to delay consideration of this measure until the controversies have all disappeared and final action has been taken on the Federal aid-to-education bill.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. BRIDGES. Mr. President, on May 23, 1961, I introduced for myself, the senior Senator from Kansas [Mr. SCHOEPPEL], and the junior Senator from New Hampshire [Mr. COTTON], a bill which would extend the provisions of Public Laws 815 and 874 an additional 4 years.

A 3-year extension of Public Laws 815 and 874 was included in S. 1021, School Assistance Act of 1961, which passed the Senate recently.

At the present time, the House has not acted on this or similar legislation and, as a result, both Public Laws 815 and 874 will expire on Friday of this week unless an extension is voted.

I join with the senior Senator from Kansas [Mr. SCHOEPPEL] in urging my colleagues to support S. 1950, which would extend Public Laws 815 and 874, aid to federally impacted areas, an additional 4 years. I am of the opinion that this specialized assistance is essential to communities affected by the tax-free status of Government installations and has helped communities requiring additional school facilities for children concentrated in these areas.

A 4-year extension is wise from a long-range-planning point of view, as it gives school administrators an opportunity to develop a coordinated and progressive approach to demands for new facilities, increased personnel and more complex administrative problems created by Federal installations in their school districts.

I hope we will not let aid to federally impacted areas cease by default and that we will today enact S. 1950 which would extend this worthwhile legislation an additional 4 years.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. SCHOEPPEL. I commend the Senator from South Dakota, and express my appreciation to him for bringing this subject to the attention of the Senate at this time, and especially drawing it to the attention of the distinguished majority leader as well as the distinguished minority leader. As pointed out by the Senator from South Dakota, Public Laws 815 and 874 are extremely important to school districts in impacted areas because of the uncertain position of the Federal aid-to-education bill.

The Senator is correct in pointing out that the school year has almost ended, so far as the active school year is concerned, at which time budgetary situations and calculations are before school boards to enable such boards to figure out what will be done in the ensuing year.

Since the proposed legislation is very important to the impacted areas, and an obligation of the Federal Government necessarily exists by reason of the defense installations in such areas, something must be done within the next few days. I am extremely hopeful that we can act on the measure expeditiously and eliminate the hazard that we are likely to encounter, which will be detrimental, financially and otherwise, to the impacted school areas.

Mr. MUNDT. I thank the Senator. Again I call the attention of the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD], who is an educator himself and has long supported this type of legislation, to the fact that Friday night of this week is the deadline and, if we do not act, the laws referred to will expire.

I believe it is generally recognized by Senators that administrators of public schools and members of school boards cannot enter into contractual arrangements with teachers on the expectation that Congress will act. For that reason, I believe we should obtain fast action on the measure, and secure that much of the program in order that our educational procedures in the impacted areas may go forward without interruption.

While colloquy is occurring between Senators on this subject, I wish to say a few additional words, because I am hopeful that we are making progress. The legislation referred to has been in operation for about a dozen years. I believe almost every State in the Union is affected. The Government has a financial obligation, due to the fact that the Federal Government has moved into areas with large military installations of one type or another.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. Mr. President, I ask unanimous consent for an additional minute.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MUNDT. Because of the fact I have just stated, I believe everyone recognizes that the Federal Government has a responsibility to help communities close to such installations with the educational needs of the area, and to see that the educational needs of the children of Federal employees are adequately met. I do not think the most optimistic supporter of Federal aid to education among us anticipates that the House will be able to unravel its difficulties and pass the aid-to-education bill, and have the bill signed by the President before Friday night of this week.

But we do have within our own hands the power, the opportunity and, I believe, the obligation, to act on this comparatively noncontroversial measure. I think such action should be taken between now and Friday night so that school authorities around the country will be able to go forward with their planning for the following year, and so that they will be able to employ the better teachers who are now available, rather than to have to delay until fall and proceed at that time on a crash program and take "whatever apples are left in the barrel."

Again I express the hope that as a result of the colloquy occurring on the floor of the Senate, the problem having been called to the attention of the Senate, we shall find time before Friday night to enact the proposed legislation.

Mr. GOLDWATER. Mr. President, neither of the public laws, 814 or 875, met with any opposition in the Committee on Labor and Public Welfare. However, the committee has not considered the bills separately. As the Senator from South Dakota will recall, both

measures were tacked onto the Federal aid-to-education bill. If there were some way in which we could get in touch with the chairman of the Committee on Labor and Public Welfare, who unfortunately is not present today, I am sure we could get prompt action. The full committee will meet tomorrow morning in executive session, and at that time I believe we could possibly arrive at some adjustment, such as a 30-day extension, in order to take care of the problem. The House will either act or not act by that time, and we could go into a more detailed examination of the bills.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. MANSFIELD. What the Senator from Arizona has said is correct. The bills were incorporated in the general aid-to-education bill. I wish to assure the Senator from South Dakota [Mr. MUNDT], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. COTTON], and the Senator from Kansas [Mr. CARLSON], who are particularly interested in this subject, that we shall look into the situation and see what we can do.

Mr. MUNDT. I thank the majority leader for his always cooperative attitude. I am sure that if he discusses the subject with the chairman of the Committee on Labor and Public Welfare, ways can be found to expedite consideration of the bills so that they may be passed before Friday night.

Mr. DIRKSEN. Mr. President, I believe every Senator is familiar with this subject, and it is not in controversy. However, I think one difficulty presents itself. First, we must obtain Senate committee action, and, second, take whatever action is necessary in the Senate before the House recesses. I was of the opinion that the House might conceivably recess on Wednesday, which would permit but a very short time to perfect action in the Senate and send the bill over in time for action by the House, so that the Friday night deadline might be met. I certainly shall cooperate in every way with the distinguished majority leader in the hope that action can be taken, since the subject admits of no controversy whatsoever.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MUNDT. I am sure if the problem is brought to the attention of Members of the House, they may be willing to defer their recess for 24 hours in the interest of providing more adequate education to the schoolchildren of American.

THE ALIEN ORPHANS ACT

Mr. KEATING. Mr. President, on June 30 the law which permits the granting of special nonquota immigrant visas to adopted alien orphans expires. Up to now, the Senate has not acted on legislation which would extend this humanitarian law.

The full meaning of inaction on this legislation has been vividly portrayed in letters I have received from all over the world. A lady from Levittown, N.Y., appeals to "give countless little children a chance in life." Another lady from New York City asks, "Can we conscientiously prevent an orphaned child from finding a home in this country?"

This program has touched the hearts of America. There are countless thousands of Americans who are still able and eager to make a home for these little orphan boys and girls. There are many thousands of orphan children living in misery in Europe and Asia who could be given a new life under this program. It would be cruel and heartless to allow this program to expire prematurely even for a day.

Mr. President, I sincerely hope that extension of this program will have the attention of the distinguished majority leader and that the necessary legislation will be programed and enacted before the end of June.

SOCIAL SECURITY IS NOT ANTI-RECESSIONARY LEGISLATION

Mr. KEATING. Mr. President, the responsibility to update and revise our various social security programs is a continuing one. As long as I have been a Member of the Congress, I have been vitally interested in basic improvements in the coverage and benefits available to persons paying into the social security trust fund.

The measure which we adopted yesterday and which I supported was recommended by President Kennedy as a part of his antirecessionary program enunciated on February 2 of this year. At that time, he referred to this proposal and a number of others as "measures both to alleviate the distress arising from unsatisfactory performance of the economy and to stimulate economic recovery and growth." In fact, he singled out social security reforms as a source of additional purchasing power and as a "desirable economic stimulus at the present time."

If the conference report on H.R. 6027 is received and agreed upon next week and the President signs this measure the week after, then it is likely that the payments under this bill will begin flowing into our economy sometime in the middle of August.

I point out that the so-called recession about which the President spoke of February 2 has not been and will not be affected in any way by this legislation. The bill is a good bill in and of itself. It should not be represented as a means of dealing with the recession on an emergency basis.

This experience pinpoints one of the problems of the new administration. In a sense, it has been throwing proposals at the growth rate. Our Government and our economy must not be operated on a "panic-button basis." Social security reforms are desirable, permanent measures. The Congress should not enact them under pressure as a spending measure to stimulate our economy. The real antidote for recession is a sound, free economy. The so-called recession of 1960–61 cured itself because of the natural and inherent forces of a free economy at work.

I think the eminent economist and former Chairman of the President's Council of Economic Advisers, Dr. Arthur E. Burns, made this point better than anyone else. I ask unanimous consent to include at this point in the RECORD an excerpt from a speech which he recently made at the University of Chicago's 10th annual business economists conference.

There being no objection the excerpt was ordered to be included in the RECORD, as follows:

> Again, I would grant quickly that a liberalized social security program, such as President Kennedy advanced in his economic message to the Congress would help to speed economic recovery. But I must go on and point out that the same can be said of any type of governmental deficit spending. Since the liberalization of the social security program is designed to be a permanent reform, rather than to serve merely as an antirecession aid, I think that it is a mistake to advance such a program in the guise of a recovery measure. The Congress should pass this legislation only after full deliberation indicates that it is likely to promote the national welfare in the long run and not merely in the months immediately ahead.

Mr. KEATING. Mr. President, I was happy to support H.R. 6027 as a basic, permanent, forward step. I point out, however, that far-reaching legislation of this nature should not be urged upon the Congress as an emergency action to deal with momentary economic difficulties. The Congress has demonstrated both independence and a spirit of progress in dealing with this bill intelligently and deliberately.

SUPPORT FOR ELECTORAL REFORM

Mr. KEATING. Mr. President, during the last few months I have introduced a number of bills calling for various needed electoral reforms. I believe the time for electoral reform is now, and that the Congress should get busy.

I am happy that the Privileges and Elections Subcommittee and the Constitutional Amendments Subcommittee, of both of which I am a member, have been devoting considerable study and attention to pending proposals for electoral reform. Furthermore, I have been pleased with the fine response which has come to my attention from newspapers throughout the country which have editorialized on the need for electoral reform.

I ask unanimous consent to include at this point in the RECORD a sample of editorials, relating to certain measures which I have introduced. These editorials are taken from newspapers in New York State and throughout the country. The seven editorials which I will insert are from the New York Journal-American, the Ogden (Utah) Standard-Examiner, the Rochester Democrat and Chronicle, the Denver (Colo.) Post, Buffalo Courier Express, the Albany Times Union, and the Jamestown Post-Journal.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Journal-American, May 14, 1961]

VOTING TIME

Following up his pledge of last October, Senator KEATING, Republican, of New York, has introduced legislation to allow 2 days for Americans to vote for President and Vice President. This is a vitally needed reform, for which the Hearst newspapers have pressed since it was first suggested by William Randolph Hearst, Jr., in 1952.

As the busiest and most mobile society in history, the United States has a poor record of turnout at the polls. Analysts of our failure to exercise fully the franchise of freedom have stated that many of its causes would be cured by simply giving Americans more time to vote.

Our best record—in two hot presidential races—has been a fraction under 63 percent of our potential. In other words, more than one of every three persons legally entitled to elect our government have not done so.

Voting is as much a duty as a right. Some nations recognize that by penalizing qualified nonvoters. More nations permit multiple days of balloting, a few using nonworking days like Sunday.

As a result, many nations have splendid voting records ranging from 80 percent of the qualified electorate to Australia's top of 95 percent.

In a speech on the floor of the Senate, Senator KEATING paid tribute to the Hearst newspapers' campaign for the reform. He also pointed out the need for a special safeguard, deriving from the speed of modern communications. It is a valid caution.

The question has been raised as to whether knowledge of how the voting has gone in the eastern part of the United States can affect western voting—later because of time difference—to the point of bandwagon psychology.

Senator KEATING points out that, with 2 days of voting, a safeguard against such influence would be to start tallying the ballots only after all the Nation has voted.

We see nothing wrong—and much right—about that idea.

The New York Journal-American urges all its readers to write to their Senators and Representatives urging support of Senator KEATING's bill.

The more Americans vote, the more we all add strength to our great Republic.

[From the Ogden (Utah) Standard Examiner, May 4, 1961]

TWO-DAY ELECTIONS?

What do you think of a proposal to spread the election of a U.S. President and Vice President over 2 days on the grounds that many Americans have every intention of voting but often are prevented by circumstances from doing so on election day?

KENNETH B. KEATING, Republican Senator from New York, last week named prominent citizens who favor 2 days for a Federal election, among them Raymond Moley, David Lawrence, Henry Steel Commager, and William Randolph Hearst, Jr. He included himself in the group by introducing a bill for 2-day elections.

If Americans neglect to vote because of indifference, that is one thing. If they do not vote because of obstacles in their way, that is another.

The 2-day election idea is an outgrowth of increasing discussion about ways to simplify the duty of voting. Demands are heard for liberalization of residency requirements and more simple regulations pertaining to absentee ballots. The charge has been made that 2.6 million business travelers didn't vote last year because of inability to obtain absentee ballots. Many Utahans think our State should make the registration of voters more convenient. Out on the west coast, campaign managers protest against the release of eastern vote results before westerners have gone to the polls.

Until Americans vote in far larger numbers than at present, proposals to improve the record are in order.

[From the Rochester Democrat and Chronicle, Nov. 26, 1960]

ELECTORAL LICKING

We adults often have complained about the undemocratic electoral college and its hazards in close elections. But sadly, the furor usually dies away with no action taken. We have reason to hope, however, that if our generation does not do the reform job, young Janice Dell and her contemporaries of the seventh grade, when their time comes, will take the action we should have taken.

Here is a copy of a letter sent to Senator KENNETH B. KEATING by Janice, acting on behalf of her class in Carthage School No. 8:

"I am in the seventh grade at School No. 8. My classroom has been discussing how the electoral college works. We decided, as many adults already know, that the electoral college doesn't always give the people's choice. As future voters my class and I would like to ask you to do something about this problem."

Janice, we could not agree more with you and your 24 classmates about the unrepresentative electoral college. Many adults defend the present system of having electors vote for President instead of electing him by popular vote. Most such objections to reform seem to be based on a fear of democracy. Others see some possible future advantage in being able to swing the electoral college vote the way they please, regardless of how the people voted.

We know that Senator KEATING will give his attention to your letter and we hope, as you do, that he will try to do something about reforming the electoral college system.

[From the Denver (Colo.) Post, May 10, 1961]

ELECTION LAWS NEED OVERHAULING

Only 60 to 70 percent of the eligible voters cast ballots in presidential elections in this country. Senator KEATING, Republican, of New York, for one, is dissatisfied that participation in this most important of our democratic processes is not more general.

As a result he has proposed that elections for President and Vice President be extended for 2 days each on the theory that many persons fail to vote because they are temporarily ill or temporarily away from their home precincts on election day.

Two-day elections for President and Vice President have the support, according to Senator KEATING, of Raymond Moley, Henry Steele Commager, William Randolph Hearst, Jr., and David Lawrence, among others.

In earlier days, a number of States had laws calling for 2-day elections. They included Mississippi, Illinois, Alabama, and Michigan.

However, the longer election period made it possible for bands of voters to cast ballots in one State the first day and then move into another State to vote a second time on the second day.

Modern registration procedures would eliminate that danger, Senator KEATING believes.

He admits that a 2-day election might influence the outcome if any votes were counted before the polls had finally closed at the end of the second day.

Thus, if a candidate was well ahead on the first day of the election his followers might feel overconfident and fail to turn out on the second day. Or voters would become discouraged if their candidates were trailing and might not cast ballots.

Senator KEATING's proposal, along with a number of election reforms, are scheduled to receive extensive hearings during the present session of Congress.

Other proposals would liberalize residence requirements for voters, make absentee voting easier, revise literacy tests and other tests aimed at Negro voters, simplify registration systems and ballots.

Senator KEATING believes it might be possible to set up a system under which voters could register during the election itself, if the election were extended to 2 days.

Our election system is far from satisfactory in many respects. If Senator KEATING and other advocates of reform can furnish solid reasons for their proposals, Congress will do well to attempt a serious overhauling job.

[From the Buffalo Courier Express, May 25, 1961]

LET'S MODERNIZE ELECTORAL COLLEGE

Whether or not the electoral college is an "oxcart" as Senator ESTES KEFAUVER, of Tennessee, has characterized it, the fact remains that its method of operation belongs to the oxcart period.

Indeed, the comparison is a little rough on the oxcart which, after all, was a good honest vehicle, albeit somewhat primitive. With all due respect to the Founding Fathers—who never dreamed of the fabulous growth of urban population toward which their new Nation was headed—it would be eminently unfair to give all of New York's 45 electoral votes to a candidate who, in some presidential election, might squeak through to a 25,000 plurality in the State's popular vote, and to give fewer than 45 electoral votes to his rival for carrying three or four smaller States by majorities aggregating hundreds of thousands.

On November 12 last, just 4 days after the presidential election we suggested on this page that "instead of giving the entire electoral vote of a State to the candidate carrying it, there be a proportional division, with the electors' ballots being cast in accordance with the percentage of the State's popular vote polled by each candidate."

"Under such an amendment," we continued, "if a presidential nominee should carry New York State, for example, by a 5-to-4 majority, 25 of the State's electoral votes would go to him and 20 to his opponent. Such a system would be far from perfect but superior to the present archaic constitutional provision."

Several years ago, Senator (later Ambassador) Henry Cabot Lodge, of Massachusetts, and Representative Gossett, of Texas, introduced legislation providing for proportionate division of the electoral vote along such a line. Senators KEFAUVER, MUNDT, and CASE of South Dakota, DODD, of Connecticut, JOHNSTON, of South Carolina, and SALTONSTALL, of Massachusetts, all have introduced legislation in the present Congress to the same purpose. Senator KEATING, of New York, would go further and abolish the electoral college altogether—a proposal which might meet with some resistance from the same small States now protesting the unfair advantage which the present system gives to the larger ones.

Regardless of the merits of this proposal of Senator KEATING's, most citizens, we believe, will go along with his further recommendation that there be a constitutional amendment setting 90 days as the maximum residency requirement for voting in presidential elections. At present the States

determine the maximum residence requirement. He estimated that 8 million Americans were deprived of their votes in 1960 because they moved shortly before election day.

Certainly such wholesale disfranchisement is not a legitimate part of the democratic process.

[From the Albany Times Union, June 14, 1961]

VOTING TIME

Congress should act promptly on the companion bills introduced by Senator KENNETH KEATING and Representative SEYMOUR HALPERN to give Americans 2 days for voting in presidential elections.

Such legislation is a vitally needed reform to widen exercise of the voting franchise. Even in presidential elections, which bring out nearly double the number of off-year voters, the best polling record the United States can show is less than 63 percent of the qualified electorate. More than a dozen nations are far ahead of us, with voting records running up to 90 percent.

Allowing 2 days for voting would bring out many stay-at-homes who are deterred by circumstances beyond their control. Elections have been won and lost by margins far smaller than the number who failed to vote.

The Keating-Halpern legislation deserves the support of everyone who believes in giving most people the maximum chance to choose their government.

[From the Jamestown Post Journal, May 26, 1961]

ELECTION CHANGES

A subcommittee of the Senate has begun consideration of 17 proposed amendments to the Constitution which would change the method of choosing Presidents under the electoral college system and the qualifications in Federal elections. The exceedingly close election in which President Kennedy, the Democratic nominee, won over Richard M. Nixon, Republican, by a trifling plurality of a little more than 100,000 has led to renewed pressure in and out of Congress for a major revision of the electoral college and there have been demands it be abolished altogether.

Senator ESTES KEFAUVER, Tennessee Democrat, was speaking from the record when he pointed out that under the present system a candidate could be elected President even though his opponent polled a larger popular vote across the Nation. That actually happened in 1888, when Benjamin Harrison, Republican, defeated President Grover Cleveland, seeking reelection as a Democrat, by an electoral vote of 233 to 188, even though he polled a hundred thousand fewer popular votes than his opponent.

That Congress may ultimately approve some change in the electoral college seems quite possible but it can be doubted it would submit to the States an amendment abolishing the system. It might propose an amendment providing for a split of State electors on the basis of the popular vote cast for the two leading candidates in the congressional districts of each State. Under such a system most of the electors would be chosen by congressional districts rather than the State at large. With the exception of a few one-party States, that would divide the electoral vote. Under the prevailing system a candidate receiving one more popular vote in a State takes all the State's electoral votes.

Whatever Congress may do in reference to revising the electoral college it should substantially change residence qualifications for voting in presidential elections. In most States, including New York, the requirement is for a full year. That is a rank injustice to millions of voters who move from one State to another within a year and accordingly are disfranchised from voting for President. Last year the total of citizens discharged under residency requirements reached more than 8 million.

Senator KEFAUVER has proposed a 1-year residence requirement, with provision permitting a voter who has moved into another State during the year to cast an absentee presidential ballot in his former State until he can register in his new State. On the other hand, Senator KENNETH B. KEATING, New York Republican, has offered an amendment requiring only 90 days of residence for presidential voting eligibility. While many State legislatures might hesitate to change their residence requirements for State and local elections, they should let down the bars to the fair and reasonable limit proposed by Senator KEATING insofar as voting for President is concerned.

URBAN RENEWAL

Mr. KEATING. Mr. President, the Senate a few weeks ago passed a housing bill which included very substantial increases in authorizations for urban renewal projects.

It happens that urban renewal is one of the very few Federal programs under which my State of New York gets back from the Federal Government almost as large a share of expenditures as its citizens pay in Federal taxes. Aside from this, urban renewal is a valuable program because it is revitalizing many of America's cities and in the process is easing the tax burden on property owners in those cities.

I ask unanimous consent that an article on this subject from the June 14 issue of the Rochester Democrat and Chronicle appear at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COMMONSENSE OF URBAN RENEWAL

What are the taxes?

Realtors, who face this question regularly in their daily business of selling homes, were given some concrete examples of how urban renewal can up a city's tax revenue, and cut or keep down the bite on the individual homeowner.

John A. Dale, director of urban affairs for Rochester, told the Convention of Real Estate Boards at Kiamesha Lake that:

"Pittsburgh's Golden Triangle yields $2 million more yearly in new taxes; that Chicago's Hyde Park Kenmore renewal project, when completed, will yield over $1 million more.

"Getting closer to home," he said, "Rochester's Front Street project is expected to yield $400,000 more in taxes annually and Midtown Plaza will show an increase of five times the present tax income."

That's the type of language practical businessmen, such as realtors are, understand best—dollars and cents commonsense. And it's the type of commonsense we, the individual homeowner, should understand too. Commonsense that keeps more dollars in our individual pockets and puts more money in city coffers.

THE LATE GEORGE H. BENDER

Mr. HILL. Mr. President, a great many well deserved tributes have been spoken in memory of the late Senator George Bender, whose sudden death recently so greatly shocked all of us.

His service in the U.S. Senate was, in a real sense, a fitting climax to his long and distinguished career in public life, which also included 10 years as a member of the Ohio State Senate and 14 years as a Member of the House of Representatives.

George Bender was a most vigorous and ardent member of the Republican Party, but to Republicans and Democrats alike, to those who disagreed with him, as well as to those of his own persuasion, he always extended friendship and kindness. I was privileged to serve with him on the Senate Committee on Labor and Public Welfare, and he was my good friend. I wish to join in expressing to Mrs. Bender, to their daughters, and their grandchildren, my sincere sympathy in the great loss they have suffered. George Bender will long be remembered by his colleagues in both the Senate and the House of Representatives as a diligent and tireless legislator and a dedicated American whose many accomplishments are his worthy and true memorial.

TRADE POLICY FOR THE UNITED STATES

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an article from the New York Times of June 25, 1961, by Brendan M. Jones, entitled "New Policy Due on Foreign Trade." This article points to an issue which the Congress and the business and labor communities of the United States view with growing concern. It is an issue basic to the economic leadership of the United States in the free world and deeply affects the course of U.S. policy in the struggle against communism.

Our concern with the importance of this issue is underlined by the fact that this administration has not yet come up with a plan for a U.S. foreign trade policy. Later this week I expect to present to the Senate my views on this matter. I hope that many of my colleagues, who have expressed interest and concern on the foreign trade issue, will be able to take part in the discussion.

In the meantime, however, I wish to bring the article by Mr. Jones to the attention of the Senate. It summarizes concisely our present position and outlines the policy vacuum in which we find ourselves. This reluctance to deal with the hard domestic problems and foreign challenges presented by the need for trade expansion should end. In 12 months the Reciprocal Trade Agreements Act expires and we must prepare now so that at the end of that time we will have a positive trade policy to carry us through this new decade.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW POLICY DUE ON FOREIGN TRADE—ADMINISTRATION IS EXPECTED TO START WORK SOON ON STAND IT WILL TAKE—PROPOSALS PUT FORTH—BUSINESS, SENATE GROUPS ARE SUGGESTING MORE LIBERAL CONCEPTS

(By Brendan M. Jones)

The Kennedy administration must soon get to work on the detailed drafting of its own foreign trade policy.

At least two major business groups and a Senate study group in recent months have

prepared and issued proposals that represent a marked departure from past trade-policy precepts. These proposals favor considerably more liberal trade policy through measures such as special adjustment aid to domestic industries affected by imports rather than protective tariffs or quotas.

They also urge much broader tariff-cutting authority for the President than formerly, and for a longer time ranging up to 5 years.

The proposals reflect views that have been developing for some time in the field of international trade and economics. In general, they are shared also by key administration officials long identified with liberal trade principles. To a large extent, they represent a conviction that the old reciprocal trade program and item-by-item tariff bargaining has been outmoded by the rise of regional trading blocs engaging in broad tariff reductions.

RECOVERY A FACTOR

But whatever its inclinations toward new policy, the administration has seemed anxious to postpone official policy decisions until the domestic economic recovery was well underway. Obviously, it has been hoped that such recovery would lessen pressures for trade restrictions such as the import quotas sought by the domestic textile industry.

The pace of domestic recovery, however, has not helped the desire to avoid a trade-policy showdown at a time when unemployment was continuing at a relatively high level. Protectionist sentiment, which has been gaining strongly in Congress in recent years, would be a serious enough obstacle to more liberal trade policies even with fuller prosperity.

Imports have long amounted to only 3 percent or less of the value of all national production and services and recently have been declining as a result of the recession. Still, they are a favorite scapegoat for all variety of economic troubles. Consequently, efforts to curb imports have not only gained ready sympathy from individual Members of Congress, but they have, collectively, added increasingly restrictive amendments to the Reciprocal Trade Act.

This trend toward making the Trade Act the vehicle for import-curbing devices is still another reason why trade liberals regard the reciprocal trade program as having outlived its usefulness.

Regardless of conditions, however, the administration, or more precisely the White House, will have to screw up its political courage on the trade policy issue in coming months. There are a number of reasons why the official formulation of a new trade policy program clearly identified with the Kennedy administration cannot be delayed much longer.

So far, pronouncements by the President, although tending in the direction of liberality, have not been precise enough to represent established policy. Mr. Kennedy has rejected import restrictions on agricultural and industrial twines and has successfully discouraged a threatened labor union boycott of Japanese fabrics and electronic components.

Such actions, however, are considerably short of the continuity of policy in all its details of tariff decisions, renewal of tariff-reducing authority for the administration and recurrent demands for import quotas.

NO CLEAR-CUT POLICY

To a large degree, the administration, although greatly preoccupied with foreign affairs, has not had a clear-cut trade policy. Such a policy is necessary to encourage confidence in Latin America toward the President's plans for economic assistance. The United States maintains import quotas on commodities such as lead, zinc, and petroleum, which figure substantially in the production and trade of various Latin American countries. Some action to remedy this measure of working at cross purposes with the aid program would seem logical at least.

In another direction, the administration's desire for political unity in Western Europe, presently threatened by rival trade blocs, has not been helped by its own lack of definite trade policies.

Formulation of a new administration program, if it is to be greatly different from that under the Reciprocal Trade Act, should be completed in time to allow full public debate and discussion. Delay of a basically different program so that it tends to come as a surprise could arouse stronger opposition in Congress than might otherwise be the case.

Finally, the administration is under compulsion to get moving on trade policy because the present Reciprocal Trade Act is due to expire in June of next year. This may seem a comfortably distant date, but actually it is not.

Usually, renewal of the trade act, or in this case a substitute for it, figures in one or more of the main messages sent by the President to the new session of Congress when it convenes in January. In a matter of such large issue as trade policy, ample time must be given not only to details of a program but how it will be presented. In light of these requirements, the administration must begin serious consideration of its trade program by early fall, even though the present law has a full year to run.

Among the business groups that recently have issued trade policy proposals are the U.S. Council of the International Chamber of Commerce and the New York Chamber of Commerce. Earlier this year, an extensive study and proposals for new trade policy were issued by a special staff of the Senate Commerce Committee.

While varying in detail and emphasis, these proposals agreed that trade policy should be geared more to fundamentally changed world conditions. Emergence of regional trade blocs such as the European Common Market, it was noted, require authority for the President to negotiate tariff reductions on an across-the-board basis.

How the United States is to meet this kind of tariff bargaining as well as increased international cooperation commitments in spite of strong protectionist sentiment is indicated, partly at least, in proposals for trade adjustment.

The U.S. council recommended a comprehensive program of loans, relocation, diversification, retraining, and other assistance for industries unable to meet foreign competition.

IT IS NOT TOO LATE IN LATIN AMERICA

Mr. JAVITS. Mr. President, the recent disturbances in Peru, Bolivia, and Colombia, once again demonstrate the urgency of the situation in Latin America. Though leftist inspired, the blame for these excesses cannot be properly assessed by looking only at the growth of communism and the emergence of Castroism in these areas. These are the consequences, not the causes, of Latin America's problems. The essence of the situation lies in deep-running discontent that has enveloped the southern hemisphere. The continuing inability of existing social and economic institutions to provide solutions to the plaguing inadequacies of life, could constitute all of the necessary ingredients to ignite the powder keg of disaster.

A recent survey prepared by United Nations specialists dramatically indicates the problems faced by our Latin American neighbors. Their population is increasing at the rate of 2.5 percent per year, the highest in the world. By the end of the century it is expected to be double ours. Food production lags far behind these growing needs. No sustained economic development seems currently in sight and unless large-scale assistance can be provided effectively, Latin America must face the dim prospect of lower production, higher inflation, and declining income with the result of increasing poverty and human suffering.

Despite the fact that Latin America represents an area of great opportunity for effective and constructive action in the field of economic development, there is no single plan, no panacea, which can alleviate the present situation overnight. The Alliance for Progress program represents a fine step toward helping to remove some of the major causes of social unrest in the southern hemisphere. If the other prospective members of the new 20 nation Atlantic Community OECD participate in the program, further resources will be made available for economic development.

However, some of the most pressing problems of Latin America are not susceptible to solution by the granting of loans. I have stressed the importance of instituting measures to provide a structure which might tap Latin American sources of investment. Furthermore, any program of assistance must involve maximum utilization of the great resources of the American private system. Since 1950, the yearend book value of U.S. investment in Latin America has decreased in relation to total U.S. foreign manufacturing investment. Such disturbing trends must be reversed by the creation of a favorable climate for investment.

There are so many drastic social and economic needs in the nations of the southern hemisphere, that we must take care to be selective and to make the most appropriate use of our own resources. Specific proposals in well defined problem areas will produce the most beneficial and practical results.

In his report "It Is Not Too Late in Latin America," J. Peter Grace, president of the W. R. Grace & Co., has made such concrete proposals. I ask unanimous consent that excerpts from this report be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

IT IS NOT TOO LATE IN LATIN AMERICA—PROPOSALS FOR ACTION NOW

(By J. Peter Grace)

There is no longer any doubt that the present situation in Latin America constitutes a danger to the security of the United States.

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With this in mind we have drawn upon the accumulated knowledge and experience of our organization which has been intimately associated with the people of Latin America for so many decades—in good times and bad. From the appreciation we have gained of their problems and aspirations we have developed various suggestions which we feel will help make the Latin American hopes of today become the realities of tomorrow.

THE PROPOSALS IN THE SOCIAL AND ECONOMIC AREAS

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In our judgment the areas of the most pressing need are:

Land use and development: There are many ways in which we can help. Putting first things first, we proposed an all-out lend-lease program to provide Latin Americans with U.S. roadbuilding, land clearing, irrigation, and transportation equipment to colonize and develop its millions of fertile acres of virgin land. We also propose enlarged agricultural technical assistance and aids such as seeds, fertilizers, and surplus foods where necessary, along with farm credit, marketing, storage, and distribution techniques.

Creation of a housing industry: The Latin Americans have the materials and the engineering and manual skills to build houses. What they lack is knowledge of the modern methods of financing residential construction in which we excel. We must export our skills in the formation of capital such as through the establishment of savings and loan associations, an effective type of financing little utilized in Latin America. With moderate loans of "seed capital" and a series of technical missions made up of representatives of our great savings and loan industry and our homebuilding industry, a self-help housing program in Latin America can be launched immediately on a broad front.

Education: The needs in many countries are critical. As a first step there should be established inter-American teacher training centers in the United States. We propose that each year 2,000 young Latin American men and women be trained in this country in modern pedagogical methods. The trainees from each country would be enrolled as regular 2-year students at each of 20 of our normal schools or teachers' colleges. Upon graduation they would return to their home countries not only as qualified teachers, but also as friends of the United States.

Medicine and public health: An inter-American medical center should be established, preferably in Latin America, staffed by United States and Latin American professors, to train 1,000 physicians, nurses, medical technicians, and public health officers per year.

Science: An inter-American science center should be formed, to help the Latin American Republics share our scientific advances, particularly in the field of the peaceful uses of atomic energy for generation of power for industry and irrigation. Nothing could give greater heart to the people of Latin America than to participate in our experimentation in the desalting of saline water both for human consumption and industrial use, as well as for the eventual irrigation of the vast South American deserts.

Industrial development: In the economic area we propose a greater emphasis on diversified industrial development in the Latin American countries. Since 90 percent of Latin American investment is based on local savings and capital, we propose intensified efforts to stimulate local investment and capital formation with U.S. technical assistance. We suggest new Government efforts based on successful United States, Mexican, and Puerto Rican experience in financing and encouraging industrial development and recovery. We also propose the making of "seed capital" loans and the adoption of measures to attract foreign investment.

A lend-lease program for Latin America

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By the lend-lease of American highway construction machinery, land clearing machinery and materials, and a modest amount of technical assistance, we can emulate our pioneering forefathers who lent their tools to their good neighbors to help them push forward to new frontiers.

The farmers who settle the new lands to be opened up under this lend-lease program will need credit for their working capital, for seeds, fertilizers, and similar essentials. We propose that this credit be made available to them through the existing agricultural banks in the various countries, and that these banks be permitted to rediscount their loans through an agency such as the Inter-American Development Bank. Interest rates deliberately would be kept well below current commercial interest rates in Latin America. This program will require modest financing from the United States of a pump-priming nature, and once started, the loans should be self-liquidating.

The development of this credit system, just as the implementation of lend-lease, will also require technical assistance.

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Conditions in Latin America today have much in common with those which gave birth to our Rural Resettlement Administration, to our Rural Electrification Administration, and to other Government agencies which met crises with new solutions and succeeded. Technical advice and assistance of this nature, based on our experience and tailored to local conditions, must be made generously available to the Latin Americans if any lasting solution to the land problem is to be achieved.

Once the initial impetus has been given to settlement of these newly opened areas and once the necessary technical assistance has been provided, the governments, both local and United States, should step out of the picture as early as possible and permit the profit motive to provide the stimulus.

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HOUSING

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The most recent authoritative survey shows 20 million Latin American dwellings out of an estimated total of 31 million to be below the minimum requirements for human habitation. Construction of over 1 million new houses per year is required simply to meet the needs of the growing population, without considering the replacement of unfit houses. The present annual rate of construction of new homes is 1 to every 16 persons being added to the population. For a comparison, the rate in the United States is one new house for every three persons added to our population.

Self-help housing through savings and loan credit

This is not a recommendation that the United States undertake a massive housing program in Latin America. That would be utterly beyond our means and, furthermore, it would be uncalled for. The Latin Americans have the skills, the will, and the materials to achieve adequate housing. What they lack is the technical knowledge of the methods of financing such housing, the technical knowledge of modern mass construction methods and the equipment for the self-help type of housing construction program in which they are eager to engage.

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We should make available to Latin America the techniques of low-interest home mortgage financing which have made 67 percent of U.S. families the owners of their own homes.

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The phenomenal development of savings and loan associations in the United States suggests an answer.

More than 7 million Americans now have home mortgage loans from insured savings associations, totaling more than $60 billion and representing over 40 percent of the Nation's total home mortgage debt.

A similar job can be done in Latin America. For example, the First Savings and Loan Association was organized in Puerto Rico in 1948 with a capital of $200,000. By December 31, 1960, its assets totaled over $65 million, and it had granted over $100 million in loans. Its interest rates average 6½ to 7 percent. As a result of the success of this first venture, five more savings and loan associations have been formed in Puerto Rico.

There is no question that there exist in Latin America today impressive amounts of individual savings which could be channeled into sound homebuilding programs if the appropriate machinery in the form of savings and loan associations were available.

In April 1955, through the efforts of Father McLellan, the first credit union was established in Peru with savings deposits of 603 soles. By 1959, its savings had increased to 6.7 million soles and its membership has now grown from 23 people to 3,754, 80 percent of whom are Indians. During this period it granted 4,484 loans, totaling 19.5 million soles, and paid out 565,000 soles in dividends.

The number of credit unions in Peru has now expanded to 207, with savings increasing 1,944 times. In the first 10 months of 1960 alone, the number increased by 63 percent and savings funds by 79 percent. These efforts have attracted the enthusiastic support and cooperation of the Peruvian Ministry of Finance.

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To dramatize the feasibility of modern housing construction methods, we propose that in selected Latin American cities, the United States promptly undertake model slum clearance and housing projects of modest size. These "showcase" projects would serve as a demonstration of techniques and as models for further local housing activity. This would be a tangible expression of the determination of the United States, in cooperation with the Latin American countries, to get started on a visible, practical housing program without any delay.

INDUSTRIAL DEVELOPMENT

Mobilizing domestic savings for productive investment

Much has been said and written with regard to the need for attracting to Latin America new private investment from abroad. Yet it is not generally realized that foreign investment represents only an estimated 10 percent of all investment in the Latin American countries.

It is very much to the point, therefore, to focus our attention first on the less-discussed 90 percent of the problem; that is, the promotion of industrial activity within the Latin American countries by local entrepreneurs through stimulation of domestic capital investment.

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Just as is the case in the area of housing and land resettlement, our experience in generating business recovery during those grim years gives us much to offer in the field of technical assistance to the Latin Americans.

Latin America is not without successful examples of the application of these techniques. Special development corporations, banks, and even ministries, are working on this problem. The Nacional Financiera of Mexico, organized in 1934 along the lines of our RFC, has provided from that time 2,290 industrial establishments with total financing of 11 billion pesos.

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Another method of stimulating local investment is through the open-end mutual fund. A dramatic example exists in Brazil. A U.S. group in partnership with Brazilians created the first open-end American style investment fund in Brazil in 1957. Starting business with assets of 30 million cruzeiros, 12 employees, and only one office, it has grown to 2½ billion cruzeiros in total assets, 14,000 shareholders, and 700 employees. A

similar fund opened in Argentina in May 1960, with 10 million pesos and at the year-end it had assets of over 100 million pesos and over 2,700 shareholders.

These securities are being purchased by South Americans of modest means and in many cases it is the first opportunity ever afforded these people to become shareholders in the future of their countries' private enterprise.

In the field of local capital formation, we recommend that technical assistance missions made up of representatives of our investment banking profession, our mutual funds, our banks, our consumer credit institutions, and our stock exchanges, be furnished to the Latin American countries.

We suggest that the United States render financial assistance in the form of loans which would be used as "seed capital" to help capitalize any of the above agencies and to relieve the critical shortage of investment capital in Latin America. Some of such loans could be made with local currencies derived from the sale of surplus U.S. agricultural products under Public Law 480 or from other sources.

Creating a favorable climate to attract foreign investment

There is also, however, a great need for an increase in the 10 percent represented by investment from abroad.

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Latin America offers a large and expanding consumer market with many unfilled opportunities for industrial investment. In spite of these inherent economic advantages which exist for American capital in Latin America, it has been discouraging that over the last 10 years, U.S. private investments in manufacturing in Latin America have been growing at only half the rate at which they have been increasing in other areas of the world.

This undoubtedly has been in large measure a result of the decline in the rate of profit which investment in this area has experienced and the difficulties of an extra-commercial nature which discourage investors and adversely affect profits. In 1959 the rate of return on U.S. manufacturing investments in Latin America was only 9 percent which compares with a 12-percent return on similar investment in the United States and almost 16 percent which was earned in Latin America in 1950.

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The rate of return in Latin America from manufacturing enterprises owned by U.S. investors was in 1959, the latest year for which figures are available, only half of that realized in Western Europe.

Additionally, the investor in Latin America is faced with many problems which are not of a commercial nature, the principal ones being foreign exchange devaluation, heavy taxation, and the risk of expropriation.

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Losses in this category cost U.S. companies operating abroad many millions of dollars per year, but are not tax deductible.

We believe that the U.S. Government should make a policy decision to encourage U.S. private investment in high-risk underdeveloped areas such as Latin America. The present policy needs to be clarified and, at least in the area of taxation, there are several factors which tend to discourage rather than encourage such investment. While a program of inter-American cooperation to improve the economic situation of Latin America certainly could not be based solely on an inflow of new private investment into Latin America, nor can this even be the major focus, it is certainly desirable that private individuals and private investment be encouraged to play the maximum part possible in this program.

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In the field of taxation we recommend that the U.S. Government take note of the success of the Puerto Rican program and at least consider appropriate legislation recognizing the principle of tax deferral on income earned from investments which contribute to the economic growth of Latin America. This could be accomplished through recognition of a "foreign business" type of U.S. corporation formed to carry out investments in underdeveloped countries and by providing for the deferral of any U.S. tax until the earnings and profits of the foreign business corporations are distributed to its shareholders. It is further recommended that the principle of U.S. tax "sparing" be recognized on income received on investments where the foreign country has offered special incentives to attract U.S. private capital and thus eliminate the present inequity in the U.S. tax law which negates the special incentives offered by the underdeveloped countries. These measures should prove to be a real stimulus for U.S. investment in Latin America and should encourage the countries of Latin America to grant special tax incentives for projects which integrate with their overall plan of economic growth.

We suggest that special currency devaluation risks involved in investing in Latin America be partially covered by making available, through an appropriate U.S. Government-sponsored institution at going U.S. interest rates, local currency loans for 50 percent of the total capital employed in new projects which contribute to the economic development of Latin America. Such loans should be protected by a mortgage against the assets of the project concerned.

We suggest that the United States provide a very simple form of insurance against the risk of expropriation. Such insurance should not be dependent on bilateral agreements between the U.S. Government and the Latin American governments concerned. Also, a simple form of insurance to guarantee convertibility of local currency investment and profits back to dollars should be made available without the necessity of entering into bilateral agreements.

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Seldom in the history of our Republic have we faced a challenge as clear as that which confronts us today in our relations with the nations of Latin America. And seldom have we been given as great an opportunity to apply our national talents and resources for the American cause.

The challenge lies in the call for leadership, vigorous and dynamic, yet tempered with understanding and friendship.

TRIBUTE TO THE LATE SENATOR GEORGE H. BENDER

Mr. BEALL. Mr. President, in an era when it is so important for us to have persons dedicated to public service, the death of George H. Bender is a special loss.

Mr. Bender began his career in politics in 1912, at the age of 16, when he made speeches during former President Theodore Roosevelt's unsuccessful Bull Moose campaign, and his interest in the Nation and in his party continued undiminished until the time of his death.

After serving the people of Ohio in their State senate, Mr. Bender was elected to the House of Representatives, and later to the U.S. Senate. It was my privilege to work with him as a friend and colleague in both bodies of the Congress and I shall always treasure the memory of our warm and close relationship.

Mrs. Beall joins me in extending our deepest sympathy to his widow and his daughters.

THE DEPRESSED AREAS BILL

Mr. ERVIN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, a statement prepared by me on the so-called depressed areas bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ERVIN

My philosophy of government is simple. I do not favor government at any level doing for people what they can do for themselves. Moreover, I think it desirable to keep government as close to home as possible. For this reason, I do not favor the States doing things for local communities which such communities can do for themselves, or for the Federal Government to do things for the States which the States can do for themselves. I admit that the application of this philosophy to specific cases is sometimes difficult.

I am sure that countless Americans are much disturbed by some of the hard realities confronting our country. At times I wish I could take a leaf out of Omar Khayyam's book and shatter "this sorry scheme of things entire," and "then remold it nearer to the heart's desire."

I cannot do this. As a consequence, I know nothing which any of us can rightly do except face the unpleasant realities, no matter how much we may deplore their existence.

One of these unpleasant realities is chronic unemployment in certain depressed areas of the country, notably such areas as the coal mining regions of West Virginia, Pennsylvania, and southern Illinois.

For several years, hundreds of thousands of men in these depressed areas have been unable to find work. The causes of this tragedy are at least threefold. One is that machines are now doing work formerly done by men. Another is that the consuming public has developed a preference for clean fuels such as gas and oil. A third is that the operators of the coal mines have yielded to the demands of the unions representing the coal miners and have thus rendered coal noncompetitive with other fuels.

The conditions arising out of this chronic unemployment would be serious enough if they affected only the unemployed men. The tragedy is much heightened by the fact that they affect hundreds of thousands of women who are wives of these men, and who live rather drab lives even when the sun shines upon them most brightly. Above and beyond these things are the needs of the hundreds of thousands of the children of these people, who are subsisting on inadequate diets consisting in the main of agricultural commodities acquired by the Government under its various farm programs.

I never think of unfortunate children without recalling these words from John Hays' poem "Little Britches":

"And I think that saving a little child
And fetching him to his own
Is a dern sight better business
Than loafing around the Throne."

For several years, the Congress took no action in respect to the problems arising out of the chronic unemployment in depressed areas. We hoped that the problem would go away or that some solution would be found for it short of Federal assistance within the boundaries of our free enterprise system. The problem did not go away,

and the States and communities affected, as well as all individuals concerned with the problem, found no solution for it within the scope of our free enterprise system.

It was these circumstances which prompted Congress to pass the so-called depressed areas bill. Nobody except the proponents of this bill offered any plan to solve this problem. I concurred in the action of Congress for the reasons set out above and for this additional reason; namely, the bill was changed over previous bills so as to provide that its administration should be under the supervision of the Department of Commerce, which is headed by former Gov. Luther H. Hodges.

The so-called depressed areas bill is a comparatively simple bill. Apart from certain grants to aid the retraining in new skills of workers whose trades have become obsolete and the like, the bill establishes three revolving loan funds of $100 million each. Loans from one of these revolving loan funds are to be used to defray not more than 65 percent of the cost of erecting buildings for new industries in depressed urban areas. Loans from the second of these revolving loan funds are to be used to defray 65 percent of the cost of constructing such things as plants for the processing of agricultural products and the like in depressed rural areas. Loans from the third of these revolving loan funds are to be used to assist communities in establishing necessary community facilities, such as waterworks systems. No loans are to be made in any of these cases unless it appears that sufficient funds for financing these projects cannot be obtained from any other source.

There is really nothing novel in the provisions of the depressed areas bill setting up the three revolving loan funds. Under the Community Facilities Act, the Federal Government has been making loans to small communities to assist them in establishing community facilities for some time, and under the Reconstruction Finance Corporation Act and the Small Business Administration Act, the Federal Government has been making loans to insurance companies, railroads, and business and industrial enterprises ever since the days of Herbert Hoover for the purpose of keeping our economy afloat.

For these reasons, I consider my vote for the so-called depressed areas bill consistent with my philosophy of government. Under the bill the Federal Government has stepped into the picture simply because the people and the communities and the States affected by the chronic unemployment have been unable to solve the problem.

FOURTH SUPPLEMENTAL APPROPRIATIONS, 1961

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Under the order previously entered, the Chair lays before the Senate the unfinished business, which is H.R. 7712.

The Senate resumed the consideration of the bill (H.R. 7712) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, does the distinguished Senator from Florida seek recognition?

Mr. HOLLAND. Mr. President, I had concluded my preliminary remarks. I hope they will be my final ones. However, I shall be ready to respond to any question or to reply to any point made by the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, I think the interesting item in the bill is the one which relates to the United Nations expenditures in the Congo. I raise the question not because of any difference of opinion in the committee as to the money involved, but rather with respect to possible future policy.

The Congo is off the front page, or slightly so, for the moment. The top billing, I suppose, goes to Berlin. But the Congo is not a forgotten episode in the life of the country, because there is a bill to be paid.

It reminds me of a musical comedy I saw years ago, done in a great many scenes, relating to a very fashionable, expensive dinner. The last person to come in that whole progression was a young lady dressed in black, dancing around and singing a song, saying, "I am the bad news. I am the bill." So she came at the end of the dinner.

The bad news about the Congo comes finally in the form of the bill. That becomes a matter of concern, I think, to everyone in the Nation. I believe we can say now to the people who may have thought that the Congo was 12,000 or 15,000 miles away, and therefore so remote that they had no concern in it, that now that the bill is here and the funds ultimately will come out of the Public Treasury, they will have a little stake in it. When they pay the next quarterly installment on their Federal income tax, they may just as well tap it gently and say, "A part of this is for the Congo," because it really is.

To summarize the Congo story: After we were regaled for so long—in fact, since July of 1960—with the caprices of Patrice Lumumba and Mr. Kasavubu and Mr. Tshombe, and I do not know what other unpronounceable individual, who gaily went across the front page for the edification of the world, it was finally decided that it was necessary to send a United Nations emergency force to quell the disturbances and bring order out of chaos, in the hope that this would not be the spark which might ignite another conflict.

After all the surveys had been made, it was estimated that United Nations troops to the extent of some of 20,000 would have to be sent to the Congo in order to keep it within the dimensions of reasonable stability. It was estimated that to air-lift troops from Sweden and from India and elsewhere to the Congo would cost $500 a man. Obviously, other circumstances were involved. So from July 1, 1960, to October 1961, the estimated overall cost for the Congo was $160 million.

The first $60 million offered no real difficulty, because it was handled on the basis of the usual assessment technique which is employed by the United Nations. The nations are grouped as to size and importance, and there is a rather interesting formula or factoring method by which these assessments are made. I think the smallest assessment is in the neighborhood of $39,000 or $40,000.

But when it came to the cost of this venture from January 1 to October 1961, the estimate was $100 million. Then the difficulties ensued, because the little countries disclaimed the same interest in the Congo that we had or that other countries might have asserted. They said, "We should not pay so much, and we cannot afford to pay so much." The idea was then conceived of passing a resolution in the U.N. whereby the little countries would receive a rebate on their assessment. When the rebates were put together, their assessment was diminished by $15 million. So, query: Where do we find the $15 million?

Well, Great Britain made no donation. France would not pay at all. The Soviet Union refused to pay, because this activity was disturbing her playhouse. The eight Red satellites who are identified with the Soviet Union paid nothing. That created a problem. So it was decided to make a donation to the United Nations for this purpose out of the contingency or emergency funds. But that sum will have to be repaired by appropriations at some future time.

Then the President of the United States, with certainly a generous gesture, said, "We will put up the $15 million to offset what the little countries will not pay." Thus, instead of paying 32½ percent, under the assessment technique, we suddenly discovered that we would be in the area of 48 percent.

But that is not the whole story, as I see it, because there is still a hole. You see, France has paid nothing. The Soviet Union has paid nothing. Eighty-eight other countries, large and small, have had a rebate of $15 million. So the United States paid $47 million.

On the unpaid bill, there still remains the $9,500,000 that France should pay. The Soviet Union should pay $20 million, but has not. The other Red countries should pay $7 million, but have not. That is a total of more than $36 million.

So we have paid up to 48 percent by donation and under the usual United Nations technique, and the United Nations still will be in the hole. But we will repair this donation, because it will come before Congress; make no mistake about it. But out of it all, there comes a little problem, and that is this:

Khrushchev, under no circumstances, will ever support a United Nations venture if it appears to interfere with the expansionist program of the Soviet Union and her unremitting effort to communize the whole wide world. It is fair to assume that Albania and Rumania and Bulgaria and Poland and the other countries in the Red orbit will not pay for the same reason.

France takes the position that since she still has colonial interests, that puts her in a rather embarrassing and awkward position. The result is that France has not paid her $9,500,000.

So, if the $100 million is spent between now and October 1961, someone will have to put up the money, one way or another. If that is not done, it may conceivably be that the tin cup will come back to the United States of America. Consequently that raises an interesting question: Are we finally to factor this equation so that U.N. equals U.S.? Or if we want to put it the other way around, so that U.S. equals U.N. when it comes to paying the bill?

As our people become aware of it, I think they are going to have something to say, and that will be rather emphatic.

When the witnesses who appeared before the committee were asked whether they saw the end of this difficulty, they said, in effect, that one who would speculate as to what might be the future of the Congo would be a rather brave man.

There may be additional millions of dollars to be expended, and United Nations emergency forces may go into other areas of the world. Then will come the young lady in black attire, trippingly dancing around the place, and saying, "I am the bad news; I am the bill." So we have an interest in the bill which is being rendered and which will be rendered to the American people.

I was on the Appropriations Committee when, year after year, we fought out this question of what should be assessed against the United States. At long last, we undertook one-third of the burden.

So here it is. We pay roughly one-third, under the assessment technique, for the administrative expenses of the United Nations. The total of those administrative expenses will be about $70 million a year. The United Nations pays no taxes, of course; but it must pay for light, heat, power, clerical help, stationery, telegraph, telephone, and all the other overhead which besets any kind of enterprise; and out of it, to be exact, our share is 32½ percent.

The Soviet Union pays 13 percent. That amount and our share make 45½ percent. Ninety-seven other countries pay 54½ percent; they take up the balance.

So, from arithmetic, it is quite evident that a considerable load is imposed upon us when we willingly assume 32½ percent, which has been the standard assessment ever since I can remember. However, that assessment does not apply in the case of such extraordinary ventures in which emergency forces are required. So now we discover that we are in the 48 percent bracket.

It may well be asked, "Is there not some remedy for this?"

Well, Mr. President, in the United Nations Charter there is an article which states that expenses shall be apportioned among the member countries by action of the General Assembly. Very well. But suppose a country refuses to pay; then what is to be done?

Another provision of the United Nations Charter—in article 19—is to the effect that if a country is in arrears to the extent of an amount equal to 2 years' contribution, that country loses its vote in the General Assembly.

But I do not know that the Soviet Union has been concerned about losing its vote in the General Assembly, for the Soviet Union is a permanent member of the Security Council, where the veto is interposed and where the business is done. Likewise, I do not know that France is particularly distressed about not having a vote in the General Assembly; and I do not believe that the Red satellites are concerned about that, either, because if Khrushchev says to them, "Abstain from voting," they abstain; the matter is that simple.

So that seems to be a penalty which actually is no penalty at all, and has no real force or effect.

The reason why I raise this question today, Mr. President, is that in a world which is so full of fever, tumult, and danger, and where we do make an earnest and unremitting effort to see that the sparks of another worldwide conflagration do not spread too far, a United Nations emergency force will be employed on other occasions, particularly when there is a possibility of limited conflict. So this question will recur; and then we shall ask ourselves, "In addition to what we are assessed by the usual technique adopted, how much more do we pay? And then how much more on top of that, do we pay when these other countries state that they have only a modest interest, and therefore they request a rebate, and then adopt a resolution to rebate the amount, and then look to us and say, 'Oh, well, Uncle Sam will pick up the tab.'"

So we are trying to look down the road and make a legislative record today as to what will happen in the future, because while $160 million for a backward country such as the Congo seems to be a rather good-sized amount, in my book, I can envision that in other areas of the world, countries will not get off with the payment of $160 million.

In short, such payments can assume some real dimensions particularly when already some countries in the United Nations say, "We have a lesser interest than you do; therefore, you must rebate or discount the amount which ordinarily would be assessed against us under the standard technique which was adopted."

So, Mr. President, it is time now to take a good, hard, long look before we go much farther down that road, because if we do, we shall save ourselves a headache, for there may be no emergency fund or no contingent fund large enough from which to transfer an amount with which to remedy this difficulty and give effect to a United Nations emergency force in some far-off corner of the earth.

Mr. President, that is the extent of my statement.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. SALTONSTALL. I am very glad to hear the statement by the Senator from Illinois. He served for a number of years on the Appropriations Committee, and there we went into this subject with a great deal of care and in great detail.

He will remember that over a period of several years we got the U.S. contribution to the United Nations down to a 33⅓ percent limit; and we on the Appropriations Committee were very emphatic in taking the position that the U.S. contribution should not exceed that 33⅓ percent limit. It used to be more than 40 percent in certain cases, and even higher than that, I believe, in regard to the educational fund and some other programs.

In connection with this particular appropriation, the assessment of the United States was 32.51 percent. But when the assessments of the smaller nations were reduced by U.N. resolution, the United Nations turned to the United States, as the Senator from Illinois has so well pointed out, for an additional $15,305,000, in round figures. The President expects to pay that from his emergency fund.

The United Nations operates on a calendar-year basis. The United States operates on a fiscal-year basis, beginning July 1. When the United Nations makes up its budget, our Ambassador to the United Nations, formerly former Senator Lodge, and now Mr. Stevenson, really has to agree as firmly as he can to the United Nations budget before our Appropriations Committees have a chance to consider it. In this case, for instance, Mr. Gardner, of the State Department, has said that they will request $10,305,596 in the fiscal 1962 Mutual Security Act budget for a voluntary contribution toward the costs of the 1961 calendar year program from January to October.

They have already spent that money, or are spending it, in the United Nations calendar year from January 1 to October 31, 1961. In other words, the Congress will be requested to appropriate $10,305,596 in fiscal 1962 funds, starting July 1, 1961, for costs already incurred by the United Nations in the Congo between January 1, 1961, through October 31, 1961.

The Senator from Illinois has very rightly discussed this whole question, because we may have other instances in which Russia, France, and the other nations, which are shown in detail on page 15 of the Senate hearings on the fourth supplemental appropriation bill, will make no contributions. Those countries, starting with Albania, are, with the exception of France, Soviet satellites, and have a 1961 assessment of $24,080,238. The only penalty against these nations for not paying is that they may lose their vote if they do not pay their assessment within 2 years.

We hope there will not be any other such problems, but there will come before us the problem of extraordinary expenses in the Congo, when countries, such as the Soviet Union and her satellites refuse to pay their assessments for such special U.N. operations. How is action to be carried out unless other nations, particularly ourselves, because we are the big contributor, put up additional money? It is a problem that will come to a head when we consider the Mutual Security appropriations for fiscal 1962.

The Senate committee—and I say this to the Senator from Illinois because he was a member of it—approved unanimously the appropriation the House put

in the bill. The same question was raised in the House. As the report will show the question was raised at some length in the Senate committee as to what to do in the future. We approved the appropriation unanimously, because there was nothing else we could do, and we agreed to discuss it more carefully and thoroughly and decide the question as a matter of policy when we discussed the $10 million appropriation in the mutual security bill for fiscal 1962. That bill is ahead of us, and will come before us in July or August of this year. Then we shall decide whether to put up this money and have the United States pay in addition to the 33.51 percent, or, if not, what we will do.

This is a voluntary contribution, approved by the President, and applies to the fiscal year 1962, up to October 31, 1961. So, obviously, from October 31, 1961 through the rest of the calendar year and into 1962, we shall have to decide what we are going to do if operations in the Congo continue and the countries which are listed in the hearings do not put up their contributions. Are we going to pay in addition to the 33.51 percent? Are we going to withdraw support from the United Nations to that extent? Or what are we going to do? It is a question we shall have to decide and face squarely when we consider the mutual security appropriations for 1962.

But as to this particular appropriation, I am glad the Senator from Illinois brought the question up, and I say to him that we discussed it quite fully in committee. I think the Senator will agree with me we have to pay for it, because the money is already spent, or is being spent, and we have to pass this appropriation bill and send it to the President before June 30 of this year.

Mr. DIRKSEN. Let me make it abundantly clear that the remarks on my part were not intended as opposition to the pending bill as such. This is an awkward situation. There is a deadline, and it has got to be met. There is nothing else that can be done. But I got curious when I saw the abstentions, the list of countries that would not pay, and realized the penalty provided in the charter itself, plus the likelihood that explosive situations may arise in other parts of the world.

Mr. SALTONSTALL. I did not intend to imply that the Senator from Illinois opposed the appropriation. I know he agrees with me, and I am glad he brought the question up. We shall have this problem ahead of us in July or August of this year.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have included in the RECORD, as a part of my remarks and as a part of this colloquy, the table which appears on pages 18 and 19 of the hearings, which table sets forth details with respect to the $100 million, the basic percent assessment, the basic dollar assessment, the rebate, and the net dollar assessment, because I think it will be of interest.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

UNITED NATIONS CONGO ACCOUNT

Scale of assessments, January–October 1961

	Basic percent assessment	Basic dollar assessment	Rebate	Net dollar assessment
Afghanistan	0.06	$59,435	$47,548	$11,887
Albania	.04	39,624	31,699	7,925
Argentina	1.11	1,099,554	879,643	219,911
Australia	1.79	1,773,155		1,773,155
Austria	.43	425,953		425,953
Belgium	1.30	1,287,766		1,287,766
Bolivia	.04	39,624	31,699	7,925
Brazil	1.02	1,010,401	808,321	202,080
Bulgaria	.16	158,494	126,795	31,699
Burma	.08	79,247	63,398	15,849
Byelorussian S.S.R	0.47	465,577		465,577
Cambodia	.04	39,624	31,699	7,925
Canada	3.11	3,080,733		3,080,733
Ceylon	.10	99,059	79,247	19,812
Chile	.27	267,459	213,967	53,492
China	5.01	4,962,853	2,481,427	2,481,426
Colombia	.31	307,083	245,666	61,417
Costa Rica	.04	39,624	31,699	7,925
Cuba	.25	247,647	198,118	49,529
Czechoslovakia	.87	861,813		861,813
Denmark	0.60	594,354		594,354
Dominican Republic	.05	49,529	39,624	9,905
Ecuador	.06	59,435	47,548	11,887
El Salvador	.05	49,529	39,624	9,905
Ethiopia	.06	59,435	47,548	11,887
Finland	.36	356,612		356,612
France	6.40	6,339,772		6,339,772
Ghana	.07	69,341	55,473	13,868
Greece	.23	227,836	182,269	45,567
Guatemala	.05	49,529	39,624	9,905
Haiti	.04	39,624	31,699	7,925
Honduras	.04	39,624	31,699	7,925
Hungry	.42	416,047	332,837	83,210
Iceland	.04	39,624	31,699	7,925
India	2.46	2,436,850	1,218,425	1,218,425
Indonesia	.47	465,577	372,462	93,115
Iran	.21	208,023	166,418	41,605
Iraq	.09	89,153	71,322	17,831
Ireland	.16	158,494	126,795	31,699
Israel	.14	138,682	110,946	27,736
Italy	2.25	2,228,826		2,228,826
Japan	2.19	2,169,391	1,084,696	1,084,695
Jordan	.04	39,624	31,699	7,925
Laos	.04	39,624	31,699	7,925
Lebanon	.05	49,529	39,624	9,905
Liberia	.04	39,624	31,699	7,925
Libya	.04	39,624	31,699	7,925
Luxembourg	.06	59,435	47,548	11,887
Malaya	.17	168,400	134,720	33,680
Mexico	.71	703,318	562,654	140,664
Morocco	.14	138,682	110,946	27,736
Nepal	.04	39,624	31,699	7,925
Netherlands	1.01	1,000,495		1,000,495
New Zealand	.42	416,047		416,047
Nicaragua	.04	$39,624	$31,699	$7,925
Norway	.49	485,389		485,389
Pakistan	.40	396,236	316,989	79,247
Panama	.04	39,624	31,699	7,925
Paraguay	.04	39,624	31,699	7,925
Peru	.11	108,965	87,172	21,793
Philippines	.43	425,953	340,762	85,191
Poland	1.37	1,357,107	678,554	678,553
Portugal	.20	198,118	158,494	39,624
Rumania	.34	336,800		336,800
Saudi Arabia	0.06	59,435	47,548	11,887
Spain	.93	921,248	736,998	184,250
Sudan	.06	59,435	47,548	11,887
Sweden	1.39	1,376,919		1,376,919
Thailand	.16	158,494	126,795	31,699
Tunisia	.05	49,529	39,624	9,905
Turkey	.59	584,448	467,558	116,890
Ukrainian S.S.R	1.80	1,783,061		1,783,061
Union of South Africa	.56	554,730		554,730
United Arab Republic	.32	316,989	253,591	63,398
U.S.S.R	13.62	13,491,828		13,491,828
United Kingdom	7.78	7,706,785		7,706,785
United States	32.51	32,204,061		[1] 32,204,061
Uruguay	.12	118,871	95,097	23,774
Venezuela	.50	495,295	396,236	99,059
Yemen	.04	39,624	31,699	7,925
Yugoslavia	.35	346,706	277,365	69,341
Total	100.00	99,058,936	14,552,748	84,506,188
New members:				
Cameroun	.04	39,624	31,699	7,925
Central African Republic	.04	39,624	31,699	7,925
Chad	.04	39,624	31,699	7,925
Congo (Brazzaville)	.04	39,624	31,699	7,925
Congo (Leopoldville)	.04	39,624	31,699	7,925
Cyprus	.04	39,624	31,699	7,925
Dahomey	.04	39,624	31,699	7,925
Gabon	.04	39,624	31,699	7,925
Guinea	.04	39,624	31,699	7,925
Ivory Coast	.06	59,435	47,548	11,887
Madagascar	.06	59,435	47,548	11,887
Mali	.04	39,624	31,699	7,925
Niger	.04	39,624	31,699	7,925
Nigeria	.21	208,023	166,418	41,605
Senegal	.06	59,435	47,548	11,887
Somolia	.04	39,624	31,699	7,925
Togo	.04	39,624	31,699	7,925
Upper Volta	.04	39,624	31,699	7,925
Total	.95	941,064	752,848	188,216
Grand total	100.95	100,000,000	15,305,596	84,694,404

[1] In addition the United States has pledged $15,305,596 as a voluntary contribution.

Mr. DIRKSEN. Mr. President, I simply reaffirm what I said before, that this matter should be examined carefully. I remember, and the Senator from Massachusetts will bear me out, with what vehemence and emphasis we not only discussed this matter in the Appropriations Committee year after year, but finally resolved that one third was the jumping-off place, and that this country should not be called upon to assume more than one-third of the bur-

den of a world organization that now embraces 99 countries. It looks as if that is our share.

If we are going to resort now to gratuities, donations, contributions out of available funds, which mount up, then there will be a real problem; and I prefer to make legislative history on it now than to have it said we were confronted with the problem and we simply said it was an awkward situation on which we could do nothing at the time, and therefore we failed to ventilate it properly so the country would have some notion as to what the situation was.

Mr. SALTONSTALL. Mr. President, I am 100 percent in accord with what the Senator from Illinois has said. I think the Senator will agree that, in the Senate Appropriations Committee particularly, we did everything we could, and it took a number of years to get the figure down to 33⅓ percent. We got it down to that percentage. The State Department understood it. The United Nations understood it. That was the basis on which we made each year's payment. Now voluntary contributions have been made. How are we going to handle it in the future?

Mr. DIRKSEN. It involves a rather interesting commitment, and the question was very ably raised by the distinguished Senator from Colorado [Mr. ALLOTT] in the course of the hearings. I think he ought to discuss the matter. It is an interesting approach. It has offered me no end of difficulty from time to time, because once the commitment is made, and the appropriation comes in pursuance of the commitment, it is almost an absolute requirement that we make the appropriation. It could well be that some other commitment approach could be worked out which would offer a technique that would be more satisfactory.

I yield the floor.

Mr. ALLOTT. Mr. President, as a member of the committee, I first want to make my own position clear. I voted for the appropriation in committee, and I will vote for it today. I do not see that there is any other course that we can take.

I should also like to make this point clear before I proceed to my discussion of this matter. I do not argue or question the necessity of U.N. action in the Congo or the efficacy of the action that was taken, because certainly we had to do something. But, in my opinion, a question is raised that the Congress of the United States has to face, and we may as well start facing it now. The question is whether Congress is going to continue to exercise its powers as the legislative arm of our Government, or whether these powers are going to be grasped and taken by the executive branch of the Government.

I am aware that we are a member of the United Nations Organization Treaty. I understand that this is the law of the land. I wish to spend a few moments discussing with my colleagues some of the testimony, which I am sure will be shocking, given by Mr. Gardner, who is the Deputy Assistant Secretary for International Organization Affairs.

Mr. President, first I ask unanimous consent to have printed in the RECORD at this point two statistical charts found on page 11 of the hearings on H.R. 7712.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

United Nations Congo account

Budget	July to December 1960	Jan. 1 to Oct. 31, 1961	Total
Total budget	$60,000,000	$100,000,000	$160,000,000
Waiver of airlift	−11,500,000		−11,500,000
Total assessments	48,500,000	100,000,000	148,500,000
U.S. contributions: Assessed (32.51 percent)	15,745,211	32,204,061	47,949,272
Voluntary:			
Waiver of airlift costs	10,317,622		10,317,622
Cash contribution	3,900,000	15,305,596	19,205,596
Total U.S. contribution	29,962,833	47,509,657	77,472,490
U.S. percent of total budget	49.94	47.51	48.42

SOURCE OF FUNDING U.S. CONTRIBUTIONS

	Agency and fiscal year	Amount	Agency and fiscal year	Amount	Total
Assessment	MSA, 1961	$15,745,211	State, 1961 supplement	$32,204,061	$47,949,272
Voluntary	do	3,900,000	MSA, 1961	5,000,000	29,523,218
Do	do	[1] 10,317,622	MSA, 1962	10,305,596	
Total		29,962,833		47,509,657	77,472,490

[1] Reimbursement to Department of Defense for waiver of initial airlift costs.

Mr. ALLOTT. Mr. President, these charts show the total budget for the United Nations Congo account, which was $60 million from July to December 1960, and $100 million in the first 10 months of this year, for a total of $160 million.

The Department of Defense carried on an airlift, so we received, as I understand it, a credit of $11.5 million for the airlift.

We have an obligation to contribute to the United Nations account at the rate of 32.51 percent of the account. For last year the total U.N. Congo budget minus the airlift credit of $11.5 million of which $10.3 million was advanced by us without authority of Congress, was $48.5 million, and this year $100 million, or a total of $148.5 million.

The U.S. assessed contributions amounted to $15,745,211 for last year and $32,204,061 for this year, or a total of $47,949,272.

Then we must take into consideration the waiver of the airlift costs by the United States amounting to $10,317,622 out of a total airlift cost of $11,500,000.

There was also a cash contribution of $3,900,000. I cannot quite find out where this came from. Mr. Gardner says it came from the contingency fund in the 1961 Mutual Security Act, although he said at another time that the only thing which had come from that fund was $5 million.

We contributed in cash contributions this year a little over $15 million.

The U.S. percentage of the total United Nations Congo account, considering regular assessments we are obligated to make, plus voluntary contributions were 49.94 percent from July to December 1960, 47.51 percent from January to October 1961. This is an average of 48.42 percent for the whole period.

Mr. MILLER. Mr. President, will the Senator yield for a question?

Mr. ALLOTT. I yield.

Mr. MILLER. The Senator from Colorado refers to a $15 million payment. Do I correctly understand that the $15 million came from the President's contingency fund?

Mr. ALLOTT. I shall try to answer that question for the Senator. It is an involved question and I am coming to it immediately, if the Senator will bear with me a moment.

Mr. MILLER. I thank the Senator.

Mr. ALLOTT. I wish to make clear that in all my references before I yielded to my good friend from Iowa, I included the airlift costs in the figures mentioned.

With respect to the question of the Senator from Iowa, the situation seems to be that the United States actually took $5 million from the mutual security contingency fund. The authority for that is given on page 7 of the hearings. Mr. President, I ask unanimous consent that the short statutory section 451(a) of the Mutual Security Act of 1954, as amended, may be printed in the RECORD at this point.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

Of the funds made available for use under this act, not to exceed $150 million, in addition to the funds authorized for use under this subsection (b) of this section, may be used in any fiscal year, without regard to the requirements of this act, or any other act for which funds are authorized by this act, in pursuance of any of the purposes of such acts, when the President determines that such use is important to the security of the United States.

Mr. ALLOTT. Mr. Gardner, in response to questions raised by the Senator from Colorado, said that the department had committed the $15 million on the basis of the authority contained

in that act. Then they only paid $5 million. They changed their minds and kept back $10 million. The $10 million is now being asked of the Congress for the coming year, to take care of this account.

That is where the $15 million came from or will come from. It amounts to a borrowing of funds within the account in order to make the cash contribution

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ALLOTT. I am happy to yield.

Mr. MILLER. Where, in the bill pending before the Senate, does the $10 million which the Congress is being asked to appropriate appear?

Mr. ALLOTT. If I am correct in my understanding—and my distinguished colleague from Florida [Mr. HOLLAND] is on the floor and can correct me if I am mistaken—that will be contained in the regular 1962 budget. Is that correct?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. HOLLAND. The Senator is correct. As the Senator from Florida understands the situation, the pending bill contains only the U.S. normal share of 32.51 percent of the total assessments made by the United Nations, in the amount of $100 million.

The $5 million mentioned by the distinguished Senator from Colorado was paid out, as the Senator from Florida understands it, from the contingency fund made available to the President in the 1961 Mutual Security Act.

The Senator from Florida understands that part of the money was allowed under the recent administration and part under the present administration. The Senator from Florida thinks it is a wholly bipartisan matter, and he appreciates the attitude of his friend from Colorado, of the Senator from Illinois, and of the Senator from Iowa in this regard.

The $10 million, as the Senator from Florida is informed, comes in the nature of a budgeted or justified request to be made payable by the Congress, in its discretion, out of the Mutual Security Act appropriation for 1962, which will soon be considered in this body.

The Senator from Florida does not know why that is the case. It may be that the contingency fund for 1961 is nearing exhaustion, or it may be that the fact that the expense will continue throughout this year until the end of October has, in the opinion of the Bureau of the Budget, justified putting some of the contingency expense into the request for fiscal year 1962.

The Senator from Colorado is completely accurate in what he has said and completely accurate in the fact that the Senate and the House will be asked, in considering both the authorization bill and the appropriation measure for 1962 for mutual security, to pass upon the particular $10 million item adverted to by the Senator from Iowa.

Mr. MILLER. Mr. President, will the Senator yield to me?

Mr. ALLOTT. First I wish to reply to the Senator from Florida.

I think the Senator is entirely correct, and his statement conforms to the facts as I adduced them from the hearings myself.

I now yield to the Senator from Iowa.

Mr. MILLER. I appreciate the Senator yielding to me, so that I may ask the Senator from Florida a question in regard to the $10 million.

Did I correctly understand the distinguished Senator who is the majority floor leader on the bill to say that the $10 million has already, in effect, been spent, and that the item is merely being budgeted, now that the money has been spent, for the next fiscal year?

The PRESIDING OFFICER (Mr. Moss in the chair). The Senator from Colorado has the floor.

Mr. ALLOTT. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, the question is addressed to the Senator from Florida, who wishes he could answer and be sure of being completely correct He is not sure he can be completely correct.

The cash contribution of $15 million which is listed may have been entirely made before this time, or may have been made only to the extent of $5 million. The cash contribution of $15 million, if not made in its entirety by now, will have been made by October 31 of this year.

The Senator from Massachusetts [Mr. SALTONSTALL], who attended the hearing while the Senator from Florida was conducting another hearing, as his friends well know, verifies the statement of the Senator from Florida.

Mr. ALLOTT. I am sure that statement is entirely correct.

On page 7 of the hearings, Mr. Gardner utilizes the authority of section 451(a), to which I have previously referred, as the authority for making both the $5 million advance and the $10 million advance. The $5 million advance has been made. Since his answers were evasive, the situation is not completely clear to me now. He was not certain whether the advance had been made under authority of the Mutual Security Act or under some other authority. He was asked if the advance was not a commitment, and he said that it was, but, of course, always subject to the power of Congress to appropriate. But the fact is that the commitment was made, and that is the important point. The reason I speak on this subject at this time is that, in accordance with the schedule and the table which I have already introduced, we are committed for the appropriation in advance.

The subject was discussed with Mr. Gardner. At the hearings before the Appropriations Committee he was asked the question whether either chairman of the Appropriations Committees of the House and the Senate were informed. While I cannot find the question in these hearings, I know the question was asked, and that there was either no reply at all or the reply was in the negative.

So we find ourselves in a position vis-a-vis the United Nations of having appropriations made within the State Department for us, subject only to what I hope will be the ultimate will of the Congress at some time to put its foot down and say, "We are going to retain in our own hands, and in no other, the power to appropriate funds for the functions of this Government, whether it be for the United Nations or any other purpose."

I then pointed out to Mr. Gardner:

> But you do not take the $10 million from the contingency fund.
>
> Mr. GARDNER. We since considered it more convenient to take the $10 million from the new foreign-aid appropriation.

So somehow or other the course of action in the Department was changed. Instead of obligating the entire $15 million against the mutual security contingency fund, which I believe it has a right to do under the Mutual Security Act, to which I have referred, the Department has now come to Congress, or will come to Congress very soon with the authorization bill and the appropriation bill for the $10 million for which we are already irrevocably committed, and as to which, in the eyes of the world, there is no way of avoidance.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. MILLER. As I understand the Senator, he has said that the Department has a right under section 451(a) to obligate the $10 million, if it sees fit to do so.

Mr. ALLOTT. That is my understanding from a reading of the section.

Mr. MILLER. If that is so, would it not be appropriate for Congress to consider an amendment to section 451(a) to prevent future action of this type, particularly at a time when we are having difficulty with so many of the other members of the United Nations in paying their proper assessments?

Mr. ALLOTT. The situation is very complicated. In all fairness, it is complicated by the fact that we are on a fiscal year basis, operating from July 1 to July 1, as the Senator well knows. On the other hand, the United Nations operates on the basis of a calendar year. So we must make plans for a period of time with respect to which plans may not be completely crystallized, and may not be capable of definite ascertainment. I am not sure that an amendment would take care of this situation. I do not know, and it does not appear from the record, whether or not sufficient funds remain in the contingency fund of the President to take care of this matter. As I recall, that point was not brought up in the hearings.

Mr. President, I should like to speak on one or two other aspects of this problem. I do not know what caused the rebate formula of the United Nations to go into effect. A few moments ago the senior Senator from Illinois asked to have printed in the RECORD a schedule of rebates, and I would like to refer to one or two examples from that schedule. The rebates apply to the member nations of the United Nations and, in the main, to the very small countries in the world. We cannot ignore the situation which we now face, which is one of the many newly formed nations seeking admittance to the United Nations, hammering at the door of the United Nations to get in. For the most

part they should and must be admitted. However the fact remains it is to many of these small nations to whom the bulk of the rebates apply. Take Afghanistan, which I have reached first. Its basic assessment was $59,435. There was a rebate of $47,458, leaving that country with a net dollar assessment of $11,887. There has been a reduction in the assessment of that one country from $59,000 down to approximately $12,000.

The assessment for the Dominican Republic was $49,529, but it has been reduced to $9,905.

I see on the schedule another example—El Salvador—whose assessment of $59,435 was reduced to $11,887.

The pathetic aspect about the picture is that it is something about which the U.S. Congress can do nothing, because the assessments are fixed by the United Nations. But who will pick up the tab? Only one country in the world will pick up the main part of the tab, and that country is the United States, because we pay 32½ percent of the assessments.

The Senator from Washington [Mr. MAGNUSON] questioned Mr. Gardner. He said:

Senator MAGNUSON. This is 32 percent of it. No matter what is in the bill, we have 32 percent in.

Mr. GARDNER. And the Soviet Union 13 percent, which is just temporary borrowing from these other funds, but we cannot do that indefinitely.

Senator MCCLELLAN. Where are we going to replenish the other fund? How are we going to do that?

Mr. GARDNER. This is a question which we are very, very much concerned about.

Mr. Gardner is not the only one who is concerned about the problem, because we in Congress who are charged with the responsibility of raising funds and the disposition of funds are also concerned.

It all amounts to this. The Soviet Union has refused to bear its share of $13.5 million. France has refused. Of course, the satellite countries also have refused. So this is where we find ourselves today. The $15,305,596 which we have voluntarily given for the period January 1 to October 31, 1961, is over and above our regular 32.51 percent assessment. It comes back to what I think is the most important principle involved in this matter. I repeat, I do not question the advisability or the necessity of going into the Congo. However, the Congress has been in session all of this year, and this $10 million which we are asked to assume was committed at a time when Congress was in session. It was committed without the knowledge of the Appropriations Committee or the chairmen of the Appropriations Committees of the House and Senate. This is just one more instance of Congress finding itself in the position of surrendering more and more of its constitutional power. I am not sure how this problem should be attacked, but I can see no reason for committing the United States to a voluntary cash contribution to the United Nations without at least keeping the Appropriations Committees of the House and of the Senate informed as to what has been done. This, I think, is the area where the real damage has been done.

In conclusion, in order that those who may read the RECORD may be more fully informed, I ask unanimous consent that the schedule on page 15 of the hearings, entitled "United Nations Congo Account," be printed in the RECORD at this point. It shows the amount of the contributions that should be made by Russia and its satellites.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

UNITED NATIONS CONGO ACCOUNT

Shares of the U.S.S.R. and certain other countries in 1960 and 1961 assessments for the Congo account

Country	1960 and 1961, percent	1960 assessment	1961 net assessment	Total
Albania	0.04	$19,373	[1] $7,925	$27,298
Bulgaria	.16	77,491	[1] 31,699	109,190
Byelorussian S.S.R.	.47	227,630	465,577	693,207
Czechoslovakia	.87	421,358	861,813	1,283,171
Hungary	.42	203,414	[1] 83,210	286,624
Poland	1.37	663,517	[1] 678,553	1,342,070
Rumania	.34	164,668	336,800	501,468
Ukrainian S.S.R.	1.80	871,774	1,783,061	2,654,835
U.S.S.R.	13.62	6,596,425	13,491,828	20,088,253
France	6.40	3,099,642	6,339,772	9,439,414
Total	25.49	12,345,292	24,080,238	36,425,530

[1] Received rebates totaling $1,169,885 under UNGA resolution 1619(XV).

NOTE.—The above-listed countries have made no voluntary contributions toward ONUC expenses.

Mr. ALLOTT. Mr. President, this shows that almost $27 million should have been paid by the Soviet bloc. That is the amount that they were assessed for. France was assessed for a total of $9.4 million. Neither have paid. From this chart it is very easy to see who is going to pick up the bill and who is going to pay the piper.

If all this results in a somewhat stabilized condition in the Congo, which seems on the surface to be the situation, it may well be worth the efforts, no matter what the cost may be.

However I come back again to this one fact, that this is a demonstration of how we may be committed by the United Nations group to obligations, with the appropriation powers of Congress being circumvented, and without the people of the United States being consulted in the process.

This raises the question about which I shall continue to talk over and over again and that is the regaining of the constitutional power of Congress over appropriations. We ourselves in Congress have been remiss over and over again when we surrendered that power. I hope we will not be in the future.

Mr. MILLER. Mr. President, I wish to say a few words on this subject. First I should like to state that I thoroughly concur in the remarks of the distinguished Senator from Colorado.

It seems to me that what we must do is face the fact that it is Congress itself which probably has arranged matters in such a way that the abuses we have discussed were able to occur. It will be necessary for Congress itself to change the law. I am not at all optimistic about this, at least so far as the current session of Congress is concerned, when only a few weeks ago, during the debate on the proposed amendment of the Battle Act, the Senate did not see fit to take into account the fact that so many of the members of the United Nations are behind in their assessments, particularly the Iron Curtain countries. Under the amendment to the Battle Act the President now has the authority to furnish economic and financial assistance to these countries. I suggest that the problem that we face in connection with the inability or unwillingness of the members of the United Nations to pay these special assessments is reflected in the Soviet Union's interpretation of the United Nations Charter regarding the penalty for failing to pay contributions. The Soviet Union contends that the word "contributions" does not mean assessments or special assessments. Therefore, they interpret the United Nations Charter in such a way that, even though they do not pay special assessments, they are still permitted to vote. Mr. Khrushchev and the other leaders of the Kremlin can continue to come to the United Nations and thump on the table with their shoes, simply because of their interpretation of the United Nations Charter. Other nations may do the same. Other nations which do not pay these special assessments can continue to come to the United Nations and vote for the admission of Red China and vote against the United States. They will continue to do that, Mr. President, until the United Nations General Assembly changes the Charter in such a way as to make it very clear that the word "contributions" means assessments and special assessments, as well as contributions. In the meantime, as has been pointed out, the United States appears to be on the road to paying into the tincup that is being passed around in behalf of other nations who are voting against the United States.

I must say that I find it impossible to explain to the people of my State how this situation can exist. They do not understand how they can be taxed for money which is paid to the United Nations in behalf of nations which are voting to admit Red China, or will do so. I do not believe it is up to me to try to explain it. It is not justifiable. It will be necessary for Congress itself to take another look at this matter and to

change the law somehow or other, either the law relating to appropriations for the President's special contingency fund, or appropriations for the Mutual Security Act, or appropriations to the United Nations, and in that way let countries know that if they persist in failing to pay their assessments we will not foot the bill, particularly when they do not vote for us and when they continue to vote against us, or, I would even go so far as to say, vote against the Charter of the United Nations. How any nation can conscientiously vote to admit Communist China into the United Nations when the Charter itself says that membership in the United Nations shall be open only to peace-loving nations, is unthinkable. It certainly cannot be defended, and it is impossible for any of us to explain to our people back home how this can be.

On May 11, at page 7832 of the RECORD, I submitted a list from the United Nations Secretariat which shows the deficiencies in assessments by the various members of the United Nations, totaling $35 million. The splendid article in the U.S. News & World Report, which many people have read, I am sure, pointed out that one of the tactics of the Soviet Union in undermining the United Nations is to not pay its assessments and to encourage other Soviet dominated countries not to pay their assessments, hoping that the United Nations will reach financial destruction or, at the very least, hoping that the United States will be called upon to foot the bill, and thereby further weaken the economy of their No. 1 target, which, of course, is the United States.

Mr. President, I find myself in this position: I shall support the bill which is now before the Senate. I do not think we have much choice except to support it. I shall do so, however, with the clear understanding that I, for one, shall do my utmost to make certain that the appropriate laws are changed in such a way that the United States will not continue to make up the deficiency assessments of other nations, particularly nations which which do not have the clear and conscientious understanding of the Charter of the United Nations which will prevent them from voting for the admission of Red China.

Mr. HOLLAND. Mr. President, I do not believe I have seen a finer demonstration of bipartisanship or of nonpartisanship than has occurred during the discussion of some troublesome features in the Congo situation, which we all know and recognize. I appreciate the attitude of each of the Senators who have spoken.

However, I call attention, in closing the debate—that is, in closing it so far as I am concerned—to the fact that there is a responsibility that comes from our size, from our strength, and from our love of peace. Whether we live up to that responsibility is, of course, a question of our measuring it to our own satisfaction and of our taking such action as we believe is appropriate. We shall have a chance to do that in passing upon the 1962 budget. I shall not try to foreclose myself or any other Senator in that respect.

I call attention, though, to the fact that under both administrations, since the Congo program has been forced upon us, contingency funds have been used to help meet the particular problem in the Congo in the effort to keep the peace. Whether we shall go further, and how much further we shall go, is, of course, a question for Congress to decide as we consider the 1962 budget.

Apparently there are nations which are not able to contribute funds as we are contributing them, but who believe, with us, that there is a stake in this venture which is worth while. I note at page 6 of the House hearings a list of the 23 nations which have contributed to the 19,000-member armed force contingent in the Congo as of June 13. It is quite clear that many other nations, not able to carry a large financial burden, are willing to risk their sons in an effort to keep peace in the Congo. These are the numbers of troops from each of the countries whose names I shall state:

Argentina, 26; Austria, 48; Ghana, 1,612; Sweden, 836; Tunisia, 3,085; Ethiopia, 2,685; Liberia, 441; Ireland, 1,011; Canada, 282; India, 5,660; Pakistan, 546; Nigeria, 1,652; Malaya, 1,422; Italy, 134; Ecuador, 1; Netherlands, 6; Norway, 116; Greece, 21; Brazil, 29; Burma, 9; Denmark, 65; Ceylon, 8; New Zealand, 1.

Mr. President, it is rather evident that there are other nations which agree with us that the keeping of the peace in the Congo is a very much worthwhile objective.

I simply comment that no U.S. soldier or member of our Armed Forces is included within that list of 19,000; nor is any soldier from Russia or her larger satellites included in that group. So the world, through contingents coming from relatively smaller nations, in the main, which are not able to pay very much financially, is cooperating in the effort to keep the peace. I believe the Senate will think a long time before it discontinues our effort in this situation.

Again, I thank the distinguished Senators who have spoken. In yielding the floor, I ask that the Senate vote favorably on the bill.

Mr. THURMOND subsequently said:

Mr. President, when the United States entered into the treaty for the establishment of the United Nations, it did so on the basis of a belief and hope that this organization of nations would provide a framework for cooperative efforts of the nations of the world in the interest of peace. Compelled by the bright and shining goal of peace through world cooperation, we committed ourselves to pay toward the United Nations operations a percentage of the total cost very much in accord with our usual magnanimity. At the present time the United States is assessed for 32.51 percent of the cost of United Nations operations. By way of comparison, the next largest assessment is that of the U.S.S.R., which is 13.62 percent; and the third largest assessment is that of the United Kingdom, which is 7.78 percent. It is quite clear that the United States assumed the obligation of underwriting the major portion of the cost of the United Nations.

The United States has never failed to pay its assessments. It now appears that the United States is actually paying substantially more than even the major portion which we undertook responsibility for in the original instance.

This appropriation bill contains an appropriation of $32,204,000, which is our assessment for 1961. The Soviet bloc nations and France have announced their intentions not to pay their share of the cost in the United Nations Congo operations.

In addition, many of the smaller nations were rebated from 50 to 80 percent of their assessments by United Nations resolution.

It is quite apparent from hearings on this appropriation that the United States is undertaking to underwrite whatever deficit the United Nations incurs. In 1961 over and above our assessment of $15,745,000 for the United Nations Congo operations, the United States paid an additional $14.2 million. Of this, $10.3 million took the form of a waiver for cost of airlift of United Nations troops to the Congo. The balance, $3.9 million, was in the form of a voluntary cash contribution. The entire $14.2 million was paid from the foreign aid contingency fund.

Now in 1962, it appears that the United States through its delegation to the United Nations has pledged to make another voluntary contribution, this time in the amount of $15 million. It is proposed by the State Department that $5 million of this be paid from the mutual security contingency fund, and that the balance of $10 million be appropriated in the 1962 appropriation for the Act for International Development. It is obvious that the United States is not only using funds other than those appropriated for United Nations support for that purpose, but in this instance, to the extent of $10 million, has pledged from the United States to the United Nations a contribution of $10 million which has neither been authorized nor appropriated by the Congress.

The Congress is now in the position of either appropriating the necessary funds to fulfill the pledge of the U.S. representatives to the United Nations or failing to stand behind the pledge of the President. On the other hand, Mr. President, if there is to be any limit to the extent to which the United States will underwrite the cost of the operations of the United Nations, the line must be drawn now. This pledge of $15 million was made in April of this year when Congress was in session. Unquestionably, it was an emergency, and the course of supporting the United Nations' Congo operations may have been without alternative; nevertheless, it is the Congress that is constitutionally charged with both taxing and appropriating and, unless a check is exerted at this time, there will be no stopping point—for the executive branch will be given a green light to undertake such financial commitments in the future without limitation.

The appropriation for the support of the United Nations should be in one bill and out in the open for all to see. This is necessary if the American public is to be enabled to balance the cost against the benefits where the United Nations is concerned.

At this point many questions are being raised about the feasibility of the United Nations, and particularly the application of the funds contributed to it by the United States. Only recently the United States was put in the paradoxical position of contributing approximately 40 percent of a grant made by the United Nations to Communist Cuba, the government of which is an avowed enemy of the United States. Congress has the duty and responsibility of weighing the advantages of the United Nations against its cost to us. It is unconstitutional for the Congress to give, in practical effect, a blank check to the executive branch to underwrite the cost of the United Nations, and that is what we are doing if we approve the voluntary contribution pledged by the President.

I am fully aware that the funds for the voluntary contribution pledged by the President are not contained in this bill. If, however, there is to be an authorization and appropriation of this money in other legislation, then the amount appropriated for the assessment of the United States by the United Nations should be reduced to that extent. I shall, therefore, vote against the supplemental appropriations bill.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 7712) was ordered to a third reading, was read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 5723) to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. KING of California, Mr. O'BRIEN of Illinois, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider nominations reported today from the Committee on the Judiciary.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary.

Thomas J. Michie, of Virginia, to be U.S. district judge for the western district of Virginia;

Joseph W. Ammerman, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania;

Robert F. Morey, of Massachusetts, to be U.S. marshal for the district of Massachusetts;

Robert Nelson Chaffin, of Wyoming, to be U.S. attorney for the district of Wyoming;

William Harold Cox, of Mississippi, to be U.S. district judge for the southern district of Mississippi;

Frank R. Freeman, of Washington, to be U.S. attorney for the eastern district of Washington; and

Thomas B. Mason, of Virginia, to be U.S. attorney for the western district of Virginia.

By Mr. DIRKSEN, from the Committee on the Judiciary:

Edward R. Phelps, of Illinois, to be U.S. attorney for the southern district of Illinois; and

Roger J. Kiley, of Illinois, to be U.S. circuit judge for the seventh circuit.

By Mr. HART, from the Committee on the Judiciary:

Orville H. Trotter, of Michigan, to be U.S. marshal for the eastern district of Michigan.

By Mr. COTTON, from the Committee on the Judiciary:

Royal Dion, of New Hampshire, to be U.S. marshal for the district of New Hampshire.

By Mr. MAGNUSON, from the Committee on Commerce:

Philip A. Weber, and sundry other persons, for permanent appointment in the Coast and Geodetic Survey.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations will be stated.

U.S. CIRCUIT JUDGE

The legislative clerk read the nomination of Roger J. Kiley, of Illinois, to be U.S. circuit judge for the Seventh Circuit.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. DISTRICT JUDGES

The legislative clerk read the nomination of Thomas J. Michie, of Virginia, to be U.S. district judge for the western district of Virginia.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William Harold Cox, of Mississippi, to be U.S. district judge for the southern district of Mississippi.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. ATTORNEYS

The legislative clerk read the nomination of Joseph W. Ammerman, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert Nelson Chaffin, of Wyoming, to be U.S. attorney for the district of Wyoming.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank R. Freeman, of Washington, to be U.S. attorney for the eastern district of Washington.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas B. Mason, of Virginia, to be U.S. attorney for the western district of Virginia.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Edward R. Phelps, of Illinois, to be U.S. attorney for the southern district of Illinois.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. MARSHALS

The legislative clerk read the nomination of Robert F. Morey, of Massachusetts, to be U.S. marshal for the district of Massachusetts.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Orville H. Trotter, of Michigan, to be U.S. marshal for the eastern district of Michigan.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Royal Dion, of Massachusetts, to be U.S. marshal for the district of New Hampshire.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith of the confirmation of the nominations.

Mr. DIRKSEN. Mr. President, this action has the concurrence of the minority. The nominations were regularly considered by the Committee on the Judiciary. The records, including the FBI reports on the nominations, are entirely in order.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CAPE COD NATIONAL SEASHORE PARK

Mr. HOLLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 402, S. 857.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 857) to provide for the establishment of Cape Cod National Seashore Park.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 8, after the word "the", to strike "park" and insert "seashore"; on page 3, after line 8, to strike out:

thence along the boundaries of the Province Lands Reservation northwesterly to the point where it crosses the southwesterly right of way line of State Route 6A;

thence northwesterly along said southwesterly right of way line of said State Route 6A for approximately 2,400 feet;

thence crossing said State Route 6A, and in a generally northwesterly direction for approximately 4,500 feet to a point approximately 400 feet beyond the southern boundary of the Province Lands extended southwestward from Clapps Pond;

thence northeasterly approximately 7,800 feet to a point on the easterly right of way line of Race Point Road, said point being approximately 900 feet generally north of a corner of the Province Lands Reservation boundary;

thence southeasterly to the easternmost corner of the Province Lands Reservation, being near United States Route 6;

On page 4, after line 3, to insert:

thence along the boundaries of the Province Lands Reservation northwesterly, northeasterly, northerly, and easterly to the easternmost corner of the reservation being

In line 23, after the word "Road", to insert "south"; on page 8, line 25, after the word "point", to strike out "four-tenths" and insert "two-tenths"; on page 11, line 17, after the word "lands", to insert "and waters"; on page 12, after line 8, to insert:

Also included in such area are lands and waters located in the town of Wellfleet and more particularly described as follows:

A parcel of land in Wellfleet bounded westerly by the low water line of Wellfleet Harbor; southerly by the boundary between the towns of Wellfleet and Eastham; westerly again and southerly again by said boundary where it follows Hatch's Creek; easterly by a line running true south to Hatch's Creek from a southerly corner of land shown as owned by Oliver L. Austin and contiguous to land of Joseph M. Dill and Everett S. Osterbank, on plan of land in Wellfleet by Arthur L. Sparrow, engineer, September 1931, filed in the Massachusetts Land Registration Office, August 25, 1933, about 300 feet; southeasterly by said Osterbank land shown on said plan, 816.35 feet; southerly by said Osterbank land, about 1,740 feet, and by a town road or way shown on said plan as running from the road crossing at the northeast corner of said Osterbank land easterly to the State highway, about 600 feet; easterly by said State highway, about 4,200 feet; northerly by land shown on said plan as land of Leonard B. Dill, 118.78 feet; westerly by said Dill land 179.59 feet; northerly by said Dill land, 1,273.62 feet; easterly and northerly by a salt creek shown on said plan as "Brook"; northerly and westerly by the water course shown on said plan as "the run"; northerly by a line running from the confluence of the run with Wellfleet Harbor to the low water line of said harbor.

On page 14, line 9, after the word "section", to strike out "10" and insert "9"; on page 15, line 12, after the word "Seashore", to strike out "Park"; in line 16, after the word "the", to strike out "park" and insert "seashore"; on page 16, line 4, after the word "owners", to strike out "of", and in the same line, after the amendment just above stated, to insert "not being a corporation, of a freehold interest in"; on page 18, line 18, after the word "section", to strike out "6" and insert "5"; in line 21, after the word "section", to strike out "6" and insert "5"; on page 19, line 22, after the word "the", where it appears the second time, to strike out "park" and insert "seashore"; on page 20, after line 18, to insert:

(e) Nothing in this section or elsewhere in this Act shall be construed to prohibit the use of condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances.

On page 21, line 20, after the word "the", where it appears the second time, to strike out "park" and insert "seashore"; in line 24, after the word "the", to strike out "park" and insert "seashore"; on page 22, line 7, after the word "the", where it appears the second time, to strike out "park" and insert "seashore"; in line 22, after the word "bylaw", to strike out "but" and insert "or"; on page 23, line 15, after the word "the", to strike out "park" and insert "seashore"; in line 18, after the word "the", to strike out "park" and insert "seashore"; after line 22, to strike out:

SEC. 7. (a) In order to provide compensation for tax losses sustained by the towns referred to in section 1 of this Act as a result of certain acquisitions by the Secretary of privately owned real estate and improvements thereon pursuant to the provisions of this Act, payments in lieu of taxes shall be made to each such town in which such real estate is located, and which has been authorized, under the laws of Massachusetts, to assess taxes upon real estate to the person who is in possession thereof and to assess taxes upon any present interest in real estate to the owner of such interest, in accordance with the following schedule: For the calendar year in which the real estate is acquired in fee simple absolute, an amount which bears the same proportion to the full amount of tax assessed thereon in such year as the number of days remaining in such year after the date of acquisition bears to the number three hundred and sixty-five. In any case where an amount in excess of the difference between such proportionate amount and such full amount has already been paid to the town by or on behalf of the owner or owners from whom the real estate was so acquired, payment of such excess amount shall be made as reimbursement to such owner or owners out of such proportionate amount and only the balance remaining of such proportionate amount shall be paid to the town. For the two succeeding calendar years there shall be paid on account of such real estate an amount equal to the full amount of tax assessed thereon in the year of acquisition.

(b) No payments in lieu of taxes shall be made on account of real estate and improvements thereon in which the Secretary has ever acquired less than a fee simple absolute under this Act.

(c) As soon as practicable after real estate taxes have been assessed by such towns in each calendar year, the Secretary shall compute and certify the amount of payments in lieu of taxes due to each of such towns, and such amounts shall be paid to the respective towns by the Secretary of the Treasury out of any money in the Treasury not otherwise appropriated.

(d) The provisions of this section shall not apply to any property acquired by the Secretary after December 31 of the twenty-fifth year following the date of enactment of this Act.

On page 25, at the beginning of line 16, to change the section number from "8" to "7"; on page 26, line 4, after "(1)", to strike out "The Secretary shall develop for appropriate public uses such portions of Cape Cod National Seashore Park as he deems especially adaptable for such uses, including camping, swimming, boating, sailing, hunting, fishing, the appreciation of historic sites and structures and natural features of Cape Cod, and other recreational activities of similar nature. The Secretary may also provide for the public enjoyment and understanding of the unique natural, historic, and scientific features of Cape Cod by establishing such trails, observation points, and exhibits and providing such services as he may deem desirable for the purpose. Except for such public use areas and except for improved property therein, the park shall be permanently reserved as a primitive wilderness and no development of the park or plan for the convenience of visitors shall be undertaken by the Secretary which would be incompatible with the preservation of the unique flora and fauna or the physiographic conditions now prevailing in the area described in section 1 of this Act or with the preservation of such historic sites and structures as he may designate." and insert "In order that the seashore shall be permanently preserved in its present state, no development or plan for the convenience of visitors shall be undertaken therein which would be incompatible with the preservation of the unique flora and fauna or the physiographic conditions now prevailing or with the preservation of such historic sites and structures as the Secretary may designate: *Provided*, That the Secretary may provide for the public enjoyment and understanding of the unique natural, historic, and scientific features of Cape Cod within the park by establishing such trails, observation points, and exhibits and providing such services as he may deem desirable for such public enjoyment and understanding: *Provided further*, That the Secretary may develop for appropriate public uses such portions of the park as he deems especially adaptable for camping, swimming, boating, sailing, hunting, fishing, the appreciation of historic

sites and structures and natural features of Cape Cod, and other activities of similar nature."; on page 27, line 25, after the word "the", to strike out "park" and insert "seashore"; on page 28, line 13, after the word "the", to strike out "park" and insert "seashore"; after line 24, to insert:

(e) The Secretary may enter into cooperative agreements with nonprofit organizations owning and operating property within the seashore for conservation, scientific, or educational purposes, under which such organizations may be permitted to retain and operate all their property within the seashore subject to conditions approved by the Secretary as insuring that such operations will be consistent with and will promote the purposes of this Act.

On page 29, at the beginning of line 7, to change the section number from "9" to "8"; in line 8, after the word "Seashore", to strike out "Park"; in line 10, after the word "the", where it appears the second time, to strike out "park" and insert "seashore"; in line 12, after the word "of", to strike out "nine" and insert "ten"; after line 19, to insert:

(2) One member to be appointed from recommendations of the county commissioners of Barnstable County, Commonwealth of Massachusetts;

At the beginning of line 23, to strike out "(2)" and insert "(3)"; on page 30, at the beginning of line 1, to strike out "(3)" and insert "(4)"; in line 18, after the word "Seashore", to strike out "Park"; after line 20, to strike out:

(g) No permit for the commercial or industrial use of property located within the park shall be issued by the Secretary without the advice of the Commission, and after its termination, without the advice of the board of selectmen of the town in which such property is located, if such advice is submitted within a reasonable time after it is sought.

And, in lieu thereof, to insert:

(g) No permit for the commercial or industrial use of property located within the park shall be issued by the Secretary, nor shall any public use area for recreational activity be established by the Secretary within the park, without the advice of the Commission, if such advice is submitted within a reasonable time after it is sought.

On page 31, after line 8, to insert:

(h)(1) Any member of the Advisory Commission appointed under this Act shall be exempted, with respect to such appointment, from the operation of sections 281, 283, 284, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U.S.C. 99) except as otherwise specified in subsection (2) of this section.

(2) The exemption granted by subsection (1) of this section shall not extend—

(i) to the receipt or payment of salary in connection with the appointee's Government service from any sources other than the private employer of the appointee at the time of his appointment, or,

(ii) during the period of such appointment, and the further period of two years after the termination thereof, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter concerning which the appointee had any responsibility arising out of his appointment during the period of such appointment.

On page 32, at the beginning of line 4, to change the section number from "10" to "9", and at the beginning of line 11, to change the section number from "11" to "10"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the area comprising that portion of the land and waters located in the towns of Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham in the Commonwealth of Massachusetts, and described in subsection (b), is designated for establishment as Cape Cod National Seashore Park (hereinafter referred to as "the seashore").

(b) The area referred to in subsection (a) is described as follows:

Beginning at a point in the Atlantic Ocean one-quarter of a mile due west of the mean low-water line of the Atlantic Ocean on Cape Cod at the westernmost extremity of Race Point, Provincetown, Massachusetts;

thence from the point of beginning along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean, Cape Cod Bay, and Provincetown Harbor in generally southerly, easterly, and northerly directions rounding Long Point and then southwesterly to a point a quarter of a mile offshore of the mean low-water line on the harbor side of the dike depicted on the United States Geological Survey Provincetown quadrangle sheet (1949) crossing an arm of the Provincetown Harbor;

thence northerly, along a line a quarter of a mile offshore of and parallel to the low-water line at the dike to a point easterly of the point of intersection of the sand dike with the boundary of the Province Lands Reservation as depicted on the said Provincetown quadrangle sheet;

thence westerly to the said point of intersection of the dike and the Province Lands Reservation boundary;

thence along the boundaries of the Province Lands Reservation northwesterly, northeasterly, northerly, and easterly to the easternmost corner of the reservation being near United States Route 6;

thence leaving the said easternmost corner along an extension of the southerly reservation boundary line easterly to the northerly right-of-way line of United States Route 6;

thence along the northerly right-of-way line of United States Route 6 in a generally easterly direction crossing the Truro-Provincetown town line to and continuing in the town of Truro to a point four-tenths of a mile southeasterly of Highland Road;

thence leaving the northerly right-of-way line of United States Route 6 and runing due east two-tenths of a mile;

thence turning and running in a southeasterly direction paralleling the general alinement of United States Route 6 and generally distant therefrom two-tenths of a mile crossing Pamet Road south and continuing to a point three-tenths of a mile southerly thereof;

thence westerly to Mill Pond Road and crossing it and continuing along the southern right-of-way line of said road to its intersection with Old County Road;

thence following the easterly right-of-way line of Old County Road southward to a point opposite the southerly right-of-way line of Ryder Beach Road at its intersection with Old County Road;

thence eastward to a point 300 feet east of the easterly right-of-way line of said Old County Road;

thence in a southerly direction paralleling Old County Road at a distance of 300 feet to the east of the easterly right-of-way line of said road to a point 600 feet south of the southerly right-of-way line of Prince Valley Road;

thence in a generally westerly direction, crossing Old County Road and the New York, New Haven and Hartford Railroad right-of-way to the southern extremity of the Town Landing and Beach in the Ryder Beach area, and continuing to a point in Cape Cod Bay a quarter of a mile offshore from the mean low-water line at said extremity of the Town Landing and Beach;

thence turning and running along a line a quarter of a mile offshore of and parallel to the mean low-water line of Cape Cod Bay in a general southerly and easterly direction rounding Jeremy Point and thence in a general northerly direction along a line a quarter of a mile offshore of and parallel to the mean low-water line on the westerly side of Wellfleet Harbor to a point one quarter of a mile due north of the mean low-water line at the eastern tip of Great Island as depicted on the United States Geological Survey Wellfleet quadrangle sheet (1958);

thence north to the mean high-water line on the north shore of the Herring River estuary in the vicinity of its confluence with Wellfleet Harbor;

thence following the mean high-water line southwesterly, northwesterly, and northeasterly to the easterly right-of-way line of Chequesset Neck Road at its crossing of Herring River;

thence following the course of Herring River along the 20-foot contour line of the southeasterly shore thereof to a point near Mill Creek;

thence crossing Mill Creek in a northeasterly direction to the 20-foot contour level near to and northeast of the confluence of Mill Creek and Herring River;

thence following generally northerly and easterly along the easterly edge of the Herring River marshes on the 20-foot contour to a point north of which the easterly right-of-way line of a medium duty road, as depicted on said Wellfleet quadrangle sheet, crosses northward across a marshy stream near the juncture of said medium duty road with Bound Brook Island Road;

thence crossing said marshy stream along said easterly right-of-way line of said medium duty road, and continuing in a northerly direction to the 20-foot contour level on the north side of said marshy stream;

thence following the 20-foot contour line westward approximately 1,000 feet to its intersection with an unimproved dirt road, as depicted on said Wellfleet quadrangle sheet, leading from a point near the juncture of Bound Brook Island Road and the said medium duty road;

thence following said unimproved dirt road northwesterly for approximately 1,600 feet to the 20-foot contour line bordering the southerly edge of the Herring River marshes;

thence following said 20-foot contour line in an easterly direction to Route 6;

thence crossing Route 6 and continuing to a point on the easterly right-of-way line of a power transmission line as depicted on the said Wellfleet quadrangle sheet;

thence in a general southerly direction along the said easterly right-of-way line of a power transmission line to the Eastham-Wellfleet town line;

thence southeasterly for a distance of approximately 5,200 feet to a point due north of the intersection of the easterly right-of-way line of Nauset Road with the northerly right-of-way line of Cable Road;

thence due south to the intersection of the said easterly right-of-way line of Nauset Road and the said northerly right-of-way line of Cable Road;

thence in a general southerly direction crossing Cable Road and along said easterly right-of-way line of Nauset Road to a point 500 feet north of the northerly right-of-way line of Doane Road and its intersection with Nauset Road;

thence west to a point 500 feet west of the westerly right-of-way line of Nauset Road;

thence southerly and westerly 500 feet from and parallel to the said right-of-way line of

Nauset Road to the easterly right-of-way line of Salt Pond Road;

thence southerly along the easterly right-of-way line of said Salt Pond Road to its intersection with the southerly right-of-way line of Nauset Road;

thence westerly along the southerly right-of-way line of Nauset Road to its intersection with the easterly right-of-way line of United States Route 6;

thence southerly along the easterly right-of-way line of United States Route 6 to a point two-tenths of a mile southerly of the intersection of Locust Road and United States Route 6;

thence easterly to a point one-tenth of a mile from United States Route 6;

thence turning and running in a generally southerly direction paralleling the general alinement of United States Route 6 and generally distant therefrom one-tenth of a mile to a small stream approximately one-tenth of a mile beyond Governor Prence Road extended;

thence southeasterly along the stream and continuing to the Orleans-Eastham town line;

thence along the Orleans-Eastham town line to the southerly tip of Stony Island;

thence generally southerly in the town of Orleans to the easterly edge of the Nauset Harbor Channel as depicted on the United States Geological Survey Orleans quadrangle sheet (1946);

thence in a generally southerly direction along the said easterly edge of the Nauset Harbor Channel to a point due south of the southwesterly tip of Nauset Beach on the north side of the entrance to Nauset Harbor from the Atlantic Ocean as depicted on the said Orleans quadrangle sheet;

thence due south to the twenty-foot contour in Nauset Heights as delineated on the said Orleans quadrangle sheet;

thence generally southerly along the said 20-foot contour to a point about one-tenth of a mile northerly of Beach Road;

thence southwesterly along a line intersecting Beach Road at a point two-tenths of a mile easterly of the so-called Nauset Road leading northerly to Nauset Heights;

thence southerly to the head of a tributary to Little Pleasant Bay at the northerly tip of Pochet Neck as depicted on the said Orleans quadrangle sheet;

thence generally southerly along the thread of channel of the said tributary passing westerly and southwesterly around Pochet Island and thence southwesterly into Little Pleasant Bay passing to westerly of the northerly tip of Sampson Island, the westerly tip of Money Head, and the southwesterly tip of Hog Island following in general the centerline of Little Pleasant Bay to Pleasant Bay;

thence generally southeasterly in Pleasant Bay along a line passing midway between Sipson Island and Nauset Beach to a point on the Chatham-Orleans town line one-quarter of a mile westerly of the mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach;

thence generally southerly in Pleasant Bay in the town of Chatham along a line a quarter of a mile offshore of and parallel to the said mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach to a point a quarter of a mile south of the mean low-water line of the southern tip of Nauset Beach;

thence easterly rounding the southern tip of Nauset Beach along a line a quarter of a mile offshore of and parallel thereto;

thence generally northerly and northwesterly, and westerly along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean on the easterly shore of Nauset Beach and on to the outer cape to the point of beginning.

Also included in such area are lands and waters located in the town of Chatham and more particularly described as follows:

Beginning at a point on the northwesterly corner of the boundary of Monomoy National Wildlife Refuge at the mean low-water line on the western shore of Morris Island;

thence generally southerly, westerly, southerly, easterly, and northerly along the exterior boundary line of said Monomoy National Wildlife Refuge to a point on the northeasterly corner of said refuge located on the mean low-water line on the eastern shore of Morris Island;

thence northerly, westerly, and southerly along the mean low-water line of Morris Island and Stage Island to the point of beginning.

Also included in such area are lands and waters located in the town of Wellfleet and more particularly described as follows:

A parcel of land in Wellfleet bounded westerly by the low water line of Wellfleet Harbor; southerly by the boundary between the towns of Wellfleet and Eastham; westerly again and southerly again by said boundary where it follows Hatch's Creek; easterly by a line running true south to Hatch's Creek from a southerly corner of land shown as owned by Oliver L. Austin and contiguous to land of Joseph M. Dill and Everett S. Osterbank, on plan of land in Wellfleet by Arthur L. Sparrow, engineer, September 1931, filed in the Massachusetts Land Registration Office, August 25, 1933, about 300 feet; southeasterly by said Osterbank land shown on said plan, 816.35 feet; southerly by said Osterbank land, about 1,740 feet, and by a town road or way shown on said plan as running from the road crossing at the northeast corner of said Osterbank land easterly to the State highway, about 600 feet; easterly by said State highway, about 4,200 feet; northerly by land shown on said plan as land of Leonard B. Dill, 118.78 feet; westerly by said Dill land 179.59 feet; northerly by said Dill land, 1,273.62 feet; easterly and northerly by a salt creek shown on said plan as "Brook"; northerly and westerly by the water course shown on said plan as "the run"; northerly by a line running from the confluence of the run with Wellfleet Harbor to the low water line of said harbor.

SEC. 2. (a) The Secretary of the Interior (hereinafter referred to as "Secretary") is authorized to acquire by purchase, gift, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property, and improvements thereon and any interest therein, within the area which is described in section 1 of this Act or which lies within the boundaries of the park as described pursuant to section 3 of this Act (both together hereinafter in this Act referred to as "such area"). Any property, or interest therein, owned by the Commonwealth of Massachusetts, by any of the towns referred to in section 1 of this Act or by any other political subdivision of said Commonwealth may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act.

(b) In exercising his authority to acquire property in accordance with the provisions of subsection (a) of this section, the Secretary shall have authority to incur obligations and enter into contracts involving the expenditure of funds authorized by section 9 of this Act for the acquisition of property and his action in doing so shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and such funds shall be deemed to have been expended when so obligated.

(c) The Secretary is authorized (1) to use donated and appropriated funds in making acquisitions under this Act, and (2) to pay therefor not more than the fair market value of any acquisitions which he makes by purchase under this Act.

(d) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and convey to the grantor of such property any federally owned property under the jurisdicton of the Secretary within such area. The properties so exchanged shall be approximately equal in fair market value: *Provided*, That the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

(e) As used in this Act the term "fair market value" shall mean the fair market value as determined by the Secretary, who may in his discretion base his determination on an independent appraisal obtained by him.

SEC. 3. (a) As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage in the area described in section 1 of this Act that is in the opinion of the Secretary efficiently administrable to carry out the purposes of this Act, the Secretary shall establish Cape Cod National Seashore by the publication of notice thereof in the Federal Register.

(b) Such notice referred to in subsection (a) of this section shall contain a detailed description of the boundaries of the seashore which shall encompass an area as nearly as practicable identical to the area described in section 1 of this Act. The Secretary shall forthwith after the date of publication of such notice in the Federal Register (1) send a copy of such notice, together with a map showing such boundaries, by registered or certified mail to the Governor of the Commonwealth of Massachusetts and to the board of selectmen of each of the towns referred to in section 1 of this Act; (2) cause a copy of such notice and map to be published in one or more newspapers which circulate in each of such towns; and (3) cause a certified copy of such notice, a copy of such map, and a copy of this Act to be recorded at the registry of deeds for Barnstable County, Massachusetts.

SEC. 4. (a)(1) The beneficial owner or owners, not being a corporation, of a freehold interest in improved property which the Secretary acquires by condemnation may elect, as a condition to such acquisition, to retain the right of use and occupancy of the said property for noncommercial residential purposes for a term of twenty-five years, or for such lesser time as the said owner or owners may elect at the time of such acquisition.

(2) The beneficial owner or owners, not being a corporation, of a freehold estate in improved property which property the Secretary acquires by condemnation, who held, on September 1, 1959, with respect to such property, an estate of the same nature and quality, may elect, as an alternative and not in addition to whatever right of election he or they might have under paragraph (1) of this subsection, to retain the right of use and occupancy of the said property for noncommercial residential purposes (i) for a term limited by the nature and quality of his or their said estate, if his or their said estate is a life estate or an estate pur auter vie, or (ii) for a term ending at the death of such owner or owners, or at the death of the survivor of them, if his or their said estate is an estate of fee simple.

(3) Where such property is held by a natural person or persons for his or their own life or lives or for the life or lives of another

or others (such person or persons being hereinafter called "the life tenant"), with remainder in another or others, any right of election provided for in paragraph (2) of this subsection shall be exercised by the life tenant, and any right of election provided for in paragraph (1) of this subsection shall be exercised by the concurrence of the life tenant and the remainderman or remaindermen.

(4) The beneficial owner or owners of a term of years in improved property which the Secretary acquires by condemnation may elect, as a condition to such acquisition, to retain the right of use and occupancy of the said property for noncommercial residential purposes for a term not to exceed the remainder of his or their said term of years, or a term of twenty-five years, whichever shall be the lesser. The owner or owners of the freehold estate or estates in such property may, subject to the right provided for in the preceding sentence, exercise such right or rights of election as remain to them under paragraphs (1) and (2) of this subsection.

(5) No right of election accorded by paragraphs (1), (2), or (4) of this subsection shall be exercised to impair substantially the interests of holders of encumbrances, liens, assessments, or other charges upon or against the property.

(6) Any right or rights of use and occupancy retained pursuant to paragraphs (1), (2), and (4) of this subsection shall be held to run with the land, and may be freely transferred and assigned.

(7) In any case where a right of use and occupancy for life or for a fixed term of years is retained as provided in paragraph (1), (2), or (4) of this subsection, the compensation paid by the Secretary for the property shall not exceed the fair market value of the property on the date of its acquisition by the Secretary, less the fair market value on such date of the said right retained.

(8) The Secretary shall have authority to terminate any right of use and occupancy of property, retained as provided in paragraph (1), (2), or (4) of this subsection, at any time after the date when any use occurs with respect to such property which fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in regulations issued pursuant to section 5 of this Act and in effect on said date: *Provided*, That no use which is in conformity with the provisions of a zoning bylaw approved in accordance with said section 5 which is in force and applicable to such property shall be held to fail to conform or be opposed to or inconsistent with any such standard. In the event that the Secretary exercises the authority conferred by this paragraph, he shall pay to the owner of the right so terminated an amount equal to the fair market value of the portion of said right which remained on the date of termination.

(b) (1) The Secretary's authority to acquire property by condemnation shall be suspended with respect to all improved property located within such area in all of the towns referred to in section 1 of this Act for one year following the date of its enactment.

(2) Thereafter such authority shall be suspended with respect to all improved property located within such area in any of such towns during all times when such town shall have in force and applicable to such property a duly adopted, valid zoning bylaw approved by the Secretary in accordance with the provisions of section 5 of this Act.

(c) The Secretary's authority to acquire property by condemnation shall be suspended with respect to any particular property which is used for commercial or industrial purposes during any periods when such use is permitted by the Secretary and during the pendency of the first application for such permission made to the Secretary after the date of enactment of this Act provided such application is made not later than the date of establishment of the seashore.

(d) The term "improved property," wherever used in this Act, shall mean a detached, one-family dwelling the construction of which was begun before September 1, 1959 (hereinafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures accessory to the dwelling which are situated on the land so designated. The amount of the land so designated shall in every case be at least three acres in area, or all of such lesser amount as may be held in the same ownership as the dwelling, and in making such designation the Secretary shall take into account the manner of noncommercial residential use in which the dwelling and land have customarily been enjoyed: *Provided, however*, That the Secretary may exclude from the land so designated any beach or waters, together with so much of the land adjoining such beach or waters as the Secretary may deem necessary for public access thereto.

(e) Nothing in this section or elsewhere in this Act shall be construed to prohibit the use of condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances.

SEC. 5. (a) As soon after the enactment of this Act as may be practicable, the Secretary shall issue regulations specifying standards for approval by him of zoning bylaws for purposes of section 4 of this Act. The Secretary may issue amendment regulations specifying standards for approval by him of zoning bylaws whenever he shall consider such amended regulations to be desirable due to changed or unforeseen conditions. The Secretary shall approve any zoning bylaw and any amendment to any approved zoning bylaw submitted to him which conforms to the standards contained in the regulations in effect at the time of the adoption by the town of such bylaw or such amendment. Such approval shall not be withdrawn or revoked, nor shall its effect be altered for purposes of section 4 of this Act by issuance of any such amended regulations after the date of such approval, so long as such bylaw or such amendment remains in effect as approved.

(b) The standards specified in such regulations and amended regulations for approval of any zoning bylaw or zoning bylaw amendment shall contribute to the effect of (1) prohibiting the commercial and industrial use, other than any commercial or industrial use which is permitted by the Secretary, of all property within the boundaries of the seashore which is situated within the town adopting such bylaw; and (2) promoting the preservation and development, in accordance with the purposes of this Act, of the area comprising the seashore, by means of acreage, frontage, and setback requirements and other provisions which may be required by such regulations to be included in a zoning bylaw consistent with the laws of Massachusetts.

(c) No zoning bylaw or amendment of a zoning bylaw shall be approved by the Secretary which (1) contains any provision which he may consider adverse to the preservation and development, in accordance with the purposes of this Act, of the area comprising the seashore, or (2) fails to have the effect of providing that the Secretary shall receive notice of any variance granted under and any exception made to the application of such bylaw or amendment.

(d) If any improved property with respect to which the Secretary's authority to acquire by condemnation has been suspended by reason of the adoption and approval, in accordance with the foregoing provisions of this section, of a zoning bylaw applicable to such property (hereinafter referred to as "such bylaw")—

(1) is made the subject of a variance under or an exception to such bylaw, which variance or exception fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in the regulations issued pursuant to this section and in effect at the time of the passage of such bylaw (or if such bylaw has been amended at the time of the passage of the most recent amendment), or

(2) upon or with respect to which there occurs any use, commencing after the date of the publication by the Secretary of such regulations, which fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in such regulations (but no use which is in conformity with the provisions of such bylaw shall be held to fail to conform or be opposed to or inconsistent with any such standard),

the Secretary may, at any time and in his discretion, terminate the suspension of his authority to acquire such improved property by condemnation: *Provided, however*, That the Secretary may agree with the owner or owners of such property to refrain from the exercise of the said authority during such time and upon such terms and conditions as the Secretary may deem to be in the best interests of the development and preservation of the seashore.

SEC. 6. The Secretary shall furnish to any interested person requesting the same, a certificate indicating, with respect to any property located within the seashore as to which the Secretary's authority to acquire such property by condemnation has been suspended in accordance with the provisions of this Act, that such authority has been so suspended and the reasons therefor.

SEC. 7. (a) Except as otherwise provided in this Act, the property acquired by the Secretary under this Act shall be administered by the Secretary, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535); as amended and supplemented, and in accordance with laws of general application relating to the national park system as defined by the Act of August 8, 1953 (67 Stat. 496); except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

(b) (1) In order that the seashore shall be permanently preserved in its present state, no development or plan for the convenience of visitors shall be undertaken therein which would be incompatible with the preservation of the unique flora and fauna or the physiographic conditions now prevailing or with the preservation of such historic sites and structures as the Secretary may designate: *Provided*, That the Secretary may provide for the public enjoyment and understanding of the unique natural, historic, and scientific features of Cape Cod within the park by establishing such trails, observation points, and exhibits and providing such services as he may deem desirable for such public enjoyment and understanding: *Provided further*, That the Secretary may develop for appropriate public uses such portions of the park as he deems especially adaptable for camping, swimming, boating, sailing, hunting, fishing, the appreciation of historic sites and structures and natural

features of Cape Cod, and other activities of similar nature.

(2) In developing the park the Secretary shall provide public use areas in such places and manner as he determines will not diminish for its owners or occupants the value or enjoyment of any improved property located within the park.

(c) Notwithstanding any other provision of this Act, land and waters now or hereafter included in any migratory bird refuge within the boundaries of the park shall continue as such refuge under applicable laws and regulations, but such lands and water shall be a part of the seashore and shall be administered by the Secretary for public uses not inconsistent with the purposes of such refuge under such rules and regulations as the Secretary may prescribe. Nothing in this Act shall limit the power of the Secretary to acquire lands and waters for any migratory bird refuge. Notwithstanding any other provision of this Act, Morris and Stage Islands shall be administered as a sanctuary in which the flora and fauna shall be preserved and where camping and other such major activities and developments for the accommodation of visitors shall be prohibited.

(d) The Secretary may permit hunting and fishing, including shellfishing, on lands and waters under his jurisdiction within the seashore in such areas and under such regulations as he may prescribe. The Secretary shall consult with officials of the Commonwealth of Massachusetts and any political subdivision thereof who have jurisdiction of hunting and fishing, including shellfishing, prior to the issuance of any such regulations, and the Secretary is authorized to enter into cooperative arrangements with such officials regarding such hunting and fishing, including shellfishing, as he may deem desirable, except that the Secretary shall leave the regulation of the taking of shellfish to the towns referred to in section 1 of this Act.

(e) The Secretary may enter into cooperative agreements with nonprofit organizations owning and operating property within the seashore for conservation, scientific, or educational purposes, under which such organizations may be permitted to retain and operate all their property within the seashore subject to conditions approved by the Secretary as insuring that such operations will be consistent with and will promote the purposes of this Act.

SEC. 8. (a) There is hereby established a Cape Cod National Seashore Advisory Commission (hereinafter referred to as the Commission). Said Commission shall terminate ten years after the date the seashore is established under section 3 of this Act.

(b) The Commission shall be composed of ten members each appointed for a term of two years by the Secretary as follows:

(1) Six members to be appointed from recommendations made by each of the boards of selectmen of the towns referred to in the first section of this Act, one member from the recommendations made by each such board;

(2)) One member to be appointed from recommendations of the county commissioners of Barnstable County, Commonwealth of Massachusetts;

(3) Two members to be appointed from recommendations of the Governor of the Commonwealth of Massachusetts; and

(4) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be Chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the Commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this Act upon vouchers signed by the Chairman.

(e) The Commission established by this section shall act and advise by affirmative vote of a majority of the members thereof.

(f) The Secretary or his designee shall, from time to time, consult with the members of the Commission with respect to matters relating to the development of Cape Cod National Seashore, and shall consult with the members with respect to carrying out the provisions of sections 4 and 5 of this Act.

(g) No permit for the commercial or industrial use of property located within the park shall be issued by the Secretary, nor shall any public use area for recreational activity be established by the Secretary within the park, without the advice of the Commission, if such advice is submitted within a reasonable time after it is sought.

(h)(1) Any member of the Advisory Commission appointed under this Act shall be exempted, with respect to such appointment, from the operation of sections 281, 283, 284, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U.S.C. 99) except as otherwise specified in subsection (2) of this section.

(2) The exemption granted by subsection (1) of this section shall not extend—

(i) to the receipt or payment of salary in connection with the appointee's Government service from any sources other than the private employer of the appointee at the time of his appointment, or,

(ii) during the period of such appointment, and the further period of two years after the termination thereof, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter concerning which the appointee had any responsibility arising out of his appointment during the period of such appointment.

SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act; except that no more than $16,000,000 shall be appropriated for the acquisition of land and waters and improvements thereon, and interests therein, and incidental costs relating thereto, in accordance with the provisions of this Act.

SEC. 10. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

Mr. HOLLAND. Mr. President, I was asked by the leadership on both sides to make certain that the two Senators from Massachusetts were present when the bill was taken up. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, the pending measure provides for the establishment on Cape Cod of a unit of the national park system. The bill was first introduced in the Senate on May 24, 1956, by the senior Senator from Massachusetts [Mr. SALTONSTALL] and the then junior Senator from that State, Mr. Kennedy. Proposed legislation designed to accomplish the same objective was subsequently introduced by the same Senators in the 85th and in the 86th Congresses.

The pending bill is S. 857. It authorizes the establishment of the Cape Cod National Seashore, and has been introduced by both the Senators from Massachusetts [Mr. SALTONSTALL and Mr. SMITH].

This proposal has received a great deal of attention by the Committee on Interior and Insular Affairs and its Subcommittee on Public Lands. As chairman of the subcommittee, I can assure the Members of the Senate that every aspect of this bill was studied and restudied. Hearings were conducted in Eastham, Mass., on December 9 and 10, 1959, after which a thorough on-the-spot investigation of the Cape Cod area was undertaken by the junior Senator from Utah [Mr. Moss] and by the Interior Committee's staff.

I am delighted to see with us here, during the deliberations on this bill, the distinguished junior Senator from Utah [Mr. Moss]. His work in this particular field and on this particular bill has been very, very helpful in evolving a final end product. Additional hearings were held in Washington, D.C., on June 21, 1960, and on March 9 of this year. Another field investigation was made by the distinguished senior Senator from Colorado [Mr. ALLOTT], who also is on the floor at this time, the Senator from Hawaii [Mr. LONG], and myself.

Mr. President, in my considered judgment, the pending bill represents a most thoroughly considered work product of our committee.

The bill was reported unanimously, I may say, by both the subcommittee and the full committee.

I feel quite sure that all Members of this body are aware of the fact that the American public is taking to the outdoors in tremendously increasing numbers, each year, to satisfy its recreational needs. Our National Park Service is presently engaged in a 10-year program designed to improve and enlarge the areas within its jurisdiction that must serve the need of these American citizens. Our national parks, as well as the State parks, are sorely pressed in attempting to care for the millions of Americans who each year seek opportunities to camp outdoors, to fish, to sunbathe, or to enjoy the incomparable scenery that our Nation affords. There can be no question about the obligation of the States and the Federal Government to preserve and improve the resources that satisfy the public's desire to utilize and enjoy outdoor recreational facilities.

In recent years, surveys have been conducted by the National Park Service of the shoreline areas in our country—both inland and coastal—that represent potential recreational resources. Separate legislation now pending before the Committee on Interior and Insular Affairs provides for more detailed study of the areas recommended in that report.

That proposed legislation also provides for Federal participation in the cost of acquiring shoreline areas in private ownership that could serve a recognized

public recreational need. The proposed legislation now before the Senate would implement one very important recommendation that has come from the surveys previously mentioned; namely, the development of the Cape Cod National Seashore.

The importance of Cape Cod as a recreational area was described in a 1955 Park Service report in this language:

> There is no longer any comparable area in the New England region that exhibits all the outstanding values desirable and suitable for extensive seashore recreation. For these reasons alone, the great beach area of Cape Cod merits preservation as a major public seashore of the North Atlantic coast.

The pending bill, S. 857, would preserve the great beach area of Cape Cod, as well as contiguous lands suitable and desirable for recreational purposes.

It is of tremendous importance that the Federal Government participate in the preservation of shoreline areas that lend themselves to development for recreational purposes. In the last 15 years there has been a great impetus to buy seashore property for commercial and private uses. Extensive and costly developments now line mile after mile of seashore which before World War II was uninhabited. The need for preservation is particularly urgent in the New England area. As was pointed out in a Yale University City Planning Survey, the entire 600-mile area of the eastern seaboard from Portland, Maine, to Norfolk, Va., can be designated as a single linear city.

In the area at Cape Cod is one of the few remaining areas which can properly be placed in the highest use of a national seashore. Cape Hatteras is the forerunner of a national seashore park on the Atlantic coast. I believe there is another national park on the Atlantic coast in Maine.

At Cape Cod, and within the boundaries of the national seashore proposed for development by S. 857, are now 40 miles of beach facing on the Atlantic Ocean, Cape Cod Bay, and Nantucket Sound. As is pointed out in the committee's report—and I believe this is highly significant—the real importance of the relationship of Cape Cod to its surrounding population is that nearly one-third of the people of our Nation live within a day's drive of the area. The cape is located adjacent to a regional area of the highest population density and the largest concentration of people in the United States.

I have previously stated that, in my judgment, it is of the utmost importance that the Federal Government get on with the task of providing the recreational facilities that are required by public necessity.

Mr. President, I believe I should point out that the land acquisition contemplated under this bill will cost approximately $16 million. As a matter of fact, the bill contains specific language that is the ceiling in connection with land acquisition at Cape Cod. That is very clearly and positively set forth in section 9 of the pending bill.

Other proposals for the establishment of national seashores are now before our committee. One involves land in the State of California, for the proposed Point Reyes National Seashore. Another relates to the coast of the Gulf of Mexico, just off Corpus Christi, Tex., for the Padre Island National Seashore. These other bills are of similar import and similar urgency if we are to preserve for the people of today, and also those of tomorrow, seashores on the east coast, the west coast, and the gulf coast.

The pending bill is somewhat unique in that it provides for the establishment of the first national seashore proposed for inclusion in the national park system. This measure is also unique in that it is the first attempt to develop a unit of the national park system in an area which is highly urbanized, by comparison with other areas of the country in which substantial acreage has been set aside for national park purposes. Great care has been taken in the bill to provide for the continued ownership and use of the rather substantial number of private homes which exist on Cape Cod within the suggested boundaries of this national seashore. The report delineates in detail, on page 10, the homes which are located within the proposed boundaries of the Cape Cod National Seashore. So long as the homes in private ownership are maintained in accordance with zoning provisions adopted by the affected towns that conform to standards established by the Secretary of the Interior, the Secretary's authority to condemn such private property will be suspended.

S. 857 represents many, many months of effort by its sponsors to develop legislative language satisfactory to the overwhelming number of inhabitants of Cape Cod; and I wish to compliment each of them for their efforts in this field in composing the differences which naturally would arise in trying to establish the boundaries of an area such as this one. I feel that this language is satisfactory to a great number of the inhabitants of Cape Cod. I am satisfied the bill has the support of those citizens of the lower cape who have familiarized themselves with its provisions.

I am likewise aware that, in all such problems as this, there are those in that particular area who are not particularly satisfied with the boundaries presently contained in the bill before the Senate. We had many, many meetings, designed to try to iron out the differences in feelings of residents in various towns along the Cape and the sponsors of this legislation. I feel that a reasonably good job has been done of reconciling the differences.

Requests were made of the committee by representatives of certain towns to alter boundaries in a fashion that would leave to those towns certain tracts of land desirable for future residential development.

The bill presently before the Senate represents a compromise on the question of boundaries. Predecessor legislation had provided for an even greater acreage of seashore than is allowed for possible future growth of towns along the cape. The concession made in the bill setting definitive boundaries I think presents a much better method of working out the boundary disputes.

I may point out that no property in public ownership may be acquired by the Federal Government on Cape Cod for seashore purposes without the consent of the State or the towns holding title to such land.

It has been a great personal pleasure for me to have participated in the consideration of the legislation. I am greatly enthusiastic about the area. It is one of the really grand sites of the Nation. Those who have not visited it certainly should do so. I am convinced that the American public will share my enthusiasm when the Cape Cod National Seashore has become a reality.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BIBLE. I am delighted to yield to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. First, I want to congratulate the distinguished senior Senator from Nevada [Mr. BIBLE], who has taken such an interest in this project, located on the Atlantic coast, and the distinguished Senator from Utah [Mr. Moss], who personally came to Cape Cod and held hearings up there that were very helpful, and the distinguished Senator from Colorado [Mr. ALLOTT], on this side of the aisle, who also came up to Massachusetts and looked the area over for himself. When we think that these are three westerners who came to New England to look over the areas, we are very much encouraged. The junior Senator from Massachusetts [Mr. SMITH], who introduced the bill with me, went along.

The bill which is before the Senate was introduced in its original form by Senator Kennedy and myself, along with a companion bill in the House introduced by Congressman HASTINGS KEITH, on September 3, 1959. Five years of study by the National Park Service preceded our action. All told, one proposal or another concerning the establishment of a Federal park on Cape Cod, Mass., has been under consideration for over 20 years.

During this period, substantial development on the lower cape naturally has taken place, and the lands recommended for preservation have been severely cut into. Major commercial inroads have been made in recent months, and the destruction of one of America's most strikingly beautiful natural areas will take place at an increasing rate unless there is Federal action.

The Subcommittee on Public Lands of the Interior and Insular Affairs Committee has held three hearings on the proposal, one on the cape itself, and two here in Washington, and has made an additional trip to inspect the area concerned in April. The bi'l itself has been revised three times. Both the Eisenhower and the Kennedy administrations have given their strong support to the measure. I am pleased with the bill which the committee has reported out and wish to commend the senior Senator from Nevada, the chairman of the Subcommittee on Public Lands, and the junior Senator from New Mexico, the committee chairman, for their close attention to this project and the fine work they have accomplished.

A century ago, America's great naturalist-philosopher Henry David Thoreau wrote about Cape Cod's great outer beach:

> We went to see the ocean, and that is probably the best place of all our coast to go to. I do not know where there is another beach in the Atlantic States, attached to the mainland, so long, and at the same time so straight, and completely uninterrupted.

S. 857 would preserve this section of shoreline which so enchanted Thoreau for the enjoyment of countless generations to come. It would set aside some 30,367 acres on lower Cape Cod as a national seashore dedicated to the spiritual replenishment of American families increasingly locked in by urbanization and commercialization who seek the refreshing beauty and natural grandeur of the clean, open spaces. Favorable action by Congress on this proposal would give encouragement to other efforts to preserve our rapidly vanishing natural shoreline in such areas as Padre Island, Tex., the Oregon Dunes, and Point Reyes, Calif.

The seashore carefully excludes the centers of the six towns directly involved—Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham. Several boundary retractions have taken place since the proposal released by the Park Service in early 1959. S. 857 excludes over 1,000 acres from the diagram of the park as proposed by the Saltonstall-Kennedy-Keith bill, reflecting requests made by local town officials in testimony presented to the subcommittee. Additional requests for paring down the seashore area have been rejected because it was felt they would seriously interfere with the basic preservation intent of the bill. Park Service experts testified that the original boundaries outlined the minimum area which could be recommended to Congress for a national seashore.

Although there is naturally a broad local difference of opinion on various aspects of the proposal, I am convinced that the majority of lower cape citizens support a Cape Cod National Seashore along the lines set forth by S. 857. An economic impact study prepared for the National Park Service in 1960 by a professional planning firm reported that if existing lower cape growth patterns were allowed to continue without a park, the values which have made the area attractive would be increasingly reduced, and, on the other hand, that the establishment of a national seashore would have "many positive economic effects on the area."

The bill allows homeowners who have been living within the seashore area prior to September 1959, to continue owning and occupying their property as long as they wish, provided the town concerned adopts zoning standards within the park area which are acceptable to the Secretary of the Interior. It is important to note that the towns would continue to collect tax revenue from these homes. Thus the local towns and townspeople of traditional Cape Cod are allowed to continue their lives with minimum disruption or change. The bill recognizes the peculiar characteristics of the lower cape—a section much more settled and further developed than most areas designated to become parks—and attempts in a number of ways to guard local interests and guarantee a healthy economic future, while at the same time preserving its unique scenic and historic features.

Mr. President, I believe this is good legislation, which has been needed for some time, and I urge the Senate to pass it.

I congratulate the Senator from Nevada and the members of his subcommittee who worked so hard on the bill.

Mr. SMITH of Massachusetts. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from Massachusetts.

Mr. SMITH of Massachusetts. Passage of the Cape Cod seashore bill today marks an important advance for the people of Cape Cod, of Massachusetts, and of the country.

For the Commonwealth, it means that this historic spot, the first landing place of the Pilgrims, now belongs to the Nation.

For the Nation, and especially the millions of people who live on the east coast, it means that one of the most beautiful areas in their vicinity will be preserved for all times.

For the people of the cape, it will open an unprecedented opportunity for economic growth. Tourism has for many years been the cape's main industry. This seashore will insure its further expansion. It is estimated that within the next few years, $30 million will be spent in capital improvements preparing for the park. This will be a shot in the arm for the economy of the cape.

The bill maintains, for all time, the rights of the citizens of the cape to keep their land and own their homes in the park area, as long as their towns conform to the zoning standards of the Secretary of the Interior. Tentative zoning standards have already been made public, and they are quite modest in their restrictions on use.

I hope that action on this bill will soon be taken in the other body, so that the park can be dedicated shortly.

I wish to thank the members of the Interior and Insular Affairs Committee for the work they did on this bill, and especially the Senator from Nevada [Mr. BIBLE], the Senator from Utah [Mr. MOSS], the Senator from Hawaii [Mr. LONG], and the Senator from Colorado [Mr. ALLOTT], who took the time to visit the cape in April to inspect the boundaries.

I was on that trip. We found, quite naturally, that the choicest land, which could make up the high points of the park, was also the area most desired for commercial development. This means the committee had to choose between the interests of all the people and the interests of a few. I am proud of the way the committee faced up to this choice.

I also wish to pay tribute to my senior colleague from Massachusetts [Mr. SALTONSTALL], who has concerned himself with this legislation for many years. Today marks the success of his efforts and of the hard work of two members of his staff, Mr. David Martin and Mr. Jonathan Moore, who have been closely and helpfully associated with him in this work.

President Kennedy will be very gratified this bill has passed the Senate, since he, along with Mr. Fred Holborn of his staff, were instrumental in its development. Because of the work of these people, and many others, we are helping today to create a park that the American people will appreciate as a bold attempt to preserve the history and beauty of one of the finest sections of our country.

Mr. BIBLE. I thank the Senator from Massachusetts. He has been very helpful. He accompanied us on the visit we made to Cape Cod a short time ago, and he participated actively in the discussions and deliberations we had. His contributions were most helpful to us.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. BIBLE. I am happy to yield to my distinguished colleague from the neighboring State of Utah.

Mr. MOSS. Mr. President, I am happy indeed to join today in speaking in behalf of the Cape Cod National Seashore Park. I congratulate the chairman of the subcommittee, the senior Senator from Nevada [Mr. BIBLE], for the diligent way in which he pushed the hearings and action on this legislation. We worked on this matter to some degree in the last session, but with the coming of the Senator from Nevada [Mr. BIBLE] to the chairmanship of the committee we have had renewed vigor and effort.

Certainly we in America have to concern ourselves with the preservation of the great natural areas of our land. We in the West are acquainted with such preservation, because many of our great national parks are located in the West, but the areas along the seashore have been neglected, and over the years we have seen these areas become crowded, populated, and taken away from the use of the people. Only one national seashore have we set aside to this time.

So we start now with Cape Cod, Mass., which is not only a natural, beautiful seascape and seashore which should be available to all the people, but lies in an area of heavy population, and therefore is all the more needed for recreation. Not only is that area of great historical significance, but it was interesting to visit there and hold hearings in the little New England towns and to see how those people, who are schooled in conducting town hall meetings, could address themselves so vigorously to the question before them, some vigorously supporting the seashore measure, and others with points of objection. These points were threshed out openly, clearly, and vocally by all the people. It was a great experience to hold hearings in the area.

I hope this body will promptly pass the Cape Cod National Seashore Park bill and that the other body will act promptly, so that this year we can add to our great recreational areas of America this historic site which deserves so richly to be established.

Mr. BIBLE. Mr. President, I now yield to the distinguished senior Senator from Colorado, who was very active in

regard to the proposed legislation and who accompanied us on our trip to Cape Cod recently to make the inspection.

Mr. ALLOTT. Mr. President, I rise primarily to congratulate the senior Senator from Nevada, the chairman of the subcommittee, and all the Senators who worked so hard on the Committee on Interior and Insular Affairs in regard to this particular bill.

I rise particularly at this point since reference has been made to my presence on the floor, because my silence might be interpreted as a lukewarmness or a negative attitude toward the bill. On the contrary, I am and have been a very enthusiastic supporter of the bill.

As one who has seen the Cape Hatteras Seashore National Park several times, I believe passage of S. 857 will be a great step forward for an increasing number of people who should have recreational facilities in this country. We all know, of course, the great increase in population is increasing the pressure on our park system constantly and continually.

I congratulate the two Senators from Massachusetts. They have been very patient and very cooperative in trying to work out the bill. Though some slight differences with the House appear, I believe we can resolve those in a conference committee. It is my sincere hope we will proceed to pass the bill.

Mr. BIBLE. Mr. President, I now yield to the distinguished senior Senator from Texas.

Mr. YARBOROUGH. Mr. President, I rise to join in commendation of the Committee on Interior and Insular Affairs for the fine hearings it held on the measure, as well as for the work given to the bill sponsored by the two distinguished Senators from Massachusetts. I shall be happy to see the bill passed by the Senate. I hope the House will concur and that it can be written into law.

Prior to the passage of the Cape Cod National Seashore Park bill, there is only one national seashore recreation area on the entire coastline of the United States, at Cape Hatteras, N.C. From the mouth of the Rio Grande on the south to the easternmost point of Maine, along the gulf and Atlantic coasts, a total distance of 3,700 miles, prior to the passage of S. 857, there are only 265 miles in any kind of public park. Over half of that amount can be found in the Everglades National Park, in Florida; the Cape Hatteras National Seashore recreation area in North Carolina; and the Acadia National Park, in Maine. Because of the rockbound coast of the Acadia National Park in Maine and because the Everglades Park in Florida is on the west coast, where the fresh water marshes merge into the salt water marshes, the Acadia and Everglades Parks have little sandy beach for the people to use to reach the sea where they wish to swim and enjoy themselves. This means only Cape Hatteras is open to the public to give access to the sea, along the whole gulf and Atlantic coasts, in public ownership.

There is another bill before the Congress, S. 4, known as the Padre Island National Seashore bill. The distinguished Senator from Nevada held extensive hearings on that bill. Before that, in the 86th Congress, the distinguished Senator from Utah, now in the Chamber, held very fine hearings on the Padre Island bill.

It is my hope that very shortly after the passage of the Cape Cod National Seashore Park bill the bill to create the Padre Island National Seashore Recreation Area will be passed. These areas are badly needed. The rapid increase in population in America has been pointed out.

I do not believe there has been mention of the fact that these seashore areas are rapidly being used up, and the people are being fenced away by fences running into the ocean. Unless the few available remaining areas come within the public domain soon, the opportunity for public acquisition will be gone forever and the people will be fenced away from their own seas.

Under international law the seas belong to everyone and are owned by all men. The shore, however, is in private ownership. If people are fenced out and cannot reach the ocean, what will it benefit them to have common ownership of the oceans of the world?

I commend the committee. In all the history of our country the only national seashore recreation area established, prior to the passage of the bill for the Cape Cod National Seashore Park, is the one I have mentioned.

In the 1930's under the leadership of former President Roosevelt, a survey was made, and some 13 or 14 available areas were located. Congress did not act, the Government did not act, and some 10 of those areas are now built up for industrial use and are gone forever. They cannot be acquired for recreation areas.

I commend the distinguished chairman of the committee, the senior Senator from Nevada, and other Senators for the great amount of time given to the Cape Cod National Seashore Park bill and to other bills pending before the committee to establish national seashore recreation areas. We should all help the subcommittee and the committee in pushing forward. We may well make this Congress the outstanding recreation Congress, the outstanding conservation Congress—the outstanding Congress for the saving of seashore areas for the people in the whole history of the country.

Mr. BIBLE. Mr. President, I appreciate the comments of the senior Senator from Texas. I am well aware of the Senator's interest in Padre Island. We have completed our hearings in that regard. I hope we can make a visual inspection of the area shortly and that the bill for Padre Island, together with the bill for the Point Reyes National Seashore Area, may move forward without delay. There still are some problems, but I assure the Senator from Texas that we are certainly alert to his ever-present interest in the seashore areas, and we shall move forward as quickly as we can.

Mr. President, there are at the desk a number of committee amendments, I think totaling 21. I move that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

THE FIGHT IS ON TO SAVE SHORE AREAS

Mr. HUMPHREY. Mr. President, in this morning's Washington Post there appears an excellent article on the efforts that are now being made to preserve for the American people at least a small portion of our seashore areas. As Aubrey Graves points out in this article, the dismayingly small remnant of a once-great recreational resource is in peril of being lost forever.

Twenty-six years ago the National Park Service recommended 12 major areas, totaling 437 miles of seashore, for preservation as national areas. To date, Mr. President, only one of these—Hatteras, in North Carolina—has been so established.

To me, this is a national tragedy. Unless we wake up and act promptly to preserve these precious areas for the enjoyment of all Americans—of this generation and future generations—we shall see our seashores declared "off limits" to the vast majority of the people.

I am especially pleased that today we in the Senate have an opportunity to vote in support of preserving to the public our seashores. I refer to S. 857, as authorized by the two distinguished Senators from Massachusetts [Mr. SALTONSTALL and Mr. SMITH] to establish a 40-mile-long Cape Cod National Seashore. I applaud my colleagues from Massachusetts for introducing this bill. I am delighted that the bill is about to be passed by the Senate, and I trust that it will be enacted into law before this session of Congress adjourns.

In conclusion, Mr. President, I ask unanimous consent that the article to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIGHT'S ON TO SAVE SHORE AREAS

(By Aubrey Graves)

Because of a quarter century of legislative inaction, the American public has lost access to a staggering portion of the Nation's seashore.

Vast stretches of the Atlantic, Gulf of Mexico and Pacific coastlines have become what Interior Secretary Stewart L. Udall calls "linear cities." "No trespassing" signs are increasingly in evidence and even the dismayingly small remnant of a once-great recreational resource is in peril of being lost forever.

This has not come about because of lack of planning on the part of those entrusted with the protection of these values. Twenty-six years ago a National Park Service survey revealed plenty of unspoiled seashore. Twelve major areas totaling 437 miles of beach were recommended for preservation as national areas.

Only one of these—Hatteras in North Carolina—has been so established. Cape Cod can still be saved. Most of the others are now irrevocably committed largely to private development.

After a second survey, made in 1955, the park service reported: "Almost every attractive seashore area from Maine to Mexico that is accessible by road has been developed, has been acquired for development purposes, or is being considered for development."

Now, at what appears to be the 11th hour, renewed efforts powerfully supported by Udall are being made to save at least a portion of the remnant for the use of all the people.

Four bills now pending call for the establishment of these four areas as national seashores: Cape Cod in Massachusetts, Padre Island in Texas, Point Reyes in California and the Oregon Dunes. Another bill, repeatedly (and unsuccessfully) sponsored by Senator PAUL DOUGLAS, Democrat, of Illinois, would have set aside 3½ miles of the Indiana Dunes as a national monument.

DOUGLAS has introduced a new bill to set the area up as a national scenic landmark, which could be acquired by the Federal Government and transferred to the State.

Determined efforts are being made to get action on these measures during the current session.

Given the best chance of passage is the bill sponsored by Senators LEVERETT SALTONSTALL, Republican, of Massachusetts, and BENJAMIN A. SMITH II, Democrat, of Massachusetts, to establish 29,000 acres on the outer arm of Cape Cod (about one-eighth of the capes' total area) as a national seashore. A similar House bill was introduced by Representative HASTINGS KEITH, Republican, of Massachusetts.

President Kennedy, who cosponsored a similar bill when he was Senator, strongly supports the project, as does the Massachusetts Legislature.

This legislation has been reported out of the Senate Interior Committee and the House subcommittee has completed hearings on it.

The Interior Department estimated in 1960 that the project would cost $22 million.

Stubborn resistance has been encountered, however, from real estate interests which are still trying to reduce the size of the area which conservationists want to preserve for its beautiful scenery, interesting geology, colorful history, the wealth of its plant and animal life and its tremendous recreational possibilities.

At this point the argument is chiefly over the question of boundaries.

The 30,000 acres which would be set aside is a ribbonlike territory extending 40 miles along the outer coast from Provincetown to the tip of Nauset Beach. Its average width is 1 mile, its maximum width 4 miles in the central section where it extends across U.S. Highway 6 to include a highly significant cross section of the outer cape and a portion of Cape Cod Bay shore.

The finest of the cape's natural attractions are represented in this proposed national seashore, including 8 square miles at Provincetown and Truro, where some of the most spectacular sand dunes along the Atlantic coast are to be found.

At Provincetown this dune zone is backed up by woods, ponds and marshes which constitute an outstanding bird habitat.

Today construction scars can be seen at many places within the proposed area. These are the aftermath of a rash of speculative development which started immediately after the project came under consideration.

"We are in a race," Udall told the Senate Public Lands Subcommittee last March, "between those who would develop the last, best segments of the seashore for industrial and other purposes and those who would preserve these limited areas for the health, inspiration, and enjoyment of the people for all time. You are considering perhaps the last opportunity this Nation will have to save a seashore of national significance north of Cape Hatteras."

The PRESIDING OFFICER. The bill is open for further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 857) was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to provide for the establishment of Cape Cod National Seashore."

The preamble was agreed to.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 352, S. 1154.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from South Dakota [Mr. MUNDT] may be permitted to submit amendments to the bill, S. 1154, to be printed and lie at the desk during the recess or adjournment of the Senate, so that he will be prepared to offer the amendments later in the week.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

MILITARY ADVICE TO PRESIDENT

Mr. GORE. Mr. President, the morning press reports the appointment of Gen. Maxwell D. Taylor to the White House staff as military representative of the President. In my opinion, this is an excellent appointment, and I applaud it.

The announcement of General Taylor's appointment as reported in the New York Times states in part as follows:

> As military representative, General Taylor will be staff officer advising and assisting the President with regard to those military matters which reach him as Commander in Chief of the Armed Forces.

In this critical period, the function to be performed by General Taylor is of utmost importance. I am gratified that the President has moved to avail himself of close-hand advice from one of proven competence and sound judgment and who has demonstrated the necessary intellectual independence to speak out forthrightly on matters affecting the national security. The Commander in Chief is thus assuring a careful review.

Mr. President, recently I exchanged letters with the Secretary of Defense in which was discussed the question of responsibility for the military advice given the President in connection with the disastrous Cuban affair. In this letter to me, Secretary McNamara repeated a statement previously made by him at a press conference as follows:

> As Secretary of Defense, I am responsible for the operations of the Department and for the actions of all of the military and civilian personnel assigned to the Department. Any errors are my errors—whatever deficiencies are charged to the Department should be charged to me and to no one else.

It is characteristic of the Secretary of Defense to undertake to assume full responsibility for "whatever errors" may have been made in connection with the so-called Cuban invasion. I observe, however, that the Secretary of Defense is not designated by law as principal military adviser to the President. In appropriate statutes, the Secretary is described as the principal assistant to the President in all matters relating to the Department of Defense. But the Joint Chiefs of Staff are specifically designated as "principal military advisers" to the President. Section 141(b) of title 10, United States Code, provides:

> The Joint Chiefs of Staff are the principal military advisers to the President, the National Security Council, and the Secretary of Defense.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a copy of a letter which I addressed to the Secretary of Defense under date of June 10, 1961, and a copy of the Secretary's reply thereto under date of June 12, 1961.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
June 10, 1961.

The Honorable ROBERT S. MCNAMARA,
Secretary of Defense,
Washington, D.C.

DEAR MR. SECRETARY: In the interest of public understanding, I desire to call to your attention certain apparent inconsistencies in statements by the Secretary of Defense and the Deputy Secretary of Defense, and to request your clarification.

In a press conference by Deputy Secretary Roswell Gilpatric on June 6, the following colloquy occurred:

"Question. Mr. McNamara told us that the Joint Chiefs had participated fully in the discussions prior to the invasion of Cuba by the Cubans, and that he had full confidence in them. He did not tell us whether their advice had in any way or in part been followed, nor has anyone said that except to the Hill committee, I presume. Can you shed any light on this at all?

"Mr. GILPATRIC. I can't shed as much light as I think General Taylor will when he completes his report, because I personally was only in on some of the sessions in which the Chiefs participated, along with Mr. McNamara and other members of the administration.

"I do know that the Chiefs were consulted. In some respects their advice was followed. I couldn't give you a complete rundown on every action.

"Question. Mr. Secretary, this leaves the inference that the Chiefs largely had the blame. Weren't they just told what had already been decided to do?

"Mr. GILPATRIC. No. As for blame, there is enough for everybody. We are all involved."

When you were questioned on the same subject in your own press conference of May 26, you stated:

"First, the Department of Defense was fully represented over a period of weeks in

the discussions within the Government relating to the invasion of Cuba by the Cuban exiles.

"Secondly, the Joint Chiefs of Staff or their representatives and I represented the Defense Department in those discussions.

"Thirdly, as Secretary of Defense, I am responsible for the operations of this Department, and I am responsible for the actions of all the personnel in the Department, both military and civilian. Any errors, therefore, are my errors. They are not to be charged to others. Whatever deficiencies are chargeable to the Department are chargeable to me.

"And fourthly, with specific application to the question, the Joint Chiefs are intelligent, experienced, dedicated men, and I consider it a very great honor to be associated with them."

Yet later in the same press conference, in response to a question, you gave an answer that was perhaps somewhat equivocal. Your answer was as follows:

"(2) I represented the Defense Department, along with other members of the Department, and assume full responsibility for the errors, if any, that were made by the Department in that connection."

This latter statement, as you know, was carried widely in the press.

I also request clarification of policies of the Department of Defense relative to anonymous statements by high-ranking officers which tend to mislead the public.

On May 22, newspapers throughout the country published an Associated Press news article by Mr. Ben Price, which quoted an anonymous Navy officer. Mr. Price wrote that "the officer, who cannot be identified, is well acquainted with the Navy's member of the Joint Chiefs of Staff, Adm. Arleigh Burke." The statements attributed to this unidentified Navy officer were misleading in several respects, and in one important respect, wholly false. The inaccuracy of the statements, however, is not my point for the moment.

This anonymous statement seems to be in clear violation of a policy enunciated by Secretary of the Navy John B. Connally in an address before Washington area naval officers on April 11, 1961, in which he said:

"The Navy's top civilian and military leaders cannot effectively fight for the kind of Navy we all want if they must be forever explaining away or defending some counter-policy utterance by a well-intentioned but misguided and, in the end, irresponsible officer who hides his actions behind anonymity.

"I have a simple rule of thumb by which I hope you will all govern your actions: Recognize and accept your own responsibility by insisting upon being quoted by name, rank, and billet. Your responsibility will then be fulfilled much the same as when signing the log for your watch. In short, if you are not willing to be quoted by name, you should not be speaking."

The need for clarification of these matters occurred to me earlier, of course, but I deferred a request for clarification until President Kennedy's conferences in Europe and his report thereon had been concluded. I now invite and request such clarification.

Further, I wish to call your attention to the attached editorial which states that the Joint Chiefs of Staff endorsed the so-called invasion "in a cursory sort of way."

I am sure you will agree that the Joint Chiefs of Staff do not, or at least should not, evaluate a matter of this importance, in a cursory sort of way. I cite this only to illustrate that by means of anonymous quotes and otherwise, an erroneous impression has been widely disseminated that the Defense Department and the Joint Chiefs of Staff were only indirectly associated with the evaluations and recommendations made in connection with this ill-starred affair.

Sincerely yours,

ALBERT GORE.

THE SECRETARY OF DEFENSE,
Washington, D.C., June 12, 1961.

Hon. ALBERT GORE,
U.S. Senate.

DEAR SENATOR GORE: In your letter of June 10, 1961, you requested a clarifying statement regarding: (1) the role of the Department of Defense in connection with the invasion of Cuba by Cuban exiles, and (2) the Department of Defense policy with respect to anonymous statements by military officers.

On the first subject, I can only repeat the written statement which I prepared personally and read at my press conference of May 26. This statement, which was and remains my considered position in this matter, reads as follows:

"1. The Department of Defense was fully represented, over a period of weeks, in the discussions within the Government relating to the landings in Cuba by Cuban exiles.

"2. The Joint Chiefs, or their representatives, and I represented the Defense Department in those discussions.

"3. As Secretary of Defense, I am responsible for the operations of the Department and for the actions of all of the military and civilian personnel assignment to the Department. Any errors are my errors—whatever deficiencies are charged to the Department should be charged to me and to no one else.

"4. The Joint Chiefs are intelligent, experienced, dedicated men. I have confidence in their abilities and consider it an honor to serve with them."

I do not believe that Mr. Gilpatric's statement at a later press conference was inconsistent with mine, and I feel most strongly that any further attempts to elaborate or otherwise prolong a public discussion of this matter would be contrary to the interests of the United States.

On the subject of anonymous statements by officers of the Department of Defense, civilian or military, I am completely in accord with the statement by Secretary Connally which you quote in your letter, and I believe I have made my positon in this matter clear to the responsible officials within the Defense Department.

Sincerely,

ROBERT S. MCNAMARA.

OVERSEA HOTELS OPERATED BY DEFENSE DEPARTMENT

Mr. GORE. Mr. President, on May 23 of this year I reported to the Senate on the progress which was being made by the Defense Department in its study of the continued need for operating some 100 hotels overseas. I had called to the attention of the Secretary of Defense on February 4 of this year the fact that many hotels were being operated overseas by the armed services, in many cases duplicating other, but perhaps less commodious, facilities which could be used for those on temporary duty or traveling on official orders.

I reported that six hotels were being closed, and that further studies were being made by the Defense Department.

I have now received another report from the Deputy Secretary of Defense, which sets out further steps which have been taken. These further steps are encouraging.

A great many occupants of these hotels are military personnel on vacation. In the past, a very nominal price has been charged for hotel rooms, but this price is now to be increased to a more realistic figure.

Some nonappropriated fund facilities which are being operated at a profit are to be transferred to the appropriated fund category so that official travelers may be charged for using these facilities.

Administrative procedures are to be tightened, so that official travelers who use these facilities will forfeit an appropriate portion of their per diem allowance.

Appropriated funds are not to be used to pay utilities and other bills for nonappropriated fund activities operating at a profit. Fewer military personnel are also to be assigned to these activities.

Mr. President, these steps which have been taken by the Defense Department are most encouraging. We can anticipate others as time goes on. The study of the use of these facilities and the need for their continued operation is continuing, along with a study of other facilities both in the United States and overseas.

It is always possible to point out, with the advantage of hindsight, mistakes, waste, and mismanagement in any operation. In the Defense Department, it has not always been necessary to use hindsight.

It is particularly encouraging now, however, to find that Secretary McNamara and his team are willing to act so promptly to correct inherited management mistakes and to keep abreast of changing requirements.

I ask unanimous consent to have printed in the RECORD at this point the letter to me from Mr. Gilpatric, Deputy Secretary of Defense, dated June 24, 1961, and the memorandum, dated June 20, 1961, from Mr. Gilpatric to the Secretary of the Army and the Secretary of the Air Force.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, June 24, 1961.

Hon. ALBERT GORE,
U.S. Senate.

DEAR SENATOR GORE: I am writing with reference to the recent actions taken by the Department of Defense with respect to hotel-type facilities operated by the armed services abroad, in which you have expressed an interest.

You will recall that in my letter to you of May 15, 1961, I indicated that I had directed the orderly closing of six hotels in the European area. Since that time, an ad hoc committee, at my direction, has examined further into the possibilities of additional closings, and at the same time has considered other measures designed to reduce the net cost and to increase the efficiency of operations at existing facilities. The attached directives reflect the most recent decisions in this matter.

No additional closings have been directed, excluding a recreation center in Ethiopia which the Army was planning to close in any event. You will note, however, that we have ordered an increase in rates for certain type of occupants, and have taken measures to realize additional income and to reduce the numbers of military personnel assigned to existing installations. Implementation of the directive to the Air Force regarding hotels in Madrid area should provide us with

a basis for ascertaining whether the occupancy rate at the Torrejon Annex will justify its remaining open, assuming maximum occupancy at the onbase guesthouse facility.

Our study of these facilities is continuing, and I shall advise you of any future actions resulting therefrom.

Sincerely,

ROSWELL GILPATRIC, *Deputy.*

THE SECRETARY OF DEFENSE,
Washington, June 20, 1961.

Memorandum for the Secretary of the Army and the Secretary of the Air Force:

Subject: Oversea military hotels and transient billeting facilities.

Having reviewed the recommendations of the ad hoc committee established by me to study oversea military hotels and transient billeting facilities, I find that there is an appropriate military justification for the continued operation of all those installations reported by you, other than the six which I directed to be closed in my memorandum of May 15, 1961, and the Kagnew Station Officer Rest and Recreation Center, Massawa, Ethiopia, which I understand the Army has made plans to close.

Investigation has indicated the need for a number of changes in policy governing the operations of these installations in order to assure their most effective and economical use. These changes should be made as follows:

1. At present, personnel not on official travel status pay only a nominal service charge at most of these installations. Personnel on official travel status are, of course, required to submit their travel orders for endorsement so that an appropriate deduction can be made from their per diem allowance. In order to provide a more equitable return to the Government from travelers not on official travel status, rates charged to them at hotel-type installations should be fixed at 20 percent of the official per diem rate for the locality (i.e., one-half of forfeiture of official per diem when public quarters are used), plus the amount of service charge, if any, to official travelers staying at the facility. Departures from this formula may be authorized in three kinds of circumstances:

(a) For enlisted personnel facilities now operating profitably at a lower rate schedule, providing profitable operation continues.

(b) For special rate arrangements for dependents and groups of dependents.

(c) For facilities where more than one type of accommodation is available (e.g., rooms with and without bath, or private rooms and dormitories).

Such departures should be subject to approval at the Department secretariat level.

2. Official travelers staying at facilities currently operated as nonappropriated fund activities are not required to forfeit any portion of their per diem allowance. Where these facilities are not operating at a loss, and where 10 percent or more of their bed-days of occupancy are accounted for by official travelers, they should be transferred to the appropriated fund category so that per diem forfeitures can be imposed on official travelers using these facilities.

3. It appears that travel orders of official travelers are not always indorsed to show that public quarters have been occupied. Steps should be taken to assure that travel orders of all official travelers, including VIP's, are properly indorsed at appropriated fund hotel-type facilities.

4. It appears that certain nonappropriated fund activities are receiving support from appropriated funds in the form of dollars, services (e.g., utilities), and sometimes in the assignment of military personnel, although the activities show a net profit on the nonappropriated fund account. No appropriated funds or services should be furnished to nonappropriated fund facilities except to the extent that there is a deficit in the nonappropriated fund account for the facility. Military personnel should not normally be assigned to these facilities except in isolated areas, and assignment of such military personnel should be very carefully scrutinized at the military department secretariat level. Where appropriated funds are provided to a facility in an amount greater than the value of per diem forfeitures, continued operation of the facility will be subject to reexamination by this office.

5. Semiannual reports on these facilities will be submitted on forms to be provided by the Office of the Assistant Secretary of Defense (Comptroller).

The effective date of this memorandum will be suspended for 10 days to permit its review by theater commanders in the commands affected by its provisions.

May I have a report no later than 15 August on actions taken to implement this memorandum.

ROSWELL GILPATRIC,
Deputy.

DeLESSEPS S. MORRISON, AMBASSADOR TO THE ORGANIZATION OF AMERICAN STATES

Mr. LONG of Louisiana. Mr. President, it was announced by the President recently that Hon. deLesseps S. Morrison, mayor of the city of New Orleans, was being appointed as Ambassador to the Organization of American States. A large amount of favorable editorial comment on this appointment has been brought to my attention. I ask unanimous consent to have printed in the RECORD some of these editorials, as they are indicative of the enthusiasm with which this appointment was greeted in many parts of the United States.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Louisville (Ky.) Times, June 16, 1961]

NEW ORLEANS' LOSS, NATION'S GAIN

President Kennedy has made an excellent choice in the appointment of Mayor deLesseps Morrison of New Orleans as U.S. Ambassador to the Organization of American States. Mr. Morrison is well versed in Latin American affairs, in addition to being, at the age of 49, one of this Nation's outstanding mayors. New Orleans has become a national model of civic progress during his 15 years at its helm.

Among the many physical evidences of that progress are two projects that bear directly on his keen interest in hemispheric relations—International House and the International Trade Mart, fitting symbols of New Orleans' proud boast that it is the Nation's gateway to Latin American markets. As such it has become the second largest port in the United States. Much of the credit for this belongs to its personable and aggressive young mayor.

Now in his fourth term, "Chep" Morrison has announced that he will resign his present office within the next few days. His leaving will be a distinct loss to New Orleans. Under his leadership that once corrupt city has enjoyed outstanding good government, along with an abundance of physical improvements.

New Orleans, incidentally, is not without company. Atlanta, too is facing the loss of an outstanding mayor. William B. Hartsfield, who has served in that office with distinction for 23 years, recently announced he plans to retire at the end of his term late this year. At 71 he has earned the right to retire, but his services will be sorely missed, especially in the delicate field of race relations where he has served his community so ably in the recent years of transition.

[From the New Orleans Times-Picayune, June 16, 1961]

MAYOR'S NEW ASSIGNMENT

Mayor Morrison has accepted the OAS ambassadorship, which means, appropriately, that he will remain in the public service.

President Kennedy's call for the mayor's services, it seems to us, was a compliment to him personally and to New Orleans, whose reputation as an international city is enhanced by this appointment.

With the mayor gone and an election coming up, constructive planning and activity at city hall are likely to be less than spectacular for the next 11 months.

Mr. Morrison can, of course, be of service nationally. We hope the Kennedy administration makes the best use of his abilities, which seem especially suited to shaping the U.S. role in solidifying hemisphere relations.

We assume that the appointment represents, not the routine choice of a prominent individual or politician for an ambassadorship, but the deliberate selection of a good man to fill a hard assignment. Our relations with Latin America are at a crucial point, and quest of the means of holding the hemisphere together politically and economically rates one of the highest priorities in the State Department.

Presumably Mr. Morrison will do a lot more than speak for the United States at the occasional council meetings of the Organization of American States. For there are important things to be done. Adlai Stevenson is on a kind of emergency trip to South America now, making an inventory of what various countries want done with the $500 million of aid and loans Congress authorized for the Latin countries. Economic and political pressures were too great in some countries to delay all action until the new program could be organized along definite lines. Cuba and the Dominican Republic are already convulsed, and conditions are very unstable in several of the South American and Central American States.

Obviously what Washington seeks is a program that will produce some permanent good by removing or reducing the conditions that cause the recurring stress. Besides the economic and educational problems involved, there are delicate political issues (how far left, how far right) to meet in most places. The United Nations, the Development Loan Fund, the Export-Import Bank, and the State Department desk on Latin American affairs are only a part of the groups and agencies concerned with the many aspects of the South American situation. Clearly there have been too many cooks in the hemisphere relations kitchen. It is generally agreed among both American and South American authorities that the machinery will have to be simplified down to a point where the major effort will have to be agreed on and supervised by a joint United States-Latin American group which should approve programs and see them through. Just spending money as individual governments might like to spend it probably would be a waste.

We mention all this just to point out that Mayor Morrison or anybody else given real authority in this country's relations with the Latins will find his hands more than full. There should be plenty of credit for any who can find and apply the right formula for bringing about some degree of progress and stability. President Kennedy's "alliance for progress" is a good concept but it still has to be made workable and effective.

We congratulate the mayor on his selection for this difficult assignment and wish him success in its discharge.

[From the New Orleans States-Item, June 14, 1961]

AMBASSADOR MORRISON

Announcement that Mayor Morrison soon will become Ambassador to the Organization of American States produces a favorable reaction on many fronts.

First, his selection for this high post acknowledges the personal merit that he has exemplified in his career as mayor for 4 consecutive terms. The honor and the man deserve each other.

Second, from a national point of view, his selection by the President offers hope that this Nation is striving sincerely to strengthen its relations with the republics of the Western Hemisphere and is seeking out the best leadership available to do the job.

Third, on the local scene, a satisfactory answer has been provided to the question of what would be the immediate future for the mayor after he leaves office, ineligible by charter limitation to seek the mayoralty again. His ability will continue to be put to good public use.

So, the news that when the title of mayor is dropped it will be replaced by that of ambassador calls for congratulations, in which this newspaper joins enthusiastically.

Congratulations to Mr. Morrison for having been selected for the position, and to President Kennedy for having made the selection.

[From the New York Tribune, June 15, 1961]

FROM NEW ORLEANS TO THE OAS

The President's choice of deLesseps S. Morrison, mayor of New Orleans, as Ambassador to the Organization of American States is clearly no political accident.

It was in 1946 that the young (he was then only 34) ex-Army colonel scored an upset victory as a reform candidate for mayor; in the years since he has not only transformed the image of New Orleans, but has vigorously, systematically, and persistently wooed the countries of Latin America. His avowed aim was to build New Orleans as a port by building trade with Latin America, and by capitalizing on New Orleans geographical advantages as a gateway for that trade. In pursuit of this aim he has traveled extensively in Latin America, and along the way has collected decorations from 16 Latin American governments. He speaks Spanish.

The post is sensitive. Greatly increased concern with coordinating hemispheric action through the OAS, plus this Nation's evidently greater concern with hemispheric affairs, has significantly elevated its importance.

The concepts of the alliance for progress suggest a revolution in hemispheric relationships. The OAS has a major historic role to play in the years immediately ahead. A skilled U.S. Ambassador can do much to strengthen it.

The President's selection of a vigorous, able politician rather than a career diplomat suggests he may have special ideas for expanding the Ambassador's present role. In any case, Mr. Morrison's considerable talents are likely to find ample room for exercise.

[From the Arkansas Gazette]

AMBASSADOR MORRISON

President Kennedy's selection of New Orleans Mayor deLesseps "Chep" Morrison as Ambassador to the Organization of American States should prove to be a wise choice.

Chep Morrison has provided the city of New Orleans with an aggressive, forward-looking administration for most of the years since World War II. He has shown himself to be a capable and diligent public servant in a city which had been dominated for years by a powerful political machine.

Not the least of Chep Morrison's activities as mayor of New Orleans has been his effort to encourage trade and friendly relations with Latin America. Mr. Morrison has made frequent trips to Latin America to encourage trade with the cosmopolitan old Louisiana city. His use of both Spanish and French adds to his qualifications for diplomatic service.

We may hope that Mr. Morrison will bring to his new role the same kind of creative leadership he exhibited as New Orleans' mayor.

[From the Birmingham News, June 14, 1961]

"CHEP" SHOULD DO A GOOD JOB

President Kennedy's appointment of deLesseps S. Morrison, currently mayor of New Orleans, as U.S. Ambassador to the Organization of American States seems an ideal appointment.

Morrison, who has served New Orleans exceedingly well as mayor, constructive in the extreme, fitting both mood of the old French Quarter and aspiration of the new Crescent City image, is a highly competent man.

He is personally dynamic, not afraid of new ideas, vigorous, facile of language, both his own and reasonably so in Spanish and French. Morrison has what might be called an international mind.

He in fact grew into political maturity as much through looking southward toward Latin America as he did in handling metropolitan problems. No other port city, no other city, in the United States is so oriented toward Latin America as is New Orleans, including Florida communities which, while nearer, such as Miami, never have done the economic-political job New Orleans has done in relating the city to nations southward.

New Orleans, with its international airport funneling travelers the country over southward into Latin lands, with its fine port up the Mississippi River where all nations' ships dock in volume for loading or unloading, with International House, a clearing agency for foreign trade negotiations, is the keenest city in the United States with respect to a sense of urgency in creating good relations with Latin American countries. It follows that the mayor of such a city, if he is a good mayor, has had to be part and parcel, a key driving gear, in such a community's international relations.

And "Chep" Morrison, whatever New Orleanians or others think of his sometimes vague position on school integration, has been a fine mayor.

Morrison leaves office before his term is over, because constituents refused to alter a city charter which would have permitted him to run again. "Chep" never, probably, got over his ambition to be Governor—but in repeated tries, he never was able to overcome up-country sentiment against the big city boy, even if he could speak French to bayou people.

If personality and knowledge of Latin America are adequate criteria, Morrison's appointment seems as outstanding as any Kennedy has made on the subcabinet level. But the Organization of American States has been weak in dealing with communism's adventures in Latin America, and here "Chep" Morrison will very possibly find his greatest challenge. It is not enough to be known to, and liked by, Latin Americans. Morrison faces a big job in trying to put into OAS more of steel than thus far it has shown.

A footnote might be added, quite apart from the above: New Orleans, Atlanta and our own Birmingham now will be facing years of leadership under new mayors. Each successor in the three cities will find his new fellow mayors probably on the gallop. Each follows in office a hard driver. Developments in all three are sure to be interesting.

[From the Morning Advocate, June 21, 1961]

LOUISIANA AND NEW ORLEANS' LOSS

Louisiana and New Orleans' loss is the Western Hemisphere's gain in the resignation of Mayor deLesseps S. Morrison to accept appointment as U.S. Ambassador to the Organization of American States. The importance and difficulty of this diplomatic post have been increased greatly by recent events, but we expect that Mayor Morrison will perform well and build for himself a new and even broader career of public service.

The mayor has served for nearly 16 years as chief of the city which is this country's gateway to the South. He has made many contacts with Latin American statesmen, businessmen and professional men, and has led several good will tours of Latin America by groups from the United States. He is acquainted with Latin American history and culture and speaks Spanish well.

In short, few Ambassadors have been appointed to any post with greater qualifications for it in the way of knowledge and experience, to say nothing of personality and character.

Whether the mayor will return to Louisiana politics remains to be seen, although he himself has said that he would like to run again for Governor in 1964. His new post will keep him in the public eye but will not be an outstandingly good position in which to mend or build political fences in New Orleans and the rest of the State. The diplomatic life may have its attractions and success in the difficult OAS post could lead to still more interesting and challenging opportunities. The mayor's decision finally may depend on what has happened to his political organization in New Orleans and the public standing of the Davis administration at that time.

It may be that one of the mayor's biggest handicaps in his campaign for Governor has been that he actually came on the political scene a few years too soon. Population trends forecast a time, not many years hence, when south Louisiana will hold a consistent balance of power in all statewide political races.

[From the State Times, June 16, 1961]

"CHEP" MORRISON'S SELECTION

Appointment of deLesseps Morrison as U.S. Ambassador to the Organization of American States means the loss of a capable executive as mayor of New Orleans before the expiration of his term in office. His selection, however, by President Kennedy is a good one. It would have been difficult for the President to find a capable American with greater experience and understanding in working with our neighbor countries to the south of us.

Mayor Morrison has been active in many instances in promoting trade development programs with Latin America. He has visited often in those countries, and he has been well received when traveling in them. He begins his new post with a personal standing that will help him very much.

It has been interesting to see the Kennedy administration turn to people in Louisiana for important assignments. Frank Ellis heads the civil defense effort. Edmund Reggie of Crowley is off on a diplomatic mission to the Middle East. Now "Chep" Morrison has been tapped for a truly important diplomatic post. Others are being used, also, on the basis of earlier assignments. So the leadership we have in Louisiana is being recognized.

[From the Chattanooga Times, June 14, 1961]

LATIN AMERICAN TEAM

President Kennedy has made an excellent appointment in Mayor deLesseps Morrison of New Orleans to be Ambassador to the Organization of American States. New Orleans

can ill afford to lose Mr. Morrison, one of the Nation's outstanding public servants—particularly since its damaging racial problems are far from resolved. But with his extensive knowledge of Latin American affairs, he should be an asset to Washington.

Mr. Morrison rounds out the chain of command, under Carl B. Spaeth, who was selected last Friday as Assistant Secretary of State for Inter-American Affairs.

Mr. Spaeth, who has been dean of the Law School of Stanford University since 1946, has served in a number of posts in which he dealt with Latin America.

The most disturbing thing about Mr. Spaeth's job is that it reportedly was discussed with at least 20 possible candidates. Many of these turned it down because they were doubtful of their status among the numerous White House assistants involved in affairs to the south.

And this may well have played a part in the Cuban tragedy.

The tremendous challenge of Latin America today requires our best brains and experience. The two appointments offer more reason to hope that Washington will be equal to the task.

[From the Louisville Times, June 16, 1961]

NEW ORLEANS' LOSS, NATION'S GAIN

President Kennedy has made an excellent choice in the appointment of Mayor deLesseps Morrison of New Orleans as U.S. Ambassador to the Organization of American States, Mr. Morrison is well versed in Latin American affairs, in addition to being, at the age of 49, one of this Nation's outstanding mayors. New Orleans has become a national model of civic progress during his 15 years at its helm.

Among the many physical evidences of that progress are two projects that bear directly on his keen interest in hemispheric relations—International House and the International Trade Mart, fitting symbols of New Orleans' proud boast that it is the Nation's gateway to Latin American markets. As such it has become the second largest port in the United States. Much of the credit for this belongs to its personable and aggressive young mayor.

Now in his fourth term, Chep Morrison has announced that he will resign his present office within the next few days. His leaving will be a distinct loss to New Orleans. Under his leadership that once corrupt city has enjoyed outstanding good government, along with an abundance of physical improvements.

New Orleans, incidentally, is not without company. Atlanta, too, is facing the loss of an outstanding mayor. William B. Hartsfield, who has served in that office with distinction for 23 years, recently announced he plans to retire at the end of his term late this year. At 71 he has earned the right to retire, but his services will be sorely missed, especially in the delicate field of race relations where he has served his community so ably in the recent years of transition.

[From the Nashville Tennessean]

MAYOR MORRISON WILL BE AN ASSET

The Kennedy administration has made a good choice in picking Mayor deLesseps Morrison, mayor of New Orleans, as Ambassador to the Organization of American States.

Mayor Morrison has long been interested in Latin American affairs. He has been a frequent visitors to Latin American countries in the interests of promoting good will, and it has not gone unnoticed in these countries that he has constantly been a spokesman in the United States who has stressed the importance of Latin America to this Nation.

The New Orleans mayor knows well the problems of inter-American trade and it was under his administration that International House and the International Trade Mart were established. As Ambassador to the OAS, Mayor Morrison can draw on wide experience and be aided by many personal ties with key diplomats, businessmen and newspapermen in Latin American countries.

We are sure his appointment will be widely acclaimed by neighbors to the south who have long regarded the bouncy, friendly New Orleans official as simpatico with respect to their aims and feelings.

[From the Washington Evening Star, June 20, 1961]

FACING A BIG JOB

President Kennedy's choice of Robert F. Woodward, a career Foreign Service officer, to be Assistant Secretary of State for Inter-American Affairs has been greeted with unusually warm approval.

This has been based first of all on the fact that Mr. Woodward, now our Ambassador to Chile, is considered a highly knowledgeable and effective diplomat in the area of his new jurisdiction. Indeed, in the 30 years of his State Department service, he has had only one brief foreign assignment outside the Western Hemisphere, and he has at various times been assigned to 10 different Latin American capitals. He has served also as Deputy Assistant Secretary for the area, an assignment that gives him added familiarity with the exacting duties of his new office. Worthy of notice, too, was the immediate gratification expressed by his colleagues in the Department and by Latin American envoys here.

There has been increasing recognition within our Government that our policies toward the nations to the south must be strengthened in concept and in action. The President offered a theme for this effort in launching an "alliance for progress," and U.N. Ambassador Adlai Stevenson's visit to South America was intended to set this program in motion. The establishment of Fidel Castro in Cuba and the obvious extent of Communist influences now prevailing in Havana have dramatized the need for this revitalization of U.S. bonds with the remainder of the American community, and for the proposed efforts to encourage greater political stability and economic development.

Only a few days before selecting Mr. Woodward for his post, the President designated deLesseps Morrison, mayor of New Orleans, as Ambassador to the Organization of American States. Together, these two appointments complete the frontline team for this vital area of foreign affairs.

Mr. LONG of Louisiana. In presenting these editorials, I reiterate my feeling that Mayor Morrison will do an outstanding job in his new capacity. He has many qualifications for this post, and he has demonstrated over a long period of time that he knows the problems of the people with which his new position will be concerned.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. FULBRIGHT. Mr. President, I rise to make some remarks concerning the pending business, S. 1154.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. DIRKSEN. The last information that I received from the majority leader was that the bill, S. 1154, was the next order of business. I have been informed indirectly, however, that the Senator from Arkansas would make an opening statement on S. 1154, and that further consideration of the bill would go over until some succeeding day, because the distinguished Senator from South Dakota [Mr. MUNDT] has some amendments he wishes to have printed. I believe there is additional interest in the bill on this side of the aisle. I merely wished to verify my understanding that after the statement of the Senator from Arkansas is concluded, the bill will go over.

Mr. FULBRIGHT. I did not understand that further consideration of the bill would be postponed to some succeeding day. I understood that no action would be taken today, but that it would go over to Thursday of this week and would be the pending business on Thursday, at which time we hope to dispose of the bill. Such action, as I understand, was in deference to the request of the Senator from South Dakota [Mr. MUNDT]. He wanted to have his amendments printed today, and the bill would then go over to Thursday, but not to some succeeding day.

Mr. DIRKSEN. After the opening statement of the Senator from Arkansas, unless there is further general discussion, there will be no further action on the bill, and it will go over at least until Thursday.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. I join the distinguished chairman of the Senate Committee on Foreign Relations in assuring the minority leader that such is the case. I asked that the Senator from South Dakota [Mr. MUNDT] might have permission during the recess to leave amendments at the desk to be taken up later in the week—which I assume will be Thursday—in order to try to protect the interest of the Senator from South Dakota.

Mr. DIRKSEN. By "Thursday" does the Senator mean Thursday of this week?

Mr. FULBRIGHT. Yes.

Mr. MANSFIELD. As soon as the Senator from Arkansas concludes his statement, it is our intention to lay aside the pending business temporarily, and proceed to consider another bill.

Mr. DIRKSEN. May I inquire of the majority leader what bill he proposes to take up after the Senator from Arkansas has completed his statement on the pending bill?

Mr. MANSFIELD. At that time we will bring up either the Commerce Department appropriation bill or S. 901, for the establishment of a 10-year program of oceanographic research, and so forth.

Mr. DIRKSEN. I say most respectfully to the majority leader that S. 901 is an extremely controversial matter. I have an idea that the discussion of it will occupy quite some time. Insofar as my analysis indicates, the bill would involve about a billion dollars over a 10-year period. There are authorized but unlimited amounts that might con-

ceivably affect some 30 different agencies in Government. The bill has such dimensions that I feel it necessary not only to alert our entire membership, but I feel constrained also to make an analysis of the bill and, in my present mood, to resist it as determinedly as I possibly can. I thought I ought to convey that sentiment to the distinguished Senator from Montana.

Mr. MANSFIELD. In view of the statement the distinguished minority leader has just made, the next order of business will be the appropriation bill for the Executive Office of the President and the Department of Commerce. We will try to arrive at a decision as to when the oceanographic bill will be brought up.

Mr. DIRKSEN. I thank the Senator.

Mr. FULBRIGHT. Mr. President, there are many occasions when we Senators rise well armed and confident to support a legislative item proposed by the executive branch. We are usually secure in the knowledge that our arsenal of facts will serve us well; we are ready with the solemn truism or the good natured jest; we are prepared to move efficiently, if sometimes casually, in surmounting all obstacles to a favorable vote. I would certainly not say that we are at our best when we care the least. But perhaps it could be said that a degree of detachment makes some contribution to the process of lawmaking.

By this standard, Mr. President, I am uniquely vulnerable today as I urge my colleagues to vote favorably on S. 1154, the proposed mutual educational and cultural exchange bill. It is no secret that I care profoundly about the cause embodied in this bill; that interest has been closely engaged during almost two decades of service in the Congress.

Yet this sense of personal involvement alone does not account for my feelings of inadequacy, if not concern. How may these feelings be explained?

It is not that I urge upon you a radical measure which contains the seeds of bitter controversy. On the contrary, we have deliberately chosen the middle course between doing all that ideally might be done and just doing a little mending. Drawing on nearly 15 years of experience with the exchange programs, the Committee on Foreign Relations, with the cooperation and full support of the executive branch, has created a bill which consolidates, strengthens, and simplifies both the operations of and the arguments for these programs. We have followed that path of moderation which many a political theorist, beginning with Aristotle, has acclaimed as the foundation of good government.

It is not that I fear becoming entangled in a discussion of some of the more complex immigration or tax provisions of the bill. The printed hearing record and the committee report, with its detailed section-by-section analysis, offer an entirely adequate explanation of S. 1154. I thus intend to address myself to the general subject of international exchanges.

It is not that I ask my colleagues to support an unpopular measure. The fact that the great majority of educational exchanges are carried out through private means in this country is powerful evidence that the American people believe in their value. Indeed, I constantly receive mail urging that the Government play a much larger role in encouraging and financially supporting the exchange programs. There may be letters pointing out certain deficiencies which have arisen from time to time, but there is virtually no evidence of any lack of belief in the inherent worth of the overall program. The expression of public sentiment regarding S. 1154 has been wholly in keeping with this perennial support.

Finally, it is not that I stand alone among my colleagues in supporting educational and cultural exchanges. The complete reverse is true. To illustrate, S. 1154 reenacts and builds upon elements of some of the most memorable legislation in this field: the two statutes sponsored by the senior Senator from Minnesota and by the senior Senator from South Dakota. Were I to bow to each Member of this body who has contributed to the exchange programs or displayed a keen interest in them, I would be busy for quite some time.

My concern, Mr. President, is that I shall not find the means to express my convictions and do justice to a subject of enormous importance.

Now what is the rationale and the role of the international educational and cultural programs consolidated, continued, and expanded under S. 1154? Perhaps I should let one of our most distinguished diplomats speak my introduction, as follows:

> The conduct of foreign policy rests today on an exercise in understanding truly staggering in its dimensions—understanding not just of the minds of a few monarchs or prime ministers, but understanding of the minds and emotions and necessities of entire peoples, and not just of a few peoples at that, but of a round hundred of them.

Since there is no question that the exchange programs are primarily designed to bring about mutual understanding between peoples, we are led straight to the conclusion that they are a key factor in our foreign relations. This proposition is being accepted and advanced both within our Government as a whole and among Americans throughout the country. Yet this has not always been so. And we do not have adequate statutory proof that it is so today.

When our exchange programs began in earnest after World War II, it is true that there was a general recognition that at their heart was a search for international understanding and amity. At the same time, Public Law 584—the so-called Fulbright Act, which I sponsored—the 1949 arrangements for using Finnish debt repayments from World War I for exchange purposes, and similar provisions in the India Emergency Food Aid Act of 1951 were enacted perhaps less because of that recognition than because of extraneous circumstances; namely, the availability of resources which for the most part had restrictions on their use for other purposes. It was almost as if the words "educational exchanges" were something that had to be sneaked into this historic building through the back door, if I may be pardoned the alarming reference in a different context than usual. While Public Law 402—the Smith-Mundt Act—marched boldly through the front entrance, there is some reason to believe that its exchange provisions were holding onto the coattails of the information program. Moreover, it was not until the midfifties that we took the daring step of making general provision for international cultural exchanges by title.

One result of the sporadic and almost apologetic approach to educational and cultural exchanges has been that we possess no solid legislative base which makes it clear that these programs are an essential part of our foreign relations. Now if the need for mutual understanding between peoples was an urgent one 15 years ago, as we then seemed to agree it was, how much more critical a necessity is it at a time when there are so many new nations, and when the instruments for world destruction are immeasurably more powerful and are in the possession of an increasing number of countries.

Throughout those years the character of the competition between two completely different concepts of world order also has been changing and broadening, not in terms of the basic nature of that rivalry, but of the means whereby the competition is carried on. I must inject here the thought that this struggle is too easily referred to in shorthand fashion as "the East-West conflict"—as if we did not have good friends in the Eastern Hemisphere and hostile elements in the Western—or as the contest between the free world and communism, which also raises serious semantic problems. When we use these terms, we should have in mind that the contest in fact is between, on the one hand, a plural view of the world in which a variety of societies, based on popular consent, may exist in mutual toleration of each other and preserve the peace, and, on the other, a totalitarian concept which demands the creation of a world in which all societies are basically alike and are compelled to accept one dogma. These distinctions are at the very root of any discussion about the opposing forces in the world.

As to the ways in which this competition is being waged, it took us several years to realize that the Soviet bloc apparently had come to the natural conclusion that the primarily military and political emphasis of its foreign policy in the postwar years could only repel uncommitted peoples whose attention was riveted on the enormous nuclear capabilities of both great powers. The consequent Soviet shift in emphasizing economic and social means of competition some years ago finally caught and held our notice, and is still tending to monopolize our thoughts about counter-initiatives. We do not seem to have absorbed the fact that the bloc may play a number of instruments at the same time, and shift its emphasis among them with great facility. Again we are only gradually becoming fully aware of a Communist bloc initiative which in fact has been going on for at least the past several years. The bloc has paid

us the compliment of trying to follow our example in undertaking extensive programs of an educational and cultural nature on the international scene.

The committee hearing record includes a recent assessment of the overall activities of the Sino-Soviet bloc in the exchange field. Yet this is almost certainly a conservative estimate which relies on concrete evidence which is difficult to come by. All the indications point to a very rapidly expanding bloc effort now being concentrated on the underdeveloped areas of the world, and particularly, on Latin America and Africa. In this connection, the distinguished Prime Minister of Italy, who did us the honor of having lunch with the committee just a few weeks ago, expressed in no uncertain terms his concern about the nature of the bloc initiative in Latin America. Indeed, he mentioned that, to his own knowledge, about 400 students from one South American country alone had recently gone to the bloc countries.

I do not cite this surge of Communist bloc interest in educational and cultural programs in order to demand that we dramatically expand our own programs on a "crash" basis and make them an instrument of the so-called cold war. In fact, I am diametrically opposed to any such idea. Yet the activities of the bloc do serve as a reminder of the foreign policy significance of exchanges, and of the need to put our own house in order.

One of the standard phrases in cold-war terminology is "the battle for men's minds." Unfortunately, the evidence certainly sustains the view that the Communist bloc does indeed think in terms of capturing the minds of those whom they bring into their educational institutions for study and other training. This would be a natural consequence of an ideology which demands acceptance of a dogmatic and totalitarian view of the world. To the degree that they succeed in their attempt at conversion of young people to subservience to their dogma, we naturally feel deep concern over this development. Yet I believe most profoundly that our concern must not lead us to any attempt at imitation or, indeed, any deviation whatsoever from the concepts which have guided and promoted our exchange programs.

Of course we are concerned with men's minds, but by the very nature of our view of the world we cannot be a party to any effort to capture those minds or convert them to a thesis which is not freely acceptable to the independent exercise of a man's judgment. Quite the contrary, our desire is to make sure that those who come here for study are given full freedom of thought and movement. We want them to be exposed completely to our society, confident that they will find it difficult not to be drawn to our concept of a plural world. We believe that most of our guests, if given the proper opportunities to do so, will find our society and our beliefs so attractive that they will return home with the inclination to construct or shape their own societies under maximum conditions of toleration and freedom. This does not at all mean that they will be determined to establish in other countries some counterpart or adaptation of our own kind of governmental structure. We have to recognize that our highly developed and complicated system often will not provide a pattern for countries with a tradition and customs quite dissimilar from ours.

Perhaps I am unduly conservative, if not old fashioned, to have this abiding faith in the freedom of the human mind and spirit, and in the need to preserve the conditions in which this freedom may flourish and persist. I realize that on every hand we hear of machines and other devices which may yet be developed to manipulate the thinking and behavior of mankind. I can conceive of efforts to develop such basically inhuman devices only in the context of the clearest case of self-defense, and even here I am not persuaded that this monstrous development should be encouraged. To evoke the image created in a current Broadway play, I am willing to put my faith in the preservation of human dignity, even if there be only one man to preserve it among all the people around him who are taking the form of a rhinoceros.

In short, I utterly reject any suggestion that our educational and cultural exchange programs are weapons or instruments with which to do combat, or that they should be adjusted in order to parallel conditions which have been imposed by others who hold a fundamentally different view of the world. There is no room, and there must not be any room, for an interpretation of these programs as propaganda, even recognizing that the term covers some very worthwhile and respectable activities.

These educational and cultural programs in no sense can be interpreted as antianything. It should be very clear to us by now that if our pluralistic view of society is one which will attract the peoples of the newly independent countries, this cannot be accomplished through manipulation of any kind. It will be accomplished through the attraction inherent in freedom, tolerance, diversity, and, above all, in the opportunity to seek the truth.

Over and over again I have insisted that the greatest contribution to the effectiveness of our foreign policies would be progress in overcoming our domestic problems and lassitude in favor of setting that example to the world which is within our capacities. A part of that example lies in encouraging students, scholars, artists, and others from abroad to come here and see us at work, and even at play, recognizing our imperfections but confident that there is no society which can offer more toward the fulfillment of what is best in man.

Now I want to turn to the related theme of mutuality which is emphasized in the title of this bill.

I would like to stress the value of the exchange programs in reducing the dangers that come from the bad habit of creating stereotyped inaccurate images of other countries and their peoples. This habit is common to all nations. Good friends as France and Britain are, they might have grown even closer years ago had there never been the catch phrase, "perfidious Albion," in the one case, or the recollection of a World War I mutiny in the other.

Today we hear repeatedly that the greatest threat to the peace and, indeed, to the existence of the world is nuclear war through miscalculation. Miscalculation, if it came, almost certainly would result from a lack of knowledge about the adversary—his beliefs and his intentions. The best way—and sometimes the only way—to acquire that knowledge is through the experience of direct contact. To illustrate, the Soviet Government apparently has convinced itself that some mysterious "capitalistic-militaristic clique" alone determines every move we make. Any means we may employ to demonstrate this fallacy would be of enormous importance to the entire world. On our side of the coin, it was only after travel to and within the U.S.S.R. was permitted on a less-restricted basis a few years back that we discovered the falsity of some of our most popular beliefs regarding that vast, closed society.

Clearly we have as much to learn about and from other peoples as they do about and from us. Our colleges and universities increasingly find that their resources are not adequate for the vital task of giving their students necessary information about new countries and cultures, much less about long-established lands with great traditions. Moreover, the U.S. Government constantly calls on those institutions for needed services abroad, but does little to replenish the reservoir of talent which is drawn upon, or even to insure that such services will be available on call. In many instances, there is no way for our universities to obtain resources which they must have other than by including foreign scholars and teachers among their faculties.

Perhaps a few illustrations are required to support the contention that knowledge of other cultures and access to ideas from abroad are essential to the national interest. Who can hope to understand the peoples of the Near East, for example, without some knowledge of their political, cultural, and linguistic heritage and the cohesion given it by religion? On the first count, we must remember that the countries of the eastern Mediterranean wielded far greater political power than those of Europe throughout most of the Middle Ages; on the second, there were great universities at Baghdad and Cairo, with access to the best thought of classical Greece, at a time when Paris was a muddy village with wooden palisades and Oxford was what its name implies; on the third, literary Arabic even today provides a means of communication which leaps over national boundaries. As John Badeau, our new Ambassador in Cairo, wrote almost two decades ago:

> These common roots in the past give the peoples of the Near East a common viewpoint on the modern world * * * conscious (either vaguely or distinctly) of centuries of past leadership * * * they now discover that this leadership has vanished and the culture on which it rested is no longer significant in the eyes of the dominant West. To maintain their dignity, they must not only show that * * * they can master the new ways, but also affirm dogmatically the

value of their own traditional culture, often reading into it thoughts and discoveries that never existed in historical reality.

I cannot help but feel that our policies toward the Near East over the two decades would have benefited from far greater attention to those cultural factors.

As for the international character of ideas, we scarcely need a physicist to remind us how much the development of atomic energy owed to scientists from England, New Zealand, Denmark, Germany, Austria, France, and—certainly not least important—from Italy. This is said with acute awareness that the world does not yet have the final answer to the question as to whether that development is a blessing or a curse. The answer in the last analysis will depend on the thought and conduct of all of us human beings. And I suggest that the answer will be greatly influenced by the extent and character of our international exchange programs.

At this point, Mr. President, I would move on from this discussion of the relationship of the exchange programs to our foreign policy. But I must not do so without taking some notice of an argument which has been advanced from time to time by a small minority of individuals in the academic world, and which may be entered by some as a possible objection to certain aspects of S. 1154. This argument, pertaining mainly to Public Law 584 programs, is that the exchanges should have the primary purpose of advancing pure scholarship on an international basis, and that any foreign policy benefits to the Nation should be regarded as secondary, or even incidental. While I have full sympathy for the desire to promote an international community of scholars unfettered by artificial restrictions, I consider the above argument basically irrelevant.

In the first place, I think it is established beyond question that there is an inevitably close relationship between the exchange programs and our foreign policies. Second, insofar as our official programs are concerned, we must use public founds for purposes of the most immediate and apparent value to the public. A third point has to do with what we mean by the words "education" and "pure scholarship." For my part, I would adhere to a position that emphasizes the quality of humanism, as it is defined in standard dictionaries. Much a matter of controversy this can be, I nevertheless am very impressed with the following statement by the professor emeritus of literature at Stanford, Albert Guérard:

> The core of a humanistic education is the art of thinking. This art is not purely intellectual; it cannot be reduced to formal logic. It implies a moral attitude; the desire to know the truth, the will to follow the light, the willingness to sacrifice if need be the rugged individualism of immediate self-interest. The center of the humanities is not erudition, even at first hand: it is good will guided by clear thinking. A man who responds to Shakespeare, on the stage or in book form, is nearer salvation than one who, with icy detachment, has computed the proportion of feminine rhymes in Henry VIII.

My personal belief is that those charged with the actual conduct of the educational exchange program under Public Law 584 have been guided by philosophic ideas not unlike those. The goal of mutual understanding and cooperation has been seen as the end product of the program—not just as an incidental gain. The selection of participants has been based strongly on merit and achievement, but also on an individual's ability to see and adjust to the cultural values of others, and to communicate such values, as well as his own, during and after his exchange experience.

Much of the success of the program has been due to the selection process here at home and to the operation of the binational commissions abroad. Serving with the official and private American representatives on these commissions are a roughly equal number of distinguished citizens of the country concerned. Among these latter are a number of national ministers of education, prominent diplomats, and other officials, and professors of the highest reputation. To those uncertain about the effects of S. 1154 on the quality of the exchange program, I would reassure them by noting that the bill specifically preserves the binational system and permits its extension to cover other programs besides those authorized by Public Law 584.

Thus far I have spoken largely in philosophic terms. Now it is time to go to the pragmatic root of the matter and set forth a summary view of the results of the exchange programs. This is especially important because the bill under consideration is squarely based on an assessment of the merits and deficiencies revealed through nearly 15 years of experience.

First, however, let me say that we have mainly concerned ourselves with the educational and cultural programs generally administered by the Department of State and the U.S. Information Agency. We have done so for three basic reasons.

The first is the desire for early action that would be precluded by an attempt to legislate in the entire, extremely complex field of all official programs with an educational and cultural character. Second, I believe that the programs consolidated in S. 1154 are the ones which contribute most clearly and profoundly to mutual understanding. This is not to deny for a moment the value of the primarily technical education and training engaged in by the International Cooperation Administration; in fact, ICA activities recently have had an increasing proportion of general educational rather than technical content. However, as an overall proposition, a technical trainee is far less well equipped to understand and communicate cultural values than is a teacher or a college student. The third reason is the paramount one that academic and cultural programs are those which most need our help, especially in terms of financial support.

It is a matter of great concern to me that the Public Law 584 and the Smith-Mundt programs last year brought only about 5,000 foreign grantees to this country, while the ICA in fiscal year 1960 brought over more than 7,000 and the Defense Department figure exceeded 16,000. I might add that the latter agencies had the resources to support their visitors in an appropriate fashion—a vital instrumentality which has been denied to the Department of State.

Quite complete statistics on the programs comprehended by S. 1154 appear in the hearing record. Yet a few of the totals are certainly worth emphasizing at this time. Over the 20 years through 1960 approximately 76,000 individuals, including temporary visitors, such as leader grantees, have received grants under these programs, with resulting expenditures in foreign currencies and dollars of very roughly $280 million. For fiscal year 1960, the latest one on which we have final figures, the total sum amounted to about $33 million, involving grants to approximately 2,000 American citizens and 5,000 foreigners. I am glad to note that the estimate for fiscal year 1962 contemplates an outlay of close to $50 million and grants to almost 10,000 individuals.

On the other hand, these figures are modest when one thinks about the actual and potential value of the programs. It is particularly disturbing that the budget for cultural presentations has never reached the level of $3 million, and is not expected to do so even in 1962. Worse yet, between 1954 and 1960 we have carried out no more than 116 cultural projects abroad. It might also be noted that while foreign grantees coming here under Public Law 584 outnumber Americans going abroad by better than 2 to 1, this does not result from Government appropriations but from the generosity of private institutions and individuals who believe in the program. Their support has helped bridge the gap created by the usual limitation of official assistance to travel expenses.

In talking about the programs covered by the bill, S. 1154, we should remember that they involve individuals coming from a great variety of backgrounds. There are not only students and scholars, but journalists, school teachers, cabinet ministers, authors, parliamentarians, artists, athletes and many others. This variety contributes a good deal to the spread of information and understanding in all areas of the participating countries. Leaders and specialists may be particularly helpful in certain spheres, while high school teachers perhaps might make the broadest contribution at another level.

There is a wealth of documentation on these programs. There are annual reports from the binational commissions and our Government representatives overseas, as well as frequent samplings taken by the State Department and reports from advisory groups concerned with the programs. One complete country report is printed in the hearing record. Yet, because followup activities have not been specifically authorized by the Congress on an overall basis, much of the material has not been collated or tabulated in summary form. In any case, only just so much can be done to create statistics on programs which essentially defy statistical analysis.

In this connection, however, one special study deserves particular attention. Under State Department auspices, faculty members of Michigan State University last year issued a five-volume assessment of the experiences of American grantees under Public Laws 584 and 402 over the period 1947 to 1957. The number of persons who participated in providing raw material for the findings totaled well over 5,000, and the extent of the response was at a level characteristic only of those with strong motivation to reply to questionnaires.

Over 90 percent of the respondents certified to the complete validity of the aims of the programs with respect to the gaining of knowledge and of mutual understanding. Again, more than 90 percent after their return home had maintained personal contact with individuals abroad, and almost 70 percent had entertained in their homes foreign friends or visitors referred to them. Perhaps most impressive, about three-quarters of the respondents had given a total of roughly 65,000 talks in this country on their experiences abroad: an average of 16 speeches for each grantee. This is why one State Department report on the exchange programs was aptly titled "The Widening Circle." Other interesting figures are the 750 published books and the 830 works of art—paintings, musical compositions, and so forth—which resulted wholly or in part from the exchange experience. Finally, and incidentally, 97 percent of the married respondents believed it advisable for married grantees to take their families with them abroad. I have, of course, noted merely a tiny fraction of the questions which were answered.

Our ambassadorial representatives abroad constitute another significant source of information about the results of the programs. Members of the Foreign Relations Committee will, I am sure, confirm my impression that these distinguished individuals are virtually unanimous in stating that the exchange programs are high up among their most useful foreign policy assets in the capitals where they represent us. I shall, therefore, only select a few lines for quotation. Our renowned lady Foreign Service careerist, Ambassador Frances Willis, wrote the following from Norway in 1959:

> It is my belief that [the exchange program] makes the greatest contribution of any of our programs toward increasing understanding and appreciation for the social and cultural achievements of the United States. If any way could be found to increase this program, make it more secure, more far reaching, or more inclusive, it would be of great benefit.

Ambassador Homer Byington wrote as follows from Malaya in that same year:

> The exchange-of-persons program in Malaya has provided one of the most effective means of establishing good relations with this newly independent country. I, personally, can vouch for its effectiveness with respect to several of the ministers of government who are returned grantees.

Finally, some comments by Ambassador James Bonbright in 1959 are particularly relevant to the bill under consideration:

> We still consider this activity as one of the best we do here. * * * We are, therefore, highly gratified that the Department's efforts to reinstate it have been successful. What is needed in this field is stability. An exchange program to be really effective must be based on the long-term approach and long-term planning. * * * Any program with the potential for the effective promotion of U.S. foreign policy which this one possesses should, if at all possible, be placed on a firmer foundation than is now the case.

As for the experiences of foreign grantees in this country, again there is a great collection of material upon which to draw for illustration of the benefits that may be received through programs based on the concept of mutuality. In almost every university and every college of any size there may be found lectures and scholars from abroad who are enriching our curricula and stimulating the minds of our young people in the direction of a better understanding of the world we live in. I do not doubt that each Member of this body personally knows of examples in his own State which could be cited. Furthermore, I suspect that each of my colleagues has a pretty good notion of how many people in his State have participated in the exchange programs.

These remarks must not be expanded indefinitely through the use of the many quotations that sustain a firm belief in the value of exchanges. I believe it would be more useful to take up the two most serious criticisms that have been leveled against the programs. In doing so, however, I submit that these objections are really far less relevant to our official programs than to the situation produced by the fact that most foreign students are here under private auspices or on their own. But that is no reason to ignore them.

First, it is objected that quite a few foreign students are coming here without adequate preparation and sufficient funds. They receive little or no orientation and counseling either upon arrival or thereafter. They are awash in a young collegiate society so busy with its own affairs that it tends to overlook their plight. They are poorly housed, ill fed, and may be incapable of keeping abreast of their studies. As a result, such students are leaving this country saddened or embittered by their experience. Despite the best efforts of our university officials, private voluntary organizations, and numerous individual Americans, this does in fact occur often enough to be a matter of real concern.

Insofar as this problem arises in a very marginal way in connection with our official programs, S. 1154 provides the authority to make those small additional expenditures which often may make the difference between a mediocre or disappointing experience and a highly beneficial one. The bill also is concerned with the larger problem—which, of course, is no less adverse to the national interest because it arises outside the context of Government programs. There is a modest provision for small sums to be used to alleviate the conditions described above, which are most intense in metropolitan areas. It should be emphasized that this may not prove adequate for the purpose. However, it does offer a means of relief pending a serious study of measures that might be taken over the longer term. I would hope that the executive branch is actively considering such a course.

The second objection has to do with the radical beliefs and behavior displayed by some of our foreign visitors. Again, this problem seldom is in evidence in connection with our Government-sponsored programs, but may happen with more frequency among students who are receiving little or no governmental support. There may be occasions when foreign students will violently criticize what little they have experienced of life in this country, and perhaps will even deny that we hold the beliefs and possess the merits we commonly ascribe to ourselves. To some extent, this may be a consequence of the circumstances of neglect which have been mentioned above.

There is no obvious answer to this objection. However, it seems to me that the issue is not one which we should take too much to heart. To a large degree, the criticisms of us by foreign students are encouraged by the environment of freedom which we believe in so strongly and intend to preserve at all costs. To the degree that we can accept even blatantly unfair criticism with equanimity, we are proving our maturity and our belief in the ultimate worth of the exchange programs. These programs are not a means of political conversion, but a leavening force which is likely to make itself felt at some future date when the student has had a chance to assess his experience and reflect on the differences between this society and a totalitarian one. It does not forward our foreign policy interests to take steps to insure that only our best friends will be permitted to visit and live among us.

I think we should always keep in mind that the student years are ones which naturally serve as the time for the expression of passionate beliefs, whether constructive or destructive in character. If I may be irreverent for a moment, I would suggest that few of us in the Chamber would not have received academic degrees had each of our student escapades been discovered and ruthlessly punished. In this connection, I rather like these words used by a Filipino exchange student in describing his experience here:

> In short, the fanaticism of youth leaves the student and in its place comes a wider and deeper understanding of things. In that spirit, he will be better able to serve his community. If for this broadening of vision alone, the scholarship was well worth it—for the grantee as well as for the grantor.

Mr. President, I bring these remarks to a close by returning to the thought expressed at their beginning. I was concerned that I could not find the means to express what I felt about the exchange programs and their great value to the national interest. I recognized how difficult it is to document something

which is basically intangible. Since few people would agree on any exact definitions of the words, "education" and "culture," it is hardly to be expected that they would reach complete agreement on a precise description of the character and content of educational and cultural exchanges. And yet there does seem to be a national consensus strongly favoring the exchange programs.

The difficulty is that the programs essentially are a means of communication between peoples. They are designed to encourage an inquiry into the true condition of man and his environment, and to propagate the results of that inquiry in the interests of international understanding. Surely none of us has any illusions about how hard it is to communicate even the most uncomplicated ideas to one's fellow men.

It has been said that: "We shall never understand one another until we reduce the language to seven words." Taking this literally—which, of course, was not contemplated by the author—I submit that the truth of the matter would be contained in some reverse of the proposition. Through the ages we have relied on the poets and the great artists to make the most profound statements about the human condition.

Perhaps the best illustration of what I am trying to say is offered by contemporary efforts to clarify the meaning of the Protestant Bible. Several new versions of the Bible have been put before the public in recent years. But the overwhelming evidence is that English-speaking people everywhere are only fortified in their belief that the King James version will never be improved upon. We realize that certain truths about humanity may only be expressed through the imagery of the metaphor and the parable, stated in the soaring prose and poetry of the Great Book. In fairness to the scholars attempting to shed further light through the use of original documents, I must add that their efforts seem to have been misinterpreted as the desire to create a replacement rather than an accessory; they probably understand better than most of us the magnificence of the King James version.

If it is difficult to define and document the character and results of educational exchanges, it is even harder to convert cultural programs into statistical data. Yet there are abundant examples of the tremendous impact of music and the arts on the international scene.

How many people here or around the world can remember the names of the military men who have defected from the Soviet bloc, but who has not heard of Boris Pasternak and the evidence he offered that the human spirit can liberate itself from the most repressive material environment?

A number of our great symphony orchestras have been acclaimed wherever they have gone on tours abroad under Government programs. But who is able to document the inner emotions of those who hear the Philadelphia strings for the first time, or the feelings of those Russians who listened to Bernstein conduct a Stravinsky work which most of them had never had an opportunity to hear before?

We all know that the Southern States of this country have produced a major portion of our greatest literature in the period since the First World War. This development has contributed greatly to the rising appreciation of our cultural achievements abroad. But how do we explain to our complete satisfaction why one area of our Nation should be more prolific in this field of the arts than another?

Mr. President, this is what we are attempting to support and foster in the bill which is prosaically numbered S. 1154. It is not as exciting as the subject matter it deals with; it surely has its imperfections; it takes the cautious approach of building upon the accomplishments of others in the past. Yet I believe that it provides the solid legislative base for advances toward mutual understanding which is so desperately needed in the decade ahead.

THROUGH SERVICE AND JOINT RATES FOR CARRIERS SERVING ALASKA AND HAWAII OR OTHER STATES

Mr. MANSFIELD. Mr. President, in view of the arrangement entered into, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 416, S. 1725.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 1725) to permit the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, it is my understanding that the bill was reported unanimously by the Committee on Commerce. I have conferred with the distinguished Senator from Illinois, the minority leader, and there is no objection on the part of the minority to the consideration of the bill. A similar bill passed the Senate last year.

I ask unanimous consent to have printed at this point in the RECORD certain pertinent excerpts from the report on the bill.

There being no objection, the excerpts from the report (Rept. No. 443) were ordered to be printed in the RECORD, as follows:

I. INTRODUCTION

The purpose of this bill is to permit the establishment of through service and joint rates by carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates. Public hearings were held in the 86th Congress on an identical bill, S. 2452, by your committee in Juneau, Anchorage, Seward, Valdez, and Fairbanks, Alaska; and Honolulu, Hawaii. All those wishing to testify were heard at that time. Subsequently, S. 2452 (86th Cong.), was passed by the Senate on May 4, 1960. The House failed to act.

II. SUMMARY OF THE AMENDED BILL

The provisions of this bill would become effective within 120 days after enactment, and would apply to carriers rendering freight transportation service between Alaska or Hawaii and the other States. Carriers included are railroads, motor carriers, water carriers, and airlines.

These carriers would be allowed to establish "through service and joint rates and charges." Such an arrangement would permit a number of carriers to render service from origin to destination on one bill of lading quoting a single transportation charge. Each carrier would file tariffs with the regulatory agency having jurisdiction over the carrier. Such rates would be required to be reasonable and free from unjust discrimination.

Rates, classifications, regulations, and practices, and divisions of rates established on such a permissive basis would be subject to a joint board, composed of one member each from among the membership of the Interstate Commerce Commission, the Federal Maritime Board, and the Civil Aeronautics Board, to serve for 1 year, but eligible for reappointment. The Chairman of each of these agencies would designate a member of his agency to serve on the joint board. Vacancies would be filled by the appropriate agency Chairman. Personnel, equipment, and space for use of the joint board would be drawn from the three agencies named.

The joint board would pass upon the lawfulness of such joint rates and related matters referred to it by either ICC, FMB, or CAB. Such referrals would be made by any one of these regulatory bodies acting either on its own initiative or upon complaint by a shipper, consignee, or carrier. In passing upon such matters referred to it, the joint board would apply the standards for permissive joint rates and through routes currently provided for motor carriers of property under the Interstate Commerce Act.

Matters referred to the joint board would be determined on the record in accordance with the Administrative Procedure Act. The joint board would have power to issue rules and regulations and would have power of subpena. Review of board orders would be in the U.S. courts of appeal in accordance with the procedure now used for review of the orders of a number of Federal agencies.

Motor carriers in the State of Hawaii have requested that rates applicable to and from the docks in Hawaii be excluded from these joint arrangements. They express the fear that only a few of the Hawaiian carriers would be included in such routes if the terms of this legislation were applied to these motor carriers. In addition, it is pointed out that the service usually rendered by motor carriers in Hawaii is in the nature of local drayage service within a commercial zone which the ICC usually renders exempt from economic regulation.

Your committee, of course, is aware of the benefits that accompany regulation of rates and related matters by an impartial board, particularly benefits that would accrue to small motor carriers that are now unregulated. Under present conditions neither these motor carriers nor shippers and receivers of freight have any regulatory protection against unreasonable or discriminatory practices. However, in view of the unique conditions under which Hawaiian motor carriers operate, your committee has included a provision that will require initiation and termination of permissive joint rates and through routes at the steamship docks in Hawaii for outbound and inbound traffic respectively.

III. STATUS OF FEDERAL REGULATION OF CARRIERS SERVING ALASKA AND HAWAII

With the advent of statehood for both Alaska and Hawaii, Federal regulation over the carriers serving Alaska and Hawaii underwent substantial change.

In the course of consideration of S. 1725 pertaining to joint rates and through routes for Alaska and Hawaii transportation, it is

necessary to know the present pattern of Federal transportation in regard to Alaska and Hawaii.

Alaska

The Federal Maritime Board under section 27(b) of the Alaska Statehood Act retained jurisdiction over domestic water carriers operating between Alaska and the other States. Section 27(b) (72 Stat. 351) reads as follows:

"Nothing contained in this or any other act shall be construed as depriving the Federal Maritime Board of the exclusive jurisdiction heretofore conferred on it over common carriers engaged in transportation by water between any port in the State of Alaska and other ports in the United States, its territories or possessions, or as conferring upon the Interstate Commerce Commission jurisdiction over transportation by water between any such ports."

Thus, jurisdiction over domestic water carriers settled on the ICC by the Transportation Act of 1940 was not allowed to pass to the ICC because of section 27(b) of the Alaska Statehood Act.

The Interstate Commerce Act, already applicable to the railroads in the territory of Alaska, except the Alaska Railroad and with the exceptions noted above, became effective as to Alaska when Alaska entered the Union. Under section 8(d) of the Alaska Statehood Act, all laws of the United States have the same force and effect within Alaska as in other States in the Union. Section 8(d) provides:

"Upon admission of the State of Alaska into the Union as herein provided, all of the territorial laws then in force in the territory of Alaska shall be and continue in full force and effect throughout said State except as modified or changed by this act, or by the constitution of the State, or as thereafter modified or changed by the legislature of the State. All of the laws of the United States shall have the same force and effect within said State as elsewhere within the United States. As used in this paragraph, the term 'territorial laws' includes (in addition to laws enacted by the Territorial Legislature of Alaska) all laws or parts thereof enacted by the Congress the validity of which is dependent solely upon the authority of the Congress to provide for the government of Alaska prior to the admission of the State of Alaska into the Union, and the term 'laws of the United States' includes all laws or parts thereof enacted by the Congress that (1) apply to or within Alaska at the time of the admission of the State of Alaska into the Union, (2) are not 'territorial laws' as defined in this paragraph, and (3) are not in conflict with any other provisions of this act."

The ICC has, therefore, taken the position that, by virtue of statehood, all forms of surface transportation operating in interstate or foreign commerce within Alaska and to and from Alaska became subject to regulation under the Interstate Commerce Act, and related acts, to the same extent that similar transportation within and between all of the other States is subject to such regulation, except for the Government owned and operated Alaska Railroad and such water transportation as was excluded by section 27 (b) of the Statehood Act.

More specifically, section 27(b) means that the ICC has no jurisdiction over water transportation (except to a limited extent over voluntarily established rail-water rates under sec. 1(1)(a) of the Interstate Commerce Act) between ports in Alaska and other U.S. ports, nor over water transportation in interstate or foreign commerce between ports in Alaska over the high seas, including movements between points on the Inside Passage, such as Ketchikan, Juneau, and Haines. Operations of the latter nature are on the high seas within the meaning of the Shipping Act of 1916, and therefore continue to be subject to regulation by the Federal Maritime Board. However, since no authority was conferred upon the Federal Maritime Board, nor withheld from the ICC, by the Statehood Act with respect to the regulation of water transportation in interstate commerce between points in Alaska, other than over the high seas, such transportation became subject to the Commission's jurisdiction upon the admission of Alaska as a State.

The Government owned and operated Alaska Railroad, the principal transportation facility in Alaska, was not, prior to statehood, subject to regulation by any regulatory agency, nor did it become subject to the Interstate Commerce Commission's jurisdiction upon the admission of the new State.

The only other common carrier by railroad operating in Alaska is the White Pass & Yukon Railroad, a Canadian carrier, extending about 20 miles into Alaska from the Canadian-Alaskan boundary to Skagway. Prior to the admission of Alaska into the Union, part I of the Interstate Commerce Act, as provided in section 1(1) of the act, applied not only to rail transportation in interstate and foreign commerce but also to intraterritorial rail transportation within the Territory of Alaska. Under section 8(d) of the Statehood Act, the Commission's jurisdiction over the intrastate services of this carrier will continue in effect until such time as the State takes action to assume such jurisdiction.

At present, with respect to regulation of surface transportation in interstate or foreign commerce within Alaska and between Alaska and the other States, ICC has jurisdiction over common carrier railroads (except the Alaska Railroad), common carrier pipelines (other than gas or water), common and contract motor carriers, motor carrier brokers, common and contract water carriers operating within Alaska (other than over the high seas), and freight forwarders. The Federal Maritime Board has jurisdiction over regular route water common carriers operating between Alaska and other ports of the United States, and between Alaskan ports over the high seas.

Before statehood for Alaska, the Civil Aeronautics Board generally had jurisdiction over economic matters involving common air carriers of passengers, property, and mail, holding certificates of public convenience and necessity to operate to, from, and within the Territory of Alaska. Freight forwarders and air express companies, termed "indirect air carriers," were also subject to economic regulation by CAB.

Concerning air safety: Safety rulemaking is the prime responsibility of the Federal Aviation Agency under the Federal Aviation Act of 1958. The Civil Aeronautics Board, however, is charged with the prime responsibility for the investigation of aircraft accidents and the finding of probable cause thereof as well as the making of recommendations to the Administrator of the Federal Aviation Agency for the prevention of similar accidents in the future.

In connection with the discharge of its duty with respect to safety, CAB is required to provide for the appropriate participation of FAA in the conduct of field investigations. The Administrator is authorized on request of CAB to investigate and report to CAB on aircraft accidents. CAB may use the Administrator's report in determining probable cause of the accident.

With statehood for Alaska, the Federal regulatory system for Alaskan air services was substantially unchanged. Safety regulation is not materially affected. Economic regulation continues to be a Civil Aeronautics Board function. Accordingly, CAB authorization will continue to be necessary for operations carried on between points within Alaska which involve the carriage of mail or interstate traffic and operations through the airspace outside Alaska, as well as for operations involving air transportation to and from points outside of Alaska. Since most of the present airlines operating to and from or within Alaska fall into these categories, no substantial changes in their operating authority will be necessary.

The purely intrastate operations of air carriers within Alaska, which were regulated by the Board as intraterritorial operations, will become subject to State economic regulation at such time as the Alaska Legislature establishes its own regulatory system. Until that time, however, the CAB will continue to have jurisdiction. The Board has stated this as its understanding of the interpretation by the Department of Justice of section 8(d) of the Alaska Statehood Act.

Concerning the continued necessity for Presidential approval of certificate awards pertaining to Alaska, the CAB has stated that air transportation services between the other States and Alaska, which under prior law constitute oversea air transportation, became interstate air transportation upon the effective date of Alaska statehood, and that therefore Presidential approval of certificates for such air transportation under section 801 of the Civil Aeronautics Act (and its successor, the Federal Aviation Act) will no longer be required. The Board has pointed out that inasmuch as section 8(d) of the Alaska Statehood Act has been interpreted as continuing the Board's economic regulatory jurisdiction over purely intrastate operations in Alaska until such time as the Alaska Legislature establishes its own system of regulation, Presidential approval will continue to be required for certificates of this type pending such action by Alaska.

Hawaii

With respect to water transportation between Hawaii and the other States, the Federal Maritime Board retained jurisdiction upon the advent of Hawaiian statehood because of section 18(a) of the Hawaiian Statehood Act which reads as follows:

"SEC. 18. (a) Nothing contained in this Act shall be construed as depriving the Federal Maritime Board of the exclusive jurisdiction heretofore conferred on it over common carriers engaged in transportation by water between any port in the State of Hawaii and other ports in the United States, or possessions, or is conferring on the Interstate Commerce Commission jurisdiction over transportation by water between any such ports."

As pointed out previously, the Interstate Commerce Act provides for ICC jurisdiction over transportation by common carrier railroads located within territories. This jurisdiction includes not only transportation in interstate and foreign commerce but also intraterritorial rail transportation carried on within the territory. Thus, the Commission had jurisdiction over railroads in Hawaii prior to statehood. When Hawaii became a State, the Interstate Commerce Act continued to be applicable to common carrier rail transportation within the islands, in interstate and foreign commerce, the same as it applies to interstate and foreign transportation in the other 49 States. In accordance with the proviso of section 15 of the Statehood Act, the Interstate Commerce Act continues to apply to intrastate transportation within the islands until the State of Hawaii assumes jurisdiction over such intrastate transportation, but not for a longer period than 2 years after the date of admission.

Upon the admission of Hawaii as a State, the Interstate Commerce Act became applicable to motor transportation in interstate and foreign commerce within the islands the same as it previously applied to such transportation within the other States. The State of Hawaii, of course, may assume jurisdic-

tion over motor transportation in intrastate commerce within the islands.

As pointed out above, because of the provisions of section 18(a) of the Statehood Act, the Interstate Commerce Act does not apply to water transportation between the State of Hawaii and the other States. Nor does the act apply to transportation over the high seas between points in the islands. If there were for-hire water carrier transportation in interstate or foreign commerce on rivers within the islands, the Interstate Commerce Act would apply to such transportation. It is understood, however, that there is no such transportation, at least no such transportation as would not be exempt under the provisions of section 303.

The Interstate Commerce Act applies to the transportation between points in the States of interstate and foreign commerce by freight forwarders. Freight forwarders, in carrying out their undertaking, use the facilities of other authorized carriers instead of themselves operating railroads, motor vehicles, or vessels. The definition for purposes of freight forwarder regulation appears in section 402(a)(5) of the act. Upon the admission of Hawaii as a State, the appropriate provisions of the Interstate Commerce Act became applicable to freight forwarder transportation between Hawaii and the other States. Section 416 of the act, however, limits freight forwarders to using carriers subject to the Interstate Commerce Act, and section 18(a) of the Statehood Act prevents water carriers between Hawaii and the other States from becoming subject to the Interstate Commerce Act; consequently it appears that freight forwarders subject to the Interstate Commerce Act may not engage in operations between Hawaii and the other States.

Previously some freight forwarders operated between the other States and Hawaii, applying combinations of the rates established under the Interstate Commerce Act between the inland points in the States and the ports, and rates between the stateside ports and Hawaii established under the Intercostal Shipping Act of 1933. It is understood that these operations involve primarily household goods and certain Government traffic. Presumably this type of operation will be continued since the admission of Hawaii into the Union.

With the admission of Hawaii to statehood, the regulatory situation with respect both to safety and to economic regulation became almost the same for Hawaiian air transportation as that described above for Alaska.

Upon the passage of the Alaska Statehood Act, the ICC immediately assumed and exercised its jurisdiction over the motor carriers serving Alaska, installing a resident agent that issued temporary authorities, required the filing of tariffs, and the observance of the safety and other provisions of the applicable laws.

In Hawaii, however, the ICC took just the opposite position. As a result of the decision in Ex Parte No. MC–59, Motor Carrier Operation in the State of Hawaii, the Commission declined to exercise regulatory authority over the motor carriers in Hawaii engaged in interstate and foreign commerce.

IV. OPPOSITION TO ICC REGULATION OF DOMESTIC CARRIERS

In the course of the hearings on an identical version of S. 1725 in the 86th Congress there developed considerable resistance against regulation of water carriers by the ICC. This opposition to ICC jurisdiction over such water transportation, centering in Alaska and extending to parts of the Northwestern United States, was based on two main objections. The first major objection asserted that water transportation under ICC regulation since the Transportation Act of 1940 had not only failed to flourish but had diminished to the point of almost disappearing. The second ground for objection to ICC regulation of water carriers lies in dissatisfaction on the part of the people of Alaska and, to some extent, those of the Pacific Northwest with the Commission's decision with respect to export rates by rail within the United States as applicable to Alaska traffic. In a complaint filed with the Commission, it was charged that the present rate adjustments were unlawful in requiring Alaska traffic to pay substantially higher freight rates while moving on railroads within the mainland 48 States than accorded the same articles of rail traffic moving to and from west coast ports for transshipment to and from points in the Orient. The ICC found nothing unlawful about this practice and held that such rail rates on Alaska traffic are lawful (*U.S.* v. *Great Northern Railway*, 301 I.C.C. 21 (1957)).

V. NEED FOR JOINT RATES AND THROUGH ROUTES

From the brief description of transportation regulation set forth above it can be seen that the regulatory pattern for transportation between Alaska or Hawaii and the other States is a complex one involving numerous statutes and several regulatory agencies. The present regulatory scheme does not encourage economic interchange of goods between either Alaska or Hawaii and the other States.

Rate regulation particularly should be so established as to facilitate the free flow of commerce. When the point is reached in regulation that the movement of goods is cumbersome and expensive, steps should be taken to simplify the entire procedure. Such steps are needed for Alaskan and Hawaiian transportation.

Often in order to move goods between Alaska or Hawaii and the other States, arrangements must be made by a shipper with each one of the carriers handling the traffic. If five carriers are involved in moving the goods from origin to destination, five separate contracts are necessary, and five separate rates must be ascertained, often from a large number of tariffs on file with the various agencies and at different locations. This is expensive and time consuming both to shippers and carriers. In addition, each of the carriers with which such contracts are made is liable for loss and damage that may occur only while the freight is being handled by that carrier. The fixing of such liability on a carrier when a number of transportation companies have handled the freight places a great burden on the shipper; in fact, the situation is in many respects similar to that which existed before the passage of the original act to regulate commerce in 1887.

S. 1725 is designed to overcome these and other handicaps now involved in moving traffic jointly by a number of carriers between Alaska or Hawaii and the other States. Passage of the legislation would allow the shipper to make one contract with the originating carrier on behalf of all carriers handling the goods, and to ascertain the rate for the through movement by consulting a single tariff. The shipping contract would call for the payment of a single transportation charge. This would be divided, of course, between the participating carriers, but the division would be their responsibility, subject to regulation by a joint board, not that of the shipper.

Good service will be promoted by enactment of this bill because participating carriers will have opportunity and incentive to coordinate facilities and schedules and standardize their procedures in handling through freight. This will offer obvious advantages in expediting all cargoes, but especially containerized cargoes, i.e., cargoes which move in large vans or containers and need no rehandling in transit no matter how often or in what sequence the container is shifted between train, truck, ship, plane, or barge. The minimization of cargo handling offers the brightest single prospect of reducing shipping costs. So, also, does the the device of the single-factor joint rate for through service, since experience proves that such a rate is in most instances materially lower than a combination of local rates of connecting carriers not participating in through-service arrangements.

From time to time in the testimony received by the committee, it has been pointed out that joint rates and through routes afforded by such single contracts have generally resulted in a reduction of charges to the shipper. Such reduction in transportation charges should come about because of the economy of established channels of commerce through which substantial traffic may flow, and because of reduced accounting costs and freight rate calculation costs. Competition, once a through route with joint rates is established, should insure that a number of companies will join in arrangements to offer service of this sort.

While there is no assurance of the amount of reduction to be gained in transportation charges by the requiring of joint rates and through routes, representatives of various transportation interests have mentioned a reduction in rates of 10 percent under present charges because of the inherent economies of joint rates and through routes. Improved service, of course, should accompany the establishment of joint arrangements from origin to destination. Efficient and economical transportation service is of major importance because both States are dependent on transportation for virtually everything they buy, sell, or use, and their transport facilities must offer good service at the lowest possible rates if their economies are to flourish.

There was almost universal support for the voluntary or permissive approach and likewise almost universal opposition to the mandatory approach to through routes and joint rates. Experience shows that when carriers in the different forms of transportation enter into joint rates and through routes willingly, results are more satisfactory than when such joint arrangements are compulsory.

There have been numerous pronouncements of the great need for more coordination of transportation service in order better to serve the public with lower cost, more satisfactory service. Some claim that this coordination of service can be obtained only by common ownership of the various forms of transportation. Others claim that if the real purpose is to render better and cheaper service to the public that coordination can be realized by voluntary action between the various forms of carriage without common ownership.

If such arrangements can be made on a voluntary basis, carriers presenting such service should work together amicably, there should be less litigation and generally a more satisfactory arrangement than that afforded by any compulsory requirements. In view of all this the committee is of the opinion that enactment of S. 1725 will be a proving ground for coordinated transportation service. If service under the terms of S. 1725 between Alaska or Hawaii and the other States proves successful by the carriers showing that they wish to render service on a voluntary basis rather than form large combines of different modes of transportation under a single ownership, coordinated transportation service with substantial benefit to the public will have taken a great step forward.

An example of the unsatisfactory situation that exists in the absence of joint rates and through routes is illustrated by cancellation of such arrangements between the Alaska Railroad and other carriers.

For many years the Alaska Railroad filed its tariffs with the Interstate Commerce Commission for information only and published them with ICC identifying numbers.

Thus, Alaska joint freight tariff No. 5–I, effective August 7, 1952, with the concurrence of Alaska Steamship Co., Berger Transportation Co., and Coastwise Line, was published by the Alaska Railroad as "ICC No. 205." This tariff was not filed with the Federal Maritime Board. The joint rates filed by the Alaska Railroad, with concurrence of the steamship companies, were not subject to the regulatory control of either the Interstate Commerce Commission or the Federal Maritime Board.

Following an investigation of water rates to Alaska in connection with its consideration of proposed changes in rates, the U.S. Maritime Commission stated in a report (U.S. Maritime Commission, Alaskan rates (No. 571) and Alaska rate investigation No. 2 (No. 572), decided August 28, 1941) that—

"Alaska Steamship maintains joint rates and fares with Alaska Railroad, which is owned and operated by the U.S. Government under the provisions of the Alaska Railroad Act of March 12, 1914 (ch. 37; 38 Stat. 305). Apparently these rates do not come within the jurisdiction of the Interstate Commerce Commission (34 Atty. Gen. 232). We are of the opinion that respondent Alaska Steamship should cancel existing joint through rates and fares with Alaska Railroad and establish in lieu thereof proportional rates for the water transportation involved. No order to that effect will be entered at this time, but consideration will be given to the issuance of such an order if the action indicated is not taken within a reasonable time."

Joint rates, however, were still being published nearly 12 years later.

In Alaskan rate investigation No. 3 (No. 661), decided June 15, 1948, the Maritime Commission again called attention to this matter and stated: "We believe that ample time has been given the carriers by water to make the changes suggested." No final action occurred, however, until 1953.

The cancellation of these joint rates was the culmination of a series of events. The Alaska Railroad, with the approval of the Secretary of the Interior, proposed various increases in rates. The Interstate Commerce Commission was not consulted because it had no jurisdiction over the railroad even though ICC numbers appeared on the tariffs. Protests from Alaska caused the withdrawal of rates by the Department of the Interior, which requested that the railroad hold hearings in Alaska. A new rate structure recommended by the railroad became effective July 1, 1952. The railroad reissued its joint through tariffs, presumably reflecting the adjusted rates in Alaska. Complaints which followed could not be acted upon by the Interstate Commerce Commission because it had no jurisdiction nor could action be taken by the Federal Maritime Board, with whom no tariffs had been filed. On January 29, 1953, the Interstate Commerce Commission by letter requested that the tariff on file with it be canceled. The Commission said:

"In order to be consistent with the views expressed by the U.S. Maritime Commission in the above-cited proceedings, and in order to remove any circumvention of regulation now resulting from this tariff, it is clear that your ICC No. 205 should be canceled and that no additional publications providing joint rates between the Alaska Railroad and water carriers subject to regulation by the Federal Maritime Board should be placed in the Commission's tariff files."

The Alaska Railroad and the water carriers immediately complied and published new rates meeting these requirements. The water carriers filed proportional tariffs with the Board which showed the water carrier share of the rates requiring a rail haul beyond Seward. The railroad published a memorandum tariff which was not filed with any regulatory agency showing through rates from Pacific coast ports to rail points in the interior (memorandum freight tariff No. 5–J, ARR No. 1, effective July 1, 1953).

Thus, joint through tariff rates on file with a regulatory authority were discontinued insofar as Alaska traffic is concerned. The published rates available thereafter left much to be desired. The Alaska Steamship Co.'s proportional tariff (Alaska Steamship Co. tariff No. 737, FMBF No. 56, ICC No. 68) was essentially a water-carrier tariff with some modifications to meet rail conditions. The Alaska Railroad's memorandum tariff was essentially a rail tariff modified to meet water-carrier conditions. Despite their being worked out jointly, the two tariffs did not fit together in all particulars: the railroad allowed a class or a commodity rate to be applied depending on which was lower; the steamship companies did not. The Alaska Railroad quite obviously is interested in carload and less-than-carload rates and shipments, but at least some of the water carriers consider that the assembling of carload shipments is a disadvantage to them.

This example further shows the need for the legislation embodied in S. 1725 to permit the establishment of joint rates and through routes between Alaska or Hawaii and the other States.

VI. SHIPPER AND CARRIER SUPPORT FOR A JOINT BOARD

Shippers and carriers appearing before the committee almost without exception favored the concept of a joint board composed of one representative each from Federal Maritime Board, Interstate Commerce Commission, and the Civil Aeronautics Board. The Interstate Commerce Commission opposed the enactment of S. 1725. This is understandable because the Commission has favored legislation that would amend the Alaska and Hawaii Statehood Acts to take jurisdiction over water carriers from the Maritime Board and confer it upon the Interstate Commerce Commission. Your committee is concerned by the attitude taken by ICC in the Commission's report on S. 2452, the joint board bill passed by the Senate in the 86th Congress. In its letter to Chairman MAGNUSON commenting on S. 2452, dated December 31, 1959, the Commission stated:

"Basically, the three agencies from which the joint board would be selected operate under materially different rules of ratemaking. In fact, they were established to perform different functions. Among other things, this Commission as solely a regulatory agency is independent of the executive branch and is not charged with the promotion of any particular form of transportation. The other agencies, the Federal Maritime Board and Civil Aeronautics Board, while independent in their regulatory functions, have their chairmen selected by the President and are charged with some measure of promotional activity in the particular fields in which they operate."

Your committee points out that regardless of whether a member of the joint board served on an agency having both regulatory and so-called promotional functions or whether such member serves in an agency that is entirely regulatory, that he is expected to carry out his functions with strict impartiality. The responsibility of the joint board member will be to handle objectively all matters referred to the board. No member should regard himself as the guardian of a particular industry. The proposed legislation provides for court review of actions of the board.

In the same letter, the Interstate Commerce Commission raises another objection to S. 2452:

"Under the joint board proposal in S. 2452, [1725] in the event of disagreement on important questions involving two or more modes of transportation, but not all of them, the deciding vote could be cast by representative of the agency having no real interest in the subject matter. For example, in a joint motor-water-rail situation, with no air movement involved, the CAB representative could cast the deciding vote. Likewise, in proposed joint operations between air and motor or rail, but with no water movement involved, the deciding vote might be that of the Maritime Board representative."

The statement that under the terms of S. 1725 the deciding vote could be cast by a representative of the regulatory agency having "no real interest in the subject matter" in the case of disagreement on important questions involving two or more modes of transportation seems to miss entirely the point of establishing the joint board. It is the view of your committee and its purpose in recommending enactment of S. 1725 that all members of the joint board have a "real interest" in the subject matter. Favoring of one form of transportation against another because of membership on a certain regulatory agency is not contemplated by the terms of the legislation. The matters that come before the joint board should be decided strictly in accordance with the statute and with regard to the public interest which the statute would be enacted to protect. The committee has confidence that joint board members will adhere strictly to such standards if legislation embodied in S. 1725 is enacted into law.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

THROUGH SERVICE AND JOINT RATES

SECTION 1. Air carriers subject to the Federal Aviation Act of 1958, common carriers subject to parts I, II, and III of the Interstate Commerce Act, as amended, and common carriers by water subject to the Shipping Act, 1916, as amended, or the Intercoastal Shipping Act, 1933, as amended (including persons who hold themselves out to transport goods by water but who do not own or operate vessels), may establish through service and joint rates and charges with any other such common carriers in connection with the transportation of property between the State of Alaska or the State of Hawaii and the other States; except that air carriers not directly engaged in the operation of aircraft in air transportation (other than companies engaged in the air express business) may not establish joint rates or charges, under the provisions of this section, with common carriers subject to the Interstate Commerce Act, as amended, and the Shipping Act, 1916, as amended, or the Intercoastal Shipping Act, 1933, as amended: *Provided however*, That the authority to establish through service and joint rates shall not be applicable to interstate operations within the State of Hawaii by motor common carriers of property.

JOINT RATES TO BE JUST, REASONABLE, AND NONDISCRIMINATORY

SEC. 2. Joint rates and charges established pursuant to this Act and classifications, rules, regulations, and practices affecting such joint rates or charges shall be just and reasonable, and free of unjust discriminations as to shippers and consignees. It shall be the duty of the carriers party thereto to establish just, reasonable, and equitable divisions thereof between the carriers participating therein, which shall not unduly prefer or prejudice any of such participating carriers.

FILING OF TARIFFS

SEC. 3. Where through service and joint rates are established, it shall be the duty of each of the carriers party thereto to file tariffs naming such joint rates with the agency having regulatory jurisdiction over the portion of the through services to be performed by such carrier, in accordance with the tariff rules and regulations of such agency. Such tariffs shall state that they are filed pursuant to this Act.

COMPLIANCE WITH TARIFFS

SEC. 4. No carrier party to a tariff filed in accordance with section 3 shall charge or demand or collect or receive a greater or lesser or different compensation for transportation between points served by it and points served by any other such carrier or for any service in connection therewith, than the rates and charges so filed; and no such carrier shall, in any manner or by any device, directly or indirectly, or through any agent or broker or others, refund or remit any portion of the rates or charges so specified, or extend to any person any privileges or facilities other than those described in such tariffs. The willful failure of any such carrier to observe tariffs filed in accordance with this section shall be a misdemeanor punishable in accordance with the provisions of title 49, United States Code, section 41(1).

REFERENCE TO JOINT BOARD

SEC. 5. All matters relating to the lawfulness of through service and joint rates established pursuant to this Act, and divisions thereof, and classifications, regulations, and practices relating thereto, shall be determined by a joint board to be created as provided in section 6. Such matters may be referred to the Joint Board by the Interstate Commerce Commission, the Federal Maritime Board, or the Civil Aeronautics Board each upon its own initiative, and shall be referred to the Joint Board by any of such agencies upon the filing with any such agency of a complaint pursuant to this section. Complaints may be filed by any shipper, consignee, or carrier affected thereby, charging that any joint rate or charge established pursuant to this Act or any classification, regulation, or practice relating thereto, is, or will be, in violation of section 2 of this Act. Any carrier participating in a joint rate established pursuant to this Act may file a complaint charging that the divisions of such joint rate are in violation of section 2 of this Act.

ESTABLISHMENT OF JOINT BOARD

SEC. 6. There is hereby established a joint board to consider and pass upon matters to be referred to the Joint Board as provided in section 5 of this Act. The Joint Board shall consist of three members, one each to be designated from among the membership of the Civil Aeronautics Board, the Federal Maritime Board, and the Interstate Commerce Commission, by the Chairman of each such agency. The Joint Board so designated shall elect a chairman from the membership of the Board. The members of the Joint Board shall serve for a term of one year, but shall be eligible for reappointment. In case of a vacancy, a member to fill the vacancy shall be designated by the appropriate agency chairman to serve the remainder of the term; in case of temporary absence of a member, an alternate member shall be designated in the same manner, to serve for the duration of the absence. The affirmative votes of any two members of the Joint Board shall be sufficient for the disposition of any matter which may come before it. The Joint Board is authorized to use, as needed and with consent of the respective agencies, the available space, services, supplies, equipment, personnel, and facilities of the Interstate Commerce Commission, the Federal Maritime Board, and the Civil Aeronautics Board in carrying out its functions under this Act, such use to be subject to the supervision of the Director of the Bureau of the Budget. The Interstate Commerce Commission, the Federal Maritime Board, and the Civil Aeronautics Board shall, as need arises, assign hearing examiners from their respective staffs, to the work of the Joint Board.

JURISDICTION OF BOARD

SEC. 7. The Joint Board, in passing upon matters referred to it under section 5, shall have the same powers which section 216 of the Interstate Commerce Act, title 49, United States Code, section 316, confers upon the Interstate Commerce Commission in respect of common carriers of property by motor vehicle. In the exercise of its power to prescribe just and reasonable joint rates and charges filed pursuant to this Act, and classifications, regulations, and practices relating thereto, the Joint Board shall observe the standards set forth in section 216(i) of the Interstate Commerce Act, title 49, United States Code, section 316(i): *Provided, however,* That the Joint Board shall not have jurisdiction over local rates and nothing herein shall be construed as removing from the Civil Aeronautics Board, the Federal Maritime Board, and the Interstate Commerce Commission jurisdiction to regulate local rates of carriers establishing joint rates between the State of Alaska or the State of Hawaii, and the other States.

HEARINGS

SEC. 8. All matters referred to the Joint Board shall be determined on the record after opportunity for a hearing in accordance with the Administrative Procedure Act, title 5, United States Code, section 1001 and the following. Any member of the Joint Board and any hearing examiner assigned to the Board, when duly designated by the Board for such purpose, may hold hearings, sign and issue subpenas, administer oaths, examine witnesses, and receive evidence at any place in the United States.

PROCEDURAL POWERS OF THE BOARD

SEC. 9. The Joint Board shall have the power to issue such rules, regulations, or orders as may be required for the orderly processing of matters assigned to it. The Board shall have the power to require by subpena the attendance and testimony of witnesses and the production of all books, papers, and documents and to take testimony by deposition relating to any matter within its jurisdiction. The attendance of witnesses and the production of books, papers, and documents may be required at any designated place of hearing.

REVIEW OF BOARD ORDERS

SEC. 10. Orders of the Joint Board shall take effect within a reasonable time, not less than thirty days, and shall continue in force until its further order, or for a specified period of time, as shall be prescribed in the order, unless the same shall be suspended or modified or set aside by the Joint Board or be suspended or set aside by a court of competent jurisdiction. Such orders shall be reviewable as provided in title 5, United States Code, sections 1031–1041, inclusive.

EFFECTIVE DATE

SEC. 11. The members of the Joint Board shall be designated within one hundred and twenty days after the date of enactment of this Act, and this Act shall take effect one hundred and twenty days after the date of enactment.

GENERAL GOVERNMENT MATTERS, DEPARTMENT OF COMMERCE, AND RELATED AGENCIES APPROPRIATION, 1962

Mr. MANSFIELD. Mr. President, I move that the pending business, S. 1154, again be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 415, H.R. 7577.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR PROXMIRE, OF WISCONSIN

Mr. MOSS. Mr. President, the junior Senator from Wisconsin [Mr. PROXMIRE] has earned a reputation for being a watchdog of the Treasury. In the Denver Post of June 12, 1961, in an editorial entitled "Senator PROXMIRE Earns His 'Keep'," tribute is paid to the Senator from Wisconsin, and I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR PROXMIRE EARNS HIS "KEEP"

When the U.S. Senate votes to save taxpayers $10,000 a day ($3.6 million a year) it is entitled to a few thankful hurrahs, to which we add our own "Hear! Hear!"

This occurred the other day when a bill by Senator PROXMIRE, Democrat, of Wisconsin, was passed quickly on a voice vote with bipartisan support.

It seems that the U.S. Treasury for years has been holding a reserve of $98.1 million to redeem a lot of old currency, some of which was issued as long ago as 1890.

About $30 million of this amount is in gold, $36 million is in silver and the balance is represented by Government bonds. This reserve is to redeem the old-style big bills which were issued before July 1, 1929, when small-size currency made its appearance.

The reserve also covers gold certificates issued after July 1, 1929, and before Jan. 30, 1934, the date when the Government rescinded its promise to redeem these certificates with gold.

A few of these old bills turn up every year but it is safe to surmise that most of them have been destroyed by fire, floods, shipwrecks and accidents.

PROXMIRE proposed that the $98.1 million reserve be applied to the reduction of the Federal interest-bearing debt, thus reducing interest charges by $10,000 a day.

When any of the old currency shows up, it will be redeemed in new currency charged

against the non-interest-bearing public debt account.

What this amounts to is a bookkeeping transaction to unfreeze a reserve which is no longer needed. It saves money without affecting any essential Government program.

It just goes to show that there are ways to save money in Washington if diligent and determined efforts are made to smell them out and put them in effect.

Senator DOUGLAS, Democrat, of Illinois, has said that Senator PROXMIRE, "by this measure, has more than earned his 'keep' for his entire period in the Senate."

We might add that if every Senator found a way to save $10,000 a day, the total saving would be $1 million a day. At that rate it would still take more than 1,000 years to pay off the entire national debt but, at least, we would be trying.

SUIT BY UNITED STATES TO END RACIAL DISCRIMINATION AT AIRPORTS

Mr. JAVITS. Mr. President, I wish to call to the attention of the Senate what I consider to be an historic event. A suit was instituted by the Justice Department yesterday to end racial discrimination at the New Orleans Airport Terminal.

I call attention to this matter because it follows up a problem with which I have dealt here on the floor, and because it also follows up what I consider to be a most interesting precedent for action by the Federal Government.

It may be recalled that, in connection with an appropriation bill, I brought to the attention of the Senate the fact that, notwithstanding provisions of law which prevent segregation in facilities for interstate commerce and the duty of agencies administering Federal aid to airports to avoid any such segregated situation, the fact was that municipalities, for whose benefit airport facilities are constructed, were reserving, out of airport buildings, let us say, facilities for restaurants, building those facilities at the municipalities' own expense—which is nominal considering the cost of the structure—and then segregating those restaurants.

I sought to prevent such a practice by an amendment to the bill. My request was turned down. However, the Justice Department is now following through, and also invoking a very interesting provision of law which holds that, where a contract exists for this kind of construction to take place, the construction, subject to that contract, may not house segregated facilities, and the contract is violated if it does.

The Justice Department instituted a similar approach with regard to a beach for which a contract had been entered into in one of the southern communities.

Mr. President, I support the action of the Justice Department. I think it is a disgrace and a shame to our country that facilities for great airport terminals should be segregated in this way.

I point out to those who complain about freedom riders, and others who protest, that in this kind of practice, fundamental rights under the Constitution are violated. It involves such actions as those of freedom riders.

I think the legal way, the rule of law, is the best way. I am much pleased that the Justice Department has proceeded in this way. The Department, I repeat, has my full support.

I do not think such action exculpates Congress in the field of appropriating money which is misused in this way. If it is done, I shall raise the point. We have our own responsibility.

However, I repeat that I fully support the action of the Justice Department. I think it is most constructive and it is high time we brought an end to practices which fly in the face of the Constitution, the morality of the country, and express law and contract. It is high time we caught up with it and put a stop to it.

SALARIES FOR ASSISTANT U.S. ATTORNEYS

Mr. HUMPHREY. Mr. President, the distinguished Senator from New York has commented upon the activities of the Justice Department. My comment now relates to the work of the Justice Department and what I believe to be some necessary changes to strengthen the Justice Department and its work in the field.

Some time ago I wrote to the chairman of the Senate Committee on the Judiciary, the Senator from Mississippi [Mr. EASTLAND], and to the Deputy Attorney General, Mr. Byron White. In the letter to the Deputy Attorney General I wrote:

I am deeply concerned over the salary schedule for assistant district attorneys. It appears to me that the salaries provided are far too low in order to engage the professional services of competent and experienced attorneys. There are many clerks of House and Senate committees paid much more than assistant district attorneys and yet the responsibility of the office of the U.S. District Attorney today is a very heavy one.

What is the salary schedule for assistant district attorneys out in the Midwest? Would you give me specific salaries for assignments and also what if any plans does the Justice Department have for the improvement of these salaries in order to engage the services of more qualified people. I am very concerned about this.

Sincerely,

HUBERT H. HUMPHREY.

I addressed a similar letter to the chairman of the Committee on the Judiciary [Mr. EASTLAND]. In part, speaking of the Midwest, I said:

The salaries paid in the Midwest are far too low in order to engage the full-time services of competent lawyers. There is no economy in trying to skimp on salary when you need the best legal talent available. The war against crime and corruption cannot be waged with poorly paid soldiers, and that is about what is going on right now.

Would you have the committee look into this, and is there anything I can do to be of help?

Mr. President, I am happy to report that I received a reply from Deputy Attorney General Byron White, who, by the way, is doing a splendid job in that responsible position and brings great honor and efficiency to the position of Deputy Attorney General.

I wish to read in part what Mr. Byron White said in his letter, and I shall later ask to have the entire letter printed in the RECORD:

DEAR SENATOR: This has reference to your letter of May 3 concerning salaries for assistant U.S. attorneys.

I might well have included, Mr. President, not only the assistants but also the U.S. district attorneys themselves. Mr. White says:

I agree with you that our salaries are not as high as they should be and it is our hope that sufficient funds will be made available by the Congress so that improvement in our salary schedules can be made. As you know, we inherited the old budget, but we have made plans to ask for increases which will be used to upgrade salaries.

Mr. President, there is an outline of the salary schedule. I ask Senators to consider these salaries.

Attorneys who have had less than 3 years of actual legal experience generally speaking should come within a salary range from $6,000 to $7,500 per annum.

Mr. President, the attorney being talked about is a college graduate, a man graduated from a law school which has a very stiff course of academic preparation. This man has taken his State bar examination. He has been admitted to the bar. He has had 3 years of experience. Then he is called upon by the Government of the United States to wage war on crime and corruption in this country.

Mr. President, there are hundreds of secretaries working throughout the Capitol buildings who receive more than that merely to answer telephones and to take dictation. I hope Senators will not misunderstand me, for I do not mean these employees are overpaid. I mean the attorneys are underpaid.

I am not a lawyer. I do not speak for any lawyers. There are no lawyers in my immediate family.

I say if we wish to have district attorneys' offices capable of carrying on the battle against crime, capable of truly representing the public interest against the vested interests, we had better start employing people worth more than $6,000 a year. I do not see how we can carry on a mighty crusade against the forces of evil when we pay people as if somehow or other they were one step away from the relief rolls. It is really shocking to me that the Government of the United States tries to do the job of law enforcement under these kinds of conditions.

I know there are other salaries which are higher. Some are from $7,500 to $9,000 a year. The Deputy Attorney General says:

Added or special qualifications, or unusual local conditions, may justify appointment at a higher rate than the minimum provided.

In other words, the Government will pay someone $9,000 a year to go into a Federal court to represent the interests of the people of the United States in a judicial district against the organized power either of crime or of some economic interest which happens to be in conflict with the United States and with what I would call the public interest.

According to the Deputy Attorney General:

Starting salaries above $9,000 per year will be considered only for those assistants having either (a) supervisory responsibility over legal personnel in addition to their usual professional duties, or (b) substantial legal experience and unusual responsibilities.

Mr. President, anybody who examines the clerk hire for a Representative or a Senator and the salary ranges in a host of private businesses knows that these salaries are totally inadequate. I suppose it is considered to be extravagant for one to stand up and suggest that people be paid more. I do not believe in paying people more unless they can deliver more. I say one gets just about what one pays for, and not quite so much, for there is a little discount on that.

I suggest that the Government of the United States would be serving the public interest better if it paid better salaries and required higher qualifications and better personnel, instead of skimping along with salaries of $6,000, $7,500, or $9,000 per year to combat the most powerful forces of evil and corruption the world ever knew organized in some areas of our great country.

Of course, some of the district attorneys receive as much as $18,000 or $20,000 a year. There are four offices in the United States in which the first assistant gets $15,000 a year. This is the man who must combat the biggest crime syndicate which can be found in the area.

The U.S. district attorney in four offices gets $20,000 a year. There are six offices in which the U.S. district attorneys gets $18,000 a year. There are 21 offices in which the U.S. district attorney gets $17,500 a year, 26 offices in which he gets $16,000 a year, and 34 offices in which his salary is $15,000 a year.

In the offices where the U.S. district attorney gets $15,000 a year, if there are more than four assistants, the first assistant gets $11,000 a year.

I ask any Member of Congress to take a look at that salary schedule and then to take a look at his own office salary schedule to see whether he thinks this is what can be called "providing for the public interest."

Mr. President, I ask unanimous consent to have the entire letter from Mr. White printed in the RECORD. I did not let him know I was going to ask to have it printed, but I consider this to be the public business.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 18, 1961.

Hon. HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This has reference to your letter of May 3 concerning salaries for assistant U.S. attorneys.

I agree with you that our salaries are not as high as they should be and it is our hope that sufficient funds will be made available by the Congress so that improvement in our salary schedules can be made. As you know, we inherited the old budget, but we have made plans to ask for increases which will be used to upgrade salaries.

At present, our salary schedule is as follows:

1. Attorneys who have had less than 3 years of actual legal experience generally speaking should come within a salary range from $6,000 to $7,500 per annum. Those without any actual legal experience should be appointed at the minimum. Those with a minimum of 1 year's experience should be considered for appointment at a starting salary of $6,500 per year, and those with a minimum of 2 years' experience at a starting salary of $7,000 per annum.

2. Ordinary attorneys with more than 3 years of actual active practice will receive a salary of between $7,500 and $9,000 per year. Added or special qualifications, or unusual local conditions, may justify appointment at a higher rate than the minimum provided.

3. Starting salaries above $9,000 per year will be considered only for those assistants having either (a) supervisory responsibility over legal personnel in addition to their usual professional duties, or (b) substantial legal experience and unusual responsibilities.

4. For those who have supervisory responsibility, the salaries range from $10,000 to $15,000 as follows:

Maximum salaries

Offices where the salary of the U.S. attorney is—

$20,000 (4 OFFICES)	
1st assistant	$15,000
Division chief	13,500
$18,000 (6 OFFICES)	
1st assistant	14,000
Division chief	13,000
$17,500 (21 OFFICES)	
1st assistant	13,000
Division chief	11,000
$16,000 (26 OFFICES)	
1st assistant	12,000
$15,000 OR LESS (34 OFFICES)	
1st assistant (if more than 4 assistant U.S. attorneys)	11,000

Admittedly, these figures are far below the going rates for attorneys in many city, county, State, and other Federal offices. Until additional moneys are made available, however, it will not be possible to raise our general salaries and still provide the number of assistants necessary to staff our offices.

As it is, our assistants work a great amount of overtime for which they are not compensated in any way. Although to some extent this is expected, there is a limit to which we can go in expecting this devotion to duty unless the basic salaries are increased.

Whenever additional funds are made available, you may be sure that adjustments will be made in our overall salary schedules.

Sincerely,

BYRON R. WHITE,
Deputy Attorney General.

Mr. HUMPHREY. Mr. President, I consider that Congress will not be doing the best possible job in the public interest until it amends the salary schedules and hires people fully qualified to be the best attorneys this country can provide, if we really wish to wage war against some of the evil forces at work in this country.

PRODUCER WILLIAM PERLBERG CALLS FOR NEW BLOOD

Mr. MAGNUSON. Mr. President, the Senator from California and I have a longtime friend who has contributed a great deal to the cultural life of America, particularly in the production field; in the motion picture, television, and allied industries. His name is William Perlberg. He is a pioneer in the business.

Mr. Perlberg has recently been selected by the State Department to go to Russia, where there will be held a Festival of Films. Mr. Perlberg has contributed a great deal to international relations in the field over many years, particularly with respect to personnel.

The other day Mr. Perlberg made a speech before the American Cinema Editors, in which he proposed what I think is a very practical approach the industry ought to be taking to obtain new talent, including even the exchange of students, which might help our international relationship.

Mr. President, the address is not very long. It is a very provocative address entitled "Producer Perlberg Calls for New Blood." Mr. Perlberg makes some very good suggestions as to the search, in the entertainment field, which includes television and other related fields, to obtain new talent and to have good public relationships, with the youthfulness of new ideas for the future. I ask unanimous consent that the address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PRODUCER PERLBERG CALLS FOR NEW BLOOD

(By William Perlberg)

I'm here tonight to ask for a contribution.

That contribution is new blood—not for the Red Cross or Mount Sinai's blood bank, but new blood for the motion picture industry—trained and creative new blood.

If this industry of ours ever withers and dies, you cannot blame a lack of money or facilities. You will have to blame people—short-sighted studio management and producers, and the memberships of crafts and unions.

We have all but closed the arteries to the flow of new blood. We have stifled incentive. We have turned our backs on young men and women—trained by universities for a career in the industry.

And, believe me, we have spawned a generation of angry young men and women. And they have good cause to be angry.

Every so often, I see a copy of UCLA's Daily Bruin. Motion pictures are panned. The industry is held up to derision. You may say, "These are simply college kids striking at the golden image of Hollywood." I think you're wrong.

Behind this attitude are deep wounds. Students who major in cinema arts for 4 years, and then go into a year of graduate work can't even get an interview at a studio. These same students see General Electric, General Motors, General Dynamics come on the campus and recruit students in electronics, engineering, and other fields—guaranteeing them jobs, and a decent beginning salary. The New York Times takes the best of the crop from Columbia University's School of Journalism. Life magazine annually checks the graduates of Missouri's School of Journalism.

Apparently, our industry couldn't care less.

Oh, I've heard lipservice being paid for many years now. Some studio head or producer will pop off in the trades about the need for new blood. But after the speech, and after the trade publicity appears, a strange complacency seems to develop.

And the doors remain closed.

In 1954, George Seaton and I began what has been one of the most satisfying endeavors we've ever undertaken. We invited a small group of UCLA cinema arts graduate

students to monitor each of our pictures, starting with the purchase of the story, and continuing through to sneak preview. They go every step of the way with us. I think we've obtained some results.

But one morning several years ago, I woke up to the fact that no matter our personal satisfaction, and no matter the results of the training—we had failed. We were helping to train young men and women for jobs in the industry—but there were no jobs.

George and I started to campaign, and it took more than a year to place even one man. This is ridiculous, isn't it? These students are the pick of the class. The best available. Yet the doors were padlocked.

We've had a little more success during the last year. We've been able to place several students with Revue Productions * * * and finally, last week, we broke the padlock on the door at Paramount and placed a student as a story reader.

Meanwhile, many of these top students have gone to work for Lockheed or Douglas in film units—or have gone into teaching visual aids.

After spending 4 or 5 years of their lives training for the film industry, we can't expect them to sit around and grow gray beards while waiting. They deserve a chance.

There is another aspect to this sad state of affairs in our film industry, and it bears a relationship to the headlines in your morning paper—Laos, Cuba, East Germany, the Congo.

During the past 2 months, I have had many conferences with Eric Johnson, officials of the State Department's Information Agency, and members of the Screen Producer's Guild.

Our closed door policies in the American film industry have international aspects and I would like to tell you of a few incidents that have occurred within the past year.

FOREIGN STUDENTS REJECTED

A few years ago, two American schoolteachers visited Israel. Their guide on the tour was a young Israeli and he told them that his immediate goal in life was to come to the United States, and attend a university, to major in cinema arts. The teachers took a liking to this young man and pooled their money. They financed him to USC, and he was given small grants by B'nai B'rith and other organizations.

But this money was not enough to carry him. He tried to find work in the film industry to continue his studies but the closed door policy prevailed. He took a job in a dog and cat hospital. The immigration authorities discovered that he was working with animals and informed him that he must find a job in his field of study—that he would have to give up the job in the dog and cat hospital.

I can't imagine any sharper horns for a dilemma. Efforts were made to secure employment for him in a studio or in allied work. They failed.

I can't imagine a billion dollar industry that cannot make room for a bright young man from a foreign country who is trying to build a career for himself. He did not plan to stay in this country. He wanted to return to Israel after receiving training here.

We had an opportunity to make a friend for America and we blew it.

Another example concerns three Indonesian students who came to America under a Rockefeller grant. They enrolled in cinema arts, and then tried to receive some type of practical exposure to studio operations. One of the Indonesians had made films. After many phone calls, this man was permitted to go on a special studio tour. He was shown dressing rooms, property departments, sound stages. And that was all.

What has happened to these young students?

Two of them are now in Moscow. They were offered scholarships plus on-the-job training in the Russian film industry. They will go back to Indonesia * * * but I hesitate to think what kind of philosophies they will have.

The third man, the one who was given a grand tour of the studio, was welcomed to Japan. He is attending the university in Tokyo, and is also receiving on-the-job training in the Japanese film industry.

We're involved in a global crisis, and the film industry is as deeply involved as any single media. In fact, our media is a prime weapon for good or bad—as you know. If we lose even one good film maker to communism * * * we have suffered a great and irreparable loss.

STAKES ARE BIG

Our Government, and foundations like the Rockefeller Foundation, can assist in bringing these potential ambassadors here. USC and UCLA can provide them with textbook knowledge * * * but there is only one place they can receive practical training. That is with us. With you.

In the past, there have been various guild and union objections to proposals such as bleeding into the industry our own American students, and those of foreign countries. The latter would only be in for a short time.

But I personally believe that the IATSE, and that all other crafts and guilds, must see the writing on the wall. The stakes are big. Internally and externally.

Our own American students are not threats to the industry. To the contrary, they are the hope of the industry. I think we must be realistic. Suppose Christ had died without leaving any disciples. There would be no Christianity today. I think our film industry needs disciples. And that brings up the subject of foreign students.

The foreign students represent something else. Something larger. Turn our back on them, and you'll find Red China, Russia, East Germany, and other Iron Curtain countries opening the doors.

How can you help? What can you contribute?

You can agree to two programs—one that will start the revitalization of our own industry. You can agree to opening the doors to several top students each year, and start them on their way to being creative film editors.

For the other program, you open your doors to several selected foreign students for a training period in your cutting rooms.

You can specifically request a student to be admitted to your guild, and train as your assistant.

INVESTMENT IN FUTURE

I said a few minutes ago that you here in Hollywood are the best film editors in the world. I believe that. So do the students at USC and UCLA. So do the foreign students. They would rather receive training here than in any other country.

For once, we've got to be smart and not hidebound. We have to take advantage of the opportunity. If we don't, you can be certain that Russia and every other Iron Curtain country will.

This program, if we can make it work, will not only affect film editing. We hope that every other phase of film making will open its doors to permit two or three students, especially foreign, to serve a short apprenticeship.

It's an investment for the future.

It may be more than an investment. It may help to preserve a future for us all.

We cannot afford to lose even one more mind—or one more friend.

I would appreciate your contribution of thought—and your support.

Your creed says, in part, that you formed your alliance, your guild, in a desire to advance the prestige and dignity of the film editing profession. Here is one way of accomplishing this.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from California.

Mr. KUCHEL. William Perlberg is a great American and a great motion picture producer. My friend from Washington calls on his friend. So do I. Mr. Perlberg and his distinguished partner, Mr. George Seaton, have produced over the years, outstanding motion pictures.

In the comments which this representative of a great American industry made the other day to those connected with the cinema press, he made the telling point that the American motion picture industry must assist foreign cinema arts students to receive practical training in this country. If a foreign cinema student is lost to communism—and the Communists are waiting to welcome such foreign students to their midst—it would be exceedingly sad for the free world.

Mr. Perlberg's address merits the attention of Senators and Representatives as well, indeed, as the motion picture industry and I am delighted to associate myself with the remarks of my able friend, the distinguished senior Senator from Washington [Mr. MAGNUSON].

PUBLIC WELFARE TRAINING GRANTS—LABOR-HEW APPROPRIATIONS

Mr. HUMPHREY. Mr. President, last week I appeared before the Senate Appropriations Subcommittee considering the 1962 budget for the Department of Health, Education, and Welfare. The distinguished senior Senator from Alabama [Mr. HILL] is chairman of this subcommittee and it is always a great personal privilege to appear before him. His outstanding work in the fields of health and education services have won him the esteem and affection of this body and, I might add, the entire Nation.

During my testimony I urged Senate approval of President Kennedy's recent request for $3.5 million for the advanced training of public welfare personnel. Since this is a relatively recent request by the White House, I believe the importance of this budget item should be strongly emphasized.

In 1956 the Social Security Act was amended to provide a three-pronged attack on the problems of social welfare. One goal was the expansion of social welfare services to prevent disorganization of family life and to enable ADC families to function up to their fullest capacities.

The second goal of these 1956 amendments was the establishment of a program for cooperative research in social security and welfare. Last year the Congress made a start in this important area with a $350,000 appropriation to launch cooperative research and demonstration programs in social services.

But the third goal, that of training public welfare personnel, has never made even the smallest beginning. This is a vital area of national concern which can be neglected no longer. Today we have in the United States 7 million aged, blind, and handicapped persons supported by

over $3.5 billion of Federal, State, and local public funds. The human needs of these people and the extremely high cost of these welfare programs demands the development of constructive programs of personal rehabilitation.

Our goal in helping these unfortunate persons cannot be limited to merely keeping them alive, clothed, and fed. We must institute procedures whereby these people come to understand the methods of self-care and self-help. This is the primary way these destitute persons ever become self-supporting and productive members of society. This is the only way we can hope to make constructive progress in the field of public welfare.

To accomplish this goal of personal rehabilitation, we must have trained public welfare personnel. Sufficient opportunity for this advanced training does not presently exist. Private funds have not provided this essential training. Hence, inadequately trained social workers continue as the major personnel source in this field. A program of Federal training grants, comparable to the programs already existing in the fields of health and vocational rehabilitation, is clearly indicated.

I do not want my remarks to be interpreted as being critical of our social welfare workers. They do a fine work. My comment is merely to the effect that there are too few of such workers, and that there is need of more of them, and of more advanced training.

The President's request for $3.5 million is an important step toward achieving an adequate program of social service training. I strongly urge that Congress provide these funds this year, implementing its 1956 decision to provide such a program of public welfare training grants.

Mr. President, I ask unanimous consent that my prepared statement before the HEW Appropriations Subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY BEFORE THE SENATE APPROPRIATIONS SUBCOMMITTEE FOR DEPARTMENTS OF LABOR, HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES, JUNE 20, 1962

Mr. Chairman, I wish to endorse the administration's recent request for $3.5 million for the training of public welfare personnel.

I know the members of this subcommittee are well acquainted with the facts surrounding this request. Funds were originally authorized in the 1956 amendments to the Social Security Act. Unfortunately, an appropriation was never made. Recently an amendment to the emergency aid to dependent children legislation increased the Federal share of these training grants to 100 percent. President Kennedy has now formally requested that $3.5 million be appropriated for this program in fiscal year 1962.

In 1956, the purpose of this program was clear: to enable public welfare personnel to receive the advanced study and training necessary for the productive operation of public welfare programs. As many witnesses before this subcommittee have indicated, this purpose is no less valid today. And the need for this training is substantially greater.

Productive operation of public welfare programs is, in my opinion, the crucial concept we must always consider. This means much more than the orderly distribution of public money to these unfortunate public charges. It means—first and foremost—a concerted effort to lead these recipients of welfare assistance toward higher degrees of self-help and self-care. It is primarily a job of social rehabilitation.

This is a difficult job. Welfare department personnel work under a crushing caseload, often averaging from 100 to 150 cases per worker. The need to reduce this burden often means that social workers are hired before they receive the desirable level of professional training. Departments find themselves unable to grant subsequent leaves of absence so workers can return for advanced study. Under these conditions a thorough job of social rehabilitation simply is not possible. Social workers lack both time and training for this type of long-term operation.

I am sure we agree that public welfare means more than the maintenance of these people at a minimum level of assistance which keeps body and soul together. We have the duty to demand that public welfare personnel attempt to bring these people toward the ultimate goal of self-care, self-help, and the development of sound and healthy family life.

But, in demanding this, we have also placed upon ourselves the concurrent obligation to insure that these welfare workers receive the training required to develop the skill and understanding to perform this difficult job of rehabilitation.

From personal conversations I have had with professional social workers, I know that startling results have been achieved with even the most disorganized families when adequate rehabilitation services are available. Intensive and extended counseling of ADC families have produced dramatic improvements in family relationships, school attendance, health practices, employment records, and housing. These results have been obtained in many seemingly hopeless situations—provided trained personnel are available to work with these persons.

If we act on President Kennedy's recommendation and provide the $3.5 million requested, 700 to 800 training opportunities would be made available at an annual average cost of $3,000 each. While this would be just a beginning in relation to the total need, it would nevertheless be a noteworthy beginning.

It would provide tangible evidence of long-overdue Federal concern in this area. It would provide a tremendous boost of morale within this group of conscientious and hard-working State and local public welfare workers.

Finally, this appropriation would represent a long-term investment in the Nation's future generations. Social work service, administered by skilled and well-trained personnel, constitutes the major hope of rescuing future generations from a life of poverty and destitution. This is an investment we can well afford to make.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a list of the national organizations endorsing the $3.5 million appropriation request for training of public welfare staffs be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF NATIONAL ORGANIZATIONS ENDORSING $3.5 MILLION APPROPRIATION FOR TRAINING OF PUBLIC WELFARE STAFF

American Public Welfare Association.
Council on Social Work Education.
Council of Jewish Federation & Welfare Funds.
Young Women's Christian Association.
National Tuberculosis Association.
National Association on Service to Unmarried Parents.
Family Service Association of America.
Child Welfare League of America.
National Association of Social Workers.
Volunteers of America.
National Federation of Settlements & Neighborhood Centers.
Salvation Army.
American Social Health Association.
Child Study Association of America.
United Seaman's Service.
National Travelers Aid Association.

Mr. HUMPHREY. Mr. President, I rise on the floor of the Senate to make a brief comment about this particular item because so little attention has been paid to it. It is my hope that as people read this RECORD they will find a new interest in the field of social welfare, and will let Members of Congress know of this interest, because we must do something about these advanced and expanding programs of social welfare in terms of trained personnel.

INVENTIONS AND THE DEPARTMENT OF DEFENSE

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a statement I made on Monday, June 26, on the National Inventors Council be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

"The United States is tragically wasting much of its inventive talent," Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, charged today.

He said the Defense Department is spending $6 billion for research, development, testing and evaluation. "But the organization which was designed to encourage independent inventors—the National Inventors Council—(a unit of the Department of Commerce) has a budget of only $95,000," he commented.

"In America's life and death race for survival, it is absurd to provide so few resources to stimulate and work with so many innovative people," he added.

"Some sources in the Department of Defense have apparently regarded most independent inventors as nuisances," HUMPHREY stated. "So, the Pentagon has tried to screen off the inventors through the National Inventors Council. Defense officials, said HUMPHREY, should "revise their attitude and give adequate resources to the Council to go after and assist independent innovators."

The National Inventors Council was established during World War II in order to stimulate the flow of inventive ideas to the Armed Forces. It issues the bulletin entitled "Inventions Wanted by the Armed Forces and Other Government Agencies."

"Experience shows that only a small proportion—perhaps 1 or 2 percent of the 1,000 ideas a month submitted by independent inventors tend to be usable," HUMPHREY said. "But, in this 1 percent or 2 percent may be an invaluable idea, such as the portable minesweeper which was originally conceived to locate buried treasure—but which helped save thousands of Allied lives in World War II."

HUMPHREY expressed high confidence in the Council and in the Nation's innovative talent.

He revealed that 2 years ago, the Council, with Pentagon support, commissioned a study by a management consultant firm, the Arthur D. Little Co., on the problems

of Armed Forces relationships with the Council. "The report urged greater use of the Council, but very little has been done since then to carry out the suggestions," he stated.

In order to learn why, HUMPHREY last month requested the Senate Appropriations Committee (of which he is a member) to make a detailed inquiry of the Department of Defense.

The Department's answer, scheduled to arrive 3 weeks ago, still has not been received.

The Minnesota legislator has been interested in the subject as chairman of a Government Operations Subcommittee which has been reviewing problems of interagency coordination.

"One Federal unit—the National Inventors Council—is soundly appealing for inventive ideas, while another Federal agency—the biggest potential consumer—for such ideas is, in effect, turning a cold shoulder," HUMPHREY said.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that certain policy questions submitted to the Appropriations Committee for transmittal to the Department of Defense and for information to the National Inventors Council be printed in the RECORD.

There being no objection, the policy questions were ordered to be printed in the RECORD, as follows:

POLICY QUESTIONS SUBMITTED TO APPROPRIATIONS COMMITTEE FOR TRANSMITTAL TO DEPARTMENT OF DEFENSE AND, FOR INFORMATION TO NATIONAL INVENTORS COUNCIL

From Senator HUBERT H. HUMPHREY

Re questions for transmittal on facilitating innovative proposals to Department of Defense.

The following questions are intended, for response, as appropriate to the respective phases, by: Hon. Robert S. McNamara, Secretary of Defense, The Pentagon, Washington, D.C.; Dr. Charles S. Draper, Chairman, National Inventors Council, Office of Technical Services, Department of Commerce, Washton, D.C.

1. Does Secretary McNamara believe that there are resources of innovation represented by independent, technically trained innovators which may not now be receiving organized support but which are worth attempting to utilize?

2. Within the past 10 years, how many products from independent innovators have actually come into open and/or classified use in the Armed Forces as a result of screening activities practiced by the various screening organizations and the National Inventors' Council?

3. Since receipt of the Arthur D. Little Co. report, what specific steps have the Army, the Navy, and the Air Force taken to identify persons in these categories, to provide them with necessary background information, to assist them in producing potentially useful ideas and to enlist their attention and interest in defense inventions?

4. If any positive steps have been taken, what have the specific results been to date?

5. Does any one of the three services or the Department of Defense have an organization whose major responsibility is to develop fruitful relationships between the four categories mentioned in the background memorandum above and military personnel seeking inventive proposals?

6. Do any or all of the three services have funds set aside for the support of inventive ideas, which funds are outside the normal and planned research and development programs?

7. If the answer to the preceding question is "No," are there plans to provide such funds to make sure that potentially valuable ideas are presented in a form for thorough evaluation?

8. Over and above the natural incentive of patriotism, what other specific incentives exist to encourage the private inventor to devote his time and facilities to defense-oriented invention?

9. Can you provide the following data concerning inventive proposals forwarded by the NIC to each of the three branches of the Armed Forces during fiscal year 1960:

(a) How many proposals were received from NIC?

(b) How many of the total received are still awaiting evaluation?

(c) If all proposals received have been evaluated, what was the average length of time required for evaluation?

(d) What was the shortest time required to complete an evaluation and return comments to the Council?

(e) How many of the total proposals received were rejected by form letter rather than by informative comments?

10. The study made by the Patent, Trademark and Copyright Foundation of George Washington University indicated that one of the major deterrents to inventing for defense is the inventor's lack of knowledge as to what is needed. Do each of the three services have a departmentwide policy of making their inventive needs known through the Council and/or other media?

11. The lists, "Inventions Wanted by the Armed Forces," have been frequently criticized. What methods are used for selecting "inventions wanted"—for inclusion on the lists? Is it true that, on many occasions, inventions submitted in response to these requests have met with the reply, "No Need."?

12. The belief is becoming widespread that many sources within the Defense establishment who have contact with the screening offices or the National Inventors Council regard them as means of "protecting military technical work from the intrusion of outside inventors and their Senators or Representatives." Would you comment?

13. The essence of the A. D. Little report is that: (a) the research and development programs sponsored by the military are at present reaching many innovators in industry, universities and research institutes, but (b) we should extend services to reach, encourage, and facilitate creative people in our country who are not now receiving support for their innovative proposals. In that way, the Nation might avoid the recurrence of negative, unfortunate experiences with screening organizations in the military, such as occurred in the historic cases of Goddard (rocketry) and Christie (tank). If you have additional views on this overall problem, would you supplement your answers to the above questions by providing such information?

Mr. HUMPHREY. I ask unanimous consent that certain conclusions of the 1959 report on the Inventors Council by Arthur D. Little Co. be printed at this point in the RECORD.

There being no objection, the conclusions were ordered to be printed in the RECORD, as follows:

CONCLUSIONS OF 1959 REPORT BY ARTHUR D. LITTLE CO.

1. There are significant resources of technical innovation not now used by the military.

We refer here not to "inventors" in the 19th century sense—amateur, untrained, independent geniuses—but to inventive, technically trained individuals who have proved their ability to contribute new technical developments, working as individuals without organizational support. Some of these individuals are professional independents. Others are to be found in military laboratories and large corporations where they may make contributions in addition to assigned work and without organizational support, in technically based small business, in universities, quasi-military laboratories, and research institutes.

These individuals are numerically significant, they have made contributions which indicate their potential, and they are at a great disadvantage when compared by the military to the research teams of large corporations. They are now used by the military either not at all or far less than they could be.

2. There are technical needs in the military which lend themselves to the use of these resources and which make the resources worth using.

We encountered complete agreement inside and outside the military on the urgent need for major innovations in weapon systems, components of weapon systems, and products and processes supporting weapon systems. There is also widespread agreement on the need for sharp reduction of lead-time in meeting these technical requirements, and on the need for more exploratory development work prior to commitment to long-range development programs.

The resources of innovation we are concerned with here have been shown to be responsible for an extraordinarily high percentage of important, radical commercial developments in recent times; responsible for a number of significant military innovations, in spite of their problems in contributing to the military; particularly well-equipped to do exploratory development work and to perform quickly in comparison to the research teams of large corporations.

3. These resources are difficult to use. There is resistance to their use.

Among the obstacles to the use of these resources are the following: (1) They are widely dispersed, little known, hard to get, and frequently show little initiative in approaching the military. (2) They are apt to appear risky to use because of their lack of elaborate test equipment, their lack of long records of accomplishment, their inability to carry development work into production. If they are invested in and they fail, it can always be objected that the choice was not wisely made. (3) They are hard to reward in terms of the means of reward currently available to the military. (4) Sometimes they appear unpredictable and difficult to deal with. In the light of these difficulties, we have encountered considerable resistance in the military to the use of these resources. This resistance has been expressed in terms of economics, the demands of the "systems approach," and the complexity of recent technology.

4. The current screening and channeling apparatus, both in the military and in the National Inventors Council, is not able to use these resources adequately.

The military screening offices and, since World War II, the National Inventors Council staff, have been caught between two functions: The defensive function—serving as a buffer between the military and individual inventors and their Congressmen, in such a way as to protect the military and maintain good public relations; the constructive function—helping the military to find, test, and use new technical developments it would not otherwise have access to.

The defensive function is well performed, although the screening apparatus is more complicated and expensive than it needs to be in order to perform this function alone. The constructive function is inadequately performed. We were able to find no instance of a product or process in current use in the military which has passed through the military screening offices in recent years. In the case of the National Inventors Council staff, we were able to find only one such instance.

The many problems underlying this inadequacy have their roots in the fact that

those engaged in the screening process are seen by others, and frequently see themselves, as performing a secondary, defensive, and public relations function.

5. Constructive use of these resources must proceed on new bases.

The effective use of these resources to provide new and useful technical developments for the military requires an independent intermediary group standing between the military and these resources. This group must supplement, not compete with, existing military research and development activities. It should not attempt to be comprehensive but should proceed on a pilot basis, proving itself and enlarging its scope on the basis of its contributions.

It should be able to find urgent technical problems, assign these to selected individuals, pay for exploratory work and provide cash rewards for exceptional contributions. It should be able to present and follow up solutions effectively, using informal channels within the military in order to do so.

6. This implies a new constructive function for the members of the National Inventors Council.

The National Inventors Council is in fact performing a defensive and public relations function. There are major resources of innovation, and military needs for these, which could be the basis of a constructive function. The military's problems in using these resources and the problems of the resources themselves call for a kind of operation radically different from the present operation of the council's staff.

In the light of these considerations the council has a number of alternatives:

1. Discontinue its operations.

2. Recognize and continue to perform its defensive function.

3. Improve the ability of the current screening apparatus to perform the constructive function, within its limits, by recommending that it be centralized, consolidated, and strengthened.

4. The members of the council could assist the kind of constructive organization described above, without being directly involved in it, by serving as an advisory and, indirectly, a supervisory board.

5. Serve as a forum for discussion of problems relating to technical innovation and innovators in the United States and make recommendations of policy concerning these problems.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD excerpts from an introduction by Dr. Vannevar Bush to the book entitled "The Amateur Scientist," by C. L. Stong, written in 1960.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM INTRODUCTION BY DR. VANNEVAR BUSH TO BOOK "THE AMATEUR SCIENTIST," BY C. L. STONG

There are lots of amateur scientists, probably a million of them in this country. The Weather Bureau depends on some 3,000 well-organized amateur meteorologists. Other groups observe bird and insect migrations and populations, the behavior of variable stars, the onset of solar flares, the fiery end of satellites, earth tremors, soil erosion, meteor counts, and so on. The American Philosophical Society noted 8,000 laymen in Philadelphia alone, interested in science; and of these, 700 had made contributions to knowledge important enough to merit professional recognition. There are 200 science clubs in the city with national affiliations. Probably no other city can quite match this performance; after all, Benjamin Franklin gave Philadelphia a bit of a head start, but the activity is nationwide.

One reason, of course, is that we have more leisure today. This is due to the strides of science and its applications, which have rendered it possible to secure the necessities and some of the luxuries of life with much less labor. The days are gone when multitudes labored from dawn to dusk in order that a few might have time to think and to acquire some sort of culture. Of the dozens who have time on their hands, one or two turn to serious study, and especially to science. In the aggregate there is an army of men and women with the leisure to delve into science, and the opportunity lies before them.

This leads me to write a word about science itself. There is a prevalent opinion today that all science is carried on by great groups in expensive laboratories, using particle accelerators, X-ray spectrometers, radio telescopes, and other costly paraphernalia. There is also the feeling that all true research is conducted by men who have prepared for the task by long years of patient study. Also that one has to be a genius in order to create. Now there is truth to all of this, and it is due to the national recognition and support of great scientific efforts that we are making today's rapid scientific strides forward. But this is not all the truth by any means. It took genius to discover the phenomenon of transduction of genetic characteristics, one of the greatest scientific advances of the last decade, more important than taking a shot at the moon, too complex to be explained in this short note. But it did not take great apparatus at the expense of taxpayers. All it required was glassware, chemicals, colonies of bacteria—and genius. It did not take genius in the early days for radio amateurs, supposedly crowded out of all useful radio channels, to open up a whole new part of the spectrum. Nor does it take enormous organization and support to accomplish very useful things. The great rush into atomistics and nucleonics, into space exploration, into atomic energy, has left relatively neglected great areas of what was once classical physics and chemistry. The whole vast field of biology has no such pressure of public interest behind it, and in the maze of its byways are thousands of unsolved problems. Many of them require no more than careful, patient observation and the skill to fit results into the jigsaw puzzle of advancing biological science. And who is it that has the skill? It may indeed be you.

So I introduce this book with enthusiasm. May there be many like it. And from its influence, and the influence of many good books that are appearing today, may there be satisfaction for many an amateur in science. The world is being remolded by science. It is worth while to have a part, even a small part, in its transformation.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a list of major inventions, conceived by independent inventors in the last several decades.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LEADING INVENTIONS BY INDEPENDENT INVENTORS

JEWKES' STUDY

In "Source of Invention" Jewkes shows that of 61 important inventions made since 1900 more than half (40, to be exact) were the product of independent innovators working alone, unaffiliated with any industrial research laboratory. Another six were the product of investigation conducted in small- to medium-size firms.

HAMBERG'S STUDY

In a paper presented to the Joint Economic Committee on September 24, 1959, D. Hamberg of the University of Maryland, refers to his study of 45 important inventions made between 1946 and 1955. While this study is not yet complete, 12 of the 18 inventions so far examined resulted from the work of independent individuals and relatively small firms.

The following is a list of some important commercial inventions made in the last 50 years by individuals, working without organizational support:

Air conditioning, automatic transmissions, bakelite, ball point pen, catalytic cracking of petroleum, cellophane, chromium plating, cinerama, cottonpicker, cyclotron, domestic gas refrigeration, electric precipitation, electron microscope, gyro compass, hardening of liquid fats, insulin, Kodachrome, magnetic recording, penicillin, power steering, quick freezing, radio, safety razor, self-winding wrist watch, Streptomycin, sulzer loom, synthetic light polarizer, titanium, Xerography, zip fastener.

The following is a list of inventions important for military applications, made within roughly the last 50 years. Individuals working without organizational support were either entirely responsible for these inventions or played a major role in their evolution:

Jet engines, gyro compass, helicopter, rockets (the early work of Goddard), many varieties of automatic guns, e.g., the Lewis gun, suspension tanks, Doron body armor, noiseless and flashless machinegun, Cryotron, Sidewinder missile, Project Astron, magnetic mine detector, light-weight and inexpensive radar detection devices.

Many of the developments listed above, as well as many others which could have been included in such a list, occurred long after the great rise of organized research and development which has characterized the last 50 years.

Needless to say, all inventions referred to above, commercial as well as military, underwent further development in which the technical work of organizations was very much involved. Nevertheless, the initial concepts and in most cases the first-stage models were the work of individuals operating without organizational support.

Mr. HUMPHREY. Mr. President, I have submitted these documents because only recently it was called to the attention of the public that there was tremendous waste going on in this country of inventive talent merely because the large agencies of Government, particularly the Department of Defense, were paying too little attention to the many qualities of amateur inventors.

The United States is wasting much of its priceless inventive talent.

This is a conclusion of a review which I have personally conducted as chairman of a Senate Government Operations Subcommittee.

Under Senate Resolution 26, 87th Congress, this Subcommittee on Reorganization and International Organizations is responsible for studies of interagency coordination.

For more than a year, I have explored the relationship between first, the National Inventors Council, a group of distinguished American scientists which functions through the Office of Technical Services of the Department of Commerce; and second, the Council's principal clients—the Army, Navy, and Air Force.

My conclusion is this: Despite the important and recognized contributions which were made by the National Inventors Council during World War II, numerous sources in the Pentagon have

tended to regard the Council as a mere "buffer" against what are considered relative "nuisances" who submit ideas to the military.

The military's attitude is unfortunate, to say the least. The military may be getting a little too big for its britches. Unless inventions come down from mighty corporations, the military gives very little time to an invention, or to the inventor himself.

HISTORY OF TURN-DOWN OF GENIUSES' IDEAS

I might recall that:

First. Study after study has shown that the U.S. military has time and again shown itself to be disinclined to adopt bold, innovative ideas. There is a long and tragic history of military blunders in turning down good ideas, ranging from the rejection—long before World War I—of Dr. Goddard's idea of rockets and Mr. Christie's idea of a tank to the more recent cold-shouldering of Admiral Rickover's idea of a nuclear submarine.

Second. Study after study has shown that there are many thousands of Americans who, although so-called amateurs, are technically trained in modern science and technology, but who are not—for a variety of reasons—now receiving organized support from the Department of Defense. It is this group which is a virtually untapped reservoir of innovative talent. They have the know-how; they have the drive; but they do not have the formal support.

THE IGNORED 1959 REPORT

The latest such study on untapped innovative talent was made of the Arthur D. Little Co. On October 6, 1959, it filed a report entitled "The Military's Use of Resources of Technical Innovation." The report, I am glad to say, was made possible through funds provided by the Department of Defense. But unfortunately, much of the report has apparently become a dead letter in the year and a half which has since elapsed.

Apparently it has been filed either in the circular file, the wastepaper basket, or put over in one of the cold-storage chambers of the Pentagon.

For the last month, I have been awaiting comment by the Department of Defense in response to a series of questions which I submitted through the distinguished chairman of the Appropriations Subcommittee for the Department of Defense, the senior Senator from New Mexico [Mr. CHAVEZ].

I am a patient man. I am willing to wait a month, but I have the feeling that perhaps in 2 months the Post Office can get a letter to me from the Pentagon. I will wait another 3 weeks. Then I will ask the Department of Defense, if it is not too much to ask, whether they mind answering the questions I have submitted.

These questions were designed to get at the problem of why the Pentagon has failed to use the National Inventors Council to its fullest potentialities.

I earnestly hope that the reply, when received, will evidence a changed attitude in the Pentagon. I hope, too, that the able Secretary of Commerce, Luther Hodges, will give full support to the National Inventors Council which is now nearly starved for funds.

Let me note, in all fairness, that:

First. There are numerous forward-looking experts in the Department of Defense who do, fortunately, have a great degree of faith in tapping ideas from the Nation's unorganized, innovative talent.

Second. The issue of rewarding such ideas through an adequate system of compensation—in addition to the patriotic satisfaction of serving the Nation—is extremely significant.

Third. My comment on this overall issue did not originate at the instance of the National Inventors Council or the Arthur D. Little Co., or anyone in the Pentagon, but rather arose out of my personal review with the subcommittee staff.

Fourth. The views which I submit today are my own and not those of the subcommittee; the matter has not been taken up as a formal report or conclusion.

The only conclusion is my own. I have looked over the material, and I have also looked for material that has not been furnished, and I have drawn some tentative conclusions.

AN OFFICE OF HAREBRAINED IDEAS

Fifth. The National Inventors Council is an important instrumentality but is not the only means of tapping unused innovative talent. Not long ago, Fortune magazine urged that there be set up as an independent agency what is termed an "office of harebrained ideas"—an organization solely concerned with developing radical ideas, far out in the blue.

The so-called harebrained idea is the very type which may ordinarily be rejected by anyone with a vested interest in the status quo or anyone who does not want to stick his neck out in making a possible "blooper."

What is needed in effect, is some mechanism for taking risks with precedent-shaking new ideas. This is the very type which will probably have a high proportion of failure. But a single useful idea may save millions of dollars—and most important, uncounted lives.

In conclusion, Mr. President, these are the little things in government that go unattended to. There is a tendency in government to get so big that the individual is lost, and that individual initiative is lost, or at least goes unrewarded. My plea today is that we make sure that bigness in government, particularly in the Defense Department, does not deny an opportunity to new talent in our country, particularly the inventive talent, to make a contribution to the national welfare.

This has nothing to do with patents or copyrights. That is a separate item. I am speaking now of an agency in our Government which, if properly financed and properly staffed, and if the work of the agency is given proper recognition, can possibly make a very distinct contribution to our national health and welfare and security.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, it is anticipated that if action on the Department of Commerce appropriation bill is not completed today, it will be taken up again tomorrow.

It is also expected that at the conclusion of the morning hour tomorrow, the conference report on the housing bill will come before the Senate for consideration.

Following the conclusion of action on the conference report, it is planned to take up H.R. 7677, the debt-limit bill.

On Thursday, it is expected to have the Senate consider, if it is reported, a resolution relating to Reorganization Plan No. 3; that final action will be taken on Calendar No. 352, S. 1154, the cultural exchange bill; and that if action has been taken in the House, Calendar No. 414, S. 2043, the authorization bill for the Atomic Energy Commission will be taken up for consideration.

HOUSING BILL CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I thought I heard the majority leader state that if action on the Department of Commerce appropriation bill was not finished today, the consideration of the bill would be resumed tomorrow, and that the conference report on the housing bill would be called up after that.

I hope that the appropriation bill will be finished today. If not, I certainly hope that if much time is required for its consideration tomorrow, it will be possible to have the conference report considered first, because it is urgent that the Senate finish with it as soon as possible and message it to the House, so that early action may be taken on the housing bill.

Mr. MANSFIELD. Mr. President, I am sorry I did not state the situation as the Senator from Alabama has just outlined it, because that is what I had in mind. Conference reports are privileged, and I should like to have the conference report on the housing bill considered at the conclusion of the morning business tomorrow.

Mr. SPARKMAN. I appreciate the Senator's statement. The conference committee completed its work on the

housing bill just a few minutes ago. I believe we have a very good bill.

The principal point of contention between the conferees, as one might imagine, was the 40-year mortgage plan for section 221 housing for moderate-income families. It was rather difficult to reach a settlement on that item. The House had agreed on 35 years; the Senate had agreed, after extensive debate, on 40 years. Finally, a happy solution was reached, and it was agreed unanimously, I believe—certainly by a great majority of the conferees on both sides—that so far as persons displaced by government action were concerned, the terms on the mortgage would remain at 40 years. That is now the law and there would be no change.

As for moderate-income families, who are not displacees, the term of the mortgage, as it would apply to new construction, would be 35 years, except that in the case of hardship there might be an extension of not to exceed 5 years. An example of hardship would be where a buyer's income is not sufficient to allow him to qualify for monthly payments under the shorter term. That solves the problem of providing 40-year mortgages in cases where they are necessary because of income limitations; but, at the same, the bill does not give that privilege to persons who, having income sufficient to meet their payments under the shorter term mortgage, might want to take advantage of it. I think that was a very happy solution.

In addition, the conference provided that in the case of existing housing, where a person of moderate income wanted to buy a house under the FHA insurance plan, 30-year mortgages would be authorized on such housing.

That is in keeping with the regular FHA program which we have at the present time. I believe it is a very good solution.

One other item in which I think the Senate will be particularly interested relates to urban transportation. The Senate had passed that provision. The House did not pass it, but planned to hold separate hearings. As a matter of fact, hearings were set for today. The able Representative MULTER, of New York, was chairman of the subcommittee which was to hold hearings on it. Hearings were held this morning. The subcommittee came in with a recommendation—when we met this afternoon—based upon the information it had been able to gather at its hearings this morning. That recommendation was for a modification of the plan, whereby there would be an emergency program at least through 1962, or, at least, the funds would not be available for use after December 31, 1962, except in cases in which commitments had already been made. It would be a short-term, emergency program, in order to get started on the worst cases, and looking toward the enactment of permanent legislation in the future.

I see the distinguished Senator from New York in the Chamber. I know he has been greatly interested in that matter. I believe he will be interested in the solution at which we arrived.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield for a question?

Mr. SPARKMAN. I yield.

Mr. JAVITS. In regard to the middle-income housing provisions, I note that the amount of mortgages which FNMA is to be permitted to buy has been doubled. Will the Senator state the reason for that enormous increase?

Mr. SPARKMAN. The Senator from New York will recall that in the Senate version of the bill we provided for $750 million, and also $750 million discretionary with the President. We cut that out; and the bill, as passed by the Senate, provided for only $750 million.

In its version, the House had included $200 million of unused funds authorized under the 1958 Emergency Housing Act. It did not earmark them for the moderate-income housing program, but simply put them in the special assistance funds available for use by the President. They might be used for any of the special assistance programs.

In addition, approximately $120 million a year is received under the FNMA liquidation program, for the liquidation of programs initiated as far back as 1944 and it was provided that these funds should go into this special assistance program of the President which could be used in any of the special assistance programs.

Mr. JAVITS. I notice the figure $1,500 million. That is more than the Senator from Alabama has stated.

Mr. SPARKMAN. In that connection, I refer to a minority statement from the House Members, who certainly would not understate the matter. It is given as $1,550 million. So the Senator from New York is correct. Of course they arrived at that in this way: $750 million plus $200 million, or a total of $950 million; and then, if one adds the $140 million—I said it was $120 million, but I believe it is $140 million—and multiply that by a sufficient number of years, one arrives at that figure.

Mr. JAVITS. I see.

Mr. SPARKMAN. Because that is an annual increment.

Mr. JAVITS. That annual increment normally would have gone into the Treasury, would it not?

Mr. SPARKMAN. Yes, normally it would have gone into the Treasury. However, so far as I know, there is no requirement that it cannot be used for the housing programs generally.

Mr. JAVITS. Well, we can discuss this tomorrow.

Mr. SPARKMAN. It more or less creates a revolving fund, so far as that is concerned.

GENERAL GOVERNMENT MATTERS, DEPARTMENT OF COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

Mr. HOLLAND. Mr. President, on behalf of the Committee on Appropriations, I wish to make a brief statement explaining the recommendations of the committee which are covered in full, in Report No. 442 of June 23, accompanying H.R. 7577, an act making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies, for the fiscal year ending June 30, 1962.

It should be pointed out that the bill under consideration contains matters previously presented under two bill headings last year—General Government matters, under Senator MAGNUSON's chairmanship; and the Department of Commerce and related agencies bill under my chairmanship. Its final disposition here should therefore be a twofold accomplishment.

The subcommittee commenced hearings on the bill on April 26, resumed them on May 15, and continued them through May 24; and concluded the record on June 19, with consideration of requested amendments to the bill as passed by the House on June 13. The 1,092 pages of printed hearings in this subcommittee with the House record—1,151 pages in part I and 710 pages in part II—present evidence of a thorough examination of the various programs and fund requests.

The amount of the bill, as it passed the House, was $626,958,000; the amount recommended to the Senate by the committee is $650,438,200—a net increase of $23,480,200 over the House version of the bill; a net decrease of $15,839,800 from the budget estimates, as amended, in the amount of $666,278,000. The amount recommended by the committee is $144,462,625 under the 1961 appropriations, which total $794,900,825.

With respect to the comparisons just made, it is to be noted that there are yet to be considered 1962 estimates for the Small Business Administration and the weather satellite program of the Weather Bureau, contained in House Document No. 179, dated May 26, 1961, which will be considered by the House in a supplemental bill. These estimates total $183,898,000.

With respect to the net difference—that is, the recommendations, compared with 1961 appropriations—I should like to point out, in fairness, that that is primarily due to the completion of the major portion of the Eighteenth Decennial Census and the nonrecurrence in 1962 of a repayable advance to the highway trust fund—$160 million being the amount authorized in the fiscal year 1961.

The committee recommends, in all, 27 amendments to the bill as passed by the House. In actual substantive differences, usually as to amounts of money, there are about 20, since the total of 27 includes technical, rather than substantive, changes. I believe that these are, in my recollection, and completely from the viewpoint of this committee, the most nearly compatible House and Senate committee recommendations on this subject matter—at least, since I have served in the Senate.

The following is a brief summary of the major amendments proposed by the committee. A complete and full explanation of all items in the bill will be found in the committee report. The listing I shall submit now is in order of magnitude, and does not necessarily indicate priorities:

[Added over House version of the bill]	
National Bureau of Standards: Construction of laboratories	$15,000,000
Coast and Geodetic Survey: Construction of surveying ships	4,760,000
Weather Bureau: Salaries and expenses	1,076,000
Establishment of meteorological facilities	450,000
Promotion of international travel	945,000

I should also call attention to the recommendations of the committee relating to appropriations from the highway trust fund which are not included in any of the foregoing summary or detail figures for the Federal-aid highway program. The recommendation increases this appropriation by $800,000 over the House bill to provide the $2,991 million requested in the budget, and increases the limitation on general and administrative expenses from $33 million, proposed in the House bill, to $33,800,000, as requested in the budget.

Mr. President, I should like to say, on the matter of the Federal-aid highway system, particularly the interstate system, relating to our recommended restoration of $800,000, which was reduced by the other body, that because of the increasing size of the interstate program and its increasing complexity, and also because of the fact that certain irregularities have arisen in some of the States, which may or may not be charged to an inadequate number of personnel by the Bureau of Public Roads to make the necessary inspections, we have felt that their full request should be granted in this field, so that they will have the auditors, inspectors, and others necessary for full checking of the program in the 50 States and the District of Columbia.

Before I close, I wish to pay my respects to my distinguished colleague the senior Senator from Maine [Mrs. SMITH], who, as the ranking minority member of the committee, not only has faithfully attended meetings of the subcommittee, during the hearings and otherwise, but who also did the chairman the courtesy of presiding on one or two occasions when the chairman had what he thought was necessary business elsewhere.

Mrs. SMITH of Maine. Mr. President——

Mr. HOLLAND. I yield to the Senator from Maine.

Mrs. SMITH of Maine. As the ranking minority member on the subcommittee which considered the General Government matters, Department of Commerce, and related agencies appropriations bill, I take this opportunity to congratulate the senior Senator from Florida [Mr. HOLLAND], who is chairman of the subcommittee, for the fair manner in which he conducted the hearings and the conclusions his subcommittee and the full committee arrived at in reporting this appropriations bill.

I will not take the time of the Senate to go over the whole bill, because I believe the distinguished chairman has covered the overall bill in full.

The subcommittee hearings on H.R. 7577, a copy of which is on every Senator's desk, is conclusive evidence that the subcommittee explored all avenues and probed deep into the many items for the departments whose funds are contained in this bill.

I would like to call to the attention of the Members of the Senate that we held hearings on H.R. 7577 this year, first, without a bill from the House, and after the House acted on the bill, we took additional testimony on requests for restoration of funds which were disallowed by the House.

If Senators will examine the bill before them, they will note under Title I: "General Government Matters," that the Bureau of the Budget was the only area in this section where we allowed additional funds. While we were not in agreement fundwise in this section of the bill with the House action, the committee took the position, based on questions, and answers given by department heads, that many activities performed in the various agencies are alike and similar. We expect that, with the additional funds provided for the Bureau of the Budget, they will take a long, hard look at duplication of effort among the departments and stop this waste of the taxpayers' money.

I would also call the Senate's attention to pages 9 through 11 of the accompanying report, under title "Business Activities, Salaries and Expenses," whereby we removed the consolidation of the business activities from one lump-sum appropriation and recommended that we revert back to the former appropriation structure. We believe the course we are following here provides better control of appropriated funds.

In addition to this, we are also recommending disapproval of the 10 percent transfer authority which the department requested. This latter recommendation is in accord with the House and Senate Appropriations Committees policy.

Another area that is disturbing to me and the committee is the haphazard and accidental way departments employ consultants and consulting firms. I believe the Congress should enact general legislation which would apply Governmentwide in order to have a single system and a set of standards that would apply both to individual consultants and to management consulting firms. It would appear to me extremely desirable to retain some form of legislative control and review of the agencies discharging their duties by the utilization of contracts instead of executive branch personnel.

In closing, I would direct the Senate's attention to Senate Report No. 442, which accompanies this bill, because I believe it is crystal clear as to what the committee expects from the funds provided for the next fiscal year to operate the various activities.

I would also take this opportunity to thank the senior Senator from Florida, the chairman of this subcommittee, for the very kind and generous personal references he has made with respect to me.

Mr. HOLLAND. Mr. President, may I first say I am exceedingly grateful to the Senator from Maine for her kind references to me, but it is an even greater pleasure for me to work with her in the development of this bill from year to year.

Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be deemed to be waived by reason of agreement to this request.

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. Mr. President, reserving the right to object to the unanimous consent request, I have an amendment which directly affects a committee amendment. I presume I am perfectly free to offer the amendment at a later time, from what the Senator from Florida has said.

Mr. HOLLAND. The Senator is entirely correct. If the Senator prefers, we can agree to all the committee amendments except that one amendment to which the Senator refers, but his right would be exactly the same.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and the amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

Under the heading "Title I—Executive Office of the President—Bureau of the Budget—Salaries and Expenses", on page 3, line 17, after the word "individuals", to strike out "$5,423,000" and insert "$5,571,000".

Under the heading "Title II—Department of Commerce—General Administration—Salaries and Expenses", on page 6, line 13, after the word "exceed", to strike out "$1,500" and insert "$2,500".

On page 6, after line 14, to insert:

"AVIATION WAR RISK INSURANCE REVOLVING FUND

"The Secretary of Commerce is hereby authorized to make such expenditures, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958 (72 Stat. 803), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for aviation war risk insurance activities under said Act: *Provided*, That this fund shall be effective only upon the enactment into law during the Eighty-seventh Congress of legislation extending the provisions of title XIII of the Federal Aviation Act of 1958. (72 Stat. 800–806.)"

Under the subhead "Bureau of the Census—Salaries and Expenses", on page 7, line 7, to strike out "$10,594,000" and insert "$10,785,400".

Under the subhead "1963 Censuses of Business, Transportation, Manufacturers, and Mineral Industries", on page 7, line 23, after the word "law", to strike out "$667,000" and insert "$1,000,000".

Under the subhead "Coast and Geodetic Survey—Salaries and Expenses", on page 8, at the beginning of line 16, to strike out

"$18,525,000" and insert "$19,015,000", and in line 19, after the word "for", to insert "at least".

Under the subhead "Construction of Surveying Ships", on page 9, at the beginning of line 5, to strike out "$11,965,000" and insert "$16,725,000".

On page 9, after line 6, to strike out:

"BUSINESS ACTIVITIES

"Salaries and expenses

"For necessary expenses of the business service activities; for expenses necessary to operate and maintain field offices for the collection and dissemination of information useful in the development and improvement of commerce throughout the United States and its possessions; for necessary expenses for the promotion of foreign trade, including trade centers; promotion of travel to the United States, including travel offices abroad; employment of aliens by contract for service abroad; rental of space, for periods not exceeding 5 years, and expenses of alteration, repair, or improvement; advance of funds under contracts abroad; purchase of commercial and trade reports; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; and not to exceed $17,000 for representation expenses abroad; $14,639,000."

On page 10, after line 3, to insert:

"OFFICE OF FIELD SERVICES

"Salaries and expenses

"For expenses necessary to operate and maintain field offices for the collection and dissemination of information useful in the development and improvement of commerce throughout the United States and its possessions, $3,163,000."

On page 10, after line 9, to insert:

"BUSINESS AND DEFENSE SERVICES ADMINISTRATION

"Salaries and expenses

"For necessary expenses of the Business and Defense Services Administration, $4,211,800."

On page 10, after line 13, to insert:

"BUREAU OF FOREIGN COMMERCE

"Salaries and expenses"

"For necessary expenses of the Bureau of Foreign Commerce, including trade centers abroad; the purchase of commercial and trade reports and not to exceed $10,000 for representation expenses abroad; $5,006,000."

On page 10, after line 19, to insert:

"PROMOTION OF INTERNATIONAL TRAVEL

"Salaries and expenses"

"For necessary expenses of promotion of travel to the United States, including travel offices abroad; employment of aliens by contract for service abroad; rental of space, for periods not exceeding five years, and expenses of alteration, repair, or improvement; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; and not to exceed $9,600 for representation expenses abroad; $3,000,000."

Under the subhead "Operating-Differential Subsidies (Liquidation of Contract Authorization)", on page 13, line 3, after the word "year", to strike out the comma and "of which one hundred and fifty shall be for companies which have not held contracts prior to July 1, 1959, and seventy-five shall be for companies operating into or out of the Great Lakes" and insert a colon and *"Provided further,* That no part of any appropriation in this Act for the current fiscal year shall be used for the payment of an operating-differential subsidy for the operation of any passenger vessel as defined in Public Law 87-45, Eighty-seventh Congress, on any voyage outside of its regularly assigned essential service at rates in excess of the rates applicable to any other subsidized operator regularly serving this area."

Under the subhead "Maritime Training", on page 15, line 6, after the word "cadets", to insert a colon and *"Provided further,* That reimbursements may be made to this appropriation for expenses in support of activities financed from the appropriations for research and development and ship construction."

Under the subhead "Bureau of Public Roads—Limitation on General Administrative Expenses", on page 17, line 21, after the word "exceed", to strike out "$33,000,000" and insert "$33,800,000".

Under the subhead "Federal-Aid Highways (Trust Fund)", on page 18, line 14, after the word "expended", to strike out "$2,990,200,000" and insert "$2,991,000,000", and in line 18, after the word "and", to strike out "$1,162,583,264" and insert "$1,163,383,264".

Under the subhead "Construction of Facilities", on page 22, line 8, after the word "facilities", to strike out "$25,000,000" and insert "$40,000,000".

Under the subhead "Weather Bureau—Salaries and Expenses", on page 23, line 3, to strike out "$55,595,000" and insert "$56,671,000".

Under the subhead "Establishment of Meteorological Facilities", on page 23, line 17, after the word "land", to strike out "$4,800,000" and insert "$5,250,000".

Under the subhead "General Provisions—Department of Commerce", on page 24, line 7, after "(5 U.S.C. 55a)", to insert "but, unless otherwise specified, at rates for individuals not to exceed $75 per diem".

Under the heading "Title III—The Panama Canal—Canal Zone Government—Capital Outlay", on page 25, line 18, after the word "at", to strike out "an average unit cost not exceeding $13,000" and insert "a unit cost not exceeding $16,500".

Under the heading "Title IV—Independent Agencies—Small Business Administration—Salaries and Expenses", on page 31, line 7, after the word "vehicles", to strike out "$6,750,000" and insert "$6,950,000", and on page 32, line 3, after the word "program", strike out the colon and *"Provided further,* That hereafter the rate of compensation for each of the four Deputy Administrators shall be $19,250 per annum."

Under the subhead "Subversive Activities Control Board—Salaries and Expenses", on page 32, line 16, after the word "periodicals", to strike out "$350,000" and insert "$395,000".

Mr. HOLLAND. Mr. President, I send forward an amendment, which I am advised by the staff is a technical amendment, and it appears so to me, and I ask to have it read at this time.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be read.

The LEGISLATIVE CLERK. It is proposed on page 10 to delete lines 14 through 19 of the bill as reported by the committee and insert in lieu thereof the following:

BUREAU OF FOREIGN COMMERCE

Salaries and expenses

For necessary expenses of the Bureau of Foreign Commerce, including trade centers abroad; employment of aliens by contract for service abroad; rental of space, for periods not exceeding five years, and expenses of alteration, repair, or improvement; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; the purchase of commercial and trade reports and not to exceed $10,000 for representation expenses abroad; $5,006,000.

Mr. HOLLAND. Mr. President, I am advised, and I so state the fact to be, that this is a technical amendment to comply with another amendment made by the committee in respect to travel in this area. I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I wish to express my appreciation to the distinguished chairman of the subcomimttee [Mr. HOLLAND] and the distinguished ranking minority member [Mrs. SMITH] for the attention they have given to one item in the bill, to which they devoted a great deal of time.

The distinguished senior Senator from California and I both are interested in this. The reason is that it involves a basic question of Government competition with private enterprise. I should like to clear it up; and, if I may, I should like to address some questions to the senior Senator from Florida.

This relates particularly to the Coast and Geodetic Survey and that part of the report to be found on page 8. The report says, in part:

> The committee recommends an appropriation of $19,015,000, an increase of $490,000 over the House bill; $894,000 over the 1961 appropriations; and a reduction of $260,000 from the amended budget estimate.

It is my understanding that after passage of the bill in the House, the Coast and Geodetic Survey applied the $260,000 cut all in the area of charts, at the time it made the presentation to the subcommittee. Is that correct?

Mr. HOLLAND. The Senator is correct. The Senator will note, in the first sentence in the paragraph from which he has read, the last clause, which is: "and a reduction of $260,000 from the amended budget estimate."

The agency, in distributing the reduction voted by the other body, which reduction was not distributed, itself applied $260,000 of the reduction to the aeronautical charts, to which the Senator has referred. The agency then asked for the restoration of the $260,000 for that particular purpose. The committee did not restore the $260,000.

The committee is not out of sympathy with the principle that such aeronautical charts as are necessary to public safety shall be made available, but we think the agency was rather arbitrary in applying $260,000 of its total reduction to this branch of its activity.

The Senator will note the last sentence in that paragraph:

> It is not intended that any of the reductions made by the House bill and approved by this committee will necessarily curtail any activities in connection with the issuing of aeronautical charts that the Coast and Geodetic Survey regards as vital to the public safety.

The Senator from Florida, the subcommittee members, and the full committee members were all of the feeling

that competing private business in this field should not be destroyed by the circulation to the general public—thinking now of private pilots and commercial operations—of charts at less than the price of production. We therefore added the last sentence in the paragraph on this subject, which appears in the middle of page 9:

The committee approves the general policy that it is unwise to put the Federal Government in competition with private business.

We believe the Coast and Geodetic Survey should render such service as it feels, or as the advisory aviation agencies—the FAA, the CAB and the military agencies—feel are necessary for public safety, but we are not in sympathy with offering, at less than cost of production, charts which are being produced in similar or identical form by competing private businesses, which have become a very large business and tie in with charts across the seas in foreign countries in every direction and, also, are used for the purpose of rendering supplemental service and advice from time to time.

It was the feeling of the committee that we should not ban the production and sale of charts in any way the agencies controlling the field felt was completely necessary for the protection of the public.

Mr. ALLOTT. Yes.

Mr. HOLLAND. We also felt that the $260,000 requested, as we understood, for the purpose of continuing competition with private agencies, begun on a large scale only in March, should not be restored, and we did not restore that $260,000.

Mr. ALLOTT. I thank the Senator for the explanation, because I wish to have the legislative record absolutely clear, as the Senator has made it, that the money was not restored, so that the agency should not engage in unfair competition with a private enterprise which is already serving 85 percent of the military and private airlines in the United States and, in fact, many throughout the world. That is roughly the figure.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. ALLOTT. I yield.

Mr. HOLLAND. While the committee has a very lively interest in aviation, the members are not aviation experts. Most of us have flown for a long time, and many of us fly constantly now, but we would rather leave this to the discretion of the agencies charged with safe operation of airplanes, such as the FAA, the CAB, and the various defense services. These agencies should determine what is necessary and what is not necessary in the field, from the standpoint of doing our level best to avert unfair competition from the Federal Government with private business in such a way and at such a price as to destroy private business.

Mr. ALLOTT. I appreciate very much the remarks of the chairman of the subcommittee, particularly because in this one area of the low cost charts, which was the subject of controversy, the Coast and Geodetic Survey does not itself produce the figures upon which it issues the charts. The navigational charts, which were chiefly under discussion by the committee and by those who appeared before it, are based upon information which is secured from the FAA in the same manner a private company secures the information from the FAA.

It must be understood that these are not topographical relief maps or section charts, in the ordinary sense of the term. These are navigational charts. In order to produce the charts, the Coast and Geodetic Survey must go to the FAA and secure the information in exactly the same way a private company would secure the information in order to produce the chart.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. ALLOTT. I yield.

Mr. HOLLAND. In the report of the committee, as the Senator knows, there is a letter from the distinguished chairman of the committee, the Senator from Arizona [Mr. HAYDEN], to the distinguished chairman of the Committee on Commerce, the Senator from Washington [Mr. MAGNUSON], requesting early attention to this subject matter. I read only the last sentence:

It is obvious that any remedial action, if necessary, would appear to be within the province of your committee. I would earnestly recommend this matter to you for your early attention.

I am pleased to report to the Senator that the Senator from Arizona [Mr. HAYDEN] has already received an answer from the Senator from Washington [Mr. MAGNUSON] under date of June 23, which indicates early hearings and action on this subject. I should like to read the letter into the RECORD:

DEAR SENATOR HAYDEN: This will acknowledge your letter of June 22, regarding testimony on the subject of aeronautical charting in competition with a private concern, taken during the hearings on the 1962 appropriation request for the Coast and Geodetic Survey, and your recommendation that our committee take remedial action, if necessary.

The matter has been discussed with the Coast and Geodetic Survey officer in charge of this charting, and request has been made for a transcript of the hearing testimony so that the matter may be fully explored.

You will be kept advised of any developments.

Sincerely yours,

WARREN G. MAGNUSON,
Chairman.

I believe that the Senator from Colorado has done everything within his power to call attention to this situation. I believe that the subcommittee and the committee have done all within their power to point up the nature of the controversy, and I believe that the two letters—one from the senior Senator from Arizona [Mr. HAYDEN] to the Senator from Washington [Mr. MAGNUSON] and the reply which I have just read into the Record—indicate that the question is scheduled for early and, I am sure, thorough examination.

Mr. ALLOTT. I repeat that I believe the committee has gone into this problem very thoroughly. I should like to ask the Senator one question with respect to a sentence at the end of this particular section of the report, which reads:

The committee approves the general policy that it is unwise to put the Federal Government in competition with private business.

I ask whether that sentence should not be read in relation to all the foregoing paragraphs.

Mr. HOLLAND. Of course, the Senator is correct. The sentence is only a summation and a conclusion, but it does state succinctly the philosophy and the conviction of the entire subcommittee and of the entire committee on this subject.

Mr. ALLOTT. I thank the Senator very much; and I also wish to express my particular thanks to the senior Senator from Maine [Mrs. SMITH], who was also very helpful in hearing this matter out.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield to the senior Senator from California.

Mr. KUCHEL. I have listened with great interest to the colloquy which has taken place. I associate myself completely with the comments made by my able friend the senior Senator from Colorado. The policy of the Government of the United States is and ought to be not to compete with free, competitive private enterprise which is contending honorably for business in our American society.

We have heard a discussion relating to a company which is located in the State from which my friend comes, and which is owned by some people in my State. The company has had a long and admirable record of success in a novel and unique venture. It has enjoyed contracts over the years, in war and peace, from the Navy Department and from the Air Force. Its success has continued. Now comes a department of the Government and undercuts and undersells this private business, into whose operation not a dollar of American Federal subsidy in any form has gone, and that department has been able to place their business in the most serious hazard.

I should like to refer to one paragraph from the hearings. I read a quotation from the head of the Colorado business involved, which appears on page 401:

The U.S. Coast and Geodetic Survey, of the Department of Commerce, is pursuing a vigorous program of producing radio navigation charts, copied in the main from the charts long produced by our company, and of offering these charts on the commercial market at a price that is a fraction of their actual cost.

At a time when the distinguished chairman of the subcommittee, the Senator from Florida [Mr. HOLLAND], was presiding over the hearings, as shown on page 409, a representative of the business which we are discussing went on to say:

Mr. ROSENKRANS. This situation about the price, sir, concerns our published price for a service covering the United States, of the type that we have demonstrated here, which is made available to individuals.

This subscription price is $106.50 per year to maintain this material completely up to date. The Coast and Geodetic Survey offers

an exact counterpart of this material that we have here, the en route terminal area and approach radio charts to the public at a price of $58 a year. We know through a result of senatorial inquiry, from Senator ALLOTT's office, that the $58 price seems to be in accordance with title 44 reflecting the cost of printing and paper as close as practicable.

We are aware also that Coast Survey have extended their cost to include the finishing processes of the paper. But it is far from being the total cost that goes into the product.

Senator HOLLAND. Let me see if I understand it. You raise no question as to the accuracy of the pricing in accordance with law, but you do raise the question that the law, as is now stated, permits pricing which is far below the total cost of the services required to supply the information, plus the paper, the printing, the distribution, and so forth?

Mr. ROSENKRANS. Yes, sir.

Mr. President, if that statement is correct, then, as my able friend, the Senator from Florida [Mr. HOLLAND], has suggested—a suggestion was concurred in by the distinguished ranking minority member of the committee, the senior Senator from Maine [Mrs. SMITH], and other members of the committee—the problem is legislative and, I suggest, of basic importance. I am grateful that the committee firmly and without equivocation approved, in the report, the policy of this Government under the Kennedy administration, under the Eisenhower administration, and I am sure, under national administrations prior to that time. That policy disapproves Government competition with private, competitive business.

I hope that under the leadership of the distinguished Senator from Washington [Mr. MAGNUSON], the committee will go thoroughly into the problem and take whatever steps may be necessary to prevent the Government from damaging a private business venture which, as I say, receives no governmental subsidy of any kind or character.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MAGNUSON. Of course, the Senate Committee on Commerce will have to have some measure before it concerning this particular subject. That measure could be an amendment of the basic authority—a modification or limitation—of the Coast and Geodetic Survey. When that action is taken, I assure the Committee on Appropriations and the subcommittee that it will be considered promptly.

Mr. ALLOTT. I assure the Senator from Washington that I am aware of that situation, and we will try to supply that need.

To add briefly to the remarks of the Senator from California, I point out that there is a peculiar and cruel injustice in this particular case, because the Jeppesen Co., which produces the charts, had been in the field years before the Geodetic Survey ever thought of producing navigational charts.

Another peculiar and cruel injustice exists in the fact that the Geodetic Survey has even copied the format of the charts of the Jeppesen Co., as to colors and description, so that only a very careful scrutiny of the charts—and I mean a fairly careful scrutiny, and certainly no casual look at the charts—could disclose that they were not identical charts. In view of all these questions, I feel that the Appropriations Committee has been very considerate. I think the record is clear, and I express my appreciation.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. HOLLAND. The problem is not as easy as might appear from our discussion, for we are all in accord. In the first place, the law places obligations upon the Coast and Geodetic Survey which, of course, will not be recalled, to pinpoint the location of radio stations and control points. The Coast and Geodetic Survey is the official surveyor, locator, and scientist in this field. Any comprehensive system of flight control would have to be based on fundamental work done by the Coast and Geodetic Survey.

As an additional point, the Nation itself has a great stake in the safety of its own pilots in the armed services and otherwise in flying its own planes.

There is a vital service there which differs from the one that we have been talking about. However, the fact remains that the committee felt that there was no justification for stamping out an established and efficient private business, any more than there would be for stamping out all mapmakers, because they have to proceed on the basis of primary information made available by official State and Federal surveyors.

So we are trying to get at a solution in which the exceedingly efficient and technical services necessarily rendered by the Coast and Geodetic Survey can continue to be rendered; under which the governmental operation of its own planes would surely be protected; and under which there would be just as much freedom for operation as there is in the mapmaking field for private industry to come in and use those facts and supplement them and add to them and find a way of supplying them on a time-to-time basis which fits in with the fast-moving age of which we are a part.

The committee hopes that the suggestions it has made, and as ably surveyed in the future by the Senator from Washington and his committee, will bring about such a live-and-let-live formula as will meet this situation to the best advantage of the Nation.

Mr. ALLOTT. I thank the Senator very much. I yield the floor.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, line 24, after the word "travel," it is proposed to strike out "and not to exceed $345,000 for salaries, $414,000." and insert the following: "$591,000."

Mr. HUMPHREY. I have discussed this matter in very general terminology with certain members of the subcommittee and Members of the Senate and with the distinguished chairman of the subcommittee, the Senator from Florida [Mr. HOLLAND]. I call attention to two items, if I may.

First, Public Law 87–49, 87th Congress, June 16, removed the ceiling on the Council of Economic Advisers salary schedule.

Second, I have placed before the chairman of the subcommittee and before the Senate some information relating to this particular appropriation.

The Employment Act of 1946, which established the Council of Economic Advisers, placed a limit of $345,000 on the annual appropriations for Council salaries. Since 1946 seven Federal employee salary increase measures have occurred and there has been a statutory increase in Council members' salaries. By 1960, due in large part to these increases, the salary ceiling had become a serious hindrance to Council operations. In 1947 the Council was able to maintain a staff of 43 people, including 19 professional experts, and yet remain well under the salary ceiling. However, in 1960, although these totals had fallen sharply to 32 and 11 respectively, Council salary expenditures were pressing on the statutory limit. This prompted Chairman Heller's predecessor, Dr. Saulnier, to state in the briefing materials prepared for the present Council: "The only problem needing action early in 1961 is the amendment to the Employment Act of 1946, to remove the $345,000 salary limitation for the Council."

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PROXMIRE. I emphasize what the Senator is saying. Is it not true that the Eisenhower administration in effect said that it was urgent to remove the $345,000 limitation if the Council of Economic Advisers was to do its work adequately?

Mr. HUMPHREY. The Senator is correct.

Mr. PROXMIRE So this is not only the recommendation of the New Frontier, and not only the recommendation of the Kennedy administration, but the fact is also that the Eisenhower economic advisers recognized that they could not do an adequate job of economic intelligence for the President with the ceiling limitation, and pleaded with Congress to eliminate it.

Mr. HUMPHREY. The Senator is correct.

Mr. MILLER. Mr. President, will the Senator yield so that I may ask a question of the Senator from Wisconsin?

Mr. HUMPHREY. I yield for that purpose.

Mr. MILLER. I merely wish to ask the Senator from Wisconsin if, in the light of his remarks, it is the purpose to take all the recommendations of the Eisenhower administration?

Mr. PROXMIRE. I would say that that is certainly not the case. I would not accept all the recommendations of the Kennedy administration, either. However, I say that when two administrations coincide and agree that a restriction is preventing the President of the United States from getting the kind of economic information and intelligence that he should have and desires,

it is something that Senators should pay some attention to, but, of course, it is a recommendation which we should not accept unless the merits thoroughly warrant it.

Mr. MILLER. I thank the Senator from Wisconsin and I thank the Senator from Minnesota. I merely wish to add that I believe the recommendation ought to stand on its own feet. We are not bound by what the Eisenhower administration has recommended in the past, or what anyone else has recommended. As a junior Member of the Senate, I am not bound one bit by what the Eisenhower administration recommended. If it is proper, I will vote for it. If it is not proper, I will not vote for it. I do not care who made the recommendation. If the Eisenhower recommendations were so valid, we ought to be consistent and carry on through with them.

Mr. PROXMIRE. I could not agree more with the Senator from Iowa that we should certainly not decide the question entirely on the basis of the recommendations made by the present President or the former President or both together. On the other hand, it is proper and desirable that the Senate should give consideration to the recommendations of a man like Dr. Raymond J. Saulnier, who was President Eisenhower's economic adviser, and who has lived with this problem. He believes more funds are necessary. Of course that should not be the controlling factor either.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BRIDGES. I believe that the committee went into this matter very carefully, and I believe it arrived at a very sound conclusion in connection with it.

This is a good example of trying to raise limitations and to pour more money into some of these agencies. If some of the recommendations that have been made and that I have listened to are any indication of their worth to the country, then certainly there is a very grave question in my mind as to whether we could improve the situation. That is a very factual statement I believe. I hope that the amendment of the Senator from Minnesota [Mr. HUMPHREY] will be rejected. I hope we will have a yea-and-nay vote on the amendment.

Mr. SALTONSTALL. Mr. President, does the basic law limit the amount of the salary to $345,000?

Mr. HUMPHREY. That has been the whole problem. The basic law was changed on June 16. The House legislated before the law was changed. The Senate started its hearings before the law was changed. Now the ceiling is off.

Both administrations wanted the ceiling removed. Congress has given seven salary increases since 1946 and has not raised the ceiling.

Mr. President, this is a very simple subject. We can go along as we are. I have been talking privately with the chairman of the subcommittee. We can forget the whole business; but if we do, I simply wish to point out what Congress is attempting to do to the Council of Economic Advisers, because there is a very serious problem in securing proper personnel for the Council if it is intended to continue their service. I know there are Senators who do not wish to continue it. I have heard a couple of them. That is a point of view they may well hold. But if the Council is to be continued, it ought to be continued with an adequate staff.

Mr. SALTONSTALL. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. I did not know the Senator from Minnesota had the floor.

Mr. HUMPHREY. I offered the amendment. I have been generous with Senators, letting them take some potshots at the amendment.

Mr. SALTONSTALL. The Senator's amendment draws no distinction between salaries, expenses, and travel. If the amount provided in the Senator's amendment is agreed to, certainly it ought to be broken down into what will be allowed for salaries and what will be allowed for expenses. As the Senator has now written the amendment, and as I studied it at the desk, it provides $591,000 for anything—for salaries and expenses—but does not break down the amount. In that way, we do not live up to what we do for most departments in setting up amounts for salaries, expenses, and travel.

Mr. HUMPHREY. This is a budget item. The Senate voted to eliminate that very item.

I think we ought to know what we are doing. We have already amended the language. It was voted on June 16 and signed by the President. We struck out the language relating to the Council of Economic Advisers. We struck out the limitation of a ceiling on salaries for economic advisers.

All I was trying to do was to bring the appropriation language into accordance with the law. We can write into the Appropriation Act any amount we wish. That we can do here. Congress can do that. So far as the statute is concerned. At one time there was a salary ceiling. That was removed. It was put there in 1946.

Even Senators cannot live on 1946 salaries. If we could, we would be back to $12,500, not the $22,500 we receive now.

I submit that any Senator can compare the salaries paid to his staff in 1946 with the salaries paid now, and understand exactly why the Council of Economic Advisers needs some consideration.

Mr. HOLLAND. Mr. President, I think perhaps there are some things which are not well understood, and the RECORD should be made clear, because I know every Senator wants it to be clear.

In the first place, the Eisenhower budget requested only $414,000, not the larger amount.

Mr. HUMPHREY. The Senator from Florida is correct. The Eisenhower budget provided for the removal of the salary ceiling.

Mr. HOLLAND. The Senator is correct. That salary ceiling had been removed prior to the taking of testimony on this item by our subcommittee. At the hearing, the witness who appeared—Kermit Gordon—testified, at page 921, as follows:

> Subsequent to June 12, the President signed the bill in question. He signed it last Friday, so that the salary limitations on the Council's appropriation has now been removed.

So the recommendation of the subcommittee and the action of the full committee were taken against the background of the real facts. Neither the subcommittee nor the full committee has done anything to hinder the present administration. Every other item in the request of the President and all of his agencies, including an increase for the Budget Bureau's salaries and expenses, was granted by the subcommittee and the full committee.

So far as the committee is concerned, I feel certain it deals with this subject, and with every other subject, on a completely bipartisan basis. Frankly, the appearance of the witnesses and the case made were not impressive. The Senator from Minnesota may read the testimony for himself. It appears at pages 919 and following of the hearings. It was made by Mr. Kermit Gordon, who was accompanied by Mr. James Tobin, who, I understand, was another member of the Council.

The committee had no preconceived ideas about this subject. It is perfectly willingly to have the case made in connection with the first supplemental bill which will come before us. We will listen sympathetically. However, I do not believe the committee should start to yield to requests for enlargements of appropriations on the floor of the Senate. I appeal to the Senate not to take such action, because there will be no end to it once it starts. The Senator from Florida has some additional items he would like to have included in the bill, and I suspect that is true of every Senator.

However, I hope the distinguished Senator from Minnesota will do two things: First, withdraw his amendment, if it is within his conscience to do so; and second, ask the representatives of the agency to appear before us when the next supplemental appropriation bill is considered. I understand one will be here in a few days. Then the representatives of the agencies may make a better case. Perhaps the Chairman can make a better case than was made by its members. Perhaps the members of the Joint Committee, including the distinguished Senator from Wisconsin [Mr. PROXMIRE] and the distinguished Senator from Illinois [Mr. DOUGLAS], and also some members of the Joint Committee from the opposite side of the aisle, will appear before our subcommittee. If so, they will certainly be welcome, and I now invite them to appear, because we do not want to shortchange an important agency.

I do not think I have to tell the Senator from Minnesota that I am interested in the President making the greatest success that can be made, because that is how I feel. I think Senators on the other side of the aisle wish to have the same thing done, because in these peril-

ous times that is what every good American wants done.

I hope the Senator from Minnesota will withdraw his amendment upon my assurance that the subcommittee will hear the matter sympathetically at the first hearing on a supplemental bill. I make that offer cooperatively, without any commitment from either myself or the committee. However, I want the facts to be straight, and I think they are straight now in the RECORD. I hope the Senator from Minnesota, with knowledge of the fact, which he has as assistant leader of the majority party, that once we start to break down the integrity of a bill providing $3,600 million, there is no telling where we will end, will feel it is appropriate for him to withdraw his amendment and to see to it that an aggressive presentation of the needs of this important agency is made at the first available time. I invite him now to do so.

Mr. HUMPHREY. Mr. President, the Senator from Florida has taken on a very heavy responsibility as chairman of the subcommittee. I am now a member of the Committee on Appropriations. I realize the work that goes into the preparation of appropriation bills. I certainly do not wish to stand in the way of what I believe is a reasonable suggestion by insisting on a point of personal pride of authorship of the amendment. I am doing what I am doing today at the request of the administration. If the administration did not make a good case, or if the representatives of the agency——

Mr. PROXMIRE. Mr. President, will the Senator yield at that point?

Mr. HUMPHREY. I yield.

Mr. PROXMIRE. The distinguished chairman of the subcommittee referred to page 919 of the hearings. On page 787 of the hearings, the major argument was made by Chairman Heller. He went into some detail concerning the Council's budget. He submitted an impressive document, breaking the request down into what the Council needed, and why. His statement continues for the next several pages. I am quite impressed by this presentation. I am certain the Senator from Florida is an able, thorough, fair man, and has given this appropriation very careful consideration. I believe, however, that the statement by Chairman Heller was impressive.

Mr. HOLLAND. I think it was a better statement than the later one. I certainly agree with the Senator.

In addition, I had two conferences in my office. They were not private conferences. Everything that is done in my office is open. Representatives of agencies asked for conferences with me, and I was glad to accord such conferences. They came to my office. I suspect they made the same request of the Senator from Maine [Mrs. SMITH] or other members of the subcommittee. We felt the case had not been well made.

I invite the Senator from Wisconsin [Mr. PROXMIRE], who is one of the best salesmen in the Senate, to appear before our committee when the supplemental request is received and to tell us why he believes an additional $200,000 is needed. I feel certain he will find that the committee will not have its bankers' eyes on that day but, instead, will look sympathetically and in a friendly fashion at the proposal.

Mr. HUMPHREY. Mr. President, in order to conserve the time of these very busy and distinguished Senators, I should like to accede to the suggestion which has been made by the chairman of the subcommittee.

In my opinion the proposed appropriation is needed. I examined the testimony. With the salary ceiling removed, the agency is not denied some flexibility until it can come before the committee with a request for a supplemental appropriation.

I should like to adhere as best I can to the recommendations of the subcommittee and those set forth in the colloquy which has taken place. Looking toward my right, and finding, for once, my friend the Senator from Florida to my left, I think perhaps the best thing to do at this time is to exercise the quality of restraint which the Senator from Florida frequently admonishes me to exercise—namely, withdraw my amendment, and urge that it be given the most favorable and most thorough and considerate and, I trust, affirmative consideration by the Appropriations Committee in the first supplemental appropriation bill which comes along.

Mr. President, I withdraw the amendment, and ask unanimous consent that my entire statement on this matter be printed at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

APPROPRIATIONS OF THE COUNCIL OF ECONOMIC ADVISERS

The Employment Act of 1946, which established the Council of Economic Advisers, placed a limit of $345,000 on the annual appropriations for Council salaries. Since 1946 seven Federal employee salary increase measures have occurred and there has been a statutory increase in Council members' salaries. By 1960, due in large part to these increases, the salary ceiling had become a serious hindrance to Council operations. In 1947 the Council was able to maintain a staff of 43 people, including 19 professional experts and yet remain well under the salary ceiling. However, in 1960, although these totals had fallen sharply to 32 and 11 respectively, Council salary expenditures were pressing on the statutory limit. This prompted Chairman Heller's predecessor, Dr. Saulnier, to state in the briefing materials prepared for the present Council: "The only problem needing action early in 1961 is the amendment to the Employment Act of 1946, to remove the $345,000 salary limitation for the Council."

To remedy this situation legislation was introduced to remove the salary ceiling and leave it to the regular appropriations machinery of Congress to decide what sums are required to support the work of the Council. On May 11, 1961, the House passed H.R. 6094 amended to provide for an increase in the Council's salary ceiling from $345,000 to $2 million. The Senate, however, on May 26, 1961, amended H.R. 6094 to remove the ceiling entirely and on June 14, 1961, the House unanimously accepted the Senate version. The President signed the bill into law on June 17, 1961.

On the assumption that its statutory salary ceiling would be removed or raised, the Council submitted an amended budget request for 1962 of $614,000, including $520,000 for salaries. This sum would support a Council staff of 21 professionals plus the Council members themselves, marking a return to approximately the level of operations previously attained in the 1940's and early 1950's. Such a return is necessary if the Council is to fulfill the increased responsibilities the President has asked it to assume in a wide variety of fields. In a letter to the President of the Senate on March 30, 1961, President Kennedy stated that: "The work of the Council is one of the major staff services available to the President. The Council will be unable to discharge its duties without an increase in its personnel budget."

However, at the time the House acted on the Council's budget request, the Senate version of H.R. 6094 had not yet been accepted by the House. Accordingly, the House Appropriations Subcommittee on General Government Matters reduced the Council's request by $200,000, from $614,000 to $414,000, in order, as Chairman ANDREWS said, "* * * to be in conformity with the limitation of $345,000 on salaries in the basic law." This reduction was passed in the House on June 13, 1961. Chairman ANDREWS also stated, however, that once the salary ceiling was legally removed, "consideration can then be given to whatever fund adjustments may then be required."

In appealing the House action to the Senate Appropriations Committee, the Council asked for $591,000 instead of the $614,000 it had originally requested. This reduction reflected $21,000 less in personnel compensation and benefits due to the transfer of public works planning activities back into the White House special projects fund, and a $2,000 cut made by the House in travel allowances which the Council did not appeal.

The bill reported by the Senate Appropriations Committee recommends the same appropriation for the Council as was voted by the House, and it carries over the $345,000 salary ceiling which was eliminated from the basic law subsequent to the passage of the House Appropriations bill. In view of the removal of the salary ceiling and in view of the increased reliance of the President on the Council, reconsideration by the Senate of the recommendation of the Appropriations Committee is requested.

Mr. HOLLAND. Mr. President, I express my appreciation to the Senator from Minnesota.

This will be a priceless memento in the record of the proceedings of the Senate—namely to have the admission by the Senator from Minnesota that on at least one occasion the Senator from Florida was on his left.

Mr. HUMPHREY. Geographically only.

Mr. MAGNUSON. Mr. President, I do not wish to proceed counter to the recommendations of the committee; but I hope that by offering an amendment at this time it will be possible to clear up a misunderstanding by some in regard to one item of the bill.

Therefore, Mr. President, I offer the following amendment: On page 13, in line 11, after the word "voyage," delete the words "outside of its regularly assigned essential service"; and in line 12, before the words "at rates" insert "which touches at a port or ports regularly served by another subsidized operator". As thus amended, that part of the sentence then will read, beginning in line 11:

on any voyage which touches at a port or ports regularly served by another subsidized

operator at rates in excess of the rates applicable to any other subsidized operator regularly serving this area.

Thirty days ago the Senate Commerce Committee, after quite lengthy hearings and a great deal of discussion, realizing the financial situation of some of the subsidized lines, particularly in regard to their passenger service, which has been dropping off quite considerably, and being hopeful that their gross revenues might be so much increased that their subsidies would not have to be increased, or perhaps even be decreased, approved a bill which is now Public Law 87–45—which authorizes the use of subsidized passenger vessels on cruises, during their off season, heavy-loss periods, in hopes of making it possible to reduce their losses. It was provided that these cruise vessels would be required to accept the lower Grace Line subsidy for any days on which they touched at a port regularly served by Grace, which is under a lower subsidy, for obvious reasons for the competition in the North Atlantic service is much greater, and therefore the subsidy ratio is much higher than that applicable to vessels in the Caribbean service, in view of the lesser competition there.

The present amendment to H.R. 7577 would make the cruise vessels accept the lower Grace subsidy rate if they went into the area served by Grace, even if they never entered a Grace port. This would completely negate the purpose of Public Law 87–45, which was to give the Moore-McCormack, Export, and U.S. Lines liners a chance to improve their operations enough to justify continuing in operation.

As of now—and I learned this only today—Moore-McCormack and Export are on the verge of surrendering one of each line's passenger vessels to the Maritime Administration, because of continued heavy losses. Both lines have contracted for advertising and other promotional ideas to boost the projected cruises.

For example, I hold in my hand a full-page advertisement of the American Export Lines, published in the Washington Evening Star. It is an advertisement of a cruise to the Caribbean, beginning on Thanksgiving Day, and suggesting that perhaps the independents would make such cruises later on. The same is true of Moore-McCormack and United States Lines. Both Moore-McCormack and Export have stated that the cruises will be canceled if the amendment to House bill 7577 is retained.

The basic thinking of the Senate Commerce Committee and the House committee in regard to the bill which was passed by both Houses and signed by the President was that if we did not allow these subsidized ships to make such cruises there, and thus to have hopes of increasing their gross, with the result that their subsidy might be decreased, or at least might not be increased, the foreign competition in this area would take the best of the trade, and very little of the cruise business would be available to American-subsidized passenger vessels. Of course the competition from foreign lines in this area is very great. In any Sunday newspaper travel section one will see 15 or 20 advertisements by foreign lines which run winter cruises in the Caribbean.

So this public law affords our lines which are very hard hit in their passenger business an opportunity to make such cruises in their off season, and thus perhaps reduce their subsidies, or at least not require them to be increased.

Naturally, the Grace Line is also interested in this subject, because it, too, is a subsidized line and serves that area. It serves many ports, some regularly and some not so regularly, and it does have passenger service in the area.

So in the committee this problem was carefully considered. With U.S. Lines, American Export, and Moore-McCormack being on a higher subsidy on the North Atlantic runs, and with Grace being on a somewhat lower subsidy on the South American and Caribbean runs, we were hoping that the various American lines would not get into competitive difficulty because of different rates and wages. When the bill was under consideration, the Maritime Administration was considering—and is still considering—a subsidy to equalize the rates on such trips, particularly on passenger cruises. But that has not yet happened, and there was some suggestion that the Commission did not wish to raise the Grace Line rate.

In our subcommittee we were thinking of language which would tend to equalize the rates, so as to allow these other American lines to operate such cruises and still not be in fierce competition with the Grace Line, which has been having some trouble. It operated at a deficit last year, so far as this end of the business is concerned. It was realized that if any such fierce competition developed among the American lines, the foreign lines would take over all this business, because they are very popular.

So the Senate committee included this proviso. It is not legislation; it is a limitation on appropriations.

I quote from page 13 of the bill:

Provided further, That no part of any appropriation in this Act for the current fiscal year shall be used for the payment of an operating-differential subsidy for the operation of any passenger vessel as defined in Public Law 87–45, Eighty-seventh Congress, on any voyage outside of its regularly assigned essential service at rates in excess of the rates applicable to any other subsidized operator regularly serving this area.

There was some discussion of what this language might do, and whether it might come near to accomplishing our purpose of equalizing the law, or whether it would nullify the law just passed by Congress. We found that if that language remained in the bill, these operators would have to cancel what they have been trying to do.

Also, there was ample consideration by the Commerce Committee of the problems of the Grace Line.

So I am suggesting that the amendment which the clerk has read be substituted for this language, which would mean that if any of these lines were to go into a port served by the Grace Line, they would not receive the higher subsidy. Those ports would include Kingston, Jamaica, Port-au-Prince, and San Juan, P.R. They do not serve some of the other islands and some other colorful places.

The bill provides that if such a ship went into a Grace Line port it would not receive a subsidy for the days it was in the port. I would like to see the language out of the bill altogether. I think this proposal lies somewhere between the two extremes. The subcommittee suggested to the Senator from New Hampshire and myself that we look into this question, because we were in a hurry to mark up the bill, and suggest some language if and when it reached the floor.

I have discussed this subject with the Senator from Florida and other Senators. I am making this suggestion with the understanding and reservation that if this language does not appear to be fair and equitable some language may be suggested in conference.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. ROBERTSON. The Senator from Virginia thinks the provision is in violation of the law enacted a month ago to keep foreign ships, which can operate so much more cheaply than can ships in the American merchant marine, from taking over all these cruises. The subcommittee gave reasons for allowing what is now complained of by the Grace Line, and said that what the Grace Line wanted to do was not the correct answer; that if the subsidies were too low in the Caribbean ports, the Maritime Commission could raise them, but that this was not the way to do it. So we passed the measure.

Now, under the guise of an appropriation, we are legislating to repeal what we have already decided should be done.

Our distinguished colleague from Washington is an expert in maritime matters. He is chairman of the committee handling maritime matters. I discussed this proposal with him. He said that this was half a loaf, and that we might not get a whole loaf. I will go along with the Senator. I think we should get the whole loaf, but it is better to get half a loaf than none at all.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a part of the report accompanying the bill to which I have referred, H.R. 6100, commencing on page 2 and going to the fourth paragraph of the fifth page of the report, in explanation of why this amendment should not be in the bill. I hope the distinguished Senator from Florida, who knows the problem pretty well, will accept the amendment and at least take it to conference.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The basic purpose of the bill is to afford opportunity to operators of subsidized U.S.-flag passenger vessels to divert one or more of their vessels from the route or routes assigned by contract, during seasons of the year which consistently have proven unprofitable for passenger ship operations, in order to engage in cruises in more profitable areas, and thereby eliminate or at least lessen the losses usually suffered on operations of such passenger vessels on their reg-

ular routes in those off months. Here your committee thinks it pertinent to emphasize that conditions in the maritime industry at the present time are so depressed that the very existence of the meager passenger fleet still operating under the U.S. flag is seriously threatened. We believe that some improvement in the financial condition of the interested shipping lines would be effected, and that the national interest would be served, by enactment of this bill as amended. So many people are traveling by plane now that operators of passenger vessels find it most difficult to operate at a profit, particularly in certain seasons of the year, differing on different routes. Foreign operators have been meeting this situation increasingly by diverting their vessels to off-route cruises during the slack seasons, most of their cruises starting and ending at one or other U.S. port. This bill would, it is believed, help U.S. passenger line operators to improve their operating picture, at least to some degree.

Over the past several years, several of the U.S.-flag operators, American Export Lines and Moore-McCormack Lines among them, have engaged in so-called cruises, where some additional ports were added to the regular ports of call, by permission of the Maritime Board. However, cruises authorized by this bill would be in addition to, and not in derogation of, the rights of any operator to make voyages on his regular service, route, or line, including approved deviations within the general area of his essential route. Where such deviations on such on-route cruises are without prejudice to the adequacy of service, the bill would provide that there shall be no adjustment of subsidy because of the deviations.

As introduced at the request of the Department of Commerce, section 613(d) of the bill would have required that, at the end of any approved cruise period, if the net profit on the operation of a cruise vessel had amounted to more than 10 percent of the operator's capital necessarily employed during the cruise for the vessel involved, the operator would be required to pay to the United States 75 percent of such excess, but not exceeding the amount of operating subsidy due for the cruise operation. Several considerations regarding this proposal presented themselves to your committee. First, if any profit should be realized during any such off-season cruise, it likely would be needed by the operator to balance losses on other operations of the company, which, the committee understands, is the real reason for such legislation as this. In any case, the statutory provision in 606(5) of the 1936 act for profits recapture would amply protect the Government's interest. As a matter of fact, the 75-percent recapture provision would seem to negate almost completely the basic purpose of H.R. 6100, which we favor on the assumption that the bill will afford some financial relief to the presently hard-pressed passenger ship operators. Accordingly, your committee felt that, in the long run, the public interest would be served by deletion of this section of the bill, which has been done.

The basic point at issue among the vessel operators most directly affected by the provisions of the bill was the question of operating subsidy—how it should be computed. As drafted by the Maritime Board staff, and introduced, the bill provided that vessels on cruises authorized thereunder would be entitled to their regular rate of subsidy while on cruises. However, at the hearing on the bill, the Board's Chairman stated that there had been a change of view on this point. He then proposed an amendment to provide that if a cruise authorized under the provisions of the bill were to include a stop at one foreign port which is not on the cruise vessel's regular route, but which is on the essential service of another subsidized operator who has a lower subsidy rate, the subsidy for the entire cruise should be computed at this lower rate.

In the discussion which followed, and in several days of further discussion among the vessel operator's representatives, and committee and Maritime Administration staff members, certain significant facts emerged, to wit: that the Caribbean Sea is the major cruise area for off-season employment of passenger liners serving the North Atlantic and Mediterranean routes; that the Grace Line, whose vessels regularly service this area on a cruise common carrier basis, would be the U.S.-flag line chiefly affected by any additional U.S.-flag competition; and that the Grace Line's operating-subsidy rate is considerably below the subsidy rates of the Moore-McCormack Lines and the American Export Lines, even though Moore-McCormack vessels on the Atlantic coast-South American route regularly traverse the Caribbean area. Furthermore, it was made clear that continued operation of the several passenger vessels for whom the cruise privilege originally had been sought was dependent in large degree upon development of an additional source of income such as cruises in the Caribbean or elsewhere could be expected to achieve.

Why the Grace Line subsidy rate should be so much lower than that of the other lines affected by the bill's provisions was rather mystifying to your committee. However, the solution to the controversy as to whose operating-differential subsidy should apply did not appear to lie in the Board's suggestion that the lower rate apply if a cruise vessel stops for a few hours at a port served by an operator with a lower subsidy rate, or in the alternative suggestion later advanced that the lower subsidy rate of the area's regular passenger line operator be raised to that of the cruise vessel operator in such instances.

In adopting section 4(b) of the bill, with its provision for a stepdown in the higher rate of subsidy of the cruise vessel for any days on which calls are made at ports regularly served by an operator with a lower subsidy rate, your committee took into consideration that the present regular U.S.-flag operator in the Caribbean receives a substantially lower subsidy rate than do the other subsidized passenger line operators which may cruise in the Caribbean in competition with that line. Furthermore, your committee recognizes that this difference in subsidy rates may well result in a competitive disadvantage to the present regular U.S. operator in that area.

In the light of these considerations, it is the recommendation of the committee that the Maritime Board promptly initiate a study to determine whether the current Grace Line subsidy rate is such as to place that line on true parity with those foreign operators in the area who are conducting their shipping operations in accordance with normally accepted commercial shipping practices. In making this recommendation, the committee understands that the low subsidy rate of Grace Line is due in large measure to the abnormally high operating costs of its privileged national flag competition, whose operations serve national policy rather than true commercial purposes.

Your committee recognizes also that any additional competition that the Grace Line may be called on to face as the result of enactment of this act is but a drop in the bucket compared to the present competition offered by the many foreign-flag cruise vessels operating in the Caribbean area.

For many years operators of foreign passenger liners have availed themselves to the limit of the opportunities afforded by cruises catering to the demands of citizens of the United States. Testimony at the hearing on the bill was to the effect that more than 80 such luxury cruises were advertised in one leading trade publication for each of the months of January and February 1960. Passengers departing from U.S. ports on cruises by sea for the fiscal year ending June 30, 1960, totaled 175,000, according to Immigration Service reports cited.

The great majority of the cruise ships were vessels under foreign flags. The great majority of the passengers carried on these foreign cruise ships were citizens of this country.

So thoroughly have the foreign lines "taken over" in this lucrative cruise field, and so little distinction can be made between operations of U.S. vessels in the domestic trades and these "New York—or other domestic ports—to nowhere and return" cruises, that it would seem to be about time for our Maritime Administration to give the entire cruise picture a new and searching look.

Back in the years before World War II, shipping men will recall, foreign liners dominated cruise operations from U.S. ports to such an extent that consideration was given in Congress to proposals to amend the coastwise laws to ban cruises by foreign ships sailing from U.S. ports and back to the same U.S. ports. As a result, and in recognition of the U.S. attitude, the foreign lines voluntarily entered into agreements to limit the number of such cruises, to set minimum fares, and generally to lessen the impact of the foreign cruise operations.

Mr. HOLLAND. Mr. President, I have discussed this question with the Senator from Washington, but not with the Senator from Virginia. I have not had an opportunity to discuss it with the Senator from Maine [Mrs. SMITH]. I have had a chance to discuss it with several Senators while I have been sitting here. I am inclined to take the amendment to conference. The purpose of the amendment was to prevent unfair competition with the Grace Line, or any other line operating in the Caribbean area, if ships operating in the North Atlantic rescheduled their winter runs and went there and took over their business. The purpose was to cut down the subsidy for the North Atlantic ships that came into the Caribbean area briefly to the same subsidy figure as paid already to the Grace Line and other lines similarly situated. That seemed to the committee to be the essence of fairplay. We still think so.

At the same time, we think the purpose of the act referred to by the Senator from Virginia and the Senator from Washington was to enable these cruises or vacation trips to be made in part by American-flag vessels. They are now generally made by vessels under foreign flags who render good service. Some of them come to ports in my home State, and we are glad to have them. They render excellent service, but that is no reason for our ships not to have a part of the winter vacation travel business. These cruises are very high grade vacation cruises. For that reason, we placed the amendment in the bill in the present form. The Senator from Washington says the sting should be taken out of the amendment by suggesting that these vessels should not go to the ports served by the regular Caribbean trade, which ships are operating under the smaller subsidies that apply there.

There are an ample number of ports in the Caribbean. I myself have been to enough ports there to know that eight

ports by no means represents an exhaustion of the number of ports in the Caribbean area. Several times eight interesting ports can be found there.

The Senator from Washington has suggested an amendment which would keep these North Atlantic ships, which, for a few months in the winter, cannot sail profitably the North Atlantic, from cutting the throats of the regular lines serving the Caribbean area by serving the same ports on the basis of higher subsidies than the lines regularly serving the ports receive.

We think the amendment might meet the requirements. I am perfectly willing to take it to conference if I may have the consent of the Senator from Maine [Mrs. SMITH], who, as ranking minority member of the committee, should have full right to pass on this matter.

It seems to me this amendment might give relief, and at the same time do away with the unfair competition which would otherwise prevail.

Mrs. SMITH of Maine. Mr. President, since the amendment was originally proposed by the senior Senator from New Hampshire [Mr. BRIDGES], I do not feel that I could accept the amendment without his approval. However, since he will return before consideration of the bill is completed, I have no objection to taking the amendment to conference, with the understanding that the Senator from New Hampshire [Mr. BRIDGES] could then act as he saw fit.

Mr. MAGNUSON. Mr. President, the Senator from Maryland [Mr. BUTLER] and I both discussed the question with the Senator from New Hampshire last night. The Senator from New Hampshire thought the amendment was satisfactory.

Mrs. SMITH of Maine. Then I have no objection.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. Am I correct in saying that if the ships that go into the Caribbean actually go to ports where the lower operating differential subsidy ships go, then they will lose their subsidies. Is that correct?

Mr. HOLLAND. That is correct. Ships serving regularly in that area have fixed schedules. If the ships want to retain their higher subsidy rates, they will be forced to touch other ports in their cruises.

Mr. SALTONSTALL. Am I correct in stating that if we do not give this opportunity under the law, which the Senator from Virginia has stated is now in effect, it will mean that the ships operating in the North Atlantic ports, when they are losing money heavily in the off season, will either have to stop going there entirely, and we will have no ships on those lines, or the operating subsidies will have to be given to them?

Mr. MAGNUSON. If they continue to operate, which they could, in the North Atlantic ports, on a berth-to-berth operation, the subsidies would go higher, because these ships carry very few passengers.

Mr. SALTONSTALL. That is what I tried to bring out.

Mr. MAGNUSON. This is an endeavor to make use of their potential. If they go into the ports, they do not lose the subsidy, but merely receive a lower subsidy.

Mr. SALTONSTALL. I have heard this presented in both ways, and I wish to be certain about it. If we adopt the language and take it to conference it will do two things: It will keep the ships in operation, and theoretically it will not interfere with ships now going to the Caribbean at a lower rate. Also, we hope it will reduce the operating subsidies of the North Atlantic ships, rather than increase them.

Mr. HOLLAND. The purpose of the legislation which was passed only a few days ago was to reduce the operating subsidies and also to keep more of the ships in operation. If we can serve those purposes without hurting the regular lines which are serving the Caribbean, I am certain we would all wish to do so.

Whether this new formula will do that can certainly be brought out to the satisfaction of the conferees at the conference or prior thereto.

Mr. WILLIAMS of Delaware rose.

Mr. HOLLAND. Mr. President, I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. After the Senator concludes, I should like to have the floor a few minutes.

Mr. HOLLAND. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, I regret that the Senator from Florida is willing to take the Magnuson amendment to conference. I think we should make it very clear what we would be doing if we accept the amendment of the Senator from Washington.

I supported the legislation which was passed a few weeks ago which gave to the three lines—American Export, Moore-McCormack, and United States Lines—the right to make the South American and Caribbean cruises during the off-season months. The committee amendment as reported provides that the companies could go to this area and be subsidized on those routes to the same extent as the Grace Line or any other line serving in the area but no more.

If we agree to the amendment of the Senator from Washington, as I understand it—and if I am in error I hope the Senator will correct me—we shall then allow these lines to take the same route at an increased rate, or at the European rate of subsidy.

What would that procedure result in, mathematically? It would mean that without the amendment of the Senator from Washington these ships could go on the cruises mentioned and all of the lines would be subsidized to the extent of an average of $4,000 to $4,500 per day. But if the amendment of the Senator from Washington is agreed to, it would mean it would be possible for the United States Lines to draw an extra $4,600 subsidy or $9,200. This would be $9,200 per day subsidy. At the same time, the Moore-McCormack Line would get an additional $1,300 per day subsidy over and above what it could get without the Magnuson amendment, and it would allow the American Export Lines $1,700 a day on its cruises over and above what it could get without the amendment of the Senator from Washington. Under the bill without the Magnuson amendment these lines can draw only $4,600 a day.

There certainly is no one who will say that does not go far toward subsidizing the American merchant marine.

I am perfectly willing for the ships to have the right to go into that area, in the off seasons if they can compete with the ships of the companies which have been going into the area in the years prior to this, but if they cannot compete let them stay out. If they cannot compete with existing facilities than they should by all means stay out. There is a limit as to what the taxpayers can support.

If we agree to the amendment of the Senator from Washington we will find ourselves in a situation in which one American company will be eligible for a subsidy of $9,200 per day, and another eligible for a subsidy of only $4,500 per day. Everyone knows what Congress will have to do the moment we agree to the amendment. We will have to equalize the subsidies. All Senators have said, including the Senator from Washington, that we wish to have equality in the subsidy program. We will have to equalize the subsidies, and the procedure will be that we will have to raise the subsidy for the company now getting $4,600. We will raise the lowest one, the one getting $4,600, up to the high figure, and then all of the companies will be getting $8,000 to $9,000 per day.

There is no justification for any such amount.

I think all Senators should recognize what they would do if they agreed to the amendment, which is in effect to double the subsidy rate for the South American area.

The committee rejected the proposal. I hope the Senator from Washington will withdraw his amendment. If not, I shall ask for a yea-and-nay vote on the amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. SALTONSTALL. Am I correct or not correct in saying that if we do not allow the ships to go to the Caribbean area in the off season and insist on the ships going across the Atlantic at very substantial losses, we shall be increasing the operating subsidies we shall have to pay to keep those ships in operation, or else the ships will go out of operation entirely? This, as I see, is simply an effort to cut down the operating subsidies by keeping the ships running in the season when they cannot make money on the regular subsidized routes. That is why I went along with the proposal.

Mr. WILLIAMS of Delaware. As I understand the amendment, it has nothing to do with whether the ship is forced to go across the Atlantic in the winter or whether its owners send it south. We settled that problem about 4 weeks ago when we passed a bill, which I

supported, through the Congress which gave the companies the right, if they so wished, to put their ships into the South American and Central American runs during the winter months. In the winter months the ships would still be eligible for a subsidy, not to exceed the subsidy presently being paid to other American lines presently making South American runs.

Mr. SALTONSTALL. Suppose the ships could not make the trips at all. Suppose the owners did not wish to go to the area or could not go to the area at the lower rate, but found it necessary to keep the ships on the regular subsidized runs at a very, very heavy loss. Would that not either increase the operating subsidies which the Government has to pay or else put the ship out of business?

Mr. WILLIAMS of Delaware. No, not unless we act upon the principle that this segment of the American merchant marine cannot compete with other American companies.

Let us be realistic. We are already paying subsidies to a very sizable extent to the American merchant marine. In the last 10 years we have paid approximately $2 billion in subsidies to the American merchant marine. In construction differential subsidies, we have paid a total of $606,717,000 in the last 7 years. I do not have the figures for the preceding 3 years, for there was another formula used. The figure for the last 7 years for the construction differential subsidy for the ships is $606,717,000, which the taxpayers have had to pay.

In the operation of the ships, the operating differentials we have paid $1,215,750,000 in the last 10 years. That is a subsidy paid for the operation of the ships.

The American merchant marine will have to grow up some time. If it cannot operate with that amount of subsidy, it is time to stop and ask, "Where are we going?"

We are already paying very high operating subsidies for the American merchant marine. Even without the Magnuson amendment there is $182 million in the bill, which is the highest figure ever appropriated for the operation of the American merchant marine. There is another $85 million for the construction cost differential.

I think we need an American merchant marine, but I think we have to stop and ask, "How far can we go from the standpoint of the taxpayers?"

There is a strike on at the present time. The employees are asking for more wages in the maritime dispute, which involves all of our American merchant marine. I am not going into the merits or the demerits of the strike, but it is well for us to remember that, to a large extent, whenever wages are increased as a result of strikes or any negotiations, a large part of those increases will be added as subsidies for the American taxpayers to pay.

We are pricing our services and our products out of the market.

I repeat if Senators vote for this amendment they should recognize they are being asked to in effect double the subsidy for some lines compared to what the subsidy would be without the amendment.

If we agree to the Magnuson amendment we would allow these lines to collect the same rate of subsidy as they would on the European routes, provided they did not hit the same ports which are now being served by the lines which are going into the South American area. That is easy enough to do. It means little or nothing.

If one travels to Brazil, what difference would it make whether he docked at one port or another? Yet, one ship that docks at X port would receive $4,500 per day subsidy and another ship which would dock a few miles down the coast would draw $9,200 subsidy per day. In such a situation, we know the companies would come back for equalization. Then we will equalize by raising the lower rate up to the top.

I think the companies should all be treated alike, and therefore we should retain the committee bill and reject this amendment. Then we will equalize the rates at the bottom, and the taxpayers will at least have the advantage of some saving.

The argument that the pending amendment of the Senator from Washington would save money is ridiculous. How can you save money by doubling the subsidy rates?

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Washington.

Mr. MAGNUSON. Either I do not read accurately, or the Senator from Delaware does not. I do not know which. Some days I am not so sure it is not I.

In the first place, the Maritime Board distributes the subsidies. It is up to the Board to make the ratio. Congress does not distribute them at all. The procedure is provided by law. The Senator from Delaware has said time and time again—and I agree with him—that we ought to try to know where the merchant marine is going. I can state where it is going. So long as foreign wages are what they are, and we wish to have an American merchant marine, we will always have a subsidy. I can predict that the subsidies will not become any lower.

If we do not want a merchant marine, or if we do not want to subsidize a merchant marine, I suggest that those who complain ought to come before the committee with a bill to repeal the law. We are speaking of the law. The question has nothing to do with the Senator from Florida or me.

But the committee hearings are not well attended. The hearings of the Committee on Appropriations on merchant marine matters, which are wide open to every Senator, are not well attended. I attend nearly every session of the committee. I have missed very few. I know of no appearance of the type I have described. Some Senators wait until we work months on a bill. They wait until we hear everyone, including those who administer the law, those who operate ships, the Defense Department, and the fourth arm of the defense. After working for weeks and months on the bill, we come before the Senate with a bill, and it is always misunderstood. Yet Senators do not attend the committee hearings.

The amendment would not increase any subsidies. The subsidies are provided by the Maritime Board under a law enacted by Congress. The law has been in operation for many years. Thursday, the 29th of June, is the 25th anniversary of that law.

When the bill is considered in the Senate, and the Senator from Florida [Mr. HOLLAND], the Senator from Maine [Mrs. SMITH], the Senator from Maryland [Mr. BUTLER], and the Senator from Massachusetts [Mr. SALTONSTALL] appear to present the bill, one would think we sit up nights trying to figure out how to give the merchant marine more subsidy. Yet no one appears before the committee to suggest that the law be repealed or that it be amended. Weeks of hearings are held. The law is administered by the Maritime Board. If ships did not operate in the Caribbean in the off seasons, they would operate in the North Atlantic and get the same subsidy, and it would cost us more because the gross revenues of such ships would be less. Subsidies are based upon gross revenue, and represent the difference between that figure and the amounts paid in foreign competition.

If the Maritime Board is using the wrong formula with respect to ships in the Caribbean or the North Atlantic, someone ought to find out about it. But the formula itself is based upon the law.

I do not believe anyone wants subsidies. But so long as foreign seamen are paid 50 percent of the wages that are paid in this country, and so long as American operators are flying foreign flags and operating with nondescript crews, with no safety regulations, and oil companies are evading taxes, we shall have subsidies in the American merchant marine, and particularly in the passenger field.

If we do not want the merchant marine, that is one thing. A law enacted 30 days ago provided that ships could go down in the Caribbean. It provided that if such ships stopped at a port of the Grace Line—a line which is having some trouble financially—they would receive the lower subsidies on the days they were in such ports.

This measure would tighten the operation of the law even more. The ships could not stop at a Grace Line port. If they did, their subsidy would be reduced. That is all the amendment provides, if one reads correctly the English language in it.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MAGNUSON. I do not yield. I yield the floor. I have finished.

Mr. HOLLAND. Mr. President, since I have the floor——

Mr. MAGNUSON. I yield for a question, yes. I am sorry. I did not mean to be rude.

Mr. HOLLAND. The Senator does not have the floor. I yield to the Senator from Delaware so that he may reply to the Senator from Washington.

Mr. WILLIAMS of Delaware. Mr. President, I merely wish to point up one important point which I believe the Senator from Washington has perhaps overlooked. He speaks of the fact that I should have appeared before the committee and presented the position which I am taking. I call his attention to the fact that what I am doing is trying to defend the committee, of which he is a member, and I am trying to persuade the Senate to retain in the bill an amendment which was reported unanimously from the committee with the vote of the Senator from Washington.

Mr. BUTLER. Mr. President, will the Senator yield for a brief observation?

Mr. HOLLAND. I should like to make a comment first. I should like to read into the RECORD the exact terms of the new law, because it is quite evident it is not understood alike by Senators who have been participating in the debate.

The new law on this subject, which is Public Law 87-45, was approved May 27, 1961. I shall read two parts of the law. The first part reads as follows:

For any period during which a vessel cruises as authorized by section 613 of this Act, operating-differential subsidy shall be computed as though the vessel were operating on the essential service to which the vessel is assigned—

That provision means that if a ship transferred for a cruise purpose from a North Atlantic run, in the middle of the winter, to a Caribbean run, so long as it was cruising, it would continue to draw the subsidy. I quote again:

as though the vessel were operating on the essential service to which the vessel is assigned:

It continues to draw its North Atlantic subsidy. The part of the act which seems to be misinterpreted is this:

Provided, however, That if the cruise vessel calls at a port or ports outside of its assigned service, but which is served with passenger vessels (as defined in section 613 of this Act) by another subsidized operator at an operating-differential subsidy rate for wages lower than the cruise vessel has on its assigned essential service, the operating-differential subsidy rates for each of the subsidizable items for each day (a fraction of a day to count as a day) that the vessel stops at such port shall be at the respective rates applicable to the subsidized operator regularly serving the area."

Very clearly, that language means that if the passengers on a cruise ship are not content with cruising, but wish to see San Juan, Barbados, or any of the recognized ports in the Caribbean, and the ship puts into those ports for a day, but no longer than a day, the subsidy rate, if the port is served by the Grace Line, decreases to the subsidy rate of the Grace Line. But as soon as the ship puts out to sea again, at the end of the day, the North Atlantic subsidy rate again applies.

The committee amendment endeavored to make the situation more nearly competitive between the two lines, whereas now the amendment offered by the Senator from Washington would make the matter harder on the North Atlantic ship that is transferred to such cruises by providing that for the whole of the cruise, it proceeds at the lower rate, if it schedules and comes into ports that are served by the Grace Line.

The amendment offered by the Senator from Washington, instead of being a repealer of the law, is a good deal more severe than the law. As a matter of fact, the provision of the committee would have been more severe on a North Atlantic ship which transferred to the Caribbean. It would have made it lose its higher subsidy and made it go to the lower subsidy; whereas the amendment offered by the Senator from Washington makes it clear only that it loses its subsidy by going into such ports. The first provision would have made it lose its subsidy whether it went into the ports or not. The provision offered by the Senator from Washington would make it lose its subsidy only if it insisted on entering the ports assigned to the Grace Line or any other line regularly subsidized which serves such ports.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. What appeals to me about this problem is this. Am I not correct in saying that if we did not allow these ships which sail regularly on the North Atlantic run to go into these Caribbean ports the subsidies would be greater because they would operate at a bigger loss than if we allowed them to go on Caribbean cruises.

Mr. HOLLAND. The Senator is correct. If those larger subsidies would not permit them to operate profitably, they would want to discontinue the operation of those ships.

Mr. SALTONSTALL. Either they would have to discontinue the operation, or the subsidy would be much larger.

Mr. HOLLAND. Yes. The point I am trying to make to the Senator from Delaware is that he is mistaken in his conclusion that the amendment of the Senator from Washington is more lenient on the North Atlantic line that transfers its ship to the Caribbean cruise than the bill. To the contrary, it is still more severe than the bill, and not as severe as the committee amendment which is in the appropriation bill.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. I do not believe I misunderstood the position of the Senator from Washington. What I said was that the amendment of the Senator from Washington liberalizes the amendment of the committee, which is now presently pending and which is before us.

Mr. HOLLAND. I understand the Senator to say——

Mr. WILLIAMS of Delaware. The amendment of the Senator from Washington or the committee amendment or both are restrictions on existing law, but the committee amendment went further in restricting it. I think the action of the committee was correct. I said that the amendment of the Senator from Washington would liberalize the amendment of the committee.

Mr. MAGNUSON. But the committee amendment would nullify any chance of the ship going on a cruise at all.

Mr. WILLIAMS of Delaware. No. That is a difference of opinion. I appreciate the Senator's position. However, the committee amendment would still allow it to draw $4,600, if approved by the Maritime Commission.

Mr. HOLLAND. Mr. President, I should like to make one point clear. The Senator from Florida is merely showing his friend from Delaware that any view he entertained that the amendment of the Senator from Washington would do away with the salutary effects of the committee amendment is incorrect, because the committee amendment itself is the most severe of restrictions. The amendment offered by the Senator from Washington is less severe; and the provisions of the bill are the least severe, because they provide that so long as the ship is cruising, no matter how mild the sea, no matter how gentle the air, no matter how easy the trip may be, no matter what competition exists, it still has the high subsidy that is allowed for the rather severe transportation across the North Atlantic, except for any day or days when it enters a port which is on the regular line of a subsidized route serving the Caribbean area.

Mr. WILLIAMS of Delaware. If the committee amendment in the bill as the bill was reported is retained—and I understand it was reported unanimously by the Committee on Appropriations—it will mean that the maximum subsidy which could be paid on any of the runs referred to would be the subsidy which is presently being paid to lines serving that area. That would be the ceiling.

Mr. HOLLAND. The Senator is correct in saying that if the committee amendment stands, the maximum rate payable to the North Atlantic liner which is transferred for this kind of voyage into the Caribbean will be the rate applicable to the Caribbean line which is regularly scheduled in the Caribbean area.

Mr. WILLIAMS of Delaware. That is correct.

Mr. HOLLAND. But the Senator is forgetting that the law on this subject—and I understood him in his original speech to try to stand up for the provisions of the law—provides that only as to any day spent in a Caribbean port regularly served by a Caribbean line, the subsidy rate should go down to the Caribbean rate.

Mr. WILLIAMS of Delaware. The committee, after reviewing the question, in my opinion very properly tightened the provision, as it should have done, and as the provision should stand, by putting them all on the same rate. The committee was correct. It was unanimous in its vote. I am trying to sustain the action of the Appropriations Committee which for once did something for the American taxpayers.

Mr. HOLLAND. I should like to make a little retort to the Senator from Delaware on that point. The Appropriations Committee does something for the American taxpayers in a kindly way——

Mr. WILLIAMS of Delaware. It often does.

Mr. HOLLAND. There are very few things it does to which the Senator from Delaware, with all his passion for fru-

gality of a most extreme sort, ever takes exception. The members of the Committee on Appropriations try to be as patriotic as is the Senator from Delaware, and they try to be just as economical as is the Senator from Delaware. However, we are trying to make the law mean something. We find that the amendment placed in the bill by the committee apparently would defeat the salutary purposes of the law, but that a less restrictive amendment would still permit such purposes to be carried out, and we would like to see it tried. That is the only reason the Senator from Florida is willing to accept the amendment offered by the Senator from Washington. He understands also that the Senator from New Hampshire had approved this approach, and, as I think, we all know, he was most interested in bringing about this economy. If we cannot economize to the tune of the whole effort, I ask the Senator from Delaware please not to defeat us in the effort to economize to a considerable extent, and that he not defeat the effort to have these ships working and helping to earn something and thus cut down the subsidy costs to the United States. The Senator is pursuing economy by backtracking, because if he cuts off the cruises, the subsidies will mount higher and higher, and the interest of the Nation will not be served.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Maryland.

Mr. BUTLER. There is one element in this equation which has not been mentioned, and that is that when these vessels leave their regular berths run and undertake cruises, they immediately come into competition with foreign operators, because up to the time the bill we are talking about was reported by the Committee on Commerce and passed by the Senate some 30 days ago, an American ship could not cruise in this area. All that business was going to the foreign operators. The British were reaping a harvest. The Germans were reaping a harvest. The same is true of all the other European lines.

We in the committee thought hearings should be held to determine the feasibility of permitting berth line run ships in the wintertime, when they would ordinarily be tied up and would still be drawing their subsidies, to put their ships to work. We held full hearings. Everyone interested in the question came before the committee.

We then compromised by telling the Grace Line representatives that if a cruise ship touched one of their ports, the subsidy of that ship would be reduced to the subsidy the Grace Line received.

Then the Committee on Appropriations entered the picture. I do not know how extensive that committee's hearings were. I do not know if the operators were called in. I do not know who was called in. I was not notified. I knew nothing of what had happened until the bill was reported, reversing in toto everything which had been done in the Committee on Commerce only 30 days ago.

The Committee on Commerce acted for a good reason. We acted in order to save subsidies. We acted in order to produce some of the cruise business for the American merchant marine, all of which was being captured by foreign operators. When a ship leaves its berth line run and embarks upon a cruise in competition with a foreign operator, it ought to have its regular subsidy, which it would get whether or not it went on the cruise.

If the Grace Line is being hurt, we ought to adopt an amendment, as we did in the Committee on Commerce, to try to protect them, when a berth line ship enters a port which is a Grace Line port of call. The subsidy would be reduced, so the competition in that area would not be any greater than that of the ship operating on the run.

Mr. HOLLAND. The subsidy would be reduced as to the whole period of the cruise, if the cruise ship insisted on entering Grace Line ports, and would certainly discourage its entering unfairly and competing.

Mr. BUTLER. It seems to me that this is a reasonable proposal. It enables the American operator to utilize the time in the off-season to engage in the cruise business in competition with foreign operators. It does not hurt the Grace Line, so far as I can see, to have the subsidy reduced. I cannot see who would be hurt. The taxpayer, for whom the Senator from Delaware is so able an advocate, would be benefited, not hurt.

Mr. HOLLAND. I thank the Senator from Maryland.

Mr. BARTLETT. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. BARTLETT. I desire to associate myself with the remarks made by the distinguished Senator from Maryland, especially so because I reported to the Senate from the Committee on Commerce the bill which became Public Law 87–45. It was signed by the President only on May 27 last.

As the Senator from Maryland said, the committee considers these situations very carefully. As I recall, the hearings lasted, in the aggregate, for a couple of weeks. Then the committee held executive sessions. We concluded that it would be to the advantage of the taxpayers and of the American merchant marine if American ships could be sent to the Caribbean in the off season, not only to reduce the subsidy burden on the Government, but to place the ship operators in a better financial situation and to insure continued employment of American seamen.

What we discovered was that practically the whole trade is held by foreign ship lines. The Grace Line, which has been mentioned, does not touch all the Caribbean ports, by any manner or means.

I agree wholeheartedly with all the conclusions which have been urged by the Senator from Maryland. For my part, I should have preferred no amendment by the Committee on Appropriations, and an even less restrictive amendment than is now before us, because I think the original language of the bill which became law is defensible in every way.

Mr. MAGNUSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. MAGNUSON. We have been talking about the Caribbean, but the amendment includes all the oceans of the world. Many of the operators who are subsidized operate in the Pacific, and in the off seasons make these runs. But their subsidies are the same and add more to their revenue.

Mr. HOLLAND. The main reason for mentioning the Caribbean is that it is close to Florida; and everyone thinks of Florida cruises in the wintertime as being the utmost in fine vacations. I think we were justified in using the Caribbean as a fine illustration.

Mr. BARTLETT. Mr. President, will the Senator from Florida further yield?

Mr. HOLLAND. I yield.

Mr. BARTLETT. I forgot to say that protection is afforded in Public Law 87–45, because that act provides that the Federal Maritime Board must approve each cruise.

Mr. HOLLAND. I thank the Senator from Alaska. If no other Senator wishes me to yield, I am ready to have the Senate vote on the Magnuson amendment, which I am willing to take to conference.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the Magnuson amendment.

The yeas and nays were not ordered.

Mr. BUTLER. Mr. President, do I correctly understand that the Chair has ruled that this amendment is not subject to a point of order?

The PRESIDING OFFICER. That question has never been raised.

Mr. BUTLER. I am referring to the committee amendment.

The PRESIDING OFFICER. No point of order has been raised.

Mr. BUTLER. The amendment is clearly legislation on an appropriation bill.

Mr. HOLLAND. Mr. President, if it is, the Parliamentarians do not know their business, because they have suggested that as drawn in this way, the amendment constitutes a limitation on the payment instead of a change in the legislation.

Mr. DIRKSEN. Mr. President, to clarify the record, I make the point of order, in order to get a ruling on the question.

The PRESIDING OFFICER. The Chair rules that the amendment is in order; that it is a limitation on the appropriation, and not legislation.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. Is the question on agreeing to the amendment of the Senator from Washington to the committee amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington to the committee amendment.

Mr. BUTLER. Mr. President, I make this observation in connection with the ruling of the Chair. Under existing law, a company such as is covered by the proposal could cruise in this area provided

that when it entered the port, it would receive a reduced subsidy.

Under the committee amendment, such a ship would be precluded absolutely and finally from going into that area, unless the subsidy were reduced. Therefore, is it the ruling of the Chair that it is a restrictive situation, and not a repeal of the law itself?

The PRESIDING OFFICER. It is the ruling of the Chair that the language does not affect the law of which the Senator speaks, but that the Senate may, by its appropriation, increase or decrease the amount for a legal purpose.

Mr. BUTLER. The mere entry of a ship into the Caribbean area, under the language of the amendment in the appropriation bill, precludes a subsidy greater than that given to the operator in that area.

Mr. HOLLAND. The Senator is correct. The amendment merely provides that no funds appropriated by the bill shall be used to pay a subsidy greater than the subsidy prevailing in the Caribbean area or under the conditions outlined by the Senator from Maryland. It does not change the law; it simply affects the use of the money.

Whether the distinguished Senator and I are together on the purpose of the amendment or not, I wanted the Senate to know that the committee very carefully checked this question with the Parliamentarians and placed the wording in such form that it would serve only as a limitation on the appropriation.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays on the Magnuson amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, would it be possible to have a vote on the amendment some time this evening? I raise the question because many Senators wish to attend the memorial services for Mrs. Hayden.

Mr. WILLIAMS of Delaware. Speaking for myself, I will say yes. In fact, I expect to take only from 3 to 5 minutes, and I should be willing to limit my time by unanimous consent to not more than 5 minutes.

Mr. MANSFIELD. On that basis, I should like to propound a unanimous-consent request, if it meets with the approval of the Senate.

Mr. President, I ask unanimous consent that on this amendment there be allocated 10 minutes, 5 minutes to be under the control of the distinguished Senator from Delaware [Mr. WILLIAMS], and 5 minutes under the control of the distinguished Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER. Is there objection?

Mr. BUSH. Mr. President, reserving the right to object, I wish to speak for about 10 minutes on the conference report on the housing bill, and I must insist on making those remarks at today's session. Does the Senator from Montana wish me to withhold those remarks until the vote on the pending amendment is taken?

Mr. MANSFIELD. That would be appreciated, because I understand there is one more amendment, which may not take much time.

Mr. BUSH. Then I ask unanimous consent that following the vote on the Magnuson amendment and other amendments to the pending bill and the final vote on the bill, I be allowed that much time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the unanimous-consent agreement proposed by the Senator from Montana? Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I believe it appropriate at this time to inquire about the program for tomorrow.

Mr. MANSFIELD. In reply, let me say that, if possible, it is intended to have the Senate complete action tonight on the general governmental matters appropriation bill, which now is pending; but, if not, it will be carried over until tomorrow.

It is hoped that tomorrow the Senate will take final action on the debt limitation increase bill and the conference report on the housing bill, S. 1922.

It is anticipated that on Thursday, the Senate might consider—if these measures shall have been reported by then—the resolution in regard to Reorganization Plan No. 3, which has to do with the Civil Aeronautics Board; and the resolution in regard to Reorganization Plan No. 4, which has to do with the Federal Power Commission; also Calendar No. 352, Senate bill 1154, the cultural exchange bill, which has been temporarily laid aside—a bill in which the Senator from South Dakota [Mr. MUNDT] has a specific and vital interest; and also, if possible, Calendar No. 414, Senate bill 2043, the bill authorizing appropriations for the Atomic Energy Commission.

Mr. BUSH. That is a rather weighty schedule for tomorrow. Does the Senator from Montana contemplate having the session tomorrow run into the evening?

Mr. MANSFIELD. No. It is planned to have the Senate consider tomorrow only the debt limitation increase bill and the conference report on the housing bill. The other measures to which I have referred are suggested for Thursday—unless it is found that on tomorrow such good progress is made that it will be possible to have some of them dealt with tomorrow, also.

Mr. BUSH. The conference report on the housing bill will have precedence, tomorrow, following the morning hour, will it?

Mr. MANSFIELD. Of course.

Mr. DIRKSEN. Let me ask whether the majority leader contemplates having the Senate convene at 12 o'clock tomorrow.

Mr. MANSFIELD. Yes; at 12 o'clock noon.

GENERAL GOVERNMENT MATTERS, DEPARTMENT OF COMMERCE, AND RELATED AGENCIES APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington [Mr. MAGNUSON].

Mr. WILLIAMS of Delaware. Mr. President, on this amendment, I merely wish to say that if the pending amendment is approved, it will mean that the United States Lines will be eligible to receive a subsidy of $9,200 a day, or an increase of $4,600 a day, over and above what it would receive under the committee proposal.

The Moore-McCormack Line would receive, under the Magnuson amendment, an increased subsidy of $1,300 a day, per ship. In fact, all these figures are on a per ship basis.

Under the Magnuson amendment, the American Export Line would have its subsidy increased by $1,700 per day per ship.

I point out in addition that, even without the Magnuson amendment, all these lines would still be eligible to receive subsidies up to $4,600 a day. In other words, the Magnuson amendment would have the effect of doubling the possible subsidy for one of these lines, and it would have the effect of increasing by $1,700 and $1,300, respectively, the daily subsidies going to the other two lines. Such an increase would be unjustified.

If these three lines wish to use their ships in the South American trade during the winter months, I think they have a perfect right to do so. But if they do, they should operate them on the very generous subsidy now being paid to other American lines which now are operating in that area; that would still leave them with a $4,600 per day per ship subsidy, which certainly is as much as the American taxpayers can afford to pay.

In the past 10 years we have paid a total of $1,215,750,000 in operating-differential subsidies.

I ask unanimous consent to have printed at this point in the RECORD a table which shows a breakdown of these subsidies paid for operating our American merchant marine.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Operating-differential subsidies (liquidation of contract authorization)

	APPROPRIATIONS
1952	$20,000,000
1953	20,000,000
1954	84,500,000
1955	115,000,000
1956	140,000,000
1957	124,000,000
1958	[1] 35,000,000
1959	120,000,000
1959 (2d supplement)	7,500,000
1960	128,750,000
1960 (2d supplement)	24,000,000
1961	150,000,000
1962 (estimate)	182,000,000
Total	1,150,750,000
	65,000,000
Total	1,215,750,000

[1] In addition, authority given to transfer $65,000,000 from "War Shipping Administration liquidation" account.

Mr. WILLIAMS of Delaware. I next ask unanimous consent to have printed at this point in the RECORD a table giving a breakdown of the $606,717,000 which has been paid as construction-differential subsidies during the past 7 years.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Construction-differential subsidies

1955	$52,514,000
1956	62,403,000
1957	67,300,000
1959	123,450,000
1960	110,050,000
1961	106,000,000
1962 (estimated)	85,000,000
Total	606,717,000

NOTE.—No appropriation in 1958.

Mr. WILLIAMS of Delaware. Mr. President, altogether, in the past 10 years, we have paid almost $2 billion in subsidies to the American merchant marine.

The pending bill alone, even without the Magnuson amendment, carries a subsidy payment to the American merchant marine of $182 million for operating-construction-differential subsidies. The operating subsidies are already at an all-time high—the largest amount ever appropriated for this purpose by the Congress. Certainly when they are at an all-time high, that is enough.

Therefore, Mr. President, I believe that the amendment of the Senator from Washington should be rejected.

Mr. MAGNUSON. Mr. President, will the Senator from Florida yield 1 minute to me?

Mr. HOLLAND. I yield 1 minute to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I am entirely in agreement with the last statement the Senator from Delaware made. The subsidy is at an all-time high, and I do not see any hope of reducing it without repealing the Merchant Marine Act and abolishing the American merchant marine, or else taking steps such as the one we are attempting to take in this instance, so these lines will have a little more revenue for their operations in competition with foreign-flag ships.

That is all this amendment is intended to do, and that is all I would hope to have done.

Regardless of whether the amendment is referred to as the Magnuson amendment or the Williams amendment or the Holland amendment, or whether it is identified in any other way, the only purpose of this proposal is to make it possible to do what the Congress enacted into law only 30 days ago under a measure which since then has been signed by the President.

Mr. BUTLER. Mr. President, will the Senator from Washington yield briefly to me?

Mr. MAGNUSON. I yield.

Mr. BUTLER. I believe the figures the Senator from Delaware has submitted on the operating subsidies are gross figures, and do not reflect any recapture by the Government under the Merchant Marine Act of 1936.

In addition, it is difficult for me to see how the Senator from Delaware can say the subsidy is being increased merely because the lines which operate these ships will receive, when the ships are used for cruises in the area specified, only the same subsidy that the operators of such vessels now receive when they are engaged on North Atlantic runs. When engaged on the North Atlantic runs, they would receive the same subsidy. So how can it be argued that the subsidy would be increased merely because, when receiving the same subsidy, the ships would be operating in the Caribbean?

In any event, the subsidy these ships will receive will be twice the amount of the subsidy received by the Grace Line.

This amendment relates only to Caribbean cruises by such vessels, which normally are used in the North Atlantic run, on which they receive the subsidy to which the Senator from Delaware has referred. But under present law, these ships, when operating in the Caribbean, would have to be operated at a loss, whereas under the provisions of this amendment they could operate there at their present subsidy, which otherwise, in the absence of the Magnuson amendment, would be cut in half.

Mr. HOLLAND. Mr. President, how much time remains under my control?

The PRESIDING OFFICER. Three minutes.

Mr. HOLLAND. Mr. President, I hope the amendment submitted by the Senator from Washington will prevail. It is a more modest and more gentle amendment, so far as the North Atlantic carriers are concerned, than the amendment the committee proposed; and I believe the Magnuson amendment is in line wth more equitable treatment in this situation.

I hope that my friends the Senator from Maryland and Senators from other States, will realize that by voting against the amendment submitted by the Senator from Washington, if that amendment were to be rejected, they would have left no present choice but the committee amendment, for which the committee is still willing to stand if it has to do so.

We hope the amendment of the Senator from Washington will prevail.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 more minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from Maryland said he could not understand the reason behind my statement that these subsidies are now at an all-time high. I point out that in the past year the Congress appropriated $150 million as an operating-differential subsidy, and that was then an all-time high.

This year the Congress is appropriating, by means of the pending bill, $182 million as an operating-differential subsidy, and that is $32 million higher than the appropriation for this same purpose last year; and the Magnuson amendment would increase that differential even more.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

Is the remaining time on the amending yielded back?

Mr. HOLLAND. Mr. President, I yield back the remainder of my time.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSH. Is a "yea" vote a vote to support the Williams proposal?

Mr. WILLIAMS of Delaware. No, Mr. President. I am recommending a vote against the Magnuson amendment. If it were rejected, the result would be to support the committee amendment. I think the amendment which was reported unanimously by the Appropriations Committee is a good amendment and would save the taxpayers money.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Missouri [Mr. SYMINGTON], the Senator from Connecticut [Mr. DODD], the Senator from Georgia [Mr. TALMADGE], the Senator from Ohio [Mr. LAUSCHE], the Senator from Hawaii [Mr. LONG], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Arizona [Mr. HAYDEN] is absent due to a death in the family.

I further announce that, if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Connecticut [Mr. DODD], the Senator from Arizona [Mr. HAYDEN], the Senator from Hawaii [Mr. LONG], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. RANDOLPH], the Senator from Florida [Mr. SMATHERS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Hawaii [Mr. FONG] are necessarily absent.

I also announce that the Senator from Nebraska [Mr. HRUSKA], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. YOUNG] are absent on official business. If present and voting, the Senator from Nebraska [Mr. HRUSKA] would vote "nay."

The result was announced—yeas 60, nays 21, as follows:

[No. 86]

YEAS—60

Allott	Hart	Metcalf
Anderson	Hartke	Miller
Bartlett	Hickenlooper	Monroney
Beall	Hickey	Morton
Butler	Hill	Moss
Byrd, W. Va.	Holland	Muskie
Cannon	Humphrey	Neuberger
Capehart	Jackson	Pastore
Carroll	Johnston	Pell
Case, S. Dak.	Jordan	Robertson
Church	Kefauver	Russell
Clark	Kerr	Saltonstall
Cooper	Kuchel	Schoeppel
Eastland	Long, Mo.	Scott
Ellender	Long, La.	Smith, Mass.
Engle	Magnuson	Sparkman
Ervin	Mansfield	Stennis
Fulbright	McCarthy	Thurmond
Gore	McGee	Williams, N.J.
Gruening	McNamara	Yarborough

NAYS—21

Aiken	Curtis	Mundt
Bennett	Dirksen	Prouty
Boggs	Douglas	Proxmire
Bridges	Dworshak	Smith, Maine
Bush	Goldwater	Tower
Case, N.J.	Javits	Williams, Del.
Cotton	Keating	Young, Ohio

NOT VOTING—19

Bible	Hayden	Smathers
Burdick	Hruska	Symington
Byrd, Va.	Lausche	Talmadge
Carlson	Long, Hawaii	Wiley
Chavez	McClellan	Young, N. Dak.
Dodd	Morse	
Fong	Randolph	

So Mr. MAGNUSON's amendment was agreed to.

Mr. PROXMIRE obtained the floor.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. PELL in the chair). The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, the rulemaking provisions of the Legislative Reorganization Act of 1946 are as follows:

> No general appropriation shall be considered in either House unless prior to the consideration of such bill printed committee hearings and reports on each bill have been available for at least 3 calendar days for the Members of the House in which such bill is to be considered.

There was no session of the Senate on Friday, June 23. However, under authority of the order of the Senate on January 17, 1961, when the Senator from Arizona [Mr. HAYDEN] received unanimous consent for the Appropriations Committee to report appropriation bills during recesses or adjournments of the Senate, the Appropriations Committee reported H.R. 7577, the bill now being considered.

The point I wish to make at this time is that it was virtually impossible for any Senator who was not a member of the Committee on Appropriations, unless he had a crystal ball, to know that the bill was coming before the Senate for consideration until Tuesday. The Senator from Wisconsin has done everything he possibly could to have his staff and himself apprised of bills reported by the Committee on Appropriations before they come to the floor of the Senate.

In this case the calendar of business, which my office watches very carefully, as of Monday, June 26, did not list H.R. 7577, and I invite attention to that calendar. If Senators will look at the back of the calendar, they will find that the appropriation bill is listed as received and referred to the Senate committee but not reported in the Senate.

The first notice of the bill was given on Tuesday, today. The calendar of Tuesday listed the bill, and the CONGRESSIONAL RECORD of Monday, which, of course, was not available to Senators until Tuesday morning—this morning—also listed the bill as reported by the Senate to the committee. This morning was the first opportunity I had to study the bill, and the hearings on this bill—just now available—contain over 1,000 pages. Although I have been taking courses in rapid reading and did my best to apply what I have learned, it was impossible to get through the 700,000 words this morning. My staff has been working hard on the bill, and, although we have been able to determine a couple of places in the bill which we wanted to amend, it is extremely difficult for us to make the kind of responsible and thorough analysis that a bill providing $650 million deserves. As the floor manager of the bill, the Senator from Florida [Mr. HOLLAND] has indicated the bill contains 27 amendments, 20 of which were substantive as compared with the House bill.

It was impossible for my staff and me to make the kind of satisfactory analysis which, it seems to me, the bill demands.

The reason I am taking the time of the Senate at this late hour to stress this point briefly is that I think the spirit as well as the letter of the Reorganization Act should be followed wherever possible. As I said, it was impossible for us to find out that the bill would be reported to the floor until this morning. Obviously, it was very difficult for us to make any kind of adequate analysis of a bill as complicated as the one before the Senate.

I plead with the Committee on Appropriations to give Senators in the future at least 3 days so that we shall have an opportunity to study a bill of the complexity of the present bill, and involving such a vast amount, so that we may be able to act upon the bill responsibly.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HOLLAND. The committee received the consent of the Senate to file reports during the adjournment of the Senate. The report was filed. There was no disposition to hurry it. The Senator from Wisconsin will remember that we have discussed this bill twice today. The Senator came over here with me from another committee meeting prior to my making the motion to consider the bill.

He knew that the leadership of the Senate had been calling me and our committee for some time to bring me into the Chamber. Speaking only for myself, I would have been glad to accede to a request for a postponement until tomorrow morning, because I do not want to force a bill of this kind ahead of time. The rules have been strictly observed in this case, and so far as comity between Senators is concerned, I say to the Senator from Wisconsin that I would have been glad to dispose of the bill tomorrow instead of tonight if he or any other Senator had insisted that opportunity had not been afforded to master the details of the bill that were of particular interest to them. So I hope the Senator from Wisconsin will not feel that we have tried to hurry our consideration of the bill. The case is quite to the contrary.

Mr. PROXMIRE. I have discussed this subject with the leadership. I have said that in the future I would want as much notice as I could possibly get under the rules for all appropriation bills. I talked with the leadership this morning. I said that I had hoped that consideration of the bill could be deferred, if possible, but I would not press such a request, because I recognize that other Senators have an interest in disposing of the bill as rapidly as possible. I recognize that there may have been reasons for considering the bill immediately. I am asking that in the future every consideration be given to affording Senators 3 days' notice, so that we may have an opportunity to study the hearings and the committee report and to know what we are doing.

Mr. HOLLAND. Mr. President, I thoroughly understand the attitude of the Senator. I fully agree with him that every Senator should have an opportunity to familiarize himself with any important money bill. I like to have that opportunity myself. I certainly like to accord it to other Senators. I am only sorry that in this instance, due to no intention at all, apparently the Senator from Wisconsin did not have the opportunity that he would have liked to have in order to review the bill. I hope that such will not be the case as to any bill handled by the Senator from Florida in the future.

Mr. PROXMIRE. Mr. President, I thank the Senator.

I offer an amendment, which I send to the desk, and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Wisconsin will be stated.

The CHIEF CLERK. On page 13, line 3, it is proposed to strike out the colon and insert in lieu thereof the following: "of which not less than one hundred and fifty shall be for companies which have not held contracts prior to July 1, 1959 and seventy-five, or a lesser number, if seventy-five voyages do not qualify for approval, shall be for companies operating into or out of the Great Lakes."

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I shall be delighted to yield as soon as I can briefly—in less than 1 minute—explain what I am en-

deavoring to do. Then I shall be happy to yield to the Senator from South Dakota.

At the bottom of page 12 of the committee report the statement appears that the committee recommends that the language which I am trying to insert, in a modified fashion, be deleted.

The law provides that ships operating in the Great Lakes shall have the opportunity of participating in at least 75 voyages, and new companies in 150. I recognize that there were technical reasons why the language to which I refer was dropped. However, my amendment attempts to meet the technical objections while protecting the Great Lakes shipping with a kind of advantage which the Congress has seen fit to give it over the past several years. There is no justification, either in the hearings or in the committee report, for eliminating these modest advantages.

I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I was about to ask the Senator from Wisconsin why he did not ask that final passage of the bill be held over until tomorrow if he felt he needed more time to consider the scope of the bill. Has there been any order entered which would require that the bill be voted upon tonight?

Mr. PROXMIRE. The Senator from Wisconsin was very reluctant to hold up the consideration of the bill by the Senate. I have made my position clear to the leadership that the bill should be held up until it could be more carefully considered. I shall not press the suggestion or ask the Senate to take a contrary position to what the leadership has decided. But I did wish to make a record this evening, and I hope in the future such bills will be reported so that Senators may have an opportunity to study them at a little greater length.

Mr. CASE of South Dakota. Has the Senator consulted with the Parliamentarian as to whether his amendment is subject to a point of order?

Mr. PROXMIRE. I have not.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Florida.

Mr. HOLLAND. The Senator from Florida had asked that the committee amendments be adopted without prejudice of any sort, and that action was taken. Therefore, the amendment of the Senator from Wisconsin is thoroughly in order under the procedure which was adopted.

Mr. PROXMIRE. I thank the Senator from Florida.

Mr. CASE of South Dakota. Does not the amendment by the Senator from Wisconsin propose substantive language?

Mr. HOLLAND. No. My understanding is that the Senator from Wisconsin simply proposes to restore language in the House bill which the Senate committee amendment has stricken.

All Senate committee amendments were adopted subject to the understanding that that would not prejudice any right either of a point of order or a question on an amendment, or anything of that kind.

Mr. PROXMIRE. I thank the Senator. I ask the Senator from Florida, in view of the fact that this amendment simply restores the language to the bill, to meet technical objections that were made—and they were proper objections—if he would accept the amendment.

Mr. HOLLAND. I cannot accept the amendment. The entire subject matter that the Senator has in mind will be in conference. The House provided for 225 sailings to be held as a reserve, of which 150 would be general sailings, and 75 in the Great Lakes. The testimony showed that was unnecessary, not only because more than 400 current sailings were unassigned, but also because the testimony at page 961 shows that a substantial number of applications for the expansion of existing sailings into the Great Lakes have been granted within the recent past, and that others will be granted.

If the Senator from Wisconsin feels that inadequate provision is made for Great Lakes expansion, I hope, if his amendment is not adopted, he will advise the committee, so that we may have that information in conference. We do not want to shortchange the Great Lakes. The Senator from Florida strongly supported the St. Lawrence Seaway legislation. He went to the dedication of the St. Lawrence Seaway, and only recently went up there for an inspection, going all the way to Baie Comeau, to see the great elevator installations there. He is in hopes that the maximum expectations of the people of the Great Lakes area will be realized in the shortest possible time.

The testimony shows that there was no reason to continue the provisions that we had in last year's bill, and that the House had placed in its bill.

Mr. PROXMIRE. Is it the position of the Senator from Florida that the amendment of the Senator from Wisconsin, which differs somewhat from the House language, would represent language of a kind that could be adopted in conference? The Senator from Wisconsin recognizes that the Senate has taken a very wise and necessary position against what the House provided, and believes that the House language should be modified.

Mr. HOLLAND. The Senator from Florida thinks that any provision, along the lines suggested by the House provision, which was designed to protect the building up of trade in the Great Lakes area, could come back from the conference. The Senator from Florida does not recognize a great deal of difference between the suggestion of the Senator from Wisconsin and the House provision.

Mr. PROXMIRE. The difference is this: We say in the amendment, "of which 150 shall be for companies which have not held contracts prior to July 1, 1959," which would meet the objection that there are now over 300 companies which would qualify, and, in the second place, 75, if they qualify. The House requires 75, although the hearings indicate that only 64 applications have been made, of which 11 have been approved.

Mr. HOLLAND. I recognize the fact that there is some difference between the approaches. I should like to read into the RECORD the testimony which was given on this specific point, because I think it rather disposes of the matter.

At the present time there are a maximum of 1,994 voyages under contract, leaving a balance of 406 available for additional or expanded contracts. The applications on hand nearing the stage of final approval all involve new operators and a maximum of 353 voyages. Therefore, reserving 150 voyages for new operators is irrelevant to the current status of the program.

That is as to the 150—

With respect to Great Lakes operations, recently, to provide for accelerated U.S.-flag shipping service and commerce in the Great Lakes/St. Lawrence Seaway and its adjoining territories, the Maritime Administration extended eight essential U.S. foreign trade routes into the area for a developmental period of 4 years, beginning with the 1961 navigation season.

It is believed that in order to build up maritime transportation extending into the Great Lakes, the expansion of existing contracts, either now or in the future, is a logical method of building Great Lakes traffic.

The subject will be in conference. The Senator from Florida is on the committee and is in thorough accord with the hope of the Senator from Wisconsin that Great Lakes trade may be developed to as large a degree and as speedily as possible. We could not say more.

Mr. PROXMIRE. I thank the Senator from Florida. I ask for a voice vote on my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was rejected.

Mr. PROXMIRE. Mr. President, I have another amendment which I ask to be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 11, line 6, it is proposed to strike out "$3,000,000," and insert in lieu thereof "$2,055,000."

Mr. PROXMIRE. On page 11 of the committee report under the heading "Promotion of International Travel," it is reported that the Senate has increased the House allowance for international travel from $2,055,000 to $3 million. The additional $945,000 would be used to allow travel offices to be established in Paris and Tokyo and to permit the employment of necessary travel promotion officers, as well as to conduct an advertising campaign of proper proportions.

I have studied the hearings, and I have examined the references to international travel throughout the hearings, and I find virtually no other justification for the $945,000 increase. The authorization bill which was passed a month ago may contain some justification. The Senate about half an hour ago turned down an increase for the Council of Economic Advisers of $200,000. This increase was asked by the President to permit the Government to have the economic intelligence necessary to make

informed decision based on expert advice. The request was supported enthusiastically by the people who know best, the Council itself, the Chief of President Eisenhower's Council, and by the President of the United States. But this same bill authorizes $945,000 for travel officers in Tokyo and Paris, without any justification, without any indication as to how many would be hired, and without any suggestion as to what they would be doing, this seems to me to be an unnecessary expenditure. My amendment is intended to strike it out.

Mr. HOLLAND. These funds were specifically requested. The Senator will find them shown on page 973 under the heading of "Business Activities." The Commerce Department wished all of the activities in this general field to be placed under business activities, and the Senate committee felt that they ought to be broken down into the traditional three branches, and that a fourth branch, for building international travel in this field, should be added.

That is the approach which the Senate committee followed. A short time ago the Senate and House passed, at the express recommendation of the President, an authorizing bill providing a $3 million budget to stimulate international travel.

The President advised that he thought—and certainly I was strongly in accord with his view—this was one avenue by which we could begin to break down the unfavorable balance of payments which exists as to our country.

The measure was handled ably in committee and on the floor by the distinguished Senator from Washington [Mr. MAGNUSON]. The Senator from Wisconsin will recall that the measure had no opposition in the Senate. I understand that or practically the same situation prevailed in the House. However, I have not read the RECORD of the House in that connection. At any rate, the attitude of the Senate committee was that this new request, based on the sound objective on which we thought it was based, should be granted.

Merely because the committee did not for the moment grant a small request for another agency—also made, as the Senator says, by the President—the committee did not feel that this item should be rejected. To the contrary, considering the very thorough discussion of this measure on the floor and the specific reference to it in the requests of the President, based on his specific statement that he believed it would help the United States to improve our balance-of-payment situation, we felt justified in going into the whole program this year. It is not a large program, and it was proposed to omit the two very active sources of possible travel to the United States, which the Senator has mentioned, namely, Paris and Tokyo.

So the question is, Shall we follow through with the proposal strongly recommended by the President and recently voted in both Houses almost without dissent and—appealing, I think, to everyone of us, as a possible and effective method of bringing more foreign money into our country; or shall we simply support it only partially? The committee felt that we should go the whole way in supporting the entire authorization.

Mr. PROXMIRE. Mr. President, I repeat there is nothing like an adequate justification of this additional spending in the hearings on the bill. Of course, all of us are very much impressed by the balance of payments situation, recognizing that there is a great imbalance in tourism between this country and nations abroad. But was any consideration given to the fact that this appropriation is obviously of primary advantage to the industry in this country, which would benefit from this kind of travel, and to the States which are tourist States, which might be visited by people from abroad?

I know that my State of Wisconsin goes to great expense and trouble to advertise its great vacation advantages; and, also, the State of the distinguished Senator from Florida is one of the finest examples of a vacation land in the country.

Why, with this kind of expenditure, is it not possible for the industries which might benefit, and benefit greatly, from this kind of travel, and the States which would also have been engaged in this kind of activity for some time, to be urged to alleviate some of the expense? It seems to me that we are getting into a program of unqualified, unlimited, absolute, total subsidy, without any participation by the people in this country who would benefit directly from it.

Mr. HOLLAND. My own State, including many of the subdivisions, such as counties and cities, maintains very active advertising and vacation-promotion bureaus, as the Senator from Wisconsin knows. It seems to me, however, that as to such activities in foreign countries, where necessarily the activity can be conducted better under the flag and under the protection of our various official agencies, the Federal Government is in a better position to make the effort. Apparently Congress felt that, or Congress would not have passed the legislation. Apparently the President felt that, or he would not have suggested the legislation.

The Senator from Florida would not expect his State to profit more than any other State. I did not support the bill because of my own State's situation. Florida had 11 million visitors last year. We hope we will have more in the future. We want more. But we think that people who come from abroad are as likely to go to one place as to another. They are likely to want to see the majesty of the mountains, which we do not have; or they are just as likely to want to see the riches of the Great Lakes, where the distinguished Senator from Wisconsin lives, which we do not have. They are as likely to want to visit many other places and see things which we do not have.

I have not regarded this as a State matter at all. I think when we get the tourist here, with money in his pocket, money which he would not have been allowed to bring here up to a short time ago, because of the restrictions placed on travel by other countries, some of the tourists will go in one direction, and some in another. I hope the State which is so ably represented by the distinguished Senator from Wisconsin will receive its full share of tourists.

My recollection is that Wisconsin has a very enticing slogan on its automobile tags. I feel certain that Wisconsin has many other beauties which people visiting us from foreign countries will want to see. Furthermore, Wisconsin has many more people whose relationship to the European area is much more recent than is the case in my area of the country. I think a great many relatives would come to visit people of Norwegian, Swedish, or German extraction in the group of States of which Wisconsin is but one, which have profited greatly by immigrants from those countries in recent years. We do not believe this is a State matter. We think the program should be fully supported.

I observe the distinguished Senator from New York [Mr. JAVITS] in the Chamber. I remember that he was a very active proponent of this program when the authorization bill was passed. The distinguished Senator from Washington [Mr. MAGNUSON] has entered the Chamber. He can speak more ably on this subject, as can the distinguished Senator from New York.

In my State of Florida, we have learned that it is a necessity, in seeking tourists from our own country, to portray some of the attractions which we have in our State. We think it pays. That is why we do it year after year. We believe the same principle applied to our Nation would pay off in very great measure next year.

Mr. PROXMIRE. Mr. President, I recognize that if this program is to be carried out, it will have to be done by the Federal Government. The question I was raising was whether or not greater consideration should be given to obtaining cooperation by the industries which would benefit by such travel, and whether we could get assistance from the States, which would also benefit. I am not attempting to abolish the appropriation for encouraging foreigners to travel here. There would still be $2,055,000. This is a new program. It seems to me it would be wise to start slowly. I cannot understand why it is necessary to start with 33⅓ percent more than the amount the House provided.

Finally, I remind my friend from Florida that a travel office in Oslo or Hamburg might conceivably help relatives of Wisconsin citizens to visit Wisconsin. We do not have very many relatives of Wisconsin residents who could be benefited by a travel office in either Tokyo or Paris.

In all seriousness, the thrust of my amendment is to make a modest effort in connection with what seems to me to be a new program which should be developed gradually, and to try to get as much cooperation and collaboration from the travel agencies in the various States which will benefit by the program.

Mr. HOLLAND. I appreciate the position of the distinguished Senator from Wisconsin. I realize that all of us support the program; it is only a question of degree. The committee felt that we ought to go all out because it was a

modest program. So far as the Senator might compare the attitude in the other body with the attitude in this body, we in the Senate must advertise throughout the State, while Members of the other body advertise only in a particular district. Perhaps we are a little more farseeing in this field than would be the case with the Members of the other body.

At any rate, I know of no opposition in our committee. I think it was unanimous action. I hope the action of the committee will be sustained.

Mr. JAVITS. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am glad to yield.

Mr. JAVITS. The Senator from Washington is really the hero of the bill, because, in my opinion, he personally carried it through both the House and the Senate. The program is already very modest with the amount fixed by the committee, when we consider that we are paying out a billion dollars a year more than we take in because of the adverse flow of tourists, so far as the United States is concerned.

I took testimony on this subject as long ago as 1952. The industry is spending millions upon millions of dollars—infinitely more than we are proposing. All we are proposing is enough to do a coordinating job. The committee figure is only the minimum; the job cannot possibly be done for less.

So I hope very much that the Senate will sustain the committee in its very modest amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIRE].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 7577) was passed.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HOLLAND, Mr. ELLENDER, Mr. MAGNUSON, Mr. KEFAUVER, Mr. BIBLE, Mr. HAYDEN, Mrs. SMITH of Maine, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. KUCHEL the conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 4500) to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLATNIK, Mr. FALLON, Mr. JONES of Alabama, Mr. SMITH of Mississippi, Mr. CRAMER, Mr. BALDWIN, and Mr. SCHWENGEL were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 146. An act to extend and increase the special milk program for children;

S. 707. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation;

S. 2113. An act to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions; and

H.R. 6713. An act to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

INCREASE OF PUBLIC DEBT LIMIT FOR A 1-YEAR PERIOD

Mr. BUSH obtained the floor.

Mr. MANSFIELD. Will the Senator from Connecticut yield briefly to me?

Mr. BUSH. I yield.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of House bill 7677, to raise the public debt limit for a 1-year period.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7677) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. I thank the Senator from Connecticut.

Mr. BUSH. Mr. President, I think the motion the Senate has just now agreed to is a very appropriate one, in view of the remarks I have to make about the conference report on the housing bill.

THE HOUSING ACT OF 1961

Mr. BUSH. Mr. President, I have refused to sign the conference report on S. 1922, the proposed Housing Act of 1961, because it makes a mockery of President Kennedy's appeals to the American people for sacrifices and his appeals to the Congress to exercise fiscal responsibility.

I urge the Senate to reject the conference report, and to instruct the Committee on Banking and Currency to report to the floor a new housing bill which recognizes the need for fiscal prudence in domestic programs, because heightened international tensions have created new requirements for defense spending. With Khrushchev fomenting a new crisis over Berlin—a crisis which may lead to war before the year is over—this is no time for business-as-usual or politics-as-usual.

It is a time for setting our house in order, so as to be able to meet whatever demands may be made upon our resources and upon the moral fiber of our people.

When President Kennedy took office on January 20, 1961, he spoke eloquently of the challenges this Nation faces, and of the sacrifices which will be required in order to meet them successfully. He admonished the American people in this fashion:

> Ask not what your country can do for you: ask what you can do for your country.

More recently, on May 25, 1961, the President made an unusual personal appearance before a joint session of the Senate and the House of Representatives to deliver a special message on urgent national needs. In view of heightened world tensions and the increased competition we face from international communism, he called for large new expenditures for defense and space exploration.

At the same time, he cautioned the Congress as follows:

> If the budget deficit now increased by the needs of our security is to be held within manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget * * *.
>
> Our security and progress cannot be cheaply purchased; and their price must be found in what we all forgo as well as what we all must pay.

I credit the President with sincerity in his appeals to the people and to the Congress. But I find, to my regret, that he has not yet backed up his words with action, nor have his words been backed up with action by his subordinates in the administration or by the members of his party in the Congress.

In the conference on the housing bill, there was no disposition on the part of the majority of the conferees to call upon the American people for sacrifices. On the contrary, there was unanimous agreement among the majority to promote a Santa Claus concept of government.

In the conference on the housing bill, the President's appeal to Congress to hold to prudent fiscal standards and to refrain from adding funds or programs, desirable as they may be, to the budget was ignored.

A majority of the conferees insisted upon adding more than $1 billion—indeed, closer to $2 billion, if accurate comparisons are made—to the spending authorizations proposed by the administration.

The underlying principle behind the action taken by a majority of the conferees was to adopt in the substitute the most unsound provisions of each of the bills passed, respectively, by the House and by the Senate.

The substitute bill abandons fiscal responsibility.

The administration requested $500 million for FNMA special assistance programs. A majority of the conferees insisted upon more than tripling this amount. A conservative estimate of the FNMA special assistance authority in the substitute bill is $1,510 million—or over three times the administration's request of $500 million.

For the loan programs included in the bill, the administration requested $1,457 million. The majority insisted upon authorizing a total of $2,217 million.

On a 4-year basis, the administration requested $1,100 million for college housing loans. The majority approved $1,200 million in the substitute bill. The administration asked for $50 million for public facility loans. The majority approved $450 million for public facility loans, or nine times the amount requested by the administration.

For mass transportation loans, the administration belatedly requested $50 million, the amount agreed upon by the conferees. For direct loans for housing for the elderly, the majority agreed on $75 million, $25 million above the administration's request. The majority included $25 million in Small Business Administration disaster loans, and $10 million for public works planning loans, neither of which was requested by the administration. For farm housing loans, the administration requested $207 million; and the majority insisted upon approving $407 million for farm housing loans—or just about twice what the administration requested for that purpose.

In the grant programs, the majority of the conferees attempted to mask what they were doing to the bill, by some fiscal juggling.

In the biggest item, that for urban renewal grants, a phony cut of $500 million was made. The administration requested $2.5 billion, which, it was testified, would satisfy requirements for a 4-year period. The conferees settled on an amount of $2 billion. But this alleged reduction is meaningless, for if the administration's estimates of the requirements are accurate, this amount will be spent in about 3 years. Conversely, if the amount requested by the administration is reduced to the 3-year period, it would require only $1,900 million, or less than the amount called for by the conference report.

Mr. President, I repeat that, by the most conservative estimates, the majority of the conferees have exceeded the administration's requests by more than $1 billion. If the meaningless reductions—reductions on paper only—are disregarded, the excess comes closer to $2 billion.

Mr. President, not only did a majority of the conferees disregard the President's appeal for "fiscal responsibility"—to use his own words—in respect of the total authorizations in the bill, but they also ignored it so far as other provisions were concerned.

A most glaring example is in the provision of the House bill for Federal urban renewal grants of three-fourths, rather than the normal two-thirds, of project costs in smaller communities.

The Kennedy administration objected strenuously to this provision, pointing out that—

> There is no real evidence that urban renewal activities are relatively more costly for smaller communities or that the local share or project costs is harder to raise in such communities. Program statistics show that cities under 50,000 population contribute about the same proportion of cash to the local cost share as larger cities do. Actually considering higher land costs, absence of open land, and disproportionately multiplied expenses of government, larger cities may well have a tougher problem in financing urban renewal.
>
> Any such increase for smaller communities would quickly be sought for all. Yet the two-thirds/one-third sharing formula of existing law is an equitable and widely accepted division of costs between Federal and local government. It should not be abandoned.
>
> In summary, there is no sound reason to favor smaller communities and thereby discriminate against the larger cities which so desperately need urban renewal assistance. There is no justification for further increasing Federal grants and reducing local participation, whether for some communities or, as would surely follow, for all.

The administration correctly pinpointed the danger in the House provision, when it said:

> Any such increase for smaller communities would quickly be sought for all.

Yet its objections were cavalierly overruled by a majority of the conferees, and the House provisions were included in the conference report bill.

Mr. President, as the Senate opened debate on S. 1922, as reported by the Committee on Banking and Currency, although the bill continues sound programs in which I am actively interested, I voiced my misgivings about some of its provisions in remarks made upon the floor. I ask unanimous consent that the remarks I made at that time be included at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE HOUSING ACT OF 1961

Mr. BUSH. Mr. President, S. 1922 the proposed Housing Act of 1961, contains new authorizations for programs in which I am actively interested, such as urban renewal and redevelopment college housing, and housing for the elderly. In many respects, the urban renewal and college housing titles of the bill are similar to bills which I introduced early in the present session. In addition, two new programs are included—mass transportation loans which can help solve the commuter problem affecting an important area of my State, and Federal grants to assist States and local governments in preserving open-space land in and around urban areas. I favor both.

The bill authorizes the Federal Housing Administration to continue programs which have long been of benefit to home buyers and home builders—that is, insurance of home mortgages and home improvement loans.

Also included in the bill are provisions for programs about which I have serious reservations—notably proposals for FHA insurance of 40-year, no-downpayment mortgages, including a new program for moderate-income families, and for 25-year, $10,000 home improvement loans. I also question the wisdom of completely removing the ceiling on public housing.

Once again, I protest the practice of lumping all these programs—some sound, and others questionable—into an omnibus bill, and presenting it to the Senate on a take-it-or-leave-it basis. Once again, I protest the bad practice of financing these programs by the "back door" of direct borrowings from the Treasury, instead of appropriations.

The danger of these practices has been dramatically illustrated by President Kennedy's appearance before a joint session of the Congress to deliver a special message on urgent national needs. In that message, the President asked Congress and the country to accept, among other things, a commitment to put a man on the moon by 1970—a venture which will cost an estimated $20 billion to $40 billion. He asked for large new expenditures for defense—expenditures which, as a member of the Committee on Armed Services, I believe are necessary in the present state of world tensions. We face a marked expansion in defense costs.

In the same message, President Kennedy sounded a note of caution when he said:

"If the budget deficit now increased by the needs of our security is to be held within manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards, and I must ask the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget."

The Committee on Banking and Currency completed its work before the President's special message was delivered, and reported to the Senate this omnibus bill, which involves more than $6 billion in commitments by the Federal Government. Outright grants authorized in the bill total $269 billion. Loan programs, in which the initial funds, at least, will come from the Federal Treasury, total $8.5 billion. The expenditure impact upon the budget for the fiscal year 1962 will be $462.5 million.

To place an omnibus bill involving expenditures of this magnitude before the Senate on a take-it-or-leave-it basis is hardly in keeping with the spirit of the President's statement about the need to hold tightly to prudent fiscal standards.

There are seven titles in S. 1922. Title I contains provisions for new housing programs including housing for families of "moderate income"—a term which is nowhere defined in the bill. Title II deals with housing for the elderly and low-income families. Title II deals with urban renewal and planning. Title IV deals with college housing, community facilities, and mass transportation. Title V deals with the Federal National Mortgage Association and FHA insurance programs. Title VI deals with open space and urban development; and title VII is a catchall for provisions dealing with other housing programs, including farm housing and direct home loans by the Veterans' Administration.

Each of these unrelated subjects deserves separate consideration. Each should be

considered upon its own merits, and Senators should not be forced to vote upon such a clumsy omnibus bill. It is a practice which invites logrolling, backscratching, and other dubious legislative practices.

I have raised this issue on the Senate floor in former years, but have met no encouragement from the majority which now controls the Senate and the Congress. On the contrary, some members of the majority have frankly admitted that sound, accepted programs are held as hostages, in order to insure acceptance of more dubious proposals which tag along as unwelcome passengers on the omnibus.

Amendments have been offered to correct some of the more glaring defects in the bill. I hope the bill can be thus improved before we come to a final vote.

Mr. BUSH. Mr. President, I voted for amendments which were offered in the Senate to correct some of the more glaring defects which were in the bill as it came to the floor. When the majority of the amendments were defeated, and after the weight of the administration was brought to bear to reverse the decision made by the Senate to eliminate the 40-year, no-downpayment mortgages, I voted for the bill reluctantly in order to send it to conference. I had hoped that the House might adopt a bill which would be more reasonable, and that the basis for conferees to agree upon an acceptable bill might be laid.

But, Mr. President, the House voted a bill which in many respects was more unsound and objectionable than the bill approved by the Senate. As a result, the majority of the conferees have agreed upon a substitute which retains the most objectionable features of both the House and Senate bills.

Under these circumstances, the sound course for the Senate to adopt is to reject the conference report and instruct the Committee on Banking and Currency to report a bill that will be in keeping with the need for fiscal responsibility in our Government in these difficult times.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Maryland.

Mr. BEALL. I find I am totally in agreement with the Senator from Connecticut. I, too, voted for the housing bill as a member of the Banking and Currency Committee, but I, too, as a member of the conference, saw this bill increased by $1 billion. I did not see any reason why the amount in the bill should be increased. When I voted in the first place, I did so with some reservations. Now the conference has actually provided $1 billion more than the administration asked for.

I commend the Senator from Connecticut for his magnificent statement. I shall join with him in opposing this legislation.

Mr. BUSH. I thank the Senator from Maryland for his remarks. As a member of the subcommittee, he has given much time and study to this measure. He attended the hearings and participated in all the deliberations on it. I am grateful that he finds himself able to agree with my conclusions on the conference report.

As I said in my opening remarks, we shall be considering the conference report on the same day we shall vote on the increase in the debt limit. I think the debate will point up the fact that the credit of the Government of the United States is in rather a more critical condition than it has been at any time in my lifetime, or any time that I can recall.

What we do in Congress in respect to domestic measures is being watched all over the world by members of the International Monetary Fund and by the chancelleries of Europe and the free world. They are watching to see whether this administration means what it says about fiscal responsibility, and whether this Government will have the courage to conduct itself in a way that will reactivate the confidence of the free world in the American dollar and in the credit of the Government of the United States, upon which actually depend the security of the whole free world.

So I think it would be wise for the Senate to reject the reckless action of the conference committee, and send the bill, as I have suggested, back to the Banking and Currency Committee, with the request that a bill in keeping with the needs of the times be reported to the Senate.

We need legislation on urban renewal. We need it on college housing. We need it on housing for the elderly program, and other essential features. We need to extend the FHA insurance program. We need to consider the mass transportation problem, which affects our great cities from coast to coast.

But these measures can be taken with restraint and with care, in line with recommendations made by this administration itself. We cannot afford, however, to go beyond those recommendations and recklessly go ahead as though there was no limit to the credit of the Government of the United States.

I yield the floor.

SIMPSON'S FRONTIERS—PAST AND PRESENT

Mr. MILLER. Mr. President, on June 4 Dr. Floyd S. Daft, Director of the Public Health Service's National Institute of Arthritis and Metabolic Diseases, delivered the commencement address at Simpson College, one of our leading Iowa private colleges, on the occasion of its centennial celebration and graduation exercises at Indianola, Iowa. Dr. Daft is one of the many graduates of Simpson who have rendered outstanding service to their country. His work in directing and conducting nutrition studies has contributed materially to the understanding of dietary deficiencies causing anemia and cirrhosis of the liver, and of the role of the B vitamins, particularly pantothenic acid and folic acid. He joined the National Institutes of Health staff in 1937 after teaching and research work at Harvard, Yale, the University of Rochester, and Carlsberg Laboratory, Copenhagen, Denmark. Iowa is very proud of Simpson College and particularly the increasingly important role it is playing in the education field under its able President Kerstetter.

I ask unanimous consent that the commencement address of Dr. Daft be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SIMPSON'S FRONTIERS—PAST AND PRESENT

(By Floyd S. Daft)

Forty years ago, almost to the day, the class of 1921 sat here much as the class of 1961 does today—the recipients of warm congratulations, the center of all attention. It was our day, even as today, members of the graduating class, is your day. Within the next 40 years several of you will no doubt have the pleasant duty which I have now. Surely 40 years from this time, on a June day in the year 2001, one of you of this year's graduating class will return to your alma mater to offer, in your turn, congratulations to the graduating class of 2001. To this individual, I have just a word of advice. Start getting ready for it now—it 's none too soon.

This occasion is just a little out of the ordinary in that you must share the spotlight with your alma mater. This I know you are happy to do. We are here primarily to honor you for your achievements in the past 4 years—but also to honor Simpson College for her achievements of the past 100, and for the promise which she shows for the future.

Our alma mater has now attained a very respectable age. She is somewhat young compared to Harvard, William & Mary, and Yale, to be sure, but I find only a small number of colleges in the entire country—and none of course in Iowa—that are 150 years of age or older. Our college's 100 years, therefore, certainly entitles her to the claim of honorable antiquity.

The blessings of antiquity are of course somewhat relative, depending to a large extent on whether you are a college or a person. I must admit that it was quite startling to me when I first reflected that my own association with Simpson has covered almost one-half of her admittedly long life.

Critical times and important events in Simpson's history—her periods of being confronted with new frontiers, if you will—have been many.

Our alma mater came into being in 1860 in what was still a pioneer setting, in a State less than 15 years old. Only a few short decades before Simpson, under the name of the Indianola Male and Female Seminary, was established, the territory within the present boundaries of Iowa was a virgin prairie, visited only by Indians and an occasional white trapper. The first white child was born in 1829; in 1832 less than 50 pioneer settlers lived within these boundaries.

The period immediately preceding 1860 was, to be sure, a time of rapid development in Iowa. In less than 30 years the population of 50 had grown to well over half a million. This increased population included pioneer ancestors of many of us. The early arrivals of course were largely from the eastern seaboard—Virginia and other Southern States, New England, and New York—although many had tarried, some for as long as a short generation, in Ohio and Indiana on their way west. Long before 1860 the flood of settlers from the eastern seaboard was augmented by Europeans—Scots, Swedes, Germans, Irish, Hollanders, Czechs, Hungarians—a freedom-loving group many of whom had emigrated to escape political oppression and religious persecution.

Despite this rapidity of settlement, Iowa in 1860 still had important elements of pioneer and frontier life. You may remember reading that only some 3 years prior to Simpson's establishment, there was actually a massacre of white settlers by the Sioux Indians within the State.

This, coupled with the fact that the first years of her existence embraced the terrible years of our Civil War, must have presented difficulties which for less determined and

dedicated individuals than our Founding Fathers might well have been considered insurmountable.

An early characteristic of Simpson was her ability to attract gifted teachers and wise and able administrators. This characteristic shines through the pages of Professor Jackson's new history of the college and through the years has become more and more a hallmark of Simpson's worth. Not one of us who has been a student here can fail to remember the inspiration derived from exceptional teachers. A visit to the flourishing campus today speaks more eloquently than words of wise administration and the plans for the future confirm and enhance this impression. Nothing, of course, could be more important than this characteristic of attracting able individuals. To use the words of Aristides' "Rhodian Oration," "Not houses finely roofed or the stones of walls well builded, nay nor canals and dockyards make the city—but men."

Not that houses well roofed and the stones of walls well builded are unimportant. Far from it. As the curriculum of the Indianola Seminary of 100 years ago which was made up of the study of geography, mental arithmetic, English grammar and a few other subjects—as it has changed to Simpson's curriculum of today, so, also, have building needs changed from the then adequate single building "Old Bluebird" to the facilities which are now envisioned for the early years of Simpson's new century. Not only here at Simpson but throughout the country, next to wise and able men, one of the most urgent requirements of our colleges and universities today is for better teaching, research and other facilities. Requests for assistance in meeting this pressing need come to us at the National Institutes of Health in increasing volume yearly. It appears that Samuel Butler was right when he wrote in a somewhat different context: "Though wisdom cannot be gotten for gold, still less can it be gotten without it."

Graduates of 1961, I shall not pursue Simpson's frontiers step by step down through the decades to the present. You have already become apprehensive, I am sure, for fear that I belong to that suspect group whose members wish to impress on you how very fortunate you are. Well, I do belong to that group. I think you are fortunate indeed—first, as I have indicated, because of the pioneer stock from which many of you spring and the region in which you have spent at least part of your early years; second, because you are graduating from an excellent small college, most particularly Simpson College; and third, because you are living at such an important juncture in the affairs of mankind.

In regard to the first point, I am not making invidious comparisons to other ancestral stock or other regions. Nevertheless, our pioneer ancestors from the eastern seaboard, north and south, and from a troubled Europe from which they emigrated in the mid-19th century after an unsuccessful revolt against tyranny—these individuals constitute a group of which we may be exceedingly proud. It has been said that the best way to insure oneself a long, healthy and happy life is to choose one's parents and ancestors carefully. If this is true—and I believe that it is—then, members of the class of 1961, you have performed your first duty remarkably well. Of course, I might inject at this point the words of a famous lecturer of some years ago who, in discussing this subject, concluded that "he would rather be the beginning of an ancestry than the tail end of one." This thought, however, has to do with other duties in life rather than the first.

My second, and perhaps my main reason for considering you fortunate, is that you are graduating today from Simpson College.

I feel that our alma mater represents the spirit of the Midwest and of the smaller towns and cities—the grassroots of this Nation. To me this college perpetuates the pioneering spirit which settled the plains and opened the West. Please do not misunderstand me. A country such as ours cannot possibly have one region, one way of life or one type of community, which is representative of the whole—but we may pinpoint certain qualities and regions which were characteristic of the country during its most important period of development and which, having endured the test of time, constitute valued and irreplaceable components in our national image and character. I like to think of the midwestern environment from which most of you and I spring—although not as nearly 100 percent of the graduates of today, I realize, as was true in 1921—I like to think of this as the characteristic environment in which qualities such as soberness of thought and action, productivity, and a spirit of individual enterprise grow best. I also feel that Simpson represents the spirit of tolerance and understanding—important attributes in the troubled world of today.

From this campus you will go out to pursue varied careers—in the ministry, in teaching, agriculture, business, law, medicine, research and many others. At this point in time, you have not received as specialized a training as you might have received elsewhere but the broad principles of the humanities to which you have been exposed here will serve you well—better, I am convinced, than any early, narrow, technological specialization.

No college could furnish you all the information you will need for the rest of your lives. None could give you all the education which you will ever require, and none could prepare you for all the problems you will ever face—but your college has given you basic attitudes, has sharpened certain character traits and has trained your judgment so that you stand equipped to meet the eventualities as they arise. Permit me to quote again from Samuel Butler. He said: "Life is the art of drawing sufficient conclusions from insufficient premises." If you are equipped, as I am convinced you are, to ask questions and to arrive at your own answers; if you are ready to think independently; if you leave Simpson with a feeling of the importance of human dignity and a respect for individual expression; if in a day and age where the emphasis is on the team approach and collective action, your college has taught you the value of individual excellence and of independent thought, then you are ready to face the world of today and to draw sufficient conclusions, even though, as with all of us, the premises will ever be insufficient.

Training for research is not the primary function of Simpson College. Since this happens to be my field of interest, however, perhaps I may be permitted to use this field as an illustration. Recently I had the opportunity to read a presentation of the detailed results of an investigation into the educational backgrounds of American scientists. The authors assessed the relative achievements of some 490 colleges and universities based on the record of about 18,000 graduates. They have revealed some surprising, challenging, and to me rather interesting facts. Scientists, they demonstrated, are drawn to a large extent from the grassroots of America—more frequently from nonindustrialized regions, more commonly from predominantly small institutions of modest attendance costs, more rarely from the better known, expensive eastern institutions.

From the 490 colleges and universities studied, the authors prepared a list of 50 institutions which rank highest in per capita production of scientists. In this list of the first 50 we may note the predominance of small institutions. Only 5 graduated annually more than 200 students.

A second conspicuous feature of the first 50 is the very high incidence of liberal arts institutions devoted to fundamental scholarship rather than to specialized training. Only 6 out of the first 50 are technological institutions despite the fact that in schools of this type virtually all students concentrate on some form of pure or applied science.

A third characteristic of the first 50 institutions is that they are drawn in great preponderance—41 out of 50—from the Middle and Far West. In this group there is a sharp clustering of those institutions of highest productivity in the central and eastern sections of the Middle West proper, and to a lesser extent on the Pacific coast. Simpson is one of this group of 50 and ranks well even on this list of greatest superiority.

This is but one measure of Simpson's success, to be sure, but it adds some additional weight to the argument that the training here prepares you well for the tasks that lie ahead.

You have of course formed here many if not most of your enduring friendships. And, if campus life has not changed completely in 40 years and if the whispering maples have not lost their magic many of you have found your life partner as well.

What you may not realize as yet, however, is how much your college will mean to you in the years that lie ahead. Those who have benefited most from Simpson are those who have maintained contact with her and supported her through the years.

Next, let us consider briefly my premise that you are fortunate in respect to the age in which you live. It is a time of exploration. No search for new lands on the face of this globe could be more exciting than our beginning conquest of space. And fortunately it is not necessary for us—each one personally—to make a trip to the moon or to another planet in order to share in this excitement. Yet the most thrilling and rewarding exploration is that of man himself; our new frontiers are found not only in the world about us and in interplanetary space but right here—in the hearts and minds of men.

Some of you are going on into medicine. Permit me to use a favorite quotation of a man whom many of us consider to be one of the greatest living statesmen in the field of medical research, Senator LISTER HILL, of Alabama, "One cannot get closer to God than to bring health to one's fellow man." In just the last decade through the combined efforts of many individuals, we have witnessed phenomenal gains in the field of bodily health—a steady rise in life expectancy, a steady decline in infant mortality, a reduction of 50 percent in maternal mortality, a reduction of 80 percent in infectious diseases of childhood, a reduction of 74 percent in tuberculosis, and a reduction of 92 percent in poliomyelitis, to mention only a few.

Others of you will go on into other equally rewarding fields of endeavor. Some of you will find your fulfillment mostly from being devoted wives and husbands, enlightened parents or good neighbors—and may your tribe increase. Such individuals have always been and always will be the backbone of our Nation.

The world of today although exciting and rewarding is not a tranquil one, to be sure. Those of us who visited Russia last fall came away with the strong impression that this ideology, so abhorrent to all who cherish freedom of mind and spirit, is not yet ready to fall of its own weight.

Yet we must remember that our countrymen have survived troubled times and overcome grave difficulties many times before this. As an example, let us take the very earliest days of this country, the Virginia of 1607 to 1610. Of the first settlers who landed at Jamestown in May 1607, two-thirds died before the end of the year. Of the

colonists who attempted to settle in Virginia in the 3 years up to 1610 only 1 in 10 was surviving in June of the latter year; 9 in 10 had perished. Yet, despite starvation, death at the hands of the Indians, and disease, both in Virginia and New England, the colonists persisted and our great country was born.

To take a nearer example, Pere Marquette, Louis Joliet, Father Hennepin, or Julien Dubuque showed equal courage and tenacity in facing overwhelming problems. The Civil War posed problems to this Nation just as great as those which beset it today. Each generation had its test and produced the men and women equal to it. I am sure when the historian of the future weighs you, you, too, will not be found wanting.

In the struggle in which we are now engaged—a struggle testing whether our Nation, and the freedom it symbolizes, can survive—you are one of our greatest resources. You are counted on to make scientific, social, and cultural progress and thus enable us to win the support of the uncommitted areas of the world who are judging us as much or more by our culture and our social values than by our material attainments. Instead of merely taking the fundamental values of American life for granted, you are expected to nurture them carefully and with discipline, purpose and understanding contribute to the maintenance of free societies here and around the world.

May the fact that this is the 100th anniversary of your alma mater serve as a good omen. You are leaving Simpson well endowed. Whatever your occupation, repay your college by living up to her spirit and carrying her heritage with you.

Good luck and Godspeed.

ADJOURNMENT

Mr. BUSH. Mr. President, if there is no further business, I move that the Senate stand in adjournment, under the order previously entered, until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 19 minutes p.m.) the Senate adjourned, pursuant to the order previously entered, until tomorrow, Wednesday, June 28, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 27, 1961:

IN THE NAVY

Vice Adm. Claude V. Ricketts, U.S. Navy, to be Vice Chief of Naval Operations in the Department of the Navy under the provisions of title 10, United States Code, section 5085, and to hold the rank of admiral under section 5321 of such title while so serving.

CIVIL SERVICE COMMISSION

Robert E. Hampton, of Maryland, to be a Civil Service Commissioner for the term of 6 years expiring March 1, 1967.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 27, 1961:

U.S. CIRCUIT JUDGE

Roger J. Kiley, of Illinois, to be U.S. circuit judge for the seventh circuit, vice W. Lynn Parkinson, deceased.

U.S. DISTRICT JUDGES

Thomas J. Michie, of Virginia, to be U.S. district judge for the western district of Virginia, vice Roby C. Thompson, deceased.

William Harold Cox, of Mississippi, to be U.S. district judge for the southern district of Mississippi. (A new position.)

U.S. MARSHALS

Royal Dion, of New Hampshire, to be U.S. marshal for the district of New Hampshire for a term of 4 years, vice George A. Colbath.

Robert F. Morey, of Massachusetts, to be U.S. marshal for the district of Massachusetts for the term of 4 years, vice Ralph W. Gray, deceased.

Orville H. Trotter, of Michigan, to be U.S. marshal for the eastern district of Michigan for the term of 4 years, vice Clark W. Gregory.

U.S. ATTORNEYS

Joseph S. Ammerman, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania for the term of 4 years, vice Hubert I. Teitelbaum, resigned.

Edward R. Phelps, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years, vice Harlington Wood, Jr.

Robert Nelson Chaffin, of Wyoming, to be U.S. attorney for the district of Wyoming for the term of 4 years, vice John F. Raper, Jr.

Frank R. Freeman, of Washington, to be U.S. attorney for the eastern district of Washington for the term of 4 years, vice Dale M. Green.

Thomas B. Mason, of Virginia, to be U.S. attorney for the western district of Virginia for the term of 4 years, vice John Strickler.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 27, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Joshua 24: 24: *The Lord our God will we serve, and His voice will we obey.*

O Thou eternal God, who alone can silence the confusion and clamor of our thoughts, may we now feel the touch of Thy spirit upon our spirit and hear and obey the still small voice of Thy presence speaking peace unto our souls.

We rejoice that Thou art continually manifesting the wonder of Thy pardoning grace and the winsomeness of Thy divine love, constraining us to be faithful in all the hard ways of duty and drudgery, and the dark mysteries of suffering and sorrow whose meaning and mission we cannot comprehend.

May we be endowed with the insight to understand and the heroic daring to remove all the causes of misery and distress which afflict the members of the human family and help us to achieve for their life a new radiancy and a new joy.

Grant that amid all the frustration and fear which assail us we may carry on courageously under the guidance of the spirit of our blessed Lord, for no one else sees so much in us, cares so much for us, and expects so much of us; and no other can do for us and with us what He alone can do.

Hear us in the name of the Master, who embodied and enshrined in His life the truth about God and opened for us the windows of light and hope. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5723. An act to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6027. An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widows' benefits by making additional persons eligible for benefits under the program, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be the conferees on the part of the Senate.

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

The Chair hears none, and appoints the following conferees: Messrs. MILLS, KING of California, O'BRIEN of Illinois, MASON, and BYRNES of Wisconsin.

VETERANS' GUARANTEED AND DIRECT HOME LOAN PROGRAM

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5723) to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program, with an amendment of the Senate thereto, and consider the Senate amendment

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That (a) section 1803 of title 38, United States Code, is amended by striking

out subsection (a) and inserting in lieu thereof the following:

"'(a)(1) Any loan to a World War II or Korean conflict veteran, if made within the applicable period prescribed in paragraph (3) of this subsection for any of the purposes, and in compliance with the provisions, specified in this chapter is automatically guaranteed by the United States in an amount not more than 60 per centum of the loan if the loan is made for any of the purposes specified in section 1810 of this title and not more than 50 per centum of the loan if the loan is for any of the purposes specified in section 1812, 1813, or 1814 of this title.

"'(2) If a loan report or an application for loan guaranty relating to a loan under this chapter is received by the Administrator before the date of the expiration of the veteran's entitlement, the loan may be guaranteed or insured under the provisions of this chapter after such date.

"'(3)(A) A World War II veteran's entitlement to the benefits of this chapter will expire as follows:

"'(i) ten years from the date of discharge or release from the last period of active duty of the veteran, any part of which occurred during World War II, plus an additional period equal to one year for each four months of active duty performed by the veteran during World War II, except that entitlement shall not continue in any case after July 25, 1967, nor shall entitlement expire in any case prior to July 25, 1962; or

"'(ii) on July 25, 1967, for a veteran discharged or released for a service-connected disability from a period of active duty, any part of which occurred during World War II.

"'(B) A Korean conflict veteran's entitlement to the benefits of this chapter will expire as follows:

"'(i) ten years from the date of discharge or release from the last period of active duty of the veteran, any part of which occurred during the Korean conflict, plus an additional period equal to one year for each four months of active duty performed by the veteran during the Korean conflict, except that entitlement shall not continue in any case after January 31, 1975, nor shall entitlement expire in any case prior to January 31, 1965; or

"'(ii) on January 31, 1975, for a veteran discharged or released for a service-connected disability from a period of active duty, any part of which occurred during the Korean conflict.'

"(b) The last sentence of section 1802(b) of title 38, United States Code, is amended to read as follows: 'Entitlement restored under this subsection may be used by a World War II veteran at any time before July 26, 1967, and by a Korean conflict veteran at any time before February 1, 1975.'

"(c) Section 1814(b) of title 38, United States Code, is amended (1) by striking out paragraph (3); (2) by striking out '; and' at the end of paragraph (2) and inserting a period; and (3) by inserting 'and' after the semicolon at the end of paragraph (1).

"SEC. 2. (a) Paragraphs (2) and (3) of subsection (d) of section 1811 of title 38, United States Code, are amended by striking out '$13,500', wherever it appears in such paragraphs, and inserting in lieu thereof '$15,000'.

"(b) Subsection (h) of such section 1811 is amended to read as follows:

"'(h) No loan may be made under this section to any veteran after the expiration of his entitlement pursuant to section 1803(a)(3) of this title except pursuant to a commitment issued by the Administrator before such entitlement expires.'

"SEC. 3. (a) Section 1823(a) of title 38, United States Code, is amended—

"(1) by deleting 'June 30, 1962' in the second sentence and substituting therefor 'June 30, 1961';

"(2) by changing the comma to a period in the fourth sentence and deleting the remainder of that sentence;

"(3) by inserting the following new sentences immediately after the third sentence: 'The Secretary of the Treasury shall also advance to the Administrator from time to time such additional sums as the Administrator may request, not in excess of $100,000,000 to be immediately available, plus an additional amount not in excess of $400,000,000 after June 30, 1961, plus $200,000,000 after June 30, 1962, plus $150,000,000 after June 30, 1963, plus $150,000,000 after June 30, 1964, plus $100,000,000 after June 30, 1965, plus $100,000,000 after June 30, 1966. Any such authorized advance which is not requested by the Administrator in the fiscal year in which the advance may be made shall be made thereafter when requested by the Administrator, except that no such request or advance may be made after June 30, 1967. Such authorized advances are not subject to the quarter annual limitation in the second sentence of this subsection, but the amount authorized to be advanced in any fiscal year after June 30, 1962, shall be reduced only by the amount which has been returned to the revolving fund during the preceding fiscal year from the sale of loans pursuant to section 1811(g) of this title.'

"(b) The last sentence of section 1823(c) of title 38, United States Code, is amended by striking out 'June 30, 1963' and inserting in lieu thereof the following: 'June 30, 1976'."

Mr. TEAGUE of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TEAGUE of Texas moves that the House concur in the Senate amendment with the following amendment: "On page 2 of the Senate engrossed amendment, in lines 9 and 23, strike out 'four' and insert in lieu thereof 'three'."

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Illinois.

Mr. ARENDS. As I understand, this has the complete agreement of the conferees on our side of the aisle; is that correct?

Mr. TEAGUE of Texas. That is correct.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. TEAGUE].

The motion was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during general debate today, and also that they may be permitted to sit during general debate for the remainder of the week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUBCOMMITTEE ON THE LIBRARY OF THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent that the Subcommittee on the Library of the Committee on House Administration be permitted to sit during general debate today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALL OF THE HOUSE

Mr. TEAGUE of Texas. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 100]

Alford	Grant	Pelly
Anfuso	Gray	Pilcher
Ayres	Green, Oreg.	Poage
Barrett	Halleck	Powell
Battin	Hébert	Reifel
Blitch	Henderson	Roberts
Boykin	Herlong	Rousselot
Brooks, La.	Hosmer	Santangelo
Celler	Inouye	Shelley
Coad	Kitchin	Springer
Colmer	Kunkel	Staggers
Cramer	Landrum	Van Pelt
Davis, James C.	Lesinski	Vinson
Davis, Tenn.	Libonati	Willis
Dent	McVey	Yates
Dominick	Mathias	
Flynt	Moorehead, Ohio	
Granahan	O'Brien, N.Y.	

The SPEAKER. On this rollcall 385 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1962

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7851) making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes; and pending that motion, I ask unanimous consent that general debate be limited to not more than 6 hours, the time to be equally divided between the gentleman from Michigan [Mr. FORD] and myself. I may say that I hope the debate will not extend for that period, but there are a number of requests for time.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7851, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas [Mr. MAHON] will be recognized for 3 hours, and the gentleman

from Michigan [Mr. FORD] will be recognized for 3 hours.

The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, yesterday was a day of considerable soul searching in the House of Representatives. This mood, as you know, was precipitated by the proposal to increase the national debt limit for about the eighth time in the past 8 years, either on a permanent or on a temporary basis.

Mr. Chairman, it would be good during these days if every day in the House of Representatives were a day of soul searching. For some time we have been approaching a crisis in the fiscal affairs of our country, as the national debt has edged upward toward the one-third of a trillion dollar mark. Some Members of the House, and I earnestly hope a majority of the Members of the House, believe we ought to pay our own way from year to year except in periods of deep depression or in time of war.

For quite a number of years, the U.S. Government has been following a policy of fiscal irresponsibility in some respects. In my judgment, failure to pay our way during periods of relative prosperity is fiscal irresponsibility, and it is an inexcusable and an indefensible course for this powerful Nation tion to follow.

I do not speak in a partisan spirit. No administration is blameless. Our net deficit during the past 8 years is estimated to be approximately $20 billion. Of course, opposition to all spending programs would be illogical; many of them are necessary. If spending programs are necessary, it is equally necessary to pay the costs of the programs. We are going to pay the cost in dollars as we go or we are going to pay even a greater cost in several ways at a later date—and we are already paying for some of our lapses in recent years. It is unfortunate that this obvious truth does not seem to penetrate our national thinking.

We are not willing, you and I, the Members of Congress are not willing to raise the revenues to pay for the postal service which we are receiving this year; we balk at that requirement. We are passing on $900 million of the cost of the postal service for this year to our children and grandchildren. We are passing on to other generations a part of the cost of the current national defense program. This is not good. The best man in town eventually loses out if he habitually lives beyond his means and does not make at least a sincere and determined effort to pay his obligations. The United States has much at stake, and we cannot afford to lose out.

If we are to stand strong and tall in the midst of the storm, we must be strong militarily. The defense appropriation bill now before us provides for strength. It does not provide the basis for a backdown in Berlin; it provides the basis for firmness. If we had contemplated a policy of retreat in the world, the Appropriations Committee could have reduced the bill by several billions of dollars before presenting it to the House for consideration today.

How and when to apply our military strength are matters which are in the hands of the Executive. It is up to the Congress to provide the framework for military strength. Congress is meeting its constitutional responsibility in this bill. We do provide for strength in the measure before us.

The purpose of this legislation is to make our democracy more effective through these days of peril. The purpose of this bill is to fight communism in the cold war, and to fight communism in hot war if this country is attacked. It is upon that very firm basis that I introduce the subject of the defense appropriation bill for the fiscal year which begins late this week.

In this bill we provide a total appropriation of $42,711 million, and that does not include the appropriation bill on military construction which is to come later and will be presented by the gentleman from California [Mr. SHEPPARD], chairman of that subcommittee. If you would get a copy of the report on the bill and follow me for a few moments I think I will be able to point out to you some of the significant highlights of the bill which is before us.

It will be noted in the table on page 2 that we show a reduction below the budget of $231 million.

Actually, this is a paper reduction, because we were able to transfer, from old funds in an account that has been changed by new legislative language, the sum of about $225 million. These funds otherwise would revert to the Treasury. Actually, this bill is below President Kennedy's budget by about $6 million.

The President in his last address to a joint session of the Congress called upon the Congress to stay within budgetary limitations. This we have been able to do in the pending bill, in my judgment, without sacrificing strength.

If you will look further at the tables, you will see how the money is broken down among the services and among the major categories; namely, personnel, operation and maintenance, research and development, and the largest item of all, procurement.

If you will turn to page 15 of the report, you will see an outline of the personnel which will be supported by the funds in the bill. The civilian manpower on Government defense payrolls is something over a million people, the military manpower is slightly more than 2½ million people. This is a rather substantial number of people to devote their time and energy to the defense effort. Of course this sum does not include the hundreds of thousands who work in private industrial installations of one kind or another.

You will find that there is a slight increase proposed in military strength for the fiscal year about to begin. This increase is about 23,000 people. The Polaris submarine program, which will be discussed later in more detail by the gentleman from Alabama [Mr. ANDREWS], and some of the other members of the committee, requires additional personnel in the Navy because additional Polaris submarines are taking to sea. At long last the desire of Congress to increase the Marine Corps has been heeded to some extent, and we are, therefore, increasing the Marine Corps from 175,000 to 190,000 men. There are slight increases in the Navy proper and in the Air Force. But the total increase in all the services is only about 23,000.

The increase in the Army reflects the training of special forces. As you know, we have had since World War II a series of so-called small wars in the world, limited wars, and we have had many so-called unconventional wars. The training programs of our services have not been well tailored to meet the so-called unconventional conflicts. An unconventional conflict is one that is inspired by the Communists within free countries that are relatively weak and warfare is made to appear to be a war of liberation. So we propose through a change in policy in some respects to train certain forces to participate in so-called guerrilla activities and unconventional wars, not that we ourselves may be called upon to fight that sort of a conflict, although we may, but we will be able to give better technical advice to other free countries of the world requiring and requesting our assistance.

BOMBER PROGRAM

Mr. Chairman, I would like to mention another of the issues in the bill that is somewhat significant and somewhat controversial.

For the first time in 20 years, insofar as I can recall, the defense budget did not provide or request any money for manned bombers or bomber production. It is true certain funds were requested for a continuation of the development program for the B-70 bomber program, but no funds for the actual production of operational bomber aircraft.

It is true that we are in a period when reliability of missiles has not been completely established, though I think no one has any serious doubts but that they will prove to be quite reliable, and we are going through this period through which we must always go with new weapons: test, evaluation, and improvements.

It is rather significant, I think, that the Air Force for this year requested almost identically the same number of dollars for aircraft, including all types, as were requested for the intercontinental ballistic missile program. We are moving very heavily into the intercontinental missile area of defense. It is by no means anticipated that the manned aircraft will be discarded. It is by no means anticipated that the bomber will become obsolete and unimportant in our defense efforts. We have about 1,500 bombers at this time, and our production lines are continuing to turn out additional bomber aircraft through most of next year. And, it is anticipated that with present appropriations and present plans we will have up to 1970 a rather substantial bomber program.

The committee looked with some concern on the proposal to close the production lines on B–52's and B–58's late next year. So, here is what the committee did in regard to the B–52 and the B–58 and the B–70 programs. We

set up a separate account in the defense appropriation bill and we provided $448 million in the bill to be used exclusively and only for bomber development and production. Now, we recommended as a first preference the acceleration of the B–70 program but we did not prohibit and do not prohibit in the bill the use of these funds for further production beyond the present plans of the B–52 and the B–58. It is believed that this elasticity may prove helpful to the Department of Defense.

The Secretary of the Department, Mr. McNamara, was before the committee several times, and he said that he did not feel it was necessary to keep the present bomber lines in operation beyond the presently estimated dates, but he also said in his testimony that he and those who work with him in the executive branch were constantly reviewing and planning and changing programs, and so, under the circumstances provided in this bill, we can accommodate considerable flexibility in this program.

POLARIS SUBMARINE PROGRAM

Now, we did another thing which I think is somewhat significant. We provided for the full funding of 10 additional Polaris ballistic missile-carrying submarines. This will run our Polaris submarine program up to 29. We provided in the language of the report a method for continuing the purchase of long leadtime items to continue the Polaris program beyond the 29-ship program. The object is to avoid unnecessary delay.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to my friend, the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, I was wondering if the gentleman could give the House some information on the policy of the Department of the Navy in issuing invitations to bid for the construction of nuclear powered Polaris submarines, as it affects the Fall River-Quincy Shipyard in Massachusetts?

Mr. MAHON. This matter was considered in connection with the shipbuilding requirements, and in response to questions asked Admiral James, who is in charge of ship construction, he stated, I believe, that this yard would be considered and was definitely in the picture for consideration in connection with the program to produce nuclear powered submarines.

Mr. SIKES. And will be given an opportunity to bid.

Mr. MAHON. I thank my friend from Florida.

SPACE PROGRAMS

This is a time when much is said about space. As we know, Yuri Gagarin has orbited the earth and Commander Shepard has performed a very spectacular feat on this side of the Atlantic.

This is not the bill which carries the major appropriations for space, but it will be interesting to note that this bill carries in excess of $1 billion for space programs. They are not space programs tied to projecting a man to the moon and back; they are programs which relate more specifically to the defense of our country.

This bill provides about $2.5 billion for the intercontinental ballistic missile program, but I am not characterizing the missile program as a space program. I am speaking of the satellite programs, satellites that will enable us to get more adequate warning of any attack upon the United States, satellites that have to do with communications, and satellites that would generally make us more alert and able to react in the event of an emergency. This bill is certainly not tied to any pre-World War II concepts. It looks forward to the future rather than looking toward the past.

In one respect we are accelerating one of the space programs to the extent of about $85 million, to put a man in orbit through the so-called Dyna-Soar project, a plan to place a man in orbit and enable him to maneuver the vehicle and enable him to land at a selected spot upon the completion of his flight. This is one of the important things done in this bill.

ECONOMY ACTIONS

It might be well for us to consider what we tried to do about economy. There are those who think that we can achieve economy by merely reducing dollars. We have tried that, and this method is of limited effectiveness. The method through which the dollars are expended, the techniques and the management, are the things that are principally important in this area.

I want to say that in Mr. Gates, the previous Secretary of Defense, we had a man of extremely high talent and ability, and dedication and I want to say that in Secretary McNamara we have a man of tremendous drive and ability and aggressiveness. He has secured in a relatively short time a grasp of our defense efforts beyond anything I have observed in the past. He is a man of dedication and stature. He understands the urgent requirement for management improvement and maximum effectiveness in defense.

I believe that the economies of the past will be supplemented by very important economies in the forthcoming fiscal year. I am sure that the Congress will want to encourage this team to do the best possible job.

In anticipating that some economies could be achieved we reduced the appropriation for procurement by $308 million. This is a reduction from a very large sum, of course. We feel that by better methods and better selection of weapons and better management, and the elimination of programs that do not stand on very firm bases, a great deal of money can be saved. There can be no doubt about that. Congress can appropriate, but Congress under our system of government cannot manage the program. The Executive must do that.

Mr. Chairman, I should like to call attention to some of the other actions that we took in the bill. We made total reductions in the sum of three-quarters of a billion dollars. Those were the total reductions. We made some increases for the purpose of maintaining the National Guard and Reserves at 700,000, as we have done in previous years. We made some increases in the space program, to which reference has been made. Other increases are described in the report.

We generally patterned the bill after the recommendations of the Secretary of Defense and the budget. We felt that the new team should be given as much cooperation as could be justified, especially in the first year, with the hope that these programs could be substantially improved as we go along.

This country is probably going to be challenged in the fiscal year which begins late this week as it has not been challenged for a very long time. This is a time for strength, this is a time for facing up to our responsibilities, this is a time for courage all along the line. The passage of this bill will be an indication to the people of the whole wide world that this great country has the will and determination to stand strong and firm in days of threat and challenge. We have a great defense force, the greatest in the world. We are strong. This bill will help make our country more secure.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. TEAGUE of California. This seems to be an appropriate point for me to call to the gentleman's attention some language which I think to be in part inaccurate. It appears on page 32 of the committee report under the heading "Holding of Lands and Marginal Utility Installations." The report states:

> The committee wishes to call attention to problems and costs, involved in the holding of vacant lands and installations of current marginal utility.

I certainly commend the committee for that attitude.

> In the category referred to, the committee has in mind areas such as the Army's Presidio of Monterey, where approximately one-half of the land is vacant. It will be argued, of course, that the Army Language School (located on the Presidio) needs this land for future expansion * * * perhaps the Presidio of Monterey is totally unnecessary as a military installation.

I should like to comment if I may, and I can be quite objective about this because under the new redistricting, Monterey and the Army Language School will no longer be in my district. However, I have spent many hours at that installation. I know its function quite well. Its main function is to train some 1,500 or 2,000 men in foreign languages, exotic languages such as Chinese, Russian, and so on. I am not contending the situation may not exist where a few acres could be disposed of.

Mr. MAHON. We would not want to dispose of the language school. There is excess land there that is not important to the running of the school, as I understand it. This was used only as an example where studies should be made as to the possibility of returning to the tax rolls land held by the Government which is no longer essential. I would not want to take any summary action in regard to this matter. This

was given merely as an example of what should be considered.

Mr. TEAGUE of California. Then am I to understand that it is not the opinion of the chairman of the subcommittee that the Army Language School is marginal or unnecessary?

Mr. MAHON. Not in my belief; no.

Mr. TEAGUE of California. Mr. Chairman, I ask unanimous consent that other Members who may wish to insert their remarks at this point in the RECORD on this subject be allowed to do so.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FORD. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, we have before us today the combined budget submissions of two administrations. We have the military budget request, as submitted on January 16 by former President Eisenhower, and we have two supplemental requests subsequently submitted on March 28 and May 29 by President Kennedy.

I would like to say at the outset, it is my judgment that the Kennedy add-ons are not a repudiation of the Eisenhower defense programs, policies, or fund requests. Rather, the Kennedy add-ons should be construed as using the Eisenhower military policies as the sound foundation from which to proceed in the future. The two add-ons can be categorized, in my judgment, as taking advantage of subsequent scientific, technological and engineering breakthroughs, and in addition meeting new and changed world conditions. It must be remembered that the so-called Eisenhower budget was prepared in the fall of 1960. The so-called Kennedy add-ons came 4 to 6 months later. In this current atmosphere of the world today, world conditions do change. Day by day there are scientific, technological, and engineering breakthroughs which require amendments to any military programs. A sound military program is never static. It is my opinion that we have before us a sound military program which is the combined judgment of two administrations. It is a military program that is fully adequate to meet any threat.

I would like to emphasize that our current problems in Cuba and our current problems in Laos are not related in any way whatsoever to any military inadequacy. Furthermore, it should be said there is no military inadequacy to meet the threat of a Berlin crisis. As a matter of fact, we have in our combined services full and complete military strength to meet any contingency, providing we have the will and providing we have the leadership to take advantage of the power at our disposal.

In January, former President Eisenhower requested $40,800 million. The amended budget, taking into consideration the add-on of March 28 and the add-on of May 29 totaled $42,900 million.

The committee bill calls for the sum of $42,711 million, a $23 million reduction below the combined budget submission. In reality, it is a reduction of only $6,240,000. The $225 million cutback is a bookkeeping transaction. The committee took unused Air Force procurement funds and applied them against the programs which are included in the bill. The committee bill recommends $1,900 million more than the January budget.

I would like to summarize two points: The so-called Kennedy add-ons to the Eisenhower submission request approximately 5 percent more in new obligational authority. The Kennedy add-ons to the Eisenhower budget request 25,000 more active duty personnel than the personnel figure requested by the Eisenhower submission. The personnel increase is approximately 1 percent over the program recommended by the previous administration.

This budget, these policies, are the combined judgment of the two administrations, two Presidents, two Secretaries of Defense, both very able, competent men, and the Joint Chiefs of Staff. The committee has been assured on more than one occasion by Secretary of Defense McNamara, and General Lemnitzer, Chairman of the Joint Chiefs, that our military programs are sound and fully adequate to meet any forseeable threat.

I think our committee can assure the House that if the program we recommend is carried out our Nation is competent to handle our worldwide responsibilities whether it is all-out war or a limited type of military threat. May I say at this point it would be easy to rehash some of the past, to bring up some of the charges and countercharges made about the adequacy of our military preparedness during the heat of the last political campaign, but I do not propose to do so. I do not think anything constructive would be accomplished by such discussion. I do, however, feel that it might be worth while in passing to discuss briefly some of the basic cutbacks or downward revisions in this program as recommended by the new administration.

First, the new administration has recommended a cutback of two Titan II squadrons from eight to six. This means a reduction of our Titan program from 14 squadrons to 12 squadrons. There are those who raise these legitimate questions about this revision: The proponents of the Titan II program will tell you, and they are right, that the Titan II is the longest range intercontinental ballistic missile we have or will have.

Titan II will have the best reaction time because they have gone or will go from a liquid to a storable-type propellant. The proponents of Titan II will tell you it carries the biggest bang of any of our intercontinental ballistic missiles, which is true. It is more flexible in its military characteristics. When you go from a 14-squadron program to a 12-squadron program the cost of missile on launcher goes from $40.8 million per missile launched to a cost of $45 million per missile. In other words, when you cut back the number of missiles the cost per missile on launcher goes up.

Despite the arguments, our committee has concurred in the new administration's recommendation to reduce or cut back the Titan II program. I personally have some reservations about this decision.

There are others who will say it is a mistake to reduce the nuclear-powered aircraft program. Just the other day, as a matter of fact, the distinguished gentleman from Illinois [Mr. PRICE] said on the floor of the House:

> Mr. Speaker, the atomic-powered airplane is dead, assassinated by an unwise decision by the Department of Defense.

That is pretty strong language from the distinguished gentleman from Illinois [Mr. PRICE]. We have spent over a billion dollars on the nuclear-powered aircraft. The Eisenhower administration recommended $35 million for the Air Force to continue the program. The new administration deleted this money and, as a result, in effect we have no nuclear-powered aircraft program for fiscal year 1962. This, again, is a marginal or debatable decision.

The new administration reduced the B–70 program by a total of $138 million. The Eisenhower administration recommended $358 million for the B–70 program. The new administration reduced that to a total of $220 million.

The B–70 program, in the opinion of the committee, should be accelerated to the level of the Eisenhower program. We did not earmark the additional funds only for that purpose. Our greatest B–70 was our preference. However, if the money is not used for the B–70, plus another $100 million, they could use the extra money for either a continuation of the B–52 and/or the B–58 production program.

The new administration cut out another item that was very dear to the heart of the Navy. They cut out $57 million for the Eagle Missileer program.

The new administration made some changes in the Minuteman program. They went from a 3-squadron mobile Minuteman program to a 3-squadron hardened or fixed base Minuteman program. The allegation is the Air Force can get more missiles in this type of program, which is true. However, there are those in the military and otherwise who say when you go to a fixed site you lose certain military advantages and consequently a mobile site is far more preferable.

Our committee feels that the mobile Minuteman program is good, it should not be forgotten, it should be maintained at the highest possible level. We did not put in any extra money for that purpose, but I think the Air Force can find available funds that they can use for this purpose.

Mr. FLOOD. Will the gentleman point out to the committee what he means by the "mobile Minuteman program." The Members may not be clear about that.

Mr. FORD. The mobile Minuteman program envisages that we will put Minuteman missiles on railroad trains or any other movable vehicle.

The Air Force has spent a considerable amount of money developing this

concept. The concept is sound. It should not have been slowed down. As a justification for the slow down it is alleged that they did not have enough personnel, technical people, to continue the mobile Minuteman program and the hardened base Minuteman program concurrently at an accelerated rate. There is reason to doubt the validity of this position, and for that reason I do think they ought to proceed with the whole Minuteman program at an accelerated rate, if necessary borrowing funds from other programs for that purpose.

Now, before getting into some of the specific details I would like to make this point. Two administrations now have had the problem of trying to satisfy the needs or alleged needs of the military. Traditionally each of the three services want more hardware to handle their responsibilities. I doubt if any administration has ever been able to satisfy the alleged requirements of the military leaders of this country. In this budget we have the combined work of two administrations, and between the two they have not been able to solve the alleged needs of the military leaders for hardware. I would like to say this: I do not think the solution to any military problems we have today is the acquisition of substantially more hardware beyond what we have now in our arsenal. Generally we have enough hardware and will acquire more with this program to adequately meet any foreseeable threat that is placed before us. Our greatest requirement today is to take this hardware and to utilize it with a policy of worldwide firmness and action. Hardware in and of itself will not solve our current problems. As a nation we need will; we need determination; we need leadership. If we get this will, this determination, and this leadership, we have all the hardware we need to maintain American prestige and leadership.

May I now turn to a discussion of the portions of the budget in some detail. The first category that should be discussed is military personnel. You see on the chart before you the total money or obligational authority requested for military personnel. It is $11,854 million or 27 percent of the total amount requested in new obligational authority in this bill. It will provide an Army strength of 875,000. The Kennedy administration asked for 5,000 more Army active duty strength than the previous administration. This total Army strength would be financed by a new obligation request of $3.2 billion and a transfer of $340 million of stock and industrial fund obligational authority.

I should say at this point that this bill does take advantage of our stock and industrial funds to a considerable degree. Our committee took no money this year from any of the stock or industrial funds beyond what the two administrations had requested. I believe there is sentiment in our committee that the stock and industrial funds have just about reached the point where they are no longer available for the transfer of obligational authority. Any further depletion of the stock and industrial funds could have an adverse effect on our military hardware reserves.

Mr. FLOOD. I would suggest that the gentleman spend a word or two on a discussion as to what is the stock fund and what is the industrial fund.

Mr. FORD. The stock fund results from the capitalization of our Army inventory, in this case. This was done about 7 years ago when we put them on an annual procurement basis and provided that the Army could take new obligation authority, go to the stock fund manager, buy equipment from the stock fund by the payment directly to the stock fund. The stock fund managers then have that obligation authority on hand to go out and buy replacements. They do not replace necessarily in kind. They can replace with newer, different items, if they so desire. We have drawn down our inventory and our cash balances of all the stock and industrial funds over the past few years and have used this obligation authority to finance some of our other military programs. This procedure in my judgment has just about reached the point of no return.

The Army active duty strength add-ons relate primarily to what we call special forces. Three thousand of the five thousand Army additional personnel are for the purpose of beefing up our units and our forces that serve in some of the remote areas of the world to help our allies meet the threat, direct and otherwise, from the Soviet Union and its satellites.

Eighteen hundred of the five thousand increase is for beefing up 1 division in Hawaii; 200 out of the 5,000 goes to help bolster our forces in Panama.

In the cast of the Navy there is a total strength figure of 628,000. The new administration requested 3,000 additional manpower. This 3,000 is to meet the growing needs of the Polaris program. The record clearly shows for the 29-boat Polaris program we need 3,000 additional Navy personnel.

The Marine Corps strength, as recommended by the previous administration, was 175,000. The new administration added 15,000. The 15,000 additional Marine Corps strength beefs up the 3 divisions which we have, taking them to full strength. It provides the nucleus of a 4th Division, and air wing. It adds certain other special forces as far as the Marine Corps is concerned.

The Air Force personnel figure is 824,900. The new administration added 2,000. The additional forces are for the purpose of giving us a necessary additional capability for a ground and air alert. We are going in this budget from a ground alert of one-third of the SAC forces to one-half, and in order to accomplish that you must add 2,000 in personnel.

The last item on this chart deserves some comment. Others may talk about it in greater detail. I refer now to retired pay. You will note the figure we are recommending is $920 million. This figure is approximately three times what it was 8 years ago, and in 10 years it could well be $3 billion a year. I think it is a problem we have to face up to.

This is a noncontributory system. We are enlisting and recruiting military personnel today on the basis that retired pay is a part of their current salary, so they do not feel that under any circumstances we have a legal or moral right to change this picture.

It is a problem that is made more acute because $920 million in 1 year out of a total of $43 billion is a big chunk of dough for what is really nonproductive in this coming fiscal year. The legislative committees of this body and the other body I think must look at this realistically, otherwise it is bound to cause us a considerable financial problem in the days ahead.

The next chart shows our Reserve forces personnel. You will notice that the total obligation already is $1,029,500,000, 2 percent of our total military program in dollars. We provide for an Army National Guard strength of 400,000, at a total cost of $404,900,000. We also provide for an Army Reserve of 300,000 at a total cost of $221 million. You will note that our total Reserve forces are 700,000. The previous administration recommended a 10-percent cut. If that had been carried out the figure would have been 630,000. The new administration under President Kennedy concurred in the Eisenhower administration strength recommendation of 630,000, but our committee, as we have for the last several years, is recommending a 700,000 strength figure at a total cost of approximately $625 million.

I should like to make a comment at this point about the so-called new Reserve program that was submitted by President Kennedy several weeks ago. In his message to the Congress just before he left for Vienna he indicated that certain actions would shortly be taken to increase the readiness capability of our Reserve forces, making it possible for the Reserve forces at least in part to be called up and be deployed overseas in 3 to 4 weeks. I have grave doubts that this is possible. It certainly is not a substitute for any increase in active duty Army strength.

At the present time our National Guard and Army Reserve are in the best position of preparedness they have been in at any time in peacetime. There are comments by General Warren, of the Army Reserve, and General McGowan, of the National Guard, that our Army Reserve and National Guard are in the best shape trainingwise and materialwise they have ever been in in peacetime.

Our Reserve and National Guard forces, particularly the latter, can be called up and, under current conditions, would be ready for combat within 4 to 5 months, some of these divisions perhaps a little better.

The new Reserve program, which General Decker, Chief of Staff of the Army, says is only a concept, means that your Army National Guard and your Army reservists will have to attend drills at least 1 more week on active duty per year, from 2 weeks to 3 weeks. This new program means that you will have to go from 1 day a week training drill to many more, multiple drills per week. It means that you will have to take a Saturday and a Sunday rather than 1 night a week.

In other words, if they are going to increase the Reserve readiness, they are going to put a far greater burden on the

Army National Guard and on the Army reservists, and this, I am sure, is going to create some problems back in your district and in my district. We already have some problems with their current training programs.

Mr. FLOOD. What the gentleman means is that it is going to create problems with the wives of the reservists among other things.

Mr. FORD. The gentleman from Pennsylvania puts his finger on one of the problems. Another problem is what these reservists and National Guardsmen will do so far as their employers are concerned.

Mr. Chairman, the rest of the Reserve programs are set forth on the chart. I think the Navy Reserve, the Marine Corps Reserve, the Air National Guard, the Air Reserve, are all in the best shape that they have been at any time to my knowledge; and there is testimony from the witnesses on behalf of each of these programs to that effect.

Mr. Chairman, we now come to operation and maintenance. The figure in the committee bill is $10,574,030,000. This is 25 percent of our total obligation authority. You can see on the chart, in the case of the Army, the figure is $3,300 million; the Navy is $2,600 million; the Marine Corps is $186 million; and the Air Force is $4,200 million.

For a number of other items such as the Office of the Secretary of Defense, Army promotion of rifle practice, Alaska communications systems, and others, there is a total of $61 million. The committee has made some minor reductions that are set forth in the committee report on pages 35 through 39. I suggest that, for the details, you look at the committee report on those pages.

The next item is on Army procurement. The figure in the committee bill is $1,991,360,000. This is a 5-percent chunk out of our total obligational autority request. I have outlined on the chart the story about the Army procurement account. In January, President Eisenhower asked for $1,803 million. This compares with approximately $1,500 million in the current fiscal year. On March 28, there was an amendment adding $109 million. On May 29, there was another amendment adding $100 million making a total of $2,012 million.

Our committee, because we added strength for the Army National Guard, added $20 million for additional equipment for the additional strength for the Army National Guard. So the total amount requested here, or the total amount recommended is $2,032 million less 2 percent. The net amount is $1,991,360,000.

As a general policy our committee has reduced all procurement by 2 percent. I think the total figure for all services, when you add up the 2-percent reductions, is $308 million.

Last year, our committee recommended, the House approved, and the Congress in the final analysis concurred in a 3-percent procurement reduction. Our committee last year felt that this was about the only way we could insure that there would be better procurement by our military and civilian procurement officials. Frankly we were to some extent apprehensive that parts of the procurement program in each of the services might be harmed. But in interrogating the witnesses this year before the committee, not one witness said that our committee action and subsequent congressional action interfered seriously with their programs. Our committee believes that we are making improvement in procurement practices despite some of the horrible examples—and they are horrible—that are always popping up where somebody will buy a bolt for $2 when they could buy it for 25 cents. I commend the House Committee on Armed Services. I think they are doing a first-class job in exposing these bad practices where procurement practices are such that we are not getting what we are paying for.

Our committee this year decided, again arbitrarily, that we would cut 2 percent across the board for procurement. This is about the only way that we can insure that we will get better procurement. The former Secretary of Defense, Mr. Gates, tried desperately to improve the situation, and some improvement did result. Secretary McNamara has promised to give this subject his personal attention. I am confident that through his experience and ability we will get additional results.

One further comment about Army procurement; as you will see, we have almost $2 billion in the program. The Army representatives contend they need $2.5 billion to modernize the Army on an annual basis over a period of 5 to 10 years. Obviously $2 billion will not satisfy their alleged needs, but it is, I think, the consensus of the civilians in the Pentagon under the previous administration and the present administration that about this much per year will provide an adequate modernization program for the Army.

Mr. BECKER. Mr. Chairman, will the gentleman yield for a question on the National Guard item at this time or does he prefer to finish his statement and yield later?

Mr. FORD. May I finish my statement, please?

Mr. BECKER. Certainly.

Mr. FORD. If we can keep it at about $2 billion per year, in my judgment we will be able to achieve the modernization required by the Army for the future.

The next item is the Navy procurement program. It shows that the total Navy procurement obligation as recommended is $5,735,940,000, or 13 percent of our total bill recommendation. You can see the individual items here: For aircraft and missiles, $2,148 million; shipbuilding and conversion, $2,897 million; other Navy procurement $689 million, making a total of $5,700 million.

This bill accelerates our Polaris program. We now are fully funding 29 ships. We have also given, as the Chairman indicated, authority to the Navy to reprogram long leadtime items for additional Polaris submarines if the decision in the office of the Secretary of Defense is that these additional ships, or boats, are required to maintain our military strength, our deterrent and destruction capability.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. FORD. Briefly.

Mr. FULTON. Does the gentleman feel that the budget request and the amount allowed by the committee was an adequate amount for missiles?

Mr. FORD. In my opinion we have fully and adequately funded the missile and satellite programs for all three services, and all services are in the missile and satellite business to some extent.

Mr. FULTON. I want to know as a Navy man if Scout missiles are funded in the Navy program. There has been some doubt about that. So I want to know at least on the Appropriations Committee level that that is where it is now. Can the gentleman answer that question? Is it funded in the Navy program?

Mr. FORD. Money is in the defense budget for the funding of the Scout program. The funds are in the Air Force portion of the bill.

Mr. FULTON. But there has been no disposition on the part of the Appropriations Subcommittee to take the funding of the Scout missile out of the Air Force?

Mr. FORD. We have made no transfer of funds from one service to another for any missile or satellite program.

Mr. FULTON. I thank the gentleman.

I am interested strongly in the Scout missile research, development, and test program. We need to go ahead with the practical application of this National Aeronautics and Space Administration program, and to do it in the interest of economy and efficiency.

Everyone keeps urging the development of larger boosters. I urge also the use of the smaller boosters that we now have for many programs—constructing the payloads to fit the boosters. The Scout is the poor man's booster—it is the taxpayer's friend. The Scout is a thin, solid propellant rocket that in two stages, is only 16 feet long—10 and 6. It is relatively cheap in the field of fantastic boosters and missiles, costing three-quarters of a million dollars as against $4 million for a Thor booster. Each of the Scout and the Thor have their best respective use and potentialities, so I am today emphasizing the Scout so it is considered along with all the other "big booms."

I strongly urge the Secretary of Defense to plan for the use of the Sea Scout, as a modification of the NASA Scout, for use as upper stages on the Polaris missile. The Navy research and development has recommended a program based on the NASA Scout development, by using it as the two upper stages of a four-stage rocket, with two lower stages of Polaris boosters. There are funds in this 1962 appropriation for the use of the NASA Scout booster, as a basis of the Air Force HETS programs which are their hyperenvironmental test systems. We need to plan for Navy programs, too, in order to utilize Navy capabilities, and hardware that will become available shortly in the Polaris programs.

Why waste the present Navy Polaris A–1 missiles with a range of 1,200 miles, as they are superseded, and the Polaris A–2 with 1,500-mile range becomes available for the fleet? The Navy by modifying the Polaris A–1 and the NASA Scout rocket could obtain a booster or 4-stage missile—2-stages Polaris and 2-stages Scout—6,000 pounds lighter with a total length of 40 plus to 70 feet, and a payload for outer space exploration of 300 pounds, more or less. This cheap configuration could be used for the piggyback experiments, for the navigation satellite, for the weather satellite, for reconnaissance purposes, for investigation of the Van Allen belts, X-ray radiation studies, the solar radiation satellite, and the "Greb" program, to study the galactic radiation background.

The Sea Scout II of NASA will be used in combination with Polaris A–2, which has already been authorized and will be developed as part of the Polaris program.

But as of now, we should start immediately on the Sea Scout I and Sea Scout IA with the improved upper stages which NASA is developing for their own configuration of Scout.

There is still room for big payloads on big jobs. But let us back the U.S. Navy in reducing the size of the payloads where it is possible.

We must spend the research and development money to reduce the size and weight of the payloads to obtain real economy without loss of efficiency or scientific net worth. On transit the original payload was 280 pounds—now reduced to 125 pounds—and the weather satellite has already been reduced from around 400 pounds to a weight under 100 pounds.

This same proposal can be used not only for Polaris, but for Minuteman when the research and development is indicated on the basic platform of capability provided by the present programs for restricted weaponry purposes.

Let us keep our scientific sights, muzzles for weaponry systems, and nozzles for scientific advances high and keep our economics, costs, and taxes low. Our space "hit the top" enthusiasts, our military "big boomernauts" will realize that in science, economy and efficiency go hand in hand for progress, and that space is a big enough place to hold economy, too.

Mr. FORD. Mr. Chairman, the next item is the Marine Corps procurement proposal, a total of $198,940,000. One percent of the total Defense Department obligational authority is recommended. This covers all of the programs for the Marine Corps and, as you can imagine, includes a number of items running from vehicles to ammunition, to rifles, plus a multitude of other items.

The next is Air Force procurement, total amount $6,954,774,000. The total includes three accounts. It covers 16 percent of the total new obligational authority recommended by the committee.

The first amount is $2,900 million for the procurement of aircraft. This is where our committee added the money, $238 million, less 2 percent, for the acceleration or increase in our long range manned bomber program. The committee did not earmark the money for any one of three procurements, B–70, B–52, or B–58, but we did say that there should be a priority for the B–70.

Mr. FLOOD. The gentleman remembers that the Air Force uniformed people and the civilian people also at defense level felt equally clear that while we expressed our priority as the gentleman indicated, if they got the money they are going to buy B–52's first. They made that very clear.

Mr. FORD. The gentleman from Pennsylvania is partially right. We discussed in our committee where the additional funds might go if General White himself had the choice. He said that the B–52 would come first on the priority list, it would come before the B–58 program. I do not recall that his discussion related to the B–70. It is my impression from the testimony, as I recollect it, if the final choice is that of the Air Force the B–70 program might get the first extra money. That is something they can determine if they get the necessary approval from the Office of the Secretary of Defense.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Kansas.

Mr. AVERY. I would like to ask a question with respect to the long-range manned bombers. The comment of the gentleman from Pennsylvania and the comment of the gentleman from Michigan seems to confuse us a little more in addition to the committee report rather than clarify it. As I remember the military procurement authorization program that we passed here a few weeks ago, we authorized $525 million which was earmarked for B–52's and B–58's. As I read the committee report, it has appropriated $450 million approximately and left it to the discretion of the Department of Defense whether they use it for B–52's or B–58's or B–70's. Am I reading the report correctly?

Mr. FORD. I think the gentleman has misinterpreted what the authorization determined. The final version of the authorization bill says that $525 million is added for long-range manned bombers. It did not specify B–52's, B–58's, or B–70's.

Mr. AVERY. Not even in the House bill?

Mr. FORD. What was in the House bill is immaterial. What is in the final version of the act is the important matter.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Alabama.

Mr. ANDREWS. On page 195 of volume VI of the hearings, with reference to manned bombers, I asked the Secretary this question:

> Mr. Secretary, do I understand you to say that, in your opinion, as of today, we have enough bombers and we will not need any until 1967 or 1968?
>
> Secretary MCNAMARA. Yes, sir; that is the meaning of my statement.
>
> Mr. ANDREWS. If you have money for bombers, you definitely would not purchase any B–58's?
>
> Secretary MCNAMARA. That is correct.
>
> Mr. ANDREWS. You would give a second thought as to whether or not you would get additional B–52's?
>
> Secretary MCNAMARA. That is correct.

So, the Secretary told our committee that he would not buy B–58's, and he was not certain as to whether or not he would spend the money for additional B–52's.

Mr. AVERY. But as far as this bill is concerned, it is at his discretion?

Mr. ANDREWS. That is right.

Mr. AVERY. With certain guidance from the committee?

Mr. ANDREWS. That is right.

Mr. FORD. The Kennedy budget provided no further money for B–52's or B–58's. The Eisenhower administration provided $358 million for the procurement of B–70's. The Kennedy administration cut that $138 million. Our committee has added $238 million, less 2 percent, making a total of $448 million. We earmarked this in a long-range bomber proviso in the bill and said our committee believes that approximately $350 million should be used for the B–70's, but if the Defense Department and the Air Force decide not to proceed with the acceleration of the B–70 program, the difference between the $220 million B–70 program and the $448 million program can be used for either the B–52 or B–58 programs. Actually they could use the entire $448 million for this purpose.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Florida.

Mr. SIKES. Of course, if it should be desired to proceed with B–70 procurement beyond whatever authorization there is now available, the Department of Defense would be expected to go back to the Committee on Armed Services, I assume, and ask for a reprograming.

Mr. FORD. That is correct.

Mr. FLOOD. Of course, I say to my friend from Michigan, there is also this highly probable contingency that they might not spend any of it at all or buy any bombers of any kind at all and sequester the entire program.

Mr. FORD. As I recall the provisions of the bill, if they do not proceed with the long-range manned bomber program, that money cannot be diverted to other purposes.

Mr. FLOOD. That is correct. The point I make is for the benefit of my friend who was asking the question. While it is true that we permit discretion to be exercised by the Secretary of Defense, he does not have to exercise that discretion at all.

Mr. FORD. Now may I turn to a matter which is indicated on the chart. You notice an item, "Canadian agreement." We have reduced the budget request by $2.1 million, and I think $700,000 in another area. This reduction is the result of an agreement with the Canadian Government whereby they take over the manning of the Pinetree early warning line in Canada and we, in turn, through the mutual security program,

undertake to buy or pay for certain aircraft made in Canada. This has been proposed by the new administration. There has been some objection to it by those who represent areas where there is an American aircraft production on the basis that, if we were going to spend our money to buy aircraft, we ought to spend it in American plants.

This is a logical argument, although the Canadians in this particular instance are relieving us of certain financial obligations by the assumption of the manning of the Pinetree line.

Now, I think we ought to point out, because if we do not point it out here someone subsequently will say that they never were forewarned, that there is a request for $8 million in this program for the procurement of a new long-range aircraft for the White House. The three jets that we now have for the White House which were procured 3 or 4 years ago are short-legged jet aircraft. This new Presidential aircraft will be a long-range version, at a cost of $8 million. I feel as a member of the minority party that our President, regardless of whom the person might be, ought to have available the best aircraft that our country can turn out for his travel overseas. This $8 million would provide such an aircraft.

The total Air Force procurement is $6.9 billion—almost $7 billion—or 16 percent of our total obligation authority.

The final amount is for research, development, test, and evaluation. The figure is $4,842,561,000, 11 percent of our total military budget.

The Army figure is $1.2 billion. The Navy figure is $1.3 billion. The Air Force figure is slightly over $2 billion.

The Advanced Research Projects Agency program is $186 million.

We have $150 million in the emergency fund.

The total is $4.8 billion. This is a relatively stable amount at the present time. We have gradually built up to this figure, and I presume that in the foreseeable future it will remain at approximately this level. If we are going to produce hardware for the troops in the field we have to spend about this kind of money in research, development, test, and evaluation. Our modern weapons are predicated upon this kind of a research expenditure on an annual basis.

Mr. FLOOD. If the gentleman would yield, the gentleman might give us a word or two on the emergency fund there, and then the emergency language at the same time.

Mr. FORD. Several years ago the committee approved a figure of $150 million in obligation authority for the emergency fund. This is at the discretion of the Secretary of Defense and the White House. I think it was 2 years ago that we added additional language which provided that another $150 million is available for transfer into the emergency fund, and subsequently can be transferred out to other accounts. So in effect they have $300 million in transfer authority.

Let me illustrate what I mean by this transfer authority: If an emergency arises in research, development, test, and evalution and if they do not have enough money in the emergency fund itself, the Secretary of Defense can take money out of one of the other accounts for the Army, if it is an Army problem, the Navy if it is a Navy problem, and the Air Force if it is an Air Force problem, and transfer it into the emergency fund and then transfer it out again to the particular account where the funds are required.

This is flexibility which has been judiciously used in the past, and I am confident will be properly used under the new Secretary of Defense.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I will be glad to yield to the gentleman from Iowa.

Mr. JENSEN. Have you made any percentage limitation on transfer authority?

Mr. FORD. There is no limitation on the percentage of transferability.

However, our committee is fully informed on all such transfers, and they have kept faith with us in this process in the past and I am sure the new Secretary of the Defense will do likewise.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from New York.

Mr. BECKER. As the gentleman and the chairman of the subcommittee know, I appeared before your subcommittee on behalf of the 30,000 technicians in the National Guard who are employed by the States and paid by the Federal Government, and who are excluded from participation in any retirement fund, either State or Federal. We asked for an appropriation in this bill to take care of the situation, to rectify it by having the Federal Government make an allocation of funds to the States to provide these funds. The committee did not see fit to include this in the legislation.

Mr. FORD. The problem was submitted to the committee by the inclusion, as I recall, of about $2 million in the budget, money that would be paid by the Federal Government to the respective State retirement funds on behalf of the National Guard technicians who are employed by the States, but whose salaries are paid by the Federal Government.

Mr. BECKER. Correct.

Mr. FORD. Our committee came to the conclusion that there was no basis in law to provide for this contribution by the Federal Government. Counsel for the Defense Department, I believe, has ruled that there is authority. However, he certainly, in my opinion, stretches the interpretation of the law to reach that conclusion. Our committee felt that since 25 out of the 50 States do not have programs of this sort we could not in good conscience put about $2 million in here to pay for about half of the employees of this program throughout the United States and not take into consideration the remaining 50 percent. I think it is the consensus of our committee that this problem ought to be solved by legislative action. Indeed, perhaps we can solve the problem by permitting these National Guard technicians to be actual Federal employees. If we do that, then of course the Federal Government makes a contribution to our Federal civil service retirement fund.

Mr. BECKER. I recognize what the gentleman is saying. I am in sympathy with that. I have discussed this matter with the gentleman and the distinguished chairman of the subcommittee, the gentleman from Texas [Mr. MAHON]. Would the gentleman say there should be legislation providing authorization or legislation providing that these men shall be employees of the Federal Government, and then bring them under the Federal Government? I think there is great equity and merit here that has to be provided for.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to my chairman.

Mr. MAHON. The facts are that there are only four States that now permit contribution from employers of 6.5 percent or less. There are seven States that now permit participation to the extent of more than 6.5 percent. So if we should have provided money in this bill for retirement, as proposed in the budget, it would have gone to a very limited number of States. It would not have applied in the State of New York because the proposal was limited to a 6.5-percent contribution whereas New York has a higher percentage of contribution by the employer. So the committee felt that to enter this field would result in more confusion than benefit. Authorization, through a legislative committee, and the resultant legislation would be required to adequately meet this situation, equitably for all.

Mr. BECKER. I thank the gentleman.

The gentleman from Michigan is very kind. I wanted to bring these facts out here because I am sure all of us appreciate the service of these men. Anyone going into any one of these units knows the magnificent work of these technicians. I wanted to bring out here that we must have legislation in order to provide retirement for these technicians. There are some 30,000 of them throughout the country. I assure the gentlemen their help is certainly appreciated in making these facts known. I shall get busy and write some legislation to take care of this matter.

Mr. FORD. There is unquestioned equity in the gentleman's position. I shall certainly cooperate with him in trying to solve the problem either through legislation or authorization, but I do not think we can take that action in this bill without that basic legislation.

Mr. BECKER. I not only appreciate that but I look for the help of the gentleman from Michigan and the distinguished chairman of the subcommittee to see if we cannot work out such legislation in the near future.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. We want to emphasize that this committee has nothing but the

highest praise and realization and appreciation of the contribution made by the technicians of these guard outfits. They do a great job and we cannot get along without them. There is no question about that.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. On the subject of administrative and technical services, I note in the report that the committee, apparently, or am I correct in assuming that the committee allowed Aerospace $35,200,000 for the next fiscal year, this new think factory or whatever you want to call it.

Mr. FORD. We cut $5 million from the money that was proposed by the Air Force for the Aerospace program.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. My question is: Did you actually cut? Your report is not clear. You say that the committee has taken the specific action of recommending the reduction of $5 million in the budget request of $35 million, and that the Air Force should either be able to obtain its required service from Aerospace Corp. for $30,200,000 or find another method of coping. Did you actually cut it or did you allow the $35 million and ask them to cut?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORD. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FORD. We directed that $5 million that had been programed for Aerospace out of the total be deleted.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Texas.

Mr. MAHON. On page 63 of the report, the following language appears:

> 7. Aerospace Corp. The committee recommends a $5 million reduction in the $35,200,000 requested for Aerospace Corp. This action is discussed on page 54 of the report.

Mr. GROSS. I am still not clear as to whether the cut has actually been made. At the proper time, if you did not take this $5 million out, I will offer an amendment to take it out because we have been holding some hearings on this thing. The salaries that are being paid to the people in this organization are fantastic, and I want to be very clear on this.

Mr. FORD. There is no line item, I will say to the gentleman from Iowa, in the appropriation bill which refers specifically to Aerospace. The Aerospace funds are in the Air Force research development test and evaluation account. We have directed in the committee report that $5 million out of the $35 million that the Air Force plans to spend on Aerospace be reduced and we have made a corresponding reduction in the total amount for the Air Force research development test and evaluation account.

Mr. GROSS. Now I think I am clear on it—in other words, they can spend it if they want to, but the only limitation is in the report.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to my chairman.

Mr. MAHON. This language, if I may say to the gentleman from Iowa, will be respected. It is respected and it is binding on the services. The reduction will be made unless subsequent action by the Congress changes what is proposed in this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. Now that I have had this explanation, I will say that you are going to get an opportunity to vote for limitation since the committee, apparently, wants a limitation, and it should be in this bill. I will offer an amendment to put a limitation on it.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. JENSEN. In all the 19 years that I have been on the Committee on Appropriations of the House of Representatives, I know of no agency of Government that did not honor the recommendation of the Committee on Appropriations or any other committee to make a reduction such as is provided in this report.

Mr. FORD. I appreciate the comments of the gentleman from Iowa.

Mr. JENSEN. Does the gentleman know of any instance where an agency did not honor the language in a bill making such a request?

Mr. FORD. I think there are or there have been instances where an agency has violated language in a committee report. I cannot be specific in that regard at this point, but my recollection is that on some occasions, to say the least, there have been agencies that violated the language of a committee report.

Mr. JENSEN. When they did they heard plenty about it from the Members of Congress who had the authority and responsibility of including that language.

Mr. FORD. The gentleman is correct. I would like to conclude now, if I may.

Mr. GROSS. Mr. Chairman, will the gentleman yield for just one observation?

Mr. FORD. Yes.

Mr. GROSS. The record is replete with ignoring the reports written by Congress in appropriation bills and other legislative enactments. They have had no hesitancy in the past, nor will they have in the future about that.

Mr. FORD. I cannot agree entirely with the gentleman from Iowa, Mr. GROSS, just like I could not agree with the gentleman from Iowa, Mr. JENSEN, who said there were never any such instances. In my opinion there have been some, and where there has been a violation of the committee language by an agency, the committee has taken compensating action the next year.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. BOLAND. I would like to refer to ARPA and its connection with advanced research. The bill carries $186 million. Can the gentleman enlighten us as to whether or not ARPA has in this budget money to fund the construction of research laboratories at educational institutions around the United States?

Mr. JENSEN. Mr. Chairman, will the gentleman yield for a correction?

Mr. FORD. I would like to answer the gentleman from Massachusetts first. The ARPA funds are primarily used for contracts with educational and nonprofit organizations. I do not believe it is the understanding of the committee that this money be used for actual brick and mortar for the construction of facilities of a college, university, or nonprofit institution, but there is no specific language in the bill or in the report to preclude it. I have the feeling that it is not contemplated that that would be how it should be spent.

Mr. BOLAND. I thank the gentleman.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. JENSEN. In the colloquy which I had with the gentleman from Michigan relative to the position taken by the agencies in regard to language in a bill, I think in reading my words back in the transcript the gentleman will find that I said to my knowledge I had never known of an agency which did not honor the language in a bill. I did not say for sure that never did that happen.

Mr. FORD. I appreciate the comment and the contribution of the gentleman from Iowa.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Kentucky.

Mr. CHELF. I know that the accent nowadays in our preparation for military defense of this country has been placed on ICBM missiles, air power, and so forth. However, I read something about which I am terribly disturbed and I would like to ask the gentleman this question: Is it true that 9 out of every 10 of our soldiers are carrying World War II rifles? I am told that only 1 out of 10 has modern up-to-date equipment. With this money we ought to be in good shape.

Mr. FORD. That statement, in my judgment, is inaccurate. We are in the process of procuring M–14 rifles, which is the new rifle for the Army and Marines. With the money in this bill we will be able to procure about 30 percent of the total rifles needed. My recollection is we will have about 360,000 M–14 rifles funded. This is about 30 percent, and as we are now in the process of increasing or expediting our M–14 program, this deficiency will be overcome rather quickly. We now have three, and I believe shortly will have, four producers, and when they get into full production this deficiency will be overcome. You should talk to General Shoup, Commandant of the Marine Corps. I heard him say there is nothing wrong with the

Garand rifle. He is proud to have it in the hands of the Marine Corps.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Wisconsin.

Mr. LAIRD. In connection with the procurement of the M–14's, I think it should be said the Army was not sure it wanted to go forward with the M–14 program. That was early last year. We are just going into the procurement of this rifle. You cannot expect all of the troops to be equipped with it in 12 or 18 months.

Mr. CHELF. But there is definite improvement being made along this line?

Mr. FORD. Yes. The Army has procrastinated on the M–14 for a period of over 5 years. They could not agree on a lot of the development and production problems that were involved, and it was not until a year or 18 months ago that they got into the procurement of these rifles. That deficiency will be made up quickly.

Mr. CHELF. Any kind of a rifle will kill a man if you point it at a fellow and pull the trigger. I want our troops to have the best, and I know the gentleman does too.

Mr. FORD. I said at the outset that the military program we have and the one we are recommending are fully adequate to meet any challenges or threats to our national security. Our military forces are fully adequate to handle any problems we have in Cuba, we have in Laos, in southeast Asia, in Berlin, or anywhere else. We have enough hardware to do the job. What we need today is additional will, determination, and leadership. If we get those ingredients with our hardware, we will continue our position of strength throughout the world and maintain our prestige.

Mr. HIESTAND. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Chairman, I am happy to compliment the subcommittee for including a powerful argument for a balanced Military Establishment.

I have long urged missile programs and progress. We started in 1953 a full 6 years behind the Russians, and we have evidence today that we not only have equaled them but probably have far surpassed them in balanced assortment and total power.

But, Mr. Chairman, since missiles are spectacular is no reason for putting all our eggs in one basket. It must be remembered that long-range manned bombers have been a most important if not the decisive factor in victory.

The many advantages of the great B-70, the Valkyrie, are well known by this body. It is a tremendous weapon system program that dwarfs any program yet designed. It is enough to keep the Soviets off balance for another 10 years.

The Eisenhower administration felt justified in recommending $358 million to extend this program. Your committee clearly recommends the extension of this program in that amount plus another $100 million for the extending, before phasing out, the present B–52 and B–58 program.

Certainly we must not settle for anything but the best.

I urge the adoption of the appropriation of the full $448 million for a balanced defense and especially for long-range bombers of such teriffic speed and power as the B–70, the great Valkyrie.

Mr. BOW. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-five Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 101]

Auchincloss	Green, Oreg.	Madden
Ayres	Halleck	O'Brien, N.Y.
Barrett	Hébert	Patman
Bolling	Herlong	Pilcher
Boykin	Holifield	Pillion
Brooks, La.	Hosmer	Poage
Buckley	Inouye	Powell
Cannon	Jonas	Reifel
Celler	Jones, Ala.	Roberts
Colmer	Judd	Santangelo
Cramer	Kearns	Shelley
Davis, James C.	Kee	Smith, Va.
	Kilburn	Spence
Davis, Tenn.	Kluczynski	Springer
Dawson	Kunkel	Tupper
Diggs	Landrum	Van Pelt
Dominick	Libonati	Vinson
Flynt	Lindsay	Willis
Grant	McVey	Yates

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7851) making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes, and finding itself without a quorum, he had directed the roll to be called, when 378 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. MAHON. Mr. Chairman, I yield 20 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, for a number of years this subcommittee has clearly left its imprint upon the defense program. This has not been done in a haphazard manner. Few Members of Congress realize how many hours of tedious work are required of members of this subcommittee. It is almost a full-time assignment. There are literally months of hearings, followed by long and very careful deliberations by the committee and staff members. We take soundings of opinions from many different sectors of the Defense Establishment. It would be well for the House to remember that what is given initially to us is an official view from the Department of Defense as tempered by the Bureau of the Budget.

The actual thinking of some of the Nation's leading military figures on defense needs may be completely submerged in this overall picture. Of course this is a natural procedure and one which has been repeated year after year for many years. Nevertheless, this sometimes gives rise to a fixed viewpoint or a static policy which overlooks the necessity for marked change in programing. By sounding diverse viewpoints and evaluating them objectively, the committee has, in a number of instances, given emphasis to programs which were moving too slowly for the national good. The committee speeded up the missile program. We gave new emphasis to the antisubmarine warfare program. We increased and implemented the Polaris program. This is the weapon with built-in survivability. We protected the Reserve components from unwarranted cuts and added to their effectiveness. We spurred Army modernization. We strengthened interest in chemical and biological warfare where our defense posture has been extremely limited and where the Soviets have a dangerous capability. We contributed to a renewal of interest in the necessity for capability in limited warfare. One of the most important and one of the most badly needed additions to Defense budgets has been in providing new planes and additional planes for airlifting troops to danger spots. When the Commandant of the Marine Corps said "We have more fight than we can ferry," he described graphically one of the most serious limitations in our ability to meet the threat of limited or all-out war.

There were still other fields in which this committee left its imprint. In some instances, the Department of Defense and the administration refused to accept committee recommendations. Others were accepted in part and some were approved in toto. I would not attempt to have you believe this committee's judgment is superior to that of the Department of Defense or the administration, but I respectfully submit that the changes we have recommended have in the main been adopted by the Department of Defense and it is clear that these new patterns have added to the Nation's security. I have no doubt there is much more that we should have done.

In this year's bill, we have continued these practices and added new ones. We point to an impending gap in the Polaris submarine program and provide that long leadtime items can be procured so that there can be a smooth and orderly continuation of the Polaris program beyond the 29 submarines now provided. For the first time this subcommittee has moved strongly into the picture on an expansion of the long-range bomber program.

For years we have seen the Senate add funds for aircraft. We have seldom supported this action because our hearings did not show justification. Now we do feel there is definitely a need.

Despite the seeming proficiency of the missiles we have developed, the facts are that this is a weapon untested in war. Even should there be certainty of 100 percent reliability for these new weapons, and no military man forecasts that degree of reliability, the number of missiles on site ready for use is very limited and will be for quite some time to come.

The bomber is still one of our principal mainstays as a weapon of defense. Unfortunately there is uncertainty and indecision on the part of the Department of Defense as to whether the B–70 program should be expanded and whether production of the B–52 and B–58 bombers should continue. The B–70, which flies at three times the speed of sound, is in the development stage only. It is truly the bomber of tomorrow. The B–52 and B–58 production lines are being phased out in a little more than another year. We know the B–52 and B–58 are effective aircraft. The B–52 is becoming increasingly valuable because of the Hound Dog program, which enables it to fire a nuclear missile into its target from hundreds of miles away without exposing the bomber itself to the strong defenses which ring Soviet targets.

The new Skybolt program, which is under development, will double the range at which the B–52 can strike its targets in this manner. There is the definite possibility of a gap in our defense program unless there is a speedup in the B–70 production or a continuation of the B–52 and B–58 program or a combination of these. To meet this danger, the committee adds about a quarter billion dollars in additional funds and earmarks a total of approximately one-half billion dollars for long-range bombers. This can be used for either of the three or for any mix of the three planes desired by the Department of Defense. The question of authorization has arisen in connection with the B–70. If there is such a problem it can be resolved very simply by reprograming by the Armed Services Committee.

We have added new emphasis to the ballistic missile early warning system and to the satellite detection systems.

The committee has pointed out a number of long-range weaknesses without correcting them. I shall highlight one or two of them. One which disturbs me quite seriously is the declining inventory of active combat aircraft for both the Navy and the Air Force. Granted that there is a phasing down of emphasis on aircraft, there still remains a very considerable requirement for aircraft in the defense picture. The Navy suffers more in the current program because of its continuing requirement for modern high performance carrier aircraft. These fill a multipurpose requirement, including close ground support of troops.

The Navy estimates that in order to maintain a modern aircraft inventory, procurement should be substantially double that which is now permitted and has been permitted for a number of years. The Air Force has similar concern about its own aircraft inventory. In other words, the inventory of these potent weapons is declining much faster than changes in weaponry now justifies. The only way to correct this problem is by substantial increases in the budget which the Department of Defense did not ask and the committee did not grant. In the same field, there is found serious committee concern over delays in procurement of new weapons for the Army. Few people have pointed to the fact that our Army is not a modern Army. It is a relatively small force but a well-trained one. I do not for a moment question its ability or determination to give a good accounting of itself. But I remind you that only 1 man in 10 in the U.S. Army has the new M–14 rifle which is distinctly superior to the World War II M–1. There are only a few of the modern armored personnel carriers with which to replace the inadequate present-day armored personnel carriers. The new M–60 tank, which is superior to any other tank in the world, is now coming into inventory in driblets. It will replace the M–48 tank which is a warmed-over World War II tank. We have been slow to learn our lesson in tank development. The Germans had a better tank in World War II; the Russians now have a better tank than the M–48. The M–60 will correct this picture but the Russians have and will continue to have a vastly greater number of modern tanks than we. These are only a few instances but it should be obvious that forces which are smaller in number face extreme obstacles if their weapons also are inferior. The Army is not blameless in this. The Army has delayed too long in perfecting new weapons and has permitted production delays to hinder deliveries. Over and above this, however, is the fact that the Army has been given only meager funds for years with which to modernize its equipment. This can be corrected only by bigger appropriations.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from California.

Mr. GUBSER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, at page 3 of the committee report there is some language which I believe was probably unfortunately selected, because it is not in keeping with the high caliber and the excellence of instruction given in the Army Language School in Monterey. I have talked with our former colleague, Dewey Short, former Assistant Secretary of the Army, and he made the statement not 10 minutes ago that this is the finest activity of the Department of Defense.

We need language instruction. As a member of a subcommittee of the Committee on Armed Services I visited this installation and found that the quality of instruction there was most superior. In Europe I have been escorted by men who have gone through this school and I have had natives of the country which I was visiting tell me that the instruction was excellent.

I am sure the gentleman will agree with me that this language is unfortunate and in no way reflects upon the excellence of the instruction given in Monterey.

Mr. SIKES. I think it is undoubtedly true that one of the serious weaknesses that we show as a Nation is our inability to speak the other fellow's language. I believe that the efforts on the part of the Department of Defense and other agencies of the Government to improve that effectiveness is an important and a necessary program. I do share the gentleman's feeling about the excellence of the work done at the Army Language School. It has been accepted as a standard in this important field. I think possibly the phrasing of the language in the report is unfortunate. I am confident that the subcommittee had no intention to reflect upon the language school, and I think a careful reading of the report will show that no such inference was intended. I believe what was intended to be brought out is that where there is land that is surplus and is not required by the Department of Defense, then that land should not be held, but should be put back into the hands of the public so it will go back on the tax rolls and through development can assist in improving the economy of the Nation.

However, at that point may I go one step further and say that I do not share the feeling which some persons express for disposing of whatever bits and pieces of land are owned by the Government and are not at the moment being used by the Government. I have seen many instances in the time that I have been in Congress where the Government has disposed of land which at the moment appeared to be surplus but due to the expanded requirements of defense training or programs, has found it necessary, in a year or two or three to buy that same land back for several times what the Government sold it for.

I know of an instance in my own State, not in my district, where the Government expanded very materially a number of years ago a base that had been inactive. At that time land in ample acreage for future needs could have been procured for $15 to $50 an acre. But in the ensuing years, considerable development has taken place around this base. Now it is apparent additional land is required for military purposes. And what is it going to cost? Five hundred dollars to $2,000 an acre.

So I say that if the Government has land that clearly it does not need, is not going to need, it should dispose of it. That is quite proper. But let us be very careful that we have fully considered the requirements for future expansions or program changes and that we not sell Government holdings just for the sake of selling them.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Kentucky.

Mr. CHELF. Mr. Chairman, I want to commend the gentleman on the very forthright statement he has just made. I especially was interested in the explanation he had in his speech to the effect that only 1 man in 10 of our Army was equipped with a modern weapon. I am referring to the foot soldier. As the gentleman has aptly put it, if you hold any gun on a man, aim it and pull the trigger, and if you can shoot like some of our mountaineers in Kentucky, who can shoot the wart off a lightning bug's ear, that is all right; but, have you got the modern weapon? That is what we are trying to get at here. We want to have the very latest and the very best arms for our Army. We are talking about $42 billion and that sum ought to buy an awful lot of new war equipment—tanks, planes, ships, submarines, and arms.

Is it true that our U.S. Armed Forces today have only 60 percent of the mod-

ernization that they really ought to have? Especially since Russia has completely put a "new look" on her entire army from top to bottom.

Mr. SIKES. I am afraid 60 percent would be a high figure when one considers all of the modern weapons and equipment that are needed in present-day combat.

Let us put it this way. If you take into consideration the weapons and equipment that are on order plus the weapons and equipment that are provided for in this bill, the total of which will not be in the hands of troops for another year or two, we may reach a figure of modernization as high as 60 percent. Even then I feel that the figure throughout would be nearer 50 percent.

Mr. CHELF. Is it also true the Russian Army has been equipped one and a half times over since World War II?

Mr. SIKES. With completely new postwar equipment, devised and manufactured entirely since World War II.

Mr. CHELF. Would the gentleman say that would apply also to the Korean war?

Mr. SIKES. No, I would not say that the phrase "one and a half times" would apply to the period since the Korean war, but I would say the Russian Army has been completely reequipped with modern weapons since the Korean war. Either way it is a serious matter.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. TEAGUE of California. Earlier this afternoon the gentleman from Texas [Mr. MAHON] yielded to me and I made a statement, as did the gentleman from California [Mr. GUBSER], similar to the statement the gentleman from Florida has just made. The Army Language School at Monterey is today in my congressional district. It will not be when the new redistricting law in California goes into effect.

I would also like to make one point I made earlier this afternoon. I hope no consideration will be given to moving this school from Monterey to some other location. There are several hundred civilian instructors in the school. It is very difficult to get highly qualified teachers of language like the various dialects of Chinese, Japanese, and Russian. These people seem to be very content in that portion of California and I think would be reluctant to remove to some, let me say, less attractive part of the United States.

Mr. SIKES. I know of no effort to move that very important facility from the present location.

Mr. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. WILSON of California. The gentleman made a very good point that the language in the report is unfortunate. It does give the impression that there is an attempt to try either to move or close down the Army Language School. It seems to me when we are about to vote within the next few weeks on a defense education bill which stresses loans and subsidies for the teaching of foreign languages it would not be in keeping for the military to make any such ruling at this time.

I thank the gentleman for his attitude toward the language school. He has expressed it very well. I am sure he will back us up in seeing that the language school gets to stay at Monterey.

Mr. SIKES. I share the gentleman's enthusiasm for the importance of the work that is being done at Monterey.

Mr. CHELF. If the gentleman will yield further, I would not want the RECORD to show I am being critical of the Army or of this fine subcommittee or the magnificent work they have done. I would much prefer to go on record as saying that if the Army has been slow to modernize our Army it ought to quicken its pace. Whosoever bears the blame should be told that they ought to get on the ball and get with it, because we cannot afford to take any chances since we know that Russia has one and a half times modernized her army and her soldiers since World War II. That is something on which we cannot afford to be caught in a beartrap.

Mr. SIKES. I agree with the gentleman.

Let me say something about the proposed reorganization of the Army combat division and the reorganization of its Reserve components. This is something that is entirely new. As far as I know, it has not been discussed on the floor of the House. I think the Members will find something of interest in this subject.

As the Members of the House already know, the current Pentomic divisions were adopted in 1956. They were geared to the national security policy which assumed that technical nuclear weapons would be used wherever it appeared advantageous to do so. It was intended then to make tactical nuclear weapons the mainstay of ground combat. This has had the effect of reducing nonnuclear firepower in the division to the point that it was even lower than that of the triangular divisions of World War II and Korea. This, despite the fact that some new and improved weapons have been added all along.

This problem of firepower is, of course, correctable. A greater difficulty, one that is primarily responsible for the proposed reorganization, is the fact that the Pentomic divisions have a relatively fixed organizational structure with standard fixed tables of organization and equipment.

An infantry division in Korea or elsewhere in southeast Asia is organized just the same as an infantry division in Germany. This rigidity results in difficulties in matching varying and environmental requirements with a suitable operational capability. For example, a greater degree of armor-protected mobility is needed in Western Europe. On the other hand, units which are deployed in less developed areas such as southeast Asia where roads and bridges and landing fields are limited cannot profitably use and supply the same quantity of tanks and armored personnel carriers.

Because of this and other problems, associated with utilization of the Pentomic divisions, the Army plans to adopt a new divisional structure, with reorganization starting early in 1962—probably in January. It can be most simply described as a building-block concept. There will be two essential features of the new divisions. One is the division base. The division base will be common to all divisions although it will vary in strength. The division base will be comprised of division and brigade headquarters, division artillery, reconnaissance units, engineer, signal, and aviation combat support units and general support. To the division base will be added combat maneuver battalion building blocks which can be infantry, mechanized or tank battalions as the situation requires. The number can vary all the way from a half dozen to 15 or more battalions to beef up the division strength. The number and the mix of the added battalions will be modified to meet the particular requirements of terrain, enemy strength, and other factors. Within this flexible organization, divisions will be formed by combining with the division base a number of combat battalions to produce the variations of four kinds of divisions—armored, mechanized, infantry, and airborne.

On the surface this appears a distinct improvement, and I think it is. If the plan is put into operation, it is conceivable there will be modifications of the present proposal. It is new and subject to review. But I can see clearly in this proposal a more efficient utilization of Army forces. It appears to me that this more nearly gives every soldier something specific to do all of the time.

Under this program, strengths of divisions can, of course, vary greatly from the present fixed strengths of about 15,000 in the Pentomic divisions, and this is an advantage. Effectiveness of such a division structure in limited war is greatly improved because of the way in which the mix of combat battalions can be changed to meet the particular requirements of the situation.

I have heard the question raised and this will be interesting to you, that this entire concept may mean a lessening of emphasis on nuclear capability for our ground forces. I do not so interpret the change. In fact, I have queried Department of Defense witnesses on this and their answer clearly states that what is intended is an improved conventional capability with the retention of current nuclear capabilities. This is an important difference in view of the fact that nearly every threat of war during the decade has been a threat of limited war.

At the present time it is planned to develop the building-block concept within the Army projected strength of 875,000. However, the Army has stated consistently that additional personnel are needed and that the situation will continue to exist in the new division structure.

The Army should have an additional 50,000 men properly to do the job that is expected of it.

I want to turn now to the projected changes in the Army Reserve components. That means both the National Guard and the Reserves. As I stated, the Army seeks to begin a reorganization of its active divisions early next

year. Also, beginning next year it is planned to reorganize the Reserve components over a 2-year period to permit greater readiness goals than now are possible.

It is estimated that $1 billion a year are spent for the Reserves. Obviously it is essential for this amount of money that we have the greatest amount of readiness posture. To do this it is proposed that the Reserve component structure be divided into three priorities. Each priority will have both National Guard and Reserve units. In priority I there will be roundout units for brigade headquarters. Likewise, there will be a number of separate battalions: infantry, mechanized, artillery, and tank, for assignment where needed. There will be two infantry divisions, plus combat and service support for two divisions. There will be onsite air defense battalions, such as the Nike-Hercules; there will be supporting units for other services, and training and operating base units for a total paid drill strength of about 325,000. Unit readiness objective for priority I units will be from 0 to 3 weeks. This will provide a significant boost to the Army's readiness posture.

In priority II will be found six additional divisions—two infantry, two mechanized, and two armored, with combat and service support. There will be three additional infantry divisions with combat and service support for one. There will also be supporting units for other services, and training and operating base units with a lesser degree of readiness than there was in priority I. The priority II units will total some 275,000 in paid drill strength with a unit readiness objective of 4 to 8 weeks.

In priority III will be additional divisions, roundout units, 17 division bases and 85 separate combat battalions for attachment to division bases. These will comprise approximately 160,000 with a readiness posture of 10 to 20 weeks. Thus the whole Reserve program is improved very materially over its present situation from a readiness standpoint.

It is proposed in connection with this reorganization to build up the Reserve component structure from its current paid drill strength of 700,000 to more than 760,000 at the end of 2 years. This plan would increase the technician strength, would provide for an additional 8 days of active duty training for priority I and II units each year, would provide for active duty training for selected individual fillers and replacements in the Ready Reserve reinforcement pool, would provide for implementation of training programs and for increased materiel support. All in all, this represents significant improvement in the overall readiness posture of Reserve components.

Initially it was announced that there would be a reduction in the current number of Reserve divisions through inactivation of eight divisions in the present structure. However, the current version of the plan provides that eight Reserve component divisions will be reduced to division headquarters command staff and communications elements, and will retain their unit designations, colors, and histories. These division headquarters will have the mission of supervising training, administration, and logistics of nondivisional units in selected areas or States and to form the base for possible mobilization development of new divisions.

The greatest problem faced by Reserve components if they are to meet this new concept of early readiness is in equipment. Some guard units have relatively modern equipment. Historically, however, guard units have had handed down to them the equipment released as Active Army units get newer equipment. Unfortunately, Reserve units in the main have little equipment of any kind. This is a picture which cannot be significantly improved at present procurement rates and improvement of this situation is just as important as reorganization and improved training techniques. I am not one who is disturbed by the obstacles in reorganization. I am disturbed by lack of equipment. In either case there will be problems. But for a billion dollars a year we should get as much defense readiness as we can from the reservist. And I know the reservists want it that way. They are a zealous and a dedicated group.

Now, Mr. Chairman, let me talk very briefly about command responsibility.

A number of prominent witnesses have voiced concern about the effect of a lack of actual responsibility on the part of commanding officers for the operations which take place within their command. There is reason to believe that in some instances they are merely figureheads who are assigned to a job for which they have no outstanding qualifications and who spend much of their time performing tasks which are more nearly those of a public relations officer. The organization, good or bad, which they find at the new command continues to function more or less independent of the commanding officer, unless he is unusually vigorous and persistent in his efforts to influence the manner in which his command operates. It takes a strong commander to overcome a firmly entrenched group who have their own ideas about the way the base should be run. The present system rewards mediocrity almost equally with competence. And that is the important part of the picture. If an officer is assigned to a command of renown and does not get in the way of the people who are running the job, he usually gets a promotion and a decoration upon the completion of his tour of duty. This can happen even when shocking disclosures of waste and inefficiency have been disclosed during his command. This system places little or no premium upon outstanding accomplishment.

I strongly believe that longer continuity of command and more careful weighing of command performance would improve this situation. Fewer rotations in command would give dedicated and capable officers an opportunity to organize a command and require improved performance. We have seen outstanding examples of the benefits of this system in operation in the development of the nuclear submarine fleet and of the Polaris missile capability. Examples of the need for this improvement are the extreme costs of missile launching sites and the delays in the satellite and astronaut launchings.

Mr. Chairman, this bill has been discussed quite fully, and it is going to be discussed much more before the 6 hours of debate has been concluded.

There is in the bill a new proviso which is intended to stop the charging of needless advertising to the costs of defense. By "needless" advertising I refer to advertisements which extoll a company's product for which the Government is the sole purchaser. This includes submarines, missiles, warships, space suits, tanks, and other weapons or equipment for which there is no market in private industry. Where all sales are to the Government, there is no legitimate reason to advertise the products to the general public. There is less reason to add the costs of advertising to the cost of defense contracts and charge them to the taxpayers. This is policy advertising which contributes nothing to defense and returns nothing to the people. It benefits only the reputation of the advertiser and the pocketbook of the publisher. We seek to save this money for the taxpayer. It is difficult to estimate the amount, but it is estimated to be as much as $10 million and not less than $5 million annually.

We have no desire to limit legitimate advertising for personnel or legitimate advertising on products purchased by the general public. But, we see no reason why advertising on items which are acquired solely by Government should have advertising costs added to costs of production.

Now, Mr. Chairman, I shall not take more of the Committee's time. I can say this is a bill which the House can support with confidence. It provides a degree of security which the Nation must have and within reason it provides an adequate degree of security at this time. Taken as a whole it gives the Nation a defense posture with which to meet all foreseeable requirements. It guarantees nothing; on tomorrow the picture may be entirely different. Nor can any bill or any amount of money guarantee security for the United States and the free world.

We know this is a grave period in world history. There is for this Nation an accumulation of problems, both domestic and international. They are serious problems. Our national destiny may be more precarious than in many years. We are legislators, but legislation alone is not going to solve the problems which must be solved. It is going to take will and determination on the part of the people. It is going to take courage and daring and purposefulness on the part of the administration.

Not long ago we fired a man 300 miles down range at Cape Canaveral. We were proud of this feat because we know of the great effort, the great cost, and the great courage it required. The world acclaimed it, too, but the world acclaimed it to a lesser degree than we because the world was quite impressed with the fact that the Russians had already put a man into orbit and brought him back alive. Or so they said, and nobody has disproved it.

Mr. Chairman, Russian achievement to me in putting a man in space is not one whit less significant than her achievement in leapfrogging across 5,000 miles of Western power and planting the banner of communism on Cuba. It is just as important that this achievement be corrected as it is to outreach Russian space accomplishments, for this for the years immediately ahead is the more deadly threat.

I have argued year in and year out for military preparedness and frequently for greater defense expenditures. Yet I would be the first one to say that defense alone is not enough.

France had the maginot line. It was a strong defense. People called it the strongest in the world, but the Germans went around it. Our defenses are strong. This bill is going to make them stronger. But, Mr. Chairman, our defenses did not prevent Communist infiltration within our own hemisphere. Not even in Cuba, 90 miles off our shores, where we have a military base, did a strong defense prevent the establishment of a Communist colony.

Now, this is but one of many world problems, Mr. Chairman. We must take dead aim on these problems, and we must act—not just hold conferences—we must act. There must be a will and a determination on the part of the American people. There must be courage, daring, and purposefulness on the part of the administration. We must show that we can and will draw a line. A government determined to maintain the freedom of its people and its allies can back a strong defense with tough and positive diplomacy and win. Today we as legislators offer one of the tools with which to do the job that lies ahead for our Nation.

Mr. COLLIER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. 70 Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 102]

Ayres	Gray	Pilcher
Bailey	Green, Oreg.	Pillion
Baker	Halleck	Poage
Barrett	Herlong	Powell
Brooks, La.	Holifield	Rains
Buckley	Hosmer	Reifel
Cannon	Inouye	Riehlman
Celler	Jarman	Rivers, Alaska
Coad	Jones, Ala.	Roberts
Colmer	Judd	Santangelo
Corbett	Kearns	Shelley
Cramer	Kee	Smith, Miss.
Davis, James C.	Kirwan	Springer
	Kluczynski	Steed
Davis, Tenn.	Kunkel	Thompson, La.
Dawson	Landrum	Tupper
Dominick	Libonati	Van Pelt
Evins	McSween	Vinson
Flynt	McVey	Willis
Fogarty	Machrowicz	Yates
Grant	O'Brien, N.Y.	Zelenko

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 7851, and finding itself without a quorum, he had directed the roll to be called, when 373 Members responded to their names, a quorum, and he submitted therewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. FORD. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, first of all I want to take this opportunity to pay tribute to the chairman of our subcommittee, the gentleman from Texas [Mr. MAHON], for his outstanding and able leadership of our subcommittee in the consideration of this most important bill, perhaps the most important bill to come before the Congress this year. And, I would like to add a word of tribute to each and every member of the subcommittee, including the gentleman from Michigan [Mr. FORD] for the real effort and contribution that has been made in the formulation of this tremendous appropriation bill. Bear in mind that it represents many billions of dollars and many hours of hard work.

I might point out to you that this bill represents 6 months of hearings.

Mr. Chairman, the work of this committee has been carried on for a period of over 6 months, and I believe the record will show that some 4,429-odd pages of testimony have been taken from witnesses—yes, hundreds of witnesses—plus considerable testimony which might be termed "off the record."

Mr. Chairman, this bill, which deals with the means to provide for our national security, is vital to our well being and freedom both here at home and in the world, and certainly it should be viewed above political and partisan considerations. Those who would exploit our defense and our security for political reasons certainly do a great disservice to our country and endanger our freedom and our well being. Yes, I think as we meet here today in the consideration of this vital defense bill, we cannot fail to recognize the fact that we are living in a critical period in world history. And as our report indicates, this defense appropriation bill is being reported at a time of acute international tensions. Although there are many facets to the world struggle as between freedom and Communist enslavement, I am satisfied and I believe the Congress is satisfied and the American people are satisfied and demand that we maintain a superior defense capability. And that capability is a prime requisite to our security and the preservation of the free world.

Now, despite the fact that we must not be complacent, it can be said that we have a military might, second to none, and I believe we can be proud of the progress that has been made, the know-how, the deterrent power that we possess in this critical period of world history. We can and we must continue to make progress to hold this position.

We have seen many, many changes and developments in recent years in technology and in weapons systems, and as our report indicates—and it is worthy of note—the magnitude and the size of our Defense Establishment is so extensive and so large, it is difficult to understand and conceive. Our strength, our size, our capability, is such as to deter an all-out nuclear war, and I am convinced that we are in a position to deter small or limited wars. Our global operations, Mr. Chairman, require that we develop new and fantastic weapons, costly, yes, with little prospect of decrease in cost, and I predict to you today that our defense budget, while it may be the largest in many years, will continue to be large; it will continue to grow, because the cost of new developments and weapons systems certainly requires larger appropriations.

I might point out at this time that we are appropriating in this bill $4,842 million for research, development, testing, and evaluation, and when you compare that figure with the overall defense appropriation, you will note that just in the field of research and development alone we are expending more than one-tenth of the total expenditure for our overall defenses. This phase and aspect of our defense program is directly associated with these developments and modern weapons systems. This bill, as has been pointed out, totals $42,711 million. That is $2,427 million more than we appropriated in a similar bill last year. It is $231 million less than the budget estimate.

Although, as the distinguished chairman of our committee pointed out, this $231 million reduction is a paper cut rather than an actual reduction in funds. I believe dollarwise the reduction in the overall budget would be approximately $6 million.

I might point out, too, that as we go into the new fiscal year, the Defense Establishment carries with it unexpended balances totaling more than $31 billion.

In our consideration of this appropriation bill, the committee maintained no intent of establishing a floor and no purpose in establishing a ceiling. We attempted to apply the funds as we felt they were required and needed and necessary to do this job.

As it happens, the budget request total as presented by both administrations came out about the same. Changes were made wherein we made increases in certain areas, and we made decreases in others. As our report indicates in the summary on page 2, military personnel has an increase of about $55 million. Research development, test and evaluation likewise has an increase of some $52 million. On the other hand, the committee has seen fit to make certain reductions in operation and maintenance, which reflects a decrease of approximately $112 million. In procurement the committee made a substantial cut of $226 million. Most of that reduction was brought about by an arbitrary 2-percent reduction across the board in procurement.

The gentleman from Michigan [Mr. FORD] referred to this 2-percent cut and I know, too, that the chairman referred to it as an arbitrary action on the part of our committee to bring about greater efficiency in the procurement field. I might say that the 2-percent cut this year is less by 1 percent than the cut made across the board during the last year or in the last bill on defense appropriations.

So, Mr. Chairman, the total procurement which is one of the big areas in our Defense Establishment is about $14.8 billion which, despite our cut, amounts to $1.3 billion more than we appropriated last year.

Your committee, I believe, dealt quite realistically on the subject and the problem of procurement, and I commend our report to you from pages 40 to 51 wherein you will find we discuss this whole problem of procurement. The changes, the attitude, the feeling, and the many problems that go with procurement are discussed in this report and reflect your committee's viewpoint.

In this bill, too, as has been mentioned before, we have provided for an increase in personnel strength by about 25,000 bodies. The total military strength provided in this bill amounts to 2,511,000 on active duty, plus 1 million in the Reserve forces in drill pay status. The Army will now have 875,000 men, an increase of 5,000. The Navy will have 628,000, an increase of 3,000; and I might mention that the 3,000 increase in the Navy personnel strength is provided for primarily because of the requirements for additional crews and support for the Polaris fleet.

The Marines have a substantial increase of 15,000, making the total strength of the Marine Corps 190,000.

The Air Force, with 825,000, has an increase of 2,000 men.

There is considerable interest in the strength and provisions for the Reserves.

The Army Reserve components total 700,000, with the National Guard being maintained at a 400,000 strength level and the Army Reserve Corps at 300,000.

The Defense Establishment provides employment in addition to our military people for more than 1 million civilians. I might point out, too, that in this bill funds are provided for support in the employment of 175,000 foreign nationals.

As our report indicates, many supporting expenditures are very costly. I know the gentleman from Michigan [Mr. FORD] mentioned in his remarks that in the consideration of this bill you will find an item of $920 million to meet our responsibilities for military retirement. I must remind you, that within a very few years our obligations and our costs for military retirement will reach the $3 billion mark annually. This situation is one that requires study and consideration in the hope of resolving the problem.

We maintain 271 military hospitals throughout the land, with medical care for dependents and education for dependents running into the millions of dollars. I might point out that in the field of education alone we are expending $40 million to educate 152,000 dependent students of our military personnel.

There are certain significant highlights in this appropriation bill; for example, the committee's action in connection with the long-range bomber program. It has been discussed here before and I know there is considerable interest in the B–70. The committee in its wisdom provided an increase of $228 million over the budget for the production of long-range bombers recommended in this bill for acceleration of the B–70's, although there is every indication that the Secretary of Defense may resist this action. The fact remains, however, that the door is open for the continuation of the B–70 program at an accelerated pace.

The bill supports 817 ships in the Active Fleet. The Polaris program now has about six atomic missile submarines on active duty, and by the end of June of next year, it is reported there will be nine Polaris submarines on the seven seas. A total of 29 Polaris submarines is programed, all of which is accelerated in this bill, and the program of 29 should be provided for in due time. We should make provision to procure the long lead-time items necessary to meet the challenge.

I might point out that the Polaris submarines will require certain adjustments in order that they may meet the requirements of the development that is taking place for a 2,500-mile range missile.

Mr. Chairman, there are so many ramifications, so many important aspects of this defense appropriation bill it is rather difficult to know where to start and where to stop, because they are all vital and important.

The antisubmarine warfare program is probably as important as any other in our national security program. Your committee, while we have provided funds to accelerate a program of development and research, your committee believes that the Navy should provide coordinated management for the development and research in the antisubmarine warfare field, so that we can do a better job and have a better picture as it comes along.

Mention has been made, only slightly, of the Dyna-Soar program which is provided for in this bill. Your committee believes the Dyna-Soar program to be very important to our future defense. This is reflected in the fact that the committee has provided $85 million more over the budget, making a total of $185 million.

Our report indicates that the Dyna-Soar concept entails a manned glider capable of flight at orbital velocity placed into orbit with a high thrust booster. It should have a certain amount of military significance because it would be a manned glider, it would be a military space vehicle, and it would have pilot control.

It is not competitive with the space program and I think our report indicates that it would have no relationship to the space flight to the moon. It is strictly a military vehicle and should, in the end, prove to be very valuable to our national security. I wonder if we are aware of the tremendous developments taking place and the cost of going ahead with the program of ballistic missiles and early warning systems which is under acceleration and construction. The 15-minute missile warning time that this system provides us is, perhaps, the best that can be done up until now, but the Midas satellite-borne warning system will supplement that sort of warning system. So, besides the development of the missiles, and let us not forget that we have missiles today of all capacities and many categories. For example, we have a family of missiles from air to air, ground to air, and air to ground, and we have them on the seas and we have them on land, and we have them circling the Iron Curtain. Certainly, this is a development that would lead us to be satisfied that there is no missile gap and that our security is second to none. I believe I can say to you that this is a good bill. It provides the means. It is balanced and it gives us a balanced force and a balanced power. I am sure the committee believes we are bringing to you today a bill that should be approved in its entirety, as it is presented to you. I am happy to have the privilege of participating in the work of this committee, and I am sure that what we have done will go far in providing the essentials for a sound defense program in the months ahead.

Mr. ANDREWS. Mr. Chairman, I I yield 15 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, the problem is not so much whether this is a good or bad bill. Any bill calling for the appropriation of $42,700 million is a good bill.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

The gentleman from Pennsylvania may resume.

Mr. FLOOD. Mr. Chairman, the words that I said were words of such wisdom that I will repeat them: It is not a question that this is a good or a bad bill, the problem is that it is a good bill; but my position is that it should be better. We are dealing with the subject of national defense and it cannot be too good.

I am satisfied that the people in my district are willing to spend every dollar that this House thinks necessary for national defense, and I think that is true of the people in every other district in the United States. I am a little embarrassed this year because I am not as mad about this bill as I have been about other bills for the last 15 years. This is a little "gooder" than the other good bills that we talk about.

But there is one phase of this matter with which I am in total, complete, absolute, and infinite disagreement with the committee, with the President, with the Joint Chiefs of Staff, and everybody else that had anything to do with this except the Army. We have heard it said that this is a good bill for many reasons, and among the reasons is the suggestion that the people who know most about the problem have made the recommendations. Mr. Chairman, the people who know most about what the Army needs are the Army people, beginning with General Decker, Chief of Staff, and the Army Establishment; and the Army, for reasons best known to the Army, persist and insist that it needs an absolute minimum of 925,000.

The Secretary of Defense, Mr. McNamara, came to my committee—and

this is a very sharp character, this is a real tough guy—but I have sat across that table from Secretaries of Defense, Assistant Secretaries of Defense, Under Secretaries of Defense, generals, admirals, Deputy Assistant Secretaries of Defense; I have watched them come and go like Greyhound buses, yet because of the sound judgment of the people of my district I am still sitting there. But the position of the Army has never changed and they have detailed for this committee in executive session, in secret testimony, where they would put everybody of that 925,000.

These are troubled times, indeed, in Western Europe. You can start shooting in southeast Asia, Africa, Central America, and you can quarantine that action. But let me assure you, the first time a cap pistol goes off anywhere in Western Europe you have had it. That is it. You cannot quarantine any action in Western Europe.

The Army insists that we should have another brigade of airborne troops in Western Europe last night. We needed a brigade of airborne troops in southeast Asia the night before last, and we did not have them.

You heard the presentations made here several years ago when we established the Strategic Army Corps, the SAC unit, and we were told that we would have an irreducible minimum of four divisions in the Army SAC in continental United States; and everyone, the Secretary of Defense, the Joint Chiefs of Staff, this committee, and the Congress said four divisions absolutely in SAC. You have three.

You absolutely should not leave this building tomorrow without putting at least that fourth SAC Division into the Army. I do not know what you are going to do. I am not going to propose the amendment. I am sick and tired of proposing it. I hope somebody does. I see a half dozen Members here who should do it. I will vote for it if I am the only one who does. That is the situation.

Let us talk more about the Army. I have been preaching this for the last 10 years. I do not belong to the school of thought that preaches somebody is going to push a button and we are going to have a hydrogen blast throughout the world. I do not think that this squarehead Khrushchev is going to delegate to some halfwit in an East German agency the starting of chaos and world war III. I do not believe that. If anybody is going to start it, he will start it. You may call Khrushchev anything you want, but nobody ever called him dumb. Do not call him dumb. You are kidding yourself if you do.

I know the Good Book says that there will be wars and rumors of wars until the end of time. Those wars will be fought primarily by the faceless doughboy like they have been since memory of man runneth not to the contrary. But in the Army today you do not just have a strong back and a weak mind. You practically have to have a Ph. D. degree to be able to participate in some of the Army missile systems. This is quite an Army.

Let me show you the condition of this Army. My premise is if, God forbid, there will be shooting, it will be done by the Army, not by missilemen, because the first button that is pushed on a missile, that is it. Do not bother moving because there is no place to hide. There is no place to hide.

Now, I have voted for every appropriation for missiles from the very first one, and I have seen them tested and fired all over the world. This is great; I am for it. I will vote for every dollar for every missile in this bill. But, that is your left hand. You are not going to win with that one. This will keep them off balance. This will keep things even; just keep jabbing your left. That keeps them even; they will not touch you. I am for that. But, if you are going to win, you have to have a right hand to cross over. That is the one you are going to win with; that is the one you are going to fight with. And, there will be limited wars, sad to relate, day and night, until the end of time.

Do you know the size of the Russian ground forces? Five times what we have. What condition are they in? There is not a better trained and equipped army on the face of the earth, and there never was. They have a vast supply of reserves and militia.

Now, let me tell you what else. Oh, you have a great Army here. It will do its share. It will fight. But, what are you sending in? The Russian army has been modernized from top to bottom. From top to bottom, every phase, every department, every bureau, every piece of hardware, every command of supply in Russia from top to bottom has been modernized, done over, completely new, with the latest things conceivable, not only once but one and a half times since 1942. How do you like that? What about your Army? Well, there is a dispute as to the figure. I say 60 percent. That is intelligently debatable. I will settle for half, and this cannot be intelligently debatable. Now, I just told you that the Russians have modernized one and one-half times since World War II, the whole kit and kaboodle. You are going to fight tomorrow night with your Army, and 50 percent of its hardware is World War II junk and Korean hardware. How do you like that? Fifty percent of World War II and Korean hardware to fight a great army modernized one and one-half times. Why, you have underway now a retrofit program for obsolete tanks, 5,000 of them, to be retrofitted and done over. Now, that is all right. We are building M–60 tanks.

This is just as good as anything the Russians have, if that will make you feel any better. Our M–60 tank is a good tank. They have nothing better than that. I am talking about right now. The Army, the Army Ordnance people, the Army Command say, and they have been saying this for 4 years, that the Army needs $2.5 billion a year for 5 years to modernize our Army. Do you not want the Army modernized? Are we mixed up with budget balancers again? I went through years of this budget balancing, vis-a-vis what I needed now. Of that $2.5 billion, $1.5 billion is for replacements.

In this budget we have $2 billion for Army hardware. Of that $2 billion, $1.5 billion is merely to replace what wears out every year; nothing new; no additions. It will be new stuff. This is good. So only $500 million is in this bill to modernize your Army.

The Army says it is short $500 million in order to modernize its program for 5 years.

Now, somebody, beginning with the Secretary of Defense, down through the Joint Chiefs of Staff, has substituted their opinion for the Army's opinion, and the answer is that we do not have the money. We want a balanced defense. Well, I am not for a balanced defense, and I can find the money. This is very simple to me. Another thing: Do you know if you want to go back to missile war, the Russians are capable of pushing a button—now, let us say it is half past 4—and at 5 o'clock the missile can land at any designated point they aim it at in the United States? Let me ask all of you good people to pick a spot in your hometown. You pick a spot in your hometown in your mind right now. Some clown pushes a button in Moscow and an ICBM with a thermonuclear warhead will land at that spot in your hometown at 5 o'clock, and when it lands it will kill dead every living thing within 3½ square miles of the spot you are thinking about in your hometown; dead.

If you think I am Buck Rogers, do not let this mustache fool you. If you do not know what is going to happen, I am telling you. You are just kidding yourself if you think this cannot happen now. It will give you casualties up to 7 square miles from that spot in your hometown, mister, up to 80 percent or 90 percent. In 5 years they most probably will all be dead. Oh, you can do the same thing to the Russians?

Now, is not that just ducky? That is great. My old man is bigger than your old man.

You know the kids out on the curbstone. So you can do it to them, and that straightens everything out nicely, does it not?

There is no defense to an intercontinental bomb, none. We do not have it, they do not have it. But the U.S. Army research and development team have been working on an antimissile missile, the Nike-Zeus, and this is the outfit that gave birth to the first good IRBM, Jupiter. They are the best missile team in the world, and they are working on it day and night.

Now they say they want money to buy long-leadtime hardware to go into production. They want to set up a production line. It takes 2 or 3 years to put together the hardware for production. They say they are about to break through, and they have done it before. Let us look at their record. But the Eisenhower administration and the Kennedy administration say, "No. Papa knows best. You long-haired, flat-heeled characters don't know what you are doing." Some flyboy in the Air Force, some black-shoe admiral in the Navy, some former cavalryman in the Army, decides that these space boys do not know what they are talking about,

so they do not get the money. And now you have lost another year.

The Eisenhower people were wrong in not giving the money last year and these people are wrong in not giving it to them this year, to set up production lines, to get the Nike-Zeus ready when they break through. I say they will break through. There is no margin for error. This is the only potential against missiles that anybody knows about.

Last year the administration said, "Go and play some more games with your little chemical set and get better." This year our people say the same thing, "Go back down in the cellar and figure out some more formulas, have some more research and development." This is wrong. This is a serious mistake. I deplore it.

Let us talk about the Navy. You know the fight we have gone through for years on the carrier program. Let us not revive that now, but let us talk about the Navy air arm. You have the carriers, nuclear and conventional. They are building and they are operating. Now it has become an absolute condition precedent to a successful modern condition of war to have a carrier strike. This is not intelligently debated much any more. So what are you going to put on the carriers, carrier pigeons or aircraft?

The Navy has 7,200 aircraft. The Navy's replacement annually is 1,200, 1,200 mere replacements. How many are you going to buy this year under this bill?—600.

I am no mathematician. I cannot do vacuums. I can barely add. That is why I am so successful on the Appropriations Committee. But I know if I need 1,200 for replacements and I buy only 600, the Navy is short 600 aircraft. And you are not going to give it to them. Just so you know—I do not care what you do. I know what I would do. But, do not pretend that I was not here and that you did not hear this. This is in the record. It will haunt you someday. Now they have decided to stop building Polaris. You programed 29. Well, now, what is magical about the figure 29? That is not even good in a crap game—29. But somebody has picked off the left field screen the number 29—not 28—not 30—there must be something mystical or magical about 29. Some fellow looked at the morning paper and saw one of those stories about his horoscope and came up with the figure 29—and that is the end of Polaris. This is nonsense. If Polaris is the weapons system that you all believe it is, then 29 is about half of what the Navy should have for that mission.

They do not even ask for money for long leadtime hardware in case they wanted to build 30. In case the horoscope next week said 30, under this bill they could not buy hardware to begin the number 30 because it was not set up there. But, at least we put language in here authorizing them to transfer. There is a legislative contretemps here—I read that in a book once and I use it any chance I get any more—which prevents this committee from appropriating beyond authorizations. So now we could not put the money in for long leadtime—I do not believe it—but wiser heads prevailed and said, "Use language." I disagree with this. I think we should have put the money in, and if there was an issue, it should be raised by somebody against it—and not by us because we are for it. I always understood that the best defense is attack. I do not believe in counterpunching—not in this business. The best defense is attack. So far as you are concerned, the money should be in here but I just want to show you the thinking.

Now something else. One of the most effective antisubmarine operations was lighter than air—the blimp. We have developed the chopper and the helicopters. We have developed other systems of antisubmarine warfare that are slow, coming along, but good—effective. And that program has been unseemingly delayed with 700 to 800 Russian submarines, most of them snorkles, with them building nuclears, the opposite number of our Polaris. Anything you have, they will have. Do not forget that. They proved how good they are technologically—do not guess that they are not as good. Always decide in this business that the other fellow is as good as you are. You had better decide that way. Well, he is and the ASW program—the antisubmarine warfare program—has been delayed. We have been continuing at the modest, and when I say modest I mean vis-a-vis a $42 billion bill—and the Navy has had a program of maintaining its blimp lighter-than-air operation of $4,500,000—4½ lousy million dollars in a $42 billion program.

The Chief of Naval Operations, under examination by me, said he thinks it is a great program. He would like to continue it. He is in favor of it provided we give him the money. So, what happens? So we do not give him the money; and yesterday the Secretary of the Navy for the first time since it was born, scratched the whole lighter-than-air program of the U.S. Navy.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. FLOOD. Mr. Chairman, I need 5 additional minutes. Could the gentleman from Texas yield me the time?

Mr. MAHON. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. FLOOD. The reason for the 4 is that the gentleman comes from Dallas and is strongly air-minded.

These planes are part of what I would like for an airlift. I think of the operations on the Congo at Leopoldville when the United Nations was going to send in airborne troops to land, not jump troops, airborne troops to come in and land at the airport of Leopoldville. The night before they were to arrive at Leopoldville nobody knew on what side any of the ground troops were. Oil barrels, flaming cauldrons were on the runway. Overnight that was straightened out. But suppose it had not been. You could not drop any airborne troops at Leopoldville. They would fly in from Germany, have to turn around and fly back. There was no airport. It was a jungle. Four airports in Africa! Four airports to take these troops, one of them on the other side of the Sahara, thousands of miles away.

We need these planes. The Navy showed me where there are six air bases in Africa, where they could land troops, but there were 325 lakes, great rivers like the Mississippi, and protected harbors where they could land thousands and thousands of troops in sea carriers, seaplanes. We do not have any. We have none. We had three Mars. I went looking for them. Do you know where I found these Navy seaplanes, the Mars? Down in Argentina, dusting crops. No seaplanes anyplace. No blimps. No seaplanes. You need at least 25-percent increase in your airlift, on everything.

This is a balanced defense. Everything is just ducky. Except the things that I am talking about. We put billions into planning, into a nuclear Navy. The authorization came up for frigates, the best antisubmarine weapon we have; first-class destroyers, submarine killers. They asked for seven—only one nuclear. Why? Cost too much money. So you are buying second-hand craft, in my opinion, good though they are. These are 20-year-life frigates. There is money in here for one. There at least should be two, but there is only one. That is wrong.

Minuteman. You are going to turn this out cafeteria style, the ICBM Minuteman, an excellent missile, going to supplant the big dead pigeon.

So we put them all in hardened bases, A, B, C, D, E. The Russians know exactly where every base is. They can zero and pinpoint them with their missiles, no question about that. If they attack, they will attack first and they will zero every base you have. Bang! Be sure of that.

We propose mobile Minutemen on railroad trains. Put them on great flat trucks to go over the highways and the railroad systems of America. Make them mobile. That is not a guarantee but it is better than dead pigeons in a hole. That was cut out. That was a mistake.

So I submit, Mr. Chairman, this is a good bill. Anything worth $42 billion is good, but it could be an awful lot better. Do not kid yourselves.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. OSTERTAG. Mr. Chairman, I yield 23 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, if we can prove in the next 10 years that we have wasted the whole $42 billion appropriation which we are making today, we will have succeeded. Only if we can prove that we have wasted this $42 billion will our defense program be successful in maintaining peace.

This bill comes to you today with an increase provided in the Kennedy add-on budget of $2,500 million above the Eisenhower recommendations which were sent to this Congress early in January.

The gentleman from Texas [Mr. MAHON], chairman of the subcommittee, and the gentleman from Michigan [Mr. FORD] have discussed the specifics of this bill in detail. I would like to discuss

with you the philosophy behind our defense program today and some of the things that I believe are lacking in the present defense philosophy as we face the next 4 or 5 years.

In our report, starting on page 5, there is quite a discussion of the whole philosophy of deterrence and its importance in maintaining peace as we look to the future. Deterrence involves a state of mind and will. Throughout history, materially and militarily superior nations with divided will have fallen prey to inferior nations with united will. Without national character and commitment, NATO, SEATO, SAC, STRAC become not deterrents but shambles.

The credibility and respect assigned by a tempted aggressor to our military strength depends upon the aggressor's estimation of the manifest will to use these forces. This is the problem that I think faces America as we look to the future. Do we have the will to face up to international communism and the type of bluff that is being forced and perpetrated upon the world by international communism all over the world today.

It might be recalled that throughout 1930 Hitler, with inferior forces, calculated the democracies lacked the manifest will to use their combined forces. Critics today who assert a strategy encompassing tactical use of nuclear weapons would not be credible to the opponent actually are saying our will to act would not be credible. They are saying our will to defend freedom would not be credible. If we lacked this will, the Communists would be allowed an overwhelming advantage in their strategy of terror to monopolize the initiative.

I feel this whole question of national character is more important than the amount of dollars and cents you spend on our defense budget.

Regardless of how much we appropriate in this bill, it means very little if this country does not have the national character necessary to resist communism. We all know that we must be wary and vigilant. We all know that something needs to be done or the blessings of liberty and freedom will perish. But, it seems to me that there are signs that the national character of our country is cracking as we face 1962 and the future.

I would like to show you just a few symptoms of the cracking of national character as we look at the defense program of 1961, 1962, and 1963. We have but to point to the recent debacle in Cuba and our backoff in Laos to show you how there were strong statements made by the President about how we would resist Communist aggression, but there was no action to back up these strong statements. Strong statements are now being made on Berlin—will these statements cause us to blunder into war?

One of the first symptoms of the cracking of national character, I believe, can be found in the example of the Polaris submarine, the Polaris missile which can spring from an unknown spot in the deep and within 15 minutes destroy Moscow. And, we have 48 of these missiles alerted at this very moment within striking distance of Russian targets. This missile which gives us a vast advantage over Russia counts nothing without national character. Khrushchev knows that. Stalin made his boldest advances at the very time the United States had a monopoly on the A-bomb in the late forties. Why? Because too few Americans recognized that the contest with communism is a contest of character. Today every move the Kremlin makes on the military, diplomatic, economic, and psychological fronts is targeted to erode our will and our character to resist.

Last summer I was privileged with 15 other Members of the Congress to participate in the study entitled "American Strategy and Strength" prepared by 15 Members of this House who worked jointly with over 40 experts in academic and professional life, evaluating the contest of the free versus the Communist world. After reviewing our military, economic, and psychological strength the report concludes that "National character is the key element of national strength." Friends, I think these were wise words last year when we concluded this report, and I think they are just as wise in this June of 1961.

The second symptom of decline occurs and has its effect upon our country as far as our defense posture is concerned when the mission of a society is merely to contain, deter, and resist. Such a trembling society becomes reactive. Satellites surviving in slavery. We, too, can survive, as a popular novelist pointed out in his recent book, by crawling to Moscow on our bellies.

When Communist Russia sets standards or goals for us in the economic field or the spiritual field, decay has indeed set in.

In England, in Canada—yes, and in the United States—some apostles of fear have lost all concept of national mission. They think survival at any low level is worth it. A prominent British philosopher recently indicated that life under Soviet slavery is better than risking nuclear war in defense of freedom. A prominent Canadian political leader recently advocated that Canada withdraw from the North American Defense Command because such a commitment might involve use of nuclear weapons in defense of freedom.

These attitudes I believe earmark decay. The third symptom of decline which has a real effect upon our defense philosophy as we look to the future abounds when citizens want a central government to replace both their Father in heaven, and their father on earth, so as to enable them to become perpetual children. Today some people want the Central Government to be the schoolteacher, the PTA, the clergyman, the businessman, the family doctor, the cure-all, standard-setter, regulator, and interferer with the personal life of every American citizen. This, too, is a symptom of decline and decay which has a major effect upon the defense posture of this country and has a tremendous effect upon our will and our ability to resist the spread of communism throughout the world.

At noon on January 20, the Eisenhower administration passed into history. I think it well to review the record of General Eisenhower's leadership during these immediate past 8 years.

I wish those who never came back from bloody Belleau Wood, scarred Iwo Jima, and desolate Heartbreak Ridge now could be in this distinguished Chamber. They could instruct us how to cherish 8 years during which an administration kept the peace with strength and honor.

The Eisenhower administration is the first administration which did not disarm America after a war. So, it is shocking that a few highly vocal, especially motivated armchair strategists try to discredit such a record. Among the discreditors who flare loudly their discordant trumpets of criticism are those who fiddled soothingly upon their violins of praise for the Truman administration, an administration that ignored the dangers of communism and dismantled the finest conventional armies and the largest air and sea armadas in history.

Today, the United States has rebuilt the strongest, best prepared Nation on earth. Let Russia attempt a Pearl Harbor. Our intelligence system will alert us, and our retaliatory forces will strike back and destroy Russia. Said the present Chairman of the Joint Chiefs of Staff, Gen. Lyman Lemnitzer:

> As one familiar with our capabilities, I want to assure you that even if the Communists launched an all-out thermonuclear attack on the United States tonight, nothing could prevent their bringing down upon themselves vast destruction from the retaliatory blows which we would still be able to delivery against them.

Said the Chief of Naval Operations, Adm. Arleigh Burke:

> We are stronger, far stronger, than any potential aggressor. This is true not only of our nuclear weapon capabilities—it is true of our whole military posture.

Said Air Force Gen. Curtis Le May:

> We maintain military forces capable of deterring Soviet aggression. Our forces are strong enough to prevent war—or win such war if it is thrust upon us.

Mr. Chairman, these clear-cut, concise pronouncements were made not by politicians, not by theoreticians, but by military men.

To those in the other party who sought political benefit in belittling America's military strength during the fall campaign, I say now: For the next 4 years your party must bear the awesome responsibility of insuring that Russia does not catch up with the vast military lead the Eisenhower administration bequeathed to you on January 20. And I warn you that the enactment of your platform promises into legislation is so sapping the economic strength of our Nation that military preparedness will suffer, and our lead could well be lost to Communist Russia, and freedom might die.

BRUSH FIRE WAR PREVENTION

In this dangerous age, let us never forget that we face the outbreak both of brush fire wars and general nuclear wars.

We should be concerned that our capability to extinguish brush fire wars remains constantly ready. For few Americans have forgotten how, on the eve of Korea, we had only a one-weapon capability, the big bomb, and we had only one army division at full strength. The Korean disaster forced the Truman administration to cease famishing the military in order to conduct a crash program of limited war rearmament. So great were the global Communist threats that the military strength of our allies, waning because of apathetic U.S. leadership, had to be built up.

By July 1960, the Eisenhower administration had not only freed many allied divisions from a tiedown in Korea which permitted the Communists freedom of action elsewhere, but also had raised the allied limited war deterrent capability to approximately 200 ground divisions, and some 250 strategically located bases.

Had the Truman administration prepared as had the Eisenhower administration, Korea, had it occurred at all, would have been a mere Lebanon operation, not a taker of thousands of American lives.

The problem of limited war preparedness, I point out, needs constant reevaluation. The vehicles of waging nuclear war are vehicles of the supersonic age, while the vehicles of waging limited war, the steamer, the railroad, the airplane, are still subsonic: It takes about 14 minutes for the Polaris missile to span 1,200 miles to land on target. It takes days and weeks to move divisions of troops by aircraft and ship.

True enough, our airlift performed well in Lebanon, and more recently in United Nations action in Africa.

Still, the only way that we can decrease limited war reaction time to a par with nuclear war reaction time is by the development of missile carriers for troops. The best technological research, as yet, makes this impossible. Thus, we must maintain our marvelous aircraft carrier versatility, our allied divisions near troubled spots, and improve our conventional airlift. This means continuing what General Lemnitzer has called a "forward strategy."

The Eisenhower administration took a bold, imaginative step to supplement this forward strategy. The offer of medium range ballistic missiles to NATO can refortify the NATO deterrent and, along with a recommended conventional war buildup, foil any Kremlin attempts to divide and nibble away NATO by actions of a lesser magnitude than a direct attack on the United States. The Eisenhower administration, even in its last days in office, constantly reevaluated military needs, met new demands with the best, latest modern technology, and research.

U.S. STRIKEBACK CAPACITY

Let us now turn to the type of war resulting from an attack by the Soviet Russians on the United States.

What are the Russian capabilities for such an attack?

The recent report of Britain's Institute for Strategic Studies credits Russia with about 35 operational ICBM's, and about 200 long-range bombers. Her fleet of medium-range bombers have a questionable capacity for hitting U.S. targets. Their IRBM's cannot hit targets in the United States. In other words, Russia and Red China combined—the entire Communist axis—have about 235 instruments that have an alleged capability of nuclear delivery upon the continental United States.

What are the comparable U.S. capabilities?

Roaming the seven seas able to hit almost any important part of the Russian heartland, are five Polaris submarines with a combined total of 80 missiles, each missile capable of much more destruction than was rained upon Hiroshima. Three of these Polaris submarines are on station at this very minute. No military man would be willing to trade these invulnerable, flexible, solid fuel, instant reaction missiles of the second generation with the 35 first generation, vulnerable, liquid fuel Russian ICBM's, which in some cases experience a 30-minute delay before fueling for firing can be completed.

About 16 intercontinental Atlas missiles in firing position.

Over 600 long-range B–52 jet bombers, each carrying more destructive, explosive power than used by all the combatants in World War II, and many equipped with the Hound Dog, a 550-mile-range missile. Could these bombers penetrate the Russian air defenses? Secretary of Defense Gates as he left Office noted that, in the past 4 years "American reconnaissance planes have riddled their air defenses and made a proper mockery of their refusal to open their skies as willingly as we would open ours to them." So, it seems apparent that sufficient numbers of these planes, with their bombs and missiles, could reach Russia to destroy Moscow and key industrial areas, not once, but many times over.

Nearly 1,400 B–47 medium range jet bombers, based in United States and abroad, with a 4,500-statute-mile range and distances beyond with air-to-air refueling.

Only recently SAC placed in operation B–58 "Hustlers," the first of U.S. supersonic medium-range jet bombers which incidentally just broke the world speed record for strategic bombers.

Fourteen aircraft carriers able to launch more aircraft than the entire Soviet heavy bomber force. Well over 200 of these aircraft are with the 6th and 7th Fleets capable of strikes at areas of Soviet military concern.

Eighteen wings of tactical aircraft, each wing with a substantial nuclear attack capability deployed globally.

Sixty Thor IRBM's deployed in England capable of raining nuclear destruction on Russia.

Thirty Jupiter IRBM's being installed in bases in Italy, from which Russia can be hit.

Totaling all this, we see that the United States has well over 2,000 nuclear carrying vehicles capable of reaching Russia. This represents a sizable superiority of destructive power.

SOVIET STRATEGY OF DECEPTION

Mr. Chairman, this military lead over Soviet Russia, which the Eisenhower administration passed to the Kennedy administration on January 20, should afford that new administration with no reason for complacency. Time and again military history tells of the disastrous defeat of stronger nations by weaker ones. The instruments of such defeats always have been surprises and deceptions which have destroyed the opponent's freedom of action and will to resist.

I would remind the new administration of the classic deception at the Battle of Cannae. Hannibal baited the Romans into attacking his center, which he steadily withdrew. While the Romans poured their legions into the widening jaws of this trap, Hannibal's reserves closed in on the exposed Roman flanks and rear. A massacre ensued.

For 8 years now, the Kremlin masters have tried to lure America into traps like Cannae. For example, from 1954 through 1956, the Soviets attempted to deceive us into concentrating on an unbalanced massive bomber buildup, at the very time actually they were switching to missiles.

What is more, the Soviets wanted to decoy our vision by dramatizing one or two dangers, so we would forget other dangers and react in a way which would open up our flanks, our military, economic, scientific, psychological, and spiritual flanks. The Soviets wanted to brainwash America into an inferiority complex which would downgrade our own achievements and thus weaken our will and confidence to remain firm. The Soviets wanted us to think in terms of one or two crisis years, not in terms of an age of conflict; in terms of a numbers-matching game where Russia picked the weapons, not in terms of military forces, balanced and versatile.

Mr. Chairman, the Eisenhower administration fell into none of these traps, and I want the new administration to avoid them.

Neither has the Eisenhower administration deigned to use preparedness as a political football. Despite all the partisan shenanigans during the recent election campaign, the Democratic Congresses during the Eisenhower administration increased the defense budget over the President's request only in election years. In off election years, they cut back so much that during the entire Eisenhower administration, $1,658 million was cut from President Eisenhower's requests.

Mr. Chairman, I request unanimous consent to include a table to document this statement.

(See table A.)

Mr. LAIRD. In preparedness spending, the Eisenhower administration, standing above politics, avoided the perilous peaks of panic and valleys of complacency characteristic of previous administrations. President Eisenhower

and his first Chairman of the Joint Chiefs of Staff, Adm. Arthur Radford, geared preparedness to the long pull, where not only would our economic base remain strong, but where there would be adequate forces in being capable of deterring at any time and place all types of war. The Eisenhower administration kept in mind the protracted conflict and the whole danger.

I hope and trust that the new administration will not return us to the past ups and downs of the Truman administration defense programs. But, I am quite concerned over the vast new domestic spending programs being advocated by President Kennedy. These domestic programs will jeopardize the long-pull policies and imperil our liberty.

MIRACLES IN RESEARCH AND DEVELOPMENT

The Eisenhower preparedness philosophy gave birth to a brilliant record in research and development.

After World War II, some Americans debauched themselves in the heavy wine of a White House leadership, unaware that future preparedness would be predicted upon nuclear weapons and guided missiles. As Roman citizens once lulled themselves into false confidence over long outdated legions, the Democratic administration lullabied itself to sleep with outdated World War II ideas. Even worse, the Democratic President placed the vital Atomic Energy Commission into the hands of those against the military uses of atomic energy. Meanwhile, the Soviet Union feverishly searched for atomic means to dominate a sleeping America.

Alarmed by such a step for disaster, Dr. Edward Teller, as early as 1946, sounded the alarm in Washington. His voice, pleading that America should not discontinue attempts to develop an H-bomb, was drowned in soothing seas of complacency. From 1945 to 1949, the Truman - Lilienthal - Oppenheimer trio blocked even Teller's efforts to make a more effective deterrent of the A-bomb. Continued protests by Admiral Lewis Strauss, plus an August 1949, B-29 flight which luckily recorded evidences of a Soviet A-bomb explosion, plus Dr. Klaus Fuchs' confession that he had been leaking atomic secrets finally awoke the slumbering White House. It was almost too late. We had forfeited much of our atomic lead, and Russia had a good chance of beating us to the H-bomb.

Even after all this, the White House had to be prodded by patriots like Dr. Teller, Admiral Strauss, Senators Hickenlooper and McMahon. Fortunately, the Eisenhower administration later made up for these tragic lost years.

President Eisenhower inherited an equally dangerous lag in guided missiles, for which he had to make up.

In 1946, the Army, using German scientists such as Dr. Wernher von Braun, had started to rebuild the German V-2 for use as a first-stage booster rocket with the already developed WAC Corporal as the second stage. Meanwhile, the Air Force began a program, termed MX-774, to develop ICBM's.

What happened in 1947? Mr. Truman impounded $75 million the Republican Congress had appropriated for research and development, and $17 million of this was to be specifically for missile development. Gen. Curtis LeMay complained that this was "the straw that broke the camel's back." The alarmed Chief of Staff, Dwight Eisenhower, warned that "In the field of guided missiles—we must keep abreast of the rest of the world. Neglect to do so could bring our country to ruin and defeat in an appallingly few hours."

Mr. Truman met these warnings by cutting more deeply in 1950 fiscal year. He impounded $735 million of Air Force funds, and ICBM development through public funds came to a standstill.

What was happening in Russia? In 1947 the rocket theories of the German scientist, Sanger, created such great excitement that Stalin assigned top priority to this work and ordered Col. Gugori Tokaev, an aerodynamics expert, to seek out Sanger and his ideas on a super rocket. Tokaev, who later defected, reports that Stalin was almost in a hysterical clamor for such scientific data to build an intercontinental rocket, which, Stalin said, would make it easier for him to talk to "the gentleman shopkeeper, Truman."

Mr. Chairman, the Truman administration did increase its research and development budget after the Korean invasion. That budget, however, concentrated on World War II type research and development, and long-range missiles were downgraded. But within the first year after the Eisenhower administration came into office, the President set up a full-scale review of the entire missile program, and in fiscal year 1954, spent over twice as much on longer-range missiles than Mr. Truman had done during his entire time in the White House. In any 1 day last year, the United States was spending 10 times more on ballistic missiles than was spent in all of fiscal year 1952 of the Truman administration.

Marvelous miracles were performed under the Eisenhower administration to make up for the ground lost to Russia. In 1954, the Von Neuman committee said America could have an operational ICBM somewhere between 1960 and 1963, but under the past administration's leadership the Atlas became operational on September 1, 1959.

In the remarkable Eisenhower administration space program, the United States cut leadtime, came from behind to race ahead of Russia by placing 32 satellites in orbit, obtaining a vast variety of scientific knowledge, and obtaining a remarkable series of "firsts" in exploration areas where Russia lags in her space program. Russia, by the way, has placed only 10 satellites in orbit. Mr. Chairman, I request unanimous consent to include a table listing these firsts and hence paying tribute to the soundness of NASA's broadly based program.

(See table B.)

POLARIS

Mr. LAIRD. No development has been more spectacular than the Polaris fleet ballistic missile, originally planned to be operational in 1963, actually operational today.

Problems in shooting a missile from a submerged submarine and hitting a target 1,250 miles away were as fantastic as shooting a beer can off a far distant fencepost, when the marksman, blindfolded, was mounted on a galloping horse.

For the Polaris, a superior brain had to be created to make up for every up and down, side to side roll, every sway and yaw of the submarine. In determining the direction of the submarine from true north, one degree error could mean dozens of miles off target. Our other big missiles under development—the Atlas and the Jupiter, for example, used liquid fuel. But liquid fuel missiles in a submarine presented dangers of a sudden explosion, sailors trapped underseas in a doomed vessel. Safer solid fuel rockets, on the other hand, as old as the ancient Chinese, did not, however, have sufficient thrust.

Men like Chief of Naval Operations, Adm. Arleigh Burke, and Chief of the Polaris project, Rear Adm. William F. Raborn, Jr., faced and accomplished the possible in a little time and took a bit longer on the impossible. These men had the courage to make decisions, to elminate bureaucracy, to build a superior armed services—research—private enterprise team, and to keep in mind the big picture, the whole package.

Although Washington bureaucrats would have hired a big staff for 6 months to write job descriptions for a still bigger basic staff, Admiral Raborn was no such bureaucrat. Within 10 days after his arrival as head of special projects, he had twisted Parkinson's law into reverse, hired his basic staff of 50 people, and was slicing leadtime in two. His men did not dillydally with long unnecessary red-tape memorandums for the office down the street, but instead they "hot-handed" their questions in person to the person who could give them a prompt, satisfactory answer.

"Red" Raborn built teamwork within his steering task group:

Lockheed solved the problem of shutting off thrust at the right moment so that the missile would hit the target.

General Electric produced the remarkable fire control and guidance system.

Aero Jet General Corp. tested large quantities of solid fuel which did have adequate thrust.

Westinghouse helped in solving the launching problem.

Electric Boat Division of General Dynamics, and other companies, busily constructed the submarine.

Sperry Gyroscope Co. took M.I.T. research and put together a navigational system containing more than 1 million parts.

No wonder Admiral Raborn wrote this for the guidance of many working under him:

I must be able to reach down to any level of special projects activity and find a plan and a performance report that logically and clearly can be related to the total job we have to do.

Mr. Chairman, let me pass from the particular to the general, philosophize a bit on this success, and point something out to the new administration. We want to know how America can stay far ahead of Russia. If America can cut bureaucracy, make courageous decisions, develop the free enterprise team, and relate each facet of national activity to the total job of preserving freedom, the free society will stay far ahead of the regimented society.

For the preservation of peace and freedom, is as was the Polaris, a package program.

As to the past 8 years, cynical critics skilled in tearing down instead of building up, of course, can pick apart the package until the whole is lost. Filled with brilliant hindsight and devoid of any foresight, they can look back over the past 8 years and show how certain things might have been better done.

Certainly, after the fog of unknowns and uncertainties have long since lifted, anyone can see how some things might have been done better. Napoleon wisely spoke from experience when he said that the best general is not a mythical general who makes no mistakes, for only the commander without a command makes no mistakes. The best general is he who makes the fewest mistakes.

The Eisenhower administration made mistakes, but fewer mistakes in military preparedness than any administration in American history.

PEACE POWER

Even more important, the Eisenhower administration recognized that peace power is a two-sided coin. On one side is preparedness. On the other side is firmness. This two-sided coin has not been recognized by the new administration in these first 120 days.

It is easy to coast toward seeming peace, down a low road rutted with secret appeasement and creeping retreat. At Munich, sometime English leaders slid down this way toward what they called peace in their time. At Yalta, sometime American leaders left principle for temporary harmony with an incompatible ally. On the eve of Korea, sometime American leaders left in doubt whether we would defend freedom from communism.

In contrast to these downhill equivocal ways, it is hard to climb to those straight sunlit heights silhouetted by proper peace achieved through preparedness, firmness, and justice. This the Eisenhower administration achieved, and so achieved, despite vast handicaps.

Prof. James Atkinson, in his recently published book, "The Edge of War," recognizes the biggest of these handicaps. Too many Americans have been for appeasement, although they dared not so call it. They have been frightened into wanting an accommodation with the Russians at almost any price.

Atkinson observes that an article studying the positions of the United States and the Soviet Union, appearing in the London Economist, posed this penetrating question: The Americans' hand is all trumps. But will any of them ever be played? Atkinson concludes:

The trumps can and will be played by an America that calls back again its greatness. That greatness was of the spirit. And there is yet an America that in this conflict of will can draw once more on its spiritual heritage with the call to action of the Prophet Isaiah: "Strengthen ye the feeble hands, and confirm the weak knees. Say to the fainthearted: Take courage, and fear not."

Unfortunately, there have been those with feeble hands and weak knees and faint hearts during military crises over the use of atomic weapons in defense of freedom or over diplomatic crises in regard to Berlin, Suez, Lebanon, Formosa, Quemoy-Matsu. Some have permitted fear to fester inferiority complexes which would weaken the trumps that America has. Some have been all too willing to let the Kremlin name the suits, set the goals for space programs or economic growth, with America being the weak mimic.

The Eisenhower administration, unwilling to play the weak mimic, took courage, feared not, ended the Korean war, played from the highest trump of all—a free unfettered system, set our own goals, and maintained the honorable peace through military preparedness, diplomatic firmness, and high spiritual faith.

Let credit rest where credit is due. A principal taught in training for World War II has even lasted out the space age. A commander is responsible for whatever his command does or does not do.

In the past 8 years, Dwight Eisenhower was truly the Commander in Chief. During the past 8 years, every American hearth has been increasingly safe from war and from appeasement. The prayers of all Americans are for our new Commander in Chief—we pray he will assume the responsibilities of Commander in Chief with strength and firmness.

Our country must maintain a sense of destiny, a feeling of union with those who came before us, with those among us now, and with those yet unborn.

America does have a mission, a mission that warmed the world in 1776, and let us not forget it.

This Nation was born in the decision that how a nation survives is as important as whether it survives.

This experiment in liberty did not happen out of chaos and chance. It was made to endure so long as individual Americans boldly dare to plan their own lives, nobly give to their country instead of just receive.

America can hold so high a sense of purpose that all the world will know that the United States, a nation under freedom, not the Soviet Union, a nation under regimentation, represents the future.

This high purpose can only be derived from the mainstream of our Western heritage. That stream springs from the wisdom, law, and art of Greece and Rome, the sacred teachings of our Judeo-Christian heritage, and the experiences of our enduring Constitution. From this rich past emerge the compassion, courage, self-discipline and spiritual insight to meet and master the changes of the industrial, atomic and space revolutions.

TABLE A

[In millions]

Fiscal year	Defense appropriations	Budget requests
1956	$33,082	$33,700
1957	36,134	35,197
1958	36,648	39,257
1959	41,232	40,830
1960	40,598	40,836
1961	40,991	40,523

Summary: During the Eisenhower administration, Democrat controlled Congresses provided $1,658,000,000 less than the President requested.

TABLE B

Eleven major "firsts" achieved by U.S. space program during 1960:

Pioneer V: First to send message 22.5 million miles from earth.

Tiros I: First weather satellite—sent back 22,000 photos.

Transit I–B: First navigation satellite to help ships, planes, and submarines to fix positions.

Midas II: First heat-sensing satellite to direct missile launchings.

Transit II–A: First to carry another satellite into space to study solar effects.

Discoverer XIII: First satellite capsule recovered after orbit.

Echo I: First reflector communication satellite.

Discoverer XIV: First satellite recovered in midair after orbit.

Courier I–B: First repeater communication satellite.

Explorer VIII: First satellite to investigate methods of improving radio communications in the ionosphere.

Discoverer XVII: First to record effect of solar-storm radiation on human tissue after long space flights.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Washington.

Mr. WESTLAND. First of all, I want to compliment the gentleman from Wisconsin on the excellent presentation he has made and the exposition he has given to this House of the status of our defense forces. I know of what great interest that is to the people of this country and to the people of the world, as a matter of fact. But, I am very particularly interested in section 537 of this bill which says that no part of the funds appropriated herein shall be available for paying the cost of advertising by any defense contractor and that such cost shall not be considered a part of any defense contract cost.

There was a story in the newspapers this morning that the gentleman from Wisconsin who has the floor got this phraseology or this section put into this bill.

Mr. LAIRD. I think the story was that I had asked some questions of Admiral Rickover. I happen to have had the story called to my attention.

Mr. WESTLAND. I, too, talked to Admiral Rickover over a year ago on the matter of the George Washington submarine toy where the admiral had told me that if he were a Soviet agent and was unable to obtain the plans of the Polaris submarine that he would be will-

ing to pay $1 million for this toy which you can buy in any corner drugstore for a couple of dollars. He also said the FBI had told him at one time that the Soviet was very anxious to find out how we made our heat exchangers, and, as a result of that, Rickover and his people were very careful in their plans and specifications of how these heat exchangers were evolved. Nevertheless, to his great amazement, he found a complete detailed explanation of how these heat exchangers were made and what materials were used and the whole thing put forth in an advertisement in one of these technical magazines so that the Soviets were able to obtain that information without any trouble at all.

I believe, and I think the gentleman from Wisconsin does also, that one way of stopping this easy access to our secrets is to have this piece of legislation in an appropriation bill. I understand this section might be subject to a point of order, but I would hope that no Member of this House would make a point of order to this particular section; because in my belief, and, I believe, in the opinion of many others here in the House, this is necessary if we are going to keep our secrets and not just hand them out to the Soviets.

Mr. LAIRD. I agree with the gentleman from Washington. It is most important, I think, to maintain this section in the bill. In the testimony which was given before our committee it was developed—and this was not put on the record in the transcript, but was off-the-record discussion—that secret after secret was given away through advertisements by manufacturers of various parts and components of defense vehicles and defense program items.

Mr. WESTLAND. I thank the gentleman from Wisconsin and his committee for having put this section in the bill, and I hope it stays there.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. I would ask the gentleman from Wisconsin whether there is any appropriation provision in this bill that would have a tendency to lessen the strength of the National Guard?

Mr. LAIRD. The tendency would be just the reverse. President Kennedy in his add-on budget requested a 360,000 force level for the National Guard. This committee increased the National Guard strength level and made funds available to maintain a National Guard of 400,000 men.

Mr. HARVEY of Indiana. I thank the gentleman.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Washington.

Mr. PELLY. On page 32 of the report on this bill there is reference to the matter of excess or surplus military installations. I believe reference has already been made to the Presidio of Monterey in previous colloquy. There is some language in here, however, which, frankly, I do not understand. I wonder if the gentleman from Wisconsin could clear it up for me. It refers to Fort Lawton virtually in downtown Seattle, Wash., where a sizable "missile master" installation has been appended to a somnolent vestige of the Coast Artillery days. Did the committee have in mind that it was an installation which, as I understand the language of the report, might be used for some more glamorous activity?

Mr. LAIRD. I think the committee had in mind that it might be used for some more useful activity.

Mr. PELLY. Could the gentleman from Texas clarify for the record exactly what this language means, referring to the use of marginal sites or a somnolent vestige of the Coast Artillery days? It is on page 32 of the report.

Mr. MAHON. If the gentleman from Wisconsin will yield, Mr. Chairman, we have encouraged the practice of using existing installations for new defense programs wherever this was practical, because often it is possible to save a lot of money by doing so.

What we have tried to do in this instance is to shock officials of the Department of Defense into taking a good hard look at many of our facilities with the view of abandoning those that are not needed. And with the view of using other facilities more fully for the purposes for which they are best designed. This example seems to be a case of putting a very modern weapon in a very inappropriate and otherwise not too useful place. This is not summary action of the committee. It calls the attention of the Department to the type of thing which the committee feels should be looked at in a very close manner. That is the general feeling of the committee.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FORD. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. LAIRD. Mr. Chairman, I would like to address a question to the chairman of the subcommittee. In discussing items in our report, the question has been asked of me whether there was any attempt made by the committee this year to depart from the philosophy of our report of last year wherein we discussed the whole question of deterrence and the possibility of an attack being imminent and that we should be in a position of defending ourselves without waiting for the actual blow to land.

Mr. MAHON. I well recall the reference in the report last year. I cannot speak for members of the committee but I do not believe we have changed our thinking on this subject.

Mr. LAIRD. We discussed it at some length in the markup, and I could not find the reference when I was asked about this a little earlier.

Mr. MAHON. I had not understood there was to be a reference in the report to the matter of who might strike the first blow. I believe the members of the committee feel that citizens and officials of the United States should not get up every morning and shout from the housetops, before breakfast, that we will in no way take action against an opponent until after we have actually been struck a devastating blow. I think we have talked too much about our absorbing the first blow. I want to leave considerable doubt in the mind of the opponent as to just how long suffering this country may be in these matters. I would like to get him into somewhat of a state of imbalance with reference to this matter. There is no desire on the part of the committee to depart from the position we took last year. If we know, if we are positively sure that an attack upon us is imminent, there is no reason for the country to sit idly by and be clobbered before we take suitable defensive measures.

Mr. LAIRD. That is an element of deterrence that we would not want to deny the United States.

Mr. MAHON. Certainly not. Yet we do not want to be guilty of saber rattling and the threat of preventive war. We do not want to endanger the cause of peace. We simply want to protect the best interests of the Nation. We must keep up our guard and protect ourselves.

Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, the Polaris system is now a reality. This program has from its conception been of extreme interest to our committee and has received the fullest support of the committee.

Today and for years to come, the names of two outstanding naval officers will be associated with the system. Those men are Vice Admirals Raborn and Rickover. Both men have done a superb job. They have given freely of their time and talents to make possible this wonderful weapon of deterrence which is, in my opinion, the greatest asset that we have in our arsenal of defense. Because of the untiring efforts and devotion to duty on the part of these two great men, the Polaris system has become operational years ahead of schedule.

During the past fiscal year (1961) the Polaris program has made remarkable progress in accomplishing its stated program. In rapid succession, significant milestones were achieved. Commencing July 20, 1960, U.S.S. *George Washington* successfully demonstrated the complete weapon system capability by firing two Polaris missiles while submerged off of Cape Canaveral. Again on schedule, *George Washington*, filled with 16 Polaris missiles, deployed to her oversea station in November and was followed by U.S.S. *Patrick Henry* in December of that same year.

This year, on schedule, USS *Robert E. Lee*, outfitted with her deadly load of missiles, joined her two sister ships on station, making a total of 48 powerful Polaris missiles standing guard as a member of the defense team.

Keeping pace with the operational forces, the support forces have similarly been brought into operational status. The production capabilities geared to meet the requirements of the system are continuing to turn out the necessary

equipments. The Naval Weapons Annex at Charleston, S.C., which checks out the complete missile and places it in the submarine, became operational in time to outload the submarines for oversea duty. The necessary spare parts and other support have been drawn together under a Polaris supply office and this has insured an orderly flow of vital support materials to these powerful ships. In addition the submarine tender *Proteus*, havng been lengthened by physically cutting her in two and inserting a 44-foot section amidships, has had installed specialized equipment and trained personnel to do the necessary second echelon maintenance work on the complicated weapon system aboard the Polaris submarines. As you know, this tender is also deployed overseas where it regularly provides upkeep capabilities in a sheltered anchorage to the submarines when they return from their 60-day patrols.

Lastly, but most important, the superb personnel manning these Polaris submarines have received their training in the intricate equipments and the results of the several cruises of these submarines clearly demonstrates that they were alert and competent, quite capable of performing their assigned missions should they have been called upon to do so. Due to the necessary detail in which the training of these fine men must go, the Navy is providing in their training establishment on a time-phase basis, the necessary equipments which will give these lads the necessary skills to perform their duties aboard ship. This nuclear submarine is the first machine which we have built that has more endurance than the men who man her. For this reason the Navy has provided two trained crews per submarine to relieve each other in their long cruises underneath the ocean water.

While I am not at liberty to disclose in detail the accuracies achieved by the Polaris submarines firing in near operational mode, I have been assured that they have done extremely well and the entire system is quite reliable for the initial period of its development. There is every reason to believe that continued improvement both as to quality and performance will be achieved as the Navy continues to bring more of these powerful ships into being on an accelerated schedule. To me, the Polaris system is an indication that as we go more and more into the time area of these tremendous weapons, satellites, space travel, and the like, it seems that the seas, the open oceans of the world, become increasingly attractive as a place in which to base these tremendous weapons of war. These great submarines moving beneath the water cannot be detected by satellites circling around this globe, and their ability to move from one part of the world to another via the open oceans makes it a most powerful weapon indeed.

The significance of this weapon in our arsenal can hardly be overestimated. Cruising silently and quietly in the great depths of the oceans with thousands of square miles available to them, surrounded by friendly land masses not available to potential enemies for erection of detection devices, the Polaris submarines can be considered relatively invulnerable to surprise attack. Each of these submarines, packing more punch in TNT equivalent than all of the bombs dropped by both sides in World War II, including the two A-bombs, makes a marked contribution to the defense posture of this country. The long, 20-year life of the Polaris submarine is a welcome contrast to high obsolescent rate weapons of other types which fit into our deterrent defense arsenal. It is felt that this weapon system should do much to stabilize the larger expenditures which this country necessarily must make to provide an appropriate major war defense capability.

These characteristics and the fine performance of the naval industrial team was recognized by our President when he showed special confidence in the system by bringing forward into fiscal 1961 5 Polaris submarines which had been programed for fiscal year 1962, making a total of 10 in fiscal year 1961 for a grand total through that year of 19 Polaris submarines, built or building. Then, again in fiscal year 1962, the President has asked that the Congress authorize and appropriate funds for 10 additional submarines for a total of 29 submarines through fiscal year 1962.

Included in the fiscal year 1962 program are funds for new, more powerful, and longer range missiles, the A–3, which will add four times the sea room which these can use and still keep targets under surveillance. Result of this acceleration and augmentation will cause these submarines to be produced at the rate of about one a month about 2 years from now and these should provide a most welcome addition to our defense posture.

There are no long leadtime items in fiscal year 1962 for submarines in fiscal year 1963. In response to questions, it is my understanding that the Secretary of Defense has stated that studies are now underway to determine what the particular mix of weapons of this kind should be and that when this is decided that there may be or may not be requirements for long leadtime items for future Polaris submarines. It takes some 42 months to build, construct and provide a well-equipped Polaris submarine to the fleet. This long leadtime has in the past been cut to some 30-odd months through Congress in a timely way providing certain long leadtime items a year ahead of the actual laying-down of the submarines. When one takes a look at the intricate construction of one of these tremendous submarines we all can be proud of the ingenuity and skill of the American people which has brought into being some 3 years ahead of schedule this tremendous weapon system. Freemen working in a free society can always lead the way if properly motivated and properly led.

Mr. Chairman, my prayerful hope is that it will never be necessary to fire a single one of our Polaris missiles in anger, but it is comforting to know that through the years ahead increasing numbers of missiles will be added to the fleet, and each one will be capable of being fired on a fixed target with deadly accuracy and with a tremendously destructive warhead, from hidden bases.

These well known facts should make any potential enemy stop, look, and listen.

Mr. FORD. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELY-BROWN] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SEELY-BROWN. Mr. Chairman, I have followed with interest the presentation by the able floor manager of this bill, and I would like to comment very briefly about a reference in the committee report on the Department of Defense appropriation bill, because it supports a cause in which I have labored—vainly up to now, I might add.

On page 42 of the committee's printed report on this bill, under the subtitle "Proper Utilization of Production Facilities," the committee says:

> Maximum advantage should be taken of both public and private facilities to insure, not only that such a base is available in the event of mobilization, but that proper use is made of all competition possible in the various procurement areas. Particularly is there a need for further studies of the policies relating to the awarding of contracts to private and naval shipyards. The committee is not convinced that the Department of the Navy is taking proper advantage of the strong element of competition which is available in the ship building and repair field.

It was my own realization of this fact, Mr. Chairman, which moved me, earlier in this session, to introduce H.R. 5357, under the provisions of which at least 75 percent of all remodeling, modernization and repair of naval vessels would be required to be done in private shipyards.

The Department of Defense objected, said it would tie its hands, and would be contrary to the best interests of the national defense, and that was the end of that.

However, the powerful Appropriations Committee has now made the same point that I was trying to make, and I believe that we have here a subject which deserves serious consideration and action, and not to be dismissed out of hand, as it has been.

Mr. FORD. Mr. Chairman, I ask unanimous consent that the gentleman from Indiana [Mr. ROUDEBUSH] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ROUDEBUSH. Mr. Chairman, I rise to compliment the gentleman from Texas and the Committee on Appropriations for the Department of Defense appropriations bill for 1962.

I would especially like to comment on page 7 of that report, concerning long-range bomber production in the United States.

It is noted that the committee recommends a total appropriation for the pro-

duction of long-range bombers in the sum of $448,840,000, and especially note that the committee specifically recommends that first preference in the use of available funds be given to the acceleration of the B–70 bomber program.

I certainly concur with the committee in its decision that the Department of Defense has gone too far in proposing the discontinuation during calendar year 1962 of production of the B–52 and B–58 bombers while at the same time restricting the development of other manned bombers, especially the B–70.

It has long been felt that our very formidable force of manned bombers constitutes the greatest deterrent to war, and the recommendations of this committee will provide adequate funds to assure us of an adequate force of such manned bombers.

I am acutely aware of the limitations of both intercontinental and intermediate range missiles, and I feel that every citizen of the United States feels a great sense of relief in these battle-ready squadrons of heavy bombers deployed throughout the world. The airborne alert practices and capabilities of such force, to me, provide a great assurance of the ability to perform massive retaliation in case of attack. I sincerely hope that the total appropriation for long-range bombers earmarked in this bill be approved by this body.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7851) making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes, had come to no resolution thereon.

WATER POLLUTION CONTROL

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

The Chair hears none, and appoints the following conferees: Messrs. BLATNIK, FALLON, JONES of Alabama, SMITH of Mississippi, CRAMER, BALDWIN, and SCHWENGEL.

PERMISSION TO REVISE AND EXTEND REMARKS ON DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who spoke on the Defense appropriation bill today be permitted to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HEIRS OF ANTHONY BOURBONNAIS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4500) to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 10, after "less" insert: ", subject to a reservation to the United States of a right of access across such land whenever needed for public purposes."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1962

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight Monday, July 10, to file a report on the District of Columbia appropriation bill, 1962.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FORD reserved all points of order on the bill.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order to consider the District of Columbia appropriation bill in the House on Wednesday, July 12.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

HOUSING BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tonight to file a conference report on the bill S. 1922, the omnibus housing bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tonight to file a conference report on the bill H.R. 6027, the amendments to the Social Security Act.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM

Mr. McCORMACK. Mr. Speaker, I desire to announce that the conference report on the housing bill will be considered tomorrow.

I further desire to announce that the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], will some day this week, perhaps tomorrow, if not the next day, ask unanimous consent for the immediate consideration of the following bills:

H.R. 5852, to provide for the free entry of a towing carriage for the University of Michigan.

H.R. 7678, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE WORTHY LIFE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a sermon.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, on Sunday, June 18, the Reverend Robert P. Gates of First Presbyterian Church of Peoria, delivered a most timely sermon on "The Worthy Life," based upon the text found in the Book of Philippians 1: 27–2: 11.

I would call particular attention of my colleagues to the manner in which Reverend Gates treats the "tractors for prisoners" deal with Castro as a "dramatic illustration in our day of the tragedy and the bankruptcy of this lack of understanding of conduct worthy of a Christian."

Under unanimous consent, Mr. Speaker, I include the full text of the sermon at this point in the RECORD:

THE WORTHY LIFE

(Sermon preached by Rev. Robert P. Gates, First Presbyterian Church, Peoria, Ill., June 18, 1961)

The articulate commentators of life have been telling us that we happened along in life when things are inordinately difficult or out of shape. According to them, the world is not quite normal. Great movements among people and nations are taking place. The world for the moment seems to lack direction. Mankind is riding on the bubbles of a boiling caldron, and disturbances are bursting out all over.

One needs only to page through our newspapers and news magazines, or read the speeches of our public officials from the President on down, to see this theme and attitude arising: We are faced with a peculiar and a unique situation. Our generation is threatened by special circumstances.

Now, one can muse through an old library, as I did last week in the Hotel Moraine in Highland Park, where I attended a ministers' conference. In this gracious hotel there is a library where a barroom would normally be placed in a more modern hotel. I wandered into that library for a little stimulation of the mind, and there I picked up a book of old vintage. In this book were various themes on life, some were written by Seneca, some by Marcus Aurelius, and some by 19th century commentators. Each observer seemed to see his own generation as men who were driving down a highway at night in a dense fog where signposts and landmarks were encased or obliterated in a cloud. No man could be certain which fork in the road to take.

The usual advice to the reader was to remain with a fluid attitude, try to do the best one can, stay on good terms with one's fellow man. And then, when the present emergency is over, then will be the time, then will be the opportunity to develop and direct one's life toward sound policies and goals and stand firm on well-proved principles.

Well, in our Scripture this morning, we find Paul writing to the people in the church at Philippi in much the same vein. Like every other spokesman of any age, he sees his world as a world gone wrong. He tells his followers that they live in a warped and crooked generation. But, having said that, he differs greatly from our modern commentators or the ancient commentators. Paul gives some very definite instructions how a person is to respond and make decisions. He gives the Christian community then, and the Christian community now, a frame of reference, a standard of judgment, a table of values by which one can measure or mark out a course of action and follow it in certainty that he is walking in right paths, that he is making right decisions, that he is following the right road, even though he is unable to see the final goal or the destination to which that road takes him.

Paul begins by saying, "Let your conduct be worthy of the Gospel of Christ."

You ask, "Well, what is the Gospel of Christ?"

It is simply this: God is an active agent; a responsive power, a conscious being, alive, alert, and acting in the affairs of men. Now, this is not just some philosophical idealism. It's not some optimistic hope. It is not an opiate of the soul. Rather, it is a historical fact.

Contemporaries of Jesus, a first-century carpenter, became aware that all of their opinions and attitudes, presuppositions, and ideas that they held concerning God's character, His love, His compassion, His extreme power—this power of re-creation to bring wholeness and health where there was brokenness and disease—was in some way bound up in this man, Jesus. And those who had the spiritual insight became convinced that Jesus was no mere carpenter turned prophet, nor a preacher, but was in fact the very incarnation of God, or, as they put it, the Word of God, or God's power wrapped up in human form so it could mediate and interpret itself to men through a form that men could understand.

No longer was the truth of God's personal involvement in man's history left to the prophets, the philosophers, or sacred writings and traditions of the people, for all of these media need interpretation. Certainly we need to understand language if we are to understand a book, or a writing, or a speech. These media need interpretation. But a person is a self-interpreting being.

One need not know Russian to know if Mr. Khrushchev is expressing love or hate. One need not know Chinese to understand Mao Tse-tung. One needs no Spanish to understand Castro. Nor is any language necessary to understand mother love. People as people, persons as persons, by their very acts and by their very expressions, are self-interpreting.

So, first, the good news, the Gospel of Christ, is nothing more than the self-interpreting fact that God cares for men. We see this in Jesus' life among men.

Second, the fact of Jesus is also proof that God's power can be manifested in and through a man. And third, the very life of Jesus shows that the Creator of the Universe has the power to bring His purposes for that universe to goals He determines, even though He has constructed that universe so that men, who were born in His own image and likeness, have inviolate freedom to act as they wish to act. For it is within freedom that God works toward His final purposes and plans for men.

Or put it another way, the Gospel of Jesus Christ is this: There is a process directed by God, or a process that is God, that is running as a thread through the history of the world and weaving it together into a design ordered by God. This is the good news or the Gospel of Christ.

Now, not only is this seen and understood in the person of Jesus Christ as we see His acts, and as we understand His words, but history, too, witnesses to the truth that neither men, nor a majority of men, can so use their freedom to enslave the minds, the lives or the activities of other men in order to accomplish the purposes, and the plans and the programs that man, or mankind, on its own would determine.

Last week Mr. Barnett spoke from this pulpit on the subject of change. He reminded us that life never remains the same—things do not stand still. And he was right, as far as he went. Men live in a dynamic, in a moving, in a changing, in a creating world. Change is bound into the very nature of our universe, and it is well that we understand this truth.

Mr. Barnett confronted us with the truth that there is no such thing as returning to old, familiar surroundings. It's impossible to turn back the clock and reconstruct life and existence like it used to be; and Mr. Barnett was correct in finishing his sermon on that point. But that is only point I.

An old preaching professor once told me, "Bob, make a point and never say, 'on the other hand.' You can always preach 'on the other hand' next week." And so this week I am stating "on the other hand" of what Joe said last week. For, on the other hand, there is a changelessness, a certainty of truth, a fact of life that is changeless. It is the Gospel of Christ, the truth of God's witness, the truth of His power among us, and that never changes. That truth is the solid foundation, the unmovable structure upon which all of the universe, all of our society, is grounded.

Now, to hold this truth does not make one a reactionary. He is not attempting to turn back the clock. Nor is one a conservative in the sense that he wants to stand still. Rather, a person who understands this truth becomes a believer in the most liberal dynamic by which a man can live. For it is the acceptance that the living God, the creating God, is moving with you and among you, guiding your way of life as you grope your way through the dense fog of life. And, while there are no signposts, one knows with all his being that the Builder of the Highway, the One who has marked out your, or my, final destination is with us, assisting us in our decisions, and when either you or I come to a fork in the road, knowing this, we know that we can make the right turn.

Thus, Paul says to every Christian that as he drives through the dense fog and the turmoil of his life he is to "lead a life worthy of this Gospel of Christ," and "he is to stand firm in one spirit, in one mind, contending as one man for the Gospel faith, meeting opponents without so much as a tremor."

He adds that in this one mind and one spirit the community of Christians can contend as one man, a man whose courage is transmuted to conviction, so strong that his opponents see this attitude as a sure sign to them that their doom is sealed, and at the same time a sign to the Christian of his own salvation.

What a tremendous call to the worthy life. A man of this confidence is not concerned with the clouds of life. As a matter of fact, he has the insight to know that man will always live in a fog of physical foment. Men at every point in time will live in a warped and a crooked generation, as every commentator of every age sees about him. Perhaps it could even be argued that the clouds and the fog that encase a man are also of God's creation, created so that every man will have an opportunity individually to exhibit the conviction of God's activity with him. For if there were no fog, and one had a clear roadmap, a man could drive to his destination without any show of faith. If he knew beforehand that there were no dead ends of life, no abyss, if he thought and believed that everyone would reach his destination regardless of what turn in the road he made, then there would be no such thing as free choice, no freedom at all. Under this scheme, with a clear roadmap showing every road leading to the final destination, men are simply pawns with whom God plays games. The very idea of freedom contains within it the thought that one will either win or lose, rejoice or suffer, through the use of his free choice.

Now, isn't it sad that the American people and some of its most powerful leaders and articulate molders of public opinion do not share this convinced confidence in the Gospel of Christ; do not share the truth of the good news that men ought to be and must be allowed to exhibit their God-given freedom; refuse to believe that by and through the use of that freedom, God's plans, God's power, and God's purposes will be worked out toward those destinations and those goals that God has for men? Isn't it sad, and isn't it a tragedy that folks who are not soundly convinced of this Gospel of Christ—the truth of God's power among freemen, as a living being—are very anxious to practice an ethic that belongs solely and exclusively to the one-minded men who do stand firm in the Gospel of Christ?

Paul speaks of those who are worthy of the Gospel of Christ as those who will "contend as one man for the gospel of faith" * * * "who will meet their opponents without so much as a tremor" * * * "this will be a sure sign to those opponents that their doom is sealed." Then Paul goes on in this letter to the Philippians, "If then, our common life in Christ yields anything to stir the heart, any loving consolation, any sharing of the spirit, rivalry and personal vanity has no place among you, but you should humbly reckon others better than yourself. And you must look to each other's interests, and not merely your own."

You see, men and women, the problem of our time is this: There are folks who went to practice the second half of what Paul has said without first accepting the first half. Oh, they are anxious to express love for one another. They are hopeful that no rivalry will find a place between men. They are anxious to look after others' interests, not only their own. They are anxious to demonstrate that they are no better than any

other person. And they are willing to make certain sacrifices to bring this hope and this high ethic to reality. When they act this way, they assume that they are practicing the Christian ethic. They attempt to apply these words of Paul to themselves, and apply them to their actions and their way of living without first and foremost accepting the truth of the Gospel of Christ. Yet they fail to see that Paul begins these laudable instructions concerning humility and lack of rivalry and looking after each other's interests in the subjunctive case. He says, "If—if, then, our common life is in Christ—then do so and so."

You see, men and women, without first submitting to the truth of the Gospel of Christ, these instructions of Paul concerned with looking after others' interests, concerned with having no rivalry between men, become a weak, a wishy-washy do-goodism that brings disaster upon those who would follow this way of life. For, unless one first understands that God controls His purposes and is an active agent among men, then following this ethic leads only to disaster. For the first of what Paul says contradicts the second.

Remember, Paul began by saying that if we lead a life worthy of the Gospel of Christ, we "will contend with a man." He says we are engaged in a contest. And the very stature of our soul will make that man see that his doom is sealed. In the second part he speaks about having no rivalries. He knows that rivalries should not exist among men who share a common life in Christ. But he is fully aware that those who share a common life in Christ will contend as one man and meet and defeat opponents—those opponents who feel that men control this world, and that men's processes are the only active agent in this world. He knows that a Christian will contend with a man who trusts only in himself and has no place for God in the scheme of things.

Perhaps we have no more dramatic illustration in our day of the tragedy and the bankruptcy of this lack of understanding of conduct worthy of a Christian than we have in this "tractors for prisoners" deal with Castro.

Let's look at that for a moment. The American people were propositioned by a man who holds the 8 million people of Cuba in slavery. True, some of the Cuban people like slavery. Others do not. Those who like to live as slaves to the state are granted the freedom by the state to live in the political security that the state gives them. Yet, there are others in Cuba who prefer to live as freemen. How many of the 8 million are of this mind we do not know. But we are told on good authority that Castro believes that 200,000 prefer freedom, for he has at the present time 200,000 Cubans in 15 of his concentration camps. These 200,000 are a threat to his dictatorial domination.

Now, Castro also fears that he hasn't collected all freedom lovers. For on May 30 he called for one-half million more volunteer spies to form 100,000 new neighborhood groups of the vigilantes. He needs more vigilantes because he has decreed that people who return home late at night must report to the vigilantes and give them detailed reports of their activities. The Havana radio said this: "Let there not be a single block, a single workshop, a single factory, cooperative, or work center, without its committee for the defense of the revolution."

Evidently, if one-half million more vigilantes are needed, there must be at least that many more people who prefer freedom.

I don't suppose that any man knows exactly how many of the millions of Cubans prefer freedom to slavery. But certainly, as an absolute minimum, it would be the 200,000 already in concentration camps, and the one-half million who would have to report to these one-half million vigilantes, or else some vigilantes would have no one to question.

Several weeks ago, 1,500 soldiers of fortune made an abortive attempt to free these slaves of Cuba. Some of these soldiers were killed and others escaped. Castro contends that he captured about 1,200 of the 1,500 who attacked the island. Now, this slaveholder, this dictator, proposed that he would return 1,200 of these particular prisoners out of the hundreds of thousands, or millions, that he now holds if the American people would give him machines—machines that would strengthen his ability to hold the rest of the 8 million Cubans in slavery.

And what is the response here in America? Do our leaders of public opinion stand firm in one spirit with convinced confidence that God will not countenance the enslavement of freedom by the tyranny of man? Do we stare into the fanatical eyes of Castro and say with our very stature that we are totally convinced of the power of God to destroy his aims—to destroy the idolatry of making himself and the state the dispenser or the grantor of freedom? Does the very posture of our souls become a sure sign to Castro that his "doom is sealed—and at the same time a sign to us of our own salvation," and a sign to those captured Cubans of their salvation?

No! We argue whether the tractors are farm tools or roadbuilders, as if that were an issue. We argue whether the tractors are payment for the 1,200 prisoners he holds, or whether it is some sort of indemnification for the destruction that took place when these soldiers of fortune fought and died for freedom on the beaches of Cuba.

And why do we do this? Why do we try to practice the Christian idea that there ought to be no rivalry between men, that we ought to look to others' interests and not only to our own? Why? Because people say it's Christian. It's moral. It's good. But when they say that, they must reject the Gospel of Christ. For they must reject the truth that God will not countenance the enslavement of millions. They reject the fact that every Christian has an obligation to make known the truth of God's sovereign power in the affairs of men.

You see, men and women, if we attempt to practice a Christian ethic without first believing in the good news of the Gospel, then our actions become weak, and they become immoral—immoral because they strengthen the hand of the holder of slavery over millions. We try to go over and snatch away 1,200 freedom loving people as if they will be slaves forever if we don't get them out of Cuba this month. And we do it knowing that Castro's power over millions of others will be increased. Now we come to the most tragic situation. We said that we would trade these 1,200 prisoners for about $15 million, and now Castro wants $28 million. We are now putting a man on a block like a slave dealer and saying, "Oh, one man is worth about $10,000, but now you have raised it to $20,000, and he is not worth that." Last night's radio said that this committee for freedom, or dealing in tractors with Castro, had rejected the $28 million offer and they want to go back to the $15 million offer.

There is nothing in the Christian doctrine that would countenance such behavior. By what moral right do we put a man on an auction block? By what system of values does one determine if the bid is too high?

Jesus stood absolutely firm against religious orders that would enslave a man's life. He stood firm against political orders that would enslave a man. The whole Christian community grew because Christians "contended as one man for the Gospel of faith." Those first century Christians "met their opponents without so much as a tremor." "It became a sure sign to their opponents that their doom was sealed—and at the same time a sign of salvation for those who believed in the Gospel of Christ."

Now, of course, this Castro tractor deal is not only immoral, and un-Christian, but it borders on treason, which also is un-Christian. Paul states in the Book of Romans, that we are to respect and be loyal to our Government. And what is our situation here? We are dealing with a ruler with whom our Government has formally broken diplomatic relations. He is a person our Government has determined is unacceptable in any sort of transaction. This determination of our foreign policy toward other people lies exclusively in the hands of our President. Now, whether his judgment is right or wrong is beside the point, for in our form of government he bears the responsibility to make this determination. Now, when a private person gives aid or comfort to an enemy, when he acts in response to his own private judgment, regardless of the morality of that judgment, and substitutes his private view for that of the officers to whom he has entrusted the Nation's security, it's an overt act of disloyalty.

Jesus himself said, "Render unto Caesar, things that are Caesar's." And the determination of our foreign policy belongs to Caesar, belongs to our President. Now, every free American can speak out. He can criticize his chosen leader. He can say that his leaders are wrong. He can argue for those leaders to change. But when he overtly acts counter to the official interests of the Government in foreign affairs, he has committed a disloyal act.

Traitors in history have always rationalized their acts by saying that they did what they did to serve humanity. The traitor has always placed his private judgment above that of the Government. This is the plea of a Hiss. This is the plea of a Rosenberg. This is the plea of every scientist who wants to give our atomic secrets to Russia, or did give them to Russia. He says he does it for humane reasons. He says that his Government was wrong in keeping these things secret. He may be right, and he may be wrong. Perhaps our Government did have bad judgment. Perhaps our Government used good judgment. But, whether good or bad, the foreign affairs of this Nation cannot be left to the private acts of its citizens. This is the chief power that belongs to the President.

If our President wishes to pay some indemnity caused by the invasion, then as the President of the United States he has the right, the responsibility, and power to do so. You and I, as free Americans, can criticize him for his judgment. But he has the right to make that judgment. If, in his judgment, it is expedient, then every one of us as an American citizen will be obligated to act in accordance with his decision and to share in its consequences. Thus, a group of private citizens has no right to make private deals that would aid and support a country with which we have broken relations. Let's face it! Unless Castro knew that some tractors would help him, he never would have asked for them.

Now, there is an act of Congress called the Logan Act that touches on this point of private citizens not being allowed to deal with foreign nations under certain situations, but this tractor deal goes way beyond the Logan Act in its implication. For we are faced with a further problem.

There is a rumor running rampant—we see it in our newspapers—that the President is supporting the private attempts to aid and support Castro even though he has determined as public policy that we should have no dealings with him. Now, if there are sufficient reasons to believe that this is the case, then of course impeachment proceedings should be instituted by the House of Representatives, in order to determine

whether or not there is in fact duplicity in the handling of our foreign affairs by our President. One would hope, and one would pray, that the rumor would be proved false, not only for the President personally, but for all of the people of the United States.

For, men and women, if and when our Nation reaches the point where those in power cease to understand the Gospel of Christ; cease to understand that one cannot be doubleminded, regardless of one's station; cease to understand that when anyone reaches a crossroad, God demands that a man choose one fork or another, trusting in God to help him make that decision; and, if our leaders are not aware of this law of God, if they cannot be true to the calling to which they are called, then our country is doomed. For, whether men like to admit it or not, the Gospel of Christ is true. God is a power, an acting agent, bringing His purposes to fruition, calling men to trust in Him. As Paul said, Christ is Lord! History is our witness that when a nation cannot "stand firm with one spirit and one mind, contend as one man for the Gospel of Faith and meet opponents without so much as a tremor," then it is our doom that is sealed, not the doom of our opponent. When that times comes, ruin will fall upon both the idolators of statism, and the believers of God, for rain falls on the just and the unjust alike.

Certainly, your personal faith as a Christian helps you to know that this life is not the end-all and the be-all of life, that there is a city built for you, a house not made with hands, eternal in the heavens. But your earthly existence, your house, your family, your business, your property, will fall with those who do not believe in the Gospel of Christ. The Christian faith is no bomb shelter.

And finally this: We who believe in the Gospel of Christ live in the great hope that whether this judgment is to fall upon us or not depends in good measure upon you and me as individuals. Just how firm can we be? God's word to us is to lead a life worthy of the Gospel of Christ. Well, how? This is what Paul says, "Do all you have to do without complaint of wrangling. Show yourselves guileless and above reproach, faultless children of God in a warped and crooked generation, among whom you shine, as stars in a dark world, as the very principle of life."

Paul pleads with us not to be confused where we stand. Our obedience is to God, and to His purposes; we are to risk our total life on Him. And when we say obedience, we mean total obedience. Paul tells us, "You, my friends, must be obedient as Jesus was obedient to God, even unto death."

He says, "You must work out your own salvation in fear and trembling," meaning that you and I must pick and choose our way through the fog of this life. No one is going to do it for us. And why have we been given this fearful experience of choosing one road or the other? Is it not in order that we might discover for ourselves what Paul tells us, "For it is God who works within you, inspiring both the will and the deed for His chosen purpose."

The worthy life calls for this sort of confidence. We must know that whatever be our problem, whatever be our difficulty, God is at work within us inspiring both our wills and our acts for His chosen purposes. And God's purposes, we are told over and over again, are that men should be free. Men should be slaves to no claim that usurps the claim of God's sovereign power over men. Every activity that strengthens the claim of enslavement, be it political enslavement, economic enslavement, social enslavement, mental enslavement, physical enslavement to disease or handicap, must be met without so much as a tremor. For we ought to know without a measure of doubt that it is true, eternally true, that Christ is Lord, that God is with men. And, as Christians, you and I must "let our conduct be worthy of the Gospel of Christ."

RECLAMATION PAYS

The SPEAKER. Under previous order of the House, the gentleman from Colorado [Mr. ASPINALL] is recognized for 30 minutes.

Mr. ASPINALL. Mr. Speaker, for the last 4 years I have appeared annually before the Public Works Subcommittee of the House Committee on Appropriations in support of appropriations for reclamation programs. On the occasion of these appearances, I have suggested that an orderly and realistic construction program for reclamation could very well be $300 million annually—approximately one-half of which would come from the General Treasury and the other one-half would come from the Reclamation Fund itself. With the passing of the years, the amount from the General Treasury would become less and less as the repayment program of presently constructed reclamation projects and those in the process of being constructed brings more and more revenues into the Reclamation Fund.

Considering the total amount of $300 million as a Federal expenditure—and even the supporters of reclamation would agree to such an assumption, although at the present time only about 50 percent of the annual expenditure is a direct drain on the Treasury and almost the entire amount is repaid—this would amount to approximately one-third of 1 percent of Uncle Sam's annual expenditures being invested in that part of the conservation program labeled "Reclamation." Considering only the funds that are provided by appropriation from the General Treasury, the annual expenditure for reclamation, assuming a $300 million construction program, would amount to one-sixth of 1 percent. This is indeed a small burden on the General Treasury compared with the great benefits received by our local, regional, and national economies from this vital part of our resources development and use.

I desire, for just a moment, to compare, by decades of this century, our Federal Government's expenditure for the reclamation program with our overall Government spending. For the first decade, only 7 years receiving construction funds because the program didn't actually get started until 1903, 1 percent of the Federal Government spending went to building reclamation projects. For the second decade, which included the World War I years, the percentage dropped to one-fourth of 1 percent. For the third decade, the percentage of our overall spending that went to reclamation remained at about one-fourth of 1 percent. For the fourth decade, during the thirties, two-thirds of 1 percent went to reclamation. For the fifth decade, which included the high-spending period of World War II, the percentage dropped back to two-tenths of 1 percent. During the sixth decade about three-tenths of 1 percent went for reclamation construction. For fiscal year 1960, about one-fourth of 1 percent of our overall spending went for reclamation and for the fiscal year 1961 just ending, the percentage was a little over one-fourth of 1 percent.

Now, Mr. Speaker, I want to advise the Members of this body, my colleagues who support as well as my colleagues who oppose the further authorization and construction of reclamation projects, of some of the benefits which have come to the Nation because of this great and successful undertaking of our Federal Government—a program which was recommended and actively sponsored by the great conservationists of the early days of this century, President Theodore Roosevelt and his associates, and a program which has been continuously supported by each Chief Executive and by the legislative branch of the Government since that time.

Mr. Speaker, I have been vitally interested, over the years, in the benefits that flow from our Federal reclamation program. The economic impact of western water development projects has been tremendous, not only on the West but on the East as well.

For 59 years reclamation has been one of the best investments of every American. Considering the whole record of reclamation in its 59 years of development, it is unlikely that any of us has made any better use of his own money, for his own personal benefit, than the portion of his tax dollars that have been invested in the U.S. reclamation program.

Every 8 years, on the average, the operating reclamation irrigation project farmers and townspeople of these local areas pay an amount of new Federal income taxes equal to the project cost. Such projects are also directly repaying the costs of the water and power and some other project features out of project earnings and receipts. The Government gets a multiple cash return from its reclamation projects. Construction costs are repaid directly, and on top of that the projects earn tax revenues. A reclamation project goes on earning revenues for the Government year after year at the average annual rate of 12½ percent of the amount invested.

And each dollar in new taxes thus earned by reclamation lessens the burden on the other taxpayers of the Nation. What it adds up to is that the money we have invested in reclamation construction is earning us a steady 12½ percent per year, paid out to us in the form of additional taxes.

Furthermore, reclamation projects are yielding national benefits that are literally priceless—benefits that are essential to the Nation's economic health and growth. From this standpoint they are of unlimited value to our Nation. It is for this reason that they have been supported by Congresses of all political complexions ever since 1902, and have been warmly endorsed by such outstanding investment authorities as the American Bankers Association and the Federal Reserve Bank of Kansas City.

The fact that they are proven, high-yield moneymakers as well as great national assets is so much icing on the cake.

What are the national benefits provided by reclamation? They are innumerable. In 1959, the Library of Congress published a description of those benefits which took up 73 pages of closely set type. The fact is that reclamation is part of the Nation's basic apparatus for development and growth. As such, its beneficial and creative influence spreads throughout national life. Here we will trace only a few of the most obvious and direct kinds of benefit.

CONTRIBUTES TO NATIONAL INCOME

Reclamation contributes significantly to our national income. National income is the sum total of the wages, earnings, interest, and profits from which all of us derive our livelihoods. By and large, the greater the national income, the greater the likelihood that we will benefit. Reclamation thus augments the opportunities of every American.

Until World War II, reclamation appropriations were relatively small. The great bulk of reclamation construction is fairly recent, and hence much of the reclamation investment is only beginning to show returns or has not yet had an opportunity to add to our national welfare.

Yet already reclamation project areas are creating income in such volume that the United States taxes on that income in 1959 amounted to nearly $397 million. The tax yield since 1940 is estimated at $4.3 billion—or considerably more than the grand total spent for construction on all reclamation projects since the program began in 1902. These figures do not include the uncounted millions of State and local taxes derived from reclamation.

Reclamation farmers are small businessmen. The towns, communities, and industries supported by reclamation projects, though prosperous and thriving, are also largely made up of small businessmen and their employees. They are not in the high income-tax brackets. The tax figures, big as they are, therefore constitute only a small percentage of the total wealth created by reclamation.

Without reclamation, these present project areas would be only partly productive at best. Some would be grazed or cropped for whatever they could yield, subject to the vagaries of rainfall in arid or semiarid regions. Some might be unused desert. The wealth created by reclamation is largely new wealth which would not exist without the reclamation program.

This wealth takes many forms. One is the value of the crops produced. Though it is still gathering momentum, the reclamation program has topped the billion-dollar-a-year level of production. The reclamation crop yield for 1960 was $1,157.5 million.

Reclamation crops generally are not the commonly grown crops which make up agricultural surpluses. Irrigation farming is relatively expensive and tends to be intensive, high-yield farming. Hence reclamation farms are more than twice as productive, acre for acre, as other farms. On some reclamation projects the value of crops runs well over $300 per acre—on one, the value in 1960 was $870 per acre. Farm prosperity at this level means stable farm-based communities and is an important contribution to national prosperity.

Another measure of the wealth created is in terms of jobs and income provided. Reclamation provides water for about 130,000 farms. On the average, each farm supports two families—the owner's, and that of an employed farmworker. Altogether, about 1¾ million people make their homes in reclamation project areas.

On or near these projects are many small towns whose shopkeepers, filling-station attendants, barbers, teachers, doctors, and other inhabitants also are supported directly or indirectly by the projects. Plants set up to process reclamation-grown products alone are estimated to represent a total investment of about $750 million, annually provide 54,000 man-years of employment, and have an annual payroll of $177 million.

Reclamation farmers spend directly a third of a billion dollars every year for farm equipment and supplies alone. People in the communities supported by reclamation spend uncounted millions more. Their purchases include the full range of products in the mainstream of American commerce, and come from every State.

Reclamation-created wealth circulates outward, farther and farther from the project areas, until it contributes to the well-being of every American family. Economic studies have revealed that every $1 of direct reclamation expenditure for construction generates another dollar's worth of trade throughout the national economy.

Electric power and energy is a third form of wealth created by reclamation projects. The dams built to store water for irrigation yield an extremely valuable byproduct in the form of hydroelectric power. The 42 powerplants on reclamation projects have a combined capacity of more than 5,175,550 kilowatts—enough to serve the needs of over 6 million people. Monetary returns from this power help pay the costs of the reclamation projects.

To date, reclamation power revenues total $600 million. These revenues have helped to repay not only the cost of the power facilities—with interest—but a substantial part of the cost of the irrigation facilities as well. Their cash contribution to Federal irrigation development is comparable to the taxes paid by private electric plants. So reclamation powerplants are successful financial investments for American taxpayers.

More important is the fact that these powerplants are invaluable national assets. Electric power is a basic necessity for a modern industrial nation. Reclamation power is largely responsible for the development of nationally significant industrial complexes in southern California and in the Pacific Northwest. Such energy was vital during World War II, when it powered shipyards and airplane factories, and furnished the power for the original atomic energy plant at Hanford, Oreg. It has provided electricity for thousands upon thousands of farm homes and small towns. It also helps to create a substantial portion of the national income.

New wealth created by reclamation is also measured in terms of municipal water supply. Some 200 municipalities, including such large cities as San Diego and Los Angeles, are supplied with municipal and industrial water from reclamation projects to the amount of about 300 million gallons each year. Since these cities are in a water-deficient region, this contribution is of great value to the stability and prosperity of the West and the Nation.

There is additional wealth created as a result of recreational and other benefits. In 1960, the 1,300,000 acres of water area in reclamation's manmade lakes provided more than 24 million visitor-days of varied recreation in all parts of the West, where water recreation is at a premium. This recreation created many millions of dollars' worth of business.

Reclamation reservoirs also provide flood-control, silt-abatement, and wildlife benefits. For example, they form an indispensable part of the flood-control system for the Columbia River Basin. Waterfowl rest, feed, and nest in marshy areas near the heads of the reservoirs. Game fish thrive in the clear, cool rivers which flow from reclamation dams. The reservoirs themselves offer superb lake fishing.

Power, water, and local food supplies make possible a dispersion of our industrial strength into the western part of our Nation—an incalculable advantage to national defense. They make possible a more extensive division of labor in project areas; create more varied opportunities for jobs and careers; encourage advanced production techniques in agriculture and related industries; and help more and more Americans who prefer the western environment to live there. These are some of the ways in which reclamation provides a big chunk of the national income.

KINDS OF FOODS WE NEED MORE OF

Reclamation produces the kinds of foods we need more of. A very small portion of the "surplus" crops are grown on reclamation farms. But to say that reclamation farming does not contribute to any appreciable degree to our agricultural surplus problem is not enough. Reclamation is a shining bright spot in the troubled picture of American agriculture. It produces foods badly needed for the continued improvement of our national health and vigor—notably fresh vegetables and fruits, and meat.

For example, let us take vegetables and fruits. A generation ago, fresh fruits and vegetables were available only at certain seasons. Now they are available the year round—thanks in large part to successful reclamation projects, where sometimes several crops a year can be grown. One of the results of this diet is today's children are bigger, stronger, more alert, and healthier than their parents were.

The irrigated Western States produce a major portion of the fresh spinach, lettuce, peas, onions, asparagus, broccoli, carrots, cauliflower, grapes, plums, sweet cherries, honeydew melons, lemons, apricots, olives, dates, artichokes, nectarines, prunes, English walnuts, almonds, and filberts marketed in America.

We need these products. The Department of Agriculture's latest dietary survey shows that 10 percent of American families have diets classed as "poor." Twenty-nine percent need more calcium, 25 percent need more vitamin C, and about 20 percent need more vitamin A, thiamine, and riboflavin. Reclamation-grown foods contain these needed dietary elements. Expansion of irrigation in the West is a practical way to boost production of these important foods for which there is a demonstrated need.

Now, let us look at the situation with respect to meat. One of the most important foods from the dietary standpoint is also one of the most expensive. It is meat. The prices in our supermarkets are ample evidence that meat is not in surplus.

The productivity of some 700 million acres of western rangeland for grazing is greatly enhanced because of the existence of a relatively small acreage of irrigated farmland. These scattered irrigated lands produce feed crops to support cattle and lambs during the seasons when they cannot graze. Since these feed grains and forage crops are converted into meat on, or in the vicinity of, the projects, they do not contribute directly to national surpluses; while the fattening of reclamation-raised animals helps use up grains grown elsewhere.

As our population increases, it will be more important than ever to improve our use of semiarid, mountainous, or forest-grazing areas, and hence more important than ever to have a winter feed supply produced near those areas.

STUDIES IN STABILITY

Intensive case studies of a dozen or more reclamation projects reveal another important benefit from reclamation—its contribution to regional and national economic stability. Here are some examples:

During the terrible droughts and dust storms in the middle thirties' depression years, the population of Nebraska dropped by 5 percent. One out of every six families was on relief. Counties faced bankruptcy.

But Scottsbluff County, with its North Platte reclamation project, gained 18 percent in population during those years. It provided livelihoods for many people driven out of other areas. Business held up; irrigated crops helped stabilize the adjacent ranch economy, local taxes maintained county services and contributed to the support of the State government.

Acre for acre, the North Platte Valley irrigated area supports 27 times as many people as adjacent dryland areas, returns 20 times as much in property taxes and 33 times as much in Federal taxes, and provides 40 times as much income.

The Federal Government has put about $22,500,000 into the North Platte Valley project, and more than three-quarters of the amount has already been repaid by project revenues. In addition, every year the Federal Government receives about $16 million in taxes from the area, and about $11 million of this consists of taxes that would not be collected if the projects were not there. The irrigated land produces more than $50 million worth of crops and livestock a year, and its lands are worth more than $62 million which is about $55 million more than they would be worth without the project.

Each year the people of the project area buy 15,000 to 20,000 carloads of goods produced in practically every State of the Union; and each year they ship out 12,000 to 15,000 carloads of meat, beans, sugar, and other products for American tables.

Other projects embody much the same story. Representative of the larger projects is the Central Valley project in California. This new million-acre project, one of the world's great engineering marvels, has cost to date about two-thirds of a billion dollars. An analysis made in 1953 showed that the project yielded crops and livestock worth $152 million; created extra purchasing power amounting to $79 million; added an estimated $260 million to the value of project lands; and yielded more than $11 million in taxes. In 1960 the crop value had reached $213 million and the associated project impacts have grown proportionately.

Representative of the smaller, older projects is the Strawberry Valley project in Utah, which cost $3.5 million. This project supports 12,000 people whose income is estimated at $18 million a year. It makes possible the purchase of about $4,500,000 worth of products from outside Utah each year, and yields $6,200,000 in taxes annually to Federal, State, and local governments.

GROWTH FOR THE FUTURE

A higher rate of national economic growth is necessary merely to meet the needs of our fast-growing population. Since World War II, America's population has been increasing by about 3 million per year. In the time it takes for me to give this statement about a hundred more Americans will have arrived to share with us the produce of our dwindling farm acreage.

Meanwhile more than a million acres a year are being taken for superhighways, airports, suburban developments, shopping centers, and the like. One mile of superhighway requires about 30 acres of land. Often this is prime farmland. Airports and shopping centers seek low, flat ground. Highway routes follow the valley bottoms.

Hence the long-range need for more high-yielding reclamation development is obvious. Reclamation has already added the economic equivalent of two average States to the Union. Through reclamation, still more raw land containing untapped productive capabilities can be developed.

Such growth is essential not only for our own needs, but to meet increasingly severe challenges from abroad. These challenges include many kinds of pressure from the Soviet bloc. They also include increasing competition within the free world. Assistant Secretary of State Edwin M. Martin recently stressed this point when he said:

I would like to emphasize a factor * * * which is in my judgment an essential ingredient of any successful attack on the whole problem of foreign competition. This is the vital importance of securing and maintaining a more rapid growth of the U.S. economy as a whole * * * When the economy stagnates * * * the tendency * * * is to turn to artificial controls over the competitive process, designed to preserve the past rather than moving into a future of greater opportunities.

These words, from an economic expert of international stature, reveal the vital importance of reclamation and other national growth programs to American business and prosperity.

With respect to reclamation development, one fact cannot be repeated too often: It takes years, often decades, to bring a reclamation project into production. For example, the total scheduled construction time for the million-acre Columbia Basin project is 38 years. Nineteen years of work were put in before the first water was delivered in 1952, and then only the first few thousand acres were served. After construction is finished, much land-development work remains to be done, many economic and agricultural adjustments must be made, before a project gets into full production.

So reclamation builds not for the present, but for the future. We cannot think in terms of present crop supplies in discussing reclamation. The important facts with respect to need for development are those which deal with the outlook for decades to come.

Looking ahead, we see a nation with half again as many people trying to support themselves with less farmland. We see a nation facing staggering world responsibilities which must be met from a resource base which will be adequate or insufficient, depending on whether we today are farsighted or shortsighted.

We have in reclamation a growth program of proven potency. This program is at once a fundamental source of national strength, and an investment which pays out again and again, in benefits and in cash.

GRANT-IN-AID ASSISTANCE TO STATES AND LOCAL GOVERNMENTS

Mr. MILLIKEN. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELY-BROWN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, I have introduced today a bill to provide for a uniform policy and procedure for review by the Congress of programs for grant-in-aid assistance by the Federal Government to the States and to local units of government.

In introducing this bill, I have joined several distinguished colleagues, some of whom are of the majority and some of whom are of the minority, and I believe that this bill and the others like it can be regarded as truly a nonpartisan, bi-

partisan, and constructive effort to keep in closer touch with the realities of what has become a most important part of Federal spending.

There are in effect at the present time some 44 or 45 different programs, which call for grants to States, to towns or school districts, and to educational institutions. Some of them have been in operation for many years. It is evident that many of them are operating well—at least we in Congress are receiving no complaints about them either from those who are receiving the benefits or who aspire to do so, or from the taxpayers who put up the bankroll.

Some of these grants are paid out of certain kinds of taxes. Most of them are paid out of the general fund or of special funds in the Treasury. Through the procedure followed in putting through the various appropriation bills, a routine review is given to allocations to pay these grants. But there is no systematic procedure by which the committees which considered the legislation under which the respective grants first were made, review and reconsider the adequacy of the grants, or the need for the same.

Even a cursory examination warrants at least a contention that some of the programs have outlived their usefulness. Others perhaps could be better handled in some other way. It may well be that there might be one or two that deserve to be expanded, although it is hard to imagine that such a condition could have escaped the notice of the spenders.

The bill which I have introduced, in harmony with the companion bills of my colleagues, applies only to grants-in-aid which are adopted in the future, but if the procedure proves to be beneficial, it might be adaptable to all of the grant-in-aid programs now in existence.

Under the terms of the bill, any new grant-in-aid which Congress may hereafter enact would expire automatically at the end of 5 years, unless Congress specifically designated an earlier date or provided in the act that the program should be a continuing one. At the end of 4 years of the program, it is provided in the bill that the appropriate legislative committees of the Congress shall undertake a study of the experience under the grant and determine whether to extend, terminate, or modify the program.

The Advisory Commission on Intergovernmental Relations has recommended legislation of this kind, and provisions similar to those in the bill which I have introduced were recommended in a previous Congress by the Committee on Government Operations.

I recommend the bill to the attention and to the approval of all of the Members of the House.

TAX CREDIT FOR OCCUPATIONAL TRAINING

Mr. MILLIKEN. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill which would amend the Internal Revenue Code, giving credit against personal income tax to individuals for the expenses they incur in getting further education or training. Earlier in this Congress, and in previous Congresses, I have sponsored a similar bill which would give this tax credit—a credit equal to 30 percent of the expense incurred up to a limit of $1,500—to those paying the expenses of one receiving college or university education.

The earlier bill was designed primarily to encourage more young people to get a higher education, and to encourage these young people, their parents, or other benefactors, whoever they might be, to reevaluate their financial ability to undertake this expense if they had felt it was too much for them to bear.

This bill is broader and would extend encouragement for the further training of all people, regardless of age, for the higher skill jobs which our dynamic economy requires. Its purpose, in large part, is to facilitate the retraining of those people who may be confronted with unemployment as a result of the dynamism of our economy, automation, and other economic factors beyond the control of the individual. It is a private enterprise approach to the problem of out present technological unemployment and the further technological unemployment which we can expect as our economy makes further progress.

An example illustrative of this type of training occurred a few years ago. Teachers were not, under the Internal Revenue Service rulings, permitted to deduct the expenses which they incurred in summer training from their taxable income, unless this summer training, usually pointed to the meeting of State qualifications or the earning of a master's or doctor's degree, was necessary for the individual teachers to retain their jobs.

After restudy, the IRS reversed its position and deductions are allowed for those who desire to and are in the process of upgrading their teaching skills and not for career survival alone. This was a constructive step in the tax laws and the philosophy which is represented by it should be extended to the upgrading of other skills.

The proposal which I have today presented to the Congress will be another step forward in bringing an ever-increasing level of skills for our ever more complex and challenging society. It is consistent with, and indeed is the flesh and and blood of, our dynamic economy. I would urge that this House give serious consideration to this proposal, for it provides a private enterprise solution, in part at least, for the training and educational needs of our society in the period of dynamism and economic progress which we have and, I trust, we will experience.

FOREIGN AID PROGRAM

Mr. MILLIKEN. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. ADAIR] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ADAIR. Mr. Speaker, Mr. Clifford B. Ward in his "Good Evening" column in the Fort Wayne News-Sentinel has some pertinent remarks about our foreign aid program. Under leave to extend my remarks, I include the column herewith:

GOOD EVENING

(By Clifford B. Ward)

President Kennedy's report to the Nation on his trip to Paris, Vienna, and London, primarily to meet and talk with Khrushchev, the Communist boss, was well done from the standpoint of rhetoric, diplomacy, and politics.

If what he said is true, and his truthfulness certainly should be assumed, we neither gained nor lost by the get-together between the tyrant from the Kremlin and Mr. Kennedy.

The only place where the President sagged down into the usual political nonsense was when he made the same old tired arguments for more and more foreign aid.

He acknowledged that the American people are finding the foreign aid burden harder and harder to bear, but went on to argue that to keep the Communists from fishing in the troubled waters of economic discontent over the world, we must try ending that economic discontent.

AID MISDIRECTED

This would be an excellent argument, if it were true that our foreign aid had been used to relieve distress and poverty abroad as a vaccination against the Communists exploiting distress and poverty. But the facts of history show that too much of our foreign aid went into the hands of already rich people abroad and never trickled down to the distressed masses.

It is also a fact that much of our foreign aid has gone to Communist countries, such as Poland, and Czechoslovakia where any improvement in living conditions will redound to the credit of communism, not to the free enterprise system.

Furthermore it is also a fact that countries such as Poland and Czechoslovakia which received money from us turned around to send a large part of that money to Castro, a Communist gauleiter on our own doorstep, whom we will have to get rid of eventually or permit ourselves to be gotten rid of.

I am told by many persons in a position to know that much of the money which we gave for instance to Italy never got in the hands of the poor there, but of the rich, who laugh at Americans not only for working hard but for taking tax obligations to their Government seriously. Also in France, any Frenchman who treated his obligation to pay his government taxes as we Americans do would be regarded as slightly stupid.

AMERICANS NOT SUCKERS

There isn't a responsible American anywhere who wouldn't go along with helping relieve human misery and distress anywhere, even in Russia itself, but it isn't honest to

plead for foreign aid on this basis. The facts show that such misery and distress hasn't been relieved and that only the wealthy in these countries have received the greatest help.

It is difficult for an American to assume a heavy burden of taxes to help people in many places who refuse to help themselves. This is not a lazy country. Most Americans work very hard for what they get, not by doing things in an archaic way but by proper use of work-performing machinery.

An American doesn't like to be considered a stupid oaf for working so hard by persons in Latin countries who at the same time think they are entitled to a percentage of the fruits of our so-called stupid notions about how to live.

We ought to get across to the world that what this Nation has it didn't inherit from a rich uncle. As a nation, we have had the will to get what we wanted, and we exercised that will by working hard at it. We have no exclusive patent on our formula. It is free to any nation for the asking.

FEDERAL DEBT LIMIT

Mr. MILLIKEN. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. DOMINICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DOMINICK. Mr. Speaker, and members of the committee, I take these few minutes to protest against the bill before us today. The chairman of the committee has stated that we must act to raise the debt limit as on July 1, 1961, this Government will have outstanding slightly in excess of $287 billion of indebtedness with a permanent limit of $285 billion. This represents a difference of $2 billion and yet we are asked to raise the limit, on a temporary basis, $13 billion. Part of this we are told is necessitated because of an added deficit for this year created in the last 5 months and an anticipated deficit of $3.7 billion for fiscal 1962. Even when the entire amount is added, it would appear that with present programs, and I emphasize the words "present programs," there should not be a need to increase the debt limit even on a temporary basis to more than $293 billion. I can see no real reason for making the amount $298 billion except to give the administration latitude in the next fiscal year to create additional indebtedness of $4 to $5 billion over the $3.7 billion already forecast.

In this time of national peril such expenditures on items not connected with national defense seem to me to be fiscal irresponsibility. The remarks made on the floor today by a proponent of this measure that debt creates money, the bigger the debt the more money there is, and that if we paid our debt there would be no money, exemplifies the type of approach to this problem which I intend to do my best to fight and overcome.

To be responsible we cannot in times of relative prosperity continue to create additional debt. To the contrary we must strive for a balanced budget or a surplus as every billion dollars removed from our debt frees at long-term interest rates approximately $40 million of taxpayers money which must now be raised to pay interest on that billion dollars, and which could be put to far better and more productive use.

This is a difficult vote only because the fiscal situation is so bad. But I am convinced that if this bill is rejected the majority party can come back to the House with legislation which will prevent any default on existing obligations but which will not open the door to vast new spending programs.

EXTENSION OF DEBT LIMIT

Mr. MILLIKEN. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. BATTIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BATTIN. Mr. Speaker, under leave to extend my remarks in the body of the RECORD concerning the vote, rollcall No. 99, concerning the extension of the debt limit, I would like to place myself on record as being in opposition to the extension and had I been present I would have voted "no."

It seems to me that with all of the domestic programs being proposed by the President and the increased expenditure, it is not justifiable to say on one hand that we are going to have to support billions for defense and make sacrifices as requested by the President.

The only sacrifice will be by the people on fixed incomes who cannot guard themselves against inflation. By way of explanation, Mr. Speaker, while I was absent yesterday I was paired with Congressman LIBONATI and was at Cape Canaveral being briefed on our present missile program.

GENERAL LEAVE TO EXTEND

Mr. FORD. Mr. Speaker, I ask unanimous consent that all Members who spoke on the defense appropriation bill today be granted permission to revise and extend their remarks made in Committee of the Whole and to include therein tables and extraneous matter.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. LIBONATI (at the request of Mr. MURPHY), for Tuesday, June 27, through July 7, 1961, on account of official business.

Mr. YATES, for Tuesday, June 27, 1961, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. BAILEY (at the request of Mr. MCCORMACK), for 45 minutes, on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LINDSAY.
Mr. PIKE.
Mr. MAHON.
Mr. DADDARIO.

(The following Members (at the request of Mr. MILLIKEN) and to include extraneous matter:)

Mr. SHORT.
Mr. PELLY.
Mr. HORAN.

(The following Member (at the request of Mr. HAGAN of Georgia) and to include extraneous matter:)

Mr. KOWALSKI.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 6713. An act to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 146. An act to extend and increase the special milk program for children;

S. 707. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation; and

S. 2113. An act to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 26, 1961, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1441. An act for the relief of certain aliens;

H.R. 1642. An act for the relief of Mrs. Lilyan Robinson;

H.R. 1677. An act for the relief of Elie Hara;

H.R. 1710. An act for the relief of Narinder Singh Somal;

H.R. 1717. An act for the relief of Angelo Li Destri;

H.R. 1718. An act for the relief of Jaime E. Concepcion;

H.R. 1860. An act for the relief of Jovenal Gornes Verano;

H.R. 1888. An act for the relief of Tomislav Lazarevich;

H.R. 2152. An act for the relief of Mrs. Francisca Hartman;

H.R. 2351. An act for the relief of Hans Hangartner;

H.R. 2671. An act for the relief of Giovanna Bonavita;

H.R. 2991. An act for the relief of Joseph Max;

H.R. 3146. An act for the relief of Jozef Gromada;

H.R. 3283. An act to revise the boundaries and to change the name of Fort Vancouver National Monument, in the State of Washington, and for other purposes;

H.R. 4023. An act for the relief of Mieczyslaw Bajor;

H.R. 4201. An act for the relief of Evangelia Kurtales;

H.R. 4482. An act for the relief of Urszula Sikora, Radoslav Vulin, and Desanka Vulin;

H.R. 5416. An act to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes;

H.R. 5475. An act to transfer a section of Blue Ridge Parkway to the Shenandoah National Park, in the State of Virginia, and for other purposes;

H.R. 5760. An act to revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes;

H.R. 5765. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

H.R. 6422. An act to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes;

H.R. 7446. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates; and

H.J. Res. 384. Joint resolution providing for acceptance by the United States of America of the Agreement for the Establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

ADJOURNMENT

Mr. HAGAN of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 41 minutes p.m.) the House adjourned until tomorrow, June 28, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1072. A letter from the Chairman, Civil Aeronautics Board, transmitting the annual report of the Civil Aeronautics Board for fiscal year 1960, pursuant to the Federal Aviation Act of 1958; to the Committee on Interstate and Foreign Commerce.

1073. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 31, 1961, submitting a report, together with accompanying papers and illustrations, on a beach erosion control study of Amelia Island, Fla., prepared under the provisions of section 2 of the River and Harbor Act, approved July 3, 1930, as amended and supplemented (H. Doc. No. 200); to the Committee on Public Works and ordered to be printed with five illustrations.

1074. A letter from the Chairman, U.S. Constitution 175th Anniversary Commission, transmitting the report of the U.S. Constitution 175th Anniversary Commission, submitted pursuant to Public Law 86-650, as amended by Public Law 86-788 and Public Law 87-32; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON: Committee on Armed Services. H.R. 181. A bill to amend sections 3253 and 8253 of title 10, United States Code; without amendment (Rept. No. 582). Referred to the House Calendar.

Mr. KILDAY: Committee on Armed Services. H.R. 7657. A bill to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses; without amendment (Rept. No. 583). Referred to the House Calendar.

Mr. MORRISON: Committee on Post Office and Civil Service. H.R. 2555. A bill to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes; with amendment (Rept. No. 584). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H.R. 7809. A bill to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel; without amendment (Rept. No. 585). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H.R. 7651. A bill to amend the Career Compensation Act of 1949 to authorize the payment of an accrued portion of incentive pay to certain aeronautically rated or designated officers who have been eligible to such pay for a minimum of at least 10 years and who subsequently are removed from the status to such eligibility due to the fact that a determination has been made that the requirement for them in this capacity is no longer necessary in the interest of national security; with amendment (Rept. No. 586). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 4998. A bill to assist in expanding and improving community facilities and services for the health care of aged and other persons, and for other purposes; with amendment (Rept. No. 599). Referred to the Committee of the Whole House on the State of the Union.

Mr. TRIMBLE: Committee on Rules. House Resolution 361. Resolution for consideration of H.R. 6141, a bill to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes; without amendment (Rept. No. 600). Referred to the House Calendar.

Mr. ELLIOTT: Committee on Rules. House Resolution 362. Resolution for consideration of H.R. 7576, a bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; without amendment (Rept. No. 601). Referred to the House Calendar.

Mr. RAINS: Committee of conference. S. 1922. A bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes (Rept. No. 602). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 139. An act for the relief of Krste Angeloff; without amendment (Rept. No. 587). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 713. An act for the relief of Anastasia Stassinopoulos; with amendment (Rept. No. 588). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 1395. A bill for the relief of Sydney Gruson; with amendment (Rept. No. 589). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 1614. A bill for the relief of Byron K. Efthimiadis; without amendment (Rept No. 590). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1646. A bill for the relief of Joan Josephine Smith; without amendment (Rept. No. 591). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 2115. A bill for the relief of Dr. Josephine L. Go and Dr. Welles P. Go; without amendment (Rept. No. 592). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 2655. A bill for the relief of Mrs. Pamela Gough Walker; without amendment (Rept. No. 593). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 3694. A bill for the relief of Aspasia A. Koumbouris (Kumpuris); with amendment (Rept. No. 594). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 3853. A bill for the relief of Ralph (Yunsoo) Kahn; with amendment (Rept. No. 595). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 5057. A bill for the relief of Hans-Dieter Siemoneit; with amendment (Rept. No. 596). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 5138. A bill for the relief of Francisco Joaquin Alves; without amendment (Rept. No. 597). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 6122. A bill for the relief of Maria Luisa Reis (nee) Loys; without amendment (Rept. No. 598). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS of Missouri:

H.R. 7882. A bill to amend the Internal Revenue Code of 1954 to allow a 30-percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher education or for occupational training or retraining; to the Committee on Ways and Means.

By Mr. DOWDY:

H.R. 7883. A bill to provide for the administration of unclaimed funds held and

owing by life insurance companies in the District of Columbia; to the Committee on the District of Columbia.

H.R. 7884. A bill to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia; to the Committee on the District of Columbia.

By Mr. DOWDY (by request):

H.R. 7885. A bill to promote safe driving, to eliminate the reckless and financially irresponsible driver from the highways, to provide for the indemnification of certain persons suffering injury or loss as a result of the operation of motor vehicles by uninsured motorists, and for other purposes; to the Committee on the District of Columbia.

H.R. 7886. A bill to amend and consolidate the laws providing for regulation of certain insurance rates in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ELLIOTT:

H.R. 7887. A bill to amend title 18, United States Code, to proscribe travel in interstate or foreign commerce for purposes of inciting to riot or committing other unlawful acts; to the Committee on the Judiciary.

By Mr. IKARD of Texas:

H.R. 7888. A bill to amend the Flood Control Act of 1958 to extend the time within which land in certain reservoir projects in Texas may be reconveyed to the former owners thereof; to the Committee on Public Works.

By Mr. KOWALSKI:

H.R. 7889. A bill to authorize the promotion of certain retired officers of the Navy and the Marine Corps who were retired for physical disability; to the Committee on Armed Services.

By Mr. RANDALL:

H.R. 7890. A bill to authorize the Postmaster General to dispose of certain land, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RYAN:

H.R. 7891. A bill to amend title I of the Housing Act of 1949 to prohibit the construction of luxury housing in the redevelopment of urban renewal areas; to the Committee on Banking and Currency.

By Mr. SEELY-BROWN:

H.R. 7892. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mr. THOMSON of Wisconsin:

H.R. 7893. A bill to provide assistance to certain States bordering the Mississippi River in the construction of the Great River Road; to the Committee on Public Works.

By Mr. WRIGHT:

H.R. 7894. A bill to provide for municipal use of storage water in Grapevine Reservoir, Tex.; to the Committee on Public Works.

By Mr. HARRIS:

H.R. 7895. A bill to amend the Communications Act of 1934 to provide that the Federal Communications Commission may act upon certain license applications under a summary procedure after according parties in interest an opportunity to be heard with respect thereto; to the Committee on Interstate and Foreign Commerce.

By Mr. ST. GERMAIN:

H.R. 7896. A bill to direct the Secretary of the Navy to convey a portion of Fort Adams, Newport, R.I., to the State of Rhode Island; to the Committee on Armed Services.

By Mr. MacGREGOR:

H.R. 7897. A bill to provide assistance to certain States bordering the Mississippi River in the construction of the Great River Road; to the Committee on Public Works.

By Mr. McCORMACK:

H. Con. Res. 342. Concurrent resolution authorizing the printing as a House document of the tributes extended to the Honorable Sam Rayburn, and providing for additional copies; to the Committee on House Administration.

By Mr. ADAIR:

H. Con. Res. 343. Concurrent resolution to recognize the grave of Samuel Wilson, progenitor of the symbol "Uncle Sam," in the Christian Chapel Cemetery, Merriam, Ind., as the burial place of the original Uncle Sam and that it be made a national shrine; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. CUNNINGHAM of Nebraska: Memorial of the Legislature of the State of Nebraska, concerning the centennial in 1962 of the Homestead Act and the monument of the National Park Service to the Nation's first homestead entryman located near Beatrice, Nebr.; requesting that 1962 be designated as the Homestead Centennial and that the Postmaster General be directed to issue a commemorative stamp of the 100th anniversary of the Homestead Act; to the Committee on the Judiciary.

By the SPEAKER: Memorial of the Legislature of the State of Alabama, memorializing the President and the Congress of the United States, relative to House Joint Resolution 24, passed in the present session of the legislature, which relates to issuing the proclamation of limited martial law in Montgomery; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States, relative to the farm program; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 7898. A bill for the relief of Dana Hinton; to the Committee on the Judiciary.

By Mr. FOGARTY:

H.R. 7899. A bill to provide for the incorporation of the National Woman's Relief Corps, auxiliary to the Grand Army of the Republic, organized 1883, 78 years old; to the Committee on the District of Columbia.

By Mr. FRELINGHUYSEN:

H.R. 7900. A bill for the relief of Lt. (jg.) James B. Stewart; to the Committee on the Judiciary.

By Mr. INOUYE:

H.R. 7901. A bill to authorize M. Sgt. Hugh F. O'Reilly, U.S. Army, to accept and wear the Order of the Sacred Treasure, Sixth Class, conferred upon him by the Government of Japan; to the Committee on Armed Services.

By Mr. JOHNSON of California:

H.R. 7902. A bill to provide compensation for moving certain improvements from the Trinity River division, Central Valley project, California, and for other purposes; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 7903. A bill for the relief of Iris Maitland Munds; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

188. By Mrs. MAY: Petitions of individual Americans of the Committee of One Million to the President of the United States opposing the seating of Communist China in the United Nations and requesting he stand fast against appeasement of Red China: to the Committee on Foreign Affairs.

189. By the SPEAKER: Petition of Arthur G. Boyd, executive secretary, California State Board of Agriculture, Sacramento, Calif., relative to the adoption of a resolution having to do with the impact of foreign imports; to the Committee on Ways and Means.

190. Also, petition of Rollis B. Bowman, president, the First Presbyterian Church, Augusta, Ga., relative to requesting aid in resolving that the church and state remain forever separate institutions for the mutual benefit of both; to the Committee on the Judiciary.

191. Also, petition of Dr. John F. Drac, Chicago-Kent College of Law, Chicago, Ill., relative to the extension of the right of self-determination to the Slovakia and its Slovak people; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Promotions of Certain Naval and Marine Officers

EXTENSION OF REMARKS

OF

HON. FRANK KOWALSKI

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 27, 1961

Mr. KOWALSKI. Mr. Speaker, today I have introduced a bill which is designed to correct longstanding injustices to certain Naval and Marine officers now on the disability retired list.

The purpose of the proposed legislation is to promote certain officers whose promotion was authorized during the period July 24, 1941, to September 16, 1946, but who, because of hospitalization and subsequent placement on the disability retired list, did not receive such promotion. There is no clear indication as to how many Navy and Marine Corps officers this would affect. However, estimates have been made previously indicating that there would be about 45 Marine Corps officers and approximately 100 naval officers. Generally speaking, the promotions referred to here were ALNAV promotions just prior to and through World War II and extending to the January date in 1946. As a general rule in most cases the hospitalization of officers was directly attributable to combat. During this time hospitalization barred an individual from receiving his promotion and if he was placed on the disability retired list he did not receive his promotion. On January 16, 1946, the President promoted officers on the active list on active duty whose promotions were previously withheld by reason of hospitalization. Any officer in this category who was still on active duty on January 16, 1946, received his promotion. This did not, however, accomplish

the promotion of those officers who were generally in the same category but who had already been placed on the disability retired list. This bill would alleviate that situation and allow such officers to receive the promotions which they would have received except for their hospitalization and subsequent disability retirement.

Analyzing Deficit Spending

EXTENSION OF REMARKS
OF
HON. BARRY GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 27, 1961

Mr. GOLDWATER. Mr. President, a few weeks ago Dr. Seymour Harris of Harvard wrote a letter, which was published in the Washington Post and Times Herald, taking issue with me on my concern about deficit spending. I wrote a letter in answer, and the newspaper very generously printed it in the Tuesday morning edition, June 27. I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ANALYZING DEFICIT SPENDING

Dr. Seymour Harris on June 14 took umbrage at some remarks I made in my newspaper column concerning his advocacy of Federal deficits.

In the interest of brevity, I will not attempt to answer in detail all of what I believe was wrong with Dr. Harris' letter. Instead, I will address myself primarily to those assertions which touch on unemployment. The temptation is great to elaborate on his deductions that the Federal debt isn't great compared with the gross national product, but I will content myself with pointing out that the application of a "constant dollar" to his computation would destroy his argument.

Equally inviting is Dr. Harris' suggestion that I might persuade the Federal Reserve Board to do something to lower interest rates. He apparently would like to forget that the refusal of a Democratic Congress to allow long-term financing of Government bonds forced the short-term approaches which raised interest rates. If Dr. Harris feels that the way to contain deficits is through adequate monetary policy, I can only say he has done a poor job of communicating this to his friends along the New Frontier.

Dr. Harris' thesis that unemployment will be greatly reduced by Government deficits has, of course, been proven wrong by experience. We tried this panacea from 1933 until World War II pulled us out of depression and put people back to work. The following table will show what really happened:

	Deficit (billions)	Unemployed (millions)	Percent of unemployment
1931	$0.5	8.0	15.9
1932	2.7	12.1	23.6
1933	2.6	12.8	24.9
1934	3.6	11.3	21.7
1935	2.8	10.6	20.1
1936	4.4	9.0	16.9
1937	2.8	7.7	14.3
1938	1.2	10.4	19.0
1939	3.9	9.5	17.2
1940	3.9	8.1	14.6

We can see by the above table that the average annual deficit for the period was $2.8 billion—or about 3.5 percent of the gross national product of the same period. Now applying the same percentage of the gross national product of today, Dr. Harris could just as easily be urging an $18 billion deficit as a $10 billion deficit. But, my point is that he could make it $18 billion or more without having any effect on the Nation's unemployment. Deficit spending is not now and never has been the answer to unemployment. It failed in the 1930's and it will fail in the 1960's.

Even Dr. Harris recognizes this in his letter. He states that "despite the upward movement of business, we shall have about 6 percent unemployment at the end of 1961 and 1962, unless corrective measures are taken." His estimate of unemployment is correct, but his letter contains no suggestion of what corrective measures should be taken—unless he means that we must reduce interest rates. And here again, we have past experience to show that low interest rates do not prevent unemployment. The following table will illustrate what I mean:

Year	Commercial paper rate (percent)	Percent of unemployment
1929	5.85	3.2
1930	3.59	8.7
1931	2.64	15.9
1932	2.73	23.6
1933	1.73	24.9
1934	1.02	21.7
1935	.75	20.1
1936	.75	16.9
1937	.94	14.3
1938	.81	19.0
1939	.59	17.2
1940	.56	14.6

Now let's look at more recent years.

Year	Commercial paper rate (percent)	Percent of unemployment
1949	1.49	5.5
1950	1.45	5.5
1951	2.16	3.0
1952	2.33	2.7
1953	2.52	2.5
1954	1.58	5.0
1955	2.18	4.0
1956	3.31	3.8
1957	3.81	[1] 4.3
1958 (June)	1.54	[1] 6.8

[1] Unemployment percentages before 1957 are based on Department of Commerce old definitions of unemployment; for 1957 and 1958 they are based on the new definitions, which make unemployment slightly higher—4.2 percent of the labor force in 1956, for example, instead of the 3.8 percent in the table.

It is certainly obviously from these figures that low interest rates accompany high unemployment. The reason for this is simple enough. When the economy is running at a high rate, money is hard to get and the price of money (interest) rises. In periods like these employment is high and, conversely, when the economy slows down money becomes easier to get and competition forces interest down. In these slack periods, unemployment rises.

Frankly, in a free economy the performance just described and proven by the tables cannot be otherwise. Even Government meddling in the free markets will not alter the fact unless we assume the ultimate—complete Government control and operation of the economic system and, of course, this would not be a free economy nor, I might add, would it have a long life.

Dr. Harris makes the constant mistake of those people who place their faith in either the Keynesian approach to our economics or in complete governmental control of the other facets of our life when he says "Voters generally however misinformed * * *." Voters are not misinformed. In fact, if Dr. Harris would take the trouble to visit throughout this country he would find the voters are 3 to 5 years ahead of the National Legislature in their thinking. One thing they are certainly aware of is that present Government activities are not correcting unemployment, just as governmental activities in the 1930's failed to correct unemployment.

They know this, which the Government planners evidently do not, that the only way jobs can be created in this country is by the investment of private capital and that for the last 28 years, war years included, the investment of private capital has been retarded by restrictive tax policies of the Government which have been caused in large measure by deficit spending.

They know that if the economy is to move ahead this restrictive force must be removed and if Dr. Harris wants to do the President a good turn he should urge him to suggest a complete revision of the tax structure emphasizing liberal depreciation allowance.

BARRY GOLDWATER,
Senator from Arizona.

WASHINGTON.

A Tribute to the Salvation Army

EXTENSION OF REMARKS
OF
HON. JOHN V. LINDSAY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 27, 1961

Mr. LINDSAY. Mr. Speaker, I rise today to pay tribute to the vital work of the Salvation Army. Possessing a noble history which reaches back almost a century, this organization, aided by its thousands of volunteers across the Nation, greatly strengthens our community life through its spiritual and social welfare ministry.

Among its many activities, the Salvation Army provides social, educational, and recreational programs for all age groups through community centers established throughout the country. It operates over 100 men's social service centers where homeless men have the opportunity to rebuild their lives. It welcomes over 3 million men of our Armed Forces to its USO and Red Shield Clubs; responds to floods, fires, and other disasters with mobile centers and emergency rescue workers; and visits persons in hospitals and correctional institutions.

The Salvation Army cares for children in homes, settlements, and day nurseries, serves the neglected needs of unwed mothers and helps to alleviate the distress of many troubled families. This worthy organization also operates boys clubs, maintains camps which provide a rewarding outdoor experience for children, mothers, and senior citizens, and is a source of spiritual strength through its religious meetings, many of which are held in the open air which the Salvation Army considers the greatest cathedral.

In short, the Salvation Army has come a long way since the days when the big bass drum of its founder, Gen. William

Booth, was a sound of comfort and encouragement to the weary and downtrodden.

The vital work of the Salvation Army is worthy of our profoundest respect and deepest gratitude, and it is my earnest hope that it will continue to march forward in its distinguished service to the community life of this country and that the sound of the big bass drum will never be stilled.

America in Today's World—Address by Senator Morse

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 27, 1961

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a most thoughtful address delivered by the senior Senator from Oregon [Mr. MORSE] before the graduating class at Suffolk University in Boston, Mass., June 18, 1961, be printed in the RECORD.

I commend the address to the reading of my colleagues, because the Senator from Oregon is considered to be one of the best informed and most experienced men in the Congress in the field of foreign relations, particularly with respect to Latin America. The address concentrates the full force of its argument upon the Latin American problems, and particularly our relationships with Cuba.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

"AMERICA IN TODAY'S WORLD"—REMARKS OF SENATOR WAYNE MORSE, OF OREGON, SUFFOLK UNIVERSITY, BOSTON, MASS., JUNE 18, 1961

Mr. President, faculty, graduates, parents, and friends of Suffolk University, the twofold honor which Suffolk University has bestowed upon me on this occasion fills me with humility. It is always an honor—in fact, a trust—to have the privilege of making a commencement speech to a graduating class. But "my cup runneth over" by the double honor on this occasion of being the recipient of an honorary degree of doctor of juridical science. It is with deep feelings of appreciation that I express my sincere thanks to this graduating class and to the university for both these honors.

The task of a commencement speaker is to say something to a graduating class that will serve to guide them in their journey beyond the walls of an educational institution. Yet as one who taught in such institutions myself for over 20 years, I always take the view that the speaker cannot say anything in a few minutes that will improve upon what the teaching staff has done or has not done.

So I would rather speak here simply to try to review and to put into perspective some of the conditions and problems with which I struggle as a national legislator and with which you, too, will have to struggle as citizens of your community, your State, your Nation, and your world.

Your commencement program committee suggested that this graduating class might be interested in my making a few comments on the subject of national security problems and foreign policy developments in recent months.

It is important to remember that events of each day in which we live are part of history. History, change, growth, evolution, and revolution did not stop on the date of the last printing of your history textbook. We live today in a world of as much turmoil, unrest, progress, and decline as has ever occurred.

When the members of this graduating class were being born, the United States had taken its place in the world as the foremost nation. Every other industrial country in the world was in shambles.

Japan, Germany, Great Britain, and Russia had lost millions of their people. Their factories and transportation systems were shattered. China was long since devastated by years of war and was in political and economic collapse.

Of all these nations, only the United States was physically unmarked. As a result, this generation of Americans came into a world where we were unchallenged. Many of us, and I include adults, too, came to think of the United States as a director and manager of world affairs, and felt that whenever something we did not like developed in another nation, it was because someone in high office in the United States wanted it that way, or simply allowed it to happen.

Yet, if anything should have been clear, it should have been that this unchallenged power of ours had to be temporary. And it was. Within 15 years, and with assistance from us unparalleled in world history, the nations of Western Europe restored their economies. Our help was extended in equal amounts to the countries we had defeated, Germany and Japan, and as a result, both are again among the great powers of the world.

Great Britain, France, Italy, and the other ruined countries of World War II are more than thriving. The Soviet Union has, much to our dismay, surpassed the United States in at least a few of the dramatic and sensational exploits of technical and scientific achievements. While we cannot be certain of what is going on in China, indications are that China, too, will soon have the scientific and engineering capacity to join the "Nuclear Club."

The results of this revival of the wrecks of World War II have caused many Americans to feel that it is all our own fault that we now have so many rivals in the world, both in the military sense and in the economic sense.

I do not share that view. I think it is based upon a false assumption that the United States could remain omnipotent in world affairs.

We could not. We can help guide and encourage events to go the way we want. And we did that in the Marshall plan, when we helped restore the economies of Western Europe. But in many other places, especially in areas of the world which are the least like our own economic, cultural, and political systems, our ability to influence events is much less.

That, in my opinion, is a fact we should accept, instead of trying to find some scapegoat to blame it on. Back when I was in your place, graduating from college, it was the British Empire that we thought of as the great manager of the economic affairs and political affairs of the world. There was great disagreement as to whether that management was good or bad. But just in my lifetime we have seen many parts of that empire take an independent place in the world.

Today, India, Pakistan, Ceylon, and Malaya have joined the community of nations in Asia. Many countries of Africa have emerged into statehood. In our own hemisphere, the new West Indian Federation, a whole group of former British islands in the Caribbean, is in the process of becoming independent. The same thing has happened to the colonial empires of France, Belgium, and the Netherlands.

I do not believe that these changes have necessarily diminished the importance and significance of Great Britain in Western affairs. But they signify the impossibility of one nation maintaining a status quo for very long, in a world whose population is exploding and whose communication in ideas and aspirations is rapidly increasing.

IMPORTANCE OF AMERICAN EXAMPLE

We cannot maintain such a status quo either. In my opinion, our greatest means of influencing world events is through the example we set in our own country. The United States can no more hide its image from the world today than it could in the 19th century when we were the Mecca for the oppressed everywhere. As a practical matter, our very freedom invites not only our friends but our enemies to put America under a microscope.

Recent tragic events in the South have produced headlines in Africa and Europe as large as in Massachusetts. There was one big difference, however. We know we are doing something about it. We know that areas of discrimination are gradually being eliminated. But the Africans do not get that side of the story. No matter how much money we put into the Voice of America, words cannot catch up with acts.

This freedom which we cherish imposes heavy burdens. Our acts must conform to our words. This is in remarkable contrast to the Soviet Union and Communist China, the No. 1 closed societies. There is no doubt that we live in a world characterized by a double standard. An open society must do what it says. A closed society can do what it pleases and say what will serve its purposes.

We must also demonstrate to the world that while freedom of all kinds is imperiled by Communist tyranny, we are not going to be duped into curtailing our freedom in the name of preserving it.

There has never been a time when the liberty of American people was not threatened from one source or another. There has not been a period in our history when someone was not saying that unless we dispense with some or all of the Bill of Rights, the country was doomed.

What we must strive for in this generation is a realization that a devotion to our liberties, especially to those set forth in our Bill of Rights, is probably the strongest and greatest influence we have in the world.

Moreover, we are in for a long contest with communism. It already has gone on for many decades, and has become acute in the last 15 years. It will stay that way for as long as anyone can see into the future.

This means that any liberty surrendered by the American people in the name of combatting communism will be surrendered for an indefinite time, and perhaps permanently. One cannot talk about giving up this or that "for the duration", as we do in time of war, because the term "duration" has no practical meaning.

OUR LIBERTIES MUST BE CHERISHED

So it seems to me we must reexamine what it is that we prize most highly about our country. It is what we prize the most that we must insist be preserved and if possible, strengthen and expand it. I think it is not far wrong to say that it is our political and personal freedoms which we prize the most highly. It is the right to speak, to assemble, to petition, to worship, and to publish what we think and feel.

These are the liberties our forebears prized so highly they put them into the Bill of Rights. They are the liberties which are under the most severe threat and attack from communism. That is why I say they are the liberties which must be the most firmly protected by those of us who cherish

them. They have been lost to others by being taken away; they must not be lost to us by our own volition, by our voluntary surrender.

I point out most respectfully that these are days when we free men and women should reexamine and rededicate ourselves to the governmental principles of democracy which guarantee our freedom.

We are too prone to take these freedoms for granted. We are too quick to accept an expediency in the administration of government, at the sacrifice of a basic civil right which our constitutional form of government was intended by our forefathers to guarantee us.

Let us look for a moment, at just a few of our governmental rights as freemen. These are not platitudes. These are not political slogans of two bygone centuries. These are not impractical constitutional ideals.

These basic principles of government spell the difference between freedom and totalitarianism; between economic freedom of choice for the individual and any form of a state economy by communism, fascism, state socialism, or cartelism, with its economic dictation through monopolistic combines.

In a very real sense, commencement time is a time for rededication to ideals. It is a time for assuming the responsibilities and opportunities of citizen statesmanship. It is only to the extent that your generation, represented by thousands upon thousands of college graduates all over America, puts into practice the ideals of our democratic form of government, that we have any hope of leaving a heritage of freedom to our great-grandchildren.

Let us look at a few of these abstract principles of government that form some of our basic guarantees of freedom and the right to govern ourselves.

First, you have been taught that we are a government of laws and not of men. This principle of democratic government is not only an ideal of self-government, it is an absolute essential to personal liberty. May I digress from my thesis for a moment to call your attention to the truism that all practicalities are, when all is said and done, just ideals put to work? You will never experience a practicality in your lifetime, except in terms of an ideal put to work. There is nothing practical about an expediency. All an expediency is, I would have you remember, is a rationalization for more or less intellectual dishonesty, or downright corruption.

An expediency is a compromise of principle, and once you compromise a principle just a little bit, you destroy it in its entirety. Therefore, I beseech you not to compromise this basic guarantee of constitutional government, that we are a government of laws and not of men.

This means, of course, that we must be on guard against proposals that seek to give arbitrary, capricious, unchecked power to mere men who hold governmental power, high or low.

Remember, this ideal of self-government is the warp and woof of constitutional government. You learned it in high school, and college, as an essential part of our system of checks and balances. Don't ever waive it, if you want to remain free.

It must be applied to all public servants of the people, if they are not to become masters of the people. It must be applied without fear or favor to Presidents, Congress, and courts. It must be applied in the carrying out of the functions of every government official, National, State, and local.

This leads me to comment on a second ideal of self-government just referred to. We say we are a government under which the people are the masters and the government is the servant. Not only is this a great ideal, but it is an absolute necessity, if we are to remain free.

Sit with me for awhile in the Senate and you will recognize how vital it is that this ideal be carried out in running our government. Men, mere men in government, sometimes forget they are servants and not masters of the people. They don't like it when they are called to an accounting for usurpations of power. They seek to scare the people into believing that the security of the country will be jeopardized if they are not permitted to make little dictators of themselves in some branch of the government, unchecked by legislative inquiry or surveillance.

Remember this, if you remember nothing else from your college courses in government. Our forefathers feared and rightly so, the exercise of secret powers of government officials. The personal government of the British Crown produced the American revolution. The history of many revolutions is the history of people fighting a government of men rather than by law, governments in which the people were the servants, the slaves, the pawns, the victims of government masters who had become drunk with unchecked personal power.

To protect us from personal power, our forefathers gave us the precious Bill of Rights. They gave us a free press which in a very real sense is the most potent weapon in the arsenal of democracy against tyrannical government. They gave us freedom of speech, freedom of assembly, trial by jury, freedom of religion, protection from unwarranted search and seizure, protection from self-incrimination, our home as our castle. They gave us the most important personal freedom of all—the right to govern ourselves—the right of the free ballot. From beginning to end, they gave every generation of American boys and girls the greatest charter and covenant of self-government yet penned by man—the Constitution of the United States.

As you commence your life of citizen statesmanship today, please remember that the rights of freedom guaranteed you by that Constitution are your greatest wealth. It is the greatest wealth you can will to your children and theirs.

As I have said, you are now commencing to take up the responsibilities of citizen statesmanship. You cannot pass the buck, so to speak, to Congress or to the President or to the Supreme Court if you are to remain free. You, as a citizen, must help them keep you free.

If we are to have a government by law and not by men, then we must support government by law and order and not countenance government by mob. The responsibilities of government by law and order apply to every citizen in every walk of life. It applies to students protesting the work of a congressional committee whose procedures they may not like. It applies to them in San Francisco or New York or anywhere in between. It happens to be a function and duty of a Congress to investigate alleged communism, fascism, racism, or any other form of democracy-destroying maneuver in the United States.

If any of the procedures of congressional investigation violate rights of personal liberty and some of them do, the answer is not mob violence against the committee, but the election of Members of Congress who will change the rules of procedures for conducting such investigations so as to accomplish both the purposes of finding the facts about subversion of all types in our country, and protecting the civil liberties of our people at the same time. It can be done and it should be done.

We do not have to worry about the effectiveness of fair procedures in finding the guilty. Shortcuts in police and investigation procedures such as wiretapping, denial of confrontation by those who make secret charges against the accused, refusal to allow cross-examination of those who make the accusation, badgering of witnesses, denial of immediate arraignment, are the procedures of a police state, not of a government by law.

However, the remedy for any such abuses, when they arise, is not mob action. It is not to be found in any attempt to deny government the right and power to conduct investigations into termite forces that would eat away the foundation of our system of self-government. It is to be found in legislative reforms called for by the people at the ballot box.

I would have you be on guard against the subversive activities of not only communistic forces, but other advocates of the law of the jungle. I would have you express your faith in government by due process of law in keeping with the inalienable rights guaranteed all men, both the guilty and the innocent, under our constitutional government by law rather than by men.

That applies to mob rule in Birmingham or Montgomery, Ala., or Mississippi or New York or Chicago or anywhere else in America.

FOREIGN POLICY FOR FUTURE

But America must do even more than preserve the best of our past.

I believe it is essential that if this Nation is to exercise an important role in the creation of a world in which man can enjoy freedom, we must recapture the revolutionary spirit which characterized our Nation in the past. This country did not become great by sitting on its status quo.

Too many Americans have been overtaken by old age before their time. They believe that education which was good enough for grandpa is good enough for grandson; that housing conditions of the 19th century should be perpetuated in the 20th; that relations between the races which hardened into a post-Civil War pattern should be maintained in the interest of domestic tranquility.

Fortunately, we have a new administration which is young at heart, albeit a trifle inexperienced. Certainly, the President in his public pronouncements has given expression to our aspirations. His statement in his inaugural address, "if a free society cannot help the many who are poor, it cannot save the few who are rich," is a call to action to every American. But a call to action is not enough. It is important to distinguish between statements and results.

PROBLEMS OF ADMINISTERING LATIN AMERICAN POLICY

Let me be specific. It is not enough to announce a vast social program for Latin America. Responsibilities must be fixed in individuals to convert words and dollars into highways, public works, and social reform.

Fortunately, after many months of delay, Mr. Robert Woodward has been appointed to the long-vacant post of Assistant Secretary of State for Latin American Affairs. But for several months, we had a variety of special aids, and task forces outside the State Department, working in this area.

The result was that cooperation with the Congress in this area of foreign policy was virtually nil. The Cuban fiasco was a monument to this scattered and divided command. The good-will tour of Ambassador Stevenson can have only the most limited results, unless there is now a systematic followup by regular diplomatic personnel. It is greatly to be hoped that the ad hoc committees will now be terminated.

Now that we have this vital office filled, Mr. Woodward's most important job is to hold the respect and confidence of the governments of the hemisphere.

This is so, in my opinion, because the threat Fidel Castro's communism poses in

the Western Hemisphere is directed far more at the republics to the south of us than it is to the United States. This country has infinitely less to fear from Castro than has Venezuela, or Colombia, or Bolivia, or half a dozen other governments.

Castro is not trying to export his revolution to the United States, or to Canada; he is trying to export it to other Latin American countries, and up to now he has had at least a degree of success.

That is what the Alliance for Progress is all about. It is intended to put American capital together with social and economic reform in Latin America, to raise living standards and remove the claim of communism that it alone holds the promise of a better life.

But it is perfectly clear that the major task is not the supplying of capital, which is our end of the job. The major task is social and economic reform, which the cooperating governments must provide.

Senator HICKENLOOPER of Iowa and I went to Bogotá, Colombia, last September when the Act of Bogotá was written, setting forth the pledges of all governments to participate in this effort. But as our report to the Senate made clear, no amount of American capital can overcome the vast gulf between rich and poor in these countries; these governments must themselves undertake extensive tax reforms, so their own wealth is put to work at home, instead of being put in Swiss and New York banks where much of it goes now.

These Latin American governments must prepare their blueprints for land reform, and then go ahead with it. They must plan for home construction, and then go ahead with it.

The American taxpayers have for over a decade now, been supporting some governments in other parts of the world through our foreign aid, when it amounts to little more than supporting a rich, aristocratic class in power. Every year the bill gets higher, as we are finding out in the Senate Foreign Relations Committee as we consider the foreign aid measure. Every year, more corruption and mismanagement comes to light. And every year, another government seems to dissolve anyway, taking our money with it. That happened in Iraq not so long ago, and now it is happening in Laos.

That is a mistake we must not start in Latin America. The Congress has put up $500 million for the alliance for progress. Now it is up to the governments of Latin America to show their good faith by using it to promote real and effective and far-reaching economic reform. They cannot get away from the fact that their people are demanding a revolution of one kind or another. The only question is whether it will be peaceful, and guided in the channels of due process and just compensation, or whether it will be Fidel Castro's kind, with confiscation and mass executions.

The alternative whereby the wealthy hang on to their oligarchic position, while the American taxpayers pay a relief bill for the masses of their poor to keep revolution away from their door, is just not available to them.

So this task of encouraging, persuading, and helping the free Governments of Latin America to achieve effective economic progress through the wise application of the money we have put up, is the most important job we have in his hemisphere.

Every member of the audience here today knows that we are dealing with an implacable enemy. The Soviet Union is, to say the least, unfriendly toward the United States. It is ready to do us in by fair means or foul. The Soviet Union is well organized and has a single mindedness of purpose which is not characteristic of a free society such as our own.

I say these things because we must never underestimate the capacity of this adversary. We can expect that the Soviet Union will do its utmost to be in the forefront of every revolutionary development of the next decade. It will capture those movements whenever possible. Its closed society will hide internal conditions from the free world. It will lie as it sees fit. It will direct the resources of the Nation toward the education of science, the development of space rockets, or the shipping of luxury goods to new nations, as its purposes are served.

The basic question of our time is whether we can so handle our foreign and domestic policies as to compete with an implacable enemy in such a way not only as to win, but to promote a way of life that will give freedom to the common man here and abroad.

You are in for troubled times, but if you will keep the faith of freedom, if you will put into practice the ideals of our system of government by law, I have no doubt about your leaving a heritage of freedom for future generations of American boys and girls.

You are needed as the only hope for millions of people around the world who must be won over to the cause of freedom in your generation. By example, we can teach and help them. By betraying our heritage, we will lose them to the cause of freedom.

Lastly, remember that in essence what I have been saying is but an appeal for putting into practice our spiritual teachings. If we truly believe that man is the creation of a Divine Being, and I do, then we should put into practice the moral teachings in respect to our being our brother's keeper.

Many overlook the fact that the constitutional principles I have been talking about sprung from the very deep religious convictions of the men who wrote the Constitution. Most of them were very devout religious men. I ask you to take up the moral as well as the temporal burden of self-government and carry on in the faith of your forefathers.

Yours will be a difficult job. But every generation of Americans has had a difficult job, and every generation has added something to the physical power and to the moral strength of America. Every age since the time of Socrates in ancient Greece has thought that its younger generation was "going to pot," so to speak, and that the future could not be entrusted to it.

I do not feel that way. I think our younger generation today is better equipped and qualified to take its place in society than any previous generation has been. Your tasks will not be easy ones, but I have no fears whatsoever about putting our future in your hands.

I salute you, congratulate you, and wish you well in all your endeavors. I have faith in your citizen statesmanship.

Interest Expressed in H.R. 10, Now Before Senate Finance Committee

EXTENSION OF REMARKS
OF
HON. OTIS G. PIKE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 27, 1961

Mr. PIKE. Mr. Speaker, a great many of my constituents have expressed an interest in the bill, usually described as the Keogh bill, by which self-employed persons who have less than four regular employees may set aside on a tax-exempt basis in each year a portion of their earned income for their own retirement.

I am delighted that the House has passed this bill, H.R. 10. This particular bill does nothing more than give to such self-employed persons as doctors, lawyers, dentists, farmers, and many small businessmen who do not choose to operate as a corporation, the same tax and retirement benefits which have heretofore been enjoyed only by the employees of corporations.

I am convinced that this bill goes a long way to remove a longstanding inequity, and I hope that the Senate will join with the House in making it a law for the benefit of those who have heretofore been at a serious tax disadvantage.

Driver of the Year

EXTENSION OF REMARKS
OF
HON. GEORGE H. MAHON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 27, 1961

Mr. MAHON. Mr. Speaker, a truck driver from the 19th Congressional District of Texas, which I have the honor to represent, who practices what he preaches, was named Driver of the Year for 1961 by the American Trucking Associations for his exceptional safety record and lifesaving feats.

He is Melvin O. "Jack" Griffith, of Big Spring, Tex., who received the award on June 16, 1961, for his record of over 2 million accident-free miles during his 28 years as a truckdriver.

Mr. Griffith was also cited for his quick thinking in aiding seriously injured victims of a two-car collision near Sterling City, Tex. Last August Mr. Griffith came upon the crash scene during a rainstorm. Foreseeing the danger of other cars colliding with the wreckage, he parked his truck where oncoming traffic could see his headlights and flashing signals. He remained at the scene and rendered aid and comfort to the victims. He was commended by the Texas Department of Public Safety for his act and was chosen "Most Representative Knight of the Road," an award given annually by the Hobbs Trailer Co. to a Texas truckdriver.

The 48-year-old tank truckdriver, an employee of the Eagle Transport Co., of Big Spring, also earned for the State of Texas the distinction of being the first State ever to have two men named National Driver of the Year in consecutive years.

The father of five children, Mr. Griffith drives a tractor-trailer oil truck between Big Spring and points within a 500-mile radius. He has frequently appeared before youth groups in churches, high schools, and civic organizations to speak on safety, good citizenship, and general compliance with laws.

An active member of the Northside Baptist Church in Big Spring, he is a member of the board of deacons of the church and teaches adult Sunday School.

As hobbies he hunts and fishes and has conducted junior baseball programs for the young people in the area.

Mr. Griffith was chosen from among a number of outstanding truckdrivers nominated by State trucking associations. Judges in this year's competition were Clarence D. Martin, Jr., Undersecretary of Commerce for Transportation; Gen. E. H. Qualls, Director of the Bureau of Motor Carriers of the Interstate Commerce Commission, and Arthur C. Butler, director of the National Highway Users Conference.

Mr. Speaker, Mr. Griffith and his lovely wife are in Washington this week, and are the recipients of many honors in the Nation's Capital. Today they have been congratulated by the Speaker of the House, eaten with friends in the House restaurant, and attended sessions of the House and Senate. I am glad that our Nation produces men and women of the caliber of Mr. and Mrs. Jack Griffith.

What Price Patriotism?

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 27, 1961

Mr. PELLY. Mr. Speaker, I direct the attention of the Members of this House to the Department of Commerce Directive No. FC61–217, under date of June 22, 1961, which in effect authorizes and grants permission to American firms to apply for and receive export licenses to sell and ship surplus Government-subsidized farm products to Soviet Russia and the Communist satellite nations of Eastern Europe.

By the implementation of this order, the executive branch of government in my judgment has added one more to a series of appeasement gestures to the Kremlin. I have in mind the lifting of the ban on the importation of Russian crabmeat, the announcement of the Executive order which permits the free flow of pro-Communist political propaganda from abroad to unsolicited sources within the United States, failure to impose the Trading With the Enemy Act against the Pennsylvania firm importing Cuban molasses and instead persuading this firm to refrain from further traffic with Cuba by offering to provide surplus corn, which in effect amounts to a $14 million bribe.

These are but a few that occur to me offhand. Consequently, and with reference to this most recent gesture, I have addressed the following letter to the Secretary of Commerce, the Honorable Luther H. Hodges.

Hon. LUTHER H. HODGES
Secretary of Commerce,
Department of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: According to Department of Commerce Order No. FC61–217, dated June 2, 1961, I understand that American firms can now apply for and receive export licenses to sell and ship surplus Government-subsidized farm products to Soviet Russia and the Communist satellite nations of Eastern Europe.

The purpose of this letter, therefore, is to request your cooperation in instructing the Bureau of Foreign Commerce in your Department to furnish my office, on a daily basis beginning with the day this order went into effect, the names of each individual American firm which makes application for an export license under this new directive.

Inasmuch as the American taxpayer is underwriting a substantial portion of the cost of these farm subsidy programs, I think you will agree that he is entitled to know the names of the American firms who place profit and greed above patriotism and love of country.

It goes without saying that by this order the administration in effect becomes an accessory before the fact. However, I know from past bitter experience that protests to the executive branch of Government on similar actions (such as the lifting of the ban on the importation of Russian crabmeat) fall on deaf ears. Consequently, I propose to seek other, more potent means of circumventing this ill-advised order.

May I, therefore, respectfully ask your prompt attention to this request?

Sincerely,

THOMAS M. PELLY,
Representative in Congress.

In conclusion, Mr. Speaker, I take this means of serving notice on any American firm so lacking in love of country and pride in our American heritage as to profit itself by means of this new ill-advised order, that I propose to focus the spotlight of public opinion on each individual firm as each is furnished to me by the Department of Commerce. I will do this by placing any such names in the CONGRESSIONAL RECORD.

How To Be a Good Opponent

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 27, 1961

Mr. HORAN. Mr. Speaker, under leave to extend my own remarks in the CONGRESSIONAL RECORD, I am pleased to include an article from the magazine Parade from the Sunday Washington Post and Times Herald.

This is a thoughtful article by Senator BARRY GOLDWATER. It outlines the decorum that he feels should be followed by those who disagree. I think it worthy of reading not only by Members of Congress but by everyone who finds himself engaged in contention on issues:

HOW TO BE A GOOD OPPONENT

(By Senator BARRY GOLDWATER)

If you are like everyone else, sooner or later you will be "agin" something. It's human to oppose—and thank heaven we in America have the freedom to express our opposition if we wish.

In many years of business and political life, I have learned a few solid facts about this vital right we possess to stand up and say: "I object."

I have discovered that you can fight for your side in such a way that you can become personally unpopular in no time at all. That way lies almost certain defeat for your cause and perhaps even social exile as well. On the other hand, you can conduct yourself as a decent, honorable human being as well as opponent—and that way lies attention for what you have to say and respect for you as a person.

You see, the Constitution guarantees you freedom of speech and thus the right to object, but nobody guarantees you against hurting yourself and your side if you go about your opposition like a bull in a china shop.

Time and again I have seen causes lost and even careers wrecked because people did not realize this simple truth. In our family store in Phoenix, a young executive lost promotion after promotion because of his smart-aleck methods of expressing his objections. The fact that his points were well taken was unfortunately obscured by the unfavorable impression his attitude created with superiors.

I would like to pass along my own secrets of opposition. I believe deeply in these rules not only because they are useful in arguments but because living by them can also help tone you up spiritually and morally. Thus you win no matter how the battle comes out.

They are practical, too. At one time or another, you are going to rise up and object to something: Maybe you will disagree with the PTA on a project, fight a neighborhood rezoning plan or oppose views expressed by neighbors and friends. You may even find yourself on the opposite side of an issue with member of your own family.

When you do, remember these significant points:

1. OPPOSE—BUT DO NOT HATE

There seems to be a universal belief that you cannot wage a good fight unless you work up a hostility. As a result, many persons develop deep antagonisms. How often have lifelong enmities started because someone began hating a person instead of the issues?

The killer instinct may be essential in the boxing ring but it has no place in the arena of argument. Here are some personal examples of what I mean.

President Kennedy and I are poles apart on many issues but if you assume we must also be deadly personal enemies as well, you're entirely wrong. The fact is that while the President and I are fully aware of the gulf between us, neither has permitted these differences to develop into personal antagonisms.

For instance, the President personally telephoned Dr. Janet Travell immediately after her appointment as White House physician, requesting her to continue taking care of me for a back condition. His thoughtfulness is a clear illustration that one can oppose strongly and still maintain good personal relations.

I have teed off many times at Secretary of Labor Arthur J. Goldberg, yet telephoned him recently to say: "Arthur, a young newsman would like an interview with you. Would you see him?" "Sure, BARRY," the Secretary replied, "send him right down."

Oppose a man's views if you wish, but respect him as an individual and a human being.

2. KEEP YOUR SENSE OF HUMOR

Fight hard for what you think is right, but find time every so often for a quip and a laugh. Some lightness now and then to balance the seriousness of argument lessens your chances of losing your head and blurting out words you may want to eat later. I freely admit there are a number of my own words I would like to take back and chew up. But a sense of humor has kept these at a minimum.

Once last year Mr. Kennedy, then the Democratic nominee, was trying hard to get

his secondary boycott bill out of committee in the Senate. The committee considering the measure met one morning but was one short of a quorum. I was a member but was standing outside the meeting room. As an opponent of the bill, and in line with accepted legislative procedure, I was absenting myself from the committee meeting to prevent the measure from being voted out.

Suddenly the then Senator Kennedy saw me. He insisted that since I was present at the committee session I could be counted to form the quorum. I quickly pointed out that I was outside, not inside, thus could not be counted. "You're here, aren't you?" Mr. Kennedy asked. "Yes," I said, "but not there."

The discussion got faster and funnier, with remarks flying about the "visible invisible man" and "the little man who wasn't there but here." Soon the entire committee was rocking with laughter. It could have become a bitter battle but didn't because both participants kept their sense of humor. (By the way, I wasn't counted after all.)

3. ALWAYS OPPOSE POSITIVELY

It's never enough just to be "agin" something—be for something at the same time. In other words, always be ready with an alternative or a solution as well as with criticism. If you don't like the new school site, present another and give reasons why yours is better.

This is constructive opposition. It is not only helpful but destroys your opponent's ability to say: "You're nothing but an obstructionist."

Remember that you oppose negatively if you are merely intent on tearing down the other fellow or side. This preoccupation with negative opposition can also lead you into the disastrous trap of mudslinging, which never produces good results in the long run and can only serve to sully the slinger as much as the receiver. It's impossible to hurl a fistful of mud and still remain spotless yourself.

Point out the weaknesses in your opponent's points, rip them apart one by one—but never stop there. Tearing something down only leaves a gaping hole. Build something at the site.

4. LEARN ALL THE TRICKS

Many people are convinced that debating tricks will give them the upper hand in an argument. I am often asked for "inside stunts" to whittle an opponent down. I always answer: "Know the tricks so that you can defend yourself but never use them yourself because they almost always boomerang."

A favorite trick of some politicians is the false comparison. For example, a candidate for Governor in a Midwestern State once told a campaign rally: "How can my opponent hope to solve our farm problem when his own farm has been losing money for 10 years?" On the surface the argument was impressive but the comparison was unfair—mainly because his opponent owned a small vacation farm that he wasn't trying to make pay at all. Watch for these tricks.

Another stunt is a variation of "Have you stopped beating your wife?" A civic leader out West announced stiff opposition to the location of a new hospital in his community. At once his opponent issued the charge that he was against more medical care for the town. He wasn't at all. He was merely insisting that the hospital be built someplace else in the same community.

5. APPLAUD OPPONENTS, IF RIGHT

A fair-minded person hears out the opposition, weighs arguments justly and expresses approval if he agrees. Then, when he does rise to object, his opponents will know he isn't just popping off to hear his own voice but is genuinely convinced of the soundness of his stand.

These, then, are the fundamental rules of opposition I myself follow. They are simple but all-important rules of honest living. Whether you win or lose in an argument depends on the essential rightness of your point of view. But win or lose, these principles will help you become a respected opponent and a human being of conviction and dignity.

Commission of Money and Credit

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 27, 1961

Mr. DADDARIO. Mr. Speaker, I have been examining in some detail the recent recommendations of the Commission on Money and Credit established by the Committee on Economic Development.

Without question, this is one of the most significant public services ever performed by a private organization. For more than 50 years, our fiscal and credit systems have been growing and changing. The CED assumed the responsibility of making a study to be culminated by a report which would contain recommendations on what changes, if any, should be made to improve the structure, operation, regulation, and control of our monetary and credit system. The aim was to supply a guide for policy that would be useful for the next decade and hopefully for longer.

I call your attention to an editorial which appeared in the Hartford Times on June 20, which comments on the accomplishments of the Commission.

In my last television report to my constituents in Connecticut, I also spoke of the work that this Commission has done for the country by preparing its report and I submit this statement to you as well for your interest:

[From the Hartford Times, June 20, 1961]

DON'T LOSE THIS REPORT

The first accounts of recommendations by the Commission on Money and Credit, which under the chairmanship of Hartford's Frazar B. Wilde reported to President Kennedy this week, should set off some lively debate around the country.

For example, the Commission urged Congress to enact programs particularly important to growth on a 5-year basis. This is what the President wants of Congress in his multibillion-dollar foreign-aid program. But the idea runs afoul of Congress' most fiercely coveted privilege—strict annual control of the purse strings.

It has been argued for years that were a business a fraction the size of the Federal Government to be fiscally managed as is this gigantic public corporation, it could not long survive. In its conception, planning and financing of public works, Government proceeds in the hard and most costly way—year by year. And the budgeting and bookkeeping principles involved reflect no distinctions between unrecoverable spending and reimbursable investments.

The Commission report resulted from 3 years of study by some shrewdly practical men. In the composite they could hardly be described as doctrinaire. And the first news of their findings reveal such bold recommendations as giving the President power to slide not more than a fourth of the 20 percent first-bracket income tax rate up or down as a device to combate fluctuations in the economy.

We hope the Commission's report receives the serious attention in Congress that it deserves and is not merely lost in the files of the Library of Congress by men who believe they already have all the answers.

REMARKS BY CONGRESSMAN EMILIO Q. DADDARIO, OF CONNECTICUT, ON WTIC-TV, JUNE 25, 1961

Congress is not far away from a date which is a significant one in the legislative process, but which is not so widely marked at home. It is the end of the fiscal year in which the Government operates—June 30. Most of the appropriations bills for the next fiscal year—establishing how much the agencies and departments may spend—have already been passed by the House or are under active consideration. The Senate has not kept up with this pace, and it may be necessary to pass a resolution permitting those agencies which have not had appropriations voted to continue into the new fiscal year until a decision is reached.

These problems always bring money to the forefront of Washington discussions at this time of year. The extension of certain tax rates to produce the necessary revenues—the provision of a slightly higher ceiling on the national debt—the occasion soon to total up spending and revenues in the last fiscal year and determine just where we stand—all of these things focus attention on our governmental finances.

Basically, the problem is one of making sure that we have mobilized all our resources and use them wisely. This is the issue with which Congress is faced each year. As a former municipal administrator, I know how even the smallest departments tend to grow unless they are carefully watched. And as a taxpayer, I am deeply conscious of the impact that unnecessary spending has on everyone's life. It is one of the most serious obligations of any Congressman to review policies and programs carefully to make sure that they are necessary to a better and well-ordered Government.

Do we have the instruments, both public and private, to insure such care? In this past week in Washington, one of the most vigorous and thorough reports on this question filed in years has been the subject of discussion. It is the report of the Commission on Money and Credit of the Committee for Economic Development, a widely respected organization of businessmen. Chairman of this special group was a Hartford man, Frazar B. Wilde of the Connecticut General Life Insurance Co. In the coming years, this report will stand as a useful guide to future discussion.

This report is the first thorough and comprehensive study in 50 years—half a century—of the policies and practices of public and private financial institutions in the United States. The last such examination of the Nation's monetary and credit system was made by the Aldrich Commission in 1908. Their recommendations led to congressional action setting up the Federal Reserve System in 1913—one of the keystones of the American economy.

Since that first Aldrich study, there have been two world wars, a major depression, and astounding national economic growth. In 1946, the Congress set out a basic Government policy that high and stable levels of production and employment must be fostered and nurtured. It was obvious to all in the 1950's that these developments had a profound impact on our banking and financial institutions, but a detailed study was needed. It was characteristic of the deep sense of responsibility of the Committee for

Economic Development and such members as Mr. Wilde that the C.E.D. assumed the task.

Among the points which are brought out by the report are that almost 10 percent of the assets held by financial institutions in the country today are held by three types that weren't even in existence in 1913 when banking regulations were established, private pension funds, investment companies, and credit companies.

But such instruments—and the regulations that are adopted by Congress to make them effective—must be judged by whether they help to reach the national goals we have set for ourselves. The report of the Frazar Wilde Commission lists our economic national goals basically as improving our standards of living through low levels of unemployment, high levels of production and productivity, an adequate rate of economic growth, and reasonable price stability. These are goals which, in turn, should contribute to achieving other national goals such as enhancing the freedom and dignity of our citizens and insuring the survival of our country and its system of government.

The Nation owes a debt of gratitude to the men and women—both the principals and the staff—who labored for more than 2 years to compile and complete this report. Many of them brought to it as well a heritage of years of business or academic experience through which they could temper their conclusions. It is not always widely recognized how much Congress welcomes such informed opinion as a guide to further effort. We are the beneficiaries here of much advice, ranging from the letters from home, with serious and thoughtful opinions, to the testimony of large and small organizations with representatives in Washington.

A major part of the congressional responsibility is sifting this advice and counsel, measuring it against the practical realities of the situation, and trying to mold it into better laws for our country. The report of the Commission on Money and Credit should be a major contribution to national thinking on economic affairs.

Censorship in the Cold War

EXTENSION OF REMARKS

OF

HON. ROBERT S. KERR

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 27, 1961

Mr. KERR. Mr. President, my distinguished fellow Oklahoman, Senator MIKE MONRONEY, recently was invited to make the principal address at the annual dinner of the Washington professional chapter of Sigma Delta Chi, national journalistic society. The Senator, a former newspaperman, has long demonstrated that he understands the role of the free press in our system of government. His remarks before the assembled newsmen and newswomen of this city, though critical of some of their practices, won their enthusiastic applause.

The documentary evidence of Senator MONRONEY's constructive rapport with the fourth estate, it would seem to me, is worthy of our study. To that end, Mr. President, I ask unanimous consent that Senator MONRONEY's remarks heretofore described be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR A. S. MIKE MONRONEY, OF OKLAHOMA, DELIVERED AT SIGMA DELTA CHI DINNER, NATIONAL PRESS CLUB, WASHINGTON, D.C., JUNE 7, 1961

It has been suggested that I speak on "Censorship in the Cold War." This was kicked off by President Kennedy in his speech to the bureau of advertising of the American Newspaper Publishers Association on April 27.

While the President was expressing his concern that vital information not reach our potential enemies, a rereading of the speech shows how expressly he opposed any type of censorship. He spoke only of the problem and offered no solution. In fact he said: "Perhaps there is no answer to the dilemma faced by a free and open society in a cold and secret war." His only plea was for self-restraint and a sense of sacrifice in publication of news that might be helpful to our enemies.

I know the leaders of the newspaper profession have thoughtfully and prayerfully considered his appeal. Like the President, they find it difficult if not impossible to come up with a workable solution.

I agree with them that once the news is in the public domain, it is like trying to sweep back the sea to manage or control it by voluntary censorship. I likewise think it would be grossly unwise.

For a free press is also an independent press. Editors, managing editors, correspondents and reporters on the same paper can, and often do, disagree on the value of news and its display. Certainly what constitutes a breach of security would be debatable among those on the same papers, and even more debatable among the thousands of publications with which this Nation is blessed.

And even if all newspapermen agreed, as they are unlikely to do, someone in Congress, or some general in some hearing would then bring out the very fact that might have been withheld from publication.

We must never believe that we can achieve results that would compensate our society for the loss from any form of censorship. As the President has said: "I am not suggesting any new forms of censorship or new types of security classifications. I have no easy answer to the dilemma that I have posed, and would not seek to impose it if I had one."

To impose restraint at the point of publication is like trying to dam the Mississippi at the mouth instead of at its source. There can be no halfway point of censorship. In fact, you could boast that 99.44 percent of the news was uncensored, but if 0.56 percent was withheld, this fact would still undermine the credibility of the whole. The slightest withholding of information would cause public doubt, and folks would begin to wonder how much and in what manner their information, now considered accurate and complete, had been denatured, deleted or mixed with propaganda additives.

Many of you realize the good job done by Byron Price, Ted Koop, and Johnny Sorrells during World War II. But censorship or a reasonable facsimile thereof in a cold war is another matter—as far apart from a shooting war as the two poles.

The immediate and universal danger to the Nation and to some member of almost every family imposes a self-discipline and compliance that is totally lacking short of war. Does any of you believe that with the present inflationary danger in the cold war that price and wage controls would be permitted? Yet suspending economic incentives is a far less sweeping measure than suspending the right to know of the people in a democracy. The latter could destroy our greatest source of strength.

Inherent in our democracy is the fact that we trust our people to know and to understand both the good and bad. Recognizing this as a historic fact, we act with a strong will that is based on knowledge and trust that our information about our strengths and weaknesses is straight and undoctored—unadulterated by the slightest degree of censorship or control of the press.

Whatever gains might be made in denying bits of information to our potential enemies through the press would be small indeed compared to the loss to ourselves.

I am certain that no one in this administration has in mind this type of censorship—but baby tigers have a habit of growing from kittens into maneaters.

And the fact remains that in many areas of government today the senseless carryover of World War II classifications still makes honest reporters question their right to use information that has been in the public domain for the past 15 years.

Disclosure of information that might damage our security can be handled far better and easier through proper training and discipline within the military services and the exercise of sound judgment against publication of genuine military secrets. Some of the worst examples of security leaks come from the services themselves, through misunderstanding and carelessness—sometimes to prove their superiority over their rivals in the race for national prestige, sometimes to boost appropriations for certain projects or from a desire for exclusive control over certain types of weapons or weapons systems.

I don't think the press will quarrel with a genuine classification of real secrets or the temporary withholding of news of breakthroughs in weapons systems. But they do object to the leaks of information to the scientific and trade publications—or from the advertising of manufacturers, boasting of new developments or new weapons in order to get public credit for their innovations.

Within a well disciplined Department of Defense, adequate power to classify and to keep secret these items now exists. But leaking from the inside cannot and should not be corrected by censorship on the outside.

Technically trained officers, working under proper supervision, should and can prevent many of the disclosures that concern us all—newspapermen and Government officials alike. True technical secrets and war plans have always been subject to classification without objection. But they should be restricted for all—and not leaked to the few.

Nontechnical fields of political activity and policy, our relations with other nations—these are in the public domain and should remain there. In the event of some immediate crisis, information should be given to editors and wire-service managers with adequate warning as to the possible consequences of premature publication. I feel that in this field most newspapermen agree that publication then should be at the discretion of the publisher.

I have been suspicious of programs of some organizations which insist that we must adopt Communist methods to combat communism. Stifling of freedom of the press would not only weaken us at home, but would deal the most serious possible blow to American prestige abroad. For this is the first test applied when we consider whether a government has yielded to dictatorial control.

What we need in today's grim struggle is more news—not less news. We need more of the kind that will guide the public into a full knowledge of the depth of the conflict, the reasons and points of disagreement, and an intelligent and deep discussion of our courses of action as a free people. This

applies particularly to this revolutionary age in which we live. It is revolutionary politically, morally, scientifically, and militarily.

The issues of the old days in government were simple and easy to understand. Hence they could be explained in small headlines and with a few paragraphs. Today the complex issues involving thermonuclear weapons, outerspace exploration and regulation, scientific education, and world and national finance, require more searching reporting and editorial discussion.

In my earliest days on an Oklahoma City newspaper, the late and great Deak Parker, then editor, and for many years editor-in-chief of the Scripps-Howard newspapers, used to tell me: "Remember, Mike, that a dogfight on Main Street is bigger news than a new war in the Balkans."

But this was 1920. Deak Parker changed as all publishers have changed. Laos or Iran is no longer downplayed to a city hall story. Yet the details of Laos and Iran are confusing to the public who hear talk of threatened military involvement in faraway corners of the world without knowing the background or how it got that way.

The Russians now demand a right of veto, not only in the United Nations, but over atomic inspection, truce supervision, etc. The implications of this new policy are not understood by most of my constituents. Yet the impossibility of open and unfrozen negotiations on this little-understood Soviet position may overshadow the cold war for several years to come.

The peaceful uses of outer space are many—such as the communication satellites. Yet failure to negotiate international agreements as to their use could postpone this vital step forward. Even these latest steps forward of scientists can be jammed by one noncooperating member.

You can fill in 100 of the prickly problems that require a broad base of public decision, including international banking relations, the outflow of gold, the problem of developing nations, all marked with a crying need for a broad-based public understanding.

I feel that the precious freedom of the press, which we enjoy, also implies a responsibility to print the dull but informative news stories essential for the enlightened functioning of a democracy.

It's easy to hit a page 1 headline in an extemporaneous debate on the Senate floor accusing the minority leader of "loquacious verbosity." But the real subject of Senator GORE's talk was never mentioned, which was a discussion of the wisdom of the Kennedy-Khrushchev meeting. Other matters, including TV scandals or boxing frameups, can command better space than a discussion of foreign trade.

I do not doubt that public interest is higher in these fields than in the reporting in depth that I am suggesting. But it comes in poor form, then, for the newspaper critics to decry the "good guys—bad guys" two-gun westerns as banal and then deal so casually with the solid news and consign it to the want ad pages.

Perhaps one of the reasons for this situation is the strange inversion that is occurring in the field of publications. It was noted some time ago by Louie Seizer, bishop of the Ohio Scripps-Howard papers, who said that the newspapers are attempting to become magazines and the magazines newspapers.

There is some truth to this switch, as more and more magazines center on reporting in depth while the newspaper features seek to preempt the magazine field. When I strip the magazine type inserts and special sections from most Sunday papers, I have a rather thin diet of solid news.

Maybe there is an answer to it. It has always seemed to me that there are special sections of special interest available for almost all types of newspaper readers. We have in most papers full sections of comics, for the fathers, but very little news about space for their children.

We have entire sections devoted to recipes, styles, home decoration, and social news, but no serious discussion of the reasons for juvenile delinquency. The speculators in the markets can command double spreads in most papers on the latest market prices, but the coming trade war between the Communist bloc and the free world goes almost unnoticed.

Sports can, and should, command their own special section, but there should be some space reserved also for a simplified discussion of atoms for peace or for desalinization.

Maybe what we need is some regular space reserved for the dull but essential facts of the world as it undergoes revolutionary change. I don't care what you call it—an "egghead page" or what you will. Daily papers of general circulation should supply well-written and understandable copy on the facts of life in the world of today.

I'm not asking for page 1 or even the inside section page—but I do believe that in its relationship to the problems we face today, more space and more reporting in depth will arm our people with the understanding necessary for charting democracy's future course.

The Democratic Party and the Aged

EXTENSION OF REMARKS
OF

HON. PAT McNAMARA

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Tuesday, June 27, 1961

Mr. MCNAMARA. Mr. President, for the past 14 years, the University of Michigan has sponsored an annual conference on aging, an event that has taken on national prominence over the years, under the productive leadership of Dr. Wilma Donahue, of the university's division of gerontology.

This year the theme of the conference was the "Politics of Aging," and one of the major speeches delivered was by Senator HARRISON WILLIAMS, JR., of New Jersey—a member of the Special Committee on Aging.

Because I believe his remarks on the position of the Democratic Party regarding our aging population deserve wide circulation, I ask permission to print them in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE DEMOCRATIC PARTY AND THE AGED

(Speech by Senator HARRISON A. WILLIAMS, JR., of New Jersey, before 14th Annual Conference on Aging, the University of Michigan, Ann Arbor, Mich., June 20, 1961)

I have been asked, in a brief 20 to 25 minutes, to present to you the philosophy of the Democratic Party concerning the older population of our country.

This conference, I believe, provides the perfect setting in which to lay before the American people a summary of what I see as the Democratic Party's philosophy on this topic. In doing this, I will refer to specific issues and proposals only as a means of illustrating the special features of this philosophy.

My first observation is that for several decades—in particular, since urbanism and industrialism really and truly became the dominant pattern of American society—the Democratic Party, in sharp contrast to its rival party, has consciously and almost systematically reflected, absorbed, and faced up to the issues of the urban-industrial world—to the problems created or intensified by the subtle and the not so subtle changes in our various technologies—industrial, agricultural, medical, and even our social technology.

The strength of the Democratic Party—and to be perfectly candid, the basis of its internal tensions as well—lies in its function as a barometer of the timeliness of the issues of our society in a given period of history.

More pointedly, to quote from Samuel Lubell's "Future of American Politics": "Since 1932, it has been within the Democratic Party that the issues of our times have been fought out, for better or worse. Civil rights, how to balance the interests of the newly emergent labor power against those of the rest of society, the yearning for security against another depression, the hunger for social status of the climbing urban masses—these have been do-or-die problems for the elements in the Democratic coalition. They have not been the issues which agitate most strongly the Republican voting elements. This lack of timeliness * * * has been the basic reason for the 'negative' Republican attitude to so many major problems. There has been one instinctive Republican program, in whose favor all doubts have been resolved, to turn the clock back to an earlier era."

Lubell's point is that throughout American history one of the major political parties in each important stage of our development has served to draw together, in some fashion or other, a variety of social elements whose problems and social and economic position reflect the basic characteristics of American society in that stage of development. He goes on to discuss the fascinating question, Can the Republicans come to grips with the problems of our times? or will it continue to ignore these problems—thus strengthening the vigor and unity of the Democratic majority?

The relationship of this general idea to the subject of your conference in Ann Arbor should be obvious.

I need not tell this particular audience that we are witnessing the emergence of the problems of a fast-growing population of older Americans as a national phenomenon. Nor do I need to elaborate on why this is so.

But because of the Democratic Party's very nature—its constant assimilation of emerging social elements seeking greater status or assurances of security, and its sensitivity to the problems of such groups—it cannot help being the major instrument or spokesman, or arena, for thrashing out the dilemmas, the plight, and the challenges and opportunities confronting our senior citizens.

Small wonder, then, that the Democratic Party had a vigorous and active national organization of Senior Citizens for Kennedy, headed by a man who has become a symbol for the goals and aspirations for millions of older Americans, Aime Forand.

In a way, it's too bad that we don't have elections every year, because the effect upon the thousands of older citizens who participated in the recent presidential campaign was precisely the kind of antidote against the feeling of not being useful, of feeling unwanted and neglected by the rest of society which seems to be obsessed with youth and with status derived only from the pursuit of a gainful occupation in the production side of our lives.

Americans, young and old alike, seek and deserve not only recognition, security, and dignity from the society at large. They also aspire, as part of our emphasis on the democratic process, toward active participation in the organizations that make decisions affecting their welfare.

The Democratic Party, therefore, has not been content merely with writing platform statements and legislative proposals about specific problems of the aged. It has actively encouraged the participation of older individuals and of senior citizen groups in the formal structure of the party.

No organization can assure itself of the loyalty of its actual and potential members without also making it possible for such members to participate actively in the program of that organization.

The statements in the 1960 platform of the Democratic Party regarding the problems of the aged are partly the product of such participation and consultation. Let me read only one paragraph from the platform: "The Democratic administration will end the neglect of our older citizens. They deserve lives of usefulness, dignity, independence, and participation. We shall assure them not only health care but employment for those who want work, decent housing, and recreation."

The specific recommendations of the Senate Subcommittee on Problems of the Aged and Aging—under the chairmanship of Senator PAT MCNAMARA of this State of Michigan—the specific bills introduced (some of which have already been passed)—such as the senior citizens service training program; a U.S. Office of Aging; the recent improvements in social security benefits and eligibility; the provisions for housing for the elderly in the recently passed omnibus bill; as well as the more widely publicized proposal for financing adequate health care through the social security system—all of these (and more) are concrete actions taken to make real the promise of the Democratic Party in our 1960 platform.

Equally important is the Hill-Harris bill for the improvement of community health services to the chronically ill, or aged persons.

In describing the distinguishing characteristics of the philosophy of my party, it is not necessary for me to hark back all the way to the stand it took by initiating the Social Security Act in 1935 and to the rigid opposition to that act on the part of the Republicans.

The list of "I-wish-I-never-said that" quotations from the Republican Party on the early fight for the establishment of our social security, and since then, is quite long. Let me cite only two brief quotes: "Never in the history of the world has any measure been brought in here so insiduously as to prevent business recovery, to enslave workers, and to prevent any possibility of the employers providing work for the people." (JOHN TABER, Apr. 19, 1935.) (Ninety percent of the Republicans voted against the Social Security Act.)

"The old-age and survivors insurance is grossly unsound and ineffective. Our social security program is totally unmoral." (From Republican minority report on social security bill, 1949.)

But more recently, the inability or unwillingness of the Republican leadership to recognize the continuing and the newly emergent problems of an aged population has been demonstrated time after time.

Let me illustrate this by referring, for example, to a rather revealing statement in the report by the minority on the Subcommittee on Problems of the Aged and Aging, in 1960: "The majority's report would continue the practice which the 86th Congress had adopted of segregating our citizens into special categories, ranging from (listen to this) juvenile delinquents and the unemployed to the aged. This is destructive of the unity of American society. The problems of older Americans are basically no different from those of other citizens." (Aged & Aging in the United States p. 174.)

I doubt that any extended commentary is needed on this rather bizarre point of view. But are they really serious in saying that if we call attention to, and introduce action on, such phenomena as juvenile delinquency, we are segregating the juvenile delinquents? Does anyone here deny that there is a problem of juvenile delinquency? Are the Republicans really serious in saying that if we publish facts, and start action on unemployment, we are segregating the unemployed workers? Does anyone here deny that 7 out of 100 people in the labor force today are without jobs?

The Republican minority's wholesale rejection of every single recommendation by the majority on the McNamara subcommittee (which included John F. Kennedy) is perfectly logical in the light of such an ostrich viewpoint. How could the Republicans approve of those recommendations when their leadership refuses to recognize the very existence of an aged population and its problems?

From the viewpoint of the Democratic Party, the very purpose of concentrating on the juvenile delinquent, the unemployed, and the aged, is to create those material and social conditions that will bring them back into the mainstream of normal American society, to integrate them, not to segregate them.

This brings me to another significant facet of the Democratic Party's philosophy. It seems to me that if we as a nation tolerate a policy and pattern of neglect and rejection of our senior citizens—a trend which truly results in segregation—by pretending they are not problems, by pretending that the society of the 1960's is no different from the one of the 1860's, and that any solutions are to be found in the society of 100 years ago, we will find that demagogs and political opportunists will jump into the vacuum—ready with single-minded, unscrupulous appeals to millions of our senior citizens. Our fellow Americans now in their sixties, seventies and eighties might, because of our turning our backs on them, have no recourse except to join up with such demagogs in the false hope that their plight will thereby be alleviated.

But no demagog, no self-styled leader of forgotten men and women, can be successful if the rest of society takes effective action to prevent the aggravation of the social and economic conditions in which large numbers of the aged find themselves.

Let me make this clear: We have no right to condemn either the self-seeking demagog or those older Americans who succumb to his appeals. The success of any demagogic movement is a measure of our own failures to recognize and to cope with the conditions that make that success possible.

Our growing population of senior citizens are seeking, more than ever before, from existing organizations in their community, their States, and on the national level, a sign of recognition and sincere appreciation of their problems. If they find no such sign, their natural adjustment to such neglect can and will take the form of a variety of reactions, from lethargy and senility; cynicism and pessimism; withdrawal and isolation; even psychosis and suicide.

I need not document such a statement before a professional audience like yours. You all know that the aged have a disproportionate rate of admissions into our mental hospitals, and that they have the highest rate of suicides.

And some of you might be aware of these cases where, in local elections, say on school bond issues, the aged express their collective resentment toward feeling left out of things by voting against such proposals.

"Status anxiety," to use the jargon of the political sociologists, can be a very real thing, and if we permit the problems of the aged to go unresolved, or if we indulge in hypocritical token gestures at solving them, we will certainly leave open a wide door for the ruthless manipulators of such anxieties among the aged, to feed upon their dissatisfactions in order to promote their own personal interests.

One does not need to be a trained social scientist to imagine some of the long-run implications of the quiet population revolution taking place in America. Consider this, for example: "About one out of every three Americans who are now aged 25 or over will be living in the year 2000. In other words, there will be, only 40 years from now, at least 30 million people over the age of 65. Sixty percent of them will be women.

"What do the 36 million men and women now between the ages of 25 and 40, for example, expect when they (or most of them) reach the age of 65 or over in the year 2000? In what conditions do they want to be living 25 or more years from now?" (From Senate Subcommittee Report, "Aged and Aging in the United States," p. 18.)

I doubt very much that they will tolerate the same social and economic status in which so many older Americans live today. Their expectations out of life and from society will be even higher than those of the present generation of senior citizens.

I have quoted from the 1960 report of the Subcommittee on Problems of the Aged and Aging in order to provide you with one more indication of the perspective assumed by the majority party of Congress.

And also to point out that in our work in the Senate we have consciously chosen to seek out the advice and knowledge of experts in the field of gerontology—of men and women who have devoted their scientific lives to gathering and digesting reliable knowledge concerning this newly emerging segment of our total population—just as, a generation ago, we created policies and programs in the area of child care on the basis of research and tested ideas derived by child behavior experts.

Many of you attending this conference have been among the contributors to the philosophy of the Democratic Party on aging—knowingly and unknowingly. I stress this point about consultation with experts—and hiring them on our staff—because I think it is essential to show that, in writing our platform, in working out legislative recommendations, we have not resorted to mere personal biases and unfounded stereotypes about the 17 million aged Americans, and about the implications of the population trends taking place in modern America.

Finally, I cannot end my remarks without touching upon the current isue of financing medical care in our old age. I stress "our" old age, because too often the discussions about the aged are carried on under the assumption that we are talking about somebody else, that we ourselves will never someday become eligible for membership in the club of senior citizens.

You already know the contrasts between the positions of the leadership of the Democratic Party and of the leadership of the Republican Party, as to whether or not there is a special health problem among the aged, and if so, how to finance their medical care.

Even when the Republicans do accept the facts about the health status of the aged, their antiquated philosophy still prevents them from coming to the same conclusion that the Democrats have arrived at.

That conclusion, of course, is that the most rational, the most effective method of financing basic health care in the retirement years, is through the use of the social security system.

Regrettably, each time we Democrats suggest improvements and innovations in this system, we have to start all over again and clear up the distortions and undermining attacks upon the principle of the system.

That principle, or philosophy, has to do with the idea of self-reliance and the prevention of dependency. When our Nation

was predominantly an agricultural society, it was believed that self-reliance was of major concern to the individual alone. In that period of our social history, the Government and the community acted only in those rare cases of individual trouble—and then only with much reluctance. We did not then have the concept of Government playing a positive role in preventing dependency and in maintaining self-reliance.

Instead, the Government acted only in a last-ditch form of paternalism. Thus, self-reliance versus paternalism were thought to be the only alternatives. And anyway, the numbers of people involved were relatively few, and to a great extent, these two alternatives seemed to work.

But with the fantastic changes in the numbers of retired—and hence, potentially dependent—aged in our world of today, those two approaches have proven to be inadequate—and unacceptable to more and more Americans. It is my conviction that when a man or woman in America today knows that better arrangements are possible, he or she will reject charity from the State or the community.

There is a better arrangement. And it was embodied in the original Social Security Act of 1935.

Unfortunately, it seems to be sadly misunderstood by many individuals and pressure groups today—and that is the concept of a "cooperative contract" to use the words of Douglas Brown, of Princeton University. In our kind of industrial society of today, Dean Brown states, the Government—

"In order to assure a self-reliant and responsible citizenry necessary for democratic government, agreed to enter upon a mutually advantageous contract with each productive citizen. In effect, a contract of cooperation replaced an age-old paternalistic obligation, at least for a large segment of our people." ("The Role of Social Insurance in the United States," Industrial and Labor Relations Review, October 1960, p. 107.)

In replacing the age-old obligation of paternalism we have, in a sense, deprived the state and also an aristocracy of the pleasure of indulging in a noblesse oblige. Just as the New Deal measures, you might say, deprived our citizens of the freedom to starve.

Furthermore, in making social security a substitute for state paternalism, the Democratic Party took a stand and still does, against the means test.

The means test is, or should be made, an anachronism in modern industrial America for those persons subjected to the hazards of old age, such as loss of income upon retirement and illness.

Besides, it is a less rational approach toward meeting these risks and hazards. The means-test philosophy also raises this question: Should a lifetime of work, effort, conscientious planning, and savings be penalized in old age by the punishment of noneligibility for medical care programs, for example?

The inadequacy of the means test can be seen in the meager program accepted by less than one-half of our States to implement the program of medical assistance for the aged, popularly known as the Kerr-Mills program.

To me, one of the tragic features of this program has been that it was widely advertised by the American Medical Association, which seems to be an outpost of the Republican Party, as the perfect solution to the problem, that is, if there really is a problem. But the truth is that very few people, in no more than 25 of our 50 States, will be truly protected by the end of this year. The Special Committee on Aging has just released a staff report, based on replies from all the 50 States, and the facts point to the continued justification of the need to extend basic health care protection to all the aged, without any restricting and humiliating means-test investigation.

Finally, it appears that the majority of the American people, young and old, agree with the position of the Democratic Party in this controversy. A little more than 1 week ago, the Gallup poll reported that 67 percent of America's voters favor an increase in the social security tax in order to pay for old-age medical insurance. Only 26 percent opposed such an increase. Even among those aged 21 to 29 years, the percentage favoring the proposal is 63 percent.

I'm not really surprised at such results. But I must confess that I was pleasantly surprised to note the following, from the report of the Gallup poll: "Few who oppose the measure seem to be taking into account the AMA's position—spelled out in a nationwide campaign through newspaper ads, posters, and radio commercials—that the move is a step in the direction of socialized medicine."

It should be obvious from this finding that the American people have had enough of scare words and more than enough of any frantic effort to fool them into believing that the problem of medical care costs in old age is not real, or, if it is real, that private insurance, together with charity medicine, can alone provide the basic solution to an ever-increasing problem of physical and human dignity that accompanies the emergence of a sizable population of older citizens.

I represent a political party that is acutely aware of the interrelationships between our progress, or lack of progress, on the domestic scene and the image of America in the eyes of the world, a vital factor in our progress, or lack of progress, on the international scene. We cannot call upon other nations to initiate certain reforms in their domestic policies, if we ourselves do not seek to set an example for them to follow.

Our country will be judged around the world not merely in terms of the size of our gross national product, nor the amount of chrome on our autos, but instead, in terms of how or whether we, the richest nation on earth, use our resources and organizational know-how, for example, toward making real the goals of human respect, security, freedom, and dignity for a major segment of our fellow citizens—our senior citizens.

Blueprint for Socialized Education

EXTENSION OF REMARKS

OF

HON. DON L. SHORT

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 27, 1961

Mr. SHORT. Mr. Speaker, recently a report prepared at the request of the Department of Health, Education, and Welfare's Office of Education came to my attention. I secured a copy of the report, which incidentally is not easy, and was so amazed at the obvious intent to bring control of our educational system under Federal control that I prepared a speech which I intend to deliver in my district in North Dakota.

I believe all Members of the House who have not had an opportunity to read this report will be enlightened by the brief analysis in my prepared remarks.

Under unanimous consent, I include in the CONGRESSIONAL RECORD my own remarks:

BLUEPRINT FOR SOCIALIZED EDUCATION

(By DON L. SHORT, Member of Congress, June 1961)

The controversial, to say the least, Federal-aid-to-education bills may soon come before the House of Representatives for action. Whether they come one by one, or in a package deal of three, or two, seems to be of great concern to those supporting this legislation. However, to those of us who oppose Federal aid to education for public, elementary, and secondary schools, this does not matter. One thing which does matter is the fact that we evidently are going to be forced to forgo an affirmative vote on the very necessary and justifiable legislation which would continue the aid to federally impacted areas. Few of us are without military or Federal installations in our congressional districts, and since these installations provide no property tax revenue to support schools, something must be done. It may be considered by the administration to be a clever political coup to link impacted areas assistance with the completely new concept of Federal aid and control of our educational system—but to those who like to deal in fair and objective fashion with legislative measures, this appears to be nothing more than legislative blackmail. We object, and strenuously, and I am sure that sooner or later this administration is going to receive its just dues from this policy of incorporating bad legislation with good in the same package. The American public is not all brainwashed, they are not all stupid either, and they will resent this dishonest legislative maneuvering when they recognize it for what it is.

Now that I have lodged my protest, I want to go on into another matter. There has recently come into my hands a confidential print prepared by the Committee on the Mission and Organization of the Office of Education (headed by Dr. Homar D. Babbidge, Jr.) for the Department of Health, Education, and Welfare's Office of Education. This print is dated April 1961, and I mention the date only to establish the fact that this is not an old pamphlet, but one of current importance.

The title of the report is "A Federal Education Agency for the Future," but I would like to rechristen it "A Blueprint for Socialized Education."

This blueprint of future plans for the U.S. Office of Education is a clear and undeniable indication of what they expect the role of the Federal Government to be in the education field. To prove my point, let me quote from the opening remarks of the report: "The basic mission of the Office, to 'promote the cause of education,' remains unchanged since its establishment in 1867. What has changed is the American public's conception of the role of its Federal Government in education."

Perhaps the educator's concept has changed, but I do not feel the American public's has, because if my mail is any criterion, a majority of the American people have a mortal fear of Federal aid to education.

Now let me quote what the Office of Education foresees: "New responsibilities have fallen to the Office of Education during the past decade, supplementing but not replacing those that emerge from its more historic role. These new responsibilities reflect nothing more or less than a change in public conviction as to the role of the Federal Government in the area of education. The reasons for this are perhaps better analyzed by economists and political scientists; this committee acknowledges it as a fact. The

committee foresees an extension of the active Federal role in education."

I wish the committee had felt free to analyze the reasons. I am sure they know that increased Federal intervention in our affairs has caused excessive taxation to finance this intervention. I am also sure they know that unceasing propaganda has been carried on by the National Education Association and such groups to convince the American people, and educators as well, that our American educational system is in an almost complete state of deterioration.

The booklet goes on to outline two prime examples of how the Federal Government has become an active participant in the effort to promote the cause of American education (meaning the federally impacted areas aid, and the National Defense Education Act of 1958). Let me quote:

"It is estimated that about 60 percent of the total Office of Education staff is now engaged principally in the performance of this function. The Office is responsible for the execution of public policy as expressed in over 20 separate pieces of legislation, with grant and contract responsibilities amounting to approximately half a billion a year. The committee anticipates further extensive growth in this area of office responsibility. Pending before the Congress at the time of this writing are recommendations of the President that would, if enacted, almost treble the grant budget of the Office of Education."

For the curious who might wonder what this trebling would amount to, I have checked with the budget officer of the U.S. Office of Education and find that their grant budget for 1961 is $546,091 million. A tripling of this figure would make it $1,638,273 billion. But, let us remember that this does not include administrative costs for salaries, office equipment and space, expenses, etc.

In case you are also curious as to what they intend to do with this tremendous sum of money (even by New Frontier standards), let me quote again:

"It (meaning the Office of Education), is to be responsible for the monitoring (in the communications rather than the schoolmaster's sense of the term), of Federal activities that affect the Nation's educational well-being. As such, it must assume the role of a voice of conscience within the Federal Government, speaking for the long-term national interest in education, in contrast to the voices that speak of a shorter range Federal interest in the many uses to which education can be put."

This should put to rest any illusion you may cherish that such aid, as planned by the present administration, is only to be temporary—until the States and local governments get on their feet financially, so to speak, and can handle their responsibility under the Constitution to provide for and control educational opportunities.

Now for the blueprint of the administrative setup of the future: First, the Office of Education is to be renamed U.S. Education Agency, although the report admits that recommendations of the Hoover Commission would argue for the term "Service" rather than "Agency." I am not splitting hairs over their desire for the term "Agency," as opposed to "Service," but the committee itself feels thus:

"As vital as service is in the traditional sense, the committee feels that it now constitutes but one of the major functions of the Agency."

So this Agency, not Service, is to be headed by a Commissioner, authorized to use the title U.S. Commissioner of Education. The President of the United States is to appoint a Board of Advisers to the Commissioner of Education which will consist of laymen, except that the President might also wish to appoint a few persons of broad experience in the field of organized education. The Board would be purely advisory, and would report solely to the Commissioner of Education. (This means, of course, that it would have no real authority to back up any advice it might wish to give.)

The President should also, according to the committee, be under no obligation to make the Board "representative" in the sense that various educational and other interested groups are to represented in its membership, but representative only of the ablest citizens available for such service. (While I hate to interject a partisan note here—is it too much to assume that possibly any President might not object to being a bit partisan in his appointment of representatives?) To continue quoting:

"The function of the Board of Advisers would be, of course, to keep the Commissioner of Education constantly aware of the relationship of his activities to other facets of American life, and to assist him in the formulation of policies that serve effectively the broadest objectives of American society." Translated into everyday language, this means "how are the folks taking it—and do you think we can get them to take any more?"

Quoting again from the report: "The committee feels that the existence of such a Board of Advisers would, in addition to rendering substantial assistance to the Commissioner, offer to the American people an evidence that the U.S. Education Agency was intended to be truly an Agency representing the whole public." (Let me reiterate that this Board of Advisers would have no real authority.)

The major functions of the Office of the Commissioner are to be: (1) the analysis and evaluation of Agency operations, planning and direction of same; (2) the identification of major education problems, and formulations of solutions thereto; (3) the rendering of assistance to the President and others responsible for development of national education policy; (4) serving as a focal point of the Federal Government's long-term interest in education; (5) maintenance of mutually helpful relationships with the public-at-large. (In other words, keep the public happy.)

The Office of the Commissioner will consist of two divisions, which are to have subdivisions called branches: first, a Division of Management with four branches, namely, Management Analysis Branch; Financial Management Branch; Personnel Management Branch; General Services Branch.

The Division of Policy and Program Development will have four branches also—the Estimates and Forecasts Branch; Program Analysis Branch; Legislative Relations Branch (responsible for the preparation, presentation and evaluation of legislative proposals affecting education), and a Federal Education Programs Branch.

The Commissioner is also to have a Commissioner Deputy, more or less serving as his "alter ego." This Commissioner Deputy will have his own personal staff, a field staff, and a Public Information Assistant.

I, of course, was very anxious to learn what the field staff was to do, since this would directly affect the State and local education officials' actions. I found the committee anticipated that the Agency would need an enlarged field staff in various operating areas in the next decade, which indicates to me that such Federal aid will be growing by leaps and bounds. The field staff is to be consolidated, partly to avoid overstaffing and partly so that they might better assume responsibilities in case of national emergency. I can be forgiven for assuming such national emergencies would be plentiful, although what a national emergency would consist of was not spelled out. Another field staff responsibility will be to stimulate cooperative State and institutional efforts toward improvement of education, disseminate educational information, identify educational problems, needs, and trends. Just how they will proceed with this "stimulation" of State and institutional efforts will be clarified later, I imagine—but I suspect it will be somehow tied up with the withholding or distribution of funds.

The Public Information Assistant mentioned before as being under the direction of the Commissioner Deputy is to have under his control a Center for Information Service, which in turn will have two branches, the Publications Services Branch and the Education Information Branch.

Four bureaus are to be under the Agency, with the suggested names of Bureau of Higher Education Assistance Programs, Bureau of State Assistance Programs, Bureau of International Education, and finally, a Bureau of Education Research and Development. The several bureau chiefs would have at their command, according to the plan, adequate resources for the full execution of their duties, with only policy guidance from the Commissioner.

Two of the bureaus are designed to execute established policies of the Federal Government, and to administer its laws. The committee feels that "while it would be possible, under present circumstances, to think of one bureau for all grant programs, the rate of growth of these programs in recent years is sufficient warning not to plan for the accommodation of present responsibilities only." This warning corroborates what I have said many times—that this is just the beginning, once a general Federal aid to education bill is passed. Evidently the committee sees a trend in the thinking of our citizens which may in public life have not acknowledged as yet, but I am convinced that most citizens would prefer to retain some of their money in State and local governments and manage their own educational systems.

The Bureau of Higher Education Assistance Programs will be made up of three parts, all under the direction of the Bureau Chief, consisting of a field services staff, assistant for program operations, and an administrative services staff. In addition, there are to be three divisions, a Division of Student Assistance, Division of Facilities, and a Division of Program Assistance.

The Bureau of State Assistance Programs will have the usual Bureau Chief, the same three-way staff setup as the one described for higher education. It also has three Divisions, to be called Division of School Assistance in Federally Affected Areas, Division of Vocational Education, and Division of Secondary and Elementary School Assistance (administering programs already authorized under the National Defense Act). It mentions a fourth Division to be responsible for administration of a program of general financial assistance to secondary and elementary education. To quote what they had to say about this possible fourth Division: "* * * if such a program is enacted. Without being able to anticipate the precise nature of such a program, however, the committee is unwilling to foreclose the possibility that a fourth Division—for this purpose—might have to be created." (I think we can safely assume that if the present general Federal-aid-to-education bill is passed, we would indeed have this fourth Division and possibly even a fifth.)

Then there is the Bureau of International Education, whose Bureau Chief would have the usual Administrative Services staff, an Assistant for Foreign Operations, and an Office of Relations With International Organizations. The usual three operating Divisions are included; namely, a Division of Technical Assistance Program, a Division of Educational Exchange, and a Division of International Studies. Being very interested in the title Office of Relations With International Organizations, I found that "this Office would provide educational services and

information to these bodies (meaning international organizations, such as the United Nations Educational, Scientific, and Cultural Organizations, the Organization of American States, the International Bureau of Education, the North Atlantic Treaty Organization, and others—including certain relationships with foreign ministries of education." Here the thought occurred to me that if a great many citizens of this country object to the further intervention of the Federal Government into educational systems now controlled by State and local governments—how might some of the other countries of the world react to our entrance into their educational affairs? We have been told many times that our educational system is inferior to Russia's, England's, and many European countries. Now are we to start instructing them, or perhaps they are to start instructing us?

At this point I began to feel wearied, but felt I must go on with my "homework" on the Committee report.

The last-mentioned Bureau is to be called the Bureau of Educational Research and Development, and it is the most complicated of all. Under its Bureau Chief there were to be four, instead of the usual three offices—a field operations staff, publications staff, and a program planning and coordination staff, plus an administrative services staff.

This was not to be the end, however. There were listed under these, an Office of Educational Demonstrations and Communications, an Office of Statistics and Records and Reports System, an Office of Educational Research, and a National Library of Education.

Then there were listed three centers. One, a Center for Higher Education was to possess two branches, an Administration Branch, and an Academic Affairs Branch. The second Center for Elementary and Secondary Education also was to possess three branches, the Administrative Organization Branch, the Curriculum and Instruction Branch, and a Pupils and Personnel Branch. The third was to be called a Center for Continuing Education and Cultural Affairs. This was to be the busiest, evidently, for it had four, not three, branches: A Library Services Branch, an Adult Education Branch, a Cultural Affairs Branch, and last but not least, a Special Education Services Branch.

The potential of this center is felt to be, according to the report, the most significant of all the recommendations. To quote: "Freed of the competing claims of staff service and major program administration, assured of extensive educational resources and supporting services, this Bureau could render to American education a degree and kind of service surpassing what we have thus far known. Solidly founded in knowledge and dedicated to unencumbered service, it could become a monument to the established role of the Federal Government in American education."

Mr. Speaker, I can almost feel the weight of this monument pressing down on the citizens of this country. It is with a discouraged and heavy heart that I once more quote, as a reminder to all who feel Federal funds can be accepted without Federal control, the "Assurance against Federal interference in schools" section in the present Federal-aid-to-education bills: "In the administration of this title, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, curriculum, program of instruction, or the administration or operation of any school or school system."

Why, I might ask, why, if this is true, should plans be laid even before the bills recommended by the President are passed, to set up this elaborate blueprint for the new U.S. Education Agency? Is the American public to be lulled into a false sense of security by the above-quoted disclaimer of Federal interference? Further, can anyone even estimate the cost of the administration of the planned U.S. Education Agency? Since the committee very kindly estimated that the grant budget would be trebled if present legislation recommended by the President were enacted, perhaps someone in the inner circle of the administration would be equally kind enough to estimate what the new Agency is to cost. The American public should at least know where a portion of the extra tax funds they will be assessed will be going before they get back the Federal stipend per pupil which is to completely revolutionize their educational systems.

Why not just admit that this highly complicated, beautiful piece of egghead planning is, in truth, a blueprint for socialized education?

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 28, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

St. Paul's first prayer after his conversion, Acts 9: 6: *Lord what wilt Thou have me to do?*

Most merciful and gracious God, in the stillness of this moment, set apart for prayer, we are turning our thoughts to Thee in gladness and gratitude, in reverence and humility.

Thou knowest how much we daily need Thee if our life is to have worth and meaning, peace and power, fortitude and faith.

Grant that our life of faith in its very nature and manifestation may be one of personal sanctity and self-denying service for a needy world.

Wilt Thou so transfigure and illumine our minds and hearts with Thy spirit that we shall more eagerly desire to do what Thou dost command and what we know is well pleasing unto Thee.

Hear us in the name of the Master who sought to have His followers experience within their souls the joy of doing good. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act; and

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 7577. An act making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HOLLAND, Mr. ELLENDER, Mr. MAGNUSON, Mr. KEFAUVER, Mr. BIBLE, Mr. HAYDEN, Mrs. SMITH of Maine, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. KUCHEL to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 857. An act to provide for the establishment of Cape Cod National Seashore; and

S. 1725. An act to permit the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TRANSFERRING MANAGEMENT OF SENATE RESTAURANTS TO THE ARCHITECT OF THE CAPITOL

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate Joint Resolution 106, and its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That effective August 1, 1961, the management of the Senate Restaurants and all matters connected therewith, heretofore under the direction of the Senate Committee on Rules and Administration, shall be under the direction of the Architect of the Capitol under such rules and regulations as the Architect may prescribe for the operation and the employment of necessary assistance for the conduct of said restaurants by such business methods as may produce the best results consistent with economical and modern management, subject to the approval of the Senate Committee on Rules and Administration as

to matters of general policy: *Provided*, That the management of the Senate Restaurants by the Architect of the Capitol shall cease and the restaurants revert from the jurisdiction of the Architect of the Capitol to the jurisdiction of the Senate Committee on Rules and Administration upon adoption by that committee of a resolution ordering such transfer of jurisdiction at any time hereafter.

SEC. 2. The Senate Committee on Rules and Administration after the close of business July 31, 1961, is hereby authorized and directed to transfer to the jurisdiction of the Architect of the Capitol all accounts, records, supplies, equipment, and assets of the Senate Restaurants that may be in the possession or under the control of the said committee in order that all such items may be available to the Architect of the Capitol toward the maintenance and operation of the Senate Restaurants.

SEC. 3. The Architect of the Capitol is hereby authorized and directed to carry into effect for the United States Senate the provisions of this Act and to exercise the authorities contained herein, and any resolution of the Senate amendatory hereof or supplementary hereto hereafter adopted. Such authority and direction shall continue until the United States Senate shall by resolution otherwise order, or until the Senate Committee on Rules and Administration shall by resolution order the restaurants to be returned to the committee's jurisdiction.

SEC. 4. There is hereby established with the Treasurer of the United States a special deposit account in the name of the Architect of the Capitol for the United States Senate Restaurants, into which shall be deposited all sums received pursuant to this Act or any amendatory or supplementary resolutions hereafter adopted and from the operations thereunder and from which shall be disbursed the sums necessary in connection with the exercise of the duties required under this Act or any amendatory or supplementary resolutions and the operations thereunder. Any amounts hereafter appropriated from the Treasury of the United States for such restaurants shall be a part of the appropriation "Contingent Expenses of the Senate", for the particular fiscal year involved and each such part shall be paid to the Architect of the Capitol by the Secretary of the Senate in such sum as such appropriation or appropriations shall hereafter specify and shall be deposited by such Architect in full under such special deposit account.

SEC. 5. Deposits and disbursements under such special deposit account (1) shall be made by the Architect, or, when directed by him, by such employees of the Architect as he may designate, and (2) shall be subject to audit by the General Accounting Office at such times and in such manner as the Comptroller General may direct: *Provided*, That payments made by or under the direction of the Architect of the Capitol from such special deposit account shall be conclusive upon all officers of the Government.

SEC. 6. The Architect, Assistant Architect, and any employees of the Architect designated by the Architect under section 5 hereof shall each give bond in the sum of $5,000 with such surety as the Secretary of the Treasury may approve for the handling of the financial transactions under such special deposit account.

SEC. 7. This Act shall supersede any other Acts or resolutions heretofore approved for the maintenance and operation of the Senate Restaurants: *Provided, however*, That any Acts or resolutions now in effect shall again become effective, should the restaurants at any future time revert to the jurisdiction of the Senate Committee on Rules and Administration.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1962

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7851) making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 7851, with Mr. ALBERT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Texas [Mr. MAHON], had 1 hour and 10 minutes remaining and the gentleman from Michigan [Mr. FORD] had 1 hour remaining.

The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, year after year the House Appropriations Committee does an excellent job under the most trying circumstances. We have become accustomed to relying on the committee and we have generally found that we are able to. This year is no exception.

I would like, however, to ask the Members to consider carefully the portion of the report dealing with nonprofit organizations and specifically as it deals with the Aerospace Corp.

I believe, as the committee does, that we should take a look at the practice of the Department of Defense of obtaining services by contract. But until this is done, I do not believe we should take action to single out the type of organization and activity, such as represented by the Aerospace Corp. Let us make sure any action we take is deliberative and not precipitous to the point of slowing down our missile and space programs.

We all know that there has been underway a technological revolution. Our military strength and our very survival may indeed depend on how wisely we handle this revolution. One should expect that changes in research and development organization and management approaches are probably desirable—even necessary.

The weapons systems that are being developed today and those of the future require blueprints and specifications which are manyfold more complicated than those of 10 or 15 years ago. For systems such as intercontinental ballistic missiles and space satellites, it is not surprising that the services have found it necessary to hire an architect as well as a builder. It seems to me that the role of architect most nearly describes what the Aerospace Corp. is doing for the Air Force. Even in the past this has been done by private enterprise in the form of a weapon systems prime contractor. Therefore, nonprofit organizations such as the Aerospace Corp. must be looked at in the framework of private industry rather than compared with inhouse civil service staffs. Therefore, their salary structure should also be compared to that of our defense industry.

I am sure that the complexities of modern weapons systems has its counterpart in complex management arrangements. Therefore, the Congress should not prejudge current Defense Department trends in the use of nonprofit organizations. The Holifield subcommittee report on this subject I recommend to all of you for study. It is necessary that we study the matter further, and, above all, not take hurried action that could possibly jeopardize our missile and space programs.

Mr. FORD. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. LIPSCOMB].

Mr. LIPSCOMB. Mr. Chairman, as this defense appropriation bill for fiscal year 1962, in the total amount of $42,711,105,000, is discussed and debated, it is obvious that the task of providing an adequate, strong military national defense is one of the most complex problems confronting our Nation.

As a Member of this House, a member of the Defense Appropriations Subcommittee which considered this bill, and one who believes strongly in economy and efficiency in handling the taxpayers' dollar, I believe a $42.7 billion appropriation bill must be approached with considerable concern and caution. I am confident this is the case with all of us.

It is also my belief that our Nation's security and the welfare of our citizens must be foremost in our minds and actions. A strong, adequate, and responsible national defense program, adequately financed, is a vital necessity.

A potential aggressor will understand a strong, hard-hitting defense program, backed up with firm leadership and decisions. They also will understand when we show by action that our Nation and its people have a sense of purpose and a determination to remain free.

This bill, in my opinion, provides for action. It carries forward the program of the previous administration and proposes certain changes which have been found necessary for providing an adequate defense for the long pull. A defense program must be flexible to take advantage of every advance that becomes available, and therefore changes in emphasis are to be expected. It is my sincere hope, however, that the administration and the Department of Defense in its planning for the present and the future never permits its planning to provide programs which would tend to cause peaks and valleys in our total defense program.

We must always take into consideration all of the fundamentals which affect

the designing, building, and maintenance of the U.S. defense forces.

This is the approach I believe our committee took.

There are basic fundamental considerations which affect our military planning and bring about the necessity of a $42.7 billion appropriation bill.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 103]

Boykin	Green, Oreg.	Osmers
Brooks, La.	Hébert	Pilcher
Buckley	Herlong	Pillion
Burke, Mass.	Hosmer	Powell
Cannon	Inouye	Reifel
Casey	Kearns	Roberts
Celler	Kilburn	Shelley
Coad	Knox	Spence
Colmer	Landrum	Springer
Davis, James C.	Libonati	Thompson, N.J.
Davis, Tenn.	McVey	Udall
Flynt	Mack	Van Pelt
Fogarty	Morrison	Vinson
Garmatz	Moulder	Widnall
Grant	O'Brien, N.Y.	Yates
Gray	O'Neill	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 7851, and finding itself without a quorum, he had directed the roll to be called, when 387 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. LIPSCOMB. Mr. Chairman, since World War II we have seen vast and sweeping changes in the political, psychological, and economic patterns of the world. In the same period, we have seen near-fantastic advances in technology which have had an incalculable effect upon the art and tools of modern warfare. Today this combination of factors poses for the architects of our military power a complexity of considerations which even so recently as the eve of World War II, would have staggered the imagination.

One of the most significant and most sinister aspects in the revolution in world political, psychological, and economic patterns has been the rise of international communism, symbolized and led by Soviet Russia. The avowed objective of the Communist bloc is to engulf the entire world into its system and way of life. This threat to the free world is massive in effort, global in scope, and relentless in pressure. These pressures are exerted in all fields of international power—political, economic, psychological, as well as military. Advances in technology now permit the Communist bloc to exert these pressures under the umbrella of their capability in long range missiles equipped with nuclear warheads. The United States constitutes the principal obstacle to the successful accomplishment of the Communist objective of world domination. Hence, an integral part of this objective is elimination of the United States as a major world power. The resultant threat to the security of the United States is very real.

Our response to the Communist threat has been basically twofold. We have fostered, and supported through political, economic, and military assistance, a series of collective security arrangements among the nations of the free world designed to offset the Communist expansion. At the same time, we have maintained our own military forces at sufficient strength to deter aggression by the Communist bloc, or, if deterrence fails, to defeat aggression. This has required and continues to require that we be prepared to meet the Communist military threat across the entire spectrum of warfare—including general war, limited war, and the "cold war." Since it is obviously more desirable to deter aggression rather than have to defeat it, our military effort is devoted primarily, but by no means exclusively, to our deterrent strength. This is expensive.

Our deterrent strength in being, and planned in this bill, lies in a wide variety of capabilities. In the main, it is our total military power. Long-range striking forces, deployed land, sea, and air forces, air defense forces and our capability to support and maintain these forces, as well as to mobilize quickly additional military power. It also includes our technological and industrial capacity, the strength and resolution of our allies, and by no means least, our moral and psychological capacity to resist and defeat any would-be aggressor. All these capabilities collectively and perhaps most important of all, the knowledge on the part of the leaders of the Communist bloc that they do exist, constitute our deterrent strength.

One of the most important considerations in the design of our military power is the advance of technology and the resultant advance in military hardware. New and far-reaching technological developments have become an almost daily occurrence. In fact, the technological advances made during the past two decades have probably exceeded those of all the previous eras of recorded history.

The resultant impact upon our military power is twofold. First, new weapons are increasingly influencing military policy, strategy, and tactics. Second, weapons conceived yesterday for use today are likely to be obsolescent tomorrow. Our plans and programs must be designed to take maximum advantage of new technological developments as they occur. They must also be designed to insure that we maintain sufficient current strength at all times without incurring excessive waste as current hardware becomes obsolescent.

The programs in this Defense appropriation bill for fiscal 1962 for the Army, Navy, Marines, and Air Force provide for continued modernization through the introduction of new and improved versions of practically all types of military hardware. In addition to the new weapons and equipment, a wide range of other weapon systems and equipment which should greatly enhance our strategic retaliatory capability are under research and development.

Our total military power has reached unprecedented strength. The plans and programs in this bill will add still more. If we are challenged in a test of arms, we will meet our initial requirements for the military power essential to ultimate victory. Our Nation's plans and programs for the future must be designed to continually improve our military power and keep it second to none.

Mr. Chairman, in an appropriation bill of this type, scope, and amount, of course there are items, programs, and amounts we as individuals would like to see changed, deleted, or improved.

In my opinion, because of a recent decision of the Department of Defense to change the so-called triservice fighter program, and as no justification was presented to the committee for the change, I believe we should have cut the $55 million programed until we had some facts.

It is of concern that the Navy has not set up a single manager concept for research and development to obtain better coordination in the very vital antisubmarine warfare program as recommended by this committee last year and again this year. It is of concern that the administration has not planned ahead in the Polaris program beyond the 29th boat. The fact that there is a lack of emphasis on the mobile Minuteman program is of concern, along with the B–70 and other manned bomber programs. Perhaps we have allowed too much in some areas, perhaps too little in others. This bill, however, represents the considered judgment of the committee based on extensive hearings.

Overall, Mr. Chairman, as has been said before during the debate, this is a good bill. It provides the administration with the appropriations to do the job. It is up to the executive and military leaders to make it effective. Our Nation expects and deserves a strong, adequate, and responsible national defense without waste, inefficiency, and duplication. This defense capability, together with firm leadership is vital to the security of America.

PROGRAM FOR THE BALANCE OF THE WEEK

Mr. FORD. Mr. Chairman, if the gentleman from Texas [Mr. MAHON] will yield me 1 minute, I should like to address a question to the majority leader.

Mr. MAHON. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, could the distinguished majority leader tell the House what the schedule is for the remainder of this week?

Mr. McCORMACK. Mr. Chairman, I am glad my friend asked the question so I may advise the Members. After the completion of this bill there are two conference reports to be considered. The housing bill conference report will be brought up later in the day. Then there is the conference report on the social security bill which I think will be in order probably tomorrow.

Following that there is the bridge bill, H.R. 5963. If we cannot get to it this afternoon, that will come up tomorrow.

Then there is the authorization bill for the Atomic Energy Commission, H.R.

7576, which will not come up this week. It will not be programed before the week after next, after the Fourth of July week.

If we have time tomorrow I shall call up House Joint Resolution 225, to grant the consent of Congress to the Delaware River Basin compact. The rest of the program which I had announced, such as the continuing appropriations resolution, will be brought up also.

The chances are that the atomic energy bill will not be brought up this week, but I am including, if possible, the Delaware River Basin compact.

Mr. FORD. Is it the intention of the majority leader to adjourn over until Monday, following the conclusion of business tomorrow?

Mr. McCORMACK. It is; and then on next Monday over to the following Thursday.

Mr. FORD. There will be no business on Thursday?

Mr. McCORMACK. I will be in a better position to answer that tomorrow.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I can understand the deep concern of some Members of this House over the question of salary levels paid to nonprofit organizations which do specialized technical and research work for defense agencies. That concern is reflected in the report of the Committee on Appropriations which discusses the matter at pages 53 and 54. I refer to House Report No. 574 on the defense appropriations bill for fiscal year 1962.

The committee was well advised not to write restrictive conditions in the appropriations bill relating to salary ceilings. Such action could only disrupt vital defense programs and create havoc among employees of these agencies.

The problem admittedly is a most difficult one. There are no simple solutions. The Secretary of Defense has been asked by the Appropriations Committee to establish a policy for use of contract agencies. I hope that the Congress, by careful study and full deliberation, can contribute to the formulation of a policy which will create a healthier environment for employment of scientific and technical personnel, both in the Government and in outside agencies closely related to the Government.

Such a policy cannot be legislated in an appropriation bill, nor can we expect it to spring full blown from a restrictive amendment on this floor. Remember that we are dealing with the most vital and delicate matters of national security.

We are living in dangerous times. We face a ruthless opponent who has in his camp a large segment of the world's people and resources.

On the political and diplomatic front, we are caught up in a world revolution. New nations emerge every day, some with bloodshed and internal upheaval. We watch to see whether they will choose sides in this great world contest. We work for their friendship.

In technology there is also a world revolution. In fact, in weapons technology there is a revolution, on the average, every 5 years. Only 15 years ago the first atomic bomb brought a new and terrible dimension to warfare.

Five years later, in 1950, the hydrogen bomb was more than a dream of scientists. In that year I was chairman of a special subcommittee which recommended to President Truman that we must forge ahead in this field.

The Soviets were at our heels. The hydrogen bomb was another great leap forward in destructive power. It made the Nagasaki and Hiroshima bombs look very nominal indeed.

Again, 5 years later, in 1955, the intercontinental range missile was on the drawing board. Having developed warheads with such enormous power to destroy life and property, we devised a new, powerful means to deliver these warheads across oceans and continents. And there is no defense against the ICBM at this time.

Mr. Chairman, I want to direct my remarks to this problem of procurement by contract with corporations set up for the purpose of performing what we sometimes call "think management" functions. I shall try to be brief on this and try to bring out some of the points I think the membership should know.

We stand on the threshold of another revolution in weapons technology. You have read in the newspapers about the neutron bomb and other interesting developments. This is not the place to discuss such matters, but let me assure you, as chairman of the Joint Committee on Atomic Energy, that new weapon potentials are great.

In this race for technological supremacy we dare not falter, we dare not fall behind. This is the sad and tragic fact of our civilization. But it is the only means we have at hand or in the making to save our civilization. The methods by which we keep ahead in this race for technological supremacy may determine the fate of our civilization.

The military authorities are groping in the midst of this technological revolution for new forms of organization and management to insure that we mobilize the best brains and the fullest resources to keep up and to stay ahead.

This is perhaps one of the reasons for the growth and variety in recent years of special contract agencies serving the national defense. These agencies are the advance guard of American security in a very real and special sense. They are on the frontiers of science and technology. Their organizations are devoted almost exclusively to defense endeavors. Their executives and scientists stay up nights and worry about America's needs in her hour of peril. We can sleep soundly assured that there are those who worry and know how to do more than just worry.

The executives and scientists in these organizations are well paid. They are paid higher in some organizations than in others. The Aerospace Corp., singled out for special mention in the report of the Appropriations Committee, probably pays higher salaries in some of these instances than some of these organizations.

It would be unrealistic to suppose that all these salaries can be brought down to the levels applying to Government personnel. If that is our only standard of comparison, then our complaint will be chronic, or else we will simply have to liquidate all these organizations and get along in the best way we can through completely in-Government operations.

Let me suggest, however, another standard of comparison, which some of my friends have overlooked, at least to keep this matter in perspective. Our defense dollars support great industrial operations in aircraft, missile, automotive, electronics, and other fields. Scientific and research departments of the giant defense corporations also pay higher salaries than does the Government, and much higher salaries than the Aerospace Corp. and other organizations of that type pay. I do not hear anyone on this floor getting up or proposing to liquidate our farflung industrial private enterprise network which is devoted to weapon production for the national defense, because of the salary levels of their officials.

It is common knowledge that chairmen of boards and presidents of the large corporations, the biggest defense corporations in the Nation, receive high salaries, as do their vice presidents and other key executives. I have a list of five leading missile and aircraft companies which show annual salaries of board chairmen ranging from $120,000 a year to $180,000 a year. The presidents of these corporations all get salaries above the $100,000 level. There are, of course, bonuses and stock options, pension rights, and other fringe benefits which add substantially to these salaries. The Government pays all these salaries because they are engaged mostly in defense contracts, so when you are talking about salaries let us talk about the facts.

It is true that the Government takes a huge bite from all these salaries in income taxes. The president of North American reported to the Hébert committee in 1955 that he made $149,000, but his estimated take-home pay after taxes was $57,000.

So as you get into these higher contracts, the Government gets a whole lot of it back. Therefore, we should keep in mind the salary figures by themselves do not by all means tell the full story of the actual Government cost. Uncle Sam recaptures a good part of what he has paid out to industrial executives in the form of high salaries through income tax revenue.

The executives of the Aerospace Corp., which is mentioned in the report on pages 54 and 55, do not begin to approach the level of remuneration in industrial corporations. The two highest paid officials of Aerospace are the president who gets $75,000 a year and the senior vice president who gets $50,000 a year. Altogether there are some 63 Aerospace officials who receive $20,000 or more per year. That is their gross salaries. But, this is only 3 percent of the salaried persons in Aerospace.

Mr. Chairman, I want to go into some of the reasons now why I am on the floor of the House today.

Our Military Operations Subcommittee had a special interest in this type

of contracting because no other committee had actually gone into the subject and had investigated it. We had some pretty wild stories circulated and given to our committee. The chairman of our committee, the gentleman from Illinois [Mr. DAWSON] directed the Subcommittee on Military Operations to make a study of this matter. We did make a study of it and held full hearings and a report was made on this subject.

Now what is the situation on the Space Technology Laboratory Corp. which was the predecessor of Aerospace? Let me give you the background. In 1953 and 1954, after new developments in atomic warheads had convinced some of the Nation's leading scientists and others that the intercontinental ballistic missile could be built, a new management concept was created. This concept was based on findings of the Strategic Missile Evaluation Committee headed by the late Dr. John von Neumann, one of the greatest mathematicians outside of Einstein who has ever lived. I knew this man personally, and in my opinion he was one of the leading intellects in the world. He was appointed as chairman of the Committee to study how to get ahead in the missile technology? We knew things were happening behind the Iron Curtain and we wanted to catch up.

Now the Air Force had three methods. The Air Force was given the assignment of missile technology. They had three ways of approaching it. One way was, of course, by force account of the Government, and this would have depended on Government employees subject to civil service salaries. The second way was to go to the prime contractor organizations such as Lockheed, Douglas, Martin, and any of these other great defense contractors. The Air Force found out that they had backlogs of 2 to 3 years and could not handle this problem of missile technology. That was the first thing.

No. 2, if they had selected them, they would have had to pay these high salaries which are always included in the Government defense contracts. So after the Von Neumann committee made a study, they said to the Air Force—the way to go about this is to set up a management team composed of scientists, engineers, electronic specialists, and other types of administrators and technical experts to do the job to catch up with the missile advantage of the Soviets. So they selected experts and contractors and brought them together into a team to work for the Air Force. The Air Force had found that they did not have the inhouse capability of performing the mission which the Joint Chiefs of Staff assigned to them. It was a mission of the highest priority. We were facing the missile advantage possessed by the Soviets. A crash program was necessary and in the view of the experts this manner of procedure was indicated.

A corporation was formed. It was the Ramo-Wooldridge Corp. of which Space Technology Laboratories, Inc., was a division, later it was separately incorporated, and it was this function that we investigated.

As these new missiles came into the Air Force program, the same technological group was in a position to engineer these other systems and direct the weapons building programs of the industrial contractors. Our subcommittee inquired into the Ramo-Wooldridge/STL setup in February and March of 1959. In House Report No. 1121 of the 86th Congress, the 1st session, we analyzed problems which had developed because STL, while responsible for the technical side of the Air Force missile programs, was a subsidiary of a profitmaking corporation.

Now, get this thought: Our analysis and findings led to a recommendation that the technical manager of these programs, so long as the Air Force itself could not perform these technical functions, should be a nonprofit agency; and in keeping with our recommendation, the Ramo-Wooldridge Corp. contract was changed and the Space Technology Laboratories was set up as a nonprofit agency, and we recommended against the Ramo-Wooldridge setup. In keeping with our recommendation, the Air Force set up a study group under the chairmanship of Dr. Clark G. Millikan of the California Institute of Technology. The Millikan committee agreed that a nonprofit contract agency should be established. Thus, Aerospace was created. Space Technology Laboratories will be phased out and is being phased out and Aerospace is being phased in.

Specialized nonprofit contract agencies like Aerospace are becoming permanent adjuncts of Government. The swift pace and the revolutionary character of weapon technologies, and the Soviet competition in the technological race, are largely responsible. New forms of organization, new concepts of management, emerge. The old ways, the customary ways, are not sufficient for the cold war era.

As public service or quasi-governmental agencies, these contractors are free of the usual limitations or conditions surrounding Government employment. Usually these agencies and technological pioneers get higher pay by far, better quarters, have less restrictions on travel expenses when attending meetings than civil service can allow, but that higher salary level paid by industrial corporations is being absorbed and paid for by the taxpayer anyway. This is actually a saving when compared to the other way of doing it.

The situation certainly calls for commonsense and good judgment on the part of both the Government agency and the corporation management. It calls for watchfulness by Government contract administrators. If necessary, as we get more organization—and it is definite that we are going to get this and that we are going to solve these technological problems, legislative standards should be created analogous to the Government Corporation Control Act which was designed to bring some measure of control over the numerous and diverse Government corporations.

In the meantime I appeal to the Members to use restraint in their consideration of this matter, and to support Chairman MAHON of the Appropriations Subcommittee in opposition to restrictive amendments, which I understand will be offered.

I am not going to offer an amendment to put the $5 million back into the budget. I do not think an amendment should be offered of any nature to take $5 million out rigidly. I think you had better in this time of danger to our Nation when we have to get men who have the qualifications—and you cannot get them under civil service, because these men, every one of them, are capable of earning much better salaries than they could get under civil service.

Whether the salaries are included in prime contractors' defense bills or with an Aerospace-type agency, it all comes from the taxpayers' pockets.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. GROSS. That is exactly the same story we had with the old Ramo-Wooldridge Corp. We were told we were in a crisis. Something had to be done immediately, Ramo-Wooldridge was the only outfit that could do it, and at a fantastic cost.

Mr. HOLIFIELD. I know the story completely, but I will tell the gentleman that condition has been corrected. It was the only way they could get the program going. But that has been corrected and the nonprofit corporation has now been established to take the place of the old Ramo-Wooldridge Corp., and in the new corporation there are only two of these high salaries paid, one of $75,000 and one of $50,000. But if the gentleman thinks he is going to save any money by his amendment, let me tell him he had better modify his amendment to take into consideration the $200,000 or $300,000 salaries paid by the big companies which are ultimately paid for by the taxpayers' money.

Mr. GROSS. All of which I have opposed in the past.

Mr. HOLIFIELD. The gentleman may have opposed it, but that is the way it is.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MAHON. Mr. Chairman, I yield the gentleman from California 5 additional minutes.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. KILDAY. The gentleman from California has made reference to the point I wanted to make and to emphasize. Is it not a fact that Aerospace Corp. was set up in its present form as a nonprofit corporation, this being the recommendation of and having the approval of the Committee on Government Operations?

Mr. HOLIFIELD. That is exactly true.

Mr. KILDAY. The gentleman has been entirely too modest in his presentation. The gentleman from California, being chairman of a subcommittee of the Committee on Government Operations, conducted an exhaustive investigation of this type of contract and reviewed the history of the previous corporations which were for profit rather

than nonprofit corporations, and as recently as May 1, 1961, they issued a report containing the review of this type of organization and its advantages to the Government. Is that correct?

Mr. HOLIFIELD. That is correct, and this subcommittee will continue to watch this for the benefit of, first, the security of our Nation, and, second, the most economical method by which we can tackle this great technological program.

Mr. KILDAY. The committee went into this exhaustively in its own name as to expenditures in Government departments, and this is identically the type of jurisdiction that committee is supposed to exercise. I want to inquire of the gentleman what the effect of this language in the report, particularly if followed by an amendment to reduce the appropriation, is likely to be on the engineers and scientists presently employed by Aerospace Corp.?

Mr. HOLIFIELD. I will tell the gentleman how it will affect them. If we cut down on the present procedure, you are going to throw our technological advancement behind the Soviets. If the gentleman from Iowa does not believe we are in a crisis, the gentleman speaks from lack of information on the subject. We are in a crisis and the dollars the gentleman wants to save will not save the American people.

Mr. GROSS. Why, certainly, we leap from one crisis to another with the greatest facility.

Mr. HOLIFIELD. That is the kind of world we live in. We are not out in the cornfields of Iowa. We are in the midst of a crisis.

Mr. GROSS. You would be in bad shape if you did not have some cornfields in Iowa.

Mr. KILDAY. The employees of the Aerospace Corp. we are talking about are the scientists, the engineers that you find in two or three pages of ads in the New York Times where they are attempting to recruit these people. The danger, I daresay, is that the language of the report indicates you are going to have to change the type of corporation or the type of contract, or there is going to be a restriction on the funds. This type of employee is not going to remain with Aerospace Corp. to see what is going to happen next year if an amendment be adopted, as the gentleman from Iowa said he would offer, reducing it $5 million. We can reasonably expect by the time the next fiscal appropriation comes in we may not have these employees in the Aerospace Corp.

Mr. HOLIFIELD. The gentleman expresses my opinion. I think you are fooling around with a dangerous subject here, and I think those people who are less well informed than the Subcommittee on Appropriations which the gentleman from Texas [Mr. MAHON] heads should tread very lightly at this particular time and in this dangerous time.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. MAHON. The gentleman from California has been discussing a very delicate and difficult subject. The Aerospace Corp. is a corporation nonprofit in nature which does business exclusively with the Federal Government. The employees of Aerospace are in effect employees of the Government. To perform work for the Government is their only function, as I understand it. There is chafing in some quarters over the fact that our Government would pay the president of the Aerospace Corp. which works in only a small element of defense three times as much as the Secretary of Defense is paid.

The Committee on Appropriations, in my judgment, generally feels that this is an area which must be very carefully monitored and that the activities of the Government in this field should be watched very carefully and that legislation, proposed by the proper legislative committees, not the Committee on Appropriations, might be very desirable. There are over 350 nonprofit corporations and organizations doing business for the Defense Department in various areas. For example, Johns Hopkins University does work for the Army and has for quite some years. The head of the Johns Hopkins University organization doing work for the Army is exclusively devoting his time to this work. His salary was over $30,000, considerably in excess of the salary of the Secretary of Defense. Now, it is true, of course, that people in industries that have contracts with the Government for the manufacture of rockets, aircraft and missiles, and other defense materials, pay high salaries. It is true that higher salaries are paid in Aerospace than under civil service.

Mr. HOLIFIELD. As much as three times higher in some instances.

Mr. MAHON. But this practice of contracting work out to some extent sprang up perhaps as the result of restrictions placed on appropriation bills limiting the number of civilian employees. It is possible to drastically reduce the number of civilian employees in the Department of Defense, if you enter into a contract with somebody to do the work for a lump sum, because these contract employees do not show on the civilian rolls of the Government. Now, my own personal thought is this, and I do not think it is shared completely by other members of the subcommittee, that it would be very difficult to cope with this situation by a rider or an amendment to an appropriation bill. The committee reduced the request for funds for the Aerospace Corp. from $35.2 million to $30.2 million.

The corporation is just about a year old. It is growing very rapidly. We want them to grow soundly and solidly, and we thought some reductions would be justified. And, more especially, the emphasis was made, in order to try to bring into focus this very serious problem, because I predict that unless this problem is well handled in the future and well monitored by the Government, the nonprofit and profitmaking organizations which manage Government functions will mushroom from year to year, and the situation will get out of hand. The executive branch and the legislative branch are confronted with a very serious problem.

I will say to my friend from California, I share many of the views which he has expressed. But, we are moving toward a state of chaos and irresponsibility in this field, and somebody with a firm hand is going to have to watch the situation very carefully.

Mr. HOLIFIELD. I agree with the gentleman, and I would say that undoubtedly this matter should receive the very serious consideration of the committee headed by the gentleman from Georgia [Mr. VINSON] on national defense. This is the committee of jurisdiction as far as legislation is concerned. Now we are faced with a new problem. We cannot stand still and not meet the problem because of obsolete laws on our books. We have to meet this problem because we are gambling with the destiny of the Nation. Now, I agree with the gentleman that this is a matter that Congress ought to look at with the closest of scrutiny, and the proper committees ought to look at this and set up standards and criteria which will allow flexibility to do the job, but at the same time not prevent the job from being done. I have no personal pride in this matter, and I have no quarrel as to jurisdiction. I think that this is a job that other committees of the Congress should do.

I am sure with its being brought to our attention that they will do a proper job in a proper way, not by a meat-ax amendment on the floor which, in my opinion, is dangerous to the security of the Nation.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. Yes; I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Chairman, I would like to supplement the remarks made by the distinguished gentleman from Texas [Mr. MAHON], the chairman of our subcommittee, regarding this problem.

In the Appropriations Committee, the Defense Appropriations Subcommittee, and in the Appropriations Subcommittee for Health, Education, and Welfare, this problem was discussed. Dr. Shannon, Director of the National Institutes of Health, told of the problem which they have with these quasi-Government corporations raiding scientists and offering salaries with which the the National Institutes of Health cannot compete. Cancer, heart, and other types of medical research are important. NIH could not compete with the Department of Defense in this particular area of salaries.

Mr. HOLIFIELD. I do, too.

Mr. LAIRD. I think this is a matter that the House Post Office and Civil Service Committee should look into because it is a problem that is going to be with us for some time.

Mr. HOLIFIELD. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. FORD. Mr. Chairman, I yield the gentleman 2 additional minutes if he will permit me to make a comment.

Mr. HOLIFIELD. I should be very happy to.

Mr. FORD. Mr. Chairman, I agree with a great deal of what the gentleman from California has said. I cannot agree, however, that the salvation or the future of this country is directly related to the continuation of the Aerospace Corp. or either of the other two organizations that the Navy and the Army are now contemplating establishing. The Aerospace Corp. has done a good job in its limited lifetime, and I am confident it will do a good job in the future. But I think the gentleman ought to know that most of the members of the Subcommittee on Defense Appropriations were contacted by many Members of this body complaining about certain aspects of the Aerospace Corp., urging us to do something. In addition, there were members of the subcommittee who wanted to go much further than this bill provides, and it was only, I think, the leadership of the chairman of the subcommittee that prevailed on the result that we have before us now. In effect, this recommendation of the committee is an admonition to the Aerospace Corp. and any other comparable organizations to do a good job, because if they do not perform as they are supposed to, then the worst kind of reaction will set in, and the whole program could go for naught.

Mr. HOLIFIELD. I thank the gentleman, and I feel the same way as the gentleman feels. I think it is a good thing to have an admonition in the appropriation legislation, and I think it is a good thing for the Committee on Armed Services to look into. But I think it is a matter that your subcommittee should continue to watch because I think in watching this we will prevent abuses. That is why we looked at the Ramo-Wooldridge Corp. and recommended against it and instead of having a profitmaking management corporation that we would have a nonprofit corporation subject, of course, only to the salaries that the individuals receive, which are in some cases above the civil service level.

I thank the gentleman.

Mr. MAHON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I think the gentleman from California has made an important contribution in his remarks today, but I think one thing that has not been pointed out is that other agencies of the Government, in addition to the Defense Department, are using this technique for the purpose of performing various activities. The Atomic Energy Commission runs most of their installations through either a profitmaking corporation or a nonprofitmaking corporation. Many facilities throughout the Government are run by contracts with profitmaking companies. For example, the Atlantic Missile Range at Cape Canaveral, where such of our missile and satellite testing is done, is run by Pan-American World Airways on a contract basis.

One of the problems involved here is the question of whether or not we should contract out to non-Government personnel the operations of the U.S. Government. To some extent that is being done, and we do not want it to get out of hand.

Mr. FORD. Mr. Chairman, I yield 20 minutes to the gentleman from Nebraska [Mr. WEAVER].

Mr. WEAVER. Mr. Chairman, as a member of the Subcommittee on Defense Appropriations, I would like to say that this House is very fortunate in the leadership of that subcommittee, both on the majority and minority sides. The able and distinguished gentleman from Texas [Mr. MAHON] is to be highly commended for his grasp of our defense needs and for the very objective manner in which he has conducted the hearings. The distinguished gentleman from Michigan [Mr. FORD] has also played an important role in developing the testimony upon which the present bill is based and likewise has contributed in large measure to the excellent bill before the House. I would like to say, also, that the subcommittee staff is composed of capable, dedicated men who are tirelessly serving their country.

Nobody can agree 100 percent with every clause of any piece of legislation. And so it is with this bill. I know that there are those in this House who might have wished stronger wording here, more money there, or less money somewhere else. On the whole, however, I feel that this is a bill which will accomplish its purpose, and that is to finance an adequate, balanced, and sure defense for our Nation and the free world against the encroachments of communism.

This bill comes before us at a time when crisis once again stalks the streets of Berlin and is loose among the people of southeast Asia. This bill comes before us a time when the leaders of the Kremlin are rattling the saber and the people of the free world are looking to us for protection and for assurance. It comes to us at a time when faith in free society and its institutions is wavering in large parts of Asia and Africa and when there are doubts in the minds of many of our own citizens.

I think this bill will go a long way toward restoring the faith that has been shaken. I think it will resolve the doubts which may linger in the minds of many Americans about our capacity to defend ourselves while still playing the leading role in the organization and defense of the free world.

The fact is, Mr. Chairman, that the United States is stronger than the Soviet Union on an overall, balanced basis. We may be behind in the production of specific weapons. We may not yet have some of the gadgetry or the rocket thrust that our potential enemies have. But, placed side by side, the total Soviet war-making capacity is much less than the total defense capacity of the United States.

We cannot say that any nation's capacity to defend itself or to wage war depends upon one weapon or one weapon system alone. It depends on the total capacity of the nation, and that not only includes weapons and systems of weapons, it includes manpower, the capacity to produce the materials of war and the food upon which all economies are based. It must include, too, the willingness to wage defense.

I have no qualms in my own mind about our total capacity for defense. I have no misgivings about the readiness of our forces, whether they be the pilots flying the great intercontinental bombers or the foot soldiers, to spring to the defense of their nation at a moment's notice. I have every confidence also in the capacity and the training of our reserve forces with particular emphasis on the National Guard. These forces are being trained to perform a number of important functions in the event of any war threat, and they are being trained well. Their training has a solid basis in past experience and is carefully planned for future needs.

All in all, this $42.7 billion defense appropriations bill carries out capably the program of developing a mixed, balanced defense. It does not contain all that the President or the previous administration requested in the several defense budget messages received by the Congress this year. In some areas it contains more than these messages requested.

This bill is some $6 million short of the total recommendations made by the President. However, despite every effort by the subcommittee to find places where savings could be made—and we did find areas where real savings will be made—this bill is over $2 billion more than we spent last year.

These added costs do not include construction which will come later in the military construction appropriations bill. These additional costs over last year are necessitated by the ever-changing and developing techniques of defense which produce new weapons and new systems at an increasingly rapid rate. I would venture to guess that in the past 20 years we have developed more different types of weapons systems and defenses against various weapons than were developed in the century preceding 1941. This has been expensive. It will continue to be expensive. But it is necessary if we are to protect ourselves against the disaster of a nuclear exchange with communism or the disaster of Communist victory through free world ineptness or apathy.

Mr. Chairman, as in the case with every other American, I would like to see the time come when we could lay down our arms and devote the tremendous energy which must be expended in our defense effort to increasing our capacity to produce for peace and to build for a peaceful future. However, as long as the men in the Kremlin are of the mind to force their way of life on the rest of the world, we cannot—we dare not—lay aside our defense effort. The energies of 2½ million men in uniform, plus a million civilians in direct support activities must continue to be channeled to defense. The efforts of the millions of men and women who work in our defense plants must continue to be expended along the lines of defense. Otherwise we court disaster.

Our present defense system, and that which will be in effect throughout this troubled decade, must consist of a balance among missiles, airpower, and manpower. We are developing rapidly sev-

eral missile systems which have already proved themselves or show great promise.

The one which has advanced faster and more surely than any other is the Polaris system of the Navy. We have Polaris submarines on station, primed, armed, and ready to fire at a score or more Communist targets at this very moment. We will have an ever-increasing fleet of these ballistic missile submarines during the next few years. The President, in his defense messages, supported by the Secretary of Defense, has asked for 29 such submarines including those previously recommended. I believe that it is a mistake to cut this weapon short. I agree with the committee that we should be planning now for an even larger fleet of submarines and I would add my voice to others in urging that the Navy use some of its authorized shipbuilding money for long leadtime items for this invulnerable weapon.

Another important step in our missile development has been the Minuteman. I am disappointed, indeed, that the present administration has not seen fit to emphasize more strongly the need for mobility in this weapon system. It was designed originally for mobility, and for near invulnerability from enemy attack because of this ability to move around. It may be true that by placing Minuteman in hardened silo sites we can get more of them in a bigger hurry. My concern is that through doing this we may be destroying the real effectiveness of the weapon.

Rather than this concentration on hardened Minuteman, I would have preferred to see a few more Titans built, the second generation or Titan II. This is a weapon which could launch a multiple warhead, destroying the enemy's capacity to knock it down.

Our missile arsenal, although far from complete, is being built and is progressing well.

It is in the area of manpower that I think there have been shortcomings, both in the administration requests and in the bill reported here. For one thing, I do not think that in our lifetime missiles will replace manned bombers completely.

While the missile arsenal is being built up, we will have to rely heavily on a fleet of ready bombers to carry the payload to the enemy, should the need arise. We have such a fleet now and it should be maintained at present strength. In this connection, I might point out that I think it is a serious mistake at any time to set about deliberately destroying the effectiveness of any one of our weapons systems, until there is more than enough to replace it. It is my feeling that this is what the administration is doing by the sudden decision to speed up the junking of the B–47 manned bomber. This weapon has proved its effectiveness and, in the opinion of military experts, has many useful years of life ahead.

I do not advocate the purchase of any additional B–47's. However, I do feel that the process which had been scheduled, that is the phase-out by attrition, should remain in force. Under this plan, the B–47 fleet would shrink slowly as bombers become obsolete and too expensive to repair and maintain.

We do not yet have a sufficient supply of other weapons to afford us the luxury of destroying the effectiveness of this one.

I am extremely pleased with the committee decision to make possible the purchase of B–52 bombers as long as possible.

This, too, has proved an effective weapon and will continue to prove its effectiveness during the years to come.

The committee saw fit—and in this I agree also—to restore to the B–70 program the funds which the present administration had recommended we drop. The Secretary recommended a cutback to $220 million from the $358 million recommended in the January 16 budget. The committee has restored this money. My only question is as to whether we are going fast enough or far enough with this new intercontinental, supersonic bomber.

Although surveillance may be possible from a satellite—and this is still to be properly proved—it would seem to be logical and right that better, more complete surveillance can be maintained by a manned bomber of the size and speed contemplated for the B–70.

Additionally, as noted before and as noted in the committee report, it is most probable that we will be depending upon manned bombers to carry the bulk of our payload throughout the decade of the sixties and beyond. To my way of thinking, General LeMay is absolutely right when he insists that the hope in this area lies with the B–70.

I sincerely hope that the administration will take another look at this program and come back to the Congress next year before it is too late, with a revitalized B–70 program.

In the area of Army strength I feel that the advice and counsel of the top military experts, the men who are to be held directly responsible for conduct of any defense, whether against limited war or all-out war, has been overlooked and ignored. For years the Army has been pointing out that in the trouble spots around the globe the heaviest burden of active defense falls upon the foot soldier, the infantryman. It would seem to me that this is sound logic and advice.

There is no threat of nuclear exchange in Laos—only a problem of getting trained manpower in position to defend the country against the rebel encroachment. At present, despite the tensions over Berlin, the problem still remains one of foot soldiers capable of moving into position quickly and, once in position, holding their posts against conventional attack.

For years the Army has been insisting that its required strength be at least 925,000 men. And for years this advice has not been heeded. Again this year the Army requested that strength, but was turned down by the civilian authorities in the Pentagon. They recommended a strength of 870,000 for the Army.

At the same time, these authorities apparently recognized the need for added infantry power. They recommended a sharp increase for the Marine Corps.

The committee, in this bill, provides for 875,000 men in the Army, 5,000 more than the administration finally requested, and for a Marine Corps strength of 190,000—15,000 above the originally planned end 1962 total.

This is still some 50,000 men short of what the Army needs and can use immediately. However, it is a beginning, and, together with the renewed emphasis on modernization and the vast program of reorganization to be undertaken by the Department of the Army, this should give us a solid foundation upon which to build. It is my hope here, too, that the administration will take another serious and thoughtful look at our worldwide needs and return to Congress next year with a realistic proposal for Army and Marine Corps strength.

It is my feeling that too much emphasis can be placed on developing the immediate-response capability to the threat of a nuclear exchange, while overlooking, perhaps, the even graver, more imminent threat of Communist expansion through so-called armies of liberation in various areas of the world.

No Member of this House can be certain what is in the minds of the leaders of world communism today or what their course will be tomorrow.

This week the Kremlin is making warlike sounds and motions toward Berlin. Who is to know whether that is their objective, in fact, or merely a diversionary tactic to take our minds from other areas of world conflict and tension?

We cannot, as a free Nation, afford to relax our defenses in any area. We must stand firm in Berlin, both in a military sense and in our diplomatic dealings with the Communists. At the same time we must be prepared to move quickly and with assurance in any other direction in which the Soviets may threaten.

In summing up, then, I would like to make these points: First, that we must continue the tremendously expensive but vitally necessary development of our systems for retaliation in the event the Kremlin should make the fatal mistake of a military adventure and miscalculation that would lead to world war III. Second, we must maintain a balance between our missile arsenal and our arsenal of manned bombers, both those now on our Strategic Air Command bases and the vitally needed B–70, the bomber of the future. And, finally, to make the balance complete, we need a strengthened, modernized ground force capable of holding against the probable limited-strength thrusts along the Communist perimeter.

Mr. Chairman, I think this bill provides the elements which make this kind of complete defense force possible. I support the measure and ask that my colleagues do the same.

Mr. FORD. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. MINSHALL].

Mr. MINSHALL. Mr. Chairman, the committee should be delighted to see me step in the well, not so much for what I have to say but the fact that I am the

low man on the totem pole of the Defense Department Subcommittee. I am the caboose, so to speak, of a long train of speakers who have come before you during the past 6 hours of debate.

Mr. Chairman, as has been stated, we are today considering the largest defense budget since the Korean war.

No one need ask why; with the international roof threatening to cave in on our heads, the answer is obvious. The next few years and possibly months will be the most critical—and the most decisive—in our Nation's history.

We on the Department of Defense Appropriations Subcommittee have looked realistically at the worsening world situation. We have examined, with care, President Eisenhower's original defense estimates and President Kennedy's revisions.

The so-called missile gap—which last fall was snatched like a rabbit from a magician's hat to astound and alarm American voters—has been packed away. The committee has, as they have in years past, increased funds for Polaris in this budget. Our attention has been riveted on an area of genuine urgency—our need for greater scope in respect to strategic deterrence.

Our conventional forces should be strengthened, and the bill before us today provides funds to improve our capability to deal with conflicts less than all-out nuclear war. We on the committee are convinced that this bill is a move toward producing fully adequate forces with the flexibility, adaptability, and readiness necessary to stamp out so-called brushfires, or limited wars.

This renewed attention to nonnuclear conflicts bears largely on the Army, and on the means for its movement and support. While reorganization of the Army has been directed—this is only a part of what is necessary. The Army also has urgent requirements for greatly increased equipment modernization and for readily available transportation to move it anywhere in the world it may be needed. We have approved additional funds for this purpose.

I wish also to point out the wise course of action pursued by the committee in assuring continued production of manned bombers. The world has ample evidence of the tremendous capability of our strategic offensive forces which have been organized, equipped and trained to razor sharpness since World War II. There is little doubt but that the demonstrated capability of our SAC aircraft, armed with nuclear weapons, has done much to prevent this planet from being plunged into unthinkable atomic war.

It has not been an easy task to replace the piston-engined bombers of the Second World War with the all-jet B–47 and B–52 aircraft which today compose the SAC forces. And today, we are giving the force an additional target capability in the speedy B–53 Hustler, which can attack at twice the speed of sound.

This capability does not come easily, nor overnight. It is the product of years of foresight and hard work.

Today we see unmanned forces entering our SAC units to add a new and powerful offensive weapon to our arsenal. And certainly these missiles will play an ever-increasing role in the years to come. As we gain experience with the hardware, and as our combat personnel attain skill in the operation of our strategic missiles, the total offensive potential of our strategic forces will increase significantly.

As we have been told by military experts, the missile force will complement and augment our manned bombers. They can never in the foreseeable future completely replace the aircraft which permit our combat airmen to roam the skies over any would-be aggressor.

As with all military forces, gradually obsolescence overtakes any weapon and it must be replaced. Most certainly this will happen to the B–52.

The Air Force had conceived the B–70 as the replacement for the B–52, and have energetically pursued its development as a weapon system.

Twice, in less than a year and a half, we have seen the Air Force's objectives in the B–70 thwarted, and the B–70 is now being developed as a partial prototype, incapable of performing a military job.

It would be catastrophic for this country to allow our manned bomber force to either become completely obsolescent or to phase out of the picture entirely. Our Nation must not be placed in the position where our deterrent force has only two modes—"go" or "no go." We must have flexibility of action and maneuver when international tensions become high. We must not be placed in the position where our choice is only one of two things—to press the button and irretrievably launch a massive nuclear attack, or as an alternative, to sit by doing nothing until we have absorbed a fatal blow.

Our military experts solidly back the B–70 as a feasible, practical weapon system essential to air war of the future. Both General White, Chief of Staff, and General LeMay, Chief of Staff designate, have singled out the B–70 as their No. 1 priority. Similarly, retired General Spaatz, our great bomber chief of World War II, has emphasized and reemphasized our urgent requirement to get on with this project as rapidly as possible.

The committee has clearly asserted its conviction that the manned bomber should not be forsaken.

As we muscle up our conventional forces, and continue to strengthen our missile might, we also look with questioning eyes at the exploration of space.

Why should we ask the taxpayers of this country to spend billions of dollars on space programs? Have some persons in high office been oversold on the need for all of these programs? These are pertinent questions. The desire to equal the achievements of the Soviet Union, or to surpass their efforts, is the basis for much of our space effort. It is said that the prestige of the United States would be lowered if we allow the Soviet Union to outstrip us in achievements in space. Worldwide publicity has followed Soviet successes. There are other—and better—ways to impress the world. The adeptness with which international problems—such as Cuba—are handled creates a more lasting effect on men's minds than do frivolous space flights.

I am not opposed to research and development in the use of space. Admiral Hayward, Deputy Chief of Naval Operations for Development, says, "Space is a place, not a program." It is another environment, in addition to the seas, the land and the atmosphere, in which we can conduct military operations. The use of space has military potential, which the Soviet is not ignoring and which we cannot. Reconnaissance may well be the first military operation performed in space. Others will follow. If antiballistic missile defenses are perfected, the launching of missiles from space vehicles may supplant the ICBM.

The Appropriations Committee has recommended that $185.8 million be appropriated for the Dyna-Soar program. I support this action. Dyna-Soar is a space program in that it attempts to devise a manned glider which can be landed by its pilot at a specified base. Dyna-Soar would not explore the Moon or the stars or the universe. It would operate relatively close to Earth and could be controlled in flight.

The committee recommended that $85.8 million more than the amount requested in the budget be appropriated for this program for two reasons: the desire to save money and the desire to save time. A development program which does not proceed at an optimum rate costs too much. Personnel and facilities are tied up. Costly changes that may not really be needed are introduced into the program. Programs tend to drag, paperwork increases, overhead increases.

A "crash program," on the other hand, which is pushed faster than the state of art will allow also is wasteful. The additional funds we ask today should travel Dyna-Soar along the route between too slow and too fast. The streamlined Dyna-Soar program is more practical as well as more bold, since under it a man will be orbited in a Dyna-Soar vehicle some 3 years sooner than under the original budget plan. It also is estimated that the stepped-up program will cost, overall, some $300 million less than the original budget program.

The new plan involves use of the Saturn booster, developed by NASA. Funds for its development already have been appropriated and the first tests are scheduled in the near future.

I support the Dyna-Soar, and the increased funds for its development, not as a nebulous program to satisfy scientific curiosity about space, but as a program for the development of military equipment which will increase our military strength in the dangerous years ahead.

Mr. Chairman, the committee has given very careful study to this important bill at daily a.m. and p.m. sessions for the past 6 months. We all believe that this bill will better prepare our military forces to meet any challenge that may come. I should like to particularly applaud the nonpartisan approach. That has been given by both sides of the aisle

in our consideration in this all important measure.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Chairman, I have a duty of love and affection and deep regard to perform at this moment. I have the high honor and the great privilege, Mr. Chairman, to announce to you and the Committee that seated immediately to my right hand is our distinguished and beloved colleague the distinguished gentleman from Michigan, affectionately known as LOUIE RABAUT. You would not know it to look at him and certainly never, never at his family, but today LOUIE is celebrating by the grace of God his 50th wedding anniversary.

We all frequently mistake Stella, his lovely wife, for his daughter. That happens time and time again. LOUIS and Stella have nine children living: Rev. Francis Dermott, S.J., Marie Celeste—Sister Mary Palmyre, I.H.M., Louis III, Mary Jane—Mrs. August Amato, Vincent, Carolyn Marie—Mrs. Jules DePorre, Joan Marie—Mrs. John Barrett, Stella Marie—Sister Stella Maris, I.H.M., and Martha Mary—Sister Martha Marie, I.H.M.

For you who would read further, I refer you to page 74 of the Congressional Directory. I have authenticated this biography, and it is extraordinary. In addition, there are 29 grandchildren, 15 boys and 14 girls. There is no race suicide in the great State of Michigan.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the distinguished chairman of our committee.

Mr. MAHON. I wish to join in saluting LOUIS RABAUT upon this memorable occasion in the House of Representatives. LOUIS and I were elected in 1934 and came here together, and we were officers of the congressional group composed of Members who were first elected to Congress in that year. LOUIS has done many wonderful things during his service here. Among the things he has done has been to fortify the pledge of allegiance to the flag with the words "under God." I am glad the gentleman from Pennsylvania has taken note of this occasion.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the distinguished gentleman from Michigan.

Mr. FORD. I should like to say on behalf of the Michigan delegation, both Democratic and Republican alike, that we are mighty proud of LOUIS and the fine, wonderful Rabaut family. May I say personally that the first 2 years I was privileged to serve on the House Committee on Appropriations I was honored to have as my subcommittee chairman the gentleman from Michigan [Mr. RABAUT]. He was most helpful, beneficial, and courteous in this period when I was learning how we on this committee operate.

Mr. FLOOD. Mr. Chairman, I yield now to the distinguished majority whip, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, may I join the distinguished gentleman from Pennsylvania and his colleagues on the Committee on Appropriations and on this great subcommittee in their expressions of congratulations to one of the finest gentlemen who has ever served in the House of Representatives.

Mr. FLOOD. And now, Mr. Chairman, so that he may take a bow, I yield to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Thank you, my colleagues.

Mr. FORD. Mr. Chairman, I yield 6 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, unfortunately, at the time the defense appropriations committee marked up this bill, a change in the defense organization had not been announced by the White House. Had this change been announced at the time the defense appropriation subcommittee marked up this bill I certainly would have called it to the attention of this committee. I do feel it is important for us to realize what has taken place in the appointment of General Taylor as Military Adviser to the President of the United States.

This appointment is in direct conflict with the Unification Act which was passed by the Congress several years ago. The Unification Act provides that the military advisers to the President of the United States will be the Chairman of the Joint Chiefs of Staff and the members of Joint Chiefs of Staff. By superimposing a military adviser in the White House over and above the authority of the Joint Chiefs of Staff and the Chairman of the Joint Chiefs of Staff, we have created a problem which I think will haunt the United States and its military preparedness program. We have divided responsibility contrary to the Unification Act which was passed by the Congress. We have an attempt here to set up a single chief system bypassing the authority of the Congress. We have divided military responsibility at a very important time in the history of this country At this time we are facing a very important crisis in Berlin which should not be faced with split responsibility.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Michigan.

Mr. FORD. I feel very strongly that it is unfortunate the President has established among his group of White House advisers a separate military adviser to him. I think it is bad from an organization point of view to have a separate individual military adviser in the White House acting, possibly, contrary to the recommendations of the Secretary of Defense and the recommendations of the Joint Chiefs of Staff. This is just a bad organizational setup. It can and undoubtedly will lead to difficulty because of the obvious pitfalls.

Secondly, I fear that this might lead to an undercutting of the recommendation by the Secretary of Defense and by the Joint Chiefs of Staff.

This is no reflection on General Taylor. He is a man of great military experience and unquestioned honor, but he has strong views, as the gentleman from Wisconsin knows, about certain military programs. If I recall correctly from previous testimony given to the Defense Subcommittee, his views on certain military programs and policies are completely contrary to the recommendations of the present Secretary of Defense and the present Joint Chiefs of Staff.

Mr. LAIRD. And the present Chairman of the Joint Chiefs of Staff.

Mr. FORD. Here you have an atmosphere for unfortunate conflict, conflict which will not unify our military policy and in these days we badly need unity. For these reasons I think it is a mistake for the President to establish this office in the White House at this time.

Mr. LAIRD. I certainly agree with the gentleman.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Texas, chairman of the subcommittee.

Mr. MAHON. I would like to ask my friend from Wisconsin if he would not agree that the appointment of General Taylor was not in contravention of any existing provision of law.

Mr. LAIRD. I merely refer to the Unification Act. I would like to state to the gentleman from Texas that that act clearly states that the military advisers to the President will be the Chairman of the Joint Chiefs of Staff and the Chiefs of Staff.

It seems to me that by setting up another echelon of military advice we are clearly bypassing the Joint Chiefs of Staff, and I believe this is dangerous.

The President of the United States has the authority to appoint the Chairman of the Joint Chiefs and the Chiefs of each of the individual services, and it seems to me the responsibility instead of being pinpointed as the law intended, is being dispersed. I agree with the gentleman from Michigan that there are certain views of General Taylor which decidedly are not the views of the present Chairman of the Joint Chiefs of Staff who has been giving them to us in testimony before our committee. It seems to me that responsibility at a time such as this needs to be pinpointed and should not be spread out throughout the Government.

Mr. MAHON. I have no quarrel with the law nor with the responsibility which it fixes upon the Joint Chiefs and the Secretary of Defense, but I understand General Taylor has been appointed merely as a personal adviser and assistant to the President.

Mr. LAIRD. Let us say as an assistant advising the President on military matters.

Mr. MAHON. But he is not in line of command, he does not have power to

act, as do the members of the Joint Chiefs of Staff.

Mr. LAIRD. It seems to me it shows complete lack of confidence in the Chairman of the Joint Chiefs of Staff, who is the military adviser to the President under the law passed by the Congress of the United States, and we have not been asked to change that law.

Mr. MAHON. I would like to point out that any President needs all the advisers he can get. He gets advice from many quarters, including members of his own Cabinet. I do not see anything wrong with getting advice from helpful sources, and certainly General Taylor is a man of real stature and ability. This should not be interpreted in any way as a repudiation of the Joint Chiefs or the Chairman of the Joint Chiefs; it is merely an attempt, as I see it, of the President to get somebody to be at his side from time to time to assist him in various military problems which arise, and which would not necessarily involve the Joint Chiefs.

Mr. LAIRD. The way the gentleman explains it, it sounds as if the President has completely lost confidence in the present Chairman of the Joint Chiefs who, under the law passed by this Congress, is officially the military adviser to the President.

Mr. MAHON. And he is still his military adviser.

Mr. LAIRD. We now have a split responsibility, the Joint Chiefs at the Pentagon, and we have a military adviser in the White House.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Michigan.

Mr. FORD. I strongly feel that we have a first-class Secretary of Defense at the present time. We have an excellent group in the Joint Chiefs, and we have a particularly fine Chairman of the Joint Chiefs. Their military advice as provided in the Unification Act should be followed by the President. As much as I admire General Taylor as a person and his abilities, the responsibility under the law is on the Secretary of Defense and the Joint Chiefs. This military advice and responsibility should not now be diluted by a new adviser in the White House. I do not want any conflict between military advisers to destroy the unity of our military program.

Mr. LAIRD. I think it is most important to call this to the attention of the Congress and point out the pitfalls that are in the way of this being a success and to show it is not in accordance with the Unification Act.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Florida.

Mr. SIKES. I respect the views that have been expressed by my distinguished friends on the other side of the aisle, but I see no earthly reason for all this apprehension. The President has many advisers on many subjects, and that is exactly the way it should be. He needs expert advice on every subject. Yet these advisers have no legal authority, they do not circumvent his acting through the regularly constituted departments of Government where the legal authority is vested by acts of Congress or by the Constitution. I see no reason for this apprehension.

General Taylor is a man of great ability, a man of world renown in his field, an acknowledged leader in the field of military science. As a matter of fact, by accepting the necessity for greater readiness in the field of limited war, we are moving in exactly the direction that General Taylor urged when he was Chief of Staff for the Army.

President Kennedy is exercising wisdom by surrounding himself with men of the caliber of General Taylor. There is no reason for concern here. This is an accepted practice for every President, and a proper one. This does not reflect upon or downgrade the Joint Chiefs or the Chairman of the Joint Chiefs. They have a responsibility spelled out by law. General Taylor, as military adviser to the President, does not appear in the chain of command and has no legal authority to exercise command. But he can render valuable service to the Nation and to the President. I should think our friends on the Republican side would want to see every reasonable step taken to strengthen our Government in these perilous times.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. MAHON. Mr. Chairman, I yield the gentleman from Wisconsin 1 minute.

Mr. LAIRD. Mr. Chairman, the gentleman from Florida has stated it very well as far as General Taylor is concerned. My concern is not with General Taylor as much as it is with the splitting of responsibility by establishing at the White House level another top military adviser.

When the unification bill was up and the debates were continuing on the bill, there was a question at the time of the role that was played in the Roosevelt administration by a military adviser. The idea was rejected. It was decided that the responsibility would be fixed by law and the military advisers to the President would be placed in the Joint Chiefs of Staff and the Chairman of the Joint Chiefs of Staff.

Mr. SIKES. That is exactly the point of my discussion. There is no splitting of responsibility, there is no divided authority. The Joint Chiefs have specific responsibilities as outlined by law. No one is attempting to usurp or set aside those responsibilities.

Mr. LAIRD. As advisers to the President.

Mr. SIKES. General Taylor, as an adviser to the President, fills a very important need. The Joint Chiefs have many other responsibilities in addition to being the official military advisers to the President. General Taylor in his capacity is no different from many other advisers who have been selected by the President to assist him in the enormous tasks which rest upon the shoulders of every President. None of these advisers supersede the legally constituted officials of Government who are responsible for departmental decisions and policies. And certainly no one questions the fact that General Taylor is a highly qualified individual in this field, and particularly so in the field where there is greatest likelihood of armed conflict, the field of limited war.

Mr. LAIRD. Then General Taylor should be made Chairman of the Joint Chiefs of Staff.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Illinois.

Mr. ARENDS. As a longtime member of the Committee on Armed Forces, I am greatly disturbed about this very matter, and I am pleased it is being discussed here on the floor of the House. I think it is of the utmost importance. It seems to me, regardless of what the gentleman from Florida has said that General Taylor has no official status, the fact remains General Taylor will be the man who has the opportunity of making the last decision, regardless of what the Chairman and the Joint Chiefs of Staff may say. How, let me ask, do members of the Joint Chiefs of Staff get to the President of the United States with their suggestions and advice? What they suggest will naturally be cleared by General Taylor. I repeat, the Joint Chiefs cannot go directly to the President with their story. That is something for the Congress to think about.

Mr. LAIRD. It is something that the Congress should consider and has not had such an opportunity.

Mr. ARENDS. The gentleman is absolutely right.

Mr. MAHON. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I deplore this lack of confidence in the President which has been expressed here. The President is responsible as Commander in Chief of the Armed Forces of the United States. He can secure advice and assistance, and under the law he has certain people who are required to provide this advice, such as the Joint Chiefs of Staff. But there is no reason why he cannot secure additional information from his aids and assistants at the White House; in fact, it seems to me, under the present circumstances, any President needs all of the assistance he can get, and President Kennedy is very fortunate in having the services of General Taylor. The President several weeks ago called on General Taylor to look into our Central Intelligence Agency operations and into the law which governs the Central Intelligence Agency, and General Taylor, along with others, made certain recommendations to the President. So, it seems to me that as an outgrowth of that experience, the President has appointed General Taylor as one of his assistants in this field and has given him no responsibility other than to advise the President when the President wishes his advice. The President is in no way circumventing the Joint Chiefs or the Secretary of Defense or the service Secretaries, and I do not think there is any hazard involved in this matter. I do not think there is any cause to be disturbed about something that I believe will be helpful to the President in discharging his duties as Commander in Chief of the Armed Forces.

Mr. FORD. Mr. Chairman, I yield 6 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman from Texas.

I would like to go back, Mr. Chairman, to the Aerospace Corp. I have several questions I would like to ask the chairman of the subcommittee concerning the bill, but I would like to start with the Aerospace Corp. Where, will the gentleman tell me, is this corporation located? Where is its principal place of business?

Mr. MAHON. This corporation was organized under the laws of the State of California. It was organized at the request of the Air Force for the purpose of carrying on a certain amount of technological work in the field of space technology and other highly technical defense areas.

Mr. GROSS. That is exactly what I thought, that it is located in the State of California and not in the cornfields of Iowa, about which there was some mention a while ago. California has all kinds of cost-plus-fixed-fee contracts with airplane producers, and the State of California is doing very well with this new high-salaried corporation; is that not correct?

Mr. MAHON. I do not know that the State of California, as a State, has these agreements.

Mr. GROSS. Let me rephrase it: Located within the State of California.

Mr. MAHON. Yes; located within the State of California there are many defense contractors and installations.

Mr. GROSS. So, we have California doing very, very well with cost-plus-fixed-fee contracts.

Now, let me ask the gentleman this: In addition to the $5 million that the Government put up—and this is a wholly financed Government enterprise, this Aerospace Corp., is it not?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. The Government provided $5 million of its capitalization; is that true?

Mr. MAHON. This is a nonprofit corporation, and it gets those funds from appropriations made by the Congress. All the funds are provided by the Government.

Mr. GROSS. This new nonprofit corporation pays its president $75,000 a year plus expenses and the vice president, $50,000 a year plus expenses, and several others $25,000 and $30,000 a year. In addition to the $5 million of original capitalization for this corporation, all of it coming out of the Federal Treasury, there is a $1.5 million fee. Can the gentleman tell me about that? I was unable to elicit an acceptable explanation from one of the assistant secretaries of the Air Force. In fact I got a real good run around as to why Aerospace got a fee of $1.5 million in addition to the $5 million to originally set this thing up. Can the gentleman enlighten me on that?

Mr. MAHON. May I begin by reading the salaries of the officials of this organization. The president draws a salary of $75,000. I believe he was drawing the equivalent of $120,000 in industry before he took this job. The senior vice president receives $50,000 and other vice presidents average $39,000. It seems to me these salary scales are quite high and the Committee on Appropriations took note of this fact.

Mr. GROSS. The question is, Does the gentleman have any information as to why there was a $1,500,000 fee in addition to the original $5 million capitalization, all provided by the Government?

Mr. MAHON. No, I cannot say; except that this corporation does business exclusively with the Federal Government and that the Federal Government provides all the funds, working capital funds, and so forth.

This corporation works only for the Federal Government and the corporation has no stockholders. The corporation spends its money on various projects, and in the payment of personnel. It is not a moneymaking organization, except employees make money through their salaries.

Mr. GROSS. Is not this about the same way that Ramo-Wooldridge got started?

Mr. MAHON. In that case the organization had hardware fabrication authority, and was interested to some extent in production contracting. So it is a different situation.

Mr. GROSS. Mr. Chairman, let me ask the gentleman this question. There is no market for the product provided by these people except the Government of the United States; no one else is buying missiles; is not that correct?

Mr. MAHON. That is right.

Mr. GROSS. So these salaries in light of that are utterly fantastic, in my opinion. The salaries are fixed by the board of directors of this corporation; not by the Air Force, but by the board of directors of this corporation. If we are going into this business of setting up corporations throughout the Government perhaps it is about time one was organized for the House of Representatives. Perhaps we should have a think factory, paying salaries of $75,000 a year, put a voting machine up here, and vote by pushing a button after asking the think factory to tell us how to vote.

Let me ask the gentleman this question: How much are we spending on the in-house facilities in the Air Force for this same purpose?

Mr. MAHON. This is a matter which the committee explored. You have to have in the Department of Defense, and in the Air Force itself, people who are able to supervise and to lay out the work, and to judge the quality of the work of the corporation. Much of the highly technical work is done by this nonprofit corporation. This work is not duplicated by the Air Force. We are told that we do not have in the Government men of the qualifications of those who are being assembled to carry out the special assignments which the Air Force is giving the corporation.

The board of directors of the corporation is made up of very high level people who are interested in the overall welfare of the U.S. Government, and who do not stand to profit financially from the enterprise. They are men who have distinguished themselves in colleges, in Government, and in business.

Mr. Gilpatric, who is now Deputy Secretary of Defense, was previously chairman of the board. I will undertake to submit the names of the present board for the record. They are: Dr. Irving A. Getting, president; Dr. John F. Blackburn, consultant to president; Mr. R. T. Jensen, counsel and treasurer; Mr. Allan F. Donovan, senior vice president; Mr. E. J. Barlow, vice president, engineering division; Dr. C. W. Sherwin, vice president, laboratory division; Mr. J. H. Irving, vice president, systems research and planning division; Mr. William W. Drake, Jr., vice president, administration.

On the board of trustees: W. C. Foster, chairman; C. C. Lauritsen, vice chairman; W. O. Baker, trustee; C. C. Furnas, trustee; T. Gardner, trustee; I. A. Getting, trustee; E. E. Huddleson, Jr., trustee; R. Lewis, trustee; J. McCormack, trustee; E. E. Partridge, trustee; A. E. Raymond, trustee.

Mr. GROSS. They certainly ought to be high level men, according to the salaries paid them. Again I ask, what are we going to do with the civil service system? We might as well begin to give serious consideration to the repeal of the Classification Act, the abandonment of attempts to control supergrades, if we are going to go into this kind of business.

Mr. MAHON. It probably would be quite well to reconsider general Government salaries in certain high technical areas. Increased pay in Government might be a part of the answer to the problem. It is true that the president of this corporation gets three times as much salary as the Secretary of Defense, but he does not have the prestige and the position in the Cabinet and the part in the history of our times that the Secretary has. Some of these men who come down here to serve in the Cabinet and in other high Government positions are men who have received in industry salaries in the area of $100,000 annually or above. They come here for reasons other than those which impel other people to work for corporations.

Mr. GROSS. Yes; they certainly do.

Mr. MAHON. You have to try to get people to do important defense work by contract or otherwise. Of course, you cannot get $100,000 men to take lower pay civil service jobs that are not important prestigewise or otherwise. We have to deal with human nature as it is. It is a real problem. That is why the committee put into this report a warning that this matter had to be carefully looked into or it would get out of hand.

Mr. GROSS. On January 20 I heard something to this effect, "Ask not what your Government can do for you, but what you can do for your Government." I remember that quite well.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. FORD. I think the Aerospace concept is far superior to the Ramo-Wooldridge-type of organization should

that come into being with our missile program. In addition, it seems to me that Aerospace performs a good function in that it takes away from a single weapons system contractor the authority to manage the whole weapons system concept and to bring in all of the individual subcontractors. Aerospace does permit the Air Force to let subcontracts on some of these major weapons systems. If they did not have Aerospace that could not be done nearly as well nor as effectively. Therefore, if you are interested in small subcontractors, you should be in favor of the Aerospace approach.

Mr. GROSS. Another concern I have is whether they will go out as did Ramo-Wooldridge and get themselves a manufacturing concern and go into the business of producing hardware.

Mr. FORD. That is one of the things our committee and other committees must watch and guard against as they develop, but as of now we do not have that responsibility.

Mr. GROSS. Now I want to go to something else. I have read this bill quite carefully and I cannot find a single reference to representation allowances. Does the gentleman mean to tell me that the military is not interested in a little liquor here and a little booze there?

Mr. MAHON. For decades, I assume there have been representation allowances for entertainment and other functions. I am not talking about funds for liquor. It may have been at one of these functions that Stephen Decatur, a naval hero, more than 100 years ago at Norfolk proposed his famous toast: "Our country. In her intercourse with foreign nations, may she always be in the right; but our country, right or wrong."

We have had some provision for representation allowances all through the years. In this bill there is approximately, for all the services, $1,600,000 for representation allowances. This includes entertainment of all kinds necessary to uphold the prestige and dignity of the United States at home and abroad, principally abroad. It is not a whisky fund and I myself would not recommend that any of the funds be used for that purpose. It is for food, it is for catering services, it is for banquet halls, it is for reception rooms, it is for flowers, for servants, it is for many purposes incidental to representing the United States in a proper way.

Mr. GROSS. How does it come about that there are no line items in this bill so we can see where the money for representation allowances is going, whether the Navy is getting more than the Marine Corps or the Air Force is getting more than the Army?

Mr. MAHON. I may say to my friend that we have six volumes of printed hearings, but this bill involves $42,711 million and this is not one of the major items in the bill. Our attachés abroad are covered by this. In the 6th Fleet in the Mediterranean, the Admiral is entertained by the governments wherever he pays a call. He has to entertain these people in return. Somebody has to pay for this entertainment. If they are entertained on board ship, as they are, no wines and liquors can be served. The representation allowance enables men of ordinary means to represent the Government of the United States at home and abroad.

Mr. GROSS. Well, how about, let us say, $100,000—in view of the fact that we had to increase the debt limit the other day. How about $100,000 for liquor for the Armed Forces next year? Would that not be doing pretty well by them?

Mr. MAHON. I think $100,000 would be too much for liquor for the Armed Forces insofar as I am concerned. We have 2,500,000 men in the armed services and if we compare $1,600,000 to the number of men in the armed services, and, of course, this is not the distribution basis of the funds, the fund does not seem as large as it otherwise might seem.

It does not seem to be such a great amount when you consider the American attachés of the Army, Navy, and Air Force on all the continents and the commanders of the various services who are in every part of the world and when you consider the many dignitaries who visit this country from other countries, and when you consider the many, many banquets and receptions and so on, that must be held.

Mr. GROSS. I will say to my good friend, the gentleman from Texas, that that is exactly what they said when the State Department bill was before us providing for more than a million dollars' worth of representation allowance, if you want to call it that—the gentleman from New York [Mr. ROONEY] calls it tools of the trade—you remember? But that is exactly the same story we heard then. I tell the gentleman now I am going to offer an amendment to cut that to $100,000 and I hope the gentleman will support me.

Mr. MAHON. The gentleman from Iowa can offer amendments to strike out the whole sum, if he wants to have these people pay for this entertainment out of their own pockets—entertainment which they must provide as official representatives of the American Government.

Mr. GROSS. You cannot strike anything out because you cannot see it in the bill. But, you can put a limitation in.

Mr. MAHON. You can put a limitation in the bill or you can move to reduce the funds for operation and maintenance and strike out a specified number of dollars.

Mr. GROSS. All that my amendment will deal with is the representation allowance, I will say to the gentleman. I will not deal with food, guns, messhalls, officers' clubs, or anything else. My amendment will only limit the representation allowance to $100,000 and I think that is fair in the light of the condition of our Treasury and the troubles that American taxpayers have these days.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MAHON. Mr. Chairman, I have no further requests for time. I ask that the Clerk read.

The Clerk read as follows:

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft, and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes, including rents and transportation of things; $2,916,684,000, to remain available until expended, of which not less than $448,840,000 shall be available only for the procurement of long-range bombers: *Provided*, That during the current fiscal year there may be merged with this appropriation not to exceed $225,000,000 of the unobligated balances of appropriations previously granted for "Aircraft, missiles, and related procurement," and "Procurement other than aircraft and missiles."

Mr. WRIGHT. Mr. Chairman, I take this time to congratulate the Appropriations Committee of the House on what I am convinced is a very wise decision, that decision being to add to the request by the Defense Department sums for the procurement of additional strategic bombers.

Earlier this year, I was alarmed to discover that the Military in submitting its suggested budget had not proposed the procurement of one single manned bomber beyond our present orders. There apparently were no plans to order any additional strategic combat aircraft until the time when the B–70 shall become operational, perhaps 6 or 8 years from now. In light of the accelerated rate at which our older B–47's are being phased out, and in light of the present and acknowledged missile gap, this appeared to be an extremely risky gamble and one which could have compounded the missile gap by inviting also a bomber gap.

I am convinced that the time has not yet arrived in the United States when we can afford to put our entire deterrent hopes in the missile basket. It is generally conceded that we have not yet attained a missiles superiority, and in these crucial years which lie immediately ahead of us, while we strive to catch up with the Soviet missile capability, it is a matter of imperative first importance to the United States that we maintain a long-range bomber striking force capable of providing that extra edge of deterrent protection which will assure that our Nation will not become a target.

To this end I wish to congratulate the Members of this House who sit on the legislative committee that authorized additional expenditures for bombers, as well as the members of this distinguished committee who have shown the wisdom of including in this appropriation sums for the purpose of procuring additional bombers. I agree with the committee's suggestion that the B–70 development be speeded up. I particularly agree with

the suggestion that the Defense Department seriously consider extending production of the presently operational B–58.

In this specific connection I would like to point out that I believe it would be the part of great folly for us at this particular juncture to allow procurement of our own supersonic bomber, the B–58, the only supersonic bomber in the whole free world, to be prematurely terminated. I am also convinced it would be folly from an economic standpoint. We have invested some $3 billion to date in this B–58 program. For this $3 billion, much of it having gone into the initial stages of research and development, our Nation has two wings of this most modern, most sophisticated weapons system in our defense arsenal. We have procured two wings, for $3 billion. We now could secure an additional third wing, which was always planned in the original program, and which the commander of the Strategic Air Command says he would like to have, for only some $330 million additional. Right now at this very time, we have reached the point at which our very considerable investment in this program is about to pay off. It seems tragically shortsighted to terminate the program now.

The B–58 can outfly any Soviet fighter plane and is probably the only aircraft we have which can effectively penetrate Soviet targets. This bomber can fly at twice the speed of sound. Recently it has broken six world speed records previously held by Soviet aircraft. This bomber has the capacity for exterior missiles or can with very minor modifications carry five bombs with 750 times the destructive potential of those that leveled Hiroshima. This bomber can fly in at sublevels, below 500 feet, fast enough to escape radar detection. It is by any yardstick the most versatile weapons system in our strategic defense system. We have only two operational wings. For a fraction of the money we have already spent on it, we can have the third wing which was originally programed.

Today, over the United Press wires comes news that the Russians are building a supersonic bomber. On today's UPI wire comes the following dispatch:

Moscow.—Western observers said today Russia may plan to parade an array of new warplanes a week from Sunday at its first air show in 4 years.

The Soviet press published pictures today of a delta-winged four-jet bomber, the first new Soviet warplane whose existence has been acknowledged publicly since the 1957 air show.

On the CBS World News Roundup at 8 o'clock this morning came the following report:

Russia unveiled a new delta-winged supersonic four-engine jet bomber which appeared to resemble our B–58.

Certainly it should be significant to us that the Russians are sufficiently respectful of our B–58 and its capabilities that they are seeking at this time to emulate it. This is one field, and perhaps the only strategic field, in which we are far ahead of them. That they recognize this fact seems implicit in their action as reported in today's news bulletins. Are we to surrender this lead, which they obviously respect, and wait for them to catch up? Or should we not go ahead while we are so well equipped to do so, and lengthen our numerical lead in supersonic bombers?

The B–58 is the only supersonic bomber we have. This is the bomber which won the Strategic Air Command bombing competition last fall. It was the first time in the history of that competition that a bomber won in its first year of entry into the competition. This is the bomber which has broken six world speed records previously held by the Soviets.

Certainly we do not want to send to the Soviets the message that we are abandoning production of this bomber which they so obviously respect. Surely we should continue this program on the regular and originally established pattern. It is the most sophisticated, most advanced weapon system in our arsenal.

I want to congratulate the committee for having made this continuation possible. I appeal hereby to our Secretary of Defense, in light of this clear expression of congressional concern, to reexamine his plan and not allow this production line to be prematurely terminated. The time for him to act is now. Parts for the last B–58 on order are right now being fabricated. If we allow the production line to shut down, it will cost many, many hundreds of millions of dollars more to put it back into production again.

Mr. MAHON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the committee report contains a statement on the long-range bomber program, which I believe will serve to clarify the committee position on this problem. I propose to insert portions of the report on this subject at this point.

LONG-RANGE BOMBER

In the case of manned bomber production, the committee feels that it may not be wise to go as far as the Department of Defense has proposed in discontinuing, during calendar year 1962, production of the B–52 and B–58 bombers, while at the same time restricting the development of other manned bombers, especially the B–70.

The January 16 budget submitted by President Eisenhower contained no additional funds for further production of the B–52 and the B–58. (It contained $358 million for the continuation of the B–70 bomber development program.) Under present schedules it is estimated that B–52 production will be concluded in September 1962, and the B–58 program will terminate in October 1962. A modification program on certain models of the B–52, however, will require the utilization of the B–52 plant for an additional period of months beyond September 1962.

In an amendment to the January 16 budget, presented by President Kennedy, the budget request for the B–70 was reduced from $358 million to $220 million and no additional funds were requested for continued production of the B–52 or B–58.

Various proposals to stretch out the production period, of the current procurement of B–52's and B–58's, were considered by the committee. By reducing the number produced per month, and this would increase the cost per plane, production line operation could be projected beyond the cutoff dates now anticipated. By appropriating sufficiently large additional funds—and should the administration choose to do so—it would be possible to keep the B–52 and B–58 production lines open indefinitely. Hundreds of millions of dollars would be involved in either a production stretchout or an additional procurement.

The committee recommends a total appropriation for the production of long-range bombers in the sum of $448,840,000 and has so earmarked these funds in the bill. There is no reason why, if the Defense Department desired to do so, additional funds from the aircraft procurement account of the Air Force could not be added for this purpose by reprograming actions in the event such a course is determined to be wise.

The committee feels that first preference in the use of available funds should be given to the acceleration of the B–70 program. However, it is not meant by this recommendation that the Defense Department should be prohibited from utilizing the funds provided, in the long-range bomber account, for other long-range bombers.

It is pointed out that the bill herewith submitted carries a total sum of $2,916,684,000 for aircraft procurement for the Air Force. On June 30, 1961, it is estimated that the Air Force will have from amounts previously appropriated the additional sum of $4,553,000,000, unexpended in this account, of which $704 million is committed for the B–52 and $550 million for the B–58. Of course, most of these prior-year funds have been programed and committed.

We have a very formidable bomber force in existence and will continue to have for a long time. The inventory includes over 1,500 heavy and medium bombers—B–47's, B–52's, and B–58's. During the next 2 fiscal years, we will continue to receive deliveries of B–52 intercontinental jet bombers and B–58 medium jet bombers from contracts funded in 1961 and prior years. Until at least the late 1960's, therefore, we will possess a very substantial bomber fleet.

In the critical period which lies ahead when our potential adversary could launch a heavy ICBM attack with little warning, the number of bombers on an alert status and capable of immediate launching is believed to be of the greatest significance. Accordingly, we are providing funds, as requested, for the purpose of substantially increasing the number of bombers maintained on ground alert for instant readiness.

Defense Department witnesses have testified that, on a continuing basis, about one-half of the total strategic bomber force can now be maintained on ground alert. In periods of emergency, of course, a larger proportion of the bomber force could be brought to an alert status and held there for such periods of time as may be necessary. In addition, there are airborne alert practices and capabilities which are also provided for in the accompanying bill.

The Clerk read as follows:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including lease of facilities and equipment, as authorized by law, $1,555,200,000, to remain available until expended, of which $185,800,000 shall be available only for the Dyna-Soar program; and in addition, $447,724,000, which shall not be available for obligation after June 30, 1962, for expenses necessary for maintenance, rehabilitation, and operation of installations and facilities and other expenses in accordance with applicable provisions of the appropriation, "Operation and Maintenance, Air Force".

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: Page 24, line 13, before the period, insert: ": *Provided*, That not to exceed $30,200,000 of this appropriation shall be available for continuation of the contract with the Aerospace Corp."

Mr. GROSS. Mr. Chairman, I shall not belabor this amendment. We have had a pretty good discussion of the Aerospace Corp. I simply want to read to you a paragraph from the report to be found on page 54, as follows:

The committee has taken the specific action of recommending a reduction of $5 million in the budget request of $35,200,000 for the Aerospace Corp. for fiscal year 1962. This corporation is one of the newest of the nonprofit organizations working for the Air Force. It is in a special category due to the fact that it was established by request of the Air Force. The committee feels that the salaries paid by the Aerospace Corp. are excessive that its overhead costs are too high, and that it plans to employ too large a staff. The Air Force should either be able to obtain its required services from Aerospace Corp. for $30,200,000 or find another method of coping with the problems involved.

Mr. Chairman, I want to compliment the committee. My amendment simply carries out the clearly stated intention of the committee.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. I believe the gentleman is absolutely correct. The budget estimate for Aerospace was $35 million, and we cut the funds for research and development by $5 million, and there will be a reduced appropriation in this amount for Aerospace. If the gentleman wants to put it in the bill, although we have it in the committee report, personally I have no objection to whatever action may be taken.

Mr. GROSS. I simply want to carry out what is in the clear intent of the position of the committee as set forth in the report accompanying the bill. It takes out any question about whether they will spend $35 million or $30 million.

Mr. MAHON. I do not think there is any question, may I say to the gentleman, in view of that fact I see no reason why the amendment does not reflect the will of the committee. If the House does not want to take this action, that is up to the House, of course.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. FORD. I understand the reason for the gentleman's amendment and the reason why the chairman has concurred in it. I personally have many reservations about this approach, a limitation such as the gentleman has indicated. I think it could set a bad precedent in instances that are not identical with this, and a precedent which might to some extent hamper the proper operation of a program in one of the services. In this case I see no harm, but it might set a bad precedent in other instances.

Mr. GROSS. Well, you could set the same precedent in the report, could you not? In the report you say the cut of $5 million must be made with nothing to back it up except words in the report.

Mr. FORD. There is a slight difference, I may say.

Mr. GROSS. Of course there is a difference.

Mr. FORD. In the meaning. If an emergency arises, they could always come back to our committee, and on the basis of a reprograming, with committee concurrence, get additional funds. If you have limiting language like the gentleman from Iowa proposes, if an emergency arose, our committee or any other committee could meet that emergency by committee approval. That is quite a difference.

Mr. GROSS. Let me say to the gentleman that we have had four deficiency appropriation bills in this session. We passed the last one only about a week ago. If there is an emergency such as the gentleman suggests, there is no reason why more money could not be made available in a deficiency appropriation bill. And, we will have plenty of them.

Mr. FORD. What about when the Congress is not in session? That is the problem.

Mr. GROSS. Well, now, the gentleman knows that it is going to take some time for them to spend $30 million. As fast as they probably can spend it, it will take some time. I am sure that Congress will be in session before they exceed the $30 million that is here allocated to them. And, I am sure the gentleman knows that.

Mr. KILDAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I concur in the statement made by the gentleman from Michigan [Mr. FORD], with reference to possible complications should this amendment be adopted. However, the point that we fear, or some of us, at least, on the Committee on Armed Services, is the implication of adopting this amendment. I have in my hand a letter from the Secretary of the Air Force, and I will read a portion of it:

The dollar impact of the reduction proposed by the House Appropriations Committee can only disrupt and delay the progress of these critical programs. The vote of no-confidence that it necessarily represents, when read together with the report issued by the committee, must have an even more serious and far-reaching effect.

This action in singling out Aerospace has already caused uncertainty and alarm among Aerospace officials and key scientists. If permitted to stand, it will do irreparable harm, especially as concerns that organization's ability to retain the outstanding staff it has already assembled and to attract others of like caliber. Inevitably, the entire system that has worked so remarkably over the past 6 years will suffer.

There was a colloquy here earlier today while the gentleman from California [Mr. HOLIFIELD], had the floor. The Aerospace Corp. was created because of a recommendation made by the subcommittee which the gentleman from California headed; a recommendation made by the Committee on Government Operations. The manner in which these contracts shall be handled and the ability to get the scientists, who are in such short supply, and for whom there is such keen competition, is a very difficult one. I think, perhaps, it will have to be faced by legislation. But, I certainly hope that we will not, by summary action on an appropriation bill, create such confusion in the Aerospace Corp., in its research now on such projects as Mercury and Saint so as to cause these projects to disintegrate between now and the time the next appropriation bill is before us.

It is true that some of these scientists are paid more than are paid under the Classification Act. Here you are dealing with a nonprofit corporation. So they are paying more, admittedly. If you do not want to do business with a nonprofit corporation, you are going to have to do business with a profitmaking corporation. They are going to pay the highly competitive salaries and then you are going to add on top of that the profit which goes to the profitmaking corporation, because when you come to renegotiation the corporation is going to be permitted to figure those costs in salaries as a portion of the cost of the contract. They impose the profit percentage on top of that, so you are going to have to pay to get their services, whichever way it is done. You cannot get them in civil service. Do not ask me why, I do not know. I know the result is you cannot get them because you do not get them at the salaries which are paid in civil service. So the question of the $5 million is the minor portion. The major difficulty here is the implication of saying to the scientists in the Aerospace Corp., "You are on your way out," and tomorrow they start seeking other employment, and you have lost them to this program and you may have lost them to the defense of the country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Iowa.

Mr. GROSS. Let me ask the gentleman this question: He talks about confusion. What are you going to do about the confusion, if there is confusion, and I do not agree there is, about the wording of the report?

Mr. KILDAY. I do not know of anything that can be done about it, but I know that is a report expressing the views of the Committee on Appropriations. But if you come along now and cut out this money by a majority vote of the House of Representatives, you have adopted those views as the legislative action of the Congress of the United States, and that is final. Then you are going to have the dissolution of the Aerospace Corp.

I think the wise and proper thing for us to do at this juncture is to let the matter stay where it is, as reported by the Committee on Appropriations, and not have a formal approval by a legislative act. I do not believe any member of the Committee on Appropriations is prepared to say that this is the final decision as to the Aerospace Corp. The report directs a careful organization of the corporation and a circumspect growth.

Mr. GROSS. What else does the report say if it does not say that you cannot spend the $5 million?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the distinguished majority leader.

Mr. McCORMACK. As I understand the theory behind the development of the Aerospace entity and one or two others, it is that they are first, nonprofit, as the gentleman has said and, second, they are not on the production level. They are in the nature of an architect. This gives the Air Force freedom in the awarding of contracts on the production level where prior to this a prime contractor got this kind of work, and the production, and then it created other abuses as a result of this, out of which this theory was developed.

Mr. KILDAY. Yes; of having a research contractor preempt the production contract. That was one of the reasons we went to this type organization.

The gentleman from California [Mr. HOLIFIELD] explained that in very considerable detail earlier today, and I hope in behalf of orderly procedure the amendment will be rejected. Thereby confidence will be restored to the scientists employed by Aerospace Corp. The defeat of this amendment will overcome the serious consequences mentioned in the letter from the Secretary of the Air Force.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to speak on this subject, and I assure you that it is not because this particular company is located in California. There are other companies like this such as the Johns Hopkins study group in Baltimore, the Rand Corp., and a number of others, that are doing specialized, technical work for the three branches of the Department of Defense. So this is not a matter of defending something that happens to be in California, and it is not in my district.

I do not know the name today of one man that works for this corporation, nor am I personally acquainted with it. I am arguing completely on the principle of the matter.

Let us see what happens with the prime contractor type of handling a defense contract. The prime contractor is allowed by law a stated amount of profit on his operations. Let us say, for example, it is 6 percent under the final determination of the Renegotiation Board. The prime contractor then proceeds to a first subcontractor, then a second sub, then a third subcontractor and sometimes subcontracts go down to as many as nine subcontractors, and on every one of those subcontracts there is an allowable profit to each of the subcontractors. Under this method of using a prime contractor and several levels of subcontractors there is a larger percentage of profit on the whole contract than there would be under a straight one-step contract.

Now under the Aerospace type of contracting each contract can be a one-step contract between the Air Force and each of the contractors. This method, therefore, can be cheaper to the Government.

The Air Force does the contracting, and it contracts directly with all of the contractors, so there is a flat 6 percent paid to each contractor. There is not a pyramiding of whatever the profit allowance happens to be. So from the standpoint of contracting, this is the more economical way to operate. I am not advising that we go into this type of contracting as a sole method of procurement, but there comes a time when specialized qualifications are required. It came in this instance when the private enterprise corporations had backlogs for 2 or 3 years. It was necessary to start a new group and pull together people of special competence from electronics, from engineering, from all the disciplines in science in order to get into this operation of catching up on the missile gap, on which we admit the Soviet Union has the advantage over us. So this method was used.

Of course we are going to continue developing missiles regardless of what you do on this particular amendment offered by the gentleman from Iowa, because this is new procedure, this is a new weapons system delivery system for nuclear warheads, and we are going to proceed along this line. This does not mean we will eliminate the Polaris submarine or the bombers or the rocket-type interceptors. The time has not come for that, and it may never come. But this is a primary system of delivering nuclear warheads, the missile, and we have to continue to improve that and we have to look to men who have the peculiar scientific competence to bring the ideas forth to give us that improvement. That is why this type of organization, such as Johns Hopkins in Baltimore and Rand and Aerospace and many others have been brought into the field.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. MAHON. I think the gentleman would want to check his remarks in regard to the profits which are allowed.

Mr. HOLIFIELD. I use that only as an example.

Mr. MAHON. They of course do not, in most cases, receive 6 percent profit and then additional percentages of profit on each subcontract. The rate of profit is not usually extremely high percentagewise, as my friend from California knows.

Mr. HOLIFIELD. Is it not true that if a prime contractor has say a $1 million contract and he subcontracts it he is allowed a 6-percent profit on all of it?

Mr. MAHON. Certainly that is not the case in most instances. I should like to point out that the effect of the report is to reduce the funds for the Aerospace Corp. What the House does is one thing, what the other body does is another thing, and what comes out in the final result is still another thing. So as far as changing the bill is concerned, the amendment would not change the intent of the committee that wrote the bill. Of course, if you do not have this language in the bill you allow more elasticity, as was pointed out by the gentleman from Michigan. I am not advocating that the amendment be adopted. I am trying to state the effect of it.

Mr. FORD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, the Aerospace organization and other similar organizations are performing a very important and a very vital function in our defense program at the present time. This Subcommittee on Defense Appropriations has recognized, as indicated in the committee report, that there could be some areas where Aerospace and other similar organizations would tend to an extravagant rather than a sound basis. For that reason we reduced in the appropriations bill before you today $5 million from the budget figure for Aerospace. We reduced the Aerospace figure from $35 million to $30 million.

In the committee report we pointed out that this trend to nonprofit corporations' approach must be watched most carefully. The people who are responsible for such organizations must use care and caution in how they spend the money, how they employ people, and how much they pay them. I believe the approach of the committee is sound. It is practical and does not ruin a vital program.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to my chairman.

Mr. MAHON. The approach of the committee was not to write a limitation in the language of the bill, but to express it in the report. This is an organization which is only about a year old and it is building up its personnel at this time. The action of the committee was to caution officials to proceed as prudently as possible and we reduced the funds that would enable them to build up more rapidly during the fiscal year which is to begin late this week.

Mr. FORD. The chairman is exactly right. May I add, in addition, that we have removed from the Air Force budget the sum of $5 million in this account so that they will start the fiscal year with $5 million less than what they had requested. So they, I am sure, will not have the full $35,200,000 they proposed for this program. This approach by the committee does not straitjacket the Air Force. It does not straitjacket the research, development, test and evaluation program of the Air Force. If you adopt the amendment proposed by the gentleman from Iowa, you will preclude the House Committee on Appropriations and the comparable committee in the other body from having any degree of elasticity in meeting an emergency situation. We cannot assume in this day and age that emergencies will not arise. Consequently, we have adopted, I believe, a sensible approach. We took the money out. We did not put them in a straitjacket, but if an emergency arises, the Air Force can come to our committee and to the Senate committee and get immediate authority to proceed to remedy any crucial problem overnight, and for that reason I must respectfully oppose the amendment offered by the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. I am unable to understand the position of the chairman of the subcommittee, the gentleman from Texas [Mr. MAHON]. When I introduced the amendment at the conclusion of my remarks, he said he had no objection to it. I wonder where we stand in this business, anyway?

Mr. MAHON. If the gentleman will permit me to explain, the language of the gentleman's amendment merely carries out the action of the Committee on Appropriations.

Mr. GROSS. Of course it does.

Mr. MAHON. It carries out the action of the Committee on Appropriations in reducing the funds. The $5 million has been deleted and is not in this bill. If this bill continues as it is, funds will not be available to the Aerospace Corp. beyond the amount proposed in the gentleman's amendment. Of course, when this bill goes to the other body, and when this matter is finally resolved in conference, we do not know what the ultimate result will be. But the action of the committee in recommending the reduction in the report was designed to call attention to this problem and to make this reduction in funds in order to show the concern and interest of the committee in this problem. I agree with the gentleman from Michigan [Mr. FORD] that the amendment itself is not desirable, but I must say that the purpose to be achieved by the amendment can be achieved and will be achieved unless the bill is changed in the other body and the views of the other body prevail in the conference report.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE V

GENERAL PROVISIONS

SEC. 501. During the current fiscal year, the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force, respectively, if they should deem it advantageous to the national defense, and if in their opinions the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), under regulations prescribed by the Secretary of Defense, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty station and return as may be authorized by law: *Provided*, That such contracts may be renewed annually.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Armed Services Committee since its inception, it has been my privilege over the years to be in close touch with our vast defense organization. Our committee regularly explores every aspect of our defense posture and plans.

The appointment of Gen. Maxwell D. Taylor as top military adviser to the President gives me very great concern. That General Taylor is a very competent officer—one of the best—there is no question. That President Kennedy has the right to bring in any one he wishes to serve on his White House staff, there is no question. Nor is there any question but that we want our President to have the best advice obtainable.

But this appointment raises a very serious question, of such serious nature, actual and potential, that I feel it incumbent upon me to call it to the attention of the House. With this appointment of a White House military adviser, just what will be the status of the Chairman of the Joint Chiefs of Staff?

The Congress, by statute, defined the roles and missions of the respective services. By statute we established the Joint Chiefs of Staff, carefully defining its duties and responsibilities. By statute—title 10, section 142—we set up the Office of the Chairman of the Joint Chiefs of Staff, appointed by the President by and with the consent of the Senate.

We carefully defined his duties and responsibilities. Among other things, we stipulated that the Chairman of the Joint Chiefs of Staff had the right to report direct to the President on matters appropriately within the jurisdiction of the Joint Chiefs of Staff on issues upon which the Joint Chiefs of Staff have not agreed.

We further provided by law that "while holding office, the Chairman outranks all other officers of the Armed Forces. However, he may not exercise military command over the Joint Chiefs of Staff or any of the Armed Forces." With the designation of General Taylor as chief military adviser to the President, do we not have the anomalous situation of an officer junior to the Chairman of the Joint Chiefs of Staff in a position of vast influence?

Is the President, as a practical matter, not establishing what amounts to a single Chief of Staff, superimposed on our Joint Chiefs of Staff system? Is he not by executive action doing exactly what we so painstakingly sought to avoid in carrying out our constitutional responsibility for the kind of a military organization we shall have? This is a serious matter. It merits serious reflection.

There have been, and continue to be, vigorous advocates of a complete unification of our respective services into a single service under a single Chief of Staff. The Congress has emphatically rejected this concept. We set up the Joint Chiefs of Staff system, which I consider the finest military system yet devised. It is based on the very sound philosophy of never separating the responsibility for execution from the responsibility of decision.

Following the Cuba fiasco, those seeking a scapegoat to serve political ends launched a wholly unjustified attack on the Joint Chiefs of Staff system. These attacks were dangerously undermining public confidence in our military leaders. With no one of authority in the executive branch taking any public cognizance of this unjustified criticism of our Joint Chiefs of Staff as a system and as individuals, former President Eisenhower felt impelled personally to come to their defense.

I had most earnestly hoped that after the Cuban experience there would be a tightening of the lines of responsibility leading to decision. President Kennedy is doing the opposite. He is, in effect, superimposing a staff officer, with no legal responsibilities over the legally responsible Joint Chiefs of Staff for our military planning and policy. This can only confuse. It can only make it far more difficult to determine who is responsible for what. This new White House office raises not only the question of law, but attacks the very foundation of responsible leadership so sorely needed.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am surprised at the remarks made by my distinguished friend from Illinois in connection with the action of President Kennedy in appointing General Taylor.

Other Presidents have had military men in a position where they could advise them. The appointment of General Taylor does not mean any weakening of the line of responsibility or the line of command. I think President Kennedy exercised sound and excellent judgment in the appointment of General Taylor to the position to which he has appointed him, and I congratulate him.

If there is one man in the military service—and there are others I can name, like Admiral Denfield years ago and General Gavin—but in the case of General Taylor, if there is one man who has shown that he has any stronger convictions on the side of firmness and strength, I do not know who that military officer is.

General Taylor made sacrifices in order to be in a position where he could convey to the people of the country the views that he entertained in connection with our national defense and in connection with the firmness that follows a strong national defense.

So, instead of being disturbed about the appointment of General Taylor, I would say that we ought to feel more confident that a man of his type has been selected.

General Taylor is one of the great military men certainly of many years if not in the entire history of our country. He is a man whose appointment pleases me, because, like the gentleman from Illinois, the gentleman from Michigan [Mr. FORD], and the gentleman from Texas [Mr. MAHON], and many others, we stand on the side of strength in the world today. If I am going to err in judgment I prefer to err on the side of strength rather than on the side of weakness, particularly so far as our military strength is concerned.

I strongly feel you cannot deal with the Communists on the moral level because they have no moral origin; you cannot deal with them on the level of idealism because without a moral origin they have no idealism. The only level you can deal with them on is the law of self-preservation, because Khrushchev knows that the law of self-preservation applies to Soviet Russia and her people the same as it applies to our country and

our people, or to little Liberia and her people. Men like General Taylor stand for strength. One might honestly disagree with him and some of his views, and I do not know that I ever did, but I always knew that General Taylor was on the side of strength, just as I know that John Foster Dulles was. I admired him very much. He was on the side of firmness. So I applaud President Kennedy in appointing a man with the experience, background, and the capacity of General Taylor. His appointment is more significant to me than many other things that could be done, because the Kremlin will know when the President appointed him to be his adviser he appointed a man who is not only able and capable but a man who recognizes the realities of life in the world today, a man who has stood strongly on the side of strength.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Earlier in the day I commented on the appointment of General Taylor. The point I made was that under the Unification Act, the military advisers to the President are spelled out as being the Joint Chiefs of Staff and the Chairman of the Joint Chiefs of Staff. It seems to me if we are going to carry out the Unification Act, we should follow the law and that General Taylor should be placed in the position of Chairman of the Joint Chiefs of Staff rather than superimposing another layer of responsibility over the military program and planning of our Nation.

Mr. McCORMACK. That is only fear, as I see it. His appointment does not change the law. This is nothing different than other Presidents have done.

Mr. LAIRD. The President has the responsibility to appoint the Joint Chiefs of Staff. Under present law they serve as his military advisers.

Mr. McCORMACK. Any President has the power to make the appointment of any man in a similar position, and Presidents in the past have done so.

Mr. LAIRD. And he has the power to appoint the Chairman of the Joint Chiefs of Staff. Since the passage of the Unification Act no President has attempted to supercede the duly authorized military advisers.

Mr. McCORMACK. It may have been under a different title, but it was practically the same thing. To criticize directly or indirectly the appointment of General Taylor I do not think is conducive to the best interests of our country. General Taylor is well qualified. There is no man better qualified to be appointed than he, and I think the criticism of his appointment does no good.

Mr. LAIRD. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. Yes; I yield.

Mr. LAIRD. The gentleman absolutely misses the point.

Mr. McCORMACK. Oh, I do not miss the point.

Mr. LAIRD. The point is the fixing of responsibility and following the spirit of the Unification Act.

Mr. McCORMACK. I think there is an attempt to make a little political capital here, and I want to knock that down.

Mr. LAIRD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, earlier this afternoon when I discussed this subject, I made it very clear that the objection which I raised was to the procedure of appointing a top military adviser in the White House and not directed against General Taylor. It was directed to the basic law, the Unification Act, which spells out who the military advisers of the President will be. The President of the United States has full authority to appoint the Chairman of the Joint Chiefs of Staff, to appoint the Chief of Staff of the Army, the Chief of Naval Operations, and the Chief of Staff of the Air Force. Under the law, the basic Unification Act, this Congress set forth the responsibilities of these individuals as the top military advisers to the President of the United States. During the debate on the Unification Act it was made very clear that it was necessary to pinpoint responsibility as far as the military leadership of our country was concerned. But, in those debates and in the hearings before the Committee on Armed Services an effort was made to avoid a situation developing where, at the White House level, a military adviser would be superimposed as a single Chief of Staff over and above the Joint Chiefs and the Chairman of the Joint Chiefs of Staff. The Unification Act is very clear and very definite on this point.

The majority leader completely misunderstands the objection which was raised earlier by me. My objection is that the President of the United States is not exercising the legal authority which he has to appoint his military advisers under the Unification Act. If he does not have sufficient confidence in any member of the Chiefs of Staff at the present time or the Chairman of the Joint Chiefs of Staff, he has the authority and he has the ability to make those changes now.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I will be happy to yield.

Mr. FORD. Under the law we have a Secretary of Defense, and a corporate body known as the Joint Chiefs, with a Chairman of the Joint Chiefs. We have given to that body the responsibility of advising the President on military matters.

Under the present appointment of General Taylor we have a new military adviser. If there should be some unfortunate happening, if the President got poor military advice, who would be responsible? Would it be General Taylor or would it be the Joint Chiefs of Staff? If you have only one military group or individual who must advise the President then we and the American people know whose responsibility it is. But when you have a proliferation of advisers it dilutes responsibility and it dilutes the advice that a President, whether Democrat or Republican, gets. I think this is an unfortunate development that cannot be helpful in the months ahead.

Mr. LAIRD. Mr. Chairman, I would like to state that since the Unification Act, under the administration of President Truman and under the administration of President Eisenhower, the principles of that act were adhered to by each of those administrations. It seems to me that if we want to change the Unification Act it should be done by legislative action through the Committee on Armed Services.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Illinois.

Mr. ARENDS. Mr. Chairman, I was somewhat surprised that my good friend from Massachusetts [Mr. McCORMACK] let his blood pressure go up over some matter which he must have misunderstood; because, had he been here at the very beginning of my remarks, he would have heard me pay tribute to General Taylor. Probably because of my service on the Committee on Armed Services I have undoubtedly come in contact with General Taylor many, many more times than has the majority leader. I have great respect for his ability.

Furthermore, the idea that this matter being debated might be political in nature must come to the gentleman because he wakes up every morning, I am sure, thinking about politics. Sometimes I wake up thinking about what might be done for the good of the country. So I am concerned about matters such as this appointment and the possible end result. I trust the gentleman from Massachusetts will believe me when I say my comments are not politically inspired because I too think in terms of the welfare of my country as much as does any other Member of this House.

The Clerk read as follows:

SEC. 502. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense.

Mr. HAYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not think the majority leader misunderstood the remarks of the gentleman from Illinois [Mr. ARENDS], nor do I think anybody else misunderstood. I do not know what time the gentleman awakened this morning, but apparently he did not wake up soon enough to get his remarks up here, from wherever they came, in time to get them into the general argument.

Mr. Chairman, I remember what the gentleman from Wisconsin [Mr. LAIRD] said, and I want to comment about it, in the earlier part of this debate. He said that what he was worried about was the fact that General Taylor was interposed between the President and the Joint Chiefs of Staff and that the Joint Chiefs, in order to get to the President would have to go through General Taylor. You know, somehow or other, that does not worry me too much, because I would rather have them go through General Taylor, if that is what they are going to have to do, than to have them

go, as they had to go for 6 years, through Sherman Adams.

The only disagreement that I would have with the majority leader is that the Democrats are a little too responsible around here. We did not indulge in this kind of political sniping at General Eisenhower. He had the right, if he wanted Sherman Adams as his adviser, to have him, and he did have him until he got caught with the wrong kind of coat on, and that was not any of our doing. And he could still have had him, if he had not come to the conclusion that he was a political liability. That is the reason they gave for letting him go. But we did not have anything to do with that. But these people have started sniping immediately. I think the President has the right to have any advice he wants. And if you want to drag in the Cuban fiasco—and someone this afternoon used that phrase—if the Joint Chiefs of Staff planned that, then the President ought to have had some better advice about it before he took their advice; that is all I can say.

If they planned that as a military operation, it was poor planning. I do not think anybody can gainsay that, even if you have gone only as far as first lieutenant in the Army.

Of course, the President took the ultimate responsibility, as he will take the responsibility for any decisions he makes.

You have a pretty good thing on it on the political front, because if he had not gone ahead with this you could have said, "Oh, we Republicans had a plan which would have saved Cuba if the Democrats had adopted it." So it did not work, so the Democrats are over the barrel on that. I give the President credit for standing up like a man and taking the responsibility for the decision which he made on the advice of others. He gave a quotation about that. I think he was a little wrong about his quotation. He said, "Success has a hundred fathers, failure is an orphan." I think the correct quotation is, "Success has a hundred fathers, failure is an illegitimate child."

If that Cuban thing had been a success, I can just imagine how many speeches would have been written around here claiming credit for a hundred different people in the previous administration, saying that they were the ones who brought it up and all the Democrats did was put their policy into effect.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Illinois.

Mr. ARENDS. I have no intent or desire to comment on what the gentleman from Ohio has said in the time he has been speaking. If he will walk over to my office I will show him the rough draft of what I have just said on the floor. It is available in room 1201.

Mr. HAYS. I will be glad to attribute to the gentleman honesty of purpose. I just say by way of comment that I did not attribute anything else to him. But there is a saying that "the guilty flee when no man pursueth." I cannot help it if some Republicans feel guilty about Cuba. There is no doubt they should.

Mr. FORD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I think it is unfortunate that the gentleman from Ohio at this point decided to bring up the problem that resulted from our failure in the Cuban situation. I do not believe the gentleman knows the facts. Unfortunately, we cannot talk in the detail that we might like, but I think it can be said that he is in error when he inferred or said directly that the Joint Chiefs of Staff, whether under the other administration or the present administration, fathered the plan that was used in the invasion of Cuba. The Joint Chiefs of Staff did not father it. They never were asked to execute it. As the result, there were certain military deficiencies in it.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. HAYS. First, I did not bring up Cuba. That was brought up earlier. Second, the Cuban thing was brought up by one of the previous speakers. The record will show that if it is not changed.

Mr. FORD. Whatever the record is, it will stand as made.

Mr. HAYS. I heard a lot of secret testimony about the Cuban thing. If the gentleman has the impression that I inferred that the Chairman of the Joint Chiefs of Staff fathered the plan, I did not mean that, but I do say, and the gentleman knows it, too, and if it is secret it now becomes public, that they were consulted about it and that they did not interpose any objections to it.

Mr. FORD. I think if the gentleman will read the record he will find that they never approved the plan that was finally executed.

Mr. MAHON. Mr. Chairman, I will have to make a point of order as to any discussion that is not applicable to the provisions of the pending bill. May I say to my colleagues, surely, it would be wise to think carefully before going any further in the discussion of matters involving secret actions of the Government.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 503. Appropriations contained in this Act shall be available for insurance of official motor vehicles in foreign countries, when required by laws of such countries; payments in advance of expenses determined by the investigating officer to be necessary and in accord with local custom for conducting investigations in foreign countries incident to matters relating to the activities of the department concerned; reimbursement of General Services Administration for security guard services for protection of confidential files; reimbursement of the Federal Bureau of Investigation for expenses in connection with investigation of defense contractor personnel; and all necessary expenses, at the seat of government of the United States of America or elsewhere, in connection with communication and other services and supplies as may be necessary to carry out the purposes of this Act: *Provided*, That no appropriation contained in this Act, and no funds available from prior appropriations to component departments and agencies of the Department of Defense, shall be used to pay tuition or to make other payments to educational institutions in connection with the instruction or training of file clerks, stenographers, and typists receiving, or prospective file clerks, stenographers, and typists who will receive, compensation at a rate below the minimum rate of pay for positions allocated to grade GS-5 under the Classification Act of 1949, as amended.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I, too, serve on the subcommittee dealing with defense appropriations. I have not discussed the bill before us previously because various of my colleagues, I think, have covered it rather thoroughly. It is largely more of the same. Our chairman and the committee have done the best they could with a tough problem.

Mr. Chairman, I take this time to point out that whatever may have caused the fiasco in Cuba, there is enough fault to be found for everybody connected with it to have a share. We do not have to fix the prime responsibility because the way it was handled, there is enough fault to find to pass it around.

I do want to point out here some facts with regard to the appointment of General Taylor, which seems to have stirred up a controversy. May I say, the President of the United States is entitled to have the advice of anybody he wants to—personally or privately or under any terms or under any conditions; even in secret. General Taylor, under this appointment, does not have one bit of authority. The President has publicly said, "This is the man I am going to talk to about these matters." In seeking such council and advice I believe he is right, and I know it was in the best interest of the country when he made that public announcement and laid the matter on the table. You know, under the division of power in the Constitution, the Congress cannot call the President before it and cross-examine him on any matter. However, the President in perfect candor and in perfect frankness has said, General Taylor is a competent man and since I cannot say grace over the universe, I have designated him to help me in these affairs.

I repeat he has rendered a public service to all of us, because now the Congress can invite General Taylor, a known adviser to the President, to discuss these things with the Congress through our committees, and General Taylor can come to the committees of the Congress and be examined. May I say again, General Taylor does not have the least bit of authority. He does have the ear of the President as an adviser, and he could have had that and none of us would have known a thing about it. I think the President has been forthright and square on this whole matter, and I think his action has been in the best interest of the Government.

Mr. Chairman, as a long time member of the Appropriations Committee I have urged the new Secretary of Defense, Mr. McNamara, to set up a special staff with the special assignment of eliminating waste and have asked that he use his authority to the fullest to force joint use of facilities and full coordination to avoid duplication. In this connection, I point out again for his consideration

many of the points based on fact, which I have made in past years.

First, may I say, it seems that the overwhelming majority of our top military leaders agree that the present competitive, or cold war, involvement with Russia could well last 25 years. That does not mean, of course, that we can feel safe for that or any other period. It does mean that we must meet our day-to-day, month-to-month, year-to-year defense problems—but in such manner that we can remain strong for that period. If we do not, we could well lose out because our economy cracks up first.

This fact makes it imperative, in my opinion, that we eliminate the waste in military spending, that we eliminate the billions we are spending in the name of defense but for which we get no real defense.

We must place the maintenance of a strong domestic economy beside front-line military striking power as an equal part of our defense capability.

Mr. Chairman, for the record, I have been a member of the Appropriations Committee of the House of Representatives for about 18 years. During World War II, I was a member of the Subcommittee for Naval Appropriations in the House of Representatives. For the past 6 years I have been a member of the Subcommittee for Defense Appropriations, and also a member of the Subcommittee for Military Construction Appropriations since it was created. In these various capacities, I have spent months hearing testimony, asking questions, obtaining inspections and investigations, leading to a rather firm belief that we do not have too much defense. Doubtless we would never have too much.

However, it is my belief we have far too much spending for the defense we have. I am convinced defense is only one of the factors that enter into our determinations for defense spending, the others are pump priming, spreading the immediate benefits of defense spending, taking care of all services, giving all defense contractors a fair share, spreading the military bases to include all sections, and so forth. Such a course, if I see the matter right, leads to waste, to inflation, and to a dangerous public and congressional attitude. It would be well, if you have not done so, for you to read the investigators' report of Procurement Practices, which I insisted upon—Appropriations Committee hearings of 1956, volume I, pages 9–98. The wasteful practices shown there are startling. Very little has been done to eliminate most of what is shown.

Because so many factors, vested interests, pump priming, and other considerations have crept into the field of defense spending, it is next to impossible to get anyone to look at the matter objectively.

Today, we find that defense is largely measured by the level of spending. The Rockefeller Report, the Gaither Report, and practically all others stress we must increase the level of spending.

MILITARY ESTABLISHMENTS

I am on the Subcommittee on Military Construction, which is headed by the Member from California, Mr. SHEPPARD, a very valuable Member of Congress. In our subcommittee room we have a huge map on which military installations in the United States are identified by a pin. If you will look, the map is virtually covered with such pins; and in some areas, in spite of the large map, some pins have to be stuck in the ocean since there was not room in the map of the State. At that, this map makes no effort to show the plants and factories and personnel engaged in producing various things purchased for the use of the military. You might take a look sometime.

Then we turn and study Japan and Germany prior to the last world wars and see that the eventual course of events followed a period in which big business and the military joined together to run the country. There, as we all agree, the Government was controlled by leaders who were for aggression. Fortunately we do not have that situation here. However, there the people opposed to the leaders because of the involvement of military spending in the domestic economy were unable to muster enough strength to hold such leaders back.

We, in this country, have such an involvement of military spending in our domestic economy that it is politically risky to even talk of cutting back defense spending, even if it be waste we are cutting out. Little thought seems to be given to the overall strength or soundness of our economy in the years ahead, which I think is one of the major necessities if we should have war. Most military witnesses seem to want what they want without reference to the economy, which they say is not their particular assignment.

Last year, for instance, the Secretary of Navy in his opening statement to our committee voluntarily stated that responsible budgetary officials in the naval service throughout the Navy said they needed something over $19 billion in appropriations for the coming year, that in the budgeting processes this had been scaled back to about $12 billion, approximately the amount we have this year. That would mean a 60-percent increase. In support of their need for at least the full budget amount, it was pointed out that prices paid for material by the Navy had increased 7 percent each of the last several years. Anyone who takes just a few moments to figure would realize that if we continue a 7-percent increase each year, which in effect means 7 percent further inflation each year, for about 20 years our money would not be worth anything; and all know that our economy would crack up.

If you are interested, you will find this discussion in the next volume of our subcommittee hearings, which should be released within the next week or 10 days.

AIR FORCE ACADEMY

Most of you will recall the building of the Air Force Academy, where the Air Force paid no attention to the congressional limits on money to be spent, nor to the Comptroller General's finding that much spending was illegal, but spent what they wanted to in order to get what they wanted.

Now they are training fine Air Force officers there, I'm sure; but please realize those young men being trained there under "hot house conditions" in that rarified financial atmosphere will likely be passing on the spending of half the national income within 10 years.

Do you suppose such a record of expenditures tends to cause them to have much awareness of the need for a strong national economy or really to give any thought to it?

I would point out that our announcement to the world, which I think very foolish, that the United States will never strike the first blow, means that Russia, by opening the Iron Curtain slightly to show one sample, or one prototype, or by dropping misleading claims for our intelligence to pick up could bleed us white without spending much money themselves.

This very real possibility is extremely dangerous to us, unless we keep conscious of maintaining a sound economy, of protecting it. If we go overboard every time Russia makes a claim, or makes a little show, Russia could win without striking a blow by making us destroy ourselves.

Illustrative of this was May Day a few years ago, when Russia showed a big bomber. Immediately our people said they had 12, with hundreds more coming off the lines. The Budget Bureau was accused of letting our defense down; Secretary Wilson came before Congress for $450 million extra for our B–36 bomber, I believe it was.

Now it is agreed Russia never had them; and our B–36 has gone the way of the horse and buggy.

SIZE OF DEFENSE PROGRAM

In order to get some idea of size and cost of the defense program, I present a few statistics.

Funds available to the Defense Department for military services each year since 1951 are:

[In billions]

1951	$50.7
1952	60.1
1953	48.6
1954	34.4
1955	28.8
1956	31.9
1957	36.2
1958	36.1
1959	41.2
1960	40.6
1961	40.6
1962	42.8

In addition, large sums are authorized each year for international security programs, closely related to our defense effort.

Another indication of the size of this program is the number of persons engaged in its various activities. In June 1950, the Defense Department alone had 1,460,000 military and 753,000 civilian personnel. By June 1959, this figure was 2,500,000 military and 1,078,000 civilians, a total of nearly 3,600,000. In addition, nearly 40,000 people are engaged in those activities which directly support the Defense Department, including the ICA, Civil and Defense Mobilization, Atomic Energy Commission, Selective Service System, and National Aeronautical and

Space Administration. The total number of people engaged directly in the defense program of the Federal Government represents over 2 percent of our total population.

Nearly 57 percent of estimated expenditures in 1961 is going directly to the security effort. And this does not include the $5.5 billion for the veterans programs or any part of the $9.6 billion of interest on the national debt, both of which are largely due to our national security programs.

A SERIOUS EFFECT—INFLATION

Of course, the most serious immediate result of a heavy expenditure in the name of defense, such as we now have, is inflation.

Many seem to believe that we can expend 20 percent of our energies for national defense and not only have the same amount left but actually have more—make a profit, so to speak. It cannot be done, but in order to lead people to believe it is being done we have to a large extent supported our military spending by inflation.

Theoretically, such inflation can be avoided by properly financing the costs through taxation and other revenue-producing means. Actually, however, for the last 10 or 15 years this Government has not raised anything like the amount of money that it has spent. Throughout the last war and up until this date it is estimated the Government collected in taxes only about $1 of each $2 it has spent. The other dollar was raised by issuing bonds, which became the basis for printing more money. With all the so-called prosperity which we feel we have enjoyed for the past 8 or 10 years we have been paying only about 50 percent of our bills, having now a debt of approximately $290 billion.

The Government has been doing what some individuals have tried to do. It has found it can pay debts by issuing notes. The Government has learned to take those notes from one bank or buyer to another, and like the individual the longer we continue this situation the worse off we become. At one time we realized we could not carry on this kind of thing indefinitely; but now few people seem to want to stop. The greatest optimist of today is someone who foresees a balanced budget for 1 year.

This practice has resulted in an inflationary situation which has become increasingly serious each year, with the result that our price levels have continued to climb. Using 1947–49 as a base, consumers' prices have increased since 1939, as follows:

	Percent
1939	59.4
1950	102.8
1959	125.6

We have a great number of people in this country who are retired, disabled, dependent on insurance or fixed salary and who are helpless against inflation. Many are under social security. Others are dependent on old-age pensions. Reserves that have been built up to the credit of these programs on the books of the Nation are fixed in terms of dollars as of the day they are paid in. But the dollar gets cheaper and cheaper, and thus the fund gets smaller and smaller in comparison with what you have to pay to provide real security.

When an individual can pay a dollar debt with a 75-cent dollar years later, and a 50-cent dollar if he waits still longer, it can become habit forming. It can wreak havoc once it gets to the point where no one has any confidence in the dollar.

I was in China during the war when that government quit printing $10 bills because it cost more to print them than the $10 bill would buy. At that time it cost about $1,500 a day to hire a man to do a day's work. The person hired with this $1,500, however, could hardly buy enough to eat. Needless to say, the government of that country fell.

France followed this inflationary course and, frankly, could not have protected itself for a week without help. De Gaulle had to be recalled.

Our people in the United States are already becoming disturbed about the present and future value of our money. Our people are getting fearful of the American dollar. Look around you. Farm income has been so low as to change the picture, but for years many lawyers, doctors, and professional men bought farms, and even now keep the price of farmland far above its earning ability. Many businessmen have gone out from the cities and bought land, not because the farm will bring a fair rate of return on the investment, but because they want something firm, something they can pick up in their hands, something they can see. It has been the history of every country. When leading citizens of other nations became fearful, passed up productive investment for a hedge against inflation, when a large percentage started dodging the tax collector, it inevitably resulted in a crack-up of the economy of these nations. Can this country be an exception?

The Clerk read as follows:

SEC. 523. No part of any appropriation contained in this Act shall be available for the procurement of any article of food, clothing, cotton, spun silk yarn for cartridge cloth, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles) not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing or any form of cotton, spun silk yarn for cartridge cloth, or wool grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possesions: *Provided further*, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations: *Provided, however*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

Mr. VAN ZANDT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VAN ZANDT. Mr. Chairman, I make a point of order against the legislation contained in lines 15 to 19 on page 38, reading as follows:

That none of the funds appropriated in this act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. MAHON. Mr. Chairman, the point of order, as I understand, is against the following language:

That none of the funds appropriated in this act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

This is a provision in the act which has been, I believe, in the act since about 1953, but there is a slight change in the wording of the proviso this year in line 18.

This language more or less repeats existing law. I refer to chapter 137 under "Procurement Generally," volume 10, United States Code 2304(a):

Purchases of and contracts for property or services covered by this chapter shall be made by formal advertising. However, the head of an agency may negotiate * * * if * * * (10) the purchase or contract is for property or services for which it is impracticable to obtain competition.

So we call for the formally advertised bids wherever practical. It seems to me this is a restatement of the law. It has a tendency to reduce the funds in the bill, and I believe it is not subject to a point of order.

The CHAIRMAN (Mr. KEOGH). The Chair is prepared to rule.

The gentleman from Pennsylvania [Mr. VAN ZANDT] makes a point of order to the language appearing on page 38, lines 15 to 19 inclusive on the ground that it is legislation in an appropriation act.

The Chair has listened with attention to the gentleman from Texas and would say to him that if this is a restatement of existing law the language in this bill is not necessary. But in line with the argument advanced by the gentleman from Texas, that it is a restatement setting out existing law, in the opinion of the Chair it imposes affirmative obligations on an executive branch of the Government and is, therefore, legislation on an appropriation act.

The Chair sustains the point of order.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: Page 38, line 11, after "its possessions:" strike out the remainder of lines 11, 12, 13, 14, and 15 to the colon.

The CHAIRMAN. The gentleman from Pennsylvania is recognized in support of his amendment.

Mr. SAYLOR. Mr. Chairman, I urge the adoption of this amendment. The distinguished gentleman from West Virginia [Mr. BAILEY] and myself discussed a matter with the Department of Defense just recently in regard to advertising for bids by the Department of Defense.

We were astounded to find that despite the passage of legislation by the Congress that the distressed areas of this country were to be given some consideration, this language in prior appropriation bills definitely was used by the Department of Defense to make sure they did not even consider the distressed areas of this country when they let contracts.

The purpose of my amendment is to strike out this language so that when the Department of Defense lets any contract they should consider first the people who live in this country.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Texas.

Mr. MAHON. I do not believe it is correct to say this would prohibit defense contracting officers from considering depressed areas. This provides certain language, and there is latitude for undertaking to be of assistance without additional cost to the taxpayers in the depressed areas.

Mr. SAYLOR. In other words, what the gentleman is saying is we are perfectly willing to take care of people all over the world so far as the Department of Defense is concerned, but we are not willing to give any differential, whatsoever, to our own people. Former President Eisenhower issued an Executive order that the Department of Defense should take necessary steps and stop where possible the flow of gold from this country. That Executive order was examined by President Kennedy, modified, and reaffirmed. This allows a price differential of up to 25 percent to be paid to the American producer of goods required by the military. The Department of Defense points to this language in prior appropriation bills and says that, because this language is in the bill, you must go out on the world market and buy your military needs and not buy things in this country. This language is a direct attempt to make sure those people who are controlling buying in the Department of Defense cannot consider the needs of the people in this country, but they may go anywhere in the world and consider people all over the world and not think of people at home.

It seems to me it is rather ridiculous to say to the Department of Defense on the one hand they should defend this country, and then we find in Germany they are going out and buying coal from behind the Iron Curtain, coal that is coming from Communist Russia and satellite countries, Poland and Czechoslovakia, while the miners in this country are without work. If this language continues in the bill, it applies not only to coal or coke, about which the gentleman from West Virginia [Mr. BAILEY] and I visited the Pentagon, it applies to any other thing that the Department needs in connection with this $43 billion bill.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. What effect will this language have on the setting aside provision which permits the Department of Defense to favor distressed areas as far as contracts are concerned?

Mr. SAYLOR. This is pointed to by the Department of Defense as saying they cannot even have anything set aside.

Mr. VAN ZANDT. Just recently we sent to the White House the Redevelopment Act of 1961; therefore, the amendment you have offered protects the Area Redevelopment Act rather than destroy it.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. The gentleman from Pennsylvania [Mr. SAYLOR], I would like you to know, Mr. Chairman, has never stated truer words in his life than in what he has said today. This amendment was put in the bill by the other body, not by us. It was put in for a very specific reason and for a very limited reason, and for a highly improper reason, in my opinion. This limited reason no longer exists, and there is no good or bad reason for this language to be in the bill. It should go out. The gentleman's amendment is good in law and reason and morality, make no mistake about that.

Mr. SAYLOR. I thank the gentleman from Pennsylvania. I hope that this amendment will be adopted.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to support in full the proposal of the gentleman from Pennsylvania [Mr. SAYLOR] that this language be stricken. He mentioned the conference at the Pentagon a few days ago, and I would like to give you some of the details of that conference.

Four years ago we were shipping into West Germany 15 million plus tons of coal annually. Three years ago the West German Republic imposed a $4.76 a ton import duty on all American coal going in except 5 million tons. So, instead of selling West Germany today 15 million tons of coal, including coking coal, we are selling them less than 5 million tons because the American producers of coal could not compete and pay that $4.76 import duty on each ton of coal into Germany.

In this conference which the White House set up for me with the Defense Department and the Department of State and the Army Engineers, the Army Engineers proposed 2 months ago to open bids on an international bidding basis, which prevents the American producer of coke from bidding and taking advantage of the 25-percent differential. He is precluded completely from bidding on 720 million tons of coking coal. It takes a million tons of ordinary coal to produce that much coke. Here is what happened. In this meeting at the Pentagon I pointed out the fact that Germany, if she used all of her own coal, which is 2,500 to 3,000 feet deep, shaft mines, she could produce only 15 percent of her needs, so she must be buying her coal someplace else. And I produced figures to prove that she bought 765,000 tons of coal from Poland.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. The gentleman in the well knows very well, with reference to German imports of coal—and he is speaking of the sacredness of the Reciprocal Trade Act—that there is a German quota imposed on all American coal. This destroys the whole purpose of the Reciprocal Trade Act.

Mr. BAILEY. I did not yield for the gentleman to make a speech. I wanted the gentleman to clarify something.

Mr. FLOOD. Well, I made it nevertheless.

Mr. BAILEY. The present rate is $5.05. It is up since it was imposed 3 years ago. I pointed out the fact that they bought 765,000 tons from Poland, 38,000 tons from Czechoslovakia, 304,000 tons from East Germany, and 97,000 tons from Russia. Now, we know full well that any coke purchased in West Germany would have to be produced in large part by imports of coal mined behind the Iron Curtain.

Now, let me go further and say to you that in the process of changing 1 million tons of coking coal to coke it produces a lot of byproducts, and four of those byproducts are in short supply in this country, and we have to buy them abroad. For instance, ammonia is made by this process. Twenty-two million dollars of byproducts would be produced in reducing this coal to coke. Why do we let a contract to a West Germany firm as they propose to do? Let me say to you, when I protested I stopped the letting of the bid on the 14th of June and got it extended to the 22d. This conference at the Pentagon resulted in an additional extension to the 29th. They gave serious consideration to tearing up the present bids and opening up new bids and allowing American producers of coke to bid, but here they come along with this proposal and put it in this bill and then say that according to the law we can do what we have been doing.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Kentucky.

Mr. CHELF. Does that not fly in the teeth of the bill that some 250 Members of this House voted for in order to help the distressed areas of this country?

Mr. BAILEY. It does for a fact.

Mr. CHELF. Of course it does.

Mr. BAILEY. I want to urge and I want to insist on the Members of this House that are friends of the distressed areas of this country that they take this detestable language out of this bill.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support this amendment. I would like to say that the gentleman has stated that the Pentagon has advised him that they

would extend the granting of the contract from the 21st to the 29th. But in hearings before my subcommittee with reference to the duty on imports information or testimony was given by a witness in the hearings in which he said that this contract had already been let and agreed to, and that the worry that you have of saving this particular contract can well be forgotten and instead of saving the body any more, let us try at least to save the soul.

It is also a fact that the 1 million tons of coal needed for the conversion equivalent into coke will bring into wages and salaries earnings of nonproductive and productive workers in the coal mines of these United States a total of $7.7 million and an additional $6.6 million in its conversion into freight handling and the other costs that go into producing this amount of coke in the United States of America.

Aside from that, according to an eminent Senator in this country, a breakdown shows a total of $48 billion being spent directly and indirectly in the defense of these United States. I understand that the defense is for all of us. The defense is for life; it is for liberty, and for the pursuit of happiness. The only reason the coal miner goes down into the bowels of the earth to dig coal is in the pursuit of happiness. He does not go down there to play cards, tiddleywinks, or to say his Pater Noster.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from West Virginia.

Mr. BAILEY. Did not this same witness testify that we were producing bituminous coal today 26 cents a ton cheaper than we were producing it 6 years ago by reason of automation?

Mr. DENT. In answer to that statement I will say that this industry is the outstanding example of what can happen when it is utterly disregarded in its need by its Government, and today it is the most mechanized and automated mass-production industry in the entire country. Its employees and production workers have increased their productivity higher than any other production workers in the United States. Its product is selling for a market price less than it was selling for in 1946.

Mr. BAILEY. Mr. Chairman, will the gentleman yield further?

Mr. DENT. I yield to the gentleman.

Mr. BAILEY. If we were given an opportunity to bid by use of a reduction of 25 cents a ton, if we got the 25-percent differential which this language will permit our American bidders getting, we could take that contract in competition with West Germany.

Mr. DENT. I will say this to the gentleman: On the last 27 contracts let in the matter of specialized steel, a Holland bidder received all the contracts on the differential of 37 percent. Testimony was given to my committee that if the American producer had had the production performed by employees who worked for absolutely nothing, not 1 cent of pay, they could not have been low enough to have gained the contracts because the differential was more than taken up by the assessed taxation, and the mandated cost put on by local, State, and Federal Governments.

The 25-percent differential will not go to the coal miner. It does not go to the coal producer. It goes into the coffers of the U.S. Government by way of taxation.

How can any person say that it is proper to deal with another country and dissipate your own resources, dissipate your own economy, and destroy your own strength? Where will we get the money, get the $48 billion for the defense of this Nation if we cut out the productive forces and the productive income of this country?

This cannot be left alone. It must be taken out if we are to survive and even if we spend all of the money we can beg, borrow, or steal, we will not have enough to defend what is left, if there is anything left to defend.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Kentucky.

Mr. CHELF. In the interest of Pennsylvania, in the interest of West Virginia, in the interest of the coal miners of Kentucky, and other depressed areas of this country, I am going to support this amendment because it is right, it is fair, it is just, and ought to be done.

Mr. DENT. I thank the gentleman.

Mr. CORMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment under consideration here is submitted as a "buy America" proposal, designed supposedly to protect American industry and labor from incursions from foreign manufacturers and suppliers. This would be a worthy and justifiable end, except for two things: this is not the end that proponents of the amendment have in mind, and second, this amendment is not a means to that end.

If my colleagues supporting this amendment will read from the section of this bill immediately preceding the section they propose to amend, they will see that this concern is admirably dealt with. It reads:

> No part of any appropriation contained in this act shall be available for the procurement of any article * * * not grown, reprocessed, reused, or produced in the United States or its possessions.

The section goes on to enumerate certain emergency exceptions which need not be discussed here.

Clearly, this section of H.R. 7851 is adequate for the protection of American industry and labor from foreign procurement. I cannot see how it could be clearer or any more binding on Armed Forces procurement officers.

However, the section that is proposed to be amended is quite another matter. It states:

> No funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations.

This proposal is only the latest in a series of attacks that are aimed at this section of our military procurement laws. It would seem that it is wrong somehow for the American taxpayer to get his money's worth for his defense dollar. It would seem that the defense effort, which is the root that braces the tree of democracy against totalitarian winds, is indeed a taproot—to be tapped by every manufacturer and producer who makes up in influence for what he lacks in efficiency.

Now, no one is more sympathetic to the needs of this Nation's depressed areas than I. I have vigorously supported legislation aimed at alleviating these economic problems. But I will not support a measure that alleviates these problems at the expense of both our Nation's taxpayers and our Nation's security. Defense is serious business, and must be built and maintained at the highest possible speed at the lowest possible cost. It is not a WPA project. It is not a welfare program.

I urge this House to reject this proposal.

Mr. FORD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, it might be helpful and beneficial to know a bit of the history and the origin of this provision. I believe in 1953 or 1954 the appropriation bill for the Defense Department passed in this body without this provision in it. It went to the other body, and the other body had a provision somewhat similar to this one. In conference a problem arose because there were certain Members of the other body who felt that in the contest between the New England textile manufacturers and the southern textile manufacturers the possibility of lower prices in the South might influence the Defense Department expenditures to go to the southern mills and leave the northern mills without any. The people from the northern areas of the United States, such as New England, were just as anxious that certain moneys be spent for textiles, for their products, and they of course felt that some differentials were desirable.

After a considerable amount of discussion among Members of the other body who were in the conference, it was finally worked out that set-asides were OK, but it was also decided then and it has been continued since that the set-aside program should not permit price differentials.

The provision we have before us states that you can pay no price differential for the purpose of relieving economic dislocations. This proviso does not say that the Defense Department cannot pay price differentials if it is in the best interest of, or the security of, the United States.

The removal of this provision should raise some apprehension on the part of people from many areas of the country. The deletion of this provision does not in any way preclude the Defense Department from paying differentials if the national security is involved. Our military procurement officials have loopholes whereby they can take into account that factor.

In my judgment this provision is necessary unless we are going to make the appropriation bill for the Army, Navy, and Air Force a vehicle to equalize economic areas of the country. This is not the vehicle where we should provide for

that equalization of economic strength and vitality. Not more than a month ago we provided in the distressed-area legislation a means by which these problems can be resolved; at least, that is what the proponents of the legislation said when they sought the enactment of the law.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FORD. May I conclude? The gentleman from West Virginia and the gentleman from Pennsylvania have brought up problems that apparently are somewhat related to reciprocal trade legislation.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. FORD. If the gentleman will let me conclude, if I have time I will yield.

By inference, if not by direction, the two gentlemen have brought up a problem relating to reciprocal trade legislation. This is legislation we now have on our statute books which comes up for reenactment, I think, in 1962. The gentleman from West Virginia always has been an ardent opponent of legislation. I cannot recall what the attitude of the gentleman from Pennsylvania is, but nevertheless you should not try to solve these intricate problems and you should not try to resolve these controversies and difficulties involving reciprocal trade, balances of trade, and so forth by action on the defense appropriation bill. For the reasons I have given, I strongly recommend the inclusion or the continuation of this provision.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have never heard my beloved and distinguished friend, and there is no Member on the Republican side of the aisle who loves him or admires him more than I do, the gentleman from Michigan [Mr. FORD], and for the first time in the last 100 years has he ever been so completely ineffectual in his argument; and in his heart I know he knew it. I know him when he is good. But he was not good just now and I could feel it, and I think he knows it.

Now let me tell you something. The best argument made in support of this amendment was made by the gentleman from Michigan. This is not based on or born from reciprocal trade. This was born in the contest of two distinguished Members of the other body for a strictly local reason—and I know. Now that reason, bad or good as it was, no longer exists even between the two protagonists. This is an anachronism 8 years old, born in inequity and it should die with a knife in its back—now. This is a dead duck. Let me tell you what has happened—and I know these procurement people. The Department of Defense procurement people have taken this weapon and tortured it out of all reason, content, and meaning. If you leave this pernicious language in this bill, and I cannot believe that you will—and forget about the coal and forget about all these other things—they have in their hands and this can be used against you—and you—and you—and it is being used by the Defense Procurement people against you and me every hour of this day because no matter where you go down there and you have the experience, and if you have not had the experience, then you have not been here very long—they will dust off this dead horse and parade it in front of you whether it is lumber, coal, Carolina cotton, wheat from Kansas, and no matter what it is. I was not going to get upset about this thing today, but let me tell you the gentleman from Pennsylvania knows whereof he speaks. You hear this plea being made by Republicans and Democrats. There is no politics in this. This deals with the heart of what this bill means—which is the defense appropriation bill. If you are interested in defense, and you know I am, then I assure you with God's help, I will be with you a while, and I would not come down here and speak to you. This provision contained in this bill is bad and the amendment is a good amendment.

Mr. MAHON. Mr. Chairman, I would like to see if we could fix time on this amendment and all amendments thereto. I ask unanimous consent that time for debate on this amendment and all amendments thereto be limited to 12 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas

There was no objection.

The CHAIRMAN. The Chair has noted the Members standing desiring recognition. The time will be divided equally between them and will amount to approximately 1½ minutes.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to modify my amendment and that time may be extended to 15 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. How many times may the same Member speak to one amendment?

The CHAIRMAN. It depends on whether the Member rises in opposition to the pending amendment or offers a pro forma amendment.

Mr. HOFFMAN of Michigan. But we all know we are against the same amendment, the one that is pending.

The CHAIRMAN. The Chair will endeavor to make certain that all Members desiring to speak are heard.

Is there objection to the request of the gentleman from Texas that the time be extended to 15 minutes?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. VAN ZANDT] is recognized for approximately 2 minutes.

Mr. VAN ZANDT. Mr. Chairman, I rise in support of the amendment. I think the majority of the committee is acquainted with the fact that under existing law it is possible for the Defense Establishment to set aside a certain percentage of any contract for the purpose of permitting industry located in distressed areas to bid on the portion set aside.

The language in the bill, which the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR] will strike out, is very definitely directed at the set-aside program of our Government. It therefore means that if this language remains in the bill those industries located in distressed areas will be restricted in bidding on set-aside Government contracts. Therefore I hope the Committee will approve the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, a minute does not do me any good.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania, [Mr. MOORHEAD], for approximately 2 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR]. I think it should be made clear that the amendment is not designed to straitjacket the Defense Department; it does not have that effect. It would not require the Defense Department to do anything. It is purely permissive. It removes a prohibition. It removes language which does straitjacket the Defense Department. The Defense Department even it if wants to, in a proper case, help a local industry that is distressed, help to get our economy going again so that we will have the funds and the revenue to fight wars, it cannot do so with this proviso in there. This proviso would straitjacket the Defense Department. All this amendment seeks to do is to remove that straitjacket so the Executive can properly act for the best interests of these United States of America.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY], for approximately 2 minutes.

Mr. BAILEY. Mr. Chairman, I shall take the time, short as it is, in an attempt to answer the gentleman from Michigan [Mr. FORD] who wanted to talk about the Reciprocal Trade Agreements Act. He should have been talking about what this does to the Buy-American Act. When you ask for bids on an international basis they are not bids, they are negotiated contracts, and all American producers of that article are barred from even submitting an estimate.

I do not doubt but what some here who because I talk so much about the provisions of the Reciprocal Trade Agreements Act will want to kill this amendment because I am speaking in favor of it.

I want to insist that you do what you should do on behalf of the American people and take this obnoxious legislation out of the bill; because it not only applies to coal, it will apply to anything the Department wants it to apply to.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I must rise in opposition to the amendment offered by the gentleman from Pennsylvania, for whom I have the greatest sympathy. I

think he has offered his amendment in the wrong place. If he desired to have some consideration for other commodities, he could have offered it on page 37, along with certain other commodities, and it would have served its purpose. It has no part in the particular language to which it has been offered. This is a complete distortion of what they propose to do here. I would be happy to support my friends from the coal area in their objective if an appropriate amendment was offered.

In the few moments I have I would like to call the attention of my colleagues to this question: Do we propose to take the security of this country, the national defense of America, the thing that most concerns all of us, and make it a WPA project? Do we propose to use this $43 billion for a rehabilitation project? This we must not do.

I agree with the gentleman from Michigan [Mr. FORD] that we have a job to do far greater than attempting to take these funds and use them to rehabilitate some of these areas. We have done something about that in other pieces of legislation that we have passed. As painful as it is to oppose my good friends from Pennsylvania, I think had they offered the amendment to the other section they might have made some headway, but certainly the language here, in my opinion, is vital to an orderly process of carrying on and developing the national defense which is so vital and so urgent to our country.

I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania, [Mr. DENT].

Mr. DENT. Mr. Chairman, I want to remind the gentleman we do not consider our industries in Pennsylvania to be WPA projects. We have not been the beneficiaries of $20 million to bring water in to convert arid places into beautiful land. We have in Pennsylvania much more water than we need. We voted to spend $20 million on something in California to bring water to areas for the good gentleman from California. We are not asking that you give to Pennsylvania, to West Virginia, to Kentucky and Ohio the same kind of restrictive legislation that you have given in section 523 when you forbid the purchase of any article of food, clothing, cotton, spun silk yarn for cartridge cloth, when you forbid completely the purchase of any of these goods with the $42 billion from foreign countries.

All we are asking is that the coal in Pennsylvania competing with the coal of other countries, the same as your yarn is competing with yarn of the world, the same as your cotton is competing with the cotton of the world, your cartridge cloth or other cloth is competing, be given at least the protection of existing law. We give you complete sanction here to forbid the purchase of 1 yard of the goods that competes with yours, but we cannot have a 25 percent differential which this Congress through taxes put upon the coal mining industry of Pennsylvania. Without the amendment we cannot get the protection of the 25 percent. How can you justify the protection of the products of one man against the complete ignoring of the facts in the production of the goods of another worker in America?

Why is a southern textile worker protected while a northern miner has to go on relief.

If this is one nation why then do we have double standards.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, if Members understand the amendment, I do not believe it will be adopted. I would like to speak very frankly to you about it in the time allotted me, and I believe I can clarify the situation for you.

A number of people are interested in the set-aside for small business. We are all, as far as I know—certainly I am—for the set-aside for small business. But that is not involved in this issue. We do not propose to do away with the set-aside.

An attempt has been made to encourage those who voted for the depressed areas bill to vote for this amendment. But that is by no means logical, in my judgment. President Kennedy who is a strong supporter of the depressed areas bill submitted in his budget to Congress the language in the bill which the amendment would strike out. The amendment proposes that we strike out this language. The language that has been the law since 1953 states that no funds herein provided shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocation. When we complain about waste and mismanagement in the Defense Department, Defense witnesses at times make statements about like this: "Restrictions and limitations on our actions of certain types tend to hamstring us in our efforts toward operating the Defense Department on a businesslike basis."

It stands to reason that an area where there is unemployment and idle equipment should be able to compete with other areas where you have full employment. It seems to me that the distressed area should have no trouble competing for defense contracts without concern about price differentials.

The question has been raised about coal, and some members seem to think that coal has something to do with this amendment. In my judgment it has nothing whatever to do with this amendment. It may be that some people in passing the buck over at the Defense Department have used the price differential clause in this provision as an argument against exporting Pennsylvania coal to our troops in West Germany who may be quartered next to a coal mine. But, actually, this amendment does not have anything whatever to do with that situation.

I would like to say, with respect to this matter of coal, that there has been a differential of 6 percent under the Buy American Act for overseas procurements of certain types but now in view of the gold outflow problem, the differential has been increased to 25 percent, so the Defense Department can buy coal in Pennsylvania, ship it to Germany, and pay 25 percent more for the American coal than it would pay otherwise. But that is provided for by Executive regulation and is not controlled by this provision as I understand the matter. The services apparently are already paying a differential under this law in this case, or could if they desire to do so. I do not want our friends at home and the taxpayers generally to think that we are going to put the stamp of approval on placing defense contracts on any basis other than on a basis of good business management. And, in depressed areas they should be able to compete with other areas of the country. Under the circumstances being in a depressed area could be quite an advantage in some respects.

It is up to us to put as much good business management as we can into the operation of the Defense Department, and I trust that the committee will be supported in this matter. We have lived with this section for 8 years and we ought to continue it.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Kentucky.

Mr. CHELF. This is a $42.7 billion appropriation here that we are passing on, and I say to you quite frankly we ought to spend some of it at home even if there is a 25-percent differential.

Mr. MAHON. We are spending most of it at home.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SAYLOR. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MAHON and Mr. SAYLOR.

The Committee again divided, and the tellers reported that there were—ayes 93, noes 85.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 530. Funds provided in this Act for congressional liaison activities of the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense shall not exceed $950,000: *Provided*, That this amount shall be available for apportionment to the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense as determined by the Secretary of Defense.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to ask the chairman of the subcommittee a question: Does this $950,000 cover the salaries of civilian employees as well as uniformed employees?

Mr. MAHON. It covers all of the employees.

Mr. GROSS. Both civilian and uniformed employees in the liaison branch of the military?

Mr. MAHON. That is correct.

Mr. GROSS. I should like to ask the gentleman another question, about abandoning the limitation that you had last year on the number of generals and other officers. Why did you abandon the limitation that you had last year?

Mr. MAHON. Last year we had a limitation on personnel in the departmental headquarters. We had a reduction in the bill and a limitation on the numbers of military personnel in headquarters. The Defense Department has been in the process of certain reorganizations. We did not think it quite right to reimpose that limitation this year. We stated in the report that we might reimpose it later when the reorganization was completed and we were able to ascertain what the facts really were. With respect to the number of officers in the various grades, we have not had that provision in the bill for many years.

Mr. GROSS. I thank the gentleman.

The Clerk read as follows:

SEC. 531. Of the funds made available by this Act for the services of the Military Air Transport Service, $80,000,000 shall be available only for procurement of commercial air transportation service from carriers participating in the Civil Reserve Air Fleet program; and the Secretary of Defense shall utilize the services of such carriers which qualify as small businesses to the fullest extent found practicable: *Provided,* That the Secretary of Defense shall specify in such procurement, performance characteristics for aircraft to be used based upon modern aircraft operated by the civil air fleet.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS of Iowa: On page 41, after line 13, insert:

"SEC. 532. Not to exceed $100,000 of the funds herein appropriated shall be used for representation allowances."

Mr. GROSS. Mr. Chairman, first of all I should like to say that I was interested in the fact that when the Saylor amendment was before the House none of the members of the subcommittee nor any of the spokesmen for the Armed Forces raised the issue of an emergency. For the first time today the claim of emergency was not raised in opposition to the amendment offered by the gentleman from Pennsylvania. I predict we will have emergencies almost every day from now until the foreign giveaway bill is disposed of. Sure, emergencies exist, but we have had them for years, one crisis after another, synthetic, real, and then synthetic again. Whenever it helps the cause of certain persons we will have an emergency.

But no one can conjure up an emergency in opposition to cutting the liquor allowance for the Armed Forces from $1,500,000. That is the estimate the chairman of the committee, the gentleman from Texas [Mr. MAHON], put on it, $1,500,000, for liquor, entertainment—you name it, they will have it. This is a good place to save $1,400,000, for my amendment would cut that $1,500,000 to $100,000. I hope in the interest of the taxpayers of this country you will adopt this amendment and not raise the issue of an emergency.

Mr. HOFFMAN of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, my distinguished and able friend, the gentleman from Iowa, complains because the minority on the committee did not raise the question of emergency. They will be back on the track come morning on an appropriation bill.

There was no room for the gentleman from Michigan [Mr. FORD], to make that argument when the other amendment was being considered. I regret very much that the gentleman from Pennsylvania [Mr. FLOOD], and I admire him, his artistic and oratorical ability without measure—he was talking about trouble with his bowels. His trouble was not there—it was in his head—that is where the diarrhea of words came from—not from lower down.

I sympathize with the gentleman from West Virginia [Mr. BAILEY] and with the gentleman from Pennsylvania [Mr. DENT]. Their people are in trouble. The trouble grows out of competition from abroad. They are the ones, may I remind the committee and gentleman from Iowa [Mr. GROSS] my very dear colleague, they are the ones who have the emergency in this particular case. If their people are in trouble it is their own fault. Why are they in trouble? They are both union men—back anything and everything the union demands. The gentleman from Pennsylvania is, or at least was, an officer in the union, and he has a right to be, and he renders a great service there. But under their distinguished and longtime leader, John L. Lewis, the miners in their States are in trouble, and in fact wherever coal was produced. Sure, coal has been less and less in demand all the time because of competition with oil-gas and electricity.

No one could help or stop that. But John L. Lewis and the union, the United Mine Workers who own this big bank down here in Washington and who own all this real estate here in Washington, created a class in those two States, especially in West Virginia—an aristocracy where a few were getting high wages or all the cream and another class of workers who got skim milk or just rainwater. But they are in trouble in the industry. That is what is the matter with them. Their party was the free-trade party—it was all for feathering the nest of workers in other countries—now our workers are getting competition from those we helped which really hurts. No one—no one—is to blame except themselves—the free traders, the do-gooders, and John L. Lewis and his greedy supporters. It is too bad—it is regrettable, and they should have relief even though they caused the present situation. But as the gentleman from Michigan [Mr. FORD], a member of the subcommittee, so wisely said—their remedy is in the other bill, the reciprocal trade bill or the distressed area bill.

I do not know whether the two gentleman voted for the reciprocal trade bill. They belong to the free trade party. They belong to the group which hiked the price of coal. But now they are finding fault because distress comes from their own actions. They should have relief but not in this defense bill. Their noise and arm swinging may get the necessary votes in committee but comes the record vote and our colleague from Michigan [Mr. FORD] more than likely will find support. It is too bad but they should not have support for this amendment. Don't forget, my dear colleague, the gentleman from Iowa, [Mr. GROSS]. I hope you will be all right by the 4th and after, then you and I can renew our friendship—I hope that that will come about, am sure it will—do not again mistake where the emergency is. It is over there on the other side of the aisle.

Mr. GROSS. Mr. Chairman, if the gentleman will yield, what does Independence Day have to do with our party and this rupture that has taken place here?

Mr. HOFFMAN of Michigan. That is the day we both celebrate our independence. Our freedom from strictly political ties. We get along all right except when you go wrong—if you ever do.

Mr. MAHON. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, the amendment of the gentleman from Iowa does not provide for reducing the amount of money in this bill. It does say that not more than $100,000 can be provided in the next fiscal year for the entertainment expense of those who represent the Government of the United States at various functions. It was pointed out earlier in the debate that some people working for the Government in nonprofit organizations are drawing three times as much salary as the Secretary of Defense. Yet, this amendment would provide that the Secretary of Defense and people of lower rank in the Department of Defense who represent the Government will have to pay out of their own pockets for the entertainment and receptions and banquets that must be given to visiting dignitaries and leaders of foreign governments who come to this country. I think when such dignitaries and leaders of foreign governments come to this country and are entertained in this city, the men of Cabinet rank or otherwise, who are greatly underpaid when compared to the levels of pay in industry should not have to reach down into their own pockets to pay for this entertainment. In an earlier comment in this discussion I pointed out the responsibility of American officials overseas to represent the United States at appropriate meetings and functions. I think the proposal is most unfair and improper. It is easy to try to defeat something by the use of slogans.

I would not have opposed the amendment if the gentleman had moved that no funds should be used for the procurement of intoxicating liquor, if he wants that kind of amendment, but that is not the kind of amendment he has offered. We all believe in sobriety, in good taste, in decency, but it is ridiculous to think that this country should hamstring its representatives in all the continents of the world when they seek to entertain,

to have receptions, and to have conferences to represent our Government. It seems to be most unwise, unfair, and improper, and I for one do not propose to downgrade and belittle those who represent my country in foreign lands, or in this country itself. I hope that this amendment will not be adopted. I do not believe it will be, but if the Members wish to adopt the amendment they are perfectly at liberty to do so.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. GROSS. The gentleman knows what I have in mind and what I am trying to find out, but will the gentleman point out any line item for the expenditure of this fund so I can be more selective in offering the amendment? You have got it so hidden in the bill that I cannot be selective.

Mr. MAHON. I am sure the Committee does not want to do anything which would discredit our Government in properly carrying out the functions it must carry out. Let me add that funds for representation allowances are involved in operation and maintenance moneys. The total amount in the bill for operation and maintenance is approximately $11 billion. Information has not been withheld from the gentleman. The figure which he has requested has been supplied. I hope the Committee will reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7851) making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. SAYLOR) there were—ayes 65, noes 86.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 173, nays 239, not voting 25, as follows:

[Roll No. 104]

YEAS—173

Adair	Gavin	Natcher
Addabbo	Giaimo	Nix
Addonizio	Gilbert	O'Brien, Ill.
Andersen, Minn.	Glenn	O'Hara, Ill.
	Goodling	O'Hara, Mich.
Anfuso	Granahan	O'Konski
Aspinall	Gray	Olsen
Bailey	Green, Pa.	O'Neill
Baker	Gross	Osmers
Baring	Halpern	Patman
Barrett	Hansen	Perkins
Beckworth	Harding	Peterson
Bennett, Mich.	Harrison, Wyo.	Pfost
Blatnik	Harsha	Philbin
Brademas	Harvey, Ind.	Powell
Bray	Hays	Price
Breeding	Healey	Pucinski
Brewster	Hechler	Rabaut
Bromwell	Holland	Reece
Burke, Ky.	Holtzman	Rhodes, Pa.
Burke, Mass.	Ichord, Mo.	Rivers, Alaska
Byrne, Pa.	Jennings	Rodino
Cahill	Jensen	Rogers, Colo.
Carey	Joelson	Rostenkowski
Cederberg	Johnson, Calif.	Roudebush
Celler	Johnson, Wis.	Roush
Chelf	Karsten	Ryan
Chenoweth	Kearns	St. Germain
Clark	Kee	Santangelo
Coad	Keith	Saylor
Collier	Kelly	Schenck
Cook	Keogh	Schneebeli
Corbett	King, Utah	Schweiker
Curtin	Kluczynski	Scranton
Daddario	Kowalski	Shipley
Dague	Kunkel	Siler
Daniels	Kyl	Slack
Dawson	Lane	Staggers
Delaney	Lesinski	Stratton
Dent	McDowell	Stubblefield
Denton	McVey	Sullivan
Diggs	Macdonald	Thompson, N.J.
Dingell	Machrowicz	Toll
Donohue	Mack	Tollefson
Dulski	Madden	Tupper
Dwyer	Martin, Mass.	Ullman
Edmondson	Mathias	Vanik
Elliott	Miller, N.Y.	Van Zandt
Farbstein	Millikin	Wallhauser
Fenton	Moeller	Walter
Finnegan	Monagan	Watts
Fino	Montoya	Westland
Flood	Moore	Whalley
Friedel	Moorhead, Pa.	Wharton
Fulton	Morgan	Wickersham
Gallagher	Morris	Widnall
Garland	Multer	Young
Garmatz	Murphy	Zelenko

NAYS—239

Abbitt	Boykin	Evins
Abernethy	Brooks, Tex.	Fallon
Albert	Broomfield	Fascell
Alexander	Brown	Feighan
Alford	Broyhill	Findley
Alger	Bruce	Fisher
Anderson, Ill.	Burleson	Ford
Andrews	Byrnes, Wis.	Forrester
Arends	Casey	Fountain
Ashbrook	Chamberlain	Frazier
Ashley	Chiperfield	Frelinghuysen
Ashmore	Church	Gary
Auchincloss	Clancy	Gathings
Avery	Cohelan	Goodell
Ayres	Conte	Griffin
Baldwin	Cooley	Griffiths
Barry	Corman	Gubser
Bass, N.H.	Cramer	Hagan, Ga.
Bass, Tenn.	Cunningham	Hagen, Calif.
Bates	Curtis, Mass.	Haley
Battin	Curtis, Mo.	Hall
Becker	Davis, John W.	Hardy
Beermann	Derounian	Harris
Beicher	Derwinski	Harrison, Va.
Bell	Devine	Harvey, Mich.
Bennett, Fla.	Dole	Hébert
Berry	Dominick	Hemphill
Betts	Dooley	Henderson
Blitch	Dorn	Hiestand
Boggs	Dowdy	Hoeven
Boland	Downing	Hoffman, Ill.
Bolling	Doyle	Hoffman, Mich.
Bolton	Durno	Holifield
Bonner	Ellsworth	Horan
Bow	Everett	Huddleston
Hull	Miller, Clem	Scott
Ikard, Tex.	Miller, George P.	Seely-Brown
Jarman		Selden
Johansen	Mills	Shelley
Johnson, Md.	Minshall	Sheppard
Jonas	Moorehead, Ohio	Short
Jones, Ala.		Shriver
Jones, Mo.	Morrison	Sibal
Judd	Morse	Sikes
Karth	Mosher	Sisk
Kastenmeier	Moss	Smith, Calif.
Kilburn	Moulder	Smith, Iowa
Kilday	Murray	Smith, Miss.
Kilgore	Nelsen	Smith, Va.
King, Calif.	Norblad	Spence
King, N.Y.	Norrell	Stafford
Kirwan	Nygaard	Steed
Kitchin	Ostertag	Stephens
Knox	Passman	Taber
Kornegay	Pelly	Taylor
Laird	Pike	Teague, Calif.
Langen	Pillion	Teague, Tex.
Lankford	Pirnie	Thomas
Latta	Poage	Thompson, La.
Lennon	Poff	Thompson, Tex.
Lindsay	Quie	Thomson, Wis.
Lipscomb	Rains	Thornberry
Loser	Randall	Trimble
McCulloch	Ray	Tuck
McDonough	Reuss	Udall
McFall	Rhodes, Ariz.	Utt
McIntire	Riehlman	Weaver
McMillan	Riley	Weis
McSween	Rivers, S.C.	Whitener
MacGregor	Robison	Whitten
Magnuson	Rogers, Fla.	Williams
Mahon	Rogers, Tex.	Willis
Mailliard	Rooney	Wilson, Calif.
Marshall	Roosevelt	Wilson, Ind.
Martin, Nebr.	Rousselot	Winstead
Mason	Rutherford	Wright
Matthews	St. George	Yates
May	Saund	Younger
Meader	Schadeberg	Zablocki
Merrow	Scherer	
Michel	Schwengel	

NOT VOTING—25

Brooks, La.	Grant	O'Brien, N.Y.
Buckley	Green, Oreg.	Pilcher
Cannon	Halleck	Reifel
Colmer	Herlong	Roberts
Davis, James C.	Hosmer	Springer
	Inouye	Van Pelt
Davis, Tenn.	Landrum	Vinson
Flynt	Libonati	
Fogarty	McCormack	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Buckley for, with Mr. James C. Davis against.

Mr. O'Brien of New York for, with Mr. Roberts against.

Mr. Inouye for, with Mr. Pilcher against.

Mr. Libonati for, with Mr. Herlong against.

Mr. Fogarty for, with Mr. Colmer against.

Mr. McCormack for, with Mr. Halleck against.

Until further notice:

Mr. Brooks of Louisiana with Mr. Hosmer.

Mr. Landrum with Mr. Springer.

Mrs. Green of Oregon with Mr. Van Pelt.

Mr. Davis of Tennessee with Mr. Reifel.

Messrs. THOMPSON of New Jersey, O'NEILL, STUBBLEFIELD and KLUCZYNSKI changed their vote from "nay" to "yea."

Mr. BOLAND changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MAHON. Mr. Speaker, on this I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 412, not voting 25, as follows:

[Roll No. 105]

YEAS—412

Abbitt	Devine	Kastenmeier
Abernethy	Diggs	Kearns
Adair	Dingell	Kee
Addabbo	Dole	Keith
Addonizio	Dominick	Kelly
Albert	Donohue	Keogh
Alexander	Dooley	Kilburn
Alford	Dorn	Kilday
Alger	Dowdy	Kilgore
Andersen, Minn.	Downing	King, Calif.
Anderson, Ill.	Doyle	King, N.Y.
Andrews	Dulski	King, Utah
Anfuso	Durno	Kirwan
Arends	Dwyer	Kitchin
Ashbrook	Edmondson	Kluczynski
Ashley	Elliott	Knox
Ashmore	Ellsworth	Kornegay
Aspinall	Everett	Kowalski
Auchincloss	Evins	Kunkel
Avery	Fallon	Kyl
Ayres	Farbstein	Laird
Bailey	Fascell	Lane
Baker	Feighan	Langen
Baldwin	Fenton	Lankford
Baring	Findley	Latta
Barrett	Finnegan	Lennon
Barry	Fino	Lesinski
Bass, N.H.	Fisher	Lindsay
Bass, Tenn.	Flood	Lipscomb
Bates	Ford	Loser
Battin	Forrester	McCormack
Becker	Fountain	McCulloch
Beckworth	Frazier	McDonough
Beermann	Frelinghuysen	McDowell
Belcher	Friedel	McFall
Bell	Fulton	McIntire
Bennett, Fla.	Gallagher	McMillan
Bennett, Mich.	Garland	McSween
Berry	Garmatz	McVey
Betts	Gary	Macdonald
Blatnik	Gathings	MacGregor
Blitch	Gavin	Machrowicz
Boggs	Giaimo	Mack
Boland	Gilbert	Madden
Bolling	Glenn	Magnuson
Bolton	Goodell	Mahon
Bonner	Goodling	Mailliard
Bow	Granahan	Marshall
Boykin	Gray	Martin, Mass.
Brademas	Green, Pa.	Martin, Nebr.
Bray	Griffin	Mathias
Breeding	Griffiths	Matthews
Brewster	Gross	May
Bromwell	Gubser	Meader
Brooks, Tex.	Hagan, Ga.	Merrow
Broomfield	Hagen, Calif.	Michel
Brown	Haley	Miller, Clem
Broyhill	Hall	Miller, George P.
Bruce	Halpern	Miller, N.Y.
Burke, Ky.	Hansen	Milliken
Burke, Mass.	Harding	Mills
Burleson	Hardy	Minshall
Byrne, Pa.	Harris	Moeller
Byrnes, Wis.	Harrison, Va.	Monagan
Cahill	Harrison, Wyo.	Montoya
Carey	Harsha	Moore
Casey	Harvey, Ind.	Moorehead, Ohio
Cederberg	Harvey, Mich.	Moorhead, Pa.
Celler	Hays	Morgan
Chamberlain	Healey	Morris
Chelf	Hébert	Morrison
Chenoweth	Hechler	Morse
Chiperfield	Hemphill	Mosher
Church	Henderson	Moss
Clancy	Hiestand	Moulder
Clark	Hoeven	Multer
Coad	Hoffman, Ill.	Murphy
Cohelan	Hoffman, Mich.	Murray
Collier	Holifield	Natcher
Conte	Holland	Nelsen
Cook	Holtzman	Nix
Cooley	Horan	Norblad
Corbett	Huddleston	Norrell
Corman	Hull	Nygaard
Cramer	Ichord, Mo.	O'Brien, Ill.
Cunningham	Ikard, Tex.	O'Hara, Ill.
Curtin	Jarman	O'Hara, Mich.
Curtis, Mass.	Jennings	O'Konski
Curtis, Mo.	Jensen	Olsen
Daddario	Joelson	O'Neill
Dague	Johansen	Osmers
Daniels	Johnson, Calif.	Ostertag
Davis, John W.	Johnson, Md.	Passman
Dawson	Johnson, Wis.	Patman
Delaney	Jonas	Pelly
Dent	Jones, Ala.	Perkins
Denton	Jones, Mo.	Peterson
Derounian	Judd	Pfost
Derwinski	Karsten	Philbin
	Karth	Pike
	Kastenmeier	Pillion
	Kearns	Pirnie
	Kee	Poage
	Keith	Poff
	Kelly	Powell
	Keogh	Price
	Kilburn	Pucinski
	Kilday	Quie
	Kilgore	Rabaut
	King, Calif.	Rains
	King, N.Y.	Randall
	King, Utah	Ray
	Kirwan	Reece
	Kitchin	Reuss
	Kluczynski	Rhodes, Ariz.
	Knox	Rhodes, Pa.
	Kornegay	Riehlman
	Kowalski	Riley
	Kunkel	Rivers, Alaska
	Kyl	Rivers, S.C.
	Laird	Robison
	Lane	Rodino
	Langen	Rogers, Colo.
	Lankford	Rogers, Fla.
	Latta	Rogers, Tex.
	Lennon	Rooney
	Lesinski	Roosevelt
	Lindsay	Rostenkowski
	Lipscomb	Roudebush
	Loser	Roush
	McCormack	Rousselot
	McCulloch	Rutherford
	McDonough	Ryan
	McDowell	St. George
	McFall	St. Germain
	McIntire	Santangelo
	McMillan	Saund
	McSween	Saylor
	McVey	Schadeberg
	Macdonald	Schenck
	MacGregor	Scherer
	Machrowicz	Schneebeli
	Mack	Schweiker
	Madden	Schwengel
	Magnuson	Scott
	Mahon	Scranton
	Mailliard	Seely-Brown
	Marshall	Selden
	Martin, Mass.	Shelley
	Martin, Nebr.	Sheppard
	Mathias	Shipley
	Matthews	Short
	May	Shriver
	Meader	Sibal
	Merrow	Sikes
	Michel	Siler
	Miller, Clem	Sisk
	Miller, George P.	Slack
	Miller, N.Y.	Smith, Calif.
	Milliken	Smith, Iowa
	Mills	Smith, Miss.
	Minshall	Smith, Va.
	Moeller	Spence
	Monagan	Stafford
	Montoya	Staggers
	Moore	Steed
	Moorehead, Ohio	Stephens
	Moorhead, Pa.	Stratton
	Morgan	Stubblefield
	Morris	Sullivan
	Morrison	Taber
	Morse	Taylor
	Mosher	Teague, Calif.
	Moss	Teague, Tex.
	Moulder	Thomas
	Multer	Thompson, La.
	Murphy	Thompson, N.J.
	Murray	Thompson, Tex.
	Natcher	Thomson, Wis.
	Nelsen	Thornberry
	Nix	Toll
	Norblad	Tollefson
	Norrell	Trimble
	Nygaard	Tuck
	O'Brien, Ill.	Tupper
	O'Hara, Ill.	Udall
	O'Hara, Mich.	Ullman
	O'Konski	Utt
	Olsen	Vanik
	O'Neill	Van Zandt
	Osmers	Wallhauser
	Ostertag	Walter
	Passman	Watts
	Patman	Weaver
	Pelly	Weis
	Perkins	Westland
	Peterson	Whalley
	Pfost	Wharton
	Philbin	Whitener
	Pike	Whitten
	Pillion	Wickersham
	Pirnie	Widnall
	Poage	Williams
	Poff	Willis
	Powell	Wilson, Calif.
	Price	Wilson, Ind.
	Pucinski	Winstead
	Quie	Wright
	Rabaut	Yates
	Rains	Young
	Randall	Younger
	Ray	Zablocki
	Reece	Zelenko
	Reuss	
	Rhodes, Ariz.	
	Rhodes, Pa.	
	Riehlman	
	Riley	
	Rivers, Alaska	
	Rivers, S.C.	
	Robison	
	Rodino	
	Rogers, Colo.	
	Rogers, Fla.	
	Rogers, Tex.	
	Rooney	
	Roosevelt	
	Rostenkowski	
	Roudebush	
	Roush	
	Rousselot	
	Rutherford	
	Ryan	
	St. George	
	St. Germain	
	Santangelo	
	Saund	

NAYS—0

NOT VOTING—25

Brooks, La.	Grant	O'Brien, N.Y.
Buckley	Green, Oreg.	Pilcher
Cannon	Halleck	Reifel
Colmer	Herlong	Roberts
Davis, James C.	Hosmer	Springer
Davis, Tenn.	Inouye	Van Pelt
Flynt	Landrum	Vinson
Fogarty	Libonati	
	Mason	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Buckley with Mr. Halleck.
Mr. Libonati with Mr. Van Pelt.
Mr. O'Brien of New York with Mr. Springer.
Mr. Inouye with Mr. Mason.
Mr. Fogarty with Mr. Hosmer.
Mr. James C. Davis with Mr. Reifel.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. SCHERER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHERER. Mr. Speaker, this House just voted $42 billion to protect this Nation from destruction by military aggression from without. I have today introduced legislation which will cost not one cent. It will, however, go a long way toward protecting this Nation from destruction by indirect aggression or subversion from within.

Four recent decisions of the Supreme Court cleared the way for this legislation. The Supreme Court held that State laws were valid which deprived a person of a job or the right to practice law if such person refused to answer questions relating to subversive activities, Communist Party membership or unethical practices. The Supreme Court has said, in effect, that a Government agency, from whom an individual was seeking a job or some other privilege, had a right to ask certain pertinent questions concerning his character and activities. The Court has held that refusal to answer such questions was sufficient reason for denying the person the job or privilege he sought.

The legislation which I have asked the Congress to enact would apply similar provisions of these State laws at the Federal level.

In those cases where a person refuses to appear before a Federal agency or to answer pertinent questions concerning his Communist or subversive activities, this legislation would put an end to a long series of controversies now existing over the rights to obtain and retain Government jobs, contracts, passports, licenses, scholarships, and so forth.

Today, private industry can and does refuse to employ persons who will not answer questions relative to their character, education, and previous work record when applying for a job. My bill will enable Government to do likewise. It will be an effective legislative weapon in our fight against internal subversion.

For the information of the Members of the Congress, here follows a digest of the four decisions decided by the Supreme Court on April 24, 1961:

1. In *Nelson and Globe* v. *County of Los Angeles*, decided April 24, 1961, the Supreme Court upheld a California statute which made it a duty of any public employee, when summoned to appear before an appropriate local, State, or Federal agency, to give pertinent information relating to his subversive activity. The California statute provided for the dismissal of any such employee who failed or refused to appear or to answer the questions authorized and propounded. In upholding this statute the Court found that mere refusal to answer was a sufficient basis for the discharge of a public employee.

2. In *Konigsberg* v. *State Bar, California*, decided April 24, 1961, the Supreme Court upheld action by the State of California in refusing to admit to the practice of law in such State an applicant who refused to answer certain questions relating to his Communist Party membership propounded by a committee assigned to determine the fitness of applicants for admission to the practice of law in California.

3. In the case of *In re Anastaplo*, decided April 24, 1961, the Supreme Court upheld similar action by the State of Illinois in refusing to admit to the practice of law in such State an applicant who refused to answer certain questions concerning his Communist Party membership propounded by a committee assigned to determine the fitness of applicants for admission to the practice of law in Illinois.

4. In *Cohen* v. *Hurley*, decided April 24, 1961, the Supreme Court upheld the action of the State of New York in disbarring an attorney previously admitted to the practice of law in that State who refused to answer certain questions concerning improper solicitation and handling of contingent retainers in personal injury cases propounded by a committee assigned to investigate the activities of such attorney in the handling of such cases.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking on the defense appropriation bill today may have permission to revise and extend their remarks and include extraneous matter; and I further

ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REPUBLIC OF CHILE

Mr. SELDEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Res. 353) congratulating the Congress of the Republic of Chile for 150 years of liberty and democracy on July 4, 1961.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the resolution as follows:

Whereas the Congress of the Republic of Chile celebrates on July 4, 1961, the one hundred and fiftieth anniversary of its inaugural session; and

Whereas one of the reasons the founders of the Chilean Congress selected July 4 as the date of their inaugural session was their expressed desire to identify that meeting with the thirty-fifth anniversary of the Declaration of Independence of the United States; and

Whereas the cause of Chilean independence received the enthusiastic support of the United States; and

Whereas from the time of Chile's independence relations between our two countries have become increasingly close and cordial; and

Whereas Chile and the United States have cooperated to develop and strengthen the inter-American system and to improve national relations: Therefore be it

Resolved, That the House of Representatives tender its congratulations to the Congress of the Republic of Chile for its one hundred and fifty years of devotion to the principles of liberty and democracy.

Mr. SELDEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SELDEN of Alabama: On page 1, amend the preamble in the last line of the last clause, by striking out the word "national" and inserting the word "international."

Mr. SELDEN. Mr. Speaker, July 4 will mark the 185th anniversary of our Declaration of Independence. It also marks another important date in the furtherance of the cause of liberty. On that day, 150 years ago, the Congress of the Republic of Chile held its inaugural session. July 4th was expressly chosen for this first meeting by those early leaders to identify that meeting with the 35th anniversary of our own Declaration of Independence.

Since independence, Chile has been one of our closest friends, maintaining a tradition of orderly government, an abhorrence of totalitarianism, and an abiding respect for constitutional forms.

This resolution would tender the congratulations of this body to the Congress of the Republic of Chile on this 150th anniversary of devotion to the principles of liberty and democracy.

This resolution was unanimously passed by the Committee on Foreign Affairs and has the full approval of the Department of State. I urge its immediate adoption.

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTRICAL AND MECHANICAL OFFICE EQUIPMENT, HOUSE OF REPRESENTATIVES

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 392) to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of the first section of the joint resolution entitled "Joint resolution to authorize the Clerk of the House of Representatives to furnish certain electrical or mechanical office equipment for the use of Members, officers, and committees of the House of Representatives", approved March 25, 1953, as amended (2 U.S.C. 112a–(b)), is amended by striking out "$2,500." and inserting in lieu thereo "$2,500, except that in the case of any Member the population of whose constituency is five hundred thousand or more as estimated by the Bureau of the Census, the value of such equipment shall not exceed $3,000 at any one time."

SEC. 2. Section 2 of the joint resolution entitled "Joint resolution to authorize the Clerk of the House of Representatives to furnish certain electrical or mechanical office equipment for the use of Members, officers, and committees of the House of Representatives", approved March 25, 1953, as amended (2 U.S.C. 112a–1), is amended by striking out "two electric typewriters." and inserting in lieu thereof "three electric typewriters, except that in the case of a Member the population of whose constituency is five hundred thousand or more as estimated by the Bureau of the Census, the Clerk shall furnish for use in the office of such Member not to exceed four electric typewriters."

The joint resolution was ordered to be engrossed and read a third time, was read a third time, and passed.

A motion to reconsider was laid on the table.

SOCIAL SECURITY AMENDMENTS OF 1961

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House have until midnight tonight to file a conference report to accompany the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1922) entitled "An act to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes."

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 30. Concurrent resolution to make a correction in the enrollment of S. 1922, the Housing Act of 1961.

The message also announced that the Senate agrees to the amendment of the House to the Senate amendment to the bill (H.R. 5723) entitled "An act to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program."

HOUSING ACT OF 1961—CONFERENCE REPORT

Mr. RAINS. Mr. Speaker, I call up the conference report on the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. RAINS]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 602)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and

agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Housing Act of 1961'.

"TITLE I—NEW HOUSING PROGRAMS

"Housing for moderate income families

"SEC. 101. (a) Section 221 of the National Housing Act is amended by—

"(1) inserting before the text of such section a section heading as follows:

"'Housing for moderate income and displaced families';

"(2) striking out subsection (a) and inserting in lieu thereof the following:

"'(a) This section is designed to assist private industry in providing housing for low and moderate income families and families displaced from urban renewal areas or as a result of governmental action.';

"(3) inserting in subsection (b) after 'any mortgage' the following: '(including advances during construction on mortgages covering property of the character described in paragraphs (3) and (4) of subsection (d) of this section)';

"(4) striking out in subsection (d)(2) '(A) not to exceed' and all that follows down through 'other prepaid expenses' and inserting in lieu thereof the following: '(A) not to exceed (i) $11,000 in the case of a property upon which there is located a dwelling designed principally for a single-family residence, (ii) $18,000 in the case of a property upon which there is located a dwelling designed principally for a two-family residence, (iii) $27,000 in the case of a property upon which there is located a dwelling designed principally for a three-family residence, or (iv) $33,000 in the case of a property upon which there is located a dwelling designed principally for a four-family residence: *Provided*, That a mortgage secured by property upon which there is located a dwelling designed principally for a two-, three-, or four-family residence shall not be insured under this section except in the case of a dwelling for occupancy by a family displaced from an urban renewal area or as a result of governmental action: *Provided further*, That the Commissioner may increase the foregoing amounts to not to exceed $15,000, $25,000, $32,000, and $38,000, respectively, in any geographical area where he finds that cost levels so require; and (B) not to exceed the appraised value of the property (as of the date the mortgage is accepted for insurance): *Provided*, That (i) if the mortgagor is the owner and an occupant of the property at the time of insurance, (1) in the case of a family displaced from an urban renewal area or as a result of Government action, he shall have paid on account of the property at least $200 in the case of a single-family dwelling, $400 in the case of a two-family dwelling, $600 in the case of a three-family dwelling, and $800 in the case of a four-family dwelling, or (2) in the case of any other family, he shall have paid on account of the property at least 3 per centum of the Commissioner's estimate of its acquisition cost; which amount in either instance may include amounts to cover settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premium, and other prepaid expenses; or (ii) in the case of repair and rehabilitation, the amount of the mortgage shall not exceed the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation, except that in no case involving refinancing shall such mortgage exceed such estimated cost of repair and rehabilitation and the amount (as determined by the Commissioner) required to refinance existing indebtedness secured by the property';

"(5) striking out the last proviso in subsection (d)(2);

"(6) striking out subsection (d)(3) and inserting in lieu thereof the following:

"'(3) if executed by a mortgagor which is a public body or agency (and which certifies that it is not receiving financial assistance from the United States exclusively pursuant to the United States Housing Act of 1937), a cooperative (including an investor-sponsor who meets such requirements as the Commissioner may impose to assure that the consumer interest is protected), or a limited dividend corporation (as defined by the Commissioner), or a private nonprofit corporation or association regulated or supervised under Federal or State laws or by political subdivisions of States, or agencies thereof, or by the Commissioner under a regulatory agreement or otherwise, as to rents, charges, and methods of operation, in such form and in such manner as in the opinion of the Commissioner will effectuate the purposes of this section—

"'(i) not exceed $12,500,000;

"'(ii) not exceed for such part of such property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator-type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require; and

"'(iii) not exceed (1) in the case of new construction, the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed (the replacement cost may include the land, the proposed physical improvements, utilities within the boundaries of the land, architect's fees, taxes, interest during construction, and other miscellaneous charges incident to construction and approved by the Commissioner), or (2) in the case of repair and rehabilitation, the sum of the estithe Commissioner's estimate of the value of the property before repair and rehabilitamated cost of repair and rehabilitation and tion: *Provided*, That in no case involving refinancing shall such mortgage exceed such estimated cost of repair and rehabilitation and the amount (as determined by the Commissioner) required to refinance existing indebtedness secured by the property or project: *Provided further*, That such property or project, when constructed, or repaired and rehabilitated, shall be for use as a rental or cooperative project, and low and moderate income families or families displaced by urban renewal or other governmental action shall be eligible for occupancy in accordance with such regulations and procedures as may be prescribed by the Commissioner and the Commissioner may adopt such requirements as he determines to be desirable regarding consultation with local public officials where such consultation is appropriate by reason of the relationship of such project to projects under other local programs; or';

"(7) striking out in subsection (d)(4) 'which is not a nonprofit organization' and inserting in lieu thereof 'other than a mortgagor referred to in subsection (d)(3)';

"(8) striking out subsection (d)(4)(ii) and inserting in lieu thereof the following:

"'(ii) not exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require;';

"(9) striking out in subsection (d)(4)(iv) all that follows '(iv)' down through *'And provided further'* and inserting in lieu thereof the following: 'not exceed 90 per centum of the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation if the proceeds of the mortgage are to be used for the repair and rehabilitation of a property or project: *Provided*, That in no case involving refinancing shall such mortgage exceed such estimated cost of repair and rehabilitation and the amount (as determined by the Commissioner) required to refinance existing indebtedness secured by the property or project: *Provided further*';

"(10) striking out 'and' at the end of subsection (d)(4), striking out in subsection (d)(5) 'provide for complete amortization' and all that follows down through 'lesser;', striking out the period at the end of subsection (d)(5) and inserting in lieu thereof '; and', and adding after subsection (d)(5) the following:

"'(6) provide for complete amortization by periodic payments within such terms as the Commissioner may prescribe, but as to mortgages coming within the provisions of subsection (d)(2) not to exceed from the date of the beginning of amortization of the mortgage (i) 40 years in the case of a family displaced from an urban renewal area or as a result of governmental action, (ii) 35 years in the case of any other family if the mortgage is approved for insurance prior to construction, except that the period in such case may be increased to not more than 40 years where the mortgagor is an owner-occupant of the property and is not able, as determined by the Commissioner, to make the required payments under a mortgage having a shorter amortization period, and (iii) 30 years in the case of any other family where the mortgage is not approved for insurance prior to construction: *Provided*, That no mortgage insured under subsection (d)(2) shall have a maturity exceeding three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements.'

"(11) inserting before the period at the end of subsection (d)(5) the following: ': *Provided*, That a mortgage insured under the provisions of subsection (d)(3) shall bear interest (exclusive of any premium charges for insurance and service charge, if any) at not less than the annual rate of interest determined, from time to time by the Secretary of the Treasury at the request of the Commissioner, by estimating the average market yield to maturity on all outstanding marketable obligations of the United States, and by adjusting such yield to the nearest one-eighth of 1 per centum, and there shall

be no differentiation in the rate of interest charged under this proviso as between mortgagors under subsection (d)(3) on the basis of differences in the types or classes of such mortgagors';

"(12) inserting the following at the end of subsection (f): 'A property or project covered by a mortgage insured under the provisions of subsection (d)(3) or (d)(4) shall include five or more family units. The Commissioner is authorized to adopt such procedures and requirements as he determines are desirable to assure that the dwelling accommodations provided under this section are available to families displaced from urban renewal areas or as a result of governmental action. Notwithstanding any provision of this Act, the Commissioner, in order to assist further the provision of housing for low and moderate income families, in his discretion and under such conditions as he may prescribe, may insure a mortgage which meets the requirements of subsection (d)(3) of this section as in effect after the date of enactment of the Housing Act of 1961, with no premium charge, with a reduced premium charge, or with a premium charge for such period or periods during the time the insurance is in effect as the Commissioner may determine, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to reimburse the Section 221 Housing Insurance Fund for any net losses in connection with such insurance. No mortgage shall be insured under subsection (d)(2) or (d)(4) after July 1, 1963, or under subsection (d)(3) after July 1, 1965, except pursuant to a commitment to insure before that date, or except a mortgage covering property which the Commissioner finds will assist in the provision of housing for families displaced from urban renewal areas or as a result of governmental action.';

"(13) redesignating paragraph (3) of subsection (g) as paragraph (4) and inserting after paragraph (2) of subsection (g) a new paragraph as follows:

"'(3) as to mortgages meeting the requirements of this section which are insured or initially endorsed for insurance on or after the date of enactment of the Housing Act of 1961, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such paragraphs in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage, and after the acquisition of any such mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this paragraph, and the appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this paragraph, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages so acquired (A) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund, (B) all references in section 204 to section 203 shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund; or';

"(14) striking out in paragraph (4) of subsection (g) (as redesignated by the preceding paragraph) the phrase 'this paragraph (3)', each place it appears, and inserting in lieu thereof 'this paragraph'; and

"(15) inserting in the last sentence of subsection (h) after 'cash adjustments,' the following: 'cash payments,'.

"(b) Section 101(c) of the Housing Act of 1949 is amended by—

"(1) striking out 'under section 220 or 221' and inserting in lieu thereof 'under section 220 or section 221(d)(3)';

"(2) striking out 'of section 220(d), or under section 221 of the National Housing Act, as amended, if the mortgaged property is in an area described in clause (3) of section 221(a) of said Act, or in a community referred to in clause (2)(B) of said section' and inserting in lieu thereof 'of section 220(d) of the National Housing Act'; and

"(3) striking out clause (iii) and renumbering clause (iv) as clause (iii).

"(c) Section 305 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"'(h) Notwithstanding clause (2) of section 302(b) and any provision of this Act which is inconsistent with this subsection, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in, mortgages insured under the provisions of section 221(d)(3) of this Act.'

"(d) Section 223 of the National Housing Act is amended by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"'(b) Notwithstanding any of the provisions of this title and without regard to limitations upon eligibility contained in section 221, the Commissioner may in his discretion insure under section 221(d)(3) any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage covering an existing property or project (other than a one- to four-family structure) located in an urban renewal area, if the Commissioner finds that such insurance will facilitate the occupancy of dwelling units in the property or project by families of low or moderate income or families displaced from an urban renewal area or displaced as a result of governmental action.'

"Home improvement and rehabilitation loans

"SEC. 102. (a) Section 220 of the National Housing Act is amended by—

"(1) striking out the provisos in subsections (d)(3)(A)(i) and (d)(3)(B)(ii) and inserting in lieu thereof in each subsection the following: ': *Provided,* That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation rather than upon the Commissioner's estimate of the replacement cost: *Provided further,* That in no case involving refinancing shall such mortgage exceed such estimated cost of repair and rehabilitation and the amount (as determined by the Commissioner) required to refinance existing indebtedness secured by the property or project';

"(2) striking out 'mortgage insurance' in subsection (a) and inserting in lieu thereof 'loan and mortgage insurance'; and

"(3) adding at the end thereof the following subsection:

"'(h)(1) To assist further in the conservation, improvement, repair, and rehabilitation of property located in the area of an urban renewal project, as provided in paragraph (1) of subsection (d) of this section, the Commissioner is authorized upon such terms and conditions as he may prescribe to make commitments to insure and to insure home improvement loans (including advances during construction or improvement) made by financial institutions on and after the date of enactment of the Housing Act of 1961. As used in this subsection, "home improvement loan" means a loan, advance of credit, or purchase of an obligation representing a loan or advance of credit made for the purpose of financing the improvement of an existing structure (or in connection with an existing structure) which was constructed not less than ten years prior to the making of such loan, advance, or purchase, and which is used or will be used primarily for residential purposes: *Provided,* That a home improvement loan shall include a loan, advance, or purchase with respect to the improvement of a structure which was constructed less than ten years prior to the making of such loan, advance, or purchase if the proceeds are or will be used primarily for major structural improvements, or to correct defects which were not known at the time of the completion of the structure or which were caused by fire, flood, windstorm, or other casualty; "improvement" means conservation, repair, restoration, rehabilitation, conversion, alteration, enlargement, or remodeling; and "financial institution" means a lender approved by the Commissioner as eligible for insurance under section 2 or a mortgagee approved under section 203(b)(1).

"'(2) To be eligible for insurance under this subsection, a home improvement loan shall—

"'(i) not exceed the Commissioner's estimate of the cost of improvement, or $10,000 per family unit, whichever is the lesser;

"'(ii) be limited to an amount which when added to any outstanding indebtedness related to the property (as determined by the Commissioner) creates a total outstanding indebtedness which does not exceed the limits provided in subsection (d)(3) for properties (of the same type) other than new construction;

"'(iii) bear interest at not to exceed a rate prescribed by the Commissioner, but not in excess of 6 per centum per annum of the amount of the principal obligation outstanding at any time, and such other charges (including such service charges, appraisal, inspection, and other fees) as may be approved by the Commissioner;

"'(iv) have a maturity satisfactory to the Commissioner, but not to exceed twenty years from the beginning of amortization of the loan or three-quarters of the remaining economic life of the structure, whichever is the lesser;

"'(v) comply with such other terms, conditions, and restrictions as the Commissioner may prescribe; and

"'(vi) represent the obligation of a borrower who is the owner of the property improved, or a lessee of the property under a lease for not less than 99 years which is renewable or under a lease having a period of not less than 50 years to run from the date of the loan.

"'(3) Any home improvement loan insured under this subsection may be refinanced and extended in accordance with such terms and conditions as the Commissioner may prescribe, but in no event for

an additional amount or term in excess of the maximum provided for in this subsection.

"'(4) There is hereby created a separate Section 220 Home Improvement Account to be maintained under the Section 220 Housing Insurance Fund and to be used by the Commissioner as a revolving fund for carrying out the provisions of this subsection. The Commissioner is authorized to transfer to such Account the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. Any premium charges, and appraisal and other fees received on account of the insurance of any home improvement loan accepted for insurance under this subsection, and the receipts derived from the sale, collection, deposit, or compromise of any evidence of debt, contract, claim, property, or security assigned to or held by the Commissioner in connection with the payment of insurance under this subsection, shall be credited to the Section 220 Home Improvement Account. Insurance claims under this subsection and expenses incurred in the handling, management, renovation, and disposal of any properties acquired by the Commissioner under this subsection shall be charged to the Section 220 Home Improvement Account. General expenses of operation of the Federal Housing Administration and other expenses incurred under this subsection may be charged to the Section 220 Home Improvement Account. Moneys in the Account not needed for the current operation of the Federal Housing Administration under this subsection shall be deposited with the Treasurer of the United States to the credit of the Account, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. In order to protect the solvency of the Section 220 Home Improvement Account, adequate security shall be taken in connection with loans insured under this subsection in such manner as the Commissioner may require.

"'(5) The Commissioner is authorized to fix a premium charge for the insurance of home improvement loans under this subsection but in the case of any such loan such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the loan outstanding at any time, without taking into account delinquent payments or prepayments. Such premium charges shall be payable by the financial institution either in cash or in debentures (at par plus accrued interest) issued by the Commissioner as obligations of the Section 220 Home Improvement Account, in such manner as may be prescribed by the Commissioner, and the Commissioner may require the payment of one or more such premium charges at the time the loan is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the loan. If the Commissioner finds upon presentation of a loan for insurance and the tender of the initial premium charge or charges so required that the loan complies with the provisions of this subsection, such loan may be accepted for insurance by endorsement or otherwise as the Commissioner may prescribe. In the event the principal obligation of any loan accepted for insurance under this subsection is paid in full prior to the maturity date, the Commissioner is authorized to refund to the financial institution for the account of the borrower all, or such portions as he shall determine to be equitable, of the current unearned premium charges theretofore paid.

"'(6) In cases of defaults on loans insured under this subsection, upon receiving notice of default, the Commissioner, in accordance with such regulations as he may prescribe, may acquire the loan and any security therefor upon payment to the financial institution in cash or in debentures (as provided in the loan insurance contract) of a total amount equal to the unpaid principal balance of the loan, plus any accrued interest, any advances approved by the Commissioner made previously by the financial institution under the provisions of the loan instruments, and reimbursement for such collection costs, court costs, and attorney fees as may be approved by the Commissioner.

"'(7) Debentures issued under this subsection shall be executed in the name of the Section 220 Home Improvement Account as obligor, shall be signed by the Commissioner, by either his written or engraved signature, shall be negotiable, and shall be dated as of the date the loan is assigned to the Commissioner and shall bear interest from that date. They shall bear interest at a rate established by the Commissioner pursuant to section 224, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature ten years after their date of issuance. They shall be exempt from taxation as provided in section 207(i) with respect to debentures issued under that section. They shall be paid out of the Section 220 Home Improvement Account which shall be primarily liable therefor and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and the guaranty shall be expressed on the face of the debentures. In the event the Section 220 Home Improvement Account fails to pay upon demand, when due, the principal of or interest on any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon, to the extent of the amount so paid, the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures. Debentures issued under this subsection shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury, and they may be in coupon or registered form. Any difference between the amount of the debentures to which the financial institution is entitled, and the aggregate face value of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Commissioner to the financial institution from the Section 220 Home Improvement Account.

"'(8) The provisions of subsections (c), (d), and (h) of section 2 shall apply to home improvement loans insured under this subsection, and for the purposes of this subsection references in subsections (c), (d), and (h) of section 2 to "this section" or "this title" shall be construed to refer to this subsection.

"'(9)(A) Notwithstanding any other provisions of this Act, no home improvement loan executed in connection with the improvement of a structure for use as rental accommodations for five or more families shall be insured under this subsection unless the borrower has agreed (i) to certify, upon completion of the improvement and prior to final endorsement of the loan, either that the actual cost of improvement equaled or exceeded the proceeds of the home improvement loan, or the amount by which the proceeds of the loan exceed the actual cost, as the case may be, and (ii) to pay forthwith to the financial institution, for application to the reduction of the principal of the loan, the amount, if any, certified to be in excess of the actual cost of improvement. Upon the Commissioner's approval of the borrower's certification as required under this paragraph, the certification shall be final and incontestable, except for fraud or material misrepresentation on the part of the borrower.

"'(B) As used in subparagraph (A), the term "actual cost" means the cost to the borrower of the improvement, including the amounts paid for labor, materials, construction contracts, off-site public utilities, streets, organization and legal expenses, such allocations of general overhead items as are acceptable to the Commissioner, and other items of expense approved by the Commissioner, plus a reasonable allowance for builder's profit if the borrower is also the builder, as defined by the Commissioner, and excluding the amount of any kickbacks, rebates, or trade discounts received in connection with the improvement.

"'(10) Notwithstanding any other provision of this Act, the Commissioner is authorized and empowered (i) to make expenditures and advances out of funds made available by this Act to preserve and protect his interest in any security for, or the lien or priority of the lien securing, any loan or other indebtedness owing to, insured by, or acquired by the Commissioner or by the United States under this subsection, or section 2 or 203(k); and (ii) to bid for and to purchase at any foreclosure or other sale or otherwise acquire property pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any loan or other indebtedness owing to or acquired by the Commissioner or by the United States under this subsection, or section 2 or 203(k). The authority conferred by this paragraph may be exercised as provided in the last sentence of section 204(g).'

"(b) Section 203 of the National Housing Act is amended by—

"(1) striking out in subsection (e) 'of the mortgage' and inserting in lieu thereof 'of the loan or mortgage';

"(2) striking out in subsection (e) 'approved mortgagee' each place it appears and inserting in lieu thereof 'approved financial institution or approved mortgagee'; and

"(3) adding at the end thereof the following subsection:

"'(k) To supplement the mortgage insurance provisions of this section in order to assist the conservation, improvement, and alteration of housing, the Commissioner is authorized to make commitments to insure and to insure a home improvement loan (including advances during construction or improvement) under this subsection in accordance with the provisions of section 220 (h), except that (1) the structures improved shall be designed for occupancy by not more than four families and shall not be required to be located in the area of an urban renewal project, (2) the Commissioner shall find that the project with respect to which the loan is executed is economically sound, (3) all funds received and all disbursements made shall be credited or charged, as appropriate, to a separate Section 203 Home Improvement Account to be maintained as hereinafter provided under the Mutual Mortgage Insurance Fund, and (4) insurance benefits shall be paid in debentures executed in the name of the Section 203 Home Improvement Account. For the purposes of this subsection, the Commissioner shall have all the authority provided in section 220(h). Debentures issued with respect to loans insured under this subsection shall be issued in accordance with sections 220(h)(6) and 220(h)(7), except that as applied to those loans references in section 220(h) to "this subsection" shall be construed to refer to this section 203(k), references to the Section 220 Home Improvement Account shall be construed to refer to the Section 203 Home Improvement Account, and references to the Section 220 Housing Insurance Fund shall be construed to refer to the Mutual Mortgage Insurance Fund. All of the provisions

in section 220(h)(4) relative to the Section 220 Home Improvement Account shall be equally applicable to the Section 203 Home Improvement Account. There is hereby created a separate Section 203 Home Improvement Account under the Mutual Mortgage Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this subsection, and the Commissioner is authorized to transfer to such Account the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. The provisions of section 205(c) shall not be applicable to loans insured under this subsection.'

"(c) Section 302(b) of the National Housing Act is amended by adding at the end thereof the following new sentence: 'For the purposes of this title, the term "mortgages" shall be inclusive of any mortgages or other loans insured under any of the provisions of the National Housing Act.'

"Experimental housing mortgage insurance

"SEC. 103. Title II of the National Housing Act is amended by adding at the end thereof the following section:

"'Experimental housing

"'SEC. 233. (a) In order to assist in lowering housing costs and improving housing standards, quality, livability, or durability or neighborhood design through the utilization of advanced housing technology, or experimental property standards, the Commissioner is authorized to insure and to make commitments to insure, under this section, mortgages (including, in the case of mortgages insured under subsection (b)(2) of this section, advances on such mortgages during construction) secured by properties including dwellings involving the utilization and testing of advanced technology in housing design, materials, or construction, or experimental property standards for neighborhood design if the Commissioner determines that (1) the property is an acceptable risk, giving consideration to the need for testing advanced housing technology or experimental property standards, (2) the utilization and testing of the advanced technology or experimental property standards involved will provide data or experience which the Commissioner deems to be significant in reducing housing costs or improving housing standards, quality, livability, or durability, or improving neighborhood design, and (3) the mortgages are eligible for insurance under the provisions of this section and under any further terms and conditions which may be prescribed by the Commissioner to establish the acceptability of the mortgages for insurance.

"'(b) To be eligible for insurance under this section a mortgage shall—

"'(1) meet the requirements of section 203(b), except that the maximum principal obligation of the mortgage as computed under clauses (i), (ii), and (iii) of section 203(b)(2) shall be determined on the basis of the Commissioner's estimate of the cost of replacing the property using comparable conventional design, materials, and construction rather than value, and the proviso in section 203(b)(8) shall not be applicable to mortgages insured under this section; or

"'(2) meet the requirements of section 207(b) and section 207(c), except that the maximum principal obligation of the mortgage as computed under section 207(c)(2) shall be determined on the basis of the Commissioner's estimate of the cost of replacing the property using comparable conventional design, materials, and construction rather than value.

"'(c) The Commissioner may enter into such contracts, agreements, and financial undertakings with the mortgagor and others as he deems necessary or desirable to carry out the purposes of this section, and may expend available funds for such purposes, including the correction (when he determines it necessary to protect the occupants), at any time subsequent to insurance of a mortgage, of defects or failures in the dwellings which the Commissioner finds are caused by or related to the advanced housing technology utilized in their design or construction or experimental property standards.

"'(d) The Commissioner may make such investigations and analyses of data, and publish and distribute such reports, as he determines to be necessary or desirable to assure the most beneficial use of the data and information to be acquired as a result of this section.

"'(e) Any mortgagee under a mortgage insured under subsection (b)(1) of this section shall be entitled to the benefits of the insurance as provided in section 204(a) with respect to mortgages insured under section 203, and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 shall apply to the mortgages insured under subsection (b)(1), except that as applied to those mortgages (1) all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, and (2) all references therein to section 203 shall be construed to refer to this section.

"'(f) Any mortgagee under a mortgage insured under subsection (b)(2) of this section shall be entitled to the benefits of the insurance as provided in section 207(g) with respect to mortgages insured under section 207, and the provisions of subsections (d), (e), (h), (i), (j), (k), (l), (m), (n), and (p) of section 207 shall apply to the mortgages insured under subsection (b)(2) of this section, except that as applied to those mortgages (1) all references therein to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, and (2) all references therein to "this section" shall be construed to refer to this section 233.

"'(g) Notwithstanding the provisions of subsections (e) and (f) of this section, in the case of default on any mortgage insured under this section, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such subsections in cash or in debentures (as provided in the mortgage insurance contract), or may acquire the mortgage loan and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner made previously by the mortgagee under the provisions of the mortgage. After the acquisition of the mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the mortgage. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this subsection, and the appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this subsection, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages insured under this section (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, (2) all references in section 204 to section 203 shall be construed to refer to this section, and (3) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Experimental Housing Insurance Fund.

"'(h) There is hereby created an Experimental Housing Insurance Fund to be used by the Commissioner as a revolving fund to carry out the provisions of this section, and the Commissioner is directed to transfer the sum of $1,000,000 to the Fund from the War Housing Insurance Fund created by section 602 of this Act. General expenses of operation of the Federal Housing Administration and other expenses incurred under this section may be charged to the Experimental Housing Insurance Fund.'

"Individually owned units in multifamily structures

"SEC. 104. Title II of the National Housing Act is amended by adding after section 233 (as added by section 103 of this Act) the following section:

"'Mortgage insurance for individually owned units in multifamily structures

"'SEC. 234. (a) The purpose of this section is to provide an additional means of increasing the supply of privately owned dwelling units where, under the laws of the State in which the property is located, real property title and ownership are established with respect to a one-family unit which is part of a multifamily structure.

"'(b) The terms "mortgage", "mortgagee", "mortgagor", "maturity date", and "State" shall have the meanings respectively set forth in section 201, except that the term "mortgage" for the purposes of this section may include a first mortgage given to secure the unpaid purchase price of a fee interest in, or a long-term leasehold interest in, a one-family unit in a multifamily structure and an undivided interest in the common areas and facilities which serve the structure where the mortgage is determined by the Commissioner to be eligible for insurance under this section. The term "common areas and facilities" as used in this section shall be deemed to include the land and such commercial, community, and other facilities as are approved by the Commissioner.

"'(c) The Commissioner is authorized, in his discretion and under such terms and conditions as he may prescribe (including the minimum number of family units in the structure which shall be offered for sale and provisions for the protection of the consumer and the public interest), to insure any mortgage covering a one-family unit in a multifamily structure and an undivided interest in the common areas and facilities which serve the structure, if (1) the mortgage meets the requirements of this section and of section 203(b), except as that section is modified by this section, (2) the structure is or has been covered by a mortgage insured under another section (except section 213) of this Act, notwithstanding any requirements in any such section that the structure be constructed or rehabilitated for the purpose of providing rental housing, and (3) the mortgagor is acquiring, or has acquired, a family unit covered by a mortgage insured under this section for his own use and occupancy and will not own more than four one-family units covered by mortgages insured under this section. Any project proposed to be constructed or rehabilitated after the date of enactment of the Housing Act of 1961 with the assistance of mortgage insurance under this Act, where the sale of family units is to be assisted with mortgage insurance under this section, shall be subject to such requirements as the Commissioner may prescribe. To be eligible for insurance pursuant to this section a mortgage shall (A) involve a principal obligation in an amount not to exceed the limits per room and per family dwelling unit provided by section 207(c)(3), and not to exceed the sum of (i) 97 per centum of

$13,500 of the amount which the Commissioner estimates will be the appraised value of the family unit including common areas and facilities as of the date the mortgage is accepted for insurance, (ii) 90 per centum of such value in excess of $13,500 but not in excess of $18,000, and (iii) 70 per centum of such value in excess of $18,000, and (B) have a maturity satisfactory to the Commissioner but not to exceed, in any event, thirty years from the date of the beginning of amortization of the mortgage or three-fourths of the Commissioner's estimate of the remaining economic life of the structure, whichever is the lesser. In determining the amount of a mortgage in the case of a nonoccupant mortgagor the reference to paragraph (2) of section 203(b) in section 203(b)(8) shall be construed to refer to the preceding sentence in this section. The mortgage shall contain such provisions as the Commissioner determines to be necessary for the maintenance of common areas and facilities and the multifamily structure. The mortgagor shall have exclusive right to the use of the one-family unit covered by the mortgage and, together with the owners of other units in the multifamily structure, shall have the right to the use of the common areas and facilities serving the structure and the obligation of maintaining all such common areas and facilities. The Commissioner may require that the rights and obligations of the mortgagor and the owners of other dwelling units in the structure shall be subject to such controls as he determines to be necessary and feasible to promote and protect individual owners, the multifamily structure, and its occupants. For the purposes of this section, the Commissioner is authorized in his discretion and under such terms and conditions as he may prescribe to permit one-family units and interests in common areas and facilities in multifamily structures covered by mortgages insured under any section of this Act (other than section 213) to be released from the liens of those mortgages.

"'(d) Any mortgagee under a mortgage insured under this section is entitled to receive the benefits of the insurance as provided in section 204(a) of this Act with respect to mortgages insured under section 203, and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 shall be applicable to the mortgages insured under this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Apartment Unit Insurance Fund, (2) all references therein to section 203 shall be construed to refer to this section, and (3) the excess remaining, referred to in section 204(f)(1), shall be retained by the Commissioner and credited to the Apartment Unit Insurance Fund.

"'(e) There is hereby created the Apartment Unit Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this section. The Commissioner is authorized to transfer to the Fund the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. General expenses of operation of the Federal Housing Administration under this section may be charged to the Apartment Unit Insurance Fund. The provisions of the second and third paragraphs of section 220(g) shall be applicable to the Apartment Unit Insurance Fund and to this section, all references therein to the Section 220 Housing Insurance Fund or the Fund shall be construed to refer to the Apartment Unit Insurance Fund, and all references therein to "this section" shall be construed to refer to this section 234.

"'(f) The provisions of sections 225, 229, and 230 shall be applicable to the mortgages insured under this section.'

"TITLE II—HOUSING FOR ELDERLY PERSONS AND LOW INCOME FAMILIES

"Housing for the elderly

"Direct Loans

"SEC. 201. (a) Section 202 of the Housing Act of 1959 is amended by—

"(1) inserting in subsection (a)(1) after the words 'private nonprofit corporations' the following: ', consumer cooperatives, or public bodies or agencies';

"(2) striking out subsection (a)(2) and inserting in lieu thereof the following:

"'(2) In order to carry out the purpose of this section, the Administrator may make loans to any corporation (as defined in subsection (d)(2)), to any consumer cooperative, or to any public body or agency for the provision of rental or cooperative housing and related facilities for elderly families and elderly persons, except that (A) no such loan shall be made unless the applicant shows that it is unable to secure the necessary funds from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this section, (B) no such loan shall be made unless the Administrator finds that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials, and (C) no such loan shall be made to a public body or agency unless it certifies that it is not receiving financial assistance from the United States exclusively pursuant to the United States Housing Act of 1937.';

"(3) striking out in subsection (a)(3) 'A loan to a corporation under this section' and inserting in lieu thereof 'A loan under this section'; and

"(4) striking out in subsection (c)(3) 'corporation undertaking' and inserting in lieu thereof 'corporation, cooperative, or public body or agency undertaking'.

"(b) Section 202(a)(3) of such Act is amended by striking out '98 per centum of'.

"(c) Section 202(a)(4) of such Act is amended by striking out '$50,000,000' and inserting in lieu thereof '$125,000,000', and by striking out the second sentence.

"(d) Section 202 of such Act is further amended by adding at the end thereof the following new subsection:

"'(e) Nothing in this section or in regulations promulgated under this section shall prevent a corporation or consumer cooperative from obtaining a loan under this section for the provision of housing and related facilities for elderly families and elderly persons, notwithstanding the fact that such corporation or cooperative has theretofore obtained a commitment from the Federal Housing Administration for mortgage insurance under section 231 of the National Housing Act with respect to the housing involved, if (1) such corporation or cooperative is otherwise eligible for such loan under this section, (2) such commitment was obtained prior to the date of enactment of the Housing Act of 1961, and (3) the Administrator determines that the financing of such housing through a loan under this section rather than through mortgage insurance under such section 231 is necessary or desirable in order to avoid hardship for the elderly families and elderly persons who are the prospective tenants of such housing.'

"Low-rent public housing

"Eligibility Requirement for Disabled Persons

"SEC. 202. Section 2 of the United States Housing Act of 1937 is amended by striking out the words 'has attained the age of fifty and' in the second and third sentences of paragraph (2), and by striking out paragraph (14) and renumbering paragraph (15) as paragraph (14).

"Additional Subsidy for Elderly Tenants

"SEC. 203. Section 10(a) of the United States Housing Act of 1937 is amended by inserting the following proviso before the period at the end of the third sentence thereof: ': *Provided*, That the Authority may, in addition to the payments guaranteed under the contract, pay not to exceed $120 per annum per dwelling unit occupied by an elderly family on the last day of the project fiscal year where such amount, in the determination of the Authority, was necessary to enable the public housing agency to lease the dwelling unit to the elderly family at a rental it could afford and to operate the project on a solvent basis'.

"Dwelling Unit Authorization

"SEC. 204. (a) Section 10(e) of the United States Housing Act of 1937 is amended by striking out the first three sentences and inserting in lieu thereof the following: 'The Authority is authorized to enter into contracts for annual contributions aggregating not more than $336,000,000 per annum, but any such contracts for additional units for any one State shall not, after the date of enactment of the Housing Act of 1961, be entered into for more than 15 per centum of the aggregate amount not already guaranteed under contracts for annual contributions on such date: *Provided*, That no such new contract for additional units shall be entered into after the date of enactment of the Housing Act of 1961 except with respect to low-rent housing for a locality respecting which the Administrator has made the determination and certification relating to a workable program as prescribed in section 101(c) of the Housing Act of 1949, and the Authority shall enter into only such new contracts for preliminary loans as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into.'

"(b) Section 10(i) of such Act is repealed; and section 15(10) of such Act is redesignated as section 10(i) and transferred (as so redesignated) to the place heretofore occupied by the section so repealed.

"(c) Section 21(d) of such Act is repealed.

"Greater Local Responsibility for Admission Policies

"SEC. 205. (a) Section 10(g) of the United States Housing Act of 1937 is amended to read as follows:

"'(g) Every contract for annual contributions for any low-rent housing project shall provide that—

"'(1) the maximum income limits fixed by the public housing agency shall be subject to the prior approval of the Authority and the Authority may require the agency to review and revise such limits if the Authority determines that changed conditions in the locality make such revisions necessary in achieving the purposes of the Act;

"'(2) the public housing agency shall adopt and promulgate regulations establishing admission policies which shall give full consideration to its responsibility for the rehousing of those displaced by urban renewal or other governmental action, to the applicant's status as a serviceman or veteran or relationship to a serviceman or veteran or to a disabled serviceman or veteran, and to the applicant's age or disability, housing conditions, urgency of housing need, and source of income; and

"'(3) the public housing agency shall determine, and so certify to the Authority, that each family in the project was admitted in accordance with duly adopted regulations and approved income limits; and the public housing agency shall make periodic reexaminations of the incomes of families living in the project and shall require any family whose income has increased beyond the approved maximum income limits for continued occupancy to move from the project unless the public housing agency determines that, due to special circumstances, the family is unable to find decent, safe and sanitary housing within its financial reach although

making every reasonable effort to do so, in which event such family may be permitted to remain for the duration of such a situation if it pays an increased rent consistent with such family's increased income.'

"(b) Sections 10(m) and 15(8) of such Act are repealed.

"Miscellaneous Public Housing Amendments

"SEC. 206. (a) Section 15 of the United States Housing Act of 1937 is amended by—

"(1) inserting in paragraph (5) after the second parenthetical clause the following: 'on which the computation of any annual contributions under this Act may be based';

"(2) striking out in paragraph (5) '($2,500 per room in the case of Alaska or in the case of accommodations designed specifically for elderly families)', and inserting in lieu thereof '($3,000 per room in the case of Alaska, or in the case of accommodations designed specifically for elderly families $3,000 per room and $3,500 per room in the case of Alaska)';

"(3) striking out paragraph (6), redesignating paragraph (9) as paragraph (6), and transferring paragraph (9), as so redesignated, to the place heretofore occupied by the paragraph so striken out; and

"(4) striking out 'or 5 per centum in the case of any family entitled to a first preference as provided in section 10(g)' in paragraph (7)(b) and inserting in lieu thereof 'except in the case of a family displaced by urban renewal or other governmental action or an elderly family'.

"(b) Section 10(h) of such Act is amended by inserting the following after the word 'project' the third time it appears therein: '(exclusive of any portion thereof which is not assisted by annual contributions under this Act)'.

"(c) Section 10(j) of such Act is repealed.

"Demonstration Programs

"SEC. 207. The Housing and Home Finance Administrator is authorized to enter into contracts to make grants, not exceeding $5,000,000, to public or private bodies or agencies, subject to such terms and conditions as he shall prescribe, for the purposes of developing and demonstrating new or improved means of providing housing for low income persons and families. Advances and progress payments may be made, under any contract to make grants under this section, without regard to the provisions of section 3648 of the Revised Statutes.

"TITLE III—URBAN RENEWAL AND PLANNING

"Increased Federal Aid for Small Communities; Pooling Grants-in-Aid Between Projects

"SEC. 301. (a) Section 103(a) of the Housing Act of 1949 is amended by inserting '(1)' after '(a)', by striking out the last two sentences, and by inserting at the end thereof the following:

"'(2) The aggregate of such capital grants with respect to all of the projects of a local public agency (or of two or more local public agencies in the same municipality) on which contracts for capital grants have been made under this title shall not exceed the total of—

"'(A) two-thirds of the aggregate net project costs of all such projects to which neither subparagraph (B) nor subparagraph (C) applies, and

"'(B) three-fourths of the aggregate net project costs of any of such projects which are located in a municipality having a population of fifty thousand or less (one hundred fifty thousand or less in the case of a municipality situated in an area which, at the time the contract or contracts involved are entered into or at such earlier time as the Administrator may specify in order to avoid hardship, is designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act) according to the most recent decennial census, and

"'(C) three-fourths of the aggregate net project costs of any of such projects (not falling within subparagraph (B)) which the Administrator, upon request, may approve on a three-fourths capital grant basis.

"'(3) A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project.'

"(b) Section 104 of such Act is amended by striking out the second sentence and inserting in lieu thereof the following: 'Such local grants-in-aid, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency (or two or more local public agencies in the same municipality) on which contracts for capital grants have theretofore been made, shall be at least equal to the total of one-third of the aggregate net project costs of such projects undertaken on a two-thirds capital grant basis and one-fourth of the aggregate net project costs of such projects undertaken on a three-fourths capital grant basis.'

"(c) The third and fourth sentences of section 110(e) of such Act are each amended by striking out 'pursuant to the proviso in the second sentence of section 103(a)' and inserting in lieu thereof 'pursuant to section 103(a)(2)(C)'.

"Incontestable Federal Obligation in Private Financing of Projects

"SEC. 302. (a) Section 102(c) of the Housing Act of 1949 is amended by adding at the end thereof the following: 'In connection with any such pledge of a loan contract, including loan payments thereunder, as security for the repayment of obligations of the local public agency held by other than the Federal Government, the Administrator is authorized to agree to pay, through operations of a paying agent or agents, and to pay or cause to be paid when due, from funds obtained pursuant to subsection (e) of this section, to the holders of such obligations (or to their agents or designees) the principal of and the interest on such obligations, subject to such conditions as the Administrator may determine but without regard to any other condition or requirement. Notwithstanding any other provision of law, any contract or other instrument executed by the Administrator which, by its terms, includes an obligation of the Administrator to make payment pursuant to this subsection shall be construed by all officers of the United States separate and apart from the loan contract and shall be incontestable in the hands of a bearer and the full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Administrator pursuant to this subsection.'

"(b) Section 22 of the United States Housing Act of 1937 is amended by inserting the following new subsection at the end thereof:

"'(c) Obligations of a public housing agency which (1) are secured either (A) by a pledge of a loan under an agreement between such public housing agency and the Authority, or (B) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Authority, and (2) bear, or are accompanied by, a certificate of the Authority that such obligations are so secured, shall be incontestable in the hands of a bearer, and the full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Authority as security for such obligations.'

"Grant Authorization

"SEC. 303. Section 103(b) of the Housing Act of 1949 is amended by striking out the first sentence and inserting in lieu thereof the following: 'The Administrator may, with the approval of the President, contract to make grants under this title aggregating not to exceed $4,000,000,000: *Provided*, That of such sum the Administrator may, without regard to other provisions of this title, contract to make grants aggregating not to exceed $25,000,000 for mass transportation demonstration projects which he determines will assist in carrying out urban transportation plans and research, including but not limited to the development of data and information of general applicability on the reduction of urban transportation needs, the improvement of mass transportation service, and the contribution of such service toward meeting total urban transportation needs at minimum cost. Such grants shall not be used for major long-term capital improvement; shall not exceed two-thirds of the cost, as determined or estimated by the Administrator, of the project for which the grant is made; and shall be subject to such other terms and conditions as he may prescribe. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant contracted to be made pursuant to this section.'

"Relocation Payments

"SEC. 304. Section 106(f)(2) of the Housing Act of 1949 is amended—

"(1) by striking out 'and business concerns' in the first sentence and inserting in lieu thereof the following: 'business concerns, and nonprofit organizations';

"(2) by striking out 'business concern.' in the second sentence and inserting in lieu thereof the following: 'business concern or nonprofit organization.'

"(3) by inserting after '$3,000' the following: 'or, if greater, the total certified actual moving expenses)'; and

"(4) by inserting 'and actual direct losses of property' before the period at the end of the last sentence.

"Financial Assistance for Displaced Business Concerns

"SEC. 305. Section 7(b) of the Small Business Act is amended—

"(1) by striking out 'and' at the end of paragraph (1);

"(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof '; and';

"(3) by adding after paragraph (2) a new paragraph as follows:

"'(3) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small-business concern in reestablishing its business, if the Administration determines that such concern has suffered substantial economic injury as a result of its displacement by a federally aided urban renewal or highway construction program or by any other construction conducted by or with funds provided by the Federal Government.'; and

"(4) by adding immediately before the period at the end of the third sentence the following: ', except that in the case of a loan made pursuant to paragraph (3), the rate of interest on the Administration's share of such loan shall not be more than the higher of (A) 2¾ per centum per annum; or (B) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum, plus one-quarter of 1 per centum per annum.'

"(b) Section 2(b) of such Act is amended by inserting before the period at the end thereof the following: ', and small-business concerns which are displaced as a result of federally aided construction programs'.

"(c) Section 4(c) of such Act as amended—

"(1) by striking out '$975,000,000' each place it appears and inserting in lieu thereof '$1,000,000,000'; and

"(2) by striking out '$125,000,000' in the sixth sentence and inserting in lieu thereof '$150,000,000'.

"Resale of Property in Urban Renewal Areas for Housing for Moderate Income Families

"SEC. 306. (a) Section 107 of the Housing Act of 1949 is amended by—

"(1) changing the title thereof to read 'PROPERTY TO BE USED FOR PUBLIC HOUSING OR HOUSING FOR MODERATE INCOME FAMILIES';

"(2) inserting '(a)' before the first sentence and striking out the words 'to be' in such sentence;

"(3) striking out 'is incorporated' and inserting in lieu thereof 'was incorporated on or after September 23, 1959,'; and

"(4) adding at the end thereof the following new subsection:

"'(b) Upon approval of the Administrator and subject to such conditions as he may determine to be in the public interest, any real property held as part of an urban renewal project may be made available to (1) a limited dividend corporation, nonprofit corporation or association, cooperative, or public body or agency, or (2) a purchaser who would be eligible for a mortgage insured under section 221(d)(4) of the National Housing Act, for purchase at fair value for use by such purchaser in the provision of new or rehabilitated rental or cooperative housing for occupancy by families of moderate income.'

"(b) Clause (4) of the second sentence of section 110(c) of the Housing Act of 1949 is amended by inserting before the semicolon at the end thereof the following: 'or as provided in section 107'.

"Rehabilitation

"SEC. 307. (a) The second sentence of section 110(c) of the Housing Act of 1949 is amended by—

"(1) striking out 'and' at the end of paragraph (5);

"(2) striking out the period at the end of paragraph (6) and inserting in lieu of thereof '; and'; and

"(3) adding after paragraph (6) a new paragraph as follows:

"'(7) acquisition and repair or rehabilitation for guidance purposes, and resale by the local public agency, of structures which are located in the urban renewal area and which, under the urban renewal plan, are to be repaired or rehabilitated for dwelling use or related facilities: *Provided*, That the local public agency shall not acquire for such purposes, in any urban renewal area, structures which contain or will contain more than (A) one hundred dwelling units, or (B) 5 per centum of the total number of dwelling units in such area which, under the urban renewal plan, are to be repaired or rehabilitated, whichever is the lesser.'

"(b) The third sentence of section 110(c) of such Act is amended by inserting after 'include' the following: '(except as provided in paragraph (7) above)'.

"(c) Clause (1) of section 110(e) of such Act is amended by striking out 'and (6)' and inserting in lieu thereof '(6), and (7)'.

"Increase in Nonresidential Exception

"SEC. 308. The fifth sentence of section 110(c) of the Housing Act of 1949 is amended by striking out '20 per centum' in the second proviso and inserting in lieu thereof '30 per centum'.

"Urban Renewal Areas Involving Colleges, Universities, or Hospitals

"SEC. 309. Section 112 of the Housing Act of 1949 is amended to read as follows:

"'Urban Renewal Areas Involving Colleges, Universities, or Hospitals

"'SEC. 112. (a) In any case where an educational institution or a hospital is located in or near an urban renewal project area and the governing body of the locality determines that, in addition to the elimination of slums and blight from such area, the undertaking of an urban renewal project in such area will further promote the public welfare and the proper development of the community (1) by making land in such area available for disposition, for uses in accordance with the urban renewal plan, to such educational institution or hospital for redevelopment in accordance with the use or uses specified in the urban renewal plan, (2) by providing, through the redevelopment of the area in accordance with the urban renewal plan, a cohesive neighborhood environment compatible with the functions and needs of such educational institution or hospital, or (3) by any combination of the foregoing, the Administrator is authorized to extend financial assistance under this title for an urban renewal project in such area without regard to the requirements in section 110 hereof with respect to the predominantly residential character or predominantly residential reuse of urban renewal areas. The aggregate expenditures made by any such institution or hospital (directly or through a private redevelopment corporation or municipal or other public corporation) for the acquisition within, adjacent to, or in the immediate vicinity of the project area, of land, buildings, and structures to be redeveloped or rehabilitated by such institution for educational uses or by such hospital for hospital uses in accordance with the urban renewal plan (or with a development plan proposed by such institution, hospital, or corporation, found acceptable by the Administrator after considering the standards specified in section 110(b), and approved under State or local law after public hearing) and for the demolition of such buildings and structures if, pursuant to such urban renewal or development plan, the land is to be cleared and redeveloped, and for the relocation of occupants from buildings and structures to be demolished or rehabilitated, as certified by such institution or hospital to the local public agency and approved by the Administrator, shall be a local grant-in-aid in connection with such urban renewal project: *Provided*, That no such expenditure shall be eligible as a local grant-in-aid in any case where the property involved is acquired by such educational institution or hospital from a local public agency which, in connection with its acquisition or disposition of such property, has received, or contracted to receive, a capital grant pursuant to this title.

"'(b) No expenditure made by any educational institution or hospital, as provided in subsection (a), shall be deemed ineligible as a local grant-in-aid (1) in connection with any urban renewal project if made not more than seven years prior to the authorization by the Administrator of a contract for a loan or capital grant for such project, or (2) in connection with any such project for which the Administrator, prior to September 25, 1963, has authorized a loan or capital grant contract if made not more than five years prior to the submission of an application for financial assistance under this title for such urban renewal project.

"'(c) The aggregate expenditures made by any public authority, established by any State, for acquisition, demolition, and relocation in connection with land, buildings, and structures acquired by such public authority and leased to an educational institution for educational uses or to a hospital for hospital uses shall be deemed a local grant-in-aid to the same extent as if such expenditures had been made directly by such educational institution or hospital.

"'(d) As used in this section—

"'(1) the term "educational institution" means any educational institution of higher learning, including any public educational institution or any private educational institution, no part of the net earnings of which inures to the benefit of any private shareholder or individual; and

"'(2) the term "hospital" means any hospital licensed by the State in which such hospital is located, including any public hospital or any nonprofit hospital, no part of the net earnings of which inures to the benefit of any private shareholder or individual.'

"Urban Planning Assistance

"SEC. 310. (a) Section 701 of the Housing Act of 1954 is amended by—

"(1) striking out '50 per centum' in the first sentence of subsection (b) and inserting in lieu thereof 'two-thirds';

"(2) striking out '$20,000,000' in the last sentence of subsection (b) and inserting in lieu thereof '$75,000,000';

"(3) inserting after 'public facilities' in clause (1) of subsection (d) ', including transportation facilities'; and

"(4) adding at the end thereof the following new subsection:

"'(f) The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in the comprehensive planning for the physical growth and development of interstate, metropolitan, or other urban areas, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.'

"(b) Section 701 of such Act is further amended by—

"(1) striking out the matter preceding paragraph (1) of subsection (a) and inserting in lieu thereof the following:

"'SEC. 701. (a) In order to assist State and local governments in solving planning problems resulting from the increasing concentration of population in metropolitan and other urban areas, including smaller communities; to facilitate comprehensive planning for urban development, including coordinated transportation systems, on a continuing basis by such governments; and to encourage such governments to establish and improve planning staffs, the Administrator is authorized to make planning grants to—';

"(2) inserting the following after 'agencies' in paragraph (2) of subsection (a): ', or other agencies and instrumentalities designated by the Governor (or Governors in the case of interstate planning) and acceptable to the Administrator,';

"(3) adding the following at the end of subsection (a): 'The Administrator shall encourage cooperation in preparing and carrying out plans among all interested municipalities, political subdivisions, public agencies, and other parties in order to achieve coordinated development of entire areas. To the maximum extent feasible, pertinent plans and studies already made for areas shall be utilized so as to avoid unnecessary repetition of effort and expense. Planning which may be assisted under this section includes the preparation of comprehensive urban transportation surveys, studies, and plans to aid in solving problems of traffic congestion, facilitating the circulation of people and goods in metropolitan and other urban areas, and reducing transportation needs. Funds available under this section shall be in addition to and may be used jointly with funds available for planning

surveys and investigations under other Federally-aided programs, and nothing contained in this section shall be construed as affecting the authority of the Secretary of Commerce under section 307 of title 23, United States Code.'; and

"(4) striking out the first sentence of subsection (d) and inserting in lieu thereof the following: 'It is the further intent of this section to encourage comprehensive planning, including transportation planning, for States, cities, counties, metropolitan areas, and urban regions and the establishment and development of the organizational units needed therefor. The Administrator is authorized to provide technical assistance to State and local governments and their agencies and instrumentalities undertaking such planning and, by contract or otherwise, to make studies and publish information on related problems.'

"Historical Site in Urban Renewal Area

"SEC. 311. (a) Notwithstanding section 110(c)(4) of the Housing Act of 1949, as amended, or any other provision of law, the urban renewal project in Knoxville, Tennessee, known as the Riverfront-Willow Street redevelopment project, may include the donation by the Knoxville Housing Authority to the James White's Fort Association, by a suitable instrument of conveyance, of all right, title, and interest of the authority in and to the following described tract of land, constituting a portion of tract T-2 of the said project and containing 0.985 acres more or less:

"Beginning at an iron pin located at the intersection of the east property line of Collins Alley and the south property line of Rouser Alley; thence in a northerly direction, north 32 degrees 35 minutes west, 111.0 feet to an iron pin located in the east property line of Collins Alley; thence in a westerly direction, south 55 degrees 20 minutes west, 207.0 feet to an iron pin; thence in a southwesterly direction, south 35 degrees 05 minutes west, 80 feet to an iron pin; thence in a southerly direction south 27 degrees 25 minutes east, 193.40 feet to an iron pin located in the north property line of Hill Avenue; thence in an easterly direction, north 67 degrees 43 minutes east, 33.54 feet to an iron pin; thence in an easterly direction, north 60 degrees 02 minutes east, 31.64 feet to an iron pin; thence in an easterly direction, north 58 degrees 30 minutes 30 seconds east, 53 feet to an iron pin located in the north property line of Hill Avenue; thence in a northerly direction, north 30 degrees 22 minutes 30 seconds west, 134.03 feet to an iron pin; thence in an easterly direction, north 59 degrees 21 minutes 30 seconds east, 175.61 feet to the point of beginning.

"(b) The conveyance authorized to be included in the Riverfront-Willow Street redevelopment project under subsection (a) of this section shall be made only if the James White's Fort Association represents, and furnishes such assurances as may be required by the Knoxville Housing Authority, that such Association (1) will undertake the reconstruction on the site conveyed of General James White's cabin and fort, and (2) will develop, preserve, and operate such property on a nonprofit basis as a historical site or monument.

"Credit for Cost of School Construction

"SEC. 312. No public facility, the provision of which is otherwise eligible as a local grant-in-aid for any urban renewal project receiving assistance under title I of the Housing Act of 1949 in the city of Roanoke, Virginia, and the construction of which was commenced prior to January 1, 1961, shall be deemed to be ineligible as a local grant-in-aid because of any change in the urban renewal plan for such project which is determined by the Housing and Home Finance Administrator to have resulted from the proposed location within the urban renewal area in which such project was undertaken of a Federally-aided highway. For the purpose of computing the portion of the cost of any such facility which may be allowed as a local grant-in-aid, the degree of benefit of the facility to such urban renewal area shall be based on the latest estimate of benefit submitted by the local public agency and accepted by the Administrator prior to such change in the urban renewal plan.

"Eligibility of Certain Local Grants-in-Aid

"SEC. 313. Notwithstanding the provisions of section 312 of the Housing Act of 1954 or any request previously made pursuant to such section, upon request of the local public agency the eligibility of the local grants-in-aid for any project in the city of Norfolk, Virginia, in connection with which the final capital grant payment has not been made, shall be determined in accordance with the provisions of sections 110(d) and 112 of the Housing Act of 1949.

Technical Amendments

"SEC. 314. (a) Section 101(c) of the Housing Act of 1949 is amended by inserting in clause (1) after 'workable program' the words 'for community improvement'.

"(b) Section 102(a) of such Act is amended by inserting in the second proviso after 'demolition and removal' the first place it appears the following: ', together with administrative, relocation, and other related costs and payments,'.

"(c) Clause (4) of the second sentence of section 110(c) of such Act is amended by striking out 'initial'.

"Parks and Recreational Facilities

"SEC. 315. Section 105(a) of the Housing Act of 1949 is amended by striking out 'and' preceding clause (iii), and by adding at the end thereof the following: 'and (iv) the urban renewal plan gives due consideration to the provision of adequate park and recreational areas and facilities, as may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the plan;'.

"TITLE IV—COLLEGE HOUSING

"Loan authorization

"SEC. 401. Section 401(d) of the Housing Act of 1950 is amended by striking out the first colon and all that follows and inserting in lieu thereof the following: ', which amount shall be increased by $300,000,000 on July 1 in each of the years 1961 through 1964: *Provided*, That the amount outstanding for other educational facilities, as defined herein, shall not exceed $175,000,000, which limit shall be increased by $30,000,000 on July 1 in each of the years 1961 through 1964: *Provided further*, That the amount outstanding for hospitals, referred to in clause (2) of section 404(b) of this title, shall not exceed $100,000,000, which limit shall be increased by $30,000,000 on July 1 in each of the years 1961 through 1964.'

"Apportionment by States

"SEC. 402. Section 403 of the Housing Act of 1950 is amended by striking out '10 per centum' and inserting in lieu thereof '12½ per centum'.

"Housing provided by nonprofit corporations

"SEC. 403. (a) Clause (3) of section 404(b) of the Housing Act of 1950 is amended—

"(1) by striking out 'established by any institution included in clause (1) of this subsection for the sole purpose' and inserting in lieu thereof 'established for the sole purpose'; and

"(2) by striking out 'such institution' where it first appears and inserting in lieu thereof 'one or more institutions included in clause (1) of this subsection'.

"(b) Clause (3) of section 404(b) of such Act is further amended by striking out 'will pass to such institution' and inserting in lieu thereof 'will pass to such institution (or to any one or more of such institutions) unless it is shown to the satisfaction of the Administrator that such property or the proceeds from its sale will be used for some other nonprofit educational purpose.'

"(c) Section 404(b) of such Act is further amended by adding at the end thereof the following new sentence: 'In the case of any loan made under section 401 to a corporation described in clause (3) of this subsection which was not established by the institution or institutions for whose students or students and faculty it would provide housing, the Administrator shall require that the note securing such loan be co-signed by such institution (or by any one or more of such institutions).'

"TITLE V—COMMUNITY FACILITIES

"Public facility loans

"SEC. 501. (a)(1) The second paragraph of section 201 of the Housing Amendments of 1955 is amended by inserting after 'public works or facilities' the following: '(including mass transportation facilities and equipment)'.

"(2) The third paragraph of section 201 of such Amendments is amended by inserting after 'title' the following: '(subject to the limitations contained herein)'.

"(b) The first sentence of section 202(a) of such Amendments is amended to read as follows: 'The Housing and Home Finance Administrator is authorized (1) to purchase the securities and obligations of, or make loans to, municipalities and other political subdivisions and instrumentalities of States (including public agencies and instrumentalities of one or more municipalities or other political subdivisions in the same State), to finance specific projects for public works or facilities under State, municipal, or other applicable law, and (2) to purchase the securities and obligations of, or make loans to, States, municipalities and other political subdivisions of States, public agencies and instrumentalities of one or more States, municipalities and political subdivisions of States, and public corporations, boards, and commissions established under the laws of any State, to finance the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas, and for use in coordinating highway, bus, surface-rail, underground, parking and other transportation facilities in such areas. The facilities and equipment referred to in clause (2) may include land, but not public highways, and any other real or personal property needed for an economic, efficient, and coordinated mass transportation system.'

"(c) Section 202(b)(2) of such Amendments is amended by adding at the end thereof the following new sentence: 'Subject to such maximum maturity, the Administrator in his discretion may provide for the postponement of the payment of interest on not more than 50 per centum of any financial assistance extended to an applicant under this section for a period up to ten years where (A) such assistance does not exceed 50 per centum of the development cost of the project involved, and (B) it is determined by the Administrator that such applicant will experience above-average population growth and the project would contribute to orderly community development, economy, and efficiency; and any amounts so postponed shall be payable with interest in annual installments during the remaining maturity of such assistance.'

"(d)(1) Section 202(b) of such Amendments is further amended by adding at the end thereof the following new paragraph:

"'(3) Financial assistance extended under this section shall bear interest at a rate determined by the Administrator which shall

be not more than the higher of (A) 3 per centum per annum, or (B) the total of one-half of 1 percentum per annum added to the rate of interest paid by the Administrator on funds obtained from the Secretary of the Treasury as provided in section 203(a).'

"(2) The third sentence of section 203(a) of such Amendments is amended to read as follows: 'Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the issuance by the Administrator and adjusted to the nearest one-eighth of 1 per centum.'

"(e) Section 202(b) of such Amendments is further amended by adding at the end thereof (after the paragraph added by subsection (d)(1) of this section) the following new paragraph:

"'(4) No financial assistance shall be extended under clause (1) of subsection (a) of this section to any municipality or other political subdivision having a population of fifty thousand or more (one hundred fifty thousand or more in the case of a community situated in an area designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act) according to the most recent decennial census, or to any public agency or instrumentality of one or more municipalities or other political subdivisions having a population (or an aggregate population) equal to or exceeding that figure according to such census.'

"(f) Section 202(c) of such Amendments is amended by striking out 'this section' and inserting in lieu thereof 'clause (1) of subsection (a) of this section'.

"(g) Section 202 of such Amendments is further amended by adding at the end thereof the following new subsection:

"'(d) No loans may be made for transportation facilities or equipment, pursuant to clause (2) of subsection (a) of this section, unless the Administrator determines (1) that there is being actively developed (or has been developed) for the urban or other metropolitan area served by the applicant a program, meeting criteria established by him, for the development of a comprehensive and coordinated mass transportation system; (2) that the proposed facilities or equipment can reasonably be expected to be required for such a system; and (3) if such program has not been completed, that there is an urgent need for the provision of the facilities or equipment to be commenced prior to the time that the program could reasonably be expected to be completed: *Provided*, That no such loan shall be made, except under a prior commitment, after December 31, 1961.'

"(h) Section 203(a) of such Amendments is amended by striking out the words 'in an amount not exceeding $150,000,000, notes and other obligations' in the first sentence and inserting in lieu thereof the following: 'notes and other obligations in an amount not to exceed $650,000,000: *Provided*, That, of the funds obtained through the issuance of such notes and other obligations, $600,000,000 shall be available only for purchases and loans pursuant to clause (1) of section 202(a) of this title and $50,000,000 shall be available only for purchases and loans pursuant to clause (2) of such section'.

"(i) Title II of such Amendments is further amended by adding at the end thereof the following new section:

"'SEC. 207. The Administrator is authorized to establish technical advisory services to assist municipalities and other political subdivisions and instrumentalities in the budgeting, financing, planning, and construction of community facilities. There are hereby authorized to be appropriated such sums as may be necessary, together with any fees that may be charged, to cover the cost of such services.'

"(j) Section 203(b) of such Amendments is amended by inserting 'be' immediately after 'which may'.

"Advances for Public Works Planning

"SEC. 502. Section 702 of the Housing Act of 1954 is amended by—

"(1) striking out in subsection (a) '10' and inserting in lieu thereof '12½';

"(2) striking out the first sentence of subsection (b) and inserting in lieu thereof the following: 'No advance shall be made hereunder with respect to any individual project, including a regional or metropolitan or other areawide project, unless (1) it is planned to be constructed within or over a reasonable period of time considering the nature of the project, (2) it conforms to an overall State, local, or regional plan approved by a competent State, local, or regional authority, and (3) the public agency formally contracts with the Federal Government to complete the plan preparation promptly and to repay such advance or part thereof when due.';

"(3) inserting after '1958;' in subsection (e) the following: '$10,000,000 which may be made available to such fund on or after July 1, 1961;'; and

"(4) striking out in subsection (e) '$48,000,000' and inserting in lieu thereof '$58,000,000'.

"TITLE VI—AMENDMENTS TO THE NATIONAL HOUSING ACT

"Federal National Mortgage Association

"Special Assistance Authorization

"SEC. 601. (a) Section 305(c) of the National Housing Act is amended to read as follows:

"'(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $1,700,000,000 outstanding at any one time.'

"(b) Section 305(g) of such Act is amended by adding before the period at the end thereof the following: ': *Provided further*, That the authority of the Association to make purchases and commitments under this subsection shall terminate on the date of enactment of the Housing Act of 1961, and any portion of the total amount of such authority as specified in the first proviso in this subsection which on such date would otherwise be available for making such purchases and commitments shall be transferred to and merged with the authority granted by subsection (a) and added to the amount of such authority as specified in subsection (c)'.

"(c) Section 306 of such Act is amended by adding at the end thereof the following new subsection:

"'(f) Notwithstanding any of the provisions of this Act or of any other law, an amount equal to the net decrease for the preceding fiscal year in the aggregate principal amount of all mortgages owned by the Association under this section shall, as of July 1 of each of the years 1961 through 1964, be transferred to and merged with the authority provided under section 305(a), and the amount of such authority as specified in section 305(c) shall be increased by any amounts so transferred.'

"Limitation on Mortgage Amount

"SEC. 602. (a) Section 302(b) of the National Housing Act is amended by striking out 'or 803' and inserting in lieu thereof 'or title VIII'.

"(b) Section 302(b) of such Act is further amended by inserting before 'or a mortgage covering property' the following: 'or insured under section 213 and covering property located in an urban renewal area,'.

"Federal National Mortgage Association Lending Authority

"SEC. 603. (a) Section 302(b) of the National Housing Act is amended by striking out 'to make commitments' and all that follows down through the first colon and inserting in lieu thereof the following: ', pursuant to commitments or otherwise, to purchase, lend (under section 304) on the security of, service, sell, or otherwise deal in any mortgages which are insured under the National Housing Act, or which are insured or guaranteed under the Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code:'.

"(b) The first sentence of section 303(b) of such Act is amended by inserting immediately before the period at the end thereof the following: ' ; and by requiring each borrower to make such payments, equal to not more than one-half of 1 per centum of the amount lent by the Association to such borrower under section 304'.

"(c) Section 303(c) of such Act is amended by striking out the first sentence and by inserting in lieu thereof the following: 'The Association shall issue from time to time, to each mortgage seller or borrower, its common stock (only in denominations of $100 or multiples thereof) evidencing any capital contributions (adjusted by reason of any payments into surplus required by the Association) made by such seller or borrower pursuant to subsection (b) of this section.'

"(d) Section 304(a) of such Act is amended by inserting '(1)' before 'To carry out', and by adding at the end thereof the following new paragraph:

"'(2) In the further interest of assuring sound operation, any loan made by the Association in its secondary market operations under this section, and any extension or renewal thereof, shall not exceed 80 per centum of the unpaid principal balances of the mortgages securing the loan, and shall bear interest at a rate consistent with general loan policies established from time to time by the Association's board of directors. Any such loan shall mature in not more than twelve months and the term of any extension or renewal shall not exceed twelve months. The volume of the Association's lending activities and the establishment of its loan ratios, interest rates, maturities, and charges or fees, in its secondary market operations under this section, should be determined by the Association from time to time; and such determinations, in conjunction with determinations made under paragraph (1), should be consistent with the objectives that the lending activities should be conducted on such terms as will reasonably prevent excessive use of the Association's facilities, and that the operations of the Association under this section should be within its income derived from such operations and that such operations should be fully self-supporting. Notwithstanding any Federal, State, or other law to the contrary, the Association is hereby empowered, in connection with any loan under this section, whether before or after any default, to provide by contract with the borrower for the settlement or extinguishment, upon default, of any redemption, equitable, legal, or other right, title, or interest of the borrower in any mortgage or mortgages that constitute the security for the loan; and with respect to any such loan, in the event of default and pursuant otherwise to the terms of the contract, the mortgages that constitute such security shall become the absolute property of the Association.'

"(e) Section 304(b), section 309(c) and section 310 of such Act are each amended by inserting 'or other security holdings' after 'mortgages'.

"FHA insurance programs

"Limitations on Insurance Authorizations

"SEC. 604. (a) Section 2(a) of the National Housing Act is amended by striking out in

the first sentence '1961' and inserting in lieu thereof '1965'.

"(b) Section 203(a) of such Act is amended by striking out the colon and all that follows the colon and inserting in lieu thereof a period.

"(c) Section 217 of such Act is amended to read as follows:

"'General Mortgage Insurance Authorization

"'SEC. 217. Except with respect to the insurance of a loan or mortgage pursuant to section 2, section 221, or title VIII of this Act (subject to any limitations thereunder on the time of such insurance), no loan or mortgage shall be insured under any provision of this Act after October 1, 1965, except pursuant to a commitment to insure before that date.'

"(d) Section 803(a) of such Act is amended by striking out '1961' and inserting in lieu thereof '1962', and by striking out 'twenty-five thousand' and inserting in lieu thereof 'twenty-eight thousand'.

"Section 203 Residential Housing Insurance

"SEC. 605. (a) Section 203(b)(2) of such Act is amended—

"(1) by striking out '$13,500' each place it appears and inserting in lieu thereof '$15,000';

"(2) by striking out '$18,000' each place it appears and inserting in lieu thereof '$20,000'; and

"(3) by striking out '70 per centum' and inserting in lieu thereof '75 per centum'.

"(b) Section 203(b)(2) of such Act is amended (1) by striking out '$22,500' and inserting in lieu thereof '$25,000', and (2) by striking out 'or $25,000' and inserting in lieu thereof 'or $27,500'.

"(c) Section 203(b)(3) of such Act is amended by striking out 'thirty years' and inserting in lieu thereof 'thirty-five years (or thirty years if such mortgage is approved for insurance prior to construction)'.

"Authority to Reduce Premium Charges

"SEC. 606. The first sentence of section 203(c) of the National Housing Act is amended to read as follows: 'The Commissioner is authorized to fix premium charges for the insurance of mortgages under the separate sections of this title but in the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments: *Provided,* That any reduced premium charge so fixed and computed may, in the discretion of the Commissioner, also be made applicable in such manner as the Commissioner shall prescribe to each insured mortgage outstanding under the section or sections involved at the time the reduced premium charge is fixed.'

"Section 207 Rental Housing Insurance

"SEC. 607. Section 207 of the National Housing Act is amended by—

"(1) striking out the first paragraph of subsection (b)(2) and inserting in lieu thereof the following:

"'(2) any other mortgagor approved by the Commissioner which, until the termination of all obligations of the Commissioner under the insurance and during such further period of time as the Commissioner shall be the owner, holder, or reinsurer of the mortgage, is regulated or restricted by the Commissioner as to rents or sales, charges, capital structure, rate of return, and methods of operation to such extent and in such manner as to provide reasonable rentals to tenants and a reasonable return on the investment. The Commissioner may make such contracts with and acquire, for not to exceed $100, such stock or interest in the mortgagor as he may deem necessary to render effective the regulations or restrictions. The stock or interest acquired by the Commissioner shall be paid for out of the Housing Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Commissioner under the insurance.';

"(2) inserting in subsection (c)(3) after the words 'attributable to dwelling use' the following: '(excluding exterior land improvements as defined by the Commissioner)';

"(3) striking out '$1,500 per space' in subsection (c)(3) and inserting in lieu thereof '$1,800 per space'; and

"(4) inserting in the first sentence of subsection (i) after the words 'of this section' the following: ', except that debentures issued pursuant to the provisions of section 220(f), 221(g), and section 233 may be dated as of the date the mortgage is assigned (or the property is conveyed) to the Commissioner'.

"Section 213 Cooperative Housing Insurance

"SEC. 608. (a) Section 213 of the National Housing Act is amended by—

"(1) inserting in paragraph (2) of subsection (b) after the words 'as may be attributable to dwelling use' the following: '(excluding exterior land improvements as defined by the Commissioner)';

"(2) striking out 'eight or more family units' in subsection (d) and inserting in lieu thereof 'five or more family units'; and

"(3) striking out in subsection (h) 'such mortgagor shall not thereafter be eligible by reason of such paragraph (3) for insurance of any additional mortgage loans pursuant to this section' and inserting in lieu thereof the following: 'the Commissioner is authorized to refuse, for such period of time as he shall deem appropriate under the circumstances, to insure under this section any additional investor-sponsor type mortgage loans made to such mortgagor or to any other investor-sponsor mortgagor where, in the determination of the Commissioner, any of its stockholders were identified with such mortgagor'.

"(b) Section 213 of such Act is further amended by adding at the end thereof the following new subsection:

"'(j)(1) With respect to any property covered by a mortgage insured under this section (or any cooperative housing project covered by a mortgage insured under section 207 as in effect prior to the enactment of the Housing Act of 1950), the Commissioner is authorized, upon such terms and conditions as he may prescribe, to make commitments to insure and to insure supplementary cooperative loans (including advances during construction or improvement) made by financial institutions approved by the Commissioner. As used in this subsection, "supplementary cooperative loan" means a loan, advance of credit, or purchase of an obligation representing a loan or advance of credit made for the purpose of financing any of the following:

"'(A) Improvements or repairs of the property covered by such mortgage; or

"'(B) Community facilities necessary to serve the occupants of the property.

"'(2) To be eligible for insurance under this subsection, a supplementary cooperative loan shall—

"'(A) be limited to an amount which, when added to the outstanding mortgage indebtedness on the property, creates a total outstanding indebtedness which does not exceed the original principal obligation of the mortgage;

"'(B) have a maturity satisfactory to the Commissioner but not to exceed the remaining term of the mortgage;

"'(C) be secured in such manner as the Commissioner may require;

"'(D) contain such other terms, conditions, and restrictions as the Commissioner may prescribe; and

"'(E) represent the obligation of a borrower of the character described in paragraph (1) of subsection (a).'

"Section 220 Sales Housing Mortgage Insurance

"SEC. 609. (a) Section 220(d)(3)(A)(i) of the National Housing Act is amended—

"(1) by striking out '$13,500' each place it appears and inserting in lieu thereof '$15,000';

"(2) by striking out '$18,000' each place it appears and inserting in lieu thereof '$20,000'; and

"(3) by striking out '70 per centum' and inserting in lieu thereof '75 per centum'.

"(b) Section 220(d)(3)(A) of such Act is amended (1) by striking out '$22,500' and inserting in lieu thereof '$25,000', and (2) by striking out 'or $25,000' and inserting in lieu thereof 'or $27,500'.

"Nursing Homes

"SEC. 610. Section 232(d)(2) of the National Housing Act is amended by striking out the words following the comma and inserting in lieu thereof the following: 'and not to exceed 90 per centum of the estimated value of the property or project when the proposed improvements are completed.'

"Housing for Defense-Impacted Areas

"SEC. 611. (a)(1) Section 810(b) of the National Housing Act is amended (A) by striking out 'the Secretary of Defense or his designee shall have certified to the Commissioner that', and (B) by striking out the last sentence.

"(2) Section 810(d) of such Act is amended (A) by striking out 'until advised by the Secretary of Defense or his designee' and inserting in lieu thereof 'until he finds', and (B) by striking out ', as evidenced by certification' and all that follows and inserting in lieu thereof a period.

"(3) Section 810(l) of such Act is repealed.

"(b) Section 406(a) of the Act of August 30, 1957 (71 Stat. 556), is amended by striking out ', and no certificates with respect to any family housing units shall be issued by the Secretary of Defense or his designee under section 810 of the National Housing Act, as amended,'.

"Miscellaneous FHA Amendments

"SEC. 612. (a) Section 203 of the National Housing Act is amended by—

"(1) striking out in subsection (b)(3) the words 'insurance of the mortgage' and inserting in lieu thereof 'beginning of amortization of the mortgage', and

"(2) striking out in the first proviso of the second sentence of subsection (c) the words 'particular insurance fund' and inserting in lieu thereof 'particular insurance fund or account'.

"(b) The second sentence of section 204(d) of such Act is amended by inserting after 'mortgagee after default,' the following: 'except that debentures issued pursuant to the provisions of section 220(f), section 221(g), and section 233 may be dated as of the date the mortgage is assigned (or the property is conveyed) to the Commissioner,'.

"(c) The last sentence of section 204(g) of such Act is amended to read as follows: 'The power to convey and to execute in the name of the Commissioner deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein heretofore or hereafter acquired by the Commissioner pursuant to the provisions of this Act, may be exercised by the Commissioner or by any Assistant Commissioner appointed by him, without the execution of any express delegation of power or power of attorney: *Provided,* That nothing in this subsection shall be construed to prevent the Commissioner from delegating such power by order or by power of attorney, in his discretion, to

any officer, agent, or employee he may appoint: *And provided further,* That a conveyance or transfer of title to real or personal property or an interest therein to the Federal Housing Commissioner, his successors and assigns, without identifying the Commissioner therein, shall be deemed a proper conveyance or transfer to the same extent and of like effect as if the Commissioner were personally named in such conveyance or transfer.'

"(d) Section 209 of such Act is amended by striking out in the second sentence 'shall be charged as a general expense of the Fund, the Housing Fund, and the Defense Housing Insurance Fund in such proportion as the Commissioner shall determine' and inserting in lieu thereof 'shall be charged as a general expense of such insurance fund or funds, or account or accounts, as the Commissioner shall determine'.

"(e) Section 212 of such Act is amended by—

"(1) striking out in the second sentence of subsection (a) 'any mortgage under section 220' and inserting in lieu thereof 'any loan or mortgage under section 220 or section 233'; and

"(2) striking out in the third sentence of subsection (a) 'in subsection (d)(4)' and inserting in lieu thereof 'in subsection (d)(3) in the case of a cooperative or a limited profit mortgagor, or in subsection (d)(4)'.

"(f) Section 219 of such Act is amended to read as follows:

"'SEC. 219. Notwithstanding any limitations contained in other sections of this Act as to the use of moneys credited to the Title I Insurance Account, the Title I Housing Insurance Fund, the Section 203 Home Improvement Account, the Housing Insurance Fund, the War Housing Insurance Fund, the Housing Investment Insurance Fund, the Armed Services Housing Mortgage Insurance Fund, the National Defense Housing Insurance Fund, the Section 220 Housing Insurance Fund, the Section 220 Home Improvement Account, the Section 221 Housing Insurance Fund, the Experimental Housing Insurance Fund, the Apartment Unit Insurance Fund, or the Servicemen's Mortgage Insurance Fund, the Commissioner is hereby authorized to transfer funds from any one or more of such insurance funds or accounts to any other such fund or account in such amounts and at such times as the Commissioner may determine, taking into consideration the requirements of such funds or accounts, separately and jointly to carry out effectively the insurance programs for which such funds or accounts were established.'

"(g) Section 220(f) of such Act is amended by—

"(1) striking out 'or' at the end of paragraph (1),

"(2) striking out the period at the end of paragraph (2) and inserting in lieu thereof '; or', and

"(3) adding at the end thereof the following:

"'(3) as to mortgages meeting the requirements of this section that are insured or initially endorsed for insurance on or after the date of enactment of the Housing Act of 1961, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such paragraphs in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage. After the acquisition of the mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan. The appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this paragraph, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages so acquired (A) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 220 Housing Insurance Fund, (B) all references in section 204 to section 203 shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Section 220 Housing Insurance Fund.'

"(h)(1) Section 223(a) of such Act is amended by striking out '213, or 222' each place it appears and inserting in lieu thereof '213, 220, 221, 222, 231, 232, or 233'.

"(2) Section 223(a)(7) of such Act is amended—

"(A) by striking out 'section 903 or section 908 of title IX' and inserting in lieu thereof 'section 220, 221, 903, or 908'; and

"(B) by striking out 'insured under section 608 or 908'.

"(3) Section 223 of such Act is further amended by adding at the end thereof the following new subsection:

"'(d) With respect to any mortgage, other than a mortgage covering a one- to four-family structure, heretofore or hereafter insured by the Commissioner, and notwithstanding any other provision of this Act, when the taxes, interest on the mortgage debt, mortgage insurance premiums, hazard insurance premiums, and the expense of maintenance and operation of the project covered by such mortgage during the first two years following the date of completion of the project, as determined by the Commissioner, exceed the project income, the Commissioner may, in his discretion and upon such terms and conditions as he may prescribe, permit the excess of the foregoing expenses over the project income to be added to the amount of such mortgage, and extend the coverage of the mortgage insurance thereto, and such additional amount shall be deemed to be part of the original face amount of the mortgage.'

"(i) The first sentence of section 224 of such Act is amended to read as follows: 'Notwithstanding any other provisions of this Act, debentures issued under any section of this Act with respect to a loan or mortgage accepted for insurance on or after thirty days following the effective date of the Housing Act of 1954 (except debentures issued pursuant to paragraph (4) of section 221(g)) shall bear interest at the rate in effect on the date the commitment to insure the loan or mortgage was issued, or the date the loan or mortgage was endorsed for insurance, or (when there are two or more insurance endorsements) the date the loan or mortgage was initially endorsed for insurance, whichever rate is the highest, except that debentures issued pursuant to section 220(f), section 220(h)(7), section 221(g), or section 233 may, at the discretion of the Commissioner, bear interest at the rate in effect on the date they are issued.'

"(j) Section 226 of such Act is amended by—

"(1) striking out in the first sentence '222, or' and inserting in lieu thereof '222, 233, 234, or'; and

"(2) striking out in the third sentence the words 'that a written statement setting forth such estimate' and inserting in lieu thereof the following: 'or on the basis of any other estimates of the Commissioner, that a written statement setting forth such estimate or estimates, as the case may be,'.

"(k) Section 227 of such Act is amended by—

"(1) striking out in subsection (a) 'or (vi) under section 810 if the mortgage meets the requirements of subsection (f)' and inserting in lieu thereof '(vi) under section 233 if the mortgage meets the requirements of subsection (b)(2), or (vii) under section 810 if the mortgage meets the requirements of subsection (f)';

"(2) striking out in subsection (b) the word 'value' and inserting in lieu thereof 'value, cost,'; and

"(3) striking out in the second and third sentences of subsection (c) 'section 221 if the mortgage meets the requirements of paragraph (4) of subsection (d) thereof, or section 231,' and inserting in lieu thereof 'section 221(d)(3), section 221(d)(4), section 231, or section 233(b)(2),'.

"(l) Section 229 of such Act is amended to read as follows:

"'Voluntary Termination of Insurance

"'SEC. 229. Notwithstanding any other provision of this Act and with respect to any loan or mortgage heretofore or hereafter insured under this Act, except under section 2, the Commissioner is authorized to terminate any insurance contract upon request by the borrower or mortgagor and the financial institution or mortgagee and upon payment of such termination charge as the Commissioner determines to be equitable, taking into consideration the necessity of protecting the various insurance Funds and Accounts. Upon such termination, borrowers and mortgagors and financial institutions and mortgagees shall be entitled to the rights, if any, to which they would be entitled under this Act if the insurance contract were terminated by payment in full of the insured loan or mortgage.'

"(m) Section 231(c)(2) of such Act is amended to read as follows:

"'(2) not exceed, for such part of such property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $9,000 per family unit if the number of rooms in such property or project is less than four per family unit): *Provided,* That as to projects to consist of elevator-type structures, the Commissioner may, in his discretion, increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room and the dollar amount limitation of $9,000 per family unit to not to exceed $9,400 per family unit, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; except that the Commissioner may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,250 per room, without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require;'.

"TITLE VII—OPEN SPACE LAND

"Findings and Purpose

"SEC. 701. (a) The Congress finds that a combination of economic, social, governmental, and technological forces have caused a rapid expansion of the Nation's urban areas, which has created critical problems of service and finance for all levels of government and which, combined with a rapid population growth in such areas, threatens severe problems of urban and suburban living, including the loss of valuable open-space land

in such areas, for the preponderant majority of the Nation's present and future population.

"(b) It is the purpose of this title to help curb urban sprawl and prevent the spread of urban blight and deterioration, to encourage more economic and desirable urban development, and to help provide necessary recreational, conservation, and scenic areas by assisting State and local governments in taking prompt action to preserve open-space land which is essential to the proper long-range development and welfare of the Nation's urban areas, in accordance with plans for the allocation of such land for open-space purposes.

"Federal Grants

"SEC. 702. (a) In order to encourage and assist in the timely acquisition of land to be used as permanent open-space land, as defined herein, the Housing and Home Finance Administrator (hereinafter referred to as the 'Administrator') is authorized to enter into contracts to make grants to States and local public bodies acceptable to the Administrator as capable of carrying out the provisions of this title to help finance the acquisition of title to, or other permanent interests in, such land. The amount of any such grant shall not exceed 20 per centum of the total cost, as approved by the Administrator, of acquiring such interests: *Provided*, That this limitation may be increased to not to exceed 30 per centum in the case of a grant extended to a public body which (1) exercises responsibilities consistent with the purposes of this title for an urban area as a whole, or (2) exercises or participates in the exercise of such responsibilities for all or a substantial portion of an urban area pursuant to an interstate or other intergovernmental compact or agreement. The faith of the United States is pledged to the payment of all grants contracted for under this title.

"(b) The Administrator may enter into contracts to make grants under this title aggregating not to exceed $50,000,000. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the amounts necessary to provide for the payments of such grants as well as to carry out all other purposes of this title.

"(c) No grants under this title shall be used to defray development costs or ordinary State or local governmental expenses, or to help finance the acquisition by a public body of land located outside the urban area for which it exercises (or participates in the exercise of) responsibilities consistent with the purpose of this title.

"(d) The Administrator may set such further terms and conditions for assistance under this title as he determines to be desirable.

"(e) The Administrator shall consult with the Secretary of the Interior on the general policies to be followed in reviewing applications for grants, to assist the Administrator in such review, the Secretary of the Interior shall furnish him appropriate information on the status of recreational planning for the areas to be served by the open-space land acquired with the grants. The Administrator shall provide current information to the Secretary from time to time on significant program developments.

"Planning Requirements

"SEC. 703. (a) The Administrator shall enter into contracts to make grants for the acquisition of land under this title only if he finds that (1) the proposed use of the land for permanent open space is important to the execution of a comprehensive plan for the urban area meeting criteria he has established for such plans, and (2) a program of comprehensive planning (as defined in section 701(d) of the Housing Act of 1954) is being actively carried on for the urban area.

"(b) In extending financial assistance under this title, the Administrator shall take such action as he deems appropriate to assure that local governing bodies are preserving a maximum of open-space land, with a minimum of cost, through the use of existing public land; the use of special tax, zoning, and subdivision provisions; and the continuation of appropriate private use of open-space land through acquisition and leaseback, the acquisition of restrictive easements, and other available means.

"Conversions to Other Uses

"SEC. 704. No open-space land for which a grant has been made under this title shall, without the approval of the Administrator, be converted to uses other than those originally approved by him. The Administrator shall approve no conversion of land from open-space use unless he finds that such conversion is essential to the orderly development and growth of the urban area involved and is in accord with the then applicable comprehensive plan, meeting criteria established by him. The Administrator shall approve any such conversion only upon such conditions as he deems necessary to assure the substitution of other open-space land of at least equal fair market value and of as nearly as feasible equivalent usefulness and location.

"Technical Assistance, Studies, and Publication of Information

"SEC. 705. In order to carry out the purpose of this title the Administrator is authorized to provide technical assistance to State and local public bodies and to undertake such studies and publish such information, either directly or by contract, as he shall determine to be desirable. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to provide for such assistance, studies, and publication. Nothing contained in this section shall limit any authority of the Administrator under any other provision of law.

"Definitions

"SEC. 706. As used in this title—

"(1) The term 'open-space land' means any undeveloped or predominantly undeveloped land in an urban area which has value for (A) park and recreational purposes, (B) conservation of land and other natural resources, or (C) historic or scenic purposes.

"(2) The term 'urban area' means any area which is urban in character, including those surrounding areas which, in the judgment of the Administrator, form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities.

"(3) The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

"TITLE VIII—FARM HOUSING

"SEC. 801. (a) Section 501(b) of the Housing Act of 1949 is amended by inserting '(1)' immediately after '(b)' and by adding at the end thereof a new paragraph as follows:

"'(2) For the purposes of this title, the terms "owner", "farm", and "mortgage" shall be deemed to include, respectively, the lessee of, the land included in, and other security interest in, any leasehold interest which the Secretary determines has an unexpired term (A) in the case of a loan, for a period sufficiently beyond the repayment period of the loan to provide adequate security and a reasonable probability of accomplishing the objectives for which the loan is made, and (B) in the case of a grant for a period sufficient to accomplish the objectives for which the grant is made.'

"(b) Section 502(b)(1) of such Act is amended by striking out 'and such additional security' and inserting in lieu thereof the words 'or such other security'.

"(c) Sections 511, 512, and 513 of such Act are each amended by striking out '1961' and inserting in lieu thereof '1965'.

"SEC. 802. The second sentence of section 511 of the Housing Act of 1949 is amended by striking out '$450,000,000' and inserting in lieu thereof '$650,000,000'.

"SEC. 803. (a) Section 501(a) of the Housing Act of 1949 is amended by inserting '(1)' before 'to owners of farms', and by inserting before the period at the end thereof the following: ', and (2) to owners of other real estate in rural areas to enable them to provide dwellings and related facilities for their own use and buildings adequate for their farming operations'.

"(b) Section 501(c) of such Act is amended by inserting before the semicolon at the end of clause (1) the following: ', or that he is the owner of other real estate in a rural area without an adequate dwelling or related facilities for his own use or buildings adequate for his farming operations.'

"(c) Section 501 of such Act is further amended by adding at the end thereof the following new subsection:

"'(d) As used in this title (except in sections 503 and 504(b)), the terms "farm", "farm dwelling", and "farm housing" shall include dwellings or other essential buildings of eligible applicants.'

"SEC. 804. (a) Title V of the Housing Act of 1949 is further amended by adding at the end thereof the following new section:

"'Insurance of Loans for the Provision of Housing and Related Facilities for Domestic Farm Labor

"'SEC. 514. (a) The Secretary is authorized to insure and make commitments to insure loans made by lenders other than the United States to the owner of any farm, any association of farmers, any State or political subdivision thereof, or any public or private nonprofit organization for the purpose of providing housing and related facilities for domestic farm labor in accordance with terms and conditions substantially identical with those specified in section 502; except that—

"'(1) no such loan shall be insured in an amount in excess of the value of the farm involved less any prior liens in the case of a loan to an individual owner of a farm, or the total estimated value of the structures and facilities with respect to which the loan is made in the case of any other loan;

"'(2) no such loan shall be insured if it bears interest at a rate in excess of 5 per centum per annum;

"'(3) out of interest payments by the borrower the Secretary shall retain a charge in an amount not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan;

"'(4) the insurance contracts and agreements with respect to any loan may contain provisions for servicing the loan by the Secretary or by the lender, and for the purchase by the Secretary of the loan if it is not in default, on such terms and conditions as the Secretary may prescribe; and

"'(5) the Secretary may take mortgages creating a lien running to the United States for the benefit of the insurance fund referred to in subsection (b) notwithstanding the fact that the note may be held by the lender or his assignee.

"'(b) The Secretary shall utilize the insurance fund created by section 11 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1005a) and the provisions of section 13 (a), (b), and (c) of such Act (7 U.S.C. 1005c (a), (b), and (c)) to discharge obligations under insurance contracts made pursuant to this section, and

"'(1) the Secretary may utilize the insurance fund to pay taxes, insurance, prior

liens, and other expenses to protect the security for loans which have been insured hereunder and to acquire such security property at foreclosure sale or otherwise;

"'(2) the notes and security therefor acquired by the Secretary under insurance contracts made pursuant to this section shall become a part of the insurance fund. Loans insured under this section may be held in the fund and collected in accordance with their terms or may be sold and reinsured. All proceeds from such collections, including the liquidation of security and the proceeds of sales, shall become a part of the insurance fund; and

"'(3) of the charges retained by the Secretary out of interest payments by the borrower, amounts not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan shall be deposited in and become a part of the insurance fund. The remainder of such charges shall be deposited in the Treasury of the United States and shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually to and become merged with any appropriation for such expenses.

"'(c) Any contract of insurance executed by the Secretary under this section shall be an obligation of the United States and incontestable except for fraud or misrepresentation of which the holder of the contract has actual knowledge.

"'(d) The aggregate amount of the principal obligations of the loans insured under this section shall not exceed $25,000,000 in any one fiscal year.

"'(e) Amounts made available pursuant to section 513 of this Act shall be available for administrative expenses incurred under this section.

"'(f) As used in this section—

"'(1) the term "housing" means (A) new structures suitable for dwelling use by domestic farm labor, and (B) existing structures which can be made suitable for dwelling use by domestic farm labor by rehabilitation, alteration, conversion, or improvement; and

"'(2) the term "related facilities" means (A) new structures suitable for use as dining halls, community rooms or buildings, or infirmaries, or for other essential services facilities, and (B) existing structures which can be made suitable for the above uses by rehabilitation, alteration, conversion, or improvement; and

"'(3) the term "domestic farm labor" means citizens of the United States who receive a substantial portion (as determined by the Secretary) of their income as laborers on farms situated in the United States.'

"(b) Title V of such Act is further amended—

"(1) by inserting in section 506(a) 'and section 514,' immediately after '501 to 504, inclusive,' each place it appears; and

"(2) by striking out 'under this title' in section 507 and inserting in lieu thereof 'under sections 501 to 504, inclusive'.

"(c) The first paragraph of section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended by inserting after 'the Act of August 28, 1937, as amended' the following: ', or title V of the Housing Act of 1949, as amended'.

"SEC. 805. (a) Section 506 of the Housing Act of 1949 is amended—

"(1) by striking out the last sentence of subsection (a);

"(2) by redesignating subsection (b) as subsection (e); and

"(3) by inserting after subsection (a) the following new subsections:

"'(b) The Secretary is further authorized to conduct research and technical studies including the development, demonstration, and promotion of construction of adequate farm dwellings and other buildings for the purpose of stimulating construction, improving the architectural design and utility of such dwellings and buildings, and utilizing new and native materials, economies in materials and construction methods, and new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

"'(c) The Secretary is further authorized to carry out a program of research, study, and analysis of farm housing in the United States to develop data and information on—

"'(1) the adequacy of existing farm housing;

"'(2) the nature and extent of current and prospective needs for farm housing, including needs for financing and for improved design, utility, and comfort, and the best methods of satisfying such needs;

"'(3) problems faced by farmers and other persons eligible under section 501 in purchasing, constructing, improving, altering, repairing, and replacing farm housing;

"'(4) the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and

"'(5) any other matters bearing upon the provision of adequate farm housing.

"'(d) To the extent determined by him to be advisable, the Secretary may carry out the research and study programs authorized by subsections (b) and (c) through grants made by him on such terms, conditions, and standards as he may prescribe to land-grant colleges established pursuant to the Act of July 2, 1862 (7 U.S.C. 301–308) or through such other agencies as he may select.'

"(b) Section 513 of such Act is amended by striking out 'and (c)' and inserting in lieu thereof the following: '(c) not to exceed $250,000 per year for research and study programs pursuant to subsections (b), (c), and (d) of section 506 during the period beginning July 1, 1961, and ending June 30, 1965; and (d)'.

"SEC. 806. (a) Section 508 of the Housing Act of 1949 is amended by striking out 'of $5 per day' in subsection (a) and inserting in lieu thereof 'determined by the Secretary'.

"(b) Section 508 of such Act is amended by striking out 'their opinions of the reasonable values of the farms' in the second sentence of subsection (b) and inserting in lieu thereof 'as to the amount of the loan or grant.'

"TITLE IX—MISCELLANEOUS

"Home Owners' Loan Act of 1933

"SEC. 901. (a) Section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out 'in loans insured under title I of the National Housing Act, as amended,' in the first sentence of the second paragraph and inserting in lieu thereof 'in loans insured under title I of the National Housing Act, in home improvement loans insured under title II of the National Housing Act,'.

"(b) Section 5(c) of such Act is further amended by adding at the end thereof the following new paragraph:

"'Without regard to any other provision of this subsection except the area restriction and the $35,000 limitation, any such association may invest an amount not exceeding at any one time 5 per centum of its assets in nonamortized loans which are made on the security of first liens upon homes or combinations of homes and business property and which (1) are repayable within a period of eighteen months, (2) provide that interest payments be made at least semiannually, and (3) do not exceed 80 per centum of the appraised value of the property involved. For the purposes of this paragraph the term "first liens" includes the assignment of the whole of the beneficial interest in a trust having a corporate trustee whereunder real estate held in the trust can be subjected to the satisfaction of the obligation or obligations secured with the same priority as a first mortgage, a first deed of trust, or a first trust deed in the jurisdiction where the real estate is located.'

"(c) Section 5(c) of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (b) of this section) the following new paragraph:

"'Without regard to any other provision of this subsection except the area restriction, any such association is authorized to invest an amount not exceeding at any one time 5 per centum of its assets in amortized loans or participating interests therein which are secured by first liens upon improved real estate used to provide housing facilities for the aging, subject to the following qualifications:

"'(1) each such loan shall be repayable within a period of 30 years;

"'(2) no such loan shall exceed 90 per centum of the appraised value of the improved real estate given as security therefor; and

"'(3) each such loan—

"'(A) shall be made upon and secured by real estate which is improved by housing accommodations, individual or multiple, designed for the purpose of providing accommodations for occupancy by aging persons, or of providing rest homes or nursing homes, so constructed or altered as to be suitable primarily for the occupancy of persons over fifty-five years of age and limited principally to the occupancy of such persons; and

"'(B) shall be made for the implementation of the purpose described in clause (A).'

"(d) Section 5(c) of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (c) of this section) the following new paragraph:

"'Without regard to any other provision of this subsection, any such association is authorized to invest not more than 5 per centum of its assets in certificates of beneficial interest issued by any urban renewal investment trust. For the purposes of this paragraph the term "urban renewal investment trust" means an unincorporated trust established by written agreement between the authorized officers of two or more savings institutions the savings or share accounts of which are insured by an agency of the Federal Government, which agreement—

"'(1) expressly limits the purposes of the trust and the investment powers of the trustees to the elimination or prevention of the spread of slums and blighted or deteriorated or deteriorating areas and the redevelopment, renewal, rehabilitation, or conservation of such areas by private enterprise through financing the purchase or rehabilitation of real property, or the construction of improvements thereon, designed or usable for industrial, commercial, or housing purposes within the confines of an urban renewal area (as defined in section 110 of the Housing Act of 1949);

"'(2) expressly limits the beneficial ownership of the trust to savings and loan associations or banks the savings or share accounts of which are insured by an agency of the Federal Government;

"'(3) provides that such beneficial ownership be evidenced by certificates of beneficial interest, which certificates shall have first claim at all times on the assets of the trust without preference between the holders thereof, and shall be fully transferable and assignable between any such banks and savings and loans associations at all times; and

"'(4) expressly provides that it shall be effective and binding between the parties thereto only upon being approved by the board.

Any association chartered under the provisions of this section may become a party to any urban renewal investment trust. The Federal Home Loan Bank Board shall prescribe such rules and regulations, not inconsistent with the provisions of this paragraph, as it may deem necessary for the

proper establishment of urban renewal investment trusts, for the effective operation thereof, and the participation in such operations of eligible institutions either as parties, as trustees, or as the holders of certificates of beneficial interest.'

"(e) Section 5(c) of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (d) of this section) the following new paragraph:

" 'Without regard to any other provision of this subsection, any such association whose general reserves, surplus, and undivided profits aggregate a sum in excess of 5 per centum of its withdrawable accounts is authorized to invest in, to lend to, or to commit itself to lend to any business development credit corporation incorporated in the State in which the head office of such association is situated, in the same manner and to the same extent as the statutes of such State authorize a savings and loan association organized under the laws of said State to invest in, to lend to, or to commit itself to lend to such business development credit corporation, but the aggregate amount of such investments, loans, and commitments of any such association outstanding at any time shall not exceed one-half of 1 per centum of the total outstanding loans made by such association, or $250,000, whichever is the lesser.'

"Federal Reserve Act

"SEC. 902. Section 24 of the Federal Reserve Act is amended by inserting at the end of the next to the last paragraph a new sentence as follows: 'Home improvement loans which are insured under the provisions of section 203(k) or 220(h) of the National Housing Act may be made without regard to the first lien requirements of this section.'

"Voluntary Home Mortgage Credit Program

"SEC. 903. Section 610(a) of the Housing Act of 1954 is amended by striking out '1961' and inserting in lieu thereof '1965'.

"Disposal of Passyunk War Housing Project

"SEC. 904. Section 802(a) of the Housing Act of 1959 is amended by striking out 'five' in the first sentence and inserting in lieu thereof 'six'.

"Disposal of Nathanael Greene Villa Housing Project

"SEC. 905. Notwithstanding the provisions of section 606 of the Act entitled 'An Act to expedite the provision of housing in connection with national defense, and for other purposes', approved October 14, 1940, as amended, and any agreements entered into thereunder, the Housing and Home Finance Administrator and the Public Housing Administration are authorized and directed to agree to the sale by the Housing Authority of Savannah, Georgia, to the City of Savannah, Georgia, of all right, title, and interest in and to Nathanael Greene Villa (low-rent housing project GA-2-8; formerly war housing project GA-9041), for a total price of $275,000, which shall be paid to the Administration and deposited by the Administration in the Treasury as miscellaneous receipts in accordance with section 606(d) of such Act.

"Hospital Construction

"SEC. 906. (a) Section 605(b) of the Housing Act of 1956 is amended by striking out '1960' and inserting in lieu thereof '1962.'

"(b) Section 605(c) of such Act is amended by striking out 'and June 30, 1961' and inserting in lieu thereof 'June 30, 1961, and June 30, 1962'.

"Payment in Lieu of Taxes by Holyoke Housing Authority

"SEC. 907. Notwithstanding the provisions of any other law or any contract or rule of law, the Public Housing Commissioner shall approve the payment in lieu of taxes, in the amount of $9,933.47, made by the Holyoke Housing Authority to the city of Holyoke, Massachusetts, under section 10(h) of the United States Housing Act of 1937, for its fiscal year ended December 31, 1956.

"Records and Audit

"SEC. 908. Section 614 of the Housing Act of 1954 is amended to read as follows:

" 'Records

" 'SEC. 814. Every contract between the Housing and Home Finance Agency (or any official or constituent thereof) and any person or local body (including any corporation or public or private agency or body) for a loan, advance, grant, or contribution under the United States Housing Act of 1937, as amended, the Housing Act of 1949, as amended, or any other Act shall provide that such person or local body shall keep such records as the Housing and Home Finance Agency (or such official or constituent thereof) shall from time to time prescribe, including records which permit a speedy and effective audit and will fully disclose the amount and the disposition by such person or local body of the proceeds of the loan, advance, grant, or contribution, or any supplement thereto, the capital cost of any construction project for which any such loan, advance, grant, or contribution is made, and the amount of any private or other non-Federal funds used or grants-in-aid made for or in connection with any such project. No mortgage covering new or rehabilitated multifamily housing (as defined in section 227 of the National Housing Act, as amended) shall be insured unless the mortgagor certifies that he will keep such records as are prescribed by the Federal Housing Commissioner at the time of the certification and that they will be kept in such form as to permit a speedy and effective audit. The Housing and Home Finance Agency or any official or constituent agency thereof and the Comptroller General of the United States shall have access to and the right to examine and audit such records. This section shall become effective on the first day after the first full calendar month following the date of approval of the Housing Act of 1961.'

"Administrative

"SEC. 909. Section 502 of the Housing Act of 1948 is amended by—

"(1) striking out in subsection (c)(3) the first proviso, the colon thereafter, and the words *'And provided further'*, and inserting in lieu thereof *'Provided,'*; and

"(2) adding at the end thereof the following subsection:

" '(d) The Housing and Home Finance Administrator, the Federal Housing Commissioner, and the Public Housing Commissioner, respectively, may utilize funds made available to them for salaries and expenses for payment in advance for dues or fees for library memberships in organizations (or for membership of the individual librarians of the respective agencies in organizations which will not accept library membership) whose publications are available to members only, or to members at a price lower than to the general public, and for payment in advance for publications available only upon that basis or available at a reduced price on prepublication order.' "

And the House agree to the same.

BRENT SPENCE,
WRIGHT PATMAN,
ALBERT RAINS,
ABRAHAM J. MULTER,
Managers on the Part of the House.

JOHN SPARKMAN,
PAUL H. DOUGLAS,
JOSEPH S. CLARK,
HARRISON WILLIAMS,
EDMUND S. MUSKIE,
EDWARD V. LONG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House amendment and the substitute agreed to in conference:

TITLE I—NEW HOUSING PROGRAMS

FHA section 221

Type of Structure

The House bill contained a provision limiting FHA section 221 insurance to single-family homes. The Senate bill would continue existing law permitting mortgage insurance on 2-, 3-, and 4-family units. The conference substitute authorizes section 221 insurance for 2-, 3-, and 4-family units for displaced families only, and restricts the use of the program for other moderate income families to single-family homes.

Mortgage Terms on Sales Housing

The Senate bill provided that the downpayment requirements of the FHA section 203 program would apply to section 221 sales housing—that is, 3 percent of the first $13,500 of value, plus 10 percent over $13,500 up to a maximum mortgage of $15,000. The Senate bill also provided a 40-year term. The House bill provided for a downpayment of 3 percent of the purchase price, including closing costs, for moderate income families and made no change in existing law for displaced families who need pay only $200 in cash including closing costs. The House bill provided a 35-year maturity for moderate income families and made no change in the 40-year term now in existing law for displaced families.

The conference substitute makes no change in the 40-year term now in existing law for displaced families. For new construction for moderate income families the substitute provides a 35-year maximum maturity, except that in hardship cases the Commissioner is authorized to permit an additional 5-year term up to 40 years where the buyer cannot meet the monthly payments under the shorter term. For existing construction for moderate income families a 30-year maximum maturity would apply. The downpayment would apply to purchase price and closing costs can be included in the loan.

Limit on Maximum Rehabilitation Mortgage

The Senate bill contained a provision, not in the House bill, permitting a section 221 rehabilitation loan to take into account the amount needed to refinance existing indebtedness against the property. (A similar difference existed between the provisions of the Senate and House bills on section 220 mortgages.) The conference substitute conforms to the Senate bill.

Eligible Borrowers for Low-Interest Rental Housing

The House bill included a provision making public bodies or agencies, other than local public housing authorities, eligible as borrowers. The conference substitute conforms to the House bill with an amendment

making any public body eligible which does not receive financial assistance from the United States exclusively pursuant to the United States Housing Act of 1937.

Occupancy Requirements for Low-Interest Rental Housing

The House bill contained a provision limiting initial occupancy of low-interest section 221 rental housing to families whose incomes make it impossible for them to obtain decent, safe, and sanitary housing in the private market. There was no comparable provision in the Senate bill and none is contained in the conference substitute. The conference substitute does retain the language contained in both bills stating that "this section is designed to assist private industry in providing housing for low and moderate income families and families displaced from urban renewal areas or as a result of governmental action."

Termination of Program

The House bill contained a provision limiting the new program of low-interest loans under section 221 (along with the other section 221 programs) to 2 years except in the case of displaced families. The Senate bill contained no termination date for the low-interest program. The conference substitute would limit this program to 4 years.

FHA home improvement and rehabilitation loan program

Limitation on Loans

The Senate bill contained a provision, not in the House bill, limiting the new FHA insured home improvement loans to structures at least ten years old. The conference substitute omits this age limitation but contains a requirement that loans on structures less than ten years old under this program must involve major structural changes in the dwelling units (or to correct defects of certain specified types).

FNMA Authority To Purchase Loans

The House bill authorized FNMA purchases of the new FHA-insured home improvement loans in urban renewal areas only and through its special assistance function only. The Senate bill authorized FNMA to purchase these loans both inside and outside urban renewal areas and under both secondary market and special assistance. The conference substitute conforms to the Senate bill.

Condominium housing

Number of Units Per Purchaser

The House bill contained a provision limiting occupants of FHA-insured condominium housing to the ownership of a single insured unit. The Senate bill permitted an occupant to own up to four insured units. The conference substitute conforms to the Senate bill.

TITLE II—HOUSING FOR THE ELDERLY AND LOW-RENT HOUSING

Eligible Borrowers

The Senate bill contained a provision making public bodies or agencies eligible for direct loans under the housing for the elderly program authorized by the Housing Act of 1959. This provision was not in the House bill. The conference substitute makes eligible public bodies which do not receive financial assistance from the United States exclusively pursuant to the United States Housing Act of 1937.

Loan Authorization

The House bill would have authorized an additional $100 million for direct loans for housing for the elderly. The Senate bill provided $50 million for this purpose. The conference substitute authorizes $75 million.

Minimum Age of Occupants

The House bill would have reduced the minimum age of occupants of housing for the elderly financed under the direct loan program from 62 to 60. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

Low-rent public housing

Use of Existing Structures

The Senate bill contained language not in the House bill urging the Public Housing Administration to encourage the use of existing structures for low-rent public housing. The conference substitute omits this language. However, the conferees felt that this was a highly worthwhile purpose which might achieve substantial economies in the low-rent housing program and permit greater flexibility in its operations. It is hoped that the PHA, under its existing authority, will give every encouragement to the use of existing structures where reasonable.

Additional Subsidy for Elderly

Both the House and Senate bills contained provisions authorizing additional payments up to $120 a year for a public housing unit occupied by an elderly family, if such payment is necessary to maintain the solvency of the project. A question arose whether or not the provision as written would permit these payments to be made in the case of the old PWA and War Housing projects which were built by the Federal Government and are now in the low-rent program. While no amendment was made by the conference, it is the clear understanding and intent of the conferees that these payments can be made for all projects in the public housing program, including those built under PWA and the War Housing Program.

Local Responsibility for Admission Policies

The House bill contained a provision extending for 4 years the existing waiver of certain admission requirements for veterans and servicemen. The Senate bill eliminated the rigid statutory priorities for admission and authorized greater flexibility for local authorities in shaping admission policies, but with the provision that due consideration be given to veterans and servicemen, families displaced by urban renewal and other government action, and the disabled and elderly. The conference substitute conforms to the Senate provision.

The Senate bill further provided that local housing authorities could permit overincome tenants to continue to occupy the project during the period the local agency determines that the overincome family is unable to find a decent private dwelling within its financial reach. There is no similar provision in the House bill. The conference substitute contains the Senate language with an amendment requiring such an overincome family to pay an increased rent appropriate to its higher income status.

Demonstration Program

The Senate bill contained a provision authorizing grants to public or private bodies to develop and demonstrate new and improved means of providing housing for low-income families, and for economy in costs and management. $10 million would have been authorized for this purpose. There was no similar provision in the House bill. The conference substitute retains the substance of the Senate provision with an amendment authorizing $5 million for the Housing and Home Finance Agency to undertake the program.

Per Room Cost Limits

The Senate bill contained a provision not in the House bill, authorizing an increase in the per room cost limit from $2,500 to $3,500 for housing for the elderly in Alaska. The conference substitute contains the Senate provision.

TITLE III—URBAN RENEWAL

Incontestability of Federal Obligations

The Senate bill contained a provision making the Federal obligation to make payments to local public agencies under the urban renewal program incontestable when pledged as security for bonds issued by the local authority. There was no such provision in the House bill. The conference substitute contains the Senate provision and also applies it to securities issued by local housing authorities.

Eligibility for Relocation Payments

The Senate bill contained a provision not in the House bill making nonprofit organizations eligible for relocation payments under the urban renewal program. The conference substitute conforms to the Senate bill.

Loans to Displaced Business

Both the House and Senate bills contained provisions making displaced business firms eligible for loans on liberal terms through the Small Business Administration. The Senate provision limited loans to assist reestablishment of small business concerns (no comparable provision in House); the conference substitute conforms to the Senate bill. The House bill covered only businesses displaced by urban renewal, whereas the Senate bill also covered highway construction or any other federally aided construction; the conference substitute conforms to the Senate provision.

Under the Senate bill, the interest rate on these loans would be set by a formula which currently results in a 4⅛ percent interest rate. The House bill provided for the same rate now allowed on disaster loans (3 percent). The conference substitute would establish the rate by the formula now used in the college housing loan program (average interest on all Federal debt plus one-fourth of 1 percent for administrative costs) which currently gives a rate of 3½ percent. The Senate bill also had a provision not in the House bill authorizing $50 million for these loans. The conference substitute would provide $25 million.

Projects Involving Colleges and Hospitals

The Senate bill had a provision not in the House bill permitting certain expenditures by colleges and hospitals to count toward the local one-third share of urban renewal costs if made in connection with a project for which a loan and grant contract is authorized prior to September 25, 1963, if expenditures were made 5 years prior to the date of application for loan or grant. The conference substitute conforms to the Senate provision.

Credit for Local Grant-in-Aid

The House bill contained a provision, not in the Senate bill, permitting credit for local grants-in-aid for projects approved under law prior to 1954 to be allowed on the basis of the more liberal provisions added to the law in 1954 and subsequently. The conference substitute retains this provision but restricts its applicability to the city of Norfolk.

Urban planning assistance

Grant Authorization

The House bill would have authorized an increase of $30 million in the funds for urban planning grants. The Senate bill provided for an increase of $80 million. The conference substitute authorizes an increase of $55 million.

TITLE V—COMMUNITY FACILITY LOANS

Limit on Loans

The House bill limited the amount of loans which could be outstanding at any one time for a single project to $10 million. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

Types of Facilities

The House bill contained a provision making eligible any facility for which a loan

could be made "in accordance with regulations of the Administrator immediately prior to" date of enactment of the bill. There was no comparable provision in the Senate bill and none is contained in the conference report.

Interest Rate

The House bill provided that the interest rate on public facility loans would be set at the average interest rate paid by the Treasury and on outstanding Federal debt, plus one-fourth of 1 percent for administrative costs (the college housing formula). There was no comparable provision in the Senate bill. The conference substitute conforms to the House bill except that one-half percent (instead of one-fourth percent) would be added for administrative costs (for the current fiscal year this yields a rate of 3¾ percent).

Loan Authorization

The Senate bill provided for an increase of $50 million in the public facility loan fund. The House bill would have increased this fund by $500 million. The conference substitute conforms to the House bill but with the provision that a maximum of $50 million of this amount could be used for mass transit loans (discussed below).

Mass Transportation

The Senate bill authorized loans to State and local public bodies for facilities and equipment for mass transportation in urban areas, and earmarked $100 million of the increased authority for public facility loans for this purpose. It also amended section 701 of the Housing Act of 1954 to provide specific authority for grants to cover planning for mass transportation, and made up to $50 million of the urban renewal capital grant authority available for mass transportation demonstration projects. No such provisions were included in the House bill.

The conference substitute includes provisions authorizing temporary, emergency loans for facilities and equipment for mass transportation in urban areas, up to $50 million. This authority would expire December 31, 1962. Grants for mass transportation demonstration projects would be authorized, to be made out of the funds available for urban renewal grants, in a total amount of not more than $25 million. Planning grants under section 701 of the Housing Act of 1954 would be available for developing comprehensive plans covering mass transportation as well as other problems of sound urban development.

TITLE VI—AMENDMENTS TO NATIONAL HOUSING ACT

Federal National Mortgage Association

Special Assistance for Cooperatives

The House bill contained a provision authorizing FNMA to reserve special assistance funds for purchase of a cooperative mortgage when FHA has issued a statement of feasibility on the project and application for FHA insurance has been filed. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

Special Assistance for FHA Section 810 Housing

The House bill would have established a special assistance fund of $25 million in FNMA for the purchase of FHA section 810 mortgages (housing in defense-impacted areas). There was no comparable provision in the Senate bill and none is contained in the conference report.

FHA insurance programs

Mortgage Insuring Authority

The Senate bill contained a provision removing the dollar ceiling on FHA mortgage insuring authority and establishing a termination date of October 1, 1965. The House bill was similar except that after October 1, 1965, the ceiling on FHA mortgage insuring authority would be the total amount of insurance and commitments then outstanding (thus permitting FHA to use its "rollover" after that date). The conference substitute conforms to the Senate bill.

Maximum Mortgage Amount Under Section 203

The House bill contained a provision increasing the dollar limit on 1-family and 2-family home mortgages to $27,500 (from $22,500 and $25,000, respectively). There was no comparable provision in the Senate bill. The conference substitute would increase the maximum amount of mortgages on 1-family homes to $25,000 and on 2-family homes to $27,500.

Maximum Maturity Under Section 203

The House bill contained a provision increasing the maximum maturity for the regular FHA sales housing program from 30 to 40 years. The Senate bill contained no similar provision. The conference substitute permits a 35-year maturity in the case of new construction but retains the existing 30-year maximum for existing construction.

Economic Feasibility of Cooperatives

The House bill provided that the test of whether construction of a cooperative project is economically feasible shall be whether purchasers are available who can afford the housing at the cooperative charges which will be imposed. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

TITLE VII—OPEN SPACE LAND

Aid for Parks and Playgrounds

The House bill authorized a new program of partial Federal grants to assist in the acquisition of permanent open space land for use as parks and playgrounds, and authorized $100 million for this purpose. There was no comparable provision in the Senate bill. The conference substitute conforms to the House provision except that the amount of grants which can be contracted for would be limited to $50 million.

Land Development Insurance

The House bill contained a provision establishing a new program of FHA mortgage insurance for the acquisition and development of land for residential use. There was no similar provision in the Senate bill and none is contained in the conference substitute.

TITLE VIII—FARM HOUSING

Farm Housing-Lessees

The Senate bill contained a provision, not in the House bill, making lessees of farmland eligible for farm housing assistance under title V of the Housing Act of 1949. The conference substitute contains this provision.

TITLE IX—MISCELLANEOUS

Federal Savings and Loan Associations

The Senate bill contained a provision, not in the House bill, permitting Federal savings and loan associations to lend to or invest in business development corporations in the same State to the same extent as State-chartered associations in the State are permitted to make such loans and investments. Such loans would be limited to not more than one-half of 1 percent of an association's total outstanding loans or $250,000, whichever is less. The conference substitute conforms to the Senate bill.

Disposal of Passyunk War Housing

The Senate bill contained a provision extending for 1 year the period during which military and civilian personnel may continue to occupy the Passyunk war housing project in Philadelphia. The comparable House provision would have made a 2-year extension. The conference substitute conforms to the Senate bill.

Requirement of Records

The Senate bill contained a provision, not in the House bill, requiring that every contract entered into by HHFA or one of its constituent agencies (and including FHA-insured multifamily housing) shall provide that the borrower or recipient of a grant shall keep such records as may be prescribed. The conference substitute contains this provision.

BRENT SPENCE,
WRIGHT PATMAN,
ALBERT RAINS,
ABRAHAM J. MULTER,
Managers on the Part of the House.

Mr. RAINS. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from Alabama is recognized.

Mr. RAINS. Mr. Speaker, the conference report before us is the conference report on the housing bill which, as all the Members of the House know, passed this body only a few days ago by a vote of 235 to 178. It has just passed the Senate on a final rollcall by a vote of 53 to 38.

The House conferees, I am convinced, did a good job. There was 80 points of difference between the House bill and the Senate bill. In some instances, naturally, we were forced to compromise; of course, that is the purpose of a conference.

Mr. Speaker, to those who are particularly concerned with the dollar amounts in the bill, let me say that the conferees from the other side came in with a bill totaling $6.1 billion. The House bill carried a total of $4.9 billion in new authorization. We held the House total in conference in spite of strong pressures to increase it; in fact, we actually cut the original figure of the House bill by $45 million.

Mr. Speaker, I need not remind my colleagues that now that the other body has acted we have only one choice before us here—that is to vote this housing bill up or down. Mr. Speaker, it is absolutely essential that we pass this bill today. Many programs are out of funds or are expiring, including the entire FHA home insurance program. And when we vote we will be judged by one standard and one standard alone—are we in favor of providing the housing the American people need, or are we against decent housing—that is the simple choice before us.

Mr. Speaker, I am sure that the main points of the housing bill are familiar to everyone after last week's thorough debate in the House. In general, it provides more liberal FHA terms for home buyers and for rental housing for modest income families. It also provides a 4-year extension of FHA mortgage insuring authority which is needed immediately because the FHA expects to exhaust its present authority within 2 weeks. It also provides additional loan funds for the program of direct loans for housing for the elderly. It adds additional money to the urban renewal program and provides more liberal terms for small towns and depressed areas. It authorizes the construction of additional low-rent public housing units necessary to meet the needs of families displaced by urban renewal and other Government action, as well as older people and other

low income families. It provides additional funds to keep the college housing loan program going for 4 years. It authorizes an expanded community facility program for small towns and depressed areas and lowers the interest rate on these loans. It provides additional FNMA money essential to the success of our new housing programs and highly important to homebuilding generally in those areas which lack mortgage money, such as the South and West. It provides for a new program of partial Federal grants to provide parks and playgrounds for the towns and cities of this country. Finally, it extends and expands the farm housing loan program for 4 years and makes additional money available for this purpose.

Mr. Speaker, I am not going into detail on the contents of this bill. As the items I have just mentioned show, this bill covers all phases of our housing programs and will benefit every part of our country and every group in our population. Instead, let me point out the highlights of the changes which were made by the conference committee.

Mr. Speaker, I know that those who have not yet read the statement of managers contained in the conference report will be particularly interested in the provision extending mortgage maturities under FHA's section 221 program for modest income families. For some reason, this item was singled out for special attack. It became the lightning rod of the bill. Because of this I offered an amendment to the housing bill when it was on the floor last week reducing the term from 40 years to 35 years. I know this amendment pleased a great many of my colleagues and I am happy to say that the conference report keeps the essence of the housing provision.

This one item more than any other threatened most seriously to deadlock the conference. It was repeatedly passed over and finally was the very last item dealt with by the conferees. The conference report sets the maximum term on the new program of homeownership for modest-income families at the 35 years the House had passed with two amendments. First, the 35-year limit would apply only to new construction while existing construction would be limited to 30 years. This, of course, greatly tightens on the provision because it is these older homes which involve by far the greatest risk in the case of long-term mortgages. Actually, I for one, would have been perfectly willing to give the FHA authority to go as long as 40 years on existing homes and leave it to the discretion of the Commissioner whether or not any particular home was adequate security for such a loan. However, I knew I was constrained by the temper of the House and so I agreed to this restrictive compromise. Therefore, maturities of more than 30 years for moderate income families are limited to newly built homes.

Second, the conference report allows a special exception of an additional 5 years beyond the 35-year limit for hardship cases. This means that if a prospective home buyer can show the FHA Commissioner that he cannot get the home he needs under the shorter terms, and if the FHA Commissioner finds that he could make the payments with this extra 5-year leeway which reduces monthly costs, he may make an exception to the limitation in that case. This is the approach that was used so successfully in the GI loan program during the Korean emergency when mortgage terms were restricted and veterans were given a special preference through lower down-payments and a longer mortgage term.

Mr. Speaker, I want everyone to understand that these new and more restrictive terms on the FHA section 221 program cover only the new part—that which would apply to moderate-income families generally. We were very careful to keep the same terms for displaced families that have been in the law ever since 1954 and have worked so successfully. These displaced families will continue to get 40-year loans with a $200 cash payment as they do right now.

In view of the action of the House last week in cutting the terms on FHA mortgage insurance for modest-income families—an action upheld by the conference—it was only natural that some change should be made in the provisions in the House bill affecting FHA's basic homeownership program under section 203. The bill as passed by the House would have authorized a 40-year term for these loans in place of the 30-year limit provided under existing law. I am fully aware that if an amendment had been offered to reduce these maturities, it would have carried. Frankly, I was perfectly ready to make a compromise on that point in the House since naturally we do not want to provide more liberal terms for the higher income homebuyers covered by section 203 than we do for modest-income families. Therefore, to carry out what I am certain was the real intent of the House, we agreed to restrict section 203 maturities to 35 years in the case of new construction and 30 years in the case of old homes.

At the same time I am pleased to say that the Senate conferees saw the wisdom of the modest reduction in down-payment requirements which the House bill made under section 203 and accepted them without change. They also went along with the increased mortgage amounts under 203 so that under the conference report FHA can insure a loan of up to $25,000 on a single-family home instead of being limited to $22,500 as under existing law.

Mr. Speaker, these more liberal terms will enable hundreds of thousands of American families to obtain the homes they need on terms which they can afford. These provisions will not only improve housing conditions but will give a boost to the homebuilding industry and thereby help our entire economy. I do not need to remind my colleagues that we cannot sit idly by and do nothing while 5 million American men and women pound the pavements looking for work. I know the economists say that the worst of the recession is over and things are looking up, but they are looking up very slowly. The American people will not tolerate a repetition of our experience with the 1958 recession when timid half-measures proved to be too little and too late. The homebuilding industry did heroic service at that time in stimulating the entire economy, but the aid provided was not enough. Given the shot-in-the-arm which the $1 billion FNMA special assistance fund provided, housing starts jumped 50 percent between April 1958, and the end of the year. But that bill failed to provide comprehensive aid to the industry—and you will recall that the general housing bill was defeated that year under suspension of the rules, lacking only 6 votes of the needed two-thirds majority. By contrast this bill provides just that overall assistance. It will promptly lift homebuilding out of the doldrums and also provide the necessary liberalizations of law and additional authority to maintain new construction at a high level for several years to come.

Mr. Speaker, there is another provision in this conference report which both strikes at one of our most critical needs and at the same time will help to put those 5 million jobless people back to work. It is a provision in which I take deep personal pride since I have fought for such a program for several years. Of course I mean the expanded community facility program. I am indeed proud that the conference committee endorsed the wisdom of the House in including this section of the bill in the conference report with only minor changes, one which I note with some regret. The House bill would have made these loans available at the college housing interest rate which is currently 3½ percent. As everyone fully knows from the debates in the past years on this point, this is a formula which fully reflects the cost of money to the Government and includes an extra one-quarter of 1 percent which completely covers all costs of administration. However, we met with some resistance on this point and we were forced to agree in conference to allow a full one-half of 1 percent to be added on the basic rate instead of one-quarter of 1 percent. The result is that the Government will make some money off this program and, although I certainly do not object to programs which make money for the Government, as most of our housing programs do, I did not wish community facilities to be one of them. The need is too great and the problems of our local governments in meeting their responsibilities are too great. However, the interest rate which results from this new formula—3¾ percent—is still highly favorable and I am very pleased and I still consider this one of the finest titles in the bill and one which will do the most for small towns and depressed areas in every part of the country, but particularly in the South and West.

One other change was made in the community facility provision. While the conference report retains the full $500 million which the House authorized for this program, a maximum of $50 million would be made available for the new mass transit program. As everyone recognizes, the problem of commuting from

suburb to city is extremely serious. It threatens to strangle our cities and block the growth of our suburbs. In many places it is becoming increasingly difficult to build and sell new homes out in the suburbs because of the problem of getting to and from work. This is a problem which the Congress has wrestled with before. Last year the Senate passed a bill aimed at this need but it was never acted on in the House. This year the Senate included a similar provision in the housing bill. Just yesterday a hearing was held by the subcommittee of the Banking Committee, chaired by the gentleman from New York [Mr. MULTER] and the witnesses he heard unanimously urged in the strongest terms that an immediate emergency start be made on this problem.

Frankly the conference was stymied on this point. A clear majority of the Senate conferees were unalterably wedded to the proposal. On our side, as you may remember from the debate last week on the housing bill, the problem was complicated because we had not had hearings this year though we did have them last year. This problem was solved when the gentleman from New York [Mr. MULTER] reported to the conference that it was clear from his hearings that we should not delay and that with a number of restrictive amendments, including reductions in dollar amounts, we should accept a part of the Senate provisions. This was the very action which was being urged on us by the Kennedy administration. In a word, the administration position is that we must not delay in undertaking emergency action to meet this critical problem in order to allow us time to study its long-range aspects. I am also informed that every single proposal in the field of mass transit has included provisions just like those now in the conference report, so that there is no likelihood that these will in any way conflict with longer range proposals.

Mr. Speaker, there is one point on which the House conferees receded completely. That was the provision in the House bill authorizing a new program of FHA mortgage insurance for land acquisition and development. Personally I felt that this was a very good provision. It was aimed at the serious problem of spiraling land costs. Land costs have risen more rapidly than any other single item in the price of a new home. The effect has been to severely limit the construction of lower cost homes. This provision was never intended to completely solve that problem; it was only intended to help overcome the financial difficulties which face the builder who starts out on a new project. I realize that the proposal was fraught with some danger and, because of this, we carefully wrote in provisions to avoid speculation under this program. However, the administration urged us to hold off on this section until they had time to study it and come up with their own proposal. I have every confidence that for once this does not mean simply an effort to kill an idea by interminable delay. I am convinced that the new administration will sincerely study the idea and will come up with the best possible proposal.

There were several other points where the House conferees were obliged to accept compromises. One of these was in the new program proposed by the administration for demonstration grants to find new ways to house our lower income population. This is a purpose for which I have the greatest sympathy; it is exactly what our subcommittee has been trying to do for years. To be perfectly frank, the reason I objected to the administration proposal was because it would have been administered by the Public Housing Administration and, while I have the highest regard for the dedication and sincerity of the loyal and devoted people who operate that program, I did not feel that the PHA was the appropriate agency to explore the vast range of ideas on ways of providing good low-cost housing. It was because of this concern that the provision was stricken from the House bill before it reached the floor. However, I found later, somewhat to my surprise, that this proposal had strong support from the National Association of Home Builders. Obviously, this is not simply the idea of some impractical long-haired thinker. This is not a proposal to find new ways of getting more public housing. Quite the contrary, this is a proposal to find better ways to do what we are doing now and to explore methods which will enable private enterprise to make its maximum contribution. It is my hope that this provision will give us the opportunity to test some of the proposals made by Joe McMurray, who is now Chairman of the Federal Home Loan Bank Board, in his special report to the NAHB last year. In accepting this provision we transferred responsibility for it from the PHA to the HHFA. Also, instead of the $10 million in the Senate bill, the conference report would limit the amount which the Administrator could contract for to $5 million.

Mr. Speaker, I would like to discuss another section in the conference report which represents a compromise. That is the section authorizing partial Federal grants for the acquisition of open space land to be held permanently for parks and playgrounds. Unfortunately, this rather modest proposal was made the subject of ridicule by the opponents of the bill. I cannot understand their opposition to providing the parks and playgrounds in which our children can play. Actually this is a relatively minor part of the bill and now accounts for 1 percent of the total dollar amount involved.

I might say that the Senate conferees seemed very sympathetic to the purpose of this provision. Once more, we agreed to a compromise. In place of the $100 million contained in the House bill, the conference report limits the amount of these grants which the housing agency can contract for to $50 million.

Mr. Speaker, I believe this covers all of the major points on which the House conferees were obliged to make any significant change. Of course, there are a number of detailed items which are spelled out in the printed statement of managers for those who wish to check them. Now that I have explained to the House the significant compromises, I would like to point out some of the major points which were retained exactly as the House approved them. And I do this with a good deal of pride as evidence of the firmness by which we stood by the House bill.

First, the conference report contains the same $2 billion for urban renewal grants approved by the House, even though the Senate bill contained the administration recommendation of $2.5 billion. Certainly I support this program as strongly as any Member of the Congress. However, as my colleagues know, we reduced the amount from the administration request because I felt, as did others, that there were other equally pressing needs. In particular I felt that some of these funds which go mostly to the big cities under the urban renewal program should be transferred to the community facilities program which helps our smaller towns. The conference committee supported that judgment on both points.

Another significant amendment in the House bill, which was retained without change in the conference report, is the authority for the Federal National Mortgage Association to make short-term loans on the security of pledged FHA-VA mortgages. This new authority fills a vital need in our housing programs. Its sole purpose is to help homebuilders maintain high level operations. The problem has often arisen where a homebuilder has sold a number of homes and taken back FHA or VA mortgages which he intends to dispose of to insurance companies, savings banks, or other permanent mortgage investors. However, there are times when money is tight when he cannot do this without suffering a ruinous discount. Because of this he is forced to hold onto the mortgages and as long as he does, his working capital is tied up and this limits him in his homebuilding operation. The ones who really suffer from this problem are not so much the homebuilders themselves but his workers who are thereby denied jobs, and the workers in the lumber mills and factories who supply the materials for new homes for which the market is reduced because of this temporary financing problem. It is to meet this need that the provision was included in the bill.

Another FNMA provision will also help us to boost homebuilding, particularly in the South and West. The Senate conferees concurred in the wisdom of the House provision in permitting FNMA to use certain of its own funds for additional mortgage purchases. This includes both the freedom to use the remaining balance of special assistance authority left over from the 1958 act and the permission to use repayments on its portfolio of pre–1954 purchases. These are simply internal bookkeeping actions in FNMA and involve only funds which the Congress originally intended for housing and which should be kept in the housing field.

Another title of the House bill which was accepted by the conference intact is that dealing with our farm housing program. This outstanding program has enabled thousands of farm families

to improve their housing conditions, and let me say that no part of our country has any greater housing problem than our rural areas. In recognition of this fact, the Senate conferees receded to our entire title and it is included in the conference substitute.

Finally, the three provisions in the House bill designed to help savings and loan associations finance housing for the elderly and urban renewal activities and to facilitate trade-in financing, were also accepted by the Senate conferees. On our part, we accepted a very fine Senate provision which would enable savings and loan associations to participate to a modest extent in State business development corporations. Taken altogether, these provisions will enable our fast-growing savings and loan associations to make a greater contribution to housing and economic growth.

Mr. Speaker, this covers the main points in the conference report and the major changes made in conference. In my judgment, these changes are almost entirely to the good and the conference report is an even better bill than that originally passed by the House. It will provide both direct and indirect benefits in every last congressional district in our Nation. It will be of immeasurable benefit to the entire country both in improving housing conditions and in helping to combat unemployment. I deeply hope that this conference report will be passed by the House this afternoon by an overwhelming vote, and I urge all of my colleagues to vote for it.

Mr. KILBURN. Mr. Speaker, 2 or 3 days ago we voted here to raise the debt limit, and in that debate the big spending bills were pointed out. This is one of them. The whole country was thrilled with the President's inaugural address when he said:

> Ask not what your country can do for you: Ask what you can do for your country.

Now the administration and the majority party has reversed that. The cry now is, "What can the country do for you?" So, they send people out to the country to find every pressure group, every segment as to where we can spend money. This bill is the answer. It is the biggest spending bill, the worst bill that I have ever seen, and the budget takes another crack on the chin.

Mr. CAHILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CAHILL. Mr. Speaker, I am pleased to observe that the conference report on the housing bill contains the provision for aid to mass transportation in almost the identical form as was suggested by my amendment presented to the House last Thursday. This amendment which I urged upon the House in order to conform the House bill with the bill passed by the other body, provides a start in a program which is vital for every town and city in this Nation.

While I recognize the funds allocated are inadequate to provide the much needed help that has been indicated by many of the cities of this Nation, it will, I believe, provide sufficient funds for a study program and is, therefore, a step in the right direction.

It is unnecessary for me to call to the attention of the House the need for this program. Every Member could cite examples in his or her own district evidencing this great need. In my own district, the Pennsylvania-Reading Seashore Line, an affiliate of the Pennsylvania Railroad, has pending before the ICC an application to discontinue all passenger service in the south Jersey area. If this application is granted, and I sincerely hope it is not, it would mean additional thousands of motor cars on our already overcrowded highways.

Railroads throughout the country are doing the same thing. If we do not produce some method of quickly and cheaply transporting masses of people, we are going to find the commerce of our Nation strangled.

I need not point out to the House the dire consequences that could result in time of national emergency.

While there are certain features of this housing bill which I do not like, I am supporting it and supporting the conference report because there are features such as the aid to mass transportation which I do like.

It is my sincere hope that the Administrator charged with the responsibility under this bill will exercise the best possible judgment in utilizing the funds allocated in a manner that will bring the best and most immediate results.

I am pleased therefore that while my amendment proposing aid to mass transportation was not adopted by the House last week, it is incorporated in the housing bill as it is presented to the House today.

Mr. RAINS. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Speaker, a few moments ago the Senate voted on a motion by Senator BUSH of Connecticut to recommit the conference report back to the committee of conference, and it lost by only five votes.

The other day when we had this bill before us a substitute bill was offered to provide for an extension of essential programs for housing for 1 year. It lost by only 18 votes. We have since been to conference, and this conference report comes to you without the signature of a single Republican Member for the reason that we could not agree with the proposals that were made which we had to consider, nor could we agree with the proposals to adjust the differences between the Senate and the House. There is a difference of opinion between the chairman of the Subcommittee on Housing, the gentleman from Alabama [Mr. RAINS] and myself, concerning the total obligation. The conference report total obligation, if all of the 100,000 public housing units are implemented and the annual contributions are provided for them, will amount to $5,853 million.

The request of the administration before the committee began amending the bill to expand the various sections of the bill was $4,247 million.

The administration asked for $750 million for FNMA special relief or the purchase of mortgages in special cases. The conference report provides $1.51 billion.

For college housing there was $1 billion in the administration request, and the conference report before you calls for $1.2 billion.

For public facilities loans there is $50 million. The conference report provides $450 million for mass transportation which was not in the House bill at all, and which is on an experimental basis and which is a foot in the door for billions and billions of additional dollars for mass transportation in the city areas. There is $50 million for loans and $25 million for grants in the conference report.

There were 100,000 public housing units, in the conference report. The total that the administration asked for is $4,247 million against obligations of $5,853 million.

We increased the national debt some $5 billion the other day to a total of $298 billion.

We are on the brink of war over the Berlin crisis. We are obligating ourselves to welfare programs here for housing for which there is no demand. The low-cost, low-income housing, for which there is no assurance of financing. We are guaranteeing if these mortgages are in default they can be paid off in cash.

We are entering into two new areas of experiment in the welfare of the Nation, the mass transportation program and the open space program. The open space program, is a reversal of the policy that this Nation has followed for years to turn public land back to the use of private interests. But here we are buying with Federal money land from private interests and turning it over to public use.

There is no assurance that any of the open space land in this bill will ever be useful for the reason that it will be so far removed from the people who may want to use it.

I can see where we are obligating ourselves beyond our requirements for housing and because of the present circumstances that this Nation is in, internationally and domestically, I recommend a "no" vote on the conference report.

Mr. RAINS. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Speaker, we of the minority came back from this conference a very discouraged group. The steamroller certainly operated and flattened us, and flattened us in a way that I think has been almost unprecedented. When you were told that the money in the House bill was reduced, and reduced by at least $45 million, that is true, but the entering wedge in new programs that have been put into this bill in conference that were not in the House bill will lead to spending in the billions on those programs that were not considered by the House.

I have read history and I remember from way back in college days and later

reading of the fall of a great empire, a great empire that dominated the entire world. That empire fell because the people lost their guts, they lost their initiative, they lost their incentive, they were dedicated to a life of ease and the worship of material gains.

I think that is what we are doing in this bill. I think we are softening up the American people to a point where it is almost ridiculous.

If there was such a need for all of these programs, such an urgent and vital need, I simply fail to understand why even now, up to this date, I have yet to receive a communication of any kind either for or against this bill.

This is a bill that involves over $9 billions. Oh, yes, it is labeled a $4.9 billion bill by the majority, but that fails to take into account any of the Government subsidy on public housing. It fails to take into account the $800 million that was added by the House, for the Federal National Mortgage Association, and that is money that has to be borrowed by the Government. It is not there at the present time. It is a budgetary item. It is something that authorized today does not show fiscal responsibility on our part.

Oh, yes, the 40-year mortgage plan as it was in the Senate bill and the 35-year mortgage plan as it was in our bill was compromised so that we have a 35-year mortgage plus 5 years in hardship cases. Who is to decide what is a hardship case? Will there be a director who will analyze it in every case and decide what a hardship case is? Are we going to get this mortgage through the blessing of an administrator, or will the applicant get the mortgage because he is in actual need? I prophesy, as do many others, that with this 35-plus-5 program, which is begging the issue on a 40-year mortgage, this will mark the beginning of a new direct lending program by the Federal Government that will run into hundreds of millions of dollars.

In this bill you have the beginning of an open-space program, a mass-transportation program, public facility loans of $500 million, with $50 million of that earmarked for the mass transportation program. That is just a drop in the bucket to what will be spent. You will recall, in the debate before the House it was stated in the report that was read by the Members of the House that new Federal employees are going to be hired to go throughout the length and breadth of America to sell these programs to the municipalities, to tell them how to come to Washington and get all this money and how they could use it.

Seven billion dollars in community facility loans are floated each year through the private enterprise system and a majority of these loans are for small municipalities. This will mark the end of the private enterprise system as far as the public facility loans are concerned. All will look to Washington for a subsidized loan.

Will the President measure up to his own fine words uttered to the Congress in our recent emergency joint session when he spoke of the vital need for new billions in space and defense programs? As I recall he said to the Congress:

> Refrain from enlarging programs, no matter how desirable they appear to be.

This conference report on the housing bill includes $1,250 million more than requested by him from the Congress. Acceptance of this increase would nullify his own request and stamp approval on reckless spending programs.

I urge defeat of the conference report.

Mr. RAINS. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Speaker, if I may have the attention of the gentleman from Alabama [Mr. RAINS], I would like to direct a couple of questions to him. Do I understand correctly that the $50 million in the mass-transportation section of the bill can be provided only for public facilities and, therefore, for publicly owned public transportation systems?

Mr. RAINS. Only public bodies or agencies are eligible to borrow under the new program. They can, of course, use the loans to buy new equipment, and make this available, under appropriate agreements to mass-transit operators either public or private.

Mr. DERWINSKI. One more question, if the gentleman will permit me.

Mr. RAINS. Will the gentleman allow me to ask him a question?

Being from Chicago, are you for mass transportation or not?

Mr. DERWINSKI. I am glad the gentleman raised the question because one of the problems we have in Chicago is the near collapse of our publicly owned mass transportation system. Whenever we subsidize a municipally owned mass transportation system, we encourage lax operation, and when we take this program adding to the subsidies of publicly owned transportation systems, whether they be subsidized by the city or the State, we find that it further encourages lax administration and those communities that are being served by privately owned transportation systems, that are providing service to their people, are being discriminated against. That is the reason why, in principle, I am opposed to the mass transportation provision.

Mr. RAINS. The gentleman was about to ask me a question?

Mr. DERWINSKI. The other question is in regard to the open space provision. I understand from the gentleman's explanation that the funds are to be provided only in conjunction with urban renewal projects.

Mr. RAINS. Not necessarily. This provision is intended to help towns and cities to acquire land for parks and playgrounds anywhere in the urban area.

Mr. DERWINSKI. I thank the gentleman.

Mr. Speaker, I would like to make this point. First of all, it is not so that in voting against the conference report, we are eliminating the possibility of a housing bill. We all know if we turn down this conference report, another bill could be whipped out of the Committee on Banking and Currency tomorrow. So a vote against the conference report is a vote instructing the House to develop a good, sound, housing program. This is not an up or down issue, so let us not be misled by any charges that by voting against this housing bill at this point, we are defeating it forever.

Mr. Speaker, the other point I would like to make is this. The longer loan period you set up for a mortgagor and the less downpayment you require, the more you are creating the forces in which you actually work against the best interests of the people whom you are supposedly trying to help. For this reason, that a great majority of the funds at the present that are used in the housing field for home purchasing by your constituents and mine come from repayments of existing mortgages, the unnaturally long downpayment provision dries up this return of funds.

Therefore, the longer the term the smaller the payment, the smaller becomes the usual revolving fund, the fewer funds available for mortgages to individual homeowners, and the next thing you know you have a problem of lack of funds for the housing industry which would permanently impede it. The longer the payment period becomes, the slower the supply of funds becomes, and building and homeownership is stifled.

May I also point out again that in debate on this bill emphasis was placed on projects for the big city, the small city, the rural areas. The same distorted arguments are heard today.

Also I would like to point out that during the debate many Members took the floor in support of the open space provision, to create wonderful greenbelts in major cities, create wonderful parklands in suburban areas. Fifty million dollars could not begin to meet the demand for this, the newest of unnecessary handouts. The land would prove to be costly, added competition with Government funds will be disastrous, and with the diminishing supply of land available you will drive up the price and drive up the immediate cost of construction and put more difficulty in the way of developing homeownership. Local communities and counties are requiring land for recreational use. This program is another unnecessary, costly feature of this excessive housing bill.

Again, the bill works against the very purpose it is intended to achieve. I must emphasize that the minority wants a housing bill. We will help you to get a substantial housing bill. We are willing to work within the framework of fiscal responsibility, but we certainly do not believe in this monstrosity both in dollars and in the administrative difficulties it will cause. For the sake of the President, for the sake of your party reputation, for the sake of the public, the taxpayer, I urge you to defeat this conference report, and work with us to write a responsible housing bill.

Mr. RAINS. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Speaker, the gentleman from Alabama has presented a very convincing case. It would be con-

vincing to a lot of us had we not heard also his eloquence many times before. He is a very eloquent and effective speaker.

From two incredibly bad housing bills the House and Senate conferees have produced a substitute embodying most of the worst features in each bill. There were 82 points of difference between the House and the Senate bills. There were 82 opportunities to improve the substitute bill. They were not accepted.

Mr. Speaker, when this bill cleared the House it was high-pressured through, high-pressured under a mandate that it must clear and it must clear quickly. I wondered at the time why, because I had sent for the 1960 census figures on housing to find out if we did have a shortage or a surplus, and so forth; and I got the promise of a hand-delivered report. The report arrived the day after the housing bill was passed. The report does not show an emergency; it does not show a housing shortage.

You say you are for housing, yet this is the largest, most terrific, worst bill that we have ever been offered. It was a shock to a great many people out through the country. We got, as was freely agreed, very little discussion from the grassroots for or against, and it was a surprising thing that such a monstrosity could come up without exciting a lot of objection one way or the other.

Now, however, the mail is coming in and we each have mail wondering how it happened that we passed this housing monstrosity with so little fanfare.

Mr. Speaker, there is in this bill the 40-year loan privilege. It is there by reason of the Commissioner's authority to extend the 35 years. That can be done by regulation, and it can be universally applied.

There are 100,000 new units of public housing in this bill. Do not forget that for a minute.

There is another whole public housing scheme, a scheme whereby public bodies can borrow money at less than the market and create new public housing for middle-income groups.

The other day we were talking about raising the debt limit, and the argument which caused a great many Members to vote in favor of it was that we had already spent the money. Hindsight, of course, is better than foresight.

Mr. Speaker, we have a chance to use a little foresight here. This is a tremendous bill.

If this is voted down, there will be a housing bill and it will be offered within a matter of days. It will have all of the essentials so that we do not have to worry about our not having a housing bill. It will be the right type of bill. It will at least keep some pressure off the budget. For instance, in reference to public facility loans, the President asked for only $50 million. The conference report has $450 million.

After all, Mr. Speaker, I ask you, why do we up the requested need as we did in this and a number of other cases? Here is a chance to redeem ourselves for having passed a very, very bad bill. And we can do it by killing this conference report which is much above and much worse than the House bill we passed. We can by voting "No" kill a bad bill and within a matter of days have an essentially good bill.

Mr. Speaker, I urge a vote of no on this conference report. The substitute abandons all fiscal responsibility, it far exceeds the administration request. I urge a vote of no because this is the worst housing bill I have ever known this House to face, and the conference report is even worse than that.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I rise in support of the conference report on the Housing Act of 1961. In the conference report there is the beginning of a Federal program of aid for mass transportation. We who are members of the subcommittee which heard testimony on this legislation know that this bill contains no more than a mere beginning of a program. Fortunately, this is recognized and the administration has directed a study of the long-range solution to the problem with recommendations to be made to the Congress early next year.

One possible method of Federal assistance for mass transportation which should be considered is a Federal-local matching guarantee program. On March 21, 1961, I introduced H.R. 5761 incorporating such a program as title II of the Williams bill (S. 345) and on April 24, 1961, H.R. 6588 which is solely a matching guarantee program. At the organizational meeting of the Institute for Rapid Transit on June 7, 1961, in Philadelphia, I recommended such a program. Mr. Speaker, under unanimous consent, I include my remarks on that occasion in the RECORD:

A FEDERAL MATCHING GUARANTEE PROGRAM FOR MASS TRANSPORTATION

(Remarks of Hon. WILLIAM S. MOORHEAD)

The basic question which your institute faces can be stated simply—Shall we continue to have cities in the United States of America? Without rapid transit, cities, as we know them, simply cannot grow and flourish. It may be that the future of America lies in a total dispersion of people into small towns across the country. If that is the future, then, instead of talking about rapid transit we should be making plans for the orderly decline of our cities.

However, I do believe that this idea is not only shocking, but unrealistic. I believe that our cities must continue to serve their function of being the economic and cultural centers of our Nation. Throughout history cities have served this function. Civilizations are almost always city based. From Babylon, Athens, and Rome of the ancient world to Venice and Florence of the Renaissance to Paris, London, and New York of the modern world, cities have been the focus of civilizations. The reasons are obvious. It takes a large concentration of people to support art galleries, symphony orchestras, the opera, and the theater. There are economic reasons, too. In our complex economy a particular business transaction may well require the bringing together of businessmen, bankers, investment bankers, lawyers, accountants, engineers, and persons of other specialties. Only in a city can such a group be readily and conveniently brought together. America needs and will continue to need its great cities.

Yet, despite this need, our cities are declining. My city of Pittsburgh is a perfect case history of the reasons why cities decline. After the devastating flood of 1936, Pittsburgh was a dying city. The advent of World War II concealed this fact from most people. A few farsighted public and private leaders recognized the problem and took action.

Flood control was first because upon it depended the very existence of the city. Smoke control was next because, without it, few people would choose to live and work in the city. Our third problem was urban blight and slums. Through the process of urban renewal we have the means of solving this problem. We have now come face to face with our fourth major problem—traffic strangulation. The city which we have saved from drowning by floods, made livable through smoke control, and attractive and economically sound through urban renewal may yet strangle to death because of traffic congestion. Pittsburgh like most of our large cities grew in the late 19th and early 20th centuries in the period affectionately referred to as the "horse and buggy" days. A half century ago when Pittsburgh was growing, the automobile was "little more than a gleam in the eyes of a small group of automotive inventors and entrepreneurs. Today, the gleam has become the glaring headlights of more than 68 million registered motor vehicles. By 1975, it is estimated that there will be more than 100 million cars cruising—and, alas, stuck in traffic—on the highways and byways of the Nation." [1]

What progress has been made in our cities since the horse and buggy days? In April of this year, the New York Times reported that, because of traffic congestion, during most of the day, it takes a motorist behind a 300-horsepower engine longer to cross Manhattan Island in midtown than it took a horse and wagon a hundred years ago. Mr. James Gaynor, New York State housing commissioner, recently said: "The trip from the Newark Airport to the center of Manhattan, a distance of 13.5 miles, can be made by public transportation at the rush hour in 1 hour and 30 minutes. * * * A hundred years ago a horse and buggy could travel the same distance in 1 hour and 17 minutes, or just a little faster. So much for progress."

I think that people are beginning to become aware of the problem and to agree that something must be done about it. There is not much agreement as to what the solution should be. There is not even agreement as to whether the Federal Government should participate in the solution of the problem. Mr. Louis E. Keefer, study director of the Pittsburgh area transportation study, has submitted to me a memorandum in which it is said: "What appears to be needed is more investigation of what makes people ride or not ride transit, means of encouraging transit usage, study of physical improvements to transit vehicles and networks, evaluation of dollar costs and benefits and intangibles between auto and transit. Maybe no means of transit can compete with the auto. Planners who shudder at the number of cars may just have to learn to live with it. Maybe the proportion of street area to total land in Los Angeles is the proper proportion for the last half of the 20th century in the U.S.A. If it isn't, encouragement of transit by deficit financing may not be the best, most economical, or most practical answer."

What can the Institute for Rapid Transit do to help solve these problems?

You are the experts in moving people into and out of cities. You know better than anyone else the job that needs to be done.

Knowing this, you are in a position to decide for yourselves as to whether there is a need for the Federal Government to assist in the solution of the problems.

If you decide that there is a function for the Federal Government in the field of rapid transit, then you should become familiar

[1] Metropolis; Ford Foundation, September 1959.

with the thinking of the people in Washington who are concerned about the problem. In this way you are in a position to influence the decisions that will be made.

Some of you may be shocked by the word "influence." Let me assure you that I mean "influence" only in the best and most honorable way. You have information and expert knowledge in the field of rapid transit. If you make that information and knowledge available to interested Members of Congress and to interested officials in the administration you will be rendering a service to your country. You will have helped the Congress and the Executive to make better and sounder decisions.

At this, your organizational meeting, you have invited a Congressman who is interested in the problem of rapid transit.

I would like to share with you my thinking and my understanding of others' thinking in this field.

The first question I or another Congressman must face is: Should the Federal Government participate in helping to solve the problem?

Because of the Federal highway program, it seems to me that the Federal Government has a very legitimate dollars-and-cents interest in mass transportation. Without mass transportation it is obvious that our very expensive highway program must be increased many, many times. What are the comparative costs of highways and mass transit? It is generally agreed that one lane of rapid transit can carry as many people in one direction as 21 lanes of expressways. In Atlanta, Ga., it was estimated that a mile of rapid transit could be built at a cost of $3.5 million per mile, whereas the cost of expressways with approximately the same capacity for moving people would cost about $42 million per mile. In other words, expressways cost 12 times as much as rapid transit. In February of this year, the Christian Science Monitor reported that it costs each taxpayer from 9 to 17 times as much to pay for auto expressways to move people in and out of town as it does to pay for a fine rapid transit system to move the same number of people.

Added to this staggering expense is the tremendous loss to the cities which results when taxable land is eaten up by expressways and downtown garages. Sixty-eight percent of the downtown Los Angeles land area is already consumed for street and parking use. The mayor of Cleveland has said that a 3½-mile freeway which cost $75 million took $30 million worth of property off the city tax rolls. Because mass transit does not require large land area, the potential saving to the Federal and local taxpayer from encouraging mass transit is tremendous.

I think it is fair, therefore, to say that the Federal Government does properly have a role in helping to solve these problems. But what should this role be?

I think that nearly everybody is agreed that the Federal Government can participate in planning grants and pilot projects. The real dispute begins over whether and how the Federal Government can assist in the big job of financing mass transportation.

All of you are, of course, familiar with S. 345, introduced by Senator HARRISON A. WILLIAMS, JR., of New Jersey, which was reported by the Senate Banking and Currency Committee as part of the housing bill of 1961. The Williams bill proposed a direct Federal loan program of $250 million. It is my opinion that this type of program, standing alone, can never do the job. Two hundred and fifty million dollars is a lot of money, but not when it is compared to the staggering amounts needed for adequate mass transportation in the United States. The estimated cost of the proposed Los Angeles project is $529 million. The estimated cost of the more expensive San Francisco Bay area proposal is over $1 billion. When you consider the fact that the Bureau of the Census now recognizes some 216 metropolitan areas in our country and that the cost in one area alone is $1 billion, it becomes clear that $250 million provided in S. 345 is totally inadequate. Furthermore, I believe that it will be politically impossible to get through Congress a direct loan program of sufficient size to do the job.

I have been talking with officials in the administration who are interested in the field of mass transportation. There is some sentiment toward a program of grants. I have given that suggestion some thought, and frankly, I do not see any reasonable method of developing a grant program. For example, take Los Angeles and San Francisco. The Los Angeles proposal costs one-half that of San Francisco. Should a Federal grant program give twice as much to San Francisco, which has fewer people, as it gives to Los Angeles? Should this be attempted, I am sure that there would be political howling on Capitol Hill. I hope that you gentlemen have some suggestions which you can give me for a workable grant program. Until such a program is developed and even afterward, I believe that we shall have to look to other devices to finance mass transportation.

While all of you are familiar with S. 345, you may not be familiar with legislation which I have introduced in this field. I have proposed a Federal matching loan guarantee program. How would this program work? I proposed that the Federal Government should join with local governing bodies in a guarantee program under which the Federal Government would agree to pay an amount sufficient to cover one-half of the cost of servicing the debt of local transit authorities and that the local government or governments agree to pay the other one-half of the debt service cost.

How would my legislation work in practice? Let us assume that the Port Authority of Allegheny County determined to issue bonds to acquire all the mass transportation facilities needed to serve the Greater Pittsburgh area. The local governments involved—that is, the city of Pittsburgh, Allegheny County, and other communities involved—would enter into a cooperative agreement guaranteeing the payment of one-half of the principal and interest of the bonds of the Port Authority of Allegheny County. The Housing and Home Finance Administration would similarly agree to pay one-half of the debt service cost. Such bonds backed by such guarantees should be attractive to investors and presumably would sell at rather low interest rates, thus making it possible, in most instances, for the local transit authorities to service the debt from operating revenues without making a call on the local and Federal Government under the guarantee contract. The operators of the local transit system, who would be appointed by the local governments, would be under considerable pressure to operate the system efficiently and keep fares high enough because the alternative would mean raising funds from local taxpayers.

Let us suppose, however, that in a given year the debt service cost of a local transit authority was $100,000, and the net revenue for that year was only $60,000. If there were no accumulated funds from previous years, the transit authorities would call upon the local governments for a contribution of $20,000 and on the Federal Government for a contribution of $20,000.

The virtue of this system would be that the interests of the Federal Government would be protected by the interests of the local taxpayers. This proposal would be in accordance with the recommendations of Mr. James M. Landis to the President in which he called for:

"The achievement of a program for the amelioration of interurban public transportation, including the establishment of metropolitan transit commissions with Federal aid in the form of matching guaranteed loans for the acquisition and improvement of facilities and equipment under sound engineering, operating, and financing plans."

The idea of local government guarantees of transit authority obligations is not new. On March 21, the New York City Transit Authority announced that it would like to borrow $200 million to buy 1,800 subway cars. This amounts to less than one-third of the subway cars operating in New York City alone and yet the amount of money involved is four-fifths of the total amount provided for direct loans in S. 345. It was proposed that the New York City Transit Authority bonds would be guaranteed by the city of New York so as to make these bonds marketable. Under my bill the New York City Transit Authority could ask the Federal Government to join with the city of New York in guaranteeing these bonds on a matching basis. This would make bonds even more attractive to investors and would presumably mean a lower interest rate.

The idea of a matching guarantee program is, in my opinion, politically marketable. The amount which the Federal Government could be called upon to contribute in any 1 year would not have to be large to do the job. Furthermore, it could be pointed out that it is not contemplated that Federal Government would be required to pay anything.

On the other hand, the program would have the necessary flexibility. If a particular community wanted to encourage the use of mass transportation facilities by reducing fares, thus reducing the cost of highway construction, it could do so at the cost of absorbing up to one-half of the debt service cost and the Federal Government, which would be saving on the cost of the highway program, would contribute the other one-half.

It may very well be that the direct loan program should be combined with the Federal matching guarantee program. Smaller programs in smaller cities might better be financed under the direct loan program. Cities with private mass transportation companies would probably be better off under the direct loan program. However, for the large metropolitan areas with public transportation systems, I believe that some form of a Federal matching guarantee program is the best, if not the only, solution.

Mr. ADDONIZIO. Mr. Speaker, I commend the Members of the conference committee on the excellent housing measure that is now before the House. This legislation will enable us to attack the full range of our problems in housing and urban affairs. As a sponsor of the "Urban Mass Transportation Act of 1961," I am particularly gratified at the conferees' agreement on the mass transportation program which will permit us to make a start on this urgent problem. This is recognition of the fact that the Federal Government has a definite responsibility to assist in solving the transportation problems now facing our metropolitan areas.

Continued growth of our economy depends upon adequate transportation in our centers of population, which are also centers of production, accounting for 65 percent to 70 percent of the total national income. Adequate transportation is the most important single factor in determining the nature of the future urban regions.

The problems of transportation in the metropolitan areas, like the housing and health, redevelopment and renewal, and others of similar nature, have become national problems and our only hope for

a workable solution to the threatened strangulation of our most populous areas is by cooperation of the Federal Government and coordination of all efforts to that end.

Though the conference has provided only a small beginning in the discharge of the Federal obligation, I am confident this will lead to the enactment of adequate permanent legislation in the future. In this connection, I was pleased to receive an endorsement of the Urban Mass Transportation Act from the Municipal Council of the City of Newark, N.J. The resolution, adopted at the council's regular meeting on June 21, reads as follows:

RESOLUTION ENDORSING SENATE 345, SPONSORED BY THE SENATOR FROM NEW JERSEY, THE HONORABLE HARRISON A. WILLIAMS, JR.

Whereas Hon. HARRISON A. WILLIAMS, JR., U.S. Senator representing the sovereign State of New Jersey, has sponsored S. 345; and

Whereas the bill would authorize the Administrator of the Housing and Home Finance Agency to assist State and local governments and their public instrumentalities in planning and providing for necessary community facilities to preserve and improve essential mass transportation services in urban and metropolitan areas; and

Whereas the need for such legislation is great and necessary: Now, therefore, be it

Resolved, That the Municipal Council of the City of Newark, N.J., herewith desires to go on record as strongly endorsing this bill; and be it further

Resolved, That copies of this resolution be sent forthwith to the members of the Banking and Currency Committees of the U.S. Senate and the U.S. House of Representatives, and to the individual Members of the Congress representing the State of New Jersey.

Mr. DANIELS. Mr. Speaker, I wish to express my complete support for the final report which has just been filed by the conferees on the housing bill.

I have already indicated my support for the measure which passed the House, which in my view was perhaps the most adequate and realistic housing measure which we have ever approved. I want to add at this time my extreme gratification at the action of the conferees in including a mass transportation program in the final bill.

This program is a major victory for our hard-pressed cities. Although it does not pretend to offer a complete solution—it authorizes only $75 million—it nevertheless is an important step in the right direction. This is the first time the Federal Government has recognized that it has a stake in the solution of the transportation difficulties which beset our cities. What must be realized is that the very future of our urban areas depends on a reasonable solution to this problem.

As a Congressman from northern New Jersey, I am well aware of the hardships which outdated and inadequate transportation facilities can cause. This bill provides some hope to the beleaguered commuter, in that Washington at least sympathizes with his plight and is willing to put forth some financial assistance.

Mr. RAINS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. McDONOUGH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 229, nays 176, not voting 32, as follows:

[Roll No. 106]

YEAS—229

Addabbo	Green, Pa.	Nix
Addonizio	Griffiths	Norblad
Albert	Hagan, Ga.	O'Brien, Ill.
Andrews	Hagen, Calif.	O'Hara, Ill.
Anfuso	Halpern	O'Hara, Mich.
Ashley	Hansen	O'Konski
Aspinall	Harding	Olsen
Bailey	Hardy	O'Neill
Baring	Harris	Patman
Barrett	Harsha	Perkins
Barry	Hays	Peterson
Bass, Tenn.	Healey	Pfost
Beckworth	Hébert	Philbin
Bennett, Fla.	Hechler	Poage
Bennett, Mich.	Hemphill	Powell
Blatnik	Henderson	Price
Blitch	Holifield	Pucinski
Boggs	Holland	Rabaut
Boland	Holtzman	Rains
Bolling	Huddleston	Randall
Bonner	Ichord, Mo.	Reuss
Boykin	Ikard, Tex.	Rhodes, Pa.
Brademas	Jarman	Riehlman
Brewster	Jennings	Rivers, Alaska
Brooks, Tex.	Joelson	Rodino
Burke, Ky.	Johnson, Calif.	Rogers, Colo.
Burke, Mass.	Johnson, Md.	Rooney
Byrne, Pa.	Johnson, Wis.	Roosevelt
Cahill	Jones, Ala.	Rostenkowski
Carey	Karsten	Roush
Celler	Karth	Rutherford
Chelf	Kastenmeier	Ryan
Clark	Kearns	St. Germain
Coad	Kee	Santangelo
Cohelan	Kelly	Saund
Cook	Keogh	Saylor
Cooley	Kilday	Scranton
Corbett	King, Calif.	Seely-Brown
Corman	King, Utah	Selden
Curtis, Mass.	Kirwan	Shelley
Daddario	Kluczynski	Sheppard
Daniels	Kornegay	Shipley
Davis, John W.	Kowalski	Sikes
Dawson	Lane	Sisk
Delaney	Lankford	Slack
Dent	Lesinski	Smith, Iowa
Denton	Lindsay	Smith, Miss.
Diggs	Loser	Spence
Dingell	McCormack	Staggers
Donohue	McDowell	Steed
Dooley	McFall	Stephens
Downing	Macdonald	Stratton
Doyle	Machrowicz	Stubblefield
Dulski	Mack	Sullivan
Dwyer	Madden	Taylor
Edmondson	Magnuson	Thomas
Elliott	Marshall	Thompson, La.
Ellsworth	Matthews	Thompson, N.J.
Everett	Merrow	Thompson, Tex.
Evins	Miller, Clem.	Thornberry
Fallon	Miller, George P.	Toll
Farbstein	Mills	Trimble
Fascell	Monagan	Udall
Feighan	Montoya	Ullman
Finnegan	Moore	Vanik
Fino	Moorehead, Ohio	Van Zandt
Flood	Moorhead, Pa.	Wallhauser
Fountain	Morgan	Watts
Frazier	Morris	Whalley
Friedel	Morrison	Whitener
Fulton	Moss	Wickersham
Gallagher	Moulder	Willis
Garmatz	Multer	Wright
Giaimo	Murphy	Yates
Gilbert	Natcher	Young
Granahan	Nix	Zablocki
Gray	Norblad	Zelenko

NAYS—176

Abbitt	Avery	Bow
Abernethy	Ayres	Bray
Adair	Baldwin	Breeding
Alexander	Bass, N.H.	Bromwell
Alford	Bates	Broomfield
Alger	Battin	Brown
Andersen, Minn.	Becker	Broyhill
Anderson, Ill.	Beermann	Bruce
Arends	Bell	Burleson
Ashbrook	Berry	Byrnes, Wis.
Ashmore	Betts	Casey
	Bolton	Cederberg
Chamberlain	Jensen	Pillion
Chenoweth	Johansen	Pirnie
Chiperfield	Jonas	Poff
Church	Jones, Mo.	Quie
Clancy	Judd	Ray
Collier	Keith	Reece
Conte	Kilburn	Rhodes, Ariz.
Cramer	Kilgore	Riley
Cunningham	King, N.Y.	Rivers, S.C.
Curtin	Kitchin	Robison
Curtis, Mo.	Knox	Rogers, Fla.
Dague	Kunkel	Rogers, Tex.
Derounian	Laird	Roudebush
Derwinski	Langen	Rousselot
Devine	Latta	St. George
Dole	Lennon	Schadeberg
Dominick	Lipscomb	Schenck
Dorn	McCulloch	Scherer
Dowdy	McDonough	Schneebeli
Durno	McIntire	Schweiker
Fenton	McMillan	Schwengel
Findley	McSween	Scott
Fisher	McVey	Short
Ford	MacGregor	Shriver
Forrester	Mahon	Sibal
Frelinghuysen	Mailliard	Siler
Garland	Martin, Mass.	Smith, Calif.
Gary	Martin, Nebr.	Smith, Va.
Gathings	Mathias	Stafford
Glenn	May	Taber
Goodell	Meader	Teague, Calif.
Goodling	Michel	Teague, Tex.
Griffin	Miller, N.Y.	Thomson, Wis.
Gross	Milliken	Tollefson
Gubser	Minshall	Tuck
Haley	Moeller	Tupper
Hall	Morse	Utt
Harrison, Va.	Mosher	Weaver
Harrison, Wyo.	Murray	Weis
Harvey, Ind.	Nelsen	Westland
Harvey, Mich.	Norrell	Wharton
Hiestand	Nygaard	Whitten
Hoeven	Osmers	Widnall
Hoffman, Ill.	Ostertag	Williams
Hoffman, Mich.	Passman	Wilson, Ind.
Horan	Pelly	Winstead
Hull	Pike	Younger

NOT VOTING—32

Auchincloss	Fogarty	Mason
Baker	Gavin	O'Brien, N.Y.
Belcher	Grant	Pilcher
Brooks, La.	Green, Oreg.	Reifel
Buckley	Halleck	Roberts
Cannon	Herlong	Springer
Colmer	Hosmer	Van Pelt
Davis, James C.	Inouye	Vinson
Davis, Tenn.	Kyl	Walter
Flynt	Landrum	Wilson, Calif.
	Libonati	

So the conference report was agreed to.

The Clerk announced the following pairs.

On this vote:

Mr. Buckley for, with Mr. Herlong against.

Mr. Fogarty for, with Mr. Brooks of Louisiana against.

Mr. Roberts for, with Mr. Colmer against.

Mr. Inouye for, with Mr. James C. Davis against.

Mr. Pilcher for, with Mr. Auchincloss against.

Mr. O'Brien of New York for, with Mr. Halleck against.

Mrs. Green of Oregon for, with Mr. Reifel against.

Mr. Libonati for, with Mr. Kyl against.

Mr. Davis of Tennessee for, with Mr. Hosmer against.

Mr. Walter for, with Mr. Wilson of California against.

Until further notice:

Mr. Flynt with Mr. Springer.

Mr. Grant with Mr. Van Pelt.

Mr. Landrum with Mr. Gavin.

Mr. Vinson with Mr. Belcher.

Mr. Cannon with Mr. Baker.

Mr. DAGUE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CORRECTION OF BILL

Mr. RAINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 30.

The Clerk read the resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is authorized and directed, in the enrollment of the bill (S. 1922) to assist in the provision of housing for moderate and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, to make the following correction:

In section 605(c) of the bill strike out "is approved" and insert in lieu thereof "is not approved".

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Speaker, Senate Concurrent Resolution 30 makes a purely technical amendment to the conference report, in order to supply a word which was inadvertently omitted in the preparation of the report and which is necessary in order to carry out the agreement of the conference.

In the compromise which was agreed upon by the conferees, the maturity of mortgages on new housing under FHA's regular residential home mortgage program was limited to 35 years, and the maturity of mortgages on existing housing under such program was limited to 30 years. By the inadvertent omission of the word "not" in the preparation of the conference report, these provisions would be reversed. The amendment made by Senate Concurrent Resolution 30 would simply insert the missing word so as to carry out the agreement of the conference.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

GENERAL LEAVE TO EXTEND ON HOUSING BILL CONFERENCE REPORT

Mr. RAINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the housing bill conference report and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

ONE HUNDRED AND SEVENTY-FIFTH ANNIVERSARY OF U.S. CONSTITUTION

The SPEAKER. Under the previous order of the House the gentleman from Pennsylvania [Mr. BYRNE] is recognized for 10 minutes.

Mr. BYRNE of Pennsylvania. Mr. Speaker, under the provisions of Public Law 86–650, as amended by Public Law 86–788 and Public Law 87–32, there has been created the U.S. Constitution 175th Anniversary Commission, and as Chairman of that Commission I presented to the Congress, on yesterday, the report required by law.

Elaborate plans are being formulated for a most impressive celebration of this important anniversary, in which it is proposed that every citizen of our country will participate in some way.

One Nation under God—Forever. That is my prayer. I believe it should be the prayer of everyone proud to boast of American citizenship.

It would be presumptuous to try to tell you that the United States today—indeed in this very hour—faces grave, dangerous, and unfriendly forces. The facts are obvious, and while the potential enemy is alert and ready to strike, we, as a people, appear indifferent—unwilling to admit the truth, oblivious to impending catastrophe, and overconfident that no enemy will dare attempt to destroy our complacency, shatter our tranquillity, intrude upon our comforts, devastate our wealth, penetrate our inviolability. America must awaken.

Americans must shake off their lethargy and come alive, alert, and avowed to maintain not merely our liberties but determined to spread freedom and independence into every corner of the world where human beings yearn for liberty, equality, and a right to the pursuit of happiness.

The United States—this, our beloved land—our Nation, bequeathed to us by the brave men and women who lived through blood-red years of our Revolutionary War, is obligated to extend a helping hand to the victims of tyranny in far-off lands who wish and dream, and fight and cry—some to die—that the yoke of political enslavement be lifted from weary shoulders so they may see the dawn of a new life, a free life—that they might bequeath such priceless treasures to their children and their children's children.

It is a solemn duty that is imposed upon us, who live in freedom, that priceless gift of great price that is symbolized in the Constitution of these United States—that is, indeed, guaranteed to all citizens of our country by this basic law of the land, the Constitution and its Bill of Rights, together with 12 additional amendments, only 1 of which has since been repealed.

Why, it may be asked, should we pause in these troublesome days to celebrate the framing and the adoption of the Constitution?

The answer is because with the sole exception of the Mosaic laws, handed from on high, by Almighty God, it is the greatest set of basic laws ever fashioned for the guidance and the protection of mankind. Neither the Magna Carta nor any other set of laws, written or unwritten, can compare with our great charter, a charter fabricated of blood and sweat; yes, and of tears; which through the 175 years of its history has made this Nation great, strong, and prosperous, and given us citizens who, time after time, have proven to be brave, charitable, industrious, just, modest, unafraid, unselfish, vigorous, and virtuous—as freemen are meant to be.

That, Mr. Speaker, is why the birthday of the U.S. Constitution should and, in these parlous hours, must be celebrated.

Birthdays are fun to celebrate, but the purpose of this celebration is more than one of having fun. We are living in times of wars and threats of wars, both hot and cold. The security and the welfare of our beloved country is endangered.

Mr. Speaker, a little more than a year ago when I addressed the House on the occasion of calling up my original joint resolution under an order of suspension of the rules, I said:

It is my hope that this constitutional celebration would reach into every nook and corner of this vast country—into our homes, our factories, our schools, and churches; into every business, civic, religious, social, and political group in the land; into the heart and mind of every citizen, of every man, woman and child; into every governmental agency—local, State, and National—that all may be induced to pay fitting homage to this charter of freedom.

In the ensuing months I have had no occasion to change my mind to the contrary.

While it is not my purpose to enter upon any extensive exhortation on behalf of this celebration, I do beg your indulgence long enough to explain, to some extent, how I envision the nature of a fitting tribute in honor of the Constitution.

The task of initiating and developing activities for a fitting observance might, for the sake of convenience, be broken down into at least seven—or perhaps nine—categories, as follows: "Education," "Historical," "Administration," "Public Relations," "Publications," "Organized Groups," "Special Activities."

The "educational" activities should embrace schools and libraries; cooperation with national educational authorities such as the U.S. Office of Education, National Education Association, the Library of Congress; contacts with colleges, high schools, and grade schools, and school libraries, school administrators, State and territorial departments of education; county and State superintendents; school principals and teachers; superintendents of State training schools and Indian schools; State supervisors of adult education, special schools for the blind and the deaf; superintendents of private and parochial schools and all the institutions of higher learning; State education journals, parent-teacher organizations, organized youth educational groups such as the Boy Scouts and Girl Scouts, Junior Red Cross, 4–H clubs; library institutions and agencies, both public and private; as well as the various bar associations.

The "historical" activities, including the service of an outstanding historian, would include the writing and editing of historical publications of the Commission and the assistance on historical subjects of other departments of the Commission. The work would entail research, documentations, addresses, editorial work, answering historical inquiries and contact with historical bodies, archives, historical and genealogical societies.

In the "administration" department there would be a general office manager and the divisions of personnel, accounts, correspondence files, service, purchases, mailroom, mimeographing, and messenger service.

The "public relations" operation would serve primarily as an information service, the collection and dissemination of news and pictures relating to the framing and establishment of the Constitution. This will include service to newspapers, radio and television stations and press assistance to speakers, as well as help to motion picture producers and the newsreel agencies.

This division would service newspapers, magazines, information sheets, editorial contacts, syndicates, news services, foreign language press, addressograph lists, the editing of office publications, information service, clipping bureau, radio and TV presentations—including the preparation of talks, arranging broadcasting schedules, setting up feature presentations, short talks on the Constitution, and motion picture newsreel publicity shots; selection, collection and distribution of pictures and art drawings for facsimiles, calendars, cards, menus and posters. Finally, it would make all contacts with organizations, cooperating agencies, writers, editors, publishers, editorial associations, advertising agencies, club, school, college and industrial publications.

"Publications" would prepare a report on the general plans of the Commission; a pamphlet on the plans for the celebrations throughout the country; direct the publishing of the main historical volumes containing the documentary history of the Constitution, the formation of the Union, Madison's notes and additional appropriate historical material for libraries, such as source material on the Constitution, chronology of the Constitution, biographies of the delegates and signers, questions and answers on the Constitution, outlines of a Constitution study course, handbook of the Constitution appreciation course, contest pamphlets, declamatory selections, winning essays and orations; tree-planting booklet, plays and pageants, together with a costume book, and selection of appropriate music for plays and pageants; patriotic song contest; braille publication, pilgrimage certificates, posters and pictures, flag chart, poem by outstanding poet; information sheets; sermons on the Constitution, final report of the Commission.

"Organized groups" would be in constant touch with and give every help to State commissions, State historical associations, city and town committees; varied groups of men and women; with groups in such fields as business, industry, banking, agriculture, churches, civic, fraternal, labor law—all the Bar Associations; patriotic, religious and all other special group activities.

"Special activities" would be charged with Constitution postage stamps, enlisting cooperation of Post Office authorities for issuance; selection of pictures for stamps—sale of the stamps can help finance celebration costs—description of stamps; issuance of special cachets throughout the United States; reproduction of shrine containing the original Constitution and Declaration of Independence; preparation and distribution of tokens and mementos; program of ceremonies of unveiling; Constitution commemorative medal and the Medal Advisory Commission, as well as medal design; official and badge medals and the preparation and issuance of official credentials, including auto stickers; Constitution film; braille service for the blind; plays, pageants and music; preparation and distribution of suitable plays and pageants relating to formation, adoption, signing and ratification of the Constitution; collection and distribution of original music, poems, patriotic songs; participation of education, business and civic groups from cities, towns, and insular possessions in overall national demonstrations; participation of military units; preparation of Constitution posters, banners, buttons, souvenirs of every type; pilgrimages to the National Capitol, Philadelphia, New York—where the first Congress under the Constitution sat—art exhibitions; activities to draw 1964 national conventions to Washington-Philadelphia.

The type and nature of the celebrations in each of the Thirteen Original States and each of the remaining 37 States and Puerto Rico would, obviously, be finalized only upon consultation with the Governors and the commissioners of the several States, all of whom would be given suggested plans regarding all public demonstrations, plays, pageants, and contests in the areas of essays, orations, arts, music, and patriotic songs.

In conclusion, Mr. Speaker, it is clear that the plans for the 175th anniversary of the Constitution are all-embracing and of such a nature as to be stimulating to our people. We wish to emphasize the fact that the Constitution is not a mere "scrap of paper" nor a mere set of laws but, in very truth, a living and vital reality which, in a very real sense, is the dominating force in our American way of life. It is the great protector of our freedom and independence; the inflexible guardian of our inherent rights as it proclaims in its imperishable preamble:

> We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

Mr. Speaker, there is no greater argument for giving honor to this immortal document than we find, there, in that preamble and it is our hope and prayer that all our people will come to know it better, love it more, and that it will be cherished in American hearts forever.

COMMITTEE SESSION DURING GENERAL DEBATE TOMORROW

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that the Special House Committee on Investigations be allowed to sit during general debate tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SUGAR QUOTA OF THE PHILIPPINES

The SPEAKER. Under the previous order of the House the gentleman from California [Mr. GEORGE P. MILLER] is recognized for 5 minutes.

Mr. GEORGE P. MILLER. Mr. Speaker, a few weeks ago I had the pleasure of calling to the attention of this House the fact that a nation closely allied to the United States had paid its more than $20 million obligation to us. The Philippines has shown by its deeds that it is an honorable nation and I made it a point to try and focus attention to its meeting its obligation in full and on time for exemplary purposes. It is a laudable example many other nations can profit by.

I rise today, Mr. Speaker, for another purpose. It is to call attention to what I believe is the failure of our Government—to be specific, of two executive agencies of our Government—to carry out a provision of law that this Congress has approved to help a true friend and loyal ally, the Philippines.

The Congress passed U.S. Public Law 86–592 making it mandatory that the Philippines shall be given 15 percent of all nonquota sugar purchased by the United States. The Filipino people took us at our word. But when on June 1, 1961, the Department of Agriculture, with the concurrence of the State Department, announced the allocation, the Philippines was entirely eliminated from participation in the allocation. What should have been allocated to the Philippines was given instead to India and Brazil.

The Department of Agriculture claims that the Philippines is unable to deliver the quota to the United States. The Philippine Ambassador to the United States, Gen. Carlos P. Romulo, a true Filipino patriot whose friendship for the United States is known by all of us, in a strong note of protest to the Secretary of State which was published in the press, said:

> I am at a loss to understand this action by the Department of Agriculture, in view of the fact that in a previous communication with the Secretary of Agriculture I had stressed the fact that the Philippines will be able to meet any additional nonquota purchase from the Philippines to the extent of from 450,000 to 500,000 short tons for the calendar year 1961. In my conversation with the Honorable Walter P. McConnaughy, Assistant Secretary of State for Far Eastern Affairs, on May 10, 1961, and in my note of May 24, 1961, to the Secretary of State, I also indicated that the Philippines is in a position to meet any additional nonquota purchases from the Philippines and is anxious to participate more extensively in the U.S. sugar market.

It is not known on what basis the Department of Agriculture made its estimate to come to the conclusion that the Philippines cannot deliver its quota to the United States. The Manila press, in clippings received in Washington, stated

that the American Ambassador in Manila declared that the figures supposed to have been furnished the Department of Agriculture are erroneous. General Romulo, in his note of protest, regrets that no effort was made to get the views of the Philippine Government to verify the figures furnished by an unknown source to the Department of Agriculture, and he says:

Moreover, it has been the practice in the past not to declare any deficits in the quotas of countries concerned without either consultation with the countries affected or advice by such countries that they could not fill their quotas. In the instant case, the Philippines was not consulted nor given the opportunity to be heard as to its ability or inability to fill its quota entitlement.

In other words, Mr. Speaker, action was taken against the Philippines, a country that has been most honorable in its dealings with us, without due process of law.

The Scripps-Howard newspapers have given this action of the Department of Agriculture and the State Department an interpretation that I commend to the attention of the Members of this House. In an article in the New York World-Telegram of Friday, June 16, in its editorial page, the following was given prominence and I ask for unanimous consent to include it in my remarks:

SUGAR DEAL SOURS FILIPINOS—UNITED STATES WOOS INDIA, SPURNS LOYAL ALLY

(By Oland D. Russell)

WASHINGTON, June 16.—New Frontiersmen in the State Department apparently are making a strong play for the friendship of India at the serious risk of giving offense to our longtime friend and ally—the Philippines.

That is the conclusion which can be drawn from a recent high-level decision to bring India, for the first time, into the official circle of U.S. sugar suppliers to help make up for sugar that used to come from Cuba.

Sixteen nations were cut in on the deal for the extra 1,009,120 tons now being allocated. Of this amount, India's share was fixed at 225,000 tons. Brazil, whose Government has at times shown signs of getting chummy with Castro, had its share upped by 225,000 tons to a total quota of 336,474 tons.

But the Philippines, which has close ties with the United States and is one of the world's big sugar suppliers, was shunted aside with no extra share whatever—this despite a provision in the Sugar Act of 1948 specifying that the Philippines was entitled to 15 percent of the balance after five small-quota countries had got their allocations.

While the decision was made by the Agriculture Department, concurrence of the State Department was necessary and there were indications that international politics had more to do with it than mere technicalities. Especially noted is the new push to "be nice to Nehru."

Official excuse for excluding the Philippines was that this sugar-growing country could not deliver its possible allocation to the United States.

Vigorously protesting the action, the Philippine Ambassador, Gen. Carlos P. Romulo, in a note to the State Department last week, said:

"I am at a loss to understand this action, in view of the fact that in a previous communication with the Secretary of Agriculture, I had stressed the fact that the Philippines will be able to meet any additional nonquota purchases from the Philippines to the extent of 450,000 to 500,000 tons for the calendar year of 1961."

What irritates Manila further is that its Government was not consulted nor given any opportunity to be heard as to its ability or inability to supply the sugar.

Ambassador Romulo emphatically called attention to this unilateral decision in his protest. The Ambassador's note continued:

"This exclusion is particularly painful and surprising in view of the expansion of cane areas and the heavy expense which the Philippine sugar industry has already undertaken in reliance upon the 15-percent 'nonquota' allocations allotted to it under the present Sugar Act.

"Following immediately after the good-will trip of Vice President JOHNSON to the Philippines, it is difficult for the Filipino people to understand it."

This action involving the Philippines is expected to bring criticism in Congress. As one qualified observer pointed out:

There's nothing wrong with trying to foster closer relations with both India and Brazil. But how can you convince such uncommitted countries that they should be our friends when they plainly see you are trying to win them at the expense of old friends—tried and true allies like the Philippines?

Mr. Speaker, my only interest in this matter is that of an American who feels we must deal honorably and fairly with all nations, especially with those who are honorable and fair in their dealings with us. The Filipinos do not only pay their debt to us—and they had to borrow money not to use for their needs but for our common fight against communism—and their loyalty to democracy and freedom is indeed a shining light in Asia. Subjected to the pressures of communism and neutralism, they have remained steadfast friends of ours. Is this the way the United States will reward its true and tried friends like the Filipinos? Is this the way we want to win the neutral nations to our side?

Something must be done, Mr. Speaker, to repair this damage done our prestige in the eyes of the world, and it is for this reason that I asked for the privilege of the floor today.

THE JOHN CARROLL UNIVERSITY OF CLEVELAND, OHIO

Mr. MINSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MINSHALL. Mr. Speaker, today I am introducing a resolution calling for congratulations by the House of Representatives to John Carroll University, which has served Greater Cleveland and the Nation by training men and women of all faiths since 1886. I am fortunate that this outstanding college is located in University Heights, in Ohio's 23d Congressional District.

Now northern Ohio's largest liberal-arts college, it is operated by the Society of Jesus—the Jesuits. Its alumni list is notable, and as a private school it serves the public.

Founded under the name of St. Ignatius College in 1886, it was incorporated under Ohio law and empowered to confer all academic and professional degrees. The name Cleveland University was adopted early in 1923 but later that same year was changed to John Carroll University in honor of Archbishop John Carroll.

In September 1935, the university was moved from its original site on the West Side of Cleveland to its present campus on the eastern fringe of Metropolitan Cleveland. The main approach is from the intersection of Fairmount Boulevard and Warrensville Center Road, but Grasselli Tower of the administration building is an identifying landmark visible from any direction.

The library contains over 100,000 volumes for general use by students and faculty. Here also is the Robert Bayer collection of G. K. Chesterton first editions and manuscripts. This collection gives John Carroll University what many authorities consider the finest Chesterton Library in the world.

The university educates 2,000 young men in the college of arts and sciences and in the school of business; 1,600 men and women are enrolled in the evening college; the graduate school has 400 students, the majority of whom are elementary and high school teachers taking advanced professional training.

John Carroll has the largest ROTC Transportation Corps in the United States. Over 1,200 cadets are enrolled in this training program. John Carroll graduates comprise one-third of the second lieutenants entering the U.S. Army Transportation Corps.

Alumni in ever-increasing numbers are adding to the stature of Cleveland in its myriad of business, professional, and industrial activities. For example, over 400 Cleveland doctors received their premedical training at John Carroll. Similarly; 200 area dentists claim John Carroll as their undergraduate school, as do 450 lawyers, of whom 11 have distinguished themselves as court judges.

Degree programs are offered in 40 major fields of the arts, natural sciences, social sciences, and business. They include specific curriculums for preprofessional study leading to medicine, law, dentistry, engineering, teaching, and so forth. The full range of studies is available in day, evening, and summer sessions.

The Carroll Seismological Observatory was the fourth of its kind when founded in 1904. Today it ranks as one of the top completely equipped seismological stations in the country.

As a Jesuit university, John Carroll University draws upon the intellectual resources and educational experience of the Society of Jesus, which has operated colleges and universities for more than four centuries.

Fifty Jesuits are assigned to John Carroll. Their work as teachers and administrators culminates 15 years of individual Jesuit training, supplemented in many cases by further preparation in specialized fields at the major universities of the world.

At least 125 full-time lay teachers, well-trained specialists, work with the Jesuits in the classrooms and laboratories of John Carroll.

More than 60 percent of the full-time faculty have earned their doctorates.

Lay faculty members are on 12-month contracts. They enjoy a full range of fringe benefits. Lay-faculty salaries are above the average for the entire north-central region.

Founder, John Carroll, born on January 25, 1735, as the fourth of the seven children of Daniel and Eleanor Carroll, of Upper Marlboro, Md., had grown up and been educated in those early years when it was unlawful, even treasonable, for Catholic children to attend a Catholic college even on the continent of Europe 3,000 miles away. After schooling at home under the excellent training of his mother, whose own school days had been spent in France, young John spent a brief time at Bohemia Manor Academy in 1747–48 and then left, with his cousin Charles, for the long voyage across the Atlantic to the College of St. Omer, founded on French soil by the English Jesuits and best loved by the boys of Maryland.

John Carroll entered the Jesuit Order in Europe. Because of the temporary suppression of the Jesuits, he returned to the United States in 1774 as a priest.

His cousin, Charles Carroll, of Carrollton, the signer of the Declaration of Independence, was recognized as one of the foremost leaders of the Revolutionary period.

On June 9, 1784, Father John Carroll was appointed head of the missions in the provinces of the new Republic of the United States of North America, and the jurisdiction of a vicar-apostolic in London over the Catholics in the former colonies was ended by this appointment of Father John Carroll as prefect-apostolic in the United States. In 1790 he was consecrated bishop of Baltimore, and in 1811 he became America's first archbishop. Because of his episcopal position he did not rejoin the Jesuit Order when it was restored.

Full of years and grace, he died on Sunday, December 3, 1815, at the age of 81.

The university is an arena in which the students meet their teachers in appropriate and adequate physical surroundings. It is the task of university administration to provide maximum facilities for both the student and the teacher. This idea, this administrative goal, is what is meant by university development.

Contributions by business, industry, and individuals have been invested in the enrichment of educational offerings and the enlargement of educational faculties. Faculty salaries have been increased in order to attract and retain well-qualified lay teachers. Research has been sponsored to further the professional development of teachers.

John Carroll will become an even greater university through the further enrichment and enlargement of its educational work.

The university needs $10 million as an addition to its endowed support. Income from such funds is used to provide merit salary increases for the faculty, opportunities for research, funded scholarships for intellectually gifted but needy students, and endowed professorships for outstanding teachers.

If the university is to accept more students, the arena of learning must be enlarged to accommodate them. Buildings and essential facilities are necessary for further growth. In the face of national predictions of increasing college enrollments, John Carroll University is prepared to carry its share of the load as capital resources become available.

John Carroll's library is another forward step in its program to serve the community. On the drawing board is a new dormitory, and then a science building—steps in the fulfillment of John Carroll University's major product—the educated man.

PROGRAM FOR JUNE 29

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader if he has any information regarding the program tomorrow that he can give us at this time.

Mr. McCORMACK. I thank my friend for asking so that I can give the Members the compact information I have at this time that I discussed earlier.

Tomorrow there will be the continuing resolution out of the Appropriations Committee.

There will be two bills I mentioned yesterday, which the gentleman from Arkansas [Mr. MILLS] will try to bring up by unanimous consent.

There will be a conference report on the social security bill.

There will be the bridge bill. There will be the Delaware compact resolution.

Mr. ARENDS. The gentleman expects to take all of those up tomorrow?

Mr. McCORMACK. I shall expect to. Then I will announce the program for the 6th and 7th of July tomorrow, again with the hope that the situation is such that any legislation that might be programed for either one of those days might be taken up later.

Mr. ARENDS. I thank the gentleman from Massachusetts.

EMPLOYMENT IN OUR DYNAMIC ECONOMY

The SPEAKER. Under the previous order of the House the gentleman from Missouri [Mr. CURTIS], is recognized for 1 hour.

Mr. CURTIS of Missouri. Mr. Speaker, there is a price we must pay for any success and sometimes we stop and ask ourselves, "Is success worth the price?"

The price of economic success—of rapid technological economic growth—are the problems that growth or success creates. If we are going to meet the price of success, we must learn what this price is in terms of the problems it creates.

It is certainly not the American approach to look at these problems and call success failure because of them. With this backward philosophy we will destroy the system which created the success. Furthermore, we will not solve the problems.

Diagnosing growing pains as a disease and treating these pains accordingly may stop that pain by eliminating the growth, but there will be new and worse pains instead, possibly death-dealing pains. This turns success into failure.

So it is with our dynamic economy. We have been so successful we have some serious growing pains. Our economy is so dynamic that we are having a hard time keeping up with it.

This is particularly true in the area of employment. We have created a demand for so many skills of different sorts, some we have not even gotten around to giving a name, that we have a serious labor shortage. We need more engineers, more doctors, more nurses, more scientists, more teachers, more technicians in a thousand different fields, more salesmen, more white-collar workers, more higher skilled blue-collar workers. Anyone reading any metropolitan newspaper today will see column after column of employers advertising for skills they need. Some employers no longer advertise because they know from experience the skills just are not available. They have undertaken to train people to fill these jobs. The Department of Labor has recently estimated that about 5,000 new job titles will be added to their dictionary of occupational titles in the next 10 years. And in the same period between 8 and 10 percent of the current job titles will become obsolete.

At the same time we have this great demand for skilled people which remains unfilled, we have the phenomenon of relatively high unemployment which increased slightly after each of our last three post-World War II recessions.

The unemployment stems from the same basic cause that creates the unfilled demand for skills: it is the dynamic growth of our economy. Today 30 percent of the goods and services offered the public were unknown 5 years ago. It is estimated that one-third of our machinery and capital plant is obsolete.

Innovation and obsolescence do not occur in a stagnant economy. They occur in a dynamic economy, one that is growing rapidly. The faster the growth the more innovation there must be and the more obsolescene there is. We can solve the problem of obsolescence—the problems of growth—by stunting the growth, by standing still. But who wants that? We want more growth, so let us find out its price and pay it.

So in our society today this rapid technological growth or automation has created obsolete skills, and what is even more significant, it has been drying up the demand for the unskilled and the semiskilled workingman. When the cottonpicking machine comes in, the demand for the human cottonpicker goes out. When the ditchdigging machine comes in, the demand for the human ditchdigger goes out. When trucks come in, the demand for the mule skinner goes out. When one man can produce the same amount of food and fiber to

feed our people which it used to take five men to produce, the need for the skills of many farmers goes out.

The great incidence of unemployment created by economic growth is among the unskilled, the semiskilled and the worker with obsolete skills. The more rapid our growth, the greater the incidence of this unemployment will be unless we recognize the symptoms of the problem as growing pains and direct our attention to dealing with it.

With these thoughts in mind, the Republican policy committee decided to undertake a study into the area of employment in our dynamic economy, to see what rapid economic growth was doing, what problems it was creating, and what we were doing to meet these problems, and what we should be doing to meet these problems.

It became particularly important that the Republicans embark upon this study in depth, because it was quite obvious that the Democratic Party both in the White House and in the Congress had misconstrued what was going on. Not only had they mistaken rapid growth for stagnation, hard as this is to believe, they had so concentrated their attention on the negative problems that the growth had created, the unwanted, unskilled, and semiskilled workers, that they had completely ignored the positive problems, the unfilled demand for the new and higher skills, which incidentally paid more in wages and increased the productivity of the entire economy.

They had decided that the problems created were the result of the failure of the system, rather than the aftermath of success, to the extent that they were poking around the areas of unemployment to seek hopelessly for solutions instead of checking into the areas of overemployment where they could find the solutions. The way to solve a problem is to study the successes not the failures.

The Democratic Party through the Kennedy administration spokesmen and their leaders in the Congress have thrown up their hands. They have stated that even with prosperity coming along, indeed it had never even left us in the mild dip we experienced at the end of the year 1960 and the first 3 months of 1961, we were bound to have unemployment of at least 4 percent. There was nothing that could be done about it.

Even spending vast sums of Federal money through deficit financing in the coming year of great prosperity would not do the trick, they said. Yet knowing that this is not the solution, they are embarked upon a spending spree the likes of which we have never had. This will certainly turn success into failure and create even more unemployment in the long run.

It was quite important that the Republicans dig into the problem of economic growth and of unfilled demand for skilled people and that of the unemployed people who wanted jobs but did not have the skills that were in demand. It was important that we get into the structure of jobmaking in our society, to learn what problems rapid growth creates and what can be done about it.

To embark upon this program, 4 months ago we requested a group of 25 outstanding economists and other students knowledgeable in the field of employment, unemployment, and economic growth to prepare study papers on different aspects of the problem.

I am inserting here a list of these professors and the subjects we asked them to cover:

Prof. Goetz Briefs, Georgetown University, "Jobs and Their Creation."

Prof. Almarin Phillips, University of Virginia, "Automation and Employment."

Prof. Clarence Long, Johns Hopkins University, "Prosperity Unemployment."

Hon. True Morse, "Rural Development."

Prof. Herrell DeGraff, Cornell University, "Agricultural Marginal Workers."

Prof. Walter Fackler, University of Chicago, "Productivity and Employment."

Louis O. Kelso, Atty., "Declining Productivity of Labor."

Prof. Gottfried Haberler, Harvard University, "Growth and Stability of Employment."

Prof. Henry Wallich, Yale University, "Price Stability and Employment."

Prof. William Fellner, Yale University, "Employment Objectives and Price Stability."

Prof. Musa Hussayni, Alma College, "Toward Employment Stability."

Prof. Yale Brozen, University of Chicago, "Causes of Unemployment."

Prof. Michael Wermel, University of Hawaii, "Unemployment Insurance and Stability of Employment."

Father Joseph Becker, St. Louis University, "A History of Unemployment Insurance," "Adequacy of the Benefit Amount in Unemployment Insurance."

Prof. Robert Triffin, Yale University, "Employment and Balance of Payments in International Trade."

Prof. Virgil Salera, Alameda State College, "Employment and Foreign Competition."

Prof. Wilson Schmidt, George Washington University, "Worldwide Economic Effects on U.S. Business and Employment."

Dr. Colin Clark, Agricultural Economic Research Institute, Oxford University, "Rates of Growth of Real Product."

Prof. Howard Ellis, University of California, "New Directions in Foreign Aid."

Prof. Don Paarlberg, Purdue University, "Employment as a Goal in Public Policy."

Mr. Richardson Wood, Program Research, "Rehabilitation of Workers and Industrial Retraining."

Prof. Bruno Hartung, Wheeling College, "Community Efforts in Meeting Problems of Unemployment."

Prof. Neil Jacoby U.C.L.A., and Prof. Austin Murphy, Canisius College, "Industrial Efforts in Meeting Problems of Unemployment."

Dr. Donald Ackerman, "Approaches to Surplus Labor Areas."

Mr. Speaker, we then asked 48 Republican Congressmen on the basis of their interest, knowledge, and time availability to take a paper in teams of two and prepare a speech in depth discussing the particular phase of employment and unemployment in a dynamic economy.

The list of Congressmen follows:

WILLIAM H. AYRES, of Ohio; PETER A. GARLAND, of Maine; PERKINS BASS, of New Hampshire; JOHN B. ANDERSON, of Illinois; JOHN J. RHODES, of Arizona; CLARK MACGREGOR, of Minnesota; CATHERINE MAY, of Washington; WALTER L. MCVEY, of Kansas; CLIFFORD G. MCINTIRE, of Maine; JAMES F. BATTIN, of Montana; CHARLES E. CHAMBERLAIN, of Michigan; PETER H. DOMINICK, of Colorado; WALTER H. JUDD, of Minnesota; ROBERT T. STAFFORD, of Vermont; FRED SCHWENGEL, of Iowa; JOHN M. ASHBROOK, of Ohio; THOMAS B. CURTIS, of Missouri; EDWIN R. DURNO, of Oregon; DON L. SHORT, of North Dakota; RALPH F. BEERMANN, of Nebraska; ROBERT P. GRIFFIN, of Michigan; RICHARD S. SCHWEIKER, of Pennsylvania; GLENARD P. LIPSCOMB, of California; WILLIAM H. MILLIKEN, Jr., of Pennsylvania; JESSICA MCC. WEIS, of New York; F. BRADFORD MORSE, of Massachusetts; BRUCE ALGER, of Texas; CHARLES MCC. MATHIAS, of Maryland; WILLIAM L. SPRINGER, of Illinois; CHARLES A. MOSHER, of Ohio; E. ROSS ADAIR, of Indiana; ABNER W. SIBAL, of Connecticut; SILVIO O. CONTE, of Massachusetts; JAMES E. BROMWELL, of Iowa; WILLIAM B. WIDNALL, of New Jersey; PAUL FINDLEY, of Illinois; JOHN V. LINDSAY, of New York; BEN REIFEL, of South Dakota; CHARLES E. GOODELL, of New York; BOB DOLE, of Kansas; MELVIN R. LAIRD, of Wisconsin; ROBERT F. ELLSWORTH, of Kansas; EDWARD J. DERWINSKI, of Illinois; WILLIAM W. SCRANTON, of Pennsylvania; WILLIAM T. CAHILL, of New Jersey; HERMAN T. SCHNEEBELI, of Pennsylvania; ANCHER NELSEN, of Minnesota; and JAMES HARVEY, of Michigan.

Mr. Speaker, the papers are now in. Our task force people are working on their speeches. In the ensuing weeks we Republicans will be taking the floor to give our speeches and to discuss with whom ever would like to present the problems at hand.

When these speeches have all been delivered we will then present a summation of our views of how employment can be properly handled in the great growing American economy in such a fashion that our people will be meaningfully employed at higher pay and higher skills, that the demand for new skills will be met and that we will move our economy on to greater new world records.

Technological growth, we will prove beyond any doubt, creates a demand for more jobs than it makes obsolete. It creates a demand for jobs which elevate the human being in dignity, pay and general well-being. Technological growth, we will prove, spreads the economic advantages of our society to more and more of our people. It is based upon mass consumption and not upon carriage trade consumption. Technological growth not only improves the well-being of our people, spreads its blessings more widely, but it also creates a stronger, more flexible and resilient economy which is so important to the defense of our country and our way of life.

Handled properly, rapid technological advancement does not create a conflict between the worker and the machine which displaces his skill because the worker with the displaced skill can find a job which is less menial and pays him more. Handled properly, there is no need for featherbedding or for charity handouts. Indeed there is no need to fear fair foreign competition.

Furthermore, handled properly, there is no need for pessimism about a lingering high unemployment rate about which nothing can be done.

But handling a problem right requires knowledge and understanding. The first thing that must be understood is that government does not create jobs. Private enterprise creates jobs. Private enterprise, in creating jobs within its own sector, creates jobs in the ancillary sec-

tor of government. An important point that the Kennedy administration policymakers seem to badly miss is that government is ancillary—a handmaiden, if you please, of the private people. It is not a copartner of the people. It is a servant of the people.

Government jobs are created only when the private people through their private enterprise create a demand for ancillary assistance. If the people in their private enterprise are sluggish, there will be no demand for government jobs and so no government jobs will be created.

However, in a growing dynamic economy there will be a constant increase of demand upon the governmental sector, Federal, State, and local. These are demands for the performance of important services, not make-work services. And so in our rapidly growing economy we see a great increase in Federal, State, and local governmental employment.

Yet the Democratic administration has mistaken this phenomenon which would never exist in a tired, sluggish economy, as an indication that government by itself can create jobs. And whenever, their theory is put to the test by the realities of things, they embark upon the dangerous operation of stealing jobs from the private sector and placing them in the governmental sector.

This kind of deception will only produce short-lived results. In the long run it destroys the dynamism that can exist only in the private sector and so stops the process of further job creation.

Nor will the featherbedding and empire building that develops in the governmental sector do other than lessen the number of jobs in the long run, even though the immediate result may be to create more Government jobs. The Government cannot make workers out of sluggards, but through wrong policies it can make sluggards out of workers.

It is important therefore to be constantly on the alert in a dynamic economy to have Government respond only to the real demand for new and more skills and not to the synthetic demand that results from robbing the private sector or from unrestrained featherbedding and empire building. There is sufficient growth in Government jobs in a dynamic economy without creating false and temporary growth from make-work jobs.

The second thing that must be understood about job creation in a dynamic economy is that the new jobs or requirements of society for new skills is a difficult phenomenon to follow. It is difficult to understand the creation of new jobs, let alone predict in what sector of activity the new jobs will occur. The difficulty of tracing the creation of new jobs as the result of automation has led the Democratic policymakers to question whether automation actually does create more jobs than it displaces.

It has led some of our national labor leaders to fight automation under cover. I might add, because they wish to maintain the public image that they are not fighting growth and progress by opposing reform in the depreciation schedules in our Federal income tax laws. Nothing slows automation or technological advancement faster than cutting off the investment money necessary to buy the newly developed machines.

Our economy has been advancing so rapidly technologically that machinery no longer wears out, but it becomes obsolete. Yet our tax laws are geared to the old economics of wear, not obsolescence, and it is the labor leaders' influence in the Kennedy administration that has kept the Republican reforms in the 1954 Tax Code in liberalizing depreciation schedules from being fully updated to meet modern economic conditions of our dynamic economy.

In 1890, there were 20.9 million jobs being performed. In 1900 there were 26.5 million and the figure for 1920 was 38.7 million. These figures were found by applying a 4 percent unemployment factor to the statistics for the labor force of the given years. In 1930, 50.080 million; in 1940, 56.180 million; in 1950, 64.749 million; in 1960, 69.2 million. Jobs performed include our military force, as it should because these are jobs which the private citizens demand be created and filled.

In order to understand the creation of jobs in our dynamic economy we have to inquire into where the 4.5 million net new jobs created since 1950 came from, the 8.6 million between 1940 and 1950, and so forth. We would have to know the number of jobs that become obsolete in those periods and add that figure onto the net new job figure because the total jobs consist of the new jobs created minus the old jobs no longer existing. We would also need to know, from the standpoint of what automation does in the aggregate in job creation, what jobs in existence remained unfilled because of lack of skills to fill the jobs.

Certainly, a broad look at the past reveals how automation or technological advancement creates more jobs than it displaces. In transportation the automobile industry, the trucks, the railroads, the airlines, the barges, the pipelines, and so forth, certainly employ many more people than were employed by the drayage companies, the old railroads, the river boats, in the 1900's. Then, by quickly looking at the ancillary industries relating to the transportation industry of the present, compared with any period in the past, we begin to see where the new jobs come in. We can duplicate this exercise in any field of economic endeavor and come up with the same conclusions.

Many of the local and national labor leaders refuse to study this phenomenon objectively because in a shortsighted way they are concerned about the newly created jobs only if these jobs fall within the jurisdiction of their labor unions. Accordingly, even though they know that automation does create more jobs than it displaces, they fight automation not just by fighting tax reform but by encouraging featherbedding and sometimes openly and unashamedly fighting the new machine. Many of these labor leaders do not want to believe that automation is a jobmaker and that it destroys only obsolete and usually menial jobs. Yet with the influence they exercise in the Kennedy administration, they have been able to have this head-in-the-sand attitude implemented into governmental standpatism.

A third thing to understand about job creation in a dynamic economy is what is real and meaningful economic growth. Real and meaningful economic growth lies in increasing the capacity to produce goods and services of increased quality with a diminishing amount of human labor and to make these goods and services more widely available to all of the individuals in the society.

The Kennedy administration has completely failed to understand real and meaningful economic growth. Its policy makers have looked upon the gross national product series of economic statistics as if it were the crystal ball which would give them the answers past and present about economic growth. This series was never meant to measure economic growth. Its purpose was and still is to measure economic activity in a given year. Comparing economic activity in one year with a previous year can give us some insight into real meaningful economic growth, but only after relating it to many other statistical series and studies and doing a great deal of hardheaded thinking about it. GNP gives us little or no idea of economic capacity. We could have great economic activity going nowhere—or even making gross mistakes that were taking us backward—and yet the GNP indicators would lead us to believe we were doing wonders. Inefficiency in making a product will loom larger in the GNP series of a given year than the same economic function being performed efficiently in another year.

Real growth means added capital plant and added useful skills and added business techniques that put capital and labor together for production, distribution, and service. Getting a business organized, which is real economic growth, will show up little in GNP in relation to a great activity on the part of a business which may be thrashing around in its death throes. During the Korean war the steel industry was operating over 100 percent capacity. This looked great in the GNP indicators. How can any industry produce at over 100 percent capacity? By not shutting down for proper maintenance. This is eating into capital plant; this lessens economic capacity. Yet it shows up as economic growth in the short range if we use the GNP series alone to measure growth. Furthermore, over 100 percent capacity means using all the machinery even the obsolete and inefficient machinery.

It means using all the labor you can get your hands on, even the inefficient labor. This shows up in GNP; actually it is not real growth at all but is an economic sickness.

Real and meaningful economic growth means shifting from economic expenditures in manufacturing into economic endeavor in the sectors we call distribution and service. Mass manufacturing indeed is based upon mass distribution and mass servicing. This shift means

that more of our people are getting the improved goods and the services.

Real economic growth means that our people have more choices in the goods and products on the market. The marketing of goods and services depends upon advertising to save them time, to let them know what choices are available. It means more consumer credit permitting life earnings to be spread forward in the early days of family formation when incomes tend to be low, just as insurance and pensions permit us to spread it backward to the time of retirement when income is again low.

Nor is the spreading of new and better goods and service of more and more variety and choice among our people to be treated contemptuously as if it were simply a matter of luxury, as some of the Kennedy policymakers do. This kind of economic growth produces a more resilient, flexible, and therefore a tougher economy and a tougher people which enables them better to defend themselves militarily, if that is the course, or to move forward into space, if that is the course. This increased standard of living is the base of future progress which depends upon increased worker productivity. More increased leisure time means better health, better education, and more research and development.

Real economic growth will show up in the shift of jobs from the manufacturing sector to the service and distributive sectors. And our economic indicators other than the GNP series show this has happened in our society in recent years, in a remarkable way.

Real economic growth will show up in the shift of jobs from blue-collar to white-collar. And so our economic indicators show. Real economic growth will show up in a decline in the demand for unskilled and semiskilled workers and so our indicators show to be the case.

Real economic growth will show up in increased leisure time for our people, this in turn will show up in increased expenditures in the field of vacations and recreation and so it does.

The Kennedy policymakers disregard all the hard evidence of rapid economic growth in our society, obsolescence, new goods and services, employment, and so forth. Even the gross national product indicator properly interpreted shows it. Those seeking other interpretations have to juggle the GNP comparative series to show anything different. The facts are just against them. We do not have a tired, sick, or stagnant economy. We have a dynamic and rapidly growing economy.

The Kennedy policymakers have come up with a new set of distorted economic figures to try to justify their governmental policies, dependent as they are upon administering to a sick economy. It was a tragedy from their standpoint that the little economic dip of late 1960 and early 1961 did not become a real recession. This economic model, they say, reveals a productive gap—the difference between what our economy is doing with what it could be doing. They use the GNP series as a base for this futile exercise. Then they misuse another economic statistical series, which has limitations as grave as those of the GNP series for the purpose they have in mind, the employment-unemployment statistics.

The formula is quite simple. Measure what would be the GNP if all people save the pessimistic 4 percent were employed and relate it to the actual GNP. The difference then becomes the productive gap. No thought is given to what the people would be engaged in doing. It is not meaningful work that counts, it is just doing something—anything—just so long as it gets measured in the GNP. This demonstrates forcibly the sterile philosophy of the Kennedy policymakers.

There is no thought of the loss of dignity of the individual worker who knows he is doing make-work rather than meaningful work. The point of the Kennedy policymakers is not directed to the worker and his dignity, but solely to the worker as a conduit to get money spent in the economy. Give the people purchasing power, the followers of the philosophy of Lord Keynes say, and the people will spend the money. This will keep the economy going.

The Federal Government is the mechanism to use to get the money from the people to give it back to the people. Then the Keynesians denigrate their own handiwork by saying the people, of course, will spend the money stupidly so Government must be certain that the bulk of the money is spent as it determines is the proper way to spend it. Completely left out of the Keynesian model of President Kennedy's Council of Economic Advisers is the heart of the private enterprise system, the business organization that puts capital and labor together to produce efficiently economic services and goods.

The price that rapid economic growth demands is more work in identifying and anticipating the new jobs that the growth is creating and watching for the skills that it is eliminating. The job becomes one of constantly training and retraining. Taking the worker with obsolete skills and training him in a skill in demand. This requires the worker to start using more brain and less brawn. It means some sacrifice on the worker's part, to be a student instead of a doer at certain times—if indeed this is a sacrifice.

Some economic endeavor has its base in geography and economic growth means some geographical change. Some workers might have to move about. This, too, can be a sacrifice depending upon how one looks upon life.

Another point should be stressed. Technological advancement has its greatest impact upon the lessening of demand for unskilled and semiskilled workers. Obviously, the unskilled worker will not be the worker who generally can be trained for the high skilled job created by automation. The worker who needs to be retrained for the higher skill will be one who is already highly skilled. The process that goes on is a chain reaction: the highly skilled employee is retrained for the higher skill created, his job is then taken over by training someone of less skill. The unskilled worker will become skilled, but it will be a skill at the bottom of the ladder.

I have introduced a bill to modernize our tax laws to meet this modern economic problem of filling the skilled jobs that our society is begging to have filled. The bill seeks to reverse our present tax policy which states that a person who goes to night school, or any school, to upgrade his or her skills cannot deduct these costs from the personal income tax as a business expense. We want to encourage this process of learning higher skills, not discourage it. Our tax laws presently discourage it.

It is for the same reason that my tax bill to encourage our parents to send their sons and daughters on to college and universities is important. That bill gives a tax deduction for part of the cost of higher education borne by the parents.

It is the same philosophy that lies behind my proposal to tie retraining into the unemployment insurance program. At the present time 40 of the 50 States remove a person from the unemployment rolls if he enrolls in a training school to learn a new or better skill. The reverse policy should be in effect. The unemployed should be removed from the unemployment rolls if he cannot get a job in his obsolete skill and he refuses to start learning a skill that is in demand.

The Republican approach to the problems of our dynamic economy is one of realism and appreciation. We think we have the greatest system any society has ever developed both in economics and in Government. It is the system which places its emphasis on the importance of the individual, believing that society advances more surely by emphasizing the advancement of the components—the people who go to make it up.

In economics, the private enterprise system places its emphasis on the individual, based as the private enterprise system is on the marketplace as the mechanism to make economic decisions. In contrast there are two other theories, both of them place their emphasis on the importance of society in contrast to the individual. One is fascism, which is based upon economic oligopoly in which economic decisions are made not by the marketplace of collective decision but by a group of presumably wise and knowledgeable persons in the society who have usurped this power. The other is communism, which is based upon political oligarchy, which has economic decisions made by a group of presumably wise mcn and knowledgeable men who have usurped the power through the power they have gained in the governmental sector.

In government, the representative system places its emphasis on the individual, based as it is upon the right of franchise which is the mechanism to reach ultimate political decisions. In contrast there are two other theories. Fascism where the political decision is controlled by the oligopoly who have the control over the economic decision. Communism in which the political decisions has been usurped by a self-appointed oligarchy

which then takes control of the economic decisions.

It is no wonder that it is difficult to distinguish between fascism and communism. Both are predicated on the theory of totalitarianism, combining political and economic power in the same group of men. The assumption lying behind both fascism and communism is that there is always a group of persons in any given society who can be identified as being wiser and knowing more than the individuals composing the whole society. For many reasons this is impractical and the result of fantasy.

A thorough understanding of the mechanism of both the private enterprise system in economics and the representative system in government, based as they both must be if they are to survive upon self-discipline and education, which breeds self-discipline, proves beyond any shadow of a doubt the superiority of this system over the other two, fascism or communism, even if we did not have our recent history and our present circumstances to prove it conclusively.

I trust these studies by the distinguished scholars and the presentations to be made by my Republican colleagues will help us to understand the price of rapid technological growth and in doing so turn the pessimism which the Kennedy administration teaches about both our economic and political systems into one of optimism for our people. America is not second best. We have always been first, and if we will stick to our knitting and keep moving ahead based upon healthy self-criticism, in context, we will remain first.

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AVAILABILITY OF CLASSIFIED FOREIGN AID PRESENTATION BOOKS TO MEMBERS OF THE HOUSE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORGAN. Mr. Speaker, I want to renew again this year the invitation to all Members of the House to come to the Foreign Affairs Committee room on the gallery floor here in the Capitol and examine the presentation books, setting forth in detail the facts about the foreign aid program which will be before the House within the next two or three weeks.

These presentation books have been classified by the Executive as "secret" but there is no desire on the part of the Executive to withhold information from any Member of Congress who is willing to respect the security classification.

There are three basic reasons why these books are classified.

First, the volume dealing with military assistance gives rather specific information about the armed forces of our allies which it is essential to keep from our enemies.

Second, all of the volumes include rather frank comments on the part of U.S. officials on the officials and the operation of foreign governments.

Finally, these volumes give the amount of assistance which has been programed by the Executive for individual countries. In order to avoid disappointment and ill will, it is much better not to make these figures known until Congress has completed action on the foreign aid program and the actual amounts of money that will be available are known.

There are only three volumes this year: one dealing with military assistance and two dealing with the economic program. The presentation is somewhat more condensed than in the past, but it is very well presented and I am sure that every Member will find an examination of these volumes most helpful.

The volumes will also be available at the Committee table during the floor debate on the foreign aid bill.

I want to assure every Member of the House that if he will present himself at room G–3, here in the Capitol, a set of these presentation books will be available for his examination.

INTERNATIONAL LABOR ORGANIZATION CONFERENCE HELD IN GENEVA, SWITZERLAND

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, on June 2, 1961, you appointed me as a congressional adviser to the International Labor Organization Conference being held in Geneva, Switzerland, to act when Congressman ADAM C. POWELL, chairman of the Education and Labor Committee, had to return almost immediately to his duties in Washington. Mr. POWELL first delivered an eloquent and effective address to the Conference. Pursuant to this appointment, I was absent from Washington from June 8 to June 24, 1961. Inasmuch as a number of interesting observations resulted from this assignment, I feel it is proper to give you this report.

Upon arrival in Geneva, we were met by the Honorable George L-P Weaver, Assistant Secretary of Labor Designate and the head of the U.S. Government delegation, together with other members of his delegation and staff. Arrangements were made for necessary credentials and we began the work of the Conference by attendance at the Government delegation staff meeting, held every morning, 6 days a week, at 8:30 o'clock. The full Conference, or plenary session, began at 10 a.m., in the famous Palais des Nations, meeting until 1 p.m., and certain specialized committees met simultaneously. A luncheon break was taken between 1 p.m. and 3 p.m., and at 3 p.m., the plenary session reconvened—as did the committees which had not met the morning. The usual adjournment time was approximately 6 p.m., at which time the only remaining official work was the meeting of the so-called selection committee—which was responsible for the agenda and meeting hours of the committee for the succeeding day. Each evening, various delegations or groups of delegations gave receptions which normally lasted from between 6 p.m. and 9 p.m., and the luncheon hour was also usually occupied by utilizing it for the opportunity of meeting members of other delegations.

It will be well at this point, perhaps, to describe, briefly, the setup of the ILO conference. It is made up of 100 nations—the 100th, Mauretania, having been admitted by a very slim majority over the opposition of the Soviet and United Arab Republic blocs during our stay. Each nation's delegation is theoretically composed of four delegates: two representing the government, and one each representing the employers of the country and the organized labor of the country. The sum total of these is generally divided into what is known as the government branch, the workers' branch, and the employers' branch. Both the workers and employers branches are chosen according to the constitution of the ILO—completely independently of the government. There is no requirement of unanimity within a national delegation and frequently labor and employer delegations will split with the government, or vice versa. It is of interest to note that this is the first conference at which the Russians nominated and seated employer representatives. On the surface, this would seem to be quite an admission of a change in general of the Soviet position, but the precedent for it—as given by the Russians—is that of the nationalized industries of such countries as Great Britain, where the nationalized industry is run by managers instead of private enterprise owners. Needless to say, however, the so-called Soviet employers are not generally considered to be independent of their government direction.

The work of the ILO is carried on by the organization setup and run by the Director General, an outstanding and most able American, the Honorable David Morse. This staff is broad in its membership nationally, and is considered to be of high caliber in ability. As in the United Nations, the Soviet bloc is making demands to have included a larger number of Soviet bloc nationals. This staff, in turn, is generally guided by a governing body which meets four times a year. The governing body may be likened to the Security Council of the U.N. and, in turn, is generally responsible to the annual conference meeting—not unlike the General Assembly of the U.N. It is interesting to note that, as in the U.N., the general pressure and voting patterns are divided into three general

groups—the Western and free nations—including most of Latin America, Western Europe, North America, Japan, the Nationalist Chinese, Israel, the Philippines, and the other members of the British Commonwealth. The second group is generally comprised of the so-called neutral or Afro-Asian bloc; while the third group includes all of the Soviet bloc.

My conclusions were that with the exception of Cuba and one or two other instances, the Latin American bloc generally was an ally of the rest of the free nations. Cuba voted consistently with the Soviet bloc. The Afro-Asian bloc was in little or no degree united on most questions, with a considerable struggle for leadership going on among the African nations. India generally lined up with the West, but not predictably so. The United Arab Republic was obviously contesting for leadership in this bloc, but was usually somewhat closer to the Soviets in thought and action.

In the various committees and especially in the Resolutions Committee, of which I was a member, as well as in the voting and negotiating on the three most important questions, that is, the admittance of Mauretania over the strenuous objections of the Morocco and Soviet blocs; the condemnation of the Republic of South Africa for its apartheid policy; and the continued effort by the Soviets to include, on any and all issues, a condemnation of colonialism—the Soviet bloc was extremely well organized and followed a definitely set pattern of argument and discussion. My impression is that there is a considerable contest between Nigeria and Ghana for successful leadership of the African nations, with the United Arab Republic attempting to cement all of the Afro-Asian bloc and generally being inclined toward the Soviet point of view. Cuba, of course, voted constantly with the Soviets. My most outstanding impression is that there is no unity presently among the leadership of the Afro-Asian nations, and that there is an excellent opportunity for the development and understanding of support for the position of the free world in this group if intelligently and vigorously developed. On the other hand, I have the distinct impression that the unity and organization of the Soviet bloc far exceeds that of the delegations and governments of the free world. It should be noted that the Soviet bloc is much better staffed in numbers and far more generous in its ability to do the small favors so much appreciated by delegates of countries far away from home. I would think it only fair to say that there is little, if any, time for frivolity, and even social occasions are a part of the general effort to reach better understandings and to advance particular points of view. The U.S. delegation, headed by the Honorable George L-P. Weaver, was as hard working a group of people as I have ever seen, and under great handicaps, did an outstanding job.

I had the opportunity and pleasure of separate meetings with the employer delegation and the labor delegation. In each instance, the delegates had entered wholeheartedly into the work and seemed to have a full understanding of the great opportunities presented at this conference to win not only real friendship and understanding for the overall policies of the United States, but in working out ways and means of meeting the challenges of the Soviet bloc and laying the groundwork for better results in succeeding years. The labor delegation, led by Mr. Faupl, and the employer delegation, led by Mr. Wagner, were a distinct credit to their country and the organizations they represented.

Along with my distinguished colleague, Mr. CEDERBERG, we also had meetings with the Director General, Mr. Morse, and discussed with him the reasons for the difficulty in obtaining outstanding technical staff personnel. The United States has, as a nation, a very small representation—not because the places are not open, but because of the impossibility of attracting the proper type of individual under existing conditions. I shall make a separate report to interested groups on this subject. Mr. CEDERBERG and I also went into the question of possible overlapping of ILO work with various other U.N. organizations, and were happy to verify that once a year the Directors General of these organizations met at U.N. headquarters with Mr. Hammarskjold for the specific purpose of reviewing programs and eliminating duplications. This is, of course, of vast importance to the United States, inasmuch as we pay by far the largest individual share of the budgets of these organizations, of which the ILO contribution of 25 percent is, I believe, the lowest.

A lasting impression of the conference for me, personally, will be the ever-recurring occasions when the representatives of the new African nations rose to speak on the wide range of subjects with an intelligence and an eloquence one would not have believed possible of those who are so relatively untrained in the intricacies of international discussions. Both in perfect—indeed, in brilliant—French, and English, these distinguished people made one realize that the average American has little concept of the era in the world's history into which we are now well launched—an era when men and women long considered to be unfit for self-government have achieved a true maturity and a dignity equivalent to the finest traditions of the world's best civilizations.

I would respectfully recommend the following as a result of my observations:

First. An all-out effort to make the opportunities available in the work of the ILO understood and appreciated, not only more widely within governmental circles—particularly congressional and executive—but also in the minds of the general public. At the ILO are represented the vast numbers of workers making up the majority of the populations of those nations who are our allies and who, potentially, might be so. The ILO is a truly democratic institution where delegates who are not polished diplomats, but true representatives of a cross section of their nations' economies, get a chance to actually see a democracy at work and to see the manner in which the Soviets throw obstacles and mischief in the way of almost every proposal and proceeding. To this end—within the Congress—Mr. Speaker, may I suggest that there be set up an informal subcommittee of two members from the Appropriations Committee, the Foreign Affairs Committee, and the Education and Labor Committee, who would maintain a year-round interest in the affairs of the ILO and to whom Government, employer, and labor delegates would report at the conclusion of the annual ILO conference, as well as having the U.S. member on the governing body make a report at the conclusion of the quarterly meetings of that body. I would hope, Mr. Speaker, that you would perhaps arrange for a meeting of the chairmen of these committees so that this suggestion might be more fully explained.

Second. I feel there is urgent need for far better advanced planning before each of these annual conferences among the nations of the free world. The governments of the Soviet bloc are well organized and oriented prior to the opening of the conferences. The free nations bloc attempted to match this by on-the-spot organization, which is nearly always too little and too late.

Third. I would urge an immediate and more realistic reappraisal of the technical assistance available to such a delegation, including—but not limited to—stenographic help and funds for living and liaison work. I have certain factual information on this phase which I shall attempt to make available to the proper interested parties.

Fourth. Greater direct authority to the chairman of the delegation. My impression was that even on relatively unimportant matters, the chairman had to cable the State Department for direct instructions as to procedure. In this instance, the chairman—George L-P. Weaver—was not only competent to make such on-the-spot decisions within the general framework of initial instructions, but it is obviously incongruous to expect someone in the State Department in Washington, unaware of the day-to-day intimate developments and possibilities, to render the kind of accurate judgment which an able and competent individual on the spot would be able to do. If the individual in charge of the delegation is not sufficiently competent, he should not be sent to the conference in the first place.

Fifth. An immediate revision of our refusal to ratify certain of the previous conference conventions of the ILO is urgently needed. In particular, the most urgent of these are: 32d session, Geneva, 1949, No. 98, right to organize and collective bargaining; 35th session, Geneva, 1952, No. 102, social security, minimum standards; 40th session, Geneva, 1957, No. 105, abolition of forced labor.

It would seem that beyond much contradiction, either we believe the ILO is doing a valuable work in the overall struggle for peace and for the winning to the side of the free world people and governments of the many new nations,

or we do not. If we do not, there is no point in spending the money we allocate. If we do, let us do it in the most effective manner and really get our money's worth. I believe we can do much better than we are doing today with a little more understanding and effort on the part of those who play a part in this field. I believe that both Mr. Wagner, the employer chairman—who is also president of the U.S. Chamber of Commerce—Mr. Faupl, the labor chairman and his delegation, as well as all members of the Government delegation would testify to the importance and opportunity of the work, and the need for a more intensified and intelligent approach if maximum results are to be achieved.

CAPTIVE NATIONS WEEK

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. DERWINSKI] is recognized for 60 minutes.

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, throughout the country thousands of civic, fraternal, veterans, and other patriotic organizations, and countless American citizens, are preparing to observe the 1961 Captive Nations Week which this year falls on July 16–22. For example, in my home city of Chicago, an official citywide observance is being planned which will include a huge parade and a program to display the support of an overwhelming number of citizens. They will thus show support of the principle of maintaining the goal of freedom, in the minds and hearts of the captive peoples and their friends and compatriots here in the United States. It is my understanding that a similar observance will be held in New York City and also, especially throughout the Middle West and East, numerous communities will observe Captive Nations Week.

All of these activities stem from the original Captive Nations Week resolution in 1959 and the proclamation by President Eisenhower. We are aware of the intense reaction of Soviet Dictator Khrushchev and his Moscow puppets to this resolution. This present anniversary of Captive Nations Week presents the people of this country with a tremendous opportunity to join in a cooperative effort with our Government in focusing the attention of our citizens and the citizens of the entire free world, as well as those behind the Iron Curtain, on the true plight of the captive nations of Europe and Asia and the colonial and imperial nature of the Soviet and Chinese Communists.

A PRIME THEME OF WEEK: A SPECIAL HOUSE COMMITTEE ON CAPTIVE NATIONS

Certainly, a prime theme for this year's Captive Nations Week is the potential creation of a special House Committee on Captive Nations. In a recent report to the extensive membership of the National Captive Nations Committee, Inc., the chairman of this organization emphasized this theme. Working in coordination with the Assembly of Captive Nations, the American Friends of the Captive Nations, the Conference of Americans of Central and East European Descent, and the America Conference for the Liberation of the Non-Russian Nations in the U.S.S.R., this national committee views the passage of the measures calling for this special committee as one of the most important acts of this House.

Mr. Speaker, there is no doubt that the creation of a special House Committee on Captive Nations would at this time be the most fitting expression that we could give to this year's Captive Nations Week observance. The mounting support for this action has been observed for months in a variety of ways. There is no question in my mind but that once the Rules Committee reports favorably on these measures, action in the House would be swift and salutary.

SUKARNO, MOSLEMS, AND IMPERIALISM

It is not my purpose to repeat here the many solid and persuasive reasons that on more than one occasion have been offered in support of this special committee. Rather, I should like to bring to the attention of our Members the publicity given to the curiously selected remarks of President Sukarno of Indonesia during his recent tour of both the Soviet Union and mainland China. As reported by Reuters out of Peiping on June 14, Sukarno said that—

> During his current world tour some people asked why Indonesia was friendly with Russia and Red China which, they said, was carrying out a policy of imperialism. This was "nonsense," Sukarno said, for China and Russia had proved their friendship by helping Indonesia to grow strong and united, while imperialist nations were trying to keep Indonesia and other countries divided and weak.

Mr. Speaker, one of the major reasons given for the special committee is the necessity for focusing the eyes of the free world on the imperialism and colonialism of both Russia and Red China. Here is a specific illustration of how the head of an uncommitted nation views it, contrary to all evidence and truth. Significantly, while the Moslem Sukarno has been pleasing his hosts with what they wanted to hear, Moslem victims of imperialism and colonialism of Russia have been organizing themselves at the Carnegie International Center in New York City to combat these untruths. Led by Garip Sultan who is originally from Idel-Ural, these Americans of Islamic background have been in assembly in this period to determine ways and means by which the American public could become more informed about the 30 million and more Moslems in the Soviet Union and about the captive status of such nations and states as Azerbaijan, North Caucasia, Idel-Ural, Turkestan, and Crimea—all in subjugation within the Soviet Union.

This is only one example among many of the tremendous wealth of material and possibilities that could be tapped by a special House Committee on Captive Nations, a committee which would concentrate and methodically devote itself to all the captive nations in Europe, central Asia, and other parts of Asia. No such work as envisioned by the sponsors of the many resolutions submitted toward this end is being done, and no work promises to produce more fresh and imaginative recommendations for legislation than this. These possibilities which we cannot afford to overlook are well brought out in an article written by Dr. Lev E. Dobriansky, of Georgetown University, on "Polwar's Strategic Concept." The article appeared in the spring issue of the authoritative East European journal, the Ukrainian Quarterly. I include this article and also the report on "Republicans Push Formation of Captive Nations Committee in U.S. Congress," which appears in the June issue of the Ukrainian Bulletin, as part of my remarks in the RECORD.

(The matter referred to follows:)

[From the Ukrainian Bulletin, June 15, 1961]

REPUBLICANS PUSH FORMATION OF CAPTIVE NATIONS COMMITTEE IN U.S. CONGRESS

WASHINGTON, D.C., June 9, 1961.—Republican Members of the House of Representatives yesterday vigorously urged approval of their plan to establish a permanent special Committee on the Captive Nations. In testimony before the House Rules Committee, which must approve the plan first, the Republicans argued that such a committee would give Uncle Sam and the entire free world another major weapon to use against Communist propaganda in the cold war.

The House Republicans led by Representative EDWARD J. DERWINSKI, of Illinois, went to the Rules Committee hearing armed with a resolution approved by the House Republican policy committee, which represents all GOP Members of the House of Representatives.

The Republican resolution said the proposed special committee would conduct "a continuing exposé of Soviet imperialism" and that the "fallacious promise" of communism would thus be effectively countered.

A steady assembling and dissemination of the truth about the enslaved conditions of the captive nations would be a big blow to the worldwide conquest plans of the Reds, the Republicans declared.

At the House Rules Committee hearings, the committee considered resolutions introduced by Republican Congressmen BOW, of Ohio, BRUCE, of Indiana, CHURCH, of Illinois, COLLIER, of Illinois, DWYER, of New Jersey, MILLER, of New York, and WALLHAUSER, of New Jersey. All are similar to House Resolution 267, originally introduced by Republican Congressman DERWINSKI, calling for the Captive Nations Committee.

In addition, the following Republican Congressmen have introduced similar resolutions: CONTE, of Massachusetts, CUNNINGHAM, of Nebraska, HALPERN, of New York, and SCRANTON, of Pennsylvania. All these resolutions point out the imperialism as practiced by the U.S.S.R., and emphasize that the opposition of the captive peoples to the Communist government which dominate them is the Achilles' heel of the Soviet empire.

In view of the continuing Communist infiltration and agitation in countries such as Laos, South Vietnam, South Korea, Iraq, and Indonesia, Representative DERWINSKI said, "It is absolutely essential that we focus the spotlight of world attention on the true nature of the Soviet empire and its millions of unwilling subjects.

"The fact is that the proposed bipartisan committee of the House of Representatives dealing with the subject of captive peoples

of the Russian empire would be a tremendous force in reversing the tide of battle in the cold war, giving the United States the upper hand in the diplomatic arena, as well as in the constant struggle for the support of the noncommitted nations," DERWINSKI continued.

Since many nations throughout the world have within their borders citizens of previously free nations engulfed by the Soviet Union, public opinion throughout the world would respond to a thorough exposé of the slave conditions within the Soviet Union.

The Republican Members of the House are vigorously urging that the Democratic Party leadership join with them in approving the creation of this committee so that, working together, they can effectively process the information which would be at the committee's disposal for the benefit of the people now under satellite governments in Europe, the non-Russian peoples held captive within the Soviet Union proper, and the people now held captive by the Chinese Red forces.

The House Rules Committee is expected to decide soon the fate of the Republican proposed Captive Nations Committee.

Following is the text of the resolution adopted earlier by the House Republican policy committee:

"STATEMENT OF POLICY

"The Republican policy committee of the House of Representatives urges adoption of House Resolution 267 providing for the creation of a bipartisan congressional committee to be known as the Special Committee on the Captive Nations.

"1. The primary issue of our times is the struggle between the atheistic, totalitarian, imperialist Communist slavery and the libertarian governments of the free world.

"2. The nature of this struggle is primarily psychopolitical and the Soviet Union depends heavily upon propaganda as it wages its campaign of subversion and aggression. This propaganda is based upon the demonstrably false premise that world communism seeks to liberate the peoples of developing nations from colonialism and imperialism.

"3. This fallacious promise can be effectively countered by the assembling and forthright utilization of the truths and facts pertaining to the enslaved conditions of Albania, Armenia, Azerbaijan, Bulgaria, mainland China, Cossackia, Czechoslovakia, East Germany, Estonia, Georgia, Hungary, Idel-Ural, Latvia, Lithuania, North Korea, North Vietnam, Poland, Rumania, Tibet, Turkestan, Ukraine, White Ruthenia, and other subjugated nations.

"4. The Soviet Union has displayed to all the world its profound fear of growing free world knowledge of and interest in its brutal suppression of the people of these captive nations.

"5. The captive nations constitute a primary deterrent against a hot global war and further overt aggression by the Soviet and Chinese Reds as well as a positive means for the advancement of world freedom in this psychopolitical struggle.

"6. The President and the Department of State will draw needed strength in this struggle from a continuing exposé of Soviet imperialism."

[From the Ukrainian Quarterly, spring 1961]

POLWAR'S STRATEGIC CONCEPT

(By Lev E. Dobriansky)

One of the most strategic and valuable concepts in our political warfare against imperialist Moscow is the captive non-Russian nations in the U.S.S.R. There is no doubt in the writer's mind that this will become the primary concept in our cold war operations against the Red Russian Empire. It is only a question of time. Time for more shock treatments administered by colonial Moscow in Africa, Asia, the Middle East, and Latin America. Time for more Red totalitarian takeovers in any of these areas via the classic imperialist Russian cold war principle of divide et impera. Time for a sobering realization in the United States that the policy of liberation is inescapable.[1]

The groundwork for the full development of this fundamental concept has already been laid in the Captive Nations Week resolution. Congress passed the resolution in July 1959, and it is now Public Law 86-90. The degree to which the mere passage of the resolution pierced the cold war armor of Moscow was demonstrated openly to the world by Khrushchev's phrenetic outbursts at the time. Thus the evidence on the powerful efficacy of this strategic polwar concept is unmistakably clear and incontrovertible. For those who have grasped the concept and understand the essence of the Captive Nations Week resolution, the next phase is simply the concrete implementation of Public Law 86-90. World will guarantee this—again, in time.

Before we elaborate on the concept, let us glance at an interesting side development to all this. Not only imperialist Moscow, its puppets and traitorous Communist Parties throughout the world rose in arms against the resolution, but also, mind you, certain Russian emigree groups residing in various parts of the free world, including the United States. Several years ago an expert on polwar wrote: "If Russians who claim to be anti-Communists refuse to extend the goal of freedom to non-Russians, then we must wonder whose side such Russians will be on when a showdown comes."[2] The author of this observation was at first skeptical about the contention that a basic common denominator exists between the Russian totalitarians in Moscow and a sizable number of totalitarian-minded Russian emigrees in the free world. This denominator is the preservation of the Russian Empire now paraded as the Soviet Union. Close experience helped to dissolve this early skepticism. Now added to the mounting evidence in the emigrees' opposition to the resolution.

To be sure, not all of the Russian emigree groups oppose it. Some have the wisdom to recognize its merits and seek solely to include Russia, which, properly and technically speaking, is not a captive nation. The plain fact is that no foreign army or subversive machine had ever overtaken Russia in the imperialist manner that the Russian aggressors invaded the Baltic countries, Ukraine, Poland, and others, whether directly or indirectly. The Bolshevik revolution and all that followed was thoroughly and completely a Russian phenomenon. However, those who do oppose the resolution on grounds of such familiar and deceptive cliches as "dismembering Russia" and "anti-Russianism" actually are motivated by the same imperialist considerations as Khrushchev is. Like him, they view with horror the prospect it and its strategic concept poses for the empire.

THE CAPTIVE NON-RUSSIAN NATIONS IN THE U.S.S.R.

In a sense this essential polwar concept of the non-Russian nations in the U.S.S.R. is not new. For some time it has been tied up with the righteous cause of the subjugated nations in the Russian Empire, the right of national self-determination and similar objectives. Naturally these ends are indispensable to the existence of the concept. But, in an instrumentalist and operational sense, there has been no thorough and systematic development of the concept in terms of a planned strategy against the modern totalitarianism and colonialism of Moscow. The Germans made a haphazard attempt at it, and disclosed documents of World War II well attest to its character. Elevated as an instrument of thought and action, and logically distinguished but not divorced from certain moral and political ends, the concept is a most powerful device in the propaganda field which in the cold war—the war to move minds and win hearts—encompasses all else. And with proper and imaginative application it stands to reduce the Russian totalitarians to size.

Considering the inertia of human thinking, it cannot be stressed and repeated enough that the geographical territories and peoples embraced by the concept of the non-Russian nations in the Soviet Union constitute one of the most crucial areas of the world. No matter whether maintained in a cold war context or a hot global one, from a geopolitical viewpoint this area can easily be shown to be the most important for decisive operations in the current conflict. Aside from many other factors and considerations, this vast area is a substantial and economically superior part of the forced entity called the U.S.S.R. In present as well as future circumstances, the relentless pursuit by Moscow to foist the Soviet or Russian image upon the nontotalitarian free world will only serve to underscore the urgency and necessity of properly characterizing the Soviet Union as it really is and of formulating plans of positive action accordingly.[3] In the judgment of this writer, the main character of Moscow's policy is propagandistic and psychopolitical; its military power is held only in secondary reserve. This character is in complete conformity with the traditional cold war nature of Russian diplomacy.

In developing the non-Russian concept our approach must systematically consider (1) the peculiarities of current thinking on the U.S.S.R., (2) major trends in critical thinking about the Soviet Union, (3) requisites for an indispensable reorientation in thought and outlook and, (4) new frontiers of initiative and a positive offensive.[4] It is obvious that the discernment of possibilities for positive action, short of a hot military conflict, is logically predicated on insights of understanding and a framework of working knowledge attuned to both fact and reason. Moreover, these requisite bases must constantly reflect the experiences of the respective peoples involved.

PECULIARITIES OF CURRENT THINKING ON THE U.S.S.R.

The peculiarities of current thinking on the U.S.S.R., both in the United States and Western Europe, are four in number. One is the careless and literal confusion of nation and state. Second, in a persistent historical void communism continues to be unrealistically reified. Third, the ramifications of monolithic imputations to the U.S.S.R. extend into every conceivable sphere—the political, economic, cultural, and scientific. And fourth, a double standard is knowingly or inadvertently maintained in connection with different spheres of U.S. relations. Taken in combination, these peculiar aspects furnish a distorted picture of the Soviet Union, reinforce the image Moscow seeks to establish permanently of its own empire, and insure a major disadvantage for us in the cold war contest.

The habitual confusion of the terms "nation" and "state" is perhaps evidence enough of the vagueness and imprecision of our official thinking in regard to the Soviet Union and other areas. Examples in abundance could be provided on this score. For

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[1] See author's article "The Inescapable Liberation Policy," daily CONGRESSIONAL RECORD, July 31, 1958, pp. A6889–A6892.

[2] Burnham, James, "Containment or Liberation," New York, 1953, p. 236.

[3] See writer's article, "The Russian Image and United States," the Ukrainian Quarterly, winter 1960, pp. 299–307.

[4] "The New Frontier of Understanding the U.S.S.R." Forty-third anniversary of Ukraine's independence, Hon. THOMAS J. DODD and Hon. DANIEL J. FLOOD, et al. USGPO, Washington, 1961.

instance, after having been briefed here and accompanied by an entourage of advice and guidance to Moscow, former Vice President Richard M. Nixon saw no political significance in his repeated use of such terms as "Soviet nation" and "Soviet people." His remarks in Moscow and other Russian cities (he omitted visiting any non-Russian cities in the U.S.S.R.) were literally studded with these myths. His actions were doubtlessly not in discord with the briefing and advice given. Contrary to past practices, even Khrushchev was emboldened by this event to employ within the Soviet Union the nonsensical term "Soviet nation."[5] Constitutionally the Soviet Union is supposed to be a federal state, but it was never put forth as a single nation. The practical consequences of this confusion are numerous and, without question, do not work in our favor. It is seen, for example, in our insular legalistic restriction of the captive nations concept. Most of all, the unfavorable impact on the millions within the Soviet Union who have suffered much to preserve their national identities should not be difficult to assess.

Another outstanding example of this first peculiarity is President Kennedy's contradictory statements. During the campaign he deplored the use of such terms as "Soviet nation" by the Eisenhower administration.[6] Yet in his state of the Union address one finds him saying "I now invite all nations—including the Soviet Union—to join with us. * * *"[7]

Concerning the second peculiarity, the reification of communism, it would seem that the spectacular Hungarian Revolution alone had convinced us of the objective sterility and vacuity of communism. Unfortunately, this impression was not lasting. For in the past 3 years, especially in the period of 1959, the spurious contest between communism and capitalism was revived, and many continue to be prepossessed with the notion of fighting communism. Terms such as "Communist nations" and "Communist peoples" are rampant in Western use and only serve to strengthen the myth of communism or, with qualification, socialism in some objective existence. The effects of this basic error show up particularly in the appeal of Communist ideology among the unsuspecting and uninformed in the so-called neutral areas. The stark discrepancies between Communist ideological espousals and practices were realized as far back as the early 1920's among the non-Russian nations now in the Soviet Union. The bankruptcy of communism long preceded the Hungarian episode. As one author aptly puts it, "Like a bull in the arena, we have been concentrating on the red cloth rather than the matador behind it."[8]

These basic misconceptions underlie in turn the unrealistic imputations of monolithic substance and activity to the Soviet Union. As indicated above, the ramifications of these imputations can be seen in almost every conceivable treatment of the U.S.S.R. In the political realm, for example, the U.S.S.R. is equated by many with the United States, a Federal union of states with diverse ethnic groupings. In economies, terms such as "the Soviet national economy," "the GNP" and similar inept and inaccurate usages are uncritically employed. In the military field the armed forces of the Soviet Union are erroneously likened to nationally integrated forces such as characterized Nazi Germany or Japan. Even in the area of propaganda and information an incredible attempt was made by the United States Information Agency to commence in 1958 the curtailment of non-Russian language broadcasts to the U.S.S.R.[9] A Georgian or Ukrainian was expected to listen to our VOA broadcasts in the Russian language rather than his own. Many other examples could be provided in other areas and fields.

The final peculiar aspect, our double standard, is a highly vulnerable point in U.S. foreign relations. In fact, its presence makes for manifest contradictions in our official utterances and policies. For instance, our Presidents have frequently held out for the freedom and independence of all nations, large and small, but when concrete projects arise in connection with most of the non-Russian nations in the U.S.S.R., a vague and self-defeating position of nonpredetermination is maintained. We are quick to recognize the independence of entities which could hardly be deemed nations in Africa, but fear to uphold the long established independence aspirations of real national organisms within the immediate environment of the avowed enemy. In circumstances of the permanent cold war our virtual disregard of the force of wholesome nationalism in the Soviet Union is well nigh appalling.

MAJOR TRENDS IN CRITICAL THINKING ABOUT THE SOVIET UNION

For the past 10 years there have been certain major trends in critical thinking about the Soviet Union. Scholarly and popular literature on the real nature of the Soviet Union has mounted in quantity and quality. Through congressional hearings, reports, and investigations a growing public awareness of the imperialist structure of the U.S.S.R. has been kindled. Projects along the lines of the Captive Nations Week resolution have intensified this awareness and have also precipitated objective evidence of the sensitive qualities of Moscow's domination over the non-Russian nations in the U.S.S.R. It is interesting to observe that in the 15th General Assembly of the United Nations both the Prime Minister of Canada and the Chinese Nationalist Ambassador scratched the surface of the captive non-Russian issue and both immediately became targets of Moscow's tirade.[10] On the dominant question of colonialism and imperialism the issue of the captive non-Russian nations in the U.S.S.R. was a natural one for us to advance in gaining a strong offensive in the debate, but, unfortunately, we scarcely raised it.

It is evident that despite the progress made in such critical thinking, a great deal remains to be done in the way of research and also skillful operational use of the data uncovered. As concerns the former, the Institute for the Study of the U.S.S.R. in Munich, sustained by our own American Committee of Liberation, has gone a long way in uncovering material with regard to some of the non-Russian nations in the U.S.S.R., but even this progress has not met the standards of adequacy and depth as warranted by the subjects at hand. As to the operational employment of the research products, by way of suggestion and recommendation if anything else, the efforts of this agency are virtually nil.

These developments and more have led to certain initial alterations in the official State Department outlook toward the captive non-Russian nations. For some time the Department has clung to that sterile legalistic notion which unjustifiably restricts the captive nations concept to the so-called satellites in Central Europe and the three Baltic areas. Of late, it has taken notice of the other captive peoples in Eastern Europe and central Asia. Whether this development will jell into a reformulation of policy is dependent upon many factors and circumstances in the future. But it is illuminating that in an address in Chicago last October 2, the then Under Secretary of State Douglas Dillon referred to these captives and said: "The Armenians, the Georgians, the Ukrainians, the Tatars, the Turkomans, Uzbeks, and Tadzhiks—and many others who attempted to escape from the czarist prison house of nations, as Marx called it—were thrust by force into the Communist straitjacket."[11] Regardless of the conceptual inaccuracies in the statement, it is, nevertheless, a decided mark of progress, an advance in our official thinking about the Soviet Union. However, a basic and enduring advance requires a major and sustained change in our intellectual orientation toward the Soviet Union. The breadth and depth of this reorientation can only be measured by a revamping of our concepts and thus conceptions regarding this entity. This, in turn, presupposes a concentrated knowledge of the areas involved.

REQUISITES OF REORIENTATION TOWARD THE SOVIET UNION

Based on trends in the area of critical thought about the U.S.S.R., there are in reality four necessary requisites which can insure this indispensable and fundamental reorientation toward the Soviet Union. They are themselves in the best possible conformity with the paramount tendencies seen at work in the international field; and, at the same time, their pragmatic employment will serve to reinforce several of these tendencies as well as perform the role of an efficient agent for the rapid acquisition and collation of data material in these vital areas. Needless to say, their progressive currency would steadily offset and eventually cancel out the peculiar aspects of popular thinking discussed earlier.

In order, the four requisites are (1) the strategic polwar concept of the non-Russian nations in the U.S.S.R., (2) emphasis on Moscow's totalitarian imperialism, (3) the full exposure of totalitarian Russian colonialism, and (4) the call of a universalized declaration of independence. The sorry confusion of state and nation, shown previously as the first peculiar aspect of current thinking, is readily resolved with reference to the Soviet Union by the adoption and use of the determining concept of the non-Russian nations in the U.S.S.R. The concept counteracts the use of such misleading and baseless terms as "the Soviets," "the Soviet nation," "the Soviet people" and the like. It is noteworthy that in the preceding empire of Muscovy the subjugated non-Russian nations had to struggle against the stifling term "Russians." Like the Irish, whose national identity was threatened by subsumption under the term "British," the Ukrainians and others had to fight against the tendency of being called Russians. Now the equivalent of this is the term "the Soviets" which conceals the multinational differences and cleavages within the Soviet Union.

As the writer has stated over and over again, it makes little rational sense to hail the new states of Africa—which have far less national sinews of historical continuity, geographical contiguity, religion, customs, language, mores, laws, common experiences of war and peace, heroes and arts than the majority captive non-Russian nations in the U.S.S.R.—and to either overlook or minimize the importance of these nations which are situated at the very base of the enemy of the free world. With respect to the criteria of the national concept as enunciated in the preceding sentence, a not too

[5] AP release, Moscow, Aug. 5, 1959.

[6] CONGRESSIONAL RECORD, Mar. 8, 1961, p. 3525.

[7] The Evening Star, Jan. 30, 1961, p. A-7.

[8] John M. Radzinski, "Masks of Moscow," Illinois, 1960, p. xiii.

[9] "Review of United States Information Agency Operations," hearings, Washington, 1959, p. 103.

[10] CONGRESSIONAL RECORD, Mar. 8, 1961, pp. 3529–3535.

[11] Ibid., pp. 3527–3529.

difficult case could be made out for the applicability of more of these criteria to the non-Russian nations in the U.S.S.R. than to our own Nation. Language and religion, not to speak of the length of historical tradition, are obvious points of difference. The pragmatic possibilities of the skillful application of this primary concept in the cold war situation are indicated in the concluding part of this article.

Emphasis on Moscow's totalitarian imperialism is a second workable requisite which is totally in accord with historical fact and current political reality. It is obviously related to our primary concept as a necessary support. When the Hungarians revolted in 1956 the battle cry was both freedom and "Russki go home." When the Georgians rioted in March and May of the same year, public buildings in Tiflis were chalked with the slogan "Long live an independent Georgia." These cases can be multiplied indefinitely, going back to the conquest of the first array of non-Russian nations at the beginning of the twenties. Foreign domination with totalitarian reins—meaning "Russia"—is the crucial and overall fact in all of these cases. One needn't think twice about the enormous psychopolitical impact that a U.S.-sponsored resolution for a thorough U.N. investigation into all the captive nations would produce throughout the world. Yet for some reason Moscow's totalitarian imperialism is not brought into full relief. Instead, vague references to "international communism," "Communist imperialism," and "Soviet imperialism" are made, and concrete facts remain clouded while the ghost of communism is helped to persevere.

Beyond the propaganda smokescreen of independent Socialist countries, including even the non-Russian nations in the U.S.S.R., is the opaque reality of totalitarian Russian colonialism. This, too, is interwoven with the polwar non-Russian concept. Moscow has been the center of imperialist conquest over all the captive non-Russian nations now paraded about as "the Socialist countries." Whatever the form, it is the center of colonial control over these spoils. Of course, every endeavor is made by Russian propaganda to conceal the empire character of its colonial domain, but the ruling fact is that essentially and ultimately decisions of whatever basic nature and type are Moscow determined and Moscow cleared. Thus the full exposure of totalitarian Russian colonialism would reveal further the existence of an extended Russian empire with different sets of relationships contained within, such as that of the Russians and non-Russians within the U.S.S.R., that of Moscow and the so-called satellites in central Europe, and the Moscow-Peiping relationship. Oft-used references to "the Soviet bloc," "Communist bloc," indeed, even "the Soviet empire," whatever the motivation behind them, lack the existential pungency and operational significance of the conception advanced here. The infrequent criticism in a few circles that this requisite implicates the Russian people is without logical point in this context. Moreover, continual stress on the empire character of the Soviet Union and its legalistic extensions in central Europe and eastern Asia leaves no room for the imputation of monolithism in whatever form.

Finally, the call of a universalized declaration of independence reveals its point power by sheer contrast in meaning to the two preceding Russian phenomena. Contrary to some false notions, our Declaration of Independence provides us with an ideology which inspires our continued growth as a morally leading Nation and remarkably equips us to contend successfully with the mortal threat of Moscow's imperialist totalitarianism. One need only reflect on what a moving and powerful force the Declaration has been on the various nations which were subjugated in the empires of the last century and a half. Nations in the Russian, Austro-Hungarian, and Ottoman Empires soon rose at the beginning of this century to declare their independence with a conscious will to pursue an independent national existence similar to ours.

Last year, with considerable organizational assistance, the writer succeeded in having a measure passed by Congress honoring Taras Shevchenko.[12] On this great poet and humanist our great tradition rubbed off a century ago. This tribute vexed Moscow so that a whole barrage of verbal assault against the author and others continues to this day.[13]

In significant part the national revolutions in the first half of this century were short lived as the unchecked surge of Russian totalitarian imperialism since 1918 once again reduced the many non-Russian nations of Eastern Europe and Asia to servility. In our short understanding of the problem we missed many an opportunity to thwart this development. Moreover, we have lived by a double standard. And, today, we find ourselves seriously threatened by this reactionary and barbaric peril. Worst of all, in our present confusion, generated in great degree by the tremendous propaganda skill of the enemy, we aren't even fittingly cognizant of the rich opportunities we have to defeat this menace in the cold war and thus contribute to staving off a hot global war.

NEW FRONTIERS OF INITIATIVE AND POSITIVE OFFENSIVE

Although the concept developed here still is not generally understood with intellectual conviction and appreciation, there is no doubt in the writer's mind that sooner or later it will be adopted and put into full application. More likely, this will eventuate by force of circumstance rather than by forceful persuasion. In any event, the literature on the subject will grow and the intellectual grounds for imaginative action bearing on it will be steadily broadened. The ironical aspect of the situation in which we find ourselves is that in the heat of a hot war with Moscow we wouldn't think twice about the course of action open to us by the captive existence of the non-Russian nations in the U.S.S.R., but in the present cold war, in which the same politico-psychological techniques are applicable with differences arising only in forms of applications, more than a second thought is required to penetrate the significance of these non-Russian nations.

The more one studies this basic subject, the more he realizes that it represents Moscow's most vulnerable point of weakness. He begins to appreciate why Moscow is so acutely sensitive to it. There can be no question of the fact that one of the main motivations behind Khrushchev's powerful offensive in the U.N. for a debate on colonialism was to deflect world attention from the very scourge that prevails throughout Moscow's empire. In this, he was banking on the superficiality of the free world's comeback in any discussion of the issue, particularly as concerns the Soviet Union itself. Yet a methodical concentration of effort on the subject would be abundantly rewarded by the opening of many new frontiers of initiative and a positive offensive in the cold war for the leaders of the nontotalitarian free world.

Regardless of a Stalinist or a Khrushchevist climate in the Soviet Union and other sectors of Moscow's empire, cultivated psychopolitical means could be employed with uncanny flexibility and maneuverability. On the diplomatic level, for example, in one situation we could easily sever relations with the master and puppet capitals in the empire; in another, such as now, we should be extending these relations to the non-Russian capitals in the U.S.S.R., thus taking an important step of recognizing the nations involved and by it reinforcing the national pride and appetites of these non-Russian peoples. Turning to the propaganda level, far greater emphasis should be placed on the histories and aspirations of these captive nations than exists at present. The VOA should be markedly expanded in this direction since it is officially admitted that greater jamming is exerted on our shortened non-Russian language broadcasts to the U.S.S.R. than on the Russian. The America magazine should be circulating in the languages of the non-Russian republics as well as in Russian. In the economic and military areas the picture of colonialism and occupation should be respectively portrayed and manifest contradictions between constitutional provisions on this score and practices should be magnified.

These are only a few indications of the possibilities and opportunities open to us in this deadly contest. Even these in combination stand to demolish the spurious "Soviet image" being built by adroit Moscow propaganda. But before a successful program along these lines could be launched, sound working conceptions and concepts, based on sifted material fact, must first anchor our thoughts and perceptions in relation to the problem facing us. Without this, we could only hope to drift aimlessly from project to project at considerable cost to ourselves.

Mr. DERWINSKI. I also request that a special report of the Foreign Policy Research Institute, Charleston, S.C., be printed as part of my remarks in the RECORD.

(The matter referred to follows:)

THE CAPTIVE NATIONS

Half of Europe is in captivity. More than 180 million people are captives of the Communist empire. These are the brave peoples of Poland, Hungary, Ukraine, Estonia, East Germany, Latvia, Czechoslovakia, Rumania, Bulgaria, Armenia, Albania, Lithuania, Georgia, and White Ruthenia. For the Western World, and especially for the United States, the tragic existence of these captive peoples represents the most grave and enduring problem of foreign affairs.

While the American people are properly concerned about developments in Laos and other parts of the Orient, their greatest concern is for the peoples of Eastern Europe. This is both natural and logical for millions of Americans have blood ties with the peoples held subject to the Soviet tyranny. At stake in Eastern Europe is one-half of the civilization of the West, including historic churches that have nourished the Western World for many centuries. To lose Eastern Europe permanently would be a tragedy so immense that it is hard to conceive of this being permitted to happen.

The immediate danger, however, is that the United States—the arsenal of the free world—will lose contact with the peoples of the captive nations. Remembrance of brave deeds at Poznan and Budapest is fading now in some quarters. The satellite governments of Eastern Europe have shown skill at engineering a new image in the non-Communist press. They have brainwashed some journalists into believing that a carefully calculated change in material conditions means an end to political oppression. What is happening, of course, as Prof. Andrew Gyorgy pointed out recently, is that an attempt is being made in Eastern Europe

[12] Europe's Freedom Fighter, Doc. No. 445, House of Representatives, Washington, 1960.

[13] "Reds Decry Ukrainian's Statue Here," the Washington Post, Mar. 7, 1961, p. 195.

to bribe people into cooperation, or at least silence. Meanwhile, the Soviets tighten the screws on the spirit of the captive peoples.

If these brave peoples are not to give way to despair, they need assurance from the United States that their cause has not been forgotten. They need to know that freemen in America are determined that the idea of liberation from Communist slavery is very much alive. Only so long as there is hope in the hearts of the subject peoples is there possibility of an overthrow of tyrants.

To keep the hope of liberty burning in many hearts, to prevent despair and discouragement, and to help end the domination of Communist totalitarianism in ancient countries of the West—these are the aims of House Resolution 211, generally known as the resolution on captive nations. This resolution, introduced by Representative DANIEL J. FLOOD, of Pennsylvania, looks to the establishment of a Captive Nations Committee. Other Members of Congress have cosponsored this resolution or introduced similar resolutions.

Continuing congressional scrutiny of the captive nations, as envisioned in these resolutions, would serve many purposes. It would be a sign to the peoples of Eastern Europe that the American people will not abandon their cousins across the sea. Moreover, such a Captive Nations Committee would be able to expose the Soviet myth of happy peoples behind the Iron Curtain. It would be able to report on the Red imperialism that brutalizes proud peoples of ancient nations. Another important task such a committee would perform would be to keep the flow of information about Eastern Europe moving swiftly to the U.S. Government and to the American people. After all, the people behind the Iron Curtain in Eastern Europe are a free world asset. They want to rid themselves of Communist overlords. Were war to take place in Europe, the captive nations would rise against Soviets who have robbed them of ancient freedoms.

This institute, dedicated to stressing the strategic realities, believes that creation of a Captive Nations Committee would be an act of national defense on the part of Congress. It would help hold for the United States some 180 million people who are natural allies of the American people.

Mr. DERWINSKI. Mr. Speaker, therefore, to conclude my remarks today, may I reemphasize the practicality and enormous potential of this special House Committee on Captive Nations. May I point out the tremendous bipartisan drive behind the formation of this committee, spearheaded on the Democratic side by the gentleman from Pennsylvania [Mr. FLOOD], and including such outstanding Members as Congressman ROSTENKOWSKI, of Illinois, who recognize the basic nature of Soviet colonialism and imperialism. May I also reemphasize the intense support of the Members on my side of the aisle for the resolution recently adopted by the Republican policy committee.

May I also call the attention of the Members to the fact that the National Captive Nations Committee, Inc., now energetically preparing for this year's Captive Nations Week, includes as honorary members, 16 Members of the U.S. Senate and 65 Members of the House of Representatives, along with an outstanding active national committee of American leaders from every walk of life, joining in this most important, dramatic, and I emphasize, practical endeavor.

TRACTORS FOR CASTRO COMMITTEE DISGRACE TO THIS NATION

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I have received a letter from a constituent containing this statement:

> I would (be glad to) contribute $500 toward a Backbone Club with the same motto our forefathers had when the American people had guts—"millions for defense but not 1 cent for tribute or blackmail."

Mr. Speaker, I am convinced that it is not the American people who lack courage or determination, but only some of their leaders.

The gyrations of the Tractors for Castro Committee are a disgrace to this Nation.

Having presumably learned that you cannot deal with blackmailers, they voted over the weekend to disband.

Since then the executive secretary of this supposedly defunct outfit has been meeting with the prisoners committee. This morning's newspaper reported that the committee may decide to reactivate itself. Possibly that action has already been taken today.

When, Mr. Speaker, is the President of the United States going to resume charge of our foreign relations with the advice and consent of the other body by knocking this committee in the head once and for all?

LET'S TAKE THE REINS

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, the news since the meeting of our President with Khrushchev in Vienna on June 3 and 4 has been to say the least, disturbing to the freedom-loving people of the world. Of course, heads of state are aware of the political maneuverings of propaganda moves of off again on again Khrushchev but the problem at the moment, as I see it, is not of convincing heads of states but of reaching the minds of the people—the common man, who has such an important stake in what happens in Berlin.

The news stories are conflicting. On the one hand, we have the President telling the American people that nothing new had been discussed in their face-to-face meeting; that it was a getting-to-know-you meeting. On the other hand, we had Khrushchev stating that he issued another ultimatum to the President about Berlin, the substance of which was that we accept his terms or else. Now, I would prefer to believe my own President over that boastful egotist of Russia but I am a bit disturbed about the fact that the White House seemed to give credence to Mr. Khrushchev's statement by its silence in this matter. The American people have a right to know from their own President whether what was printed in Pravda about the summit meeting was correct or as is characteristic a slanting of a half-truth.

On the one hand, we have volumes of words suggesting our determination to stand firm but on the other hand, we see little evidence that we will act with vigor and determination. Congress stands ready and willing to strengthen our defenses by voting additional money, to an already impressive amount, for national defense but unless the executive department can assure Congress and the people by action and not mere words that it will lead the people in their will to strengthen freedom and their refusal to allow freedom to suffer even a minor setback—much less a near-fatal blow in Berlin—it seems to me even the present defense budget will be wasted.

The time has come for America to go on the offensive. We need to take the propaganda leadership out of the hands of the international gangsters who shout their lies to the world and make a mockery out of words that mean so much to truly peace-loving people. We have a splendid opportunity right now. What would be wrong with America serving notice on Russia that we insist on self-determination by the people who are themselves involved? Why not use this opportunity to demand that refugees and expellees be returned to their former homes with the assurance that they, with their copatriots who remained behind, be assured of the inherent right to decide their own national destiny.

America must awaken the world to the fact that we who are freedom-loving are not blind to the colonial policies of Russia and that we shall be restless until the world is free.

SERBIAN NATIONAL HOLIDAY

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, June 28 is the anniversary of the Serbian National Holiday, the anniversary of the Battle of Kossovo. This tragic battle fought on June 28, 1389, resulted in the Turkish horde destroying the brave forces of the Serbian people, and as a result, kept them in bondage for almost five centuries.

The Serbian people persevered, however, and eventually regained their freedom. However, the tragic consequences of World War II, and the imposition of communistic Soviet imperialism have once again placed the Serbian people under foreign bondage.

At this time it is well for us to express the fervent wish that the anniversary of the Battle of Kossovo may

rekindle in the hearts of the Serbian people and all who share and understand their feeling on the loss of independence, their consecration to struggle against the oppressive Communist rulers of their homeland and never relent until once again the Serbian people truly will be free.

Mr. Speaker, it is well at this time for me to point out to the House, that the Rules Committee has before it, subject I hope to speedy action, various resolutions creating a special House Committee on Captive Nations. In the resolution which I and many other Members have introduced, Yugoslavia is listed as a captive nation and most appropriately so, since we realize the people of that unfortunate country are devoted to their freedom, are captives of communism and, that despite official denials, the communism of Tito and the communism of the Kremlin are one basic operation.

Mr. Speaker, let me repeat that the observance of the Serbian national holiday and the continued display of perseverance on the part of the Serbian-American leaders, and our realization that all the other American groups working to preserve the spirit of freedom in their own oppressed homelands, join in urging that the Congress, in pausing to note this day in history, reaffirm the need for the continuing exposé and condemnation of Communist colonialization and imperialism. This is necessary so that we may recapture the initiative in the cold war and produce the circumstances whereby the brave Serbian people and the other unfortunate victims of communism will once again share the priceless heritage of freedom.

EXTENDING SOIL BANK CONTRACTS

Mr. RYAN. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. BREEDING] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BREEDING. Mr. Speaker, today I am introducing legislation to authorize the Department of Agriculture to extend the present soil bank contracts, which will begin expiring this year and continue to expire on through the year 1969.

Unless something is done, the land covered by expiring contracts will be put into production, and this will add to the problem of surplus production now besetting agriculture.

I would like to bring to the attention of my colleagues the fact that my bill covers all soil bank contracts, except those for the establishment of tree covers. A number of farmers in my district have discussed with me the expiration of these contracts and what they are to do with the land upon the termination of same. It seems only fair to me that they should be allowed to continue to be covered in a soil bank program for the time being or until we are able to work out our surplus problems and will need land to be brought back into production.

Unless Congress takes affirmative action at this session, there will be land coming back into production and the Department of Agriculture will be powerless to act.

NATIONAL DEFENSE SCHOLARSHIPS

Mr. RYAN. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RODINO. Mr. Speaker, some time ago I introduced a bill, H.R. 4351, which I feel should be incorporated in H.R. 6774, the administration bill to amend the National Defense Education Act of 1958. What my bill proposes is a Federal scholarship program essentially the same as the scholarship programs originally contained in both the Senate and the House bills, as reported, back in 1958.

The bill would amend the National Defense Education Act, adding an additional title which would authorize $17.5 million annually to provide for national defense scholarship of $500, with an additional amount up to $500 for those in need of such additional funds to continue their education at an institution of higher education, the exact amount to be determined by the extent of the student's need. In 1958 it was estimated that such a program would lead to average stipends of $750. If this coverage of $750 is applied to the overall annual appropriation of $17.5 million in my bill it would provide 23,000 scholarships annually.

First time awards would be made each year for 4 years, with $17.5 million authorized to be appropriated annually for this purpose. In addition, the scholarships would be for 4 years or such longer period as is normally required to complete the undergraduate curriculum which the recipient is pursuing, as in some engineering courses. Such funds as are necessary are authorized for those additional years of the scholarships.

The scholarships are to be awarded by State commissions on the basis of objective tests and other measures of aptitude and ability to pursue successfully a college curriculum, with special consideration to be given to those with superior capacity or preparation in science, mathematics, or a modern foreign language. Funds are to be distributed to the States on the basis of their relative college-age population, ages 18 to 21.

All of the above provisions, as mentioned earlier, are essentially identical to the scholarship provisions in S. 4237 and H.R. 13247 as reported by their respective committees in 1958—the bills which became Public Law 85-864, the National Defense Education Act of 1958. I felt at that time that these provisions were urgently needed, and that it was a grave mistake to remove them from the bill as a result of floor action. I feel that today the need is even greater, and that the provisions should be restored to the law now, 3 years later.

During the hearings held by the committee on the administration's scholarship bill, speaker after speaker testified to the need for scholarships: to encourage the estimated 150,000 youths of outstanding ability annually who fail to continue their education, to assist those youths so financially handicapped that even loans are out of the question, and just to show Federal recognition of academic excellence. Both the Eisenhower and Kennedy administrations have recommended scholarships, and I feel it is time that we enact legislation to provide them.

I also feel strongly that such a program should be made part of the National Defense Education Act. We have had abundant evidence in the field of education alone of the evils of enacting a variety of bills aimed at the same end but not in one coherent piece of legislation and not administered efficiently by one office. The Federal graduate fellowship programs are so proliferated that it has been wryly surmised that no one in the Federal Government sees their overall scope, the areas of duplication, or the areas of need. The educational exchange programs have had the same problem, and now Senator FULBRIGHT is proposing legislation to unite the major programs into one coherent piece of legislation.

I do not feel that we should allow this proliferation to happen if we can help it. A Federal scholarship program would have aims, purposes, and methods very similar to other programs in the National Defense Education Act, and I feel should be a part of this law.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BYRNE of Pennsylvania, for 10 minutes today, and to revise and extend his remarks.

Mr. GEORGE P. MILLER, for 5 minutes today, and to revise and extend his remarks, and include extraneous matter.

Mr. HEMPHILL for 1 hour tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MACHROWICZ.

Mr. ROUSH.

Mr. LAIRD and to include extraneous matter in his remarks on the defense appropriation bill in the Committee of the Whole today.

Mr. LESINSKI.

(The following Members (at the request of Mr. RYAN) and to include extraneous matter:)

Mr. KILGORE.

Mr. HEMPHILL.

Mr. TEAGUE of Texas in two instances.

(The following Members (at the request of Mr. DERWINSKI) and to include extraneous matter:)

Mr. SAYLOR.
Mr. BATES.
Mr. DOOLEY.
Mr. MATHIAS.
Mr. BROYHILL.
Mr. FULTON in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 857. An act to provide for the establishment of Cape Cod National Seashore; to the Committee on Interior and Insular Affairs.

S. 1725. An act to permit the establishment of through service and joint rates for carriers serving Alaska or Hawaii and the other States and to establish a joint board to review such rates; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4500. An act to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.;

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act; and

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 6713. An act to amend certain laws relating to Federal-aid highways to make certain adjustments in the Federal-aid highway program, and for other purposes.

ADJOURNMENT

Mr. RYAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Thursday, June 29, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1075. A letter from the Comptroller General of the United States, transmitting a report on the review of the military assistance program for Spain, as administered by the Military Assistance Advisory Group to Spain; to the Committee on Government Operations.

1076. A letter from the Secretary of the Interior, relative to determinations relating to construction payments due the United States for the period 1963 through 1967 from the Wellton-Mohawk Irrigation and Drainage District, Wellton-Mohawk division, Gila project, Arizona, pursuant to Public Law 86-308; to the Committee on Interior and Insular Affairs.

1077. A letter from the Attorney General, transmitting the report of the Attorney General on the administration of the Subversive Activities Control Act of 1950, pursuant to the Subversive Activities Control Act of 1950, as amended; to the Committee on Un-American Activities.

1078. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 31, 1961, submitting a report, together with accompanying papers and illustrations, on an interim report on Cache River, Ill., requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted March 4, 1950, and June 27, 1950. It is also in full response to resolution of the Committee on Public Works, House of Representatives, adopted July 26, 1951; to the Committee on Public Works.

1079. A letter from the Comptroller General of the United States, transmitting the report on our examination of the economic and technical assistance program for Iran as administered by the International Cooperation Administration (ICA) of the Department of State under the mutual security program for fiscal years 1956 through 1960; to the Committee on Government Operations.

1080. A letter from the Assistant Secretary of the Air Force, transmitting a draft of a proposed bill entitled "A bill to authorize the Secretaries of the military departments to make emergency payments to persons who are injured or whose property is damaged as a result of aircraft or missile accidents, and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. O'NEILL: Committee on Rules. House Resolution 363. Resolution for consideration of House Joint Resolution 225 joint resolution to grant the consent of Congress to the Delaware River Basin compact and to enter into such compact on behalf of the United States, and for related purposes; without amendment (Rept. No. 603). Referred to the House Calendar.

Mr. JONES of Missouri: Committee on House Administration. S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress; with amendment (Rept. No. 608). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Missouri: Committee on House Administration. H.R. 4659. A bill to establish a National Armed Forces Museum Advisory Board of the Smithsonian Institution, to authorize expansion of the Smithsonian Institution's facilities for portraying the contributions of the Armed Forces of the United States, and for other purposes; without amendment (Rept. No. 609). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Missouri: Committee on House Administration. House Joint Resolution 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes; without amendment (Rept. No. 610). Ordered to be printed.

Mr. MILLS: Committee of conference. H.R. 6027. A bill to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes (Rept. No. 611). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MacGREGOR: Committee on the Judiciary. H.R. 2111. A bill for the relief of Benjamin Schoenfeld; without amendment (Rept. No. 604). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 4369. A bill for the relief of Henry James Taylor; without amendment (Rept. No. 605). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on the Judiciary. H.R. 5321. A bill for the relief of American President Lines, Ltd., Nitto Shosen Co., Ltd., and Koninklijke Java-China-Pakevaart Lijnen N.V. (Royal Interocean Lines); without amendment (Rept. No. 606). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6103. A bill for the relief of the Stella Reorganized Schools R-I, Missouri; with amendment (Rept. No. 607). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H.R. 7904. A bill to extend and improve the National Defense Education Act, and for other purposes; to the Committee on Education and Labor.

By Mr. ADDABBO:

H.R. 7905. A bill to amend title 39 of the United States Code to establish an improved system of longevity steps for postal field service employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BREEDING:

H.R. 7906. A bill to authorize the Secretary of Agriculture to extend conservation reserve contracts; to the Committee on Agriculture.

By Mr. LINDSAY:

H.R. 7907. A bill to amend the National Defense Education Act of 1958 in order to extend its duration for a period of 5 years; and for other purposes; to the Committee on Education and Labor.

By Mr. RYAN:

H.R. 7908. A bill to amend title I of the Housing Act of 1949 to require the establishment of more effective procedures for the relocation of individuals, families, and business concerns from the area of urban

renewal projects; to the Committee on Banking and Currency.

H.R. 7909. A bill to amend title I of the Housing Act of 1949 to provide that individuals, families, and business concerns displaced by an urban renewal project shall have a priority of opportunity to relocate in the project area after its redevelopment; to the Committee on Banking and Currency.

By Mr. CONTE:

H.R. 7910. A bill to amend the Immigration and Nationality Act so as to grant nonquota status to certain alien orphans adopted or to be adopted by U.S. citizens; to the Committee on the Judiciary.

By Mr. GARMATZ:

H.R. 7911. A bill to unify apportionment of liability in cases of collision between vessels, and related casualties; to the Committee on Merchant Marine and Fisheries.

H.R. 7912. A bill to limit the liability of shipowners, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. RIVERS of South Carolina:

H.R. 7913. A bill to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength; to the Committee on Armed Services.

By Mr. SCHERER:

H.R. 7914. A bill to amend the Subversive Activities Control Act of 1950 so as to provide that certain individuals shall be ineligible for any right, privilege, or benefit under any law of the United States; to the Committee on Un-American Activities.

By Mr. ADDONIZIO:

H.R. 7915. A bill to prevent the use of stopwatches, work measurement programs, or other performance standards operations as measuring devices in the postal service; to the Committee on Post Office and Civil Service.

By Mr. ASPINALL (by request):

H.R. 7916. A bill to expand and extend the saline water conversion program being conducted by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

By Mr. FEIGHAN:

H.R. 7917. A bill to amend part II of the Interstate Commerce Act in order to require proof of settlement of State and local tax claims as a condition to transferring a certificate or permit issued to a carrier by motor vehicle under the provisions of such part; to the Committee on Interstate and Foreign Commerce.

By Mr. LATTA:

H.R. 7918. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of surplus agricultural commodities to such nations at prices less than those prices available to American consumers; to the Committee on Agriculture.

By Mr. ROGERS of Texas:

H. Res. 364. Resolution to authorize an investigation for the purpose of determining whether the public interest would be served by modifying or discontinuing the sugar program conducted under the Sugar Act of 1948; to the Committee on Rules.

H. Res. 365. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 364; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Hawaii, memorializing the President and the Congress of the United States to appropriate such amount as it may deem necessary to the U.S. civil administration of the Ryukyu Islands for the purpose of cultural and historical restoration and preservation, which was referred to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GIAIMO:

H.R. 7919. A bill for the relief of Francesca Dragone; to the Committee on the Judiciary.

By Mr. KILGORE:

H.R. 7920. A bill for the relief of Federico Gonzales Rodriguez; to the Committee on the Judiciary.

By Mr. LINDSAY:

H.R. 7921. A bill for the relief of Mrs. Marcelita Lopez Kabayao Mortensen; to the Committee on the Judiciary.

By Mr. TOLL:

H.R. 7922. A bill for the relief of Mrs. Dora Lipshutz; to the Committee on the Judiciary.

By Mr. WILLIS:

H.R. 7923. A bill to direct the Secretary of the Interior to issue land patents to certain persons; to the Committee on Interior and Insular Affairs.

By Mr. ASHLEY:

H.R. 7924. A bill for the relief of Fred J. Sear; to the Committee on the Judiciary.

By Mr. MINSHALL:

H. Res. 366. Resolution to congratulate John Carroll University on the occasion of the 75th anniversary of its founding; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 28, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of grace and glory, we thank Thee for the radiance of Thy truth which no denial can ever put out. Across our shadowed earth, send out Thy light and Thy truth; let them lead us; let them bring us to Thy holy hill. Increase in us the moral passion which shares Thy righteous indignation with all that makes or loves a lie.

Cleanse our own hearts; cast out the defilements we have cherished in our own lives, which should be the channels of Thy will.

Bewildered by the world's confusion, we are tempted to lose certitude, stability, and self-control. Too often our own distraught spirits but mirror the angry emotions of a violent time. Knowing how insufficient we are of ourselves for these terrific days, send us forth strengthened with Thy might to front tasks that tax our utmost, with the glad assurance "He restoreth my soul."

In the dear Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 27, 1961, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S.J. Res. 106) transferring the management of the Senate Restaurants to the Architect of the Capitol, and for other purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Paul J. Kilday, of Texas, to be a judge of the Court of Military Appeals, which was referred to the Committee on Armed Services.

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EMERGENCY PAYMENTS TO CERTAIN PERSONS SUFFERING INJURY OR PROPERTY DAMAGE AS A RESULT OF AIRCRAFT OR MISSILE ACCIDENTS

A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation to authorize the Secretaries of the military departments to make emergency payments to persons who are injured or whose property is damaged as a result of aircraft or missile accidents, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT ON ADMINISTRATION OF SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950

A letter from the Attorney General, transmitting, pursuant to law, a report on the administration of the Subversive Activities Control Act of 1950, dated June 1, 1961 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Hawaii; to the Committee on Appropriations:

"HOUSE CONCURRENT RESOLUTION 86

"Whereas the United States, through Executive Order No. 10713, dated June 5, 1957, directed the Secretary of Defense not only to encourage the development of an effective Ryukyuan Government based on democratic principles, but also to improve the welfare and well-being of the Ryukyuan people through promotion of their economic and cultural advancement; and

"Whereas the U.S. Civil Administration of the Ryukyu Islands was established pursuant to said Executive order; and

"Whereas the Ryukyu Government has operated within the framework as established by the U.S. Civil Administration of the Ryukyu Islands; and

"Whereas the cultural restoration and preservation committee of the department of education of the Ryukyu Government has proposed:

"(a) To erect a museum in which to house cultural and historical artifacts, the preservation of which will save for posterity, to as great an extent as possible, all available relics, paintings, art objects, literary works, and other objects which attest to the rich cultural heritage and the proud historical riches of the Ryuku people; and

"(b) To reconstruct certain shrines and castles which bear witness to the significance of the Ryukyu's historical past; and

"Whereas many priceless relics, paintings, arts, literary works, and historical shrines and castles have been devastated or destroyed by bombs during World War II; and

"Whereas so little is known of the history and culture of the Ryukyu Islands that whatever can be preserved will be truly priceless; and

"Whereas the preservation of the remnants of the previous eras of the Ryukyu society will aid the economy of the Ryuku Government as a tourist attraction; and

"Whereas at the present, the Ryuku Government is in no financial position to appropriate the necessary funds to effectuate the aforementioned proposals; and

"Whereas assistance given by the U.S. Government to the Ryuku Government for the purpose of promoting its cultural advancement will be in keeping with the objectives of Executive Order No. 10713; and

"Whereas such assistance by the U.S. Government will not only be a noble gesture to the Ryukyu Government but will also be a showing to the rest of the world that the U.S. Government is interested and does encourage the preservation of peace through nonmilitary assistance; and

"Whereas, the U.S. Civil Administration of the Ryukyu Islands has worked together with the Government of Ryukyu Islands in attaining the objectives set forth in said Executive order and can also work together to restore and preserve the history and culture of the Islands: Now, therefore, be it

"Resolved by the House of Representatives of the First Legislature of the State of Hawaii, general session of 1961 (the Senate concurring), That the Congress of the United States be requested to appropriate such amount as it may deem necessary to the U.S. Civil Administration of the Ryukyu Islands for the purpose of cultural and historical restoration and preservation; and be it further

"Resolved, That duly authenticated copies of this concurrent resolution be transmitted to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the U.S. Congress, to the majority and minority leaders of the Senate and House of Representatives of the U.S. Congress, to the U.S. Civil Administration of the Ryukyu Islands, to Senator HIRAM L. FONG, Senator OREN E. LONG, and Representative DANIEL K. INOUYE."

A resolution adopted by the Women's Democratic Club of Philadelphia, Pa., relating to Federal aid to education, etc.; to the Committee on Labor and Public Welfare.

RESOLUTION OF NEW YORK STATE ASSOCIATION OF REAL ESTATE BOARDS, INC.

Mr. KEATING. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the 57th Annual Convention of the New York State Association of Real Estate Boards, Inc.

This resolution opposes the President's proposal that Congress revise the tax rate and tax treatment on capital gains realized from the sale of depreciable property. Although the President's tax message is still pending before the Ways and Means Committee, I am sure that the appropriate committee of the Senate, the Senate Finance Committee, will give this resolution their attention when and if tax legislation including this provision is passed by the House and referred to the Senate.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON CAPITAL GAINS TREATMENT FOR REAL ESTATE SALES BY NEW YORK STATE ASSOCIATION OF REAL ESTATE BOARDS

Whereas a Presidential proposal to the Congress would change the tax rate on capital gains realized from the sale of depreciable real property to the extent of prior depreciation allowances, and tax the said prior depreciation allowances as ordinary income in the year of a sale; and

Whereas the New York State Association of Real Estate Boards assembled in convention came to the conclusion after extensive study, that the Congress of the United States be requested to reject any legislation which would give effect to the President's proposal for the following reasons.

1. The proposal would make the sale of real property on which there has been substantial depreciation taken in past years a practical impossibility and thereby impair the ready sale of investment properties.

2. The proposal would discourage the initiation of new real property investment and construction and divert funds from this vital segment of the economy.

3. The proposal would decrease the purchase and sale of building materials and all allied industry and curtail employment in all construction industries.

4. The proposal would unfairly tax present accumulated depreciation at higher income tax rates than the rates in effect in the years in which the depreciation was originally taken.

5. The proposal would discourage the volume of real estate sales subject to tax, thereby drastically reducing the total Federal tax revenue, and the tax revenue of States and municipalities.

6. This proposal, by discouraging private enterprise, would make it obligatory for the Federal Government to engage in all types of real property construction in order to meet the needs of the people: Therefore be it

Resolved, That for the reasons set forth in the preamble hereof, the New York State Association of Real Estate Boards assembled in convention June 11–14, 1961, respectfully request that the Congress of the United States reject any legislation which would substitute a regular income tax for a capital gains tax to the extent of any prior depreciation allowance, and that the present law in regard to capital gains treatment for real estate sales be continued in full force and effect.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Government Operations, favorably:

S. Res. 143. Resolution opposing Reorganization Plan No. 3 of 1961 (Rept. No. 477); and

S. Res. 147. Resolution opposing Reorganization Plan No. 4 of 1961 (Rept. No. 478).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 680. A bill to authorize the Secretary of Commerce to utilize funds received from State and local governments and private organizations and individuals for special meteorological services (Rept. No. 479).

By Mr. BYRD of Virginia, from the Committee on Finance, with amendments:

H.R. 4591. An act to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes (Rept. No. 480).

By Mr. McNAMARA, from the Committee on Labor and Public Welfare, without amendment:

H.R. 1258. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes (Rept. No. 481).

TO PRINT AS A SENATE DOCUMENT A COMMITTEE PRINT ENTITLED "STUDY MISSION TO EASTERN (AMERICAN) SAMOA"—REPORT OF A COMMITTEE

Mr. LONG of Hawaii, from the Committee on Interior and Insular Affairs,

reported an original resolution (S. Res. 169) to print as a Senate document a committee print of a "Study Mission to Eastern (American) Samoa," which, under the rule, was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed with illustrations as a Senate document the committee print, with appropriate foreword, entitled "Study Mission to Eastern (American) Samoa" (report by Senators OREN E. LONG, of Hawaii, and ERNEST GRUENING, of Alaska), issued by the Committee on Interior and Insular Affairs during the Eighty-seventh Congress, first session.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER (by request):

S. 2158. A bill to amend the act relating to the importation of adult honey bees; to the Committee on Agriculture and Forestry.

By Mr. MCCLELLAN (by request):

S. 2159. A bill to authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the United States for certain moving expenses and losses and damages, and for other purposes; and

S. 2160. A bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund; to the Committee on Government Operations.

(See the remarks of Mr. MCCLELLAN when he introduced the above bills, which appear under separate headings.)

By Mr. JAVITS (for himself and Mr. KEATING):

S. 2161. A bill to amend title 28, United States Code, to authorize actions for declaratory judgments to determine the authority of congressional committees to require the production of official records of State or local governmental authorities; to the Committee on the Judiciary.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. SALTONSTALL:

S. 2162. A bill for the relief of the town of Winthrop, Mass.; to the Committee on the Judiciary.

By Mr. SALTONSTALL (by request):

S. 2163. A bill for the relief of Saifook Chan; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. JACKSON, Mr. CASE of South Dakota, Mr. METCALF, and Mrs. NEUBERGER):

S. 2164. A bill to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. CLARK:

S. 2165. A bill for the relief of Jean L. Dunlop; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2166. A bill to amend section 170 of the Internal Revenue Code of 1954 with respect to certain civic organizations; to the Committee on Finance.

By Mr. KEATING:

S. 2167. A bill for the relief of Aniela Wojtowicz; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

CORRECTION IN ENROLLMENT OF S. 1922, HOUSING ACT OF 1961

Mr. SPARKMAN submitted a concurrent resolution (S. Con. Res. 30) to make a correction in the enrollment of S. 1922, the Housing Act of 1961, which was considered and agreed to.

(See the above concurrent resolution printed in full when submitted by Mr. SPARKMAN, which appears under a separate heading.)

RESOLUTION

TO PRINT AS A SENATE DOCUMENT A COMMITTEE PRINT ENTITLED "STUDY MISSION TO EASTERN (AMERICAN) SAMOA"

Mr. LONG of Hawaii, from the Committee on Interior and Insular Affairs, reported an original resolution (S. Res. 169) to print as a Senate document a committee print of a "Study Mission to Eastern (American) Samoa," which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. LONG of Hawaii, which appears under the heading "Reports of Committees.")

REIMBURSEMENT TO OWNERS AND TENANTS OF CERTAIN LANDS

Mr. MCCLELLAN. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the United States for certain moving expenses and losses and damages, and for other purposes.

This bill is being introduced at the request of the Administrator of General Services as a part of the legislative program of the General Services Administration for 1961.

I ask that a letter addressed to the President of the Senate by the Administrator of the General Services Administration under date of June 13, 1961, which sets forth a statement of justification for this proposal, be inserted in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2159) to authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the United States for certain moving expenses and losses and damages, and for other purposes, introduced by Mr. MCCLELLAN, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. MCCLELLAN is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 13, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: There is transmitted herewith, for referral to the appropriate committee, a draft bill prepared by the General Services Administration, "To authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the United States for certain moving expenses and losses and damages, and for other purposes."

This proposal is a part of the legislative program of the General Services Administration for 1961.

Prior to September 28, 1951, the cost of moving owners and tenants from lands acquired by the Federal Government was not reimbursable because such moving was determined to be a "consequential" cost and not compensable under existing law. Section 501(b) of the act of September 28, 1951 (65 Stat. 364), authorized the Secretaries of the military departments to reimburse landowners and tenants for moving expenses in connection with lands acquired for specific military projects. Section 401(b) of the act of July 14, 1952 (66 Stat. 624–625), broadened the authority of military departments to make such reimbursement for all of their public works projects. These acts provide for reimbursement to owners and tenants of land acquired for such projects for expenses and other losses and damages incurred in the process and as a direct result of moving themselves and their families and possessions because of such acquisition of land; that such reimbursement shall be in addition to, but not in duplication of, any payments in respect of such acquisitions as may be otherwise authorized by law; that such reimbursement shall not exceed 25 percent of the fair value of the parcel of land being acquired; and that applications for such reimbursement must be filed within a period of 1 year following the date of the acquisition. The act of September 21, 1959 (73 Stat. 589), amended the foregoing 1952 act to provide that applications may be filed either 1 year from the date of acquisition or within 1 year following the date that the property is vacated by the applicant, whichever date is later.

An act of May 29, 1958 (72 Stat. 152), granted the Secretary of the Interior authority similar to that granted the Secretaries of the military departments in connection with the acquisition of lands for the construction, operation, or maintenance of developments under the jurisdiction of the Secretary of the Interior, including water conservation, other water developments, and other public works projects of the Bureau of Reclamation.

Under existing statutory authority available to the General Services Administration and to executive agencies other than those referred to above, the owners or tenants of land or interests therein may be paid only the fair market value of the property acquired; and expenses and losses and damages incurred by the owners and tenants as a direct result of moving themselves, their families, and possessions are not compensable. The legislation described above is indicative of the growing concern of Congress that owners and tenants of land and interests therein be compensated when their property is acquired for public use, by establishing a new category of compensable expenses and damages. The necessity for Government-wide legislation on the subject and the problems that have arisen in connection therewith are indicated by Representative TELLER in his remarks at pages A275–278 of the CONGRESSIONAL RECORD for January 15, 1958. Further discussion of the need for general legislation of this nature is found in Senate Report No. 1374, 86th Congress, 2d session, which accompanied S. 2583, a bill similar to the present proposal. In proposing this legislation, we recognize the benefits to be derived from more equitable treatment of landowners and tenants and from the favorable effect of such legislation in the

relationships between the Government and the public in general.

The text of the legislation proposed by GSA and enclosed herewith is similar to the authority granted to the military departments and to the Secretary of the Interior in the foregoing statutes. The reimbursement of moving expenses under the proposed legislation is limited to acquisitions of land or interests therein for Federal use; it would not apply to former owners or tenants of property acquired by the Government as the result of the foreclosure of a mortgage held by the Government or to such owners or tenants where the property is subject to a mortgage held by the Government and the owner-mortgagor conveys title to the property to the Government in lieu of a foreclosure. While it is impossible to foresee every item that may be compensable under the proposed legislation, the following are examples considered by the Office of the Chief of Engineers, Department of the Army, to be typical items of reimbursable expenses, losses, and damages (par. 12(a), Engineering Manual 405–1–699, dated Oct. 27, 1958):

"Expenses: Transportation costs; costs of removing and crating possessions; cost of advertising for transportation or crating; costs of storage pending moving; insurance premiums for protection of possessions while in storage or being moved; labor performed by owner or tenant in accomplishing move; costs of reinstalling machinery, equipment, etc.; costs of inoculation of livestock, if required, prior to entrance of livestock into a county or State; short term loan charges to defray moving expenses only; and out-of-pocket expenses in obtaining new site or land, such as expenditure for title search, appraisal, survey, or settlement (not including any part of the purchase price for the new site or any expenditure for the purpose of adding to the value or utility of the new site); taxes incident to expenses incurred in moving;

"Losses: Time lost from employment by owner or tenant because of moving (not including labor performed to accomplish move); property lost or stolen in the process of moving; death of or injury to livestock;

"Damages: Uninsured injuries to furniture or equipment."

The Office of the Chief of Engineers, Department of the Army, lists the following as typical nonreimbursable expenses, losses, and damages (par. 12(b), Engineering Manual 405–1–699, dated Oct. 27, 1958):

"Expenses: Costs of conveying land to Government, additional expenses incurred because of living in a new location, costs of removing salvage material reserved, capital improvement to the replacement site;

"Losses: Difference between amount received from Government for property and amount paid for replacement property, interest on loan for purchase of replacement property, loss due to duplication of interest, taxes, etc., loss of goodwill, loss of profits, loss of trained employees, expenses of sales, and losses because of such sales;

"Damages: Personal injury while moving or preparing to move."

It was found advisable in drafting the proposed legislation to depart from the provisions of the act applicable to the military departments and to the Secretary of the Interior with respect to the period of time within which application for moving expenses can be made. It was decided to propose that a 1-year period for application should begin on (a) the date the parcel of land or interest in land is to be vacated under an agreement with the Government or pursuant to law, including an order of a court, or (b) the date the parcel is actually vacated whichever, (a) or (b), first occurs. GSA's experience is that, in many instances, some time may elapse after the date on which title is acquired to a parcel of land for the construction thereon of a public building and the date on which construction commences; during this period the property may be leased to the former owner or tenant of the owner to provide interim income to the Government to offset the costs to the Government of maintenance and protection of the property during such period. There are other instances where lands have been acquired by purchase and the landowner or tenant occupying the land, or interest therein, has been notified of the Government's requirement for immediate possession but the occupant has held over without color of right. In other instances, it has been necessary to file a declaration of taking in a condemnation proceeding in order to give the Government immediate possession of the property; but, although the court orders the landowner to surrender possession of the premises on a particular date, the landowner may refuse to surrender possession of the premises on the date fixed. In such situations the holdover-occupant should not be permitted to take advantage of his own delinquency in vacating the premises by having the 1-year period begin on the date he actually vacates the property. On the other hand, if the occupant elects to vacate the premises at some time prior to the date he is required to do so, there is no reason why he cannot furnish an itemized statement of his expenses, losses and damages within 1 year from the date he actually moves from the premises.

Although GSA is primarily concerned with reimbursement for moving expenses in connection with projects or activities under its jurisdiction, the Bureau of the Budget, after discussing the proposed legislation with other executive agencies, has decided that such legislation is necessary on a Government-wide basis in order not to discriminate against landowners and tenants whose lands are acquired by other executive agencies. At the same time, it was felt advisable to make the proposed legislation inapplicable to acquisitions of lands or interests therein by the Tennessee Valley Authority, and by the Secretaries of the Army, Navy, and Air Force and the Secretary of the Interior as to the situations referred to in the statutes referenced in section 4 of the draft bill, inasmuch as such legislation effectively serves the purposes for which it was enacted. It is not necessary similarly to exempt from this bill the acquisition of land or interest therein covered by section 106(f) of the Housing Act of 1949, as amended (42 U.S.C. 1456(f)), which provides for Federal reimbursement for relocation payments made by local public agencies, as defined in section 103(h) of the Housing Act of 1949, as amended (42 U.S.C. 1460(h)), in connection with urban renewal projects, since such payments are not in connection with the acquisition of land for Federal use and are outside the scope of this draft bill.

In order that landowners and tenants receive equal treatment by all executive agencies, the proposed legislation provides for the issuance of uniform rules and regulations. Since the Administrator of General Services has the responsibility for acquiring real property for public buildings and since, except for the land acquisitions of the military departments and the Department of the Interior which are not affected by the proposed legislation, GSA's land acquisitions are probably greater than those of other executive agencies, the proposed legislation vests in the Administrator of General Services the authority to make such uniform rules and regulations as he finds necessary and proper for the purpose of carrying out the provisions of the proposed legislation.

With respect to the fiscal effect of the proposed legislation on the budgetary requirements of each executive agency the bill provides that the amount paid under it shall in no event exceed 25 percent of the fair value of any parcel of land or interest in land, as determined by the head of the executive agency concerned. The legislation of the military departments and the Department of the Interior contains a similar provision. We are informed by these departments that in terms of their overall acquisitions average payments are substantially less than the maximum 25 percent. It is anticipated that under the proposed legislation the total amount to be paid for moving expenses and losses and damages will be greater than those of the military departments or the Department of the Interior, because most of GSA's land acquisitions are in urban areas and involve acquisition of lands on which there are buildings with many tenants; and, if the proposed bill is enacted, may average as much as 10 percent of the fair market value of the real property acquired by GSA after enactment of the bill. On this assumption and based on GSA's current building program, it is estimated that the proposed legislation would result in an increase in the GSA appropriation of $1 million in the first year. Because of the different types of land acquired by the various executive agencies in both urban and rural areas, coming within the authority of this proposed legislation, it is not possible to estimate the effect its enactment would have on the total budgetary requirements of the Federal Government.

For the reasons stated above, prompt and favorable consideration of the enclosed draft bill is recommended.

The Bureau of the Budget has advised that, from the standpoint of the administration's program, there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

JOHN L. MOORE,
Administrator.

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, RELATING TO GENERAL SUPPLY FUND

Mr. McCLELLAN. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund.

This bill is being introduced at the request of the Administrator of General Services.

I ask that a letter addressed to the President of the Senate by the Administrator of the General Services Administration under date of June 19, 1961, which sets forth a statement of justification for this proposal, be inserted in the RECORD as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2160) to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund, introduced by Mr. McCLELLAN, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. McCLELLAN is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 19, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed for your consideration a draft of a bill "to amend

section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund."

The principal purpose of this legislative proposal, expressed in subsections (a) and (b) of the draft bill, is to authorize the use of the general supply fund to pay transportation charges for supplies to the ultimate point of distribution from which the supplies are issued by the General Services Administration to requisitioning customer agencies, and to permit inclusion of such charges in the prices paid by such agencies. Subsection (a) of section 109 of the Federal Property and Administrative Services Act of 1949 now provides for payment from the fund of transportation charges only "to first storage point," and, correspondingly, subsection (b) of that section limits inclusion in prices to customer agencies of transportation cost "to first storage point."

For some time the General Services Administration in the operation of its stores program has designated certain of its 10 regions to make necessary purchases of special materials on a volume basis. These regions hold the materials in their own warehouses, or "pilot depots," and then ship them, when demand arises from customer agencies in other regions, to the distributing GSA depots in the latter regions for issue to these agencies. GSA has charged the entire cost of transportation to the distributing depot to the general supply fund, and has included such cost in the billings to the agencies.

The Comptroller General of the United States considered the propriety of this practice in his decision, B–141251, dated April 11, 1960 (copy attached). After noting the significance of the word "first" in the expression "first storage point," he reached the following conclusion:

"Accordingly it appears to be doubtful whether sections 109 (a) and (b) of the Federal Property and Administrative Services Act of 1949 were intended or could be construed to authorize practices such as the paying from the general supply fund of transportation costs from pilot depots to distributing depots and the inclusion of such costs in the costs passed on to requisitioning agencies."

The use by GSA of the pilot depots and the fiscal procedure employed in connection therewith, as hereinabove outlined, are justified by good transportation and storage practices and result in maximum economy for the Government under the circumstances. There are certain kinds of equipment which GSA must purchase to meet the needs of particular Government agencies. In many instances, there are insufficient data available to GSA concerning the timing and amount of the anticipated demand of the agencies for individual items. This lack of information may be present on a national or a regional basis.

GSA has purchase facilities, warehouses, and distribution points in each of its 10 regions. Were each of the regions separately to purchase and stock new items for the stores program to meet the needs of agencies for particular types of equipment, inefficiency and additional expenses would result because of the uncertain customer demand in the region. Volume purchasing and storing for each region could result only in higher prices, which would have to be passed on to the customer agencies. GSA therefore adopted the aforementioned technique involving temporary storage in pilot depots, transfer to distribution points, and billing to agencies for cost of all transportation to such points.

The Comptroller General, while questioning the propriety of such practices under a literal reading of the text of subsections (a) and (b) of section 109, has recognized that there is justification for them from the practical point of view, and has indicated that he would not oppose their being sanctioned by amendatory legislation. He concluded his decision B–141251 with the following paragraph:

"The practices, however, are understood to have existed for some time on a limited basis and they are stated to result in the greatest economies for the Government under the circumstances, having been initiated for the purpose of reducing transportation between storage warehouses. On that basis, we agree with representatives of your administration that amending legislation is desirable and shall raise no objection to those practices with the understanding that your agency will make timely presentation of the matter to the Congress with a view to securing clear legislative authority therefor."

The pilot depot discussion heretofore presented is merely illustrative of the transportation savings and improvement of management practices that the proposed flexibility in the general supply fund authorization would permit. Under sound transportation planning and practices, large procurements could be temporarily stored and then reshipped in smaller amounts to diverse points to meet ascertained demands. This would result in savings through use of carload and truckload rates as against those for less than carload and less than truckload, the development of storage in transit freight savings arrangements, and the utilization of economical break-bulk centers.

The total shipping costs which will be charged to the general supply fund under the proposed amendment should be less than at present, so that there will be no increase in supply prices to consuming agencies. In accordance with current regulations, redistribution of inventories among GSA regional depots, where economically desirable, will continue to be charged against the appropriation, expenses, supply distribution.

It should be noted that under governing law the general supply fund is subject to a special annual audit by the General Accounting Office, which reports annually to the Congress the results of the audit, together with recommendations on the status and operation of the fund (sec. 109(e), Federal Property and Administrative Services Act of 1949; 5 U.S.C. 630g(e)).

It will be noted that, in the amendment of subsection (b) of section 109 to be made by subsection (b) of the draft bill, there is deleted, as executed and therefore no longer necessary, the second sentence now in the subsection stating that, until July 1, 1950, prices payable by requisitioning agencies shall be fixed in accordance with law and regulations applicable on the date of enactment of the Federal Property and Administrative Services Act of 1949 to prices fixed by the Director of the Bureau of Federal Supply.

The draft bill, by subsection (c), would repeal subsection (d) of section 109 of the Federal Property and Administrative Services Act of 1949. That subsection provides for the establishment of a special deposit account, as a part of the general supply fund, with the Treasurer of the United States, which may be credited with applicable receipts and funds of the general supply fund, and charged with payments properly chargeable to the fund. The subsection is now obsolete by reason of Treasury Department-General Accounting Office Joint Regulation No. 4, issued June 30, 1953, pursuant to section 115 of the Accounting and Auditing Act of 1950 (64 Stat. 837, 31 U.S.C. 66c). Under that regulation recording of receipts in the appropriation and fund accounts of the Treasury constitutes the official acknowledgment of receipt (in lieu of the former transfer and counterwarrant procedure). The need for subsection (d) was thus obviated.

The amendment made by subsection (d) of the draft bill is merely perfecting in nature. It would substitute the term "personal property" for the term "supplies" wherever the latter occurs in section 109. This amendment would be in conformity with the terminology employed in the Declaration of Policy (sec. 2) of the Federal Property and Administrative Services Act of 1949 and generally throughout the act.

Since the proposed legislation would simply permit continuation of present practices, its enactment would not affect the budgetary requirements of GSA.

For the reasons hereinbefore given, GSA recommends early enactment of the proposed bill.

The Bureau of the Budget has advised that, from the standpoint of the administration's program, there is no objection to the submission of this draft legislation to the Congress.

Sincerely yours,

BERNARD L. BOUTIN,
Acting Administrator.

AUTHORIZATION FOR DECLARATORY JUDGMENTS IN CERTAIN CASES

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill that would permit a State or local public official to test the authority of a congressional committee before which he is called without being liable for prosecution for criminal contempt. My colleague, the junior Senator from New York [Mr. KEATING], is cosponsoring the bill.

The bill permits a suit for declaratory judgment in certain cases, thus allowing the courts to decide the rights of a congressional committee without requiring a public officer to stand in contempt and to risk jail for upholding the rights of another Government authority.

In the recent contempt of Congress conviction of Austin J. Tobin, executive director of the Port of New York Authority on June 16, 1961, U.S. District Judge Luther Youngdahl expressed concern that there is no way to test a committee's rights to demand documents when the issue involves a conflict between Federal and State Governments.

Tobin was convicted for refusing, on instructions of the Governors of New York and New Jersey, to produce authority documents before the House Judiciary Committee. His conviction is now pending on appeal.

In his opinion, Judge Youngdahl stated:

The court must comment on the way in which it was necessary for Mr. Tobin and the authority to challenge, in good faith, Congress' right to subpena these documents to stand in contempt and be liable for criminal prosecution. During the House debate on the contempt citation, the committee inserted in the CONGRESSIONAL RECORD a memorandum purporting to show that declaratory judgment procedures were not an available means for procuring judicial resolution of the basic issues in this dispute in this case. Although this question is not before the court, it does feel that if contempt is, indeed, the only existing method, Congress should consider creating a method of allowing these issues to be settled by declaratory judgment. Even though it may be constitutional to put a man to guessing how a court will rule on difficult questions like those raised in good faith in this suit, what is constitutional is not necessarily most desirable. Especially where the contest is between different governmental units, the representative of one unit in conflict with another should not have to risk jail to vindicate his constituency's rights. Moreover, to raise these issues in the context of a con-

tempt case is to force the courts to decide many questions that are not really relevant to the underlying problem of accommodating the interest of two sovereigns.

Judge Youngdahl's suggestion appears most constructive and appropriate and I am introducing this bill with Senator KEATING to resolve a situation that is embarrassing and painful to all concerned.

To avoid misuse, my bill would limit the declaratory judgment procedures to cases where governmental privilege or immunity is involved; and would cover only State and interstate instrumentalities and their political subdivisions; and would call for the declaratory judgment suit to be instituted in the Federal court of the District of Columbia.

I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2161) to amend title 28, Unted States Code, to authorize actions for declaratory judgments to determine the authority of congressional committees to require the production of official records of State or local governmental authorities, introduced by Mr. JAVITS (for himself and Mr. KEATING), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2201 of title 28, United States Code (relating to declaratory judgments) is amended by—

(1) redesignating the text thereof as subsection (a) thereof; and

(2) adding at the end thereof the following new subsection:

"(b) In a case of actual controversy between a congressional committee and an officer or duly authorized representative of any State governmental authority with respect to the authority of such committee to compel the production of documentary evidence constituting any part of the official records of that State governmental authority, the District Court of the United States for the District of Columbia, upon the filing of an appropriate pleading by any party having an official interest in the resolution of that controversy, shall have jurisdiction to determine and declare whether that State governmental authority is entitled by any governmental privilege or immunity to withhold such documentary evidence from that committee, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree, and shall be reviewable as such. As used in this subsection—

"(1) The term 'congressional committee' means any committee of the Congress or of either House thereof, or any duly authorized subcommittee of any such committee;

"(2) The term 'State' means any State of the United States and the Commonwealth of Puerto Rico, but does not include the District of Columbia or any possession of the United States; and

"(3) The term 'State governmental authority' means the government of any State or any political subdivision thereof, or any agency or instrumentality of the government of one or more States."

Mr. KEATING. Mr. President, I am delighted to join in cosponsoring this legislation.

I have complained for years about the cumbersome, illogical, and time-wasting procedure which now must be followed in testing claims of privilege or immunity in congressional committee hearings. For some time I have sponsored legislation which would make it possible to deal with such cases in a much more reasonable and expeditious manner. Briefly, my bill would allow the committees of Congress to seek immediate review in the courts of refusals to answer questions or produce documents. No criminal indictment would be necessary and the whole issue could be resolved in the same time it would take to review a claim of privilege in a trial or before a grand jury. The bill I am referring to is S. 2074 in this Congress.

The bill proposed today would also represent a tremendous improvement over the present law by eliminating the requirement for criminal proceedings. The principle of the declaratory judgment action has been applied to many similar situations and its extension to cases involving the authority of congressional committees seems to me to be entirely appropriate.

It should be understood that neither of these proposals would in any way preclude the use of criminal indictments in cases in which criminal action is called for. As Judge Youngdahl recognized in a recent opinion, the dispute between the New York Port Authority and the House Committee on the Judiciary does not fall within this category. I do not intend to comment on the merits of this case in any way while it is pending in the courts, but it does make obvious the inadequacies of the procedures under the present contempt of Congress statute.

I hope that Congress will not continue to ignore this problem and that there will be hearings and action on the proposals which have been made.

I commend my colleague for the initiative he has taken in presenting this bill today and ask unanimous consent to have printed at this point in the RECORD the text of S. 2074.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) either House, any committee or subcommittee of either House, and any joint committee of the two Houses of Congress may, by an affirmative vote of a majority of its actual membership, invoke the aid of the United States district courts in requiring the attendance and testimony of witnesses and the production of evidence, in furtherance of any inquiry such House, committee, subcommittee, or joint committee is authorized to undertake.

(b) The United States district court for the district within which the inquiry is carried on may, in case of contumacy or refusal to obey a subpena issued to any person by either House, any committee or subcommittee of either House, or any joint committee of the two Houses of Congress, issue an order requiring such person to appear (and to produce evidence if so ordered) and give evidence relating to the matter in question before such House, committee, subcommittee, or joint committee, as the case may be; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(c) Attorneys of the Department of Justice shall furnish legal assistance in invoking the aid of the United States district courts under subsection (a) to either House, or any committee, subcommittee, or joint committee which requests it.

COOPERATION WITH FIRST WORLD CONFERENCE ON NATIONAL PARKS

Mr. MAGNUSON. Mr. President, on behalf of myself and Senators JACKSON, CASE of South Dakota, METCALF, and NEUBERGER, I introduce, for appropriate reference, a bill to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes. I ask unanimous consent that the bill lie on the desk through July 14, 1961, in order to give other Senators an opportunity to cosponsor it if they so desire.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Washington.

The bill (S. 2164) to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ANIELA WOJTOWICZ

Mr. KEATING. Mr. President, I introduce, for appropriate reference, a bill for the relief of Miss Aniela Wojtowicz. Approval of this measure would strike a resounding blow for freedom and would reaffirm America's humanitarian dedication to the troubled peoples now trapped by Communist tyranny.

The beneficiary of this bill arrived in the United States on June 28, 1960, as a servant, maid, and cook to the U.N. permanent representative of Poland. During her stay in this position, she was constantly subjected to Communist brainwashing and persecution because of her religion and her liking for America. I am told she was not even permitted to listen to the radio or to read Polish-American newspapers. Before she left Warsaw for the United States, she was given a Polish dictionary. This was even taken away from her.

Miss Wojtowicz' employers apparently wished to keep her isolated from the Polish-American community and not allow her to establish any friends outside of the household. She was kept under constant surveillance, and about May 20 of this year she was unexpectedly informed by her employers that she should be prepared to travel to Poland "on leave." This surprised her a great deal, as most members of the staff remained in the United States for several years before being permitted to go home on leave. No explanation for this unprecedented leave was given. She heard that 2 to 3 months' notice was generally given in advance of leave. She got the impression that her time to leave the United States might be on May 28 or 30

on a freighter from Poland that was in the port of New York.

On Sunday, May 28, Miss Wojtowicz arose at 6 a.m., slipped out of the house and took a bus to a Polish Roman Catholic church in downtown New York City. From there she called friends who lived in Queens. When the friend left his house to pick her up, he noticed a car parked with the engine running standing a short distance from his house. The driver of the car was seated at the wheel and another man, dressed in a Polish-styled topcoat, was walking up and down near the car. The friend became apprehensive that the Polish officials had found out about her escape and knew that she might attempt to come to Queens for asylum. Therefore, not wanting to take any chances, refuge was found for Miss Wojtowicz elsewhere.

Friends of Miss Wojtowicz then contacted the Polish-American Immigration and Relief Committee for their advice on how to handle Miss Wojtowicz' case. On June 6, the executive vice president of the committee, Mr. W. Zachariasiewicz, reported the case to the Immigration and Naturalization Service Office in New York and arranged for a preliminary examination for political asylum for Miss Wojtowicz. On June 9, she was served with an order of deportation and was offered an opportunity to show cause why she should not be deported. An application for a stay of the order of deportation was immediately submitted and a hearing held. I have been in touch with the Service about this, but up to the present time there has been no determination of this hearing, and Miss Wojtowicz' status in the United States remains uncertain.

The general problem of Iron Curtain country citizens seeking asylum in the United States is one that deserves the earnest attention of the Congress. After living a life under tyrannical communism and finally seizing an opportunity to seek freedom in the United States, it is unfortunate that an individual must be subjected to deportation proceedings before it can be established that he or she is legitimately seeking political asylum in the United States.

The purpose of my bill would be to grant to Miss Wojtowicz permanent residence in the United States as of the date of its enactment. Miss Wojtowicz is a symbol to millions of imprisoned people behind the Iron Curtain who are yearning for the opportunity of free expression and freedom of religion—cherished liberties that all Americans hold so dear. Atheistic communism has suppressed these freedoms and by the very basis of its dogma and philosophy will not supply them for people in the future. It is up to America to keep the freedom lamp of hope and opportunity burning for the oppressed throughout the world. Enactment of this bill would in a small but significant way contribute to this vital task, and I shall press for its speedy approval.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2167) for the relief of Aniela Wojtowicz, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Aniela Wojtowicz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961—AMENDMENTS

Mr. MUNDT submitted amendments, intended to be proposed by him, to the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges, which were ordered to lie on the table and to be printed.

EXTENSION OF NATIONAL DEFENSE EDUCATION ACT—AMENDMENTS

Mr. GOLDWATER (for himself, Mr. MUNDT, Mr. FONG, Mr. TOWER, Mr. CARLSON, Mr. MILLER, Mr. YOUNG of North Dakota, Mr. THURMOND, and Mr. CASE of South Dakota) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 1726) to extend and improve the National Defense Education Act, and for other purposes, which were referred to the Committee on Labor and Public Welfare and ordered to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. ELLENDER:

Address delivered by him at a luncheon for the American Food for Peace Council, on June 28, 1961, in the old Supreme Court chamber in the Capitol Building.

THE BERLIN PROBLEM

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article written by Joseph Alsop, and published this morning in the Washington Post, in which he states very clearly and, I think, very succinctly the problem which faces us in Berlin. Sometimes I do not agree with what Mr. Alsop writes in his articles, but I think this one is an excellent portrayal of this problem which faces our Government at the present time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PEERING INTO THE INFERNO

(By Joseph Alsop)

The policy planning for the Berlin crisis continues to be the all but exclusive preoccupation of the highest level of the Government. It is a slow business, precisely because everything hangs upon the answer to a question the like of which no leaders of any government in history have every had to answer before.

For this reason, in turn, it is high time to stop being mealy mouthed about this dark but central question. No one has debated it. No one has even mentioned it in a forthright way in any public discussion. But it dominates the private discussion of the Berlin problem by the President and his policymakers; and the national future probably hangs upon the answer.

Is the United States prepared to risk a thermonuclear war in order to discharge its sacred obligations at Berlin? This is the question that has to be answered, fairly and squarely, before intelligible, clear-minded decisions can be taken about the right way to meet the threat to Berlin.

The question would not have arisen if measures had been taken, in the years of the locust, to maintain this country's former commanding margin of military power. There would be no threat to Berlin, one may be sure, if the balance of power in the world today were anything like the balance of power that existed in 1953. But the measures to maintain the old margin of the U.S. power were considered to be too costly, although democracies badly need some margin in dealing with totalitarian empires.

Thus the question has arisen. In this last month, moreover, since Nikita S. Khrushchev has taken a position from which he cannot easily retreat, it has become a sternly insistent question.

The chances are 5 to 1, 6 to 1, 10 to 1—what you will—that Khrushchev will do everything needful to avoid a thermonuclear war if he can only be convinced that there is real danger of one. But one cannot forget the off-chance that Khrushchev's arrogance will prove impenetrable, because of grossly overoptimistic military calculations or for some other reason.

Thus the question cannot be dodged or ducked. Yet no real precedent exists to give historic guidance about the best answer.

To be sure, cities and nations and peoples have sometimes in history fought to the last man. How often this has happened is easily forgotten in this rather flaccidly comfortable age. Anyone who wishes to be reminded only need to read such records as the historian Josephus' account of the siege and destruction of Jerusalem by the Emperor Titus.

Yet two things set the present question apart from the question that was so firmly answered by the iron-willed Jewish zealots who manned the walls of their holy city with such fearful and unyielding courage. First of all, the defenders of Jerusalem had consciously made their choices, whereas today this country is thinking about everything on earth except the choice that has to be made. And secondly, the scale of the choice is different.

If the Berlin crisis results in a thermonuclear exchange, the peoples of the United States and the U.S.S.R. will by no means die to the last man. But a great many millions will quite certainly die, whereas the bloody toll of the fall of Jerusalem was still counted only in tens of thousands. He who makes this choice, and President Kennedy

above all, must first peer long and hard into the inferno. That is the sum of the matter.

It is downright frivolous to demand a quick and easy answer from men who must peer into the inferno first. But it is also frivolous, and even shameful, to pretend that the dreadful risk inherent in one kind of answer makes the risks in the other kind of answer any less dreadful.

The answer that we shall stand up and be counted for Berlin involves a certain risk—probably rather a small risk—of a thermonuclear exchange. But the answer that this risk is too awful, and that we shall not stand up and be counted, involves a very much greater though longer term and quite different risk. It involves, in fact, an actual probability of a general Western decline which will continue from crisis to crisis, until the final stage of Soviet world domination.

Suppose we are not ready to stand up and be counted for Berlin, where our commitment is so deep, so morally compelling, and so politically crucial. Why then should we stand up and be counted for any other Western position overseas, or for any of our allies, or for Staten Island or Alaska or the State of Washington, for that matter?

That is the other half of the central question, which must also be weighed. And when it is weighed, the fact must be remembered that each failure to stand up and be counted will lead to a new and bolder challenge, in worse circumstances, at a new point still nearer home. In sum, this is a moral-philosophical question of the deep and final sort that controls the course of history.

THE MARITIME STRIKE

Mr. LAUSCHE. Mr. President, the U.S. Government has a twofold interest in the 13-day-old maritime strike which confronts the country.

Its general interest deals with the impact of the strike upon the national economy, health, and safety. The special interest concerns the taxpayers of the United States who, to a substantial degree, subsidize the private carriers of cargoes and passengers on the high seas under the U.S. flag.

While the taxpayers do not generally know it, it is a fact that they pay the difference between the cost of building a ship in an American shipbuilding yard and the cost of such construction in a foreign shipyard, but in no event to exceed 55 percent of the cost. They also subsidize the operations of the American ships as they sail the high seas—paying to the ship operators about 61 percent of the cost of operating the ships.

Since the Merchant Marine Act was enacted in 1936, the subsidies paid by the taxpayers of the United States to these private carriers have amounted to about $1,400 million.

The difference between the construction and the operation costs of the two groups has grown worse since 1936. At that time it was anticipated that the gap between the cost of using foreign labor and the cost of using U.S. labor would grow smaller. Instead it has grown larger.

The difference for the cost of the construction of ships in 1936 was about 32 percent; in 1960, it rose to 52 percent, requiring an amendment in the law, raising the limitation on the subsidy from 50 percent of the cost of the ship up to not more than 55 percent.

The difference for the cost of operating the ships on the high seas increased from 54.7 percent in 1947 to about 61 percent in 1959. These subsidized costs include wages, subsistence, maintenance and repairs, stores and supplies, and insurance. The wages subsidy is now about 85 percent of the total subsidy paid. In 1938, wages amounted to about 47 percent of the subsidy dollar.

Mr. President, from a competitive standpoint, the carriers of our country are sliding into a worse position as time goes on, because of the increasing costs of construction and operation.

The President, in his message of May 25, said when dealing with a stabilization of our fiscal position:

> We must maintain this progress and this will require the cooperation and self-restraint of everyone. As recovery progresses, there will be temptations to seek unjustified price and wage increases. These we cannot afford; they would only handicap our efforts to compete abroad and to achieve full recovery here at home. Labor and management must—and I am confident that they will—pursue responsible wage and price policies in these critical times.
>
> I look to the President's Advisory Committee on Labor and Management Policy to give a strong lead in this direction.

Based on my understanding, Mr. President, the demands made by the labor leaders are substantially as follows:

First. A 30-hour week.

Second. Cash increases in pension and welfare contributions.

Third. Increase in allowances for subsistence and lodging.

Fourth. Provision that in the construction of new vessels, operators will provide sufficient living spaces to provide one room for each man.

Fifth. Most favored union clause.

Sixth. The right to bargain under collective bargaining agreement with the crews of foreign-flag vessels owned directly or indirectly by American citizens.

What will be the ultimate increase in the cost of the operation if these demands are met, I do not know. However, it is clear that whatever they may be, a substantial part of them will have to be paid directly as subsidies by the taxpayers of the United States.

I repeat the statement of the President:

> As recovery progresses, there will be temptations to seek unjustified price and wage increases. Labor and management must—and I am confident that they will—pursue responsible wage and price policies in these critical times.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The time available to the Senator from Ohio, under the 3-minute limitation, has expired.

Mr. LAUSCHE. Let me ask whether I may have 1 additional minute.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Ohio may proceed for an additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Madam President, we cannot afford to further price ourselves out of the competitive markets of the world in the carrying of cargoes and passengers on the high seas, nor can we afford to increase the taxpayers' burden in providing additional subsidies.

The negotiators and the conciliators in this maritime strike should not forget that the taxpayers directly—and I repeat the word "directly"—through subsidies will have to finance both unjustified demands and concessions.

I respectfully submit that this is the time for the first application of the principles enunciated by the President as recently as May 25, which received such enthusiastic response when uttered to the joint session of the Congress.

Thus far we have subsidized the merchant marine in the sum of $1,400 million. We will subsidize them much more, and the taxpayers will pay, unless reasonable restraints are voluntarily adopted by the participating contestants.

MIGRANT WORKERS' PLIGHT

Mr. YOUNG of Ohio. Madam President, it is a disgrace that the richest nation in the world permits a system of virtual peonage to continue in the 20th century.

Our migrant farmworkers have been cited by Secretary of Labor Arthur Goldberg as the most economically underprivileged group in the Nation. His predecessor, Secretary Mitchell called their plight the shame of America.

Their income is shockingly low. The average migrant worker receives less than $1,000 a year.

Because they are constantly on the move, migrant workers and their families do not qualify for local public health and welfare services. They rarely see a doctor, and their children are often not received in local schools. Until they, themselves, are old enough to work, their days are spent sitting in the fields and watching their parents toil from dawn to dark. Home to them is one bleak decrepit shack after another.

Madam President, these people, unfortunately, are totally excluded from social security and the protection of the Fair Labor Standards Act. They have yet to benefit from the measures passed over 20 years ago during the administration of Franklin D. Roosevelt.

State and local governments and organizations have in many instances acted to aid these people. However, unfortunately, in many cases there is no responsible State or local force at work. This is a national, and not a local or State problem. We can no longer bury our heads in the sand and pretend that the problem does not exist.

Madam President, in August of 1959 the Subcommittee on Migrant Labor was created. The chairman of this subcommittee, the distinguished junior Senator from New Jersey [Mr. WILLIAMS], deserves the commendation of all Americans for the magnificent work he has done, and is doing, in bringing this situation to the attention of the public and in urging action to remedy it.

This subcommittee has recommended an extensive program of legislation. National support is proposed for local programs to bring migrant children into the educational system. Also proposed are a housing program, child welfare

services and day care centers, extension of public health services, and measures to increase wages.

This legislative program should be acted upon during this session of Congress. With each month that goes by without doing so, thousands of children are denied the right to a full education and a better life while their parents continue to toil under deplorable conditions.

Madam President, on June 27, 1961, an excellent column by Peter Edson, "Migrant Workers' Plight," appeared in the Washington Daily News, a member of the Scripps-Howard league of newspapers. Mr. Edson clearly reveals the deplorable situation of migrant farmworkers and the inequities that exist between American migrants and those imported from Mexico and the British West Indies. His column points out the need for new legislation which would give native Americans the same protection and benefits enjoyed by immigrant migrant laborers, as well as the need for legislation to improve pay and working conditions of American migrants in their own rights.

Madam President, I commend this column to my colleagues and request unanimous consent that it be embodied in my remarks and printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MIGRANT WORKERS' PLIGHT

(By Peter Edson)

July is peak month for employment among the more than 600,000 migrant farmworkers in 37 States. They comprise the most depressed group in the American work force and they present the most complex and misunderstood of all U.S. labor problems.

Last year there were 316,000 Mexican farmworkers who came to the United States under legal contract. There were 10,000 from British West Indies to work the east coast, 8,000 from Canada to work principally in the wheatfields and 1,000 from Japan to work in California.

There were in addition 293,000 native American migrant farmworkers, including 18,000 from Puerto Rico.

One of the most deplorable aspects of this broad picture is that the native American migrant farmworkers—who have no Taft-Hartley or minimum wage law protection—are in most cases paid less than the imported foreign labor which is protected by U.S. law.

The U.S. average for migrants is under 150 days of work a year for an average of 75 cents an hour. Mexicans are guaranteed a minimum of 50 cents an hour. This is prevailing wage in such places as lower Rio Grande Valley in Texas and Imperial Valley in California.

In the Texas trans-Pecos and Panhandle areas and farther north Mexicans are paid $1 an hour and more.

British West Indies labor gets $1 an hour minimum under contract and often more, plus transportation, good housing and decent food at fair prices—not low-cost labor.

Average annual income of a British West Indies migrant farmworker last year was about $3,000. Average annual income of U.S. migrant farm labor is about $1,000.

Mexican migrant labor in some parts of the Cotton Belt gets 50 cents an hour plus housing while native American farm labor is paid as low as 35 cents an hour.

One reason that British West Indies labor gets better treatment is that its government labor office in Jamaica—since a cleanup of bad scandals several years ago—has taken over the making of contracts with private U.S. employers. One British West Indies inspector comes along with every 350 workers.

British West Indies labor gets better treatment and pay than two-thirds of the Mexicans. Both of them fare better than the native Americans. But the most curious aspect of this situation is that the foreign migrant's better pay and working conditions have raised standards for U.S. migrants.

It is for this reason, principally, that American Federation of Labor-Congress of Industrial Organizations reluctantly goes along with present migrant labor conditions, though AFL-CIO leaders do not regard the import of foreign labor as good policy. A principal reason for this acceptance is that organizing migrants into unions has not been too successful.

So the main reliance of everyone who is interested in improving the lot of U.S. migrants is placed on getting better legal protection out of Congress.

The present Public Law 78 was enacted in 1951 to get a steady supply of Mexican farm labor during the Korean war manpower shortage. It has now practically ended the disgraceful "wetback" migration of a million Mexicans who crossed the border illegally to work for 15 and 25 cents an hour under the worst possible living conditions.

The House has approved extension of Public Law 78 for another 2 years without change. But Senator EUGENE MCCARTHY, Democrat, of Minnesota, is sponsoring new legislation which would give native American migrants the same protection and benefits now given Mexican migrants as a minimum.

Senator HARRISON WILLIAMS, Democrat, of New Jersey, has also introduced an 11-point program to improve pay and working conditions for American migrants in their own rights. But it hasn't much chance. The Kennedy administration, through Labor Secretary Goldberg and Agriculture Secretary Freeman, has thrown its support behind the McCarthy bill.

A REAL TRACTORS-FOR-FREEDOM PROGRAM

Mr. KEATING. Madam President, the tractors-for-freedom deal with the Communist regime of Fidel Castro seems to have ended in the fiasco which many of us feared. As usual, Castro tried to eat his cake and have it too, but quite rightly, the American committee was not prepared to wait on Castro indefinitely.

Madam President, it is my understanding that the money contributed to the committee is now being returned to the donors, in the unopened envelopes, as is entirely right and proper. But I suggest, in order to demonstrate the very real concern of the American people for freedom, not only in Cuba but throughout the rest of Latin America, that the committee appeal at once to the donors to send their contributions back again so that the 500 tractors can be purchased and donated to the other Latin American countries who are not Communist and who have not tried to blackmail us in this way.

A gesture of this type, completely voluntary, would be a far more dramatic sign of our concern to aid and encourage free nations than any kind of barter deal with Castro. Used properly, 500 tractors could well save more than 1,200 lives among the undernourished people of other Latin American States.

How the tractors should be distributed could best be worked out by economic experts on Latin America in the Government. Personally, I would favor distribution of the tractors to agricultural colleges and cooperatives where the tractors would have maximum impact and effect. The International Cooperation Administration is studying ways right now to help agricultural cooperatives. This is one way that could have great force, both practically and public relationswise. In any case, they should go where they can bring the most benefit to small landowners and contribute to social as well as economic progress. Large landowners and profiteers do not need this kind of help, but such a contribution would advance the long-term human battle against poverty, disease, and starvation.

Madam President, I realize that the United States already has a sizable aid program for Latin America, and I realize that some of the donors who wished to save the prisoners in Cuba might not wish to send their checks back for a different cause. But, on the whole, Madam President, I think the return would be great. Such a program could honestly be called tractors for freedom. Instead of transferring our tractors for the pound of flesh Castro demands, we would be transforming them into pounds of food for the free peoples of Latin America. "Pounds of food," not a "Pound of flesh," should be our motto. The plan could have widespread appeal and impact in our country and throughout Latin America.

I am contacting Dr. Milton Eisenhower at once to see whether such an arrangement would be feasible. Let us send our tractors to work where they can plow and plant for freedom, not where they will be used to undermine and bulldoze freedom to death.

Mr. COOPER. Madam President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. KEATING. I yield.

Mr. COOPER. First, I should like to say I think the Senator has made a very constructive proposal. Contrary to the views that some of my colleagues have held on this subject, I believe the Government of the United States was to a great extent responsible for the landings in Cuba, and for that reason I felt we had an obligation to try to secure the release of prisoners. But that effort appears to be by the boards now. So the Senator from New York has brought before us a really constructive program, one in which the people of the United States could show their interest for the other people of Latin America, those who it could not be said are Communists, and who need food. I congratulate the Senator from New York.

Mr. KEATING. I appreciate the remarks of the Senator from Kentucky.

CALL OF THE CALENDAR TOMORROW

Mr. MANSFIELD. Madam President, I ask unanimous consent that tomorrow,

at the conclusion of business during the morning hour, the Senate proceed to the consideration of items on the calendar to which there is no objection, beginning with Calendar No. 418, Senate bill 149, a bill for the relief of the estate of Gregory J. Kessenich.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR KEFAUVER, OF TENNESSEE

Mr. GORE. Madam President, the Honorable ESTES KEFAUVER, the distinguished senior Senator from Tennessee, has made a direct contribution to the public welfare as chairman of the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary. This distinguished public servant brought to the attention of the Nation the practice of administered prices.

Subsequently he exposed to the white glare of the Nation's attention collusion and price rigging by some of our largest institutions.

In this critical time in world affairs, when our attention is riveted upon the war clouds which constantly threaten, such a great public service may not receive the attention to which it is entitled.

My colleague [Mr. KEFAUVER] has written a very fine article entitled "The Fruits of Price Investigation," and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FRUITS OF PRICE INVESTIGATION

(By Senator ESTES KEFAUVER, of Tennessee)

On July 9, 1957, the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary began hearings on what Gardiner C. Means in 1935 termed administered prices. Administered prices are those which, in contrast to competitive prices determined by market supply and demand, are arbitrarily set and held constant, or, on occasion, even increased despite a fall in demand. Now, after 4 years, 26 volumes of hearings numbering 16,505 pages, and four reports, it may be appropriate to inquire what the subcommittee has accomplished.

The inquiry has rested basically upon a detailed examination of administered prices in four important industries:

The first industry examined, steel, produces one of the Nation's most basic materials; it has long been referred to as the bellwether of the economy.

Next came an inquiry into the automobile industry, which is not only the Nation's largest but one that exercises a pivotal influence upon the rate of activity in the economy generally.

Bread, the staff of life, is among the Nation's half dozen most important industries. It also presents an interesting example of an industry in which there is no technological basis whatever for the concentration of sales in a few large companies, yet nonetheless is changing from a market-determined to an administered-price status.

Finally, we examined the drug industry. The importance of drugs lies not so much in the overall size of the business (although with annual sales of $2.5 billion this is hardly negligible), but rather in its crucial relationship to health and indeed life itself.

We then turned to the heads of the antitrust agencies and asked what action could be taken against the simultaneous price increases, identical bids, and similar manifestations of group behavior we had uncovered. In essence, their position was that competition could be restored only if they were fortunate enough to come across hard-core evidence of meetings and agreements—overt conspiracy.

These professions of futility dramatize the basic irony underlying the enforcement of the antitrust laws. Although now and then an exception, such as electrical goods, turns up to prove the rule, the typical hard-core case involves enterprises, such as Louisiana strawberry firms or Maine lobster fishermen, so small and so poor that they are unable to afford the legal fees of corporation law firms, and thus go about the business of fixing prices in the direct, old-fashioned way—through meetings and price-fixing agreements. In the process they leave behind all kinds of evidence of hard-core violations.

But if the same result is achieved by price leadership, with, say, United States Steel raising its price, which is then matched by all of the other steel companies (some of which enjoy even higher profit rates and appear to have lower costs), the antitrust agencies have insisted that they are powerless to act. This position, expressed before our subcommittee during the previous administration, represents a tragic retrogression in enforcement.

During the late 1940's and early 1950's, the antitrust agencies had made considerable progress in establishing conspiracy through the economic evidence of its operations and effects. Courts were increasingly holding that such phenomena as identical bids could not possibly be explained as the result of mere chance but must reflect an implied conspiracy or planned common course of action and that, therefore, the law had been violated even though no proof of meetings or formal agreements had been uncovered. Unless this doctrine of conscious parallelism is revived, the case for new legislation to deal with the problem of administered pricing becomes very strong indeed.

But what kind of legislation? There is the rub. During our hearings outstanding economists who have specialized on this subject described the alternative public policies. On the one hand is the viewpoint, expressed by Dr. Ben Lewis, chairman of the department of economics at Oberlin College, that whether we like it or not the logic of events is working inexorably toward direct controls:

"Tutored by its attorneys, bathed, barbered, and cosmeticized by Madison Avenue, nourished and sanctified by war and cold war, and enthroned by public opinion which sees only goodness in bigness that is well mannered and well behaved, bigness exhibits the supreme confidence and gracious assurance that bespeak stature, status, and a clear conscience. Bigness was once the bad boy in Sunday school; now it sits on the vestry. It may not yet have acquired a full-sized soul, but the contract has been let and the press has been alerted. Bigness spreads its protective arms benevolently over thousands of small, less favored firms, and dispenses justice among them as it is given to see justice. It keeps them alive—in the aggregate—and in the main tolerably happy—and in line. Bigness is here and, what distinguishes its present from its earlier position, we all know that bigness is here to stay. I suggest that competition, today, is captive to bigness—that today's competition is more controlled than controlling, its temper lessened, its tautness gone slack. * * *

"My own prediction—and I stress that I am predicting, not prescribing—is that the years ahead will see a great increase in conscious, collective, governmental controls and of governmental enterprise; and that bigness will be a major focal point of the development. The development will reflect a growing, intensified concern over the private possession of economic power so vast that even its possessors are frightened by the implications of their holdings. * * * The conviction that great power over the economy must reside only in a government of the people will be acted on relentlessly, bluntly, and with force. Events will count more heavily than fine logic in determining the action, but events will surely occur, and public action to repossess the power to economize will surely follow."

While agreeing on the general nature of the problem, another group of authorities, including Fritz Machlup, Corwin Edwards, and Walter Adams, held that not only is competition preferable to controls but that it is not too late to make competition work; that to this end the Government may act in many ways in addition to antitrust enforcement, such as reducing tariffs; that bigness is not the inevitable result of technology or anything else; and that breaking up the giants would not impair efficiency. In the words of Walter Adams:

"Size, in the sense of market control, is the fact of life, and the essence of the problem, in our concentrated industries. Restrictive practices are merely superficial symptoms of the disease. Given a market structure dominated by a few firms, it seems inevitable that prices be administered, that there be a deep-seated and characteristic fear of spoiling the market, that price competition be frowned upon as unethical chiseling and cutthroat rivalry deserving of punishment. Given such a market structure, behavior which inhibits or regulates price competition and which gives the results of collusion and conspiracy must be expected. Therefore, if competition is our goal, and I repeat, if competition is our goal, the only real solution, the most effective remedy, is dissolution, divorcement, and divestiture; trustbusting in the literal sense.

"Industrial concentration * * * is not inevitable. * * * It is the concomitant of unimaginative, shortsighted, or corrupt exercise of governmental power. It is man made, not God made, and since it is made by man, it can be changed by man."

Still a third group, including Edwin D. Nourse, Gardiner G. Means, and J. Kenneth Galbraith, appeared to express the hope that standards of desirable economic performance and behavior could be evolved and ways and means short of direct governmental intervention in the economic process could be devised to induce the heads of large firms to operate their corporations in accordance with these standards.

Regardless of the differences in their proposed remedies, these authorities seemed to be in general agreement that the time for action is now. But they also recognized that the problem is not going to be solved tomorrow. In this, they were merely manifesting their awareness that an inevitable timelag exists between the advancement of a proposal for legislative action and its final adoption.

But this is not to say that nothing can be done and done now. For one thing, there has come out of our hearings a growing recognition that the consumer is the forgotten man not only when capital and labor sit down to divide up the spoils of technological advance, but when governmental agencies act on matters which impinge directly upon his interests. Together with 19 other Senators, I have introduced a bill, S. 1668, to establish a Department of Consumers of Cabinet rank which would have the right and duty to call to the attention of the regulatory agencies the effects of their actions on consumers before they are taken. The new Department would act as a central clearinghouse for consumer information and complaints, bringing under one roof the varying agencies of the Government whose primary responsibility is to the consumer interest. In introducing the bill, I referred

to the preoccupation of the regulatory agencies in settling conflicting claims among rival groups of producers:

"Is it surprising, then, that amid this constant tug of war between contesting private interests there is little room for the consumer to be heard? And, unlike these private pressure groups which are well organized, highly disciplined in the art of exerting influence, and omnipresent when decisions are to be made, consumers are scattered, unorganized, and often unaware that decisions are taken of vital import to their standard of life."

As another step which need not wait upon any comprehensive solution to the general administered price problem, I recently introduced a bill, S. 1552, designed to stimulate competition and bring about lower prices in the ethical drug industry. From our hearings it has become obvious that, by any standard, drug prices are excessive and in some cases outrageous, that this is made possible by a tight control of the market by a few big drug companies, and that this tight control in turn stems from three factors: patent monopolies; enormous advertising and promotional campaigns directed to the doctor which the small drug manufacturer cannot possibly match; and the successful efforts of the large drug companies in persuading physicians to prescribe by trade name rather than by generic name. The bill is directed at each of these sources of market power.

Among its major provisions the bill would require compulsory licensing—after 3 years—under patents for drug products; provide that the Food and Drug Administration shall pass on the efficacy as well as the safety of drugs; see to it that physicians are provided with clearer, better, and additional information on the bad as well as the good features of drugs; require fuller and more comprehensive inspection of drug manufacturing plants and their licensing by the FDA, thereby giving to physicians greater confidence in prescribing on the basis of generic, rather than trade names; and grant to the FDA authority to determine the generic names for drugs, which now are frequently so long, complex, and unpronounceable that they cannot possibly be remembered or used by physicians.

While the drafting of effective legislation on new and complex problems is itself an accomplishment, it is true that neither the consumer bill nor the drug bill has yet become the law of the land. Nor are they likely to become so unless they receive strong public support. Without such support the usual fate of legislation in the public interest, particularly if opposed by powerful groups, is permanent interment in the standing committee to which it is referred.

A particular source of annoyance to me and to other Members of Congress is the citizen who consistently deplores the lack of essential legislation but does nothing to communicate his own views to his elected Senators and Representative. The importance of even a small volume of mail from the grassroots is confirmed by the lengths to which large organizations will go to evoke a spontaneous flow of mail from the folks back home.

In addition to these measures which are definitely within the area of the possible, the hearings by the subcommittee have provided the bases for important additions to the arsenal of antitrust weapons. Penalties for violation of the statutes have been increased, while orders issued by the Federal Trade Commission under the Clayton Act now become final unless appealed—a significant technical change which the FTC had been urging upon Congress for many years.

In recent years the argument has been made with increasing frequency that the hearings of congressional committees should be restricted solely to the consideration of legislation. Because of the flagrant abuses of some hearings, such as those of the late Senator Joseph R. McCarthy, this argument has found favor with many individuals of liberal persuasion who formerly would have opposed any restriction on the rights of congressional committees to get at the facts. Yet, throughout our history most reforms have been preceded by congressional investigations which were not directed toward any specific piece of legislation for the simple reason that no meaningful bill can even be drafted until the facts of the matter are known and understood.

Each of the investigations made by the Subcommittee on Antitrust and Monopoly has been conducted for legislative purposes. Its inquiries have been focused principally on the questions of whether a need for new legislation exists and, if so, what form it should take. But even if they had not been directed to a legislative purpose, these investigations would still have been appropriate as part of what Woodrow Wilson called the informing function. Indeed, in his celebrated treatise on Congressional Government, President Wilson went so far as to say that "the informing function of Congress should be preferred even to its legislative function." With the emergence of big business, big labor, and big government as the central forces in our society, and with the pressures for greater secrecy and nondisclosure coming from everywhere, the need for the informing function today is far greater than in the simpler days of Woodrow Wilson.

As a byproduct of its legislative work our subcommittee has carried out this informing function which, it appears, has not been without certain beneficial results. A specific example is the failure of the steel companies to raise their prices after the settlement of the steel strike of 1959. Following the strike, conditions were propitious for a price increase. Wage rates had been increased as part of the settlement with the union. Predictions of demand for steel were optimistic. Some of the metal-using companies were looking forward to a price increase as "a good peg on which to hang higher price tags that would recoup even more than the additional steel costs." In each of the previous 4 years an increase in wage rates had been followed by an increase in price—$4.50 per ton in 1958, $6 in 1957, $8.50 in 1956, and $7.35 in 1955. The 1957 increase, alone, was shown to have cost direct steel buyers $500 million a year, and, because of the pyramiding effect, the cost to the ultimate consumer was several times this amount.

The subcommittee made it clear that if the price of steel were increased, it would hold public hearings in which steel officials would be asked to compare the price increase with the cost of the wage increase and to explain the need for the price rise in view of their remarkable profit showings. Trade sources suggest that this was a factor in the decision of the steel companies not to raise prices, although there is no way of precisely determining its importance. To assume all of the credit for this new-found rectitude on the part of the steel companies would be presumptuous since other factors were at work, not the least of which was an approaching national election. At the same time, to ignore completely the subcommittee's role would be to distort reality.

But perhaps an even clearer case in point is provided by the subcommittee's inquiry into the drug industry, the indirect consequences of which are referred to in the trade press as fallout effects. For one thing, there has been a number of price reductions which the trade has attributed in considerable part to the subcommittee's investigation. In actual dollars and cents the savings to consumers have not been inconsiderable. Just 1 month prior to the subcommittee's hearings on antibiotics in September 1960, the price of the largest selling broad-spectrum antibiotic, tetracycline, was reduced 15 percent, the first price reduction since the product was introduced in 1954. Savings to consumers total more than $50 million a year. Immediately prior to the subcommittee's first drug hearings in December 1959, the price of the largest selling oral antidiabetic drug was reduced 10 percent—an annual saving to consumers of $2,500,000. During the course of the hearings, price reductions were made on still other drug products. (The subcommittee's total annual appropriation is only $450,000, or less than 1 percent of the savings on antibiotics alone.)

Savings have also been effected through the broader use of generic name prescribing, interest in which has been stimulated by our disclosures that nonpatented drugs marketed under their generic names are usually available from smaller drug manufacturers at prices far below those charged by the large companies for their trade-name products. A typical case is the arthritic drug, prednisone, which under the trade-name Meticorten is sold to the consumer for nearly 30 cents a pill. Under its generic name the product can be purchased currently from drugstores in Washington, D.C., for less than 4 cents a pill.

The growing interest in the subject is evident from the fact that the American Medical Association at its meeting in Washington in November 1960, recommended the use of generic name prescribing for welfare patients as a means of keeping down drug costs. In August 1960, the American Hospital Association's house of delegates strongly urged hospitals to adopt "formularies" which employ generic names as a means of cutting down expenses. By stressing the use of generic names in prescribing for welfare patients, the State Welfare Department of Connecticut claimed savings of $250,000 for the first half of 1960. In mid-1960 the State Welfare Department of New York adopted a new policy requiring doctors treating welfare patients to use generic names for 17 commonly used drugs. The State of New Jersey in December 1960, decided to purchase drugs for State institutions on the basis of generic names.

The growing acceptance of generic name-prescribing for welfare patients led Senator PHILIP HART, of Michigan, to raise a logical question. If drugs purchased under generic names are of adequate quality for welfare patients, asked HART, why should they not be equally acceptable for the general public, and if they are not of adequate quality for the general public, why should they be prescribed for welfare patients?

In addition to the savings resulting from lower prices and broader use of generic names, the drug investigation has had a number of other effects, not the least of which was the prompt dismissal of Dr. Henry C. Welch, formerly Director of the Antibiotics Division of the Food and Drug Administration. Dr. Welch was dismissed upon our revelation that he had received more than $280,000 from antibiotic producers; the money was principally in the form of payments for reprints of articles appearing in medical journals edited by Dr. Welch.

Throughout our hearings the Food and Drug Administration was the subject of severe criticisms for its failure to require adequate clinical testing of new drugs prior to clearance for marketing; for its failure to act when new evidence revealed significant undesirable side effects of drugs previously cleared; for inadequate policing of promotional material of drug companies which fell within the agency's power over labeling; and for its approval of certain drug combinations which are worthless and in some cases dangerous to public health.

Recently the FDA has taken a number of positive steps to meet these criticisms. It has issued new regulations providing for full disclosure of all information—good and bad—in promotional material. It has inaugurated a plan of action with the American Hospital Association, the American Medical Association, and others to secure reports of adverse reactions to drugs. It has stiffened its requirements for adequate data in toxicity studies. It has taken a number of drugs with dangerous toxic effects off the market. And on others, such as chloromycetin, it has strengthened the warning language required to appear on labels and in advertisements.

Still another type of indirect result of the subcommittee's work has been the filing of antitrust cases. On the basis of material unearthed by the subcommittee, new actions have been filed in the automobile, bread, and drug industries. But it is in electric machinery that this form of fallout effect has been of greatest importance. In September 1959, the subcommittee held hearings on identical bids on purchases of electrical equipment by the Tennessee Valley Authority and five muncipal distributors of electrical power. Subsequent to the announcement of those hearings the Department of Justice gave notice that it was beginning a grand jury investigation in Philadelphia of identical bidding in the electrical equipment industry. Daily transcripts of the subcommittee's hearings, which showed a consistent pattern of identical bidding on electrical equipment, were made available to the Department of Justice in its investigation. These hearings resulted in a printed record of more than 1,200 pages.

The Justice Department proceedings resulted in the filing of some 20 criminal cases in which 29 corporations and 44 individuals were charged with conspiracy to fix prices on electrical equipment through identical bids to governmental agencies. Rotation bidding, known as phases of the moon in one of the more colorful Department of Justice proceedings, is clearly shown in the documentation of the subcommittee's hearings.

The results consisted not only of jail sentences and fines for leading company officials but of important savings to buyers as well. In just two categories of products involved in the cases, transformers and switchgear, manufacturers' shipments in 1958 were valued at $1.6 billion. Press accounts of the cases report that prices for many of the items involved in the conspiracy have been decreased by 20 to 30 percent since the indictments were returned. If these reductions were to apply to only half the volume of sales in these two industrial groups, the annual savings to industry, public utilities, and governmental agencies would amount to some $200 million. The bid on a single TVA generator was reported by the Knoxville News Sentinel in late 1960 to have been reduced by more than 5 million below a 1959 bid. Recovery by private and governmental purchasers for past overcharges could run well in excess of a year's savings, since the conspiracy ran from 1951 to 1960.

Important as these indirect effects may be, the hard fact remains that the question of what to do about the problem of administered prices remains very much with us. That it is a problem is recognized by members of both parties. Earlier I referred to the inevitable time lag between the instigation of a reform and its final adoption. But recognition of this social phenomenon should not be interpreted as justifying a passive acceptance of things as they are.

For reasons which I outlined in an article in The Progressive a year and a half ago and which appear to have been well borne out by the subsequent course of events, there is grave underutilization of our industrial capacity and our manpower. We are losing, and in some cases have already lost, our foreign markets for certain metal and metal-product industries. A principal cause of both the underconsumption in our domestic economy and the loss of foreign markets has been the upward "stair-step" movement of prices in the administered-price industries. We may not solve the problem tomorrow, but we postpone the day of reckoning at our own peril.

THE PROBLEMS OF THE EASTERN RAILROADS

Mr. SCHOEPPEL. Madam President, many of the Senators from the Eastern States, are aware, I am sure, that within the next few days the fate of the New Haven Railroad will be determined by a decision to be made within the administration. The question is whether the Office of Civilian and Defense Mobilization should make a loan to the railroad.

Unfortunately, in my view, the loan is being fought by the New England Council, which is urging bankruptcy for the railroad in the hope that the railroad plant would be left intact and that essential public service could be provided by operation under a court-appointed trustee. I fear, however, that bankruptcy would close down the railroad and send a psychologic shock throughout our whole economy.

Commissioner Charles A. Webb, of the Interstate Commerce Commission, working with Examiner Ries, made an intensive study of the New Haven Railroad for the ICC. In Commissioner Webb's judgment, the New England Council is grievously mistaken in recommending bankruptcy for the New Haven. He expresses this view most cogently in an address which he has prepared for delivery today at Newport, R.I., before the 14th Annual Convention of the New England Conference of Public Utilities Commissioners.

I ask unanimous consent that the text of Commissioner Webb's address be printed at this point in the body of the RECORD as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PROBLEMS OF THE EASTERN RAILROADS

(Remarks of Charles A. Webb, member, Interstate Commerce Commission, before the 14th Annual Convention of New England Conference of Public Utilities Commissioners, Viking Hotel, Newport, R.I., June 28, 1961)

Eastern railroads face one of the most critical periods of their history. For the first 4 months of 1961, these railroads suffered a deficit in net railway operating income of over $68 million. Last year 19 class I railroads in the East failed to earn their fixed charges. For many years railroad earnings have been inadequate for the improvement of plant and equipment to the extent required for optimum efficiency.

For New England railroads the situation is even worse. Revenue ton-miles of freight in New England in 1960 were only 63 percent of the 1947 total, as compared with 87 percent for all class I railroads and 74 percent for eastern railroads as a whole. Since our rail network is essentially indivisible, America may be on the verge of a major transportation crisis.

I do not want to be an alarmist. By reason of the very nature of railway economics, any significant rise in carloadings would be substantially reflected in an increase in net revenue. Nevertheless, I think the situation is more critical today than it was in the depression years. In the first place, the deteriorating physical and financial condition of many eastern railroads has occurred in relatively prosperous times; in an age when our society came to be known as affluent. Moreover, railroads are not plagued today by high fixed charges resulting from overexpansion or from improper financial and accounting practices. The fact that some railroads in New England and the eastern district have so little cushion that their survival is threatened by modest dips in the economy, by intermittent strikes, or by unusually severe weather, is a strong indication that their problems are urgent, chronic, and deep seated.

My awareness of the problem springs in part from an intensive study of the New Haven Railroad. In the recommended report which Examiner Ries and I prepared, and in the reports of the investigation conducted by the Connecticut Public Utilities Commission, the particular problems of the New Haven are discussed at some length. It is a relatively short-haul railroad. It has an unbalanced freight traffic pattern and high terminal costs. It is vulnerable to water competition. Its natural vulnerability to motor competition was increased by the construction of the Connecticut Thruway at a cost of over $450 million. The New Haven has a huge passenger deficit but the continuance of that unprofitable service is required by the public convenience and necessity. Its management must be strengthened.

While certain of the New Haven's problems are unique, it is important to realize that most of its problems differ only in degree from those of other eastern railroads. No other railroad, except the Long Island, derives over 40 percent of its revenue from passenger and allied services. In 1958 the New Haven's percentage was 45.2, as compared with 22.8 percent for the New York Central and 21.4 percent for the Pennsylvania. However, the freight revenues of these and other Eastern railroads can no longer absorb their passenger deficits. The New Haven's freight revenues during the past 10 years have not declined much more than those of other Eastern railroads. It is a mistake, therefore, to view the New Haven's problems in isolation. The New Haven's special problems have simply placed that carrier in the vanguard of a number of other Eastern railroads moving at varying speeds in the same general direction.

Since many of the New Haven's problems are common to those of other eastern lines, I can think of no better illustration of what I have to say. As members of the New England Conference of Public Utilities Commissioners, you are familiar with the New Haven's problems and vitally concerned about its future. And finally, the New Haven has become the catalyst of constructive thought and action at all levels of government.

When Examiner Ries and I wrote our recommended report on the New Haven investigation, I thought that the following conclusion was so obvious as to be incontestable. We said:

"What we wish to emphasize most of all—is that no single group—neither the Federal Government, the State governments, local communities, the management, the New Haven's employees, or the patrons of the New Haven—should be expected to solve the problem alone or to shoulder all the burden. If the New Haven survives, it will be because of the cooperation of all of the groups concerned. If, on the other hand, the New Haven goes that way of the New York, Ontario & Western, it will be because one or more of the groups named subordinated the public interest to its short-term self-interest."

I was wrong. The New England Council, referring to that statement in its statement of May 26, 1961, declared that "the cooperative effort as proposed is a dangerous alternative and inferior to a section 77 proceeding." As you may know, the New England Council, a highly respected organization of businessmen, is an ardent proponent of reorganization under section 77 of the Bankruptcy Act for the New Haven Railroad. The Interstate Commerce Commission in its interim report of March 31, 1961, on the New Haven investigation concluded (1) that the passenger deficit was the primary cause of the New Haven's financial difficulties; and (2) that reorganization would not be an adequate solution for the carrier's basic problems. If only the New Haven's future were involved, I would add nothing to what was said in the Commission's interim report. But more is involved. Much more. As I have suggested, the New Haven may be merely the first of a number of railroads sliding toward bankruptcy. If a do-nothing policy is good for the New Haven, the same policy would seem to apply to other hard-pressed railroads vital to the Nation's defense effort.

In general, the New England Council's position in this matter is one of free enterprise, unmodified and unlimited. It warns of continued reliance on the Federal Government for financial support. It conjures up the prospect of Government control and ultimately Government ownership. The increased interest asserted by the States in the service provided by the New Haven—an interest expressed in their tax relief legislation—is described by the New England Council as a possibly serious invasion of managerial prerogatives. Section 77 of the Bankruptcy Act, on the other hand, is described as "an instrument of a private ownership society." New England is urged to face its economic problems realistically and to work out the answers within the framework of a dynamic free enterprise system. If the New Haven were a railroad running from nowhere to nowhere or a pickle factory, I would not be concerned. Reorganization proceedings would be appropriate if reduction of the fixed charge burden would give the carrier some prospective earning power or alleviate its huge passenger deficit. But if such proceedings should culminate in the loss of essential transportation services, the disaster should not be attributed to any imperfection of the free enterprise system but to a lack of courage and foresight on the part of public officials and the people they represent.

But, says the New England Council, the disaster will never occur. We are told that it has "been characteristic of section 77 proceedings and of receiverships before them that the properties themselves were greatly improved by the trustee or receiver." The last great wave of railroad bankruptcies occurred in the 1930's. In January 1938 railroads operating 77,700 miles of track, or 30 percent of the total, were in reorganization or receivership. I say that these properties were improved primarily as a result of the traffic and revenues generated by World War II.

Those who think that the New Haven now and other railroads later on should be put through the section 77 wringer should read President Roosevelt's special message to the Congress on "Immediate Relief for Railroads," dated April 11, 1933 (H. Doc. No. 563, 75th Cong., 3d sess.). In March 1938, the President asked Chairman Splawn and Commissioners Eastman and Mahaffie to submit recommendations on the critical railroad situation. Their report, together with the comments of other interested departments and agencies, was sent to Congress with the President's message. In his message, President Roosevelt emphasized the importance of "preventing bankruptcies among a large number of railroad companies, great and small."

Among the principal recommendations made in the Splawn-Eastman-Mahaffie report were Federal loans of $300 million for the purchase of railroad equipment; authorization for the RFC to make other loans without ICC certification of a railroad's ability to meet its fixed charges; and the creation of a Federal Transportation Authority to plan and promote consolidation and coordination. Secretary of the Treasury Morgenthau criticized the Commission's proposals as "overcautious." The RFC Chairman, Jesse Jones, suggested that the Government might guarantee the interest on senior securities. It is significant that at a time when numerous railroads were in reorganization or receivership no responsible Government official regarded reduction of the fixed-charge burden, relatively much higher then than now, as a cure for basic railroad ills.

Of course, transportation problems are somewhat different today than they were in 1938. Proposed solutions appear in new forms. However, these differences are actually rather small. For example, the following statement from the report of Chairman Splawn and Commissioners Eastman and Mahaffie to President Roosevelt is almost pat in its application to the current problems of eastern railroads:

"In recent years there has been a great and radical change in transportation conditions, brought about principally by the rapid development of new forms of transportation, not all of which are subject to the Commission's jurisdiction. The railroads have lost much of their former dominance. Competition has become a continually increasing, and often a profoundly disturbing, factor. The present transportation problem is very largely the product of that competition, combined with depression. It has created need for readjustments between and within the different branches of the transportation industry, for consideration of present tendencies and their probable results, for the avoidance of uneconomic and wasteful practices, for the survey and possible amendment of governmental polices, and in general for the determination, creation, and protection of the conditions most favorable to the development of a transportation system which will best serve the public interest. Much of this is planning and promotional work, as distinguished from regulation."

If, as I believe, this is a reasonably accurate summation of the current problems of eastern railroads, they are not going to be solved by section 77 procedures. We must seek a solution in a broadly based program of cooperation and not in the doctrinaire individualism of Herbert Spencer. As pointed out in the 1938 report of Chairman Splawn and Commissioners Eastman and Mahaffie:

"There is work for the Government to do, with relation to transportation, of a kind differing from that which the Commission was created to carry on. The Commission is essentially a regulatory body. While its duties are chiefly quasi-legislative, in the performance of most of them it functions somewhat after the manner of a court. Primarily it is occupied with the decision of controversies, or cases, involving complicated issues of both fact and law, and requiring hearings, briefs, arguments, conferences, and ultimate reports. It handles a great volume of such work.

* * * * *

"In view of the multitude of conflicting interests among those engaged in transportation, we believe that it is necessary for the Government to take the lead in this planning and promotional work. Probably the need has long existed, but it has been vastly intensified by the recent great change in conditions. The Commission, however, is not suited to the purpose. It was constituted for an essentially different purpose. Its methods and organization were designed for regulatory work requiring quasi-judicial procedure. We believe that planning and promotion are separate and distinct from regulation, can be separately pursued without interference, and require unlike procedures and methods."

You will find the same distinction between regulation, on the one hand, and transport planning and promotion, on the other, drawn in Dean Landis' report to the President-elect. Differences of opinion may arise as to where planning ends and regulation begins but that does not detract from the validity of the distinction or the importance of recognizing it. The Commission has no intention of shirking its responsibilities under existing law. Moreover, we hope to be able to advise and assist whatever agency of Government may be entrusted with planning and promotional functions related to surface transportation.

There is indeed much work for Government to do. The question is what work and by whom. At the Federal level, the role of the Interstate Commerce Commission, as I have suggested, should be essentially advisory. The basic problem, in the case of the New Haven, is to find a way to overcome its huge passenger deficit without discontinuing essential service. If this problem is given priority and if a satisfactory solution can be developed, other major railroads in the East may reasonably be expected to benefit. For example, the New York Central and Long Island Railroads will realize annual benefits of $2,800,000 and $3,100,000, respectively, from the tax abatement and other legislation enacted this year by the State of New York in response to the New Haven's peril.

From 1950 through 1960, the New Haven's total passenger deficit, computed by the formula prescribed by the Commission, amounted to $138 million. If the New Haven had not been required by law to provide this amount of free public service, it would not be in a critical condition today. Accordingly, I think it is unjust to require security holders to bear all or a major part of that loss. More important, however, is the damaging effect of widespread defaults on general credit conditions. Efficient operation requires constant renewal and replacement of railroad plant and equipment. This will be impossible if heavy losses must be sustained by institutional and individual investors before the Government extends a helping hand.

The railroad passenger deficit is not exclusively a Federal problem. By reason of the emergency loans guaranteed by the Commission under part V of the act, the States of New York, Connecticut, Rhode Island, and Massachusetts have passed 4-year tax relief programs from which the New Haven will derive an annual benefit of approximately $6,500,000. In pressing for such a program, the Governors of the four States and their legislatures displayed the highest order of statesmanship.

I have no specific solutions for the problems of eastern railroads. An essential first step in framing solutions, in my opinion, is to establish the machinery which will permit Federal, State, and local governments to work together and to enable them to enlist the cooperation and support of labor, management, security holders, and patrons of the railroad. It is certain, particularly with respect to passenger service, that State and local officials will have a major role to play in formulating and executing any constructive program. This is as it should be. By reason of your intimate knowledge of railroad operations, you are in an excellent position to tailor the assistance to the particular needs of the citizens of your States and to determine what minimum standards

of service are appropriate. What is being done in Philadelphia, San Francisco, and Chicago may not satisfy the needs of New England communities.

A great rail network does not topple under a single blow. Our railroads have suffered some cruel blows as a result of inequitable regulatory and promotional policies, unfair taxation, and, at times, predatory and inept management. Still they live. That does not mean they can live forever, or even survive another generation. Like an old neglected house, decay proceeds by almost imperceptible degrees. Our rail network, if ever lost or severed, cannot be reconstructed except at a fanastic cost. Time will not permit the idle building of dream substitutes. Elementary prudence forbids the construction of substitute facilities that would destroy the character and impair the utility of the cities they are supposed to serve. Reorganization procedures are not the lamp that will lead railroads out of the darkness of despond. The lamp can only be lit by the courage, toil, imagination, and cooperation of all interested groups.

SEGREGATION AND THE "STRIFE RIDERS"

Mr. JOHNSTON. Madam President, I wish to bring to the attention of the Senate one of the most shameful happenings I have read about in a long time. I refer to a United Press International news item originating in Chicago which reports that a jeering mob of Chicagoans forced 80 Negro fire refugees from a Chicago church which had offered them shelter after their home had been destroyed.

In South Carolina we practice segregation, but never in history has anything like this ever happened in my State. Should any Negro residents ever be burned out of their homes, I can safely say that neighboring South Carolina white people would be more than happy to shelter them in their church and would not revert to mob violence and throw them out on the streets.

The reason I bring this matter to the attention of the Senate is because a large number of the so-called freedom riders who are traipsing across the South today stirring up strife originated from the Chicago area where this act of violence occurred. It would be well for the freedom riders to go back to Chicago and clean up their own backyard and teach their own people something about humanitarianism. The people of the South, while practicing segregation, have never turned on one another in times of distress and acted in such a repugnant and un-Christianlike way. To the contrary, in times of crisis the whites and Negroes of the South have always rallied together to overcome whatever difficulty is besetting them.

I hope the strife riders and troublemakers who are harassing the South because of the South's belief in segregation will look back with shame on happenings such as this in the North and do something in their own backyard to uplift themselves before they start throwing rocks at other people in this Nation.

It is obvious that if this occurrence had taken place anywhere in the Deep South, there would have been ravings and rantings by northern spokesmen and demands that the Attorney General send out troops or marshals to quell the violence. But since it happened in Chicago, one of the homes of the strife riders, the wire services saw fit to give only a few paragraphs to the story and, of course, it was found buried on one of the inside pages of this morning's Washington Post.

In all honesty, I think this tragic occurrence received more publicity than it actually deserves. Similar agitation movements in the South and minor racial incidents in other parts of the Nation have been grossly overplayed by the press, giving undue prominence to the incidents and resulting in embarrassment to our Nation.

There are problems such as this arising in every nation; and no people, so long as one looks different from the other or acts differently from the other, will ever be free from some sort of friction. The press can make a mountain out of a molehill, but unfortunately the American press does more of this than does the press of other nations, so our problems are always the ones which are magnified.

I ask that the article entitled "80 Negroes Forced From Haven in Church," taken from the Washington Post and Times Herald of this morning, be placed in the RECORD immediately following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EIGHTY NEGROES FORCED FROM HAVEN IN CHURCH

CHICAGO, June 27.—The American Red Cross today said a shouting, jeering crowd of white persons forced the removal of 80 Negro fire refugees from the Chicago church that had offered them shelter.

The Red Cross said the disturbance took place last night at the Holy Cross Lutheran Church in a predominantly white neighborhood on Chicago's south side.

Eighty Negro residents of the old Douglas Hotel had been made homeless by a fire. Red Cross volunteers took them to the church, a few blocks from the home of Mayor Richard J. Daley.

Mrs. Albert H. Constien, wife of the church pastor, said the crowd assembled shortly after the fire victims arrived at the church and "threatened to destroy the church if we didn't get the Negroes out of the building."

John M. Angle, of the Red Cross, said: "Red Cross people at the scene said there seemed to be some chance of ugliness developing and the Red Cross decided that the people would be taken elsewhere. It was our decision but it was taken at the suggestion of the minister."

"We were very surprised when this happened," Mrs. Constien said. "There has been no racial trouble in this area. We had no idea the neighborhood would act like this. I can't repeat any of the words they used." The refugees were taken to a Negro church."

SS "HOPE"

Mr. SCOTT. Madam President, SS *Hope*, a good-will vessel of the highest order, is now completing its mission to southeast Asia. During the past 7 months this ship has treated disease and disability, taught medicine, and generally worked toward improving the lot of mankind in Indonesia.

The Review, of Towanda, Pa., recently carried an editorial on the subject of this important project, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Towanda (Pa.) Review, June 15, 1961]

MERCY MISSION TO VIETNAM

The good ship SS *Hope* steams into the Vietnamese port of Saigon on Thursday, June 15, for a 4-month medical mission that could not have come at a more propitious time. With Vietnam reeling under the forces of internal subversion, this evidence of American helpfulness may be more persuasive in putting the Vietnamese people on the side of the free world than military assistance.

The hospital ship is on the final leg of its year-old good-will mission to southeast Asia. During 7 months in the waters off Indonesia, the *Hope's* basic medical team of 15 physicians, 24 nurses, 30 medical technicians, and others earned the respect and friendship of the Indonesian people and of their Government. This hard-working staff of volunteers held 800 classes and lectures, treated 17,000 patients, performed 700 major surgical operations, and greeted 30,000 shipboard visitors.

It will cost $3.5 million to operate the *Hope* for 1 year, exclusive of the $2 million in mutual security funds that were used to refit the 15,000-ton onetime Navy hospital ship. All the operating funds are being privately raised through solicitations of corporations, labor groups, and individuals. The Project Hope organization would like to send still more ships on medical teaching missions to Africa and South America if the necessary funds are forthcoming.

The Senate eased the way for a stepup in this type of mercy mission by adopting a resolution, June 1, supporting the establishment of a white fleet. The President would have authority to establish such a fleet—to rush assistance to disaster areas as well as to carry on a regular program of technical and medical assistance and training—whenever he feels that it would further U.S. foreign policy. That time is right now if the reaction of one beneficiary of the *Hope* project mission is typical. The mayor of Sumbawa, an island in the Indonesia archipelago, told one of the ship's staff: "This is the first time foreigners came to Sumbawa who did not come to steal our rice. We will never forget what you have done."

TRIBUTE TO THE LATE GEORGE H. BENDER

Mr. BRIDGES. Madam President, I have been a Member of this body for 25 years and I have had the privilege of being associated with many fine Americans. I do not know of any period in our history when there were before the U.S. Congress more pressing and more critical problems than has been the case during this quarter century. These problems have taxed not only the minds of Americans but their physical being in our democratic attempt to arrive at solutions best for our national welfare and our common good in our relations with foreign governments.

During part of this period there was among us a very fine, intelligent, and dedicated citizen. I refer to George Bender, the late Senator from Ohio. His passing a few days ago brought to

my mind the many critical problems he was called upon to help resolve during his service in the House of Representatives and later in the U.S. Senate.

George Bender's devotion to his State and his Nation was for the most part his life. He deeply believed in the principles of our Republic and fought vigorously day in and day out for them, never veering from his great love of our way of life. He was a very strong and ardent Republican, but first he was an American.

George started his interest in public affairs at a very early age—in fact, 16—and he pursued it with vigor. The people of his senatorial district recognized his efforts by sending him as their representative to the Ohio State Senate. Later, the citizens of his congressional district adopted him as their own and sent him to the U.S. Congress. Then, in tribute to his energy, his ability, and his devotion to their American interests, the voters of Ohio decided they wanted him in the U.S. Senate. Here he served with great distinction.

All I can say is that I am saddened at his passing. I appreciated his friendship and I know that the American people are grateful to Mrs. Bender and his family for his and their interest and effort in public affairs over the years. To Mrs. Bender and his children, Mrs. Bridges and I extend our sincere sympathy.

Mr. MANSFIELD. Madam President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DEBT LIMIT EXTENSION

Mr. MANSFIELD. Madam President, I ask unanimous consent that the unfinished business, H.R. 7677, be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7677) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the bill.

Mr. McCLELLAN. Madam President, the pending business, H.R. 7677, the proposal to increase the public debt limit, as recommended by the administration, is further evidence of the need for improvement of the fiscal functions of the legislative branch in order to enable it to perform its constitutional obligation to control Federal expenditures.

The Committee on Government Operations, of which I have the honor to be chairman, has reported and the Senate has approved legislation to create a Joint Committee on the Budget, with adequate staff and facilities to enable the Congress to eliminate unnecessary expenditures which have brought about deficit spending and necessitated constant increases in the public debt ceiling.

On March 28, 1950, prior to the introduction of legislation designed to effect improvement of the fiscal procedures of the Congress in the 81st Congress, I submitted to the Senate, on behalf of the Committee on Government Operations, a report on "Increasing Cost of the Federal Government," which was authorized to be printed as a Senate document—Senate Document No. 150.

At that time I warned the Congress that, unless some action were taken to provide adequate machinery to enable the Congress to halt unnecessary Federal expenditures and annual deficits, the national debt would reach astronomical totals. Specifically, I point out that—

> With a $5½ billion deficit for the present fiscal year and another deficit for fiscal 1951 of about the same amount or more, it is obvious that without greatly increasing taxes we cannot possibly meet already established obligations and ever balance the budget again, unless we are willing to dispense with some of the governmental services that are now provided, discontinue some programs we are now supporting, and drastically reduce the cost of others.
>
> In view of our present fiscal difficulties which present an almost insurmountable obstacle * * * instead of pursuing a course of action calculated to correct this condition, we are being asked to enact a multitude of new laws, to expand further existing governmental services and programs, and to create additional and new obligations that will increase the cost of the Federal Government within the next few years to some $65 billion or more.
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> As this session progresses, I hope the situation which I described will grip the attention and interest of many other Members of Congress, and will help to arouse and awaken all of us to a keener sense and appreciation of our duties and responsibilities. Furthermore, I hope it will cause us to hesitate—yes, more, to refuse—to legislate a program piling additional Government costs in terms of billions of dollars annually on the already heavily and burdensomely taxed American citizens.
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> This tremendous rising cost of operating the Federal Government is indicative of a fixed, permanent trend that cannot be ignored or remain unchallenged. Its significance demands of us who have the legislative responsibility for the American people that we remedy this condition and take the necessary action to reduce now, insofar as it is reasonably possible and practical to do so, present expenditures that are authorized by existing laws. But more, it is a warning of compelling force against our proceeding with reckless indifference to enact more and more laws expanding present governmental services and instigating new programs creating additional governmental obligations that will add billions annually to the already swollen costs of Government that are now having to be met by deficit spending in excess of $5 billion annually. To pursue such a course and continue such unsound fiscal policies will be imprudent, destructive to our economy, and imperil our national solvency.
>
> As a result of the Government living beyond its income, the national debt is rising again. Our national debt reached its lowest figure of $251,245,889,052.02 on June 27, 1949. Since that date, in less than 9 months' time, the national debt has increased by $5 billion, or in round numbers to $256 billion.
>
> If we do not stop passing laws calling for more and more spending, there is neither prospect nor hope for revenues to ever again overtake or equal expenditures. We can stop it. This Congress can stop that trend both by reducing appropriations for the next fiscal year and by deferring action on or passage of many bills that are now pending in the Congress that would produce large, increased expenditures. I sincerely hope that we will have both the wisdom and courage to do our statesmanlike and patriotic duty in meeting the exigencies of the situation.

Madam President, I was sadly mistaken. Instead of those measures and the course we were following being destined to increase the cost of the Federal Government to $65 billion annually, the cost has been increased to more than $80 billion annually. We are now confronted with comparably the same situation. The Congress is passing numerous bills, taking on new obligations, expanding programs in existence, which results in a continually increasing cost to the Federal Government. Madam President, we are moving swiftly toward an annual budget of $100 billion. We are moving toward a national debt in excess of $300 billion.

Since 1951, when the Committee on Government Operations first proposed legislation to provide for more effective evaluation of the fiscal requirements of the executive agencies by creating a Joint Committee on the Budget, the annual budget has increased $36 billion to $85 billion for fiscal year 1962, or an increase of nearly $5 billion annually over the 10 years that have elapsed since this legislation was first proposed. Since 1954, the statutory debt limitation has also risen from $275 billion, through temporary increases, to $293 billion. A further temporary increase of $5 billion is now proposed.

In another 4 or 5 years—possibly in 3 years—we may be asked to increase the national debt limit another $5 or $10 billion.

Madam President, in its report to the Senate the Committee on Government Operations has pointed out repeatedly that, unless the Congress takes affirmative action to restore its control over the purse strings, these recurring deficits and increases in the national debt will continue. This will inevitably result, unless it is stopped, in a corresponding loss of confidence on the part of those who look to the United States for world leadership and by the American taxpayers who look to the Congress to maintain national solvency.

Estimated expenditures for all operations of the Federal Government for the next fiscal year, including funds required to support the new programs proposed or to be initiated by the present administration, as well as continuing programs approved by previous Congresses, will have reached a peak of $85 billion. It is further estimated that, unless some constructive action is taken to stop this trend through the full evaluation and analysis of all expenditures of the Federal Government, its ramifications, activities, and operations, an annual budget of $100 billion will be reached by the year 1965, or possibly earlier. This compares to the prediction I made, in 1950, that the annual budget would reach a figure of $65 billion within the next few years, which some considered to be too high an estimate at that time.

I submit that the Congress must accept a part of the blame for the constant increase in the cost of the Federal Government, by its refusal to establish the necessary machinery to fully evaluate all Federal spending programs, to determine whether they are serving the purpose for which funds were originally authorized, and whether appropriations being approved annually are warranted. It is incumbent upon the Congress to determine that only so many dollars are appropriated—and no more—as may be absolutely necessary for the continuation of those activities and programs which were determined to be necessary and in the public interest.

To accomplish these objectives and to carry out these obligations to the American people, who have elected Members of Congress as their representatives and their spokesmen, it is imperative that action be taken, and without further delay, to provide the Congress with the essential tools required to perform these duties and responsibilities to the people of the United States.

I therefore urge that the other body give early and favorable consideration to legislation proposed by the bill, S. 529, approved by the Senate and referred to the House Committee on Rules on May 29, 1961, to establish a Joint Committee on the Budget, which would provide much needed services to the Committees on Appropriations of the House and Senate. The bill would insure that members of those committees, and all Members of Congress, will have full information and adequate facilities with which to cope with the problems as emphasized by the pending proposal to increase the ever-mounting national debt ceiling.

The objectives and proposed duties and responsibilities to be vested in the Joint Committee on the Budget are set forth in detail in Senate Report No. 264, which accompanied S. 529. The proposed legislation includes provisions designed to bring about coordination of all fiscal functions of other substantive committees in order to insure a united effort to effect necessary economies in Government.

Also, Senate Document No. 11, on the financial management of the Federal Government, approved by the Senate on February 13, 1961, contains a full legislative history of the proposal and actions taken thereon by the U.S. Senate.

FORTIETH ANNIVERSARY OF THE BUDGET AND ACCOUNTING ACT OF 1921

In this connection, I would like to call to the attention of the Congress that this month marks the 40th anniversary of the Budget and Accounting Act of 1921, which represents the first great step forward of this era in the modernization of financial management in the Federal Government. It also marks 40 years of service by the General Accounting Office, which was established by that act, as an agency responsible only to the Congress.

The long and conspicuous record of the General Accounting Office over the last 40 years is well known and highly regarded by the Congress. It is indeed appropriate to especially acknowledge the dedicated and competent services of this agency of the Congress on this occasion of the 40th anniversary of the Office.

I wish to express particularly the high regard of the Senate Committee on Government Operations, of which I am privileged to serve as chairman, for the contribution of the General Accounting Office to the work of the committee. The committee and GAO have had the most cordial and productive working relationship. Staffs of the committee and of GAO have worked jointly on matters of common concern, and important developments such as the establishment of the joint program to improve accounting in the Federal Government, the Budget and Accounting Procedures Act of 1950, and other financial legislation which have been significantly advanced by these efforts. The advice and counsel of the General Accounting Office have been sought and obtained in connection with proposed legislation.

The numerous reports submitted by the Comptroller General to the Congress and its various committees during the past 40 years have been of great value in identifying areas of governmental activities and excessive expenditures which should require the constant attention of the Congress. In addition, it is a matter of record that the General Accounting Office has more than paid its way in the amounts it has recovered for the Government from illegal and otherwise improper expenditures of Government funds by the agencies.

Under the provisions of the committee's bill to provide for the creation of a Joint Committee on the Budget the General Accounting Office would play an important part, since it would be directed in addition to its present functions, to make such investigations and reports relating to agency budgets and expenditures considered to be necessary to assist the joint committee in its consideration of the budget as submitted by the President.

It is, therefore, with sincere appreciation that I acknowledge the contributions of the General Accounting Office to the work of the Congress and its committees on this occasion of its 40th anniversary and extend to the Comptroller General and his staff my best wishes for continued success in their work.

I ask unanimous consent to have printed in the RECORD, as a part of my remarks, an editorial from the Saturday Evening Post on June 24, 1961, entitled "One Federal Bureau Aims To Curb the Spenders," which relates to some of the services rendered by the General Accounting Office.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE FEDERAL BUREAU AIMS TO CURB THE SPENDERS

Whatever happens to the administration's various projects on the New Frontier, it can be confidently predicted that Government expenditures are going up. Consequently it becomes more important than ever to see to it that the taxpayers' money is at least used for the purposes intended by Congress and that the supplies and services contracted for are the best that money can buy.

The agency charged with this housekeeping assignment is the General Accounting Office, the head of which is the Comptroller General, Mr. Joseph Campbell. The GAO was set up by Congress in 1921 to ride herd on the executive department and all Government agencies authorized to spend public funds. Its original function was simply to check on the taking in and paying out of money to make sure that it was spent as Congress ordered it spent. More recently the General Accounting Office has emphasized the performance audit of expenditures—to indicate whether or not the public got its money's worth.

Despite the importance of its task, the General Accounting Office is far too little known. Also, as Senator PAUL DOUGLAS put it during the hearings before the Joint Economic Committee last year, the Comptroller General and his staff "are exposed to the fire of the departments whose expenditures they scrutinize. They do not receive the popular approval and commendation which I think they deserve, and must at times feel very lonely and friendless." The attitude of Congress toward GAO varies with individual Members. Savers hail it as an indispensable guardian of the Treasury. Spenders ignore it as a pestiferous Scrooge.

Although GAO has been instrumental in bringing about returns to the Treasury of many millions paid on account of excessive transportation charges, improperly drawn contracts, overpayments, and so on, its primary function is preventive. Revelations of improper transactions tend to make purchasing officials more vigilant next time. Greater care in the future may be expected on the part, for example, of those responsible for the delivery abroad, under the military-assistance program, of tactical navigation equipment—$12 million worth—which the receiving countries were not able to use and which the Air Force needed.

Other instances of slatternly housekeeping unearthed by GAO include the shipment by air of household goods from Texas to Pakistan at a cost of $14,830, when shipment by sea would have cost $1,470. Comptroller Campbell made the comment that "in this instance they (the goods) would have arrived in Pakistan by ship 1 week earlier than by air. Also we noted that air shipments included a piano, a model ship, and a sled." The result of this revelation was an amendment to the law restricting air shipment to articles which are "required for use in carrying out assigned duties or are necessary to prevent undue hardship."

Opinion as to the services of GAO is not universally laudatory. Manufacturers attempting to fulfill defense contracts sometimes complain that GAO's accountants devote so much meticulous attention to the precise terms of a contract and are so rigid in their attitude toward costs of new and often experimental gadgets that our defense posture is not helped by their operation. The armed services often charge that GAO field inspections and criticisms of military equipment purchases take too little account of the emergency conditions under which this kind of material has to be purchased.

On the other hand, GAO appears to have a good case, at any rate in peacetime, when it criticizes the purchase of 19,000 military vehicles, all deficient, on the ground that the Army bought the whole lot before getting adequate assurance that identified defects could be corrected either during production or by later modification. The amount involved in that bobble was $1,600 million.

In any event, GAO has recovered for taxpayers many times what its services have cost. Equally satisfying is GAO's defiance of Parkinson's law by reducing its staff so that the total number of employees is 1,200 less than it was in 1952, despite the addition of new branches in Europe and Asia.

When taxpayers, editors, teachers, political scientists, and civic agencies become

better aware of what GAO does, not only can more billions of dollars be saved, but new incentives to efficient and economical public service will arise in unexpected areas. And the pencil sharpeners in GAO will feel less unloved.

Mr. SPARKMAN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Madam President, I move that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSING ACT OF 1961—CONFERENCE REPORT

Mr. SPARKMAN. Madam President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1922) to assist in the provision of housing for moderate and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ROBERTSON. Madam President, I call attention to the fact that the omnibus housing bill as reported to the Senate by the conferees is now a more extravagant and inflationary measure than the very extensive bill which was passed by the Senate.

There are many changes in the bill now before us that raise serious and, to my mind, more far-reaching objections than those which I expressed when the Senate bill was before this body.

Among the more important of these changes are the following:

First. The general standard for payment of urban renewal grants has been raised from two-thirds to three-fourths as the Federal share in communities with populations of up to 50,000, and up to 150,000 in depressed areas. This is a departure from the general two-thirds rule and can result in larger cities in the future demanding equal treatment. It all adds up to the Federal Government paying out more and more money as time goes on.

In the bill as reported by the subcommittee to the full Banking and Currency Committee, there was a proposal to increase the Federal share to five-sixths in cases where there is State assistance in urban renewal. Fortunately the full committee deleted this proposal. Nevertheless, it shows the dangerous trend that is developing and may well continue to develop until the Federal Government is called upon to pay 100 percent of all slum clearance in our cities.

The urban renewal grant authorization was cut by the conferees $500 million to $2 billion. This is meaningless because there is no time limitation involved and as soon as the $2 billion is used more will be requested.

Second. The Federal National Mortgage Association special assistance authorization was drastically increased. The full Banking and Currency Committee deleted an extra $750 million authorization proposed by the subcommittee to buy mortgages in the low and moderate income 40-year loan provisions of the bill. Now the conferees report back an authorization restoring that $750 million with an extra $10 million for good measure, for a total of $1,510 million authorized in this program. The House language is in the nature of transfers from other authorizations but it adds up to the total which I have given.

Third. FNMA would now be permitted to go into the banking business and make short-term loans on the security of pledged FHA and VA mortgages. This provision has been before us before but it has never yet been in a conference report. This places FNMA in the field of making direct loans in competition to private lending institutions and tends to substitute public for private credit. I believe that it is serious error to permit it.

Fourth. The interest rate in community facility loans was reduced from the current average of 4 percent or above to ¼ percent more than the current college housing rate of 3½ percent, and the loan authorization was increased by not a mere $50 million, as passed by the Senate, but by $500 million. This is but another illustration of attracting communities to the Federal Government for aid. Lower and lower interest rates for Federal loans are dangerous to our economy. If we continue this trend, we will make Federal assistance so attractive that the trend toward reliance on the Federal Government will be irresistible. The interest scale adopted by the conferees is currently 3¾ percent but, on computations as of June 30, 1961, this rate might be even lower for the coming year since it is based on the rate paid on all interest-bearing obligations of the United States.

Fifth. We are faced again with open space provisions in this bill. To add insult to injury, the previous authorization for appropriations in this new and unexplored field is now changed to back-door financing. I suppose that the conferees wanted to make sure that the agency received the $50 million herein authorized without the fear of facing the Appropriations Committee with an initial request because even the House bill, which was the only thing in conference, contained an appropriation authorization. I question this procedure because there was no Senate provision in conference. The only provision in conference was a House appropriation authorization for $100 million which was changed by the conferees to $50 million in contract authority which is another method of back-door financing.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Florida.

Mr. HOLLAND. As I recall, during the debate on the pending measure, the Senate struck out that provision; is not that true?

Mr. ROBERTSON. Absolutely.

Mr. HOLLAND. How much is now placed in the bill by the conference report?

Mr. ROBERTSON. Fifty million dollars. It bypasses the constitutional provision with respect to appropriations. This money goes out of the Treasury and will never come back. It is obtained by the device of authorizing direct withdrawal from the Treasury—back-door financing.

Mr. HOLLAND. Does it mean that these funds can be used in unnamed cities for any reason that seems to be impressive to the handling authority, to enable the acquisition of so-called open spaces in the suburbs of the cities?

Mr. ROBERTSON. Absolutely. If a park is desired, all that is necessary is call it an open space, and if the idea can be sold to the Administrator, he will say, "All right; here is your money."

We took that provision out. It has now been put back. Not all the $100 million has been put back, but $50 million of it has been put back. This will start things in an untried field that are bound to grow into great demands on the Federal Government.

Mr. HOLLAND. What percentage of the total cost for each of these open areas is to be paid by the Federal Government out of the $50 million?

Mr. ROBERTSON. I will have to ask the chairman of the subcommittee if the conferees made any change. I believe it was 30 percent.

Mr. SPARKMAN. Twenty percent as a general rule and 30 percent in some cases.

Mr. ROBERTSON. As I have said, the bill follows the usual pattern of trying to avoid the Appropriations Committee on new and experimental programs and never returning to the constitutional method of spending Federal money through appropriations.

I wish to include in my remarks a chart showing a comparison of the funds requested by the administration with those included in the bill, S. 1922, as passed by the Senate and as agreed to by the conference committee. I will not read it, but I ask unanimous consent that it be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ROBERTSON. Included in this chart is the $3,146 million for public housing authorized by this bill to be paid over a 40-year period. These figures are seldom if ever given by proponents of housing legislation because they are so large. In this bill, the public housing figures, together with the FNMA figures,

make the bill approximately a $9 billion bill rather than a $5.646 billion bill as reported in the press today. This is exclusive of the $1.2 billion VA direct loan portion which has been handled by separate legislation, although originally carried in the Senate bill.

The public housing figures are always staggering when reduced to dollars rather than units, and the public at large should realize this fact. Moreover, I call attention to the fact that the bill now contains the House provision removing one of the few remote possibilities that any public housing money may ever return to the Federal Treasury. It would repeal the existing law requiring payment of a part of the net proceeds of a public housing project back to the Federal Government after the 40-year bonds are paid off. At least this possibility of repayment should be retained.

The bill is now $856 million in excess of requests made by the administration. It is devoid of fiscal responsibility and tainted with low interest rate programs unfair to business enterprise. The 40-year, no-downpayment program for low and moderate income housing is now 40 years for displacees and generally 35 years, plus 5 years in hardship cases, respecting new construction, with a 3 percent downpayment requirement. There is very little difference between these provisions. The principle of fostering a program of individual financial irresponsibility that does not encourage considerably more equity than depreciation in a home still applies.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. HOLLAND. What change was made by the conference committee in the mass transportation figures? The figure in the bill as passed by the Senate, as I recall, was $100 million for loans. There was an additional $50 million for grants. That was at the sole discretion of the Administrator of the HHFA, to be used in unnamed cities, to be selected by him, as I recall.

Mr. ROBERTSON. The loans were cut to $50 million, and the grants to $25 million. Congress has no control over what is done.

The below-market rate rental part of this program is now definitely alined with public housing. The Senate deleted public bodies as eligible mortgagors, but the conferees put most of them back in the bill.

I might stop here to say that in committee we were told that it was public housing. As a matter of fact, the middle-income group and the low-income group take in nearly everybody, because there are not a great many millionaires, or many who have $100,000 or more. So the program now is to be expanded to give some kind of public housing to practically everyone in the country. That is where the bill is headed.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. HOLLAND. Does the Senator anticipate having a recorded yea-and-nay vote on the conference report?

Mr. ROBERTSON. Absolutely; 25 Senators were opposed to the bill when it passed the Senate. This bill is far worse than the one the Senate passed, and I cannot picture the Senate not insisting on going on a record. This act will live to plague us for a good many years to come. We are starting things that we cannot stop. We are dealing with $9 billion of expenditures which are beyond our control, unless we pass a law repealing some of these items, which of course will never be done.

Mr. HOLLAND. Of course the Senator from Florida would have liked very much to be left in the position where he could support a conventional housing bill. Apparently the programs which have been included vastly exceed in amount any conventional housing program. The Senator from Florida will say to the Senator from Virginia that he hopes he will get a yea-and-nay vote. If not, the Senator from Florida wants the RECORD to show that, like the Senator from Virginia, he opposes the conference report.

Mr. ROBERTSON. The junior Senator from Virginia is the chairman of the committee which handled the bill, and he tried, in committee and again on the floor of the Senate, to keep the program within due bounds, and somewhat in keeping with what had been done in previous years in connection with FHA. In spite of those efforts, there has been put into this one bill almost as much as we have put in all the housing programs over a period of 25 years. That fact in itself should indicate how extravagant this omnibus housing bill is.

In all, this bill is now more undesirable than it was before the conferees met. It is indeed a "catchall" measure for practically everything that the term "welfare state" in the field of housing and related matters would imply. It is needlessly extravagant and inflationary. I trust that it is not enacted into law.

The total of the grants and loans unconditionally authorized by the conference report is approximately $9 billion. The fact that funds allocated to FNMA for purchase of mortgages, to urban renewal for grants for cities, and the 100,000 units of public housing costing an average of $14,000 each will not all be used in the next year is not the issue. The issue is what spending does the bill authorize unless Congress passes a subsequent repeal act or the President impounds a certain authorized expenditure. The answer is $9 billion.

Mr. AIKEN. Madam President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. AIKEN. Can the Senator tell me by how much the conferees increased the total for loans above the amount of the Senate bill?

Mr. ROBERTSON. I have a chart which shows that.

Mr. AIKEN. I understand that one item has been deleted.

Mr. ROBERTSON. The grand total requested by the administration was $8,143 million; as passed by the Senate, it was $8,293 million—deducting the $1.2 billion provided for the VA direct home loan program, which was later taken out of the bill and passed separately by the Senate—as agreed to in the conference report the grand total is $8,999 million.

Mr. AIKEN. What happened to the VA direct loans? You say they are not provided for in the report?

Mr. ROBERTSON. They account for more than a billion dollars, and they are not provided in the conference report at all.

Mr. AIKEN. That item will appear in subsequent legislation, will it not?

Mr. ROBERTSON. That is not in this report; it is separate legislation.

Mr. AIKEN. Yes.

Mr. ROBERTSON. That item has already been approved by the House and by the Senate with minor amendments, as I recall.

Mr. AIKEN. However, if that amount is added to the amount agreed to by the conferees, the total will be from $600 million to $700 million above the amount appearing in the Senate bill.

Mr. ROBERTSON. That is correct. The Senate bill included $750 million which we authorized to increase the current assets or purchasing power of FNMA. Not only was another $750 million added, to which the administration objected, but $10 million was added on top of that.

Mr. AIKEN. Is that larger than the amount provided in the House bill?

Mr. ROBERTSON. No; it is almost as large, but not quite. The Senate provided $750 million. All of it could be loaned at below commercial loan rates. No commercial financial institution will lend money at a rate below 4 percent.

Mr. AIKEN. Had the provision for VA direct loans been left in the bill, the amount provided in the conference report would have been $706 million more than the total amount of the Senate bill.

Mr. ROBERTSON. That is correct. The conference bill is $850 million above the administration bill, and we thought that was extremely liberal.

Mr. AIKEN. If the conference report is not accepted by the Senate, will the bill go back to conference again?

Mr. ROBERTSON. Yes; the bill would go back to conference if the Senate refused to accept the report. The bill would have to go back to conference, and we hope the conferees would take note of the objections which we have raised. Instead of adding all the new things in the House bill and including all the objectionable things contained in the Senate bill, the conferees should remove some of them and bring the amounts in the bills down to the administration requests—to the budget estimates—and even, we hope, below the estimates.

Mr. AIKEN. How much did you say is the total in the conference report above the budget estimate?

Mr. ROBERTSON. It is $850 million above.

Mr. AIKEN. The President has not been stingy in making his requests for appropriations.

Mr. ROBERTSON. He certainly has not.

Madam President, I yield the floor.

EXHIBIT 1

Loan and grant authorizations in S. 1922, as introduced (S. 1478), as passed by the Senate and as agreed to by the conference committee

[In millions of dollars]

Subject	In S. 1478, as requested by the administration	As passed by Senate	As agreed to by conference committee	Conference bill is larger by—
FNMA special assistance:				
Presidential discretion	750	750	750	
Transfer of program No. 10 authorization	[1]	[1]	200	200
Transfer of mortgage repayments from M. & L. fund [2]	[1]	[1]	560	560
FNMA total	750	750	1,510	760
Loan programs:				
College housing loans	[3] 1,350	[3] 1,350	[3] 1,200	[3] −150
Public facility loans	50	150	500	350
(Mass transportation)	[1 4]	(100)	(50)	−(50)
Housing for the elderly loans	50	50	75	25
VA direct housing loans	[1 5]	1,200	[6] 0	[6] −1,200
SBA disaster loans	[1]	50	25	−25
Public works planning loans	[1]	[1]	10	10
Farm housing loans	[7] 207	[7] 207	[7] 407	200
Subtotal, loans	1,657	3,007	[6] 2,217	[6] −790
Grant programs:				
Urban renewal grants	2,500	2,500	2,000	−500
(Mass transportation)	[1 4]	(50)	(25)	−(25)
Urban planning assistance grants	80	80	55	−25
Public housing:				
Annual contributions (40 years)	3,146	3,146	3,146	0
Demonstration grants	10	10	5	−5
Open space	[1 8]	[1]	50	50
Farm housing research	[1]	[1]	1	1
Defense, hospitals	[1]	[1]	15	15
Subtotal, grants	5,736	5,736	5,272	−464
Grand total	8,143	9,493	[6] 8,999	[6] −494
Memo: Plus $1,200,000,000 for VA direct housing loans excluded from administration bill, then included in Senate-passed S. 1923 but finally removed and passed by Senate as separate bill (H.R. 5723)	9,343	9,493	10,199	706

[1] No provision.
[2] Assumes mortgage repayments from FNMA management and liquidation fund at rate of $140,000,000 annually over 4 years, as set forth in the summary of significant differences between the bill (S. 1922) as passed by the Senate and as amended by the House. These repayments could amount to as much as the entire $1,600,000,000 portfolio if this portfolio were completely liquidated within 4 years.
[3] In Senate bill, 5-year authorization; in conference bill, 4 years.
[4] S. 345, the proposed Urban Mass Transportation Act of 1961, provided $75,000,000 in grants and $250,000,000 in loans.
[5] S. 1481 provided $1,200,000,000 for the VA direct home loan program.
[6] Excludes $1,200,000,000 for VA direct housing loans, passed as a separate bill by the Senate on June 26, 1961 (H.R. 5723).
[7] Includes $207,000,000 made available for farm housing loans by extending the present program.
[8] S. 858, the proposed Open Space and Urban Development Act of 1961, provided $100,000,000 in grants.

Mr. SPARKMAN obtained the floor.

Mr. SPARKMAN. Madam President, I ask unanimous consent that, without my losing my right to the floor, I may yield 30 minutes to the distinguished Senator from Mississippi.

The PRESIDING OFFICER. Without objection, it is so ordered.

COLLAPSE OF TEXAS TOWER NO. 4 INTO ATLANTIC OCEAN

Mr. STENNIS. Madam President, I thank the distinguished Senator from Alabama for the kind consideration which is typical of him.

Madam President, I ask unanimous consent that Mr. Stuart French, a member of the staff of the Subcommittee on Preparedness of the Committee on Armed Services, who has done much valuable and outstanding work on this subject, be allowed the privilege of the floor during the discussion of this Texas tower report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Madam President, the Preparedness Investigating Subcommittee today intends to transmit to the chairman of the full Armed Services Committee and to the general public its report of facts and circumstances surrounding Texas tower No. 4, which collapsed into the Atlantic Ocean in January of this year, taking with it the lives of 28 persons.

It is the conclusion of the subcommittee, after thorough investigation, backed up by 5 days of exhaustive, recent hearings and cross-examination of many witnesses, that the catastrophe must be shared among the designers of the tower, the Navy, and the Air Force.

Texas tower No. 4 was constructed for the Air Force by the Navy and completed in November 1957 after it was determined that radar platforms were needed to serve as seaward extensions of our early warning radar system.

Subcommittee findings reveal that the design criteria, upon which the final structural integrity of the tower was to be based, were clearly inadequate.

This inadequacy must be charged to the Navy's Bureau of Yards and Docks and to the structural design engineers, since there were on file many estimates of the environmental wind and wave forces to which the tower would be exposed during its anticipated 20-year life in the Atlantic Ocean.

Herein lies a great miscalculation.

As a matter of fact, the design criteria had been exceeded by recorded or reliably computed wind velocities and wave heights since 1937—or some 20 years immediately preceding the tower's erection—and these forces should reasonably have been foreseen on the basis of the findings from the feasibility study conducted by the structural design engineers and approved by the Navy.

This point is covered in more detail on page 8 of the final report.

The subcommittee also found, for special reasons specifically noted in respect to its supervisory responsibility, that a substantial portion of the responsibility for the defects, deficiencies, and inadequacies in the design and construction, and in some cases in the repair, of Texas tower No. 4 rests squarely upon the Navy's Bureau of Yards and Docks.

The report also points out that the Air Force was chargeable with the responsibility for the safety and well-being of the personnel on board the tower, both civilian and military, and must accept a substantial portion of the blame for the loss of the 28 persons on board at the time of collapse in failing to order a timely evacuation of the tower.

It was apparent from September 12, 1960, until the tower collapsed on January 15, 1961—4 months later—that the tower was greatly weakened; that it was in a dangerous condition and that it was highly unsafe. The winter storm season was in progress and it was known that it would continue for several months more.

A complete evaluation of the tower should have been made and all personnel evacuated or, as a minimum alternative, highly effective measures taken which would have insured the safe and timely evacuation of all personnel in advance of any predicted storms, the report states.

Since November 1957, when the tower was turned over to the Air Force for operational purposes, serious question as to its structural integrity had been voiced by many, including the operating personnel aboard. This question was raised even more vociferously after hurricane Donna struck in September 1960—4 months prior to its collapse—and rendered it weak and highly unsafe.

One of the design engineers said, in sworn testimony, that he did not see how the tower stood up at all after September 12, 1960.

But the beginning of the end of the tower occurred when two braces were first broken and finally lost from the structure as it was towed from Portland Harbor to its site some 80 miles off the coast of New Jersey in June 1957. An attempt was made to repair these braces at sea, and from that time on the tower was known as Old Shaky and never again regained its original or attained its intended structural integrity and strength.

The Navy declined to assume responsibility for attempting repair at sea; conversely, the contractor denied mak-

ing the decision and testified that the responsibility had to rest with the Navy. Even the design engineer disclaimed any responsibility for the decision.

It is the unanimous conclusion of the subcommittee that the Navy cannot escape or avoid responsibility for the decision to repair the structure at sea, because the naval officer in charge of construction was vested with the power and authority to direct the contractor to return the tower to port, for repair.

The decision to remain at sea and to attempt underwater, jury-rig, or extemporaneous repair of the broken braces was, in the opinion of the subcommittee, the point of no return and the time at which the fate of the tower was sealed.

The subcommittee seriously questions the wisdom of using for the first time—and particularly on a difficult structure such as Texas tower No. 4—an untried, untested process of erecting an offshore platform which had not even been considered by the Navy as a method of erection until after its inventor had been hired by the structural design engineering firm.

We have thrown many millions of dollars into the ocean, but the loss of money was not the driving force behind the subcommittee's determination to get the facts surrounding the collapse of the tower. It must be remembered that 28 valuable lives were lost. Furthermore, two more such towers are still standing in the Atlantic and are in use; we must make sure they are safe. A recurrence of this tragedy would be intolerable.

To achieve an evaluation of the seaworthiness of these other towers, the Navy awarded a contract to the same structural engineers who designed them all, including the ill-fated tower No. 4.

In view of the many structural failures and the ultimate collapse of tower No. 4, the award of this contract to the original structural engineers constituted a grave and serious error of judgment.

The subcommittee feels that it not only would have been preferable, but virtually mandatory under the circumstances, that such an evaluation be performed by independent experts who took no part in either the design, the construction, or the repair of any of the Texas towers.

Experience showed that for 4 months prior to the collapse, these same engineers had failed to provide any yardstick by which the using agency, the Air Force, could relate the tower's integrity to predicted weather forecasts. From September 12, 1960, to the date of the tower's collapse on January 15, 1961, the structural design engineers either could not or would not evaluate the tower's remaining strength, even though it could have been done in a week's time.

The special findings and the conclusions of the subcommittee begin on page 35 of the report.

Madam President, I submit, and I ask unanimous consent to have printed at this point in the RECORD, a chronology of the significant events, so that all can understand for themselves the chain of events which culminated in the tragic collapse of this tower.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CHRONOLOGY OF SIGNIFICANT EVENTS—TEXAS TOWER NO. 4

August 1952: Preliminary report on substitution of Texas towers for radar picket ships prepared by Lincoln Laboratories of Massachusetts Institute of Technology.

June 1954: Navy's Bureau of Yards and Docks awarded contract to Anderson-Nichols Co. and Moran, Proctor, Mueser & Rutledge firm as joint venture for conducting feasibility study.

October 1954: Feasibility report submitted.

December 1954: BuDocks awarded contract to same two firms for preparation of design and specifications for all five towers as joint venture.

November 1955: Texas tower No. 2 on Georges Bank completed by DeLong Corp. and Raymond Concrete Pile Co. as joint venture for construction.

August 1956: Texas tower No. 3 on Nantucket Shoals placed on site by J. Rich Steers, Inc., and Morrison-Knudsen Co. as joint venture for construction.

July 1957 to November 1957: Subsea trussed structure template of Texas tower No. 4 upended at location off New York by J. Rich Steers, Inc., and Morrison-Knudsen Co. in joint venture.

The diagonal braces in the upper tier of bracing on the A–B side of the structure sheared off their connecting pin plates and were lost during tip-up.

Field redesign of collar connections secured to legs by Dardelet bolts necessitated for attaching replacement diagonals.

November 1957: Texas tower No. 4 completed and turned over to the Air Force.

July 1958: Complaints by operating personnel of considerable platform motion of Texas tower No. 4.

August 1958: Hurricane Daisy struck Texas tower No. 4. Navy's BuDocks ordered first underwater diver's inspection. Operating personnel noticed distinct change in the nature of tower platform motion following Daisy.

October 1958: Diver inspection report disclosed failure of collar connections and Dardelet bolts. Treated as construction deficiency by BuDocks.

November 1958: Construction contractor only partially completed repairs to collar connection by use of T-bolts and will return the following spring for final completion.

November 1958 to March 1959: Brewer Engineering Laboratory conducted motion study of platform and concluded that subsea bracing ineffective for platform horizontal movements of 3 inches and rotational movements of 0.1°. Waves of 10 feet in height caused greater platform movements than waves of 30 feet.

May 1959: Construction contractor completed field repairs to collar connections. Manual operation of radar equipment begun.

June 1959: Diver inspection certified to adequacy of repairs.

January 1960: Operating personnel again report excessive platform motion.

April 1960: Tower became fully operational and tied in with semiautomatic ground environment (Sage) system.

February 1960: Diver examination revealed substantial deterioration in pin plate connections and loose pins in underwater bracing. Determination made that tower No. 4 in dangerous condition. Above water X-bracing is treated as an emergency which must be installed before fall hurricane season.

August 1960: Above-water X-bracing installed. Design engineers certify that tower is restored to original strength.

September 1960: Hurricane Donna, with wind and wave forces both in excess of design criteria, struck the tower. "Flying bridge" or revolving maintenance platform suspended from base of tower, torn loose. Contract to construction contractor to repair flying bridge and perform inspection.

November 1960: Flying bridge repaired and diving operations begun. Divers report extensive damage above and below water. Tower personnel reduced and operational standdown. Damage reviewed and method of repair established to consist of three strands of cable bracing in crossed pattern on A–B side in substitution for upper two panels. (Lowest panel assumed to be intact.)

December 1960: North Atlantic gale with winds of 87 knots and high seas struck the tower.

January 1961: Repair of sleeve at 75-foot level completed.

January 1: Installation of wire rope cable bracing begun.

January 7: Broken diagonal brace in lowest tier of underwater bracing discovered, assumed to have been caused by December storm.

January 12: Meeting in New York City with Air Force, construction contractor, and design engineers. Although under subcontractual responsibility to do so, design engineer declined to state remaining strength of tower in light of known damage. Statement was made that after cable bracing installed but with lowest diagonal broken, tower would then be 55 percent as strong as original design called for.

January 15: Tower collapsed at 7:25 p.m., taking lives of 14 military and 14 civilian personnel. Rescue efforts immediately started.

January 16: Rescue efforts continue. One body (military) plucked from sea. One other body sighted but not recovered. No survivors. Air Force convened factfinding board of officers.

January 17, 1961, to February 1961: Search for bodies continued. One body (military) found within the platform. No others recovered. Platform location at bottom of sea established.

Mr. STENNIS. Madam President, waiving, for the time being, the errors in design, construction, and repairs, the subcommittee feels that it was inexcusable that the tower fell into the sea. Furthermore, no evaluation was made of its strength, and no firm and timely decision was made to evacuate the tower completely before the tragedy occurred.

After hearing the testimony of the many witnesses, members of the subcommittee feel that the tower's nickname, "Old Shaky," was so accurately descriptive that it should have given rise to abandonment of the tower long before it fell into the ocean.

Twenty-eight persons, both civilian and military, lost their lives in the tragedy; but they gained the recognition of their country in the great sacrifice they made and the service they performed.

We bow in appreciation of their service and in respect to their memory, as they were indeed patriots in every sense of the word. They died at their posts of duty. They deserve from their country the same recognition and tribute accorded those who similarly have sacrificed their lives on the battlefields of war, in preservation of our liberties, our freedom, and our way of life.

Madam President, the subcommittee, in taking the proof in this case, used a cutoff date of January 12, 1961, 3 days before the tower fell. We did so because

we understood that the Air Force might institute court-martial proceedings with reference to some of the officers involved in the immediate chain of command, and therefore we wished to avoid, as reasonably possible, dealing with the events of the last 3 days which led up to the tragedy.

The subcommittee will observe, with interest, the court-martial proceedings, if any are held, and, if so, the subcommittee probably will make a supplemental report following such proceedings.

We had before us some very fine witnesses who are highly skilled in their professions. We had before us witnesses of the very highest caliber from the services.

The tower was very difficult to construct and install at sea. Much of the work involved reflects credit on the designers, the contractors, and the services. At the same time, the facts are so clear and strong and the responsibility so great that we were driven to the conclusions I have now briefly outlined in the course of this statement.

Again, I thank the other members of the subcommittee for their very fine attention and help in going through the testimony, reaching the conclusions, and preparing the report.

Mr. SALTONSTALL. Madam President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. SALTONSTALL. Let me say that I have listened with a great deal of interest to the brief report which has been made by the chairman of the subcommittee on the Texas tower investigation.

I was originally informed of this problem by a telephone call at my home in the middle of the night. I studied the matter, and called it to the attention of the chairman of the Preparedness Subcommittee of the Armed Services Committee, the Senator from Mississippi. I did so because the base from which the tower was supplied was in New Bedford, Mass.; and many of the members of the crew who were on the supply ship felt very strongly that an investigation of this subject should be made. The Senator from Mississippi [Mr. STENNIS], the chairman of the subcommittee, who just now has made his report, agreed; and that was the beginning of this investigation.

I have read the report which has been prepared by the chairman of the subcommittee, with the help of Mr. French; and I approve of the statements made in the report and the 12 findings.

This problem and the loss of life in connection with the collapse of the tower came because of lack of decision, lack of careful and thoughtful planning, imperfect construction, and, at a later date, the operation and maintenance of the tower, the decision as to what should be done, and the decision as to whether human beings should be kept on the tower or should be removed.

The planning of the tower and its method of erection involved novel procedures. Certainly, the engineers for the construction are highly reputable. They prepared the plans and designs.

The construction was novel because of the fact that this tower as erected in deeper water, so I understand, than that in which any other tower had been constructed; and, in addition, the base or foundation of this tower was on sand.

The design was novel; and its erection was based on a patented method.

The installation was faulty, because one of the diagonal braces was broken in the process of installing the structure in the deep water. However, the structure was put in place, bracing was put on it, and the tower remained in operation for some time.

But from September 12, 1960, on, the tower was known to be weak. A diver examination was made.

Then, on December 12, another storm developed; and after the storm, another diver examination showed that one of the lowest diagonal braces was broken.

The Air Force rightly asked that an evaluation be made by the structural design engineers. The engineers stated that the installation was weak, but would make no evaluation as to whether it was safe or not up to January 12, the cutoff date of our investigation. All the crew was taken off except the 28 men who were left on as an emergency standby crew.

There was some question as to whether there was proper construction in the original planning and construction. The Navy Bureau of Yards and Docks had the ultimate responsibility for the design and construction. Then, after the tower was built and operated by the Air Force, the question came up as to whether men should be left on it or taken off.

We did not go into the events of the final 3 days before the collapse of the tower, because, as the Senator from Mississippi has so well stated, these may be the subject of a court-martial decision by the Air Force.

As I see it, the findings and conclusions are substantially sound and correct. The facts stated and the conclusions based on them, are accurate as a result of the hearings which were held.

I want first to commend the chairman of the subcommittee, the Senator from Mississippi [Mr. STENNIS], upon the thoroughness with which the investigation was conducted, and the thoughtful and careful hearings, in which we heard witnesses who were all honorable men and who were doing their best to give us the best testimony they could.

The resulting conclusions are quite far reaching. They certainly show that the remaining towers, towers 2 and 3, should be carefully examined as to their safety, even though they are built in shallower water and under different conditions.

As to the final conclusions of the committee—whether Texas tower No. 4 was valuable in the warning system of our country—remains to be seen at the present time because of the advanced research and development in other warning systems.

Surely, no new tower should be placed in the location where Texas tower No. 4 fell without a careful, thorough, and new plan being evolved; without careful and thorough construction; and without surveillance of the underwater braces, to make sure it is safe.

We are informed that the Air Force does not intend to request that another tower be placed where this one so sadly fell.

I am gratified about the investigation, because, as I have said, the base for the ship which supplied the tower was in New Bedford, Mass., and the crew was very, very much concerned with the safety of the personnel aboard. The supply ship stood by the tower during the storm which caused it to collapse and the crew saw it topple.

Madam President, I believe this report should be placed before the full Committee on Armed Services, so those who are interested in the matter will have an opportunity to read the report, which is a very careful examination of the whole subject.

I conclude by again commending the fairness and thoroughness of the chairman in making this report.

Mr. STENNIS. I thank the Senator from Massachusetts very much for his generous remarks, and thank him again, too, on behalf of the subcommittee, for his diligent and effective work in developing the facts.

I now yield to the Senator from Alaska [Mr. BARTLETT] who is also a member of the Preparedness Investigating Subcommittee.

Mr. BARTLETT. I thank the Senator.

Madam President, it was with reluctance, as a member of the subcommittee, that I approved, for my personal part, the report which has just been submitted by the distinguished Senator from Mississippi. It was not that I did not agree with its findings and conclusions, but there was regret that there should ever have been a need for this investigation, that the tower should ever have collapsed, that these precious lives should ever have been lost.

I think, in reading the report, Members of the Senate and of the public will discover that it is not only very thorough, but exceedingly temperate. It is easy to criticize harshly after an event, but this report does not do that. It is objective, and states, as the Senator from Mississippi has said, beginning on page 35, certain findings and conclusions, which I feel will, among other things, be extraordinarily useful in preventing any possibility of a repetition of a disaster of this kind, which surely does not constitute a shining chapter in our national history. The whole thing is pitiful.

I was much impressed by the fact that when the template was being towed to sea it was discovered that two diagonal braces were missing, and neither the Navy nor the contractor was willing to take the responsibility for making the decisions as to whether it should have been towed to port for repairs or whether erection should have been continued. Someone should have been in charge. The committee conclusion states that it believes the Navy was responsible for the decision.

I have no criticism to make of the structural design engineers. I am not

qualified in any manner to do that. But I think it is quite proper for the committee conclusion on page 40 to point out that it is strange that these same structural engineers who made the original design were then hired to go out in the Atlantic Ocean and to inspect and determine the safety of the remaining towers.

The report concludes that it is a military judgment which must prevail in respect to the continued operation of towers No. 2 and 3. I, for one, hope that great attention will be paid by the military to the need for them, and, if it is found they are essential to national security, that constant investigation will be made so there will be no possibility of a repetition of the disaster which befell tower No. 4.

I should like to associate myself with the distinguished Senator from Massachusetts in saying that in my experience no more thorough job in an investigative manner has ever been done than was performed by the chairman of the Preparedness Investigating Subcommittee of the Committee on Armed Services, the Senator from Mississippi [Mr. STENNIS], in respect to this important assignment. He was ably aided by the efficient members of the staff, Mr. French and others. I feel that a report of this kind will go far in keeping everyone alert in the future to guard against possibility of a similar tragedy.

Mr. STENNIS. I thank the Senator from Alaska very much for his fine words, for his constant attention to the hearings and for his consideration of the report. The Senator has made a valuable contribution.

Mr. WILLIAMS of Delaware. Madam President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I commend the Senator from Mississippi and the members of the subcommittee for the excellent contribution they have made in submitting this report to the Senate and for calling this sharply to the attention not only of the Congress, but also of those in the military who may have been responsible. We recognize, with reference of the unfortunate incident which occurred, that we cannot bring back the lives of the men who were lost, but perhaps the report will impress upon those officials who were in authority a greater respect for their responsibility. Perhaps in the future we can prevent a recurrence of such an unfortunate incident.

Mr. STENNIS. I thank the Senator for his fine evaluation.

Mr. WILLIAMS of Delaware. I have one question in this connection. It was called to my attention in a letter I received a few days ago.

The writer of the letter was one of the men who served on the tower, and he claims that during their service the men received the usual additional pay allowed to men in the military serving outside the continental United States. Presumably the men collected the additional allowance throughout the period of their service on this tower. According to the writer, since the tower collapsed there has been a reversal of the ruling and presumably an attempt is now to be made to retroactively collect the additional pay which had been given to those men who served on the tower.

Is the chairman of the subcommittee aware of this situation or does he have any comment to make?

Mr. STENNIS. The Senator from Mississippi did not have personal knowledge of the point the Senator from Delaware has mentioned until a few minutes ago. I have learned from members of the staff, since the question was asked a few minutes ago, that such a report did come to the subcommittee. It is true that additional allowances were given, and now an attempt is being made to recover them. That was not included in the report, for obvious reasons, because it is beyond the import of our investigation.

Mr. WILLIAMS of Delaware. I appreciate that point.

Mr. STENNIS. It certainly is a pertinent point of inquiry. I appreciate the Senator's interest. I think we should follow up, not as a part of the investigation of the incident, but as a part of the whole picture, to develop the full facts. We shall let the Senator know about them.

Mr. WILLIAMS of Delaware. I appreciate that statement. I fully recognize that this question has nothing whatever to do with the report. But I felt it was germane to the subject. I was very much concerned about the effect this action might have upon some of the men who have served in this field. If true it does seem to be unfair.

Mr. STENNIS. I think the Senator is correct. The Senator's remarks are very timely. I thank the Senator especially for his remarks.

Madam President, I thank the Senator from Alabama again, and I yield the floor.

Mr. JACKSON subsequently said:

Mr. President, I ask unanimous consent that the brief remarks I am about to make may be printed in the RECORD after the debate which followed the remarks of the distinguished junior Senator from Mississippi, made earlier, in connection with the Texas tower report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

Mr. JACKSON. Mr. President, I wish to associate myself with the exceedingly able report presented by the chairman of the Preparedness Subcommittee of the Senate Committee on Armed Services, the junior Senator from Mississippi [Mr. STENNIS], in connection with the so-called Texas tower incident. The chairman of the subcommittee, as usual, conducted the hearings in a most fair and impartial manner.

I also wish to pay my particular respects to the staff and to Mr. French, who directed the investigation.

I think the Senate will find the hearings were conducted throughout in a judicial way. There was no effort on the part of any member of the subcommittee to be punitive or to try to punish anyone. On the other hand, the committee rendered a very fair and just verdict.

I hope all the Members of the Senate will have an opportunity to read the report. I am certain my colleagues will come to the same conclusion the committee reached in its usual unanimous way.

ORDER OF BUSINESS

Mr. BENNETT. Madam President——

Mr. SPARKMAN. Madam President, I have the floor.

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. BENNETT. There is some material I should like to put into the RECORD.

Mr. SPARKMAN. Madam President, I ask unanimous consent that I may yield to the Senator from Utah without losing my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and the Senator from Utah is recognized.

HOUSING ACT OF 1961

Mr. BENNETT. Madam President, I ask unanimous consent to have printed in the RECORD two editorials on the subject of housing; one entitled "Lifetime of Debt Bill," and the other entitled "Needed: Greater Economy."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

LIFETIME OF DEBT BILL

The goings-on in Washington, usually hard to understand, sometimes are downright incredible.

The same week that President Kennedy, following his talks with Khrushchev, emphasized in a television broadcast the deadly seriousness of the international crisis, administration forces pushed through the Senate a $6,090 million housing bill of dubious merit.

We face an arrogant, ruthless, and implacable foe in the cold war, and the President has stressed again that unity and sacrifices will be necessary to withstand the relentless Communist pressure. Yet it is business as usual in politics.

The original Kennedy proposal was for Federal Housing Administration insured 40-year mortgages with no downpayment for homes costing up to $15,000. In addition the administration has called for urban renewal, water and sewer projects, and other types of housing to cost more billions. The moderate-income family provision was first beaten in the upper House but a substitute was later passed. It is almost identical with the original provision except that a buyer taking advantage of the 40-year mortgage must now make a small downpayment.

Has anyone stopped to think what condition a $15,000 house will be in near the end of the 40-year period?

Senator DOUGLAS and others have been warning of the grave dangers, individually and nationally, of the buy now, pay later excesses. This measure would encourage home buyers to get mired in a near-lifetime of debt. In addition, the housing program will cost the taxpayers billions which they cannot afford. If this country must pay more than $40 billion annually for defense, something else will have to give.

"Ask not what the country can do for you," said Mr. Kennedy in his inaugural message. One doesn't have to ask what he can do for the country. He can pay ever-increasing taxes. This may be tolerable in the critical

struggle for survival against the Communists, but questionable schemes like the housing bill raise questions about the national goal.

NEEDED: GREATER ECONOMY

Congress has before it this week two measures, among others, that illustrate all too clearly the problem of America today.

It has a housing measure, already passed by the Senate, containing $6 billion worth of spending in a field where there is serious question the Federal Government belongs in the first place.

And it has an urgent request for a $5 billion boost in the national debt ceiling, so that the country can continue to operate.

If there is any question remaining about the inflationary pressures the country faces, this request to raise the ceiling to $298 billion ought to erase them. One of the most effective blocks to welfare spending has been removed by the reorganization of the House Rules Committee, and the floodgates now seem to be open.

How we can have both the increased spending needed for defense and the increased spending being requested for domestic welfare programs, without starting another inflationary spiral that will further weaken our position in world affairs, is hard to see.

The housing bill is a good example of the sort of unnecessary spending that may be politically popular but risks serious dangers.

In it, the Government throws off its pretense of trying to provide for only the destitute. It authorizes 40-year, no-downpayment sales and rental housing programs for moderate-income families, with interest below the market rate. The loans will go to commercial developers or nonprofit organizations and public agencies to build housing for sale or rent.

What this amounts to is public housing for the middle-income group. Is America prepared to take that big step toward further socialism?

Such a program will stimulate the construction industry, no doubt, and make it easier for people to get new housing. But is this the kind of sacrifice that President Kennedy meant when he urged Americans not to ask what America can do for them but what they can do for America?

America does not need this kind of stimulation. What it does need is leadership toward strict economy, toward more self-reliance instead of Government-reliance, toward the realization that the Government can give to its citizens only what it takes from them—and that in the process precious values can be lost.

AN EMERGENCY IN EDUCATION

Mr. BENNETT. Madam President, last April I introduced a bill, S. 1678, to extend the program of Federal aid to areas whose schools have been adversely affected by Federal activity.

As I explained when I introduced my bill, such legislation is necessary because Public Laws 815 and 874, which provide this assistance, will expire next Friday, June 30.

The administration thus far has refused to recommend passage of my bill or similar bills in the House, because it hopes to use this very vital and noncontroversial program as a hostage for the administration's general aid to education bill.

When I introduced S. 1678, I protested against this form of legislative blackmail, and I predicted that even by this threat to the continued existence of this important program the administration would be unable to get an education bill passed before these laws expire on June 30. It now appears that my prediction was correct, since the aid to education bill is not now expected to be acted upon before late July, or possibly not until next year.

The time has come for immediate action by Congress. Public Laws 815 and 874 should be considered on an emergency basis, and should be extended immediately. The administration should acknowledge its error in using this most important program as a hostage and should put its weight behind this program so that action can be completed this week.

The unfairness of the administration's permitting this important program to expire lies in the fact that the burden would be so unequally distributed, being borne by communities whose school systems are under serious pressures because of Federal installations nearby.

In my own State of Utah, for example, the Thiokol Chemical Corp., has established a production plant for the Minuteman missile. This has had an explosive effect on the community, and the few schools which once served this rural area are unable to cope with the sudden expansion. If Public Laws 815 and 874 are allowed to expire, the effect will be serious damage to the school district.

A similar situation exists in Tooele County, where a great influx of workers will soon occur because of expansion of the activities of Tooele Ordnance Depot. This will create a sudden and severe strain in the limited school capacity of that area.

The Senate is no doubt familiar with the fact that even under the Kennedy proposals the program for Federal assistance to federally affected areas would be drastically curtailed. Testimony before the Senate Labor and Public Welfare Committee, since the President made his recommendation, has refuted the President's contention that these programs should be curtailed.

The confusion and uncertainty about the future of this program has already created serious problems for schools throughout the country. School budgets are generally approved the spring preceding the school year. This spring, because the administration refused to back a separate bill for extension of Public Laws 815 and 874, it was impossible for school boards to know what to plan for.

In playing politics with this noncontroversial and badly needed program, the administration has done a great disservice to education. I trust that its error can be remedied before further damage is done.

KENNEDY LEAD-ZINC PROGRAM—RETURN TO FAILURE

Mr. BENNETT. Madam President, the Kennedy administration is reportedly ready to recommend a barter program involving lead and perhaps zinc. This program is supposed to give assistance to our depressed domestic lead-zinc industry. However, barter is worse than no program at all; it is only a delaying action obviously designed to cover up for the total lack of a permanent administration solution.

The Kennedy administration barter program is a return to the discredited barter effort of 1955 and 1956. All that accomplished was to stimulate foreign lead-zinc production and, as a result, imports reached an alltime high in 1956 through 1958, amassing commercial surpluses which have never been liquidated. Yet the Kennedy administration now proposes that we return to this program which was such an abysmal failure. We have gone full circle, from failure to failure.

It is my understanding that the Department of Agriculture will utilize the Public Law 480 program to sell certain surplus farm commodities to foreign lands for dollars which will be used to purchase lead and zinc for a supplemental Government stockpile. It is believed that $60 million worth of metal will be purchased this year.

I am advised that the administration intends to enter soon into barter arrangements with Canada and Australia under which we will acquire 100,000 tons of lead. In return we will give Canada wheat. This is a novel situation, to say the least. On one hand we are buying lead, of which we have a huge surplus, and sending wheat to Canada, which almost literally has wheat running out of its bins. Parenthetically it should be observed that this wheat may directly or indirectly end up in Red China, along with other wheat already shipped there by Canada.

The net result of this remarkable program is that the American taxpayers will be called upon to spend millions of dollars to buy up the world's surplus of lead which will be placed in our overflowing stockpile where it is not needed. This is merely a temporary uninspired stopgap measure that conveniently puts off a permanent solution to the problem of excessive lead-zinc imports.

What our domestic lead-zinc industry needs is a flexible tariff plan such as that recommended in S. 1747, which I have the honor to cosponsor with the Senator from New Mexico [Mr. ANDERSON] and others. An identical bill was introduced by Representative WAYNE ASPINALL in the House.

APPOINTMENT OF REPRESENTATIVE KILDAY TO REPLACE JUDGE LATIMER ON U.S. COURT OF MILITARY APPEALS

Mr. BENNETT. Madam President, the administration recently announced that Representative PAUL KILDAY will replace Judge George Latimer on the U.S. Court of Military Appeals. I believe the President's refusal to reappoint the incumbent Judge George Latimer indicates a complete departure from the administration's announced intention of keeping politics to a minimum in judgeships and basing appointments on merit. I believe the circumstances surrounding this appointment should be called to the attention of the Senate.

Let me emphasize that this is not intended as a criticism of Representative KILDAY, who has had a distinguished career in Congress, representing the 20th District of Texas. However, it is the policy of the American Bar Association that a sitting judge should be reappointed unless there is some serious opposition to his appointment or some good reason for not continuing him in office. There was no such opposition to Judge Latimer, who is recognized as perhaps the Nation's leading authority in military jurisprudence.

I am confident that Mr. KILDAY will do a creditable job as a member of the court, even though he has had no experience on the bench and has not served in the armed services. My objection is not on the basis of his qualifications, but because of the fact that he is replacing a sitting judge who had made an outstanding record, who had the complete support of the Judge Advocates General of the three services, and of the president of the American Bar Association, and who therefore deserved to be reappointed.

The notable thing about the administration's decision is that this is the first such vacancy to have occurred since the creation of the U.S. Military Court of Appeals. It is true that President Eisenhower filled one vacancy on the court, but this occurred as a result of death and did not involve the displacing of an incumbent judge.

There is one other aspect of this matter which seems to indicate that the administration does not consider the U.S. Court of Military Appeals to be a very important institution. The administration refused to make a decision on this appointment until long after his term had expired. Judge Latimer was appointed in 1951 by President Truman to a term which ended May 1, 1961. It was not until May 28 that the administration finally advised Judge Latimer they had not reappointed him.

But even more surprising was the announcement that the vacancy would be left open until after the end of the present session of Congress, in order to permit Representative KILDAY to complete this legislative session. In the meantime, the court is without one judge and the work of the court is being seriously hampered. I find it incredible that the administration should be indifferent to the injustices which are resulting from this, merely to avoid inconveniencing one man.

It seems to me that this state of affairs is particularly shocking in view of the President's high sounding statement he made when he signed the judgeship bill into law. And when one considers that the President has 76 new judges to appoint as a result of this law, one cannot help wondering if the positions will all be filled in such a blatantly political fashion.

TOURIST'S DUTY-FREE ALLOWANCE

Mr. BENNETT. Madam President, today the Senate Committee on Finance approved the bill to reduce the amount of merchandise a returning tourist can bring into this country from $500 to $100. In view of that action, I ask unanimous consent to have printed in the RECORD the Wall Street Journal editorial of June 27 entitled "One Less Keepsake."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE LESS KEEPSAKE

The other afternoon we went down to wish bon voyage to some young friends sailing for Europe. We came back wishing President Kennedy and Secretary of the Treasury Dillon could have joined the party.

These two gentlemen have just about persuaded Congress that they are going to save the dollar by cutting the tourist's duty-free allowance from $500 to $100. The theory is simple. Tourists will spend less money buying keepsakes in Venice. That will reduce the outflow of dollars and so shrink this country's balance-of-payments deficit which continues to threaten the dollar's value in world markets.

Well, one trouble with this lovely theory, as we were reminded the other day, is that most people who go to Europe aren't rich people, like the Kennedys and the Dillons. For most of them it is a once-in-a-lifetime dream.

There were nearly a thousand people on this single tourist-class ship, off to see the bright lights of Paris or the ruins of Rome, and they were about equally divided among young college students, newlyweds and elderly couples for whom this tour represented years of savings. For all these people, unlike some in Washington, a dollar is hard to come by and not lightly spent. Most of them don't intend to buy $500 worth of souvenirs anyway. So at best the savings over the customs counter are exaggerated.

But even those who can afford it are already out-foxing Mr. Kennedy and Mr. Dillon. Student, honeymooner, or gray-haired couple, nearly all are seeing Europe on something almost forgotten in Washington, a carefully thought out budget. The junior from Wellesley may be going on a thousand dollars of father's money; Aunt Bessie and Uncle John may have saved up three times that much for their sight of the world. But however much it is that's earmarked "Europe," that's what it's going to be.

If the Government says they must spend $400 less on Italian neckties or French perfume—well, the travel agent can add a few days to the stay in Rome or the young people can just make the night lights of Paris a little brighter. Neither Uncle John nor father need expect to save a dollar from being left somewhere over the sea.

Nor need Mr. Kennedy and Mr. Dillon expect to save the dollar that way. Already they delude everybody with the pretense that the trouble is tourist shopping abroad, a tiny drop compared with the gallons of dollars poured out by the Government itself. And a day among the real tourists would disillusion them about this new regulation.

When that is adopted, all that will have been done will be to prevent some students, honeymooners and greyhaired couples from spending their travel savings the way they want to. Kindly Government will still let them, for the time being, have their memories of Venice—just to see to it, in the name of the Nation's good, that they bring back one less keepsake to help remember how it was.

FEATHERBEDDING

Mr. BENNETT. Madam President, it is very unusual to place an advertisement in the CONGRESSIONAL RECORD, but a recent full page advertisement by President Edward Swayduck, of Local 1, Amalgamated Lithographers of America, published in U.S. News & World Report, in my opinion, merits the widest possible distribution.

In this advertisement the president of the New York local of the Amalgamated Lithographers of America is interviewed by John Luter, president of the Overseas Press Club, on the subject of featherbedding.

His attitude is evidence of a mature and enlightened approach to this question, and I believe leaders of unions throughout the country should consider the points Mr. Swayduck makes.

I ask unanimous consent that the advertisement may be printed in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

"FEATHERBEDDING IS FOR THE BIRDS"—SAYS THIS UNION PRESIDENT

Question. In the first of this series of advertisements, you indicated that a person who orders lithography in an ALA plant doesn't pay for featherbedding or obsolete processes. Since featherbedding has been in the news so much lately, I'd like to explore that situation with you.

Answer. Good. This is a subject on which the Amalgamated Lithographers has very strong feelings.

Question. And what are these feelings?

Answer. We abhor it. We're absolutely opposed to such a practice. Featherbedding is for the birds.

Question. Recently out of Cape Canaveral and Washington we learned of featherbedding as it affected our missile program. Would you care to comment on this?

Answer. Absolutely. Let's go back in history, the history of labor unions. The philosophy of trade unions was to enhance our society for the benefit of all. Today, decent trade unions do not want to be looked on as a privileged class thinking only of themselves. Now it disturbs me when I see what's happening down at Cape Canaveral. According to the press, these people are not doing for the country what President Kennedy asked them to do. Members of a few unions down there allegedly are being paid for doing nothing. They watch components come in, already assembled, clock the time it takes to assemble them, and get paid for standing around for this time. It's outlandish.

Question. What do you see as the solution for such a situation?

Answer. The unions have to raise their voices against this kind of practice, just as I'm doing now. Nobody profits by featherbedding. A man might profit temporarily, but the industry and our country lose. The money goes down the drain. It's neither constructive nor profitable. Now if the public is aroused enough by these abuses there is certainly going to be some type of antilabor legislation which is going to hurt unions like my own which have consistently opposed featherbedding.

Question. Then I take it you feel that leaders of every union should come out publicly against featherbedding?

Answer. Yes. I don't like to see Senators, or anyone in public life for that matter, having to do the job that labor officials themselves should have the courage to do. All union people should be saying that featherbedding is for the birds. Otherwise this could destroy in the public mind the proper mission of labor unions.

Question. The Cape Canaveral problem got a lot of attention because of the importance of our missile program. But doesn't featherbedding exist in other areas?

Answer. It certainly does. It's not detrimental to the country from the point of view of the missile program. But it's a practice that presents a form of immorality handed down into our society that negates what the good unions have done and are doing in our country and the world. One example is "bogus type." There is a union which resets type that duplicates material already prepared on the outside, then throws away the type they've just set. Their idea is to use the same number of people to do a job which either has been automated or which the industry has found a better or less expensive way to do. Responsible trade unions have many ways to embrace industry innovations. In this way they benefit both the industry and themselves in the areas of training and rehabilitating their members, and in contract negotiations.

Question. What has the Amalgamated Lithographers Union done in this direction?

Answer. Over the years, as we helped the lithographic industry to automate and create new processes, we were able to justify and attain for our members a 35-hour week, 10 paid holidays a year, 3 weeks' vacation, the finest welfare and pension programs and wage increases. This means our philosophy in fostering automation and being opposed to featherbedding made these gains possible. The volume of business has increased tremendously. Many more people are employed. This couldn't happen with featherbedding.

Question. Can you cite any specific examples where you have actually cut down the number of men on a job to the benefit of the lithographic industry?

Answer. Certainly. Only a few years ago there was a new press on the market. At the beginning, in negotiations, we thought it would require three persons to operate. However, it became evident that the press wasn't competitive with three men and it could be operated with two. We then volunteered to renegotiate to reduce the complement to two men so that the press could be run profitably.

Question. Does your stand against featherbedding represent a new policy of your union or a shift in policy?

Answer. No. It has always been a policy of our organization to oppose featherbedding. In our 80-year history we've stood for progress, not only in the graphic arts, but as an example for all industries. In the United States, through American ingenuity, we can manufacture at a decent high level and maintain the high standards of the American way of life—unequaled in world history.

Question. Eddie, this has been an enlightening and unusual interview.

Answer. Thank you. I hope that anyone concerned with graphic arts reproduction or who buys ink on paper is fully aware of this fact: The Amalgamated Lithographers of America is working in his best interests toward the highest craftsmanship and lowest cost. The ALA is unalterably opposed to featherbedding or any other immoral business practice. It knows and has proved that a good craftsman is good economy.

FEDERAL CONSTRUCTION OF DISPUTED TRANSMISSION LINES TO SERVE THE UPPER COLORADO PROJECT — UNNECESSARY AND WASTEFUL

Mr. BENNETT. Madam President there is a proposal now before Congress calling for a disputed Federal investment of $136 million for electric power transmission lines to serve the Upper Colorado River Storage Project. This appropriation is supported by public power groups and by the Department of the Interior. On the other hand, it is opposed by many other groups, including the private utilities in the five-State area. The utilities have submitted a firm offer to wheel the power over their systems, thus avoiding duplication of lines and the unnecessary expenditure of $136 million in taxpayers' money.

Conflicting claims have been made by both sides and this has created some confusion in the minds of the people of Utah and perhaps in the minds of some torial staff of the Salt Lake Tribune has Members of Congress. However, the edimade an exhaustive study of all sides of the controversy. Even using the figures of the Bureau of Reclamation, the Tribune has concluded that the Federal Government should not build the lines. In its lead editorial of June 25, 1961, the Tribune states in part:

Unfortunately partisan politics and heated public versus private power emotions have served only to bury the true issue. We believe the issue should and can be decided on a simple dollar and cents basis. After careful study of figures, presently available from both sides, the Tribune is convinced the utilities' proposal is the least costly for all concerned. That includes the Federal Government and its taxpayers as a whole, the preference customers who will use the project power, the reclamation projects to be financed through the same power, and the general public in the States served by this multimillion-dollar program.

* * * * *

All things considered, therefore, the utilities' case is better. It will save the Government much more than the cost of wheeling. The Tribune is persuaded it will assure scheduled payout and irrigation assistance and that preference customers can be guaranteed their 6-mill power rate, plus the great service dependability advantage of an assured interconnection with the vast private utilities power pool as well as the Federal power pool.

Congress should refuse to grant the Bureau of Reclamation funds to build the proposed all-Federal system.

Similarly, the Deseret News of Salt Lake City has carefully examined all of the issues involved and concluded as follows in its principal editorial of May 31, 1961:

Government transmission lines in our region would be a serious mistake. Government duplication would do nothing to promote the economic or moral welfare of our people. It would merely shift the burden of taxes from one set of citizens to another, and in the process eventually bring about the inherent waste that comes with bureaucratic control.

Thoughtful westerners do not favor public ownership of any industry, including the power industry.

In addition, the Deseret News, in an editorial of June 9, 1961, paid tribute to the position taken by Gov. George D. Clyde, who is an acknowledged expert on water and power matters. Likewise, the Murray Eagle for June 1, 1961, and the Salina Sun for June 2, 1961, contained excellent editorials on the transmission line controversy.

I ask unanimous consent that these five editorials and the relevant portion of a statement by Governor Clyde, together with a resolution adopted by the Utah Water Users Association, and a list of leading groups who have passed resolutions against Federal construction of the lines be included in the CONGRESSIONAL RECORD following my remarks.

There being no objection, the editorials, statement, resolution, and list were ordered to be printed in the RECORD, as follows:

[From the Salt Lake Tribune, June 25, 1961]

LET UTILITIES WHEEL GLEN CANYON POWER

Congress must soon decide whether to authorize construction of an all-Federal system for transmitting power from the Colorado River storage project.

The U.S. Bureau of Reclamation has proposed what it calls a yardstick system of 2,375 miles which it estimates will cost $176 million. The Bureau rejected a package proposal by six private utilities in the project area to transmit power mainly over their own privately built system for a fee.

Unfortunately partisan politics and heated public versus private power emotions have served only to bury the true issue. We believe the issue should and can be decided on a simple dollar and cents basis. After careful study of figures, presently available from both sides, the Tribune is convinced the utilities' proposal is the least costly for all concerned. That includes the Federal Government and its taxpayers as a whole, the preference customers who will use project power, the reclamation projects to be financed through sale of power, and the general public in the States served by this multimillion-dollar program.

The Bureau of Reclamation contends an all-Federal system is essential because use of private transmission lines and payment of wheeling (power transmission) charges would force: (1) an increase in the price of power supplied preference customers (such as municipally owned or REA consumers), (2) an extension of the payout period of the project and reduced irrigation assistance.

On the other hand, the utilities insist the 6-mill power rate would be the same under either proposal and that actually their offer would make for an earlier payout and provide at least as much irrigation assistance.

The problem is a vast and complex one. Lack of agreement by the two sides on some basic factors further complicates it.

The layman casually examining the problem is therefore hopelessly confused. The whole complexity, however, can be reduced to the fundamental problem, the cost to the general public. When this basic problem is considered, a simple answer does exist.

Private business, already engaged in transmission of large quantities of power for its own purposes, ought to be able to transmit power on contract at least as efficiently and cheaply as the Federal Government could over an extensive and in places duplicating system of its own.

A little arithmetic supports this conclusion.

The Bureau of Reclamation agrees it would save transmission line construction costs of $118,475,000 if the utilities wheel the power. The Bureau would also save on transmission line operation, maintenance and replacement, and on line losses. In addition the Federal Government would benefit, under the utilities' proposal, from income taxes paid back to the Government on earnings from wheeling.

There is dispute between the Bureau and the utilities on some of these savings.

The Bureau, for instance, puts operation, maintenance, and replacement savings at $1,330,000 a year; the utilities estimate is $1,900,000. The Bureau agrees that the utilities could wheel with less line losses (of power) but does not estimate the savings. The utilities say the savings due to their shorter routes would amount to $1 million annually. The Bureau estimates income tax

payments at $945,000 per year for the utilities. The utilities put the figure at $1,120,000.

The Bureau maintains that wheeling costs by the utilities would amount to $7,270,000 annually. The utilities say it would be $700,000 per year less.

A total of $4,561,000 would be the annual savings in interest if the $118,475,000 Federal lines are not built. This is figured at the current 3.85 percent interest rate being paid by the Government.

Now, if one uses only the Bureau's own cost figures and adds to them the savings from interest and the $1 million line loss figure (since the Bureau makes no estimate) the annual total savings is seen to be $7,836,000.

This savings is $566,000 per year greater than, again, the Bureau's own estimate of $7,270,000 in annual wheeling costs.

If the utilities' rather than the Bureau's figures are taken throughout, the saving to the Government would be a million and a half dollars a year more and total saving over the Bureau's 86-year study period could approximate $200 million.

There is one other major factor which the Federal Government ignores, and perhaps with some justification, but which Utah and other affected States cannot ignore. That is the value of State and local property taxes which would be collected if the utilities' proposal were accepted, but which would not be collected under the Bureau's proposal.

These would amount to some $2 million a year, most of which in Utah at least would go to support of schools.

Finally the doubts of preference customers might be laid by a firm guarantee of a 6-mill rate on project power no matter who builds the lines. Actually this would not be much of a gamble for the Government because with steamplant power already being delivered at a cost of about 6 mills, project power could not realistically be sold for much more.

All things considered, therefore, the utilities' case is better. It will save the Government much more than the cost of wheeling. The Tribune is persuaded it will assure scheduled payout and irrigation assistance and that preference customers can be guaranteed their 6-mill power rate, plus the great service dependability advantage of an assured interconnection with the vast private utilities power pool as well as the Federal power pool.

Congress should refuse to grant the Bureau of Reclamation funds to build the proposed all-Federal system.

[From the Deseret News, May 31, 1961]

PRESERVE OUR FREE ENTERPRISE

The growing tendency of America's citizens to seek from the Federal Government services and functions which they could and should provide for themselves is alarming and dangerous to the concepts upon which America was built.

Too many citizens are seeking Federal aid for hospitals, roads, schools—even help to pay teachers' salaries—and for housing. It seems that all segments of our economy now look toward Washington for aid of some kind.

Instead of being independent and using initiative, people are forsaking good old-fashioned American pride in self-achievement and are no longer ashamed to consider Washington as the first place to go for financial help.

This dependency on the Federal Government will not stand our Nation in good stead in the years to come. Since income taxes have been hidden in payroll deductions, citizens seem to have forgotten that it is their taxes which pay for these initiative-destroying and freedom-decaying Federal services.

The precepts upon which this Nation was founded recognize—and attempt to safeguard—the dignity of the individual and his freedom to worship in accordance with his conscience, freedom to engage in lawful business endeavors, and freedom to acquire and possess private property. These freedoms engender initiative, enterprise, independence, and self-reliance, all of which enabled this Nation to make tremendous advancements in social and economic fields.

Now we find gradual and unnecessary encroachment of Government into responsibilities previously assumed by individual citizens or by cities, counties, and States.

In these times of world crisis, we face new frontiers each day. But what has happened to the old frontier? Certainly people need the character and courage developed through self-reliance to conquer the difficult problems ahead.

The electric power industry is an area into which the Federal Government has already seriously encroached. There seems to be no valid explanation as to why the Federal Government should penetrate deeper into the field of providing electric power at great loss in tax revenue to State and local taxing districts and to the Federal Government, as well as an increase in the already top-heavy national debt.

Now the Government is planning to build transmission lines to market electric power from the Colorado River storage project, although the private utilities in the region have offered to transmit the Government power over their own transmission lines.

No one questions the importance of development of electric power on the Colorado River. But it is good business on the part of Government to provide transmission lines at public expense—at the same time providing yet another opportunity for tax loss to the benefit of a few people—when private industry would provide these transmission lines at no cost to the Federal Government?

Many of the good but misguided citizens who advocate construction of a government transmission system to market Colorado River electric power would be the last to want entanglements with socialistic philosophies or socialistic programs. Yet in this case they seem willing to sacrifice principle for questionable self-interest.

This Nation was not built to its present stature by people using Federal assistance. Nor was the mountain West. Our pioneer forefathers pulled their carts across the prairies, and, through enterprise, independence, and self-reliance, built a sound economy.

This area has a promising industrial future. Our resources, including electric power, have been developed through private enterprise with money supplied by our people with little or no help from taxpayers in other States. We are better off for this, and believe that this is the way we will continue to grow and develop.

Government transmission lines in our region would be a serious mistake. Government duplication would do nothing to promote the economic or moral welfare of our people. It would merely shift the burden of taxes from one set of citizens to another, and in the process eventually bring about the inherent waste that comes with bureaucratic control.

Thoughtful westerners do not favor public ownership of any industry, including the power industry.

[From the Deseret News, June 9, 1961]

PRIVATE POWER CAN DO THE JOB

On balance, it is probably fair to say that America does not have a more competent witness on the Colorado River storage project than Gov. George D. Clyde, of Utah.

As one of the West's foremost water engineers, he has been involved in planning of Colorado River development most of his life.

As director of Utah's Water & Power Board, he was the key figure in the long fight that finally was won in 1956 with congressional approval of the project. During that period, he worked intimately with Bureau of Reclamation officials, and thoroughly understands their goals.

And as Governor, he is in the best position of all to speak from the standpoint of the State's total best interests—representing the water users, the power customers, the taxpayers, and everyone else concerned with the project's development.

Thus, Governor Clyde's testimony in full support of construction of the Colorado project transmission lines by private industry is impressive, meaningful, and should prevail.

The following basic reasons declare why Congress should not appropriate the full sum the administration has requested for building public power transmission lines:

First, by tradition and conviction, America believes in free enterprise. Allowing Government to compete unnecessarily with private industry can only rot away the foundations upon which America was built and kill the traditional American spirit of self-reliance.

Second, Federal construction of transmission lines would be an unnecessary and wasteful duplication of cost and effort. This is the considered judgment of an impartial expert, Governor Clyde, who has thoroughly examined the conflicting claims of both sides. It certainly stands to reason that the private utility industry, which will handle 90 to 95 percent of the area's total power load even after the Colorado project is in full production, can work this additional capacity into its lines more effectively and economically than if a separate transmission system were built.

Third, the Federal Government cannot begin to pay for the needed power development of the next decade. The great bulk of the development will continue to be done by private capital. Government funds should be reserved for those projects of such magnitude they are beyond the capacity of private capital—such as the Colorado River project itself—not frittered away on projects that could be handled in other ways.

Fourth, neither the Federal Government nor, especially, Utah can afford the loss in tax revenues that Federal construction of the lines would entail. Estimates are that Federal construction would mean the loss of $100 million in Federal taxes and $60 million in State and local taxes over the 86-year-period of operation. Most of those State and local taxes would be lost to the schools, which are in such critical need of further financial support.

Perhaps this generation's greatest danger is the gradual loss of local initiative and self-reliance to the Federal Government. Sometimes that self-reliance and initiative are lost by default, which is tragic. But doubly tragic would it be to rip away by Government fiat the right of private industry to do what it stands ready, anxious, and able to do on a sound economical basis.

[From the Murray (Utah) Eagle, June 1, 1961]

KEY TOOL IN CREEPING SOCIALISM—FEDERAL CONTROL OF ALL POWER

It would require a diligent comparison of then and now to determine how many individual rights Americans have surrendered during the past 30 years.

But when this study was completed, it would be surprising. This elimination of civil rights has been a token thing in each instance. Progressing at a snail's pace, but progressing, nevertheless.

Nowhere does all this show more clearly than in the case of the private versus public power dispute. It's been gaining momentum for more than two decades. Its battle lines are drawn and its competitive

statements forged. But it is being fought under rules created by the Federal Government and changed by it at will.

The current phase is being aired to the public in a series of advertisements by Utah Power & Light Co. These ads point up the ridiculous fact that the Government will erect a transmission line from Glen Canyon Dam which will duplicate the lines of private power companies. It will be fantastically costly to us taxpayers. It will operate in direct competition to the private firms who pay out substantial sums every year in taxation. It will be as unnecessary as a sixth toe.

This struggle goes further back than the Glen Canyon transmission line. It goes back to the era when creeping socialism began to feed upon these United States. The TVA was one of the first steps. It has been followed by countless Federal power projects which were constructed with tax dollars and made to appear solvent only through manipulation of books. When private power concerns launched a series of nationwide advertisements calling to the attention of Americans the inequality of and lack of need for these power facilities, the Government changed the rules. It became a nontax deductible item to advertise these facts. This didn't stop the private firms. It only made it more costly for them to tell the public what was happening.

John T. Flynn wrote a book 10 years ago. He called it The Road Ahead. Step by step, he predicted the rise of socialism in our country. He pointed out by departments what the Federal Government would do to promote it. He's been frighteningly accurate. We look with some concern upon his prediction that the Government will continue to fight private power until it controls all power in our Nation. When it also controls transportation—and its supervisory holdover this is more dictatorial than many realize—we will be a step nearer what the Socialist planners had in mind for America's future.

We commend private power for fighting to preserve the American way of life, free enterprise and free competition. We urge our statesmen to heed this message and to begin to combat this devouring monster which would one day make of us dependent wards of the Government, looking to it for our very livelihood.

We think, further, you the people should lend your strength to the fight. Write your Congressmen and Senators. Remind them of their duty to preserve Americanism; their voted charge to do what is right for the land and for their constituents.

[From the Salina Sun, June 2, 1961]

PRIVATE UTILITY VERSUS GOVERNMENT

Much has been written, and much has been said in regard to the Government versus private owned power utility line from Glen Canyon into southern Utah. Experts have taken sides; the discussion goes on, and pretty soon the Congressmen and Senators will vote to decide whether they will dig up the money, or will turn the project over to private interests.

We will not attempt to tell you which side to take in this issue, but we can say, "The Government can't give you anything without first taking something away." Just remember, Government can't support us all—some must be left to pay the taxes that Government operates on.

What appears to go on in Washington is shameful and mighty expensive. Pet project support is traded back and forth with little (if any) thought given to what is best for America as a whole.

Senator FRANK E. MOSS, of Utah, has written me that "I intend to support completion of the project on schedule. Blocking the transmission line funds at this session would serve not only to delay the completion of the project, but would open again the great controversy. Those who oppose western reclamation could use this to thwart the orderly and timely completion of our great project."

Originally, the Bureau of Reclamation said this project was for the reclaiming of land only, and the Government would not enter into the power field. Now, with the project well underway, the grab is on, and the Bureau asks for power line construction moneys.

Some say Government distribution of power is cheaper, and the money can be paid back quicker. How can this be? If Government builds, they use our money. If they charge less for power, it comes from our other pocket. If private interests build the line and sell the power, only those that use it pay. The utility pays millions in taxes, which is shared by everyone. Where does this cheaper nonsense come from?

No, we won't tell you which side to take, but history will tell you the United States was made the No. 1 nation by private interests (big and little business, if you insist) and we urge your support in keeping it that way.

A PORTION OF A STATEMENT BY GOV. GEORGE D. CLYDE, OF UTAH

My present recommendation is not to increase, but to reduce by several million dollars, the proposed budget for the construction of transmission lines.

My reason is that I believe that we should use, so far as it is possible, existing or contemplated transmission lines constructed and operated by the investor-owned utilities of the geographical area directly concerned, to carry the power from the hydroelectric installations of the Colorado River storage project, and that the Federal Government should construct transmission lines only where they will not duplicate those constructed and operated by the utilities.

I fully realize that there have been issued conflicting reports, by the utility companies and by the Bureau of Reclamation, which present very different pictures of the construction cost and of the effect on final repayment of the total project costs, if the lines are built by the private companies or by the Federal Government.

I shall not attempt to get into the technical discussion, leaving it to the experts on both sides who will present their respective cases in detail. I do want to say, however, in order to make my own position clear, that careful and extensive study of the proposals and the analyses presented by both sides has convinced me that the transmission lines can be built and operated by the investor-owned utilities without damage to the financial structure of the Colorado River storage project, and without neglecting the interests of the preference customers and other potential consumers of the hydroelectric power. If I believed it would be detrimental to either of these interests, I should not take the position which I am now taking.

I have three fundamental reasons for the position I have taken.

I am opposed to Government at any level competing with private enterprise. I recognize that Government must sometimes become a partner of private business, or even independently undertake projects which are too vast for private capital to handle—the Colorado River storage project itself is an excellent example. However, I think it is wrong in principle, and contrary to our system of economic free enterprise, for Government to compete in areas where private business is capable of and willing to undertake the job that has to be done. The evidence indicates that private enterprise can, and will, if given the opportunity, perform the job we now have under consideration.

My second point is that I believe Federal construction of the entire transmission system for the Colorado River storage project would be a needless and wasteful duplication of effort and of capital investment. This, to me, is obviously poor business practice.

Now I am familiar with the argument that Federal construction would not constitute unnecessary duplication because the proposed transmission lines (whether federally or privately constructed) will eventually be filled to normal capacity by power from the Colorado project. If the utilities built the initial system (so the argument goes), they would eventually have to build another parallel system to carry their own power.

This argument collapses when considered in the light of standby requirements. If the Federal Government builds the transmission system, it will be unthinkable to permit a single system of this magnitude to stand by itself, without any immediately available standby transmission capacity. That would place the entire system, and all the customers dependent on it, at the mercy of a bolt of lightening or other crippling accident which does from time to time strike the best of transmission systems.

What would the Government do for standby transmission capacity if it built its own basic system? The obvious answer is that standby capacity would be purchased from the privately owned utilities operating in the area—precisely the same utilities that are offering to handle the basic transmission system. But if this is the plan, then certainly the cost of purchasing standby capacity should be included in the analysis of the total cost of the proposal to build Government-owned and operated transmission lines. This has not been done.

If the Government built the transmission system and did not purchase standby capacity from the utilities, the only possible alternative would be to construct standby capacity of its own. This would be needless duplication carried to the extreme. Furthermore, it would be ridiculous to construct parallel lines of this magnitude solely for standby use, that is to say with the idea they would stand idle except for periods of temporary emergency. Following this line of thought to its logical conclusion inevitably suggests construction of Federal steam-generating plants to work in conjunction with the hydroelectric generating capacity of the Colorado projects and justify the parallel transmission lines that would be essential for standby requirements. Now I am not trying to read the minds of Federal planners, nor to put words in their mouths. However, such a line of reasoning and of action has been known to follow in the wake of Federal hydroelectric power generation, and I believe—most certainly in the circumstances presently under consideration—this would be unjustified competition with private business, completely contrary to the principles on which our free-enterprise economy is founded.

Without pursuing this possibility any further, I shall rest on the assertion that Federal construction of the transmission system for the Colorado project would be costly and unnecessary duplication of effort and investment. Handling 90 to 95 percent of the total powerload for the area (even after the hydrogenerators of the Colorado projects are in full production) the utilities can more efficiently and economically absorb the additional capacity requirements from the project than could an independent system constructed especially for this single purpose.

My third and final reason for supporting the utilities' proposal is that of tax revenues which would be paid both to Federal and State governments if the transmission lines are privately built and operated, and which would be lost if the Federal Government builds the lines.

Federal income taxes from the transmission system are estimated at more than $100 million over the 86-year period which has been used as a base for calculations. This

is a substantial sum which should be included in any analysis of comparative costs.

In my own State of Utah, State and local taxes under the utilities' proposal are estimated at $700,000 a year, of which $470,000 would go to the support of public schools. With the tremendous increase in school-age population which we have experienced in recent years and the critical problems in school financing which it has produced, this is a factor which we cannot ignore. I am sure the situation is comparable in other States which would be affected by this project.

I shall not impose further on your time. In very brief summation, let me repeat that I believe the investor-owned utilities should construct, insofar as feasible, the transmission system to carry power from the Colorado River storage project:

1. Because it is in keeping with the American free-enterprise system;

2. Because it would be more efficient and economical, and therefore of benefit to the overall project; and

3. Because of the tax revenues which would accrue if the system is privately owned and operated but which would be lost if the system were federally owned and operated. Speaking for my own State of Utah, these revenues will be important to our schools, to our counties, and to the State.

With all my heart I endorse the full Colorado River storage project and the entire reclamation program as being in the best interest of the Nation, being designed both to promote the general economy and also to strengthen our national defenses.

UTAH WATER USERS ASSOCIATION,
May 13, 1961.

At the board of directors' meeting of the Utah Water Users Association, the following resolution was adopted, with copies to be sent to the chairman of the House Appropriations Committee, the chairman of the Senate Appropriations Committee, delegations, and to the Utah Power & Light Co.:

"Whereas the Colorado River compact allocated to the upper basin 7,500,000 acre-feet of water per annum from the Colorado River system, and the upper Colorado River basin compact apportioned to the State of Utah 23 percent of the water allotted to the upper basin States, and beneficial use thereof is the basis, the measure, and the limit of the right to the use of such water; and

"Whereas the Colorado River storage project now under construction by the Bureau of Reclamation provides for the development of only a small part of the waters of the Colorado River available to the State of Utah and particularly under the upper Colorado River Basin compact, the only water which will be developed for Utah is that made available by the central Utah (initial phase) and Emery County participating projects; and

"Whereas the water not being developed will continue to flow down to the lower basin and be used beneficially in California and in Mexico until revenues are available for further development; and

"Whereas revenues from the sale of electric power generated by the project are dedicated by the Colorado River Storage Project Act to pay costs for operation, maintenance, and replacement, the facilities relating to power and municipal water plus interest and the cost of storage units allocated to irrigation, within 50 years and all excess revenues from the sale of power are divided between the upper basin States for additional development of Colorado River water allocations; and

"Whereas Utah is entitled to 21.5 percent of the excess revenues for the development of its apportionment of Colorado River water; and

"Whereas the Bureau of Reclamation has proposed that Congress grant it the use of money now available for construction of the Glen Canyon Dam to enable the Federal Government to build Federal transmission lines from units of the Colorado River project generating plants to serve preference customers (cooperative corporations, who are borrowers from the Rural Electrification Administration, and municipal corporations owning their own generating plants); and

"Whereas the Bureau of Reclamation estimates that it will cost $176 million to build a Federal transmission system and that much of said system will duplicate existing and planned transmission lines of investor-owned public utilities already delivering most of the electricity now used in the area, and which lines are available for delivery of Government power; and

"Whereas the Congress of the United States in Public Law 86-700, relating to appropriations to the Bureau of Reclamation for construction of authorized reclamation projects, provided that no part of the appropriations could be used to construct transmission facilities where private wheeling service contracts can be made for the transmission of electricity to the preference customers and the Government; and

"Whereas the use of investor-owned transmission facilities by tLe Federal Government would reduce the expenditure of the Federal Government for transmission facilities by at least $136 million, which need not be repaid from revenues derived from the sale of power, thereby providing for funds to assist in the earlier repayment of water development projects: Now, therefore, be it

"*Resolved*, That the Colorado River Storage Project Act was adopted to develop the water resources of the Colorado River and delays in the development of those resources resulting from a desire to construct and operate transmission facilities, will result in the delay of the development of waters allotted to Utah under the Upper Colorado River Basin Compact and a consequent danger of losing rights to Colorado River waters which are not developed, but permitted to flow to California and Mexico, and be developed and put to beneficial use by people in those areas; and be it further

"*Resolved*, That the undersigned urges the Federal Government to sell power from the Colorado project at its value, and opposes the diversion of funds appropriated for construction purposes, to the building of a transmission system which duplicates existing or planned transmission systems of investor-owned public utilities, the cost of which must be repaid from revenues derived from the sale of power generated by the project; and be it further

"*Resolved*, That the Federal Government be urged to use the transmission facilities of investor-owned public utilities already constructed or authorized for the transmission of electric power from the Colorado River project to preference customers."

RALPH A. RICHARDS,
President.

T. W. JENSEN,
Secretary-Manager.

LIST OF UTAH ORGANIZATIONS WHICH HAVE PASSED RESOLUTIONS IN OPPOSITION TO FEDERAL CONSTRUCTION OF POWER TRANSMISSION LINES TO SERVE THE UPPER COLORADO RIVER STORAGE PROJECT

Apartment Association of Utah.
Associated General Contractors of America.
Farm Bureau Federation,
First Federal Savings & Loan Association.
Home Builders Association of Greater Salt Lake.
Illuminating Engineering Society.
Industrial Relations Council.
Intermountain Electrical Association.
International Brotherhood of Electrical Workers, Local 57.
Liberty Fuel Co.
Metropolitan Water District.
Ogden Chamber of Commerce.
Provo Water Users Association.
Salt Lake Association of Insurance Agents.
Salt Lake Butchers & Grocers Association.
Salt Lake City Chamber of Commerce.
Salt Lake City Jaycees.
Salt Lake Real Estate Board.
Salt Lake Retail Grocers Association.
Twenty-One Counties Committee.
Utah Bankers Association.
Utah Building & Construction Congress.
Utah Consumers Finance Association.
Utah Engineering Council.
Utah Furniture Association.
Utah Home Builders Association.
Utah Manufacturers Association.
Utah Mining Association.
Utah Motor Transportation Association.
Utah Plumbing and Heating Contractors Association.
Utah State Medical Association.
Utah State Restaurant Association.
Utah Savings & Loan Association.
Utah Taxpayers Association.
Utah Water Users Association.
Utah-Wyoming Coal Operators Association.
Weber County Industrial Bureau.
Wyoming Natural Resource Board.

Mr. BENNETT. Madam President, I have concluded the work I wished to do, and I thank the Senator from Alabama [Mr. SPARKMAN], the chairman of the Subcommittee on Housing of the Committee on Banking and Currency, for his courtesy in making possible this opportunity for me this afternoon.

Mr. SPARKMAN. I am very happy to do so.

HOUSING ACT OF 1961—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1922) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

Mr. SPARKMAN. Madam President, the Senator from Connecticut wishes to make a motion which, it is felt, should be made early in the consideration of the conference report. I ask unanimous consent that I may be permitted to yield to him for 5 minutes without losing my right to the floor.

Mr. BUSH. Madam President, is the Senate operating under a time limitation?

Mr. SPARKMAN. No. Before the Senator speaks, will he yield to me?

Mr. BUSH. I yield.

Mr. SPARKMAN. Madam President, I ask unanimous consent that the number of aids and assistants that may be allowed on the Senate floor may be greater by four than the number usually provided for.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUSH. Madam President, I thank the Senator from Alabama. I now move that the conference report on S. 1922 be recommitted to the conference committee with instructions to the Senate conferees not to exceed requests for authorizations made by the administration, as listed in a table which I make a part

of the motion, and ask unanimous consent to have it printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of administration's requests against authorizations contained in the conference report on S. 1922, the proposed Housing Act of 1961 [1]

[Millions of dollars]

Purpose	Administration's requests	Conference report
FNMA investment in mortgages and improvement loans	750	1,510
Other loan programs:		
College housing	[2] 1,000	1,200
Public facility loans	50	450
Mass transportation loans	[3] 50	50
Housing for the elderly	50	75
SBA disaster loans		25
Public works planning loans		10
Farm housing loans	207	407
Subtotal	1,357	2,217
Grant programs:		
Urban renewal	[4] 2,000	2,000
(Mass transportation)	[3] (25)	(25)
Urban planning assistance	80	55
Public housing demonstration grants	10	5
Open spaces	[5] 50	50
Farm housing research		1
Defense hospitals		15
Subtotal	2,140	2,126
Totals:		
FNMA	750	1,510
Other loan programs	1,357	2,217
Grant programs	2,140	2,126
Grand total	4,247	5,853

[1] Excludes $1,200,000,000 for VA direct housing, loans, passed as a separate bill by the Senate on June 26, 1961, and excludes annual contribution grants for the 100,000, approximately, units of public housing reactivated in the bill. If these contributions were fully utilized over a 40-year period the amount involved would be $3,146,000,000.

[2] Adjusted to a 4-year basis. The administration initially requested $100,000,000 to provide for immediate needs plus $250,000,000 a year for 5 years. The House provision, accepted by the conferees, was for $300,000,000 for 4 years.

[3] The administration omitted mass transportation from its housing bill, but the conferees were advised the amount shown reflects the administration's current request.

[4] The administration requested $2,500,000,000 for urban renewal grants, the agency testifying $100,000,000 was needed to care for a backlog of applications and the balance to provide for anticipated demands at the rate of $600,000,000 a year. The House provision, accepted by the conferees, was for $2,000,000,000, with no time period specified. If the administration's estimate of demand is accurate, this amount will be adequate for 3½ years. The figure shown in the table is adjusted for this time period.

[5] The administration omitted open spaces from its bill, but the conferees were advised the amount shown reflected its current request.

Mr. BUSH. The table includes not only the requests made by the administration in connection with S. 1428, the administration housing bill, but also its requests on such matters as mass transportation and open spaces, which were submitted to the conference committee.

The effect of my motion would be to instruct the Senate conferees to insist upon savings of approximately $1,600 million in the bill. The savings would be made up as follows:

A difference of approximately $750 million in the FNMA authorizations over the administration request; a difference of about $650 million in other loan programs. The grand total of the administration requests, for the purpose of the motion, is $4,247 million; the conference report figure is $5,853 million.

Madam President, I announce that I intend to ask for the yeas and nays.

The PRESIDING OFFICER. The motion of the Senator from Connecticut will be stated.

The LEGISLATIVE CLERK. The Senator from Connecticut [Mr. BUSH] moves that the conference report on Senate bill 1922 be recommitted to the conference committee with instructions to the Senate conferees not to exceed requests for authorizations made by the administration as listed in the attached table, which is a part of the motion.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut.

Mr. SPARKMAN. Madam President, of course, the motion is debatable. It was not our purpose that it should be voted upon at this time, but, as I understand, the purpose of the Senator from Connecticut in making the motion at this time is to put Senators on notice. Furthermore, he has served notice that he will ask for the yeas and nays at the proper time on the motion to recommit.

Madam President, I do not intend my discussion on the conference report to be at all lengthy. Of course, the conference report covers many items. There is a copy of the report on the desk of every Senator, and it can be checked. There were 82 differences between the House and the Senate. As conferences usually go, there was compromise between the two sides. There was bargaining or trading in the way that conference committees usually discuss and decide the settlement of such issues.

We were in session for 2 days. We held an informal session on Monday, even though our conferees had not yet been appointed. We held an informal discussion that morning merely to explore the differences to see how far apart we were. Soon after the Senate met, conferees were appointed. That afternoon at 2 o'clock we went into session formally and remained in session until nearly 6 o'clock.

Yesterday we met at 10 o'clock, remained in session until noon, went back at 2, and remained in session until about 4 o'clock. In that time we adjusted the 82 differences between the 2 bills.

While I think we bring a good bill to the Senate, I am not wholly in accord with the way things went in conference. In fact, I cannot recall a single conference in which I ever sat at which I agreed to everything. There are items in the report that I voted against, and items for which I voted were eliminated. I could name some of those provisions. However, I believe we have the best compromise that we could get.

One item in which I know a great many Senators will be interested is the item that was hard fought on the Senate floor. We went to the conference with a favorable vote from the Senate for a 40-year mortgage with a 3-percent downpayment up to $13,500, and a 10-percent downpayment on mortgages from $13,500 to $15,000. I had hoped to maintain that position in the conference. The conferees will remember that I stated that, so far as I was concerned, we would be absolutely adamant. We found out that we could not agree on the provision. So we laid aside both the 40-year provision and the downpayment provision and moved on to other points, leaving that item to be decided until the very last session.

It became apparent that we could not possibly agree on the 40-year provision in the Senate bill, or the 35-year provision in the House bill. The 40-year provision was won in the Senate in a close, hard fight, and the 35-year provision in the House was conceded in advance, being announced ahead of time. Regardless of that fact, the House conferees took the position that they could not possibly approve a conference report that would contain a 40-year provision.

Finally we arrived at a compromise. Frankly, I believe it is a good compromise. I am satisfied with it because it does exactly what I want it to do. I believe it does what the Senate wanted to do when it voted for the 40-year mortgage, that is, to provide liberal terms for people whose income levels are below what would be necessary to buy under the usual terms of FHA.

Both on the Senate floor and in the conference committee the argument was made that what we were actually doing was throwing this provision away so that anyone could enjoy the privilege—in other words, that we would provide a 40-year mortgage on any house for an amount up to $15,000. Those who urged that point were correct. The bill would do so. We compromised on a term of 35 years on new construction for moderate income families, with the proviso that, if by reason of low income, alone, the applicant was not able to qualify under the 35-year mortgage provision, the term could be increased by not to exceed 5 years.

In other words, they would limit it to moderate income people, and would exclude people above that level.

Mr. LONG of Louisiana. Madam President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LONG of Louisiana. How tight are the provisions drawn to guarantee that there will be no abuse with respect to the 35-year limit, to permit a 40-year mortgage in the case of a person who might be able to make the payments?

Mr. SPARKMAN. Of course, as the Senator knows, the tightness often depends almost exclusively upon the administration of the act. However, the policy in the past has been to make the formula and the restrictions very strict, and that is what they have been. There is a rather strict formula in effect. I know the Senator has often heard me state the rule-of-thumb that a person should buy a house which costs no more than 2½ times his net income. This is a very arbitrary rule but I believe that it represents a good approximation of the limits on the price that a person should pay for a house.

Mr. LONG of Louisiana. Is the administrator expected to draw up certain standards, for example, to say that a person would be expected to spend no

more than about 25 percent of his income for a house?

Mr. SPARKMAN. That is a part of the regulations. I do no know whether the figure is 25 percent or 20 percent or some more detailed formula that the FHA uses.

Mr. LONG of Louisiana. I want to be sure that there is to be some attempt to set up some standards, or to pursue some standards in connection with this matter.

Mr. SPARKMAN. Oh, yes; that is provided for in the regulations.

Mr. CURTIS. Madam President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Nebraska.

Mr. CURTIS. Does the conference report call for a program of housing for the middle-income people?

Mr. SPARKMAN. Moderate income is the term that is used.

Mr. CURTIS. What is the definition of "moderate"?

Mr. SPARKMAN. In the report that we made on the original bill, we suggested a range from $4,000 to $6,000 but it would vary depending on the income level of families in a particular community. That is not written into the law.

Mr. CURTIS. Not people in the category of the poor?

Mr. SPARKMAN. This is not intended for what we usually refer to as low-income people. This is for people of moderate income.

Mr. CURTIS. Low income would include people who had no income. Is that correct?

Mr. SPARKMAN. Yes.

Mr. CURTIS. I would include people who are homeless and houseless, and moderate income would be the group above that. Is that correct?

Mr. SPARKMAN. Yes. We have often said it would be families with income between the public housing level and the FHA level.

Mr. CURTIS. What is the purpose of the Federal Government's providing housing for people of moderate income?

Mr. SPARKMAN. The Federal Government is not providing it. It is an FHA insurance program; that is all.

Mr. CURTIS. But it is not individual housing, is it?

Mr. SPARKMAN. Oh, yes. They are individual homes.

Mr. CURTIS. Individual homes?

Mr. SPARKMAN. Yes.

Mr. CURTIS. How does the program differ, then, from the regular FHA program?

Mr. SPARKMAN. The regular FHA program under section 203 would call for 35 years. Under the conference report it would be 35 years basically, but it would make it possible to go to 40 years in order to permit lower income families to have homes.

Mr. CURTIS. Is it any different than the FHA program?

Mr. SPARKMAN. Only in that respect.

Mr. CURTIS. There is no difference in the amount to be paid down?

Mr. SPARKMAN. We use exactly the same schedule of downpayments, as to percentages, but we do provide that in the case of moderate income the closing costs may be included within the downpayment.

Mr. CURTIS. The closing costs?

Mr. SPARKMAN. Yes.

Mr. CURTIS. How much was the figure for this program in the Senate?

Mr. SPARKMAN. There is no figure. There is no money involved.

Mr. CURTIS. What is the amount of the authorization?

Mr. SPARKMAN. There is no money authorization. This is an FHA insurance program. The regular insurance premium is paid.

Mr. CURTIS. I understand. There is a limit as to how much they can insure.

Mr. SPARKMAN. Oh, yes. The limitation they can insure is limited to time, rather than to amount.

Mr. CURTIS. How about the aggregate amount?

Mr. SPARKMAN. Under the pending bill there would be no limitation on the aggregate amount. In the present law there is a limit, but that limit is just about reached.

Mr. CURTIS. At the present time there is a limit on the total amount of insurance that can be entered into?

Mr. SPARKMAN. Yes. From time to time we have extended it. Only a month ago we put through a quick resolution extending it by a billion dollars, to carry them to July 1.

Mr. CURTIS. What does the Senator mean by time?

Mr. SPARKMAN. In the pending bill we say the FHA may continue to insure until July 1, 1965.

Mr. CURTIS. But they determine how much the aggregate amount of the insurance will be.

Mr. SPARKMAN. It will depend on the applications that are received.

Mr. CURTIS. Up to now there has been a ceiling on how much insurance can be allowed?

Mr. SPARKMAN. Yes.

Mr. CURTIS. The time in which the authority can issue the insurance.

Mr. SPARKMAN. Yes.

Mr. CURTIS. Is there any particular reason why the dollar limitation was removed?

Mr. SPARKMAN. As a matter of fact, I may say that for several years, I believe, every recommendation submitted by the past administration had asked for the removal of the limitation altogether, so that there would be no limit as to either time or amount. However, we kept it on. Finally the suggestion was made to us that we could get effective control by putting a time limitation on it, which is really easier for both Congress and the administration to operate under. We agreed to 4 years, to July 1, 1965. It means that at that time we must look at it again.

Mr. CURTIS. What is the most liberal loan the FHA will insure if the conference report becomes law? What is the most liberal loan they could insure?

Mr. SPARKMAN. There are programs which are affected by the law and that are already established under which they can insure up to 100 percent.

Mr. CURTIS. For how long a time?

Mr. SPARKMAN. For 40 years.

Mr. CURTIS. That is under existing law?

Mr. SPARKMAN. Yes; under the law that was passed in 1954, when the Senator from Indiana [Mr. CAPEHART] was chairman of the committee and when the Republicans were in control in Congress.

Mr. CURTIS. Has that provision expired?

Mr. SPARKMAN. No.

Mr. CURTIS. Why was the new provision needed?

Mr. SPARKMAN. The particular program that I have reference to is only in the urban renewal areas, or for persons who have been displaced by reason of urban renewal and other government action.

Mr. CURTIS. In other words, this is something of a special program for people who are displaced by action of the government at some level.

Mr. SPARKMAN. Yes.

Mr. CURTIS. But it has not been available to the general public.

Mr. SPARKMAN. Well, immediately not, but if it is not used by these persons within 60 days, it became available to them.

Mr. CURTIS. Not to be argumentative, but merely to clear up the record and for public information, what is the most liberal loan that can be insured for someone in the so-called moderate income group if the conference report becomes law?

Mr. SPARKMAN. Ninety-seven percent.

Mr. CURTIS. At what rate of interest?

Mr. SPARKMAN. The regular rate of interest.

Mr. CURTIS. Is that rate fixed by Congress?

Mr. SPARKMAN. A good many years ago Congress, by law, set the maximum at 6 percent.

Mr. CURTIS. Suppose a friend or an interested party, or even a relative, wished to make a loan at 2 percent. Is there any law or regulation to prevent the FHA from insuring that loan?

Mr. SPARKMAN. No; the FHA simply places a ceiling. It does not state what the rate must be. It places a ceiling.

Mr. CURTIS. A person can buy a house for 10 percent down, and in the 3 percent certain expenses may be included to close the loan?

Mr. SPARKMAN. They may be.

Mr. CURTIS. On an average, what would they amount to?

Mr. SPARKMAN. We usually use the figure of $200. As the Senator well realizes, the figure may vary from State to State or from locality to locality.

Mr. CURTIS. How expensive a house can be purchased?

Mr. SPARKMAN. Not to exceed $15,000.

Mr. CURTIS. Over how many years can the loan be paid off?

Mr. SPARKMAN. The maximum is 40 years; the basic is 35 years.

Mr. CURTIS. How would someone secure the maximum rather than the basic?

Mr. SPARKMAN. If he did not have sufficient income to justify incurring the obligation of making monthly payments for the basic number of years.

Mr. CURTIS. So conceivably a person in the modest income category, but not in the lower brackets, might possibly qualify for the 40-year loan, while a person in the upper brackets would qualify for the 35-year loan.

Mr. SPARKMAN. That is exactly correct.

Mr. CURTIS. How much public housing is provided in the bill?

Mr. SPARKMAN. We simply put back into effect the 1949 act. In that act there was authorized Government participation to expend, in round numbers, not to exceed $336 million a year. About $257 million of that has been used. So about $78 million is left.

Mr. CURTIS. I am aware that as to insured loans, we do not know until a loan has been paid off whether there is any obligation on the Government. In a part of this program there is a necessity for an authorization for expenditure. If the conference report becomes law, what will it cost the Treasury to carry it to fulfillment?

Mr. SPARKMAN. The Senator from Nebraska has asked a question which has been dealt with perhaps more than any other question. It is difficult to give an answer. I think the Senator from Connecticut [Mr. BUSH], will agree with that. He placed in the RECORD a few minutes ago a table which shows his interpretation of what the cost will be. The reason I say it is difficult to give an answer is that some programs are single-year programs; others are for varying duration. For instance, the college housing program runs for 4 years. The urban renewal program does not have a set time, but it is estimated that it will run for 3 years. The amount provided in the bill is for a period of 3 or 4 years.

The farm housing program is extended for 5 years. Some of the other programs I could name would have other periods of duration. So the Senator realizes the difficulty of providing an accurate answer.

Mr. CURTIS. I call attention to the fact that it is the responsibility of the Committee on Finance to recommend the enactment of tax laws. I hope the Senator from Alabama and the Senator from Connecticut will not be too far apart in their estimates, so that the committee will not be left confused as to the amount of money which is authorized to be spent.

Mr. SPARKMAN. I gave the Senator from Nebraska my figure. I dare say that if we take into consideration the term of the program, the Senator from Connecticut and I will not be too far apart. The regular HHFA program calls for an authorization of $4,645 million, not including public housing.

Mr. CURTIS. It is $4,645 million over what period of time?

Mr. SPARKMAN. This is bringing them all together. In other words, if there is a 4-year program, the whole amount is figured in. For instance, for college housing loans, the bill provides a 4-year program. The total amount is $300 million a year. I think it is a $1,200 million program.

The two largest items are college housing loans and urban renewal grants. For urban renewal we have provided $2 billion. It is anticipated that that program will run between 3 and 4 years.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. The authorization for FNMA is the second largest, at $1,500 million.

Mr. SPARKMAN. Of course, there is a $200 million item which is not new money or a new authorization; it is simply a transfer.

Mr. CURTIS. Mr. President, will the Senator from Alabama yield to permit the Senator from Connecticut to place his figure at this point in the RECORD?

Mr. SPARKMAN. He has already done so.

Mr. CURTIS. His figure according to the definition of time of the Senator from Alabama.

Mr. SPARKMAN. The Senator from Connecticut has the same figure. I dare say that with respect to college housing loans he has the figure of $1,200 million, and on urban renewal he has the $2 billion figure.

Mr. CURTIS. What does the Senator from Connecticut contend the bill would cost, if enacted?

Mr. BUSH. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. My total figure is $5,853 million, as against the administration's request of $4,247 million.

Mr. CURTIS. Will the Senator from Alabama state his figure?

Mr. SPARKMAN. My estimate, including all programs, is: First, HHFA, $4,645 million. But when we add the authorizations for farm housing and defense hospital construction, and aid to displaced business concerns under the Small Business Act my total is $4,886 million. Small business is not a part of housing, but since small businesses are pushed out of road construction, urban renewal programs, we amended the Small Business Act to permit the Small Business Administration to make loans. That carries $25 million in loans. It is not a part of housing at all. I do not have the extra authorization for FNMA included in the $4,886 million figure. That is the real difference between our figures.

Mr. BUSH. And farm housing.

Mr. SPARKMAN. Yes; I have farm housing: $200 million.

Mr. BUSH. The conference report calls for $407 million.

Mr. SPARKMAN. But authorization for $207 million already exists. The conference added $200 million.

Mr. BUSH. The conference report calls for a total of $407 million.

Mr. SPARKMAN. But not $407 million of new money. $207 million was already in the program. The conference committee increased the amount by $200 million.

Mr. BUSH. That is correct; but the total now available, counting the $207 million now in the program, is $407 million.

Mr. SPARKMAN. Yes, but the $207 million is already in the program.

Mr. BUSH. I know. I am talking about funds in the bill which are available for use. They amount to $407 million.

Mr. SPARKMAN. I do not believe the Senator would admit that that is a correct figure.

Mr. BUSH. Would the item have expired if it had not been extended?

Mr. SPARKMAN. No.

Mr. BUSH. The money was there to be spent.

Mr. SPARKMAN. It would have expired when the farm housing program expired.

Mr. BUSH. At what date?

Mr. SPARKMAN. It would have expired on June 30.

Mr. BUSH. So $207 million is being renewed, and $200 million is being added, for a total of $407 million.

Mr. SPARKMAN. If that is done, we can follow the same reasoning for urban renewal and college housing; but we are talking about new money.

Mr. BUSH. We agree on the figure.

Mr. SPARKMAN. We are fairly close together.

Mr. BUSH. That is correct.

Mr. SPARKMAN. There is another provision in the report. I shall not discuss it at length. The distinguished Senator from New Jersey [Mr. WILLIAMS] is in the Chamber. The Senate passed the urban transportation program and provided $100 million for loans and $50 million for grants.

The House did not pass the proposal, but had taken up the matter as a separate bill, and actually began to hold hearings yesterday morning. The hearings were held during the morning. The facts were presented, and the chairman of the subcommittee which held the hearings was a member of our conference committee, and attended the conference yesterday afternoon, and recommended that the House agree to the inclusion in the conference report of provisions for an urban transportation program which would be materially less than the one for which the Senate had voted. That was agreed to by the conferees. Therefore, the conference report contains those provisions for an urban transportation or mass transportation emergency program of not to exceed $50 million in loans and $20 million in grants.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator from Alabama yield?

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Does the Senator from Alabama yield to the Senator from New Jersey?

Mr. SPARKMAN. I yield.

Mr. WILLIAMS of New Jersey. In connection with the mass transportation provisions, let me say the Administrator of the Housing and Home Finance Agency, who testified yesterday before the House subcommittee, expressed the strong support of the administration of the program which was accepted by the conference committee.

I should like to ask to have printed at this point in the RECORD the testimony of Dr. Weaver on this matter.

Mr. SPARKMAN. I shall be glad to have that done; that will be very fine.

Mr. WILLIAMS of New Jersey. Then, Mr. President, I ask unanimous consent to have that testimony printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF ROBERT C. WEAVER, HOUSING AND HOME FINANCE ADMINISTRATOR, HOUSING AND HOME FINANCE AGENCY, BEFORE SUBCOMMITTEE NO. 3 OF THE HOUSE COMMITTEE ON BANKING AND CURRENCY, JUNE 27, 1961

Mr. Chairman, members of the committee, I appreciate this opportunity to present the administration's views on proposed legislation in the field of urban transportation.

As many of our people now know from bitter experience, we are witnessing the demise of public transportation systems in many of our communities—large and small. Between 1945 and 1960, annual ridership on mass transportation systems declined sharply. In some 300 communities, mass transportation systems have been completely abandoned; in countless other places, service has been severely curtailed. Hardly a day passes that our Agency does not receive a phone call or letter from some desperate local official asking for help in saving the community's mass transportation system.

The pervasiveness and severity of the local transportation crisis stamp it as a national problem of considerable dimension requiring Federal attention.

The President recognized the gravity of the problem in his March 9 message to the Congress on housing and community development. He stated:

"Nothing is more dramatically apparent than the inadequacy of transportation in our larger urban areas. The solution cannot be found only in the construction of additional urban highways—vital as that job is. Other means for mass transportation which use less space and equipment must be improved and expanded. Perhaps even more important, planning for transportation and land use must go hand in hand as two inseparable aspects of the same process.

"But to solve the problems of urban transportation will test our ingenuity and put a heavy drain on our resources. While the responsibility for working out these solutions rests primarily with local government and private enterprise, the Federal Government must provide leadership and technical assistance."

Pursuant to the President's instructions, the Secretary of Commerce and I have initiated a joint study to develop long-term solutions to our urban transportation problems. This study is being conducted by the Institute of Public Administration, a well-known nonpartisan and nonprofit research and educational organization.

On June 19 the President transmitted a bill to the Speaker of the House to be known as the Urban Transportation Act of 1961. The President's memorandum to the Speaker, accompanying this bill, took note of the study now underway and instructed me to prepare long-range legislation on urban transportation for consideration by the Congress at the opening of the second session of this Congress.

At the same time, the President recognized the current emergency now confronting many localities in different parts of the country. The administration would therefore set into motion at once planning studies aimed at long-term solutions and demonstrations devised to test various methods of shoring up, strengthening, and improving existing mass transportation systems. Planning studies would be financed by means of the proposed expansion in the section 701 urban planning assistance program. Demonstrations would be undertaken under proposed new authority. For example, grants could be made to help determine the effect upon the cost and utilization of mass transportation if service frequency or speed were increased or transfer privileges made available. Experiments to test the effect upon mass transportation patronage of various types of regulation of highway traffic would also be eligible.

In view of the grave situation facing certain communities, it is essential to authorize loans to prevent the collapse or atrophy of individual local transportation systems.

The administration believes that if such loans are authorized, there must be assurance that Federal aid will contribute to the long-term solution of the transportation problems. In many places, transportation is not a strictly local but an areawide problem.

In such areas, investments in transportation systems should be based upon areawide development plans. Therefore, the administration strongly recommends that any loans by the Federal Government for urban transportation be conditioned upon the existence, or the active preparation, of an areawide overall plan. Furthermore, in order to permit the introduction of long-term solutions, such a loan program might well be considered as a stopgap measure with a 1962 cutoff date. This is in line with the suggestion offered by the President in his June 19 letter to the Speaker of the House.

The administration recommends that the existing urban planning grant program carried on in the Housing Agency be used to provide grants for transportation planning. Grants should be specifically authorized for mass transportation surveys, studies, and planning. The Housing Administrator should be authorized to provide technical assistance to localities undertaking comprehensive urban transportation planning, and he should be authorized to make studies and publish information on related problems. His authority should be broadened to make clear that grants can be made to authorize public bodies other than official planning agencies where the Governor and the Administrator agree that such grants are desirable. The administration's recommendations for mass transportation planning are contained in H.R. 7787.

The administration recommends a program of grants for demonstration projects which will assist in carrying out urban transportation planning and research, including the development of general information on the reduction of urban transportation needs, the improvement of mass transportation service, and the contribution of such service toward meeting total urban transportation needs at minimum costs. The recommendations of the administration in this regard are contained in section 303 of the Housing Act of 1961 (S. 1922) as passed by the Senate, with amendments to conform that section to similar provisions in H.R. 7787, and to reduce the authorized amount of grants to $25 million.

To meet the urgent needs during the next year, including the time needed to formulate the definitive long-range recommendation now under study by the Housing Administrator and the Secretary of Commerce, the administration recommends a program of loans to public bodies to finance the acquisition, construction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas, and for use in coordinating transportation facilities in these areas. The administration recommendations regarding these loans are contained in section 402 of the Housing Act of 1961 as passed by the Senate, but with several important changes. The amount authorized should be reduced to $50 million, which we believe adequate for the limited program contemplated during this interim period. This program should expire on December 31, 1962. Authorized loans should be limited to the provision of facilities or equipment which can reasonably be expected to be required for a comprehensive and coordinated urban transportation system.

Mr. WILLIAMS of New Jersey. The President himself wrote to the Speaker of the House in regard to this matter; and I believe it would be very helpful to have the President's letter printed at this point in the RECORD.

Mr. SPARKMAN. Yes, and I shall be glad to have that done.

Mr. WILLIAMS of New Jersey. Then, Mr. President, I ask unanimous consent that the President's letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: As stated in my message to the Congress on housing and community development, "nothing is more dramatically apparent than the inadequacy of transportation in our larger urban areas." We are pledged to assist in the sound development of our cities, and believe Federal financial assistance should be provided to help plan and develop the comprehensive and balanced transportation systems which they so desperately need. Such assistance will not only directly benefit our cities, but will also make more effective use of Federal funds spent for other urban development programs.

As a first step, I am submitting with this letter a proposed bill to provide increased authority for Federal assistance to urban transportation planning. The assistance to be provided would include grants for surveys, studies, planning, and experimental demonstrations.

Because mass transportation is a distinctly urban problem and one of the key factors in shaping community development, the proposed bill assigns the administration of the program to the Housing and Home Finance Agency. This responsibility, together with the other functions of the Agency, will be transferred to the new Department of Urban Affairs and Housing upon enactment of legislation which I have previously proposed.

Following the directive in my message on housing and community development, the Secretary of Commerce and the Housing and Home Finance Administrator are undertaking an extensive study—due to be completed this fall—on methods and the extent of Federal financial assistance for the actual development and improvement of mass transportation systems. The proposed bill would require the Housing Administrator to submit to the Congress, early in the next session, a report and recommendation based on the findings of the study group. Non-Federal Government financing will have to provide the preponderant share of the new capital funds needed for mass transportation, and Federal assistance should therefore encourage and supplement rather than supplant such investment.

But the time required to complete the study and translate its recommendations into a legislative proposal should not be wasted. Enactment this session of the proposed bill will permit the planning and demonstration programs to be set up and will also stimulate urban areas to establish areawide agencies empowered to plan, develop, and operate transportation systems. These steps are essential to an effective transit program since two absolute requisites to Federal aid are (1) an approved

comprehensive transit plan, and (2) the existence of a suitable organization representing all, or substantially all, of the local governmental units in the metropolitan area.

Although final decision on the exact nature of a Federal program of loans, loan guarantees, or grants for the purchase or modernization of transit facilities and equipment must await the results of this executive branch study, immediate emergency assistance to finance transportation equipment and facilities in a few metropolitan areas with especially urgent problems may be warranted to assure continuation of essential services. While Federal funds should not be used solely to salvage obsolete systems, emergency loans may be essential for projects found by the Administrator to be consistent with the probable comprehensive transit plan for the area, if financing is not available on reasonable terms from private sources or elsewhere in the Federal Government. Consistent with these strictly limited conditions, the Congress may wish to enact, as a part of the bill, a temporary 1-year authority for emergency loans.

Since the Senate has already concluded its consideration of the omnibus housing bill and has adopted an amendment containing a mass transportation program, I hope it will be possible for the House to hold hearings on the subject in order that a satisfactory program can be enacted during the current session.

Sincerely,

JOHN F. KENNEDY.

Mr. SPARKMAN. Mr. President, let me say to the Senator from New Jersey that these provisions, as agreed to by the conferees, are in conformity with the program which was recommended by the President and the administration.

Mr. WILLIAMS of New Jersey. Exactly, both as regards the policy and as regards the amount of money.

Mr. SPARKMAN. And they are also in conformity with the program recommended by the Subcommittee of the House Banking and Currency Committee, and recommended by the conferees, and agreed to by the House conferees, and accepted by the Senate.

Mr. WILLIAMS of New Jersey. The Senator from Alabama is exactly correct.

Mr. BUSH. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. Let me say that the pending motion, if agreed to, could not affect adversely—and is not intended to do so—the amount agreed to by the conference committee for the mass transportation provisions.

Mr. SPARKMAN. Yes. Of course, I know that the Senator from Connecticut voted for that in the conference.

Mr. BUSH. That is correct.

Mr. SPARKMAN. And he was one of the original sponsors.

Mr. BUSH. That is correct.

Mr. SPARKMAN. And he supported it last year, and again this year.

Mr. BUSH. Yes, and I favor it.

Mr. SPARKMAN. Yes; and the Senator from Connecticut did a very good job in getting it acted upon favorably by our committee, and also here on the floor.

Next, Mr. President, I wish to discuss very briefly a matter to which I invite the attention of the Senator from New Jersey, because this was one of his projects. He introduced, originally, the proposed legislation; and it was through his influence that it was included in the House version of the bill. It properly belonged there, because it was a part of the program. He defended it very strongly here on the floor of the Senate; and the item was stricken out by the Senate by only a very narrow margin. It is the part which deals with the open space program, to assist—and I emphasize the word "assist," and it will be only a small percentage of assistance—the cities in connection with this program. I think some persons have the idea that the Federal Government will buy all the land, but that is not true at all. The percentage of participation by the Federal Government will be only 20 percent to 30 percent, as I recall.

Mr. WILLIAMS of New Jersey. If the Senator will yield to me, let me say the Federal Government participation will be only 20 percent, unless the open space acquisition is for urban renewal as a whole—and then it could increase to 30 percent—or relates to land use and such open space is related to better planning in connection with our urban areas.

Mr. SPARKMAN. Yes, and I emphasize that. Many persons think the Federal Government is to make grants to cities, for the purpose of purchasing this land; but the participation by the Federal Government will only be to the extent I have stated; namely, between 20 percent and 30 percent.

Mr. BUSH. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. Again I point out that the pending motion, if agreed to, would not change that part of the conference report, but would leave untouched the conference report figures.

Mr. SPARKMAN. That is true; and the Senator from Connecticut has been very active in connection with this matter, also.

Mr. WILLIAMS of New Jersey. In fact, if the Senator will yield, let me say the Senator from Connecticut has been an original sponsor and a "pusher" of that program.

Mr. SPARKMAN. Yes, he certainly has.

Mr. BUSH. I thank both Senators for their kind words.

Mr. SPARKMAN. Mr. President, it has been correctly stated that the veterans program has been taken out of the bill. Of course when the bill was under debate here in the Senate, it was stated then that that part would be taken out. That course has been followed during the past several years.

The bill was passed here on Monday. It went to the House; and the House accepted two of the amendments the Senate included, but declined to accept the third one, which now is at the desk, as I understand, awaiting further action. Nevertheless, it is not a part of this measure.

The pending measure contains many other items, but I shall not discuss these matters further at this time.

I believe it might be well for me to say that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Virginia [Mr. ROBERTSON], the chairman of our committee, and the Senator from North Carolina [Mr. ERVIN] strongly supported a proposal relating to savings and loan associations. I shall not discuss that matter in detail now; it was discussed at that time. The Senate accepted it on a voice vote. The House did not have a similar provision in its version of the bill; but the House had taken up three savings and loan bills—which, incidentally, I had introduced in the Senate some time ago, and our committee would have taken them up and would have reported them favorably to the Senate, except for the fact that when we held our hearings some time ago, it was our intention to handle savings and loan legislation separately.

However, by the time the bill reached the House, it became apparent that that might not be possible. So the House incorporated in this measure the same three bills which I had introduced in the Senate. The House accepted our bill—in which the Senator from North Carolina was greatly interested, and which he introduced in the Senate earlier in the year; and we accepted the three bills the House had included.

Mr. ERVIN. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. ERVIN. I merely wish to say that all who are interested in the wonderful work being done by State development corporations owe a great debt of gratitude to the able and distinguished junior Senator from Alabama for the fight he has made, both on the Senate floor and in the conference, to retain what I regard as the very worthwhile provisions in this part of the bill.

Mr. SPARKMAN. I thank the Senator from North Carolina. I think it is good legislation. I thought it was good legislation when he and his colleagues proposed it here on the floor of the Senate, and I was glad to do what I could to make sure of its approval.

There are other items in the conference report, but I shall not now take time to discuss them.

I do not see the Senator from Hawaii on the floor at this time; but we agreed to his amendment, which permits farm housing loans to be made, to farmers who have only a leasehold interest, under which so much of the land in Hawaii is held.

The pending measure contains many other provisions; but at this time I shall terminate my presentation.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. JAVITS. First, let me say that I shall support the conference report, although I look with great regret—and I think all of us will have cause to regret it—on the fact that the conference report does not include a middle-income housing program which would not require the Federal costs which are called for by this report. I think that is a shame.

But I am so very much in favor of a middle-income housing program that, notwithstanding that deficiency of the report, I shall vote for it. But I depre-

cate that deficiency very greatly. As I have already said, I think those who favor, and who voted for, the New York plan, which I had the honor to present here in the Senate, will live to regret its omission. It would work as an economic balance system which would give the program validity and viability.

I know my friend, who is so gracious, will not find fault with that. It typifies what we ought to be doing. We ought to be bringing forth programs heavily based on the private enterprise system, and yet doing the job which the social needs of our country require to be done. It is in that spirit that I brought my proposal forward.

I say to my colleague what he would say to me. I hope his mind is not closed on it. He told me as much. He said, "You have to work on these things a long time." Knowing the amount for FNMA has been doubled, to a billion and a half dollars, I must say I am depressed that we have chosen the least desirable road and the most expensive road, when we could have done the job with $100 million, as I had proposed.

Mr. SPARKMAN. May I say something before the Senator moves on to another subject?

Mr. JAVITS. Of course.

Mr. SPARKMAN. My mind is not closed at all. As I told the Senator the very first year he presented his program, I was very much impressed with it; and I am. As a matter of fact, there is a similarity between his plan and the bill I introduced in 1950, which was reported to the Senate, was debated here on the floor of the Senate, and failed of passage by only two or three votes, as I recall. There is a great deal of similarity between the two plans.

The Senator from New York has more selling to do, and I am in favor of his doing it. I suggest to him that he discuss this proposal privately and at length with the head of the Housing and Home Finance Agency, or perhaps some day when things get a little quieter than they are now, he may sit down with the President and discuss it.

Mr. BUSH. Some enchanted evening.

Mr. SPARKMAN. Yes. I am very grateful to my musical friend—some enchanted evening. Is the song, "Do Not Wander Astray"? But I suggest that he sit down and discuss it with the President then.

It is a pretty complex structure. I think the Senator will admit it has got to be worked out carefully. I think it might be well to discuss it with the Secretary of the Treasury, or one of his aids, or the Director of the Budget. I think there is a good deal of selling to be done yet before we are ready to enact it into law. But I do not close my mind to it.

Mr. JAVITS. I thank the Senator.

Mr. SPARKMAN. With respect to FNMA, I may say that not a single dollar of FNMA money is earmarked for this program. What we do is make these funds available for the President's assistance program. By the way, $200 million of the fund was already available. It is not new money. It is money that has already been authorized. We are simply transferring it. We make it available for the President's assistance program. Of course, as the Senator knows, the President may use it. There are certain programs that call for special assistance. For example, housing for the elderly, urban renewal housing and section 221 housing for displaced persons is eligible for special assistance, and several others I could name, by act of Congress.

Furthermore, the President is empowered, within his discretion, to pick up any program he wants to and term it as requiring special assistance. He does so when there is a program that he feels is needed, but which requires some help to get it "off the ground." It does not happen too often. This money goes into his special assistance fund, and is not earmarked for any particular program, and would not necessarily be used for the new program established by this bill.

Mr. JAVITS. Nevertheless, it could be used for that purpose.

Mr. SPARKMAN. Within the discretion of the President.

Mr. JAVITS. I have another question. I notice the conference committee took out of the bill the Senate provision for enlarging the extender funds. I refer to the extender fund in excess of the 12½-percent limit. I understand the reason for that action was that, with the new authorization, without fixed date, there would be considerable resources available for urban renewal and that situation might go on for a year or two. I agree. I understand that——

Mr. SPARKMAN. Mr. President, may I say something right there?

Mr. JAVITS. Yes.

Mr. SPARKMAN. I think the conferees were unanimous in the view that, if the situation should get to a point where help was needed, which I think the Senator from Connecticut will agree with me we discussed in conference, and if New York, or any other State, reached the point where help was needed, we could help those States quickly.

Mr. JAVITS. I am delighted to have that statement.

Mr. SPARKMAN. This action was not taken out of any unfriendliness to New York, which has done such a wonderful job in urban renewal. It was due to the feeling, and the assurance from the administration, that it was not needed.

Mr. JAVITS. The only other point I wish to raise, which is somewhat along the same line, is that I notice the conferees were willing to take off the $3,000 ceiling for relocation of small businesses, but were not willing to take off the ceiling of $200 for relocation of families. I know that was done because of the feeling that, on the average, the costs did not come up to $200, although we have heard of cases which had exceeded that cost. Would my colleague feel that in that case, too, should it appear that, because of increased costs or because of the feeling that certain elements should be included in relocation costs, it would be an open subject, so that if we had a case, we could get relief?

Mr. SPARKMAN. I think that would be true, although that does not apply to a single State, as it did in the other provision. The Senator knows of the formula which we worked out, which is very good. The provision in the Senate bill would have required the local communities to share the cost above the ceiling in existing law.

Mr. JAVITS. Yes, I know of it.

Mr. SPARKMAN. It was called to our attention that only a small number of States, probably 18, could take advantage of this provision, and that the great majority of the States—and I am rather of the opinion that that majority included New York; I know it included Alabama; I think it included Connecticut—because of their enabling acts for urban renewal, could not have this made a part of the local costs. As the Senator recalls, the provision that the excess be made a part of the local costs could not be taken advantage of by a large majority of the States.

If the Senator wants to look into it, the names of the States are listed at page 910. It could not be done in New York.

Mr. JAVITS. There are two points to be made in answer to that statement. We pass many laws as to which we expect States will conform. We did that in the Kerr-Mills Act.

Second, we could have done the same with reference to the $200 allowance that we did with the $3,000 allowance, and take the ceiling off, with the Federal Government paying the excess cost.

However, one is not going to try to overturn the conference report on that basis alone. I will content myself with the assurance that the door is open if we can really prove our case.

Mr. SPARKMAN. The Senator knows that is a troublesome problem. We have made changes every 2 or 3 years. I think, until something can be worked out to cover everything, we shall have to follow this procedure. The Senator is familiar with the bill I introduced, S. 671, which I believe is before the Committee on Government Operations, which provides for a uniform system of condemnation of the property the Government takes.

Mr. JAVITS. If the Senator will allow me to interject, I think that brings us to the question which came up the other day in respect to highways, when there is highway displacement of families with no relief provided.

Mr. SPARKMAN. Yes.

Mr. JAVITS. In view of the fact that the problem has been relegated, as it were, to the housing bill, I hope very much my colleague will give sympathetic consideration to that problem.

Mr. SPARKMAN. S. 671 would be the answer. I hope the Senator will speak to the chairman of the committee and get action on the bill right away.

Mr. JAVITS. It is my own committee, and I shall speak to the chairman.

Mr. SPARKMAN. I thank the Senator.

Mr. President, I yield the floor.

Mr. MONRONEY. Mr. President, I am terribly disappointed in what I understand to be the provision of the conference report on the very hard-fought no-downpayment 40-year provision in title I of the act, which a majority of the Senate voted against.

As Senators will recall, a majority of the Senate voted to kill the action. A compromise was quickly put together in which it was agreed to require a downpayment. The downpayment, small though it was, was to be 3 percent on the first $13,500 mortgage under the new so-called moderate-income housing. It was to be a 3-percent provision in addition to closing costs.

I should like to ask my distinguished friend the Senator from Alabama, the chairman of the Housing Subcommittee, if this was not the compromise which was offered the Senate which resulted in the Senate making a reverse turn and rescinding the action taken in killing that section of the bill.

Mr. SPARKMAN. The Senator is correct.

Mr. MONRONEY. Will the Senator give me some further information? The conference report does not provide for an actual 3-percent downpayment, as the compromise by the Senate to reinstate the section provided. The 3 percent would include the closing costs under the conference report?

Mr. SPARKMAN. It may include them.

Mr. MONRONEY. It may include them. The Senator and I both know that if "it may include them," it will include them, because very few home buyers wish to absorb that amount in addition to whatever is the minimum downpayment.

Mr. SPARKMAN. I do not think that necessarily follows. I believe I am correct in this statement, although I recall it from memory. The Senator knows that we have a no-downpayment program under the Veterans' Administration on the guarantee loans. That has not always been true. There have been times when a downpayment was required. If I remember correctly, at times that downpayment has included the closing costs, and at other times it has been exclusive of the closing costs.

I think this will depend somewhat upon the policy set by the Housing Administrator and the regulations which are prescribed.

Mr. MONRONEY. So far as the exercise of congressional power is concerned, the report provides that the closing costs can be included in the 3-percent downpayment.

Mr. SPARKMAN. The Senator is correct. That was the House provision.

Mr. MONRONEY. I realize that.

Mr. SPARKMAN. I do not think the Senator from Oklahoma was in the Chamber at the time I explained that the issue on which there was the hardest fight was the 40-year program. We fought that out on the floor of the Senate, with the downpayment provision, and we won by a close vote after a hard fight.

In the House, it had been agreed to lower the term of the program to 35 years, with the downpayments which are carried in the conference report. That was agreed to ahead of time.

Frankly, I said very clearly to the conferees at the beginning of the conference that so far as the 40-year program was concerned, I felt the Senate must insist on its provision. The House, on the other hand, felt it was bound to insist on the 35-year provision.

There were four items: Downpayments on the housing under the new program, the length of the term of the mortgages, downpayments on the regular FHA section 203 loans, and the length of the term of the mortgages for that. We held those four back. As the Senator knows, they all fall in the same general category. We held them to the last. That was the last item decided. We wrangled over the four of those at quite a length.

We finally reached this compromise—and it was a compromise, on both sides. The House gave up its strict adherence to the 35-year provision and agreed to what amounted to a 40-year provision for the lower income people.

The Senator will remember that a lot of the debate in the Senate, as was true in the conference committee, was based on the fact that the way the bill was written the provision was thrown open for everybody. That was correct. There was not any argument about it, although that was not our wish.

I feel that the solution we reached on the 40-year proposal is a very good one. The House conferees were willing to accept that, provided we would take the downpayment conditions of the House, and we traded out on that basis.

The Senator has been in enough conference committees to know how those things occur.

Mr. MONRONEY. I have served on many conference committees, but I deeply regret to find the distinguished conferees on the part of the Senate have brought back a bill which, in my considered opinion, based upon some 23 years of experience in working rather intimately on Banking and Currency Committees of the House and Senate, combines the worst features of both bills.

The worst feature of the 3-percent downpayment, which the Senate mandatorily adopted, is brought to us. People who buy $13,500 houses would have put up some equity money under the Senate provision. I find that in spite of the Senate action requiring a 3-percent downpayment plus the closing costs, which ordinarily are about $200—which would have meant a $500-plus downpayment—we are now presented a bill which would require that a person buying such a house have not more than $150 genuine equity on a $13,500 house. So we lose.

I think the conference committee has brought back the worst feature of the protection in the Senate bill.

The House had a protective device. We fought hard all one evening until 2 o'clock in the morning in the Senate, to reduce the extra long 40-year term for moderate housing to 30 years. We were defeated in the Senate. This was a bitter blow to me and to those of us who thought the FHA should not depart from reality, should not cut loose the guy wires from a sound financial basis.

Instead of staying with the House plan, now we are asked to go to complete and total Government investment in housing on an overall 40-year basis, the bonds for which even the committee admits cannot be expected to flow into the normal bond-buying channels. They would all be lead balloons, sitting for 30 years in FNMA, because no buyer in his right mind would invest insurance money, trust fund money, or other capital in them.

A complete 100-percent Government investment in the mortgages, which would remain for 30 years, is provided. Instead of trying at least to support the 35-year payout term, which the House in its wisdom reduced from a 40-year term, we are now told, "It is a sort of hybrid of 35 years or 40 years."

I look for information on page 48 of the statement on the part of the House managers of the bill. I know that statement is not binding on the Senate. But the last paragraph states:

> The conference substitute makes no change in the 40-year term now in existing law for displaced families.

The provision was not under attack. We do not want to change that rule. The housing referred to is substitute housing for people who must find new housing because of Government action in urban redevelopment. But then the statement continues:

> For new construction for moderate income families, the substitute provides a 35-year maximum maturity except that in hardship cases the Commissioner is authorized to permit an additional 5-year term up to 40 years—

Mark this language—

> where the buyer cannot meet the monthly payments under the shorter term.

How many cars is the mortgagor paying for? What are his commitments on other commodities, while the Government waits for an additional 5 years? No test of inability to pay is written in the report. The homeowner could have more equity in his compact American car in 2 years than he would have in his home in 20 years under the conference report that is brought here under the guise of free enterprise housing.

It seems to me that the Senate bill, though a very weak measure, permitting a 3-percent downpayment on a $15,000 house for 40 years, was bad enough, but then we got the provision for a downpayment of 3 percent plus the closing cost, which meant that $500 in cash had to be paid down.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MONRONEY. Permit me first to finish. The House took out that provision and said:

> We must count the closing cost, so the equity will be $150.

Then we moved from the 35-year limit to the 40-year limit without any clear-cut definition of those who would be qualified for such longer term loans, so that the obligations of people who wish hi-fi sets, automobiles, and easy-term trips back to see the old folks in Europe, would come ahead of obligations to Uncle Sam; and if such people could not meet the 35-year term, they could be given carte blanche a term of 40 years.

The Senator from Alabama and I know that if that figure in the end is the maximum limit, it will apply under the present administration of the Home Loan Finance Agency.

I yield to the Senator from Alabama.

Mr. SPARKMAN. I was about to suggest to the Senator from Oklahoma that it was the duty of the Senate conferees to do their best to maintain the Senate position. Would the Senator have preferred our bringing back the provisions of the Senate bill in their entirety with reference to 40-year mortgages instead of the provisions of the compromise contained in the conference report?

Mr. MONRONEY. A razor-edge vote occurred that night in the Senate. I believe the margin was six votes. I have served on conference committees for many years, as has the distinguished Senator from Alabama. Judging from the vote, it would have been perfectly in keeping with comity between the two Houses to say, "If you will accept our 3 percent down plus closing costs, we will accept your 35 years." Under such circumstances, I think any Senator who has served on a conference committee would have thought he had brought back a well balanced program and a quid pro quo.

But when a conference report that incorporates the weak side of both positions is accepted, I do not think it is a report which represents the best possible compromise that could be obtained. I believe that the Senate conferees endeavored to obtain the easiest possible terms for the longest period of time at the lowest possible downpayment, which was the original position of the committee. I do not believe the conferees were compelled by the Senate to support that position after the Senate action.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. SPARKMAN. I have a very high regard for the Senator from Oklahoma. I have followed him many times. But I do not believe he is being quite fair in saying that the Senate conferees did not fight for the position of the Senate. We did.

Mr. MONRONEY. I did not mean to make such a statement.

Mr. SPARKMAN. At the very beginning of the conference I said to the conferees:

> This is something that we have fought hard over. You did not fight in the House to cut the term down to 35 years. You conceded the point even before taking up the bill. But we fought for it. We had only the one adverse vote, which we reversed by including the downpayment, but remember that while that amendment was pending, four other amendments came up, and we won all of them. In other words, out of six votes on the amendment, the Senate voted five times in favor of maintaining our position.

Mr. MONRONEY. But the majority——

Mr. SPARKMAN. I know it was a slim majority. Nevertheless, it was a victory. It may have been a slim one. The University of Oklahoma has won a good many football games by a single point. No one then said, "What a loss." Not at all. It was a victory, and Oklahoma received the national crown because of those victories.

I said to the conferees:

> We cannot give up on the 40-year provision.

Furthermore, my friend from Connecticut [Mr. BUSH] will recall that at one time I said, "If you are to insist upon our backing down on our 40-year program, there is no need to continue this conference. We might as well close it right now." Then it was that we passed over the four items, and the suggestion was made that we might find some way to adjust our differences. The proposal was made to us by the House, and after considerable discussion we voted to accept the House proposal, which in effect accepted our 40-year term proposal for the poor folks—not for everyone, but only for the poor folks. The term for everyone was fixed at 35 years. In turn we refused to go along with the 40-year extension of the regular FHA mortgage under section 203. Strangely, not a single voice in the House was raised in opposition. The House was for extending to 40 years the term on the regular FHA program for high-priced homes. The House passed that measure, providing for payment in terms up to 40 years, without a single word of opposition.

I am glad to say that a half-dozen 40-year programs on housing have been passed in the Senate without contest. But when we bring in a measure for moderate-income people, everyone is stirred up about it.

But we won. When the House conferees made the proposal that gave us, in essence, what we really wanted, which was a program limited, so far as the 40-year term was concerned, to the poor folks, though not poor in the way I used to interpret the term——

Mr. MONRONEY. The middle income people.

Mr. SPARKMAN. The moderate income and low middle-income people.

Mr. MONRONEY. The Senator confuses the point.

Mr. SPARKMAN. When I say "the poor folks"——

Mr. MONRONEY. The Senator means most of the folks.

Mr. SPARKMAN. I mean the great mass of folks.

Mr. MONRONEY. That is it, because if we refer to the middle income families, we must refer to more than half the people in the United States.

Mr. SPARKMAN. I refer to them as the low middle-income group.

Mr. MONRONEY. But the report does not so state. It states "middle income."

Mr. SPARKMAN. Yes; but the provision in the bill specifies that basically the term is 35 years, which term may be extended not to exceed 5 years in cases in which the income is so low that the people cannot qualify.

Mr. MORONEY. Mr. President, will the Senator tell me where I can find that definition? I have been trying to find it. All I can find is a provision that such people would not have quite enough money to meet conveniently the 35-year term. As nearly as I can tell, applicants would not be required to reveal payments they must make on hi-fi sets or on trips to Europe on a time payment basis, or anything else. To say that it is merely inconvenient for a person to pay out in 35 years does not appear sufficient.

I am still looking for the definition.

Mr. SPARKMAN. On page 4 of the conference report under subsection (6) (ii) there appears this:

> Thirty-five years in the case of any other family if the mortgage is approved for insurance prior to construction, except that the period in such case may be increased to not more than 40 years where the mortgagor is an owner-occupant of the property and not able, as determined by the Commissioner, to make the required payments under a mortgage having a shorter amortization period.

The Senator knows that in the FHA operations over the years we have had the regular policy and regular program whereby the amount of income of a person is taken into consideration, and a slide rule is placed beside it to see whether it will support a mortgage requiring a certain payment every month. The same slide rule will operate which operates under the regular FHA programs. We simply provide that where the income is less than will enable the buyer to meet these requirements he may receive consideration for a longer term than 35 years, but in no event more than 40 years.

Mr. MONRONEY. The bill does not say anything about income. It says that the Commissioner may determine it; "as determined by the Commissioner, to make the required payments under a mortgage having a shorter amortization period."

There is a great deal of difference between having income committed on various purchases and on various costs and prescribing an income level. I am not distrustful of the Commissioner. This is the Commissioner's baby. This is what he wants. He wants it badly, and he wants it to succeed. I am sure that, when middle-income families comprise more than half the people of the United States, very few of them are going to tell the Commissioner or his agent that they can pay for these mortgages in 35 years instead of 40 years.

Mr. SPARKMAN. FHA has functioned well for nearly 30 years.

Mr. MONRONEY. Because the law has made it function.

Mr. SPARKMAN. The law has been no more specific than is the law we propose. In fact, this is in line with the regular FHA programs.

Mr. MONRONEY. I beg to disagree with my distinguished friend and colleague, the chairman of the subcommittee, because the terms have been fixed at 30 years.

Mr. SPARKMAN. I am talking about the ability.

Mr. MONRONEY. It has been fixed at 30 years except for special cases, such as those of displaced persons and others.

Mr. SPARKMAN. I am talking about the ability to meet payments. The provision in the conference report is just as specific as it is under the present law.

Mr. MONRONEY. What is the number of housing units under the bill that will be permitted under this section; not for displaced persons but for all the others?

Mr. SPARKMAN. This is not limited. This is an FHA insurance program.

Mr. MONRONEY. Then this is not a trial run, as we were told.

Mr. SPARKMAN. It is limited, of course, to 2 years; yes.

Mr. MONRONEY. Two years. It is not limited as to number?

Mr. SPARKMAN. No.

Mr. MONRONEY. It is the same as for the conventional insurance loans that have been heretofore made, except in the case of old age housing and other special categories; in other words, this will take the same status, with the same authorization to move out in an unlimited number; and the fact that the press has said this is a pilot undertaking or an experimental program has nothing to do with the case. Is that correct?

Mr. SPARKMAN. I do not believe the Senator from Oklahoma should take such a dark outlook. I call his attention to the fact that in 1958 we passed an emergency housing bill. The Senator was helpful in passing the bill. He remembers it, I am sure. That bill provided for a billion dollars. We put a billion dollars into the program, and required FNMA to buy the mortgages at 100 cents on the dollar. We put a billion dollars into FNMA for that purpose. We did it as an antirecession measure.

As a matter of fact, during the 3 years which have elapsed since then that amount lacks $200 million having been used up. It has been discontinued, but it lacked $200 million being used up. People do not flock to these houses unless they really need a home. I do not believe it is going to be any runaway proposition on this thing. There was not under the section 221 provision where we provided 100 percent with no downpayment.

Mr. MONRONEY. The reason I am fearful is because of the Government money that is involved.

Mr. SPARKMAN. Oh, no, no; there is no Government money in this program. This is FHA insurance.

Mr. MONRONEY. I know. However, the Senator and all his colleagues, when the bill was before the Senate, admitted frankly that the hope of finding outside buyers, other than FNMA, was nonexistent.

Mr. SPARKMAN. The Senator is confusing two programs. I have never doubted the ability to find money to take care of this program. As a matter of fact, under section 221 it was found to the extent of 100 percent. I am certain we will be able to find private money on this program. This is a safe and sound program. It carries the regular FHA rate of interest, 5¼ percent.

Mr. MONRONEY. But the security behind it is different.

Mr. SPARKMAN. The part we said the Government would have to get through FNMA was the below market rate housing, which is for low income people. However, I am confident that private money will be available for this program.

Mr. MONRONEY. I do not remember the Senator exactly saying that it would require 100 percent Government financing, but several Members of the Senate who supported the program just as keenly as he did admitted frankly that there was no hope of these finding a market other than in FNMA. The distinguished Senator from Connecticut will verify that.

Mr. BUSH. Mr. President, if the Senator will yield, I would say that nobody can dispute the fact that none of these mortgages that bear the subsidized rate of 3¼ percent will ever find a lender in a private form.

Mr. SPARKMAN. That is what I say, but I say there is a confusion between the two programs. During the debate late in the evening I called attention to the fact that the two programs were being confused. There is a rental program with a below market interest rate which we admit is subsidized. It is only for rental property, and it provides for a rate of 3⅛ percent at the present time. The Government would have to carry it. But on this program the regular FHA rate is provided.

Mr. MONRONEY. With no security behind the loan.

Mr. SPARKMAN. I also remember the argument of the Senator from Oklahoma that if we wanted to meet the problem we should lower the rate of interest.

Mr. MONRONEY. Yes.

Mr. SPARKMAN. Where would we get the money?

Mr. MONRONEY. If they are the types of securities that will move into the private market, the way to break down the money market is to put money into FNMA to pay the mortgages. We certainly do not want to load FNMA down with lead balloons, to sit there for 30 years, because there is no equity behind the loan. That is why I feel so strongly about this. FHA has made money for the Government and for itself, and has provided private capital with Government backing. Now it is to go out into the wilderness, under the guise of a New Frontier program. I believe in the New Frontier and in breaking into new frontiers. However, I do not like it lost in a wilderness or morass of no-downpayment, 40-year financing, when the Senator knows there is little chance that a $13,500 house will even be standing at the end of 30 years, because the people who buy mortgages always look to inspection and quality and the equity of the buyer. I am sure the Senator would not want to tell the Senate that these no-downpayment, or almost no-downpayment, 40-year mortgages will sell as readily in the securities market as the 30-year more or less conventional FHA mortgages.

Mr. SPARKMAN. No; I never claimed that. I said the money would be available in the private market.

Mr. MONRONEY. At a substantial discount; that is the only way it can be obtained.

Mr. SPARKMAN. I differ with the Senator completely as to the quality of houses which are being built today. I know of many houses which are 40 years old or older. Furthermore, half a dozen 40-year mortgage plans are already operating. Some of them have been operating long enough to provide us with good experience. They have been successful; they have been good. They have found money in the private market. Their operation has been successful. The programs are working nicely.

I close on this one word to the distinguished Senator from Oklahoma, whom I regard as one of the ablest persons ever to have been a Member of the Senate.

Mr. MONRONEY. I thank the Senator from Alabama. I hold the same opinion of my distinguished colleague from Alabama.

Mr. SPARKMAN. I enjoy working with him, but I simply differ with him in the views he has expressed on this subject. I dislike so much to see him—who is usually, almost always, optimistic, bright, and cheerful—become so pessimistic and cynical regarding this program.

Mr. MONRONEY. I wish I could be optimistic; but in some way or other I can sense a bad business deal for the Government, a dangerous departure in a pattern of financing which has been the glory of the New Deal and the pride of the Fair Deal. I hesitate to see the New Frontier taking off in a direction which I feel will lead it into destroying that which it has inherited from the very liberal, progressive administrations in the past.

Mr. SPARKMAN. If the Senator will permit me to do so, and I apologize for interrupting him one more time, I should like to do two things. First, I remind him that when FHA was first created, 25-year mortgages were provided.

Mr. MONRONEY. They were 15-year mortgages at first.

Mr. SPARKMAN. The Senator recalls that commercial banks and other lending institutions generally did not like the FHA. There was a terrible time in this country. I remember it. It was before I came to Congress. But I remember the difficult time the country had in selling the FHA program to private financial institutions. Other new programs have come along, and they had to be sold.

But as time has passed, and the soundness of the plans has been demonstrated, the programs have sold themselves. I certainly feel that this one will do likewise.

A few minutes ago I was searching for the FHA regulations relating to the ability of purchasers to meet mortgage payments. The material to which I refer is regulation based upon the housing statutes and bear upon the proposal before us. I do not have the regulations at this moment but I shall place them in the RECORD when I find them, if I may do so.

Mr. MONRONEY. I wish the Senator from Alabama would do so.

Mr. SPARKMAN. Mr. President, I have now located the information for which I was searching. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the excerpts from Federal Housing Administration regulations were ordered to be printed in the RECORD, as follows:

ADEQUACY OF EFFECTIVE INCOME FOR TOTAL OBLIGATIONS—MORTGAGE CREDIT ANALYSIS

71954.1 The purpose of analysis of the feature is to determine whether the mort-

gagor will have sufficient income to meet all his obligations, including housing expense, without materially impairing the family living standards. The analysis will also involve estimating the risk due to the degree of adequacy of his effective income for those obligations. The mortgagor's total obligations are considered because it cannot be assumed that any of his obligations, including the prospective monthly housing expense, will be given preferential treatment in the allocation of his income. If a mortgagor's income proves to be insufficient to meet all of his obligations, action in the form of a suit, or complaint to his employer by creditors, places all obligations in jeopardy. The result also might be loss of employment, thereby jeopardizing the mortgagor's entire income.

71954.2 Analysis of this feature includes consideration of the three elements, relation of prospective monthly housing expense to net effective income, relation of prospective to previous housing expense, and relation of total obligations to net effective income.

71955.1 Relation of prospective monthly housing expense to net effective income: One of the principal problems in mortgage credit analysis is to determine whether a mortgage obligation will be within the mortgagor's financial ability to pay. The rules of thumb, monthly mortgage payment should not exceed 25 percent of a mortgagor's income, and value of the property should not exceed 2½ times the mortgagor's annual income, have been demonstrated to be unreliable as criteria, and in fact, unsound in principle. Specific maximum ratios for all mortgagors are not practicable because of variations in local conditions, living standards, different family housing needs, and other conditions affecting ability to pay.

71955.2 A general principle to be followed is that the relationship of a mortgagor's prospective housing expense to net effective income should be kept within limits found to be favorable through experience in mortgage lending. Application of this principle requires reliable data with respect to ranges of housing expenses paid by mortgagors of different income groups. The type of data applicable to the problem is illustrated by chart U.S.–3 (not printed in RECORD) and table UA–100–12. (Revised 3–17–61.)

71955.3 Chart U.S.–3 shows relationships of dollar amounts of housing expenses for single-family dwellings to amounts of mortgagor's net effective income. (Revised March 17, 1961.)

Table UA–100–12.—Percentage of increased housing expense for purchasers of 2-family versus single-family dwellings for specific net effective monthly income

[In percent]

Net effective monthly income of mortgagor	Increased housing expense for—				
	Curve A	Curve B	Curve C	Curve D	Curve E
$200	28.2	21.7	20.7	23.5	23.0
$225	29.1	23.3	22.3	24.4	23.6
$250	30.2	24.9	23.4	25.2	24.1
$275	31.2	26.1	24.8	25.8	24.4
$300	32.2	27.4	25.6	26.1	24.5
$325	32.6	28.4	26.3	26.3	24.4
$350	33.3	29.3	27.1	26.6	24.1
$375	33.9	30.2	27.9	26.6	23.9
$400	34.5	31.0	28.5	26.6	23.4
$425	35.0	31.8	29.1	26.5	22.8
$450	35.6	32.5	29.5	26.2	22.1
$475	36.2	33.1	30.1	25.9	21.4
$500	36.8	33.9	30.5	25.5	20.7
$550	38.1	35.1	31.2	24.5	18.9
$600	39.2	36.3	31.6	23.4	16.8
$650	40.6	37.2	32.0	22.0	14.6
$700	41.8	38.4	32.3	20.5	12.0
$750	43.2	39.4	32.4	18.9	9.4
$800 or more	45.0	40.5	32.6	17.0	6.6

71955.4 This chart was designed as a result of continuous studies of housing expense-income relationships for FHA insuring office jurisdictions. It is based on a national average of data compiled for all FHA jurisdictions. This national chart is placed in the Underwriting Manual for informative purposes and to illustrate the use of local charts in the various underwriting jurisdictions in which they are applicable. Charts, reflecting local characteristics with respect to housing preferences and requirements, utility and heating costs, maintenance, consumer spending habits, economic development, social structure and the like, have been compiled for each insuring office jurisdiction. The charts reflect the spread of housing expenditures by income groups over a period of several recent years and were subjected to statistical treatment to assure reasonable representation. They are frequently and periodically reviewed in the light of continuing FHA mortgage insurance experience and other data reflecting consumer spending patterns.

71955.5 The fallacy of arbitrarily establishing a fixed ratio as an upper limit in mortgage credit analysis or of using the rule of thumb which permits a monthly mortgage payment amounting to 25 percent of the borrower's income is demonstrated by the U.S. chart. The chart indicates that the percentage of income allocated to housing expense is not constant but declines as incomes rise. It does not necessarily indicate the upper limits that borrowers in the various income groups could pay for housing but it does indicate the maximums they are typically paying. As income increases higher living standards and other financial obligations may demand a larger proportion of the family budget. It is also evident, that, while a mortgage payment amounting to 25 percent of the mortgagor's income might be a burdensome housing expense for the higher income groups, it could be too conservative even if burdensome for the lower income groups who do not have so wide a market selection.

71955.6 Table UA–100–12 shows the percentage by which housing expense in cases involving two-family dwellings has been found through experience to exceed housing expense in cases involving single-family dwellings for the monthly incomes listed. These percentages therefore should be used to adjust the curves on local jurisdictional charts covering single-family properties for the purpose of establishing guides to judgment and ratings in cases involving two-family dwellings. It will be noted that while the housing expense paid by owners of two-family dwellings was substantially more than the housing expense paid by owners of single-family dwellings, the increase was substantially less than the average rental for one apartment.

71955.7 It is well known that two-family dwellings are often sold on the basis of the assumption that the purchaser need be concerned only with his ability to pay the amount of the net monthly expense after deducting the rental of one apartment from the total monthly expense. It is sometimes assumed, for example, that if a mortgagor having an income of $200 per month can afford to pay a monthly housing expense of $70 for a single-family dwelling, he could then afford to pay a total monthly housing expense of $120 for a two-family dwelling which brings in a rental of $50 from one apartment. This extreme assumption, of course, is fallacious because such a purchaser would be taking a serious risk by not allowing for the possible effect of vacancies and collection losses upon his paying ability. These losses, when they occur, will tend to be concentrated over a period of several months. For this reason, the prudent purchaser of a two-family dwelling will try to limit the total housing expense to an amount that he will be able to meet for a period of at least 3 to 6 months in the event the income from the one apartment ceases.

71956.1 Use of charts in rating of risk: When using these charts as guides to judgment in mortgage credit analysis, the significance of the data, as well as the limitations, should be borne in mind. The large number of cases upon which the data are based includes cases representing a great variety of conditions with respect to other elements affecting ability to pay. Conditions pertaining to a mortgagor's standards of living, housing needs, and total financial obligations are not disclosed by the charts. It is reasonable to expect that favorable conditions with respect to these elements affecting ability to pay would be considerations which permitted some mortgagors to allocate relatively high proportions of their incomes for housing expense, while in other cases unfavorable conditions with respect to these elements would tend to limit the housing expense to relatively low proportions of income.

71956.2 Although the information given by the charts cannot be used as final criteria, they are a starting point in a logical analysis of a mortgagor's ability to pay. In a case under analysis it is possible to determine the relative position of the prospective monthly housing expense in comparison with the range in housing expense for the same income group in a large number of committed cases.

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71955.7–71956.2 Underwriting, home mortgages: While a tentative estimate of the risk may be made in this manner, final determination of the risk and the correct columnar rating can be made only after analysis of other elements affecting the mortgagor's ability to pay. In cases involving acceptable secondary financing by elderly mortgagors such financing may create an additional burden with respect to the mortgagor's ability to pay. It is particularly important that the cash investments of mortgagors in this category are not placed in jeopardy because of overextensions of mortgagors ability to pay. The Mortgage Credit Examiner should carefully analyze such cases with respect to effective income, duration of income, employment and income stability when rating the sixth feature.

71956.3 It is important that the significance of all deviations above the indicated top range of housing expense be recognized. Generally it may be assumed that deviations are of progressively less significance as incomes increase. This is for the reason that borrowers in the upper incomes usually have a margin of safety in such incomes. This will possibly enable them to allot portions of their incomes to housing that may be somewhat above the maximums typically paid in their income group without material effect on the mortgage insurance risk of the transaction. In analyzing borrowers earning the lower incomes any deviation above the indicated top range of housing expense is significant. Borrowers in the low incomes usually must spend most of their earnings to meet their minimal economic needs—food, clothing, and shelter. It is not reasonable to assume that such borrowers can exceed the typical maximum amounts being paid for housing without adversely affecting amounts available for other necessities. In arriving at the tentative estimate of risk it is therefore important that full consideration be given to the expenditure characteristics attributable to the particular income group. (Revised March 17, 1961.)

71956.4 In general, transactions in which the prospective housing expense falls significantly above curve E should be recommended for rejection unless other favorable risk factors are present that tend to decrease risk to a point of acceptability. In the lower income groups any deviation above curve E

is significant while for the middle income groups slight deviations may not be. For those in the upper income groups the significance of housing expense falling above line E diminishes as incomes rise. Examples of favorable compensating risk factors are as follows:

(a) A favorable relationship between previous and prospective housing expense together with a satisfactory credit record.

(b) Although previous housing expense is lower the borrower has demonstrated his ability to accumulate equivalent reserves.

(c) Substantial reserves for contingencies.

(d) The term of the mortgage is less than the maximum term permissible. This will constitute a compensating factor only when financing is readily available on the longer term and the housing expense in connection with the larger term loan is in acceptable relationship to the borrower's income.

(e) Income of a temporary nature which, while not considered effective, may be considered as available to meet short term nonrecurring charges.

(f) The borrower receives benefits not reflected in effective income but directly affecting his ability to pay. (For example: Some companies provide automobiles available for the employee's personal use; members of the military receive medical and dental care, clothing, etc.) (Revised March 17, 1961.)

71956.5 After complete analysis, the tentative rating, as determined by comparing the prospective monthly housing expense with the data on the chart, is modified to reflect any increase or decrease of risk introduced by the additional risk considerations. For instance, if the prospective monthly housing expense indicates a tentative one-column rating, and analysis of the other elements reveals conditions which increase mortgage risk, such as an unfavorable relationship between the mortgagor's prospective monthly housing expense and previous housing expense, or the existence of other obligations which are high in comparison with the obligations of mortgagors in the same income group, a reject rating would be warranted as the final conclusion. On the other hand, if the prospective monthly housing expense indicates a tentative reject rating, and analysis of other elements show conditions which decrease risk, a one-column rating of the feature may be warranted, provided the deviation from the top of the range of housing expense is not too great.

71956.6 Modification of mortgage amounts: When complete analysis of this risk feature produces a reject rating, the transaction should be examined to determine if a mortgage of a lesser amount could be recommended. A recommendation of this nature will be warranted only when it is apparent that the borrower has the financial ability to close the transaction in a satisfactory manner on the basis of the lesser mortgage loan. Under less favorable circumstances a rejection should be recommended without counterproposal. It is seldom that a reduction in mortgage amount of less than $1,000 can be justified in this action. This is for the reason that reductions of less than $1,000 usually produce differences in housing expense of less than $5 and it is extremely difficult to make these fine gradations in ability to pay. For this same reason, reductions in excess of $1,000 can ordinarily be rounded to the nearest $500 multiple based on the mortgage applied for.

71957.1 Relation of prospective to previous housing expense: If a mortgagor has been able to maintain a satisfactory credit record while paying out of comparable income housing expense approximately equal to the prospective monthly housing expense in the case under analysis, the risk will not be affected. However, if, in addition to paying the same amount of housing expense, he was able to accumulate some reserves, or his effective income has increased; or if the prospective housing expense is substantially less than that which the mortgagor has been accustomed to paying out of an income comparable to the estimated effective income, a decrease in risk would be indicated. If a mortgagor has been able to barely meet his obligations out of income and has been unable to accumulate reserves and the proposed mortgage transaction involves prospective monthly housing expense substantially in excess of the amount which he has been paying in the past, the risk will be increased. A substantial increase in housing expense without a proportionate increase in a mortgagor's effective income usually requires a downward adjustment in his other living expenses, which in most instances is difficult for a mortgagor to make.

71957.2 The significance of a comparison of a mortgagor's prospective housing expense with his previous housing expense can be determined only after considering (a) the mortgagor's past paying record, (b) evidence of previous saving, if any, out of income, (c) changes that have recently occurred in the mortgagor's effective income, (d) changes that have recently occurred in the amount of other obligations of the mortgagor, and (e) the effect of any increase or decrease in housing expense on the amount of effective income remaining for other obligations and living expenses of the family.

71957.3 In instances where a mortgagor has not been accustomed to paying for housing or has been paying an abnormally low amount due to living with relatives, renting a room, or under conditions other than having an established home, the above comparisons of prospective to previous housing expense will be of little significance. Analysis of other elements under this feature will then form the principal basis for the determination of the risk.

71958.1 Relation of total obligations to net effective income: Mortgagors having the same net effective income and the same amounts of housing expense may have different amounts of total obligations which will effect their financial capacity. The total obligations of a mortgagor include, in addition to the prospective monthly housing expense, other recurring charges such as State income taxes, retirement deductions, premiums on life insurance, and payments on loans and accounts. In some cases analysis of the previous two elements may indicate favorable relationships, but the burden of total obligations of the mortgagor may seriously affect his ability to pay.

71958.2 When a mortgagor's obligations other than housing expense are low and are expected to remain low in comparison with the amounts typically paid by mortgagors in the same income group, it is reasonable to conclude that he will be able to allocate a larger portion of his income for housing expense and mortgage risk will be decreased. If his other obligations are high in comparison with the amounts typically paid by mortgagors in the same income group, risk will be increased.

71958.3 A significant guide to the determination of risk under this element is to consider the adequacy of the amount which will remain available out of net effective income for the mortgagor's living expenses. While credit investigations of mortgagors cannot be expected to extend to the type of personal investigation that would be necessary to accurately determine amounts needed for living expenses, there are items of information from which conclusions may be inferred. The mortgagor's recent monthly rate of total earnings less the monthly amount previously paid for housing expense and other recurring charges will indicate the monthly amount which previously remained for living expenses and savings. This information, together with information as to the amount of total savings which the mortgagor has accumulated, frequently will provide a clue as to a mortgagor's approximate level of living expenses. Other pertinent information is the number and ages of members of the mortgagor's family, recent changes in size of the family, and a comparison of the mortgagor's effective income and value of his property with the family incomes and property values indicated on the valuation report to be typical of the neighborhood. The latter comparison will sometimes indicate whether there is a probability of an increase in the mortgagor's living expenses as a result of an attempt to adopt the higher living standards of neighbors having greater amounts of income.

71958.4 The fact that wife's income may be excluded from the estimate of net effective income does not mean that it must be totally disregarded in Mortgage Credit Analysis. When the wife is employed, although it may not be reasonable to predict that her employment will continue during the early period of mortgage risk, it is probable that she will continue working until current obligations of a nonrecurring nature have been paid. This fact should be taken into consideration in determining the adequacy of net effective income in relation to total obligations.

71958.5 When a mortgagor's statement shows that he owns mortgaged real estate in addition to the property involved in the case under analysis, a determination is made as to whether the total of the mortgage obligations is within the mortgagor's reasonable ability to pay. It is not valid to disregard the other mortgage obligations on the assumption that the net income from other real estate owned by the mortgagor will always be sufficient to cover the debt service, or on the assumption that the mortgagor will sacrifice his ownership of the other real estate in the event the net income, at any time, should decline to less than the amount required to cover the debt service. Therefore, an important consideration is whether the mortgagor's effective income from sources other than his real estate provides sufficient reserve financial capacity to carry the obligations in connection with all of his real estate during periods in which there may be vacancies, collection losses, declines in the rentals obtainable, or increases in operating expenses. The degree of reserve financial capacity needed will vary, depending upon the ratio of the debt service to the net income from the real estate. As the margin between the net income and the debt service increases, the degree of risk will decrease.

71958.6 When the proposed mortgagor is a corporation, partnership operating under a trade name, or an individual operative-builder, the first two feature elements, relation of prospective monthly housing expense to net effective income and relation of prospective to previous housing expense, obviously do not apply, and the rating of the feature is based entirely upon analysis of the relation of total obligations to net effective income. A determination is made through analysis of the operating statement and balance sheet of the business, as to the adequacy of net effective income to liquidate all existing and proposed obligations. In cases involving single-family dwelling properties to be built for sale, acceptance of the risk is premised upon the expectation that all or most all of the cases, when closed for insurance, will have acceptable owner-occupant mortgagors. In these cases, therefore, the rating of the feature will reflect the probable degree of success which the operative-builder will have in marketing the properties to purchasers who will qualify as mortgagors, and his ability to meet all financial obligations until the properties are so marketed.

71958.7 Adequacy of net effective income for total obligations—three- and four-family dwellings. It is important that the investment aspect of the transaction be recognized in analyzing adequacy of income in transactions involving three and four units. This will preclude use of the housing expense chart which represents income and expense data for transactions involving single family properties only. The basic consideration in investment type transactions will be in a determination of the adequacy of the income from the property to support the debt service and all operating expenses. A significant guide for making this determination will be the ratio of debt service to net income. The borrowers' reserves and occupational income are considered from the standpoint of their ability to support the mortgage for relatively short periods when property income is curtailed due to vacancy and/or collection losses beyond the allowances therefor.

DETERMINATION OF NUMERICAL RATINGS OF RISK

71959 When the X marks have been recorded for all of the features on the rating of mortgagor grid, the indicated weights are copied in the rating column at the right. The sum of the weights in the rating column is entered in the space at the lower right-hand corner of the grid and becomes the rating of mortgagor. If an X is marked in the reject column opposite any feature, the word "reject" is written in the rating column at the right. If any feature is ascribed a reject rating, or if the rating of mortgagor is less than 50, the word "reject" is written in the space at the lower right-hand corner as the rating of mortgagor. A reject rating necessitates a recommendation for rejection of the application for mortgage insurance.

JUDGMENT IN RATING

71960 When all entries in the rating of mortgagor grid have been completed, the mortgage credit examiner compares the calculated rating with his overall opinion of the mortgage credit risk, formulated during his analysis of the conditions affecting the features. If the rating is not in accord with that opinion, the grid rating as well as the overall opinion are subject to review, so that one or both may be modified to reflect the examiner's final judgment.

Mr. SPARKMAN. I think it is clearly in conformity with what is sought to be done in the conference report.

Mr. MONRONEY. This involves, fundamentally, a very limited accumulation of equity in a property which carries a very long-term mortgage commitment—40 years. I ask the Senator from Alabama if he knows of any securities of the U.S. Government, for which the full faith and credit of the Government is pledged, which have a term as long as 40 years.

Mr. SPARKMAN. No; I cannot say that I do.

Mr. MONRONEY. Does the Senator know of any debentures or types of bonds which are issued for development costs by such blue ribbon corporations as the American Telephone & Telegraph Co. or the electric utilities or other types of first-class business operations for a duration of as long as 40 years?

Mr. SPARKMAN. I do not consider myself qualified to answer the question. Offhand, I do not know of any.

Mr. MONRONEY. Neither do I, and I do not believe any other Member of the Senate does, unless it is the distinguished Senator from Connecticut [Mr. BUSH].

If 40-year financing would attract money; if financiers thought it was good to invest in 40-year term securities; if there was a potential market for 40-year money; then certainly the U.S. Government, the American Telephone & Telegraph Co., and the giant utilities companies, would avail themselves of such a market, because there are times in the economic cycle when mortgage rates or money rates are low, and business entities would like to take advantage of them.

In this instance it is proposed to provide a sort of hybrid mortgage which will have a term longer than any security I know of, or longer than any other type of financing. Behind it we are substituting a $13,500 house, for which a purchaser would find, according to a table which was printed in the RECORD the other day, he had only a $400 or $500 equity after the first 20 years. That is not enough to wallpaper the house or paint the outside of it.

Mr. SPARKMAN. The Senator from Oklahoma has contrasted or compared this proposal with securities of different kinds. I cannot answer as to that, but I know that Congress, including the Senate and including the distinguished Senator from Oklahoma, has passed other 40-year mortgage programs.

Mr. MONRONEY. For special purposes and in special instances.

Mr. SPARKMAN. Half a dozen of them are on the books.

Mr. MONRONEY. Yes; for special purposes and in special instances.

Mr. SPARKMAN. Section 207, which is the old standby FHA rental housing program, provides for 39 years and 33 days. I do not know why the odd number of days was provided, but that is the way it works out.

Mr. MONRONEY. But those programs are not generally for frame construction, individual standing houses. They are the more institutional type of apartment house construction.

Mr. SPARKMAN. They could be either.

Mr. MONRONEY. I doubt seriously if loans to construct frame houses under 35-year mortgages would be permitted under section 207.

The Senator from Alabama is asking us to begin a new process, which I think is a wild experiment. The Senator says there is no limit on this program; there is no definite number of houses to be authorized, other than under the general FHA authority. There is no provision which prescribes the quantity of no-downpayment, or almost no-downpayment, mortgages for 40 years.

I understand the distinguished Senator from Connecticut will move to recommit the conference report and will ask for a yea-and-nay vote on the motion to send the report back for further conference. If he makes that motion, I intend to vote to send the report back to conference on the basis that the conferees have brought back to us the worst in both bills instead of the best in both bills as they passed the Senate and the House. I intend to support the motion of the Senator from Connecticut to recommit the report for further conference.

Mr. HOLLAND. Mr. President, will the Senator from Alabama permit me to address a question to him? I have not been able to attend throughout the debate, and it is quite possible that this subject has been covered.

I have been concerned to hear that the conventional FHA mortgages have been upped from 30 years' duration to 35 years by the conference report. Am I correctly informed?

Mr. SPARKMAN. That is correct. The House raised the term to 40 years; the conference settled for 35 years.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. Is that a correct statement?

Mr. SPARKMAN. Not necessarily the conventional mortgages. It is the regular section 203 FHA insured mortgages.

Mr. HOLLAND. For the purpose of clarity in the RECORD, just what are section 203 mortgages?

Mr. SPARKMAN. Section 203 provides for sales housing under the FHA program. It is individual housing.

Mr. HOLLAND. Is not that conventional housing?

Mr. SPARKMAN. It is conventional housing, but there is another term—conventional mortgages. I believe the Senator from Connecticut understood the Senator from Florida to say "conventional mortgages."

Mr. HOLLAND. I speak of the FHA conventional program.

Mr. SPARKMAN. That is correct. What is called the FHA conventional program is section 203 housing. The House increased the term of mortgages for that type of housing to 40 years. As I have stated, there was not a word of opposition raised to that proposal in the House; but in conference we insisted that the two programs be the same. We managed to reduce the term of mortgages to 35 years.

Mr. HOLLAND. It seems to me that that means it is now proposed in the conference report to change drastically the FHA program which has proved, in the main, to be so helpful and sound throughout the years. Am I correct?

Mr. SPARKMAN. Yes, it has been helpful and sound; and I think this is sound.

Mr. HOLLAND. Does the Senator from Alabama think it is sound to change it to 35 years?

Mr. SPARKMAN. We did not change it here in the Senate. But I think housing has proved itself in this country, and I think home mortgages have proved themselves; I think they are about as good security as any we have.

Mr. HOLLAND. Does the Senator think there is any realistic reason supporting or justifying the change from 30 years to 35 years as to this conventional FHA program, other than the necessity of getting together with the other body in regard to such a program?

Mr. SPARKMAN. In the Senate we have never taken such action; we have held the term to 30 years.

Mr. HOLLAND. I cannot help but express the hope that this conference report will be returned to conference, and

that the conventional FHA program, under which millions of homes have been built and under which millions of people are now proceeding to pay for their homes, will be continued, because it has proven to be very helpful.

On the other hand, to go into this unsound financing plan—which is what I think it would be—would be most unwise, whereas the other program has proven itself through many years of operation.

Mr. SPARKMAN. Of course the Senator from Florida realizes that 35 years will be the maximum. The lender can make his loan on the terms he prefers. But the FHA will not have to insure the loan if it is made for more than 35 years.

Mr. HOLLAND. But mortgages were insured before under the 30-year maximum. On the other hand, under this conference report, it is proposed to increase the maximum to 35 years.

Mr. SPARKMAN. But if I wish to buy an FHA house, and if I go to my banker or my insurance company lender, he can say to me, "I will not make the loan for a period of 35 years; my maximum is 25 years." Under this program he will not have to change the maximum he prefers, and the FHA cannot change it.

Mr. HOLLAND. But I am not willing to leave to the bankers the decision as to whether to enforce the sound program for which our committee has stood, and which our committee had not dreamed of changing, until this conference report was prepared. I think the Senate has some responsibility for insisting upon soundness.

Mr. SPARKMAN. I think it is sound.

Mr. HOLLAND. I think the Senator from Alabama demonstrated his belief that the 30-year program was sound, or else he would not have reported the provisions for it year after year—including this year, in connection with the financing of the loans to which I have referred as the conventional FHA program.

Mr. SPARKMAN. Let me say that when the FHA was begun, its program was a 20-year program. A few years later it was changed to 25 years. I remember when, thereafter, it was changed from 25 years to 30 years. The same arguments were made against that change, then. But it did not prove to be as bad as was predicted. It has been a most successful program; and I believe that the quality of the housing we have today and the determination of families to purchase houses and to make homes of them will keep the program strong, and that the houses will be good security. In fact, I think they have been just about the best security there has been in this country.

Mr. HOLLAND. Mr. President, I appreciate the opinion of the Senator from Alabama, who certainly is well entitled to have, and is well entitled to express, an intelligent opinion in connection with this matter. But it seems to me that instead of having seen better houses constructed as we have gone along, we have seen a great many shoddier and cheaper houses constructed; and I do not believe they will hold up as well or will continue to supply good security as well as the houses which were built years ago.

In my opinion it is a tremendous departure now to change to a 35-year mortgage program from normal FHA financing; and I am certainly very sorry that such a program has been included in the conference report.

Mr. MONRONEY. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. The Senator from Florida now has the floor.

Mr. MONRONEY. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Florida yield to the Senator from Oklahoma?

Mr. HOLLAND. I am glad to yield.

Mr. MONRONEY. Is it not also a fact that if we are searching for ways and means to lower the cost of money and the rate of interest, we are now going in exactly the wrong direction—by weakening the security behind the loans? If the market is flooded with 35-year or 40-year mortgage loans, we shall never have the opportunity I had hoped we would have to make a vigorous effort to bring down the cost of mortgage money and the interest charge to the occupants of the mortgaged houses—as would occur if the loans were made for, let us say, 25 years.

But to proceed in the new direction now proposed would only accelerate the rise in the cost of mortgage money, because of the flooding of the market with these extraordinarily long-term, beyond-normal-length mortgages—far beyond the normal length of time for which the equity behind the mortgages is considered sound. Is not that true?

Mr. HOLLAND. I thoroughly approve the position of the Senator from Oklahoma, and I answer his question in the affirmative.

It seems to me self-evident that one who has a gilt-edged security will have a lower rate of interest; but if the security is not so safe, of course the interest rate will be higher. There simply cannot be any argument about that; and I thank the Senator from Oklahoma for bringing out that point.

Mr. MONRONEY. The Senator from Florida has well stated—and it has been true since the beginning of time—that the better the security, the lower the interest rate; the more speculative the loan, the higher the interest rate.

But now it is proposed that we embark on a program of having a speculative equity behind a 35- or a 40-year mortgage. In that event, what once was a practical, conservative, and profitable housing operation, which provided more than a million houses a year for the people of America, under the free enterprise system and under a self-sustaining, self-supporting industry, would be destroyed.

Mr. HOLLAND. I thank the Senator from Oklahoma. I cannot speak about what has happened "since the beginning of time"; but during my lifespan I have seen that principle in operation, and I think it has always been the rule—namely, that the sounder the security, the cheaper the money which will be loaned against the security; and the weaker the security, the higher the interest rates are certain to be.

The Senator from Oklahoma has stated so well his point that all Senators, on both sides of the aisle, have been striving for some years to bring about conditions which will result in a lower interest rate. We know we cannot legislate a lower interest rate; but we can, by means of the conditions we provide by means of law, I believe, have a decided effect on the interest rates. And one of those conditions is the type of security, under the legislation we pass, which will be offered to those who have money to lend. The stronger the security and the sounder the security, the lower the interest rates will be.

But now it is proposed that small houses, costing less than $15,000 a year, can be built under this program with 35-year mortgages—although with full knowledge of the fact that most of the lumber available today is inferior. For instance, in my part of the country we no longer get any sound, longleaf pine heart lumber. The lumber now available is mostly sappy; and, in some measure, the same situation exists everywhere else in the country, both as to the quality of the lumber and the quality of the work done on the houses and the quality of the construction. Everyone knows that today the quality of the materials and the quality of the work and the construction is not nearly as high as it used to be, and the houses will not last as long.

Furthermore, under the provision now proposed—namely, that for 35-year mortgages—the home borrowers would have to pay higher interest rates.

Mr. MONRONEY. The Senator from Florida is speaking, of course, about conventional FHA loans. But earlier in the debate it was brought out that under the title I program there could be a 3-percent downpayment—which would not give a higher equity, for when the 3 percent includes the closing costs, that means that the purchaser will have an equity of less than $150 in the new house; and if it were found by the Housing Commissioner that the purchaser could not meet the payments required by a 35-year mortgage on a house of that type, he could have a 40-year mortgage.

So under this new section there could be almost no downpayment on a $35,000 house, and the purchaser could have 40 years in which to pay for it. This is another reason why I believe the conference report should be returned to conference, as will be proposed by the distinguished Senator at the conclusion of the debate—in order to make it possible for the conference committee thereafter to bring us a sounder and stronger measure than the one we now have before us.

Mr. HOLLAND. I thank the Senator for that contribution.

I remember clearly the amendment offered by the Senator from Tennessee, which was so strongly supported, and I believe the Senator from Tennessee had as his associate the Senator from Oklahoma. Under that amendment it was

insistently required that a substantial downpayment be made. The same comments which we made about long terms bringing higher interest rates apply to a small equity. The smaller the equity and the longer the term, the higher the interest rates and, in my opinion, the shoddier the workmanship which we will get.

Mr. MILLER. Mr. President, will the Senator yield for a question?

Mr. MONRONEY. I am happy to yield.

Mr. MILLER. In the debate on the bill during the first go-round, quite a point was made of the fact that, under the 40-year mortgage provision, there would be a very small equity at the end of 20 years. I do not recall the figure, but I believe it was $300.

Mr. MONRONEY. Between $300 and $500, as I recall.

Mr. MILLER. Would that include the downpayment?

Mr. MONRONEY. The figure was arrived at on the basis of the depreciated value. There was a table put in the RECORD by the committee itself, calculated by the Housing Commissioner, which showed, on the basis of normal depreciation, what the equity in the house would be. As I recall, it was under $500 at the end of 30 years, if my memory serves me correctly. It was very discouraging to realize that there would be so little incentive for the owner to keep the house. His appliances would all be in the house, including the refrigerator, the electric stove, the linoleum on the floor, perhaps carpeting and other installations. They would all be worn out at the end of 20 years. He would be better off to call the Commissioner and say, "Come get your house. I will get a new one. I have to have only about $150 of downpayment for the new house."

Mr. MILLER. If he did that, who would pay for the difference?

Mr. MONRONEY. Uncle Sam would pay for the difference, because all these mortgages are insured by the Federal Government.

Mr. MILLER. Has the Senator from Oklahoma had the opportunity to recast his figures with respect to a 35-year mortgage, rather than a 40-year mortgage?

Mr. MONRONEY. No, I have not, because under the terms of the conference report, if the buyer cannot meet the payments in 35 years, he can have a 40-year mortgage. So insofar as we are concerned, we are extending the mortgage period to 40 years for middle-income families. This is not a measure to help the indigent or the helpless; it is for the great mass of the American people.

Mr. MILLER. Would the Senator say, for all practical purposes, that the conference committee's revision of the mortgage period from 40 to 35 years, with the possibility of extending the period to 40 years, is not going to make much difference so far as the equity is concerned and so far as the persuasion for the owner to stay in the house is concerned, instead of turning it over to Uncle Sam to pay for the difference on a resale?

Mr. MONRONEY. The change of the mortgage period from 40 to 35 years would make hardly any difference in the equity. The best the Government hopes for now on 50 percent of them is 30 years, and the rest 35 years. We have negated the strength of the mortgage when we raise the period another 5 years. Under the normal FHA mortgage period, it was 30 years, and now, by action of the conference, the mortgage period becomes 35 years.

Mr. MILLER. Mr. President, I would like to ask the Senator from Alabama a question, if I may have his attention.

Mr. SPARKMAN. The Senator may proceed.

Mr. MILLER. Shortly, we are going to be asked to raise the debt ceiling from $293 to $298 billion, or a difference of $5 billion.

Looking at the table which the Senator from Connecticut has prepared, of which I know the Senator from Alabama has a copy, I note that the difference between the amounts asked for by the President and the amounts determined by the conference committee has resulted in the conference committee coming up with an amount of $1.6 billion of additional spending under the proposed legislation.

My question is, How much of the $5 billion increase in the debt ceiling limit is attributable to the action of the conference committee in increasing the expenditures over the administration's request by $1.6 billion? Is there a direct relationship?

Mr. SPARKMAN. A little earlier the Senator from Connecticut and I engaged in a colloquy, and we decided that our figures, when they are fully considered, are very close together. The administration proposal, according to the figures I have, was $4,890 million. The new authorizations as carried in the conference report are $4,886 million, which amount is actually $4 million below what the administration asked for. The impact on the 1962 budget, as I understand, is $248 million.

Mr. MILLER. As I understand, there is an impact on the budget of $240-odd million, but it does not meet the problem regarding the impact on the debt ceiling, because there is so-called back-door financing involved in the legislation—which prompts correspondence to come into my office from the people of my State which says, in effect, that if the conference report was defeated and if the Senate and the House took action in line with the administration's own request, it would not be necessary to raise the debt limit to $298 billion.

I do not know, but I can see a considerable relationship. I am asking the Senator from Alabama whether or not the correspondence is correct in the statement that, if we were to revert to the administration's own requests, rather than persist in the conference committee's report, it would not be necessary for us here, in the next hour or two, to increase the debt ceiling limit to $298 billion.

Mr. SPARKMAN. That could not possibly be correct. It must be remembered that some of the $5 billion, in round numbers, which has been referred to, will not be spent for 40 years.

I will take that statement back. The public housing program is not included in that figure. Some of the money will not be spent for 10, 12, or perhaps 15 years—urban renewal, for example. The money for other programs will not be spent for 4 or 5 years from now.

It is difficult to get a calculation, because there is a mixture of programs, some for 1 year, some for 2 years, some for 3 years, some for 4 years, some for 5 years, and longer. But the total, over the whole expanse of time, is, roughly, according to my figures, $4,886 million, That does not include public housing, which runs over a period of 40 years.

The only way I know to measure the impact on the national debt is to judge the impact on the budget. The impact on the 1962 budget is $248,200,000. That is the only thing by which we can measure the impact on the national debt.

While I do not have the administration figure for the impact on the national debt, our new authorizations are less than the amount requested by the administration. I simply do not see how anybody can get anything out of this to fit the statement the Senator cited a minute ago.

Mr. MILLER. I should like to ask the Senator if it is not true that, in addition to the budget impact of $248 million, we must take into consideration the borrowing authorizations which are provided in determining the impact on the national debt and, in turn, the impact on the national debt ceiling?

Mr. SPARKMAN. The public borrowings are carried in the figure which I gave. It is all in that figure. The college housing program, for instance, is financed by Treasury borrowing. That is carried in the $1,200 million.

Mr. MILLER. I realize that it is carried in the figure, but it is not carried so far as the budget is concerned.

Mr. SPARKMAN. It is carried in the figure I gave.

Mr. MILLER. That is correct, so far as the $248 million is concerned.

Mr. SPARKMAN. Yes.

Mr. MILLER. What I am asking the Senator to do is to carry it as far as its impact on the national debt.

Mr. SPARKMAN. The Treasury borrowings do not have an impact on the national debt. This is what is called the back-door financing, for the borrowings from the Treasury.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CLARK. The Senator from Alabama has been working with the program for many more years than I, but I have been working with it for 5 years. I ask the Senator from Iowa to listen. Is it not a fair generalization that the impact of this housing bill on the national debt will be somewhere between the minimal and the nonexistent?

Mr. SPARKMAN. As I said a few minutes ago, the impact on the budget for 1962 is $248 million. That has an impact of the national debt.

Mr. CLARK. The only way the bill could have any impact on the national

debt would be if revenues were not raised all across the board for all the governmental programs if revenues were exceeded by expenditures which we make in any one year.

Mr. SPARKMAN. That is pretty involved. I assume the Senator is correct. I am not certain I fully understand exactly what would be done.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MILLER. I am happy to yield.

Mr. CURTIS. I should like to ask the Senator from Alabama if it is not true that when money flows out of the Treasury under back-door financing, so far as surpluses and deficits and debts are concerned it is exactly in the same category as appropriated money?

Mr SPARKMAN. The Senator from Nebraska served on the Ways and Means Committee of the House and serves on the Finance Committee of the Senate. If the Senator says it does, I certainly accept his statement, because he ought to know.

Mr. CURTIS. It is my contention it does.

Mr. SPARKMAN. If the Senator says it does, I am willing to accept his statement.

Mr. CURTIS. All right.

Mr. SPARKMAN. With reference to the so-called back-door financing, I think that is a rather unfortunate appellation. This financing has been going on ever since the days of President Hoover. It was started I believe in 1930, or perhaps at the time of the establishment of the RFC. It has been used through the years since that time, primarily for programs which involve investment, by nature, over a long period of time. It is necessary for some programs to have a drawing account, one might say, rather than an outright blocked-off appropriation, as other programs have carried.

As I recall now, the only new financing of that type carried in the bill before the Senate is the $50 million for the open space program, which the Senator from Connecticut [Mr. BUSH] supported. We all supported it. We accepted that program after some discussion and after cutting the fund. That is the only new program of that type. It is contract authorization. Of course, it enables the administrators to make the contracts, and later on the money will have to be appropriated.

Mr. MILLER. Mr. President, I thank the Senator from Nebraska for his comment.

I should like to finally come to a conclusion on this matter with the Senator from Alabama.

Do I correctly understand the point the Senator made is that, taking the $50 million of new authorization plus the $248 million, I believe he said, over and above the President's request——

Mr. SPARKMAN. No. It is below the President's request.

Mr. MILLER. The impact on the budget is $248 million?

Mr. SPARKMAN. $248 million. I said I did not have comparable administration figures. I do not know whether the figure is more or less.

Mr. MILLER. Considering the $248 million plus the $50 million of new authorization, which comes pretty close to $300 million, can we conclude that the impact on the debt ceiling, at least for the year 1962, will be approximately $300 million?

Mr. SPARKMAN. No. This is a rather strange thing, but even the $50 million authorized for the open space program will not have much impact on the 1962 budget, for the impact will be only $2 million. These are programs which will require a long period of time. The administration suggestion is that the amount which will be used in the 1962 budget will be $2 million. That is a part of the $248 million.

Mr. MILLER. I thank the Senator from Alabama.

Mr. BUSH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUSH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUSH. Mr. President, yesterday evening I made some remarks about the conference report. I call attention to the fact that there are desirable programs in the conference report, programs which I have firmly supported in the past and still support enthusiastically. Among those programs are urban renewal, college housing, housing for the elderly, the newly added mass transportation provision, taken from a bill of which I was a sponsor, the provision for Federal assistance to communities in acquiring open spaces within communities, the extension of the FHA insurance program, and some others.

However, the situation has gotten out of hand, in my judgment, and we are faced with a conference report that very greatly exceeds what the administration itself asked for authorizations under the proposed Housing Act of 1961.

I particularly wish to call to the attention of the Senate once more what President Kennedy said on May 25, when he made a most unusual personal appearance before a joint session of the Senate and the House of Representatives to deliver a message on the question of urgent national needs, the subject of heightened world tensions, and the increased competition we face from international communism. At that time he called for new and larger expenditures for defense and for space exploration in connection with national security. At the same time he cautioned Congress in the following language:

> If the budget deficit now increased by the needs of our security is to be held within manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget * * *.
>
> Our security and progress cannot be cheaply purchased; and their price must be found in what we all forgo as well as what we all must pay.

As I said yesterday, I credit the President with sincerity in making his appeal to the people and to the Congress, but since that time I have not found sufficient action to support his words. Certainly they appear to have fallen upon the deaf ears of Congress, if we are to judge by the conference report, upon which the Senate must now act.

I wish to cite some of the differences between what the President requested and what we find in the conference report. The total administration requests involved in the items total $4,247 million, whereas the conference report calls for $5,853 million.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. HOLLAND. Do both the figures quoted by the Senator from Connecticut omit the cost of public housing?

Mr. BUSH. Yes. I will come to that subject in a moment. That provision was not in the conference report, but is an additional figure which I may as well discuss now, since the Senator from Florida has mentioned it. I point out that the totals in my tabulation exclude $1,200 million for VA direct housing loans, passed as a separate bill by the Senate on June 26, 1961.

Mr. LAUSCHE. Mr. President, will the Senator repeat his statement?

Mr. BUSH. The figures I am giving exclude $1,200 million for VA direct housing loans, which was passed as a separate bill by the Senate on June 26, 1961, and exclude annual contribution grants for the 100,000 units of public housing reactivated in the bill.

If these contributions were fully utilized over the 40-year period, the amount involved is estimated to be $3,146 million additional. This is not included in the report. Does that answer the Senator's question?

Mr. HOLLAND. Mr. President, will the Senator yield? I want to be sure that I understand the situation.

Mr. BUSH. I yield.

Mr. HOLLAND. As I understand the figures which the Senator has cited heretofore, showing a total of $5,800 million in the conference report, that total excludes the items that were not in conference. Is that correct?

Mr. BUSH. That is correct.

Mr. HOLLAND. The items not in conference include the 100,000 units of public housing.

Mr. BUSH. That is correct.

Mr. HOLLAND. And their total cost, whatever it may be, is estimated to be over $3 billion.

Mr. BUSH. Yes; over a 40-year period.

Mr. HOLLAND. It excludes the GI direct loan housing, covered since we passed the other bill, or a total of $1,200 million.

Mr. BUSH. The Senator is correct. The administration requested $4,247 million for the items covered in the conference report, but the conference report increases them to the figure of $5,853 million, or an increase of approximately $1,600 million. So what we are

asking the conference to do, if the bill is recommitted to the conference, is to cut the conference report figures back to the figures the administration requested, which I filed with my motion, which lies at the desk; to cut it back to $4,247 million, or to reduce it by approximately $1,600 million.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. LAUSCHE. I understand that the Senator from Connecticut takes the position that what has been done is in direct contradiction to the advice given to us by the President of the United States at the joint session of Congress on May 25. In that advice he urged that Congress refrain from adding funds and programs, desirable as they may be, to the budget, so as to avoid deficits and other fiscal troubles.

Mr. BUSH. Yes. I quoted what the President said. I believe that what we are about to do—if we agree to the conference report—will be in violation of what the President said at the joint session. Does not the Senator from Ohio agree?

Mr. LAUSCHE. I agree fully. I think the time has come when we ought to check to see how completely we are complying with the recommendations or not complying with them. I spoke on the subject earlier today, when I pointed out another aspect of the advice, in which the President suggested that in order to keep ourselves in a competitive position and to keep our monetary reserves strong, employers and employees should not indulge in practices which will further devaluate the dollar, and that self-restraint must be imposed upon management and labor leaders. It would be well for Members of the Senate to look at the President's message of May 25 when we deal with these subjects, to see whether we are or are not complying with the President's recommendations.

Mr. BUSH. I thank the Senator. The contribution he has made is very appropriate. In that connection, we are faced with a crisis in this country in relation to Berlin. How much this is going to cost, no one knows. The chances are that if we stand firm, as is the intention, I believe, of the administration—and I believe it would be supported by the Senate and by the House—we will embark on further expenditures for security, not only for ourselves, but also for the whole Western World. This is not a time to be incautious about public funds, but, on the contrary, to heed what was said by the President of the United States at the joint session, when he said that in view of the critical days in which we live we must refrain from adding funds or programs to the budget.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. LAUSCHE. I listened attentively to the statement of the President on May 25 at the joint session. I vigorously applauded his recommendations. I resolved then to place in the drawer of my desk, on the Senate floor, a copy of that speech. I contemplate taking it out and using as a Bible, to point it out to the Senate if and when we depart from his recommendations. We have departed from it more often than we have adhered to it since the recommendations were made.

Mr. BUSH. I thank the Senator from Ohio. I will discuss briefly a few of the items to show the difference between what the administration requested and what the conference report recommends. Perhaps the most significant item is in connection with the so-called FNMA or Federal National Mortgage Association investment in mortgages and improvement loans. The administration requested $750 million. The original bill introduced by my good and able friend from Alabama called for $500 million. The administration later increased it to $750 million in its request. The effect of the conference report is to double the figure and provide $1,510 million; $760 million is added.

In connection with the college housing program, if we reduce it to a comparable number of years, the conference report adds about $200 million. For farm housing loans, about $200 million is added.

All the loan programs together increase the figure from $1,357,000 to $2,217,000; the grant programs are about the same. The total difference is $4,247 million, as asked for by the administration, and $5,853 million, as provided by the conference report.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. SPARKMAN. Of course, as the Senator knows, I do not agree with the correctness of those figures. I admit that there is room for argument. However, taking the item of FNMA for additional allowances, that consisted of two items. The first was to take $200 million out of a billion dollars authorized for FNMA back in 1958. We simply transferred it from one part to another. That is not a new authorization. The money is there. It is authorized already. Then there is the $140 million a year. FNMA has been disposing of mortgages. These are mortgages acquired before 1954, when we changed the FNMA law. The fund has a mortgage portfolio of mortgages, I am told by our staff director, amounting to something over $1.6 billion. What we have done is to provide the repayments made to FNMA on these mortgages, amounting to $140 million a year for 4 years, as I recall, be transferred out of that fund. That is $560 million.

Mr. BUSH. I ask the Senator to yield to me to ask him what would have happened to that money if we had not done so?

Mr. SPARKMAN. Eventually it would have gone back to the Treasury.

Mr. BUSH. It would have gone into mortgages first.

Mr. SPARKMAN. Eventually it would go back to the Treasury.

One further point. The Senator referred to farm housing, showing an increase of $200 million.

Mr. BUSH. From $207 million to $407 million.

Mr. SPARKMAN. The Senator is correct. There is a $200-million increase in that item.

Mr. BUSH. I submit I am correct on all points, because the Senator must agree that if we did not do what we did, the $140 million, times 4, would go back into the Treasury forthwith. We have said that we will not let it go back but will put it into FNMA for a special assistance fund. If that will not create new money for expenditure for mortgages, I do not know what will.

Furthermore, the administration did not ask for this amount; the administration asked for $750 million. We are providing $1.5 billion.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. LAUSCHE. The staff official says there is $1.6 billion in the fund that FNMA made available to be paid into the Treasury. The Treasury could then use it, if it so desired, to pay off the debt.

Mr. SPARKMAN. I may have stated that incorrectly. I refer to the mortgages that FNMA acquired prior to 1954. At that time it had $2½ billion worth of such mortgages. FNMA receives money from the sale of mortgages and repayments on these mortgages. It is estimated that there will be $140 million a year for the next 4 years from this source which we propose to transfer.

Mr. LAUSCHE. Then the fact is that $140 million a year would be transferable to the Treasury, to be used by the Treasury in paying off the debt.

Mr. BUSH. That is correct.

Mr. LAUSCHE. But the conference committee, contrary to the advice of the President proposes to make that money available for additional housing?

Mr. BUSH. In a special assistance fund.

Mr. SPARKMAN. It is in housing now, and has been.

Mr. LAUSCHE. Yes, it has been, but it will now be available to pay off the debt.

Mr. SPARKMAN. Instead of returning it to the Treasury, we propose to transfer it and provide that it be used further in connection with housing.

Mr. BUSH. Mr. President, so long as we are discussing the subject of mortgages, I should like to refer to a point I made before, namely, the mounting accumulation of mortgages. We find the FNMA in a race with the Commodity Credit Corporation, to see which one can pile up the biggest surpluses, whether it be in mortgages or in agricultural products.

FNMA has made a good gain recently. Its surpluses have risen to $7 billion; at least, that was the figure the last time I checked on the total holdings of mortgages by FNMA. I do not know whether the Commodity Credit Corporation has yet reached $10 billion worth of surplus farm products in storage, but the last I heard was that the amount was in excess of $9 billion. It is a very interesting race. I am in favor of slowing both of them down; in fact, I would be glad to check them and begin to reduce the amounts held by both organizations. I think that is one of the duties Congress should undertake immediately.

However, I do not like to see Congress proceed now to authorize an additional $1,500 million for a special assistance

fund, because I feel certain that the type of mortgages which will be brought under this program will remain in force until maturity.

There are some other bad features about the bill. I do not know whether they can be corrected if the bill goes back to conference. One of them is a provision in the bill under which the lender on mortgages would have a choice of repayment in either cash or debentures, in case of default, under either of the two new FHA low-cost housing insurance programs. All other FHA default payments are made in debentures. This change is intended to make the new programs more attractive to private lenders. Nevertheless, it is expected that artificially low interest rates will make the low-cost rental housing loans unattractive for the lender to hold, and the Federal National Mortgage Association will be forced to step in and purchase them under its special assistance program.

The President also will have discretion to order FNMA purchases of low-cost sales housing mortgages, if necessary.

The trouble with cash payment proposal is that it is simply a foot-in-the-door operation. The bankers and other lenders have had some responsibility in the past in connection with FHA loans. They have been responsible for policing the loans. They have been responsible for exercising the discipline that goes with collecting loans and keeping payments up to date. If the mortgage went into default, they had to turn it over to FNMA and accept a debenture, which might or might not be worth par, and which might sell at a discount. But there was some slight risk, and that is all the risk the lenders have in connection with FHA mortgages.

What is proposed to be done in this part of the bill is to cut the legs out from under the program and take away the last vestige of responsibility the lender has in connection with an FHA loan.

As surely as we are standing here, if this provision becomes effective in connection with this section of the bill, we shall find it coming up next year or the year after in connection with other sections of the bill.

The responsibility for the collection of these mortgages will be taken away from the bankers, the savings and loan associations, and other lenders. I say it is a bad idea. The lenders should have some stake in this program, but the purpose of this section of the bill is to relieve them of their responsibility. I think it is a very dangerous section of the bill.

Mr. LAUSCHE. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield.

Mr. LAUSCHE. Will the Senator reexplain how the responsibility, which would normally induce a lender to watch his loan with prudence, is taken away?

Mr. BUSH. Suppose the Senator from Ohio were a lender and lent money on a mortgage insured by the FHA. He would be responsible for policing the loan, collecting the downpayment and the interest, and so forth. But suppose the mortgage went into default. Under existing law, after a period of time—I have forgotten whether it is 60 days or some other period—he may turn the mortgage over to the FNMA. But he will not get cash for it; he will get a debenture, which may sell at a discount. I am not certain how large the discount would be for selling it. It would depend, I suppose, on the money market and other factors. He would not get cash; he would get a debenture for it. If he sold it, he would have to find a market. It may be that he would lose four or five points in order to liquidate and sell out the mortgage which he turned in to FNMA.

What is proposed to be done now is to eliminate that feature, so that the lender would not turn in the mortgage and get a debenture under this section of the bill. He would turn it in and get cash. So when he makes the loan, he is not taking any risk at all; the Government is completely protecting him. Heretofore, and in other sections of the bill still, the lender is a partner with the Government. He is the Government's agent, and he has a responsibility. If he does not live up to it, he will lose his money.

Have I made myself clear?

Mr. LAUSCHE. Yes. Now the Government will be the absolute surety, obligated to pay in cash a delinquent loan; whereas formerly the Government was in the nature of a guarantor, obligated to give a debenture to the lender in the event a loan became delinquent.

Mr. BUSH. Yes; and because the debenture might have been of varying value, and might even have been worth a discount rather than a premium, the lender will not have the same risk.

Mr. LAUSCHE. What reason was given for changing the secondary liability to a primary one?

Mr. BUSH. Just what the Senator would suppose—to take the risk away from the lender, so that the lender would be pushing the money out under the Government's guarantee of cash.

Mr. SPARKMAN. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield.

Mr. SPARKMAN. I hope the Senator from Ohio will listen to my statement. First, this proposal is discretionary with the Commissioner of the FHA.

Second, if such an agreement is entered into, it must be done at the time the mortgage is entered into, which is not the case at the present time. Let us keep those facts in mind.

Furthermore, we talk about the Government guaranteeing. The Government actually uses the insurance fund, to pay any claims, which the borrowers themselves have paid into. Remember, a half percent per year is paid on every loan. The amount of FHA insurance reserves today is nearly $1 billion.

Furthermore, since 1944, when the so-called GI bill of rights was enacted into law, we have had a program of making GI guaranteed loans. Approximately 6½ million of those loans have been made. No insurance on them has ever been paid; the program is not an insured program. It is a guaranty program; and from the beginning the Government has paid off 100 percent in cash, and there have not been the disasters which some predicted.

As a matter of fact, I recall that, even as of today, the default rate is only 1.2 percent and the dollar losses less than 0.085 percent, for the guaranty program. It seems to me these facts should allay the fears some Senators have—such as those which have been advanced by my good friend, the Senator from Connecticut, who is a very fine worker in connection with the housing program.

Mr. LAUSCHE. That would mean the application of the same principle which was applicable to the veterans.

Mr. SPARKMAN. With the very material exception that payments to the veterans come from the Treasury of the United States, or, rather, are made by the Administrator, and are part of the pool which has been developed from the veterans' loans. As a matter of fact, a profit has been made, because of the interest paid. But under the FHA, it would be paid out of the insurance pool which has been built up by the interest payments on mortgages.

Mr. BUSH. Mr. President, we are now talking about the veterans program, which—as all of us know—has very special concessions for the veterans. That program is not at all comparable to the FHA program. The veterans program must be considered as a separate matter, just as we considered the VA program as a separate one, only a few days ago.

So, Mr. President, with all due respect to my highly respected friend, the Senator from Alabama, I cannot agree that anything he has said in regard to the veterans program affects anything I have said here in reply to the Senator from Ohio.

Mr. MAGNUSON. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield.

Mr. MAGNUSON. The Senator from Colorado [Mr. ALLOTT] and I have just finished holding hearings on the Veterans' Administration, and at the hearings this item was taken up. I think the RECORD should show that they anticipate more foreclosures—in fact, a 20-percent increase during the coming year, as compared to the previous year. But they also testified that the loss will be only three-tenths of 1 percent, although the foreclosures and the retaking of the property are expected to be 20 percent more than last year.

Mr. ALLOTT. I believe we should make clear that the testimony applied strictly to the direct veterans' loans.

Mr. MAGNUSON. Yes. And the money comes out of the Treasury; it is a direct appropriation.

Mr. BUSH. Yes.

Mr. President, I think there is no question that these loans have had a very good record.

The Senator said the insurance program has built up a reserve of nearly $1 billion, and I suppose that almost $40 billion of them have been insured under the FHA program. Of course, in view of the continued prosperity of the country since World War II, during the period in which this program has been very heavily made use of, and in view of the

expansion of the national income, earnings, and all the rest, we should have had a fairly good record. What worries me is what will happen if the situation is not so favorable for a time. We really have not had a situation in which this program has been tested.

So certainly I agree with what the able Senator from Oklahoma [Mr. MONRONEY] has said today, because it has a very important bearing on this subject.

Mr. SPARKMAN. Mr. President, let me suggest that through 1960, beginning with the commencement of the program in 1934, the total amount of loans has been $67,389,237,000. I do not have the figure in regard to how much has been paid off. But it seems to me that that figure of more than $67 billion is a very imposing one.

Mr. BUSH. Yes, it is. I am surprised that the surplus is not a little larger than it is, in view of that large amount.

At any rate, we agree in a general way that the Government has not been hurt too much by losses.

Mr. SPARKMAN. Let us also remember that the premiums which have been paid also have paid the administration costs.

Mr. BUSH. I understand.

But I think the figure I mentioned—as to the large accumulation of mortgages—also has a bearing on this matter; I refer to the fact that the Government has been obliged to absorb and absorb, so that today the administration has $7 billion of FNMA mortgages—or an increase of approximately 8 percent in a few years of operation under this program.

Now I wish to move to another point. I think now of the change proposed by the conference report as regards the smaller communities in the urban renewal program. Not only did a majority of the conferees disregard President Kennedy's appeal for "fiscal responsibility"—those were his words—with respect to the authorizations provisions of the bill, but they also ignored it with respect to the other provisions of the measure; and a most glaring example is the provision of the House version for Federal urban renewal grants of three-quarters, rather than two-thirds, of the cost of such projects in the smaller communities.

I ask Senators to listen to what the Kennedy administration said about that. The Kennedy administration objected strenuously; here is what the Kennedy administration said in a message, sent to our committee, with respect to the proposal to increase the proportion to three-fourths:

> There is no real evidence that urban renewal activities are relatively more costly for smaller communities or that the local share or project costs is harder to raise in such communities. Program statistics show that cities under 50,000 population contribute about the same proportion of cash to the local cost share as larger cities do. Actually considering higher land costs, absence of open land, and disproportionately multiplied expenses of government, larger cities may well have a tougher problem in financing urban renewal.
>
> Any such increase for smaller communities would quickly be sought for all.

I have heard the Senator from Ohio make that statement many times; namely, that if we give an inch, before long we shall have to give a mile.

The Kennedy administration also said:

> Yet the two-thirds/one-third sharing formula of existing law is an equitable and widely accepted division of costs between Federal and local government. It should not be abandoned.

Of course I was very glad to hear that from the Kennedy administration.

Then they said:

> In summary, there is no sound reason to favor smaller communities and thereby discriminate against the larger cities which so desperately need urban renewal assistance. There is no justification for further increasing Federal grants and reducing local participation, whether for some communities or, as would surely follow, for all.

But what did the conference committee do, in the face of that admonition? The conference committee paid no attention at all to it, but proceeded to make this special provision for a three-fourths contribution by the Federal Government to the cost of such projects for communities of 50,000 population or less. That puts a foot in the door; and if this provision is now enacted into law, I expect that before many more years the participation by the Federal Government will be increased to 70 percent. If I am not here at that time, I hope someone else will then point out that the Kennedy administration said, this very spring, that the two-thirds to one-third arrangement is fair, and should not be changed—not even for the smaller communities, which, in the opinion of the Kennedy administration, often are better able to carry their fair share than are the larger cities.

Mr. LAUSCHE. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield.

Mr. LAUSCHE. I do not recall the vote on that matter, here in the Senate a few weeks ago. I am told that it was voted down by approximately four votes.

Mr. BUSH. The vote was a very close one.

Mr. LAUSCHE. We voted that down, and the House said what?

Mr. BUSH. We had to have it.

Mr. LAUSCHE. We had to have it.

Mr. BUSH. And that is where we yielded to the House.

Mr. LAUSCHE. Will the Senator yield further?

Mr. BUSH. Yes.

Mr. LAUSCHE. I merely want to repeat that if we approve this measure, it will be the forerunner of an effort, either next year or the following year, to have the Federal Government assume 75 percent of the burden of large and small communities.

Mr. BUSH. That is what the Kennedy administration predicts.

Mr. LAUSCHE. Will the Senator yield so that I may make a comment on that?

Mr. BUSH. Yes.

Mr. LAUSCHE. My belief is that to the extent that the President recommends thrift and frugality, we will reject him and we will substitute the course of the past, which will lead to deficit operation, further cheapening of the dollar, increase of the national debt, and influence upon the withdrawal of gold reserves. Although the latter are rather sounder right now, we cannot go on with this program without accentuating the very weaknesses about which the President has been so apprehensive, and which weaknesses induced him to beg us not to increase the budget, regardless of how essential we may deem certain measures to be.

Mr. BUSH. I thank the Senator from Ohio. I simply should like to say, in conclusion, that we are faced with a critical situation in our national life today. President Kennedy told us that in the joint session of Congress. He talked about the perils of the days in which we live, and about the somber situation as a result of his talks with Mr. Khrushchev. We know we shall be faced with a critical situation, within 6 months, in reference to Berlin, to mention just one. It seems to me the least we can do is support the President of the United States when he says, "Do not give us a lot of added programs, and do not add a lot to those programs which are necessary."

I have been sitting on this committee for 8 years now, and I say to the Senate that the President's requests are perfectly adequate to go ahead with his program, and that the additional items which boost the administration's request by $1.6 billion are not necessary, are not advisable, and, indeed, may turn out to be harmful and embarrassing.

What we do here is being watched all over the world. We are giving advice to governments everywhere as to how to conduct themselves. We are saying, "You must have fiscal responsibility. You must balance your budgets. You must not waste the people's money." What do we do? We come here and take this kind of action. When we have big bills like this, the chancellories of Europe and the central banks of the free world are watching the United States to see what we do with these big financial proposals.

Why are they watching? Because we have had in the past few years trouble with our balance of payments, and with inflation for many years. They have seen the value of the dollar go down and be cut in half in the last 20 years. So they are watching us.

I say to the Senate that we should support President Kennedy in his plea for fiscal responsibility, and not reach out and enact a lot of programs, and add to programs, against the wishes and the recommendations of the administration, and in a way that is quite incautious and unnecessary so far as the public need is concerned.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. ALLOTT. I could not let this particular moment pass without expressing my thanks to the Senator from Connecticut for the presentation he has made on this matter, not only this afternoon but last night. I took the position, when the bill was before the Senate, before it finally passed, that it represented a departure far beyond what

I considered to be the needs of the country, a departure that went so far that I considered it to be reckless economic policy.

The Senator from Connecticut has very adequately pointed out the several areas in which we have not only gone beyond what we did before, but have envisioned new things and have embraced, as the Senator said last night in his remarks, the worst parts of both measures. With this statement I wholeheartedly concur.

Of course, having voted against the bill when it was before the Senate, I will have to vote, and will vote, even more wholeheartedly against this bill.

The matter raises a question with all of us. There are parts of this bill which I have supported in the past, and which I support now. I would do anything if we could backtrack the Senate 2 or 3 weeks to a consideration of this bill and get what I think is a logical consideration of the needs of this country.

Mr. BUSH. Mr. President, will the Senator permit me to say it is perfectly possible for us to do so? That is exactly what we should do.

Mr. ALLOTT. I agree with that statement. In the area of college housing loans, for instance, that is a measure which I have supported repeatedly. No matter in what form the vote may come before the Senate—it may be on a motion on which I shall vote, but no matter how I cast my vote—my vote will be against the adoption of the conference report. I do not believe that by such action I shall in any way be reversing my stand and support for those elements of the bill that I have traditionally supported. As the Senator from Connecticut has so well expressed, in this day and age, when we shall be asked, today or tomorrow, to raise the public debt limit by $13 billion—and I think we may be asked to do it by a greater figure before the year is over—and when the President himself has come before a joint session of Congress and asked Congress not to increase the budget amount, and when the bill increases the budget amount over and over, I certainly cannot support the conference report.

I cannot possibly support the bill. I think the Senator from Connecticut has made one of the clearest and most appealing and most logical arguments for financial responsibility in the Government, even within the context of the requests of the President of the United States, that I have ever heard.

For those reasons, I shall be forced to cast whatever vote it is within my power to cast against the adoption of the conference report.

Mr. BUSH. I thank the Senator for that observation. I should like to say that, like the Senator from Colorado, I have stated repeatedly there is a great deal in this bill which I favor. Most of the programs embraced in it are programs which I have supported from their inception, and I intend to continue to support them. What I am asking for is simply a degree of moderation and compliance with what the President himself has asked for in connection with this whole matter.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Oklahoma, who, I may say, made an eloquent and unanswerable argument this morning. I agree with everything he said about the 40-year, no-downpayment provision, on which proposition we lost.

Mr. MONRONEY. As I understand, the distinguished Senator would recommit the Senate bill to conference again, in order to enable us to see what kind of an adjustment can be made within the framework of the bills of the two Houses.

Mr. BUSH. Mr. President, I do not think the motion is quite as broad as that. I should be glad to modify it, if the Senator will suggest the language.

Mr. MONRONEY. The motion would recommit the bill to conference?

Mr. BUSH. It would recommit the bill.

Mr. MONRONEY. It would include consideration of the 40-year, almost-no-downpayment provision?

Mr. BUSH. That is not specifically mentioned in the instructions, but I should be glad to modify the motion, if the Senator will suggest language he thinks appropriate.

My motion would recommit the bill to conference with instructions not to exceed the administration request for authorizations, as outlined on the paper which I submitted, a total of $4,247 million. That is the specific instruction in the motion.

I should like to broaden it to include the Senator's suggestion.

Mr. MONRONEY. The Senator has a right to broaden it.

Mr. BUSH. I have a right to modify.

Mr. MONRONEY. The Senator can broaden the instructions to include the differing votes of the two Houses on title I of the bill, to again reopen the proposal. As the Senator said, we have been given the worst of both bills rather than the best of both bills.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSH. May I modify my amendment so as to further instruct the conference to review its decision with respect to title I of the bill, especially as it affects the 40-year, no-downpayment provision?

Mr. MONRONEY. Forty-year, almost-no-downpayment provision.

Mr. BUSH. Forty-year, small-downpayment provision.

Mr. LAUSCHE. Almost-no-downpayment provision.

Mr. BUSH. And to report, in that connection, a measure conforming to the term of 35 years specified in the House bill, with the downpayment provisions of the Senate bill?

The PRESIDING OFFICER. The Senator can modify his instructions however sees fit.

Mr. BUSH. I do so modify my motion, in the instructions to the conference.

Mr. SPARKMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SPARKMAN. When the Senate passed the bill and sent it to conference, it sent the bill to conference with a provision for 40-year mortgages with the downpayment practically the same as that included in the conference report, without including the closing costs. Would it be in order, in view of that, to accept such a provision as that proposed by the Senator from Connecticut?

The PRESIDING OFFICER. An instruction to the conferees is not binding upon the conferees. The conferees may ignore it completely, if they wish, or they can accept it. It is not subject to a point of order on that basis.

Mr. SPARKMAN. I wish to be certain that the basis of my point of order is understood; that is, that this is clearly out of line with the provision which the Senate originally voted to put in the bill.

Mr. BUSH. Mr. President, I observe that it is not clearly out of line with the sentiment expressed by the Senate in the vote of 49 to 44 on the Gore amendment to strike.

Mr. SPARKMAN. That was reversed five different times later.

Mr. BUSH. I think that particular vote on the Gore motion reflected the views of the Senate of the United States. What was done later I do not think did.

Mr. SPARKMAN. May we have a ruling?

Mr. LAUSCHE. Mr. President, will the Senator yield? What did the Senator have in mind when he mentions what was done later on the 49-to-44 vote?

Mr. SPARKMAN. Does the Senator refer to the Senator from Connecticut? I stated there were five subsequent votes, every one of which we won. The last vote, the one which counts, was for the 40-year mortgages up to $13,500, with a 3-percent downpayment.

Mr. BUSH. There was an inquiry made. I believe the Presiding Officer has an announcement to make.

The PRESIDING OFFICER. The Senator from Connecticut can modify his motion in any manner he sees fit. The Senate can vote for or against it.

Mr. BUSH. But it is not binding on the conferees.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Oklahoma.

Mr. MONRONEY. May I inquire of the distinguished Senator from Connecticut if there is any termination date involved? Is there to be an expiration of any vital part of the housing legislation, which would cause an adverse effect, if the bill were sent back for further consideration by the conference?

As I understand the situation, this is not a deadline bill. Nothing is going to expire. We will be no worse off if we let the conference have more time to examine the bill and the relative positions taken by the majority votes of the two Houses, and then report the bill again.

Mr. BUSH. The Senator is quite correct. The Senate acted on this bill only a few days ago. Had we voted to reject the bill then the committee would have had an opportunity to report another bill in a week or two or three.

There would be no difficulty in getting a bill, if it goes back to the committee. There would be no difficulty at all, if the bill is sent back to conference. It can be taken up next week, and the modifications can be made if the conferees so decide. There is no deadline to forbid the action the Senator wishes to take.

Mr. MONRONEY. I have been very glad to observe that many of the distinguished newspapers which first apparently applauded the Housing Act, and particularly the new title, have, on sober reflection—after the long discussion on the floor of the Senate as to the wisdom of having some downpayment which would be in line with more responsibility of the buyer, and the action on the part of the House in reducing the 40-year-mortgage provision to 35 years—applauded these two sensible actions.

Mr. BUSH. The Senator is correct.

Mr. MONRONEY. It seems to me, in the interest of letting sober second thoughts take place, it might be wise to have the distinguished conferees both of the Senate and of the House enjoy a good Fourth of July, and then come back after the holiday to sit down in the somber light of world affairs and the difficult situation we face with respect to increasing the public debt limit, to consider whether it would not be the part of wisdom and fiscal responsibility to try our best to reach a more sound agreement than that which the conference report before us represents.

Mr. BUSH. I think the Senator is correct.

Mr. MONRONEY. I thank the distinguished Senator for yielding.

Mr. SPARKMAN. Mr. President, if the Senator will yield, I should like for the record to show—and I ask the Senator from Oklahoma to listen—that there is one program which will expire. So far as I know there is only one. That is the program for farm housing loans.

Mr. MONRONEY. After the Fourth of July the housing could still be built, if the bill comes back from conference.

Mr. SPARKMAN. Certainly.

Mr. MONRONEY. It will not be fatal to the farm housing program.

Mr. SPARKMAN. It would not be fatal. I do not contend that.

Has the Senator from Connecticut concluded?

Mr. BUSH. Yes. I yield the floor, Mr. President.

Mr. SPARKMAN. Mr. President, I shall take only 1 minute.

I do not agree with the Senator as to some of his figures. As a matter of fact, I have figures supplied by the Housing and Home Finance Agency which show that the administration proposal involves $4,890 million, and the amount of new authorizations in the conference report is $4,886 million. These figures show we are actually $4 million under the administration proposal.

Does the Senator wish to ask for the yeas and nays?

Mr. BUSH. Yes. Mr. President, I ask for the yeas and nays on the motion.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. METCALF in the chair). Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, we have a singularly strange and anomolous situation in the U.S. Senate today. The President of the United States has made recommendations to Congress in the field of housing legislation. He has made recommendations to Congress with respect to mass transportation. He has urged Congress to continue a program of college housing, and to pass legislation in a number of other areas, all of which, in the opinion of the President, should carry an authorization of future expenditures of $4,247 million, and no more.

But what a strange and paradoxical situation. It is the Republican side of the aisle which is asking the Senate to go along with the President's recommendations. From the Democratic side of the aisle members of a conference committee have reported proposed housing legislation which would abandon the President's recommendations. Our Democratic brethren turn their backs on the President. They tell us that the Congress must authorize expenditures in this field $1,600 million in excess of what their own administration has urged.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. KUCHEL. In a moment. I wish to say to the Senator from Connecticut [Mr. BUSH] that he has performed a magnificant service to the people of the country in asking the Senate, and particularly Senators on the Democratic side, to follow the President's recommendations and not to exceed them, in this unbelievable amount, as the Democratic Members of the conference committee on housing most regrettably have done. The Senator from Connecticut has recalled for us the words of the President in his inaugural. Dark days lie ahead for free peoples. Sacrifice will be required of us. Defense expenditures will grow larger. But here, on this important piece of domestic legislation, our Democratic majority, in a cavalier fashion, adds another billion and a half dollars and more to what President Kennedy has asked. Where is the jurisdiction? Where is the sacrifice?

Mr. President, I voted for the proposed housing legislation when it was recently before the Senate. I come from a State that is keenly, indeed, vitally interested in a continuation of the great programs of housing and home financing, of college housing, of urban redevelopment, of public housing, which have been upon the statute books for years. But my State is also interested in fiscal responsibility. How can any of us now justify approving a conference report which would blithely authorize sums in excess of those recommended by the administration by more than $1.5 billion? I most respectfully urge my Democratic colleagues to go along with the recommendations of the President of the United States. The conference report before us is unwarranted and unjustified.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. AIKEN. Like the distinguished Senator from California, I voted for the housing bill as it passed the Senate, but I did so feeling that rather than add hundreds of millions of dollars to the proposed authorizations, the conferees would cut them down at least $100 million, and yet perhaps retain some of the more valuable provisions of the bill. My position now is the same as that of the Senator from California. I believe we ought to send the report back to the conference committee, with the understanding, direct or otherwise, that we will not exceed the President's recommendations in this case. I believe the President's recommendation, and assuredly the bill as enacted by the Senate, certainly provides adequate funds for a tremendous housing program in this country over the next 2 to 6 years, depending upon what length of life would be given to each section of the bill.

Mr. KUCHEL. Those are words of wisdom which my able friend, the Senator from Vermont, has uttered. The Senator from Vermont is interested in progress. But fiscal responsibility is an indispensable component of progress, and this report before us is irresponsible.

Mr. SPARKMAN. Mr. President, will the Senator now yield to me?

Mr. KUCHEL. I yield to my able friend, the Senator from Alabama.

Mr. SPARKMAN. I do not believe the Senator from California has been in the Chamber during the course of the debate.

Mr. KUCHEL. Yes, I have been present most of the time. Some of it, I have spent in a seat at the rear of the Chamber.

Mr. SPARKMAN. I hope that the Senator from Vermont will also listen. I do not know where the figures that are being played with on the Republican side have come from. I have the figures which were furnished by the administration. The figures furnished by the administration show that the amount requested or proposed was $4,890 million. The amount of new authorizations carried in the bill is $4,886 million, or $4 million less than the request of the administration.

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. KUCHEL. I shall be glad to yield in a moment.

Apparently, it is a little difficult to chop our way out of this jungle of figures, but I think it is generally conceded that the conference committee report is considerably in excess of the recommendations of the administration. The public press repeatedly has so indicated in describing what we have before us. I must say also the debate in my judgment has been sufficient, so far as this Senator is concerned, to place credence in what my able friend from Connecticut has developed in his argument. I

now yield to my able friend from Connecticut.

Mr. BUSH. Mr. President, I would like to say first that I have explained fully this afternoon where the so-called figures came from, and I challenge the Senator from Alabama on the very point that he is making. I ask the Senator to refer to the report which he read from a moment ago, which is entitled "Housing and Home Finance Agency regarding conference report on the Housing Act of 1961." The Senator has it in his hand. I ask the Senator to turn to page 2 and read what is said under "(b)."

Mr. SPARKMAN. Yes, I have read that section of the report. I discussed it with the Senator when he was speaking. Those are transfers of housing funds already authorized.

Mr. BUSH. The amount stated is $750 million additional, which is transferred to the special assistance fund. Otherwise the amount would be returned to the Treasury of the United States. It definitely was not requested by the administration.

Mr. SPARKMAN. The amount would come back.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to my able friend from New York.

Mr. KEATING. The distinquished Senator from California [Mr. KUCHEL] has made an extremely powerful argument. It may be that we on our side are more ready to make the sacrifices that we are asked to make than those on the other side of the aisle. I for one am prepared to support the President in the request which he has made. I do not always find myself in agreement with him, but on this question I find myself in his corner, and I shall therefore support the motion.

Housing is extremely important to the State which I represent, as it is to the State of the Senator from California.

The urban renewal program, which is completely unaffected by the amendment, is vital to the State of New York. I also call attention to the fact that this motion does not mention any figures. It is to send the bill back to conference and to have it come back in the form which will not exceed the requests for authorizations made by the administration. I join in the Senator's comment that it seems rather paradoxical that the motion should come from our side of the aisle.

Mr. President, I shall support the housing bill, because it is essential. I believe that we should follow the President's recommendations. I compliment the distinguished Senator from Connecticut on the excellent presentation which he has made and the formula which he has devised to carry out the President's recommendations. I also commend the distinguished Senator from California for the extremely cogent argument which he has presented.

Mr. KUCHEL. I thank my able friend from New York. When he referred the Senate to the exact text of the language of the motion which is in front of us, his argument was clinching and telling because what we ask to do in the pending motion, no more and no less than to give a Senate directive, to the extent we can direct, our Members on the conference to go back to conference and not exceed what the President of the United States has recommended in drafting a conference report. I very much hope that in giving bipartisan support to the administration, we may now give a resounding victory to the motion before us.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut, to recommit the conference report with instructions.

Mr. LAUSCHE. Mr. President, I heard the colloquy between the Senator from Connecticut and the Senator from Alabama with respect to the figures, and I heard it said that in FNMA there are moneys available now to be turned over to the Treasury, and then by the Treasury to be used to pay off the national debt; and that $750 million of that money is now being authorized for housing. That is new money, in my opinion. It is not usable unless the bill is passed. It cannot be argued that that is not new money.

Mr. BUSH. The added point should be made that it was not requested by the administration, which asked for only $750 million. The conference report doubles it by this process.

Mr. LAUSCHE. The argument was being made that that is not new money. It will not be available unless the bill is passed. To that extent it increases the President's recommendations by $750 million. I also heard the Senator from Alabama admit that $200 million was new money for certain types of buildings.

Mr. SPARKMAN. Farm housing.

Mr. LAUSCHE. Therefore, at least $950 million is money added to the recommendation of the President.

Mr. BUSH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUSH. Mr. President, I should like to discuss briefly the pending motion.

I have moved that the conference report on S. 1922 be recommitted to the conference committee with instructions to the Senate conferees not to exceed requests for authorizations made by the administration, as listed in the attached table which I make part of my motion, and with further instructions that the conferees carefully examine the provisions of title I with reference to mortgage terms on sales housing.

The table includes not only the requests made by the administration in connection with S. 1428, the administration housing bill, but also its requests on such matters as mass transportation and open spaces which were submitted to the conference committee.

The effect of my motion would be to instruct the Senate conferees to insist upon a savings of approximately $1.6 billion in the bill.

Mr. WILLIAMS of New Jersey. Mr. President, I ask unanimous consent that my remarks in connection with the conference report on the housing bill may be printed in the RECORD prior to the vote on the motion to recommit offered by the Senator from Connecticut.

Mr. President, I was delighted with the action of the joint conference on the housing legislation in retaining the open space program. I merely wish to urge the Senate to approve this program, which represents a meaningful beginning toward recognizing the crisis we face in uncontrolled urban sprawl.

In the last 10 years, we have put more than half as much new and unspoiled land to urban use as we did in all the previous years since this country was founded.

Under the pressure of rapidly expanding population growth, higher wages, and greater mobility, we have been pushing the urban fringe out from the central city at an unprecedented rate. And as we have laid out these seas of subdivisions, we have pushed nature's horizon farther and farther away from more and more people.

We have failed to recognize that well-planned urban growth must take our open space needs into account. We cannot just say that with our modern expressways anyone can reach the countryside in 40 or 50 minutes. In the first place, it just is not true where I come from. One can drive for hours in the New York metropolitan region and never escape the unbroken monotony of urbanization.

But that really is not the point, because our open space needs include much more than being able to picnic in the country on the weekend. What do our children do for open space during the week day? I am sure there are plenty of subdivisions that have made ample provision for the backyard barbecue pit, but have failed to provide a single area where the kids can play a game of football or baseball.

Also, it seems to me that if we can pinpoint the single greatest lack in the huge so-called gray areas that surround most of our metropolitan core areas, it is the lack of the amenities of open space. Mile after mile of dreary housing and bad zoning, with nothing like a park or open space to serve as an incentive for maintaining property values. I have no doubt that many of our present suburban subdivisions will suffer the same fate as our gray areas for the same reason.

In other words, it seems to me that it is of highest importance that we plan and provide for a sufficient amount of open space as an integral part of urban development, just as we provide for schools, roads and all the other necessary community services.

We have got to recognize that open space is no mere luxury, but a necessity as important as any other public facility.

This brings me to one of the questions that has most often been raised about this legislation—that the disappearance of open space is something of

concern only to the large metropolitan areas on the eastern seaboard.

On the contrary, in the east, from Boston to Newport News, we will be lucky if we can preserve just some of the few remaining patches of green from the bulldozer.

When you look at open space as an integral part of urban development and growth, it becomes clear that open space is of paramount importance to the smaller and rapidly growing urban areas all over the country. We are almost beyond redemption on the eastern seaboard, but there are smaller, rapidly growing urban areas in every State that still have a chance to work a program of open space preservation into the whole fabric of urban development and expansion that lies ahead.

If they do not preserve the open space now while there is still time, they will never be able to. Once the subdivisions are built, they will not be torn down to provide open space.

A look at the preliminary reports from the Bureau of Census shows the startling rate at which many of our smaller and medium urban areas are growing all across the country.

At least 83 towns with a population of over 25,000 people grew more than 100 percent in the last 10 years.

The population of Huntsville, Ala., increased 337 percent, from a town of 16,000 to one of 71,000. Irving, Tex., grew from a sleepy little town of 2,000 in 1950 to a city of 45,000 in 1960—an increase of 1,632 percent. Hampton, Va., expanded from 5,000 to 88,000—an increase of 1,389 percent.

A number of cities in Illinois also grew. I notice that Senator DIRKSEN's home town of Pekin increased only a modest 27 percent in the last 10 years. But Skokie, Ill., grew from 14,000 to 59,000—an increase of 300 percent. And Rockdale, Ill., grew a whopping 1,866 percent. Perhaps if our distinguished colleague from Illinois had come from Skokie instead of Pekin he would display more enthusiasm for reasonable and orderly open space in urban development.

But even these percentages do not tell the whole story. Many cities added a lot of people to their population and undoubtedly plowed under a lot of open space to house them, but because the population was fairly large to begin with, the percentage of increase may not be very startling.

For example, Topeka, Kans., grew only 50 percent in the last 10 years, but it represents an increase of 40,000 people, who can cover up a lot of land with our present pattern of low-density sprawl. There are undoubtedly hundreds of urban areas experiencing the same growth as Topeka.

I want to emphasize, however, that open space is essential not only for orderly urban development and to prevent the all too familiar gray areas surrounding many of our cities.

Not only do we need it to enhance property values, improve community appearance, serve recreational needs, and afford some relief from the concrete and steel of urban living, we also need it for a variety of conservation purposes.

Each year we seem to hear more and more about the problem of floods. I doubt very much that nature is acting up any more than usual. I do strongly suspect that we are failing to preserve our flood plains as open space, thus keeping people from building where they should not have built in the first place.

An effective open space program could do much, I am sure, to reduce the expenditures we are making and will have to make to correct the problems arising from the misuse of our land around the urban areas—problems of sedimentation that arise from the reckless denuding land of its vegetation, storm drainage problems that arise from the careless bulldozing of long established natural drainage patterns, problems of water pollution that arise from the improper preservation of our stream valleys.

Finally, I would like to touch upon another value of open space—to help shape the timing, character, and direction of community development.

I have great hope for an open space program—if it is based on sound and imaginative comprehensive planning—as a tool for helping our urban and metropolitan areas achieve some alternative to endless low-density suburban sprawl.

To me it is self-evident that we cannot much longer afford the luxury of such sprawl. Los Angeles, sometimes referred to as 100 suburbs in search of a city, is finding this out the hard way. Seventy-six percent of the capital investments required by each family moving into the country go for roads, streets, and highways, leaving schools and all the other public facilities to scramble for the remaining 24 percent. And now they are finding that this enormous investment in roads and highways needed to accommodate the sprawl has merely compounded the problem of traffic congestion. So they are now preparing to embark on a program to provide rapid transit, which they once had and then abandoned.

Obviously the greater the sprawl, the greater our transportation costs, and the more difficult it becomes for private enterprise to provide modern mass transportation service without going bankrupt in the process. With everyone dependent on their automobiles in the suburbs, massive traffic jams build up with everyone converging inward to work from the outlying areas. These traffic jams, in turn, make surface mass transportation in the higher density areas just as ineffective as the automobile.

The sprawling suburban communities find themselves building four or five small schools for the same number of children that one larger school might serve in a higher density area, because there is just so far the children can walk to school these days. And the multiplication of small schools makes it that much more difficult to find enough competent teachers to support a well-rounded curriculum in each school.

The cost of homes also goes up when they must be built to serve a population spread thinly over a large area. Someone has to bear the higher costs of sewers, streets, drainage, earthwork, utilities, irrigation, and water supply—either the people of the community through taxes, or more likely the developer, who merely passes the cost along to the buyer.

So much for the curse; what is the cure?

It seems to me that in seeking to provide some alternative to urban sprawl we need to concentrate as much on how we use land as how we preserve open space.

If we merely concern ourselves with the problem of preserving open space, we will find ourselves fighting a losing battle. The tide of urbanization will inevitably engulf even the most ambitious open space program we can reasonably expect to be undertaken. Our efforts to preserve open space will be like a chapter out of Perils of Pauline, with our governments striving desperately at the last minute to save some virgin tract from the onrushing urban locomotive.

We must find some way of channeling future growth into more imaginative, less land-consuming patterns. There have been many suggestions and efforts along this line, from the revitalization of our central and inner-ring cities, to the development of cluster communities, new satellite cities, or corridor developments, as is being proposed here in Washington.

But it is equally obvious that just as the preservation of open space by itself will not give us a better pattern of urban development, neither will the development of new satellite cities or radial corridors. What will prevent the boundaries of these new cities or corridors from breaking down and spilling over unless we have, at the same time, an effective program for the preservation of the open space around them? Certainly if past history is any guide, we can ill afford to rely on the zoning ordinance, which seems to be rather susceptible to the blandishments of the buck.

From the standpoint of giving our urban and metropolitan areas the tools they need if they are to become the masters of their destiny, rather than the victims of it, I would say that the enactment of an open space program along the lines of the legislation I have introduced is an urgent priority.

I am glad to say that President Kennedy also called this an urgent matter when he stated:

> Land is the most precious resource of the metropolitan area. The present patterns of haphazard suburban development are contributing to a tragic waste in the use of a vital resource now being consumed at an alarming rate.

Mr. President, a great number of newspapers all over the country have commented on the open-space problem. I ask that some of their comments, together with an article by William White appearing in the Newark Commerce, be printed in the RECORD at this point.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 27, 1961]

VICTORY IN THE HOUSE

Apart from the notable legislative victory which it represents for the Kennedy administration, there are two major aspects of the housing bill as approved by the House which bear remembering.

On the one hand, there is much in the huge $4.9 billion bill which is not new.

Much of the money, including the $2 billion for urban renewal and the $1.2 billion for college housing, is for programs which already are well established. And instead of dealing with authorizations for these programs on an annual basis, as has been the practice in recent years, the omnibus bill covers the needs of several years at a single bite. But the House-passed bill also drastically broadens Federal aid in numerous categories of housing and plows virgin territory with still other provisions which are untested and frankly experimental in nature.

Of these, the most controversial are the long-term, low-downpayment mortgage proposals to provide private sales and rental housing for low-inome families. We believe that the 40-year mortgages, as adopted by the Senate, are unrealistic and that the House provision for maximum 35-year mortgages for sales housing is at least a slight improvement which should be adopted in conference. At best, however, this program faces an uncertain future, and it is well that its authority extends on an experimental basis for only 2 years.

Another pioneering provision of the House bill, unfortunately not widely understood, would provide $100 million in grants to help purchase open spaces in the sprawling congestion of urban areas. Spread among the Nation at large, $100 million would not go far. But this is proposed to be "seed" money, designed to stimulate local areas to provide most of the cost. The Federal grants, for example, could cover no more than 30 percent of the cost of any project. In addition, metro areas would have to adopt regionwide development plans in order to qualify for Federal help. This is a worthy program, which we think should be accepted by the Senate conferees.

[From the Philadelphia Bulletin, June 21, 1961]

ORDER OUT OF HOUSING CHAOS

The many-faceted housing bill passed by the U.S. Senate continues and expands the well-established policy of Federal encouragement to homebuilding and homeownership, a corollary of which has been the rapid and indiscriminate sprawl of housing in America's suburban areas.

It therefore seems strange and unfortunate, that the Senate knocked out of its housing bill a provision which could have brought some sort of order out of this chaos and which would have helped to insure that the housing so encouraged remains attractive and worth living in.

This is the provision, formulated by Senator HARRISON WILLIAMS, of New Jersey, which would provide $100 million in grants to local and State governments on a matching basis to encourage them to acquire and plan in open space and park land.

While this is a relatively modest amount of money, its beneficial effects would be multiplied many times over. It would act as a catalyst for additional local funds, for the establishment of local programs, for the encouragement of local open space planning.

The provision, although defeated by a small margin and after little consideration in the Senate, is still included in the House version of the housing bill. If the House retains it, there is still some hope that the Senate-House conference will keep it in the final bill.

The blight the provision seeks to correct is a national problem. It is to the interest of every urban and suburban resident that the provision be saved.

[From the Camden (N.J.) Courier-Post, May 6, 1961]

OPEN SPACE BILL LOSS MAY BE GAIN

A Senate housing subcommittee has whittled down the urban open spaces bill sponsored by New Jersey's Senator WILLIAMS.

As introduced, the bill would have made $100 million a year for 5 years in Federal funds available for matching grants to local governments to purchase open space land in and around urban areas. It is a desirable measure and indeed, some legislation of the sort is necessary if we are not to have a tragic shortage of parks, playgrounds, and recreational areas in our urban areas in the early future.

The subcommittee now has decided to cut the provision for matching grants down to a total of $100 million, rather than $500 million. On the surface this would seem to be a disastrous slashing. But WILLIAMS says that while he is disappointed at the reduction, the committee decision enhances the chances of open space legislation this year.

As voted by the subcommittee, the grants will be incorporated in the omnibus housing bill of 1961, which is reasonably certain of passage. WILLIAMS had anticipated that his separate bill would have required a year of debate and discussion before action was taken.

But with its incorporation in the omnibus measure, and with the widespread and favorable response it has received, he believes that his ultimate objectives will be hastened, not set back, by the subcommittee action. We hope he is right.

[From the Bergen (N.J.) Evening Record, Apr. 24, 1961]

A PLANNED ALTERNATIVE TO PLANNED SPRAWL?

Senator WILLIAMS, Democrat, of New Jersey, was speaking to the Maryland's Governor's Conference on Recreation and Parks, but he was talking to us back home. His subject was urban sprawl—the mindless way in which we have carefully planned our affairs so that metropolitan gray areas are gobbling up farm and pasture and woodland at a rate of a million irreplaceable acres a year—but he was talking about any town's zoning ordinance. "Which," he added after a pause, "is notoriously susceptible to the blandishments of the buck."

Senator WILLIAMS, one of the legislative experts on land use, is author of an open-spaces bill authorizing the Housing and Home Finance Agency to grant up to $100 million a year to municipalities or regional agencies for acquisition of open land. The bill was endorsed by Robert C. Weaver, HHFA Administrator, last week, and guaranteed his Administration support for the bill or something much like it.

But Senator WILLIAMS wasn't talking about rich and distant Uncle. He was saying there at Annapolis that by taking thought in our development from now on we can preserve open space and have the housing too that a growing population will need. He might have been addressing an audience in Saddle River or Woodcliff Lake or Mahwah or the Northern Valley:

"Consider the proposal of Victor Gruen to cluster the development of 250 homes on 4 percent of the 516-acre Whitney estate at Old Westbury, Long Island. This would have involved no more than a series of two- or three-family 'town' houses, each with two outdoor patios. The cluster development would have retained 96 percent of the very lovely land in its natural state, and it would have reduced the land-development costs by approximately $1.6 million."

The town turned down Victor Gruen. But why wouldn't it work? Why wouldn't it work better than zoning one little house per acre or 1½ acres or 2, chewing up land, laying it bare, snatching it out of use? In our insistence on lot or acreage zoning, have we actually been planning blight and sprawl? Perhaps it is just whistling in the graveyard to say so, said Mr. WILLIAMS, but in our common concern we may yet force ourselves into the almost embarrassing position of saving money at the same time we are saving nature.

[From the Daily Home News, June 22, 1961]

HOW TO CONTROL URBAN SPRAWL

Coast to coast, more and more of the American countryside is bowing to the bulldozer every year. Granted today's population pressures, there is no way to stop the carving-up process. But possibly we can exercise some control over it.

Annually, about 1.5 million acres of open land go into "special use," mostly for urban development, highways, and airports. Land taken for urban purposes is expected to more than double the present total by the year 2000.

Some talk of the loss of natural beauty spots, wildlife refuges, watersheds, valuable woods and cropland, just plain green space to breathe in. Others, observing haphazard urban sprawl and the chewing up of 60-acre plots for single superhighway interchanges, argue that it's downright bad economics.

This is a problem for communities of all sizes. More than 80 U.S. centers in the 25,000 population class grew 100 percent in the past decade. A town in Texas which had 2,600 in 1950 now has more than 45,000 and is still surging.

In Washington one of the worriers is Senator HARRISON WILLIAMS, of New Jersey. He proposes a starting $100 million Federal grant to local areas to help them buy up wide swaths of open space in their outlying zones.

He and other proponents argue that these green wedges not only would be immensely valuable in themselves, but would serve to channel growth along sensible economic lines.

WILLIAMS' open-space proposal suffered narrow defeat in the Senate, but clings to life in the House. A slashing midnight assault by Senator EVERETT DIRKSEN ripped it out of the omnibus housing bill.

His ridiculing criticisms may have had just point. The proposal seems loosely drafted, with discretionary authority over the program vaguely defined. Though the plan would hold Federal grants to 25 to 35 percent of a project's total cost, there is no dollar ceiling and no time limit. It reads like a script for a Treasury raid.

If the measure were doctored to introduce precise controls on the use of authority and funds, it might find wider House support. For certainly no lawmaker can question the need to put some curbs on the indiscriminate spread of the tree choppers and earthmovers.

[From the New York Times, June 21, 1961]

URBAN SPRAWL AND OPEN SPACE

The haphazard suburban developments—"urban sprawl"—spreading with alarming speed around the perimeters of our cities present an issue of truly national proportions. The open land areas are rapidly giving way to the indiscriminate advance of the bulldozer and the real estate promoter. Yet open space is essential not only to the suburban areas themselves but also to the welfare of the cities they surround. Planning and controls are badly needed to assure that the developments which do take place provide the best possible environment for living and for efficiency in transportation and production.

Title VII of the Federal Housing Act, now before the House of Representatives, contains a sound program for Federal aid, both financial and technical, to local and State bodies in meeting these needs—incorporating for the most part the proposals of Senator HARRISON WILLIAMS, of New Jersey, referred to in a letter on this page. The assistance provided for in title VII would be given only to projects essential to a well-conceived area development plan. This would be an effective stimulant to State and local action which otherwise might not be taken.

While the Senate passed the housing bill by the decisive vote of 64 to 25, title VII was separately voted down—without ade-

quate consideration and by a majority of only 4. The House should keep it in the bill and, if it passes, so should the conference committee in the final draft.

[From the St. Petersburg (Fla.) Times, Mar. 26, 1961]

PARKS ARE TOO PRECIOUS TO SQUANDER

It is quite understandable that some Tarpon Springs commissioners wish to raise money for street repairs by selling part of a tract of land others want to give to the county park board for a new county park.

There are 70 acres in the waterfront tract, and the commission majority wishes to retain 40 acres for sale to developers. The park board has expressed reluctance to attempt creating a park on only 30 acres.

In our view, however, the commission majority is being pennywise. There is no more precious commodity in this highly urbanized county than suitable park lands. With every passing year they grow more scarce and more precious.

Senator HARRISON WILLIAMS, of New Jersey, recently introduced a bill to establish Federal responsibility in sharing the efforts of cities to preserve open spaces for parks and recreation. Speaking on the bill's behalf, he said:

"As far as land is concerned, this Nation has never really relied on a budget. We have used up our acres as we needed them, and we have moved on when we had to. We have been profligate and heedless with unplanned development eating up our precious open land."

The trouble with our old way of using up acres and then moving on is that we have just about played out that string. Nowhere in Florida is this as true as in Pinellas County, where we have more than three times as many persons per square mile as any other county in the State.

As badly as Tarpon Springs undoubtedly needs street repairs—as we do in St. Petersburg—nevertheless the $60,000 the commissioners think they can realize by selling off the 40 acres rather than having it made into a park would be the most costly money they ever spent.

Take a look at what has already happened to almost every foot of our gulf beachfront. With the northward trend of our population growth, in only a few years the residents of Tarpon Springs will bitterly rue the day when they chose street repairs instead of park land—if that decision stands. We hope it won't.

[From the St. Louis Globe-Democrat, June 5, 1961]

HIGH COST OF CHAOS

Senator HARRISON A. WILLIAMS, New Jersey Democrat, offered some words of wisdom the other day that every suburban area—including St. Louis County—should weigh.

Why is suburban living becoming a luxury, rather than an economy? The answer, he said, lies in the haphazard, unplanned growth that goes by the name of "urban sprawl."

Senator WILLIAMS cited Los Angeles as the horrible example. In Los Angeles, he said, 76 percent of all capital investments must go into streets and highways, leaving the schools to "compete with all the other public facility needs for the remaining 24 percent."

The sprawling suburbs make it difficult, if not impossible, to have compact school districts, and high schools big enough to offer a wide variety of courses in science, mathematics, and languages.

To pay for schools and other essential services, a community must have stores, factories, and warehouses, and "high density" dwellings, like apartments, as well as ranchhouses on 1-acre lots.

In St. Louis County this lesson is being ignored. To bring about an orderly, balanced growth, the county must have a land-use plan and stick to it.

More than 4 years ago, in February 1957, the St. Louis metropolitan survey pointed out the high cost of chaos in St. Louis County. Its preliminary report, called "Background for Action," stated:

"On a per capita basis there (is) very little difference in the cost of local government between the city of St. Louis and the county as a whole. The governmental units of each spent in the aggregate about the same amount per resident to provide public services for their citizens.

"In 1955, total expenditures, on a per capita basis, were $112 in the city and $109 in the county."

Furthermore, it added, "governmental costs in general have increased more rapidly in the county than in the city." They will continue to skyrocket unless the county makes some basic reforms, the study warned.

Yet, the county's land-use plan, prepared by one of the Nation's leading planning firms, is an orphan. No one seems to be telling St. Louis Countians that the alternative is no plan—and that no plan means more costly chaos for county dwellers.

[From the Washington Post, Feb. 11, 1961]

OPEN SPACES BILL

Senator HARRISON A. WILLIAMS, JR., of New Jersey, has come up with a bill that will have a wide appeal for urban and suburban dwellers throughout the country. He would create a $100-million fund that could be used over a period of 5 years on a matching basis to help State and local governments protect open spaces that ought to be devoted to parks or other recreational or conservation uses. It would set up a sort of "Capper-Cramton" program for the country as a whole.

The operations of the Capper-Cramton Act over a period of 30 years are responsible for saving many of the stream valleys in the Washington area from the bulldozers. Millions of dollars have been saved by purchasing land suitable for parks before it has acquired real estate values. It was a grave mistake when Congress finally cut off funds for this purpose last year, and an effort is now being made to correct that error by providing $1.2 million in the new budget to match Virginia and Maryland funds for stream-valley purchases.

Congress has a special obligation to exercise foresight in the protection of open spaces near to the Nation's Capital, but the problems of other cities are not essentially different. Urban sprawl is spreading over the countryside at an alarming rate. Unless local governments act quickly to save scenic and historic spots, recreation areas, and greenbelts to relieve the monotony of endless suburbs, many of the amenities of urban living will be lost for all time.

We are well aware of the fact that there are many demands upon the present Congress. In few instances, however, will a current outlay of funds hold greater promise of future return in terms of savings and conservation than that proposed by the Williams bill.

[From the Bergen (N.J.) Record, Feb. 15, 1961]

CAN YOU PROPOSE BETTER SOLUTIONS?

New Jersey's experience with Federal aid is far from heartening. The State pays out almost $2.50 for every $1 in Federal aid it gets back. And there is something like $7 billion of Federal aid in the 1961 budget. Senator WILLIAMS, Democrat, of New Jersey, wants to add $100 million more, for open area. Reluctant as many Jerseymen are to espouse more Federal aid for a State that has to come out on the small end, some of the points Senator WILLIAMS makes are all but unanswerable.

Consider, for instance, this excerpt from his latest "Report Home," the Senator's semimonthly newsletter:

"We are now urbanizing at the rate of more than a billion acres a year. In the last 15 years we have put almost two-thirds as much new land to urban uses as we did in all the previous years in the history of our country. We all want this growth to continue. But there is a difference between growth and sprawl. The question is whether we wish to continue with our haphazard, wasteful, and often deeply unsatisfying pattern of development or whether we wish to create something of lasting value to marshal our resources and revitalize our entire urban environment, both at the fringes and at the center."

If this is not all microscopically germane to Bergen County's growth pattern, what Senator WILLIAMS has to say next certainly is:

"Out in the sprawling suburbs, for instance, communities find themselves building five small schoolhouses to serve the same number of children that attend one larger school in the higher density centers, because there is just so far that children can travel to school. Since there is hardly a one-family house that yields sufficient tax revenue to pay the costs educating a child living in it, little wonder that homeowners are feeling the pinch on their property taxes and the communities and t[he] States are looking to the Federal Government to share the burden."

Yet, with all this talk about open area and the scarcity and cost of land, we continue to employ conventional methods of development which methods are perhaps the most inefficient and wasteful we could design. Mr. WILLIAMS has an idea there too:

"To cite just one of the many ways in which open space can be related to urban development, the architect Victor Gruen proposed that the 516-acre Whitney estate in Old Westbury be developed as a cluster development [of the kind] which was first made famous in Radburn. If one were to build 247 houses on conventional 2-acre plots, the entire tract would be covered. Instead Gruen proposed that 96 percent of the land be kept open for golf courses, tennis courts, and wooded areas and that the same 247 dwellings be clustered in the remaining 4 percent of the land in attractive townhouse style."

Mr. Gruen is sometimes regarded as fanciful. Mr. WILLIAMS has proposed a big Federal grant. And perhaps New Jersey is not ready fully to accept either.

But if we are to avoid the sprawl that Mr. WILLIAMS mentions; if we are to keep open areas; if we are to provide education and still not have confiscatory real-property taxation, then we shall have to do a good many things we do not relish and have not done before. We shall have to update our thinking. There are hopeful signs. The proposal by Mr. WILLIAMS is one. Governor Meyner's green acres plan is another. But until people demonstrate that this, or something like it, is what they want, Government is not likely to make them take it.

[From Newark Commerce, May 1961]

NEW JERSEY'S FIGHT AGAINST URBAN SPRAWL—OR HOW TO AVOID SUBURBAN RENEWAL

(By William H. Whyte)

They call it the Garden State; but it's touch and go. As anyone from New Jersey uncomfortably knows, there are few States which have been transformed so quickly by suburban development. It was one of the most urbanized States to begin with; its gentle, open terrain offered few roadblocks to development, and great new highways removed the barrier of time between the cities and the outlying areas. The great wave of suburbanization that followed has produced

some excellent communities; it has also helped to produce a sprawling mess in which the miscellany of developments has been splattered in a pattern which is uneconomic and which looks like the devil. There are many communities left which still have a chance to save something of the open space people once took for granted, but the time is very short indeed.

The news is that New Jersey is about to take effective action; indeed, there is a very good chance that it may turn out the foremost State in the Union in this respect. If the State's $60 million green acres program goes through, not only will the State be able to acquire key open spaces before the price soars out of reason but, thanks to the grant-in-aid provisions, all of New Jersey's communities will be helped to take action while it is still possible. And many more communities elsewhere: for programs like this are highly contagious. If successful, the New Jersey Green Acres plan, along with New York's $75 million open space program and Wisconsin's $50 million program are very likely to spark a wave of similar programs all over the country.

NEW JERSEY FURNISHES LEADERSHIP

New Jersey is furnishing vital leadership on another count. Thanks to Senator HARRISON WILLIAMS, a Federal aid program for local open space acquisition program may soon be a reality. Senator WILLIAMS has proposed that the Federal Government, through the HHFA spend $100 million in grants-in-aid to States and local governments for the acquisition in land and rights in land if the communities will tie it to a comprehensive plan for their area. Thanks to the pioneering work of Senator WILLIAMS, the Federal Government—whose highway and housing programs have so long helped accentuate sprawl—may soon assume its responsibility for helping communities meet the problem.

The beauty of both these programs is that they are not theoretical; they coalesce all of the principal lessons that have been painfully learned. For a long time many different groups have been tackling the open space problem: in New Jersey, there has been the department of conservation and economic development, the watershed associations, such as Stony Brook-Millstone Watershed Association, the soil conservation districts, and a host of different civic groups. Here as elsewhere, it has been a pragmatic trial and error process; but as experiences have been pooled, a number of important lessons have been learned.

The first lesson is that zoning is not enough. Only a few years ago, most communities looked to the police power as their main weapon against sprawl, and they thought the best exercise of it to be large lot zoning. This would make the developers go somewhere else. Many of them did—and this is precisely why sprawl was vastly speeded up. Large lot zoning has its place, but applied wholesale it forces developers to leapfrog out for cheaper land—or where the zoning is easier—and way in advance of any community plan for services, open space, industrial parks, and such. Worse yet, within an area large lot zoning forces developers to squander an awful lot of land to house a given number of people and to lay down so much paving to connect it all that as far as open space is concerned there often seems to be as much asphalt as there is grass.

OPEN-SPACE PROJECTS FORESEEN

Some recent pilot projects, notably in Philadelphia, have shown that if the community encourages a developer to cluster his housing on a tract of land, there will be some real open space left over for the people to enjoy, and the cost to both the homeowner and the community will be less because of the great savings in the provision of roads and service facilities. To venture a prophecy, over the next 2 or 3 years, there will be a growing number of such developments in New Jersey and those communities which adapt their zoning regulations to encourage this kind of development are going to have a sounder economy than others, and they'll look better, too.

But the fact still remains that zoning alone can't do the job. There are other kinds, of course, like flood plain zoning and agricultural zoning, which can be highly useful in any community plan. But woe betide any community that thinks this is going to do the trick. In one State after another, the lesson has been made clear: such zoning can buy time, but it can fold up very easily when the bulldozers draw near. The zoning may have kept the land open—but only so long as it suited all of the landowners.

THE HEART OF THE ISSUE

Couldn't the police power be strengthened so that owners in a scenic area couldn't subdivide? Here we come to the heart of the issue. Is open space a benefit—or merely the absence of something harmful? In situations where it would be clearly injurious if the land were built upon, such as a flood plain, the community has every right to enjoin a property owner from building on it. In most cases, however, the public is looking to open space as a benefit; if it relies on the police power to keep the land open it is trying to make the owner provide the benefit free without the public paying a cent to compensate him. This is unfair and the courts have been saying so.

And so, somewhat reluctantly at first, community after community has been facing up to a hard truth: If the public wants the benefit of open space, it's got to be prepared to pay for it.

One reason people had resisted this truth is the feeling that the bill would be hopelessly high; no area has money enough to buy outright all the open space it would like and if it did, it would still have the problem of what to do with the land once it got it. Some of the land would be used for parks, but parks alone don't meet the problem; communities also want to preserve the natural landscape—the farms, the stream meadows—and to see it kept productive and alive.

EASEMENT PREFERABLE TO OUTRIGHT ACQUISITION

It can do so. To keep land open the public does not have to buy the whole bundle of property rights from the landowner; thanks to the ancient device of the easement, it can buy a right in the land—the right that it not be loused up. In many cases, indeed, this would be preferable to outright acquisition, even were money not a factor. Imagine, for example, a stream valley in an area on the fringe of suburbia. The community might wish to buy some land in it for a park—and let the obvious again be stated; for the core of an open space program there is no substitute for outright acquisition. But the community also wants to save the meadows bordering the stream; this is the scenic heart of the entire area and the spine of its drainage network. The community goes to the landowners and buys from each a conservation easement covering that part of their land falling within the stream area to be conserved. The title remains with the landowner, and he can continue farming it—indeed, it is this continued productive use of the land that helps make it so amenable; the only thing he has given up is the right to splatter it with billboards or chop it up into development. This provision runs with the land, and is binding on future owners.

How much would easements cost? It depends on how much market value the owner loses by virtue of the easement and this depends on time and place. In a built-up area, where the speculative pressures are intense, it is probably too late to use the device; in outlying areas, however, the cost would be far less; indeed, it often suits the self-interest of the landowner to give the community an easement. For one thing, he is afforded tax protection; on land covered by an easement, he obviously cannot be assessed on the basis of what a subdivider would pay for it, since a subdivider can't buy it. Secondly, because of the guarantee that the key part of the valley will be kept open, the abutting land should increase in value; the history of park acquisition has demonstrated that a relatively small amount of open space can increase the overall valuation of an area to a considerable extent. Progressive developers are well aware of this and instead of fighting open-space programs, some have been among the leading supporters.

They should be. The point of an open-space program is not to prevent development, but to shape it. The comprehensive plan for the area must consider where development should be as well as where it should not.

To take our stream or valley again; at the same time the community is taking measures to keep the bottom land open it might also be taking measures to encourage good development on the land higher up, and an industrial park site could be part of the complex.

An open space plan should also include private golf courses. The general public has an equity in their continued openness even though it may not physically use the course itself, and it is the community's loss, more than the members', when a golf club sells out to a developer and moves further out to the country (where some years later the process is likely to be repeated). For their part, the golf clubs have a responsibility to the public; they can't justly complain about rising assessments unless they offer the public some guarantee they're not going to sell out. And zoning is no guarantee. If the golf clubs are to continue, there must be a binding deal. One possibility: give a conservation easement to the community, for in return they will have assurance that the land will be assessed only on its open-space value.

It is the interlocking of such self-interests, or, rather, the recognition of them, that is vital to a successful push. Ten years ago, most groups were going at it alone—and being defeated in detail. Each group may have wanted the same end result, but they didn't know that so many others did, or they didn't like their reasons. Watershed people might have wanted a valley saved because it was a natural storm sewer; the farmers because it contained the best soil in the area; recreation groups because of its fine park sites; city planners because it would afford breathing space for later urban development; local landowners because they didn't want urban development at all.

The trouble, it seemed, was the other fellow. Sure the area should be saved, people would tell you, but it would take too much money and the people would never go for it.

But now, the groups have been getting together and what a surprise: the people do go for it—indeed, open space is proving to be surprisingly full of political moxie. Just in the last several years, bills have been introduced in most of the big States to enable communities to purchase land and easements for open space conservation.

The sponsors of these bills report pretty much the same experience; each thought it was the sort of thing you threw into the hopper and let it season for a couple of years. To their surprise, the bills attracted immediate support. In some States they passed unanimously and, in others, almost unanimously. The rural-urban conflict so many people had feared turned out to be a rural-urban alliance. In Maryland, for example,

an amendment was put before the voters in last fall's election to provide lower assessments for farmers so that their land would not be taxed in the development. The plurality was heavy in favor of it and in the cities as well as out in the counties.

The enabling statutes didn't provide any money but they helped create a momentum toward the next logical step: State money to do the job. When the New York $75 million bond issue for open space came before the voters last fall, the plurality was roughly 3 to 1 in favor.

For New Jersey's green acres program the omens seem excellent. Because it is broadly conceived, it can unify the interests of every segment of the population. Note that it calls for open space not only for recreation, but "for conservation of natural resources." This latter provision is crucially important; instead of restricting the program to conventional park acquisition, it dovetails many different kinds of land conservation and makes each that much easier. Soil conservation districts, for example, provide benefits for many more people in the area besides the farmers involved; by the same token, park and easement acquisition in the surrounding area can greatly help maintain the integrity of the soil conservation districts. Because of this overlapping of self-interest, the leverage power of each dollar spent for open space can be greatly magnified.

The same is true of the Federal open space provisions pioneered by Senator WILLIAMS. As with the State program, the point is not to superimpose some grandiose master plan of greenbelts; it is to assist communities in working out a comprehensive plan for development of the area. To put it another way, by investing dollars in open space now, the public can avoid having to spend many more dollars later in a vast suburban renewal program. And it will still be the Garden State.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut, to recommit the conference report, with instructions. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HICKEY (after having voted in the affirmative). On this vote I have a pair with the senior Senator from New Mexico [Mr. CHAVEZ]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. GORE], and the Senator from West Virginia [Mr. RANDOLPH], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from Louisiana would vote "nay," and the Senator from Nebraska would vote "yea."

On this vote, the Senator from Connecticut [Mr. DODD] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from Connecticut would vote "nay," and the Senator from Kansas would vote "yea."

On this vote, the Senator from West Virginia [Mr. RANDOLPH] is paired with the Senator from Vermont [Mr. PROUTY]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from Vermont would vote "yea."

On this vote, the Senator from North Dakota [Mr. BURDICK] is paired with the Senator from Tennessee [Mr. GORE]. If present and voting, the Senator from North Dakota would vote "nay," and the Senator from Tennessee would vote "yea."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Nebraska [Mr. HRUSKA] is absent on official business.

On this vote the Senator from Kansas [Mr. CARLSON] is paired with the Senator from Connecticut [Mr. DODD]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from Conecticut would vote "nay."

On this vote the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from Louisiana [Mr. ELLENDER]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Louisiana would vote "nay."

On this vote, the Senator from Vermont [Mr. PROUTY] is paired with the Senator from West Virginia [Mr. RANDOLPH]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from West Virginia would vote "nay."

The result was announced—yeas 42, nays 47, as follows:

[No. 87]

YEAS—42

Aiken	Dirksen	Proxmire
Allott	Dworshak	Robertson
Beall	Eastland	Russell
Bennett	Goldwater	Saltonstall
Boggs	Hickenlooper	Schoeppel
Bridges	Holland	Scott
Bush	Keating	Smathers
Butler	Kuchel	Smith, Maine
Byrd, Va.	Lausche	Stennis
Capehart	McClellan	Thurmond
Case, S. Dak.	Miller	Tower
Cooper	Monroney	Wiley
Cotton	Morton	Williams, Del.
Curtis	Mundt	Young, N. Dak.

NAYS—47

Anderson	Hayden	McNamara
Bartlett	Hill	Metcalf
Bible	Humphrey	Morse
Byrd, W. Va.	Jackson	Moss
Cannon	Javits	Muskie
Carroll	Johnston	Neuberger
Case, N.J.	Jordan	Pastore
Church	Kefauver	Pell
Clark	Kerr	Smith, Mass.
Douglas	Long, Mo.	Sparkman
Engle	Long, Hawaii	Symington
Ervin	Long, La.	Talmadge
Fulbright	Magnuson	Williams, N.J.
Gruening	Mansfield	Yarborough
Hart	McCarthy	Young, Ohio
Hartke	McGee	

NOT VOTING—11

Burdick	Ellender	Hruska
Carlson	Fong	Prouty
Chavez	Gore	Randolph
Dodd	Hickey	

So Mr. BUSH's motion to recommit with instructions was rejected.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BRIDGES. Mr. President, on this question, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. COOPER. Mr. President, I do not wish to detain the Senate, but I would like to make a brief statement at this time. Is it in order for me to speak now, or has the first vote been cast?

The PRESIDING OFFICER. It is.

Mr. COOPER. Mr. President, I know that Senators wish to vote. But I wish to make a statement because of my convictions regarding what has happened here today.

I have supported every housing bill since I have been in the U.S. Senate, and I supported the Senate version of this bill a short time ago. I have voted for very liberal housing bills and, in fact, last year or the year before I voted to override President Eisenhower's veto. I want the people of my State to know why I shall vote against the pending housing bill.

We are living in a critical year and we do not know what will happen before it has passed—whether it will be one of war or peace. Before the year has ended, we shall be called upon to make larger expenditures for defense; and we must do more to assure the safety of our country. This year may be the most dangerous year since World War II.

The President has asked the Congress to restrain its spending and give priority to measures necessary for the safety of the Nation. But when these bills come before us—bills dealing with social improvement—our friends on the other side of the aisle turn to some of us on the Republican side and ask for 8, 10, or 12 votes because they know they are humane and social measures in which we believe; yet our friends on the Democratic side of the aisle, then proceed to add so greatly to the cost of the bills—add to the cost without reason—that it becomes impossible for us who believe in the purpose of the bills to vote for them.

Unless those on the Democratic side of the aisle who believe in these measures, as we do, refrain from adding money, far beyond the amount the President requests—unless the President can restrain the Members of his own party from piling on additional, and unnecessary, sums—which he has not asked for—you on the other side of the aisle place us on this side in an impossible position.

I will vote against this housing bill to register my protest against the continuing practice of the Members of the President's party—the practice of adding millions of dollars to almost every bill beyond the President's request, and, if I may do so, in order to say respectfully to the President of the United States, "Restrain your own party, look to the necessity of holding expenditures in line this year, to protect the security of our country," I must vote against this measure. It is irresponsible, adding a million dollars to the President's request.

Mr. JAVITS. Mr. President, will the Senator from Kentucky yield to me?

Mr. COOPER. I yield.

Mr. JAVITS. I will vote in exactly the opposite way; but I join the Senator

from Kentucky completely in the statement he has made. I will vote in exactly the opposite way because I am one of the architects of this bill, and I believe that housing is essential to the country, and, therefore, does not represent a reduction in our assets.

But I wish to join in the injunction to Senators on the other side. They cannot carry this on indefinitely; and there are measures against which I, too, will vote. Senators on the other side cannot pile expenditures on expenditures on expenditures, in the present grave situation, without regard to the exigencies we now face. So I wish to join the Senator from Kentucky in that injunction.

Mr. CARROLL. Mr. President, with the Senate's approval today of the conference report on S. 1922, the Housing Act of 1961, and with House approval expected momentarily, it is clear that this important measure will soon become law.

An editorial printed in the Denver Post June 18, 1961, sums up well the significance of this bill. The Denver Post, as I am sure the Senate knows, is a paper respected throughout the Rocky Mountain empire. As the editorial points out, while reforms of building codes and financing practices are badly needed, "such reforms may be a long time coming. Meanwhile, we feel the administration's approach regardless of our misgivings about the large total cost and some disagreement on details, is more directly to the heart of the matter. This is why we support it in principle."

Mr. President, I ask unanimous consent that this fine editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

KENNEDY HOUSING BILL HEADS FOR HOME

Having weathered tough opposition and gained a heavily favorable vote in the Senate last week, President Kennedy's ambitious and expensive omnibus housing bill heads for the House of Representatives under circumstances which should give him cause for cheer.

Passage of the bill in something like its present form is fairly likely—although the total amount of spending (estimated at at least $6 billion over a period of several years), and the total number of public housing units, may be reduced.

Much of the spending authorized by the bill will be in the form of loans or loan supports—in other words, money that will be paid back.

Some of the supports will undoubtedly create an upward push in demand, which may merely stimulate the economy where it has been dragging, as the administration hopes, or may create new inflationary pressure, as opponents fear.

Certainly it will lead to the creation of a lot more dwellings, particularly for those Americans, estimated by Mr. Kennedy in the millions, who are presently ill housed.

And it will help to attack, in a major way, the stubborn problem of urban blight—a noteworthy objective.

The bill allocates $2.5 billion to be used for urban renewal grants for another 4 years.

Complementing this is the authorization for the construction of an additional 100,000 low-rent public housing units. Representative ALBERT RAINS, Democrat, of Alabama, the bill's floor manager in the House, predicts a battle over public housing.

Since the rental from these units goes to the repayment of the governmental loans under which they are built, and for other reasons, it is difficult to estimate in dollars just what this represents in the way of Federal subsidy. But describing this as a subsidy doesn't answer the problem as to whether a better way—short of condoning the existence of slums—is available to meet the housing needs of the lowest income groups.

Most controversial section of the omnibus bill has been the moderate-income family plan based (in the Senate-passed version) on low-downpayment, limited-interest, 40-year mortgages, which would require an authorization of $750 million.

Senator HOMER E. CAPEHART, Republican, of Indiana, a man well versed in housing matters, led the upper Chamber fight against this provision. We share CAPEHART's uneasiness about the 40-year mortgages, particularly if they are applied to comparatively cheap construction.

We applaud the bill's new provision for FHA financing, on terms up to 20 years and on loans up to $10,000 for rehabilitation of existing houses—an investment, it seems to us, in stability. Judging from housing industry's generally favorable reaction, this good provision seems likely to be retained.

An interesting objection to the Kennedy bill was contained in an open letter published a month ago in House & Home, professional magazine of the housing industry. The letter lauded the President's objectives, but argued that the program "is far too small to cure the vast needs you state."

In the place of more subsidized housing, the letter urged an attack on "roadblocks that still make it impossible for the dynamics of private enterprise to meet all our needs for better housing." These "roadblocks" included archaic building codes, high land costs and unsound financing practices.

They sound like appropriate areas for reform, but such reforms may be a long time coming. Meanwhile, we feel the administration's approach, regardless of our misgivings about the large total cost and some disagreement on details, is more directly to the heart of the matter. This is why we support it in principle.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Connecticut will state it.

Mr. BUSH. Do I correctly understand that on this question a vote "yea" will be in favor of approving the conference report; and a vote "nay" will be in opposition to approving the conference report?

The PRESIDING OFFICER. That is correct.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], and the Senator from West Virginia [Mr. RANDOLPH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], and the Senator from Tennessee [Mr. GORE] would each vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from West Virginia [Mr. RANDOLPH] is paired with the Senator from Vermont [Mr. PROUTY]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from Vermont would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], and the Senator from Vermont [Mr. PROUTY] are necessarily absent.

The Senator from Nebraska [Mr. HRUSKA] is absent on official business.

On this vote, the Senator from Hawaii [Mr. FONG] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from Hawaii would vote "yea," and the Senator from Kansas would vote "nay."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Nebraska would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Vermont [Mr. PROUTY], is paired with the Senator from West Virginia [Mr. RANDOLPH]. If present and voting, the Senator from Vermont would vote "nay," and the Senator from West Virginia would vote "yea."

The result was announced—yeas 53, nays 38, as follows:

[No. 88]

YEAS—53

Anderson	Hayden	McNamara
Bartlett	Hickey	Metcalf
Bible	Hill	Morse
Boggs	Humphrey	Moss
Byrd, W. Va.	Jackson	Muskie
Cannon	Javits	Neuberger
Carroll	Johnston	Pastore
Case, N.J.	Jordan	Pell
Church	Keating	Proxmire
Clark	Kefauver	Smith, Mass.
Douglas	Kerr	Sparkman
Ellender	Long, Mo.	Symington
Engle	Long, Hawaii	Talmadge
Ervin	Long, La.	Wiley
Fulbright	Magnuson	Williams, N.J.
Gruening	Mansfield	Yarborough
Hart	McCarthy	Young, Ohio
Hartke	McGee	

NAYS—38

Aiken	Dirksen	Robertson
Allott	Dworshak	Russell
Beall	Eastland	Saltonstall
Bennett	Goldwater	Schoeppel
Bridges	Hickenlooper	Scott
Bush	Holland	Smathers
Butler	Kuchel	Smith, Maine
Byrd, Va.	Lausche	Stennis
Capehart	McClellan	Thurmond
Case, S. Dak.	Miller	Tower
Cooper	Monroney	Williams, Del.
Cotton	Morton	Young, N. Dak.
Curtis	Mundt	

NOT VOTING—9

Burdick	Dodd	Hruska
Carlson	Fong	Prouty
Chavez	Gore	Randolph

So the report was agreed to.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the report was agreed to.

Mr. CLARK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HOUSING ACT OF 1961—CORRECTION IN ENROLLMENT

Mr. SPARKMAN. Mr. President, I send to the desk a concurrent resolution, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution.

The legislative clerk read the resolution (S. Con. Res. 30), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is authorized and directed, in the enrollment of the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, to make the following correction:

In section 605(c) of the bill strike out "is approved" and insert in lieu thereof "is not approved".

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

There being no objection, the concurrent resolution (S. Con. Res. 30) was considered and agreed to.

Mr. HART. Mr. President, I join in saluting the Senator from Alabama [Mr. SPARKMAN] for his skill and devotion in developing the housing bill and the conference report, to which the Senate has now agreed.

When we debated S. 1922 on Thursday, June 8, 1961, one minor point which I now notice has been covered in the conference report on the housing bill should be clarified.

A group of public-spirited individuals in Ann Arbor, Mich., and Superior Township, Mich., several years ago formed a nonprofit corporation known as Willow Village Apartments, Inc., to build a nonprofit housing development which would serve to house families being relocated from the old Willow Run housing. These various individuals, representing professional people from the University of Michigan and other public officials from Superior Township, were motivated by civic interest, and after several years of attempting to get their program off the ground, finally succeeded in having the project built.

However, in the period from the forming of their corporation to the time of the building of the project, interest rates and construction costs rose to the point where this development could only succeed in serving the low income families which it was intended to serve if there were long-term, low-interest-rate funds available.

It was for this reason that I sponsored with the Senator from Ohio [Mr. YOUNG] an amendment to allow the refinancing of an existing section 221 nonprofit relocation housing development under the new long-term, low-interest-rate program approved by both Houses of Congress for multifamily housing.

I merely wanted to clarify that it was our intention that a genuine nonprofit civic group such as those making up Willow Village Apartments, Inc., would be able to apply to the FHA for refinancing under our newly passed housing program.

EXTENSION OF VETERANS' GUARANTEED AND DIRECT HOME LOAN PROGRAM

Mr. SPARKMAN. Mr. President, there is lying on the desk an amendment of the House of Representatives to the amendment of the Senate to H.R. 5723.

A few days ago we passed the bill and sent it to the House. The House accepted all the Senate amendments except one, and has asked the Senate to accept the amendment of the House to the amendment of the Senate.

I have discussed the matter with the Senator from Indiana [Mr. CAPEHART] and the majority leader [Mr. MANSFIELD].

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to agree to the amendment of the bill (H.R. 5723) to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program, which was, "on page 2 of the Senate engrossed amendment, in lines 9 and 23, strike out 'four' and insert in lieu thereof 'three.'"

Mr. SPARKMAN. Mr. President, I move that the Senate agree to the amendment of the House to the amendment of the Senate to H.R. 5723.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, while so many Members of the Senate are present, if I may have their attention, I should like to ask the distinguished majority leader what other measures will be considered today, and the likelihood of any record votes, what the schedule will be for tomorrow and whether it is contemplated that the Senate will convene a little earlier tomorrow in order to finish the calendar of bills on which there must be action before we begin the 4th of July recess.

Mr. MANSFIELD. Mr. President, in reply to the distinguished minority leader, I point out that H.R. 7677, to increase the debt limit, is the pending business. It will be followed by H.R. 6874, the NASA authorization bill. That bill, in turn, will be followed by the resolution relating to Reorganization Plan No. 4, which I hope can be reached and made the pending business before the Senate adjourns tonight.

Reorganization Plan No. 4 will be followed by the resolution relating to Reorganization Plan No. 3, which has to do with the Civil Aeronautics Board.

The Senator from South Dakota has some proposed amendments to the educational and cultural exchanges bill, which will be considered tomorrow.

If the House passes the AEC authorization bill, that bill will be considered; if not, it will go over.

After the conclusion of morning business tomorrow measures on the calendar to which there is no objection will be considered.

Insofar as the hour of meeting tomorrow is concerned, I anticipate convening early, but I should like to discuss this further with the distinguished minority leader, so that we may reach a firm agreement.

What we would like to do is to complete the business outlined at a reasonable hour tomorrow, then have the Senate adjourn until Monday, at which time there would be only a pro forma meeting for the purpose of observing the rules, and then the Senate would go over from Monday to Wednesday, and then return prepared for business. In other words, the Senate, if we can finish its business, will, in effect, go over from tomorrow afternoon or evening until the following Wednesday. That will give Senators an opportunity to catch up on their committee work and other activities.

Mr. DIRKSEN. Will there be any record votes?

Mr. MANSFIELD. I do not know that any Senator has indicated a desire for a record vote on either the debt limit extension bill or the NASA authorization bill.

Mr. DIRKSEN. Mr. President, let me say to my distinguished friend that the NASA authorization bill contains such astronomical amounts that I am fairly stricken into a stage of silence and could not think of asking for a yea-and-nay vote, because I am not sure on what I would be recorded. I understand that bill came from the committee unanimously, after thoroughgoing consideration.

Mr. MANSFIELD. Yes, indeed. The bill was reported unanimously after a thorough going over. I think the committee practically wrote a completely new bill.

Mr. DIRKSEN. Mr. President, my limited comprehension of these astronomical amounts should not be persuasive one way or the other, but under the circumstances, knowing what is involved, I am sure the bill will be generally approved by the Senate.

Mr. MANSFIELD. It looks encouraging, but——

Mr. WILEY. There will not be a record vote, then?

Mr. MANSFIELD. It looks encouraging, but——

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. CLARK. It is my understanding that the Senator from Delaware [Mr. WILLIAMS] intends to propose an amendment to the debt limit extension bill to remove the four-and-a-quarter percent interest ceiling. If the Senator seriously presses his amendment, it will be necessary to have a yea-and-nay vote.

Mr. MANSFIELD. There will be some discussion of that question.

Mr. CASE of South Dakota rose.

Mr. MANSFIELD. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. The Senator from South Dakota wonders if it is a reasonable assumption that if there

is a yea-and-nay vote on the NASA authorization bill, that vote will not take place until the first thing tomorrow?

Mr. MANSFIELD. I think that is a reasonable assumption. We hope to finish the bill, but if a yea-and-nay vote is asked for it can be postponed until tomorrow.

DEBT LIMIT EXTENSION

The Senate resumed the consideration of the bill (H.R. 7677) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

ADDRESS BY SECRETARY RIBICOFF AT UNIVERSITY OF CALIFORNIA MEDICAL SCHOOL

Mr. KEFAUVER. Mr. President, Abraham Ribicoff, our Secretary of Health, Education, and Welfare, delivered a graduation address in San Francisco before the University of California Medical School on June 5, 1961.

The substance of Secretary Ribicoff's remarks is a ringing challenge not only to the physicians graduating there but also to citizens of all walks of life in our Nation.

It calls upon us to reexamine goals and objectives. I ask unanimous consent that Mr. Ribicoff's speech be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BEFORE THE UNIVERSITY OF CALIFORNIA MEDICAL SCHOOL, SAN FRANCISCO, CALIF., MONDAY, JUNE 5, 1961, BY ABRAHAM RIBICOFF, SECRETARY OF HEALTH, EDUCATION, AND WELFARE

Here at the Golden Gate I am happy to speak with you graduates of the University of California Medical School. I ask you men and women who today take the Hippocratic oath to consider with me a simple fact:

The practice of medicine is a public trust.

Each of you, in your two decades of training thus far, has been heavily endowed by the people of your community, your State, and your country.

Your distinguished teachers here at the University of California are public employees. So were your public school teachers and, for many of you, your undergraduate instructors at a State university. In private colleges generous benefactors paid the differences between tuition and costs, for tuition seldom covers total costs.

Nor will the public interest in you end when your education is completed. Soon you will pass an examination and be granted a license to practice by the people.

Public laws will govern your practice. The hospital in which you work will be licensed by the public and may well have been built or equipped with public funds.

There has been much comment about President Kennedy's inaugural injunction: "Ask not what your country can do for you—ask what you can do for your country."

"Who me?" people ask, "What can I do? And how? After all—I'm a busy man or woman. It's all I can do to work at my job, raise my family, make a living."

The President answered that he spoke not only of deeds of sacrifice but of the spirit of sacrifice. For the truth is that the corollary of freedom is responsible citizenship; that the United States can be strong only if our free society is strong and our free society can be strong only if those who enjoy its freedom are willing to act for the common good as well as their own personal ends.

The country is the people—the people who have helped you graduates of today to cure in sickness, restore in disability, protect in health.

Your success in fulfilling these great expectations will determine your value as a human being. It will also measure your worth as physicians.

Medicine, since its earliest beginnings, has carried high the banner of public service. Hippocrates wrote, in his Precepts: "Where there is love of man, there is also love of the art."

There can be no purer statement of professional dedication to humanity.

It is interesting that Hippocrates always refers to medicine as the art or my art. The word appears five times in the oath itself. Now we class medicine more as a science than an art.

Art or science, is there not still room in medicine for a full measure of humanitarianism?

For you, as medical graduates, the degree to which medicine and humanity are linked is personal and immediate. How vigorously will you strive to put your carefully built scientific capability to the service of those who need it? How swiftly and equitably will you deliver these services to the society of the 1960's, 1970's, and 1980's? In short, how faithfully will you discharge your public trust?

These are the root questions. The rest is technique and technology—indispensable but derivative.

And these are the questions which the citizens of this land are asking you today.

For as we seek to build—as we acknowledge that we must seek new ways and find new means—all segments of American society are responding. Each is examining its role and its potential; foremost among these is the profession of medicine.

"America is West," said the poet, "and the wind blowing."

Yes, America is West. She is leader of the Western World, defender of a dream in which we all believe, spokesman for liberty and equality.

But how does the wind blow for America? How does it blow for you men and women as you emerge from the swift currents of your medical curriculum and pause for a moment before you plunge into the more advanced stages of professional training? How does it blow for us as we look at the facts of contemporary life that will shape your professional careers?

In a few years, you will come into your own as full-fledged practicing physicians. The new world that is yours to serve will be very different from the world as it is when you began your long preparation 20 years ago.

There will be more people, for one thing—a fact for which medicine can take much credit. Medicine, being a cause, must also live with the effect: greatly increased numbers of people to be served.

And that population will be very different. Its age will have changed. Two age groups—the very young and the very old—are growing more rapidly than the rest of the population. These are precisely the age groups which consume the largest share of medical attention.

More than this: the very texture of our society will be different. Our cities are growing. By 1970, almost three-quarters of us will be living in sprawling complexes of city and suburb. The supercity strains the political and administrative machinery designed for bygone days of the rural majority. It poses complicated problems in terms of distribution of hospitals, patterns of public health service, and private practice of physicians.

More still: our very design of living will be changed. Three generations do not fit as gracefully into a split level or rambler as they did into the farmhouse or townhouse of yesterday. The family's economy will be different, its members better educated and more aware, among other things, of the wonders medicine offers. Their expectations will be higher, including adequate health care on the list of basic rights. They read the popular magazines—they know about research. They will no longer feel that their health is secure or lives saved because of your personal efforts alone.

Within the medical profession itself there will have been changes no less profound than those in the world around us.

Already the surgeon's knife enters where it never could before. Entire organs are removed, segments of blood vessels replaced.

Drugs have conquered once-deadly bacterial enemies, others relax the grip of hypertension and even mental disorders. Hormones ease the pain of arthritis and other chronic ailments. Vaccines shield the body against certain viruses.

Less spectacular but no less important, simple procedures have been devised to detect hidden diseases before outward signs appear, while they can still be treated and still be cured.

And the result? You have more to offer than ever physicians did before. You will have still more to offer in the future. People want your services and will want them further. But they do not always get what they need—when they need it.

Let us face the fact that often—most frequently among our older people—they do not get it because they cannot pay for it. They cannot pay for the medical services they need. Too proud to impose on their children or on others, too ashamed to seek public alms, they postpone the day of reckoning until the point of no return.

Often, too, people do not receive your services for subtler, more complicated reasons. Chiefly, these are the result of slowdowns or bottlenecks in the organization and delivery of medical services.

Hopefully and gladly we invest millions in medical research. But a research discovery in the laboratory, until it is applied, saves mice, not men. Breakthroughs in research should not be followed by breakdowns in delivery. They should be followed—as swiftly as safety allows—with cures.

No matter how we look at it, the evidence tells us plainly that we should be doing better:

"The United States, for example, has slipped to 10th place among the nations of the world in prevention of infant mortality.

"In this seventh year of the dramatically effective Salk vaccine, nearly 80 million people under 40 still have not completed the recommended course of injections.

"Every year nearly 13,000 women die of cervical cancer, a disease which can almost infallibly be detected by a simple test in its curable stages.

"Twenty thousand American lives are taken each year by rheumatic fever and rheumatic heart disease—diseases caused by a chain reaction which, I understand, can be broken at the beginning and in the middle."

The list could be multiplied indefinitely. Many are blind whose sight could have been saved. Many lie helpless whose abilities could be restored. Many sit anguished in mental institutions, who might—through treatment—be returned to their families.

We must not only bewail such defects in our health armament; we must fill them. For they are part of the challenge we consider together, today.

I say "we" deliberately. For as public servants with different skills—as physicians and public administrators—we must apply our separate skills and hearts as quickly and effectively as possible. Such is our duty in a free society.

This is our challenge.

We must examine our respective professions with fearless minds. Searching, we must test so-called "eternal truths" against the unmistakable facts of here and now. We must think critically, experiment courageously, and change constructively.

We must ask ourselves many, many questions. Some of these have to do with the dominant trend in modern medicine—specialization.

Thirty years ago, only one physician in six considered himself a specialist. Today almost half the physicians in private practice limit themselves completely to specialized practice, and many of the rest are part-time specialists. The "family doctor" is a vanishing breed.

Is this necessary or desirable? Obviously, many of the triumphs of modern medicine depend absolutely upon extreme specialization. But how far can we, or should we, go down the road toward fractionization of the patient—toward making him a heart, a head, a tooth, a set of bones? Can we somehow preserve the values of the old ways—of the personal family doctor—while incorporating the values of the new specialization?

In his delightful essay entitled "When the Doctor Is a Pill," Jacques Barzun points out that "to be alive and breathing is not quite enough. * * * We came alone into this world and expect to leave it the same way. When we are ill, we feel similarly alone in our misery; being sick is a highly individual affair, which makes us long for personal attention, not just 'personalized' on the surface; and this is what our system overlooks, what too many of our doctors fail to understand."

And writing of what he calls "the lost art of medicine," Barzun asks: "The patient survives, but why should he spend his worst moments in an atmosphere wholly mechanical and metallic? If he goes to the hospital, he finds it has become a factory run by engineers. The word 'care' has lost its humane meaning and acquired a statistical one which is not at all pleasant * * * he is processed like a side of beef at the Armour plant."

I have a friend who went to the hospital this February for an exploratory operation. She was frightened—she thought she might have cancer. But she was fairly sophisticated in medical matters and understood exactly what needed to be done. First of all, though she wanted a single room and was willing to pay for it, the hospital was—as usual—overcrowded, and she had to share a room with a very sick lady who moaned so long and loud that my friend couldn't rest. She protested and was transferred to another room. That evening seven—count them—seven different people, from surgeon to anesthetist came to examine her, ask her questions, and get her to sign papers.

All she wanted, she told me, was a good old-fashioned family doctor to be patient and tell her she was going to be okay.

Well, she was okay, and you've all heard stories like this. What do we do about them? How do we preserve the art of medical practice while developing the science of practice with consequent specialization? How do we support the skill of the doctor by more effective use of less skilled personnel?

Another set of questions about that most hallowed of all medical phrases—the doctor-patient relationship: What is the physician-patient relationship in 1961? What should it be?

Plainly, it isn't what is used to be. As the trend toward specialization moves on, the patient has—as we have said—become the patient of a platoon of physicians. Moreover, in our mobile urban and suburban world, each physician has a constantly changing set of patients.

"The physician's conventional image, drawn from the past, has become an anomaly in the 20th century," wrote the president of the Arizona Medical Association in Harper's last October. "In Victorian America, the doctor was an undisguised individual in an age that respected individuals. Now, in many ways, he no longer shares the common experience of his patients. His very learning has become complex and esoteric, [the doctors] are perhaps more and more alienated from the common run of people by our altered relation to them. Instead of becoming a professional elite, drawn from and cutting across every social stratum, at the services alike of banker and beggar, we have drifted into an upper-class status identification that prevents us from recognizing the wishes and needs of the great mass of our patients."

Thirty years ago almost half of all physician visits were in patient's homes. Today, 9 out of 10 are in the doctor's office. This has obvious benefits in terms of time saved and convenient facilities. But how has it affected the physician-patient relationship? Is it important that the patient be seen on his home ground, against his unique social and economic background? Why, in the Worthing experiment in England, I hear, even psychiatrists visit patients in their homes, and with worthwhile results. That would be quite a switch for our psychiatrist-physicians.

What is the relationship between the private physician and his community's health services? The big health problem of the future will be care of the chronically ill. These patients go through periods when they need to be in a hospital or in a nursing home or even at home. How can the doctor help assure the proper availability and coordination of such services?

What about the process of education through which you men and women are now passing? I am sure that your professional training has been magnificent. But are you equipped to serve as broad-gaged citizens of these United States? Do you have time—do you have the cultivated hunger—to read widely and ponder thoughtfully?

For as Howard Mumford Jones has pointed out, "Such science as we have is at the mercy of politics, decline of population, war, and the alternating beat of Yin and Yang. * * * So far as applied science creates new things, art will deal with them as it has dealt with the invention of the boat or the creation of television; it will refer them to the passion and motives of men."

I am definitely not an antiscientist—one who deplores the discoveries of science in favor of the beauties of art. Far from it. There is great beauty as well as hope in the giant revolution which has taken place in man's knowledge of himself and of the world.

But the literate scientist himself would assure you that deep compassion for man's social or economic problems is at the heart of modern scientific medical practice.

An understanding of the passion and motives of men is the magic tool of the doctor of tomorrow.

How well are you prepared for your job as a citizen of the world? Health—we all know—is a bond among all people. The cry of a sick child can be heard above the harangues of the conference table. And the light in the eyes of a man made well again or protected against future illness transcends any language barrier.

Will you join us as we develop our programs for exchange of skilled medical people between our Nation and others? Will you help us conduct short-term teaching and demonstration projects in foreign lands—information exchanges, regularly scheduled seminars, collaboration on specific disease problems?

I think you can, I think you will. For I have faith in our young people today, in you—our new physicians—and confidence in your belief in the American dream.

What's more I think you will contribute to that dream, will give us your ideas of what's lacking and what needs to be done. I know from my years as a Governor that new ideas do not need to come from Washington. We in the Federal Government want your ideas. We do not want to tell you what to think.

"What do you want, what do you want?" his own soul asked Ivan Ilych when he lay on his deathbed, helpless and alone.

And Tolstoi tells us that he answered promptly: "To live, and not to suffer."

To live, and not to suffer. This is our hope. This is the task for which you are equipped and trained.

Give it your best. Think of it broadly—hopefully—imaginatively. Thus will you help your Nation to prevail. And thus will you live as a whole man.

GOOD NEIGHBORS IN THIS HEMISPHERE

Mr. KEFAUVER. Mr. President, some provocative thoughts on our international relations with Central and South American nations have been set forth in the Communications Workers News by Joseph A. Beirne, CWA's president.

I believe Mr. Beirne's observations, in these times when we are all struggling with tremendous problems concerning our good neighbors in this hemisphere, are presented with sincerity and considerable thoughtfulness.

I ask unanimous consent that Mr. Beirne's statement be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CWA PRESIDENT TAKES NEW LOOK AT LATIN AMERICA

(By J. A. Beirne)

Many Americans these days, as people—and as "Government"—are concerning themselves increasingly with the problems, the hopes, and the attitudes of our neighbors to the south.

The hour has arrived when we must pay closer heed to the legitimate aspirations of the people who make up the countries of Central and South America.

More than anything else, perhaps, the events in Cuba have awakened us to the changing attitudes of our Latin neighbors, this dynamic thrust toward a changed world, and their mounting unrest.

We cannot overlook the recent troubles in Venezuela any more than we can countenance the dictatorship of a Trujillo in the Dominican Republic.

We must recognize—and assist—our neighbors to the south in their yearnings to improve their political and economic institutions.

This is not merely enlightened self-interest. We owe that much to these people if we are to maintain our vaunted role as leader of the free, democratic world. If we fail to carry out the promise implicit in that role then it is entirely possible—and even quite probable—that our shortsightedness will cost us dearly.

I have seen, met, and talked to many of the people who make up these countries. They are warm, friendly, and desperately in need of the kinds of assistance we can offer them. For their lives—those who work in the soil and the jungles—are stamped with an appalling poverty. Nowhere in our own Nation, even in its worst places, does anything approach the grinding sort of poverty that is the lot of these people "from the moment of their birth until their eyes are closed in the merciful release of death."

It has been said often that our globe is shrinking and so it is. The capitals of South American countries are only hours away from my office by jet. The jet age has surely come to Latin America but even more important—from our consideration—so has the idea that eternal poverty and want, need not always stunt the lives of its peoples.

And it is well that they should not be forever blighted. Quite apart from its moral aspects, the improvement of conditions in Central and South America should be of concern to every one of us.

In their reaching and striving for better living standards the people of this corner of the world will take one of two roads. Either they will embrace the ways of democracy and all that it has to offer, or they will listen to the deadly doctrines of communism and will inevitably be drawn into the Kremlin's orbit.

No thinking American wants this or would willingly permit it to happen.

There is another side to this situation. Through our example and our efforts we can lift the standard of living in some of these countries and we can create new markets for the goods we make and which we sorely need to export. It is only human for those who have long done without * * * to want the things that we take for granted.

When these people are freed from the serfdom under which they have existed for so long—when their standards are raised, we will have opened a vast new potential market for the goods we know how to produce so well.

The job ahead of us will be a big one, but big, formidable jobs have never stumped the people of the United States. It is a job that is large enough so that everyone can help through governmental and private resources.

I take a great deal of pride in the efforts already made in this direction by the labor movement of the United States—working with our sister unions in those countries where free, democratic trade unions are permitted to flourish. And I should say here—parenthetically—that just as everywhere else in the world where dictatorships of the right or of the left exist * * * so in Latin America trade unions suffer under dictatorships. Dictators know better than anyone else that free trade unions are a means of safeguarding democratic practices and are consequently a menace to the iron rule of a despot.

As Americans, we can all be proud of the concepts contained in the "partners for progress" policy detailed by President Kennedy in his inaugural address. Now it remains for us to implement those concepts.

We can and should assist in the development of the resources of these countries and in the development of sound economies, improved work opportunities and general prosperity.

We can aid in the development of educational institutions at every level from primary school to college. Indeed, this is one of the aims of the Peace Corps now coming into being.

We can assist in the tremendous task of bringing adequate housing and medical care to these countries.

It should be one of our objectives to encourage the development of labor organizations in these countries to improve labor-management relations, to create a medium through which workers may obtain better wages and conditions and thus improve their power as consumers.

Latin Americans are proud people. They insist—and rightly—that self-help will go far to end their national problems. But they cannot advance too far without outside assistance. Their countries cannot raise sufficient capital for the needed rate of economic development. Neither can they by themselves overcome the age-old problems of poverty, ill health, illiteracy and generally low levels of industrial and agricultural skills.

Private capital, especially from the United States, has played a big role in the advances already made. But in too many instances, it has brought about the deserved charge of American colonialism in Latin America.

All of us—Government, business, and private citizens—must move now to improve our relations with Latin America. The stake is high but the goal could well be our future peace and security.

B–58 IN NATO HANDS WOULD HELP PREVENT WAR

Mr. YARBOROUGH. Mr. President, one of the great and growing concerns of worldwide tension today is that the nations of the world might be accidentally plunged into an atomic holocaust.

In answering a missile alert, one moment of decision may well decide whether millions are killed and large areas of the earth burned and made uninhabitable. In 1 minute, just 60 seconds, someone may be required to make a decision to fire a rain of missiles in a war in which all mankind will lose.

That single minute of history, should it every occur, will unquestionably be the most fateful 60 seconds of all time.

Recently I urged the Congress to help lengthen that fateful minute of decision so that we could aid in removing doubt about an atomic attack. I suggested that a sound, but effective, means of helping safeguard against accidental atomic war would be to equip members of the North Atlantic Treaty Organization with a strike force of supersonic B–58 bombers.

The vitally important factor to consider is not only that these supersonic B–58's have the range and speed to deposit atomic warheads on enemy targets, but that manned bombers can be recalled in case of false alarm. Once missiles are fired, there is no stopping them. I firmly believe that we owe it to all mankind not only to build the most powerful weapons possible to protect freedom, but also to choose weapons that will hold the greatest chance for avoidance of nuclear destruction up to the last minute of hope.

In a recent editorial, the Fort Worth Star-Telegram explained:

Missile bases in Western Europe are less than 15 minutes rocket time from Russian launching pads behind the Iron Curtain. Warning of a Red missile attack might come less than 10 minutes before the first warheads began to drop. The counterattack would have to be signaled immediately on receipt of the first warning or NATO's capacity to retaliate would go up in mushrooms of nuclear smoke.

If the warning proved to have been sounded in error, however, missiles already launched could not be stopped to avert the tragedy of an accidental atomic war.

Throughout the proud history of our Nation, we have been a people who have finished wars, not started them. We want peace, not a sword. With the deadly danger of accidental atomic war hanging over the world, it seems to me that we should strongly consider how the double-sonic-speed B–58 might give us extra minutes of decision which literally could mean the difference between life and death for millions of people.

I ask unanimous consent to have printed in the RECORD the text of an excellent editorial on the subject which appeared in the Sunday, June 25, 1961, issue of the Fort Worth (Tex.) Star Telegram entitled "New Role for B–58."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW ROLE FOR B–58

In pondering what to do with the unrequested $448 million voted by Congress for manned bombers, the Defense Department might wisely consider a recent suggestion from Senator RALPH YARBOROUGH, of Texas. He urged that the United States provide the North Atlantic Treaty Organization with a strike force of supersonic B–58 bombers.

The idea has tremendous possibilities. They stem not only from the astounding capabilities of the Fort Worth-built plane, but also from military contingencies peculiar to the NATO situation.

The B–58 has all the virtues attributed to manned bombers in general. It can maneuver intelligently to evade enemy countermeasures, seek targets and alternate targets in flight, strike and observe the results of its attack. Most important of all, it can be recalled if sent off on a false alarm.

These qualities, coupled with its double-sonic speed, which is matched by no other manned aircraft in the U.S. arsenal, should make the B–58 doubly attractive as an addition to the NATO shield.

Missile bases in Western Europe are less than 15 minutes rocket time from Russian launching pads behind the Iron Curtain. Warning of a Red missile attack might come less than 10 minutes before the first warheads began to drop. The counterattack would have to be signaled immediately on receipt of the first warning or NATO's capacity to retaliate would go up in mushrooms of nuclear smoke.

If the warning proved to have been sounded in error, however, missiles already launched could not be stopped to avert the tragedy of an accidental atomic war. B–58's could be.

Aside from these desirable qualities, the B–58 would be economical compared with other A-bomb delivery systems. For instance, 60 B–58's could be supplied NATO for the price of the 5 Polaris submarines recently offered, and each plane packs a wallop about equal to one of the 16-missile subs.

With all this in its favor, the lightning swift jet should get strong consideration for the new role Senator YARBOROUGH has recommended for it.

AUTHORIZATION FOR DR. HUGH L. DRYDEN, DEPUTY ADMINISTRATOR, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, TO HAVE THE PRIVILEGE OF THE FLOOR

Mr. KERR. Mr. President, the distinguished majority leader has said that the NASA authorization bill be considered by the Senate after a while, in the due course of business today. The distinguished Deputy Administrator of the National Aeronautics and Space Administration, Dr. Hugh L. Dryden, has come to the Senate, to be of assistance if needed. Rather than have the Deputy Administrator sit in the reception room, I ask unanimous consent that he may be permitted to come to the Senate Chamber now, to be present when the NASA

authorization bill, H.R. 6874, is considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

TASTY STEAKS FROM THE OLD GRAY MARE—THE BERLIN CRISIS

Mr. HUMPHREY. Mr. President, over the weekend there seems to have been a great deal of agitation in some quarters as to whether or not Mr. Khrushchev will believe us when we say that we are standing firm on Berlin. There seems to be some anxiety lest he doubt our determination. It is suggested that we watch for new ways and means to convince him that we are speaking the literal, exact truth when we say that we will stand firm, that, if necessary, we will fight to defend our rights and the rights of the courageous free people of Berlin.

Mr. President, I would suggest that we slow down to a walk and be less concerned about new ways to prove our steadfast determination.

Let us continue to pursue the whole range and variety of our foreign and domestic policy as before, instead of giving the impression that we are dropping or subordinating or putting on the shelf this, that, or the other item in order to concentrate on meeting Khrushchev's latest application of heat, an application which, let us remember, has been made before.

Specifically, I suggest that the best proof we can give that we are still in business and are determined to stay in business on the freedom side in the global struggle is to carry through on the pending request for authorization of funds for international economic cooperation and all the other items in the pending foreign-aid program. Particularly, it is important that we now authorize the appropriation of every penny requested for international economic cooperation in Latin America, in Africa, in southeast Asia, and wherever the have-not nations look to the have nations to help them improve their standard of living, their per capita income, and their stake in the society of which they are now a submerged part.

Above all, as the best proof we are not to be turned on and off like a water faucet by Khrushchev's pressures will be our voting for the 5-year authorization of the $7.3 billion asked for the long-range international economic development program.

Mr. President, Mr. Khrushchev's horsemeat speech in Alma-Ata, capital of the Soviet Republic of Kazakhstan, seems to be the most remarkable confession of the entire Communist agricultural program that has yet been made.

I recognize the facts reported by the New York Times that Mr. Khrushchev sought to limit his hearty endorsement of horsemeat as nourishing and tasty to the local market where, it was implied, they have had the habit of eating horsemeat in the past. But Mr. Khrushchev was on a national broadcast and he is enough of a pro to know that his enthusiastic endorsement of horsemeat would be understood as having been made to all Russians.

Coming a few weeks after the great pork shortage, and on the heels of continued failure in Chinese Communist food production, it seems to me that Mr. Khrushchev is hoping that Russians generally will piece out inadequate supplies of beef, pork, lamb, and mutton with the "tasty" steaks from the old gray mare.

We are very quick to make list of our own headaches; it seems to me that Mr. Khrushchev's list is much longer than ours.

Nearly everyone in America seems to enjoy pointing out the problems we face. I suggest that Mr. Khrushchev's list of problems is much longer than our own. The American people have no shortage of food, and the American people do not stand in line looking for food. America is not a weak Nation. It has the highest per capita income in the world.

I suggest that Mr. Khrushchev's headaches are much more than on the horsey side, much more than the question of eating horsemeat. His headaches are in Africa, where he has suffered a colossal defeat, the proportions of which make the problems of Cuba look insignificant and almost of no consequence.

Mr. Khrushchev suffers all kinds of headaches with his ally, Communist China, with insurrection in Albania, and problems in East Germany. Mr. Khrushchev is in trouble.

I suggest that Mr. Khrushchev points up his trouble when he tries to indicate to the Russian people that horsemeat is tasty, nutritious, and delicious. All I can say is that such a statement is a new kind of political doctrine which will hardly stand the test of modern analysis. I ask unanimous consent that the article on Mr. Khrushchev's new horsemanship be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KHRUSHCHEV SEES RUSSIAN ECONOMY NEAR U.S. LEVEL—PREDICTS WORLD LEADERSHIP IN OUTPUT DRIVE—CALLS FOR GROWING AMERICAN CORN

LONDON, June 24.—Premier Khrushchev said today that his new economy drive would make the Soviet Union the richest country in the world.

The Communist leader, quoted by Tass, the Soviet press agency, praised the economic program at a Communist Party assembly in Alma-Ata, capital of the Soviet republic of Kazakhstan.

Calling economic growth "the most formidable weapon in the hands of the Soviet Union," Mr. Khrushchev said the program would insure it "unquestionable superiority over all leading capitalist powers."

ON HEELS OF UNITED STATES OF AMERICA

"Old Russia," he said, "was among the economically underdeveloped countries, whereas the Soviet Union has now outstripped all the developed capitalist countries and is already closely approaching, is about to touch the heels of the very leader of the capitalist world, the United States of America."

"It won't be long," the Premier added quickly, "before we tell them: 'Make way, gentlemen. We are outstripping you, and never again will you catch up with us.'"

The new economic program, he said, will be "a tempestuous growth" of all branches of the economy, in which food and light industries will keep pace with the heavy industry.

"When the project of our new program is published," he said, "the date on the long-term perspectives of the economic development of the Soviet Union will provoke the admiration and enthusiasm of all our friends."

He said it would convince the world that "we are not threatening with arms the enemies of communism."

The economic program will win "millions of people in capitalist countries to the side of the ideas of communism," he added.

OFFERS HORSEMEAT

The assembly, celebrating the 40th anniversary of Soviet Kazakhstan, heard Mr. Khrushchev praise a new type of American corn that reaches maturity in 60 days. Mr. Khrushchev was told about this in conversation with Secretary of State Dean Rusk.

"Our plant breeders must also work at getting such a kind of corn," the Premier told the assembly.

Citing his Vienna meeting with President Kennedy and the West German and Berlin problem, Premier Khrushchev reiterated the Soviet stand on concluding a German peace treaty and a settlement on Berlin.

At the same time, Mr. Khrushchev served up some horsemeat for the Russian people.

"Comrades, you must look at horse breeding as a factor in the production of meat," he said. "There is no need, I think, to repeat that horsemeat is tasty and nourishing. As you see I am speaking about it like a true Kazakh.

"I was offered horsemeat yesterday and I liked it. Tasty, though a little too much fat in it. True, I may have been mistaken as I was judging the fat content by the look of it.

"Anyway let's speak in earnest: Horsemeat is a nutritious, tasty, and cheap product. There are many people in this republic and elsewhere who are used to eating this kind of meat. In fact, they like it. Let them eat it to their heart's content.

"Of course, this is a question of one's personal taste. Those who do not like it will not eat it.

"But as there are people who delight in eating horsemeat I must call on you to increase its production.

"I am saying this also because there are many herdsmen in this hall. I do not want them to think that old Khrushchev has changed his opinion about horsemeat and omitted the subject in his speech."

DUAL-RATE CONTRACT AGREEMENTS—MOTION TO RECONSIDER

Mr. MAGNUSON. Mr. President, I wish to present a matter of some urgency. Yesterday the Senate passed S. 2154, a bill to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual-rate contract agreements. I entered a motion to reconsider the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed. I had previously discussed, before the passage of the bill, some suggested remarks and an amendment which the two Senators from Alaska wished to submit. While I was absent from the Chamber consulting with the Interstate Commerce Commissioners, the bill was passed. I felt dutybound to move to reconsider to allow the Senators from Alaska [Mr. BARTLETT and Mr. GRUENING] to present their amendment to the bill.

The bill involves the extension of dual-rate contract agreements, which expire on Friday. It must go to the House and be acted upon by the House on Friday, pending the passage of permanent legislation which is now before the Senate Committee on Commerce.

I ask unanimous consent that the Senate proceed to the consideration of the motion to reconsider the votes on the passage of S. 2154, relating to dual rate contract agreements.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2154) to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual rate contract agreements.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate proceeded to consider the motion.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington [Mr. MAGNUSON] to reconsider the votes by which Senate bill 2154 was ordered to be engrossed for a third reading, read the third time, and passed.

The motion was agreed to; and the Senate proceeded to reconsider the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. GRUENING. Mr. President, on behalf of my colleague [Mr. BARTLETT] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Alaska on behalf of his colleague and himself will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 2. Section 16 (first) of the Shipping Act, 1916 (39 Stat. 734), 46 U.S.C. 815, is hereby amended by adding at the end thereof the following: "*Provided*, That within thirty days after enactment of this Act, or within thirty days after the effective date of the filing with the Board, whichever is later, of any conference freight rate, rule, or regulation, the Governor of any State, Commonwealth, or possession of the United States may file a protest with the Board upon the ground that the rate, rule, or regulation unfairly discriminates against that State, Commonwealth, or possession of the United States in which case the Board shall by order suspend the effectiveness of such rate, rule, or regulation and issue an order to the conference to show cause why the rate, rule, or regulation should not be set aside; if such suspension and order to show cause issues, the Board shall within ninety days of such issuance determine whether or not such rate, rule, or regulation is unfairly discriminatory and issue a final order either dismissing the protest or setting aside the rate, rule, or regulation."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Alaska [Mr. GRUENING].

Mr. MAGNUSON. Mr. President, I wish to speak on the amendment. I cannot agree to it, much as I would like to. I understand the peculiar situation involved in transportation problems in Alaska. At first I thought perhaps the amendment might be taken to conference, but after consultation with Members of the House, and in view of the need for expedition of a simple extension of the dual rate contract agreements, I find that the House of Representatives would accept the simple agreement, but further hearings would be required. I am afraid that time will run out on us, because the amendment provides that the Governors may protest to the Federal Maritime Board that conference rates, rules, or regulations unfairly discriminate against their State.

The FMB must then suspend the rate, and so forth, and order the conference to show cause why it should not be set aside. Then, within 90 days, the FMB must determine whether such rate unfairly discriminates. If it does, it must be set aside; otherwise the protest must be dismissed.

Section 15 of the Shipping Act of 1916 already provides that the FMB may disapprove any conference agreement which is unjustly discriminatory or unfair as between ports. Section 17 provides that no common carrier in foreign commerce shall charge any rate which unjustly discriminates between ports. Section 17 permits the FMB to correct such unjust discrimination and to order the carrier to discontinue such unjust discrimination.

The Gruening-Bartlett amendment would shift the burden of proof to the conference. There is a great deal of merit to the proposal of the Senators from Alaska. However, it is a complex issue, and the Federal Maritime Board would have to decide within 90 days. These are major innovations in regulation of ocean freight rates, and may need public hearings.

That is why I would have to oppose the amendment. In view of the legislative situation, I believe it would seriously jeopardize the dual rate extension.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BARTLETT. I express my appreciation to the senior Senator from Washington, my committee chairman, for having asked for reconsideration of the vote by which S. 2154 was passed by the Senate yesterday, so that we might present the amendment and this problem.

The amendment comes about for a very particular reason, relating to Alaska. In that connection, I applaud my colleague, the junior Senator from Alaska [Mr. GRUENING], for having proposed the amendment. I associate myself with him in offering it. It is something that ought to be considered.

It is true, as the Senator from Washington has said, that at this time the law permits the Federal Maritime Board to prevent discrimination as among ports with reference to conference shipping rates, but in one instance that we know of the Federal Maritime Board has not moved at all. Whether it has moved in other cases, I do not know. I am inclined to doubt it.

What has happened in Alaska which agitated us to the extent of causing us to bring before the Senate an amendment in connection with the extension of the dual rate law? Alaska is seeking to build up trade with the Orient. Alaska is seeking to extract its natural resources and ship some of them to the Orient, because the Orient provides a great, teeming market. Japan, particularly, where the trade is centered, is closer to Alaska than it is to any other part of the United States.

Let me cite some differences in mileage. For example, from Japan to Anchorage is 3,467 miles; from Japan to Juneau is 4,019 miles; from Japan to Seattle is 4,934 miles; from Japan to San Francisco is 6,260 miles; from Japan to Los Angeles is 5,491 miles.

Notwithstanding the fact that it is hundreds of miles, and in some cases as much as a thousand miles less in distance, from Japan to Alaska than from Japan to any other port on the Pacific coast, on April 1 the Trans-Pacific Freight Conference imposed a surcharge of 30 percent on traffic moving to and from Alaska over and above that applied to more southerly Pacific coast ports. Of course, that is rank discrimination. It prevents the proper economic development of Alaska, a situation which ought not to be permitted. On June 13, the House of Representatives passed and sent to the Senate a bill which it had been considering for about 2½ years, to provide for a permanent law in respect to the so-called dual rates. Obviously, the Senate has not had time since June 13 to hold hearings and consider the proposed legislation in the manner merited by its importance.

The Commerce Committee brought before the Senate a simple extension bill for 1 year. I am fully aware of the fact that legislation such as is proposed by the amendment is a burdensome cargo for the extension bill to carry. I should like to inquire of the senior Senator from Washington if he agrees with me that this is a problem of real importance, that discrimination does exist, and that when the Commerce Committee comes to the point of considering permanent legislation it ought to consider this question very carefully and, I hope, affirmatively.

Mr. MAGNUSON. The Senator is a very distinguished member of the committee. The Senator from California and I have been involved in the dual rate problem for quite a while. The House bill is in the Senate. It is permanent legislation, which deals with the complexities and controversies involved in this subject. We are very hopeful that we can begin hearings and to dispose of the bill at this session of Congress. I believe we agree that there should be permanent legislation in this field, since the Supreme Court decision. I, for one, would be more than glad to give active consideration to the amendment, or some provision that would meet the problem of what I believe to be discrimination practiced against Alaska. I do not know whether this is the correct way to do it, but it is a matter that the Maritime Board ought to take cognizance of.

Mr. BARTLETT. Does the Senator agree with me that we ought not to write into law permanent legislation of a type that would permit a private conference to discriminate between or among American ports? It might be Alaska and the Pacific coast one time and it might be

Washington and California the next, or Boston and Miami the next time.

Mr. MAGNUSON. That is correct. The bill seeks to give to the responsible authorities in the States in which the ports are located some voice in the decisions.

Mr. ENGLE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. ENGLE. I have studied the amendment offered by our colleagues from Alaska. I suggest that it would be better not to add the amendment to the bill now before the Senate, for two reasons:

First, the House will not accept it anyway, and adopting it would send us back to conference on this simple extension bill.

The second reason is that it involves a major provision of legislation now pending before the committee. We propose to proceed with the consideration of that bill as rapidly as possible. This type of amendment belongs in major legislation, and should not be tacked on to a little extension bill such as the one now before the Senate. We should consider it in connection with other measures affecting the same industry.

I understand the problem. The chairman has been so kind as to ask me to preside over the dual rate hearings. I assure my two colleagues from Alaska that they will be given full consideration in connection with their amendment in the subcommittee and the full committee, for the purpose of achieving the objective to which the distinguished Senator from Washington has referred; namely, finding some way to meet the problem of which the Senators from Alaska legitimately complain.

I hope, therefore, that the distinguished Senator from Alaska will not press his amendment to this particular bill, a bill which is important and needs to be moved rapidly, inasmuch as time is running out. We hope it will be possible, within the next 60 days, when we can go forward with hearings, to accord the Senators from Alaska an opportunity to be heard fully on the amendment.

Mr. BARTLETT. If we are accorded that opportunity, we will not run; we will gallop, I assure the Senator from California.

Mr. GRUENING. Mr. President, I express my appreciation to the chairman of the committee, the distinguished Senator from Washington [Mr. MAGNUSON], and to the distinguished junior Senator from California [Mr. ENGLE] for their expressions of interest and their assurance that this very grave discrimination against Alaska will receive the fullest and sympathetic attention in the consideration of permanent legislation.

I associate myself with the remarks of my colleague from Alaska [Mr. BARTLETT], who has cosponsored my amendment. Gross discrimination exists in this present setup in the matter of maritime rates. Alaska has suffered greatly throughout the years and still does in our steamship rates from his home city of Seattle. No one knows this better than the senior Senator from Washington, who has always been most cooperative in helping to try and solve our numerous problems of long antedating statehood, in the achievement of which he played a vital part. He is well aware of the special problems which affect Alaska's maritime transportation.

Alaska is practically an island, commercially speaking, and is dependent upon maritime transportation. Although the maritime carriers from the Senator's home city of Seattle have imposed the most excessive freight rates, Alaska is trying to emancipate itself and has sought trade with the Orient. That trade is developing. The Japanese are coming to Alaska and are taking our pulp and lumber, and are interested in our oil, coal, and chrome. They may be purchasers of our recently discovered natural gas which could be bottled and shipped to Japan.

Japanese ships are coming regularly to Wrangell and Sitka, and only a few weeks ago the newly established port of Anchorage greeted its first ship—a Japanese freighter. I was in Anchorage at the time and was among the group who were hospitably welcomed aboard this Japanese merchantman.

This budding trade, which will help not only the development of Alaska but also the economy of the United States, is seriously jeopardized by the arbitrary imposition of a 30-percent freight rate surcharge on shipping rates to and from Japan. This is an inexcusable and intolerable exaction, whose origin we may well attribute to those who wish to monopolize and restrict Alaska's maritime trade.

In view of the indications made by the distinguished Senator from Washington [Mr. MAGNUSON], chairman of the Commerce Committee, and the Senator from California [Mr. ENGLE], chairman of the subcommittee which will study this situation, that early hearings will be held on this proposal, I am willing to withdraw the amendment at this time and let it be brought up again for enactment as permanent legislation, provided my colleague from Alaska, cosponsor of my amendment, will agree to such a withdrawal.

Mr. BARTLETT. Mr. President, I am willing, under the circumstances explained by my colleague from Alaska [Mr. GRUENING], to join with him in the withdrawal of the amendment. I think those who make up the Trans-Pacific Freight Conference with Japan will heed what has been said here today and will make arrangements which will end discrimination against Alaskan ports.

The PRESIDING OFFICER. Does the Senator from Alaska withdraw the amendment?

Mr. BARTLETT. I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn. The question is on the engrossment and third reading of the bill.

The bill (S. 2154) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "To amend the Shipping Act, 1916", approved August 12, 1958 (72 Stat. 574), as amended by an Act approved June 29, 1960 (74 Stat. 253), is further amended by striking out "1961" and inserting in lieu thereof "1962".

FREEDOM—ADDRESSES BY HON. ADOLFO LOPEZ MATEOS AND HON. ANTONIO CARRILLO FLORES

Mr. MANSFIELD. Mr. President, there have come to my attention, recently, statements by two leading Mexicans, two outstanding citizens of the hemisphere. One of these is a speech by the President of Mexico, the Honorable Adolfo Lopez Mateos, on the occasion of Freedom of the Press Day. The other is an article by the Honorable Antonio Carrillo Flores, the Ambassador of Mexico in Washington, which appears in the current issue of U.S. News & World Report.

These statements, each admirable in its own right, are complementary to each other. The article by Ambassador Carrillo Flores gives us an insight into the forces which in the last 50 years have brought Mexico to its present state of great internal progress in freedom and political eminence in the affairs of the Western Hemisphere. The speech by President Lopez Mateos reveals a brilliant comprehension of the role of the free press and, in a broader sense, the role of freedom itself in the flowering of human society.

Our knowledge of the currents of social thought such as is expressed in the President's speech and the article by the Ambassador, and which flow in Mexico and other nations of Latin America is unfortunately very limited. It seems to me that the two articles previously referred to provide an excellent opportunity to increase our understanding. I ask unanimous consent, therefore, that they be included at this point in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

ADDRESS BY ADOLFO LOPEZ MATEOS, PRESIDENT OF MEXICO, ON JUNE 7, 1961, TO NEWSPAPERMEN AND EDITORS CELEBRATING FREEDOM OF THE PRESS DAY

Gentlemen of the press, Mexico prides itself in having freedom of expression without limitation, without subordination, and without retrogression, whereby all people have the right—and not only the right, but the exercise of this right in stating their opinions, their criticisms, their desires, and their aims.

If, in theory, freedom of expression in Mexico has no more restrictions than those imposed by our Constitution looking after the general welfare; in practice, complete freedom is enjoyed by all. That is because the limiting of it has been entrusted and left to the honor and responsibility of those who use this liberty, although not all have always known how to be worthy of this honor.

It is with great satisfaction that I join you once again on a day as this—a day that permits those who govern to talk directly and face to face with the men who shape and interpret public opinion. We are gathered together today in the wake of ever more active forces, some hidden and others visible, whose intention it is to try to confuse free and independent peoples, sowing among them undue antagonism or unfounded alarm that divide and weaken them. A growing insistence exists to employ freedom

of expression toward personal gain and toward furthering one's own ends, tendentiously presenting news or judgments of daily events. It is a time of universal uneasiness that leads to international tensions and creates echoes and repercussions in sectors of our national life, establishing divisions between us which result illogical. It is a time when persons of the most extreme and antagonistic "isms," without weighing the consequences, or deliberately acting in bad faith, cause damage to the interests of the nation and to those of its people. Acts are committed that instead of fostering unity and harmony between Mexicans try to seed division and conflict among them. We live in an age in which government and those governed are mutually aware of the imperative need of proscribing inequitable economic maladjustments and expand the benefits of social justice to which our people genuinely aspire and for which they have tirelessly fought.

Freedom of the press, in order to be exercised with responsibility, requires an alert and constant self-criticism that serves to achieve an objective and truthful presentation of information. Only in this way can impartial and intelligent judgment be formed. Only then can news be given the accurate valuation it really has, and only then by the purpose of attracting its readers toward paths of agreement and harmoniously coordinated action does it permit them each time to better serve Mexico.

We feel sure that the press will know how always to fulfill its notable mission with the deepest social significance and patriotic feeling. Considering the liberties that we enjoy have cost so much effort and blood, the least we can do to correspond is to make good use of them.

Today, as in the days past, Mexico holds foremost the firm tradition of its policy of nonintervention in attempts to divide any given people. Our policy does not vary from that forged in the purest of patriotism by Benito Juárez, who left not only to his country, but to all the world, the unsurpassed formula in defense of the only possibility of peoples living side by side: "Nothing justifies attacking another's right, for in the existence of that right lies the basis of peace."

This is Mexico's thesis, handed down and gaining strength from generation to generation. It was by this thesis that the reform and its exemplary men endowed the Mexican nation with an invulnerable moral arm that is now the foundation and synthesis of a whole people—our people, the Mexico we know today.

We are also sure that in the development of the social and economic program, the administration is carrying out for the assistance of the great majorities, we will be able to continue counting on the full collaboration of the nation's press.

The fulfillment of the Mexican revolution requires the collaboration of all. Its greatness, which needs no foreign examples or outside incentives, lies in the fact that it provides solutions to avoid the exploitation of man by his fellow man, or of man by the state, and permits him, at the same time, to attain livelihood and liberty.

Prejudices aroused from fruitless and inconsequential discussions, or false notions that exist on the outside and persist in preventing a disclosure of the true facts concerning Mexico's particular horizons have tried to distort this categorical truth. We are a people who live with regard to our own efforts and if the orientation that public opinion receives slants those truths, then those efforts will meet with incomprehension and distortion internally as well as externally. In order not to lose view of the truth and reality of Mexico, we will not be disturbed by these differences if we keep foremost in mind the magnificent document which should be and is of great conciliation to all good Mexicans—the constitution of 1917.

An enormous responsibility exists because of this document for not giving officious arguments to these distortions. The world is in need of exemplary nations wherein constructive action will overcome the exorbitant debating of ideologies and come to the support of communities who are dedicated, in an environment of liberty and order, to giving man a greater dignity, not to lower him—to giving him the elements and the surroundings so that this inventiveness, his creative powers, his efforts and his sacrifices achieve a human society that is free from retrogression, from ignorance and from poverty, from insecurity, and from prejudice, and that will not fall into a society of hate or sectarianism, hysteria, or discrimination.

If we look at Mexico, for whose well-being we have dedicated our efforts and our lives—if we examine her with objective eyes, in spite of problems which afflict us and in spite of unsolved deficiencies, we have to recognize that creativeness has multiplied throughout the Republic. Great masses of the population are dedicated to their work and to the materialization of their hopes. Faced with this peaceful and industrious reality, false alarms in which some would like to involve and entangle us dissolve themselves. The moral force of Mexico, the legality of its institutions, the validity of its principles are neither the work nor the expression of one administration—and less so, of only one man; rather, it is the result of its history, of its tradition, and of its experience. I have received the presidential mandate to defend all this, to defend that right of the Mexican people to carve its own destiny, to grasp with vigor and integrity its principles, to have the laws that govern us respected and apply them where they have not been in operation. We will not permit any steps backward that might wound its dignity or its patrimony, its laws or its rights, before pressures of external forces or of internal groups.

Nothing is more damaging for the welfare of the Republic and the organic peace that has cost such a great effort to consolidate than the struggle between the most extreme political philosophies. They debate between themselves in our world of today and now strive to take away from the Mexican people the political thinking that gave birth to our Constitution of 1917—a direct product of Mexico's historic experience during its independent life.

When we speak of peace we do not refer to the extinct "Porfirian" peace of yesteryear, but rather to a dynamic and constructive peace of the welfare of the majorities. To attempt against our ideological legacy would be a crime that the people and the constituted government would not tolerate. They have both the moral and the legal force to apply the law to those who forget that the supreme factor in Mexico is the strict observance of its political constitution.

Thanks to the humanistic principles of the revolution, the nation has surmounted, through the suffering and grief of her native sons, bloody periods of our history instigated by groups of extremists lacking nobleness of feeling and an authentic notion of what Mexico signifies. Therefore, my administration shall suppress excess of demagogic persons or groups of the right or the left, that outside of the constitutional framework try to disrupt the life of the nation and violate constitutional order. Mexico is above group subordination or displays of passion that attempt against public tranquility and the welfare of the majorities.

Friends of the press, there is no more adequate an occasion than that of today to remind ourselves of the orientating mission of Mexican journalism, considering the actions of external circumstances that search for sympathy within the country. Upon assuming the office of President, I expressed that truth requires the existence of a free press, but that a free press is only justifiable when it is at the service of truth.

Up to now, I have sustained confidence in that you, using the inescapable responsibility that concerns you, will hold foremost and above all else the interests of Mexico, the interests of our country and of our Nation in each editorial published, in each piece of information, headline, and printed word so that the people to which you are obligated may be loyally served. If the Government has done its part in watching over and guarding the respect for freedom of expression, nothing would justify the press not knowing how to use such a right.

You enjoy and will continue to enjoy this unrestricted liberty; however, this liberty should serve to defend the best causes of the nation as a whole. You have the duty of conveying the truth about national life without taking away its due and just dimension, nor increase it in proportion, nor distort it in any shape or form. You have the duty of guarding national values, of invigorating our traditions, of affirming our way of life, of supporting the historical sequence of our principles—distinguishing between that which is negative and that which is positive. You must be the first to reveal that which is particularly ours and what our path shall be. If the free press does not know how to reflect the authentic and true reality in which we live—the reality that surrounds us and expresses itself throughout our land in multiple encouraging signs, and that is being built on the basis of effort, of incessant work and even today with sacrifice on the part of some of our people, then you violate your essential responsibility. However transparent the truth may be, you have in your hands the mirror with which to reflect it. Mexico is in need of clean and clear concepts, the knowledge of which would serve us so that we might not only better know ourselves, but that those outside of Mexico might know us exactly as we are.

We know that in order to make invulnerable those principles that regulate our national and international conduct and that form an irreplaceable part of our life, it is necessary to fight daily and courageously for them.

If from the war of independence we chose the road of liberty, and our history is a summary of the struggle for political, economic, and social freedom, then we cannot allow this road that Mexico chose to fulfill its destiny to be twisted or changed. We must never permit the use of liberty to which democracy is dedicated to be used to destroy it, nor must we ever permit that the liberty conquered by our people be used to destroy that liberty.

In the Western Hemisphere, Mexico marches in unison along with all free wills that zealously seek to convert our hemisphere into an example of harmony, of international cooperation, of respect for the sovereignty of all nations, and of the consolidation of democratic institutions that guarantee the right of man to a life of liberty, of dignity, and of social justice.

We desire, gentlemen, on this day of freedom of expression, that the truth of Mexico may always radiate from the pages of our Nation's press.

[From the U.S. News & World Report, July 3, 1961]

MEXICO AFTER 50 YEARS

(By Antonio Carrillo Flores, Ambassador of Mexico in Washington)

In its initial stage—with Francisco I. Madero—the Mexican revolution of 1910 seemed a purely political movement that was striving to put into practice the formal institutions

of representative democracy, that had been a dead issue during the long dictatorship of Porfirio Díaz (1876–1911), with the brief interreign of President Manuel González (1880–84). In reality the revolution was due to more profound causes.

The voices of warning had been sounded several times in our history. The main problem, that of the land, had already been pointed out since the epoch of the independence (1811–21) by one of our great liberators, José María Morelos. But the generation which forged the liberal reform (1855–61) had an exalted faith in the doctrinary principles of the social philosophy that dominated European thought during that time.

This explains why, as a group, they did not heed those voices of alarm, one of which, that of Ponciano Arriaga, was raised within the Constituent Congress of 1857. They believed in good faith, with the unquestioning blind faith of all the dogmatic, that happiness and prosperity would come to the people of Mexico by simply destroying some anachronistic institutions of the colonial epoch. It was enough that the Government "allowed things to be done." So it was said by Melchor Ocampo, Francisco Zarco, and Ignacio Vallarta.

The reality did not justify the optimism. It is true that the liberal institutions made possible the promotion of progress, the construction of railroads and the flourishing of an urban prosperity, an elegance of style in the city of Mexico that, at the beginning of the century, attracted the admiration of many foreigners, such as the Secretary of State Elihu Root, who visited us shortly before the revolution. But the rural areas—as another North American, Abraham Lincoln, had observed in 1861—lived in a condition closely resembling that of slavery.

The original effort of Madero failed in 1913 largely because he did not grasp in time the real situation of the country, nor the necessity of reforming completely its social and economic structure. This left him defenseless before the plot concerted to overthrow him. This rebellious group was made up of some disloyal army men, together with the national and foreign interests that sought to maintain the old order of things.

The revolution afterwards, under the guidance of Venustiano Carranza, gained impulse, transcended its initial ideas and purposes. It defeated, with relative ease, the restorationists, but terrible dissensions and struggles followed within the revolutionary groups. Still in a belligerent atmosphere, the constitution of 1917 was recorded, in which norms and social and economic guarantees figure for the first time in a political code of the Western World, side by side with that that the constitutions had traditionally contained since the one of North America in 1789. It ordered the division of the land and its delivery to the peasants along with a statute of protection for factory workers.

The new institutions were implanted in an atmosphere of precarious political stability. Until 1929, the country suffered the periodic reappearance of violence. But time had not been lost. The systematic execution of the agrarian reform was initiated. Labor unions were organized. President Obregón and his Secretary Vasconcelos undertook, in 1921, an ambitious educational effort and, in Government buildings, great mural paintings suddenly appeared.

Around 1925, under the presidency of Plutarco Elías Calles, foundation was laid for a very courageous program. It comprised at one and the same time modernization of public and private institutions bound up with the economic life of the country, regulation of exploitation of natural resources, and public works.

During two of the most fruitful years in the history of Mexico, 1925–26, the construction of highways and dams was begun, the system of rural credit was created, the Central Bank was founded, the very ancient fiscal, monetary, and credit systems were modified substantially, and the petroleum legislation set forth.

This effort was interrupted by the last political-religious conflict of our history (1926–29) and immediately thereafter by repercussions of the vast world economic depression. In 1933, during the tenure of President Abelardo L. Rodríguez, the country regained its pace, as concerns modernization of the machinery of government and economic promotion. For the first time a minimum wage was enforced. On the heels of this, during the tenure of President Lázaro Cárdenas, social reforms followed at an accelerated rhythm, especially in relation to agrarian matters and the invigoration of labor unions. This culminated in the nationalization of petroleum in March of 1938.

In December 1940, Manuel Avila Camacho took over the Presidency. With the sagacious collaboration of his Secretary of the Treasury, Eduardo Suárez, he definitely incorporated into the governmental program large-scale industrialization. Not only was this necessary to produce the major part of the goods which, due to the war, were not available from our normal sources of supply, but also because of the deep-rooted conviction held since then that only through industrialization could Mexico reap the benefits of general progress in technique and productivity, diversification of its economy, and improvement in living conditions of our people. It was also in the early forties that foreign credit, which had not been in use since 1913, was rehabilitated.

I could quote President Alemán (1946–52), President Adolfo Ruiz Cortines (1952–58), and now President López Mateos—who, while differing with regard to methods and in the emphasis on certain issues have, all of them, continued developing the country following the same goals—but it would not be possible to go into details. I will limit myself instead to the fact that the shift in emphasis has been from promoting urban industrialization in some periods to fostering rural improvements in others; from increasing the level of investments to strengthening general consumption.

The fruits of governmental action of the last 20 years have been recorded in many works. The First National City Bank of New York, in its folder which was recently circulated throughout the United States, said:

"In less than two decades, the real national income (adjusted for price changes) has nearly tripled. While the annual rate of growth has been uneven, it has averaged nearly 7 percent a year and has exceeded that of the United States by a wide margin. The output of goods and services has grown twice as fast as the Nation's population during this period. Consequently, there has been an impressive increase in real income per person and in living standards."

From a completely distinct angle, that of the theoretic and academic, Alvin Hansen, professor emeritus of Harvard University, in chapter XII of his work "Economic Issues of the Sixties," mentions only two countries by name, Mexico and Japan, as those that have been able to achieve coupling major growth with a minor degree of involuntary savings. He says:

"Neither Japan nor Mexico undertook a deliberate program of inflation. Instead they undertook a program of economic development. In the process something happened to prices. The result might not be the best, but it conceivably approached the maximum that was attainable. No one can visit Mexico without being impressed with her progress—greater diversification, development of new industries, irrigation, highways, railroads, electric generating capacity, imports of capital goods, inflow of foreign funds, net tourist earnings. The record is there to see."

It has been argued that this progress has not benefited the people, with the fact that the peso had an equivalence of 50 cents in relation to the dollar in 1910, but since 1954 it is quoted at 8 cents. They ignore the fact that the rate of exchange of a currency is simply a unit of computation. Nothing is said with regard to the strength or weakness, growth or decay, justice or injustice of an economy by the rate of exchange of its currency, just as nothing is said, for example, concerning the size of a piece of cloth because it is delineated in yards or in feet. With smaller units bigger things can be measured.

It is an evident fact that the Latin American countries which have not had a revolution of the scope of that of Mexico have neither maintained stable currencies in the last 50 years. Moreover, it is inaccurate to say that the fluctuations of our currency began with the revolution.

Precisely on the occasion of Elihu Root's visit to Mexico, the Secretary of the Treasury under Porfirio Díaz, José Ives Limantour, lamented the consequences on Mexican economy provoked by the international decrease of silver at the end of the last century and the successive loss of several crops. He said: "In a few months, the value in gold of our currency was reduced to half." And the specific epoch to which he alluded (1892–94) was perhaps that in which the old regime initiated its period of greatest splendor.

It is true that, in many cases, modifications in international value of money in Mexico, as in the rest of the Latin American countries, have been accelerated or, on the contrary, they have been avoided by the fiscal policy of their governments. Notwithstanding, the greater part of the time in the past, it was a simple reflection of events, which escaped the control of those countries: the rise and fall in international prices of the products with which resources are obtained for the promotion of its development, as a consequence of the cyclical movements or the structural changes in the economies of industrialized areas.

It would be inaccurate to affirm that the path followed by Mexico during the last 25 years toward promotion of its economic and social progress has been entirely original. But it would also be unjust to ignore that which has been peculiar and profoundly Mexican in that process.

The Mexico of today is not the work of chance or magic. She has been able to grow in an almost spectacular manner because the basis of her growth was established by those who, during the independence, the reform and during the revolution of 50 years ago, fought for the liberty and dignity of man, for moral and material redemption. Upon reaching the second postwar period in which economic progress has become a sign under which restlessness and anxieties of more than two-thirds of humanity orient themselves, Mexico already knew, from her past experiences, that social advance is precarious, if not fictitious, when it is not rooted in social justice for the majority.

If I were urged to define in a phrase the superior orientation of Mexican life in the period opened by the Revolution, I would say that it has been of a pragmatic and progressive nationalism. We are nationalists, yes, because Mexico was not discovered but rather rediscovered by the revolution in culture, in economy, and in the spiritual attitude of the people. In the economic sense, our nationalism goes back even prior to the Revolution, as is shown by the nationalization of the railroads carried out in 1908. Never have we Mexicans understood it as a means of setting us apart from the rest of the world.

We are pragmatic because our needs are so great and, at the same time, opportunities open to constructive imaginations and effort so ample that the dogmatic positions—those of the right as well as those of the left—have become sterile. Thus, for

example, Mexicans today know that a necessary alternative does not exist between making Mexico progress through private enterprise only or through public investment only. Both have broad fields to cover and both discharge a function.

We are pragmatic, in short, because—without further limit than that which is fixed by our respect and devotion for the dignity of man, the sovereignty of Mexico, our traditional reverence for human rights, our solidarity of four centuries with occidental culture—we are disposed to do whatever may be necessary to improve the standard of living of Mexicans within a framework of liberty and order.

NATIONAL EDITORIAL ASSOCIATION HONORS MONTANA WEEKLY

Mr. MANSFIELD. Mr. President, on many occasions I have referred to and inserted in the CONGRESSIONAL RECORD portions of one of Montana's finest weekly newspapers, the Hungry Horse News, published in Columbia Falls, Mont., by Mel Ruder. Mel Ruder has done it again. His weekly has received two national awards at the 76th Annual Convention of the National Editorial Association, an organization representing some 5,600 newspapers.

The Hungry Horse News was announced as a national award winning newspaper for best use of pictures among larger weekly and daily newspapers in the 50 States. The use of photographs, both news and feature, in the Hungry Horse News are the best I have ever seen. Mel's reproduction and makeup are the envy of many news editors.

In addition Mel Ruder's "Bystander" column ranked third in the best columns category. This column concerns the outdoors, which is especially important in this area blessed with some of the finest natural wonders and recreation areas in the Nation.

The Hungry Horse News has received more national awards than any other Montana newspaper. The National Editorial Association has honored the Hungry Horse News in the past but this is the first time they have received two awards in one year.

Mr. President, I am extremely pleased that this Montana weekly has been so honored; and I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD a news story from the June 23 issue of the Hungry Horse News and the letter of congratulations of my colleague [Mr. METCALF] to Mel Ruder.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

NEWS WINS NATIONAL AWARDS

At Salt Lake City, Thursday evening, the Hungry Horse News was announced as a national award winning newspaper for best use of pictures among larger weekly and daily newspapers in the 50 States.

The Hungry Horse News also placed as a national winner in the best columns category with a Bystander outdoor series.

These awards were announced at the 76th Annual Convention of the National Editorial Association. This largest of all newspaper organizations has 5,600 member papers including most of the Nation's weeklies and many of the nonmetropolitan dailies.

There were nearly 2,000 entries in the 1961 national Better Newspaper Contests from virtually all the 50 States.

The Hungry Horse News placed second in national competition for best use of photographs in newspapers with 3,000 and more circulation.

First was the Mount Kisco (N.Y.) Patent Trader, a weekly newspaper published in a city of 6,805 residents. Third was the Berea (Ohio) News published in a city of 16,592 residents. Honorable mentions went to the Houma (La.) News, published in a city with 22,561 residents, the Metropolis (Ill.) News (7,339), and the Pullman (Wash.) Herald (12,957). Columbia Falls has 2,132 residents.

The best column category also found weekly and daily newspapers winning. First was P. I. Colvig's "Gabble, Tattle, Prattle" in the Lake City (Iowa) Graphic with J. R. McKinley's "From This Small Corner" in the De Queen (Ark.) Bee, second, and Mel Ruder's "Bystander" in the Hungry Horse News of Columbia Falls, third.

Dailies often outclass weeklies when it comes to best single picture awards. This year the NEA awards for best use of pictures went to the Walden (N.Y.) Citizen Herald, the Los Angeles (Calif.) Herald and Express and the New York City Town and Village, while best feature picture awards went to the Duluth (Minn.) News-Tribune, Johnson City (Tenn.) Press-Chronicle, and Whitewater (Wis.) Register.

This is the first time the Hungry Horse News has won two National Editorial Association awards in a single year.

In 1958 at Detroit, the Hungry Horse News was named third among larger weeklies and dailies for best use of photographs. In 1957 at San Francisco there was a National Editorial Association second place award for picture use.

In 1951, this Flathead weekly newspaper placed first among America's weekly and dailies for picture use, and in 1949 there was a second place award for special editions—the annual Christmas pictorial.

In 1954 there were two honorable mentions, and in 1957 the picture story of the horseback trip from Waterton to Glacier down the Kishinena brought an honorable mention in the best news story bracket.

No other Montana newspaper has won more national awards than the Hungry Horse News. This newspaper is the only 1961 Montana winner in the National Editorial Association contests.

Last year, the Flathead Courier, published at Polson, won first place for best use of photographs in newspapers under 2,000 circulation.

Mel Ruder, Hungry Horse News editor, had expected to go to Salt Lake City to receive the awards, but recent events changed plans.

From across the land, the National Editorial Association contests each year recognize newspapers who achieve quality.

These hometown papers this year include such publications as the Mount Kisco (N.Y. Patent-Trader, the Hillsboro (Oreg.) Argus, Ambler (Pa.) Gazette, the Long Beach (Calif.) Press-Telegram, Camden (N.J.) Courier-Post, San Bernardino (Calif.) Sun-Telegram, Hasting (Nebr.) Daily Tribune, and San Francisco (Calif.) Examiner.

Some of the papers are better known than others. The Hungry Horse News is pleased to be in such company, and we are proud to receive 2 of the 96 awards being given this year to newspapers in 30 States.

Competition in addition to best picture use, individual pictures and columns included special issues, general excellence, service to agriculture, best editorial, best editorial page, best news story, best feature story, typography, classified advertising and promotion.

The picture award especially comes as a result of good press work by Hungry Horse News printers and a good engraver here in the Flathead in Montana Engraving Co. Nearly all Hungry Horse News photographs are taken by Mel Ruder. Marion Lacy of Lacy Studio, Whitefish, a prize winner as a commercial photographer, makes many of the Hungry Horse News enlargements.

M.R.

U.S. SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
June 27, 1961.

Mr. MEL RUDER,
Editor, Hungry Horse News,
Columbia Falls, Mont.

DEAR MEL: Please add my congratulations to the pile, growing on your desk, from those who shared your pleasure when the Hungry Horse News won two National Editorial Association awards this year.

I can't say I was surprised—except at the length of time it took NEA to recognize you for best use of pictures and for the best columns. As usual at this time of year, I'm looking forward to receiving the News summer pictorial. And, as a long-time subscriber, I anticipate many more hours reading your Bystander column.

Cordially,

LEE METCALF.

MISS LINDA M. PEARSON WRITES ON "WHAT DEMOCRACY MEANS TO ME"

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD a very fine essay entitled "What Democracy Means to Me," written by Miss Linda M. Pearson, of East Derry, N.H., which won the annual essay contest at Pinkerton Academy in Derry.

The State of New Hampshire has a rich patriotic heritage and one in which each citizen of my State takes pride. In these troubled times, it is particularly encouraging to know that many of our young people are alert to the hazards with which our Nation presently is confronted. These young people must necessarily supply leadership in the years ahead, and it is reassuring to see the depth of understanding and quality of thought reflected by a statement such as that written by Miss Pearson. This young lady, who is the daughter of Postmaster and Mrs. Lester Pearson, of East Derry, N.H., most certainly is a credit to her family, her school and herself, and I believe that her fine essay warrants the attention of all Americans.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

DERRY, N.H.: ANSWER TO COMMUNIST

Winner of the annual essay contest at Pinkerton Academy was Miss Linda M. Pearson, daughter of Postmaster and Mrs. Lester Pearson, of East Derry. The subject was, "What Democracy Means to Me."

"You ask me what democracy means to me, Communist, and you hope I am weak enough in my answer so I may be swayed. Let me tell you what this word means. Technically it means a form of government in which the power is vested in the people, but no dictionary can express with its few concise phrases what democracy means to me and the millions of my fellow Americans; for, many times without realizing it, we live this every day of our lives. Democracy is not only in the gathering of our wise Congressmen to make our laws, it is in the factory worker and businessman who went to the polls to choose these lawmakers. It is in

the books we read, the music we listen to, even in the food we eat. Democracy is what makes my life as an American the wonderful experience it is and I thank God for it.

"Everyone has his own credo of the meaning of democracy. I find it in many ways each day. Perhaps one of the greatest of these is in education. When I go to school, I know that the education I will receive is that which I am interested in and requested; not what some unknown and uncaring government official decided I should study. In my classes I am free to express my opinions of public and world affairs without fear of recrimination against me or my family. What can you offer me in your Communist world to replace the freedom of speech and of learning that which I wish? There is no greater privilege than freedom of the mind and in no country but this democracy of America can I practice it more extensively.

"Perhaps you would like to discuss the equality of human beings. You, who claim to have no segregation or other class distinctions. Perhaps these claims of yours are true but if they are, it takes only a brief glance at the majority of your population to convince me that your one class is miserable and has little chance for advancement except if they are fortunate enough to have claimed the interest of the party and are, therefore, assisted. Here in this democracy we are fighting a constant battle for equality of all people and we are making progress. But even without this fight those who are in our lower classes have many chances to advance if they have the ambition. There are numerous opportunities for education and it is not dependent upon the joining of a government organization. Here in America, individual effort has resulted in many self-made men.

"Now, I wish to mention perhaps the most important reason why you will never convert me to your Communist beliefs. It is the most simple yet overpowering reason of all. My belief and faith in God. Every day I find so many reasons to praise Him for all I have. Every Sunday I can go to whatever church I choose along with millions of my fellow countrymen and worship Him without fear that I will be persecuted for it. I don't have to wait for the roar of a powerful car and the crash of heavy boots on the stairs because I openly believe in God. I can go my way and feel the joy of living in my heart because I find Him in so many places. In chapel in the morning when 400 teenage voices lift to sing His praises, in church when all heads bow in prayer, in the light of the stars twinkling like a thousand diamonds on the black cloak of night, and in the faith of this Nation when it faces your threat to extinguish its light. This is the greatest of all champions of democracy.

"Yes, I am an American and I speak for democracy. Listen to my words, Communist. Listen well for my country is a strong country, and my message is a strong message. My ancestors have left their blood on the green at Lexington and the snow at Valley Forge. A million and more of my countrymen have died for freedom and left this democracy as their eternal monument. They live on in a child's delight as he gazes into the sparkling branches of a Christmas tree * * * in the hoarse voices of high school students after a victorious football game * * * and in the lump in one's throat when 'The Star-Spangled Banner' is played * * * in the achingly sweet liquid notes of a lone bird's song in the summer twilight * * * and in the silhouette of the Statue of Liberty against the New York skyline.

"They live on in the crinkling eyes of the old New England Yankee as his twangy voice tells of the blizzard of '88 * * * in the brilliant gold of hundreds of acres of wheat stretching across the flat miles of Kansas * * * in the milling of cattle in the stockyards of Chicago * * * in the precision of an assemby line in an automobile factory in Detroit * * * and in the voice of New York City as it shouts to be heard by all, even throughout the night.

"There is a voice in the soul of every human being that cries out to be free. America has answered that voice. America has offered freedom and opportunity such as no land before her has ever known. She has given it to all and with it comes a tremendous faith in this Nation that made these things theirs.

"This is my answer, Communist. Show me a country greater than our country, show me a people more energetic, creative, progressive—more generous and happier than our people, not until then will I consider your way of life. For I am an American and this is what democracy means to me."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1922) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 30) to make a correction in the enrollment of S. 1922, the Housing Act of 1961.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 4500. An act to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.;

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act; and

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

DEBT LIMIT EXTENSION

The Senate resumed the consideration of the bill (H.R. 7677) to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

Mr. BYRD of Virginia. Mr. President, the pending bill, H.R. 7677, raises and extends the temporary limit on the Federal debt for fiscal year 1962, beginning Saturday.

Under the bill the statutory limit on the debt subject to the ceiling will be $298 billion for the period from July 1, 1961, through June 30, 1962. When this period expires, without further legislation, the ceiling would automatically drop to the permanent statutory limitation of $285 billion.

The administration is urgently requesting its enactment by Friday night, June 30, when the present temporary limit will expire.

The bill has been passed by the House of Representatives, and the Committee on Finance, without a dissenting vote, has reported it to the Senate with a recommendation that it pass.

It is under the force of duties imposed upon the chairman of the Committee on Finance that I ask for the prompt passage of H.R. 7677.

I support the bill only because it is essential to avoid immediate and serious legal questions which could dangerously involve our national integrity.

While I support the bill because there is no responsible alternative in present circumstances, I regard it as unmistakable evidence of continuing breakdown in Federal fiscal discipline.

Without the bill, the Federal debt on Saturday of this week would be nearly $2 billion in excess of the maximum lawful amount.

In other words, unless the bill is enacted before midnight on Friday, there will be $2 billion of debt which has not been approved or authorized by Congress. That would be a serious blow to the Nation's fiscal integrity.

The bill would put the temporary debt limit for fiscal year 1962 within whispering distance of $300 billion, and the testimony is that it will be used to the limit.

The Federal deficit for the current fiscal year is now being estimated at almost $3 billion; and there will be another deficit in the coming year, estimated at more than $4 billion. We are confronted with two consecutive deficits totaling $7 billion, and I believe the total will be considerably higher. Unless something is done with respect to retrenchment, it is inevitable that it will be necessary to increase the debt limitation some time in the first part of the coming year, or certainly at about this time next year.

Existing Federal spending programs along with those currently under consideration would increase Federal spending to more than $100 billion a year within the foreseeable future.

Federal spending at this level could easily push the Federal debt over $300 billion in a relatively short period.

Some of the best authorities in the country, including William McChesney Martin, chairman of the Federal Reserve Board, and Bernard Baruch, have testified before the Finance Committee that Federal deficit spending is a principal factor in inflation.

There have been 24 Federal deficits in the past 30 years, and the American dollar is now worth less than 47 cents on the 1939 index. Under present prospects further decline would need little provocation.

Secretary of the Treasury Dillon testified on June 27 that total debt in the United States—Federal, State, and local, corporate and private—now totals more than a trillion dollars, an amount so astronomical that the human mind cannot comprehend it.

There can be no doubt that fiscal discipline in the Federal Government—in all of its branches—is breaking down at a dangerous rate, and the erosion is spreading to other sectors of endeavor.

Much of the State, local, and private debt has been stimulated by initiative

exerted through Federal programs featuring insured mortgages, guaranteed loans, and matching grants.

Contrary to the general impression, the great increases in Federal expenditures since the end of the Korean war have been in domestic-civilian programs; not defense or foreign aid.

Assuming the revised estimates of the present administration, expenditures through domestic-civilian programs in the coming year will represent a cumulative increase of nearly 100 percent over the total for fiscal year 1954, a period of 7 years.

These are some of the factors which cannot be overlooked in responsible consideration of the pending bill. I mention them now because the record on this bill should be made.

I shall discuss the subject of the breakdown in Federal fiscal discipline in more detail at a relatively early date during this session of Congress. I shall attempt to compile a statement of the recommendations made by this administration with respect to spending. I shall deal with the built-in expenditures which cannot be canceled and shall attempt to give, as best I can, some indication of the outlook for the years ahead.

For the reasons set forth at the beginning of my statement, I support the bill; but I do so very reluctantly. It makes me very sad to feel compelled, as chairman of the Committee on Finance, to bring this report to the Senate. I only wish that by retrenchment and fiscal responsibility in Federal expenditures this increase in the debt limitation could have been avoided.

Mr. BENNETT. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. BENNETT. Mr. President, during the consideration of this bill in the Finance Committee, I was reminded of a story which I think may be appropriate to the present situation. This debt limit does not exist for the purpose of curbing the debt, because as the debt increases, we perforce increase the limit, so the debt does not touch it. In short, this is a device by which Congress has transferred to the Treasury its constitutional responsibility to control Government borrowing.

The story of which I am reminded relates to an incident in an old-fashioned barroom with a very long bar. The proprietor of the barroom at the cash register. The bartender was at the far end of the bar, and the lone customer was being served. The bartender yelled across the room, "Is Tom Jones good for a glass of beer?"

The proprietor called back, "Has he had it?"

The response was, "Yes."

So the proprietor called back, "Then he must be good for it."

That is about the way we handle our debt. We accumulate it, and then ask whether we need to push the ceiling out of the way, so we can justify the debt we have already created.

Mr. DIRKSEN. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. DIRKSEN. Mr. President, the earnest appeal made by the distinguished Senator from Virginia should sound a tocsin and a caution to every Member of the Senate.

Here we are within $2 billion of the highest debt in the history of the United States, which was $300 billion in 1945. Frankly, I have been dismayed by the casual and cavalier way in which we ram through these bills which add to the expenditures for the fiscal year 1962 and succeeding years.

Only this morning, in the Defense Education Subcommittee, we were confronted with a proposal for increased expenditures and increased commitments for the next 5 years, running up to $160 million, and then there was added the interesting phrase "and for each succeeding year." So it is proposed to make those expenditures permanent; and that is the sort of thing we are doing almost constantly.

Mr. President, in my judgment this $298 billion ceiling will not be high enough. I am of the opinion that when the request was made, the requested ceiling was kept below $300 billion for psychological and other reasons. But later a request to increase it will be made, and then our peacetime debt ceiling will be the equivalent of our wartime debt ceiling; and when people begin to "smoke that in their pipes," it should be a rather strong admonition.

Mr. President, I hope we shall continue to use the word "ceiling," because the Latin word for it is "caelum," which means "sky." So the debt limit is being pushed to the sky; and with all the "pie in the sky," we are getting there; and with all warnings people have, this is one of them.

So I concur in the observations made by the distinguished Senator from Virginia, who constantly has sounded to the Congress and to the country the warning that we are playing ducks and drakes with the resources and the credit of the country, and that there will be a reckoning, as surely as there is pie in the sky.

Mr. SALTONSTALL. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I yield.

Mr. SALTONSTALL. The Senator from Virginia knows that 2 years ago I introduced a bill—to which he gave a very courteous hearing—in regard to reducing the debt and making it possible to apply excess funds to the debt; and the Senator from Virginia also knows that a year ago he and I together introduced a bill to itemize all the direct, indirect, and other debts of the Nation and to keep the debt on a current basis.

This evening the Senator from Virginia has said, when concluding his remarks, that he expects to compile such a list and to present it to the Senate in the near future. I hope that if there is an opportunity to do so, I shall be able again to introduce the bill to which I have referred—which I shall be very happy to do—if the Senator from Virginia feels there is merit in it.

Mr. BYRD of Virginia. It has great merit, and I hope the Senator from Massachusetts will introduce it. I shall be very glad to join him in its introduction.

Mr. SALTONSTALL. I thank the Senator from Virginia.

Mr. WILLIAMS of Delaware. Mr. President, I wish to join my associates in paying our respects to Mr. BYRD the chairman of the committee. I think it would be well for every Member of Congress and for all those in both the legislative branch and the executive branch of the Government—in particular those in the executive branch departments—to read the statement which has just been made by the Senator from Virginia.

Certainly it is time we in this country stop to ask ourselves how long we can continue to live on borrowed money as we have been doing in the past 30 years.

As has been pointed out, at the present time we have no alternative but to increase the debt ceiling. The money has already been spent.

The big question is whether the present increase will be enough. Just this afternoon by the vote of the Senate—although many of us opposed that action—the Senate authorized expenditures of $1,600 million during the next 4 years over and above the amount of the President's budget. That expenditure will definitely be reflected in increased debt or in increased taxes. We are already operating at a deficit so such expenditures cannot be handled by any method other than increased debt or increased taxes.

I think it well for us to recognize why we are confronted with the $3 billion deficit as of June 30. It is the result of increased spending.

Spend, tax, and elect seems to be the password of the New Frontier administration.

Some try to claim that the receipts of the Eisenhower budget were overestimated. But the budget submitted in January by President Eisenhower estimated the receipts at $79 billion. Yesterday, Secretary Dillon said he estimated the receipts for the current fiscal year at $78.2 billion, or a reduction of only $800 million in the budgetary receipts. On the other hand, the expenditures of the Government have been increased during the past 5 months, under the Kennedy administration, by $2.3 billion over the Eisenhower budget. The expenditures under the Eisenhower budget were estimated at $78.9 billion; but we shall have spent a minimum of $81.2 billion as the result of the accelerated spending of this administration. So a large percentage of the deficit we shall have this June 30 is directly attributable to the increased spending on the New Frontier for the past 5 months.

Likewise, the deficit is projected for next year at $4.4 billion, and it is definitely the result of the many new spending programs which have been requested by the new administration and enacted by the Congress.

There is a strong possibility that before next June 30 we shall be confronted—if we continue to authorize spending in the way we have—with a request either to raise the ceiling higher or to increase taxes.

I shall support here today—as I did in the committee—this proposal to increase the debt because I think we have no alternative. However, in supporting this

proposal I think it well for us to recognize also that this increase of $5 billion in the debt ceiling means that we are making it possible for the Secretary of the Treasury to borrow an additional $5 billion in order to pay for the operating costs of the Government—the costs of the new programs on which we are embarking.

There has been much criticism, both by the former Secretary of the Treasury and by the present Secretary of the Treasury, of the fact that the Treasury has been forced to finance so large a percentage of the debt by means of short-term securities as a result of the so-called ceiling on long-term interest rates. Under existing law, the Treasury is allowed to sell bonds running for more than 5 years at only 4¼ percent interest.

The ridiculous point is that under present law the Treasury can issue bonds which will run for 4 years, 11 months, and 29 days, at 10 percent interest; but bonds which will run for only 1 day longer than 5 years are subject to a maximum interest rate of 4¼ percent. For 30-year bonds the Treasury can pay only 4¼ percent interest, but for bonds running up to 5 years the Treasury can pay 20 percent interest and apparently no one cares. This situation is ridiculous, and it should be corrected.

The past administration recognized, and the present administration and the Secretary of the Treasury recognize, the need for the Secretary of the Treasury to have adequate authority to finance the debt.

The irony of the situation is that the law already in effect was overruled under the recent ruling of the Attorney General. On April 25, 1961, the Attorney General, Mr. Kennedy, ruled that the ceiling on interest rates does not mean anything. Under his ruling the Government can bypass that ceiling on long-term bonds and pay much higher rates than 4¼ percent by selling the bonds at a discount. Attorney General Kennedy says to sell the Government bonds at 95, 90, 80, or whatever price is necessary to attract buyers. According to the Attorney General's ruling the only requirement is that not over 4¼ percent be paid on the coupons.

In addition, the Treasury Department has made a ruling that the profit from this discount provision will be taxable at the capital gains rate, and not at the regular income tax rate. Under the recent ruling of the Attorney General the Government not only is bypassing the ceiling on interest rates but is converting that part of the interest derived from the discount provisions of the bond to be taxed at the lower capital gains rate.

The large banks and the large investors buy these long-term bonds. Therefore, this group under the Kennedy administration will now get a tax reduction that is not available to the small investors buying series E bonds.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. SALTONSTALL. In the Senator's opinion, what is the effect on the credit of the United States if the Government issues bonds at less than par value?

Mr. WILLIAMS of Delaware. I think the effect is disastrous. The Treasury is concerned over this point. Certainly the psychological effect of the United States selling its bonds at below par would be to create in the minds of investors in America and in the international banking field a great question as to the solvency of our country.

Mr. SALTONSTALL. In addition to the question of the effect on the credit of the United States of issuing its bonds at less than par, the man who buys such bonds is also handicapped, because he has to pay a capital gains tax if he holds them to maturity.

Mr. WILLIAMS of Delaware. That would not be a handicap. It would be a tax advantage. If the bonds are being sold to yield 5 percent and only 4 percent interest is paid on the coupons, then the other 1 percent will be computed by reducing the price of the bond. Then the tax on that part is being lowered by having the bondholder pay a capital gains tax on the 1 percent represented by the discount feature. This is giving an advantage to that type of bondholder that we do not extend to the holder of E-bonds.

The holder of E-bonds buys a $100 bond for $75, but the $25 is fully taxable at the regular income tax rates. He has to pay the regular income tax rate on the difference, and not a capital gains tax.

To that extent he is taxed at a higher rate than the banks who buy these discounted bonds will be.

Had the bankers written the ruling of Attorney General Kennedy it could not have been more favorable to them.

Under the recent ruling of the Attorney General, Mr. Kennedy, we are allowing a portion of the interest on long-term bonds to be taxed at the capital-gains rate, which in effect reduces the tax paid on interest.

This point was confirmed to our committee by the Secretary of the Treasury, Mr. Dillon.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BENNETT. Has not this opportunity to sell bonds at discount been available to previous Secretaries of the Treasury?

Mr. WILLIAMS of Delaware. Yes, assuming the Attorney General had so ruled, but the previous Secretary of the Treasury said he would not use this authority even if it were available because he recognized it would be in violation of the clear intent of the law as passed by Congress. Therefore, in prior years the Secretary did not ask the Attorney General for a ruling.

I think I am correct when I say this is the only instance wherein any Attorney General has affirmatively ruled that Government bonds can be sold at a discount and thus bypass the interest rate ceiling.

This raises another question. Suppose the next Attorney General rules otherwise and holds that the Secretary cannot sell bonds at a discount to bypass this ceiling.

We would then have a situation in which bonds had already been sold, and Congress would have to take immediate action to validate those bonds; otherwise they would be no good.

This could create a chaotic condition in the bond market.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BENNETT. There has been much talk about the prestige of the United States. Can the Senator think of anything that is more damaging to our prestige at home, as well as abroad, than the admission that the United States cannot sell its bonds except at a discount? Does not the Senator think that damage to our prestige is far more important than is the satisfaction of holding to a ceiling that was written into the law 40 years ago?

Mr. WILLIAMS of Delaware. It certainly is. This could be damaging to the prestige of the United States. It would be inviting another run on the American dollar because failure to remove this interest ceiling by legislative act would be a demonstration that Congress is not ready to face up to the real issue of financing the U.S. debt in an orderly manner.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. Has the opinion of the Attorney General been questioned by any other legal authority, or has it been decided in court?

Mr. WILLIAMS of Delaware. Not as yet, because no bonds have been sold under the ruling.

Mr. CURTIS. What is the date of the ruling?

Mr. WILLIAMS of Delaware. April 25, 1961.

Mr. CURTIS. It is a question that certainly ought to be looked into. When the Secretary of the Treasury sells bonds, he is, in essence, borrowing money not in his personal capacity, but in a fiduciary capacity. He is, in effect, signing a note for $100 in behalf of his principal, but getting only $95 for it.

It may be that the Attorney General's analysis and ruling are correct, and that he has the power. Perhaps it is very clear, but I certainly concur with what has been said here. It is very bad practice, and is most damaging to the prestige of the United States, to admit that when U.S. bonds are issued they are not worth face value. If they are not worth face value when they are issued, what are they worth when they are due?

Mr. WILLIAMS of Delaware. That is a very good question, and certainly no well-managed business would think of financing its future expansion with bonds sold at 70 or 75 percent of par.

It is in an effort to correct this situation that I am proposing an amendment at this time to remove the 4¼-percent interest ceiling. This would give the Secretary of the Treasury the required flexibility to continue to sell bonds at par and at the same time to place an interest rate on them which would command their sale. Money is a commodity; and if by our spending and other activities in Congress we are to force the Secretary to borrow money, we should give

him the authority to do so in a business-like manner.

I am joined in the amendment by the Senator from Illinois [Mr. DIRKSEN], the Senator from Connecticut [Mr. BUSH], and the Senator from Utah [Mr. BENNETT].

Mr. SALTONSTALL. Mr. President, will the Senator permit me to be added as a cosponsor?

Mr. WILLIAMS of Delaware. Also the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Arizona [Mr. GOLDWATER].

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. SALTONSTALL. What the Senator is doing, in substance, in proposing the amendment, is saying that it is much better to have Congress act to strike out the interest rate, rather than rely on a ruling of the Attorney General that a bond sold at a discount may be a proper way of avoiding the 4¼-percent interest limit, when that ruling might be disputed in days to come.

Mr. WILLIAMS of Delaware. The Senator is correct. The important point to remember is that we are a government of laws and not of men. Congress enacted a law stating that the bonds should not be sold at an interest rate of more than 4¼ percent. All past administrations have recognized that rate as a ceiling. I supported the previous administration in its request that Congress remove the ceiling. Certain Senators conscientiously felt its repeal would be wrong and opposed it, but Congress should take action and affirmatively or negatively say whether this interest ceiling should be repealed and not have the Government go by way of the back door and say, "The law does not mean anything." It is a law. I favor its repeal, but until it is repealed I expect the executive branch to respect that law.

The present Secretary of the Treasury, in testifying before our committee at the time his nomination was under consideration, said he would like to see the ceiling on interest rates removed.

We are now told that there is no ceiling and that there never has been. Attorney General Kennedy now tells us that the Secretary can pay 10 percent interest on a 30- or 40-year-term bond, or any rate he wishes. It is said that he can sell Government bonds with as low as 1-percent coupons and then put the price on the bond low enough to give the yield desired, and that it would be perfectly legal under the Attorney General's ruling.

This would be a great tax advantage to the bond buyers in that they would have to pay only a capital gains tax rather than the regular income tax on their interest. All other Americans must pay full rate on the interest on bonds. That is a special tax advantage for those who would buy these bonds, an advantage which the Kennedy administration refuses to give to the savers of America who buy the E-bonds.

Mr. SALTONSTALL. I appreciate the Senator's point of view, and I join with the Senator.

Mr. WILLIAMS of Delaware. I thank the Senator from Massachusetts.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Connecticut.

Mr. BUSH. Mr. President, I am very happy to join with the Senator in presenting the amendment, and I congratulate the Senator on doing so.

The Senator said that if the United States offered any substantial amount of long-term bonds at a discount it would have an unfortunate effect on the credit of the Government of the United States. I think the Senator is absolutely correct.

I recall that in 1959 there was a meeting of the International Monetary Fund and World Bank representatives in Washington, D.C. Representatives came from all over the world to attend the meeting. At that time the question of the interest rate ceiling was being considered. Then President Eisenhower strongly recommended that the interest rate ceiling be removed. The Secretary of the Treasury, Mr. Anderson, tried very hard to get the Congress to go along with the request, but Congress refused to do so. The result was that the Government was forced into short-term financing, when long-term money was needed. That is about as inflationary a process as one can imagine forcing a government to follow.

At that time, the people with the International Monetary Fund could not understand how the United States could put itself in a position or could leave itself in a position in which it could not take advantage of the long-term bond market to stretch out its debt and to get away from the inflationary forces or short-term debt financing.

One might say, "Why should we care what they think?" We care a lot what they think, because they have on deposit in the United States some $17 billion to $18 billion of short-term funds which can be withdrawn from the United States. That can be taken out in gold, if it is so desired. In the past few years we have observed that they have taken a good deal of our gold. One of the reasons why they have taken it is that they have been a little shaky in their confidence about the way we have managed our affairs.

The interest rate ceiling is one of the things which has shaken the confidence of people to the greatest extent. They do not understand how a great government like ours can operate with one hand tied behind its back.

I hope the Senator will press his amendment. It should have been agreed a long time ago. I felt the proposal was not agreed to merely because of a political desire to harass the Eisenhower administration. I felt very strongly about the matter then. I still do. I commend the Senator for opening up the question now. I think the Congress should act on this question at this session.

Mr. WILLIAMS of Delaware. I thank the Senator from Connecticut and agree with his observations.

Mr. President, it is interesting to note—this point has been confirmed both by the previous Secretary of the Treasury and the present Secretary of the Treasury—that American taxpayers today are carrying a larger burden of interest on the national debt as a result of the fact that Congress has refused to remove the ceiling on the interest rate on long-term bonds. That can be proved. For example, at one time the Government was selling 5 percent 5-year bonds. There is not and there never has been any ceiling on interest of bonds maturing in 5 years or less. At the same time, had the interest rate ceiling been removed the Government could have sold 30-year bonds at 4 or 4½ percent interest. In that instance alone the United States had to pay approximately a 1 percent premium for short-term money. Certainly it would have been the better part of wisdom to have borrowed long-term money for the operations of the U.S. Government.

Not only is this bad financing but also it means that under the foolish policy of having an interest-rate ceiling on long-term money with no interest rate ceiling on short-term money, every year the American taxpayers are actually paying out many millions of dollars in unnecessary interest charges.

Those who have been shedding crocodile tears over the high interest charges are the very ones who are responsible for the extra millions of dollars we must pay today in interest on our national debt. If they had gone along with the previous administration we could have corrected that situation and have a more intelligent financing of the national debt, and at the same time save millions of dollars for the American taxpayers.

I hope the amendment will be accepted here today by the chairman of the committee. By all lines of reasoning, the U.S. Government should never resort to financing its debt by discounting bonds at the time of sale.

A great deal of pride may be taken by some in the fact that the administration can sell a bond with a 2-percent interest coupon. The 2-percent coupon rate means nothing if the bond is sold at 85 or 90 percent of par. If there is a 2-percent coupon rate, the other 3 percent interest is paid in the form of a discount on the bond, and the taxpayers are not saving anything. They lose.

Not only is the same amount of interest being paid, but also the buyers of this type of bond, nearly 100 percent the banking institutions of America, then pay taxes only on a capital gains basis. The Kennedy administration says to the savers of America, to those who buy the E-bonds, "We are going to tax you at a higher rate on the income you earn on the savings bonds as compared to the rate at which we tax the banks who buy the discounted bonds."

That is certainly discrimination. If the Government is to pursue such a policy, why did not the Attorney General extend the ruling and say that all Government bonds, including those bought by the small investors, the E-bonds, will be taxed on the basis of capital gains?

If the Government can sell at a discount an interest-bearing coupon bond bearing interest at 1 percent, or even

one-tenth of 1 percent, which qualifies for capital gains, why not let all bonds qualify? Why not give the same capital gains treatment to the buyers of the E-bonds, because those bonds certainly represent discount bonds as much as a 30-year bond being sold for 90 percent?

It is very important that we correct this inequitable situation.

Mr. BYRD of Virginia. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Virginia.

Mr. BYRD of Virginia. As the Senator from Delaware already knows, I am very much in favor of his amendment. I voted for it before, and I shall vote for it again. However, I hope the Senator will not insist upon placing the amendment on the bill before the Senate, because we must enact the bill before midnight on Friday; otherwise nearly $2 billion of the debt will not be authorized by the Congress. If the amendment is agreed to, we shall have to go to conference.

I shall be glad to cooperate with the Senator from Delaware in every possible way to have hearings on the amendment and to bring it to the Senate in the most appropriate fashion, but I hope very much the Senator will not insist upon having the amendment attached to the bill under consideration, for action must be completed by midnight on Friday or a part of our national debt will be illegal and unauthorized, which will do injury to the fiscal integrity of this country.

Mr. WILLIAMS of Delaware. I appreciate what the chairman has said. I always like to cooperate with him. The reason I feel that this is a very appropriate bill for the amendment is that we are asked to authorize the Secretary of the Treasury to borrow an additional $5 billion. I think it is essential that we at the same time remove the interest rate ceiling so that the Secretary can sell the bonds.

I believe that at the moment the Secretary can sell the bonds without violating the 4¼-percent interest rate ceiling. I do not think he would have any difficulty in selling long-term bonds now. But the amendment may well be necessary for the future. I hope it will not be necessary for quite a while.

Mr. President, I felt that this was the time to correct the situation instead of when we are under the pressure of having to do it on short notice when interest rates are higher. But I recognize that the Senator has made a very good point. If we do not act on the bill this week a couple of billion dollars' worth of bonds will have been sold above the legal debt limit and would thus be invalid. That is a good argument. It is an even better argument as to the need for Congress to act on the amendment and to pass it, for the reason that the same situation would occur if the Secretary were to sell $5 billion worth of bonds at a discount and the next Attorney General should rule that it was not legal to sell bonds at a discount and to bypass the interest rate ceiling. The present Attorney General is the only Attorney General in the history of the United States who has made a ruling that such a thing is possible.

Therefore the next Attorney General might very well rule otherwise. Then we would have a situation, as described by the Senator from Virginia, in which some bonds were issued which would not be valid and until Congress could act on a resolution which would validate such bonds we would have a chaotic condition in the bond market, particularly as it would relate to the issue involved. At the same time we would have a chaotic condition in the bond market in general. I think the situation would be both domestic and international.

The reason I offered the amendment to the present bill is that I felt it was necessary to add it to a previously enacted House bill.

I should like to direct a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS of Delaware. Under the rules I know that most of the bills handled by the Committee on Finance must originate in the House of Representatives since they deal with revenue measures. But would a bill to repeal the ceiling on interest rates be in order if it were introduced in the Senate, reported by the Committee on Finance, and acted upon by the Senate?

The PRESIDING OFFICER. The Chair believes that such a bill would affect the revenues of the country, and therefore would come under the constitutional limitation, and would be beyond the powers of the Senate.

Mr. WILLIAMS of Delaware. Mr. President, the previous Parliamentarian had ruled otherwise. I do not want to enter into a controversy with the Parliamentarian. I wonder if we could request a quorum call in order to give the Parliamentarians an opportunity to confer. I raise this point since I believe that the amendment would not affect revenue, but only the ceiling on the interest being paid on our national debt. If it does affect revenue, we shall have no alternative but to insist upon offering the amendment to some previously enacted House measure. But in conference with the previous Parliamentarian it was felt that changing the ceiling on interest rates was not a revenue measure. I am not trying to influence the Parliamentarian. I am asking the question.

The PRESIDING OFFICER. The Chair has no power to pass upon the constitutionality of an act; and if the question involves an interpretation of the constitutionality of the amendment, such question will have to be submitted to the Senate.

Mr. WILLIAMS of Delaware. Mr. President, I ask that my amendment be stated.

The PRESIDING OFFICER. The amendment of the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. —. REPEAL OF LIMITATION ON UNITED STATES GOVERNMENT BOND INTEREST

(a) The second paragraph of section (1) of the Second Liberty Bond Act, as amended (31 U.S.C. 752), is amended by striking out ", not exceeding 4¼ per centum per annum,", and

(b) Section 25 of such Act (31 U.S.C. 757c–1) is amended by striking out the colon and the proviso at the end thereof and inserting a period.

(c) The amendments made by this section shall be effective as of the day following the date of the enactment of this Act.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I commend the distinguished Senator from Delaware for his incessant and untiring efforts with respect to the ceiling on long-term obligations. We discussed that subject up and down the highway all last year. His suggestion makes plain commonsense; and to keep the Treasury under that limitation only makes the problem increasingly difficult when the Treasury must compete in the American market with everyone else who issues certificates and who is seeking to tap the American pocketbook. The ceiling should have been eliminated a long time ago. I realize that the proposal produces an awkward situation when it comes in the form of an amendment to a bill which, I believe, was reported from the Committee on Finance by a unanimous vote, and its passage is up against a deadline. I am glad that the distinguished Senator from Delaware proposes now, on the basis of an understanding with the distinguished Senator from Virginia [Mr. BYRD] that a hearing on this subject will be held at a reasonably early date, that the amendment will be withdrawn, and that we shall then have an opportunity to examine the equities in the situation a little bit further.

Mr. BYRD of Virginia. As the Senator from Delaware knows, a number of revenue bills are now before the Committee on Finance, and if it is not constitutional to offer an amendment to the present bill, the Senator can offer his proposal as an amendment to any of the bills that are now before the Senate Committee on Finance. As chairman of the committee I will agree to hold hearings or do whatever else the Senator from Delaware desires.

Mr. DIRKSEN. Then, of course, the Senator could obtain expressions from the Department of the Treasury and other interested parties in making a record.

Mr. BYRD of Virginia. I am very much in favor of the amendment. I believe the Treasury Department is in favor of it. The Treasury Department opposed the amendment to this bill by reason of the suggestion which the Senator from Illinois has made.

Mr. WILLIAMS of Delaware. Mr. President, recognizing as I do the situation in which we are operating and always desiring to cooperate with the

chairman of the committee, I shall not press the amendment at this time. As the chairman pointed out, I really believe that the amendment would be in order. It is not a revenue producing measure. But, as the chairman also pointed out, other revenue bills are coming over to the Committee on Finance, and the amendment can be attached as a rider to one of those bills.

I will wait and offer it at that time.

In passing, I wish to say only that at the present time I shall cooperate and withdraw the amendment. But I am really in earnest as to this proposal. I think the question is one which Congress must face. I believe we made a mistake last year in not pressing the proposal to repeal the ceiling on these interest rates. It definitely will be pressed later.

I think we should do one of two things. We should either remove the ceiling on interest rates, a proposal with which I am in complete accord, or if not, then Congress should override the ruling of the Attorney General which proposes to start selling these Government bonds at large discounts. If the majority in Congress does not wish to stand up to the task of repealing the ceiling on interest rates I will, of course, abide by the decision of the majority. Our country is a government of laws and not merely of a few men. I think the law should be repealed, but I do not agree with the ruling of the Attorney General. Members of Congress, without exception, believe that the 4¼-percent ceiling is a legal ceiling.

If we want it repealed, as I do, then let us repeal it by our vote.

This law was passed with the full intention that it would be the ceiling. The Attorney General is asking everyone else to be a law-abiding citizen, but at the same time he recommends ignoring a law solely because he disagrees with it. He and his office recognize the validity of the position taken by the preceding administration, but they made a lot of political capital during the past campaign in criticizing these interest rates. They knew they were wrong but are not now big enough to admit it. They are trying to have the law repealed by executive ruling to save political face. At the same time they are giving a tax concession to the banking fraternity, a concession which they will not give to the small investors of the country. They will not give the same savings to the small investors of the country. I believe that the E-bond holders, the small investors who are buying the small bonds, should recognize the fact that this administration, which has said so much about how much it likes the common man, wants to tax them higher than any other investor in America.

I challenge anyone to deny that this is the effect of the recent ruling by Attorney General Kennedy.

Mr. DIRKSEN. The ruling under which it is possible to discount these bonds in order to satisfy the ceiling is, after all, clear circumvention, and nothing else. This is an issue that will have to be threshed out. Hence, I am glad that the distinguished Senator from Virginia [Mr. BYRD] has given assurance that this question will be taken up by the committee so that a good legislative record may be made. I express the hope that we can encompass this whole subject separately before the present session of Congress comes to an end.

Mr. WILLIAMS of Delaware. We can be sure that the proposal will be brought up, and I can assure the Senate that it will be pressed. The Attorney General has excused his ruling by citing a law which was enacted back in 1942 under which Congress recognized that in trying to sell these bonds at par, as in the case of municipal and State bonds, they would on occasions get bids at a hundred and a half or perhaps at 99⅞, within a few fractions of par. The intention of the law clearly was to take care of fractions, so that the Government, if it could get a bid of a hundred and a half, would not have to go back and sell at par. By no line of reasoning could it be said, however, or could the impression be obtained, that Congress intended that a Government bond could be sold for 80 or 90 percent of par solely for the purpose of attaching lower coupon rates.

I know that the present Secretary of the Treasury, when he was before our committee, said it would be better to approach this problem affirmatively and repeal the ceiling. It would be fairer from the tax standpoint to all investors in American Government bonds. The Secretary recognized what it would do to the prestige of our Government in international financial circles if we started a program of selling bonds below par.

Therefore, I will withdraw the amendment today out of my respect for our chairman, who I know has been as strongly in favor of making this correction as the Senator from Illinois and I. I shall withdraw the amendment at this time, but I will reoffer it at the first convenient opportunity, and with the chairman's support I am sure we can put it through. I withdraw the amendment at this time.

The amendment will be resubmitted to the committee, so that the official views of the Secretary of the Treasury may be obtained, although unofficially he has already endorsed the amendment. I am confident he will do so again. I hope that at that time Congress will recognize its responsibility as grown men and repeal the ceiling, realizing that the Government, when it enters the money market to borrow money, must pay interest the same as any other corporation. It is important that we recognize the wisdom of selling long-term bonds instead of putting all our debt in short-term issues. Certainly no man can reasonably insist on paying 5 percent on a 5-year Government bond and then insist that not more than 4¼ percent can be paid on a 30-year bond. If we repeal this ceiling we will save the American taxpayers millions. By this action we can reduce the interest charges on the national debt.

Mr. GOLDWATER. Mr. President, I do not intend to detain the Senate for any great length of time. I merely wish to express my feelings about this entire subject. If a vote were taken on this question I would vote "no," as I have voted in each instance since requests for an increase have come to the Senate.

One of the first speeches I made on the floor of the Senate, back in 1954, was against the Republican administration's request for an increase in the debt limit to $181 billion. I said at that time that I thought we had reached the point in our history when we had better start to act with responsibility toward our fiscal affairs, and that I was very hopeful that during its tenure of office the Republican administration could eliminate much of the deficit.

A number of years later, now, we are being asked to increase the debt limit again. My question is: Are we ever going to see the day when we will not be asked in Congress to increase the debt limit? The ultimate result, if we continue, will be national bankruptcy. We are merely postponing the day when that will happen. It is time for both parties to practice fiscal responsibility and not merely talk about it in their platforms, and speak about it before political and commercial gatherings; instead, we should become dedicated to the idea that we should protect the American taxpayers' dollar. It should not be permitted to decrease in value year after year.

There can be only one result of spending money that we do not have. I do not care whether the case involves a private individual, a company, a corporation, or a government. Sooner or later the country, the company, or the individual goes into bankruptcy. The worst contribution that we can make now, in my opinion, in this state of the world, is to contribute to a factor that would decrease the value of the dollar and add to the fires of inflation. One of the two things that will come out of this operation will be another run on the gold markets of the world, to the point that our dollar can be put in jeopardy.

I wish it were possible for all Members of the Senate to study this subject very carefully. I feel certain that if they understood the full implications and the full impact of what we are doing, they would not allow the debt limit to be increased. It is easy to ask, "What are we going to do? We are spending more money than we take in." If the figures supplied in the report are correct—and I assume them to be correct—in the coming year we shall have revenues of about $81.4 billion and expenditures of $85.1 billion, or we shall have a deficit which is now estimated at $3.7 billion. In my opinion the deficit will be closer to $6½ billion, not $3.7 billion. We have not taken into consideration the exceedingly high expenditures we have authorized in the Senate and in the House, and the authorizations still to come. We seem to be drunk with the idea that we can spend money we do not have, that we can engage in deficit spending. I suggest to Senators that one of the major reasons we are in economic difficulties today, one of the major reasons why the economy is not growing at the rate at which we think it can grow, can be attributed to the absolutely irresponsible fiscal activities of the Senate and the House of Representatives.

I know there are advisers of the administration who see no danger in deficit spending. Not many months ago, at

Harvard University, on the platform with me was the eminent economist from that school, Dr. Seymour Harris. Dr. Harris took exception to my criticism of deficit spending. In rebuttal, he said we should not worry about a $5 billion deficit; that, in essence, we could have a $10 billion deficit. I said to him, rather facetiously, "If it can be $10 billion, let us make it $150 billion. Then we will have a real national ball going broke."

I know that Dr. Harris and other advisers to the President believe that deficit spending will aid in putting people back to work.

History is very revealing in this respect. I shall not regale the Senate with detailed figures, but I call attention to the fact that in 1931, when the country had a deficit of $500 million, the percentage of unemployment was 15.9. That was during the depression. The Government was then spending money which it did not have. During a part of the period between 1933 and 1939, we spent approximately 52 percent of our budgets on so-called props or crutches for the economy. We were trying to induce some life into the economy. We failed. Frankly, it required World War II to pull the Nation out of the depression of 1932–37. By the end of the 1930's, the United States was the only Nation which had not come out of the worldwide depression. We were still in the depression, principally because of the fiscal policies which we were following. There are those who suggest that the same pattern be used in the 1960's.

Through the spending of money which we did not have, upon the argument that it would put people back to work, let us see what happened. As the deficit went up, unemployment went up. In 1932, the deficit was $2.7 billion, and 24.9 percent of the people were out of work.

Skipping to 1936, when the deficit was $4.4 billion, the rate of unemployment was 16.9 percent.

As the deficit decreased, employment increased. There was, naturally, a lag of probably 6 months to a year. But the figures show very clearly that as we spent more money that we did not have, or as we engaged more loosely in deficit spending, unemployment stood at a high figure.

The same thing is taking place today. As the deficit mounts, unemployment remains high. What is needed to be done in this field is to attempt to reduce deficit spending and certainly to attack the total debt, to the end that the dollar can become more valuable and there can be more dollars to invest in the creation of new jobs.

One further point has been discussed in the Senate tonight. We hear much talk about interest rates and about the effect low interest rates have on employment. The argument, again carried by those disciples of Keynes, is that if interest rates are low, there will be less unemployment. This proposition is not borne out, as we study it.

For example, in 1929, when the commercial paper rate was 5.85 percent, unemployment was 3.2 percent. Then came the depression. Moving up to 1931, we find that the commercial paper rate had dropped to 2.64 percent and that almost 16 percent of the working force was unemployed.

When we reached 1935, the commercial paper rate was, 0.75 percent and 20.1 percent of the working force was unemployed.

In 1940, when the commercial paper rate was less—0.56 percent—14.6 percent of the working force was unemployed.

The plain truth is that as business increases and the demand for money increases, the price of money, like the price of any other commodity, increases. When we have good times and good economic periods, the cost of money is higher. When we enter a depression, money becomes easy—in surplus, so to speak. The lending institutions have more of it than the public or the business fraternity wants. Then the cost of money decreases, just as the cost of automobiles or the cost of clothing decreases.

The factors of supply and demand have a distinct relation to the money market. The money market is no different from any other market. When money is in great demand, it becomes expensive, just as automobiles, tires, or anything else, become expensive. As money becomes more and more available, it means that people do not want so much of it, so the price of money drops.

In my business days, I always contended that a businessman was not concerned with what he paid as interest, even if he had to pay as high as 12 percent, or on some days 20 percent. What he paid depended upon his judgment. He must have felt he could make a profit on the money he was buying; otherwise he would not be paying the price for it. Likewise, when he felt he could not make a profit on it, if enough business people got the same feeling, the price of commercial paper and the price of any paper, be it in the form of bonds or any other form, declined.

We cannot help the unemployed by spending money we do not have. We cannot help the unemployed by keeping the interest rates low, no matter whether it be done by Government fiat or by the Attorney General's operations.

We shall continue to see economic unrest in this country. The economic system of the country today is not operating the way it should, or could be operating. We shall continue to see this situation exist, and the problem of unemployment will continue to mount if Congress does not face up to its responsibility to maintain the soundness of the dollar.

I have spoken at this length because I wished to make it abundantly clear why I shall vote "nay" on the bill, I believe that if the decision were left to the vote of the American people, there would be a resounding vote of "No" clear across the country. I think it is time for the American people to take a look at us in this body and at those in the other House who are irresponsible with their money. I think the point has been reached in our history where we can no longer be lenient with respect to money we do not have.

If we continue in this way, we shall be faced with economic bankruptcy just as certainly as we are meeting tonight. We are no different from any other people in the history of the world. Others have encountered the same problem and have never recovered from it.

If a yea-and-nay vote were to be taken on the bill this evening, I would certainly, as I have done in the past, cast my resounding "nay" against it.

Mr. MORSE. Mr. President, there is probably more misunderstanding loose in this country about the financial condition of Uncle Sam than about any other subject. Many other Members of Congress have undoubtedly received large quantities of mail similar to what I have received, correspondence deploring the size of the national debt, deploring spending in general, and deploring further debt incurment even more.

This campaign has been so sustained and has so ignored the many other aspects of the national financial condition that it has become almost impossible to get through to the American people the plain fact that Uncle Sam is really in pretty good financial shape.

The usual outcry raised against Federal expenditures follows the argument that no individual or corporation could sustain a debt of $286 billion, and therefore the U.S. Government cannot sustain it, either. What this argument ignores is the rest of the financial picture which any individual or corporation considers when deciding how much debt it can carry.

First of all, in considering how much debt it can safely incur, any individual or corporation looks at its assets. We almost never do that with the Federal Government. But the House Government Operations Committee does. I wish every American would take a look at the committee print of the House Government Operations Committee entitled: "Federal Real and Personal Property—Civilian and Military—of the U.S. Government Covering Its Properties Located in the United States, in the Territories, and Overseas." The latest edition of this report is June 30, 1960.

In its conclusion, the House committee states:

> This Federal property inventory records Federal real and personal assets located throughout the world as being $276 billion, as of June 30, 1960.

In its breakdown of these assets, the committee points out that the personal property assets of the U.S. Government include $5,381 million in investments; $5,064 million in accounts and notes receivable; over $7 billion worth of commodities for sale; and over $22 billion in loans receivable. Of its real property, the Federal Government has assets of nearly $37 billion in the Department of Defense, nearly $16 billion in other Federal departments, and over $15 billion in public-domain acreage.

This total, as of June 30, 1960, was $275,962 million. For June 30, 1959, the amount was $264,564 million. For June 30, 1958, it was $262,056 million.

So when we talk about a debt of $286 billion, we must keep in mind our assets of $276 billion. Most Americans would say that Uncle Sam is broke; that he owns nothing and owes $286 billion. The

fact is that our financial assets are fairly close to our national debt.

The second major consideration of any individual or corporation in determining the debt it can carry is its earning capacity. A manageable debt depends in large part on the ability to pay behind it.

In the case of the Federal Government, the American people had a gross national product of $503 billion in 1960.

That means that the Federal debt last year was about 57 percent of the gross national product. In 1956, our debt of $273 billion was 65 percent of our gross national product. In 1951, when our debt was just about $260 billion, it was 79 percent of the gross national product; and in 1946, when the debt was also about $260 billion, it was 123 percent of our gross national product.

So if we want to talk about how much debt we can bear in terms of our national wealth, we could have twice as much debt as we now have, and still be no worse off than we were in 1946.

I am not advocating such a policy, let me make clear; but I think these relationships must be kept in mind when we talk about spending and the burden of the debt.

The fact is that the burden of the debt is considerably less each year; it is now only half as heavy as it was at the close of World War II.

NEW DEBT CONCEPT NEEDED

The really sad fact is that we still lump every Federal expenditure in the budget and in the national debt as a total loss. Yet the report on the real and personal property of the United States makes clear that a great deal of the $286 billion debt we are talking about is not really debt at all. Much of it is an asset; and it is inexcusable that the American people are constantly being duped with the notion that they owe a total of $286 billion, and that every item in our national budget is a loss.

When the Government Operations Committee puts together its report, it includes as assets $22 billion in loans payable; $5,381 million more in investments; and over $5 billion in accounts and notes receivable.

So when we talk about a net national debt, the figure is about $241 billion, not $286 billion.

These were the figures used in the other body Monday by the Honorable WRIGHT PATMAN, of Texas, when he talked about the net debt. As the Congressman from Texas said, the net debt is only 47.9 percent of our national product. Fifteen years ago, the net debt was 109 percent of the gross national product.

I may say that in light of the platform adopted by the Democratic Party nearly a year ago, which included a capital budget, but which, I am sad to say, apparently most Democrats who hold office in the Congress have forgotten, if they ever knew it; and in light of the campaign promises by the Democratic candidate in support of a capital budget; and in light of the emphasis he put, last fall, upon the failure of the previous administration to face up to the domestic investment needs of the American Nation, I am very much disappointed that this administration, too, has failed to face up to the problem.

A capital budget would clarify for the American people just what is really involved in the national debt, and in the annual budget of the Federal Government.

It would distinguish between operating expenses, which are nonproductive and unrepayable, and the capital investments, which are wealth-producing, and many of which are reimbursable.

Of course, I have been singing this song here on the floor of the Senate since 1947; and probably the only progress since then has been the inclusion of the theme of my theme song—its basic principle—in the platform of my party.

But the song that any more debt will break the United States and that we cannot afford to invest in the future of America has been sung a great deal longer and much, much louder.

It is time for some commonsense to be brought to bear on the fiscal condition of the United States.

Mr. President, I shall vote in favor of the proposal now before the Senate—but not because I wish to see my country increase its debt. I happen to believe that if we had brought about some savings in connection with the foreign-aid bill—about which I shall speak a little later tonight—we would not have to be raising the debt ceiling now. But I also recognize that that is not going to be done in the foreseeable future.

But, Mr. President, we Democrats ought to start keeping faith with our Democratic platform; we ought to proceed with the passage of a capital-budget bill. I have introduced such a capital-budget bill for years in the Senate. I first offered it in 1947. In 1949, it was recommended by the Hoover Commission, a bipartisan study group which included many distinguished businessmen and industrialists. Corporations use a capital budget; so do many of our cities and States.

If we would adopt a Federal capital budget in legislative form, rather than just adopt in a political platform and then proceed to forget all about it, we would make some progress in returning our country to a sane fiscal policy.

Not only do I believe that one of the results of a capital budget would be to show the American people what their fiscal situation really is, but I also believe that putting into operation a capital budget would, in and of itself, lead to many economies in the administration of our Government. A capital budget which would show the differences between the investments of the American people, and unrepayable administrative costs. It would be very productive in persuading the politicians to bring about some of the economies which some of us think can very well be brought about, and thus avoid increasing the country's national debt.

I hope that before this session of the Congress ends, the leaders of my party in the White House and in the Senate and in the House of Representatives will recognize that they have no answer to the arguments advanced by those leading industrialists and businessmen when they made their plea for a capital budget.

So long as the White House and the leaders of my party in the Congress cannot rebut the arguments of these proponents of a capital budget—for whom I am very happy to be one of the spokesmen in the Congress of the United States—our party should get busy and should pass a capital-budget bill.

If we did that, we would not again find ourselves—as we do here, tonight—dealing with the problem of raising the debt ceiling. But until we do adopt a capital budget, it seems to me we have no alternative but to adopt the proposal, now before us, to increase the ceiling on the national debt; and I shall vote for that measure.

Mr. GOLDWATER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I am happy to yield.

Mr. GOLDWATER. I commend the Senator from Oregon for pointing out the deficiencies of our present budget system. I am not sufficiently acquainted with the details of the Senator's proposal to be able to know whether I would support it, but I certainly think it is time to change the way we handle the budgetary affairs of our Government.

The Senator from Oregon uses what I consider the fallacious argument wrapped around the gross national product. The gross national product, to my way of thinking, is not an accurate barometer or an accurate indicator, because one item can be registered in it as many as five or six times.

We can say, for example, that the gross national product has increased some 18 times since 1937 or 1938. If we put it on a real dollar basis, it has increased only about four times, and the argument made by the proponents of relating it to the debt does not hold water, because the Senator attempted first to argue that a business would approach its borrowing efforts on the basis of the worth of its assets. I think, by his reasoning, a prudent business would not borrow $293 billion on $273 billion worth of assets.

When the Senator jumps into the gross national product, he is getting into something that has no relationship to assets or no relationship to the national debt. In fact, many items in the national debt appear in the gross national product. The debt affects the gross national product faster than any other factor.

Mr. MORSE. I am glad to have the observations of the Senator from Arizona. I much prefer to base my judgment and proposals upon the advice, writings, and recommendations of the distinguished economists and businessmen of the country who have so ably advised the country, the Hoover Commission, than to rely upon the political judgment of the Senator from Arizona, because I recognize him not as an economist, but as a very able and astute political leader.

I do not think the argument he has just made should be given very much weight, because we cannot judge our wealth or income unless we take a look at the gross national product. Out of the gross national product comes a de-

termination of what the income of the country is going to be. We must ascertain what it is we are producing, because it is out of what we are producing that we get our wealth, on the basis of which we are going to be able to finance debt or not finance it.

I respectfully say these economists are quite right when they say we ought to take a look at what our gross national product is in order to determine what the real income of the country is, once we take care of all the expenses and costs of producing the gross national product.

Regardless of how the gross national product is computed, its relationship to the debt is what counts, and I merely point out that our debt is a declining percentage, not an increasing percentage, of our gross national product.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. GOLDWATER. The gross national product is not an indicator of what the income of the country is going to be. It is merely a compilation of all the figures of business, its production, its sales, its purchases. The sale of a house has a possibility of being reported four or five times in the total gross national product figures. I know of no economist who is working in business who puts great faith in the figures for gross national product. Faith is based upon the total available money for spending, which is the net income of the people.

The Senator from Oregon says I am using an argument which will not change his mind. I was not ignorant enough to think I could change the Senator's mind. I knew people were going to read the colloquy, and I merely wanted to try to set the record straight as the argument related to gross national product, because this is one of the points of contention between economists who advise deficit spending and those who do not advise deficit spending. It was one of the bases of the Keynes theory, which has had a chance to be disproved only since 1954 or 1955, when we got out of a war economy.

The Senator is perfectly correct if he wants to use the gross national product as a basis for his economic reasoning. I assure him he will find no practicing businessman who will refer to it. In fact, people whom I consider to be sound economists will have nothing to do with it.

Mr. MORSE. The Senator does himself a great injustice when he says he has no hope of changing the mind of the Senator from Oregon. I frequently change my mind. I change it whenever I find the Senator from Arizona is right. As the Senator knows, on the committee on which we have the pleasure of serving together, very frequently I find myself coming to agreement with him.

On this issue, I think the Senator from Arizona is dead wrong. He will not change my mind on this issue with any argument he has made yet.

I would much rather live in an America in which the gross national product is very large than live in an America in which the gross national product is very small, because we must take judicial notice of the fact that when we are living in an America with a large national gross product, we are also living in an America in which the net value of the country is much greater. That is all I seek to point out in that part of the analysis of the argument.

Mr. GOLDWATER. If the Senator's contention is correct, there should be no limit to what we can boost the gross national debt to, by inflation or any other means. What we have not talked about is, What is the per capita portion of the total national debt? It has continued to rise. It is an important factor to keep in mind. I think today we owe more per capita than the rest of the world owes per capita on its national debt.

Mr. MORSE. It is perfectly obvious that I am talking about the gross national debt on the basis of retaining money controls. I am not talking about gross national debt on the basis of what may happen sometime in the future, if we should let inflation run away with us. But the question of imposing inflationary controls has nothing to do with the present issue before the Senate, as to whether we are as poor as those who deplore spending for the general welfare of our people would frighten the American people into believing.

All I am saying tonight is, take a look at the productive wealth of this country, and it will be found we are not ready for the poorhouse. Whether we approach the question from the standpoint of the gross national product or from the standpoint of the net value of the property of the United States, it will be found we are not broke, and in terms of our productive capacity, we are in a much better position today than we were in 1946.

Mr. President, I wish to read to the Senate a paragraph or two taken from the June 26, 1961, CONGRESSIONAL RECORD, from a speech by Mr. PATMAN in the House of Representatives, in which he said:

> Now let us keep the Federal debt in proper prospective. True, this debt is vast, creates a tremendous burden to the American people and should be reduced. But, at the same time, we should not allow ourselves to imagine that the debt has been increasing relative to our ability to pay, or that it is leading to insolvency.
>
> In the first place, we might note that while the capital debt is high, it is not nearly as high today as at the end of World War II. At the end of 1946, the Federal debt was equal to $1,911 for each American. At the end of 1960, it had been reduced, relatively speaking, to $1,592 for each American.
>
> In the same years, furthermore, the average wealth has increased enormously and so, too, has our average income.

What we ought to do is tell the American people the facts about the national debt and the facts about their national wealth. When we do that we shall have an answer to a good many of the "fear" arguments being made by those who are trying to frighten the American people into believing that we should not pass legislation necessary to promote the general welfare of the people of this country.

That is an old, reactionary, conservative technique, Mr. President. It is unsound economically. It is unsound from the standpoint of social welfare of our country. It is unsound from the standpoint of preserving the strength of this Republic.

What we ought to be talking about in the Senate these days is the need for spending more to promote the general welfare of the people of this country, because by so doing we shall be able to produce greater wealth in the country, from which a greater supply of tax dollars will come.

Mr. President, that is true whether one is dealing in the field of public works, in the field of education, in the field of health protection for the elderly, or with respect to any one of the very sound planks in the program of the President of the United States. The President pledged, and he recognizes, that, after all, we have an obligation to pass those legislative reforms necessary to protect the general welfare of the people of this country.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. GOLDWATER. I wonder if the Senator would care to make his argument to the American wage earner, who now has to earn twice as much as he did in 1945 or 1946 in order to be as well off as he was in 1945 or 1946. These are matters we overlook. The Senator says we are not talking about inflationary waste tonight. We certainly are. Deficit spending has been a way of inflationary waste in this country. The national debt increase is certainly not conducive to a sound dollar. That is inflationary.

Mr. MORSE. My reply is that the per capita debt in the United States tonight is less than it was in 1946, which, in my judgment, is a complete rebuttal to the thesis the Senator is defending.

Mr. GOLDWATER. I do not have the figures available now. I do not doubt the Senator's word, but it is my recollection that the debt is running $1,800 per person, which is higher than it has ever been. If I am wrong, I will certainly admit it.

Mr. MORSE. I shall be glad to debate the subject further, as we undoubtedly shall, from time to time, as the Senator from Oregon presses for a capital budget, which I think is a basic necessity.

Mr. GOLDWATER. I may find myself joining the Senator from Oregon, because I think the budgetary practices of this Government are bad and should be changed.

Mr. CURTIS. Mr. President, I shall be very brief. I share the regret and sorrow of the distinguished chairman of the committee, the Senator from Virginia, in the necessity of bringing this measure to the floor of the Senate.

It is not a spending bill. It does not create debts. Debts are created when the Congress appropriates money and the executive spends money in excess of our revenue receipts.

The bill before us is a measure to deal with debts already created and to deal with spending already voted.

I wish to pay tribute to the distinguished Senator from Virginia, my chairman, and to the distinguished Senator

from Delaware [Mr. WILLIAMS], the ranking minority member of the committee, for the example they have set on this floor not today alone but also throughout the months before, in opposition to spending.

It is spending which creates debt. We could fill the RECORD with ample arguments and definitions, but the fact remains that when we add to the national debt we are refusing to pay the current costs of Government and are charging them to our children and our grandchildren.

We live in a time when the trend of Government is totalitarian. It is advocated by those high in the administration that deficits are good. Government ownership is advocated. A larger centralized Government with less responsibility on the part of the States is an official policy of this Government. It is totalitarian. It can lead only to destruction and to more debt.

The Secretary of the Treasury appeared before our committee. One of the interesting things he pointed out was that in the Republic of West Germany there was a balanced budget and the value of the mark was maintained, and there is no unemployment. In fact, workers are in demand in West Germany.

The totalitarian philosophy of big government, that by deficit financing and spending we can create prosperity and can create jobs, is wrong. There were more unemployed people when World War II started, after such a program had been followed since 1933, than there were in 1933.

We are following a policy which is decidedly not liberal.

It is totalitarian, and it has failed. The idea that Government spending can create genuine prosperity cannot be supported by any example in history.

Reference has been made to an opinion of the Attorney General to the effect that bonds may be sold at a discount, thereby circumventing the statutory ceiling of 4¼ percent interest on long-term coupon bonds.

I commend the Attorney General, Hon. Robert Kennedy, for his candor in what he said about the distinguished former Secretary of the Treasury, Robert Anderson. The opinion is dated April 25, 1961. Attorney General Robert Kennedy replied to the present Secretary, stating that he has authority to sell bonds at a discount and thus have them yield a higher rate of interest than the limit set in section 1 of the Liberty Bond Act. He cites as one of his reasons for contending that such is the law that former Secretary of the Treasury Anderson so contended in his testimony before the Ways and Means Committee.

I commend the Attorney General for his comment concerning former Secretary Anderson:

> Secretary Anderson, however, did not wish to exercise that authority without specific congressional leave because he did not consider it appropriate to circumvent the 4¼ percent ceiling in this way.

I sincerely hope that the present Secretary of the Treasury will follow the example of former Secretary Anderson, and that this issue can be determined by the Congress.

I yield the floor.

Mr. DWORSHAK. Mr. President, I was shocked when I learned that there would be no yea and nay vote on this proposal.

In this tragic hour of the history of our Republic, a half dozen Senators are present debating with sophistries and alibis as to why we should spend more money and bankrupt the Government of the United States. I do not share the sentiment of my colleagues who claim that the New Frontier, with its expanded Federal spending and its deficit of $3½ billion this year and $5 billion or $6 billion next year, in any way reflects fiscal irresponsibility. No, Mr. President; it far transcends irresponsibility. The action, in fact, is fiscal insanity.

We talk about converting the American people to support some of the proposed programs on the fallacious basis that the more we spend, the more prosperous we become, and the more influential we become as a leader of the free nations of the world. Why do we insult the intelligence of the American people today by asserting such a position?

If the executive department of the present administration lacks the courage and forthright determination to deal candidly and fairly with the taxpayers of this country, and if the legislative branch lacks the intestinal fortitude to stand up and reduce Federal spending, then, of course, there is only one alternative and that is for the American people themselves to rise up in justifiable fear, resentment, and contempt at the failure of the Government, in its two branches, the executive and legislative, to meet the problems of this crucial era.

I have a high regard for our fine Committee on Finance, with the Senator from Virginia [Mr. BYRD], the Senator from Oklahoma [Mr. KERR], and other Senators from the Democratic membership and Republican Senators such as the Senator from Delaware [Mr. WILLIAMS], and the Senator from Kansas [Mr. CARLSON]. Perhaps we are facing the inevitability of providing funds after we have very blindly gone along and approved more spending and bigger deficits.

I believe the American people are far ahead of the Congress of the United States and the administration today, because the American people must furnish the dollars and the sons to fight in every section of the globe, if we become embroiled in a hot world war. I wish the RECORD to show that I am not going along blindly in approving a resolution to raise the debt ceiling because we have no other course to pursue. I contend that we have. I do not propose to violate the oath of office which I took when I became a Senator. I am almost ashamed to admit that I am a Member of a body which refuses to stand up and face the challenges of this crucial era when the survival of our Nation is in the balance.

Mr. THURMOND. Mr. President, I am opposed to increasing the national debt limitation even though it is a temporary increases, and desire that the RECORD indicate my opposition.

The PRESIDING OFFICER. If there are no further amendments to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 7677) was ordered to a third reading, was read the third time, and passed.

Mr. KERR. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MORSE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION OF APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 445, H.R. 6874.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 6874) to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill (H.R. 6874) which had been reported from the Committee on Aeronautical and Space Administration, with an amendment, to strike out all after the enacting clause and insert:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration for the fiscal year 1962 the sum of $1,784,300,000, as follows:

(a) For "Salaries and expenses", $226,686,000.

(b) For "Research and development", $1,295,539,000.

(c) For "Construction of facilities", $262,075,000, as follows:

(1) Langley Research Center, Hampton, Virginia, $3,980,000.

(2) Ames Research Center, Moffett Field, California, $5,680,000.

(3) Lewis Research Center, Cleveland, Ohio, $3,590,000.

(4) Goddard Space Flight Center, Greenbelt, Maryland, $9,212,000.

(5) Wallops Station, Wallops Island, Virginia, $6,313,000.

(6) Jet Propulsion Laboratory, Pasadena, California, $3,642,000.

(7) Marshall Space Flight Center, Huntsville, Alabama, $12,891,000.

(8) Atlantic Missile Range, Cape Canaveral, Florida, $49,583,000.

(9) Pacific Missile Range, Point Arguello, California, $998,000.

(10) At various locations, including those specified in subsection 1(c)(1)–1(c)(9), and including land acquisitions therefor, $156,186,000.

(11) Facility planning and design not otherwise provided for, $10,000,000.

(d) Appropriations for "Research and development" may be used (i) for any items of a capital nature (other than acquisition of land) which may be required for the performance of research and development contracts, and (ii) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facili-

ties, and title to such facilities may be vested in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used for construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee notifies the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act any amount appropriated for "Research and development" and for "Construction of facilities" may remain available without fiscal year limitation.

(f) Appropriations other than "Construction of facilities" may be used, but not to exceed $20,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in subparagraphs (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), or (11) of subsection 1(c) may, in the discretion of the Administrator of the National Aeronautics and Space Administration, be varied upward 5 per centum to meet unusual cost variations, but the total cost of all work authorized under such subparagraphs shall not exceed a total of $262,075,000.

SEC. 3. Not to exceed 5 per centum of the funds appropriated pursuant to subsections 1(a) and 1(b) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $50,000,000 of the funds appropriated pursuant to subsection 1(c) hereof, shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(c)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations until the Administrator or his designee has transmitted to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof, including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest. No such funds may be used for any construction, expansion, or modification if authorization for such construction, expansion, or modification previously has been denied by the Congress.

SEC. 4. The Administrator is hereby authorized to transfer, with the approval of the Bureau of the Budget, funds appropriated pursuant to this Act, to any other agency of the Government whenever the Administrator determines such transfer necessary for the efficient accomplishment of the objectives for which the funds have been appropriated. Not more than $20,000,000 may be transferred by the Administrator under this section to any other agency of the Government unless the Administrator has transmitted to the Committee on Aeronautical and Space Sciences of the Senate and to the Committee on Science and Astronautics of the House of Representatives a written statement concerning the amount and purpose of, and the reason for, such transfer or transfers, and (1) each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to that transfer or transfers, or (2) thirty days have passed after the transmittal by the Administrator of such statement to those committees.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. KERR. Mr. President, I rise to support an excellent bill now before the Senate for consideration. I ask unanimous consent to allow Mr. Ralph Ulmer, assistant director of the facilities in the Office of Programs of NASA, to be present on the floor of the Senate to assist during the floor debate on H.R. 6874, the bill to authorize appropriations to the National Aeronautics and Space Administration for the fiscal year 1962.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Mr. President, before proceeding to explain the bill, I wish to pay tribute to the members of the committee who, through long hours, days, weeks, and months have attended the sessions of the committee, studying the operations of the National Aeronautics and Space Administration, and participated in the deliberations out of which has come the bill. Members on both sides of the aisle, headed on the Democratic side by the Senator from Georgia [Mr. RUSSELL], next to the chairman, and on the Republican side, the distinguished Senator from New Hampshire [Mr. BRIDGES], the Senator from Wisconsin [Mr. WILEY], and others, worked together in the formulation of the bill, bringing it to the Senate by their unanimous action.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. SYMINGTON. I shall necessarily have to leave the floor. The hour is late. But before leaving, I present to Senators the fact that the chairman of the Aeronautical and Space Committee, the distinguished senior Senator from Oklahoma [Mr. KERR], has been as thorough in his effort to explore this new field as any chairman of any committee with which I have had the honor to serve in the Senate. I congratulate him on the work that he himself and the staff of the committee have accomplished, and I say for the possible benefit of the Senate that in my opinion the results are proved by the report which the committee has made. I have read the report, and I am confident that any Member of the Senate who will examine the tremendous detail through which the chairman of the committee steered the bill before the bill was reported to the Senate will agree with my statement. I thank the Senator.

Mr. KERR. Mr. President, I thank the Senator from Missouri. He was one of the members of the committee who spent the greatest number of hours in the endeavors on this bill and he came forward in our deliberations with some of the most intelligent and informative suggestions. I, as chairman, am indeed indebted to him for the great contribution that he has made to the bill.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. BRIDGES. I wish to join with the distinguished Senator from Missouri [Mr. SYMINGTON], in the statement which he has made about the progress of the committee and the outstanding and faithful work of its chairman. I want to say, in addition, that no chairman of a committee could have proceeded more diligently, worked harder, or presided in a more nonpartisan manner. There were absolutely no politics involved in the consideration of this bill. The only desire of the chairman was for the good of this country.

I realize, as I know the chairman realizes, that we are pioneering in a new field, that we are only at the threshold of the space age. What lies beyond this threshold is speculative. What we do know is that interwoven in this new dimension of space is the security and destiny of our country and perhaps all mankind.

The Senator from New Hampshire, as the Senate knows and as the distinguished chairman knows, is in favor of economy. He has cast very few votes in the Senate that were not on the side of economy. He believes sincerely that overspending and the weakening of the dollar is one of the great threats to our country.

This bill authorizes a huge amount of money, but I do not believe we can afford to gamble. I have come to the conclusion that this is the only thing we can do. We cannot with safety chart any other course. I realize that the day may come when we may be praised for our action, or that we may be criticized bitterly. In these unusual times, however, someone must take a stand, someone must make recommendations, someone must act. Therefore I join with the distinguished chairman whom I have worked with very closely and hold in high esteem, and the members of the committee, who were faithful in their attendance in supporting this legislation.

Mr. KERR. Mr. President, I am very grateful to the distinguished Senator from New Hampshire for what he has said. I advised members of the committee when we started our hearings many weeks ago, preparatory to the specific hearings on the pending bill, and again when the bill was before us for our consideration, that I felt this is a program that ought to be considered as a bipartisan effort, and therefore considered with a bipartisan approach. I told

my good friend, the Senator from New Hampshire [Mr. BRIDGES], the ranking Republican member of the committee, that I would not bring or participate in bringing to the floor of the Senate an authorization bill, unless it had his wholehearted support and unless he and I, working together with members on both sides of the table, could reach a decision with which the committee could unanimously agree.

It is a bold and challenging program. It is one that leads into a future whose dimensions and specifications we cannot foresee or foretell.

I, for one, have great confidence in that future. Certainly we cannot today describe what is ahead in the development of our efforts in the exploration of space, with its multitudinous facets and manifestations, any more than Christopher Columbus could have told in 1492 upon his return from the New World what Western civilization would be in the closing half of the 20th century. Had he been asked to portray and forecast what was ahead, certainly he could not have described with any degree of understanding and knowledge what has grown and developed.

Today, as man stands on the threshold of the era of space, no man can tell what a few centuries may bring forth or even what a single decade, or a few decades, will bring forth. But the American people, above all others on this earth, march into the future with confidence and with faith; and it is with that understanding, and inspired by that knowledge, that the members of the committee have worked on the development of the bill and brought it to the Senate for its consideration.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. MORSE. I wish to say to the Senator from Oklahoma that it is easy to understand how the members of the committee, spending the weeks that they have spent in taking the testimony and studying the data there were presented to the committee, could reach the unanimous opinion which they reached. The chairman should also know that there are many of us—and so far as I know there are no exceptions among my colleagues in the Senate with whom I have talked—who are not members of the committee and who do not have the detailed information and the enlightened understanding of all the complexities of the space program that the members of the committee have, but who nevertheless feel that they owe the chairman and his committee a very sincere debt of thanks and gratitude for the leadership that is portrayed by the report of the committee.

We know something about the problem, although we are not members of the committee, because some of us have gleaned it from other sources. Those of us on the Foreign Relations Committee have at least a smattering of knowledge of some of the problems that have been considered by the committee. I am sure the chairman will be pleased to know—and I am sure I speak the point of view of most, if not all, the Members of the Senate—that there is general recognition in this body that we must raise our sights, that there are new horizons, that there are frontiers, the likes of which the imagination of man has yet fully to contemplate and comprehend.

Yet we know that the new frontiers will have to be traversed by our descendants. We know that we have an obligation in our time to make, as the President has so eloquently said numerous times now, to make whatever sacrifices are necessary in order to prepare the way for the new era to which the Senator from Oklahoma has referred and in which our descendants will have to live. I am not only pleased to support the authorization which the Senator from Oklahoma and his committee are asking for, but I wish also to say that I do not think we can follow any other course, if we are to be both realistic and fulfill our patriotic obligations to future generations of Americans.

It is of interest that we should discuss this bill immediately following consideration of the proposal to raise the debt ceiling. There are things worse than increasing the debt ceiling. The important thing for us to do is to evaluate what we are increasing it for. If we are increasing it to pay for the general welfare legislation to which I referred a few moments ago when I supported the proposal to raise the debt ceiling, and if we increase it in order to at least give future generations of American boys and girls a chance for survival, then I do not believe we ought to worry about the sacrifices that we will have to make through the payment of taxes that are necessary to meet the bill.

I believe that if the Senator from Oklahoma and I could come back to earth 50 years from now and view then what had taken place in the half century which would have passed, we would take a deserved satisfaction in the fact that tonight, in the Senate of the United States, we were willing to cast our votes in support of this authorization, even though we know that millions of our constituents across the country are raising grave doubts as to whether it is necessary.

However, being Burkian in my philosophy, I say we have an obligation to take these back to our constituents, come adjournment time; and I am satisfied that when once our constituents understand the facts, on the basis of which we are voting in the Senate tonight, they will say that they would have voted the same way, had they had the trust and the responsibility of casting the vote which the Senator from Oklahoma and I, and all the other Members of the Senate who are present, are about to cast.

Mr. KERR. Mr. President, I am grateful to the Senator from Oregon for his kind and, I think, very intelligent and accurate statement.

Mr. ALLOTT. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, this question has been heard before the Subcommittee on Independent Offices of the Committee on Appropriations, of which I am the ranking minority member. I would be loath to see the passage of the bill without making certain remarks, in which I feel certain the Senator from Oklahoma will indulge me.

The committee of which the Senator from Oklahoma is the chairman has heard much testimony on this question. In my opinion, there are at this time very deep philosophical questions as to whether or not the course we are pursuing by the authorization bill, which will ultimately either be implemented or not be implemented by appropriations, is the proper one. I have noted in numerous magazine articles, and also in newspapers, the statements of many prominent scientists in this country who have voiced serious doubt as to whether this is the way we should proceed or the way we should travel.

I doubt really, in my own mind, even though I am completely aware of the President's message, whether, under the stress and strain of the problems that the President has encountered in the past few months, he himself has had an opportunity to consider the problem and the deep implications it has, even though he has communicated to Congress a message in this respect.

There are two or three things which I think ought to be said. First, the National Science Foundation and NASA, appearing before our committee separately—and their fields of scientific endeavor overlap, to some extent—have told us—particularly the NASA representatives—that what this project means to us is a commitment now of $20 billion over the next 10 years. Are those figures in accordance with the Senator's understanding?

Mr. KERR. The present estimate of the required expenditures of NASA for the next 10 years are in the neighborhood of $33 to $40 billion. That includes the entire program assigned to NASA, which the President, in his statements, has asked the country to give its approval.

Mr. ALLOTT. I am very happy to hear the Senator's statement as to the figures, because they are not the figures which NASA gave to the Subcommittee on Appropriations within the last week.

Mr. KERR. I am of the opinion that the entire program which NASA has outlined will be in the neighborhood of the amount which the Senator from Oklahoma has indicated. If the representatives of NASA were talking to the Appropriations Subcommittee about the program related to the effort of putting a manned vehicle on the moon and bringing it back to earth, they would have been using a different figure.

Mr. ALLOTT. We are talking, then, about two different figures. I am not talking about the total program of NASA.

Mr. KERR. The figure which the Senator from Oklahoma gave the Senator from Colorado was for the total program.

Mr. ALLOTT. I am talking about the specific figures with regard to what is called the soft moon shot, which is the landing of a man or a satellite carrying

two or three men on the moon and bringing it back to earth. The figure that was given to us for that expedition was $20 billion.

Mr. KERR. That is the figure which NASA gave to our committee, as its representatives addressed themselves to the specific project or program referred to by the Senator from Colorado. Even in that regard, the $20 billion figure includes the total cost of the Saturn and Nova families of very large launch vehicles; the new engines for these vehicles; all of the production, test, support, and launch facilities; new spacecraft for manned missions leading up to and including manned lunar landings; and all of the unmanned lunar exploration program which necessarily would precede a manned lunar landing; accelerated programs for unmanned radiation scientific satellites; sounding rockets, and advanced technology in many areas; an extensive program of animal flight; and a new space flight center.

That figure comprehends many facets of the space program, including the landing and safe return of the men who land on the moon.

Mr. ALLOTT. We have agreed on one thing. My purpose at this time is merely to bring into focus certain facts about the program. I intend to speak more in a few minutes about the various elements which go into making a final landing, including the hard landings and the soft landings, and all the things connected with them. However, we are agreed, at least, upon the figure of $20 billion, which is the figure which was given to our committee.

This means that in the next 10 years, assuming that the Nation reaches a population of 200 million by 1970—and it will, because our young folks are doing fine, even though some older ones among us may not be—for each man, woman, and child in the United States it will be necessary to expend upon the soft shot on the moon—that is, landing three men on the moon—the sum of $100.

That is the present estimate. In my opinion—and this is an economic opinion, which can be disputed by many persons, but I predict I will be on the safe side—within the next 10 years the cost of the project will rise at least 50 percent. So when we consider the project, we will have to consider the cost ratio of $150 for every man, woman, and child in the United States.

This brings us to the question which no man, however wise, can answer today. If there is a Senator who has had to deal with this problem who has not laid awake nights, trying to figure out the answer to it, I should say he is an utter fool. The problem is whether the shot on the moon is the ultimate goal and the thing which will reap the most benefits for the United States. In other words, if we are to do this for the mere sake of propaganda, the shot will not be worth $20 billion—or even $30 billion, as I maintain it will cost.

But then we go beyond this. We say, as has been said to us in committee, "This is not the sole objective. The objective is the achievement of scientific knowledge which will ultimately benefit mankind. This I can appreciate also.

In the course of developing the moon shots, we also think of the ultimate landing on the moon, of which the Senator from Oklahoma has spoken; and we also have to consider the development of the F–1 motor, the development of the Saturn, and even the development of the Rover engine. We have yet to develop many of the other facets of this program. Yet I believe it important to note at this time that the sequence of events relating to the moon shot evolves around three fundamental steps which come in the following order—after Mercury shots, of course: The first one, which is a definite step toward the moon shot, is the manned satellite around the earth. After achieving the manned satellite, what will come next? Many eminent scientists believe that the manned satellite and the development of a missile or of a particular instrument which will be an antimanned satellite will be the most valuable things for the United States to achieve. This is what causes me real worry. The next step of major proportions in this process—and in discussing these matters, I am sure I am not violating any classified information, because the information was given to the committee in open session, with other persons in the room, and I specifically asked whether the information was classified—is the development of a satellite with an elliptical course, going around the moon once, twice, or three times, and then returning to the earth. And the next, and ultimate, step, after the hard landings on the moon, will be the soft landing on the moon, which will place three men on the moon, and then return them to this country in safety, we hope.

On the basis of only the propaganda value, I do not believe this course is justified. I wish to make perfectly clear that I do not believe in engaging in a useless contest with the Russians; I do not believe such a contest can be worth what I believe will be the cost—namely, in excess of $30 billion—to the American people.

The only question I raise—and at this time I am not prepared to make up my mind finally about it; I shall vote for the authorization bill, but I shall reserve the right to determine later how I shall vote on the appropriation bill—is whether the real interests of the United States would be far better served by the development of an ultimate orbital instrument, a manned space vehicle, which, in effect, will have complete supervision of the earth, or at least complete knowledge of the earth, while it is in orbit, plus the antimanned orbital vehicle which could destroy one in the event we had to destroy one, of an enemy. I think this is the real problem and the real gist of the problem which we Americans must face.

I am not impressed completely by the arguments of the scientists who simply want more and more and more research, even though the research thus far engaged in has just about, to all practical effects, taken over the budget of the U.S. Government; the research scientists have taken it over in dozens of fields, so that in every area in which we engage we find research, research, and more research—duplication and overlapping, and then more duplication and more overlapping, in place after place.

I believe that one of the main things we have to achieve in this field—and I believe that every Senator must answer this question for himself; I say to the Senator from Oklahoma that he must answer it in his own soul, because no one else can give him the answer; not even the scientists can give the exact cost to which reference is made; only he can develop for himself, in his own mind, on the basis of his own knowledge, the answer—is the answer to the question of whether it is more important to develop a means of putting men on the moon or whether it is more important to develop, to the *n*th degree, orbital, manned space shots around the earth, together with the antimanned orbital vehicle which we shall also have to develop as, first, a means of propaganda value, and, second, a means of bringing to this country, by means of such surveillance and the other scientific data we could have acquired, the greatest amount of protection our country could get, together with, third, the greatest scientific value.

I am fully cognizant of the position the Senator from Oklahoma has taken, and I respect it. But I would be very remiss in the performance of my duty if at this point in the debate on this authorization bill I did not discuss these questions, which I am satisfied—from conversations with numerous scientists of both national and international acclaim—are the subject of very serious doubts.

So this is really what we are deciding tonight, or perhaps we shall really decide it when the appropriation bill is before us.

I thank the Senator from Oklahoma for his courtesy in yielding to me.

Mr. KERR. Mr. President, I thank the distinguished Senator from Colorado for his contributions to this debate.

I say to him that if I contemplated this program as one whose value would be limited to propaganda value or as one which would be limited to the feat of placing a man on the moon and bringing him back again, I would not be standing on the floor of the Senate tonight, urging the Senate to pass this authorization bill.

I contemplate this program as one which will enable the American people to meet their destiny.

The distinguished Senator from Colorado has referred to the fact that this program could cost $100 for each of 200 million people. I realize that might be the case. In fact, in the budget message of the distinguished President who preceded President Kennedy in office—I refer to the budget message which came to the Congress on January 12 of this year—the program which is authorized in this measure was included. At that time it was submitted on the basis of a 10-year total cost of $22,329 million. It did not contemplate the stepup and the acceleration of the program which is indicated in the bill now before the Senate; and, in the judgment of the Senator from Oklahoma, the same technicians

and able scientists who developed the information on which the previous budget message was based have been the ones, in the main, who have advised President Kennedy in regard to what the larger program to be accomplished in the shorter period of time would cost.

I say to the 183 million Americans of today, and to the 200 million Americans who I think will be here in less than a decade, that in my judgment, one of the benefits that will come from the program will be an increased average lifespan of at least 10 years for each one under 50 years of age today.

In the judgment of the Senator from Oklahoma, that is but one of the results which will come from the program, as the reaching of the moon is but one of the results that will come.

Mr. ALLOTT. Mr. President, will the Senator yield for a moment further?

Mr. KERR. I yield.

Mr. ALLOTT. In my opinion the Senator is perhaps overstating it a little when he says that the program would result in the expansion of the lifespan of the average person by 10 years. I think it is likely to be a result of the basic research carried on by the National Science Foundation, the National Institutes of Health, and private researchers. I agree that in the next 10 years it will be an actuality.

However, I should like to ask—and God knows I say this seriously, and not in a sense of flippancy—whether the Senator has considered the possibility that by the time we reached the stage of manned orbital spaceships, the dictates of scientific knowledge achieved by that time would make it mandatory that we go off in an entirely different direction than a shot to the moon.

Mr. KERR. I say to the Senator that I do not know, but I approach that time and that decision unafraid, and with the realization that the most any man can do as of today is the best he can on the basis of his present knowledge, information, judgment, and the advice and counsel available to him. If we could look into the future and know what men who will be here 10 years from now would do and say, we could make decisions with far greater confidence. But that we cannot do. We must meet the challenge and the responsibility of decision now.

I appreciate what the Senator from Colorado has said. He has indicated that a sensible space program would include manned orbital flights around the earth.

Mr. ALLOTT. I must answer the Senator. I feel unequivocally that that is true.

Mr. KERR. And also the ability to destroy manned orbital flights in space vehicles around the earth.

Mr. ALLOTT. I do.

Mr. KERR. In my judgment, that knowledge and ability will be achieved by one or more nations on the earth, and I contemplate with the gravest concern and fear the certainty that some nation, or some group of nations, will achieve that ability, and the possibility that it might not be the United States of America.

Mr. ALLOTT. Let me say to the Senator, if he will yield further, that I agree with him completely in his last statement. I think it is an absolute necessity for the United States. The real concern I have is whether, in setting a moonshot as the goal, we may be setting a false goal rather than a goal which is still far in the future and a goal which will give the greatest results to mankind and to the United States. I do not disregard the propaganda value of it, either. That goal might well be the field of manned space satellites, plus antimanned space satellites.

I have taken much of the Senator's time. I express my appreciation to him for permitting me to interrupt his own discourse to discuss this matter, but it seemed to me it was a very appropriate time to try to bring into focus a few of the factors which every American should lie awake thinking about tonight, and for a few nights to come.

Mr. KERR. I again thank the Senator from Colorado. His statement is evidence of a similar line of thinking on his part to that of the Senator from Oklahoma. He has evidenced a deep concern. He has evidenced a purpose to give the best consideration of which he is capable. The Senator from Oklahoma takes great comfort in the knowledge that Members of the Senate and of the House of Representatives, those in our great space agency, the executive department, and every American throughout the length and breadth of our country are similarly concerned tonight and are giving this subject contemplation and consideration, to the extent of their mental ability.

Mr. President, before I explain and support the bill now before us for consideration, I would like to express my appreciation to the members of the committee and to its staff.

This bill, H.R. 6874, as proposed to be amended, authorizes the appropriation of $1,784,300,000 for the National Aeronautics and Space Administration for fiscal year 1962. This would be a substantial increase above the appropriations for this agency this fiscal year. The programs and funding authorized in this bill match the recommendations made by President Kennedy on May 25 in his special message to the Congress on urgent national needs. You will recall that he said at that time:

> Now is the time to take longer strides—time for a great new American enterprise—time for this Nation to take a clearly leading role in space achievement.

Copies of the bill, plus the committee's report and a transcript of the committee's hearings on NASA's scientific and technical programs, are on the desks of the Senators.

The Space Committee favorably reported the bill unanimously, having reached bipartisan agreement after diligent consideration of the administration's budget recommendations, and after detailed review of the technical and scientific missions of NASA. This bill will provide the authority and the funds needed to develop, on an efficient basis, not only the manned moon explorations, but also the fastest economically feasible development of communications, weather forecasting, and reconnaissance satellites, plus the exploitation of many other space resources. The achievements to date of our space programs show that these can provide far-reaching benefits to our national economy, security, and health.

The unity of purpose and degree of responsibility displayed by my colleagues on this committee, Mr. President, are worthy of note. Their approach, I believe, reflects the compassion which all Americans have for the courageous men and women who have volunteered or who will volunteer for the perilous tasks of space exploration. This unanimity has existed in past years, and we prayerfully hope that it will continue, not only within the committee and within Congress, but throughout the Nation, as we embark on dramatic new phases of this challenging and promising venture.

The bill now under consideration evolved after a period of review which started, as the President reported, shortly after he took office. The starting point of this evaluation was the budget recommendation of the previous administration, which called for a NASA budget of $1,109,630,000 for fiscal 1962.

It has long been apparent that, while this Nation's space achievements have been outstanding, we have lagged in big boosters, the larger rockets needed for larger payloads, and extensive manned space-flight missions. Many weeks before the Nation and the world were thrilled by the daring flight of Comdr. Alan B. Shepard, the President recommended budget increases to close this booster gap. The proposal, in a special message on March 28, recommended the NASA budget for fiscal 1962 be increased to $1,235,300,000. This figure, however, did not remain static.

In April the Congress amended the 1958 Space Act to provide for the reorganization of the National Space Council, making the Vice President its Chairman. With the signing of this measure into law, the urgent needs of our space program continued to be reviewed by our experienced and distinguished Vice President, the former chairman of this committee. The President, a month later, reported to the Congress that with the Vice President the administration had examined where this Nation is strong in space and where it is not, where it may succeed and where it may not. It is reassuring to know that the great knowledge and talent of the Vice President were drawn upon.

The Space Committee itself undertook its studies of the NASA program in January, first reviewing space programs funded by previous sessions of Congress. Subsequent to the President's recommendation of May 25, hearings were held for the purpose of taking testimony from officials of NASA and from spokesmen of military and other civilian agencies participating in joint programs with NASA. This included review of programs sponsored jointly with the Department of Defense, the Department of State, Atomic Energy Commission, Federal

Communications Commission, and U.S. Weather Bureau.

Many of the witnesses before the committee have long been associated with NASA and its predecessor agency, the National Advisory Committee for Aeronautics. These witnesses were in overwhelming agreement that the time has come, as the President said, for a marshaling of national resources in order to attain undisputed leadership in space. These same people will be charged with carrying out the programs authorized in this bill, and their competence and eagerness to get on with this vital undertaking impresssed us as the hearings went along.

The committee spent considerable time looking into areas of possible duplication and inefficiency. Responsible leaders of the three principal participants in space-related projects, NASA, the Department of Defense, and the AEC, voiced their support for a unified national program. They reminded the committee that they were directed by the President to work closely with each other and make every effort to use the most efficient resources available to the Government, wherever they may be. They also are charged with keeping the Vice President and the Space Council informed of their efforts as a means of assuring continued teamwork.

Mr. President, the committee attempted to find and examine all the pros and cons of the space program in the belief that an expenditure of this magnitude, and an opportunity of such fantastic long-range significance, deserves closes scrutiny. There is a fascination, an aura of glamor, involved in the space effort. All of us experienced the same feelings the day Commander Shepard made his historic flight. We were afraid when the countdown approached zero, because we instinctively fear the unknown. We were exultant when the Redstone rocket lifted perfectly off the pad and arched into the sky like a homing angel. Our spirits soared with the rocket. We enjoyed a surge of pride in accomplishment upon the commander's safe return to the surface of earth.

This Nation achieved much more that day than most of us realized at that moment of jubilation, for the feat was conducted in view of the world, and people throughout the world shared the experience with us. Our willingness to share our knowledge and experience with the rest of the world can pay us bigger and bigger dividends with the development of communications and weather forecasting satellite systems. Funds to accelerate these important systems would be authorized by this bill. For it is the practical aspects of the space program, including the ever-present possibility that the knowledge we acquire in these civilian ventures may, in time, become militarily indispensable, that must be our basic motivation as we support it.

The President has asked the people of this country to commit themselves to the goal, before this decade ends, of landing a man on the moon and returning him safely to earth. This will require the acceleration of learning in many areas of science and technology. It will require, the President estimates, expenditures of from $7 to $9 billion additional within the next 5 years to achieve the new timetable.

Dr. Hugh Dryden, the Deputy Administrator of NASA and a man of many years, experience in scientific and administrative fields, has joined me here today to provide "backup," as the space jargon has it, or to help me answer any questions you might have.

Before proceeding with a review of the specifics of the bill, I would like to quote briefly from a statement Dr. Dryden gave the committee regarding the moon project. I think you will agree with me that his statement is one of the most penetrating and incisive analyses of why we must proceed with our space program with all possible speed. He said:

> It is important to realize that the real values and purposes are not in the mere accomplishment of man setting foot on the moon but rather in the great cooperative national effort in the development of science and technology which is stimulated by this goal.
>
> The billions of dollars required in this effort are not spent on the moon; they are spent in the factories, workshops, and laboratories of our people for salaries, for new materials, and supplies, which in turn represent income to others. It is unfortunate that space exploration is still so new that journeys of man to the moon are synonymous with foolish or visionary enterprises as described in science fiction. Fifty years ago flying through the air had the same connotations—risky, expensive, useful only as a sport. Our lack of appreciation of the potentialities of aeronautics extended through the early years, forcing the Wright brothers to go abroad. We entered the First World War with no design capability and no manufacturing experience, dependent completely on foreign designs. Only after the war did we begin to devote effort to research in the new aeronautical technology. We must not undergo the same experience in space science and technology. The national enterprise involved in the goal of manned lunar landing and return within the decade is an activity of critical impact on the future of this Nation as an industrial and military power, and as a leader of a free world.

Mr. President, while the committee voted unanimously to support the full amount of President Kennedy's request, there were four modifications in the language of the bill suggested by the committee which were acceptable to the administration. These changes are detailed on pages 9 and 10 of the committee report.

I should like to comment on only one of these. The administration had requested, with the approval of the Budget Bureau and the Civil Service Commission, 135 additional "excepted" positions in order to fulfill the mandate of the accelerated space program. Although this section would have amended a section of the National Aeronautics and Space Act of 1958, these matters are generally handled by the Post Office and Civil Service Committee. Consequently, the request for additional excepted positions was deleted from this bill, jurisdiction being deferred to that committee.

And now, I should like to outline for you as succinctly as possible, the major areas of expenditures included in this bill.

NASA appropriations are divided into three parts: First, salaries and expense; second, research and development; and third, construction of facilities.

Summaries of the appropriations requests are shown in tables on pages 3 through 7 of the report.

SALARIES AND EXPENSES

The appropriations for "Salaries and expenses" covers the salaries of all NASA employees and routine costs involved in operating and maintaining NASA's facilities and activities. The total amount requested is $226,686,000 and is summarized in the tables on pages 11 and 12 of the report.

There are seven items for which the money is spent which I will outline briefly. A more specific description of them is given on pages 11 through 24 of the report.

1. PERSONAL SERVICES AND BENEFITS, $186,536,000

This major item represents regular salaries to employees plus overtime, insurance, retirement, and social security contributions.

It should be noted that the accelerated space program recommended by President Kennedy requires additional personnel in order to do the job. Consequently, the fiscal year 1962 budget for NASA proposes a staffing level of 21,422 employees, an increase of 4,929 employees over the number estimated for the current year. NASA officials testified this increase represents the bare minimum of new employees that will be required to carry out the program successfully.

2. TRAVEL AND TRANSPORTATION OF PERSONS, $10,395,000

In the performance of their official duties, NASA personnel are frequently required to travel from one NASA facility to another, travel to coordinate programs with other Government agencies, travel to scientific meetings, to launching sites, tracking stations, et cetera.

3. TRANSPORTATION OF THINGS, $1,615,000

The estimates under this heading provide for the shipment of household goods and personal effects of employees recruited outside the immediate area of their initial duty stations, or transferred between NASA installations when such transfers are in the best interests of the Government. Such expenditures have been instrumental in attracting and retaining qualified personnel in critical categories.

4. RENT, COMMUNICATIONS AND UTILITIES, $28,209,000

NASA is required to rent certain electronic equipment, and buildings and land. It must also pay for telephone and telegraph services, and utilities. The bulk of this money is spent for rental of high-speed computer and data reduction equipment, and for the procurement of electrical power.

5. PRINTING AND REPRODUCTION, $1,000,000

NASA printing funds are utilized primarily for the printing and microfilming of scientific and technical reports for industrial contractors, other Government agencies, and the related

scientific community, the general public, and educational institutions.

6. SECURITY INVESTIGATIONS, $2,235,000

Security investigations of NASA personnel are conducted by the Civil Service Commission on a reimbursable basis. The investigations are required by Executive Order No. 10450, and by procedures and standards established pursuant to the National Aeronautics and Space Act of 1958.

7. INSURANCE CLAIMS AND INDEMNITIES, $110,000

The estimates in this category provide for the payment of accidental damage to property resulting from NASA operations and for payment of awards for scientific and technical contributions pursuant to section 306 of the National Aeronautics and Space Act of 1958.

RESEARCH AND DEVELOPMENT

The appropriations for "Research and development" provide the funds required for contractual research, development, operations, technical services, repairs, alterations and certain construction, reimbursement to other agencies, and for supplies, materials, and equipment. The total amount requested for "Research and development" is $1,295,539,000 and is summarized in the table on page 25 of the report.

Let me briefly run through the amounts for each of NASA's research and development programs, the detailed descriptions of which are given on pages 25 through 66 of the report.

1. SUPPORT OF NASA PLANT, $89,110,000

This money is to provide funds for certain travel and transportation expenses, repairs, alterations, and equipment.

2. RESEARCH GRANTS AND CONTRACTS, $7,600,000

This money is to use by means of research grants and contracts, non-Government organizations such as universities and nonprofit research institutions.

3. LIFE SCIENCE PROGRAMS, $20,620,000

This program will determine man's performance capabilities and limitations in the space environment and will provide adequate protection to assure his survival.

4. SOUNDING ROCKETS, $9,000,000

These funds will be used to investigate geophysical phenomena up to satellite altitude, using sounding rockets and other probing techniques. Sounding rockets are fired into the upper atmosphere and return to the earth; they do not orbit.

5. SCIENTIFIC SATELLITES, $72,700,000

The fundamental objective of the scientific satellite program is the expansion of human knowledge of phenomena in the atmosphere and space by the use of orbiting satellites.

6. LUNAR AND PLANETARY EXPLORATION, $159,899,000

Modern science and technology present challenging possibilities for the unmanned exploration of the solar system. An extensive program to exploit these possibilities is being undertaken by NASA. In addition to its direct contributions to science, this program will provide the necessary scientific and technological foundation for subsequent manned interplanetary exploration. Before man lands on the moon, for example, far more must be known about it.

7. METEOROLOGICAL SATELLITES, $50,200,000

These funds will be used to establish a meteorological satellite complex capability for worldwide coverage and for providing observations of atmospheric elements required by meteorologists in order to understand atmospheric processes and accurately predict the weather.

8. COMMUNICATIONS SATELLITES, $94,600,000

Recent successful tests by the United States have clearly shown the great potential of communications satellites in worldwide systems. However, there are many technical problems yet to be investigated and solved, particularly in the matter of space environment effects, before commercial utilization of communications satellites can be soundly undertaken. The NASA communications satellite program has as its objective the rapid solution of these problems.

9. MERCURY, $74,245,000

Mercury, of course, is one of NASA's better known programs. Its objectives are twofold: (1) To develop the technologies required to construct a manned satellite capsule which will provide a safe environment for man; and (2) to determine what effects prolonged weightlessness may have on our astronauts.

10. APOLLO, $160,000,000

This money will be utilized to extend the field of manned space flight to the following three missions: (a) Long-duration flight in an earth orbit; (b) circumlunar flight; (c) lunar landing, exploration, and return. This is one of the key items in the President's accelerated space program.

11. LAUNCH VEHICLE TECHNOLOGY, $27,000,000

This money will be used to advance the technology that will be required to support future launch vehicles.

12. LAUNCH OPERATIONS DEVELOPMENT, $1,500,000

This money will be used to analyze operational requirements and to provide advanced ground instrumentation.

13. SPACECRAFT TECHNOLOGY, $10,360,000

The objectives of this program are to obtain research data, to develop advanced techniques and to demonstrate the feasibility of improved materials, components, and systems which can be applied in future spacecraft.

14. SOLID PROPULSION, $3,100,000

The purpose of this program is to establish the research background that will permit exploitation of the high reliability, simplicity, and economy of the solid propellant engines.

15. LIQUID PROPULSION, $93,020,000

This money will be used to develop liquid propellant rocket engines of improved reliability and performance as necessary to support launch vehicle development including vehicles of the size necessary for manned lunar exploration.

16. ELECTRIC PROPULSION, $6,800,000

This money will be used to advance the basic technology necessary to exploit electrical propulsion for space application, and to develop the specific engines required for anticipated missions.

17. NUCLEAR SYSTEMS TECHNOLOGY, $36,000,000

This money will be used to develop nuclear rocket propulsion systems capable of carrying large payloads on space missions over extended distances; and to develop nuclear electric power generating systems required for electrical space propulsion or for auxiliary power sources in spacecraft.

18. SPACE POWER TECHNOLOGY, $5,500,000

Nearly all spacecraft require an electrical power supply for operating instruments, communications, and other equipment. This money will be used to develop the technology of generating electrical power from solar and chemical energy sources.

19. SCOUT, $3,675,000

The purpose of the Scout program is to develop a reliable, relatively inexpensive vehicle for general space research. It is the smallest of the basic NASA family of launch vehicles and is used for small size payloads.

20. DELTA, $2,900,000

This money is designed to provide a reliable space vehicle to replace the Thor-Able, Juno II, Jupiter-C, and Vanguard vehicles for medium payload satellites and small payload space probes.

21. CENTAUR, $56,400,000

This program is designed to develop a general purpose launch vehicle of high performance and reliability for earth satellite, lunar, and planetary exploration missions.

22. SATURN, $224,160,000

The purpose of the Saturn program is to develop a multipurpose vehicle system using a "buildingblock" approach for the upper stages to achieve a variety of configurations and capabilities. This concept will provide a family of vehicles to meet future requirements for sending very large payloads into interplanetary space or into orbits nearer the earth.

23. TRACKING AND DATA ACQUISITIONS, $38,650,000

It is necessary to know where our space vehicles are and to be able to communicate with them. These funds will be used to continue to operate tracking and data acquisition facilities necessary to support the overall NASA space flight program.

24. NOVA, $48,500,000

This money will be used to develop, as soon as practicable, a launch vehicle of extremely high performance and reliability that can perform a manned "safe" landing on the moon and return the crew safely to the earth. The size and thrust power of this rocket will greatly surpass that of any currently programed.

CONSTRUCTION OF FACILITIES

The appropriations for "Construction of facilities" provides the funds requested for the construction of buildings, laboratories, launch test facilities, or alterations or additions to these facilities, necessary to carry out the inhouse experimentation, research, and develop-

ment of NASA's installations. The total amount requested for "Construction of facilities" is $260,075,000 and is summarized in the table on page 66 of the report.

Let me briefly run through the amounts for these construction programs, the detailed description of which are given on pages 66 through 106 of the report.

LANGLEY RESEARCH CENTER, $3,980,000

This would include $2,500,000 for equipment for magneto plasma dynamics research, the term used for that branch of science dealing with the behavior of electrically conducting gas in magnetic fields. This research will have potential important applications in space communications and propulsion and power generation. The remaining $1,480,000 is for the construction of a facility to investigate vacuum effects on structures.

AMES RESEARCH CENTER, $5,680,000

These funds will be used for a hypervelocity free-flight facility to study problems encountered by the entry of space vehicles at speeds at from 20,000 to 50,000 feet per second. In addition, $800,000 will be utilized for modifications of a flight operation laboratory that will be used for life science research.

LEWIS RESEARCH CENTER, $3,590,000

Funds at Lewis would consist of $2,550,000 for a hydrogen heat transfer facility and $1,040,000 for modifications to a space environment tank.

GODDARD SPACE FLIGHT CENTER, $9,212,000

Major portions of the funds at Goddard would be used to construct an environmental testing laboratory for launch vehicles. The discovery of potential failings of one spacecraft in ground tests would more than cover the cost of this proposed facility.

WALLOPS STATION, $6,313,000

A major portion of the funds for Wallops would be utilized for improving the tracking equipment at this station.

MARSHALL SPACE FLIGHT CENTER, $12,891,000

The major portion of these funds would be used for construction in connection with the Saturn space vehicle program being conducted at this center.

ATLANTIC MISSILE RANGE, $49,583,000

The breakdown of these funds can be found on page 85 of the report. Much of the funding would be used in connection with the Saturn launch facilities at Cape Canaveral.

PACIFIC MISSILE RANGE, $998,000

These funds would be used to acquire facilities to support the Agena, Scout, and other NASA programs conducted at the Pacific Missile Range.

VARIOUS LOCATIONS, $156,186,000

Detailed information and breakdown of this figure can be found on pages 93 through 106 of the report. Funds are requested to improve tracking networks, to provide facilities in connection with the testing of the F–1 engine program, and to provide additional vehicle testing and launch facilities. Funds are requested for a nuclear rocket development center which will include facilities for the testing of such engines.

Sixty million dollars is requested for construction of facilities in connection with NASA's proposed manned space flight laboratory. These facilities are described in detail beginning on page 101 of the report. The determination of a site for this facility has not been made by NASA at this time, but will involve requirements for easy access to air and water transport and for reasonable proximity to the industrial complexes, universities, and research institutions which will be involved in Project Apollo.

I conclude by urging the passage of the bill by the Senate.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 6874) was passed.

Mr. KERR. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, I move that the Senate insist upon its amendment and request a conference thereon with the House of Representatives, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KERR, Mr. RUSSELL, Mr. MAGNUSON, Mr. ANDERSON, Mr. SYMINGTON, Mr. BRIDGES, Mr. WILEY, and Mrs. SMITH of Maine conferees on the part of the Senate.

REORGANIZATION PLAN NO. 4

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 147.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 147) opposing Reorganization Plan No. 4, 1961, was read, as follows:

Resolved, That the Senate does not favor the Reorganization Plan Numbered 4 of 1961 transmitted to Congress by the President on May 9, 1961.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no action on the unfinished business. It is anticipated that it will be the first order of business at the conclusion of the morning hour tomorrow and after consideration is given to items on the calendar to which there is no objection.

Following Senate Resolution 147, covering Reorganization Plan No. 4, the Senate will proceed to the consideration of Reorganization Plan No. 3. After that the Senate will proceed to the consideration of the cultural exchange bill, to which the Senator from South Dakota has some amendments at the desk.

Then I believe it is quite possible—in fact, I think it is imperative—that the House and Senate consider tomorrow the conference report on the social security bill.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations tonight it stand in adjournment to meet at 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LATIN AMERICAN POLICY

Mr. MORSE. Mr. President, during the past 2 days there have appeared in the press a series of newspaper stories dealing with Latin America, particularly with respect to military aid to Latin America as well as to the various forms our economic aid should take. Because there is a danger that such stories, unanswered in terms of the presentation of another point of view, may come to have public acceptance before the public is aware of contrary points of view and facts in support of contrary points of view, I shall take a very few moments tonight to comment on this subject.

It is the view of the senior Senator from Oregon that if the position of the administration, in respect to military aid to Latin America should prevail, a grievous mistake in American foreign policy will be added to grievous mistakes already made in respect to Latin American policy.

Mr. President, much is being said in Washington and around the country these days about increasing unrest among the people of Latin America. Ambassador Stevenson has reported that conditions there are more unstable now than when he was in South America a year ago.

I heard Ambassador Stevenson at the National Press Club the day before yesterday make a very brilliant and, I thought, keenly analytical speech reporting on his trip to Latin America. I found myself, on the basis of whatever knowledge I have of Latin America, to be in complete agreement with Ambassador Stevenson except for certain references he made in regard to military aid for internal security purposes. It may be that I would find myself in agreement with his position on that, too, if I had the full story from him as to whatever limitations he may have in mind in respect to aid for internal security purposes.

But he left with others the same impression he left with me at the National Press Club; that he might be considering approving the recommendations which are in the foreign aid bill with respect to aid to Latin America for internal security purposes.

If that is his recommendation, then in my opinion he is dead wrong. If that is his recommendation, then in my opinion there is no evidence which will support him. To the contrary, I think the

evidence is voluminous against that policy.

In my opinion it would be difficult to find one single Latin American Ambassador in Washington, D.C., who would privately tell the Foreign Relations Committee of the Senate that he favors the military aid features for Latin America contained in the pending foreign aid bill. To the contrary, Mr. President, I have talked to many Latin American Ambassadors in the United States. They have said that while they recognized they have no right to intervene in the determination of American foreign policy, they nevertheless wished me to know that they hoped the position I have taken with regard to this matter, which is a position of some years' standing, will prevail.

They said there is more reason this year than ever before that the United States should recognize it is not bullets which Latin America needs from the United States, but economic assistance.

I paraphrase what I said on the floor of the Senate last Thursday night. We should not be sending bullets to Latin America to pierce the stomachs of Latin Americans; we should be sending food to fill those stomachs. That is the way to beat communism in Latin America.

It would be a grievous mistake for our Government this year to increase the military aid to Latin America both for hemispheric defense and for internal security. Rather, I think we should give consideration to the amendments some of us are advocating in the Foreign Relations Committee to get the Organization of American States to assume responsibility for an Organization of American States police force to maintain the defenses and the security of Latin America.

Mr. President, the other night I spoke at a meeting of the Metropolitan Club, attended by a large number of representatives of Latin American countries. The matter of military aid to Latin America came up. I expressed my point of view. It was well known to all who were present.

When the meeting was over, I was besieged by representatives of Latin American countries at that banquet, who urged that I hold firm to the position I have taken in opposition to my administration's recommendations as contained in the foreign aid bill.

I have particularly protested two recommendations. The first is the one to do away with the ceiling on military aid for hemispheric defense, and the second is to eliminate from the existing law the very important check which the Congress put in the law in 1959; namely, the check which requires the President of the United States personally to review and to approve any military aid to a Latin American country for internal security purposes, with the requirement he report his reasons for granting any such aid to the Congress of the United States.

PRESIDENTIAL REVIEW NEEDED

I say to my President, in my judgment it is more important that that provision be followed now than it ever was before in our relationships with Latin America. It is important also, Mr. President, that we recognize the sending of military aid to Latin America without this Presidential checking requirement remaining a part of the law will play into the hands of Communist forces in Latin America which will use it for propaganda purposes. They will allege that this is a further attempt on the part of the United States to exercise its military might in Latin America to support some very shaky administrations there.

Mr. President, this is the time of crisis in Latin America. Latin America has been going through crisis after crisis for decades, because a spirit of nationalism has been sweeping Latin America. It has been increasing in tempo in recent years. It is pretty well recognized that unless some democratic procedures are adopted in some of the countries of Latin America that are presently very shaky, unless the human rights of the masses of the people are recognized by those governments, unless legislative reforms of the nature that we made perfectly clear in the Act of Bogotá are adopted by some of the Latin American countries in order to receive American economic assistance, there will be further revolutions in Latin America.

REFORMS NEEDED MORE THAN ARMS

It is very important that the United States should not send arms to Latin America to sustain in power some governments which are bound to fall unless they proceed with the necessary reforms that will give the masses of their people a better way of life.

I happen to believe that we can get reforms. I believe that the Latin American people can be won over to the side of freedom. But we shall never accomplish that objective by supplying military might in order to sustain governments that are failing to protect and promote the economic rights of all their people.

In executive sessions of the Committee on Foreign Relations we have talked about some of such governments. My discussion of the particular governments to which I allude will be confined to executive sessions of the Committee on Foreign Relations. I wish to say on the floor of the Senate only that the lifting of the ceiling for military support and by the attempt to eliminate the requirement that the President himself review and approve any military aid for internal security purposes, the impression will be created that we are taking such action in order to act secretly, and in order to sustain some governments that may not go forward as rapidly as they should with the reforms that are necessary in order to meet the rising nationalistic demands of their people for a better way of life.

As I have said many times previously, and repeat tonight, we shall not win such peoples over to the cause of freedom until we do something about their stomachs, and we will never do anything for their stomachs by sending weapons.

Furthermore, by the proposed course of action, in my judgment, we would run the risk of making those people easy victims of the Communists. Remember, we are dealing with millions of people who are not highly educated, millions of people who are illiterate, millions of people who are highly temperamental, millions of people greatly influenced by slogans, and millions of people who unfortunately do not recognize that Castro has been taken over by the Communists. They only think of the Cuban revolution in terms of reforms which the Castro regime once claimed it would make, and know naught about what actually has happened under the totalitarian regime that Castro has set up with its Communist domination.

Unfortunately, too many officials who deal in these matters are looking back to the same old answer to this problem—an answer which has failed us in the past in the same region—and that is the answer of more military aid. More planes, more tanks, more guns, to combat poverty have never worked in the past. I do not believe they will work now.

Last week in the Senate I explained why I am opposed to increasing our military arms shipments to Latin America. This week I want to comment about a specific incident which I think points up the poor judgment which goes into our foreign aid program.

PETROBRAS INCIDENT AN EXAMPLE OF POOR AID POLICY

The country of Brazil is the largest nation to the south of us. Historically, Brazil has been one of our best friends in Latin America. It has been a true "good neighbor." And compared to many countries in Latin America, its political institutions are democratic.

One of the most critical issues in the Brazilian election last fall was that of economic progress. Castro's revolution in Cuba has many admirers in Brazil, and many would like to try the same kind of revolution in Brazil. They do not seem to realize that Castro has been taken over by the Communists; or if they do, many do not know what that means.

One of that nation's great problems is the lack of a good, plentiful fuel supply for its industrial and consumer needs. The Brazilian Government has its own oil industry, created in 1954, and called Petrobras. Its job is to find oil, produce it, and distribute as cheaply as possible.

But liquid petroleum has not been found in Brazil in any quantity. What the country does have is oil shale, from which oil can be derived through a manufacturing process.

Because of its lack of oil and the lack of development of its oil shale, Brazil has had to import huge quantities of liquid petroleum, most of it from American companies. Keep in mind that one of the largest expenses we have been helping Brazil meet with American foreign aid, is the bill it pays to American oil companies for oil.

These imports cause a great drain on Brazil's international payments. Like any other country, it is anxious to develop what fuel sources it does have at home so it will not be so dependent upon other countries for its fuel.

The country is trying to take this action under a governmental oil company. I do not like the nationalization of industry. But we must recognize the

sovereign right of a country to nationalize all or part of an industry, if it believes such action should be the public policy of the country. Brazil does continue to allow American oil companies to operate, right down to the level of the corner filling station.

The Senator from Vermont [Mr. AIKEN] and I, in complete agreement, discussed this subject about 2 years ago in a report on Latin America. We warned in that report of about 2 years ago that if the State Department policy of refusing aid to any governmental business enterprise continued, we would lose the support of such a country. As we were told when we were down in Brazil, the Brazilians proposed to determine for themselves what their economic policies would be. They do not like American economic intervention any more than they like American political or military intervention.

The Brazilians told us quite frankly that they consider the attitude of the United States of refusing to help them in the development of any monopoly that they have decided upon amounted to economic, or attempted economic, intervention on the part of the United States.

Whether we like it or not, I have stated exactly the way the Brazilians feel about the subject. We will not make friends in Latin America if we say to the Latin Americans, "We will lend you some money provided you develop an oil industry, a transportation industry, or an electric utility industry according to our likings and not your own." The Latin American countries take a different position, just as Mexico did a few years ago, and we are still paying a heavy cost for the very shortsighted policy we followed in Mexico.

Let us not forget that a few years ago we took the position that we would not lend any money to Mexico for its needs in connection with PEMEX, which is its state owned oil monopoly. That did not create goodwill for us. Our refusal to lend that money did not bring American oil companies back into Mexico.

Let the RECORD show tonight that it is my prediction that our refusal to lend any money to Brazil for oil development will not bring any American oil companies into Brazil, nor will it preserve their present operations in Brazil.

It will bring some Russian companies. They are talking back to us. They are talking back to us, and they have no intention, to use the term used down there, to let the Economic Colossus of the North dictate their economic policies. Brazil is determined to develop its oil shale reserves. It is seeking a loan, not a grant, of $7 million for this purpose. Yet the U.S. Government has not yet given Brazil any firm indication that we will make this loan. As a result, Brazil is dealing with the Soviet Union and other Communist bloc countries to see what funds and technical aid might be obtained there.

It is well known that known liquid petroleum reserves in the world are very large. American companies selling oil to Brazil are not anxious to have Brazil develop its own oil supply. But there is no better way to open the door to Communist penetration of South America than to refuse to help Brazil develop its shale, if it decides as a matter of national policy that that is the economic program it wants to foster within its own country.

Once it happens, and we permit Brazil, because of our refusal to lend her money for the development of her oil shale, to go to the Russians, the American oil companies can find their entire market in Brazil cut off, as happened in Cuba; whereas even the development of its shale will not come close to meeting Brazil's need for the total amount of oil that her expanding economy will call for in the decades immediately ahead.

So, Mr. President, I have advised both the Department of State and the foreign aid officials that I think it is completely illogical for this country to refuse a $7 million loan to Brazil for this purpose, while at the same time we insist that more arms aid must be sent to Latin America to combat Communist penetration.

I have urged that the loan be made. Brazil is going to get all it can from its oil shale, if not with our help, then with Russian help. Here is a chance to keep the door closed to communism in Latin America. I very much hope this foolish aid policy of ours toward Brazil will be reversed by this administration before it is too late.

Mr. President, I ask unanimous consent to insert in the RECORD at this point in my remarks a press release issued today setting forth a statement I have made on this Brazilian problem, and setting forth a copy of a telegram I sent to Under Secretary of State George Ball and to ICA Director Henry Labouisse, in which I point out that I believe they are following an exceedingly shortsighted policy in regard to Brazil's desire to get an interest-bearing loan, so that it can run its oil economy in accordance with its own sovereign right and in keeping with its own national policy judgment.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

Senator WAYNE MORSE, chairman of the Senate Latin American Affairs Subcommittee, said today he was very much disturbed by reports that because Brazil has gotten "the brushoff" from American aid officials in its efforts to obtain a $7 million loan to develop its oil shale reserves, Brazil is turning to Communist-bloc countries for help.

"The administration is talking about sending more military arms aid to South America. Yet this reluctance to aid the Brazilian oil monopoly is almost an invitation to the Communists to walk in on a vital element of any country's existence—its fuel supply. The Communist takeover in Cuba centered first around oil production and distribution, and now we are inviting them to follow the same pattern in Brazil.

"It makes me wonder how foolish we can get in our foreign aid program."

MORSE said he had already wired Under Secretary of State George Ball about the matter, and ICA Director Henry Labouisse. The text of the telegram sent to both officials follows:

"Believe it imperative that United States make firm and definite loan proposal to Petrobras for its oil shale program. It had been my understanding that loan had approval of Department of State and was ready to go; now I am advised that loan funds are said to be exhausted and that nothing is available for this particular loan.

"I am not impressed with this contention, any more than I am with arguments that world oil supply is plentiful without Brazil's oil shale coming into production, or that United States should not lend to a government monopoly. Brazil must utilize whatever resources it has for benefit of its people, just as United States does. If this country is unwilling to provide loan funds, then Brazil will develop its oil shale with someone else's help.

"It makes no sense to send increasing arms aid to South America with the alleged purpose of fighting communism, when a shortsighted aid policy compels a great nation like Brazil to turn to Communist countries for financing and technical help for its fuel supply. United States would be further ahead to reduce arms aid by $7 million and lend it to Petrobras, instead."

Mr. MORSE. I wish to hitch this whole problem of economic assistance versus military aid. I wish to stress again tonight, as I shall throughout the marking up of the bill with respect to its Latin American sections—and in connection with other sections, too, because the problem deals with other parts of the world. But my special interest happens to be Latin America.

Latin America needs and its leaders want economic assistance, not military assistance. I do not mean that they do not want some military assistance. But they look with great concern upon proposals from the Pentagon—that is where they are coming from—to increase military aid to Latin America in round numbers, from $55 to $68 million this year.

It ought to be reduced, not increased. Oh, we get suggestions from Ambassador Stevenson and others that they need helicopters and small arms. There is nothing in the law which prevents them from getting $55 million worth. There is nothing in the law that prevents the President from authorizing it for internal security use, when he is satisfied upon a review of the facts that the request is justified. What we have to watch out for is a lifting of the ceiling so that the sky is the limit, and no check upon the use of the arms for internal security purposes.

MILITARY AID REQUIRES CAREFUL JUDGMENT

History has a tragic way of repeating itself. I am satisfied that if we start this policy again, which we had checked back in 1959, there is great danger that the arms will be going into governments in Latin America to be used to keep down non-Communist forces.

There are places in Latin America where the spirit of nationalism is so great that anti-Communists are really the ones who are calling for the reforms. Once we let the anti-Communists who are making heroic and valiant efforts to reform the unsound, feudal systems of some of their governments, be confronted with American machineguns and with American bullets and with American arms, and we have lost our chance to win them to the side of freedom.

We have made that mistake too many times by our various forms of direct and indirect intervention. Those nationalistic groups will look upon the kind of military assistance I am talking about as an indirect form of American military intervention.

I have not said that no military aid should go to Latin America. This becomes a matter of judgment. However, I am satisfied that there has not been submitted by the Pentagon one bit of evidence which justifies increasing the amount over the present ceiling of $55 million. I am inclined to agree with some of my colleagues on the Committee on Foreign Relations that it probably could very justifiably be reduced to $50 million, instead of being increased to $68 million.

Once the news gets around Latin America, to the mass of people of Latin America, that the United States is proposing to increase its military aid from $55 million to $68 million, trouble is created, not stopped.

Let the news get around Latin America that the check that we placed upon the White House 2 years ago, requiring the White House to pass Presidential judgment upon any proposal for arms for internal security, has been removed, trouble is created for some of our friendly governments in Latin America, certainly not help for them.

Their ambassadors know it. In fact, last week a President of one Latin American country urgently asked three of his officials to have luncheon with me following my speech of last Thursday night in the Senate. Those three officials gave me a message from that President, and the message was "Hold fast to your position. It is more economic assistance, not military aid, that is the crying need of Latin America."

I say most respectfully that I believe the best service I can render the President is to express my honest judgment and my disagreement with him when I think he is following a wrong course of action. In my judgment, the President has followed a wrong course of action when he proposes in the bill to increase military aid to Latin America, to remove the ceiling on military aid to Latin America, and to remove the protection we already have in the law which requires the President to approve any proposal for military aid to any country in Latin America for internal security purposes.

As I said last Thursday night, I say tonight: The President of the United States is the Commander in Chief of the Military Establishment. Do not tell me he is too busy to pass judgment on a question of such vital importance, not only to the security of the United States, but also to the security of many countries in Latin America.

I know of no decision more important from the standpoint of our security than for the President, under the law, to be required personally to examine any proposal which seeks to send American arms to Latin America, to be used not for hemispheric defense, but for internal security purposes.

If we have not learned this lesson, we ought to recognize it before it is too late. Too frequently such arms are used to put down a justifiable national movement on the part of people who want more freedom and want reform; who are seeking to put to an end a government that is guilty of the many injustices which have been perpetrated by so many governments upon the people of Latin America for so long a time.

We shall not serve well our true friends in Latin America by adopting this recommendation from the Pentagon.

I close by saying that, as chairman of the Subcommittee on Latin American Affairs, it is my plan to invite the U.S. Ambassador to the United Nations to appear before our subcommittee in executive session to discuss with him frankly certain aspects of his recent Latin American trip, in connection with military aid and in connection with the Cuban situation, and the relation of one to the other. I am satisfied there is more of a relationship than we probably want to recognize. He knows, being the good friend of mine he is, the great admiration I have for him, and he knows I have only a desire to think out with him all the implications and all the problems which may be raised by any proposal that we increase the ceiling on military aid to Latin America; that we increase the amount of money which will go for internal security; and that we remove the legal check now in the law, requiring the President of the United States personally to approve any aid money which is to go to Latin America for internal security purposes.

It was impossible for me to be present in the Committee on Foreign Relations yesterday when the Ambassador to the United Nations testified in executive session. Had I been there, I would have asked him many questions, based upon my work on Latin American problems, which were not asked him.

It was necessary—and many who are high in this administration thought it necessary—that I go to Atlantic City yesterday to make a speech before the National Education Association on the problem of the proposed legislation on education which is before the Subcommittee on Education of the Committee on Labor and Public Welfare. It seemed that under those circumstances I could best serve the administration at Atlantic City yesterday in that capacity.

I explained that to the Ambassador to the United Nations before he testified before the Committee on Foreign Relations yesterday. I feel certain that Ambassador Stevenson is very desirous, as he always has been, of being of every possible assistance to me and to the Subcommittee on Latin American Affairs, so as to enable us to reach the soundest of conclusions after full discussion with him on Latin American problems. I am convinced that he will welcome an opportunity, at a time which is convenient to him, to meet with the subcommittee, so that we may discuss to what extent, if any, there is any difference of opinion between the Ambassador to the United Nations and the chairman of the Subcommittee on Latin American Affairs and other members of the subcommittee. I have a feeling that when such a discussion has ended, we will find ourselves in complete agreement and will find that the difference between the recommendations of the Ambassador to the United Nations and the position taken by some of us on the Subcommittee on Latin American Affairs, which was described in some newspaper articles yesterday and today, does not in fact exist.

I desire to ascertain the facts, and for that purpose I shall most respectfully extend such an invitation to the Ambassador to the United Nations.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 28, 1961, he presented to the President of the United States the following enrolled bills:

S. 146. An act to extend and increase the special milk program for children;

S. 707. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation; and

S. 2113. An act to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

ADJOURNMENT

Mr. MORSE. Mr. President, I move that the Senate adjourn, under the order previously entered, until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 8 o'clock and 57 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, June 29, 1961, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 28, 1961:

COURT OF MILITARY APPEALS

PAUL J. KILDAY, of Texas, to be a judge of the Court of Military Appeals for the term of 15 years expiring May 1, 1976, vice George W. Latimer, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 28, 1961:

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointments, to the grades indicated, in the Coast and Geodetic Survey:

To be captains

Philip A. Weber	William N. Martin
Horace G. Conerly	Harold J. Seaborg
Charles A. Schoene	

To be commanders

John O. Boyer	Eugene W. Richards
John R. Plaggmier	Harley D. Nygren
Leonard S. Baker	

To be lieutenants

George F. Wirth	Ray M. Sundean
Bernard R. Berson	Lawrence S. Brown
Wesley V. Hull	George M. Poor
Wayne L. Mobley	Charles K. Townsend
Charles A. Burroughs	Ronald L. Newsom
Richard E. Alderman	Ray E. Moses

To be lieutenants (junior grade)

Bruce I. Williams
Robert M. Hagan

To be ensigns

Charles L. Brown, Jr.
Frederick H. Gramling

EXTENSIONS OF REMARKS

Transfer of Veterans Rehabilitation Program to Department of Health, Education, and Welfare

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 28, 1961

Mr. SAYLOR. Mr. Speaker, I want to go on record as supporting fully the action taken by the Committee on Veterans' Affairs, of which I am a member, unanimously adopting a resolution this morning taking strong exception to the Bureau of the Budget and others of the administration for the transfer of the rehabilitation program to the Department of Health, Education, and Welfare.

This program, which started out as Public Law 16 of the 78th Congress, and was the forerunner of the World War II GI bill of rights, has been and is restricted entirely to veterans with service-connected disabilities, and is working extremely well. Tests are given veterans who are in need of this type of training to determine what type of program they need to rehabilitate them, and assist them in earning a living due to their service-connected disability. The program has been uniformly well accepted and has the support not only of the veterans groups, but also of the various State and private educational associations which have worked in this field.

The logic of the proposed transfer completely escapes me, and I see no reason why we should start on a program which could lead to the dismemberment of the Veterans' Administration. Admittedly, this is not a big program today, but a vital principle is involved; namely, that all matters relating to veterans should be administered by one agency, and that being the Veterans' Administration.

I therefore wholeheartedly support the resolution unanimously adopted by the Committee on Veterans' Affairs, and would like to include its text as a part of my remarks:

Whereas it has been reported to the Committee on Veterans' Affairs that one Boisfeuillet Jones, Special Assistant to the Secretary of Health, Education, and Welfare, conducted investigations in May 1961 as to the desirability of the site for the new Veterans' Administration hospital at Wood, Wis., and at that time the Committee on Veterans' Affairs was unable to learn the justification for an official of the Department of Health, Education, and Welfare attempting to determine the location of a Veterans' Administration hospital; and

Whereas in the 1962 budget the Bureau of the Budget attempted to require the Veterans' Administration to obtain its funds for Veterans' Administration medical research through appropriations obtained by the National Institutes of Health; and

Whereas the Bureau of the Budget has attempted to obtain agreement from the Veterans' Administration for transfer of certain property management functions from the Veterans' Administration housing program to the Housing and Home Finance Agency; and

Whereas the Bureau of the Budget is now recommending and actively seeking to transfer certain functions relating to the vocational rehabilitation and education of disabled veterans from the Veterans' Administration to the Department of Health, Education, and Welfare; and

Whereas all of these attempts to transfer functions were made without notification or reference to the Committee on Veterans' Affairs, in either a formal or informal fashion: Therefore be it

Resolved, That the Committee on Veterans' Affairs expresses strong opposition to these attempts to transfer functions, which logically belong in the Veterans' Administration where they have been performed with a high degree of satisfaction, from the Veterans' Administration to other agencies; and be it further

Resolved, That if such transfer is formally proposed that the Committee on Veterans' Affairs expects to conduct exploratory studies to determine the motivating factors which are leading to these persistent attempts to transfer functions from the Veterans' Administration; and be it further

Resolved, That if these attempts to transfer the vocational rehabilitation function and other functions persist, the Veterans' Affairs Committee intends to oppose this transfer and seek to obtain the support of other Members of the House in its opposition.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
June 27, 1961.

The Honorable JOHN F. KENNEDY,
The White House,
Washington, D.C.:

In a letter dated June 19, 1961, I urged that the veterans' vocational rehabilitation program not be transferred to the Department of Health, Education, and Welfare. Have received no reply to this letter but understand that such a plan is now being actively considered by the Bureau of the Budget. The Veterans' Administration has done an outstanding job in administering this program for the past 15 years. It is unbelievable that action to transfer this function from the Veterans' Administration would be taken without consultation with the Veterans' Affairs Committee which has exercised careful surveillance of the veterans' education and rehabilitation program for many years. So far as we can determine no group interested in veterans' affairs is advocating such a transfer. It would be interesting to know who is motivating this proposal. The vocational rehabilitation program administered by the Department of Health, Education, and Welfare is completely different from the veterans' program. It is my opinion there is no justification for such a transfer and I recommend that the vocational rehabilitation program remain in the Veterans' Administration where it has been successfully administered for many years.

OLIN E. TEAGUE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
June 27, 1961.

Mr. DAVID E. BELL,
Director, Bureau of the Budget,
Washington, D.C.:

I understand that consideration is being given to transfer of the veterans' vocational rehabilitation program from the Veterans' Administration to the Department of Health, Education, and Welfare. The Veterans' Administration has done an outstanding job in administering this program for the past 15 years. It is unbelievable that action to transfer this function from the Veterans' Administration would be taken without consultation with the Veterans' Affairs Committee which has exercised careful surveillance of the veterans' education and rehabilitation program for many years. So far as we can determine no group interested in veterans' affairs is advocating such a transfer. It would be interesting to know who is motivating this proposal. The vocational rehabilitation program administered by the Department of Health, Education, and Welfare is completely different from the veterans' program. It is understood that representation is being made that transfer of rehabilitation programs for war veterans from the Veterans' Administration is consistent with the American Legion's position. Information available to me indicates this is not true.

OLIN E. TEAGUE,
Chairman.

Expenditures and Programs for World War I Veterans

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 28, 1961

Mr. TEAGUE of Texas. Mr. Speaker, daily I am contacted by Members of Congress and the Veterans' Affairs Committee is receiving many letters inferring that nothing has been done in the way of veteran benefits for World War I veterans. In fact, it has become popular to refer to the World War I veteran as the forgotten man.

As chairman of the Veterans' Affairs Committee, I would be most concerned if, in fact, World War I veterans were being dealt with unfairly in any way. I am inserting in the RECORD a summary of expenditures in behalf of World War I veterans and veteran programs which have been available to them since the close of World War I. This information was furnished by the Veterans' Administration:

Veterans' Administration and its predecessor agencies expenditures from appropriated funds, by purpose, in behalf of Veterans of World War I, through June 30, 1960

Grand total	$30,167,094,000
Cash benefits	24,414,430,000
Adjusted service and dependent pay	55,814,000
Bonus	3,819,432,000
Compensation and pensions—total	17,114,262,000
Compensation	9,070,017,000
Veterans	7,301,976,000
Dependents	1,768,041,000
Pensions	8,044,245,000
Veterans	5,583,109,000
Dependents	2,461,136,000
Insurance and indemnities	2,319,504,000
Vocational rehabilitation and training	644,865,000
Education and training	2,434,000
Homes for paraplegics	5,700,000
Statutory burial allowances	170,336,000
Military and naval family allowance	282,083,000
Services rendered	4,791,424,000
Capital additions and improvements	122,095,000
Administrative costs	839,145,000

Program for World War I veterans and their dependents

1. Adjusted compensation (bonus):	
Total cost	$3,875,000,000
Average amount	$937
2. Compensation or dependency and indemnity compensation:	
Disability compensation for veterans ($19 to $450 per month): [1]	
Estimated number on rolls, fiscal year 1962 (existing law)	151,300
Estimated cost, fiscal year 1962 (existing law)	$172,853,000
Estimated cost, fiscal year 1962 (if H.R. 879 enacted into law) [1b]	$185,522,000
Estimated cost, fiscal year 1962 (if H.R. 879, as amended by Senate Finance Committee, is enacted into law) [1b]	$184,920,000
Cumulative cost for World War I veterans through fiscal year 1962 (if H.R. 879 enacted into law as passed by House)	$7,530,770,000
Cumulative cost for World War I veterans through fiscal year 1962 (if H.R. 879, as amended, is enacted into law) [1b]	$7,530,170,000
Death compensation or dependency and indemnity compensation (for widows, parents, and children of those who died of service-connected disability):	
Estimated number on rolls, fiscal year 1962	42,900
Estimated cost, fiscal year 1962	[4] $61,261,000
Cumulative cost for World War I dependents (through fiscal year 1962)	$1,892,249,000
3. Pensions:	
Veterans:	
Estimated number on rolls, fiscal year 1962 (total)	1,021,200
At $66.15, $78.75, or $135.45 (those who did not elect Public Law 86-211)	785,000
At rates prescribed by Public Law 86-211 (see p. 7 for rates)	236,200
Monthly additions to pension rolls	17,100
Estimated cost, fiscal year 1962 (under Public Law 86-211 and under prior law)	[4] $1,046,726,000
Cumulative cost for World War I veterans (through fiscal year 1962)	$7,553,000,000
Dependent (widows and children):	
Estimated number on rolls, fiscal year 1962 (total)	468,300
At $50.40 [2] (those widows who did not elect Public Law 86-211)	307,000
At rates prescribed by Public Law 86-211 (see p. 9 for rates)	161,300
Monthly additions of dependents to pension rolls	4,800
Estimated cost, fiscal year 1962 (under Public Law 86-211 and under prior law)	[4] $312,217,000
Cumulative cost for World War I dependents (through fiscal year 1962)	$3,053,211,000
4. Medical care:	
Receiving outpatient treatment (May 1961, estimated) [3]	17,600
In VA and private or State hospitals paid by VA (May 1961)	40,000
In VA domiciliaries (May 1961)	9,300
In State homes (May 1961, estimated)	5,300
Estimated cost, fiscal year 1962, for World War I veterans	$375,000,000
Cumulative cost of medical care for World War I veterans (through fiscal year 1962)	$5,479,000,000
5. Insurance:	
Term policies in force (Apr. 30, 1961)	14,979
Permanent policies in force (Apr. 30, 1961)	292,418
Receiving disability income of $5.75 per $1,000 of insurance (Apr. 30, 1961)	[5] 16,000
Number of veterans who have received disability income of $5.75 per $1,000 of insurance through Apr. 30, 1961	[5] 58,600
Cumulative payments for disability income of $5.75 per $1,000	[5] $203,502,035
6. Vocational rehabilitation:	
Number who received training	180,000
Total cost of vocational rehabilitation training program	$644,865,000
7. Burial benefits:	
Burial allowance of $250, cumulative cost attributable to World War I veterans	$215,600,000
Flags furnished for burial, cumulative cost attributable to World War I veterans	(Not available)
Transportation of body for burial, cumulative cost attributable to World War I veterans	(Not available)
8. Housing for disabled:	
Number of veterans provided housing	600
Cumulative cost attributable to veterans of World War I	$5,700,000

[1] H.R. 879, which passed the House of Representatives on June 5, 1961, provides rates ranging between $20 and $500 (as amended by the Senate Finance Committee, rates between $19.50 and $500).

[1b] The above reflects sec. I, World War I only.

[2] $50.40 is basic widow rate prior to enactment of Public Law 86-211. Numbers include all dependents who remain on rolls at rates in effect prior to enactment of Public Law 86-211.

[3] Number includes those who receive outpatient treatment prior to or following hospitalization as provided by Public Law 86-639.

[4] Fiscal year 1962 as requested by agency.

Characteristics of World War I Veterans' Service and Benefits

Participation, length, and type of service

Participants: There were 4,744,000 participants in World War I (service between April 6, 1917, and November 11, 1918, or approximately 1 year and 7 months [1]). By comparison, World War II [2] extended over a period of 7 years, with 16,535,000 participants, and the Korean conflict over a period of 4½ years, with 6,807,000 participants, and 1,476,000 persons served in both World War II and Korea.

Service overseas: Approximately 50 percent of the participants in World War I served overseas, or about 2,372,000. In the case of World War II, approximately 77 percent, or 12,841,950, saw oversea service; and in the case of the Korean conflict veteran 59 percent, or 4,016,140 persons served overseas.

Length of service: The average veteran of World War I served for 12 months; however, 345,000 had less than 6 months' service. World War II veterans, on the other hand, averaged 30 months of service, and Korean conflict veterans 23 months, with almost a million and a half veterans serving in both wars.

Casualties: A total of 577,000 deaths occurred in service in the three wars (World War I, World War II, and Korean conflict). Of this total, 116,000 (20 percent), occurred in World War I; 406,000 (71 percent) occurred in World War II; and 55,000 (9 percent), occurred in Korea.

A total of 978,000 received nonfatal wounds in action, and of this total 204,000 (21 percent), occurred in World War I; 671,000 (69 percent), in World War II; and 103,000 (10 percent), in the Korean conflict.

Living veterans and benefits received

As of April 1961, there were 22,425,000 living veterans of all wars. This group consists of 5,522,000 veterans of the Korean conflict (4,534,000 with service only in Korea and 988,000 with service in both World War II and Korea); 15,166,000 veterans of World War II; 2,583,000 veterans of World War I; and a balance of 142,000 who are veterans of other wars. Expressed in percentages, approximately 11 percent of all living veterans are veterans of World War I, 24 percent are veterans of the Korean conflict, and 67 percent are veterans of World War II.

Age and income of veteran population

Age: As of June 30, 1960, the average age for all veterans of all wars was 41.7 years. Average ages for veterans of the various wars follow: Korean conflict (with World War II service), 30.6 years—(without World War II service), 28.9 years; World War II, 41.1 years; World War I, 66.2 years; Spanish-American War, 82.6 years; and Indian Wars, 91.1 years.

The last veteran of the Revolutionary War, which ended in 1783, died in 1869, and the last dependent of that war died in 1906. The last veteran of the War of 1812, which ended in 1814, died in 1905, and the last dependent of that war in 1946. The last veteran of the Mexican War, which ended in 1848, died in 1929. The last veteran of the Union Forces in the Civil War died in 1956, and on June 30, 1960, there remained 3,164 widows and 749 children of veterans of that war (both Confederate and Union Forces), on the pension or compensation rolls.

There were 106,000 participants in the Indian Wars, which ended in 1898, and 44 of these veterans were still living on June 30, 1960. There were 392,000 participants in the Spanish-American War, which ended in 1902, and on June 30, 1960, 36,000 veterans of that war were still living. There were 2 parents, 77,395 widows, and 2,336 children of veterans of that war on the pension or compensation rolls on that same date.

Of the 2,673,000 living veterans of World War I, the largest group (1,233,000) was in the age group 65–69 years on June 30, 1960. On that same date there were 1,025,730 veterans on the pension or compensation rolls, 10,889 parents, 435,240 widows, and 78,511 children.

Although the average age of World War II veterans was 41.1 years on June 30, 1960, there were at that time 1,213,000 who were between the ages of 50–54 years; 406,000 between the ages 55–59; 177,000 between 60–64 years of age; 25,000 between the ages 65–69; 7,000 between ages 70–74; 3,000 between the ages 75–79, and 1,000 between the ages 80–84; or a total number of 1,832,000 World War II veterans who were over the age of 50 years.

On June 30, 1960, there were 10,000 veterans of all wars who were 85 years of age or older.

Income: The last information available from the Bureau of the Census relative to income of individuals and families in the United States (based on 1959 surveys), indicates the median income of all male income recipients in the age group of 65 or over was $1,576, and for year-round full-time male workers in that age group the median in-

[1] Except for those who served in Russia during the period Apr. 6, 1917, through Apr. 1, 1920.

[2] Sept. 16, 1940, through July 25, 1947.

come was $3,977. Median income for male income recipients between ages 14 and 65 or over was $3,996. The highest median income was achieved for males between the ages of 35 and 44, where a median income of $5,320 was achieved for all income recipients. At this age level, median income for rural farm males was $2,714.

EXPENDITURES

Veterans' Administration's requested budget for fiscal year 1962 anticipates the expenditure of $5,217 million for use in administering all veteran benefit programs. Of this total, it is anticipated that 26 percent will be expended for veterans or dependents of veterans of World War I; 59 percent for veterans of World War II and their dependents; and 8 percent for veterans of Korean conflict and their dependents.

Since the beginning of World War I, there have been 32,086,000 participants in the Nation's wars. Since World War I, $104 billion [3] has been expended for veterans' benefits. World War I veterans constituted 15 percent of the participants in these wars and expenditures in behalf of World War I veterans have constituted 27 percent of total expenditures from appropriated funds in behalf of veterans since the end of World War I.

As of April 1961, World War I veterans constituted 12 percent of the total living veteran population, and Veterans' Administration anticipates expenditure of 26 percent of its total budget for fiscal year 1962 in behalf of this group of veterans.[4]

Information concerning specific benefits and expenditures for veterans of World War I follows:

Compensation and pensions

In April of 1961, there were 2,583,000 living veterans of World War I, over 50 percent of those who participated in that war. Of this number, 43 percent of the total living veterans of World War I, or 1,104,164, were in receipt of either compensation of pension payments, with the major portion (945,099) receiving pension payment and the remainder (159,065) receiving payment of service-connected disability compensation. At the same time, dependents of 439,129 deceased World War I veterans were receiving pension payments and dependents of 44,626 deceased veterans were in receipt of compensation or dependency and indemnity compensation payments.

Pensions: Since the conclusion of World War I, $6.5 billion [3] has been paid to World War I veterans for pension benefits and $2.7 billion [5] to their widows and children for death pension. (Widows of World War I veterans became eligible for payment of a pension without the requirement that their husband have a service-connected disability in December of 1944.)

Veterans' Administration's requested budget for fiscal year 1962 contemplates the expenditure of $1,046,726,000 for World War I veterans' pensions and $312,217,000 for the pensions of widows and children of deceased World War I veterans.

Approximately 17,100 World War I veterans and 4,800 dependents of World War I deceased veterans were added to the pension rolls each month during the calendar year 1960.

Compensation: Since the conclusion of World War I, $7.3 billion [5] has been paid to World War I veterans as compensation for service-connected disabilities; and $1.8 billion [5] has been expended in the form of death compensation or dependency and indemnity compensation for dependents of World War I veterans.

When the Veterans' Administration revised its schedule for rating disabilities for compensation purposes in 1945, those veterans who were on the compensation rolls and had been rated under the 1925 rating schedule continued to receive compensation under the 1925 schedule if their rating under that schedule was greater than under the 1945 schedule, until such time as a change in condition warranted a change in the 1925 rating. Large numbers of these veterans, had their disabilities been rated on the same basis as were the disabilities of veterans of later wars, would have received reduced payments of compensation, and some would have been ineligible to receive any payment. The most recent figures show that some 77,000 veterans are still receiving payments pursuant to these protected awards. These payments amount to over $5.5 million monthly.

Veterans' Administration's requested budget for fiscal year 1962 contemplates expenditure of $172,853,000 in compensation payments to World War I veterans and $61,261,000 in death compensation or dependency and indemnity compensation for their dependents.

ADJUSTED COMPENSATION (BONUS)

The average payment of bonus to veterans of World War I was $937 and a total of $3,875 million was expended for this purpose by the Veterans' Administration.

MEDICAL SERVICES FOR VETERANS

Since World War I, the Veterans' Administration has expended $12.4 billion in hospitals, domiciliaries, and outpatient clinics. Of this total, the estimated expenditure for World War I veterans was $5.1 billion.[5]

At the present time, about 37 percent of all veterans hospitalized in Veterans' Administration hospitals are World War I veterans. The Veterans' Administration's requested budget for fiscal year 1962 contemplates expenditure of $859,356,000 for the hospitalization of veterans, 37 percent of this amount being $317,962,000.

Veterans' Administration operates 18 domiciliaries, and at the present time 64 percent of the occupants of these domiciliaries are World War I veterans. The 1962 budget estimate for operations of these domiciliaries is $31,349,000, of which $20,063,000 will be expended for the benefit of World War I veterans.

Twenty-eight States operate State veterans homes, and Veterans' Administration contributes $2.50 per day per veteran (but not more than half of the amount required to maintain such veterans in the homes) to assist in the maintenance of these homes. The 1962 budget for Veterans' Administration contemplates the expenditure of $7,574,000 for this purpose. Assuming the same proportion of World War I veterans are in State homes as are in VA domiciliaries, about $4,850,000 will be expended on behalf of veterans of World War I.

INSURANCE

Veterans of World War I receive greater insurance benefits than veterans of later wars: (1) If at any age the World War I veteran becomes totally and permanently disabled he may stop paying premiums and start drawing benefits of $5.75 per month for each $1,000 insurance in force. (World War II veterans are entitled only to a waiver of premiums for total disability which must begin before age 60); (2) the total disability rider added to a policy, upon payment of an extra premium, pays the World War I veterans $5.75 per month for each $1,000 insurance in force if they become totally disabled before age 65 (until recently, World War II veterans could receive only $5 per month and their total disability must begin before age 60).

Fifty-six thousand two hundred and twenty veterans of World War I have benefited from the first of these features, with monetary benefits amounting to $281,103,654; and 2,480 veterans from the second feature with monetary benefits amounting to $12,398,381.

VOCATIONAL REHABILITATION

Veterans of World War I who received disabilities in the service were eligible for vocational rehabilitation and training benefits. The cost of this program was $644,865,000.

BURIAL BENEFITS

Veterans' Administration currently pays $250 to assist in defraying the expense of the funeral of war veterans. Since World War I, $193 million [6] has been expended in behalf of veterans of that war for this benefit. In addition, Veterans' Administration furnishes a flag with which the casket of a veteran is draped; however, the agency is unable to furnish a figure for cost attributable to veterans of World War I for the latter benefit.

When a veteran dies after having been admitted to a Veterans' Administration hospital or domiciliary, the cost of transporting his body to the place of burial is paid by the Veterans' Administration. Veterans' Administration is unable to provide a cost figure attributable to veterans of World War I for this benefit.

SPECIAL HOUSING FOR SERVICE-CONNECTED TOTALLY DISABLED

Veterans of World War I are eligible for this benefit on the same basis as veterans of other wars. This benefit provides for payment by Veterans' Administration of half the cost of specially adapted housing, but not exceeding $10,000, for eligible veterans. An estimated 600 veterans of World War I have availed themselves of this benefit at a cumulative cost of $5,700,000.

[3] Through fiscal year 1961; estimated.
[4] Includes expenditures for dependents.
[5] Through fiscal year 1961; estimated.
[6] Through fiscal year 1961; estimated.

Golden Wedding Anniversary of Representative and Mrs. Rabaut

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 28, 1961

Mr. LESINSKI. Mr. Speaker, today is the 50th, or golden, wedding anniversary of my colleague, friend, and mentor, Mr. RABAUT, and I cannot let the day pass without commenting on the sterling qualities which characterize this couple.

I have known Mr. and Mrs. Rabaut for many years and know of their complete and deep dedication to each other and to the vows they took in holy matrimony 50 years ago. Their continuous courtesies and consistent consideration of each other have made this day possible and have made their devotion even greater as the days go by.

Not only has Mr. RABAUT been a real father and thoughtful husband, but he has also carried over these qualities of character into his public life. He is always thoughtful and helpful to new Members of Congress in trying to be of assistance to them. He has many times given me important advice, and while one may not always agree with him, his advice is offered in a friendly spirit and with the best intentions. I regard him

with warm affection and high admiration. On this occasion of their 50th wedding anniversay, I want to extend to Mr. and Mrs. Rabaut my heartiest congratulations on reaching this milestone, and my sincere best wishes for their continued health and happiness in the years ahead.

Address by Senator Ellender Before American Food for Peace Council

EXTENSION OF REMARKS
OF
HON. ALLEN J. ELLENDER
OF LOUISIANA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 28, 1961

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by myself today at a luncheon for the American Food for Peace Council, in the Old Supreme Court Chamber in the Capitol Building.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH DELIVERED BY SENATOR ALLEN J. ELLENDER, OF LOUISIANA, AT LUNCHEON FOR THE AMERICAN FOOD FOR PEACE COUNCIL ON WEDNESDAY, JUNE 28, 1961

I am pleased to have been asked to speak to such a distinguished group of people, particularly in view of the fact that your mission is so very important to this country as well as to the other less fortunate countries of the world.

You have been selected to devise ways and means whereby the agricultural abundance with which our country is blessed can be most effectively utilized in a worldwide food-for-peace program.

In theory, the giving away of food would seem to be a very simple operation. As a matter of reality, I am sure that you are aware of the tremendous complexities involved in such a program.

Referring to the people throughout the world who are struggling for freedom and for an improved society, the President of the United States in his inaugural address, said "we pledge our best efforts to help them help themselves."

This strikes me as an extremely sound approach to the problems that beset many of the emerging and developing countries of the world. Our problem, your problem, is to accomplish this objective but at the same time to minimize the adverse effects inherent in an undertaking of this kind.

We have had considerable experience under Public Law 480, enacted in 1954, and now referred to as the food-for-peace program. The policy of the Congress as established in this law is to expand international trade among the United States and friendly nations, to facilitate the convertability of currency, to promote the economic stability of American agriculture and the national welfare, and to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States. Last but not least, Public Law 480 is designed to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States, by providing a means whereby surplus agricultural commodities in excess of the usual marketings may be sold and foreign currency accepted in payment therefor.

It is also the sense of Congress that the foreign currency so collected be used to expand international trade, encourage economic development, and foster in other ways the foreign policy of the United States.

This law is a complete vehicle designed to utilize our food abundance in furtherance of our foreign policy.

As a matter of fact, the only action necessary by Congress at this session is an extension of the law. With your indulgence I would like to review briefly some of the provisions of the act.

Title I of Public Law 480 provides for sales of surplus agricultural commodities payable in the currency of the purchasing country. Title II and section 302 of title III provide for emergency assistance to friendly people in meeting famine or other urgent or extraordinary relief requirements and for other gifts or grants of surplus agricultural commodities.

Section 303 of title III provides for the barter of surplus agricultural commodities, and title IV provides for credit sales of surplus agricultural commodities for dollars.

Since 1954 Congress has authorized a total of $11¼ billion for title I sales. The administration's bill now before Congress requests an authorization for an additional $7½ billion to be spent over a period of 5 years. If this authority is granted, a total of $18¾ billion will have been made available to finance sales of agricultural commodities under this title.

We have done a tremendous job in moving food under the authority of Public Law 480 into the underdeveloped countries of the world. Under title I alone, agreements have been signed with about 40 countries for sales of our surplus agricultural commodities for foreign currencies. By the end of this year we will have financed the sale of agricultural commodities for foreign currencies in the amount of about $11 billion. Under titles II and III a total of $2¼ billion worth of agricultural commodities have been donated to our friends abroad.

Under this program, U.S. surplus food has been distributed in over 90 countries and dependencies, with over 80 million people abroad getting part of their food from this source. Many private organizations are directly concerned in the distribution of surplus foods in countries around the world. Agencies such as CARE, Catholic Relief Services, Church World Services, Lutheran World Relief, and the American Jewish Joint Distribution Committee participate in moving food into underdeveloped countries.

The barter provisions of Public Law 480 have been used to export a total of about $1.2 billion worth of agricultural commodities.

Credit sales, the fourth title to Public Law 480, was added in 1959 for the purpose of disposing of some of our surplus agricultural commodities for dollars. While this authority is new, I feel that more emphasis should be placed on this method. In the minds of many, a straight business deal commands more respect than an outright gift. It is possible that prolonged and continued giving eventually will produce results diametrically opposite to those we hope to achieve.

As I see it, sales for dollars are an integral part of a food for peace program. Our stanchest friends and allies today are those with whom we have shared in business since our founding. The friendliness that has developed through the close relationship necessary to the consummation of business deals has contributed greatly to closer ties, mutual respect and dignity of person. Exchange of ideas has been a benefit not only to other countries but to this country as well. Normally, we do not think of a business deal as a part of a food for peace program, but in my opinion, it has exceptional merit.

If administered properly, Public Law 480 and the currencies generated thereunder, can continue to be used effectively to the mutual benefit of this and other countries. But, it is imperative that we look beyond the immediate present in our effort to alleviate hunger, to provide American assistance, and to develop the economies of the countries of the world.

Many benefits accrue to nations through the proper use of food. Certainly we have demonstrated our understanding and friendship for the peoples of the world in our tremendous past efforts in this field. We have continued to share with others, and I would not propose that we stop now, for I truly believe that by relieving hunger and promoting economic growth through wise use of our agricultural productivity, we will strengthen the capability and the will to resist aggression and subversion. As a matter of fact, this is the keystone, as I see it, of our foreign policy.

It is right and proper that we use our abundance of food to help all of those nations of the world to help themselves. A strong nation, both economically and spiritually, can act as a bulwark against the spread of communism. Economic development and independence can come through the intelligent use of food. Further, in my estimation, a prosperous economy in any country will contribute materially toward the prosperity of all countries.

Food for peace actually involves more than just food. It involves technical assistance in underdeveloped countries designed to increase their own food production as well as to help them expand industrially. Technical assistance can be used in the development of factories, of skills, and ultimately in the building of a strong economy.

The foreign currencies generated through the sale of surplus agricultural commodities can be used for a variety of purposes. As a matter of fact, 56 percent of the foreign currencies that have been generated so far have either been loaned back to the foreign countries at low interest rates or given them in outright grants for economic development.

The governments of these countries have used these funds for a variety of purposes. Loans and grants have been used to finance the local costs of development, including wages for labor and locally produced materials. Some have been used to promote food production and agricultural projects, including irrigation and reclamation, reforestation and development of fisheries. Funds have been used for the improvement of transportation facilities, including railroads, highways, and bridges. These funds are also used in the field of health and sanitation, as well as community development.

This country has in the past fully demonstrated its willingness to help, and I believe that we will continue to provide help to those nations who wish to help themselves. The strengthening of nations through economic development is essential to the freedom of the world. Our efforts for many years have been directed toward this end.

However, I think it in our best interest to view the food for peace program as an integral part of the total aid picture. It is my feeling that our agricultural abundance can be used to supplant in a large measure some of the dollar aid we now provide. A nation with a prosperous economy can long endure, but a nation weakened internally through unwise use of its resources will soon lose its strength and will to act. This applies to our country just as it does to any other country.

Further, the sharing of our abundance does not, in my opinion, mean the artificially encouraged expansion in the productivity of our domestic agricultural plant in order that more food may be made available for give-away programs.

As I see it, there are many pitfalls inherent in such a philosophy. It has been demonstrated quite conclusively that once additional resources are encouraged to move into agriculture, it is well nigh impossible to squeeze them out. Our so-called farm problem today is a direct result of the encouraged expansion which occurred during the last two wars. Domestic farm production has increased by over one-third since World War II. This tremendous expansion in agricultural production has led directly to the depressed prices and incomes and other problems now facing American farmers. The effort by the Congress to minimize the adverse income effect through farm price support legislation has not been entirely successful. In the long run, further expansion of food production over and above our normal domestic and export needs, may well spell disaster for our farm economy.

If expansion is encouraged only in certain areas or crops, there will be a dislocation of resources in agriculture to the detriment of the industry. This could cause surpluses in some areas leading to further depressed prices, and shortages in other areas leading to prices which would encourage even further expansion. An increase in the price of food that is reflected in an increase in consumer prices leads to consumer dissatisfaction. Ultimately, such a program will adversely affect our agricultural economy because it is artificial. While the sharing of our abundance in helping others is right and proper, I also feel that it is necessary to manage the program in such a way as to avoid harming ourselves.

The program planning should be of such a nature as to avoid the possibility that any country might remain indefinitely dependent upon us. While many countries are short of food, the fact is that they do produce some food. It is imperative that the movement of food from this country be so scheduled that agricultural prices in the recipient countries not be depressed unduly, thus inhibiting the growth of their own agricultural economies.

Self-help programs can utilize our surplus agricultural commodities effectively in providing the necessary impetus in the development of strong and prosperous nations. But, our contribution to the growth and development in other countries must be based on sound economic principles. Emphasis should remain on distribution of surplus commodities and we should not encourage over production for Food for Peace.

It is not an easy task, but I am sure that with your guidance a program will be developed to achieve the objective of helping others help themselves.

Loss of Ed Koterba

EXTENSION OF REMARKS

OF

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 28, 1961

Mr. MATHIAS. Mr. Speaker, the news today of the loss of Ed Koterba in a crash off the Pacific coast will bring shock and sorrow not only to the newspaper world but also to his friends in Maryland. I had the pleasure of knowing Ed Koterba not only as a newspaperman, but as a constituent and friend, and I am aware of the loss we have all suffered in his death.

Mr. Koterba lived with his wife, Dorothy, and their 10-year-old son, Eddie, at 9200 Persimmon Tree Road, Potomac, Md. He was a native of Omaha, entered newspaper work in Waynesboro, Pa., in 1944, transferring to the old Washington Times Herald in 1952. He joined the Washington Post shortly after its acquisition of the Times Herald in 1954 and subsequently resigned to devote full time to his own syndicated column "A Bit of Washington." He began writing the syndicated Washington feature column for the United Features Syndicate, formerly conducted by the late Fred Othman, about 2 years ago.

Voit Gilmore

EXTENSION OF REMARKS

OF

HON. ROBERT W. HEMPHILL

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 28, 1961

Mr. HEMPHILL. Mr. Speaker, in the major papers of June 27, 1961, the press heralded the appointment by Secretary of Commerce Hodges of Voit Gilmore, of Southern Pines, N.C., to head the new U.S. Travel Service within the Department of Commerce.

Along with many of my colleagues, I salute this appointment, congratulate the distinguished Secretary on his appointment, and Mr. Gilmore on his selection.

I have been intimately associated with the promotion of a travel agency in the U.S. Government. While on a committee trip investigating the potential of such an agency, I was privileged to go by Christchurch, New Zealand, and, as a guest of the Navy, fly to the Antarctic and the South Pole. I met Mr. Gilmore on this trip and was immensely impressed by him at the time. I had no idea that he would be selected, but I found him to be a person of intimate knowledge on travel matters.

At this point I would like to include certain facts about his background which I think will be of interest to the Members of the Congress and the press at large. These facts emphasize the good fortune of our country in having this man in so vital a post:

Native of Winston-Salem, lifelong resident of North Carolina.

Graduate, University of North Carolina; A.B., journalism; Phi Beta Kappa, 1939.

Secretary to Senator Josiah W. Bailey, 1939–40.

Lieutenant—junior grade—U.S. Navy, Air Transport Command, World War II—service in Africa, South America, Pacific, Asia.

Pan American World Airways—assistant to division manager, Latin American Division; public relations director, Pacific-Alaska Division, 1940–42, 1946–47.

Business interests in North Carolina, including chain of restaurants and motels.

Member, North Carolina Board of Conservation and Development, 1957.

President, North Carolina Travel Council, 1957–59.

Chairman, Keep North Carolina Beautiful, 1958–60.

Member, Explorers Club—accredited correspondent twice to South Pole, once to North Pole, 1958–60.

Coleader, North Carolina Trade Missions to Europe, 1959 and 1960.

These facts, though salient, do not speak the whole story. Mr. Gilmore is a dedicated citizen, energetic, and possesses a magnificent personality. I am satisfied the travel industry will find him to be a great friend, and a useful leader in this vital field. He knows the travel business; he knows people; and he has, by his dedicated service to his native State, demonstrated his ability to promote.

I wish for him, and I predict for him, every success in this new undertaking. We welcome him into the service of his country in this great and important capacity.

Marine Corps Has Fine Physical Fitness Program

EXTENSION OF REMARKS

OF

HON. EDWIN B. DOOLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 28, 1961

Mr. DOOLEY. Mr. Speaker, we are all aware of the part good physical fitness plays in the lives of our young people throughout the entire Nation. I have been increasingly disturbed, as have many of us, by reports that the physical fitness of our youth has been deteriorating steadily. This is perhaps most strikingly evidenced by the high physical rejection rate amongst applicants for enlistment in the Armed Forces. Recently I learned of a most worthwhile high school physical fitness program sponsored by the U.S. Marine Corps recruiting station in the New York City area.

The high physical fitness standards established and maintained in the Marine Corps are well known. In 1959, Maj. John J. Swords, U.S. Marine Corps, officer in charge, Marine Corps recruiting station, New York City sponsored, on a voluntary basis, in the New York City area high schools, a competitive physical fitness program designed to train the mind and body to work in harmony, to achieve and stress physical endurance and develop mental alertness and self-discipline. Regular Marine Corps physical fitness tests were used as the basis for this program.

This year 104,000 students representing 265 high schools in the New York-New Jersey area participated in the program. Some 25,000 Marine Corps athletic achievement certificates were awarded to boys meeting the established Marine Corps standards. A total of 530 boys representing 106 schools participated in

the final competition conducted by Marine Corps recruiting station, New York, during May 1961 at Newark State College, Newark, N.J.; Hunter College, New York City; and the U.S. Merchant Marine Academy at Kingspoint, Long Island, N.Y.

High team honors were awarded to the four-man team composed of Frederick Brightman, Irwin August, Jonathan Bagdon, and Kenneth Haher, representing Wheatley High School, Old Westbury, Long Island, when they set a new physical fitness meet record of 2,017 points out of a possible 2,400.

Individual honors in overall competition were awarded to Carlos Diaz, representing Bayonne High School, Bayonne, N.J., who placed first, scoring 554 points out of a possible 600 points. George Glaser, representing Wheatley High School, Old Westbury, Long Island, placed second with 551 points and Andy Simon, representing New Rochelle High School placed third with 533 points.

On hand to present trophies to the winners were some of our all time athletic greats—Roy Campanella, Kyle Rote, and Phil Rizzuto. The seven winners are presently on a 2-day visit of the Washington area, with a planned visit to the Capitol. I understand that plans are already underway to make next year's high school physical fitness program even larger than this year's.

I feel that this program is an excellent start toward improving the physical fitness of our youth. I would hope that it and similar programs could be emulated in every part of our great country. I am certain that all the members will wish to join with me in congratulating these boys on their efforts and Major Swords and his handful of Marines on their dedicated work.

God's Blessing Upon You

EXTENSION OF REMARKS
OF
HON. THADDEUS M. MACHROWICZ
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 28, 1961

Mr. MACHROWICZ. Mr. Speaker, one of the most beloved and respected Members of this legislative body, Mr. LOUIS RABAUT, and his lovely wife, Stella, are today celebrating the 50th anniversary of their marital life.

His sterling character, unlimited devotion to his country, and invaluable service to his community have earned for him a reputation rarely equaled in this Nation. Among his colleagues, who have learned to know him and appreciate his friendship, he is known as a most courteous, cooperative, reliable, and valuable Member of Congress. As a man, he stands high for his moral strength and character. To me, personally, he has been an inspiration, and I am deeply grateful for the many acts of kindness and friendship he has shown me.

He has richly been blessed by having a lovely and devoted wife and by children, who have closely followed the footsteps of their parents and are indeed a credit to them.

I know I voice the sentiments of all the Members of the House when I express today to Stella and LOUIE RABAUT our sincere congratulations and our fervent hopes and prayers that they may long enjoy the blessings of our Lord, which He has so generously bestowed upon them.

The Ingredients of Economic Growth

EXTENSION OF REMARKS
OF
HON. JOE M. KILGORE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 28, 1961

Mr. KILGORE. Mr. Speaker, yesterday one of my colleagues, the Honorable FRANK IKARD, of Texas, addressed the dinner meeting of the Second Annual Energy Institute, sponsored by the American University. The Energy Institute is composed of engineers and other personnel from the energy industries; that is, petroleum, coal, gas, and electricity.

I have found Congressman IKARD's address so informative and so timely that I wish to make his remarks available to the Members of Congress. I believe they will find this address both stimulating and constructive. I therefore ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of Congressman IKARD's address:

THE INGREDIENTS OF ECONOMIC GROWTH

(Speech of Hon. FRANK IKARD, of Texas, Second Annual Energy Institute, June 27, 1961)

You are accepting one of the real challenges of the future by joining together here in this Second Annual Energy Institute to seek the answers to the many perplexing problems which we face in finding the solutions to our needs for energy to sustain the future growth of our Nation. All of you who are participants in the Institute certainly are to be commended for taking time from your busy professional lives, for it is only by efforts such as these to understand the problems that confront us that our country can be assured of the growth and economic progress that is so necessary during these challenging times.

There are two kinds of economic growth and progress going on in the world today. In our country we have the growth of a free economy supplying the things desired by a free people and their government. In the totalitarian countries there is a very substantial rate of growth, but in a different direction. While some of the statistics indicate that their growth rate is high, it is important to know, I think, that their growth moves only in the direction which is decreed by their rulers. Thus, in comparison to our economy, there is very little growth in the amount of goods, services, and resources available to the people. Their people live today very nearly as they did half a century ago being afforded only that meager part of the fruits of their labor that their Communist masters are willing to let them have. So, in spite of their strides in the exploration of space and the generation of hydroelectrical power and in other technical fields, which at first glance sometimes causes us to feel that they are ahead of us, the growth in the spirit of human freedom which has led the Western World and our country in particular to such great heights is utterly lacking behind the Iron Curtain.

It seems to me that the primary ingredients for economic growth are these: First, an adequate educational system, for those who do not value a cultivated intellect are doomed, for, as it has been said, "Not all your heroes, not all your social charm, not all your wit, not all your victories on land or at sea can move back the finger of fate. Today we maintain ourselves. Tomorrow science will have moved forward yet one more step, and there will be no appeal from the judgment which will then be pronounced on the uneducated." Second, an adequate supply of capital. Third, an unlimited supply of energy. Fourth, a free and competitive society which will permit the people to develop and grow through their own initiative. This latter ingredient is, I believe, the most important of all, for, as long as we can maintain our individual freedom and a society that encourages initiative, there is no limit to the heights to which we as a people can rise.

The second ingredient of growth, which, as I have indicated, is an abundant supply of capital, deserves our particular attention here. It can be said that this Nation was originally built on capital from abroad. When the Thirteen Colonies started out for themselves, they found that, with all the abundant resources that they had, they were unable to build more than a very primitive agricultural society without capital investment from abroad. Even the exploitation of natural resources for shipment overseas required a flow of capital, capital that was soon recouped and made available for further investment again and again as it grew. As our economy in the New World developed and was able first to throw off the political shackles of the Old World, there were opportunities for capital growth here. As a result, we have for some time been free of the need of foreign capital. In fact, the pendulum has swung so far the other way that we have been forced to assume the role of world banker and in more recent years have exported our capital to rebuild the war-shattered economies of the Western European nations.

In being the banker for two major world wars and the development of other lands since World War II, to say nothing of our expenditures in the cold war that has enveloped the world, we have come close to "killing the goose that laid the golden egg." Our capital resources have been severely strained if not depleted by our policies of taxation at rates so high that in many instances they effectively prevent the building of growth capital. With personal income taxes ranging from 20 to 91 percent and reaching the confiscatory 50 percent level at a mere $16,000 for an individual, we can all agree that it is well-nigh impossible for an individual to amass substantial capital from the fruits of his efforts. Likewise, our corporations with the 52 percent income tax rate find themselves in much the same position. Furthermore, depreciation policies give little hope in providing a source of capital to replace obsolete and wornout plant and equipment. Under the inflationary conditions we have been enduring for over half a century industry finds that its allowable depreciation reserves are almost entirely insufficient for replacement of depreciated equipment. Today in this country the deficiency of present depreciation because of inflation is in excess of $5 billion a year. This is one of the important factors that has led to a rate of economic development in this country that is far short of what we should be able to achieve. Let us compare the depreciation system of the United States with other industrial coun-

tries. Compare the writeoffs of cost of equipment in the first year of service and in the first 3 years of service. These figures cover only depreciation writeoffs on current equipment installations that are customarily given a 15 year life and disregard buildings and other structures which have a longer writeoff period. In Japan and the United Kingdom the first year writeoff exceeds 50 percent of cost. In Sweden and Italy it exceeds 30 percent. In the United States the corresponding figure is 13 percent. In the United Kingdom and Sweden a recovery of more than 70 percent of cost in the first 3 years of service is permitted. In Japan and Italy, more than 60 percent. Here in the United States, 35 percent.

In 1953 it was considered that the United States had the worst depreciation system of any major industrial country. The Internal Revenue Code of 1954 made a slight improvement in an attempt to modernize our procedures, and this move did a great deal to bring our tax depreciation system more in line with other major industrial countries. However, since that time, we have again fallen behind and are now near the tail end of the procession. Since World War II there has been a competitive race in other countries to liberalize depreciation because of its stimulative effect on productive investment and economic processes. In Germany, for instance, following the war, all varieties of new investments were rapidly put underway by offering writeoffs of whatever amount a business plowed back into capital. The results range from a tremendous new steel capacity in the Ruhr Valley to a new truck for a coal merchant. The story of Western Germany's recovery is now legendary. The examples of other Western countries prove the effectiveness of adequate depreciation in spurring both capital accumulation and investment. Effective depreciation stimulates investment by offering a highly prospective return from a proposed investment and increases the early cash flow from the new investment, thus reducing the risk involved. The decision of management to incur risks in any new venture is critically affected by the prospects of a speedy recovery of costs. More realistic depreciation also increases the availability of working capital and encourages healthy business expansion. We are not only in competition with the Communist nations but in many instances with our free world allies as well. In the long pull, there is nothing more important for us to do than to expand and improve our productive facilities.

This means providing the financial wherewithal or flow of capital for a higher rate of productive investment. We simply must take steps to revise the depreciation sections of the Internal Revenue Code to at least enable us to keep up with the rate of capital growth and retention permitted in other industrial countries.

I haven't mentioned percentage depletion which more than any other one section of our code is subject to widespread misunderstanding. Perhaps, also, no section has been subject to as much severe criticism much of which is completly irrational and irresponsible. The present tax treatment accorded to the extractive industries generally has been the most important factor in attracting capital into the extrahazardous business of exploration and development to provide the necessary energy and mineral resources for our economy. Percentage depletion has been the one ray of hope that has permitted the flow of capital sufficient to meet the ever-growing demands of our country for energy. Without it we would have long since become a "have not" nation dependent for most of our energy fuels on imports from abroad. Also the benefits of these tax provisions have been reflected fully in supply and price. No change in the law now could be made without immediately affecting the consumers of this country and materially retarding resource development and energy costs. There simply can be no backward step in this direction.

As a third ingredient of growth I listed an unlimited supply of energy. Frequently we do not realize the importance of adequate supplies of energy to our daily life and to the progress that has been made in making our lives more pleasant and our burdens easier to bear. We cool and heat our homes with energy. It has been estimated that each of us in our homes with modern appliances has the equivalent of over 30 servants. The factory worker has at his fingertips energy equivalent to 244 times his own musclepower, and the farmer with his modern tractor can accomplish more in an hour than could be accomplished in days a century ago.

We have also witnessed revolution in the use of the different sources of energy. We have moved from a point to where wood was our greatest source through periods when coal, oil, and gas were dominant, and now we are on the verge of the atomic era. Each of the present principal sources of energy, coal, oil, and gas, has its special problems that deserve our attention and study. We as individuals or as businesses and our Government must give special attention to these problems, but their solution in the public interest will not be found in restrictive measures that would regiment consumers in their use of fuels and hamper the Nation in realizing the benefits of important technological progress. We in the United States have adequate resources from which to take care of our prospective energy requirements for the foreseeable future. Furthermore, we can and we must continue to rely on our traditional policy of free competition among energy sources and fuels and freedom of choice on the part of consumers with confidence that such policy is the best for the economy as a whole.

Let me again express my firm conviction that the United States has sufficient natural resources, human resources, and capital to sustain a continuation of the rate of growth we have experienced in the past. Because of the increasing complexity of the technology required in converting natural resources and energy to the uses desired and in developing new sources and uses of energy because of the ever increasing costs of plant and equipment required to achieve these tasks, we must devote ourselves to the development of the minds that we need for the conception and the mastery of new techniques. We must assure ourselves that there will be sufficient flow of capital to pay for the tremendous investments required through appropriate allowances for depreciation and depletion of resources, and, above all, we must preserve and improve our free competitive society which has nurtured the growth of the American dream for over a century and three-quarters and has allowed us to rise to heights never before achieved by man.

A Firm "No" to Castro

EXTENSION OF REMARKS
OF
HON. J. EDWARD ROUSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 28, 1961

Mr. ROUSH. Mr. Speaker, it came as no great surprise to most of us when Fidel Castro upped the ante on the tractors-for-prisoners deal. That he was not sincere in making his offer has been obvious since the outset.

I suggest, now that the committee handling this matter has seen the light and has agreed to disband, that we officially put an end to this matter once and for all.

The sending of the 10 prisoners back for renegotiations should be recognized for what it is, and that is an attempt by Castro to squeeze out another ounce of propaganda. Let us tell Fidel Castro that the U.S. Government and its citizens are through sponsoring his press relations.

Let us make it clear that we consider this deal an attempt to extract tribute to a Communist government, and that it is contrary to our sense of honor and justice. I suggest we immediately send these 10 men back to Cuba with a firm "No" for Fidel Castro.

Veterans' Affairs Committee Opposes Transfer of Certain VA Functions to Other Agencies

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 28, 1961

Mr. TEAGUE of Texas. Mr. Speaker, consideration is being given in the executive branch to a recommendation that the program for vocational rehabilitation for disabled veterans be transferred from the Veterans' Administration, which has administered these programs for the past 15 years, to the Department of Health, Education, and Welfare. This committee has done everything possible to work with this administration and it is very disturbing to learn that without any consultation with the committee or any person or organization interested in veterans' affairs that they are considering such a proposal. The Veterans' Affairs Committee has considered this proposal and on June 28, 1961, unanimously adopted a resolution opposing such a transfer. The text of the resolution follows:

Whereas it has been reported to the Committee on Veterans' Affairs that one Boisfeuillet Jones, special assistant to the Secretary of Health, Education, and Welfare, conducted investigations in May 1961 as to the desirability of the site for the new Veterans' Administration hospital at Wood, Wis., and at that time the Committee on Veterans' Affairs was unable to learn the justification for an official of the Department of Health, Education, and Welfare attempting to determine the location of a Veterans' Administration hospital; and

Whereas in the 1962 budget the Bureau of the Budget attempted to require the Veterans' Administration to obtain its funds for Veterans' Administration medical research through appropriations obtained by the National Institutes of Health; and

Whereas the Bureau of the Budget has attempted to obtain agreement from the Veterans' Administration for transfer of certain property management functions from the

Veterans' Administration housing program to the Housing and Home Finance Agency; and

Whereas the Bureau of the Budget is now recommending and actively seeking to transfer certain functions relating to the vocational rehabilitation and education of disabled veterans from the Veterans' Administration to the Department of Health, Education, and Welfare, and

Whereas all of these attempts to transfer functions were made without notification or reference to the Committee on Veterans' Affairs, in either a formal or informal fashion: Therefore, be it

Resolved, That the Committee on Veterans' Affairs expresses strong opposition to these attempts to transfer functions, which logically belong in the Veterans' Administration where they have been performed with a high degree of satisfaction, from the Veterans' Administration to other agencies; and be it further

Resolved, That if such transfer is formally proposed that the Committee on Veterans' Affairs expects to conduct exploratory studies to determine the motivating factors which are leading to these persistent attempts to transfer functions from the Veterans' Administration; and be it further

Resolved, That if these attempts to transfer the vocational rehabilitation function and other functions persist, the Committee on Veterans' Affairs intends to oppose this transfer and seek to obtain the support of other Members of the House in its opposition.

Artifact May Vindicate Josephus as Historian

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 28, 1961

Mr. FULTON. Mr. Speaker, there appeared in the Washington Post and Times Herald on January 28, 1961, an article about an amazing archeological discovery made by the Link Marine Archeological Expedition to Israel.

This was a medal, no bigger than a dime, that was brought up from a pit dug 15 feet into the sand under 35 feet of water at the bottom of the ancient Roman harbor of Caesarea Maritima on the coast of Israel. On this medal are shown two great towers at the entrance of the ancient breakwater, each surmounted by three colossal statues and the "arches where the mariners dwelt," exactly as written by the Jewish historian, Flavius Josephus, in his eyewitness description of what was then a mighty city, more than 1900 years ago. This is the first contemporary proof of Josephus' accuracy.

The expedition was sponsored by the America-Israel Society, of which I am a member, the Princeton Theological Seminary, and Life magazine. The idea of the Link expedition was conceived in the office of the America-Israel Society in the Willard Hotel. The society's executive director, George L. Cassidy, made the voyage abroad Edwin A. Link's especially constructed 91-foot diesel powered research vessel, *Sea Diver*, from Puerto Rico to Israel where he acted as the expedition's manager. Mr. Link is the outstanding inventor of the Link trainer.

The medal is part of the group of artifacts recovered by the expedition together with other artifacts recovered in the Nabatean city of Ezion Geber by Dr. Nelson Glueck now on display at the Exhibition Hall of the B'nai B'rith Building here in Washington.

B'nai B'rith is stressing the extent of cultural cooperation between the people of our country and the people of Israel. Both the Link expedition and Dr. Glueck's expedition were financed by funds provided by private American sources.

Both expeditions shed new light on Biblical history, of intense interest alike to Christians of all denominations and to Jews of all beliefs. Perhaps equally important, both expeditions spread mutual understanding among Americans and Israelis. It was an Israel diver working from *Sea Diver* who found the unique medal.

On an official level, it should be noted that the Government of Israel has been most cooperative. Of the many ancient objects recovered by the Link expedition, not only at Caesarea Maritima but from the mud at the bottom of the Sea of Galilee, Israel retained only a few examples. The medal will return to Israel, but other objects will enrich our American museums, reminding all who see them of our great Judeo-Christian heritage.

I want to urge the other members of this House to take time to see this display at the B'nai B'rith Exhibition Hall, 17th Street and Rhode Island Avenue. They will see a fine example of American private initiative in the advancement of international understanding through cultural means. You will agree, I think, that B'nai B'rith deserves commendation for putting its exhibit hall to such a purpose.

I am inserting the article for the Congress and the American people to read:

ARTIFACT MAY VINDICATE JOSEPHUS AS HISTORIAN

A 2,500-year-old medallion the size of a dime has helped to recreate the picture of the Roman port of Caesarea and to reestablish the questioned reputation of the Jewish historian Flavius Josephus.

The medallion is among the archeological finds from an underwater archeological expedition to the ruins of the Mediterranean port in Israel and to the Sea of Galilee led by archeologist Edwin Link last year. The fished out artifacts will be on display at the B'nai B'rith Building, 1640 Rhode Island Avenue NW., until Labor Day.

Caesarea, the chief port of Rome's eastern colonies, was built by Herod I, 10 years before Christ was born.

That splendid city—which Josephus had described in detail—now lies under Mediterranean water and sand.

Since this history-rich port had been little explored, Link decided to probe it with the *Sea Diver*, a 91-foot boat he had designed especially for underwater archeology.

Archeological skindivers found the breakwater wall which had enclosed the port. But they could see no evidence of the two towers with three colossal statues each, and of the arches where mariners lived, which Josephus had mentioned.

"Josephus was regarded as a great exaggerator by some." George L. Cassidy, a member of the expedition and executive director of the American-Israel Society said yesterday.

But then in a 15-foot sand pit under 35 feet of water a diver spotted the tiny dark medallion. On it were carved two towers with three statues each, and the arches where mariners lived.

The Housing Bill

EXTENSION OF REMARKS

OF

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 28, 1961

Mr. BROYHILL. Mr. Speaker, the omnibus housing bill on which the House has just acted contains several features which would benefit the building industry and the national welfare at the moment but in the long run would be detrimental to both.

Sufficient public attention has not been given, in my opinion, to these features which over a period of years would help to destroy our historic free enterprise system.

Therefore, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a statement I have prepared bringing out some of the measure's bad features which should be brought to the attention not only of persons directly interested in the bill but of taxpayers generally.

The beneficial features of the new housing bill are so heavily outweighed by its evils that it should never have been passed.

It undoubtedly would stimulate private homebuilding, notably by increasing the maximum maturity for regular FHA sales housing insurance from 30 to 35 years and by increasing the maximum mortgage from $22,500 to $25,000.

Those points are in its favor. But its bad points should be examined.

Its authorization for 100,000 new public housing units is totally indefensible. So, too, is its potential ultimate cost to the taxpayers of more than $9 billion, most of it by back-door financing.

The bill's goal of providing adequate housing for middle-income groups is, of course, laudable. But its methods of moving toward the goal amount to a major phase of the Kennedy administration's drive to concentrate all power in the Federal Government.

It contains a section providing low-interest FHA–FNMA loans for apartment-type housing for middle-income groups. Stripped of its attractive but illusory verbiage, the plan amounts to a subsidy with about $1.5 billion of Federal tax funds, for moderate-income rental housing. It marks a major stride toward socialization of the housing industry.

Under this plan, local public bodies, including even local housing authorities, can obtain some mortgage loans which now could bear interest as low as 3⅛

percent. Since no limit is set in the bill, the loans could be for 40, 50, or 60 years or whatever maturity the Housing Commissioner determines.

Furthermore, the Commissioner could reduce or waive completely the FHA insurance premium.

These loans then could be purchased by FNMA, under its special assistance program which is financed by direct borrowing from the Treasury—back-door financing.

This is a new form of subsidized public housing not limited to low income groups. It is the start of a new system of subsidized rental housing against which it would be impossible for private enterprise to compete. No builder for profit could obtain 3⅛-percent, 50- or 60-year mortgage loans and he certainly could not compete against them when he would have to pay the going market rate, now 5¼ percent.

It is the beginning of the end of profit private enterprise in the rental housing market.

This provision alone justifies a vote against the omnibus bill, even though, as I have said, it contains other provisions which at the moment would be helpful to home builders and to the national economy. But in the long run, both would suffer from socialization of the industry.

Another highly objectionable provision that should be mentioned is the bill's authorization of $500 million for loans to communities for essential facilities such as sewer and water systems. Of the sum, $50 million is reserved for mass transportation loans.

Again, the danger in the provision is hidden. The fact is, however, that it would needlessly federalize the Nation's municipal financing system and would, in effect, substitute Federal funds for private funds in municipal financing. More socialism and concentration of power in Washington, as we find everywhere under the New Frontier.

On the issue of the bill's total cost, its Democratic sponsors claim it would amount only to something in the neighborhood of $5 billion. But in arriving at this figure, they conveniently fail to include the future payments that will be due under the public housing subsidy contracts which the bill authorizes. They also fail to include anything under an unspecified authorization for FNMA to reuse repayments on mortgages it now holds, which could amount to as much as $1.6 billion.

Republican members of the Banking and Currency Committee, on the other hand, have carefully documented their contention that the total cost of the omnibus legislation could amount to $9 billion.

As bad as is this total cost figure, its worst feature is that all but approximately $250 million of the total would be by back-door financing. This means that with the bill enacted into law the executive branch will have some $8.75 billion which it can spend in future years without any further action whatsoever by the Congress. The regular appropriations process will have been successfully bypassed. There will be no occasion or opportunity for Congress or its Appropriations Committees to consider further the wisdom or necessity for the spending. The only thing Congress could do would be to rescind the authorization, which, for practical purposes, would be virtually impossible.

This bill should be subjected to an overall view, along with other items in the New Frontier legislative program, such as its Federal aid-to-education and medical-care plans. Under such an objective scrutiny, a pattern becomes clear—a pattern of making Washington the seat of an all-powerful, highly concentrated Federal Government which will govern all of the Nation's needs.

Considered by itself, each of these programs has a particular appeal to some special group of people. The group thinks it is good because it benefits them individually. If the programs were all presented in a single package, their socialistic nature would be apparent and the package would be rejected.

The parts of the package are just as bad when they are presented piecemeal. They should be voted down by the Congress individually, just as they would be if they were considered as a single unit.

Hanford Reactor Steam—Use It or Lose It?

EXTENSION OF REMARKS

OF

HON. WILLIAM H. BATES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 28, 1961

Mr. BATES. Mr. Speaker, the Joint Committee report on the AEC authorization bill for fiscal 1962 was filed last Wednesday, and the House will be asked to consider the bill soon. A considerable amount of time and energy has gone into this bill by the Joint Committee. Generally, I think it is a good bill and most of it should be approved by the House. However, there is one project included which I feel is unnecessary and unjustified. It is a sheer waste of $95 million of otherwise urgently needed Federal funds which the Nation's taxpayers have to provide. This project would provide for the addition of about 800,000 kilowatts of electric generating capacity to the new production reactor being constructed at Hanford, Wash.

Advocates of this proposal use as one of their arguments the assertion that the Federal Government thus would be putting to good use the reactor steam that otherwise would be wasted. For example, Charles F. Luce, the Bonneville Power Administrator, told the Joint Committee that, in effect, it would be wasteful and extravagant to dump new production reactor steam—heat—into the Columbia River.

Using this argument, supporters of the project would have us believe, in essence at least, that steam from the NPR is to be regarded as a natural resource that must be conserved in much the same manner that water, forest, mineral, and other resources of the Nation must be conserved. From the point of view of the conservation purist, this may seem to be true to a degree, but the validity of the argument rests in part on an interpretation of the term "natural resource" as it relates specifically to steam.

In various parts of the world, including the United States, steam occurs in nature as a result of the interaction of subsurface water and the molten rock material originating within the earth. Natural steam frequently is vented to the atmosphere in the geysers familiar to all who are acquainted with our national parks in the West.

This kind of natural steam has been put to productive use in Iceland, Italy, and the United States for such things as space heating and power generation. In Iceland, for example, much of the city of Reykjavik is heated by natural steam-natural hot water pumped from hot springs approximately 40 miles from the city.

With respect to power-generating applications of natural steam, the first natural steam-electric plant was built at Larderello, in the Italian province of Tuscany. In California, the Pacific Gas & Electric Co. recently began operating a 12,500-kilowatt station—the Geysers powerplant—immediately adjacent to a natural steam bed at Big Sulphur Creek about 92 miles north of San Francisco. Forty years of research and development have been invested in this natural steam-electric plant by P.G. & E., and several specially organized development companies.

Under these circumstances, in Iceland, Italy, and the United States, natural steam may indeed be considered as a natural resource which has been put to use on the basis of economic feasibility. The cost of using natural steam-natural hot water for space heating in Reykjavik, for example, has to be competitive with the cost of conventional style space heating at that location. The cost of generating electric energy at P.G. & E.'s Geysers powerplant must compare favorably with the cost of generating electric energy by conventional means in other parts of the P.G. & E. system. An unusual natural resource, natural steam, therefore, has been utilized for the benefit of mankind in these areas on the basis of prudent business practices.

Mr. Speaker, the mere fact, however, that steam occurs abundantly in nature in certain parts of the world does not impose a requirement on anyone in those areas that the steam be put to use without considering carefully the economic aspects involved. Icelandic authorities would not have piped natural steam-natural hot water to Reykjavik if conventional space heating fuels were available in quantity at competitive cost. Certainly, P.G. & E. officials would not have invested in the Geysers powerplant if the cost of generating electric energy at that station did not

meet the test of economic competitiveness for the P.G. & E. system as a whole.

Considering the source and use of natural steam in Iceland, Italy, and the United States, in the examples cited, I cannot agree that steam from the NPR should be regarded honestly as a natural resource. NPR steam is not a natural byproduct of nuclear fission per se. Rather, it is the byproduct of the introduction of cooling water into the production reactor core. However, regardless of whether or not one considers NPR steam as a natural resource suitable for productive application, its use for any purpose, including the generation of electric energy, must be subject to the vigorous test of economic competitiveness with other conventional, and unconventional, sources of steam.

There are many examples in this Nation's nuclear development program where heat produced in a reactor is dissipated rather than utilized because it simply is not economically feasible to construct the facilities necessary to use it. For example, the AEC authorization bill for fiscal 1961 contained authorization to increase the core size in the Shippingport reactor to 150,000 kilowatts and to provide a heat dump to take care of the excess steam over and above the capabilities of the present generating facilities. During hearings on that bill, on March 10, 1960, Vice Adm. Hyman Rickover testified that from the standpoint of the Government it appeared that it would be cheaper to put in the heat dump rather than spend the money necessary to increase the size of the electric generating facilities. In other words, it simply would not be economically feasible to utilize the increased steam from the Shippingport reactor. Furthermore, many of the reactor projects at the National Reactor Testing Station in Idaho or other sites do not include electric generating facilities to utilize reactor steam because they are not economically competitive.

Let me remind my colleagues that in an effort to utilize heat contained in steam more efficiently, the electric utility industry and the manufacturing industry have developed steam technology over the years to the point where modern conventional steam-electric generating stations use high-pressure steam. The up-to-date boilers are designed to produce steam of the requisite quality, and the turbine generators have been developed to make efficient use of such steam.

However, supporters of the scheme to add generating facilities to the NPR must admit that steam from the NPR will be low-quality, low-temperature, low-pressure, saturated steam, which is substantially inferior to that being used in today's turbine generators. Although it is recognized that the electric utility industry has no interest in such an outdated venture, the supporters would try to have us believe the Hanford steam plant could provide valuable experience in the manufacture and operation of very large turbines employing low-pressure saturated steam. But, I can assure everyone that such a claim is the furthest thing from the truth.

While some may assert that it would be wasteful and extravagant to dump the reactor steam, as Mr. Luce said in essence, we must all keep in mind that a proposal such as this one at Hanford would be substantially more wasteful and extravagant with respect to an even more precious resource—Federal funds from the Nation's taxpayers.

By this I mean that during dual-purpose operation when the NPR would be producing both plutonium and power, for example, power from the Hanford steam plant would cost 3.7 mills per killowatt-hour, according to figures contained in studies on conversion of the NPR to power generation. This figure would include none of the costs of the NPR itself—without which steam surely could not be generated—and none of the costs of reactor operation, maintenance, fuel, and insurance. And in subsequent power-only operation, NPR power would cost an average of 5 mills per kilowatt-hour—here the cost would include charges for reactor operation, maintenance, fuel, and insurance.

Furthermore, the Atomic Energy Commission's authorization bill for fiscal 1962, H.R. 7576, provides in section 110 that power generated at the Hanford steamplant would be delivered to the Bonneville Power Administration for distribution and sale by BPA. At the same time, power for the Hanford reservation would continue to be provided by BPA under existing terms and prices.

At the present time, the average selling price of power on the BPA system is 2.3 mills per kilowatt-hour. The cost of power averages 2.6 mills, including transmission costs. Therefore, BPA shows a loss on the order of 0.3 mill per kilowatt-hour of power sold.

During the dual-purpose period of 1964–72, Hanford power would cost BPA 1.4 mills per kilowatt-hour more than the current average selling price for system power. And for the power-only period after 1972, Hanford power would cost BPA 2.7 mills per kilowatt-hour more than the current average selling price for system power, or more than twice the current price.

It is a well-known fact that the Bonneville Power Administration has already lost a great deal of money in its operations over the last 3 years. And if the Hanford steamplant were to be a small station, with limited generating capacity which would make a genuine contribution to the development of nuclear-power technology, perhaps a slight increase in annual losses might be justified. But with the capacity on the order of 800,000 kilowatts during the power-only period, the Hanford steamplant would not be a small plant by any standards. And it should be pointed out that the AEC Chairman told the Joint Committee this project would have only "limited benefits to nuclear-power technology." The losses that would be sustained by operation of the NPR as a power producer would increase BPA's total annual losses substantially, at great cost to every person in the United States who helps to pay the cost of Government, or by increased energy costs to customers in the Pacific Northwest. For each hour of operation on a power-only basis, for example, the Government would receive in revenue from Hanford only 46 cents on every dollar it would spend to operate the NPR on that basis, and the other 54 cents of every dollar would be paid by the constituents of every Member of Congress.

Mr. Speaker, in concluding, may I say that if it is wasteful and extravagant to dump NPR steam into the Columbia River it is much more wasteful and extravagant to dump Federal funds into an operation that is not economically prudent by the most liberal standards of measurement. And, even if one were to agree that Hanford reactor steam is a natural resource which should be used wisely if possible, wisdom dictates—as it has in Iceland, Italy, and the United States with respect to natural steam—that the resource be put to use only where the proposed use can pass the test of economic competitiveness with conventional uses of steam.

The matter resolves itself into one basic question: Which of the two resources—Hanford reactor steam or Federal funds—is the more precious in these times of great demands on the National Treasury? The answer, it seems to me, lies in each of our individual judgments as to whether it is the better to let the reactor steam go to waste or to waste Federal funds merely for the purpose of putting the steam to some technically outmoded use. In a choice such as this, I trust that most of the Members of Congress can be found lining up with the interest of their taxpaying constituents shouting, "Save dollars, not steam."

For this reason, I sincerely urge each one of my friends and colleagues to join with me in opposing this wasteful expenditure of $95 million by striking Project 62–a–6 from the AEC authorization bill for fiscal 1962 when it comes before us for a vote.

Kuwait: A Friend of America and a Peaceful and Progressive Nation

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 28, 1961

Mr. FULTON. Mr. Speaker, I want to call to the attention of the U.S. Congress and the American people the courage of the Government and people of Kuwait under the present trying international developments. I enjoyed the friendship of the fine delegation of Kuwait to the United Nations when I served as a U.S. delegate on appointment of President Eisenhower in the 14th General Assembly in 1959.

During the recent excitement of the Iraqi claim to sovereignty over Kuwait,

many under statements were made concerning Kuwait, which clouded the plain facts about Kuwait. The result has been, to some degree, a confusion of the history and particularly the recent history of this independent country. In the interests of accuracy as well as international understanding, it would appear desirable at this time to set the record straight concerning some historical and economic facts affecting Kuwait.

Kuwait today is a country of about 300,000 persons located at the head of the Persian Gulf and encompassing an area of about 6,000 square miles; roughly the size of the State of New Jersey. While many details may be missing, we do know that the Kuwaitis of today are the descendants of people belonging to half a dozen large Arab families who migrated here from the desert 400 or 500 years ago in search of a land which they could settle and in which they could live in stability and independence.

In 1756, the members of these several families selected one, the al Sabah family, as its ruling family. Since that time, the responsibility for the Government of Kuwait has continued without interruption in the hands of the al Sabah family. Thus, the present ruler, His Highness Shaikh Sir Abdulla al Sabah, represents more than 200 years of governmental continuity and stability; a record very few modern nations can match in terms of stable government.

During all of these two centuries, the Government of Kuwait has clung tenaciously, though sometimes precariously, to autonomy. Although from time to time territorial claims have been asserted by the Turks, the Persians, and others, the rulers of the al Sabah family in Kuwait have been rulers in fact as well as name. It was indeed a threat of Turkish invasion which caused Shaikh Mubarak in 1899, to sign an agreement with the British Government whereby the British provided him with military power when needed to protect the integrity of his borders in return for his promise that he would not voluntarily cede any of his territory to any other power. And, in fact, an attempted Turkish invasion in 1900 was repulsed by British warships.

Last month, the ruler of Kuwait and the British Government, by mutual agreement, abandoned the 1899 treaty as being outmoded and no longer in line with the political realities of the present time. At the same time, they entered a new agreement whereby Britain promises to provide military assistance to protect the Government of Kuwait from invasion from without and from subversion from within when such assistance is requested by the ruler of Kuwait. The British troops presently in Kuwait are there by invitation of the ruler of Kuwait.

In 1934, the then ruler of Kuwait, Shaikh Sir Ahmad al Jabir al Sabah, granted a concession to search for and produce oil jointly to the Gulf Oil Corp. of the United States and the Anglo Persian Oil Co. of Great Britain, now known as British Petroleum Co. Oil was discovered in 1939, but due to World War II, development was postponed until the end of the war and commercial shipment did not begin until 1946. On January 29, 1950, Shaikh Ahmad died and was succeeded by his cousin, Shaikh Abdulla al Salim al Sabah, the present ruler.

Shaikh Abdulla has proved a wise and able ruler, combining great natural dignity with tolerance, foresight, and political skill. His policy is to keep on good terms with all friendly nations, and to use the oil revenues for the improvement of his country and the well-being of his people. In 1951, he inaugurated an impressive program of public works and educational and medical developments, which is quickly turning Kuwait in this respect, into one of the best planned and equipped countries in the world. But at the same time, Shaikh Abdulla is careful to uphold the teaching of Islam and to preserve Arab traditions and the old established customs and institutions of the Kuwaiti people. Shaikh Abdulla's policies and his program has directly benefited all Kuwaitis. Great wealth suddenly acquired can be politically as disturbing as the deepest poverty long continued. Perhaps the most significant tribute that can be paid to Shaikh Abdulla's administration is that he has managed by wisdom and moderation, to distribute and use this wealth for the benefit of his people and the progress of his country in such a way as to create the most stable and certainly the least troubled government in the Middle East.

The form of Shaikh Abdulla's government has been much misunderstood. Under the ruler is a council of state of 12 senior members which acts as an advisory body to the ruler. This council in turn, oversees some 22 governmental departments in addition to a construction board. Altogether, Government in Kuwait provides jobs for perhaps 2,000 individuals of greater or lesser importance. The oil payments and taxes are, of course, the main source of Kuwait's state revenues. They are paid directly into the Government treasury and the ruler takes no part of the state revenue nor do any of the members of his family other than the comparatively modest salaries paid to senior members in respect to the offices they hold as chiefs of Government departments. The income of the ruler and of the shaikhs in the Al Sabah family comes from private property, mainly consisting of land.

As a matter of governmental financial policy, Shaikh Abdulla has followed the course of putting the oil and other governmental revenues into development projects, while at the same time setting aside substantial sums for investment against a possible rainy day sometime in the future. The result has been the transformation of Kuwait and particularly of Kuwait Town, into an outstanding Middle Eastern capital, with a population of about 150,000 people.

During the last decade, almost the entire city of Kuwait has been torn down and replaced by modern structures. A harbor, modern in concept and equipment, has been created at a cost of $23 million. A sea-water distillation plant to provide drinking water, has come to be the largest in the world, converting 1 million gallons of sea water into drinking water daily. A total of 70,000 kilowatts of electrical generating capacity has been created, together with the necessary wiring and installations to provide Kuwait's streets and homes with modern electrical illumination. Seventy-six state schools have been built, some of them among the most modern and beautiful in the world, and as of 1958, there were 31,000 pupils in these schools; 11,000 of them girls. In addition, the Kuwaiti Government provides students who pass the secondary school level with scholarships abroad for further study in Egyptian, Lebanese, British, or United States universities. Today, some 600 Kuwaitis are studying in universities outside of Kuwait, mostly in the United Kingdom and the United States. Kuwait has also acquired one of the most modern, absolutely free, medical services available anywhere in the world. Presently, there are two general hospitals, a tuberculosis sanitarium, and a mental hospital in operation and more hospitals are planned. These are supplemented by 21 state clinics with emergency beds in outlying villages. More than 300 miles of paved roads have been constructed; asphalt roads with traffic circles laid out according to the most modern schemes of traffic planning.

These are but some of the many projects that have been carried out or initiated within the last decade. Along with these projects, the Government of Kuwait has adhered to policies which encourage private enterprise in commerce, industry, and all forms of trade. Kuwaitis have been progressively trained to take all kinds of employment in all fields, from skilled labor to the management of complex enterprises. There also has been an influx of workers from surrounding countries, such as Egypt, Iraq, Lebanon, and of Palestinian Arabs. Kuwaiti citizenship is available to those who seek it. Kuwaiti land is available to those who want it.

Kuwait, the stable and progressive sheikdom on the Persian Gulf, has become a modern example of human progress, material prosperity, and political stability. To allow this friend of the United States and Britain now to be usurped and pillaged by any of its less advanced neighbors would be an international crime against the human spirit of freedom, independence, and self-serving responsibility.

The price of progress and stability in the free world must not be permitted to be envy and destruction. The United States must make plain its stands as a friend to preserve the integrity of small nations such as Kuwait, and for peace and progress for Kuwait's people under the United Nation's Charter.

Good wishes and continued success to our good friends in Kuwait and thanks for the good welcome and friendly relations with our U.S. Government and American business people, and visitors.

SENATE

THURSDAY, JUNE 29, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, we thank Thee for the new day bathed in the splendor of June, and for the fragrance and tint of the tiniest flower; for the mystic beauty of lights and shadows weaving patterns of glory across the verdant fields and templed hills. Through it all, and in the laughter and tears of our fellow pilgrims, and in the silent places of our own souls, tune our hearts to hear Thy accents, that we may know we do not walk alone.

Bring to us the vivid consciousness that in all the misery and woe of the earth which is our home, Thy voice to us is calling.

Deliver us from the folly of coming to Thee with empty words burdened with no agony of desire for the coming of Thy radiant kingdom of good will.

So undergird the lives of Thy servants here in the ministry of public affairs that they may make decisions as in Thy sight, and, walking on the high levels of noble purposes, with kindling sympathies as wide as human needs, may in all things quit them like men.

In the Redeemer's blessed name we pray. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 28, 1961, was dispensed with.

ENROLLED BILLS SIGNED

The PRESIDENT pro tempore announced that on today, June 29, 1961, he signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H.R. 4500. An act to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.;

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act; and

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, June 29, 1961, the President had approved and signed the bill (S. 2113) to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, withdrawing the nomination of Frank D. Reeves, of the District of Columbia, to be a Commissioner of the District of Columbia, which nominating messages were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes.

The message also announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 7851. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes;

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H.R. 5723. An act to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program;

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act; and

S.J. Res. 106. Joint resolution transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes.

HOUSE BILL AND JOINT RESOLUTIONS REFERRED

The following bill and joint resolutions were severally read twice by their titles and referred as indicated:

H.R. 7851. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1962, and for other purposes; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes; to the Committee on Appropriations.

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes; to the Committee on Rules and Administration.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Constitutional Amendments Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting a draft of proposed legislation to establish a U.S. Disarmament Agency for World Peace and Security, which, with the accompanying papers, was referred to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 866. An act to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals (Rept. No. 491);

H.R. 2953. An act to amend section 521 of title 38, United States Code, to provide that certain service shall be creditable for pension purposes (Rept. No. 490);

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions (Rept. No. 482);

H.R. 4539. An act to amend section 723 of title 38 of the United States Code to provide for immediate payment of dividends on in-

surance heretofore issued under section 621 of the National Service Life Insurance Act of 1940 which has been converted or exchanged for new insurance under such section, and for other purposes (Rept. No. 489);

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date (Rept. No. 492); and

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial (Rept. No. 493).

By Mr. BYRD of Virginia, from the Committee on Finance, with amendments:

H.R. 6611. An act to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes (Rept. No. 483).

By Mr. HAYDEN, from the Committee on Appropriations, without amendment:

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service, with an amendment:

S. 1458. A bill to amend the act of July 8, 1940, relating to the transportation of the remains, families, and effects of Federal employees dying abroad, so as to restore the benefits of such act to employees dying in Alaska and Hawaii, and for other purposes (Rept. No. 484).

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, without amendment:

S. 841. A bill to amend the Defense Department Oversea Teachers Pay and Personnel Practices Act, and for other purposes (Rept. No. 485).

By Mr. CLARK, from the Committee on Post Office and Civil Service, with amendments:

S. 739. A bill to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund, to provide for permanent indefinite appropriation to said fund, and for other purposes (Rept. No. 497).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

S. 1087. A bill to authorize and direct the transfer of certain Federal property to the government of American Samoa (Rept. No. 486).

By Mrs. SMITH of Maine, from the Committee on Armed Services, without amendment:

H.R. 4349. An act to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates (Rept. No. 496).

By Mr. KERR, from the Committee on Public Works, without amendment:

S. 931. A bill to repeal that part of the act of March 2, 1889, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications, and evidences of title (Rept. No. 487).

By Mr. KERR, from the Committee on Public Works, with amendments:

S. 51. A bill to provide for a Commission on Presidential Office Space (Rept. No. 488).

By Mr. KEATING, from the Committee on the Judiciary, without amendment:

H.R. 4206. An act for the relief of Melvin H. Baker and Frances V. Baker (Rept. No. 495).

By Mr. ENGLE, from the Committee on Commerce, with amendments:

S. 1690. A bill to amend title VI of the Merchant Marine Act, 1936, as amended, in order to increase certain limitations in payments on account of operating-differential subsidy under such title (Rept. No. 494).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Vice Adm. George W. Anderson, U.S. Navy, to be Chief of Naval Operations in the Department of the Navy, with the rank of admiral; and

Charles S. Brewton, of Alabama, to be an Assistant Director of the Office of Civil and Defense Mobilization.

By Mr. SYMINGTON, from the Committee on Armed Services:

Gen. Frank F. Everest (major general, Regular Air Force), U.S. Air Force, and sundry other officers, to be placed on the retired list.

By Mr. ERVIN, from the Committee on Armed Services:

Lt. Gen. Joseph C. Burger, U.S. Marine Corps, to be placed on the retired list with the grade of lieutenant general;

Rear Adm. Floyd B. Schultz, U.S. Navy, for permanent appointment to the grade of rear admiral;

Rear Adm. Emerson E. Fawkes, U.S. Navy, for permanent appointment to the grade of rear admiral;

Adm. Arleigh A. Burke, U.S. Navy, to be placed on the retired list in the grade of admiral; and

Gen. Clyde Davis Eddleman, Army of the United States (major general, U.S. Army), and Gen. Charles Day Palmer, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of general; Lt. Gen. Harry Purnell Storke, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of lieutenant general; and Maj. Gen. Hamilton Hawkins Howze, Army of the United States (brigadier general, U.S. Army), to be assigned to a position of importance and responsibility designated by the President, in the rank of lieutenant general

Mr. CANNON. Mr. President, from the Committee on Armed Services, I report favorably the nominations of 567 officers for appointment and promotion in the Navy and Marine Corps in the grades of commander and lieutenant colonel and below. All of these names have already appeared in the RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk, for the information of any Senator.

The PRESIDING OFFICER. The report will be received, and the nominations will lie on the desk, as requested by the Senator from Nevada.

The nominations are as follows:

Kenneth D. Brodeur, midshipman (Naval Academy), and sundry other officers, for appointment and promotion in the Navy and Marine Corps.

By Mr. HILL, from the Committee on Labor and Public Welfare:

Carl I. Pirkle, and sundry other candidates, for personnel action in the Regular Corps of the Public Health Service.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. KEATING:

S. 2168. A bill to extend the date of termination of the provisions of the law authorizing issuance of special nonquota immigrant visas to certain alien orphans; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Hawaii:

S. 2169. A bill for the relief of Teck S. Lian, M.D.; to the Committee on the Judiciary.

By Mr. BARTLETT (for Mr. BURDICK):

S. 2170. A bill for the relief of Dr. John Wing Wong; to the Committee on the Judiciary.

By Mr. SCHOEPPEL:

S. 2171. A bill to amend the Federal Aviation Act of 1958 in order to establish certain requirements with respect to foreign air carrier permits; to the Committee on Commerce.

(See the remarks of Mr. SCHOEPPEL when he introduced the above bill, which appear under a separate heading.)

By Mr. MOSS:

S. 2172. A bill to clarify the intent of Congress in the act of September 2, 1958, relating to exchange of lands between the United States and the Navajo Tribe; to the Committee on Interior and Insular Affairs.

By Mr. McCARTHY (for himself and Mr. HUMPHREY):

S. 2173. A bill to provide that excess personal property of the United States may be donated to the States for the promotion of fish and wildlife management activities, and for other purposes; to the Committee on Government Operations.

By Mr. BUTLER:

S. 2174. A bill for the relief of Constantine Kiormourtlaglou; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2175. A bill to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. BRIDGES (for himself, Mr. BEALL, Mr. BENNETT, Mr. BOGGS, Mr. BUTLER, Mr. CARLSON, Mr. COTTON, Mr. CURTIS, Mr. DIRKSEN, Mr. DWORSHAK, Mr. HICKENLOOPER, Mr. KERR, Mr. MUNDT, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. THURMOND, Mr. TOWER, and Mr. WILLIAMS of Delaware):

S. 2176. A bill to provide for the inclusion of certain producers and growers of raw materials as interested parties in escape clause proceedings under the Trade Agreements Extension Act of 1951, to make mandatory the recommendations of the U.S. Tariff Commission in such proceedings, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. BRIDGES when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota:

S. 2177. A bill for the relief of Howard M. Sauer, commander, U.S. Navy Reserve; to the Committee on the Judiciary.

By Mr. SCHOEPPEL:

S. 2178. A bill for the relief of Eventhia K. Perdaris; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2179. A bill to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY (for himself, Mr. SPARKMAN, Mr. WILEY, Mr. HART, Mr. CLARK, Mr. ANDERSON, Mr. COOPER, Mr. RANDOLPH, and Mr. MCGEE):

S. 2180. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Government Operations.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. McNAMARA:

S. 2181. A bill to assist individuals to obtain retirement benefits protected against increases in the cost of living by providing for the issuance by the Treasury of a new series of bonds containing adjustments, under certain conditions, in maturity and redemption values to compensate for increases in the cost of living which may be purchased by individuals and eligible institutions; to the Committee on Finance.

(See the remarks of Mr. MCNAMARA when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING:

S. 2182. A bill to amend title 18, United States Code, to prohibit schemes in interstate or foreign commerce to influence by bribery the outcome of sporting contests, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. CHURCH (by request):

S. 2183. A bill to donate to certain Indian tribes some submarginal lands of the United States, and to make such lands parts of the reservations involved; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Massachusetts:

S. 2184. A bill for the relief of Mrs. Heghine Tomassian; and

S. 2185. A bill for the relief of Dr. Shiro Shimosato; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2186. A bill for the relief of Manuel Arranz Rodriguez; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2187. A bill to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT:

S. 2188. A bill relating to membership in Indian tribal organizations; to the Committee on Interior and Insular Affairs.

By Mr. KEATING:

S. 2189. A bill to establish an Office of Federal Administrative Practice and to provide for the appointment and administration of a corps of Hearing Commissioners, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. PELL (for himself and Mr. PASTORE):

S. 2190. A bill to authorize and direct the Secretary of the Navy to convey a portion of Fort Adams, Newport, R.I., to the State of Rhode Island; to the Committee on Armed Services.

By Mr. CASE of South Dakota:

S. 2191. A bill to provide for safety belts on motor vehicles sold in interstate commerce; to the Committee on Commerce.

By Mr. SMITH of Massachusetts:

S. 2192. A bill for the relief of Maria Pimento de Sousa Vieira; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 2193. A bill to authorize the Secretary of the Army to convey the U.S.S. *Mississippi* to the State of Illinois in order that such steamer may be preserved by such State for its historical value; to the Committee on Public Works.

(See the remarks of Mr. DIRKSEN when he introduced the above bill, which appear under a separate heading.)

By Mr. LONG of Louisiana:

S.J. Res. 112. Joint resolution authorizing the President of the United States to designate the third week in September annually as National Women in Construction Week; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S.J. Res. 113. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on the Judiciary.

RESOLUTION

SUGGESTED FORMS FOR CERTIFICATES OF APPOINTMENT OR ELECTION OF SENATORS

Mr. MANSFIELD submitted the following resolution (S. Res. 170); which was referred to the Committee on Rules and Administration:

Resolved, That Senate Resolution 110, suggesting suitable forms for certificates of appointment or election of Senators, agreed to on January 4, 1934, be, and the same is hereby, amended to read:

"Resolved, That, in the opinion of the Senate, the following are convenient and sufficient forms of the certificates of election of a Senator for a six-year term or an unexpired term, or for the appointment of a Senator to fill a vacancy, to be signed by the executive of any State in pursuance of the Constitution and the statutes of the United States:

" 'CERTIFICATE OF ELECTION FOR SIX-YEAR TERM

" 'TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

" 'This is to certify that on the — day of ———, 19—, A——— B——— was duly chosen by the qualified electors of the State of ——— a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 3d day of January, 19—.

" 'Witness: His excellency our Governor, ———, and our seal hereto affixed at —— this —— day of ——, in the year of our Lord 19—.

" 'By the Governor:

" 'C——— D———,
" 'Governor.

" 'E——— F———,
" 'Secretary of State.'

" 'CERTIFICATE OF ELECTION FOR UNEXPIRED TERM

" 'TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

" 'This is to certify that on the ——— day of ———, 19—, A——— B——— was duly chosen by the qualified electors of the State of ——— a Senator for the unexpired term ending at noon on the 3d day of January, 19—, to fill the vacancy in the representation from said State in the Senate of the United States caused by the ——— of C——— D———.

" 'Witness: His excellency our Governor, and our seal hereto affixed at ——— this ——— day of ———, in the year of our Lord 19—.

" 'By the Governor:

" 'E——— F———,
" 'Governor.

" 'G——— H———,
" 'Secretary of State.'

" 'CERTIFICATE OF APPOINTMENT

" 'TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

" 'This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of ———, I, A——— B———, the governor of said State, do hereby appoint C——— D——— a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the ——— of E——— F———, is filled by election as provided by law.

" 'Witness: His excellency our Governor, ———, and our seal hereto affixed at ——— this ——— day of ———, in the year of our Lord 19—.

" 'By the Governor:

" 'G——— H———,
" 'Governor.

" 'I——— J———,
" 'Secretary of State.'

"Resolved, That the Secretary of Senate shall send copies of these suggested forms and these resolutions to the executive and secretary of each State wherein an election is about to take place or an appointment is to be made in season that they may use such forms if they see fit."

EXTENSION OF ALIEN ORPHAN ADOPTION PROGRAM

Mr. KEATING. Mr. President, tomorrow the present alien orphan adoption program may come to an end unless there is action by the Congress to extend this 13-year-old legislation. This legislation exemplifies in the finest manner the charitable and humanitarian instincts of this great Nation. This is especially true at a time when the world faces considerable turmoil and friction among international powers. It is fitting that the Congress should pause to conside the unfortunate children of the world who oftentimes are the innocent victims of this struggle.

Several bills dealing with this vital program have been introduced by Members of this body. The distinguished junior Senator from Oregon [Mrs. NEUBERGER] has shown her interest by proposing legislation which would extend the program for a 3-year period. The distinguished minority leader has also introduced proposed legislation extending the provisions of this act. The distinguished senior Senator from Wisconsin [Mr. WILEY], along with my colleague from New York [Mr. JAVITS] and myself, has sponsored a bill to extend indefinitely the provisions of this law, in a somewhat modified form. However, to date no action has been taken on any of these proposals, and no hearings have been scheduled to examine the merits of this proposed legislation.

The full meaning of this inaction on our part is vividly displayed in letters and telegrams on this subject which I receive daily from Americans throughout the United States. In a joint telegram to me, the Church World Service,

the Lutheran Immigration Service, the Catholic Relief Services, the American Fund for Czechoslovak Refugees, the United H.I.A.S. Service, and the International Rescue Committee have urged the Congress to make the alien orphan legislation permanent.

A lady from Corning, N.Y., says:

> When the alien orphan bill comes up for extension, I urge you please vote in favor of it. I feel this is a very direct way that we, as individuals, can help to combat communism.

Another lady from Webster, N.Y., has sent me a picture of her adopted Korean child, taken on Christmas morning. On the picture she states:

> Alan's greatest gift was a home in America where he can develop to the limit of his potential.

There are scores of other letters that I have received on this heartening subject. The mail I have received on this issue is as warm, tender, and moving as any mail I have received in my office on any other subject. This law has become a symbol of America's faith in the young, the poor, the downtrodden children from around the world. It is a soul-satisfying program, which, to an extent, is the fulfillment of the most noble spiritual instincts in the American people.

Tomorrow the program will lapse. With its lapse go the hopes of a poor waif in Italy, of a parentless child in Greece, of a starving, abandoned orphan in Korea, of a homeless child in Hong Kong, and also the hopes of a multitude of Americans who are in the middle of the adoption process. Many tears will be shed tomorrow if this program comes to an end because of the failure of Congress to act on this legislation.

I believe with all my heart in the grand purpose of this program, and that is why I have supported legislation which would indefinitely extend the alien orphan adoption program.

My concern today, however, is not in regard to the form in which the alien orphan adoption program is continued, but is whether the program will be continued at all. I am sure that is the concern that is being expressed by thousands of people all over this country.

Some are proposing that we abandon the alien orphan adoption program in favor of paroling these children into the United States under section 212(D)(5) of the Immigration and Nationality Act. Under this provision—

> The Attorney General may in his discretion parole into the United States temporarily under such conditions as he may prescribe for emergent reasons or for reasons deemed strictly in the public interest any alien applying for admission to the United States.

This was the section used by President Eisenhower in paroling the Hungarian refugees into the United States at the end of the Hungarian uprising. But orphaned children should not be treated like political refugees. The status of parolees under this section would be indefinite, and it would take several years before an adjustment of status to that of a permanent resident could be achieved. I do not believe that small children coming to the United States to be adopted by our fellow Americans should be subjected to a parole status and the other restrictions applicable to ordinary aliens.

Mr. President, we are dealing with children who are without families, and are too young to take care of themselves. Their welfare must be uppermost in our minds as we attempt to continue this humanitarian law. We should examine ways of improving the law; but, foremost, we must demonstrate our unflagging confidence in its fundamental objective—namely, giving to parentless children around the world an opportunity to enter the homes of American couples. To all of us with children and grandchildren, there is nothing more pleasing to the heart than the warmth provided by the smile of a happy child. Through the continuation of this law, it is hoped that many American couples will realize that joy, and that many brokenhearted children will smile again.

Mr. President, I introduce for appropriate reference, a bill to extend the alien orphan adoption law for 2 years, and ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER (Mr. JORDAN in the chair). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2168) to extend the date termination of the provisions of law authorizing issuance of special nonquota immigrant visas to certain alien orphans, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 4 of the Act entitled "An Act to amend the Immigration and Nationality Act, and for other purposes," approved September 11, 1957 (71 Stat. 639), providing temporary authority for issuance of nonquota visas to certain "eligible orphans" adopted or to be adopted by United States citizens (and their spouses), is amended by striking "June 30, 1961", and inserting in lieu thereof "June 30, 1963."

REQUIREMENTS WITH RESPECT TO FOREIGN AIR CARRIER PERMITS

Mr. SCHOEPPEL. Mr. President, it has become increasingly obvious in recent months and weeks that our country's policies with respect to international air transportation need a thoroughgoing reexamination—a new look.

The pages of the press, particularly the aviation trade press, are filled with stories about the problems of international and foreign air carriers; complaints about violations of agreements; disputes among negotiators; and a host of similar situations.

There is no need for me to go into this situation in detail. The junior Senator from New Hampshire [Mr. COTTON] graphically outlined the whole picture in his remarks to the Senate earlier this week, which appear on page 11274 of the CONGRESSIONAL RECORD for June 26. Senator COTTON proposed that the Senate Committee on Commerce undertake a comprehensive inquiry into international air transportation, and I fully agree with him on this.

As he pointed out, our policies with respect to international air transportation are based on the principles embodied in the Bermuda negotiations of 1947. There is a grave question as to whether they are applicable to the problems of 1961. As Chairman Alan Boyd, of the Civil Aeronautics Board, recently pointed out:

> The Bermuda principles are subject to serious criticism today, and it is questionable in our minds whether we can hold on to these principles.

The Bermuda principles are the basic foundations for our negotiations with other countries over international airline traffic rights, and these negotiations, when successful, result in an international agreement. As far as this country is concerned, the product of such bilateral talks are executive agreements. They do not come to the Senate for ratification. They do not come to the Congress for any consideration or review. However, these agreements have the status of treaties in a number of foreign countries and require the approval of their parliaments.

To correct this situation, I introduce, for appropriate reference, a bill to amend the Federal Aviation Act so as, in effect, to require that international air agreements hereafter negotiated be sent to the Senate for ratification as treaties.

The bill will elevate these agreements, and the negotiations leading up to them, to the stature they deserve in the light of our extensive international air transport interests. It will give our negotiators the same firm footing and legislative backing that their counterparts in other countries of the world already possess.

Furthermore, there is good reason to believe that some of the previous agreements have given foreign airlines traffic rights which are many times more valuable than those obtained for U.S. air carriers. Submission of these agreements to the Senate as treaties will provide a check on this—a proper forum for evaluating their effect on our international airline industry and on our overall foreign policy.

The proposed legislation is simple and straightforward. It provides that before the CAB can issue a permit for a foreign air carrier to engage in foreign air transportation it must find that the permit is authorized by a previous agreement or by a treaty entered into hereafter.

I introduce the bill for appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2171) to amend the Federal Aviation Act of 1958 in order to

establish certain requirements with respect to foreign air carriers permits, introduced by Mr. SCHOEPPEL, was received, read twice by its title, and referred to the Committee on Commerce.

LAND ACQUISITION FOR MIGRATORY BIRD REFUGES

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill to provide for the acceleration of the land acquisition program for the migratory bird refuges and waterfowl nesting areas.

The passage of this bill is a critical factor in the preservation of our duck population. Originally there were some 127 million acres of wetlands in the 48 contiguous States. By 1955 the demands of modern civilization for more agricultural lands, more industrial sites, more roads, and more housing developments had reduced the total area to 74 million acres.

This year Frank Briggs, Assistant Secretary of the Interior, estimates that only 22.5 million acres—less than a third of the 1955 area—is of significant value for migratory waterfowl use. This progressive shrinkage will accelerate during the coming decade unless the Congress takes drastic measures to halt it.

This bill authorizes the appropriation of $150 million over the next 10 years to speed up purchase of lands for migratory waterfowl refuges. Although the Government has acquired a certain amount of land already with revenues from the duck stamp fees contributed by the duck hunters themselves, the program has been too limited. It would take years at the present rate to reach the anticipated goal of 4.5 million acres.

Meanwhile, waterfowl hunting grows poorer, and fewer hunters take to the fields. As a result, duck stamp sales are declining. In 1960 the sales were two-thirds of the 1955 total. As revenues diminish, so do the possibilities for Federal acquisition of lands and the preservation of our waterfowl population.

The funds as provided in this bill shall be repaid to the Treasury—beginning in 1972. The revenue from the sale of Migratory Bird Stamps will continue to be used for the purchase of wetlands until fiscal year 1972. In 1972 three-quarters of the stamp revenues will be returned to the Treasury each year until the total amount is paid. By creating the wetlands, we shall also be creating the means to repay the funds advanced to the migratory bird conservation fund.

The National Wildlife Federation in its 25th annual convention this year placed the acquisition of waterfowl nesting areas by the Federal Government first on its list of objectives of major importance to conservation.

This proposal, Mr. President, has been approved by the Department of the Interior and the Bureau of the Budget advises that it is in accord with the program of the President.

I am hopeful that this legislation will receive the prompt consideration of the Senate and that before this Congress adjourns this bill will be enacted into law.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2175) to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Commerce.

AMENDMENT OF RECLAMATION PROJECT ACT OF 1939, TO MAKE ADDITIONAL PROVISION FOR IRRIGATION BLOCKS

Mr. ANDERSON. Mr. President, at the request of the Secretary of the Interior, I introduce for appropriate reference a bill to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes.

I ask unanimous consent that the letter of transmittal from the Secretary be included at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2179) to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes, introduced by Mr. ANDERSON, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. ANDERSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 9, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes.

We request that the proposed bill be referred to the appropriate committee for consideration and we recommend that the bill be enacted.

This bill would authorize the Secretary of the Interior to amend repayment contracts with irrigation districts to provide for block development where that was not initially provided for, to extend the length of development periods to a total of not more than 10 years, and to cancel supplemental repayment contracts in those cases where the extending of the development period would do away with the necessity of the supplemental contract.

Section 1 of the proposed bill would authorize the Secretary, where irrigation blocks were not provided for in an existing repayment contract, to amend the contract to provide for such block development. Experience with repayment contracts during the past 20 years has indicated the need for authority to amend contracts from time to time to provide for irrigation blocks. Section 9(d) of the Reclamation Project Act of 1939 authorizes the Secretary to include provisions in repayment contracts for the establishment of irrigation blocks within an irrigation district. Block development permits irrigation to get started earlier in part of a district as soon as progress with construction will permit, while construction proceeds elsewhere on district works.

In some cases a repayment contract may be executed some 5 to 15 years before water becomes available for district lands. In many instances, repayment contracts have been executed without providing for irrigation blocks. While the original intent may have been to initiate irrigation water deliveries for all lands substantially at the same time, subsequent events have sometimes indicated the desirability of changing over to block development. Some of these reasons include unanticipated changes in availability of Federal funds for construction, variations in rate of progress with actual construction, and variations in actual weather conditions which justify revision in construction programs. Thus, variations in national budgetary requirements unrelated to the actual construction program for a specific irrigation district may significantly alter the construction program of irrigation facilities designed to serve a specific district. Section 1 of the proposed bill would authorize the Secretary to amend repayment contracts to take account of these subsequent developments insofar as block development is concerned.

Section 2 of the proposed bill would authorize the Secretary, where a development period of less than 10 years has been established by contract pursuant to section 9(d)(1) of the Reclamation Project Act of 1939, to amend the repayment contract to extend the length of the development period but not beyond a total of 10 years. Where the development period was established pursuant to a notice specified in a repayment contract, the Secretary would also be authorized to amend said notice to extend the length of the development period in a similar manner. Under the provisions of the draft bill, the Secretary could also grant a development period of not to exceed 10 years where none had been granted originally. Such action could be taken more than once with respect to a repayment contract so long as the total period does not exceed 10 years. The authority could be exercised only after execution of the repayment contract and prior to commencement of the repayment period on the basis of pertinent conditions arising since the previous action with respect to the development period. The draft bill is general in scope and would apply to all appropriate irrigation projects.

The need for additional general legislation can best be understood in terms of the purposes served by a development period. Existing reclamation law provides that the Secretary, in establishing the terms for repayment contract, may establish a so-called development period of not to exceed 10 years, which period precedes the project repayment period. The purpose of the development period is to give project farmers a reasonable period of time to prepare their lands for irrigation, establish suitable crops, and accomplish reasonably full farm productivity before beginning repayment of project construction costs to the United States. The early years of irrigation normally require heavy private expenditures and investments by the irrigator. The necessity for these higher private costs in the early years of irrigation is recognized in the provision of reclamation law that the irrigators will pay operation and maintenance costs only and nothing on construction costs during the development period.

In actual practice, the exact length of the development period is fixed by the Secretary, under existing reclamation law, at the time the repayment contract is approved for execution on behalf of the water users' organization. The policy of requiring executed

as I said before, and expressed our criticism of the amendment; not of the objective of the amendment, but of the terms of the amendment, which specifically named the nations involved and which also would deprive the President of any discretion, an authority the President has had in the past, as he has under the present law.

In order that this may be clear, without any question, Mr. President, I ask unanimous consent to have printed in the RECORD a statement of the position of the executive branch, which I hold in my hand. It is rather long. I do not think it adds anything to what I have already said. I shall read only a sentence or two, but I am willing to read the remainder, if any Senator wishes to have me do so.

The executive branch strongly opposes the amendment as being inconsistent with both the President's program and the Senate's own policy in this matter.

First, the amendment would be contrary to a critical part of the President's program as outlined in his state of the Union address of January 30, 1961.

The last sentence is:

The executive branch is at a loss to understand what conditions would now warrant a repudiation of the President's program and the Senate's recorded policy on this important question.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PROHIBITION ON ASSISTANCE TO SINO-SOVIET BLOC

EXECUTIVE BRANCH POSITION

The executive branch strongly opposes the amendment as being inconsistent with both the President's program and the Senate's own policy on this matter.

First, the amendment would be contrary to a critical part of the President's program as outlined in his state of the Union address of January 30, 1961. In that address, he stated:

"Finally, while our attention is centered on the development of the non-Communist world, we must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples. In order to help reestablish historic ties of friendship, I am asking Congress for increased discretion to use economic tools in the area wherever this is found to be clearly in the national interest."

The amendment would, for the first time since the inception of the foreign aid program, impose an absolute prohibition on the furnishing of assistance to the satellite countries at the very time that the President has made a special plea for increased authority.

Second, the amendment would be at variance with the Senate's passage of S. 1215 on May 11, 1961. That bill amends the Battle Act so as to permit the President, upon a finding that it is important to the national security, to use authorities not only under the Foreign Aid Act but also under Public Law 480 and the Export-Import Bank Act to furnish nonmilitary assistance to satellite countries. In passing S. 1215, the Senate clearly recognized the need for discretionary authority in the President to respond to situations in these areas.

The executive branch is at a loss to understand what conditions would now warrant a repudiation of the President's program and the Senate's recorded policy on this important question.

Mr. FULBRIGHT. Mr. President, I do not think there is any question about the attitude of the administration. I can only reiterate what I have said with regard to the position of the senior Senator from Connecticut. It has been stated very clearly by the Senator from Kentucky, who has had experience in the executive branch under the previous administration. These things are not all black and white. They are fluid. They shift. That is why the Executive must have discretion.

Once we take the action proposed, if it is in the law there will no longer be any discretion for any kind of a change which may take place. Certainly we have witnessed many dramatic changes in the last several years. The Senator from Oklahoma made it very clear why it is quite possible that some of the countries the Senator from Utah mentioned could easily fall within the criteria proposed to be established by the amendment of the Senator from Connecticut. It could change in that direction. It also could change in the opposite direction. We hope it may change. We hope the situation will be clarified.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. Do I correctly understand the Chairman's position to be that he favors the amendment offered by the senior Senator from Connecticut over that offered by the junior Senator from Connecticut; and, second, if the amendment is adopted, he favors writing it into the bill?

Mr. FULBRIGHT. I do. I shall not only support the amendment, but I shall support the amendment as proposed to be amended by the amendment of the senior Senator from Connecticut.

Mr. SALTONSTALL. Is there not another objection to the amendment offered by the junior Senator from Connecticut, that it includes the whole of section 614, instead of section 614(c)?

Mr. FULBRIGHT. I think both of those objections are valid objections, as outlined by the senior Senator from Connecticut.

Mr. ROBERTSON. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield for a question.

Mr. ROBERTSON. If the Bush amendment is agreed to, the Senate then will vote on the original amendment as amended by the Bush amendment?

Mr. FULBRIGHT. As amended. That is true. I expect to support that amendment, if the Bush amendment is agreed to.

Mr. ROBERTSON. If the Bush amendment is rejected, the Senate will then vote on the Dodd amendment?

Mr. FULBRIGHT. Then the Senate would vote on the Dodd amendment.

Mr. SALTONSTALL. The Senator is opposed to the Dodd amendment?

Mr. FULBRIGHT. I am not opposed to the objective of the amendment. I am strongly opposed to the method used. I shall vote against that amendment if the Bush amendment is rejected.

Mr. DODD. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. DODD. I wish to be sure I understand. I was not able to hear fully what the Senator from Arkansas said.

If the Bush amendment is agreed to, thereafter will this body have an opportunity to vote on the Dodd amendment?

Mr. FULBRIGHT. Only as amended.

Mr. DODD. As amended?

Mr. FULBRIGHT. That is correct; only as amended.

The PRESIDING OFFICER. The Senate would then vote on the Dodd amendment as amended by the Bush amendment.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUNDT. Is the Senator from South Dakota correct in stating that if the Bush amendment is agreed to, the Dodd amendment would be eliminated, because the Bush amendment is an amendment in the nature of a substitute?

Mr. DODD. Mr. President, that is exactly my point. That is what I want to know.

The PRESIDING OFFICER. From the advice given to the Chair, it occurs to the Chair that, for all practical purposes, if the Bush amendment is agreed to, the language substituted by the Bush amendment would eliminate the language of the Dodd amendment. However, I am advised that we will still have to vote on the Dodd amendment, which would contain the language of the Bush amendment. That eliminates the language of the Dodd amendment.

Mr. DODD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DODD. In effect, then, the Senate would vote twice on the Bush amendment?

The PRESIDING OFFICER. That would be the effect.

Mr. DODD. There would then not be a rollcall vote, I assume, on the second vote.

Mr. FULBRIGHT. The yeas and nays have been ordered on both amendments.

The PRESIDING OFFICER. The yeas and nays have been ordered on both amendments. Therefore, unless unanimous consent is requested and granted to eliminate one of the yea-and-nay votes, both yea-and-nay votes will be taken.

Mr. DIRKSEN. Mr. President, how much time remains on the bill?

The PRESIDING OFFICER. Thirty minutes on the opposition side.

Mr. DIRKSEN. On the bill or on the amendment?

The PRESIDING OFFICER. On the amendment.

Mr. FULBRIGHT. The time has been yielded back by both sides on the amendment.

Mr. DIRKSEN. Mr. President, I yield myself 5 mintes on the bill.

Sometimes a postscript to history can bring a little light to the subject that is before us now. When I served in the rather humble capacity of minority whip some years ago, an almost identical question arose. The then President of the

that the parties give consideration to the formulation of amendments to the Convention at the earliest practicable date to bring about—

"(1) International uniformity in fines and penalties;

"(2) International uniformity of enforcement;

"(3) A more realistic definition of what shall constitute oil pollution;

"(4) The right of access of each contracting government to the official reports of other contracting governments filed with the bureau which relate to its own vessels; and

"(5) A more flexible arrangement for fixing the time within which contracting governments shall notify the bureau whether or not they accept an amendment."

The Committee on Foreign Relations in its favorable report to the Senate on the Convention (Exec. Rept. No. 4) noted that implementing legislation would be required and that the administration had stated the instrument of acceptance would not be deposited until such legislation had been enacted.

The provisions incorporated in the implementing bill, submitted herewith, may be summarized as follows:

Section 1 states that this "Act * * * may be cited as the 'Oil Pollution Act, 1961'."

Section 2 contains definitions of the terms used in the Act.

Section 3, which follows article III of the Convention and implements it where necessary, makes it unlawful for any person to discharge oil from a ship in certain areas on the seas.

Section 4 and 5 follow articles IV and V of the Convention, and specify a number of circumstances or exceptions under which section 3 shall not apply.

Section 6 follows the provisions of article VI of the Convention regarding imposition of penalties. Article VI requires that such penalties shall not be less than those applicable to discharge of oil within territorial waters.

Section 7 provides that the Coast Guard may, subject to 46 U.S.C. 239, suspend or revoke a license issued to the master or other licensed officer of any vessel found violating this Act or the regulations issued thereunder.

Section 8 provides administrative machinery for enforcement of the act.

Section 9 follows article IX of the Convention and provides that an oil record book in the form specified in the schedule to the act shall be carried in every ship of American registry. In addition, this section provides for a fine if any person fails to comply with the requirements imposed by or under this section.

Section 10 authorizes the promulgation of regulations for the administration of sections 3, 4, 5, 8(a), and 9.

Section 11 follows article X of the Convention and provides for inspection of oil record books on foreign vessels within the territorial jurisdiction of the United States.

Section 12 authorizes appropriations to carry out the act.

Section 13 provides that if a provision of the act is held invalid, this shall not affect the applicability and effectiveness of other provisions.

Section 14 provides that existing legislation for the control of pollution in territorial waters and the general authority of the Coast Guard to enforce U.S. laws are to continue in effect without modification.

Section 15 provides that the act shall become effective on the date of enactment or on the date of acceptance of the Convention, whichever is the later.

A similar communication is being sent to the Speaker of the House of Representatives.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the submission of the legislation for the consideration of the Congress.

Sincerely yours,

DEAN RUSK.

THE STEAMER "MISSISSIPPI"

Mr. DIRKSEN. Mr. President, I introduce, for appropriate reference, a bill to authorize the Secretary of the Army to convey the steamer *Mississippi* to the State of Illinois in order to preserve it as a part of a river museum established at Cairo Point-Port Defiance State Park, situated at the confluence of the Mississippi River and the Ohio River at Cairo, Ill.

This park was dedicated about a year ago and is now in the final stages of development as one of the major tourist and recreational spots in the great land of Lincoln. Already a unique three-story building, patterned after a river boat in general design has been constructed as a part of the river museum.

With its natural, unmatched and geographic location no other site in the United States can compete with the Cairo Point-Fort Defiance State Park as a natural and logical monument to retire the historic steamer *Mississippi*.

Furthermore, officials of Southern Illinois University have expressed interest in establishing a cultural and musical center in this area, including special programs in river-transportation training.

At this point in the RECORD, Mr. President, I ask unanimous consent to have included as a part of my remarks a communication from the Illinois State Historical Society concerning this proposal.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2193) to authorize the Secretary of the Army to convey the U.S. steamer *Mississippi* to the State of Illinois in order that such steamer may be preserved by such State for its historical value, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Public Works.

The letter presented by Mr. DIRKSEN is as follows:

ILLINOIS STATE HISTORICAL SOCIETY,
Springfield, Ill., May 9, 1961.

The Honorable EVERETT MCKINLEY DIRKSEN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR DIRKSEN: The board of directors of the Illinois State Historical Society at its spring meeting held in Cairo, Ill., on April 23, 1961, directed me to write to you concerning the *Mississippi*, a boat that is now the property of the U.S. Corps of Engineers.

The *Mississippi* is soon to be replaced by a new boat and will thus become surplus Government property. The Cairo Historical Association would like to have the boat converted into a museum of Mississippi River history. The old *Mississippi* would be placed on a concrete foundation in Cairo Point-Fort Defiance State Park, located at the confluence of the Ohio and Mississippi Rivers. Since the Illinois Department of Conservation has charge of the State park system, title to the *Mississippi* should be transferred to that agency.

The society's directors are aware that several Mississippi River communities also want the boat—among them St. Louis, Memphis, and New Orleans—but they believe that Illinois has the most worthwhile program for the future of the old *Mississippi*.

We, therefore, urge your support for the plan to acquire the *Mississippi* and convert it into a river museum.

Sincerely yours,

CLYDE C. WALTON.

A PROPOSED CONSTITUTIONAL AMENDMENT RELATING TO METHOD OF ELECTING PRESIDENT AND VICE PRESIDENT

Mr. KEFAUVER. Mr. President, I introduce, for appropriate reference, a joint resolution proposing an amendment to the Constitution relating to the method of electing the President and Vice President. I have previously introduced Senate Joint Resolution 17 on the same subject and it continues to be the proposal which I most favor. I feel though that there is considerable merit in the Kennedy proposal and it would greatly improve the present unsatisfactory electoral system.

The Subcommittee on Constitutional Amendments is currently holding hearings on a number of Senate joint resolutions proposing constitutional amendments on the method of electing the President. Yesterday, Mr. Nicholas deB. Katzenbach, Assistant Attorney General, Office of Legal Counsel, testified as the representative of the Department of Justice. He stated that the Department did not support any of the amendments which have been introduced in this Congress, but instead favored the amendment proposed by President Kennedy when he was a Member of the Senate in 1956. The joint resolution which I introduce today is identical to that proposed by then Senator Kennedy as Senate Joint Resolution 132 in the 85th Congress, 1st session.

I now introduce this proposed amendment so that the Senate may have before it a resolution embodying the electorial reform supported by the Department of Justice, and presumably favored by the President of the United States. I am very hopeful that some amendment on this subject will be approved at this session of the Congress, and I believe this proposal should be before the Subcommittee on Constitutional Amendments and the Committee on the Judiciary when they take up consideration of this important subject.

I ask unanimous consent that the remarks of Mr. Katzenbach before the Subcommittee on Constitutional Amendments, in support of this resolution, be printed in the RECORD following my statement.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The joint resolution (S.J. Res. 113) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, introduced by Mr. KEFAUVER, was received, read twice by its title, and

referred to the Committee on the Judiciary.

The statement presented by Mr. KEFAUVER is as follows:

STATEMENT OF MR. NICHOLAS DEB. KATZENBACH, ASSISTANT ATTORNEY GENERAL, OFFICE OF LEGAL COUNSEL, BEFORE THE SUBCOMMITTEE ON CONSTITUTIONAL AMENDMENTS, CONCERNING PLANS TO ABOLISH THE ELECTORAL COLLEGE AND TO CHANGE THE SYSTEM OF ELECTING THE PRESIDENT AND VICE PRESIDENT

Among the more important proposals to amend the Constitution are those to abolish the electoral college entirely and to alter the manner in which votes are cast by it for President and Vice President.

Although there seems to be considerable sentiment for abolishing the electoral college as being obsolete and undemocratic, there is little unanimity as to how this should be done. For example, under Senate Joint Resolution 1, the direct election plan introduced by Senator MARGARET CHASE SMITH and four other sponsors, the President and Vice President would be elected by a majority of the popular votes cast for both offices. If no person received a majority of the total number of votes cast for President, a runoff election to choose the President would be conducted 28 days thereafter. A similar provision would control upon the election of the Vice President. Senate Joint Resolution 23, introduced by Senator MANSFIELD with Senator KEATING as cosponsor, is another bill which provides for the election of candidates for President and Vice President by popular vote. Senate Joint Resolution 12 offered by Senator MUNDT and five cosponsors would retain the electoral college, but electors would be deprived of discretion to vote for anyone but the choice of the electorate. Under this so-called district plan, electors would be chosen by the voters, one for each congressional district, and in addition two for each State, so that each State would have a number of electors equal to the number of Senators and Representatives to which the State may be entitled in the Congress.

Most of the bills—Senate Joint Resolutions 2, 4, 9, 17, 28, and 48—provide for proportional division of the electoral vote, and of these several provide for election by a majority of the House of Representatives and Senate sitting in joint session if less than 40 percent of the electoral vote is cast for a candidate for the presidency or vice presidency. There are minor variations of these plans which need not be cataloged for our purposes today.

The Department of Justice does not favor any of these proposals. Instead it submits for consideration the more moderate proposal to amend the Constitution contained in Senate Joint Resolution 132 which President Kennedy introduced as Senator near the end of the 85th Congress. Senate Joint Resolution 132 is similar to most of the proposals before this subcommittee to the extent that it also contemplates abolishing the electoral college. It differs to the extent that it would retain the present system of electoral votes and the existing allocation of such votes to each State. Moreover, it would not change the present system of counting all of the electoral votes for the candidate who received the greatest number of votes in any State. It would, however, require that the electoral votes which each State is entitled to cast for President and Vice President shall be cast for the persons who in such election in that State receive the greatest number of votes for President and Vice President. Senate Joint Resolution 132 would also prevent the election of a President and Vice President from different political parties, and retain the present provision which discourages nomination of presidential and vice-presidential candidates from the same State. Finally, Senate Joint Resolution 132 provides that in the event no candidate receives a majority of the electoral vote, the election would be decided by a majority of the entire Congress sitting in a joint session, and by open rollcall vote instead of by secret ballot.

As has been indicated, unlike many of the bills before this subcommittee, Senate Joint Resolution 132 would not abolish the unit-rule method of awarding all of a State's electoral votes to the candidate who receives even the most minute plurality of the State's popular vote.

Various arguments have been advanced in favor of proportional division of electoral votes. For example, it is said that the unit-rule makes it mathematically possible for a President to be elected even though he has fewer popular votes than his leading opponent. It is also claimed that the importance of the large politically doubtful States are overemphasized, thereby giving presidential candidates from those States a definite advantage over rivals from other States in the struggle for the nomination, and diverting the attention of candidates and campaign funds to those pivotal States. Related to this argument is the further contention that the unit rule encourages the control of presidential campaigns by small, highly organized and disciplined pressure groups within the large pivotal States, with the result that disproportionate concessions must be made to them by the major parties. Another argument made by some is that States which are predominately "one-party" are perpetuated in this condition because where the outcome on a statewide basis is clear beyond doubt, the voter has little incentive to participate in the election contest. In addition, the unit rule, it is said, tends to create a landslide psychology which may distort popular sentiment and exaggerate a mandate, as for example when Landon received fully 39 percent of the popular vote in 1936, but merely 1½ percent of the electoral vote.

While some of these arguments undoubtedly have merit, they must be balanced against important considerations on the other side. The chief and overriding objection against proportional division of electoral votes is that it would encourage the development of splinter parties.

In its report of such proposals in 1957, the committee on Federal legislation of the New York County Lawyers' Association rejected the proposal that the electoral college be abolished and that in the election of the President and Vice President, each candidate shall share the votes of each State on the basis of the popular vote. Urging that the existing electoral system promoted the preservation of the two-party system, the committee noted by way of comparison that the spectacle of certain other nations which have a multiparty system is scarcely reassuring. In this connection, the committee pointed out that the proposal permitting election of the President with 40 percent of the total vote could easily lead to a three-party system because only slightly more than one-third of the vote would be necessary to elect. Also, the committee observed that this proposal would tend to invite minority candidates into a race who would take away part of the voting strength of the major parties and cut down their power. While conceding the theoretical possibility that of two candidates for President, the one with the lesser number of popular votes may receive a majority of the electoral votes, the committee concluded that on balance this was not a sufficient reason to shift the existing two-party system to the risky multiparty system.

Prof. Edward S. Corwin, a distinguished student of the Constitution, also has been skeptical of the value of proportionate representation plans, and concluded that they would do more harm than good. In his view, not only would they foster the development of minor parties, in time undermining or even destroying the two-party system, but also they would assist candidates who are extremists willing to woo particular splinters of national opinion whose support is sought. In addition, Corwin points out that the wasted-vote argument appears specious because under most of these plans 40-percent electoral vote would suffice to elect, whereas he says "the remaining 60 percent of the vote scattered among several parties, would constitute an even more serious waste."[1]

During the 1956 debates, former Senator Kennedy after a comprehensive study of proportionate voting plans summarized objections to them as follows:[2]

"The importance of State lines in presidential elections would be severely reduced; the likelihood of Presidents being elected with less popular votes than their opponent would be greatly increased; the prospects for obtaining a President with broad experience in a large State would be reduced; the over representation in the Government of the small rural areas of the country would be tremendously increased; the effective electoral strength of most States would be grossly distorted; voting interest in those States would be sharply reduced; the one-party system in other States would be greatly intensified, with incentive for fraud and additional franchise restrictions; Federal voting standards would be invited; splinter parties would be greatly encouraged; hair-breadth elections, with all of their divisive effects, would be made more frequent; the chances for victory of the Republican Party, and consequently the strength of the two-party system, would be permanently ended; and the election of a President and Vice President from different parties would again be made possible."

From a review of the debates, it seems that many Senators disagreed vigorously with many of these arguments. This is, of course, scarcely a case where anyone can say with assurance that all of the arguments are on one side. It seems to us, however, that the importance of maintaining the two-party system and the danger that lies in the development of splinter parties outweigh the alleged but uncertain advantages of proportional voting. Caution should be exercised in changing a system which is familiar and which works in exchanging the known for the unknown. For these reasons, the Department favors the more moderate plan proposed by former Senator Kennedy in Senate Joint Resolution 132 over the other measures before the subcommittee to abolish the electoral college.

There is another alternative. Pending bills S. 102 and Senate Joint Resolution 10 propose a commission to study and recommend improvements in the methods of nominating and electing the President and the Vice President. Under S. 102, the report to the Congress must be made not later than the beginning of the second regular session of the 87th Congress. Under Senate Joint Resolution 10, the report of the Commission must be made to the President and the Congress not later than 1 year after the effective date of the resolution. It may be desirable for this subcommittee to await the creation of such a commission and its report respecting the various proposals that deal with the electoral college before you take action on them.

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[1] Corwin, "The President: Office and Powers" (ed. 1957) 50–51.

[2] CONGRESSIONAL RECORD, vol. 102, pt. 4, p. 5251.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961—AMENDMENT

Mr. MILLER submitted an amendment, intended to be proposed by him, to the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges, which was ordered to lie on the table and to be printed.

AMENDMENT OF MERCHANT MARINE ACT, 1936, RELATING TO REIMBURSEMENT OF CERTAIN VESSEL CONSTRUCTION EXPENSES—AMENDMENT

Mr. WILLIAMS of Delaware submitted an amendment, intended to be proposed by him, to the bill (S. 1183) to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses, which was ordered to lie on the table and to be printed.

EMERGENCY LIVESTOCK LOANS—AMENDMENTS

Mr. MOSS submitted amendments, intended to be proposed by him, to the bill (S. 1710) to amend the Act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until July 14, 1963, and for other purposes, which were referred to the Committee on Agriculture and Forestry and ordered to be printed.

AMENDMENT OF NATURAL GAS ACT—ADDITIONAL COSPONSOR OF BILL

Mr. CARROLL. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 1946) to amend section 4(e) of the Natural Gas Act relative to hearings concerning the lawfulness of new rate schedules, the name of the Senator from Massachusetts [Mr. SMITH] be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 29, 1961, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 106) transferring the management of the Senate Restaurants to the Architect of the Capitol, and for other purposes.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD as follows:

By Mr. WILLIAMS of New Jersey:

Address by Hon. Douglas Dillon, Secretary of the Treasury, before the National Press Club, Washington, D.C., on June 20, 1961.

ED KOTERBA

Mr. MANSFIELD. Mr. President, yesterday the news reached Washington that one of our good colleagues of the fourth estate, Mr. Ed Koterba, was killed in a plane accident.

Ed Koterba was a newspaperman who could write with a sharp pen, a broad pen, or a pen in between. He could be biting; he could be considerate; but he was always fair in what he had to say.

I recall his last column—at least, it was the last one I saw. It had to do with visitors who came to the Capital of the Nation and visit the Capitol Building. What he had to say in it was, I think, quite pertinent to the existing situation, and indicated that he was not narrowminded in his concepts, but that he was aware of all things, as they affect all men.

Mr. Koterba, 42, was married to the former Dorothy Chalfant, of Waynesboro, Pa. They had one son, Ed., Jr.

Mr. Koterba joined the Waynesboro Record-Herald in 1945, and saw Army service in World War II and until 1951, when he was employed by the old Washington Times-Herald. He stayed with that newspaper after it merged with the Washington Post; but a year later he began to write a column which he sold to more than 100 newspapers.

Mr. Koterba gave that up in 1958, when he joined the Hall Syndicate. He went on a 25,000-mile tour of the United States that year, writing stories for the Hall group.

Then in January 1959 he was signed as a columnist by the United Features to replace the late Frederick Othman, another columnist. His articles appeared in the Washington Daily News and many other newspapers.

Mr. President, we all will miss Ed Koterba; and I, along with the minority leader, will miss Ed Koterba especially, because on many occasions he would be here in the front of the Senate Chamber, conversing with us and with many of his colleagues prior to the opening of the daily Senate sessions.

To his wife and family we extend our condolences and our deepest sympathies on the passing of a good husband, a good father, an outstanding reporter, and a good friend.

Mr. KEATING. Mr. President, will the distinguished Senator from Montana yield to me?

Mr. MANSFIELD. I am delighted to yield.

Mr. KEATING. I wish to say a word in tribute to Ed Koterba. I considered him one of the fairest and most even-minded journalists covering the Capital; and I wish a word of sympathy to go from me, also, to his fine family.

Mr. MANSFIELD. I thank the Senator from New York.

SELECTION OF HON. WESLEY POWELL, GOVERNOR OF NEW HAMPSHIRE, AS CHAIRMAN OF THE GOVERNORS' CONFERENCE

Mr. BRIDGES. Mr. President, I consider it a privilege to be able to rise today before my distinguished colleagues in the U.S. Senate to announce with pride the selection of the Honorable Wesley Powell, Governor of New Hampshire, as chairman of the Governors' conference. This excellent choice was made today at their meetings in Hawaii and I want first to congratulate the Governors of the 50 States for their fine selection.

Governor Powell is a young, able, energetic and dynamic leader, and I am confident his fellow chief executives will be pleased with his service as their leader during the next year.

I have a deep personal satisfaction in this event. Wesley Powell, who is known to a substantial number of my colleagues in the Senate, began his service to the people of New Hampshire and of the United States as my secretary and later, my administrative assistant. He continued for a number of years, except those years of World War II when he served overseas with distinction and valor. The Army gave him his honorable discharge and with it he came back to New Hampshire and Washington with a lifelong reminder of the terrors of war—a serious wound which he suffered during an Army aerial bombing attack.

His experience and ability in handling public affairs eventually won for him the Governorship of New Hampshire and now the chairmanship of the Governors' conference. This is a great honor.

I know that all fine citizens of my home State of New Hampshire join with me in extending warmest congratulations to Governor Powell. Also, I know, too, that there are many Members of this body, as well as their assistants, who are pleased that one of their associates has been so greatly honored.

WHERE DO WE GO FROM VIENNA?

Mr. LONG of Hawaii. Mr. President, at the 44th annual convention of Lions International, at Atlantic City, last week, Sir Leslie Munro, former New Zealand Ambassador to the United States, was generously applauded for his remarks on the subject "Where Do We Go From Vienna?"

Sir Leslie received a spontaneous demonstration from the 30,000 people at the convention when he appealed for firmness on the Berlin issue:

> How far * * * are the peoples of the United States, Britain and France ready to fight for Western Berlin? I believe they should. In my judgment, to abandon Western Berlin, whether quickly or slowly, to the Soviet, or its satellites, would be such cowardice and betrayal of principles and promises as to prove that the Western World could be no better in its performance than the shameful readiness to appease in 1938 and 1939 which led to the downfall of Czechoslovakia.

I ask unanimous consent that Sir Leslie's remarks be made part of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHERE DO WE GO FROM VIENNA?

(Address by Sir Leslie Munro, K.C.M.G., K.C.V.O., to the 44th annual convention of Lions International at Atlantic City, on June 23, 1961)

I am honored to address this great audience, representing an organization devoted, throughout the United States and indeed the free world, to fellowship, to the assistance of the needy and the sick, to good causes everywhere and, not least, to the promotion of peace through justice and strength.

On June 3, the President of this country, who has limited though great powers, and the Premier of the Soviet Union, whose powers are unlimited while he holds effective office, met in Vienna. The meeting revealed, as of course it would, an unmeeting of minds. For the philosophies of the West and the Communist world are irreconcilable. Peaceful coexistence, in Mr. Khrushchev's mind and objective, means the spread of communism throughout the world by any means. We are fools if we think otherwise.

I believe that I speak to you at the most crucial time in man's long struggle for survival. We have advanced far in Western Europe, in the Americas and in the Pacific. There are still pockets of barbarism in the 19th century sense in one or more of the continents. They matter little, save to the extent they are misused, in the solution of the great issues which confront the Western and Communist worlds.

When I speak of barbarism in the 19th century sense I speak of remote and primitive races who still live more or less immune from the impact of modern civilization.

But the great bulk of men and women, a few rich, some moderately well off, many poor and many, many more millions undernourished and badly housed, are all now living with some awareness of this almost incredible new world.

Man's new vision of the universe through his entry into space and his propulsion of satellites round the earth and beyond have startled and indeed bewildered the imagination. You will go back to the Renaissance and the discovery of America for a comparable impact upon the human mind.

But to call these events and developments of the 15th and 16th centuries comparable to our discoveries and ventures today is to minimize the vastness of our achievements, hopes, and fears in the nuclear age. In a decade our present squabbles may well be insignificant in the light of the new worlds we may enter.

A Russian in a space vehicle has orbited the earth. An American has been propelled in a rocket from his country 80 miles above the earth and has successfully descended far away in the Atlantic. These are only some and the beginning of man's achievements in outer space. To quote Jessup and Taubenfeld in their book "Controls for Outer Space," "estimates indicate the possibility that, if it is deemed important enough to justify the necessary appropriations, man may reach the Moon by 1963 or 1966 and might even send an eight-man rocket to Mars by 1970 or 1980. Soviet scientists, too, have announced plans to put men on the Moon and 'to be on the planets by 1965'." The authors estimated that at attainable speeds in 1959 a journey from the Earth to Mercury would take 110 days. You will agree with me that developments every year revolutionize our conception of speed and transit through space.

I shall not now discuss in any detail the consequences of the peaceful use of outer space. But in the realm of navigation, communications, weather forecasts and even control of weather, examination and mapping of the earth and the moon, knowledge of what is happening in every part of our own world (including nuclear explosions) it is clear that we have entered a new age.

All these developments and possibilities have military and political implications. It was long said that the power which was the master of the Bohemian mountains was the master of Europe. It is now being prophesied that the power which can land on and control the moon will be the master of the earth.

It is not, therefore, surprising that the President of this country has asked Congress for huge appropriations to enable an American aeronaut to reach the moon by 1970. He refers to the prestige alone which will be won by such an achievement. I was President of the General Assembly in 1957 when the Soviet's successful launching of a sputnik was announced. I vividly recall the effect this achievement had on the representatives of the uncommitted nations, who certainly regarded the Soviet Union as the equal if not the superior of the United States in the realm of science. Such an impression is not to be overlooked in the Assembly of the United Nations where votes are often influenced by power and prestige.

I agree that the military implications of the new mastery of space can therefore be ignored only out of naivete, blindness, or political convenience.

What, then, is the situation we face today?

First, we have a divided world, split, like Caesar's Gaul, into three parts. There is the Western World of the democracies, with some autocracies on its side, the uncommitted world, mainly of undeveloped countries having newly won their independence, and finally the Communist world, led by the Soviet Union and Communist China in uneasy partnership. This is the troika of Soviet policy, the policy of the Communist conception of divide and rule.

I would not at this stage build too much on the advantages to be derived by us from this uneasy partnership because there are compelling reasons for the Soviet Union and Communist China to stick together. Communist China stands in great need of the financial, economic and technical resources of the Soviet Union. The Soviet Union, in its present period of somewhat precarious consolidation, with comparatively empty territories on the frontiers of an overpopulated China, can ill afford a break with its huge and difficult ally. Nor can Khrushchev, practical and shrewd as he is—and never let us forget his Marxist obsessions, beneath his peasant grin—never can he afford as a Marxist to surrender the leadership of the Communist world to Mao Tse-tung who with his facile followers apparently believes that China could survive a worldwide nuclear war. If the rulers of Communist China affect to believe that they and their people of 600 million could survive so frightful a charnel, Khrushchev would seem to fear that the Soviet Union and its system would be irremediably destroyed by an atomic war.

I ask you to remember that on June 22, 1941, a little over 20 years ago today, Hitler's armies invaded Russia and Stalin, caught completely unprepared, exclaimed hysterically: "All that Lenin has created for us, we have now lost forever." When we beat our breasts, let us not forget the forebodings and mistakes of our adversaries.

Khrushchev himself has recounted the errors of Stalin. The terrible events of 1941 no doubt give Khrushchev pause, as he studies the strength of the United States and its allies 20 years after the Nazi invasion.

Of course today there are many differences from the situation of 1941, some to our credit side, some to our debit. No situation in history is ever precisely the same. Perhaps the only sure lesson of history is that we never learn from history. We should surely learn something now. Khrushchev has been just as frank as Napoleon or Hitler, although I would put Khrushchev below Napoleon. Khrushchev says that the Communist system will beat us. His predecessors in dictatorship were equally certain of success. They eventually took the plunge to achieve success. Will Khrushchev be more careful?

No man can be sure. There is first of all the effect of complete power vested in one individual. Such was the privilege of many of the Roman emperors. Historians say the privilege made many of them mad. Power corrupts and absolute power corrupts absolutely. It may well be conceded that Khrushchev has to look over his shoulders at remnants of the old Stalinist guard and then again at those of his own class younger than he and equally ambitious. He must have regard to the scholars and technicians who are the very basis of Russia's immense scientific achievements, and who must wish security for their children and their children's children.

Yet Khrushchev is taking great risks. He is probing the situation in West Berlin, demanding his own solution by the end of this year, all in the face of Anglo-American-French determination to preserve the status of the city. Khrushchev knows his advantages or the uncertainties, the same thing, of the Western allies.

How far, he must ask himself, are the peoples of the United States, Britain, and France ready to fight for West Berlin. I believe they should. In my judgment, to abandon West Berlin, whether quickly or slowly, to the Soviet, or its satellites, would be such cowardice and betrayal of principles and promises as to prove that the Western World could be no better in its performance than the shameful readiness to appease in 1938 and 1939 which led to the downfall of Czechoslovakia.

These are fateful issues. If Khrushchev in January 1962 acts through a puppet East Germany to strangle West Berlin, will the Congress of this country act to support the President in warlike measures or war itself to save the city? This is a question for you to answer. It may be asked by Britain and France. Similarly you may ask whether in such an emergency Britain and France will go to the hilt to support your country in all-out resistance to measures designed to destroy the freedom of West Berlin. Khrushchev hopes and plans for our disunity. The declaration of the leaders of the United States, the United Kingdom and France should make Khrushchev hesitate before putting all to the test over West Berlin.

It is true that he has much at stake. The city is wholly within the Soviet puppet state of East Germany. But it is a showplace for the West, owing much to this country and exemplyfing the drive and prosperity of capitalism. West Berlin is a city of light, efficiency and freedom confronting the drabness and uniformity of East Berlin, and a place of refuge for those constantly fleeing from the dreariness and repression of the so-called People's Republic of Germany. It is intolerable for Khrushchev to contemplate the continuance of West Berlin as a spiritual and economic part of Western Europe but nevertheless within the physical circle of the Communist world. He must find such a situation utterly incompatible with his schemes for peaceful coexistence only on Communist terms.

Influential voices speak of southeast Asia as of much less importance than West Berlin. This is a surprising proposition to those who live in the Pacific, that vast area of which 100 years ago Secretary of State Seward spoke as the place where the destiny of the world would in this decade be decided.

Southeast Asia is a long and wealthy peninsula separated from Australia only by the Indonesian Archipelago. Of the peninsula, northern Vietnam is already under Communist control. The Communists sit in much of Laos, their occupation spread while futile talks take place in Geneva and at the best we can only hope for a coalition government in Laos. On the record of recent history such a government comprising Communists and neutralists will sooner or later become a Communist puppet.

The long finger of Communist subversion is already thrusting into Thailand and southern Vietnam. Malaya has had her taste of Communist revolt and subversion, and would be a rich prize for Peiping and Moscow. Indonesia is neutralist, with President Sukarno always a welcome and eager guest in Moscow.

The dangers of Communist domination in southeast Asia do not imperil only Australia and New Zealand. The masters of southeast Asia can dominate the Indian Ocean and intrude their power into the uneasy coast of eastern Africa. They can threaten India.

The bickerings in Zurich of the Lao princes produce an echo in New Delhi. India is surely right to be a principal party to discussions aimed at establishing a neutral Laos. These discussions have had a hollow sound. There is still no truce, in spite of solemn words at Vienna. The Communists in Laos, with Russian aid, extend their power even while Mr. Gromyko in Geneva lectures the West on the need for the establishment of a truly neutral Laos. This is an international farce on a grand scale.

The stakes in Laos and southern Vietnam are just as high as those played over West Berlin. The winner in Laos and southern Vietnam is looking toward India and Africa. The prize is great. The Communists are looking far ahead, firmly believing in the triumph of communism everywhere and seeking to accelerate the victory. The great state of India is one of their goals.

Let us not weary or despair. If we have had setbacks, so has the Soviet Union. The policy of Moscow has been rebuffed in the Congo and the United Arab Republic. Colonel Nasser has clamped down on local Communists and has replied vigorously to Communist revilings against his regime. The countries of the Middle East have shown no disposition to submit to Moscow, although the miseries of their populations could be breeding grounds for communism.

The future of the world will certainly be influenced by the capacity and willingness of the West to promote the physical and economic welfare of our less fortunate brethren. This will not be an act of generosity but of enlightened self-interest—more bluntly, of self-preservation.

DAVID SARNOFF

Mr. KEATING. Mr. President, yesterday I had the privilege of hearing Gen. David Sarnoff speak at the National Press Club on the opportunities in the emerging field of communications satellites. His address was interesting and challenging. He speaks as a great American.

Gen. David Sarnoff typifies the finest in our traditions. He was born in Russia. He came to this country as a small boy, with no money. At 15 years of age he went to work. He has become the head of a great industry, but has never lost his sense of humaneness and fairness.

However the responsibility for the construction and launching of communications satellites may be worked out, General Sarnoff indicates that it is important for access to and use of the satellite network to be open to all those who have the facilities to use it and who can practically be accommodated. In the field of communications, above all, the free world has an especially important contribution to make in spreading knowledge and truth around the globe.

The address General Sarnoff delivered at the National Press Club is a very fine one, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY DAVID SARNOFF, CHAIRMAN OF THE BOARD, RADIO CORPORATION OF AMERICA, AT NATIONAL PRESS CLUB, WASHINGTON, D.C., JUNE 28, 1961

COMMUNICATIONS: A LOOK AHEAD

When your president invited me to appear before you today, he described the 100th anniversary of the military telegraph as a springboard from which I could take off into the outer reaches of communications. To get the feel of my springboard, I determined to research the centennial like a Washington correspondent, dig out the facts, good or bad, and then present them to you in the tradition of your profession without fear or favor.

It distresses me to report that one of the first military telegraphers, a gentleman attached to General Rosecrans' Union headquarters, was named Mullarkey. Whether his name and the content of the messages he communicated had any correlative significance I could not determine. Surely it would be far afield to suggest any spiritual link between him and certain communications arts of the present day.

Another disquieting fact I unearthed was that military telegraphy in the Civil War brought the first censorship of press dispatches. This was particularly aggravating, according to the historian Margaret Leech, because the censors were often arrogant and unstable fellows, and the correspondents sometimes had to search them out in whisky shops to get approval of their dispatches. However, I could find no documentation that this was either the first time, or the last, that a reporter had been lured to a bar.

In the same somber vein, military telegraphy inspired the controversial practice of wiretapping, which was employed extensively by both sides in the Civil War. Balky mules, instead of men and machines, were employed to lay down the telegraph wires behind frontline positions. The whole system was so cumbersome that frequently, as at Spotsylvania, a shift in action would find a telegraph unit working one minute behind its own lines and the next minute behind enemy lines.

On the brighter side, there were a number of significant communications firsts registered by the United States a century ago. We were the first nation to use telegraphy extensively for military purposes, and it may surprise you, as it did me, to learn that Andrew Carnegie of steel and library fame is considered the father of military telegraphy. It was he who set up the eleborate system of wires behind the Union armies.

The Civil War marked the first time that military signals could transcend the line of sight and could pierce the fire and fog of battle. Telegraphy made Abraham Lincoln the first American President able to function as Commander in Chief of the Armed Forces in the modern control sense. It also spurred the growth of a great institution, the U.S. Army Signal Corps, of which I am proud to be a member. It demonstrated how a civilian invention could find a useful military application, and it marked a significant step across the formidable communication barriers of time and distance.

THE CHALLENGE OF COMMUNICATIONS

The historic progress of communications across these barriers parallels man's advance on this planet. The first communications were sight and sound, man to man, over distances of only a few feet. Since then, our primary effort has been to extend that distance. We will achieve the earthbound ultimate when we have direct man-to-man communications, both sight and sound, to any place on earth, regardless of distance. And we will achieve the universal ultimate when we have man—and possibly other species of life—exchanging communications over distances of millions of miles.

In its own way, every communications advance has moved us near these ultimates. The Greek, Roman and Aztec relay runners contributed to the stretchout; and so did the shouting sentinels of Caesar's battle towers, the homing pigeons used at Waterloo, the primitive semaphore employed by George Washington who placed a barrel, a flag, and a basket on a mast and then issued orders to his troops by altering their relative positions.

In the present century, the great stretch has come through applications of radio communication. In its first phase, it enabled communication between a fixed point on land and ships at sea and between ships themselves, or between two land areas across the ocean barriers. Today, it is employed by all types of moving vehicles and between fixed stations and relay points on land. The second phase brought the human voice and instrumental music to millions of listeners through radio broadcasting. The third phase brought the stretchout of sight, first through black-and-white television and now through color.

Vast progress has been made in the art of communications but there are many more promising prospects ahead. The sound of the human voice can be projected directly and almost instantaneously to any area of the world. We have extended sight, by television, so that the people of a nation, or a group of nations on the same continent, can see the same picture simultaneously. And we are on the threshold of projecting that picture between continents. In fact, we are very close to the achievement of global television as well as other forms of worldwide communications.

This will represent phase four of the radio communications story. I believe it will be realized in this decade through the use of relay satellites orbited in space. The challenges facing us in this area are no longer how; rather they are when, what types of hardware, what form of control, what character of international traffic?

FUNDAMENTALS OF SATELLITE COMMUNICATIONS

Because of the complex and varied nature of the problems involved in satellite communications, there has been considerable confusion about the subject. So it is well to bear in mind certain fundamentals.

First, satellites will expand, broaden and speed up the services we have today and make them available to places and peoples that do not have them now. In the transmission of intelligence, a communications satellite is basically a distance booster. It is as if we picked up a microwave tower from the ground and hung it in the sky. This would increase enormously the range over which communications could be sent and received.

Second, satellites will not make anyone a Croesus overnight. I have heard suggestions that once a satellite system is in operation, international communications will be-

come a $100 billion a year business. To people whose estimates run along these lines, I would reiterate Andrew Jackson's famous order at the Battle of New Orleans: "Elevate them guns a little lower."

The international communications business of all the American carriers today amounts to about $135 million a year. In the seventies, with a satellite system in use, operating revenues may reach the $1 billion mark. This is a respectable amount but even if we double this figure, it would still be 98 percent less than the fantastic figure of $100 billion a year.

Third, the much-debated question of satellite ownership is, in my opinion, far less important at this time than the adoption of the right system at the earliest possible moment. I believe that if we coordinate our knowledge and our skills, formulate a definite plan and concentrate on our objectives, we can be the first nation to establish and operate a global system of satellite communications. This would be a dramatic advance in the use of outer space for peaceful purposes. It would benefit all mankind and give an effective demonstration of American initiative, vigor, and leadership.

In analyzing this subject, it seems to me that certain basic principles should be recognized.

Regardless of who, or how many, may own the satellites, there should be direct access to them by all present and future organizations licensed by our Government to operate in the field of international communications.

The satellites should be available to all such organizations on reasonable and nondiscriminatory terms for any services which the Federal Communications Commission authorizes them to provide now or in the future.

No restrictions should be imposed against such use, through contract or otherwise, by anyone who may own, control or operate the satellites.

Each licensed American organization should have the right to establish, own, and operate its ground stations for transmitting and receiving signals via the satellites. The system, itself, should be designed to provide this capability.

My organization, of course, is deeply involved in this satellite development. We have proposed a concept of large capacity, synchronous—or stationary—satellites, positioned at two or three locations about 22,000 miles above the Equator. Our scientists have developed specifications for the system which are within the present state of the electronics art. I believe our concept is capable of achievement in time to meet the communications demands that will overburden international submarine cable and radio circuit facilities later in the sixties.

As you know, other companies and agencies have come forward with other satellite concepts. Intensive research is now in progress at the Defense Department, at NASA, and in private industry. As one example, my company is developing under contract from NASA, an experimental satellite for Project Relay which we hope will provide many of the answers we all seek.

To expedite the achievements possible in this area, we at RCA feel the time is ripe for the formation of a joint Government-industry group to pursue an aggressive total effort in research and development. Through this collaborative effort, we can agree on the best satellite communications system. We can get it in operational orbit in the shortest time, and we can share with the world a remarkable technique for nation-to-nation seeing and talking.

It is most encouraging that the urgent character of this project is recognized at the highest level of our Government. Last week, for example, according to press reports, President Kennedy ordered a top-level policy study into how a communications satellite system can be brought into operation at the earliest practicable moment.

About 3 months ago, I suggested that the United Nations be given programing access to the first satellite television channel, so that it might project to the whole world a live picture of crucial deliberations in the Security Council and General Assembly. The favorable response to this proposal from many leaders of the open world encourages me to urge it again here today.

Direct access to vital U.N. debates, it seems to me, should go a long way toward awakening those in the closed world of communism who have rarely been exposed to the free clash of ideas in any forum. True, the Communists can be expected to jam and black out these programs. But such conspicuous exclusion from proceedings open to the rest of mankind will generate pressures from their subjects which the Communist rulers will find it ever harder to ignore. At the least, it would dramatize an essential difference between free and enslaved societies.

As for the developing and neutralist nations, if, as we believe, the United Nations represents their best hope for establishing and maintaining their own independence, then their understanding of its aims—seen with the same impartial picture in Asia and Africa as in Europe and America—must be the best hope of the United Nations for assisting them effectively.

COMMUNICATIONS AND SPACE EXPLORATION

As we progress with the satellite project, I believe we will also move ahead with phases 5 and 6 of our communications blueprint. Phase 5 will be directed to communications with the moon and beyond. Here, we will be concerned initially with communications as a control and intelligence mechanism. This function will be crucial to the successful placing of men on the moon and, ultimately, on distant planets.

The proposed manned moon shot, which President Kennedy set as a national goal, has prompted the scientists of RCA's Astro-Electronics Division, along with others, to develop comprehensive exploratory plans. Our concept envisages the establishment of a well-stocked camp on the moon before the first man arrives there. The moon camp would include food, water, power, laboratory equipment, an exploration vehicle, appropriate emergency survival tools and a reentry capsule for the manned return trip to the earth.

A combination of a Saturn rocket and ground control devices, should make it possible to put on the moon's surface a roving vehicle and to conduct a survey for the most appropriate area for a manned landing. This would be based on such factors as terrain, illumination, temperature and other environmental characteristics. Then, through a series of subsequent Saturn shots, the camp could be established by sending up the necessary equipment and supplies, including a moon-crawling tractor for assembly purposes. This entire operation could be checked out by instrumentation controlled from the ground before we commit men to lunar flight.

The success of this plan would prepare the way for exploration of the nearest planets. It would establish a pattern for the construction of other advance bases. In addition, validation of the techniques for storing fuel and refueling vehicles on the moon would lay an effective foundation for use of the moon itself as a launching platform for spacecraft.

It is also conceivable that exploration on the surface of the moon would establish the practicability of installing there the first interplanetary radio relay station, controlled from the earth and capable of providing vital communications and navigational links for space vehicles as they move toward distant planets.

We face, of course, many unknowns—such as the nature of the lunar surface, the extent of radiation hazards from solar flares, and the effect of the lunar environment on materials. It can be generally stated, however, that the communications and controls problems in this concept fall within our present capabilities.

With our sound and sight satellites in orbit around the earth and with electronic channels opened to the planets, we will have extended enormously the communications stretchout that started with the first man-to-man talk.

DIRECT MAN-TO-MAN COMMUNICATIONS

Our principal job in phase 6 of the communications blueprint, will be to come full circle and permit direct man-to-man, sight-and-sound communications over the ultimate in distances.

The speed with which we accomplish this will depend, in part, upon the speed with which we can shrink electronic gear. This is another great challenge facing electronics today: make it smaller.

Through formidable advances in micromodules, we are achieving new diminutives daily. We can now foresee a computer so compact that it will have a density equivalent to 100 million active elements per cubic foot—a density approaching the compactness of the human brain itself. And this computer, indeed, will perform many functions of the brain.

I have with me today the type of communications unit that will probably be the reporter's best friend in the seventies. It is a pocket-size color TV set, with combination AM–FM radio. This mockup was put together at our advanced design center, and the date of its availability depends upon the time required to learn how to reduce further the size of certain components.

This prototype model is a symbol of our reach for the diminutive. I believe you will someday see transmitter-receiver units a half or third the size of this. Each receiver will have a decoding unit, responsive to only one of a million or more arrangements of pulses sent out from a transmitter. With complete privacy, a foreign editor in his office will one day be able to see and talk with a foreign correspondent in an airplane over Tokyo, in a boat on the Red Sea, or in a tractor at the moon camp. While this might make the home office seem uncomfortably close to the reporter, it will nevertheless bring us pretty close to the ultimate in news coverage, and to the ultimate in man-to-man communications itself.

CONCLUSION

The price for achieving the communications advances I have outlined will come high—in dollars, in planning, and in work.

We have the scientific manpower and know-how to meet and to surpass any Russian challenge in this area. But something else must accompany it: a firm national resolve to do whatever must be done to assure our success.

We must, for one thing, understand and properly evaluate the objectives of the potential enemy. Years before any Western nation, the Kremlin accurately assessed the psychological and propaganda values of space probes. The Communists recognized that

breakthroughs in technology, a field of traditional American primacy, would have direct political impact in terms of fresh prestige for them; that it would advance their objectives in the cold war they ceaselessly wage, and that it would cause an erosion of morale among the Western allies. In Moscow, missiles and satellites were woven into the broad tapestry of party dialectics. In Washington, they were evaluated exclusively in the context of their scientific or military significance.

The result, from the psychological and propaganda standpoint, was that the Communists seized the priceless advantage of the initiative. They acted; we reacted. They were first with sputnik, first with a moon probe, first with a man in space.

In communications, we possessed the initiative and the leadership in the days of Mr. Carnegie and Mr. Mullarkey, and we possess them today—from automation to satellites. Yet, this unbroken continuity should give us no cause for complacency. "The minute you get satisfied with what you've got," Boss Kettering once said, "the concrete has begun to set in your head." In terms of our Nation's leadership posture before the world and our national policy of advancing the cause of peace everywhere, there is too much at stake here to permit any concrete to infiltrate our communications arteries.

It is my conviction that America can continue to lead in this vital field, that we can be the first to achieve practical worldwide satellite communications and that we can complete the cycle by which man will communicate with man, directly, wherever he may be. I also believe that by the time this is accomplished, it will be possible to achieve automatic translation of languages so that when we speak to each other we will understand each other. And that, after all, is the goal not only of our science of communications, but of humanity itself.

MONTANA AUTHOR WRITES ABOUT TATSEY

Mr. MANSFIELD. Mr. President, sometime ago I introduced the Senate to the journalistic talents of John Tatsey, tribal policeman on the Blackfeet Indian Reservation in Montana. John also writes a weekly news column which appears regularly in the Glacier Reporter at Browning and reprinted in the Hungry Horse News at Columbia Falls.

Tatsey is no ordinary writer, he has a great sense of humor and an insight into the problems that plagued his own people, the Blackfeet Indians. He had his own special way of using his column in helping to bring about local self-improvement.

Now, another Montanan who is well known as an author of a number of best sellers and numerous articles, Dorothy M. Johnson, has turned to Tatsey as a source for a very fine feature which appears in the current issue of Journalism Review, published at Montana State University. Dorothy Johnson is the secretary-manager of the Montana State Press Association and is an assistant professor at the school of journalism at the university in Missoula.

Mr. President, both Dorothy Johnson and John Tatsey have made a place for themselves in the world of writing and now I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD this article as discussed in the June 2 issue of the Hungry Horse News which is published by one of my favorite Montana weekly newsmen, Mel Ruder.

I also ask unanimous consent to have printed in the RECORD four of John Tatsey's latest news columns which appeared in the weekly issues of the Glacier Reporter and the Hungry Horse News.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Hungry Horse News, June 2, 1961]

WRITES ARTICLE ABOUT TATSEY

Our friend, Dorothy M. Johnson, formerly of Whitefish, and now secretary-manager of the Montana State Press Association and an assistant professor of journalism at Montana State University, is much interested in the writing of John Tatsey.

The Glacier Reporter correspondent at Heart Butte is one of the most unusual columnists in the country.

Miss Johnson has an article "The Incomparable Tatsey" in the current issue of Journalism Review published by the school of journalism at Montana State University.

She comments: "Most correspondents in small communities are nice ladies who know everything that's going on and make a little pin money by writing down the more respectable bits for a newspaper. The Heart Butte correspondent was no nice lady. He was a tribal policeman on the Blackfeet Indian Reservation. His name is John Tatsey. He is middle aged, with a pleasant face. For a Blackfeet Indian he is short, but the Blackfeet are bigger than most people."

TATSEY TELLS ALL

Miss Johnson continues: "Like the nice ladies in other small communities, Tatsey knows everything that's going on. Unlike them, he tells most of it. Where they hastily sweep the misdeeds of their neighbors under the rug, he boldly tells the world.

As a sample of the flavor, here are two items from the Heart Butte News:

"Al O. Racine was down to Johnnie Hall's corral and load on a cow in a truck. The cow was mad and fighting when he closed the gate the cow was jumping around so he shot her so she would be quiet.

"Maxine Racine helped her husband butcher beef last week. She is sure a cracker jack gut puller."

Miss Johnson then comments: "Nice ladies dote on weddings. The nearest Tatsey has come to reporting one is this, in which he doesn't even identify the bride because she's not really important:

"Floyd Middle Rider from Browning was well known for having very nice set of hair in braids but he came out to Heart Butte some 6 weeks ago, got married here. They are Crows living around the south side of the reservation. He got mixed up with them in marriage so he finally showed up with no braids, so the Crows scalped him of his fine hair but he is safe now."

Miss Johnson then tells: "Part of the charm of Tatsey's news is that you can't always figure out what happened, or whether anything did. Even Tatsey doesn't vouch for this story:

"Frank Comes at Night came to Heart Butte Sunday in a team and wagon and some one said the team and wagon blowed away with Mrs. Comes at Night in it."

TELLS ABOUT MANSFIELD

There is also mention of Senator MIKE MANSFIELD. Miss Johnson comments: "Some country correspondents would be bowled over at being invited to meet a U.S. Senator at the Senator's special request, but not Tatsey. When Senator MIKE MANSFIELD wanted to meet him, Tatsey got the item into his column, all right, but it took its turn after deer hunting, lost horses, potato picking, and a visit from a dentist.

"Readers of Glacier Reporter are asked to be patient and wait till the reporter from Heart Butte gets straightened out. Just waiting till everybody gets back and look out.

"Tatsey had a friend that came from New York who wants a short trip in the mountains. Wes Ackerman and Glen Eagle Feathers were along where they stay for a week till they got their limit of deer.

"Most of the potatoes pickers are driven home by the bad weather. Some came home with a few sacks of spuds.

"There have been a tooth puller at Heart Butte the past week taking care of bad teeth. Remember Heart Butte people there is some elkmeat coming this winter and might be tough.

"John Tatsey was called on the phone last Monday to be in Browning at 11 a.m. When Tatsey arrived in town he went to the high school where coffee and rolls were served. When Senator MANSFIELD came Mr. and Mrs. Tatsey had a picture taken with him. MIKE had his medicine pipe with him but did not offer Tatsey a peace smoke so Tatsey did not take him into the tribe or give him his Indian name but still we meet and made friends."

THE TATSEY APPROACH

Miss Johnson also tells: "Sure enough, with Tatsey news is written of just what happens. He names names if he has them and warns evil doers if he hasn't yet caught them as in this item:

"Tuesday evening George Little Dog and Lloyd Running Crane were out riding after cattle when they rode upon a young cow all tied up in a small patch of brush. They untied her but her calf was gone. Be careful boys there is a long lane without a turn."

Miss Johnson then adds: "Stealing a calf may not look like big-time crime, but in Montana it is cattle rustling, a major offense. This item immediately followed:

"Raymond Aims Back has come home from Deer Lodge where he spent a few years."

Miss Johnson remarked: "Tatsey's readers know that the State penitentiary is at Deer Lodge. Putting those two items together got an idea across."

The Montana author of "Hanging Tree" then comments: "Some other juxtapositions of news items are accidental and unconsciously funny:

"Henry Duck Head came to Heart Butte Sunday and went to dizzyland and pretty soon one woman came after police. Every one was hiding in a coulee. Henry took over.

"Some people are doing some remodeling on the statue of Virgin Mary at the graveyard."

COMPANY FOR DINNER

Miss Johnson's story then continues: "Like the nice lady correspondent, Tatsey sometimes reports company for dinner:

"Poor Little Melvin Rutherford was around last Sunday. Did not seem to know where to go, he wound up at Tatsey for dinner where he had a private dish of Bear liver and heart. Maybe he went home heaving."

Hungry Horse News readers will recall many of these Tatsey items.

Miss Johnson quotes: "Joseph Jackson was nicked up for disorderly conduct at a funeral in Heart Butte. (No mention of whose funeral it was.)

"Last Sunday there was a couple of women who got drunk and sure gave the police a bad time but Joe Running Crane piled them up and sat on them till they were locked up but Joe was out of wind.

WISHIE WEASEL HEAD

"Wishie Weasel Head got mixed up with an old lady at Heart Butte so the old woman pick up a jug of gallo (among the Blackfeet this is a generic term for wine or any kind of drinkin' liquor) and whack him over the head and his head was soaked in wine, he was hospitalized for several days so don't bother an old lady."

Miss Johnson concluded her article with reference to a letter from former President Harry S. Truman to Senator MANSFIELD remarking: "These articles are some of the best I've ever seen, and I'm sorry I missed last year's pieces. Haven't seen anything I enjoyed more since I read Mark Twain's announcement for President."

Senator MANSFIELD had inserted Tatsey articles in the CONGRESSIONAL RECORD.

Final paragraph then tells of Tatsey no longer being a tribal policeman, but that he would continue his column.

[From the Glacier Reporter, Feb. 23, 1961]

HEART BUTTE NEWS

(By John Tatsey)

The reporter from Heart Butte was unable to get the news in last week on account of the storm, but will have last weeks and this weeks happenings not very much.

Last week John Tatsey had the invitation from the seville community better known as Black town where there was a meeting held at the Community Hall. lunch was served after wards. folks visited one another.

On Tuesday of last week there was a meeting called at the John Harper Home and elected their temperary officers for their organization.

The first meeting was held at Heart Butte in regard to the organization. John Harper and Victor Connolly, Jr., temperary board members were out to explain there aim on organization it was a good and interesting meeting. attendance was around 94.

The real good Part was the Principal of the School Permit us the use of the School Gym and some good strong coffee made by Geo Wippert. Abe Rutherford of Birch Creek was at Heart Butte for the meeting.

This coming Sunday Feb. 26 there will be another meeting at the Heart Butte school Gym to elect officers for that community. There will be meetings at other districts. after that will start to Push the ball.

There was no one from the hairy nose tribe at the meeting. There were some from dizzie land.

The rut that Charles Crow Chief mentioned some time last spring is getting deeper and coming to a cut bank so the new organization will stand by to help from going over referring to council

Readers our friend Stoles Head Carrier has been unable to get around much but getting a little better. sure miss the old boy good Hearted guy.

From lower Birch Creek a young stock man had a bull that was lousy so while it was a warm day he thought fix him up. He got the bull in the chute and gave it a stove oil rub down. the oil went down to the skin and it being a warm day he thought he'd just as well brand it. He throwed a red hot iron on the bull caught on fire. Pretty sick Bull hair all burned off.

On Badger Creek there was a young man Tommie Lame Bear No. 2 was driving across a lop-sided bridge when the rear of his car slide off the bride and into the river. it still there motor out of sight in water. he will have a clean motor when he gets it out.

John Aims Back, Geo Wippert and bread (James) Comes at Night went hunting up the foot hills and got some wild meat so they should make spring. John aimed forward this time.

Blackfeet tribe has been changing name on the council. first was a Promising council and today they called traveling council.

[From the Hungry Horse News, Mar. 10, 1961]

TATSEY HEADS ASSOCIATION

(By John Tatsey)

HEART BUTTE.—During all last week the weather has been miserable for traveling. every one stayed pretty close to home.

Last sunday there were a few People at the church. the bilzzard was bad for a few hours.

Sunday afternoon was taken up by the Blackfeet Improving Association when officers were elected: John Tatsey, chairman; Henry Crawford, vice chairman; Mae Crawford, secretary; Mary Red Head, treasurer. Paul Running Crane, sergent at arms; there were 38 members voted. People are waking up now and know some thing that will help out in there Problems.

John Harper, Vic Connolly, John Tatsey motored to Babb Tuesday to meet with the community.

There will be a meeting called by the Starr School People Sunday afternoon to get an explanation on the new association.

Tuesday afternoon there was a council meeting at barracks and a film shown to the People. It was good to see indians in Progress. we may be in the same boat some day if we up hold the new organization. What it will take is stick together.

At Agency, the People elected Bud Wetzel as their chairman of the association.

Last Tuesday our friend Stoles Head Carrier was out and showed up in Browning and sure looked fine and fit. Spring must be here.

It shows that the Indian People are in distress. A young man went to Chas Reevis home Wensday morning and told him that there was a per capita payment so he grabed his over shoe and put one on. When his son in law came in hurried him he jumped up and Put his over coat on and went out and got in the car. When he got to town only Pensions were in. Had one over shoe on, no shirt on.

[From the Glacier Reporter, Mar. 16, 1961]

HEART BUTTE NEWS

(By John Tatsey)

Last Wensday there was a meeting held at Browning at Todd's Steak house by the Blackfeet Improvement Association and officers elected. The following evening a meeting was called at Babb where there was a good crowd attended and many suggestions made.

Last Saturday Richard Little Dog, George Old Person, Louie Plenty Treaty, from Starr School were at Heart Butte explaining there problem to the people.

The next meeting will be held at Heart Butte Saturday, March the 18th at 7 p.m. in the school gym. everybody welcome so people will know whats said and you wont be afraid.

The counsel sent Geo Night Gun to little Badger to check on the round hall and found half the floor was gone. A few years back high water flooded the hall, and someone told Night Gun that he saw some beaver working in the hall, all had wrecking bars then the water went down that saved the hall.

There was a little rumpus at the side hill at Heart Butte at Otter Top knots house. A young man was on a fight. The women were trying to stop him and were calling for Otter Top Knot to help but he was gone. When things quieted down a little boy said grandpa is behind the cook stove drinking out of a big bottle. It was a half gallon jug. No brand.

Big Jim was absent Sunday from the street. everyone wondered what happened but showed up Monday morning. Sunday was his cleanup day did all his laundry. he was fresh as a rose.

There was no excitement around Heart Butte during the last two weeks on account of the weather and the two tournaments in Browning, just old folks at home.

Louie Red Head went to Great Falls last week and when he came home he drove up in a chevy. good looking car. A few trips to town made it look different.

James Crazy Bear from some tribe was here for the ballgames but was unable to get to the gym. he was on the road in his car and in the back seat when someone came along and saw him. This guy went and shook him up. when he woke up and blinked awhile he reached for the steering wheel and he told this man that somebody had stole his steering wheel. Maybe he was still in hibernation.

There was a meeting called at Starr School Sunday afternoon to explain the aims of the Blackfeet Improvement Association to the people by John Harper, Vic Connolly, and John Tatsey. Harper explained in English and Tatsey in Indian. the plainer it was told the worst the people thought of it. They would not even elect there officer. Some poison talk around.

Joseph Weatherwax, Geo Aims Back, and Felix Running Crane went hunting and got one elk so there are rustlers won't go hungry.

The well diggers are still drilling around Heart Butte so maybe the people will do there laundry at home before everyone went to town to wash.

Spring seems just around the corner. Cleaning house will be in progress and preparations for Easter week.

Mrs. Ursula Higgins had a nice visit to Missoula when Bruce Dennison played basketball at the fieldhouse there. Bruce is the son of Topsy and Rex Denison.

All of the girls in troop 7 will pass civil defense material to the homes. It is vital that all citizens know how best to protect themselves in case of emergency.

The Starr school dancers were happy to see their picture in the Montana parade.

[From the Hungry Horse News, Apr. 14, 1961]

TATSEY TELLS EVENTS AT HEART BUTTE

(By John Tatsey)

HEART BUTTE.—We missed last week as the writer was to busy attending meetings so will write happenings.

There was some rough play at Heart Butte one Saturday morning where the Indian police went to arrest a young man. The man ran. The police was num on the legs and could not run so he chased him with the 38 and caught him on the leg.

There was a meeting held at Moccasin Flat where they changed officers. John Tatsey was elected in Paul Old Chief of the Black Lodge society. Louie Red Head was elected vice chief also Joseph Old Chief. The dance will be on May 6, 1961 at Starr school.

The Blackfeet Improvement Association held there last organization meetings Sunday on two medicine and one at Starr school.

George G. Kipp and Charles Reevis motored to Butte Sunday to attend the funeral of the late Senator Murray.

Lambing and calving has started very good and stockmen having rather good luck and green grass sure coming up fast.

The association that has been started on the reservation has a good support. Some people think it's a good thing to do some changing in the Wheeler-Howard act. May better conditions on the reservation and the tribe will benefit for the younger generation.

Charles Weasel Head and family motored to Great Falls tuesday where one of their children was to be examined by doctor. The child has measles and settled in her eyes.

The green wood burners of Old Agency held their indian dance easter Monday at Starr school.

John Harper Denzel Smith, John Tatsey were in Cut Bank and made some talking

on the air regarding the Blackfeet Association.

Old Big Eagle was busy all last week cutting dried meat. his boy killing two elk.

Vincent New Robe was in town last week when he got on the wrong side of the street. his wife got him started home when he got mad because they had a flat tire. he walked away his wife drove the car back to town and sold it but they are both home and happy.

RESOLUTIONS ON LEGISLATION FOR AMERICAN INDIANS

Mr. WILEY. Mr. President, recently I was privileged to receive from Mr. Donald R. Ames, chairman of the Bad River Tribal Council, a series of resolutions on legislation pending before Congress.

Believing these thoughtful resolutions deserve the consideration of my colleagues, I ask unanimous consent to have them printed at this point in the RECORD.

There being no objection, the resolution were ordered to be printed in the RECORD, as follows:

RESOLUTION 1308

BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA INDIANS, ODANAH, WIS.

(Resolution pertaining to H.R. 313, Operation Bootstrap bill for American Indians)

Whereas there has been introduced in the Congress of the United States, a bill, H.R. 313, introduced by Congressman E. Y. BERRY, of South Dakota, which provides a tax incentive inducement for industry which will locate on Indian reservation areas; and

Whereas it has been demonstrated that industries have not been inclined to look to Indian reservations or communities for plant expansion even though there are large pools of unemployment on almost every reservation or community, and it is felt that there may be a tendency to overlook the welfare of the Indian in Senate bill 1; and

Whereas it has been demonstrated not only in Puerto Rico, but in many foreign countries that tax incentives have proven to be the inducement necessary to get industry interested in locating in those areas; and

Whereas the people of this organization exist in a substandard economy, causing great hardship and little if any opportunity for the members of the tribe, and that industry on this reservation would mean employment for members of the tribe, and employment means income and opportunity and the privilege of improvement of our own housing and living conditions, our own health and economic standards without Federal or State assistance; and

Whereas we believe that H.R. 313 or similar legislation offering a tax incentive to industry is the answer to our problems: Now, therefore, be it

Resolved, That the Bad River Band of Lake Superior Chippewa Indians endorses H.R. 313 and requests immediate passage by the Congress of the United States; and be it further

Resolved, That copies of this resolution be sent to the Secretary of the Interior, President of the Senate, Speaker of the House of Representatives, Senator Alexander Wiley, Senator William Proxmire, State Senator Carl Lauri, Assemblyman Robert Barabe, and Congressman Alvin E. O'Konski.

For the Bad River Band of Lake Superior Chippewa Indians:

DONALD R. AMES,
Chairman, Tribal Council.

Attest:

CLARA DECOTEAU,
Secretary, Bad River Band of Lake Superior Chippewa Indians.

RESOLUTION 1304

BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA INDIANS, ODANAH, WIS.

(Resolution pertaining to the transfer of certain submarginal lands to certain tribes)

Whereas, the Executive Order 7868 of Franklin D. Roosevelt dated April 15, 1938, had transferred certain submarginal lands from the Secretary of Agriculture to the Secretary of the Interior, and that such order had specified "that the Secretary of the Interior is hereby authorized (1) to administer * * * such lands for the uses for which they were * * * acquired * * * for the benefit of such Indians as he may designate"; and

Whereas such lands on the Stockbridge-Munsee, Lac Court Oreilles, and Bad River Reservations in Wisconsin, and the L'Anse Reservation in Michigan have not been used for the benefit of such Indians; and

Whereas the transfer of title to the above bands of Indians will comply with the purpose for which such lands were originally acquired, will multiply the land base of the reservations concerned, and will greatly increase the possibilities of a beneficial resource development program: Now, therefore, be it

Resolved, That it is the sense of the Bad River Band of Lake Superior Chippewa Indians that it be enacted by the Senate and House of Representatives of the United States of America in Congress, that all title, right and interest of the United States of America in the lands, and the improvements thereon, that were acquired under title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and section 55 of the act of August 24, 1935 (49 Stat. 750, 781), and that are now under the jurisdiction of the Department of the Interior for administration for the benefit of the Indian tribes or groups named below, are hereby declared to be held by the United States in trust for such Indian tribes or groups, and that tribal rights of hunting, fishing, trapping and gathering wild rice or other fruits of the soil shall pass to the tribe or group upon such transfer:

Submarginal land project; Indian tribe or group, and approximate acreage

L'Anse, LI–MI–8, Keweenaw Bay Indian L'Anse community, 4,016;

Bad River, LI–WI–8, Bad River Band of Lake Superior Tribe of Chippewa Indians, 13,069;

Lac Court, LI–WI–9, Lac Court Oreilles Band of Chippewa Indians of Lake Superior, 13,185;

Stockbridge, LI–WI–11, Stockbridge-Munsee community, 13,077; and be it further

Resolved, That copies of this resolution be sent to the Secretary of the Interior, President of the Senate, Senators WILEY and PROXMIRE, the Speaker of the House of Representatives and Congressman ALVIN E. O'KONSKI.

For the Bad River Band of Lake Superior Chippewa Indians:

DONALD R. AMES,
Chairman, Tribal Council.

Attest:

CLARA DECOTEAU,
Secretary, Bad River Band of Lake Superior Chippewa Indians.

RESOLUTION 1305

BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA INDIANS, ODANAH, WIS.

(Resolution pertaining to the application of the present food stamp program to Indian reservations)

Whereas there are many Indians of this area who are in dire need of a substantial nutritional diet; and

Whereas such a diet cannot now be obtained through present agencies; and

Whereas the income of the people of the depressed Indian communities is not sufficient to provide such a diet: Now be it therefore

Resolved by the Bad River Band of Lake Superior Chippewa Indians, That Congress be urged to extend the present food stamp plan to include needy Indians in Michigan, Wisconsin, Minnesota, Iowa, and Illinois; and be it further

Resolved, That copies of this resolution be sent to the President of the Senate, the Speaker of the House of Representatives, Senators WILEY and PROXMIRE, and Congressman ALVIN E. O'KONSKI.

For the Bad River Band of Lake Superior Chippewa Indians:

DONALD R. AMES,
Chairman, Tribal Council.

Attest:

CLARA DECOTEAU,
Secretary, Tribal Council.

Dated at Odanah, Wis., this 6th day of June 1961.

PRESIDENT TWITS SOVIET ON OUTPUT

Mr. WILEY. Mr. President, the Communist system in the Soviet Union—while making some progress—has been traveling faster in words than deeds.

Progressively, the global atmosphere has been filled with ballooned bragging of Communist progress.

Unfortunately, the repetitive din of such bragging has resulted in far too many people believing such propaganda.

That is why I was particularly delighted yesterday to see President Kennedy put Khrushchev's bragging in perspective, and accept the Communist challenge.

Agriculturally, industrially, economically—in almost every phase of competition—the output of our free system far exceeds that of the Soviet system. This is particularly true in the nonmilitary field. The practices of letting the Soviet bragging go unchallenged should be corrected.

In the past, I have made efforts myself to correct misimpressions created by Communist bragging. I am hopeful that the President's action yesterday of picking up the gauntlet will be followed successfully by further efforts to puncture the ballooned bragging of the Communists.

Today the New York Times published an article putting in perspective the United States-Soviet output, entitled "President Twits Soviet on Output," by Joseph A Loftus.

I ask unanimous consent to have excerpts of the article printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 29, 1961]

PRESIDENT TWITS SOVIET ON OUTPUT: SAYS KHRUSHCHEV IS WRONG ABOUT OVERTAKING UNITED STATES

(By Joseph A. Loftus)

WASHINGTON, June 28.—Premier Khrushchev's expectation of outproducing the

United States by 1970 is a welcome challenge but is less than two-thirds right, President Kennedy said today.

If the United States ran faster and increased its rate of economic growth from 3½ to 4½ percent, the Soviet Union would not catch up in this century, Mr. Kennedy said.

"And," the President quipped, "to paraphrase Mr. Coolidge, We do choose to run."

"We invite the U.S.S.R. to engage in this competition, which is peaceful, and which could only result in a better living standard for both of our peoples," Mr. Kennedy remarked.

But he cautioned the Soviet leader not to hang the tiger skin in his trophy room before he had caught the tiger.

"This tiger has other ideas," said Mr. Kennedy (opening statement, p. 12).

The President's paraphrase referred to President Calvin Coolidge's announced decision not to seek a second full term: "I do not choose to run for President in 1928."

Mr. Kennedy brought up the subject of the Soviet and American economies in a statement opening his news conference. In quoting Premier Khrushchev's forecasts, the President was presumably referring to a press account last Saturday of the Soviet leader's speech at a Communist Party assembly in the Soviet Republic of Kazakhstan.

* * * * *

Mr. Kennedy noted that the Soviet leader had "compared the United States to a worn-out runner living on its past performance and stated that the Soviet Union would outproduce the United States by 1970."

A second point made by economists was that a comparison of the U.S. total product with the Soviet Union's total product tended to obscure the fact that a larger part of the Soviet output was nonconsumer industrial production. This production is an important factor in the power relationship of the two countries.

CITES A HIGHER FIGURE

Some economists believe that if consumer goods such as automobiles, refrigerators, washing machines, television sets and similar items are omitted from the computation, Soviet production will outrun the United States by 1970.

President Kennedy said today that the growth rate of the U.S. economy, measuring from 1953, averaged about 3¼ percent a year.

* * * * *

In percentage terms, of course, the Soviet economy has to show a greater rise than the U.S. economy to produce an equivalent rise in volume. This is so because the Soviet calculations start from a lower base.

"If both countries sustain their present rate of growth, 3½ percent in the United States and 6 percent in the Soviet Union, Soviet output will not reach two-thirds of ours by 1970," the President said today.

EASIER RATE TO SUSTAIN

Mr. Kennedy said:

"Our rate will be far easier to sustain or improve than the Soviet rate, which starts from a lower figure.

"Indeed, if our growth rate is increased to even 4½ percent, which is well within our capability, it is my judgment that the Soviet Union will not outproduce the United States at any time in the 20th century.

"This faster growth rate is a primary object of the various measures I've submitted and will submit in the future—tax incentives, education, resource development, research, area redevelopment and all the rest."

Mr. Kennedy told his news conference that, according to the best calculations he could get from governmental and private sources, the Soviet gross national product was 46 percent of the United States gross national product in 1913. The gross national product is the total value of all goods and services produced.

"Interestingly enough, in 1959 it was 47 percent," he said. "Because while the Soviet Union was making progress and improving the material standards of her people in the ensuing years, so was the tired-out runner [the United States], and on a per capita basis the Soviet product in 1959 was only 39 percent of ours."

STUDY COMPARES NATIONS

A study made in 1959 for the Senate Foreign Relations Committee casts some light on the relative positions of the two economies and their prospects. The study was made by the Corporation for Economics and Industrial Research, Inc.

"If the present trend continues," the 1959 report said, "there will be growth of 130 percent in the gross national product of the Soviet Union by 1970 compared with less than 70 percent in the United States."

"The comparison on the basis of industrial growth, and still more on the basis of nonconsumer industrial growth, is much worse," the report went on. "The basic fact must be faced that in the last area they exceed the United States by 1970 even though their total gross national product will be only 55 percent of ours." Then it commented:

"Changes in the gross national product, and gross national product comparisons among countries, while useful, do not adequately measure the power position of the countries compared. This position is best gaged by the industrial base of a nation, for this is an important backstop for the military establishment and for a country's international trading position."

THE LATE GEORGE BENDER

Mr. MUNDT. Mr. President, it was with a real sense of sorrow that I learned of the sudden and unexpected passing of George Bender of Ohio—onetime Congressman, onetime Senator, and alltime sturdy American and advocate of good government.

George Bender was an unusual individual in many ways. Good natured, warmhearted, gregarious, and generous, George Bender possessed an abundant energy and a buoyant nature which won him many friends and kept him in the limelight of Ohio politics for several decades. His devoted loyalty to Bob Taft and his support of Taft's presidential quests was unfailing and his devotion to the Republican Party stood the test of time and the challenge of both defeat and failure.

I came to know George Bender soon after he came to Congress as a Representative from the great State of Ohio. I saw him in action at several Republican conventions and was present on the memorable occasion when he presided over a great political rally in the Cleveland Stadium the night then candidate for President, Dwight D. Eisenhower, delivered the most difficult speech of his career, coming as it did only a few minutes after the historic "tells all" television address by Richard Nixon in that 1952 campaign. I can still close my eyes and envision George Bender in his element that night—leading the great multitude that filled the stadium in hymn singing and in collective cheering as the crowd waited for the appearance of the President to be. George Bender was an extrovert with an extraordinary array of skills and aptitudes. His outflowing personality won him many friends and honors.

The Benders lived as our neighbors in the nearby Schotts Alley development for several years during and after his career in the Senate. They were friendly folks, good neighbors, gracious associates. It is indeed sad that one who loved life so much should have been cut down in the midst of optimistic plans for a political comeback and new challenges ahead.

Mrs. Mundt joins me in extending our most sincere solicitations and sympathies to Mrs. Bender, the Bender daughters and their families, together with other grieving relatives.

PUBLIC DEBT IN PERSPECTIVE

Mrs. NEUBERGER. Mr. President, the size and condition of the public debt is of great concern to all of us in Congress. Almost every piece of legislation we consider has some relationship to the sum which the Treasury owes or may owe in the future.

Yesterday we had before us a bill to increase the debt limit for a 1-year period, so I have attempted to obtain some information to give the public debt proper perspective in relation to our total productivity.

Information which I have received from the Treasury Department shows that the gross public debt and guaranteed obligations of the Federal Government increased from about $257 billion in 1947 to $290.4 billion in 1960. This was an increase of slightly more than $33 billion. However, value of our gross national product was $247.3 billion in 1947 and had increased to $501.5 billion in 1960. Thus, during the same period of a $33 billion debt increase, the value of our gross national product rose $254.2 billion.

The figures supplied to me by the Treasury showed that the public debt equaled 104 percent of the gross national product in 1947, but only 58 percent in 1960. Moreover, the per capita portion of the public debt was $1,767 in 1947, but declined to $1,593 in 1960.

These figures seem to support a belief that our Nation is fully solvent.

The figures should not be interpreted as an indication that we should be profligate with public funds. I strongly believe in reduction of debt during those periods when national circumstances permit. But we must also recognize our national defense requirements, our obligations to the future, the need for sound investment in development of our Nation's human and natural resources. I merely wish to point out that decisions regarding the public debt should be related to our Nation's total productivity and net asset value. I ask consent to include with my remarks the table entitled "Relationship of the Public Debt to Gross National Product and Population."

There being no objection, the table was ordered to be printed in the RECORD.

Relationship of the public debt to gross national product and population

End of calendar year—	Gross public debt and guaranteed obligations	Gross national product [1]	Debt as a percent of gross national product	Per capita disposable income [2]	Per capita debt
	Billions	*Billions*			
1947	$257.0	$247.3	104	$1,180	$1,767
1948	252.9	262.8	96	1,291	1,708
1949	257.2	261.4	98	1,272	1,708
1950	256.7	311.0	83	1,369	1,677
1951	259.5	339.6	76	1,474	1,666
1952	267.4	361.6	74	1,520	1,688
1953	275.2	360.5	76	1,582	1,709
1954	278.8	377.6	74	1,582	1,701
1955	280.8	409.8	69	1,660	1,684
1956	276.7	434.2	64	1,742	1,630
1957	275.0	437.2	63	1,804	1,592
1958	283.0	467.0	61	1,826	1,612
1959	290.9	493.8	59	1,905	1,623
1960	290.4	501.5	58	1,969	1,593

[1] Gross national product figures used for the end of the calendar years are averages of 4th quarter and 1st quarter data as published by the Department of Commerce.
[2] Annual figures published by Department of Commerce.

(Office of the Secretary of the Treasury, Office of Debt Analysis, May 17, 1961.

BICENTENNIAL CELEBRATION BY VERMONT TOWNS

Mr. PROUTY. Mr. President, more than 60 towns in Vermont are this year celebrating the 200th anniversary of the granting of their town charters and many of them have planned special events to celebrate these historic occasions.

Pageants, parades, concerts, historical displays, dramatic performances, and exhibitions of many kinds are only a few of the events scheduled in connection with these bicentennial celebrations.

These special events, added to the abundance of natural attractions which Vermont has to offer, will bring thousands of visitors to the Green Mountain State this summer and autumn.

A number of bicentennial events have already been held but many more will take place from the first of July to the end of the year. To assist those who plan to visit Vermont this year I ask unanimous consent to have printed in the RECORD a listing of bicentennial events scheduled by Vermont towns during the remainder of the year compiled by the Vermont Department of Development.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

LISTING OF BICENTENNIAL EVENTS OF VERMONT TOWNS

July 1–4, Springfield: Historical pageant noting especially the town's connection with the famous Old Crown Point Road, fireworks, barbecue, games.

July 1, Weathersfield Center: Antique show at meeting house, turkey supper, historical society will hold open exhibits during annual meeting in early October.

July 1, Shrewsbury: Ham supper, photographic exhibit, and events.

July 1, Clarendon: Strawberry festival supper.

July 1–4, Reading: Jeep rides to early settlements, baked bean supper, square dancing in costume, tour of old homes, baseball game.

July 1–September 7, Rutland: "Bicentennial Village," "Old Down-Town," events all summer.

July 1–9, South Woodstock: Green Mountain Horse Association adult horsemanship clinic.

July 2, New Haven: Church service and special activities dramatizing first town meeting.

July 2–8, Norwich: Community service in Town Hall, charter day (July 4) dedication of marker, speech by former U.S. Senator Ralph E. Flanders, old house tour and tea, bonfire, fair.

July 4, Wardsboro: Street fair, parade, band concert.

July 7–10, Woodstock: Nelly Gill, one-act play festival, garden and house tour, church fair, antique auto rally, Weston Players production.

July 8, Hartland: Exhibition, parade in costumes, speakers, dinner, street dance, charter day exercises.

July 8, Sherburne: Celebration, and dedication of library; church luncheon, evening barbecue, and dance.

July 9, Pomfret: 200th anniversary exhibit, community picnic.

July 12, Middlebury: Historic homes tour.

July 12, Cavendish: Chicken barbecue.

July 12–13, Fairlee: Arts and crafts exhibit.

July 14, Brandon: Flower show.

July 15–August 31, Rutland: Mid-Vermont artists exhibition.

July 16, Sherburne: Muzzle loading cannon and mortar firing by Green Mountain Boys and Muzzle-Loading Rifle Club.

July 16, Barnard: Old home day, parade, beef barbecue, Highland Pipe Band.

July 22, Sherburne Center: Chicken barbecue.

July 26, Castleton: Colonial Day celebration.

July 28–29, Wallingford: Summer festival.

July 28–30, Woodstock: Green Mountain Horse Association 5th annual horse trials.

July 29–30, Stratton: Bicentennial dance in town hall, church service.

July 29, Newfane: Susanne Block recital on medieval instruments.

July 29, Peru: Old home day, sale, community house supper.

July 29, West Wardsboro: The Lord's auction on church lawn.

July 29, Woodstock: One-day rural flea market of antiques.

August 1, Hartland: Windsor County field day on fair grounds.

August 1, Pittsford: Church bazaar, supper, auction.

August 3–5, Weybridge: Old home day, field day at Morgan horse farm.

August 5, Clarendon: 200th anniversary celebration.

August 5, Townshend: Hospital day fair.

August 6, Stockbridge: Old home day, lunch outdoors.

August 6–12, Manchester: Historical pageant and celebration.

August 8, Thetford: Town fair on the common, candlelight service in 1787 meeting house.

August 9–12, Woodstock: French's antiques fair and sale.

August 10, Dorset: Church fair.

August 10–11, Arlington: Street fair.

August 10–12, Manchester: Bicentennial celebration.

August 11–12, Rutland: New England square dance festival.

August 11–13, Guilford: Historic festival, exhibit of antiques, tour of historic sites, barbecue, steamed clams.

August 12, Hartland: Beef field day, showing of stallions and mares of Morgan horse farm, demonstrations of grading and judging beef on the hoof.

August 12, Sherburne Center: Old home day, church auction.

August 12, Cornwall: Old home day, dinner, program of events.

August 12, Weathersfield: Old home day, parade, square dance, dinner, baseball game.

August 13, Arlington: Lion's Club horse show.

August 13, Guildhall: 200th birthday celebration, old home day, bean dinner, parade, church services.

August 13, Weathersfield Center: Annual pilgrimage at Center Church, tea.

August 14, Barnard: Annual chicken pie supper at Town Hall.

August 14–20, Bennington: 200th anniversary celebration.

August 16, Sherburne: Old fashioned evening social commemorating bicentennial.

August 16, Fairlee: Town celebration.

August 17, Manchester: Home and garden tour, exhibit of old Vermontiana.

August 17–19, Rutland: Vermont handcrafters fair.

August 18, Woodstock: Universalist Church fair on the green.

August 18–20, Hartford: Historical pageant, public square dancing out of doors, parade, fireworks, bicentennial ball with crowning of queen, barbecue, annual gladiolus show.

August 18–20, Pawlet: Supper, fashion show of styles from colonial times to today, parade, pageant, street dance.

August 19, Poultney: Charter day, 200th year history in a play, dinner on the green, parade, exhibits.

August 23, Addison: DAR pilgrimage, lunch.

August 23–26, Wells: Bicentennial celebration with chicken barbecue, Modern Woodmen of America carnival.

August 24, Ludlow: 11th annual smorgasbord at United Church.

August 24, Cavendish: Sugar-on-snow supper at Baptist Church.

August 26, Andover: Old home day, tour of historic houses, dedication of new town clerk's office, historic pageant, handwork exhibit, lunch.

August 26, Pawlet: 200th anniversary celebration.

August 30–September 2, Woodstock: Variety of events, 50-mile "pleasure ride," 100-mile horseback trail ride; Gov. Wesley Powell, of New Hampshire, speaker; street dance, fireworks, baseball game.

September 2–3, Tunbridge: Bicentennial celebration, chicken barbecue, Vermont Gov. Ray Keyser, Jr., speaker; Contra dance exhibit, baked bean supper, variety show and dance, old home day, Union Church service, barbecue and box lunch at Town Hall.

September 3–9, Rutland: Rutland County Fair, bicentennial celebration on the 7th.

September 3, Warren: Hunter's supper.

September 14–16, Tunbridge: World's Fair.

September 16–17, Stowe: Antique car rally.

September 23, Wilmington: Farmer's Day exposition and horse show.

September 29, Wilmington: Hampshire County annual foliage ride.

October 5–15, Bennington: Fall foliage festival, queen contest, Congregational Church antique show and sale.

October 7–8, South Woodstock: New England Morgan Horse Association annual foliage ride.

October 8, Bridport: Old home day, church service, public dinner, program, speaker, music.

October 15, Pittsford: Dedication of museum, visit of Indian family, old home day, buffet, historical essay contest, dedicate marker for site of first house in Pittsford.

November 18, Cavendish: Chicken pie supper.

November 18, Plymouth: Annual game supper at Fireman's Hall.

December 2, Peru: Annual Christmas sale and supper.

SUGGESTION BY SENATOR DODD FOR INTRODUCTION TO VOICE OF AMERICA BROADCASTS

Mr. DODD. Mr. President, for some time I have been troubled by the thought that the Voice of America lacked a theme—not a theme song, but a brief, dramatic statement of purpose which would unmistakably identify it as the Voice of America and which would, at the same time, carry meaning to the hearts of its listeners.

About 2 weeks ago, while I was mulling over the matter again, it occurred to me that there could be no more appropriate theme for a broadcasting agency calling itself the "Voice of America" than the opening words of our own Declaration of Independence.

I immediately sat down and wrote a letter to Mr. Edward R. Murrow, Director of the U.S. Information Agency, suggesting that programs of the Voice of America in various languages commence with the words:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness.
>
> That to secure these rights, Governments are instituted among men, deriving their just powers from the consent of the governed. * * *

In my letter I further suggested that, after having this passage read by a strong dramatic voice, the program announcer come on with the words:

> This is the Voice of America. The words you have just heard are the opening words of the American Declaration of Independence. This is what America stands for—for her own people and for all men everywhere.

I am happy to report that the Voice of America has acted favorably on this proposal. The reply which I received on June 23 from Mr. Henry Loomis, Director of Broadcasting in the U.S. Information Agency, said:

> Your thought that the Voice should make our Declaration of Independence more widely known among our audiences has much merit and is one which we will implement to the widest degree possible consonant with the nature of individual programs.

In this age of governmental redtape, it is a rare pleasure to have a proposal read, referred, and acted on, all within the space of 12 days. Perhaps the Voice of America has found the answer to the ailment of procrastination which seems to afflict all Government bureaucracy.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point my letter to Mr. Edward R. Murrow of June 8 and the reply of Mr. Henry Loomis, Director of Broadcasting Service in the U.S. Information Agency, dated June 21.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 8, 1961.

Mr. EDWARD R. MURROW,
Director, U.S. Information Agency,
Washington, D.C.

DEAR MR. MURROW: For the last several days an idea has been running through my mind which I now wish to submit for your consideration.

The success of all propaganda, even the best and most honest propaganda, depends, at least in large measure, on repetition. If the statement is one which merits repetition and if the repetition can be arranged in a manner which makes it appear natural rather than contrived or labored, then so much the better.

The central theme of our propaganda to the Communist world is "freedom." We strive to get this theme across in many ways—through our news programs, through discussion programs, through dramatic presentations, and so on.

But the thought that has occurred to me is that in the opening words of our Declaration of Independence we have the most eloquent and universal statement of the meaning of freedom that has ever been penned in any language. It is a statement capable of moving men to their hearts' core, even when they have heard it a thousand times.

The proposal that I would like to submit is that all major programs of the Voice of America commence with these words, read by a dramatic voice which is not that of the program announcer:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are Life, Liberty and the Pursuit of Happiness.

"That to secure these rights, Governments are instituted among men, deriving their just powers from the consent of the governed * * *."

At this point, the program announcer would come on with the words:

"This is the Voice of America. The words you have just heard are the opening words of the American Declaration of Independence. This is what America stands for—for her own people and for all men everywhere."

I feel that, repeated day after day, year after year, these few historic sentences which so stirred the hearts of men in their own time, will stir the hearts of men in other countries just as powerfully.

I look forward to receiving your comment on this proposal.

Sincerely yours,

THOMAS J. DODD.

JUNE 21, 1961.

DEAR SENATOR DODD: Your proposal to Mr. Murrow that major programs of the Voice of America begin with the opening phrases of our Declaration of Independence has been carefully explored and discussed.

Your observation that to a large extent the success of propaganda (be it good or evil) depends greatly on the degree in which it is repeated is entirely true. We at the Voice are well aware of this and it is our policy to repeat the basic facts of our Nation, and what we stand for, in many forms and ways of presentation, over and over again.

Our Declaration of Independence is one of the greatest statements of principle to be found in history and also, as you likewise point out, one which is greatly moving to all whose aspirations for freedom and justice seek expression, wherever they may be. Your thought that the Voice should make our Declaration of Independence more widely known among our audiences consequently has much merit and is one which we will implement to the widest degree possible consonant with the nature of individual programs. We plan to have the quotation you suggest recorded by a well-known voice, one which is not associated with the Broadcast Service but is well-known internationally and to use it with certain of our major programs, where appropriate.

We appreciate your interest in the Voice and your desire to make our programs more effective.

Sincerely,

HENRY LOOMIS,
Director, Broadcasting Service.

PUBLIC ATTITUDE TOWARD MEDICAL CARE FOR THE AGED

Mr. CURTIS. Mr. President, on June 9, 1961, the New York Herald Tribune and other metropolitan newspapers carried results of a Gallup poll whose objective was to determine public attitude toward medical care for aged persons. In this work of the Gallup poll reflected the opinions of 1,536 persons.

In studying this poll and interpreting the question which was asked those polled, it does appear to me that persons questioned were not aware of the scope of the President's proposal for health care for the aged. The question, generally, asked whether these persons would favor or oppose having the social security tax increased in order to pay for old aged medical insurance.

It seems obvious to me that many of the persons questioned may have been under the impression that President Kennedy's proposal provides for complete health care, which would include services of physicians. We know, of course, that the President has stated, and I quote:

> No service performed by any physician at either home or office, and no fee he charges for such services would be involved, covered, or affected in any way.

The persons questioned may not have been aware that the medical services covered under the President's proposal are for hospital services, nursing home services, the services of visiting nurses, and diagnostic services at clinics. The only care available under the President's proposal from a physician is that of an emergency nature, which might be provided by staff doctors or interns in hospitals. It does not, of course, propose to cover chronic ailments of aged persons which require day-to-day attention by

a medical doctor. I submit that this may have created an area of misunderstanding which reflects upon the validity of Mr. Gallup's poll.

On the same day on which the Gallup poll appeared, the New York Herald Tribune carried an article on this subject. In the article, it pointed out that the program will be met from revenues estimated at $1.8 billion yearly, which will be brought into the social security program under the proposed tax. It should be noted that the Department of Health, Education, and Welfare estimates the first year's cost at $1.8 billion and we know that succeeding years will increase the amount of the cost very substantially beyond the $1.8 billion mark. The article appearing in the New York Herald Tribune points out that the program will be financed by one-fourth of 1 percent of the workers' earnings. It does not reflect that the same amount will be collected from employers. It also does not reflect that, by 1969, the social security tax will rise to a total of 9 percent of wages—4½ percent from the employee and 4½ percent from the employer, and this means a tax rate of 13½ percent in the case of the self-employed.

AWARD OF HONORARY DEGREE OF DOCTOR OF HUMANE LETTERS TO SENATOR MUNDT BY HURON COLLEGE, SOUTH DAKOTA

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent to have printed in the RECORD the citation by Dr. Glenne R. McArthur, of Huron, S. Dak., at the presentation of my colleague from South Dakota, Senator MUNDT, for the honorary degree of doctor of humane letters by Huron College, Huron, S. Dak., on June 5, 1961.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

Dr. KERR. It is my happy privilege to present a candidate for the honorary degree of doctor of humane letters—that branch of learning and accomplishment concerned with human thought, communication, understanding, and relations, as distinguished from the sciences.

A native-born South Dakotan, KARL E. MUNDT attended the grade schools of Humboldt, Pierre, and Madison, S. Dak., obtained his bachelor of arts degree from Carleton College; then served the Bryant High School for 4 years as an instructor and as superintendent; was granted his master of arts degree from Columbia University in 1927; moved to Madison, S. Dak., where for 8 years he headed the speech department of General Beadle State College, and conducted classes in economics, psychology, and sociology on a part-time basis while serving as junior partner of Mundt Loan & Investment Co., engaged in farm management, loan, investment, and insurance business; was elected to Congress in 1938; served in the U.S. House of Representatives for 10 years; was elected to the U.S. Senate in 1948, and is now serving his third term.

In 1925, KARL E. MUNDT was one of the organizers of the National Forensic League, a nationwide honor society recognizing meritorious work in high school competitive forensics; was issued membership card No. 1 in that organization, which now has over 600 chapters in 42 States; served as its national vice president for 10 years; became its national president in 1935, and has continued in that office for 26 years.

An ardent conservationist, KARL E. MUNDT was elected State president of the Izaak Walton League in South Dakota in 1929; was appointed in 1931 for a 6-year term to the South Dakota Bipartisan Game and Fish Commission; served as national vice president of Izaak Walton League in 1937, and was a member of national executive board in 1938 when elected to Congress.

In 1934, KARL E. MUNDT served the Minnesota-Dakotas district of Kiwanis International as district governor and subsequently served as chairman or member of several of its international committees.

In 1933, 1934, and 1935, MUNDT served as program director of the Rocky Mountain Writers' Conference at the University of Colorado. His articles have appeared in many periodicals, including Colliers, Coronet, The Nation's Schools, Outdoor America, Successful Farming, The County Gentleman, The Forensic, the Christian Advocate, Pathfinder, Fair-play (published in London, England), Vital Speeches, This Week, Liberty Magazine, Conservation Education, Reader's Digest, and others.

On three different occasions, 1952, 1953, and 1960, KARL E. MUNDT has been the recipient of awards by Freedoms Foundation of Valley Forge, Pa., for outstanding contributions to our American way of life.

In 1954, the All-American Conference To Combat Communism awarded its Distinguished Service Citation to KARL E. MUNDT for the courage, loyalty, wisdom, and faith with which he has served God and country.

In 1957, the trustees of the American Good Government Society cited Senator MUNDT for his notable legislative achievements in securing under the Internal Security Act of 1950, the establishment of a Subversive Activities Control Board to halt Communist subversion.

Recognizing Senator MUNDT's outstanding record of constructive service as farmer, educator, conservationist, author, social scientist, statesman, and master of forensic arts, and his distinguished leadership in areas of human thought, communication, understanding and relations, the board of trustees of Huron College has authorized and directed that the honorary degree of doctor of humane letters be conferred upon KARL E. MUNDT.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AID TO EDUCATION

Mr. SCHOEPPEL. Mr. President, when the aid to education bill was before this body, there were many of us who felt that assistance should be given to those areas where a need actually existed.

Some of us opposed this particular bill because we felt that it was the first step down the road toward Federal control and supervision of our schools.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Wall Street Journal of June 23, 1961, entitled "One Big Classroom." Also an article from the magazine Overview, dated November 1961. I call attention to the fact that Overview is a publication for all educational executives. Also an editorial from "The American Statesman" dated June 15, 1961, entitled "Aid to Education Farce."

Because of the importance of these editorials and article and the importance of the subject to the country, I think it behooves all of us to take time to have an overall look at what we have accomplished in the way of that legislation.

There being no objection, the editorials and article were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 23, 1961]

ONE BIG CLASSROOM

Big new programs of Federal aid to education may or may not be dead for this session of Congress, but the proponents of Federal control of the schools are very much alive and kicking.

To be sure, the advocates of Federal aid to education usually say that the thought of Federal control never entered their minds. Well, perhaps it hasn't entered some minds, but there's no doubt that many in Washington are thinking that way.

Specifically, the U.S. Office of Education, a part of the Department of Health, Education, and Welfare, is astir these days with a burgeoning sense of mission. Indeed, a committee on the Office's mission and organization has come up with a report urging wholesale expansion of the Federal role in education.

The report is entitled "A Federal Education Agency for the Future"—a name which, in the words of the authors, reflects "nothing more or less than a change in public conviction as to the role of the Federal Government in the area of education." On the strength of Federal aid to schools in impacted areas and the National Defense Education Act, the report asserts the need for an agency "speaking within the Federal Government for the long-term interests of education * * * and (rendering) assistance in the development of public educational policy." In short, says the report, the agency would be "the voice of the Nation's educational conscience."

What would this agency talk about? According to the report, it would undertake the "formulation, examination and reformulation of the goals of our national society in terms of educational objectives." Beyond that, because the world is shrinking all the time, the report argues that "national observers are especially well qualified to assess the international deficiencies"—whatever that means—"of our domestic educational system."

Let's consider the meaning of some of these words. Public educational policy. The Nation's educational conscience. The goals of our national society. National observers. The implication, clearly, is Federal control of the Nation's schools.

For what is the sense of having a federally determined educational policy if the Government does not enforce it? Who could ignore the prompting of a self-appointed national conscience that had the power to compel obedience? Similarly, what good are goals if society does not move toward them? Presumably, the national observers would see to that.

In order to make such a system work, the proposed Federal agency would have to regulate every aspect of education right down to the teacher, the classroom and the textbook.

Here, then, is a bureaucratic dream of pupils, teachers and parents assembled in one big classroom, responding to the national purpose laid down by their all-wise Federal Government. And since the only purpose apparent in Washington these days is aggrandizement of the Government and centralization of power at the expense of individual freedom, the vision of the dreamers is consistent and nightmarish.

Logic and experience show beyond doubt that Federal aid is followed by Federal control. All the same, it's useful for the Nation to have, from the education planners themselves, this blueprint for a Federal takeover.

[From Overview, November 1960]

A NATIONAL SYSTEM OF EDUCATION

(By Walter D. Cocking)

The United States is inexorably moving toward a national system of education. By the end of the 20th century we should be far along the road toward this goal. There will be much travail, dissension, and heated debate concerning the wisdom of traveling this road. There will be many regrets, many cherished viewpoints which will have to be given up or changed. For instance, the long held views that education is largely a personal concern and that educational policy should be made by local units of government will have to go. The growing dependence of the Nation upon education will tip the scales overwhelmingly for a national system of education.

There are many reasons for this shift toward a national educational system: (1) The unending increase in population, (2) the ever-growing technology and industrialization, and (3) the growing dependence upon education as an important instrument of foreign policy.

The population explosion is probably the outstanding phenomenon of the 20th century. It took the world 200,000 years to reach a total population of 2.7 billions. It is predicted that in 30 years, another 2 billions will be added to the population total. In the United States it is predicted that the present 180 million population will increase to well over 200 million by the close of the century. If this greatly increased population is to be well fed, well housed, and well clothed; if it is to be capable of self-government; if each individual is to have dignity, then education has to be the chief factor in these accomplishments. Such a task cannot safely be left to the vagaries of 40,000 local school districts and 50 State educational systems. It demands the unified and coordinated effort which can only be had from a national system of education operating under authorized control.

Another outstanding circumstance of the 20th century has been the vast development of technology and our increased industrialization. The need for unskilled labor is rapidly disappearing. Even the need for semi-skilled workers is greatly reduced. The machine has made them unnecessary, and at the time has stepped up output and improved efficiency. The need for skilled workmen and technicians has grown and will continue, resulting in less work opportunity for the uneducated.

Finally we come to a consideration of education as an instrument of foreign policy. The growth of new nations, the upsurge of peoples in the underdeveloped areas of the world, the contest of ideologies for supremacy, the struggle by all peoples for freedom, the effort of all men to have their individual dignity recognized by their fellow men—all these and more have of necessity placed a great demand upon education. The United States must help, not for selfish reasons or to gain an advantage, but rather because these are the things for which Americans stand, which they believe, and to which America is dedicated.

Education of our own people, and unselfish assistance to the peoples of other lands in their efforts to provide good education is and must be our primary policy in international relations of the future. If education is to be so used it has to be national in concept and national in action.

As I see it, then, the national welfare demands a national system of education. The growing complexity of national and international problems which require solution makes mandatory a high degree of educational efficiency which can only be achieved by making education a national enterprise.

[From the American Statesman, June 15, 1961]

THE AID TO EDUCATION FARCE

Year after year, in Congress after Congress, the powerful superlobby of the progressive educationists, manages to get its perennial Federal aid to education bill introduced. And with every new attempt by this superlobby to take over the schools, the proposed cost to the taxpayer gets bigger and bigger. This year the suggested tab, for the privilege of turning over the schools to the bureaucrats is $5.6 billion.

The advocates of this year's measure advance a variety of arguments to support their proposal. Among them are: a need to raise teachers' salaries; a need to build more classrooms; the inability of the States to handle the increase in pupils; and the increased equity of redistributing money from richer States to poorer States. According to the bill's supporters, all this will be accomplished without raising taxes and without the Federal Government grabbing control of the administration of public education throughout the country.

The facts of the matter are that, in the last 15 years the construction of new classrooms has more than matched the increase in students. In addition, the ratio of students per teacher has actually decreased over the same period. More money is being spent per student, and the increase of teachers' salaries has kept up with the increase in pay of the other major occupational segments of the population.

Aside from the bill's obvious socialistic basis (redistribution of the wealth), it will not even accomplish what it is supposed to do. For instance, the idea of giving money to the various States on the basis of need is an absolute fraud. Under the proposed law, the Federal Government will make an assessment of the funds each State spends per pupil and thus by way of comparison arrive at the relative funds to be allotted to the various States. Here's what would happen: A study would be made of Utah, for example, and would undoubtedly show that Utah spends more per pupil than Texas. Therefore the Federal Government would decide that Texas needed more help than Utah. Consequently Texas would not only receive more money back from Washington than Utah, but Utah would turn out to be a net loser (more to Washington than comes back). However, where the bill would perpetrate an almost unbelievable injustice on Utah is, that it fails to take into account the fact that Utah citizens are already burdened not only with one of the highest property taxes in the Nation, but also with a sales and a State income tax, while Texas has neither a sales tax nor a State income tax. Utahans who think the Federal aid to education bill will provide them something for nothing had better look again.

The proponents of the bill claim that this bill will not mean the end of local control of the schools. They claim that the Federal Government will simply hand out the money and let the States spend it however they see fit. If this were the case, then the bill would be a classic monument to congressional irresponsibility. For the Congress to take $5.6 billion of the taxpayers' hard-earned money and then to just give it away with no control over how it is spent would be ridiculous to say the least. However, the public can rest assured that this money will not be given back to the States with no strings attached. If this bill passes it will mean the beginning of the end of the local school board's authority. It will simply be the first skirmish won by the bureaucrats in their drive to take over the public school system.

In regard to the subject of the "underpaid schoolteacher," we would not be so impertinent as to question whether the teachers we now have are really worth more money. Rather we would like to consider a few facts. First, the median salary for teachers nationwide is $5,600 per year. However, if this yearly figure is projected on a monthly basis (teachers actually work only 8 months a year), we find that the teacher is paid at a rate of $700 per month. A monthly salary of $700 doesn't compare too unfavorably with other major occupational pay scales. As a matter of fact this figure is considerably above the average for Americans as a whole.

Passage of this bill will in time, practically destroy the right of Americans to choose the type of education they want their children to have. For instance, at the present time, millions of middle- and low-income families send their children to private schools. These private schools are not supported by tax money but are, on the contrary, fully supported by private citizens, which is as it should be. For many families, however, it is a major sacrifice to keep their children in these private schools. But with another major tax increase, most of these families will find it impossible to send their children to the school of their choice. In addition, the subsidy to teachers included in the bill will compound the private school's problems, making it very difficult for them to compete for teachers on the basis of pay scales.

What this bill will accomplish is that it will provide employment for another army of bureaucrats and administrators. Another horde of incompetents and malcontents will descend upon Washington to set up housekeeping and officemanship. Thousands of officious, arrogant procurators will then be sent from Washington to the States to administer the program, and order the local school boards about. And as is customary with these grandiose plans, the costs will creep up, year after year, until they reach the usual incredible astronomical sum so familiar. And, as usual, the money spent in the mere administration of the program will eventually far outweigh the money spent on the program's objectives. The professional educators will then be in a position to force down the throats of the American people, their ill-conceived, thoroughly discredited theories of progressive education.

The one fact that the taxpayer should never forget, is that the money for this program will not be given to the States by the Federal Government; it will be money taken from the States and then given back to them. And the taxpayers can be sure that Washington will take considerably more than it will ever give back.

PUBLIC LAWS 815 AND 874

Mr. MUNDT. Mr. President, while the majority leader is on the floor, I should like to resume with him a matter I brought before the Senate on June 27. At that time I called the attention of the Senate to the fact that Public Laws 815 and 874 will expire as of tomorrow, and pointed out the difficulties concerning school administrators across the country who are operating schools in impacted areas, who need to plan ahead for the next school year, who need to contract with teachers for the next school year, and who are getting their budgets ready and approved.

I suggested to our distinguished majority leader, and he concurred with the suggestion, that he explore the possibility of meeting this emergency by

some type of temporary extension legislation or by the calling up at this time and passage of the two bills dealing with this subject.

He pointed out during the colloquy, however, that the Senate Committee on Labor and Public Welfare has not yet acted on these bills separately; that they both have been acted on by the Senate as a part of the overall education bill.

I wonder whether the distinguished majority leader could give us additional information at this time on the emergency which we face.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished senior Senator from South Dakota, everything he has said is correct. Since the time to which he refers, I have made inquiries, and I have been informed by the Department of Health, Education, and Welfare that there is no need for this legislation until September. That situation is based partly on the fact that the House plans to vote on a general education bill in the month of July, and the legislation to which the Senator from South Dakota has referred is incorporated in the House and Senate bills.

If the House should reject the education bill, a resolution sponsored by the Senator from South Dakota and the Senator from New Hampshire [Mr. CORTON] would then be in order, and I for one would be prepared to join the Senators, and I am sure our colleagues would, in passing such a resolution.

I ask the Senator from South Dakota at this time if he would withhold the offering of such a proposal on the assurance that if these events do or do not happen, the procedure outlined will be followed, in accordance with the views expressed.

Mr. MUNDT. Before agreeing to withhold the request for action at this time, may I inquire whether the distinguished majority leader has fairly well canvassed the sentiment of the Senate and of the House to the point that he would concur with the Senator from South Dakota that, in the event no general education act is adopted, there is such overwhelming approval of these separate bills that there would be no reasonable doubt about their being passed as separate pieces of legislation?

Mr. MANSFIELD. I have not canvassed that sentiment thoroughly, but the Senator from Montana believes that would be the case, because this legislation applies to federally impacted areas, and the matter should be given consideration.

I would say further, on the assurances given by the Department of Health, Education, and Welfare, school officials who are interested, and rightly so, in this matter, could be given the assurance that the procedure suggested would not delay them in carrying out activities which they contemplate under the acts, and which Congress, by an overwhelming majority on prior occasions, has indicated it is in complete accord with.

Mr. MUNDT. Across a period of some dozen years, I believe.

Mr. MANSFIELD. Yes; at least that long.

Mr. MUNDT. Does the Senator feel superintendents and boards of education and contractual officials should feel they could go ahead with confidence in making necessary contractual relations that they must now make with teachers for the next school year, with the assurance that at the appropriate time, by one device or another, Congress will renew this legislation?

Mr. MANSFIELD. I can only give the Senator my assurance, but I think, knowing the way the Senator "bulldogs" these matters, having had close contact and experience with him over the past 19 years, what he has in mind will be forthcoming, and that the need for a continuation of this program will be met and complied with.

Mr. MUNDT. I thank the distinguished majority leader. I think this assurance is pretty ironclad and firm, because the man making it speaks not only as majority leader of the Senate, but speaks with a voice which well represents a determined and overwhelming majority of votes in this body. I am convinced the interests of the school people in the impacted areas will be taken care of.

Mr. MANSFIELD. I appreciate those words. I assure the Senator I will do everything to cooperate I possibly can, because I believe in what he has advocated.

Mr. MUNDT. I thank the Senator.

VETERANS' INSURANCE

Mr. LONG of Louisiana. Mr. President, the Senate Committee on Finance has today approved a measure advocated by me and a number of other Senators to accord certain veterans another opportunity to purchase national service life insurance.

It has been my view that this matter would be enacted into law if it were debated and permitted to come to a vote entirely on its merits in the House of Representatives. It is my view that this would probably be the result notwithstanding powerful opposition from the chairman and the majority of the members of the House Committee on Veterans' Affairs.

Measures of this sort have passed the Senate four times in the last 5 years. Thus far not a single Senator has voted against this measure at the times when it passed the Senate, notwithstanding tremendous pressures brought to bear by private insurance companies and their salesmen. It hardly seems likely that a measure which could be unanimously approved on four occasions by the U.S. Senate would be defeated in the House of Representatives if it is voted upon by the entire House membership purely on the merits of the issue.

The Senate committee is aware of the attitude taken by the chairman of the House Committee on Veterans' Affairs, a copy of which is attached to this statement. It is the view of the majority of members serving on the Senate Committee on Finance that no Member of the House of Representatives, not even the President of the United States, can or should dictate to the Senate how it should vote, whether it should amend various bills, or the nature of Senate amendments which should be offered. Any other view would suggest that a person not a member of the Senate could deny this body its right to legislate.

It is my view and the view of the majority of the Senate Committee on Finance that differences of opinion as to the relative merits of a piece of legislation such as the veterans' insurance proposal should be decided purely on the basis of their relative merits. Both Houses should be willing to confer over their differences on important legislative matters. Where it is impossible to resolve the differences, both Senate and House conferees should cheerfully submit the measure to their respective Houses and request further instructions. Personalities of individual legislators should not become involved. That is all I am proposing in the present instance—merely that both bodies should legislate in a responsible manner.

Certain statements by the chairman of the House Veterans' Affairs Committee, the Honorable OLIN E. TEAGUE, indicate that the chairman seems to feel that I have undertaken to criticize him in certain statements that I have made about this legislation on the floor of the Senate. Having reviewed my remarks on this subject, I can find no basis whatever for any conceivable personal slight. However, if the chairman of the committee will show me wherein I have been unfair or unjust to him, he can be assured that I am both anxious and willing to accord him a most humble apology. It is not my view, however, that this is the case. The issue is purely and simply a question of public policy. Of more than 13 million veterans who will be made eligible to acquire national service life insurance, it is estimated that more than 1 million would take advantage of the opportunity.

While large numbers of veterans very much desire to have Government insurance, at no expense to the taxpayer, private insurance concerns have generated a tremendous volume of mail and used their best efforts in all other respects to prevent the measure from becoming law. This is the sort of measure on which every Member of the Senate and House should be willing to take a stand out in the open. The Senate has done so repeatedly. It is my hope that this matter may come to a vote in the House of Representatives in the same manner as that which occurred last year in the U.S. Senate.

VISIT TO THE SENATE BY MR. W. J. CAMPBELL, AUDITOR GENERAL OF NEW SOUTH WALES, AUSTRALIA, AND MR. J. R. EASTON, OF AUSTRALIA

Mr. MANSFIELD. Mr. President, the Senate is honored to have as visitors today Mr. W. J. Campbell, auditor general of New South Wales, Australia, who is accompanied by Mr. J. R. Easton. They are in the Senate gallery, and we are delighted to have them as guests of the Senate at this time.

THE CALENDAR

The PRESIDING OFFICER. Under the agreement entered, the call of the calendar is now in order, starting with Calendar No. 418, Senate bill 149.

BILL PASSED OVER

The PRESIDING OFFICER. The clerk will state the first bill by title.

The LEGISLATIVE CLERK. A bill (S. 149) for the relief of the estate of Gregory J. Kessenich.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARTLETT. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

INTERSTATE COMPACTS FOR DEVELOPMENT OF LIBRARY FACILITIES

The bill (S. 464) granting the consent of Congress to interstate compacts for the development or operation of library facilities and services was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to each of the several States to enter into any agreement or compact, not in conflict with any law of the United States, with any other State or States for the purpose of developing or operating library facilities and services. The right to alter, amend, or repeal this Act is expressly reserved.

JEAN GOEDICKE

The bill (S. 207) for the relief of Jean Goedicke was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Jean Goedicke, of Casper, Wyoming, is relieved of liability to pay to the United States the sum of $628.25, representing the amount of rentals owed by the said Jean Goedicke as lessee of certain Federal lands under an oil and gas lease (Buffalo 038682) issued to her on August 1, 1945, as a result of her failure to file a timely surrender of such lease due to a misunderstanding as to her responsibilities under such lease.

KAM YUNG (LEE) CHONG

The bill (S. 245) for the relief of Kam Yung (Lee) Chong was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 4 of the Act entitled "An Act to provide for the entry of certain relatives of United States citizens and lawfully resident aliens", approved September 22, 1959 (73 Stat. 644), Kam Yung (Lee) Chong shall be held and considered to be an alien registered on a consular waiting list pursuant to section 203(c) of the Immigration and Nationality Act under a priority date earlier than December 31, 1953.

DELLAROSE J. DOWLER

The bill (S. 489) for the relief of Dellarose J. Dowler was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Dellarose J. Dowler, of Murfreesboro, Tennessee, is hereby relieved of all liability for repayment to the United States of overpayments of salary as an employee of the Veterans' Administration Hospital, Murfreesboro, Tennessee, for the period from October 18, 1959, to June 29, 1960, which she received as the result of her promotion from grade GS–7 to grade GS–9 in violation of section 1310 of the Supplemental Appropriation Act, 1952 (the so-called Whitten amendment), as amended, the said Dellarose J. Dowler having been eligible for original appointment at grade GS–9 under a change in qualification standards which became effective two days after her original appointment to grade GS–7 on June 29, 1959.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Dellarose J. Dowler, the sum of any amounts received or withheld from her on account of the payments referred to in the first section of this Act.

CHARLES F. TJADEN

The bill (S. 731) for the relief of Charles F. Tjaden was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (9) of section 212(a) of the Immigration and Nationality Act, Charles F. Tjaden may be issued an immigrant visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

SHIM DONG NYU (KIM CHRISTINE MAY)

The bill (S. 1450) for the relief of Shim Dong Nyu (Kim Christine May) was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Shim Dong Nyu (Kim Christine May), shall be held and considered to be the natural-born alien child of Mr. and Mrs. Alvin L. May, citizens of the United States: *Provided,* That the natural parents of the said Shim Dong Nyu (Kim Christine May) shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

ATHENA NICHOLAS EUTERIADOU

The bill (S. 1698) for the relief of Athena Nicholas Euteriadou was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Athena Nicholas Euteriadou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

OK NYU CHOI (ANN WOLLMAR)

The Senate proceeded to consider the bill (S. 29) for the relief of Ok Nyu Choi (Ann Wollmar), which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Ok Nyu Choi (Ann Wollmar) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee: *Provided,* That the natural parents of the said Ok Nyu Choi (Ann Wollmar) shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

DAMAGE TO CERTAIN COMMUNICATIONS FACILITIES

The Senate proceeded to consider the bill (S. 1990) to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communications facilities, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That section 1362 of title 18 of the United States Code is amended to read as follows:

"§ 1362. Communication lines, stations or systems.

"Whoever willfully or maliciously injures or destroys any of the works, property, or material of any radio, telegraph, telephone or cable, line, station, or system, or other means of communication, operated or controlled by the United States, or used or intended to be used for military or civil defense functions of the United States, whether constructed or in process of construction, or willfully or maliciously interferes in any way with the working or use of any such line, or system, or willfully or maliciously obstructs, hinders, or delays the transmission of any communication over any such line, or system, shall be fined not more than $10,000 or imprisoned not more than ten years, or both.

"In the case of any works, property, or material, not operated or controlled by the United States, this section shall not apply to any lawful strike activity, or other lawful

concerted activities for the purposes of collective bargaining or other mutual aid and protection which do not injure or destroy any line or system used or intended to be used for the military or civil defense functions of the United States."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. EASTLAND subsequently said: Mr. President, in connection with the earlier passage of calendar No. 427, S. 1990, today, I ask unanimous consent that a statement concerning this measure be printed in the RECORD as a part of the legislative history of the abovementioned bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON S. 1990

The purpose of this bill is to extend the protection of the Federal criminal statute to certain vital communications facilities not now so protected.

The existing statute covers communications facilities owned or controlled by the Federal Government. But there are a number of communications networks, fully provided for by existing contracts, which will not come technically under Federal control until the happening of an emergency, such as an enemy attack, or some other contingency requiring the activation of the network.

In this category are the communications facilities basic to conelrad, some of our early warning systems, and other communications nets which would be of the highest strategic and defense value. Clearly, these facilities are likely to be a target for sabotage; and it is not good sense to withhold protection of Federal criminal sanctions until these facilities actually come under Federal control; because destruction of these facilities now, or at any time while they are still on a standby basis, would be just as crippling to the Government's defense effort as if such destruction took place after Federal control had been asserted.

The bill as amended by the committee also increases the penalties for violations, to bring them in line with existing penalties for other similar crimes in the sabotage area. Present maximum penalties under the section of the Criminal Code which this bill would amend are a $1,000 fine or 3 years in jail. Under this bill the maximum penalties would be $10,000 fine or 10 years.

A union representative testified at hearings on this bill that his union desired language written into the bill to protect against the possibility that some lawful union activity, either strike activity or picketing, might be considered a violation. Such a provision is included in the committee amendment. The language used for this purpose is borrowed in part from the Wagner Labor Relations Act, and it should be clearly started, as a part of the legislative history of this measure, that the intent of this language is to exempt from the penalty provisions of the law any union activity permitted or permissible under the Wagner Labor Relations Act and which is not otherwise unlawful.

Some question was raised at the hearings respecting intent as an ingredient of the crime defined in this bill. It was clear to the committee that the only intent which can properly be made an element of the crime here defined is the degree of intent involved in criminal willfulness—that is, the intent to perform the particular act or acts. If intent to cause specific injury were to be made an element of the crime, or if intent to destroy some particular communications network or portion thereof were made an element of the crime, it would be almost impossible ever to secure a conviction under the statute, because such intent is subjective, and the only available evidence of it, in most cases, would be the statement of the accused.

The Department of Justice has approved this bill as proposed to be amended by the committee. The Defense Department and the Office of Civilian Defense and Mobilization strongly support its enactment.

MRS. TELISA PRENDIC DE MILENOVIC

The Senate proceeded to consider the bill (S. 270) for the relief of Mrs. Telisa Prendic de Milenovic, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 4, after the word "Act," to strike out "Mrs. Telisa Prendic de Milenovic" and insert "Mrs. Jeliza Prendic Milenovic", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Jeliza Prendic Milenovic shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Mrs. Jeliza Prendic Milenovic."

MRS. ANNELIESE FRANZISKA QUAY

The bill (H.R. 1575) for the relief of Mrs. Anneliese Franziska Quay was considered, ordered to a third reading, was read the third time, and passed.

IDO ENRICO CASSANDRO

The bill (H.R. 1602) for the relief of Ido Enrico Cassandro was considered, ordered to a third reading, was read the third time, and passed.

HELEN TILFORD LOWERY

The bill (H.R. 1887) for the relief of Helen Tilford Lowery was considered, ordered to a third reading, was read the third time, and passed.

REOKO KAWAGUCHI MOORE

The bill (H.R. 2155) for the relief of Reoko Kawaguchi Moore was considered, ordered to a third reading, was read the third time, and passed.

MRS. TUI HING TOW WOO

The bill (H.R. 2156) for the relief of Mrs. Tui Hing Tow Woo was considered, ordered to a third reading, was read the third time, and passed.

MARIE F. BALISH

The bill (H.R. 2165) for the relief of Marie F. Balish was considered, ordered to a third reading, was read the third time, and passed.

WIESLAWA ALICE KLIMOWSKI

The bill (H.R. 2645) for the relief of Wieslawa Alice Klimowski was considered, ordered to a third reading, was read the third time, and passed.

JOSE LAUCHENGCO, JR.

The bill (H.R. 2835) for the relief of Jose Lauchengco, Jr., was considered, ordered to a third reading, was read the third time, and passed.

GEORGE SAUTER (ALSO KNOWN AS GEORGOIS MAKKAS)

The bill (H.R. 3371) for the relief of George Sauter (also known as Georgois Makkas) was considered, ordered to a third reading, was read the third time, and passed.

MARIA CZYZ KRUPA

The bill (H.R. 3722) for the relief of Maria Czyz Krupa was considered, ordered to a third reading, was read the third time, and passed.

RALPH B. CLEVELAND

The bill (H.R. 4636) for the relief of Ralph B. Cleveland was considered, ordered to a third reading, was read the third time, and passed.

RICHARD A. HARTMAN

The bill (H.R. 4796) for the relief of Richard A. Hartman was considered, ordered to a third reading, was read the third time, and passed.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 1459) to amend the provisions of law relating to longevity step increases for postal employees, was announced as next in order.

Mr. BARTLETT. Over, Mr. President, as not properly calendar business.

The PRESIDING OFFICER. The bill be passed over.

The bill (S. 1488) to amend section 508 of title 28, United States Code, relating to attorneys' salaries, was announced as next in order.

Mr. MUNDT. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 143) opposing Reorganization Plan No. 3 of 1961, was announced as next in order.

Mr. BARTLETT. Over, Mr. President, as not properly calendar business.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 147) opposing Reorganization Plan No. 4 of 1961, was announced as next in order.

Mr. BARTLETT. Over, Mr. President, as not properly calendar business.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 680) to authorize the Secretary of Commerce to utilize funds received from State and local governments and private organizations and individuals for special meteorological services, was announced as next in order.

Mr. KEATING. Mr. President, I apprehend there will be no objection to this bill or to the next bill, but I should like to have an opportunity to look at the reports. I have received them within the last 5 minutes. I shall be happy to advise the majority leader a little later in the day if he should have the bills considered at that time.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 4591) to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 1258) to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes, was announced as next in order.

Mr. BARTLETT. Over, Mr. President. The report on that bill has not yet come in.

The PRESIDING OFFICER. The bill will be passed over.

REORGANIZATION PLAN NO. 4

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the resolution (S. Res. 147) opposing Reorganization Plan No. 4 of 1961.

APPLICATION OF THE NEW YORK, NEW HAVEN & HARTFORD RAILROAD FOR A GUARANTEED LOAN UNDER AUTHORITY OF THE DEFENSE PRODUCTION ACT

Mr. ROBERTSON. Mr. President, there was an article published in the New York Times today which says that the Governors in the four States served by the New York, New Haven & Hartford Railroad appealed to President Kennedy for an additional Federal loan to keep the line out of bankruptcy.

Mr. President, I know that the New York, New Haven & Hartford Railroad, which runs from Boston to New York, serves a vital section of our country and that its service is exceedingly important. However, I have written a letter to the Office of Civil and Defense Mobilization protesting against the request for $5.5 million, as part of a total request of $12.5 million for this railroad.

Mr. President, this railroad was in bankruptcy in 1935 and stayed in bankruptcy for 12 years. In 1955 it suffered severe storm damage and the Government loaned it $16 million. Since then the Government has loaned it $23,159,400, making a total of $39,159,400, of which the railroad still owes the Government $35,523,440.

The New York Times story to which I originally referred says that the railroad has current liabilities of over $50 million and has current assets of less than $25 million, so of course the railroad is actually, from that standpoint, near bankruptcy.

Mr. President, I do not know what the correct answer would be, but I point out that in 1956 a lawyer who had never had any experience whatever in operating a railroad was elected president of the railroad. I point out further that during the intervening years, from 1957 to date, under his management, this railroad has never made a thin dime, although the Government has put into it nearly $40 million. Now the railroad would like to have an additional Government loan, part of which will be used to pay the interest due to banks and insurance companies.

Mr. President, I shall ask unanimous consent to have printed in the RECORD the letter to me from the chief counsel of the Joint Committee on Defense Production, which quotes the ICC as saying that when the New York lawyer was made president of the railroad he arranged for compensation for 5 years of $60,000 a year, and that then, for the next 12 years, when he was not to render a day of service, the railroad was to pay him $25,000 a year. Now he is asking the Federal Government, which already has put nearly $40 million in the railroad, of which the railroad owes about $35 million, for an additional $12.5 million.

I ask unanimous consent to have printed in the RECORD at this point the original letter I wrote to the OCDM protesting its authority to put more money into this railroad and the letter written to me on the 29th of June by the chief of our legal staff explaining some of the details, to which he attached some other letters.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON
DEFENSE PRODUCTION,
June 22, 1961.

Hon. FRANK B. ELLIS,
Director, Office of Civil and Defense Mobilization, Executive Office of the President, Washington, D.C.

DEAR MR. ELLIS: An article in the New York Times yesterday indicates that the Office of Civil and Defense Mobilization is being asked to make loans under the Defense Production Act for the purpose of bailing out the New York, New Haven & Hartford Railroad.

The article further indicates that a loan application for $12,500,000 has been referred by the Treasury Department to the Office of Civil and Defense Mobilization, that $23 million has already been secured under the Transportation Act of 1958, and that funds in the amount of $16 million were made available out of Defense Production Act funds at the time of the flood disaster a few years ago. The article states that some funds will be required by Friday of this week.

The Joint Committee on Defense Production, of which I am chairman, was established for the purpose of reviewing the execution and administration of the programs authorized by the Defense Production Act. Since 1950, this committee has insisted that the defense need be established before Defense Production Act funds are expended.

In my opinion there is no legal basis for making loans from Defense Production Act funds to the New York, New Haven & Hartford Railroad. The Joint Committee on Defense Production shall insist on public hearings before any loans are made to this railroad from Defense Production Act funds.

Before any loans are extended to this railroad, or any other railroad, this committee will desire that the defense need for such loans be presented in an open hearing. This committee will desire to know why the Defense Production Act funds are to be used for this purpose when the Congress has passed specific legislation for transportation loans in the Transportation Act of 1958. Since the Office of Civil and Defense Mobilization received only enough in appropriations for carrying out certain obligations of the U.S. Government, this committee will desire to know what is to happen to these obligations if the funds are used to bail out the New York, New Haven & Hartford Railroad.

In securing appropriations for Defense Production Act programs, the Office of Civil and Defense Mobilization outlined specific purposes for the use of these funds. The appropriations were to have been used primarily for the purpose of meeting the obligations of the Government for materials already purchased and for meeting administrative costs of Defense Production Act programs.

I am advised that the first loan to this railroad under the Transportation Act of 1958 was made in 1959, that four other loans have been made since that time, and that the total loans since October 1960 amount to $13 million. I am further advised that all loans under the Transportation Act of 1958 for this company amount to $23,459,400, and that this total is in addition to the approximately $16 million secured at the time of the flood a few years ago.

The above figures indicate that there have been loans amounting to $39,459,400 by Government agencies to this railroad and that this company now owes the Government approximately $35,523,400.

If, as stated in the New York Times, the current assets of this railroad are $24,610,823 in comparison with current liabilities of $52,420,966 a further loan to this insolvent company would only postpone the time when it would be thrown into bankruptcy with a possible resulting loss of all loans heretofore made by our Government.

It is difficult to see how loans have been justified under the Transportation Act of 1958, since it is my understanding that there must be a reasonable expectation of repayment. Certainly, the Office of Civil and Defense Mobilization and the Secretary of the Treasury have no authority whatever to make such loans under the Defense Production Act.

Sincerely yours,
A. WILLIS ROBERTSON,
Chairman.

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON
DEFENSE PRODUCTION,
June 29, 1961.

Hon. A. WILLIS ROBERTSON,
Chairman, Joint Committee on Defense Production, U.S. Congress, Washington, D.C.

DEAR SENATOR ROBERTSON: I am furnishing you the following information regarding the application of the New York, New Haven & Hartford Railroad for a guaranteed loan under the Defense Production Act.

Mr. George Alpert, president of this railroad, asked to come by to see me after he had talked with you. Mr. Alpert came by

the office on June 26 and was accompanied by Mr. A. Gerdes Kuhbach, executive vice president of this railroad. He was also accompanied by Mr. George S. Ives, an attorney. Mr. Alpert covered the problems and finances of the company in detail and furnished the committee a number of documents. Additional information was obtained from the Interstate Commerce Commission and the most recent hearings and committee reports have been examined.

I have been advised that there have been two or three meetings recently in the executive branch of the Government which were attended by representatives of the Treasury Department, the Office of Civil and Defense Mobilization, and the Council of Economic Advisers. I have talked with a number of people in the Government, including Mr. James M. Landis, Special Assistant to the President, and officials of the Office of Civil and Defense Mobilization and the Interstate Commerce Commission. It is my understanding that the Office of Civil and Defense Mobilization has indicated that in their opinion there is not authority for guaranteeing a loan to the railroad under the Defense Production Act.

The loans which have been guaranteed by the Government for the railroad are as follows:

Under authority of part V of the Interstate Commerce Act

Docket No.:	
20372, Aug. 5, 1960	$8,159,400
20397, Jan. 8, 1960	500,000
20398, Aug. 28, 1959	1,500,000
21299, Oct. 1, 1960	4,500,000
21299, Dec. 29, 1960	3,500,000
21299, Feb. 14, 1961	3,500,000
21299, May 12, 1961	1,500,000
Total loans guaranteed by ICC	23,159,400
Less repayments as of June 22, 1961	793,960
Balance owed on guaranteed loans of ICC	22,365,440
Guaranteed loan under Defense Production Act, at time of 1955 flood	16,000,000
Amount repaid as of June 5, 1961	2,842,000
Balance outstanding on guaranteed loan under Defense Production Act	13,158,000
Total amount outstanding on both guaranteed loans under the Interstate Commerce Act and under the Defense Production Act	35,523,440

One of the articles in the New York Times indicates that interest will be due on July 1, 1961, on $76,800,000 of first mortgage 4 percent bonds. I talked with Mr. Alpert regarding whether the money obtained through Government guaranteed loans would be used for the purpose of paying the interest of the bondholders. Interest is being paid on some of their bonds, but interest is not being paid on their convertible bonds. I asked Mr. Alpert as to the amount of interest being paid annually and he stated that it amounts to approximately $1,500,000 per year. Although the loan application does not indicate that the guaranteed funds would be used for paying interest, it would amount to the same as paying interest from these guaranteed loans.

The following pertinent information appears in a report of the Interstate Commerce Commission regarding the compensation of Mr. Alpert:

"On May 9, 1956, about 4 months after George Alpert became president, a contract was made providing for the employment of Alpert as chief executive officer for the period June 1, 1956, to May 31, 1961, at a salary of not less than $60,000 per annum. The contract further provides for annual payments of $25,000 for a period of 12 years from June 1, 1961, to May 31, 1972, as severance pay and as deferred compensation for the services performed and to be performed by him. It would appear that the effect of this arrangement is that Alpert will be compensated at the rate of $120,000 yearly for 5 years' actual services."

The figures available in the various reports indicate that this railroad has not operated on a profitable basis since the year 1956, in which year the profit was $261,704. The figures reveal that the deficit has increased each year since that time. In 1957 the deficit was $2.4 million, in 1958 the deficit was $4.3 million, in 1959 the deficit was $10.8 million, and in 1960 the deficit was $14,698,640. Considerable reference is made throughout the various reports to the fact that the passenger service represents a very substantial part of the total operations of the railroad.

The following information sets forth the thinking of the Interstate Commerce Commission when a loan was recently considered, which information was obtained from a report of the Commission:

"On October 24, 1960, in finance docket No. 21299, the Commission considered an application by the New Haven for a loan guarantee in the amount of $6 million with certain banks pursuant to the provisions of part V of the Interstate Commerce Act. The Commission concluded that, in the absence of more definite assurances of the carrier's ability to repay the loan from improved prospective earnings, the loan could not be guaranteed. The record was held open, however, for the submission of further evidence which would afford the Commission some reasonable assurance that prompt and substantial relief would be extended to enable the New Haven to repay the loan from improved earnings. Following this action, the Commission received from Gov. Nelson A. Rockefeller of New York, Gov. Abraham Ribicoff of Connecticut, and representatives of the States of Massachusetts and Rhode Island and from representatives of New York City and Westchester County strong assurances that the interested State and local governmental agencies would cooperate in developing a program designed to afford the New Haven prompt and substantial relief. On consideration, a loan guarantee was approved by the Commission on October 31, 1960, in the amount of $4,500,000."

The president of the railroad stated that four States have voted tax relief amounting to $6,250,000 annually. There is a considerable difference between the latest deficit of $14,698,640 and the increased amount the company would have available through reduced taxes. It would appear that other relief would be required if the railroad is to operate on a break-even basis. I asked the president of the railroad to outline the sources from which other relief might be obtained. He said that they had hoped for the repeal of the transportation tax, which would add about $3 million annually. He stated that there are 21 labor unions concerned and that they have been giving consideration to a 4-percent reduction, which when added to some other reductions would amount to $3 million. The fare increase since March is expected to provide $1,500,000 annually. The total of all savings, some of which are doubtful, would amount to $13,750,000. This would be less than the deficit for the fiscal year 1960, but more than the average deficit over the past several years.

You suggested that I review the hearings before the Surface Transportation Subcommittee of the Committee on Commerce, U.S. Senate, which were held on March 9 and 10, 1961. The indicated losses and other facts relating to the New York, New Haven & Hartford Railroad were brought to the attention of this subcommittee at these hearings. The president of this railroad made a detailed statement before the subcommittee. The loss for 1960 was estimated to be $14.5 million when these hearings were held. The question was also brought up as to the requirement of reasonable assurance of repayment of guaranteed loans under the Transportation Act of 1958. The statement of the president of the New York, New Haven & Hartford Railroad is set forth in part as follows:

"A railroad in such poor condition that it cannot obtain funds at reasonable rates without a guarantee would find it difficult to make a showing that its earning power gives reasonable assurance of repayment. This is because those familiar with the railroad industry know that roads in serious financial condition are particularly susceptible to losses and reduced earning power resulting from such unpredictables as declining business conditions, strikes, and major weather disasters.

"I suggest, therefore, that the act be amended by striking out section 504(4) requiring a finding of reasonable assurance of ability to repay and by inserting in the place thereof the requirement of a finding that the guarantee is in furtherance of the purposes declared in section 501.

"I respectfully submit that such a condition would be more reflective of the intended purpose of the act than is the present section 504(4)."

Mr. William M. Moloney, general solicitor, Association of American Railroads, made a similar request which is reported in these hearings.

Conference report No. 214, dated March 30, 1961, only amended section 510 of the Interstate Commerce Act so as to extend the loan guarantee authority of the Interstate Commerce Commission to June 30, 1963.

I will outline the status of the Defense Production Act borrowing authority, the latest estimates having been made as of December 31, 1960. As you know, there was a $2,100 million borrowing authority limit prior to the addition of funds through direct appropriations. The total funds added through direct appropriations amount to $108,515,000. When added to the borrowing authority, the total amounts to $2,208,515,000. Quantities of materials which were purchased in previous years are continuing to be delivered and will be delivered in future years. Of the $2,208,515,000, the amount of $116,483,000 remained available as of December 31, 1960. Funds required to carry out existing contracts are far in excess of this amount. It is estimated that under minimum requirements for the use of these funds there will be a surplus of $91,151,000 as of the end of the fiscal year 1961, a surplus of $28,822,000 as of the end of the fiscal year 1962, and a deficit of $52,752,000 as of the end of the fiscal year 1963. Under minimum requirements, it is estimated that the deficit as of the end of the fiscal year 1965 will amount to $303,566,000.

The requirements could be larger than the above minimum cash requirements. Under the maximum cash requirements it is reported that there could be a deficit of $12,063,000 as of the end of the fiscal year 1961, and a deficit of $171,615,000 as of the end of the fiscal year 1962. The maximum cash requirements as of the end of the fiscal year 1965 were reported to be $574,554,000.

Mr. George Ives, attorney, stated that he thought the committee would be interested in the security which was put up by the railroad for the Defense Production Act loan. He states that the security for the guaranteed loan of $16 million (of which $2,842,000 has been repaid) amounts to an estimated $3 million more than all loans which have been guaranteed by the Government, including the loans guaranteed by the Interstate

Commerce Commission. It is my understanding the loans which were guaranteed by the Interstate Commerce Commission are unsecured loans and that 100 percent of these loans are guaranteed by the Government. The Government guaranteed 90 percent of the loan which was made under the Defense Production Act. One report states that 12,400 people are employed in four States with an annual payroll of $79 million.

I am attaching a copy of a letter dated June 15, 1961, which the railroad received from the Morgan Guaranty Trust Co. and a copy of a letter dated June 16, 1961, which the railroad received from the Chase Manhattan Bank relating to their participation in the guaranteed loans.

Sincerely yours,

HAROLD J. WARREN.

MORGAN GUARANTY TRUST CO.
OF NEW YORK,
New York, June 15, 1961.

Mr. A. GERDES KUHBACH,
Executive Vice President, the New York, New Haven & Hartford Railroad Co., New York, N.Y.

DEAR MR. KUHBACH: I refer to our conversations today and over the past month with regard to the need for additional loans to the New Haven. As you know, we are the largest bank creditor of the railroad. Our participations in the two flood loans which are 90-percent guaranteed by the U.S. Government, our participation in the diesel shop loan and in the loan totaling $13 million due November 3, 1961, both of which are 100-percent guaranteed by the U.S. Government, bring our present outstandings to a total of $4,713,944.

You have asked us whether we would participate in a $5,500,000 loan to be fully guaranteed by the United States of America under section 302 of the Defense Production Act of 1950 as amended. Under the present circumstances we feel that we should have no participation in any additional loan until the future of the New Haven is further clarified.

Very truly yours,

WALTER H. PAGE.

THE CHASE MANHATTAN BANK,
New York, N.Y., June 16, 1961.

Mr. A. G. KUHBACH,
Executive Vice President, the New York, New Haven & Hartford Railroad Co., New Haven, Conn.

DEAR MR. KUHBACH: This will confirm our past discussions with regard to the possibility of a loan to the New Haven in the amount of approximately $5,500,000, to be fully guaranteed by the United States of America under section 302 of the Defense Production Act of 1950, as amended. As you know, this bank is a participant in the New Haven flood loans presently totaling $13,158,000 and short-term loans aggregating $13 million fully guaranteed under part V of the Interstate Commerce Act. Until such time as the present $13 million in short-term loans has been refinanced on a permanent long-term basis, we do not wish to participate in any further loans to the New Haven Railroad irrespective of the fact that such loans are fully guaranteed by the U.S. Government.

Sincerely yours,

T. W. MCMAHON, Jr.

ESTATE OF GREGORY J. KESSENICH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 418, S. 149.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 149) for the relief of the estate of Gregory J. Kessenich.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. DIRKSEN. Mr. President, this bill would extend to the estate of Gregory J. Kessenich a gratuity of $100,000 as an expression of the American people's appreciation of the enormous contribution that Mr. Kessenich made to the war effort in World War II by reason of his invention of a rocket-type projectile which became the basic idea of the famous bazooka as it was finally developed.

Members of this body need not be told the important part played by this weapon both in destruction of enemy tanks and as a morale booster for our troops and those of our allies.

In the 74th, 75th, 84th, and 85th Congresses, similar measures were enacted into private law giving special recognition to individuals who were instrumental in developing or responsible for the inventions of particular aid to the U.S. Government. In other cases the individuals were not able to obtain patents upon their invention. However, in this case there is no question of Mr. Kessenich's contribution because a patent issued to him covered the basic idea of the bazooka.

There is basis for believing that Mr. Kessenich had some contract rights in this matter but an action in the Court of Claims was dismissed on a technicality and there was never a hearing on the merits of the case. Review of detailed briefs supporting Mr. Kessenich's position persuades the committee that this award in all fairness should be made to his estate.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 149) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Gregory J. Kessenich, the sum of $100,000, in full satisfaction of all claims of such estate against the United States arising out of the invention of the bazooka rocket (patent numbered 2,579,323) by the late Gregory J. Kessenich: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

COLLAPSE OF TEXAS TOWER NO. 4 INTO ATLANTIC OCEAN

Mr. SYMINGTON. Mr. President, yesterday a luncheon in honor of the retiring Chief of Staff of the Air Force made it impossible for me to be on the Senate floor when the distinguished Senator from Mississippi [Mr. STENNIS], chairman of the Senate Military Preparedness Subcommittee, presented the report on the Texas tower disaster of last year.

As a member of that subcommittee, I congratulate the chairman and his staff for the constructive nature of the report and for the care and thoroughness with which it was handled.

Thanks to the guiding hand of the Senator from Mississippi, the American people now have the facts about this tragedy. One significant, perhaps the most significant, asset of such a complete accounting to the people is that the disclosures revealed might make it possible to avoid such a mistake in the future.

But once again, we have a clear illustration of waste and tragedy resulting from the arbitrary compartmentalization of the services. This is primarily the result of the present law. Unless it is changed, there can be no joining of responsibility with authority, and therefore we can but look forward to future problems of this character.

LEGISLATIVE PROGRAM—ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at the conclusion of the business of the Senate today, it adjourn until Monday, July 3, 1961, and that immediately after convening on said day, the Presiding Officer shall, without the transaction of any business or debate, declare the Senate in recess until 12 o'clock noon on Wednesday, July 5, 1961.

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Is there objection? The Chair hears none, and it is so ordered.

TRADE CHALLENGE FROM ABROAD

Mr. BRIDGES. Mr. President, I rise for the purpose of introducing a bill on behalf of myself, the junior Senator from Maryland [Mr. BEALL], the senior Senator from Utah [Mr. BENNETT], the junior Senator from Delaware [Mr. BOGGS], the senior Senator from Maryland [Mr. BUTLER], the junior Senator from Kansas [Mr. CARLSON], the junior Senator from New Hampshire [Mr. COTTON], the junior Senator from Nebraska [Mr. CURTIS], the junior Senator from Illinois [Mr. DIRKSEN], the senior Senator from Idaho [Mr. DWORSHAK], the senior Senator from Iowa [Mr. HICKENLOOPER], the senior Senator from Oklahoma [Mr. KERR], the senior Senator from South Dakota [Mr. MUNDT], the senior Senator from Kansas [Mr. SCHOEPPEL], the senior Senator from Maine [Mrs. SMITH], the junior Senator from South Carolina [Mr. THURMOND], the junior Senator from Texas [Mr. TOWER], and the senior Senator from Delaware [Mr. WILLIAMS].

I call attention to the fact that the bill is the first piece of proposed legislation to bear the name of the junior Senator from Texas [Mr. TOWER]. I am delighted to have the pleasure of cosponsoring a bill with him.

The bill provides for the inclusion of certain producers and growers of raw materials as interested parties in escape clause proceedings under the Trade Agreements Extension Act of 1951, to make mandatory the recommendations of the U.S. Tariff Commission in such proceedings, and for other purposes.

I ask unanimous consent that the bill remain at the desk for a period of 1 week or until the close of business on Thursday, July 6, to allow Senators who may desire to cosponsor the measure to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRIDGES. I am not certain, Mr. President, whether this bill had its beginning in the sincere appeals of an unemployed New Hampshire shoe worker, in the entreaties of a desperate textile manufacturer, or, indeed, in my own deep-rooted belief that we invite disaster when we close our eyes to ailing domestic industry.

In any case, the basis for this bill is valid. And, I might add, the need for this legislation is overpowering.

Industry, the lifeblood of our Nation's free enterprise system, is in trouble.

The American giant which produces the weapons of wartime and the labor-saving, time-saving devices of peacetime is facing a serious and unfair challenge from abroad. The same seemingly indestructible giant which provides necessary employment to keep this country economically strong has been very seriously wounded by the sharp knife of low-cost imports from foreign countries.

Thus far, despite significant losses, it has managed to survive, but even a giant can bleed to death. I respectfully introduce this bill as a tourniquet to stop the bleeding.

I have devoted a great deal of time to this problem in recent months. I have conferred with representatives of both labor and management to receive the benefit of their thoughts on this dangerous situation. I have talked with experts here in Washington and I have discussed the matter at length with other Senators.

Almost without exception these discussions have narrowed to the so-called escape clause, section 7 of the Trade Agreement Extension Act of 1951. This section has simply been made sterile by serious misinterpretations of congressional intent and failure to execute the built-in protection afforded by the framers of the act.

I found three major stumbling blocks to effective implementation of the escape clause. Stated in simplest possible terms, these barriers are:

First. Difficulty in setting the investigative wheels of the Tariff Commission in motion because of naive interpretations of the term "interested parties" as contained in the escape clause;

Second. Unrealistic rulings by the Commission because of an apparent fetish for extraneous side issues in lieu of commonsense evaluation of increasing imports versus declining domestic production; and

Third. Inaction by the President on the few cases where the Tariff Commission has found serious injury or threat of injury to domestic producers or manufacturers and has recommended modification of our concessions on particular commodities.

That is it in a nutshell—three roadblocks which reduce to practically nothing the effectiveness of a section of the act designed to protect American industry.

It is impossible, of course, to write good administration into law and we must rely to some degree on the judgment of those charged with the responsibility of carrying out the provisions of any law. But good judgment in the administration of the escape clause, I submit has been noticeable only by its tragic absence.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MUNDT. I congratulate the senior Senator from New Hampshire on his leadership in preparing and introducing proposed legislation dealing with a very critical and crucial situation in our domestic economy. I have discussed this problem with him many times. It is a pleasure, therefore, for me to be associated with him in the authorship of the bill. I think he deserves real commendation from American industry as well as from American labor for providing a suggested mechanism for doing something effective to correct a situation deriving from the fact that imports are pouring into this country from certain loincloth economies, making it impossible for American industry to maintain wages to support the American standard of living, and at the same time to derive the necessary profit to remain in business.

I believe the Senator from New Hampshire is rendering a great public service in focusing national attention at this time on a spreading situation, which is not only a peril point, but a peril plateau confronting American industry.

Mr. BRIDGES. I thank the distinguished Senator. I concur in the remarks he has made about the dangers involved, and the fact that the bill is a feasible, and I think a very necessary, plan for proper legislation. I have been very upset to see industry after industry suffer as a result of cutthroat competition from abroad. I have been greatly distressed to see whole areas in which labor has been thrown out of employment. I do not see how we can maintain the American standard of living in future years unless we give some protection to those who suffer from cutthroat competition from abroad.

I want trade, as does the Senator from South Dakota. But I want the trade to be balanced and not a kind of trade that would undermine the very roots of the free American economy.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. BRIDGES. Certainly.

Mr. MUNDT. I think it is undoubtedly true that one of the great problems confronting the Senate at the time that we were asked to pass proposed legislation appropriating hundreds of millions of dollars to meet the problems of distressed areas in this country derives from the same program of increased cutthroat trade from foreign competition.

I think it would be highly appropriate to place at the gates of some of our distressed cities in this country a large sign stating, "Our distress is made overseas," because such areas become distressed by reason of the fact that the type of merchandise or product which those living in that city were engaged in producing is being provided at much cheaper prices from some place overseas, and imported into the U.S.A. in such volume and at such low prices that our own producers are put out of business.

I believe it is highly appropriate, incidentally, that the Senator from New Hampshire should introduce this bill in the Senate at a time when we will discuss reorganization plans. The sales pitch of the reorganization plans is to expedite action. If there is any area in Government operation affecting our economy in which we need to expedite action, it is in connection with making the peril point provisions of our tariff legislation effective soon enough to save some suffering industry or some suffering segment of our economy before its demise.

Those of us who live in the farm belt have felt the severe sting of unfair foreign competition as a result of the importation of Polish hams from Communist Poland, from the importation of beef from South America, from the importation of rye from Canada, and from other imports. We know from experience the tremendous impact of the whiplash created by foreign competition, where it is not restricted or restrained, and which does not have an effective equalizer to necessitate the foreign product coming into the American market at the American price level rather than at the price level of the country of its origin.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. DIRKSEN. One of the problems that we have had is with respect to imported bicycles. Not the least difficulty is that manufacturers abroad are building American type bicycles with lighter tires on them in order to qualify for the lower duty. To show what has happened, in 1947, 17,000 foreign bicycles were imported. In 1954, 540,000 foreign bicycles were imported. In 1960, the number was 1,300,000.

Therefore, we have not only problems with respect to the escape clause and the peril point, but also with respect to interpretation of what is written in the law.

If the distinguished Senator from New Hampshire will yield further, I should like to include as a part of his remarks a memorandum of fact on the U.S. sheet glass industry. Involved mainly is window glass. I note on the floor the distinguished Senator from West Virginia [Mr. RANDOLPH]. In this industry 40 percent of the product is represented by wages. This is an industry which is in the position of actually being a damaged and injured industry. If the distinguished Senator from

New Hampshire would have no objection, I would like to place the memorandum in the RECORD at this point.

Mr. BRIDGES. I would be happy to have it put in the RECORD at this point. I ask unanimous consent that this be done.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM OF FACT ON THE U.S. SHEET GLASS INDUSTRY

1. Sheet glass (common window glass) is produced in West Virginia, Pennsylvania, Ohio, Indiana, Illinois, Louisiana, Arkansas and Oklahoma.

2. On May 17, the U.S. Tariff Commission unanimously found that the U.S. sheet glass industry had suffered serious injury as a result of a large influx into this market of foreign-made sheet glass. All Commissioners recommended relief in the form of increased import duties—two Commissioners urging greater increases than their four colleagues.

3. The domestic industry has uniformly been affected by foreign competition, with the result that all companies have been forced to operate very substantially below capacity. Thousands of employees, both salaried and hourly workers, have been laid off. The industry estimates that for each employee idled, three are laid off by suppliers of new materials, fuel and inbound transportation. Many millions of dollars of payroll have been lost to the plant-city communities.

4. Without exception, domestic window glass factories are located in areas classified by the U.S. Department of Labor as labor distress areas.

5. Foreign manufacturers can undersell domestic producers because of their great advantage in direct and indirect labor costs. Belgian producers admit that U.S. sheet glass wages are 3½ times higher than theirs, and the fact is that the U.S. sheet glass worker is probably paid 4 times as much as his highest-paid European counterpart and 8 times as much as his Japanese counterpart. Machinery on which sheet glass is produced is virtually identical throughout the world, eliminating the possibility of any superior productivity offsetting the differential in hourly rates. This is a high labor content industry with direct wages to hourly workers in the U.S. industry constituting more than 40 percent of the selling price of the product.

6. All unions in the sheet glass industry support the manufacturers' plea for relief, and testimony from labor union officials was a prominent part of the Tariff Commission hearings.

7. Imports of sheet glass have risen from less than 3 percent of apparent domestic consumption in 1950 to more than 24 percent in 1960. The foreign percentage of market penetration has been sustained thus far in 1961 despite a drop in the overall domestic demand and despite price reductions by domestic manufacturers in 1960. These price reductions and the higher costs of production resulting from idled capacity caused the overall domestic industry to operate at a loss in 1960.

8. The minimal increases in import duty recommended by the majority of the Tariff Commission will, in the industry's judgment, neither reduce the absolute volume of imported sheet glass nor deprive any importer of a source for glass. Such increases in duty, added to the present published delivered prices in the United States of almost all sheet glass products now being imported, will still leave their prices below those of the domestic manufacturers. Further, the substantial profit margins on which foreign producers operate will permit them to absorb the tariff increase in order to maintain the price advantage evidenced by their published price schedules. It is the hope of the domestic industry, however, that these increases in duties, modest as they are, will to some extent restrain foreign producers from efforts to expand their sales here by undisclosed special prices and concessions which greatly increase the apparent price differential. It is hoped that reasonable stability will be restored to the market. It is the further hope of the industry that as a result of this mild restraint domestic producers will be able to share in the future growth of the U.S. economy, to gradually increase their factory operations and to reemploy their idled workers.

9. The President's Trade Policy Committee is scheduled to meet on June 12 to vote on its recommendation to the President with respect to the Tariff Commission report.

Each branch of the executive department represented on the Committee will report its recommendation to the Trade Policy Committee by June 9.

The President will either approve or reject the Tariff Commission report by July 17.

Mr. BRIDGES. Does the Senator from West Virginia wish me to yield to him?

Mr. RANDOLPH. I wish to present a resolution adopted by the Legislature of West Virginia on the subject to which the minority leader has referred.

Mr. BRIDGES. I would be glad to yield to the Senator if it will take only a short time to do so.

Mr. RANDOLPH. It will take a few minutes to present the resolution.

Mr. BRIDGES. I would like to conclude my speech, then.

Mr. RANDOLPH. Certainly.

Mr. BRIDGES. What the Senator from New Hampshire attempts to accomplish with this bill, Mr. President, is to spell out the intent of Congress as clearly as possible to avoid continued misinterpretation by those individuals responsible for carrying out the provisions of the act.

Now, how is this to be accomplished?

First, through a redefinition of the term "interested parties," it is my intention to halt the practice of the Tariff Commission refusing to hear cases because of some strange, unrealistic idea of the term. That has been one of the outs, one of the tragic abuses.

Secondly, by singling out increased imports vis-a-vis domestic production decline as the paramount consideration in a Commission investigation, I hope to end the custom of hiding behind remote side issues as excuses for decisions adverse to petitioning industry. And,

Thirdly, by making the recommendations of the Commission mandatory on the President, my purpose is to provide a guaranteed follow through on suggested modifications and to relieve the President of the pressure which he must now endure when a decision is submitted to him by the Commission.

Mr. President, the escape clause has been emasculated in recent years through poor administration. Domestic producers and manufacturers are being hurt and are not receiving relief under escape clause procedures. Either the Commission refuses to investigate or ignores the historical intention of Congress in reaching a decision, or its recommendations die on the desk of the President.

I am sure that President Roosevelt did not visualize this situation when he said to Congress on March 2, 1934:

The successful building up of trade without injury to American producers depends upon a cautious and gradual evolution of plans.

Later the same year, in a letter to an apprehensive California Congressman, the President wrote:

I am somewhat surprised and a little amused at the fears you say have been aroused in California because of the enactment and possible administration of the Reciprocal Trade Agreements Act. Certainly it is not the purpose of the administration to sacrifice the farmers and fruitgrowers of California in their pursuit of the will-o'-the-wisp of foreign markets. I trust that no Californian will have any concern or fear that anything damaging to the fruitgrowers of that State or of any other State will result from this legislation.

In 1945 President Truman wrote:

I have had drawn to my attention statements to the effect that this increased authority might be used in such a way as to endanger or trade out segments of American industry, agriculture, or labor. No such action was taken under President Roosevelt and Cordell Hull, and no such action will take place under my Presidency.

President Truman also stated, in his message to Congress on March 1, 1948:

Each agreement will continue to include a clause which will permit withdrawal or modification of concessions if, as a result of unforeseen developments and of the concessions, imports increase to such an extent as to cause or threaten serious injury to domestic producers.

To illustrate how drastic our interpretation of the escape clause changed in just a few years, Assistant Defense Secretary H. Struve Hensel stated on May 21, 1954:

It is foolish to argue that the modification of existing restrictions on foreign trade can be accomplished without any domestic dislocations. To the extent that they are militarily essential, some restrictions will have to be maintained. To the extent that they are not essential, our attitude toward the trade barriers should be judged solely by the effect on our allies.

That is the attitude of our Government to which reference is made.

That is a dreadful statement to make—that we are going to pay no attention to the farmer or laborer or manufacturer who produces the sinews of life for the American economy, but that we will decide on the basis of whether it is good for our allies. This shows the extreme necessity for the type of legislation which I am proposing.

This is a far cry from the sentiments expressed earlier by two of our Presidents.

During the past three decades, we have seen great efforts made in the Congress to increase farm prices through subsidies and crop curtailment and to boost wages through minimum wage laws and obligatory collective bargaining. Wages, production costs, and prices in the United States ballooned to a point far in excess of any other nation in the world.

Nevertheless, through our mass production techniques and our enormous capital outlay, we were able to temporarily outproduce our foreign competitors.

With the end of World War II, a significant change took place. Because much of the remainder of the world lay flat on its economic back as a result of the ravages of war, this country found it necessary to extend aid in amounts theretofore unbelievable. To help these countries get back on their feet, we provided them with the most advanced machinery and the best of our technical advice; the materials and know-how for mass production.

As a result, many of our foreign competitors are threatening to challenge our level of productivity and their labor and production costs remain ridiculously low in comparison with those maintained in this country. Additionally, foreign competitors are not compelled to meet this country's requirements with respect to health and safety standards, building code regulations, and antitrust laws. Neither are they required to grant what is known in this country as fringe benefits. I might add that foreign industries often enjoy subsidies from their own governments for commodities which they export.

Furthermore, as in the case of raw cotton, foreign competitors can buy raw materials at prices substantially below those paid by producers in the United States.

Mr. MUNDT. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. MUNDT. It seems to me that the hypothesis which the Senator has so well developed gives us three alternatives in the business of world trade. First, we might create some kind of adequate, flexible, appropriate tariff policy and mechanism to protect the products which are in serious difficulty; second, we might find a way in which to improve the standard of living and, consequently, the production costs of our competitors abroad; or, third, we must face up to the ugly fact that we shall simply have to downgrade the American standard of living and seek some common denominator to serve as a world level of living standards, so that competition can cross international boundaries competitively. Is not that correct?

Mr. BRIDGES. That is correct.

Mr. MUNDT. Would the Senator from New Hampshire permit me to place at the conclusion of his remarks comments which I made in my current weekly newsletter, dealing with this specific subject, and motivated because of my interest in the proposed legislation which the Senator from New Hampshire has introduced, and of which I am a cosponsor?

Mr. BRIDGES. I should be happy to have the Senator do so.

Mr. President, I ask unanimous consent that the statement by the distinguished Senator from South Dakota may be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. AIKEN. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. I suggest that the distinguished Senator from New Hampshire might seek to get at the seat of this trouble by arranging for a thorough investigation of the influence which foreign governments have on U.S. foreign policy. I think he would really be reaching the seat of the trouble in making that investigation. He would naturally wish to look into the question of direct influence. There is much legitimate trade promotion, we know, taking place at the instance of foreign governments.

Another little item, possibly, the matter of influence peddling, might well be looked into. A wonderful opportunity exists for the right group of investigators to examine into the situation, because sometimes I wonder who makes the foreign policy of the United States.

Mr. BRIDGES. I agree with what the Senator from Vermont has so well said.

Mr. AIKEN. It is an idea for the Senator from New Hampshire to consider.

Mr. BRIDGES. Mr. President, now let us examine the proposition in light of the facts.

Domestic producers can no longer rely on the advantage of mass production to offset heavier labor, material, and overhead costs when competing with foreign manufacturers. In the absence of governmental action to equalize the competition and grant relief, the American producer has only one of two alternatives.

He can either throw up his hands in futility, fire his workers, and discontinue his operation, or he can shift his capital to a foreign country where his operation will enjoy the benefits of low labor and other production costs.

In the case of a small businessman, his only choice is the first alternative. In the case of large concerns, so many are already following the latter course that our whole monetary system is being threatened.

Whichever way the domestic producer decides, the United States comes out the loser and the unemployment figures continue to mount.

The Senator from New Hampshire is not suggesting that imports be unnecessarily curtailed or that a high tariff wall be erected. He is merely asking for a reasonable regulation of imports to stimulate fair competition in this country's marketplace.

My bill is not designed as a weapon against world trade, but rather as a lifeline to save it. I have always believed in a maximum of beneficial world trade, and I hope the passage of this bill will assist in the promotion of this proposition.

I fully realize that a bill of this type must originate in the House of Representatives. I am hopeful that a companion measure will be introduced in that body. If it is not introduced in the House, it is my intention to offer it as an amendment to a House-passed bill.

Much has been said on behalf of suffering domestic industry, but little has been done. In my judgment, this bill will go a long way toward doing something of a concrete nature. I commend it to the Senate for early consideration, and I urge favorable action.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2176) to provide for the inclusion of certain producers and growers of raw materials as interested parties in escape clause proceedings under the Trade Agreements Extension Act of 1951, to make mandatory the recommendations of the U.S. Tariff Commission in such proceedings, and for other purposes, introduced by Mr. BRIDGES (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

EXHIBIT 1

[From Your Washington and You, weekly newsletter written by Senator KARL E. MUNDT]

NEW CONCEPTS NEEDED IN THE AREA OF FOREIGN IMPORTS

We are living in an uneasy era in which old concepts of international trade are being severely tested. Foreign competition from both raw products and manufactured goods is reducing jobs and producing red ink in many economic enterprises in the United States of America. It is important that we should give careful thought to new ways and means of providing equalizers which will permit orderly foreign trade without providing ruinous competition at home.

It is not an easy problem to solve. Some new concepts and formulas must be evolved. Tariffs alone or the reduction of them are not the answer. Basically our problems stem from the fact that many of our imports come from countries with loincloth economies where wages are dirt cheap, living standards unbearably low, or where ownership of enterprise is vested in the government by one device or another.

Here in the United States of America we enjoy the highest standard of living in the world. Our wages far exceed those paid in any other country, as do our salaries. Our farms and industries pay the world's highest taxes and require price returns sufficient to operate successfully in this high-standard-of-living economy. Few—if any—among us, want to reduce our standard of living. Few if any would give countenance to the reduction of our automobile ownership; our education opportunities; our home conveniences; our vacation system; our style of dress; our varied diet; or any of the other ingredients of the good life enjoyed in the United States of America.

But, when competition flows in from abroad unrestrictedly at low price levels, all of the elements making up our prized standard of living are in peril. Yet, we cannot live alone in this crowded world. We cannot close our borders to all foreign trade. Economic isolation is as impossible as is political isolation in today's world.

New study is sorely needed on how to meet this challenge. One alternative holding hope, being discussed in some quarters as a possible solution, is to substitute quotas for tariffs as a device for regulating foreign imports coupled with a new concept of tariffs which would be employed to put specified quantities of foreign imports into the American market at the American price level. By this method we would pay foreign producers prices compatible with American prices under a proposal which would provide exporting foreign countries with frozen assets of American dollars. This "frozen asset" would represent the difference between what the foreign producer receives for goods sold in the United States compared to domestic price levels in his own country. This blocked

currency would be held in the United States available to the foreign country only for the purchase here of American products to be used there.

It would operate somewhat as the formula once used with Cuban sugar during the period we paid Cuba the American price level for sugar rather than the Cuban price level, but it would add the feature that the price differential would not be paid direct but held in escrow in this country, available to foreign countries or exporters only for the purchase of American goods. The fallacy of continuing to rely upon reciprocal trade agreements and tariffs to meet today's economic challenge from abroad or urging complete freedom of trade between high-standard-of-living economies and loincloth economies is reenforced by recognition of the fact that free trade is a concept long urged by the Communists as a tactic for finally bringing the Western World to its knees.

Karl Marx, patron saint of communism, said in a speech in Brussels, Belgium, on January 9, 1848: "Generally speaking, the protective system in these days is conservative, while the free trade system works destructively. It breaks up old nationalities and carries antagonism of proletariat and bourgeoisie to the uttermost point. In a word, the free trade system hastens the social revolution. In this revolutionary sense alone, gentlemen, I am in favor of free trade." These are stern words of warning as we face today's dilemmas.

Mr. DWORSHAK. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. DWORSHAK. I am happy to join with the Senator from New Hampshire in cosponsoring the bill.

Since 1947, the State Department, without congressional approval, has sponsored the so-called GATT Conference, the General Agreement on Tariffs and Trade. Five international conferences have been held. Since September 1, 1960, a conference has been in session in Geneva, at which the United States is represented by about 100 persons from various executive departments of the Government.

Recently, during a hearing on the State Department budget before the Subcommittee on Appropriations of which both the Senator from New Hampshire and I are members, I asked questions concerning our trade policies, particularly as they related to the GATT conferences. I pointed out that Congress has never officially approved this activity, which takes from Congress the full authority and responsibility for conducting such negotiations with foreign countries to determine whether tariff cuts can be made—the so-called reciprocal tariff cuts—but that in reality concessions are made generally by the United States.

I asked the representative of the State Department if the GATT operation had ever been officially approved by Congress, and his answer was, "No."

I commend the Senator from New Hampshire. I think the time has arrived when Congress should assume its responsibilities to make certain that the State Department does not continue policies which inevitably will cause widespread unemployment in the United States and depress many industries which find it extremely difficult to compete with low-cost foreign producers.

Mr. BRIDGES. I thank the distinguished Senator from Idaho. He has hit the nail right on the head, as he usually does. He is very sound in his statement.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CURTIS. It was my privilege to respond to the invitation of the distinguished Senator from New Hampshire to be a cosponsor of the bill. It seems to me that certain groups in the United States have not been realistic about the protection of home industry. They have confused the issue in the past. They have argued with a great many outstanding citizens, and have convinced some of them that, somehow, if we could be overly generous in foreign trade, although some local industries might be destroyed, this would amount to a magic wand which would bring peace.

That is not true. When the Japanese dropped bombs on Pearl Harbor, the United States was Japan's best customer. Another illustration of the fallacy of such an argument is Cuba. Never in the history of the world has one nation given the favorable trade position that the United States has given to Cuba; yet Cuba was the first Latin American Republic to turn against the United States and go Communist. Trade did not prevent it.

On the contrary, the United States has invoked trade barriers, tariffs, and other restrictions against Canada many times; still our border with Canada is the longest peaceful border in the world. No armies are lined up on either side.

The argument that communities and local industries must be destroyed and not be self-sustaining, in order to have peace, is fallacious. I believe that before we can win the respect of a foreign country, we must show that we are good managers; that we are concerned about ourselves; and that we are businesslike. If foreign nations decide that we are foolish and cannot even protect our own basic industries, they will not have very much confidence in us, and, in turn, they will lack respect for us. That will lead to war and misunderstanding, rather than the prevention of them.

Mr. BRIDGES. I thank the Senator from Nebraska. He gave two excellent illustrations—namely, the situation of Japan prior to World War II, when the United States was its best customer in international trade; and the situation of Cuba, whose best customer we have been. We have given Cuba concession after concession, numbered by the score; yet we see what has developed there.

So the talk to the effect that only by lowering our barriers and giving concessions will we gain friends is very fallacious.

Mr. CURTIS. Yes, it is.

Let us reverse the situation, and think of a foreign country which was trying to make a "go" of a local industry, and found that the United States was sending sizable imports there, and enacted a tariff or placed an embargo or took some other step to prevent our doing that. We would respect that country for its businesslike judgment and for making itself strong, would we not?

Mr. BRIDGES. That is correct; we certainly would.

Mr. CURTIS. I thank the Senator from New Hampshire.

Mr. RANDOLPH rose.

Mr. BRIDGES. I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, let me say that I appreciate very much the courtesy of the Senator from New Hampshire in yielding to me, but I wonder whether I may be recognized at the conclusion of his remarks.

Mr. BRIDGES. Certainly.

Mr. President, I have concluded my remarks.

RESOLUTION OF WEST VIRGINIA LEGISLATURE URGES THE PRESIDENT TO APPLY TARIFF COMMISSION FINDINGS ON DOMESTIC GLASS

Mr. RANDOLPH obtained the floor.

Mr. SCOTT. Mr. President, will the distinguished Senator from West Virginia yield to me?

Mr. RANDOLPH. Mr. President, I shall yield, even before I begin my remarks, because I am aware of the subject matter which both of us have in mind at this time. So I am delighted to yield.

Mr. SCOTT. Mr. President, I appreciate very much the courtesy of the distinguished Senator from West Virginia in yielding to me at this time. I make this request now, before the Senator from West Virginia has had an opportunity to present his proposal, because in the next few minutes I shall be required to be in another place, and I wish to express to the Senator from West Virginia my entire support of the West Virginia Legislature House Concurrent Resolution No. 2.

I understand that in the course of discussing and explaining the problem, the senior Senator from West Virginia will submit the concurrent resolution. It affects the operations of an important industry in both West Virginia and Pennsylvania. So we are equally concerned because of the various kinds of glass manufacturing and related industries which are so definitely affected; and we recognize the need for relief, as mentioned in the concurrent resolution, in connection with U.S. Tariff Commission Escape Clause Investigation No. 7–101, dated May 17, 1961, pertaining to crown, cylinder, and sheet glass.

So I should like to commend most heartily, the distinguished Senator from West Virginia for bringing this matter to the attention of the Senate, and to indicate my entire support of him and of his recommendation in this regard.

Mr. RANDOLPH. Mr. President, I am very grateful for the support indicated by the Senator from Pennsylvania [Mr. SCOTT]; and, in this connection, I wish to express thanks, not only for myself, but also for my colleague from West Virginia [Mr. BYRD], to the Senator from Pennsylvania for joining in the presentation of the resolution to this body. We are working, as is the Senator from Pennsylvania, in a common cause; and there is great urgency with respect to this matter. I am sure we can count on the articulate and the active efforts of the Senator from Pennsylvania in this field.

Mr. SCOTT. Mr. President, if the distinguished Senator from West Virginia will yield further, briefly, I should like to say that what I have had to say refers, of course, to both of the eminent Senators from West Virginia; and I think I am justified in saying that my views are also shared by my colleague, the distinguished senior Senator from Pennsylvania [Mr. CLARK]. Therefore, the four of us are as one in this concern.

Mr. RANDOLPH. I thank the Senator from Pennsylvania.

Mr. President, it is my privilege, on behalf of my esteemed colleague, the Senator from West Virginia [Mr. BYRD], and myself, to submit House Concurrent Resolution 2 of the 1961 West Virginia Legislature, memorializing the President of the United States to adopt and to place into effect the findings of the U.S. Tariff Commission, dated May 17, 1961, in connection with escape clause investigation No. 7–101.

It is widely acknowledged, Mr. President, that foreign imports of sheet glass have effected serious injury to our domestic glass industry, not only in West Virginia, but also in many other States, and have intensified the problems of unemployment in this specific field. But the degree of injury done is not so well known, and recent developments in the import of sheet glass which present an even more ominous view of the future have not yet been appraised.

From 1950 to 1960, inclusive, total domestic shipments by domestic producers declined from 1,443 million pounds to 1,265 million pounds, having reached a peak in 1955 of 1,580 million pounds. During the same period foreign imports increased from 32 million pounds to 391 million pounds, bringing about a decline in the share of the U.S. market by domestic producers from 97.8 percent in 1950 to 75.4 percent in 1960.

Bleak as this picture is, if the President of the United States does not implement the findings and report of the Tariff Commission, there is reason to believe that even worse conditions are in prospect. In October of 1960, most Western European suppliers changed from selling on a cost, insurance, and freight, port-of-entry basis to a delivered basis, including arrangement for delivery of shipments to the customer's warehouse or plant in the United States. The benefit thus offered to the importer is apparent. It is, therefore, not surprising that domestic shipments of sheet glass showed a further and precipitous decline during the first quarter of this year, from an average quarterly shipment of 316 million pounds in 1960 to 242 million pounds during the first 3 months of 1961, thus indicating a further market loss of 23.4 percent.

Mr. President, unless the Tariff Commission's findings and report are implemented, the conceivable end result will be the complete decimation—and I emphasize the use of the word "decimation"—of our domestic sheet glass industry in the United States; and West Virginia is a major producer in this industry.

I ask unanimous consent that the resolution adopted by the West Virginia Legislature be printed in the RECORD in connection with my remarks, and be referred to the appropriate committee of the Senate.

There being no objection, the concurrent resolution was referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

HOUSE CONCURRENT RESOLUTION 2

Expressing the sense of the Legislature of West Virginia in support of the finding of the U.S. Tariff Commission Escape Clause Investigation No. 7–101, dated May 17, 1961, pertaining to crown, cylinder, and sheet glass

Whereas it is apparent to this legislature that in many areas of our State there exists an emergency in relation to unemployment; and

Whereas in Harrison and Kanawha Counties four large sheet glass plants are and have been operating at greatly reduced capacity, and with a reduced number of employees; and

Whereas the U.S. Tariff Commission, on May 17, 1961, in connection with Escape Clause Investigation No. 7–101, unanimously found, after investigation, and reported to the President, that sheet glass such as produced in West Virginia, is being and has been imported into the United States in such increased quantities as to cause serious injury to the sheet glass industry; and

Whereas the Tariff Commission further recommended that the tariff on sheet glass be increased to rates set out in the report; and

Whereas West Virginia produces more sheet glass than any other State; and

Whereas the State of West Virginia is alert to take action that may increase employment and retain here industries traditionally a part of our economy, and to take all effective measures in support of such policy: Therefore be it

Resolved by the house of delegates (the senate concurring therein), That it is the sense of this legislature that the President of the United States can and should adopt and put into effect the findings of the U.S. Tariff Commission, dated May 17, 1961, in connection with escape clause investigation No. 7–101.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to my able colleague from West Virginia [Mr. BYRD].

Mr. BYRD of West Virginia. I wish to commend my colleague [Mr. RANDOLPH] for calling attention to the distressing condition of the sheet-glass industry in West Virginia.

The deepening crisis facing the glass industry in the State of West Virginia—a crisis caused by the growing flood of foreign-produced imports of sheet glass—cannot be shrugged off as just another problem in a State generally suffering from economic depression. In this instance, the emergency is the threatened total eclipse of the industry by virtually unrestricted foreign imports.

Many Americans may find it hard to believe that our foreign-trade policies are so loosely designed as to permit the extinction of a long-established domestic industry by foreign competitors—competitors whose substantially lower wage rates make it possible for them to undersell our domestically produced products on our own domestic markets. But this is the case in sheet glass, despite vast sums of capital spent by our domestic producers to make their plants the most modern and efficient in the world.

The U.S. Tariff Commission has recognized the peril now facing our sheet-glass industry. It has recommended to President Kennedy that import duties be increased. The situation is so dire that it is fervently hoped by our large numbers of unemployed glassworkers and by the members of the West Virginia congressional delegation that the President will act to implement the maximum recommendations of the Tariff Commission.

Mr. RANDOLPH. I thank my colleague for his cogent remarks about the seriousness of this problem. I again say it is immediate, and that the implications of what is being done we now know are reasons for what we hope will be an understanding of the nature of the problem. We trust the urgency will be understood by the President of the United States, and that he will adopt and place into effect the Tariff Commission recommendations.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to the diligent Senator from Ohio.

Mr. LAUSCHE. I desire to express my concurrence with the remarks made by the distinguished Senator from West Virginia. I recognize the need of having a two-way street in international business. The Congress has declared that when imports reach a level high enough so as to endanger the very existence of manufacturers in our country, applications can be made by the affected industry itself, under the escape clause, asking for relief.

The glass industry of our State joined with the glass industries of other States in making such an application. The Tariff Commission unanimously found that the glass industry of our country was in danger of extinction because of imports. The Commission recommended to the President unanimously that tariff relief or other relief be granted to that industry.

I join the Senators from West Virginia and Arkansas in urging the President to follow the recommendation of the Commission. We cannot afford to destroy our own industries. If we do, and this recommendation is disregarded, the law which is now on the books becomes, in my opinion, meaningless.

I wish to repeat that the Tariff Commission unanimously found the industry was being injured by imports, and the Commission unanimously recommended relief in the form of increased import duties.

I can add little to the facts as reported by the Commission. However, if the escape clause provisions of the Trade Agreements Act are to be meaningful, it seems to me the relief recommended by the Commission should be proclaimed by the President.

I thank the Senator from West Virginia for yielding.

Mr. RANDOLPH. Mr. President, the knowledgeable Senator from Ohio has certainly placed appropriate emphasis on this matter. I make this prediction: The renewal of the Reciprocal Trade

Agreements Act will come before us next year, and I believe I reflect the feeling of at least a large portion of this body when I say that renewal of that act will depend to a great extent on what is done concerning some of the hard-hit industries such as glass, ceramics, textiles, and others. If relief is not granted, there will be a reluctance on the part of the Senators like the Senator from Ohio, who says he understands full well that trade is a two-way street, to move forward with renewal of the Trade Agreements Act if such a condition as has been pointed out today is not recognized and rectified. There must be a realization on the part of the administration of the hardship which exists, and appropriate action must be taken.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. LAUSCHE. At this time I wish also to state that in Ohio the baseball glove and other sports and athletic facility manufacturing industries are likewise affected. So also is the tile industry. Unless the recommendations of the Tariff Commission are carried into effect, I think the law is meaningless. We have provided that whenever an industry is in danger of its existence, it may appeal to the Tariff Commission. The industry has done so. The Tariff Commission, by unanimous vote, has said the industry is being injured and has recommended relief.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Except for reliance upon the escape clause provision, we could not justify the Reciprocal Trade Agreements Act. Is that correct?

Mr. LAUSCHE. Yes; I agree.

Mr. McCLELLAN. If we cannot provide relief by law and expect that there will be a proper administration; if we cannot provide relief for our own people when hardship in certain industries develops as a result of reciprocal trade agreements, then I do not see how we can conscientiously support a renewal of the Reciprocal Trade Agreements Act.

Mr. LAUSCHE. I agree with that statement, because it is thoroughly apparent that if that provision were not in the law, imports would become unlimited, and there would be no method of giving protection to domestic industries and workers. I agree with the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, will the Senator further yield.

Mr. RANDOLPH. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I wish to associate myself with the remarks which have been made by the two distinguished Senators from West Virginia and the able Senator from Ohio. I think the Tariff Commission's formal findings and recommendations of May 17 came as no surprise to anyone who has observed the disturbing increases in sheet glass imports over the past decade and the highly detrimental effects they have had and are still having on our domestic glass industry.

Mr. President, in my State we have a very large glass manufacturing plant, the Harding Glass Co., a subsidiary, I believe, of the Fourco Glass Co., which also operates in the State of West Virginia.

Mr. RANDOLPH. Yes. Fourco does operate at Clarksburg, W. Va., and has a very considerable operation in Arkansas, the plant being located at Fort Smith.

Mr. McCLELLAN. The Senator is correct.

Mr. President, these industries employ our people. Their operation provides labor for our citizens. If these companies are put out of business or if their operations are materially reduced this will contribute further to unemployment in our country.

Mr. President, notwithstanding the fact that our American sheet glass plants are by and large modern, progressive, and efficient, the domestic industry is finding it impossible to meet the low prices and destructive competition from abroad. The depressing results are manifest in the glass manufacturing areas throughout the country. Idle plant capacity, declining production and unemployment are on the increase both in the glass industry itself and in those industries supplying and servicing it.

Mr. President, implementation of the Tariff Commission's recommendations for increasing duties on imports of glass is a necessary step that must be taken. It will not, of course, completely restore American manufacturers to a competitive position in the domestic market, but it will help in some measure, at least, to arrest the trends of the past decade and will prevent further contraction of production in this country.

Most important of all, it may provide the means of preserving sources of livelihood for a large segment of our people. I am indeed glad to join with the senior Senator from West Virginia and others of my distinguished colleagues in most respectfully urging the President to adopt and to put into effect the Tariff Commission's findings and recommendations.

Mr. President, what I have said in regard to the glass industry and what has been said by my distinguished colleagues who have preceded me in the discussion also substantially applies in every respect to the ceramic tile manufacturing industry in this country. In my State there is one of those plants, which employs approximately 200 people. It is unable to operate at capacity and, in fact, is having a struggle to operate at all under the conditions which now prevail. Unless a remedy is given, unless there is some relief from the character and the extent of the competition facing this plant, it cannot much longer operate.

The Tariff Commission as of May 10 made a finding that foreign imports of this product have caused serious injury to the domestic tile industry. Accordingly, the Commission has recommended that duties on imports of tile be increased. I hope the President will take early and favorable action on this recommendation, also.

I shall not go into further details. The record is before the Tariff Commission. The facts now are before the President of the United States. I have indicated to the White House my views on this matter, as I am certain many other Senators have done.

Mr. President, I assert again that relief must be given. The escape clause must be made effective and must be administered so as to provide relief in these hardship cases, or else I must agree with the distinguished Senator from West Virginia that there will be great reluctance about renewing the Reciprocal Trade Agreements Act the next time the request comes before the Senate.

I should like to support the act. I know the great majority of Senators are in favor of it. We feel it is a proper policy for us to maintain. However, we cannot maintain it to the detriment of our industry to the extent that industry is being put out of business or can no longer operate at a profit. To share our market is one thing. To destroy our market or to lose it to any country abroad, for any particular product or commodity, is something we must guard against.

I thank my distinguished friend for yielding to me.

Mr. RANDOLPH. Mr. President, the comment of my colleague from Arkansas is most compelling. When he speaks of the injury being done not only to the sheet glass industry but also to the tile industry in his State there comes to my mind the opportunity I had, within recent days, to address the West Virginia section of the American Ceramic Society at Charleston. I ask unanimous consent to have printed in the RECORD at this point excerpts from the speech which I delivered on that occasion.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM AN ADDRESS BY SENATOR JENNINGS RANDOLPH, DEMOCRAT OF WEST VIRGINIA, BEFORE THE WEST VIRGINIA SECTION, AMERICAN CERAMIC SOCIETY, CHARLESTON, W. VA., JUNE 16, 1961

I regret that the tenor of my comments cannot be entirely pleasant tonight, and here I refer to the virtual decimation of some segments of the ceramics industries by unfair foreign competition.

During most of today I have been participating at Beckley in an area redevelopment conference which was addressed by Secretary Hodges. There we were primarily concerned with the problems of our State which have been generated by automation and other technological and structural changes in our economy.

The difficulties of some of the industries represented in your society—particularly the pottery and sheet glass industries—are equally as acute as are those of coal, though emerging from different causes.

Earlier this week I was visited in my office by a member of your society, Mr. Arthur Wells of the Homer Laughlin China Co. The information he related to me—of a 50-percent reduction in employment of his firm in the past 8 years, of the unfair competition of the Japanese cartel which has an average labor cost of 30 cents an hour or less, and of the number of American pottery firms which have been driven to the wall in recent years—such facts make a somber story. And it is my understanding that the

sheet and window glass industry could offer similar evidence.

I have not, of course, been unaware of such conditions. As a member of the Select Committee on Small Business of the Senate, and chairman of its Subcommittee on Relations of Business with Government, I have been deeply concerned with the economic well-being of small businesses. And during 1960 our subcommittee conducted quite extensive hearings on the impact of imports on small business. Yet even with such background knowledge, one experiences a certain shock when confronted with new and vivid examples of the decline of a modern and efficient industry. I might state in passing that I brought this problem to the attention of Secretary Hodges at the West Virginia delegation breakfast yesterday, and I shall pursue it with him further.

Now, I am not a trade restrictionist. I am in support of the Reciprocal Trade Agreements Act, and I endorse closer economic relations with the other free nations of the world. But I am a realist, and I have serious reservations about the prospects for Senate renewal of the Reciprocal Trade Act next year if certain adjustments in critical areas are not made before then.

This is unquestionably one of the most difficult and complex problems in the field of national policy. For our relations with each nation and the impact on each of our industries must be analyzed and appraised separately, and yet decisions taken with regard to one segment of our economy have repercussions far beyond the immediate industry itself.

In the total volume of our international trade, our merchandise trade surplus—the balance of exports over imports—has been maintained for several months at a level of $500 million a month or more. But such knowledge is small consolation to the individual businessman who finds himself gradually strangled by competition with sweatshop labor. I mention the overall balance to indicate the impracticality of our ever again entering the vicious circle of protectionism which prevailed three decades ago, for we would inevitably lose much more than we would gain from such a move.

We must, therefore, search for flexible and effective means of bringing relief to industries which are endangered by unfair foreign competition. President Kennedy has remarked that since the benefits of international trade accrue to the Nation as a whole, the burden of unfair foreign competition should not be borne solely by the industries and firms affected. This is a position which I thoroughly endorse, but devising a practical means for implementing it is no simple task.

Yet it is a task to which the Select Committee on Small Business has devoted much thought and attention, and an issue on which we made several specific recommendations in our report at the close of the 86th Congress. Before mentioning these recommendations, however, I would refer to one source of Federal assistance which I believe has not been sufficiently utilized by many small business concerns.

Under section 9 of the Small Business Act of 1953, the Administrator is authorized, and I quote: "To consult with representatives of small-business concerns with a view to assisting and encouraging such firms to undertake joint programs for research and development carried out through such corporate or other mechanism as may be most appropriate for the purpose. Such joint programs may, among other things, include the following purposes:

"A. To construct, acquire, or establish laboratories and other facilities for the conduct of research;

"B. To undertake and utilize applied research;

"C. To collect research information related to a particular industry and disseminate it to participating members;

"D. To conduct applied research on a protected, proprietary, and contractual basis with member or nonmember firms, Government agencies, and others;

"E. To prosecute applications for patents and render patent services for participating members; and

"F. To negotiate and grant licenses under patents held under the joint program, and to establish corporations designed to exploit particular patents obtained by it."

In all of these fields of activity, the program, if approved by the Administrator, would be exempt from the prohibitions of antitrust laws.

Now I am not sufficiently informed on research and development activities within the ceramics industries to appraise adequately the value of this section of the Small Business Act in relation to your problems. However, I would suggest that your society, representing most of the technical people in your industries, would be a proper forum in which to initiate discussion and inquiry into the utilization of this provision of the act. And I would, of course, be most pleased to facilitate the development of a joint program with the Small Business Administration if the occasion should arise.

It is my understanding that yours are modern and efficient industries. And while you may reap considerable benefits from a joint research and development program, this would presumbaly not solve the problem of unfair competition from abroad. Therefore, to turn now to the recommendations of the Small Business Committee, for which we expect to receive sympathetic and positive consideration from Congress as well as the administration.

We have recommended that Congress consider amending section 7 of the Trade Agreements Extension Act of 1951 in order to permit the President greater flexibility and discretion in proclaiming a rate of duty different from that recommended by the Tariff Commission. This seems especially important in light of the Commission's record of granting relief to only 2 out of 28 escape-clause petitions during a period of about 2½ years.

We have also recommended continued exploration of foreign wage levels as a base for quota provisions. This is a difficult area of investigation because of such nonwage factors as family allowances, housing, and annual bonuses which comprise part of the total labor cost in some countries. However, work in this field is proceeding in our own Bureau of Labor Statistics and in the International Labor Office.

The committee further recommended that all agencies of Government concerned with foreign trade should make every reasonable effort to prevent sharp and unusual increases in the importation of certain items, in order that the affected domestic industries might have adequate opportunity to make gradual and orderly adjustment.

But despite these preventive measures, some firms are inevitably and seriously injured. As direct assistance to injured industries our committee has suggested the establishment of market research and technical data facilities tailored to the particular problems of the individual firm, vocational retraining programs for displaced workers, and relocation allowances for properly certified unemployed workers whose skills are needed in another section of the country and who desire to move there.

Some of these measures have been provided for in the Area Redevelopment Act, and still more will be incorporated in the proposed Manpower Development and Training Act which will probably be enacted this session.

To sustain the individual business our committee also recommended a new category of trade injury loans for preferential treatment by the Small Business Administration. The usual rate of interest on SBA loans is 5½ percent; on disaster loans administered by the agency it is 3 percent; for the new category it would be 4 percent.

Finally, we recommended an accelerated rate of amortization for plant and equipment expenditures necessitated by foreign competition.

None of these provisions, taken singly or in combination, will provide an ideal solution to this most vexing problem. Yet they are indications of the concern of Congress and the direction which our thinking is taking. Although we must not allow ourselves the luxury of punitive actions against other countries, neither can we allow the continuous drain of tax revenue from domestic loss of production, the erosion of opportunities within our local communities and the terrible attrition of the skills and the morale of our working people.

With the application on a wider scale of the perseverance and discriminating intelligence which first brought our ceramics industries to a position of world leadership and prosperity, I believe that we can solve these problems also.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield to my able colleague from South Carolina.

Mr. JOHNSTON. Mr. President, I have been very much impressed by what the Senator from West Virginia and what the senior Senator from Arkansas have had to say. We are beginning to feel the effects of the program in South Carolina very much. Textile goods are coming into the United States which are made with cheap labor and raw materials which can be bought in the United States at cheap prices. For instance, cotton can be bought at 6 or 8 cents a pound cheaper in a foreign country than by a manufacturer in the United States. These countries have also been helped as to buying machinery by our Federal Government. Something must be done in this field.

I could speak along the same line with regard to the plywood industry. We cannot meet the type of competition being offered.

In the past there have been efforts to provide quotas or to raise duties. The situation has become so serious that it is almost impossible to provide the proper amount of duty for bringing in a product. However, we can provide quotas. For instance, Japan has agreed to quotas on textiles, realizing the seriousness of the situation.

The Senator from West Virginia and I both know that voluntary quotas will not be large enough to really meet the serious situation we face at the present time. I join with the Senator in bringing this to the attention of the State Department. It seems to me that perhaps the State Department is looking after the interests of other countries instead of looking after the interests of America and of the American people. For that reason, we in the Senate may have to take a good look at any proposal they bring to the Congress to ratify some of the actions they are taking. I,

for one, intend to scrutinize very carefully every one of the bills which come to the Senate having to do with regulating quotas or putting on duties, either lowering or increasing them.

I wish to have the State Department know that at this time.

Mr. RANDOLPH. Mr. President, the observations of the Senator from South Carolina go directly to the point which we have discussed. There is considerable evidence that what the Senator indicates as a fear is actually now in process.

Mr. President, I conclude by indicating what has been spoken by other Senators—by the Senator from Arkansas [Mr. McCLELLAN], the Senator from Ohio [Mr. LAUSCHE], and the Senator from South Carolina [Mr. JOHNSTON]—that generally Senators like to be in accord with the philosophy of the Reciprocal Trade Agreements Act. However, Senators are very forthright in indicating that when the trade agreements act is brought to Capitol Hill for renewal next year, action taken under the escape clause such as we have been discussing today will have a real bearing on the attitude which Senators will take at that time.

I wish very much to support the renewal of the Reciprocal Trade Agreements Act when it comes before us in 1962. That is my genuine desire. Yet I have said today that there will be a reluctance to do so unless there is demonstrated in the meantime a greater recognition of and effort to solve the problems of our domestic industries.

I believe I sense the feeling that Senators will reluctantly, if at all, move forward in the area of renewal without recognition of the hardship cases.

In this specific instance relating to the glass industry we hope the President of the United States will act to place into effect the unanimous decision of the Tariff Commission.

Mr. HUMPHREY obtained the floor.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the distinguished chairman of the Committee on Appropriations, who has a joint resolution of considerable importance to submit to the Senate.

JOINT RESOLUTION MAKING CONTINUING APPROPRIATIONS FOR THE MONTHS OF JULY AND AUGUST 1961

Mr. HAYDEN. Mr. President, I ask unanimous consent for the immediate consideration of House Joint Resolution 465, the joint resolution making continuing appropriations for the months of July and August.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (H.J. Res. 465) making continuing appropriations for the fiscal year 1962, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HAYDEN. Mr. President, the joint resolution is of the usual type in order to make provision for continuing in operation the functions of Government for which annual appropriations for fiscal year 1962 have not been enacted.

The joint resolution will continue in effect until August 31, 1961. It covers the following appropriation bills: Legislative Branch Appropriation Act; General Government Matters, Department of Commerce, and Related Agencies Appropriation Act; Independent Offices Appropriation Act; Department of Agriculture and Related Agencies Appropriation Act; Department of Defense Appropriation Act; Departments of Labor, and Health, Education, and Welfare Appropriation Act; Department of the Interior and Related Agencies Appropriation Act; Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act; and the Treasury-Post Office Appropriation Act.

In those instances where an appropriation act has not passed either body, such as the Atomic Energy Commission, the Bureau of Reclamation, and several others enumerated in the joint resolution, authority is granted for continuing during these 2 months activities which were conducted in the fiscal year 1961 at the current rate or at the rate provided in the budget estimate, whichever is lower.

The mutual security program has not been authorized as yet. The joint resolution will provide for the mutual security programs $485 million for these 2 months, which is the amount suggested by the Bureau of the Budget.

The area redevelopment program has been provided with $400,000 for this 2-month period. This will continue the depressed areas program during July and August at the current rate during the last week in June.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 465) was ordered to a third reading, was read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government, namely:

SEC. 101. (a) (1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1961 and for which appropriations, funds, or other authority would be available in the following appropriation acts for the fiscal year 1962:

Legislative Branch Appropriation Act;

General Government Matters, Department of Commerce, and Related Agencies Appropriation Act;

Independent Offices Appropriation Act;

Department of Agriculture and Related Agencies Appropriation Act;

Department of Defense Appropriation Act;

Departments of Labor, and Health, Education, and Welfare Appropriation Act;

Department of the Interior and Related Agencies Appropriation Act;

Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act; and the

Treasury-Post Office Appropriation Act.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided for by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House is different from that which would be made available or granted under such Act as passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority.

(4) Whenever an Act listed in this subsection has been passed by only one House or where an item is included in only one version of an Act as passed by both Houses, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower: *Provided,* That no provision which is included in any appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act for the fiscal year 1961, and which by its terms is applicable to more than one appropriation, fund, or authority, shall be applicable to any appropriation, fund, or authority provided in this joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate.

(b) Such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1961 and listed in this subsection (1) at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, or (2) in the amount or at the rate specified herein:

Atomic Energy Commission;

Department of Defense—Military Construction;

Civil Functions—Department of the Army;

Department of the Interior activities:

Bureau of Reclamation;

Bonneville Power Administration;

Southeastern Power Administration;

Southwestern Power Administration;

Tennessee Valley Authority;

Export-Import Bank;

United States Study Commission—Southeast River Basins;

United States Study Commission—Texas;

District of Columbia;

Administration, Ryukyu Islands;

Area Redevelopment Programs, administrative expenses, $400,000;

Mutual security programs, $485,000,000, to be expended in accordance with provisions of law applicable to such programs during the fiscal year 1961 and at a rate for any individual program not in excess of the current rate therefor: *Provided,* That not to exceed $1,400,000 of the appropriation for "Special assistance, special authorizations", granted in the Mutual Security and Related Agencies Appropriation Act, 1961, shall remain available in accordance with section 102 of this joint resolution; and

Payment to the Federal extended compensation account, $45,000,000.

(c) Such amounts as may be necessary for continuing projects or activities which are disbursed by the Secretary of the Senate,

and the Senate items under the Architect of the Capitol, to the extent and in the manner which would be provided for in the budget estimates for the fiscal year 1962.

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) August 31, 1961, whichever first occurs.

SEC. 103. Appropriations and funds made available and authority granted pursuant to this joint resolution may be used without regard to the time limitations set forth in subsection (d)(2) of section 3679 of the Revised Statutes, as amended, and expenditures therefrom shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 104. No appropriation or fund made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity which was not being conducted during the fiscal year 1961. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

Mr. HUMPHREY. Mr. President, as I stated, the joint resolution is a subject of rather urgent importance, in that it deals with the matter of continuing the activities of the Government of the United States, since we are facing the end of the fiscal year.

U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

Mr. HUMPHREY. Mr. President, today the President of the United States is sending to Congress a proposal to create a new agency entitled "The U.S. Disarmament Agency for World Peace and Security."

This proposal represents much more than the creation of a new bureau or agency in the executive branch of our Government. It represents in a tangible manner the restatement of a fundamental objective of our national policy—the securing of a just and enduring peace.

The basic outlines or objectives of the proposal submitted by the President have been discussed in the Congress and throughout the Nation by many spokesmen in recent years. The previous administration acknowledged the importance of special emphasis upon disarmament by selecting and appointing a limited number of certain officials to give special attention to this vital part of our foreign policy. However, the proposal of President Kennedy seeks to give priority attention and special meaning to our disarmament efforts by the establishment of a separate agency created by the Congress as an expression of our national will and purpose.

The introduction of the proposed legislation, which I shall present today on behalf of myself, the Senator from Alabama [Mr. SPARKMAN], the Senator from Wisconsin [Mr. WILEY], and the Senator from Kentucky [Mr. COOPER], offers an opportunity to say a few words about the need for the proposed new agency, and to reflect on our policy relating to disarmament and national security.

Mr. President, I shall not yield during my remarks, because I wish to make a full statement. At the conclusion of my remarks I shall then yield for whatever questions any Senator may wish to ask.

We all recognize that the United States represents freedom and the Soviet Union represents the Communist bloc and we are engaged in a long and vital political, economic, and ideological struggle. Mr. Khrushchev, the Soviet leader, has made this manifestly clear in his repeated challenges and his assertion that the Communist way would triumph and they—the Soviets—would bury us. We have accepted that challenge and we seek to complete this contest within the area of peaceful competition. We accept the challenge with confidence of victory, a victory for humanity, a victory for the independence of nations, a victory for the freedom of mankind. We are unafraid but we are terribly concerned lest the struggle which manifests itself in the growing armaments race may burst further into the catastrophe of nuclear war. The continuous and costly buildup for armaments is within itself a threat to peace. This massive buildup seems to know no limits and is almost certain to lead to conflict and disaster unless there is a massive effort, yes, a Herculean effort, to deflect the arms aspect of this struggle, to reduce the arms, yes, to disarm and to divert the vast resources presently going into armaments to more constructive and less explosive channels.

Yesterday I commented in the Senate briefly as to what I thought was developing in the struggle between the Soviet Communist bloc and the free nations. I am not a pessimist. While we have our troubles, and while the Soviet Union and its satellites are frequently able to cause great turmoil and put the pressure on, so to speak, we ought not to underestimate their difficulties, even as we objectively examine our difficulties and our limitations. The Soviet Union today has internal trouble in its economy. It is facing an agricultural collapse in the Soviet Union and in its empire. There are shortages of food, proteins, fats, oils, and cereals. The Soviet Union is having great difficulties in its own empire, with open disaffection and almost rebellion in Albania, with trouble in Rumania, and facing constant trouble in Poland. There are plenty of troubles in the Soviet bloc. I repeat in the Senate what I have said on other occasions—that the greatest single defeat the Soviet Union has suffered was on the continent of Africa. It had planned a takeover this year. But a United Nations force, with all its limitations, its obvious weakness, and at times with uncertainty, supported by the will of peaceful nations, has been able to thwart Soviet ambitions and intentions on the continent of Africa.

All is not well with the Communist bloc. The Communists have made very few gains in terms of being able to tie down real gains and achievements.

Today Asia is not more communistic. The countries of Asia that have not been taken over openly by Red arms are developing a viable economy and institutions of freedom. They not only survive, but they grow in strength.

So I say to my fellow Americans: "Do not feel as if all the problems are ours and that all the difficulties fall upon us. There are difficulties in the Communist camp."

I believe that what this Nation needs above all today is a sense of confidence. What this country needs and what our allies need is a reappraisal of our genuine strength. We represent 75 percent of the wealth of the world. We represent the greatest industrial capacity that the world has ever known. If we add the industrial capacity of the United States, Canada, Western Europe, and Japan, I submit that the world has never seen anything like it, and that the Communist empire fades into insignificance. We are stronger in science and technology and stronger in per capita income and in resources and in wealth and in industrial production. We can be stronger in every way if we have the will and the determination.

We do not stand alone. We have strong allies. We have great power on our side—political power, economic power, moral power, and military power. Let Mr. Khrushchev know that with all his threats and challenges we remain unafraid, as I shall express in this message today.

We have seen the storm clouds of war rise over Laos. They are still there and that unfortunate country with its brave and industrious people are not yet free from the military struggle in which the free and Communist worlds are engaged. More ominous storm clouds now gather over Berlin and cast their shadows throughout all of Europe, both in the Eastern and Western sectors. If war comes, it will engulf us all. There will be no place to hide—no haven of safety. The stakes in Berlin are high and we will not relinquish our responsibility to protect the freedom of Berlin or give up our rights of access to and presence in West Berlin.

As the President has stated, we are prepared to negotiate in order to find an honorable and equitable solution of the political problems which cause such tensions in central and eastern Europe. The answer to these problems is to be found in the postwar agreements between the Allies of World War II, free elections, self-determination, and noninterference by the major powers.

The freedom of West Berlin is not negotiable, but a free Berlin within a united Germany is negotiable.

President Kennedy again offered to negotiate on a peaceful settlement of the German issue but on the basis of German self-determination.

At a later date I intend to have more to say about the Berlin issue. I wish to make crystal clear, so that there will be no doubt as to this Senator's position, that once we take a firm position about the freedom of West Berlin and

our rights and our commitments to the people of Berlin, we run the risk of armed conflict. However, to be unwilling to run that risk would make negotiation meaningless. I do not believe that negotiations can be conducted in an atmosphere of uncertainty or weakness. They must be conducted only on the basis of willingness and determination to do what we know must be done, once we give commitments and make promises and give assurances to friendly people.

This pledge of self-determination was given by the Soviet Union following World War II. It is the heart of an agreement signed by the U.S.S.R., Great Britain, France, and the United States. Soviet colonialism in Eastern Europe, Soviet imperialism in East Germany are a source and cause of the so-called Berlin problem. There is no solution to Berlin—to the rights and the responsibilities of the wartime Allies and to the rights and responsibilities of the German people until a divided Germany is given the right of self-determination as to its future.

I believe it is imperative that the spokesmen of the free world make it crystal clear that the Berlin issue, as our President pointed out yesterday, is one which is being manufactured, contrived, and designed by the Soviet leaders, as they abrogate and as they deny their own commitments and their own assurances and their own agreements which they signed and to which they pledged themselves.

There is no reason for the free world to be constantly put on the defensive when there is much that needs to be said and can be said and done by a united free world.

In such a dangerous age there are many who scoff at prospects for disarmament. In fact, they say it is ridiculous to even talk about it. There are those who doubt that enough sanity and reason exist on the Communist side to see the folly of constantly and deliberately leading the world to the brink of war. And we must admit that today the prospects for agreement on disarmament are not bright. The Soviets do not appear to want to negotiate as much as they want to propagandize and rattle the hammer and sickle. But the entire point of the bill I am introducing today is that preparations for disarmament negotiations must be made in all kinds of political atmosphere. In other words, we can waste no time. We must be prepared under all circumstances. If we want to make progress toward curbing the weapons of war our efforts must be continuous. They must be grounded in solid research and study of all kinds—the technical, military, and the political. The world outlook may change. The Soviets may show a genuine interest in real and substantial disarmament with adequate controls and a willingness to settle disputes peacefully and without a resort to threats and to the use of force.

I repeat, Madam President, there is nothing so permanent in the world as change. The power relationships which exist today may be entirely different 5 years from now. Only a few days ago the Prime Minister of Japan was in the Senate Chamber as an ally and as a friend, and was applauded by the Senate. I am delighted, because Japan is a great nation, and the Japanese are great people, and we look upon them as great leaders in the cause of world peace and world justice.

Sixteen years ago Japan was our mortal enemy. Is it not interesting and is it not paradoxical that the enemies of yesterday are the stanch allies of today? Is it not something to behold to see Chancellor Adenauer and General de Gaulle working out the problems of Europe, as they see the answers? German troops are training in France. German troops are training in Great Britain. So many changes take place. I say that in the world we live in, where new powers are surging to the front, we must be prepared for any eventuality. There may well be a shift of position, and there could easily be. Certainly we hope there will be a change of attitude on the part of some of the intransigent and belligerent and arrogant powers. I am hopeful that the Soviets may some day show, as I said, a genuine interest in real, substantial arms control.

Disarmament is not merely a matter for diplomats at a negotiating table; it is a subject for scientists and technicians also. Let that be clear. Disarmament that involves modern weapons will require an intricate system of inspection and international controls requiring the most sophisticated electronic, acoustical, magnetic, and other scientific devices.

Disarmament brings into full focus the interrelationship and the interdependency of diplomacy and science. Therefore, our preparations must be continuous, constant, up to date, and ever more reliable. Therefore, disarmament is a demanding task. Disarmament is full-time work. It cannot be undertaken by half-hearted, part-time efforts.

As we engage in these negotiations we ought to recognize that we are talking about life and death itself. We must have engaged in it the best people that the Nation can provide. We must have the finest minds, and we must have complete and total preparation. I submit that throughout the years this has not been the case. All too often we have gone to disarmament conferences poorly prepared technically, without an adequate position of our own or our allies, and uncertain as to our objectives, and even more uncertain as to the procedures to be followed.

I submit this is dangerous. What is more, it is negligent to the point of being unworthy of a great country.

We cannot afford the luxury or the confidence of discussing and preparing for disarmament only while nations and people seem cooperative and peaceful. We must prepare for disarmament in the stormy days as well as in the balmy days. The urgency for disarmament is even more evident when the world teeters on the precipice.

The more grave the danger, the more immediate the crisis. It is all the more imperative that preparations be intensified for a successful program of arms control and disarmament.

It is to be hoped that in the course of studying the problems of preventive war through arms control that we may be able to convince the Soviets that it is to our mutual interest to live in peace.

Soviet leaders understand the impact of science on modern warfare. The Soviet leaders and their people have much to lose in a war and at the same time they have much to do in building their society.

I do not believe the sacrifices which the Soviet people have made over 40 years to build their country ought to be underestimated. The Soviet leaders are aware of that. They are fully aware of the terrible destructive power of modern weapons. We must be prepared for a continuing contest of ever-mounting tensions between ourselves and the Soviet Union.

Our objective, however, should be to keep that contest in the area of peaceful competition, no matter how furious that competition may become. Let us hope it can be kept within the bounds of, at least, a somewhat peaceful competition. A disarmament program with continuing negotiations has contributed to this possibility.

But it is the United States that must persist to have peace prevail. For it is the leader of the nations of the world which want to live in peace, which do not covet other peoples' territory, and which see the benefit to be derived from turning swords into plowshares.

The President has sent us his recommendations to create an agency to work for disarmament, peace, and international security. We now have an opportunity to enlarge and expand our efforts to reduce the threat of war, to slow down the arms race, to lift the burden of heavy armaments, and to help create conditions in the world which make for peace. These goals, of course, cannot be reached within a short time. Nor can they be reached simply with the hope, the wish, and the dream. The control and reduction of armaments, and the building of a peaceful world, in which law and order and international institutions take the place of national force, will take many years. It will take research, study, painstaking and patient negotiation, and the education of many peoples and nations before the battle for peace and freedom is won.

The technology of modern weapons which can destroy all life on earth seems to have outpaced our ability to use modern technology for antiwarfare purposes. But there are countless scholars, social and physical scientists, diplomats, and other dedicated citizens who are ready and eager to give their full talents to the work of disarmament and finding ways for nations to live in peace and order.

The bill I introduce today to establish a U.S. Disarmament Agency for World Peace and Security will establish an agency modest in size by any standards of government. It does not contemplate creating a large and unwieldy bureaucracy. Rather, it attempts to gather a limited number of highly qualified and well trained people from many fields who

can combine their talents and energy into solving some of the political, legal, and technical problems of verifying the reduction and control of national arsenals. Those people will work to devise plans to prevent surprise attack, war by miscalculation, subversion of free governments, and threats of war through the rise of political, economic, and social tensions among rival states.

Our Government has never before in its history created a separate agency as an integral part of its diplomacy, with the one and only purpose to study and conduct research on how war may be prevented, arms reduced, and peace preserved.

I do not wish that statement to be misunderstood. The whole purpose of our Government is to promote and maintain peace. But in this instance we focus specific attention and place special attention upon a separate agency, equipped with the finest of talent to pursue every possible course in the area of disarmament, in particular, as a contribution to peace.

We now have the possibility of pursuing such an approach. The prevention of war and the attainment of peace are the primary goals of our Nation.

The U.S. Disarmament Agency for World Peace and Security will be so situated in the Government that there will not be the danger that its head would act contrary to the Secretary of State and other officials responsible for our defense and foreign policies.

The Director of the Agency will be under the direction of the Secretary of State and the President. He would not formulate or implement policy independently of the Secretary of State.

The bill not only provides that there will be close cooperation between the Agency and all parts of the Department of State; it also specifically provides that disarmament and defense officials will be in constant collaboration to assure that neither defense nor disarmament policy will be formulated in a vacuum.

One of the most important functions of the new Agency will be to make certain that military and political decisions are made in harmony. More than ever before we need to reach decisions in both the military and foreign policy fields with full realization of their total consequences. Nowhere today is this more evident than in the question of whether to resume nuclear weapons tests.

The Geneva nuclear test ban negotiations are grinding to an unhappy halt. For 3 years the Soviet, British, and American negotiators, with the kindly help of their Indian observer, struggled to give life to the first disarmament agreement since the end of World War II. There is no question that there were times when all sides were trying to find agreement; no question that there were times when the position of each side was not so reasonable as it might have been. But now, after these many months and a few hundred meetings, the Soviet Union has brought out the political coffin. The Soviet Union has proclaimed, as far as it is concerned, that the nuclear test ban talks are dead.

Madam President, we can come from those conferences with clean hands. We presented to the Soviet Union, to Great Britain, and to the world a complete draft treaty. We laid that treaty before the world to see and for the statesmen and the foreign ministry to examine. We have given the world an honest effort on the part of the United States for peace, at least for an agreement on nuclear test cessation. But even in these trying circumstances the United States and British negotiators stand by, hoping that reason and self-preservation might move the Soviets to a more responsible and conciliatory attitude.

It is tempting in these circumstances, is it not, to turn in anger at the Soviet Union? It is easy to hurl charges at the Soviet leadership for being so callous as to permit the one real chance for success in the limited area of disarmament to be killed with a single stroke. But I, myself, feel more sorrow than anger. Surely if the Soviet people had any influence over their government they would not have allowed the test ban talks to collapse. Surely if the Soviet leaders were not so bent on extending their power and their empire throughout the world they would have been able to retain the view that a test ban treaty would be a historic achievement. I believe there was a time in which the Soviet leaders saw value in a treaty, but they could not keep their vision clear. The greed for power once again beclouded their vision, and there may be another analysis.

More than one poison dart caused the test ban talks to collapse. One obvious poison dart into this political body was the false and reactionary Soviet proposal to smother the test ban control organization in a three-headed administrative council, each head with veto power over every decision. Another was the abnormal Soviet fear of opening up its territory to even a small degree of inspection and control. Both of these poison darts the Soviets threw in the open. They admitted them frankly and unashamedly to the President at Vienna, to Ambassador Arthur Dean in Geneva, and to others.

But, Madam President, there was another poison dart, masked from sight, but which probably had the most deadly venom of all. It came from the Chinese Communists. Communist China wants to become a member of the nuclear club; and on several occasions I have predicted that she would. I notice that Arthur Dean has said that within the next year, Communist China might well have nuclear weapons. We pray that will not be the case; but that possibility surely is not remote. It is certain that Communist China has been doing her best to develop nuclear science and to develop nuclear weapons. Communist China wants to become a member of the nuclear club. Her leaders informed the Soviet Union that Communist China would not sign a test-ban treaty, and no amount of Soviet pressure would persuade them. That information was given to the Soviet leaders at the meeting last fall in Moscow. The Soviets, realizing the determination of their Chinese colleagues, could not let the world see the breakdown of the unity of the two Communist giants.

We know there have been friction and misunderstandings between these two Communist giants. We know that in the conference which was held in the last part of 1960, the Soviet and the Chinese Communist ideological philosophies were in contest and literally were in rhetorical combat. For example, we know that the most recent Communist Party conclave in Moscow—the international meeting—resulted in a compromise between what Khrushchev had been talking about and what Mao Tse-tung and Chou En-lai and other Communist Chinese leaders had been talking about; and they were most anxious that the world not see the breakdown in the relationships between those two Communist giants.

Furthermore, the open refusal of the Chinese to sign a test ban treaty with the United States, Britain, and other free nations would be a significant indication that the Soviet Union was no longer undisputed leader of the Communist world. The leaders of the Soviet Union do not want that fact known.

The Soviet Union has good reason to be concerned over an active powerful Communist China, equipped with nuclear weapons. It is this China that has a common frontier of over 2,000 miles with the Soviet Union. It is this China which has had historic emnity with the people of Russia. In fact Khrushchev and the men in the Kremlin are students of history. Their materialistic philosophy and their Marxist dialectics give them adequate reason to be anxious and deeply concerned over the strained relationships in the Sino-Soviet bloc. Soviet actions in the Geneva negotiations on nuclear weapons and Soviet obstructionism designed to wreck the negotiations give me reason to believe that the Soviet Union is anxious to renew nuclear testing.

Now let me state why.

That pattern of Soviet conduct at Geneva, along with the obstinancy and obstructionism being demonstrated by the Soviet representative, Mr. Zorin, at the current preliminary disarmament talks, lead me to believe that the Soviet Union wishes to drive us into nuclear testing, so that she may freely test. The Soviet Union is trying desperately to force our hand. She knows that many military and scientific advisers in the United States are encouraging the President to order a resumption of tests. She knows that our patience runs thin. She seeks to provoke us and exasperate us by her incredible obstructionist tactics.

The threats of war in Laos and Berlin, coupled with the breakdown in negotiations at Geneva, along with Soviet threats and demands at the United Nations, are all a part of a Soviet effort to drive the United States into some precipitous action that will bring upon us the condemnation of the rest of the world and will present an opportunity for the Soviets to parade as peacemakers, while they renew their nuclear weapons program.

Madam President, it appears to be to the advantage of the Soviet Union to test nuclear weapons. When the self-moratorium on weapons testing was imposed,

we were far ahead of the Soviets, both in quantity and quality in nuclear and thermonuclear weapons.

At least, that was the testimony of the scientists and the military experts of this Government. There is good reason to believe that we still are in this favorable position. It may have been altered somewhat but from what I have learned, we have, apparently, a decided advantage in nuclear weaponry. As we catch up to the Soviets in rockets and missiles, as we plan and develop rocket engines of greater thrust and power, the Soviet Union realizes that any advantage she might have had in the missile field is fast being overcome because of our more sophisticated nuclear warheads and our improved rocketry.

Mr. SYMINGTON. Madam President, will the Senator from Minnesota yield?

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Does the Senator from Minnesota yield to the Senator from Missouri?

Mr. HUMPHREY. I regret that I cannot yield at this time. I must be consistent. Previously I declined to yield. Therefore I feel that I should decline to yield at this time.

Mr. SYMINGTON. I merely wish to ask whether it is the Senator's premise that the Communists are not testing.

Mr. HUMPHREY. Madam President, I shall have something to say about that; and I believe the Senator from Missouri will want to comment on it, as he has already indicated. Let me add that my respect for him is unlimited. I do not claim to be the expert on these matters that he is. I only state that one of the reasons why the Soviet missile was as good as it was, was the power of its engine and its guidance system; and that powerful engine was able to propel a much less sophisticated warhead, but of greater size, even though not of greater yield. As we improve our rocket engines and use them with our more sophisticated nuclear and thermonuclear warheads, we do have a distinct advantage. Thus it is, as I have already stated, that the Soviet Union realizes that any advantage she might have had in the missile field is fast being overcome.

Of course the Soviets would like to test new weapons. They would like to develop a Polaris missile with the nuclear warhead, but they cannot until they can test—openly, in the sea, and not underground. A Polaris missile with a nuclear warhead cannot be tested underground. The Soviets would like to develop more compact and powerful warheads for their mighty rockets, but they cannot do so until they can test openly, in the atmosphere and in outer space—not underground.

Underground tests do not within themselves provide all of the answers that are needed for the variety of nuclear weapons that either we or the Soviet Union might wish to have.

I do not say that underground tests may not well fulfill most of the requirements, nor do I say there is no possibility of cheating. But I submit that what the Soviet Union wants most of all is to be able to drive the United States into such a position that Soviet Russia can test freely, but can put on the United States the blame for the breakdown of the nuclear test negotiations. So of course the Soviet Union would like to renew testing if she could be given an excuse and blame the breakdown of the nuclear tests upon the United States.

She wants all of the advantages. The advantages that will come from a breakdown in the nuclear test ban talks if the United States breaks off those talks and resumes testing and thereby incurs unfavorable reaction from many of the neutral nations, particularly in Asia and Africa. The Soviet Union wants the opportunity for her scientists and her military machine to build new weapons, particularly nuclear warheads, and possibly fantastic new instruments of destruction which can be delivered by her powerful rockets.

I want to add it is well known in this country that the President of the United States has received several communications from friendly nations, as well as important neutral nations, urging upon us not to resume these tests. In fact, one of our major allies finds it a major political issue. I think these matters ought to be weighed, therefore, very carefully.

I do not believe we should give the Soviet Union all these advantages. I do not think we should give her any. Politically, it is not to our advantage to resume the nuclear tests. I said politically. Diplomatically, the resumption of nuclear tests could cause us great trouble, particularly in Asia and Africa, the area where the Soviet Union has recently suffered political and diplomatic defeats and rebuffs.

The only possible justification for the resumption of nuclear tests at this juncture and in the immediate future would be if the Soviet Union is secretly testing and if our national security is thereby threatened by the development of some new fantastic weapon or the marked improvement of Soviet nuclear weapons.

Those possibilities may be real.

These military and scientific facts cannot be ascertained by debate in the Senate. The best we can do is try to get as much information as is available. These facts can be ascertained and discovered only by the most able and reliable intelligence. It is to this very point that the President addressed himself in yesterday's press conference, when he announced the appointment of a panel of specialists and scientists to examine into the possibility of Soviet nuclear testing.

If that panel comes to the conclusion that the Soviets have conducted secret tests, the President of the United States may well decide, and I think he should announce his complete right to make such a decision, in view of the happenings at Geneva, that we should resume testing.

A recent column by Walter Lippmann summarizes the situation very well. Let me read the following paragraphs from the column:

What is certain in the whole business is that we cannot assume, as some among us do, that the resumption of testing would benefit only the United States and not the Soviet Union. We cannot assume this because if the benefits were one sided, the Soviet Union would be much more concerned than it is to conclude an agreement. For the Soviet Union is not in the business of helping the United States.

I am told by those who ought to know that while the Soviet scientists and technicians are as good as our own, our weapons and our technology are considerably more advanced and more sophisticated than theirs. If this is true, the question is whether with a resumption of testing, they will catch up with us, perhaps surpass us. For we must remember that the end of the moratorium would permit testing not only underground but anywhere.

I ask unanimous consent to have the entire article printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TEST BAN

(By Walter Lippmann)

The negotiations on testing were resumed at Geneva on March 21 after they had been suspended for about 10 months as the result of the Eisenhower-Khrushchev quarrel. During the interval there had been important changes in the positions of both sides.

The United States went to considerable length in offering concessions, calculated carefully with one eye on what it was hoped that Khrushchev would accept and with the other eye on what the Senate would ratify. What was not foreseen was that during the long recess, the position of the Soviet Union would change radically.

The change was marked by the new demand for the Troika, for a three-man administration, and the change was accompanied by many signs that the Soviet Union has lost interest in the whole idea of a treaty to prohibit nuclear testing.

This loss of interest in any treaty is, I believe, far more important than the disagreements at Geneva. The memorandum which Mr. Khrushchev handed to the President in Vienna on June 4, and which was published on June 12, shows that the Troika business could become negotiable if there existed a will to conclude a treaty. Thus the Soviet memorandum denies that it wants a veto on inspection. The American memorandum of June 17, a very able document, disagrees sharply with the Soviet memorandum which says that there would be no veto against "on the spot inspection within the limits of the agreed quotas * * * at the request of the side interested in the inspection without any voting on the control position or any other agency." But the disagreement is not so wide here that it could not be bridged if there was a will to do so.

The evidence is strong, however, that the Soviet Government does not now want a treaty, and that it looks without regret upon the breakdown of the whole negotiation. Thus it has proposed that the negotiations be carried over into the coming disarmament conference, which amounts to proposing an indefinite delay in reaching an agreement. Moreover, I have a strong impression that there is more to the matter than emphasizing the Troika problem, which is soluble in the narrow confines of the nuclear test ban. It is in order to establish a precedent for the much greater crisis of the United Nations, which is coming.

The central question for the President in forming American policy is why the Soviet Government is now so little interested in concluding a treaty. A part of the answer, but truly not the whole answer, may well be that the Red Chinese are refusing to adhere to the treaty because they are determined to become a nuclear power in their own right. Were Mr. Khrushchev to conclude a treaty with the United States, it might mean a serious break with Mao Tse-tung.

Another part of the answer, though I would guess a small part of it, may be that if we reject the treaty because of the Troika, we shall be the country that resumed nuclear testing which the neutrals fear and hate because we refused to let neutrals participate in administering the ban.

But I cannot help thinking that there is some harder reason than either of these why the Soviet Union has lost interest in the treaty.

Presumably, this harder reason lies in the relative advantages to each side if the present moratorium on testing were removed. Initially, this is a problem for the experts. The experts, however, will not be unanimous and laymen, notably the President himself, will have to decide between them. The President's decision will have to be based on a searching examination and cross-examination of the experts.

What is certain in the whole business is that we cannot assume, as some among us do, that the resumption of testing would benefit only the United States and not the Soviet Union. We cannot assume this because if the benefits were one sided, the Soviet Union would be much more concerned than it is to conclude an agreement. For the Soviet Union is not in the business of helping the United States.

I am told by those who ought to know that while the Soviet scientists and technicians are as good as our own, our weapons and our technology are considerably more advanced and more sophisticated than theirs. If this is true, the question is whether with a resumption of testing, they will catch up with us, perhaps surpass us. For we must remember that the end of the moratorium would permit testing not only underground but anywhere.

We can be certain, I believe, that if the Soviet Union decided that testing in the air was vital to its security, it would test in the air. Also, we do know with reasonable certainty that the Soviet Union is interested in the biggest nuclear weapons, not in tactical nuclear weapons. For as a matter of policy, the Soviet Union does not engage itself directly in small wars, like the Korean war for example, and in conventional forces it is paramount on its own frontiers and within its own sphere of influence.

Moreover, with its superiority in rockets, it is less interested than we are in smaller and lighter weapons. It is concerned primarily that, if nuclear weapons are used at all, they should be big enough to be decisive. All this may help to explain why the Soviet Union looks with so much equanimity on the resumption of testing.

That the decision which the President will now have to make is not obvious, is not open-and-shut, is shown by the fact that, while warning the Soviet Union that without a treaty we shall be free to resume testing, he has not yet ordered testing to be resumed. For he has first to determine whether the net balance of advantages would be substantially on our side.

Mr. HUMPHREY. The New York Times has also offered some valuable observations on the important issue, to test or not to test. I recognize that this editorial and others have been responded to and analyzed by others of my colleagues here in the Senate. I do not quote from the New York Times editorial as if it were infallible, but rather as an enlightening and thoughtful article on a subject matter on which it is very difficult to ascertain the truth. We can only surmise. In this editorial the New York Times says:

While clandestine underground tests are possible, these are limited to rather small bombs and are very costly and cumbersome. There is no clear evidence that any such tests have taken place, and there is very small likelihood that enough of them could have taken place to catch up with us.

If we were to resume testing, we would thus give Russia the opportunity to catch up with us. And while our resumed tests would be carried out underground, free from fallout, Russia no doubt would take them as an excuse to begin the less expensive and more efficient tests in the atmosphere and place the blame on us.

We now have a nuclear stockpile of great variety, great enough to destroy Russia, and China as well, many times over. Hence, confronted with the fateful Hamletian dilemma, "to test or not to test," the President should be guided by the consideration that the possible disadvantage in not resuming the tests would be outweighed by the sure disadvantage of giving Russia the chance to catch up with us as well as a decisive victory in the crucial battle for men's minds.

I ask unanimous consent that the entire editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO TEST OR NOT TO TEST

The United States has told the Kremlin that in view of the ease of clandestine nuclear testing, along with Russia's insistence on a treaty with a built-in veto that would make effective inspection and control impossible, the national security and defenses of the free world do not allow the risk of forgoing nuclear testing indefinitely.

There is no indication in the note that the United States has decided to resume the tests, a decision that must be made by the President. Many of the facts on which the President's decision must be based are secret, but some of the known facts suggest that the risks involved in resuming the tests are greater than the risks involved in not resuming them.

According to the figures on testing given out by the Atomic Energy Commission in 1959, the total yield of testing both fission and fusion (hydrogen) devices by the United States, the United Kingdom, and Russia by November 1958, when the moratorium began, was 170 megatons; namely, the equivalent of 170 million tons of TNT. Over 72 percent of these were accounted for by the United States and Britain, most of them by the United States.

These figures indicate that, on the basis of tests alone, and, hence, in knowledge and technology in respect to the design of nuclear weapons, from the largest city-destroying hydrogen bombs to the smallest tactical weapons, the United States is way ahead of Russia. While clandestine underground tests are possible, these are limited to rather small bombs and are very costly and cumbersome. There is no clear evidence that any such tests have taken place, and there is very small likelihood that enough of them could have taken place to catch up with us.

If we were to resume testing, we would thus give Russia the opportunity to catch up with us. And while our resumed tests would be carried out underground, free from fallout, Russia no doubt would take them as an excuse to begin the less expensive and more efficient tests in the atmosphere and place the blame on us.

We now have a nuclear stockpile of great variety, great enough to destroy Russia, and China as well, many times over. Hence, confronted with the fateful Hamletian dilemma, "to test or not to test," the President should be guided by the consideration that the possible disadvantage in not resuming the tests would be outweighed by the sure disadvantage of giving Russia the chance to catch up with us, as well as a decisive victory in the crucial battle for men's minds.

Mr. HUMPHREY. Again, let me say this is only the opinion of the editor who wrote that particular editorial, but I think it is at least an opinion worthy of our study and observation. We have no real facts on which to base our decision as of yet. I am pleased the President is going to emphasize and accelerate a program of maximum intelligence to see if we cannot find the facts that are needed for guidance in our national policy.

Now I wish to summarize. The dart to which I referred from the Communist Chinese to the Soviets that they would not be bound by the test ban treaty was the strongest of all, because I believe that if the Soviets still wanted a test ban treaty the other obstacles could have been overcome. The Soviets did not need absolute veto power to protect their interests in the implementation of the treaty. And the remaining differences on inspection could have been overcome if the will for agreement had remained strong on both sides.

The Chinese Communists' silent role in the demise of the test ban talks leads me to conclude that the security of the United States, its allies, and friends throughout the world requires the participation of the Chinese Communists at the forthcoming multilateral disarmament negotiations.

The U.S. Government is now preparing to resume full-scale disarmament negotiations. Agreement has yet to be reached with the Soviets on a framework and a forum. That agreement seems a long way off. But if and when agreement is reached, talks on disarmament will reconvene.

I say to talk disarmament with the Soviet Union alone, and to ignore the massive power of 700 million Chinese under the Communists, with the Chinese record on the battlefield, with the equipment which they can get themselves and which they can get from the Soviet Union, is folly. And what is more, it does not make good diplomatic sense.

The Soviet Union would like nothing better than to divide the world into two spheres of influence, one for them and one for us, for the moment. The Soviets in recent months have written off neutrality. They have told us there is no such thing as a neutral. I think we ought to let the world know that. We ought to let the neutral nations of the world see what the Soviet's ambitions are. We ought to let the world know that the Soviet Union has a complex of a world divided in two, half owned by the Russians and half by the United States, as they say, with the hope and the design in the plan that they will nibble away at us year after year.

The United States is not willing to sell out the world for its own temporary interest, or even its long-term interest.

The United States of America stands as a partner with other peoples and with other nations, seeking a just and enduring peace. We are unwilling to engage in a divided world, exactly as we protest a divided Korea, a divided Vietnam, and a divided Germany. The Soviets seek to divide. This is their

No. 1 weapon. They seek to divide us from our allies, to divide our own people, to divide the world, to divide countries. If they succeed in dividing, then they seek to find a new place to start their political incisions.

I call upon the leadership of this country not to be taken in by that approach.

Madam President, if it is true—and I believe that it is—that at the recent meeting of the Communist international movement in Moscow the Chinese Communists pressed Mr. Khrushchev very hard and the Chinese leaders told Mr. Khrushchev in no uncertain terms that they would abide by no treaty he signed, then I say that if disarmament negotiations are to be meaningful and if the security of this country is to be protected and if, indeed, the well-being of the world is to be considered, it is about time we brought to the negotiating table the protagonists who, apparently to many Americans, look as if they are blood brothers living in peace and tranquillity, which is not the case. There are areas of disagreement. I cannot imagine a nation pursuing a course in foreign policy other than that, when we are confronted with such massive power, such massive deceit, such unbelievable conspiracy. We seem to be unwilling to face up to the realities and to put on the other side of that table one of the great military powers, much as we dislike it, alongside the Soviet Union, so that some discussion and some differences can come into the open. We might be able to probe those differences to find out what is the truth.

I think the Chinese Communists ought to be included in any disarmament negotiation, if we really wish to disarm with security. Otherwise, disarmament will become a mockery and a fraud. This is not the first time I have made these remarks, but we seem to continue to blissfully go on ignoring this reality.

Madam President, the United States is prepared to discuss and to advocate comprehensive, worldwide, full-scale proposals covering all aspects of armaments. Our President is willing to do that. We are willing to do it. I know that U.S. policy will be committed to achieving as much disarmament as can be negotiated, given the willingness of the Soviets to accept adequate verification—not only the Soviets, but also other major military powers—given the ability of science to devise adequate control techniques, and given the acceptance of nations of international procedures for the settlement of disputes.

These are the criteria for an effective disarmament program. Disarmament becomes an academic, esoteric subject unless one couples it with the realism of diplomacy and science, and unless one includes in the discussion of disarmament the full realization of the power relationships in the world.

We Americans sometimes must amuse all humanity. Apparently we would like to ignore things we do not care for. Apparently we wish to pretend those things do not exist. Since 1945 the blood of Americans has been shed not merely because of the direct activities of the Soviets but also because of Communist China. Communist China can be no more ignored in disarmament discussions than it can be ignored in Korea or in Vietnam.

Madam President, it is no longer sufficient for the Soviet Union to pretend it is calling all the shots for Communists on disarmament. We cannot be certain now that the Chinese Communists will allow their Soviet colleagues to speak for them. It is time to have the Chinese Communist leaders speak for themselves. And it is time to close any loophole that would exist if the Chinese were excluded from any disarmament agreement. I believe U.S. security requires that the Chinese be represented at future negotiations at which arms control issues may be resolved, because the Chinese are the most aggressive nation on the face of the earth at this particular juncture in history.

I wish to return to the other current problem in the disarmament field to which I alluded earlier. That is the problem of the resumption of nuclear weapons testing on the part of the United States.

The Soviet abandonment of the test ban talks obviously returns to the United States its freedom of action to resume testing if it wishes. The idea of a United States-United Kingdom moratorium on testing was to encourage an atmosphere conducive to reaching agreement. The idea has not proved successful. It is now doubtful that the United States will in the future refrain voluntarily from any act affecting its defense as an incentive to agreement.

I repeat: It is now doubtful that the United States will in the future refrain voluntarily from any act affecting its defense as an incentive to agreement. In other words, we are going to put security foremost. We now have the freedom to resume nuclear testing not because we wished to have it but because the Soviet Union has insisted on making the test ban negotiations a failure at this point.

We now have the freedom to resume nuclear testing. The question is, should we resume, and if so, for what purpose?

My own view is that we should resume weapons testing only if the security of the United States would be jeopardized in the absence of tests.

How, then, do we judge our security requirements? If we resume tests and the Soviets resume tests, assuming for the moment that they have not been testing, do we or the Soviets benefit the most? I have commented on this.

If we do not resume tests and the Soviets do not resume tests, do we or the Soviets benefit the most? If we do not resume tests but the Soviets resume tests secretly and without detection, how much does our security suffer?

These are the questions which need to be asked and answered. The President indicated yesterday that these questions are being studied very carefully by a special panel of his Science Advisory Committee. This panel will look at all evidence as to whether the Soviet Union has been conducting nuclear weapons tests secretly. And the panel will also attempt to determine what progress in nuclear weaponry the Soviets could make with secretly conducted underground nuclear tests. Therefore, I must withhold any firm statement as to what our pattern should be until the evidence is in.

We should be able to present our answers to these questions to our citizens and to the citizens of other nations in a way which does not compromise security needs, but in a way in which the reasons for our actions are made clear.

The United States should be proud that it is judged differently from the Soviets.

I know that many people say, "Well, the Soviets do it; why don't we?" or "The Soviets act this way; why don't we?" The answer is simple. The Soviets are totalitarians. They have a different set of values, a different set of standards, a different way of life. I do not believe we would be putting forward the cause of freedom by aping the totalitarian. I do not believe we would make ourselves more enriched or more wonderful human beings by reverting to a kind of primitive animal type of life. I happen to believe in this cause of freedom.

Because we are a free and democratic Nation and because our society is open for all to see, we are required to explain our actions far more than is the Soviet Union. As a dictatorship and as a closed society, the Soviet Union is judged by a lower standard. This double standard of judgment is viewed by many in the United States with dismay. But I think we should welcome the fact that we are expected to set an example. It is for this reason that the United States, whatever its decision on the matter of resuming nuclear tests, must explain it carefully to its allies, to its other friends, and to its own citizens.

As a matter of fact, it was my view that in order to get this explanation, and in order to have a better understanding, we should have set a date for the negotiations. Then the world would have known exactly what we were working for.

I am prepared to endorse the resumption of weapons testing if the U.S. defense requirements clearly demand it. I believe this is the overriding reason.

All of us will be interested in the findings of the President's special panel on this matter. I hope that that panel will intensively, comprehensively, extensively investigate every possible bit of evidence as to whether our security needs require the resumption of testing.

There are other nuclear tests, however, that do seem to me to be warranted. They relate to my earlier points on the need for legislation to create a new Disarmament Agency, even though the world outlook is grim. I believe we should undertake nuclear underground tests of small nonweapons devices to perfect our knowledge of test detection.

I think we should take this action without any sense of guilt whatsoever, but as a real responsibility in the cause of peace and disarmament.

Some may argue against such tests on the grounds that they are pointless so long as the Soviets refuse to sign a test ban agreement. But, like the need for a new disarmament agency, even in the

face of a sullen international atmosphere, there is the need to perfect our knowledge of the techniques of disarmament control even though agreement is not in sight. The time might come when not only the Soviet Union but also the Chinese Communists would be willing to join in a treaty to prohibit nuclear weapons tests. If this time should come, the United States must be ready with the most efficient, effective, and the simplest control system that can be devised.

Additionally, what I call research testing is needed for the entire disarmament inspection and control program. We do not have such a control system today. But our disarmament efforts cannot wait until agreement is in sight. We must prepare now for the possible outbreak of peace and the reduction of tensions—and what a happy day that will be—just as we are willing to prepare for the defense of our and other countries from the war we do not seek and do not want.

I appeal to Senators to prepare for the possibility for which we pray and for which we work. That is the possibility of peace. We have not prepared for it. We have not even prepared for it in terms of economic planning. I think it is fair to ask Senators what would happen if we should sign a disarmament agreement that would be safe and effective, one that we could rely on. What would happen if that happy occasion should ever arise? What kind of planning does our country have for economic demobilization of its defense industries and the impact of such demobilization upon this country? I know we can make plans for such an occurrence. I have no doubt that America would be much better off.

I have no doubt that our industries would welcome the opportunity. But to make such statements does not in any way deny the need of some kind of forward-looking planning and such a disarmament agency as we believe would accomplish that objective. Our Subcommittee on Disarmament has made an extensive study of this area, and the information we have gathered is anything but consoling.

Our efforts to build our military defenses and to curb the weapons of nations on an equitable and balanced basis must proceed side by side. These are the directions our policies must go.

Madam President, I ask unanimous consent to have one of the feature articles entitled "President Orders a Study of Possible Soviet A-Tests," by John W. Finney, published in the New York Times, issue of June 29, printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENT ORDERS A STUDY OF POSSIBLE SOVIET A-TESTS

(By John W. Finney)

WASHINGTON, June 28.—President Kennedy announced today that he had ordered a special committee of scientists to assess whether the Soviet Union could be conducting secret atomic tests and thus making a significant advance in weapons technology.

He made clear that the study by a specially constituted panel of the President's Scientific Advisory Committee was a prelude to an administration decision on whether the United States should resume nuclear testing.

The President raised the test ban issue and the possible resumption of tests in a statement read at the outset of his news conference.

In effect, his statement was a combination of an appeal to the Soviet leaders to end their intransigence on a test ban treaty and a warning that a continued deadlock could force the United States into renewing tests.

REFUSAL TO NEGOTIATE SEEN

The Soviet Union's refusal to negotiate seriously on a nuclear test ban at Geneva, he said, "raises a serious question about how long we can safely continue on a voluntary basis a refusal to undertake tests in this country without any assurance that the Russians are not testing."

As a result, he continued, he has directed the President's Scientific Advisory Committee to convene a special panel of eminent scientists to take a close and up-to-date look at the serious questions involved, and these two questions in particular:

What is the extent of the U.S.'s information on whether the Soviet Union has been or could be engaged in secret testing of nuclear weapons?

To the extent that certain types of tests can be concealed by the Soviet Union, what technical progress in weapons could be under way without the United States' knowledge?

Meanwhile, it was announced that the administration would submit to Congress tomorrow its proposals for an enlarged disarmament agency to strengthen planning and research on arms control measures.

The announcement was made by Representative ROBERT W. KASTENMEIER, Democrat, of Wisconsin, following a meeting with President Kennedy along with 17 other congressional cosponsors of a national peace agency proposal.

BASIC OBJECTIVES HELD MET

Mr. KASTENMEIER said in a statement that the administration's plan would meet the basic objectives of the national peace agency bill previously introduced by him and 34 other Members of Congress.

The statement was an indication that the administration had resolved a prolonged debate within its own ranks in favor of an arms control agency of greater scope and authority than the present U.S. disarmament administration in the State Department.

The key controversy was over whether the agency should have its own laboratory to do scientific and economic research on arms control measures. As was indicated in Mr. KASTENMEIER's statement, the laboratory is now included in the administration's forthcoming proposal.

At his news conference the President said the United States had no information or evidence indicating that the Soviet Union had been secretly testing since the voluntary moratorium went into effect in November 1958.

At the same time, he said, the administration is concerned about and wants to explore the possibility that in the present uninspected moratorium such clandestine tests could be carried on without being observed by Western detection stations outside the Soviet Union.

The White House said later that the members of the panel were still being selected and their names should be announced within the next few days.

PERSONS BEING CONSIDERED

Among the persons known to be under consideration for the panel are such weapons scientists as Dr. Norris E. Bradbury, director of the Los Alamos (N. Mex.) Scientific Laboratory, and leading scientists who in the past played an important role in weapons development, such as Dr. Hans A. Bethe, of Cornell University.

The President's announcement indicated that the administration was not prepared to make any immediate decision on the resumption of tests.

First, the technical problems will have to be reviewed by the scientific panel, a process that could take several weeks. Then, the President pointed out, the conclusions of the committee will have to be reviewed by himself, by the Joint Chiefs of Staff, and by the National Security Council "in the light of what they mean to the security of the free world."

In the meantime, Mr. Kennedy said, the U.S. negotiating team will remain in Geneva. He thus opened up the possibility of ultimately adopting the TNT approach—test 'n', talk—advocated on Capitol Hill by Representative CHET HOLIFIELD, Democrat, of California, chairman of the Joint Congressional Committee on Atomic Energy, and by Senator HENRY M. JACKSON, Democrat, of Washington.

PESSIMISM ON ARMS TALKS

Other officials were also pessimistic today over the prospects of United States-Soviet talks now in their second week here on the plans for a general disarmament conference this summer.

Officials said it was too early to say that nothing would come of the talks, but they indicated that negotiations were nevertheless not going well.

The Soviet Union has been pressing for substantive negotiations in the talks here, while the United States has been arguing to keep the talks restricted to procedures and proposals for the conference tentatively scheduled to begin July 31.

The scientific panel mentioned by the President is considerably broader than indicated in his announcement.

Aside from examining the possibility of clandestine Soviet tests, the group also is to examine what weapons advances could be made by the United States through further testing, how important these weapons would be to the national security and what chances there are that the Soviet Union could overcome the United States lead in weapons technology, either through clandestine tests or by a mutual resumption of tests.

Mr. HUMPHREY. Madam President, I ask unanimous consent that the statement of the President yesterday at his press conference on Germany and Berlin, which was a fine, statesmanlike statement, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 29, 1961]

PRESIDENT'S STATEMENTS—GERMANY AND BERLIN

I should like to comment briefly on Germany and Berlin. Soviet and East German leaders have followed the recent Soviet aide-memoire with speeches which were apparently designed to heighten tension.

It is of the greatest importance that the American people understand the basic issues involved and the threats to the peace and security of Europe and of ourselves posed by the Soviet announcement that they intend to change unilaterally the existing arrangements for Berlin.

The crisis over Berlin is Soviet-manufactured. The Soviets illegally blockaded the city in 1948 and lifted the blockade in the spring of 1949. From that time until November 1958—almost a decade—the situation in Berlin was relatively peaceful.

The peoples of West Berlin developed a vital and thriving city. We carried out our

responsibilities and exercised our rights of access to the city without serious incident, although we were never completely free from irritating difficulties that were put in our way.

In November 1958, the Soviets began a new campaign to force the allied powers out of Berlin, a program which led up to the abortive summit conference in Paris in May of last year. Now they have revived that drive.

They call upon us to sign what they call a peace treaty with the regime that they have created in East Germany. If we refuse, they say, they themselves will sign such a treaty. The obvious purpose here is not to have peace, but to make permanent the partition to Germany.

NO EFFECTS ON RIGHTS

The Soviets also say that their unilateral action in signing a peace treaty with East Germany would bring an end to Allied rights to be in West Berlin and to have free access to that city. It is clear that such unilateral action cannot affect these rights, which stem from the surrender of Nazi Germany.

Such action would simply be a repudiation by the Soviets of multilateral commitments to which they solemnly subscribed, and have repeatedly affirmed, about the exercise of the rights of the principal powers associated in World War II.

If the Soviets thus withdraw from their own obligations, it is clearly a matter for the other three allies to decide how they will exercise their rights and meet their responsibilities. But the Soviets say that when we do so, we will be subject to the designs of the East German regime and that these designs will be backed by force.

Recent statements by leaders of this regime make it very plain that the kind of "free city" which they have in mind is one in which the rights of the citizens of West Berlin are gradually but relentlessly extinguished; in other words, a city which is not free.

GRAVITY EMPHASIZED

No one can fail to appreciate the gravity of this threat. No one can reconcile it with the Soviet professions of a desire to coexist peacefully.

This is not just a question of technical legal rights. It involves the peace and security of the peoples of West Berlin. It involves the direct responsibilities and commitments of the United States, the United Kingdom, and France. It involves the peace and the security of the Western World.

In the interest of our vital security, we and other Western countries entered into defense arrangements in direct response to direct Soviet moves following World War II. These alliances are wholly defensive in nature, but the Soviets would make a grave mistake if they suppose that Allied unity and determination can be undermined by threats or fresh aggressive acts.

There is peace in Germany and in Berlin. If it is disturbed, it will be a direct Soviet responsibility.

There is a danger that totalitarian governments not subject to vigorous popular debate will underestimate the will and unity of democratic societies where vital interests are concerned. The Soviet Government has an obligation both to its own people and to the peace of the world to recognize how vital is this commitment.

UNFINISHED BUSINESS

We would agree that there is unfinished business to be settled as concerns Germany. For many years, the Western nations have proposed a permanent and peaceful settlement of such questions on the basis of self-determination of the German people. Moreover, we shall always be ready to discuss any proposals which would give increased protection to the right of the people of Berlin to exercise their independent choice as freemen.

The proposals which have now been placed before us move in the opposite direction and are so recognized throughout the world. Discussions will be profitable if the Soviets will accept in Berlin—and indeed in Europe—self-determination, which they profess in other parts of the world, and if they will work sincerely for peace rather than an extension of power.

Mr. HUMPHREY. Madam President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "The Problem of Berlin," by Walter Lippmann, published in the Washington Post of recent date.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PROBLEM OF BERLIN

(By Walter Lippmann)

Since Vienna there have been many statements about Berlin from both sides of the Iron Curtain. They are significant for what they do say. They are not less significant for what they do not say.

Each side has said what is the vital interest which it will fight for rather than surrender. The West has made it unmistakably clear that it will fight for, rather than surrender, the freedom of West Berlin and freedom of access to West Berlin. The Soviet Government has made it very clear that it will sign a peace treaty with East Germany, and it argues from it all the legal consequences. But the West has said it will refuse to discuss the guarantees of the freedom of West Berlin. And the Soviet Government has not said that it will support the East German government in a blockade or in occupation of West Berlin.

Thus far, both sides have been firm and cautious, vehement that they will not surrender their vital interests, and careful not to close the door to negotiations. The doors would be closed if Khrushchev declared that the allies must evacuate West Berlin. The doors would be closed if we refused to discuss West Berlin. But these doors, which are the critical ones, have not been closed. That is what Mayor Willy Brandt of West Berlin seems to have meant when he said the other day that the situation is very dangerous, but that it may not be as dramatic as some suppose.

The basic American position has always been that the problem of Berlin can be solved definitely only if the West Germans are reunited and the whole of Berlin becomes the capital of Germany. Then there would be no problem of access because the roads, the canals, and the airlines would all be inside of one Germany. There would be no problem of freedom because all the Berliners would have the same rights as all the other Germans.

But, unhappily, there is no visible chance of reuniting the two Germanys. They have been divided for 15 years, and in that time almost all of Europe on both sides of the Iron Curtain has acquired vested interests which oppose the reunion of Germany. There are, of course, the Soviet Union and all its satellites, especially Poland and Czechoslovakia, which would regard one Germany of 80 million people, armed by and allied with the United States, as a mortal danger. But they are not alone. The truth is that France and Britain are decided as a matter of undeclared national policy to prevent the unification of the two Germanys. The flourishing idea of European unity has as one of its cardinal purposes the cementing of West Germany into Western Europe in order to obviate the danger of an independent, united, armed, and venturesome Germany.

Because the Soviet Union will not permit the reunification of Germany, because it has in this the unavowed support of almost all of Western Europe, including a very large section of the Western Germans, there is no prospect of solving the Berlin problem according to the classic American formula.

This is the setting in which the problem of West Berlin is posed today. There are some who say that there would be no problem if Khrushchev had not deliberately and unnecessarily created one. I am afraid they have not fully understood the problem. For while the Communists do not like the status quo in Berlin—showplace, propaganda, espionage, and escape hatch—the West also has a good deal to worry about. I shall cite as a witness the German Ambassador to Washington, Dr. Wilhelm Grewe, quoting from his official commentary on the Geneva conference of 1959.

After arguing that no negotiated compromise is possible, Dr. Grewe says: "At most, the only conceivable thing would be a silent agreement which would let the other partner know the situation is accepted as irrevocable in Berlin, on the one hand (by continued presence of Western troops), and in the Soviet zone, on the other (by continued existence of the Ulbricht regime)." This is the preservation of the status quo, which so many tell us should be our objective.

But what does the German Ambassador say about this objective? "If the West would acquiesce, then this too would not be a true compromise, but rather the beginning of a capitulation. West Berlin cannot, in the long run, be held if its population must come to the conclusion that the West has in fact accepted the division of Germany."

That last cuts to the heart of the issue. West Berlin, says the German Ambassador, cannot, in the long run be held if the people come to believe that the West has accepted the division of Germany. Why not? Presumably because many of the Berliners will move to the West and others will make their way to the East. It is this recognition of the division of Germany that Khrushchev has as his primary object. The Ambassador may be right, and if all we can do is to stand firm and stand fast, almost surely the Ambassador's pessimism will prove to have been right.

But there is no compelling reason why we should accept so desperate a conclusion. For if the German Ambassador is right, we are risking a thermonuclear war to preserve a situation in which "West Berlin cannot in the long run be held."

It would be a wiser policy, it seems to me, to recognize the fact that for the indefinite future the two Germanys will not reunite, and to insist as a matter of positive Western policy, not as a shamefaced concession to the Soviets, or new guarantees to meet this new situation, guarantees under which West Berlin can live confidently and in freedom until the day, not so remote, when it will again be the capital of Germany.

I am convinced that the failure by the President to take such a positive line will mean that he has surrendered the initiative in German affairs to Khrushchev. If there is nothing he wants to do in Germany except to do nothing, the President will have lost the power to direct and control the struggle, and to use force and the threat of force intelligently to achieve real results.

Mr. HUMPHREY. Madam President, I ask unanimous consent to have printed at this point in the RECORD the letter of transmittal to the President by Mr. John J. McCloy, Special Adviser to the President of Disarmament, dated June 23, with the bill which I am introducing to establish a U.S. Disarmament Agency for World Peace and Security.

There being no objection, the letter and draft of the bill were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., June 23, 1961.

MY DEAR MR. PRESIDENT: There is enclosed herewith a draft of a bill, "To establish a U.S. Disarmament Agency for World Peace and Security."

The bill carries out the recommendation, contained in your special message on urgent national needs, dated May 25, 1961, that a strengthened and enlarged disarmament agency be established. The provisions of the bill have been developed in consultation with the agencies principally concerned. The Secretary of State, the Secretary of Defense, the heads of other affected agencies, and I, all concur in these provisions.

The purpose of this legislation is to establish such an agency at an authoritative level in the Government, with the exceptionally broad competence, functions, and resources required to work toward the objective of a peaceful world society in which disarmament, except for the forces needed to apply international sanctions, is the accepted condition of international life. An agency of such far-reaching scope should be able to bring its point of view and recommendations promptly to the highest level of Government. The agency should have primary responsibility within the Government for disarmament matters, but there must be close cooperation and coordination with other affected agencies, particularly the Department of State, since a disarmament program must take into account the national security; foreign policy; the relationships of this country to international peace-keeping agencies, including the United Nations; and our domestic, economic, and other policies.

The Secretary of State, the Secretary of Defense, the heads of other affected agencies, and I agree that the performance of these tasks requires the establishment of the new agency which would be created by the enactment of this bill.

The draft legislation provides that the Director of this new U.S. Disarmament Agency for World Peace and Security be under the direction of the President and the Secretary of State. This arrangement recognizes that disarmament considerations are so allpervasive in scope and importance that the President must concern himself with these matters on a continuing basis. It also recognizes the fact that disarmament policies, negotiations, and programs must be very closely coordinated with State Department activities and responsibilities. Appropriate provision is also made for coordination and cooperation with other affected agencies such as the Department of Defense and the Atomic Energy Commission.

The bill vests the Director with primary responsibility for all U.S. disarmament activities. The agency would, in addition, participate in or contribute to the formulation of overall policy in areas importantly related to or affecting disarmament such as basic national security policies, strengthening of the peace-maintaining machinery of international institutions, and procedures for the settlement of international disputes and the reduction of tensions among nations.

In addition to providing a focal point for the integration of the Government's overall efforts in disarmament, establishment of the U.S. Disarmament Agency for World Peace and Security by enactment of the bill will make possible the necessary augmentation and coordination of the various programs of research and development already being conducted by other agencies of the Government. When it appears that projects now assigned to other agencies would be more effectively performed if made the responsibility of the new agency, they would be transferred at the direction of the President.

The new Agency would be authorized and directed by the bill to develop and conduct broad programs of research, development, and study relating to disarmament. It would utilize private or public institutions or its own facilities for this purpose. It would take the lead in the acquisition of a fund of theoretical and practical knowledge in the disarmament field. This responsibility would encompass the scientific and technical assessment of all aspects of arms control, including detection, identification, inspection, monitoring, limitation, reduction and control of Armed Forces and armaments, and the development and testing of weapons. The Agency would also be responsible for studies of the structure and operation of international organizations and the methods of maintaining peace and security during different stages of disarmament. It would analyze the economic and political consequences of disarmament and would be responsible for assessing the implications of foreign and military policies of the United States as they relate to possible disarmament measures. In the conduct of research and development programs by the new Agency, full use would be made of the resources of other agencies of the Government as well as of outside facilities and personnel.

The research and planning done by the new Agency would provide the basis for recommendations, appropriately coordinated with other agencies with affected responsibilities, for the President, the Secretary of State, and the heads of other agencies.

Under the bill, the Director would be responsible for conducting negotiations based on approved policy, under the direction of the Secretary of State. Such negotiations may take the form of formal conferences or informal communications through regular diplomatic missions.

It is essential that in this country and throughout the world the public be kept fully informed of U.S. disarmament policy. The Director would work closely with the U.S. Information Agency to assure that its broadcasts and other information programs properly reflect our disarmament policy.

Tasks of inspection and control will fall upon the shoulders of any government participating in a disarmament treaty. The bill contemplates that the planning of U.S. participation in any agreed-upon inspection and control system would be done by the Agency. The nature and extent of any such systems are as yet unclear, but the Agency would be expected to play the primary U.S. role in developing and, as appropriate, directing U.S. participation in such arrangements as might result from disarmament activities.

To assist in the discharge of the various responsibilities assigned to the Agency, the bill provides for the appointment of an advisory committee of outstanding citizens to advise the Director on such matters as he might request.

The exact nature of the skills or organization required to perform the tasks envisaged for the Agency cannot be clearly foreseen at this time. Therefore the maximum amount of flexibility consistent with responsible direction is provided by the bill to permit recruitment by the Agency of high-caliber personnel, and to permit the establishment of internal arrangements adequate to meet changing requirements.

In conclusion, I must stress that organization, machinery and competent people alone cannot guarantee the success of the mission of our country to prevent war, curb the arms race, and create lasting conditions of peace. But they can assure that the best efforts of which we are capable is directed toward these ends.

Respectfully,

JOHN J. MCCLOY.

DRAFT BILL FOR THE UNITED STATES DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

A bill to establish a United States Disarmament Agency for World Peace and Security

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE, PURPOSE, AND DEFINITIONS

Short title

SECTION 1. This Act may be cited as the Disarmament Act for World Peace and Security.

Purpose

SEC. 2. An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which international adjustments to a changing world are achieved peacefully. It is the purpose of this Act to provide impetus toward this goal by creating a new agency of peace to deal with the problem of disarmament.

The formulation and implementation of United States disarmament policy in a manner which will promote the national security require a central organization charged by statute with primary responsibility for this field. This organization must be so placed within the Government that it can provide the President, the Secretary of State, other officials of the executive branch, and the Congress with recommendations concerning United States disarmament policy, and can assess the effect of these recommendations upon our foreign policies, our national security policies, and our economy.

This organization must have the capacity to provide the essential scientific, economic, political, military, psychological, and technological information upon which realistic disarmament policy must be based. It must be able to carry out the following primary functions:

(1) The conduct, support, and coordination of research for disarmament policy formulation.

(2) The preparation for and direction of United States participation in international negotiations in the disarmament field.

(3) The dissemination and coordination of public information concerning disarmament.

(4) The preparation for, operation of, or, as appropriate, direction of United States participation in such control systems as may become part of United States disarmament activities.

Definitions

As used in this Act:

SEC. 3. (a) The term "disarmament" includes the elimination, reduction, control, limitation, inspection, verification or identification, of armed forces and armaments of all kinds under international agreement or measure; including the necessary steps in connection with disarmament to create and strengthen international organizations for the maintenance of peace.

(b) The term "Government agency" means any executive department, commission, agency, independent establishment, corporation, wholly or partly owned by the United States which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of Government.

(c) The term "Agency" means the United States Disarmament Agency.

(d) The term "person" means (1) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, Government agency other than the Agency, any State or any political

subdivision thereof, or any political entity within a State, any foreign government or nation, any international organization, or other entity, and (2) any legal successor, representative, agent, or agency of the foregoing.

TITLE II—ORGANIZATION

United States Disarmament Agency for World Peace and Security

SEC. 21. There is hereby established the United States Disarmament Agency for World Peace and Security.

DIRECTOR

SEC. 22. The Agency shall be headed by a Director. He shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of $22,500 per annum. The Director shall serve as the principal adviser to the President on disarmament matters. Under the direction of the President and the Secretary of State, the Director shall have primary responsibility within the Government for disarmament matters.

Deputy Director

SEC. 23. A Deputy Director of the Agency shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive compensation at the rate of $21,500 per annum. The Deputy Director shall perform such duties and exercise such powers as the Director may prescribe. He shall act for, and exercise the powers of, the Director during his absence or disability or during a vacancy in said office.

Assistant Directors

SEC. 24. Not to exceed four Assistant Directors may be appointed by the President, by and with the advice and consent of the Senate. They shall receive compensation at the rate of $20,000 per annum. They shall perform such duties and exercise such powers as the Director may prescribe.

Bureaus, offices, and divisions

SEC. 25. The Director may establish within the Agency such program and staff bureaus, offices, and divisions as he may determine to be necessary to discharge his responsibilities under this Act, including, but not limited to, an Office of Public Affairs and an Office of the General Counsel.

General Advisory Committee

SEC. 26. The President may appoint a General Advisory Committee of not to exceed 15 members to advise the Director on disarmament policy and activities. The President shall designate one of the members as Chairman. The members of the committee may receive the compensation and reimbursement for expenses specified for consultants by section 41(d) of this Act.

TITLE III—FUNCTIONS

Research

SEC. 31. The Director is authorized and directed to exercise his powers in such manner as to insure the conduct of research, development and other studies relating to disarmament, by private or public institutions or persons, and to assist in the acquisition of a fund of theoretical and practical knowledge in this field. To this end, the Director, under the direction of the President, is authorized and directed to coordinate the research, development, and other studies conducted in this field by or for other Government agencies in accordance with procedures established under section 37 of this Act. To the same end, the Director is authorized and directed to make arrangements (including contracts, agreements, and grants) for the conduct of research, development, and other studies relating to disarmament, including:

(a) the detection, identification, inspection, monitoring, limitation, reduction, control and elimination of armed forces and armaments, including thermonuclear, nuclear, missile, conventional, bacteriological, chemical, and radiological weapons;

(b) the techniques and systems of detecting, identifying, inspecting, and monitoring of tests of nuclear, thermonuclear, and other weapons;

(c) the analysis of national budgets, levels of industrial production, and economic indicators to determine the amounts spent by various countries for armaments;

(d) the control, reduction and elimination of armed forces and armaments in space, in areas on and beneath the earth's surface, and in underwater regions;

(e) the structure and operation of international control and other organizations useful for disarmament;

(f) the training of scientists, technicians, and other personnel for manning the control systems which may be created by international disarmanent agreements;

(g) the reduction and elimination of the danger of war resulting from accident, miscalculation or surprise attack, including (but not limited to) improvements in the methods of communications between nations;

(h) the economic and political consequences of disarmament, including the problems of readjustment arising in industry and the reallocation of national resources;

(i) the disarmament implications of foreign and national security policies of the United States with a view to a better understanding of the significance of such policies for the achievement of disarmament;

(j) the national security and foreign policy implications of disarmament proposals with a view to a better understanding of the affect of such proposals upon national security and foreign policy;

(k) methods for the maintenance of peace and security during different stages of disarmament;

(l) the scientific, economic, political, legal, social, psychological, military, and technological factors related to the prevention of war with a view to a better understanding of how the basic structure of a lasting peace may be established.

(m) such related problems as the Director may determine to be in need of research, development or study in order to carry out the provisions of this Act.

Research facilities

SEC. 32. The Director is authorized (1) to conduct and support research, development, and other studies of the types specified in the preceding section through use of the Agency's own facilities, and (2) to use, with their consent, the facilities of other Government agencies or those of outside organizations. In carrying out his responsibilities under this Act the Director shall, to the extent feasible, make full use of available facilities, Government and private, and may construct such new laboratories as he deems necessary.

Policy formulation

SEC. 33. The Director is authorized and directed to prepare for the President, the Secretary of State, the heads of such other Government agencies as the President may determine, recommendations concerning United States disarmament policy.

Negotiation of international agreements

SEC. 34. Under the direction of the Secretary of State, the Director may (a) consult and communicate with or direct the consultation and communication with representatives of other nations or of international organizations, for the purpose of conducting negotiations concerning disarmament, or for the purpose of exercising any other authority given to the Director by this Act; and (b) communicate in the name of the Secretary with diplomatic representatives of the United States in this country and abroad.

Public information

SEC. 35. Under the direction of the Secretary of State, the Director shall perform functions pursuant to section 2(c) of Reorganization Plan 8 of 1953 with respect to the dissemination abroad of information concerning United States disarmament activities.

Inspection and control

SEC. 36. The Director is authorized (1) to formulate plans and make preparations for the establishment, operation, and funding of inspection and control systems which may become part of United States disarmament activities and, (2) as appropriate, to put into effect, direct, or otherwise assume United States responsibility for such systems.

Cooperation and coordination

SEC. 37. The Director, in consultation with other appropriate Government agencies and subject to approval by the President, shall develop suitable procedures to assure cooperation, coordination, and a continuing exchange of information among affected Government agencies on all significant aspects of United States disarmament policy and related matters, including current and prospective policies, plans, and programs. The Director and such Government agencies shall keep each other fully informed, currently and prospectively, of policy decisions, activities, statements, studies, research, and other matters which are within the scope of their respective responsibilities and which affect disarmament matters.

TITLE IV—GENERAL PROVISIONS

General authority

SEC. 41. In the performance of his functions, the Director is authorized to—

(a) With the consent of the Secretary of State or other officer or agency concerned, utilize or employ the services, personnel, equipment, or facilities of the Department of State, or any other Government agency to perform such functions on behalf of the agency as may appear desirable. It is the intent of this section that the Director rely upon the Department of State for general administrative services in the United States and abroad to the extent agreed upon between the Secretary of State and the Director. Any Government agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Director, without reimbursement, supplies and equipment other than administrative supplies or equipment. Transfer or receipt of excess property shall be in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

(b) Appoint officers and employees, including attorneys, for the Agency in accordance with the civil service laws and fix their compensation in accordance with the Classification Act of 1949, as amended, except that, to the extent that the Director deems such action necessary to the discharge of his responsibilities, not to exceed 45 scientific, technical, administrative and professional personnel may be appointed, compensated and removed without regard to the provisions of any other law, of whom not to exceed 20 may be compensated at annual rates not more than $500 in excess of the compensation now or hereafter fixed by law for grade 18 of General Schedule, and of whom not to exceed 2 may be compensated at annual rates not more than $1,500 in excess of that now or hereafter fixed by law for grade 18.

(c) Enter into agreements with other Government agencies, including the military departments through the Secretary of Defense, under which officers or employees of such agencies may be detailed to the Agency for the performance of service pursuant to this Act without prejudice to the status or advancement of such officers or employees within their own agencies.

(d) Procure services of experts and consultants or organizations thereof, including stenographic reporting services, as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a) at rates not to exceed $100 per diem for individuals, and to pay in connection therewith travel expenses of individuals, including transportation and per diem in lieu of subsistence while away from their homes or regular places of business, as authorized by section 5 of said Act, as amended (5 U.S.C. 73b–2): *Provided*, That such contracts may be renewed annually.

(e) Employ individuals of outstanding ability without compensation in accordance with the provisions of section 710(b) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2160), and regulations issued thereunder.

(f) Employ, with the prior approval of the President, not to exceed three retired commissioned officers of the Armed Forces who are experts in military strategy or weapons systems and whose service shall not be considered as employment or holding of office or position bringing such individuals within the provisions of section 2 of the Act of July 31, 1894 (5 U.S.C. 62); section 13 of the Civil Service Retirement Act, as amended, (5 U.S.C. 2263); section 212 of Public Law 72–212, as amended (5 U.S.C. 59a); or any other law limiting the reemployment of such officers or governing their simultaneous receipt of compensation and retired pay or annuities.

(g) Establish advisory boards to advise with and make recommendations to the Director on United States disarmament policy and activities. The members of such boards may receive the compensation and reimbursement for expenses specified for consultants by section 41(d) of this Act.

(h) Make such investigations and obtain such information, as the Director may deem necessary or proper to assist him in exercising any authority provided in this Act.

(i) Acquire, purchase, lease and hold real and personal property, including patents, as agent of and on behalf of the United States, subject to the provisions of section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and sell, lease, grant and dispose of such real and personal property in accordance with the Federal Property and Administrative Services Act of 1949, as amended.

(j) Accept in the name of the Agency and to hold and administer any conditional or unconditional gifts, devises, bequests, grants or other donations or contributions of money, securities, or real or personal property, for use in the furtherance of the purposes of this Act. The Director shall not accept any conditional gift, devise, bequest, grant or other donation or contribution which is conditioned upon any expenditure not to be met therefrom or from the income thereof unless such expenditure has been approved by Act of Congress.

(k) Delegate, as appropriate, to the Deputy Director or other officers of the Agency, with power to redelegate as needed, any authority conferred upon the Director by the provisions of this Act.

(l) Make, promulgate, issue, rescind and amend such rules and regulations as may be necessary or desirable to the exercise of any authority conferred upon the Director by the provisions of this Act.

Foreign Service Reserve and staff officers

SEC. 42. The Secretary of State may authorize the Director to exercise, with respect to Foreign Service Reserve Officers and Foreign Service Staff Officers and employees appointed or employed for the Agency, the following authority: (i) the authority available to the Secretary of State under the Foreign Service Act of 1946, as amended, (ii) the authority available to the Secretary under any other provision of law pertaining specifically, or generally applicable, to such officers or employees, and (iii) the authority of the Board of Foreign Service pursuant to the Foreign Service Act of 1946, as amended. The appointment or employment of Foreign Service Reserve Officers pursuant to this subsection may be made without regard to the term or terms of appointment or employment prescribed by section 522 of the Foreign Service Act of 1946, as amended.

Contracts or expenditures

SEC. 43. The President may, in advance, exempt actions of the Director from the provisions of law relating to contracts or expenditures of government funds whenever he determines that such action is essential in the interest of the United States disarmament policy.

Conflict of interest and dual compensation laws

SEC. 44. The members of the General Advisory Committee created by section 26 of this Act; and the members of the advisory boards, the consultants, and the individuals of outstanding ability employed without compensation, all of which are provided for in section 41 of this Act; may serve as such without regard to the provisions of sections 281, 283, 284, or 1914 of title 18 of the United States Code, or of section 190 of the Revised Statutes (5 U.S.C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of individuals, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States Government, except insofar as such provisions of law may prohibit any such individual from receiving compensation from a source other than a nonprofit educational institution in respect of any particular matter in which the Agency is directly interested. Nor shall such service be considered as employment or holding of office or position bringing such individual within the provisions of section 13 of the Civil Service Retirement Act (5 U.S.C. 2263), section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a), or any other Federal law limiting the reemployment of retired officers or employees or governing the simultaneous receipt of compensation and retired pay or annuities.

Security requirements

SEC. 45. (a) The director shall establish such security requirements, restrictions, and safeguards as he deems necessary in the interest of national security. The Director may arrange with the Secretary of State or with the Civil Service Commission for the conduct of such security or other personnel investigations of the Agency's officers, employees, consultants, persons detailed from other Government agencies, and its contractors and subcontractors and their officers and employees, actual or prospective, as he deems appropriate; and if any such investigation develops any data reflecting that the individual who is the subject thereof is of questionable loyalty, the matter shall be referred to the Federal Bureau of Investigation, the results of which shall be furnished to the Director.

(b) The Atomic Energy Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee or prospective licensee of the Atomic Energy Commission or any other person authorized to have access to restricted data by the Atomic Energy Commission under section 2165 of title 42, to permit the Director or any officer, employee, consultant, person detailed from other Government agencies, member of the General Advisory Committee or of an advisory board, contractor, subcontractor, prospective contractor, or prospective subcontractor, or officer or employee of such contractor, subcontractor, prospective contractor or prospective subcontractor, to have access to restricted data which is required in the performance of his duties and so certified by the Director, but only if (1) the Director has determined, in accordance with the established personnel security procedures and standards of the Agency, that permitting such individual to have access to such restricted data will not endanger the common defense and security, and (2) the Director finds that the established personnel and other security procedures and standards of the Agency are adequate and in reasonable conformity to the standards established by the Atomic Energy Commission under section 2165 of title 42, including those for interim clearance in subsection (b) thereof. Any individual granted access to such restricted data pursuant to this subsection may exchange such data with any individual who (a) is an officer or employee of the Department of Defense, or any department or agency thereof, or a member of the Armed Forces, or an officer or employee of the National Aeronautics and Space Administration, or a contractor or subcontractor of any such department, agency, or armed force, or an officer or employee of any such contractor or subcontractor, and (b) has been authorized to have access to restricted data under the provisions of section 2163 or 2455 of title 42.

(c) Any and all of the functions of the Director described in this section may be the subject of an agreement between the Director and the Secretary of State under section 41(a) of this Act.

Comptroller General audit

SEC. 46. No moneys appropriated for the purpose of this Act shall be available for payment under any contract with the Director, negotiated without advertising, except contracts with any foreign government, international organization or any agency thereof, unless such contract includes a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment, have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of, and involving transactions related to such contracts or subcontracts; *Provided, however*, That no moneys so appropriated shall be available for payment under such contract which includes any provisions precluding an audit of the General Accounting Office of any transaction under such contract; *And, provided further*, That nothing in this section shall preclude the earlier disposal of contractor and subcontractor records in accordance with records disposal schedules agreed upon between the Director and the General Accounting Office.

Presidential authority to transfer certain functions

SEC. 47. The President may transfer to the Director any functions (including powers, duties, acitvities, facilities, and parts of functions) of any Government agency which relate primarily to disarmament. In connection with any such transfer, the President may provide for appropriate transfer of funds, records, property, and for necessary civilian and military personnel to be made available from the agency from which the transfer is made.

Use of funds

SEC. 48. Appropriations made to the Director for the purposes of this Act, and transfers of funds to him by other Government agencies for such purposes, shall be available to him to exercise any authority granted him by this Act, and shall also be available for the following uses to carry out the purposes of this Act:

(1) rent of buildings and space in buildings in the District of Columbia: *Provided*, That to the extent feasible, the Director shall rely upon the General Services Administration for this purpose.

(2) administrative expenses incident to carrying out the purposes of this Act, including, without limitation, expenses of printing and binding without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U.S.C. 111);

(3) purchase or hire of one passenger motor vehicle for the official use of the Director without regard to the limitations contained in section 78(c) of title 5 of the United States Code or any other law relating to the purchase or use of Government-owned motor vehicles;

(4) entertainment and official courtesies (not to exceed $25,000 in any fiscal year except as may otherwise be provided in an appropriation);

(5) expenditures (not to exceed $50,000 in any fiscal year except as may be provided in an appropriation) of a confidential character other than entertainment; *Provided*, That a certificate of the amount of each such expenditure, the nature of which it is considered inadvisable to specify, shall be made by the Director and every such certificate shall be deemed a sufficient voucher for the amount therein specified;

(6) expenses authorized by the Foreign Service Act of 1946, as amended, not otherwise provided for;

(7) expenses in connection with travel of personnel outside the United States, including transportation expenses of dependents, and transportation of personal effects, household goods, and automobiles of such personnel, and including all such expenses when any part of such travel or transportation begins in one fiscal year pursuant to travel orders issued in that fiscal year, notwithstanding the fact that such travel or transportation may not be completed during the same fiscal year;

(8) expenditures necessary to make grants for, and to pay expenses incident to, training and study;

(9) expenditures in connection with participation in international conferences for the purposes described in section 3 of this act, including, but not limited to, rental of quarters by contract or otherwise.

Appropriations

SEC. 49. (a) There are hereby authorized to be appropriated to the agency such sums as may be necessary and appropriate to carry out the purposes of this act. Sums appropriated pursuant to this section for research development and studies shall remain available until expended.

(b) Funds appropriated to this section may be allocated or transferred to any agency for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditure in accordance with authority granted in this Act, or under authority governing the activities of the agencies to which such funds are allocated or transferred.

Report to Congress

SEC. 50. The Director shall submit to the President, for transmittal to the Congress, not later than January 31 of each year, a report concerning activities of the agency. The Director shall include in his report, and shall at such other times as he deems desirable submit to the Congress, such recommendations for additional legislation as he deems necessary or advisable.

Mr. HUMPHREY. Madam President, the letter of Mr. McCloy should be read by every Senator. I ask Senators to remember that, as the prospects for the attainment of a just and enduring peace and for some kind of effective disarmament seem to be farther and farther away, at this time the United States ought to make clear to the world that we consider the greatest act of courage to be a peacemaker, not a warrior; that we consider the greatest act of moral integrity and moral courage to be willing to plan for the attainment of a just and enduring peace.

I am proud of a President, a Government, and a Nation that is willing, even as we face the terrible possibilities of a struggle or war in Berlin, to plan ahead in the field of disarmament, in the ways of seeking peace with honor, freedom, and justice. I believe that this particular proposal, coming at this time, indicates with great force the difference between a free society and a totalitarian society.

Blessed are the peacemakers. The President of the United States, even as he meets with the Security Council of our Government this afternoon, sends to the Congress a proposal to establish an agency for disarmament, for world peace and security. I submit that we have seen the test of greatness. I herald and commend the President of the United States and his administration for this foresight, adventure, and willingness to move out into new ground. This action is what is needed. Thank goodness, America has taken the lead. I only hope and pray that every other country will do the same.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2180) to establish a U.S. Disarmament Agency for World Peace and Security, introduced by Mr. HUMPHREY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Government Operations.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the letter of transmittal relating to the U.S. Agency for Disarmament, signed by the President, be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 29, 1961.

HON. LYNDON B. JOHNSON,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith, for consideration by the Congress, a draft of legislation to carry out the recommendation contained in my May 25 message, for the establishment of a strengthened and enlarged disarmament agency to make an intensified effort to develop acceptable political and technical alternatives to the present arms race.

Today, ability of man to master his environment threatens to outpace his ability to control himself. The world is more and more interdependent, and the people of the earth can now look beyond this planet to a new age of discovery, but they have not yet been able to banish the primitive threat of war. The ingenuity that has made the weapons of war vastly more destructive should be applied to the development of a system of control of these weapons.

But peace cannot be brought about by concentrating solely on measures to control and eliminate weapons. It must also encompass measures to sustain and strengthen international institutions and the rule of law. A disarmament program must take into account the national security, our foreign policy, the relationships of this country to international peacekeeping agencies, including the United Nations, and our domestic, economic, and other policies. It should drive toward the creation of a peaceful world society in which disarmament, except for the forces needed to apply international sanctions, is the accepted condition of international life.

For the past 5 months, Mr. John J. McCloy, my adviser on disarmament matters, has been conducting, at my request, an extensive study of the governmental effort and organization necessary to give effect to our national purpose in this field. He has had available to him the results of searching studies by individual Members and committees of the Congress, the agencies of Government principally concerned, national and international organizations and eminent private individuals. During the course of his study, Mr. McCloy has consulted closely with Secretary Rusk, Secretary McNamara, Chairman Seaborg, and other high officials. All of these studies and consultations have inescapably pointed to the conclusion that a new effort, considerably larger than our present effort, in terms of size, range of skills and authority will be necessary. This can best be accomplished by the creation of a new U.S. agency.

Following Mr. McCloy's recommendations, I am therefore proposing that a new United States Disarmament Agency for World Peace and Security be established. Enactment of the proposed legislation will permit this agency to deal broadly with the whole range of disarmament matters, including research, policies, and programs.

The importance and broad scope of disarmament matters require continuing Presidential attention. The complex interrelationships between disarmament activities, foreign affairs, and national security also require that close working-level coordination and cooperation be established between the new agency and the Departments of State and Defense, the Atomic Energy Commission, and other agencies.

The proposed legislation provides that the Director of the new agency function under the direction of the President and the Secretary of State. This arrangement will permit coordination of disarmament matters within the purview of the various agencies; it will give special recognition to the need for intermeshing disarmament policies and programs with the broad conduct of foreign affairs; and it will provide a focal point at the highest level of Government for the consideration of disarmament matters.

In the light of these unique relationships the Director, as the principal adviser to the President in the disarmament field, will have direct access to him but will, of course, notify the Secretary of State as to the occasion and substance of the advice he offers. In addition, the Director will report to the Secretary of State, without going through intermediate authority, and he will act as the agent of the Secretary of State with authority, under his direction, to act in his name. Also, I intend that he participate in all meetings of the National Security Council having to do with disarmament.

I am enclosing a letter from Mr. McCloy describing the legislation in more detail.

Sincerely yours,

JOHN F. KENNEDY.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 2154) to amend Public Law 85-626, as amended by Public Law 86-542, relating to dual rate contract agreements, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 6845) to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GEORGE P. MILLER, of California, Mr. DINGELL, Mr. LENNON, Mr. PELLY, and Mr. MCDONOUGH were appointed managers on the part of the House at the conference.

The message further announced that the House had passed, without amendment, the following bills of the Senate:

S. 1748. An act to provide for the increased distribution of the CONGRESSIONAL RECORD to the Federal judiciary; and

S. 2083. An act to correct a technical inaccuracy in the act of May 19, 1961 (P.L. 87-36).

The message also announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 17. Concurrent resolution authorizing the printing of the pamphlet entitled "Our Capitol" as a Senate document and providing for additional copies;

S. Con. Res. 23. Concurrent resolution to print additional copies of part I of hearing on migratory labor;

S. Con. Res. 24. Concurrent resolution relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary; and

S. Con. Res. 27. Concurrent resolution authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium.

SOCIAL SECURITY AMENDMENTS OF 1961—CONFERENCE REPORT

Mr. SYMINGTON obtained the floor.

Mr. KERR. Madam President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. KERR. The Senator from Missouri yields for a unanimous-consent request for the immediate consideration of a conference report on the Social Security Amendments of 1961, with the understanding that if the conference report is not disposed of in 3 minutes, it will be withdrawn.

The PRESIDING OFFICER. How much time does the Senator from Missouri yield?

Mr. SYMINGTON. I yield whatever time the distinguished Senator from Oklahoma feels is right and proper.

Mr. KERR. Madam President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KERR. Madam President, I ask unanimous consent that a brief statement of explanation be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age survivors and disability insurance program by increasing the minimum benefits and aged widows benefits and by making additional persons eligible for benefits under the program, and for other purposes.

On the major provision of H.R. 6027 there was no disagreement between the two bodies. These were President Kennedy's recommendations, slightly modified, which will increase the social security minimum benefit and the widow's benefit, liberalize the insured status requirement, and provide an actuarially reduced benefit for men at age 62. As was pointed out in the Senate debate on the bill, the result will be new or increase benefits for 4.4 million people totaling some $800 million in the first year.

I am happy to say that the House receded on all the major provisions added by the Senate. The liberalization of the income limitation (retirement test) was approved in the same form as it passed the Senate. The Senator from New Hampshire will be particularly pleased, I know, that we were able to accomplish this result without "one tiny bit of fiscal irresponsibility" since the bill is now in exact actuarial balance. As you will recall, the Senate bill moves up the effective date of the ultimate social security tax rate by 1 year, from 1969 to 1968, to meet the 0.02 percent of payroll cost of this amendment.

The House also receded on the Senate amendment facilitating social security coverage of State and local employees and of certain ministers.

With respect to the changes in the public assistance program adopted by the Senate a compromise was reached in the conference which has the effect of providing higher Federal participation to all jurisdictions rather than just those States who are making payments at or above the Federal maximum.

The compromise adopted by the conference will increase Federal matching for the lower payment States—by increasing from $30 to $31 the amount the Federal Government will match at the 80 percent base level and then, in line with the philosophy of the Senate bill, will increase the maximum which will be matched from $65 to $66. The compromise also makes October 1, 1961 the effective date of this provision, reducing the total Federal cost from approximately $20 million to $15 million, since it will cover a period of 9 months rather than a full year. The total cost of this provision will be more than offset by the public assistance savings which will be brought about by the enactment of the old-age and survivors insurance provisions in the bill, particularly the increase in the minimum benefit and the liberalization of the insured status requirement.

The Senate amendment granting assistance to Americans returning from foreign countries because they are ill, destitute, or have been displaced by international disturbances was accepted by the House with some modifications. The program, under the conference agreement, will apply only to U.S. citizens, rather than to U.S. nationals, and will continue for only 1 year, rather than indefinitely.

The Senate receded on the floor amendment which would have required the States to allow the individual recipient of medical assistance to the aged the choice of who would provide him medical services. Although this amendment has much appeal, there was the feeling that its implications should be much more thoroughly explored inasmuch as some questions arose as to whether it might interfere with the traditional relationship of doctors with hospitals and also reduce the attitude of the States in controlling their medical programs.

I ask that the Senate accept the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. JAVITS. Madam President, I ask whether the conference report was agreed to unanimously by the conferees.

Mr. KERR. It was.

Mr. CURTIS. Madam President, will the Senator yield for a question?

Mr. KERR. I yield.

Mr. CURTIS. Will the Senator state for the record on what points, if any, the Senate yielded in the conference with the House?

Mr. KERR. I have asked to have printed in the RECORD a brief statement concerning the report of the committee of conference. In the main, the House agreed to the Senate amendments. On the amendment of the Senator from Minnesota the Senate receded. The amendment of the Senator from Iowa with reference to caring for indigent returning citizens was amended and agreed to. The public assistance amendment of the Senate to the bill was reduced about 25 percent and agreed to.

Mr. CURTIS. Is the Senator referring to the Long amendment?

Mr. KERR. Yes.

Mr. CURTIS. I ask concerning the so-called Smathers amendment, relating to the authorization for the Secretary of Health, Education, and Welfare to take care of certain individuals brought to this country by reason of war or other emergency.

Mr. KERR. The amendment was reduced in its extent and scope to apply to citizens. Its effectiveness was limited to 1 year, and it was accepted in that form.

Mr. CURTIS. In the main, the conference report slightly reduced the scope of the Senate bill.

Mr. KERR. Any changes were in the nature of reductions.

Mr. DIRKSEN. I understand that the conference report was signed by both the majority and the minority members of the conference committee. Is that correct?

Mr. KERR. The conference report is on the desk. They all signed it.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. KERR. I yield.

Mr. JAVITS. I understand that with respect to the matter of citizens and nationals, as the bill left the Senate, it referred to both citizens and nationals, but that in conference it was changed to refer to citizens only. Is that correct?

Mr. KERR. That is correct.

Mr. JAVITS. Obviously the report will be agreed to. I have no intention of opposing it. I should like to say to my friend from Oklahoma that this is a rather fundamental point. There are many laws under which we deprive nationals of the same opportunities that we give our citizens. They relate, for example, most damagingly in the cases of agreements with foreign countries, or funding agreements with relation to Iron Curtain countries, where the people have suffered losses when the Communists took over. For instance, there are cases where there is money left, and it is distributed. The distribution is then confined to citizens, although most of the people affected are alien residents who have not yet become citizens.

As I understand, the provision is limited to 1 year.

Mr. KERR. The Senator is correct.

Mr. JAVITS. So that there will be an opportunity again to consider the matter within that time.

Mr. KERR. The statement on the part of the House conferees is to the effect that that will be done.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. KERR. Madam President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. SYMINGTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERR. I thank my good friend from Missouri for his courtesy in permitting the Senate to dispose of the conference report. We had word from the White House that the President would like to receive the bill at this time, to be able to sign it, in order that it might become effective on July 1st for hundreds of thousands of beneficiaries for the month of August. I am very grateful to the Senator from Missouri.

NUCLEAR TESTING

Mr. SYMINGTON. Madam President, in its lead editorial of June 28, under the title "Decision on Testing," the Washington Post states:

> He (the President) must not be pushed by insistent clamor into a hasty resolution of the complicated scientific and political issues here involved.

How could any decision made now be considered a "hasty resolution." This Nation has adopted a policy of unilateral test cessation for over 2½ years; that is, since October 1958.

During this long time these issues have been under continuous review by everyone concerned.

The editorial further states:

> Khrushchev's recent speeches have made it clear that he would like to resume testing under circumstances that would permit him to blame us for it.

But the premise of that statement can only be that the Russians have not been testing during these years.

Informed experts say, however, that in this free society we could test without the Soviet Communists knowing it; therefore under these and all the other circumstances, who wants to assert to the American people that the Soviet Communists in their closed and secret society have not been testing.

So let us face it. In an effort to curry favorable world opinion, we may well be risking the future of the United States, and therefore the free world, on the sincerity and honor of the rulers of the Soviet Communists.

Much is still denied. But that fact can no longer be denied.

An article last Sunday in the St. Louis Post-Dispatch by the able military commentator Gen. Thomas Phillips, states:

> Civilian officials in the Pentagon, and those closely involved with disarmament policies * * * are inclined to believe that the Soviet Union would gain more from resumption of testing that the United States.

First, this statement in itself is too embracive. But more important, again the premise is that the Russians are not testing.

In that same article, General Phillips quotes Dr. Hans Bethe as saying:

> If we had stopped nuclear testing when the Russians first suggesting doing so, at the beginning of 1956, we would presumably have had a great superiority in hydrogen bombs. We had tested at least half a dozen; they had tested one type only. We might possibly have a situation in which the Russians would not now have a hydrogen warhead for their I.C.B.M.

Inasmuch as it is now universally agreed the Russians leapfrogged the long-range bomber into the long-range missile, those who want to follow Dr. Bethe in this queer reasoning can do so. I do not.

Not long ago, one of these people who make a business of constantly portraying the horrors of nuclear war—to me, all war is horrible—delivered a talk here at a lunch.

When it was over I asked, "Is not your entire argument based on the premise that we can trust the word, the honor, of the Russians? Would not your argument fail if that was not the premise?

He said, "That is correct."

The American people have the right to know more about this matter, about changed scientific opinion on such new weapons as the neutron bomb.

There is too much secrecy about subjects which cannot possibly help a possible enemy. For example, the people should know just how relatively easy it would be for the Soviets to cheat on their test agreement. This fact involves no security classification whatever.

The people have the right to know the truth, the truth as to just what we are risking in our effort to regain the world prestige we have lost in the last 10 years.

Now let us listen to a real expert, one who has no political, scientific, military, or ideological barriers to his thinking.

On June 15, 1961, Dr. Charles Allen Thomas, native of Kentucky, chairman of the board of the Monsanto Chemical Corp., delivered an address before the Rotary Club of Houston, Tex.

Dr. Thomas is a farmer. He is board chairman of the generally considered largest business in my State.

More important, he is a world renowned chemist. He was a member of the Manhattan project, in fact in charge of the Clinton Laboratories at Oak Ridge, Tenn., during the period of the all-out effort America undertook in the early 1940's so as to be first in the nuclear field.

Dr. Thomas has been the recipient of many of the highest scientific honors that can be given, including the Priestly Medal. He is a former president of the American Chemical Society.

I have referred to the accomplishments of this citizen's life because of the importance of this address he made in Texas, which he entitled "The Future Is Nearly Here."

May I respectfully urge every Member of Congress to read these thoughts as presented by an able, practical, and experienced scientist, one who over the years also has demonstrated his patriotism by periodically accepting many Government jobs.

After reviewing the importance of such developments as the wheel, which Dr. Thomas notes "took thousands of years to really affect man's ability to move around"; and gunpowder, "known for centuries before it changed man's traditional methods of warfare," he says for example:

> In contrast, the nuclear revolution is only 16 years old, and we have already reached a state of acute national peril.

It was pointed out in the talk that other powerful forces have been let loose since the close of World War II; viz, the collapse of colonialism, the radical change in the international balance of power, the population explosion, and the technical revolution and its impact on defense.

Then Dr. Thomas also stressed that in 1945 our scientists estimated that the Soviet Communists would not be able to develop a nuclear weapon until 1970. Nevertheless, they first tested such a weapon 21 years ahead of what the doctor terms "our happy little timetable."

He then refers to Korea, and to the Panmunjon talks, "an incredible introduction to the Communist tactics of talk, talk, talk, and delay, delay, delay."

How true it is that since then "there have been no shortages of either talk or delay."

Dr. Thomas then brings up this vital question of nuclear test cessation, the problems, the delay, the subterfuges, and continues:

> We do know they (the Russians) announced a mysterious new sort of weapon

last year, without releasing any details, and later in 1960 they saw fit to say that some unusually large chemical explosions had occurred inside their borders.

He then states:

While there was hope for international agreement, the halt to our test program made some sense. But the talks in Geneva have gone around and around the Communist mulberry bush and the only thing in prospect is additional delay on their part.

Further discussion seems pointless, and an open resumption of our nuclear test program is clearly indicated.

These tests can be carried out underground, so there is no danger of damaging fallout at all.

Some may argue that we already know how to explode a nuclear weapon, and that further testing is unnecessary. This is not exactly true. We have some pretty good 1958 models, but the test ban has kept us from further trials. Whether it is an automobile or a kitchen knife, engineers count on actual tests to prove the true merit of any new design, and complex nuclear weapons certainly are not excluded from this rule.

Let us remember, Madam President, that this statement is not made by any theoretician, but by one of the most successful industrialists and scientists of our time. I emphasize this fact because some queer talk that testing is not really necessary is being advanced by certain so-called experts who have no knowledge of this situation comparable to that of Dr. Thomas.

Dr. Thomas concludes:

If the Soviets decide to move ahead with a nuclear test program while we stand still (and they may have made this decision already), we will probably lose our lead in nuclear power within a short time. In this manner, the greatest deterrent to war will have disappeared.

As we showed in 1945 and 1946, nuclear leadership is no threat to the world when we have it. Whether a similar statement can be made about Soviet ownership of such leadership is a proposition I would rather not put to a test.

In all the policy shifts of the last 16 years, our nuclear leadership has been our one big stick. We are close to losing it. I want to be completely understood. We must not have another world war. But, I believe history shows us that the correct way of preventing war is to be strong. Hoodlums do not try to open a well-guarded bank vault. Peace is earned by moving decisively from a base of strength, and not by shifting feet continually in an attitude of weakness.

Our national objective should be to acquire a sense of purpose and a sense of direction, and to accept the world leadership which has been thrust upon us. We should forsake this adolescent attitude of continually worrying about what people think of us. We should set about the task of protecting the peace.

To do this we will have to be strong, and to be strong we need to resume our nuclear testing program. To me, the logic is inescapable.

If any Senator wishes to dispute the logic of this carefully thought out presentation by an experienced, dedicated, and thoughtful American, let him stand on this floor and make his case.

Madam President, I ask unanimous consent that the address by Dr. Charles Thomas be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE FUTURE IS NEARLY HERE

(Address by Dr. Charles Allen Thomas)

My subject today is our future, our future as individuals and as members of the various groups to which each of us belong: Families, churches, companies, and governments. Our times possess a peculiarly hectic and hazardous nature. It has become easier and easier to avoid decisions by the simple process of not making them. Because of the speed with which history moves, the opportunity for deciding which fork in the road should be taken passes us all too rapidly. Quite often a government gets by one of these points of decision only to find it cannot retrace its steps.

Everyone in this room has participated in the history of the last 16 years, and I am sure we can all remember 1945 quite clearly. The United States of America, in 1945, was without doubt the most powerful nation in the world. We possessed the greatest fighting machine the world had ever seen. We could have controlled the land, the oceans and the air of the entire globe if we had wanted to. We had established an industrial and transportation complex which could support our military strength. And we had a monopoly on nuclear weapons.

As a democracy, dedicated to individual freedoms and adhering to Christian principles, we had no intention of forcing our will on the world. America fights defensive battles; it doesn't wage wars of aggression.

In order to provide a basis for examining our future, let's review some of the developments of the last 16 years. A few outstanding trends of this recent past will do.

One of the forces which has already affected the lives of each of us is the nuclear revolution, which has been compared to man's invention of the wheel, to the discovery of gunpowder and to the industrial revolution. There is a strange difference between each of these innovations.

It took thousands of years for the wheel to really affect man's ability to move around. Gunpowder was known for centuries before it changed man's traditional methods of warfare. The industrial revolution required decades to alter the fabric of society. In contrast, the nuclear revolution is only 16 years old, and we have already reached a state of acute national peril.

Since 1945, we have witnessed the collapse of the old colonial system as a result of World War II. New national states in Africa and Asia are eager to exchange their primitive living conditions and poverty for the good life of advanced industrial states. These new national entities, recognized or not, are brutal, hungry groups of individuals in a great hurry. Their path has already been marked by violence, and this trend is sure to continue and even accelerate as they try to build their futures on the body of the past, whether the past is dead or not.

We have also seen a radical change in the international balance of power. Prior to World War II, the unity and military power of Germany in Europe and of Japan in Asia contributed a great deal to this balance. Now we find Eastern Europe and the mainland of China dominated by militant communism, a form of culture dedicated to the extermination of what we stand for. Communism now controls a land mass, a population and resource base which geopolitical thinkers have long believed might be enough to give its masters a good claim to world power.

Another force at work in the world is the first phase of a population growth which may become an explosion in its own right. As Americans, we take some pride in the fact that the net annual increase in our population equals that of the metropolitan area of Boston. On a global scale, however, the net population increase in just the last 9 months has been sufficient to equal the population of America's 16 largest cities. This is a noticeable number of human beings, even on a planet the size of our globe. It is large enough literally to join hands around the earth. And most of these new individuals are short of possessions such as food, machinery, and education.

And, finally, in the last 16 years we have experienced a technological revolution, particularly important in the implements of war, through which the B–29 has been replaced by the intercontinental ballistic missile.

Any one of these five powerful forces let loose in the world during the last 16 years would have been sufficient by itself to have changed the course of history. Coming, as they have, all together and in such a short time, is the reason why our times are so tense and turbulent.

The progress of the United States of America through some parts of this recent span of history has not been particularly inspiring. Our course is marked with zigs and zags, and wobbles between the reefs of indecision and the shoals of expediency.

In 1945 we were dealing from strength, but we reversed ourselves in a typical manner. We dismantled our military machine. "Cut the fat out of the military" was a very popular slogan on Capitol Hill. The Soviets did exactly the opposite.

In 1946, Russia provoked a crisis in Iran. They subjected Turkey to great pressures. In 1948, they provided underground support for the Communist takeover of Czechoslovakia. In 1948 and 1949 they deliberately blockaded Berlin. While all these alarums and excursions were taking place, the Chinese Communists took over the mainland of China.

In 1945, we believed that the Russians would not have the nuclear bomb until 1970. It was said the Soviet system was too rigid to accommodate the new nuclear technology, that their bureaucracy would order scientists to follow certain paths, and that their program would fall into the many pitfalls we knew existed between concept and execution.

In 1945 and 1946 we felt a grave responsibility in our monopoly position in nuclear weapons, and we foresaw an international arms race in this newly developed area of destruction unless some international control could be established. After considerable study and deliberation we proposed a plan for international control. We offered to relinquish our nuclear resources, and even a part of our sovereignty, to an international body equipped with suitable safeguards, including the right of inspection, to preserve the peace.

At the time, we could not understand why the Soviets rejected our offer. It seemed they had everything to gain.

One little anecdote may provide a better understanding of why they turned us down. I remember back in the early days of nuclear work, when everything was under lock and key, scientists were amazed at the ease with which some atoms could stop certain neutrons. One of them compared the process with the ease of hitting a barn when it presented a broadside target. As a result of this chance remark, the unit of measure for nuclear capture cross sections became the "barn" and this function of atoms is still measured in "barns," just as distance is measured in miles.

When we first learned of Soviet nuclear technology some years later, we were surprised to hear they were measuring these

same sections in terms of "barns," even though the closest word to "barn" in the Russian language is "baran" (Bah-rahn), which means mutton. I leave it to you to say who has been whose lamb chop.

In any case, the Soviets tested their first nuclear weapon in 1949, 21 years ahead of our happy little timetable. In 1950, the Korean engagement began.

By that time the fat had been so well cut out of the military, that we only had available for deployment overseas, according to congressional testimony, one part of a division of marines and a single airborne division. We quickly set about putting some muscle back into the military, reversing ourselves all along the line.

Then we had the strange spectacle of a President of the United States relieving a commander in the field. The national policy took another change in direction. We began the Panmunjom talks, an incredible introduction to the Communist tactics of talk, talk, talk, and delay, delay, delay.

There have been no shortages of either talk or delay in the world since then. We were led to believe some 3 years ago that there was still some hope for international control of nuclear weapons. We began meetings with the Russians and the British on October 31, 1958, in search of such an agreement. To show we were serious, we announced we would bring our test program to a halt provided the Soviets did the same. They carried out two nuclear tests the very next month, but our program has been in mothballs since that time.

An underground nuclear explosion transmits shock waves identical to those of explosions of a chemical nature, and very nearly identical to the shock waves of minor earthquakes. There are several hundred minor earthquakes in Russia every year, and we have no way of discovering whether or not they have resumed their own testing.

We do know they announced a mysterious new sort of weapon last year, without releasing any details, and later in 1960 they saw fit to say that some unusually large chemical explosions had occurred inside their borders.

While there was hope for international agreement, the halt to our test program made some sense. But the talks in Geneva have gone around and around the Communist mulberry bush and the only thing in prospect is additional delay on their part.

Further discussion seems pointless, and an open resumption of our nuclear test program is clearly indicated.

These tests can be carried out underground, so there is no danger of damaging fallout at all. Another possible method of weapons testing would involve the use of outer space, millions of miles away, with instrumentation rocketed out to radio back the test results in code.

Some may argue that we already know how to explode a nuclear weapon, and that further testing is unnecessary. This is not exactly true. We have some pretty good 1958 models, but the test ban has kept us from further trials. Whether it is an automobile or a kitchen knife, engineers count on actual tests to prove the true merit of any new design, and complex nuclear weapons certainly are not excluded from this rule.

The test ban stopped in madtrack a program to develop a "clean" nuclear bomb which could be used on the battlefield against military targets. Such a bomb would destroy the enemy potential but would have a minimum aftereffect so that the cleared territory could be occupied rapidly by friendly forces. It has been pointed out that we have never actually fired a missile with a working warhead. We need sophisticated new weapons tailored to recent and prospective defense systems, such as a nuclear instrument to detonate missiles in flight toward us while they are still at a safe distance. The yield-weight ratio of missile warheads should be improved so we can boost the deterrent efficiency of our existing rocket supply, which is apparently not the best in the world.

If the Soviets decide to move ahead with a nuclear test program while we stand still (and they may have made this decision already), we will probably lose our lead in nuclear power within a short time. In this manner, the greatest deterrent to war will have disappeared.

As we showed in 1945 and 1946, nuclear leadership is no threat to the world when we have it. Whether a similar statement can be made about Soviet ownership of such leadership is a proposition I would rather not put to a test.

In all the policy shifts of the last 16 years, our nuclear leadership has been our one big stick. We are close to losing it. I want to be completely understood. We must not have another world war. But I believe history shows us that the correct way of preventing war is to be strong. Hoodlums don't try to open a well-guarded bank vault. Peace is earned by moving decisively from a base of strength, and not by shifting feet continually in an attitude of weakness.

Our national objective should be to acquire a sense of purpose and a sense of direction, and to accept the world leadership which has been thrust upon us. We should forsake this adolescent attitude of continually worrying about what people think of us. We should set about the task of protecting the peace.

To do this we will have to be strong, and to be strong we need to resume our nuclear testing program. To me, the logic is inescapable.

Mr. SYMINGTON. Madam President, what we are talking about may well be the most important subject in the world.

It may be the world.

Nevertheless, except for some secret hearings in a subcommittee of the Joint Atomic Energy Committee—and it is interesting to note the chairman of that subcommittee, the distinguished Senator from Washington [Mr. JACKSON], has now recommended that we renew testing—to the best of my knowledge there have been no hearings on this subject during the past 6 months of this congressional session.

We have spent much time on many other matters. But those matters will mean nothing unless we do what is necessary to be certain we can negotiate for peace and freedom from a position of strength.

All of us want that arms control which could lead to disarmament—and all of us want permanent world peace under law.

But based on the record, I for one am not willing to trust the future of this country to the sincerity and honor of the rulers of the Kremlin.

PROJECTS APPROVED BY COMMITTEE ON PUBLIC WORKS

Mr. KERR. Madam President, in order that the Members of the Senate and other interested parties may be advised of various projects approved by the Committee on Public Works, I submit for inclusion in the CONGRESSIONAL RECORD, information on this matter.

The first is a list of new buildings approved by the committee on June 26, 1961, under the provisions of the Public Buildings Act of 1959.

The second is a list of projects for modification, alterations, and repairs to existing buildings, also approved by the committee under the provisions of that act.

Approval of these buildings is based on prospectuses submitted to the committee by the Administrator of General Services, in compliance with Public Law 248, 86th Congress. In addition, representatives of the General Services Administration appeared before the committee in executive session, and discussed the public building program, its operation, and the need for the recommended new buildings and alterations to existing buildings.

The committee has also approved eight small watershed projects under the provisions of Public Law 566, 83d Congress, as amended. A list of these projects is attached.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Resolutions approving projects under the Public Buildings Act of 1959 (Public Law 249, 86th Cong.)

Date referred to committee	Location	Project	Estimated cost	Date approved
June 7, 1961	Calexico, Calif	Border patrol station	$375,000	June 26, 1961
June 14, 1961	Los Angeles-Long Beach Area, Calif.	Customhouse	3,250,000	Do.
Mar. 23, 1961	Jacksonville, Fla	Federal office building	9,573,000	Do.
June 7, 1961	Marianna, Fla	Post office and courthouse	633,000	Do.
Mar. 23, 1961	St. Petersburg, Fla	Federal office building	5,325,000	Do.
Do	Macon, Ga	Post office and Federal office building	4,334,000	May 23, 1961
June 7, 1961	Porthill, Idaho	Border station	152,000	June 26, 1961
Do	Louisville, Ky	Federal office building	13,100,000	Do.
Do	Houlton, Maine	Border Patrol headquarters	410,000	Do.
Do	Harvard Area, Mass	Civil defense headquarters	3,000,000	Do.
Do	Sault Ste. Marie, Mich	Border station	312,000	Do.
Do	Pigeon River, Minn	do	361,000	Do.
Do	St. Paul, Minn	Courthouse and Federal office building	11,673,000	Do.
Do	Harrisburg, Pa	do	7,470,000	Do.
Do	Philadelphia, Pa	do	42,669,000	June 27, 1961
Do	Del Rio, Tex	Border patrol station	342,000	June 26, 1961
Do	do	Sector headquarters, Border Patrol	535,000	Do.
Sept. 12, 1960	Charlottesville, Va	Federal office building	2,333,000	Do.
June 7, 1961	Spokane, Wash	Courthouse and Federal office building	8,694,000	Do.
Mar. 20, 1961	Washington, D.C	Federal Office Building No. 8	42,000,000	Do.
	Total estimated cost (20 buildings)		186,342,000	

Alteration projects approved by the Public Works Committee on June 26, 1961, under the provisions of Public Law 249, 86th Cong.

Location	Type	Total estimated	Design and supervision costs	Alteration costs
Sacramento, Calif.	Post office and courthouse	$1,059,000	$71,000	$988,000
San Francisco, Calif.	Appraisers Bldg.	709,000	70,000	639,000
Chicago, Ill.	Federal building	2,044,000	203,000	1,841,000
Do.	Main post office	3,890,000	385,000	3,505,000
Do.	Railroad Retirement Bldg.	1,468,000	145,000	1,323,000
Louisville, Ky.	Post office and customhouse	1,209,000	114,000	1,095,000
Owensboro, Ky.	do.	337,000	42,000	295,000
New Orleans, La.	do.	3,872,000	243,000	3,629,000
Do.	Federal office building	1,415,000	125,000	1,290,000
Bethesda, Md.	National Institutes of Health	2,328,000	236,000	2,092,000
Grand Rapids, Mich.	Post office and courthouse	831,000	94,000	737,000
Minneapolis, Minn.	Federal office building	1,129,000	112,000	1,017,000
Do.	Post office and garage	595,200	59,000	536,200
Grand Island, Nebr.	Post office and courthouse	364,000	42,000	322,000
Jersey City, N.J.	Post office	228,000	23,000	205,000
New York, N.Y.	General post office	1,168,000	115,000	1,053,000
Do.	Vesey Street Federal Office Bldg.	4,040,000	400,000	3,640,000
Grand Forks, N. Dak.	Post office and courthouse	370,000	45,000	325,000
Oklahoma City, Okla.	do.	879,000	85,000	794,000
Portland, Oreg.	Courthouse	269,100	27,000	242,100
Do.	Interior Bldg.	1,442,000	144,000	1,298,000
Philadelphia, Pa.	Pennsylvania A.C. Bldg.	704,000	70,000	634,000
Do.	5000 Wissahickon Ave.	5,296,000	524,000	4,772,000
Knoxville, Tenn.	Post office and courthouse	462,000	45,000	417,000
Dallas, Tex.	Federal office building	819,000	81,000	738,000
Houston, Tex.	Post office and courthouse	1,518,000	125,000	1,393,000
Arlington, Va.	Pentagon Bldg.	6,915,000	685,000	6,230,000
Washington, D.C.	Agriculture Bldg.	3,538,000	350,000	3,188,000
Do.	Treasury Bldg.	2,386,000	237,000	2,149,000
Total estimated cost (29 alterations)		51,284,300	4,897,000	46,387,300

Projects approved by the Committee on Public Works on May 31, 1961, under the Watershed Protection and Flood Prevention Act, Public Law 566, 83d Cong., as amended

Project:	Estimated Federal cost
Magma Creek, Ariz.	$2,544,500
Muddy Fork of Illinois River, Ark.	710,500
Bull Creek, Ga.	1,849,300
Seven Mile Creek, Ill.	190,200
Fall River, Kans.	4,188,800
Bayou Rapids, La.	1,143,200
Camp Rice Arroyo, Tex.	395,300
Lower Plum Creek, Tex.	3,303,900
Total estimated cost (8 projects)	14,325,700

ORDER OF BUSINESS

Mr. MANSFIELD. Madam President, I desire to propound a unanimous-consent request. I have discussed it with interested Senators on both sides of the aisle, and with the distinguished minority leader, as well.

I ask unanimous consent that during the consideration of Reorganization Plan No. 4, the time allocated may be confined to 2 hours, 1 hour to be under the control of the minority leader and 1 hour to be under the control of the distinguished senior Senator from Arkansas [Mr. McCLELLAN].

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Madam President, does the Senator from Montana desire that the time limitation start now?

Mr. MANSFIELD. Yes.

Mr. McCLELLAN. I wish to speak for about 5 minutes on another subject. Then I would be willing to have the agreement become effective. However, I understand two or three other Senators also wish to place material in the RECORD. In fairness to all Senators who may wish to make statements for the RECORD concerning extraneous subjects, I suggest that such matters be disposed of before the time limitation on the reorganization plan begins. That is the only reason why I shall object at the moment. I would appreciate it if the majority leader would withhold his request for a few minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas that the limitation of time start after he has concluded his remarks on another subject?

Mr. McCLELLAN. Madam President, as I understand, two or three other Senators also wish to make short statements on other subjects. Would the majority leader be willing to withhold his request for a short time?

Mr. MANSFIELD. Madam President, I withhold my request.

FEES FOR SPECIAL SERVICES

Mr. McCLELLAN. Madam President, the staff of the Committee on Government Operations initiated a study early in 1950, at my direction, to provide adequate authority to Federal agencies for the establishment of fees for services rendered which result in benefits to special interests. On July 24, 1950, the committee submitted to the Senate a report—Senate Report No. 2120, 81st Congress—with appropriate recommendations for legislative action.

The committee approach to the development of the program was not from a revenue-raising perspective but rather with the objective of determining the feasibility of offsetting items necessarily included in the Federal budget as nonreimbursable by transferring the financial burden thereof to the special beneficiaries.

Following the submission of Senate Report No. 2120 to the various jurisdictional committees of the 81st Congress for their consideration and action, the committee requested the Bureau of the Budget to complete studies initiated by the committee staff with respect to the assessment of appropriate service fees by agencies of the entire executive branch of the Government. It was also recommended that the Bureau take necessary administrative actions or to recommend legislation considered to be desirable in conformity with the objectives set forth in the committee's report.

Statutory language designed to stimulate adequate charges for special services by the Government was subsequently prepared by the General Accounting Office and the Bureau of the Budget, at the request of the Independent Offices Appropriations Subcommittee of the House Appropriations Committee to fully implement this program. As a result, the independent-offices aspect of the Omnibus Appropriation Act of 1952—title V—gave general authority to Government agencies to make charges for services in cases where no charge had been made and to revise them where the charges were too low, except in cases where the law specifically provides that no charge shall be made, or fixes its amount in the law.

To implement this legislative authorization, the Bureau of the Budget issued Bulletin No. 51–13, on May 21, 1951, to the heads of executive departments and establishments, setting up appropriate guidelines for full operation of the program. This directive was further supplemented by Circular No. A–45, establishing a rent policy for quarters supplied to Federal employees on July 9, 1951.

Also, pursuant to the request of the Committee on Government Operations, the Director of the Bureau submitted a "Progress Report on the Review of Charges for Services and Products" to the committee and to the Congress, on January 28, 1952. The Director estimated that, as of that date, additional annual revenues expected to accrue from special services performed by the Government as a result of the committee's recommended program would total approximately $48 million in its initial year of operation in fiscal year 1953. The final report on revenues for 1952, the first year of operation, shows that the actual increase on receipts for such services totaled $71.2 million over previous annual revenues before the program was established.

Since that time, a number of actions have been taken both by the Congress and the Bureau of the Budget, some of which were set forth in Senate Report No. 1467, 84th Congress, filed in the Senate on February 1, 1956, pursuant to Senate Resolution 140, which provided for the establishment of uniform fees and charges by Government agencies for work or other things of value performed by them. In lieu of taking action on Senate Resolution 140, the Committee on Government Operations recommended that the committees of the Congress having oversight jurisdiction over agencies rendering special services should review such programs and recommend the enactment of appropriate legislation to attain the objectives originally set forth in this committee's report in the 81st Congress.

The Bureau of the Budget also assured the committee that appropriate administrative actions were being taken to fully evaluate existing programs which would permit the Bureau to recommend to the appropriate committees of Congress further legislative action to attain the recommended objectives. To further this objective, the Bureau issued Bulletin 58–3, on November 13, 1957, to the heads of executive departments and establishments which called for the further appropriate administrative actions and for the preparation of legislative proposals toward the development of an equitable and uniform Government-wide policy on charges for certain Government services or property, pursuant to a directive from the President.

Madam President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "United States Seeks a Rise in Services Fees," published in the New York Times of June 22, 1961. The article reports that President Kennedy has now initiated a program to carry on the directive issued during the Eisenhower administration, referred to above, in order to continue this program in full force and effect in an effort to collect more money from the users who are recipients of special Government services.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SEEKS A RISE IN SERVICES FEES—WANTS MORE INCOME FROM USERS OF ITS ACTIVITIES

WASHINGTON, June 21.—President Kennedy has taken up where President Dwight D. Eisenhower left off with the difficult business of trying to collect more money from the users of Government services. The administration is studying at least a half-dozen lines of Government activity on which user charges might be established or increased.

The Budget Bureau published a routine annual report today on last year's developments. It included "a partial list of subjects presently under study."

One of the six subjects listed was business regulation. That could mean, for example, broadcast license fees high enough to cover costs incurred by the Federal Communications Commission in considering license applications and awarding licenses.

Other subjects under study include inspection of private aircraft crossing borders, telephone service provided by the Defense Department to persons who live in Government housing and contractors working on Government installations, and the use of Federal natural resources.

Use charges currently bring in more than $500 million a year, or about twice as much as they did 10 years ago. The increase results from the combination of increased charges and increased Government activity.

The report said that the number of new charges established in the last year or old charges increased totaled 95, including 2 passed by Congress. It noted, however, that Congress had not passed 12 others that would have brought in $155 million a year, including $122 million of taxes on airplane fuels.

Mr. McCLELLAN. Madam President, as a result of the progressive steps taken since the program was first initiated by the Committee on Government Operations in 1950, the report of the Bureau of the Budget reflects that there have been steady increases in receipts from fees and charges for services to groups and individuals who receive special benefits from Government programs over and above those benefits which accrue to the public at large.

Madam President, I ask unanimous consent to have printed at this point in the RECORD a table reflecting the steady increases in receipts from fees and charges.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[Amounts in millions]

Fiscal year	Sale of products	Rents and royalties	Permits and license fees	Miscellaneous fees and charges	Total
1950	$45.9	$87.9	$32.3	$50.0	$216.1
1952	100.6	103.8	34.8	48.1	287.3
1954	108.6	141.5	45.0	29.8	324.9
1956	170.3	150.6	48.9	35.6	405.4
1958	145.3	172.8	52.8	41.1	412.8
1959	171.5	181.3	53.6	33.4	439.8
1960	211.1	194.6	56.7	36.0	498.4
1961 [1]	199.2	225.5	59.7	38.7	523.1
1962 [1]	219.6	234.1	63.0	39.9	556.6

[1] Estimated.

NOTE.—The table does not cover any taxes or charges for postal services; it also excludes such other sources of revenues as sale of property and electric power. The growth in receipts is the result of increases in volume of activity and increases in rates to cover higher costs of performing the services, as well as the extension of the user charges policy to new activities.

Mr. McCLELLAN. Madam President, the report of the Bureau of the Budget, compiled as of May 1961, reflects the fact that use charges currently bring in excess of $500 million a year, or more than twice as much as they did 10 years ago. This appreciable revenue realized by the Federal Government during the 10 years that have elapsed since the Committee on Government Operations first made this proposal illustrates the fact that the committee's initiation of this program has resulted in additional revenues running from $70 million in 1952 to an estimated $523 million in 1961, which would not have otherwise been paid into the Treasury. This totals in excess of $1 billion during the last 4 years, 1958–61. It also means that recurring annual revenues from $250 million upward—an amount sufficient to cover the cost of operating the entire legislative branch of the Government for 2 years—will continue to accrue from the combination of new charges and increased Government activity, as pointed out in the report of the Bureau of the Budget. In its report, the Bureau of the Budget, commented on continuing actions by the executive agencies, as follows:

Action to change fees and charges normally results from agency studies of areas where cost changes have made present charges inadequate or excessive, or where examination of a service or privilege indicates that establishment or change of fees or charges under the policy is necessary and practical. In those cases where products are sold or resources leased, studies of market activity are made to determine if revised fees or charges are required. A partial list of subjects presently under study to determine necessity for establishing or revising fees and charges includes:

Use of Federal natural resources.

Recovery from negligent third parties the expenses, other than costs of medical care, incurred by the Government when its personnel are killed or injured as a result of such negligence.

Administrative costs of regulation for Civil Aeronautics Board, Federal Aviation Agency, Federal Communications Commission, Federal Maritime Board, Federal Power Commission, Interstate Commerce Commission.

Telephone services provided by the Department of Defense to occupants of Government housing, contractors located on installations, concessionaires, etc.

Border inspection fees for private aircraft (interdepartmental study).

Military and civilian labor costs involved in the operation of commissary stores.

With expanding activities and increases in costs, this program is a continuing one that must be considered a permanent part of agency activity. Although progress to date has been significant, efforts must continue in order to insure uniformity and equity in the imposition of fees and charges.

ORDER OF BUSINESS

Mr. McNAMARA. Madam President——

The PRESIDING OFFICER. The Senator from Arkansas is in control of the time.

Mr. McCLELLAN. Madam President, I believe the Senator from Montana withdrew his request temporarily. Did he not?

Mr. MANSFIELD. Yes.

Mr. McCLELLAN. So at the moment there is no time control.

The PRESIDING OFFICER. The Chair reminds Senators that the Senate is still proceeding under the 10-hour time limitation.

Mr. MANSFIELD. Madam President, I wish to withhold my request until the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Michigan [Mr. McNAMARA], the Senator from Florida [Mr. HOLLAND], and the Senator from Colorado have made their requests.

A CONSTANT PURCHASING POWER RETIREMENT INCOME SAVINGS BOND

Mr. McNAMARA. Madam President, last year I introduced a bill which would authorize the Treasury to issue "constant purchasing power" bonds. The idea is an old one; but it was not until the Senate had a subcommittee on problems of the aged—and now a Special Committee on Aging—that the idea was put into concrete form as a legislative proposal. I now introduce the bill again.

The purpose of the bill is to assure individuals retiring in the future of the protection of their savings put aside for retirement income. This would be accomplished by purchasing bonds from the Treasury, the face value of which would be adjusted to keep pace with any subsequent increases in the cost of living. Individuals and eligible institutions, such as pension plans and life insurance companies, could purchase the bonds, with certain limitations in amounts.

The cost-of-living protection provision would accrue only if the bonds were kept until the person reached the age of 60—with certain exceptions, such as death or disability. Bonds redeemed before this period would carry only a given

interest rate, and not the purchasing power protection.

I have an analysis of the bill which includes detailed information on the proposal. I should like to add this comment, however:

The only criticism I have heard about my proposal is that it might aggravate an inflationary trend. On the other hand, it should be pointed out that anything that encourages increased savings can actually mean a brake on inflationary pressures.

And the constant purchasing power bond certainly would encourage more savings, and also would reduce the rate of prematurity redemption of ordinary savings bonds.

Furthermore, the bill includes certain limitations that would guarantee against any runaway use of the proposal.

Madam President, I ask unanimous consent that a further statement on the bill and an analysis be printed in the RECORD at the conclusion of my remarks.

There being no objection, the statement and the analysis were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MCNAMARA

Price fluctuations have an important bearing on the economic well-being of every citizen, but particularly for retired persons. Traditionally, people save—and are expected to save—to assure themselves a decent, comfortable old age. When people save for their retirement, their primary concern is the security of their savings. They want to have their money available when they need it—at the time, and for the purpose of their retirement. Consequently, for retirement purposes, people want savings instruments that are free from risk.

Bonds, particularly Government bonds, have long been looked upon as one of the best means of saving for retirement purposes, since they have a fixed monetary value which is not influenced by economic trends, by speculation, or by other sources of instability in our economic world. Unfortunately, at times when inflation is a matter of public concern, people shy away from investing in bonds, as the danger of inflation removes that most important characteristic of all bonds—their risklessness.

With the weakening of bonds as a form of riskless investment in times of inflationary expectations, a great segment of the saving public, especially the small, unsophisticated investor saving for his old age, is deprived of the only form of investment which he can understand, and with which he can cope in terms of his daily life and future expectations. The result is a reduced inclination to save for old age, and increased economic insecurity in old age.

In modern industrial society, the burden of providing for retirement does not, of course, rest solely on the availability of avenues for private individual saving. We do have governmental and private pension plans designed to assure a decent standard of living to an increasing number of our retired citizens. But in an age of inflationary fears, and fluctuating prices, a guarantee of a fixed monetary income upon retirement is not sufficient.

There is legitimate fear that, however promising a given retirement plan may look on paper, in reality it may be less than adequate, if the inflation of the intervening years eats away the purchasing power of the promised annuity.

This fear is the basis for the repeated attempts to write into pension contracts clauses that would tie the amount of annuities to the fluctuating price level. The reason for a lack of any appreciable success in this direction is the contention of management that no actuarially sound pension plan could provide a cost-of-living adjustment in pensions in the absence of proven ways of guaranteeing cost-of-living protection to the pension funds themselves.

Undoubtedly, management would take a much more favorable view of cost-of-living provisions in pension contracts, if pension funds could be invested in a way that would protect them from the erosion of inflation. The traditional practice of investing these funds in fixed-return investments—bonds—provides no such security any more; in fact, with the inflationary psychology during recent years, pension-fund portfolio managers have deserted the bond market to a considerable extent, and entered the stock market—not for the purpose of trying to find means to provide cost-of-living protection to their beneficiaries, but simply to enable the funds to keep paying their fixed pension obligations.

There are definite limits to the investing of pension fund moneys in stocks. In fact, it is questionable whether the whole practice is at all sound, except to the extent that the investing takes place in really blue chip stocks. Consequently, it is not only the individual saver who has been deprived by inflationary expectations of his major avenue for saving, but also the employee who has placed his faith in the industrial organization for which he has worked for many years, if not a lifetime. He is denied the prospect of maintaining a decent standard of living in his retirement years by the inability of pension funds to protect him from the erosion of his pension's purchasing power.

An inflation-proof pension bond issued by the Treasury would increase the incentive of individuals to save for old age—either on his own part or through a labor-management pension plan.

Even though the idea of a purchasing-power bond is an old one, no serious effort has been made in this country to introduce it. One of the major reasons for this is the oft-repeated fear that the Government could not issue a purchasing-power bond without publicly admitting its inability to cope with inflation, and consequently, without undermining the confidence of the public in the currency.

No one denies that psychology—confidence—plays a very important role in economic, and especially in monetary matters. But the lessons of the past several years should be sufficient proof that psychology alone is not enough to account for the presence, or absence, of inflation. Official attempts to exorcise inflation by repeated and ceremonial professions of abhorrence have failed completely, and it is now time to realize what has really been obvious all along—that inflation is caused, above all, by fundamental factors operating in our complex economy.

There is, therefore, no reason to believe that the introduction of purchasing power bonds, if done on a relatively modest scale and with appropriate prudence, would have any adverse effect on public confidence. On the contrary, to the extent that they would induce individuals to save more, they might even have a dampening effect on inflationary tendencies underlying the economy. Even if we were to have further inflation in the future, the extra cost incurred by the Treasury through adjustments in the face value of these bonds would be more than compensated for by the real benefits to the economy derived from the ability of pensioners to maintain their purchasing power in times of inflation. This, in turn, would reduce the burden on public assistance agencies.

As the Staff Report on Employment, Growth, and Price Level, of the Joint Economic Committee, said recently:

"On balance, there is much to be said for the view that it is a proper function of the Government to provide the small, unsophisticated investor with a form of investment which contains protection against the erosion of his wealth through inflation."

The same can be said, no doubt, about providing the same protection for institutions that take care of the retirement years of the same honest, unsophisticated small man—the pensioner of our industrial and commercial corporations.

In the subcommittee report of last February [1960], we pointed out that the emergence of an aged population on the scale we now have and will have in the future calls for new ideas and preparation today for the even greater scope of the issue in generations to come—even in this century. While most of the subcommittee's recommendations bear on the well-being of today's senior citizens, this particular bill has far-reaching potential beneficial provisions for the retirees of the next generation and beyond.

ANALYSIS OF THE MCNAMARA PURCHASING POWER BOND BILL FOR RETIREMENT INCOME

Section 1 of the bill adds a new section—section 26—to the Second Liberty Bond Act.

Subsection (a) of the new section authorizes and directs the Secretary of the Treasury to issue purchasing power bonds subject, unless otherwise provided for in the bill, to the provisions of existing law.

Subsection (b) defines the pension and profit-sharing plans, and the institutions which are eligible to purchase the bonds, and requires that, in case of profit-sharing and pension plans, periodical adjustments be made in the paid-out benefits for the purpose of compensating for increases in the cost of living.

Subsection (c) states that the bonds to be issued—

1. May be interest-bearing (coupon) or discount type, or a combination of the two;
2. Shall mature in 20 years;
3. May be redeemed before maturity;
4. Shall bear interest rates identical with the going rate of interest on ordinary savings bonds;
5. Their denominations shall be geared to the needs of the purchasing individuals and institutions;
6. May be retained after maturity;
7. Shall be nontransferable;
8. May be purchased only by or for individuals and eligible institutions.

Subsection (d) limits the amount of purchasing power bonds that may be purchased by individuals to $10,000 annually, and the total holdings of individuals to $60,000 (both figures computed on the basis of purchase price); it also limits the purchase by, and holdings of, eligible institutions to amounts required to back their obligations under the pension and profit-sharing plans under their management.

Subsection (e) provides for the calculation of the cost-of-living adjustments in the face value of the bonds; it also specifies that such adjustments are to be made in case of individual holders only if the holders have either reached the age of 60 or have become permanently disabled, and in case of institutions only if the bonds are held to maturity or, if redeemed before maturity, if such redemption is necessary to enable the institutions to meet their obligations under the plans under their management.

Section 2 of the bill states that, for purposes of calculating the statutory debt limit, the face amount of the bonds—before cost-of-living adjustments—shall be considered the amount outstanding.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2181) to assist individuals to obtain retirement benefits protected against increases in the cost of living by

providing for the issuance by the Treasury of a new series of bonds containing adjustments, under certain conditions, in maturity and redemption values to compensate for increases in the cost of living which may be purchased by individuals and eligible institutions, introduced by Mr. MCNAMARA, was received, read twice by its title, and referred to the Committee on Finance.

REAR ADM. ELLIS M. ZACHARIAS

Mr. HOLLAND. Madam President, today the Nation has been saddened by the news of the passing of Rear Adm. Ellis M. Zacharias, U.S. Navy, retired, of Jacksonville, Fla. We of Florida are proud of Admiral Zacharias' distinguished record of service to our Nation in a wide variety of capacities during his almost 40 years of naval service, which began in 1908 and ended in 1946. He was awarded the Legion of Merit three times, and on another occasion received a special commendation recognizing his outstanding service to our Nation.

Admiral Zacharias was born in Jacksonville on January 1, 1890, a member of a prominent family which through the years has contributed to the civic betterment of the community. Throughout his entire lifetime, he retained Jacksonville as his permanent residence.

He was appointed to the Naval Academy by Florida's Senator James B. Taliaferro; and he graduated and began his service as a commissioned officer in 1912.

After service on several cruisers in World War I, Admiral Zacharias was appointed assistant naval attaché to Japan, in 1920. While there, he completely mastered the Japanese language and made an intensive study of the Japanese people. In 1923, he was assigned to rescue work after the great Japanese earthquake. He served with Gen. John J. Pershing in settling the Tacna-Arica boundary dispute between Chile and Peru.

Admiral Zacharias' greatest usefulness to our Nation resulted from his mastery of the Japanese language and his understanding of the Japanese people. Between wars, he served two tours of duty in charge of the Far Eastern division of the Office of Naval Intelligence and in other Naval Intelligence assignments. This experience gave him the insight which enabled him to predict the Japanese attack on Pearl Harbor 9 months before it came. It also served him in good stead in his extraordinary exploits during World War II, for which he was awarded the Legion of Merit with two gold stars. The first of these was awarded for his liaison work between the Office of Naval Intelligence and the Office of Strategic Services from May 10 to November 1, 1943. The second was for exceptionally meritorious conduct in the performance of outstanding services as a spokesman for the U.S. Government psychological warfare program from May 8 to August 4, 1945. In the citation for this award, it is recited that he contributed materially to the reduction of Japanese morale toward the end of World War II. His third Legion of Merit was awarded for exceptionally meritorious conduct as commanding officer of the U.S.S. *New Mexico* from November 20, 1943, to July 30, 1944. He received a letter of commendation with authorization to wear the commendation ribbon for his exploits as commanding officer of the cruiser U.S.S. *Salt Lake City*, soon after Pearl Harbor.

Among his other activities during World War II, he served as Acting Chief of Naval Intelligence for almost a year.

The people of Florida and the Nation are grateful for the outstanding services of this native son of Florida to the cause of freedom and democracy. I know I speak for them in extending to Mrs. Zacharias, their two sons, and their six grandchildren our heartfelt sympathy.

Madam President, I ask unanimous consent to have printed at this point in the RECORD an article in regard to Admiral Zacharias which was published this morning in the Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 29, 1961]

ADM. ELLIS ZACHARIAS DEAD; PREDICTED PEARL HARBOR

Rear Adm. Ellis M. Zacharias, USN, retired, a top-ranking naval intelligence officer in World War II and a controversial critic of U.S. military and foreign policy both before and after his retirement from the Navy, died Tuesday after a heart attack at his home in West Springfield, N.H. He was 71.

Admiral Zacharias suffered a heart attack March 1 but appeared to be recovering satisfactorily until this week, his wife said.

He first gained fame when it was disclosed in a wartime congressional investigation that he had predicted the Japanese attack on Pearl Harbor 9 months before it came.

He was in the headlines again in 1945 when he made one of this country's first ventures into the realm of psychological warfare—in a series of broadcasts to the Japanese stressing the futility of their fight and urging unconditional surrender.

He played a large part in easing the Japanese into surrender in 1945 by defining the term "unconditional surrender" so that it did not imply an overturning of the Japanese national system.

His most crucial part in these moves was his anonymous letter which the Washington Post published on July 21, 1945—a letter which went a long way in encouraging the peace party in Tokyo to tender peace overtures.

After his retirement from the Navy in 1946, Admiral Zacharias almost immediately became a center of controversy. That year he published his book "Secret Missions," which was both the story of his intelligence career and a document in favor of more psychological warfare.

Four years later he published another book, "Behind Closed Doors," in which he criticized much of the U.S. policy in World War II in the Pacific and predicted war with Russia by 1956.

Admiral Zacharias was born in Jacksonville, Fla., and was graduated from the Naval Academy in 1912. In 1920, while serving as naval attaché to the U.S. Embassy in Tokyo, he became one of the first American naval officers to learn Japanese.

Until the outbreak of World War II, he alternated between sea duty and intelligence service, specializing in Far Eastern affairs.

During the war, he was passed over for the post of Chief of Naval Intelligence after serving as acting chief for almost a year, in 1942–43.

COMMANDS SHIPS IN PACIFIC

Also during World War II, Admiral Zacharias held several combat ship commands in the Pacific, before returning to Washington to make his famous broadcasts.

His commands included the first raid by an American destroyer on Japanese-held territory.

After his retirement he became an often-heard voice on matters of U.S. security and foreign policy, almost always advocating a hard line against Russia and criticizing past U.S. mistakes. Besides his books, he wrote numerous articles in national magazine and newspapers.

Surviving are his wife, Clara, of the home in West Springfield, and a son, Ellis M. Zacharias, Jr., of Livingston, N.J.

THE FOREIGN-AID BILL

Mr. FULBRIGHT. Madam President, this morning there appeared in the Washington Post a letter on the subject of the foreign-aid bill. The letter is signed by a number of nearby presidents of Leagues of Women Voters.

I have received similar communications from leagues all over the United States. They all endorse the concept of the aid program and support the long-range financing of the program.

In acknowledging these letters, I have been bold enough to suggest that persons interested in this program let their own Congressmen know of their interest; and I note that the letter to the Post suggests just that. After all, I can vote only once.

I ask unanimous consent that the league letter to the Washington Post be printed in the RECORD at this point; and I commend it as a brief, well-reasoned statement worthy of the attention of each Member of this body.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 29, 1961]

FOREIGN-AID ENDORSEMENT

The League of Women Voters of the Washington area want to express publicly and in unison their support of the administration's foreign-economic-aid program. We urge others who want the program to do the same.

Our foreign-aid program is not new. We have had more than 13 years of experience, of trial and error and experimentation. Now the administration is proposing new concepts and new methods for development assistance which, we believe, deserve public and congressional support.

The cardinal points of the new approach, first outlined in President Kennedy's special message to Congress in March, are: (1) Long-term financing for long-range approaches to long-range problems; (2) improved, more efficient, and simplified administration; (3) encouragement of intensive efforts by recipient countries to mobilize their resources and especially to make necessary internal reforms; (4) increased cooperative efforts by all industrial nations—a partnership effort, not solely an American effort.

No doubt most Congressmen, with their knowledge of world affairs, realize that we will need a program of foreign economic aid this year and for many years to come. Hopefully, they will also agree that only with long-term planning, made possible by long-term financing, can we, other industrialized nations, and the recipient countries engage in meaningful development programs. In other words, the long-term approach—which, incidentally, was recommended by President Eisenhower during his administration—can

facilitate more efficient, more economical, more rational expenditure of the taxpayers' dollars. As the President said, it does not make sense to build a bridge halfway across a river.

Granting the President authority to borrow from the Treasury over a 5-year period does not mean that Congress will lose control of the Nation's purse strings. Such authority must come in the first place from Congress; subsequently, Congress can call for an annual review and explanation of the program; and finally, Congress can—if it so desires—revoke the authority it granted.

We want our Congressmen to be critical, to examine our failures and our mistakes as well as our successes. Then, on the basis of their examination, we want them to offer constructive criticisms to strengthen and improve the program.

In answer to the question, "Can we afford it?" we would like to point out that the total amount ($2.9 billion) requested for foreign economic aid for fiscal 1962 represents less than 1 percent of our gross national product—a small price to pay for waging peace.

From all accounts, lobbies opposing the program are well organized and articulate, and Congressmen are being deluged with shortsighted demands to curtail the program and, above all, to prohibit long-term financing. Those who believe in this program should communicate with their Congressmen now.

Mrs. RICHARD SIMONSON,
President D.C. League of Women Voters.
Mrs. C. M. DERRYBERRY,
President Montgomery County League.
Mrs. ROBERT WOLF,
President Prince Georges County League.
Mrs. ROBERT S. ROE,
President Alexandria League.
Mrs. C. F. NAUMANN,
President Arlington County League.
Mrs. TERRY DALTON,
President Fairfax County League.
Mrs. WALTER F. CRONIN,
President Falls Church League.

THE SCHOOL BILL

Mr. FULBRIGHT. Madam President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "The School Bill," written by Walter Lippmann.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SCHOOL BILL

(By Walter Lippmann)

After foreign aid, the most urgent business before Congress is the bill known as the School Assistance Act of 1961. The Senate passed the administration bill on May 25 by a vote of 49 to 34. This bill authorizes for a period of 3 years the payment of $850 million a year in grants to the States for the construction of public schools, for payment of teachers' salaries, for operating and maintenance costs. The funds are to be allocated among the States in proportion to the number of children of school age weighted by an equalization formula based on personal income per child of school age in each State. The Federal Government would then be paying about 10 percent, instead of 5 percent as now, of the Nation's bill for public school education.

In the House, a bill authorizing substantially the same amount and kind of aid has been voted by the committee, and will presumably come to the floor during the last week of June.

In order to arrive at this point the administration has had to unravel the tangled question, raised by the Catholic hierarchy at the beginning of March, whether Congress could give aid to the public schools without providing some kind of aid for the parochial schools. President Kennedy's view has been that it is unconstitutional for the Federal Government to give to the parochial schools the same kind of aid it proposes to give to the public schools. The hierarchy did not deny this. But it argued that it would be constitutional to authorize not grants, as to the public schools, but loans over a long term and at low interest rates, and that this be done in the same legislation which makes grants to the public schools.

The administration response was that the public school aid issue should not be confused by linking it inseparably with private school loans. If the Congress later chose to provide loans to private schools in separate legislation, well and good; its constitutionality could be tested in the Supreme Court. The administration went so far as to provide the Senate education subcommittee with a memorandum of law concerning the constitutionality of various forms of aid to private schools. Grants and loans for general purpose "across the board" and tuition payments for all church school pupils would be clearly unconstitutional, it said. But it is probably possible, according to the memorandum, to grant loans to private schools for special national purposes, as in the National Defense Education Act, without constitutional objections. This memorandum pointed the way to the present plan to give aid for special purposes to private schools through expansion of the National Defense Education Act.

This was, it seems to me, the right course to take. It would be a grave matter, divisive in its effect throughout the Nation, if Congress were prevented from voting aid to the public schools unless it also voted aid to the parochial schools. Speaker RAYBURN was surely right in his insistence last week that the original priorities be kept, that public school aid be considered before the question of limited aid to parochial schools.

On the other hand, the 5 million children in the parochial schools are just as important to the Nation as any other children. If, as has been made clear in an admirable series of articles by Terry Ferrer in the New York Herald Tribune, the parochial schools are in serious financial trouble, anything that can be done to help them which does not violate the constitutional principle of separation of church and state should be done.

It is often said by skeptics and by opponents that there is too much emphasis on money, and that what ails American education is not so much poverty as mediocrity. This might be described as a profound half-truth. It is true that a good educational system requires a lot more than money. It requires, in fact, a rising standard of intellectual interest and of moral purpose in the whole community. But it is also true that without money, without much more money, without at least twice as much money as is now spent on public education, the intellectual and moral standards of our schools will deteriorate in years to come. For with the enormous increase in the school population which is just ahead, the money now available will not pay for enough schoolrooms and enough qualified schoolteachers.

The most important and the most appealing point raised by the opponents of school aid is that education is a matter that belongs to the States and to the localities. There is no doubt of this. None of the supporters of the administration bill denies that education belongs to the States and localities, and there is nothing in the bill which impairs in any degree their control of the schools, their power to build them, their power to decide what shall be taught in them, their power to choose the men and women who shall teach in them.

With this principle undisputed, we are nevertheless confronted with a condition which cannot be wished away by ignoring it. The fact is that most of the States and localities cannot raise enough money to provide the public education which must be provided in the years ahead of us. In the past 10 years the States and localities have made a mighty effort. They have tripled their expenditure on public education from $5.8 billion in 1950 to $15.3 billion in 1960.

They cannot do what has to be done in the next 10 years, which at a conservative estimate is to raise the expenditure on education to $30 billion a year. Why not? Because the demands on State and localities have caused them to tax and to borrow at rates which cannot be raised much further. Besides the schools, they have gigantic burdens of public improvements made necessary by the growth of cities. In the postwar years State and local tax revenues have tripled and their debt has quadrupled. Furthermore, even prosperous States and localities are prevented from utilizing fully their taxpaying ability by a host of administrative, jurisdictional, and political factors.

Federal tax revenues on the other hand have less than doubled since the war and Federal indebtedness has risen only 6 percent, representing a decreased proportion of our gross national product. The Federal Government has vast tax-gathering advantages: Broad geographic distribution, freedom from fear of migration of people or industry, more efficient and better financed tax administration. The fiscal machinery of the Federal Government is such that given an adequate recovery and adequate economic growth, it can quite effectively and painlessly provide aid to the public schools.

The essence of the bill now before Congress is that it brings to the support of public education in America the fiscal powers of the Federal Government. Only if this is done can public education in America look to the future with hope.

THE PROBLEM OF BERLIN

Mr. FULBRIGHT. Madam President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "The Problem of Berlin," written by Walter Lippmann.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PROBLEM OF BERLIN

(By Walter Lippmann)

Since Vienna there have been many statements about Berlin from both sides of the Iron Curtain. They are significant for what they do say. They are no less significant for what they do not say.

Each side has said what is the vital interest which it will fight for rather than surrender. The West has made it unmistakably clear that it will fight for, rather than surrender, the freedom of West Berlin, and freedom of access in West Berlin. The Soviet Government has made it very clear that it will sign a peace treaty with East Germany and it argues from it all the legal consequences. But the West has not said it will refuse to discuss the guarantees of the freedom of West Berlin. And the Soviet Government has not said that it will support the East German Government in a blockade or in occupation of West Berlin.

Thus far, both sides have been firm and cautious, vehement that they will not surrender their vital interests and careful not to close the door to negotiations. The doors would be closed if Khrushchev declared that the Allies must evacuate West Berlin. The doors would be closed if we refused to discuss West Berlin. But these doors, which are the critical ones, have not been closed. That is what Mayor Willy Brandt of West Berlin

seems to have meant when he said the other day that the situation is very dangerous but that it may not be as dramatic as some suppose.

The basic American position has always been that the problem of Berlin can be solved definitively only if the West Germans are reunited and the whole of Berlin becomes the capital of Germany. Then there would be no problem of access because the roads, the canals, and the airlines would all be inside of one Germany. There would be no problem of freedom because all the Berliners would have the same rights as all the other Germans.

But, unhappily, there is no visible chance of reuniting the two Germanys. They have been divided for 15 years, and in that time almost all of Europe on both sides of the Iron Curtain has acquired vested interests which oppose the reunion of Germany. There are, of course, the Soviet Union and all its satelites, especially Poland and Czechoslovakia, which would regard one Germany of 80 million people, armed by and allied with the United States, as a mortal danger. But they are not alone. The truth is that France and Britain are decided as a matter of undeclared national policy to prevent the unification of the two Germanys. The flourishing idea of "European unity" has as one of its cardinal purposes the cementing of West Germany into Western Europe in order to obviate the danger of an independent, united, armed and venturesome Germany.

Because the Soviet Union will not permit the reunification of Germany, because it has in this the unavowed support of almost all of Western Europe, including a very large section of the Western Germans, there is no prospect of solving the Berlin problem according to the classic American formula.

This is the setting in which the problem of West Berlin is posed today. There are some who say that there would be no problem if Khrushchev had not deliberately and unnecessarily created one. I am afraid they have not fully understood the problem. For while the Communists do not like the status quo in Berlin—showplace, propaganda, espionage and escape hatch—the West also has a good deal to worry about. I shall cite as a witness the German Ambassador to Washington, Dr. Wilhelm Grewe, quoting from his official commentary on the Geneva Conference of 1959.

After arguing that no negotiated compromise is possible, Dr. Grewe says: "At most, the only conceivable thing would be a silent agreement which would let the other partner know the situation is accepted as irrevocable in Berlin, on the one hand (by continued presence of Western troops), and in the Soviet Zone, on the other (by continued existence of the Ulbricht regime)." This is the preservation of the status quo, which so many tells us should be our objective.

But what does the German Ambassador say about this objective? "If the West would acquiesce, then this too would not be a true compromise but rather the beginning of a capitulation. West Berlin cannot, in the long run, be held if its population must come to the conclusion that the West has in fact accepted the division of Germany."

That last cuts to the heart of the issue. West Berlin, says the German Ambassador, cannot in the long run be held if the people come to believe that the West has accepted the division of Germany. Why not? Presumably because many of the Berliners will move to the West and others will make their way to the East. It is this recognition of the division of Germany that Khrushchev has as his primary object. The Ambassador may be right, and if all we can do is to stand firm and stand fast, almost surely the Ambassador's permission will prove to have been right.

But there is no compelling reason why we should accept so desperate a conclusion. For if the German Ambassador is right, we are risking a thermonuclear war to preserve a situation in which "West Berlin cannot in the long run be held."

It would be a wiser policy, it seems to me, to recognize the fact that for the indefinite future the two Germanys will not reunite, and to insist as a matter of positive Western policy, not as a shamefaced concession to the Soviets, on new guarantees to meet this new situation, guarantees under which West Berlin can live confidently and in freedom until the day, not so remote, when it will again be the capital of Germany.

I am convinced that the failure by the President to take such a positive line will mean that he has surrendered the initiative in German affairs to Khrushchev. If there is nothing he wants to do in Germany except to do nothing, the President will have lost the power to direct and control the struggle, and to use force and the threat of force intelligently to achieve real results.

THE COMMUNISTS AND THE RULE OF LAW

Mr. FULBRIGHT. Madam President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "The Rule of Law," written by Walter Lippmann.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RULE OF LAW

(By Walter Lippmann)

At the end of a very fair postmortem on the Cuban failure, Mr. Stewart Alsop writes in the Saturday Evening Post that: "If the Communists are permitted indefinitely to retain their present monopoly of the techniques of the oblique thrust, the invasion by proxy, they will win in the end all over the world, as they are winning now in Southeast Asia." This raises, though it does not answer, the question which greatly troubles the country: In order to resist and repel the advance of communism, how far may we and should we go in fighting fire with fire—resorting, as Communists in fact do resort, to illegal means such as the violation of treaties and of international law and of the charter of the United Nations?

As the beginning of an answer, we may say that the basic rule is that intervention is lawful if it is done in support of an existing government at the request of that government. It would be lawful, for example, for the United States to put our whole Army and Air Force in South Vietnam if President Diem asked for it. It is unlawful for the Soviet Union to give one rifle to a guerrilla fighter against President Diem's government.

I am using these extreme examples to emphasize two points. One is that within the law there is no theoretical limit on how much intervention is permissible to defend a government which asks to be defended. The second point is that the law forbids intervention to overthrow a government, which is why our venture in Cuba and why the Soviet venture in South Vietnam are both illegal.

If we look at the situation from the point of view of high policy, we must remember that, under the rule of law, intervention, unless it is requested by the lawful government, is forbidden, be it to promote revolution as in South Vietnam or to promote counterrevolution as in Cuba. We should think two or three times before we declare, as some among us have been advocating, that, in view of the illegal activities of the Communists, we are no longer bound by the rule of law, and that we are free to intervene when and where we choose.

They forget that in a revolutionary age like this one the rule of law is the armor of conservatism, and to throw it away in a fit of frustration over Castro would be to strip ourselves and our allies of their strongest defenses. The proof of how mighty is the rule of law is that, while the Soviet Union violates the rule of law and intervenes illegally, it never dares to defy the rule and to denounce it as a capitalist and reactionary device. Were we to follow the hot blooded by adopting a policy of illegal intervention, we should be silenced when Moscow and Peiping intervene. In abandoning the rule of law, which is at the very heart of Western freedom, we would have cast away our power to oppose revolutionary communism with anything except physical force.

But we must ask ourselves, Does loyalty to the rule of law mean that we must abandon all intelligence work? For almost all of it is contrary to the laws of the country which is spied upon.

The answer is "no." The textbooks of international law which I have looked into are curiously silent about the fact—known to all historians and observers of affairs—that spying on each other and secret efforts to influence each other are the ancient and universal practice of great states. There is in international relations a public world and there is also an underworld. The relationship between the public world and the underworld—between the governments in office and the spies, has never been codified.

But there have developed certain rules—a kind of common law—and one of these rules is that if a spy is caught, he is disavowed and left to his fate. This, by the way was the rule that President Eisenhower violated in the U–2 affairs. Another rule is that the secret operation must remain secret in the sense that it remains invisible, that it is never acknowledged, its failures are never explained, and its successes are never celebrated.

This is a limiting rule for a wide open democracy like our own. It means that while clandestine help can be given in the Cuban underground an operation of the size and character of the Cuban invasion cannot be undertaken. As affecting the United States there is no great difference between what is feasible in practice and what is permissible in law. It was not feasible to overthrow Castro with 1,400 refugees, and it was unlawful to attempt it. But it is feasible, and in the practice of states it is not prohibited to give clandestine help, so long as it remains clandestine, to Castro's opponents. So while the rule of law does not have to be obeyed absolutely and literally, the rule of law must not be broken flagrantly and defied publicly.

IMPORTANCE OF U.S. SUPPORT OF MOVEMENTS OF SOCIAL CHANGE

Mr. FULBRIGHT. Madam President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "The Folly of Despair," written by Walter Lippmann.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FOLLY OF DESPAIR

(By Walter Lippmann)

We have had a run of bad news and the time has come when we must make up our minds whether to face it and learn from it, or to shrink from it into a nervous breakdown with suicidal tendencies. There are altogether too many of us who in dismay and disappointment are ready to admit that

Khrushchev is right in predicting that communism is sweeping the world and that, short of war, we have no means of stopping it.

They are like the man who, as an experienced diplomat once put it many years ago, is so worried that he will fall off the top floor of the Empire State Building that he stops the elevator and jumps out of the ninth floor window, I believe this defeatism to be profoundly mistaken and unwarranted. It is based on a misreading and a misunderstanding of what has happened since the second World War and what is happening now. The root of the error is to equate, instead of to differentiate, between the Communistic movement which owes allegiance to Moscow and Peiping and the worldwide movements of social reform and social revolution, which almost everywhere seek national independence and nonalinement with the great powers.

Mr. Khrushchev's hope and belief is that he will lead and direct all the reforming and revolutionary movements. We play right into his hands when we identify ourselves with the opponents of change rather than with the leaders of change.

For those who think that Laos and Southeast Asia are gone and that like the dominoes all the Asian nations and the Pacific will go too, I should like to call attention to Egypt. It was not so many years ago—in fact it was in 1955—when we were told that Egypt and Syria and Iraq, and all the oil of the Persian Gulf, and the Suez Canal, were gone or going. Egypt had gotten arms from Czechoslovakia, it got Soviet help in building the Aswan Dam, it nationalized the Suez Canal, and all was lost.

Yet look at it now. Syria and Iraq and the Persian Gulf States are not Communist. Egypt continues to put its Communists in jail. Mr. Khrushchev has attacked Egypt publicly. President Nasser is calling a congress of the neutrals who do not take their direction from Moscow. Egypt has played a decisive part in preventing the flow of Soviet arms to the rebels in the Congo.

After Egypt and the Middle East, look at Africa, look at Guinea, which 6 months ago was written off as gone. It is not gone despite the several hundred Soviet technicians who are there. Probably it is not gone in part at least because the Soviet technicians who are there have made themselves so unpopular. In any event the chances are good that Guinea in the end will line up with the rest of independent Africa as a neutral state.

There is now a great likelihood that the whole of North Africa, all the way from Morocco to Egypt, will take a neutral line, refusing to be dominated by Moscow or to take direction from Paris or Washington.

Moreover, I do not believe that Cuba is gone, and I have a very strong impression that Mr. Khrushchev does not begin to think Cuba is as gone as, let us say, Senator SMATHERS thinks it is. For Cuba is as far from Moscow as Laos is from Washington. In time, not necessarily in a very long time, the Cuban revolution will rejoin the community of American states. It will do this because it has no other place to go.

The wave of the future is not Communist domination of the world. The wave of the future is social reform and social revolution driving toward the goal of national independence and equality of personal status. In this historical tendency Mr. Khrushchev will be, as Mr. Alsop tells us he is supposed to have described himself, "the locomotive of history," only if we set ourselves up to be the roadblocks of history.

What is the lesson of all these experiences? At bottom the lesson is that there is, as the President said the other day, a worldwide social upheaval which the Communists did not create but which they hope to capture. If we make our own policy one of opposition to this worldwide movement of social change, we shall lose the cold war and Mr. Khrushchev's hopes will be realized. If, on the other hand, we befriend and support with active measures the movements of social change, their leaders will not submit to Moscow because they do not have to submit to Moscow. They do not wish to submit to Moscow because what they want is independence.

SOME REFLECTIONS UPON RECENT EVENTS AND CONTINUING PROBLEMS

Mr. FULBRIGHT. Madam President, for the past 2 months the attention of the world has been engaged by a series of dramatic events. In their wake, a great many Americans have been left shocked, confused, and frustrated by unmistakable blows to the prestige of the United States. First, a Soviet flier orbited the earth in a space vehicle. Then came the misadventure in Cuba. This was quickly followed by a further decline in the Laos situation, which has set the stage for what may be an unhappy denouement to that affair.

On the heels of these events, there has emerged another Berlin crisis, one that probably is more serious than any of its predecessors. I do not now intend to explore the elements of the Berlin situation. It is at this moment under the most serious study by this Government and our European allies.

My fear is that many Americans, including some whose judgment is generally good, are drawing the wrong conclusions from the earlier events I mentioned. From the Soviet space achievement, they conclude that we must dramatically expand our man-in-space program, whatever the cost. The lesson of Cuba, they suggest, is that the objective was the correct one, but that the means employed were inadequate. And they further suggest that any means by which we can block Communist encroachment in our hemispheric garden is the proper course of action. From the events in Laos, many of these voices argue that a political settlement in the present circumstances will simply yield up another country to communism; that we must prevent with any available means the formation in Laos of a government that includes Communist participation.

What these voices are saying is that the United States is the strongest country in the world, and should not hesitate to commit its strength to the active defense of its policies anywhere outside the Communist empire. This is dangerous doctrine; nothing would please Communist leaders more than to draw the United States into costly commitments of its resources to peripheral struggles in which the principal Communist powers are not themselves directly involved.

As a Nation, we are understandably prone to be more responsive to dramatic events than to the hard, continuing struggle itself. This is a susceptibility that is common to free societies, but much less a problem to totalitarian societies. As a Nation, we are a ruggedly pragmatic people, accustomed to disposing of problems swiftly and resolutely. Yet it may be that the simple trial and error methods that accompanied our growth are not relevant to our present role as defenders of Western civilization.

As leader, we must recognize that the struggle with our Communist adversary has entered a critical phase. Our position has been steadily receding over the past several years. We can no longer afford errors. Henceforth, we must endow our actions with greater wisdom, judgment, and consistency than has been the case in recent years. This is a large order. We are caught up in a swirl of events. Wisdom and judgment derive from reflective thought. It is difficult to bring these qualities to bear on events that often develop with bewildering speed. The answer, of course, is policy. We must develop policies against which we can properly evaluate our initiatives and our responses to critical events. We must also develop style. It is one thing to enunciate policies, and another to make them credible. It is style, our performance as a Nation and a great power, that determines the credibility of our policies. In the present struggle, style is as important as power. They have a 1-to-1 relationship.

Cuba, Laos, the Soviet cosmonaut—none of these by itself is a threat to our national security or to the long-term success of our policies. But by exaggerating their significance and reacting to them injudiciously we disfigure our national style and undermine our policies.

Since the end of World War II, our overall policy has been clear to us; but its outlines have occasionally been blurred in the view of others by our diplomatic performance. Our objective has been world peace, which we have tried to maintain by cooperating with many other countries and assisting the efforts of each one to find its own destiny in an atmosphere free of coercion. More specifically, we helped to preserve the independence of Greece and Turkey with timely assistance. The Marshall plan allowed each country of Western Europe to preserve its independent character, and restored the entire area to economic health.

We sought to internationalize control of the atom at a moment when we, alone, possessed the knowledge of nuclear power. This initiative was frustrated by the Soviet Union. At that moment, when we possessed a nuclear monopoly, we might have imposed our will upon the Soviet Union; but we did not. Subsequently, the pressures arising from the Soviet Union's imperialistic design induced us to form defensive alliances with other countries. As the stress of the struggle shifted from a military to an economic and social context, we intensified our efforts to enable other countries to develop strong institutions and better standards of life for their peoples. We have encouraged regional groupings. With the OECD, we have recognized the interdependence of our own economy with those of 19 countries; and we have led in creating an instrument that will enable other capital exporting countries to join with us in an effort to narrow the

gap between the rich and the poor societies of the world. We helped to create the United Nations, and we have faithfully honored our obligations and commitments to the world organization.

It is with such policies that we have sought to clarify our intentions, and to achieve our objective of peace, stability, and progress in a changing world. Many of our most vexatious problems have grown out of the occasional lapses and departures from the philosophy that has inspired our policies. Our equivocal position in the mid-1950's on the question of so-called neutralism is one example of such a lapse. The impetuous withdrawal of our support for the Aswan Dam project in Egypt is another, and has had far-reaching consequences. The massive retaliation statement was a lapse. We can point to the Cuban affair as a more recent example. In the past 10 years, we have sometimes defended what may be regarded as the indefensible—the regimes of certain anachronistic leaders whose only virtue was their anticommunism. Such gestures have harmed, not helped, our position. The point is this: We are confident that our objectives are correct and unassailable; yet our bona fides will be fully accepted by others only if and when our performance is fully consistent with these stated objectives. That is part of the burden of being a great power and a leader.

It may be that the time has come to reappraise some of our basic assumptions. Throughout much of this century many Americans assumed—wrongly—that the transgressions and affronts to world order committed by aggressive forces were none of our business. With the collapse of that assumption, a good many of us have swung in the other direction and to the opposite conclusion that we can—and should—impose our design for living upon the uncertain but aspirant societies of the world. This assumption is also illogical. However admirable our design may be, it cannot be imposed.

In the struggle with communism, there is a double standard. The Communists seek to impose their design on other countries. Their tactics most often are a brew of terror, subversion, and saturation propaganda, mixed with promises, of which a number are translated into meaningful assistance. The United States seeks not to impose its hegemony upon others, but to help others remain independent and safe from foreign domination. It is suggested with some frequency that U.S. policies would be improved by an infusion of the more mischievous tactics employed by the Communists; that with some application we could beat the Communists at their own game. This, I think, totally misses the point and the real nature of the struggle. The fact is that our greatest strength—indeed, our greatest asset in the struggle—is this double standard. Ours is a permissive system, challenged by one that is totalitarian. Our system guarantees certain basic rights to the individual, and it is these that have made the United States the focus of man's best hope for a way of life that is consistent with his quest for freedom and dignity.

It is not our affluence, or our plumbing, or our clogged freeways that grip the imagination of others. Rather, it is the values upon which our system is built. These values imply our adherence not only to liberty and individual freedom, but also to international peace, law and order, and constructive social purpose. When we depart from these values, we do so at our peril. The world, as we have come to realize, also recognizes the double standard, and demands from the United States a higher order of conduct than is expected from others. Whether this distinction will be an asset or a liability in the struggle with communism, remains to be seen. Certainly the answer rests with us. If we are faithful to our own values, while following an intelligent, courageous, and consistent line or policy, we are likely to find a high measure of the support we seek abroad. But if we fail our own values and ideals, ultimately we shall have failed ourselves.

In glancing over the shards of past civilizations, the eye pauses wistfully over the glory radiated by Periclean Athens. As if plotted by one of its own dramatists, the seed of the tragedy that befell Athens and the other city states can be traced to the highest moment of Athenian brilliance. Shortly after the start of their brief ascendency—and well before the outbreak of the Peloponnesian War—the Athenians made a distinction between themselves and those who depended on their leadership and benevolence. They denied to these others the elevated and enlightened attitudes which inspired the genius of their own society. Thus, the Athenians lost the respect and good will of those who might have supported them in the struggle against Sparta.

The highest achievements of our society are also the product of ideas first put forth in the world by these old Athenians. And as Athens was the leader of a league of city states, so is the United States the leader of a number of societies who seek primarily the continuing right to be free to choose for themselves.

Some may object that, as a practical matter, the fire spread by communism can be fought effectively only with fire. I disagree. The United States must remain strong and firm. But the United States, in order to prevail, must also help others toward the fulfillment of their own highest purposes. The United States cannot guarantee the borders of a neutral country against infiltration, or its villages from subversion. But the United States can become a pivotal force in enabling well-intentioned governments of independent countries to bring about the economic and social reforms that their societies are understandably enough insisting upon. Given such reforms, subversive efforts fail, and terrorists are unable to intimidate unsympathetic peasants and villagers backed up by alert government forces. The late President Magsaysay of the Philippines understood the elements of the problem, and in his country disposed of it decisively.

Mao Tse-tung, who directed the most stupendous of guerrilla operations, is a high authority on the subject. In his treatise on guerrilla warfare, he wrote:

> Guerrillas are like fish, and the people are the water in which the fish swim. If the temperature of the water is right, the fish multiply and flourish.

In colonial Indochina, the temperature was right; the French spent 8 years trying to defeat the Vietminh guerrilla army. They invested $7 billion in this war, which cost the lives of 100,000 French and Vietnamese soldiers. At one stage, the French committed a force of a half million men to the fighting. But France bore the heavy burden of its colonial record and its unconcern with political and social reform. Inevitably, France lost.

In Laos, the Communist Pathet Lao guerrillas have also found the temperature of the water agreeable. Here, however, the situation lacked the element of inevitability. Somewhat quixotically, the United States sought to make an armed anti-Communist bastion of Laos. This was a mistake. Laos is a primitive country. Most Lao are rooted in the past. Theirs is the pace of the meandering Mekong River which nourishes their lands. Most are concerned, not with an entity known as Laos, but with their families, with the life in their villages, and with their religion. They are a disarmingly gentle people, for whom conflict is disagreeable. They keenly dislike killing each other. It is likely that many more people are presently losing their lives in the terror-ridden countryside of South Vietnam each month than have died from all the strife in Laos.

I say that our policy in Laos was a mistake, because it was not related to the needs of the country or to the nature of its people and their interests. In a landlocked country of mountains, rain forests, and river delta—a country profoundly backward, even by regional standards—the United States attempted to establish an anti-Communist force in the form of an elaborately outfitted 29,000-man army and a tame government.

The situation in Laos has wobbled, ever since, between tragedy and farce. Just as there was never any pro-Communist motivation among most Lao there was no anti-Communist motivation, either. And the United States utterly failed to inspire it. The illusion that we could make a bastion of Laos cost us more than $300 million. The cost to our prestige cannot be measured.

South Vietnam is a different case. The people are anti-Communist. That would seem to raise a question. If the temperature of the water is not right, how is it that the Communist Viet Cong guerrillas in south Vietnam have managed to gain a foothold in much of the countryside? The answer appears to rest with the regime of Vietnam's President Diem.

The regime in Vietnam has been strong in a situation where strength has been essential. It has been courageous and diligent in bringing order and economic progress out of the chaos that attended the country's birth. It can

point to a record of steady accomplishment. Yet the regime has lacked something in benevolence and has shown impatience toward a people who have suffered a great deal. Opposition, including that of anti-Communist elements, has been vigorously suppressed. It is a regime that of necessity has been authoritarian, but one that also has been perhaps unnecessarily severe. On balance, however, it should be said that the accomplishments of this regime are overlooked by many observers and commentators, who all too frequently have accepted uncritically the most abusive gossip and propaganda circulated about President Diem and his administration.

The term "qualified success" could be used to describe the American performance in Vietnam, as well as the Diem regime. Our aid programs have enabled the country to endure and to achieve modest progress. Yet the emphasis has been too heavily weighted on the military side. If there has been any assessment by us of Vietnam's long-range economic problems—any coherent effort to measure programs against economic targets—I am not aware of it.

Ultimately, Vietnam's struggle for survival as an independent country will be determined by the economic and social progress that flow from the programs and policies of its Government. Paramilitary operations might influence, but would not determine the outcome. Neither would a costly, protracted, and inconclusive military struggle in Laos determine the outcome in Vietnam. For the United States, the proper course is to continue sustaining and supporting efforts of the Vietnamese Army to cope effectively with the foe in being—tough bands of hit-and-run Communist guerrillas—while devoting at least as much effort to assisting and guiding the Vietnamese people in their struggle for dignity and economic independence.

One of President Diem's responsible critics in the Far East is the correspondent for the French newspaper, Le Monde, who said last month:

> Contrary to what some might believe, the Vietminh does not pretend, at the present time, to convert the South Vietnam population to communism. This population knows too much about communism and does not like it. The Vietminh knows this and is far less ambitious. It only tries to accomplish one thing: That Mr. Diem's government does not conquer this population or rather that it loses it, that the population completely ceases to obey him.

The obvious consequence of serious defections away from the Diem regime by the Vietnamese people would be a vacuum. This vacuum inevitably would be filled by the only other significant force in the country—the Communists.

The tempo of Communist subversion in Southeast Asia has been stepped up briskly in the past several months. We can hardly expect a respite; indeed, one can safely assume only that the struggle for independence in Southeast Asia has entered a decisive stage. The pressure will be relentless. Some countries, especially the politically nonalined, have not yet been exposed to the weight of the problem, but they are acutely conscious of the danger.

Were I the leader of one of these countries, I would adopt the following policy toward the United States. I would repeat and clarify my determination to remain free of political alinement with either power bloc. I would seek economic and technical assistance from the United States, and remind the United States that if I choose to accept limited aid from the Communist bloc I am not unaware of communism's ultimate plans for my country. But I would discreetly point out that the United States cannot with guns, tanks, jeeps—or even with dollars—keep communism out of my country. The United States, I would add, can help me keep communism out of my country by imaginatively and dispassionately supporting my efforts to promote the welfare of my people. If communism should attack my country from without, I would call upon the United States and its allies for whatever military support they could make available. If communism should commence a campaign of terror and subversion inside my country, I would seek from the United States technical military assistance so that I might cope effectively with this Communist device. And I would seek still further direct economic assistance so that I could quicken the pace of progress in my country.

If I were one of the so-called neutralist leaders of a newly independent country, I—like most of this group—would have silently identified my hopes for the future with American leadership. And despairing of consistently wise American leadership, as I often would, I might impart this thought to my American colleagues. The Soviet revolution occurred more recently than the American. And its heirs are adroit in trimming their sails to the revolutionary winds of change around the world. Yet much of the world remembers what the American Revolution has accomplished. And the countless millions who do remember—whether in Vietnam, Iran, Cuba, or elsewhere—hope and insist that the spirit and intelligence that inspired America's revolution will animate America's foreign policy.

Earlier in these remarks, I referred to the alarming reactions of many Americans to the Cuban affair, as well as to the worsened Laotian situation. Cuba, of course, for all intents and purposes, has been transformed into a Communist oriented, totalitarian state. It is idle to expect the present Cuban regime to reform, to collapse, or to be overthrown by its exiles. And I submit that to overthrow it by American force, or by some combination including American force, would be self-defeating and would create more problems than would be solved. We often hear that the existence of a Communist regime in Cuba is intolerable to the United States. But is that really the case? I know it is embarrassing and annoying and potentially dangerous, but is it really intolerable?

The possibility of Soviet missile bases and jet aircraft bases in Cuba is frequently noted. I suppose we would all be less comfortable if the Soviets did install missile bases in Cuba, but I am not sure that our national existence would be in substantially greater danger than is the case today. Nor do I think that such bases would substantially alter the balance of power in the world.

What would substantially alter the balance of power in the world would be precipitate action by the United States resulting in the alienation of most of Latin America, Asia and Africa.

I believe that if we intervene unilaterally in Cuba, we prejudice our cause in the hemisphere. The contrary argument by the interventionists is that if we do not intervene, we lose the hemisphere—that is, that if Cuba continues to exist as a base for Communist propaganda, subversion, and agitation, the other countries of Latin America, beginning first in Central America and the Caribbean, will gradually be subverted and overthrown.

It is quite true that, as President Kennedy said to the newspaper editors, a Communist Cuba poses greater dangers to Latin America than it does to us. My point is that the vulnerability of Latin America to communism may well be increased more by unilateral action against Cuba than by the continued existence of Castro's Cuba. One cannot honestly be dogmatic about this. The hour is very late in Latin America. Many of the free governments of that area walk a tightrope. But the situation is not completely hopeless, nor are we completely helpless.

There is much that we can do to strengthen the cause of freedom in the Western Hemisphere, if we have the wit to do it and if we get on with the job. We have neglected the job as long as we dare.

We can act vigorously and imaginatively to implement the alliance for progress and the act of Bogata. This is a slow, long-term job, but that is all the more reason for starting at once.

We can give technical assistance in police work and countersubversive activities to the free governments of the hemisphere which request it.

We can improve the breadth and depth of our contacts with free labor groups and with the intellectual non-Communist left in Latin America.

We can give technical assistance to the progressive democratic political groups of Latin America in the techniques of political organization and action. I am becoming increasingly disturbed that this kind of activity is left so largely to the Communists, with the result that they frequently take over positions of leadership in labor unions, student organizations, and other groups.

We can take every opportunity to impress upon the governments and the people of Latin America that a Communist Cuba is a greater threat to them than it is to us, that it is not solely our problem, but also their problem, that we are not going to solve it for them at great expense to ourselves, and that they would be well advised to meet their own responsibilities in the matter.

The Organization of American States must take a broader and more active role in the affairs of the hemisphere. Within hours after the announcement of the assassination of General Trujillo, voices were heard here urging U.S. intervention. Those voices should instead have

been reminding the Organization of American States of its responsibility. Our neighbors would quite rightly be quick to criticize a unilateral intervention by the United States in a situation such as that which occurred in the Dominican Republic.

The action of the Organization of American States in sending a fact-finding commission to the Dominican Republic is encouraging evidence that the organization is now accepting some of its hard responsibilities.

A peaceful revolution should be brought about in the Dominican Republic. The enormous properties of the late dictator should be turned over to the Dominican people to be operated for their benefit. And a moderate government based upon democratic principles should be encouraged.

The meeting in Uruguay this August of the Organization of American States offers an opportunity to give additional credibility and momentum to the alliance for progress. Few such opportunities may remain. On this and related occasions the United States must make clear that it is not seeking to cultivate complaint regimes, but rather independent and progressive societies. Our duty is to show that between communism and the flickering old order, the United States recognizes a third choice—permissive societies whose central purpose is to embody the peoples' will and the peoples' needs.

In Latin America, as in much of the rest of the world, the question is being posed: Can social and economic progress proceed apart from totalitarian discipline? It is our duty to provide a credible case for the affirmative side of this debate. Our economic and philosophical resources, if wisely used, should enable us to succeed.

REORGANIZATION PLAN NO. 4

The Senate resumed the consideration of Reorganization Plan No. 4 of 1961.

Mr. MANSFIELD. Madam President, I wish to renew my request made previously that the discussion on Reorganization Plan No. 4 be limited to 2 hours, 1 hour to be under the control of the distinguished minority leader [Mr. DIRKSEN] and 1 hour under the control of the chairman of the committee, the distinguished Senator from Arkansas [Mr. MCCLELLAN], with the proviso that prior to the limitations going into effect 5 minutes will be allocated to the Senator from Idaho [Mr. CHURCH], 5 minutes to the Senator from New York [Mr. KEATING], and 5 minutes to the Senator from South Dakota [Mr. MUNDT].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

SPORTS ANTIRIGGING BILL

Mr. KEATING. Madam President, I introduce for appropriate reference a bill to prohibit schemes in interstate and foreign commerce to influence by bribery the outcome of sporting contests.

The bill would make a Federal crime any conspiracy in interstate commerce which sought to influence by bribery the outcome of any sporting event. The bill would apply to players or other contest officials as well as to fixers. However, an immunity section is included to enable the Justice Department to compel testimony when necessary in the public interest. The bill provides penalties of fines of not more than $5,000, or imprisonment for not more than 10 years, or both.

The bill contains a unique presumption section under which proof of bribery would raise a presumption that there was a scheme in interstate commerce to fix the event. There are precedents for such presumptions in other criminal statutes such as those relating to narcotics. I believe that the reasonableness of such a presumption was amply demonstrated in a recent report of the New York State Commission on Investigations showing the nationwide network relied upon by professional gamblers.

Today's gambling fraternity is not just a local operation. The bigtime bookmaker, in order to survive, must have a reliable line on the contest, which requires expert, up-to-the-minute advice, a method of layoffs to insure against financial disaster, and quick results in order to function efficiently. With so much at stake, the temptation to fix various athletic events is always present. For all of these services the bookmaker must rely upon a syndicated operation and upon many individuals outside his community.

We have all been shocked by the recent basketball scandals which are still being investigated. This is the second basketball scandal to come to light in a relatively short time. The last basketball investigation involved 23 cities, including New York, and 17 different States, and exposed score rigging deals in almost 50 college games.

The scandalous basketball fixes are imperiling intercollegiate athletics and undermining public confidence in sports. Knowing of the deep concern of the NCAA with this problem, I conferred with the association's officials on what action the Federal Government could take in this field. We all know from numerous investigations that these "fixes" are engineered by a combination of people operating without any regard to State boundaries. The use of interstate facilities makes these schemes a matter of Federal concern. We have agreed that this bill—which will supplement but not overrule State laws—represents the best hope for wiping out the vipers infecting our college sports. I am very happy with the cooperation and support which I have received from the NCAA. I am convinced that enactment of this measure would greatly assist in the fight against the contamination of amateur and professional sporting events by professional gamblers.

The Senate Judiciary Committee now has under consideration a number of antigambling bills, but they deal only peripherally with this problem. This bill will represent a direct attack on the evil figures who attempt to corrupt college youths and on the misguided players and others who cooperate in such schemes.

I have been encouraged by preliminary indications of strong support for this measure. I hope it will be quickly scheduled for hearings so that it can be acted upon at the same time we deal with other pending anticrime bills.

Madam President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred and, without objection, the bill will be printed in the RECORD.

The bill (S. 2182) to amend title 18, United States Code, to prohibit schemes in interstate or foreign commerce to influence by bribery the outcome of sporting contests, and for other purposes, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 11, United States Code (entitled "Bribery and Graft"), is amended by adding at the end thereof the following new section:

"§ 224. Bribery of participants in sporting contests

"(a) Whoever carries into effect, attempts to carry into effect, or conspires with any other person to carry into effect any scheme in commerce to influence by bribery the outcome of any sporting contest, with knowledge that the purpose of such scheme is to influence by bribery the outcome of that contest, shall be fined not more than $5,000, or imprisoned not more than 10 years, or both.

"(b) In any prosecution under this section—

"(1) proof that any person gave, or offered or promised to give, to any individual any valuable consideration, with intent to induce that individual (A) to refrain from participating in any sporting contest, (B) to refrain as a participant in any such contest from exerting his best effort to gain victory in that contest, or (C) to perform his duties as an official in any such contest knowingly in a manner unfair or prejudicial to any contestant in that contest, shall be prima facie proof that the person who gave, or offered or promised to give, such valuable consideration was carrying into effect a scheme in commerce to influence by bribery the outcome of that contest with knowledge of the purpose of that scheme;

"(2) proof that any individual solicited, or received or agreed to receive, from any person engaged in carrying into effect any scheme in commerce to influence by bribery the outcome of any sporting contest, any valuable consideration in exchange for the agreement or promise of that individual (A) to refrain from participating in any sporting contest, (B) to refrain as a participant in that contest from exerting his best effort to gain victory in that contest, or (C) to perform his duties as an official in that contest knowingly in a manner unfair or prejudicial to any contestant in that contest, shall be prima facie proof that such individual was engaged in a scheme in commerce to influence by bribery the outcome of that contest with knowledge of the purpose of that scheme.

"(c) Whenever in the judgment of a United States attorney the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any case or proceeding before any grand jury or court of the United States involving any violation of this section, is necessary to the

public interest, he, upon the written approval of the Attorney General, or an Assistant Attorney General designated by him, shall make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this section, and upon order of the court such witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in any criminal proceeding (except prosecution described in the next sentence) against him in any court. No witness shall be exempt under the provisions of this section from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this section.

"(d) This section shall not be construed as indicating an intent on the part of Congress to occupy the field in which this section operates to the exclusion of a law of any State, Territory, Commonwealth, or possession of the United States, and no law of any State, Territory, Commonwealth, or possession of the United States, which would be valid in the absence of the section shall be declared invalid, and no local authorities shall be deprived of any jurisdiction over any offense over which they would have jurisdiction in the absence of this section.

"(e) As used in this section—

"(1) The term 'scheme in commerce' means any scheme effectuated in whole or in part through the use of any facility for transportation or communication in interstate or foreign commerce;

"(2) The term 'sporting contest' means any contest in any sport, between individual contestants or teams of contestants (without regard to the amateur or professional status of the contestants therein), the occurrence of which is publicly announced before its occurrence;

"(3) The term 'participant,' as used with regard to any sporting contest, means any individual engaging in that contest as a contestant individually or as a member of a team, or participating therein on behalf of a contestant or team of contestants as a manager, coach, assistant, or other retainer;

"(4) The term 'best effort to gain victory,' as used with regard to the effort of any participant in a sporting contest, means the use by that participant of his maximum skill and capacity to gain victory in that contest for himself, the team of which he is a member, or the contestant served by him at the earliest time and by the most decisive margin permitted by the rules applicable to the sport in which that participant is engaging; and

"(5) The term 'person' means any individual and any partnership, corporation, association, or other entity."

(b) The analysis of chapter 11, title 18, United States Code, is amended by adding at the end thereof the following new item:

"224. Bribery of participants in sporting contests."

SELLING BY TREASURY OF SILVER

Mr. CHURCH. Madam President, during the past few months I have repeatedly called the attention of the Treasury to the fact that it is selling our much-needed reserves of nonmonetary or so-called free silver at unjustifiably low prices to a handful of corporate industrial users, thereby undercutting and depressing the price of silver in the marketplace.

At the same time, the Treasury is exhausting the reserves of silver metal to which we must have recourse to meet our ever-growing needs for small change, which have doubled since 1945.

No satisfactory explanation of this policy on the part of the Treasury has been forthcoming. For this reason I am impelled to direct to the Secretary of the Treasury a most urgent request that bargain sales of public free silver reserves be stopped.

I will review the background and implications of this Treasury sell-out in a later speech, but now I must warn that the Treasury is well on its way to dissipating our public reserves of nonmonetized silver.

Since 1955, the free world has been dipping into past accumulations of silver bullion—to supply current industrial demand, to say nothing of coinage. The free world stocks of silver are being drawn down at an unprecedented rate. We will unquestionably exhaust our present reserves of free silver within a year, if present trends continue.

In the face of the evident need to hold our free silver reserves for coinage, the Treasury persists in selling for 91 cents per ounce silver which would be valued at $1.29 per ounce were it monetized, and $1.38 per ounce, were it minted in subsidiary coin, such as dimes and quarters.

The Treasury has thus forgone a profit of at least 38 cents per ounce on the 56 million ounces which it sold, at prices below the world market price, to private industrial consumers during the past 2 years.

Unless the Treasury retains its remaining reserves of free silver—seriously depleted as they already are—it will soon be forced to either:

First. Enter the market in competition with other governments and private users, thereby being forced to pay, perhaps, upwards of $1.20 per ounce for the silver which it is now selling to favored private users for 91 cents per ounce; or

Second. Demonetize the silver which backs roughly a fifth of our paper currency, in order to obtain silver metal for coinage, replacing the silver-backed currency with debt-backed notes.

In view of these facts I respectfully request the Secretary of the Treasury to cease selling our free silver reserves immediately.

The interest of the public demands no less.

GREAT LAKES NAVAL TRAINING CENTER 50TH ANNIVERSARY

Mr. MUNDT. Madam President, the commander of the U.S. Naval Training Center at Great Lakes, Ill., Capt. J. C. Ford, USN, informs me through a most gracious invitation that on this Friday, June 30, and Saturday, July 1, a special "open house" program will be held to commemorate the golden anniversary of the Great Lakes Naval Training Center.

I have written the commander advising that it will not be possible for me to be with him on this notable occasion, much to my regret, for this training center is intimately associated with my home State of South Dakota, in that so many of our boys have received their training at Great Lakes.

It would be a high privilege and honor for me, and I know for my colleagues of those States served by this important center to take part in the anniversary observance of an installation to which so many of our young men, from my State and others, were first assigned as they entered naval service in behalf of our country.

One of the highlights of the open house will take place Saturday morning when a special Golden Anniversary Company, comprised of men from all 50 States of the Union, will pass in review on Ross Field.

The founding of the Great Lakes Naval Training Center in 1911 was a momentous move, and today, 50 years later, we look upon it as one of the best steps taken in creating a strong and vigorous Navy. At the time when the center was founded not many people thought that sailors for eventual duty on the high seas could be adequately trained on the shore of a lake, but the fact is that during the first half century of its existence the center has not only proved its inestimable service to the Nation, but it has also become our largest naval recruit training center, with our biggest naval installation in the Middle West.

The stationing of this important naval training center in the Middle West had its advantages, the best advantage being that in times of danger to such training centers on our Atlantic and Pacific shores, such a base hidden deep in the continental United States, is relatively safe. There training could proceed without interruption and without fear from enemy ships. Perhaps that is the reason why so many of America's fighting Navy men during the last war—one-third of the total Navy men in service—were "trained in the midwestern boondocks" at Great Lakes. And since 1911, approximately 1,500,000 men and women have learned their ABC's at that training center. As it is today, on its 50th anniversary, the center has accommodations for 10,000 "boots," in addition to about 10,000 other people who are assigned to such activities as the 9th Naval District headquarters, the 16-school training command and one of the largest naval hospitals in the Midwest. The training center continues to perform its vital service in a nuclear age which requires ever increasing technological understanding on the part of our naval officers and men.

Great Lakes itself, though small in comparison to wide open oceans, looks as big to young boys straight from midwestern farms. I know many lads from my own State of South Dakota who have gone there, and then have dedicated their lives for service in our naval forces. Many other Senators from the Middle West could say the same about lads from their own States who have entered this great center, and have made good.

Let us all observe the 50th anniversary of this great national institution, this true fortress of freedom where the real backbone of our Navy is recruited,

trained and seasoned to defend this great Republic, the Great Lakes Naval Training Center. Happy anniversary on reaching the midcentury mark.

Mr. DIRKSEN. Madam President, I wish to concur in the solicitous sentiments expressed by my colleague about the great training plant on Lake Michigan, above Chicago.

I suppose, to those who have been brought up on the seacoast who look upon the people of the inland empire as "landlubbers," there must have been at one time some doubt as to whether, on the waving wheatfields and the waving cornfields of the Middle West, we could find young men with instincts and attributes to make them great sailors and great defenders of our country. If ever that fact was established it has been established by the 50-year history of Great Lakes. Frankly, without being immodest, I am not so sure it is not true that those who come from the waving wheatfields, in a sense, make better sailors than those who have heard the lashing of the waves on the rockbound Atlantic, or the quiet Pacific, over half a lifetime.

We salute this great training center for its contribution to the defense of the country and for what it has done for the young men of the Union recruited from that whole section of the land.

Mr. MUNDT. Madam President, confirming what the Senator has said, for many years, to my surprise, I received more applications for service with the Naval Training Academy at Annapolis than I did for service with the Academy at West Point. I must confess that in this air-minded age the Colorado installation of the Air Force Academy has surpassed both other institutions in general appeal.

Mr. DIRKSEN. Madam President, I join my friend from South Dakota in extending hearty congratulations to Great Lakes and to the whole series of commanders who have given direction to the destiny of this training plant.

Mr. MUNDT. I thank the Senator.

Mr. WILEY. Madam President, I join with the distinguished Senators who have spoken with respect to this great institution which for 50 years has given to the country men ably trained to meet any emergency. Boys from my own State have gone to the institution, and have been promoted up through the ranks.

I compliment the distinguished Senator from South Dakota [Mr. MUNDT] for bringing the attention of the country to the 50 years of service of this great institution, which has become one of the fine institutions in service of our great Nation.

THE COLORADO RIVER STORAGE PROJECT

Mr. MOSS. Madam President, there was a most unusual occurrence in my home State recently which I believe warrants mention today as a real example of democracy in action. We people of the Intermountain States have a controversy going about the direction the Colorado River storage project will take. The question is whether the transmission lines interconnecting the great hydroelectric plants, which the Congress has authorized as a part of that project to move the power from those plants to market centers, shall be built by the Federal Government or whether key portions of them should be constructed by the private utilities in the area and, as a result, the Federal Government, and indirectly, the power users, shall pay a fee for moving energy over those lines. Also involved are interconnections with other Federal systems which will enhance the firm power output and financial return to all of them.

The heat of battle has generated a lot of smoke and beclouded the true facts to such an extent that the Democratic State Central Committee and radio station KSL took the initiative in arranging a public meeting in Salt Lake City. Participating in a panel discussion were Commissioner of Reclamation Floyd E. Dominy, H. F. McPhail, executive director of the Colorado River Basin Consumers Power, Inc., and E. M. Naughton, president of the Utah Power & Light Co.

I have available, for insertion in the CONGRESSIONAL RECORD, a transcript of that meeting and I hope it will be read thoroughly in order that there may be a better understanding of the basic issues involved. I urge Senators to note particularly the explanation of Commissioner of Reclamation Dominy that a Federal system is essential in order to assure lowest cost power and at the same time to assure revenue to assist in the payout in a timely manner consistent with the requirements of law of the participating water utilization projects, which are so vital to the future of our great intermountain States. Of course, there is a larger initial investment required by the Federal Government for a Federal transmission system, but all of that money will be returned with interest. And when the system is paid for, the money that would otherwise go into paying a perpetual rent will be available for paying other development costs. It is as simple as that.

I ask unanimous consent that the transcript be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

DEMAR TEUSCHER (political writer, Deseret News). Good evening, ladies and gentlemen. Tonight we're here to hear a discussion on a question that, while it is vitally important to most of us, is not generally understood in all of its ramifications by the general public. It is a controversial question, one which has and will stir strong feeling on both sides of the issue. For this reason, and because it is felt that the general public should understand questions of this importance, the Democratic State Central Committee of Utah is sponsoring this discussion tonight so that you may understand.

We will hear both sides of this issue discussed by men who have a thorough knowledge of this subject and a strong conviction simply held as to the rightness of position.

It is understood why this question is of major importance, both to our expanding West and to the region as a whole. It is necessary that we also understand why this has come up at all.

In our arid land, which is now switching from an agriculture to an industrial economy, two things are of vital importance, water and power. Projects are now underway that are in your lifetime and mine to bring to our State and to our neighboring States, both of these vital necessities in usable quantities.

Near the north border of Utah at Flaming Gorge, a dam is now under construction to impound and store the waters of the Green River and to generate power. Just across the south border of Utah, in Arizona, at Glen Canyon, another dam is arising to store the waters of the Colorado.

In between, in all the years to come, will be a network of dams and storage reservoirs designed to store our precious water for later use as is needed. And at both of these sites, power will be generated which can be used for our industrial Utah. To bring this power from its point of production at these isolated dams in sparsely settled areas to points where it can be distributed to preference customers according to law, will require a network of transmission lines which must be built soon.

In 1963, power will begin being produced at Flaming Gorge. In 1964 power turbines will hum at Glen Canyon. Herein lies the controversy which we will hear discussed tonight. This question isn't whether these dams should be built or whether the power will be produced. They will and it will. The question is whether the transmission lines shall be built by the Federal Government to these distribution points or whether private utilities shall construct these lines.

The lines will carry power from the sources at the dam to points in Utah, Wyoming, Colorado, New Mexico, and Arizona. The Federal Government will build one-third of these lines. The question is, Who will build the other two-thirds?

The final answer will come from the Congress of the United States. Two Secretaries of Interior have recommended that the lines be built by Federal construction. Two proposals have been made to the Congress and to the congressional committees by the power companies and private utilities that these people construct these facilities.

So that you may understand, we are here tonight to bring this problem to you. Our first speaker, in fact our first two speakers, will be on the subject of Federal power construction.

Our first speaker will be the U.S. Commissioner for Reclamation, Floyd E. Dominy.

Commissioner DOMINY. The question has been stated: Who should build the backbone transmission lines to carry the hydroelectric power from the powerplants at Glen Canyon Dam, Flaming Gorge Dam, and the Curecanti unit to the load center delivery points? The answer is clear.

It is in the national interest that the Federal Government should build the transmission lines to interconnect these great federally constructed powerplants. This is the bipartisan answer given in clear and unmistakable terms. Fred A. Seaton, Secretary of the Interior under President Eisenhower, gave that answer. And Secretary Stewart L. Udall, Interior Secretary for President Kennedy, has reaffirmed that answer.

Searching consideration with specific reference to what is most advantageous to all of the people of the marketing area primarily in Arizona, New Mexico, Colorado, Utah, and Wyoming, led to the bipartisan decision that the Federal Government should build lines to carry Colorado River storage unit power to the load centers.

A welter of confusing details is involved in analyzing the facts supporting the secretarial decision for Federal construction of these transmission lines.

Several points should be made clear at the outset. First, the Federal transmission lines will carry power to specified delivery points at the load centers. Distribution of

power beyond those load centers points to individual customers is not involved. Second, all costs of Federal lines will be repaid in full and with interest from the sale of power. Third, the proposed Federal lines would interconnect with three large existing Federal systems adjacent to the Colorado River Basin. Thus, reserve or emergency backup power would be assured from those systems and diversity of load and diversity of stream runoff would also be realized. Fourth, although not necessary, in the operation of the Federal lines, interconnections with private utilities systems are anticipated. Because of the mutual benefits which would result for both the private company systems and the Federal Government systems, someone has to build lines to transmit storage project Federal hydroelectric power.

There are no existing lines to deliver power from the storage project powerplants to the load centers. So new lines must be built. Either the Federal Government must build these new lines or the private companies must build them. The situation is as simple at that.

Of course, the private power companies will build new powerplants, probably thermoplants, and they will build new lines in future years, as they are now doing and have done in the past. These new lines will transmit power from new and existing private company plants and will not be capable of carrying storage unit power unless built to a size and in the right direction to specifically perform that function.

Some Federal lines are already under construction as part of this grid. Why is this so? Because the private power companies express no interest in building them and agreed that the Federal Government should build them and the congress appropriated funds to do so.

They will, for the most part, be east-west lines from Flaming Gorge, Utah, to Green Mountain, Colo., by way of Vernal and Rangely and Oak Creek, and from Glen Canyon Dam, Ariz., to Salina, Colo., by way of Four Corners and the Curecanti unit.

These east-west Federal lines could feed power into the present and future systems of the private companies which are oriented largely in the north-south direction. If the Federal Government does not also build the remainder of the backbone transmission system, private company lines would have to be built to reach the specified delivery points. Here is where the wheeling charge comes into the picture. The wheeling charge is simply the rent which the Federal Government would have to pay to the private power companies for use of lines they do not have now and would have to build in order to carry out the job.

The private companies want to build the remaining north-south two-thirds of the storage unit transmission system and charge for wheeling Federal power over these new lines. The Federal Government, by building the lines, will avoid the never-ending wheeling charge and thus avoid the maximum rate for repaying storage project costs and for accumulating reserve for financing future water projects.

If the Federal Government builds this remaining two-thirds of the backbone system, the cost can be paid off with interest in 44 years at less outlay than paying the wheeling rental charge for the same 44-year period. After the 44-year period, the only cost for the Federal system would then be the operation, maintenance, and replacement expense whereas the wheeling rental charge would be paid to the private companies continuing on as long as the wheeling was carried out over their lines.

The fact is very similar to that which any individuals face in answering the question: Should I rent a house for a lifetime or should I buy a house so that I can look forward to the day I don't have to pay rent?

Now what does this mean in the terms of dollars and cents? We have made an analysis covering the 86-year Colorado River storage project payout period and this is what that analysis shows. If the private companies proposals are accepted, to build the remaining two-thirds of the transmission system, the Federal Government would pay $610 million to the private company as wheeling line rental charges over the 86-year period.

By comparison, what cost would the Federal Government save, or more properly, what expenditures would the Federal Government not have to make? The Federal Government would not have to build the remaining two-thirds of the lines, would not have to spend the money to operate and maintain those lines, and would lose the Federal taxes the private companies pay. But this totals only $324 million over the 86-year period. The real saving then is $286 million which is the difference between $610 million or paying wheeling charges to the private companies and the so-called savings of $324 million.

After the year 2007, the year when the Federal power system, including the back-one transmission lines would be paid for, including interest on this power investment, all surplus returns from the sale of power will go into the Upper Colorado River Basin Fund and be available for and used to help pay for the participating water use projects in the Upper Basin States.

To be specific, for nearly 40 years the Vernal, Utah, project of the central Utah project has been urgently needed. Year after year, farms in that Vernal unit area have suffered water shortage. Now why hasn't that water project been built long ago? Simply because the farmers could not pay the full cost of that project. Now, with the power revenues which would be available from the basin fund authorized by Congress in the Colorado River Storage Project Act, $5.5 million of the $8 million Vernal irrigation unit cost or about 70 percent of the project would be paid back to the Government from power revenues. Now this is just one small project in the Colorado storage project plan.

In the authorizing act of 1956, 11 water projects were authorized, and 6 are now under construction. All of those units must have basin fund power revenue to help repay basin costs. In addition, 25 other water projects were earmarked by the Congress for priority in providing the planning studies. If those additional projects are to be built, all must have basin power revenues to help repay the project costs.

Here is the crux of the argument for Federal construction of the transmission system. To assure full development of the water resources of the Upper Basin States under the requirements of the Colorado River Storage Act, there must be available at least $952 million by the year 2049. Correspondingly, earlier goals of financial assistance must be met to keep construction of the participating projects on schedule. For example, the basin fund must contain at least $22,600,000 by the year 2015 in order to repay the cost of the Vernal unit which is nearing completion and to make proportionate distribution for the participating projects in the intermountain States of the upper basin.

Under the private utilities' wheeling proposals and at a 6-mill power rate, the same rate as for Federal transmission systems, there would be a deficit in the basin fund in the year 2015. Even if it were legal to have a deficit in 2015, which it is not, the private utilities' proposal would accumulate only $591 million by the year 2049. Thus, we are short of the $952 million which the all-Federal system will produce at the same 6-mill power rate and which is needed to assure full development of the upper basin water resources. The only way this financing could be accomplished under the private utilities proposed wheeling arrangement would be to charge more for the power and to do this would be to disregard congressional directives.

Private utilities, in their advertising and direct mail campaign, are asserting that they must pay State and local taxes while the Federal Government does not. As with all Federal projects, this is true. But do the people want State and local tax revenues or money in the basin fund to finance water projects, which in turn will widen the State and county tax base immeasurably? Which is more important to the future growth of the intermountain West? Remember that the initial phase of the central Utah project, which is already under construction, will cost $250 million, and the ultimate phase, which is so essential to Utah's future, will cost $750 million more. The impact of such projects as these on your economy and the increased tax base that will result, has been proved again and again in reclamation's 60-year history in the West.

The private utilities state that the proposed Federal system will be inadequate. Well, Bureau of Reclamation engineers have been designing, building, and operating powerplants and high-voltage transmission systems for more than 50 years. We have 42 hydropowerplants rated at more than 5 million kilowatts, and we transmit power from other Federal projects as well. All of our systems have proven adequate. To say that we now propose to design and build an inadequate system is a challenge to the integrity of a dedicated and technically competent staff.

We have been accused of stating incorrect costs and underestimating revenues to the basin fund under the private utilities' proposal. Our records are open and directly available for public scrutiny. No one has yet proven—they have accused, but not proven—wherein our computations are incorrect.

We took the offers of the private utilities in good faith and evaluated them by time-tested formulas which have been used on all of our projects in presenting project feasibility and payout in accordance with the legal requirements established by Congress. The private utilities proposal was found wanting. They have submitted no data to prove otherwise. Paid advertisements and propaganda, yes; but factual data to support those claims, no. On this basis our findings for the all-Federal transmission system stand.

As a responsible head of the Bureau of Reclamation and supported by the Bureau's exhaustive and objective studies, I cannot accept the private companies' claim, that their offer to build and operate two-thirds of the transmission grid is better than the all-Federal system.

Mr. TEUSCHER. You have just heard the U.S. Commissioner of Reclamation, Floyd E. Dominy discussing the question of why he feels the Federal Government should construct transmission powerlines from the Glen Canyon, Flaming Gorge, and Curecanti Dam projects to disposal points throughout the five-city area.

Also on this same question from the same side, we will hear from Harvey McPhail, executive director of the Colorado River Basin Consumers Power Association of Preference Users and a former Assistant of Commissioner of Reclamation.

Mr. MCPHAIL. Mr. Moderator, members of the panel, ladies and gentlemen, I am very grateful for the opportunity to appear on this panel and bring to you further information concerning the transmission line controversy of the Colorado River storage project which is so important to those of us who live in the Colorado River Basin. We believe the very principle of multipurpose development of our natural resources is an issue in the existing controversy over the construction of these transmission lines.

The Colorado River Basin Consumers Power, Inc., was formed in February 1960, to seek for its members dependable hydroelectric power under the most advantageous delivery conditions consistent with repayment requirements of the Colorado River storage project of the Bureau of Reclamation. This membership includes 150 independent operating entities engaged in the nonprofit distribution of electricity for almost 100 such organizations in the affected area. About 1,500,000 people are served by these groups or about 30 percent of the total population in the five-State area of Colorado, New Mexico, Arizona, Wyoming, and Utah.

Our members are just as concerned over the welfare of the Nation, the States and the local communities as our opponents in this controversy claim to be. We deplore a great mass of misinformation which has been broadcast by them. We realize the vast benefits that come from the reclamation of arid lands and also the necessity under law of repaying the costs involved. We are convinced that acceptance of the utilities proposal would delay such repayment way beyond the time permitted under law and therefore threaten the possibility that the Bureau of Reclamation can proceed with the construction of participating projects under its presently contemplated program.

Also, we maintain that if project repayment is to be accomplished under law, then rates for sale of power must be raised if these proposals are accepted. The development of a broadened tax base through irrigation, the availability of market to absorb the power at firm rates and the healthy benefit of competition in the power field would all be adversely affected.

Commissioner Dominy has just described to you the comparative studies made by the Bureau of Reclamation and the results thereof. He maintains the payment of the repayment requirements cannot be made without raising the cost to the power users by about $3 million per year. We agree in principle with the Commissioner's statement but believe the initial costs involved are understated.

These understatements primarily fall into two categories. One is the area of wheeling charges. We believe the Bureau in its excess of caution gave insufficient weight to the probable multiplicity of wheeling charges.

Under the utilities' proposal, particularly after a few initial years of operation, the majority of the power delivered would have to carry wheeling tolls on at least two private utility systems. Our studies indicate the Bureau is about $900,000 per year short in its estimate of wheeling charges. The other is in the area of Federal income taxes and imputed tax costs on irrigation allocation. Our interest is in getting the participating projects built and paid for as required by law. There is no legislation that would permit the application of income taxes or savings in interest on irrigation investment to project repayment. On an annual basis, these tax and interest items amount to about $1,100,000 per year. These the power users would have to pay in increased charges.

Thus we maintain that the Bureau should have shown an average annual increase in cost to the power users of $3 million plus $900,000 in wheeling charges plus $1,100,000 in imputed interest in taxes for a total of approximately $5 million per year more as is indicated by the studies made by our group. Over and beyond these two considerations, we doubt that the Bureau of Reclamation with its responsibility for project repayment, could properly accept present proposals. We maintain the proposals cannot be considered firm since they are hedged by language similar to the following from one of their proposals, and I quote:

"This proposal is, of course, contingent upon obtaining the necessary approval of regulatory authorities by jurisdiction and acceptable contract form."

An all Federal system would for all practical purposes establish a level of costs which would prevail for the 86 to 100 year payout period of this project. We see no assurance that the utilities' proposal would receive regulatory approval. Or, if initially approved, could it possibly be held firm for more than a temporary period.

The propaganda campaign of the private utilities has, in large measures, stressed the item of taxes forgone, particularly State and local taxes if the system is government constructed.

Mr. Naughton is quoted in the April 1, 1961 issue of the Salt Lake Tribune as saying "The entire State is covered with high voltage lines which interconnect Glen Canyon and Flaming Gorge which can carry any or all power produced from the projects to the preference customers."

If this is true, there obviously would be no additional State or local taxes. Assuming, however, that the private utilities can build these necessary lines and dedicate them to project purposes only, we find no evidence to substantiate a payment of more than a total of $750,000 per year in all five States combined for such taxes. Thus local users would be asked to pay about $6.50 for each $1 of taxes so collected.

With regard to questions of Federal income taxes, Federal Power Commission records indicate income taxes actually paid by the five private utilities in 1959 amounted to only 6.6 percent of electric operating revenue. On the basis of annual wheeling revenues of $7,100,000 per year, 6.6 percent would amount to only $470,000 per year. Each dollar of this tax payment would cost the user more than $10 in increased power rates.

Market studies plainly demonstrate that no project power will be available for private utilities. It will all be required for those agencies entitled under law to preference in its purchase. The total wheeling charges estimated by the Bureau are equivalent to be only about 7 percent annual return on a proposed investment by the utilities of $100 million. In order to return taxes, utilities ordinarily argue that they need 12 percent or better. In view of the above, just why are the private utilities spending literally hundreds of thousands of dollars in newspaper and magazine advertising, propaganda leaflets, door-to-door campaigns, and other activities to sway local and national feelings. There must be a profitmaking incentive of large magnitude behind these efforts.

W. T. Lucking, president of the Public Service Co. of Arizona, is quoted in the October 24, 1960, issue of Electrical World magazine as saying: "Who controls major transmission will control electricity in this country." Such control would permit the utilities, at no additional cost to themselves to (1) dispatch power operations as to most efficiently load their own steam units, (2) to the maximum of peaking with hydro-units, (3) provide for scheduled outages of maintenance of their steam units with the installation of additional capacity by them and (4) provide for the system's enormous standby and reserve pool. The above items are certainly worth several million dollars a year to the private utilities but they would all be paid for by the users of project power. In addition, the private utilities would, without question, welcome any situation for controlling competition from nonprofit groups that could be provided or made less substantial. Control of the transmission system, with tollgates established between generation and all points in major use, would be most effective in this regard.

Since there is no legal method whereby taxpayments, either Federal or local, can be guarded against project repayment, what happens if this item is successfully used to cause a decision in the favor of the utilities' proposal?

First, the power user must pay in power rates an amount sufficient to pay the utility taxes. Next, he must pay, in addition, an equivalent amount to make up the necessary deficiency for the project payment. In other words, he is subject to double taxation. Users of power to be generated by the storage project will pay in power revenues about 90 percent of the total cost of the project including the participating project. The private utilities will not receive any other power and therefore will contribute nothing toward repayment.

Why then should they, at this additional cost to the users, be permitted to step in as a middleman between Federal generation and customer usage? We contend they should not. Only adverse effect on project repayment or higher costs to the power users can possibly result.

Mr. TEUSCHER. Ladies and gentleman, you have just heard Mr. Harvey McPhail, former Assistant Commissioner of Reclamation, now representing an organization of preference users of Colorado River Basin Consumers Power.

Now that you have heard the side of those who advocate Federal construction of power transmission lines from Glen Canyon Dam, Flaming Gorge, Curecanti, and other power producing dams of the Upper Colorado River Basin projects, the Democratic State Central Committee of Utah takes pleasure in presenting to you, in sponsoring this program, also, now the other side of this question.

The proposition as to whether or not private utilities should be given the job of constructing these backbone transmission lines which will bring you power from these dams to where it can be disbursed and given to the preferenced users as set up by the law under the Reclamation Act. Speaking for the private utilities will be E. M. Naughton, president and general manager of the Utah Power & Light Co.

Mr. NAUGHTON. Mr. Teuscher, Mr. Dominy, and Mr. McPhail, ladies and gentleman. I very much appreciate this opportunity to tell you people in the audience here and you in the radio audience, of the plans the investor-owned utilities have for meeting the electric power requirements of this intermountian area for the next several years. It is interesting and challenging to have the pleasure of following two distinguished gentlemen, Mr. Dominy, the U.S. Commissioner of Reclamation who has come all the way from Washington for this meeting, and Mr. McPhail, who for some 35 years, worked for the Bureau of Reclamation but who is now employed by certain cooperatives and municipalities which operate their own electric facilities and serve consumers directly, known as the Colorado River Basin Consumers of Power.

I recognize that this is a very complex problem to discuss but in the time allotted me, I propose to cover three points; first, to explain why the investor-owned utilities' plan is superior to the proposal of the Federal Government in that it would do a better transmission job, avoid wasteful duplication, and unnecessary use of taxpayers money because:

(a) The Government would not have to spend $136 million to construct transmission lines and thus delay the payout of the project water development.

(b) It would produce $1 million per year more in revenue to the Federal Government through elimination of heavy transmission lines losses on the Bureau proposed system.

(c) It would pay $3,280,000 in taxes as compared to no payment from the Bureau system.

(d) It would assure preference or project customers better electric service at no increase in rate.

Second, that the Federal construction of the Colorado River transmission system lines is just another attempt to socialize the electric power industry. It is a part of a longstanding plan that had its roots back in the early twenties to socialize our industry by putting the Government in direct competition with its own citizens.

Third, that the Federal plan is not in the best interest to preferenced customers themselves. Many who have been sold a bill of goods without realizing what they are buying also need to get things clear.

First, the preferenced customers will get whatever power they want no matter who delivers it. The only point at issue is whether the Government builds the transmission lines or uses our facilities.

Second, nothing which the private utilities propose in any way interferes with the water development aspects of the project. In effect, our plan enhances them quite materially. The private utilities of the intermountain area have served their customers well for nearly 50 years. The rates of these companies are among the lowest in the United States.

I know of no case where an industry has ever failed to locate in the territory to which my company is responsible because of lack of or price of electric power.

From our beginning we have pioneered bringing power to rural areas. In fact, the percentage of the area farms which have electrical service available has been among the highest in the United States since long before the REA Act. The intermountain private electric utilities know full well that the growth of our resources rich area depends to a large degree on the availability of adequate water. We surely appreciate the need for conservation and the highest beneficial use of water.

As a matter of fact, over the years, the Utah Power & Light Co. has adjusted a number of its longstanding water rights in order to aid local citizens and the Bureau of Reclamation in the development of several projects. The private utilities agree that the generation and sale of electric power is a byproduct of economically conceived reclamation projects that benefit land use and aids in the development of water. To this end, we have always been ready to coordinate our plans so that the electricity produced as a byproduct in connection with the use of water may aid in the repayment in funds advanced by land-use reclamation. On the other hand, these private taxpaying principally home-owned companies must be alert to unfair competition which impairs our ability to serve our territory and threatens to destroy our business.

There is no question that there is a highly organized minority in this country advocating central control and responsibilities for electric requirements in this Nation. The current controversy over who shall build the transmission lines is a definite part of the plan revealed by Government planners many years ago.

In 1925, Carl E. Thompson, secretary of Public Ownership League of America, said, and I quote: "The question of the ownership and control of the super power system of the continent, namely the United States, becomes at once the most vital and strategic issue in the whole utility field." The 1928 Socialist Party platform contained the following plank, and I quote: "We propose a properly owned giant power system under which the Federal Government shall cooperate with the States and municipalities in the distribution of electric energy." Early in the thirties, the Tennessee Valley Authority was a Federal experiment in socialism enacted to harness the Tennessee River. Originally all the electric plants were hydraulic byproducts of flood control. Power generation was supposed to be incident to it. But today, after 25 years, TVA has been developed by the Federal Government into the largest single power system in America and 75 percent of TVA power is from stream motivation. Despite this socialistic Federal endeavor, TVA economy still lags behind.

About the same time the Bonneville Power Administration was created—a "white elephant" at the time—it was losing over $10 million a year. Also, in the mid-thirties, we had the creation of the Rural Electrification Administration to sell power to American farms which admittedly was a subsidy designed to loan $360 million to farm cooperatives desiring to extend electric service into local areas it then served. In 25 years the agency has loaned not the original $360 million, but over $4 billion, and most of its loans are now being made to service industry at subsidized rates because as cooperatives they pay little or no taxes and borrow money at 2 percent.

Harold Ickes, Secretary of the Interior in the mid-forties, failed to obtain legislative authority to render full utility responsibility in serving customers and took a major step to accomplish his purpose administratively in 1946. Ickes embarked the Federal Government on a program of development and promotion designed to put it into direct competition with the investor-owned utilities of this Nation. He advocated hydroelectric generation at lowest possible prices, with steam standby, and integration of our Government plants by Government transmission ties and Government transmission lines to all existing and potential wholesale markets. He also advocated Government assistance in the organization of public agencies and cooperatives.

Mr. McPhail, when with the Bureau of Reclamation in 1947, is reported as having said, and I quote: "I feel the Bureau will some day have to go beyond its present scope and get into the use of fuel resources for power generation." This is far afield from water development. By that time, the Department of Interior power planners were in high gear. The Department published a large book entitled, "The Bureau of Reclamation Program for Power Development, 1948 to 1957." Its stated purpose was the proposed power-development program of the Bureau of Reclamation over the next 10 years, based on anticipated future power requirements. The report included a map showing the then existing Federal powerplants and transmission lines as well as Bureau plans for more plants and more transmission lines throughout the 17 Western States. This plan, dormant for a number of years, is now being dusted off and reactivated almost verbatim by the current administration through Secretary of Interior Udall.

Many of the old personnel in the Bureau are still there and they have been whittling away at the private power industry.

Mr. N. B. Bennett, now responsible to Mr. Dominy as Assistant Commissioner of Reclamation, had this to say with reference to the $50 million ill-advised Burns Creek power project which the Bureau for 4 years has been trying to get authorized, and I quote: "These people, preference customers, now have contracts for power with the Federal Government and we believe that they should continue to receive from the Federal Government power to meet their needs." It is found emphatically that the Bureau of Reclamation is more interested in power than water development.

Let me call your attention to a statement attributed just a few days ago to Mr. Dominy as reported in the Wall Street Journal—"I don't think" (I am quoting), "we'll ever again decide not to build a dam simply because it is only a power project. Our main point of interest will be to sell power cheaply to the public." If this is the policy at the Bureau, then Congress should change its name from the Bureau of Reclamation to the Bureau of Power. It is not fair to hoodwink the public.

The present controversy between the Rocky Mountain utilities and the Department of Interior stems from the same desire that Ickes and his plan had in the late forties. The transmission plan promulgated by the Bureau for the Colorado projects is virtually the same as it was then and is part of the Department's overall transmission coverage for the 17 Western States.

Ickes' admonition to the Department to actively assist in the organization of such agencies and cooperatives instead of waiting for preference customers to come forward and his offer of Government assistance to the Bureau agencies and cooperatives in promoting their programs, has obviously been adopted by the current administration. The Bureau seems to attach some significance to the fact that Republican Secretary of Interior Seaton and Democratic Secretary Udall have agreed that Federal lines should be built for the Colorado project. Neither one of these men knows much about the electric power business. It is a matter of public record that the recommendation of Mr. Seaton was made by Mr. Dominy, his Commissioner of Reclamation and it was the same Mr. Dominy who made the same recommendation to Mr. Udall after Udall became Secretary of Interior. I fail to find any significance in the fact that Mr. Dominy didn't change his mind.

The Colorado River Basins Consumers Powers, Inc., is working hand in glove with the Bureau of Reclamation. They, of course, have employed Mr. McPhail, who devotes full time to the furtherance of Ickes' socialistic plan.

Mr. W. Berry Hutching, president of Inter-Mountain Consumers Power Association, an organization of the few preferenced customers in Utah, is certainly giving active assistance to Mr. Ickes' program in going far and wide over this State to make incorrect and misleading statements with respect to savings for preferenced customers through the purchase of Colorado River power.

And now, what are the issues that we are discussing tonight? It seems strange that the fundamental objectives of the Colorado River project water development have apparently been forgotten. I talked to Mr. Dominy's associate, Mr. N. B. Bennett, many times and certainly power is of much more interest to him than water development.

Mr. McPhail is paid by some of the municipalities and cooperatives to get power for a favorite few as cheaply as possible at the expense of the Nation's taxpayers without much, if any, regard to water development.

Mr. Hutchings, operator of a small diesel plant in an electric system in Bountiful, has taken up the cudgel of Ickes to promote government in the electric power business. He is trying to get municipalities to throw out the power company, build their own distribution system, and purchase power from the Federal Government at what he says, would be great savings although there would, in fact, result no savings.

The basic obligation of the Colorado River Storage Act is first to harness the widely varying year-to-year flow of the Colorado River through the construction of storage dams, so that water obtained in years of good precipitation can be held over and used in years of little precipitation.

All the intermountain utilities are well aware that water is the key to the development of the areas many natural resources and they actively promoted the construction of the Colorado River project. These utilities know that generation of electric power is essential as a secondary purpose of the project.

The offer to transmit to preference customers is a promise to carry whatever power preference customers purchase from the Government. The private utilities also offer to absorb through their own systems any excess power available from the project. Prior to enactment of the legislation and again in 1959, congressional committees directed the Bureau of Reclamation to coordinate the Bureau's plan with those of the private utilities. The major private utilities operating in Arizona, New Mexico, Colorado, Utah, and Wyoming are constantly making and carrying out long-range plans for generating plants and transmission line interconnections between companies to assure adequate power.

Several years ago, we recognized that in the sixties there would be 2 million kilowatts of electric generation available on the Government's Colorado River plant that must be transmitted to market and our plan has made provisions for it. Integration of facilities to take advantage of diversity between loads, time zones, and climates was not invented by the Bureau of Reclamation. It is almost as old as the private power companies and industry itself.

Utah Power & Light first integrated with the Idaho Power & Light Co., in the mid-twenties and with the Northwest in 1941. The whole Northwest area is fully integrated with a total capacity of 14 million kilowatts. The other intermountain companies have done the same thing. The Arizona Public Service Co., is a member of the Southwest Power Pool which also contains 14 million kilowatts of capacity.

The Arizona and the Utah companies, knowing that there was considerable diversity as to time of occurrance of their maximum loads brought about by different climatic conditions, made a study which clearly showed that it was in the interest of their respective customers for them to construct a 250,000 volt interconnection which would not only integrate the facilities of the two companies but would also integrate the Northwest and Southwest Power Pools.

Long before the Bureau announced its transmission plan, these companies had committed themselves to construct this tie not later than 1964. This map shows the route of the line and the picture to follow shows part of the 65-mile section that the Utah Power & Light completed over a year ago. The Arizona has completed a good part of its line and now serves a contract at Glen Canyon. An important part of any of this matter is the determination of future loads and where they will tend to concentrate. The chart you now see was the private utilities' estimate of their respective loads and where they believe they will concentrate by 1980. It is interesting to note that in 1980 the utilities estimate that the total loads will be about 20 million kilowatts. These companies also announced their program for the next few years as to plants new generating capacity. Major private utilities in New Mexico, Colorado, and Wyoming joined the Utah and Arizona companies in the transmission study and, collectively, we have announced our 10 years' transmission plans, the lines which we will build are shown on this side. They will cost about $105 million. Now let's return to the load estimate slide. On the righthand side is the planned 20-million kilowatt load estimated by the private utilities. Alongside it, to the same scale, is the capacity of the Glen Canyon plants. The Government's 1.25 million kilowatt is but 6 percent of the 20 million kilowatt load. In addition, let's bring the basic objective of the Colorado River Storage Act into clearer focus—water development.

Power generation is incident to water development and revenues from the sale of power are to repay the Federal investment within the 50-year period required by law. What then is the purpose of this meeting? It was not instigated by water users. It was instigated by certain preference customers whose sole ambition is to put the responsibility of meeting all their power requirements on the Federal Government with little, if any, regard as to whether it would be good or bad as water development. They want subsidized Federal electric power without any consideration for the taxpayers of the United States, who put up the money to build the projects. The private utilities here have promoted the project. We offered to transmit power to preferenced customers and to aid in marketing excess power in our systems. What then is the controversy?

It is simply the desire on the part of the Bureau of Reclamation to carry out Ickes' dictum of 1946, more recently adopted by Udall, to encourage utility responsibilities on the part of the Federal Government at least insofar as the preferenced customers are concerned. It is the desire of certain municipalities and apparently all of the REA's to get Federal subsidized power through the taxes of the other citizens.

The Bureau of Reclamation is telling the preference customers that the average price at which it will deliver electric power to certain geographic delivery points is 6 mills per kilowatt-hour. Obviously, that could only be an average price and I would assume it would vary quite markedly accordingly to varying load factors. I don't quite understand this 6 mills per kilowatt-hour inasmuch as it was first talked about back in 1958. After all, it is just an estimate.

I do know that there has since been considerable inflation and we all know that Government projects often cost considerably more than they were first estimated to cost. Recently, the Bureau estimated that certain transmission facilities between Glen Canyon and Four Corners would cost $2,995,000, but when it received bids, the lowest was 50 percent higher than the estimate. Maybe the Bureau just pulled the 6 mills out of the air but let's accept is as a valid figure and use it in our comparison.

It would be foolish for my company and other utilities to propose charges for transmitting power to preferenced customers that would result in a higher delivery price than the figure for which the Government could do it. It seems rather pointless for three men to stand here arguing back and forth, one proponent of Federal lines saying that if the Government pays these wheeling charges it will necessitate the Government raising its sale price from 6 mills to 6.57 mills per kilowatt-hour, while the other proponent representing a preference group has claimed 6.87 mills per kilowatt-hour while I claim that our plan would save the Government money.

Time does not permit full discussion of the subject of this magnitude but you may rest assured that we will prove our contention and will submit proof to Congress and Appropriations Committees within the next few weeks.

The facts are these: The Government has selected certain geographical points in the various States and has indicated in its own analysis that the price at which it will sell power to preference customers at these delivery points is 6 mills per kilowatt-hour. Regardless of who builds the transmission lines, the contracts will be between the preferenced customers and the Bureau of Reclamation.

Our studies prove that the Bureau can pay the wheeling charges offered by the utilities rather than spend Federal funds to build a Government system and repay the investment 5 years earlier than could be done with an all-Federal transmission system. Our figures also prove that by use of the wheeling revenues that the utilities would receive, they would pay $100 million in income taxes to the Federal Government and pay $184 million in taxes of all kinds to State and local governments over the 50-year study period chosen by the Bureau. The Bureau of Reclamation pays little attention to Federal income taxes and no attention whatever to State and local taxes on the grounds that such consideration would be fully academic. Is $284 million academic?

Now why is it possible for the utilities to pay these taxes and still do the job cheaper and better than the Federal Government even though the Federal Government pays no income taxes, no State and local taxes? The reason is quite simple. The utilities have a big job to do—20 million kilowatts by 1980. The preference customers loads are not large and won't be for some time. The utilities must have transmission facilities for their own requirements and these lines will always have excess capacity. Therefore, the utilities can charge the Federal Government for transmitting power to preference customers on the basis of the amount of transmission line capacity that would actually be devoted to the job at hand. Doesn't it seem that the tail would be wagging the dog for the Federal Government's 1.25 million kilowatts of Colorado River power to control or influence the 20-million-kilowatt job?

Why does the Bureau's analysis show its plans as better, while our analysis shows our is best? There are several reasons. Mathematics, where certain assumptions have to be made, can result in various conclusions depending entirely on the manner of figuring. We in the utility business are accustomed to living in gold fish bowls. We have to prove every statement we make to State and local commissions and to congressional committees. We are not naive enough to make statements that we cannot back up.

The Bureau, on the other hand, is not unaccustomed to modifying its figures at frequent intervals. For example, when we proved to the Interior and Insular Affairs Committee of the House and Senate that the plan for the Burns Creek project was in violation of the 50-year payout law, which is a very ill-advised project I might add, the Bureau simply adjusted its figures in order to come within the 50-year limit.

The Bureau has come up with what it calls a yardstick system for distribution of Colorado River power. When the Bureau compared its system with our system, including our wheeling charges, certain Bureau lines common to the two plans were assumed by the Bureau to be more expensive when it considered our plan, than the same lines were when it considered its own yardstick plan. In one location in Arizona, in order to meet the Bureau's own criteria which the utilities fully met, it would require that 600,000 kilowatt be delivered to Arizona preference customers. Where the utilities had used three lines as being absolutely necessary and concurred in by the Bureau engineers, the Bureau used only two. Two lines could not possibly meet Bureau criteria but gave the Bureau a misleading advantage when making a comparison.

In explaining the elimination of a line during the discussion between the engineers of the two concerns, the Bureau states that it was afraid Congress would not appropriate funds for the third line in Arizona.

Mr. Dominy has said that we haven't explained it. I don't think his associates, Mr. Clinton, Mr. Bennett, or Mr. Cummings would quite agree with him. I'm afraid that Mr. Dominy has made up his mind already. I think we can best sum up this argument by a statement in the Deseret News of May 31—"Government transmission lines in our region would be a serious mistake. Government duplication would do nothing to promote the electrical or moral welfare of our people. Thoughtful westerners do not favor public ownership of any industry, including the utility industry."

Mr. TEUSCHER. For the past hour you have heard discussed both sides of the question of construction of power transmission lines from power producing dams of the Upper Colorado River project. The question is whether these lines could best be constructed by the Federal Government or whether they could best be constructed by private utilities in the States of Utah, Arizona, Colorado, Wyoming, and New Mexico.

You have heard the arguments for the Federal transmission system advanced by United States Commissioner of Reclamation Floyd E. Dominy and by Harvey McPhail, representing an organization of preferenced users, the Colorado River Basin Consumers Power. You have heard the case for the private utilities just as ably stated by the last speaker, Mr. E. M. Naughton, president of Utah Power & Light Co.

For the next half hour we will give the members of the audience here in Carpenters Hall tonight, a chance to ask questions on both sides of the issue of who would construct the backbone transmission lines of the Upper Colorado River project. These transmission lines carry power from the dams to disposal points where the power can be used. Very briefly, we have some ground rules that we will go over here for the benefit of our audience here in the hall.

The questions must, of necessity, be brief because we have only one-half hour. We are sure that you will get concise and to-the-point answers. In order that we can adequately state both sides of the questions we are asking (1) that you try to alternate your questions, and (2) I'll give speakers for both sides of the question an opportunity to present their viewpoint. If you have a question, if you could bring it to the microphone in the center of the hall then your question can be heard so that the people can hear it. And here to answer your questions are the gentlemen who have already been heard tonight, Mr. Dominy, Mr. McPhail, and Mr. E. M. Naughton, president of Utah Power & Light Co. I am certain that you do have questions. Now is the time to bring them out and we will see what sort of answers we can get from them.

Question. My name is Leon Ward from Salt Lake City. This is a very technical subject and Mr. Naughton's talk raised several questions in my mind that I don't feel competent to comment on. I would like to ask Commissioner Dominy for a rebuttal on Mr. Naughton's remarks.

MODERATOR. This is a rather overpowering question. Do you have something like a 2-minute rebuttal, Commissioner Dominy?

Answer. Mr. Dominy: Well I was going to say, Mr. Naughton and ladies and gentlemen, that this is quite an undertaking. I listened with a great deal of interest to a very splendid statement. I do not agree fully with it. I want to say first of all that I will be very happy at any time, in any company, to be associated with Harold Ickes. I think he was one of the great Secretaries of all time. I think he acted in the public interest upon every occasion and I think his record will bear that out.

Now since we have gotten to the subject of this socialism of power, let me point out that in 1960 that if this was our aim, we are very inefficient people because the private power companies in the United States produce 76.5 percent of the power produced, and the remainder is Federal cooperative and in Federal public. In the total, energy sales by the Bureau of Reclamation and Bonneville Power Administration amounts to 6.6 percent, whereas all others amount to 93.4 percent.

I want to say just one word about this business of difference in the lines in our yardstick system as compared to what we calculated on the combined system. It is certainly true that in evaluating the five utilities' proposal, there were certain lines differing from those which we would build under the Federal system. This is just the nature of the offer that was made. There would be certain connections under their offer that we could not take for granted under the Federal system and for this reason there were some differences in the two analyses. But, the propriety of these two analyses, I think, will not be questioned by any technical expert in the power field who would review it in detail.

Question. My name is John Trainer. I live out in Holladay. I would like to ask two questions leading to both men. I would like to ask it first of Mr. McPhail and also Mr. Naughton. First, he said that they don't want to sell to the private utilities the power that otherwise would be unused. If that is the case, if they don't want to sell to private utilities, is there any way that Utah Power & Light could buy the power which is just for the preference customers?

Answer. Mr. MCPHAIL. I might tell the gentleman that it is not a question of choice by the Bureau of Reclamation to whom it may sell power. It is a matter of law. Laws which have been in existence for almost the total life of reclamation provide that nonprofit organizations receive preference in purchase of Federal power. There is no question involved as to whether the Bureau is willing to sell to utilities or others. The law governs this.

Answer. Mr. NAUGHTON. It is interesting to note that the law does give preference, but it was not so in the original reclamation law of 1906. Preference was given in the original law of 1906 to municipalities' purchases. Mr. Dominy does not agree with Mr. Ickes. Mr. Ickes, under the Flood Control Act of 1944 and certain other acts prior to that time, worked it around so that if a municipality sold power to customers directly or if you were a cooperative paying low taxes and getting subsidized money at 2 percent, which now costs us almost 4 percent, you sat on top of the totem pole. Mr. Dominy also pointed out that the percentage between investor-owned and Government power is now 75 percent investor owned and 25 percent Federal Government. I would like to point out to him that prior to Mr. Ickes' time, in the early thirties, 1 percent was Federal Government power.

Question. My name is Rex Times. I am from New Mexico, one of the States affected by the project. In the early part of Mr. Naughton's talk, he criticized the Bureau for going into the power business as such, into the pool power business, and cited some examples of statements that Mr. McPhail had previously made, also Mr. Dominy and others. My question is this—If the Government, through the Bureau of Reclamation, can produce cheap power, sell it cheap to the user, Mr. Dominy, what is wrong with that?

Answer. Mr. DOMINY. Well, I want to make it abundantly clear that power is not now nor has it ever been the prime purpose of the Bureau of Reclamation, any of its Commissioners, or any of the acts under which w operate. Certainly the 1939 Reclamation Project Act does authorize us to build single-purpose power projects. It also authorized us to build single-purpose municipal and industrial water projects. But almost 100 percent of our projects are interrelated with irrigation and are tied into multiple-purpose uses for the full development of our natural resources. And certainly I think that we have proved again and again the value of that to the Nation. Hoover Dam was thought to be a white elephant when it was constructed. The objectionists to Grand Coulee claimed it to be a white elephant. But I am very thankful, and so are you, that we had those white elephants producing hydroelectric power to build ships, submarines, and airplanes and aluminum during our critical period following 1941, Pearl Harbor. I do think it is in the national interest, and I might point out that we have in this authorized storage project, in the power features alone, an investment—that is in the total project we will have an investment—of over $1 billion.

Now in the Missouri Basin project, which will be intertied into this system, we have an investment of over $1,295 million in power. We have in the Rio Grande project a $9 million investment. The Parker Davis-Hoover project, we have $106 million investment. And I submit that it is fitting and proper that all of these systems should be interconnected with the federally constructed grid so that the full benefits from those federally financed and to be repaid with interest, be put to work under preference laws as established by the Congress of the United States.

Answer (Mr. Naughton). Mr. Dominy is reported in the morning paper that his main interest, as I got it, was to get people to use more power, that they were not, in his judgment, using enough. I, of course, have known for some time that controls are increasing in Washington but I am rather amazed that Washington is going to force electric power down people's throats. I always thought you had to buy things to use it. That has been our experience up to now.

Now this matter of preference and the promotion of preference on the part of Mr. Dominy rather amazes me. It goes back to Mr. Ickes. I can see that he totally agrees with Mr. Ickes' philosophy and doctrine, I don't. I don't see why, when the Federal Government has a resource which has a value, that the Federal Government won't get from that resource its real value. If the Federal Government were to sell property like a rubber plant or a piece of land or something like that, it gets bids and under law it has to take the highest bid. But for some odd reason that's had me puzzled for many years, it has been the philosophy of the Bureau not to sell power at its value—to always substitute it to the detriment to other taxpayers in the United States who put up the money in the first place.

Question. I am E. A. Hunter, of Salt Lake City. My question is directed to Mr. Dominy. Mr. Dominy, about a year ago you announced your yardstick system and the points of delivery that the investor-owned utilities were to consider in quoting their wheeling rate. The investor-owned facilities considered those things. Since then, there have been some changes in the points of delivery, there have been changes in the yardstick system. Now my question is, Are there additional changes or do you contemplate new points of delivery or other contemplated changes in the yardstick system that you have failed to bring to the attention of the investor-owned utilities?

Answer (Mr. Dominy). Well, of course, Mr. Hunter, from the very nature of the work that we do, the dynamic nature of it, I would not stand here before this audience and before this radio audience and predict that there would not be additional changes or adjustments if we build this great complex multiple purpose project reaching close to a billion dollars in present-day cost.

We are analyzing the needs further. We will continue to put these facts, as we determine them, on a network analyzer. And we certainly expect to build that system with such interconnections if we can negotiate contracts to mutual advantage of our system with the private systems and publicly owned systems throughout the basin area to make the maximum possible potential use of this great resource.

Question. My name is Robert Daly. I have a question for Mr. Naughton. In April of 1961 you stated that your wheeling proposals and your wheeling arrangements in this area were working well. I want to know

what power you wheel for the Bureau and if you wheel any power for the preference users of the Deer Creek project on the Weber Basin project. Plus, there is one more little question, Mr. Naughton—the big major companies in the State of Utah, the Kennecott Copper Corp., and United States Steel, both have their own generating facilities. You just made the statement that you produce cheap power. Why is it necessary for them to generate their own power if yours is so cheap?

Answer (Mr. Naughton). I'll answer the last question first. We served the Kennecott Copper Corp. from 1913 to 1944 and our relationship was quite amicable. In about 1941 the copper company decided to build its own plant. It got a certificate of convenience and necessity which permitted it to amortize, for tax purposes, the first 50,000-kilowatt unit in the plant which gave it 20-cent dollars. Now with respect to Geneva, you apparently are not aware that there is considerable waste heat from coke ovens and blast furnaces in connection with the steel business. That is primarily the reason that Geneva installed its own unit. I point out to you, however, that Geneva buys 30,000 kilowatts from the Utah Power & Light Co. and the minute its load exceeded its available heat, it bought from us.

You are asking whether or not we have any wheeling arrangements with the Bureau of Reclamation. We have three in Idaho which are working out most satisfactorily. Mr. Harold Nelson, the director under Mr. Dominy of that area, I think is quite happy with it.

Two of those contracts are contracts for wheeling with the Bureau of Reclamation. The third one is a contract with the city of Idaho Falls. You ask whether or not we have any wheeling contracts with Deer Creek. There is no firm power available at Deer Creek. All of it is dump power. And one of the reasons that Deer Creek has any success whatever is one I can illustrate as an example of cooperation with our company.

Deer Creek would never have been built in the first place, had we not modified five contracts. These dated back to the beginning of our company. In the interest of developing power at Deer Creek, it has no firm power, we buy dump power which is power available this month but is not available next month.

Question. My name is Mr. Gray, Salt Lake County. I have two questions in one. I don't get clear what Mr. Naughton said as to how the cost of the dams project was to be repaid if the private companies took it over. That is one. It has cost, and will cost, over a billion dollars. Why should the Government put that money into it and turn it over to a private industry?

Answer (Mr. Naughton). I thought I explained it, I'm sorry that I didn't, that all power that comes out of the Colorado River project, and by the way this is not cheap power, 6 mills is not cheap power and none of you should get the impression that it is, Mr. Dominy will tell you that—but all of this power by law, as Mr. McPhail has so ably pointed out, is available to the preference customers if they want it. I don't believe that there are enough preference customers at the outset of the project to begin to consume it. I firmly believe that we will, as we have in the past, cooperate with the Bureau of Reclamation in taking to market, through our systems, any excess power. I can assure him, as we have many times before Congress in the past, that we would do that. Now the power will not be used to benefit whatever the Utah Power & Light Co. or any other companies. We rather would do a small job of wheeling the power over lines that we're going to build anyway, our job being 20 million kilowatts and the Bureau's job being only 1.25 million kilowatts. That means they have 6 percent of the total job. Inasmuch as we have to build the lines anyway, all our lines have excess capacity, doesn't it seem quite logical that we could add a 6-percent addition to our job and save the Government money?

Question. My name is C. Nelson, I'm from Salt Lake City. Considering the existing system or segments of the power network and the network that will have to be constructed to take care of the requirements in the future, I'm not at all certain where this duplication is going to be. It appears to me that we're talking about the periphery of the individual companies systems when I look at these two maps that are available here that the Reclamation has proposed. I'm also not at all sure what bearing this 16 percent has or the 20 has on the whole thing because we are not talking about distributing to the individual customers, we're talking about interchanges. I would like this cleared up, if I could please.

Answer (Mr. Naughton). I believe the question indicates that we have not made it quite clear to you. This is not a job of interchanges—it is a job of transmitting power and that is all we're talking about. From Glen Canyon, which is approximately 300 miles from Salt Lake City and almost that distance, more like 150 miles from Phoenix, approximately 300 miles to the middle of New Mexico and some 400 miles to Colorado. In addition, all we're talking about here is transmitting power as a common carrier over lines that we are going to have. There is no interchange of power except to the degree that contracts may work out.

Mr. Dominy said that the preference customers may use all the power. Maybe that is right. And if they do use all the power, all we're suggesting here is that we can save them money, save the Federal Government money. Now in Utah, for example, the facilities which we have already built and are going to build prior to 1964 we are committed to, and my board of directors has authorized me to do it, we will have enough capacity in those lines to take care of any power that the preference customers could possibly use beyond the year 1970. So I submit that it would be rather a waste of money to duplicate any of these facilities.

Answer (Mr. Dominy). I can understand that question because the very problem was before the House committee during the authorization consideration under the Colorado Storage Project and they too, I think, would be somewhat confused by this discussion here tonight. Because at those hearings on the project authorization, the private utilities offered the use of existing and planned outages to the utilities' system for the marketing, transmission and delivery of storage project power within our areas. The testimony was understood by the congressional committees to be an offer to provide necessary marketing lines as distinguished from this Federal backbone grid that we are talking about here tonight and the proof of that is in the House Report No. 1087, which contains the following statement, and I quote:

"Their proposal, the utilities proposal, provides essentially that the Secretary construct the backbone transmission lines connecting major powerplants of the project and that use be made of the existing systems of the companies and additions thereto to market the power.

"The proposal is consistent with the policy expressed by the Congress for many years in appropriations acts and elsewhere whereby the Federal Government builds the basic backbone transmission system and distribution is made through existing systems where satisfactory arrangements can be worked out. * * * Therefore, the committee expects the proposal by the private power companies for cooperation in the development to be carefully considered by the Department of the Interior and the electric power and energy of the project to be marketed so far as possible through the facilities of the electric utilities operating in the area, provided, of course, that power preference laws are complied with and project repayment and consumer power rates are not adversely affected."

I submit that the Bureau of Reclamation proposes to comply with these instructions from Congress.

ADDRESS BY SENATOR VANCE HARTKE TO SAGEBRUSH CLUB, SALT LAKE CITY, UTAH

Mr. MOSS. Madam President, the able and energetic junior Senator from Indiana [Mr. HARTKE], the chairman of the Democratic Senatorial Campaign Committee, recently made a very interesting and stirring address in Salt Lake City, Utah, June 24. I ask unanimous consent that the address be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR HARTKE TO SAGEBRUSH CLUB, SALT LAKE CITY, UTAH

Even by today's standards, with today's jet airplanes, it is a long way from Washington to Salt Lake City. And it is a long way from the flatlands and the rolling country of Indiana to the majestic mountains and level desert of Utah. Yet, I feel at home here tonight. I am among Democrats.

I am among a hearty people whose land resembles the old frontier, not yet fully conquered even as we move onto the horizons of the New Frontier. I am among the friends, supporters, and constituents of my good friend, TED MOSS, who was elected 2½ years ago as I was. Both of us, by the way, were elected after a long dry spell for our party. Both of us have Republican colleagues whom we hope to help retire next year.

And, speaking of dry spells, both of us spend a good deal of time and effort on the water problems of our home folks. Your water problems are that you do not have enough. We Hoosiers too often have too much. It is too bad that we are not able to pipe you some of our water, which in 10 years has done more than $66 million in flood damage.

I only wish that we Hoosiers had learned as long ago as did you in Utah that water problems involve whole river basins, which are complex entities that take work and interest on a local level, State level, interstate level, and Federal level. The Senate has just passed a bill of mine creating a Wabash Basin Interagency Commission to work for development and protection of the valley that is best known as the stream on which the moon shines bright through the sycamores at night. But this storied river from song and fable goes on rampages often, flooding out thousands and causing untold damage and misery. When I speak of $66 million in flood damage, I cannot count suffering and displacement, or washed out crops that did not even have a chance to sprout.

One of the experts in the Senate on water problems, especially in the field of reclamation, is your own TED MOSS. Senator MOSS is a member of the Senate Interior Committee from which base he battles constantly against your water problems. He is of great help to all of us in spreading understanding of this great gift of nature and ways to keep it, control it, expand its uses and prepare for the future day when we shall need even more of this precious resource.

Over in the House, you have two great Congressmen from your State who also have

made a mark in their own fields and in representing you Utahans as you should be represented. I refer, of course, to Congressmen KING and PETERSON.

Their position on the vital matter of water resource development and control is intelligent and prudent. Their dedication to preservation and development of our great natural resources, as is Senator MOSS', is in full keeping with those of many great western Democrats.

Do I dwell on the record and the opinions of Democrats only because I am a Democrat and sometimes a partisan? Not at all. The record bears me out.

You never heard a Democrat cry out: "No new starts in public works." You never heard of a Democrat involved in giving away natural resources—water, electric power, atomic energy, vast timberlands or the oil of Teapot Dome. These are sins of the Republicans. You know, better probably than I, that nearly all were perpetrated in the Rocky Mountain empire.

And the leadership, the vision in the fields of conservation and development of natural resources for the good of all Americans also has come largely from the West—from western Democrats generally.

More than a decade ago, the distinguished Senator Joseph O'Mahoney of Wyoming rose on the floor of the Senate to propose a Federal study of methods to remove salt from sea water in order to create the fresh water needed to bloom the arid section of the West.

Senator O'Mahoney's suggestion got light treatment. Today private enterprise and local communities are screaming for sweet water made from ocean water with the salt wrung out. It can be done. A new plant to convert ocean water has just been opened.

It seems certain that private engineers and chemists along with the Government experts and Government funds will produce fresh water from sea water at a reasonable price and that new techniques can then be applied to antipollution campaigns.

Once the technique has been developed by the Government or with Government help, we can fully expect some misguided Republican officeholders to try and figure out a way to get rid of the process free of charge and we can visualize some captain of industry, equally misguided, to shout socialism concerning the project from which his cohorts may be drawing aid.

These predictions are the result of no great ability to read palms or the stars. They are the results of reading the newspapers and hearing some so-called Republican leaders speak. It is easy and safe to predict the future because their performance has been so consistent in the past and in the present. How long has it been since you heard a fresh, new approach or a bold, new idea from a Republican officeholder They have 20-20 hindsight and plenty of vision through the rearview mirror. But they have blinders when it comes to looking ahead.

These Republican leaders comfort themselves, it seems, with the knowledge that a man who stands still cannot make a misstep. But this philosophy cannot move a man through the 20th century. Meanwhile, the world is charging ahead, not just moving.

We Democrats are not cut from this cloth. Our party is blessed with leadership because leadership springs from the people to lead the the people. It is our party that knows the hearts and minds of the people because it is the party of the people. As long as we have been a political party, we have been a party of the people.

In today's world of ferment, more countries need more parties such as our party. If there were more, there would be fewer Castros and Trujillos.

Thomas Jefferson, the founder of the Democratic Party, put these simple truths and wisdoms into the Constitution, using his great powers of persuasion and influence for a system that is the beacon today for a free world. From time to time in our own country it has been necessary for we Democrats, for the leaders who sprung from our party, to reestablish these principles.

It was Jackson who rescued them from special interests and monopolies and later Wilson, Franklin Roosevelt, and Harry Truman who rescued us from our greediest fellow citizens. With our new and complex problems, the philosophies of these greats again will solve our problems.

Our basic goal at home today is to implement the economic bill of rights which the Franklin Roosevelt administration wrote for us 17 years ago. Our basic goal in international affairs is to regain the stature of "good neighbor" which President Roosevelt and President Truman projected. President Kennedy is doing just that, but he is hampered at home by a recession not of his own making and a cold war abroad sparked by a clever and diabolical adversary.

The last administration did not want a recession, did not want high unemployment. But its leaders disregarded the danger signals of months on end, failed to learn lessons from two previous slumps and closed their eyes to what was going on in the hope it would go away.

The first efforts of the present administration have been to solve the immediate business at hand—ending the recession. We have passed a series of bills to ease the suffering, provide new buying power, rehabilitate areas where unemployment has been a real and chronic problem for years. We have tried to help these unfortunate Americans keep their bodies from starvation and give them hope for the future.

Nearly all of these jobless Americans are out of work through no fault of their own. Nearly all these jobless Americans prefer to buy food and shelter and clothing with money they have earned rather than get something free because they cannot earn their own.

It is in the great American tradition and in the tradition of the Democratic Party that President Kennedy acted first to put decent food into the bellies of the jobless and their families and then to set about to the task of a real solution.

Not alone must we find jobs for some 5 million jobless Americans, but we must find more jobs for those coming into the labor market and for those replaced by automation. We must, in short, narrow the gap between what America can produce and what America can use. Today we produce more than we can use in food and in fiber and, so, some Americans have to be laid off to create a balance between production and consumption.

As a member of the Committee on Unemployment Problems, I have had a firsthand look at this problem. As a member of the Commerce and Finance Committees, I have had a chance to view world trade and the problems of taxation and tariffs. I am neither an unrestricted freetrader nor protectionist. I am impressed that foreign competition grows, in part, because of the tax advantages foreign governments give their businesses for the purpose of keeping modern.

It is easier today to maintain a modern factory with the latest machinery in Canada, France, Japan, Germany, or Italy than it is in this country where we pride ourselves on our industrial genius and our fantastic production. This explains my bill for amortization of capital invested in new plants and machinery, a principle also supported by the White House now.

We also have tried to boost buying power with a new minimum wage law, which extended coverage for the first time since the early New Deal. Is there anyone here who does not think that $1.25 an hour is the lowest decent wage that should be paid a breadwinner?

We have also passed a feed grain bill, one which should reduce the surplus in corn, wheat, and other feed grains. These are the only agricultural products which have piled up in unmanageable quantities. We look forward to the day when farm products can be used in the full abundance with which today's farming methods can produce them. Until then, we have stopped using the small farmer as a whipping boy and have at least offered a stopgap solution.

This Congress is moving. When the critics ignore the strides I have just mentioned—and these are only a few since I have not mentioned housing or education or aid to the aged—they also ignore the miserable record of the first months of Congress in the Eisenhower administration of 1953. In the first 100 days of the Republican-dominated Congress under Eisenhower, one new piece of legislation was passed. The rest were extensions of existing laws.

This is typical Republican standpatism, though.

The challenges of Russia, farm abundance, unemployment, outer space and inner security, crippling diseases and better roads, too much water and not enough water cannot be solved by standing pat or looking in that rearview mirror. They will be met and solved by men on top who are also men on tap—on tap for work.

I hope that next year you will send to Washington men of this caliber—a colleague who will make TED MOSS a senior Senator because he will be a new colleague. I hope that you will begin work now to organize and to talk and to do battle with us in the party of the people along the New Frontier.

TRIBUTE TO GEN. THOMAS D. WHITE

Mr. MOSS. Madam President, I take this opportunity of entering a word with respect to the services of the senior airman who tomorrow will retire from active duty for his country. I speak, of course, of Gen. Thomas D. White, who heads the Air Force. To my mind the Nation has no higher custodian of its security than the Chief of Staff of the Air Force. Others play major roles—other forces are important, even critical—but all of us long ago have been educated to the overriding and supercritical role of airpower—and now of aerospace forces—to the security of our land.

Something akin to humble awe must cross the mind when one looks upon the tremendous responsibilities which the times and the affairs of men have placed upon the shoulders of our top airman. The Chief of Staff, more than any other, must bear this weight and carry it well in the interest of our Nation.

For the past 8 years—4 as Vice Chief of Staff and the last 4 as Chief—Tommy White has guided our air arm. During this tenure the whole face and figure of airpower has changed. Under his guidance our forces have entered the awesome missile and space age, and accepted its challenges, and because of his leadership we have not entered it barehanded and without tools. The record will show that he told us 7 years ago of the critical need for stepped-up missile technologies and a positive missile posture in this era.

Four years ago he told us of the military uses of space, and even today some

of us are a little too blind to see what the vision of this man has drawn for us in the future.

For the past 8 years, and for the 33 years preceding them, Thomas D. White has been everything that our country could possibly expect of its officers. He clearly exemplifies the perfection of a man under the pressure of arms and in the legislative-political crucible which shapes our national defenses.

For his foresight, his courage, and candor, and for his intelligent and positive leadership of our Air Force during this most critical period of national history, the Nation is, I am sure, most grateful.

Mr. BRIDGES. Madam President, on the occasion of his retirement from long and honorable service with the U.S. Air Force, Gen. Thomas Dresser White deserves special national recognition from a grateful nation.

The facts of General White's many and varied contributions to this Nation's security and to the aerospace forces of tomorrow are well known. I do not wish to labor the record of his service.

But I do want to pay tribute to General White's astute professional character—to his devotion to integrity and honesty in a time when candor and personal courage are of such urgent national need among our leaders. General White has appeared before committees of our Congress with increasing frequency since 1952, nearly a decade. Always we have found his testimony to be sincere, courageous, and accurate. He has spoken from the deep personal conviction of a dedicated leader who knew and loved his chosen profession from the bottom to the top. His views on national defense—and upon the changing aerospace threats to our Nation—have been consistently realistic.

General White's personal motivations have been synonymous with the national needs and ideals. He has truly been in the forefront of those American military leaders who placed country above self, only to find in the end that in the unselfish service of his Nation, he served his U.S. Air Force and himself equally well.

We do not want this gallant, selfless airman to fade away. As he enters retirement, we expect to hear his voice time and again on issues of national importance. We value his counsel as we value our liberty. And indeed our liberty has well been served and protected during the long career of this dedicated American.

Mr. CANNON. Madam President, today a great American and a foremost military statesman, Gen. Thomas D. White, Chief of Staff of the U.S. Air Force, is retiring after 41 years of distinguished service to his country.

General White's career has literally spanned the maturing of airpower. Although General White spent his first 4 years of his military service in the infantry, he has been a pilot for over 35 years. He has seen the U.S. Air Force grow from the Army Air Corps, through the Army Air Forces of World War II, to the powerful force for peace the U.S. Air Force is today. During this time, General White has flown some 100 different types of aircraft from the Jenny in which he soloed to late model jet aircraft.

General White's service has taken him to many foreign lands both in peace and in war. He was our first military attaché for air to the Soviet Union and served in a similar capacity in Italy and in Brazil.

During World War II, General White served in the Southwest Pacific as deputy commander of the 13th Air Force taking part in the New Guinea, southern Philippines, and Borneo campaigns, and later assumed command of the 7th Air Force in the Marianas.

Since 1948, General White has served in Washington in important and critical positions of responsibility. He was the Air Force's first Director of Legislation and Liaison, and performed outstanding service as Director of Plans of the Air Force and later as its Deputy Chief of Staff, Operations. His service as Vice Chief of Staff of the Air Force and as Chief of Staff of the Air Force is well known to all of us.

His forward thinking, his devotion to his country and his dedication to making U.S. aerospace power preeminent mark General White as both a distinguished airman and an outstanding American in the mold of other outstanding air leaders such as Gen. Henry H. Arnold, Gen. Carl Spaatz, Gen. Hoyt Vandenberg, and Gen. Nathan F. Twining.

We will miss General White's counsel, but we wish him happiness and tranquillity in the years ahead.

Mr. THURMOND. Madam President, Gen. Thomas Dresser White is unique in the annals of distinguished military men who are retired on completion of their service to their country in that his career has transcended that of the military.

In 41 years' service dating from his commissioning as a lieutenant at the U.S. Military Academy in 1920 at the astonishing age of 18 to the present day, he has been in turn a military attaché to many foreign countries, including the U.S.S.R.; a linguist several times over; an early advocate of geopolitics and world education; a combat officer in the Pacific in World War II, and a leading architect of the current strong aerospace-missile force of today's U.S. Air Force.

Although his primary driving force over this long period of time has been that of a military man engaged in making decisions that have reflected on a strong Air Force in-being to defend our country in event of aggression, General White has always been cognizant of the political and economic events in the world as they reflect on military might. And in this respect, because of his knowledge of world affairs as they relate to the military and his excellent appraisal of their effects, he has been in a unique position to make decisions with unerring judgment and of great importance to all of us.

I join the Nation in wishing him well in the years to come. He shall be missed at the conference table of the Joint Chiefs of Staff, in the Office of the Chief of Staff, and at all levels of our U.S. Air Force.

INACCURACY OF DESIGNATION "LOYAL OPPOSITION"

Mr. BRIDGES. Madam President, I have been concerned for some time, as have others, about the appellation "Loyal Opposition," which gratuitously has been assigned to the Republican Party by certain segments of the press.

I believe this expression is inaccurate and nondescriptive. The term, of course, had its origin in the history of Great Britain, where, interestingly enough, it no longer is in use. It never has enjoyed widespread currency on the political scene of this country and I, for one, have every hope that it soon will be relegated to the oblivion it deserves.

An article in the current issue of Human Events, for June 30, 1961, written by its able and distinguished editor and publisher, Mr. Frank C. Hanighen, points out succinctly and with clarity the fallacy of applying this term to the attitude of the minority party in American politics. I ask unanimous consent that this excellent statement be printed in the RECORD at the conclusion of my remarks. As the article so aptly puts it, the loyalty of Americans is to the flag, the Republic and the Constitution; not to the head of a political party.

We do have a very real obligation, of course, as Mr. Hanighen suggests, to supply constructive criticism to the present administration. This we are doing and will continue to do, in support of our conscientious loyalty to the country which belongs to us all. We have every expectation that our attitude will be not only constructive, but vigorous and affirmative. We much prefer this course to the negative and complacent posture implied by the expression "Loyal Opposition."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Human Events, June 30, 1961]

LOYAL OPPOSITION

Events of last week may bring an abandonment in polite society of the term "The Loyal Opposition," the title used by NBC for its June 18 program of separately filmed interviews with 22 Republican leaders, headed by former President Eisenhower. It is rumored that both Ike and the GOP National Committee objected to the title as "negative." But it is well known that Republican leaders have for some time been far from enthusiastic about the phrase as used in the press. Their reactions run as follows:

What opposition party since the Civil War has not been loyal? (Since the War Between the States the southerners' patriotism has, if anything, outshone that of their brothers in the North.) The very use of the word "loyal" implies that the opposition, whether Democratic or Republican, could possibly be disloyal. Use of the expression is, to say the least, presumptuous. So runs the criticism of many in Washington.

It is believed that some of the eggheads now at large in Washington have sought to propagate use of the term in order to intimidate Republicans into acquiescence of the New Frontier program.

Apparently the liberals have borrowed the term from English history, and in so doing have gotten in over their depth. Profs. W. B. Munro and M. Ayearst in their book, "The Governments of Europe," remark that the expression "loyal opposition" has now passed

out of general use in England. The Ministers of the Crown Act of 1937 simply refers to "the opposition."

The professors point out how the expression arose, following the fierce dynastic conflicts of the 17th century, before there were parties, only "King's men" and "King's enemies." In the 18th and 19th centuries the gradual evolution of the Crown and Cabinet took place as real parties developed. Then "King's enemies" faded as the English accepted the idea that men could be opposed to the existing government without being enemies of the state. The concept of "His Majesty's loyal opposition" emphasized this revolutionary change. By this century, the expression went into disuse, and has only been kept alive in the United States through ignorance or guile.

Actually, no Englishman would entertain the idea of loyalty to the Prime Minister; his loyalty is to the Crown. The Prime Minister is an elected official and as head of the majority party is subjected to constant criticism from the opposition. Similarly, it is pointed out, the U.S. President is a party head, popularly elected, to whom the opposition owes nothing but constructive criticism. He has no loyal opposition; he has only the opposition. Loyalty is to the flag, the Republic, and the Constitution.

FLOW OF COMMUNIST PROPAGANDA TO THE UNITED STATES

Mr. KEATING. Mr. President, the testimony of Irving Fishman, Deputy Collector of Customs of the Port of New York, before the Senate Internal Security Subcommittee released yesterday, indicated that Communist propaganda coming into the United States has been stepped up considerably in the last year. Charges have also been made by political refugees from Soviet-bloc nations in this country that the Communists are beginning to flood this Nation with political propaganda.

The charges are serious, and, I believe, deserve further study by the Senate Internal Security Subcommittee. In that connection, I believe that representatives of the Post Office Department, State Department, and other interested Government agencies should be called to testify before the Internal Security Subcommittee as to the impact this propaganda is having in the United States and to what extent we are able to send similar material to Iron Curtain countries.

This is a delicate problem since we must be careful to protect the rights of freedom of expression and freedom of press. Foreign propaganda, however, is not constitutionally privileged. There is a responsibility to expose such propaganda and at the very least, if any of it is to be admitted, the United States should be enabled to carry out a program of truth in the Soviet-bloc nations.

IMPORT DUTIES TO MAINTAIN VITAL JOBS

Mr. SYMINGTON. Madam President, earlier today our two distinguished colleagues from West Virginia brought to the attention of the Senate a resolution of the Legislature of West Virginia urging the President to accept the recommendation of the Tariff Commission for an increase in import duties on certain types of glass.

Foreign competition presents a growing problem for a number of domestic industries.

We in Missouri have a particular concern in the recommendations of the Tariff Commission now before the President not only with reference to import duties on glass but also on baseball and softball gloves.

The senior Senator from West Virginia ably presented reasons for a revision in the regulations governing the importation of certain types of glass.

I should also like to bring to the attention of the Senate the fact that foreign imports have increased in the baseball and softball glove market at a startling rate over the past 4 years. In fact, imports in the first 3 months of 1961 are 40 percent ahead of the same period in 1960. It is estimated that imports will take more than half of the total potential market in the year 1961.

My State of Missouri has a particular interest in maintaining an American share in this market. Four factories have been established in the past few years in small towns in our State, Licking, Newburg, Willow Springs, and Ava.

These factories employ 791 persons, primarily in the manufacture of baseball and softball gloves and mitts for the U.S. market. The total population of the 4 towns in which these plants are located is only 5,332. Each is in an area which needs even more payroll. To them, these plants are of great importance.

For the reasons given, therefore, I hope the President will approve these recommendations of the Tariff Commission for small increases in the import duties on glass and baseball equipment.

REPORT OF BOARD OF VISITORS TO U.S. MILITARY ACADEMY

Mr. BIBLE. Madam President, in late April it was my privilege and pleasure, as a member of the Board of Visitors to the U.S. Military Academy, to spend a weekend at West Point.

I was impressed by the uniformly high standards maintained by the Academy under the able supervision of Maj. Gen. W. C. Westmoreland, the superintendent.

Members of the Board of Visitors had the opportunity to acquaint ourselves with the mission, operations, and problems of this splendid institution, Madam President, and have compiled a report on our visit.

I ask unanimous consent that this report be printed in the RECORD immediately following my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE BOARD OF VISITORS TO THE U.S. MILITARY ACADEMY, WEST POINT, N.Y., APRIL 29, 1961

Subject: Report of the Board of Visitors to the U.S. Military Academy, 1961.

To: The President of the United States.

1. APPOINTMENT OF THE BOARD

The Board of Visitors to the U.S. Military Academy was appointed in accordance with the provisions of section 4355 of title 10, United States Code. Pertinent extracts from the Code are appended to this report and are marked "exhibit A."

2. PERSONNEL OF THE BOARD

The membership of the Board as constituted for the year 1961 was as follows:

Senators: RICHARD B. RUSSELL, of Georgia, chairman of the Committee on Armed Services; HENRY DWORSHAK, of Idaho; ALAN BIBLE, of Nevada; EUGENE J. MCCARTHY, of Minnesota.

Representatives: L. MENDEL RIVERS, of South Carolina, representing CARL VINSON, of Georgia, chairman of the Committee on Armed Services; OLIN E. TEAGUE, of Texas; R. WALTER RIEHLMAN, of New York; WILLIAM H. NATCHER, of Kentucky; WILLIAM E. MINSHALL, of Ohio.

Presidential appointees: Dr. Harlan Hatcher, president, University of Michigan; Dr. George L. Cross, president, University of Oklahoma; General of the Army Omar N. Bradley, U.S. Army; Maj. Gen. Leif J. Sverdrup, USAR retired, president, Sverdrup & Parcel & Associates, St. Louis, Mo.; Mr. Robert T. Stevens, president, J. P. Stevens & Co., Inc., New York, N.Y.; Dr. Edwin D. Harrison, president, Georgia Institute of Technology.

Col. Charles J. Barrett, professor of foreign languages, U.S. Military Academy, was appointed executive secretary for the Board by the Superintendent, U.S. Military Academy.

3. PRELIMINARY DATA

After considering the wishes of the Board of Visitors for 1960 and the academic calendar of the Military Academy, the Superintendent notified all members whose terms extended into 1961 that the period April 27–29 had been selected for the visit.

The Superintendent likewise caused to be distributed to all members of the Board certain reports and informational material, and a suggested program for the visit. A list of the data furnished is appended and marked "exhibit B."

4. CONVENING OF THE BOARD

Certain of the Board members arrived at West Point on April 26, others on the morning of April 27. A formal organization of the Board took place at noon on the latter date. Present at that time were: Senator Bible, Mr. Rivers, Mr. Teague, Mr. Riehlman, Mr. Natcher, Mr. Minshall, Dr. Cross, General Bradley, General Sverdrup, Mr. Stevens, Dr. Harrison.

The Board unanimously elected General Bradley chairman for the 1961 annual visit.

The members present regretted that the pressure of business prevented the attendance of Senator RUSSELL and Dr. Hatcher, and that illness was responsible for the absence of Senator DWORSHAK and Senator MCCARTHY.

Urgent business required General Sverdrup to leave at 3:15 p.m. on April 27. The remaining members departed following the final meeting, which ended at 10:20 a.m. on April 29.

5. PROCEDURE

The detailed program followed by the Board during its visit is appended and marked "Exhibit C." The members present on the morning of April 27 conferred with the Dean of the Academic Board and visited academic departments with classes in session prior to the formal organization of the Board. Thereafter the Board made its inspections generally as a group but again divided during parts of April 28 for classroom visits and for individual conferences with officers commanding companies of cadets. On the evening of April 27 the members of the Board conducted interviews individually with cadets.

6. COMMENTS

a. Morale

From everything the Board was able to see the morale of the cadets is excellent. The

members of the Board were able to visit with cadets in their rooms and to associate with them in the dining hall with the feeling that no command or administrative restraint was being exercised; this condition permitted all views to be frankly expressed. The cadets are loyal to the ideals and principles of the Military Academy and apparently well motivated toward the career which lies ahead of them.

The officers with whom the Board came in contact are obviously enthusiastic and interested in their work. All take pride in what they are contributing toward the officer corps of tomorrow. They are aware of and living up to their responsibilities as models for and as mentors of the cadets in their charge.

Little occasion was offered to judge the morale of enlisted members of the garrison but no reason exists for belief that their morale is different from that of the officers and cadets.

b. Discipline

The Board saw no evidence of lack of discipline and believes that a satisfactory standard is being maintained. Cadet officers and noncommissioned officers willingly accept their responsibilities in the chain of command and effectively perform their duties while maintaining the respect of their classmates and their subordinates.

c. Selection of candidates for West Point

The Board reviewed the methods used to spread information concerning the Military Academy among the secondary schools of the country and the principles applied in determining the applicants best qualified for admission. It was brought out that the Admissions Division of the Military Academy staff is available to assist Members of Congress in the distribution of West Point catalogs and other literature, and in selecting the individuals among their applicants for appointment who have the greatest potential for future military leadership.

The members of the Board are satisfied that these methods and policies are well adapted for their intended purpose.

d. Curriculum

The Board noted that a new curriculum has been adopted as a result of a study conducted during the past 4 years. In this curriculum credit is given, after proper validating examination, for subjects studied before a cadet enters the Academy. This provides more time for advanced or elective courses.

It is also noted that the new curriculum retains the four semesters of engineering instruction, which, under earlier proposals, would have been reduced to three.

The Board feels that the new curriculum is a great improvement and will contribute to better overall education of the graduates.

e. Instruction

(1) Methods

Methods of instruction are modern and effective; they are chosen and applied in such a way as to elicit maximum classroom participation by each cadet. Potential use of television has not been overlooked. A general listing of television equipment already installed was given to the Board, together with citation of instances of use of both closed-circuit presentations and commercial newscasts projected before cadet audiences in support of regular course work.

(2) Instructors

Observation of instructors in the classroom leads to the belief that they are enthusiastic, well-qualified in their fields, patient and understanding with their students. Unanticipated corroboration of this belief came from several cadets interviewed by one member of the Board; the cadets stated that their instructors were well-informed, knew how to explain away difficulties, and were very helpful.

(3) Duration of Instructors' Assignments

The 1960 Report of the Board of Visitors noted (paragraph 3) that "* * * the benefits to the Military Academy of longer tenure for officer instructors must not be overlooked." The 1960 report recognized also the "* * * advantages in extending the standard tour of duty from 3 years to 4."

The present Board concurs in those comments and gives them even greater weight based on a review of one year's experience under the current academic program, which reflects recent curriculum changes. With added emphasis placed on advanced courses and elective courses of an advanced character, the requirement for longer tours of duty for instructors has become more acute.

The explosive expansion of knowledge in many of the fields of learning represented in the West Point curriculum, and the fundamental requirement for thoroughness and depth of study traditional to the Academy from the days of Thayer, impose a demand for well-grounded instructors. To meet this demand the faculty must have assurance that the bulk of its instructors will be available for 4 years.

While it is recognized that Army-wide requirements may curtail tours to 3 years in a limited number of individual cases, the general rule of a 4-year tour should be established.

Economies will result from 4-year tours. Adequate training in graduate schools is vital if instructors are to be prepared properly to teach advanced courses. The cost of this training is substantially reduced if instructors serve for 4 years rather than 3. Further economies result from the smaller number of changes of station under the 4-year tour plan.

For these reasons the Board concurs in the recommendation of last year for longer tenure of instructors. It would appear, however, that much of what has been said above would apply with equal validity to the tenure of the Superintendent. A brief assignment does not give the Superintendent opportunity to establish his policies and effect improvements suggested by his experience. Since he is selected from the group of officers of highest potential in the Army, a Superintendent is naturally desired for other important assignments. At times his retention at West Point might operate to inhibit or postpone his promotion, and such a situation should never be permitted to occur. It is to be hoped that the Army will find it possible to allow each Superintendent a tour of sufficient duration to make a lasting contribution to the good of the Military Academy, provided it does not interfere with the career progress of these gifted officers.

f. Physical equipment

(1) Library

The Board is convinced that a new and larger library is urgently needed. The present building was designed and erected as an observatory nearly a century and a quarter ago. It is not suited for its purposes, being too small to accommodate more than a very small number of the students and not more than 170,000 books. The library is essentially the heart of an institution of higher learning, particularly with the advanced courses and electives now included in West Point's curriculum. The Board believes that the present library is completely inadequate.

The Board reviewed the problem of site, including the recommendation of the Board of Visitors for 1960 that alternate locations be considered. The present Board concurs in the recommendation of the Superintendent that a new library be constructed on the site of the present library. Professional studies have demonstrated the feasibility of erecting a building of suitable size on this spot, in the heart of the educational area of West Point, and easily accessible to all its students.

(2) Gymnasium

The Board devoted considerable time to a study of the physical training program at West Point. Over the years it has been found that the incoming cadets are softer, that more hardening, particularly of leg muscles, is required, that the strength and physical toughness essential to the combat leader must be developed by a broader range of instruction and exercise. The increasing range is now pressing against the barrier of available space in the present gymnasium.

One deficiency reported is inadequate space for instruction in swimming (approximately 5 percent of all entering cadets cannot swim at all, and an additional 5 percent are barely able to swim the length of the pool) and for developing confidence in and near the water. It was also reported that one of the present swimming pools has so deteriorated in its 50 years of existence as to furnish problems of keeping the water in the pool itself.

Other desirable increases are in the number of handball courts (one of the most popular cadet games and a suitable sport for maintaining physical fitness as an officer), in areas suitable for instruction in boxing, and in shower and dressing room facilities. A new requirement exists for a training room where treatment can be given for minor injuries incurred in intramural athletics, for which the average cadet is reluctant to go to the hospital.

Some measure of relief will be afforded if and when the theater, now a flat-floor auditorium occupying a part of the gymnasium, is moved to the proposed cadet activities building discussed elsewhere in this report.

It is the opinion of the Board that the proposed addition to the gymnasium should be undertaken without delay. The site is available, immediately adjoining the present gymnasium. The pressing need for the additional swimming pool lends special urgency to the project, all items of which fit neatly into a package with little engineering difficulty.

(3) Cadet Activities Building

During the past year some additional space has been provided by housing visiting athletic teams in a barracks building outside the cadet area, thus freeing the building formerly used by visiting teams for extracurricular activities. The latter building is immediately contiguous to the cadet barracks area. By this and other changes the availability of recreational facilities has been increased by about 15 percent.

West Point is an isolated community, dependent upon its own resources alone for the type of entertainment and social activities considered normal and necessary for the people of today. Within that community are 2,500 young men, representative of the Nation as a whole. They lead a very restricted life in comparison with that of most college students. They receive and entertain many invited guests during weekends, yet have most limited facilities for such entertainment. It was reported to the Board that weekend weather bad enough to drive most people indoors results in such a crush in the facilities available to cadets as to make the situation unpleasant.

The cadets have 61 extracurricular activity organizations, many of them requiring space. Musical groups require practice and storage space; publication groups require editorial and office space; hobby groups require dark rooms, or space for model railroad layouts, or perhaps only quiet rooms for chess or bridge. Cadets should be given opportunity to take their activities out of attics or basements or drafty storerooms in order that they may derive more pleasure and greater benefits from this portion of their academic life.

Several members of the Board of Visitors, more by coincidence than by design, inquired

of cadets as to their most pressing needs. The almost unanimous answer was that they most missed entertainment facilities on weekends.

This Board is convinced that a cadet activities building is urgently needed. Makeshift arrangements, such as the change in visiting team housing, serve to alleviate but not to eliminate overcrowding. The need to provide for all of the cadet activities, for which no outlet is to be found in neighboring communities, requires a project of considerable magnitude and of comparable cost, a cost well beyond the capabilities of students and alumni of an institution such as the Military Academy. West Point's graduates enter a rewarding but not a lucrative profession, and very few of those graduates are able to contribute significant amounts of money to worthwhile projects at their alma mater.

The need is there, and no method of overcoming the need by private means is available. To continue as at present causes young men, with nowhere else to turn, to pursue their recreational activities in most unsatisfactory conditions, which cannot but affect their morale. Visiting friends of cadets, especially in the winter months, go away with an unflattering recollection of their visits, and frequently ask cadets why they want to continue a life which holds such discomfort. Again, the effect on cadet morale is apparent.

The proposed site for a cadet activities building was pointed out to the Board. It is a commanding location, easily accessible to the cadets, and one which lends itself pleasantly to the West Point scene. Erection of a suitable building should be begun at the earliest practicable date.

g. Fiscal affairs

No serious deficiencies were reported to the Board, and no major problems of operation are known to exist.

h. Post administration

The members of the Board were favorably impressed by the consolidation of functions which made possible the release of 250 soldiers, the equivalent of a company of infantry, for service elsewhere in the Army. They note also the helpful use of outside consultants, at no expense to the Government; their advice has contributed to many phases of post management. The members are pleased to learn that better use of available space, plus consolidation of functions, is resulting in significant savings of both time and money. Though many changes have been effected, still others are planned for the comparatively near future.

i. Superintendent's fund

The Board believes that particular benefit to the Military Academy will derive from the efforts of the Superintendent to establish a fund, to be raised by voluntary contribution, and to provide certain facilities better suited to this type of funding than to the expenditure of appropriated funds.

j. Size of corps of cadets

(1) With Present Facilities

In its report for 1958 the Board of Visitors pointed out: (a) that the corps of cadets is, because of attrition, below its authorized strength for almost the whole of every year; and (b) that a larger number of cadets could be trained at little or no expense to the Government, other than the pay and subsistence of the additional cadets. In 1959, the Board commented that it would be happy to see an increase in the number of young men admitted to the Military Academy, though it believed that such increase should be limited to a figure which, while making maximum utilization of existing or then-projected housing facilities, would not necessitate construction of still more living space.

In its report for 1960 the Board said: "The present Board feels strongly that the Military Academy is open to criticism if it does not fully utilize its physical plant and facilities. Construction of the newest cadet barracks, designed to permit the accommodation of all cadets two to a room, is already authorized and underway. The physical plant upon completion of these barracks will accommodate an initial overstrength on the first Tuesday in July which should permit an end strength the following June equal to the present authorized strength of 2,536 cadets. Messing facilities, classroom space, and even the staff and faculty would need no increase. It would be necessary for the fourth class to return temporarily to the undesirable condition of housing three cadets in a room designed for two. However, this condition would prevail for less than 5 months of the fourth class year and, therefore, for the great majority of cadets, would amount to only a small fraction of their stay at the Military Academy.

"It is the view of the Board of Visitors that the presently proposed amendment to title 10 will enable the Military Academy to make maximum utilization of its facilities and, by so doing, graduate more officers for the Army. In this sense, the proposed amendment represents the same view of the values of education and training as does the National Defense Education Act in its assistance to civilian colleges and universities in the achievement of their necessary goals of graduating more students."

It is estimated that an overstrength of about 200 cadets in July would be reduced by normal losses during the year, so that the authorized strength of 2,536 would be reached in the following June. This should result in an increase of approximately 50 graduates per year.

The present Board concurs fully in the views expressed by the 1960 Board and urgently recommends that the authorizing legislation be secured.

(2) Long-Range Increase

The Board understands that the Army needs 1,800 new line officers each year. It would be desirable to commission one half of these from the graduates of West Point. But the class of 1961 is furnishing less than a third of the annual requirement and other classes in the Military Academy now, most of them larger than this year's graduating class, will still be too small to furnish one third of the requirement.

To attain the desirable objective of half the annual input of officers would require a total strength of the Corps of Cadets considerably in excess of the present authorization. Planning for an increase of cadet strength to 4,250 is well along. The necessary buildings for such an increase can be erected on space presently available, limited as such space is on the irregular terrain at West Point.

The present authorized cadet strength of the Military Academy is the same as that of the Air Force Academy but greatly below that of the Naval Academy, which is 4,426. Since the officer requirements of the three services are approximately the same and their needs are evident, it seems eminently desirable to bring the strength of the service academies into proper balance.

k. Pay of professors

The Pay Act of 1958 provided maximum pay for a colonel after 26 years of service and no further increase was established because most officers who have not attained general officer rank are required to retire after 30 years of service.

The one exception to the 30-year retirement rule is that of professors of the U.S. Military Academy. The title "Professor" is used at the U.S. Military Academy to designate those officers permanently assigned to the senior academic positions. By law they now must retire at age 64. There is no position other than that of Dean of the Academic Board into which they may be promoted, yet one requirement for their selection for the professorship is possession of the qualities sought in a general officer.

It seems appropriate to recognize the qualities and the dedicated service of the professors by some increase in pay if not in rank. Most of them will have completed more than 40 years of service by the time they retire. A proposal now before Congress is to provide a small increase in pay for colonels upon completion of 31 years of service and a similar increase at 36 years of service. This will apply only to professors, as other colonels will have retired with 30 years of service. Nor will it apply to all professors at any one time since proper spacing in age is sought in selection in order to give continuity of experience among the several Department heads. At no time would the pay of any colonel be as great as the pay of a brigadier general. The estimated annual cost in the foreseeable future is in the neighborhood of $15,000.

The Board believes that the proposal gives appropriate recognition at minor cost to the high quality of the professors at West Point, and to the dedication which led them to give up prospect of advancement in the Army for the sake of developing our future officers. The Board endorses the measure and hopes that it may soon be made effective.

1. Date of Next Annual Visit

After consideration of the calendar for 1962 the Board suggests the dates May 3–5, 1962, for the next annual visit.

7. RECOMMENDATIONS

a. Tenure of instructors

That the normal length of assignment of officer instructors at the Military Academy be set at 4 years, in addition to the period of postgraduate training required for the specific duty (par. 6(e)(3), p. 5).

b. Library

That a new library of size suitable for the needs of the Military Academy as an institution of higher learning be erected on the very useful and accessible site of the present inadequate library (par. 6(f)(1), p. 7).

c. Increased facilities for physical education

That the existing gymnasium facilities be expanded by the authorization and construction of additional space for physical education in the vicinity of the present gymnasium (par. 6(f)(2), p. 7).

d. Cadet Activities Building

That the urgently needed building to provide facilities for the reception and entertainment of cadet guests and for numerous other cadet activities be undertaken at the earliest practicable date (par. 6(f)(3), p. 8).

e. Size of Corps of Cadets

That the highest possible priority be given to securing legislative authorization to exceed the presently established strength of the Corps of Cadets during the school year, subject to the provision that the excess be absorbed by the end of the year, thus permitting the training at very little extra cost of additional officers for the Army (par. 6(j)(1), p. 11).

f. Long-range expansion of Cadet strength

That planning continue for expansion of the Corps of Cadets to a size of approximately 4,250 and that authorization for that strength be sought as soon as study of all aspects of the project indicates its feasibility (par. 6(j)(2), p. 12).

g. Pay of professors

That the length of service of professors and the basis upon which they were selected be recognized by step increases in pay for periods of service in excess of those normally to be attained by other colonels on active duty (par. 6(k), p. 13).

8. CONCLUSION

The members of the Board believe that the Military Academy is successfully accomplishing its mission. The staff and faculty, under the leadership of Maj. Gen. W. C. Westmoreland, are effectively and efficiently performing their duties. General Westmoreland is especially to be commended for his continuous efforts to improve administration and to secure better use of available facilities.

The Board takes pride in the spirit and the work of the U.S. Military Academy. We believe it would be an inspiration to every American citizen to see the enthusiasm, and the warm and vital loyalty of the corps of cadets, supported by the entire staff. It is our belief that these young men will be worthy defenders of the American way of life.

OMAR N. BRADLEY,
General of the Army, Chairman of the Board, Bulova Watch Co., Chairman.
L. MENDEL RIVERS,
U.S. House of Representatives.
ALAN BIBLE,
U.S. Senate.
OLIN E. TEAGUE,
U.S. House of Representatives.
GEORGE L. CROSS,
President, University of Oklahoma.
R. WALTER RIEHLMAN,
U.S. House of Representatives.
LEIF J. SVERDRUP,
Major General, USAR, Retired, Sverdrup and Parcel & Associates, Inc.
WILLIAM H. NATCHER,
U.S. House of Representatives.
ROBERT T. STEVENS,
President, J. P. Stevens & Co., Inc.
WILLIAM E. MINSHALL,
U.S. House of Representatives.
EDWIN D. HARRISON,
President, Georgia Institute of Technology.

EXHIBIT A–1

[10 U.S.C. 4355, Board of Visitors, United States Military Academy]

SEC. 4355. Board of Visitors:

(a) A Board of Visitors to the Academy is constituted annually of—

(1) the chairman of the Committee on Armed Services of the Senate, or his designee;

(2) three other Members of the Senate designated by the Vice President or the President pro tempore of the Senate, two of whom are members of the Committee on Appropriations of the Senate;

(3) the chairman of the Committee on Armed Services of the House of Representatives, or his designee;

(4) four other Members of the House of Representatives designated by the Speaker of the House of Representatives, two of whom are members of the Committee on Appropriations of the House of Representatives; and

(5) six persons designated by the President.

(b) The persons designated by the President serve for three years. Two persons shall be designated by him each year to succeed the members whose terms expire that year.

(c) If a member of the Board dies or resigns, a successor shall be designated for the unexpired portion of the term by the official who designated the member.

(d) The Board shall visit the Academy annually. With the approval of the Secretary of the Army, the Board or its members may make other visits to the Academy in connection with the duties of the Board or to consult with the Superintendent of the Academy.

(e) The Board shall inquire into the morale and discipline, the curriculum, instruction, physical equipment, fiscal affairs, academic methods, and other matters relating to the Academy that the Board decides to consider.

(f) Within sixty days after its annual visit, the Board shall submit a written report to the President of its action, and of its views and recommendations pertaining to the Academy. Any report of a visit, other than the annual visit, shall, if approved by a majority of the members of the Board, be submitted to the President within sixty days after the approval.

(g) Upon approval by the Secretary, the Board may call in advisers for consultation.

(h) While performing his duties, each member of the Board and each adviser is entitled to not more than $5 a day and shall be reimbursed under Government travel regulations for his travel expenses.

EXHIBIT B—INFORMATION FURNISHED TO MEMBERS OF THE BOARD OF VISITORS, 1961

Official Register of the Officers and Cadets, U.S. Military Academy, for the academic year ending June 30, 1960.

Catalog of the U.S. Military Academy, 1960–61.

Report of the Board of Visitors, U.S. Military Academy, 1959.

Report of the Board of Visitors, U. S. Military Academy, 1960.

Annual Report of the Superintendent to the Chief of Staff, U.S. Army, 1960.

Abbreviated organization chart, U.S. Military Academy.

Proposed schedule for 1961 visit.

EXHIBIT C–I—PROGRAM FOLLOWED BY BOARD OF VISITORS, ANNUAL VISIT, 1961

THURSDAY, APRIL 27, 1961

8:45: Call on Superintendent at his office (by members who had arrived on Wednesday, April 26).

9:10: Conference with Dean of the Academic Board.

11:00: Visits to academic departments and to classes in session.

12: Luncheon and organization meeting, U.S. Hotel Thayer.

1:15: Opening conference with Superintendent.

3:15: Conference with commandant of cadets.

4:05: Conference with Director, Office of Military Psychology and Leadership.

4:20: Conference with cadet first captain and brigade commander.

5:30: Review of Corps of Cadets, dinner with Superintendent.

8:45: Informal visits and interviews with cadets in barracks.

FRIDAY, APRIL 28, 1961

9: Inspection of gymnasium and of physical training classes.

10: Conference with Chief, Admissions Division.

10:30: Conference with Registrar.

11: Visits to academic departments and to classes in session or to debates of 15th National Debate Tournament in progress.

12: Inspection of cadet mess, Washington Hall. Lunch with cadets in Washington Hall.

1: Conference with Dean of the Academic Board.

2: Visits to cadet recreational facilities, to sites of proposed construction, discussion on ground of the Military Academy's general development plan. The tour of the several areas included a visit to the Cadet Chapel and an interview with the Cadet Chaplain and his assistant.

4: Observation of varsity athletics. Evening was unscheduled, but many members attended the 15th National Debate Tournament banquet and presentation of awards.

SATURDAY, APRIL 29, 1961

8:30: Executive session and preparation of Board report.

10:30–12: Departure.

GEN. THOMAS D. WHITE

Mr. GOLDWATER. Madam President, during the past 4 years as Chief of Staff, General White led the Air Force into the aerospace age. He guided the free world's largest and most complex aerospace organization toward achieving unprecedented military power for peace and making major advancements for the Nation in aeronautics, science, and space technology. Under his leadership the Air Force became, in fact, the Nation's aerospace arm—dedicated to the conviction that aerospace supremacy is as vital to the free world's peaceful objectives as was air supremacy in the days before ICBM's and Earth satellites. At the same time, General White led in developing a close working relationship with NASA.

During the past 3 years, rocket engines, initially developed for Air Force intercontinental missiles, gave thrust to our first and heaviest satellites for peaceful exploration of space. While maintaining our military strength, General White led the Air Force in its efforts to advance our Nation in many space achievements.

He managed these monumental tasks so as to give full return on the taxpayers' dollar. Last year, for example, with some 43 percent of the military budget, the Air Force provided approximately 91 percent of the Department of Defense effort in space systems; 73 percent of the U.S. continental aerospace defense effort and approximately 90 percent of the general war striking power of the free world. It also provided the Nation's strategic airlift forces, MATS; our primary limited war air superiority forces; and an overall global communication capability more extensive than that of any other single operating agency in the world.

Planet-spanning strategic airlift, ocean-hopping small war air forces, air defense interceptors, refueling aircraft, cargo and troop carriers, and other Air Force aircraft flew approximately 7.3 million hours last year, maintaining constant readiness as a powerful counterforce to protect the Nation. In these millions of hours of flying of 104 types of aircraft under all conditions, including simulated combat conditions, the Air Force reduced major flying accidents by 30 percent and fatal accidents by 50 percent in the aerospace arm's safest flying year.

During the past 4 years, the Air Force has been engaged globally in difficult air logistics feats such as the Congo airlift, the Chile airlift for earthquake victims, and Big Slam/Puerto Pine, the largest peacetime airborne maneuver ever conducted by the United States. In a different area, it has developed the Thor IRBM and the Atlas and Titan ICBM's.

In the face of difficult budget problems, General White developed programs for the long-range, mach 3, B–70 counterforce bomber, the 1,000-mile range air-to-surface ballistic missile, Skybolt, pressed forward the design and ground testing program for the Dyna-Soar boost glide piloted aerospacecraft and accelerated the Minuteman ICBM program.

Highly motivated Air Force men not only flew far with heavy loads in 1960,

but to new speeds and altitudes and with amazing skill. Capsules ejected from Discoverer satellites in space have been recovered in midair by Air Force pilots; and only a few days ago an Air Force pilot flew at 3,690 miles per hour.

Building on the work of his great predecessors, Generals Spaatz, Vandenberg, and Twining, General White has shown the vision, imagination, leadership and management ability to keep our Nation strong in its air and space forces and advanced in space technology.

SENATOR WILLIAM HENRY KING

Mr. MOSS. Madam President, one of my predecessors in the seat I now occupy in the Senate was Senator William Henry King, from Utah, who served for 24 years. When Senator King retired from public life and returned to Utah, Senator Henry Fountain Ashurst, of Arizona, also an eloquent Senator of years gone by, paid a very moving tribute to Senator King. Since the address has been in great demand, I should like to make it available to all to read. I ask unanimous consent that there be printed in the RECORD at this point in my remarks a copy of the address delivered by Hon. Henry Fountain Ashurst at the farewell party in honor of Senator William Henry King, of Utah.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HENRY FOUNTAIN ASHURST AT THE FAREWELL PARTY, APRIL 11, 1947, IN HONOR OF SENATOR WILLIAM HENRY KING AT THE WASHINGTON CHAPEL, CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS

We are assembled to offer our tokens of affection and respect to William Henry King: orator, jurist, statesman, scholar. The citizens of a free nation, above all, should honor the brave and independent man of integrity and intellectual power. The shoulders of such men bear the weight and safety of our Republic and its hope of perpetuity.

Such men are the infrangible, diamond pivot upon whom the events of a nation's life may safely revolve.

Such a man is William Henry King.

This occasion is one of mingled regretting and rejoicing: the citizens of the District of Columbia are regretting that they are to be deprived of Senator King's wise and helpful counsel. They gratefully remember his services as the Chairman of the Senate Committee on the District of Columbia. To him as Chairman, no citizen of this District was so poor, so lowly or so obscure as to be below the reach of his recognition, and likewise no citizen of this District was so opulent, so famous or so powerful as to be above the reach of his helpful admonition and gentle reproof. Many of the marks of progress and utility and many of the lines of elegance and art, in this beautiful Capital City, were brought about by his vision and his unrelenting zeal.

But while the citizens of the District of Columbia are regretting his departure hitherfrom, his native Utah, a State of romantic history, of patriotic and industrious people, sublime scenery and vast potential wealth, is rejoicing that its distinguished son, and his estimable wife of starlit charm, are returning to Utah to dwell.

Shakespeare, in his play "Coriolanus" makes Junius Brutus to say of Coriolanus, a Roman hero: "How youngly he began to serve his country; how long continued!" Truly may we say that same thing of Senator King. When he was a very young man, he was clothed with the ermine of a U.S. judge of a large judicial district in the territory of Utah and he served with distinction in those pioneer days when disputes over mining claims, water rights, land limits and range boundaries were litigated, with now and then taming a two-gun badman who needed a lesson in the supremacy of law and order.

At the expiration of the term of his judicial office, he laid aside a spotless ermine and served in the National House of Representatives.

Then, after some years in the practice of the law, a profession in which he was a leader; a profession which he adorned, he entered the U.S. Senate on March 4, 1917, where he served for 27 consecutive years and in the last year of his service was chosen by his fellow Senators to be their President, pro tempore. It was while he was Senator that I came to know him so intimately and in any attempt to appraise the wide range of his senatorial labors, my words would flow into superlatives.

I have heard him speak many times: As an orator, he was clear and lucid; he always spoke interestingly and sometimes delightfully. I often sat in bygone days in mute amazement at his vast reservoir of information: historical, classical, and legal, and his rich, ripe erudition.

Senator King believed that the people of Utah and the people of all of the other States as well, were entitled to the fruits of his learning and experience and were entitled to his best and noblest thought. He was a splendid Senator, faithful, able, diligent. No man ever held the standard of Senatorial service higher than he. He voted his mature judgment. Expediency played no part in his service and in his return to his native State. He and Mrs. King are accompanied by the sentiments of the affection and esteem of the people of this multitudinous city.

Senator King knew that there are many disappointments and crosses in the life of one who endeavors to serve the public but he also knew that there are many sources of comfort: the support of reasonable people and another is the assurance that every righteous thing one may do will, somehow, serve not only the good of his own State but the good of the entire Nation as well, for there is everywhere a conservation of spiritual energy that preserves every noble resolve and every worthy action and molds them into a beneficent achievement that will assist mankind's arduous struggle upward and onward.

Mr. CURTIS obtained the floor.

Mr. CURTIS. Madam President, I yield 5 minutes to the Senator from Arizona.

THE FACTS OF LIFE

Mr. GOLDWATER. Madam President, a very interesting article entitled "The Facts of Life," by Eric Sevareid was published in the Reporter. As a conservative, I called the article interesting because Mr. Sevareid is a liberal, and in the article Mr. Sevareid severely chastises liberals for apparently having gone to sleep on the entire world situation. In view of the recognition by a liberal himself of the failure of liberals in certain fields, I ask unanimous consent that the article by Mr. Eric Sevareid be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FACTS OF LIFE

(By Eric Sevareid)

I hope American nerves are strong; I know American heads are befogged.

The showdown with the Communist world conspiracy is on. We have entered the final stage of the long struggle to determine if we can hold our world position short of a great war. We are in that stage because Khrushchev has decided we are. He will act accordingly, which will force us to act accordingly—if we can clear our heads.

He did his best at Vienna to make us understand, just as Hitler did, time after time. It is wrong to think Khrushchev said nothing new. When he said, in effect, "No negotiations or anything unless it suits us tactically, no disarmament agreement, no test-stoppage agreement, no U.N. save on our terms, no letup on Berlin"—when he said all this, he was saying: "We have you. Why go on with the chess game?"

He has concluded that the Western alliance cannot be pulled together, that north Africa will soon be wide open to Communist exploitation with central Africa to follow, that Southeast Asia is rapidly crumbling into Communist hands, that our Latin American flank is being turned. He is now sure that the great game of isolating the United States, then impoverishing it, then breaking its will, is all over save for our helpless, threshing convulsions, which will be interesting and from time to time dangerous.

No doubt there are afterhours parlor games in the Kremlin these nights—betting pools, for example, on the precise month when the United States, driven desperate by Castro's subversion of other Latin regimes, threatens to use force, whereupon Castro laughingly points out that he has short-range missile emplacements aimed at the lovely white city of Miami and would we care to test his will to use them.

I imagine they play an uproarious game of "Can You Top This?" reading selected items from the British and American press. The passionate claims of British Socialists that Britain will have more world influence if it gives up its atomic weapons must be a consistent funnybone tickler. These days they must particularly cherish the Whitehall-Lippmann theory that if we show willingness to renegotiate West Berlin, the Reds will obligingly give us at the bargaining table a stronger position than we have now.

Surely they adore reading the worrying, hair-shirt arguments that the United States must not do this or that because it will offend "world opinion," knowing as they do that there is no such thing in the moralistic sense—the proof of which is that after all their crimes, including Hungary, they enjoy more influence and respect in the world than ever. They must love the British-American notion that the bosses of the new "neutral" nations are somehow more high-minded and spiritual than those of the committed nations.

They must have shaken their heads in happy disbelief when they read that conservative newspaper executives, calling on the President, said "No" when asked if they accepted his premise that the United States has entered the most critical period of its history.

And they must love the large school of American liberals who assume that any given country, however, barren and illiterate, however profound its background of violence and chieftainship, is capable not only of economic modernization but of parliamentary democracy.

They must love the liberals with social-worker mentalities who do not grasp that illiteracy, low wages, concentrated landownership, and so on are not "social problems" but integral parts of a system of life and, therefore, enormously resistant to quick change by anything less than the "totalitarian disciples" the same liberals abhor. They must love the liberals who assume that because a Marshal plan worked in modern Europe, a similar plan can work among those regimes of Latin America where statistics are wild guesses, where trained econ-

omists hardly exist, where economic planning is finger painting, where, as between countries, there is very little background of communications, normal trade, or even intellectual interest in one another.

The gamesmen in the Kremlin must smile in their sleep as they realize how deeply ingrained is the American illusion that a ton of wheat can offset a ton of Communist artillery shells, that a squad of Peace Corpsmen is a match for a squad of guerrilla fighters.

But I hope they frowned a bit when they read the angry retort of Defense Secretary McNamara when he heard for the umpteenth time the pious theory that the Communists were gaining in Laos and South Vietnam because the regimes there are "unresponsive to the people's needs." A burning sense of reality on a short fuse can make a quiet man shout (as I'm afraid it makes me shout these days), and McNamara shouted that the Communists are gaining in those countries for very simple reasons known as guns, bombs, fighters, and threats.

Frightened people in a score of desperate countries want to be on the winning but not necessarily the moral side; and we have to start winning soon. We are going to lose in several more places before we do. We may as well face the fact that we will also lose in places we cannot afford to lose, until and unless we are willing to fight, no matter the reproving editorials in the Manchester Guardian, no matter what the temporary backlash of world opinion may be.

The relations between nations are not the same as those between individuals. We can afford to lose everything—except respect for our strength and determination. Lose that, and Khrushchev won't bother to sit down and talk again even to say no.

POLITICAL USE OF UNION DUES

Mr. GOLDWATER. Madam President, by a 5-to-4 decision the Supreme Court recently decided that railway workers who were compelled to join a union under a union shop agreement authorized by the Railway Labor Act had the right to prevent the union from using their dues for political purposes over their objections. Five separate opinions expressed the varying views of the nine Justices.

The real issue was whether the union shop provision in the act authorizing the union shop contract violated the freedom of speech guarantee of the first amendment.

The majority decided that no constitutional question was involved. It held simply that the union shop provision in the act denied unions, over an employee's objections, the power to use his exacted funds to support political causes which he opposes. The Court in justifying its conclusion stated that Congress was aware of the political activities of rail unions when it enacted the union shop provision in 1951 and that the result arrived at by the Court was just what Congress had in mind. The majority was very careful to stress that it was not outlawing the union shop nor curtailing the traditional political activities of rail unions.

The suggested remedy for the employees is a classic. Under the decision an aggrieved employee will have to go into court to recoup the proportionate share of dues used for political purposes or to prevent these dues from being used for political purposes. This is hardly a solution and obviously of little help to any employee. It ignores the fact that the average worker has an inherent distaste for becoming involved in any judicial proceedings, costly or otherwise, and a particular aversion to initiating such actions. In case this is not enough, consider the pressures that will be brought to bear on a worker by union bosses and others. How many employees can be expected to assert the rights that the Supreme Court says are theirs under these circumstances? I might add that the Court's remedy is not unlike the policy of the UAW and Walter Reuther. This policy calls for a refund to an objecting employee of that portion of his money used by the union for political purposes.

Justice Black, alone among the Justices, faced up to the constitutional issues and, in my opinion, his conclusion is sound. He would have held that the union shop provision in the act, in permitting the union shop contract to be applied to protesting employees, violated the free speech guarantee of the first amendment.

The decision of the Court points up the need for legislative measures designed to effectively protect the rights of union members in this important field. I have in the past proposed such legislation and I intend to study these proposals again in the light of this decision.

I ask unanimous consent to have printed in the RECORD two excellent editorials on the Court's decision. One is from the Los Angeles Times and is entitled "The Difficult Right of Dissent," the other, "Questionable Decision," is from the Oakland Tribune.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, June 21, 1961]

THE DIFFICULT RIGHT OF DISSENT

THE COURT'S DECISION

The U.S. Supreme Court decision on the political use of union dues has restored at least one of the rights of individual members in a compulsory labor organization. The decision, however, sets forth a principle without specifically dealing with the problem.

By a 5-to-4 vote the Court ruled that, although a worker may be compelled to join a union, his dues may not be used for union political activities with which he does not agree.

The decision does not mark an end to the massive political power of organized labor. But it may make that strength less monolithic by reaffirming the right of individual dissent. The question now is how that right can be effectively exercised.

Before the Court was a finding by the Georgia Supreme Court that a union shop is unconstitutional when it obliges a member to contribute support to causes or candidates he opposes. Such a worker, said the Georgia court, "is just as much deprived of his freedom of speech as if he were compelled to give his vocal support to doctrines he opposes."

The Federal Court this week upheld the constitutionality of the union shop, but it also upheld the constitutional right of rank-and-file members not to be coerced into political unanimity.

The Corrupt Practices Act and Taft-Hartley law now prohibit the contribution of union dues to candidates for Federal office. But the restriction does not apply to State and local offices, and organized labor has circumvented the intent of the Federal statutes by voluntary contributions and what it calls political education programs. Organizations such as the AFL–CIO Committee on Political Education would be directly affected by the High Court ruling—if it were ever implemented.

When it sanctioned the union shop in 1956 the Supreme Court made clear by unanimous decision that the ruling would be reexamined "if the exaction of dues, initiation fees or assessments is used as a cover for forcing ideological conformity or other action in contravention of the first and fifth amendments."

But if conformity can no longer be legally forced by a dues checkoff, are individual members any better protected than they were before the Court spoke?

The decision places the entire responsibility of corrective action upon the union member. He must first overcome the great pressure against dissent that union officials will bring to bear. Then he must initiate prolonged and costly court actions to regain his dues or to prevent their political use.

FEW CAN FIGHT IT

This is a battle that the late producer Cecil B. De Mille could afford to fight as he did against his ouster by the American Federation of Radio Artists. De Mille refused to contribute to a political campaign conducted by the union and was never again allowed to go on the air.

A dissenting factory worker is not likely to work against such odds, even though the Supreme Court has now declared itself on his side.

What is needed is legislation that will provide practical means of protection for union members. Only then will the Court's statement of individual rights cease to be a judicial technicality.

[From the Oakland Tribune]

QUESTIONABLE DECISION

Anyone believing the recent Supreme Court decision on compulsory union dues payments for political purposes is likely to curb union political activity is sadly mistaken.

The Court ruled that railroad workers will still have to pay their dues in their compulsory membership union, but the union should refund a portion of the dues that would go to politics if the member objects to the union's selection of the political beneficiary.

The decision was close—5–4. It was ambiguous and maybe purposely so. The High Court left open to the lower courts what type of political activity workers could object to contributing toward.

In fact, the majority opinion written by Mr. Justice William J. Brennan, Jr., stated in part that the majority of the union members also have an interest in deciding their union's political views without being silenced by the dissenters.

Such a statement gives a lower court pretty wide latitude in deciding how much a union has to return to a dissenter—indeed, if any at all.

Several of the Justices felt it would be difficult to divide up an objector's dues to cut out the portion that would be used for political purposes.

In view of this difficulty, the Court should have demanded that a formula be worked out instead of merely leaving the matter open to more—and undoubtedly extensive litigation.

REORGANIZATION PLAN NO. 4

The Senate resumed the consideration of Reorganization Plan No. 4 of 1961.

Mr. DIRKSEN. Madam President, what is the pending business?

The PRESIDING OFFICER. The pending business is Senate Resolution 147.

Mr. DIRKSEN. I ask that the resolution be read.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 147) opposing Reorganization Plan No. 4 of 1961, was read, as follows:

Resolved, That the Senate does not favor the Reorganization Plan Numbered 4 of 1961 transmitted to Congress by the President on May 9, 1961.

The PRESIDING OFFICER. Under the unanimous-consent agreement previously agreed to, the time on the pending business is now under the control of the Senator from Arkansas [Mr. McCLELLAN] and the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Madam President, I ask unanimous consent that, notwithstanding the order that has been entered, I be permitted to make a point of no quorum, and that the time required for the quorum call not be charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Madam President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. I yield 5 minutes to the Senator from Nebraska.

Mr. CURTIS. Madam President, I thank the distinguished minority leader. There was sent to Congress, Reorganization Plan No. 4 dealing with the Federal Trade Commission. One of the most astute lawyers in this body is my colleague, Senator HRUSKA of Nebraska. He is a distinguished member of the Committee on the Judiciary. He has made an exhaustive study of the Federal Trade Commission. He came to the conclusion that Reorganization Plan No. 4 was not in the public interest, that it was not in accord with our tradition, and that it would not result in better government. Therefore, my colleague from Nebraska on May 16, 1961, submitted a resolution which states:

Resolved, That the Senate does not favor Reorganization Plan No. 4 of 1961, transmitted to the Congress by the President on May 9, 1961.

Madam President, I ask unanimous consent that there be printed in the RECORD at this point a statement on this subject prepared by my distinguished colleague from Nebraska.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

Senate Resolution 147 calls for the disapproval of Reorganization Plan No. 4 pertaining to the Federal Trade Commission. There are, in my opinion, several reasons why this plan is objectionable, and I earnestly hope that it will be rejected.

In brief, Reorganization Plan No. 4 provides that the Federal Trade Commission shall be authorized to delegate any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board. Provision is made for appeal to the Commission of any action taken pursuant to this delegation, but such appeal is discretionary with the Commission, and a decision to grant an appeal requires the vote of a majority less one member of the Commission. The plan further provides that the authority to assign personnel to perform those functions which have been delegated shall be vested solely in the Chairman of the Commission.

In his message transmitting Reorganization Plan No. 4, President Kennedy stated:

"This plan will provide for greater efficiency in the dispatch of the business of the Federal Trade Commission.

"The plan provides greater flexibility in the handling of the business before the Commission, permitting its disposition at different levels so as better to promote its efficient dispatch."

These are most worthwhile objectives. We know that there is a serious problem of delay in our administrative agencies, and there is no dispute about the fact that a conscientious effort must be made to expedite the work of these agencies and increase their efficiency.

However, we must also recognize that expedition is not an end in itself. We must not, in the name of efficiency, sacrifice the quality of justice which these agencies are called upon to administer.

The Federal Trade Commission has far-reaching power over vital property rights of thousands of our citizens. Each litigant that appears before that body is entitled to his day in court. He has a right to expect a fair hearing before qualified and duly constituted officials.

Therefore, the question before us is not limited to whether or not the work of the Federal Trade Commission will be speeded up under plan No. 4. We must also satisfy ourselves that there will be no impairment of substantive rights and that the bipartisan character and basic mission of the FTC as it was originally intended by Congress will not be perverted.

The reorganization of the Federal Trade Commission was previously considered by the Senate when Reorganization Plan No. 8 was transmitted to the Congress in 1950. Hearings were held at that time, and plan No. 8 was accepted and permitted to become law.

I mentioned plan No. 8 because it has been boldly stated that plan No. 4 is just an extension of plan No. 8 and for that reason there should not be too much concern about the new powers that plan No. 4 confers on the Chairman. Upon comparison, however, it is quite apparent that there is a substantial and vital difference in the scope of these two plans.

In plan No. 8 of 1950 executive and administrative functions only were transferred from the Commission to the Chairman, and the plan spelled out certain specified powers which were reserved in the Commission. The Senate Committee on Expenditures in the executive departments which studied plan No. 8 made it clear that only executive and administrative functions were being delegated to the Chairman under the plan and that there was no transfer of substantive functions. At page 3 of Senate Report No. 1562, 81st Congress, second session (1950) the committee stated:

"It should be noted with all the emphasis that can be brought to bear that this reorganization plan in no way altera, modifies, or diminishes Federal Trade Commission which are vested by statute in the Chairman and the Commissioners or the Commission as a whole.

Contrast this with the broad delegation of powers in plan No. 4 which provides that any—and I emphasize the word "any"—function, including substantive quasi-judicial functions, may be delegated to "* * * a division of the Commission, an individual commissioner, a hearing examiner, or an employee or employee board." There can be no doubt about the fact that plan No. 4 does represent a broad departure from existing law.

It is difficult to anticipate all of its implications and the changes which may result from plan No. 4 because of its broad sweeping terms. Also, there are certain doubts which arise because some of its provisions appear to conflict with the law as it now exists under the organic act establishing the Federal Trade Commission and the Administrative Procedure Act and Reorganization Plan No. 8. There are, however, certain areas where questions immediately arise and cause some of us serious concern.

For example, under plan No. 4, the authority to issue complaints could be delegated to any employee. Even under the present procedure where the Commission issues the complaint and then later passes judgment on that complaint so that it is, in a sense, acting as both prosecutor and judge, there is a departure from our traditional system of jurisprudence. How much more of a departure there is going to be when this power can be delegated away to any "* * * examiner, or an employee or employee board." At least, under the present arrangement to which we have become accustomed, we have the assurance that the Commissioners who play this delicate dual role are responsible individuals appointed by the President and confirmed by the Senate. To that extent they are responsible to the President, the Congress, and the public, and are subject to some discipline and restraint. This would not be true in the case of civil service employees who are one step removed, who would be responsible only to the Chairman, and who would be nameless as far as the litigants and the public are concerned.

At the hearings which were held on Senate Resolution 147, Mr. Paul Rand Dixon, the present Chairman of the Federal Trade Commission, testified that he would not be in favor of having the Commission delegate the power to issue complaints to employers. This is heartening because I have much respect for Mr. Dixon and know him to be a man of great capability. Needless to say, however, after Mr. Dixon leaves, the Chairman who succeeds him might very well think otherwise and decide this power should be delegated. The point is, why should Congress grant the Commission an authority to delegate which is so broad that it includes areas where delegation is not deemed advisable and the authority is not needed?

Another area of concern is the procedure for appointing bureau heads. Reorganization Plan No. 8 specifically provided that the Chairman's appointment of heads of major administrative units would be subject to the approval of the Commission. The people holding these positions are major policy-making officials. It is important that the full Commission have an opportunity to inquire into their background and qualifications, as well as their predilections and philosophical bent. However, under section 1 of plan No. 4 this approval process could be eliminated by rule so that it would no longer be necessary for the Commission to pass upon these appointments.

If the authority to adjudicate the substantive rights of the litigant are to be delegated as proposed in plan No. 4, special precaution must be taken to insure that the litigant is given an effective right of appeal. However, the provisions for appeal which are contained in plan No. 4 are inadequate and do not fully protect the litigant's rights.

The appeal provided under plan No. 4 has been likened to a certiorari proceeding. Appeal is not granted as a matter of right but rather it remains within the discretion of the Commission. Unless a majority of the Commission less one member vote in favor of granting a review, the action taken on any matter which has been delegated will become final.

If the litigant is going to be deprived of a mandatory right of appeal, those persons who have been delegated the authority to pass judgment on his rights should be appointed for a term of years and should be subject to Senate confirmation. Otherwise, these employees may find it difficult to maintain their independence and could be subject to domination by the Chairman. Through the control which the Chairman has over the employees of the Commission, especially in the assignment of cases, it is quite conceivable that there could be a tendency for some examiners and other employees to decide cases in conformity with the individual views and philosophy of the Chairman. This, in turn, could develop into a direct line of command from the White House to the individual examiner via the Chairman. The end result would be the destruction of the bipartisan nature of this agency as it was intended by Congress.

Those who support plan No. 4 will argue that one less than a majority (in other words usually two Commissioners) may call a case up for review and that this provision preserves the bipartisan character of the Commission. However, this provision is not a sufficient protection. For example, if three members of the Commission embrace the political faith of the majority party and one member is an independent, the member of the minority party would have no control over the types of cases which are accepted for review. There would be no effective check of the majority party. With no check, there would be no balance.

It should also be mentioned that the general freedom of action and independence of the individual Commissioners would be limited to the extent that the assignment of their work would be controlled by the Chairman.

Under the present law, the decision of a hearing examiner is appealable to the Commission as a matter of right. If, as proposed in plan No. 4, there are to be further delegations of authority to employees including those who are less qualified than hearing examiners, there would be even more compelling reasons for providing a mandatory right of review rather than restricting review to those cases where the Commission grants certiorari.

Because of its quasi-judicial nature, much of the policy of the Commission will evolve from a line of decisions which are rendered in a particular type of case. Therefore, unless the Commission itself is placed on record in those cases which come before that agency, it is bound to become more difficult to ascertain the Commission's policies. It is sufficient to quote the President in his message to the Congress April 13, 1961, on regulatory agencies to illustrate this point:

"The practice of rendering anonymous decisions, which has hitherto generally prevailed, has served as a means of escaping precision and responsibility. When the actual source of the opinion is unknown save only that it is issued in the name of the agency, it not only impairs its value as a precedent, but also makes for that very dissipation of responsibility that we are trying to reduce in our administrative action.

"Fortunately, from the beginning of American law, our judges assumed an individual responsibility for uttering the bases which underlay their decisions. This practice has made not only for conscientiousness in undergoing the travail of decision, but has invited examination of each proffered brick that would seek a place in the structure of our law. The adoption of this practice by the regulatory agencies would, in my opinion, tend to develop the law that they administer, as well as be a continual challenge to each agency member to make his contribution to the advancement of administrative justice. I am requesting a wider adoption of this practice."

The problem of delay and congestion is not peculiar to the Federal Trade Commission or the administrative agencies. Many of our courts, particularly those in the larger metropolitan areas, are plagued with the same problem and probably to a greater degree. For several years now this has been of great concern to the bar, the judiciary, and the public. Books have been written on the subject, and literally hundreds of articles and speeches have addressed themselves to the problem. A great number and variety of new techniques and procedures have been employed with some being adopted and others being abandoned. At the present time, the Judiciary Subcommittee on Improvements in Judiciary Machinery is grappling with the problem as it relates to the Federal courts.

If I may call upon my experience as a member of that subcommittee, let me say that I have not seen any proposals for expediting the work of the courts which would, in the slightest degree, chip away at the quality of justice to be administered, nor have I seen any suggestions that such a compromise might be justifiable. The preservation of the rights of the litigants has always been the primary concern.

There has been a limited use of procedures calling for the delegation of judicial functions to inferior officers such as commissioners, referees, masters, and auditors, in order to lighten the work load of the judge. I know of no procedures, however, which would permit final decisions to be entered by anybody other than a duly constituted statutory tribunal without giving the litigant a mandatory right of review by the court having supervisory jurisdiction.

There are undoubtedly several functions now being performed by the Commissioners which should be delegated. And certainly in the interest of efficiency and economy there should be a delegation of those functions which can be transferred without jeopardizing the rights of litigants or changing the nature of the agency.

But, if this is to be accomplished by a reorganization plan, the plan should spell out the specific areas in which it is intended that delegations will be made. Otherwise, Congress has no way of evaluating the consequences of its action in endorsing the plan.

Reorganization Plan No. 4 does not do this. It contains broad general provisions and, in many respects, is vague. As I stated earlier, Congress is being asked to grant the Commission authority to delegate in certain areas where it apparently is not needed or even wanted at the present time.

The present Chairman of the Commission has stated that it has not yet been determined exactly what internal changes might be necessary to improve the efficiency of the Federal Trade Commission but that he believes Plan No. 4 should be adopted to clear up any doubts as to the Commission's authority in this regard.

It appears that Congress is being asked to sign over a blank authority which, in my opinion, would be an abdication of its legislative function. In effect Reorganization Plan No. 4 would be a further extension of the Reorganization Act of 1949 as it applies to a specific agency. Under that act Congress at least retained a veto power. Now it is being asked to relinquish the veto by approving a broad plan which would enable the Commission to carry out such reorganizations as it sees fit in the future without first giving Congress an opportunity to disapprove them.

We should have the assurance that the power to issue complaints will not be delegated; that the appointment of department heads will be subject to the approval of the Commission; that basic rights of litigants will not be sacrificed and that the Commission remains a bipartisan body with five Commissioners rather than one. If efficiency requires that certain functions be delegated let them be specified. Let such proposals be subjected to the full legislation process, so they can be carefully evaluated.

Mr. CURTIS. Madam President, in the Federal Trade Commission there are some distinguished and dedicated employees and examiners. There are distinguished members of that Commission, and a distinguished Chairman. They are dedicated, patriotic, intelligent individuals. However, the question before the Senate today is, Shall we make a delegation of power, not to these individuals I have mentioned, but shall we make a delegation of power within the framework of the Federal Trade Commission, which power will be vested not only today but also tomorrow and for time to come, when we know not who will occupy those positions?

In granting authority to a public official we should never grant authority because a good man happens to hold the position in question. We should delegate authority, keeping in mind that sometime an unwise man or an individual with not the ultimate in judicial temperament will hold that office.

The Federal Trade Commission is an agency set up by Congress. It makes rules, investigates, holds hearings, sits as a trial court, and renders judgment. It does all this without coming to Congress. Its rules have the effect of law. Its regulations have the effect of law. Its decisions could mean life or death for a business.

Anyone who believes in liberal government—and I do—must adhere to the position that such power, if it is to be delegated by the Congress, should be delegated to the whole Commission. After all, we give the Commission the power to investigate, to prosecute, to try, and to render judgment. The reorganization plan before the Senate would take power away from the Commission and center it in the Chairman.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Madam President, I yield 1 additional minute to the Senator from Nebraska.

Mr. CURTIS. The plan would give broad powers of delegation. That is wrong. The business before the agencies should be expedited, but this is not the answer. Concentration of power has never expedited proceedings in any sphere. The Federal Trade Commission and all other Commissions should come before Congress, if they cannot speed up their schedules and clear up their docket, and ask for specific legislation that they need. Congress should provide them with the manpower, so that all citizens of the United States can have their cases heard expeditiously. We should never, under the guise of speeding up or making efficient, concentrate power that was intended for an entire Commission.

Again I say, it is power to legislate, it is power to investigate, power to try, to prosecute, to decide, and power to enter a verdict which can sound the death knell to business.

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. DIRKSEN. Madam President, I yield 10 minutes to the distinguished Senator from South Dakota.

Mr. MUNDT. Madam President, first I wish to associate myself emphatically with the line of reasoning which has just been enunciated by the distinguished Senator from Nebraska [Mr. CURTIS]. He has placed before the Senate—more appropriately, I should say, he has stated in our nearly empty Senate Chamber—some very potent arguments, it seems to me, for the disapproval of Reorganization Plan No. 4. It seems to me that if there is a need and a desire to expedite the business of the Commission by changing its rules and regulations, the final paragraph issued by the Committee on Government Operations in its report recommending the disapproval of the reorganization plan spells out the proper procedure. I quote that paragraph:

> Finally, in the judgment of the committee, if action is required to streamline the Federal Trade Commission or to relieve its members of present burdens by authorizing extensive delegations and limiting administrative appeals, this should be done selectively by amending the organic statute of the Commission, and by the committees which normally process legislation pertaining to the Commission and which are familiar with their policies and activities, rather than by the device of a reorganization plan.

Certainly, I think one could say that procedure should be followed, rather than using this type of reorganization plan. Actually, this proposal is not a reorganization plan at all. It should more appropriately be designated as a "reorganization permit," because we are asked to issue a reorganization "permit" without guidelines, without limitations, whereby the Chairman of the Commission may introduce any kind of reorganization procedures which he desires.

A plan is one thing, because one can find in a plan those elements of which he approves or disapproves. At least with a plan before us we know what we are legislating about. But when in the form of a reorganization plan a carte blanche permit is issued to the Chairman of the Commission to do whatever he wishes to do under the guise of expediting legislation, I feel certain that that is entirely out of context with the intent of Congress when it approved the legislation permitting reorganization plans to be sent to Congress.

I recognize, of course, that it is a futile forensic exercise to address a host of empty seats on this sleepy, preholiday afternoon, talking about a reorganization plan or a bill, because if one could, by some rare stroke of luck, influence the votes of all who are here and multiply them by 2, he would still lose the vote by 3 to 1. Nevertheless, I still think that, to keep the record straight, a few things should be said, because I feel certain that the approval of this plan would come back to plague us time after time in the ensuing months and ensuing years.

Madam President, I shall explain why I refer to this proposal as an "organizational permit" instead of a reorganization plan. Under the proposals contained in this suggested delegation of authority as sent to Congress by the White House, and as prescribed, I presume, by Dr. Landis, there are virtually no limitations as to what can be done by the Chairman of the Commission in delegating the authority of the Commission and delegating the authority away from the various members of the Commission.

I may say, by way of interpolation, that when Congress created the Federal Trade Commission, it must have had some reason for making it bipartisan in nature. I think that was wise; I think it was good; because we are dealing with a Commission which has the power of life and death over American businesses, great and small. The Commission can, by unwise regulations, by impetuous regulations, by controversial regulations, virtually put out of business small concerns which cannot support the luxury of high-priced legal counsel to carry a controversy through the courts, and ultimately to the Supreme Court of the United States. However, this proposal would virtually destroy the significance of formulating this Commission so as to include bipartisan representation.

If the Federal Trade Commission takes some action against General Electric, Westinghouse, General Motors, or Du Pont, that action, of course, provides a challenge for their attorneys, and they have plenty of means and opportunity to have the case adjudicated by the high courts. But when the Commission takes some action which deals with a small business, which cannot afford to maintain a retinue of attorneys, which cannot afford to employ special counsel for important cases, it is hereby proposed to delegate, not only to the Chairman of the Commission, but also to the rules and regulations made by some employee, an appointee of an appointee of an appointee of the President, lethal powers over the free enterprise system.

In the committee report will be found the words of Commissioner Anderson, who, by the way, is a former Governor of South Dakota, and who is recognized as having made a great record as a Federal Trade Commissioner; a man whose judgment is sound, and whose experience is vast. He said:

> One of the dangers of a great delegation of power is that the authority making such delegation may eventually become too far removed from actual knowledge of operations as carried out by those to whom the power has been delegated. In big government this type of delegation could be most detrimental and inimical to the purposes for which an agency is created.

Commissioner Anderson continued later in his testimony with this statement:

> I am of the further opinion that Reorganization Plan No. 4 of 1961 vests too much power in the Chairman. The imposition of the plan would reduce the status of individual Commissioners. I am sure that it is not the intention of the Executive to create a one-man agency out of our multimember agency. This will, however, be the inevitable result if the individual Commission members are further reduced in status and the powers of Chairman increased. I feel that the members of a regulatory body who serve in quasi-judicial, quasi-legislative, and administrative capacities should not be reduced to staff status.

Madam President, I share that conviction, because the Federal Trade Commission is charged by law with the exercise of important powers over American business and industry, and its functions and responsibilities have been specifically vested and defined in the Commission by Congress.

What will happen if this reorganization permit is granted? What will be the result? The committee report does a little prognosticating in that direction. It states:

> If plan No. 4 of 1961 is permitted to go into effect, the Commission will have the power to (1) authorize the delegation of any and all of its functions to subordinates.

That is where I say we are delegating the capacity to make rulings which can be ruinous or beneficial to any industry, big or small, to an appointee of an appointee of an appointee of an appointee of an appointee, because it is possible to go down, down, and down, as far as there are subordinate echelons into which the authority which Congress originally reposed in the hands of a Federal Trade Commission, bipartisan in nature, can be drained.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. DIRKSEN. Madam President, I yield 5 additional minutes to the Senator from South Dakota.

Mr. MUNDT. Madam President, a second thing which will occur if this plan eventuates will be:

> (2) Afford review only at its discretion, unless two members of the Commission agree to a review.

In other words, the likelihood or the possibility of review is reduced. We will have narrowed the path which businesses can travel to be certain they will have an opportunity to have the type of review Congress intended them to have when the original act was passed.

Third, the proposed reorganization act will cause the decision of a subordinate to become final by denying automatic review. In other words, this proposal could result in death by anonymous attack, so far as concerns a business against which repressive action had been taken by some subordinate, if review were denied.

In addition, the Chairman of the Commission would be vested with the authority to choose the individuals who would exercise the delegated power.

Madam President, I am not in sympathy with the current trends in government which tend increasingly to place more and more authority in the hands of fewer and fewer individuals. I am not in sympathy with the general, overall tendency in 1961 to delegate and increase the powers, authorities, and prerogatives of the Executive—not that I distrust the Executive—but if Congress is to continue to justify its exist-

ence, Congress must exercise and retain its legislative prerogatives and functions. We find on every side the attack to cut down and cut back the authority of Congress, and to build up and expand the authority of the Executive.

The other day, a committee of prominent Americans suggested that perhaps the tax-writing authority should be turned over to the Executive, and that perhaps Congress should confine itself to fixing the amount to be raised by taxes, but that the Executive should determine how and largely by whom the taxes should be paid. Increasingly it is being suggested that the Congress give the Executive the power to engage in back-door spending procedures. In that connection, of course, no one is able to determine how much the actual taxpayers' Federal obligation or Federal debt would be.

We have had before us, at least for consideration by the Agriculture Committees of the House and of the Senate, a farm program proposal to turn over to the Secretary of Agriculture the right to write our agricultural legislation, and to deny—and, Madam President, I ask that Senators note the executive presumption implicit in the use of that word "deny"—the Congress and the people the right to say anything except one or the other of the two monosyllabic words "yes" or "no," but eliminating the right to amend.

I am happy to record that this week our Senate Committee on Agriculture and Forestry rejected this arrogant suggestion and today the ticker tape in our cloakroom reports our companion committee in the House rejected it even more emphatically.

I think there should be grave country-wide concern regarding the attempts to cut down Congress to the importance of a ceremonial group, and to build up the executive until it would virtually run the entire country and its people.

I submit, Madam President, that Reorganization Plan No. 4 is in keeping with the current concept of turning over to an individual all power over the people—in this instance, not only to turn it over to the President—in which case the people at least would know who was responsible—or to the Chairman of the Commission, but to turn it over to any subordinate employee of the Commission whom the Chairman might select, and to allow that employee to issue a decree or to hold a hearing, and thus to decide whether some small business in the United States would survive or would die.

Madam President, even though there are now less than a dozen Members of the Senate on the floor, to consider this matter, I, for one, want the record to be clear. I think this is an unfortunate day in American history, if by means of the forthcoming yea-and-nay vote we move further in the direction of decapitating Congress and glorifying the Executive so that by fiat or decree it can make rulings, to the ruination of America and its people. I hope Reorganization Plan No. 4 is rejected by the Senate.

Mr. DIRKSEN. Madam President, I yield 10 minutes to the Senator from New York [Mr. JAVITS].

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The PRESIDING OFFICER. The Senator from New York is recognized for 10 minutes.

Mr. JAVITS. Madam President, it is regrettable that there are not more Senators present in the Chamber at this time to deliberate upon this rather important subject. But I am sure other Members have work to do which they consider of greater importance than the subject we are now considering.

In respect to these reorganization plans, we shall be writing rather interesting legislative history, because although it may be that this plan will be rejected, as was the Securities and Exchange Commission plan, we shall at least be finding the area in which something which needs to be done can be done without running afoul of the dangers which I think are presented by the plan which now is before us.

I participated rather actively in the debate on Reorganization Plan No. 2, which related to the Securities and Exchange Commission; and it is my understanding that the Senate rejected that plan because it was proposed that the Commission be given authority to delegate powers which the Congress did not wish it to delegate. This is a very important point, and I believe it is the fulcrum upon which our decisions in regard to all of these plans should turn.

We are told that we must assume that a delegation of power will be exercised providently and that appointees whose nominations the Senate has confirmed will not delegate power capriciously or recklessly.

So the question is whether we wish to give the Commission authority to delegate certain types of authority. I believe we do not; and I believe that is why the Securities and Exchange Commission plan was rejected.

The types of authority which the Congress does not wish to give a commission the power to delegate are essentially the following:

First, the rulemaking power. I believe one of the fundamental arguments in connection with the Securities and Exchange Commission plan debate was that the rulemaking power represents the residual control which the Commission has over everything under its wings, so to speak, and that even though it might be vexatious to the Commission to deal with some of the rules—for instance, some of the agencies have rules in regard to the size of the paper on which memoranda shall be submitted—such disadvantages simply do not begin to rate with the advantage to be had by requiring the Commission to retain its rulemaking power, in view of the fact that all the work of the Commission proceeds under that power, and that, therefore, if the Commission retains that power, it retains the core of control over its work.

Hence, Madam President, it is my conviction that plan No. 4 is fatally defective, if for no other reason than the fact that it would give the Commission the right to delegate the rulemaking power, which the Congress does not believe should be delegated.

The second point is in connection with the so-called review procedure. The only way by which the Commission's review of a complicated matter may be obtained as a matter of right——

Mr. KEFAUVER. Madam President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. KEFAUVER. I always have great respect for the opinions of the Senator from New York. But aside from the procedural—as we might say—rulemaking power, where is there in this plan any provision for delegation of the rulemaking power?

Mr. JAVITS. The general and sweeping authority given by this reorganization plan to delegate practically any matter includes delegation of the rulemaking power, in my view, and, indeed, as I understand——

Mr. KEFAUVER. What rulemaking power could be delegated under this plan?

Mr. JAVITS. The Commission could delegate its power to make and to change the rules. That is what I am complaining about in this respect. The Commission could delegate to subordinates its power to issue rules, subject to the review rights, and so forth, of the Commission, of course. That is what I am discussing now.

Mr. KEFAUVER. But I cannot find in the plan any provision of power to delegate the rulemaking power.

Mr. JAVITS. If the Senator from Tennessee will follow me——

Mr. KEFAUVER. The Commission administers certain laws, particularly the Federal Trade Commission Act and the Robinson-Patman Act. Their purpose is not the rulemaking power, in the first place.

Mr. JAVITS. I understand. But, nonetheless, the Commission operates under a set of rules; and if the Commission obtains the general power of delegation, the Commission certainly could proceed with a specific delegation of that power.

Mr. KEFAUVER. I suppose the Senator from New York is talking about the power to issue subpenas.

Mr. JAVITS. And the power to issue complaints.

Mr. KEFAUVER. And the power to grant delays in regard to the time to file briefs, and so forth. But surely that is not the sort of thing the Senator from New York would wish to have the entire Commission act on.

Mr. JAVITS. What about delegation of the power to issue complaints? In many cases the mere issuance of a complaint—as the committee states in its report—can mean the life or the death of the firm concerned.

Mr. KEFAUVER. But in their testimony the Commissioners have stated that they would never delegate that power.

Mr. JAVITS. That is precisely the point I wish to make, and I am glad the Senator made it before I did. The point in all these reorganization plans—and this plan is not untypical of the other plans—is that the Commission says, in its testimony before the committee, it will not use the authority

which it asks the power to delegate. That is why I said, when I began, I think the cardinal question for the Congress to answer is, Do we want to give the Commissions authority to delegate power we do not want them to delegate under any circumstances, even though they may say they now have no present intention of using that authority?

Indeed, I think the fatal defect in all these plans is the extent to which the Commissions request authority beyond what they actually need, in order to give themselves what is called, in the committee report, "flexibility." But it is flexibility which, in my view, Congress should not give, because, in my view, Congress never intended that this kind of fundamental power should be exercised by anyone other than the Commission.

I think the Senator has put his finger exactly on the point.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DIRKSEN. In response to the question raised by the Senator from Tennessee, if the Senator will examine the rules of practice and procedure of the Federal Trade Commission, part II, the rulemaking procedures, there will be found rules relating to wool, fur, flammable materials, and a great many other products, and also quantity limit rules under the Clayton Act. Then it is stated that these rules have the force and effect of law, in answer to the question as to whether or not there is a rulemaking power that the Commission can delegate to be exercised by some subordinate.

Mr. KEFAUVER. Under the Wool Labeling and Clayton Acts, the Federal Power Commission has set up rules and regulations. There would be no occasion for delegating them.

Mr. DIRKSEN. But it is a question of power.

Mr. JAVITS. If the power was delegated, all the rules made could be withdrawn by a new rule, or completely revised.

If I may point out what I consider to be a very important factor in respect to this plan. I have received, and I think other Senators also have received, a copy of a letter addressed to the Chairman of the Committee on Government Operations [Mr. McCLELLAN], dated June 28, 1961, from the Association of the Bar of the City of New York, a very distinguished lawyers' organization, our principal bar association, and from the committee on administrative law of that association, in which the committee recommends disapproval of Reorganization Plan No. 4.

The key to the committee's views is contained in these words. Speaking of the Commission, the letter states:

> They have pointed to only a few specific instances where additional authority may be needed to promote efficiency and reduce delay, but urge that the unrestricted authority provided by the plan will afford a useful flexibility in the future.
>
> While this committee assumes that the authority inherent in the proposed plan would not be used unwisely, as, for example, by delegation of the authority to issue complaints, we see no necessity of reposing such broad undefined and virtually unlimited powers in the Commission or in its Chairman without any better justification than the suggestion that they provide "flexibility" which may later be useful in some situation not presently foreseen.

I ask unanimous consent that the letter, addressed to the chairman of the Committee on Government Operations, and the letter of transmittal addressed to me, may be printed in the RECORD as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE ASSOCIATION OF THE BAR
OF THE CITY OF NEW YORK,
New York, N.Y., June 28,1961.

Senator JACOB K. JAVITS,
Government Operations Committee,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR JAVITS: Enclosed, for your information, is a copy of a letter addressed to Senator JOHN L. MCCLELLAN in connection with Reorganization Plan No. 4 of 1961.

Very truly yours,
JUSTIN N. FELDMAN,
Chairman, Committee on Administrative Law.

THE ASSOCIATION OF THE BAR
OF THE CITY OF NEW YORK,
New York, N.Y., June 28, 1961.

Senator JOHN L. MCCLELLAN,
Chairman, Government Operations Committee, New Senate Office Building, Washington, D.C.

DEAR SENATOR MCCLELLAN: The committee on administrative law of the Association of the Bar of the City of New York respectfully submits its recommendations in support of Senate Resolution 147, disapproving Reorganization Plan No. 4 of 1961 with respect to the Federal Trade Commission. After studying the plan and the record of the hearings concerning it held by your committee and two other congressional committees, we conclude that the proposal (1) is broader than necessary to achieve its proponents' stated purposes of reducing delay and inefficiency, and (2) is so unlimited that it permits delegation of Commission functions which we believe should remain the responsibility of the Commission itself.

This committee endorses the Commission's present effort to reduce delay and promote efficiency, and to minimize the demands of routine ministerial duties upon the time of the five Commissioners. We note, however, that the Commission expects these objectives to be achieved in large part by means of certain internal, organizational, and procedural reforms designed particularly to eliminate divided responsibility for different phases of the same proceeding and to permit hearing examiners to handle contested actions more expeditiously. Proponents of the plan are generally agreed that these internal changes, together with the substantial increase in the Commission's budget already approved by Congress, will accomplish most of the objectives of the plan. They have pointed to only a few specific instances where additional authority may be needed to promote efficiency and reduce delay, but urge that the unrestricted authority provided by the plan will afford a useful flexibility in the future.

While this committee assumes that the authority inherent in the proposed plan would not be used unwisely, as, for example, by delegation of the authority to issue complaints, we see no necessity of reposing such broad, undefined, and virtually unlimited powers in the Commission or in its Chairman without any better justification than the suggestion that they provide "flexibility" which may later be useful in some situation not presently foreseen. The more orderly approach would be to provide by legislation for delegation in the few specific situations in which a need can be shown to exist.

Respectfully submitted.
JUSTIN N. FELDMAN,
Chairman, Committee on Administrative Law.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield the Senator 2 additional minutes.

May I ask the Senator who signed the letter?

Mr. JAVITS. Justin N. Feldman, chairman, committee on administrative law.

Mr. DIRKSEN. It seems to me, if my memory serves me correctly, at one time he was associated with a very distinguished lawyer who is now the President's adviser on the matter of regulatory agencies.

Mr. JAVITS. That is true, but, if the Senator will allow me, I do not think that fact ought to be held against either of them. I think they are both lawyers in their own right. Mr. Feldman was serving, in a sense, in a representative capacity as chairman of the bar association committee. I believe, whether it was Dean Landis or Justin Feldman, even if the former was an active partner—and I believe he is on leave—either of them would be the kind of lawyer who would make his judgment as a member of the committee, without reference to what his partner thought.

Mr. DIRKSEN. The Senator has no doubt that he was expressing his own convictions?

Mr. JAVITS. He signed the letter. He is chairman of the committee. I see no reason to reach any other conclusion.

I think a majority of this body showed, on the previous reorganization plan involving the Securities and Exchange Commission, that we did not want to give a Commission the authority to delegate its power, even for prudent use of it, because our intention was that the power granted to it should be exercised only by that Commission.

I feel that factor inheres in this reorganization plan as well. I think it is a fatal defect. I feel the plan should be rejected for that reason alone.

The needs of the Commission can be tailored in complete consonance with the intention of the Congress in setting up the agency. The Senator from New Jersey [Mr. WILLIAMS] and I have offered a bill with respect to the SEC which will do everything that needs to be done without running afoul of these fundamental principles which I have stressed.

So I hope the majority of the Senate will, as it did with respect to Reorganization Plan No. 1, sustain the resolution of rejection.

I yield back the remainder of my time.

Mr. McCLELLAN. Madam President, I yield 5 minutes to the distinguished Senator from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Madam President, I have some familiarity with the operations of the Federal Trade Commission, by virtue of the fact that for a number

of years in the House of Representatives, and for a number of years in the Senate, I have been a member or chairman of the committee having to do with antitrust and monopoly matters, which has dealt directly with the affairs of the Federal Trade Commission Act. Also, as Senators know, the present Chairman of the Federal Trade Commission was, for a number of years, the staff director and chief counsel of the Senate Antitrust and Monopoly Subcommittee.

So, both through legislative experience and through close association with Commissioners, lawyers, and officials in the Federal Trade Commission, I know something about its operations.

The Federal Trade Commission occupies a very important place in our economy. I think it is the greatest protector we have in our Government against predatory pricing, unfair trade practices, and other types of activities which destroy or unfairly deal with small business.

Time is of the essence in trying to protect small business from monopoly or unfair trade practices. If a large corporation determined to put a small company or business out of operation, and cut prices deeply, in violation of the Federal Trade Commission Act, or of some other law that the Commission has jurisdiction to administer, it might be a matter of only a few weeks or months that the small business could survive.

So if the Federal Trade Commission is going to be effective in enforcing the Clayton Act and the Federal Trade Commission Act and the other acts under its jurisdiction, it must have the authority and the means to expedite its business.

I have been impressed over a period of years with the slowness of the operations of the Federal Trade Commission. Mr. Dixon, in testifying before the Senate Committee on Commerce, cited many examples in which there was a lag of 7, 8, 9, or 10 years between the issuance of a complaint and final action. In the meantime the small business, unfairly competed against and unfairly dealt with, would fall by the wayside.

He and the other members of the Commission have a determination to do what ought to be done to expedite the business of the Commission and to stop the timelag between the issuance of a complaint and the handing down of a final order. They have put into operation some reforms on their own, which should be of great help.

In order to protect small business and to enforce the law as the Congress required when it established the Federal Trade Commission as an arm of the Congress, this power of delegation is needed, as well as a means of expediting and doing what must be done.

I have seen many examples of complaints which have been taken before the Federal Trade Commission by small business. Before the Commission has been able to do anything to protect or to help the small business being faced with illegal activities, the small businessman has had to go out of business, has had to fold up his tent and silently steal away in the night.

The Commission has not been functioning as it should. If there is any agency in the Federal Government which needs to shorten its procedures, which needs to give the public quicker action, it is this agency.

As I stated before, very often time is of the essence. A small filling station, for instance, may face a price reduction of a drastic nature by a filling station or service station across the street.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. McCLELLAN. Madam President, I yield the Senator 2 more minutes.

Mr. KEFAUVER. The station being discriminated against will have to go out of business very quickly.

Madam President, the Federal Trade Commission differs from other agencies as to which reorganization plans have been forwarded, in that it is not a regulatory agency. With some few exceptions it is a law enforcement agency, and there are specific laws which it must administer and enforce, such as the Clayton Act, the Federal Trade Commission Act, and, of course the Wool Labeling Act. With the exception of some parts of the Wool Labeling Act, I do not believe there is any rulemaking procedure as to which the Commission would be changing the rules, such as the Senator from New York [Mr. JAVITS] talked about.

Even after the Federal Trade Commission issues a cease and desist order it must go to court to secure enforcement of its order. It has no power, under the Federal Trade Commission Act, to enforce its own order.

One part of the reason for the time lag has been a lack of personnel.

The PRESIDING OFFICER. The time of the Senator from Tennessee has again expired.

Mr. KEFAUVER. Madam President, will the Senator yield me 2 more minutes?

Mr. McCLELLAN. Madam President, I yield the Senator 3 more minutes.

Mr. KEFAUVER. I thank the chairman of the committee.

The main reason for the time lag, I think, and for the ineffectiveness of the Federal Trade Commission in protecting the small businessman and in enforcing the laws it is charged with enforcing, results from the onerous details placed upon the Commission as a whole. A hearing examiner may be in the middle of a hearing, but if a subpena is to be issued the request must go to the full Commission, merely to get the subpena issued. It may be a pretrial subpena or an investigative subpena. Even the issuing of an order requiring a corporation to file an annual report or a special report makes necessary a meeting of the full Commission, to have a vote. No committee of the Congress could operate on that basis, with the requirement of a quorum and a full committee meeting in order to issue a subpena for a witness, or something such as that.

In respect to issuing orders for the taking of testimony by depositions, in cases when the witness is sick or unavailable, neither the Chairman of the Commission nor any member of the Commission can issue an order, but it must be acted upon by the Commission as a whole.

If there is a need for granting or for denying a request for an extension of time to respond to a subpena, that is not anything which can be delegated. The Commission must be called into session to say whether there should be an extension of time.

Many other matters of incidental and inconsequential importance, when left for action of the whole Commission, greatly slow down the hearings and the handling of cases. A trial examiner may be in the midst of a hearing in Chicago. If he would like to have another subpena issued or would like to grant an extension of time, or something of that kind relating only to the method of carrying on the hearing, one Commissioner cannot grant the request, but there must be action by the whole Commission.

Manifestly, although any one of these things may not take much time, when they are considered all together they take much of the time of the Commission. That is why the Commission is behind in hearings, and is one of the main reasons for the big slowdown of the work of the Federal Trade Commission.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. JAVITS. I do not think any Senator—certainly not I— would deny or attempt to refute the fact that the Commission needs some way of expediting its work, including the delegation of many tasks which should not be done by the full Commission. The basis of opposition to the plan is the fact that it goes far beyond what is actually needed in order to expedite the work, in such a way as to jeopardize what people like myself consider to be the considered power Congress gave to the Commission, which it is now proposed they give themselves the right to delegate. The Senator and I differ on that issue. I am sure we do not differ on the point that, either by reorganization or by specific statute, we can and we should expedite the work of the FTC.

Mr. KEFAUVER. This Commission is an arm of the Congress. We should have some confidence in the integrity and the ability of the members of the Commission, the nominations of whom we confirm in the Senate. If at any time we find the Commissioners are abusing their power, Congress has a perfect right to limit them.

In considering whether we ought to expedite the work by allowing a substantial delegation of power, I think we ought to consider it from the overall point of view. From the overall point of view, the work of the Commission is stymied by the minutia the Commission must deal with. If it is desired to file a brief of more than a certain number of pages, as set forth in the rules of practice of the Commission, it is necessary to come before the whole Commission to get authority to file a brief of even 10 more pages.

The PRESIDING OFFICER. The time of the Senator from Tennessee has again expired.

Mr. McCLELLAN. Madam President, I yield the Senator 1 more minute.

Mr. KEFAUVER. There are many situations in which we are not giving the Commission as much authority as we give to the Senate committees to run their own affairs.

I think the reorganization plan should be approved.

AMENDMENT OF PUBLIC LAW 85–626, RELATING TO DUAL RATE CONTRACT AGREEMENTS

Mr. MAGNUSON. Mr. President, will the Senator yield to me to present an emergency matter? I will ask unanimous consent that the time required to consider it will not be charged to either side.

Mr. McCLELLAN. I yield.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that I may be allotted 3 minutes to present an emergency problem, and that the time necessary for its consideration not be charged to either side.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, yesterday the Senate passed S. 2154. That bill would have extended for 1 year the interim dual rate law due to expire tomorrow. If the interim law expired, the thousands of dual rate contracts now used by ocean common carriers serving United States ports would be subjected to the full debilitating effect of the Supreme Court's decision in *Federal Maritime Board* v. *Isbrandtsen Co.*—356 U.S. 481 (1958).

It was the unanimous view of the Senate Committee on Commerce that S. 2154 should be enacted so that we could study steamship conferences and consider the House's recently passed steamship conference/dual rate bill, H.R. 6775, in much the same unpressured atmosphere as that in which the House Merchant Marine and Fisheries Committee and the House Judiciary Committee for the last 3 years have been conducting related studies.

The House bill, which would establish permanent legislation in this field, did not come to the Senate until June 13. Obviously in the case of a very comprehensive and controversial problem such as the one we have before us, we had no opportunity to give it the kind of hearing and consideration that should be given to it.

Apparently, the House has great confidence in our ability to resolve these complex legislative problems promptly. Today the House amended S. 2154 to extend the interim law until only September 15, 1961. In order that there be no lapse in the interim dual rate law, our committee recommends that the Senate accept the House amendment to S. 2154.

In doing so, I want to make one thing unmistakably clear: The committee feels that the Senate should not try to legislate on such matters as those covered by H.R. 6775 until we have received and had ample opportunity to study carefully the anticipated report of the House Judiciary Committee covering the studies of its Antitrust Subcommittee during the last 3 years into so-called monopoly problems in the ocean freight industry.

I can assure the Senate that we will schedule hearings as rapidly as possible, and go into this highly controversial and complex problem, and if we should not be able to finish consideration of the measure by September 15 or if adjournment is planned prior to that time, we shall be required to ask for a further extension. Apparently the House did not want an extension longer than September 15, and since there would probably be great confusion Monday morning when the courts open with respect to this subject unless we were to extend the law, I am prepared to ask that the amendment of the House be laid before the Senate and to move that the Senate concur in the House amendment.

Mr. DIRKSEN. Mr. President, I cannot accept the proposal without having some information from other members of the committee on the minority side. I cannot under any circumstances permit the consideration of the amendment at this time. It is presented out of order, and unless I am well informed by members of the committee on the minority side, I shall have to object to its present consideration.

Mr. MAGNUSON. Mr. President, I shall be glad to discuss the problem with the minority leader. But, as I said, we have only until midnight to take the required action in order to permit the President to sign the bill in time. I thought I explained it carefully.

Mr. DIRKSEN. Mr. President, I have not been advised of the proposal. I think it should be properly cleared. I could not detect from the statement of my distinguished friend the Senator from Washington that the question was one of high urgency. I am sure if it were, members of the committee on the minority side would have advised the minority leader, and until I am fully advised, I shall have to object to the immediate consideration of the amendment.

Mr. MAGNUSON. I will see that the Senator is advised. I thought I could explain the problem, obtain approval of the amendment, and get the bill signed. If the Senator from Illinois will be present in the Chamber for a few minutes——

Mr. DIRKSEN. The Senator will be right here.

Mr. MAGNUSON. I shall communicate with other members of the committee.

The PRESIDING OFFICER. Does the Senator from Washington wish to postpone action on the amendment?

Mr. MAGNUSON. I ask unanimous consent to postpone action at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. I will locate the proper advice for the Senator from Illinois, and I am sure he will agree with us when he receives it.

REORGANIZATION PLAN NO. 4

The Senate resumed the consideration of the resolution (S. Res. 147) opposing Reorganization Plan No. 4 of 1961.

Mr. McCLELLAN. I yield to the Senator from Colorado.

Mr. CARROLL. Mr. President, I commend the able Senator from Tennessee [Mr. KEFAUVER] for a very clear statement of the issues involved in the proposed plan of reorganization. Not only has the Senator from Tennessee stated a very clear picture of what we hope to achieve by the reorganization plan with respect to an agency that controls businesses whose transactions account for millions of dollars of the economy of this Nation, but also I suggest that no Senator has devoted more time to the subject or has had more experience in the field of antimonopoly than has the able Senator from Tennessee. My statement applies not only to giant corporations, but also small businesses.

I am happy to see that both the minority leader, the Senator from Illinois [Mr. DIRKSEN], the chairman of the Committee on Commerce [Mr. MAGNUSON], the Senator from Arkansas [Mr. McCLELLAN], and the Senator from Tennessee [Mr. KEFAUVER], are present in the Chamber.

I wish to ask a question and then attempt to answer it. What is the reason for the reorganization plan? Why did the President of the United States submit a reorganization plan? For 15 years the field of regulatory bodies has been left practically untouched by the Congress. I refer to the field of administrative law dealing with some of the highly important regulatory bodies. What brings about the reorganization plan? During the last 4 or 5 years scandal after scandal has touched some of the regulatory bodies. Newspapers have been replete with articles on the subject. All scholars in the field agree that back-door influence and pressures arise from a backlog of cases.

The President of the United States has taken leadership in this field and has offered us a reorganization plan, an act for which I commend him.

What is the effect of the plan and why is there alarm about it? The reorganization plan would merely simplify procedures.

A majority of the Commission would still make decisions. The plan would remove some of the roadblocks which should have been removed 10 years ago.

Congressional committees operate under a similar system of delegation and no one cries "illegal."

We have been told that bills will be introduced that will provide the regulatory bodies with all the authority that they require. All I can say is that such authority has not been given in the past 15 years. Now there is an opportunity to act on such a plan.

If the Chairman of the Commission usurps his prerogative, thus abusing his power, the chairman of the Committee on Commerce, who is present in the Chamber today, can, through his committee, introduce an organic bill to change the reorganization plan very quickly. Under the rules of the Senate the Committee on Commerce would have jurisdiction. If there were any abuse attendant upon the adoption of the plan, it could be quickly corrected.

Today, as we examine the reorganization plan, I suggest that we ask what we are really trying to give the Commission. We would give the Commission the right to clear its own decks, to cut through the underbrush, and to give some of the small business people of this country the right to have their petitions heard quickly, and not months or years later. As chairman of a Subcommittee on Administrative Practice and Procedure, I can say that our committee has been engaged in the field which we are discussing for 2 years, studying what to do. We are now considering a bill, which is not as comprehensive as the plan before the Senate. However, I am perfectly willing, as chairman of that subcommittee, to see the reorganization plan approved. We will watch the operation under the plan. The Committee on Commerce and other congressional committees will watch its operation.

I say in all sincerity that Members of the Senate should pay attention to the remarks of the able senior Senator from Tennessee [Mr. KEFAUVER]. I see on the floor also the minority leader, the Senator from Illinois [Mr. DIRKSEN], who is also a member of the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary. We know that there are many pitfalls in this type of legislation. Some of us believe that perhaps our committee should have jurisdiction of matter in this field.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CARROLL. May I have an additional 3 minutes?

Mr. McCLELLAN. I yield 3 additional minutes to the Senator from Colorado.

Mr. CARROLL. I have listened with great attention to the remarks of the able Senator from New York [Mr. JAVITS], and he agrees in principle that we must have a clear interpretation and must make a proper approach in this area. I am not alarmed by the powers that we give under the plan. Before the Chairman can exercise that power he must have a majority vote of the Commission. If the majority vote of the Commission gives him the power to exercise some of their own power, they have the power to take it away from him.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CARROLL. I am glad to yield.

Mr. KEFAUVER. The opinion of the Senator from Colorado is very persuasive with me. Not only does the Senator have great knowledge of the Federal Trade Commission, being a very active member of the Committee on Antitrust and Monopoly, but his own subcommittee has been studying this problem.

One of the disputed matters here is in connection with the statement of Commissioner Anderson, when he said that it might affect the power of issuing a complaint. I notice on page 107 of the hearing that the delegation of that power is to be by vote of the Commission itself. Of course, that is subject to their review or change of mind at any time. There might be occasions when several members of the Commission would be out of town, necessarily, and when, in order to protect a small business concern, it would be important that that power be delegated to issue a complaint for a limited length of time, when it is a flagrant case.

However, even in that kind of situation, the Chairman of the Commission says that the Commission would not delegate that power, and he would be opposed to a general delegation. It seems to me that by expediting this procedure we might bring about some beneficial effects, and that the objection to the proposal does not have much merit, in my opinion. We ought to take a look at the overall good that will come from the reorganization plan.

Mr. CARROLL. I thank the Senator. I can understand why some Members of the Senate rejected the reorganization plan on SEC. It was rejected because SEC had some specific rulemaking functions which were considered to be so important that delegation was not feasible. It was quite broad, and it was stated that it would be unwise to change that set up. This is not true with respect to the reorganization plan now before the Senate. In my opinion the plan should have applied with respect to SEC. However, there is this great difference.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CARROLL. Mr. President, will the Senator yield me 1 more minute? I would like to engage in a brief colloquy with the chairman of the Committee on Commerce.

Mr. McCLELLAN. I yield 2 minutes to my distinguished two friends.

Mr. MAGNUSON. Mr. President, will the Senator yield for an observation?

Mr. CARROLL. I yield.

Mr. MAGNUSON. I will vote for the reorganization plan because, having been for many years involved not only with the legislative end of the Commission, but also as chairman of the subcommittee which handles appropriations for it, I know a little bit about the operation of the Commission.

Something has to be done with respect to the regulatory agencies. The lag in the agencies averages from 14 to 16 months. This is inexcusable. The plan would expedite the handling of their business. It would also give the chairman a little more authority. This is one way we can do it. As the Chairman of the Commission testified, they want to build up offices in the field, and delegate authority in the field. This would be good for small businessmen, many of whom cannot come to Washington. Under the plan this authority could be delegated. Second, a Commissioner could follow the case, so that there would be responsibility placed with someone, somewhere.

I know that some people in industry do not like the plan. As I said to my friend from Colorado, they do not want a chief of police; they want to have five policemen, so that different things might happen.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MAGNUSON. Only with some responsibility placed in the hands of the Chairman are we ever going to eliminate this terrible regulatory lag, and only with some responsibility placed in the hands of the Chairman are we ever going to have field offices established, to take care of situations in the field, so that small businessmen, particularly, will not have to come all the way to Washington.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the Senator from New York.

Mr. KEATING. Mr. President, when Reorganization Plan No. 1 for the SEC came before us, I opposed it, and explained my reasons for my opposition with regard to that plan. I opposed the plans in general on the same grounds, namely, that they could make errand boys out of the members of the Commission other than the Chairman, and undermine the independence and bipartisan character of these agencies. In addition the right to review within the agency would be drastically curtailed. The objections to this particular plan were very well stated in the excellent report of the Association of the Bar of the City of New York, which I found very persuasive.

There are many shortcomings in the method of operation of our Federal administrative agencies. However, it is difficult for me to see how piecemeal reorganization can ever solve the present jigsaw puzzle known as Federal administrative agencies. Complex and inconsistent rules and regulations are found in each agency, with virtually no relation to rules in other agencies. What is needed to bring order to this hodgepodge is coordination, not separate agency czars. The reorganization plans submitted by the President are based on the faulty premise that what the agencies need is powerful chairmen, when in truth the real need is for overall coordination, simplification, and expedition of agency procedures.

The needed changes will not be enacted overnight. They must be preceded by effective, continuing, and meaningful study of administrative agencies.

In my opinion, the best way to lay the groundwork for constructive reforms in this area would be by creation of a new Office of Federal Administrative Practice. The American Bar Association has given such a proposal its strong endorsement and support. In recent weeks I have been working closely with representatives of the ABA and today I am introducing a bill which we have prepared to provide for the establishment of such an Office.

Briefly, the bill would establish an Office of Federal Administrative Practice to carry on continuous studies and make recommendations regarding administrative practice and procedure. This would cover the full range of administrative practice from the rulemaking and adjudicatory functions to the development and adoption, where possible, of uniform rules of practice and procedure and ways to minimize the delay and expense of agency proceedings.

The bill would also establish a Hearing Commissioner Corps and set standard qualifications for Hearing Commissioners. This would greatly facilitate the

task of finding the best qualified people to serve in these important positions, and justify an increase in their responsibilities.

There is excellent precedent for this new office in the Administrative Office of the U.S. Courts, the work of which has won the commendation of all people concerned with judicial reform. The office would have the power to submit proposals for legislation to the Congress. It would provide an independent and authoritative surveillance of all agency proceedings. As I have indicated, it would also work for uniform agency rules and recommend, after thorough study, changes needed to shorten and cut the tremendous costs now required in administrative proceedings. Such an office would not be under the domination of either the President or the Congress and would not serve in any way to undermine the independence of Federal agencies.

This is the way to cut down on administrative agency inefficiency without imperiling needed safeguards. It offers much more promising prospects of sound reform in our administrative practices than the hastily conceived and inadequately buttressed reorganization plans which we have been considering for these alphabet agencies.

I hope that these reorganization plans will be rejected but that this will be an occasion, as it should be, for really constructive and thoughtful action on the multitude of problems in this field.

Mr. President, I introduced, for appropriate reference, a bill to establish an Office of Federal Administrative Practice and ask unanimous consent that the text of the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2189) to establish an Office of Federal Administrative Practice and to provide for the appointment and administration of a Corps of Hearing Commissioners, and for other purposes, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "Federal Administrative Practice Act."

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TITLE I—OFFICE OF FEDERAL ADMINISTRATIVE PRACTICE

SEC. 101. ESTABLISHMENT OF THE OFFICE.—There is hereby created an agency of Government to be known as the Office of Federal Administrative Practice (referred to in this Act as "Office"), which shall be under the Director of Federal Administrative Practice and maintained at the seat of government. The Office shall be an independent agency of the Government and shall not be subject to the Reorganization Act of 1947 as amended.

SEC. 102. APPOINTMENT OF DIRECTOR.—The Director of Federal Administrative Practice (referred to in this Act as "Director") and a Deputy Director shall be appointed by the President, with the advice and consent of the Senate, and shall receive basic compensation at the rate of $22,500 and $20,000 per annum, respectively. The Director and Deputy Director shall be experienced and learned in the law. The Deputy Director shall perform such duties as may be assigned to him by the Director. During the absence or incapacity of the Director, or during a vacancy in the office of Director, the Deputy Director shall act as Director.

SEC. 103. TENURE.—Except as otherwise provided in this section, the Director shall be appointed for a term of ten years and the Deputy Director for a term of six years. The Director or Deputy Diector may be removed by the Pesident for inefficiency, neglect of duty, or malfeasance in office. The Director or Deputy Director shall be retired from office upon attaining the age of seventy years and shall receive retirement pay under the provisions of the Civil Service Retirement Act then in effect or otherwise as provided by law.

SEC. 104. ORGANIZATION OF OFFICE.—The duties and functions of the Office shall be divided as assigned by the Director between a Division of Administrative Procedure and a Division of Hearing Commissioners. Each division shall be supervised by an Assistant Director. The Assistant Director of each division and the Executive Secretary shall be appointed by and report to the Director. Each Assistant Director shall receive a basic compensation at the rate of $20,000 per annum and the Executive Secretary shall receive a basic compensation at the rate of $18,000 per annum.

SEC. 105. EMPLOYEES.—The Director, subject to the civil service laws, may appoint necessary employees for the administration of the Office. The Director, Deputy Director, and each Assistant Director, without regard to the Civil Service laws, but subject to the Classification Act, may appoint one administrative assistant and one secretary.

SEC. 106. SEAL.—The Executive Secretary and seal of the Office shall be the secretary and seal of the Office and of each division thereof.

SEC. 107. REPORTS.—The Director shall make an annual report to the Congress and to the President and he shall make such special reports as the Congress or the President may direct. The Director, from time to time, shall submit recommendations directly to the Congress for additional legislation which he deems necessary or desirable for furthering the purposes of this Act.

SEC. 108. ADVISORY COMMITTEE.—The Director shall designate annually an advisory committee consisting of such agency members, other officers of the Government, and members of the bar not in Government service as he may determine. The Advisory Committee shall meet in general assembly at least annually and upon special call by the Director. The Advisory Committee shall assist and advise the Director and furnish information to him on matters pertaining to the performance of his duties under this Act. The Director is authorized to utilize, with the consent of any agency, the personnel or facilities of that agency, and may utilize any other uncompensated personnel, services or facilities.

SEC. 109. EXPENDITURES.—The Director may make such expenditures (including expenditures for rent and personal services, for office employees, travel, law books, periodicals, books of reference, for printing and binding and for studies or investigations) as he may deem necessary for execution of the functions vested in the Office and as from time to time are appropriated for by Congress. All expenditures of the office shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Director or such other officers as may be designated by him for that purpose.

SEC. 110. DUTIES OF THE DIRECTOR.—(a) The Director shall supervise and direct administration of the provisions of this Act.

(b) The Director, as to this title I and matters of general application among the several agencies as set forth in the Administrative Procedure Act or successor statue of similar scope and purpose, shall—

(1) carry on continuous studies of and make recommendations regarding the adequacy of the procedures by which agencies determine the rights, duties, or privileges of persons;

(2) carry on continuous studies of and make recommendations regarding the adequacy of the procedures by which agencies exercise rulemaking and adjudicatory functions;

(3) carry on continuous studies and make recommendations regarding the adequacy of public information practices and procedures of the agencies related to rulemaking and adjudication;

(4) initiate consultative and cooperative efforts among the agencies and interested organizations for development and adoption, wherever feasible and appropriate, of uniform rules of practice and procedure;

(5) receive complaints regarding matters of practice and procedure and make investigations or recommendations as deemed appropriate;

(6) furnish assistance and advice upon request of any agency;

(7) examine the state of hearing dockets of agencies, secure information as to the agencies' need of assistance and prepare statistical data and reports on agency proceedings;

(8) study and make recommendations upon methods of organization appropriate for the separation of agency functions.

(c) Each agency shall furnish to the Director, upon request, information and data necessary to assist him in the administration of this Act and each agency shall designate a member or other officer who shall be authorized to represent the agency in liaison with the Director.

(d) The Director from time to time shall undertake special studies and make recommendations upon the following subjects and other subjects which may be recommended by the advisory committee, including—

(1) ways and means of minimizing undue delay and expense of agency proceedings;

(2) the feasibility of establishing a Federal reporter service covering agency decisions with current advance sheets, and a reporter service for agency practice and procedure decisions;

(8) methods for simplifying and reducing the cost of the agency hearing records and of agency records before the courts of appeals including incorporation, physically or by reference, without further printing of agency decisions and initial decisions;

(4) the feasibility of making the Code of Federal Regulations current by some looseleaf system and making the whole service or any part or subpart thereof available nationwide on subscription;

(5) the feasibility of correlating and annotating agency regulations with the related substantive provisions of statute or treaty and a periodic recodification of the rules for deletion of stale or obsolete regulations;

(6) procedures especially appropriate for multiparty proceedings, particularly in the fields of rate or price regulation;

(7) procedures and methods for effective participation by the public in agency rulemaking proceedings;

(8) the desirability of a uniform statute for judicial review of agency proceedings and the adequacy of statutory provisions on judicial review;

(9) promulgation of a single code of rules on those subjects which are found acceptable for uniform application among the several agencies;

(10) the adequacy of agency law libraries and their management to improve the efficiency of Government legal services;

(11) improvements in the form of agency applications, reports, or questionnaires of the the type which relate to agency proceedings.

TITLE II—HEARING COMMISSIONERS

SEC. 201. HEARING COMMISSIONER POSITIONS.—Upon the effective date of this title all positions classified by the Civil Service Commission as trial examiner positions or hearing examiner positions under section 11 of the Administrative Procedure Act are hereby designated Hearing Commissioner positions. Within thirty days after this title takes effect each agency shall certify to the Director the number of such Hearing Commissioner positions authorized and filled as of the date of the passage of this Act. At least annually thereafter each agency, after consultation with the Director, shall certify to him the number of Hearing Commissioner positions deemed necessary for the efficient conduct of the agency's proceedings and such number, to the extent that appropriations are available to the Director shall constitute the authorized Hearing Commissioner positions of the agency.

SEC. 202. INCUMBENTS.—Any person who, on the date of the passage of this Act, holds a position of trial examiner or hearing examiner under section 11 of the Administrative Procedure Act, if a citizen of the United States and a member of the bar of a State, territory, or the District of Columbia, shall become a Hearing Commissioner under this Act.

SEC. 203. APPOINTMENT AND ASSIGNMENT.—The Director from time to time shall appoint qualified Hearing Commissioners and, upon consultation with the agency concerned, assign them for duty among the several agencies. Such assignments shall be on a continuing basis subject only to reassignment by the Director as efficiency of operations or the needs of the service may require. The Director shall designate a selection committee to recruit, examine, and recommend appointment of persons found eligible and qualified for appointment to Hearing Commissioner positions. For each agency to which two Hearing Commissioners are assigned, the Director in consultation with the agency, shall designate one of them to serve as chief hearing commissioner for a term of one year.

SEC. 204. QUALIFICATIONS.—The Director shall determine the qualifications of persons for Hearing Commissioner appointment which shall include (1) United States citizenship, (2) membership in good standing for not less than seven years of the bar of a State, territory, or the District of Columbia, (3) capacity and experience to assure that high competence, impartiality, diligence, and independence of judgment essential to a proper discharge of the function of Hearing Commissioner, including the ability to preside at and control hearings with firmness and fairness, to determine the admissibility of evidence, to interpret and apply legal authorities and precedents, to arrive at decisions objectively and on the basis of law and evidence, and to write with clarity and conciseness.

SEC. 205. TENURE.—Hearing Commissioners shall serve during good behavior and shall be removed only for cause by the Director, or furloughed or separated by reduction in force under the express authorization of an Act of Congress. The Director by regulation shall prescribe procedures for reductions in force or furloughs and the further functioning of Hearing Commissioners.

SEC. 206. COMPENSATION AND RETIREMENT.—(a) Hearing Commissioners shall receive compensation at the effective rate of grade GS–18, in accordance with the Classification Act of 1949, as amended.

The provisions of the Performance Rating Act of 1950, as amended, shall not be applicable to Hearing Commissioners.

(b) Hearing Commissioners shall be subject to retirement as provided in the Civil Service Retirement Act of May 29, 1940, as amended.

SEC. 207. SUSPENSION AND REMOVAL.—(a) Hearing Commissioners may be suspended or removed by the Director, on his own motion or on complaint, for good cause established and determined by him after opportunity for hearing, conducted in compliance with such procedures as the Director shall by regulation prescribe in accordance with the Administrative Procedure Act or successor statute. The hearing shall be private unless the Hearing Commissioner affected requests that it be public.

(b) The suspension or removal of any Hearing Commissioner ordered under subsection (a) hereof shall be subject to judicial review upon appropriate petition therefor under section 10 of the Administrative Procedure Act or successor statute.

SEC. 208. FACILITIES AND SERVICES.—The Director shall make recommendations as necessary with regard to the needs of Hearing Commissioners for office space, secretarial assistance, law desks, library facilities, hearing rooms including field hearing rooms and other services or facilities to be provided by each agency.

SEC. 209. TEMPORARY POSITIONS.—The Director, within the limits of available appropriations to the Office therefor, is authorized to establish temporary Hearing Commissioner positions to meet any special needs of the agencies. Hearing Commissioners who have been separated by reason of reduction in force shall be given priority in appointments under this section.

SEC. 210. FIELD HEARINGS.—To facilitate the conduct of hearings at places of mutual convenience to the agency and to other parties in the field, the Director shall assist the agencies in coordinating the scheduling and assignment of hearings to be held outside of the District of Columbia.

SEC. 211. DUTIES AND ASSIGNMENT OF CASES.—(a) The duties and powers of Hearing Commissioners shall be those specified in the Administrative Procedure Act or other applicable statutes. Hearing Commissioners shall perform no duties inconsistent with their duties and responsibilities as Hearing Commissioners.

The Director shall promulgate regulations for the assignment of cases among Hearing Commissioners in accordance with the provisions of section 11 of the Administrative Procedure Act (5 U.S.C. 1010) or other applicable statute.

(b) Except where otherwise provided by statute, the Hearing Commissioner who presides at an adjudicatory proceeding shall make and publish an initial decision which within the time provided by agency rule shall become the decision of the agency in the absence of an appeal based upon the filing of exception by a party or review by the agency upon its own motion.

SEC. 212. TRANSFERS.—All functions vested in the Civil Service Commission under section 11 of the Administrative Procedure Act (5 U.S.C. 1010), are hereby transferred to the Office of Federal Administrative Practice to be administered by the Director to the extent not inconsistent with this Act, and wherever the term "examiner", "trial examiner", or "hearing officer", other than agency member, is used in the Administrative Procedure Act it shall hereafter be interpreted to mean Hearing Commissioner under this title II.

TITLE III—GENERAL PROVISIONS

SEC. 301. AGENCY.—The term "agency" as used in this Act shall include each executive and military department in the executive branch of the Government and any board, commission, authority, or independent establishment, including corporations of the Government, other than and not a part of an executive department.

SEC. 302. COMMITTEES.—Each member of the advisory committee or selection committee established under sections 108 and 203 of this Act who is not in Government service shall be entitled to compensation in the amount of $50 for each day or part of the day he shall be in attendance at any regularly called meeting of any such committee, together with reimbursement for all travel expenses incident to such attendance: *Provided*, That nothing contained in sections 434, 283, and 281 of title 18, United States Code; or in any other provision of Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States shall apply to such persons solely by reason of their appointment to and membership on any such committee. Facilities and services required by such committees shall be provided by the Director.

SEC. 303. SEPARABILITY.—If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 304. REPEALS.—All laws or parts of laws inconsistent with the provisions of this Act are hereby repealed.

SEC. 305. EFFECTIVE DATE.—This Act shall take effect on the one hundred and eightieth day after the date of its enactment, except that title I of this Act shall take effect on the ninetieth day after the date of enactment.

SPECIAL METEOROLOGICAL SERVICES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 448, S. 680.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 680) to authorize the Secretary of Commerce to utilize funds received from State and local governments and private organizations and individuals for special meteorological services.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill

which had been reported from the Committee on Commerce, with amendments, on page 2, line 5, after the word "conducted" to insert a colon and "*Provided*, That all direct and indirect costs for work or services that are determined to have no value to the public at large shall be borne by the Government units, private organizations or individuals in behalf of, or with whom, such work or service is conducted."; in line 11, after the word "property", to insert "to be used in providing the work or service", and in line 17, after the word "paid", to insert a colon and "*Provided*, That payment for indirect costs not paid from the appropriation bearing the cost of the work shall be deposited into the Treasury as miscellaneous receipts."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, in cooperation with or at the request of States, counties, cities, or other local government units, private organizations, or individuals, may conduct and provide meteorological investigations, tests, services, development projects, technical evaluations, surveys, studies, reports, documents, technical information, special joint interest projects, and any other work and studies in the meteorological sciences which the Secretary of Commerce is authorized by law to perform. The cost of the work or services enumerated herein may be paid in whole or in part by the Government units, private organizations, or individuals in behalf of, or with whom, such work or studies are to be conducted: *Provided*, That all direct and indirect costs for work or services that are determined to have no value to the public at large shall be borne by the Government units, private organizations or individuals in behalf of, or with whom, such work or service is conducted.

SEC. 2. The Secretary of Commerce may receive such payment in funds or property to be used in providing the work of service or both. All funds received in payment for work or services authorized herein shall be deposited in a separate account in the Treasury and shall be available to pay the costs of such work or services, for making refunds, or for crediting appropriations from which the cost of such work or services may have been paid: *Provided*, That payment for indirect costs not paid from the appropriation bearing the cost of the work shall be deposited into the Treasury as miscellaneous receipts.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from the report on S. 680.

There being no objection, the excerpt from the report (Rept. No. 479) was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of S. 680, which was introduced at the request of the Secretary of Commerce, is to authorize the Weather Bureau to accept and use funds from State and local governments and private organizations and individuals for special services which cannot be financed from available Weather Bureau resources.

GENERAL STATEMENT

The Weather Bureau which conducts various meteorological investigations and tests has often been requested by various State and local governments as well as private organizations and individuals to provide or undertake special meteorological investigations, tests, service development projects, technical evaluations, and other similar activities which the personnel and facilities of the Weather Bureau are specifically capable of carrying out.

At present, the Weather Bureau is prohibited from accepting funds to provide or undertake such special projects because it lacks adequate authority to use funds for these purposes which a requesting public or private agency would be willing to provide.

Under S. 680 the Weather Bureau would be authorized to accept and use property or funds provided by State and local governments and others for special services which cannot be financed from available Weather Bureau resources.

Your committee was impressed by the data submitted by the Secretary of Commerce in support of this legislation. Some of the instances in which the legislation herein proposed could be utilized for the benefit of local needs are as follows:

1. The State of California is embarking on a large-scale water resources program (headed by its new department of water resources) for which it requires a large increase in precipitation stations, in reporting, in maintenance, and inspection of stations, and in processing of data. The Weather Bureau's responsibility is national, with its available funds actually insufficient to cover the local needs of California. The State is willing to pay for the increase required to meet its needs. The necessary funds cannot be accepted and utilized by the Bureau unless the proposed legislation is enacted.

2. In 1955 the Kansas Water Resources Factfinding and Research Committee recommended to the Governor and legislature a "cooperative program with the U.S. Agricultural Research Service, U.S. Geological Survey, U.S. Weather Bureau, and U.S. Soil Conservation Service for comprehensive research in hydrology of small watersheds, requiring detailed data on all aspects of the water cycle and effects of man's operation. Estimated State funds, $150,000 per year for 20 years, to be matched by Federal funds." But of the four Federal agencies mentioned, only the Weather Bureau cannot now accept and utilize the State funds.

3. Many thousands of communities on lesser tributaries and in headwater areas suffer devastating flash floods. With the support of the Weather Bureau's national main stem and tributary flood forecasting system and its developing radar network, these communities could be warned effectively in many cases after establishment of special local observational and reporting networks and communications, development of localized forecast and warning procedures, and educational liaison in planning actions based on warnings. The costs may average only a few thousand dollars per community per year. There are thousands of such communities, and the Bureau is able to serve only a token few with its available funds. The job could be done wherever the community felt it was sufficiently needed to pay for it—if the Bureau could accept and use funds made available by the community.

4. Fire-Weather Service of the Weather Bureau is another service which operates on a cost-sharing basis in many instances and which is handicapped in its operation by lack of adequate legislative authority. The Service provides day-to-day forecasts and advices during the fire season and issues detailed localized operational forecasts for going fires. The Bureau is subject to a heavy demand from forest protection agencies for an expansion of this service to new areas. In most cases it is unable to provide the needed assistance. Enactment of the proposed legislation would greatly facilitate arrangements to provide additional badly needed services of this nature where Federal funds are not available but State or local governments are willing to help.

5. Agricultural weather services, particularly those requiring highly localized and detailed forecasts and special instrumentation, would be greatly benefited by enactment of the proposed legislation. This type of service cannot be adequately handled through the General Forecast Service and as a rule it is of direct benefit to a relatively small segment of the population. Accordingly, such services are often arranged on a cost-sharing basis where the recipients of the services assume a share of the costs involved. The Horticultural Protection Service which operates in Florida, California, Washington, Oregon, and a few other States is a good example of a specialized weather service that often uses cost-sharing procedures. Under present law the cooperating agency is limited to furnishing such items as communication expenses and office quarters while the full salary of the employee must be paid by the Federal Government. This seriously limits the number of points where such services can be provided since the major expense must continue to be handled by the Federal Government. The Bureau has had many requests from all parts of the country for more agricultural weather service of the above-mentioned type. Although cost sharing is one good way of furnishing more service of this kind, the Bureau is seriously handicapped by the present inability to utilize funds which the localities would be willing to furnish.

6. The Weather Bureau has, in the past few years, received several requests for special observations and assistance in the field of air pollution. Two specific examples of recent origin are the request from the Los Angeles County Air Pollution Control District for the reinstitution of intermediate upper air soundings at Santa Monica, Calif., and the request from the San Diego County Air Pollution District for additional wind installations and additional upper air soundings in the vicinity of San Diego. There have been other similar requests in the past. The Bureau has generally met such requests either by declining on the basis of inadequate funds or, where consultation work and a minimum of observations would suffice, arranging for support through other agencies such as the Public Health Service or the Atomic Energy Commission. In light of the increased interest in air pollution, it can be expected that the number of these requests will increase, particularly for specialized observational data such as low-level radiosondes and additional wind measurements. The Bureau will be unable to accommodate most of these requests unless it can accept reimbursement.

On December 22, 1955, the Presidential Advisory Committee on Water Resources Policy recommended:

"Continued cooperation with States and municipalities should be encouraged. Such cooperation serves to supplement the basic data programs of the Federal Government in fields in which there is substantial joint interest. State and local participation contributes to the fundamental programs for interpretation, analysis, and research which are primarily national in character and extend beyond the interests of any single geographical area. Federal matching of State financial support for data programs on a 50-50 basis has been mutually satisfactory and should continue to be a sound basis for such cooperation * * *. Authorization for cooperative participation should be provided if necessary authorization is lacking."

AMENDMENTS

In the comments submitted to this committee by the Comptroller General of the United States, Joseph Campbell, it was indicated that the property authorized to be received and exchanged for work should not be limited to property which will be consumed in the performance of the work. According-

ly, to accomplish this objective, your committee has amended the bill as follows:

On page 2, line 6, after the word "conducted" delete the period and insert the following: "; *Provided*, that all direct and indirect costs for work or services that are determined to have no value to the public at large shall be borne by the Government units, private organizations or individuals in behalf of, or with whom, such work or service is conducted."

On page 2, line 8, after the word "property" insert the following: "to be used in providing the work or service:".

On page 2, line 13, after the word "paid" delete the period and insert the following: "; *Provided*, that payment for indirect costs not paid from the appropriation bearing the cost of the work shall be deposited into the Treasury as miscellaneous receipts."

In addition, your committee was impressed by the comment made by the Comptroller General that where work is not of value to the public at large, consideration should be given to the inclusion of a mandatory requirement that both direct and indirect costs to the Government should be recovered in accordance with the policy established in title V of the Independent Offices Appropriation Act, 1952, 65 Stat. 290, 5 U.S.C. 140, which reads as follows:

"FEES AND CHARGES OF FEDERAL AGENCIES

"§ 140 Services as self-sustaining; uniformity; regulations; deposit in Treasury; effect on other laws

"It is the sense of the Congress that any work, service, publication, report, document, benefit, privilege, authority, use, franchise, license, permit, certificate, registration, or similar thing of value or utility performed, furnished, provided, granted, prepared, or issued by any Federal agency (including wholly owned Government corporations as defined in the Government Corporation Control Act of 1945) to or for any person (including groups, associations, organizations, partnerships, corporations, or businesses), except those engaged in the transaction of official business of the Government, shall be self-sustaining to the full extent possible, and the head of each Federal agency is authorized by regulation (which, in the case of agencies in the executive branch, shall be as uniform as practicable and subject to such policies as the President may prescribe) to prescribe therefor such fee, charge, or price, if any, as he shall determine, in case none exists, or redetermine, in case of an existing one, to be fair and equitable, taking into consideration direct and indirect cost to the Government, value to the recipient, public policy or interest served, and other pertinent facts, and any amount so determined or redetermined shall be collected and paid into the Treasury as miscellaneous receipts: *Provided*, That nothing contained in this section shall repeal or modify existing statutes prohibiting the collection, fixing the amount, or directing the disposition of any fee, charge or price: *Provided further*, That nothing contained in this section shall repeal or modify existing statutes prescribing bases for calculation of any fee, charge or price, but this proviso shall not restrict the redetermination or recalculation in accordance with the prescribed bases of the amount of any such fee, charge, or price."

Your committee urges the Secretary of Commerce to adhere to this policy as closely as possible.

Also, the Comptroller General in his comments indicated that the amount of indirect costs recovered, such as depreciation on equipment, which were not paid from the appropriation bearing the cost of the work, should be deposited into the Treasury as miscellaneous receipts rather than being credited as an augmentation of the appropriation involved.

Your committee, therefore, adopted the amendment at the end of section 2, line 13, as follows: "; *Provided*, That payment for indirect costs not paid from the appropriation bearing the cost of the work shall be deposited into the Treasury as Miscellaneous Receipts."

CONCLUSION

Your committee is convinced that the legislation herein proposed will make it possible for the Weather Bureau to provide more effective service to the various localities throughout the United States and to the industry that depend upon such services without any additional costs to the Federal Government. Therefore, your committee urges that the legislation herewith reported be enacted.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SUSPENSION OF DUTIES ON METAL SCRAP

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 449, H.R. 4591.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 4591) to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Finance with amendments on page 2, line 3, after "Sec. 2.", to strike out "This" and insert "The first section of this", and in the same line, after the word "shall", to insert "not"; and after line 5, to insert a new section, as follows:

SEC. 3. (a) Section 201 of the Tariff Act of 1930, as amended (19 U.S.C., sec. 1201), is amended by adding at the end thereof the following new paragraph:

"PAR. 1826. Horsemeat, fresh, chilled, or frozen, whether or not decharacterized (except horsemeat packed in immediate containers weighing with their contents less than ten pounds each)."

(b) The amendments made by this section shall apply to articles entered, or withdrawn from warehouse, for consumption, on or after the date of enactment of this Act, and to articles covered by entries or withdrawals which have not been liquidated or the liquidation of which has not become final on such date of enactment.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from the report on the bill.

There being no objection, the excerpt from the report (Rept. No. 480) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 4591, as reported is to amend section 2 of Public Law 869, 81st Congress, as amended, to continue for 1 year (from the close of June 30, 1961, to the close of June 30, 1962) the suspension of duties on metal scrap. The bill contains the existing proviso that the suspension shall not apply to lead scrap, lead alloy scrap, antimonial lead scrap, scrap battery lead or plates, zinc scrap or zinc alloy scrap; or to any form of tungsten scrap, tungsten carbide scrap, or tungsten alloy scrap; or to articles of lead, lead alloy, antimonial lead, zinc, or zinc alloy; or to articles of tungsten, tungsten carbide, or tungsten alloy, imported for remanufacture by melting. The bill also continues the existing provision that the suspension shall not apply to any article provided for in section 4541 of the Internal Revenue Code of 1954.

COMMITTEE AMENDMENTS

The Finance Committee amended the bill H.R. 4591 to provide for the free entry of horsemeat, fresh, chilled, or frozen, when imported in immediate containers weighing, with their contents, 10 pounds or more.

The committee also added a technical amendment to section 2 of the bill by adding the word "not" after the first three words of the sentence. This word was inadvertently omitted in the printing of the bill as referred to the committee.

The use of horsemeat in the making of foods for dogs and other pets and for the feeding of mink and other fur-bearing animals has increased rapidly in recent years. On the other hand, the availability of horsemeat has been declining in inverse proportion to the demand. Present domestic supplies are very limited and the pet food industry and the farmers growing fur-bearing animals are severely handicapped.

On the other hand, the placing of bulk horsemeat on the free list is not expected to affect any domestic industry adversely nor to have any effect on present prices of such types of meat grown in the United States. Domestic canning plants are protected by the limitation of the free importation to that imported in bulk, so that when imported it constitutes an essential raw material for two important industries.

The Finance Committee reported the bill, as amended, without a dissenting vote, and no opposition to it, or to the amendment, has been made known.

GENERAL STATEMENT

The temporary suspension of the duties of imports on metal scrap provided under present law (Public Law 86-606, 86th Cong.) to the close of June 30, 1961, makes free of duty imports of metal scrap including such principal types of scrap as iron and steel, aluminum, magnesium, nickel, and nickel alloys. H.R. 4591 would continue this suspension through June 30, 1962. The suspension of duties as provided under present law and its proposed extension under your committee's bill are of no significance with respect to the tariff treatment of imports on tin and tinplate scrap, because imports of such scrap, along with imports of tin in other unmanufactured forms, would not be subject to duty or import taxes in any case.

Section 2 of the bill, as reported, provides that this suspension shall not apply to any article provided for in section 4541 of the Internal Revenue Code of 1954. In general, section 4541 of the Internal Revenue Code of 1954 imposes an import tax on certain copper-bearing ores and concentrates, other articles of which copper is the component material of chief value, and other articles containing 4 percent or more of copper by weight.

Scrap of the various nonferrous metals, whether imported or of domestic origin, may be considered for most purposes simply as relatively small components in the total U.S. supplies of the respective metals although some manufacturers depend wholly on metal scrap as a source of raw material. The relation of iron and steel scrap to the total supplies of iron and steel is somewhat different from that existing with respect to nonferrous metals. This is because the economical production of steel

by the open-hearth process requires that part of the iron-bearing materials used consist of heavy melting scrap. Thus, much iron and steel scrap constitutes a material important to the domestic production of steel. Despite the fact that imports of scrap meals have not in the past few years constituted important components of the total supplies of the various metals, the imports in some cases have represented important sources of the metals for limited numbers of consumers of such metals in some sections of the country.

The rates of duty on the principal types of ferrous and nonferrous metal scrap, the suspension of which would be continued by the bill, are shown in the following table:

Type of scrap	Paragraph No.	Rate of duty
Iron and steel	301	37½ cents per long ton plus additional duties on alloy content.
Aluminum	374	1½ cents per pound.
Nickel and nickel alloy.	5 or 389	10½ percent ad valorem or 1¼ cents per pound.
Tin and tinplate	1786	Free.
Magnesium	375	50 percent ad valorem.

Relaying and rerolling rails would, in the absence of this legislation, be dutiable at the rate of one-twentieth of 1 cent per pound plus additional duties on alloy content under paragraphs 305 and 32[illegible] of the Tariff Act of 1930, as modified. Other metal articles not considered scrap within the meaning of the tariff classifications but imported to be used in remanufacture by melting are also exempt from duty under Public Law 869 of the Eighty-first Congress. Such articles would be dutiable in the absence of special legislation, at various rates too numerous to mention in this report.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 450, H.R. 1258.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1258) to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr President I ask unanimous consent to have printed at this point in the RECORD an excerpt from the report.

There being no objection, the excerpt from the report (Report No. 481) was ordered to be printed in the RECORD, as follows:

GENERAL PURPOSES

The purposes of H.R. 1258 are to amend the Longshoremen's and Harbor Workers' Compensation Act by—

(1) Increasing the maximum level of weekly compensation benefits payable to workers or to the beneficiary of workers within the coverage of the Act who are injured or disabled within the course of their employment from $54 to $70;

(2) Providing comparable increases in death cases, adjusting the ceiling on average weekly wages from $81 to $105;

(3) Increasing the statutory maximum compensation payable for all injuries other than cases of permanent total disability or death from $17,280 to $24,000.

Mr. MORSE. Mr. President, the RECORD should show that the bill, H.R. 1258, is identical with the Morse-Magnuson bill, S. 733, which the Senator from Washington and I introduced earlier this year. The House passed its bill. That is the bill which the Senate is about to pass. This action on the House bill will obviate the necessity for a conference.

Mr. President, H.R. 1258 makes necessary adjustments in the compensation ceilings provided by the Longshoremen and Harbor Workers Compensation Act for injured longshoremen, stevedores, harbor workers and other employees covered by the Longshoremen's Act. The maximum level of weekly compensation benefits now payable under this act is $54 per week. H.R. 1258 would increase this maximum to $70 per week to reflect substantial increases in wage levels during the years since the establishment of the present ceiling.

It is altogether appropriate that we should act upon this bill at this time since the year 1961 represents the 50th anniversary of the establishment of the workmen's compensation system in the United States.

The act which we are now amending provides compensation for injuries to workers employed within the admiralty and maritime jurisdiction of the United States. It also serves as the workmen's compensation law for employees privately employed in the District of Columbia and to U.S. citizens employed under Federal contract in areas outside the continental United States. It covers somewhat more than one-half million workers.

This law was enacted in 1927. It is based upon the principle that during periods of total disability, suffered in the course of employment, a worker should receive compensation in an amount equal to 66⅔ percent of his average weekly wage. Under its provisions an employee who has been partially disabled is assured of compensation equal to two-thirds of the difference between his average weekly wage prior to his injury and his earning capacity following his injury. This principle is not altered by the bill.

What is altered is the maximum benefit allowable for a week of disability whether total or partial. The original 1927 act provided a ceiling on benefits of $25. The original ceiling meant that a totally disabled worker earning $37.50 received $25 a week within the scheduled periods specified in the act. A disabled worker earning $50 a week at that time would have received only 50 percent of his salary because of this ceiling.

In 1948, following World War II, wage levels had substantially increased over the 1927 averages with the result that workers covered by the Longshoremen's Act were receiving compensation which was only a fraction of the two-thirds originally intended. Accordingly, at that time, the maximum weekly benefit was adjusted to $35. This represented, in effect, a congressional finding of an average salary of $52.50.

A third adjustment was necessary in 1956 when the Congress acted to raise the ceiling to the present level of $54 per week. This figure represents two-thirds of an average wage of $81.

What this history means is that Congress must periodically act to adjust the statutory maximum levels of compensation in order to reflect increases in wage levels. The fact is that there are no provisions in the act which operate automatically to make these adjustments to correspond with increases in average wages. If these adjustments are not made from time to time, the law loses its effectiveness and departs from its basic purpose to provide a system of fair wage restitution in lieu of the employee's right to common law action for damages which he would otherwise have, were it not for this law.

Compensation under this act is not paid by the Government and the bill therefore will require no appropriation. The benefits are paid by private employers and are secured, in almost all cases, by workmen's compensation insurance under the terms of the Longshoremen's Act.

In 1956, when the current maximum wage ceilings were established, the average weekly wages for longshoremen, harbor workers, construction employees, manufacturing employees, and others covered by this act were substantially less than they are today. The average weekly wage for regular longshoremen in 1955 was in the neighborhood of $80 or $85 per week. Longshoremen rates today, according to testimony developed in the hearings held by the subcommittee, average $115 per week.

In 1955 the average weekly wage paid in manufacturing in the District of Columbia was $86. Today the averages approximate $100 per week.

The combined rate for manufacturing and building and construction in the District of Columbia, the most hazardous occupations in this area, equals well in excess of $105 per week.

It is obvious that the ceiling of $54 on weekly disability benefits provided by the Longshoremen's Act is clearly out of line with current wage levels.

An increase in the ceiling to $70 per week is essential at this time if compensation benefits are to have any real relationship with the facts of employment.

The increase to $70 per week will have no effect on benefits payable to any injured employee who earns less than $81 per week. The reason for this is that no more than two-thirds of the average wage can be paid in any case.

The fact is that even under this increase, one out of every five workers will receive compensation which will amount to less than two-thirds of his average

weekly wage. The reason for this is that he earns more than $105 per week.

It must be remembered that the purpose of the compensation law is to provide a system of compensation for on-the-job injuries in lieu of the common law right of actions which employees had prior to 1927. In many of the cases to which the $54 limitation would apply, damages in excess of $100,000 might be awarded if the employee were to bring a common law action at this time. The employees have yielded this right and in return have been assured a fair and equitable system of compensation. The adjustment provided by the bill is required if we are to live up to this assurance.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 1258) was ordered to a third reading, read the third time, and passed.

DUAL-RATE CONTRACT AGREEMENTS

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2154) to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual-rate contract agreements, which was, to strike out all after the enacting clause and insert:

That section 2 of the act entitled "to amend the Shipping Act, 1916", approved August 12, 1958 (72 Stat. 574), as amended by an act approved June 29, 1960 (74 Stat. 253), is further amended by striking out "June 30, 1961", and inserting in lieu thereof "September 15, 1961".

Mr. MAGNUSON. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

REORGANIZATION PLAN NO. 4

The Senate resumed the consideration of the resolution (S. Res. 147) opposing Reorganization Plan No. 4 of 1961.

Mr. McCLELLAN. Mr. President I yield 5 minutes to the distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, I shall detain the Senate only long enough to state the complaint of my people in Florida who have repeatedly had matters before the Federal Trade Commission in recent years. They would like to have the delays shortened. They would be glad to approve any measure which would accomplish that end. But without exception, so far as I have heard from them, they are against the concentration of so much power in the hands of the Chairman of the Commission; not that they have any opposition to the present Chairman, who is a graduate of the University of Florida, and is a friend of all of us; but they think that in principle the concentration of too much power in the hands of any one man, bypassing, practically, the other members of the Commission, is unsound. They protest it.

I have received not only a long telephone message from Mr. Joffre David, general manager of the Florida Fruit and Vegetable Association, which represents thousands of fruit and vegetable growers in my State, but also telegrams from Robert W. Rutledge, executive vice president of Florida Citrus Mutual, which consists of more than 11,000 citrus growers; from Sam A. Banks, president and chairman of the Board of the Florida Fresh Citrus Shippers Association, which ships about 85 percent of the Florida citrus; from W. G. Strickland, general manager of the Florida Fresh Citrus Shippers Association; from J. J. Parrish, Jr., president of the Nevins Fruit Co., Inc., of Titusville, Fla.; from M. R. Buckalew, executive vice president of the Indian River Citrus League; and from John T. Lesley, general manager of the Florida Citrus Exchange, which is Florida's largest cooperative organization.

Mr. President, I ask unanimous consent that these telegrams be printed in the RECORD to show the opposition of these fine people in Florida who have had actual troubles before the Commission, and who are opposed to any over-concentration and centralization of power in the Commission.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

LAKELAND, FLA.,
June 28, 1961.

Hon. SPESSARD L. HOLLAND,
Senate Office Building,
Washington, D.C.:

The following wire sent all members of Government Operations Committee of U.S. Senate, "Florida citrus mutual representing over 11,000 growers and Florida Fresh Citrus Shippers Association representing approximately 85 percent of Florida fresh citrus, urge you approve Senate Resolution 147 to disapprove Presidential Reorganization Plan No. 4 of 1961 which would give Chairman of Federal Trade Commission practically unlimited powers and control over the business organizations of this country. Such unwarranted and unnecessary delegation of power contrary to true democratic principles. Your efforts to accomplish this will be recognized and appreciated."

ROBERT W. RUTLEDGE,
Executive Vice President, Florida Citrus Mutual.

W. G. STRICKLAND,
General Manager, Florida Fresh Citrus Shippers Association.

LAKELAND, FLA.,
June 27, 1961.

Hon. SPESSARD L. HOLLAND,
Senate Office Building,
Washington, D.C.:

Florida Fresh Citrus Shippers Association, an organization of fresh fruit handlers and shippers handling approximately 85 percent of all citrus fruits shipped in fresh fruit form from Florida, is irrevocably opposed to Presidential Reorganization Plan No. 4 of 1961 under and by which the Chairman of the Federal Trade Commission would for all practical purposes be given almost unlimited powers and control over the business organizations of this country and would in effect reduce the other members of the Commission to a very innocuous status. Urge you to use your best efforts to have this proposed plan disapproved by the Senate of the United States.

SAM A. BANKS,
President and Chairman of the Board.

TITUSVILLE, FLA., *June 28, 1961.*

Senator SPESSARD HOLLAND,
U.S. Senate Office Building,
Washington, D.C.:

Nevins Fruit Co., Inc., also Nevins Ideal, Inc. organization handling approximately 15 percent of all citrus fruit shipped in fresh form from the Indian River area of Florida is very much opposed to Presidential Reorganization Plan No. 4 of 1961 under and by which the Chairman of the Federal Trade Commission would for all practical purposes be given unlimited powers and control over the business organizations of this country and would in effect reduce the other members of the Commission to a very minor status. I urge you to use your best effort to have this proposed plan disapproved by the Senate of the United States.

Best regards.

J. J. PARRISH, Jr.,
President.

VERO BEACH, FLA., *June 28, 1961.*

Hon. SPESSARD L. HOLLAND,
U.S. Senator from Florida,
Washington, D.C.:

The Indian River Citrus League, representing 1,567 citrus growers of the Indian River area, urge you to actively support the disapproval by the Senate of the President's Reorganization Plan No. 4 of 1961, which would authorize the Federal Trade Commission to delegate its powers to the Chairman. We believe this to be dangerous and detrimental to the best interest of everyone.

M. R. BUCKALEW,
Executive Vice President.

TAMPA, FLA., *June 27, 1961.*

Hon. SPESSARD HOLLAND,
Senate Office Building,
Washington, D. C.:

Urge you use your best efforts to have Presidential Reorganization Plan No. 4 of 1961 disapproved by Senate. In the judgment of everyone I have talked with in the citrus industry it is even worse and more far reaching than the reorganization plan for the Federal Communication Commission that was rejected by the House of Representatives.

JOHN T. LESLEY.

Mr. HOLLAND. Mr. President, I shall not read the other telegrams, which are similar.

I merely wish to state that the vegetable producers and the fruit producers of our State have had several cases before the Federal Trade Commission; and they prefer to rely upon what I shall refer to as the right of jury trial—in other words, the right to have five men, rather than only one man, pass upon their cases. I think they are within their rights in insisting upon the point that, generally, under our form of government, a person who has a litigation of importance to him has the right to be tried by a jury, or else to waive that and to be tried by only one man. But under this plan, one man would have that right at all times. I think these fruit producers and vegetable producers are on sound ground.

Therefore, Mr. President, I ask that the Senate disapprove this reorganization plan by approving the pending resolution to disapprove the plan.

Mr. McCLELLAN. Mr. President, I yield 2 minutes to the distinguished Senator from Pennsylvania [Mr. CLARK].

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 2 minutes.

Mr. CLARK. Mr. President, the Federal Trade Commission should be one of the greatest protectors of the public interest in the United States. It is struggling hard to perform that function; but it is unable to do so, as the tables on pages 101 and 102 of the record very clearly show.

The number of complaints handled by the Commission is increasing, and the number of cases pending before the Commission is increasing. Thus it is that the ability of the Commission to deal with its enormous caseload is decreasing, because it cannot keep up with the work.

I strongly support the position taken by the Senator from Colorado [Mr. CARROLL], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Washington [Mr. MAGNUSON]. We should stand behind the President of the United States in his efforts to protect the public interest.

There is a very good analogy between the way these regulatory bodies must conduct themselves—they are partly legislative, partly executive, and partly judicial—and the way every Senator runs his own office. What Senator is there—except perhaps one or two from the smallest States of the Nation, and I think that even they must also run their offices in this way—who does not, almost every day, delegate every power he has as a Senator, except perhaps the power to vote? What Senator is there who is not willing to have most of his senatorial functions transferred to his administrative assistant every day of the week? It is a necessity that that be done, Mr. President. And if that is true of Senators, certainly the same is true of these commissions. After all, Mr. President, this is 1961, not 1787.

So I urge that the Senate give these regulatory commissions the streamlined power to act which the President has requested.

Mr. MUSKIE. Mr. President——

Mr. McCLELLAN. Mr. President, I yield 5 minutes to the distinguished Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 5 minutes.

Mr. MUSKIE. Mr. President, I think it important at this point that the need for such action with respect to the Federal Trade Commission be fully realized. Therefore, I should like to quote from the testimony of the Chairman of the Commission in regard to the Commission's workload:

> The workload of the Commission is greater today than ever before in its history. For the information of this committee, we have prepared tabulations which show the tremendous increase in the workload of the Commission even during the past 5 years. At the end of the fiscal year 1956, there were 213 formal matters, that is matters in which the Commission had issued its complaint, pending in the Commission. At the end of the fiscal year 1960, there were more than twice this number—449—pending cases, and at April 30 this year there were 522 cases pending. In 1956, the Commission issued 181 orders of which 173 were orders to cease and desist. In 1960, it issued 372 orders of which 354 were orders to cease and desist.

Therefore, Mr. President, this is the problem. As I indicated the other day in my argument on Reorganization Plan No. 1—which I opposed—the approach to this problem, as provided in these plans, is a correct one. The only reasonable way, I believe, in which the problem can be reduced is to enable the Commission to delegate some of its functions. The question involved is whether the means used are reasonable and sound.

Mr. JACKSON. Mr. President, will the Senator from Maine yield?

Mr. MUSKIE. I am glad to yield.

Mr. JACKSON. Is there not the additional factor, in connection with the pending plan, that the substantive committee which has jurisdiction in this case—namely, the Senate Committee on Commerce, headed by the distinguished senior Senator from Washington [Mr. MAGNUSON]—conducted hearings and had an opportunity to take testimony, and agreed to go along and to support the plan? Let me say that if I am in error in that respect, in regard to the position taken by the Senate Commerce Committee, I should like to be corrected.

Mr. MUSKIE. The Senator from Washington is correct.

Mr. President, the question involved is whether the means used are sound and reasonable. In the case of the Securities and Exchange Commission—in other words, Reorganization Plan No. 1—I felt that the answer to this question was "No." So I voted against that plan.

In the case of the plan now before us, I think the answer is "Yes."

I shall indicate here my reasons for so thinking:

All these plans—that is to say, plans 1, 2, 3, and 4—contain the same basic elements. First of all, of course, is the authority on the part of the Commission to delegate; second, provisions with respect to limitation of review; third provisions for transfer of increased authority to the Chairman.

Although all these plans are similar, and when we read them, they seem very much alike, we should understand that they have different impacts on each of the regulatory agencies involved. Each of the activities of business regulated is different. In each instance, the functions of the agencies are different. The climate within which the plan would operate is different in each of these cases. So if we are truly and soundly to evaluate the impact of each plan, we must understand something of the operations of the agency—in this case, the operations of the Federal Trade Commission.

The PRESIDING OFFICER. The time yielded to the Senator from Maine has expired.

Mr. MUSKIE. Mr. President, I should like to have some additional time, if I may.

Mr. McCLELLAN. I yield 4 additional minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 4 additional minutes.

Mr. MUSKIE. I thank the Senator from Arkansas.

Mr. President, the Federal Trade Commission—as the distinguished Senator from Tennessee made clear—is a law-enforcement agency, with respect to which the Federal Trade Commission's hearing examiners now exercise most of the important functions which the Commission has. I should like to point out to the Senate the record of the hearing examiners, because I think it bears upon the soundness of this plan:

In the fiscal year 1956, of a total of 181 Commission actions on decisions of hearing examiners, 171 were affirmed without change by the Commission. In 1957, out of 200 such actions, 186 were affirmed without change. In 1958, 280 out of 299 were affirmed without change; in 1959, 351 out of 386; in 1960, 334 out of 372; and in 1961, 261 out of 284.

These are affirmations by the Commission of decisions made by hearing examiners with respect to functions which it is proposed be delegated, under this plan, to hearing examiners.

The second point involved, then, as we evaluate the plan, is the question of Commission review. On this question, let me read into the record an answer given by the Chairman of the Federal Trade Commission.

The question presented to him was:

> What change, if any, from present procedure in the Commission will plan No. 4 require with respect to the review accorded cases?

The answer was:

> Proposed plan No. 4 would make no change in the present or required review accorded Commission cases.

I ask unanimous consent that the full answer of the Chairman be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as foHows:

FEDERAL TRADE COMMISSION,
Washington, D.C., June 12, 1961.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In reference to proposed Reorganization Plan No. 4, relating to the Federal Trade Commission, I submit herewith the attached question and answer covering information which I understand your committee desires.

With all good wishes,

Sincerely yours,

PAUL RAND DIXON,
Chairman.

PROPOSED REORGANIZATION PLAN NO. 4 RELATING TO THE FEDERAL TRADE COMMISSION

Question: What change, if any, from present procedure in the Commission will plan No. 4 require with respect to the review accorded cases.

Answer: Proposed plan No. 4 would make no change in the present or required review accorded Commission cases.

At present, hearing examiners' initial decisions become final within 30 days unless they are appealed by the parties to the Commission or are taken up by the Commission on its own initiative for review. From final action before the Commission, cases are subject to review by the U.S. court of appeals upon petition of an aggrieved party. They will remain so under plan No. 4.

Two changes in Commission procedures are expected to be effected by internal revision under present law, but not as a result of plan No. 4. These changes are to be made for the purpose of simplifying and expediting Commission casework. The first such change is to have "consent settlement" cases

processed through a special section, thus relieving the hearing examiners of these matters so they may devote more time to their dockets of contested proceedings. Consent settlements are agreements worked out by counsel for the parties, disposing of the case by consent to a cease-and-desist order. Filing these consents with the hearing examiner as heretofore followed has overburdened such hearing examiners with a great volume of routine work even though the cases involved no contest and all matters were covered by the agreement between the parties. Consent settlements are akin to settlement of suits out of court by agreement between the parties.

This change, effected by rules of practice, not by plan No. 4, will afford the same amount of review and of final consideration and action by the Commission as heretofore.

The second procedural change contemplated, again not under plan No. 4, is that review of hearing examiners' decisions will be upon petition on the part of either party in nature of certiorari to the Commission, or by the Commission's own motion. This is highly desirable in the interest of expedition and of avoiding frivolous appeals and unnecessary delays. In the event no party acts to have the Commission review the case, the hearing examiner's decision will become final within a specified number of days.

Such change will reduce the paperwork accorded cases where neither party desires to have further review and where the Commission itself sees no substantial question involved indicating a need for further review.

As indicated above, the two changes mentioned will be made by provisions in the Commission's rules of practice. They do not flow in any respect from plan No. 4, but are internal changes within present law made under the rules of practice and in conformity with the Administrative Procedure Act.

Mr. MUSKIE. Mr. President, with respect to this plan, on the question of delegation, we have this fact: Most of the important functions bearing upon rights of persons appearing before the Commission on alleged violations are now heard by hearing examiners. They are now handled in such a responsible way by hearing examiners that, by and large, their findings are affirmed by the Commission.

Finally, with respect to the right of review, that right is not changed by this plan.

I wish to make one further point, and that is on the question of the authority which is granted to the Chairman. Some concern has been expressed by the Senator from Florida and his constituents on this point. I again read from the testimony:

[The plan] gives the Chairman no power that he doesn't presently have other than the selection and assignment of such personnel if a majority of the Commission decides first to delegate same.

I should like to make one closing comment on this plan. The distinguished chairman of the committee, the Senator from Arkansas [Mr. MCCLELLAN], and I both entertained reservations about all these plans, and the reasons were outlined in my remarks on plan No. 1.

After carefully examining the plan, on balance we feel that it ought to be approved. We think it ought to be approved because of the problem that is involved and because its application to the functions of the Commission is sound.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished Senator from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. President, there are two reasons why this resolution of disapproval should be adopted. The first is that it carries section 2, which transfers certain functions to the Chairman.

It is most significant that Reorganization Plan No. 5, which deals with the National Labor Relations Board, does not contain section 2. That is one of the five plans which does not propose to delegate certain powers to the Chairman.

The transfer of these functions to the Chairman, taken into consideration in connection with the change in the inherent right of review, which has always been considered a part of our practice, is the one which I think is the most objectionable.

The second reason why the plan should not be approved at this time is that the Federal Trade Commission itself, just this week, has instituted a sweeping reorganization aimed at speeding the Trade Commission's enforcement work.

I ask unanimous consent that I may have printed in the RECORD at this point in my remarks a statement on this reorganization. The reorganization which the Federal Trade Commission itself is instituting this week, effective July 1, is intended to make it possible for a senior attorney to follow through on a particular case from the initial investigation to the checks on compliance with agency orders.

It is intended to expedite the work of the Commission and to eliminate the backlog. This plan is being entered into by the Commission now. We ought not to reorganize the Commission under the plan proposed until the plan is worked out within the Trade Commission itself, and there is opportunity to study the results.

The PRESIDING OFFICER. Without objection, the statement referred to by the Senator will be printed in the RECORD.

The article ordered to be printed in the RECORD, is as follows:

[From the Wall Street Journal, June 26, 1961]

FTC IS REORGANIZED IN EFFORT TO SPEED ENFORCEMENT WORK—RESPONSIBILITY FROM FIRST STUDY TO PROSECUTION OF EACH CASE TO REST WITH SENIOR ATTORNEYS

WASHINGTON.—Federal Trade Commission Chairman Rand Dixon announced a sweeping reorganization aimed at speeding the FTC's enforcement work.

One major change will place the responsibility on individual senior attorneys for each case from initial investigation through prosecution and finally to checks on compliance with agency orders.

In the past, a complaint was referred to a field office, where generally a young lawyer would investigate and forward his findings and recommendations. These passed through staff levels and bureaus until a staff recommendation was made to the full Commission. The Commission issued a formal complaint, the case was referred to a trial attorney, who devised the prosecution. Often he had to do considerable field investigating himself before he was ready for a hearing before an FTC examiner.

Under the new system, beginning July 1, a senior attorney will be assigned a complaint and will send questions to the field. If this study shows the need for formal charges, the Washington-based attorney will develop the case and request investigators in one or more of the FTC's 10 field offices to obtain information that could be used in prosecution. This, essentially, is how the Justice Department's Antitrust Division has its cases investigated by the Federal Bureau of Investigation. The senior man will then supervise handling of the case at trial and later in compliance enforcement.

Chairman Dixon said the move will so center responsibility for each case "that no attorney will be able to shrug shoulders" and pass the buck to alibi a lack of progress. Six working bureaus will be created: For antimerger and other restraint of trade cases; for cases of deceptive practices, such as false advertising; to supervise operations of the field investigators; to police the textile and fur labeling acts; to make broad economic studies of industries and help develop the economic facets of individual cases; and to set up trade-practice conferences to obtain voluntary compliance with the law by whole industries.

Mr. Dixon said that at the end of May 2,591 investigations were pending, almost 40 percent more than a year earlier. The rise in activity calls for drastic steps to cut the burgeoning backlog of cases, he said.

Mr. DIRKSEN. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Illinois has 10 minutes left, and the Senator from Arkansas has 20 minutes left.

Mr. DIRKSEN. Mr. President, I yield myself 5 minutes.

The plan before us is not essentially different from the two plans already rejected, one by the House, by a proportion of 4½ to 1, and the other by the Senate, by a vote of 52 to 38.

Only two proposals are involved. The first is the delegation of powers.

In 1914 the Congress provided for a Federal Trade Commission of five members, and then it conferred certain powers on them. Later, Congress said that "no Commissioner shall engage in any other business," and so on.

Later, it provided that "whenever the Commission shall have reason to believe that any such person, partnership, or corporation has been or is using any unfair method of competition," it shall do certain things.

Under the Wool Products Labeling Act, we find it is provided that "the Commission is authorized and directed to prevent any person" and so forth.

Later, "the Commission is authorized and directed to make rules and regulations."

We impose a duty on the Commission. The proponents can argue until the first astronaut gets to the moon, but they cannot change the unshakable fact that it is recited in this plan, as well as in others, that "the Commission hereinafter referred to" shall have authority to delegate, by published order or rule, all its functions. The pending proposal would enable the Commission to delegate any function not only to a trial examiner or hearing examiner, but to an employee or group of employees. That is not what the Congress intended.

The second point is that here, as elsewhere, the right of review is discretionary. I am amazed by the argument of my esteemed friend from Colorado [Mr. CARROLL] and the chairman of the Antitrust and Monopoly Subcommittee [Mr. KEFAUVER], who have been "bleeding" for the "little guy." The "little guy" cannot get any review unless the Commission decides to give it to him. That procedure is a far cry from the juridical concept that I learned from the law books. It is alien to the whole American form of government and the whole American concept.

The issue is that simple. Those are the two issues involved, even as they would be in connection with the other plans. Are we to delegate all these functions and rulemaking powers with respect to judicatory powers? That is quite another thing. There we can get some expedition.

But what an amazing thing that the Wall Street Journal only this morning indicated that already there was a reorganization going on within the Federal Trade Commission, a plan to expedite enforcement and the business of the Commission.

There are two principal items, and they do not vary with respect to the plans which the Senate defeated heretofore. The proposed plan, like the ones involving the Securities and Exchange Commission and the Federal Communications Commission, ought to be defeated by a resounding vote.

According to information submitted to the committee by the Federal Trade Commission at the time of the hearing, in fiscal 1956 the Commission reversed or modified or remanded 13 initial decisions out of a total of 184. Four years later, in 1960 the number of decisions which the Commission found it had to reverse, modify, or remand had increased fivefold.

That fact would indicate whether or not there is a necessity for administrative review. If there is not to be one, the litigants must resort to the courts. That is a pretty difficult thing for the "little guy," for whom my friends have been pleading. It means great costs, and attorneys' fees on appeal. If the Senate wants to do something for the so-called little guy, the way to do it is to give him his right of administrative review by the Commission, which right was created by the Congress. It was intended that there be an exercise of such rights. If they are not going to do it, perhaps we ought to find some other method, because the nominations of Commissioners are confirmed by the Senate. We do not confirm nominations of people who are examiners and employees. I believe the "little guy," for whom they sweat and strain, should have his day in court, meaning an administrative court, and should have his case presented, if he so desires, to somebody whom the U.S. Senate has found to be fit to discharge the responsibilities of the position.

I hope the plan will be rejected.

Mr. McCLELLAN. Mr. President, I yield myself 3 minutes.

I fully associate myself with the remarks of the distinguished Senator from Maine. It is true he and I both had considerable misgivings about all four of these plans. I have not yet made up my mind to support any other except this plan.

If I were writing the plan, I would make some revisions in it, but at the same time I realize that there is a real problem in the Commission in respect to the workload. It is necessary to expedite the work. To the extent that power can be delegated to subordinates, at the same time protecting the rights of persons involved, it ought to be done, and the Congress ought to grant such power.

In this particular case I have conferred with the Chairman of the Commission, and I am of the opinion that the powers proposed to be conferred under the plan can be granted safely. Therefore, I shall support the plan.

I still maintain reservations with respect to the other plans.

I ask unanimous consent to have printed in the RECORD at this point a letter I have received from Chairman Dixon, of the Commission, dated June 28, 1961. I did not have the letter in time to incorporate it in the hearings. I believe it should be printed in the RECORD for the information of those who desire to read it. The letter relates to powers which the Commission probably will use by reason of the reorganization plan, if approved.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
WASHINGTON, D.C.,
June 28, 1961.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request, the Commission by letter dated May 15, 1961, submitted comments and recommendations on Reorganization Plan No. 4 of 1961. Also on June 6, 1961, I appeared before your committee and testified in favor of the plan. After reviewing the comments and recommendations heretofore made and considering the fact that somewhat similar proposed reorganization plans for other agencies have been disapproved by the Congress, it occurred to me that some additional comments as to the Commission's need for the authority which the plan would provide might be helpful to the committee.

Reorganization Plan No. 4 would provide the Commission with needed additional authority to delegate functions, but at the same time the plan contains a number of safeguards against abuse of the authority. In addition, as you well know, the Commission is a creature of the Congress, and if at any time it should abuse any of the authority granted it, the Congress through its general oversight of the agency, its control over the budget, and its general interest in the effectiveness of the Commission undoubtedly would take such action as might appear necessary to correct such abuse. Moreover, the principal function of the Commission is to ferret out and stop unfair trade practices. It does not grant licenses and, except in limited fields, it does not regulate by rules, and in these respects its duties and functions differ materially from those of other regulatory agencies. The opportunity for abuse of the authority which the plan would provide simply does not exist insofar as the Commission's principal duties and functions are concerned.

As I have heretofore advised the committee, the Commission's workload is greater today than ever before in its history. The backlog of cases which the five-man Commission must consider is increasing every day. The time it now takes for the Commission to stop an unfair practice is unconscionably long. We simply must devise ways to speed up our cases. We have completed an internal reorganization of the Commission's staff which will be effective July 1. The primary objective of the reorganization is to eliminate delay at every stage of a proceeding. Also, the Commission's rules of practice for adjudicative proceedings are being revised in order that hearings may be concluded in much less time than heretofore. These changes plus an expected increase in the size of the Commission's staff are bound to result in more matters coming to the Commission for its consideration. Unless the Commission is provided with authority to delegate some of the functions it now performs, the Commission itself may be the bottleneck in our proceedings.

Some of the functions which the Commission now is required to perform and which it might find desirable to delegate to an individual Commissioner or to responsible staff members in the event Reorganization Plan No. 4 is not rejected could include such activities as issuing investigative or pretrial subpenas; issuing orders requiring corporations to file annual or special reports or answers to specific questions; issuing orders for the taking of testimony by deposition; granting or denying requests for extensions of time to respond to subpenas, to file reports or briefs, or to take other actions incident to the trial of a case; and ruling on interlocutory appeals from rulings of hearing examiners, motions to disqualify a hearing examiner, motions for leave to intervene in a proceeding, and motions for permission to file briefs in excess of the page limitation provided by the Commission's rules of practice. Such activities, while involving little time and effort when considered individually, necessarily occupy the Commission for a substantial part of each working day when considered collectively.

If Reorganization Plan No. 4 becomes effective and such functions are delegated the Commission will, of course, be free to devote its attention to overall policy matters and other duties of greater public interest. Before any delegation is made, however, a majority vote of the Commission will be required and if at any time it appears desirable for the delegation to be revoked, this could be done by the same vote.

It is my strong belief that Reorganization Plan No. 4 would result in substantial benefits to the public.

With kindest personal regards, I am,

Sincerely,

PAUL RAND DIXON,
Chairman.

Mr. DIRKSEN. Mr. President, since there is a desire to shorten the time somewhat, I ask unanimous consent to have printed in the RECORD a statement which is a little more elaborate than my previous remarks with respect to Reorganization Plan No. 4, and the "Conclusion" in the committee report, as shown on pages 8 and 9.

There being no objection, the statement and conclusion were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

REORGANIZATION PLAN NO. 4—FEDERAL TRADE COMMISSION

We come now to the reorganization plan for the Federal Trade Commission. It is called plan No. 4. This plan is identical to Reorganization Plan No. 1 for the Securities and Exchange Commission which the Senate recently rejected by a vote of 52 to 38. This reorganization plan is

also substantially identical to Reorganization Plan No. 2 which the other House rejected by the large margin of 323 to 77. It is also substantially identical to Reorganization Plan No. 3 for the CAB. The Committee on Government Operations of the Senate under the able chairmanship of the Senator from Arkansas [Mr. MCCLELLAN] voted to disapprove both this plan and plan No. 3.

The principal issues involved in this plan are the same as the issues involved in the other plans. Let us turn first to the plan itself. Section 1 of the plan provides:

"In addition to its existing authority, the Federal Trade Commission, hereinafter referred to as the 'Commission,' shall have the authority to delegate by published order of rule, any of its functions."

I want to emphasize "delegate any of its functions."

Now, is this what the Congress intended when it passed the statutes giving the Federal Trade Commission its powers? The basic statute is the Federal Trade Commission Act of 1914. It begins:

"A Commission is created and established, to be known as the Federal Trade Commission, which shall be composed of five Commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate."

It goes on to say, "No Commissioner shall engage in any other business, any vocation, or employment."

That is what the Congress has said the Federal Trade Commission consists of—five members appointed by the President, subject to confirmation by the Senate. Then the statute goes on to say in section 45:

"Whenever the Commission shall have reason to believe that any such person, partnership, or corporation has been or is using any unfair method of competition * * * and if it shall appear to the Commission that a proceeding by it in respect thereof would be to the interest of the public it shall issue and serve a complaint."

And then if we turn to the Wool Products Labeling Act we find that it provides "the Commission is authorized and directed to prevent any person."

And a little later:

"The Commission is authorized and directed to make rules and regulations."

And still further on: "Whenever the Commission has reason to believe."

The same thing holds true for the Fur Products Labeling Act. Thus, Congress members subject to Senate confirmation "to have reason to believe," wants the Commission to issue rules and regulations, not some employee who is selected with no congressional scrutiny.

Let us look further at some of these powers of the FTC. It has the authority to issue substantive rules.

"These rules have the force and effect of law." These are not my words. They are the words of the FTC on page 13 of its own statement of rules of practice, procedures, and organization, and again on page 14 in connection with its powers under the antitrust laws. Under plan 4 the Commission, which the Congress said should consist of five members appointed by the President and confirmed by the Senate, can delegate its function of making rules which have the force and effect of law over the lives of the people of this country.

Now I come to my next point. Plan No. 4 not only permits these functions to be delegated by the Commission to subordinates, but it also takes away from an aggrieved party the right to have the decision of such a subordinate reviewed by the Commission. It makes any review discretionary with the Commission. In other words, the Commission has the right to a review, but the public does not.

The language by which plan 4 eliminates the right of the public to agency review applies to the other functions of the FTC also—because the FTC has other vast powers. It can issue cease and desist orders. It can declare the prices of goods to be unlawful and prohibit mergers. These are broad powers. These are important powers. They are all set out in the Federal Trade Commission's own document and, under the plan, the public would have no right of review of a subordinate's decision on any of these matters.

Two important questions have already been asked on the floor by the able Senator from Maine [Mr. MUSKIE] in connection with the debate on the SEC plan:

"First, is it proper or desirable to delegate the exercise of the rulemaking and adjudicatory functions to subordinates on a staff without providing for mandatory review of their determination by the full agency?"

And then "by permitting only discretionary review before the full Commission, is the litigant being deprived of a substantial right?"

Let us see how important that right is to the aggrieved member of the public appearing before an agency. According to the information submitted to the committee by the FTC at the time of the hearings on this plan, in fiscal 1956, the Commission reversed, remanded, or modified 13 initial decisions out of a total of 184 decisions. By fiscal 1960, the number of decisions which the Commission found it had to reverse, remand, or modify increased 500 percent while the total number of decisions increased less than 150 percent. In other words, by the Commission's own figures, it is now reversing, remanding, or modifying six times as many decisions of the hearing examiners as it did before, while the total number of cases has only doubled. Yet, in the face of this tremendous increase in the number of decisions by subordinates which the Commission found it necessary to reverse or otherwise change, this plan No. 4 would take away the right of the public to obtain agency review of such decisions of subordinates.

In this connection I think that it is particularly important to note the remark of the Chairman of the FTC appearing at page 105 of the hearing record that "the Federal Trade Commission is primarily an enforcement agency or adjudicatory body."

The right of review by a higher authority is part and parcel of our system of justice. It should be just as much a part of our administrative system as it is a part of our judicial system. If the FTC is primarily an adjudicatory body it should provide for a right of review of a subordinate's decision by the full Commission just as the courts provide for a right of review from the trial court to the appellate court. Yet, this reorganization plan would cut out the right of an aggrieved party to get this review. It would send him to the courts instead. Let us not forget that this is not a matter of discretionary review like the certiorari appeal of the Supreme Court, because a party has already had one review in the appellate court as a matter of right.

What would this do to the workload and backlog of our courts? In this very term of Congress we have had to add 73 more judges to our Federal courts system to deal with the backlog of cases in these courts today. This reorganization plan would transfer to the courts an even greater backlog—all of the backlog of the agencies. But even if we were to add dozens or even hundreds of judges to handle such a backlog, I submit that it would not be desirable to eliminate the right to agency review. I encourage the delegation of decisionmaking in adjudicatory matters but I believe that we must maintain the doctrine of a right to have that decision by a subordinate reviewed within the administrative system.

Now the Chairman of the FTC has said that under the FTC statutes a party has no right to agency review. I would just like to remind him of the Administrative Procedure Act which also applies to the FTC. There the right of review is provided and if he has any doubts, I refer him to the Attorney General's Manual on the Administrative Procedure Act prepared for the guidance of Government agencies by the Department of Justice under the supervision of Tom C. Clark, now a Supreme Court Justice, which states at page 83:

"Parties may appeal from the hearing officer's initial decision to the agency, which must thereupon itself consider and decide the case. Also, the agency may review the hearing officer's initial decision even though the parties fail to appeal."

The Attorney General emphasized this point with a footnote which reads:

"It is important to note that section 10(c) permits an agency to require parties to appeal from hearing officers' initial decisions to the agency as a prerequisite to obtaining judicial review."

Therefore, a party not only has a right to agency review but the agency may require him to utilize that right as a prerequisite to obtaining a judicial review.

I come now to my next point. This plan, like the SEC reorganization plan, is no reorganization plan at all, but a blank check. We are not told what functions are to be delegated to what categories of employees. Instead the plan proposes that any function can be delegated to any employee. As a matter of fact this check is so blank that all it would have on it would be the name of the Congress as the signer and "pay to the order of" the FTC. Nobody knows what will be filled in, not even the Chairman of the FTC. At the hearings on plan 4 he stated:

"We have not yet determined what delegations should be made in implementing the planned reorganization."

What is the need for such a plan when not even the Chairman knows what needs to be done? Let the agency first decide what it wants and then let the Congress act. What is needed is to have definite proposals presented to Congress as legislative proposals. Then they can be referred to the proper committees which can give them appropriate time and study, modify them if the committees deem it necessary, and then present them to the respective Houses of the Congress for a vote.

When I spoke of the identical plan for the SEC, I commented on the possibility that under the language of these plans it is possible for the entire hearing examiners system, which the Congress has so carefully established and preserved, to be bypassed and I shall not elaborate further on that at this time.

In sum then, this plan should be rejected by the Senate, first because it provides for a delegation of any function, without limiting the functions which can be delegated or the persons to whom they can be delegated. These are the very functions which the Congress gave to five men whose nominations are subject to Senate confirmation. And, secondly, because the reorganization plan wipes out the right of an aggrieved party to have a review by the FTC of a decision which was delegated to a subordinate. Here I want to make reference to a statement by Mr. Landis during his testimony on the plans on June 8, 1961. He said:

"Whenever you lodge power anywhere, there is always a danger of its abuse. There is no doubt about that. The only thing that you can do is to build up as many safeguards as you can against the abuse of the power that you have been forced to lodge in some individual."

I suggest that Mr. Landis says more in this statement than I can ever say about the danger in this plan, for the plan takes away that very safeguard against the abuse of power by taking away the right of the public to have an agency review of a power which has been delegated.

My last point is that this plan is really no plan at all, because it doesn't say what functions can be delegated to what persons but instead that any functions can at any time be delegated to anybody.

CONCLUSION

The committee found that the Federal Trade Commission is charged by law with the exercise of important powers over American business and industry, and these functions and responsibilities have been specifically vested in the Commission by the Congress.

If plan No. 4 of 1961 is permitted to go into effect, the Commission will have the power to (1) authorize the delegation of any and all of its functions to subordinates; (2) afford review only at its discretion, unless two members of the Commission agree to a review; and (3) cause the decision of a subordinate to become final by denying review. In addition, there would be vested in the Chairman of the Commission the authority to choose the individuals who would exercise the delegated power.

It is the considered judgment of the committee that (1) unlimited authority in the Commission to delegate the exercise of its rulemaking and adjudicatory functions to subordinates or staff, without providing for mandatory review of their determinations by the full Commission, may involve the denial of substantive rights of persons doing business with the Commission; (2) the delegation which is authorized by plan No. 4 might well result in policy being made by the staff instead of by the Commission; and (3) the proposed delegation can result in final determinations being made by subordinates who are not subject to Senate scrutiny and confirmation, and such action is not desirable.

The committee is fully aware of the fact that the Federal Trade Commission is heavily burdened with a large volume of work, and that some action is necessary to enable the Commission to discharge its responsibilities more expeditiously. Furthermore, the committee has no doubt that if the plan is permitted to become effective, the Chairman and the other members of the Federal Trade Commission will do everything they can to administer the affairs of the Commission in a just and equitable manner.

However, the committee believes that when the Congress vests in a regulatory agency important policymaking, rulemaking, and adjudicatory functions, it is neither desirable nor in the public interest to permit such functions to be delegated to subordinates without limitations, and subject only to discretionary review of their determinations by the agency.

Finally, in the judgment of the committee, if action is required to streamline the Federal Trade Commission or to relieve its members of present burdens by authorizing extensive delegations and limiting administrative appeals, this should be done selectively by amending the organic statute of the Commission, and by the committees which normally process legislation pertaining to the Commission and which are familiar with their policies and activities, rather than by the device of a reorganization plan.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. A vote "yea" is a vote for the resolution, which is a vote for rejection of the plan, and a vote "nay" is, in effect, a vote to accept the plan.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the resolution. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN (when his name was called). On this vote I have a pair with the junior Senator from Missouri [Mr. LONG]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea"; I therefore withhold my vote.

Mr. RANDOLPH (when his name was called). On this vote I have a pair with the Senator from Maryland [Mr. BEALL]. If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay"; I therefore withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the junior Senator from Georgia [Mr. TALMADGE]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea"; I therefore withhold my vote.

Mr. WILEY (when his name was called). On this vote I have a pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea"; I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. McCARTHY], the Senator from Georgia [Mr. TALMADGE], and the Senator from Arizona [Mr. HAYDEN], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE], and the Senator from Arizona [Mr. HAYDEN] would vote "nay."

On this vote, the Senator from North Dakota [Mr. BURDICK] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from North Dakota would vote "nay," and the Senator from Nebraska would vote "yea."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Minnesota [Mr. McCARTHY]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Minnesota would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Nebraska [Mr. HRUSKA] is absent on official business.

The Senator from Kentucky [Mr. MORTON], and the Senator from Kansas [Mr. SCHOEPPEL] are also necessarily absent.

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from North Dakota [Mr. BURDICK]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from North Dakota would vote "nay." If present and voting, the Senator from Kentucky [Mr. MORTON], the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The pair of the Senator from Maryland [Mr. BEALL] has been previously announced.

The result was announced—yeas 31, nays 47, as follows:

[No. 89]

YEAS—31

Aiken	Curtis	Mundt
Allott	Dirksen	Prouty
Bennett	Dworshak	Scott
Boggs	Goldwater	Smathers
Bridges	Hickenlooper	Smith, Maine
Butler	Holland	Thurmond
Capehart	Javits	Tower
Case, N.J.	Jordan	Williams, Del.
Case, S. Dak.	Keating	Young, N. Dak.
Cooper	Kuchel	
Cotton	Miller	

NAYS—47

Anderson	Hill	Morse
Bartlett	Humphrey	Moss
Bible	Jackson	Muskie
Byrd, W. Va.	Johnston	Neuberger
Cannon	Kefauver	Pastore
Carroll	Kerr	Pell
Church	Lausche	Proxmire
Clark	Long, Hawaii	Russell
Dodd	Long, La.	Smith, Mass.
Douglas	Magnuson	Sparkman
Engle	Mansfield	Stennis
Fulbright	McClellan	Symington
Gruening	McGee	Williams, N.J.
Hart	McNamara	Yarborough
Hartke	Metcalf	Young, Ohio
Hickey	Monroney	

NOT VOTING—22

Beall	Ervin	Randolph
Burdick	Fong	Robertson
Bush	Gore	Saltonstall
Byrd, Va.	Hayden	Schoeppel
Carlson	Hruska	Talmadge
Chavez	Long, Mo.	Wiley
Eastland	McCarthy	
Ellender	Morton	

So the resolution (S. Res. 147) was rejected.

REORGANIZATION PLAN NO. 3

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 446, Senate Resolution 143.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 143) opposing Reorganization Plan No. 3 of 1961 was read as follows:

Resolved, That the Senate does not favor the Reorganization Plan Numbered 3 of 1961 transmitted to Congress by the President on May 3, 1961.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, I have discussed this subject with several Senators on both sides of the aisle who are interested in this particular measure. I should like to propound a unanimous-consent request that the time allotted for debate on Reorganization Plan No. 3 be limited to 30 minutes, 15 minutes to a side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. DIRKSEN. Reserving the right to object, I wish only to say that Reorganization Plan No. 3 deals with the Civil Aeronautics Board. I wonder whether the distinguished Chairman of the Committee on Government Operations, the Senator from Arkansas [Mr. MCCLELLAN], would be willing to indicate now, while Senators are in attendance in goodly number, what his views are on the proposed plan.

Mr. MCCLELLAN. Does the Senator from Illinois refer to Reorganization Plan No. 3?

Mr. DIRKSEN. Yes.

Mr. MCCLELLAN. I shall oppose the plan and support the resolution of disapproval.

Mr. DIRKSEN. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, under the agreement entered into, half the available time will be allocated to the minority leader and half the time to the Senator from Arkansas [Mr. MCCLELLAN], the chairman of the committee.

Will the Senator from Arkansas yield to me one-half minute?

Mr. MCCLELLAN. I yield to the majority leader one-half minute.

AUTHORITY FOR THE VICE PRESIDENT OR THE PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS DURING ADJOURNMENT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Vice President or the President pro tempore be authorized to sign, during the adjournment following today's session, enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The PRESIDING OFFICER. Without objection, it is so ordered.

REORGANIZATION PLAN NO. 3 OF 1961

The Senate resumed the consideration of Senate Resolution 143 opposing Reorganization Plan No. 3 of 1961.

Mr. DIRKSEN. I yield 3 minutes to the Senator from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. President, Reorganization Plan No. 3, which deals with the Civil Aeronautics Board, presents one element which was not present in the last previous plan upon which the Senate voted. When the distinguished Senator from Maine [Mr. MUSKIE] was speaking with reference to plan No. 4, he said it was necessary to take into consideration the powers of the agency and the nature of the subject with which the plan deals. I invite the attention of the Senate to the fact that we are considering the Civil Aeronautics Board.

In the case of the Civil Aeronautics Board these powers go to the question of granting licenses, which mean a life or death sentence with respect to the operation of an airline. The proposal to give to the Chairman of the Civil Aeronautics Board the power to assign personnel and to perform functions which have been delegated by the Board gives the Chairman of the Board the right, without respect to the principle of rotation, to assign cases in which the verdict of an employee, to whom the case may be assigned, will be final unless one less than a majority of the Board should vote for review.

The plan as submitted by the President suggests the form of bipartisan concept by providing for mandatory review on the vote of a majority of the Board, less one member. However, there is no requirement that a minority party have more than one member on the Board.

In the case of the Civil Aeronautics Board, it could be divided 3 to 2 or 4 to 1; yet it would be necessary to get two votes if an aggrieved party were to have the right of review by the Commission of a decision made in its case.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield 2 additional minutes to the Senator from South Dakota.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. CURTIS. The distinguished Senator is making a very valid point. While in the case of the Federal Trade Commission it might be assumed that perhaps there is some evidence of a violation, with the Civil Aeronautics Board it is the right to go into business.

Mr. CASE of South Dakota. It is the right of life or death.

Mr. CURTIS. It is the right to go into business.

Mr. CASE of South Dakota. That is correct.

Mr. CURTIS. How is a petitioner to get an opportunity to present his case to individual members of the Board in order to convince two of them to grant the right of certiorari? Is he to buttonhole them in the corridor? There is no forum provided where he can present his case, to show that he ought to have a rehearing.

Mr. CASE of South Dakota. That is correct. It seems to me that particularly in the case of agencies such as the Federal Communications Commission, with respect to the reorganization of which the Senate has already expressed an adverse vote, and in the case of the Civil Aeronautics Board, a plan which gives special power to the Chairman and then denies the right of review except under circumstances indicated, grants the power of confiscation of existing rights, when the question of the renewal of a license arises. Therefore it seems to me that the plan should not be approved.

Mr. MCCLELLAN. Mr. President, I yield 5 minutes to the distinguished Senator from Oklahoma.

Mr. MONRONEY. Mr. President, the Aviation Subcommittee of the Commerce Committee has probably considered about as much aviation legislation as has any committee with respect to legislation within its jurisdiction.

Mr. MAGNUSON. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MONRONEY. At the request of the Committee on Government Operations we served notice on all branches of the aviation industry that we would hold hearings on this reorganization plan. When the hearings were held we heard testimony from the Civil Aeronautics Board and we heard testimony from Dean Landis, and we received three statements from various aviation organizations. There was no objection whatever on the part of any member of the Civil Aeronautics Board to the plan.

Dean Landis explained the plan for the administration, and the supporting letters from the industry were in favor of the plan.

I might say that I believe we are making a mountain out of a molehill. We are seeing ghosts behind every door. We are straining at a gnat.

If we do not in some way unburden the Civil Aeronautics Board of the small, insignificant regulatory detail that the present law requires be considered by the Board, there will continue to be 5 years of delay on an important case like the Southern Transcontinental case.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. JACKSON. It is my understanding that the aviation industry as a whole is cognizant of this problem that the Senator is relating to the Senate.

Mr. MONRONEY. It is, because it incurs costs of millions of dollars because of delays. We all know that justice delayed is justice denied.

Mr. JACKSON. Am I correct in understanding that the industry is not opposing the plan?

Mr. MONRONEY. There was no evidence whatever of any opposition. We invited everyone in the industry who normally appears at any of our hearings. Those who testified were in favor of it. Three statements were submitted in

favor of it. The others did not even think it important enough to appear.

It meets a need that has been recognized in the Civil Aeronautics Board. As a matter of fact the testimony by the Chairman was that they had frequently been compelled to delegate minor functions that were supposed to come before the Board, even though it is not clear that they have the authority under law to do so. However, no one challenged their doing it, and until they were challenged, they felt they had to do it to get some semblance of speed in disposition of the workload that confronts them.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MANSFIELD. As I understand, the members of the Civil Aeronautics Board at the present time have a multiplicity of duties. Some are minor in nature. For example, when we go before the Board it is like appearing in a court of law. It is almost like taking an oath and then listening to these judges before whom we appear.

It appears to me, on the basis of activities which take place in the field and in Washington, that too much of a burden is placed on the Commissioners, and that some of the burden should be taken away from them.

I hope the resolution of disapproval will not be approved by the Senate, but that the recommendation of the President will be adopted.

Mr. MONRONEY. I thank the distinguished majority leader.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. SYMINGTON. Mr. President, in my opinion, the foremost authority in this body on civil aviation is the distinguished Senator from Oklahoma. I have been impressed, over the years, with his efforts to get at the facts, to expedite proceedings, and to overcome the incredible delays which have cost so many States, so many airlines, and so many people so much money.

Am I to understand that after analyzing the proposed plan, it is the recommendation of the committee that it will go a long way toward eliminating the backlog which has built up over the years in the CAB?

Mr. MONRONEY. It will help materially by removing the necessity of the Board considering minutia. Let me give one illustration. We heard today in the supplemental carriers hearings that they are limited to 10 flights between 2 points each month. They cannot fly more often than that. This would mean that 1 flight beyond the 10 would require an exemption which would have to come before the Board itself for approval. The situation is ridiculous, especially in authorizing a charter flight.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. McCLELLAN. I yield 2 additional minutes to the Senator from Oklahoma.

Mr. MONRONEY. On a transatlantic charter flight, the homogeneity of the group has to be considered by the Board before it can grant permission to fly the charter. It means that if a group wanted to charter a Constellation to carry 90 passengers, who were members of a Baptist church, the Board would have to consider an allegation that a few were Catholics or Episcopalians. That is the kind of minutiae that must be passed along to the staff for handling. There are hundreds and hundreds of minor cases that must come before the Board, by law.

They would like to delegate some of their authority, but it is unlawful for them to do so, because they do not have such statutory authority. They made a long, careful study through their staff to see if they could cut out some of the minutia. We are told by the Board counsel that they came up with almost an identical plan that they had intended to propose by legislation.

To be afraid of this plan is wrong. As few as two members can bring any matter before the full Board for review. Certainly three members can withdraw any delegation of authority that is made to the staff. It seems to me that we want action in this type of regulatory body if it is desired to speed up the certification of new routes waiting to be flown, to avoid the 5 years' time it took on the Southern Transcontinental case, or to extend the privilege of an additional stop to some airline. We ought to permit the Board to delegate some of the authority, the minor authority, away from the Board, and leave the Board free to handle the big decisions. A great many economic problems face the aviation industry, which had a revenue of $2 billion last year, and $1 million in profit. Someone will have to study the economics of this industry, but how can they do so if they do not have sufficient time?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. HUMPHREY. I support the argument of the Senator from Oklahoma. The report made by McKinsey & Co., management experts hired by the Bureau of the Budget, seems to follow substantially the argument which has been made by the Senator from Oklahoma.

Rather than to take the time of the Senate to read the report as it relates to Reorganization Plan No. 3, I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REORGANIZATION PLAN NO. 3—THE CAB

The reorganization plan for the Civil Aeronautics Board seeks to alleviate problems at that agency which are, in the large, nonexistent at the Securities and Exchange Commission. This is primarily attributable to a fundamental difference between the two agencies.

The Securities and Exchange Commission is engaged in formulating and promulgating rules for the guidance of concerns seeking public financing, as well as for the protection of public investors. It is a rule-making, enforcement agency. Its activities involve surveillance and investigation to a far greater extent than almost all of the other major agencies. There is no real adjudicatory backlog at the SEC because the SEC has a relatively minute number of cases that must receive a judicial type hearing. For instance, the 1959 Annual Report of the Office of Administrative Procedure shows that of the cases closed by final decision of the SEC in 1959, not a single one consumed in excess of 2 years from the date of commencement.

At the CAB, on the other hand, 24 of the cases closed had been pending at that agency for longer than 2 years and 14 of the 24 for longer than 3 years. Further, of the cases pending and not closed at the CAB at the end of fiscal 1959, 166 had been pending for over 3 years. This compares with three cases, pending and unclosed, at the Securities and Exchange Commission, which have been there for over 3 years.

If one turns to a recent study of the Civil Aeronautics Board (October 1960) made by McKinsey & Co. for the Bureau of the Budget, there are revealed some truly startling figures and comments, to wit:

"The time of the Board itself, our analyses reveal, is unduly concentrated on only two activities: (a) Adjudication, which consumes approximately 65 percent of its time; and (b) international affairs, which take almost 20 percent of its time (see table 1).

"This concentration of Board effort has denied adequate attention to its other major responsibilities; e.g., formulating substantive plans and policies, and planning the efforts of and appraising the effectiveness of its 750-member staff."

The study further shows that the average age of dockets closed in 1960 through formal proceedings ranged from 11 to 63 months with the average being 32 months. The study concludes with the recommendation:

"3. To provide the Board sufficient time to adequately meet all its responsibilities we propose:

"(a) Lessen the Board's emphasis on case-by-case adjudication, e.g., (1) Delegate more responsibility to the staff, particularly on cases that are usually noncontested; e.g., foreign permit applications, interlocking relationship cases, mail rate cases, and section 412 agreement; or

"(2) Limit the Board's participation in adjudication by:

"(a) Limiting the Board's review on appeal only to cases involving major points of law or major issues of policy.

"(b) Limit Board consideration of cases accepted for review to major points of law or major issues of policy in question, rather than trying the case de novo."

Reorganization Plan No. 3 will allow the Board to directly implement this recommendation which was made by a reputable independent concern after a long and detailed study. A similar study by a different firm on the SEC revealed no such problems as exist with the CAB. Indeed, most critics of the administrative process have singled out the SEC for favorable comment. The need at the SEC is seen primarily in terms of more personnel and funds for the purpose of investigating and surveying our expanding securities markets. If the Government is to continue to spend large sums of money for studies and recommendations on ways and means to improve specific agencies, we in Congress should support reorganization plans that directly implement such recommendations.

TABLE 1.—*Allocation of Board time*

	Percent
(a) Preparation for and adjudication of specific cases	65
(b) Preparation for and participation in international negotiations and consultations	20
(c) General communications and miscellaneous office work	10
(d) Speeches and public relations	3
(e) Accident hearings	2
Total	100

Mr. HUMPHREY. Mr. President, I ask unanimous consent also that a statement I have prepared relating to Re-

organization Plans Nos. 3 and 4—plan No. 4 having just been adopted—may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

REORGANIZATION PLANS 3 AND 4

Without attempting to offer a complete litany of the problems besetting the independent regulatory agencies, let me enumerate from the President's message relative to the regulatory agencies:

1. The proper relationship of Congress and Congressmen to the independent agencies;
2. the proper role of the President vis-a-vis these agencies;
3. the personal problems in the agencies;
4. the focusing of rsponsibility;
5. the problem of delay; and
6. the problem of backlog.

These problems arise from a number of different causes, and it is encouraging and reassuring to know that the Subcommittee on Administrative Practice and Procedure under Senator CARROLL has given this whole matter close and thoughtful attention. It is no secret that we ourselves as Members of Congress influence materially the operations of these agencies by the legislation we pass and the financial support we provide them. It is no secret that the President by his actions or his inaction, by the moral tone of his leadership, can affect these agencies. It is no secret that extragovernment forces can and do affect them. Yet our immediate and proper concern is not primarily with these causes, deep, complex, and great as they are. Our concern today is more limited in scope. We look today at the root causes of the delays and the backlogs in these agencies.

From the Landis report, the President's message on the regulatory agencies, the report of our colleagues on the Subcommittee on Administrative Practice and Procedure, the testimony of witnesses, and the RECORD we learn of the magnitude of the problems of backlog and delay. And I am sure there is no Member of this body who has not been informed of these problems by his constituents.

As we inquire into the causes of delay and backlog we discover that, and I now quote Mr. Landis:

"The delays in the dispatch of business by these agencies stem largely from the fact that the agency members as a whole are required by law to deal with too many matters of minor significance, leaving them no time to handle major matters with dispatch and no time to engage in the important policymaking that should be a major consideration of the agency."

Turning to the report of our distinguished colleagues of the Subcommittee on Administrative Practice and Procedure we read: "The discussions and studies justify the belief that, although the needs of the agencies are mixed, the need for finding a simplified and expeditious procedure is common." And a little further on they say, "But the procedures the departments and agencies have been required to follow are a never absent source of trouble."

What then is the common strand to these contentions? It is that the immediate hope for reducing delay and backlog must lie in changed procedural requirements: changes which will free the overworked Board members.

THE BASIC APPROACH TO A SOLUTION USED IN THE REORGANIZATION PLANS

It is within this narrow range of action that the reorganization plans have been developed and submitted. In no sense do these plans pretend to cure all of the ills of all of the agencies. The basic approach to the problems of delay and backlog in the five major agencies is uncomplicated, is imaginative, is feasible, and is capable of wide application despite the different subject matter handled by the boards. It is simply this: Permit the agency as a whole to delegate certain of its functions to one or more of the agency members or to employees or boards of employees.

As each of the plans are before us today they contain similar provisions respecting the Commission's authority to delegate its functions, provision for the review of the exercise of the delegated authority by the delegatee, and provisions relating to the Chairman's power to appoint individuals to perform the functions delegated by the full committee.

To me, the logic and unity of approach in the basic philosophy of these proposals is compelling. First of all, the agency as a whole is allowed, but not required, to delegate any of its functions subject to the limitations placed by Congress in section 7(a), section 12, and others of the Administrative Procedure Act of 1946. It is rather clear why the plans do not attempt to spell out the specific matters which can be delegated. The agency itself, based on its own experience, will have the best knowledge of those functions which it would be fitting and proper to delegate, and the passage of time may well bring about developments such as the establishment of precedents which will serve to permit additional delegations as the area of decision is narrowed. In addition, to move into the realm of definition of terms such as "rulemaking" as defined now in the Administrative Procedure Act of 1946 would provide a legal field day for those who were opposed to the proposal anyway. To follow such a course of selective inclusion—no matter how attractive the idea appears on the surface—would be to lead every reorganization plan into a legalistic swamp from which few would emerge.

Allowing the agency to exercise its discretion and good judgment in permitting the exercise of delegated authority by a category of agency personnel whom it trusts and knows clearly makes sense when it is combined with a feature which permits the Chairman to make the routine administrative assignments of individuals or groups of individuals within these categories as outlined by the agency as a whole. The crushing burden of routine administrative assignments would be in this fashion removed from the whole Board.

Naturally the responsibility of the Board and the rights of parties in actions must be nailed down by review procedures. The plans clearly and specifically provide for compulsory review by the Board if one less than a majority of the Board so desires, and for discretionary review by the Board in such other cases as it shall determine. There is a clear intention that the full Board will be compelled at some stage in any proceeding to consider any request for review of actions taken by any Board member or lesser official. The Board need not, of course, grant review unless one less than a majority of the Board so orders.

Looking at the plans before us now, plan No. 3, relating to the CAB moves toward the shortening of delay and the reduction of the backlog of this Board's work primarily by permitting the Board to exercise the power of delegation of its functions (a power which it does not now have by specific legislative provision) and by shifting from a review policy which the Board now believes is mandatory in all cases to one which will be discretionary with the Board in the absence of order to the contrary by one less than a majority of the Board (or two members). Additions to the powers of the Chairman of the Board will in fact be of a limited nature since the Chairman was vested with a rather broad authority under Reorganization Plan No. 13 of 1950. (And we have been able to live with him these past 11 years.) Additionally, as we see, he will not get this power of assignment until the Board gives it to him.

Plan No. 4, which deals with the FTC, will have as its greatest merit in reducing delays and the backlog of the work of the Federal Trade Commission, the authority of the Commission to delegate its functions. The Commission does not now have this authority specifically by legislative provision, and the implied authority has been circumscribed by certain provisions in the Administrative Procedure Act of 1946 and the Federal Trade Commission Act itself. The additional authority which would be vested in the Chairman is essentially the routine administrative task of assigning personnel to perform specific delegated tasks when he is authorized by the full Commission to do so.

The review features of the FTC plan are worthy of note because as the FTC now operates Commission review is discretionary as to all actions and it takes a majority vote of the whole Commission to compel review while under plan No. 4 review would remain discretionary but would in fact be made easier of accomplishment since it could now be ordered by one less than a majority of the whole Commission. Unfortunately this liberalization of review in the FTC seems to have gone unnoticed.

OBJECTIONS TO THE PLANS, AND REBUTTAL TO THE OBJECTIONS

Plan No. 3, the CAB plan, has received the unanimous support of Chairman Alan Boyd and all the Commissioners of the CAB. In addition it was supported by the Air Transport Association, the chief spokesman for the very industry which is the subject of CAB regulatory activity. During the Senate Government Operations Committee hearings on this plan and the others there were only four lines of testimony offered specifically in opposition to plan No. 3 and these four lines are to be found in the testimony relating to the FCC and plan No. 2. The resolution of disapproval in the other body was defeated by a vote of 178 yeas to 213 nays.

Plan No. 4, the FTC plan, was opposed in the Senate Government Operations Committee hearings by Commissioner Anderson and the National Association of Manufacturers, along with the distinguished Senator from Nebraska, Senator HRUSKA. Support for the plan came from Chairman Paul Rand Dixon, of the Commission, and the remaining Commissioners (with exceptions noted by Commissioners Secrest and Kern), as well as from a special subcommittee of the Commerce Committee and the full Commerce Committee. A resolution of disapproval in the other body was defeated by a vote of 178 yeas to 221 nays.

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter and a memorandum I have received from Alan S. Boyd, Chairman of the Civil Aeronautics Board. Mr. Boyd was a Republican appointee. He appeared before the committee to testify wholeheartedly in favor of the plan, and to state that the Board was unanimously in favor of it. So the proposal is favored by a Board, all but one member of which was appointed by the Eisenhower administration.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

CIVIL AERONAUTICS BOARD,
Washington, D.C., June 28, 1961.

Hon. A. S. MIKE MONRONEY,
Chairman, Subcommittee on Aviation, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I appreciate the opportunity afforded me to appear before your

Subcommittee on Aviation on June 8, 1961, in support of Reorganization Plan No. 3 of 1961 which would provide for greater efficiency in the dispatch of business by the Civil Aeronautics Board.

I would like to again stress the importance to the Board of Reorganization Plan No. 3. As I indicated in my testimony, the plan will enable the Board to effectively deal with the serious problem of delay which has confronted us in administrative proceedings, and to greatly expedite our workload.

If the plan becomes law, the Board intends initially to delegate on a relatively limited scale. As experience is gained, the delegations of authority will be expanded. This will permit the Board to retain primary responsibility for the more important problems and to gradually increase the delegations made to the staff.

There is enclosed for your information a memorandum which fully explains the mechanics of the plan. You will note that numerous safeguards are provided to protect the minority members of the Board. Each member of the Board has endorsed the plan and strongly recommends its approval.

Sincerely yours,

ALAN S. BOYD, *Chairman.*

REORGANIZATION PLANS—1961

The philosophy of the reorganization plans submitted by the Presideent to the Congress involving the SEC, the FCC, the CAB, the FTC, and the NLRB is exceedingly simple. The delays in the dispatch of business by these agencies stem largely from the fact that the agency members as a whole are required by law to deal with too many matters of minor significance, leaving them no time to handle major matters with dispatch and no time to engage in the important policymaking that should be a major consideration of the agency.

There is only one remedy for this situation, and that is to permit the agency as a whole to delegate certain of its functions to one or more of the agency members or to employees or boards of employees. The reorganization plans permit such delegation. They do not, however, specify the exact matters that can be delegated. To do so would be wrong for two reasons. The first is that the agency itself, out of its experience, can best judge what matters should be delegated. The second is that any specification of the matters that can be delegated would freeze a situation that should be kept fluid, inasmuch as precedents, as they accumulate, will narrow the area of decision and make delegable tomorrow a matter which today should not be delegated.

A number of safeguards against improper delegation have been written into the plan. The first is that delegation can only be done by a published rule or order, which means that notice must be given of the rule proposed to be adopted and that an opportunity, pursuant to the requirements of the Administrative Procedure Act, must be given to all interested parties to be heard, for or against the proposed rule. The second safeguard is that any party deemed aggrieved by a decision made or action taken by the person or board to whom the authority so to act has been delegated may petition the agency as a whole to review that action. This petition must be granted if a minority of the agency, namely a majority of the agency members minus one, wants the matter reviewed, thus preventing a mere majority of the agency from shutting off the desire of a minority for further consideration by the agency members as a whole. The petition to review can, of course, be granted in the discretion of the agency if only one member thinks that the matter is worth the attention of the agency as a whole. A third safeguard is that adjudicatory matters, pursuant to section 7 of the Administrative Procedure Act, can only be delegated to duly appointed hearing examiners who are not subject to the control of the agency members or its staff, and who can be removed only for good cause.

An incidental feature of these plans derives from the necessity of designating the particular individuals who shall comprise the panels or boards or the persons deputed to handle the delegated matters. Inasmuch as these designations will have to be made from week to week as arduous routine matters are passed around among the various agency members, it might well have defeated the very purpose of the plans to require the full Commission or Board to meet frequently to determine the object of the delegation. Consequently, the power of designation was given to the agency Chairman since he is already the executive head of the agency. But even here, safeguards are written into the plans. If the members are unhappy with the Chairman's exercise of this function, the delegation can be completely revoked. Alternatively, a minority could always require the full Commission or Board to review any and every decision made by a panel or individual whose judgment the minority felt to be untrustworthy. It is imperative to note that the Chairman exercises no functions or powers under these plans except as the Commission or Board may authorize.

This is the sum and substance of the plans. They have been criticized as interfering with the independence of the agencies, as making them subservient to the executive, as degrading the members of the agencies by permitting them to be assigned to tasks by the Chairman. All of this is, of course, simply not so. There is only one purpose to these plans and that is to make it possible for the agencies more effectively to deal with their heavy workloads. It is to reaffirm the necessity for a speedy trial where here, as in the courts, justice delayed is justice denied.

Mr. ANDERSON. Mr. President, will the Senator from Arkansas yield 1 minute to me?

Mr. McCLELLAN. I yield 1 minute to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I have frequently followed the views of the Senator from Oklahoma on the subject of aeronautics. I generally find his position well taken. Does the Senator intend to vote against the resolution?

Mr. MONRONEY. I intend to vote "nay" on the resolution in order to vote for the reorganization plan. That is what the majority of the members of the Committee on Commerce propose to do.

We recognize that what is sought to be done by the reorganization plan can also be done by legislation, but legislation is not likely to pass this year, because it is too late in the session. So the approval of the reorganization plan will accomplish the same purpose.

Mr. ANDERSON. Does the Senator intend to vote "nay" on the resolution?

Mr. MONRONEY. I intend to vote "nay" on the resolution, so that the reorganization plan can be adopted.

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the distinguished Senator from South Dakota.

Mr. MUNDT. Mr. President, the arguments I advanced in some detail against Reorganization Plan No. 4 holds with equal, if not increased, validity against Reorganization Plan No. 3. What the Senate is again being called upon to decide is how far we desire to go in delegating to individuals the control over citizens in our American political, social, and economic life. This is one more step in the direction of big government. True, it can be disguised, masked, alibied, or camouflaged by the appeal for expedition. Every time free government has ceased to function in the hands of the people, and more and more controls have been placed in the Central Government, the argument has been, "This will provide expedition." There is no question about that. But is that the only consideration which democratic people should consider? Substance, equity, and justice also are involved; on balance, they are more important than speed of action.

If all that is to be argued in opposition to the proposal is that things can be done faster if the authority is turned over to one man, the answer is that, of course, it can. The proposal before us is to maintain the concept which Congress wrote into the act which established this Commission in the first instance, namely, to provide representation of areas, representation of viewpoints, and representation concerned primarily with the major trunk airlines as well as those concerned primarily with feeder airlines for different cities, different regions. We also provided for representation of different political parties, all of which will be completely wiped out when we say, as we do in this proposal, that the Chairman of the Commission may delegate any and all authority, which is as inclusive as one can get, of the functions of the board to an individual.

So I say, after the disappointing vote on the previous reorganization plan, I do not see any particular reason to ventilate one's argument any further in this connection, except to point out this additional reason, besides the basic political consideration, which every Senator will have to decide for himself, concerning how much authority over his constituents he wishes to relinquish to concentrated, individualized political operatives in Washington.

Senators disagree with one another, and political parties disagree with one another on how big the Central Government should grow. I shall not emphasize that point any further. However, there is an additional element in this particular reorganization plan, and it relates to the interests of cities and of whole States which are involved in it. It concerns the interests of communities in the comparatively rural areas of the Nation, and to the smaller cities which are trying desperately to get some kind of air service, and when they have it, are trying desperately to continue it, making their representations to a board which should be representative of all points of view and of all geographic areas in a country of this size.

I do not care to what individual the authority is turned over. If representation is reduced to an individual, the judgment will be that of an individual; and since all individuals have their judgments colored by background and environment, the emphasis whether too much or too little is likely to be concerned with some particular area.

I think it is fundamental to our communities, to the States, and to the areas not now adequately served by the airlines, and those which are trying to pre-

serve or upgrade the airline service they have, not to turn their fate, future, and fortune over to an individual, no matter how wise, no matter how prudent he may be.

I believe the constitutional forefathers were right when they thought we should broaden the base of responsibility in Government; that there should be some preservation of the rights of the States and the rights of the individuals as against a Central Government. Our check-and-balance system has served us well.

I propose to vote against this reorganization plan, and I shall do so knowing that this plan is not the only way to solve the problems described so vividly and dramatically by the Senator from Oklahoma [Mr. MONRONEY].

A reorganization plan could be considered which was specific and limited to the elements which he described, but which would deny to an individual on a commission the right to delegate rulemaking powers and functions to an individual. If that is to be done, we might just as well eliminate the rest of the Board and have a one-member Commission, instead of the present membership. I hope the Senate will reject Reorganization Plan No. 3.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Utah [Mr. BENNETT]

The PRESIDING OFFICER (Mr. PELL in the chair). The Senator from Utah is recognized for 2 minutes.

WHO WILL BUILD TRANSMISSION LINES FOR UPPER COLORADO POWER?

Mr. BENNETT. Mr. President, the decision as to whether the transmission lines necessary to deliver power produced by the upper Colorado storage project to load centers will be built by the Federal Government or by private capital is currently a subject of great interest to all the people of Utah. Because I have received so much mail on this subject that it is impossible to give each writer a personal reply, I am making this statement in the RECORD.

In order properly to answer the question of who should build the lines, it is vital to consider the background of the upper Colorado project, which includes the Glen Canyon and Flaming Gorge Dams, and the central Utah and Emery County irrigation projects. Otherwise, the necessary perspective can easily be lost.

PRESIDENT TRUMAN REFUSED TO BACK PROJECT

First of all, it is well to remember that President Truman and his Secretary of Interior refused to support the upper Colorado project, including transmission lines. They opposed the central Utah project bill introduced by Senator Watkins in 1948; they refused to back the vital Echo Park Dam; and, lastly, they refused to support the overall upper Colorado project. President Truman invoked his famous no-new-starts policy against the project, a policy which he applied in 6 of his 7 years as President.

In 1952, Senator Watkins and I introduced a bill to authorize construction of the entire upper Colorado project. President Truman again effectively killed the bill by his opposition. If the Truman administration had backed the project and the Watkins-Bennett bill, from 4 to 6 precious years would have been saved. Because of the past 2 years of serious drought in Utah, our people should realize all too well what the Truman delay cost our State.

EISENHOWER REPEALS TRUMAN NO-NEW-STARTS POLICY

It was only when President Eisenhower came into office in 1953 and repealed the Truman "no-new-starts" policy that the upper Colorado project began to move. The Eisenhower administration threw its full weight behind the project. But because of delay in Congress, particularly in the House of Representatives, the bill did not become law until April 11, 1956.

It was my privilege to sponsor upper Colorado project authorizing bills, not only in 1952, but also in the 1953–54 and the 1955–56 Congresses. In fact, the bill which I joined in sponsoring, S. 500, is now the law of the land. It had bipartisan support in Congress. However, it should be noted that I am the only member of the present delegation who sponsored the bill and who fought for nearly 6 years to get it through Congress. It was the team of Watkins-Bennett and Dawson-Dixon that won the great battle, in cooperation with President Eisenhower and the other Upper Colorado Basin Members of Congress.

CONGRESS INTENDED THAT PRIVATE UTILITIES BUILD THE TRANSMISSION LINES

It is important to emphasize that the transmission lines about which the present question revolves were authorized by the bill which I sponsored, along with Senator Watkins and others. In other words, I am no stranger to the power lines. Had it not been for the bill I sponsored, which became law, there would not be either an upper Colorado project or power transmission lines.

The question now before Congress is who shall build the transmission lines—the Federal Government or private industry. It is a complex problem, and there are arguments on both sides. But after carefully studying the immense mass of data submitted by all interested groups, I am convinced that the weight of argument substantially favors private construction.

First of all Congress, in authorizing the upper Colorado project, including the transmission lines, expressly intended that the private utilities should build the lines. There follows a quotation from the House Interior Committee 1955 report on the upper Colorado project bill:

> The Department of the Interior advised the committee that it was sympathetic to the private power companies' proposal and indicated that the suggestions would be given studied consideration if the project were authorized. Therefore, the committee expects the proposal by the private power companies for cooperation in the development to be carefully considered by the Department of the Interior and the electric power and energy of the project to be marketed, so far as possible, through the facilities of the electric utilities operating in the area, provided, of course, that the power preference laws are complied with and project repayment and consumer power rates are not adversely affected.

NEEDLESS DUPLICATION OF LINES

The House committee, in expressing its intent, was well aware that there would be needless duplication of private utility lines if the Federal Government built its own lines. Under the present Bureau of Reclamation recommendations, the proposed Federal lines in Utah would completely duplicate existing private utility lines or lines now under construction. The line from Glen Canyon to Sigurd would parallel the private lines now being built. Early in 1963, the private line will connect with a line built by the Arizona public utility in the vicinity of Glen Canyon Dam. Likewise, the proposed Federal line from Flaming Gorge to Heber would duplicate an existing private line from Carbon County to Uintah County. It would be economic folly and gross waste for the Federal Government to spend money for such a complete duplication of existing lines.

WATER MUST BE OUR PARAMOUNT CONCERN

In determining who should build the lines, water development and conservation must be given first priority if there is a conflict with development and conservation of our water supply. This should be particularly obvious to the people of Utah, in view of the serious drought which is now going into its third year. Water development is the paramount purpose of the upper Colorado project, while power is considered merely secondary, a byproduct of the water. Yet, those who would give power first priority are now placing the central Utah water project in jeopardy.

As the Utah Water Users Association stated in part:

> Whereas the use of investor-owned transmission facilities by the Federal Government would reduce the expenditure of the Federal Government for transmission facilities by at least $136 million, which need not be repaid from revenues derived from the sale of power, thereby providing for funds to assist in the earlier repayment of water development projects: Now, therefore, be it
>
> *Resolved*, That the Colorado River Storage Project Act was adopted to develop the water resources of the Colorado River, and delays in the development of those resources resulting from a desire to construct and operate transmission facilities, will result in the delay of the development of waters allotted to Utah under the Upper Colorado River Basin compact and a consequent danger of losing rights to Colorado River waters which are not developed, but permitted to flow to California and Mexico, and be developed and put to beneficial use by people in those areas.

This situation arises because excess power revenues from Glen Canyon, Flaming Gorge, and other dams will be used to pay 80 percent or more of the cost of the central Utah project. Utah's share of these revenues is 21.5 percent. Any reduction in power costs will therefore mean more money for water development.

FUNDS FOR CENTRAL UTAH PROJECT JEOPARDIZED BY FEDERAL CONSTRUCTION OF LINES

Of great concern, too, is the fact that the central Utah project must compete

with the transmission lines for funds from Congress. In the coming fiscal year, which begins July 1, 1961, the upper Colorado budget will reach nearly $89 million. Moreover, expenditures will continue to rise over the next few years, but power revenues will not be produced for some time. There will be nothing going into the Federal Treasury, but more and more will be going out. Yet, at this critical juncture the Bureau of Reclamation wants to pile on an unneeded expenditure of $136 million for transmission lines. But it is at this very time that we must start the vast quarter-billion-dollar central Utah project.

CENTRAL UTAH—KEY TO FUTURE OF VAST AREA OF UTAH

The initial phase of the central Utah water project holds the key to the future growth of Millard, Sevier, western Sanpete, and Juab Counties, to the south; Wasatch, Utah, Salt Lake, and the southern part of Summit Counties, in the north; together with Duchesne and Unitah Counties, in the east. The ultimate phase of the central Utah project will largely determine the future growth of Piute and Garfield Counties, and even portions of Beaver and Kane Counties. These counties can have all the electric power in the world, but it will do them little good if they do not have the new water supply which will be developed by the great central Utah project.

It would be folly to jeopardize the future of this great area now, in order to have the Federal Government needlessly spend $136 million on transmission lines. Those of us from Utah must face the unpleasant fact that we will have a real fight on our hands to get money for central Utah, particularly for the controversial transmountain diversion, which is the vital part of the entire project. Even now, I have not been able to persuade Secretary of the Interior Udall to accelerate the central Utah development in the slightest degree.

UPPER COLORADO PROJECT BENEFITED BY PRIVATE LINES

The detailed and exhaustive studies made by the private utilities show that the entire upper Colorado project would be substantially benefited if their offer is accepted. While the Federal investment would be reduced by $136 million, the price for project power at the load centers would still remain at 6 mills. Significantly, more money would be available for irrigation assistance, which is the very purpose of the project. Over the next 54 years, $122,249,000 more would be available for irrigation projects, as compared with the amount available if the Federal Government builds the transmission lines. This is when we need the money. Even at the end of the Bureau's 86-year study, $14,361,000 more would be available if private lines, rather than Federal lines, are built.

Moreover, the cost of power facilities would be repaid 6 years earlier, which shows, again, that more money would be available sooner for the vital irrigation projects.

PREFERENCE CUSTOMERS WILL STILL GET THE PROJECT POWER, AND AT 6 MILLS

It must be emphasized that the preference customers, REA groups, and municipalities with their own power systems, will still be preferred. They will have first chance at the power, both under the power marketing criteria for the project and under existing law. Their rights will not be disturbed. They will be able either to get the power directly from the load centers, if they wish, or to get it through wheeling arrangements over the existing private lines. This they would have to do, regardless of who builds the lines.

Moreover, the power companies will deliver power to the load centers in Utah at a price of 6 mills, the same price which would be charged by the Bureau of Reclamation if it built the lines.

The Bureau of Reclamation disputes the 6 mills figure; and Bureau officials claim it will be 6.57 mills, instead. This, the utilities deny. However, giving the Bureau the benefit of the doubt, this means, according to the Federal Power Commission 1960 Annual Report, that the monthly power bill for an average residential preference power customer in Utah REA's, and so forth, would be raised by only 14.6 cents. For a speculative difference of 14.6 cents per month, Congress is asked to appropriate $136 million.

The Salt Lake Tribune, in its lead editorial of June 25, noted the conflicting data submitted by both sides of the transmission-line controversy. However, after a lengthy study, the Tribune concluded that even if the Bureau of Reclamation's own figures are accepted, the economics of the project favor private, rather than Federal, construction. The Tribune also stated that—

> unfortunately, partisan politics and heated public versus private power emotions have served only to bury the true issue. We believe the issue should and can be decided on a simple dollar-and-cents basis.

It is precisely upon this basis and upon my strong conviction that the National and State interest can best be served that I support private, rather than Federal, construction.

UINTAH BASIN GAINS NOTHING BY FEDERAL CONSTRUCTION

The Uintah Basin will lose, rather than gain, if the Federal Government constructs the lines. This is so because the Moon Lake REA already has a line built up to Flaming Gorge, so it can obtain project power there. Moreover, I am advised that Moon Lake can provide power for 5.9 mills, which is actually cheaper than the 6-mill Bureau of Reclamation and private utility price at the load centers.

UTAH SCHOOLS WOULD BE HIT BY FEDERAL CONSTRUCTION

If the Federal Government built the transmission lines, Utah schools would lose $500,000 in property taxes each year. This is so because the Bureau of Reclamation does not pay taxes, but the utilities do. It is most ironic that this proposal should be considered by Congress at the same time that it is considering Federal aid to education. In addition, our local governmental units would lose $200,000 yearly, and the Federal Government would lose $260,000 a year in Federal income taxes. Proportional losses would be incurred by the other Upper Basin States.

VITAL PART OF A NATIONALIZED TRANSMISSION GRID

Another major issue must be considered in making an intelligent determination of who should build the upper Colorado project lines. It arises because the lines are viewed by the advocates of unlimited public power as a vital part of a vast nationalized transmission grid system. These lines would serve as a connecting link between the public power dams in Nevada and the Pacific Coast States of the West and the Missouri Basin and TVA Federal complex in the East and South.

This threat is no idle fancy. Spokesmen from the Department of Interior are now spreading from every available platform this gospel of a national power grid. Such control of power distribution has historically been one of the foremost goals of socialism, just as it is today.

In my opinion, our entire free enterprise system is seriously menaced by the grandiose designs of Secretary Udall and his associates. The Deseret News of Salt Lake City recognized this general threat in its lead editorial of May 31:

> Many of the good but misguided citizens who advocate construction of a Government transmission system to market Colorado River electric power would be the last to want entanglements with socialistic philosophies or socialistic programs. Yet in this case they seem willing to sacrifice principle for questionable self-interest.

For all these reasons, Mr. President, I strongly believe that private industry should be permitted to undertake the job which it is so well equipped to do, rather than to have the Federal Government needlessly spend $136 million at a time when the money is needed so badly in Utah for other and far more important purposes.

REORGANIZATION PLAN NO. 3

The Senate resumed the consideration of the resolution (S. Res. 143) opposing Reorganization Plan No. 3 of 1961.

Mr. LAUSCHE. Mr. President——

Mr. McCLELLAN. How much time does the Senator from Ohio desire?

Mr. LAUSCHE. Two minutes.

Mr. McCLELLAN. I yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. LAUSCHE. Mr. President, a few days ago, the Senate rejected the reorganization plan recommended for the Securities and Exchange Commission. Arguments in great detail were made in that connection. From the arguments, it was clear that the full vitality of the existing law would be deleted and destroyed if the Commission were allowed to delegate its powers, as proposed in that plan.

I listened to the Senator from Maine [Mr. MUSKIE] argue on that subject, and I listened to my other colleagues ask very penetrating questions about the extent of the proposed delegation.

At this time, I should like to ask the Senator from Maine how, if in anywise, the present reorganization proposal differs from the one the Senate overwhelmingly rejected a few days ago.

Mr. MUSKIE. Let me say that I have carefully studied the plan and the functions of the Commission, in order to be able to answer that question for myself. I recognize it is a question of judgment as to whether the delegation goes too far and whether it is possible to set standards which would permit greater precision in respect to the delegation.

My own judgment on this plan is that it goes too far; and, therefore, I cannot distinguish between this plan and plan No. 1, which applied to the Securities and Exchange Commission. For that reason, in order to be consistent with my own convictions, I find it necessary to oppose plan No. 3.

Mr. LAUSCHE. That is to say, the Senator from Maine is unable to find a distinction between the two plans which would justify a "yea" vote on the first plan and a "nay" vote on the second?

Mr. MUSKIE. Distinctions which have been suggested have a great deal of weight and merit; but they have not been convincing to me.

Mr. LAUSCHE. Does the present plan contemplate giving the Commission the power to delegate to one, two, or three employees the powers now vested in it by law?

Mr. MUSKIE. With respect to the adjudicatory functions of the Commission, of course they could be delegated to hearing examiners.

The PRESIDING OFFICER. The time yielded to the Senator from Ohio has expired.

Mr. McCLELLAN. Mr. President, how much time remains under my control?

The PRESIDING OFFICER. Three minutes.

Mr. McCLELLAN. I yield one more minute to the Senator from Ohio.

Mr. LAUSCHE. I yield now to the Senator from Maine.

Mr. MUSKIE. The Commission's functions in nonhearing matters could be delegated to employees other than hearing examiners.

Mr. LAUSCHE. Very well.

Mr. President, I contemplate being consistent in my application of principle. I will not apply one principle on Friday and a different principle on Thursday.

The PRESIDING OFFICER. The additional time yielded to the Senator from Ohio has expired.

Mr. YARBOROUGH. Mr. President——

Mr. McCLELLAN. I yield 1 minute to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 1 minute.

Mr. YARBOROUGH. Mr. President, as a member of the Senate Commerce Committee, which has general jurisdiction over the Civil Aeronautics Board, I agree with the distinguished Senator from Oklahoma [Mr. MONRONEY], chairman of the Aeronautics Subcommittee of the Commerce Committee; and I shall vote to have this reorganization plan put into effect.

In the Dallas-to-the-West case, which involved a determination as to whether there would be certain nonstop flights to the Pacific coast, the Board fiddled around for year after year. When I came to the Senate in 1957, the Board had been trying to decide the Dallas-to-the-West case, and 2 years later the Board was still trying to decide when it would decide that case. I can cite example after example of why reorganization of the Civil Aeronautics Board is needed.

Mr. DIRKSEN. Mr. President, I believe I have 2 minutes remaining under my control.

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. Mr. President, I was looking for the distinguished Senator from New Mexico. I wish to have the distinguished Senator from Oklahoma [Mr. MONRONEY] listen.

I could agree with everything the distinguished Senator from Oklahoma said, because he was talking entirely about the adjudicatory functions of the Civil Aeronautics Board. Certainly I want to have that work expedited, and certainly the Board can do so.

But that is not the issue. The issue is the delegation of the rulemaking powers—the so-called legislative powers—of the Civil Aeronautics Board.

Mr. MONRONEY. Mr. President——

Mr. DIRKSEN. Mr. President, I have only 2 minutes, so I cannot yield. My friend the Senator from Oklahoma has already been yielded time in which to speak.

Mr. President, I read now from the testimony given in reply to questions by the distinguished Senator from Arkansas, who asked questions of the Chairman of the Civil Aeronautics Board:

> The CHAIRMAN. Is there any decision of the Board now, any function of the Board that you cannot delegate under this plan?
> Mr. BOYD. Under plan 3?
> The CHAIRMAN. Yes.
> Mr. BOYD. No. As I understand it, the Board can delegate anything that it can do itself.

Mr. President, here we are dealing with the legislative powers which we conferred, which are translated in terms of the rulemaking powers. The result is that those powers, dealing with policies, infinitely more important than those of the Federal Communications Commission, could be delegated to an employee, to a group of employees, or to a trial examiner; but in that connection there would be no right of review, except that it would be discretionary.

Therefore, this plan should be rejected; and the vote on the pending resolution should be "yea."

Mr. MONRONEY. Mr. President, will the Senator from Illinois yield for a correction?

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. I regret that I have no more time under my control.

Mr. LAUSCHE. Mr. President, will the Senator from Arkansas yield 2 seconds to me?

Mr. McCLELLAN. I yield to the Senator from Ohio whatever time remains under my control.

Mr. LAUSCHE. I point out that this plan, if adopted, would mean liquidation, not reorganization.

Mr. DIRKSEN. Oh, yes; and that is also my opinion of the plan.

Mr. MONRONEY. Mr. President, will the Senator from Arkansas yield briefly to me?

Mr. McCLELLAN. I yield to the Senator from Oklahoma whatever time remains under my control.

Mr. MONRONEY. Mr. President, under the Federal Aviation Act, the rulemaking functions, which formerly were vested in the Board, were transferred to one man, the Administrator of the Federal Aviation Agency.

Mr. MANSFIELD. Mr. President, if the Senator will yield, let me say that this plan does mean reorganization, not liquidation. So I hope the vote on the pending motion will be "nay."

Mr. MONRONEY. The Senator from Montana is correct.

The PRESIDING OFFICER. All time has expired.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. As I understand, the measure before us is a resolution of disapproval; and, therefore, a vote "yea" will be in opposition to adoption of the reorganization plan.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the resolution.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUNDT. Under the Reorganization Act, must a yea and nay vote be requested or is it mandatory?

The PRESIDING OFFICER. It must be requested.

Mr. MUNDT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN (when his name was called). On this vote I have a pair with the distinguished Senator from Missouri [Mr. LONG]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. LONG of Louisiana (when his name was called). On this vote I have a pair with the distinguished Senator from Nevada [Mr. BIBLE]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. MUSKIE (when his name was called). On this vote I have a pair with the distinguished junior Senator from Minnesota [Mr. MCCARTHY]. If he were present and voting, he would vote "nay."

If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the distinguished junior Senator from Georgia [Mr. TALMADGE]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alaska [Mr. GRUENING], the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Georgia [Mr. TALMADGE], the Senator from Hawaii [Mr. LONG], the Senator from New Jersey [Mr. WILLIAMS], the Senator from Utah [Mr. Moss] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from North Dakota [Mr. BURDICK] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from North Dakota would vote "nay," and the Senator from Indiana would vote "yea."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from New Mexico would vote "nay."

I further announce that, if present and voting, the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Hawaii [Mr. LONG], the Senator from Utah [Mr. Moss], and the Senator from New Jersey [Mr. WILLIAMS] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Nebraska [Mr. HRUSKA] and the Senator from Indiana [Mr. CAPEHART] are absent on official business.

The Senator from Kentucky [Mr. MORTON] and the Senator frrom Kansas [Mr. SCHOEPPEL] are also necessarily absent.

The Senator from North Dakota [Mr. YOUNG] is detained on official business.

On this vote the Senator from Indiana [Mr. CAPEHART] is paired with the Senator from North Dakota [Mr. BURDICK]. If present and voting, the Senator from Indiana would vote "yea" and the Senator from North Dakota would vote "nay."

If present and voting, the Senator from Maryland [Mr. BEALL], the Senator from Connecticut [Mr. BUSH], the Senators from Kansas [Mr. CARLSON and Mr. SCHOEPPEL], the Senator from Nebraska [Mr. HRUSKA], the Senator from Kentucky [Mr. MORTON], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas 33, nays 38, as follows:

[No. 90]

YEAS—33

Aiken	Dirksen	Miller
Allott	Dworshak	Mundt
Bennett	Goldwater	Prouty
Boggs	Hickenlooper	Russell
Bridges	Javits	Scott
Butler	Johnston	Smith, Maine
Case, N.J.	Jordan	Stennis
Case, S. Dak.	Keating	Thurmond
Cooper	Kuchel	Tower
Cotton	Lausche	Wiley
Curtis	McClellan	Williams, Del.

NAYS—38

Anderson	Hartke	Morse
Bartlett	Hill	Neuberger
Byrd, W. Va.	Holland	Pastore
Cannon	Humphrey	Pell
Carroll	Jackson	Proxmire
Church	Kefauver	Randolph
Clark	Kerr	Smathers
Dodd	Magnuson	Smith, Mass.
Douglas	Mansfield	Sparkman
Engle	McGee	Symington
Fulbright	McNamara	Yarborough
Hart	Metcalf	Young, Ohio
Hickey	Monroney	

NOT VOTING—29

Beall	Ervin	Morton
Bible	Fong	Moss
Burdick	Gore	Muskie
Bush	Gruening	Robertson
Byrd, Va.	Hayden	Saltonstall
Capehart	Hruska	Schoeppel
Carlson	Long, Mo.	Talmadge
Chavez	Long, Hawaii	Williams, N.J.
Eastland	Long, La.	Young, N. Dak.
Ellender	McCarthy	

So the resolution (S. Res. 143) was rejected.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. MANSFIELD. Mr. President, I move that the Senate consider the nominations which are at the desk.

The PRESIDING OFFICER. The nominations will be stated for the information of the Senate.

The legislative clerk proceeded to read sundry nominations in the regular corps of the Public Health Service.

Mr. MANSFIELD. Mr. President, I ask that the nominations be considered en bloc.

Mr. WILLIAMS of Delaware. Mr. President——

Mr. MANSFIELD. Mr. President, I withdraw the request.

ORDER OF BUSINESS

Mr. CHURCH obtained the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho has the floor.

Mr. CHURCH. Mr. President, it had been my intention to make an address which concerns our new African policy. I have been waiting since about noon to make the address. I understand a number of Senators wish to make insertions in the RECORD. In order to accommodate them, I should like to yield with the understanding that each Senator will not take more than a minute, because of the great length of time I have been waiting to make the address. With that understanding, I shall be happy to yield to Senators who have asked me to yield.

It is my pleasure to yield first to the distinguished Senator from Tennessee [Mr. KEFAUVER].

COMMENCEMENT ADDRESS BY DR. MARK MAY AT MARYVILLE COLLEGE, TENNESSEE

Mr. KEFAUVER. Mr. President, on May 31, 1961, a distinguished American returned to speak to the graduating class of Maryville College, in Tennessee, where he had graduated just 50 years ago. The speaker on this occasion was Dr. Mark May, professor emeritus of psychology at Yale University.

Dr. May is well known in official circles of the Nation's Capital. He has served on the U.S. Advisory Commission for Information since it was created in 1948. At the present time he is Chairman of that Commission and he has held this important post for 13 years.

Under his leadership, this Advisory Commission, in its reports to Congress, has set up guidelines and proposed programs which have stimulated and made more effective our oversea information programs.

Utilizing his broad experience as a member of the Advisory Commission on Information, Dr. May told the Maryville graduates what young Americans must do in the way of special dedication to the principles of freedom in order to preserve our Nation in the face of the onslaught of Red communism.

I believe this address is highly patriotic. It is inspirational. It is filled with wisdom. I ask unanimous consent that it appear in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CHALLENGE AND OPPORTUNITY

(Commencement address, Maryville College, Tennessee, May 31, 1961, by Mark A. May)

Mr. President, distinguished guests, faculty, students, friends, and members of the class of 1961, tradition dictates that at commencement exercises the graduates get two things—their diplomas and a speech. It is no accident that the speech always comes before the diplomas. Tradition also decrees that the speaker should present to the graduates the challenges and opportunities that lie before them.

Today, this timeworn theme has a wider significance. All of the challenges and most of the opportunities that face the members of this and other graduating classes apply to all students, alumni, faculty, and friends. The theme has a special significance for Maryville College, and all similar Christian institutions, because opportunity and challenge lie deep in their histories.

The sturdy Scottish ancestors of the founder of this college—Dr. Isaac Anderson—had been champions of civil liberties and religious freedom for more than 100 years before Thomas Jefferson wrote the immortal words that man by his Creator is

endowed with inalienable rights to life, liberty, and the pursuit of happiness. They had lived through a time when it was against the law of the land for a Presbyterian minister to preach a sermon, administer communion, or perform a marriage ceremony. Attending and receiving these services was cause for arrest and severe penalties. Yet these Presbyterians held firmly to the belief that with God's help the cause of religious liberty would one day be won. They knew however that it could not be won without an educated ministry and an enlightened citizenry. This was the challenge that opened the door of opportunity for the founding of this college.

The courage and determination with which this opportunity was engaged are both a challenge and a source of inspiration to us all. In his book on the life of Isaac Anderson—with which many of you are no doubt familiar—Dr. Samuel Wilson, the fifth president of Maryville, gives an account of the famous siege of the walled city of Derry, Ireland. It is a story worth repeating on this occasion.

James I conceived a scheme for ridding Scotland of Protestants by transplanting them to the wastelands of northern Ireland. There they established a colony from which our forefathers later migrated. This colony was a major obstacle to James II, who aspired to make Roman Catholicism the official religion of his entire realm. He sent an army of 20,000 men to Ireland to subjugate or annihilate it. A stand was made at Derry. In spite of a hundred and five days of frightful suffering its defenders successfully maintained the defiant cry of "no surrender." This became the battlecry of Scoth-Irish Protestants the world over. Dr. Anderson got it from his grandmother whose father survived that siege. Dr. Wilson bequeathed it to Maryville students. The class of 1911, adopted it as its motto, but we do not claim it as our exclusive property.

Thanks to the spirit of "no surrender" and to the power of enlightenment, the battle for the separation of church and state has been won. The right to worship according to one's faith is no longer denied. Another challenge to religion, however, has raised its ugly head. The Communists have challenged the values of Christianity, and the basic belief in God. Although church worship in Russia and in her satellite countries is permitted, ministers are denied the right to preach a gospel of human dignity, freedom, and allegiance to a power higher than that of the state. The supreme blow that has been struck at religion, however, is the denial of the right of churches, private schools, and parents to provide a Christian religious education.

The Communists are challenging traditional religions by offering a new religion which they claim is far better suited to the material and moral needs of the modern world than is Christianity. They call it an ideology, but it has all of the characteristics of a substitute for the Christian religion. For the power of God over the lives of men they have substituted the power of science and technology in which they put their faith; for God's protection of His children they have substituted the protection provided by the Central Committee of the Communist Party. For God's plan of human welfare they have their own long-range plan for the communization of the world. Their holy scriptures are the writing of Marx, Lenin, and Stalin. For churches they have museums depicting the glories of the revolution. The icons of the saints in the ancient churches are more than matched by huge pictures and statues of Marx and Lenin seen in all public places. For the church of the Holy Sepulcher, they have their sacred tombs of Lenin and Stalin; and for the cross of Jesus Christ, the hammer and sickle.

These visible manifestations do not fully reveal the anti-Christian system of morals and values that are contained in their ideology. Anything that hinders the progress of communism is morally bad; anything that promotes it is good and righteous.

Anyone who visits Russia cannot escape being impressed with the extent to which the routine of daily life is saturated with these manifestations of their ideology. Indoctrination is the core of their system of education. It begins in kindergarten and extends to the top of the educational ladder. All activities of youth are motivated and guided by it. The parallel between their emphasis on ideological indoctrination, and that of our country on moral and religious education is indeed striking.

The Soviets firmly believe that this new 20th century ideology should, and must, be spread throughout the world. Here again we encounter a parallel between the zeal with which they are doing this, and that of Christian missionaries from the time of Apostle Paul to the present. The aim of their propaganda is not only to win the minds of men, but their bodies and soul also. The word "propaganda" originally meant the propagation of Christianity.

The Communists have developed and are operating and expanding a propaganda apparatus that reaches into every major city of the world, every capital, and into thousands of villages, marketplaces, schools, libraries, bookstores, lecture halls, and theaters. Every medium of mass communication is employed—radio, television, newspapers, magazines, books by the millions in all languages, exhibits of art and industrial products, lectures, drama, motion pictures, and music concerts. All of these are promoted by local organizations called Soviet friendship societies, world front organizations—such as the World Peace Council—and in many countries by Communist political parties. This entire apparatus is planned and controlled by Moscow and operated through Soviet Embassies and consulates.

This massive and expensive effort has achieved an alarming measure of success. In the 15 years since World War II it has brought more than one-third of the peoples of the world under the domination of communism. This has been no accident. It has resulted from cleverly conceived plans and programs which promise all things to all men, and in a short span of time. It is calculated to appeal to the deepest desires and aspirations of all peoples.

First, it claims to be the answer to the universal yearning for peace. As Adlai E. Stevenson has said, "The cry for peace is surely the loudest and dearest sound in this war-weary and frightened world." Two years ago when I was in Russia a peasant woman in her quilted shawl approached our group and spoke to us. She had lost her husband, two sons, and her home in the last war. With tears in her eyes she said, "Each day we pray and cry for peace."

"It is both ironic and sad," to quote Stevenson again, "that the Communists have so largely succeeded in preempting and exploiting this cry for peace." Their propagandists have proclaimed that while the United States and her allies are menacing the peace of the world with their military alliances and bases, Russia has stopped nuclear testing unilaterally, reduced her arms, insisted on summit meeting to ease tensions, and proposed total disarmament.

Second, they have promised an answer to the cry for bread. Millions of people who for generations have lived in poverity and suffering are coming to realize that a better material life is within their reach. The Communists are promising this, plus relief from oppressive burdens of taxation and exploitation imposed by landlords and corrupt government officials. They are offering military support to those who rebel against these conditions. Surely the soil in which communism is thriving and has produced its richest harvests is that of undeveloped countries.

Three, communism also makes a strong appeal to the desire for a stable government with a genuine concern for the welfare of all citizens. Once a country joins the Communist bloc, as Cuba has recently, it is assured of protection against counterrevolution from within and invasion from without.

Fourth, they claim an answer to the universal human desire for a feeling of importance, of having a voice and vote in world affairs, and a measure of control over one's destiny. The Soviet propagandists have gained much mileage for their ideology, economic, and political system by their unceasing boasts of their accomplishments in the fields of science, economics, arts, and humanities.

Everywhere the tree of communism is depicted as the tree of life. Its fruits are claimed to mature faster, ripen quicker, last longer, and to be more wholesome and luscious than the bitter fruits of the decaying tree of capitalism. In the airport at Leningrad is a huge sign which reads, "We fly higher than all, faster than all, and further than all."

Flushed with successes of this ideology, Mr. Khrushchev has boldly and blatantly challenged the United States and the free world. He has said, "We will bury you, your children will live under communism, we want competition, this is a battle of ideas, victory is assured for the idea which will be stronger, more viable, and which will be supported by the people."

"We do not need war to achieve the domination of our ideas. We will create this victory because other peoples will follow in the path of our example."

A few weeks after this challenge had been proclaimed, the U.S. Advisory Commission on Information wrote in its 13th Annual Report to Congress: "We are impressed with the seriousness of this challenge to freedom-loving people. It is a double-barrel threat to the free world. One barrel is the evidence of scientific achievement. The other is the linked claim of ideological superiority. Science to dominate the world, ideology to win men's minds, both are essential elements in the Soviet plan of conquest, both are products of long-range plans, aimed at long-range targets."

The ultimate target is the United States of America. It is not ourselves, but our children who are scheduled to live under communism. The strategy is first to weaken our free world alliances, by sowing seeds of mistrust and dissension. Internally they hope and expect to weaken, bit by bit, our faith in our democratic institutions, our system of government, our economic system of free enterprise, and above all our moral fiber and trust in God. Meanwhile they hope to keep us lulled into lassitude with promises and gestures of peaceful coexistence, while they gradually, but steadily, absorb the countries of the free world.

What are our strengths and weakness for engaging this supreme challenge? Military might to deter Communist expansion and safeguard the peace of the world. We have it. We are maintaining and strengthening it at a cost of $40 to $50 billion annually. Science and technology? In all fields except space exploration, we are out ahead of Communist countries. We are strengthening our educational system to develop more and better scientific and technical talent. Economic progress and capacity? We are still away out ahead of any Communist country, and have achieved a standard of living that is admired and envied the world over. Moreover, we are perhaps the most generous people on earth. We give freely and unstintingly to human suffering and disaster. Haven't we poured billions of our tax dollars into helping other countries improve their standards of living? Are we not

carrying more than our share of the costs of the United Nations and of numerous international associations to which our citizens belong? And finally, are we not now engaging in a worldwide effort to present our way of life truthfully to all men, and to correct and combat Communist lies and misrepresentations of our peaceful intentions?

Well, what more do we need? For one thing we need to abandon all hope that we can purchase the good will of men and the peace of the world with our wealth. As an editorial in the New York Times has put it: "The old idea of foreign aid as a means of making other countries more like us—or making them like us more—is no longer good enough. We cannot successfully fight communism by subsidizing governments that rob or exploit their own people." Furthermore, when we offer aid to other countries we give cause for them to suspect our selfish motives. Centuries ago the Roman poet Virgil wrote: "Beware of the Greeks, when they come bearing gifts."

The image of America that exists in the minds of the people of many other countries was once expressed by Calvin Coolidge who said, "The business of our country is business." Our commercialism has high visibility of both at home and abroad. Our newspapers, magazines, mail boxes, radio, and television programs are overloaded with commercial advertising. While this has its good side as the basis of our competitive economy, it also has the effect of an overemphasis on material success. Our children inevitably absorb a commercial-mindedness. There is a story of a little girl who went to church for the first time on a Christmas Sunday. When asked how she liked it, she said, "The music was fine but hte commercial was much too long."

All the great cultures of the past survived as long as the people were held together by common ideals and principles based on a sense of spiritual unity. Let these ties be broken and the culture disintegrates. Our Western culture is based on a system of values derived from Christianity. In the early days of our country the lives of our people were much more saturated with and dominated by these values than they are today. As our lives become more mechanized, routinized, and automatized, we are on our way to becoming what historian Dawson of Harvard has called a "technological order resting on a moral vacuum." Unless our lives are more permeated with and controlled by the principles in which we profess to believe, we cannot hope to win a moral victory over an ideology that does in fact dominate the existence of those who espouse it.

Last Christmas, my wife and I received a card from a neighbor that bore this simple message: "It is not what we get, but as we give; not as we pray but as we live; these are the things that make for peace, both now and after time shall cease." A month later in his inaugural address President Kennedy said: "Ask not what your country can do for you but what you can do for your country." And to people of other lands: "Ask not what America can do for you; but what together we can do for the freedom of man."

These ringing words struck a responsive chord in the hearts of many people but the echo came back "What can we do?" What is there that each of us can do for our country and the freedom of all men? We hear voices saying "Why doesn't Mr. Kennedy tell us what he wants us to do?"

It has been said that "man's extremity is God's opportunity." But what opportunities has God presented to us?

Never have opportunities for world service been so abundant. There are now no less than 30 religious, philanthropic, and privately supported international organizations that are calling for young men and women to serve overseas as teachers, technicians, social workers, nurses, doctors, community planners, supervisors, and missionaries. At least a half dozen Federal departments and agencies are in need of trained young men and women to fill vacancies in oversea posts. Recent college graduates who have no specialized professional training are more attracted by opportunities to teach English and other subjects in elementary and high schools.

No less abundant are the opportunities for world service open to those of us who must remain at home. There are numerous homefront organizations engaged in a wide variety of international services. These organizations have branches, chapters, and local committees in almost every large community. They are associated with churches, men's and women's service clubs, parent-teacher associations, 4–H clubs, and local organization of professional groups.

Some cities and towns have established affiliations with sister cities in other countries. Such affiliations open opportunities for all citizens of a community to exchange letters, books, magazines, family photos, stamp collections, and recordings, radio and television programs with citizens of the sister city. Colleges have established similar affiliations with other colleges abroad. The University of Tennessee, for example, is affiliated with the University of San Andrea in Bolivia; and the University of North Carolina with that of Mexico City.

These affiliations are parts of a nationwide people-to-people program inaugurated by President Eisenhower in 1956. This program is our answer to a God-given opportunity. Throughout the world people in all walks of life have a tremendous curiosity about the United States and an almost insatiable appetite for more personal contacts with us and information about the kind of people we are and how we live.

As parts of this program, groups of Americans having interests in common with groups in other lands have established group-to-group affiliations. Among these are hobby groups such as stamp collectors, occupational groups, such as farmers, book publishers, and many others. These foci of common interests have given rise to a very large number of international societies, that range all the way from bridge and chess tournaments to international congresses of scientists, Olympic games, and a growing number of world organizations.

More and more groups and institutions in Communist countries are joining and participating in these congresses and organizations. For example, it was announced recently that the Russian Orthodox Church had made application for membership in the World Council of Churches.

These are heartening and hopeful signs of our times. Men everywhere are coming to realize that peace and progress depend upon sharing all knowledge in the realms of the sciences and the humanities. Surely man's extremity has become God's opportunity to build a better world.

Gradually but steadily a world community of peoples is being built. It is already a world in which communication between its parts can be instantaneous, and travel between its more distant cities requires but a few hours. Unfortunately, it is not yet a community in which human relations are regulated by law, and human rights safeguarded by a duly established international authority. This is the goal toward which all men of good will and good sense are striving and for the attainment of which they can well afford to pledge their lives, their fortunes, and their their sacred honor.

The Great Seal of the United States has a design on each of its sides. The side with the eagle is stamped on every official document; the reverse side appears only on $1 bills. It conveys a challenging message.

At the base of a truncated pyramid is a Latin motto, "Novus Ordo Seclorum"—"A New Order of the Ages." The pyramid is incomplete to indicate that the building of this new order is an unfinished task. The eye in a triangle surrounded by a halo of light shining over the pyramid represents the eternal eye of God. Above it the Latin: "Annuit Coeptis"—means "He Has Approved Our Undertaking." Putting these parts together we get this message: "God has approved our undertaking to complete the unfinished task of building a new order of the ages, while His eternal eye shining through a halo of glory watches over us."

Here is the challenge bequeathed to us by the Founding Fathers of this great but troubled country.

Edwin Markham said of Lincoln: "Here was a man to hold against the world; a man to match the mountains and the sea." Today give us more such men—men and women who have the faith and determination to hold against a world of challenge, and the strength and stature to match its opportunities. For they are indeed mountainous and as challenging as mountains have always been to men who have dared scale their treacherous lofty heights.

The foreword to the college annual of the class of 1911 is a short poem; the final verse is a fitting ending to this address:

"Momentous period; memorable its work sublime,
Get we to our task—it is not light,
Noble deeds and well portrayed must be
Kept in the chronicles of time."

THE PEACE CORPS

Mr. KEFAUVER. Mr. President, the Peace Corps recently announced the names of the first young men selected to enter training for service in Tanganyika and Colombia. They are impressive young men. The youngest is 19; the oldest 31. Already each has made an excellent record for himself.

I am proud that these capable, dedicated young Americans have the opportunity to be the first to represent our country abroad in the Peace Corps. I am also proud that one of them is from Tennessee. It is only proper that Tennessee should produce one of our modern pioneers.

Charles G. Perry III, of Chattanooga, is a third-year student at the University of Chattanooga, where he is studying electrical engineering, science, and mathematics. He has worked as a radio technician for station WDOD, as an engineer aid for the Tennessee Valley Authority, and as a chemist for a Chattanooga dairy. He has been selected to undergo specialized training for the Peace Corps Colombia project.

All these young men realize that final selection for oversea service will be made only after an intensive and rigorous training program. They are willing to take these courses in the hopes that they will make the grade and be the first Peace Corps volunteers to serve overseas. I salute them and wish them every success.

To a very great extent, the success of the Peace Corps will depend on the char-

acter, intelligence and moral stamina of the individual Peace Corps volunteers. Overseas, far from the guidance of parents, teachers, or friends, the volunteer will have to call upon qualities of judgment, adaptability, and self-discipline, as well as putting to use the technical skill which has qualified him for his post of service.

The necessity of finding people with this vital combination of character and training places a heavy responsibility upon the men who select the Peace Corps volunteers. It can be a source of public confidence and satisfaction that this direct responsibility is vested in a prominent educator from Tennessee—Dr. Nicholas Hobbs, chairman of the Division of Human Development at George Peabody College for Teachers in Nashville. Dr. Hobbs is the Peace Corps Director of Selection.

Dr. Hobbs, who is 46, received his B.A. degree at The Citadel in 1936, his M.A. and Ph. D. from Ohio State University in 1946. After teaching in secondary schools and as an assistant at Ohio State, he entered the Army Air Force as a second lieutenant, rising to the rank of lieutenant colonel. He served as director of the AAF flexible gunnery training research program. From 1946 to 1950 he taught at Teachers College, Columbia University, then became head of the Department of Psychology at Louisiana State University. He joined the faculty at George Peabody in 1951. In 1954 he was a visiting lecturer at Harvard University; he has lectured at the Institute of Humanistic Studies at the University of Pennsylvania and has served as a consultant in clinical psychology for the Veterans' Administration.

In addition to his excellent professional qualifications, Nick Hobbs brings to his Peace Corps assignment a mental attitude that makes him an ideal choice for the task. Conscientious to the extreme, deliberate in his approach to problems, Nick Hobbs' quiet manner masks a firm determination—a determination to choose the best men and women our country can provide to make sure that our Peace Corps representatives abroad reflect the best in America.

In recent weeks, working with a too small staff in crowded quarters, Nick Hobbs has toiled night after night past midnight as the process of Peace Corps selection moves into final stages. His devotion and his spirit of public service have made Tennessee proud.

The Peace Corps is a program of individual service. Its inception has stirred America and the world. It offers Americans a chance to do something in a small way about the big problems of international affairs, and it extends a friendly, helping hand to those in the newly developing nations of the earth.

Our people, young or old, who volunteer to serve our country through the Peace Corps will be in the front lines of the battle for world peace. Not everyone is fitted by temperament or training to do this important job, and the selection of Peace Corps Volunteers calls for our best brains and best judgment. If the Peace Corps succeeds, as we all hope it will, much of the credit must go to Tennessee's Nick Hobbs.

CONQUEST OF OUTER SPACE

Mr. KEFAUVER. Mr. President, we have all heard the comment that before we undertake to conquer space, we ought to solve the problems that plague us here on earth.

With this thesis, the distinguished editor of the Memphis Press-Scimitar, Mr. Edward J. Meeman, does not altogether agree. Most certainly, he says, we should explore the unknown. But at the same time, he contends, we must make faster progress in the spiritual, ethical, and social realms; otherwise, the conquest of space will be an empty one.

Mr. Meeman's searching analysis is contained in an article in the June 1961 issue of Freedom and Union magazine. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON RACING TO THE MOON WHILE KEEPING THE SOUL TRUDGING

(By Edward J. Meeman)

Speaking of the first dash into outer space of a spaceship with man aboard, which he said was soon to occur, and has now occurred, Nikita Khrushchev said in a speech to agricultural workers in Siberia:

"We are living in a good time, comrades. Both on earth and in the boundless cosmic space, the boldest dreams of man are being made a reality."

The statement expresses the false optimism and the false sense of values which prevails in the free world as well as in the Communist world.

This false sense of values made possible the rise, in a few short decades, of a vast mechanistic Communist society and empire which thinks it is free but is enslaved by its own ideology and government.

The same false sense of values has made the free world, after centuries of freedom of inquiry in which it has had an opportunity to learn everything, unable to prevent the rise of this terrible threat to its survival or to cope with it.

What is that false sense of values? It is this: That scientific and ideological progress is good though it is not accompanied by equal spiritual, ethical, and practical social progress. The failure to realize that parallel or faster progress in this latter field is not only desirable but imperative, and should be looked upon as our first order of business.

Mr. K. is wrong. It is not a good time. It could be. It could be the hour of triumph, not of doom, for mankind. But it will not be unless man with the same boldness with which he cast aside the superstitious inhibitions of ages, dared to investigate his environment, and ushered in the age of science, now breaks through the inhibitions of his prejudices and makes the age of science also the age of universal enlightenment.

Without this, the conquest of space will not mean the realization of "the boldest dreams of man," but the use of that space for the destruction of man and the beautiful earth God gave him.

Ironically Khrushchev made his boast of the imminent conquest of space at a meeting of agricultural workers where the question being discussed was how to get enough food for the Russian people. It would seem that man should solve his problems on earth before he invades the heavens. But can we laugh at Mr. K. when we have the same problem in reverse?—a surplus of crops that we don't know how to manage.

Though it might be wise to solve earthly problems first, we cannot halt the race for control of outer space. Each side fears what the other will do with it.

We can recognize that there is another and important race, the outcome of which determines everything, "the race between education and catastrophe."

We should not think of this required education as merely conventional education. It is a new kind of education that is required.

Man will find this education for victory within. Let man turn to the boundless inner space within his soul, explore it and there find the divine intelligence and love which will tell him what to do if the human race, its civilization, its earth, is to be saved.

In that union with God, the perfect mind, the prejudices that prevent free men from joining hands to form their own federation strong enough to cope with the slave empire, will dissolve * * * national prejudices, racial prejudices, economic prejudices. We shall not worship the idol of State sovereignty or national sovereignty. We shall exalt the true and final sovereignty, the sovereignty of the individual citizen whoever he may be and wherever he may live. We shall exalt his sovereign right to know, to think, to speak, to write as he pleases, to go where he pleases, to work where he pleases, to worship where he pleases, to choose his own government, to keep and enjoy the property which he has earned with his work. We shall exalt his sovereignty over economic systems. Man is not a consumer of goods; he is maker of the things he needs and wants. Man is not made to serve economic systems; they are made to serve him. Man is not to be exploited by private enterprise or by socialism. These economic forms are for him to choose and to use, one or the other, or both at the same time, according as one or the other meets a particular need. We will disarm the minds of men, now locked in futile conflict over economic ideology; military disarmament will then be possible.

For the first time in Christian history we will recognize that this is a commandment to be literally obeyed: "Be ye therefore perfect, even as your Father which is in heaven is perfect." For only if men become as reliable, as perfect in their functioning as the machines and devices they have made can they save themselves from being destroyed by those machines and devices. The sudden necessities of this age require men to function with perfection, mentally, emotionally, and physically.

This could be, in the words of Nikita Khrushchev, a good time in which boldest dreams of man are made reality. It will be only if we make it that. And this is what it takes to make it that.

Let men on both sides of the Iron Curtain face it.

Hell on earth—or heaven. Choose ye this day.

COLORADO RIVER STORAGE PROJECT

Mr. KEFAUVER. Mr. President, I note with great concern the important problem raised in the carefully documented testimony by my colleague, Senator Moss, which he gave before the House Subcommittee on Appropriations on June 6, 1961.

The question presented in his testimony is this: Who shall build the backbone transmission lines for the Colorado

River storage project; the Federal Government which built the project, or a handful of private utilities in the Rocky Mountain area? Senator Moss fully explained to the Appropriations Subcommittee why Government built and operated transmission facilities would not only save purchasers of electricity millions of dollars, but also insure the investment of the United States in the Colorado River storage project, itself. I find his arguments most persuasive.

The problem so ably discussed by Senator Moss raises two fundamental questions, which concern me very deeply. The first is the often forgotten truth that, in order to reap the gains of monopoly power, it is not necessary to control every stage of production, distribution, and sale of a product such as electricity. Control of any one of these stages of operation can create a completely effective monopoly bottleneck, through which enormous profits can be diverted, even though the other stages are publicly owned or intensely competitive.

Second, I and other members of the Antitrust and Monopoly Subcommittee have long been concerned about the relationship of the antitrust laws and their effectiveness in maintaining a healthy, competitive economy, to regulated industries such as private utility companies. Many regulated utilities are effectively exempted from the proscriptions of the antitrust laws. I know that there exists grave doubts in the minds of many scholarly students of the problems of free enterprise as to whether or not this exemption most effectively serves the goal of vital competition in our economy.

Thus, the problem placed before the House Appropriations Subcommittee by the distinguished Senator from Utah is of profound significance, not only because of the importance of the Colorado River storage project to the people of our Western States, but also because of the more general, but fundamental, questions which it raises. For this reason, many of us will keep careful watch on all new developments affecting this project.

Mr. CHURCH. Mr. President, I yield to the Senator from North Carolina [Mr. ERVIN].

MALLORY BILL SUPPORT

Mr. ERVIN. Mr. President, recently I introduced, on behalf of several of my distinguished colleagues and myself, S. 2067, a bill to make voluntary admissions and confessions admissible in criminal proceedings and prosecutions in the courts of the United States and the District of Columbia.

The purpose of this bill was to clarify the Supreme Court ruling of 1957 in the *Mallory* case (354 U.S. 449). The Court, in that ruling, held that a delay of 7½ hours in arraigning a prisoner violated rule 5(a) of the Federal Rules of Criminal Procedure which requires an arrested person to be taken before a committing officer without unnecessary delay.

The Supreme Court, in an opinion handed down on June 19, 1961, Arthur Culombe against Connecticut, held that when the interrogation of a prisoner is continued over a long period of time for the purpose of and under such circumstances as to extort an unwilling admission of guilt, that due process precludes the admissibility in court of such a confession. It is interesting to note that the Supreme Court reversed Culombe's conviction on a constitutional basis, whereas the Court, in reversing the Mallory conviction, based its decision on a rule of the Federal Rules of Criminal Procedure.

The Washington Evening Star, in an editorial of June 26, 1961, cited the Supreme Court decision in the Culombe case as a development in support of S. 2067. The Star correctly opined that if rule 5 of the Rules of Criminal Procedure were changed, the constitutional requirement of due process would still preclude the admissibility of involuntary confessions.

Congress, in legislating the Federal Rules of Criminal Procedure, did not intend to abrogate the traditional test of voluntariness with regard to the admissibility of confessions. S. 2067 is designed to overcome the infirmity of the Mallory decision. This legislation is sorely needed and I urge its early consideration by the Senate.

I ask unanimous consent that the Evening Star editorial, mentioned above, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MALLORY BILL SUPPORT

Whatever one may think of the result of the Supreme Court's recent decision in the case of Arthur Culombe, a murderer, the ruling lends substantial support to the pending bill for modification of the so-called Mallory rule.

Culombe and another man, Joseph Taborsky, brutally murdered a Connecticut filling station proprietor and a customer in 1957. It was the type of case in which police had one and only one means of investigation—the questioning of suspects. For there were no physical clues, and as Justice Frankfurter, writing the majority opinion pointed out, there was but one eyewitness—the murdered customer's daughter, who was 18 months old.

Justice Frankfurter spoke of the "awful responsibility of the police for maintaining the peaceful order of society." He noted that two-thirds of the murders in this country go unsolved. And he discusses society's need for police interrogation in a case of this kind as well as society's need to be protected against possible abuses of police interrogation. Nevertheless, Culombe's conviction was reversed—over the objection of Justices Harlan, Clark, and Whittaker. The man had been held, and questioned intermittently over a period of 4 nights and 5 days (although he did not claim to have been abused), and Justice Frankfurter, joined by Justice Stewart, concluded that he was thereby deprived of due process of law.

Taborsky, Culombe's companion in crime, did not appeal, and presumably his conviction stands. Nor will Culombe necessarily go free. His first confession, made on a Wednesday night, was ruled inadmissible. But he made an obviously voluntary second confession—after he had been brought before a judge, warned of his right to remain silent, and had had counsel appointed to represent him. Presumably, the State of Connecticut can try him again on the basis of this second confession.

The significance of this case in the Mallory situation turns on two things. The questioning of Mallory extended over only a few hours. His conviction was reversed, not on a constitutional issue as in Culombe, but under a Federal rule of evidence requiring arraignment before a judge without unnecessary delay. We think it is a fair inference that the Culombe conviction, had the facts been similar to those in Mallory, would not have been reversed.

The pending legislation in the Mallory matter would permit the police to question a suspect for a reasonable period of time, provided the suspect has been advised of his right to remain silent. Some of the opponents of this bill argue that its enactment might lead to a return of the days when third degree methods were used to extort confessions. But the Culombe decision convincingly rebuts this extravagant argument. For even if the Federal rule of evidence is modified, as we think it should be, the Supreme Court still would remain as a barrier to the use of confessions obtained by any methods which the justices think offend the constitutional requirement of due process of law—which means that a police interregation must be fairly conducted.

Mr. CHURCH. Mr. President, I yield to the Senator from Montana [Mr. METCALF].

CONFESSION OF A ONETIME CONSERVATIVE

Mr. METCALF. Mr. President, I invite attention to an article entitled "Confession of a Onetime Conservative," which appeared in the May 29 issue of the New Republic. The confessor is Mr. Edwin L. Dale, Jr., an economics writer for the New York Times who has been a close observer of the remarkable recovery of the European economy.

His confession may shed some light on problems raised in this Chamber yesterday by other self-designated conservatives. They expressed alarm at the rising national debt and the budget deficits.

Perhaps Mr. Dale's sober reflections will rouse my friends from their despondency.

It is always a kind of macabre pleasure to confess error—

Mr. Dale said:

As a onetime conservative in the United States who has lived a while in the extraordinary economic atmosphere of Western Europe, I should like to indulge the pleasure.

The dazzingly simple lesson from Western Europe appears to be this:

The way to achieve the best of all possible economic worlds (rapid economic growth, full employment, stable prices, favorable balance of payments, more investment, no recessions, more consumption, better living standards) is to spend as much government money as possible, and make sure that the amount the government spends rises rapidly each year.

He makes a particular point of the fact that West Germany—whose economic boom has been the most remarkable of all—taxes and spends 34 percent of the gross national product. This is the highest in the non-Communist world.

Mr. Dale acknowledges that there must be some reasonable relation between government receipts and spending, but adds that by American accounting standards many European governments run chronic deficits in their budgets.

I will not try to summarize all of Mr. Dale's arguments, nor will I claim the competence to pass judgment on them. But his conclusion is arresting:

The lesson for the United States in Europe's astonishing recovery, he says, is that we should:

Raise Federal Government spending as rapidly as possible to $100 billion (i.e., $120 billion on a cash basis) and make sure it rises by at least $4 billion a year.

Count on more rapid economic growth to provide the receipts for most of this increase in spending—and do not worry about fairly large deficits for a while until there is full employment again—and raise consumer taxes eventually to cover the rest.

Then sit back and start enjoying real prosperity again.

I do not advocate imitation of our friends in Western Europe, but those who point to the economic well-being of Western Europe will find Mr. Dale's article challenging.

Mr. President, I ask unanimous consent to have Mr. Dale's article "Confession of a Onetime Conservative," reprinted in the RECORD in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONFESSION OF A ONETIME CONSERVATIVE

(By Edwin L. Dale, Jr.)

It is always a kind of macabre pleasure to confess error. As a onetime conservative in the United States who has lived a while in the extraordinary economic atmosphere of Western Europe, I should like to indulge the pleasure.

The dazzlingly simple lesson from Western Europe appears to me this:

The way to achieve the best of all possible economic worlds (rapid economic growth, full employment, stable prices, favorable balance-of-payments, more investment, no recessions, more consumption, better living standards) is to spend as much Government money as possible, and make sure that the amount the Government spends rises rapidly each year.

The reason for this is not that Government spending is inherently better than private spending, though that may be true. The reason is that a very high level of Government spending, no matter where the money goes, assures a very high level of demand. And a high level of demand is the open sesame to everything else.

It means full employment. It gives the incentive for more investment in plant and equipment. It means operation of plants at efficient level, and thus at lower costs. Therefore, it means relatively stable prices and competitiveness in export markets. It permits higher wages without inflation as productivity rises rapidly. And, mirabile dictu, it permits the Government to spend more and more each year without raising taxes because the economy, and thus receipts, is growing as fast as the Government spending.

Let us look for a moment at the economic miracle of Germany. Its creators have misled the world about it. Dr. Erhard says it came about because Germany let loose the creative forces of private enterprise and rejected statism and dirigism. True enough, and perhaps that helped. But what Dr. Erhard does not say is that West German taxes and spends (and elects and elects) 34 percent of the gross national product—the highest in the non-Communist world. This figure compares with only 26 percent in the United States, State and local taxes and spending included in both cases. By the test of the National Association of Manufacturers, or even the Committee for Economic Development, West Germany is not conservative but radical.

Now let us look at the one laggard in continental industrial Europe. It is Belgium. Belgium spends only 23 percent of its GNP through government. It doesn't tax, it doesn't spend—and it doesn't grow.

Britain is the other laggard in this part of the world. It spends only 28 percent. More important, it is constantly taking measures to restrict demand, through high interest rates or consumer credit control or changes in the tax-spending equation of the budget. It let demand run free—actually pumped it up—only once in the last 5 years, and only then did its economy perform brilliantly. France, Sweden, and Austria have practically nothing in common except one thing: They spend, and they grow.

Outside of Belgium, there is only one nation in industrial Europe, Denmark, where government spending is a smaller proportion of GNP than in the United States. It is a special case, with an unusually heavy concentration of agriculture in the total economy.

It seems reasonably clear to me that when government spends as much as it does here in Europe, business is good and stays good. And when business is good, a lot of other problems just go away. For example, there is very little fuss here in Europe about technological unemployment—fortunately, because it means that Europe can and does automate merrily away with all the resulting advantages for productivity, costs, and the like.

Now a couple of qualifications. They do not change the main point, but they should at least be made.

The first is that there must be some reasonable relation between government receipts and spending. Many governments in Europe run chronic deficits in their budgets by American accounting standards—which helps account for their success—but they cannot safely permit spending to run away from receipts without inflationary trouble. France showed that before 1958. European governments spend enormously—but they also tax enormously.

The second concerns the "mix" of taxation. Judging strictly from results—and leaving out the theory—it seems that there is great merit in "soaking the poor." This is not as harsh as it sounds.

What it means in practice in Western Europe is far greater reliance than in the United States (or Britain) on a set of taxes that indirectly hit the poor man hardest: excise and sales taxes of all kinds, turnover taxes, tax-on-value-added, heavy employer social security contributions. These taxes are collected in prices, and thus from consumers. They do not raise prices unless they are increased; once imposed, they are practically painless. But they do soak the poor, relatively; no government in Western Europe relies nearly as much as the United States on taxes for its revenues.

A final point. Why isn't very high Government spending, and the resulting constantly high pitch of demand, inflationary? The answer is: It is inflationary, but only very mildly so now, in contrast with the first 7 or 8 years after World War II when there was a worldwide chronic excess of demand over supply. European prices have risen, as American prices have risen. Since the Korean war, however, European prices on the whole have risen no faster than American, and in some cases they have risen less, despite much higher Government spending. And in neither Europe nor America has there been any significant inflation since mid-1957.

The point is that the world now has a large and elastic supply to meet higher demand; thus it is a world in which demand cannot only be profitably increased but, within reasonable limits, safely increased.

Unless appearances—and hard facts and figures—are grossly misleading, the lesson in all this for America is clear:

Raise Federal Government spending as rapidly as possible to $100 billion (i.e., $120 billion on a cash basis) and make sure it rises at least $4 billion a year.

Count on more rapid economic growth to provide the receipts for most of this increase in spending—and do not worry about fairly large deficits for a while until there is full employment again—and raise consumer taxes eventually to cover the rest.

Then sit back and start enjoying real prosperity again.

Mr. CHURCH. Mr. President, I yield to the Senator from Delaware [Mr. WILLIAMS].

INVESTIGATION OF PRICING OF CERTAIN COMPONENTS OF CORPORAL MISSILES

Mr. WILLIAMS of Delaware. Mr. President, recently the Comptroller General reported to the Congress another case wherein under a negotiated contract the taxpayers have had to pay a 58-percent profit for one company's participation in the defense program. In this last report, of June 20, 1961, our attention is called to a situation wherein a military subcontractor, Motorola, Inc., Western Military Electronics Center, Phoenix, Ariz., collected profits ranging from 47 to 123 percent. This was a negotiated contract, and the prime contractor was Gilfillan Bros., Inc., Los Angeles, Calif.

The report charges Gilfillan, the prime contractor, awarded negotiated firm fixed-price contracts to Motorola for $1,456,685 without making any effort to obtain information as to the actual or estimated costs of the products being purchased. On this contract Motorola made a profit of about $537,000 or 58 percent. All this cost was automatically passed on to the U.S. Government and to the taxpayers.

For example, two subcontracts were given to Motorola for a total of 98 T-54A standard decoders at a unit price of $3,449. About 6 months prior thereto Motorola had completed 61 units of the same instrument at an average cost of $2,342. The $3,449 price represented a 47-percent increase over the previously established price.

In another case in February 1958 Motorola was given a subcontract for 33 T-54A code package assemblies at a unit price of $579, and in March 1958, 1 month later, the company was issued two additional purchase orders for a

total of 30 units at $543 each. Six months earlier Motorola had completed 47 similar units at an average cost of $260 per unit. In this instance its price to the Government of $579 each for the 33 assemblies exceeded the cost previously established by 123 percent, and the $543 unit price for the 30-item order exceeded the earlier cost by 109 percent.

In June 1957 Motorola was awarded five purchase orders for a total of 140 CU–54A code package assemblies at a unit price of $249. In November 1956, just a few months earlier, Motorola had completed 180 units of the same description at an average cost of only $116 a unit. This price of $249 which was passed on to the taxpayers, exceeded its previous price by 115 percent.

All of these aforementioned contracts were awarded to Motorola on a negotiated fixed price by the Gilfillan Bros., Inc., Los Angeles, Calif., the prime contractor.

There appears to have been no effect made by the prime contractor or by the procurement officers of the Department of the Army to ascertain the actual cost of these products, based on previous manufacturing and selling experience, to Motorola.

These inflated prices which were paid to Motorola, Inc., of Phoenix, Ariz., were all included in another negotiated contract which the Department of the Army had awarded to the Gilfillan Bros., Inc., of Los Angeles; therefore, these extra costs were passed on directly to the Government.

After the Comptroller General's report to the Motorola refunded $150,000 of its enormous profit to the Government, but there is no indication that anyone connected with the military had been in the least bit concerned over these high profits.

This is another typical example of what has been happening and what will continue to happen under the irresponsible procurement policies of the military establishments in the absence of a law which will make it mandatory that all Government procurement be obtained on a strictly competitive bid basis.

There should be no exception to the solicitation of competitive bids and the awarding of contracts to the lowest responsible bidders except in those instances where the Government is buying new weapons upon which no previous experience is available, such as the first atomic submarines, or in cases where the solicitation of competitive bids would jeopardize our national security.

At this point I ask unanimous consent to have printed in the RECORD excerpts from the Comptroller General's report in which he outlines this case.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

WASHINGTON, *June 20, 1961.*

HON. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Enclosed is our report on examination of the pricing of certain components of Corporal missiles under Department of the Army negotiated fixed-price subcontracts awarded by Gilfillan Bros., Inc., Los Angeles, Calif., to Motorola, Inc., Western Military Electronics Center, Phoenix, Ariz.

The report shows that Gilfillan purchased from Motorola, the sole supplier, for $1,456,685, certain components of electronic guidance systems for Corporal missiles without obtaining information on actual or estimated costs or other evidence to support the reasonableness of the prices. Included in this price, paid by the Government, was a profit of about $537,000 or 58 percent of cost. After we brought this matter to the attention of Army officials, voluntary refunds were obtained amounting to only $150,000.

Gilfillan was not aware that the quoted prices were substantially higher than costs previously experienced by Motorola in producing like items. It seems evident that, had available information on prior costs been considered, Gilfillan would have had a sound basis for negotiating lower prices for the items, since the prices actually negotiated in some instances exceeded recent costs by amounts ranging from 47 to 123 percent.

We brought our findings to the attention of agency officials and proposed that the Department of the Army direct its procurement officials to exercise closer control over the effectiveness of contractors' subcontracting practices. The Assistant Secretary of the Army (Logistics) advised us that the Department of the Army concurred in the findings and proposed remedial action. The Army also advised us that, subsequent to these procurement actions, a number of policy and procedural instructions had been issued bearing on closer control and effectiveness of subcontract pricing. While refunds of $150,000 were obtained by the contracting officer in this instance, we believe that such adjustments do not constitute an appropriate substitute for initially establishing equitable prices, since the Government has no assurance that equitable adjustments will be made.

We are recommending to the Secretary of the Army that efforts continue to be made to obtain such further adjustment of subcontract prices as may be necessary to constitute an equitable adjustment of the prices paid the subcontractor. We are recommending to the Secretary of Defense that our findings in this case be brought to the attention of contracting officials of the military agencies to illustrate the need for vigorous surveillance over contractors' subcontracting activities, particularly in the case of sole-source suppliers, to assure that the contractors are, in fact, negotiating fair and reasonable prices for the Government.

This report is also being sent today to the President of the Senate. Copies are being sent to the President of the United States, the Secretary of Defense, and the Secretary of the Army.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

FINDINGS AND RECOMMENDATIONS: SUBCONTRACT PRICES, SUBSTANTIALLY HIGHER THAN WARRANTED BY PREVIOUS COSTS, ESTABLISHED WITH A SOLE SUPPLIER WITHOUT COST DATA OR OTHER EVIDENCE OF REASONABLENESS

Gilfillan awarded negotiated firm fixed-price subcontracts for $1,456,685 to Motorola, the sole supplier of certain components of electronic guidance systems for Corporal missiles, at prices quoted by the subcontractor without obtaining information on actual or estimated costs or other evidence to support the reasonableness of the prices. Gilfillan, therefore, was not aware that the quoted prices were substantially higher than costs previously experienced by Motorola in producing like items. It seems evident that, had available information on prior costs been considered, Gilfillan would have had a sound basis for negotiating lower prices for the items since the prices actually negotiated in some instances exceeded recent costs by amounts ranging from 47 to 123 percent. After we brought this matter to the attention of Army officials, voluntary refunds amounting to $150,000 were obtained on these subcontracts.

Motorola developed the standard decoder and the code package assemblies for the Government under subcontracts with another Army prime contractor. At the time Gilfillan issued subcontracts at prices quoted by Motorola, the subcontractor had some cost experience on which to base prices for these items and, for follow-on subcontracts, additional cost information became available on like items furnished under earlier subcontracts (purchase orders). An evaluation of the available information would have disclosed that the prices quoted by Motorola and accepted by Gilfillan were considerably higher than the subcontractor's previously experienced costs, as shown by the following examples:

1. In April and June 1955 Gilfillan issued 2 purchase orders to Motorola for a total of 98 T–54A standard decoders at a unit price of $3,449. In November 1954, Motorola had completed 61 units at an average cost of $2,342 a unit. The price of $3,449 each for the 98 T–54A standard decoders exceeded the costs previously experienced by about 47 percent. Motorola's costs subsequently experienced for the 98 units averaged $2,247 a unit.

2. In February 1958 Gilfillan issued a purchase order to Motorola for 33 T–54A code package assemblies at a unit price of $579 and in March 1958 issued 2 purchase orders for a total of 30 units at $543 each. In October and November 1957 Motorola had completed 47 units at an average cost of $260 a unit. The price of $579 each for the 33 T–54A code package assemblies exceeded the costs previously experienced by about 123 percent, and the price of $543 each for the 30 units exceeded these experienced costs by about 109 percent. Motorola's cost subsequently experienced for the 33 units averaged $317 and for the 30 units averaged $354 a unit.

3. In June 1957 Gilfillan issued 5 purchase orders to Motorola for a total of 140 CU–54A code package assemblies at a unit price of $249. In November 1956 Motorola had completed 180 units at an average cost of $116 a unit. The price of $249 each for the 140 CU–54A code package assemblies exceeded the costs previously experienced by about 115 percent. Motorola's costs subsequently experienced for the 140 units averaged $105 a unit.

In the examples cited above and in certain other procurements, we found no evidence that either Gilfillan or the Army obtained or requested from Motorola price analyses, information on costs experienced in recent production of like items, or other evidence to support the reasonableness of the prices quoted by the subcontractor and accepted by the prime contractor. Gilfillan advised us that it was required to purchase the T–54A standard decoder and related code package assemblies from Motorola in accordance with Ordnance specifications and that it had made no effort to obtain cost data from Motorola but did attempt to obtain lower prices on follow-on procurements. Gilfillan also advised us that no manufacturing drawings for the T–54A standard decoder were available. Therefore, Gilfillan could not produce this item itself nor obtain competition from other possible suppliers.

The financial results experienced by Motorola on its sales of standard decoders and code package assemblies to Gilfillan during the period January 1953 to September 1958 are summarized, as follows:

	Number of units	Selling price	Cost	Profit	Percent of profit to cost
T-54A standard decoders	298	$1,121,572	$731,445	$390,127	53
T-54A code package assemblies	566	257,508	151,598	105,910	70
CU-54A code package assemblies	322	77,605	36,147	41,458	115
Total		1,456,685	919,190	537,495	58

Mr. CHURCH. Mr. President, I yield to the Senator from Texas [Mr. YARBOROUGH].

SECRETARY UDALL SAYS PADRE ISLAND "IS MORE TREMENDOUS AND MAGNIFICENT THAN I THOUGHT"

Mr. YARBOROUGH. Mr. President, all Texans were recently highly pleased that Secretary of the Interior Udall, the distinguished Senators from New Mexico and Utah, respectively, Senator Anderson and Senator Moss; National Park Director Wirth, and a number of other congressional and governmental leaders, headed by one of America's and the world's best known Texan, Vice President Lyndon B. Johnson, made an inspection visit to Padre Island. They inspected the island by air—by helicopters—and by land. They walked on the island. They made a careful examination of it.

In an interview with Mr. Ben Goodwin, a staff writer for the Corpus Christi Caller, immediately following a helicopter ride over portions of Padre Island, Secretary Udall said the island was "more tremendous and magnificent than I thought. The island is a fantastic outdoor resource." He added that it "would be a sad day for the country if we don't make this island into a park."

All of the others who visited the island told me they were very favorably impressed with the island as a national seashore recreation area. It is to be hoped that the able and efficient Senator from Nevada [Mr. BIBLE], chairman of the Public Lands Subcommittee of the Senate Interior Committee, and others who are working on this legislation, will soon have an opportunity to visit Padre Island and to inspect this proposed national seashore recreation area.

I ask unanimous consent to have printed in the RECORD the aforementioned article from the June 22, 1961, issue of the Corpus Christi Caller, headed "Padre Area 'Fantastic' Udall Says," and from the same issue of the same paper, an article entitled "ANDERSON Backs Padre Action This Session," and from the Houston Press of June 23, 1961, an editorial entitled "Udall's Visit to Padre."

There being no objection, the articles and the editorial were ordered to be printed in the RECORD, as follows:

[From the Corpus Christi Caller, June 22, 1961]

PADRE AREA FANTASTIC, UDALL SAYS

(By Ben Goodwin)

Secretary of the Interior Stewart L. Udall, after a 15-minute helicopter ride over a portion of Padre Island yesterday, said it is more tremendous and magnificant than I thought. The island is a fantastic outdoor resource.

He said it would be a sad day for the country if we don't make this island into a park.

Udall, whose department is charged with the responsibility of acquiring and developing national park sites, was accompanied on the helicopter trip by Vice President LYNDON B. JOHNSON and congressional leaders.

Udall said he is 100 percent in favor of a national seashore on Padre Island but will recommend a Presidential veto of any bill specifically calling for a road the length of the island.

"You just don't develop parks that way. We have the best park system in the world and people should put their faith in it," Udall said.

NO SPEEDWAY

He said the parks in the Great Smoky Mountains have access roads but not any going throughout the park.

"Access roads to Padre Island are very important but we don't need a speedway or a road just to connect both ends of the island," he said.

Udall said reports may not bear out the need for a full-length road. He said special foundations and dikes might be needed for such a road.

Udall said he thought Congress could work out a compromise to pass a satisfactory bill.

Udall's comment came after an informal discussion with congressional visitors over the length of the park. Senator RALPH YARBOROUGH favors an 88-mile seashore area while Representative JOHN YOUNG, of Corpus Christi, and Representative JOE KILGORE, of McAllen, have backed a 65-mile area.

THREE AREAS

Udall said President Kennedy has stressed that he wants Padre Island, Cape Cod, Mass., and Point Reyes, Calif., developed as national seashore sites.

"There is nothing like Padre Island in the United States. It is the longest barrier island in the country," he said.

The Secretary said creation of a park on the island will mean the beginning of the first large marine park in the country. The marine park would include 147,000 acres of submerged lands for skindiving, skiing, and boating, he commented.

He said that creation of a national seashore on Padre Island would increase the value of surrounding lands.

BEST LAND

Udall said if the Congress authorizes the park and appropriates money for it, his Department will begin acquiring land at both ends of the island.

"We will want to acquire the best land before the prices begin to skyrocket," he commented.

He said initial development of the seashore would take from 3 to 4 years, depending on how much money Congress appropriates annually for the work.

"Initial development would include a headquarters building, rest stops for tourists, and the appointment of a park superintendent," he said.

"It would take about 5 years to complete initial development of various portions of the area and a longer length of time for the whole project," he said.

TAKES TIME

"It takes time to do these things," he said.

Udall said if a seashore is authorized on Padre Island, it and Big Bend National Park will be the most prized areas in Texas 10 years from now.

"You can build roads, industries, and other things. They will change, but a park won't disappear. It will remain for men after us and they will thank us for it," he said.

Udall, who was making his first trip to Padre Island, said he wanted to learn firsthand information contained in a Park Service report.

Udall, who is from Arizona, said he was raised in wild country and grew up believing in conservation. He said his district in Arizona has a variety of natural wonders.

Udall commented that he missed his days as a U.S. Representative "sometimes," since work there isn't as gruelling as being in the Cabinet.

[From the Corpus Christi Caller, June 22, 1961]

EIGHTY-EIGHT-MILE PLAN FAVORED: ANDERSON BACKS PADRE ACTION THIS SESSION

Senator CLINTON ANDERSON, chairman of the Senate Interior Committee, said yesterday that he wants a bill calling for a national seashore on Padre Island to be passed in this session of Congress.

Anderson, who is from New Mexico, was in the group with Vice President Lyndon B. Johnson, Secretary of the Interior Stewart L. Udall, and other congressional leaders who inspected Padre Island yesterday.

ANDERSON said he is "very pleased" with Padre Island and believes it would make a national seashore.

ANDERSON said that he favors an 88-mile seashore on Padre Island. Senator RALPH YARBOROUGH, of Texas, is backing a bill calling for the 88-mile area.

Senator FRANK MOSS, of Utah, chairman of a Senate Special Interior Subcommittee handling Padre Island legislation, also said yesterday that he was for the 88-mile park.

ANDERSON, MOSS, and YARBOROUGH are all members of the Senate's Committee on Interior and Insular Affairs, which approves national park and seashore bills.

YARBOROUGH at first introduced a bill calling for a 117-mile seashore area and then decreased it to 100 miles before settling for the 88-mile area.

The National Parks Advisory Board has recommended the 88-mile area.

Representative JOE KILGORE, of McAllen, and Representative JOHN YOUNG, of Corpus Christi, have introduced bills in the House calling for a 65-mile area.

Legislation is pending before both committees in both Houses of Congress to set up the park.

ANDERSON was making his first trip to Corpus Christi yesterday. Before going to the Senate in 1948, ANDERSON had served as Secretary of Agriculture from 1945 before resigning to reenter politics.

He was first elected to Congress in 1940 and was reelected in 1942 and 1944.

ANDERSON has served as chairman of the Joint Congressional Atomic Energy Committee and various other committees.

[From the Houston Press, June 23, 1961]

UDALL'S VISIT TO PADRE

The raw, unspoiled grandeur of Padre Island with its sand, sea, sky, and sun has won another supporter.

This one might be the most vital yet for preserving Padre properly for Americans of today and the future.

He is Secretary of Interior Stewart Udall. His enthusiasm for Padre was plain after he saw it for the first time afoot and from helicopter Wednesday. He said:

"Padre is more magnificent than I thought. The island is a fantastic outdoors resource. There is nothing like it in the United States. I am 1,000 percent for making Padre a national seashore."

Secretary Udall's Federal Department, of course, will be entrusted with planning and operating Padre if it becomes a national seashore.

He already had come out for Padre as a national park from the somewhat vague understanding he must have had as an Arizonian surveying the matter from a high post in Washington, D.C.

Now that he's seen and sampled Padre personally, maybe Mr. Udall can speed up the final decisions which need to be made on Padre—which are:

1. How much of the island's 112-mile length is to be included in the national park, how much for private development?

2. Should access roads be built from open brush country to the west at intervals or should a road be run down the length of the island?

3. How long is Uncle Sam and the State of Texas going to fiddle around before buying Padre what with land prices getting ever higher and speculators ever more greedy?

Secretary Udall was traveling with some powerful help toward getting those questions resolved in a hurry.

In the party were Vice President LYNDON B. JOHNSON, Texas U.S. Senator RALPH YARBOROUGH, New Mexico, U.S. Senator CLINTON ANDERSON, and a dozen or more Texas Congressmen. Each man in the group already had pledged his support for making Padre a national seashore. However, some hold differing views on the length of the park and the location of the road.

Maybe a firsthand sight along with the man whose Department is to do the job of preserving Padre will clarify those differences to the point where sensible settlements in the public interest can be worked out.

We certainly hope so. If they can be, Arizonian Udall just might be Padre's most important visitor since the Spanish explorer, Alonzo Alvarez de Pineda, became the first European to reach it in 1519.

Action on Padre is needed now before new or worse problems develop from other selfishly inspired sources.

TEXAS LOST OUTSTANDING PUBLIC SERVANT WITH DEATH OF RAILROAD COMMISSIONER OLIN CULBERSON

Mr. YARBOROUGH. Mr. President, the death on Thursday, June 22, 1961, of Olin Culberson, an outstanding fighter for conservation of Texas and the Nation's natural resources, who served for 20 years on the Texas State Railroad Commission, is a loss to all of us.

Olin Culberson was a friend of mine, as he was a friend of all Texans who had opposed the waste and exploitation of oil and gas resources. He was a nephew of former U.S. Senator Charles A. Culberson, who represented Texas in this body from 1899 to 1923. Commissioner Culberson told me many times that he had gotten part of his inspiration for public service from his uncle's senatorial service.

I ask unanimous consent to have printed in the RECORD an article and several editorials concerning the life and work of this outstanding Texan and American.

There being no objection, the article and the editorials were ordered to be printed in the RECORD, as follows:

[From the Wichita Falls Record News, June 23, 1961]

TRC MEMBER OLIN CULBERSON DIES IN AUSTIN

AUSTIN.—Olin Culberson, blunt, plain-talking fighter against any waste of Texas natural resources, died Thursday after serving the State for 20 years on the powerful railroad commission.

After an 11-year battle with a heart ailment, he succumbed at 9:20 a.m. at a hospital. He had been admitted Wednesday.

The 74-year-old commissioner championed the cause of the independent oil and gas producer in Texas. Years ago he led the successful fight to halt wasteful flaring of millions of cubic feet of natural gas.

His frequent opposition to orders promulgated by majority vote of the three-man regulatory agency made him the "great dissenter" in the field of oil and gas conservation in Texas. He based his dissents on the belief that many laws and rules "favor the big boys" and are destructive to free enterprise.

A heart attack knocked Culberson out of plans to run for Governor in 1950. He had been bothered by his heart off and on ever since. His doctor 3 weeks ago ordered him into the hospital for several days of general checkup but added, "You know we couldn't keep him down."

Gov. Price Daniel will fill the vacancy and his selection will serve until the next general election in November 1962. The winner would serve out the remaining 2 years on Culberson's 6-year term to which he was reelected in 1958.

Funeral services will be held at 3 p.m. Saturday at the Weed-Corley funeral home. Dr. William Logan, pastor of the University Presbyterian Church, will officiate. Burial will be in the State cemetery.

Survivors include the widow; a daughter, Mrs. Paul B. Wittman, Austin; a sister, Mrs. Beulah Tomlinson, Dallas; and a brother, Col. Leon Culberson, retired, Lovelace, Ohio.

Culberson almost never missed an oil proration hearing. His sharp questioning convinced witnesses to stick to facts.

Daniel telephoned the following statement to his office from San Francisco, where he is en route to the national Governors' conference in Hawaii:

"During his two decades of service as a member of the Texas Railroad Commission, Olin Culberson rendered outstanding service to this State and the entire Nation. He was a conscientious and independent official, and his death is a great loss.

"I join his many friends in extending deepest sympathy to Mrs. Culberson and all of his family."

J. F. West, of Stanford, president of the Texas Independent Producers and Royalty Owners Association, said:

"He gave a half century of devoted service to the people of Texas and the results of his efforts are embedded in the laws of our State as a legacy to us all."

West said the independent oilmen "have lost one of their true champions."

Culberson doggedly fought the recent trend of passenger service abandonment by the railroads. He once was a railroad yard worker in Hillsboro.

He went into public life in Hillsboro where he was elected county clerk in 1920 and later county judge. As clerk he uncovered a $263,000 road bond fraud which resulted in several convictions. He served two terms as county judge, then went into the general mercantile business at Edna. He kept this business for 26 years before disposing of it in 1955.

Culberson came to the commission in 1932 and became chief examiner of the commission. He later served as head of the gas utilities division until 1939. He moved into the commission in 1941 and won a third 6-year term in 1958 with 2 million votes.

At his office, Culberson kept this motto hanging on the wall: "Tact is for people who know they are wrong. My daily prayer is that neither public abuse nor private pressure shall ever cause me to abandon or waver in an honest opinion."

He said frequently that "monopoly is contrary to the genesis of a free people." But he always added that unrestrained free enterprise led to monopoly—"don't get me wrong. I'm not against any man becoming as big as he can—or going broke. But when a man gets so big that he comes in conflict with the public interest, then you've got to slap him down."

The square-jawed commissioner considered one of his greatest accomplishments the elimination of gas flaring—the venting into the air of casinghead gas which is produced along with oil. He was credited with being the man who led the crackdown on flaring.

[From the Houston Press, June 23, 1961]

OLIN CULBERSON

The death of Olin Culberson in Austin yesterday ends one of the finest public careers in recent Texas history.

For more than 20 years, Judge Culberson as one of three members of the Railroad Commission of Texas administered the affairs of Texas' vast oil-gas industries, its sprawling public carriers (rails and trucks) and its giant gas utilities.

In those two decades, there is no known instance of Olin Culberson ever losing sight of the public interest or of failing to fight for it when an occasion to do so arose.

Not many men take a public firing then get off the floor and ram the humiliation down the throats of their detectors.

That's what Olin Culberson did when he was elected to the railroad commission in one of Texas' most dramatic political campaigns in 1940. He had stepped on some big and important toes while conducting gas utility rate hearings as an appointed examiner for the railroad commission in the late 1930's.

He took his case to the people of Texas. They promoted him from ex-hired hand to boss, then reelected him for three more 6-year terms, the last being granted quite amazingly without even a single opponent.

Some 10 years ago, Judge Culberson appeared to be a cinch to win the governorship.

He was stricken by the first of the series of heart attacks which finally ended his life at 74 years of age. He had to change his plans just as the campaign was to open. While he regained his health up to a point, he was never able after that to risk the long physical strain of a full-fledged statewide campaign.

Certainly he was one of the strongest and most popular men in Texas politically, even though denied his big chance to prove it.

The "judge" by which our friend, Olin, was known stemmed from his services as county judge in Central Texas' Hill County in the middle 1920's.

He was not a lawyer and took quite a little pride in doing the quasi-judicial work of the railroad commission strictly from the standpoint of a layman.

He frequently said he felt he served the peoples' interest better that way.

Starting out as a smalltown boy and determinedly hanging onto that role despite his

high later honors, Judge Culberson particularly admired the neighborliness and unselfish services of the State's volunteer firemen.

These are the men who even today serve—and save—nearly all Texas communities of 10,000 people and under.

For many years Judge Culberson supported the volunteer firemen of the State, as leader sometimes and as rank-and-file member at others.

If any single group in Texas deserves credit for putting Judge Culberson on the railroad commission and holding him there so long, it is the volunteer firemen who had nothing whatsoever to gain by it. They loved him as much as he loved them and what they stood for.

Olin Culberson was a good man, a good fighter, and either a good friend or a good enemy, as the case might be.

He was a worthy throwback to those uncomplicated men of iron will and high purpose who held public office as a real public trust in an earlier day.

The press takes pride in recalling it always supported Judge Culberson for election and stood with him on all important issues.

[From the Houston Chronicle, June 24, 1961]

OLIN CULBERSON WAS EFFECTIVE PUBLIC SERVANT FOR MANY YEARS

Railroad Commissioner Olin Culberson, whose death is mourned by officialdom and his countless friends in Texas, was known far and wide as the friend of the independent oilman, principally because of his espousal of the across-the-board policy on the commission. This practice gives to each producer an equal share in oil production and also gives each section of the State an equal number of producing days unless, of course, there are sound technical reasons for ruling otherwise.

But there was a time when Culberson was not so popular as a member of the railroad commission. This was soon after his election in 1940 to the first of his four 6-year terms when he championed conservation of natural gas. Uncounted millions of cubic feet of gas was being wasted in flares at that time and nothing was being done to trap this gas, either for commercial use or for repressuring into the well. Because of Culberson's doggedness, this is standard practice today where this is no immediate market for the gas.

But Culberson scored other reforms on the commission. He was, first and foremost, a foe of Federal regulation as an invasion of the rights of the State of Texas and, for his consistency in this battle, was honored in 1956 with an award from the Texas Independent Petroleum & Royalty Owners Association. He introduced business procedures into the administrative end of the commission's operations and he led the long fight against discriminatory railroad freight rates in Texas. It was at his insistence that the legislature was asked for a law which required that any employee of the commission drawing a salary as an engineer be a graduate of a recognized college of engineering. This move took a lot of political pressure off the commission in the selection of its key field men.

Culberson was a native Texan and reared in Hill County. In his youth he worked for the Katy Railroad at its yards in Hillsboro, later becoming a deputy county clerk. After World War I and a turn in the Army, he returned to become county clerk, subsequently to uncover a huge fraud in the county road bond fund. He was county judge for two terms, also, and first joined the railroad commission as chief examiner and later chief of the gas utilities division.

Outside his official duties, Culberson was active in promoting youth development projects and civic enterprises. He is best known, however, as an associate of the volunteer firemen and, to the time of his death, was both honorary and active secretary of the Texas Firemen's and Fire Marshals Association. He was a worthy scion of the pioneer stock from which he sprang.

Mr. CHURCH. Mr. President, I yield to the Senator from New York [Mr. JAVITS].

ALIEN ORPHANS

Mr. JAVITS. Mr. President, I should like to use my minute to make an affirmative statement to enter a protest against the expiration of the alien orphans adoption law, which will expire June 30. Neither the Immigration Subcommittee of the Committee on the Judiciary in the Senate nor the subcommittee in the other body has acted on this matter. Indeed, the Immigration Subcommittee in the other body has advised the Attorney General that it does not intend to act and that it believes he has the right to admit the alien orphans under the parole procedure.

The difficulty is that if an American family wishes to adopt an alien orphan and does not happen to be a family serving abroad in Government service or in the Army, it is not permitted to do so under the parole procedure.

This has been a great program: 2,934 orphans were admitted in 1958–59, 1,954 in 1959–60, and 2,299 in 1960–61. It has been a fine humanitarian thing that we have done for the world and for ourselves.

As one Senator, I enter my protest. I have introduced a bill in this regard. My colleague [Mr. KEATING] has introduced a bill. The Senator from Wisconsin [Mr. WILEY] has introduced a bill. Nothing has been done.

I shall do my utmost to have something done when we return from the holiday recess. I am grateful to my friend for yielding to me.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. CHURCH. I yield to the Senator from New York, with the same understanding.

Mr. KEATING. I commend my distinguished colleague from New York for the position which he has taken. The problem of which he spoke is something which has greatly concerned me. I think it is a shame to see the law expire. There is no excuse for it. There has been plenty of time to act.

FAIR PLAY FOR CUBA COMMITTEE

Mr. KEATING. Mr. President, I hold in my hand a UPI dispatch indicating possible further activity by the Fair Play for Cuba Committee in recruiting additional supporters for the cause of Mr. Castro in the San Francisco area. According to the UPI story, American citizens are being urged to visit Cuba without complying with State Department passport regulations. This apparent activity by the Fair Play for Cuba Committee is another example of the organization's disregard for this Nation's laws, and an attempt to generate greater sympathy for the Communist dictator to the south of us.

The hearings which the Subcommittee on Internal Security held on the Fair Play chapters in New York, Cleveland, and Detroit have shown financial support for this group from the Castro government, and a great deal of assistance from Communist sympathizers. The activities of the Fair Play for Cuba Committee have been under investigation by our committee. The investigation extends to several American cities, and I hope now that San Francisco will be included.

I intend to pursue the subject further and to ask that the committee include San Francisco in the light of the dispatch indicating what I have pointed out. I am grateful to my friend from Idaho for yielding.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. CHURCH. I now yield to the distinguished Senator from South Carolina.

PAUL JOHNSON, HEADWAITER IN THE SENATE DINING ROOM

Mr. JOHNSTON. Mr. President, I invite the attention of the Senators to the fact that the headwaiter in the Senate dining room in the Capitol, Mr. Paul Johnson, has been ill for about 3 weeks. As many Senators know, Paul Johnson has worked in the Senate dining room for 61 years. I do not have to tell any Senator in the Chamber that Paul Johnson has performed distinguished service. I know that all Senators join with me in expressing the hope that he will soon be well again and back on his job in the Senate dining room.

Mr. MORSE. Mr. President, will the Senator from Idaho yield to me to associate myself with the remarks made by the Senator from South Carolina?

Mr. CHURCH. I am happy to do so.

Mr. MORSE. I believe that one of the most gentle of people among us in the Capitol is the dedicated public servant to whom the Senator from South Carolina has referred—Paul Johnson—who for years and years has been in charge of the Senate restaurant. He has been in charge of handling all the problems of Senators in connection with their reservations and the arrangement of dining room facilities for Senators.

Paul Johnson is more than the person in charge of the Senate restaurant. He is the friend of every Senator. He personifies courtesy and graciousness. Paul Johnson is one of the most gentle and lovable human souls I have ever had the pleasure of knowing. For 61 years Paul Johnson has served the Senate in the Senate restaurant.

I associate myself with the good wishes which the Senator from South Carolina, through his speech, has sent to Paul Johnson this afternoon from the floor of the Senate, and I join with the Senator from South Carolina in expressing

the assurance that we really speak for 98 other Senators, because Paul Johnson has not only the good will, but the love and affection of us all. I know that the entire membership of the Senate wishes him a speedy recovery.

Mr. JOHNSTON. I thank the Senator.

Mr. CHURCH. Mr. President, I join in the expression of both the Senator from South Carolina [Mr. JOHNSTON] and the Senator from Oregon [Mr. MORSE]. I am distressed to hear the sad news concerning the illness of one whom we all esteem so highly.

Mr. YARBOROUGH. Mr. President, will the Senator from Idaho yield to me for a moment?

Mr. CHURCH. I yield.

Mr. YARBOROUGH. I shall take but a moment to say that I commend the distinguished Senator from South Carolina for bringing to our attention the information concerning Paul Johnson. I associated myself with the commendatory remarks I have heard concerning Paul Johnson. I have not see a more courteous person in Washington while I have been here.

Mr. MANSFIELD. Mr. President, I take this occasion to join with the distinguished Senator from Oregon and the distinguished Senator from South Carolina in complimentng Mr. Paul Johnson on 61 years of service to the Senate. As I look about the Chamber it seems to me that 61 years ago was before any Senator present was born. This indicates how much history Mr. Johnson has seen, how much he has lived, and how much he has observed.

Mr. Johnson has been ill recently. I believe he has recently returned from the hospital to his home.

I join my other colleagues in expressing to Paul Johnson the high esteem and respect I have for him, to let him know how much I value his friendship as well as the many courtesies he has extended down through the years.

Mr. ALLOTT. Mr. President, will the majority leader yield to me at that point?

Mr. MANSFIELD. I am delighted to do so.

Mr. ALLOTT. I join the Senator in his remarks about Mr. Paul Johnson, whom we all know affectionately as Paul. I am sure he has been as kind to every Senator who has ever been in the Senate in the 61 years as anybody could be. He goes out of his way, and he has gone out of his way, not simply to do his job as the head of the Senate restaurant, but also to make all of us feel comfortable and to make our guests feel comfortable and welcome.

I recently had occasion to be in the Senate restaurant with the parents of my wife, Mr. and Mrs. W. H. Hall, of Lamar, Colo., who were, with their family, celebrating their 60th wedding anniversary. I called Paul over at that time and told him about it, and he said, "Well, this is my 61st year, so I am 1 year up on you."

I could not let the remarks of Senators pass without paying tribute to Paul at this time and expressing on behalf of myself and my wife, as well as all other Senators, our deep appreciation for the consideration and kindness he has shown us all during these years.

MUTUAL UNDERSTANDING AMONG THE PEOPLES OF THE WORLD THROUGH EDUCATIONAL AND CULTURAL EXCHANGES

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. CHURCH. I yield to the Senator from South Dakota with the same understanding as heretofore.

Mr. MUNDT. Mr. President, I wish to address the Senate in connection with S. 1154, the bill to amend the Education and Cultural Exchange Act, which it was previously planned to act upon today. Since action has been delayed until after the Fourth of July recess, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in connection with that bill, together with certain amendments which I have prepared and intend to offer, which, in my opinion, are in the nature of corrective amendments, and which primarily have as their purpose the retention in the hands of Congress the appropriative power, the control, definition, and administration of programs and policies.

There being no objection, the statement and amendments were ordered to be printed in the RECORD, as follows:

Mr. President, I would first like to thank the distinguished majority leader and the distinguished chairman of the Foreign Relations Committee for their courtesy and graciousness in delaying the floor consideration of S. 1154, the Mutual Educational and Cultural Exchange Act of 1961, so it can receive the consideration it deserves. As both Senator MANSFIELD and Senator FULBRIGHT know my profound interest in the programs covered by this bill dates back over a period of many years to the time when I was serving on the House Foreign Affairs Committee with our able and distinguished majority leader, MIKE MANSFIELD.

At that time I was privileged to coauthor with the able former Senator from New Jersey H. Alexander Smith, the U.S. Information and Educational Exchange Act of 1948, which was adopted by the 80th Congress and approved by President Truman as Public Law 402. While it was 1948 before Public Law 402 of the 80th Congress was finally adopted, this act had its genesis over 2 years earlier in legislation which I introduced after conferences with a group of educators from Terre Haute Teachers College of Terre Haute, Ind.

Adoption of the Smith-Mundt Act came shortly after the enactment by the 79th Congress of the Fulbright Act, a highly imaginative piece of legislation which authorized the use of the foreign-currency proceeds from the sale of U.S. surplus property in foreign countries for financing the education of American and foreign students in institutions of higher learning located abroad. Over the intervening years the Fulbright Act and the Smith-Mundt Act have provided a coordinate and complementary authority for assistance by the U.S. Government in the very worthy enterprise of educational and cultural exchange between the United States and foreign nations. I know that Senator FULBRIGHT shares with me the earnest hope and the sincere conviction that these programs have made a permanent contribution to the cherished objectives of world peace and international understanding.

The bill before us today, S. 1154, which has been authorized by Senator FULBRIGHT, seeks to improve our efforts in the field of educational and cultural exchange through modifying, expanding, and consolidating the basic statutes by which our cultural and educational exchange activities were initially authorized.

While I am generally pleased with this bill and universally grateful to Senator FULBRIGHT for his continued devotion to this program, I do, nevertheless, feel that certain of its provisions are of questionable value and should be refined, modified, or excluded. In this regard I have prepared some amendments, which are printed and which I intend to call up for the consideration of the Senate in the hope that their acceptance will serve to perfect, clarify, and improve the purposes and objectives of this bill.

Before proceeding to my amendments, I would like to take just a few more moments to make some general observations on this bill, on the present complexion and mission of our cultural and educational exchange programs and on the overall effort of the United States in the field of international communication.

Mr. President, for several years I have felt that serious consideration should be given to the consolidation of all of our educational exchange, cultural exchange, and foreign informational programs and activities in a single operating agency with Cabinet-level status.

I first advanced this idea publicly in the spring of 1959 in an address to the Third Plenary Session of the National Conference Institute of International Education. The same idea was presented in an article I authored and which was printed in the July 1959 issue of the Public Relations Journal. I am pleased to say that this idea was received with considerable enthusiasm by many individuals with experience in the field of international public affairs.

Later in 1959 I communicated this plan for consolidation to Dr. Mark May, the able and dedicated Chairman of the United States Advisory Commission on Information, for consideration by him and the other members of the Commission. Their study and deliberation resulted in the inclusion of a recommendation in the Commission's 15th annual report, which read in part as follows: "To meet the competitive ideological and propaganda challenge of the future, the time has come for the United States to consolidate all the foreign cultural, educational, and information programs in one agency of Cabinet status. The purpose is to insure maximum coordination and unified direction of the total U.S. communications effort." In justifying this recommendation the Advisory Commission on Information had this to say: "Although U.S. foreign information, education, and cultural programs have shown much improvement, their impact, from a total communications point of view remains difficult to discern when the U.S. information and education program is evaluated, country by country. Consolidation of all U.S. foreign communications in one agency will result in more unified and comprehensive planning, more economical use of what are essentially scarce resources, and a cumulative impact that will be more apparent. Precious bureaucratic divisions and differences should now be subordinated to the common purpose of achieving mutual understanding between the people of the United States and the people of other countries, in this most critical area of international communications."

Mr. President, I have made these comments on the proposed consolidation of our foreign cultural, educational, and information activities into a single Cabinet-level agency for a twofold purpose.

First, it is my hope that these comments may spark our foreign communications experts in the executive branch to give this idea some study—which may result in legislative recommendations or a proposed reorganization plan along these lines, such as the expansion and upgrading of the U.S. Information Agency.

Second, my comments on consolidation are made to eliminate any misimpression, which may arise out of our consideration of the instant legislation, that there is any accurate or realistic way to demarcate in practice between that which is purely educational, that which is purely cultural, and that which is purely informational. While we use the terms "educational," "cultural," and "informational," for our own convenience in identifying a particular activity by its most prominent features, we should never lose sight of the fact that the goals, programs, and objectives sought by the Fulbright Act, the Smith-Mundt Act, and the other related statutes are attainable only through the utilization of all three of these elements—as we employ in varying proportion amalgams of educational, cultural, and informational intercourse.

I am frankly sorry that this bill is limited to consolidating and in a large part to a recodification of the statutes, presently authorizing those activities, which for convenience are defined as cultural exchange and educational exchange. In my opinion, we could have advanced our cause still further by having included those functions defined as informational, for there is no denying the fact that in practice, in operation, and in purpose all three are part and parcel of the overall field of international communications. All three contribute to and make up the composite image of America abroad.

My fear is that the artificial division which we are making in this bill may have the practical effect of further fragmentizing rather than consolidating our activities in the area of international communications. This would, indeed, be regrettable. For maximum impact and for maximum achievement, these three major divisions of our foreign communications program must be operated as interrelated components—they must be orchestrated together.

The amendments are as follows:

On page 5, lines 12 and 13, strike out ", including financing the attendance at such studies by persons from other countries".

On page 6, lines 12 and 13, strike out ", the United Nations and other international organizations,".

On page 7, strike out lines 8 and 13, inclusive.

On page 7, beginning with line 14, strike out through the period in line 4 on page 8 and insert the following:

"SEC. 104. (a) Except as otherwise provided by subsection (b), the President may exercise any power or authority conferred on him by this Act through such agencies or officers of the United States as he shall direct.

"(b) In any case in which a power or authority conferred on the President by this Act is the same or substantially the same as a power or authority exercised immediately prior to the enactment of this Act by or through any agency or officer of the United States, the power or authority conferred on the President by this Act shall be exercised through such agency or officer until otherwise provided by statute or reorganization plan."

Redesignate subsections (b) to (f), inclusive, as (c) to (g), respectively.

On page 11, lines 23 and 24, strike out "and, whenever it would further the purposes of this Act, for the dependent members of their immediate families,".

On page 12, lines 3 and 4, strike out "or dependents of participants".

On page 14, lines 21 and 22, strike out "10 per centum" and insert "5 per centum".

On page 15, lines 4 and 5, strike out "and within such limitations as may from time to time be established by Congress, to use," and insert "to use in such amounts as may from time to time be specified in appropriation Acts,".

On page 22, line 23, after the first comma insert "and", and in lines 23 and 24 strike out "and the expenditure of Government funds,".

On page 13, line 4, immediately after the period, insert the following new sentences: "If an investigation made pursuant to this section develops any data reflecting that the person who is the subject of the investigation is of questionable loyalty or is a questionable security risk, the investigating agency shall refer the matter to the Federal Bureau of Investigation for the conduct of a full field investigation. The results of that full field investigation shall be furnished to the initial investigating agency, and to the agency by which the subject person is employed, for information and appropriate action."

On page 18, line 20, immediately after the period, insert the following new sentence: "Not more than six members of the Commission may be members of the same political party."

Mr. MUNDT. Mr. President, one of the amendments, at least, deals with the subject of the security provisions involved and would establish the customary procedures, or a new procedure, for reorganizing services, should such action be desired.

OUR NEW AFRICAN POLICY

Mr. CHURCH. Mr. President, during the past 12 months, the vast continent of Africa, second largest in the world, has moved so rapidly onto the international stage that 1960 has frequently been referred to as "the African year." In that year, 17 African countries achieved independence and, in almost every case, United Nations membership. Prior to 1960, there were only 4 independent countries in Africa; there were 10 such countries at the end of 1959; now there are 28 independent African nations, and others are at the threshold.

The United States was not really prepared for these rapid developments in Africa. Having adjusted to European control, we had never developed anything that could be called an African policy. In fact, up to about a decade ago, Africa served as a kind of way station for Foreign Service officers headed for retirement. In Washington, the world's second largest continent commanded only a small, ill-organized office in the State Department, and this was largely dependent upon European sources for its information.

It is true that the dramatic events of recent years have prompted some response. In 1956, a semiautonomous unit for African affairs was established in the Department of State, and by 1960, Africa had been elevated to bureau status. Other departments also appreciably increased their African staff. And this internal reorganization was paralleled by the opening of many new diplomatic, consular, and USIA posts in Africa.

The growing consciousness of the importance of Africa is also evident in the Congress. In recent years, many Members of the Senate have become interested in African developments. Few Senators, however, have actually traveled the continent. In November and December of last year, Senators GALE MCGEE, of Wyoming, FRANK MOSS, of Utah, and I, representing the Senate Appropriations, Interior, and Foreign Relations Committees, respectively, undertook an extensive study mission to Africa. With the concurrence and support of the Department of State, we visited 16 African countries, traveling over 22,000 miles.

We subsequently submitted to the Senate a report of the tour, published February 12, 1961. I have not, however, discussed in the Senate any of my personal observations. In light of recent events in Africa and current developments in American policy, I believe it is now an appropriate time for me to do so.

As in other parts of the world, American-African relations are a complex matter. Today I wish to discuss one facet of these relations, the political aspect of U.S. policy. I hope on future occasions to examine other aspects of American policy in Africa.

By "political aspect of American policy" I have in mind the response of the United States to African nationalism and to African neutralism. Without question, these are two of the most potent forces in African politics today, and the future of American interests in Africa may depend in no small degree upon the policies we develop in respect to them.

THE TENETS OF A NEW AFRICAN POLICY

How should the United States treat Africa's twin ambitions of national and international independence? I returned convinced that American interests can be best served in only one way. The European orientation of our past relations with Africa must be abandoned in favor of an independent approach of our own.

What would such an approach require? In regard to African nationalism, it calls for a policy rooted in our historic role as a country which believes in the right of national self-determination. In regard to African neutralism, it calls for a recognition that it is a Communist-dominated, rather than an independent, though uncommitted, Africa, that constitutes the threat to our national interest.

In recent months, I have been pleased to see developments in American policy that seem to be founded upon these two principles. It would appear that the Kennedy administration is fashioning a positive new policy toward Africa that

identifies the United States with both of these dominant African aspirations. If this is so, it represents a hopeful change of policy for which the President and his State Department deserve strong commendation.

THE HANDICAP OF PAST POLICY

The task we face in Africa is not easy. The overall impression that I brought home was that the United States will have difficulty persuading Africans that this country actively sympathizes with their aspirations for independence, and that we do not seek to involve them in the cold war. Past American policies, particularly as manifested in the United Nations, have tended to draw down our reservoir of good will in Africa. This is especially true with respect to our past positions on the colonial issue.

Although the colonial issue is of central importance to the Africans, our past attitude has been highly equivocal. We sought to find a compromise between what we apparently believed to be the requisites of western unity and what we know to be the legitimate aspirations of the African peoples. Caught in a dilemma, we looked for a middle ground between the extremes of open opposition and active support of African nationalism. Our policy thus tended to consist of lofty tributes to the principle of self-determination, combined with the avoidance of actual support of African causes which we feared might antagonize certain of our NATO allies.

This balancing act between Europe and Africa was particularly evident in the votes we cast in the United Nations. It is hard to avoid the conclusion, for example, that the abstention of the United States on the anticolonialism resolution of last December intensified African suspicions that this country could not be counted upon to back up its declarations of belief, and served to confirm the impression that we put smooth relations with our European allies above our interest in Africa.

I appreciate the great distinction to be made between the colonialism practiced, say, by the British, and that practiced by the Portuguese. But these considerations were not really relevant to our decision, taken in the U.N. last December 14. We were there given the opportunity to vote in favor of the general beliefs we had so often enunciated, and we chose to abstain. African leaders were left to conclude that the United States was unwilling to risk the possible disruptive effects of a favorable vote upon the NATO alliance.

Further evidence was given last year to support this conclusion, in the votes we cast on Angola and southwest Africa. In each instance we abstained, and thus gave no support to the efforts of the anticolonial members of the U.N. organization to extend its activities in Africa. And in each case the apparent reason for the American abstention was the fear that an affirmative vote would adversely affect our relations with certain colonial powers within the Western alliance.

In regard to African neutralism, our past record has been little better. We know that the African States are absorbed in their own internal problems. Newly born, they tend to regard neutralism as proof of their independence, and they are as zealous to avoid entangling alliances as we were during the years of our national infancy. Yet we have only recently abandoned our strictures against their neutralism, and have shown little appreciation for the motives which give rise to it, or to the fact that it is not, in itself, inimical to American interests.

There are, of course, other factors which contribute to the skepticism in Africa concerning the United States. Africans look about them and see that the bulk of American private investment is located in the Union of South Africa and other territories with substantial white populations. They are also well aware that an average of roughly two-thirds of our mutual security program expenditures in Africa over the past few years have gone to north African countries where U.S. military bases are situated.

Finally, it must be said that, despite continuing efforts to point out that our official national policy is totally opposed to segregation, even those Africans who understand our problems and respect our efforts to solve them, find it hard not to be resentful over the widely advertised instances of racial intolerance or violence in this country. This reaction is especially intense when an African diplomat or visiting dignitary is affronted.

All of these factors, whether they be natural obstacles to better understanding or the fruits of past policy, when taken together now create a difficult situation for the United States. Despite this, the administration is forging a new approach to Africa that holds much promise for the future.

ELEMENTS OF THE NEW POLICY

The appointments of Rusk, Bowles, Stevenson, and Williams laid the foundations for the new policy. All are widely identified with a sympathetic point of view toward the emerging countries in the old colonial areas, and with an appreciation for their strategic importance in world affairs.

The appointment of Governor Williams, in particular, asserted from the very start the responsiveness of the new administration to the special problems of Africa, and signaled that African issues are now to be dealt with on their own merits. These facts were emphatically communicated to the African people and their leaders by Governor Williams' trip to 16 African countries, made at the earliest possible moment after he assumed office as Assistant Secretary of State for African Affairs.

The administration has subsequently built on this foundation through a series of efforts both within and without the United Nations.

In the United Nations, a major step forward was taken by reversing the position of the United States on the colonial issue. In contrast to our record of abstentions of a few weeks earlier, Mr. Stevenson's affirmative votes on the Angola, southwest Africa, and apartheid resolutions, at last placed the United States in a pro-African posture.

In Africa itself, these votes were widely acclaimed as a new departure in American policy. But in a more fundamental sense, these actions were not new at all. Rather, they represented, as Tunisia's President Bourguiba remarked in his recent address to the Congress, a return to our traditional anticolonial policy and support of national self-determination.

Mr. Stevenson, himself, made this clear in presenting the American position on the resolution, when he said:

> Angola is but a part of the overall picture of evolution on the African Continent. The views of the United States have not changed since Jefferson wrote, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights."

Consistent with this principle, the United States then voted with the African delegates calling upon Portugal to plan, step by step, for Angola's full self-determination.

On the following day, the United States joined with a majority of the General Assembly to censure the Union of South Africa for its occupation of southwest Africa. Again, this was in contrast to our abstention on a comparable measure a few weeks earlier.

Only a few days ago, our new policy was reaffirmed by the support we gave to the resolution in the Security Council deploring the large-scale killings in Angola and admonishing Portugal to cease-repressive measures.

Mr. Stevenson has also worked in the U.N. to cultivate a friendship with the African delegates themselves in ways that go beyond either his votes or statements. He has made his interest in them a personal hallmark. He has sought them out socially and has frequently consulted them on matters of policy. All of these efforts, while less evident than our recent U.N. votes, have been extremely important, for they have added the element of personal commitment to the objective evidence, showing the depth and degree in which our policy toward Africa has changed.

Outside the United Nations, our efforts to build a stronger United States-African relationship have paralleled our labors within the organization.

Secretary Rusk's reception for African Ambassadors on African Freedom Day last April, and President Kennedy's appearance and speech there, were further indication of our interest and support in the emerging community of independent African States. In his speech, the President summarized the spirit of the administration's policy in noting that we are a revolutionary country, and thus close in spirit to the people and problems of Africa. The President said:

> I think all of us who believe in freedom feel a sense of community with all those who are free.

He then added very significantly—

but I think we also feel an even stronger sense of community with those who are not free but who someday will be free.

In many ways, the President has sought to extend and strengthen this sense of community. He invited President Kwame Nkrumah of Ghana to a meeting at the White House during the latter's visit to the United Nations. His initiative was well received by Nkrumah, and widely noted in Africa. It did much to restore some normalcy to United States-Ghana relations, despite the continued presence of serious problems.

The President's reception of courtesy calls by the African nationalist leaders, Mboya, Kaunda, and Banda, who were in the United States in April, is also to be noted in this regard, as was Vice President JOHNSON'S representation of the United States at the independence celebration in Senegal, which was so favorably received in west Africa.

The fact that Tunisia's President Bourguiba was the first chief of state to be welcomed to Washington by President Kennedy on an official state visit is also indicative of the new significance being given our relations with Africa.

OPPOSITION TO THE NEW POLICY

I believe these labors to build stronger bonds with Africa, through policies and actions identifying the United States more closely with the aspirations of Africa's people and leaders, to be steps in the right direction.

But some disagree. Indeed, the emergence of an American policy toward Africa, premised on the development of a community of independent African states, which are free, to the greatest possible degree, from the tensions of the cold war, has been subject to heavy assault.

African neutralism, it is argued, can only serve to undermine essential American interests. I believe the argument to be wrong. African neutralism, if it is genuine, is not adverse to the interests of the United States. The West has no need for military alliances spanning the African Continent. In fact, to pursue policies, the success of which depends upon the maintenance of strongly pro-Western regimes in Africa, would be as self-defeating there as it has been in certain parts of Asia. Moreover, genuine neutrals can be a useful balance wheel in a world that has become precariously polarized between two gigantic powers.

No, it is not neutralism that threatens the interests of the United States in Africa. What we need to fear is that these newly independent African countries might be drawn behind the Iron Curtain, and thus lose their capacity to be neutral. If we can help the Africans avoid this, then I am confident that, on most cold war issues, we can anticipate their support. Certainly the Africans' response to the abortive Russian effort to scuttle the U.N., through bitter attacks on the Secretary General, demonstrated their capacity and willingness to support the West, once the merits of the issue became clear.

THE NEW POLICY AND NATO

What, then, of our developing African policy based on a firm affirmation of our historic opposition to colonialism?

Such a policy has been labeled sentimental. It has been suggested that our emotional attachment for the anti-colonial character of our own national birth has led us to adopt a foreign policy which ignores the hard realities of international politics.

Some have even called the new policy foolhardy, asserting that an independent approach to Africa will loosen our ties with the strength of highly developed Western Europe, and wed us, instead, to the weakness of underdeveloped Africa.

In both these criticisms, the burden is the same. The new African policy, so the argument goes, is a luxury we cannot afford. Each time we part company with a NATO ally, on a matter relating to Africa, the alliance is weakened. To persist in such a policy will diminish the alliance, at the very least; at the very worst, it might even divide and destroy it. So rabid have some of these critics become, that any pro-African statement is at once construed as anti-NATO.

When these critics objected to our vote in support of the U.N. resolution to investigate Portuguese colonial policies in Angola, or the more recent Security Council vote condemning these policies, I am sure it was not because they, themselves, uphold the policies; it was not, in other words, because they feel we were mistaken on the merits. No one of them has yet spoken in defense of Portuguese colonial policies in either Angola or Mozambique. What they are saying, really, is that we should have voted wrong on the merits, for the sake of maintaining solidarity with a NATO ally.

How would these critics have us vote on the general issue of colonialism? I am certain they would concede that, on the merits, we should oppose it, the right of self-determination having been the basis of our own war for independence, and a venerable principle of our political code. Yet, when the issue was put squarely before us in the United Nations, last December, these critics upheld our abstention. They contended we were obliged to join company with such bitter-end colonial powers as Portugal and the Union of South Africa, engaged in a futile rearguard action on the tail of the 20th century, because to vote for the resolution generally condemning colonialism would have obliged us to differ with some of our NATO allies. Again, the critics reasoned, it was right for us to vote wrong, for the sake of NATO unity. Just imagine: In the name of NATO unity, we abstained, while the majority of our own NATO partners deserted us, to vote for the resolution.

Let me make clear that it is the doctrinaire quality of such a foreign policy to which I object. I do not argue that, for the sake of improving our relations with Africa, we should uphold the African side of every controversy involving a European ally. I ask only that, as each new question arises, we reach our judgment on its merits, and that we take our stand or cast our vote accordingly.

Let us remember that while an imprudent policy toward Africa cannot strengthen NATO, a prudent policy there can do much to further the long-term interests of the alliance. After all, the prosperous, industrial countries of Western Europe are in little danger of Communist uprising. Their governments are stable; their peoples are less interested in, or attracted to, the Communist ideology, than at any time since the end of the Second World War. It is, rather, in volatile Africa, now in its formative period, where multitudes are destitute and demoralized, that the danger of Communist subversion is real. If these African countries are drawn into the Communist orbit, then the NATO alliance is outflanked, and a Red hammerlock will tighten upon the free economies of Western Europe, which depend, in no small degree, on African raw materials to feed their industrial plants.

So our present effort to establish a better bond between the United States and the new African nations also serves the ultimate interests of our NATO allies. The era of Western colonialism is over. Should we, Mr. President, having avoided all connection with it while it was still robust in Africa, now permit ourselves to be linked with it in its death agonies? It would be better that we applaud the British and the French for the statesmanlike manner in which they are peacefully relinquishing their African possessions, and urge some of our other NATO allies to follow their example. Italy and Germany, deprived of their African possessions by the two World Wars, are clearly better off without them. Belgium will never return to the Congo, and the days of Portuguese dominion over Angola and Mozambique are fast running out. Within a little while, none of our NATO partners will have any territory left in Africa. Then their interests in that continent will be identical with our own; and we, in the meantime, by pursuing an independent course in regard to Africa, shall have helped secure a bridge of friendship between the new African countries and the Western World.

If, to do this, means that we must, from time to time, anger a NATO ally, such is the price we have to pay. But let us be clear about one thing: Nothing we are apt to do in regard to Africa will weaken or destroy the NATO alliance. This alliance is the shield that protects Western Europe from Russian invasion. It stands on its own base; no part of it is anchored in Africa. If the day ever comes when NATO means less to Germany, Belgium, France, Italy, or Great Britain than it means to the United States, it will no longer be a shield, but will be a sieve.

Mr. President, I say this as one who believes that NATO is the cornerstone upon which we most depend in our power struggle with the Communist

world. I was a sponsor of the resolution establishing a citizens committee on NATO, and I think we must do all within our power to strengthen the alliance. As with every alliance since the days of the Delos League, NATO will either grow or it will wither; it cannot remain static. But we do not serve the alliance by trying to placate one or another of our NATO partners on matters relating to Africa. We serve it only by common agreement on wise policies relating to Europe, where the alliance functions and has its being.

For these reasons, Mr. President, I submit that, contrary to the fears of its critics, our emerging policy of active support for the cause of African freedom will not only help to better our position in Africa, but will serve the long-term interests of the NATO alliance itself.

THE AIRBASES IN MOROCCO

Mr. President, I have tried to avoid discussing specific questions which concern individual African countries, in order to commend the administration for its new response, based on the soundest foreign policy considerations, to African aspirations commonly shared. I have intentionally omitted any discussion of the continuing crisis in the Congo, where prospects for an orderly settlement under the aegis of the United Nations seem to be brightening; or of the sensitive negotiations, which I fervently hope can soon be resumed, to bring the bitter Algerian war to a close; or, indeed, of the strife that looms ahead throughout the troubled southern reaches of the African Continent.

Yet I must protest that the administration seems not to be applying its own new guidelines with respect to our airbases in Morocco.

The Eisenhower administration, some time ago, agreed that the United States would withdraw from these bases in Morocco by the end of 1963. It made this decision largely on two grounds. First, the political unrest resulting from the strong antipathy of the Moroccan people to the presence of foreign military establishments in their midst; second, indications that our military need for the bases was diminishing rapidly, in both scope and content, with the passage of time.

Unfortunately, our earlier decision has turned out to have been a temporary palliative, rather than a solution. Morocco, over the past year, has joined with the United Arab Republic, and others of the so-called Casablanca powers, in assuming an intensely nationalistic outlook toward African and world developments. It has become embroiled in heated argumentation over the status of Mauritania, which it claims as Moroccan territory, despite a prevailing view to the contrary in the United Nations. It has very recently lost a revered monarch, but gained an energetic and able new ruler in the person of King Hassan II, who displays a fresh determination to insist on the independent and fully sovereign status of his ancient country. The upshot of these events has been renewed dissatisfaction with the continuation of foreign military establishments, including our own, on Moroccan soil.

I am well aware of the fact that some of our military bases in Africa are essential to our national defense. In those cases where there is full agreement on the critical need for the facility, I would support the position that it must be maintained, though we pay a king's ransom. Our installations in Morocco, however, are not in such a category.

The fast pace of technology has overtaken our need for the continued maintenance of the Moroccan bases. Our elaborate network of bases in Spain is fully capable of handling our SAC requirements in this part of the world. The new dimension given our nuclear-punch capability, resulting from the introduction of the Polaris submarine in nearby waters, and the rapid buildup of our arsenal of intercontinental ballistic missiles, should stimulate us to reappraise our need for military bases in Africa.

As for Morocco, sensitive political considerations strongly militate against the continued use of our bases there 1 day longer than necessary. It has been tacitly assumed that when we agreed to abandon these bases by the end of 1963, we did so as the result of an operational conclusion that they were no longer essential to our national defense. Then why should we wait 2 or 3 more years? To wait so long, when we could readily move out in less than 6 months, is not only to waste millions of dollars, but it is to take undue political risks that could have serious repercussions throughout all north Africa.

I do not underestimate the enormousness of the task facing the new administration, not only in terms of inherited commitments, but in catching up with a myriad of decisions yet to be made.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CHURCH. I am happy to yield.

Mr. MORSE. I am glad the Senator has mentioned the subject of military bases in Africa, because as one member of the Foreign Relations Committee I have had many reservations about their value at any time; but I think it is pretty well known that they have been obsolete for a considerable time; that, insofar as being of any real great military value, they have been in a state of obsolescence for some time; and that they have been very costly to us in psychological warfare.

If anyone has any doubt about that fact, I invite him to sit with me for 3 months in the United Nations General Assembly, which I do as one of the delegates of my country to the United Nations, and talk with the African delegates. Then that person will have an idea how costly those bases have been to us in psychological warfare. They have been misunderstood, and, of course, they have been fodder for the Russian propaganda grist mill, and the bases have been the subject of great propaganda.

Therefore, I am glad to have the Senator share these serious questions. I think the question with regard to withdrawing our military bases in Africa can be pretty well summarized by the old saying, "If eventually, why not now?"

We all know that it will be only a matter of time before we withdraw from those bases, anyway. The Senator has pointed out that we can save millions of dollars by withdrawing now. I say to the Pentagon authorities that such action would gain us much good will in Africa.

That question is closely related—and I shall not do more than merely mention it in passing—to a very analogous problem in relation to Latin America. There, too, we are engaging in a military output that is not producing good will, but is costing us dearly. That is why I said on the floor of the Senate last night that I am astounded that the Pentagon should come forward this year and propose not only a lifting of the ceiling on military aid to Latin America, but, in round numbers, an increase of from $55 million to $68 million.

The proposal is already creating a great deal of ill will toward us in Latin America. If the Pentagon does not believe so, I invite the officials in that building to talk with some of the Ambassadors from Latin America, as I do very frequently in my capacity as the chairman of the Subcommittee on Latin American Affairs.

I sincerely hope the administration will put a stop to some of these very unwise military policies of the Pentagon in the whole field of military foreign aid.

Mr. CHURCH. I am reassured to have the concurrence of the distinguished Senator from Oregon on the issue respecting the Moroccan bases. They are only half occupied now, and even the military have indicated that they are of questionable value. Therefore, having already made the determination that we intend to close them by the end of 1963, and in the face of the very sensitive political situation which exists in Morocco and elsewhere in north Africa, I do not think we serve ourselves well to wait for 2 years before taking action that could be taken in 6 months.

Logistically, we could move out what we need to move, move our personnel out, and close down the bases in 6 months.

I am certain that we would not have come to an agreement for the closure of such bases if we had felt they were among the bases essential to our national security. Having jumped that barrier, I say there is no justification for waiting until 1963.

I am disappointed that the administration has not taken some action to close those bases. Perhaps there has not been time to deal with this important Moroccan issue. If so, I emphasize that time is of the essence, and that a determination concerning the Moroccan bases, based upon the broad perspective of the State Department, should be promptly made.

CONCLUSION

I have mentioned some of the factors working against the United States in Africa, and I concede that our handicaps are formidable. Indeed, when one

considers how general is the African affliction of poverty, illiteracy, and disease; when one recalls that tribal life is communal in character; when one observes the compelling force in all underdeveloped lands of Red China's much-heralded great leap forward; and when one remembers that neither China nor Russia ever engaged in colonial adventures in Africa, so that the imperialism Africans both fear and despise is associated only with the Western nations; then one wonders why communism has not made greater strides in Africa, and one suffers doubt about what the future will hold.

The future of Africa is, of course, beyond our power to direct. We can be thankful that the Moslem and Christian faiths are mighty barriers to Communist penetration, and we can try to formulate a national policy toward Africa that will help the new countries become genuinely independent, under conditions which will permit free institutions to slowly take root and grow.

If we are patient and prudent, Africa need not be lost to communism. The United States is still the country looked upon with wonderment there. Many are skeptical of the United States, but few are hostile, and most would like to believe in us. And we have an invaluable asset in the able, dedicated group of American diplomats at work for us in every African country.

I will remember a man named Duggan, our consul general in Dar es Salaam, whose sight is impaired, but whose personal magnetism has made him the close friend of Julius Nyerere, the Prime Minister of Tanganyika, and one of Africa's most promising new leaders.

I will remember a man named Canup, our consul in Elisabethville, sitting with his family in an explosive Katanga, pouring perspiration through his shirt in his effort to explain to us the complicated motives of the warring Balubas in the surrounding bush.

I will remember a man named MacKnight in forlorn, sunbaked Lomé, pleading to be left understaffed, so that overwork could be a solace from boredom and isolation.

I will remember a man named Dean, our then Chargé d'Affaires in Bamako, who deals with the Marxist Government of Mali, and yet gets on so well with the President, Modibo Keita, that he jokes easily with him in French, while supervising the English courses given him three times a week at his executive mansion.

With such men at work for us, the United States will not easily be bested. For these men know the grandeur that is Africa—the glistening summits of Kilimanjaro we flew past, the awesome spectacle of Victoria Falls, the exciting uplands of Kenya abounding with lions, rhinos, hippos, giraffe, and the lordly elephant.

They know this Africa can be no one's prize—that it belongs to the African, to the tribal chiefs of Togo we saw clustered beneath their colorful ceremonial umbrellas, surrounded by their gilt scepters and crowns, and other badges of office; to the lithely muscled men who came crashing through the surf at Accra in a hundred lighters, to carry ashore bags of cement on their heads, from the freighters at anchor in the harbor; to the women who walk splendidly erect, balancing heavy loads upon their heads, while carrying their newborn tied to their backs; to the fierce Masai warriors; to the pygmies of the Congo; to the Arabs north of the Sahara; to the many young students in every African country, where thirst for knowledge leads them to read from the light of the street lamps when night falls.

If we can but see Africa through their eyes, then our policies will be wisely shaped, and prospects will brighten for an Africa which preserves its independence and permits freedom to grow.

I commend the President for the start he has made in shaping of a new African policy. It is a welcome departure from what we have known in recent years, though it relates back to what we have always stood for as a nation. Already the world has taken note of it, but it was Tunisia's Bourguiba who stated the case for it most eloquently.

He said:

> It is a real source of satisfaction to us to see the United States of America return to its traditional policy of anticolonialism and support for the principle of self-determination and independence for all peoples. What your country gains in affection and prestige from the recently emancipated and the still colonized peoples is greater than the anger or irritation of guilty governments, however powerful these governments may be. The forces of history are stronger than those of individual men and governments, and if you march with progress, not against it, you can never lose.

During the delivery of Mr. CHURCH's speech:

Mr. CLARK. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. CLARK. Mr. President, I ask unanimous consent that my comments on the speech being made by the Senator from Idaho may appear at the end of his formal statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. I desire to compliment the able Senator from Idaho on the extraordinarily fine speech he is making concerning our new African policy. It is most heartening to me to observe the outstanding, able work he is doing on the Committee on Foreign Relations, where he is a member of the Subcommittee on African Affairs. In my judgment the speech deserves, and I hope it will receive, wide coverage in the press, in the weekly news magazines, on television, and on the radio, because it states succinctly and ably the sound principles of the new African policy which our Executive is following.

I fear some Members of this body do not agree with the new policy. I think it is important that the policy should be taken to the country. I again commend the Senator from Idaho for the splendid effort he has made to educate the American people as to the new facts of life on the Dark Continent in the second half of the 20th century, facts which are very different from those which existed in the time in which I grew up and, indeed, even somewhat different from those in which the Senator from Idaho grew up.

Mr. CHURCH. I thank the Senator from Pennsylvania. I deeply appreciate his comments. I thank him more than I can say.

Mr. MORSE. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I am happy to yield to the distinguished chairman of the Subcommittee on Latin American Affairs.

Mr. MORSE. Mr. President, I ask unanimous consent that my remarks about the speech of the distinguished Senator from Idaho may appear in the RECORD immediately following the very deserved tribute to the Senator from Idaho which was paid by the distinguished Senator from Pennsylvania [Mr. CLARK].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I desire to reinforce what the Senator from Pennsylvania has said. I say, not only for the benefit of the press, but also for the Members of the Senate who will read the speech of the Senator from Idaho, that it is a policy speech. It is a speech which, in my judgment, sets forth the broad outlines of the specific recommendations, in many instances, of the policies we ought to follow in connection with our African affairs.

I serve with the distinguished Senator from Idaho on the Committee on Foreign Relations. He is a member of the Subcommittee on Latin American Affairs, of which I am the chairman; and a very valuable and able member he is. Some of the positions I have taken in committee and in the Senate concerning Latin American Affairs have been, in no small measure, the result of my consultation with the Senator from Idaho on objectives relating to Latin America, with respect to which we find ourselves in complete agreement.

The Senator from Idaho also serves on the Subcommittee on African Affairs, of which I do not have the privilege to be a member. Nevertheless, I listen with great interest every time the Senator from Idaho speaks in the Committee on Foreign Relations with respect to African affairs or Latin American affairs, or any other subjects which affect the foreign policy of the United States.

I spoke in the Senate some weeks ago about the report made by a group of Senators, among whom was the Senator from Idaho, following their trip earlier this year to Africa. It is really one of the best source books we have for reviewing and refreshing ourselves concerning some of our lapsed knowledge with respect to what has been happening in Africa. I think we are very fortunate to have this policy speech made in the Senate, so that it may be considered over the July 4 recess. There is

something symbolic about July 4 in relation to the subject matter of the Senator's speech, because the spirit of independence and freedom is sweeping over Africa, as it is sweeping over other undeveloped areas of the world. I think it is a particularly fitting coincidence that the Senator's speech, dealing with the problems of African independence, should be made so close to the celebration of our own independence.

Mr. CHURCH. Mr. President, I thank the Senator from Oregon for all his generous words, particularly for having taken note of the fact that this is a Fourth of July speech, in which I am commending the new administration for the Fourth of July spirit which now seems to be influencing the formulation of American policy toward Africa.

Mr. MANSFIELD. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I am glad to yield to the distinguished majority leader.

Mr. MANSFIELD. I desire to join with the distinguished senior Senator from Pennsylvania [Mr. CLARK] and the distinguished senior Senator from Oregon [Mr. MORSE] in commending the outstanding junior Senator from Idaho for the contribution he is making to our thoughts and our education today. I commend him especially because, although he rarely speaks on the floor of the Senate, when he does he has something worth while to listen to, something worth while to say. I say this today especially because, with unusual patience, the Senator from Idaho allowed the Senate to finish its business before he made his speech. I am deeply grateful to him for the courtesy and consideration he has shown. I commend him for a practical, philosophical, hard-hitting speech on what is, in effect, a newly discovered continent. I hope the Senators who were not present this evening will have the opportunity to read what the Senator from Idaho has said, because he has given us all a good deal of food for thought.

It is gestures like this one on the part of the Senator from Idaho that make it easier for us who serve in the Senate to get along with one another. I assure the Senator that not only am I deeply appreciative of his consideration in this connection, but I am grateful to him for bringing to the attention of the Senate, the country, and the world the situation as it exists in Africa today, together with the recommendations he is making for the consideration which should be given to that giant, still sleeping, perhaps half-awake continent. I know the Senator speaks on the basis of personal observations and intense personal interest. Again, I offer him my commendations for a job which is being well done and my appreciation for the courtesies and considerations he has shown today.

Mr. CHURCH. I thank the Senator from Montana sincerely.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations reported today will be stated.

DEPARTMENT OF THE NAVY

The legislative clerk read the nomination of Vice Adm. George W. Anderson, U.S. Navy, to be Chief of Naval Operations in the Department of the Navy.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

The legislative clerk read the nomination of Charles S. Brewton, of Alabama, to be an Assistant Director of the Office of Civil and Defense Mobilization.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

U.S. ARMY

The legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask that the Army nominations be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Regular Corps of the Public Health Service.

Mr. MANSFIELD. Mr. President, I ask that the nominations be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, en bloc.

DEPARTMENT OF THE NAVY

The legislative clerk proceeded to read sundry nominations in the Department of the Navy.

Mr. MANSFIELD. Mr. President, I ask that the nominations be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. MANSFIELD. Mr. President, I ask that the nominations be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

FIFTY-SEVENTH WEDDING ANNIVERSARY OF MR. AND MRS. JOHN D. RHODES

Mr. MANSFIELD. Mr. President, I should like also at this time to extend congratulations and best wishes to Mr. John Rhodes, the senior Official Reporter of Debates of the Senate, and Mrs. Rhodes, who are today celebrating the 57th anniversary of their wedding. I wish I could say that all of us in the Chamber were born before he was married, but unfortunately I am 1 year up on him.

I wish to have Mr. Rhodes, who has been a dedicated and faithful official of the Senate, know that we wish him well. While perhaps 57 more years is too much to expect, we hope both he and Mrs. Rhodes will have many happy and comforting years ahead of them.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MORSE. I join the Senator from Montana in extending to Mr. and Mrs. Rhodes my sincere congratulations, compliments, and best wishes for their continued happiness. One needs only to meet with them to know that they prove that the marital institution is not the kind of institution that we read so much about in the scandal sheets of America, filled with their divorce stories. In Mr. and Mrs. Rhodes we have a good example of the marital institution being lived by two happy people as it was intended. Such felicity is characteristic of most marriages in our country. We do not hear about the happy ones. I am happy to know that Mr. and Mrs. Rhodes have had 57 years of marital bliss.

Mr. MANSFIELD. May I say that I believe Mrs. Rhodes perhaps deserves the greatest congratulations, because while Mr. Rhodes is efficient and outstanding, all too often we forget that it is the lady who carries a large part of the burden and sometimes furnishes the spark.

Mr. ALLOTT. I join both the Senator from Oregon and the distinguished majority leader in paying tribute to Mr. and Mrs. Rhodes.

With respect to the tribute that should be paid to Mrs. Rhodes, not the least consideration should be given at this time to the fact that his life, like our own, is an indeterminate one. We never know when we will get home, and his will to get home is even more indeterminate than ours, because what he does depends upon what goes on in the minds of Senators.

But in a more serious way, I wish to express my deep appreciation to Mr. Rhodes, because in trying to assure myself that the RECORD was correct, I have always had the greatest cooperation from Mr. Rhodes in all of his duties. I would feel not only remiss, but also disappointed, if the majority leader had not brought up this subject and I had not had an opportunity to congratulate Mr. Rhodes and his wife on their 57th wedding anniversary.

Mr. MANSFIELD. Mr. President, will the acting minority leader yield to me once more?

Mr. ALLOTT. I am happy to yield to the distinguished majority leader.

APPRECIATION OF SENATORS

Mr. MANSFIELD. Mr. President, we have had a very productive week in the Senate. At this time I extend my thanks to the senior Senator from Florida [Mr. HOLLAND], who has guided two appropriation bills through the Senate this week, one on behalf of the distinguished Senator from Arizona [Mr. HAYDEN], the President pro tempore of this body, who, because of an incident in his family this week, was unable to carry out the responsibility for a particular appropriation measure. The Senator from Florida guided that bill and also the Commerce Department appropriation bill through the Senate with his usual consummate skill and patience.

I pay special tribute also to the distinguished senior Senator from Oklahoma [Mr. KERR], who in the past several weeks has guided three very important bills through the Senate and has done so with rare managerial skill.

I wish to speak of the Senator from Arkansas [Mr. MCCLELLAN], who today showed rare ability in handling two very controversial reorganization bills, while he did not approve both of them, nevertheless he showed his fairness and understanding in bringing them before the Senate and having them considered.

I wish also to thank the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], for his unfailing courtesy, kindness, and consideration at all times and under all circumstances.

I wish to thank every Member of this body, both Republicans and Democrats, for the cooperation which they have shown and for the understanding they have exhibited toward us, not only during the past week, but ever since the session convened.

I thank the acting minority leader for giving me this opportunity.

PETROLEUM SHALE RESERVES

Mr. ALLOTT. Mr. President, I wish to speak for a few moments this evening on what I believe is one of the most vital and practical problems that we can speak about with respect to the relations of the United States with our neighbors, and particularly with our neighbor to the south—Brazil. I do not always agree with the senior Senator from Oregon [Mr. MORSE], as he well knows, and I well know. But rather late last night on the floor of the Senate he made a speech with which I most wholeheartedly agree. At this time I believe we ought to document some of the events that have taken place in this area.

The problem relates to the development of petroleum shale reserves in Brazil. Last night the senior Senator from Oregon discussed this subject thoroughly, but he made two statements which I wish to read into the RECORD at this time. He said:

> Let the RECORD show tonight that it is my prediction that our refusal to lend any money to Brazil for oil development will not bring any American oil companies into Brazil, nor will it preserve their present operations in Brazil.

After a couple of sentences he made the following significant statement:

> Brazil is determined to develop its oil shale reserves. It is seeking a loan, not a grant, of $7 million for this purpose. Yet the U.S. Government has not yet given Brazil any firm indication that we will make this loan. As a result, Brazil is dealing with the Soviet Union and other Communist bloc countries to see what funds and technical aid might be obtained there.

I refer to a short speech I made on the floor of the U.S. Senate as long ago as March 27, in which I tried desperately to call to the attention of the Senate and the executive branch of the Government, as well as the people of this country, how vital and important the problem is.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ALLOTT. I am happy to yield to the distinguished Senator from Oregon.

Mr. MORSE. I am familiar with the fact that the Senator from Colorado made the speech to which he has referred. I wish to tell him that I regret very much that I did not recollect that fact last night when I made my speech on the oil shale problem. I am aware that the Senator has been seeking to have some attention paid to the great oil shale areas of the West, including some in his own State. I want him to know that I always find myself much happier when the Senator from Colorado and the senior Senator from Oregon agree. On this question I shall always stand shoulder to shoulder with him and be at his command in any way I can be of help to him in the development of the oil shale resources of our country.

Mr. ALLOTT. Mr. President, I appreciate the kind remarks of the Senator from Oregon, and I join him, because to me our duty is to obtain the truth and not produce contests between personalities. The stakes for which we play are far too important for that; and in the instances in which the senior Senator from Oregon and I have disagreed, I have always regarded them in such light.

In my statement of March 27 I pointed out that in the areas of Colorado, Wyoming, and Utah there are literally mountains and mountains of oil shale which constitute a potential reserve of more than 1½ trillion barrels of oil.

This is twice as much as all the known liquid petroleum reserves of the world. To do other than prepare ourselves to draw upon this vital reserve is absolutely foolhardy at this time.

I would like to put this in another context, and without doing any damage, I hope, to the great neighboring States of Wyoming and Utah. However, in the State of Colorado alone there are in the high grade oil reserves alone over 500 billion barrels of oil waiting to be unlocked, waiting to be used.

Let us put this problem in context. When we consider that up to date the United States has discovered and used only 80 billion barrels of oil, we can only come to the conclusion that in the State of Colorado, in high grade reserves, there is six times more oil than has been discovered and used in the United States to date.

I believe this is a necessary part of our national reserves that must be developed.

How does our neighbor to the south, Brazil, enter into this situation?

During the past 6 years Brazil has spent approximately $300 million in search of petroleum, without a single commercial discovery. On the other hand, Brazil apparently has greater reserves of oil locked in shale than any other country in the world, with the possible exception of the United States.

Engineering and economic studies indicate that oil from this one deposit will be competitive in Brazil with imported petroleum, assuming proposed extraction methods will work on a large scale.

In this connection, one of our oil companies in the United States has carried on a pilot plant experiment near Rifle, Colo. If oil were selling at a normal price over the past 10 years, and there had been an equal depreciation picture as compared with liquid petroleum, oil from oil shale could today compete on the market with liquid petroleum.

I say this not to bring up the question of depreciation or development in this country, but to impress the fact that the extraction of oil from oil shale reserves is not some idea out on "cloud 9"; it is here.

The distinguished senior Senator from Oregon did a very great service last night. During the past few weeks, even prior to my speech on the floor of the Senate on March 27, I had done everything I could to move the Government of the United States in the direction of taking care of this problem. I have been in touch with the upper echelons in the Department of State, and with the Brazilian desk. I have been in touch with the White House, not once but several times. I have written letters to the White House, and to the President himself. I have been in touch with ICA. I have been in touch with the Export-Import Bank, even as late as this afternoon. I have been in touch with the Office of Petroleum Reserves and with the Bureau of Mines of the Department of the Interior. Now we finally come

down to the point where they are apparently trying to push this operation over to the Export-Import Bank, which must lend upon a business basis. The last proposal has been, in effect, that they might adjust some of their credits if Brazil would give up some credits it now has.

How stupid can we be? One of the great problems of Brazil today is its deficit in American dollars in trade. It must go out on the world market to buy its oil. If we could make it even partially self-sufficient in oil, we would cure one of its most vital and pressing problems. But no, Mr. President. What do we do?

In Russia for the past 2 or 3 weeks—perhaps longer—there has been a trade commission from Brazil. The trade commission, after it reached Russia, sent to Brazil the message:

> Send us over an oil shale man, because we want to study the oil shale processes in Russia.

What I have suggested is that we lend to Brazil $7 million out of the millions of dollars that we have planned for South America. That is roughly half the cost of producing the plant. What would be the advantages to us? First, we would ultimately build up the dollar reserves which they need, by not forcing them to purchase oil on the world market. Second, we would make them self-sufficient or partially self-sufficient in oil. Third, American engineers are on the ground in southeast Brazil today trying to help to develop their oil reserves. Therefore, if they were to adopt American methods, the plants they would use would be made in America; and at a time when we are talking about unemployment, we would be adding to employment and adding to the production in America. Fourth, we would be adding in a great measure to the American technological know-how of how to extract oil from oil shale.

The Senator from Oregon is exactly correct when he says that our refusal to provide Brazil with money for this development would bring not American, but Russian oil companies into Brazil. It would, Mr. President, unless we were to move, and move fast in matters of hours or days, not weeks. This is exactly what will happen. I have already spoken of Brazil's current trade mission in the Soviet bloc countries. Russia has a going oil shale production. It is endeavoring through this commission to entice Brazilians to adopt its methods. If Brazil adopts Russian methods, she will adopt Russian techniques. Engineers will be brought from Russia to Brazil. They will use Russian equipment. The trade commission has been there for some time. Time is short. The United States has suggested informally to Brazil that she might transfer other unused credit from the Export-Import Bank toward the $7 million she needs.

Hard pressed as Brazil is for many other goods, in debt as Brazil is, she is naturally reluctant to do so. There is great doubt in my mind as to whether Export-Import Bank funds are the proper type for this project. It might be better for the Development Loan Fund, or the Latin American Bank, or ICA or any of the almost innumerable agencies we have created, which are dealing in this area, to do it.

Yet, with $100 million in new credits authorized, largely to pay off debts owing U.S. firms to help stabilize Brazilian economy, our State Department, and indeed our administration, is reluctant to advance further credits.

The problem of moving speedily, before Brazil takes what might appear to be an easy way out and turns to Russia for help, is further complicated. Until the new fiscal year appropriation, the ICA supposedly has insufficient funds to draw upon. Proposals are before us to reorganize the Development Loan Fund, so it feels it is in no position to make even an informal commitment to Brazil.

We are faced with a dilemma which has grown only worse in the intervening months since this proposal to aid Brazil and to aid ourselves first was introduced.

I join in the remarks of my colleague from Oregon in "wondering how foolish we can get in our foreign aid program." This is not a partisan matter. It is a national matter. It would behoove the administration to take another look at its wallet and find the necessary fund for this project before it allows the Communists to open the door to Brazil and walk in. Walk in they will, and walking in they are.

Mr. MORSE. Mr. President, I express high commendation of the Senator from Colorado [Mr. ALLOTT] for his timely speech. I associate myself with his thesis, and I wish particularly to emphasize the fact that I do not believe the proposal which is just being suggested, and has not even been made firm, as I understand, by the State Department, that they might give consideration to this subject in connection with possible loaning procedures under the Export-Import Bank, will not meet the need of Brazil.

The Senator from Colorado is quite right. It is a government-to-government loan that ought to be entered into. It ought to be entered into on the basis of a low-interest rate loan, not a loan which will be made on the basis of commercial interest. Here is an opportunity for the United States to show a good-neighborhood policy toward Brazil. Here is a way to strengthen the economy of Brazil and thereby strengthen the security of Brazil.

If the administration has any doubt about where it can get the money to make the loan, I have a good many suggestions for it. The Senator from Colorado very properly pointed out the huge sum of money which goes into our foreign aid program. I am for good foreign aid, but there is too much in the foreign aid program which is bad, not good.

I suggest to the administration, because, as the Senator from Colorado says, this is a bipartisan problem, that those who belong to the administration have a considerable responsibility in making certain that our administration follows a sound policy, not an unsound one.

As I pointed out last night, I believe it is unsound policy to be talking about increasing military aid from $55 million to $68 million in Latin America. That is one place from which the administration could get the money. Simply reduce military aid by $7 million for this loan, and that will strengthen not only the security of Latin America, but also the security of the United States in Latin America.

There are many places, if the administration wishes to have my recommendation as to where it could get $7 million to make the loan without in any way weakening the foreign aid program. To the contrary, it would strengthen the foreign aid program by making savings in certain places and using the savings to make such a loan.

Mr. ALLOTT. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. ALLOTT. I suggest to the Senator that there will be opportunities to accomplish this purpose, if the administration has not acted by that time, and if the Russians are not into this project full-blown by that time, during the discussion on the Mutual Aid bill, and perhaps by way of a limitation on the appropriation bill.

Mr. MORSE. I know exactly what the Senator from Colorado has in mind, and I will support such an amendment.

Mr. ALLOTT. I thank the Senator from Oregon.

AMENDMENT OF DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT OF 1935

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill to amend the District of Columbia Unemployment Compensation Act of 1935, as amended.

The District's jobless benefits act has not had the benefit levels adjusted since 1954 with the result that this act now stands near the bottom by comparison with the laws of other States.

I am again proposing the same bill that passed the Senate in 1955. Its major provisions are:

First, it increases the maximum weekly benefit amount.

Second, it changes the duration period for all eligible claimants to a uniform maximum period of 39 weeks.

Third, it changes the disqualification provisions to a straight 6-week disqualification, with no cancellation of benefits.

Every State in the United States has raised its benefit levels at least once since 1954. Some have made several adjustments, as indeed they must if the maximum benefit amounts are not to become increasingly outdated relative to wage levels.

The maximum benefit amount in the District is still $30. Only Alabama has a lower maximum; one other State, Arkansas, also has $30. All other States have higher amounts. Furthermore,

relative to prevailing wage levels, the District maximum is now lower than anywhere else in the United States.

The bill which I am introducing today would not change the individual's weekly benefit amount that is in the present law, which limits the employee to no more than 50 percent of his weekly wage or one-twenty-third of his wages in a calendar quarter.

But by raising the maximum the bill would allow the individual benefit formula to apply to the great majority of wage and salary earners—a proposal that has been recommended by successive administrations for many years.

Furthermore, by stating the maximum as a percentage of the average weekly wages instead of in fixed dollar terms, the bill will allow automatic adjustment in the maximum in line with wage trends. This has worked well in Kansas, Utah, Vermont, Wyoming, Wisconsin, and Colorado, and has been adopted in Idaho and South Carolina this year. The District of Columbia Unemployment Compensation Board will make an annual computation of the average weekly wage of employees covered by the law.

The bill provides that all employees who are eligible for benefits will be able to draw 39 weeks of benefits if they remain unemployed for that long a period. During the period of unemployment, the worker would, of course, be required to be able to work, to be available for work, and to accept suitable work when offered to him. In short, the benefits will be payable for the full period only if the worker's unemployment is due to the lack of suitable job opportunities.

Under the present law, an unemployed worker draws from 11 to 26 weeks depending in each individual case on past earnings and the formula in the law. The average person who exhausts his benefits is getting about 18 weeks. This is quite low compared with other States, there being only five States, South Dakota, Nebraska, Iowa, Delaware, and Alabama, where the average weeks for those using up their entitlement is 18 weeks or less. This explains why the rate of exhaustions, the proportion of all claimants who use up all their benefits before finding employment, is so high in the District of Columbia. One out of three uses up all his allowed weeks.

In light of the need and the experience of successive recessions, the bill provides for a much needed modernization of the District's employment security program.

I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2194) to amend the District of Columbia Unemployment Compensation Act of 1935, as amended, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7(b) of the District of Columbia Unemployment Compensation Act, approved August 28, 1935 (49 Stat. 946), as amended (title 46, ch. 3, D.C. Code, 1951 edition; 68 Stat. 993), is amended to read as follows:

"(b) The weekly benefit amount of any individual qualified therefore under section 7(c) shall be an amount equal to the lesser of the following: (1) One twenty-third of the amount of his earnings for the quarter in his base period in which his earnings were the highest, or (2) 67 per centum of the average weekly earnings of all individuals performing service which constitutes employment (as defined in section 1(b)) and of all individuals performing service which, if such service were not performed in the employ of the United States or of any wholly owned instrumentality thereof, would constitute employment (as defined in sec. 1(b)) for the latest year for which such average weekly earnings have been computed. Such average weekly earnings shall be computed annually on the basis of reports of earnings and employment by all employers and by the United States, and shall be arrived at by dividing the total earnings paid to all individuals referred to in clause (2) of this subsection during the last completed calendar year for which reports have been received by a quantity equal to four and one-third times the total monthly employment of such individuals for such period. For the purposes of this subsection the term 'earnings' shall have the same meaning as that assigned to such term in section 1(d). All departments, agencies, and wholly owned instrumentalities of the United States shall submit reports to the Board containing such information as may be necessary to make the determination required by this subsection."

(b) Section 7(c) of such Act is amended to read as follows:

"(c) To qualify for benefits an individual must have (1) been paid wages for employment of not less than $130 in one quarter in his base period, (2) been paid wages for employment in not less than two quarters in such period, and (3) earned during such period wages the total amount of which is equal to at least one and one-half times the amount of his wages for the quarter in such period in which his wages were the highest. Notwithstanding the provisions of clause (3), any otherwise qualified individual the total amount of whose wages during such period is less than the amount required to have been earned during such period under such clause may qualify for benefits if the difference between the amount so required to have been earned and the total amount of his wages during such period does not exceed $70, but the amount of his weekly benefit, as computed under section 7(b), shall be reduced by $1 if such difference does not exceed $35 or by $2 if such difference is more than $35."

(c) Section 7(d) of such Act is amended to read as follows:

"(d) Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to thirty-nine times his weekly benefit amount: *Provided,* That such total amount of benefits, if not a multiple of one dollar, shall be computed to the next higher multiple of one dollar."

(d) Subsections (a), (b), and (c) of section 10 of such Act are amended to read as follows:

"(a) An individual who has left his most recent work voluntarily without good cause, as determined by the Board under regulations prescribed by it, shall not be eligible for benefits with respect to the week in which such leaving occurred and with respect to the six consecutive weeks of unemployment which immediately follow such week.

"(b) An individual who has been discharged for misconduct occurring in the course of his most recent work proved to the satisfaction of the Board shall not be eligible for benefits with respect to the week in which such discharge occurred and for the six weeks of consecutive unemployment immediately following such week.

"(c) If an individual otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it, either to apply for new work found by the Board to be suitable when notified by any employment office, or to accept any suitable work when offered to him by any employment office, his union hiring hall, or any employer direct, he shall not be eligible for benefits with respect to the week in which such failure occurred and with respect to the six consecutive weeks of unemployment which immediately follow such week. In determining whether or not work is suitable within the meaning of this subsection the Board shall consider (1) the physical fitness and prior training, experience, and earnings of the individual, (2) the distance of the place of work from the individual's place of residence, and (3) the risk involved as to health, safety, or morals."

SEC. 2. The amendments made by the first section of this Act shall be effective on and after July 1, 1961, and the benefit rights of any individual having a benefit year current on or after the effective date shall be redetermined and benefits for calendar weeks ending subsequent to the effective date shall be paid in accordance with the provisions of the District of Columbia Unemployment Compensation Act as amended by this Act: *Provided,* That no claimant shall have his benefits reduced or denied by redetermination resulting from the application of this provision. All initial and continued claims for benefits for weeks occurring within a benefit year which commences on or after the effective date shall be computed and paid in accordance with the provisions of the District of Columbia Unemployment Compensation Act as amended by this Act.

EXCESSIVE SPENDING BY CHINESE NATIONALIST GOVERNMENT

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "The U.S. Aid Berates Taiwan on Funds," published in the New York Times of June 23, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. AID BERATES TAIWAN ON FUNDS—ASSERTS NATIONALIST REGIME OVERSPENDS ON ITSELF

TAIPEI, TAIWAN, June 22.—A leading U.S. foreign aid official in Taiwan said today that the Chinese Nationalist Government was spending too much money on itself, particularly on its armed forces.

The official, Roy E. James, deputy director of Taiwan mission of the U.S. International Cooperation Administration, also asserted that the regime, led by Generalissimo Chiang Kai-shek, was too reliant on "temporary and uncertain" U.S. economic assistance to cover its deficits.

If this situation persists, he warned, the Nationalists' ambitious economic development plans are bound to fail.

In one of the frankest public statements by ranking American official in Taiwan, Mr. James said the Chinese Nationalist budget

had been rising year after year. The deficit, he declared, is widening at an alarming rate.

"I have yet to see money tree," he said. "Government deficits are financed largely by borrowing from the Bank of Taiwan."

REGIME VOICED CONFIDENCE

His remarks, made before a Taipei Rotary Club, contrasted sharply with the confidence displayed earlier this month by the regime on Taiwan's economic future.

The regime's optimism was expressed in connection with the currency system. At the time, the Nationalists issued new bank notes of 100-yuan denomination.

This caused considerable excitement in the Legislative Yuan, the Nationalist Parliament. With memories of the disastrous inflation after World War II still fresh in their minds, the legislators interpreted the move as a sure sign of imminent inflation.

Until then, the biggest Taiwan note was a 10-yuan bill. A person had to carry about a pound of paper money to pay a month's rent. The Nationalist yuan, or New Taiwan dollar, has now been pegged at 2.5 U.S. cents.

ONE BALANCED BUDGET

Mr. James said the only time the Nationalists balanced their budget was in the fiscal year that ended in 1959, when they had a surplus revenue of 38 million yuan, or less than $1 million. The surplus occurred, he said, because of the inclusion of U.S. aid in the Nationalist Government's income.

"That picture has now changed," he added, "Even with increased U.S. budget support there no longer is a surplus." In 1960, he said, there was a cash deficit of 423,000,000 yuan after taking U.S. aid into account. In 1961, he declared, "there will be a larger deficit, and there is reason to believe that there will be an even larger deficit in 1962."

MILITARY SPENDING HIGH

He attributed the major part of the deficit to military expenditures, which amount to 80 percent or more of the Nationalist budget.

Mr. James called the military spending rate one of the highest, probably the highest, rate in the world. In any event, he said, it is roughly twice that in the United States.

"The unfortunate fact is that the defense bite on the [Nationalist] gross national product is rising, not falling off or remaining static," he said. He did not give detailed figures, since Nationalist defense expenditures are considered to be classified information.

THE MISSILE LAG

Mr. MORSE. Mr. President, I wish to speak for a few minutes tonight on the subject of the missile lag. I agreed with the majority leader earlier today to postpone making the speech until the Senate had completed its other business. I always seek to cooperate with and accommodate the leadership of the Senate concerning the transaction of Senate business. I am speaking for the record. I am speaking because I think it is important that a record be made on this subject. There has been so much adverse newspaper publicity on one phase of the problem about which I shall speak tonight that I believe it is only fair, just, and right, in the interest of the accused, to make certain that a point of view be expressed which has not been expressed in the Senate to date, setting forth some facts that have been ignored concerning labor disputes which have occurred at certain missile bases.

The attention of the country has been focused in recent months and, indeed, in the last few years, on the respective positions of the United States and Soviet Russia in the race for achevements in the field of space and in the competition for superiority in the manufacture, construction, and launching of missiles.

We know that we are behind in the space race. The Russians were the first to orbit a satellite around the earth and they have recently orbited a man in space. But there have been substantial achievements on our side. Every true American thrilled to the news of Commander Shepard's flight into space and his safe reentry to the earth on May 5, 1961. Also, we are told by eminent scientists that, although Russia has the lead in the "weight lifting" contest, the United States has a clear lead in the scientific space research. Lloyd W. Berkner, Chairman of the Space Science Board of the National Academy of Sciences, in an address before the First National Conference on the Peaceful Uses of Space on May 17, sponsored by the NASA, has taken the position that American superiority in space science may already be setting the stage for leadership in space exploration. He has expressed the opinion that:

> Leadership in space science must soon become one of the controlling factors in acquiring space leadership generally.

The New York Times report of Mr. Berkner's address also stated:

> The speaker noted, as an aside, that Soviet superiority in the vital matter of rocket weight lifting arose from a decision made in 1952—4 years ahead of the United States.

I ask unanimous consent to append a copy of the New York Times report of this adress at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, Dr. Detlev W. Bronk, chairman of the National Science Board, has said, along similar lines, that the United States was ahead of the Russians in most phases of our space program; he noted that the Russians had been more spectacular in their achievements and were ahead in the heavy thrust field.

It is my view that a serious problem arises in this latter regard. During all the ages, the people of all civilizations—whatever their level of advancement, have considered the skies and the celestial bodies as matters of the deepest mystery or of occult nature. Indeed, there are religions which have worshipped the sun as god.

It is, therefore, understandable that the first nation which broke the chains of gravity and caused an object to circle the world in outer space should capture the imagination of the peoples of the earth. This, Russia has done. Furthermore, an achievement in space does not require argument, inference, statistics, or complex reasoning to prove its value. The publication of the fact of the occurrence is the single item of proof needed. The current superiority of the Russians is, therefore, a substantial factor in its favor and against us in the battle which is being waged throughout the world, between the forces of freedom and those of totalitarian communism.

It is also understandable that we should be unhappy over the current situation and resolve to correct it at the earliest possible time.

This naturally leads to an inquiry as to the causes of our being second rather than first in the matters of the "weight lifting" contest and the orbiting of a man in space. A fair, temperate, balanced, and judicious inquiry into the causes of our difficulty should be productive of great good since it should point the way to the remedy and also develop public support for the measures which must be taken.

It is my opinion that the President of the United States clearly defined the difficulty and pointed the way to the remedy in his message of May 25, 1961:

He stated:

> If we are to win the battle that is now going on around the world between freedom and tyranny, the dramatic achievements in space which occurred in recent weeks should have made clear to us all, as did the sputnik in 1957, the impact of this adventure on the minds of men everywhere who are attempting to make a determination of which road they should take.
>
> Since early in my term our efforts in space have been under review. With the advice of the Vice President, who is Chairman of the National Space Council, we have examined where we are strong and where we are not; where we may succeed and where we may not.
>
> Now it is time to take longer strides—time for a great new American enterprise—time for this Nation to take a clearly leading role in space achievement which, in many ways, may hold the key to our future on earth.
>
> I believe we possess all the resources and talents necessary. But the facts of the matter are that we have never made the national decisions or marshaled the national resources for such leadership.
>
> We have never specified long-range goals on an urgent time schedule; or managed our resources and our time so as to insure their fulfillment.
>
> Recognizing the headstart obtained by the Soviets with their large rocket engines, which give them many months of leadtime, and recognizing the likelihood that they will exploit this lead for some time to come, in still more impressive successes, we nevertheless are required to make new efforts on our own.
>
> For while we cannot guarantee that we shall one day be first, we can guarantee that any failure to make this effort will make us last.

It would be well, also, to take note of the statement made by Clifford C. Furnas, now chancellor of the University of Buffalo, and formerly Assistant Secretary of Defense for Research and Development, which is set forth in the following report from the New York Times of May 6, 1961:

> A college president who formerly was a Defense Department official said today that

if the Army's Redstone project had been authorized in 1955 the United States would have beaten Russia into space.

It was a Redstone booster rocket that carried Comdr. Alan B. Shepard, Jr., on his journey to the fringes of space today.

Chancellor Clifford C. Furnas, of the University of Buffalo, former Assistant Secretary of Defense for Research and Development, said he was one of the three men of a nine-man committee that had urged the use of the Redstone 6 years ago. He addressed a Reserve Officers Association State convention dinner here.

The remedy is to be found in the revision of the original decision not to compete with Russia in the "weight lifting" contest, and in the appropriate allocation of our national resources to achieve our object. We shall have the opportunity to affirm our support for this object and to assume responsibility for the necessary measures.

During the recent discussion in the other body of the bill to authorize an appropriation for the National Aeronautics and Space Administration in the amount of $1,376,900,000, the following statement was made by Mr. CHENOWETH, a member of the Committee on Science and Astronautics:

We provide $74,245,000 in this bill for the Mercury project, which is the project to put a man in orbit. We authorize the sum of $224,160,000 for the Saturn project, which will develop 1,500,000 pounds of thrust. This will enable us to excel the Russians in placing heavy payloads in orbit. I am not sure that the Russians are now developing this amount of thrust, and with the completion of the Saturn project there will be no question of our superiority in this field.

Both the Mercury and Saturn projects have the heaviest priority. We are anxious to see both of these projects completed at the earliest possible date.

We were disappointed when the Russians won the race and was the first nation to put a man in orbit. Their success was due largely to the fact that they have concentrated on the heavy thrust, which I have mentioned about. We did not consider such a program essential to our military needs, and as a result the Russians have been able to put heavier payloads into orbit. With the completion of the Saturn project this will no longer be true.

On June 27, the Senate Aeronautics and Space Committee authorized $1,784,300,000 for this program.

Mr. President, I have the greatest respect for the eminent and distinguished senior Senator from Arkansas, who has done so much to alert the Nation to its problems. I find it most difficult to accept, however, the conclusion in the closing statement and summary the Senator made on the floor May 11, 1961, that—

Wildcat strikes, work stoppages, slowdowns, featherbedding, and a deliberate policy of low productivity on the part of some unions and workers may be responsible to a substantial degree for whatever gap or lagging behind exists in our space and missile programs.

The decisions with respect to the space program were not made by the American workingman, nor were they made by the organized American labor movement. I do not seek to cast aspersions or to participate in any recriminations with respect to the decisions which were made. It seems to me, however, that we must be careful not to find a scapegoat for our serious and difficult problems. This would not be in accordance with our traditions of fairplay and justice. And, more important, yielding to the temptation to find a scapegoat would only serve to divert our attention, and the attention of the public, from our real problems and the measures which should be taken to solve them.

The senior Senator from Arkansas also stated on this floor on May 11, 1961, that—

Testimony we have heard shows that we would be many months ahead of our present man-in-space timetable had it not been for an incredibly low work production output—only 40 percent of normal—by workers at Cape Canaveral, Fla., and a loss of 87,000 man-days of labor there through work stoppages.

Specific reference was then made to the statements of a Mr. McNabb, an employee of the Convair-Astronautics Co., who is the base operations manager for this company, in charge of the plan to lift the first American into an orbital space flight. It must be noted that Mr. McNabb's statements concerning the effects of alleged low productivity were made in the context of his statement that—

I am not trying to blame unions for this. There are other problems in this kind of a program. There is the lack of decision on the part of the Government, the lack of decision on the part of the Department of Defense, the lack of decision on the part of our own management. I am probably as guilty as anybody sometimes. It is all of these contributing factors which, however, are part of our system and part of our democracy. Maybe this is the price we pay for democracy.

No testimony was produced at the hearing from any official of the National Aeronautics and Space Administration, which has the governmental responsibility for the man-in-space program. There is a letter on the subject of labor, however, from Mr. James E. Webb, Administrator of the National Aeronautics and Space Administration, which appears in the debate of the other body on the appropriation authorization bill to which I have previously referred. That letter, dated May 24, 1961, sent in response to a request from Chairman BROOKS, of Louisiana, in its entirety, reads as follows:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., May 24, 1961.

Hon. OVERTON BROOKS,
Chairman, Committee on Science and Astronautics, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This replies to your letter of May 18, 1961, asking us to indicate areas in which the program of the National Aeronautics and Space Administration has been affected by labor disputes and practices. From a report of an investigation initiated to assist in answering your letter, the following is quoted:

"It cannot be said that NASA's program has been unaffected by labor practices and disputes. An example of this is the situation that developed in the making of cable connections for the Project Mercury ground communication system. NASA officials have, however, recognized and endeavored to keep in proper perspective both sides of the labor problem and have acted quickly and effectively where necessary to prevent delay in the space effort.

"There have been two principal areas of concern. In the operation of the Saturn program, there is a Civil Service NASA launch team which at some point must take over from construction workers who work for building contractors at the Saturn launch complexes at Cape Canaveral. The building trades unionists threatened to strike late last summer if the NASA team took over at the point NASA officials considered proper and which was provided for in the contract, and to avoid the strike NASA ordered its team off the job and initiated negotiations. The talks were unsuccessful and NASA, after most careful study, concluded that it had to order its team into the area or delay the launch program. NASA did put its own people on the work on November 14, 1960, and on that date the building trades union struck in a labor stoppage that lasted 14 days until November 28, 1960.

"In this 14-day period, NASA filed charges with the National Labor Relations Board charging the unions with unfair labor practices. Action of the National Labor Relations Board was suspended pending the outcome of a special investigation and report to the Secretary of Labor of a committee comprised of representatives of the Department of Defense, the National Aeronautics and Space Administration, the Department of Labor, and the unions. During the period of this investigation, the unions agreed to go back to work. The recommendations of the committee were unanimously agreed to by all members and indicated an acceptance of NASA's basic operational requirements. Since this time, there has been relative stability in connection with the Saturn work at Cape Canaveral.

"The above situation involved a jurisdictional dispute. The second of the serious problems which has been encountered relates to overtime pay. NASA took over from the Department of Defense responsibility for certain complexes at Cape Canaveral on July 1, 1960. From the beginning, it was recognized that certain labor practices applicable to the building trades and relating to overtime pay would have to be controlled if NASA's launch activities were not to be impaired or excessively costly. This was particularly necessary at Canaveral where many of NASA's contracts are administered by the Air Force or by the Army Corps of Engineers. The necessary action on overtime pay was accomplished through the development and promulgation, in coordination with the Department of Defense, of a NASA overtime pay policy (copy attached) designed to eliminate abuses such as those which have recently been given extensive publicity.

"The above cases represent the only labor situations in which NASA has been presented with serious threats to its national program. These did not cause any slippage or postponements in the NASA Canaveral booster program. The Saturn launch program, for example, is on schedule and, as indicated earlier, the Mercury man-in-space shot was not delayed by labor troubles. It is true, however, that delays attributable to labor troubles, at least in connection with Saturn launch complex 34, have used up all of the time built into the Saturn program for essential research and development contingencies and emergencies. If further delays are encountered program slippage is probable.

"While, as is inevitable in new programs such as those involved in the space effort, there have been other work stoppages and misunderstandings, these have been of short duration—a day or so—and we have been able to dispose of them quickly and fairly."

I hope this report will give you the information you need.

Sincerely yours,

JAMES E. WEBB,
Administrator.

This is an authoritative statement from an official source denying the proposition that labor troubles caused a delay in the man-in-space program. It is the voice of our Government, speaking through this administrator, in connection with this particular matter. Yet, as one reads some of the newspaper accounts, from some of the vicious and unfair, not-based-on-fact editorials that have been penned against labor, using the labor troubles at Cape Canaveral as their scapegoat, one would think the Republic was about to fall.

I stand here this evening, Mr. President, holding no brief for any abuse-of-labor practice in any construction job, for the Government or for private industry. I stand here as one who sat on the War Labor Board, during World War II, writing opinions on some of the so-called "hottest" disputes of the war period. Then, too, editorials were written, whenever a labor problem arose in connection with any defense establishment, to the effect that what the United States ought to set up during a time of war was an economic dictator—belying to the world that we really believed in our system of freedom in the United States.

A glorious record was written by labor and management during the war period. A magnificent record was written in applying the rule of reason to labor disputes as they arose in war industry after war industry.

Being in a war does not eliminate human frailties on the part of management, labor leaders, or workers. Being in a war gives no assurance that all employers and all labors leaders are going to always place the public interest first. Sometimes there are lapses of good judgment. Sometimes human frailties take over. Sometimes ugly selfishness supersedes a full recognition of one's patriotic obligation.

Mr. President, a great record of industrial statesmanship was written during the war by management and labor in the settling of disputes.

If I make no other plea in presenting my case tonight before the bar of public opinion from my desk in the Senate of the United States, I make the plea that in my judgment there is nothing involved in any of the so-called missile base problems or national defense problems, involving disputes between contractors and labor at the present time, which even compares with the complexity or seriousness of the difficulties of some of the major labor problems which confronted us in World War II.

So I am taking these few minutes tonight, Mr. President, to present some facts which have not related to one another, so far as I know, in any of the newspaper stories or in any of the other writings in regard to this subject.

We should not forget that it is a truism in regard to the settlement of labor disputes that there never is a work stoppage on the part of labor without a work stoppage on the part of management—a work stoppage in the sense that management has been following a course of action which has caused free workers in America to take the position that an injustice is being done them. Sometimes they are mistaken in their position, but I say, as an old arbitrator and mediator of many, many years' experience, that the labor dispute is indeed a rarity in which all the wrong is on the side of the employer or all the wrong is on the side of labor. In respect to the more than 400 decisions I have rendered in labor disputes, I doubt if there were more than 2 or 3 in which all the wrong was on one side or the other. There are many extenuating circumstances, many provocations, many failings of human nature involved on both sides of a labor dispute.

I say to Senators tonight, do not make the mistake of assuming that the labor disputes which have existed on the so-called missile bases represent 100 percent wrongdoing on the part of the unions and workers involved. Again I say, I have no doubt there have been some labor practices which need to be changed.

Out of all the facts which are available it seems clear that the critics of the workers in the missile establishments have not sustained the burden of proof that the missile lag is caused in any considerable measure by labor disputes at the bases.

This is a good place to point out, Mr. President, that Government's interest is often represented by the American military.

One of the things we learned on the War Labor Board when we had a labor dispute which involved a defense establishment was that we would seldem get impartial, objective testimony, arguments, and points of view expressed by the American military. One thing we came to recognize very quickly was that, for some reason, the training of the American military does not seem to create an understanding of the basic principles of economic freedom essential in a free trade union movement. The military would like to handle labor by way of the command system, but free men working in a free economy are not prone to respond to military commands. So we used to have quite a bit of difficulty with the military.

How well I remember the case, the opinion in regard to which I wrote for the Board, in which the Federal shipyards were taken over under the orders of the President of the United States, after we sat down with the President and gave him the facts in regard to what was happening in the Federal shipyards, pointing out that if the management of those yards successfully defied the National War Labor Board it would mean the end of no-strike-no-lockout-agreement, and we would have a labor situation in the country which could be disruptive of the war effort. So the President signed the papers.

We had a very remarkable Secretary of the Navy at the time, who soon discovered he was going to have difficulty with his admirals in enforcing that decision. I was assigned the duty by the President of the United States of meeting in the Navy Department and explaining to the Secretary and some of his officials the meaning of the decision and the fact that the Navy had no discretion in the premises except to enforce the decision.

Incidentally, the incomparable Adali Stevenson was a naval officer at the time and was the assistant to the Secretary of the Navy in that interesting conference. We have frequently referred to it in our conversations, with much enjoyment, during the years which have since passed.

We made clear to the Secretary of the Navy that we were dealing in connection with this case and with the decision in a free economy, not a military economy. The then Secretary of War, Robert Patterson, who sat in on that conference and who was in his own right a distinguished lawyer, advised the Secretary of the Navy:

Mr. Secretary, you and I are but a couple of U.S. marshals in connection with the enforcement of this decision. We have nothing to do but to see to it that the decision is enforced.

May I say to the everlasting credit of the Secretary of the Navy Knox, that the decision was enforced although it was a decision that laid down working rules, regulations, and rights quite different from what existed in strict navy yards operated for the most part by Navy personnel or by personnel that recognized they were under Navy regulation.

I mention this case because it is a pretty good illustration of what I mean when I say that whenever the Military Establishment is one of the parties involved in a labor dispute, it is very important, based upon experience, that the Government make available judicially minded experts to pass judgment upon the policies of the military in order to make certain that precious economic rights, recognized as part of our labor policy in this country, are not destroyed, ignored, or defied by the American military.

I have studied enough about some of the disputes at missile bases to satisfy myself that there are some of the same patterns with regard to the military attitude toward labor that we ran into during the War Labor Board days.

One thing that we learned during World War II in connection with the settlement of labor disputes in this country was that carrying out the principles of economic freedom in the handling of industrial disputes strengthens a war effort rather than weakens it. It is not different in peacetime for the missile site program.

Let us not forget that among many of the essential differences between a free society and a totalitarian society is the difference that in a free society there is a free trade union movement; in a totalitarian society there is none. In fact, in a totalitarian society the two things that the totalitarian tyrant destroys first are a free trade union movement and a free enterprise system operated and managed by free employers.

The senior Senator from Missouri [Mr. SYMINGTON], in a speech before this body on June 26, emphasized the same point:

> If money and authority to proceed had not been withheld, the United States could have flown Commander Shepard down range in 1959.

I ask unanimous consent that the release covering his speech appear at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit No. 2.)

Mr. MORSE. When we turn to the operational ballistic missile program, we find that whatever intermediate difficulties and delays may have occurred during the course of the program, the schedule established by the officials in charge of the program has been met.

Maj. Gen. William T. Thurman, Assistant for Production Programing, Office of the Deputy Chief of Staff, Materiel, Headquarters, U.S. Air Force, testified before the Permanent Subcommittee on Investigations on April 25, 1961, that:

> The military services * * * and we are talking about the Army and Air Force here * * * as of this date has brought in every operational missile that was scheduled to be brought in by this date and for the balance of our plan we aren't going to be substantially off of that schedule on the basis of what we are now able to see.

There is no question but that there have been intermediate delays and substantial costs arising from the steps required to overcome these delays in order to keep the program on schedule.

The New York Times carries a report, however, dated May 26, 1961, that:

> In testimony before the McClellan subcommittee and in interviews, Pentagon officials have indicated that work stoppages have not been the prime cause of delays in the overall missile base program. These officials said technical problems, inefficiency, and poor management were greater difficulties.
>
> It was understood today that the Air Force, at the direction of Secretary of Defense Robbert S. McNamara, was investigating these problems anew.

This report, and, in particular, the fact that action is being taken in this area, would appear to bear out the contentions of Mr. C. J. Haggerty, president of the Building and Construction Trades Department, AFL–CIO, that nonlabor factors have been the major cause of delays in the missile program. These contentions have been set forth in his statement submitted to the Permanent Subcommittee on Investigations May 5, 1961, and which would have been presented at the open hearings on Wednesday, May 10, but for the suspension of those hearings. I request permission to set forth the full text of Mr. Haggerty's statement at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. PELL in the chair). Without objection, it is so ordered.

(See exhibit No. 3.)

Mr. MORSE. The statement is documented by extensive references to the Report of the House Committee on Appropriations on the Air Force Intercontinental Ballistic Missile Construction Program, issued March 3, 1961, and the Hearings before the Subcommittee on Military Construction of this committee held during February 1961.

I wish to say in fairness to Mr. Haggerty that steps should have been taken to see to it that the statement that I now am putting into the RECORD and getting into official document form was made official at the time it was scheduled for presentation, not only to Congress, but through Congress, to the American people.

It is unfortunate that the hearings were suspended on May 10, because a great deal of ink had been spilled across this land smearing labor in regard to a one-sided presentation of the case and charges against labor. As a law teacher, I never have been able to reconcile myself to even a fleeting thought that there could be even a semblance of fairness in a course of action which allowed only one side to tell its story.

I would make this speech tonight, taking advantage of this opportunity to present in this official forum the statement of Mr. Haggerty, to get to the American people the fact that those in charge of the missile program itself have not sought to put blame upon work stoppages at missile bases.

As I have already pointed out, the causes are primarily changes in plans, delays in decisions, uncertainty in approach, starting a program and canceling the program, and starting another.

I am not critical of the program. I do not see how we can expect anything else in an experimental field such as this. This is research on a grand scale. Starting a project and then changing and trying another theory after finding that the first theory does not work out is of course the common experience of every scientist in a small laboratory. Here is a huge laboratory, with a grand research program going on. When a theory breaks down and it is necessary to change course, of course, that is dramatic, and reaches the attention of the public. When there is a research program that is as vital to the security of the country and a competitor of ours seems to be getting along a little faster and capturing the imagination of the masses of the world, I can understand the tendency to find a scapegoat. However, I believe it is only fair that the scapegoat be given an opportunity to tell his story.

I refer to this particular individual, Mr. Haggerty, because he has the trust and responsibility of labor statesmanship, in behalf of the large number of free workers in this country whom he represents, to present what he believes to be the facts in support of his side of the story.

It appears from the report and the hearings that the so-called concurrency policy, involving the concurrent design and construction of missile sites, resulted in excessive change orders and modifications.

The following excerpt from the appended statement is illustrative:

> See, for example, the testimony showing: There were 600 major design changes at Lowry (p. 10); at the Lincoln base, modifications affected 312 pages of the original 476 pages of specifications and the utility piping system was modified six times * * * the scope of these changes can be ascertained from the fact that the original contract price was increased from $17 million to $31 million (pp. 80, 81, 93); and 40 percent of the $50 million volume of the Hardeman Co. in the missile program represents change orders (p. 151).

It is entirely evident that changes and modifications of this magnitude would result in substantial delay and inordinate costs. Furthermore, it is conceded that the original organization of the program was poor and that all its faults have not yet been remedied.

What I have said has been presented to this body for the purpose of placing the labor problem on missile and space sites in perspective—not to hold labor blameless.

As I have previously noted, the President of the United States has made it clear in his message of May 25, 1961, that "we have never specified long-range goals on an urgent time schedule."

Actually, the building and construction trades department did take action on February 16, 1961, a very short time after President Kennedy first indicated the need for urgency in the missile program in his message of January 30, 1961. On that date, February 16, the department issued its no-strike policy requiring compliance with all available procedures for the amicable settlement of disputes and prior approval of the international president before any local could engage in a work stoppage.

The statement of policy did not become completely effective on its promulgation—because time was required to make it practically operable just as is the case with laws, Executive orders, and the like. Furthermore, it could apply only to the unions which are constituents of the building trades department—and there are many unions on the missile sites which are not constituents of the department.

The Air Force has presented statistical data showing that from the commencement of construction in 1956 to March 31, 1961, there have been a total of 327 strikes at operational and test sites, with a total loss of 162,872 days.

That is all that was needed to cite in order to give reactionary newspaper editors with antilabor bias a journalistic field day. They took it. This is typical of the military statistical treatment of a problem in the field of labor relations.

The publication of these arithmetical totals has served to create the impression that labor disputes on missile and

space sites have been a substantial factor in delaying the missile program during this 4½ year period.

It is of interest to note, however, that Lt. Gen. Emerson C. Itschner, former Chief of Army Engineers, as late as November 29, 1960—more than 4 years after the commencement of the construction program—took the view that—

> Jurisdictional strikes by building trades unions played only a relatively minor part in the delays that set back the early site construction program by about 5 months.

The report of the general's speech is set forth in the Construction Labor Report No. 271, page A–4, which also contains the following:

> Itschner, whose command is responsible for the "brick and mortar" work in the site activation program, told the National Rocket Club in Washington on November 29 that the major blame for the delay must rest with "Government-sponsored design changes and failures to deliver Government-furnished equipment on time."
>
> This was a natural result of the speed required in the program and the application of "concurrency," he noted, with design not finalized before construction contracts were let.

Mr. President, it seemed to me that it would be helpful to secure data showing the quantitative ratio of total man-days lost to total man-days worked in the missile and space program.

I felt that if the Air Force intended to disseminate throughout America only a part of the story, it ought to be called upon to furnish the full statistical story. If it was reported to the American people from the commencement of construction in 1956 to March 1, 1961, that there had been a total of 327 strikes at operational test sites, with a loss of 162,872 days, it was only fair to ask the Air Force to supply the country with the quantitative ratio of total man-days lost to total man-days worked in the missile and space program. I requested this information of the Secretary in a letter dated May 26, 1961.

It appears from the response I received by letter, dated June 5, 1961, from Brig. Gen. Joseph T. Kingsley, Jr., Deputy Director of Legislative Liaison of the Air Force, that the information is not available and that it would take from 30 to 60 days to compile the data from which the ratio could be drawn.

They ought to have thought about it, Mr. President, before they released to the country information which could be used by the detractors of labor to broadcast the many misrepresentations that have been written on this subject matter based upon incomplete statistical material.

I addressed a similar inquiry to the Secretary of the Army and received a response, dated June 25, 1961, from Acting Secretary of the Army Schaub. The material sent to me covers the construction contracts administered by the Corps of Engineers. The total number of man-days lost during the period of 4¾ years from July 1, 1956, through March 31, 1961, was 111,518. The total man-days worked during this period were 7,543,836. The ratio of total man-days lost to total man-days worked was 1.4 percent.

Let me make it perfectly clear that I think procedure should have been available and policy should have been followed by all three parties concerned in these disputes—labor, management, and the Defense Establishment—which would have greatly reduced the 111,518 man-days lost. But, Mr. President, simply looking at this ratio puts quite a different cast and reflection on the labor image which both the Air Force and certain journalists in this country have sought to create in the minds of many people concerning labor. One and four-tenths of 1 percent constitutes the total percentage of the man-days lost out of a total of 7,543,836 man-days worked.

In fairness, I should say that the Air Force did send me information on the relationship of man-days lost to man-days worked on both Air Force and Corps of Engineers contracts for the period of 1 year from January 1, 1960, to December 31, 1960, and for the 15-month period from January 1, 1960, to March 31, 1961. The data for the earlier period shows a ratio of 1.1 percent loss and the data for the latter period shows a ratio of less than nine-tenths of 1 percent.

The Corps of Engineers data show that the largest number of work stoppages occurred at Patrick Air Force Base—Cape Canaveral—namely 79; but there were 21 other bases. The data made available to me show that there were relatively minor ratios of man-days lost to total man-days worked at some of these other bases. For example, the Corps of Engineers figures show a ratio of about five one-hundredths of 1 percent at Altus Air Force Base, Okla., one-tenth of 1 percent at Beale Air Force Base, Calif., and one-fiftieth of 1 percent at Schilling, Kans., and Plattsburgh, N.Y., Air Force Base.

Mr. President, I ask unanimous consent that my correspondence with the Air Force and the Corps of Engineers, together with the statistical data supplied, be inserted at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. MORSE. Mr. President, I may say also, drawing upon my experience, that when we take a look at the defense establishments doing very similar work, subject to the same work objectives or goals with regard to a program, and we find a record such as I have just disclosed, with one base standing out as somewhat away from the norm, we simply look at that base and ask the question: What is so different about it? Why this disparity?

Usually, Mr. President, the old human factor raises its head. We often find conflicts in personalities, contests involving personal ambitions, that old frailty of dislike of some humans for other humans, some provocative policy that has been instituted at a particular plant which people of good judgment would not think of trying to institute at another plant, difficult and harassing working conditions. I do not know what the facts are with respect to a couple of bases at which there seems to have been more trouble than at other bases. However, I suggest that the answer is that the procedure which ought to be followed is the procedure which is now being inaugurated.

The Air Force has indicated, in its letter of June 5, 1961, from Brigadier General Kingsley, that costs may be involved in securing the data I requested, and, also, that Bureau of the Budget clearance would be required.

Mr. President, when I received that letter, I had to smile, because that is an old military technique. When I served on the War Labor Board, I used to find that we had little difficulty getting information from management and little difficulty in getting the data we needed from the unions; but when the data we requested might be embarrassing to the military, then, let me state, Mr. President, the job of getting it from the military was harder than pulling teeth with automobile pliers.

An examination of the law relating to the "Coordinating of Federal Reporting Services"—title V, United States Code, section 139—shows that the Bureau of the Budget has been given authority in this area to avoid duplication and to utilize the facilities of existing Federal agencies. Title 29, United States Code, section 4, provides that the Commissioner of Labor Statistics is—

> specifically charged to investigate the causes of, and facts relating to, all controversies between employers and employees as they may occur, and which may tend to interfere with the welfare of the people of the different States.

I have, under date of June 22, requested that, to assure a statistically expert study of the problem, the Commissioner of Labor Statistics, with the authorization of the Secretary of Labor, make an appropriate statistical study of labor disputes in the missile and space program.

To be very frank about it, if General Kingsley or the Secretary of the Air Force does not propose to supply the information voluntarily—I propose to get it from him; and let me serve notice here tonight, from the floor of the Senate, that I am going to get it, because under the law I am entitled to it. And let me serve notice now, on the Secretary of the Air Force, from the floor of the Senate, that he had better start giving this his personal attention—and pronto. I am a very patient man, but there is a limit to my patience. And when as a U.S. Senator representing the sovereign people of the State of Oregon, and as a member of the Senate Committee on Labor, and as a member of the Senate Committee on Foreign Relations, I ask those in the Pentagon for any information in connection with any of my problems as a legislator in the Senate. I now serve notice on the Secretary of Defense that I am going to get it. If he wants to try to stop me, let the Secretary start now.

So I say, Mr. President, that under date of June 22, I requested that, to

assure a statistically expert study of the problem, the Commissioner of Labor Statistics, with the authorization of the Secretary of Labor, to make an appropriate statistical study of labor disputes in the missile and space program. Such a study should prove useful in future policymaking in this portion of the defense program. I ask unanimous consent that my letter requesting this study be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 22, 1961.

The Honorable ARTHUR J. GOLDBERG,
Secretary of Labor.

DEAR MR. SECRETARY: You are, of course, aware of my long-held interest in various aspects of the labor relations scene of our national life.

In this connection, I have been particularly interested in obtaining an accurate picture of our collective bargaining institutions in their relationship to our missile program.

I have attempted to obtain this information from the Air Force, which has been the Department primarily concerned with this program. Unfortunately, the material could not be made available without obtaining Budget Bureau clearance for the sums necessary to cover the costs of investigation.

Under the circumstances, I respectfully request that you authorize the Commissioner of Labor Statistics to make a study of work stoppages on the various aspects of the missile program.

This study might properly include data for each missile and space project under the following headings:

1. Number of work stoppages.
2. Man-days worked.
3. Man-days lost.
4. Percentage lost.
5. Totals for each of the above for each calendar year, or other appropriate time.

I think the study should also present, if possible, enough detail to be meaningful in analyzing such aspects of the strike picture such as causes of the stoppages, number of calendar days lost per strike, disposition of the issues, etc.

This request is made with the expectation that the Bureau of Labor Statistics will, in accordance with its traditions, conduct an impartial and objective investigation.

Sincerely yours,

WAYNE MORSE.

Mr. MORSE. Mr. President, it may be noted, in this connection, that Secretary of Labor Mitchell inaugurated a similar study in the steel industry, early in the steel strike of 1959—Monthly Labor Review, volume 84, page 113.

The Executive order issued by the President on May 25, 1961, is, in my judgment, an appropriate blending of governmental and private action within the framework of our system of free collective bargaining to reduce work stoppages to the lowest possible minimum. Its great merit lies in the provision of machinery, at the local and national levels, to resolve the disputes which lead to work stoppages.

My experience with the War Labor Board leads me to the conclusion that given the patient good will and cooperation of all parties, the procedures established by the Executive order will produce beneficial results for all.

Time will obviously be required to work out the details of the operations under the Executive order. The grant of sufficient time will be a wise investment in the maintenance of our system of free labor which, although far from being perfect, is infinitely superior to the slave-labor systems of the totalitarian dictatorships of this and other times.

Mr. President, in concluding my speech, I wish to give some well-intentioned advice to labor. Although there is a side to labor's story, and although the situation is not as bad as it has been painted by some of labor's detractors, I think labor needs to face up to the fact that in connection with the missile program of this country, labor's members are working in an industry directly connected with the defense and the security of this Republic. Therefore, union members and their officials have a patriotic duty to take every possible step to see to it that procedures, voluntary in nature, as offered by them, will work fairly in protecting the legitimate interests of the workers, of the public, of the Government agencies involved, and of the employers who pay labor their wages.

Mr. President, I am satisfied that if this administration, the Defense Establishment, the White House, and the contractors involved in these missile bases will make perfectly clear that they are ready to implement fair procedures, based upon principles of voluntarism, for settling grievances as they arise on the job, for settling jurisdictional disputes which arise between unions, and for guaranteeing the protection of the hard-won rights of free collective bargaining in this country, the labor leaders concerned will rise to their trust and to the patriotic obligation they owe to all Americans. There is no question about the fact that our success in the so-called space race with Russia may determine whether this Republic survives in our time.

EXHIBIT 1

[From the New York Times]

U.S. HELD LEADER IN SPACE SCIENCE—BUT BERKNER SAYS SOVIET IS WEIGHT-LIFTING WINNER

(By Harold M. Schmeck, Jr.)

TULSA, OKLA., May 27.—American superiority in space science may already be setting the stage for leadership in cosmic exploration, an authority in this realm of research said here today.

"One gets a little tired these days of reading about Russian space supremacy," said Lloyd V. Berkner, chairman of the Space Science Board of the National Academy of Sciences.

In scientific space research the United States already has the clear lead and can keep that lead with properly planned effort, he told the first National Conference on the Peaceful Uses of Space.

"Since, as space activity becomes more difficult and advanced, the space effort will be limited by our knowledge of space at any time," he said, "leadership in space science must soon become one of the controlling factors in acquiring space leadership generally."

In the first steps toward exploration of the solar system the Soviet effort has shown superiority largely because of success "in the weight-lifting contest," he noted, but in the contests ahead success will require superiority in every department.

DECISION OF 1952 NOTED

The speaker noted, as an aside, that Soviet superiority in the vital matter of rocket weight-lifting arose from a decision made in 1952—4 years ahead of the United States.

"In space the laurels go to those with foresight and vision," he said, and this shows the important of careful planning for future space research to insure that lack of knowledge in any specific field will not be a bottleneck.

Mr. Berkner cited the trail-blazing exploit of Pioneer V last year as a space saga much to American credit.

This deep space probe still holds the communications distance record, having sent back data to earth from a point some 20 million miles out. While it continued to broadcast, the probe signaled to earth news of one fresh discovery after another.

As Pioneer V soared beyond earth, the speaker recalled, it passed through the two Van Allen radiation belts discovered by earlier American probes.

RING CURRENT FOUND

As Pioneer V reached the 40,000-mile mark it discovered a third immense ring current that surrounds the earth at a distance of some 8 to 10 earth radii.

At 10 radii (roughly 80,000 miles) Pioneer V found the earth's magnetic field was bounded by the plasmas of space. The probe also discovered an interplanetary magnetic field.

This finding was of immense scientific importance, he said, in making clearer the picture of the sun's controlling influence on earth.

Just as Pioneer V reached the 6 million-mile point the sun erupted in a violent solar flare and earthbound scientists got their first glimpse of the events that take place deep in interplanetary space as a result of such a monstrous eruption.

"I mention this series of discoveries from a single rocket probe to illustrate the powerful character of the knowledge that is derived from space exploration," the scientist told the conference members. "I venture to say that no theoretical speculation in the absence of such experiments could possibly predict the facts of space that we are now finding."

PLANET EXPLORATION

"To many of us," he continued, "the most exciting projects in space science lie in the now readily predictable capabilities to explore the planets."

He said the next 3 years would see the payloads on spacecraft climbing into the range of 10 to 20 and perhaps even 50 tons. In this range of useful load a whole new vista of planetary exploration is opened, the scientist observed, with flights past the moon and planets and later with soft landings.

Mr. Berkner warned against taking too lightly the monumental difficulties that lie ahead. Perhaps the greatest of these, he declared, lies not so much in the design of the space vehicles themselves as in the radio and electronic systems by which they can be linked with the earth.

Mr. Berkner observed that the entire history of cosmic exploration to date, from the the first sputnik to the men in space, had come during only 3½ years.

While scientific consequences of immense importance have come from this brief period, he said, they are but the forerunners of unbelievable advances certain to occur in the next few years.

The conference, which ended here today, was addressed by many of the Nation's leaders in all aspects of space research including the political and economic. Attendance totaled more than 1,200 at the Education Building on the State Fair Ground, where

sessions were held. Principal sponsors were the National Aeronautics and Space Administration and the Tulsa Chamber of Commerce.

EXHIBIT 2

SYMINGTON SAYS BAD ADMINISTRATION AND PENTAGON POWER STRUGGLES COST U.S. 2-YEAR SPACE LEAD OVER RUSSIA—PLANS DETAILED ACCOUNT TO SENATE OF "INCREDIBLE RECORD" OF DELAY ON SATURN BOOSTER PROJECT

Senator STUART SYMINGTON, appealing today for support of President Kennedy's goal of "a clearly leading role in space achievement," says the recent flight to outer space by Commander Alan Shepard could have been made in 1959, except for "failure to establish clearly defined objectives for space exploration" and "the constant power struggle within the Defense Department."

In a talk prepared for delivery on the floor of the Senate today, SYMINGTON said: "Let's look at the incredible record of what we have lost as a result of the frustration and slow action which has been characteristic of recent years.

"If money and authority to proceed had not been withheld, the United States could have orbited a satellite in 1956, a year before the Russians.

"If money and authority had not been withheld, the United States could have impacted the moon in 1957, 2 years before the Russians.

"If money and authority had not been withheld, the United States could have flown Commander Shepard down-range in 1959, 2 years before the Russians put their man in space.

"If money and authority had not been withheld, this country could have landed a man on the moon in 1965, with a permanent outpost by 1966—for a cost estimated in June 1959 to average about $660 million a year.

"We have lost 2 years' time, but if we start now, as the President requested last May 25, we may make it faster, because the President now has set space accomplishment as a national goal."

In his talk to the Senate, the Senator will give a step-by-step summary of frustrated progress of the Saturn space-vehicle booster project.

SYMINGTON, a member of the Space Sciences, Armed Services, and Foreign Relations Committees, demanded to know who was "responsible for administratively clipping the wings of (Dr. Wernher von Braun's) fine Saturn team when it was part of the Army, holding Saturn back nearly 2 years, then turning it over to a new civilian agency."

EXHIBIT 3

STATEMENT OF C. J. HAGGERTY, PRESIDENT, BUILDING AND CONSTRUCTION TRADES DEPARTMENT, AFL–CIO, BEFORE THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS

The Building and Construction Trades Department, AFL–CIO, appears before this subcommittee of the U.S. Senate Commitee on Government Operations in a spirit of full cooperation in attaining the objectives sought by this investigation.

The missile program is of the highest importance to the welfare of our country in the great and developing struggle between the forces of freedom and totalitarian communism. All segments of the population, including labor, must endeavor to find a constructive solution to our problems in this area through the proper utilization of our free enterprise system.

On October 27, 1960, I delivered an address to the National Electrical Contractors Association at its 59th Annual Convention at Las Vegas, Nev., which included the following statements:

"The picture of the giant rocket rising from its launching pad in a great flash of fire is the symbol of this 7th decade of the 20th century.

"The flight of the rocket represents more than a dramatic and thrilling sight; it represents one of the gravest issues vital to the national security and welfare of the people of the United States and of the entire free world. In the development of new weapons, the missile has become the single most important strategic factor in the balance of military power.

"Whatever the actual facts may be as to the relative positions of the United States and Soviet Russia in the development of their missile programs, it appears to be conceded that our program is behind our own schedule. It is not necessary to dwell on the importance of our being first in the missile race; there is no such thing as running a good second in this area. What would have happened to the United States and, indeed, to all of us in this meeting room, if we had run second to Germany or Japan in the completion of the Manhattan project?

"I have made brief mention of these general considerations involved in the missile program because the resolution of the specific problems which have arisen requires that those in responsible positions in government, management and labor must take into account the fundamental proposition that time is of the essence.

"All of us support the American free enterprise system. We do so, not only because we like our system of free management and free labor, but also because we believe it is the strongest system on earth. It has proved itself stronger in the conflict with the Fascist nations; we are confident that it will prove itself stronger than the forces of totalitarian communism.

"If the opportunities are provided for full consultation with the appropriate agencies of government, management and labor can work their problems out. I am glad to report that the Air Force has now accepted the wisdom of this approach and that a full-scale meeting of labor representatives held with Secretary of Defense Gates and other officials involved in this program on October 7, 1960. This meeting was the necessary starting point for the establishment of cooperation by government, labor and management. You may be sure that we in labor are well aware of the basic need for cooperation in the interest of the industry and in the interest of the Nation. That cooperation will be forthcoming as all in management and government take the steps which make it possible to resolve the underlying problems within the scope of our free enterprise system."

It will be recalled that during the fall of 1960 there was some public controversy as to whether the missile program was on schedule or whether it had fallen behind. It was not until October 7, 1960, that the Defense Department made a clear statement to the leaders of organized labor concerning the status of the missile program.

On that day a meeting was held in the Office of the Secretary of Defense, the Honorable Thomas S. Gates. There were present many high Defense officials including the Secretary of the Army, the Secretary of the Air Force and General Thurman. Among the labor officials present were President George Meany of the AFL–CIO; Gordon M. Freeman, president of the International Brotherhood of Electrical Workers; Peter T. Schoemann, president of the United Association; A. J. Hayes, president of the IAM; myself, as president of the Building and Construction Trades Department; Nicholas Zonarich, representing Walter Reuther, president of the Industrial Union Department; and Frank Hoffman representing David MacDonald, president of the Steelworkers Union.

Defense Secretary Gates explained the urgency of the program, conceded that the lack of preliminary organization was responsible for many of its difficulties and requested the cooperation of all. We pointed out that a principal problem in the labor-management area was the lack of proper communication channels with the officials of the Air Force.

To this end, the Air Force appointed approximately 16 labor relations men who were assigned to the various sites for the purpose of assisting in resolving onsite labor problems.

On January 30, 1961, the President of the United States delivered his state of the Union message which made clear the urgent need for the acceleration of the missiles program.

The first meeting of the Executive Council of the Building and Construction Trades Department which followed the President's message commenced on February 15, 1961. On February 16, the department issued its statement of policy which is set forth below:

STATEMENT OF POLICY BY THE BUILDING AND CONSTRUCTION TRADES DEPARTMENT (AFL–CIO) TO AID IN THE ACCELERATION OF THE MISSILE PROGRAM

Whereas the President of the United States in his state of the Union message of January 30, 1961, has made a direct and clear statement on the urgent need for the successful execution of the national military tools program; and

Whereas it is apparent that time is of the essence, particularly in the acceleration of the missiles program; and

Whereas the President has stated that "If we are to keep the peace, we need an invulnerable missile force powerful enough to deter any aggressor from even threatening an attack that he would know could not destroy enough of our force to prevent his own destruction"; and

Whereas the building and construction trades department, AFL–CIO, has always responded vigorously and wholeheartedly when a President of the United States has sounded the call of national need as is evidenced by the highest official commendation of the department's work during World War II in speeding the completion of the Clinton and Hanford atomic bomb projects, the building of a great chain of naval bases at home and abroad, and in the completion of the vast construction program of the Corps of Engineers: Now, therefore,

The president of the Building and Construction Trades Department, AFL–CIO, with the approval of its executive council, announces the following policy in connection with the national missiles program which is to apply to all national and international unions affiliated with the department, their constituent local unions and the various State and local building trades councils:

1. All local and national procedures for the settlement of labor disputes without interruption of construction shall be complied with, strictly, incuding the procedures of the National Joint Board for the Settlement of Jurisdictional Disputes.

2. No strike, picketing, or work stoppage shall be undertaken on any missile project by any local union without complete exhaustion of all available procedures and methods for the peaceful settlement of the dispute and the prior authorization of the general president of the national or international union with which the local union is affiliated.

3. No State or local building and construction trades council shall render any aid, assistance or support to any local union which strikes, pickets, or engages in a work stoppage which violates this policy; nor

shall any State or local building and construction trades council recognize any strike, picketing or work stoppage which violates this policy.

4. Each general president of the affiliated national and international unions and the president of the department shall notify all constituent local unions and local and State building and construction trades councils of this missile project policy and take appropriate action to implement this policy.

I received the following telegram from the Secretary of Defense, the Secretary of the Air Force, and the Secretary of Labor with reference to this Statement of Policy:

FEBRUARY 17, 1961.

C. J. HAGGERTY,
President, Building and Construction Trades Department, Americana Hotel, Miami Beach, Fla.:

Please express to executive council members the Department of Defense appreciation for the no-strike policy on missile bases. This action reflects responsible leadership and sets forth an example of how free labor meets an urgent problem involving our Nation's security. Your response is a tribute to our democratic institutions. Labor, as a partner of the Armed Forces, plays a vital role in this complex task of building missile sites. The support of the Building and Construction Trades Department is most reassuring.

ROBERT S. MCNAMARA,
Secretary of Defense.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE SECRETARY,
Washington, February 18, 1961.

DEAR MR. HAGGERTY: I am very pleased by the fine action taken by the Building Trades Department to control strikes in our missile construction program. This action on the part of the executive council recognizes the importance of our missile program to our national security. It is done in the best tradition of American labor which has always been a loyal, hard working member of the team when the Nation faced a crisis.

I wish to assure you that I understand that there is a great need for understanding and communications between the Air Force, our contractors and your people in order to minimize labor difficulties. For our part we are taking positive steps to see that we do our share in this matter. Be assured that my office is deeply interested in preserving the spirit of this understanding and I will take personal action if any major problems cannot be resolved at the operating levels.

Please express my sincere gratitude to the executives of your affiliated unions who participated in making this decision.

Sincerely,

EUGENE M. ZUCKERT.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, March 2, 1961.

Mr. C. J. HAGGERTY,
President, Building and Construction Trades Department, AFL–CIO, Washington, D.C.

DEAR NEIL: I appreciate your furnishing me with a copy of the "Statement of Policy by the Building and Construction Trades Department (AFL–CIO) To Aid in the Acceleration of the Missile Program," which was unanimously approved by the executive council of your department on February 15, at Bal Harbour, Fla.

It is most gratifying to me, not only as Secretary of Labor, but as an American, to be assured that your organization is responding to these critical times with the same spirit it exhibited during World War II. In pledging yourselves to a policy under which your local unions will not engage in a work stoppage or in picketing activities on a missile site without complete exhaustion of all available procedures for the peaceful settlement of the dispute and prior authorization of the national or international union, your organization has again made a valued contribution to the Nation and the public welfare.

Thank you again for informing me of your organization's policy.

Cordially,

ARTHUR J. GOLDBERG,
Secretary of Labor.

This statement of policy was transmitted to all local and State building and construction trades councils and to all general presidents of national and international unions affiliated with the department. The general presidents in turn distributed the statement to their local unions affiliated with their national and international unions.

In this connection, it is of interest to note that there are approximately 8,000 local unions affiliated with the 18 national and international unions affiliated with the Building and Construction Trades Department. There are also 33 State building and construction trades councils and approximately 550 local building and construction trades councils with which the various local unions are affiliated.

I have noted a statement in the April 1961 issue of the Constructor, the official magazine of the Associated General Contractors, that: "Prior to August 1, 1960, time lost due to strikes amounted to 1½ percent of the total labor; since that date this has been reduced to no more than one-half of 1 percent" (p. 50).

A copy of this article is attached to my statement.

An article which appeared in the New York Times on March 26, 1961, stated that man-days lost by reason of work stoppages in January and February 1961 declined to a rate one-seventh that of 1960.

If these figures are correct, it would appear that there has been an improvement in the situation. I would assume that the military procurement agencies have complete records of the ratio of work stoppages to total labor employed.

It should also be noted that the article in the Associated General Contratcors magazine to which I have previously referred takes the view that the operational ballistic missile program is generally on schedule. This appears to be supported by General Thurman's statement before this committee that: "• • • the military services, and we are talking about the Army and Air Force here, as of this date have brought in every operational missile that was scheduled to be brought in by this date and for the balance of our plan we aren't going to be substantially off of that schedule on the basis of what we are now able to see" (p. 80).

The leaders of the unions in the building and construction trades recognize that there can be no complacency about the missile program. Stoppages, whether the fault of the union, the contractor, or the contracting agency, delay rather than accelerate the program. That is the reason why we have issued the February 16, 1961, statement on policy. We have also sought to develop, in cooperation with our employers, better procedures for the adjustment of the grievances which are the cause of work stoppages. Representatives of the Department have participated in the negotiation of project agreements and the holding of prejob conferences which have proved useful in this regard. The department has also developed the national disputes adjustment plan with the National Constructors Association, a group of large construction contractors who perform a substantial amount of the construction work on missile sites. A copy of this plan which was adopted February 16, 1961, is appended to my statement.

In order to maintain a proper prospective, it is necessary to recognize that there are other factors not involving labor, which are major reasons for the delays which have occurred.

The President of the United States stated at a news conference April 12, 1961: "The task force which we set up on space way back last January, January 12, indicated that because of the Soviet progress in the field of boosters, where they have been ahead of us, that we expected they would be the first in space, in orbiting a man in space."

That report to President Kennedy says:

"Our scientific accomplishments to date are impressive, but, unfortunately, against the background of Soviet accomplishments with large boosters, they have not been impressive enough.

"The Nation's ballistic missile program is lagging, the development of the missiles and of the associated control systems, the base construction and missile procurement must all be accelerated if we are to have the secure missile deterrent force soon that the country has been led to expect.

"While additional funds will undoubtedly be required to accomplish this, we believe that reestablishing efficient, technically competent management for the program is the overriding necessity."

It will be noted that the President's task force assigned chief responsibility for the day to a nonlabor factor, i.e., management.

Lt. Gen. Emerson C. Itschner, former Chief of Army Engineers, made a speech on November 29, 1960, which assigned major responsibility for the delay in the early site construction program also to nonlabor factors. There follows a report of his address which is set forth in the Construction Labor Reporter (No. 271, p. A–4).

"Jurisdictional strikes by building trades unions played only a relatively minor part in the delays that set back the early site construction program by about 5 months, according to Lt. Gen. Emerson C. Itschner, Chief of Army Engineers.

"Itschner, whose command is responsible for the 'brick and mortar' work in the site activation program, told the National Rocket Club in Washington on November 29 that the major blame for the delay must rest with 'Government-sponsored design changes and failure to deliver Government-furnished equipment on time.'

"This was a natural result of the speed required in the program and the application of 'concurrency,' he noted, with design not finalized before construction contracts were let.

"Asserting that 'the year or more gained in achieving operational readiness made it all worth while,' Itschner disclosed that at one Atlas site alone—Lowry Air Force Base, near Denver—over 300 change orders had to be made while work was in progress, including substantial engineering changes. This resulted in a 60 percent increase in the original contract price, he noted.

"Acknowledging that there have been many 'jurisdictional disputes,' he went on to contradict critics of the unions (CLR 266, A–1) by declaring that 'in the aggregate they did not contribute too much to the delay.' Actually, he said, the prolonged steel strike in 1959 was a far bigger factor in the delay than any of the construction disputes. Since working out an informal arrangement last May with the building trades unions, Itschner said, there has been a 60 percent reduction in work stoppages arising from jurisdictional disputes.

"The practice of holding prebid conferences that is now in effect, he added, serves to allow advance discussions by management and labor of possible problem areas and is another factor in holding down stoppages."

I would also like to read a few excerpts from a public document—the Report of the House Committee on Appropriations on the Air Force Intercontinental Ballistic Missile Construction Program issued March 3, 1961:

"The urgency of having operational ballistic missile forces in our inventory has dictated a concept of concurrency of production and construction. This necessary concept further complicates an already complex construction program. * * *

"The committee feels that the division of responsibility within the Air Force, and between the Air Force and the Corps of Engineers, coupled with an abnormally large number of change orders and modifications and other problems, as developed in these hearings, threaten to push costs to alarming proportions.

"Action must be taken by those concerned to bring order and proper direction to the program and provide this Nation with a ballistic missile base construction program which will meet the operational needs of our defense forces in a realistic manner without squandering defense funds.

"The committee expects the Secretary of Defense and other responsible Department of Defense officials to take immediate steps to realize this. The Secretary is directed to submit a full and detailed report on the actions taken. The report is to be made available in time for consideration during the hearings on the fiscal year 1962 military appropriations." Originally, the construction was channeled through the regular district and division organizations of the Corps of Engineers. Design requirements were formulated by the Ballistic Missile Division of the Air Research and Development Command and certain surveillance maintained by the regular engineering organization of the Air Force. Last July, with all parties admitting the failure of this type of organization to adequately handle the program, the Corps of Engineers consolidated their construction activities for the remainder of the ballistic missile program in the Corps of Engineers Ballistic Missile Command. The Air Force continued the design responsibilities of the Ballistic Missile Division of the Air Research and Development Command and established a Ballistic Missile Division within the Air Materiel Command to handle site activation problems. While admittedly this realinement of functions has helped to some degree it has fallen far short of providing the necessary direction and the proper control. It is essential that the present divided, duplicating, and often indefinite responsibilities be eliminated and an organizational structure provided which will give specific authority and continuity of direction to the program until the operational capability of the missile site is realized. Steps must be taken at once by the Secretary of the Air Force to bring the present functions of the Ballistic Missile Division of the Air Research and Development Command and the Air Materiel Command, as well as the construction responsibilities of the Corps of Engineers for the ballistic missile program, under a single head responsible directly to the Chief of Staff and the Secretary of the Air Force."

"The committee is deeply concerned over the number of modifications or change orders to the original construction contracts. Admittedly, concurrency of construction and production as previously outlined will cause some change orders, yet they have been far out of line even for this complex program. In several instances costs of these changes threaten to almost double the original contract costs. It is quite apparent from the recent hearings that many avoidable mistakes have been made and unnecessary change orders issued.

"The committee is not at all certain that the Department of the Air Force and its contractors are not using the concurrency requirement to cover mistakes in design that should never have been made. Constantly in these hearings construction contractors testified to in excess of 100 modifications being issued to the various contracts.

"An illustration of the cumbersome process which has marked this phase of the program in the past is best illustrated by a modification to a Titan ballistic missile contract. The modification and the revised drawing were dated July 1, 1960, but not received by the contractor until December 28, 1960. During the 78 days involved in this delay the contractor had already incurred costs which could have been eliminated had he received notification of the modification."

It should be noted that this report assigned responsibility for the delay and confusion in the missile program to nonlabor factors. The report was based on hearings held during February 1961 by the Subcommittee on Military Construction of the House Committee on Appropriations.

The following statement by Mr. C. H. Leavell, president of C. H. Leavell Co., the sponsoring contractor of the Titan Missile Base at Ellsworth Air Force Base in South Dakota, made at the hearings of the House subcommittee, is of interest:

"We overtook every single delay that was beyond our control and within the scope of the contract, either by causes of the Government, for weather delays, which are very minor, or strikes, which have also been minor. The principal causes of delay are causes created by the Government" (p. 125).

Substantial remedial action has been taken by all parties involved in the missile program to improve and accelerate performance. It is to be hoped that the increased sense of urgency arising from the work of this committee and of others will help make our free enterprise system work even more effectively in the acceleration of the program.

I believe I should make clear the position of the Building and Construction Trades Department on overtime. The labor movement has fought for a 40-hour week to protect the health and welfare of the membership. Overtime provisions in labor agreements are intended to deter the actual working of overtime hours. These provisions are not a complete prohibition of overtime work, which as you may recall was the system in France prior to World War II, because circumstances do arise where extra hours must be worked.

The decision to work a job overtime is the decision of management or the contracting agency. The individual worker or the union does not make this management decision.

Among the factors involved in the making of this managment decision is the need for acceleration of the program and making up time lost by delays. The report of the House Committee on Appropriations and the hearings of its subcommittee show that the concurrent policy and the excessive number of changes and modifications have been a major factor in these delays.

See, for example, the testimony showing: There were 600 major design changes at Lowry (p. 10); at the Lincoln Base, modifications affected 312 pages of the original 476 pages of specifications and the utility piping system was modified 6 times; the scope of these changes can be ascertained from the fact that the original contract price was increased from $17 million to $31 million (pp. 80, 81, 93); and 40 percent of the $50 million volume of the Hardeman Co. in the missile program represents change orders (p. 151).

The adverse effect on efficiency and productivity because of long overtime hours is shown by the following testimony of Henry C. Boschen, president of Raymond International Co., the sponsoring contractor on the Plattsburgh Base:

"The contracting officer, through his directed and accelerated schedule, attempted to insure that the operational date would be accomplished but in so doing he has forced the contractor to expend the terrific sums to pay the costs that arise from misdirected wasteful and uneconomic use of men and equipment.

"SEVEN-DAY WORKWEEK

"The 7-day workweek and the 24-hour day is one of the remedies that the contracting officer directed to overcome excusable delays. Actually, when continued for more than 1 week, the 7-day workweek results in substantial overall loss in production. This is a universally recognized axiom in the industry which is supported by studies of the U.S. Labor Department. However, the job records are the best demonstration.

"On October 14, 1960, the contracting officer's authorized representative directed a 7-day, 24-hour operation. By his own report at that time the overall project was ahead of schedule. The contractor protested this directive and requested reimbursement for the added expense to be accrued for overtime premiums, lack of equipment maintenance due to constant use, productivity decrease due to fatigue, and absenteeism that is prevalent in a 7-day workweek.

"By the end of the year the delaying effect of the 7-day, 24-hour operation was readily apparent. On December 30 the area engineer was advised, 'While we are still studying this, our tentative conclusion is that this requirement results in a 30-percent loss in overall productivity.' And this must be taken into account keeping in mind the fact the overtime pay which was being paid at this time, the premium pay, resulted in approximately 2 days' extra pay per week for each man on the job.

"The refusal to consider time extensions, the direction of construction methods, and the directions of the workweek effectively transferred the management of the project from the contractor to the Government. The contractor was required, however, to continue to pay all of the resulting excessive costs" (p. 5).

We are advised that the Department of Defense has recently issued a new directive limiting overtime. We welcome the order as in the interest of labor as well as in the progress of the program—because of its effect in spreading work among the unemployed.

Permit me, in conclusion, to sum up with five major points:

1. The American people should clearly realize that the so-called "missile gap" is due largely to the failure of our scientists and researchers to match the Russians thus far in the development of missile and rocket booster power.

2. The preponderance of evidence from all sources shows that the delays in the completion of the missile base construction program are primarily due to nonlabor factors, such as the inordinate number of change orders resulting from the concurrency policy.

3. Let me hasten to add that the building and construction trades department, AFL-CIO, does not condone unauthorized, irresponsible, and unjustified strikes at missile bases. On the contrary, we have voluntarily and unilaterally taken action to reduce such local work stoppages to a minimum.

4. Further, this department and its constituent national and international unions do not condone or approve the pyramiding of overtime at missile sites. We must emphasize once more that decisions on how much, if any, overtime shall be worked are a management responsibility.

5. The officers and members of the building trades unions are proud to be Americans. They bow to no man with respect to loyalty and patriotism. They have given their own blood and that of their sons in the defense of our country and its free institutions. With full realization of the importance of the missile base construction

program to the security of our Nation, we are determined to get the job done ahead of schedule if that is humanly possible.

THE NATIONAL DISPUTES ADJUSTMENT PLAN BETWEEN THE NATIONAL CONSTRUCTORS ASSOCIATION ON BEHALF OF ITS MEMBER COMPANIES AND THE BUILDING AND CONSTRUCTION TRADES DEPARTMENT (AFL–CIO) ON BEHALF OF ITS AFFILIATED NATIONAL AND INTERNATIONAL UNIONS

Adopted January 1961, National Constructors Association annual meeting, New York City.

Adopted February 16, 1961, Building & Construction Trades Department (AFL–CIO). Meeting of general presidents, Miami Beach, Fla.

The National Constructors Association includes: the Babcock & Wilcox Co., Barberton, Ohio; Bechtel Corp., San Francisco; Blaw-Knox Co., Pittsburgh; C. F. Braun & Co., Alhambra, Calif.; Chemical Construction Corp., New York; Combustion Engineering, Inc., Windsor, Conn.; Day & Zimmermann, Inc., Philadelphia; Ebasco Services, Inc., New York; the H. K. Ferguson Co., Cleveland; the Fluor Corp., Ltd., Los Angeles; Ford, Bacon & Davis Construction Corp., Monroe, La.; Girdler Construction Corp., Louisville; Graver Tank & Manufacturing Co., East Chicago, Ind.; Hydrocarbon Research, Inc., New York; Kaiser Engineers, division of Henry J. Kaiser Co., Oakland; the M. W. Kellogg Co., New York; Koppers Co., Inc., Pittsburgh; the Lummus Co., New York; Arthur G. McKee & Co., Cleveland; J. F. Pritchard & Co., Kansas City; Procon Inc., Des Plaines, Ill.; the Rust Engineering Co., Pittsburgh; Sanderson & Porter, New York; Stone & Webster Engineering Corp., Boston; United Engineers & Constructors, Inc., Philadelphia; Wilputte Coke Oven Division of Allied Chemical Corp., New York.

The Building & Construction Trades Department's affiliated national and international unions:

International Association of Heat & Frost Insulators & Asbestos Workers; International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers; Bricklayers, Masons & Plasterers International Union; United Brotherhood of Carpenters & Joiners of America; International Brotherhood of Electrical Workers; International Union of Elevator Constructors; International Union of Operating Engineers; Granite Cutters International Association; International Association of Bridge, Structural and Ornamental Ironworkers; International Hod Carrier, Building & Common Laborers' Union; Wood, Wire & Metal Lathers International Union; International Association of Marble, Stone & Slate Polishers, Rubbers & Sawyers, Tile & Marble Setters Helpers & Terrazzo Helpers; Brotherhood of Painters, Decorators & Paperhangers; Operative Plasterers & Cement Masons International Association; United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry; United Slate, Tile & Composition Roofers, Damp & Waterproof Workers Association; Sheet Metal Workers International Association; Journeymen Stone Cutters Association.

THE NATIONAL DISPUTES ADJUSTMENT PLAN

Between the National Constructors Association, on behalf of its member companies, and the Building & Construction Trades Department (AFL–CIO) on behalf of its affiliated National and International Unions.

I. General job conference

1. When a construction contract is awarded to a member company of the National Constructors Association, the company shall notify the president of the Building and Construction Trades Department, describing the project and stating the probable date of commencement of work and, if a prejob conference is desired, designating the time and place for holding such a conference. This notice, whenever possible, shall be sent not less than 15 days prior to the scheduled conference or the start of work.

2. The president of the Building and Construction Trades Department shall notify the general presidents of the affiliated unions and the local building trades council.

3. Participants at prejob conferences shall normally include the designated officer of the appropriate building trades Council, the business managers of each of the trades, an international representative of each of the trades, as designated in accordance with the procedures of the national or international union, and representatives of the contractor or contractors. At the start of the conference, each trade shall list the names, addresses and telephone numbers of the local business manager and the international representatives. Each contractor shall also list the names, addresses and telephone numbers of his job superintendent or his local labor relations representative.

4. The Building and Construction Trades Department and the NCA shall mutually agree on a suggested agenda form for use at prejob conferences. This form shall list the problems which shall be considered at these conferences. The department and the NCA shall also agree upon the documents or other materials which shall be furnished to the conferences. A summary of each conference shall be made and copies shall be distributed to all participants. The summary shall include the attendance list and matters agreed upon.

5. Any unresolved problems relating to work jurisdiction shall be reduced to a written statement agreed upon by the contractor and the local business managers and international representatives, if any. Such statement shall be referred to the general presidents of the affiliates involved in the problem. If such problem is not resolved at this stage it shall be processed in accordance with the procedures of the National Joint Board for the Settlement of Jurisdictional Disputes, or any other plan or method of procedure adopted in the future by the department for the settlement of jurisdictional disputes.

6. Any other unresolved problems shall be processed in accordance with the disputes procedures of this plan.

7. If a situation arises during the course of construction which, in the judgment of the NCA contractor and the president of the Building and Construction Trades Department, would make a general job conference advisable, the procedures set forth above may be invoked for the calling of such conference.

II. Disputes procedures

1. The president of the department shall obtain from the general president of each affiliate the name, address, and telephone number of the person designated by the general president as his headquarters representative for the purpose of this plan. The president of the department shall forward the list of headquarters representatives to the president of the association 30 days after the adoption of this plan. The president of the association shall prepare a similar list of national labor relations representatives of the contractor members of the association and forward the said list to the president of the department 30 days after the execution of this plan. These lists shall be kept current.

2. All jurisdictional disputes shall be processed in accordance with the procedures of the National Joint Board for the Settlement of Jurisdictional Disputes. As provided in section 9 of the procedural rules and regulations of the National Joint Board for the Settlement of Jurisdictional Disputes: "The affected unions and contractors shall promptly comply with each job decision of the joint board."

3. All other disputes, except controversies arising out of the modification and termination of collective bargaining agreements, shall be handled as provided herein:

a. Any dispute which has not been resolved at the job site shall be negotiated by the business manager and/or the international representatives and the designated representative of the contractor.

b. If the dispute has not been resolved within 3 calendar days, and after waiving or exhausting remedies under local grievance procedures, if any, the dispute shall be referred to the headquarters representative designated by the general president of the international union involved and the designated national labor relations representative of the contractor.

c. There shall be no strike, picketing or work stoppage by an affiliate of the department and no lockout by any contractor member of the association until the grievance procedures of this plan have been exhausted. In the event of a threatened lockout or strike, in violation of this agreement, the national labor relations representative of the contractor or the general president of the international union, as the case may be, shall take appropriate action promptly to secure compliance with the contractual obligations not to lock out or to strike which are specified in this plan, and in the applicable local or national collective bargaining agreements.

d. If the dispute has not been resolved in step (c) above, any arbitration or other procedure prescribed by the applicable collective bargaining agreement shall be utilized.

e. If there is no such procedure, or if such procedure is waived, the international president and the national contractor's labor representative may mutually agree to refer the dispute to the national arbitration board established by this plan.

4. There is hereby established a national arbitration board consisting of three representatives appointed by the Building and Construction Trades Department and three representatives appointed by the National Constructors Association. Either party shall have the right to appoint alternates for its representatives. Within 15 days after adoption of this plan, the department and the association shall notify each other of their respective appointments to the arbitration board. The board shall elect a chairman and a secretary from its members and shall appoint a neutral person who shall not be a member of the board and who shall serve as a permanent impartial arbitrator during the life of this plan or until his successor is named by the board.

5. Requests for arbitration shall state the matter to be arbitrated in writing, signed by the international president of the union and the national labor relations representative of the contractor, and shall be filed with the chairman. Copies of the request shall be served by the parties making the request on the parties to this plan. The board shall hold a hearing on the subject matter of the request but not later than 5 calendar days after the request for arbitration has been filed.

6. If the national arbitration board is unable to reach a decision within 5 calendar days after the hearing or the board decides it is deadlocked, then within a period of not more than 5 calendar days thereafter, the impartial arbitrator shall hear and decide the matter. The decision of the impartial arbitrator, or the national arbitration board, shall be final and binding on all parties. The expense of the impartial arbitrator, if required, shall be borne equally by the disputing parties.

7. The no-strike, no-lockout commitment of paragraph 3(c) shall also apply to the period required for arbitration, if such arbitration is mutually agreed upon in accordance with this plan, or if provided under any other agreement. Nothing in this plan

shall diminish the obligations and responsibilities of the parties to this plan and their affiliates and members which may be prescribed in any other applicable agreement.

THE MISSILE BASE STORY: ABOUT ON SCHEDULE DESPITE OVERWHELMING ODDS

(By William G. Dooly)

What is the real situation in the intercontinental ballistic missile base construction program? And, more pertinently, what does the average American know or believe about the status of this all-important prerequisite to the establishment of the Nation's greatest line of defense and deterrence against attack?

Very little on the favorable side, probably—and perhaps plenty of unfavorable impressions, depending on what news accounts he read during the past year. Even in recent weeks some news stories purporting to be "surveys" of the situation have been published, which were more notable for their sensationalism than for their revelation of complete facts.

A STORY OF ACCOMPLISHMENT

These, plus investigation reports, invectives from those who have axes to grind, and the cloud of doubt lingering from confused conditions that did exist a year ago, have obscured a story of accomplishment now emerging in which the construction industry and the 8-month-old Ballistic Missile Construction Office of the Corps of Engineers (CEBMCO) can take justifiable pride.

The truth is that the overall ICBM base construction program now is essentially on schedule, and that finished launchers and their support facilities are being delivered to the Air Force at the rate of at least one per week. Bear in mind that we are talking about the business end of the missile program—the operational sites where ICBM's will be nested and ready to fire, not the special testing bases such as Cape Canaveral and Vandenberg.

For many months now, scores of the country's most skilled construction organizations with work forces exceeding 20,000 men have been locked in a grim struggle with time in building these bases. The urgent push to complete the system across the length and breadth of the Nation at a billion-dollar-a-year clip has been a battle against great and at times inscrutable odds never encountered in construction history, and at a pace only short of that associated with actual combat.

The results, now rapidly coming into being, will probably be the greatest amount of construction ever to be concealed from sight. Buried underground for protection against attack, except for the early Atlas D installations, will be launchers, storage terminals, powerhouses big enough to electrify cities, control centers, and crew quarters. From upper New York State through the sprawling prairies of the Midwest to California, and from the Northwest southward into Texas, all that will mark the locations of these enormous defense bases will be intake and exhaust stacks, heat exchanger fountains, access driveways for Atlas E missiles, and some roads, fences, and auxiliary buildings.

SPEED OF COMBAT

They will be—and are rapidly becoming—a wonder of today's technological world. That this is so is not far short of miraculous when compared with the situation a year ago. Today, as Brig. Gen. A. C. Welling, commander of CEBMCO, told the AGC convention last month, the job "is being performed with the explosive speed of a combat operation complicated by the requirement for the delicate precision of an instrument laboratory." (March Constructor.)

How can this be when only 8 months ago the newspapers were filled with stories of lagging construction of Atlas ICBM bases, and a high-level conference was called by the Secretary of Defense to explore means of pushing the effort, which he called "by all means the most important of defense programs"?

The story is one of improved administrative structure and the joint efforts of dedicated men representing industry, Government and labor, working as a team.

Before CEBMCO was established, construction of ICBM sites was the responsibility of the Corps of Engineers districts in whose areas the projects were located, and the contracts were administered much in the same manner as any other fixed-price, lump-sum contract.

During the period July 15, 1959, to August 1, 1960, the Los Angeles field office of the corps directed ICBM construction, handling design, liaison with the Air Force, and assisting in equipment procurement. When it was deactivated, the field office had a staff of only 45, consisting of 4 officers and 41 civilians.

ADVENT OF CEBMCO

While large, complex construction programs are routine to the corps, it became apparent that the missile program presented challenges never encountered in other construction activities. On August 1, 1960, all ICBM projects not completed were transferred to the newly created Ballistic Missile Construction Office at Los Angeles.

CEBMCO, under General Welling, took over not only the functions of the former field office, but also direct supervision of construction and all aspects of contract administration, divorcing these functions from control of the district engineers.

To accelerate the program and promote uniform administration, a director was designated for each of the four weapon systems—Atlas, Titan I, Titan II, and Minuteman. In effect, authority and responsibility were decentralized to the maximum, consistent with need. The weapons system directors and area engineers—who also are directly under CEBMCO—exchange information on any change or condition within a system, and at any site which has a possible impact upon the work at any other site or system.

General Welling has gathered about him 500 persons to handle this enlarged task, including staffing of the four directorates. In addition, area offices are manned so that there is about one employee for each $250,000 under contract.

Today each project reports directly to CEBMCO in Los Angeles, which is in contact with all projects by jet airplane and direct telephone tie lines.

THE CONCURRENCY CONCEPT

Management and administrative situations encountered in a new, unique, and complex program inevitably are accompanied by difficulties of equivalent novelty, uniqueness and complexity.

Aside from the stringent and complex requirements of the projects themselves, many of which are new to the construction industry, the most novel and difficult problem characterizing the missile program throughout is the doctrine of concurrency, whereby construction has had to conform to the ever-changing "fluidity" of the missile design itself.

This has resulted in the award of construction contracts—based on the design and design data available at the time—before research and development was complete and before all aspects of facility design had been resolved. This compression of construction into the research and development and design stages results in numerous and drastic changes—ordered many times when the facility was nearly completed in accordance with the orginal design.

EVER-CHANGING DESIGN

In the words of one construction man, "Everything is subject to change except the completion date."

Consider the problems involved when concrete walls several feet thick have to be ripped out within 2 weeks of scheduled job completion because missile manufacturers decide they need a system of cables and ducting different from that originally planned.

A classic example is the job which started with 500 drawings when awarded, but, when finally completed, from the first change order to the last, had required 2,500 drawings.

COST AND DELAY FACTORS

Additional costs in the program can be attributed, in large degree, to (1) added work required to build additional launchers (as at Schilling and Lincoln); (2) changes to meet requirements created by improvements in the missile (concurrency concept, discussed above); (3) changed conditions encountered in the field; (4) acceleration cost to buy back time lost due to weather, modifications, strikes and other factors.

Adverse weather, always a hazard associated with construction, becomes a critical problem on missile bases because of the compressed time schedules already established. Work must move ahead, even in severe weather, in which cases protection must be provided to the construction. This is time consuming, expensive, and results in decreased production.

The steel strike of 1959 had a major impact on the program, especially the bases at Offutt, Fairchild, Forbes, Lowry I and Lowry II. While this strike was the most serious, other walkouts have occurred which affected most sites to some degree, with losses in man-days ultimately being reflected in reduced production and a drop in efficiency.

Progress has been made by CEBMCO in promoting labor-management harmony at the sites, and there have been several instances where labor and management have agreed to apply all measures to resolve differences without resorting to strikes. Prior to August 1, 1960, time lost due to strikes amounted to 1½ percent of the total labor; since that date this has been reduced to no more than one-half of 1 percent.

To reduce the problem of concurrency, contracts for Titan II bases have been awarded in two phases, thus allowing additional time for planning incorporated into the second phase. This is expected to result in more refined plans with fewer additions and modifications.

ADMINISTRATIVE PROBLEMS

Central guidance and decentralization of authority to the work site has brought about more uniformity in administration and faster response throughout contract management. Streamlined and more effective methods have improved both interservice and service-contractor relationships.

Prequalification of bidders has eliminated the marginal contractor and broker from job sponsorship of major projects.

Complicating normal administrative matters is the fact that construction has outstripped the paperwork as a consequence of primary concentration on the technical difficulties. This has left a heavy backlog at CEBMCO of administrative, contractual and financial matters to be settled.

CONTRACTORS' FINANCIAL BURDEN

One of special interest to the industry is that the sheer enormity of the construction task and the innumerable modifications on top of it, have placed an unusual demand on financial resources of general contractors, subcontractors and suppliers. As things presently stand, change order negotiations, contractors' claims, assessment of impact in time and money for many adverse conditions

are being processed along procedural lines well known to those in the construction business.

There are still requirements for Government estimates, contractor proposals and negotiations. But actions are being taken to reduce delays and resultant financial burdens to the industry. For example, professional service firms have been engaged to assist Government estimaters in reducing the backlog of estimates relating to modifications.

Two-part change orders are being used almost universally to permit maximum and more timely reimbursement to contractors for funds which they have spent on the work.

CONCLUSION

In the past 8 months the Atlas D construction program calling for two squadrons has been completed. Facilities for one Atlas E squadron are complete, and for the remaining two are nearing completion.

Work has been started on launch facilities for three double squadrons of Titan II, and for three squadrons of Minuteman.

The first operational launcher of the Atlas F series was accepted March 20, 1961, by the Air Force at Schilling Air Force Base, and the second on March 27—both a day ahead of the delivery dates established by the Air Force more than a year before, and marking the first time this goal has been met for an operational launch facility. For the remainder of the year CEBMCO can be expected to deliver at least one launcher per week, some weeks several, to the Air Force for its follow-on work.

Considering the program as a whole, construction is going well and the program is back on the track, although there are localized soft spots. One by one these are being overcome by the tremendous effort of the construction industry and the Government.

STATUS OF MISSILE BASES

Main facility contract as of Mar. 31, 1961

Base:	Percent complete
Atlas D:	
Offutt	100
Warren	100
Atlas E:	
Fairchild	100
Forbes	99
Warren III	99
Atlas F:	
Schilling	95
Lincoln	88
Altus	78
Dyess	76
Walker	48
Plattsburgh	37
Titan I:	
Lowry I	96
Lowry II	94
Ellsworth	85
Larson	77
Beale	88
Mountain Home	58
Titan II (phase 1):	
Davis-Monthan	15
McConnell	13
Little Rock	6
Minuteman: Malmstrom (begun Mar. 16)	

CONSTRUCTION STATUS OF THE ICBM BASE PROGRAM—AS OF THE FINAL WEEK IN MARCH 1961

The following summary relates to the missile site construction handled by the Corps of Engineers, which culminates with the transfer of the facility to the Air Force for the actual installation and checkout of the missile and its support equipment. It should be borne in mind that conditions vary greatly between the various weapons systems (Atlas D and E, Atlas F, Titan I, etc.), between the individual sites, and sometimes from day to day.

ATLAS D AND E

This portion of the program for the early type ICBM's has been essentially completed. The Atlas D squadrons at Offutt (9 pads) and Warren (15 pads) Air Force Bases, and the Atlas E base at Fairchild AFB (9 pads) have been turned over to the Air Force.

The Atlas E facilities at Forbes and Warren Air Force Bases (nine pads each) are virtually completed, with only minor corrective work and testing of the propellant loading system and some utility systems remaining.

ATLAS F

Six bases with capacity to launch 72 of these later model ICBM's are called for. Each missile is housed in a 174-foot-deep silo, 52 feet in diameter, and can be launched within 15 minutes.

Schilling AFB

Major construction completed on schedule. The first operational Atlas F launcher was delivered to the Air Force on March 20, 1961, and the second on March 27, both a day ahead of schedule. Remaining work consists primarily of systems testing and placing the propellant loading system in standby condition.

Lincoln

Air Force directed dates are expected to be met. All silo concrete has been placed, backfilling in progress. Crib steel completed at nine sites and underway at two others. Propellant loading systems being installed. Five launch control centers completed, as well as structural work for the other seven except for the entries and tunnels for one center. Specialty work is progressing.

Altus

Slightly ahead of the approved construction schedule. Status about same as at Lincoln on structural work, but not as advanced in support facility installation. Crib steel completed in 11 sites and partially installed at the other. Propellant loading system, utility system and other support facilities being installed.

Dyess

Air Force directed dates are expected to be met. Status approximates that at Altus. Overall contract slightly behind schedule, but contractor recovered 5 percent of his slippage in 2 weeks.

Walker

Air Force directed dates are expected to be met, despite loss of time due to an accident at one site when a mobile crane fell into the silo, killing and injuring several employees. Silo concrete completed except for the floor in two sites. Structural concrete completed for eight launch control centers except for entrance ways, and hung floors are in progress.

Plattsburgh

Behind schedule, but directed completion dates are expected to be met. Excavation completed at all but one site, and all silo concrete placed for eight launchers and in progress at another. Structural concrete complete except for vestibules at five sites. Crib steel, loading system, and support facilities progressing.

TITAN I

Facilities for six squadrons involve 18 separate launch complexes, requiring construction of 54 each of launch silos, propellant terminals and equipment terminals; 36 each of antenna silos; and 18 each of powerhouses and control centers.

Lowry I

Indications are that Air Force dates will be met at all sites. Excavation and concrete completed, and backfill essentially finished. Architectural and structural items in final stages. Mechanical and electrical work more than 90 percent complete except for propellant terminals.

Lowry II

Status approximately the same as at Lowry I.

Ellsworth

Some slippage due to the large number of modifications directed by the Air Force. Excavation, concrete placing and backfill completed. Structural erection nearly finished, and mechanical and electrical work more than 50 percent complete.

Larson

Slightly behind schedule, due partly to the large number of Air Force directed modifications. Excavation completed, concrete placing and backfill near completion, and structural steel 70 percent complete. Support facilities progressing well.

Beale

Ahead of the approved contract schedule, with the status of completion equal to Ellsworth.

Mountain Home

Excavation essentially completed, more than 50 percent of the concrete placed, and backfill well underway. Mechanical, electrical, and structural work in the early stages of progress.

TITAN II

The status of phase I for each site in this program is ahead of schedule by 2 to 5 percent. Work to date consists primarily of excavation and foundation concrete. Plans and specifications for phase II are being completed. Operational sites for this new missile are being built near Wichita, Kans.; Tucson, Ariz.; and Little Rock, Ark. The Titan II can be fired from the bottom of its silo. All facilities are underground, and are hardened to resist blast pressure in the event of nuclear attack.

MINUTEMAN

Construction of the Nation's first operational sites for its newest missile, the solid-fuel Minuteman, began March 16, at Malmstrom AFB in Montana, where three squadrons will be based. Another is planned for Ellsworth AFB, S. Dak.

These bases will consist of large numbers of in-silo launching tubes, launch control centers, support buildings, and other construction.

An idea of the dispersal of this weapon is the fact that the Montana installations will cover a 20,000-square-mile area. A round trip to each site by helicopter from the main base would require over 21,000 miles of air travel.

The construction start at Malmstrom represents successful negotiations for the contract by the Corps of Engineers after initial lump-sum bids were higher than the Government would accept. Feeling that contingency features of this unusual project were a major factor in the bid prices, the corps reviewed plans and specifications to reduce contingency costs and revise schedules, and switched to a type of contract rarely used, calling for a fixed-price incentive.

Under a negotiated formula, savings in cost under the established target contract amount of $61,773,644 will be divided between the contractor and the Government. Conversely, costs above the figure will result in a diminishing profit for the contractor; and, above a negotiated ceiling, all costs are to be borne by the contractor.

WASHINGTON, D.C.,
August 7, 1945.

HERBERT RIVERS,
Secretary-Treasurer, Building and Construction Trades Department, AFL, AFL Building, Washington, D.C.:

I want to thank you and your organization for your help in recruiting the men needed in building the Clinton and Hanford projects. The skilled mechanics who came

from all parts of the country were of inestimable aid in speeding the day when we could drop the first atomic bomb on Japan.

ROBERT P. PATTERSON,
Under Secretary of War.

THE SECRETARY OF THE NAVY,
Washington, September 1, 1945.

DEAR MR. GRAY: I am addressing this letter of appreciation to the building and Construction Trades Department, AFL, on the day of the surrender of the last of our enemies.

Among the unions which have worked with the Navy to build our enormous chain of bases at home and abroad, your union has been outstanding. Your members deserve to carry with them into peace, therefore, a special sense of pride in a great national achievement.

On this day of final victory the Navy sends to all of you its sincere thanks.

Sincerely yours,

JAMES FORRESTAL.

NAVY DEPARTMENT,
September 4, 1945.

Mr. HERBERT RIVERS,
Secretary-Treasurer, Building and Construction Trades Department, AFL, Washington, D.C.

DEAR MR. RIVERS: The surrender of the enemy in the Pacific brings to a close the world conflict in which our country has been engaged for the past 4 years. During this period the Bureau of Yards and Docks, as the construction agency for the Navy, awarded contracts for the construction of vital Navy shore facilities costing approximately $6 billion. As this tremendous war construction program terminates, I wish to extend to you and through you to the international unions constituting the Building Trades Department of the A.F. of L. my sincere appreciation for your wholehearted cooperation in the completion of this program which included construction of air stations, operating bases, repair bases, dry docks, training stations, storage, fuel and ammunition storage depots, hospitals, etc. The outstanding record achieved by the building trades in the construction of these facilities is equaled only by their achievement in successfully assisting in the recruiting of Seabees when, in the early days of the war, the battalions were urgently required for construction work in combat areas overseas.

It can be recalled that prior to the entrance of the United States in the war, the building trades, through the building trades department, entered into a memorandum agreement with the Government construction agencies in which the unions agreed not to strike for any reason whatsoever during the war emergency, and otherwise agreed on the stabilization of wages and working conditions on Federal war construction. This agreement, which is still in operation, effectively eliminated the major causes of labor disputes and provided for a board to hear real disputes.

Later, in May 1942, the building trades unions supplemented this by agreeing to stabilize wages in the construction industry at rates prevailing July 1, 1942, which action was taken sometime prior to the enactment of Federal legislation to stabilize the national economy.

Throughout the period of the war as it became progressively more difficult to effectively man construction projects, the building trades unions ably assisted in recruiting laborers and mechanics. Such efforts were very successful in spite of the remoteness of certain projects from centers of population and the unhealthy working conditions, bad weather, etc., that obtained on several projects.

The building trades and the Building Trades Department of the A.F. of L. have achieved a record of performance of which they may well be proud.

With kindest regards, I am,

Sincerely yours,

BEN MORELL,
Vice Admiral (CEC), USN, Chief of Bureau.

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, September 4, 1945.

Mr. HERBERT RIVERS,
Secretary-Treasurer, Building and Construction Trades Department, AFL, Washington, D.C.

DEAR HERB: As you may or may not know, the War Department has issued orders assigning me to an oversea post.

I would like to take this opportunity, on behalf of the Chief of Engineers, of thanking you for the cooperation extended to the Corps of Engineers and particularly to me, as the Chief of this Labor Division, during the 3½ years I have been in Washington.

Without the cooperation of all elements of labor, the Corps of Engineers could never have accomplished the almost impossible task of constructing the world's most intensive building program, that involved a cost of nearly $14 billion, with a minimum of labor difficulties during a most trying period. You, as secretary-treasurer of the Building and Construction Trades Department, A.F. of L., have been personally responsible in no small way for the successful conclusion of this program.

Again let me say thanks for your personal contribution and cooperation. I hope that you will continue to give the same generous support to the Chief of Engineers in his future operations.

Sincerely,

C. D. BARKER,
Colonel, Corps of Engineers, Chief, Labor Division.

EXHIBIT 4

MAY 26, 1961.

Hon. EUGENE M. ZUCKERT,
Secretary of the Air Force.

DEAR MR. SECRETARY: In view of the recent public discussion of work stoppages on missile and space sites, I would like to have information summarizing man-days lost due to strikes from the commencement of the construction program in 1956 through March 31, 1961. The requested data should be stated for each missile and space project and base under the following headings:

1. Number of work stoppages.
2. Man-days worked.
3. Man-days lost.
4. Percentage lost.
5. Totals for each of the above for each of the calendar years in question, each of the months beginning January 1961, and in the aggregate for the entire period ending March 31, 1961.

Additionally, I would like to have the same data for the period commencing February 16, 1961, to the present.

I should like very much to have this material sometime during the morning of Wednesday, May 31.

Sincerely yours,

WAYNE MORSE.

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., June 19, 1961.

Hon. WAYNE MORSE,
Committee on Foreign Relations,
U.S. Senate.

DEAR SENATOR MORSE: The purpose of this letter is to respond to your request for information concerning man-days worked and man-days lost on ballistic missile operational sites and test sites. Your request was conveyed to us by Mr. Merrick of your staff on June 7, 1961. The information now supplied is similar to that which you received in a letter from Brig. Gen. Joseph T. Kingley, Jr., of the Office of Legislative Liaison, Department of the Air Force, dated June 5, 1961.

In order to complete, in the manner you have requested, the summaries which have already been furnished you, it would be necessary to know the number of man-days worked at missile and space sites from the start of construction in 1956. Prior to January 1, 1960, there was no requirement that such reports be kept, in total, or for any individual base or site on Air Force contracts. The Air Force has verified that, at this time, it would be a costly, difficult, and time-consuming task to develop statistics on total man-days worked at these locations prior to January 1960. This difficulty is due to the fact that records were not maintained during contract performance in the manner which could, in the reasonable period of time, provide such data. For example, Convair has an Air Force prime contract at Warren, Vandenberg, etc., and subcontracts a major part of the total task. Consequently, many subcontractors have been employed and these, in turn, have had second- and third-tier subcontracts. The data requested was not required to be identified to either the prime by its subcontractors or to the Air Force by its prime contractor. A large number of the subcontracts have been completed and records have not been consolidated.

To secure the data required would necessitate the Air Force requiring each of its prime contractors to secure the data from its subcontractors, and the subs from their subs. This would be costly and time consuming. One of the Air Force prime contractors has informally advised that the task would be difficult to accomplish and that they would be reluctant to undertake to provide the data on a time-limited basis without full reimbursement. A clearance will be required from the Bureau of the Budget with authority to secure the reports from the contractors involved. Assuming that the necessary clearance and funds can be obtained, it has been estimated that it would take from 30 to 60 days to compile the information.

It is our understanding, however, that the Corps of Engineers, Department of the Army, has certain information available on man-days worked on Corps of Engineers contracts. Army Legislative Liaison has been contacted and advised of your request in this matter.

To summarize the information which has been given you, therefore, the man-days lost at missile sites from the start of construction to March 31, 1961, were 162,872. The total number of strikes for this period was 327. These figures represent statistics compiled with regard to Corps of Engineers and Air Force contracts. The total man-days lost for the period January 1, 1960, through December 31, 1960, was 83,972. We have compared this total with the total number of man-days worked for this period and find that the percentage ratio is 1.1 percent. A summary of the man-days lost in comparison to man-days worked at the missile sites for the period January 1, 1960, through March 31, 1961, reflects that the percentage ratio remained approximately the same at 1.1 percent. The number of man-days lost for the period February 15 to May 1961 was 9,784. Although this figure indicates a growing number of man-days lost and strikes which occurred during that period, it is important to realize that two strikes at Lowry Air Force Base represent the majority of man-days lost during this period. Nevertheless, the loss of a total of 162,872 man-days during the total period is serious and the Air Force has had to reimburse contractors for overtime, and to approve work-around methods in order to maintain schedules.

I hope that the information furnished will be adequate to meet your needs. If I or my office may be of further assistance, please call upon us.

Sincerely,

EUGENE M. ZUCKERT.

Summaries of man-days lost to man-days worked at missile sites, from Jan. 1, 1960, through Dec. 31, 1960

Air Force base	Corps of Engineers		Air Force		Number of strikes
	Man-days worked	Man-days lost	Man-days worked	Man-days lost	
OPERATIONAL MISSILE SITE					
Altus	204,620	137	6,212		6
Beale	135,066	122	11,924		4
Dyess	131,928	19	6,207		1
Davis-Monthan	12,965		9,950		0
Ellsworth	215,590	34	28,447		2
Fairchild	222,829	574	280,603	660	18
Forbes	292,829	5,791	103,662	1,044	8
Larson	253,258	2,230	2,671		8
Lincoln	234,571	1,392	6,724		23
Lowry	546,583	2,730	178,958	61	11
Malstrom			890		0
McConnell	530				0
Mountain Home	150,434	14			1
Offutt	168,796	479	542,929	4,388	6
Plattsburgh	176,067	46	5,829		3
Schilling	310,598	70	17,359		6
Walker	108,065	2,297			2
Warren	276,285	7,246	749,624	15,852	24
Total	3,441,014	23,181	1,951,989	22,005	124
Percentage		0.7		1.1	

Air Force base	Corps of Engineers		Air Force		Number of strikes
	Man-days worked	Man-days lost	Man-days worked	Man-days lost	
II. MISSILE TEST SITE					
Patrick	219,036	8,387	135,258	6,355	30
(TWU–IAM)	179,400	4,600			
Edwards			22,053	1,662	2
Vandenberg	210,774	2,052	1,283,074	15,730	14
Total	609,210	15,039	1,440,385	23,747	46
Percentage		2.5		1.6	
III. OPERATIONAL AND TEST SITES					
Grand total	4,050,224	38,220	3,392,374	45,752	170
Percent		0.94		1.4	
Overall total:					
Man-days worked	7,442,598				
Man-days lost	83,972				
Percentage	1.1				

Summaries of man-days lost to man-days worked at missile sites from Jan. 1, 1960, through Mar. 31, 1961

Air Force base	Corps of Engineers		Air Force		Number of strikes
	Man-days worked	Man-days lost	Man-days worked	Man-days lost	
OPERATIONAL MISSILE SITE					
Altus	293,432	137	15,120		6
Beale	236,412	495	16,612		6
Dyess	213,543	19	14,928		1
Davis-Monthan	95,716	243	10,817		1
Ellsworth	319,472	290	80,219		5
Fairchild	229,868	581	447,556	660	19
Forbes	319,287	5,810	222,579	1,125	10
Larson	336,817	2,633	10,345		10
Lincoln	328,738	1,743	15,565		33
Little Rock	86,361	62			1
Lowry	692,607	2,826	426,938	128	17
Malstrom			3,448		0
McConnell	39,822	40			2
Mountain Home	212,862	780	55,246		3
Offutt	169,516	479	677,738	4,388	22
Plattsburgh	381,054	46	11,725		3
Schilling	418,210	79	45,337		7
Walker	186,898	2,297	9,466		2
Warren	335,296	7,302	892,300	15,852	31
Total	4,895,911	25,862	2,955,939	22,153	179

Air Force base	Corps of Engineers		Air Force		Number of strikes
	Man-days worked	Man-days lost	Man-days worked	Man-days lost	
II. MISSILE TEST SITE					
Patrick [1]	252,075	8,442	157,643	6,305	36
(TWU–IAM)			(179,400)	(4,600)	
Edwards [2]			22,053	1,869	3
Vandenberg	256,806	2,097	1,666,912	15,766	17
Total	508,881	10,539	2,026,008	28,630	56
III. OPERATIONAL AND TEST SITES					
Grand total	5,404,792	36,401	4,981,947	50,783	235
Overall total:					
Man-days worked	10,386,739				
Man-days lost	87,184				
Percentage	0.84				

[1] An additional 150 man-days were lost at Patrick Air Force Base on NASA administered contracts.

[2] Because of the multiplicity of interrelated aircraft programs and other nonballistic missile activities being done by Corps of Engineers and Air Force contractors at this base, identification of man-days lost and man-days worked directly connected with the Air Force missile program was impossible. Therefore reporting of man-days worked and other related data affecting the missile program at this test site was discontinued as of Dec. 31, 1960.

Summary of strikes at missile sites (Feb. 15 to May 1, 1961)

OPERATIONAL SITES

Missile base	Date of stoppage and return (1961)	Union or workers involved	Man-days lost	Issue
Altus	Apr. 25–28	Building trades	285	Protest nonunion worker on job.
Beale	Mar. 30–Apr. 3	Plumbers & Fitters	278	Pressure move by union to force contractor to a 10-hour shift.
Davis-Monthan	Feb. 17–24	Operating Engineers	212	Refusal to sign bargaining agreement.
Ellsworth	Mar. 8–10	IBEW	57	Layoff without regard to seniority.
	Apr. 1–4	Sheetmetal Workers	120	Protest over refusal to allow 2 employees to work on days involving premium time after questionable absences during regular workweek.
	Apr. 7–10	Plumbers & Fitters	43	Issue over reduction in workweek.
Forbes	Mar. 8–8	IBEW & Fitters	2	Use of technicians to install equipment.
	Apr. 3–5	Operating Engineers	18	Contract expired. Employees would not work without contract including more wages and fringe benefits.
Larson	Mar. 3–8	IBEW	379	Protesting unsafe scaffolding in silo.
	Mar. 30–Apr. 4	Pipefitters & Plumbers	216	Issue involving safety in ventilation on tunnel sections.
Lincoln	Feb. 16–16	Operating Engineers	8	Termination of crane operator for refusing to change from one machine to another.
	Feb. 28–Mar. 1	Engineers	10	Protest of contractor use of winch truck and driver ordinarily employed at another site.
	Mar. 1–2	Laborers & Operating Engineers	10	Discharge of steward.
	Mar. 9–13	Operating Engineers	72	Protest of contractor use of winch truckdriver ordinarily used at another complex.
	Mar. 13–22	Laborers & Operating Engineers	173	Superintendent expected too much work from only ½ crew. Sympathy strike of 10 laborers and 9 engineers.
	Apr. 7–10	Pipefitters	20	Dispute over swing-shift work. Pipefitters contend they should be on standby for all shifts.
	Apr. 12–14	IBEW	18	Jurisdictional; IBEW versus Carpenters over grounding of T-bar to steel beams.

Summary of strikes at missile sites (Feb. 15 to May 1, 1961)—Continued

OPERATIONAL SITES

Missile base	Date of stoppage and return (1961)	Union or workers involved	Man-days lost	Issue
Lincoln—Continued	Apr. 24-25	Power equipment engineers, electricians, laborers, and fitters.	32	Engineers protest contractor work assignment to individual operators when crews progressed from night shift to day shift.
Lowry	Feb. 15-16	IBEW	38	Protest of demotion of general foreman to foreman.
	Mar. 2-3	IBEW	7	Protest of UAW technicians working on complex 1C.
	Mar. 10-13	Sheetmetal Workers	7	Jurisdictional; sheetmetal workers versus two other building trades over installing air ducts and blowers.
	Apr. 3-6	All building trades	1,314	Jurisdictional; protest UAW employees of Martin Co. operating in powerhouse.
	Apr. 19-24	IBEW and building trades	5,378	Jurisdictional; protesting Martin Co. using UAW employees to perform maintenance functions in areas accepted for beneficial occupancy under Martin Co.
McConnell	Feb. 21-21	IBEW	32	Protest standby electricians being released.
	Mar. 13-13	Hoisting & Portable Engineers	8	Union alleged transfer of personnel contrary to assignment practices.
	Apr. 1-1	Welders & Operating Engineers	5	Miscellaneous complaints by individuals (welders).
Mountain Home	Feb. 23-27	Electricians	235	Electricians claimed millwrights doing electrical work.
Walker	Apr. 4-6	IBEW	32	Dispute over 3 electricians being discharged.
Warren	Apr. 19-24	Electricians	210	Sympathy with Lowry strike Apr. 19, 1961.
	Apr. 20-28	All crafts	235	Sympathy with cement finishers protesting Ready Mix Co. employing nonunion workers.
Total man-days lost, operational sites			9,454	
Total stoppages (30).				

TEST SITES

Edwards	Feb. 17-24	IBEW	207	Jurisdictional; IBEW versus CWA over cable laying.
Patrick	Mar. 1-3	Elevator Construction Workers	24	Protest superintendent performing work, and demand for travel pay.
	Mar. 9-9	IBEW	13	Jurisdictional; Electricians versus Operating Engineers.
	Mar. 30-31	IBEW	11	Protest NASA civil service personnel performing electrical work.
	Apr. 24-25	Plumbers	16	Protest NASA civil service personnel performing installation work.
	Apr. 24-25	Welders	4	Protest of performing work in accordance with contractor's plans and specifications for welding.
Vandenberg	Feb. 21-22	Pipefitters	45	Assignment of ironworker to work claimed by pipefitters.
	Mar. 9-10	Ironworkers	5	Employing of nonunion labor.
	Mar. 8-8	do	5	Protest over assignments to laborers.
Total man-days lost, test sites			330	
Grand total, man-days lost			9,784	
Total stoppages (9).				
Grand total, work stoppages (30).				

Summary of man-days lost at missile sites from start of construction, 1956 through Mar. 31, 1961

Air Force base	Man-days lost		Total	Total number of strikes
	Corps of Engineers	Air Force		
OPERATIONAL SITES				
Altus	137		137	6
Beale	495		495	6
Dyess	19		19	1
Davis-Monthan	243		243	1
Ellsworth	290		290	5
Fairchild	581	660	1,241	19
Forbes	5,810	1,125	6,935	10
Larson	2,633		2,633	10
Lincoln	1,743		1,743	33
Little Rock	62		62	1
Lowry	3,076	128	3,204	19
Malstrom				
McConnell	40		40	2
Mountain Home	780		780	3
Offutt	2,254	4,388	6,642	36
Plattsburgh	46		46	3
Schilling	79		79	7
Walker	2,297		2,297	2
Warren	7,762	15,902	23,664	31
Total operational sites	28,347	22,203	50,550	195
TEST SITES				
Edwards	9	2,076	2,076	5
Vandenberg	2,097	20,766	22,863	18
Patrick [1]	25,239	24,051	87,374	100
(TWU-IAM) [2]		38,084		
Total test sites	27,345	84,977	112,322	132
Total operational and test sites	55,692	107,180	162,872	327

[1] An additional 150 man-days were lost at Patrick AFB on NASA administered contracts.

[2] This figure represents man-days lost because of: (1) contract negotiations between the TWU and Pan American Airways, (2) contract negotiations between IAM and various missile contractors with operations at the cape.

JUNE 3, 1961.

The Honorable ELVIS J. STAHR,
Secretary of the Army.

DEAR MR. SECRETARY: In view of the recent public discussions of work stoppages on missiles and space sites, I would like to have information summarizing man-days lost due to strikes from the commencement of the construction program in 1956 through March 31, 1961. The requested data should be stated for each missile and space project and base under the following headings:

1. Number of work stoppages.
2. Man-days worked.
3. Man-days lost.
4. Percentage lost.
5. Totals for each of the above for each of the calendar years in question, each of the months beginning January 1961, and in the aggregate for the entire period ending March 31, 1961.

As I understand the matter, the Corps of Engineers has been the primary agency under your jurisdiction carrying out this work and I assume that the material is readily available.

I should like very much to have a reply from you before the end of the day on June 5. I fully understand that this request might require more time. I would, however, suggest that you write me to this effect, if such is the fact, and enclose that material which is readily available.

Sincerely yours,

WAYNE MORSE.

DEPARTMENT OF THE ARMY,
Washington, D.C., June 15, 1961.

Hon. WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: This is in further reply to your inquiry concerning work stoppages due to strikes during construction of ICBM bases.

For your convenience I am inclosing a summation of man-days worked and man-days lost due to strikes on ICBM site con-

struction contracts administered by the Corps of Engineers. This material, therefore, only reflects that portion of the overall ICBM construction program that has in the past been a responsibility of the Department of the Army.

At your request the man-days lost at Patrick Air Force Base is broken down to show the time lost by building tradesmen as a result of picket lines established by the Transport Workers Union, the Teamsters Union, and the Machinists Union.

I trust the foregoing information will be of assistance to you.

Sincerely yours,

W. F. SCHAUB,
Acting Secretary of the Army.

Comparison of man-days worked and man-days lost, July 1, 1956, through Mar. 31, 1961

Project	Number of strikes	Man-days	
		Worked	Lost
Altus AFB, Okla	6	244,791	136
Beale AFB, Calif	5	236,353	253
Davis-Monthan AFB, Ariz	1	95,685	212
Dyess AFB, Tex	1	213,768	9
Edwards AFB, Calif	2	41,113	140
Ellsworth AFB, S. Dak	3	319,164	293
Fairchild AFB, Wash	10	235,177	662
Forbes AFB, Kansas	21	313,962	6,074
Larson AFB, Wash	14	334,920	3,600
Little Rock AFB, Ark	0	30,914	0
Lincoln AFB, Nebr	34	391,286	1,727
Lowry AFB, Colo	15	819,801	3,176
Malmstrom AFB, Mont	0	0	0
Mount Home AFB, Idaho	2	212,643	780
McConnell AFB, Kans	2	43,532	41
Offutt AFB, Nebr	25	257,777	2,249
Plattsburgh AFB, N.Y	4	309,595	52
Schilling AFB, Kans	7	419,440	76
Vandenberg AFB, Calif	4	719,556	2,044
Walker AFB, N. Mex	2	186,895	2,297
Warren AFB, Wyo	26	667,591	18,450
Patrick AFB, Fla	79	1,458,873	[1] 69,247
Total	263	7,543,836	111,518

[1] Man-days lost by building trades as a result of picket lines established by:

TWU	5,993
Teamsters	38,398
Machinists	3,174
Total	47,565
Building trades	21,682
Total	69,247

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted.

ADDITIONAL BILL INTRODUCED

Mr. MORSE, by unanimous consent, introduced a bill (S. 2194) to amend the District of Columbia Unemployment Compensation Act of 1935, as amended, which was read twice by its title and referred to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution:

H.R. 6027. An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widows' benefits and by making additional persons eligible for benefits under the program, and for other purposes; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

ADJOURNMENT TO MONDAY

Mr. MORSE. Mr. President, in accordance with the order previously entered, I move that the Senate stand in adjournment until 12 o'clock Monday next.

The motion was agreed to; and (at 9 o'clock and 10 minutes p.m.), under the order previously entered, the Senate adjourned until Monday next, July 3, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 29, 1961:

IN THE AIR FORCE

Col. Paul T. Cooper, 4861A, Regular Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force under the provisions of chapter 839, title 10, of the United States Code.

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be major

James H. Pemberton, AO863412.

To be captains

Elvin M. Clark, AO3033769.
James H. Dorn, AO3034005.
Charles J. Elliott, AO3015010.
Joseph B. Fearno, AO3033935.
Austin B. Johnson, AO3013442.
Frederick T. Kiley, AO3012669.
Robert F. McCarthy, AO3034028.
Richard K. McNab, AO3033847.
Billy R. Miller, AO3020044.
Darrell R. Millslagle, AO3034092.
Douglas M. Morgan, AO3019500.
Charles W. Meyers, AO3034430.
Vernon L. Peterson, AO3033827.
James L. Portz, AO3013205.
Robert D. Reichart, AO3034433.
Timothy P. Reidy, AO3010544.
Norman E. Stingely, AO3020388.
Daniel H. Hate, AO2221447.
James O. Turner, AO3016703.
Jack K. Walker, AO3033784.
Douglas W. Wingate, AO3005163.

To be first lieutenants

Kenneth W. Brotnov, AO3085063.
Bernard J. Clark, AO3083828.
Jasper J. Dees, AO3072549.
John G. Halbert, AO3051853.
Robert C. Hayter, AO3083760.
James N. Holt, AO3085319.
Charles A. Kuhlman, AO3084017.
Edward G. Leidig, AO3084854.
Ronald L. Loy, AO3053070.
Robert E. MacArgel, AO3072790.
Wilbert G. Maunz, AO3072739.
John S. McKinney, AO3081622.
Thomas E. Mosley, Jr., AO3085001.
James R. Norton, AO3085219.
James L. Pettigrew, AO3068769.
Donald Post, AO3072645.
James V. Regan, AO3072455.
Robert O. P. Saisi, AO3072893.
Joseph R. Sanchez, AO3085111.
Robert M. Thompson, AO3074028.
Harold D. Woods, AO3085129.

To be second lieutenants

Distinguished Aviation Cadet Graduates

Neal H. Emper, Jr., AO3116411.
Esequiel M. Encinas, AO3117162.
Terry P. Fichtel, AO3117165.
David C. Gildart, AO3116359.
Joseph C. Griffin, AO3116419.
Hugh A. Langford, AO3117110.
Robert P. McIntire, AO3117111.
Gary L. Roberts, AO3116463.
Edward R. Taylor, AO3117220.
Kenneth M. Vondrak, AO3116387.

Distinguished Officer Training School Graduates

William F. Mills, AO3115793.
Rowland B. Perry, AO3115799.
Paul E. Rider, AO3115802.

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be captain (Judge Advocate)

Charles B. Lewis, Jr., AO3055331.

To be captains (Medical)

Edward N. Ahearn, AO3090800.
Milton E. Ashby, AO3003250.
Grady L. Breece, Jr., AO3090042.
Joseph D. Cionni, AO3075406.
John W. Gaines, Jr., AO3075030.
George N. Gorman, AO3079224.
John A. Johnson, Jr., AO3075088.
John F. Lancaster, AO3079236.
Willard J. Pevey, AO3075248.
Raymond H. Stecker, AO3075140.
Charles D. Widger, AO3075146.

John H. Wright, Jr., AO3075662.
DeLyle R. Youngman, Jr., AO3075281.

To be captains (Dental)

David J. Bales.
Everett J. May, AO3077370.
Jerril E. Sandin, O5500232.

To be captains (Nurse)

Dorothy M. Cucka, AN3110505.
Alcestee M. Drisdale, AN2214187.
Margaret R. McFarlin, AN2242768.

To be first lieutenants (Dental)

David S. Eberly, AO3090933.
Jack Gatliff.
Donald E. Gerhardt, AO3090959.
John W. Myers, AO3090408.

To be first lieutenants (Nurse)

Lois J. Byron, AN2243471.
Rosemary Cox, AN3076482.
Myrtle G. Ferguson, AN3078944.
Avis R. Hildebrand, AN3090003.
Marcia C. Huffman, AN3075591.
Florence L. Jones, AN3044591.
Barbara A. Kunsmann, AN3075888.
Helen J. Matthews, AN3044697.
Ethel S. O'Neil, AN3089681.
Emma E. Paschall, AN3092146.
Barbara J. Warren, AN3075183.

Subject to medical qualification and subject to designation as distinguished military graduates, the following distinguished military students of the Air Force Reserve Officers' Training Corps for appointment in the Regular Air Force, in the grade of second lieutenant, under section 8284 of title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Walter T. Johnson, Jr.
John L. O'Brien, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 29, 1961:

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

Charles S. Brewton, of Alabama, to be an Assistant Director of the Office of Civil and Defense Mobilization, vice J. Roy Price, resigned.

IN THE NAVY AND MARINE CORPS

Vice Adm. George W. Anderson, U.S. Navy, to be Chief of Naval Operations in the Department of the Navy for a term of 2 years with the rank of admiral, under the provisions of title 10, United States Code, section 5081.

Adm. Arleigh A. Burke, U.S. Navy, to be placed on the retired list in the grade of admiral, under the provisions of title 10, United States Code, section 5083.

Rear Adm. Emerson E. Fawkes, U.S. Navy, for permanent appointment to the grade of rear admiral.

Rear Adm. Floyd B. Schultz, U.S. Navy, for permanent appointment to the grade of rear admiral.

Lt. Gen. Joseph C. Burger, U.S. Marine Corps, to be placed on the retired list with the grade of lieutenant general, pursuant to the provisions of title 10, United States Code, section 5233.

The nominations beginning Kenneth D. Brodeur to be ensign, and ending Frank H. Taylor to be ensign, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 26, 1961.

IN THE AIR FORCE

The following officers to be placed on the retired list in the grade indicated, under the provisions of section 8962, title 10, of the United States Code:

In the grade of general

Gen. Frank F. Everest, 366A (major general, Regular Air Force), U.S. Air Force.

Gen. Leon W. Johnson, 88A (major general, Regular Air Force), U.S. Air Force.

In the grade of lieutenant general

Lt. Gen. Elmer J. Rogers, Jr., 294A (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. Frank A. Armstrong, Jr., 427A (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. Walter E. Todd, 361A (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. William E. Hall, 460A (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. Emery S. Wetzel, 464A (major general, Regular Air Force), U.S. Air Force.

The following officers to be assigned to positions of importance and responsibility designated by the President, in the grade indicated, under the provisions of section 8066, title 10, of the United States Code:

In the grade of general

Lt. Gen. Truman H. Landon, 93A (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. William F. McKee, 467A (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. Walter C. Sweeney, Jr., 555A (major general, Regular Air Force), U.S. Air Force.

Lt. Gen. Bernard A. Schriever, 1519A (major general, Regular Air Force), U.S. Air Force.

In the grade of lieutenant general

Maj. Gen. Edward J. Timberlake, 603A, Regular Air Force.

Maj. Gen. Herbert B. Thatcher, 634A, Regular Air Force.

Maj. Gen. Gordon A. Blake, 582A, Regular Air Force.

Maj. Gen. Hunter Harris, Jr., 624A, Regular Air Force.

Maj. Gen. Gabriel P. Disosway, 654A, Regular Air Force.

Maj. Gen. Kenneth B. Hobson, 616A, Regular Air Force.

Maj. Gen. John D. Ryan, 1418A, Regular Air Force.

Maj. Gen. Troup Miller, Jr., 559A, Regular Air Force.

Maj. Gen. Robert H. Terrill, 628A, Regular Air Force.

IN THE ARMY

The following-named officers to be placed on the retired list, in the grades indicated, under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Clyde Davis Eddleman, O15842, Army of the United States (major general, U.S. Army).

Gen. Charles Day Palmer, O15519, Army of the United States (major general, U.S. Army).

To be lieutenant general

Lt. Gen. Harry Purnell Storke, O16468, Army of the United States (major general, U.S. Army).

2. The following-named officer, under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Maj. Gen. Hamilton Hawkins Howze, O18088, Army of the United States (brigadier general, U.S. Army), in the rank of lieutenant general.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations:

FOR PERMANENT PROMOTION

To be medical directors

Carl I. Pirkle.	Carl J. Mankinen
Isaac M. Zigler	Leslie H. Thomason
Thomas E. O'Brien	Raymond Hofstra
Josef J. Weisskopf	James A. Hunter, Jr.
James T. Hearin	Ardell B. Colyar
Norman B. McCullough	Warfield Garson
Marvin O. Lewis	William P. Ramey
Lawrence Kilham	Leo J. Gehrig
Trois E. Johnson	R. Leslie Smith
Anibal R. Valle	Arthur E. Rikli
Glen W. McDonald	C. Dudley Miller
Louis C. Floyd	Philip P. Spencer

To be senior surgeons

Frank R. Freckleton	Roger L. Black
Clarence A. Imboden	Albert W. Hilberg

To be surgeons

Arden A. Flint, Jr.	Paul J. Schmidt
William S. Lainhart	Nicholas P. Sinaly
David P. Michener	Henry V. Belcher
Eugene H. Guthrie	Louis Levy
James L. Wellhouse	George G. Browing
Claude R. Garfield	George W. Gaffney
Nicholas Revotskie	James N. Winblad
Lewis E. Patrie	Charles H. Boettner
Robert I. Katase	Adolph J. Urban
Edward B. Cross	Emil Frei III
William S. Dunford, Jr.	Roger W. Ogara
Orlando L. Clark	Emil J. Freireich
Betty E. Hathaway	David J. Sencer
Alan S. Rabson	Eugene Braunwald

To be senior assistant surgeons

Gerald R. Bassett
Jack D. Poland

To be dental directors

John W. Holt
Thomas J. Riley, Jr.
Francis W. Pomije

To be senior dental surgeons

Robert C. Likins	John M. Frankel
Charles J. Gillooly	William J. Putnam
Tyler C. Folsom, Jr.	Harry W. Bruce, Jr.
William J. Braye	Frank W. Nelson
Samuel S. Herman	Lawrence J. Stanwich
Paul H. Keyes	

To be dental surgeons

Jack D. Robertson	Bill J. Brady
Herbert Swerdlow	Winston W. Frenzel
A. Fogle Godby	Kenneth C. Potter

To be senior assistant dental surgeons

Warren V. Judd	William L. Knudson
John R. Stolpe	Richard K. Fred
Jim D. Webb	Gerald W. Gaston
Charles C. Swoope, Jr.	David A. Dutton
Donald R. Swatman	Buckner S. Burch
Richard L. Christiansen	Manuel H. Marks
Wellesley H. Wright	Gresham T. Farrar, Jr.

To be sanitary engineer directors

Daniel W. Evans	Paul C. Henderson
Charles D. Spangler	Harry Stierli
Archie B. Freeman	Kenneth C. Lauster
John H. Burgess	Joseph A. Boyer
Arthur H. Johnson	Ross W. Buck

To be senior sanitary engineer

William B. Schreeder

To be sanitary engineers

John L. S. Hickey	Malen D. Bogue
Donald J. Nelson, Jr.	Lawrence C. Gray
Herbert H. Rogers	Melvin W. Carter
Edwin M. Lamphere	Ralph I. Larsen

To be senior assistant sanitary engineers

Donald J. Baumgartner	Eugene J. Donovan, Jr.
Harry J. Ettinger	Albert H. Story
Andre F. LeRoy	Norman J. Petersen
Edwin L. Johnson	Charles F. Walters
	Jack L. Witherow

To be assistant sanitary engineers

Harold C. Ervine	Robert Frank Grossman
Howard P. Zweig	John A. Little

To be pharmacist directors

Francis R. Ellis	Carmen A. Carrato
Robarts L. Proper	Ernest J. Simnacher
Arnold H. Dodge	

To be senior pharmacists

William M. Hanna
Abraham Wolfthal

To be senior assistant pharmacists

Bernard Shleien — Philip R. Hugill
Samuel Merrill — Robert P. Chandler
Jacob H. Hendershot

To be assistant pharmacists

Ray D. Crossley II
Harley A. Mills
Jerome A. Halperin

To be scientist directors

Melvin E. Griffith — Olaf Mickelsen
Lloyd W. Law — George W. Lones
Everette L. May — F. Earle Lyman

To be senior scientists

John E. Porter
Colvin L. Gibson

To be scientists

Frank P. Brancato — Maxwell J. Wilcomb, Jr.
Harold V. Jordan, Jr. — Thomas E. Anderson
William B. Dewitt
Joseph M. Butler, Jr.

To be senior assistant scientists

John C. Freeley III
Sheldon D. Murphy

To be senior sanitarian

Leroy S. Houser

To be sanitarian

James V. Smith

To be veterinary officer director

Robert D. Courter

To be senior veterinary officers

John F. Winn — Herbert G. Stoenner
Arthur H. Wolff — Samuel Abramson
John H. Scruggs

To be veterinary officer

Joe W. Atkinson

To be nurse directors

Lydia M. Zetzsche — Daphine D. Doster
L. Dorothy Carroll — Edna A. Clark
Lois E. Gordner — Mary O. Jenney
Rosalie G. Abrahams — Harriett G. Doxheimer
Madeline Pershing

To be senior nurse officers

Maud J. Larssen — Dorothy E. Reese
Jeanette E. Westlake — Marie F. Hanzel
Mary E. O'Connor — Doris E. Roberts
Margaret E. Benson

To be nurse officers

Marie M. Lech — Josephine I. O'Callaghan
Violet C. Ryb — Helen Troxell

To be assistant nurse officer

Elizabeth L. Cooper

To be dietitian directors

Clare B. Baldauf
Myrtle M. Vincent

To be senior dietitians

Edith A. Jones
Frances M. Croker

To be dietitian

Letitia W. Warnock

To be senior therapist

Elizabeth M. Finke

To be therapist

John F. Burke

To be health services directors

Ralph L. Perkins, Jr. — Nell McKeever
Evelyn Rahm — Mary Jo Kraft

To be health services officer

Gloria M. Russo

To be senior assistant health service officer

Richard E. Gallagher

WITHDRAWAL

Executive nomination withdrawn from the Senate June 29, 1961:

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Frank D. Reeves, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified, which was sent to the Senate on June 26, 1961.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 29, 1961

The House met at 12 o'clock noon.

Dr. Sidney Steiman, rabbi, Temple Beth Hillel, Mattapan, Mass., President, Northeastern Region, Rabbinical Assembly of America, offered the following prayer:

Almighty God, humbly we stand before Thee in prayer.

We confirm Thy sovereignty; we reaffirm our belief that Thou art the Father of men, the Ruler of lands. We thank Thee for granting us the faculty of appreciating representative government.

As Congress assembles in this hallowed and historic edifice, inspire them to devote themselves unselfishly to the welfare of this country. Grant them a wise and discerning heart, to take counsel together wisely and courageously. Incline them with wisdom, courage, and strength to deliberate calmly and intelligently, remaining steadfast to the ideals of democracy.

Shower Thy blessings upon all America, the President, and all who exercise just and rightful authority.

We pray for all the peoples of the world. May justice be victorious; may peace and happiness prevail. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The message also announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6874. An act to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KERR, Mr. RUSSELL, Mr. MAGNUSON, Mr. ANDERSON, Mr. SYMINGTON, Mr. BRIDGES, Mr. WILEY, and Mrs. SMITH of Maine to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4591. An act to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2154. An act to amend Public Law 85-626, as amended by Public Law 86-542, relating to dual rate contract agreements.

CONTINUING APPROPRIATIONS, 1962

Mr. MAHON, from the Committee on Appropriations, reported the joint resolution (H.J. Res. 465) making continuing appropriations for the fiscal year 1962, and for other purposes (Rept. No. 612), which was read a first and second time, and with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. MAHON. Mr. Speaker, under special order of the House of June 21, I call up the joint resolution (H.J. Res. 465) making continuing appropriations for the fiscal year 1962, and for other purposes, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MAHON]?

Mr. TABER. Mr. Speaker, reserving the right to object, this is the usual form of continuing resolution which we have had over a number of years; is that right?

Mr. MAHON. Mr. Speaker, I would say to the gentleman from New York and to the House that this is the usual stereotyped resolution similar to what we have passed for a number of years on the eve of the new fiscal year, in order to carry on functions of the Government at minimum levels until final action has been taken by Congress on the appropriation bills. Only three appropriation bills have been finally approved by the President. None of the regular 1962 bills are completely processed. So this is a necessary interim measure for the months of July and August, or until such time as the applicable bills are finally approved.

Mr. TABER. It does not allow for any new project or any new activity which has not heretofore been provided for, and does not provide for any new ones at all?

Mr. MAHON. The gentleman from New York has put it precisely and correctly. I might add that the House has adopted 12 appropriation bills to date, including the defense bill just passed

yesterday. Of this total, three are supplementals and nine are regular 1962 bills.

The House has made a reduction of $1,299,213,125 below the budget estimates of appropriations on these 12 bills. Of course, this does not take into account the billions of dollars of back-door bills passed or pending in this session of Congress. We do not have an authoritative tabulation of the amounts involved in these as compared to the requests.

The Senate has passed seven appropriation bills to date and has five under committee consideration. It has increased the seven bills which it has passed by a total of $3,982,232,401 over the amounts approved by the House. However, nearly $3 billion of this increase is due to budget estimates which were not considered by the House in connection with the third supplemental, 1961. Reductions made by the Senate below the budget estimates considered by that body total $893,738,607 for these seven bills.

Congressional action has been completed on three bills thus far—the third and fourth supplementals for 1961 and the special inter-American aid bill.

The resolution does not appropriate beyond the provisions of the regular bills; all expenditures made under the resolution are chargeable to funds finally appropriated in the regular bills.

The real keyword in the resolution is "continue"—to merely continue activities and functions on an interim basis.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government, namely:

SEC. 101. (a) (1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution) which were conducted in the fiscal year 1961 and for which appropriations, funds, or other authority would be available in the following appropriation acts for the fiscal year 1962:

Legislative Branch Appropriation Act;

General Government Matters, Department of Commerce, and Related Agencies Appropriation Act;

Independent Offices Appropriation Act;

Department of Agriculture and Related Agencies Appropriation Act;

Department of Defense Appropriation Act;

Departments of Labor, and Health, Education, and Welfare Appropriation Act;

Department of the Interior and Related Agencies Appropriation Act;

Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act; and the

Treasury-Post Office Appropriation Act.

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided for by the pertinent appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under the Act listed in this subsection as passed by the House is different from that which would be made available or granted under such Act as passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority.

(4) Whenever an Act listed in this subsection has been passed by only one House or where an item is included in only one version of an Act as passed by both Houses, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower: *Provided,* That no provision which is included in any appropriation Act enumerated in this subsection but which was not included in the applicable appropriation Act for the fiscal year 1961, and which by its terms is applicable to more than one appropriation, fund, or authority, shall be applicable to any appropriation, fund, or authority provided in this joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate.

(b) Such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1961 and listed in this subsection (1) at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, or (2) in the amount or at the rate specified herein:

Atomic Energy Commission;

Department of Defense—Military Construction;

Civil Functions—Department of the Army;

Department of the Interior activities:

Bureau of Reclamation;

Bonneville Power Administration;

Southeastern Power Administration;

Southwestern Power Administration;

Tennessee Valley Authority;

Export-Import Bank;

United States Study Commission—Southeast river basins;

United States Study Commission—Texas;

District of Columbia;

Administration, Ryukyu Islands;

Area redevelopment programs, administrative expenses, $400,000;

Mutual security programs, $485,000,000, to be expended in accordance with provisions of law applicable to such programs during the fiscal year 1961 and at a rate for any individual program not in excess of the current rate therefor: *Provided,* That not to exceed $1,400,000 of the appropriation for "Special assistance, special authorizations", granted in the Mutual Security and Related Agencies Appropriation Act, 1961, shall remain available in accordance with section 102 of this joint resolution; and

Payment to the Federal extended compensation account, $45,000,000.

(c) Such amounts as may be necessary for continuing projects or activities which are disbursed by the Secretary of the Senate, and the Senate items under the Architect of the Capitol, to the extent and in the manner which would be provided for in the budget estimates for the fiscal year 1962.

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) August 31, 1961, whichever first occurs.

SEC. 103. Appropriations and funds made available and authority granted pursuant to this joint resolution may be used without regard to the time limitations set forth in subsection (d) (2) of section 3679 of the Revised Statutes, as amended, and expenditures therefrom shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 104. No appropriation or fund made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity which was not being conducted during the fiscal year 1961. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SOCIAL SECURITY AMENDMENTS OF 1961

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widows' benefits and by making additional persons eligible for benefits under the program, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 611)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widows' benefits and by making additional persons eligible for benefits under the program, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 11.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 26, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "109"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be in-

serted by the Senate amendment insert the following:

"ASSISTANCE FOR RETURNING UNITED STATES CITIZENS

"SEC. 302. Title XI of the Social Security Act is amended by adding at the end thereof the following new section:

"'ASSISTANCE FOR UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES

"'SEC. 1113. (a)(1) The Secretary is authorized to provide temporary assistance to citizens of the United States and to dependents of citizens of the United States, if they (A) are identified by the Department of State as having returned, or been brought, from a foreign country to the United States because of the destitution of the citizen of the United States or the illness of such citizen or any of his dependents or because of war, threat of war, invasion, or similar crisis, and (B) are without available resources.

"'(2) Except in such cases or classes of cases as are set forth in regulations of the Secretary, provision shall be made for reimbursement to the United States by the recipients of the temporary assistance to cover the cost thereof.

"'(3) The Secretary may provide assistance under paragraph (1) directly or through utilization of the services and facilities of appropriate public or private agencies and organizations, in accordance with agreements providing for payment, in advance or by way of reimbursement, as may be determined by the Secretary, of the cost thereof. Such cost shall be determined by such statistical, sampling, or other method as may be provided in the agreement.

"'(b) The Secretary is authorized to develop plans and make arrangements for provision of temporary assistance within the United States to individuals specified in subsection (a)(1). Such plans shall be developed and such arrangements shall be made after consultation with the Secretary of State, the Attorney General, and the Secretary of Defense. To the extent feasible, assistance provided under subsection (a) shall be provided in accordance with the plans developed pursuant to this subsection, as modified from time to time by the Secretary.

"'(c) For purposes of this section, the term "temporary assistance" means money payments, medical care, temporary billeting, transportation, and other goods and services necessary for the health or welfare of individuals (including guidance, counseling, and other welfare services) furnished to them within the United States upon their arrival in the United States and for such period after their arrival as may be provided in regulations of the Secretary.

"'(d) No temporary assistance may be provided under this section after June 30, 1962.'"

And the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"ADDITIONAL FEDERAL PARTICIPATION IN PUBLIC ASSISTANCE PAYMENTS

"SEC. 303. (a)(1) Section 3(a)(1) of the Social Security Act is amended—

"(A) by striking out '$30' and inserting in lieu thereof '$31';

"(B) by striking out '$65' each place it appears therein and inserting in lieu thereof '$66'; and

"(C) by striking out '$80' and inserting in lieu thereof '$81'.

"(2) Section 3(a)(2) of such Act is amended—

"(A) by striking out '$35' each place it appears therein and inserting in lieu thereof '$35.50'; and

"(B) by striking out '$42.50' and inserting in lieu thereof '$43'.

"(b)(1) Section 1003(a)(1) of such Act is amended—

"(A) by striking out '$30' and inserting in lieu thereof '$31'; and

"(B) by striking out '$65' and inserting in lieu thereof '$66'.

"(2) Section 1003(a)(2) of such Act is amended by striking out '$35' and inserting in lieu thereof '$35.50'.

"(c)(1) Section 1403(a)(1) of such Act is amended—

"(A) by striking out '$30' and inserting in lieu thereof '$31'; and

"(B) by striking out '$65' and inserting in lieu thereof '$66'.

"(2) Section 1403(a)(2) of such Act is amended by striking out '$35' and inserting in lieu thereof '$35.50'.

"(d) Effective only for the fiscal year ending June 30, 1962, section 1108 of the Social Security Act (as amended by section 6 of Public Law 87-31) is amended by striking out '$9,425,000', '$318,750', and '$425,000' and inserting in lieu thereof '$9,500,000', '$320,000', and '$430,000', respectively.

"(e) The amendments made by subsections (a), (b), and (c) of this section shall apply only in the case of expenditures made after September 30, 1961, and before July 1, 1962, under a State plan approved under title I, X, or XIV, as the case may be, of the Social Security Act."

And the Senate agree to the same.

W. D. MILLS,
CECIL R. KING,
THOS. J. O'BRIEN,
N. M. MASON,
JOHN W. BYRNES,
Managers on the Part of the House.

HARRY F. BYRD,
ROBERT S. KERR,
RUSSELL B. LONG,
JOHN J. WILLIAMS,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widows' benefits and by making additional persons eligible for benefits under the program, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments Nos. 1, 2, 3, 4, 5, 6, and 7: These are technical amendments. The House recedes.

Amendment No. 8: Section 218(d)(6)(F) of the Social Security Act was enacted in 1958 to grant an additional opportunity to obtain coverage under the old-age, survivors, and disability insurance program to State and local employees who did not elect coverage under an original divided retirement system agreement. Existing law allows employees who did not elect coverage to change their decisions and elect coverage if a modification providing for such coverage is mailed, or otherwise delivered, to the Secretary of Health, Education, and Welfare, before 1960 or (if later) 1 year after the date on which coverage was approved for the group which originally elected coverage.

Under Senate amendment No. 8, the time in which such persons may elect to be covered is extended through December 31, 1962, or (if later) the expiration of 2 years after the date on which coverage was approved for the group which originally elected coverage.

Senate amendment No. 8 also adds a sentence at the end of section 218(d)(6)(F) of the Social Security Act to make it clear that the coverage of the persons described above must begin on the same date that coverage became effective for the group which originally elected coverage.

The House recedes.

Amendment No. 9: This amendment amends section 218(d)(6)(C) of the Social Security Act to add New Mexico to the list of States which are permitted to divide their retirement systems into two divisions for coverage purposes, one division consisting of those members desiring coverage and the other consisting of those who do not, with all new members being covered on a compulsory basis.

The House recedes.

Amendment No. 10: Section 203(f)(3) of the Social Security Act provides that, for purposes of the earned income limitation, an individual's excess earnings for a taxable year are his earnings for such year in excess of the product of $100 multiplied by the number of months in such year, except that of the first $300 of such excess (or all of such excess if it is less than $300), an amount equal to one-half thereof is not to be included. Senate amendment No. 10 amends section 203(f)(3) to strike out "$300" each place it appears therein and to insert in lieu thereof "$500".

The effect of this amendment is to increase from $300 to $500 the area in which only one-half of the earnings are treated as excess earnings. Under existing law, for example, an individual whose taxable year consists of 12 months and who has earnings of $1,700 is treated as having excess earnings of $350 (one-half of $300, plus $200). Under Senate amendment No. 8, he is treated as having excess earnings of $250 (one-half of $500). The amendment is effective for taxable years ending after the date of the enactment of the bill.

The House recedes.

Amendment No. 11: Paragraph (11) of section 2(a) of the Social Security Act contains certain requirements for State plans under title I of the Act which includes medical assistance for the aged. Senate amendment No. 11 adds a new requirement (effective October 1, 1962) under which such a State plan must provide that any individual eligible to receive medical assistance for the aged shall not be precluded by State law or regulation from receiving any care and services which are covered by the State plan from any provider of care or services who is licensed under State law to provide such care and services to individuals who are not recipients of medical assistance for the aged.

The Senate recedes.

Amendment No. 12: This is a clerical amendment.

The House recedes with a clerical amendment.

Amendments Nos. 13, 14, 16, and 18: Section 201(a) of the House bill amends section 1401 of the Internal Revenue Code of 1954 to increase the rates of tax under the Self-Employment Contributions Act of 1954. Each rate provided by existing law for the self-employment tax is increased by three-sixteenths of 1 percent. Senate amendments Nos. 13, 14, 16, and 18 round these rates to the nearest one-tenth of 1 percent.

The House recedes.

Amendments Nos. 15 and 17: Under existing law, an increase in the rate of the tax under the Self-Employment Contributions Act of 1954 is scheduled for taxable years beginning after December 31, 1968. Senate amendments Nos. 15 and 17 provide that this increase in the rate of tax, as modified by the House bill and by Senate amendment No. 18,

is to apply to taxable years beginning after December 31, 1967. Under the conference agreement, the rate of such tax for taxable years beginning after December 31, 1967, will be 6.9 percent.

The House recedes.

Amendments Nos. 19, 20, 21, and 22: Under existing law, an increase in the rate of tax for employers and employees under the Federal Insurance Contributions Act is scheduled to take effect for calenda- year 1969 and subsequent calendar years. Senate amendments Nos. 19, 20, 21, and 22 provide that this increase in the rate of tax, as modified by the House bill, is to apply to the calendar year 1968 and subsequent calendar years. Thus, under the conference agreement the rate of the employer tax, and the rate of the employee tax, for the calendar year 1968 and subsequent calendar years will be 4⅜ percent.

The House recedes.

Amendment No. 23: Senate amendment numbered 23 adds a new section 202 to the bill. Subsection (a) amends section 1402(e) of the Internal Revenue Code of 1954 by adding at the end thereof a new paragraph numbered (6). Under the new paragraph in any case where a minister or Christian Science practitioner dies after September 12, 1960, and before April 16, 1962, his survivor or the fiduciary of his estate may file a certificate, on or before April 15, 1962, electing to have the services of the minister or Christian Science practitioner covered under title II of the Social Security Act. Such a certificate would be effective for the period prescribed in existing law as if filed by the minister or Christian Science practitioner on the date of his death.

Subsection (b) of the new section 202 provides the effective date for the amendment.

The House recedes.

Amendment No. 24: This amendment adds a new section 1113 to title XI of the Social Security Act authorizing, on a permanent basis, a new program of assistance for United States nationals returned from foreign countries.

The House recedes with an amendment which is a substitute for the language proposed to be inserted in title XI by the Senate. Under this substitute, the Secretary of Health, Education, and Welfare is authorized to provide temporary assistance to citizens of the United States and to dependents of citizens of the United States, if (1) they are identified by the Department of State as having returned, or been brought, from a foreign country to the United States because of the destitution of the citizen of the United States or the illness of such citizen or any of his dependents or because of war, threat of war, invasion, or similar crisis, and (2) they are without available resources.

Except in such cases or classes of cases as are set forth in regulations of the Secretary of Health, Education, and Welfare, provision is to be made for reimbursement to the United States by the recipients of the temporary assistance under the new section 1113 to cover the cost of such assistance. In connection with this requirement of reimbursement, it is contemplated that the regulations will include provisions for the assignment of claims in appropriate cases.

The Secretary may provide this assistance directly or through utilization of the services and facilities of appropriate public or private agencies and organizations.

The new provision also authorizes the Secretary of Health, Education, and Welfare to develop plans and make arrangements for provision of temporary assistance within the United States to individuals eligible for such assistance.

For purposes of the new provision, the term "temporary assistance" is defined as meaning money payments, medical care, temporary billeting, transportation, and other goods and services necessary for the health or welfare of individuals (including guidance, counseling, and other welfare services) furnished to them within the United States on their arrival in the United States and for such period after their arrival as may be provided in regulations.

No assistance may be provided under this new section 1113 after June 30, 1962.

Amendment No. 25: Senate amendment No. 25 adds a new section 303 to the bill providing for additional Federal participation during the period July 1, 1961, to June 30, 1962, in public assistance payments under titles I, X, and XIV of the Social Security Act.

Subsection (a)(1) of the new section provides additional Federal participation in old-age assistance payments to States that raise their average payment per recipient under the program. The increase in Federal funds may not exceed the Federal percentage of $2.50 per recipient or, if less, the Federal percentage of expenditures not subject to Federal participation under existing law. In addition, the increase in Federal funds may not exceed the amount of the increase in expenditures over a base period (the quarter beginning January 1, 1961) computed on an average per recipient times the number of recipients basis. In determining this increase, adjustments would be made for the decrease (if any) in assistance from State or local funds.

Subsection (a)(2) of the new section makes approximately proportionate changes in the special provisions applying to Guam, Puerto Rico, and the Virgin Islands.

Subsections (b) and (c) make similar changes in title X (aid to the blind) and title XIV (aid to the totally and permanently disabled).

In general, title I of the Social Security Act provides for Federal financial participation in old-age assistance expenditures by the States equal to—

(1) four-fifths of the first $30 per month of the average old-age assistance payment, plus

(2) the Federal percentage (varying in accordance with relative State per capita income between 50 percent and 65 percent) of the excess of the average monthly old-age assistance payment over $30 but not over $65.

Under the conference agreement the $30 and $65 figures are increased to $31 and $66, respectively. Comparable changes are made in title X (aid to the blind) and title XIV (aid to the totally and permanently disabled) of the Social Security Act.

Approximately proportionate changes are made in the special provisions of titles I, X, and XIV of such act applying to Puerto Rico, the Virgin Islands, and Guam by increasing the $35 per month maximum on the average monthly payment in which the Federal Government participates to $35.50.

Title I of the act also provides for Federal financial participation in the excess of the State average old-age assistance payment per month over $65 but not over $80, but only to the extent that such excess is represented by expenditures in the form of vendor medical care payments. Under the conference agreement the $65 and $80 figures are increased to $66 and $81, respectively. Approximately proportionate changes are made in the vendor medical care payment provisions applying to Puerto Rico, the Virgin Islands, and Guam.

Under the conference agreement, the amendments made to titles I, X, and XIV are to apply only in the case of expenditures made after September 30, 1961, and before July 1, 1962, under State plans approved under such titles.

In conformity with the conference agreement with respect to increased Federal payments to Puerto Rico, the Virgin Islands, and Guam under titles I, X, and XIV, the conference agreement increases the limitations under section 1108 of the Social Security Act on the total amounts which may be paid to them for the fiscal year ending June 30, 1962.

Amendment No. 26: This amendment added a new section 304 to the bill providing that as used in titles I and III of the bill (and in the provisions of the Social Security Act amended thereby) the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

The House recedes.

W. D. MILLS,
CECIL R. KING,
THOS. J. O'BRIEN,
N. M. MASON,
JOHN W. BYRNES,
Managers on the Part of the House.

Mr. MILLS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as Members will recall, as passed by the House, H.R. 6027, the Social Security Amendments of 1961, provided for improved benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefit and aged widows' benefits, by making additional persons eligible for benefits under the program, and by making further improvements in the program. The other body retained all of the substantive provisions of the House bill and, in addition, added 26 amendments, of which about 8 were "substantive" and the remainder were technical or conforming.

Amendments Nos. 1, 2, 3, 4, 5, 6, and 7 of the other body are technical amendments, and the House conferees receded.

Senate amendment No. 8 amends section 218(d)(6)(F) of the Social Security Act, which was enacted in 1958 to grant an additional opportunity to obtain coverage under the old-age, survivors, and disability insurance program to State and local employees who did not elect coverage under an original divided retirement system agreement. Existing law allows employees who did not elect coverage to change their decisions and elect coverage if a modification providing for such coverage is mailed, or otherwise delivered, to the Secretary of Health, Education, and Welfare, before 1960 or—if later—1 year after the date on which coverage was approved for the group which originally elected coverage. The amendment of the other body extends the time in which such persons may elect to be covered through December 31, 1962, or—if later—the expiration of 2 years after the date on which coverage was approved for the group which originally elected coverage. The amendment also adds a sentence at the end of section 218(d)(6)(F) of the Social Security Act to make it clear that the coverage of the persons described above must begin on the same date that coverage became effective for the group which originally elected coverage. Members of the House had bills pending on this subject. Your conferees agreed to this amendment.

Senate amendment No. 9 amends section 218(d)(6)(C) of the Social Security Act to add New Mexico to the list of 16 States which are permitted to divide

their retirement systems into two parts for coverage purposes, one part consisting of those members desiring coverage and the other consisting of those who do not, with all new members being covered on a compulsory basis. Our colleagues from New Mexico were interested in this. It has been customary for the Congress to add States to this list, upon request of the State. The House conferees agreed to this amendment.

Senate amendment No. 10 liberalizes somewhat section 203(f)(3) of the Social Security Act, which is the earnings limitation, more commonly called the "retirement test," or "work clause." Under existing law, an individual can, generally, earn up to $1,200 per year without loss of any benefits; for earnings from $1,200 to $1,500, $1 of benefits is lost for each $2 of earnings; and above $1,500, the reduction is on a dollar-for-dollar basis. The Senate amendment increases, in practical effect, the $1,500 to $1,700. Thus, the effect of this amendment is to increase from $300 to $500 the area in which only one-half of the earnings are treated as excess earnings. Under existing law, for example, an individual whose taxable year consists of 12 months and who has earnings of $1,700 is treated as having excess earnings of $350—one-half of $300, plus $200. Under this amendment, he is treated as having excess earnings of $250—half of $500. The amendment is effective for taxable years ending after the date of enactment of the bill. Your conferees agreed to this amendment.

Under existing law, an increase in the rate of the tax under the Self-Employment Contributions Act of 1954 is scheduled for taxable years beginning after December 31, 1968. Senate amendments Nos. 15 and 17 provide that this increase in the rate of tax, as applied to the self-employed, and as modified by the House bill and by Senate amendment No. 18, is to apply to taxable years beginning after December 31, 1967. Senate amendments Nos. 19, 20, 21, and 22 provide that the increase in the rate of tax for employers and employees which under existing law is scheduled to take effect for calendar year 1969 and subsequent calendar years, as modified by the House bill, is to apply to the calendar year 1968 and subsequent calendar years.

In short, Mr. Speaker, the last scheduled rate step-up is moved forward 1 year. The House conferees receded.

It was explained to the House conferees by the Senate conferees that the changes made by amendments Nos. 15, 17, 19, 20, 21, and 22 were made because of the cost incurred by the liberalization of the retirement test provided by Senate amendment No. 10.

Your House conferees did not agree to the amendment of the other body—No. 11—which would have been added to the medical care bill which was passed last year. The Senate receded on this amendment.

The House conferees receded on Senate amendment No. 12, a clerical amendment.

Under the House bill, section 1401 of the Internal Revenue Code of 1954 was amended to increase the rates of tax under the Self-Employment Contributions Act of 1954 by increasing each rate provided by existing law for the self-employment tax by three-sixteenths of 1 percent. Senate amendments Nos. 13, 14, 16, and 18 round these rates to the nearest one-tenth of 1 percent. The House conferees receded, since this will make it easier to compute the tax.

Amendment No. 23 of the other body adds a new section 202 to the bill, which amends section 1402(e) of the Internal Revenue Code of 1954 by adding at the end thereof a new paragraph (6). Under the new paragraph in any case where a minister or Christian Science practitioner dies after September 12, 1960, and before April 16, 1962, his survivor or the fiduciary of his estate may file a certificate, on or before April 15, 1962, electing to have the services of the minister or Christian Science practitioner covered under title II of the Social Security Act. Such a certificate would be effective for the period prescribed in existing law as if filed by the minister or Christian Science practitioner on the date of his death. Your conferees receded on this amendment.

Since the Senate amendment which moves forward the last scheduled rate increase by 1 year provides funds for the liberalization of the retirement test, we bring back the bill to you insofar as the OASDI feature is concerned in the same actuarial balance that the bill was in when it left the House.

There were some other amendments Mr. Speaker, agreed to in the conference that did not relate to OASDI. One of them has to do with this question of the relief or the satisfying of the relief needs of American citizens who return to the United States from an area that has taken the property of these American citizens. It was a matter submitted to the Congress, and intially referred in the House to the Committee on Foreign Affairs, as I recall. I consulted with the chairman of that committee. He said he had no objection himself to the conference committee accepting this amendment, if the conference committee decided to do so. The amendment is only with respect to 1 fiscal year, from July 1, 1961, to June 30, 1962. It will permit us to do for American citizens the same thing we are now permitted to do under existing law with respect to Cuban refugees who come to the United States and who are penniless and in need. I will explain the amendment in more detail.

The Senate amendment would have added a new section 1113 to title XI of the Social Security Act authorizing, on a permanent basis, a new program of assistance for U.S. nationals returned from foreign countries.

Under the conference agreement, the Secretary of Health, Education, and Welfare is authorized to provide temporary assistance to citizens of the United States and to dependents of citizens of the United States, if first, they are identified by the Department of State as having returned, or been brought, from a foreign country to the United States because of the destitution of the citizen of the United States or the illness of such citizen or any of his dependents or because of war, threat of war, invasion, or similar crisis, and, second, they are without available resources. Except in such cases or classes of cases as are set forth in regulations of the Secretary of Health, Education, and Welfare, provision is to be made for reimbursement to the United States by the recipients of the temporary assistance under the new section 1113 to cover the cost of such assistance. In connection with this requirement of reimbursement, it is contemplated that the regulations will include provisions for the assignment of claims in appropriate cases. The Secretary may provide this assistance directly or through utilization of the services and facilities of appropriate public or private agencies and organizations. The new provision also authorizes the Secretary of Health, Education, and Welfare to develop plans and make arrangements for provision of temporary assistance within the United States to individuals eligible for such assistance. For purposes of the new provision, the term "temporary assistance" is defined as meaning money payments, medical care, temporary billeting, transportation, and other goods and services necessary for the health or welfare of individuals—including guidance, counseling, and other welfare services— furnished to them within the United States on their arrival in the United States and for such period after their arrival as may be provided in regulations. The program under this amendment is limited in time. No assistance may be provided under this new section 1113 after June 30, 1962.

Mr. Speaker, the second amendment we accepted, dealing with old age assistance, increases from $30 to $31 in the first step benefits paid to people under that program at an 80 percent Federal rate and increases the ceiling from $65 for Federal participation in the payment of these benefits to $66.

It will be recalled that when social security amendments were on the floor of the House in another session of the Congress and we were dealing with this matter of public assistance, we passed through the House a bill that did increase the ceiling for Federal participation to $66. That was changed to $65 by the Senate, and at that time the conference committee accepted the Senate amendment leveling it to $65.

This amendment does increase the $65 to $66. It will be in effect from October 1, 1961, to June 30, 1962, under the amendment and will cost, out of the Federal Treausry, an additional $15 million. It should be recognized in that connection, however, Mr. Speaker, that the amendments that are being enacted with respect to the old-age and survivors insurance program reduce the cost of public assistance under the budget figure by $20 million, that we are not

adding $15 million to the budget by the acceptance of this amendment. We are, however, reducing the savings that were in the bill under the budget figure from $20 million to $5 million.

Mr. Speaker, the conference report is signed by all of the managers on the part of the House, and I feel that the House should accept the conference report.

Mr. Speaker, I would like to insert a table, prepared by the Department of Health, Education, and Welfare, showing a State-by-State projection of the public assistance amendment distribution:

Public assistance: Estimated additional Federal funds to be paid to States as a result of formula change [1] in H.R. 6027, Oct. 1, 1961–June 30, 1962

	Total	Old-age assistance	Aid to the blind	Aid to the permanently and totally disabled
United States	$15,225,400	$12,693,200	$532,000	$2,000,200
Alabama	436,300	383,600	6,000	46,700
Alaska	10,900	10,200	700	[2]
Alazona	73,600	67,300	6,300	[2]
Arikansas	253,700	217,400	7,700	28,600
Cralifornia	2,009,500	1,826,100	94,900	88,500
Colorado	380,600	337,500	2,100	41,000
Connecticut	120,500	101,800	2,200	16,500
Delaware	11,400	6,700	1,800	2,900
District of Columbia	38,200	16,500	1,500	20,200
Florida	392,400	333,000	11,800	47,600
Georgia	471,000	369,000	13,900	88,100
Hawaii	15,300	7,700	600	7,000
Idaho	61,900	52,300	1,100	8,500
Illinois	542,500	381,400	21,200	139,900
Indiana	151,000	137,600	13,400	[2]
Iowa	257,000	241,900	10,300	4,800
Kansas	233,800	199,200	4,300	30,300
Kentucky	255,200	215,300	9,300	30,600
Louisiana	989,200	905,700	20,100	63,400
Maine	58,900	41,400	1,700	15,800
Maryland	87,900	51,700	2,300	33,900
Massachusetts	545,900	455,900	15,500	74,500
Michigan	459,500	410,300	12,500	36,700
Minnesota	349,700	330,200	7,600	11,900
Mississippi	382,800	310,900	23,100	48,800
Missouri	$683,100	$582,300	$21,700	$79,100
Montana	43,000	31,800	2,200	9,000
Nebraska	89,800	68,900	5,600	15,300
Nevada	15,200	13,900	1,300	[2]
New Hampshire	39,600	34,600	1,800	3,200
New Jersey	196,400	136,400	6,700	53,300
New Mexico	68,900	48,700	1,400	18,800
New York	765,200	475,700	25,300	264,200
North Carolina	280,300	184,100	19,800	76,400
North Dakota	60,100	51,100	700	8,300
Ohio	604,500	483,300	25,100	96,100
Oklahoma	719,100	634,800	13,100	71,200
Oregon	157,000	119,500	1,800	35,700
Pennsylvania	411,900	270,400	45,500	96,000
Rhode Island	70,500	48,000	900	21,600
South Carolina	157,500	120,400	6,600	30,500
South Dakota	38,100	33,000	600	4,500
Tennessee	258,900	209,300	10,400	39,200
Texas	1,013,300	954,800	27,500	31,000
Utah	51,700	32,100	800	18,800
Vermont	22,400	18,800	400	3,200
Virginia	86,200	55,900	4,800	25,500
Washington	398,500	341,100	5,100	52,300
West Virginia	104,800	72,600	3,900	28,300
Wisconsin	279,500	244,400	6,700	28,400
Wyoming	21,200	16,700	400	4,100

[1] Average maximum on 1st part of payment subject to 4/5 matching raised from $30 to $31; overall average maximum raised from $65 to $66 with $15 additional in old-age assistance. Assumes increase in Federal funds will be passed on to recipients.
[2] No program in operation.

Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Speaker, I signed the conference report on H.R. 6027, the Social Security Amendments of 1961. However, I would say to the House membership that I did so reluctantly; and, in fact, one amendment that was adopted in conference I opposed most strenuously. I will make specific reference to this controversial amendment later in my brief remarks.

As far as the basic provisions which were adopted by this House when we first considered this legislation are concerned, the Senate made no changes of any substance. It will be recalled that as this legislatiton passed the House it was limited in its substantive scope to apply exclusively to the OASDI provisions of the Social Security Act. The House-passed bill increased the minimum benefit from $33 to $40, reduced from age 65 to age 62 the point at which a man could become eligible for benefits, liberalized the insured status requirement so that benefit eligibility could be claimed with 1 out of 4 quarters of coverage instead of 1 out of 3 quarters of coverage, increased the benefit percentage of the primary insured amount for certain dependents, and extended for 1 year the filing period for disability for purposes of determining benefit eligibility. The bill also provided for an increase in the tax rates so as to finance the benefit liberalizations provided in the bill.

The other body adopted one OASDI amendment, Mr. Speaker, which I believe was particularly meritorious and the action by the conference committee was to retain that amendment. That amendment pertained to what is known as the retirement test, or the limitation on amount that a beneficiary may earn without incurring a loss of benefit rights. It will be recalled that during the House consideration of H.R. 6027, the Republican Members of the House joined in supporting an amendment to the bill which would have liberalized this retirement test. That move was defeated by the House, but a Senate amendment that was approved accomplishes substantially the objective of the amendment that we considered in the House, although it is more limited than the action that we would have taken.

The House amendment would have increased the ceiling from $1,500 to $1,800 at which there is imposed a dollar loss of benefit entitlement for each dollar earned. This amendment would have broadened the $300 band between the range from $1,200 to $1,500 under present law to a range of $1,200 to $1,800 within which an individual would lose $1 in benefit for every $2 earned. As I said, this Republican endeavor was defeated in the House. The Senate amendment accomplished substantially the objective of this House Republican amendment except that instead of going to a $1,800 limit the ceiling would be $1,700. The cost of this liberalization under the Senate amendment which the House conferees accepted would be defrayed by advancing 1 year to 1968 the tax rate increases scheduled under existing law to occur beginning January 1, 1969.

On that amendment, Mr. Speaker, I have said the House yielded, and I think we were wise in yielding; and we bring to you that change.

I would speak now, though, Mr. Speaker, of two amendments that were added to the House bill that do not relate to the old age, survivors and disability insurance system, which is what we confined ourselves to in the House bill. These Senate amendments on which I will now comment relate to the area of the public assistance programs such as old-age assistance, aid to the blind, and aid to the disabled.

One of these two amendments adds an entirely new category of assistance that will be considered as part of our public assistance programs; namely, assistance to returning citizens of the United States from foreign countries who may be ill and destitute and in need.

First, let me address myself to this amendment which concerns a completely new program. This will be a program financed entirely with Federal funds to assist citizens of the United States and dependents of citizens of the United States who return from a foreign country without available resources. My criticism of this amendment is not that I am unwilling to have a Federal program operate in this area. Instead, my concern is directed toward the fact that the Congress has no knowledge of what is really planned in the way of a program in this area. We are in effect giving a blanket authorization and practically a blank check to the Secretary of Health, Education, and Welfare. I would hope that the Commitee on Appropriations will look at this program and proposed expenditure very closely so that the funds granted are consistent with the justifications presented. I would hope that the Committee on Appropriations would not follow the course of just giving a blanket authorization or a blank check as we were obliged to do in the conference meeting.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. I would like to join the gentleman from Wisconsin in the expression of that expectation and hope. I think we did about all we could do in conference with respect to this matter. I think my esteemed and able friend will agree with that statement. It should be pointed out we have done this for only 1 fiscal year. We can check it again.

Mr. BYRNES of Wisconsin. I agree with the distinguished gentleman. I am sure the Chairman would concur that I insisted we could not go beyond 1 year and that next year we had to take a completely fresh look at this thing and really go into details of the proposal before any kind of an extension or a permanent authorization is made.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. MILLS. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. BYRNES of Wisconsin. Mr. Speaker, it is true that the Congress will have an opportunity to review the program next year, but if there is an urgent need for such program I am unable to understand why the administration has not come forward with detailed plans prior to this time. In view of all the other details for programs we have been exposed to and will be exposed to in months to come that have been sent to Congress from the administration, where are the details for this program? The administration knew this problem existed. The administration did not bring the proposal before the Committee on Ways and Means but waited in the Senate until the last minute, the end of the fiscal year, and then in panic say they have to have this authority. I agree that there is a problem here that has to be met, but I complain of the way this has been handled by the administration and the way the executives have put us in a position where we have to put a blank OK on something about which we know nothing of the details. To that I protest most strongly as a member of the Committee on Ways and Means and a Member of the House.

The second Senate amendment in the area of public assistance that I would address myself to that was accepted in conference and which I opposed provides for an increase in Federal participation in the various public assistance programs. What we have done here, Mr. Speaker, is without any request or recommendation for it. There has been no request from the administration. I have not heard from any State public welfare administration that has come to us and said, "We need this additional help."

At this time when our budget is in a precarious situation and certainly that was pointed out a few days ago in the debate on legislation increasing our borrowing capacity because of the deficit spending in which we are presently engaged—in spite of that budget situation, this amendment finds Congress acting on public assistance without any justification, request, or recommendation, that was presented to us. In fact, this amendment was approved against the administration's position. It hands out $15 million more in Federal funds to the States.

Now, I will say this: I think the amendment that was adopted in the conference is better than the amendment that was adopted by the Senate, which would have involved $20 million and given half of the total cost to five States. At least under the House-Senate conference agreement every State gets something.

But, I would point out that a very interesting thing happened in the conference. The administration spokesmen said they opposed this amendment. They said, in fact, that they did not want any amendment to any existing public assistance program until they were able to review the whole program. But while they took that position, they constantly were giving suggestions as to how we could sweeten the thing up so that we could get it out of conference. I never heard such doubletalk in all my life in a conference on any bill as I did with respect to this item. The doubletalk from the Department of Health, Education, and Welfare, as to whether this was a good or bad amendment and whether or not it should be adopted was unbelievable. In one breath they say, "You cannot have it"; but in the other breath they would say, "Here it is sweetened up enough in the conference so that we can get it out." Mr. Speaker, such confused policy in conflict with a stated position, contradicted by a different stated suggestion, does not, in my opinion, seem conducive to sound thinking with respect to fiscal policy or welfare program planning.

The cost of the amendment, as adopted by the House-Senate conference, as I have indicated, will be somewhat in excess of $15 million for the 9-month period it will be in effect. This is $15 million that the Federal Government does not have to spend which will be added to what the public debt otherwise would be and which will be given to the States that have not asked for the increase.

In effect we are asked to approve additional Government spending we cannot afford for a program change that is opposed by the administration to give unsolicited money to the States. We are asked to undertake a program of added Federal cost to accomplish a result that could be better undertaken by the States to the extent the States determined there was need for the expanded programs.

Mr. Speaker, I will not talk further on this conference report. I support the adoption of the report but express regret that the House conferees accepted those Senate amendments that I have briefly criticized in my remarks this afternoon.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks in the RECORD at this point, and I ask unanimous consent to revise and extend my remarks and to include certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. LOSER. Mr. Speaker, some weeks ago I introduced a bill amending the social security law so as to afford municipal and State employees another opportunity to elect to become members of the social security system. My bill would extend the period for making the election for 2 years. While this group of public employees has had two opportunities to make this election, many of them were not fully informed as to the benefits that would be extended them under the system. Many of these people in my area have importuned me to assist them in this regard.

I am happy, Mr. Speaker, that under the conference report on the bill amending the social security law, as explained by the distinguished chairman of the Committee on Ways and Means, Mr. MILLS, of Arkansas, another opportunity is extended public employees to make the election as to whether they will become members of the system. This extension of time for making this election is for a period of 2 years.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FREE IMPORTATION OF WILD BIRDS AND WILD ANIMALS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 7678) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 1607(a) of the Tariff Act of 1930 (19 U.S.C. 1201, par. 1607(b)) is amended to read as follows:

"(b) Wild animals and wild birds imported specially for exhibition, whether intended to be used by the importer or for sale for such purpose."

SEC. 2. The amendment made by the first section of this Act shall take effect on the tenth day following the date of the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 7678, which was introduced by our colleague, the Honorable CHARLES M. TEAGUE, of California, is to amend paragraph 1607(b) of the Tariff Act of 1930, as amended, to permit the free importation of wild birds and wild animals imported specially for exhibition,

whether intended to be used by the importer or for sale for such purpose.

At the present time, paragraph 1607(b) permits the free importation of such wild animals and wild birds intended for exhibition in zoological collections for educational or scientific purposes, and not for sale or profit. The bill would extend this duty-free treatment to wild animals and wild birds imported by any importer for exhibition for any purpose and also such animals and birds imported by a person or firm who in turn would sell the animals or birds for ultimate use in exhibitions for any purpose.

In the light of the noncompetitive character of the imports in question, the Committee on Ways and Means feels that all animal and bird exhibitors should be able to purchase directly or from dealers those live specimens which they believe enhance the quality of their exhibitions without having to pay import duties directly or indirectly on such specimens. The bill would also serve to eliminate certain customs procedures which surround dutiable importations and thereby permit rapid customs clearance of specimens which could be damaged by delayed customs clearance.

H.R. 7678 embodies amendments suggested by the Departments of State, Commerce, and Treasury to H.R. 1094. H.R. 7678 supersedes H.R. 1094.

The Committee on Ways and Means is unanimous in recommending passage of H.R. 7678.

Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MASON] may extend his remarks at this RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MASON. Mr. Speaker, H.R. 7678 would amend the Tariff Act of 1930, as amended, so as to permit the free importation of wild birds and wild animals imported for exhibition whether intended to be used by the importer or to be sold by him for exhibition purposes.

Present law now authorizes the free importation of wild animals and birds that are to be exhibited in zoological collections for educational or scientific purposes provided they are not intended for sale or profit. The bill which has just passed the House would extend the duty-free treatment to such animals and birds imported by an importer for exhibition for any purpose as well as animals and birds imported by an individual who in turn would sell the animals and birds for exhibition purposes.

The animals and birds to be imported under this legislation would essentially be of a noncompetitive character with anything available domestically. In addition, the bill would eliminate certain customs procedures which make the importation of such animals and birds a difficult practice.

The Committee on Ways and Means was unanimous in recommending approval of this legislation which was cosponsored by our distinguished colleagues from California, Mr. UTT and Mr. TEAGUE.

FREE ENTRY OF TOWING CARRIAGE FOR UNIVERSITY OF MICHIGAN

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 5852) to provide for the free duty of a towing carriage for the use of the University of Michigan.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to admit free of duty one towing carriage and appurtenances (whether arriving in one shipment or in separate shipments) imported for the use of the University of Michigan.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 5852, which was introduced by our colleague, the Honorable GEORGE MEADER, of Michigan, is to authorize and direct the Secretary of the Treasury to admit free of import duties one towing carriage and appurtenances imported for the use of the University of Michigan.

The University of Michigan has a large ship model towing tank which was built in 1904. Except for the Navy's David Taylor Model Basin installation near Bethesda, Md., the University of Michigan's facility is the largest of its kind in the United tSates.

The towing tank, which is used for experimental testing and research on model vessels under simulated sea conditions, is spanned by a towing carriage which runs on precisely ground rails mounted along the top walls of the tank. Measuring instruments and cameras are mounted on the carriage which tows and guides the ship models under test over the length of the tank.

The new carriage which this bill would permit to be entered free of duty by the University of Michigan is fitted with an electronic speed control, air brakes, and a drag measuring dynamometer. The carriage was built by the only firm in the world which specializes in the design and construction of ship model laboratory equipment. The Committee on Ways and Means understands that no company in the United States specializes in such design and construction.

The University of Michigan testing facility performs many research projects for the Maritime Administration and the Bureau of Ships of the Navy Department. Since the Navy's facility in Maryland is frequently overloaded with work, it is customary to contract work with the University of Michigan. Also, at the present time, some 25 to 30 students sponsored by the U.S. Navy are studying naval architecture and marine engineering at the University of Michigan. In addition, eight U.S. Coast Guard officers are studying for their master's degree in naval architecture.

The towing carriage which is the subject of the bill will serve to modernize and update the university's testing facility. The Committee on Ways and Means feels that it is in the national interest that the University of Michigan not be burdened with substantial import duties in its efforts to modernize this ship research facility which is used to a large extent in testing work for the Federal Government and in training Navy and Coast Guard personnel.

The Committee on Ways and Means was unanimous in recommending passage of H.R. 5852.

Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MASON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MASON. Mr. Speaker, the legislation which has just passed the House, H.R. 5852, would authorize the duty-free entry of a towing carriage and appurtenances therefor by the University of Michigan to be used in its ship model towing tank. This tank is used for experimental testing and research with respect to water vehicles and vessels under simulated sea conditions. The towing carriage concerned in this bill would span the tank and operate on rails mounted over the tank. Various measuring instruments and photographic apparatuses are mounted on the carriage. The carriage provides the movement and direction of the ship models under test.

This nautical testing facility at the University of Michigan performs many research services for Government agencies, such as the Bureau of Ships of the Navy Department and the Maritime Administration. In addition, naval, Coast Guard, and maritime personnel are trained at the University of Michigan.

The towing carriage proposed to be imported duty free under this bill will help to modernize the testing facility at the university. The towing carriage was built by the only firm in the world which specializes in the development and manufacture of ship model laboratory equipment.

The Committee on Ways and Means was unanimous in favorably reporting this legislation which was introduced and sponsored by the distinguished gentleman from Michigan, Mr. MEADER. It is appropriate that the House has acted favorably on this meritorious proposal.

DUAL-RATE CONTRACT AGREEMENTS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2154) to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual-rate contract agreements.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ARENDS. Mr. Speaker, reserving the right to object, and I shall not object, is it my understanding that this bill has been cleared on both sides of the aisle by the membership of your committee?

Mr. BONNER. That is right.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, the interim legislation authorizing the continuation of the conference-dual-rate shipping system will expire tomorrow night. It is necessary that it be extended for an additional period of time in order to give the Senate an adequate opportunity to give study and consideration to the permanent dual-rate measure now pending before it. That measure was approved by the House only a couple of weeks ago, and the Senate, therefore, has not had sufficient time to give it the study which the measure requires.

On yesterday the Senate approved a 1-year extension of the interim legislation. The House Committee on Merchant Marine and Fisheries this morning agreed to an extension until September 15, 1961, with the thought in mind that the shorter extension might give the Senate ample time to consider the permanent dual-rate measure. It was understood, however, that if the shorter period proved to be insufficient an additional extension could be obtained before adjournment of this session of Congress.

The House committee held hearings on the conference-dual-rate shipping problem for more than 2 years. During that same time the House Judiciary Committee investigated and held hearings on antitrust aspects of the shipping conference system. It is my understanding that its report is about ready to be submitted. I sincerely hope that the report of the Judiciary Committee will be completed in time for the Senate to have the benefit thereof during its consideration of the permanent dual-rate measure.

Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. MCCULLOCH] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MCCULLOCH. Mr. Speaker, I should like to register my support for this extension of interim dual-rate legislation to September 15 of this year. Certainly, in view of the other body's request for additional time to study the matter, legislative courtesy dictates that we grant it to them.

Furthermore we can hardly do less, considering that it took two committees of this body almost 3 years to complete their studies of this complicated matter of ocean shipping and to reach their legislative recommendations and conclusions.

I believe this short extension will serve another useful purpose. The Antitrust Subcommittee of your Judiciary Committee, of which I am ranking minority member, will soon complete its study of the ocean freight industry and issue its report. I am informed that, unless the investigation is reopened during the interim period, the report should be ready and available in the next month or so.

I regret that the summation, recommendations, and conclusions of our 3-year study of the shipping industry were not available to assist this body in its own recent deliberations on dual-rate legislation.

It would be improvident, indeed, if this report were not available at all to contribute to the solution of the legislative dilemma in which we find ourselves.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "To amend the Shipping Act, 1916", approved August 12, 1958 (72 Stat. 574), as amended by an Act approved June 29, 1960 (74 Stat. 253), is further amended by striking out "1961" and inserting in lieu thereof "1962".

Mr. BONNER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Strike out all after the enacting clause and insert in lieu thereof the following: "That section 2 of the Act entitled 'To amend the Shipping Act, 1916', approved August 12, 1958 (72 Stat. 574), as amended by an Act approved June 29, 1960 (74 Stat. 253), is further amended by striking out 'June 30, 1961' and inserting in lieu thereof 'September 15, 1961'."

Mr. CELLER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I shall not oppose the amendment. I simply want to indicate that the temporary exemption from the antitrust laws permitting steamship conferences to use the dual-rate system was enacted originally for 2 years after the Isbrandtsen case was decided by the Supreme Court of the United States in May 1958. This case held dual-rate conferences to be illegal as violation of the Shipping Act and antitrust principles. That moratorium gave the shipping industry ample opportunity to put their house in order and to provide suitable criteria protecting the public, other industries, and the Government with reference to the carrying out of dual-rate agreements. They had 2 years, but then they asked for another year's exemption. The Congress extended the period 1 more year. Now they are asking once again for a further extension.

I have no objection to a short extension; namely, for 60 or 75 days, which is the import of the bill now before us. But it would be untoward and unseemly to grant the shipping industry any further time beyond September 15. They are insistent upon extension after extension. This attitude is intolerable. I shall oppose any more extensions after September 15. The gentleman from North Carolina [Mr. BONNER] has labored long and hard as chairman of the Merchant Marine and Fisheries Committee and has produced a bill that will give the industry what it wants but will also protect those who do business with the industry. The House has passed that bill unanimously and the Senate committee has already held hearings on it.

I sound a warning to the membership of the House that if any efforts are made to grant any further extensions I shall then go to the well of the House and indicate at some length the unsavory details and practices followed by this industry that were developed by the inquiry conducted by the House Committee on the Judiciary. It is needless to do that at this point, but if efforts are made by the insistent, and I should almost say truculent, lobby of the shipping industry to further prolong this situation I shall be compelled to take that course.

Furthermore, if this industry continues its insidious campaign of delay and procrastination I shall also reopen our Judiciary Committee hearings on this industry and challenge the industry to establish clearly on the public record just why they need such an extraordinary exemption from the fabric of our antitrust laws. The public needs to be protected now, not next year or 2 years hence or 3 years hence.

The public needs to be protected from an industry which the Comptroller General has found, according to testimony before the Antitrust Subcommittee, is guilty of overcharges on U.S. Government-financed shipments of grain of over $300,000 for 2 years in one small trade area. And this is the same industry which includes a prominent line found by the subcommittee to be guilty of fraudulent rebate and whose vice president stated:

> I don't want to make any excuse for it, because it was wrong, our people were wrong. Ethnically, morally, and every other way. And I can tell you we don't condone such practice and I am ashamed to have to sit and see a letter like that in the file.

Notwithstanding such statements our subcommittee discovered about 210 apparent violations of law by members of this industry. These were referred to the Maritime Board and to the Department of Justice where action is being taken. A grand jury has been impaneled to look into these matters further.

I could go on with this catalog, Mr. Speaker, but time does not now permit. I merely wish to emphasize here and now that it is high time that Congress acted to protect the public and any delay in enacting such protection beyond the end of this session would be intolerable.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PUBLIC LAW 87-36

Mr. CELLER. Mr. Speaker, I call up the bill (S. 2083) to correct a technical inaccuracy in the act of May 19, 1961 (Public Law 87-36), and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is the nature of this bill?

Mr. CELLER. It is simply to make a correction of a technical mistake in the omnibus judgeship bill. There was the insertion of title 18 and it should be title 28; the correction is the "2" for the "1," that is all. The bill has already passed the Senate.

Mr. GROSS. It does not provide for any more judges?

Mr. CELLER. No, indeed.

Mr. GROSS. I should hope not, in view of the 73 new judges voted a few weeks ago. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(e) of the Act of May 19, 1961 (Public Law 87-36), is amended by striking out "title 18" and inserting in lieu thereof "title 28".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPANSION OF FUNCTIONS OF COAST GUARD

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6845) to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard, with a Senate amendment thereto, disagree to the Senate amendment and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California?

The Chair hears none, and appoints the following conferees: Messrs. GEORGE P. MILLER, DINGELL, LENNON, PELLY, and MCDONOUGH.

REPORT OF JUDICIAL CONFERENCE OF THE UNITED STATES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 250 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the report entitled "Report on the Powers and Responsibilities of the Judicial Councils", by the Judicial Conference of the United States, March 13, 14, 1961, together with a foreword by the Honorable EMANUEL CELLER, chairman of the Committee on the Judiciary, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF THE CONSTITUTION OF THE UNITED STATES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 251 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That there is hereby authorized to be printed as a House document the Constitution of the United States, with an index and ancillaries regarding proposed amendments prepared by Representative EMANUEL CELLER, and that sixteen thousand five hundred additional copies be printed and prorated to the Members of the House of Representatives for a period of ninety days, after which time the unused balance shall revert to the Committee on the Judiciary.

With the following committee amendment:

Line 7, strike out "a period of ninety days" and insert "the duration of the Eighty-seventh Congress".

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL ACCOUNTING OFFICE

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 259 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the compilation of General Accounting Office findings and recommendations for improving Government operations, fiscal year, 1960, be printed as a House document; and that two thousand additional copies be printed for the use of the Committee on Government Operations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LANGUAGE AS A COMMUNIST WEAPON

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 292 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities twenty thousand additional copies of a consultation with Doctor Stefan T. Possony entitled "Language as a Communist Weapon", Eighty-sixth Congress, first session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

"THE KREMLIN'S ESPIONAGE AND TERROR ORGANIZATIONS"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 293 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities twenty thousand additional copies of the testimony of Petr S. Deriabin, former officer of the Union of Soviet Socialist Republics committee of state security (KGB) entitled "The Kremlin's Espionage and Terror Organizations", at hearings held by that committee during the Eighty-sixth Congress, first session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

"THE IDEOLOGICAL FALLACIES OF COMMUNISM"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 294 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities thirty-six thousand additional copies of staff consultations with Rabbi S. Andhil Fineberg, Bishop Fulton J. Sheen, and Doctor Daniel A. Poling entitled "The Ideological Fallacies of Communism", Eighty-fifth Congress, first session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

"COMMUNISM IN THE NEW YORK AREA—ENTERTAINMENT"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 295 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities six thousand additional copies of the hearings held by that committee in the New York area entitled "Communism in the New York Area—Entertainment", Eighty-fifth Congress, second session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

"COMMUNIST PSYCHOLOGICAL WARFARE—BRAINWASHING"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 296 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities fifty thousand additional copies of a consultation with Edward Hunter, author and foreign correspondent, entitled "Communist Psychological Warfare—Brainwashing", Eighty-fifth Congress, second session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

"PATTERNS OF COMMUNIST ESPIONAGE"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 297 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed for the use of the Committee on Un-American Activities fifteen thousand additional copies of House Document Numbered 119, Eighty-sixth Congress, first session, entitled "Patterns of Communist Espionage".

The resolution was agreed to.

A motion to reconsider was laid on the table.

"SOVIET TOTAL WAR—HISTORIC MISSION OF VIOLENCE AND DECEIT"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 307 and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities five thousand additional copies each of volumes I and II of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit", Eighty-fifth Congress, first session.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

"COMMUNIST TRAINING OPERATIONS—COMMUNIST ACTIVITIES AND PROPAGANDA AMONG YOUTH GROUPS"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 308 and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities eight thousand additional copies each of parts 1, 2, and 3 of the hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups", held by that committee during the Eighty-sixth Congress.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

"THE NORTHERN CALIFORNIA DISTRICT OF THE COMMUNIST PARTY — STRUCTURE — OBJECTIVES—LEADERSHIP"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 309 and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities ten thousand additional copies each of parts 1, 2, 3, and 4 of the hearings held by that committee in San Francisco entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership", Eighty-sixth Congress, second session.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE RECOMMENDATIONS BY HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution, House Concurrent Resolution 310, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities twenty thousand additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress", Eighty-sixth Congress, second session.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

HOUSE DOCUMENT 336—FACTS ON COMMUNISM, VOLUME I, THE COMMUNIST IDEOLOGY

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution, House Concurrent Resolution 311, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed thirty thousand additional copies of House Document 336, Eighty-sixth Congress, second session, entitled "Facts on Communism—Volume I, the Communist Ideology" of which fifteen thousand copies shall be for the use of the Committee on Un-American Activities and fifteen thousand copies shall be prorated to the Members of the House of Representatives for a period of ninety days after which time the unused balance shall revert to the Committee on Un-American Activities.

With the following committee amendment:

On line 8, strike out "a period" and on line 9, strike out "of ninety days" and insert "the duration of the Eighty-seventh Congress".

The committee amendment was agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF INAUGURAL ADDRESSES OF THE PRESIDENTS AS A HOUSE DOCUMENT

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution, House Concurrent Resolution 320, and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That a collection of inaugural addresses, from President George Washington to President John F. Kennedy, compiled from research volumes and State papers by the Legislative Reference Service, Library of Congress, be printed as a House document; and that five thousand four hundred and forty additional copies be printed, of which four thousand four hundred and ten copies shall be for the use of the House of Representatives, and one thousand and thirty copies for the use of the Senate.

With the following committee amendment:

On line 6, after the word "printed" insert "with illustrations".

On line 6, strike out "five thousand" and strike out all of lines 7, 8, 9, and 10 and insert "ten thousand eight hundred and eighty additional copies be printed, of which eight thousand eight hundred and twenty copies shall be for the use of the House of Representatives, and two thousand and sixty copies for the use of the Senate."

The committee amendment was agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON FOREIGN AFFAIRS

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution, House Resolution 348, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That (a) it is the purpose of this resolution to enable the House of Representatives more properly to discharge and coordinate its activities and responsibilities in connection with participation in various interparliamentary institutions and to facilitate the interchange and reception in the United States of members of foreign legislative bodies and permanent officials of foreign governments.

(b) There shall be paid out of the contingent fund of the House, until otherwise

provided by law, such sums as may be necessary, but not to exceed $5,000 in any calendar year, for payment of expenses incurred in carrying out this section.

SEC. 2. In order to further carry out the purposes of this resolution the Committee on Foreign Affairs is authorized to employ one additional employee at a rate of compensation to be fixed by the chairman of such committee in accordance with section 202(e) of the Legislative Reorganization Act of 1946. There shall be paid out of the contingent fund of the House, until otherwise provided by law, such sums as may be necessary to carry out this section.

With the following committee amendment:

On line 12, after the word "section" strike out the period and insert "on vouchers signed by the chairman of the Committee on Foreign Affairs, and approved by the Committee on House Administration."

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa.

Mr. GROSS. Do you suppose that if the Foreign Affairs Committee got this new employee it could get the foreign giveaway bill to the House before the last gong is rung in a session of the Congress? Does the gentleman think that this would be helpful to the committee to that extent?

Mr. HAYS. I would say to the gentleman, first, that the Committee on Foreign Affairs has fewer employees than any major committee of the House. Second, I am just as anxious to get this particular legislation out as the gentleman is, and perhaps more so. I would hope that this would help.

Mr. GROSS. I will say to the gentleman, and this is a personal observation, entirely personal on my part, that I am going to be disappointed because I have a birthday tomorrow and up to this time, I think I have celebrated every birthday since I have been a Member of the Congress in the consideration of an authorization for a foreign giveaway program. This, as I say, has happened year after year and I am going to be disappointed tomorrow.

Mr. HAYS. I would just like to take this opportunity to wish the gentleman a happy birthday, notwithstanding.

Mr. GROSS. I thank the gentleman.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUSE DOCUMENT 198—"THE COMMISSION ON INTERGOVERNMENTAL RELATIONS"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution, House Concurrent Resolution 327, and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed four thousand six hundred additional copies of House Document Numbered 198 of the Eighty-fourth Congress, first session, entitled "The Commission on Intergovernmental Relations", of which four thousand shall be for the use of the House Committee on Government Operations, three hundred copies for the House document room, and three hundred copies for the Senate document room.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF "U.S. DEFENSE POLICIES IN 1960" AS HOUSE DOCUMENT

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution, House Resolution 349, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the document entitled "United States Defense Policies in 1960" by Charles H. Donnelly, Library of Congress, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR INCREASED DISTRIBUTION OF CONGRESSIONAL RECORD TO FEDERAL JUDICIARY

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (S. 1748) to provide for the increased distribution of the CONGRESSIONAL RECORD to the Federal judiciary.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 73 of the Act of January 12, 1895, as amended (44 U.S.C. 183), relating to the gratuitous distribution of the CONGRESSIONAL RECORD is further amended (a) by inserting therein immediately after the paragraph reading:

"To the offices of the Marshal and Clerk of the Supreme Court of the United States, each, two copies of the daily and one semimonthly copy."

an additional paragraph reading as follows:

"To each United States circuit and district judge, and to the chief judge and each associate judge of the United States Court of Claims, the United States Court of Customs and Patent Appeals, the United States Customs Court, the Tax Court of the United States, and the United States Court of Military Appeals, upon request to a Member of Congress and notification thereof by such Member to the Public Printer, one copy of the daily. Copies so furnished shall be in addition to those authorized to be furnished to Members of Congress under the foregoing provisions of this section."

and (b) by inserting therein immediately after the paragraph reading:

"To the library of the Supreme Court of the United States, two copies of the daily, two semimonthly copies, and not to exceed five bound copies."

an additional paragraph reading as follows:

"To the library of each United States Court of Appeals, each United States District Court, the United States Court of Claims, the United States Court of Customs and Patent Appeals, the United States Customs Court, the Tax Court of the United States, and the United States Court of Military Appeals, upon request to the Public Printer, one bound copy."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRINTING OF PAMPHLET "OUR CAPITOL" AS A SENATE DOCUMENT

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up the concurrent resolution, Senate Concurrent Resolution 17, and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed as a Senate document, with illustrations, the pamphlet entitled "Our Capitol"; and that three hundred and twenty-three thousand five hundred additional copies shall be printed, of which one hundred and three thousand copies shall be for the use of the Senate and two hundred and twenty thousand five hundred copies for the use of the House of Representatives.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING ADDITIONAL COPIES OF PART I OF HEARING ON MIGRATORY LABOR

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 23 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Labor and Public Welfare two thousand additional copies of part I of the hearing on migratory labor held before its Subcommittee on Migratory Labor during the Eighty-sixth Congress, first session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF CERTAIN PUBLICATIONS OF SENATE COMMITTEE ON THE JUDICIARY

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 24 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall

be printed, for the use of the Senate Committee on the Judiciary, the numbers of copies specified of the following publications of its Internal Security Subcommittee:

(1) "The Technique of Soviet Propaganda" (committee print, Eighty-sixth Congress, second session), ten thousand copies;

(2) "Khrushchev's Strategy and Its Meaning for America" (committee print, Eighty-sixth Congress, second session), five thousand copies;

(3) "Communist Leadership 'Tough Guy' Takes Charge" (hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, February 2 and 3, 1960), five thousand copies;

(4) "The Korean War and Related Matters" (committee print, report, Eighty-fourth Congress, first session), five thousand copies;

(5) "Subversive Influence in the Educational Process" (committee print, report dated July 17, 1953, Eighty-third Congress, first session), five thousand copies;

(6) "Interlocking Subversion in Government Departments" (committee print, report dated July 30, 1953, Eighty-third Congress, first session), five thousand copies;

(7) "Activities of United States Citizens Employed by the United Nations" (committee print, report dated March 22, 1954, Eighty-third Congress, second session), five thousand copies;

(8) "Documentary Proof That the Communist Party, U.S.A., Teaches and Advocates the Overthrow and Destruction of the United States Government by Force and Violence" (committee print, Eighty-second Congress, second session), five thousand copies; and

(9) "Fair Play for Cuba Committee" (hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, April 29, May 5, and October 10, 1960, and January 10, 1961), five thousand copies.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF PROCEEDINGS OF NATIONAL WATER RESEARCH SYMPOSIUM

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 27, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That the proceedings of the National Water Research Symposium, sponsored by the National Reclamation Association and the National Association of Soil Conservation Districts, on March 28 through 30, 1961, be printed with illustrations as a Senate document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING AS HOUSE DOCUMENT OF TRIBUTES EXTENDED TO THE HONORABLE SAM RAYBURN

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Concurrent Resolution 342 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That the tributes extended to the Speaker, the Honorable SAM RAYBURN, in the House of Representatives on June 12, 1961, and any other relevant material, be printed, with illustrations, as a House document; and that one hundred and twenty-five thousand additional copies shall be printed, of which one hundred and twenty-two thousand five hundred copies shall be for the use of the House of Representatives, two thousand five hundred copies, for the use of the Senate, and two thousand copies, bound in style to be determined by the Joint Committee on Printing, for the use of the Speaker.

Mr. HAYS. Mr. Speaker, I was not able to be here the day the tributes were paid, but I would just like to say at this time that it is a very great privilege and pleasure to present this resolution. I have no doubt it will be agreed to unanimously.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield.

Mr. GROSS. What is the resolution?

Mr. HAYS. The Clerk just read it in its entirety. It provides for the printing as a public document of tributes extended to the Speaker of the House of Representatives recently.

Mr. GROSS. That is fine. I thank the gentleman.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROGRAM FOR THE BALANCE OF THE DAY AND THE WEEK OF JULY 3, 1961

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute in order to ask the majority leader if he can inform us as to the program for the balance of the day and for next week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCORMACK. After any further consent requests are disposed of the first order of business will be the bridge bill, and the second order of business the Delaware compact bill.

There is no program for next week. The House is well caught up to date on bills that have been reported out of committees and Rules, and with the completion of the business I have announced, I shall later in the day ask consent to go over to next Monday, from next Monday to the following Thursday, and from Thursday to the following Monday.

ELECTION OF MR. ROUSH TO COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. MILLS. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 367

Resolved, That J. EDWARD ROUSH, of Indiana, be, and he is hereby elected, a member of the standing committee of the House of Representatives on Science and Astronautics and to rank number 10th thereon.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MR. UDALL TO COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. MILLS. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 368

Resolved, That MORRIS K. UDALL, of Arizona, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Post Office and Civil Service.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TWO ADDITIONAL MAIL CLERKS IN THE OFFICE OF THE POSTMASTER OF THE HOUSE OF REPRESENTATIVES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 341 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That, until otherwise provided by law, there shall be paid out of the contingent fund of the House of Representatives compensation for the employment of two additional mail clerks, Office of the Postmaster, at a basic annual salary of $2,100.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL FUNDS FOR THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 357.

The Clerk read as follows:

Resolved, That, in continuing to carry out its duties during the Eighty-seventh Congress, the Committee on House Administration is authorized to incur such additional expense, not in excess of $10,000, as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized and approved by such committee, and signed by the chairman thereof.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Iowa.

Mr. GROSS. This is additional money for the Committee on House Administration?

Mr. FRIEDEL. Yes. It comes about through the last contested elections case, and we need $10,000 to bring the fund up to date.

Mr. GROSS. I just wanted to know what the purpose of it was.

Mr. FRIEDEL. It is on account of the election case from Indiana.

Mr. GROSS. I thank the gentleman.

The House resolution was agreed to.

A motion to reconsider was laid on the table.

A FLAG FOR EACH MEMBER OF THE HOUSE OF REPRESENTATIVES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 354.

The Clerk read as follows:

Resolved, That a flag for each Member of the House of Representatives be as follows: Description: On a blue rectangular background the shield of the coat of arms of the United States—paleways of thirteen pieces, argent (white) and gules (red); a chief, azure (blue), encircled by a wreath of oak leaves and acorns proper (natural color), the whole surrounded by thirteen gold-color (yellow) stars in the form of an annulet with one point of each star outward on the imaginary radiating center lines. Colors (four feet four inches hoist by five feet six inches fly, in rayon, nylon, or silk) will be equipped with a two-and-one-half-inch-wide yellow fringe. Other flags will not be equipped with a fringe.

The flags of the Members of the House of Representatives shall normally be of the sizes and proportions to conform to military custom. The proportion of the elements of the central design shall be in direct relation to the hoist, and the fly shall vary for official use according to the customs of the military and naval services. For private-ship use the proportions of the flag shall be appropriate to the ship on which displayed.

The shield of thirteen paleways represents the Original Thirteen Colonies with the chief uniting the Colonies and representing Congress. The shield encircled by a wreath of oak representing strength, all surrounded by thirteen gold (yellow) stars, represents the House of Representatives.

The colors used in the design are traditionally the same as those used in the flag of the United States; white for purity and innocence, red for hardiness and valor, and blue for vigilance, perseverance, and justice. The stars are gold (yellow) as a mark of distinction for the legislative department of Government from the white stars used in individual flags in the executive department.

Cords and tassels of blue and yellow are: A cord eight feet six inches in length with a tassel at each end, and are made of twisted silk or rayon. They are attached below the finial piece of the pike and are used with the colors for Members of the House of Representatives.

Flagstaffs for the national flag (flag of the United States) and the color for Members of the House of Representatives will be nine feet six inches in length, including the finial piece consisting of a gold-color metal reproduction of the Capitol dome.

The design of colors and flags shall be used to represent the Members of the House of Representatives exclusively while the finial piece of the flagstaff shall be used for Members of the House of Representatives and Members of the Senate exclusively.

SEC. 2. One each color, Member of the House of Representatives, cord and tassels and flagstaff shall be furnished to the Speaker, the majority leader, and the minority leader of the House and to each of their respective successors hereafter.

SEC. 3. One each color, Member of the House of Representatives, cord and tassels and flagstaff shall be furnished to each Member of the House of Representatives upon his request and his payment therefor.

SEC. 4. The expenses incident to the furnishing of color, Member of the House of Representatives, cord and tassels and flagstaff shall be paid from the contingent funds of the House.

SEC. 5. This resolution shall be effective upon its passage by the House of Representatives.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Iowa.

Mr. GROSS. I think this is the resolution I have been waiting for. Tell us about this. Is it to put flags on cars of Members of Congress?

Mr. FRIEDEL. Let me explain it in my own way, and then I will have the author explain it.

Mr. GROSS. Then will the gentleman yield me about 5 minutes?

Mr. FRIEDEL. Mr. Speaker, this bill provides a flag or emblem for the Speaker, the majority leader, and minority leader. That is the only cost in this bill. Any Member of Congress who wants a flag will have to pay for it out of his own pocket. This is an official flag for Members of Congress, for use aboard ship or on an automobile in a parade, or similar occasions. It is a small flag.

Mr. GROSS. When a Member of Congress is aboard a ship, what does he or she do, walk on deck with a congressional flag in hand?

Mr. FRIEDEL. Let me quote a few little things here.

The committee was informed that a flag is authorized for members of the President's Cabinet, the Assistant Secretaries, and U.S. consuls. We felt that Members of Congress, having a comparable rank of major general, are entitled to a flag. The Library of Congress has reported there are 31 different categories of flags authorized.

Mr. GROSS. What are you going to put on these flags, two, four, or five stars?

Mr. FRIEDEL. It will have 13 stars.

Mr. GROSS. What are the 13 stars for?

Mr. FRIEDEL. The Original Thirteen States.

Mr. SHELLEY. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from California.

Mr. SHELLEY. Mr. Speaker, I appreciate the diligence and the frame of mind of my friend from Iowa, who deserves quite a purpose in this Congress, being very conscious of its expenditures.

This bill, for a period of about 8 years, has been out of the committee twice, but for some reason was not enacted into law. The flag was designed by the Heraldic Branch, Office of the Quartermaster General, that designs official flags and colors. For Members of the House the flag is on a blue field with a green maple leaf and the shield of the United States and is encircled by 13 stars for the Original States. For the U.S. Senate the flag has a red field. There is to be a special flag for the Speaker, a special flag for the majority and minority leaders, which will be furnished to them without cost. Members of the House desiring such a flag will have to purchase the flag themselves. It will not be available through the stationery account. Now, may I say to the gentleman from Iowa, he may think that the idea of this bill sounds ridiculous; personally I think over the years we have been playing down the dignity and the standing of the Congress of the United States, and particularly do we do so to ourselves here in the House of Representatives. We allow the Senate to provide trips for their Members; we allow the Senate to provide trips for their staffs to their homes, and we do not do it ourselves or our staff members. We let the executive department fly flags down to the level of assistant secretaries, and under the law and under every rule of protocol we outrank them. Now, this is just a gesture, and there are some reasons for it.

It happens that I have been interested in boating, as many other Members here have, and up to 2 years ago I owned a boat down Chesapeake Bay. At one time several years ago, when a very severe blow came up unexpectedly on the Chesapeake, I tried to put in at a naval port down at the mouth of the Potomac and was challenged by a sentry shot warning me off. I was seeking a port of haven. I had my wife and children aboard and another guest. After I got close enough, through a battery-powered loudspeaker I was able to convey to the sentry that I wanted the officer of the day. I was able to get in and moor. As a result of this and other incidents that other Members have had, we initiated talks with the Heraldic Branch of the Quartermaster General and a flag was designed. The nomenclature of the flag and the design was mailed to all the military installations. When we fly that flag it is recognized today, but it is still not official. This act simply gives to the Members of the House of Representatives, who are senior in rank to many of the executive officers of the Government, that which the executive department has in every instance. It can be flown if you are aboard a U.S. vessel at the right fore yardarm. It can be flown at the left side, a small colored flag, if you are riding in a ceremonial parade. These are the only two official uses.

Mr. GROSS. Mr. Speaker, will the gentleman from Maryland yield so that I may ask the gentleman from California a question or two about this flag-flying business?

Mr. FRIEDEL. I would like to make one further statement, that this bill was referred to the Defense Department. They have no objection, and they approved it. And, it went through other channels. We hope you will pass it.

Mr. GROSS. Mr. Speaker, will the gentleman yield so that I may ask the gentleman from California a question?

Mr. FRIEDEL. Yes.

Mr. GROSS. I would like to ask the gentleman from California: What does a congressional flag have to do with the incident that he spoke of when he was shot at while trying to land his boat at a naval station?

Mr. SHELLEY. The next time I went down there the flag was flying on a boat I was on, and I was welcomed in a very cordial and friendly manner. They recognized the flag as I was coming alongside.

Mr. GROSS. What happens to the poor devil not a Member of Congress, who gets caught out in the same storm and does not have the congressional flag flying at the masthead?

Mr. SHELLEY. This is the very reason for it. All ports are supposed to be ports of haven, in times of distress, at the time of the incident mentioned. The result was that several other vessels followed me in and rode out the heavy weather.

Mr. GROSS. They go ahead and shoot him up if he does not have a flag. Now, let me ask the gentleman this question. Supposing 15 or 20 or 50 Members of the Congress go aboard a carrier or some naval vessel, have they rope enough to fly all of the congressional flags for all of the Members on board, or what is the situation?

Mr. SHELLEY. Is the gentlemen familiar at all with the rules and regulations on flag etiquette and protocol? There is only one flag. If the whole Congress is aboard, there would be one flag flying.

Mr. GROSS. Just one flag?

Mr. SHELLEY. That is right.

Mr. GROSS. But there may be 100 Members aboard?

Mr. SHELLEY. Yes.

Mr. GROSS. Let me ask the gentleman this question. What is the size of this flag?

Mr. FRIEDEL. Three by five.

Mr. GROSS. Do you mean to tell me that the distinguished Speaker is going to ride through the streets in Washington or down in Texas with a three by five flag flapping on his automobile?

Mr. FRIEDEL. It is a very small flag.

Mr. GROSS. Then what about this situation? How would you fly it, above or below the squirrel tail that some people fly off their radio antennas? I think this is utter and unmitigated foolishness, and I am opposed to it.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the "ayes" appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present. If we are going to vote for stuff like this, let us get it on the record.

The SPEAKER. Will the gentleman withhold his point of order for a moment?

Mr. GROSS. Yes, I will withhold it.

Mr. FRIEDEL. Mr. Speaker, I withdraw the resolution.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Is it not necessary to ask unanimous consent to withdraw the resolution?

The SPEAKER. It is, but the Chair did not think anyone would object to that unanimous consent request.

Mr. GROSS. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Will this resolution be subject to a rollcall vote when it is called up again?

The SPEAKER. That would be up to the House to decide.

Mr. GROSS. Then, Mr. Speaker, I object to the unanimous consent request to withdraw the resolution at this time.

The SPEAKER. The question is on the resolution.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 108, nays 270, not voting 59, as follows:

[Roll No. 107]

YEAS—108

Adair	Griffiths	Moorhead, Pa.
Addabbo	Gubser	Morgan
Addonizio	Hagen, Calif.	Morrison
Albert	Hansen	Moss
Ayres	Harding	Multer
Bailey	Harrison, Wyo.	Nix
Barrett	Hays	Norrell
Bass, Tenn.	Healey	O'Konski
Bolling	Hiestand	Olsen
Bow	Holifield	Passman
Burleson	Holland	Pfost
Byrne, Pa.	Holtzman	Powell
Cahill	Johnson, Calif.	Rabaut
Carey	Johnson, Md.	Rhodes, Pa.
Chiperfield	Johnson, Wis.	Rivers, Alaska
Clark	Judd	Rodino
Cohelan	Karth	Rogers, Colo.
Corbett	Kastenmeier	Roosevelt
Corman	Kee	Saund
Daddario	Kelly	Saylor
Davis, John W.	Kilday	Schenck
Delaney	King, Calif.	Shelley
Dingell	Kirwan	Sisk
Dooley	Kluczynski	Slack
Doyle	Lankford	Sullivan
Everett	Lesinski	Teague, Tex.
Evins	Lipscomb	Thompson, La.
Fino	McCormack	Thompson, N.J.
Flood	McDowell	Thompson, Tex.
Frazier	McFall	Toll
Friedel	McSween	Tollefson
Fulton	Mailliard	Udall
Gallagher	Mathias	Van Zandt
Garmatz	Merrow	Walter
Gilbert	Miller, Clem.	Zablocki
Granahan	Miller, George P.	
Green, Pa.		

NAYS—270

Abbitt	Bolton	Curtis, Mass.
Abernethy	Bonner	Curtis, Mo.
Alexander	Boykin	Dague
Alford	Brademas	Denton
Andersen, Minn.	Bray	Derounian
	Breeding	Derwinski
Anderson, Ill.	Brewster	Devine
Andrews	Brooks, Tex.	Dole
Anfuso	Broomfield	Dominick
Arends	Brown	Donohue
Ashbrook	Broyhill	Dorn
Ashley	Bruce	Dowdy
Ashmore	Burke, Ky.	Downing
Auchincloss	Burke, Mass.	Duiski
Avery	Casey	Durno
Baker	Cederberg	Dwyer
Baldwin	Celler	Edmondson
Barry	Chamberlain	Elliott
Bass, N.H.	Cheif	Ellsworth
Becker	Chenoweth	Farbstein
Beckworth	Church	Fascell
Beermann	Clancy	Feighan
Belcher	Collier	Fenton
Bennett, Fla.	Conte	Findley
Bennett, Mich.	Cook	Finnegan
Berry	Cooley	Fisher
Betts	Cramer	Ford
Blatnik	Cunningham	Forrester
Boland	Curtin	Fountain
Frelinghuysen	Madden	Roush
Gary	Magnuson	Rousselot
Gathings	Mahon	Rutherford
Gavin	Marshall	Ryan
Giaimo	Martin, Mass.	St. George
Goodell	Mason	St. Germain
Goodling	Matthews	Santangelo
Grant	May	Schadeberg
Griffin	Meader	Scherer
Gross	Michel	Schneebeli
Hagan, Ga.	Miller, N.Y.	Schweiker
Haley	Milliken	Schwengel
Halpern	Mills	Scott
Hardy	Minshall	Scranton
Harris	Moeller	Seely-Brown
Harrison, Va.	Monagan	Selden
Harsha	Montoya	Shipley
Harvey, Ind.	Moore	Short
Harvey, Mich.	Moorehead, Ohio	Shriver
Hechler		Sibal
Hemphill	Morris	Sikes
Henderson	Morse	Siler
Hoeven	Mosher	Smith, Calif.
Hoffman, Ill.	Moulder	Smith, Iowa
Horan	Murphy	Smith, Miss.
Huddleston	Murray	Smith, Va.
Hull	Natcher	Spence
Ichord, Mo.	Nelsen	Stafford
Ikard, Tex.	Norblad	Staggers
Jarman	Nygaard	Steed
Jennings	O'Brien, Ill.	Stephens
Joelson	O'Hara, Ill.	Stratton
Johansen	O'Hara, Mich.	Stubblefield
Jonas	O'Neill	Taylor
Jones, Ala.	Osmers	Teague, Calif.
Jones, Mo.	Ostertag	Thomas
Karsten	Patman	Thomson, Wis.
Keith	Pelly	Thornberry
Keogh	Perkins	Trimble
Kilgore	Peterson	Tuck
King, N.Y.	Philbin	Ullman
King, Utah	Pike	Vanik
Kitchin	Pirnie	Wallhauser
Knox	Poage	Watts
Kornegay	Poff	Weaver
Kowalski	Price	Weis
Kunkel	Pucinski	Westland
Laird	Quie	Whalley
Lane	Rains	Whitener
Langen	Randall	Whitten
Latta	Ray	Wickersham
Lennon	Reece	Williams
Lindsay	Reuss	Willis
Loser	Rhodes, Ariz.	Wilson, Calif.
McCulloch	Riehlman	Wilson, Ind.
McDonough	Riley	Winstead
McIntire	Rivers, S.C.	Wright
McMillan	Robison	Yates
Macdonald	Rogers, Fla.	Young
MacGregor	Rogers, Tex.	Younger
Machrowicz	Rostenkowski	Zelenko
Mack	Roudebush	

NOT VOTING—59

Alger	Dent	Landrum
Aspinall	Diggs	Libonati
Baring	Fallon	McVey
Bates	Flynt	Martin, Nebr.
Battin	Fogarty	O'Brien, N.Y.
Bell	Garland	Pilcher
Blitch	Glenn	Pillion
Boggs	Gray	Reifel
Bromwell	Green, Oreg.	Roberts
Brooks, La.	Hall	Rooney
Buckley	Halleck	Sheppard
Byrnes, Wis.	Hébert	Springer
Cannon	Herlong	Taber
Coad	Hoffman, Mich.	Tupper
Colmer	Hosmer	Utt
Daniels	Inouye	Van Pelt
Davis, James C.	Jensen	Vinson
	Kearns	Wharton
Davis, Tenn.	Kilburn	Widnall
Dawson	Kyl	

So the resolution was rejected.

The Clerk announced the following pairs:

Mr. Dent with Mr. Alger.
Mr. Daniels with Mr. Reifel.
Mr. Hébert with Mr. Hall.
Mr. Boggs with Mr. Halleck.
Mr. Brooks of Louisiana with Mr. Kyl.
Mr. Libonati with Mr. Springer.
Mr. Fallon with Mr. Garland.
Mr. Fogarty with Mr. Byrnes of Wisconsin.
Mrs. Green of Oregon with Mr. Kearns.
Mr. Landrum with Mr. Hoffman of Michigan.
Mr. Inouye with Mr. Taber.
Mr. Aspinall with Mr. Wharton.
Mr. Buckley with Mr. Utt.
Mr. Colmer with Mr. Glenn.

Mr. James C. Davis with Mr. Bates.
Mr. Pilcher with Mr. Bell.
Mr. Roberts with Mr. Tupper.
Mr. Rooney with Mr. Widnall.
Mr. Herlong with Mr. Pillion.
Mr. O'Brien of New York with Mr. Battin.
Mr. Sheppard with Mr. Van Pelt.
Mr. Flynt with Mr. McVey.
Mr. Baring with Mr. Bromwell.
Mr. Dawson with Mr. Hosmer.
Mr. Diggs with Mr. Jensen.
Mr. Gray with Mr. Martin of Nebraska.
Mr. Davis of Tennessee with Mr. Kilburn.

Mrs. CHURCH and Messrs. MACHROWICZ, CELLER, KORNEGAY, DENTON, RUTHERFORD, REUSS, COOLEY, BROOKS of Texas, SHIPLEY, HAGAN of Georgia, HARRIS, PETERSON, BAKER, WALLHAUSER, ANFUSO, FARBSTEIN, and SANTANGELO changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

CLEARANCE OF BRIDGES ACROSS THE MISSISSIPPI RIVER

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 352 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5963) to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, the reading of the resolution makes clear its purpose. I know of no controversy over this rule.

Mr. Speaker, I yield 30 minutes to the gentleman from Kansas [Mr. AVERY], and reserve the balance of my time.

Mr. AVERY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as the gentleman from Missouri [Mr. BOLLING] pointed out, the reading of the resolution itself is self explanatory insofar as the intent of the bill is concerned. But I think there are several things we might look at briefly today and one is that this is a rather unusual legislative situation. In the report accompanying this bill we have a statement from the Chief of Engineers who normally, with the guidance of the Bureau of the Budget, speaks for the administration. The Chief of Engineers is opposed to the bill.

We also have a report from the Secretary of the Department of Commerce who directly speaks for the administration, and the Secretary of the Department of Commerce is opposed to the bill. Yet we have this bill before us today.

This situation arose because the State of Wisconsin and the State of Iowa requested the Chief of Army Engineers authority to build a bridge over the Mississippi River 35 feet above the usual flow stage, or the navigable stage.

The Chief of Engineers and the Department of Commerce conducted a rather extensive survey and concluded that it was not economically feasible to build this bridge 35 feet above the river, but they did recommend it could be constructed 45 feet above the river.

At this point some other party became interested in the proposal, and I presume it was the water carriers, and decided it would not be advantageous to them to have a bridge built less than 55 feet above the normal flow of the river, and I assume that motivated the idea of the introduction of this bill, which would amend the General Bridge Act to set 55 feet as the minimum that any bridge could be built over the Mississippi River between St. Louis, Mo., and a certain point in Minnesota. The reason I want to take a minute here today is to say this: I think it is time that we reappraise our policy of providing a free right of way to the inland water carriers of this Nation.

The effect of building this bridge 55 feet high instead of 45 feet over the period of years for which it is amortized will cost somebody $3.7 million more just to build it. The cost of operating the traffic and the approaches at this high level will amount to about $3.7 million. This makes a total cost of about $7.4 million.

Who is going to pay that? That is the point I am getting at. The motor vehicle users, of course, are going to pay for it out of the highway trust fund. And who are the motor vehicle users? Part of those users are the motor carriers who are in direct competition with the water carriers, yet they are going to have to pay a penalty to build a high bridge for the convenience of the water carriers, who use the inland waterways without any cost whatsoever.

We, as taxpayers, do pretty well by these water carriers already. In the Public Works Appropriation bill soon to come before this House will be an item of $200 million just to improve—this is not to maintain, this is just to improve our inland waterways, rivers, and harbors. That is an outright subsidy to the water carriers.

In addition, in that same bill there will be $100 more for maintenance of the same facilities, which will be a further subsidy to the water carriers.

In addition, the Committee on Merchant Marine and Fisheries annually brings a bill authorizing a $200 million subsidy to the interocean flagships, and a $100 million subsidy for construction of the ship, supposedly representing the difference in cost of construction in shipyards in this country as against the cost of construction in shipyards in foreign countries. All of that cannot be assessed to the inland carriers, but a part of it can.

The point I want to make is this: I cannot see the justification nor the justice of the American taxpayer or other forms of common carrier transportation contributing to the operating cost of the water carriers, who continue to use our inland waterways without any charge to them or the persons who use their services.

During the last administration, a bill was proposed that a reasonable service charge should be imposed upon the water carriers to help pay some of the cost of improving the waterways. It did not receive favorable consideration from the Public Works Committee. I understand a similar bill is pending this year that has been introduced by the gentleman from New York [Mr. ROBISON]. It is not identical, but it invokes the same principle.

Certainly I feel, and I know many other Members of this body feel, that this precedent that we have maintained for some 150 years now should be reappraised, looking to the end that a reasonable—not a prohibitive, but a reasonable—charge be assessed to the use of our waterways to pay a portion, not entirely defray the cost, but to help pay the cost of their development.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. SMITH of Mississippi. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5963) to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5963, with Mr. BASS of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SMITH of Mississippi. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the purpose of this bill is made clear in the very short length of the bill which we have before us. A proposal has been made that bridges be authorized to be constructed over the upper Mississippi River at a height of some 10 feet less than any presently existing bridge. If any one bridge is authorized for construction at that height, it automatically sets a lower height for all bridges and for navigation on this upper portion of the river.

I would first like to point out for the benefit of those of you who heard the gentleman from Kansas discuss this bill a minute ago that he was in error in regard to the cost involved. The additional cost involved for bridges for the upper Mississippi River within the next 50 years, as estimated, is something over $3 million and that is not for any one bridge. The actual proposed additional cost for any one individual bridge so far as the cost of construction of the bridge is concerned, as a result of the increased elevation, would be something like $130,-

000 or $150,000. The cost involved in this estimate here includes an estimate of the supposed increase in the cost of gasoline as a result of driving a car over a little bit higher bridge. This cost of $3 million for 23 bridges over a 50-year period has been arrived at by a very painful process. Actually, if it were necessary or if it were to serve any point, it could be brought out that the increased cost as a result of the increased height of these bridges is more or less infinitesimal when you look at it in a long-range view and realize that this is spread over a 50-year period and when possibly 23 bridges will be built over this 50-year period. Of course, nobody knows precisely how many bridges will be needed. If any one of the bridges were built with only a 45-foot clearance, it would necessitate a complete revising of the planned navigational use of the upper Mississippi River. It would necessitate a complete change in the whole trend and design of towboats which carry these great loads up and down the river and which operate in our inland waterways throughout the entire country. As it is pointed out in the committee report on page 9, the whole trend of towboat design and construction in the past few years has been to enlarge the size of the towboats in order to improve their efficiency and to afford greater safety for the whole tow. The safety of operation of a tow is in great part linked to the pilot's line of sight and towboats are being built higher to increase the safety of the tows so that the pilot can keep the full length of his tow under observation. I think it is very unfortunate that the Chief of Engineers recommended that the bridge heights be lower on this relatively small stretch of our inland waterway system. What we propose to do in this bill is to provide merely that any bridge built in the future shall be built at no lower height than existing bridges under which all traffic operates today.

As I have indicated, the extra cost of the bridges as compared with 45 and 55 feet is relatively small, something like $130,000 to $150,000 per bridge. In contrast to the benefits to our overall economy of the opportunity for fully developing traffic on our inland waterways the cost is something that is entirely out of line with the risk involved.

If navigational developments in this area are such in the years ahead that these bridges would show that they provide too great an interference with the normal traffic on the river the cost of replacing the bridges or changing them so the waterway could be used by the barge lines and towboats in use at that time you would be potentially many times the added cost involved here.

The potential risk is far too great for us to consider allowing the construction of bridges offering too low clearance. I hope the Congress will understand the problem and write into law the clear intent that there shall be no action by any administrative agency of Government that will interfere with the potential economic development of this area by restricting the use of a normal channel of commerce that has been part of the inherent pattern of development of our economy for many years past.

Mr. SCHERER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the minority on the committee unanimously concluded that H.R. 5963 was needed and desirable legislation. In fact, that is the opinion of all members of the Committee on Public Works.

I suppose we were influenced by the fact that we had our fingers burnt and had learned a lesson because inadequate vertical clearances were provided on the interstate highway system. After the adoption of the 1956 Highway Act the Departments of Commerce and Defense decided that 14 feet was a sufficient vertical clearance for overpass structures on our highways. Quite a few such structures were built with such a clearance. Last year it was determined that 14 feet was inadequate and the minimum vertical clearance was changed to 16 feet.

This means that quite a few structures will eventually have to be razed at considerable expense. It is going to cost more to rebuild them than to have provided a 16 foot clearance initially. We do not want to make the same mistake on inadequate vertical clearances for bridges spanning our rivers.

This bill, in effect, provides that no further bridges on this reach of the Mississippi River shall be built with a vertical clearance less than the minimum existing vertical clearance, which is 55 feet above the 2 percent line or 63 feet above the normal pool stage.

The Army Engineers, the State highway department, and the Bureau of Public Roads have recommended that two new bridges be built in this reach of the Mississippi having a vertical clearance of 45 feet above the 2 percent line and 55 feet above pool stage.

If this decision is followed the vertical clearances on the Mississippi River would be permanently fixed at these lower heights.

Of course, it is cheaper to build lower bridges but let us see how much cheaper and whether the risk is worth it.

The experts estimate that approximately 23 bridges will be built across this reach of the Mississippi in the next 50 years. The total increase in the cost of construction for all 23 bridges in the next 50 years, over and above what is recommended by the Army Engineers, will amount to only $3.7 million. The increased operating cost of vehicles using the higher bridges will amount to $3.7 million or a total of $7.4 million.

Mr. Chairman, true it is that the majority of the boats using the Mississippi will be able to pass under the 45 foot clearance suggested by the Army Engineers and the Bureau of Public Roads. However, a number of boats now using this reach of the Mississippi will not be able to do so. A number of others will have to be rebuilt in order that they can pass under these lower bridges.

The evidence, however, is rather conclusive that pilot houses in the future are going to be built higher. Larger and larger tows are being pushed on the river. In order to lessen the blind spot in front of these larger tows, which are definite safety hazards, it is necessary that the pilot houses be raised.

If by any chance we raise the pool stage on the Mississippi River, as we are now doing on the Ohio River, the great majority of the boats would not be able to pass under the lower proposed bridges. Most of the dams on the Ohio River have deteriorated and become obsolete because of age and use. It was necessary that they be replaced. This modernization of the Ohio River is now taking place. However, one high level dam is replacing three or four of the present dams. Naturally, the pool stage of the Ohio River is going to be raised considerably. At my city of Cincinnati the pool stage will increase as much as 13 feet. The bridges over the Ohio River have unusually high clearances because of the high topography of the ground on either side. If it were otherwise the modernization of the Ohio River would be impossible unless all of the bridges were raised at astronomical costs.

You can readily see what would happen on the Mississippi if, sometime in the near future, larger and higher level dams replace the present ones. I urge the passage of this legislation.

Mr. SMITH of Mississippi. Mr. Chairman, I have no further requests for time at this time.

Mr. SCHERER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, I rise in support of H.R. 5963. The effect of this bill is simply to establish by legislative action that the present bridge clearances that have existed for many years on the upper Mississippi should be continued. For many years by administrative decision of the Corps of Engineers and the Bureau of Public Roads the bridge clearance between the Illinois River and St. Paul has been 55 feet above the 98 percent flood water mark and 63.7 feet above the normal pool. The only reason for this bill today is that the Corps of Engineers and the Bureau of Public Roads recently, after many hearings, came out with a decision that in their opinion the clearances on the upper Mississippi should be reduced from the 55-foot mark to the 45-foot mark. This raised great objection by those navigation users of the upper Mississippi and resulted in this bill being introduced, and after the hearings before our committee it was the decision of our committee that we should take legislative action to insure by this action that the present clearances are continued.

Mr. Chairman, actually we have a large investment to protect in the upper Mississippi. The Congress of the United States over a period of years has invested $223 million in a navigation project from the Illinois River to St. Paul, to establish a navigation depth clearance, draft depth, of 9 feet. Now, if we are going to spend $223 million to establish the adequacy of the upper Mississippi for navigation use, it certainly does not seem to me that we should then hamstring our investment by lowering

the bridge clearances by 10 feet and thereby making it impossible for the present users to even use the river. The only argument today is that if we maintain this bridge level at 55 feet, that over the next 50 years, with the estimated 23 bridges to be built on this stretch of the river, that it might cost $3.7 million which otherwise might not be spent for that purpose. On the contrary, we are protecting an investment of $223 million on the part of the Federal Government, and we are making certain that the waters of the upper Mississippi may be adequately available for whatever use the future may require. We do not know what the future may bring, but we do know that once a bridge is built, it freezes the use of that river forever for any type of navigation boat that has a height in excess of that bridge level.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Is it not true that this is holding up the bridgebuilding in that area at this time?

Mr. BALDWIN. That is correct. The gentleman from Pennsylvania is absolutely correct. The fact that the Bureau of Public Roads and the Corps of Engineers have made this tentative decision has held up all new construction of either new navigation craft or new bridges until this matter is resolved. Unless we pass by legislation this bill, this uncertain condition will continue indefinitely and will probably delay the construction of both bridges and new navigational craft to the detriment, I believe, of the whole country.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I was reading on page 12 of the committee report with reference to the statement that you made that the enactment of this bill is necessary in order to protect the future navigational uses on the upper reaches of the Mississippi.

Reading from that portion of the report on page 12:

> The projected program of construction of 23 bridges in the next 50 years in these reaches of the river and the present and prospective navigational use of the river in relation to the total economy of the area were the major factors influencing the revision of these standard clearances.

I wondered what the gentleman's explanation was of that.

Mr. BALDWIN. The section the gentleman is reading is not the language of the committee, but is a quotation from the letter of the Department of the Army. We found the Department of the Army was wrong with respect to bridge clearances on the Interstate Highway System, as was very clearly explained by the gentleman from Ohio [Mr. SCHERER], because for several years the Department of the Army said a bridge clearance of 14 feet on the Interstate Highway System was adequate. When we actually had hearings on bridge clearances on the Interstate Highway System we found that after 2 or 3 years of backing and filling, they decided they were completely wrong and that a proper clearance should be 16 feet or 17 feet. In the meantime there were hundreds of bridges built on the Interstate Highway System and as a result our missiles, some of them traveling on trucks, were in the situation where they had to stop the trucks and sometimes let air out of the tires of the trucks before they could even just barely ease under some bridges; and in other cases they even had to raise the bridges in order to get trucks through that were carrying missiles.

So it was proven that the Department of the Army was wrong in that instance as we found through our hearings. Therefore, we do not believe the Department of the Army is infallible or their prediction of future navigation use of the Mississippi is any more infallible than they were in connection with the use of bridges on the Interstate Highway System.

Mr. SCHERER. Mr. Chairman, I yield such time as he may require to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Mr. Chairman, I rise to indicate my support of this proposed legislation and also to say that originally I had some misgivings about this legislation, because while it seemed that we were setting a minimum height, I thought we might also be setting a maximum height, which I thought was bad policy. After a thorough discussion this was cleared up. I think the bill has been amended in this respect, so this is not true now. So whereas I had misgivings about it originally, after hearing the testimony I am now in complete support of the legislation and hope it will be approved by this committee and passed by the House.

Mr. SMITH of Mississippi. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Chairman, it is with great dissatisfaction on my part that I rise in opposition to any measure sponsored by my good friend, and committee colleague, the gentleman from Mississippi [Mr. SMITH]. I know the gentleman is sincere in his purpose in bringing this bill before the House; however, I must be frank in stating that I believe the bill is unnecessary and in fact, Mr. Chairman, will cost the Federal Government in excess of $3 million over the next few years because of increased costs of constructing new bridges at a vertical clerance of not less than 55 feet above river level. As you know, the 55-foot minimum is more than recommended by the U.S. Army Corps of Engineers, an authority on this subject. Mr. Chairman, we have recently passed legislation in Congress this year, providing for increased motor vehicle taxes in excess of $11 billion, all because the Interstate Highway System is costing over $11 billion more than original estimates made in 1956, when we passed the act. H.R. 5963 is the type of legislation that forces the States and the Federal Government to spend money for uses other than building highways.

Building a bridge structure 10 or 15 feet higher than navigation requirements is an unnecessary expenditure, to say the least. Building modern four-lane turnpikes to give safe economical driving for our motor vehicle users would seem to deserve every cent we collect for that purpose instead of diverting these needed funds to building bridges higher than necessary. Mr. Chairman, Illinois is fortunate in having one of the Nation's outstanding highway engineers to head up our Illinois State Highway Department. Ralph Bartelsmeyer, our chief highway engineer, is a past president of the American Association of State Highway Officials. Under date of June 19, 1961, I received a letter from Mr. Bartelsmeyer on this subject. He is opposed to the bill and gives adequate reasons why. I would like to read you his letter. It is as follows:

STATE OF ILLINOIS, DEPARTMENT OF
PUBLIC WORKS AND BUILDINGS,
Springfield, June 19, 1961.

Subject: H.R. 5963, navigation clearances.
Hon. KENNETH J. GRAY,
House of Representatives,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN GRAY: Recently H.R. 5963 was presented to the 87th Congress by Congressman SMITH of Mississippi. This resolution contained a requirement establishing certain vertical navigation clearances for any new bridges constructed across the upper reaches of the Mississippi River lying between the mouth of the Illinois River and the extension of Lafayette Road, St. Paul, Minn. This requirement stipulated that any such bridge shall have a vertical clearance of not less than 55 feet above river levels reached 98 percent of the time and not less than 63.7 feet above river levels at normal pool stages.

The clearance requirements that are contained in the subject resolution would be considerably greater than those that are normally required as determined from a recently completed economic analysis of the effect of vertical navigation clearances on bridge costs. This analysis was made jointly by the Highway Departments of Iowa, Illinois, Missouri, Wisconsin, and Minnesota, and the Corps of Engineers, U.S. Army, for the upper reaches of the Mississippi River between the mouth of the Illinois River and St. Paul. The Corps of Engineers has by a news release dated February 8, 1961, from their Chicago office, published the results of their analysis which show that the clearance most beneficial to the States' and National economy for both land and water transportation would be 45 feet above river level reached 98 percent of the time and 50 feet above river level at pool stages. The proposed resolution now before Congress attempts to override the Corps of Engineers recommendations by providing 10 feet greater vertical clearance for the 98 percent water level and 13.7 feet greater veritical clearance for the normal pool.

The following statistics can be noted in Congressman SMITH'S report No. 345 prepared in connection with House Resolution 5963:

1. Net tons hauled and ton miles made by river transportation have more than doubled in the last 8 years.

2. The lowest clearance at any bridge on the reach of the river under consideration is 63.7 feet above pool.

3. Navigation interests' main reason for wanting greater clearances is to raise the height of the pilothouse, and, by so doing, raise the pilot's eye level to attempt to reduce the blind spot in the front of the tow. This additional height of pilot's eye level would provide for safer operation for the 1,200-foot-long tows mentioned in the report.

In the recent economic analysis, as compiled by the aforementioned States, data was gathered in connection with the fixed heights of all towing units and tonnage carried by these tows now operating in this section of the river. This data revealed:

1. Seventy-five percent of all tonnage was handled by towing units that had fixed heights to 40 feet or less and that 95 percent of all tonnage was handled by towing units with fixed heights of 46 feet or less.

2. These tows were up to 1,200 feet in length.

3. Of all towing units operating in this reach of the river during the 5 years from 1955 through 1959, only six vessels had heights in excess of 45 feet. Data obtained indicates that the most powerful type of towing units presently operating on the upper river range between 39 feet and 40 feet in height. Pilot's eye level elevation necessarily must be somewhat lower.

If, according to Congressman SMITH's report, a higher pilot's eye level elevation is so all important to safe operation, and since presently there is no other height restriction than the 63.7-foot minimum clearance of any existing bridge, we question why the navigation interests have not taken advantage of this excess clearance by providing for increased heights of pilot houses in most of the towing units that were built during this recent period.

All the States concerned and particularly the Illinois Division of Highways wish to avoid constructing any bridge over any navigable waterway that would unduly hinder or restrict development of waterborne transportation. At the same time, we are morally bound to avoid needless expenditures of highway funds by providing excessive clearances for the accommodation of but a very limited number of vessels, some of which are outmoded or can be modified to pass under a bridge having a 45-foot vertical clearance.

It is our firm belief that the 45-foot and 50-foot vertical clearance requirements recently established by the Corps of Engineers on the basis of the economic analysis submitted by the States concerned will place no undue restrictions on river navigation.

We, therefore, ask your support in our objections to the increased vertical clearance requirements as set forth in House Resolution 5963.

Very truly yours,

R. R. BARTELSMEYER,
Chief Highway Engineer.

Mr. Chairman, in closing let me again state that I find great displeasure in having to oppose any measure presented to the House by my good friend, the gentleman from Mississippi [Mr. SMITH]. He is a forthright, intelligent, hard-working member of the House Committee on Public Works. He is very sincere in offering his bill; however, I do believe in all sincerity that more consideration should be given to the motor vehicle users and the Federal and State governments in this instance. I urge my colleagues to give this matter careful consideration before voting. Thank you.

Mr. SCHERER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ROBISON].

Mr. ROBISON. Mr. Chairman, I have no particular comments to make on H.R. 5963, the bill now before us, other than to note that it is an amendment to the General Bridge Act of 1946, and that even though both the Bureau of Public Roads and the Corps of Engineers were opposed to the bill it is clearly within the power of Congress to overrule, in this fashion, an administrative finding made under discretionary powers granted by that act.

The situation does, however, point up the fact that it might be wise for this Congress to take a further look at the broader question here involved. In 1959, the then Secretary of Commerce submitted to the Congress a draft of a proposed bill—based on a Department of Commerce report on "Navigational Clearance Requirements for Highway and Railroad Bridges," published in 1955—which bill, if enacted into law, was believed to hold forth the promise of saving many millions of dollars annually in highway bridge-construction costs.

What would that draft bill do? Well, as I understand the situation, the present provisions of the General Bridge Act require the Chief of Engineers and the Secretary of the Army, in approving bridge plans for structures crossing navigable waters, to, and I quote: "protect the interests of public navigation." I have no intention of downgrading, in any way, the importance of waterway transportation and I think it is obvious from the position our committee has taken on this particular measure that it is fully aware of the importance of the same.

Nevertheless, it would seem to me that the public interest would be better served, as we work toward a truly coordinated national transportation system, if that provision were changed so as to recognize the equal rights of all forms of surface transportations, not just watercraft alone, and to consider the economic effects on all forms of surface transportation, not just watercraft alone, in deciding upon bridge clearances and the necessity for movable spans.

The draft bill submitted to Congress in 1959, as I have mentioned, would do just that by so amending the General Bridge Act as to require the Chief of Engineers and the Secretary of the Army to base their approval of bridge plans, and again I quote: "upon the public interest," and would specifically require those officials, in considering what constitutes the public interest, to recognize, first, the equal rights of all forms of surface transportation—highway, railroad, waterway, and pipeline; second, consider how the navigational clearances to be required, and any conditions relating to bridge maintenance and operation, affect all forms of surface transportation; and third, to take into account any special requirements for accommodation of federally owned defense watercraft.

Thus the emphasis would be switched from protection of navigational interests only to an effort to establish clearances which would have the minimal total economic effect on all forms of surface transportation. The draft bill also provides that, wherever feasible, fixed bridges would be constructed in preference to movable span bridges, thereby permitting freer movement of overland and waterway traffic without the disruption resulting from operation of movable span bridges.

When our committee received testimony on this matter last year—specifically on H.R. 7153, 86th Congress, which was that draft bill I have mentioned as introduced by myself, General Itschner, Chief of Engineers, testified that the Corps of Engineers was already making this sort of an economic analysis of the effect of bridge-clearance decisions on all forms of transportation as an administrative procedure it had adopted on its own, and that H.R. 7153, if enacted, would only put in statutory language what the corps was already doing.

This may be so, and I do not doubt it, but it seems to me that it would be very much better to bring statutory requirements in line with existing administrative procedures—if they are proper ones—even though it is a sort of cart before the horse situation. There is another reason to consider why we ought to do this, too, it seems to me, and that lies in the possibility—only a possibility, I say—that although the engineers seek as best they can to now determine the public interest in these matters they may still be somewhat inclined to lean in the direction of navigational interests because that is the way the law under which they must now operate is worded, even though that language had its outgrowth from the situation which existed, many years ago, when waterway traffic was the most important method we had of moving goods, and waterways were the chief arteries of transportation.

In any event, when our committee failed to take any action on H.R. 7153 as introduced by myself in the last Congress, I reintroduced a comparable bill in this, the 87th Congress, under the designation of H.R. 5837, and the same is still awaiting consideration by our committee.

In the meantime, I have just received through the chairman of our committee a favorable report from the Secretary of the Army on my bill, H.R. 5837, and, before I reintroduced my bill, the chairman had received a favorable report from the new Secretary of Commerce with respect to the draft bill—comparable to the 1959 draft bill—that had been resubmitted to Congress earlier this year by the outgoing Eisenhower administration. In his letter to our chairman under date of March 15, 1961, Edward Gudeman, Under Secretary of Commerce, states that his Department has, and I quote: "reexamined this item and we continue to support its enactment."

The outgoing administration, in sending this draft proposal back up to the Hill this year, reiterated its belief that bridge clearances established pursuant

to the concepts I have outlined would result in savings of millions of dollars annually without unduly affecting waterway transportation. It pointed out that those savings would inure principally to the Federal-aid, State, and local highway programs, and in a substantially lesser degree to railroads and pipelines as well. Finally, it pointed out that those savings in highway bridge-costs would make public funds immediately available for other urgently needed highway improvements.

These optimistic statements have been echoed before our committee in the past by the American Automobile Association and by the American Association of State Highway Officials. Perhaps these optimistic hopes are only conjectural, but, Mr. Chairman, having just gone through a difficult time trying to figure out how to keep our vast Federal highway program going and on schedule, it would seem to me that this Congress would do well to consider further the possibility that this change—dictated in the public interest—might ease our future pathway.

I would like to express the hope, therefore, in closing, that the Committee on Public Works will give early and full consideration to my bill, H.R. 5837.

Mr. SCHERER. Mr. Chairman, I have no further requests for time.

Mr. SMITH of Mississippi. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502 of the General Bridge Act of 1946 (33 U.S.C. 525) is amended by adding at the end thereof the following new subsection:

"(d) Nothwithstanding any other provision of this Act, the vertical clearance of any bridge constructed across the Mississippi River between the junction of the Illinois River and the extension of Lafayette Road, Saint Paul, Minnesota, after the date of enactment of this subsection shall be not less than fifty-five feet above river levels reached 98 per centum of the time, and not less than sixty-three and seven-tenths feet above river levels at normal navigation pool stages."

Mr. MOSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Moss of California: Page 2, line 2, strike out the quotation marks and add at the end thereof the following:

"(e) Notwithstanding any other provision of this Act, the minimum vertical clearance at project flood plane of any bridge constructed across the Sacramento River between Rio Vista and Chico Landing, after the date of enactment of this subsection, shall be not less than sixty feet."

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield.

Mr. SMITH of Mississippi. Mr. Chairman, the amendment presented by the gentleman from California is acceptable to the committee, because it would give us an opportunity to present this problem before the other body.

Mr. BALDWIN. If the gentleman will yield, this side of the aisle has reviewed the amendment. We think it is a desirable amendment, and have no objection to it.

Mr. MOSS. I thank the gentleman.

Mr. Chairman, this is a parallel situation to that relating to the vertical clearance of bridges across the Mississippi River.

In northern California, because of what I and my colleagues consider to be shortsighted public policies, there is grave danger that a proposed low level bridge across the Sacramento River at R Street in the capital city of Sacramento will place an arbitrary and unnecessary ceiling on the use of this stream. Not only are the necessities of day-to-day commerce involved here but, more importantly, the future defense traffic on the river and the emergency operation of large river dredges when they are urgently needed in time of disastrous floods.

At present there is no bridge on the Sacramento River from Rio Vista to Chico Landing that does not at least have a 100-foot clearance. In fact, all except two of the existing bridges have unlimited clearances. If a bridge with a 40-foot vertical clearance were to be erected at R Street—as requested in an application to the U.S. Corps of Engineers by the California Department of Highways—it would set a precedent that would affect spans over navigable streams in all areas in the State of California. Within the next 10 years seven new bridges are to be constructed across the Sacramento, which indicates how vitally important is the decision on the vertical clearance on the R Street Bridge.

As provided by law, public hearings were held last fall in connection with the R Street Bridge, at which several dozen public bodies and private organizations testified against the original proposal of the highway department for a 35-foot bridge. In view of the clamor raised against this low-level structure, the U.S. Corps of Engineers undertook an economic analysis, coming up some months later with a preliminary approval of a minimal vertical clearance of 40 feet.

In recent months, Members of the Congress representing a majority of northern California districts have expressed their unanimous belief that a 40-foot vertical bridge would not only hamstring the future use of the Sacramento for the necessities of commerce but also well might result in the overturn of projected plans of the Sacramento Air Materiel Area—McClellan Air Force Base—to act as a major recovery site for manned space reentry vehicles and recoverable boosters.

If SMAMA's plan to act as a booster recovery site and rehabilitation area is to be effected, one of the many requirements would be a bridge with at least a 55-foot vertical clearance. Some of the boosters SMAMA plans to recover and repair, such as Saturn I, now being developed under Air Force feasibility studies, are 45 feet in diameter and 110 feet long. Since highways cannot carry these space vehicle loads, nor railroads move them, the answer as far as can be seen today, obviously, is water transportation.

Thus, it would appear to be shortsighted indeed to limit the future potential military and civilian industrial capabilities of Sacramento by constructing a low-level immovable bridge which would restrict river traffic forevermore.

Mr. Chairman, in view of these cogent reasons I urge adoption of the amendment to H.R. 5963, as reported, providing that the minimum vertical clearance at project flood plane of any bridge constructed across the Sacramento River between Rio Vista and Chico Landing, Calif., shall be not less than 60 feet.

Mr. MATHIAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, just a week ago today, the Secretary of Commerce made an announcement that the Government would permit sales of subsidized farm products including cotton textiles and other farm products to the Soviet Union and to its European bloc.

Mr. Chairman, in my view I think this is just granting dollar aid to Russia through the back door of the Department of Agriculture. I am shocked to learn that Secretary Freeman and Secretary Hodges have committed the Government virtually to deliver American tax dollars to the Communist countries. Such sales have been banned by this Government for years with the single exception of Poland and, obviously, the foreign policy which applies to Polish sales does not apply to Russia and the other Iron Curtain countries.

The effect of this is to grant dollars to the Red treasuries to enable them to buy American agricultural products.

Aside from the fantastic aspect of the situation in asking the American taxpayer to subsidize purchases made by Russia, it is impossible to believe that the State Department concurred in this reversal of foreign policy. Although the Commerce Department was quoted in the New York Times and other papers last week as saying that the White House endorsed this change, I shall ask Secretary Hodges not to issue any export licenses until he has consulted Secretary Rusk and until he has advised the Congress and the Nation of the administration's policy determination on this question.

In my view, none of the brave speeches that have been made on winning the struggle against communism will have any effect at home or abroad, if our policies contradict our words.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. MATHIAS. I am happy to yield to the gentleman from Florida.

Mr. CRAMER. I congratulate the gentleman from Maryland for calling this matter to the attention of the House. It certainly is in conflict with what I believe the foreign policy of this Nation should be and what is announced as the policy. This back-door method of providing dollar support to the Soviet Union is certainly inexcusable and contrary to the basic policies that should be the policies of this country.

I might add to the gentleman that I am not too suprised about it in view of the fact the United States is indirectly

negotiating for tractors for the Communists in Cuba. So it should be not too surprising I suppose that through the back door again—this precedent having been set by the Cuban back-door deal on tractors—that there is an effort now to make American agricultural products available to the Reds. I have, of course, by introducing House Concurrent Resolution 322 opposed the proposal to negotiate with Castro and his Communist government for a tractor exchange for human beings as being contrary to basic American policy against paying indemnity. There is no question but what this has the backing of the President of the United States—he having requested the members of this committee to function and proposed tax exemptions and export licenses. It seems to me that this is another back-door method of acknowledging the existence of communism in this hemisphere and acknowledging or recognizing—by indirection—Castro as the head of the Communist government. It certainly serves no good purpose in solidifying the free nations of this hemisphere against Communist infiltration. Equally objectionable is the issuance of these export licenses to Russia to which the gentleman just called the attention of the House. I want to congratulate the gentleman again.

Here is another effort which I think is adverse to the best interests of the free people of the world in this cold war struggle against communism. Incorporate the text of my resolution on the tractor deal, in opposition to it for the further information of the House and serve notice that I shall call for House action on it if negotiations for blackmail payments to Communist Castro continue. Text follows:

Whereas Castro's offer to trade one thousand two hundred Cuban prisoners for five hundred heavy-duty tractors is admittedly indemnification by this Nation to a Communist country; and

Whereas this is blackmail; and

Whereas this is extortion; and

Whereas this Nation, as the leading nation of the free nations of the world, would be kowtowing to the demands of a Communist dictator; and

Whereas the tractors are not farm equipment to aid Castro's so-called agrarian reform but rather heavy-duty construction vehicles which could build airstrips and missile launching sites to be used against the free nations of this hemisphere; and

Whereas these tractors comprise equipment negotiable with Red China or some other Communist nation and could be traded for war materiel; and

Whereas this Nation's prestige would sink in the eyes of the world; and

Whereas this is appeasement to communism; and

Whereas there are one hundred fifty thousand more prisoners rotting in Castro's rathole prisons who could be traded, hundreds at a time, for further "indemnification" from this country; and

Whereas thousands of Americans lost their lives in two World Wars and Korea fighting to uphold the dignity of America and dying to affirm their dedication to her freedom; and

Whereas, although there exists great sympathy for the Cuban freedom fighters, we must remember that soldiers of all nations have lost their lives willingly before bowing down to an enemy which raises question as to why the leaders of the Cuban freedom fighters would even agree to such a trade, knowing that it will only make stronger the enemy they are trying to defeat; and

Whereas, in reality, the twelve hundred prisoners Castro speaks of are not twelve hundred prisoners of Cuba, but twelve hundred more Cuban prisoners for, in fact, every Cuban in Cuba today is a prisoner of the Communist conspiracy and it should, therefore, be this country's goal to free all the people of Cuba and not only the twelve hundred who recently returned to their homeland; and

Whereas, although it may be argued that other nations of this hemisphere are making token donations to this cause, it is this country, and not others, that is being forced to make this trade in the name of indemnity; and

Whereas freemen have traditionally been willing to sacrifice both liberty and life in defense of principle; and

Whereas Communism can never be defeated by governments or people too soft for sacrifice and who choose, instead, to pay tribute to tyranny: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that this Government oppose the trading of machines for humans as proposed by the Government of Cuba and request the President to withhold any executive approval of such a trade, to refuse to permit the issuance of export licenses for such machinery, and to refuse to permit gifts made for such a trade to be deducted for income tax purposes.

Mr. MATHIAS. I thank the gentleman from Florida.

Mr. DOMINICK. Mr. Chairman, will the gentleman yield?

Mr. MATHIAS. I yield.

Mr. DOMINICK. Mr. Chairman, I congratulate the gentleman from Maryland on bringing this subject up. It seems to me particularly important to point out the apparent lack of coordination between the various agencies. We have recently had this briefly called to our attention in another case in which the United States through its representatives at the International Conference in Mexico authorized a barter agreement whereby the United States bought surplus lead from other countries in exchange for wheat when we already have a surplus of lead in our own markets. While we are doing that on the one hand, on the other hand we canceled an agreement whereby Brazil would sell us sugar in return for buying our wheat and left it open so that we are buying sugar from Brazil with dollars, giving Brazil the opportunity to turn around and purchase wheat from Russia with our American dollars. This does not make any sense to me at all, and I congratulate the gentleman from Maryland for bringing up still another example of an apparent lack of firmness in our foreign policy toward trade with friendly and unfriendly nations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Moss].

The amendment was agreed to.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise without claiming any special technical competence on this subject of vertical clearances over navigable waters, but I do feel obliged to call to the attention of the committee a letter which I received within the last few days from Mr. R. R. Bartelsmeyer, the chief highway engineer of the State of Illinois, and I would like to quote briefly from a couple of paragraphs of his letter:

The clearance requirements that are contained in the subject resolution would be considerably greater than those that are normally required as determined from a recently completed economic analysis of the effect of vertical navigation clearances on bridge costs. This analysis was made jointly by the highway departments of Iowa, Illinois, Missouri, Wisconsin, and Minnesota, and the Corps of Engineers, U.S. Army, for the upper reaches of the Mississippi River between the mouth of the Illinois River and St. Paul. The Corps of Engineers has by a news release dated February 8, 1961, from their Chicago office, published the results of their analysis which show that the clearance most beneficial to the States' and national economy for both land and water transportation would be 45 feet above river level reached 98 percent of the time and 50 feet above river level at pool stages. The proposed resolution now before Congress attempts to override the Corps of Engineers' recommendations by providing 10 feet greater vertical clearance for the 98 percent water level and 13.7 feet greater vertical clearance for the normal pool.

And then I quote from another portion of his letter:

In the recent economic analysis, as compiled by the aforementioned States, data was gathered in connection with the fixed heights of all towing units and tonnage carried by these tows now operating in this section of the river. This data revealed:

1. Seventy-five percent of all tonnage was handled by towing units that had fixed heights of 40 feet or less and that 95 percent of all tonnage was handled by towing units with fixed heights of 46 feet or less.

2. These tows were up to 1,200 feet in length.

3. Of all towing units operating in this reach of the river during the 5 years from 1955 through 1959, only 6 vessels had heights in excess of 45 feet. Data obtained indicates that the most powerful type of towing units presently operating on the upper river range between 39 feet and 40 feet in height. Pilot's eye level elevation necessarily must be somewhat lower.

Then he goes on to state:

All the States concerned and particularly the Illinois Division of Highways wish to avoid constructing any bridge over any navigable waterway that would unduly hinder or restrict development of waterborne transportation. At the same time, we are morally bound to avoid needless expenditures of highway funds by providing excessive clearances for the accommodation of but a very limited number of vessels, some of which are outmoded or can be modified to pass under a bridge having a 45-foot vertical clearance.

It is our firm belief that the 45- and 50-foot vertical clearance requirements recently established by the Corps of Engineers on the basis of the economic analysis submitted by the States concerned will place no undue restrictions on river navigation.

That letter is signed by R. R. Bartelsmeyer, chief highway engineer, Division of Highways, State of Illinois.

Certainly I would feel morally bound and otherwise compelled to call the attention of the members of the committee to this opinion on the part of the chief highway engineer of my State, presumably an opinion that may well be

shared by the chief highway engineers of other Middle Western States.

Mr. SCHERER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. SCHERER. The gentleman understands that testimony similar to that which he has read from the highly respected highway engineer of your State, and a friend of mine, was before the committee and considered by the committee. Let me say that the gentleman from Ohio is as much interested in preserving the integrity of the highway trust fund as any Member of the House or any highway engineer.

Mr. ANDERSON of Illinois. I am sure he is.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 5963) to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River, pursuant to House Resolution 352, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 1575. An act for the relief of Mrs. Anneliese Franziska Guay;

H.R. 1602. An act for the relief of Ido Enrico Cassandro;

H.R. 1887. An act for the relief of Helen Tilford Lowery;

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore;

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo;

H.R. 2165. An act for the relief of Marie F. Balish;

H.R. 2645. An act for the relief of Wieslawa Alice Klimowski;

H.R. 2835. An act for the relief of Jose Lauchengco, Jr.;

H.R. 3371. An act for the relief of George Sauter (also known as Georgois Makkas);

H.R. 3722. An act for the relief of Maria Czyz Krupa;

H.R. 4636. An act for the relief of Ralph B. Cleveland;

H.R. 4796. An act for the relief of Richard A. Hartman; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) entitled "An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes."

DELAWARE RIVER BASIN COMPACT

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 363, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H.J. Res. 225) to grant the consent of Congress to the Delaware River Basin Compact and to enter into such compact on behalf of the United States, and for related purposes, and all points of order against said resolution are hereby waived. After general debate, which shall be confined to the resolution and continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the resolution shall be considered as having been read for amendment. No amendment shall be in order to said resolution except amendments offered by direction of the Committee on the Judiciary. Amendments offered by direction of the Committee on the Judiciary may be offered to any part of the resolution at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, I yield myself such time as I may desire, after which I will yield 30 minutes to the gentleman from California [Mr. SMITH].

Mr. Speaker, House Resolution 363 provides for the consideration of House Joint Resolution 225, a resolution to grant the consent of Congress to the Delaware River Basin compact and to enter into such compact on behalf of the United States, and for related purposes. The resolution provides for a closed rule, waiving points of order, with 2 hours of general debate.

The purpose of House Joint Resolution 225 is to grant the consent of Congress to an interstate-Federal compact that will create a regional governmental commission to administer comprehensively the water resources of the Delaware River Basin.

Parties to the compact are the Federal Government and the States of Pennsylvania, New York, New Jersey, and Delaware. The compact commission will consist of five persons—a Federal representative appointed by the President of the United States and the four State Governors. This commission will be charged with the adoption and operation of a single comprehensive plan for the immediate and long-range development and uses of the water resources of the Delaware. The plan is to be a framework within which Federal agencies may operate, within which States may operate, within which private enterprise may operate—each fully within the present scope of its powers.

If the powers and functions of law, planning, administration, and finance for a single river basin are to be integrated properly, the solution lies in a single joint agency composed of the governmental bodies concerned. This is the only way to express a dynamic federalism. It fashions the instruments of law, nature, and government to meet the requirements of fully effective public action in the Delaware River Basin. It also offers opportunities for greater administrative efficiency and effectiveness, which are of almost equal importance.

The establishment of a single agency to coordinate Federal interests in the Delaware River Basin is of as much importance as the joining together of the four States and the resultant coordination of their various State activities. In brief, there is one river, one basin, all water resources are functionally interrelated, and each use is dependent upon the other. Therefore, one comprehensive plan and one coordinating and integrating agency is essential for efficient development and operation.

Mr. Speaker, I urge the adoption of House Resolution 363.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on House Joint Resolution 225.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SMITH of California. Mr. Speaker, this rule has been thoroughly explained by the gentleman from Massachusetts, Mr. O'NEILL. It provides for 2 hours of general debate and is reported as a closed rule.

However, Mr. Speaker, I believe there has been a little misunderstanding as to the manner in which the rule was written up, because there was an agreement made, at the time it was considered, that the members of the Committee on the Judiciary could offer amendments to this particular bill, the gentlemen involved being the gentleman from Pennsylvania [Mr. WALTER] and the gentleman from New York [Mr. RAY]. And, they agreed that that procedure could be followed. I mention that merely in the hope that the committee amendments may be offered without anyone making objection, which would cause it to be sent back to the Rules Committee.

The proponents of this bill have stated before the committee that it does not authorize any particular project; that they need it without further delay in connection with future water resources development, and water shortage problems, in this area. They contemplate

some 33 projects which include water and flood control, recreation, and power; that the United States will have a representative on this commission along with the four States involved: Delaware, New Jersey, New York, and Pennsylvania; and that our future participation in this compact will be in accordance with legislation enacted by the Congress of the United States.

There is some opposition to the measure in the supplemental views in the report by the gentleman from Florida, Mr. CRAMER. I understand the gentleman from New York, Mr. RAY, objects to this particular procedure on the basis that we are participating in a partnership on a mandatory basis which they think possibly sets a new precedent and possibly will be held unconstitutional. Furthermore, there are 19 agencies involved in this matter, and they feel they should have more time to study the matter. Other than that, I know of no objection to the rule itself.

Mr. Speaker, I have no requests for time, and I yield back the remainder of my time.

Mr. O'NEILL. Mr. Speaker, I concur in the remarks of the erudite gentleman from California.

Mr. Speaker, I have no requests for time. I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. WALTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 225) to grant the consent of Congress to the Delaware River Basin Compact and to enter into such compact on behalf of the United States, and for related purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 225) with Mr. BASS of Tennessee in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. WALTER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the purpose of this legislation is to grant the consent of Congress to an interstate-Federal compact that will create a regional-governmental commission to administer comprehensively the resources of the Delaware River Basin.

Parties to the compact are the Federal Government and the States of Pennsylvania, New York, New Jersey, and Delaware.

The compact commission will consist of five persons, a Federal representative appointed by the President of the United States, and the Governors of the four States. The commission will be charged with the adoption and operation of a single comprehensive plan for the immediate and long-range development and uses of the water resources of the Delaware River. We are not, of course, talking about just the Delaware River here today. We are considering a step affecting people—many people—and their future health and welfare.

The Delaware is small as rivers go. It is only a little over 300 miles long, yet 22 million people, or about 13 percent of the national population, depend upon it for everything from drinking water and recreation to navigation and industrial production.

The Delaware, at the same time, is a giant. The jobs it makes possible generate 17 percent of the national personal income. The industrial complex based upon it constitutes one of the world's greatest concentrations of industrial might.

And if predictions are accurate, in five short decades both the population and the industrial output of the Delaware River service area will double. They will double, that is, if the water is there to support them; they will double if the flood protection necessary to save lives and protect property and investments is available. They will double if the necessary supplies are there to meet power requirements. They will double if the recreational amenities are present and will help to maintain the basin as a desirable place in which to live and to work.

At the direction of Congress and at an expenditure of $2 million of Federal money, the U.S. Corps of Engineers has been conducting a survey and has now completed a comprehensive plan that will enable us to meet these needs.

We now need a political instrument which can take the plan off paper and make it a reality. This House Joint Resolution 225 is that instrument.

It has long been recognized that city or State planning alone is not sufficient to meet the demands of the Delaware's future development. A river basin rarely belongs to one State. Comprehensive development seldom can be carried out by the Federal Government, acting alone, or by the individual States, acting separately and alone. Instead, it involves the joint efforts of government at all levels—city, State, and Federal.

The compact authorized by House Joint Resolution 225 will permit the States of Pennsylvania, New York, New Jersey, and Delaware to join with the Federal Government as partners in tailoring the future of the Nation's most populated and productive region. Such a proposal is in accord with President Kennedy's brilliant message to Congress on natural resources, in which he expressed the aim of his administration to develop comprehensive river basin plans by 1970 and to form planning commissions on which the State and Federal Government shall sit as partners.

It is also in accord with the observation made back in 1953 by a Presidential Advisory Committee on Water Resources that, and I quote:

> The greatest single weakness in the Federal Government's activities in the field of water resources development is the lack of cooperation and coordination of the Federal agencies with each other and with the State and local agencies.

The interstate-Federal compact contained in House Joint Resolution 225 would meet this weakness.

It recognizes that the States will be active participants in the development of the Delaware, building dams and other facilities, that, for the sake of efficiency should be coordinated, in construction and operation, with those to be built by the Federal Government.

There are a total of 19 Federal agencies sharing prime responsibilities for the water resources of the Delaware. In addition to this, there are at present 14 interstate agencies and 43 State departments having some concern with the waters of the Delaware. On the local level there are more than 250 public and private water companies. As a result, the Delaware Basin water problems are dealt with by a multiplicity of agencies—Federal, State, and local—with a confused splintering of responsibilities. It is only commonsense to me that there is a need for a single coordinated agency which can cut across political redtape and artificial manmade boundary lines, and which can coordinate the functions of the Federal, State, and local governments and give unified answers to river basin problems.

The instant compact has been worked out with painstaking care. It grants the consent of Congress not only to the compacting States to enter into this compact, but also it makes the Federal Government a participating partner in this arrangement.

It is important to note that such an arrangement is not a departure or innovation in the law relating to interstate compacts in which the Federal Government also participates. The U.S. Supreme Court has uniformly upheld contractual arrangements in the nature of compacts between the Federal Government and one or more States.

I might observe that your committee has been urged to leave the Federal Government and its agencies out of the compact. It was argued that such an arrangement, especially this particular arrangement calling as it does for a Federal representative who would be a voting representative, raised serious constitutional and other questions. Of course, this simply is not so. Such an arrangement is perfectly constitutional and the committee report sets forth 18 Federal-interstate compacts that provide for Federal representation. I wish to mention specifically the Ohio Valley water sanitation compact.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield for two questions?

Mr. WALTER. I yield to the gentleman from New York.

Mr. LINDSAY. Did these other compacts provide for Federal representation analogous to this compact?

Mr. WALTER. Yes; they did, and there are several of them which are almost identical. As a matter of fact, this compact was entered into, as I have already described, and it was already approved by each of the 4 States by almost unanimous votes, only 11 dissenting votes in 4 State legislatures, and followed very closely the language of the compact entered into between the

States of Virginia and Maryland and the District of Columbia. The language of this compact follows language that has already been approved.

Mr. LINDSAY. Of course, the District of Columbia case involves a direct Federal interest. I am curious to know whether or not there is a precedent which does not involve as direct a Federal interest such as the one just mentioned. Is there any other precedent closely analogous to this?

Mr. WALTER. Yes; the Ohio Valley water sanitation compact is closely analogous.

Mr. LINDSAY. If I may ask the gentleman just one more question. In the Delaware compact was the participation of the Federal Government as a voting partner brought about at the request of the compacting States or was it suggested to or thrust upon them at the instigation of the Federal Government?

Mr. WALTER. I might say that when the Board of Engineers set out to make the studies, there was appointed and established a Delaware Basin Survey Coordinating Committee. Represented on that committee were the Department of the Army, the Department of Agriculture, the Department of Commerce, the Department of Health, Education and Welfare, the Department of the Interior, the Department of Labor, the Federal Power Commission, the Commonwealth of Pennsylvania, and the States plus the cities of Philadelphia and New York. So this was a truly representative committee assembled by the general in charge of the Army district in the Philadelphia area who was the representative of the War Department whose name I cannot recall at the moment.

Mr. LINDSAY. Insofar as the gentleman has knowledge was there any resistance on the part of the State governments, either by the legislative or executive branches of these States, to the inclusion of the Federal Government as a voting partner?

Mr. WALTER. On the contrary, the States were very anxious that the compact take this particular form because of the experience we have had in this area for 25 years. For 25 years attempts have been made to devise some sort of a program that will take care of the ever-increasing demands for water. The States were very glad to have the Government of the United States as a participating partner because with one representative then the 19 different agencies of Government would not have to be consulted about every single phase of any proposal.

Mr. LINDSAY. I thank the gentleman. I strongly support this bill and intend to vote for it.

Mr. CRAMER. Mr. Chairman, will the gentleman yield with reference to the points just raised by the gentleman from New York?

Mr. WALTER. I am glad to yield to my colleague.

Mr. CRAMER. Of course, the gentleman knows my position with regard to participation by the Federal Government on a voting basis.

Mr. WALTER. I am not so sure that I do know just what the gentleman's position is since he has taken two or three different positions and I would not know what the gentleman's position is today.

Mr. CRAMER. For more than a year now I have been opposed to the voting privilege for the Federal representatives in this and in the Northeast compact bills. I do not intend to take the gentleman's time discussing in detail the four compacts the gentleman recited as precedents. It will be my intention in the period allotted me later to discuss each of those, which leads me to the conclusion that there is no precedent for this on a participating, voting, mandatory basis with the Federal representative voting on all matters including the administration of the compact.

Mr. WALTER. The compact commission is not a mere advisory commission, but is in fact an operating agency empowered to adopt and enforce its own regulations. I am pleased to note that the administration is relaxing its position on the constitutional question, which is further evidence of the soundness of our belief in the worthiness of this legislation.

House Joint Resolution 225 is a good bill. The Delaware River Basin compact is a good compact. A compact such as this was suggested by President Eisenhower's Commission and I read:

> The committee recommends—
>
> (a) That future multipurpose basinwide development of water resources should be on a partnership basis between the Federal Government and the States.
>
> (b) That the States in general assume more leadership and responsibility in this field.
>
> (c) That direction and control be provided by balanced division of authority between the Federal Government and the States concerned (Report of the President's (Eisenhower) Commission on Intergovernmental Relations (1955)).

I urge the compact's adoption.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield.

Mr. STRATTON. I wonder if I may ask the gentleman from Pennsylvania one question with respect to the impact of this compact if it is approved, in my district of New York State. The Delaware River is not in my district, but it is very close, and there is a great deal of concern in this and other areas with regard to the wishes of the Army Engineers to construct a large reservoir type dam which would take valuable farmland in the rich farm valley of Otsego County, New York State. The people in my part of New York State are understandably opposed to the construction of these dams, and I am interested in knowing whether the gentleman could give me some assurance that if the House aproves this compact and it goes into effect, the power to construct large dams and to take valuable farmlands out of production in areas of New York State and elsewhere will not be taken away from the authorities who now exercise that control? In other words, are we taking away from this House the power that it has to prevent the construction of these dams which we now have which people feel strongly about? I would not want to see anything done to jeopardize the farmers in my district.

Mr. WALTER. The gentleman raises a very interesting and important question. I say that for this reason, that the adoption of this resolution does not approve a single project; so that if it were contemplated to proceed with a water project that would affect the gentleman's district through the acquisition of basin lands, that would have to be submitted to Congress, first to the Bureau of the Budget, then to the appropriate legislative committee for authorization, and then to the Appropriations Committee.

The approval of this compact does not automatically carry with it the authority to embark upon the construction of any project; and, I might add, if it did in any way affect existing law with respect to the taking of property without just compensation, the compact would be unconstitutional.

Mr. STRATTON. I thank the gentleman for that assurance. I know it will be an important measure of assurance to the people of my district.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. The chairman of the Committee on Insular Affairs of the House, the gentleman from Colorado [Mr. ASPINALL], and myself were very much interested in the piece of legislation which we are now considering. Together with the members of our staff we drafted a series of 21 questions with regard to the Delaware River compact problem and submitted them to the gentleman now speaking, Mr. WALTER, of Pennsylvania. These questions which we raised were in our opinion important because the piece of legislation as drafted left these questions unanswered. It is my understanding that the staff of the Committee on the Judiciary, together with Mr. WALTER and other Members working with him, have prepared answers to these questions.

I am wondering whether or not for clarification of the RECORD the gentleman intends to place these questions together with the answers he submitted to Mr. ASPINALL and myself in the RECORD.

Mr. WALTER. Yes. I wish to make the questions and answers a part of the RECORD. I might say that the Committee on the Judiciary is indebted to the gentleman from Pennsylvania and the gentleman from Colorado because we believe that this series of questions has raised every conceivable question. We believe, in all modesty, that the answers prepared by the subcommittee and our staff answer each of these questions, and we hope to the satisfaction of everybody.

I shall ask at the proper time to place these in the RECORD at this point:

ANSWERS TO QUESTIONS SUBMITTED BY REPRESENTATIVES SAYLOR AND ASPINALL ON THE DELAWARE RIVER COMPACT

1. How many of the States concerned have fully ratified the compact? Delaware? New Jersey? Pennsylvania? New York?

"The States of Delaware, New Jersey, and New York have fully ratified the compact. It is pending in Pennsylvania."

2. When will the Corps of Engineers' comprehensive plan for the Delaware River become public?

"The Corps of Engineers' comprehensive plan has been made public and has been submitted to Congress. A preliminary report of it had previously been circulated."

3. Is request for the Congress' consent to the compact premature in view of the answers to the above?

"The request for congressional action is not premature; it is rather most timely and essential that there be no delay in establishing a proper basinwide agency which would be authorized to speak for the basin as a whole, rather than to leave the effectuation of a plan to the uncoordinated administration of some 43 State agencies, 14 interstate agencies and up to 19 Federal agencies, now exercising a multiplicity of powers and duties in the basin. There will, if the Congress acts, be nearly simultaneous action on the part of the participating States and Federal Government."

4. What will be the situation if the Congress hereafter exercises its right to withdraw from the compact (p. 9, line 23)? Will the commission continue in existence or will it automatically go out of existence? If it will automatically go out of existence, why could it not be organized without the United States to begin with?

"The commission would continue in existence but would be seriously handicapped. That is, provided Congress only withdraws Federal participation and does not also withdraw congressional consent. If Congress withdraws consent, the compact will terminate since the Constitution (art. I, cl. 10) requires continuing congressional consent."

5. In view of the fact that the compact is breaking new ground in a number of directions, would it not be better if the United States were to assent to the compact for a limited period with provision for coming back to Congress in, say, 10 years instead of having it set up for a perpetual or indeterminate period? What necessity is there for the latter provision?

"The very nature of the basin agency calls for as much stability and long-range planning as is possible. Water development projects take from 10 to 15 years from the time they are conceived to the time they may be in operation, and their financing may well cover a period of 50 years. If the new basin agency is to be effective at all in giving direction and coordination to governmental programs, and in providing encouragement for private investment in resources development, it must have the stability of corporate existence for the indefinite future. In fact, the traditional form in which these public bodies for municipal purposes are established is with perpetual duration. The reason for having a hundred year reexamination is that the four States are giving up certain water rights for the common good at this time without being in a position to know the facts which may be pertinent over the next generation or two. From the viewpoint of the Congress, the power of withdrawal conferred by section 1.4 provides a full protection of the Federal interest."

6. What is the meaning of the provision (p. 11, lines 5–9) that the Delaware River Basin Commission shall be an "agent and instrumentality" of the United States? Will the United States be in any way liable, for instance, under the Tort Claims Act for any torts the commission or its agents may commit?

"The basin agency would have a dual character, being the agency and instrumentality of the Government of the United States as well as of the States which are signatory to the compact. In this respect, it would be similar to a mixed ownership Government corporation, as described in the Government Corporation Control Act. Section 14.18 of the compact places liability upon the commission and makes the commission liable to the same extent the U.S. Government would be liable under Federal law."

7. The commission is authorized to sell hydroelectric power within or outside of the Delaware River Basin (p. 12, lines 24–25). Is this limited to power generated at plants owned by the commission? What control, if any, will the Federal Power Commission have over sales by the Delaware River Commission?

"The commission's authority to sell hydroelectric power is limited to facilities which it may own or operate, and this is confirmed by section 3.7 of the compact which authorizes the commission to make changes 'for the use of facilities which it may own or operate and for the products and services rendered' by such facilities. Essentially, this would be a matter to be determined by future legislation, since the question of ownership is related to the technical problems of legal title which vary in their importance with respect to property devoted to public use. For all practical purposes, an agency authorized to operate may have all of the useful incidence of ownership of such property, at least for the duration of its authority to operate. The authority of the Federal Power Commission in the basin would not be modified in any way. Under the Federal Power Act, the FPC does not regulate sales by State agencies, nor does it regulate wholesale electric energy by Federal or State agencies. It will, however, have licensing jurisdiction over basin projects."

8. What is the difference between an "allocation" of Delaware River water "in accordance with the doctrine of equitable apportionment" which the commission is authorized to make (p. 14, lines 8–13) and an apportionment of the same waters which it is forbidden to make (p. 15, lines 8–10)?

"The terminology here is taken from the U.S. Supreme Court decree in *New Jersey* v. *New York*, 347 U.S. 995 (1954). Under the doctrine of equitable apportionment as applied in that case, an allocation of water among the States gives no vested right, and is subject to review and adjustment as future equities arise. The parties agree that as to the past Supreme Court decree applies and as to the future the basin commission will make allocations. Since it is intended that the basis upon which the commission would make its allocations shall be the same basis upon which the Supreme Court would have placed its decree are included in paragraph (b) of section 3.3."

9. Does the 1-year statute of limitations in section 3.3(c) (p. 15, lines 20–22) bar the United States from taking action under, for instance, the Pollution Control Act or to protect navigation on the lower Delaware if it does not act within 1 year?

"The provision of section 3.3(c), particularly the 1-year statute of limitations, deals only with the interstate disputes as to the allocation of waters by the commission. It in no way affects the possibility of action by the United States, all of which is expressly saved by section 1.4 of the compact itself as well as by the constitutional vesting of powers with respect to navigation under the commerce clause."

10. Does the commission's power to "establish standards of planning, design, and operation of all projects and facilities in the basin" (p. 17, lines 22–23) oust Congress and the Federal agencies from controlling these same items as they relate to Federal developments or to projects requiring a Federal license?

"A principal purpose of the compact is to refer all projects and facilities in the basin to the comprehensive plan. Federal agencies would also be required to conform to the plan. Under the reservation contained in section 1.4, the Congress could at any time overrule the provisions of the plan, but it is contemplated that the national interest in the basin will be fully expressed through the comprehensive plan and that there would be no occasion for the use of this safety valve by the Congress. In addition, the Federal Government would have a further control over all projects since the executive department and the Congress must approve all capital and other expenditures."

11. What is the meaning of "governmental authority" on page 19, lines 24–25? Does the use of this term at this place mean that any Federal agency planning a water development project—for instance, a water supply for an Army camp or a Navy shipyard—must first have its plans approved by the commission even though the project has been authorized by Congress?

"See the answer to question 10 above. Also vote that section 11.1(c) of the compact preserves for each Federal agency all of its functions, powers and duties within the basin except as specifically required by the section; namely, that project planning be done in consultation with the commission and that projects fit into the comprehensive plan, so as to avoid conflicts among Federal agencies as well as among State agencies and between Federal and State agencies."

12. When the compact provides (p. 24, lines 11–13) that the commission "may invoke as complainant the power and jurisdiction of water pollution abatement agencies of the signatory parties," does this include the powers of the Surgeon General and the Attorney General of the United States under the Water Pollution Control Act? Conversely, does it mean that these officers will no longer have any power to act in accordance with their duties under that act without going through the commission?

"The compact here gives the basin commission authority to complain to any duly constituted department of the Federal or State government signatory to the compact, for the purpose of asking them to invoke their powers as provided by law. This would include the authorities mentioned as well as any others having to do with water pollution abatement. This provision does not lessen the powers of such departments or agencies, but in fact provides another avenue through which they may be exercised. In the field of pollution abatement, moreover, it is recognized that Federal action is to a considerable extent dependent upon cooperative State action, and vice versa, and one of the purposes of the comprehensive plan would be to provide a common framework of antipollution standards within which all authorized bodies may act cooperatively. This is confirmed by section 5.5 of the compact."

13. What duty is imposed on Congress by the provision (p. 25, lines 13–23) that "Each of the signatory parties * * * agrees to enact any necessary legislation to enable such party to place and maintain the waters of said basin in a satisfactory condition," etc.?

"This provision is primarily of application to the several States. It recognizes that the sources of pollution may actually be more appropriately controlled under the State police power than under Federal authority. In any event, it is a statement of faith rather than of legal requirement which is more useful in committing the States to cooperate with the Federal agencies rather than vice versa."

14. When the compact provides (p. 32, lines 5–9) that "The waters of the Delaware River and its tributaries may be impounded and used by or under the authority of the [Delaware River] commission for the generation of hydroelectric power and hydroelectric energy, in accordance with the comprehensive plan," does this oust the FPC from its normal jurisdiction? If not, does it mean that the FPC and the Delaware River Commission will both have to license developments and that, unless they agree on the

license terms, there will be no private developments?

"The FPC is not ousted from its normal jurisdiction, particularly in light of the express provision of section 11.1(c). Private development would require screening by the commission for conformity with the comprehensive plan and would also require the usual FPC license. If it failed to pass in either respect, a project could not proceed without appropriate modification. This is inherent in the comprehensive and multipurpose development concept."

15. The compact provides with respect to Federal agencies that "No expenditure or commitment shall be made for or on account of the construction, acquisition, or operation of any project or facility, nor shall it be deemed authorized, unless it shall have first been included by the commission in the comprehensive plan" (p. 36, lines 12–16). Does this, in effect, give the commission a veto power over decisions of the Congress authorizing public works projects and over the expenditure of funds regularly appropriated to carry out these projects? Is it applicable both to projects which have already been authorized and to those that may be authorized in the future?

"The quoted provision from section 11.1 (b) does not give the commission a veto power over decisions of the Congress, but rather represents in itself a specific policy decision by the Congress that all of the authorized multipurpose uses and developments of the water resources of the basin shall be consistent with each other, as determined by the comprehensive plan. If the Congress should ever want to change this policy, section 1.4 provides an appropriate means to which the States have agreed in advance."

16. The commission is directed to "establish uniform standards and procedures for the evaluation, determination of benefits, and cost allocations of projects affecting the basin, and for the determination of project priorities * * *." It is also directed to "develop equitable cost sharing and reimbursement formulas for the signatory parties." (P. 37, line 20; p. 38, line 3.) How will this affect the application of such standards and formulas as have been and are being developed by the Federal Government for projects across the whole Nation?

"The standards and formulas being developed by the Federal Government are, in effect, designed to guide the expenditure of Federal funds. They would continue, as they are developed, to perform this function. The basin commission's standards would be primarily useful with respect to cost sharing by the four States. If there were to be any difference, as the commission standards might affect the Federal Government as a signatory party, the Congress is of course free to follow uniform national policies since the commission's standards are not in any event binding upon any of the parties. Section 12.20(a) expressly provides that 'nothing in this section (after referring to the cost sharing standards) shall be deemed to impose any mandatory obligation on any of the signatory parties other than such obligations as may be assumed by a signatory party in connection with a specific project or facility.'"

17. The compact provides (p. 44, lines 4–8) that "All bonds issued by the commission under the provisions of this compact and the interest thereof [sic] shall at all times be free and exempt from all taxation by or under authority of any of the signatory parties, except for transfer, inheritance and estate taxes." Does this mean that the Congress is binding itself irrevocably not to tax the income from any commission bonds that are issued while the United States remains a party to the compact? Will the bonds be subject to capital gains taxes if they appreciate in value? To capital loss deduction if they depreciate?

"The question of the taxation of interest on bonds issued by the commission is one which relates to the bondholders rather than to the commission. This provision is no more binding or irrevocable than the present provision of the Internal Revenue Code which makes interest received by municipal bondholders exempt from Federal tax. Moreover, under section 1.4 the Congress has an express reservation of the power to modify in the future if it wishes. The capital gains and losses status of bonds in the hands of bondholders would be determined entirely by the provisions of the Internal Revenue Code, in the same manner as the code covers transactions with respect to other tax exempt securities."

18. The commission is required to apportion its current expense budget among the signatory parties (p. 52, lines 4–8). The compact then goes on to provide: "The respective signatory parties covenant and agree to include the amounts so apportioned * * * in their respective budgets * * * subject to such review and approval as may be required by their respective budgetary processes. Such amounts shall be due and payable to the commission in quarterly installments during its fiscal year, provided that the commission may draw upon its working capital to finance its current expense budget pending remittances by the signatory parties" (p. 52, lines 11–20). What obligation, legal or moral, does this impose on the Bureau of the Budget to include in the budget the full amount apportioned to the United States by the commission? What obligation, legal or moral, does it impose on the Appropriations Committee to include in bills reported by it the full amount apportioned to the United States? What does "subject to such review and approval as may be required by their respective budgetary processes" mean? To what extent, if any, may the Budget Bureau and the Appropriations Committee look into the equity of the apportionment made by the commission? To what extent, if any, may it look into the reasonableness of the commission's estimates of its expenses? How does the answer to the preceding question fit with the power and duty given the commission to "determine the character of and the necessity for its obligations and expenditures"? (p. 54, lines 8–9).

"The process contemplated here is much like that followed by the Federal Government and the Bureau of the Budget at present with respect to the various international bodies in which the United States is a member. The basin commission would be obliged to justify all of its budget requests in the same manner as a Federal department. It should be noted that the apportionment of the commission's budget among the signatory parties requires the unanimous vote, which would include the vote of the Federal representative as well. Even then there is no legally enforcible obligation to appropriate, and the only moral obligation is the same as that undertaken by the United States with respect to one of the parts of a Federal department. The power delegated by section 14.1(b) is to the commissioners, as distinguished from the commission, and allocates the responsibility within the corporate body for the exercise of such powers as it has. In any event, the commission could not spend more than the signatory parties were willing to provide, and that they would determine in the same way that they determine other appropriations."

19. Will the provision that "The commission, its property, functions, and activities shall be exempt from taxation by or under the authority of any of the signatory parties" (p. 55, lines 19–21) interfere in any way, now or in the future, with the taxing authority of the United States?

"This merely states the tax immunity which the Supreme Court has determined is conferred by the Federal Constitution. Since the basin agency would be an instrumentality of the Federal Government, the States could not tax it and conversely, as an instrumentality of the States, it would be immune from taxation by the Federal Government."

20. What acts of Congress are repealed by section 15.2 (p. 69, lines 21–23)?

"No acts of Congress are actually repealed by section 15.2. It is only to the extent that any prior act is inconsistent with the compact bill that the compact bill would supersede the prior act. This would be the legal effect even if the repealer section were not there. Whether there is an inconsistency or not would be determined in each instance in the future on the basis of specific facts, and for this reason it is impracticable to list any Federal acts. Under these circumstances, this is a common form of generalized repealer."

21. What agencies of the executive branch, if any, participated in the drafting of the compact? Which of them, if any, have advised that there is no objection to enactment of House Joint Resolution 225? What assurance, if any, is there that it is satisfactory to the administration?

"The executive branch did not formally participate in the drafting of the compact, but has had it since the first of the year for study and comment. At present, the President has designated Secretary Udall to be responsible for coordinating the views of the executive agencies, conferences have been held, and it appears likely that the position of the executive departments will be agreed upon before long."

The existence of an interstate organization such as Incodel raises important policy and program problems relative to the development of the water resources of the river basin. While it is the one agency concerned with the totality of water resources on a basinwide basis, it is without administrative authority.

Because it is the only basinwide water agency, Incodel attempts to fulfill a coordinating role which requires a greater jurisdiction than it can possess as only an agent of the States. There are Federal responsibilities on the Delaware which cannot be escaped by local disclaimers. It is a navigable stream on which large Federal expenditures are being made for providing and maintaining navigation; it has flood-control problems which the Federal Government is expected to meet, and it has sizable hydroelectric-power potentials, the development of which the Federal Government is directed to regulate and, under appropriate conditions, authorized to undertake.

Lack of comprehensive multiple-purpose plan: There are elements of the water-resources problem for which this Department has no responsibility which, nevertheless, affect, in one way or another, other elements for which this Department is responsible. In the Delaware this dispersion of responsibility exists not only between Federal agencies, but also between the several States and the Federal Government and between Incodel and the Federal Government. Specifically: (1) The Department has responsibility for marketing power from such Federal dams as may be constructed in the basin, but it does not have a part in the development planning. (2) The Department has responsibility for the preservation of fish, but has only indirect influence on the planning of dams, the placement and character of which is critical to fishery resources. (3) Pollution is one of the major handicaps to full utilization of the waters for fish and recreation, but until recently the Federal Government has had practically no responsibility for pollution. It is hoped that the recent act creating the Pollution Control Board and authorizing comprehen-

sive pollution-control plans and Federal aid will bring action on this front. Such comprehensive plans, however, to be effective, must be related to other water-resource elements. (4) Basic topographic, geologic, and water data, while supplied primarily by the Geological Survey of this Department, is often limited in terms of place and amount of program by the practice of States matching funds. (5) The land management and use programs conducted by agencies of the Department of Agriculture have direct ramifications upon fish and wildlife in the Delaware Basin.

Source: The Delaware River Basin. Report for the President's Water Resources Policy Commission, prepared by the Eastern Field Committee, U.S. Department of the Interior, October 1950, page 41.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. LINDSAY. I think it is important that the RECORD show that at the recent meeting of Governors in Hawaii, under the leadership and sponsorship of Governor Rockefeller, the Governors adopted a resolution approving this compact.

Mr. WALTER. Of course, and I might say to the gentleman that either the Governors of the four States or their representatives appeared before our subcommittee at the hearings and urged prompt adoption of this compact.

Mr. TOLL. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Pennsylvania.

Mr. TOLL. Mr. Chairman, I wish to commend the distinguished gentleman from Pennsylvania on his remarkable presentation of the facts involved in this compact, and I would like to associate myself with the remarks he made.

Mr. Chairman, the compacts between States have recently been questioned to some extent in connection with the right to review and audit the activities of the bodies created to carry out the functions permitted under the compact. In at least one case involving the compact between New York and New Jersey pursuant to which the Port of New York Authority was created, a question was raised whether the congressional committee had a right to inspect the internal pages of the authority. The compact involved in House Joint Resolution 225 eliminates this problem. The U.S. Government is a partner and its representatives will know everything which is going on or being done. However, the Government is not bound by the action of the members of the commission created by the compact unless the representative of the United States agrees to the action. Section 12.20 and section 13.3(B)(2) of the bill does not bind unless the Government permits any obligation to be imposed upon it. In addition section 1.4 gives the Congress the right to withdraw as a party to the compact or to revise or modify the terms, conditions, and provisions under which it may remain a party.

The Government is fully protected and the benefits of the compact are available for the people of the Delaware Valley Basin.

Mr. BARRETT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania.

There was no objection.

Mr. BARRETT. Mr. Chairman, as one who is vitally interested in developing the potential of the Delaware River to its maximum, I wholeheartedly support House Joint Resolution 225, the Delaware River Basin compact.

The enactment of this resolution is not only of great importance to the residents living in Philadelphia, but will greatly benefit all people living in the Commonwealth of Pennsylvania and the States of New York, New Jersey, and Delaware. In fact, our entire eastern seaboard will benefit indirectly from the development and growth of the Delaware Basin.

We are not dealing merely with a river or a basin area, but are planning for the future and livelihood of over 22 million people, which today represents about 13 percent of our national population. This figure will continue to grow each year and unless some constructive program is developed, the Delaware Basin will be unable to service the populace.

Our Commonwealth is not in a financial position to assume this burden. In fact, no individual State could financially develop the basin. But with the enactment of this resolution, the four States involved, together with the support of our Federal Government, could initiate an effective, long-range program to insure adequate water power; workable flood control projects; to develop reserve reservoirs for drought periods; to provide for a more consistent distribution of water to homes, farms, and recreation areas; to control pollution and, in general terms, make the river and basin effectively produce for the people.

Mr. POFF. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, by way of preface, let me pay tribute to the gentleman from Pennsylvania, chairman of Subcommittee No. 1 of the Committee on the Judiciary, Mr. WALTER, who has devoted a great deal of his time and talents to this most tedious project, and has, I believe, given the other members of the committee wise guidance in our deliberations.

As the chairman of the committee has indicated, this might properly be called a pentagonal compact; that is to say, it is not a purely interstate compact but, rather, it is a compact among four States and the Federal Government, a five-sided creature.

It is the purpose of the compact, as explained more fully in the committee report, to adopt and operate a comprehensive plan for the development and the use of water resources in the Delaware River Basin.

May I emphasize at this point that what is involved is one river, one basin, populated by approximately 22 million people and expected to be 30 million people in the next 20 years; that all of the water resources appurtenant to the river and its tributary system are functionally, interrelated and interdependent. As the chairman has already explained, there are today some 19 Federal agencies each of which has some measure of jurisdiction and control over some aspect of water resources in the Delaware River Basin. In addition, there are 57 State and interstate boards and commissions which have jurisdiction with respect to some aspect of water resources in the basin. But, in addition, and complicating the picture much further, there are altogether today 250 water control boards, both public and private, functioning in the area.

Now, from this recitation of statistics, it will be apparent that the Federal Government on the one hand has claimed and exercises today primary jurisdiction with respect to navigation, flood control, irrigation, hydroelectric power production, and some other functions. On the other side of the coin, the State governments assert primary jurisdiction with respect to water supply, sewage, drainage, fish and wildlife, and so forth. But, in the middle there is this great area of overlapping jurisdiction between the Federal Government on the one hand and the State governments and their several agencies on the other. In that realm of jurisdiction we find such things as recreation, conservation, forestry, streamflow regulation, and the regulation of electric power sales.

Now, it is patent, of course, that this river, like most rivers, honors no geographical or political boundaries, and primarily for that reason there has been a great volume of litigation over the years. Thirty years ago, as a matter of fact, the Supreme Court of the United States entered a decree under which the many controversies which arose in this area are administered on a continuing basis. Under that decree, as later amended, a river master was appointed in an attempt to settle administratively some of these controversies. But, the decree itself authorizes the participating parties to return to the Supreme Court to litigate anew controversies arising concerning the diversion and allocation of waters from the river. This illustrates, I think, what might properly be described as an interminable series of lawsuits.

In 1956 the Congress authorized a 3-year, $2 million survey to be conducted by the Corps of Engineers, and it is the purpose of the Corps of Engineers based on that survey to present to the commission, after it is acknowledged by law, a comprehensive plan which the members of the subcommittee genuinely feel will put at rest most, if not all, of these continuing controversies and litigation. As indicated earlier, several amendments will be offered. They reflect concern, and I am sure it is a genuine concern, about participation on the part of the Federal Government as a signatory party to the compact.

But let me undertake to assure the House that the Congress of the United States does not by becoming a functional party to the compact surrender any part of its sovereignty or in anywise abrogate in any measure its duty under any law enacted by the Congress.

I call your particular attention to article VI of the Constitution, the so-called supremacy clause. Under that clause, the commission as an agency of regional government would continue to be subject to the substantive provisions of all Federal laws which have been passed by the Congress. Moreover—and I think this is important because several of the Members have directed questions to me about it—the present national policy would endure with respect to laws already passed by the Congress. Some of the laws to which I have reference are: The Flood Control Act of 1944; control and regulation of obstructions to navigation; the licensing provision of the Federal Power Act; pollution abatement under authority of the U.S. Public Health Service; the functions of the Soil Conservation Service all would remain intact. The functions, the powers and duties of the Geological Survey, the Weather Bureau, the Fish and Wildlife Service, the Bureau of Mines, the National Park Service, the Forest Service, and other Federal agencies will be preserved within the framework of the comprehensive plan devised by the Corps of Engineers. But most important of all, I want to impress upon you the language which appears in section 1.4 of article I, part 1, of the bill. I shall read that language in its entirety:

1.4 Powers of Congress; Withdrawal. Nothing in this compact shall be construed to relinquish the functions, powers or duties of the Congress of the United States with respect to the control of any navigable waters within the basin, nor shall any provision hereof be construed in derogation of any of the constitutional powers of the Congress to regulate commerce among the States and with foreign nations. The power and right of the Congress to withdraw the Federal Government as a party to this compact or to revise or modify the terms, conditions and provisions under which it may remain a party by amendment, repeal or modification of any Federal statute applicable thereto is recognized by the signatory parties.

That, of course, includes the four signatory States.

Mr. TOLL. Mr. Chairman, will the gentleman yield?

Mr. POFF. I will be happy to yield to the gentleman.

Mr. TOLL. I think that clause clearly shows how the Government can participate in a compact between the States with all of the advantages of inspection, review, audit and checking and yet at the same time not involve itself in any way in the responsibilities if it wishes to withdraw. This would be an advantage to the situation which exists in the compact between New York and New Jersey where there were some questions raised as to the rights to inspect the records involving the Port of New York Authority.

Mr. POFF. I thank the gentleman.

Supplementing what the gentleman has just said, the compact expressly says that all of the basin agency's operations will be subject to audit by the Comptroller General. Moreover, the right is reserved to the committees of the Congress to require full disclosure on the part of the commission members.

May I also remind you that in part 2, section 15.1 of the bill, we find the following language:

The right to alter, amend or repeal this section is expressly reserved to the Congress.

As indicated earlier, a number of amendments will be offered by the distinguished chairman of the subcommittee as amendments approved by the subcommittee, and I assume those amendments will be offered en bloc. Later, perhaps, there will be an amendment offered by the gentleman from Florida [Mr. CRAMER], touching upon the voting power of the Federal representative. As I understand it, later an amendment will be offered by the gentleman from New York [Mr. RAY], concerning the elimination of the United States as a signatory party.

It has been suggested that certain constitutional questions may be involved with respect to these two matters. I will have something to say to that point when the amendments are offered.

Mr. WALTER. Mr. Chairman, I have no further requests for time.

Mr. POFF. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. CAHILL].

Mr. CAHILL. Mr. Chairman, as the representative of the First Congressional District of New Jersey, comprising the counties of Camden, Gloucester, and Salem, all bordering on the Delaware River, I enthusiastically support this joint resolution, and urge its adoption by the House.

There are many reasons that may be advanced for the approval of this resolution.

There are 43 State agencies, 14 interstate agencies, and 19 Federal agencies at the present time exercising a multiplicity of powers and duties related to the water resources of the Delaware River Basin. Each of the four States and the Federal Government have a definite interest of overwhelming importance in the Delaware River Basin. As has been well stated in the report of the committee:

The waters of the Delaware, of course, respect only their own natural boundaries. They do not respect manmade political boundaries.

As a result, it has become throughout the area increasingly more apparent that a compact such as is proposed by House Joint Resolution 225 is essential for the purpose of management of the Delaware River Basin and the general welfare of the citizens of the States which are served by the Delaware River.

There have been throughout the years many disputes arising between the various States which have given rise to lengthy and expensive Federal litigation. This compact should solve to a large measure all of the existing disputes and prevent the necessity for future disputes.

Anyone who viewed the havoc wrought by the rushing waters of the Delaware River in recent years as a result of hurricanes would recognize the great need for river control and for intensive study as to the best utilization and control of the forces of this great river.

There are many other reasons most of which have already been discussed by the members of the subcommittee which argue most forcefully for the passage of this needed legislation.

Suffice it to say that this agreement between the States and the Federal Government should aid tremendously in the dynamic growth presently being experienced in the Delaware Valley. It should insure an orderly future growth.

Mr. Chairman, I am of the opinion that the objections to this compact raised by its opponents are not well founded in fact or in law and would respectfully point to the fact that they largely emanate from Representatives of areas not directly affected by the Delaware River.

The people of the four States involved will, I am sure, welcome and applaud this much needed legislation and will observe as the future unfolds the wisdom of the Judiciary Committee on which I have the honor to serve in presenting this resolution to the Congress.

I enthusiastically support the resolution and urge the Members of the House to approve it.

Mr. POFF. Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, I hesitate, of course, to consider it my responsibility to differ at least in part with my very good friend, a very able Member of Congress, Mr. WALTER, and likewise differ with my distinguished colleague from Virginia. Perhaps my difference of opinion emanates largely from the fact that I have the privilege of serving on the Committee on Public Works as well as Judiciary, and this same issue has been in a very lengthy manner considered by that committee. That committee, of course, deals with authorizations and Federal participations, Federal costs in the very projects we are talking about over which this Delaware commission will have jurisdiction.

The Republican minority of that Public Works Committee last session unanimously upheld the very same position which I am voicing in this bill, and that is opposition to the voting membership, voting participation of the Federal Government in this joint Federal-State compact agency.

The gentleman from Virginia said this is a five-sided creature. Yes; as a matter of fact, this is more unusual than the duck-billed platypus. This is more unusual than the duck-billed platypus with four parts State and one part Federal. It is a new, unique creature without any precedent, and I believe it is bad as a precedent.

I will discuss briefly in a moment the precedents that were cited as such for this type of voting membership on that commission. There were four that were cited by the distinguished gentleman from Pennsylvania. I stated in the colloquy with him, and I appreciate his yielding, that all four of them can be distinguished on the facts.

What are the two fundamental issues in this point resolution? The two fundamental issues are these: No. 1, Should the Federal Government be a participating member, voting, in the makeup of a compact that has jurisdiction over water resources on a broad basis, which the

gentleman from Virginia described? All water problems in that area, which is a substantial area, would be under the jurisdiction of this commission. But the Federal member will have participation in every detail of administration involved in this commission. This is not an advisory commission. Many of the examples cited as precedents are advisory commissions. This is not an advisory commission, that is, an operating commission. The commission will have authority to hire and fire employees, set budgets and to issue bonds. They say the full faith and credit of the Federal Government will not be obligated, yet morally the Federal Government is going to be obligated at any time it votes for a bond issue as a participating member, in favor of its being issued. There is the rub.

The Federal Government is likewise morally obligated on any project that commission approves to the extent of the Federal participation; that is determined by whom? There is the second rub. Determined by the commission, not by the usual Federal agencies.

The gentleman from Virginia mentioned the fact that this is not going in any way to interfere with existing Federal law, but it is going to interfere with existing Federal policies, policies within the departments. This restriction only involves law, but as to the policy set by the departments with regard to Federal-State participation, with regard to local participation in these multiple-purpose projects, who is going to decide what the participation shall be? Not the Federal member. He is going to be outvoted four to one. The States are going to decide that in a water project, a multiple-purpose project. "Here is what the Federal share is going to be and here is what the State share is going to be." It could easily fly in the face of an established Federal policy with respect to that.

Now in distinguishing the four compacts that have been mentioned, let me say this is of greater significance than this one compact, there is already pending and it was just voted out yesterday, and I am glad to see the distinguished majority leader present because he has an interest in it, it being the gentleman's bill, the Northeast compact, H.R. 30, that is the same as the compact introduced in the last session to which I just refered that the minority objected to in the last session of the Congress which was H.R. 12647 on exactly the same basis. So this is just a foot in the door. This is a brandnew approach to get the Federal Government in to commit it in advance morally to go along with whatever the commission made up of four to one State members decides should be the Federal obligation in any given project. That is wrong because it destroys the Federal-State relationship that has existed with regard to compacts in the past. It is very interesting to note what happened with regard to the bill H.R. 30 in the Committee on Public Works. The entire committee agreed with the amendments, which are exactly the same amendments I intend to offer to this compact. They agreed one week to the amendments unanimously and then, just yesterday, turned around and disagreed to them and the bill was voted out without amendments. But the amendments so far as I am concerned have equal merit now as they had 2 weeks ago and are of the same nature as the amendments I intend to introduce today.

The other distinguishing factor and the important factor is that the cost of this is being borne one-fifth by the Federal Government. It is a blank check, open authorization for appropriations. One-fifth of the cost of the administration and of hiring bookkeepers and of keeping books and of hiring engineers and all other operating expenses is to be borne by the Federal Government, which is the same objection raised to the other compact.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Pennsylvania.

Mr. WALTER. The amount is $40,000.

Mr. CRAMER. I am not familiar with that figure. It is not limited in the bill or referred to in the committee report and I understand the amendment the gentleman intends to offer will have an open end appropriation with regard to all administrative expenses in the future. Of course, my amendment will attempt to prevent the Federal Government from participating financially in it. So this is a new precedent. There is no precedent for the Federal Government participating financially in the cost of the operation of these compacts and commissions. I think it is a bad precedent. There is no limitation with regard to what the Federal cost will be under this proposal.

Now to distinguish the four compacts that were mentioned.

The Ohio River Valley water sanitation compact is not comparable.

Mr. POFF. Mr. Chairman, will the gentleman yield on the point that he is now discussing?

Mr. CRAMER. I am delighted to yield to my colleague.

Mr. POFF. There are, of course, two budgets involved. One might be called the capital budget and the other the current expense budget. With respect to the current expense budget, the Federal representative by his vote could exercise the veto power if the allocation did not suit him.

Mr. CRAMER. But the gentleman does not deny that the Federal Government would be obligated to the expense account and the operating account once it is approved?

Mr. POFF. If it were once approved, but the Congress would yet have to act upon the appropriation which would be necessary.

Mr. CRAMER. That is correct.

Mr. POFF. The Congress would have to act upon the appropriation which would be necessary to implement the decision.

Mr. CRAMER. I know the gentleman is fully familiar with what their argument is going to be. They will argue, your Federal member voted for it up there on the commission and you are morally obligated and the machinery is all set up in the commission to spend this money and hire all these people and they have to have the money. So, actually, it is a matter that is determined by that voting and the rubberstamp ratification by the Congress means little or nothing in my opinion.

Distinguishing the Ohio River Valley sanitation water compact, the transaction of business of the commission and the issuance of orders for abatement of pollution are prerogatives of the State commissioners under that compact to the practical exclusion of the Federal commissioners.

In the Upper Colorado River Basin compact, and I do not have the time to discuss it in detail, but this is the crux of it, the compact neither requires the appointment of a Federal commissioner nor the concurrence by him if appointed in any action which is taken by the commission even though the United States has a special interest in the waters which are subject to this compact because of the treaty between the United States and Mexico.

There is a definite Federal interest to be considered as existing. In the Potomac River compact there is a Federal interest, but even in that instance of an existing Federal interest, the Federal participation is limited.

In the Yellowstone River compact the Federal representative has no vote unless the two State members should fail to agree.

So these are all very easily distinguished, and they are the only 4 instances of the 140 compacts in which the Federal representative has a limited voting right not comparable to the Delaware compact before us.

I discuss in greater detail these distinguishing features:

The Ohio River Valley water sanitation compact (54 Stat. 752) created a commission for the prevention of pollution, which commission is composed of 24 State commissioners, 3 from each of eight States, and 3 commissioners appointed by the President of the United States. Even if the Federal commissioners do vote, their votes have little, if any, significance. The Federal commissioners are not counted in establishing a quorum for the transaction of business, and the only provision of the compact relative to voting is that no order for the abatement of pollution shall go into effect unless it receives the assent of a majority of the commissioners from each of a majority of the signatory States, and that no such order upon a municipality, corporation, person or entity in any State shall go into effect unless it receives the assent of a majority of the commissioners from such State. Thus, the transaction of business of the commission and the issuance of orders for the abatement of pollution are the prerogatives of the State commissioners, to the practical exclusion of the Federal commissioners. In fact, it is difficult to visualize what purpose is served by voting of the Federal commissioners, for their voting voices are so weak as to go unheard. Whereas, the proposed compact, which would be approved by H.R. 30, establishes a commission consisting of six State members and seven Federal members, and no action can be taken by

the commission without the affirmative vote of one or more Federal members.

The Upper Colorado River Basin compact (63 Stat. 31), which provides for the equitable division and apportionment of the use of waters of the Colorado River system, established a commission composed of one commissioner from each of four of the five signatory States. The compact authorizes a Federal voting commissioner, if the President of the United States, in his discretion, should designate one. The compact neither requires the appointment of a Federal commissioner nor concurrence by him, if appointed, in any action taken by the commission, even though the United States has a special interest in the waters which are the subject of this compact, because of obligations of the United States to Mexico under a treaty between the United States of America and the United Mexican States, dated February 3, 1944, which provides for the allotment of water to Mexico. To the contrary, the commission to be created under H.R. 30 can take no action without the concurrence of one or more Federal members, in spite of the fact that the United States has no special interest in the subject of the compact.

The District of Columbia is a signatory of the Potomac River Basin compact (54 Stat. 748), and participation by Federal voting members on the commission created by this compact is directed to matters primarily of local concern because of the exclusive jurisdiction of the United States within the District of Columbia. Furthermore, voting by the Federal members could not have the effect of imposing unwanted policy decision upon any party to the compact, for no such decision of the commission is binding upon any signatory body unless a majority of the commissioners of that body vote in favor thereof. In the northeastern region the situation is entirely different, for the functions of the United States with which the proposed commission would deal are matters of national concern, not related to any limited area as to which only the United States may legislate concerning local matters. Also, under the provisions of H.R. 30, assent of some Federal members is a prerequisite to any action by the commission, and as to internal management of the commission the will of the Federal members, who constitute a majority of the commission, can prevail over the opposition of all the State members.

The Yellowstone River compact (65 Stat. 663), which provides for the equitable division and apportionment of the waters of the Yellowstone River and its tributaries, created a commission composed of one representative from each of two States and one representative selected by the Director of the U.S. Geological Survey, or whatever Federal agency shall succeed to its functions and duties. The Federal representative has no vote unless the two State members should fail to agree, in which event the Federal representative may vote upon the matters in disagreement only, to break the tie vote. The distinction between this very restricted provision and the required, if not dominant, role of the Federal members in all actions to be taken by the commission established in H.R. 30 is obvious.

What is the position of the Departments with regard to this bill? It is interesting to note that recommendations by the Departments have not been received. This is referred to on page 18 of the report. "The committee has received no reports from the Federal agencies with regard to this compact. They requested a delay in order to develop a policy position on the legislation." We will not give them an opportunity to develop that policy position.

The reason they want to develop a position is that this is one of the most complicated pieces of this type of legislation one could conceive, because it cuts across the very thing the gentleman from Pennsylvania brought out so skillfully—it cuts across the jurisdiction of some 17 or 18 Federal agencies, and in order to coordinate their thinking and write it into law, as this attempts to do with regard to all policies considering water resource matters, it obviously is going to take time to come up with a sound constructive solution that is fair to all concerned.

This bill is here prematurely. What I am trying to do is to correct obvious defects in the bill, to see that the Federal Government is not improperly obligated or committed to policies that may be at variance with Federal interests and positions.

As I say, there are 17 or 18 agencies of the Federal Government whose jurisdiction this cuts across. The Department of the Interior points out grave questions involved, and even the Department of Justice is opposed. As a matter of fact, the Department of Justice even raised what they call a constitutional question concerning it. Here is what the Department of Justice had to say.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I understand the gentleman from Pennsylvania does not believe a constitutional issue is raised. The Department of Justice said:

> The wisdom and possibly the constitutionality of such a radical departure from compact precedent which will be established by the bill—

Meaning the bill of the gentleman from Massachusetts—

> is subject to grave question when it is realized that the powers of the State representatives can derive only from the reserve powers of the States, and the powers of the Federal representative must be grounded only on the delegated powers of the United States. A State cannot bargain away its reserved powers to the National Government, nor can the United States surrender its delegated powers to State control. Similarly, it would seem equally true that neither the States nor the United States can bargain away their respective types of power to a new kind of Federal-State creature.

That was a memorandum delivered to me by the Department of Justice, and it is contained in the minority report on the bill.

Now, if the gentleman from Pennsylvania desires, I will yield to him.

Mr. WALTER. Is not the gentleman really reading from a report on a bill that was abandoned and a new bill reported?

Mr. CRAMER. It is precisely the same bill as was reported last year. It is the same language involving exactly the same issue: Should there be a Federal member on an interstate compact? And in this instance it is even more aggravated, because in this Delaware compact it is an operating compact and not as in the Northeast compact just an advisory compact. I trust that the amendments I shall offer will be adopted, because they are friendly amendments. I am for the compact, but only if in proper form.

Mr. POFF. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. RAY].

Mr. RAY. Mr. Chairman, I had expected to need quite a little time to talk about this resolution but I do not need to do that.

I agree with what the gentleman from Pennsylvania has said about interstate compact features, also with what the Members from Virginia and from Florida had to say on that same subject. It is not necessary for me to repeat what they have said, and I do not think I can add anything to their statements on what the bill is intended to do and what its language provides.

My colleague from Florida will, as he says, offer an amendment to take away voting rights from, and make sure there are no voting rights in, the commissioner appointed by the President. The amendment I intend to offer will go further. It will take the Federal Government out of the active management of the operations of this commission.

The subject matter of the joint resolution is extremely important. It provides not for Federal approval of an interstate compact, but, as the report says on page 3, would make the Federal Government a participating partner, a sort of senior partner in a single agency. By its terms the compact would continue for 100 years, subject to some reservations, and it provides for a commission of five members, one to be appointed by the President and one to come from each of the four States.

The resolution provides for planning and operation with respect to such broad subjects as water supply, pollution control, flood protection, watershed management, recreation, hydroelectric power and withdrawals and diversions of water. It also contains provisions as to intergovernmental relations, capital financing, comprehensive planning, program, budgets and many other matters.

At the appropriate time I shall offer an amendment which is designed to take the Federal Government out of the operating control of this interstate compact. It goes beyond the voting rights limitation proposed by my colleague from Florida.

Mr. POFF. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, as a matter of background and for establishing the record, I would like briefly to give some material and information on the

studies that have gone into the formation of the present compact.

Twice during the 1920's the States of New York, New Jersey, and Pennsylvania endeavored to form a tristate compact for control of the waters of the Delaware River. These efforts failed, and in the early 1930's the Corps of Army Engineers was assigned the task of making an overall survey of the waters of the Delaware River. They filed their 308 report late in 1933, and it lay dormant from that time until 1950. In 1950 the Army Engineers were asked to review and to bring up to date their 308 report on the Delaware River. It seems that just about the time the Army Engineers had their report ready to file, two tropical storms appeared in late 1955 causing untold flood damage in the Delaware River Basin. These floods and storms furnished entirely new problems and caused the Army Engineers to again ask for an extension of time to give a complete and comprehensive report. They had just about completed their work in the summer of 1957 when that area was again visited, not a flood or storm this time, but an unprecedented drought.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania.

Mr. WALTER. The gentleman mentioned the 308 report. Is it not a fact that the 308 report was prepared as far back as 1933?

Mr. SAYLOR. The first report was filed in 1933.

Mr. WALTER. So actually what this compact is is a revision and a review in bringing up to date the recommendations made in 1933.

Mr. SAYLOR. That is correct.

In 1957 the House Committee on Public Works again requested a review by the Army Engineers and they did file their 308 report and then again made another survey and brought that up to date.

Now, I give this background to show that the problems of the Delaware River have been studied by both the States and the Federal Government. I am satisfied that if the Governors of the four States that are involved would have only included a representative from the Federal Government when they set up the original Delaware River Basin Commission, we might have avoided a great deal of the confusion that has resulted.

The Delaware River Basin Commission is composed of six members, one appointed by each of the Governors of New York, New Jersey, Delaware, and Pennsylvania, one by the mayor of New York, and one by the mayor of Philadelphia. This commission, together with the research branch of the University of Syracuse, made studies that formed the basis of the present proposed Delaware River compact. The Members of the House will recall that earlier this month I sent to each Member of the House a letter containing 21 questions which the chairman of the House Committee on Interior and Insular Affairs and myself had raised with regard to this compact. We raised these questions because we felt that this was entirely new ground; a compact with the States and the Federal Government as equal partners. For this type of a compact there was no precedent, and each one of the cases that have been cited where the Federal Government had a representative on a commission is not analogous and therefore that we wanted to make sure that the position of the Federal Government in the Delaware River compact was clearly understood.

The chairman of the Judiciary Subcommittee [Mr. WALTER] asked his staff on the Judiciary Committee to prepare answers to the questions. In a colloquy which occurred just a few minutes ago he assured the members of this committee that the 21 questions, together with the answers, will be placed in the RECORD.

As a result of those questions, the House Judiciary Committee has a number of amendments which they will offer. These amendments, together with the answers to the questions, I think fully protect the interests of the Federal Government, the States, and the water users, and will make sure that the rights of the Federal Government and the rights of the States and the water users are clearly defined. With this, even though it is new territory, even though it is unprecedented, I think the Judiciary Committee and the Members of this House are to be commended for having had the courage to look at a new field. After all, we may live for a long period of time without food, but it is absolutely impossible to live without water. I am satisfied that the basin approach, with the cooperation of the States and Federal Government in each instance, is the only real solution to the water problems of this country.

While this is the first of the proposals which take the Federal Government in as a partner, I think that the investigation which has been done by the Judiciary Committee, the investigation which has been done by the Interior and Insular Affairs Committee, have made this a good bill, and I certainly hope that with this history that we are establishing that this bill will be passed and this commission will be able to operate.

I am interested in noting that the Delaware River Basin Commission has announced that, if authorized, the first project which it would undertake is the completion or putting into effect of the comprehensive plan which the Army Engineers have just completed for the Delaware River Basin. This is not, with the explanations that have now been presented, an abdication of authority. This is merely a cooperative movement wherein the States are exercising the rights which have been retained to them under the Constitution and cooperating with the Federal Government in the operation of those functions of the Federal Government which have been delegated to them by the Constitution.

I think the bill with the amendments is a tremendous step forward. It will mean that the States of New York and New Jersey that are now authorized by Federal court order to withdraw 900 million gallons of water a day from the Delaware River will be sure that regardless of flood or drought they will have that supply, and that the rights of the communities that depend upon the Delaware River and its tributaries for their water supply and for their industrial and municipal needs will have an assured water supply for the future, and that this great area of our country shall continue to grow—to produce—and keep pace with the rest of the country.

Mr. POFF. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SCHWEIKER].

Mr. SCHWEIKER. Mr. Chairman, I rise in support of House Joint Resolution 225, to establish the Delaware River Basin compact.

The history and development of this compact is a long and varied one. As far back as the 1920's, people interested in water resources and conservation realized that an overall plan for water conservation and use should be developed for the Delaware River Valley. Over the decades, however, there have been a number of disputes among the States and the various regulatory bodies of the Delaware River Valley, so that no real progress in developing an overall plan for the Delaware River Basin was made until recently.

To illustrate the confusion and differences of opinion that have existed over the years, it would be well to point out that there are today 19 Federal bodies having some type of water jurisdiction in this area, 57 interstate bodies and over 250 public and private water companies. Little wonder that these groups have had difficulty agreeing on a practical program.

The area of the Delaware River Basin includes 12,765 square miles and 22 million people. It represents 1 percent of the land area of the United States, 12 percent of its population, and 20 percent of its national income.

Our great population increase in the Delaware River Basin has significantly intensified the problem. When our forefathers first came to this area, there were only about 1,000 Indians making use of its water resources and woodlands. From that sparse group, the region has grown to its present size of 22 million people. It is estimated by 1980 that it will reach the 30 million mark; and by 2010 over 40 million people will inhabit the Delaware River Valley.

The industrial growth of this area was a prime factor in our country's early leadership as an industrial nation. It is further estimated that our present rate of industrial growth will double by 1980.

With such a heavily populated area, and so many Federal and State water groups concerned, it is more logical to develop the area according to the natural unit of water supply. This natural unit of water supply is the Delaware River Basin. Of course, this transcends local and State governments and, therefore, logically calls for a joint effort on the parts of the States of New York, New Jersey, Delaware, and Pennsylvania, as well as the Federal Government. A regional solution to this problem is the only practical answer.

In the past we have seen the tremendous damage that floods and hurricanes can do to our area. As recently as 1955,

Hurricane Diane stormed up the Delaware Valley and caused $100 million of damages to homes, farms, factories, and communities and, far worse, 100 people lost their lives in this disaster. This type of flood damage has occurred eight times in this century.

In addition to floods, the Delaware River Basin has also been exposed to droughts, the more recent ones occurring in 1948, 1949, and 1957. These occurred because of the lack of development of proper plans for water conservation and flood control.

My own congressional district of Montgomery County has felt the effects of both the floods and the droughts. During Hurricane Diane, some of the people who lost their lives perished only a few miles from my home.

My home community of Lansdale was one of the worst hit in the drought of 1957. Our municipal water company was forced to drastically curtail its services and ration water as a result of the 1957 drought. Other water companies in our area had similar experiences.

My community of Lansdale always feels the first impact of a drought. This occurs because our town lies at the crest of three watersheds—the Neshaminy, the Wissahickon, and the Perkiomen. A lowering of the ground water table is felt first in our area because of its unique geographical position. Actually, my community is a harbinger of the drought for the rest of our county. Because of our county's large population and industrial growth in the past decade, our water requirements have increased many times. Our county's growth is not unique, and many communities in the Delaware Valley face similar water problems.

The Delaware River compact is the result of a joint study of the four States involved, as well as the cities of Philadelphia and New York. After many months of hard work and study by the Delaware River Basin Advisory Committee, they have produced this compact which is the best all-around answer to the situation. The compact would establish a five-member commission, comprised of a member from each of the four States, and one from the Federal Government. The compact's purpose is described as follows:

> The commission shall develop and effectuate plans, policies and projects relating to the water resources of the basin. It shall adopt and promote uniform and coordinated policies for water conservation control, use and management in the basin. It shall encourage the planning, development and financing of water resources projects according to such plans and policies.

Some Members of Congress have expressed concern at the 100-year length of the compact, but section 1.4 of the compact very clearly states "that the power and right of the Congress to withdraw the Federal Government as a party to this compact, or to revise or modify the terms, conditions and provisions under which it may remain a party, by amendment, repeal or modification of any Federal statute applicable thereto, is recognized by the signatory parties." In other words, the Congress can withdraw from the compact or change the compact at any time it desires.

Some members have suggested that the compact financially obligates the Federal Government without its knowing what the full cost of this program will be. This also is not correct. Section 12.20 of the compact clearly states:

> But nothing in this section shall be deemed to impose any monetary obligation on any of the signatory parties, other than such obligations as may be assumed by a signatory party in connection with a specific project or facility.

Some of my colleagues have argued that we are taking some power away from the States because the Federal Government is one of the five participants in the compact. Actually if this compact, which advocates a joint Federal and State approach, is defeated, then the way is open for Federal proponents to take over the entire operation. This is exactly what some Members of the other body have proposed. Defeating this compact will play into their hands and open the way to complete Federal control of the Delaware River Basin.

In my county of Montgomery, the project has been widely endorsed by county and watershed authorities. These include the Wissahickon Watershed Association, the Neshaminy Valley Watershed Association, the North Penn Water Resources Board, the Montgomery County Commissioners, whose members are of both political parties and the Montgomery County Planning Commission.

In addition the League of Women Voters has long taken a keen interest in water conservation and many of their local chapters have endorsed this project.

In summary, our Delaware Valley has been struggling for nearly 40 years to establish a coordinated plan for the development and use of our water resources. At long last we have nearly achieved success, since all four State legislatures concerned have already approved the compact. It is important to note that a total of only 11 votes have been cast against this project by the 4 State legislatures which have approved it.

It is virtually impossible to draw up a compact that would please all of the four States concerned, all of the Federal State, and local bodies, the Members of Congress and all the other people that are concerned with the development of the Delaware River Basin. Some objections can always be raised to any specific plan. However, our valley has labored for 40 years to produce a fair and practical program. This objective has been achieved by this compact. For the future health, safety and welfare of the people of the Delaware Valley, I urge your support of the Delaware River compact.

Mr. POFF. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, I rise in support of this bill (H.J. Res. 225) which is intended to grant consent on the part of Congress to the Delaware River Basin compact.

Before my election to Congress, I served in the New York State Legislature for a period of 19 years. From the year 1936 to 1950 I had the honor of serving as chairman of the New York Joint Legislative Committee on Interstate Cooperation. In that connection, it was my privilege to participate in the formulation of many interstate agreements. At that time, we formulated a commission known as the Interstate Commission on the Delaware River Basin and commonly known as Incodel. Compact legislation was proposed many times but for one reason or another, the proposal failed in one or more States each time.

Mr. Chairman, there is a great need for this interstate agency and the problems, and I mean interstate problems, that warrant attention are many. In fact, I know of no other way to solve them and the need for the creation of this interstate agency of the States is great. All of the States involved, namely, Pennsylvania, New Jersey, Delaware, and New York, have enacted this compact, and I am sure that it has the enthusiastic backing of all the States and municipalities involved.

As to the Federal Government participation in this commission, I can only say that I do not know of any previously created compact having such provisions. This may well be a departure from the basic approach and intent of interstate compacts. I am not exactly sure of the overriding reasons for the inclusion of the Federal Government. The Federal Government has cooperated and worked with many interstate commissions, but I am not aware of any direct involvement as this bill will provide.

I do know that there is a need for this compact commission and I support the plan to ratify it.

Mr. POFF. Mr. Chairman, I have no further requests for time and yield back the balance of my time.

Mr. WALTER. Mr. Chairman, I yield such time as he may require to the gentleman from Pennsylvania [Mr. BYRNE].

Mr. BYRNE of Pennsylvania. Mr. Chairman, I strongly endorse this resolution establishing the Delaware River Basin compact with the Government of the United States as a participating partner. This compact is of great importance to the people I have the honor to represent in the Third District of the State of Pennsylvania in the city of Philadelphia which borders on the Delaware River.

Mr. Chairman, I take this opportunity to commend the distinguished gentleman from Pennsylvania [Mr. WALTER] for his splendid analysis of House Joint Resolution 225 and would like to associate myself with his remarks.

Mr. Chairman, I support this resolution wholeheartedly and urge the House to support it.

Mr. WALTER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule, the joint resolution is considered as having been read and is open for amendment.

The joint resolution (H.J. Res. 225) is as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent

of Congress is hereby given to the States of Delaware, New Jersey, and New York, and the Commonwealth of Pennsylvania, for the compact known as the Delaware River Basin compact, and the United States of America hereby enters into such compact, in the form as follows:

PART I

Compact

Whereas the signatory parties recognize the water and related resources of the Delaware basin as regional assets vested with local, state and national interests, for which they have a joint responsibility; and

Whereas the conservation, utilization, development, management and control of the water and related resources of the Delaware River Basin under a comprehensive multipurpose plan will bring the greatest benefits and produce the most efficient service in the public welfare; and

Whereas such a comprehensive plan administered by a basin-wide agency will provide effective flood damage reduction; conservation and development of ground and surface supply for municipal, industrial and agricultural uses; development of recreational facilities in relation to reservoirs, lakes and streams; propagation of fish and game; promotion of related forestry, soil conservation and watershed projects; protection and aid to fisheries dependent upon water resources; development of hydroelectric power potentialities; improved navigation; control of the movement of salt water; abatement and control of stream pollution; and regulation of stream flows toward the attainment of these goals; and

Whereas decisions of the United States Supreme Court relating to the waters of the basin have confirmed the interstate regional character of the water resources of the Delaware River Basin, and the United States Corps of Engineers has in a prior report on the Delaware River Basin (House Document 179, 73d Cong., 2nd Sess.) officially recognized the need for an interstate agency and the economies that can result from unified development and control of the water resources of the basin; and

Whereas the water resources of the basin are presently subject to the duplicating, overlapping and uncoordinated administration of some 43 state agencies, 14 interstate agencies and 19 federal agencies which exercise a multiplicity of powers and duties resulting in a splintering of authority and responsibilities; and

Whereas the joint advisory body known as the Interstate Commission on the Delaware River Basin (INCODEL), created by the respective commissions or committee on interstate cooperation of the States of Delaware, New Jersey, New York and Pennsylvania, has on the basis of its extensive investigations, surveys and studies concluded that regional development of the Delaware River Basin is feasible, advisable, and urgently needed; and has recommended that an interstate compact with Federal participation be consummated to this end; and

Whereas the Congress of the United States and the executive branch of the government have recognized the national interest in the Delaware River Basin by authorizing and directing the Corps of Engineers, U.S. Department of the Army, to make a comprehensive survey and report on the water and related resources of the Delaware River Basin, enlisting the technical aid and planning participation of any federal, state and municipal agencies dealing with the waters of the basin, and in particular the federal departments of Agriculture, Commerce, Health, Education and Welfare, Interior, and Federal Power Commission; and

Whereas some 22,000,000 people of the United States at present live and work in the region of the Delaware River Basin and its environs, and the government, employment, industry, and economic development of the entire region and the health, safety and general welfare of its population are and will continue to be vitally affected by the use, conservation, and management and control of the water and related resources of the Delaware River Basin; and

Whereas demands upon the waters and related resources of the basin are expected to mount rapidly because of the anticipated increase in the population of the region projected to reach 30,000,000 by 1980 and 40,000,000 by 2010, and because of the anticipated increase in industrial growth projected to double by 1980; and

Whereas water resources planning and development is technical, complex and expensive, and has often required fifteen to twenty years from the conception to the completion of a large dam and reservoir; and

Whereas the public interest requires that facilities must be ready and operative when needed, to avoid the catastrophe of unexpected floods or prolonged drought, and for other purposes; and

Whereas the Delaware River Basin Advisory Committee, a temporary body constituted by the governors of the four basin states and the mayors of the cities of New York and Philadelphia, has prepared a draft of an interstate-federal compact for the creation of a basin agency, and the signatory parties desire to effectuate the purposes thereof; Now therefore

The states of Delaware, New Jersey and New York and the Commonwealth of Pennsylvania, and the United States of America hereby solemnly covenant and agree with each other, upon the enactment of concurrent legislation by the Congress of the United States and by the respective state legislatures, having the same effect as this Part, as follows:

Article 1

Short Title, Definitions, Purpose and Limitations

Section 1.1 Short Title. This act shall be known and may be cited as the Delaware River Basin Compact.

1.2 Definitions. For the purposes of this compact, and of any supplemental or concurring legislation enacted pursuant thereto, except as may be otherwise required by the context:

(a) "Basin" shall mean the area of drainage into the Delaware River and its tributaries, including Delaware Bay;

(b) "Commission" shall mean the Delaware River Basin Commission created and constituted by this compact;

(c) "Compact" shall mean Part I of this act;

(d) "Cost" shall mean direct and indirect expenditures, commitment, and net induced adverse effects, whether or not compensated for, used or incurred in connection with the establishment, acquisition, construction, maintenance and operation of a project;

(e) "Facility" shall mean any real or personal property, within or without the basin, and improvements thereof or thereon, and any and all rights of way, water, water rights, plants, structures, machinery and equipment, acquired, constructed, operated or maintained for the beneficial use of water resources or related land uses including, without limiting the generality of the foregoing, any and all things and appurtenances necessary, useful or convenient for the control, collection, storage, withdrawal, diversion, release, treatment, transmission, sale or exchange of water; or for navigation thereon, or the development and use of hydroelectric energy and power, and public recreational facilities; or the propagation of fish and wildlife; or to conserve and protect the water resources of the basin or any existing or future water supply source, or to facilitate any other uses of any of them;

(f) "Federal government" shall mean the government of the United States of America, and any appropriate branch, department, bureau or division thereof, as the case may be;

(g) "Project" shall mean any work, service or activity which is separately planned, financed, or identified by the commission, or any separate facility undertaken or to be undertaken within a specified area, for the conservation, utilization, control, development or management of water resources which can be established and utilized independently or as an addition to an existing facility, and can be considered as a separate entity for purposes of evaluation;

(h) "Signatory party" shall mean a state or commonwealth party to this compact, and the federal government;

(i) "Water resources" shall include water and related natural resources in, on, under, or above the ground, including related uses of land, which are subject to beneficial use, ownership or control.

1.3 Purpose and Findings. The legislative bodies of the respective signatory parties hereby find and declare:

(a) The water resources of the basin are affected with a local, state, regional and national interest and their planning, conservation, utilization, development, management and control, under appropriate arrangements for intergovernmental cooperation, are public purposes of the respective signatory parties.

(b) The water resources of the basin are subject to the sovereign right and responsibility of the signatory parties, and it is the purpose of this compact to provide for a joint exercise of such powers of sovereignty in the common interests of the people of the region.

(c) The water resources of the basin are functionally inter-related, and the uses of these resources are interdependent. A single administrative agency is therefore essential for effective and economical direction, supervision and coordination of efforts and programs of federal, state and local governments and of private enterprise.

(d) The water resources of the Delaware River Basin, if properly planned and utilized, are ample to meet all presently projected demands, including existing and added diversions in future years and ever increasing economies and efficiencies in the use and reuse of water resources can be brought about by comprehensive planning, programming and management.

(e) In general, the purpose of this compact are to promote interstate comity; to remove causes of present and future controversy; to make secure and protect present developments within the states; to encourage and provide for the planning, conservation, utilization, development, management and control of the water resources of the basin; to provide for cooperative planning and action by the signatory parties with respect to such water resources; and to apply the principle of equal and uniform treatment to all water users who are similarly situated and to all users of related facilities, without regard to established political boundaries.

1.4 Powers of Congress; Withdrawal. Nothing in this compact shall be construed to relinquish the functions, powers or duties of the Congress of the United States with respect to the control of any navigable waters within the basin, nor shall any provision hereof be construed in derogation of any of the constitutional powers of the Congress to regulate commerce among the states and with foreign nations. The powers and right of the Congress to withdraw the federal government as a party to this compact or to revise or modify the terms, conditions and provisions under which it may remain a party by amendment, repeal or modification of any federal statute applicable thereto is recognized by the signatory parties.

1.5 Existing Agencies; Construction. It is the purpose of the signatory parties to preserve and utilize the functions, powers and duties of existing offices and agencies of government to the extent not inconsistent with the compact, and the commission is authorized and directed to utilize and employ such offices and agencies for the purpose of this compact to the fullest extent it finds it feasible and advantageous.

1.6 Duration of Compact.

(a) The duration of this compact shall be for an initial period of 100 years from its effective date, and it shall be continued for additional periods of 100 years if not later than 20 years nor sooner than 25 years prior to the termination of the initial period or any succeeding period none of the signatory states, by authority of an act of its legislature, notifies the commission of intention to terminate the compact at the end of the then current 100 year period.

(b) In the event that this compact should be terminated by operation of paragraph (a) above, the commission shall be dissolved, its assets and liabilities transferred, and its corporate affairs wound up, in such manner as may be provided by act of the Congress.

Article 2

Organization and Area

Section 2.1 Commission Created. The Delaware River Basin Commission is hereby created as a body politic and corporate, with succession for the duration of this compact, as an agency and instrumentality of the governments of the respective signatory parties.

2.2 Commission Membership. The commission shall consist of the Governors of the signatory states, ex officio, and one commissioner to be appointed by the President of the United States to serve during the term of office of the President.

2.3 Alternates. Each member of the commission shall appoint an alternate to act in his place and stead, with authority to attend all meetings of the commission, and with power to vote in the absence of the member. Unless otherwise provided by law of the signatory party for which he is appointed, each alternate shall serve during the term of the member appointing him, subject to removal at the pleasure of the member. In the event of a vacancy in the office of alternate, it shall be filled in the same manner as an original appointment for the unexpired term only.

2.4 Compensation. Members of the commission and alternates shall serve without compensation but may be reimbursed for necessary expenses incurred in and incident to the performance of their duties.

2.5 Voting Power. Each member shall be entitled to one vote on all matters which may come before the commission. No action of the commission shall be taken at any meeting unless a majority of the membership shall vote in favor thereof.

2.6 Organization and Procedure. The commission shall provide for its own organization and procedure, and shall adopt rules and regulations governing its meetings and transactions. It shall organize annually by the election of a chairman and vice-chairman from among its members. It shall provide by its rules for the appointment by each member in his discretion of an advisor to serve without compensation, who may attend all meetings of the commission and its committees.

2.7 Jurisdiction of the Commission. The commission shall have, exercise and discharge its functions, powers and duties within the limits of the basin, except that it may in its discretion act outside the basin whenever such action may be necessary or convenient to effectuate its powers or duties within the basin, or to sell or dispose of water, hydroelectric power or other water resources within or without the basin. The commission shall exercise such power outside the basin only upon the consent of the state in which it proposes to act.

Article 3

Powers and Duties of the Commission

Section 3.1 Purpose and Policy. The commission shall develop and effectuate plans, policies and projects relating to the water resources of the basin. It shall adopt and promote uniform and coordinated policies for water conservation, control, use and management in the basin. It shall encourage the planning, development and financing of water resources projects according to such plans and policies.

3.2 Comprehensive Plan, Program and Budgets. The commission shall, in accordance with Article 13 of this compact, formulate and adopt:

(a) A comprehensive plan, after consultation with water users and interested public bodies, for the immediate and long range development and uses of the water resources of the basin;

(b) A water resources program, based upon the comprehensive plan, which shall include a systematic presentation of the quantity and quality of water resources needs of the area to be served for such reasonably foreseeable period as the commission may determine, balanced by existing and proposed projects required to satisfy such needs, including all public and private projects affecting the basin, together with a separate statement of the projects proposed to be undertaken by the commission during such period; and

(c) An annual current expense budget, and an annual capital budget consistent with the water resources program covering the commission's projects and facilities for the budget period.

3.3 Allocations, Diversions and Releases. The commission shall have the power from time to time as need appears, in accordance with the doctrine of equitable apportionment, to allocate the waters of the basin to and among the states signatory to this compact and to and among their respective political subdivisions, and to impose conditions, obligations and release requirements related thereto, subject to the following limitations:

(a) The commission, without the unanimous consent of the parties to the United States Supreme Court decree in New Jersey v. New York, 347 U.S. 995 (1954), shall not impair, diminish or otherwise adversely affect the diversions, compensating releases, rights, conditions, obligations, and provisions for the administration thereof as provided in said decree; provided, however, that after consultation with the river master under said decree the commission may find and declare a state of emergency resulting from a drought or catastrophe and it may thereupon by unanimous consent of its members authorize and direct an increase or decrease in any allocation or diversion permitted or releases required by the decree, in such manner and for such limited time as may be necessary to meet such an emergency condition.

(b) No allocation of waters hereafter made pursuant to this section shall constitute a prior appropriation of the waters of the basin or confer any superiority of right in respect to the use of those waters, nor shall any such action be deemed to constitute an apportionment of the waters of the basin among the parties hereto; provided that this paragraph shall not be deemed to limit or restrict the power of the commission to enter into covenants with respect to water supply, with a duration not exceeding the life of this compact, as it may deem necessary for the benefit or development of the water resources of the basin.

(c) Any proper party deeming itself aggrieved by action of the commission with respect to an out-of-basin diversion or compensating releases in connection therewith, notwithstanding the powers delegated to the commission by this compact may invoke the original jurisdiction of the United States Supreme Court within one year after such action for an adjudication and determination thereof de novo. Any other action of the commission pursuant to this section shall be subject to judicial review in any court of competent jurisdiction.

3.4 Supreme Court Decree; Waivers. Each of the signatory states and their respective political subdivisions, in consideration of like action by the others, and in recognition of reciprocal benefits, hereby waives and relinquishes any right, privilege or power it may have to apply for any modification of the terms of the decree of the United States Supreme Court in New Jersey v. New York, 347 U.S. 995 (1954) which would increase or decrease the diversions authorized or increase or decrease the releases required thereunder, except that a proceeding to modify such decree to increase diversions or compensating releases in connection with such increased diversions may be prosecuted by a proper party to effectuate rights, powers, duties and obligations under Section 3.3 of this compact, and except as may be required to effectuate the provisions of paragraphs III B 3 and V B of said decree.

3.5 Supreme Court Decree; Specific Limitations on Commission. Except as specifically provided in Sections 3.3 and 3.4 of this article, nothing in this compact shall be construed in any way to impair, diminish or otherwise adversely affect the rights, powers, privileges, conditions and obligations contained in the decree of the United States Supreme Court in New Jersey v. New York, 347 U.S. 995 (1954). To this end, and without limitation thereto, the commission shall not:

(a) Acquire, construct or operate any project or facility or make any order or take any action which would impede or interfere with the rights, powers, privileges, conditions or obligations contained in said decree;

(b) Impose or collect any fee, charge or assessment with respect to diversions of waters of the basin permitted by said decree;

(c) Exercise any jurisdiction, except upon consent of all the parties to said decree, over the planning, design, construction, operation, or control of any projects, structures or facilities constructed or used in connection with withdrawals, diversions and releases of waters of the basin authorized by said decree or of the withdrawal, diversions or releases to be made thereunder; or

(d) Serve as river master under said decree, except upon consent of all the parties thereto.

3.6 General Powers. The commission may:

(a) Plan, design, acquire, construct, reconstruct, complete, own, improve, extend, develop, operate and maintain any and all projects, facilities, properties, activities and services, determined by the commission to be necessary, convenient or useful for the purposes of this compact;

(b) Establish standards of planning, design and operation of all projects and facilities in the basin which affect its water resources, including without limitation thereto water and waste treatment plants, stream and lake recreational facilities, trunk mains for water distribution, local flood protection works, small watershed management programs, and ground water recharging operations;

(c) Conduct and sponsor research on water resources, their planning, use, conservation, management, development, control and protection, and the capacity, adaptability and best utility of each facility thereof, and collect, compile, correlate, analyze, report and interpret data on water resources and uses in the basin, including without limitation thereto the relation of water to other resources, industrial water technology,

ground water movement, relation between water price and water demand, and general hydrological conditions;

(d) Compile and coordinate systematic stream stage and ground water level forecasting data, and publicize such information when and as needed for water uses, flood warning, quality maintenance or other purposes;

(e) Conduct such special ground water investigations, tests, and operations and compile such data relating thereto as may be required to formulate and administer the comprehensive plan;

(f) Prepare, publish and disseminate information and reports with respect to the water problems of the basin and for the presentation of the needs, resources and policies of the basin to executive and legislative branches of the signatory parties;

(g) Negotiate for such loans, grants, services or other aids as may be lawfully available from public or private sources to finance or assist in effectuating any of the purposes of this compact; and to receive and accept such aid upon such terms and conditions, and subject to such provisions for repayment as may be required by Federal or State law or as the commission may deem necessary or desirable;

(h) Exercise such other and different powers as may be delegated to it by this compact or otherwise pursuant to law, and have and exercise all powers necessary or convenient to carry out its express powers or which may be reasonably implied therefrom.

3.7 Rates and Charges. The commission may from time to time after public notice and hearing fix, alter and revise rates, rentals, charges and tolls and classifications thereof, for the use of facilities which it may own or operate and for products and services rendered thereby, without regulation or control by any department, office or agency of any signatory party.

3.8 Referral and Review. No project having a substantial effect on the water resources of the basin shall hereafter be undertaken by any person, corporation or governmental authority unless it shall have been first submitted to and approved by the commission, subject to the provisions of Sections 3.3 and 3.5. The commission shall approve a project whenever it finds and determines that such project would not substantially impair or conflict with the comprehensive plan and may modify and approve as modified, or may disapprove any such project whenever it finds and determines that the project would substantially impair or conflict with such plan. The commission shall provide by regulation for the procedure of submission, review and consideration of projects, and for its determinations pursuant to this section. Any determination of the commission hereunder shall be subject to judicial review in any court of competent jurisdiction.

3.9 Coordination and Cooperation. The commission shall promote and aid the coordination of the activities and programs of federal, state, municipal and private agencies concerned with water resources administration in the basin. To this end, but without limitation thereto, the commission may:

(a) Advise, consult, contract, financially assist, or otherwise cooperate with any and all such agencies;

(b) Employ any other agency or instrumentality of any of the signatory parties or of any political subdivision thereof, in the design, construction, operation and maintenance of structures, and the installation and management of river control systems, or for any other purpose;

(c) Develop and adopt plans and specifications for particular water resources projects and facilities which so far as consistent with the comprehensive plan incorporate any separate plans of other public and private organizations operating in the basin, and permit the decentralized administration thereof;

(d) Qualify as a sponsoring agency under any federal legislation heretofore or hereafter enacted to provide financial or other assistance for the planning, conservation, utilization, development, management or control of water resources.

3.10 Advisory Committees. The commission may constitute and empower advisory committees, which may be comprised of representatives of the public and of federal, state, county and municipal governments, water resources agencies, water-using industries, water-interest groups, labor and agriculture.

Article 4

Water Supply

Section 4.1 Generally. The commission shall have power to develop, implement and effectuate plans and projects for the use of the waters of the basin for domestic, municipal, agricultural and industrial water supply. To this end, without limitation thereto, it may provide for, construct, acquire, operate and maintain dams, reservoirs and other facilities for utilization of surface and ground water resources, and all related structures, appurtenances and equipment on the river and its tributaries and at such off-river sites as it may find appropriate, and may regulate and control the use thereof.

4.2 Storage and Release of Waters.

(a) The commission shall have power to acquire, operate and control projects and facilities for the storage and release of waters, for the regulation of flows and supplies of surface and ground waters of the basin, for the protection of public health, stream quality control, economic development, improvement of fisheries, recreation, dilution and abatement of pollution, the prevention of undue salinity and other purposes.

(b) No signatory party shall permit any augmentation of flow to be diminished by the diversion of any water of the basin during any period in which waters are being released from storage under the direction of the commission for the purpose of augmenting such flow, except in cases where such diversion is duly authorized by this compact, or by the commission pursuant thereto, or by the judgment, order or decree of a court of competent jurisdiction.

4.3 Assessable Improvements. The commission may undertake to provide stream regulation in the main stream or any tributary in the basin and may assess on an annual basis or otherwise the cost thereof upon water users or any classification of them specially benefited thereby to a measurable extent, provided that no such assessment shall exceed the actual benefit to any water user. Any such assessment shall follow the procedure prescribed by law for local improvement assessments and shall be subject to judicial review in any court of competent jurisdiction.

4.4 Coordination. Prior to entering upon the execution of any project authorized by this article, the commission shall review and consider all existing rights, plans and programs of the signatory parties, their political subdivisions, private parties, and water users which are pertinent to such project, and shall hold a public hearing on each proposed project.

4.5 Additional Powers. In connection with any project authorized by this article, the commission shall have power to provide storage, treatment, pumping and transmission facilities, but nothing herein shall be construed to authorize the commission to engage in the business of distributing water.

Article 5

Pollution Control

Section 5.1 General Powers. The commission may undertake investigations and surveys, and acquire, construct, operate and maintain projects and facilities to control potential pollution and abate or dilute existing pollution of the water resources of the basin. It may invoke as complainant the power and jurisdiction of water pollution abatement agencies of the signatory parties.

5.2 Policy and Standards. The commission may assume jurisdiction to control future pollution and abate existing pollution in the waters of the basin, whenever it determines after investigation and public hearing upon due notice that the effectuation of the comprehensive plan so requires. The standard of such control shall be that pollution by sewage or industrial or other waste originating within a signatory State shall not injuriously affect waters of the basin as contemplated by the comprehensive plan. The commission, after such public hearing may classify the waters of the basin and establish standards of treatment of sewage, industrial or other waste, according to such classes including allowance for the variable factors of surface and ground waters, such as size of the stream, flow, movement, location, character, self-purification, and usage of the waters affected. After such investigation, notice and hearing the commission may adopt and from time to time amend and repeal rules, regulations and standards to control such future pollution and abate existing pollution, and to require such treatment of sewage, industrial or other waste within a time reasonable for the construction of the necessary works, as may be required to protect the public health or to preserve the waters of the basin for uses in accordance with the comprehensive plan.

5.3 Cooperative Legislation and Administration. Each of the signatory parties covenants and agrees to prohibit and control pollution of the waters of the basin according to the requirements of this compact and to cooperate faithfully in the control of future pollution in and abatement of existing pollution from the rivers, streams, and waters in the basin which flow through, under, into or border upon any of such signatory states, and in order to effect such object, agrees to enact any necessary legislation to enable each such party to place and maintain the waters of said basin in a satisfactory condition, available for safe and satisfactory use as public and industrial water supplies after reasonable treatment, suitable for recreational usage, capable of maintaining fish and other aquatic life, free from unsightly or malodorous nuisances due to floating solids or sludge deposits and adaptable to such other uses as may be provided by the comprehensive plan.

5.4 Enforcement. The commission may, after investigation and hearing, issue an order or orders upon any person or public or private corporation, or other entity, to cease the discharge of sewage, industrial or other waste into waters of the basin which it determines to be in violation of such rules and regulations as it shall have adopted for the prevention and abatement of pollution. Any such order or orders may prescribe the date, including a reasonable time for the construction of any necessary works, on or before which such discharge shall be wholly or partially discontinued, modified or treated, or otherwise conformed to the requirements of such rules and regulations. Such order shall be reviewable in any court of competent jurisdiction. The courts of the signatory parties shall have jurisdiction to enforce against any person, public or private corporation, or other entity, any and all provisions of this Article or of any such order. The commission may bring an action in its own name in any such court of competent jurisdiction to compel compliance with any provision of this Article, or any rule or regulation issued pursuant thereto or of any such order, according to the practice and procedure of the court.

5.5 Further Jurisdiction. Nothing in this compact shall be construed to repeal, modify or qualify the authority of any signatory party to enact any legislation or enforce any additional conditions and restrictions to lessen or prevent the pollution of waters within its jurisdiction.

Article 6

Flood Protection

Section 6.1 General Powers. The commission may plan, design, construct and operate and maintain projects and facilities, as it may deem necessary or desirable for flood damage reduction. It shall have power to operate such facilities and to store and release waters on the Delaware River and its tributaries and elsewhere within the basin, in such manner, at such times, and under such regulations as the commission may deem appropriate to meet flood conditions as they may arise.

6.2 Flood Plain Zoning.

(a) The commission shall have power to adopt, amend and repeal recommended standards, in the manner provided by this section, relating to the nature and extent of the uses of land in areas subject to flooding by waters of the Delaware River and its tributaries. Such standards shall not be deemed to impair or restrict the power of the signatory parties or their political subdivisions to adopt zoning and other land use regulations not inconsistent therewith.

(b) The commission may study and determine the nature and extent of the flood plains of the Delaware River and its tributaries. Upon the basis of such studies, it may establish encroachment lines and delineate the areas subject to flood, including a classification of lands with reference to relative risk of flood and the establishment of standards for flood plain use which will safeguard the public health, safety and property. Prior to the adoption of any standards delineating such area or defining such use, the commission shall hold public hearings, in the manner provided by article 14, with respect to the substance of such standards. At or before such public hearings the proposed standards shall be available, and all interested persons shall be given an opportunity to be heard thereon at the hearing. Upon the adoption and promulgation of such standards, the commission may enter into agreements to provide technical and financial aid to any municipal corporation for the administration and enforcement of any local land use ordinances or regulations giving effect to such standards.

6.3 Flood Lands Acquisition. The commission shall have power to acquire the fee or any lesser interest in lands and improvements thereon within the area of a flood plain for the purpose of restricting the use of such property so as to minimize the flood hazard, converting property to uses appropriate to flood plain conditions, or preventing unwarranted constrictions that reduce the ability of the river channel to carry flood water. Any such action shall be in accord with the standards adopted and promulgated pursuant to Section 6.2.

6.4 Flood and Stream Stage Warnings and Posting. The commission may cause lands particularly subject to flood to be posted with flood hazard warnings, and may from time to time cause flood advisory notices to be published and circulated as conditions may warrant.

Article 7

Watershed Management

Section 7.1 Watersheds Generally. The commission shall promote sound practices of watershed management in the basin, including projects and facilities to retard runoff and waterflow and prevent soil erosion.

7.2 Soil Conservation and Forestry. The commission may acquire, sponsor or operate facilities and projects to encourage soil conservation, prevent and control erosion, and to promote land reclamation and sound forestry practices.

7.3 Fish and Wildlife. The commission may acquire, sponsor or operate projects and facilities for the maintenance and improvement of fish and wildlife habitats related to the water resources of the basin.

7.4 Cooperative Planning and Operation.

(a) The commission shall cooperate with the appropriate agencies of the signatory parties and with other public and private agencies in the planning and effectuation of a coordinated program of facilities and projects authorized by this Article.

(b) The commission shall not operate any such project or facility unless it has first found and determined that no other suitable unit or agency of government is available to operate the same upon reasonable conditions, in accordance with the intent and purpose expressed in Section 1.5 of this compact.

Article 8

Recreation

Section 8.1 Development. The commission shall provide for the development of water related public sports and recreational facilities. The commission on its own account or in cooperation with a signatory party, political subdivision or any agency thereof, may provide for the construction, maintenance and administration of such facilities, subject to the provisions of Section 8.2 hereof.

8.2 Cooperative Planning and Operation.

(a) The commission shall cooperate with the appropriate agencies of the signatory parties and with other public and private agencies in the planning and effectuation of a coordinated program of facilities and projects authorized by this article.

(b) The commission shall not operate any such project or facility unless it has first found and determined that no other suitable unit or agency of government is available to operate the same upon reasonable conditions, in accordance with the intent and purpose expressed in Section 1.5 of this compact.

8.3 Operation and Maintenance. The commission within limits prescribed by this article, shall:

(a) Encourage activities of other public agencies having water related recreational interests and assist in the coordination thereof;

(b) Recommend standards for the development and administration of water related recreational facilities;

(c) Provide for the administration, operation and maintenance of recreational facilities owned or controlled by the commission and for the letting and supervision of private concessions in accordance with this article.

8.4 Concessions. The commission shall after notice and public hearing provide by regulation for the award of contracts for private concessions in connection with recreational facilities, including any renewal or extension thereof, upon sealed competitive bids after public advertisement therefor.

Article 9

Hydroelectric Power

Section 9.1 Development. The waters of the Delaware River and its tributaries may be impounded and used by or under authority of the commission for the generation of hydroelectric power and hydroelectric energy, in accordance with the comprehensive plan.

9.2 Power Generation. The commission may develop and operate, or authorize to be developed and operated, dams and related facilities and appurtenances for the purpose of generating hydroelectric power and hydroelectric energy.

9.3 Transmission. The commission may provide facilities for the transmission of hydroelectric power and hydroelectric energy produced by it where such facilities are not otherwise available upon reasonable terms, for the purpose of wholesale marketing of power and nothing herein shall be construed to authorize the commission to engage in the business of direct sale to consumers.

9.4 Development Contracts. The commission may after public notice and hearing enter into contracts on reasonable terms, consideration and duration under which public utilities or public agencies may develop hydroelectric power and hydroelectric energy through the use of dams, related facilities and appurtenances.

9.5 Rates and Charges. Rates and charges fixed by the commission for power which is produced by its facilities shall be reasonable, nondiscriminatory, and just.

Article 10

Regulation of Withdrawals and Diversions

Section 10.1 Power of Regulation. The commission may regulate and control withdrawals and diversions from surface waters and ground waters of the basin, as provided by this article. The commission may enter into agreements with the signatory parties relating to the exercises of such power of regulation or control and may delegate to any of them such powers of the commission as it may deem necessary or desirable.

10.2 Determination of Protected Areas. The commission may from time to time after public hearing upon due notice determine and delineate such areas within the basin wherein the demands upon supply made by water users have developed or threaten to develop to such a degree as to create a water shortage or to impair or conflict with the requirements or effectuation of the comprehensive plan, and any such areas may be designated as "protected areas." The commission, whenever it determines that such shortage no longer exists, shall terminate the protected status of such area and shall give public notice of such termination.

10.3 Withdrawal Permits. In any protected areas so determined and delineated, no person, firm, corporation or other entity shall divert or withdraw water for domestic, municipal, agricultural or industrial uses in excess of such quantities as the commission may prescribe by general regulation, except (i) pursuant to a permit granted under this article, or (ii) pursuant to a permit or approval heretofore granted under the laws of any of the signatory states.

10.4 Emergency. In the event of a drought or other condition which may cause an actual and immediate shortage of available water supply within the basin, or within any part thereof, the commission may, after public hearing, determine and delineate the area of such shortage and declare a water supply emergency therein. For the duration of such emergency as determined by the commission no person, firm, corporation or other public or private entity shall divert or withdraw water for any purpose, in excess of such quantities as the commission may prescribe by general regulation or authorize by special permit granted hereunder.

10.5 Standards. Permits shall be granted, modified or denied as the case may be so as to avoid such depletion of the natural stream flows and ground waters in the protected area or in an emergency area as will adversely affect the comprehensive plan or the just and equitable interests and rights of other lawful users of the same source, giving due regard to the need to balance and reconcile alternative and conflicting uses in the event of an actual or threatened shortage of water of the quality required.

10.6 Judicial Review. The determinations and delineations of the commission pursuant to Section 10.2 and the granting, modification or denial of permits pursuant to Section 10.3 through 10.5 shall be subject to judicial review in any court of competent jurisdiction.

10.7 Maintenance of Records. Each state shall provide for the maintenance and preservation of such records of authorized di-

versions and withdrawals and the annual volume thereof as the commission shall prescribe. Such records and supplementary reports shall be furnished to the commission at its request.

10.8 Existing State Systems. Whenever the commission finds it necessary or desirable to exercise the powers conferred by this article any diversion or withdrawal permits authorized or issued under the laws of any of the signatory states shall be superseded to the extent of any conflict with the control and regulation exercised by the commission.

Article 11

Intergovernmental Relations

Section 11.1 Federal Agencies and Projects. For the purposes of avoiding conflicts of jurisdiction and of giving full effect to the commission as a regional agency of the signatory parties, the following rules shall govern federal projects affecting the water resources of the basin, subject in each case to the provisions of Section 1.4 of this compact:

(a) The planning of all projects related to powers delegated to the commission by this compact shall be undertaken in consultation with the commission;

(b) No expenditure or commitment shall be made for or on account of the construction, acquisition or operation of any project or facility nor shall it be deemed authorized, unless it shall have first been included by the commission in the comprehensive plan;

(c) Each federal agency otherwise authorized by law to plan, design, construct, operate or maintain any project or facility in or for the basin shall continue to have, exercise and discharge such authority except as specifically provided by this section.

11.2 State and Local Agencies and Projects. For the purposes of avoiding conflicts of jurisdiction and of giving full effect to the commission as a regional agency of the signatory parties, the following rules shall govern projects of the signatory states, their political subdivisions and public corporation affecting water resources of the basin:

(a) The planning of all projects related to powers delegated to the commission by this compact shall be undertaken in consultation with the commission;

(b) No expenditure or commitment shall be made for or on account of the construction, acquisition or operation of any project or facility unless it shall have first been included by the commission in the comprehensive plan;

(c) Each state and local agency otherwise authorized by law to plan, design, construct, operate or maintain any project or facility in or for the basin shall continue to have, exercise and discharge such authority, except as specifically provided by this section.

11.3 Reserved Taxing Powers of States. Each of the signatory parties reserves the right to levy, assess and collect fees, charges and taxes on or measured by the withdrawal or diversion of waters of the basin for use within the jurisdictions of the respective signatory parties.

11.4 Project Costs and Evaluation Standards. The commission shall establish uniform standards and procedures for the evaluation, determination of benefits, and cost allocations of projects affecting the basin, and for the determination of project priorities, pursuant to the requirements of the comprehensive plan and its water resources program. The commission shall develop equitable cost sharing and reimbursement formulas for the signatory parties including:

(a) Uniform and consistent procedures for the allocation of project costs among purposes included in multiple-purpose programs;

(b) Contracts and arrangements for sharing financial responsibility among and with signatory parties, public bodies, groups and private enterprise, and for the supervision of their performance;

(c) Establishment and supervision of a system of accounts for reimbursable purposes and directing the payments and charges to be made from such accounts;

(d) Determining the basis and apportioning amounts (i) of reimbursable revenues to be paid signatory parties or their political subdivisions, and (ii) of payments in lieu of taxes to any of them.

11.5 Cooperative Services. The commission shall furnish technical services, advice and consultation to authorized agencies of the signatory parties with respect to the water resources of the basin, and each of the signatory parties pledges itself to provide technical and administrative services to the commission upon request, within the limits of available appropriations and to cooperate generally with the commission for the purposes of this compact, and the cost of such services may be reimbursable whenever the parties deem appropriate.

Article 12

Capital Financing

Section 12.1 Borrowing Power. The commission may borrow money for any of the purposes of this compact, and may issue its negotiable bonds and other evidences of indebtedness in respect thereto. All such bonds and evidences of indebtedness shall be payable solely out of the properties and revenues of the commission without recourse to taxation. The bonds and other obligations of the commission, except as may be otherwise provided in the indenture under which they were issued, shall be direct and general obligations of the commission and the full faith and credit of the commission are hereby pledged for the prompt payment of the debt service thereon and for the fulfillment of all other undertakings of the commission assumed by it to or for the benefit of the holders thereof.

12.2 Funds and Expenses. The purposes of this compact shall include without limitation thereto all costs of any project or facility or any part thereof, including interest during a period of construction and a reasonable time thereafter and any incidental expenses (legal, engineering, fiscal, financial consultant and other expenses) connected with issuing and disposing of the bonds; all amounts required for the creation of an operating fund, construction fund, reserve fund, sinking fund, or other special fund; all other expenses connected with the planning, design, acquisition, construction, completion, improvement or reconstruction of any facility or any part thereof; and reimbursement of advances by the commission or by others for such purposes and for working capital.

12.3 Credit Excluded; Officers, State and Municipal. The commission shall have no power to pledge the credit of any signatory party, or of any county or municipality, or to impose any obligation for payment of the bonds upon any signatory party or any county or municipality. Neither the commissioners nor any person executing the bonds shall be liable personally on the bonds of the commission or be subject to any personal liability or accountability by reason of the issuance thereof.

12.4 Funding and Refunding. Whenever the commission deems it expedient, it may fund and refund its bonds and other obligations whether or not such bonds and obligations have matured. It may provide for the issuance, sale or exchange of refunding bonds for the purpose of redeeming or retiring any bonds (including the payment of any premium, duplicate interest or cash adjustment required in connection therewith) issued by the commission or issued by any other issuing body, the proceeds of the sale of which have been applied to any facility acquired by the commission or which are payable out of the revenues of any facility acquired by the commission. Bonds may be issued partly to refund bonds and other obligations then outstanding, and partly for any other purpose of the commission. All provisions of this compact applicable to the issuance of bonds are applicable to refunding bonds and to the issuance, sale or exchange thereof.

12.5 Bonds. Authorization Generally. Bonds and other indebtedness of the commission shall be authorized by resolution of the commission. The validity of the authorization and issuance of any bonds by the commission shall not be dependent upon nor affected in any way by: (i) the disposition of bond proceeds by the commission or by contract, commitment or action taken with respect to such proceeds; or (ii) the failure to complete any part of the project for which bonds are authorized to be issued. The commission may issue bonds in one or more series and may provide for one or more consolidated bond issues, in such principal amounts and with such terms and provisions as the commission may deem necessary. The bonds may be secured by a pledge of all or any part of the property, revenues and franchises under its control. Bonds may be issued by the commission in such amount, with such maturities and in such denominations and form or forms, whether coupon or registered, as to both principal and interest, as may be determined by the commission. The commission may provide for redemption of bonds prior to maturity on such notice and at such time or times and with such redemption provisions, including premiums, as the commission may determine.

12.6 Bonds. Resolutions and Indentures Generally. The commission may determine and enter into indentures providing for the principal amount, date or dates, maturities, interest rate, denominations, form, registration, transfer, interchange and other provisions of the bonds and coupons and the terms and conditions upon which the same shall be executed, issued, secured, sold, paid, redeemed, funded and refunded. The resolution of the commission authorizing any bond or any indenture so authorized under which the bonds are issued may include all such covenants and other provisions other than any restriction on the regulatory powers vested in the commission by this compact as the commission may deem necessary or desirable for the issue, payment, security, protection or marketing of the bonds, including without limitation covenants and other provisions as to the rates or amounts of fees, rents and other charges to be charged or made for use of the facilities; the use, pledge, custody, securing, application and disposition of such revenues, of the proceeds of the bonds, and of any other moneys of the commission; the operation, maintenance, repair and reconstruction of the facilities and the amounts which may be expended therefor; the sale, lease or other disposition of the facilities; the insuring of the facilities and of the revenues derived therefrom; the construction or other acquisition of other facilities; the issuance of additional bonds or other indebtedness; the rights of the bondholders and of any trustee for the bondholders upon default by the commission or otherwise; and the modification of the provisions of the indenture and of the bonds. Reference on the face of the bonds to such resolution or indenture by its date of adoption or the apparent date on the face thereof is sufficient to incorporate all of the provisions thereof and of this compact into the body of the bonds and their appurtenant coupons. Each taker and subsequent holder of the bonds or coupons, whether the coupons are attached to or detached from the bonds, has recourse to all of the provisions of the indenture and of this compact and is bound thereby.

12.7 Maximum Maturity. No bond or its terms shall mature in more than fifty years from its own date and in the event any authorized issue is divided into two or more series or divisions, the maximum maturity date herein authorized shall be calculated from the date on the face of each bond separately, irrespective of the fact that different dates may be prescribed for the bonds of each separate series or division of any authorized issue.

12.8 Tax Exemption. All bonds issued by the commission under the provisions of this compact and the interest thereof shall at all times be free and exempt from all taxation by or under authority of any of the signatory parties, except for transfer, inheritance and estate taxes.

12.9 Interest. Bonds shall bear interest at a rate of not to exceed six percent per annum, payable annually or semi-annually.

12.10 Place of Payment. The commission may provide for the payment of the principal and interest of bonds at any place or places within or without the signatory states, and in any specified lawful coin or currency of the United States of America.

12.11 Execution. The commission may provide for the execution and authentication of bonds by the manual, lithographed or printed facsimile signature of officers of the commission, and by additional authentication by a trustee or fiscal agent appointed by the commission. If any of the officers whose signatures or counter signatures appear upon the bonds or coupons cease to be officers before the delivery of the bonds or coupons, their signatures or counter signatures are nevertheless valid and of the same force and effect as if the officers had remained in office until the delivery of the bonds and coupons.

12.12 Holding Own Bonds. The commission shall have power out of any funds available therefor to purchase its bonds and may hold, cancel or resell such bonds.

12.13 Sale. The commission may fix terms and conditions for the sale or other disposition of any authorized issue of bonds. The commission may sell bonds at less than their par or face value but no issue of bonds may be sold at an aggregate price below the par or face value thereof if such sale would result in a net interest cost to the commission calculated upon the entire issue so sold of more than six percent per annum payable semi-annually, according to standard tables of bond values. All bonds issued and sold for cash pursuant to this act shall be sold on sealed proposals to the highest bidder. Prior to such sale, the commission shall advertise for bids by publication of a notice of sale not less than ten days prior to the date of sale, at least once in a newspaper of general circulation printed and published in New York City carrying municipal bond notices and devoted primarily to financial news. The commission may reject any and all bids submitted and may thereafter sell the bonds so advertised for sale at private sale to any financially responsible bidder under such terms and conditions as it deems most advantageous to the public interest, but the bonds shall not be sold at a net interest cost calculated upon the entire issue so advertised, greater than the lowest bid which was rejected. In the event the commission desires to issue its bonds in exchange for an existing facility or portion thereof, or in exchange for bonds secured by the revenues of an existing facility or portion thereof or for the bonds so secured, plus an additional amount of cash, without advertising such bonds for sale.

12.14 Negotiability. All bonds issued under the provisions of this compact are negotiable instruments, except when registered in the name of a registered owner.

12.15 Legal Investments. Bonds of the commission shall be legal investments for savings banks, fiduciaries and public funds in each of the signatory states.

12.16 Validation Proceedings. Prior to the issuance of any bonds, the commission may institute a special proceeding to determine the legality of proceedings to issue the bonds and their validity under the laws of any of the signatory parties. Such proceedings shall be instituted and prosecuted in rem and the judgment rendered therein shall be conclusive against all persons whomsoever and against each of the signatory parties.

12.17 Recording. No indenture need be recorded or filed in any public office, other than the office of the commission. The pledge of revenues provided in any indenture shall take effect forthwith as provided therein and irrespective of the date of receipt of such revenues by the commission or the indenture trustee. Such pledge shall be effective as provided in the indenture without physical delivery of the revenues to the commission or to the indenture trustee.

12.18 Pledged Revenues. Bond redemption and interest payments shall, to the extent provided in the resolution or indenture, constitute a first, direct and exclusive charge and lien on all such rates, rents, tolls, fees and charges and other revenues and interest thereon received from the use and operation of the facility, and on any sinking or other funds created therefrom. All such rates, rents, tolls, fees, charges and other revenues, together with interest thereon, shall constitute a trust fund for the security and payment of such bonds and except as and to the extent provided in the indenture with respect to the payment therefrom of expenses for other purposes including administration, operation, maintenance, improvements or extensions of the facilities or other purposes shall not be used or pledged for any other purpose so long as such bonds, or any of them, are outstanding and unpaid.

12.19 Remedies. The holder of any bond may for the equal benefit and protection of all holders of bonds similarly situated: (a) by mandamus or other appropriate proceedings require and compel the performance of any of the duties imposed upon the commission or assumed by it, its officers, agents or employees under the provisions of any indenture, in connection with the acquisition, construction, operation, maintenance, repair, reconstruction or insurance of the facilities, or in connection with the collection, deposit, investment, application, and disbursement of the rates, rents, tolls, fees, charges and other revenues derived from the operation and use of the facilities, or in connection with the deposit, investment and disbursement of the proceeds received from the sale of bonds; or (b) by action or suit in a court of competent jurisdiction of any signatory party require the commission to account as if it were the trustee of an express trust, or enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the bonds. The enumeration of such rights and remedies does not, however, exclude the exercise or prosecution of any other rights or remedies available to the holders of bonds.

12.20 Capital Financing by Signatory Parties; Guarantees.

(a) The signatory parties will provide such capital funds required for projects of the commission as may be authorized by their respective statutes in accordance with a cost sharing plan prepared pursuant to Article 11 of this compact; but nothing in this section shall be deemed to impose any mandatory obligation on any of the signatory parties other than such obligations as may be assumed by a signatory party in connection with a specific project or facility.

(b) Bonds of the commission, notwithstanding any other provision of this compact, may be executed and delivered to any duly authorized agency of any of the signatory parties without public offering and may be sold and resold with or without the guarantee of such signatory party, subject to and in accordance with the constitutions of the respective signatory parties.

(c) The commission may receive and accept, and the signatory parties may make, loans, grants, appropriations, advances and payments of reimbursable or non-reimbursable funds or property in any form for the capital or operating purposes of the commission.

Article 13

Plan, Program and Budgets

Section 13.1 Comprehensive Plan. The commission shall develop and adopt, and may from time to time review and revise, a comprehensive plan for the immediate and long range development and use of the water resources of the basin. The plan shall include all public and private projects and facilities which are required, in the judgment of the commission, for the optimum planning, development, conservation, utilization, management and control of the water resources of the basin to meet present and future needs; provided that the plan shall include any projects required to conform with any present or future decree or judgment of any court of competent jurisdiction. The commission may adopt a comprehensive plan or any revision thereof in such part or parts as it may deem appropriate, provided that before the adoption of the plan or any part or revision thereof the commission shall consult with water users and interested public bodies and public utilities and shall consider and give due regard to the findings and recommendations of the various agencies of the signatory parties and their political subdivisions. The commission shall conduct public hearings with respect to the comprehensive plan prior to the adoption of the plan or any part or revision thereof.

13.2 Water Resources Program. The commission shall annually adopt a water resources program, based upon the comprehensive plan, consisting of the projects and facilities which the commission proposes to be undertaken by the commission and by other authorized governmental and private agencies, organizations and persons during the ensuing six years or such other reasonably foreseeable period as the commission may determine. The water resources program shall include a systematic presentation of:

1) the quantity and quality of water resources needs for such period;

2) the existing and proposed projects and facilities required to satisfy such needs, including all public and private projects to be anticipated;

3) a separate statement of the projects proposed to be undertaken by the commission during such period.

13.3 Annual Current Expense and Capital Budgets.

(a) The commission shall annually adopt a capital budget including all capital projects it proposes to undertake or continue during the budget period containing a statement of the estimated cost of each project and the method of financing thereof.

(b) The commission shall annually adopt a current expense budget for each fiscal year. Such budget shall include the commission's estimated expenses for administration, operation, maintenance and repairs, including a separate statement thereof for each project, together with its cost allocation. The total of such expenses shall be balanced by the commission's estimated revenues from all sources, including the cost allocations undertaken by any of the signatory parties in connection with any project. Following the adoption of the annual current expense budget by the commission, the executive director of the commission shall:

1) certify to the respective signatory parties the amounts due in accordance with existing cost sharing established for each project; and

2) transmit certified copies of such budget to the principal budget officer of the respective signatory parties at such time and in such manner as may be required under their respective budgetary procedures. The amount required to balance the current expense budget in addition to the aggregate amount of item (1) above and all other revenues available to the commission shall be apportioned equitably among the signatory parties by unanimous vote of the commission, and the amount of such apportionment to each signatory party shall be certified together with the budget.

(c) The respective signatory parties covenant and agree to include the amounts so apportioned for the support of the current expense budget in their respective budgets next to be adopted, subject to such review and approval as may be required by their respective budgetary processes. Such amounts shall be due and payable to the commission in quarterly installments during its fiscal year, provided that the commission may draw upon its working capital to finance its current expense budget pending remittances by the signatory parties.

Article 14

General Provisions

Section 14.1 Auxiliary Powers of Commission; Functions of Commissioners.

(a) The commission, for the purposes of this compact, may:

1) Adopt and use a corporate seal, enter into contracts, sue and be sued in all courts of competent jurisdiction;

2) Receive and accept such payments, appropriations, grants, gifts, loans, advances and other funds, properties and services as may be transferred or made available to it by any signatory party or by any other public or private corpoartion or individual, and enter into agreements to make reimbursement for all or part thereof;

3) Provide for, acquire and adopt detailed engineering, administrative, financial and operating plans and specifications to effectuate, maintain or develop any facility or project;

4) Control and regulate the use of facilities owned or operated by the commission;

5) Acquire, own, operate, maintain, control, sell and convey real and personal property and any interest therein by contract, purchase, lease, license, mortgage or otherwise as it may deem necessary for any project or facility, including any and all appurtenances thereto necessary, useful or convenient for such ownership, operation, control, maintenance or conveyance;

6) Have and exercise all corporate powers essential to the declared objects and purposes of the commission.

(b) The commissioners, subject to the provisions of this compact, shall:

1) Serve as the governing body of the commission, and exercise and discharge its powers and duties except as otherwise provided by or pursuant to this compact;

2) Determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid subject to any provisions of law specifically applicable to agencies or instrumentalities created by compact;

3) Provide for the internal organization and administration of the commission;

4) Appoint the principal officers of the commission and delegate to and allocate among them administrative functions, powers and duties;

5) Create and abolish offices, employments and positions as it deems necessary for the purposes of the commission, and subject to the provisions of this article, fix and provide for the qualification, appointment, removal, term, tenure, compensation, pension and retirement rights of its officers and employees;

6) Let and execute contracts to carry out the powers of the commission.

14.2 Regulations; Enforcement. The commission may:

(a) Make and enforce reasonable rules and regulations for the effectuation, application and enforcement of this compact; and it may adopt and enforce practices and schedules for or in connection with the use, maintenance and administration of projects and facilities it may own or operate and any product or service rendered thereby; provided that any rule or regulation, other than one which deals solely with the internal management of the commission, shall be adopted only after public hearing and shall not be effective unless and until filed in accordance with the law of the respective signatory parties applicable to administrative rules and regulations generally; and

(b) Designate any officer, agent or employee of the commission to be an investigator or watchman and such person shall be vested with the powers of a peace officer of the state in which he is duly assigned to perform his duties.

14.3 Tax Exemption. The commission, its property, functions, and activities shall be exempt from taxation by or under the authority of any of the signatory parties or any political subdivision thereof; provided that in lieu of property taxes the commission shall, as to specific projects, make payments to local taxing districts in annual amounts which shall equal the taxes lawfully assessed upon property for the tax year next prior to its acquisition by the commission for a period of ten years. The nature and amount of such payments shall be reviewed by the commission at the end of ten years, and from time to time thereafter, upon reasonable notice and opportunity to be heard to the affected taxing district, and the payments may be thereupon terminated or continued in such reasonable amount as may be necessary or desirable to take into account hardships incurred and benefits received by the taxing jurisdiction which are attributable to the project.

14.4 Meetings; Public Hearings; Records, Minutes.

(a) All meetings of the commission shall be open to the public.

(b) The commission shall conduct at least one public hearing prior to the adoption of the comprehensive plan, water resources program, annual capital and current expense budgets, the letting of any contract for the sale or other disposition by the commission of hydroelectric energy or water resources to any person, corporation or entity, and in all other cases wherein this compact requires a public hearing. Such hearing shall be held upon at least ten days public notice given by posting at the offices of the commission. The commission shall also provide forthwith for distribution of such notice to the press and by the mailing of a copy thereof to any person who shall request such notices.

(c) The minutes of the commission shall be a public record open to inspection at its offices during regular business hours.

14.5 Officers Generally.

(a) The officers of the commission shall consist of an executive director and such additional officers, deputies and assistants as the commission may determine. The executive director shall be appointed and may be removed by the affirmative vote of a majority of the full membership of the commission. All other officers and employees shall be appointed by the executive director under such rules of procedure as the commission may determine.

(b) In the appointment and promotion of officers and employees for the commission, no political, racial, religious or residence test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be solely on the basis of merit and fitness. Any officer or employee of the commission who is found by the commission to be guilty of a violation of this section shall be removed from office by the commission.

14.6 Oath of Office. An oath of office in such form as the commission shall prescribe shall be taken, subscribed and filed with the commission by the executive director and by each officer appointed by him not later than fifteen days after the appointment.

14.7 Bond. Each officer shall give such bond and in such form and amount as the commission may require for which the commission may pay the premium.

14.8 Prohibited Activities.

(a) No commissioner, officer or employee shall:

1) be financially interested, either directly or indirectly, in any contract, sale, purchase, lease or transfer of real or personal property to which the commission is a party;

2) solicit or accept money or any other thing of value in addition to the compensation or expenses paid him by the commission for services performed within the scope of his official duties;

3) offer money or any thing of value for or in consideration of obtaining an appointment, promotion or privilege in his employment with the commission.

(b) Any officer or employee who shall willfully violate any of the provisions of this section shall forfeit his office or employment.

(c) Any contract or agreement knowingly made in contravention of this section is void.

(d) Officers and employees of the commission shall be subject in addition to the provisions of this section to such criminal and civil sanctions for misconduct in office as may be imposed by federal law and the law of the signatory state in which such misconduct occurs.

14.9 Purchasing. Contracts for the construction, reconstruction or improvement of any facility when the expenditure required exceeds ten thousand dollars and contracts for the purchase of services, supplies, equipment and materials when the expenditure required exceeds two thousand five hundred dollars shall be advertised and let upon sealed bids to the lowest responsible bidder. Notice requesting such bids shall be published in a manner reasonably likely to attract prospective bidders, which publication shall be made at least ten days before bids are received and in at least two newspapers of general circulation in the basin. The commission may reject any and all bids and readvertise in its discretion. If after rejecting bids the commission determines and resolves that in its opinion the supplies, equipment and materials may be purchased at a lower price in the open market, the commission may give each responsible bidder an opportunity to negotiate a price and may proceed to purchase the supplies, equipment and materials in the open market at a negotiated price which is lower than the lowest rejected bid of a responsible bidder, without further observance of the provisions requiring bids or notice. The commission shall adopt rules and regulations to provide for purchasing from the lowest responsible bidder when sealed bids, notice and publication are not required by this section. The commission may suspend and waive the provisions of this section requiring competitive bids whenever:

1) the purchase is to be made from or the contract to be made with the federal or any state government or any agency or political subdivision thereof or pursuant to any open end bulk purchase contract of any of them;

2) the public exigency requires the immediate delivery of the articles or performance of the service;

3) only one source of supply is available;

4) the equipment to be purchased is of a technical nature and the procurement thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts in the public interest; or

5) services are to be provided of a specialized or professional nature.

14.10 Insurance. The commission may self-insure or purchase insurance and pay the premiums therefor against loss or damage to any of its properties; against liability for injury to persons or property; and against loss of revenue from any cause whatsoever. Such insurance coverage shall be in such form and amount as the commission may determine, subject to the requirements of any agreement arising out of the issuance of bonds by the commission.

14.11 Annual Independent Audit.

(a) As soon as practical after the closing of the fiscal year, an audit shall be made of the financial accounts of the commission. The audit shall be made by qualified certified public accountants selected by the commission, who have no personal interest direct or indirect in the financial affairs of the commission or any of its officers or employees. The report of audit shall be prepared in accordance with accepted accounting practices and shall be filed with the chairman and such other officers as the commission shall direct. Copies of the report shall be distributed to each commissioner and shall be made available for public distribution.

(b) Each signatory party by its duly authorized officers shall be entitled to examine and audit at any time all of the books, documents, records, files and accounts and all other papers, things or property of the commission. The representatives of the signatory parties shall have access to all books, documents, records, accounts, reports, files and all other papers, things or property belonging to or in use by the commission and necessary to facilitate the audit and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents and custodians.

(c) The financial transactions of the commission shall be subject to audit by the general accounting office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the comptroller general of the United States. The audit shall be conducted at the place or places where the accounts of the commission are kept.

(d) Any officer or employee who shall refuse to give all required assistance and information to the accountants selected by the commission or to the authorized officers of any signatory party or who shall refuse to submit to them for examination such books, documents, records, files, accounts, papers, things or property as may be requested shall forfeit his office.

14.12 Reports. The commission shall make and publish an annual report to the legislative bodies of the signatory parties and to the public reporting on its programs, operations and finances. It may also prepare, publish and distribute such other public reports and informational materials as it may deem necessary or desirable.

14.13 Grants, Loans or Payments by States or Political Subdivisions.

(a) Any or all of the signatory parties or any political subdivision thereof may:

1) Appropriate to the commission such funds as may be necessary to pay preliminary expenses such as the expenses incurred in the making of borings, and other studies of subsurface conditions, in the preparation of contracts for the sale of water in the preparation of detailed plans and estimates required for the financing of a project;

2) Advance to the commission, either as grants or loans, such funds as may be necessary or convenient to finance the operation and management of or construction by the commission of any facility or project;

3) Make payments to the commission for benefits received or to be received from the operation of any of the projects or facilities of the commission.

(b) Any funds which may be loaned to the commission either by a signatory party or a political subdivision thereof shall be repaid by the commission through the issuance of bonds or out of other income of the commission, such repayment to be made within such period and upon such terms as may be agreed upon between the commission and the signatory party or political subdivision making the loan.

14.14 Condemnation Proceedings.

(a) The commission shall have the power to acquire by condemnation the fee or any lesser interest in lands, lands lying under water, development rights in land, riparian rights, water rights, waters and other real or personal property within the basin for any project or facility authorized pursuant to this compact. This grant of power of eminent domain includes but is not limited to the power to condemn for the purposes of this compact any property already devoted to a public use, by whomsoever owned or held, other than property of a signatory party and any property held, constructed, operated or maintained in connection with a diversion authorized by a United States Supreme Court decree. Any condemnation of any property or franchises owned or used by a municipal or privately owned public utility, unless the affected public utility facility is to be relocated or replaced, shall be subject to the authority of such state board, commission, or other body as may have regulatory jurisdiction over such public utility.

(b) Such power of condemnation shall be exercised in accordance with the provisions of any federal law applicable to the commission; provided that if there is no such applicable federal law, condemnation proceedings shall be in accordance with the provisions of such general state condemnation law as may be in force in the signatory state in which the property is located.

(c) Any award or compensation for the taking of property pursuant to this article shall be paid by the commission, and none of the signatory parties nor any other agency; instrumentality or political subdivision thereof shall be liable for such award or compensation.

14.15 Conveyance of Lands and Relocation of Public Facilities.

(a) The respective officers, agencies, departments, commissions or bodies having jurisdiction and control over real and personal property owned by the signatory parties are authorized and empowered to transfer and convey in accordance with the laws of the respective parties to the commission any such property as may be necessary or convenient to the effectuation of the authorized purposes of the commission.

(b) Each political subdivision of each of the signatory parties is authorized and empowered, notwithstanding any contrary provision of law, to grant and convey to the commission, upon the commission's request, any real property or any interest therein owned by such political subdivision including lands lying under water and lands already devoted to public use which may be necessary or convenient to the effectuation of the authorized purposes of the commission.

(c) Any highway, public utility or other public facility which will be dislocated by reason of a project deemed necessary by the commission to effectuate the authorized purposes of this compact shall be relocated and the cost thereof shall be paid in accordance with the law of the state in which the facility is located; provided that the cost of such relocation payable by the commission shall not in any event exceed the expenditure required to serve the public convenience and necessity.

14.16 Rights of Way. Permission is hereby granted to the commission to locate, construct and maintain any aqueducts, lines, pipes, conduits and auxiliary facilities authorized to be acquired, constructed, owned, operated or maintained by the commission in, over, under or across any streets and highways now or hereafter owned, opened or dedicated to or for public use, subject to such reasonable conditions as the highway department of the signatory party may require.

14.17 Penal Sanction. Any person, association or corporation who violates or attempts or conspires to violate any provision of this compact or any rule, regulation or order of the commission duly made, promulgated or issued pursuant to the compact in addition to any other remedy, penalty or consequence provided by law shall be punishable as may be provided by statute of any of the signatory parties within which the offense is committed; provided that in the absence of such provision any such person, association or corporation shall be liable to a penalty of not less than $50 nor more than $1,000 for each such offense to be fixed by the court which the commission may recover in its own name in any court of competent jurisdiction, and in a summary proceeding where available under the practice and procedure of such court. For the purposes of this section in the event of a continuing offense each day of such violation, attempt or conspiracy shall constitute a separate offense.

14.18 Tort Liability. The commission shall be responsible for claims arising out of the negligent acts or omissions of its officers, agents and employees only to the extent and subject to the procedures prescribed by law generally with respect to officers, agents and employees of the government of the United States.

14.19 Effect on Riparian Rights. Nothing contained in this compact shall be construed as affecting or intending to affect or in any way to interfere with the law of the respective signatory parties relating to riparian rights.

14.20 Amendments and Supplements. Amendments and supplements to this compact to implement the purposes thereof may be adopted by legislative action of any of the signatory parties concurred in by all of the others.

14.21 Construction and Severability. The provisions of this act and of agreements thereunder shall be severable and if any phrase, clause, sentence or provision of this compact or such agreement is declared to be unconstitutional or the applicability thereof to any signatory party, agency or person is held invalid, the constitutionality of the remainder of this compact or such agreement and the applicability thereof to any other signatory party, agency, person or circumstance shall not be affected thereby. It is the legislative intent that the provisions of this compact be reasonably and liberally construed.

14.22 Effective Date; Execution. This compact shall become binding and effective thirty days after the enactment of concurring legislation by the federal government, the states of Delaware, New Jersey and New York, and the Commonwealth of Pennsylvania. The compact shall be signed and sealed in six duplicate original copies by the respective chief executives of the signatory parties. One such copy shall be filed with the Secretary of State of each of the signatory parties or in accordance with the laws of the state in which the filing is made, and one copy shall be filed and retained in the archives of the commission upon its or-

ganization. The signatures shall be affixed and attested under the following form:

In witness whereof, and in evidence of the adoption and enactment into law of this compact by the Congress and legislatures, respectively, of the signatory parties, the President of the United States and the respective Governors do hereby, in accordance with authority conferred by law, sign this compact in six duplicate original copies, as attested by the respective secretaries of state, and have caused the seals of the United States and of the respective states to be hereunto affixed this ——— day of ———, 19—.

PART II

Article 15

Effectuation

15.1 Reservations. (a) The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

(b) The right is hereby reserved to the Congress or any of its standing committees to require the disclosure and furnishing of such information and data by the Delaware River Basin Compact Commission as is deemed appropriate by the Congress or any such committee.

15.2 Repealer. All acts and parts of acts inconsistent with any provision of this act are to the extent of such inconsistency hereby repealed.

15.3 Effectuation by the President. The President is authorized to take such action as may be necessary and proper, in his discretion, to effectuate the compact and the initial organization and operation of the commission thereunder.

15.4 Effective Date. This act shall take effect immediately.

Mr. WALTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER of Pennsylvania: On page 69, line 14, strike all of the language beginning with line 14 on page 69 through line 7 on page 70, and substitute the following:

"15.1 RESERVATIONS.—In the exercise of the powers reserved to the Congress, pursuant to section 1.4 of the compact, the consent to and participation in the compact by the United States is subject to the following conditions and reservations:

"(a) That provision of section 3.7 of the compact and the initial organization and commission to impose any charge for water withdrawals or diversions from the Basin if such withdrawals or diversions could lawfully have been made without charge on the effective date of the compact; or to impose any charges with respect to commercial navigation within the basin jurisdiction over which is reserved to the Federal Government: *Provided*, That this paragraph shall be applicable to the extent not inconsistent with section 1.4 of this compact.

"(b) That nothing contained in the compact shall be deemed to restrict the executive powers of the President in the event of a national emergency;

(c) That, notwithstanding the provisions of article 2, section 2.2 of the compact, the member of the commission appointed by the President of the United States and his alternate shall serve at the pleasure of the President;

"(3) That nothing contained in the compact shall be construed as impairing or in any manner affecting the applicability to all Federal funds budgeted and appropriated for use by the commission, of such authority over budgetary and appropriation matters as the President and Congress may have with respect to agencies in the executive branch of the Federal Government;

"(e) That nothing contained in the compact shall be construed as exempting from Federal taxation the interest on any bonds issued by the commission except to the same extent that interest on State bonds is or may continue to be free or exempt from Federal taxation under applicable Federal law;

"(f) That the Congress reserves the power and right to revise or modify the terms, conditions and provisions under which the United States may remain a party to the compact;

"(g) That no provision of the compact shall be construed to relinquish the functions, powers or duties of the Congress of the United States over any matters committted to it by the Constitution of the United States;

"(h) That notwithstanding the provisions of section 2 of this Act, the commission shall be subject to the provisions of the Act of June 30, 1936 (49 Stat. 2036, as amended; U.S.C., title 41, secs. 35 through 45), the Act of March 3, 1931 (46 Stat. 1494, as amended; U.S.C., title 40, secs. 276a and 276a–1); and to the provisions of the regulations of the Secretary of Labor issued pursuant to the Act of June 13, 1934 (48 Stat. 948, as amended; U.S.C., title 40, sec. 287c);

"(i) That the provisions of section 8.4 of article 8 of the compact shall not be construed to apply to facilities operated pursuant to any other Federal law;

"(j) That, notwithstanding any other provision of this Act, nothing contained in the compact shall be construed as superseding or limiting the functions, under any other law, of the Surgeon General of the United States Public Health Service, or of the Public Health Service, or of any other officer or agency of the United States, relating to water pollution, provided that the exercise of such functions shall not limit the authority of the commission to control, prevent, or abate water pollution;

"(k) That all Acts and parts of Acts inconsistent with any provision of this joint resolution are hereby amended for the purpose of this joint resolution to the extent necessary to carry out the provisions of this joint resolution; provided, however, that no act of the commission shall have the effect of repealing, modifying or amending any Federal law;

"(l) That for purposes of the Act of June 25, 1948, 62 Stat. 982, as amended (title 28, U.S. Code, chapter 171, and sections 1346(b) and 240(b) and the Act of March 3, 1887, 24 Stat. 505, as amended (title 28, U.S. Code, sections 1402, 1491, 1496, 1501, 1503, 2071, 2072, 2411, 2412, 2501), and the Act of June 11, 1946, 60 Stat. 237, as amended (title 5, U.S. Code, sections 1001 through 1011, title 50 App. U.S. Code, section 1900), the commission shall not be considered a Federal agency;

"(m) That the officers and employees of the commission (other than the United States member, alternate United States member, and advisors, and personnel employed by the United States member under direct Federal appropriation) shall not be deemed to be, for any purpose, officers or employees of the United States or to become entitled at any time by reason of employment by the commission to any compensation or benefit payable or made available by the United States solely and directly to its officers or employees;

"(n) That neither the compact nor this joint resolution shall be deemed to enlarge the authority of any Federal agency other than the commission to participate in or to provide funds for projects or activities in the Delaware River Basin.

"(o) That the United States district courts shall have original jurisdiction of all cases or controversies arising under the Compact, and this Act and any case or controversy so arising initiated in a State court shall be removable to the appropriate United States district court in the manner provided by § 1446, title 28, U.S.C. Nothing contained in the compact or elsewhere in this Act shall be construed as a waiver by the United States of its immunity from suit;

"(p) That the right to alter, amend, or repeal this joint resolution is hereby expressly reserved. The right is hereby reserved to the Congress or any of its standing committees to require the disclosure and furnishing of such information and data by the Delaware River Basin Compact Commission as is deemed appropriate by the Congress or any such committee;

"(q) That the President is authorized to take such action as may be necessary and proper, in his discretion, to effectuate the compact and the initial organization and operation of the commission thereunder;

"(r) That the provisions of sections 2.4 and 2.7 of article 2 of the compact notwithstanding, the United States member, alternate United States member, and advisers there referred to may be paid compensation by the United States, such compensation to be fixed by the President at the rates which he shall deem to prevail in respect to comparable officers in the executive branch;

"(s) That executive departments and other agencies of the executive branch of the Federal Government shall cooperate with and furnish appropriate assistance to the United States member. Such assistance shall include the furnishing of services and facilities and may include the detailing of personnel to the United States member. Appropriations are hereby authorized as necessary for the carrying out of the functions of the United States member, including appropriations for the employment of personnel by the United States member;

"(t) That the commissioner appointed by the President may, at intervals of not less than six years, suspend any provision of the comprehensive plan which substantially affects the administration of any statute of the United States, and for the duration of such suspension the provision shall not be applied under section 3.8 or section 11.1 to the compact to any other Federal department, agency or instrumentality. Such suspension may be made effective by notice given at a regular meeting of the commission. Reinstatement of a suspended provision may be made effective at any time by like notice; and

"(u) That nothing contained in the compact shall be construed as in any manner impairing or affecting the licensing and regulatory powers of any other officer, agency or instrument of the United States; provided that any exercise of such licensing or regulatory powers in the Delaware River Basin shall not substantially conflict with any portion of the comprehensive plan adopted pursuant to section 13.1 of the compact, except as the comprehensive plan or any part thereof may be suspended pursuant to paragraph '(t)' of this section.

"15.2 EFFECTIVE DATE.—This Act shall take effect immediately."

Mr. POFF (during the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALTER] is recognized in support of his amendment.

Mr. WALTER. Mr. Chairman, the general purpose of the amendment is to reaffirm what is, for the most part, already in the compact, and that is that the national interest of the United States is fully protected. The counsel was instructed, after we had agreed to the resolution to redraft this language.

This is merely a restatement of the language in the several sections of the resolution.

A number of items in the amendments reiterate what is in section 1.4 of the compact and are completely consistent therewith. They are by way of clarifying the basin agency as an instrumentality of the Federal Government.

Subsection (a) simply provides that nothing in the compact shall be deemed to authorize the Delaware commission to impose any charge or toll on navigation or certain water withdrawals.

Subsection (b) provides that nothing shall restrict the powers of the President during a national emergency.

Subsection (c) makes the Federal representative more accountable to the President by making his appointment term depend on the President's pleasure.

Subsection (d) provision is already in the bill, but spells it out expressly that the basin agency's budget must go through appropriate Federal departments.

Subsection (e): Assures that tax exemption on bonds would not be given basin agency bonds if the Federal law is no longer applied to municipal and other public agency bonds.

Subsection (f): Rephrases provisions contained in section 1.4 of the compact and assures that Congress is always free to withdraw or make changes if the national interest requires.

Subsection (g): Subsection is self-evident.

Subsection (h): Reassures that basin agency is subject to the labor and hour provisions of the Walsh-Healey Act; the recovery of payments under Davis-Bacon, and provisions of other Federal acts.

Subsection (i): Reassures that if Federal agencies, such as the National Park Service, have or lease concessions within the basin area; such concessions will be conducted under Federal standards rather than basin standards.

Subsection (j): Makes certain that when the Department of HEW must act to preserve health standards, there would be no doubt about its power to do so insofar as water pollution is concerned.

Subsection (k): Provides, what already is in the compact, that no act of the commission shall have the effect of repealing, modifying, or amending any Federal law.

Subsection (l) excludes the basin commission from certain Federal acts because it is more appropriate to treat it as a separate instrumentality and the Federal acts are not framed to deal with it adequately.

Subsection (m) eliminates the application of the Classification Act of 1949, so that the basin commission can have an employment merit system better fitted to its own needs as spelled out in the compact.

Subsection (n) says that nothing in the compact commits any other Federal agency to spend its own money.

Subsection (o) implements compact to make certain that U.S. district courts will be courts of competent jurisdiction under the compact.

Subsection (p) is the usual reservation which Congress places in compacts.

Subsection (q) is self-evident.

Subsection (r) is self-explanatory.

Subsection (s) is an appropriation authorization.

Subsection (t) provides that Federal representatives may, at intervals of not less than 6 years, suspend the comprehensive plan.

Subsection (u) provides that nothing in the compact can impair or affect the licensing and regulatory powers of Federal agencies.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALTER].

The amendment was agreed to.

Mr. CRAMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMER: On page 12, line 7, before the period insert "but the Federal Commissioner shall have no vote on the commission, and neither the United States nor any department or agency thereof shall be bound or committed by participation of such representatives as members of the Commission."

Mr. CRAMER. Mr. Chairman, my remarks will be very brief. I previously discussed this same matter with regard to Federal participation and stated that there is no precedent, in my opinion, of comparable nature for a Federal voting representative membership on the operating commission mandatorily appointed by the President which morally obligates the Federal Government to follow such policies as that voting member sets, being outvoted 4 to 1 by the States in such a compact.

I have here a memorandum summarizing the provisions of this compact bill. It most clearly points up the concern I have over the Federal Government being obligated morally by having a voting participating member in the management of this compact, the hiring and firing of engineers, of employees, personnel, the making up of the internal budget, of the bookkeeping that obligation becomes a responsibility of the Federal Government with the States, contrary to any previous precedent established. I think it is a dangerous one.

Here is what authority this commission is going to have with regard to policy matters:

The commission shall have the power of establishing a capital budget and the sharing of capital costs among the signatory parties will be proportionate to the distribution of benefits from the proposed improvements. The commission will prepare standard formulas for this.

Which hits again on the point I made just a few minutes ago, that the determination of what the proportionate part of the Federal Government in the cost of any of these projects is going to be, even though it may fly in the teeth and be contrary to Federal policy already established, is going to be set by whom? It is going to be set by the commission and not by the Federal Government, the latter being the previous policy approach.

I am in agreement with the general principles of State compacts in meeting water resource problems and I would like to be able to support this compact, but I object to it in its present form. This makes a compact with State participation unique in the history of interstate compacts, and compels the Federal Government to act in matters of State concern and thus subject the compact to serious policy, and even some have raised constitutional questions.

As a matter of fact, the Department of the Interior, which is supposed to be backing the amendments proposed that were just adopted, made this observation. This is from the working paper of the new administration with regard to this same legislation. They take precisely the same position as the previous administration, and I quote:

Basically, therefore, the compact should be revised in the following principal respects:

1. The compact should be between the States, not between the States and the United States.

That is a policy position statement by this administration, the Department of the Interior's position paper concerning this compact. My amendment puts into effect this position, taken first by the Eisenhower administration and now by the Kennedy administration.

My amendment would make this compact, I think, acceptable to all departments and would take the controversy out of it.

I mentioned that previously the departments had opposed a Federal voting membership. I have here a report on the bill I previously mentioned, involving the Northeast compact and the same problem in which the Bureau of the Budget opposed the Federal voting membership, the Federal Power Commission opposes it, the Department of the Army raises the same questions, the Department of Agriculture recommended that the commission not be made up of a Federal voting member, the Department of Commerce, the Department of the Interior, which I just mentioned, the Department of Health, Education, and Welfare, all of them citing precisely the same problem.

This is fundamentally a policy question. I trust my amendment will be adopted, and that the policy question will be settled consistent with all previously existing precedents. If it is not, this is a vote in the other direction and opens the door to further such approaches. You are going to have the Northeast compact, the Northwest, the Southwest, and every compact previously approved, where they can get Federal money to participate in the compact, where they can get a moral commitment in advance of the project approval by Congress. These other compact authorities will be coming to the Congress wanting Federal participation if this compact passes in its present form.

Mr. WALTER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida [Mr. CRAMER].

Mr. Chairman, it seems to me it would be a futile gesture for the United States to have a member of this commission who could not vote. The vote is not as significant as the gentleman from Florida would have you believe, because,

after all, the U.S. representative has the power to veto anything done by this commission. The advantage of giving him an opportunity to vote is to give him some standing in the meeting. In those instances where the United States has representation and the delegate has no authority to vote, frequently they do not even bother going to the meeting. This gives to the U.S. representative the dignity and the authority to express his views, with the understanding that the other members of the commission will pay attention to what the attitude of the U.S. representative is.

I am going to repeat something I said in general debate. The adoption of this compact in nowise binds the United States to any kind of project for the development of the Delaware Basin. This merely gives our approval to the overall agreement for a study and a comprehensive plan.

I urge that the amendment be defeated.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I find it a little difficult to understand why the gentleman from Florida is so disturbed about the voting formula here where four votes, as I understand it, are exercised by the States and only one by the Federal Government when it is my understanding he objects to another compact which is to come before the House shortly in which the Federal Government has one more vote than the States will have. It is impossible to devise a compact where the voting formula meets with the approval of the gentleman from Florida.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Florida.

Mr. CRAMER. My objection is not to membership by the Federal Government on a commission in an advisory capacity, the commission to work as a team, but when the Federal Government does vote, the one member, the Federal Government is morally obligated to do what? To follow through and vote in the manner that Federal member votes. Likewise, the Federal Government's policy is not set by these items in those instances, the jurisdiction over public works projects, but instead is set by this one Federal representative, who is a know-all, see-all person, who can make all the decisions that are otherwise made by all of these other Federal agencies and morally bind the Federal Government to follow through on his decision. It is a policy queston. I think it is wrong. That is the reason I raised it, whether it is seven or one.

Mr. WALTER. I find it difficult to follow the gentleman when he discusses the moral binding effect. I do not know what he means by that, because he knows full well that the representative of the United States cannot commit this Congress or the next Congress to the appropriation of one single nickel.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to know if the Federal Government is to be a full participating partner in this set-up. I would like to have some assurance that in the future, if this is a full participating partnership, we are not going to be called upon to furnish millions of dollars of the taxpayers' money from all over the country for this compact. I wonder if today anybody can give us that assurance?

Mr. WALTER. I regret very much that the gentleman from Iowa was not here when I described the compact and what it does. But, I repeat, there is nothing in the compact that obligates the United States to appropriate a penny. What we do is put the approval on this overall comprehensive program for the development of the Delaware Basin. Then, if the representatives of the States, the four Governors and the representative of the President of the United States agree that it is advisable to construct some kind of a dam, then it is necessary to submit that to the Bureau of the Budget and then to the necessary legislative committee and then to the Committee on Appropriations for approval. So, the United States, I will say to my dear friend, is not bound. I would be the last person in the world to agree to a blank check of the sort that the gentleman from Florida is trying to indicate that we are issuing. That is just not the fact.

Mr. GROSS. I am still skeptical about this compact as projected into the future.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Florida.

Mr. CRAMER. All I can do is to refer to the language of the compact itself. On page 51 under "Annual Current Expense and Capital Budgets" we find this language:

(b) The commission shall annually adopt a current expense budget for each fiscal year. Such budget shall include the commission's estimated expenses for administration, operation, maintenance and repairs, including a separate statement thereof for each project, together with its cost allocation. The total of such expenses shall be balanced by the commission's estimated revenues from all sources, including the cost allocations undertaken by any of the signatory parties in connection with any project. Following the adoption of the annual current expense budget by the comm ion, the executive director of the commissi n shall:

1) certify to the respective signatory parties the amounts due in accordance with existing cost sharing established for each project; and

2) transmit certified copies of such budget to the principal budget officer of the respective signatory parties at such time and in such manner as may be required under their respective budgetary procedures. The amount required to balance the current expense budget in addition to the aggregate amount of item (1) above and all other revenues available to the commission shall be apportioned equitably among the signatory parties by unanimous vote of the commission, and the amount of such apportionment to each signatory party shall be certified together with the budget.

Now, the gentleman raises the question that the Federal Government has to vote on it and approve it. Yes, but the Federal Government is being appointed for the express purpose and with the duty and the obligation to help administer the commission, a part of which is to approve the budgets of this commission, and he is obviously going to support it. There is no question about that. And, further, the Federal Government is obligated to pay 20 percent for all operational expenses of this commission, which is a precedent which has never before been set by this Congress on an operating basis.

Then subparagraph (c) goes on with additional expenses which the Government will be obligated to pay its proportionate share of; and the proponents say yes, but they can veto it. Who is going to believe that the Federal representative is going to veto an operational budget, which action would put the commission out of business? He is certainly not going to do that. The Federal Government will be obligated to 20 percent of the cost. The Federal Government will be obligated to a proportionate share of the cost of the projects themselves as well under the capital expenses budget.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed an additional half minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, I just want to say, in view of what the gentleman from Florida [Mr. CRAMER] has read, I shall support this bill with his amendment in it, but I certainly shall oppose it without his amendment. I think it is a safeguard that we must have.

Mr. SCRANTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just rise to ask the gentleman from Pennsylvania [Mr. WALTER] one question. If the amendment of the gentleman from Florida were accepted, does this mean that the legislatures of the four States would have to pass again on this compact?

Mr. WALTER. Yes, it does. The four States have already passed the compact. This is the way to administer the slow death.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman.

Mr. McCORMACK. In other words, the adoption of this amendment means the nullification of this compact.

Mr. WALTER. Of course.

Mr. CRAMER. Mr. Chairman, will the gentleman yield at that point?

Mr. SCRANTON. I yield to the gentleman.

Mr. CRAMER. Of course, if what the gentleman says is true with regard to my amendment, may I say that my amendment is not intended to destroy this bill at all. It is intended to have a good operational compact that is consistent with precedent. My amendment is intended to be a friendly one. I realize there is a difference of opinion on the

policy question involved but if in fact you have to go back to the States, if my amendment were adopted, it is my opinion that the substantial nature of the 3 or 4 pages of amendments that have been offered by the gentleman from Pennsylvania [Mr. WALTER] and already adopted likewise would require you to go back to the States. And what is wrong with that?

Are you going to condone a situation where the States say to the Federal Government, "Here is the compact, these are what your duties are, here is what you are going to have to pay into it, here is what your responsibilities are; take it or leave it. If you do not like it, we are not going to go back and consider it again."

I think it is wrong to subscribe to the philosophy that the States can dictate to the Federal Government, "Here is what your responsibilities are going to be," and ask the Federal Government to take it or leave it. "If you do not like them, we are just not going to do anything about it. You take it or leave it." As I say, we have the right to exercise our own individual responsibility.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. SCRANTON. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I would suggest that we read the language in subsection (c) on the same page from which the gentleman from Florida was reading, but he stopped short of reading all of it. After saying that the parties to this agreement agree to request the funds that are agreed to in the commission findings, they shall be subject to such review and approval as may be required by their respective budgetary processes.

Very obviously no Federal representative is going to have any authority to bind the Federal Government without being subject to the full review and approval that is required in his budgetary process. That same is going to apply to the States; they are going to have to go back and get review and approval that is normal and ordinary in a budgetary process.

Mr. WALTER. Mr. Chairman, will the gentleman yield at that point?

Mr. SCRANTON. I yield to the gentleman from Pennsylvania.

Mr. WALTER. I hope we all realize that we are talking about the operating budget of $40,000.

Mr. CRAMER. Mr. Chairman, will the gentleman yield to me for an answer to that comment?

Mr. SCRANTON. I yield.

Mr. CRAMER. Referring to what the gentleman from Oklahoma [Mr. EDMONDSON] said, I did not intend to stop at that point to which he referred. I ran out of time. The gentleman did not say that the clause he is referring to refers only to the current operating budget. It does not refer to the capital expense budget. But regardless of that, if in fact it is a 20 percent Federal cost, the Federal Government is going to have to carry it. There may be a little difference of opinion of a few thousand dollars concerning it, but the Federal Government, whatever the amount, is going to have to bear 20 percent of it. That is what is wrong with it. I think the amendment should be agreed to.

Mr. TOLL. May I call the attention of the gentleman from Florida to Section 12.20, on page 48:

> Nothing in this section shall be deemed to impose any mandatory obligation on any of the signatory parties other than such obligations as may be assumed by a signatory party in connection with a specific project or facility.

So there you have the section which applies to capital funds, and then there is the other section which relates to maintenance and operation. On top of that you have section 1.4 on page 9, which permits modification for everything. The U.S. Government has no obligation here at all.

Mr. CRAMER. Can the gentleman cite an example where there is any precedent for the Federal Government paying any share of the operating expense in such a situation?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The question is on the amendment offered by the gentleman from Florida [Mr. CRAMER].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. CRAMER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. WALTER and Mr. CRAMER.

The Committee divided, and the tellers reported that there were—ayes 58, noes 92.

So the amendment was rejected.

Mr. CRAMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. CRAMER of Florida: On page 51, line 23, and on page 52, line 8 and line 11, after the word "parties" insert "except the Federal Government."

Mr. CRAMER. Mr. Chairman, this relates to the very matter we previously discussed and my remarks will be short.

As appears on pages 51 and 52 of the bill, what this does is to insert on line 23, after the word "parties" on line 8, page 52, after the word "parties" and on line 11, page 52, after the word "parties" the words "except the Federal Government." The obvious objective of the amendment is to eliminate Federal cost sharing in the operation of the commission, and to permit the Federal Government to do in these public works projects the same as it does in all other public works projects. That is, for these agencies involved, meaning the Corps of Army Engineers, the Department of the Interior, and so forth, the Federal Power Commission, to determine what the Federal Government cost sharing should be in these individual projects on the basis of established formulas and policies set up by the Federal Government and by these agencies as they relate to these specific projects rather than permitting the commission itself to make these decisions and which may in many instances be contrary to present Federal policy.

Secondly, of course, it would require that the Delaware commission finance its own operational expenses and, I repeat, there is no precedent for the Federal Government participating costwise in the actual operational expenses of such a commission. The committee report and the majority report itself spells out the matters which we were discussing just a few minutes ago with regard to what the Federal cost sharing shall be. As to the Federal cost sharing in operational expenses alone and current expense item, that estimate is not contained anywhere in the committee report. It is not contained as a limitation in the bill.

As a matter of fact, the amendment which was passed, which was offered by the gentleman from Pennsylvania, provides for an open end authorization and an open end appropriation for the cost of operating this compact. As appears on page 11 of the committee report:

> The compact agency will have a current expense budget and a capital budget. The current expense budget is to be apportioned among the signatory parties (of which the Federal Government is one) by unanimous vote of the agency's members; each signatory party, of course, reserving its usual budget review and approval of the amount so apportioned (sec. 13.3(b)). The capital budgets are to be negotiated by the agency representatives at such times as capital improvements are undertaken, and the sharing of capital costs among the signatory partners will be proportionate to the distribution of benefits from the proposed improvement. The commission will prepare standard formulas for this purpose (secs. 13.3(a), 12.20, 11.4), but nothing in these provisions imposes any mandatory obligations on any of the signatory parties (12.20).

The committee report itself clearly shows that the commission will be taking over the functions that are now and presently the responsibility of the interstate and regional government agencies involved in these multiple purpose and other public works projects, in water pollution and so forth. All of the agencies of Government have consistently opposed resolutions of this nature. That is why there is no precedent for the Federal Government being a participant and paying a share of the costs of operating such a compact as this because it is against the basic Federal-State relationship and contrary to established Federal-State relationships historically and contrary to all precedent.

Mr. Chairman, I ask that the amendment be adopted.

It will be my intention to offer a motion to recommit should this amendment not be approved, containing this amendment and the amendment I previously offered for the purpose of making a Federal member nonvoting and, secondly, to take out the Federal cost sharing in the operation of the commission.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I favor House Joint Resolution 225, to grant the consent of Congress to the Delaware River Basin

compact and to enter into such compact on behalf of the United States, and for related purposes.

I would like to join with the remarks of the distinguished gentlemen from Pennsylvania [Messrs. WALTER and SCHWEIKER] and my other distinguished colleagues from the Delaware River Basin. I think this bill will be good not only for the basin but for the general economy of the United States, and be a real step forward.

Mr. WALTER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. WALTER. Mr. Chairman, the amendment under consideration is substantially related to the amendment just defeated.

I think it is important to bear in mind the fact that in order to bind anybody there must be a unanimous vote. It certainly seems to those of us who have been working on this compact, having in mind the protection of the United States, that we could not conceive of any stronger protection than that.

The United States is not obliged to go along because four of the members of the commission do not think they should on any particular project.

In addition to that if you will look at page 52, section 11(c) you will find that:

(c) The respective signatory parties covenant and agree to include the amounts so apportioned for the support of the current expense budget in their respective budgets next to be adopted, subject to such review and approval as may be required by their respective budgetary processes.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Iowa.

Mr. GROSS. Running all through this, it seems to me, is a moral obligation on the part of the Federal Government, and I do not like it.

Mr. WALTER. May I answer the gentleman from Iowa by asking him if he would recognize such an obligation? I know that I would not. I know that if a representative of the President of the United States sat down with four Governors and committed my Government to something that I did not think was proper I would not feel bound, and this Congress would not feel that it was bound by any action taken by the representative of the President of the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. WALTER. Gladly.

Mr. GROSS. The gentleman speaks of what the executive branch of the Government or somebody else ought not to do. Only a few days ago the United Nations, using most of our money, made a loan to Cuba, to Castro. It is going there.

Mr. WALTER. I have not gotten over it since.

Mr. GROSS. Neither have I, but it does not seem to make any difference.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. CRAMER].

The question was taken; and on a division (demanded by Mr. CRAMER) there were ayes 38, noes 87.

So the amendment was rejected.

Mr. RAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAY of New York:

Page 1, lines 6 and 7: strike the words "and the United States of America hereby enters into such compact,".

Page 3, lines 24 and 25: strike the words "with Federal participation".

Page 5, lines 16 and 17: strike the words "interstate-Federal" and insert the word "interstate".

Page 5, lines 21 and 22: strike the words "and the United States of America".

Page 5, line 23: strike the word "concurrent" and insert the word "appropriate".

Page 7, strike subparagraph (f), lines 12 through 14.

Page 7, line 24, strike the words "and the Federal Government".

Page 8, line 21: strike the word "Federal".

Page 9, lines 23 and 24: strike the words "to withdraw the Federal Government as a party to this compact or".

Page 10, lines 1 to 3: strike the words "under which it may remain a party by amendment, repeal, or modification of any Federal statute applicable thereto" and insert on line 1, after the word "provisions" the words "of this compact".

Page 11, strike lines 12 through 14.

Page 68, line 13: strike the words "the Federal Government".

Page 69, line 3: strike the words "Congress and".

Page 69, line 4: strike the words "the President of the United States and".

Page 69, line 8: strike the words "of the United States and".

Mr. RAY. Mr. Chairman, the issue has been adequately defined by those who have spoken. My amendment would take the Federal Government out as an operating partner. That is all it does.

Mr. Chairman, I ask for a favorable vote on my amendment.

Mr. POFF. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. RAY].

Mr. Chairman, it grieves me to find myself in opposition to my distinguished colleague from New York.

I must confess, Mr. Chairman, that at one time I entertained rather serious reservations about the constitutionality of an interstate compact to which the Federal Government is a functional signatory party. While I still hold some misgivings about certain policy matters, I have satisfied myself that no constitutional violation is involved.

The constitutional challenge abides in the argument that the Federal Government cannot "bargain away" the powers delegated to it by the Constitution and the State governments cannot "bargain away" the powers reserved to them by the Constitution. If the words "bargain away" mean the same as "surrender title," then this argument is perfectly sound. Manifestly, the Federal Government cannot surrender any power or repudiate any responsibility vouchsafed to it under the instrument which brought the Federal Government into existence. By the same token, the State governments cannot surrender something which they reserved to themselves when they created the limited federation. But a contract—which is all a compact is—does not necessarily involve a surrender of powers or responsibilities on the part of any contracting party. Rather, a contract may involve mutual commitments to make affirmative exercises of acknowledged powers of each of the contracting parties. That is what is involved here. There is no "bargaining away," no surrender of powers, Federal or State, delegated or reserved; there is simply an agreement that the respective powers will be exercised jointly in the joint discharge of respective responsibilities.

It has been suggested that this compact is an assault on the Federal system and a trespass upon States rights. In the defense of States rights, I acknowledge no criticism of my record. In my devotion to the doctrine of delegated, reserved, and separated powers, I make no apology. Yet, while I do not subscribe to everything stated in the majority report of the committee, I consider this compact neither an assault on the Federal system nor a trespass upon States rights. For their part, the States have requested Federal partnership and Federal participation. For its part, the Federal Government has retained the power to modify the compact and if deemed advisable by the Congress to withdraw from it altogether. It seems to me that such a contract does not deny but rather affirms the concept of dual sovereignty and preserves intact the Federal-State system of checks and balances.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RAY].

The amendment was rejected.

Mr. McDOWELL. Mr. Chairman, I rise in support of House Joint Resolution 225, a companion measure to one which I introduced as House Joint Resolution 231, to grant the consent of Congress to the Delaware River Basin compact and to enter into such compact on behalf of the United States.

The purpose of this legislation is to grant the consent of Congress to an interstate-Federal compact providing for the creation of a regional governmental commission to administer in a comprehensive manner the water resources of the Delaware River Basin.

Parties to the compact are the Federal Government and the States of Delaware, Pennsylvania, New Jersey, and New York.

The compact commission itself will consist of five persons—a Federal representative appointed by the President of the United States and one member by each of the Governors of the four States.

This commission will be charged with the adoption and operation of a single overall plan for the immediate and long-range development and uses of the water resources of the Delaware River.

The rationale for a compact of this nature is clear after one examines the unwieldy apparatus that exists today. There are presently 19 Federal agencies

that are involved with the problems of the Delaware Basin. Moreover, there are 57 State and interstate departments, boards, and commissions, as well as some 250 public and private water companies which are directly concerned with water problems stemming from the Delaware River Basin.

Repeated efforts have been made since the 1920's to coordinate the water functions of this multiplicity of agencies, Federal, State, local, and private industry.

A tristate compact was put forward at that time, and in 1934 the Corps of Engineers, after a survey of the Delaware River, recommended the establishment of an interstate agency. In 1953 an interstate commission known as Incodel came close to adoption, but failed because one of the four States involved did not join in the agreement.

In 1955, in still another attempt to reach an agreement, the Governors of Delaware, Pennsylvania, New Jersey, and New York, as well as the mayors of New York City and Philadelphia, established the Delaware River Basin Advisory Committee to review the water resources of the Delaware River Basin.

The present compact set forth in House Joint Resolution 225 is based on the extensive efforts of the Delaware River Basin Advisory Committee. An information bulletin published in May 1961 by the U.S. Army district engineer, Philadelphia, and the U.S. Army division engineer, North Atlantic, pages 5 and 6, lists the governments and their agencies which devoted considerable planning effort in preparing the instant legislation, to wit: Department of the Army, Corps of Engineers; Department of Agriculture; Department of Commerce; Department of Health, Education, and Welfare; Department of the Interior; Department of Labor; Federal Power Commission; Commonwealth of Pennsylvania; State of Delaware; State of New Jersey; State of New York; city of New York; city of Philadelphia.

In his February 23, 1961, message on our natural resources, President Kennedy declared that "our entire society rests upon—and is dependent upon—our water, our land, our forests, and our minerals. How we use these resources influences our health, security, economy, and well-being."

Water is a vital necessity for life. The archives of history prove that civilizations depended upon this basic compound for survival—and abundant evidence exists through the centuries of mankind which demonstrates the shortcomings that can occur to man when the water balance of nature is destroyed or unheeded.

Citizen interest in water resources planning is far more extensive than might be expected. There are many different groups concerned about water. Chambers of commerce feel a stake in industrial water supply. Sportsmen actively promote stream protection for the advantage of fish life. Conservationists and small watershed groups have a variety of interests, including an aesthetic one. Farmers want and need water for irrigation. Cities and their civic agencies are concerned with adequate municipal supplies. Those groups devoting their energies to promoting the general welfare, such as the League of Women Voters, are very responsive to many issues relating to water resources. This subject has been one of two major topics on the agenda of the League of Women Voters throughout the United States for the past several years and has been of very special interest to the chapters of the league in the Delaware River Basin. There are 163 leagues with 23,000 members in the Delaware River Service Area, which includes the States of Delaware, Pennsylvania, New Jersey, and New York, who joined to form the Inter-League Council of the Delaware River Basin. Reading widely on the economic, constitutional, social, and administrative aspects relative to the creation and operation of a suitable legal and administrative organization for water and related resource development in the Delaware River Basin, the Inter-League Council, in September, 1959, published a trenchant and scholarly pamphlet entitled, "Man and the River." In addition, the League of Women Voters of the State of Delaware has devoted 5 years of intensive study of the overall water resources problem in the United States with special emphasis on the role of the State of Delaware and the interdependence of her sister States, New Jersey, Pennsylvania, and New York, in resolving their water problems which stem from the Delaware River. In four special articles written and published in the Wilmington, Del., Evening Journal in May, 1961, Mesdames Norma Handloff, Catharina R. Groot, and Rose S. Mather, of the Delaware League of Women Voters, demonstrated their scholarly work and the serious public deliberation and expression that are invaluable in providing a factual and logical foundation for sound and positive water conservation in the years ahead. On May 26, 1961, when Gov. Elbert N. Carvel signed into law a bill passed by the General Assembly of the State of Delaware granting the consent of the first State to the Delaware River Basin compact, four members of the Delaware League were present to witness this ceremony.

The new industries that mark out the line of our industrial growth—aviation, chemicals, alloys, electronics, atomic energy—are insatiable consumers of power. To meet their demands, and at the same time to meet the problems of the whole Delaware River Basin and its needs, is one of the new imperatives of the American place and life. America has the resources for its present and future needs, if it has the will to use them fully and the social imagination to use them equitably. What it is in danger of neglecting is that, whether in an industrial or agrarian society, in an age of massive power or of forest clearings, the web between man and his environment is broken only at his peril. There is a balance of nature and man, by which man is sustained by the environment but only on condition that he should not capriciously waste his great estate but nurture and keep it.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H.J. Res. 225) to grant the consent of Congress to the Delaware River Basin Compact and to enter into such compact on behalf of the United States, and for related purposes, pursuant to House Resolution 263, he reported the resolution back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. CRAMER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. CRAMER. I am, Mr. Speaker.

The SPEAKER. The clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CRAMER moves to recommit the resolution (H.J. Res. 225) to the Committee on the Judiciary with instructions to report the same back forthwith with the following amendment:

Page 12, line 7, before the period insert "but the Federal Commissioner shall have no vote on the commission, and neither the United States nor any department or agency thereof shall be bound or committed by participation of such representatives as members of the commission."

On page 51, line 23, and line 11 on page 52, lines 8 and 11 after the word "parties" insert "except the Federal Government."

The SPEAKER. The question is on the motion to recommit.

Mr. CRAMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 92, nays 257, answered "present" 1, not voting 87, as follows:

[Roll No. 108]

YEAS—92

Adair	Cramer	Laird
Andersen, Minn.	Cunningham	Langen
Anderson, Ill.	Curtis, Mo.	Latta
Arends	Derwinski	McCulloch
Ashbrook	Devine	McDonough
Auchincloss	Dingell	McIntire
Avery	Dole	McVey
Ayres	Dominick	MacGregor
Baldwin	Ellsworth	Mathias
Bass, N.H.	Findley	Meader
Beermann	Ford	Michel
Bell	Goodell	Minshall
Berry	Griffin	Moorehead, Ohio
Betts	Gross	Mosher
Bolton	Gubser	Nelsen
Bromwell	Harrison, Wyo.	Nygaard
Broomfield	Harsha	O'Konski
Brown	Harvey, Mich.	Osmers
Broyhill	Hiestand	Pelly
Byrnes, Wis.	Hoffman, Ill.	Poff
Cederberg	Johansen	Quie
Chamberlain	Jonas	Ray
Church	Judd	Reece
Clancy	Kearns	Robison
Collier	King, N.Y.	Rousselot
	Knox	

Schadeberg	Sibal	Utt
Schenck	Siler	Westland
Schwengel	Taber	Wilson, Calif.
Seely-Brown	Teague, Calif.	Younger
Short	Thomson, Wis.	
Shriver	Tollefson	

NAYS—257

Abbitt	Granahan	O'Neill
Addabbo	Grant	Ostertag
Addonizio	Gray	Passman
Albert	Green, Pa.	Patman
Alexander	Griffiths	Perkins
Alford	Hagan, Ga.	Pfost
Andrews	Hagen, Calif.	Philbin
Ashley	Haley	Pike
Ashmore	Halpern	Pirnie
Aspinall	Hansen	Poage
Bailey	Harding	Price
Baring	Hardy	Pucinski
Barrett	Harris	Rabaut
Barry	Harvey, Ind.	Randall
Bass, Tenn.	Hays	Reuss
Bates	Healey	Rhodes, Ariz.
Becker	Hébert	Rhodes, Pa.
Beckworth	Hechler	Riehlman
Belcher	Hemphill	Rivers, Alaska
Bennett, Fla.	Henderson	Rodino
Bennett, Mich.	Holifield	Rogers, Colo.
Blatnik	Holland	Rogers, Fla.
Boggs	Holtzman	Rogers, Tex.
Boland	Horan	Roosevelt
Bolling	Huddleston	Rostenkowski
Bonner	Hull	Roush
Boykin	Ichord, Mo.	Rutherford
Brademas	Ikard, Tex.	Ryan
Bray	Jarman	St. George
Breeding	Jennings	St. Germain
Brewster	Joelson	Santangelo
Brooks, Tex.	Johnson, Calif.	Saund
Burke, Ky.	Johnson, Md.	Saylor
Burke, Mass.	Johnson, Wis.	Schneebeli
Burleson	Karsten	Schweiker
Byrne, Pa.	Karth	Scott
Cahill	Kastenmeier	Scranton
Casey	Kee	Selden
Celler	Keith	Shelley
Chelf	Kilday	Shipley
Chenoweth	Kilgore	Sikes
Clark	King, Utah	Sisk
Cohelan	Kitchin	Slack
Conte	Kornegay	Smith, Calif.
Cook	Kowalski	Smith, Iowa
Cooley	Kunkel	Smith, Miss.
Corbett	Lane	Spence
Curtin	Lankford	Stafford
Daddario	Lennon	Staggers
Dague	Lesinski	Steed
Davis, John W.	Lindsay	Stephens
Delaney	Loser	Stratton
Denton	McCormack	Stubblefield
Derounian	McDowell	Sullivan
Donohue	McFall	Taylor
Dorn	McMillan	Teague, Tex.
Dowdy	Macdonald	Thomas
Downing	Machrowicz	Thompson, La.
Doyle	Mack	Thompson, N.J.
Dulski	Magnuson	Thompson, Tex.
Durno	Mahon	Thornberry
Dwyer	Matthews	Toll
Edmondson	May	Trimble
Elliott	Merrow	Tuck
Everett	Miller, George P.	Tupper
Fallon	Miller, N.Y.	Udall, Morris K.
Farbstein	Milliken	Ullman
Fascell	Mills	Vanik
Feighan	Moeller	Van Zandt
Fenton	Moore	Wallhauser
Finnegan	Moorhead, Pa.	Walter
Fisher	Morgan	Watts
Flood	Morris	Weaver
Forrester	Morse	Weis
Fountain	Moss	Whalley
Frazier	Moulder	Whitener
Frelinghuysen	Murphy	Whitten
Friedel	Murray	Wickersham
Fulton	Natcher	Widnall
Garmatz	Nix	Willis
Gary	Norblad	Wilson, Ind.
Gathings	O'Brien, Ill.	Winstead
Gavin	O'Hara, Ill.	Wright
Giaimo	O'Hara, Mich.	Yates
Gilbert	Olsen	Young
Goodling		Zablocki

ANSWERED "PRESENT"—1

Gallagher

NOT VOTING—87

Abernethy	Brooks, La.	Colmer
Alger	Bruce	Corman
Anfuso	Buckley	Curtis, Mass.
Baker	Cannon	Daniels
Battin	Carey	Davis, James C.
Blitch	Chiperfield	Davis, Tenn.
Bow	Coad	Dawson
Brock	Kelly	Norrell
Dent	Keogh	O'Brien, N.Y.
Diggs	Kilburn	Peterson
Dooley	King, Calif.	Pilcher
Evins	Kirwan	Pillion
Fino	Kluczynski	Powell
Flynt	Kyl	Rains
Fogarty	Landrum	Reifel
Garland	Libonati	Riley
Glenn	Lipscomb	Rivers, S.C.
Green, Oreg.	McSween	Roberts
Hall	Madden	Rooney
Halleck	Mailliard	Roudebush
Harrison, Va.	Marshall	Scherer
Herlong	Martin, Mass.	Sheppard
Hoeven	Martin, Nebr.	Smith, Va.
Hoffman, Mich.	Mason	Springer
Hosmer	Miller, Clem	Van Pelt
Inouye	Monagan	Vinson
Jensen	Montoya	Wharton
Jones, Ala.	Morrison	Williams
Jones, Mo.	Multer	Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hosmer for, with Mrs. Kelly against.
Mr. Reifel for, with Mr. Glenn against.
Mr. Martin of Nebraska for, with Mr. Daniels against.
Mr. Bow for, with Mr. Dent against.
Mr. Hoeven for with Mr. Kirwan against.
Mr. Garland for, with Mr. Libonati against.
Mr. Battin for, with Mr. Corman against.
Mr. Van Pelt for, with Mr. Monagan against.
Mr. Alger for, with Mr. Dawson against.
Mr. Halleck for, with Mr. King of California against.
Mr. Hall for, with Mr. Fogarty against.
Mr. Kyl for, with Mr. Inouye against.
Mr. Chiperfield for, with Mr. Riley against.

Until further notice:

Mr. Buckley with Mr. Baker.
Mr. Zelenko with Mr. Wharton.
Mr. Keogh with Mr. Bruce.
Mr. Anfuso with Mr. Pillion.
Mr. Carey with Mr. Mason.
Mr. Multer with Mr. Jensen.
Mr. Rooney with Mr. Roudebush.
Mr. O'Brien of New York with Mr. Curtis of Massachusetts.
Mr. Powell with Mr. Fino.
Mr. Williams with Mr. Mailliard.
Mr. Madden with Mr. Lipscomb.
Mr. Brooks of Louisiana with Mr. Kilburn.
Mr. Morrison with Mr. Hoffman of Michigan.
Mr. Evins with Mr. Springer.
Mr. Herlong with Mr. Dooley.
Mr. Peterson with Mr. Martin of Massachusetts

Messrs. McDOWELL, BARRY, and CORBETT changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

LEAVE TO EXTEND

Mr. WALTER. Mr. Speaker, I ask unanimous consent to insert in the RECORD immediately following the remarks I made on the bill just passed some questions and answers concerning the effects of the compact.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

Mr. SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I take this time to say that at least 48 Members of the House, headed by our distinguished colleague from Pennsylvania, the chairman of the House Committee on Foreign Affairs, are today introducing legislation to create a U.S. Disarmament Agency for World Peace and Security—which proposal this noon accompanied the President's message.

This bill is the bill that the President's special adviser on disarmament, John McCloy, has been working on for many months and I commend him and his staff for the excellent proposal produced, for I feel it fully meets the objectives of the National Peace Agency bill which 33 Members and myself introduced early in this session. I urge that other Members join in giving full and bipartisan support to this new legislation to implement American policy in the quest for a peaceful and secure world.

Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks on the same subject at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, yesterday I supported the largest peacetime appropriation ever voted for the Defense Department. Today I join my colleagues in introducing the administration's bill to create a U.S. Disarmament Agency for World Peace and Security.

This is perfectly consistent. We must be militarily strong before we can negotiate with the Communists. Yet, as leader of the free world we must always be ready to negotiate. In the words of President Kennedy, "We dare not tempt them with weakness. For only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be employed."

This bill provides us with the diplomatic, scientific, and technical organization to beat the Communists at the conference table.

This bill will be a means of regaining our lost diplomatic initiative. It will provide the team to take the battle to the Communists and, with research and knowledge enter into disarmament negotiations which are so important to survival of the world.

This bill and the Defense Department appropriation give us the means to carry out the President's pledge in his inaugural address, when he said, "Let us never negotiate out of fear. But let us never fear to negotiate."

Mr. RODINO. Mr. Speaker, the most serious problem that faces our Nation today is that of preserving the precarious balance of peace.

It was because of this thinking that a few years ago, I introduced a bill for the creation of a National Peace Agency.

To my mind, if we hope to create a better world in which mankind may live free from the threat of wholesale destruction then it becomes imperative that we focus our energies and efforts in that direction.

An agency able to devote its time entirely to the solution of the many faceted problems of disarmament, security, and world peace, would be a great step forward. The slow, tortuous path toward disarmament for world peace and security must be backed by a thorough technical and scientific preparation on our part. Whatever the cost of such an agency, the total expenditure would seem small when our immense military budget is considered.

For some years now, I have advocated that the achievement of peace and disarmament should be the mission of a separate, single agency. This agency devoting its time and resources to the solution of such problems would be an immeasurable contribution to the creation of world peace.

Such an agency would create a very favorable impression abroad as to our concern with world peace. We would be demonstrating by the creation of such a peace agency that the United States is ready to take the initiative in preserving peace, procuring disarmament and arms litigation agreements.

The President's message today proposing the establishment of a U.S. Disarmament Agency for World Peace and Security shows dramatically and forthrightly to the people of the world our belief and our faith in the possibility of disarmament for world peace. The President's proposal should generate a strong impulse to awaken people to the need for preventing world destruction and creating a climate for world peace.

Our great President has once again spoken with wisdom, courage, and strong feeling on the subject of disarmament and world peace. His voice should give hope to people all over the world.

Recognizing the full import of the President's message dealing with this proposal, I am privileged, Mr. Speaker, to add my voice urging the establishment of a U.S. Disarmament Agency for World Peace and Security by sponsorship of a bill covering the President's proposal.

Mr. MOELLER. Mr. Speaker, I wish to express my great satisfaction and pleasure in joining my colleagues today in sponsoring the administration bill to establish a U.S. Disarmament Agency for World Peace and Security. As you know, on February 17 of this year I introduced H.R. 2267 to create a National Peace Agency. In addition, on March 6, I wrote to Mr. Kennedy urging his most careful and expeditious consideration to the creation of an effective peace agency within the Federal Government. Permit me to quote from that letter:

> I will not soon forget the stirring words with which you characterized the task before us:
>
> "But neither can two great and powerful groups of nations take comfort from our present course—both sides overburdened by the cost of modern weapons, both rightly alarmed by the steady spread of this deadly atom, yet both racing to alter that uncertain balance of terror that stays the hand of mankind's final war. * * * Let both sides, for the first time, formulate serious and precise proposals for the inspection and control of arms—and bring the absolute control of all nations. Let both sides seek to invoke the wonders of science instead of its terrors. Together let us explore the stars, conquer the deserts, eradicate disease, tap the ocean depths, and encourage the arts and commerce. Let both sides unite to heed in all corners of the earth the command of Isaiah—to 'undo the heavy burdens * * * (and) let the oppressed go free.' And if a beachhead of cooperation may push back the jungle of suspicion, let both sides join in creating a new endeavor, not a new balance of power, but a new world of law, where the strong are just and the weak secure and the peace preserved."
>
> Mr. President, the spontaneous and tremendous response you have received from the American people on your projected Peace Corps is proof enough of the wholehearted support you may expect to receive in your efforts to work out effective programs for arms limitation. This support will come from men of good will throughout the Nation and from the Congress.
>
> As evidence of this support from the legislative branch of the Government I might cite the many bills to establish a National Peace Agency introduced during the current session of Congress.
>
> It is imperative that the task be initiated with vigor and without delay. I am confident that the Congress will respond to your call.
>
> It is no small satisfaction to me and to many millions of Americans that we are able to rely on thoughtful and decisive Executive action in these difficult times. I urge you, therefore, Mr. President, to give the problem of planning for peace your most careful and expeditious consideration so that your recommendations to the Congress may be made in the near future.

Mr. Speaker, I have been most gratified that the President and his chief disarmament adviser, Mr. John J. McCloy, have given this matter their wholehearted and enthusiastic support. The administration bill not only fully meets the objectives of my Peace Agency bill but it goes a step further and contemplates that the new Disarmament Agency, besides being a vital institute for research into the many and difficult problems surrounding this grand quest for peace on earth, will be the governmental agency charged with the primary responsibiliity for conducting actual disarmament negotiations. The Director of the Agency will have direct access to the President. The weighty responsibilities he will bear include the formulation of policy recommendations for the President, the Secretary of State, and the Congress as well as intensive research to determine methods to keep the peace in a disarmed world.

I strongly urge Republicans and Democrats of both House and Senate to join in supporting this momentous endeavor. The quest for peace is a long and tortuous journey, the goal will not be achieved overnight, but I feel that the establishment of a National Disarmament Agency, such as outlined in this bill, will constitute a real milestone. It will serve notice to the world of our sincere intentions in the current negotiations on disarmament and on an enforcible nuclear test ban. It will show that we are prepared for all the eventualities and consequences of disarmament—which according to thoughtful men, will be far reaching, to say the least.

But, above all, it will serve to unite the free world, and attract the sympathy and understanding of the uncommitted world to work with us for genuine and assured disarmament—the sine qua non of a world in which our posterity may live in peace.

Mr. RYAN. Mr. Speaker, today I have the privilege of cosponsoring the bill to establish a U.S. Disarmament Agency for World Peace and Security which has the support of the President, the Secretary of State, the Secretary of Defense, and the President's special adviser on disarmament.

The problem of disarmament is perhaps the gravest challenge facing the world. If we are to survive, the arms race must be brought under effective international control, and we must plan for peace. In the past insufficient consideration has been given to this question. The President's special adviser on disarmament, John J. McCloy, has been obliged to enter disarmament negotiations without the benefit of studies in depth and the necessary planning which should have been undertaken during past years. Today there are only between 65 and 85 Government employees engaged in this vital area. The annual budget for disarmament study has been around $1 million. Compare that with the $42 billion we voted yesterday for defense.

Trevor Gardiner, Assistant Secretary of the Air Force during the Eisenhower administration, stated:

> Most of our notions on the subject of disarmament have been developed by essentially part-time people, who are busy with defense, state, or some other interest so that they don't really have the time to think full time on the subject.

On January 24, 1961, along with other Members, I introduced a bill (H.R. 3203) to create a National Peace Agency. Since then several of us have been consulting with officials of the U.S. Disarmament Agency and the President's advisers in an effort to obtain administration support for a broadly conceived bill, which would create a new agency for peace directly responsible to the President and Secretary of State with its own facilities to conduct both negotiations and research on a wide range of questions. Yesterday we conferred with the President and Mr. McCloy and were impressed with their understanding of the problem and their approach. The administration proposal which I am cosponsoring is similar in its essentials to H.R. 3203.

I should like to take this occasion to commend the gentleman from Wisconsin [Mr. KASTENMEIER] for the leadership and vision which he has shown on this crucial issue.

The new measure would establish the U.S. Disarmament Agency for World Peace and Security. The Agency is to be headed by a Director who, under the direction of the President and the Secretary of State, shall have primary re-

sponsibility within the Government for disarmament matters. The Agency would be concerned with the following functions: the conduct, support, and coordination of research for the formulation of disarmament policy; the preparation for and direction of U.S. participation in international negotiations in the disarmament field; the dissemination and coordination of public information concerning disarmament; the preparation for, operation of, or, as appropriate, direction of U.S. participation in such control systems as may become part of U.S. disarmament activities.

This bill takes cognizance of the fact that the question of disarmament is closely related to the broader questions of war and peace. The Agency would conduct research in such areas as the reduction and elimination of the danger of war resulting from accident, including improvements in the methods of communications between nations; the economic and political consequences of disarmament; and the scientific, economic, political, legal, social, psychological, military, and technological factors related to the prevention of war. These problems would be explored with a view to a better understanding of how the basic structure of a lasting peace may be established. It would be authorized to maintain its own research facilities and also utilize the facilities of other Government agencies or outside organizations.

Although disarmament has been a major topic of international discussion since the Baruch plan in 1946, little progress has been achieved. By the time of the Geneva Summit Conference of 1955 both the United States and the Soviet Union possessed nuclear stockpiles. The prevention of surprise attack took precedence over the detection of surreptitious atomic production. The United States presented the open skies plan whereby the United States and the Soviet Union would exchange blueprints of their military establishments and provide for mutual aerial reconnaissance. This plan would have provided an effective early warning system against massive surprise attack. But the Soviets rejected it.

The United States has continued to press for a plan to safeguard against surprise attack. The Geneva negotiations on an agreement for the cessation of nuclear testing have become deadlocked. The situation is quite discouraging. However, we must continue to search for a way to bring about arms control. We must organize and coordinate our efforts toward peace and disarmament within the Government in a way not previously attempted. And we must be prepared for the next session of the United Nations where the matter of disarmament will be of great concern to all nations.

The establishment of the U.S. Disarmament Agency for World Peace and Security would be a concrete step toward the goal of bringing "the absolute power to destroy other nations under the absolute control of all nations"—President Kennedy's inaugural address, January 20, 1961.

Mr. O'HARA of Illinois. Mr. Speaker, I commend the distinguished gentleman from Wisconsin [Mr. KASTENMEIER] for the great time and effort he has put into this proposed legislation for a Peace and Disarmament Agency. I was happy to join with him as a sponsor when the bill was introduced some time ago and I am glad of the opportunity now to be one of the sponsors of the bill that has just come from the White House and which has been introduced by the outstanding chairman of the Committee on Foreign Affairs, the Honorable THOMAS E. MORGAN.

It was my privilege yesterday to be a member of the group from this body with whom President Kennedy met and made very clear to us his deep interest in this measure. Peace and disarmament, with foolproof inspection, are closest to the hearts of the American people than anything else. Attainment of world peace and of disarmament, protected by inspections against violations, can be accomplished, and to that end President Kennedy has dedicated his heart, his mind, and all the industry that one can put in a task he is determined shall be done. I have the confidence that he will have the full support of the Congress.

This month was passed a bill that is now Public Law 53. It authorizes expenditures of almost $13 billion for ships, missiles, and aircraft for the year 1962. If through our efforts and our prayers peace is accomplished and the nations of the world have disarmed, these billions of dollars, now used to build arms to kill people, can be used to make richer the lives of our people and to broaden the horizons of human contentment. I trust that when the bill introduced today by Chairman MORGAN and by many others as sponsors reaches the floor of the House, it will pass unanimously.

POSTAL RATE BILL

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HENDERSON. Mr. Speaker, I am today introducing legislation which I had intended to propose as a substitute for the postal rate bill H.R. 6418 now before the House Post Office and Civil Service Committee.

I am gratified that the committee took from the table H.R.6418 and that the bill is again under active consideration. Further than that, we have set a specific date, July 11, for resumption of this consideration.

The bill which I am introducing contains what the Postmaster General considers to be the very minimum increases which should be enacted. In my judgment, these proposed minimum increases take into consideration the many issues developed in the public hearings on the postal rate question.

My purpose in introducing this legislation at this time is to provide the Members with an opportunity to study it between now and July 11.

I hope that favorable action can be taken on that date and that final action will be taken on the postal rate question by both Houses of Congress.

This new bill (H.R. 7929) makes changes in the existing provisions of H.R. 6418. These changes fall into two categories.

First, changes are made in postal policy and certain related matters. Second, based primarily upon such changes in postal policy, downward revisions are made in the specific rate-increase proposals now contained in H.R. 6418, as introduced. The provisions of my new bill are as follows:

SHORT TITLE

Section 1 of the new bill, providing a short title, is the same as section 1 of H.R. 6418.

POSTAL POLICY

Section 2 of the bill contains important changes in postal policy. It is the purpose of this section finally to establish a workable and working public service postal policy by clarifying and strengthening those parts of the Postal Policy Act of 1958 relating to public service and by correcting inadequacies and shortcomings of the public service provisions now contained in that act.

Subsection (a) of the new section 2 replaces the existing indefinite and vague provision for determining and applying the principle of public service by specific and definitive language for making an absolute and accurate determination under section 2303 of the Postal Code—title 39, United States Code—to accomplish the full intent and purpose of the Postal Policy Act of 1958, relating to public services.

Subsection (b) of the new section 2 makes the implementing changes in the provisions of the Postal Policy Act of 1958 which are necessary to provide a means for absolute and accurate determinations of the cost of public services for the present and in the future.

This subsection first eliminates from the public service provisions of the Postal Policy Act of 1958 those provisions which declare the "loss" on star routes and third- and fourth-class post offices to be public service costs. This change is recommended on the basis that it is illogical and an unfair reflection on these fine and necessary parts of our postal service to set their operations apart from other equally—but no more—valuable or essential services (such as city delivery) and to place them in the unfavorable light of charges to the taxpayers while other postal activities of comparable value are not so designated.

Subsection (b) of section 2 also firms up beyond any possible question or doubt the true meaning of the words "total loss" and "loss" as used in the Postal Policy Act of 1958.

This change will remove, once and for all, any argument as to the use of the "revenue foregone" theory in computing public service costs. With this change, costs of the public service items enumerated in the law will definitely have to be

fixed at the difference between income and outgo on each such public service item.

Although the amount will differ each year as costs and revenues vary, the requirement for estimates by the Postmaster General, together with the redefinition of "total loss" and "loss," will automatically provide a firm dollar figure each year.

It is to be noted that subsection (c) of section 2 also provides for the exclusion from total postal operating costs, for purposes of adjusting postal rates and fees, of the public service costs which are to be reported by the Postmaster General each year.

Subsection (d) of section 2 merely makes a technical change in the table of contents of chapter 27 of title 39 of the United States Code—the Postal Code.

FIRST-CLASS MAIL

Section 3 of the new bill is the same as section 2 of H.R. 6418. The new section 3 makes no change in the provisions of section 2 of H.R. 6418, relating to first-class mail, which proposes to increase the rate on first-class letter mail from 4 cents to 5 cents for each ounce or fraction of an ounce and increase the rate from 3 cents to 4 cents on drop letters, post and postal cards, each portion of double post cards, and private mailing cards.

AIRMAIL

Section 4 of the new bill is the same as section 3 of H.R. 6418. The new section 4 makes no change in the provisions of section 3 of H.R. 6418, relating to airmail, which proposed to increase the rate on domestic airmail from 7 cents to 8 cents and increase the rate from 5 cents to 6 cents on airmail postal cards and private mailing or post cards.

SECOND-CLASS MAIL WITHIN COUNTY

The new bill eliminates all of the increases on publications delivered within county of publication that were proposed in section 4 of H.R. 6418. In other words, existing free-in-county and 1-cent per pound incounty rates will not be increased at all.

SECOND-CLASS MAIL BEYOND COUNTY

Unlike section 5 of H.R. 6418, section 5 of the new bill contains no rate increases for publications of qualified nonprofit organizations and classroom publications. This is accomplished by restoring an appropriate reference to section 4360 of the Postal Code—title 39, United States Code—which would have been repealed by H.R. 6418 and providing for continuance of existing minimum second-class postage rates for qualified nonprofit organizations and classroom publications at a later point in the new bill.

The provisions of H.R. 6418 for a per piece charge to be added to the pound rates on publications of qualified nonprofit organizations and on classroom publications is eliminated.

Section 5 of the new bill does, however, provide a moderate and equitable upward adjustment in the existing second-class rates for other publications. Provision of H.R. 6418 for a 1½-cent charge per piece to be added to the pound rates on such other publications is replaced by two step increases of one-half cent each, eventually totaling 1 cent—that is, the final charge per piece will be only two-thirds of the charge per piece provided by H.R. 6418. The first one-half cent added charge will be effective January 1, 1962, and the second will be effective a year later, on January 1, 1963.

These changes proposed by the new bill in the proposed rates on publications—other than qualified nonprofit organizations and classroom publications—are believed sufficiently moderate and so fairly spaced that the users of the mail can readily adjust to them without undue hardship. At the same time, there is a considerable weight of evidence gained during the hearings that many qualified nonprofit organizations and publishers of classroom publications would be unable to absorb any increase, at least for the present.

Section 6 of the new bill in effect continues the existing minimum second-class rates on publications of qualified nonprofit organizations and classroom publications, since rates on these publications will not be increased at all under the new bill.

CONTROLLED CIRCULATION PUBLICATIONS

Section 7 of H.R. 6418, which proposed to increase both the pound rate and the minimum charge per piece on controlled circulation publications is replaced by section 7 of the new bill which proposes to continue the present pound rate of 12 cents but adopt the increase—provided by H.R. 6418—from 1 to 3 cents in the minimum per piece charge on such publications.

THIRD-CLASS MAIL

Section 8(a) of the new bill is a postal operating policy change. The net effect is to exclude third-class matter from the mails from December 15 through December 25 of each year in the interests of efficiency in the postal service. This is accomplished by adding a new paragraph to the existing definition of third-class mail in the Postal Code.

Section 8(b) of the new bill has the effect of sharply reducing several postage rates on third-class matter as provided in H.R. 6418.

The table amended by section 8(b) shows the changes in individual piece and bulk pound rates.

The change in the individual piece rate is a reduction from 2 cents to 1½ cents in the rate provided by H.R. 6418 for each additional ounce after the first ounce.

The changes in bulk pound rates are first, on books, catalogs, and so forth, the 18-cent pound rate in H.R. 6418 is reduced to 12 cents for bulk mailings of such items by other than qualified nonprofit organizations; and second, bulk mailings of books, catalogs, and so forth, by qualified nonprofit organizations will continue to be at the existing rate of 10 cents a pound—that is, there will be no pound rate increase for such mailings.

The 21-cent pound rate provided by H.R. 6418 for bulk mailings of "other matters"—circulars, and so forth—is reduced to 16 cents per pound by the new bill; that is, the existing rate is unchanged.

The small table in section 8(b) makes two changes in rates proposed by H.R. 6418.

First, it provides a 3-cent minimum per piece charge for bulk third-class mailings of other than qualified nonprofit organizations—in lieu of the 3½ cents minimum charge per piece in H.R. 6418.

Second, it provides for continuance of the existing 1¼-cent per piece minimum charge on bulk third-class mailings by qualified nonprofit organizations—in lieu of the 1¾-cent minimum charge provided by H.R. 6418.

EDUCATIONAL AND LIBRARY MATERIALS

The amendment made by section 9 of the new bill makes two types of changes—one as to rates and one as to materials mailable under existing provisions of law which define the educational and library materials which may be mailed at preferential rates.

The change in rates is accomplished, as follows:

First, the existing "book" rates of 9 cents for the first pound or fraction and 5 cents for each additional pound or fraction is restored, in lieu of the 10-cent and 6-cent rates in H.R. 6418.

Second, the existing "library book" rates of 4 cents for the first pound or fraction and 1 cent for each additional pound or fraction are restored, in lieu of the 5-cent and 3-cent rates provided in H.R. 6418.

The effect of section 9 of the new bill is to make no increase in existing rates on educational and library materials and to clarify the application of existing laws as they specify conditions for mailing educational and library materials at preferential rates.

EFFECTIVE DATES

Section 11 of the new bill contains the effective date provisions of the bill. The proposed effective dates reflect certain postponed and staggered rate adjustments and certain changes in postal policy provided for by the new bill.

PERSONAL EXPLANATION

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, on the record vote concerning the Delaware River compact I voted "present." My reason for doing so involved the fact that I might immediately in the future have a personal interest affected. For this reason, in the exercise of my conscience, I have disqualified myself from expressing my opinion or casting my vote.

THE QUESTION BEFORE THE AMERICAN PEOPLE TODAY IS WHETHER TO RESUME THE TESTING OF NUCLEAR DEVICES IN THE INTEREST OF OUR NATIONAL SECURITY

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute and to revise and extend my remarks in the Appendix.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, we are faced today with one of the most crucial decisions in our country's history. The question before us is simply whether to resume the testing of nuclear devices or not. The choice between the two alternatives may be the difference between war and peace or between survival of our Western civilization or the defeat and inglorious end of freedom as we have known it for the last two centuries.

The reasons for finding ourselves in this position are understandable. As a nation we have, since our inception, relied upon our ability to react, sometimes slowly, to extreme aggression. We have had to endure injustice, to suffer tyranny, to absorb abuse, but in the end as a united country we have risen up to defeat the enemy.

The repetition of this pattern today is dangerous and if pursued long enough could lead to national disaster. We must eliminate any lag in our reactions to our adversaries.

In our recent history we have been involved in two World Wars. In both World War I and II, we had three advantages—time, in which to gather our military strength; space, which prevented direct attack in the period of our military weaknesses; and a buffer, in our British cousins and the French who served to hold the enemy at bay. Thus we had the luxury of being able to almost at leisure prepare for the decisive battles—and to win them.

Today we have complacently retained this concept which is out of touch with the current geopolitical facts of life. Time has been compressed from months to minutes, space to less time than it takes for a satellite to circle the world and our buffer has been bypassed in this new era of the megaton missile.

And yet with these facts a reality—our country voluntarily, on October 31, 1958, stopped testing nuclear weapons. We did this out of a sincere effort to reduce world tension and eliminate, if possible, the dangers of an arms race. We asked only that there be adequate inspection and controls to insure that all parties to the treaty would not be able to test weapons clandestinely.

The Soviets responded to our self-imposed moratorium of October 31, 1958, by continuing their atmospheric testing of nuclear weapons into the month of November. Notwithstanding this, we continued to negotiate at Geneva for a treaty on the discontinuance of nuclear weapons tests.

Basically the Western position has been to get a treaty with the Soviets which would provide for safeguards against clandestine testing to prevent any signatory from gaining a military advantage over the other.

To this end the United States and the United Kingdom have negotiated for almost 3 years, made some 13 concessions to the Soviets, and tabled a treaty. The Soviets answer has been to propose a three-man administration—troika—which in effort eliminates all controls and creates self inspection.

What then has happened since October 1958, in the balance of nuclear power between the United States and the U.S.S.R.?

In the case of the United States the answer is simple. We have not tested, and, further, the free world, the uncommitted nations and the Soviets are aware of this. In our free society no nuclear detonation—no matter how small—could be conducted in this country and go undetected or unreported in the next day's newspapers.

The situation in the Soviet Union presents a different case. The Soviet people live in an almost inpenetrably closed society. We all acknowledge that we presently have no instruments for detecting and identifying underground or outerspace nuclear explosions emanating from the Soviet Union. Due to the controls in a police state, information particularly on such a sensitive subject as nuclear weapons, is almost nil. So it would appear that we are proceeding on the basis of the absence of information and ignorance of the Soviets nuclear testing program.

In connection with a comparison of the relative advantages to the United States of testing or not testing, I have read articles which suggest that perhaps the odds favor the position that the Soviets have not been testing and that a resumption of nuclear tests would be an advantage to them and not to us.

It seems to me that such an argument is fallacious and I remember when the same sort of argument was made in 1950 during the debate on whether or not to build the hydrogen bomb. I shudder to think of the peril our Nation would be in if we had not gone ahead with that development.

We have listened carefully to both sides of the argument on the question of testing or not testing and we have weighed the needs of national security against the arguments of those who wished us to exhaust all avenues of rapprochement with the Soviets before we resumed testing nuclear devices.

I say that we have done everything we possibly could to reach an agreement with the Soviets which would provide safeguards for the American people—except to blindly agree with the Soviets on their terms.

Mr. Chamberlain made this mistake with the Nazis at Munich and it appeared to lessen tension—only to lead to war.

Today is the time to demonstrate our strength and unity, not to vacillate.

Let us not show indecision which our opponents could mistake for weakness.

Let us avoid miscalculation by our foes—by being resolute.

Let us look to the need to provide for the security of the American people.

As we all remember, the United States had a definite lead over the Soviets in the development of the A bomb. Our first atomic device was exploded at Alamagordo, N. Mex., in July 1945. We did not detect the first Soviet explosion until 1949. Our first hydrogen device was exploded in November 1952. The Soviet breakthrough occurred shortly thereafter in August 1953.

In this area where they were clearly behind us but catching up, I would like to raise this rhetorical question: Do we wish to risk our national security on the basis that those who control the Soviet system have not tried to bridge the gap between us in an area as vital as weapons development? I think that before we answer this question we should look at our potential adversary. Without going too far back in the history of the U.S.S.R., we note that the Communists found it expedient in 1939 to sign a nonaggression pact with Nazi Germany. More recently, we find that the Russians ruthlessly sent their tanks against the defenseless Hungarian people. And can we forget Premier Khrushchev's own statement that he was going to bury us?

With the knowledge of the goals of the Communists who are dedicated to world domination, and remembering that the people who control their closed society from the Kremlin were the same who made peace with the Nazi's so that they could divide up Poland, I wonder whether we should risk our national destiny on the hope that they would abide by an unpoliced moratorium on nuclear weapons test—I say "No."

In this regard, I would like to call attention to the excellent speech that Congressman HOLIFIELD made on the Geneva test ban negotiations on the floor of the House on June 14, 1961. CHET HOLIFIELD, chairman of the Joint Committee on Atomic Energy, of which I am a member, attended the Geneva Conference on the Discontinuance of Nuclear Weapons Tests as a congressional adviser last month and had the opportunity to see firsthand the progress—or rather the lack of progress—going on there. He eloquently set forth the dilemma in which we find ourselves in these negotiations.

His speech, entitled "Where We Stand on the Nuclear Test Ban Negotiations," is one that I commend to you all. In this speech Congressman HOLIFIELD said:

> We must carefully consider our position relative to the Soviets. Most experts believe that we were ahead of the Soviets in weapon technology in the fall of 1958. If the Soviets have honored the moratorium as we have, it can be assumed that our technology still has an advantage. If the Soviets have not honored the moratorium, it is possible that they have overcome such advantage as we had.
>
> But we do have knowledge of Soviet Communist ideology. We know their goal is world domination. We know they preach the Communist dogma that the "end justifies the means." We know that secrecy and covert violation of agreements is in line with the communistic doctrine.
>
> So it seems to me that we must assume that the Soviets have tested, or will test, if they think they can get away with it. And since our detection system is not adequate to detect and/or identify small underground disturbances it is quite possible for the Soviets to conclude that they could get away with clandestine tests.
>
> Thus in reappraising our position on the test ban, I believe the United States must assume the possibility or probability that the Soviets have been testing or will be

shortly. In any event we cannot continue to gamble our destiny, when we base such a gamble on ignorance of our opponent's actions.

I fully subscribe to Congressman HOLIFIELD's statement on this most important subject. The decision on the resumption of testing is, in the final analysis, up to the President. I believe that this issue is far too important to the country to be other than bipartisan. I agree with Chairman HOLIFIELD when he said in his speech that regarding the test ban negotiations with the Soviets, we have gone the last mile.

According to the New York Times, speaking before the Soviet people, bemedaled in his military uniform, Mr Khrushchev said:

> Just as soon as the United States resumes nuclear explosions, the Soviet Union will start testing its nuclear weapons.

My answer to Mr. Khrushchev is, "You already are testing."

We should now get on with the business of protecting our own national security.

ADJOURNMENT TO MONDAY, JULY 3, AND MEETING DAYS THE WEEK OF JULY 3

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next; that when it meets on Monday next, it adjourn to meet on the following Thursday, and that when the House meets on the following Thursday, it adjourn to meet on Monday, July 10.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORITY TO PERFORM CERTAIN DUTIES DURING RECESS OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournments of the House until Monday, July 10, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found to be truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SECRETARY OF THE AIR FORCE ZUCKERT: "AMERICA'S PEACEFUL OBJECTIVES IN SPACE MUST NOT BE SUBJECT TO INTERDICTION BY AN UNFRIENDLY POWER"

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, on June 27, Secretary of the Air Force Eugene M. Zuckert gave an outstanding address to the Aero Club of Washington. Secretary Zuckert's remarks put into proper perspective the Air Force mission as he sees it existing today, and as he sees it existing for at least the next decade. Amplifying the importance of the peaceful exploration of space, the mission of NASA, Secretary Zuckert reminds us that America's peaceful objectives in space must not be subject to interdiction by an unfriendly power.

As you know, Mr. Zuckert brought to his present assignment a wealth of experience both in public and private life. A prominent lawyer, he served for 3 years with the U.S. Securities and Exchange Commission; 3 years in the Office of the Chief of Naval Operations; 3 years as one of the first Assistant Secretaries of the Air Force and 2½ years as a member of the U.S. Atomic Energy Commission. His remarks of June 27 are indeed a tribute to his knowledge and keen appreciation of the requirements of aerospace power.

I have known Mr. Zuckert for 15 years. During this time, he has appeared often before the House Armed Services Committee and the Joint Committee on Atomic Energy. I have served through the years on both of these committees, and along with the other members, I have been greatly impressed by Mr. Zuckert's sincerity and ability.

Under unanimous consent I include his remarks of June 27, entitled "Tomorrow's Job Is Today," at this point in the RECORD:

TOMORROW'S JOB IS TODAY

(Address by Honorable Eugene M. Zuckert, Secretary of the Air Force, Aero Club of Washington, Tuesday, June 27, 1961.)

I am very happy to have an opportunity to speak to the Aero Club of Washington for two reasons:

First, because I feel at home here; second, because this is an influential group.

On the other hand, the pleasure is diluted a bit by the sobering knowledge that this is a tough audience, not cynical, just tough—because you understand the facts of life, political, financial and technological.

But you are also an understanding audience, and a sympathetic one. You have knowledge of the problems of the Nation, and particularly the Air Force, as the aerospace age unfolds, and you are willing to help solve them.

Since I know you are realistic people, I want to be realistic today. I know you can take it, and I know that you are interested in the unglamorous, long-haul problems which confront the Air Force. And when I say long haul, I mean just that. We have a long way to go, and we must carry a heavy burden.

One reason the burden is heavy is that we work continuously in three time periods. What we do in one affects the others, even though our military posture changes from one period to the other.

The three periods are today, tomorrow, and the day after tomorrow.

They overlap. What we do today determines what we can do tomorrow as well as the day after. The things we do today, in maintaining the strength of the Air Force, were determined by what we did yesterday. But they are not only complementary in their cause and effect relation—they are highly competitive for critical resources.

Today's current job is an operating job. Today's job for tomorrow's Air Force is to bring into being—qualified for inventory and application—the things now in development. Today's job for the Air Force of the day after tomorrow is considerably more difficult, and the decisions are critical.

Our survival, and even the survival of freedom, may depend upon how well we do at any one, and all three, of these stages of defense preparation.

The operating job for today's posture involves the management of tremendous resources. We have a very powerful Air Force. I believe its strength is increasing continuously. None of us is ready to say the Air Force is as strong as we would like it to be, but we know it becomes stronger each day.

The Air Force has necessarily been, and continues to be, the main bulwark for deterrence and aggression against the United States. That strategic element of deterrence is being broadened by entry into the force in being of the Navy's Polaris and the Air Force's Titan and Minuteman.

Another element of deterrence is being strengthened and extended by the Army's many improvements, with more precise fitting of the aerial transport and air support of ground operations roles to meet Army's changing needs.

Strategic deterrence as embodied in the powerful manned bomber is being strengthened by the beginnings of a missile force, but many aspects of deterrence are expanding with the Army's improved capabilities and the Air Force preparations in support thereof.

Air defense, tactical support, long range and combat zone transport, all augmented by upgraded National Guard and Reserve forces and the Civil Air Patrol—these too become integral parts of the concept of total deterrence.

The state of readiness of these forces, with the high alert status of our bombers, is a marvel of military enterprise and an unprecedented example of devotion to duty on the part of incredibly skilled men.

This is the posture of today. But tomorrow's posture, at least in part, is already determined as far into tomorrow as the first half of the sixties. There is little change that can be made now except in numbers through the normal improvement in quality of existing weapons and equipment, and in our ability to think the problems better—to design improved strategics and tactics.

If we think of tomorrow, however, as extending through half of the sixties, the next few years form a period of vital choices, of choices among the weapons systems which are in or near the development stage. But it is also the period of decisions as to what will come the day after tomorrow—what we want to come. That "day after" is certainly not much further away than the very early seventies.

It is too early, for example, to decide the extent to which manned bombers in the air ambient may be displaced. That is why we are continuing work on the B-70 as a flying machine and have urged its development—in the national interest—as a weapon system. The air frame and engine technology will contribute to still newer systems.

The differences of opinion as to the need for a particular type of aircraft are both understandable and acceptable—even though these differences are characterized by varying degrees of "expertise"—but there is no question as to the value of the technology which necessarily accompanies its development.

Historians may see the line of demarcation between tomorrow and the day after as sharp and clear. It is not sharp and clear to us because we must prepare for both at the same time. The day after tomorrow is upon us.

We must make decisions before today is ended, certainly while tomorrow is young, as to how and how fast we move into space. The Air Force of the day after tomorrow

must be truly an aerospace force, unrestrained in its operations by earth's gravity bond and fully clear of the atmospheric runway.

We do not have a choice as to whether or not we invest in aerospace military forces. That decision is no longer subject to our shaping. It has been shaped by world events and by pressures beyond our control.

This Nation must drive ahead with the peaceful exploration of space. We have no choice but to prepare for every possible peaceful and constructive exploitation of space—research, communication, meteorology, astronomical knowledge, even travel and transport. In short, NASA must succeed.

But for NASA to succeed, America's peaceful objectives in space must not be subject to interdiction by an unfriendly power. The challenge of nature is sufficient.

And for America to succeed—in preservation of the Nation in freedom, in furtherance of the welfare of men on earth, in exploiting the knowledge of ourselves and our surroundings for man's good—our peaceful objectives on earth must not be subject to interdiction from space.

We must not delude ourselves. Earth can be dominated from space. Reduced to the scale of a 16-inch globe, a vehicle in 300-mile orbit passes over Cleveland, Pittsburgh, and Washington, for example, just six-tenths of an inch above the surface.

The lesson is clear that a vehicle in an Earth orbit which can launch a missile up and away toward Venus is not limited as to aiming points on Earth close below.

We are determined not to be disfranchised in space, and we are determined that no nation shall be disfranchised on earth by a threat from space.

Our national policy therefore is and will continue to be to avoid as well as to deter aggression through space.

Our space effort for now must be concentrated on boosters, sensors, and power sources.

The Air Force has precise responsibilities within the military realm. All services have requirements utilizing space. The Department of Defense must approve them and it determines funding. The Air Force provides boosters and launch facilities—for example to Navy's Transit navigational system and the Army's Advent communications system. Incidentally, we also serve NASA in the same way for many projects such as the first Tiros weather reconnaissance satellite.

Boosters, sensors and power sources are, in the sense, common items. Progress is being made in all three areas. A half-million pound thrust solid propellant was fired successfully this month. It promises both dependability and flexibility as well as growth potential.

Improvements are coming in optical sensors for the visible light segment of the electro-magnetic spectrum, infrared sensors for the heat bands, and electronic sensors for the radio frequency emissions.

Auxiliary power, as distinct from propulsion power, is needed to operate all the gear that goes into a space vehicle. Chemical batteries and solar generators have carried the load thus far, but they weigh too much or don't last long enough. Nuclear fueled systems are the next step.

All of these things reflect our developing aerospace force. I thought the change was rapid when I served in the Air Force during its first 4 years as a separate service, but that was nothing compared to now. We thought we had a management problem then, but the job of the late forties and early fifties, anticipating the sixties, pales beside the business of preparing for the seventies.

This is the area of the unglamorous problems I mentioned. The future of the Air Force and of its continuing contribution to the Nation's defense depends upon how well we handle such problems as the management and direction of research and development, the administration of personnel policies adapted to the new requirements, and the utilization of resources—human, financial, and material—both within and available from outside the Air Force.

I don't believe there is any reason to doubt our ability to manage the combat area of military enterprise. It is the business end that challenges our imagination, our energy and our skills.

As the Air Force mission develops and the nature of our work changes, we will need more and better technically trained people. We will need, and need now, better management controls and direction of the expenditure of funds amounting to almost 25 cents out of every dollar the American people pay in taxes each year.

In addition to the scientists of unique competence and unstinting devotion to their disciplines, and the engineers and technicians of all levels of knowledge and skill, we need engineering managers and management engineers. We need educators and training specialists—as well as procurement specialists, fiscal specialists, labor relations, specialists, and construction specialists, and contract specialists. Above all, perhaps, we need men with ideas, vision, and the courage to think as big as the future promises to be.

This is the same Air Force which needs men who can, for example, pilot machines that travel faster than a mile a second. There is reason for encouragement, no matter how tough the job, when you have an Air Force which produces men like Maj. Bob White and Gen. Tommy White.

These two men exemplify the vast numbers in the Air Force on whom we depend for the long haul job. In closing, I will acknowledge the service of all the thousands by a tribute to these two and one other:

To Maj. Bob White for his work with the X–15, marked by the new speed record of 3,690 miles an hour last week;

To Gen. Thomas D. White, who retires Friday as Chief of Staff of the Air Force, after 41 years of service to his country, service of a character which will stand for all time as an honor to a Nation which produces such men, and;

To Gen. Curtis LeMay, who comes to the post of Chief of Staff after an unprecedented record of accomplishment in the Air Force.

General LeMay has my confidence and he will earn yours in the Chief's spot. He continues the standard set by General White in full acknowledgment of the proper role of the military in a free society, with complete understanding and close working relationship between the military and civilian leaders of the Nation.

REPORT OF AMERICAN EDUCATION

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. FRELINGHUYSEN], is recognized for 2 hours.

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter and tables in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, the primary reason why I have requested recognition today is to submit, for the consideration of my colleagues, and I trust also the public at large, a "Report on American Education." As this body approaches what may be momentous debates on a variety of legislative proposals affecting the educational system of this country, I am hopeful that this report will prove constructive and helpful.

Preliminary discussions regarding this report, I might add, were held this morning at a press conference. It is my hope that more discussion on the important, and often controversial, issues involved can be stimulated in the weeks ahead. To that end I am confident of the value of both the report itself and the supporting material which I shall ask to have appended herewith.

Benjamin Disraeli, nearly a century ago, noted that "upon the education of the people of this country the fate of this country depends." His statement is equally true of the United States, and is especially appropriate in this day and age when technological change, world leadership and the welfare of our own citizenry are strongly dependent upon an educated populace. Certainly in America we can point to education as a major factor in our past success, our present strivings, and our future destiny.

The subcommittee on special projects of the House Republican policy committee is greatly concerned about the future of American education. This is a subject of particular interest in view of the pending debates on the subject before the Congress of the United States. Committees of both the House and Senate have heard testimony concerning the need or lack of need for Federal aid to general public education, to private schools, to colleges and universities, to impacted areas and to areas vital to the national defense. However, nowhere has there been a clear and conscious attempt to collect background materials from experts in the field and subsequently to formulate a concise statement on American education and the related role of the Federal Government.

Beginning in January of this year, the subcommittee staff solicited, received, and analyzed papers from academic and professional experts in the field of education. The response has been excellent. No attempt was made to include a large number of scholars, but the staff did seek to collect opinions from a diverse group of experts who had some particular talent to lend the committee in this regard. Neither did they limit their attempts to those of a single philosophy or orientation. They asked for papers from those favoring and opposing Federal aid to education—those for and against Federal aid to nonpublic schools—those feeling Federal aid did, or did not, lead ultimately to Federal control. Democrats and Republicans alike contributed to the study, which is perhaps the first ever conducted by a political party policy group in such an all-inclusive and nonpartisan manner.

Before debate ensues in this body on proposed legislation dealing with education, the Members should be well versed in the issues facing the American people, their children, and their children's children. A task force of Republican Congressmen has analyzed these papers, studied hearings before appropriate committees, and other facts and factors

available to them in preparing this report and consolidating their recommendations. However, it is for each Member of Congress and for each American to reach his own judgments. We hope the material we have here assembled will be helpful.

In an earlier task force report on "American Strategy and Strength," presented on June 20, 1960, on the floor of the House, Representative GERALD R. FORD, of Michigan, stated that—

> A national strategy should not be tucked away in a national security document. To be a public affair, it must be readily understood and enthusiastically supported by the scientist, the educator, the reporter, the engineer, the Congressman, and the housewife. Such an understanding would enormously refortify our present position of strength.

So, too, should education and all its ramifications be discussed and debated in every school district in the Nation. In this way, goals of education, curricular content, the extent of Federal aid, if any, and the importance of increased incentive will become a matter of public debate. In this way solutions to these and other problems will be determined by people on the basis of need rather than politics. Thus, we emphasize the responsibility of citizens in our Republic to demand factual background on a given problem, accompanied by clear and specific alternatives, in order that our ultimate educational decisions are understood and supported enthusiastically by people in all walks of life.

The "Metaphysics" of Aristotle opens with the well-known statement, "All men by nature desire to know." Aristotle states elsewhere that man is a social animal. Therefore, his desire to know does not begin and end in himself. Clifton Fadiman has commented that man "socializes and finally systematizes his desire to know. This socialization and systemization are what we mean by education. The main, though not the only, instrument of education is an odd invention, only 3,000 years old, called the school. The primary job of the school is the efficient transmission and continual reappraisal of what we call tradition. Tradition is the mechanism by which all past men teach all future men."

This definition and amplification of education leads us to pose and consider many questions. If man by nature desires to know, what should be the character of education and the content of tradition? Who shall determine the character of and content of education? How, in a modern society such as ours, shall the cost of this education be met? As Members of Congress, what concerns shall we have and what measures shall we take in relating the Federal Government to public education?

To the end of exploring these issues in public education, and better to relate them to the practical measures currently before Congress, the subcommittee on special projects of the House Republican policy committee has undertaken this study of American education. A task force of Congressmen, consisting of Representatives FRELINGHUYSEN, LAIRD, GOODELL, RHODES, GARLAND, QUIE, and GRIFFIN, has examined background papers and other material and has compiled this report.

We wish to acknowledge the kind cooperation of the academic and professional experts who have prepared papers, either in the original or as revisions of their prior publications. Organizations as diverse as the National Education Association and the Council for Basic Education; individuals as oppositely oriented as Father Blum and Dean Rogers on the subject of Federal aid to nonpublic schools; and individuals poles apart on the matter of proper Federal responsibility in education have all used our inquiry as a forum and market for their ideas. Some thoughts we would wish to modify—others we accept, and some, inevitably, we reject. However, all papers will be included for the perusal of Members in order that the differing thoughts of experts might be placed on the record for the public to analyze.

The following experts have prepared papers as background material for this report:

"Education without Federal Aid," M. Norvel Young, president, Pepperdine College.

"Fallacies of Federal Aid to Education," Ernest Wilkinson, president, Brigham Young University.

"Political Action Resulting From Fear," John Stambaugh, vice chancellor, Vanderbilt University.

"Increasing and Improving the Efficiency and Effectiveness of our Educational System," Alvin Eurich, vice president, Fund for Advancement of Education.

"Diffusion of Authority and Control of Education," Carl B. Munck, former chairman, National School Boards Association.

"Major Issues in Public Education Related to Federal Legislative Policy," Research Division, National Education Association.

"Civil Rights in Education," Father Virgil C. Blum, Marquette University.

"The Cooperative Research Program of the U.S. Office of Education," Dean Lindley Stiles, School of Education, University of Wisconsin, and Dean Alonzo Grace, School of Education, University of Illinois.

"Federal Aid for What?" Mortimer Smith, Council for Basic Education.

"Investment of Human Capital," Prof. Theodore Schultz, University of Chicago.

"Program for Educational Leadership by Procter and Gamble," Bryce N. Harlow.

"Shall Public Funds Be Used To Aid Nonpublic School Students," Dean Virgil Rogers, Syracuse University School of Education.

"Construction of Public Schools," Walter T. Anicka, A.I.A., Ann Arbor, Mich.

"Education—The Foundation of Freedom and Modern Technology," Hollis L. Caswell, president, Columbia University Teachers' College.

"The School Lunch Program and Federal Controls," Dr. Donald Ackerman, House Republican policy committee.

"School Needs and Federal Aid to Education," Prof. Roger Freeman, Claremont Men's College.

I would like at this time to ask unanimous consent to insert in the RECORD immediately following this report the background study papers and certain tables by academic and professional experts on which we have based our findings.

In these 17 papers, the subcommittee has found facts and ideas on varied elements of educational thought which have indeed proved most useful as we developed our ultimate conclusions. However, we must emphasize that the opinions which follow and the recommendations which we make are our own, though based on the background material here presented. We have attempted to formulate reasonable views on a most vital issue on which more heat than light has ordinarily been shed. As H. G. Wells wrote in the Outline of History, "human history becomes more and more a race between education and catastrophe." In striving to avert catastrophe, we have here examined American education—its history, its current status, its needs and its future. It is to be hoped that this will help set the stage for the beginning of a reasoned study and debate as to education and its relation to Federal policies.

1. HISTORIC TRENDS IN AMERICAN EDUCATION AND GOVERNMENTAL POLICIES

Samuel Butler once asserted that "although God cannot alter the past, historians can." Judging from various viewpoints as to the history of Federal assistance to education and the constitutional requirements regarding schools and their support, there is a wide divergence in this regard at least concerning interpretation of clauses and events. An example can be shown by quoting two authorities on the subject of Federal aid to education.

On March 13, 1961, Hon. Abraham Ribicoff, Secretary of Health, Education, and Welfare, stated before the General Subcommittee on Education of the House of Representatives that—

> Programs of Federal assistance to schools and school systems have existed since the beginning of our national life. * * * The Federal role has been an accepted part of the American educational experience since the founding of the Republic. For 175 years Federal aid to education has helped to serve the national interest. These Federal activities have not come about by accident, or to demonstrate a theory. The Congress has authorized Federal aid to meet certain specific needs, when other solutions were not deemed adequate or sufficiently timely.
>
> These programs of Federal assistance to education have, in my judgment, been administered without evidencing one shred of Federal control. * * * In my 6 years as Governor of Connecticut, not once has the Federal Government exercised control directly or indirectly over education in my State. I doubt whether you will find any such control in any of our 50 States.

A widely divergent view is held by Senator BARRY GOLDWATER, of Arizona, who states in his book "The Conscience of a Conservative":

> I agree with lobbyists for Federal school aid that education is one of the great problems of our day. I am afraid, however, that their views and mine regarding the nature of the problem are many miles apart. They tend to see the problem in quantitative

terms—not enough schools, not enough teachers, not enough equipment. I think it has to do with quality—how good are the schools we have? Their solution is to spend more money. Mine is to raise standards. Their recourse is to the Federal Government. Mine is to the local public school board, the private school, the individual citizen—as far away from the Federal Government as one can possibly go. And I suspect that, if we knew which of these two views on education will eventually prevail, we would know also whether Western civilization is due to survive or will pass away.

Our country's past progress has been the result, not of the mass mind applying average intelligence to the problems of the day, but of the brilliance and dedication of wise individuals who applied their wisdom to advance the freedom and the material well-being of all of our people. And so if we would improve education in America—and advance the fortunes of freedom—we will not rush to the Federal Treasury with requests for money. We will focus attention on our local community, and make sure that our schools, private and public, are performing the job the Nation has the right to expect of them.

These views contrast not only the Federal with the local role, but also point up issues of spending Federal money as against improving schools by local incentive. They touch also on the problem of Federal control as related to Federal aid. In exploring the historical development of Federal assistance to education, we have noted that these problems are in no sense new ones, but have repeatedly been faced by Congress and by administrative departments and agencies since the beginning of our Republic.

In May of 1961 the House Committee on Education and Labor issued a publication, "Federal Aid for Education," which consisted of a history of proposals along this line which have received consideration by the Congress of the United States. The first such measures dealt with a national university and national bank profits and land grants for education. Other than land grant college bills and a public land proceeds for education act, no bill even remotely concerned with education was enacted into law until the 64th Congress, which passed a vocational education act. In 171 years no Federal aid proposal for elementary and secondary schools has ever been passed, though such bills have been considered in all but 1 of the past 14 Congresses.

Below is a list of education proposals which have been enacted. The subcommittee finds that in almost every instance a special case or an emergency was involved, and that in no instance was there an intention to provide Federal support for education on a secondary or primary level:

First. Land-grant colleges.

Second. Surplus revenues for education—only considered educational in that it offered States the opportunity to use funds for the promotion of education.

Third. Vocational education.

Fourth. Loans by RFC for public schools and teachers' salaries.

Fifth. Veterans' education and training.

Sixth. International educational exchange of persons—Fulbright Act and Smith-Mundt Act.

Seventh. Library services in rural areas.

Eighth. National School Lunch Act.

Ninth. Federally impacted areas legislation.

Tenth. College housing loans.

Eleventh. Cooperative research.

Twelfth. White House Conference on Education.

Thirteenth. President's Committee on Education Beyond High School.

Fourteenth. Teachers of mentally retarded children.

Fifteenth. War orphan's education assistance.

Sixteenth. National Defense Education Act.

No educational powers were specifically granted the Federal Government under the Constitution. In fact, some have interpreted the 10th amendment, which states that "the powers not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the States respectively, or to the people," as expressly forbidding such aid. On the other hand, as Chief Justice Warren said in Brown against Board of Education, 1954:

> We must consider public education in the light of its full development and in its present place in American life throughout the Nation.

Those who feel that the Federal Government has had an accepted role in American education can look back to the Northwest Ordinance, 1787, and the Survey Ordinance, 1785, where land was reserved for the maintenance of public schools. The Federal Government organized school systems in territories. Public lands were set aside in 1862 for the original endowment of land-grant colleges and universities. The Smith-Hughes Act of 1917 established a Federal program of assistance for vocational education. Finally the GI bills following World War II and the Korean conflict have contributed to the education of American youth deprived of opportunities because of their wartime service to their country.

More recently, the concern of the American public following the Soviet launching of sputnik resulted in the National Defense Education Act of 1958, primarily dedicated to improvement of programs in mathematics, science, and modern languages. The Federal Government has also been active in research—Office of Education, National Science Foundation, and so forth. Under the Eisenhower administration consideration was given to meeting specific needs in classroom construction for elementary and secondary schools where a need existed despite the fact that maximum possible local effort had been exerted.

In examining these examples, however, we find that most were geared to concepts recognizing the importance of public education and encouraging its improvement, rather than to overall Federal financial support. Some programs of financial assistance have been developed for higher education, but here we deal with students who want to continue their training at a level beyond the point or obligatory education, where general public support is given.

It is quite obvious that the history of Federal support in the field of education has been marked by national concern for the broad significance of American education, but coupled with an overriding interest in maintaining local control and direction of educational resources.

Oftstated provisions in the Northwest Ordinance of 1787 indicate that the importance of education was recognized at the time of the Constitutional Convention, and yet the Constitution nowhere refers to education. Carter Davidson, president of Union College, believes education was omitted "because they felt this was one of the concerns that must be left at the grassroots level; therefore, it is the States, the local governments, and private philanthropy which were intended to be the support of education in America."

From that we have come to the 20th century America, in which Federal activities in education have been multiplying. The Library of Congress listed in 1952 some 298 educational activities of Federal agencies at a cost of $3.6 billion. By 1960 a revised edition of this report showed some 440 Federal educational programs at a cost of at least $3.8 billion. The U.S. Office of Education has had to hire more than 300 persons just to administer the National Defense Education Act within a year of its passage. With the exception of the Morrill Act, Smith-Hughes Act, and NDEA, all of which were enacted in an atmosphere of emergency and aimed to promote specific subjects which Congress felt were being neglected, none of these activities can be classed as general Federal aid to education. However, 1961 has become the year Roger Freeman speaks of in his paper when he remarks, "The war over the approval of general—rather than special and earmarked—school aid and over the big sums, from $5 billion on up, still lies ahead."

Our task force is convinced that the National Government must encourage American education. Congress and the administration must work closely to stress the importance of a sound, effective educational system. In some selective instances, it may well be that Federal assistance to research and specific activities in education will continue to be necessary and prudent. However, we feel that great care must be taken not to disrupt traditional local incentive, concern, control and support of American public education at the elementary and secondary level.

Thus we must investigate not only the historical development, pro and con alike, of Federal assistance to public education, but also the actual need which is so often used as the overriding rationalization for proposals advocating general Federal aid.

2. NEED AS A FACTOR IN FEDERAL AID TO EDUCATION

This task force group is concerned that no attempt has been made to equate actual need to the provisions for general Federal aid to education now before Congress. During the Eisenhower administration, the bills recommended by department heads and by the President had provisions tying in need and

local effort in determining where aid for school construction would go. Arguments made by the administration before congressional committees made the point that there were areas in the Nation in which maximum local effort had been made but where genuine classroom shortage still existed.

In testimony this March, Secretary Ribicoff told the House General Subcommittee on Education—page 29 of hearings—that "many States do not have the commitment toward education that they should have." Instead of need, Secretary Ribicoff talked about Federal responsibility. Statements such as "the Federal Government can and should make a substantial contribution to assist the States and local communities in meeting their goals," and "there are many responsibilities that Government has to supply and the amount suggested in this bill takes into account the other responsibilities that this administration has in many other lines of endeavor"—see pages 10 and 28—indicate strongly that Federal responsibility has replaced local needs as a justification for general programs of Federal aid to education.

During the White House Conference on Education, held in 1955, one of the group's recommendations was for more Federal aid to education. However, another conclusion stated that—

> No State represented has a demonstrated financial incapacity to build the schools they will need during the next 5 years. • • • What is lacking is not money, but a political determination powerful enough to overcome all the obstacles.

Just last year, in response to questioning before the Senate Committee on Labor and Public Welfare, Secretary Flemming stated that there were 237 school districts out of about 42,000—one-half of 1 percent—which have reached their bonded limit. Of these, many may have reached their limit because they have kept their assessed valuations low, resulting in a high mill rate. This survey indicates at the very least that the areas of actual need can be defined with greater accuracy than has yet been attempted.

We have studied statistics gathered by organizations both for and against general Federal aid to education and have attempted to determine the need in both school construction and teachers' salaries as it exists today. A paper submitted to us by the National Education Association states that—

> to move salaries (of teachers) upward to the level required to staff the schools with professionally trained and personally qualified teachers will require the concerted financial support of all three levels of government—local, State, and National—and that another perplexing problem of the 1960's is how to build the classrooms which are needed now and which will be required for the 8.1 million additional pupils by 1969–70, one-half of whom are going to be in the secondary grades.

Using NEA and Office of Education figures, however, Dr. Ernest Wilkinson, president of Brigham Young University, traces the construction needs which have been estimated in recent years. His paper makes the point that in 1954 the U.S. Commissioner of Education testified to a deficiency of 370,000 classrooms in our elementary and secondary schools. A year later the chairman of the Senate Labor and Public Welfare Committee predicted that this would grow to 600,000 by 1958.

By 1959, however, Dr. Wilkinson testified that this figure had shrunk to an annual shortage of 132,400, according to a canvass of State departments of education by the U.S. Office of Education. The shortage, according to the NEA paper, is currently estimated at 142,100 rooms. Regardless of what conflict ensues between other figures presented, both sides of this controversy admit that the classroom shortage today is far less serious than that which existed 7 years ago.

We feel that the American people should be commended for the strides they have made in giving support to public education, especially in the past decade. As Dr. Freeman states in his paper:

> The emerging picture is clear cut and unequivocal. The American people have loyally and faithfully supported their schools. The record of steeply increasing school revenues is nothing short of spectacular and makes no persuasive case for holding insufficient funds responsible for shortcomings in the product of our public school system.

Aided by the statistical analysis conducted by some experts in the field, we have attempted to reconcile the mountains of figures collected by proponents and opponents of Federal aid insofar as the progress to date and the picture at present are concerned.

In the realm of the alleged classroom shortage, we find that the number of pupils has increased 15.2 percent and the number of classrooms in use 23.2 percent over the past 4 years. This has resulted in a decrease from 29 to 27.1 in the number of pupils per classroom. Given the additional of over 4½ million children between 1956 and 1960, we would have required the addition of 170,000 classrooms to stay even. Instead, the number of classrooms in use increased 251,794—leaving a surplus of 81,000 to apply against the shortage existing in 1956. We seem to have "passed the hump."

From the year 1956 to 1957 to the year 1960 to 1961 the average annual construction of new classrooms reached 69,860. According to a report released by the Secretary of Health, Education, and Welfare on January 19, 1961, entitled "Staffing and Constructing Public Elementary and Secondary Schools, 1959–1969," there should be built during the decade of the 1960's 607,600 classrooms to take care of added enrollment, existing backlogs and replacement of obsolete facilities. This would average to 60,760 classrooms annually, almost 10,000 short of our current construction effort. We find it difficult to see how a national emergency in classroom construction can now be justified when current construction will produce extra classrooms during the decade ahead.

In fact it may well not be as difficult to raise needed revenues during the last half of the sixties as is currently the case. For one thing, while the average annual increase in the school-age population will reach 1,145,000 from 1960 to 1965, this increase will only reach a figure of 644,000 from 1965 to 1970. Also, reputable economists have projected our gross national product to rise from $500 billion to over $700 billion by 1970.

Most figures indicate that a similar situation exists in the teaching profession. In the last 30 years, employment in public education has increased by 140 percent as compared to 45 percent in private industry. As the turn of the century, the pupil-per-teacher ratio was 35.6 and is currently 24.4. In actual dollars, the increase in teacher earnings has been phenomenal over the past 30 years, and even in constant dollars teachers have received a salary increase of 106 percent in this period as compared to 91 percent for all persons works for wages or salaries and 73 percent for civilian employees of the Federal Government. The NEA booklet, "Teacher Supply and Demand Report," for 1956, predicted an end to the teacher shortage by the early 1960's.

The U.S. Office of Education has projected an 82 percent increase in earned college degrees for the 1958 to 1968 period. The present level of college students preparing for teachers' certificates is expected to maintain its present level, which is 31 percent. So, in the next 10 years, the number of certified teachers is expected to double, but the school age population is expected to increase by only 20 percent. It is possible that in 10 years there could be a surplus of teachers.

There is no question that in some areas teachers' salaries are still inadequate, however, in the past 5 years, teachers' salaries have increased on the average of $250 per year.

We find a disturbing trend today to disparage the strides which have been made in the fields of school construction and teacher recruitment and salaries. Professor Schultz explains in his paper on "Capital Formation by Education" that—

> Between 1900 and 1956 the total resources committed to education in the United States rose about 3½ times relative to consumer income in dollars and relative to the gross formation of physical capital in dollars.

Enrollment in our public schools and private schools alike has increased by 57 percent since 1940, but educational expenditures have increased by 642 percent during the same timespan. As a percentage of our national income, expenditures for education have increased from 1.4 percent in 1890 to 3.7 percent in 1930, 4.1 percent in 1950, and are currently 6 percent.

The statistics available to us indicate strongly that State and local communities have made increasing funds available to the schools; that educational funds have risen at a much more rapid rate than national income or corporate profits; and that the task of financing the public schools appears to be an easier one in the 1960's than in the previous decade.

The current controversy over Federal aid to education must involve the question of Federal responsibility for public

education. However, it appears to our task force that the concept of needs has gradually disappeared from the controversy due to the emerging image of local incentive and concern which has supported American public education at a level unparalleled in history.

3. LOCAL INCENTIVE IN THE FINANCING OF EDUCATION

We have previously touched on the record growth of American public education and the part which local financing has played. This task force maintains a grave concern that local school districts may reduce their efforts if general Federal aid to education were to become an actuality at this time.

Letters are on file with Congressman after Congressman testifying to just what a mere debate on Federal aid proposals has already done to local incentive. School superintendents have recommended defeat of local bond issues and local citizens have testified that their community should defeat increases in local taxation for the simple reason that "next year the Federal Government will pay for our new building, or swimming pool, or additional school buses." To us, this is a strong warning that Federal aid might well mean a significant weakening of local concern and incentive for public education.

In his paper, Dr. Norvel Young points out that the history of 19 of 21 notable civilizations studied by Arnold Toynbee shows that "they died from within and not by conquest from without." To Dr. Young, this indicates that "great republics like those of Greece and Rome gradually exchanged their local freedom and its responsibilities for more and more centralized control and its promised protection and aid."

As Dr. Ernest Wilkinson puts it:

> With taxes raised at home, the people know how our money is spent rather than in Washington, where bureaucracy has grown so big that even the Congress often cannot find out how it is spent.

The ability of local school districts to pay for needed improvements in their educational systems has often been underestimated. In even the one-half of 1 percent of school districts where classrooms were needed and where the districts were "borrowed up" with no access to State or other funds to build them there is sometimes a mere appearance of having reached a legal tax or debt limit by assessing property at a fraction of traditional value. Most legal restrictions on taxes and public debt were imposed by the people themselves or by their elected representatives, and can be amended or repealed by the same process.

Economically, we here in Washington are often shocked by the extent to which Federal taxes have increased, becoming more burdensome than State and local taxes by their higher rates. Federal income taxes range from 20 to 91 percent—personal—and 52 percent corporate—while most State income taxes are around 3 to 4 percent, and most sales taxes vary from 2 to 4 percent. Prior to the depression of 1929, State and local taxes constituted 7.4 percent of national income, and increased only to 8.4 percent by 1959. In contrast, Federal taxes, which reached 4.1 percent of national income in 1927, had risen to 17.5 percent by 1959. Comparable figures exist for interest on Federal and State and local debts and for trends in the burden of the respective debts as a percent of national income.

Some State and local bond issues have been turned down, it is true. This often occurs where the need for additional facilities has not been demonstrated or where the actual plans of the new school, for example, have been considered overly ostentatious by the voters. Nonetheless, sales of State and local bonds averaged over $7 billion per year from 1957 through 1960, and the percentage of bond issues approved in public school bond issue elections reached a record high of 82 percent in 1960, as compared to 61 percent just the year before. In fact, during January of 1961, $157 million of $170 million was voted favorably, 92 percent. Annual new educational construction has almost tripled since 1950.

The proponents of Federal aid argue that standards should be raised in the poorer States and that it is not the overall support but the divergence in support from State to State that matters. Be that as it may, differences among the States have also narrowed in the past three decades. While the 12 highest income States showed an increase of 61 percent in per capita income since 1929, the 12 lowest income States increased 131 percent. The high-income States will provide four-fifths of the increase in school enrollment up to 1970, with the 12 low-income States accounting for only 6 percent of the national total. Thus we question the widely held and espoused notion that we should merely play Robin Hood and rob from the rich to pay the poor without regard for need or local effort.

In fact, the point could well be taken that school districts or States which hold back on tax revenue in order to pirate industry from other States, and those wasting staff or funds, or refusing to operate more efficiently or consolidate districts are precisely the States or districts which weaken their own fiscal capacity to finance their schools. To give Federal aid under these circumstances would be indeed questionable.

We have great faith in the American people. Our citizens have always placed a high value on public education and have successfully adapted local schools to the challenges and problems of their local environment. American education has been most successful when incentive has struck home—at PTA meetings, at the school board, and at local industrial and business conferences. The deficiencies of American education are no longer explored and corrected in the woodshed, perhaps, but are evaluated in community centers, and in school elections.

We cannot stress enough our belief that parents and the public at large have kept faith with the citizens of tomorrow. The problems of American education today are a reflection of its past successes and not its failures. By increasing to a high degree the level of learning of the average American, we have also increased the demand for more and more education of a high quality for all. What better way to meet this demand than by continuing to unleash and expand the very forces that have made our educational system what it is today—diligent and wise Americans of every walk of life in every section of the Nation?

Walter Anicka states in his paper that the "construction of an economical school must take into consideration budget, local materials at hand, local needs, weather requirements and functional design."

Dr. Mortimer Smith indicates that—

> Without careful definition of, and insistence on, what is worthy in education, more money may simply serve to perpetuate and entrench an unsatisfactory status quo.

It seems to us that these and other definitions must be made by those who care enough and know enough about them—Johnny's father and mother, his teachers, his neighbors.

4. FEDERAL AID AND FEDERAL CONTROL IN EDUCATION

Secretary Ribicoff, this March, told the House Subcommittee on Education that present programs of Federal assistance to education have, in his opinion, been administered "without evidencing one shred of Federal control." Advocates of Federal aid constantly demand a single example of a Federal program bringing one shred of control to any aspect of education. After examining many existing Federal programs, we find even those of the most innocuous type have been accompanied by an increasing degree of Federal controls.

For example, Dr. Ackerman's paper on controls in the Federal school lunch program reveals that participation in the Federal school lunch program has been discontinued by high schools in the Phoenix School District—Arizona—and the elementary schools under the jurisdiction of the Los Angeles City Board of Education—California—because Federal regulations were not appropriate to the specific local situation encountered. In Los Angeles, for example, portions served were considered too generous and the protein requirements for each meal were ordered increased by the Government to a point where added costs reduced the benefits of the Federal subsidy. In Phoenix, a la carte items were forbidden as an alternative for plate lunches under penalty of disqualification from the Federal school lunch program. The school system had a choice between compliance and losing the students who would not eat plate lunches.

Commenting on the issue of Federal control of education, William G. Carr, executive secretary of the NEA, expressed the following thoughts in a letter to the staff director of the House Republican policy committee:

> What I can neither understand, nor agree to, is the position that, although the Federal Government has a responsibility, and although the State governments should control education, nevertheless, Federal funds must be used only for purposes deemed most necessary by the State and local school authorities. It seems to me that a policy of "Washington knows best," weakens State and local control of education.

Father Blum states that "the complete subversion of the individual into the mass state—this is the danger of the welfare state," and quotes John Stuart Mill that "a general state education is a mere contrivance for molding people to be exactly like one another."

Dr. Freeman insists that there has been "so much ink spilled over this question that we do not want to restate the arguments pro and con." However, we have noted the comments of those whose knowledge and experience in the area of education or legislation should indicate their basic familiarity with the problem, and have been concerned by quotations such as these:

You will hear it said there has not been any Federal control or interference through Public Law 815, the Federal impacted area bill. I tell you there has been some of the most horrible illustrations of interference and wrongdoing under that bill that you can imagine, and I challenge anyone to deny that statement.—Representative Graham Barden, Democrat, of North Carolina, former chairman of the House Education and Labor Committee.

Can any jurisdiction take responsibility for levying the taxes for any particular purpose without sooner or later being forced to take the responsibility for defending that expenditure and without being asked to answer taxpayers that the money is being spent in a proper manner * * * Sooner or later the jurisdiction which imposes the taxes will exercise real control.—Robert Murray Haig of Columbia University.

To imagine that recurring appropriations of this magnitude can be made without careful budgeting on the part of the administration seems to me to be the equivalent of imagining completely irresponsible government. Careful budgeting will mean, in turn, a strong executive agency which must have access to a mass of factual information about the educational situation in every State. The educational committees of the House and Senate will have every reason to examine into details of curricula and school organization.—James Bryant Conant, Harvard University.

We feel that this issue is somewhat different from the ordinary nonearmarked grants-in-aid. Proponents of Federal aid to education insist that the funds be channeled through the U.S. Office of Education and the State departments of education. Proposals to earmark a specific tax so that its yield would return to the States of origin additional revenue, to return to the States a small share of the income tax collections, or to allow increases in State and local school taxes as a credit on the Federal income tax would all bypass the Federal and State offices of education, and thus have been opposed by the proponents of general Federal aid to education.

Dr. Smith points out in his paper that—

State departments of education can be infiltrated by advocates of the kind of education-for-adjustment which has landed us in the mess we are now in.

A quotation by Max Lerner included in our Freeman paper states that—

The choice before us is not the choice between the control of education by local officials and by National Government officials. That is not the choice and don't let anyone tell us it is. The choice is between control by people who have not given their lives to education and control by people who have given their lives to it.

We strongly oppose the use of the resources of the Federal Government to interfere in any actual or supposed battle between professional educators and laymen. If Federal aid is to be used to decide any struggle between the public and the educators, this is no justification for expending public funds without regard for need, local effort, local incentive or possible Federal control.

When we closely examine large Federal programs in highways, urban renewal, agriculture, welfare, and similar matters, we find that controls generally tighten as the Federal share increases. Each conflict between Federal and local officials, as seen by recent scandals in the interstate highway program and rigid farm controls, leads to quarrels over the most effective use of funds, and almost inevitably is decided by the power of the purse strings held by the Federal Government.

Even should Federal aid without Federal control somehow be possible, the fact that decisionmaking is taken away from parents, communities and legislatures, since a share of the funds does not depend upon their direct approval and control, in effect is a shifting of effective control. Independence of the educational administrator from legislators, boards and the lay public would result, even if Federal control per se did not.

The power of the purse strings is well known and well documented over recorded history. We are concerned over possible positive control of education from the Federal level, but even more dangerous are the possibilities of a more insidious abdication of concern and incentive for citizens at the local level.

5. QUALITY OF EDUCATION AS A POSITIVE GOAL

Papers by the Council for Basic Education and the National Education Association represent opposite poles of thought as to the efficiency and quality of modern education. We refer any more interested in this particular subject to the papers inserted in the RECORD following this report.

However, we positively feel that whatever constitutes quality of education should be practiced in every possible school district in the United States. To that end, the Federal Government must cooperate where necessary in support of basic research and in encouraging experimentation in education. The Amidon School, here in Washington, D.C., has thus far set a commendable record in basic education and could well be emulated in those localities where this particular approach would be of benefit in preparation for future skills and competence.

We do feel that local boards and citizens are best prepared to know just what so-called frills and extras they are prepared to accept and pay for. It would seem that some areas of the United States are more in need of solid, substantial classroom buildings than the swimming pools, gardens, and auditorium facilities demanded in other areas. If citizens in any school district in this Nation wish to approve and support what Anicka calls dream school types, this is all well and good, but under any program of Federal aid to classroom construction, this would be also paid for by those districts striving to raise teachers' salaries from a $3,000 level, or fighting to build one small classroom for essential English instruction as an addition to their small schoolhouse.

We commend the increasing number of school districts the country over which are paying teachers at a scale deserved by the profession. Just as conscious of education, however, are the voters of the overwhelming majority of school districts who have recently approved bond issues for construction and salaries and general budgets which they feel to be representative of their area, their wealth, and their tax base.

We encourage educational research, by laymen, educators, parents, and others alike, to determine what role consolidation, curricular revision, and administrative reforms would make in their area to the raising of standards of learning and to the elimination of wasteful use of resources. This is the only practical way in which State and local units, judging the extent of school needs, can raise the required funds without the material deficiencies which now arise from time to time.

6. FEDERAL AID TO NONPUBLIC SCHOOLS

Today, private elementary and high schools now enroll about 16 percent of total school enrollment, as compared to 9 percent 20 years ago. Thus, the controversy over distribution of Federal school aid to private as well as public schools has reached a fever pitch during the current session of Congress.

Some parents of children in private schools feel they are subjected to double taxation, even though they estimate they are saving taxpayers between $2 billion and $3 billion a year through the operation of private schools. On the other hand, opponents cite constitutional provisions relating to the separation of church and state. They point out that parents who prefer private schools do so at their own choice and should do so at their own expense.

At this time, this issue has been entirely too much one of emotion and too little one of carefully conceived points on either side of the issue. Thus, our group requested and received papers on this matter from two of the leading educators in the United States—Virgil Rogers, dean of the Syracuse University School of Education, and Father Virgil C. Blum, of Marquette University.

Father Blum argues that—

The child as citizen is protected by the Constitution and is the primary recipient of educational benefits; the school is but a suitable means to assist in the education of the child. Thus, the individual child clothed in all his constitutional rights must be the primary concern of the Federal Government if and when the national interest urged Federal allocation of tax moneys to aid in the education of the children of the Nation.

On the other hand, answering the question, "Shall public funds be used to

aid them—non-public-school students?" Dean Rogers states that—

> If we accept the American tradition concerning the relationship of church and state, which grew out of 250 years of painful experimentation in the Thirteen Colonies and later in the States, there can logically be only one answer to the question posed in the title above—no.

These diametrically opposed viewpoints highlight a situation in which more study from a legal, practical, and ethical basis must surely be presented. Issues like aid to nonpublic schools should not obscure the fundamental issues—that of general Federal aid to public elementary and secondary schools. The major question is what, if anything, should be done for our public schools. If there must be such aid, we can then delve further into these related matters. However, we are not convinced that there has yet been a case made, be it need, local effort, or another reason, for Federal aid to public education.

7. FINAL RECOMMENDATIONS AND CONCLUSIONS

Our congressional team, having the benefit of background knowledge supplied by academic and professional experts in education and related fields, would advance the following as general recommendations on the subject of American education and the specific issue of Federal aid, realizing that our recommendations form only a beginning step on the road to the ultimate formulation of positive Republican Party policy on this issue.

First. We feel that Federal aid to impacted areas and Federal assistance for the construction of college classrooms and housing facilities should be separated from the area of general Federal aid to elementary and secondary education. We hope that our colleagues will treat sympathetically the special problem of areas affected adversely by Federal military installations, and that the Congress will approve Federal assistance for the construction of academic facilities in institutions of higher education—so essential if the Nation's colleges and universities are to expand their physical capacities sufficiently to produce the trained manpower our national interest requires.

Second. We find numerous essential programs in the field of Federal assistance to basic research in education, such as the National Science Foundation and the Cooperative Research Plan. Programs to assist in specific fields like the mentally retarded, vocational education, loans for college housing and war orphans' education contain meritorious provisions wherever a true need exists and where a true Federal responsibility can be found. Care must be taken that provisions of the National Defense Education Act do not go afield from the original purpose of the law, and that local sensitivities are not disturbed by the administration of testing and guidance sections of the act.

Third. American education should be a vital concern of the National, State, and local branches of our government. It is a vital force in the continuing progress of our Nation, and a necessary element in the culture of coming generations. The Federal Government should, consistent with constitutional and traditional standards, encourage and promote the most adequate school system possible in our Republic.

Fourth. However, it is an established and sound principle that the control and direction of educational resources in America belongs on a local level. We commend this for future times as well, and we strongly oppose any proposal to shift the responsibility for the maintenance and operation of schools to the Federal Government.

Fifth. It is clear that the advocates of general Federal aid for education have made no successful effort to justify current legislation on the basis of either need or local effort or both. The Eisenhower administration wished only to aid those districts in true need, and those which had also exerted all possible local effort. We feel that the present administration has equated Federal aid to Federal responsibility for all school districts; regardless of these important factors. This would constitute a foot in the door, or, more accurately, a finger released from the dike for all time to come.

Sixth. The proposals for Federal aid to education now before Congress would do much, in our judgment, to curtail the very factors now promoting a healthy and sound educational system. Local citizens, including parents and teachers alike, would lose the incentive which comes with knowledge, concern, and physical presence on the local scene. Controls from Washington would certainly increase, coupled with the void caused by the abandonment of decision-making powers of parents, communities, and legislatures.

Seventh. We suggest that experimentation with so-called progressive education, already underway for some years, be matched with comparable experimentation with basic, fundamental education, such as is now being attempted with the Amidon School here in Washington. Many of us feel that the primary function of the schools is intellectual training and discipline, and that the school should be a place where the individual learns to know the trees so well he will be able in later years to see the beauty of the forest.

Eighth. While Federal aid to nonpublic schools is an issue at present, we would here concern ourselves with the overall issue of "Should there be general Federal aid to elementary and secondary education?" leaving related issues for subsequent resolution to this and similar problems. Nevertheless, we commend those who seek to find an ultimate solution.

Ninth. After reading the suggestions of Walter Anicka on constructing sound and practical public schools, we feel that taxpayers should be especially diligent in expenditure of their moneys for this purpose. As he points out, with Federal aid the temptation is to go out for fads and frills, but when each expenditure must be justified to the taxpayers of the community, school officials quickly get down to their basic needs. We wish that every school architect would view limited budgets as an opportunity rather than a handicap.

Tenth. We urge our colleagues to exert every effort in influencing their constituents in all sections of the country to exert leadership in matters relating to schools—their improvement, their control, their financing, and their importance. This marks a positive force by which we in Congress can actively see to it that our homes and the homes of our neighbors will have the benefits of sound and efficient schools appropriate to the local situation and its needs.

Eleventh. Experimentation with educational television, homogeneous classes, teaching machines, computer aids in marking and other bookkeeping functions now occupying the time of teachers should all continue in order to get more education for our money rather than necessarily demanding more money for our education. Insofar as 20th century improvements are concerned, education may well be in its infancy.

Twelfth. It is time that we begin to consider maximum utilization, where possible, of our educational facilities on a more regular basis than 6½ hours per day—5 days per week—9 months per year. Fewer areas of our country now require high school boys to work on farms. A 12-month school year with staggered vacations might well be instituted on an experimental basis. For example, in Montgomery County, Md., officials are talking about three 12-week semesters separated by 4-week vacations—with only one-fourth of the students on vacation at once. Certainly night adult classes, particularly to coincide with industrial retraining in some locales, and expanded summer school opportunities should now be instituted.

Thirteenth. We again would emphasize the positive accomplishments of the American educational system in meeting every challenge by mobilizing community support and concern. The launching of the Soviet sputnik in 1957 caused little or no panic, but provided further incentive for an all-out, continuing effort that drastically improved our record of classroom construction and teachers' salaries despite the moaning and groaning of those who saw no help but from the "magic money tree" in Washington.

Fourteenth. Current news stories emphasize the amount of money Federal aid to education would bring to each State under the provisions of the administration school bills. We would recommend that every citizen understand that the magical and mystical entity called government is composed of every one of us, and that every State must pay a goodly proportion of what they receive in the form of taxes. In fact, one-third of the States will pay more in their share of Federal taxes than they will receive under the provisions of this bill. This is perhaps not a vital argument on the subject of Federal aid, but we do feel that the public should have information as to where the money comes from and the meaning of each person's sacrifice in terms of their financial standing, resulting inflation, and the size of the national debt. Congress, we need not point out, has recently increased the national debt ceiling once more to a figure of $298 billion.

Fifteenth. In summing up, we have tried to be positive in studying Federal aid to education and in making concrete recommendations on this subject. The American public should also analyze the issue and make their views known to their elected Representatives in the U.S. House of Representatives. We are disturbed by the complete absence of justification for this bill on a basis of need or any other criteria.

As an alternative, we would hope that the House Ways and Means Committee would consider the return of a portion of revenues to State and local jurisdiction, or the proposals such as those advocated by Representative POFF to authorize credits against the Federal income tax for new prospective State and local taxes imposed for school purposes. One or more of these alternatives might well stimulate additional effort in the educational field at the local level with the Federal Government standing by only as an assisting partner.

John Ruskin once said that:

I hold it for indisputable, that the first duty of a State is to see that every child born therein shall be well housed, clothed, fed and educated, till it attain years of discretion. But in order to the effecting of this the Government must have an authority over the people of which we now do not so much as dream.

We strongly oppose such authority. We firmly support local control of education, in light of past experience, present needs, and future prospects in America. In this way, we will continue to have an educated populace as well as a free citizenry.

Following are the prepared papers used as background material for this report:

EDUCATION WITHOUT FEDERAL AID

(By M. Norvel Young, president, Pepperdine College, Los Angeles, Calif.)

Pepperdine College has rejected financing for our dormitories available through the Federal Government at 4½ percent interest over 40 years and is instead financing two new dormitories by private bond issues to our friends at 6 percent interest over 20 years. Our board of trustees has taken this stand because of its belief in the value of maintaining freedom from eventual centralized control of higher education in the United States. Let me read you a portion of the statement which the board issued at the time it reached this decision which has attracted wide editorial comment:

"Believing in the fundamentals of personal initiative, decentralization of Government, personal integrity, and in opposition to the growing trends toward collectivism, the board of trustees rejects the concept of Government loans for financing college construction and chooses to meet the needs of the increasing student body with private financing." The board went on to state that although the cost of interest financing would be higher through private sources, it was believed the cost would be justified if this action "encourages other institutions to reject the increasing trend of dependence upon the Federal Government to solve education's problems."

What will education be profited if it gains billions of dollars in Federal aid and loses its own freedom? What should a teacher or a school give in exchange for its freedom? The history of 19 out of 21 notable civilizations studied by Arnold Toynbee points out that "they died from within and not by conquest from without." Great Republics like those of Greece and Rome gradually exchanged their local freedom and its responsibilities for more and more centralized control and its promised protection and aid. They became less and less free and finally they lost both freedom and aid.

Of course, this is not to minimize the tremendous needs of higher education and of education at the secondary and elementary levels. Reliable estimates indicate that college enrollment will increase from 3,800,000 to 6,500,000 by 1970 if not a year or two sooner. These projections are made on the basis of students already in elementary and secondary schools. New construction is needed and more teachers are needed. Teachers' salaries are low compared with the income of those with equivalent training and experience in other fields. We are in a keenly competitive race with the Communist countries and America needs the best education possible for its youth. This is all granted, but does it add up to the necessity of taking our educational problems to Washington for solution? No. I believe that this critical problem needs more creative thinking and more dedicated effort on the part of all segments of our great society.

Money alone is not the whole answer. The solution must be consistent with the values we Americans hold dear. The answer or answers we find must preserve and enlarge our individual freedom, maintain the important place of the family in our educational process, respect the rights of the individual teacher and student and parent. Federal aid may appear to be an easy answer to the need for immediate funds, but is it the answer that will improve our education in the long run, i.e., education for freedom?

Here are some specific reasons why we believe in improving our educational process without Federal aid:

1. Basically Federal aid always means Federal control. In the face of increasing Federal controls in so many aspects of our personal lives, we would be naive indeed to think that the Federal Government can appropriate the more than $9 billion which is currently being proposed for the next 4 years and not regulate how it is spent. As Justice Jackson stated in a Supreme Court decision regarding controls in agriculture: "It is hardly lack of due process for the Government to regulate that which it subsidizes."

There are, for example, 12 direct controls under the National Defense Education Act of 1958 and this is but a drop in the bucket of the amount of money and of the extent of controls which will be forthcoming in the decades ahead if we do not reverse the present trend. The National Defense Education Act definitely affects the curriculum and the emphasis of the schools which are aided. The granting or withholding of large amounts of money has a way of influencing the thinking of the most resolute and independent administrator.

In fact even the prospect of billions in Federal aid has influenced educational leaders to begin setting up more powerful machinery to influence Congress and to insist on more conformity by the rank and file of educators. In a recent issue of Higher Education and National Affairs issued by the American Council on Education, it is stated that there are difficulties in projecting the impression of unity among educators to Members of Congress: "Congressman interested in specific pieces of legislation frequently appeal directly to college and university presidents for opinions. Unfortunately, many of the presidents are so pressed with other business that they neglect to read the bulletins and newsletters that come to their offices; hence they do not know that higher education has a position on the issue, even if all the national organizations, through their existing machinery, have actually reached agreement. It is easy for any individual Congressman or group of Congressmen to secure large numbers of letters that make the record of a committee hearing seem utterly chaotic." [1]

If this trend toward conformity is evident prior to the substantial new Federal aid to education which is being promoted at the present time, how much more pressure to conform can be expected 10 or 20 years from now when $5 or $10 billion a year may be dispensed from Washington? Let us not forget that education is reserved to the States by the 10th amendment to the Constitution.

In the midst of our current crisis I fear many sincere educators are like the lady who came to her butcher late one day just prior to a long weekend. She wanted a fryer and the butcher had only one picked-over fryer left. He put it on the scales and said: "Two and a quarter pounds, how is that?" She said: "I must have one a little bigger." He took the same fryer, thrust it under the counter for a moment, then brought it up again and put it on the scales. "Two and a half pounds," he said. "Fine," she said. "I'll take them both." In like manner, many in education want both our freedom and billions in Federal aid, but we may find in the years ahead that only one without the other was attainable.

2. Federal aid is objectionable because it will reduce local and private responsibility for the education of our children and our young men and women at the college and university level. There is a kind of "Parkinson's law" that "interest diminishes as responsibility is removed." The primary responsibility for the education of our youth is upon the home. The family is still the basic unit of our society. The closer the education of our youth can be kept to the home, the longer we will preserve our freedom. The trend has already developed for the average American parent to take little or no responsibility for the normal education of his children. This, the average parent has come to believe, is instead a job solely for the "professionals." More responsibility is ultimately being transferred from the local school board and placed in the hands of the State. Ultimately, this trends toward removing responsibility from the State and placing it upon the Federal Government.

3. The prospect of Federal aid also undermines and deactivates interest in solving the problem at the local level. The White House Conference on Education in 1955 found that "No State represented has a demonstrated financial incapacity to build the schools it will need during the next 5 years." Approximately 230 of the more than 42,000 school districts in America have reached their bonded limit. Our citizens are taking responsibility at the local level and would do more with the proper public promotional effort and if the prospect of the Federal Government stepping in to assume these responsibilities were not an inducement to inaction at the local level. Between 1949–50 and 1959–60 there was an increase of 38 percent in school population and an increase of 124 percent in revenues raised for schools. Let us stimulate and encourage local and private responsibility rather than discourage it by saying to those citizens who are willing to sacrifice for their children's education: "You are foolish. Why don't you relax and let the Federal Government do this for you."

Of course we all know that the Federal Government has no money which does not come from taxing citizens. It is more expensive as well as more dangerous to our freedom to tax and spend from Washington than from the local levels. It is interesting that some of the most avid proponents of Federal aid are from the States with higher incomes. They claim that they must have it for their own State even though they recognize that their States will not get back

[1] Higher Education and National Affairs, vol. X, No. 1, Jan. 6, 1961.

in grants anything comparable to the amount of additional taxes the citizens must pay. If their interest is in the low-income States it is not apparent from their arguments. Surely some way can be found to help those States or communities which need more than others without shackling our entire Nation with a system of support for education which holds such dangers as Federal aid.

4. The last objection which I will mention, although certainly these are not the only ones which could be listed, is this: Federal aid will tend to break down our historic separation of public and privately supported education or it will further increase the disparity between the support of the two systems. I believe in the values of our dual system of education. We need the tax-supported and the voluntarily supported schools and colleges. They complement each other and serve as a check upon each other and help to assure our continuing freedom of speech, of religion, of education. The wide variety of educational opportunities possible under our dual system is calculated to serve us well in the changing world we face.

Federal aid which is restricted only to tax-supported schools will increase on individuals and corporations which are now voluntarily supporting both tax-supported and voluntarily supported schools. Private education needs more voluntary support, and such support is growing. In 1960 corporate aid to education topped $150 million, and it is growing rapidly. If this aid is restricted to tax-supported institutions, it will add impetus to the present trend for more and more education to rely upon tax support.

A few years ago 80 percent of our higher education in the United States was supported by voluntary support. Today in California 80 percent of our higher education is paid for by taxation, and the trend indicates that this will soon be the picture for the entire Nation. Within 20 years some students of our educational picture predict that no more than 10 percent of higher education will be independently supported. We believe in our dual system and believe it is to the best interest of our Nation for a healthy balance between tax-supported and voluntarily supported education to be maintained.

On the other hand, if Federal aid is given to both tax-supported and independently supported institutions, we run the grave danger of breaching the historic wall which separates church and state in the case of the church-related schools. We also run the grave risk of robbing the private institutions of their independence as they become more and more dependent upon more and more Federal aid. The economic pressure upon private schools and colleges is tremendous today. What will it be in the decades ahead if Federal aid is granted in billions of dollars to those institutions which are willing to submit to Federal control?

Now let us turn to a few suggestions as to what can be done to help solve our problems in education without Federal aid. Time forbids that we go into detail, but here are a few suggestions:

1. Parents can become more concerned about the needs of schools in their own districts and take more interest in school board elections, in PTA work, in support of local or State bond issues. Businessmen need to be alerted to the importance of more support for teachers and proper housing for an expanding army of students.

School revenues have increased three times as fast as school population in the last decade and we have not begun to exert the influence which can be exerted to do a better job at the local level. If the same amount of time and effort were expended to stir up concern at the local level as has been spent to stir up pressure for Federal aid we would be showing much greater progress. It is easy to pass the buck to Washington, but it is much safer and more in harmony with our American ideals to let down our buckets where we are. The money can come from no other source than the taxpayer. Let's raise it at home and spend it there so that we can see the results and receive the satisfaction of seeing it improve the quality of instruction.

Money alone, of course, will not do all that is needed to make our educational system what it should be. We need the dedicated and inspired teacher working with the devoted parent in a teamwork situation which will emphasize personal initiative and individual achievement on the part of the student.

2. Much more voluntary support needs to be given by individuals and corporations and foundations. Irving S. Olds has expressed the growing conviction of more and more businessmen: "Unless American business recognizes and meets its obligation to higher education, it is not properly protecting the long-range interest of its stockholders, its employees and its customers." More and more corporations are recognizing the enlightened self-interest of voluntary corporate support of higher education. Many have set a goal of 1 percent of income before taxes as was first proposed by a group of corporate heads in Cleveland, Ohio. This could bring in $500 million each year.

The Council for Financial Aid to Education has done an outstanding job of stimulating concern for voluntary support to education. This type of activity could be multiplied with the wholehearted cooperation of teachers, parents, and professional leaders, labor leaders as well as leaders in industry. It is not as easy to do as to pressure for Federal aid, but freedom is never easy nor cheap. There is more money in the stewardship of foundations than ever before. Bequests for education are at an alltime high. Surely we can step up this voluntary support. If any action is undertaken at the national level, why not let it be the encouragement of voluntary support by giving tax credit or tax exemption for larger gifts by corporations and for tuition paid by individuals. Surely there are ways of stimulating more voluntary aid that can result in more funds being made available to schools without opening the door to control by the Federal bureaucracy.

President Eisenhower, in his farewell address, stressed the danger of our Nation's scholars being dominated by the Federal Government through the necessity for large sums of money for research: "The prospect of domination of the Nation's scholars by Federal employment, project allocations, and the power of money is ever present—and is gravely to be regarded. Yet, in holding scientific research and discovery in respect, as we should, we must also be alert to the equal and opposite danger that public policy could itself become the captive of a scientific-technological elite."

3. If there are, as contended by some, those school districts that are too poor to do an adequate job of education, may we suggest that aid be given by a concerted effort on the part of foundations and corporations and possibly even by direct aid from wealthy districts or States. This may sound unrealistic, but Americans are spending millions for causes that are no more worthy. The proper promotion of an aid to underprivileged school districts could result in millions of dollars in support without Federal control. Many of the school districts which are not giving adequate support would take a searching new look if they realized that their needs were the concern of others. Many of them could do better if they would. There is room here for some creative thinking and the challenge can be met without sacrificing local control and undermining local responsibility.

The battle for freedom is being fought with ideas and ideals. It is not now a battle of military strategems and objectives so much as it is a battle for the minds of men. Our Nation has led the world in producing products for a better life. We must lead out in the realm of ideas and ideals. As Dr. Laurence Gould has aptly stated it: "I do not believe the greatest threat to our future is from bombs or guided missiles. I don't think that our civilization will die that way. I think it will die when we no longer care—when the spiritual forces which make us wish to be right and noble die in the hearts of men." We can provide the best education in the world for our youth and we can do it without sacrificing our traditional freedoms and opportunities for personal achievement. We can maintain and enlarge our freedom as we meet the challenge of educating the youth God has given us.

Pepperdine College turned its back on Federal financing because it hoped that it could by so doing "light a candle" in the encircling gloom of increasing Federal intervention. It is "better to light a candle than to curse the darkness." It is hoped that this action will set a precedent which might cause others to rely on their own resources and initiative rather than resort to the sometimes easier but infinitely more potentially hazardous route of Federal subsidization. If this action helps to lead others toward the traditional course of self-reliance and away from the proliferation of Federal bureaucracy and Federal supervision, we shall have been amply repaid for our course of action.

Fallacies of Federal Aid to Education

(Address by Ernest L. Wilkinson)

In addressing the subject of Federal aid today, I must state at the outset, as ought to be evident from my position, that I oppose a mammoth program of Federal aid, not because I am opposed to furthering our educational opportunities and institutions, but because in the long run I believe Federal aid would be injurious to our Nation and to our educational advancement as well. I propose, therefore, in the short time at my disposal, to show that the reasons advanced for Federal aid are largely fictitious; that Federal aid is not necessary; and finally, that there are great dangers in Federal aid.

Mammoth need for Federal aid

The case for a mammoth program of Federal aid for elementary and secondary schools is based upon the theory that there is a growing need for Federal aid to take care of classroom shortages and to increase the number of teachers. The facts are, however, that contrary to a lot of propaganda, the deficiency of both classrooms and teachers is diminishing. (See Roger A. Freeman, "D-Day for Federal School Aid?" Social Order, April 1960.) Let us examine first the alleged increasing classroom shortage.

In 1954 the U.S. Commissioner of Education, relying chiefly upon a wildly exaggerated school facilities survey conducted under President Truman's order in 1951 and finished in 1953, testified to a deficiency of 370,000 classrooms in our elementary and secondary schools—a deficiency which he expected would increase. Not to be outdone, in 1955 the Democratic chairman of the Senate Committee on Labor and Public Welfare predicted that by 1958 there would be a shortage of 600,000 classrooms.

In 1959, however, the U.S. Office of Education canvassed the State departments of education regarding the existing shortage. The replies showed a shortage of only 132,400 classrooms. This certainly was not understated, because the replies came from State superintendents of public instruction. While there may have been some variance in the way they were made up in the various States, they certainly do not show a declining shortage. Further evidence shows that during 1954–59, while enrollments in our

secondary and elementary schools increased 20 percent, the number of available classrooms increased 30 percent (an increase of classrooms in use from 983,000 to 1,279,000).

In December 1959, the Chief of the Projection Section of the Office of Education estimated the construction need in the ensuing 10 years at 61,000 classrooms annually, whereas over the past 5 years we have built 60,740 classrooms per year. And of even more importance, the evidence is clear that within 2 years the annual enrollment increases in the elementary and secondary schools will begin to decline. These figures cannot be challenged, for the children are already born. These facts, I submit, demonstrate that the propaganda that our classroom deficiency is increasing is nothing but a myth.

Now let us examine the claim that the dearth of teachers is inevitable and that Federal aid is necessary to obtain teachers. On this assertion the first fact we should notice is that the student enrollment curve is flattening out, and we shall not need the same increase of teachers as we have needed. The average annual increase in school-age population (5 to 17 years) from 1955 to 1960 was 1,494,000; but from 1960 to 1965, this rate is expected to drop to 1,145,000; and from 1965 to 1970, the rate is predicted to fall to 644,000 or less than one-half our present rate of increase. Obviously, with fewer children, fewer teachers will be needed in the future.

The second fact to notice is that the teacher shortage is directly related to the attitude on class size. In 1900, a teacher taught 36 pupils; by 1930, the ratio had declined to 29; and in 1958 it was estimated at 25. By 1970, if present trends continue, the ratio will go to 23 or lower. So far there is no authoritative proof that this diminution of class size is necessary.

In the third place, the U.S. Office of Education has varied its teacher shortage estimates so much that their accuracy is subject to serious question. For 1958 to 1959 the U.S. Office estimated a shortage of only 132,000. But this was later revised to 182,000.

For 1959 to 1960 the U.S. Office estimated a total of 195,000. We do not know whether this will be revised. But we do know that between 1953 and 1959 when, according to the Office of Education the teacher shortage grew from 72,000 to 195,000, the certified staff in the public schools increased 34 percent, the number of children increased only 25 percent. When we know that the certified staff increased much faster than the number of students, it is difficult to believe the shortage is increasing.

In the fourth place we should note that the outlook for the teacher supply is highly reassuring. The percentage of all college graduates who prepared for teaching has risen from 21 percent in 1948 to 32 percent in 1959, and the number of college graduates is projected to double between 1958 and 1970. So if the percentage of students choosing a teaching career is only maintained, we shall double the supply of new teacher graduates.

On the other hand, the annual pupil enrollment increases will shrink to half during the 1960's. This means, then, that the demand to meet higher enrollments will be cut in half, while the supply of new teachers will double. On these facts I submit that there is no need for the great alarm that lies at the basis of the present drive for Federal aid.

EQUALIZATION OF EDUCATIONAL OPPORTUNITY

The second reason advanced for Federal aid is that such aid will equalize the educational opportunities among the various States, which at the present differ widely in their economic ability to provide proper education for elementary and secondary students. This, I should state, was the original theory advanced for Federal aid. But this type of Federal aid—aid to poor States or poor districts, without any Federal aid to the rich States or rich districts—is politically impossible.

Congressmen will never pass a general Federal aid act which will tax the citizens of their own States to pay the educational bills of other States. Bills for Federal aid have been pending in Congress since 1875, but none has every been enacted.

Methods to aid the low-income States were developed in the famous Taft bill (S. 472, 80th Congress) and in formulas devised in 1954 by the Legislative Reference Service of the Library of Congress. But the Taft bill did not reach the floor until a flat per-pupil grant to all States had been added. And if Federal legislation granting the same amount to every student in every State is passed, obviously it does nothing to equalize educational opportunities.

Representative CARROLL KEARNS, of Pennsylvania, stated a realistic legislative situation in January 1955, by pointing out that flat-grant Federal aid plans are not efforts to help some boys and girls in areas with insufficient educational opportunities, to eliminate some of the educational slums, or to provide assistance to States which are unable to provide schools, but are pork barrel schemes, plain and simple. ("Emergency Federal Aid for School Construction," hearings, Committee on Labor and Public Welfare, U.S. Senate, 84th Cong., Jan. 25, 28, 31, p. 202.)

Roger Freeman, in writing of the Kelley bill before Congress in 1955, a bill which would have allocated $11.30 per school-age child per year to all States, asserted: "If enacted, this bill would do little to help cure school building shortages. About half the Federal appropriations—$764 million—would go to the 14 wealthiest States. Only one-fourth—$412 million—would go to the poorest States. This method of allocation obviously is motivated not by the extent of school building needs, but perhaps by a strategic consideration: the 14 wealthiest States control 53 percent of the votes in the House of Representatives, the 14 poorest States only 23 percent." (Roger A. Freeman, "Federal Aid to Education—Boon or Bane?" American Enterprise Association, Washington, D.C., 1955.)

In January of 1961 a special education task force, appointed by President-elect Kennedy and headed by President Frederick L. Hovde of Purdue University, attempted to solve this dilemma by proposing the following equalization scheme ("Here's the Latest on Aid to Schools," U.S. News & World Report, Jan. 23, 1960, p. 59):

1. Each State would get a flat grant of $30 per pupil per year.

2. States where personal income is less than 70 percent of the national average would get supplementary grants of $20 per pupil per year.

3. At the same rate ($20 per pupil per year), supplementary grants would be given to cities of more than 300,000 population with grave and unique educational problems.

As to this proposal, it is of course self-evident that the basic grant of $30 for every pupil in every State would do nothing to equalize educational opportunities. And based on 85 years of history in the Congress, the effort to give a supplementary grant to States of lower income has doubtful chance of passage.

If it should pass the Congress, this program would cost the taxpayers the staggering total of $9.2 billion over the projected 4-year period. Of this sum about $6 billion would be earmarked for school buildings and teachers' salaries.

In the next place, it should be noted that the need for attempting to equalize the economic income of the various States is fast diminishing. Granted that at one time there was a great difference in the per capita wealth and in the economic productivity of our various States, our modern industrial development and the increasing mobility of our population is fast doing away with these differences. The fact is that the variations in capacity to pay among the States is being constantly narrowed. Between 1940 and 1953 the per capita income in the 12 top income States rose 37 percent in dollars of constant value; in the lowest income States it increased 96 percent. (In 1940 the per capita income in the highest income States was 4¾ times what it was in the lowest income States. As of 1954 there were still some States in which the per capita income was 2¾ times what it was in other States, but the margin is being constantly reduced.) (See Roger A. Freeman, "Taxes for the Schools," Institute for Social Science Research, Washington, D.C., 1960, pp. 126–142.)

Between 1940 and 1953, two-thirds of the 3.3 million increase in school-age children were concentrated in the 12 top income States; half of the lowest-income States had decreases in the number of children, while the other half had only slight increases. This was due to two facts:

1. There has been a vast migration from the poorer regions to the wealthier sections of the country;

2. The birthrate rose almost three times faster in the high-income States than in the low-income States.

School conditions improved much faster in low-income States. Between 1938 and 1954 teachers' salaries rose only 28 percent in dollars of constant value in the 12 top States; they rose 101 percent in the 12 lowest States.

Current school expenditures in the 12 top income States in 1953 equaled 3.4 percent of the total income after taxes; in the 12 lowest States the comparable figure was only 4.2 percent of the total income after taxes, a difference of only eight-tenths of 1 percent. Considering the fact that in the wealthier States a large percentage of students were educated in private schools, the overall educational effect was just as great in the wealthier States.

The total State and local tax burden is about the same in the high-income and the low-income States. In 1953 State and local taxes in the 12 top-income States equaled 9.4 percent of their disposable income (income after taxes), and in the 12 lowest income States 9.6 percent of their disposable income—a difference of two-tenths of 1 percent.

Moreover, Federal grants to States would not solve the educational inequality existing within the respective States, for even in the wealthy and poor States, equalization within their boundaries is not and, in the nature of things, cannot be practiced. In every State a substantial share of State school funds is now distributed to all areas of the State regardless of the fiscal capacity of the various school districts. Here also prospects for improvement are not bright. Even in the so-called wealthy States equalization becomes a political football and no legislator will support any State-aid program which gives State aid to other districts and does not give the same aid to his own district or constituency. (Roger A. Freeman, "Taxes for the Schools," Institute for Social Science Research, Washington, D.C., 1960, pp. 328–348.)

Because of these political and practical difficulties of equalizing educational opportunities by Federal aid, the modern theory advanced for Federal aid is that the Federal Government has a broader taxing power and can better afford to finance our schools than can the States. A twin sister of this reason, which really motivates educational administrators, is that it is easier to persuade national legislators (who are 2,500 miles away and while they don't know local needs are nevertheless more interested in education) than it is to persuade State

legislators (who, while they know the local needs, are presumably less interested in education, or at least not as willing to put up as much money). In a recent debate which I had with Mr. Allan West, executive secretary of the UEA, he founded his plea for Federal aid, not on equalizing opportunity, but on this political basis. (Bountiful PTA, Jan. 19, 1961.) This, of course, is an abandonment of the original premise for Federal aid; namely, that it would equalize educational opportunity.

At the October 1954, school construction hearings of the House Education and Labor Committee, the executive secretary of the Council of Chief State School Officers, who was one of those writing the White House Conference report favoring Federal aid, testified, "* * * the trend of thinking is toward the flat-grant idea and away from the other idea of extreme equalization." When asked how he rationalized this position, he replied, "We all rationalize, but I hate to admit it."

THE FEDERAL GOVERNMENT HAS "MORE MONEY"

Now let us examine the argument that the Federal Government can better afford to pay our educational costs than the States. Before getting to the facts, let me state at the outset that no more specious argument has ever been made in our political history.

Many of us are not yet fully aware of the serious plight of our Federal Government. For example, at the present time, the Federal indebtedness of our country for present and accrued liabilities exceeds $750 billion—the equivalent of $4,100 for every man, woman, and child in the United States. (Address of Hon. Maurice Stans, Director of the Budget, before the Executive Club of Chicago, Jan. 29, 1960.)

Obviously, it is high time the Federal Government put its own financial house in order before assuming untold new financial responsibilities. We are rapidly doing exactly what Stalin and Khrushchev have told us we would do; namely, spend ourselves into bankruptcy. Lenin, the interpreter of Marx has said, "The way to destroy capitalism is to debauch currency. Through a continuing process of inflation a government can quietly and unobservedly confiscate the wealth of its citizens." In 1923 he further said, "* * * first we will take Eastern Europe, then we will organize the masses of Asia, and finally the United States, the last bastion of capitalism, will be surrounded and we will not have to take it. It will fall into our outstretched hands like over-ripe fruit." ("Communism on the Map," National Education Program, Searcy, Arkansas, 1960.)

More recently, in commenting on the future of America, Mr. Khrushchev, the latest Soviet dictator, said, "Your grandchildren will live under socialism." Previous to that statement, he said, "We will bury you," to a group of Western diplomats in Moscow. ("Khrushchev's Purge and Our Grandchildren," New York Times magazine, July 14, 1957, p. 5.)

In contrast to the Federal picture, total State and local indebtedness now amounts to only $62 billion, and some States have no indebtedness of any kind. This is less than 10 percent of the present and accrued liabilities of the Federal Government. (See Roger A. Freeman, "Taxes for the Schools," Institute for Social Science Research, Washington, D.C., 1960, pp. 179–199.)

In 1932 (the year F.D.R. was elected) the Federal debt was equal to only 20 percent of the national income; today it is equal to 80 percent of the national income. This debt, based on national income, has multiplied four times. Also, in 1932 the combined State and local debts were equal to 20 percent of the national income; today they are equal to only 14 percent of the national income; the debts of the States have decreased percentagewise 30 percent. But in 1958 the Federal Government debt, amounting to 80 percent of the national income, was nearly six times as high as the combined State and local debts. Note that there has been a great change in debt positions. In 1932 each owed 20 percent of the amount of our national income; now the Federal Government owes 80 percent; the States onl 14 percent. Which is, therefore, in a better position to pay?

A comparison of Federal and State taxes tells the same story. During the 1930's the Federal taxes averaged only 6.8 percent of the national income; at the end of 1958, even though the national income had more than tripled, the annual Federal taxes were 19 percent of the national income—an increase percentagewise of roughly 300 percent. In dollars and cents it represented an increase of $65 billion.

During the 1930's the State and local taxes averaged 11.3 percent of the national income; in 1953 they equaled only 11.4 percent or essentially the same. Stated in round figures, the Federal Government in the 1930's collected less than two-thirds as much in taxes as the States and local governments; in 1958 the Federal Government collected nearly twice as many taxes as all the States and local governments.

With this increased indebtedness and taxes on the part of the Federal Government, we have the following significant results:

1. The interest paid on the national debt by the Federal Government represents 11 percent of the entire national budget. The interest paid on State debts represents only 1 percent of all State budgets and only 3 percent of all local budgets.

2. During the 1930's State and local taxes on property equaled 12 percent of the national income; today they represent only 3.8 percent of the national income. We can afford to pay more this way than formerly.

3. There were times when the States had to borrow from the Federal Government. Now this is reversed. On June 30, 1954, State and local governments had loaned nearly $14 billion to the Federal Government.

When the U.S. Office of Education canvassed the chief State school officers in January 1960, it discovered that out of a total of 40,600 school districts in the country, only 237 (which needed 3,086 classrooms) reported to be borrowed up. (Roger A. Freeman, "D-Day for Federal School Aid?" Social Order, April 1960.) Furthermore, almost all of the big enrollment increases are taking place in the wealthier States; low-income States are experiencing an outmigration and tend to lose population.

In the light of these facts it is compeltely asinine to urge that the Federal Government should now take over the burden of education, which in our country is the last bastion of States rights and responsibilities. Many, however, are willing to shut their eyes to the financial realities of our Government and still urge, "Well, regardless of our national debt, it is still easier to get money for education in the Nation's Capital."

This reminds me of the recent story of a felon who was being released from prison for the 10th time after his 10th bank robbery. An interested psychologist decided to interrogate him on his release from prison. The first question asked was, "Why do you always rob banks?" The answer was disarming: "Because that's where the money is!"

The trouble, however, with that philosophy as applied to Federal aid is that the Government doesn't have the money. And it can get more only by increasing your taxes and mine. As for me, if it is necessary to have my taxes raised, I would prefer to pay it at home, where we know how our money is spent, rather than in Washington, where bureaucracy has grown so big that even the Congress often cannot find out how it is spent. Certainly the poor taxpayer has little opportunity to know or find out.

My own judgment is, certainly in this State, that if educators have a proper case for additional school funds, the legislators will give it to them. And if they don't, it is time for educators to marahal the facts and do a better selling job locally.

FEDERAL AID WITHOUT FEDERAL CONTROL

In addition to the diminishing need for a massive program of Federal aid, the further fact that such aid will not per se equalize our educational opportunities, and finally, the fact that State governments are in a better position than the Federal Government to finance our schools, there are certain fundamental affirmative objections to any such program.

The first of these is that such a program would be contrary to the spirit of our Constitution and run counter to our whole history. Our Constitution is supposed to be one of delegated powers; all powers not delegated to the Congress are reserved to the States and the people. Nowhere in the Constitution is there any delegation of this power to the Federal Congress. To now have Congress assume unto itself this power would just about end any system of federalism; certainly this would remove from the States one of their great segments of governmental power.

The second objection is that the granting of Federal aid would result in Federal control, which would be very unwise.

I know that nearly every proponent of Federal aid insists that he is against Federal control and that Federal control will never result; further, that existing bills state that there shall be no Federal control. But the answer is that the action of one Congress is never binding on another and that the appropriation of huge sums of money by one Congress is certain to result in Federal control by another. In fact, if Congress puts up the money, it ought to control. The assertion that there will be no control is contrary to our experience in all other fields in which Congress puts up the money.

Our experience with the large Federal programs in highways, urban renewal, farm support, public welfare, etc., demonstrates that controls gradually tighten as the Federal share increases, as conflicts arise between Federal and local officials about the most effective use of the funds, and as abuses occur which lead to public scandals. The State of Utah has already found out that because it takes Federal highway funds, its highway employees are subject to Federal laws with respect to political activities. Can anyone say that the Federal Government puts up billions for agricultural subsidies and yet has no control thereover?

Our congressional Representatives, if they advance funds, have a definite responsibility to demand an accounting for all Federal funds expended—no matter what the purpose.

For those educators and politicians who think there will be no Federal control, let me read the testimony of authorities on the subject. In 1957 the chairman of the House Education and Labor Committee, Representative Graham Barden, declared: "You will hear it said there has not been any Federal control or interference through Public Law 815, the Federal-impacted area bill. I tell you there has been some of the most horrible illustrations of interference and wrongdoing under that bill that you can imagine, and I challenge anyone to deny that statement." (CONGRESSIONAL RECORD, vol. 103, pt. 9, p. 12483.) If there can be abuse and control in a small Federal program for federally impacted areas, what kind of control would there be if the Federal Government contributed to every school district in the country?

Mr. Barden's predecessor as chairman of the House Education and Labor Committee, the late Representative John Lesinski, Sr., also stated:

"It is impossible to draft a general Federal-aid bill which will not contain a great

deal of Federal control over local school systems. * * * I am convinced, after the hard study we have put to the question, that no acceptable bill preventing Federal domination of local schools can be drawn. I reluctantly came to the conclusion, but I had to face the facts." (CONGRESSIONAL RECORD, vol. 103, pt. 5, p. 6348.

For the benefit of educators, let me quote the testimony of a former U.S. Commissioner of Education, Dr. John Tigert. In 1934, he wrote:

"My experience in handling Federal subsidies for education under the limited acts which are now in existence has taught me that you must have misappropriation of funds and waste. * * * Reason and experience both indicate that Federal money cannot be expended wisely and efficiently except by exercising Federal control and supervision; even then there is considerable waste. * * * If we embark upon a program of turning over Federal money to schools without any strings attached, it is only a question of time until the waste, extravagance, and misuse of these funds will result in a reaction or a change. The alternative is Federal control." (John J. Tigert, "The Real Peril of Federal Subsidies," Nation's Schools, July 1934.)

Let me also quote the statement of Dr. Samuel M. Brownell, made in 1939, long before he became Commissioner of Education.

"On the one hand, we have presented to us arguments that there will be no Federal control accompanying Federal aid. Alongside, we find evidence showing the inadequacy and inequality of education in States able to support a good educational program, and evidence of inefficient or inadequate efforts by these States to eradicate inequality and inefficiency within their borders. If there is to be little or no Federal control accompanying Federal aid, what right have we to expect a major improvement of the education within States under the same leadership that they now have? Thus, if Federal aid is to bring about better schools, it seems apparent that there must be some Federal control." (Samuel M. Brownell, "Shall It Be 'Yes' or 'No' on Federal Aid?" School and Society, vol. 49, May 27, 1939, p. 669.)

When, during New Deal days, emergency programs channeled funds for school construction and other activities directly from Federal agencies to local school systems, the National Educational Association and the American Association of School Administrators recognized the link between the source and control of funds:

"Increasing federalization of education has also been brought about in recent years by groups anxious to secure public funds for various undertakings and purposes. Washington has furnished a setting favorable to the accomplishments of their ends. Through political maneuvering they have been able to obtain Federal funds for undertakings and purposes which the States and localities have not been willing to finance." (Federal-State Relations in Education, NEA, 1945, p. 15.)

In 1959 Dr. James B. Conant, former president of Harvard University, stated his belief of the likely results of Federal aid:

"To imagine that recurring appropriations of this magnitude can be made without careful budgeting on the part of the administration seems to me to be the equivalent of imagining completely irresponsible government. Careful budgeting will mean, in turn, a strong executive agency which must have access to a mass of factual information about the educational situation in every State. * * * The educational committees of the House and Senate will have every reason to examine into details of curriculums and school organization, much as committees of the State legislatures now do from time to time. Certainly, a new chapter in American public education will have opened." (James Bryant Conant. "The Child, the Parent, and the State," Harvard University Press, 1959, p. 56.)

The third positive objection is that Federal aid will tend to do away with local creativeness and responsibility, and transfer that responsibility to the Federal Government. It would set a sinister example for our youth, and for the American public in general, by declaring that the way to get what we want is to run quickly to Washington.

Gov. Arthur B. Langlie, of Washington, said in an address to the American Assembly on October 15, 1955:

"Instead of squarely facing our responsibility of paying for the things we want, we seem to be getting into a free-for-all scramble to evade the painful duty, in the hope that the squeeze may be put on somebody else. Too many still believe that we can eat our cake and have it, too. This unhealthy trend is being fanned by shrewd promoters who claim that they have found the secret for which the alchemists had been seeking in vain, that they can get for us something for nothing—not by making gold, but by the device of so-called Federal grants-in-aid. To the uncritical onlooker, they seemed to prove their point that we can hitch on to a rainbow and ride to the sky. * * * The most dangerous trend—harmful not only to the States, but to our whole system of free government—has been this tendency to evade individual and collective responsibility. It corrupts the civic morale, and erodes the feeling of personal accountability among public officials." (Arthur B. Langlie, "Stronger States in the Federal Union. Why and How," State Government, December 1955.)

I have cried out in the past against other segments of our so-called civilization supinely running to the Federal Government for aid. I don't want my own profession to do the same thing.

According to Adm. Ben Moreell, board chairman of Jones-Laughlin Steel Corp.:

"The industrialist, says the politician, is venal and self-seeking; the politician paints the industrialist as a greedy monster; the teacher, the minister, the doctor, the workman—all point the finger of criticism at other elements in our body politic.

"We are torn by internal dissension. Each one denounces special privilege and government largesse—for the other fellow. But when it touches his own interest, he rationalizes his special privilege as being 'for the public welfare.'

"We businessmen look for Government subsidies or loans when we are unable to obtain funds from private sources. The farmer wants a guaranteed income, subsidized electricity, irrigation and tools. The workman wants a subsidized house, food, medical care, retirement and burial. The doctor is opposed to these things but wants subsidized training, research and laboratories. The educator points out the deplorable lowering of moral standards resulting from Government handouts—and suggests that the Government subsidize his university. The scientist implores Government to provide funds for research 'essential to the common welfare.'

"The young people want government to provide them with an education, a job and a pension. The old people are content, for the moment, with generous retirement provisions.

"Over all looms the confident politician who is sure that appeals to self-interest constitute the winning ticket—so much so that the Democratic National Committee's booklet on the Brannan farm plan in a past election was issued under the title, 'What's in It for You?' Apparently with complete assurance of an eager welcome by both farmers and consumers." (Adm. Ben Moreell, The Admiral's Log II, Intercollegiate Society of Individualists, Philadelphia, 1960, pp. 185–186.)

Parenthetically, may I say that one of the tragedies of our time is that since the National Education Association has revised its historic policy of long standing against general Federal aid to education and has launched a nationwide campaign for wholesale Federal aid to education, not many teachers have dared criticize others for supping at the public trough. As educated people they realized that they have to maintain some semblance of consistency. Therefore, the pot cannot call the kettle black.

Thus the vicious spending cycle gains momentum with each additional raid on the Public Treasury. The confessed reason why most educational administrators are in favor of Federal funds is that it is easier to convince our national legislators, 2,400 miles away, that we need more money for our educational purposes than it is to convince out State legislators. My own deep conviction is that if we have a good case for additional expenditures, our local legislators and local boards of education will provide the money. And anyone who seems to think that we don't have to pay if Washington appropriates the money needs some kind of a mental examination.

My major fear is that a massive Federal entry into education would be very dangerous to the American principle of local autonomy. The rapid expansion of grants-in-aid for various purposes already has shifted much control to Washington. Our local school, therefore, is a fortress of home rule which should be defended against Federal encroachment.

Consequently, opponents to Federal school aid believe "that once this dam is breached, there will be no holding back the floods, that the Federal Government will assume an ever-growing role in education and in other State and local activities * * * in a few decades with the further growth of Central Government financing of State and local activities, nothing may be left of our Federal system of Government with its Union of strong, and self-propelled States except a few empty symbols and rituals and a nostalgic memory, that we shall have but one all-powerful Central Government with regional offices, which may or may not be called States." (Roger A. Freeman, "Federal Aid to Education—Boon or Bane?" American Enterprise Association, Washington, D.C., 1955, p. 3.)

The president of the National School Boards Association, Carl B. Munck, warned the members of his association in April 1959: "The narcotic of Federal aid will become a habit for whose indulgence the victims will soon surrender that which they now so highly prize." (Carl B. Munck, "Some Thoughts on Federal Aid," School Boards, April 1959.)

In support of this position, let me quote from Nicholas Murray Butler, formerly president of Columbia University, one of the great educators of our time:

"It is now proposed to bureaucratize and to bring into uniformity the educational system of the whole United States, while making the most solemn assurance that nothing of the kind is intended. The glory and the successes of education in the United States are due to its freedom, to its unevennesses, to its reflection of the needs and ambitions and capacities of local communities, and to its being kept in close and constant touch with the people themselves. There is not money enough in the United States, even if every dollar of it were expended on education, to produce by Federal authority or through what it naively called cooperation between the Federal Government and the several States, educational results that would be at all comparable with those that have already been reached under the free and natural system that has grown up among us. * * * It is universally ac-

knowledged that the unhappy decline in German university freedom and effectiveness, and the equally unhappy subjection of the educated classes to the dictates of the political and military ruling groups, were the direct result of the highly centralized and efficient control from Berlin of the nation's schools and universities.

"For Americans now to accept oversight and direction of their tax-supported schools and colleges from Washington would mean that they had failed to learn one of the plainest and most weighty lessons of the war. It is true that education is a national problem and a national responsibility; it is also true that it has been characteristic of the American people to solve their most difficult national problems and to bear their heaviest national responsibilities through their own action in the field of liberty, rather than through the agency of organized government. Once more to tap the Federal Treasury under the guise of aiding the States, and once more to establish an army of bureaucrats in Washington and another army of inspectors roaming at large throughout the land, will not only fail to accomplish any permanent improvement in the education of our people, but it will assist in effecting so great a revolution in our American form of government as one day to danger its perpetuity. The true path of advance in education is to be found in the direction of keeping the people's schools closely in touch with the people themselves. * * * Unless the school is both the work and the pride of the community which it serves, it is nothing." (Roger A. Freeman, "Federal Aid to Education—Boon or Bane?" American Enterprise Association, Washington, D.C., 1955, pp. 3–4.)

Finally, I object to Federal aid—the easy way of getting immediate money and the sure way of bringing about national bankruptcy—because it fosters the philosophy that easy money can solve all of our educational problems and thereby delays a critical examination of our educational methods so as to get more for our money. We need "more education for our money" just as much as "more money for our education."

With increasing frequency in recent years we have noted that deficiencies in our educational system stem not only from lack of financial support, but often from inefficient or wasteful use of available resources. In no other field are expensive facilities and trained manpower utilized so ineffectively, so unimaginatively.

Schools are in use barely 1,000 hours a year compared with 2,000 hours or more for other types of buildings, or for schools in many other countries. Space in school plants has doubled over the past quarter century—from about 50 to 100 square feet per pupil—although there is no evidence that children learn more if they have twice as much space.

The productivity in other types of activity has been climbing steadily and steeply, largely through technological advances. A doubling of industrial output per man-hour over the past three decades permitted large increases in workers' pay and purchasing power. But stubborn resistance to the use of manpower-saving devices (such as television, larger classes, etc.) has brought about a reverse trend in our schools: Each teacher now instructs fewer pupils than she did 30 or 50 years ago. Whether the achievement level of the schools' graduates meanwhile has improved or deteriorated is controversial.

By indiscriminately grouping, in the same classroom, children of widely diverse ability, aspiration, and skills, the teacher's task is much more difficult. Even more seriously, the educational advance of all is retarded. We need greater productivity on the part of our schools. Emphasis on fundamental skills and knowledge has declined while the number and variety of courses mushroom. The subject-matter content of the curriculum has often been diluted and even adulterated, and the program stretched out. In many States of the Union we still have hundreds of one-room schools. We need a reorganization and consolidation of school districts.

Without a doubt, wasteful organization and procedure keep thousands of inefficient schools alive. Federal aid would relieve the pressure to correct such practices and, thus, help to prepetuate them. (Roger A. Freeman, "Taxes for the Schools," Institute of Social Science Research, Washington, D.C., 1960, p. 387.)

Finally, I am satisfied that the American people are being aroused to the need for financial support of our schools and will take care of the matter. If other States would support their schools (including universities) as has Utah, there would be an additional $10.7 billion available annually for our national educational needs—more than the total presently spent—thus making Federal aid, and increased Federal taxation, wholly unnecessary. (Utah's Comparative Position in Education, Research Report No. 171, Utah Foundation, February 1960.)

If we now have a massive program of Federal aid, you and I, as Federal taxpayers in Utah, will be called upon to defray the cost of education in other States which they should carry themselves. I submit that this is patently unjust, and is against the American way.

The Founding, Fruition, and Future of Free Enterprise

(Dr. Ernest L. Wilkinson, president of Brigham Young University and partner in law firm of Wilkinson, Cragun & Barker, Washington, D.C.)

Each generation of freemen has its rendezvous with destiny, for freedom can never be vouchsafed from one generation to another. One generation, as did our Revolutionary Fathers, may win it on the battlefield. Another generation, as we are now doing, may allow their Government to wrest their freedom from them.

Our rendezvous today will determine whether we shall continue to live in a "land of the free and home of the brave," or whether, we shall so worship the false god of paternalistic government, that in due time we shall join 20 recorded civilizations which have come and have gone—not by conquest from without, but because of the surrender of individual freedom and responsibility to a central, all-powerful Government.

Everywhere we hear the hue and cry of Soviet accomplishments in education, science and space technology. To face this challenge the President of the United States, with statesmanlike vision, summons us to duty with these words:

"And so, my fellow Americans: ask not what your country can do for you—ask what you can do for your country."

This has the ring of our Revolutionary Fathers who pledged, on the altar of freedom, their lives, their fortunes and their sacred honor.

On the other hand, the same President, in derogation of his inaugural address, has now proposed 16 governmental programs which confer special privileges or grant governmental bounties to various segments of our society; such as Federal aid to teachers, increased subsidies to farmers, higher minimum wages and increased unemployment benefits to laborers, medical care to the aged, increased Federal housing for urban dwellers, etc., etc., etc.

In which of these two directions shall we go? Shall we proceed in the direction of Soviet Russia, where all power and one's position, status, and support emanate from the state? Or shall we revert to the philosophy of our Founding Fathers who believed that while it is our duty to support our country, it is never the duty of our country to support us.

In the few moments I have this morning, I propose to analyze these alternatives by briefly tracing the founding, fruition, and challenging future of free enterprise in this country, in contrast to a regimented or collectivist economy.

The essence of the free enterprise system is, first, the freedom to initiate, venture, develop, and produce without interference or restraint, except for safeguards to protect similar rights of others; and, second, the incentives which come from the right to enjoy the fruits of one's own labor.

I. The Founding of Free Enterprise

Free enterprise in this country began with Jamestown. Originally plagued by communal ownership of property, and by a stronger desire to demand equal shares than to contribute equal labor, this colonizing effort almost ended in disaster. It was saved only by new pioneers who were willing to labor long and hard, with the realization that they would enjoy the fruits of individual ownership of their lands and crops.

The Pilgrim Fathers had the same experience. Originally agreeing that they would own everything in common, they so lost their initiative that they nearly died of starvation. As Governor Bradford wrote in his diary, they had thought they were "wiser than God," who gave every man his freedom. And so, they turned away from communal ownership and gave each family a parcel of land. And when the harvest was gathered, instead of famine they had plenty.

This experience was repeated 150 years later. During the early part of the Revolutionary War, the Continental Congress took over the economic control of all 13 colonies and its people. However, so disastrous were the consequences that one year before Cornwallis' surrender to Washington, that Congress, in a forthright reversal of policy, repealed all economic control. Freed of this restraint our forefathers proceeded to win their freedom.

Then, under the inspiration of God, our Founding Fathers gave birth to our Constitution, described by Gladstone as "The greatest document ever struck off by the hands of men." In this document they gave to the world a new nation, conceived in liberty, and dedicated to the hope that all succeeding generations by following its God-given precepts would remain forever free.

Their dislike of government domination was expressed by none other than George Washington, the Father of our Country, in these words:

"Government is not reason, it is not eloquence—it is a force. Like fire, it is a dangerous servant and a fearful master."

James Madison, oft referred to as the father of our Constitution, in explaining its safeguards against the loss of liberty, warned us of the perils of our own time, in these words:

"I believe there are more instances of the abridgment of the freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpations."

Thomas Jefferson advised us not only that that government governs best which governs least, but warned against the dangerous situation which haunts us today. Said he:

"I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared. * * * To preserve our independence, we must not let our rulers load us with perpetual debt. * * * We must make our choice between economy and liberty, or profusion and servitude. * * * If we can prevent the Government from wasting the labors of the people, under the pretense of caring for them, they will be happy."

In line with these utterances, none of our early Presidents ever proposed any governmental policy which would interfere with or regulate private control of agriculture and industry. Andrew Jackson objected to the Bank of the United States because he felt that it was an unfair monopoly, aided and abetted by Government. He also raised serious questions about Government-sponsored monopolies in the building of canals, bridges, and turnpikes.

And while we generally think of Lincoln as the preserver of the Union, he was also a strong apostle of the American free enterprise system. In emphasizing the dangers that freemen always face, he pointed out that capital is only the fruit of labor, and that capital is as worthy of protection as any other rights. ("First Annual Message to Congress," December 3, 1861.) He further warned his fellow citizens against "surrendering a political power" which would "close the door of advancement against" them and "fix new disabilities and burdens upon them, till all of liberty shall be lost."

Grover Cleveland, when he was presented with a legislative bill providing for a very modest Federal gift of seeds to farmers, vetoed it on the ground "that, though the people should support the Government, the Government should not support the people."

Woodrow Wilson warned us that "the history of liberty is the history of limitations of governmental power, not the increases of it." He therefore never wanted to see the little red schoolhouse subordinated to the political thinking of Washington; nor did he, in his own language, "want a group of experts sitting behind closed doors in Washington, trying to pray providence to" the American people.

The same philosophy was expressed by Herbert Hoover when he said:

"Freedom conceives that the mind and spirit of man can be free only if he be free to pattern his own life, to develop his own talents, free to earn, to spend, to save, to acquire property as the security of his old age and his family."

Even Franklin Delano Roosevelt, before he became President, recognized and applauded the limitations on our Federal Government that our Constitutional Fathers intended. As Governor of New York he publicly declared:

"The Constitution of the United States gives Congress no power to legislate in the matter of a great number of vital problems of government, such as the conduct of public utilities, of banks, of insurance, of business, of agriculture, of education, of social welfare, and of a dozen other important features. Washington must never be permitted to interfere in these avenues of our affairs."

And, more recently, Dwight D. Eisenhower in somewhat the language of George Washington concluded:

"Every step we take toward making the state the caretaker of our lives, by that much we move toward making the state our master."

Finally, as late as 1950, a Senator from Massachusetts by the name of John F. Kennedy (Boston Post, Apr. 23, 1950), expressed the American ideal in these words (you have already heard it from President Motley):

"The scarlet thread running through the thoughts and actions of people all over the world is the delegation of great problems to the all-absorbing leviathan—the state. * * * Every time that we try to lift a problem to the Government, to the same extent we are sacrificing the liberties of the people."

Until the advent of the New Deal in 1932 the political philosophy of free enterprise of our Founding Fathers was uniformly followed by all Presidents regardless of party. The one great exception was the enactment of the graduated income-tax law in 1913, which is the most significant legislation of this century. It came into being only by virtue of a constitutional amendment, the Supreme Court having held that such a concept was alien to the organic law as framed by our Constitutional Fathers. And even then the proponents of the measure were laboring under the honest delusion that in peacetime the tax would not exceed 2 percent, but in times of war it might "soar" to 5 percent. Instead it has now pyramided to extremes beyond the wildest dreams ever envisioned by Karl Marx in his "Communist Manifesto." While this statute did not in itself change the functions and scope of our Government, it nevertheless gave Congress a new vast and dangerous taxing power, under which Congress now finances programs which do change the original scope and purposes of our Government.

II. THE FRUITION OF FREE ENTERPRISE

With the American philosophy of free enterprise as the basis of our economic system, until at least the 1930's, America plunged ahead into her dynamic future. By the turn of the 20th century, she had become a tremendous and colorful example of the free enterprise system at work, and had attained preeminence in the entire world. The steel furnaces in Pittsburgh alone outproduced those in England and Germany combined. New manufacturing marvels of every sort had been invented and were already in production. These were giving Americans the highest standard of living known to the entire world. By the 1920's our country was recognized as the world's greatest economic power.

With the advent of the great depression, however, in the 1930's, we began to accept the philosophy that we could no longer rely on the sweat of our own brows, on our own ingenuity and resourcefulness as God's children, but that instead we had to rely upon the paternalism and largesse of government. In the intervening 30 years we have fast lapsed into a welfare state (more correctly, the "illfare state"). For it is based on the theory that as a people we are seriously ill and have to call in the Government as our physician.

Up until that time we had been protected from the evils of socialism in this country by the uniform decisions of the Supreme Court which consistently followed the political and economic philosophy of our Constitutional Fathers, and forbade the Government from unduly regulating our lives. But this judicial protection of 150 years was ended by the appointment of new Justices to the Supreme Court, who, right or wrong, did not confine themselves to interpreting the Constitution in the light of its history and language, but imported into the Constitution external social concepts, which were theretofore alien to our philosophy of government. With this change of constitutional philosophy Congress became the last bastion for the defense of freedom against governmental encroachment. But instead of adhering to the political faith of our Constitutional Fathers, Congress seized upon the relaxations of the Supreme Court as a field day for curtailment of free enterprise, and the enlargement of governmental powers.

As a result, we now have, among others, the following practices:

1. Annual Federal aid to States, localities, and individuals, which amounted to less than $150 million in 1930, has now soared to over $9 billion—more than the total budget of the Federal Government in any one year prior to World War II. This has to a large extent undermined the sovereignty of the States.

2. Whereas in 1920 Government-owned electric utilities accounted for only 5 percent of the electric power generated in this country, they now account for 25 percent.

3. One in every six employed Americans is now on a Government payroll (National, State, or local). Today over 17 million people are receiving checks from the Federal Government.

4. Since our entry in World War II, our economy has been under some form of price or wage controls for 8 different years. Agricultural price-support programs actually commenced with the New Deal and still exists to this very day.

5. The housing industry is financed or guaranteed largely with Government money.

6. The shipping industry is heavily subsidized by the Government.

7. Through TVA, and similar huge Government projects, whole areas of the Nation are in large part dependent on the Government.

8. In actual practice the Government now fixes hours and conditions of employment, and is intimately involved in wage bargaining.

9. Old and disabled people have become the wards of Government. Furthermore, Congress is now in the process of seducing "young men" of 62 to retire and live off the Federal Treasury. For they will not be drawing out moneys paid in for social security. That money was never set aside for its intended use, and has long since been spent on innumerable Government projects, and current social security payments already exceed current social security tax collections (1958, 1959, and 1960).

10. The Federal debt when FDR came to power was $22.5 billion. It is now around $300 billion. But this is only a part of the story. When you add to the present indebtedness, accrued liabilities for services already rendered or goods already delivered, the total Federal debt is $750 billion, a sum which represents an indebtedness of $4,100 for every man, woman and child in the United States. The interest we pay on our national debt alone is now twice the amount of the entire Federal budget when FDR came to power, and no substantial effort is being made to pay it off.

With these situations in mind, one speaker, in addressing a farm audience, referred to this as the status quo of our times. One of his listeners promptly quipped that that was Latin for "the hell of a mess we are in."

III. THE FUTURE OF FREE ENTERPRISE

And now with the Marxist political platform of Los Angeles, which profanely invokes the name of Jefferson, and the tendency of many so-called conservatives, not to oppose, but to merely offer milder socialistic alternatives, it is proposed that we be launched on a new and greatly enlarged extension of governmental paternalism.

We are now to be given medical care by the Federal Government while we are yet unborn. We are to be educated by the Federal Government regardless of whether our local or State governments are able to pay the bill. If in agriculture, we are to be further seduced and subsidized by the Government. If in industry, we are to be paid a subsistence out of the taxes of our employers while we strike against them. When we get old we are to be hospitalized and kept by the State. At the rate we are going, and because, when we die, there will be millions to be buried, and their children can vote, we can expect a Federal aid program to encourage the States to assume the cost of burial and perpetual tombstone care. For any other method would not satisfy our sense of democratic social justice nor conform to the prevailing liberal interpretation of the "general welfare" clause of the Constitution.

I ask you ladies and gentlemen whether with this kind of paternalism Americans can long remain fearless and free; whether we really believe that to meet the Communist challenge we must continue to more and more adopt the regimented economy

of the Soviet state; or whether we want again to rely upon the voluntary action and free economy of a God-fearing people. Woodrow Wilson once gave utterance to the last alternative when he said the thing that had made America great is not what it has done under compulsion of law, but what it has done of its own volition.

The tragedy of our time is that during the last 30 years we have fast adopted the ornaments and shackles of an illfare state. On the other hand, the Soviet Union has been adopting certain principles of free enterprise. Thus, in one of his recent conferences, Khrushchev ridiculed the confiscatory nature of our taxes which ascend to 91 percent of a man's income, pointing out that in Russia the limit is 16 percent. In recent years, Khrushchev has also introduced wage incentives and other capitalistic reforms.

If we accept the alternative of the free historical American economy, the question then becomes that of how our country can be cured from its present malady—lest the greatest country in the world will conduct a funeral for free enterprise, which means to bury itself.

In my humble judgment there are six ways or programs by which our country can be brought back to normal health and such a funeral avoided.

The first way is that of accepting the philosophy of the President's inaugural address rather than his legislative program. We can have no double standard in this country of stating at one time that our survival as a free nation depends on what we can do for our country and at the same time proposing a legislative program founded primarily on governmental handouts to its people.

The only way to compete with the zeal of the Russians for their system is to reacquire the self-sacrificing patriotism of our fathers, and to rely upon the sweat of our own brows. If we abandon the false god of governmental paternalism and reenthrone individual integrity, genius, responsibility, and economic rewards, we will widen, and not narrow, the gap between our productive capacity and that produced by Soviet slave labor. At the same time we will start paying off our national debt and not continue, as Lenin said we would do, to spend ourselves into bankruptcy.

The second method by which we can avoid the funeral of free America is by a revived and rededicated devotion of our own to the cause of freedom and our system of free enterprise. If we really believe in it, we must ourselves practice it. We must not be guilty of any double standards ourselves. We must not ourselves give lipservice to competition and at the same time violate the antitrust laws which are designed to foster free enterprise by competition.

If we are going to criticize Government handouts for the other fellow, we must not ourselves sup at the public trough. If the payment of subsidies to farmers is morally and economically wrong, by what right does the Government subsidize the shipping industry? If the guarantee of loans to veterans and others for housing is wrong, by what right are businessmen entitled to loans on preferred terms to keep their businesses going? If the educator is right in deploring the lowering of the moral standards of the Nation resulting from Government handouts, by what right does he ask the Government to subsidize his university? If we in the West are critical of the Federal Government using our taxes for slum clearance in New York City, by what right do we ask the Federal Government to build Federal electric powerlines to our farms and cities and give us preferential rates over those taxpayers who pay for these powerlines?

My third program for the preservation of our free enterprise is that we ought to be willing to pay the price of its preservation by properly financing those who fight its battles. American business is often penny-wise and pound foolish in its expenditure of both time and funds for the defense of the free enterprise system upon which its survival depends. For the most part, chambers of commerce, taxpayers, and citizen research agencies, even trade organizations, are starved for funds. Particularly is this apparent when comparisons are made with the millions poured by labor into union and political action treasuries, much of which is spent for promoting the regimentation of our economy.

Even more basic is the unwillingness of topflight businessmen to accept, or if they do accept, to devote the necessary time and energy to civic and trade group appointments, which are established to study and to formulate policies and procedures pertaining to local, State, or National problems. If businessmen refuse to take any leadership in local civic affairs, by what right can they blame local citizens from seeking Government counsel and leadership in local affairs?

My fourth program for preventing the liquidation of our system of free enterprise is that the Government be fair and consistent in its dealings with all segments of our economy—it must observe the Golden Rule of doing unto one group what it does unto another. It must not have a double standard whereby it imprisons businessmen for conspiring to fix prices and at the same time promotes and encourages unions to conspire to fix wages. And if you think it is impossible to correct the present double standard, let me quote from none other than Franklin Delano Roosevelt:

"It will never be possible for any length of time for any group of the American people, either by reason of wealth or learning or inheritance or economic power, to retain any mandate, any permanent authority to arrogate to itself the political control of American public life."

On the authority of his statement I give you the challenge, without respect to party, to correct the present one-sided political control of our public life.

My fifth proposal deals with legislation needed for the immediate present, of which you will hear more throughout this conference—all of which is designed for America to make progress through voluntary action and to achieve better jobs for more people. This legislation is not in the direction of stifling but of freeing the economy.

First of all we must increase our rate of new investment. As I understand the situation, Russia at the present time is putting 25 percent of its productive capacity into capital goods. In our country we are putting only 10 percent into capital goods. We can increase the percentage if we have intelligent tax reforms, promote judicious utilization of savings, promote the availability of credit for plant investment, and obtain the right to faster and more realistic depreciation writeoffs. Programs of this kind will do more to alleviate the anxiety and misery of those who are out of work than any amount of Government subsidies. I congratulate the President on making a proposal of this kind in his tax message to the Congress.

Next, there must be increased mobility of labor and resources. This can be best achieved by more widespread information regarding job opportunities and by breaking down local and State barriers to the free movement of persons and goods. Furthermore, we must rid ourselves of un-American union restrictions on freedom of occupation, and vigorously oppose all forms of payments for work not actually performed.

In addition, there must be an increase in the flexibility in both directions of wages and prices. In the interest of further opportunity for the free American workman we must not put men in straitjackets by adopting rigid wage rates and prices. For similar reasons we must question industry-wide collective bargaining and long-term contracts which provide for annual wage cost increases, regardless of productivity or prosperity.

Next, legislation should increase the flow of invention and innovation. This is one of the unique advantages of the American system—it permits genius and labor to enjoy the fruits of their talents and every laborer to climb as high as he can on the ladder of economic success. To that end we must oppose any increase in Government-held or controlled patents. Furthermore, we must always seek better means of increasing effective and legitimate competition. Monopoly stultifies, but competition energizes, our economy.

Finally, we must increase our exports in international trade. Brisk trade in great volume is important to our economic health and welfare. American "know-how" is still a very precious ingredient of our free enterprise system. We should not hesitate to use it with great vigor and great purpose.

My sixth and last proposal for the preservation of our economic freedom is to insist that our schools educate our students in the gospel of free enterprise. Here again we must do away with our double standard of giving lipservice to and living off our American system of free enterprise while at the same time we either fail to teach its principles, or, in many cases, teach concepts which would destroy it.

Probably fewer than 1 out of every 20 of all high school students takes even one course in economics, and only about one-fifth of all college students do so. And much of what little is taught is weak, misleading, or even wrong—in many cases it does more to prejudice students against than to convert them to free enterprise.

The reason for this is not hard to find. The best estimate available is that fewer than one-tenth of all elementary and fewer than one-fourth of all secondary schoolteachers (majoring in social sciences) take even one course in economics while at college. In fact, it is estimated that 9 out of every 10 teacher colleges fail to have a single economist on their faculties. Over three-fourths of our States do not demand a course in economics as a requirement for certification. The remedying of this dangerous situation is a program worthy of this great organization.

I submit that businessmen themselves are largely to blame for the death of economic literacy in the country. The boards of trustees of most institutions of higher learning and the boards of education of most secondary and elementary schools are largely officered by businessmen. What have they done to become acquainted with the curriculums of their various institutions? What have they done to make sure that teachers basically trained in the principles of free enterprise system are employed? In many cases not only have they done nothing but they have recommended to their various business corporations that they contribute to educational institutions whose economic philosophy is alien to free enterprise. In these days in which business is asked to and should make substantial contributions to institutions of higher learning, I submit there is a duty on the part of the donors to see that the recipients of their gifts not betray the hand which feeds them.

In summary, my six proposals merely envisage that we shall do away with the hypocrisy of our civilization. There must be no double standard for the President, for government, for business, for education, or for individuals. We must renew and dedicate ourselves to the cause of freedom which is more important than life itself. If we achieve that goal and shoulder our own responsibility, we need not worry about our economic growth. For it is the history of all civilizations that free and responsible God-serving people are always prosperous.

We need to worry about our economic growth only when we have a regimented and controlled economy. That is the reason we are worrying now. Should we engage in further regimentation we will have grave cause to worry about the continuation of our Republic, for in the wise and prophetic words of Somerset Maugham:

"A nation that wants anything more than freedom will lose its freedom, and the irony of it is, if it is comfort and security it wants, it will lose them, too."

OUTLINE OF PAPER PREPARED BY JOHN H. STAMBAUGH, VICE CHANCELLOR, VANDERBILT UNIVERSITY

Political action resulting from fear often fails to accomplish the mission originally intended. Federal aid to education appears to be developing into a classical example.

Inspired by dynamic Soviet scientific advance demonstrated by Sputnik I, the Congress of the United States determined to improve educational processes in this country in order to create more and better scientists—more and better engineers—more and better mathematicians with whom to win the race in space. Certain components of the program have stayed on target. Others have drifted far afield. Most of the current proposals make no sense at all so far as winning the deadly race is concerned. On target have been the National Science Foundation institutes to improve teaching in the physical sciences and mathematics and research support for physicists, chemists, biologists, mathematicians and engineers. Not so accurately aimed are the NDEA programs, present and proposed, such as loans to almost anyone who can stay in college regardless of course of study or quality of work, scholarship assistance and support of teachers' salaries through the States, measured on a per capita basis, with little or no concession to quality or curriculum emphasis.

The reader may say, and justifiably, that it is easy to criticize so let us be constructive by proposing a better Federal program for winning the battle of the scientists:

1. Continue to support and expand the activities of the NSF.

2. Halt all NDEA programs administered by HEW.

3. Pick up the entire check for ROTC.

4. Stop housing loans for dormitories, and in place of this, give private colleges the right to issue tax-exempt bonds for self-liquidating projects.

5. If the State Department needs more linguists, let State administer scholarship programs for language study, requiring that recipient scholars serve 3 years in the Foreign Service after graduation. This is the practice now followed by the Naval ROTC.

6. Pass enabling legislation to make effective the Florence Agreement relating to tariffs on books, scientific apparatus, and other cultural materials.

7. Establish a unit in the Office of Commissioner of Education charged with promoting as a patriotic duty local support of education and individual motivation for education. This would be strictly an advertising and promotional facility.

A PROPOSAL TO ESTABLISH A NATIONAL EDUCATIONAL DEVELOPMENT AGENCY

(Statement by Alvin C. Eurich for the Republican policy committee of the U.S. House of Representatives, June 30, 1961)

THE TWO CRITICAL PROBLEMS OF AMERICAN EDUCATION TODAY

The challenge facing American education can be simply stated. During the past decade we have been unable to solve the two critical problems of our schools and colleges. The first is quantitative: We must educate students in unprecedented numbers, and we face even greater growth of enrollments in the years ahead. Second is the quality of education: We must prepare students to cope with more complex issues, new fields of knowledge, and a society in which the rate of change continues to accelerate daily. American education is being challenged as never before in our history. At stake is the future of the Nation.

So far American education has failed to solve the problems of numbers and quality. We have tried hard in the last 5 years, by bolstering our conventional educational practices in various ways. But we seem to fall further and further behind in the battle to provide every student with a well-qualified teacher and the other necessities of a first-rate education.

The reason is not far to seek. Our educational problems are new: no educational system has ever had to meet such severe challenges. But our conventional methods for meeting these new problems are leftovers from an age when education did not even conceive of the challenges which it now faces.

Why hasn't our educational system kept pace with the accelerating tide of our purposeful innovation which has transformed American society? Simply stated, this failure results from a major deficiency of our educational system. We have no group of people in our entire educational setup whose special business it is to work full time on the improvement of our schools and colleges. In agriculture, in industry, in medicine and in the military we have made great strides in recent years primarily because we have had large groups of highly competent people devoting all of their time to research and development.

We could accomplish the same thing in education. Powerful new means of communication are ready to be used by our schools and colleges. Experimentation has already shown that such innovations as televised instruction, team teaching, flexible class size, teaching machines, audio tapes, and individual programing are both economically feasible and educationally effective. But we need conscious, unified leadership in the further research and development required to bring these new methods to every school in the Nation as rapidly as possible.

BACKGROUND: A PROPOSAL FOR STATE COMMISSIONS ON EDUCATIONAL DEVELOPMENT

At the Governor's conference in 1960 I suggested that each State set up a Commission on Educational Development. It would be the task of this commission to look to the future constantly and devote its entire attention to the improvement of education in the State. Obviously such commissions would not follow a uniform pattern. Their organization would vary from State to State in order to fit the educational structure. But in evry case, these commissions should aim to create an atmosphere in education which is comparable to that in agriculture, industry, or medicine and which says, each year we can and will do the job better.

The membership of such commissions should be of the highest caliber—comparable to the board of regents or trustees of the State university—and should work with a highly qualified staff.

The commission would have no administrative responsibilities. It would serve primarily three functions:

1. It would sponsor new experiments designed to provide higher quality education with due regard for efficiency and economy,

2. It would disseminate information about new developments, not only within the State but throughout the country, and

3. It would promote the adoption of such developments as have been tried and found successful. And it would issue an annual report and recommend necessary legislation.

The commission for educational development should be financed on the basis of a fixed percentage of the State's budget for education at something of the magnitude of one-half of 1 percent to start out with. From such an appropriation, it should be authorized to make grants to educational institutions for experiments designed to improve educational methods. The return on such an investment, in higher quality education, would be rewarding beyond our wildest dreams.

At the outset, the commission would reexamine the generally accepted premises on which we are now operating our schools and colleges. While considering the set formulas and identifying the areas in which it would work, it might well assess the results of promising educational experiments throughout the country.

FOLLOWUP OF THE GOVERNORS' CONFERENCE

Following the Governors' conference, the suggestion of the commission was considered at (1) the annual meeting of legislative leaders in Chicago on November 11; (2) the annual general assembly of the States in Chicago on December 3; (3) the Council of College and University Presidents for the State of Michigan; and (4) the American Association of School Board Members.

Following the meeting with legislative leaders, the group agreed unanimously to press for legislation setting up the commission. A model bill to be used in presenting the matter to legislatures has been drawn up and distributed.

Furthermore, the suggestion of a State commission on educational development was printed in (1) the Saturday Review, (2) Education Digest, (3) New York Supervisor, (4) Waukegan, Ill., newspaper, (5) Higher Education, (6) Fenn College Bulletin, (7) Tax Review Bulletin, among others.

ACTIVITIES OF INDIVIDUAL STATES

Following the Governors' conference, legislators from the State of Washington suggested in a report that a group be set up to devote full time to educational development.

In the State of Oregon the Governor requested the chairman of the State board of education to review the suggestion of setting up a commission with the thought that the State board might propose legislation.

For New York, Commissioner James E. Allen, Jr., made a speech before the State superintendents in September in which he recommended that a group be set up in New York within the State education department to devote full time to educational developments.

In California, Governor Brown has suggested that such a commission might be developed in that State.

For the State of Michigan, the presidents of all colleges and universities of the State, as well as the legislative leaders, considered the possibilities of a Commission on Educational Development.

From Minnesota has come a request for model legislation to set up the commission.

Other States in which I am aware that there is some activity showing legislative interest in the commission are Massachusetts, Missouri, Hawaii, Texas, Pennsylvania, and Illinois.

NEED FOR COORDINATION AND STIMULATION OF STATE GROUPS

As the State groups get underway, there will be a need for some agency at the national level to stimulate the establishment of similar groups in other States and to disseminate information about new developments. This leads to the proposal for the National Educational Development Agency.

PROPOSAL TO ESTABLISH A NATIONAL EDUCATIONAL DEVELOPMENT AGENCY

It is now proposed to establish in the executive branch of the Government an independent agency to be known as the National Educational Development Agency. The Agency should consist of a National Board, a Director, and a small staff. The persons nominated for appointment as mem-

bers of the Board should be (1) eminent in business cultural, professional, civic, and economic life of the country; (2) selected solely on the basis of established records of distinguished service; and (3) representative of the views of leaders of the Nation.

FUNCTIONS OF THE AGENCY

The Agency should be authorized and directed—

(1) To stimulate and encourage with matching grants to the individual States major experiments and new developments in education designed to improve instructional programs at all levels;

(2) To foster the interchange of information about educational developments among the States;

(3) At the request of the head of a U.S. Government organization, to initiate and support projects designed to make more effective the educational and training programs administered by the organization; and

(4) To establish such special commissions as the Board may from time to time deem necessary for the purposes of the Agency.

In exercising the authority and discharging its functions, the Agency shall have no jurisdiction over any educational program carried on by the Federal Government or by the various States and territories; its sole purpose shall be to foster improvements as the Department of Agriculture now does in support of experimental stations and extension services in the land grant colleges.

By means of having a staff at each of the State agencies and at the Federal level devoting full time to improvements in education, we would be bound to develop more efficient and more economical procedures. No longer would we be confronted with requests for just more money to perpetuate and further entrench outmoded and archaic methods. As in every other field of human endeavor education can and must be improved; and, as in every other field, such improvement can come only by creating groups that devote their full attention to "more learning in less time."

[From the National Education Association Research Division, May 1961]

MAJOR ISSUES IN PUBLIC EDUCATION RELATED TO FEDERAL LEGISLATIVE POLICY

I. INTRODUCTION

American education is undergoing enormous changes. The Nation's need for a better educated citizenry and the personal desires of individuals for more of a better education have combined to set off what Fortune magazine depicts as "The Nation's Schools: A Revolution Begins." [1]

Explosion of knowledge

The revolution in the schools has roots in the changes which have been taking place in knowledge itself. The state of change in knowledge was described by Vincent Heath Whitney as follows:

"First, knowledge has been vastly multiplied and is still enlarging at an increasing rate. In anthropological terms, the culture base has been extended. The longer the base, the greater are the opportunities for recombining items already in existence, which is the basis for developing new artifacts and new ideas, in short, new knowledge. Man's increasing inventiveness is a function of his ever widening understanding rather than of an increase in his innate intelligence. This increasing inventiveness produces, second, a higher rate of technological and social change than past societies have known." [2]

[1] Fortune, April 1961. Front cover.

[2] Whitney, Vincent Heath. "Science, Government, and Society," Annals of the American Academy of Political and Social Science," 327: 50–58; January 1960, p. 53.

Other stimuli of the revolution in the schools are to be found in the combination of events, both domestic and international, which has transformed this Nation and its youth from an attitude of almost indifference or placid acceptance of education to an attitude of dynamic interest in the pursuit of learning.

These events are described by magazines of wide circulation. Last December Life magazine wrote dramatically of "the explosion of science," pointing out that "technology advanced further in this age than in all man's previous existence." [3] Look magazine in January wrote with equal drama of the "youth of the sixties: the explosive generation" and found these young men and women to be "dedicated to education and willing to work at it." [4] Many school principals who were polled by Look "wrote enthusiastically of a crackling new intellectual atmosphere in the schools." A few of these principals noted the widening gap between the best students and the worst.

A balance in universal education

As a nation we have long believed in universal education. With the resources available, the schools have concentrated upon a curriculum which would meet the needs of most of the students. As we assess the accomplishments of the 1st part of the 20th century, it is clear that the schools served best the educational needs of the average pupil, failed in meeting the needs of the less than average pupil, and could have done much better for the intellectually gifted group.

While hard pressed to keep up with staff and building needs for the enrollment increases of the past 20 years, even stronger pressures have developed. The new knowledge which Whitney wrote of and which Life magazine illustrated set off a reexamination of the public schools. Many of the facts that we have been teaching were rendered obsolete. It became apparent that parts of the curriculum required extensive revision. Science and technology have placed at the disposal of the teacher new machines to reinforce, to stimulate, and to add to the learning experience of the classroom. Research and experiments are underway to find a satisfactory combination of the revised curriculum, the new teaching methods, and the time and talents of the classroom teacher.

One outcome is certain. The schools of today and tomorrow are striving for quality within the framework of a broadening approach to the American ideal of universal education.

Education—A national concern

The national interest in education was expressed by many leaders in President Eisenhower's administration. The review of the manpower needs in the decade ahead conducted by former Secretary of Labor James P. Mitchell, "Manpower Challenge of the 1960's," concluded that the tremendous advances which were in sight for the sixties in terms of scientific and technological know-how depended upon "how effectively our people as individuals—our manpower—are able to use the new tools at hand." [5] Secretary Mitchell pointed to the need to improve individual competence, present and prospective, across the spectrum of human talents and to the need to "strengthen and support our school system."

The former scientific adviser to President Eisenhower, Dr. Kistiakowsky, identified the fundamental requirement for scientific progress in the United States as a general upgrading of the intellect. He is quoted in the "Annals" as follows:

"Our national objective should not be the creation of an elite corps of intellectuals, but rather one of raising and improving the intellectual tone of our whole society. * * * We cannot achieve a desirable level of scientific activity until there is not only its acceptance by society but a conscious desire to cultivate and encourage intellectual excellence." [6]

What the future holds for the United States in national growth and in international influence is to a large extent dependent upon how well we adapt our education system to meet the changes in our requirements for education. America is challenged on several fronts: The challenge to our scientific and technological position from the Soviet space conquest is one conspicuous aspect of the challenge. We are also challenged on our influence among nations, on our ability to resolve domestic issues, and on the ability of a free enterprise system to respond to national and international needs as effectively as can the planned and controlled economy of the Soviet Union.

Survival of our kind of government depends largely upon the use we make of the institutions and instruments we have at our command to develop our human resources. Although we have many fine institutions for implementing growth along the lines of our democratic ideals—a government of laws, a free economy, a two-party political system, churches, and a free press and other free media of communication—our schools stand out as our one basic institution through which we can meet the multifold demands and still perpetuate our economic and political freedom.

Except for the chance of a period of compulsory military service for young men, schools are the one captive experience of all citizens. Our society has many means of communicating to the individual after the school years. But the individual is largely free to select what he wants to read or listen to. He is a member of no one church, labor or business group, or political party. He chooses his own life work from what he can find and functions in his best interest as he sees fit. He is not part of a manpower plan designed to push his country into world supremacy.

The public schools are the broad opportunity a republic affords to upgrade the intellect and skills of citizens and to develop the talents and skills this Nation needs for growth and survival. The full potential of the schools for the development of skilled manpower has not been fully used. The scope and quality of the job the schools do are limited by the provision which is made for financial support to buy the services of talented teachers and to build and equip classrooms.

Complaints about the adequacy of our education system have characterized this development throughout most of the 19th and 20th centuries. The pace of social and technological change has always been more rapid and decisive than the adjustment in the educational process. In retrospect it appears that in many areas we have been a generation or more behind with the gamut of knowledge and skills required by the advance of technology.

One by one the inadequacies in breadth and scope of the knowledge and skills the schools are teaching command the public's attention. The controversies not infrequently reached the Congress in the form of a proposed program to do something about them immediately. It does no good to blast

[3] Life, Silver Anniversary Edition, Dec. 26, 1960, pp. 14 and 15.

[4] Look, Jan. 3, 1961, pp. 16–20.

[5] U.S. Department of Labor, "Manpower Challenge of the 1960's," Washington, D.C., 1960, p. 22.

[6] Wengert, Norman, foreword, "Annals of the American Academy of Political and Social Science," 327: 9–10; January 1960, p. 9.

the schools today for the inadequacies in the preparation of former public-school pupils, although it may help to strengthen the curriculum for the pupils now in school. These are the ones who will be in the manpower pool 1 to 12 or 16 years hence. These are the only ones the schools can do anything for now. There is truly a need across the Nation now to offer the kind of education in the public schools which will be needed during the next generation. We have made a great deal of progress in public education, but it is regrettable that despite substantial progress there is still a strong tendency to set the curriculum and investment at levels of hindsight rather than foresight.

Facing the schools are tremendous tasks: of curriculum revision to meet the demands of expanding knowledge, of school reorganization and district consolidation, of constructing adequate facilities, of staffing the schools with teachers and other personnel dedicated to meet the demands of teaching, and of adapting technical aids to strengthen and reinforce learning.

Facing the Nation is the critical decision of how quality education shall be financed. To date, the States and localities have willingly, for the most part, taxed and borrowed at an unprecedented rate to finance public elementary and secondary education for an increasingly large number of youth. Yet we are many billions of dollars short of financing a quality education in every State and in every school district in the United States. Federal support for schools is needed to strengthen the ability of State and local governments to finance schools.

II. TEACHERS

In the past few years the question of teachers' salaries has been debated from the White House to school board meetings and public forums across the land. We have been told that teachers' salaries should be doubled and that, of course, in simple justice we should pay teachers what they are worth. On May 24, 1959, President Eisenhower stated:

"Higher salaries are a first requirement, but we need also to recognize the great importance of what teachers do and to accord them the encouragement, understanding, and recognition which will help to make the teaching profession attractive to increasing numbers of first-rate people." [7]

In the special statement prepared for the NEA Journal, Vice President Nixon said:

"It is hardly necessary to tell the teachers of America that we lack adequate classroom facilities in all too many of the Nation's school districts. And still less need they be told that, even on a national average, teachers' salaries are in no way commensurate with a high professional calling. We have come to take too much for granted the dedication of our teachers—but dedication is not its own reward." [8]

The statement by President Eisenhower's Science Advisory Committee also dealt with the salary question:

"The public attention to the shockingly low average level of teachers' salaries is long overdue. * * *

"Teachers' salaries should be increased to the point where the teacher does not have to work on other jobs to eke out a living." [9]

The national goals document presented by the U.S. Office of Education at the recent White House Conference on Children and Youth called for teachers' average salaries 50 percent higher in purchasing power to be achieved over a 4-year period in order to have a professionally qualified teacher in every public school classroom.[10]

The Rockefeller Brothers Fund report on education stated:

"But the root problem of the teaching profession remains financial. More perhaps than any other profession, teaching needs dedicated men and women to whom pay is not an overriding consideration; but until we pay teachers at least as well as the middle echelon of executives we cannot expect the profession to attract its full share of the available range of talents. Salaries must be raised immediately and substantially." [11]

Press and forum emit a constant stream of statements about the need for raising teachers' salaries. Everyone agrees that teachers' salaries should be adequate. Almost everyone agrees that teachers' salaries must be greatly increased to be adequate. The simple justice of raising teachers' salaries to a professional level is well established, but salaries will not move upward under the pressures of simple justice. To move salaries upward to the level required to staff the schools with professionally trained and personally qualified teachers will require the concentrated financial support of all three levels of government—local, State, and National. In terms of quality and quantity, the staff needs which lie ahead of the Nation's public schools are huge.

Quality requirements for the teachers

Any realistic discussion of teachers' salaries should be based on the kinds of persons teachers really are and the kind of person which should be teaching in the classrooms of public schools. The American people, including many political leaders, still hold false stereotypes of teachers. This affects decisions on pay scales.

The typical teacher in the United States is no longer a sweet young thing in her early twenties who lives with her mother and father at no cost to herself. She is not a person with only 2 years of college training. Her working day is not a 6-hour arrangement, and she does not always have a 3-months' vacation, even without pay.

This typical teacher in the American public school is both mature and well educated. This person is about 43 years of age, has gone to college 4.7 years, and has taught school for 13 years.[12] One summer in three this teacher goes back to college at his or her own expense. During the school year, this teacher averages a 45- to 50-hour week in teaching, grading papers, and planning work for the days ahead.[13] With this much college training and experience and at an age when the worker should be getting somewhere, the typical classroom teacher's salary is likely to be $5,215.

The qualifications which the professional teacher should have may be simply stated as follows: (a) well educated—with a broad general education plus specialization in the subject matter to be taught; (b) personally competent—with intelligence, character, leadership, dedication, and understanding of children; and (c) professionally prepared—with knowledge of the psychology of teaching and learning, mastery of teaching methods, and skill in handling learning difficulties.

The importance of selecting a qualified teacher for each and every classroom in the Nation is underscored when the influence of each and every teacher is accounted for. The elementary school teacher who retires this year after a full career of teaching will have taught at least 1,000 pupils in his career of teaching. A high school teacher under our departmentalized setup will have taught at least 5,000 pupils in the course of his career. Translated into larger units, 100 incompetent elementary school teachers will have affected adversely the subsequent careers of 100,000 citizens of the United States. One hundred incompetent high school teachers will have affected in this way the careers of half a million citizens of the United States. If we wish to improve drastically the quality of American public education, a basic step needed is to offer a salary which permits school boards across the Nation to select only fully trained and competent classroom teachers. The supply of qualified teachers will have to be greatly increased before school boards can be selective in their recruitment of teachers.

Staff requirements in the decade ahead

In 1960–61 the NEA Research Division estimated that 1,408,962 classroom teachers were employed in the public schools of 50 States and the District of Columbia. When we include the principals, supervisors, and other instructional staff, the total number of professional staff persons for the current school year is estimated at 1,526,079.[14] Estimated on the basis of the current trends in the ratio of enrollments to instructional staff, the U.S. Office of Education projects that between 1959 and 1969 more than 1.8 million professionally trained persons—teachers and other staff—will be needed to staff the Nation's classrooms.[15] Between 1958–59 and 1968–69 the number of classroom teaching positions alone will increase by 400,000 to take care of growth in enrollments and services. In addition a cumulative total of 1.6 million teachers will be needed to replace those teachers leaving the profession if present separation trends continue.[16]

The U.S. Office of Education estimates the new demand for classroom positions at 193,145 for the next school year, 1961–62, and at 220,732 for 1964–65. The dimension of the new demand for classroom positions is overwhelming when we realize that for almost every school year up to 1968–69 more teachers must be hired for replacement and growth than there were either lawyers and judges or physicians and surgeons in 1950.[17]

This presents a tremendous challenge, considering the fact that the class of 1961 will produce about 139,061 bachelor-degree graduates who are eligible for standard teaching certificates and that of this number only

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[7] President's Science Advisory Committee, "Education for the Age of Science," Washington, D.C.; the White House, May 24, 1959, statement by the President.

[8] October 1960, p. 11.

[9] President's Science Advisory Committee, op. cit., p. 10.

[10] U.S. Department of Health, Education, and Welfare, Office of Education, "National Goals in the Staffing and Construction of Public Elementary and Secondary Schools: 1959–69," Washington, D.C., April 1960, p. 1.

[11] Rockefeller Brothers Fund, special studies project, "The Pursuit of Excellence," Garden City, Doubleday & Co., 1958, pp. 25–26.

[12] National Education Association, Research Division, "The Status of the American Public-School Teacher," Research Bulletin 35: 43, 44, 46; February 1957.

[13] National Education Association, Research Division, "Teaching Load in 1950," Research Bulletin 29: 14; February 1951.

[14] National Education Association, Research Division, "Estimates of School Statistics, 1960–61," Research Report 1960–R15. Washington, D.C., December 1960, p. 10.

[15] U.S. Department of Health, Education, and Welfare, Office of Education, "Ten-Year Aims in Education: Staffing and Constructing Public Elementary and Secondary Schools, 1959–69," Washington, D.C., the Department, Jan. 19, 1961, p. 19. Office of Education projections do not include Alaska and Hawaii. The professional persons on the instructional staffs of these States were estimated at 1960 and 5,500 for the school year 1960–61.

[16] Ibid., p. 20.

[17] U.S. Department of Commerce, Bureau of the Census, "Statistical Abstract of the United States, 1960," Washington, D.C., Superintendent of Documents, Government Printing Office, 1960, p. 218.

102,000 or 73.5 percent, can be expected to actually take teaching positions.

Ray C. Maul of the NEA Research Division has annually estimated over the past 10 years the numbers of additional teachers which will be needed the next fall to meet specific requirements. Dr. Maul's estimates of additional teachers needed for fall 1961 totaled 240,000. This figure is somewhat higher than the figure for "new demand" for positions estimated by the U.S. Office of Education for 1960–61 primarily because the NEA Research Division figure includes an estimated 30,000 persons to replace teachers now in classrooms who are unprepared for teaching. For September 1961 the five categories of need estimated by the NEA Research Division are as follows: [18]

Needs most likely to be met:	
1. To replace those leaving	120,000
2. To serve increasing enrollments	35,000
Needs which have not been met, and are most likely to continue:	
3. To relieve overcrowding and to eliminate part-time sessions	30,000
4. To give instruction and services not now provided	25,000
5. To replace the unprepared	30,000
Total needed, September 1961	240,000
Number of college graduates of 1961 likely to enter teaching (approximately 73½ percent of the new supply)	102,000
Net estimated shortage	138,000

Replacement of those leaving the service: It is not possible, prior to the opening of a new school year, to determine exactly how many teachers of the preceding year will not return to service. Termination, in addition to death, dismissal, and retirement for age or disability, is prompted by a wide variety of personal reasons. The NEA Research Division's estimate of an annual loss of 8.5 percent is based upon its close relations with State departments of education and State and local education associations, as well as its own studies which bear upon teacher loss and teacher turnover.[19] Investigations of loss of personnel from classroom service have not yet established a basis for applying separate percentage rates at the elementary- and high-school levels. The estimated need for replacement next September, 120,000, is 8.5 percent of the total staff of 1,409,000 currently in service.

Increased enrollment: The exact increase in enrollment in September 1961 over that of September 1960 cannot be foretold, but it is certain to exceed 1 million pupils in the elementary and high schools combined. Annual increases of 1 million or more have been recorded for more than a decade. But not until September 1960 did the first grade of the elementary schools feel the impact of 4 million births 6 years earlier. Thus the uninterrupted increase will continue at least until 1965, even if the annual birth rate should level off to 4 to 4¼ million per year.

The high schools, of course, have yet to feel the full surge of the expanding birth rate of the past 15 years. And equally significant, perhaps, is the growing awareness that high-school dropouts have not been checked. The loss of 3 of every 10 ninth-grade enrollees before graduation is an improvement over the loss of a decade ago, but this current loss of 30 percent should be cut drastically.[20] This is not just a matter of concern for the individual, but for society as well. The estimated need for 35,000 more teachers to serve increased enrollments is conservative, since it contemplates no more than a continuance of the present pupil-teacher ratio.

Overcrowding and part-time sessions: The question, what constitutes overcrowding, has been examined, but the current research designs yield inconclusive results for measurement of a complexity of skills, habits, and attitudes needed today by young adults.

The greatest problem in class size exists in the elementary school where both experience and mature judgment indicate that the effectiveness of the teacher falls rapidly as the 25-to-1 ratio is exceeded. In the lower grades, particularly, the immaturity of the child is such that the personal attention of the teacher must not be denied. The class size problem is not just one; it is composed of specific instances, each to be met in terms of the maturity of the learner and the nature of the subject.

The most recent nationwide study of class size in the elementary school shows that the average or median class size for the United States does not describe any specific prevailing situation.[21] Rural schools generally have a small class size. In the urban school districts, 83.3 percent of the pupils are in classes of more than 25 children each; 50.4 percent are in classes of more than 30 each; 16.4 percent are in classes of more than 35 each; and 2.9 percent are in classes of more than 40 each. Stated somewhat differently, in 445,600 elementary school classrooms there are 6,633,990 children in classes of more than 30 each; 2,161,523 pupils in classes of more than 35 each; 380,398 pupils in classes of more than 40 each; and 71,419 pupils in classes of more than 45 each. To these children and their teachers, the national average means little. For the relief of these conditions and for the elimination of half-day sessions for 600,000 elementary and high school enrollees, the estimate of 30,000 additional teachers next September is a minimum.

Additional instruction and services: New demands for comprehensively trained persons are now being heard most clearly in the scientific fields. Attention is directed to the inadequate offerings of chemistry, mathematics, physics, and foreign languages in many high schools, and also to the fact that many of these courses are taught by teachers "borrowed" from other fields. It is true that both the number of courses offered and the quality of instruction in these courses are rightly open to question in many high schools. But these are only the shortages that have attracted widespread public attention. The unmet needs in many other fields of instruction and educational services are equally urgent. The widely publicized Conant reports have focused attention upon the need for expertly trained counselors. No less basic are the needs for specialists in remedial reading, speech, and instruction of the handicapped, as well as for teachers of the subjects not now provided in many high schools. The estimate of 25,000 teachers for additional instruction and services is a very conservative figure.

Replacement of the unprepared: Although steady progress is being made in the improvement of standards for admission to teaching, there is no nationwide estimate of the number of certified teachers who are personally and emotionally unqualified for teaching. This kind of person will continue to be hired for classroom teaching until the supply of teachers enables the school boards to engage in selective recruitment and dismissal during the probationary period of employment. There is a nationwide count of the number of teachers which have been hired on certificates of an emergency or provisional type. There were 93,917 classroom teachers in 1960–61 who did not meet the minimum standards for full certification in the States in which they were employed. Although the proportion of emergency teachers to the total number of classroom teachers has been almost constant since 1950–51, the number has increased in 6 of the past 10 years, bringing the total from 75,079 in 1950–51 to 93,917 estimated for 1960–61. Between 2½ million and 3 million pupils are in their classrooms. The figures are shown below: [22]

Year	Emergency teachers	Total number of classroom teachers	Proportion of emergency teachers	Percent emergency teachers are of total teachers
1950–51	75,079	927,617	1 in 12	8.1
1951–52	69,848	962,864	1 in 14	7.3
1952–53	69,626	992,583	1 in 14	7.0
1953–54	78,850	1,032,138	1 in 13	7.6
1954–55	80,674	1,080,329	1 in 13	7.5
1955–56	79,403	1,133,093	1 in 14	7.0
1956–57	86,616	1,190,865	1 in 14	7.3
1957–58	94,732	1,237,943	1 in 13	7.7
1958–59	94,010	1,292,723	1 in 14	7.3
1959–60	93,543	1,353,055	1 in 14	6.9
1960–61	93,917	1,408,962	1 in 15	6.7

Standards vary among the States so that a person's training and experience would qualify him in one State for a full certificate, but in another State for a less than full certificate. In addition, many States have increased the requirements for full certification since 1951. The movement of the series given above indicates generally the extent to which school boards fail to find teachers who can meet State standards of certification.

Although we stated above that in 1960–61 a total of 93,917 teachers were hired on certificates of an emergency or provisional character, it should be recognized that some of these teachers are pursuing courses of study which will eventually qualify them for full certification. Others with high academic preparation in areas other than teaching eventually prove to be satisfactory teachers. While the NEA does not recommend hiring teachers who are not both academically prepared for teaching and personally qualified to teach, we recognize that as long as the shortage continues, a substantial number of persons who lack full preparation to teach will be hired. In approximately one-third of the cases the preparation of the persons employed is insufficient or wholly lacking. In this series on new classroom teachers needed for next fall, we estimate that 30,000 of these unprepared teachers should be replaced immediately.

It should be emphasized here that neither this series of new persons needed for the classrooms next fall nor the projections of the U.S. Office of Education based on the number of new classroom teaching positions makes any allowance for rigorous enforcement of standards of quality in the preparation and in the service of teachers presently in the classrooms or on the instructional

[18] National Education Association, Research Division, "Teacher Supply and Demand in Public Schools, 1961," Research Report 1961–R9, Washington, D.C., April 1961, p. 14.

[19] This turnover rate will be verified or revised pending the tabulation of a sample survey of teacher turnover conducted by the NEA Research Division in February and March of 1962.

[20] U.S. Department of Health, Education, and Welfare, Office of Education, "Statistical Summary of Education: 1955–56," Biennial Survey of Education in the United States—1954–56, Washington, D.C., Superintendent of Documents, Government Printing Office, 1959, p. 13.

[21] National Education Association, Research Division, "Class Size in Urban Elementary Schools, 1959–60," Research Report 1960–R10, Washington, D.C., June 1960," 24 p.

[22] National Education Association, Research Division, "Estimates of School Statistics, 1960–61," op. cit., p. 12.

staff. Attention to standards of quality cannot be fully realized so long as the States and most districts are hard pressed to staff the classrooms. These estimates and projections are practical ones in regard to teachers required to correct obvious barriers to good teaching. The first two categories represent what is likely to happen next year. Hence they obscure much of the need for an increased supply of well-qualified teachers which would arise if all schools across the Nation were dedicated to providing a quality staff for a high-quality educational program.

Future recruitment efforts must still be concerned with greater numbers, but the spotlight should continue to be focused more sharply upon the needs of the elementary schools. For many years the ratio of elementary- to high-school teaching positions has been about 8 to 5. In the next decade the increase in enrollments will be somewhat greater in the high schools, but currently overcrowding is most acute in the elementary grades, and new techniques of teaching will probably find wider application at the top of the public school system.

Is it possible for the public school system to be so organized and so staffed that every child will be assured of his opportunity to develop according to his capacities? The critics think not and prefer to reduce the scope of universal education to meet the staff which can be hired and retained at modest salaries. When the national interest in education is the point of decision, as it has been under the leadership of the President Eisenhower, the first national educational goal is: "To have a professionally qualified and competent teacher in each classroom in America's public elementary and secondary schools." [23] In terms of new teachers to achieve this goal, the gap between supply and demand of teachers is still critical.

Increased salaries could help in four ways: (a) more of the June graduates could be attracted to teaching positions; (b) more of present staff would continue to teach; (c) increased salaries would help in getting qualified personnel back into teaching from among the hundreds of thousands who have trained for teaching but who have never taught or have left teaching for some other calling; and (d) increased salaries would be a factor in getting more of the students going to college to select teaching as a profession.

Competing for talented manpower

A critical situation has existed in the supply of qualified persons for classroom teaching each year since World War II when salaries in teaching lagged far behind wages and salaries in most other occupations. Despite the improvement in salaries in recent years, we are not as well off in recruiting able people for teaching as we were in the 1920's and 1930's when few other jobs were available for college trained men and women. As teachers' salaries have gone up, so have salaries of other occupations which tend to attract potential teachers. The average annual salary of the instructional staff has increased from $3,126 in 1950–51 to $5,389 in 1960–61. To a Nation accustomed to underpricing the services of teachers, the gains look large indeed. But when compared to the number of emergency teachers shown, it becomes apparent that the increases in teaching salaries have still not improved the supply of teachers to the point where school districts can dispense with the emergency, provisional, and unqualified teachers. A more rapid gain in salaries is indicated if each classroom is to be staffed with an able and qualified teacher. This is a reasonable national goal and a reason why Federal funds are needed for teachers' salaries.

Average earnings of the instructional staff in public schools are still substantially below those of professions that require college preparation for an individual to gain admission to employment in the field. The National Education Association purchased from the Bureau of the Census a special tabulation of the 1958 money earnings of all individuals in the professional-technical group included in the 1958 Survey of Consumer Income in order to single out for special study the public-school instructional staff and 17 other professional groups. The 17 other professional groups included both high- and low-income occupations, including architects, chemists, clergymen, dentists, dieticians, engineers, foresters, and conservationists, lawyers and judges, librarians, natural scientists, optometrists, osteopaths, pharmacists, physicians and surgeons, social and welfare workers, social scientists, and veterinarians. Table 1 below shows the teachers' earnings in relation to those of workers in 17 other professions. According to the figures shown, the mean earnings of teachers, men and women combined, were but 47 percent of the mean earnings of the workers in the 17 selected professions combined. The mean earnings of men in public-school teaching were 52.5 percent of the mean earnings of men in the 17 selected professions. The mean earnings of women teachers in the public schools were 78.4 percent of the mean earnings of women in the other 17 professions. All workers included in the study worked more than 27 weeks, earned $1,500 or more, and had completed 4 or more years of college.

TABLE 1.—*Teachers' earnings in relation to those of workers in 17 selected professions, by sex, 1958*

Grouping by sex and professional status	Excluding casual workers and those only partially prepared [1]	
	Mean earnings	Median earnings
(1)	(2)	(3)
Men and women:		
17 selected professions	$10,697	$8,195
Teachers (public school instructional personnel)	$5,059	$4,831
Teachers as a percent of 17 other professions		
percent	47.3	59.0
Men:		
17 selected professions	$11,016	$8,415
Teachers (public school instructional personnel)	$5,780	$5,607
Teachers as a percent of 17 other professions		
percent	52.5	66.6
Women:		
17 selected professions	[2] $5,981	[2] $5,156
Teachers (public school instructional personnel)	$4,689	$4,404
Teachers as a percent of 17 other professions		
percent	78.4	85.4

[1] Excludes those working less than 27 weeks, or earning less than $1,500, or not having completed 4 years of college.

[2] Subject to large probable error because of small sample size.

Source: Estimated by the NEA Research Division from data compiled by the U.S. Bureau of the Census, based on the Current Population Survey, 1958.

This wide gap between the salaries of teachers and those of other professions is a major obstacle in overcoming the shortage of qualified teachers. This is not to say that many talented teachers will not continue to enter teaching and spend their entire working careers in the classroom. Dedication to teaching is and always has been a major factor in attracting and retaining good teachers in our schools. But the basic need is for qualified teachers in greater numbers than ever before and at a time when the demand for educated and talented persons is rising in every area of American life. The public is beginning to recognize that it must pay for quality in educational services.

In a special report on U.S. education (April 19, 1958) Business Week outlined the fallacies of the old economics of teachers' salaries as follows:

"Historically, the United States has been accustomed to get its teachers at bargain rates. The reasons for this curious bit of economics ceased to apply some years ago. But it is only now that the public is beginning to realize it.

"A generation or so ago, teaching was one of the few occupations with a flavor of intellectuality that was readily open to the child of a poor family. (Law and medicine required long and expensive preparation, but a bright young man or woman could do a hitch in teachers college or normal school and go to work at once.) It was, moreover, one of the few respectable occupations open to women. As a result, teaching got more than its share of smart, earnest people, to whom it represented a step up the social ladder.

"Today's salary scales in education still show the effects of that old situation. In spite of the social and economic changes that war and inflation have produced, the schools are still paying as though they could take their pick of thousands of eager young applicants.

"The surprising thing is that good teachers have continued to come out of each June's graduating classes and that many of them—though not enough—have stayed in teaching. * * *

"The best teachers teach because they like to. * * *

"Such people will go into teaching as long as the pay and working conditions are not so bad as actively to discourage them. * * *

"At present salary levels, even these people are getting discouraged. The United States will have to raise its scale of teaching salaries to keep them coming—and to keep them from drifting out of teaching once they have started. But you can't expect higher salaries to end the teacher shortage overnight by attracting droves of smart young people. There aren't that many potential good teachers coming out of the universities or working their way through the undergraduate pipeline. Even with adequate salaries, it will take a generation or so to recruit the faculty that we need." [24]

With the backlog of demand on State and local governments and with the increasing impact of their taxes on their ability to attract and keep industry, States—rich and poor—are not prepared to pay teachers the going rate for college-trained persons. The remarks of Governor Handley of Indiana in the May 1959 Nation's Business illustrate the complacency of opponents of Federal support of teachers' salaries.

"I don't think any teacher is ever adequately paid. I think the teaching profession is one of the most important in the country. We are trying to keep the salaries moving upward each session, but we still have to remember that we have other facets of State government that put demands on our income as well.

"At present I think our teachers, although not paid commensurate with their worth, are paid as well as they are in other States." [25] States." [25]

To pay teachers as well as teachers in other States is important, too, but if the supply of teachers is to be improved in both

[23] U.S. Department of Health, Education, and Welfare, Office of Education, "National Goals in the Staffing and Construction of Public Elementary and Secondary Schools, 1959–69," op. cit., p. 1.

[24] Business Week, "The Real Trouble With U.S. Education," Apr. 18, 1958, p. 160.

[25] Nation's Business, "Federal Aid Checks Local Growth," 47: 57; May 1959.

quality and quantity, teachers' salaries must be increased to levels comparable with other professions. A broad support program from the Federal Government is imperative.

III. HOUSING NEEDS

Another perplexing problem of the 1960's is how to build the classrooms which are needed now and which will be required for the 8.1 million additional pupils by 1969–70, one-half of whom are going to be in the secondary grades. Each of these secondary-school classrooms is far more expensive to construct and equip than its counterpart in the elementary school. Far more variation is required in the planning for secondary-school facilities to accommodate different sizes of classes, from lecture rooms to discussion groups, and far more variation is required in the equipment of rooms for specialized study in languages, mathematics, and science. Indeed, the old classroom with immovable walls is a major deterrent to progress in audiovisual instruction and in variable arrangements for different sizes of classes.

For the past 5 years, we have been building classrooms at the average rate of slightly less than 70,000 per year. This probably is an all-time record in school construction, but we have been running fast in order to stand still. Until last year, we were cutting away at the backlog of need at the rate of 8,000 to 10,000 rooms per year. Now it appears that we are headed in the other direction. In the fall of 1959, the shortage was reported at 135,200 rooms; this fall the shortage is reported at 142,100 rooms. This shortage takes on added meaning when we learn that the number of pupils in excess of normal capacity of buildings is almost 2 million and that 685,000 pupils are on curtailed or half-day sessions.[26] The U.S. Office of Education has estimated that approximately 8 million pupils are affected by overcrowding, by half-day sessions, and by the use of improvised or makeshift facilities. This figure includes not only the number of pupils in a classroom in excess of the maximum size, but all the pupils who would be adversely affected by overcrowding. In addition, there are over 2 million other pupils housed in obsolete or otherwise inadequate buildings. Therefore, the number of pupils whose education is adversely affected by the classroom shortage is estimated to be at least 10 million.

Variation in classroom needs

School construction needs are not uniformly distributed throughout the Nation, nor do all school districts within a State have similar construction problems. Because of the nature of their population, some areas have sufficient or even excess classroom facilities for the children they serve, while others, in rapidly expanding localities, are finding it more and more difficult to keep up with the increase in school population. Moreover, some districts and States have made valiant attempts, by voting special bond issues, to construct facilities as they were needed; in others, formidable constitutional barriers and lack of taxable wealth have made it impossible to keep pace with the growing needs.

As a result of these factors, money appropriated for school construction, in areas where construction is not really needed, would serve no useful purpose.

Data on classroom construction recently received by the U.S. Office of Education from the chief State school officers clearly illustrate this great variance in classroom needs. For example, in the fall of 1960, Indiana had 984,000 pupils; Florida, 979,000; and Georgia, 932,000. All had just under 1 million pupils each. However, classroom shortage reported by these three States varied greatly. Indiana reported a need for only 1,321 classrooms, but Florida, a need for 4,744 classrooms, and Georgia, 3,714.[27]

Tennessee and Kentucky, which share a common border, also offer a vivid illustration of the variation in need for classrooms. Tennessee, with 795,000 pupils enrolled in the fall of 1960, reported a need for only 2,984 classrooms, while its sister State, Kentucky, with 177,000 fewer students reported a need for 8,906 classrooms. Moreover, Tennessee reported 1,726 classrooms scheduled for completion during 1960–61, while Kentucky reported only 1,331.

A very small proportion of our elementary-school children still go to one-room schools. Nevertheless, we still have 23,700 of these schools providing the education for nearly 400,000 boys and girls. These young Americans are as important as any of the others; yet some of their buildings are a disgrace to this country. Almost 1 in 20 of these buildings is over 90 years old; two-thirds still lack inside plumbing; most of them are poorly equipped and struggling against great odds to provide a decent atmosphere for schoolchildren.[28] A few other facts about one-teacher schools further emphasize the need for consolidation. The average class comprised 17 pupils. The average teacher was paid $2,921 in 1958–59, and 83 percent of the teachers had less than 4 years of college. A high proportion of these schools could be consolidated with other districts. Of the teachers of one-room schools who were polled in 1958–59, 66 percent indicated that consolidation was possible.

Some national organizations which oppose Federal support for schools have been pointing out that Federal funds for school construction are not needed because, according to their calculations, based solely on enrollment growth, they conclude that we may be headed for an oversupply of classrooms. This optimism does not account for classrooms needed because of shifting population among districts or because of obsolescence. It is true that about half the classrooms now in use have been built in the past 10 years. It is also true that many of these are crowded. Little is known about the older half of the classrooms except that they are mostly more than 30 years old. The last period of school building ended in 1929. Few school buildings were constructed in the depression years, when the birth rate and the school-age population were declining rapidly, and few buildings were built during the war years of the 1940's. One has only to look around as he walks down the street of most of the core cities of metropolitan areas to see that the need for school building to replace obsolete facilities is still critical. One has only to drive around the suburbs to see additions to relatively new school plants to accommodate enrollment increases.

Estimates of classrooms needed

Despite the variance in need for buildings from one State to another, the overall shortage is still critical. As of the beginning of the school year 1960, there were 1,338,560 publicly owned classrooms to house the fall enrollment reported by the U.S. Office of Education at 36,305,104. An estimated 142,162 additional classrooms were needed to accommodate increased enrollment (66,141) and to replace unsatisfactory facilities (76,019).[29] Table 2 reproduces the estimates of the U.S. Office of Education for additional classroom needs for the school years 1959–60 through 1963–64 and 1964–65 through 1968–69. A total need of 416,600 is reported for the first half of the decade and a total of 191,000 for the last half. These estimates for the last 5 years of the decade are based on the assumption that the backlog of needs will be removed in the first 5 years. If this is a reasonable national goal, in the 5 years, 1959–60 through 1963–64, the rate of classroom construction should increase from 70,000 of the past years to about 85,550 per year. However, 2 of the 5 years have already passed. We built 69,400 classrooms in 1959–60 and plan to build 69,553 this year, 1960–61. This leaves a total of 277,647 classrooms to be built in the remaining 3 years. To meet the goal, construction must be stepped up from an annual rate of less than 70,000 to 92,549, more than 20,000 classrooms above the rate of the past few years. If we are able to remove the backlog before the school year 1964–65, the annual need will drop to approximately 38,200 per year. After 1969 the outlook is extremely uncertain.

After 1966 the large number of babies born during the postwar years will be reaching an age of marriage and family establishment. If the present trend in early marriage and large families is not stopped, we may enter an era of new demand for additional facilities, unprecedented in our recent history. This may come at a time when the local property tax base is still encumbered with bonded indebtedness for schools constructed to meet the enrollment needs of the 1950's. In addition, we can look for a stepped-up rate of obsolescence because plants built in the construction period of the 1920's will become 40 to 50 years old by the end of the decade. These are major reasons why in the immediate years ahead a nationwide effort is required to keep abreast of current needs and to remove the backlog.

TABLE 2.—*Public school elementary-secondary classroom needs*

Item	1959–60 through 1963–64	1964–65 through 1968–69
(1)	(2)	(3)
Future classrooms needed:		
For increased enrollment	201,000	107,000
For backlog, fall 1959	131,600	0
For current replacement	84,000	84,000
Total	416,600	191,000

Source: U.S. Department of Health, Education, and Welfare, Office of Education. "National Goals in the Staffing and Construction of Public Elementary and Secondary Schools, 1959–69." Washington, D.C.: the Department, April 1960. P. 82.

IV. PUPIL ENROLLMENT

In the decade of the 1950's, the enrollment in public elementary and secondary schools increased from 25.2 million in 1949–50 to 36.2 million in 1959–60, an increase of 11.0 million. According to projections of the U.S. Office of Education in the 1960's, the enrollment will go up 8.1 million.[30] Table 3 reproduces the projections of the U.S. Office of Education. The figures show that enrollment will continue to increase at the rate of about 1.1 million each year through the school year 1964–65. This is about the same annual increase as we have experienced over the past 10 years. The increase after 1964–65 should begin to drop to about 600,000 per year and continue at this level throughout the last half of the decade.

[26] U.S. Department of Health, Education, and Welfare, Office of Education, "Enrollment, Teachers, and School Housing, Fall 1960," Circular No. 634; Washington, D.C., Superintendent of Documents, Government Printing Office, 1960, pp. 1–8.

[27] Ibid., pp. 12 and 16.

[28] National Education Association, Research Division, "One-Teacher Schools Today," Research Monograph 1960–M1, Washington, D.C., June 1960, 75 p.

[29] U.S. Department of Health, Education, and Welfare, Office of Education, op. cit., p. 19.

[30] U.S. Department of Health, Education, and Welfare, Office of Education, "Projected Enrollments in Full-Time Public and Non-Public Elementary and Secondary Day Schools, Assuming Continuation of 1955–57 Birth Rates, 50 States and D.C.: School Years 1958–59 to 1969–70," Washington, D.C., Aug. 24, 1960, p. 1.

The drop in the enrollment increase, which is so comforting to some people, is still 5 years off. In looking at these figures, it is important to note that the children born in 1961 will become the kindergarten class of 1966 and the first-graders of 1967. Other factors beyond the normal trend accounted for in these projections could swell the enrollment by the end of the decade: (a) The Department of Labor has estimated that in the 1960's, 7.5 million teenagers will drop out of school before completion of the 12 grades. Retention of the substantial portion of these dropouts in school through completion of the 12 grades could add hundreds of thousands to the enrollment each year.[31] (b) Expansion of the kindergarten grade could result in a far higher increase than that now expected in the 1960's. Any change in the birth rate, in the size of families, or in the decisions of parents about sending their children to public versus private schools would substantially change the enrollment realized 9 school years hence.

TABLE 3.—*Projected enrollment in full-time elementary and secondary day schools of the public school system[1] assuming continuation of 1955–57 birth rates, 50 States and the District of Columbia: School years 1958–59—1969–70*

[Projections as of August 1960 (in thousands)

School year	Total	Grades K–8	Grades 9–12 and post-graduate
1	2	3	4
Actual:			
1949–50	25,216	19,464	5,752
1951–52	26,678	20,770	5,908
1953–54	28,970	22,651	6,319
1955–56	31,315	24,410	6,905
1957–58	33,696	25,801	7,895
Projected:			
1958–59	35,001	26,683	8,318
1959–60	36,170	27,767	8,403
1960–61	37,551	28,559	8,992
1961–62	38,454	28,783	9,671
1962–63	39,580	29,313	10,267
1963–64	40,568	29,719	10,849
1964–65	41,492	30,181	11,311
1965–66	41,987	30,581	11,406
1966–67	42,573	30,948	11,625
1967–68	43,126	31,273	11,853
1968–69	43,753	31,599	12,154
1969–70	44,322	31,927	12,395

[1] Does not include residential schools for exceptional children, subcollegiate departments of institutions of higher education, and Federal schools for Indians.

Method: Projected enrollments are based upon Office of Education enrollment data and Bureau of Census unpublished projections of the population aged 5 to 19, by single year of age (equivalent to series II, in Current Population Reports, p. 25, No. 187). In most cases it is assumed that present enrollment trends (1950–60) will continue.

However, accepting the assumption that we expect only 8.1 million more in the present decade as compared with 11.0 million more in the last decade, we find that the cost increase will not follow the ratio of 8 to 11 because a much larger proportion of the 8.1 million than of the 11.0 million will be in high-school grades, where the average cost per pupil is 1.3 to 1.5 times as high. Enrollments in grades 9 through 12 increased only 2.6 million in the 1950's but will increase 4.0 million in the 1960's, even on current trends. It is likely that the enrollment increase in this decade will prove more expensive than the enrollment increase in the past decade.

Another factor which may swell the increase in the secondary grades is the tendency to reorganize grades 7 and 8 of the elementary grades on a junior high school secondary type organization. Between 1948–49 and 1958–59 the percent of urban districts having separate junior high schools rose from 40.1 percent to 53.3 percent.[32] The projections shown in table 3 are by grade groups. However, on present trends, an estimated 4 million pupils, shown in column 3 as elementary-school pupils, would be classified as secondary-school pupils on an organization breakdown.

School dropouts

The school dropout is a problem of special concern with the teenage group. Despite the present emphasis on programs for the talented, within a few years the schools are going to be on the receiving end of a lot of criticism over their failure to provide a program suitable for the underachiever, the retarded, and the child of low average intelligence. These, by the way, are the characteristics of the majority of those who fail to finish high school. Many come from families who cannot give them any help. In the dropout study of the Department of Labor covering seven communities, 6 percent of the dropouts had IQ's of 110 and over as compared with 16 percent of the high-school graduates; 48 percent of the dropouts had IQ's of from 90 through 109 as compared with 63 percent of the high-school graduates; 15 percent of the dropouts had IQ's of 85 through 89 as compared with 11 percent of the graduates; and 31 percent of the dropouts had IQ's under 85 as compared with 10 percent of the graduates.[33]

There are serious economic and social implications to the dropout problem. The big bulge in school enrollment is now moving out of the elementary school into and through the high school. At present we are losing approximately one-third of our youth between the ninth grade and high school graduation. If this rate continues, the one-third who will quit will number 7.5 million and will greatly outnumber the 50 percent we were losing a few decades ago.

Specialists in the labor field tell us that these youngsters who quit school do not make very good workers. They have no skill to market, they are too young and immature to appreciate a job and stick to it, and they cannot demand a wage that will support a reasonable standard of living. All this adds up to the most disgruntled, disillusioned, and unsatisfactory group of workers in America. In addition, more and more of them are having a difficult time finding any kind of employment. The unemployment rate among those failing to finish high school is almost double that of those who do finish, and 3.5 times the rate of those who have had some college education.[34] There are a lot of these dropouts now in the young population: 1 in 4 young men and women 16–24 years of age were not in school in October 1959 and had not graduated from high school. They totaled 5.1 million out of a population of 19.9 million in the age group 16–24. Table 4 shows the educational achievement of men in this age group.

The problem is already serious, but it is going to become far more serious in the decade ahead unless we act now. The number of jobs available to unskilled persons is decreasing year after year, but the number of people to fill them is increasing rapidly. In a few years there will be nothing for many thousands of them to do. Before long, these boys and girls will constitute an almost impossible burden on the resources of welfare and unemployment agencies and on the juvenile courts. To further illustrate the seriousness of this problem, it should be pointed out that in 1950 we had only 8.4 million persons in the critical 14-to-17-year-age bracket. By 1970 we will have 15.9 million in this group, or almost twice as many. In 1950 we had only 8.9 million in the 18-to-21-year-old group; by 1970 we will have 14.6 million and by 1975, 16.3 million.

In the long run it may be cheaper to educate these boys and girls than to support the costs of the side effects of quitting school. The type of education which will help to solve the problem, however, is likely to prove expensive: smaller classes in elementary schools, special classes and schools at the high school level, more counseling, broader and more adequate programs, and specially trained teachers.

TABLE 4.—*Educational status of urban and rural male youth 16 to 24 years of age compared*

Males age 16 to 24, October 1959	Total	Urban	Rural nonfarm	Farm
(1)	(2)	(3)	(4)	(5)
Number	9,312	5,590	2,426	1,295
Percent	100.0	100.0	100.0	100.0
Enrolled in school	47.4	49.2	46.9	40.8
Not enrolled in school:				
Not a high-school graduate[1]	25.2	22.3	25.9	36.3
High-school graduate only[1]	17.4	17.0	18.4	17.0
College or college graduate[1]	7.9	9.6	6.3	4.2
Not reported[1]	2.1	1.9	2.5	1.7
Total	52.6	50.8	53.1	59.2

[1] Percent calculated by NEA Research Division from distribution in source cited above.

Source: U.S. Department of Commerce, Bureau of the Census, and U.S. Department of Agriculture, Agricultural Marketing Service: "Educational Status and School Plans of Farm and Nonfarm Youth," farm population series census, AMS P-27, No. 27. Washington, D.C., Apr. 29, 1960, p. 6.

An increasing and moving population

A very important aspect of the pupil enrollment growth which does not show up in the national total, but which is nevertheless of critical concern to local and State schools, is the mobility factor of the civilian population. Between March 1959 and March 1960, 18 percent of the heads of households moved to a different house.[35] It follows logically that many of these heads of households had families and moved their families with them. Many of these moves involved a change in schools, if not school districts, for the children. The Census Bureau reported that 12.7 percent of the total household heads moved to a different house within the same county, and 5.5 percent moved to a different county; 2.7 percent of the moves were between States.

Each type of area, rural, urban, and suburban, in the United States has this unique educational problem:

1. The rural areas: A critical need in the rural areas is for school consolidation into districts large enough to provide a program for the needs of all pupils. Table 4 shows the dimensions of the dropout problem in

[31] U.S. Department of Labor, "Manpower Challenge of the 1960's." op. cit., p. 16.

[32] National Education Association, Research Division, "The Junior High School Today," NEA Research Bulletin 39: 47–50, May 1961.

[33] U.S. Department of Labor, Bureau of Labor and Statistics, "School and Early Employment Experience of Youth," Bulletin No. 1277, Washington, D.C., Superintendent of Documents, Government Printing Office, August 1960, p. 14.

[34] U.S. Department of Labor, "Manpower Challenge of the 1960's," op. cit., p. 16.

[35] U.S. Department of Commerce, Bureau of the Census, "Household and Family Characteristics: March 1960," Current Population Reports, Series P–20, No. 106, Washington, D.C., Jan. 9, 1961, p. 3.

the rural farm area. Note that 59.2 percent of the rural farm male aged 16–24 were not enrolled in school, and 36.3 percent of all the young men in rural areas were not high-school graduates. The record of urban youth is somewhat better: 50.8 percent of the urban youth aged 16–24 were not in school of any kind, and 22.3 percent of the total number were not high school graduates and were not presently in any kind of school.

These figures indicate much about the preparation of this age group of men for successful experience in the labor force in our highly industrialized economy. The proportion of rural farm male youth who quit high school before graduation is high in comparison with the urban and nonfarm groups. The proportion of all male youth who quit before high school graduation, 1 in 4, is higher than we can afford. In numbers, this means that more than 2.3 million of the total 9.3 million male youth in the age group 16–24 lacks the minimum scholastic preparation now deemed necessary for service in the Armed Forces and now deemed necessary by the U.S. Department of Labor under Secretary Mitchell for a successful work experience in the civilian labor force of the decade ahead.

2. Suburban areas: Suburban areas contain the fastest growing segment of the population. According to the old definition of urban-rural used by the Census Bureau before 1960, the population in the area outside the central cities of standard metropolitan statistical areas grew at an average of 44.3 percent between April 1950 and April 1959 compared with a growth of 1.5 percent for the central cities and −14 percent for the rural farm areas. The population of the rural nonfarm areas within the standard metropolitan statistical areas grew 117.1 percent or 17.3 times the rate of 16.1 percent for the Nation as a whole.[36] The suburban areas contain the fast growing school population and the mounting problems of classroom construction and staffing of schools. Many of these areas do not contain a good balance of residential, commercial, and industrial property for the support of schools and other local services. In many parts of the country, these are the districts which have not yet done anything about the need for a consolidated school district to broaden the tax base for schools. These are the communities that are presently bonding and taxing themselves at an unprecedented rate to support the quality of education which they deem necessary for the children of the community. Many of them are going into another decade of further expansion with already high levels of bonded indebtedness and current expense.

3. Central city: The problems faced by the major metropolitan cities of the United States are staggering. These areas are already in serious financial trouble with heavy outmigration of taxpayers and inmigration of educationally deprived segments of the population. In the past 10 years, the 20 cities that are now the largest in the country increased only 3.3 percent in population while their suburban fringes increased seven times as fast. But while the total population in the central cities was increasing only 3.3 percent, their school enrollments went up 22.4 percent. (See table 5.)

TABLE 5.—*Public-school enrollments and related figures, 20 largest cities*

City	Public-school enrollments		Percent of increase, past 10 years	
	1959–60	1949–50	School enrollments, 1949–50 to 1959–60	Population, 1950–60
(1)	(2)	(3)	(4)	(5)
1. New York, N.Y.	977,541	916,512	+6.7	−1.4
2. Chicago, Ill.	531,064	402,252	+32.0	−1.9
3. Los Angeles, Calif.	516,812	372,818	+38.9	+25.8
4. Philadelphia, Pa.	237,476	239,371	−.8	−3.3
5. Detroit, Mich.	278,428	247,819	+12.4	−9.7
6. Baltimore, Md.	163,238	124,259	+31.4	−1.1
7. Houston, Tex.	168,282	95,385	+76.4	+57.4
8. Cleveland, Ohio	132,242	107,728	+22.8	−4.2
9. Washington, D.C.	117,884	97,564	+20.8	−4.8
10. St. Louis, Mo.	101,066	97,152	+4.0	−12.5
11. San Francisco, Calif.	90,161	76,248	+18.2	−4.2
12. Milwaukee, Wis.	102,438	68,889	+48.7	+16.3
13. Boston, Mass.	95,415	99,724	−4.3	−13.0
14. Dallas, Tex.	127,721	61,734	+106.9	+56.4
15. New Orleans, La.	91,115	64,069	+42.2	+10.0
16. Pittsburgh, Pa.	70,744	70,056	+1.0	−10.7
17. San Antonio, Tex.	70,250	49,068	+43.2	+43.9
18. San Diego, Calif.	99,788	49,477	+101.7	+71.4
19. Seattle, Wash.	90,206	63,854	+41.3	+19.1
20. Buffalo, N.Y.	68,173	70,107	−2.8	−8.2
Total	4,130,044	3,373,449	+22.4	+3.3
U.S. total	36,037,937	25,111,427	+43.5	+18.5

SOURCES

Col. 2, cities: American Book Co. calendar for 1961.

Col. 2, U.S. total: National Education Association, Research Division, "Estimates of School Statistics, 1960–61, Research Report 1960—R15, Washington, D.C., December 1960, p. 20.

Col. 3, cities: U.S. Department of Health, Education, and Welfare, Office of Education, "Statistics of City School Systems," Biennial Survey of Education, 1948–50, Washington, D.C., Superintendent of Documents, Government Printing Office, 1953, ch. 3, pp. 24–28.

Col. 3, U.S. total: U.S. Department of Health, Education, and Welfare, Office of Education, "Statistics of State School Systems," Biennial Survey of Education, 1948–50, Washington, D.C., Superintendent of Documents, Government Printing Office, 1952, ch. 2, p. 46.

Col. 4: Computed by NEA Research Division from figures in cols. 2 and 3.

Col. 5: Computed by NEA Research Division from final population figures from the U.S. Bureau of the Census. Central cities from press release dated Dec. 6, 1960, entitled "Cities of 100,000 Inhabitants or More, April 1, 1960"; metropolitan areas from release dated December 1960 entitled "Final 1960 Census Population Counts for Standard Metropolitan Statistical Areas" and 1960 Census of Population, PC (A1)–1, p. 3.

The core cities hold a concentration of social and economic problems; they are characterized by a high rate of crime among adults and juveniles, a high rate of family welfare cases, unemployment, dependent aged persons, school dropouts, and children from culturally deprived homes. Recent experiments in many of the cities indicate that the schools can successfully attack that portion of the social and economic problems of the central cities which are associated with youth of school age. A case in point is the record of the George Washington High School in New York City:

"When the first project students were admitted to George Washington from junior high school, * * * their intelligence quotients, measured by verbal tests, ranged from 70 to 141 (the principal said). Seventy percent had intelligence quotients below 100; 89 percent were below the grade level in reading, and 88 percent were below grade level in arithmetic. * * *

"Many of the students were unaccustomed to meeting the normal requirements of academic work, * * * the homes of many were troubled by family problems, and nearly half of them had lost one or both parents. * * *

"Out of an original class of 148 junior high school graduates entering his school 3 years ago, 87 received diplomas last June and 8 others were graduated last month. Sixty of the graduates are going on with higher education, he said.

"Mr. Hillson said that as a result of the program 39 percent more pupils finished high school than before, 2½ times as many completed the academic course of study, and 3½ times as many went on to higher education." [37]

There is no magic formula for achieving this record except the application of extensive time and numbers of talented teachers, guidance workers, and administrators.

The pupils of the United States are present in educational programs which vary widely in meeting, or missing, their educational needs. The national stake in achieving the goal of an adequate program for all youth is underscored by military and civilian needs for increases in the educational level of young men and women throughout the United States.

V. FINANCING PUBLIC SCHOOLS

The investment in public schools increased from $5.8 billion in fiscal 1950 to $15.3 billion in fiscal 1960 and on to an estimated $16.5 billion in 1961. This was a remarkable achievement. At the present rate of growth and expansion the annual outlay for public schools will probably reach $30 billion by 1970. Several groups, including President Eisenhower's Commission on National Goals, have estimated that costs by the end of this decade should be at least double their present level.[38] The recent President's goals report reenforced the recommendations of the 1955 White House Conference, which also recommended the doubling

[36] U.S. Department of Commerce, Bureau of the Census. Statistical Abstract of the United States, 1960, op. cit., p. 15.

[37] New York Times, Feb. 9, 1961, p. C28.

[38] President's Commission on National Goals, "Goals for Americans," New York, the American Assembly, Columbia University, 1960, p. 7.

of expenditures.[39] Projects of growth in the gross national product indicate that a portion of the increase in school costs can be expected to be offset by growth in the economy. However, the necessary expansion in school investments cannot be made without increasing the share these schools require of our total expenditure.

This $30 billion is going to be a tremendous load on local and State revenue programs. Ten years hence public elementary and secondary schools will be costing two-thirds as much as national defense is costing now.[40] In another decade these schools will be requiring almost as much revenue as all State and local services, including education costs in 1959.

What are the possibilities of schools getting any cheaper? Throughout this paper, we have discussed expectations in pupil growth, in classroom needs, in staff needs, and in program and service needs. There is much expansion ahead in school costs unless there is a curtailment of our educational goals. Frankly, the prior question would be one of pricing the kind of education we need. Many innovations popularly conceived of as cost-cutting schemes—school consolidation, audio-visual instruction, arrangements in class size and teacher talent—actually hold more promise for an improved educational system than for cost cutting. A good example of this is the changed staff pattern developed by J. Lloyd Trump for the Commission on the Experimental Study of the Utilization of the Staff in the Secondary School. This study was supported by the Ford Foundation, and the study group was appointed by the National Association of Secondary-School Principals, a department of the National Education Association.[41] The comparison of today's secondary-school costs with the secondary-school costs of the future is shown below:

Now:	
16 Teachers, average salary $5,500 (some clerical help available but now charged to the principal's budget)	$88,000
Total	88,000
Future:	
5 Teacher specialists, average salary $8,000	40,000
5 General teachers, average salary $5,500, same as at present	27,500
Instruction assistants, 200 hours per week, $1.80 per hour	12,960
Clerks, 100 hours per week, $1.40 per hour	5,040
General aids, 50 hours per week, $1.30 per hour	2,340
Total	87,840

Note that we have affected saving of $160 per each 400 students in a secondary school. If all schools were to adopt this type of program, the savings which would result across the Nation would be less than $5 million—an amount equivalent to the average cost of about 111 high school classrooms. The plan calls for a special type of plant, including various sizes of classrooms, special libraries, study resource rooms, and equipment, which includes film, radio, TV, recording, and electronic machinery. The equipment and facilities needed will no doubt cost more than the savings effected by the contemplated arrangement of teachers. Increased costs will be justified if substantial improvements occur in the educated skills of the pupils involved.

When we examine the proposals for change in existing arrangements in education, we find two kinds of proposals: Those which emphasize costs and sacrifice quality and those which promote quality but which entail obvious cost increase, though they may effect economy in use of stafftime and facilities needed.

Possibilities of the general property tax

Can the property tax continue to carry half the additional educational load? Can the tax which is geared to the productivity of an agricultural economy cope with the needs of an exploding urban and industrial society? The present levels of property taxes are high in comparison with those of most recent years, although according to some analyses they have still not reached ratios prevailing in many communities in the 1920's.

There is a great deal of reason to hope that, for the Nation as a whole, property tax revenues will increase because of the additional construction, more efficient assessments, and more taxpayer appreciation of the critical nature of the local services the property tax revenues support. In addition, we can expect States which now have low levels of property taxation to make more use of this source as revenue demands become more pressing.

This hope for increased property tax receipts is tempered by economic and political limitations. Property taxes are paid by business and industry as well as by farmers, home owners, and owners of rental property. It is not merely a question of willingness of home owners in a community to support schools, a real limit is placed on the assessment and tax rates of any community that does not wish to tax its industries to the point where they compete at a disadvantage with industries in other communities. Another barrier is the presence of a substantial group of retired people in the community whose satisfaction is dependent upon retaining their home but whose income is limited. Again, when we look to the golden era of property tax levels in the 1920's, we sometimes forget the extreme sensitivity of property ownership to economic conditions. Table 6 shows the nonfarm real estate foreclosures by year since 1926. Note the dramatic increase of foreclosures beginning in 1927 and lasting through 1932 and rising again in the post war era although the numbers in the recessions of 1949, 1954, and 1957–58 were smaller. Mortgage debt outstanding in 1959 was $148 billion on nonfarm residential properties, and mortgage debt was 39 percent of personal income in 1959, up from 29 percent in 1929.[42] Real property tax revenues, as well as the mortgage payments, come out of current income. In addition, the real property tax does not have the advantage that the income tax has of decreasing when income decreases. Further increases in the local real property tax must be geared to a consideration of reasonable variations in the income of home owners.

Property tax collections in 1959 amounted to $130 per capita in California and New Jersey, and $133 in Massachusetts. In 1959, property taxes exceeded $100 per capita in 15 States.[43] They are going higher all the time.

TABLE 6.—*Nonfarm real estate foreclosures, 1926–60*

Year	Number of foreclosures	Percent change from previous year
(1)	(2)	(3)
1926	68,100	
1927	91,000	34
1928	116,000	27
1929	134,900	16
1930	150,000	11
1931	193,800	29
1932	248,700	28
1933	[1] 252,400	1
1934	230,350	−9
1935	228,713	−1
1936	185,439	−19
1937	151,366	−18
1938	118,357	−22
1939	106,410	−10
1940	75,556	−29
1941	58,559	−22
1942	41,997	−28
1943	25,281	−40
1944	17,153	[2]−32
1945	12,706	−26
1946	[2] 10,453	−18
1947	10,559	1
1948	13,052	24
1949	17,635	[1] 35
1950	21,537	22
1951	18,141	−16
1952	18,135	0
1953	21,473	18
1954	26,211	22
1955	28,529	9
1956	30,963	9
1957	34,204	10
1958	42,367	24
1959	44,075	4
1960	51,353	17

[1] Alltime high.
[2] Alltime low.

Sources: U.S. Housing and Home Finance Agency, "Thirteenth Annual Report." Washington, D.C.: Superintendent of Documents, Government Printing Office, 1960. Table A–36, p. 320; and "Housing Statistics" 14: 45; April 1961.

Let us look at property taxes another way. In 1959 the people of South Dakota were paying out in property taxes $6.82 of each $100 of personal income; in Montana, property taxes amounted to $6.41 per $100 of personal income; in North Dakota, the figure was $6.09; and in Kansas, $5.99.[44] Property taxes for the country as a whole now amount to almost 4 percent of personal income payments.

There is trouble ahead in some sections of the country. Increased resistance to further property tax increases and demands for exemption of property for special groups are bound to come in New England and the Midwest. (See table 7 for information by State on property tax collections.)

Possibilities of additional State revenue: In recent years the States have been carrying about 40 percent of the cost of public schools.[45] State support varies from a high of 71 percent in South Carolina to a low of 4 percent in Nebraska.

Where local taxes are low, State taxes are usually high. This is not always true, but there is a large degree of inverse relationship.

In 1959, State taxes in the State of Washington amounted to $148 per capita, in Delaware $149, and in Hawaii $170. Even in the low-income State of Louisiana, State taxes amounted to $137 per capita. In the fiscal year 1959, State taxes amounted to over $100 per capita in 15 States. The national average in 1959 was $91 per capita.[46]

[39] White House Conference on Education, "A Report to the President," Washington, D.C., Superintendent of Documents, Government Printing Office, April 1956.

[40] Executive Office of the President, Bureau of the Budget, "Budget of the U.S. Government, 1961," Special Analysis G.

[41] Trump, J. Lloyd, "Images of the Future," Washington, D.C., Commission on the Experimental Study of the Utilization of the Staff in the Secondary School, 1959, p. 25.

[42] U.S. Housing and Home Finance Agency, "Thirteenth Annual Report," Washington, D.C., Superintendent of Documents, Government Printing Office, 1960; table A–33 and A–39, pp. 318 and 322.

[43] U.S. Department of Commerce, Bureau of the Census, "Governmental Finances in 1959," G–GF59–No. 2, Washington, D.C., Sept. 30, 1960, p. 26.

[44] Ibid., p. 25, 37.

[45] National Education Association, Research Division, "Estimates of School Statistics, 1960–61," op. cit., p. 28.

[46] U.S. Department of Commerce, Bureau of Census, "Compendium of State Government Finances in 1959," G–SF59—No. 2, Washington, D.C., Superintendent of Documents, Government Printing Office, 1960, pp. 49–50.

TABLE 7.—*State and local tax collections per $100 of personal income, 1959*

State	State tax collections per $100 of personal income	Total property tax collections per $100 of personal income	Total state and local tax collections per $100 of personal income
(1)	(2)	(3)	(4)
U.S. average	[1] $4.20	[2] $3.93	[2] $8.49
Alabama	5.35	1.58	7.71
Alaska	4.32	1.29	6.08
Arizona	5.41	4.80	9.62
Arkansas	6.30	2.46	8.98
California	4.44	4.67	9.50
Colorado	4.89	5.04	9.99
Connecticut	3.17	3.85	7.06
Delaware	5.16	1.32	6.45
District		2.47	7.03
Florida	5.09	3.33	9.04
Georgia	5.55	2.53	8.42
Hawaii	8.64		
Idaho	4.85	4.85	9.65
Illinois	2.89	3.50	6.98
Indiana	3.91	4.26	8.05
Iowa	4.65	5.11	9.80
Kansas	4.70	5.99	10.68
Kentucky	4.69	2.75	7.59
Louisiana	8.37	2.51	11.24
Maine	4.74	4.77	9.48
Maryland	4.33	3.28	7.87
Massachusetts	3.88	5.33	9.31
Michigan	4.61	4.53	8.95
Minnesota	4.71	5.72	10.32
Mississippi	7.24	2.90	10.57
Missouri	3.13	2.97	6.60
Montana	4.58	6.41	10.90
Nebraska	3.05	5.64	8.20
Nevada	5.15	3.38	9.11
New Hampshire	3.16	5.23	8.28
New Jersey	2.18	4.98	7.67
New Mexico	6.75	2.17	9.09
New York	3.52	4.55	9.24
North Carolina	5.87	2.32	8.16
North Dakota	6.03	6.09	12.01
Ohio	3.27	3.65	7.09
Oklahoma	6.19	2.91	9.28
Oregon	4.59	4.59	9.40
Pennsylvania	3.65	2.67	7.25
Rhode Island	4.31	4.09	8.50
South Carolina	6.18	2.01	8.37
South Dakota	4.94	6.82	12.28
Tennessee	5.24	2.54	8.17
Texas	3.90	3.76	7.76
Utah	5.12	4.10	9.39
Vermont	5.60	5.50	11.31
Virginia	3.83	2.66	6.97
Washington	6.57	2.82	9.51
West Virginia	5.29	2.20	7.83
Wisconsin	4.63	5.13	9.54
Wyoming	5.31	5.53	10.10

[1] 50 States.
[2] 49 States and District of Columbia.

Sources of basic data: U.S. Department of Commerce, Bureau of the Census. "Compendium of State Government Finances in 1959." G–SF59—No. 2, Washington, D.C.: Superintendent of Documents, Government Printing Office, 1960, p. 11. U.S. Department of Commerce, Bureau of the Census. "Governmental Finances in 1959." G–GF59—No. 2, Washington, D.C.: Superintendent of Documents, Government Printing Office, Sept. 30, 1960, pp. 25, 26, 37.

TABLE 8.—*Average tax burden per family, by level of income, 1958*

Total income per family [1]	Average tax burden per family [2]					
	Total		Federal		State and local	
	Amount	Percent	Amount	Percent	Amount	Percent
(1)	(2)	(3)	(4)	(5)	(6)	(7)
$1,454	$412	28.3	$229	15.7	$183	12.6
$3,751	986	26.3	595	15.9	391	10.4
$5,934	1,535	25.9	972	16.4	563	9.5
$8,160	2,097	25.7	1,407	17.2	690	8.5
$10,250	2,454	23.9	1,656	16.2	798	7.8
$13,868	3,332	24.0	2,382	17.2	950	6.9
$32,284	11,576	35.9	9,615	29.8	1,961	6.1

[1] Total income corresponding to net national product. Income figures are averages for income classes.
[2] Includes social insurance taxes.

Source: Tax Foundation. "Allocation of the Tax Burden by Income Class." Project Note No. 45. New York: the Foundation, 1960. Table 6, p. 13.

For example, the Federal tax burden on a family income of $1,454 was 15.7 percent; on an income of $8,160, it was 17.2 percent. However, the State-local tax burden on a family income of $1,454 was 12.6 percent, but on an income of $8,160 it was 8.5 percent. The total impact of Federal, State, and local taxation is regressive until we reach incomes running into five figures. For example, the total tax burden on a family income of $1,454 was 28.3 percent, but on an income of $8,160 it was 25.7 percent. (See table 8.)

When related to income payments, the levels of State taxes have more meaning. These taxes in 1959 amounted to $8.64 per $100 of personal income in Hawaii. In Louisiana and Mississippi, State taxes amounted to $8.37 and $7.24 per $100 of personal income. For the country as a whole, these taxes required 4.2 percent of our personal income payment.[47] For information on all States, see table 7.

In the fiscal year 1960, State tax collections totaled $18 billion, up 14 percent over 1959. This rise of $2.2 billion in the past year is more than twice the rise from fiscal 1958 to fiscal 1959. It is also double the average annual increase over the past decade. In at least five States, State tax collections increased 20 percent or more between fiscal 1959 and 1960. These include Ohio, up 21 percent; South Carolina, up 21 percent; Utah, up 24 percent; New York, up 24 percent; and Arizona, up 27 percent.[48]

Local and State taxes combined: The support of public education is a cooperative enterprise largely of local and State governments. Other State-local services are financed similarly. The combined State-local tax take indicates the overall effort in the State to support schools and other State-local services.

State and local taxes combined for the year 1959 amounted to $265 per capita in California, $253 in New York, and $245 in Nevada. In 1959, the combined State and local tax load in 13 States amounted to over $200 per person in the population. In addition to the three mentioned are Colorado, Connecticut, Kansas, Massachusetts, Minnesota, Montana, Oregon, Vermont, Washington, and Wyoming.[49]

In relation to income payments, the total load is heaviest in South Dakota, where State and local taxes in 1959 amounted to $12.28 per $100 of personal income. Other States where State and local taxes amounted to over 10 percent of personal income include North Dakota, $12.01 per $100 of income; Vermont, $11.31; Louisiana, $11.24; Montana, $10.90; Kansas, $10.68; Mississippi, $10.57; Minnesota, $10.32; and Wyoming, $10.10.[50] Figures for all States are given in table 7.

Many of us have been so concerned about the high level of Federal taxation that we have missed what has been happening in the past few years at the State and local levels. State and local tax revenues combined doubled between the years 1950–58, and the total has gone much higher since 1958. A close look at State and local tax collections per $100 of personal income shows that they are beginning to look more like the bite of the Federal income tax than like that of the traditionally modest State and local taxes. This does not mean that some States could not do more. All the States and their local districts will have to do a great deal more, even with increased Federal assistance, to meet the growing demands of public education. This point should be made: some of the States putting forth the greatest overall tax effort at State and local levels still have the most inadequate schools in the country.

A recent research report from the Tax Foundation showed calculations of the average tax burden, by level of family income, of Federal taxes, and of local and State taxes combined. The Federal tax burden, as a percent of family income, went up as the family income increased, but the opposite was true of the State-local tax burden.

State and local taxes have become more steeply regressive than Federal taxes have been progressive. The result is that the total tax burden including social insurance taxes is regressive on family incomes up to those of five digits. Excluding social insurance taxes, the Federal, State, and local taxes combined have a proportional impact on incomes under $5,000. If we finance the expected increases in education from State-local sources, the result would be to increase the regressivity of the total tax system on family income.

What are the elements in this regressiveness of the present State-local tax structure that are throwing the total tax structure into such a peculiar pattern? One item is the general property tax, the mainstay of school support. This is one of the most regressive of all taxes. This tax hits incomes under $2,000 almost three times as hard, percentagewise, as it does the incomes of $15,000 and over. Of course, the sales and excise taxes are also regressive, but they are not as steeply regressive as the property tax. (See table 9.)

[47] Computed by the NEA Research Division on the basis of: U.S. Department of Commerce, Bureau of the Census, "Compendium of State Government Finances in 1959," G–SF59—No. 2, Washington, D.C., Superintendent of Documents, Government Printing Office, 1960, p. 11. Office of Business Economics, "Survey of Current Business," 40: 17, August 1960.

[48] U.S. Department of Commerce, Bureau of the Census, "State Tax Collections, 1960," G–SF60—No. 3, Washington, D.C., Aug. 26, 1960.

[49] U.S. Department of Commerce, Bureau of the Census, "Governmental Finances in 1959," op. cit., p. 26.

[50] Tax revenue in relation to personal income was computed by the NEA Research Division.

TABLE 9.—*Taxes as a percentage of total income by source and by income class calendar, 1958*

Source	Family personal income class							
	Under $2,000	$2,000 to $3,999	$4,000 to $5,999	$6,000 to $7,999	$8,000 to $9,999	$10,000 to $14,999	$15,000 and over	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total taxes, excluding social insurance	21.0	20.4	20.5	21.6	20.6	21.6	34.4	23.7
Total taxes, including social insurance	28.3	26.3	25.9	25.7	23.9	24.0	35.9	27.4
Federal taxes:								
Individual income	1.8	4.5	6.0	7.9	7.5	8.9	16.3	8.7
Corporate	3.8	3.2	3.0	3.0	3.0	3.6	8.8	4.3
Excise and customs	4.0	3.3	3.1	3.0	2.9	2.7	1.8	2.8
Estate and gift							1.7	.3
Total, excluding social insurance	9.6	11.0	12.1	13.9	13.4	16.1	28.6	16.1
Social insurance	6.1	4.9	4.3	3.3	2.7	2.0	1.2	3.1
Total, including social insurance	15.7	15.9	16.4	17.2	16.2	17.2	29.8	19.2

TABLE 9.—*Taxes as a percentage of total income by source and by income class calendar, 1958*—Continued

Source	Family personal income class							
	Under $2,000	$2,000 to $3,999	$4,000 to $5,999	$6,000 to $7,999	$8,000 to $9,999	$10,000 to $14,999	$15,000 and over	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
State and local taxes:								
Individual income	0.5	0.8	0.6	0.2	0.2	0.3	0.7	0.5
Corporate income	.2	.2	.1	.1	.2	.2	.4	.2
Excise and sales	4.8	3.9	3.7	3.6	3.5	3.2	2.1	3.3
Estate and gift							.5	.1
Property	5.9	4.6	4.1	3.7	3.4	2.8	2.1	3.5
Total, excluding social insurance	11.3	9.4	8.5	7.7	7.2	6.5	5.9	7.5
Social insurance	1.3	1.0	.9	.8	.6	.4	.2	.7
Total, including social insurance	12.6	10.4	9.5	8.5	7.8	6.9	6.1	8.2

Source: Tax Foundation, "Allocation of the Tax Burden by Income Class," project note No. 45, New York, 1960, table 10, p. 17.

These conditions warrant the use of the Federal tax structure for meeting part of the increasing costs of education. It is very difficult to see how we are going to absorb all the additional cost of education over the current decade in a State-local tax system that is already steeply regressive and likely to become more so in the years ahead.

VI. THE NATIONAL INTEREST IN EDUCATION

American education is the key to achieving full economic and defense potentials. It is also the key to undergirding the knowledge and skills our citizens need to participate in our free economy and to participate effectively in the operation of our political institutions. The success of our type of government and economy rests fundamentally on an educated citizenry.

Educated citizens

Only educated citizens are capable of making wise decisions regarding their government. A knowledge of the workings of our two-party system, of the workings of our three levels of government, of the machinery which the nations of the world have set up are all basic to the education of youth who will become the electorate of the next generation. There is some question that we are not doing as well as we should in the education of our citizen-electorate. Over one-third of the persons of voting age did not vote in the Presidential election of 1960, and the record last year was one of the best in the history of the United States.

Failure of the mental test

The mental requirements for draftees were raised in August 1958 because of the higher levels of skill required by technological developments in modern warfare. All men called for induction receive an examination which determines their acceptability for active service. In 1959 approximately 25 percent of our young men who took the mental test given to selective service registrants did not pass. See table 10. The percent failing was as high as 62 percent in one State and 50 percent or more in two others. In 10 States, 1 in 3 registrants failed the mental test in 1959. These rates represent only draftees. The wide variation in the percent failing by State is one of the major reasons why States with low rates of failure have an interest in the education systems of States with high rates of failure, if only so that a disproportionate share of their young men are not called to military service. The proportion of young men failing to meet minimum standards—1 in 4—is far too high in most States. Insofar as this affects our military potential in a technological war, it underscores the need for Federal interest in and Federal support of State-local educational systems.

TABLE 10.—*Percent of Selective Service registrants failing the mental test, 1959*

	Percent
1. Iowa	5.6
2. Washington	5.7
3. Minnesota	5.8
4. Montana	6.6
5. Utah	7.0
6. Oregon	8.0
7. Idaho	8.2
8. Wyoming	8.7
9. South Dakota	9.2
10. Kansas	10.1
11. North Dakota	10.4
12. Nebraska	10.8
13. Wisconsin	11.2
14. Vermont	12.1
15. New Hampshire	12.6
16. Colorado	12.7
17. Indiana	13.0
18. Michigan	13.3
19. Oklahoma	13.3
20. Ohio	15.7
21. Massachusetts	16.0
22. Maine	16.1
23. Alaska	18.2
24. Missouri	18.5
25. Nevada	18.6
26. Pennsylvania	19.3
27. Connecticut	20.5
28. California	20.6
29. Hawaii	21.4
30. New Mexico	21.4
31. Rhode Island	21.9
32. Maryland	22.3
33. Illinois	24.5
34. Texas	24.6
35. Arizona	25.2
36. New York	25.3
37. New Jersey	26.1
38. West Virginia	27.6
39. Delaware	28.9
40. Tennessee	29.6
41. Virginia	32.1
42. Kentucky	35.6
43. Georgia	38.2
44. Florida	40.0
45. North Carolina	40.9
46. Arkansas	43.8
47. Alabama	45.0
48. Louisiana	50.0
49. Mississippi	53.4
50. South Carolina	61.9
48 States and District of Columbia	24.7
Guam (including Marianna Islands)	34.6
Puerto Rico (including Canal Zone and Virgin Islands	9.9

Source: U.S. Department of the Army, Office of the Surgeon General, "Preinduction and Induction Examination Results, 1959," Health of the Army 15: 1–10, February 1960, table 2.

High immigration from depressed areas experienced by some wealthy States and differences among regions with regard to the value placed on education destroy the correlation between educational expense and success on the mental achievement test. However, eight of the nine States which had a failure rate in excess of 33.3 percent reported total expenditures per pupil in the public schools for 1959–60 that are critically below the national average. The failure rates and the expenditures per pupil for the nine States are compared below:

State	Percent of selective service registrants failing the mental test, 1959	Total expenditure per pupil in ADA, 1959–60
National average	24.7	$476
Kentucky	35.6	256
Georgia	38.2	252
Florida	40.0	394
North Carolina	40.9	285
Arkansas	43.8	265
Alabama	45.0	244
Louisiana	50.0	479
Mississippi	53.4	290
South Carolina	61.9	247

These States are known for a high proportion of cultural deprived people. The expenditures per pupil indicate that the youth now in school are educationally deprived.

Economics

One of the major problems on the political scene at present is that of unemployment. Unemployment is associated with inadequate levels of education. Low education limits job mobility and adaptability of workers. Low education was the factor most frequently associated with low-income family in a study by Lampman for the Joint Economic Committee. (See table 11.) According to the Lampman study, 67 percent of the low-income population were characterized by low education, and the degree to which persons having this characteristic have an immunity to economic growth was characterized as high.

Universal education is important to the improvement of the income-earning capacity of the low-income population. It is also important in terms of the income-producing capacity of the whole economy. Government policies directed toward protecting and increasing investment capital are deemed essential to economic growth. Government policies directed to increasing human capital—the educated skills and talents of the population—are now viewed by many economists as an equally essential element in economic growth.

"Between 1919 and 1957, total income rose at an annual rate of 3.1 percent while that of tangible capital rose at a rate of only 1.8 percent. But all these estimates of capital exclude human capital represented by training, education, additional capacities based on health, and new knowledge. The stock of this human capital has been increasing more rapidly than that of tangible capital; therefore, the observed decline in the capital-income ratio may be largely, or even wholly, an illusion resulting from the omission of human capital." [51]

If we are to grow as a nation, attention to investment in education, in human capital, should command our attention, as well as attention to physical capital.

The national interest in advancing quality in American education is well established. The exact role that the Federal Government

[51] Schultz, Theodore W., "Investment in Man: An Economist's View," Social Service Review 33: 109–17, June 1959.

should play and the extent of this role are the points of dispute. These are the alternatives:

1. Financial support of research and dissemination of information and studies about education.

TABLE 11.—*Importance of selected characteristics in future determination of low-income population*

Characteristic	Percent of low-income population having this characteristic, 1957	Will numbers with characteristic increase or decrease with time?	Degree to which persons having this characteristic are immune to economic growth
(1)	(2)	(3)	(4)
Low education	67	Decrease	High.
Old age	25	Increase	Do.
Nonwhite color	20	do	Low.
Female head-ship	25	No change	High.
Disability	(1)	do	Do.
Large family size	33	do	Low.

[1] Not available.

Source: Lampman, Robert J. "The Low-Income Population and Economic Growth." Study paper No. 12 prepared for the Joint Economic Committee, 86th Cong., 1st sess., Washington, D.C.: Superintendent of Documents, Government Printing Office, 1959. p. 29.

2. Support of special areas of concern with matching grants and control over the purpose of the expenditure. This type of support is designed to stimulate State and local funds into the area of Federal concern.

3. Payments to districts which are impacted with Federal activity, justified mostly on the basis of the tax-exempt status of the Federal Government as a property and an employer in the area.

4. General support to add to the State and local funds available for major cost items—buildings and teachers' salaries—to achieve an upward thrust in school expenditures above that which the State and local revenues can provide in any one year.

The National Education Association supports measures which fall into all four major categories of Federal support listed above. The first three are continuing programs, the fourth, the general support program, is currently before the Congress of the United States. The association urges the Congress to speed passage of a bill which embodies this type of support.

Another type of support, not financial, is that rendered by leading officials in the Congress and in the Executive branch. This type of support frequently takes the form of admonitions to residents of States and to local governments to finance systems of education which are adequate in terms of national needs for education. These statements no doubt have been a motivating factor in increasing the public's willingness to support schools. However, even with increased State and local efforts to support schools, most districts across the Nation have not reached standards of quality in their schools. A Federal program which would add to the funds State and local districts are able to provide for schools is needed to step up the advance toward quality in public education.

VII. GOALS IN EDUCATION

The educational goals of the National Education Association are directed toward the provision for each child in the population an equal educational opportunity—equal at the highest level of educational service the profession knows how to render. To set the maximum opportunity at the levels of the uneven taxing capacity which exist among the States and their districts is to deny a high proportion of the youthful citizens of the United States the kind of education they need for maximum economic, military, and civic participation in the years to come.

The goals of education are stated in terms of equality and quality of education. The standards are left to the States and the districts where the control of education properly resides. Some generalizations as to the quantity and quality of staff, facilities, and programs are offered below, not on the basis of prescription, but on the basis of the experience in good school systems:

1. Staff needs: The professional staff requirements of a modern education program include classroom teachers, librarians, health workers, guidance personnel, teacher specialists, and supervisors. The Educational Policies Commission underlined the need for enough competent professionals, as follows:

"In any school system there should be enough competent professionals to insure that every pupil receives needed attention. Where this standard is met, classes are various sizes, depending on subjects taught and the characteristics of the student body. If the school program is to provide wide opportunities, and if the supplemental services of guidance counselors, librarians, coordinators, and administrators are to be available, there is obviously some minimum staff size below which needed professional services cannot be supplied. Experience in good school systems indicates that this minimum is about 50 professionals per thousand pupils. These professionals might be distributed in many ways. In some cases as many as 40 might be classroom teachers. If somewhat larger classes are feasible, thereby decreasing the number of teachers, the individual assistance each pupil needs for maximum achievement can be provided only if the number of supplementary professional personnel rises to compensate. If fewer than 50 professionals are available per thousand pupils, some of the elements of program of high quality are likely to be slighted.

"It should be emphasized that this ratio is a minimum. Better services to pupils, and consequently higher quality education, can be provided with a competent staff of larger size. In communities where schools are best supported, staffs range up to 70 professionals per thousand pupils." [18]

2. Teachers' salaries: The NEA believes that teachers' salaries should compare favorably with the income of other professional persons. The NEA Representative Assembly in 1960 recommended that the salaries of beginning qualified teachers be at least $6,000, and that the salaries should range to $13,000 and higher. This recommended salary range would provide teachers with an acceptable standard of living and would provide an economic incentive high enough to attract and retain in the profession able and qualified persons. There is no real hope of attracting enough able young qualified college graduates into classroom teaching unless the education profession offers beginning salaries and expectations of lifetime earnings which are reasonably competitive with those of other professional occupations.

3. Classrooms: The need for additional school buildings to house added enrollments and replace unsatisfactory facilities is not postponable in a nation which can no longer afford to waste its human resources. The The waste occurs in the years in crowded classrooms and in situations detrimental to good teaching and learning.

Some persons still argue for indefinite postponement of meeting classroom needs and accept a less-than-adequate rate of construction. These attitudes, which are present in many local, State, and National groups commit millions of children in the United States to an education greatly short of what could be provided. The classroom shortage will not solve itself. The solution requires the money to build. Federal funds which may be used for school construction to add to State-local building funds are needed to solve the classroom shortage.

4. Program: New knowledge and the accelerating pace of this development plus the demand for increased mastery of the fundamental skills have set off an examination and revision of the education program offered in the public schools.

This revolution which promises quality in education holds an unequal promise for the youth of the Nation. The kind of education a youth gets depends largely upon the State and district in which he lives. The opportunities to have good teachers and adequate classrooms from kindergarten through the senior high school year are subject to the same kind of variation. The gap between the educational opportunities offered in districts which are supporting good schools and those which, even at great effort, can support only a minimum program underscores the need for Federal funds to equalize educational opportunities through the country.

It is good business for the Republican Party which stands for a maximum of self-help and a minimum of public charity to undergird the ability of youth with the best education this Nation knows how to provide. Educated citizens earn more, spend more, pay more taxes, and in addition have a lower incidence on the public assistance and unemployment rolls. Any remedial work which can be done to decrease the number of potentially dependent persons in our society can most effectively be done before these persons enter the labor force. This opportunity exists only in the public schools.

Our present problems of unemployment among unskilled workers will be dwarfed if the 7.5 million youth are permitted to leave high school before completing their academic and vocational preparation for participation in the labor market. Labor demand is growing only in need for highly developed skills and professional services.

The dropouts are a threat to a free enterprise economy. However, the underinvestment of this Nation's wealth in education of human talents at all levels of talent decree the whole economy to somewhat less than the spectacular progress of which it is capable.

The National Education Association urges the Republican policy committee of Congress to support a Federal program of financial assistance to State and local schools. Federal financial support is justified by the interest of the Republican Party: (a) in the successful functioning of our free enterprise economy; (b) in the successful functioning of a political system which stresses development of individuals in political, social, and economic freedom. The best kind of protection that individuals and businesses can buy with Federal taxes is an investment in public schools.

We can avoid a welfare state, but only if we apply good teachers and adequate classrooms now to educating young citizens in the gamut of skills and knowledge required for successful participation as workers and citizens in the government and economy of the United States.

CIVIL RIGHTS IN EDUCATION

(By Virgil C. Blum)

INTRODUCTION

Within the framework of American constitutional government, the education of the child must be discussed in terms of the child and his parents, not in terms of the school

[18] National Education Association and American Association of School Administrators, Educational Policies Commission, "An Essay on Quality in Public Education," Washington, D.C., 1959, pp. 16–17.

the child attends. The child as citizen is protected by the Constitution and is the primary recipient of educational benefits; the school is but a suitable means to assist in the education of the child.

The individual child, clothed in all his constitutional rights, must, therefore, be the primary concern of the Federal Government, if and when the national interest urges Federal allocation of tax moneys to aid in the education of the children of the Nation. The individual citizen has rights and liberties vis-a-vis his Government. The Bill of Rights protects these rights and liberties against violations by the Federal Government, and the 14th amendment makes applicable against State violations the fundamental rights guaranteed by the Bill of Rights. Freedom of choice in education is, therefore, protected by the 1st amendment guarantee to freedom of mind and freedom of religion; equality of treatment for all schoolchildren regardless of race, color, or religious beliefs is guaranteed by the 5th and 14th amendments. Thus, in a government of limited power the educational function of government is a function of service rendered to rights—the rights of individual children under the direction and control of their parents.

When the Federal Government considers the educational needs of the Nation in terms of the State's school system rather than in terms of the civil rights of the child and his parents, it submerges the individual child into the mass entity of the State and thereby destroys his identity as an individual personality. His rights and liberties against the powers of the State are ignored and suppressed. His mental development is of interest to the Federal Government only if his parents surrender their civil right to direct and control his formal education to the political majority of the State.

In effect, this amounts to the adoption of a statist philosophy that is inconsistent with the philosophy of the Declaration of Independence, which places the individual person in the center of the stage of American democracy. When the rights and liberties of the individual child are abridged by the Federal Government in education legislation, the compulsory power of the State is being used to enforce conformity to the orthodoxy of State schools. Such action is in conflict with the philosophy of the Declaration of Independence, which is based on the dignity and transcendent value of the individual, on the integrity and freedom of the human person.

A free society recognizes the paramount importance of the individual person who bears the image of God. This is of the essence of constitutional government. It is limited government. It is government limited by the inalienable God-given rights of the person. In promoting the common good and discharging its functions, limited government gives full recognition to the inalienable and constitutional rights of the individual.

Here lies the essential difference between a free society and an enslaved society. In a free society the individual has paramount importance. In an enslaved society the individual is just a cog in a vast power-driven machine. In a free society the individual, marked by his transcendent worth and clothed in his constitutional rights, is the measure of what the state may do. In an enslaved society the individual, degraded to the level of a material entity and stripped of all his personal rights, is a mere tool for what the state will to do.

It should be apparent that freedom is more than the negative right not to be forced to conform. It is a positive right. And there exists in the state the corresponding positive duty to provide the conditions necessary for the exercise of freedom. A society that denies to the individual the conditions necessary for the exercise of freedom. A society that denies to the individual the conditions of freedom and forces him, against his convictions and beliefs, to conform to a particular philosophical and theological orientation violates the basic principles of freedom.

A government dedicated to the preservation of freedom dispenses its services and discharges its functions consistent with the rights of individuals. It will not force a citizen to surrender his constitutional rights as a condition for sharing in public benefits. It will protect his rights while rendering services to him. The functions of government, says the English political scientist Ernest Barker, are always, in their nature, functions of service rendered to rights and therefore rendered to persons, individual persons, who own these rights as the necessary conditions of the development in action of their individual personality.[1] In a free society the individual person, clothed in all his constitutional rights, must occupy the center of the stage. Regardless of the number and variety of welfare services and functions a state may provide, they are always rendered to rights and therefore to individual persons who possess these rights as the necessary conditions for achieving their personal development.

The centrality of the individual, however, is today being challenged. With the growth of Government functions and services, to what extent can individual persons retain their individuality? In other words, to what extent will Government force the individual to conform to a mass pattern? The complete submersion of the individual into the mass state—this is the danger of the welfare state. This is a danger that threatens the freedom of the individual and of society. The individual person, once free and self-determining, is in danger of being progressively more and more caught up into the orbit of Government control and regulation through the imposition of restrictive controls as the condition for sharing in the benefits of welfare legislation. When this happens, the individual loses more and more of his autonomy; the Government makes more and more of his decisions; it does more and more of his thinking. This develops the mass man; group thinking prevails. Individual personality is destroyed, and civil rights are suppressed.

Within the American and English constitutional context, however, the individual, in the words of Professor Barker, claims "the right to think and advocate his own thoughts, to form and pursue his own tastes, and to associate himself with others for the common advocacy and the common pursuit of the thoughts and tastes which he and they share. This is a fundamental liberty; and indeed, we may find, in the issue, that it is the basis of all others."[2]

This claim to liberty, maintains Barker, is based on "the assumption that in our human world, and under God, the individual personality of man alone has intrinsic and ultimate worth, and having also the capacity of development has also an intrinsic and ultimate claim to the essential development. Liberty will then be that essential condition; and the essence of liberty will be that it is a condition, or status, or quality, which individual personality must possess in order that it may translate itself from what it is to what it has the capacity of becoming."[3] In the pursuit of truth the individual person, because of his intrinsic and ultimate worth, has a right to the development of his total personality. And for this development of the total human person, including his quest of and union with ultimate truth, liberty is an essential condition. If the individual personality is to "translate itself from what it is to what it has the capacity of becoming," it must have the liberty to develop itself according to its essential nature. This demands an unencumbered liberty in the pursuit of truth.

This unencumbered liberty in the pursuit of truth entitles the individual to associate with others for the pursuit of truth and for the inquiry into the unknown. Such free association is the condition of personal development. It makes possible the freeman—the man who has not been uni-formed, who has not been forced to conform to the state ideology. This is the freeman. If the freeman is to remain free, he must resist those who "would make the all-inclusive state the sufficient focus of our moral and spiritual being," who "would even, as totalitarians, ruthlessly coordinate out of existence our cultural heterogeneity."[4]

It is the individual personality that is of great importance. It is the development and growth of the individual that makes possible the development and growth of society. Society is no wiser, no more intelligent, than its constituent members. If American society is to be characterized by intellectual, cultural, moral, and religious qualities, these qualities must distinguish the individuals of our society. The community cannot rise above the merits of its constituent members. John Stuart Mill expressed this thought very cogently when he wrote that "the worth of a state, in the long run, is the worth of the individuals composing it * * * a state which dwarfs its men, in order that they may be more docile instruments in its hands even for beneficial purposes—will find that with small men no great thing can really be accomplished."[5]

The individual human person has capacities for considerable growth, if not for greatness, but this can take place only if the individual is permitted to grow as a distinctive though social personality. If the individual is submerged in the mass, "even for beneficial purposes", his individuality is destroyed and he grows not at all. He must be permitted the right to think and advocate his own thoughts.

Enforced conformity in all aspects of life—this is the totalitarian state. It eliminates both society and the individual personality, leaving only a mass state that has engulfed and caught up every citizen into the crushing embrace of legal omnipotence. In such a state "the ultimate end of life becomes not the development of individual personality, but the exaltation of the super-personality of the state; and the cult of power is substituted for that of liberty."[6]

It cannot, therefore, be too much insisted that "the community is more than the state, that in its spontaneous life and in the rich difference it breeds there move the forces that create the future, and that for this reason the cultural values of men and groups must remain essentially free from the uniformizing activities of government."[7] If

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[1] Ernest Barker, "Principles of Social and Political Theory" (Oxford: The Clarendon Press, 1951), p. 268.

[2] Barker, "Reflections on Government" (London: Oxford University Press, 1942), p. 11.

[3] Ibid., pp. 15–16.

[4] R. M. MacIver, "The Web of Government" (New York: the Macmillan Co., 1949), p. 429.

[5] John Stuart Mill, "On Liberty * * *" (New York: the Macmillan Co., 1926), p. 137.

[6] Barker, "Reflections on Government," p. 26.

[7] MacIver, op. cit., p. 441.

"the community is more than the state," and if "in its spontaneous life and in the rich difference it breeds there move the forces that create the future," the processes of education cannot be under the exclusive control of the state. Diversity in education is essential. When all education must conform to a state-determined philosophy, the "spontaneous life" of the community and the "rich difference it breeds" are dealt a crippling blow, and the community that is "more than the state" is deprived of its source of life, of its idealism, its individuality, and its personality. And as a consequence "the cultural values of men and groups" which "must remain essentially free from the uniformizing activities of government," are, in fact, brought under the direct uniformizing control of government through monopoly in education. State-enforced uniformity in education results in cultural uniformity. Enforced cultural uniformity means the destruction of society and of individuality. When this transpires, the individual is "created" in the image of the state rather than in the image of freedom.

If freedom of thought and freedom of belief are to be fully achieved, the state must not be permitted to interfere with or even, because of its dominant power, to participate in the dialogue between citizen and citizen. It was for freedom of dialogue—dialogue free of government interference—that Socrates gave his life. In this connection Whitehead writes that "Plato's own writing constituted one prolonged apology for freedom of contemplation, and for freedom for the communication of contemplative experience. In the persistent exercise of this right Socrates and Plato lived, and it was on its behalf that Socrates died." [8]

If freedom of thought is to be achieved, government must, since freedom of thought is a guaranteed right, create those conditions that make it possible. Freedom must be capable of achievement; otherwise it cannot sustain the lifegiving qualities of democracy. But if a nonconforming student's pursuit of truth is obstructed by government denial of equal educational benefits, then government is guilty of depriving him of freedom of thought. He is deprived of the right to think and investigate freely, to develop his individual personality, and to share his thoughts with his fellow citizens in the elemental process of democracy. He is deprived of what Professor Barker calls "a fundamental liberty," a liberty which is "the basis of all others." This is government thought control; its circumscribes and suppresses the freedom of the individual in the pursuit of truth. It leads to state monopoly in education, and the suppression of diversity in thought essential to a free and open society.

For this reason John Stuart Mill warned us that "a general state education is a mere contrivance for molding people to be exactly like one another; and * * * the mold in which it casts them is that which pleases the predominant power in the government * * *; in proportion as it is efficient and successful, it establishes a despotism over the mind, leading by natural tendency to one over the body." [9]

Diversity in education is a necessary prerequisite for freedom of thought and freedom of inquiry; it makes possible the active exercise of those freedoms and those responsibilities that characterize a free society. It enables the student to undertake the pursuit of truth openmindedly and to draw his conclusions on the basis of evidence; he is not forced to conform to an educational philosophy that arbitrarily censors vast areas of knowledge. Diversity in education moreover, enables parents to make free choices for their children's pursuit of truth. To make choices is man's highest perfection. When the state denies this right, it maims and stunts his personality; it violates the most fundamental of his freedoms. Compulsory conformity to a state-charted course in pursuit of truth is not only inconsistent with the freedom of the human mind, but it is also inconsistent with the principles and needs of a multigroup society.

There is general agreement, it is hoped, with the proposition adopted by the Commission on Financing Higher Education, that a diversity of educational institutions is necessary for the preservation of liberty. "What most protects freedom of choice in America is the great diversity of its institutions, none of which possesses overriding power. * * * Human beings and their institutions being what they are, total power is not safe in the hand of any single group no matter how well intentioned," declared the commission. [10]

Education from the elementary grades through the graduate school is a costly item. It is one for which only a small percentage of our parents can afford to pay. Yet because of our democratic ideals, we insist that every child is entitled to all the education of which he is capable. Who shall pay for it? Since society is the secondary beneficiary of the education of the young, the state has, in every nation, undertaken to subsidize the education of its children.

In subsidizing the education of their children, nations have adopted one of three broad policies. First, most nations have adopted a policy of freedom of thought and freedom of belief. They subsidize the education of all children in the schools of their choice. Second, others have adopted a policy of compulsory conformity to state educational doctrines through compulsory attendance at government schools. They also subsidize the education of all children. Third, a few nations have adopted a policy of coercive conformity to the philosophical and theological orientation of state schools. They subsidize the education of only those children who conform to the established orthodoxy of government schools. Nonconforming students are denied all educational subsidies.

Compulsory conformity to state educational doctrines is the policy adopted by every totalitarian state. The state that sets out to control every aspect of the lives of its people takes a giant step, and an essential step, in this direction by thought control through its educational system.

Nearly every democracy in the West has adopted a policy of freedom of thought and freedom of belief in education. Our Nation stands virtually alone among democracies in adopting a general policy of coercive conformity to the religio-philosophic orientation of government education as a condition for sharing in State educational benefits. If parents exercise their civil rights in the choice of an independent school, they are penalized. Their children are denied all tax-provided educational benefits.

To remedy this serious violation of civil rights, Prof. Milton Friedman of the University of Chicago proposes a program of direct tuition grants to parents. He writes, "Governments * * * could finance (education) by giving parents vouchers redeemable for a specified maximum sum per child per year if spent on 'approved' educational services. Parents would then be free to spend this sum and any additional sum on purchasing educational services from an 'approved' institution of their own choice. The educational services could be rendered by private enterprises operated for profit, or by nonprofit institutions of various kinds." [11]

Professor Friedman declared that the proposed voucher or certificate plan has good precedent not only in the United States but also in Great Britain and France. He pointed out that "an excellent example of a program of this sort is the United States educational program for veterans after World War II. Each veteran who qualified was given a maximum sum per year that could be spent at any institution of his choice, provided it met certain standards. A more limited example is the provision in Britain whereby local authorities pay the fees of some students attending nonstate schools (the so-called 'public schools'). Another is the arrangement in France whereby the state pays part of the costs for students attending nonstate schools." [12]

American society demands diversity in education. "The hallmark of freedom," observed Dr. A. Whitney Griswold, president of Yale University, in a baccalaureate address, "is diversity." [13] The pluralistic structure of our society is based on freedom of thought and freedom of belief. A tuition grant program, making possible freedom of choice in education, would guarantee that freedom of inquiry and freedom of investigation which are essential in a free and open society.

FREEDOM IN EDUCATION

Freedom of choice in education is the exercise of freedom of mind and freedom of religion. Under the personal subsidy plan, parents are free to choose a school on the basis of their philosophical and theological convictions. Thus children would not be forced to conform to the philosophical and theological orientation of State schools as a condition for sharing in public educational benefits.

Enforced conformity to State educational philosophy as a condition for sharing in educational benefits is in conflict with our two most fundamental constitutional liberties—freedom of mind and freedom of religion. The child is forced to surrender his freedom of thought and his freedom of belief in the choice of school; he is compelled to conform to the philosophical and theological orientation of the State's schools.

Every educational institution is philosophically and theologically oriented. There is no such thing as philosophical and theological neutrality. Since the purpose of education is to educate the human person, education cannot be neutral about the nature of the person being educated and the purpose of the person's existence. In the process of education the questions "What is man?" "Where does he come from?" "What is his purpose?" cannot be avoided. It is impossible even to attempt to answer these questions without raising the question of whether there is a God, and if so, what is man's relation to Him? Mere silence on these important questions is not neutrality.

Neutrality regarding these fundamental issues is impossible. This point is cogently made by Henry P. Van Dusen, president of Union Theological Seminary, in his "God in

[8] Alfred North Whitehead, "Adventures of Ideas" (New York: the Macmillian Co., 1933), p. 64.

[9] Mill, op. cit., p. 126.

[10] The Report of the Commission on Financing Higher Education: Nature and Needs of Higher Education (New York: Columbia University Press, 1952), p. 31.

[11] See, for example, Milton Friedman, "The Role of Government in Education," in Economics and the Public Interest, edited by Robert A. Solo (New Brunswick: Rutgers University Press, 1955), p. 127.

[12] Ibid., pp. 127–128.

[13] New York Times, June 9, 1958.

Education" when he says that "the gravest secularization of American education has not been in the gradual elimination of religious instruction or required chapel, or even in the irreligious outlook of faculties. It has been the secularization of educational theory and structure. Their covert assumptions concerning the two basic factors with which they have to deal—truth and man—have been nonreligious. And they have been false."[14] When educators attempt to discuss "truth and man" without reference to God, this is the "nonreligious" approach to the two most basic factors in education. This approach constitutes a philosophical and theological orientation vis-a-vis God and man. It is positivistic and secularistic.

Sir Walter Moberly, formerly chairman of the University Grants Committee of England, is in complete agreement with this analysis of modern education. In his book "The Crisis in the University," Sir Walter analyzes the approach of the modern university to the question of God and concludes not only that the university is in a sense atheistic but that it teaches the relative unimportance of religion. He writes: "On the fundamental religious issue, the modern university intends to be, and supposes it is, neutral, but it is not. Certainly it neither inculcates nor expressly repudiates belief in God. But it does what is far more deadly than open rejection; it ignores Him. * * * It is in this sense that the university today is atheistic. * * * It is a fallacy to suppose that by omitting a subject you teach nothing about it. On the contrary you teach that it is to be omitted, and that it is therefore a matter of secondary importance. And you teach this not openly and explicitly, which would invite criticism; you simply take it for granted and thereby insinuate it silently, insidiously, and all but irresistibly."[15]

If the teachers of our universities and schools ignore God and if by so doing they "insinuate * * * silently, insidiously, and all but irresistibly" that He is to be omitted, the classrooms of our schools are philosphically and theologically oriented. If, on the other hand, the teachers of our public universities and schools admit a God and if they emphasize the transcendent importance of a knowledge of God and man's relation to God, the classrooms of these schools are philosophically and theologically oriented. Whatever the philosophical and theological orientation of the classrooms of our State schools—be it Protestant, Catholic, Jewish, secularistic, or agnostic—the child cannot be compelled to conform to it. This is fundamental to freedom of the mind and freedom of religion.

This elemental but basic principle of freedom was unanimously upheld by the U.S. Supreme Court in the well-known Oregon school case.[16] To deny this principle is to espouse the doctrine of the totalitarian State; the doctrine of compulsory conformity to the will of the State in every aspect of our lives. It is to make the child, in the words of the Supreme Court, "the mere creature of the State,"[17] to be nurtured, and fed, and trained, and taught exclusively by the all-powerful, the all-competent, the absolute State.

Democracy supposes a free people—a people who can think, and speak, and believe, and write, and assemble without government interference. And freedom means the right to be different; the right of nonconformity. It means that government may not force its citizens to conform, whether it be in speech, in belief, or in thought. It means that government may use neither direct nor indirect means to force children and students to conform to the ideological orientation of State educational institutions.

That government may not condition participation in its benefits and privileges on the surrender of constitutional rights—this is a most fundamental principle of constitutional liberty. For "if the State may compel the surrender of one constitutional right as a condition of its favor," declared the Supreme Court of the United States, "it may, in like manner, compel a surrender of all."[18] This would enable every State in the Nation, as well as the Federal Government, to force citizens to surrender rights and liberties guaranteed in the Bill of Rights as a condition for sharing in the privileges and benefits provided by government to a class to which they belong. This would enable governments to do by indirection what they can not do by direct action.

But this may not be done. For if this can be done, said the Court, "constitutional guarantees, so carefully safeguarded against direct assault, are open to destruction by the indirect but not less effective process of requiring a surrender, which, though, in form voluntary, in fact lack none of the elements of compulsion."[19] In the Pierce case the Court unanimously protected parents' civil rights in the education of their children against direct assault by the State of Oregon. The application of the doctrine of unconstitutional conditions is clear. A Federal education program that conditions sharing in education tax funds on the surrender of parents' civil right to send their children to independent schools "lacks none of the elements of compulsion." In form parents' choice may be "voluntary"; in reality, however, parents are "given no choice, except a choice between the rock and the whirlpool."[20]

The Supreme Court does not concern itself merely with the "form" of civil rights; it demands that civil rights be enjoyed "in reality." Hence, the Court, in striking down an unconstitutional condition in the Frost case, declared, "it would be a palpable incongruity to strike down an act of State legislation which, by words of express divestment, seeks to strip the citizen of rights guaranteed by the Federal Constitution, but to uphold an act by which the same result is accomplished under the guise of a surrender of a right in exchange for a valuable privilege which the State threatens otherwise to withhold."[21] So also, it would be a palpable incongruity to strike down the Oregon law which directly stripped parents of their their civil right in the education of their children, but to support Federal legislation that demands the surrender of parents' civil rights in exchange for equal Federal education tax funds for their children. Parents' civil rights are not open to destruction by such indirect action. For, said the Court, "it is inconceivable that guarantees embedded in the Constitution of the United States may thus be manipulated out of existence."[22]

The Supreme Court, adhering to the fundamental principle that governments may not force citizens by indirection to surrender their constitutional rights, declared that a State "may not impose conditions (for sharing in benefits) which require the relinquishment of constitutional rights."[23] Mr. Justice Frankfurter reaffirmed this constitutional doctrine when, concurring in the Douds case, he declared: "Congress may withhold all sorts of facilities for a better life, but if it affords them it cannot make them available in an obviously arbitrary way or exact surrender of freedoms unrelated to the purpose of the facilities."[24]

In this day of increasing public welfare benefits, it is important that governments not be permitted to enforce conformity to a prevailing ideology as a condition for sharing in such benefits. Enforced conformity, whether achieved by direct action or by indirection, is incompatible with constitutional guarantees and with the principles of democracy. Mr. Alanson Willcox, formerly General Counsel of the Federal Security Agency, in his article on the "Invasions of the First Amendment Through Conditioned Public Spending" writes: "Whenever a State imposes a choice between * * * receiving a public benefit, on the one hand, and exercising one's constitutional freedoms, on the other, the State burdens each course to the extent that abandonment of the other is unpalatable. The deterrent to exercise of first amendment freedoms when (public benefits are) at stake is a real one. * * * Infringement of constitutional rights is nonetheless infringement because accomplished through a conditioning of a privilege."[25]

This condition is, in effect, a compulsion to conformity to the philosophical and theological orientation of State educational institutions. All such compulsion to conformity, though it is exerted through economic pressures, is unconstitutional. The alternative to conformity is the deprivation of educational benefits. Educational subsidies are denied. Parents are forced to make up the denied subsidy out of their own pockets. "If taking money away from people under the taxing power may violate the 1st and 14th amendments when it tends to stifle their freedom of expression," argues Alanson Willcox, "it seems plain that refusing to give them money (or welfare benefits), when the refusal is so conditioned as to tend in the same direction, may be open to the same constitutional challenge."[26]

A denial of welfare benefits to a person because of a particular action he has taken is just as restrictive and repressive as a tax burden imposed on the performance of the action itself. Consequently, State denial of benefits because of the exercise of a constitutional right merits the same condemnation, under the Constitution, as a State tax imposed on the exercise of a constitutional right. "If a tax of $7 a week may be unduly restrictive of freedom of speech," reasons Alanson Willcox, "periodic payments of the magnitude of unemployment compensation or even public assistance are not,

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[14] Henry P. Van Dusen, "God in Education" (New York: Charles Scribner's Sons, 1951), p. 83.

[15] Sir Walter Moberly, "The Crisis in the University" (London: SCM Press Ltd., 1949), pp. 27, 55–56.

[16] *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925).

[17] Ibid., p. 535.

[18] *Frost* v. *Railroad Commission*, 271 U.S. 583, 594 (1926).

[19] Ibid.

[20] Ibid.

[21] Ibid.

[22] Ibid.

[23] Ibid.

[24] *American Communications Assn.* v. *Douds*, 339 U.S. 382, 417 (1950), concurring opinion.

[25] Willcox, 41 Cornell Law Quarterly, 12, 43–44 (1955).

[26] Ibid., p. 45. The problem of securing the educational rights of children, regardless of religious belief, has not been completely solved in some other Western democracies. However, no country which subscribes to the principles of freedom has so adamantly refused to face up to the problem as has the United States.

because of their smallness, incapable of exerting such pressures as to call these amendments in play."[27] By the same token, the denial of important and costly educational benefits is incapable of exerting such pressures against freedom of mind and freedom of religion as to call these amendments into play.

If Congress conditions sharing in educational benefits on the surrender of freedom of religion in the choice of a church-related school, this suppression of religious freedom can draw no support from the Constitution since the condition does not advance the purpose of the education law, namely, the better education of children for the national defense and welfare. Such a condition rather obstructs the purpose of the law since it undermines the effective instruction of the Nation's 6,800,000 independent schoolchildren. "If a legislature attaches to a public benefit a gratuitous addendum, which in no rational way advances the purpose of the scheme of benefits but does restrain first amendment freedoms," concluded Mr. Willcox after an exhaustive study of pertinent cases and legal literature, "it is submitted that the restraint can draw no constitutional strength whatsoever from its attachment to the benefit, but must be measured as though it were a wholly separate enactment."[28] In other words, congressional restraint upon parents' civil rights in the education of children through conditioned educational benefits falls under the same constitutional condemnation as the Oregon law which directly deprived parents of their constitutional right to direct and control the education of their children.

The denial of educational benefits, operating as a restrictive economic compulsion to conformity, violates the constitutional right of parents to send their children to the school of their choice; it violates the conscience of parents who are forced by the imposed condition to send their children to Government schools contrary to their religious beliefs. Yet, freedom of choice in education, based on freedom of mind and freedom of religion, is the most fundamental of all constitutional rights.

In the Prince case of 1944 the Supreme Court of the United States reaffirmed the fundamental doctrine of parental right in education when it asserted the principle of "the parents' authority to provide religious with secular schooling, and the child's right to receive it, as against the State's requirement of attendance at public schools."[29]

This constitutional doctrine upholding freedom of mind and freedom of religion was reiterated by the Court in the Everson case of 1947. It there stated that "this Court has said that parents may, in the discharge of their duty under State compulsory education laws, send their children to a religious rather than a public school."[30] The Court was here referring to the Pierce or Oregon school case[31] of 1925 where it held unconstitutional a law giving the State totalitarian control over the education of all children.

It was in the Pierce decision that the Highest Court of the Nation unanimously set down the fundamental principle that the child is "not the mere creature of the State." To prepare the child for "additional obligations," said the Court, is the "right * * * and the high duty" of his parents. The Oregon law compelled attendance at public schools. This law, declared the Court, "unreasonably interferes with the liberty of parents and guardians to direct the upbringing and education of children under their control."[32]

The first case challenging the right of parents to direct and control the education of their children to reach the Supreme Court of the United States was *Meyer* v. *Nebraska* in 1923.[33] In its decision, the Court repeatedly refers to the prior right of parents in the education of their children. Mr. Justice McReynolds, speaking for the Court, specifically enunciates the principle of parental "right of control" of the education of their children, "the right of parents to engage" a teacher of German to instruct their children, and "the power of parents to control the education of their own."[34]

But when parents exercise this constitutional right, government deprives their children of all tax-provided educational benefits.

The denial of educational benefits to children whose parents wish to send them to independent schools is economic coercion to conformity that deprives both parents and children of basic constitutional liberties. It penalizes parents and children because of their exercise of rights guaranteed by the first amendment. The increasing deterioration of the Bill of Rights as more and more welfare benefits are denied to more and more citizens because of their convictions and beliefs should be of the greatest concern to every American. It should be of particular concern to the courts. "It is incumbent on (the courts)," wrote Mr. Willcox, "to recognize more forthrightly than most of them have yet done how effectively the conditioning of 'privileges' can erode the Bill of Rights, and to realize that the Constitution forbids abridgment of first amendment freedoms in this way as much as in any other."[35]

If this erosion is to be stopped, Congress and the courts must be more alert to recognize that "infringement of constitutional rights is nonetheless infringement because accomplished through a conditioning of a privilege."[36]

Prof. Wilber G. Katz of the University of Chicago School of Law noted in an article on "The Freedom To Believe" how great is the price exacted for the exercise of religion in the choice of school.[37] He declares, with regard to church-related schools, that "we have here applied the separation principle in a way which hampers the exercise of religious freedom. In 1925, the Supreme Court held unanimously that the constitutional liberty of parents includes a right to send their children to religious schools. But we exact a price for the exercise of this liberty. This is the result of our policy of taxing for the support of public education alone, and of our failure to provide tax deductions or offsets for any part of tuition paid to religious schools."[38]

But liberty at a price is not liberty. It is liberty penalized. And liberty penalized is liberty suppressed.

The denial of educational benefits to independent schoolchildren is doing the very thing that the first amendment forbids. It prohibits the free exercise of religion. Dr. Bernard Iddings Bell, Episcopalian clergyman and educator, stated this emphatically when he wrote that "as the American school system is now conducted, more and more conducted, there is no such thing as religious liberty in American education. There is liberty only to be unreligious."[39] Canon Bell further pointed out that atheists are "allowed to force atheistic-by-negation education on the children" of Americans who believe in a God-centered education.[40]

The denial of educational benefits to children who seek a God-centered education penalizes the exercise of religion and, as such, is destructive of religious liberty. And, as Mr. Justice Black remarks in the Douds labor case, "freedom to think is inevitably abridged when beliefs are penalized by impositions of civil disabilities."[41] Children who are denied all educational benefits because of their religious belief certainly suffer civil disabilities. Their freedom to think and their freedom to believe, guaranteed by the first amendment, are abridged.

Dr. Bell, applying the principles of the first amendment to religious freedom in education, declared that if our public schools have to be officially nonreligious, "then the only decent thing is to permit religious groups to run their own schools, which of course we now do, and to give them tax money to run them with, which we do not."[42]

Enforced conformity in education stultifies democracy because it is intolerant of ideas and diversity. In an article "The Black Silence of Fear," Mr. Justice Douglas identified "the critical danger" of America—"That we will so limit or narrow the range of permissible discussion and permissible thought that we will become victims of the orthodox school."[43] We are already "victims of the orthodox school." Our children are already forced to conform to the established philosophical and theological orthodoxy of our State schools. "Our real power," Justice Douglas observes, "is our spiritual strength, and that spiritual strength stems from our civil liberties. If we are true to our traditions, if we are tolerant of a whole marketplace of ideas, we will always be strong. Our weakness grows when we become intolerant of opposing ideas, depart from our standards of civil liberties, and borrow the policeman's philosophy from the enemy we detest."[44]

If we are tolerant of a whole marketplace of ideas, we must be tolerant of a diversity of schools; and if we are tolerant of a diversity of schools, we may not penalize students who refuse to conform to State educational philosophy and insist on pursuing their own ideas and convictions in the school of their choice. If because of our intolerance of opposing ideas we deprive millions of our children of equal educational opportunities, we are indeed losing our real power, our spiritual strength, which stems from our civil liberties.

The tuition grant plan insures the individual freedom and the diversity which are essential for the preservation of democracy. Democracy, if it is to flourish, must rest on individuals who are free to exercise their rights and responsibilities as individuals.

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[27] Ibid.

[28] Ibid.

[29] *Prince* v. *Massachusetts*, 321 U.S. 158, 166 (1944).

[30] *Everson* v. *Board of Education*, 330 U.S. 1, 18 (1947).

[31] *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925).

[32] Ibid., pp. 534–535.

[33] *Meyer* v. *Nebraska*, 262 U.S. 390 (1923).

[34] Ibid., p. 410.

[35] Willcox, op. cit., p. 56.

[36] Ibid., p. 44.

[37] Wilber G. Katz, "The Freedom To Believe," Atlantic, 192 (October 1953), 66.

[38] Ibid., pp. 69–69.

[39] Bernard Iddings Bell, Crisis in Education (New York: McGraw-Hill Book Co., 1949), p. 222.

[40] Ibid.

[41] *American Communications Assn* v. *Douds*, 339 U.S. 382, 446 (1950), dissenting opinion.

[42] Bell, op. cit., p. 222.

[43] Mr. Justice Douglas, "The Black Silence of Fear," the New York Times magazine, Jan. 13, 1952.

[44] Ibid.

When democracy begins to think in terms of the masses, the individual will soon be lost sight of, and the masses will be forced to conform, to "group think." The Supreme Court, rejecting the philosophy of enforced conformism and State absolutism that prevailed in the Gobitis case of 3 years earlier, declared in the Barnette case: "We apply the limitations of the Constitution with no fear that freedom to be intellectually and spiritually diverse or even contrary will disintegrate the social organization. * * * We can have intellectual individualism and the rich cultural diversities that we owe to exceptional minds only at the price of occasional eccentricity and abnormal attitudes." [46]

When democracy begins to think in terms of the masses, the right of the individual to differ shall have been lost—and with its freedom and true democracy. Enforced conformity is incompatible with the principles of the Bill of Rights. The freedom to differ is the freedom to be an individual. And, furthermore, the "freedom to differ," said the Court in the Barnette flag-salute case, "is not limited to things that do not matter much. That would be a mere shadow of freedom. The test of its substance is the right to differ as to things that touch the heart of the existing order." [47]

But the freedom to differ in the choice of education not only does not touch or challenge the heart of the existing order; it is essential to that diversity and freedom of mind which gave birth to and preserves the democratic way of life.

It is for this reason that Dr. Bell warned, "It is now clearly hightime that we realize that academic freedom, freedom to seek after the truth, is threatened by no other source as it is by organized secular government." State control of education, he points out, is "never in the interest of freedom." [48] Educator Canon Bell, fully cognizant of the importance of autonomous associations in the preservation of liberty, points to the church as a defense of freedom in education and a curb against "the state's expanding coercion." But the church's "influence for freedom in education has grown less and less," he observes. "More and more the state has become all-controlling, directly so over the public schools and public universities—indirectly and by heavily subsidized competition over those universities and schools, religious and not so religious, which operate independently." [49]

The role of independent associations and of the church in the defense of freedom of mind and spirit is of vital importance. "In education today, whatever may have been the case in times past, it is not the church which threatens educational liberty, freedom of thought. On the contrary, the church is often almost their only champion. It is the state which is the enemy of that academic freedom which, as Nicholas Murray Butler rightly said, is education's 'instrument for knowing the changing world, for aiding the changing world, for shaping the changing world,' " writes Dr. Bell. [50]

Canon Bell's injunction, given to mid-20th century Americans, is in defense of freedom in education. "At all costs," he warns, "state control of education must be reduced, not strengthened, if we are to have a free society competently led toward human end." [50]

John Stuart Mill was emphatically opposed to exclusive state control of education because he feared that liberty would be eroded and finally suppressed unless there was "diversity of education." "That the whole or any large part of education of the people should be in state hands," he declared, "I go as far as anyone in deprecating. All that has been said of the importance of individuality of character, and diversity in opinions and modes of conduct, involves, as of the same unspeakable importance, diversity of education." [51]

Mill's contention that complete state control of education "establishes a despotism over the mind" [52] is based on the fundamental fact that every educational institution, whether state or independent, is both philosophically and theologically oriented. The mere inculcation of facts does not of itself establish a despotism over the mind. It is the philosophical and theological orientation of these facts that enables the state through its enforced conformity to public education to mold the student in accordance with the beliefs of the dominant power in the government.

Since every educational institution is philosophically and theologically oriented, the U.S. Supreme Court's concluding statement in the Barnette opinion has particular relevance regarding the question of freedom of mind and freedom of religion in education. "If there is any fixed star in our constitutional constellation," observed the Court, "it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion or force citizens to confess by word or act their faith therein." [53]

Since no official can prescribe what shall be orthodox in education, every child and student attending the school of his choice is entitled to equal educational benefits. To deny this is to assert that the state can determine what shall be orthodox in the field of thought and belief. And if so, nonconformists are denied educational subsidies. But this is in direct conflict with freedom of mind and freedom of religion; it is in conflict with the principle laid down by Mr. Justice Alexander of Mississippi when he declared: "The state is under duty to ignore the child's creed, but not its need. It cannot control what one child may think, but it can and must do all it can to teach the child how to think." [54]

If freedom is to endure, the State must, in the words of Mr. Justice Jackson, "let man's mind alone." When the State conditions its educational benefits on enforced conformity to State educational philosophy, it is not letting men's minds alone. It is intruding its secular arm into the mind of the student and demanding the right to orient truth as the condition for sharing in educational benefits. This violates the integrity of the human person. It subverts democracy. "Our Constitution relies on our electorate's complete ideological freedom to nourish independent and responsible intelligence and preserve our democracy from that submissiveness, timidity and herd-mindedness of the masses which would foster a tyranny of mediocrity," [55] said Justice Jackson. He emphasizes an important fact, the fact that "the priceless heritage of our society is the unrestricted constitutional right of each member to think as he will." And because of increasing Government intrusion into the sacred precincts of thought and belief, he warned us that "thought control is a copyright of totalitarianism, and we have no claim to it." [56]

Enforced conformity is the distinguishing characteristic of the totalitarian State; freedom of mind and spirit is the distinguishing characteristic of the free democracy. In Justice Jackson's words: "If any single characteristic distinguishes our democracy from Communism it is our recognition of the individual as a personality rather than as a soulless part in th jigsaw puzzle that is the collectivist State." [57] Setting down his convictions regarding the importance of the individual person's freedom of mind and freedom of religion, the Justice observes that "our Constitution excludes both general and local governments from the realm of opinions and ideas, beliefs and doubts, heresy and orthodoxy, political, religious or scientific." [58] On the basis of this conviction, he concludes in the words of Justice Holmes that "if there is any principle of the Constitution that more imperatively calls for attachment than any other it is the principle of free thought—not free thought for those who agree with us but freedom for the thought that we hate." [59]

"The guaranties of civil liberty are but guaranties of freedom of the human mind and spirit and of reasonable freedom and opportunity to express them," [60] declared Justice Stone in his Gobitis dissent. Since every educational institution, as philosophically and theologically oriented, orients truth in a particular way, depending on its orientation, the compelled affirmation of such an orientation in the enforced attendance at State schools violates freedom of mind and spirit. "The very essence of the liberty which (the guaranties of civil liberty) guarantee," reasons Justice Stone, "is the freedom of the individual from compulsion as to what he shall think and what he shall say, at least where the compulsion is to bear false witness to his religion." [61] If it is assumed that years of education have an influence on the human mind, and if the "covert assumptions concerning the two basic factors with which (educational institutions) have to deal—truth and man—have been non-religious," [62] in Henry P. Van Dusen's words, is not the student who is compelled to attend a State institution as a condition for receiving educational benefits compelled "as to what he shall think," is he not compelled "to bear false witness to his religion" which would orient all particular truths to ultimate truth? The answer is found in the Gobitis dissent. "If these guarantees are to have any meaning they must, I think, be deemed to withhold from the State any authority to compel belief or the expression of it where that expression violates religious convictions." [63] The State has no authority to compel the affirmation of the philosophical and theological orientation of State educational institutions involved in the total process of education since such an affirmation "violates religious convictions."

If "legislative efforts to secure conformity of belief and opinion by a compulsory affir-

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[46] *West Virginia Board of Education* v. *Barnette*, 319 U.S. 624, 641–642 (1943).
[47] Ibid.
[48] Bell, op. cit., pp. 189–190.
[49] Ibid.
[50] Ibid., p. 191.
[50] Ibid.
[51] Mill, op. cit., p. 135.
[52] Ibid., p. 126.
[53] *West Virginia Board of Education* v. *Barnett*, 319 U.S. 624, 642, (1943).
[54] *Chance* v. *Mississippi State Textbook Rating and Purchasing Board*, 200 So. 706, 710 (1941).
[55] *American Communications Assn.* v. *Douds*, 339 U.S. 382, 442 (1948), concurring and dissenting, each in part.
[56] Ibid.
[57] Ibid., p. 443.
[58] Ibid.
[59] Ibid., p. 439.
[60] *Minersville School Dist.* v. *Gobitis*, 310 U.S. 586, 604 (1940).
[61] Ibid.
[62] Van Dusen, op. cit., p. 83.
[63] *Minersville School Dist.* v. *Gobitis*, 310 U.S. 586, 604 (1940), Mr. Justice Stone, dissenting opinion.

mation of the desired belief" [64] involved in the enforced flag salute are to be struck down (as they were in the Barnette case) as violations of freedom of mind and spirit, should not, a fortiori, legislative efforts to secure conformity to the philosophical and theological orientation of public educational institutions be struck down? The answer may well be found in the measure of our dedication to the Bill of Rights. "The Constitution," declared Mr. Justice Stone, "is an expression of faith and a command that freedom of mind and spirit must be preserved, which government must obey, if it is to adhere to that justice and moderation without which no free government can exist." [65]

Legislation that conditions educational benefits on the surrender of freedom of mind and spirit not only raises a constitutional question, but also calls into question the future of democratic society. The issue is not simply one involving the equal rights of children and students; the issue is one involving the essential nature of a society based on the dignity and worth, the freedom of the human mind and spirit. This point was eloquently made by Mr. Justice Frankfurter: "When legislation touches freedom of thought and freedom of speech, such a tendency is a formidable enemy of the free spirit. * * * A persistent, positive translation of the liberating faith into the feelings and thoughts and actions of men and women is the real protection against attempts to straitjacket the human mind. * * * Without open minds there can be no open society. And if society be not open the spirit of man is mutilated and becomes enslaved." [66]

Yet, school children are coerced to conform to the policies imposed by the controlling majority. This enables the controlling factor to achieve that "compulsory unification of opinion" which Mr. Justice Jackson remarked "achieves only the unanimity of the graveyard." [67]

This denial of liberty, this enforced conformity, is not just a matter of depriving a minority of individual citizens of their constitutional freedoms and equal rights. It is more than that. The whole moral fiber of our constitutional democracy depends on a fair respect by courts and legislatures alike for the liberties and rights of all Americans, regardless of race, color, or religious affiliation. If government does not rise to this level, then democracy fails. In his defense of democracy and freedom in the Gobitis dissent, Mr. Justice Stone, it may be recalled, set forth this fundamental truth in no uncertain terms. "The Constitution expresses more than the conviction of the people that democratic processes must be preserved at all costs," he wrote. "It is also an expression of faith and a command that freedom of mind and spirit must be preserved, which government must obey, if it is to adhere to that justice and moderation without which no free government can exist." [68]

GOVERNMENT NEUTRALITY

The Federal Constitution guarantees freedom of choice in education. This freedom of choice is embedded in the first amendment guarantee to freedom of mind and freedom of religion. On the basis of these constitutional liberties, parents have a right to send their children to church-related schools, and children have the right to attend such educational institutions.[69]

Yet when parents and children exercise this right, they are deprived of all public educational benefits. Prof. Wilber G. Katz put it bluntly when he said that "we exact a price for the exercise of this liberty." [70]

Liberty at a price is the suppression of liberty. In human affairs liberty means the freedom to choose alternatives. But religious-minded parents and their children are placed in a dilemma, both horns of which are totally unacceptable. The State-devised dilemma that confronts parents is this: submit your child to a tax-supported secularized education or pay for your child's education elsewhere. There is no freedom of choice in these alternatives. In fact both alternatives involve a violation of constitutional rights. The first alternative violates freedom of mind and freedom of religion. The second alternative, since it deprives children of equal educational rights because of their religious belief, also violates the first amendment guarantee of freedom of mind and freedom of religion.

"Our public school," argued Mr. Justice Jackson in 1947, "is organized on the premises that secular education can be isolated from all religious teaching so that the school can inculcate all needed temporal knowledge." [71] This is secularism. This makes secularism the established religion of the public schools. In the McCollum [72] decision of the next year the Supreme Court formally ousted from the public schools the positive religions of Protestantism, Catholicism, and Judaism and thus officially established secularism as the religion of the schools.

Religious-minded Protestants, Catholics, and Jews who desire for their children a positive religious education must not only support the established secular religion in government schools, which is a violation of their rights under the 1st and 14th amendments, but their children are, moreover, compelled to conform to the established philosophical and theological orientation of the tax-supported schools as a condition for sharing in public educational benefits. This, as has been pointed out above, is a serious violation of freedom of mind and freedom of religion guaranteed by the 1st and 14th amendments. Parents who demand for their children an education from which all mention of God has been dehydrated are within their rights under the Constitution. But when government demands that all children conform to this established secular religion of the public schools as a condition for sharing in educational benefits, the children's religious liberty is seriously abridged. This alternative of the dilemma is totally unacceptable to parents of every religious belief who desire a God-centered education for their children.

The second alternative, although it does not involve government dictation as to what children shall think and believe, violates freedom of religion since it deprives children of equal educational benefits because of their religious belief. This places a burden on the choice of a religious school; it forces parents to pay a second time for their children's education. Such religious tests, burdens, and disqualifications were condemned by Thomas Jefferson in his "A Bill for Establishing Religious Freedom." He declared that "Almighty God hath created the mind free; * * * that all attempts to influence it by temporal punishments, or burthens, or by civil incapacitations, tend only to beget habits of hypocrisy and meanness." [73]

In his great defense of religious freedom Jefferson wrote, moreover, that "no man shall be compelled to * * * suffer on account of his religious opinions or belief; but that all men shall be free to profess * * * their opinion in matters of religion, and that the same shall in no wise diminish, enlarge or affect their civil capacities." [74] But parents who exercise their religion in the choice of school are compelled to suffer on account of their religious opinions or belief. Their children are deprived of all educational benefits; they are forced to pay for the education of their children out of their own pockets. These religious-minded parents can hardly be said to be free in the exercise of their religion. Nor can it be said that their exercise of religion "in no wise diminish * * * or affect their civil capacities," as Jefferson demanded. They are "compelled to * * * suffer" a deprivation of educational benefits for their children "on account of (their) religious * * * belief." Such deprivations are a direct violation of religious liberty; they are in violation of the first amendment.

The religious liberty guarantee of the first amendment is not simply a guarantee against its obliteration. It guarantees the exercise of religion without interference, without obstruction, without the imposition of reprisals or the denial of civil rights because of its practice. The commands of the 1st and 14th amendments, declared Chief Justice Stone "extend at least to every form of taxation which, because it is a condition of the exercise of the privilege, is capable of being used to control or suppress it." [75] It makes little constitutional difference whether government controls or suppresses religious exercise by direct taxation or by the indirection of a discriminatory denial of equal rights under the law. If a child is deprived of educational benefits because of his exercise of religion in the choice of school, this is a penalty imposed on his religious belief. This penalty compels parents to pay for his education elsewhere. Such enforced payments are, like the flat license tax on the distribution of religious literature, "a condition of the exercise of * * * constitutional privileges." And moreover, asserted the Supreme Court, "the power to tax the exercise of a privilege is the power to control or suppress its enjoyment." [76]

Regarding the imposition of burdens on the exercise of religion, the Supreme Court

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[64] Ibid., p. 606. Mr. Justice Stone, dissenting opinion.

[65] Ibid., pp. 606–607, dissenting opinion.

[66] *Dennis* v. *U.S.*, 341 U.S. 494, 556 (1951), concurring opinion.

[67] *West Virginia Board of Education* v. *Barnette*, 319 U.S. 624, 641 (1943).

[68] *Minersville School Dist.* v. *Gobitis*, 310 U.S. 586, 606–607 (1940), dissenting opinion.

[69] *Meyer* v. *Nebraska*, 262 U.S. 390 (1923); *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925); *Prince* v. *Massachusetts*, 321 U.S. 158 (1944); *Everson* v. *Board of Education*, 330 U.S. 1 (1947).

[70] Wilber G. Katz, "The Freedom To Believe," Atlantic, 192 (October 1953), 69.

[71] *Everson* v. *Board of Education*, 330 U.S. 1, 23–24 (1947), dissenting opinion. "Secularism has taken over in the United States," Paul Hutchinson writes in the New Ordeal of Christianity; in Eugene Carson Blake's judgment as expressed in his Christian Faith; Bulwark of Freedom: "we are living in a Nation that is largely secular and in a secular age"; the impact of secularism, Frederick K. Wentz says in The Times Test the Church, "is now marked across the whole earth." Quoted in a book review in Social Order, June 1957, by Edward Duff, S.J.

[72] *Illinois ex rel. McCollum* v. *Board of Education*, 333 U.S. 203 (1948).

[73] "Documents of Amercan History," edited by Henry Steele Commager, p. 125.

[74] Ibid., p. 126.

[75] *Jones* v. *Opelika*, 316 U.S. 584, 608 (1942), dissenting opinion.

[76] *Murdock* v. *Pennsylvania*, 319 U.S. 105, 112 (1943).

declared that "those who can tax the exercise of * * * religious practice can make its exercise so costly as to deprive it of the resources necessary for its maintenance." [77] Those who can burden the exercise of religion in the choice of school by the denial of educational benefits can make its exercise so costly as to deprive them of the resources necessary to continue to exercise a choice in education. For hundreds of thousands of parents the exercise of religion in the choice of school has been made so costly by the entailed denial of educational benefits to their children that their religious choice in schooling has been completely suppressed. Not only are they deprived of the constitutional right of freedom of choice; they have in fact been denied the choice itself.

The power to impose legal discriminations on the exercise of religion is the power to control or suppress its enjoyment. When civil disqualifications and the denial of welfare benefits are directly contingent upon the exercise of religion, government is suppressing the exercise of religion.

When government subsidizes only the children who attend State-controlled schools and denies all subsidies to children who attend church-related schools, it is throwing the full force of its taxing power in the balance against religious education. Government is not, in fact, neutral between positive religion and the negative religion of secularism. While, on the one hand, its vast financial resources are used to subsidize the education of children in nonreligious schools, the state, on the other hand, denies all educational subsidies to children in religious schools.

Moreover, when government subsidizes education only in nonreligious schools in which secularism is the established religion, it is compelling millions of religious-minded taxpayers to make contributions of money for the propagation of doctrines that are directly in conflict with their own religious beliefs. This, Jefferson condemned. He declared "that to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves, is sinful and tyrannical." [78] Many Protestant, Catholic and Jewish taxpayers believe, with Henry P. Van Dusen, that "teaching which does not recognize God as the ultimate ground of truth is false teaching." [79] They agree, moreover, with Dr. Bernard Iddings Bell that "there is no such thing as religious liberty in American education" and that "there is liberty only to be unreligious." [80] They agree, further, with Dr. Will Herberg that "the spirit of public school education * * * is, by and large, secularist, even militantly so." [81]

Yet these Protestant, Catholic, and Jewish taxpayers are compelled, contrary to Jefferson's principle of religious liberty, to support the government schools, even though the secularist orientation of the schools is directly in conflict with their most fundamental religious beliefs. They are compelled to support education that engages in "false teaching" because it refuses to "recognize God as the ultimate ground of truth," education that deprives all children of "religious liberty" except the secularist-minded, education that is "secularist," that has removed God from the classroom and teaches, as Sir Walter Moberly charges, "silently, insidiously, and all but irresistibly" that God is unimportant. The enforced support of public education by the religious-minded taxpayer falls directly under the condemnation of Jefferson. School taxes "compel a man to furnish contributions of money for the propagation of opinions which he disbelieves."

"It would seem that a believer in religious liberty should support a role of neutrality between religious believers and nonbelievers," [83] observed Professor Katz. This appears fundamental. Moreover, "everyone agrees that religious freedom precludes the use of penalties and discriminations to induce or reward religious conformity." [83] This appears fundamental also. Yet penalties and discriminations are imposed on the religious nonconformist in the choice of school, while orthodoxy and conformity are rewarded. Such enforced conformity is in conflict with the constitutional requirement of government neutrality between religious believers and nonbelievers. The U.S. Supreme Court declared, as a matter of fact, that the "first amendment requires the State to be neutral in its relations with groups of religious believers and nonbelievers; it does not require the State to be their adversary. State power is no more to be used so as to handicap religions than it is to favor them." [84]

The all but total failure of the several States to meet these standards of neutrality is one of the greatest anomalies in the enforcement of our Bill of Rights. It is one thing to enunciate principles of liberty in a Bill of Rights; it is another thing to enforce those principles in the political arena. This is only to say that principles of law are not always the ultimate determinants of what is done politically.

The Federal Government has, until recent years, achieved a far greater degree of neutrality between religion and nonreligion than have the States. This is particularly true of Federal legislation in the field of education. In providing for the education of veterans, Professor Katz points out, "Congress left veterans free as to their choice of school and profession. * * * And not even the most enthusiastic separationist criticized this policy or questioned its constitutionality." [85] This neutrality on the part of the Government enabled the veteran to attend the school of his choice, whether denominational or nondenominational, at the Government's expense.

The GI Bill of Rights gave the individual veteran freedom of choice in education, but it gave him more than this. It gave him freedom in the choice of professional training. "The result of the 'GI bill' was to place vocation to the ministry financially on a par with vocation to medicine or the law," [86] writes Professor Katz. This is the par excellence example of neutrality; it is also the par excellence example of freedom of choice in education. On the State level, however, we fall far short of neutrality and freedom of choice. In the words of Professor Katz: "Provision of heavily subsidized courses in law and medicine in State universities weights the scales against religious vocations." [87]

However, in the National Defense Education Act of 1958, paradoxically, Congress both protects academic freedom and abridges it. The NDEA provides 5,500 graduate fellowships paying from $2,000 to $2,400 a year, plus $400 for each dependent. NDEA fellows, like veterans under the GI bill of rights, enjoy the academic freedom to pursue virtually any course of studies, including theology, in secular and church-related universities. Furthermore, the act provides direct grants of up to $2,500 to the graduate school, including denominational schools, which the individual fellow attends, to pay for the cost of educating him.

Here Congress, while encouraging the graduate student to think for himself in no way intrudes upon the sacred precincts of the student's mind by telling him what to think and what to believe.

Congressional violations of freedom of mind and freedom of religion, of academic freedom in the pursuit of truth, are crudely exemplified, however, in NDEA student-loan and institute provisions. A qualified student may borrow $5,000 to finance his education, regardless of the school he attends. If, on graduating, the student decides to teach in a public school, one-half of his loan, plus interest, will be canceled. If, however, he decides to teach in a private school, he must repay the entire loan, plus interest.

Congress also discriminates against those counselors and modern foreign language teachers who choose to teach in independent schools. The National Defense Education Act provides funds for the conduct of counseling and guidance-training institutes and for language institutes. A public school teacher who attends an NDEA guidance or language institute receives a stipend of $75 per week, plus $15 per week for each dependent.

While a public school counselor or teacher with four dependents thus receives a subsidy of $1,080 during an 8-week institute, independent school counselors and teachers attending the same institute receive absolutely nothing. Since the direct result of these penalties is to obstruct the development of counselors and teachers and thus to retard better counseling and teachers, Congress frustrates the aims of the Defense Act and, more importantly, subverts certain basic civil rights of many citizens.

Upon analysis, it is clear that these and other provisions of the NDEA are based on the proposition that independent school teachers and students are second-class citizens. Second-class citizens are expected to shoulder the duties and burdens of citizenship, but, solely because of their color or religious beliefs they are effectively denied many of the general welfare benefits.

It is axiomatic that the Founding Fathers adopted the first amendment prohibiting the

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[77] Ibid.

[78] Documents of American History, p. 125.

[79] Henry P. Van Dusen, God in Education, p. 71.

[80] Bernard Iddings Bell, Crisis in Education, p. 222.

[81] Will Herberg, "The Sectarian Conflict Over Church and State," Commentary, 14 (November 1952), p. 451.

[82] Katz, op. cit., p. 67.

[83] Ibid.

[84] *Everson* v. *Board of Education*, 333 U.S. 1, 18 (1947).

[85] Katz, op. cit., p. 68.

[86] Ibid.

[87] Ibid. A number of States have adopted the principle and practice of freedom of choice in education in their college-scholarship programs. Winners of State-provided scholarships, for example, in New York, California, Maryland, and Illinois are not coerced to attend State-controlled colleges and universities as a condition of receiving the award; they have the freedom of choice which enables them to attend any recognized institution of higher education within the State. Most other States with scholarship programs, it seems, condition the receiving of such awards, as well as regular State-educational subsidies through "free" education, on the surrender of the constitutional right of freedom of choice in education. The State of New York under the leadership of Governor Nelson Rockefeller took a giant step in the direction of academic freedom in the pursuit of truth when it passed legislation in 1961 providing a tuition grant to every resident college student who pays tuition of $200 or more a year in a college located in the State. The tuition grant of $100, $200, or $300 a year varies according to family taxable income.

establishing of a national church to make it easier to achieve the free exercise of religion for all citizens. That is, the religious liberty of the individual was paramount; "no establishment" of religion was secondary and instrumental to this. Yet today the Everson reinterpretation of the "no establishment" clause into an absolute separation doctrine is actually used to deprive the individual citizen of his religious liberty. This point is well made by Law Professor Katz in the following passage of his article on "The Freedom To Believe."

"We come finally to questions as to elementary schools conducted under religious auspices. Let me say immediately that I think we have here applied the separation principle in a way which hampers the exercise of religious freedom. In 1925 the Supreme Court held unanimously that the constitutional liberty of parents includes a right to send their children to religious schools. But we exact a price for the exercise of this liberty. This is the result of our policy of taxing for the support of public education alone, and of our failure to provide tax deductions or offsets for any part of tuition paid to religious schools." [88]

The Supreme Court has repeatedly declared that the first amendment freedoms occupy a preferred position; that is, these liberties are so valuable that any State or Federal law restraining or suppressing them must be carefully scrutinized by the courts. And Jefferson maintained that among these liberties, religious liberty was most lofty. Nonetheless, it is religious liberty that is sacrificed on the altar of the new Everson doctrine of absolute separation of church and state. This is a reactionary absolutist doctrine that enables the state to suppress and restrain religious liberty in the field of education. Professor Katz agrees with this analysis when he asserts that we should "stop claiming that absolute separation is a libertarian ideal, and to admit what is lost when we abandon government neutrality toward religion and freeze in constitutional form a separation of church and state which restrains the free exercise of religion." [89] Thus is the most fundmental of our liberties eroded and suppressed.

In addressing himself to the problem of securing equal educational benefits for children who attend church-related schools, Dr. Christopher Dawson, Harvard University, observed that any effort to solve the problem "is invariably blocked by an appeal to the first amendment which has become a bulward of secularist dogma." [90] The first amendment was adopted, first, to guarantee religious freedom, and, secondly, to prohibit the establishment of a national religion. Now, paradoxically, the amendment is used to suppress the free exercise of religion and to establish the religion of secularism. "The great paradox of American history," pointed out Dawson, is that "the separation of church and state which was intended to protect religious freedom has become the constitutional basis of the secularization of American culture." [91]

Our lofty principles of religious liberty are rejected by the several governments of America. The States have rejected the position of neutrality between religion and nonreligion; they have thrown the weight of their taxing and spending power behind nonreligious education. The Federal Government also threw the weight of its taxing and spending power behind nonreligious education in the National Defense Education Act. This places parents who believe in religious education in a most disadvantageous position. Moreover, this discriminatory action enables government to achieve a suppression of religious education to a degree that it could not, under the Constitution, achieve by direct attack. Prof. Proctor Thomson, referring to this important issue, writes: "But private schools in general and church-related schools in particular are, so to speak, taxed by the conditions of choice facing the individual who contemplates sending his children to one of them, that is, the double burden he must thereby assume. * * * This subtle discouragement to religious-based education is a way of accomplishing indirectly what could or would never be done overtly and by announced intent." [92]

Dr. Bell is emphatic in his espousal of state neutrality between religion and nonreligion. He objects to the State's lack of neutrality in subsidizing education that satisfies the demands of nonbelievers alone. He declares that if our public schools have to be officially nonreligious, "then the only decent thing is to permit religious groups to run their own schools, which of course we now do, and to give them tax money to run them with, which we do not." [93]

The constitutional principles of religious liberty compel to this conclusion. They can lead to none other. The conclusions cannot be avoided. Virtually no democracy in the West, save the United States of America, has so adamantly stood face to face with its principles of liberty and refused to recognize in them the simple conclusions of educational freedom. America virtually alone of all the West demands the surrender of religious liberty as the condition for sharing in educational benefits. "There isn't a modern democratic society in Europe," Dr. Reinhold Niebuhr declared, "that doesn't give children (in independent schools) more tax support than we do." [94]

ACADEMIC FREEDOM

"When it is no longer possible for a man to find a school for his boy except within a universal school system," declared Harold W. Dodds when president of Princeton University, "it will be too late to worry about freedom as we have known it, for it will be gone." [95] Our freedom as a nation is directly consequent upon a real existing choice in education. If ever government uses its legal force effectively to compel conformity in thought and belief, we shall have lost our freedom. We shall then be shaped and molded according to the dictates of a majority will that has jettisoned the Bill of Rights.

Though a choice in education continues to exist, it is, for the average American, a luxury that most cannot afford. It is a luxury that most cannot afford because the exercise of choice in education is not free; the choice entails the penalty of deprivation of public educational benefits. This imposed penalty on the exercise of choice in education means that Americans have already lost freedom of mind and freedom of religion in the broad and important precincts of the education of the young.

Princeton's Dodds, like the Fathers of our Nation, equates the freedom of our society with the freedom of the individual person. Society cannot be free unless its members are free. The basis of this freedom, moreover, is freedom of mind and spirit from government control. "The independent school in America," President Dodds declared, "is one of several voluntary, nongovernmental and nonpolitical islands of independence of thought and opinion indispensable in a society which is rapidly politicizing wide areas of life which not so long ago were the responsibilities of individuals and voluntary associations." [96]

These "voluntary, non-governmental and nonpolitical islands of independence of thought and opinion"—the independent schools—must be defended against government aggression. A starvation policy against the occupiers of these islands, however, is as much governmental aggression as an open and frontal attack. This is the policy that demands the surrender of freedom of choice in education as a condition for sharing in education benefits. By these means Government is forcing all children whose parents are unable to finance their education at an independent school to vacate these "islands of independence of thought and opinion" and to submit to government thought control.

This policy is destructive of the freedom of the individual; it is destructive of a free society. It destroys free enterprise in education; it will, if pursued, inevitably lead to the loss of what President Dodds calls, "the right of the individual * * * to oppose and resist trends, political or educational, in favor of more traditional values which he believes to be more fundamental than the current taste of the numerical or political majority." [97] All will be forced to conform in thought and belief to the decisions of the majority—decisions predetermined in this age of high-pressure propaganda by a relatively few individuals occupying positions of power or influence.

In discussing the merits of the tuition-grant plan, Professor Thomson of the University of Chicago points up the importance of limiting the power of government in the field of education. "The fundamental rationale for transferring education from the public decisionmaking process to the private sphere," he writes, "is that it increases the freedom of choice of the individual or the family unit and reduces the authority of government." [98] The professor thereupon observes pointedly that "at a period of our history when every tendency seems destined to run in the opposite direction, this in itself is an achievement worthy of careful consideration." [99] In the final analysis the question that confronts America is this: Will government power continue to be limited or will it grow until it becomes absolute?

When government draws more and more human activities into the orbit of its control, the area of the citizen's decisionmaking power is more and more circumscribed. Deprived of the right and opportunity to make decisions in important areas of human activities, man gradually loses his individuality and as he does so he becomes the mass man.

Growth of government power, including its expansive power over the mind and spirit, is what W. Homer Turner, executive director of the United States Steel Foundation, called one of our major social diseases—"compulsory uniformity." This "excessive appetite for compulsory uniformity," observed Mr. Turner, is in part "related to the

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[88] Ibid., pp. 68–69.
[89] Ibid., p. 69.
[90] Jubilee, April 1961, p. 27.
[91] Ibid.
[92] Proctor Thomson, "Educational News and Editorial Comment," School Reviews: A Journal of Secondary Education, LXIII (April 1955), p. 195.
[93] Bell, op. cit., p. 222.
[94] New World, Apr. 27, 1951.
[95] Address given at Loomis School dinner in honor of Frank and Frances Gubbs, May 7, 1953.
[96] Ibid.
[97] Ibid.
[98] Proctor Thomson, "Educational News and Editorial Comment," School Review, LXIII (April 1955), p. 191.
[99] Ibid.

concept of the welfare state."[1] Enforced uniformity, though related to the concept of the welfare state, is not necessarily consequent upon this concept of the relationship of the individual and the state. It is true that the welfare state provides the apparatus for control and for compulsory uniformity, but a people dedicated to the principles of liberty will not clamp the mind and spirit of man into a straitjacket simply because the opportunity is at hand.

If the American people are dedicated to freedom, they will be all the more alert to defend against its violation by government when the danger of such violations is increased by the growing apparatus of the welfare state. In the politics of state-controlled education there is, in the words of Mr. Turner, "a strong parallel movement to introduce a general uniformity into our educational life."[2] Though this problem has many facets the fact is well exemplified by our American policy of enforced conformity to the philosophical and theological orientation of government schools as a condition for sharing in educational benefits.

A free society is not viable under conditions of compulsory uniformity. "A democratic society strangulates itself when it impairs the free trade in opinion and interest, political, social, economic, and cultural," writes Prof. F. Morstein Marx. "Variety in these vital goods is strength, not weakness,"[3] he continues.

There can be no free exchange of ideas, there can be no full and free discussion, when participation in the government's educational benefits is conditioned on the surrender of educational freedom—the freedom to exchange ideas and to pursue truth uninhibited by the strong arm of the state. This is the denial of academic freedom. "Discussion implies that there is more than one point of view. The notion that the truth is arrived at by discussion is peculiarly applicable to practical, political, economic matters," wrote Robert M. Hutchins in the Saturday Review.[4] But if government subsidizes the study of only some points of view and refuses to subsidize the study of other points of view, how can there be that freedom of discussion that is, particularly in practical matters, essential to the discovery of truth? Government, with its near limitless power has, in the most fundamental of all issues—the philosophical and theological—entered the lists on the side of particular points of view. How then can truth prevail? Is not truth here determined by what President Dodds calls "the numerical or political majority"? The underlying philosophy of the unequal contest is that truth follows the party with the most votes, actual or manipulated. In other words might makes right. It is the philosophy of the absolute state.

For such a state of affairs, Mr. Hutchins has a severe indictment. He writes: "A civilization in which the opinion of the majority is taken on such matters and must then be adopted by all is one that is doomed to stagnation. It ignores the fact that the most precious right of any society is the thought of the minority, even a minority of one. The rule of the majority without discussion and criticism is tyranny."[5]

When government subsidizes the study and propagation of only one point of view in the most fundamental of all issues—philosophical and theological issues—how can truth in these matters prevail? Truth by itself cannot prevail against error if perchance the powers of government are alined with error. John Stuart Mill, the greatest exponent of freedom of discussion, declared: "It is a piece of idle sentimentality that truth, merely as truth, has an inherent power denied to error, of prevailing against the dungeon and the stake. Men are not more zealous for truth than they often are for error, and a sufficient application of legal or even of social penalties will generally succeed in stopping the propagation of either."[6]

For purposes of this discussion, the question of what philosophical system or what theological system contains the greater truth is irrelevant. The point is that in the American context of freedom, if truth is to prevail, government may not arbitrarily subsidize the study and propagation of any one system to the exclusion of all others. Yet this is precisely what American governments are doing. In the contest of truth and error, governments have entered their overwhelming financial resources in support of secularism. How unequal is the contest is well indicated by the progressive secularization of American society. In fact, "secularism has taken over in the United States," declared Methodist clergyman Paul Hutchinson.[7]

By compelling children to surrender their constitutional right of freedom of choice in education as a condition for sharing in educational benefits, government is attempting to control their thoughts and beliefs. This is economic pressure brought to bear to achieve uniformity and conformity. This means in effect that truth is determined by majority vote and that children are forced to accept this definition of truth if they are to share in the educational benefits made available by the taxpayer. But a definition of truth by the state and enforced acceptance of the definition by students renders discussion, and exchange of ideas, and controversy about the most important issues of life virtually impossible. "A civilization in which there is not a continuous controversy about important issues, speculative and practical," warns Robert Hutchins, "is on the way to totalitarianism and death."

No one will maintain that in America there is full and free academic discussion of controverted basic ideas and issues. The discussion cannot be full and free when the exponents of one point of view go begging while the exponents of the other point of view are armed with the weapons secured by multimillion dollars in tax funds. Nonetheless, as Justice Douglas has said, "full and free discussion has indeed been the first article of our faith. We have founded our political system on it * * *. We have counted on it to keep us from embracing what is cheap and false; we have trusted the commonsense of our people to choose the doctrine true to our genius and to reject the rest. This has been the one single outstanding tenet that has made our institutions the symbol of freedom and equality * * *. We have wanted a land where our people can be exposed to all the diverse creeds and cultures of the world."[8] Yet diversity is today being eradicated from our society; conformity is the prevailing doctrine. He who will not conform shall not share in tax-provided educational benefits.

The government that denies freedom of mind and freedom of spirit strangulates diversity. This destroys democracy. "The first distinctive feature of democracy," declared Rabbi Robert P. Jacobs of St. Louis, "is its cultural diversity."[9] Cultural diversity can be maintained only through diversity in education. Compulsory conformity in education is destructive of cultural diversity. Contrary to the statist philosophy of compulsory conformity, Rabbi Jacobs maintains that religion is "an outpost in the struggle for democracy." This Jewish leader rejects enforced conformity. He asserted: "Religion's role in the struggle for the maintenance and extension of democracy is * * * first of all to maintain and to extend the differentiation of a population which is itself an amalgamation of various nationality and religious groups. Democracy means the legal and moral right to preserve differences."[10]

The Rabbi's position is well based in constitutional principles. Within the guarantees of our Federal Constitution, democracy does not only mean the legal and moral right to preserve differences. It also means the legal and moral right to preserve these differences through the education of the young. Contrariwise, these rights deny to the state the power to use legal means of economic pressure to enforce conformity.

But religion is more than "an outpost in the struggle for democracy." It is the uniquely necessary defense against forces destructive of liberty and civilization. This is emphatically stated by Professor Samuel Eliot Morison of Harvard in his "Freedom in Contemporary Society." He writes: "Only a Christian commonwealth is capable of preserving freedom; and without freedom nothing in what we call civilization is worth preserving." Moreover, he maintains that academic freedom or freedom in education "is but one of the many freedoms that come from God, who gave us our minds that we might rise a little nearer the angels; and without whose grace we are powerless for good."[11]

It seems to be a logical conclusion that if "only a Christian commonwealth is capable of preserving freedom," then the Christian religion must be transmitted from generation to generation. But this can be done effectively only through the prolonged process of formal education. If the profound principles of Christianity are to impregnate the heart and soul of the Nation, they must be deeply embedded in the heart and mind of the vast majority of the citizens of our Nation. This cannot be done through secularized education; it can be effectuated only if religion becomes an integral part of education.

Freedom of mind and freedom of spirit are essential ingredients of democracy. This fundamental principle has been repeatedly reasserted by judges of our highest judicial tribunal. Mr. Justice Holmes declared that "if there is any principle of the Constitution that more imperatively calls for attachment than any other it is the principle of free thought—not free thought for those who

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[1] W. Homer Turner, "Public Relations Beyond the Campus," booklet, p. 4.

[2] Ibid., p. 6.

[3] F. Morstein Marx, "Administrative Ethics and the Rule of Law," American Political Science Review, XVIII (December 1949), p. 1139.

[4] Robert M. Hutchins, Saturday Review, reprinted in the St. Louis University News, Oct. 30, 1953.

[5] Ibid.

[6] John Stuart Mill, "On Liberty * * *," p. 34.

[7] Paul Hutchinson, "The New Ordeal of Christianity," quoted in a book review by Father Edward Duff, S.J., in Social Order, June 1957, p. 283.

[8] *Dennis* v. *United States*, 341 U.S. 494, 584–85 (1951), dissenting opinion.

[9] Rabbi Robert P. Jacobs, quoted in St. Louis Post-Dispatch, Jan. 16, 1954.

[10] Ibid.

[11] Samuel Eliot Morison, "Freedom in Contemporary Society" (Boston: Little, Brown & Co., 1956), pp. 106, 143.

agree with us but freedom for the thought that we hate."[12] And Mr. Chief Justice Hughes asserted that "the essence of religion is belief in a relation to God involving duties superior to those arising from any human relation."[13] These convictions were reemphasized by Mr. Justice Stone when he declared that "the Constitution expressed more than the conviction of the people that democratic processes must be preserved at all costs. It is also an expression of faith and a command that freedom of mind and spirit must be preserved, which government must obey, if it is to adhere to that justice and moderation without which no free government can exist."[14]

"Our real power," to repeat Mr. Justice Douglas, "is our spiritual strength and that spiritual strength stems from our civil liberties. If we are true to our traditions, if we are tolerant of a whole marketplace of ideas, we will always be strong. Our weakness grows when we become intolerant of opposing ideas, depart from our standards of civil liberties, and borrow the policeman's philosophy from the enemy we detest."[15]

Liberty is fundamental to democracy. Democracy demands that the individual person be free, particularly in those things that determine what he shall think and what he shall believe. But this freedom of mind and freedom of religion cannot be achieved if children must conform to a particular kind of education as a condition for sharing in state educational benefits.

Freedom demands diversity. Freedom of thought demands diversity in the field of education. Diversity is the dominant characteristic of a pluralistic society; enforced conformity is the dominant characteristic of an absolute state.

The absolute state is based on conformity. Enforced conformity in education leads inevitably to the kind of state in which there is and can be only one correct view—that is, the view adopted by the voting majority. All other views, whether in the area of free private enterprise, individual rights, minority rights, or private property are considered unorthodox, undemocratic, un-American, and intolerable. They must be suppressed.

Freedom demands diversity of organizations to achieve man's diverse purposes; it is incompatible with the absolute state that draws within its grasp all man's purposes and activities. Freedom demands that individuals be free to join voluntary associations for a variety of purposes, such as religious, cultural, educational, recreational, charitable, and economic. Such a society creates a balance between the state and voluntary associations. Ernest Barker, as seen above, declares that this philosophy of liberty and government favors "the maximum of voluntary self-help by groups of individuals, voluntarily acting for themselves, in their own sphere of interest, the requirements and conditions of their own development; and, when they have thought them out for themselves, going on to achieve them by themselves, and by their own efforts, so far as in their own sphere they can."[16]

Professor Whitehead maintains that the modern method of solving the problem of liberty "consists in the deliberate formation of institutions, embodying purposes of special groups, and unconcerned with the general purposes of any political state."[17] Such autonomous associations will limit the power of the state; they will preserve the freedom of thought and action of the individual in important areas of human activity. Economic activities obviously fall within these areas. But Professor Barker points out that there are other fields in which the development of independent institutions "may contribute greatly to the solution of the ancient problem of liberty." This is the area of individual freedom of thought and freedom of religion. "There is, for example, the field of education, which is not, and never can be, a monopoly of the state. Educational associations—of parents, of teachers, of workers, and of members of religious confessions—are all concerned in the development of educational experiments, and in offering that liberty of choice among types of school and forms of instruction which is essential to the growth of personal and individual capacity."[18]

Where there is liberty, there is diversity. Where there is no diversity in voluntary institutions but only state monopoly, there liberty is curtailed, suppressed, and ultimately completely denied. Of all the areas of human activities that demand freedom from complete government control and domination, that of education is the most vital for the preservation of democracy. This is the area that touches the freedom of the human mind and spirit. The presence or absence of this freedom spells the difference between liberty and tyranny.

State educational policy that employs economic coercion to force children to conform to government educational philosophy not only violates the liberty and equal rights of the individual. It does more than that. It is by indirection forcing the limitation, if not the eradication, of voluntary educational institutions and bringing about state monopoly over the things of the mind and spirit. When this most fundamental freedom has been suppressed, it can be only a matter of time until all other voluntary associations will be eliminated and the state will exercise total control over all human activities. Such total control is of the essence of the totalitarian state.

CONSTITUTIONALITY

Although the vast majority of Americans, truly dedicated to the principles of the Bill of Rights, may desire, like the citizens of virtually all other Western democracies, to support religious schools, State constitutional provisions and the Supreme Court's Everson[19] doctrine of absolute separation of church and state apparently make this unfeasible at the present time.

It should be pointed out, however, that although the prejudices of a period of history have fixed the words of the several State constitutions[20] and the "prepossessions" of the Supreme Court, as Justice Jackson candidly admitted,[21] have fixed the meaning of the "no establishment" clause of the first amendment, they cannot set limits to a growing spirit of tolerance and to a new recognition of the equal rights of the individual regardless of race, color, or religious belief.

Ignoring the prejudices that permeated the 19th century, State courts now generally hold that there is no constitutional prohibition against payments, on a contract basis, to educational institutions under denominational control for services rendered in the education of youth, particularly when such payments are less than the cost of education. This principle was enunciated, for example, in the Chicago Industrial School case in which the Supreme Court of Illinois declared that "it is contrary to fact and reason to say that paying less than the actual cost of clothing, medical care and attention, education and training in useful arts and domestic science, is aiding the institution where such things are furnished."[22]

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[12] *U.S.* v. *Schwimmer*, 279 U.S. 644, 654–55 (1929), dissenting opinion.

[13] *U.S.* v. *Macintosh*, 283 U.S. 605, 633–34 (1931).

[14] *Minersville School Dist.* v. *Gobitis*, 310 U.S. 586, 606–607 (1940), dissenting opinion.

[15] Mr. Justice Douglas, "The Black Silence of Fear," the New York Times Magazine, Jan. 13, 1952.

[16] Ernest Barker, "Principles of Social and Political Theory," pp. 268, 276.

[17] Alfred North Whitehead, "Adventures of Ideas," p. 69.

[18] Barker, op. cit., p. 277.

[19] *Everson* v. *Board of Education*, 330 U.S. 1 (1947).

[20] Gustavus Myers, "The History of Bigotry in the United States" (New York: Random House, 1943), passim; Ray Allen Billington, "The Protestant Crusade" (New York: The Macmillan Co., 1938), passim; Robert Fairchild Cushman, "Public Support of Religious Education in American Constitutional Law," Illinois Law Review, XLV (1950), 335.

[21] *McCollum* v. *Board of Education*, 333 U.S. 703, 238 (1948).

[22] *Dunn* v. *Chicago Industrial School for Girls*, 280 Ill. 613, 618 (1917). See *Dunn* v. *the Addison Manual Training School for Boys*, 281 Ill. 352 (1917); *Trost* v. *Ketteler Training School*, 282 Ill. 504 (1918), *St. Hedwig's School* v. *Cook County*, 289 Ill. 432 (1919); *Craig* v. *Mercy Hospital—Street Memorial*, 45 So. 2d 809 (1950); *Murrow Indian Orphans Home* v. *Childers*, 197 Okla. 249 (1946). In this case which involved a Baptist orphanage, the Supreme Court of Oklahoma reiterated the value-received doctrine. It declared (p. 251) that so long as the contracts between the State and denominational institutions "involve the element of substantial return to the State and do not amount to a gift, donation or appropriation to the institution having no relevance to the affairs of the State, there is no constitutional provision offended." The contracts with the Baptist orphanage were held constitutional (*Schade* v. *Allegheny County Institution Dist.*, 126 A. 2d 911 (1956). The issue in this case was whether the use of tax moneys for the support, care, and maintenance of neglected and dependent children in Baptist and Catholic orphanages violates the State constitution and the first amendment "no establishment" clause made applicable to the States by way of the due process clause of the 14th amendment. The Supreme Court of Pennsylvania declared that "the plaintiffs have failed to prove any appropriations have, and are being made by (the institution district) for charitable, educational, or benevolent purposes to any denominational or sectarian institutions, or that any public funds are administered through such forbidden channels, or put under their control as an aid to such institutions. * * * All the plaintiffs proved was that the moneys received by the defendant institutions were in partial reimbursement for the cost of room and board of such minors." The court said, further, that the use of public moneys for the care of orphans in denominational institutions does not violate the "no establishment" clause. It asserted that "the appellant argues that * * * payments to the denominational * * * defendants tend toward governmental 'establishment of religion' and, consequently, are violative of the 14th amendment. It is unnecessary to devote much time to this contention. The Supreme Court (of the United States) has, in principle, settled it adversely to the appellant's position. See *Everson* v. *Board of Education*, 330 U.S. 1 (1947), where it was held that a State's use of public tax funds for the transportation of pupils to and from sectarian schools did not serve to promote the establishment of religion." But see *Swart* v. *South Burlington Town School District, et al.*, 167A. 2d 514 (1961).

This is the payment-for-value-received principle. The court went on to make the not too profound observation that "it is the State, and not the industrial school, that is benefited by the payment of less than the cost of food, clothing, medical care and attention and education and training in the useful arts and domestic science." On the basis of this reasoning, the court held that "upon the plainest grounds no aid is given to an industrial school where the payment is less than the actual cost, aside from and regardless of any religious instruction or religious exercise."[23]

The tuition grant plan is designed to enable parents to pay a greater percentage of the cost of education. It does not propose to aid the school of the parent's choice. The President's Committee on Education Beyond the High School observed, in discussing the GI bill, that it "does not believe that this assistance to veterans was designed to help, even indirectly, the institutions. Actually it imposes an enormous burden on them, a burden they accepted as a part of their mission in our society, but a heavy financial and administrative burden nonetheless."[24] When government helps parents and students pay part of a tuition which is itself considerably less than the full cost of education at the school attended, no reasonable person would contend that government is subsidizing the school. The school, as the President's Committee pointed out, actually assumes an "enormous burden" in performing the public service of educating the young for democracy. The school is not only not subsidized, but the school, since tuition does not cover the full cost of education, itself subsidizes the education of government-aided students, and thus it subsidizes society.

It is fundamental that the Government's educational obligations are not to institutions and systems; its obligations are to children—the individual children of the State. Educational institutions and systems are but means to help the State carry out its educational obligations. This means (the institutions) is not, however, coextensive with the Government's obligations.

If the Federal Government assumes obligations in the education of children, its obligations extend equally to each individual child. And these obligations must be fulfilled consistent with the guarantees of positive personal rights and within the limits of restrictions imposed by the Federal Constitution. In a totalitarian state, the government can force all children to attend public educational institutions. In a democracy, on the other hand, in which freedom of mind and religion are protected by the constitution, the government may not force children to attend state schools.

A government may, indeed, establish a state school system. But since the constitution guarantees freedom of choice in education, it cannot compel parents to send their children to state schools. Hence government must seek other means to fulfill its educational obligations to children who, for philosophical or theological reasons, cannot conform to the established philosophical and theological orientation of state schools. This duty is incumbent on the state since it cannot demand the surrender of the constitutional right to attend an independent school as a condition for sharing in welfare benefits. The constitution compels the state to employ such means to secure a child's education as are not incompatible with his rights under the constitution.

The tuition grant plan enables the government to fulfill its obligations to children in independent schools without raising the question of separation of church and state. The subsidy is given directly to parents. And parents, exercising freedom of choice, select the kind of education they want for their children in the open market of education. In this plan parents of children attending independent schools would pay tuition charges in part with government issued certificates or vouchers. Thus the schools would in no way be subsidized with public funds; only parents and their children would be subsidized.

The tuition grant plan is in principle the same as the plans the Federal Government adopted to enable veterans, war orphans, and page boys of Congress to get an education at the school of their choice. The direct subsidy principle, incorporating the principle of freedom of choice, was adopted, in one form or another, in the Servicemen's Readjustment Act of 1952, the War Orphans' Educational Assistance Act of 1956, and in the educational provisions of the Legislative Reorganization Act of 1946 for the education of the page boys of Congress.

The Federal Government subsidized the education of World War II veterans by directly paying tuition and fees of the individual veteran at the school of his choice. The Government subsidized the education of Korean war veterans by directly subsidizing the individual veteran to enable him to pay tuition and fees at the school of his choice. And, finally, the Government is subsidizing the education of war orphans by directly subsidizing the individual student to enable him to pay tuition and fees at the school of his choice.

Individual veterans, with Government subsidy in hand, paid tuition, fees, and incidental charges at one or other of our 481 nonsectarian, 474 Protestant, 265 Catholic, and 5 Jewish institutions of higher learning, or at one of our State colleges or universities. The college the veteran elected to attend not only received no Government subsidy, but the college itself, since tuition does not pay for the educational costs, subsidized the veteran's education.

In this way the Federal Government has paid out many millions of dollars for the education of veterans in nonsectarian colleges and universities and in the colleges and universities of the several religious denominations. As a matter of fact, the Government has spent millions of dollars for the education of no fewer than 36,000 veterans studying to become ministers of religion, most of them Protestants.

The beneficiaries of these expenditures, as we have seen, are the individual students; consequently, the constitutional question of separation of church and state cannot properly be raised. The principle that the State can subsidize the individual citizen without subsidizing the religion to which he adheres or the religious organizations to which he belongs has been repeatedly enunciated by the Supreme Court of the United States. A State may, for example, give textbooks to children attending church-related schools. "The schools," said the Court in the Cochran textbook case, "are not the beneficiaries of these appropriations. They obtain nothing from them, nor are they relieved of a single obligation, because of them. The schoolchildren and the State alone are the beneficiaries."[25] A State may also subsidize parents to help them transport their children to the school of their choice, even though the school be church related. "When such grants are made to parents," declared the Court in the Everson case, "the State contributes no money to the schools. It does not support them. Its legislation, as applied, does no more than provide a general program to help parents get their children, regardless of their religion, safely and expeditiously to and from accredited schools."[26]

In the Cochran case the plaintiffs contended that, in being taxed to provide secular textbooks for church-related schoolchildren, they were being taxed to support a private purpose. The Supreme Court rejected this contention. Chief Justice Hughes, speaking for the Court, stated: "The legislation does not segregate private schools or their pupils, as its beneficiaries, or attempt to interfere with any matters of exclusively private concern. Its interest is education, broadly; its method comprehensive. Individual interests are aided only as the common interest is safeguarded."[27] Fundamental in this reasoning is the Court's recognition that the teaching of secular subjects in church-related schools is the performance of a public function and that such a program can consequently be aided with tax funds. And it can be aided because "the common interest is safeguarded," even while "individual interests are aided" incidentally.

If the education of children in secular subjects in church-related schools serves a public purpose, as held by the Court in the Cochran case, such education is not, therefore, a religious function and can be aided with public funds even within the limitations of the absolutist Everson doctrine which declared: "No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion."[28] This language does not prohibit the use of tax funds to aid the education of children in secular subjects; it prohibits the use of tax funds to support "religious activities"—the teaching or practicing of religion, or the use of tax funds to support "religious institutions" as such, that is, institutions whose primary function is religious—the teaching and practice of religion. Education in secular subjects in church-related schools can by no stretch of the imagination be considered a teaching and practice of religion. Such education is as "separate" and as "indisputably marked off from the religious function" as are the tax-provided "police, fire, and sewage services" given to church-related schools to which the Court referred with approval in the Everson case.

In the Everson case the Court explicitly recognized that the education of children in church-related schools serves a public purpose. Referring to the Cochran case, Justice Black argued in upholding bus rides for church-related schoolchildren: "It is much too late to argue that legislation intended to facilitate the opportunity of children to get a secular education serves no public purpose."[29] The "secular education" in question in the Cochran and Everson cases that serves a "public purpose" is given in church-related schools, and the legislation in question provided secular textbooks and bus rides for children attending church-related schools.

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[23] Ibid., p. 619.

[24] "Second Report to the President," the President's Committee on Education Beyond the High School (Washington: U.S. Government Printing Office, 1957), p. 96.

[25] *Cochran* v. *Board of Education*, 281 U.S. 370, 375 (1930).

[26] *Everson* v. *Board of Education*, 330 U.S. 1, 16 (1947).

[27] *Cochran* v. *Board of Education*, 281 U.S. 370, 375 (1930).

[28] *Everson* v. *Board of Education*, 330 U.S. 1, 16 (1947).

[29] *Everson* v. *Board of Education*, 330 U.S. 1, 7 (1947).

Since education in secular subjects in church-related schools serves a public purpose, there cannot be the slightest doubt that tuition grants to parents to help them pay their children's tuition for education in secular subjects in such schools is constitutional. (Though it is beyond the scope of this paper, it can also be argued that tax funds may be given directly to church-related schools for the education of children in secular subjects.) [30]

This principle of equality of treatment for believers flows of necessity from the constitutional guarantee of religious liberty. If it were otherwise, a citizen would become, by reason of his religious belief, a second-class citizen. The first amendment guarantees that religious belief shall not be cause for civil disabilities and for degradation to the level of second-class citizenship. Thomas Jefferson, the great exponent of civil liberties, emphasized this principle when he declared that "our civil rights have no dependence on our religious opinions." [31]

The two principles incorporated in the tuition grant plan are identical with those incorporated in the old-age assistance program. First, in both the tuition grant plan and the old-age assistance program, Government subsidizes the demand; it does not subsidize the supply. Second, in both, the individual who is subsidized is given complete freedom of choice to purchase particular needs in the open marketplace.

Government subsidizes the demand when it gives to individual citizens a money subsidy to purchase the commodity or commodities which the Government, through its taxing power, is making available to a class of citizens. The subsidized individual citizen is given complete freedom of choice in purchasing the particular commodity or commodities in the open market.

Government subsidizes the supply when it subsidizes particular stores, or itself operates Government stores, to supply a particular commodity or commodities to a particular class of individuals. The individuals for whom these benefits are intended have no freedom of choice. They have no alternative; they must accept the commodities provided by the Government or they go without.

Not so many years ago the aged in need of Government assistance were forced to go to State institutions for the needs of life. There they were compelled to accept the kind of meals, the kind of service, the kind of clothing the institutions provided. Freedom of choice in these matters was, for all practical purposes, nonexistent.

Today, however, in keeping with our respect for the dignity of the individual person, we have emancipated the needy aged from such Government control over their physical needs. We have not done this by setting up Government stores to distribute to the needy aged certain Government-selected brands of food and certain Government-selected fashions of clothing. This method, though it would relieve the aged of institutionalized living, would, nevertheless, still maintain complete Government control over what the aged shall eat and what they shall wear. They would have no freedom of choice; their diet and apparel would be determined by Government officials. There is unquestionably a servitude involved in the acceptance of such services and goods from the hands of Government. It is incompatible with the dignity of the human person.

We have accomplished the emancipation of the needy aged by directly subsidizing the individual person. We subsidize the demand. And the subsidized citizen is free to exercise his prerogative of choice in the purchase of his needs in the open marketplace.

The subsidized aged person may choose to purchase personally all of his needs and to live alone or with his family. Or he may choose to spend his subsidy to pay for subsistence with relatives or friends. Or, again, he may choose to spend the subsidy to pay for subsistence at some home for the aged operated by a particular religious group, Protestant, Catholic, or Jew.

Under the old-age assistance program, thousands of our needy aged men and women have chosen to purchase their subsistent needs at denominational institutions. This purchase is made with money supplied by the Federal and State Governments. In making this purchase in such institutions, they are exercising the freedom of choice guaranteed by the Social Security Act.

It is sometimes objected that the tuition grant method of subsidizing the education of children would involve Government control of the schools the children choose to attend. This objection is based on the supposition that Government control invariably follows the Government dollar.

The objection can probably be best answered by an analysis of Government activities in other programs in which it subsidizes the individual citizen.

When individual needy aged men and women purchase their needs at denominational institutions, does the Government subsidize such institutions? If so, are the institutions subject to Government control? These questions can, perhaps, most readily be answered by posing another question. When millions of individual needy aged men and women, using Government subsidies, buy the needs of life at thousands of different private stores and shops throughout the Nation, does the Government subsidize these business enterprises? If so, are Macy's, Gimbels, Borden, the A. & P., and Swift subject to Government control?

The individual needy aged may take his Government subsidy and shop with complete freedom. The subsidy is not conditioned on the surrender of the freedom to purchase the physical needs of life wherever he prefers. Furthermore, the aged person may purchase whatever he desires. If for reasons of religious belief he does not wish to eat pork, it is not forced upon upon him by an intolerant government operating a government meat shop. The individual may purchase kosher meat, or he may purchase fish, or he may choose to dine exclusively on a vegetable diet; this is a personal matter and the Government will not attempt to control his diet.

In 1959 the Federal Government and the several States made direct subsistence payments averaging $65.86 a month to 2,394,125 needy aged. Total direct subsistence grants for the year amounted to $1,881,128,000.[32] The monthly subsidy is given to the individual person; it is not given to the store or market or denominational institution at which the individual needy aged purchases the commodities necessary for life.

The method adopted for providing for the needs of the aged men and women of our Nation has a care for the dignity of their person and the independence of their individuality. They are not forcibly coerced to eat from a government table as a condition for sharing in government benefits.

The Federal Government subsidized the demand in another program adopted during the depression years of the 1930's. The Govment undertook to subsidize persons on relief to enable them to buy surplus foods. Relief clients could buy orange-colored stamps that could be used at a grocery store for the purchase of any kind of food. When he made the purchase of orange-colored stamps, he was given half as many blue-colored stamps which could be used for the purchase of goods in surplus. For every dollar that the citizen spent on food, the Government gave him a half-dollar for the purchase of surplus food at the grocery of his choice.

When the Government paid the grocer cash for both the orange and blue stamps that he had collected, did it subsidize the store? Here as in other welfare legislation the subsidy was made directly to the individual citizen. The Government did not subsidize the hundreds of thousands of private grocery stores across the Nation. It subsidized the demand; it did not subsidize the supply.

If it should ever be established in law that in public welfare legislation Government control follows the public dollar, then we shall have gone a long way in setting up a totalitarian government. The Government would then exercise control over a large portion of our private and corporate retail businesses. The Federal and State Governments would not only exercise control over all the stores and shops at which approximately 2,400,000 needy aged spend Federal-States dollars. But, using 1959 data, they would also control all the stores and shops at which the families or guardians of 2,953,135 dependent children spend a total of $1,002,437,000, at which 109,057 needy blind persons spend $90,637,000, and at which 350,325 permanently and totally disabled persons spend $259,470,000.[33]

Does Government have the right to control the private stores and shops at which the needy aged, the parents or guardians of dependent children, and the needy blind purchase with Government subsidies, food, clothing, shelter, and other essential needs of life? True, the question sounds fantastic. Yet this is the logic of those who object to the tuition grant plan on the grounds that a Government subsidy for the individual child is a subsidy of the school attended and that such a subsidy would involve violation of separation of church and state, and Government control of independent schools.

Government control over the processes of education is infinitely more objectionable than government control of business which supply the physical needs of life. If forced to choose between two so great evils as government control, on the one hand, of the kind and quality of food one must eat, and, on the other hand, of the kind and quality of thoughts one must think, surely no American with a sense of freedom would hesitate in making his choice. Freedom can survive, to a considerable degree, even if government tells the citizen what brand of food he must eat and what fashion of clothes he must wear. But freedom cannot long survive when government tells him what thoughts he must think.

The philosophy that government control invariably follows the public dollar would destroy academic freedom. All universities receiving government grants for scientific and medical research would, a fortiori, fall

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[30] See, for example, Paul G. Kauper, "Frontiers of Constitutional Liberty," Ann Arbor, 1956, pp. 135–136.

[31] "An Act for Establishing Religious Freedom, Jan. 16, 1786," "Documents of American History," ed. by Henry Steele Commager, New York: Appleton-Century-Crofts & Co. (1949), pp. 125–126.

[32] "Statistical Abstract of the United States: 1960" (81st ed.), Washington, D.C., 1960, pp. 288–291.

[33] Ibid.

under government control. All colleges and universities admitting veterans and war orphans would likewise fall under government control. And all colleges and universities admitting Federal fellowship and scholarship winners, if there are to be such, would also fall under government control.

The American people rejected this statist philosophy when they adopted legislation establishing both our social security programs and our educational research programs.

The doctrine that government control invariably follows the public dollar is not a valid objection to the tuition grant plan. This doctrine has been rejected in all our social security programs, in all our educational programs for veterans, and, recently, in our educational program for war orphans. And since freedom of the mind must be preserved, it must be rejected in future legislation in the field of education.

The reason for the rejection of this doctrine is apparent. These programs do not subsidize private business, they do not subsidize independent educational institutions; they subsidize the individual needy aged, the individual veteran, the individual war orphan. In a word, they do not subsidize the supply; they subsidize the demand. For this reason, also, as the President's Committee on Education Beyond the High School pointed out, the tax credit plan (and the same holds for the tuition grant plan) could be adopted "without raising the legal issue of 'church-state' relations." [24]

Consequently, the tuition grant plan, like these programs, does not raise constitutional questions. Any contention to the contrary is inconsistent with both law and practice.

There is no constitutional bar that makes it impossible for Congress to treat every American schoolchild equally regardless of religious beliefs. There is no constitutional command that compels Congress to suppress the civil rights of parents in the education of their children. There is no reason in law or practice why Congress should penalize parents for the exercise of their constitutional rights in the choice of a God-centered school for the education of their children. Such penalties are, according to every principle of freedom, serious violations of parents' civil rights and the civil rights of their children. While throughout the world godless Communists have deprived millions of people of their freedom, in America Congress should not, through the imposition of economic penalties, deprive parents of the freedom to send their children to God-centered schools.

THE COOPERATIVE RESEARCH PROGRAM

(By Dr. Lindley J. Stiles, dean, School of Education, University of Wisconsin)

The cooperative research program of the U.S. Office of Education creates a partnership between Federal and State agencies to strengthen education. Funds appropriated by Congress to the cooperative research extramural projects stimulate investments in educational research at State and local levels as well as from business, industry, and philanthropical foundations. At the University of Wisconsin, for example, the cooperative research contracts have stimulated an overall investment in research on school problems at the level of about $4 from State and other funds to every dollar of Federal support. Similar evidence could be cited for every institution and State department that has participated in the cooperative research program.

In 5 years the cooperative research grants have done more to encourage needed research on school problems than any other program. Cooperative research projects are being carried on by 42 States, including Alaska and Hawaii, two territories—Guam and Puerto Rico—in addition to the District of Columbia. The investigations are being cosponsored by both public and nonpublic colleges and universities as well as by State departments of public instruction, with close cooperation from elementary and secondary schools. One hundred and eleven different agencies have signed contracts for cooperative research projects. This number would be substantially larger had the funds allocated to this program been sufficient to meet the demands.

This program is noncontroversial. It is generally recognized by both proponents and opponents of Federal aid to education as a satisfactory and efficient way in which the resources of the Federal Government can be used to improve the quality of our schools. Educators across the Nation are solidly behind it; school board members and citizens generally recognize and applaud the improvements in schools it is achieving.

The cooperative research program has already proved itself. What is needed now is a substantial expansion of its budget to increase the momentum it has created for educational research. At the institution I represent we have $263,723.20 research projects that we want to help support which are now awaiting approval by the U.S. Office of Education. Such approval, however, will not be forthcoming unless additional funds are made available to the cooperative research program to support extramural projects. Our situation more or less typifies the interest in educational research that now exists. We in Wisconsin recognize, too, the need to provide funds, in addition to those required for extramural research, to support certain large-scale projects to demonstrate how the Nation's schools can be improved. We understand that the new Commissioner of Education, Dr. Sterling McMurrin, has recommended that such allocations be included in the budget of the cooperative research program. His requests are strongly endorsed as logical and needed extensions of efforts of the U.S. Office of Education to help improve education.

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(By Dr. Alonzo G. Grace, dean, College of Education, University of Illinois)

I wish to present six items in support of the cooperative research program from the point of view of a college of education and a university. The statement of the President's Science Advisory Committee on "Scientific Progress, the Universities, and the Federal Government," issued in November 1960, is clear on this same point as these selected excerpts indicate:

"The truth is as simple as it is important: Whether the quantity and quality of basic research and graduate education in the United States will be adequate or inadequate depends primarily upon the Government of the United States. From this responsibility the Federal Government has no escape. Either it will find the policies—and the resources—which permit our universities to flourish and their duties to be adequately discharged—or no one will.

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"American universities are far from perfect, and their best spokesmen are the first to admit it. In a sense they do not have the excuse of Government, which has entered the field only recently; their very reason for being is that they should support the high purposes we are concerned with here. Basic research and graduate education—as we have said and all will easily agree—are of the very essence of the fundamental purposes of the American university. Yet many do much too little, and none does all it should, in these great areas.

"It is often as hard for the university as for the Government to keep it clearly in mind that basic research and scientific education go together. The first and simplest temptation, we fear, is the neglect of research. Most American universities have their origin in a public need for education—for instruction—for teaching—and in most of them there is still maintained the same artificial and fundamentally wrong division between research and teaching that bedevils the Government's relations with universities. But while the Government finds it easier to pay for research than for teaching, the university, too often, budgets for teaching as a matter of course, and for research only when special circumstances permit. The result is that in all but a few American universities the standard teaching assignment of the professors (significantly called his teaching load) is such as to make it difficult for him to carry on any serious program of investigation of his own.

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"Yet the main trouble in the universities is not a failure of understanding or communication; it is lack of means."

The need for extensive research in the field of learning, critical thinking, more effective methods of teaching certain basic subjects is evident. Without further comment may I proceed to identify the areas in which the research programs of universities have been encouraged and assisted by the Federal Government through the cooperative research appropriation. I am confident if time were available, ample evidence could be presented indicating that substantial research funds are made available in many other areas exclusive of education. My six supporting statements are as follows:

1. Federal funds have made it possible to attract young, competent, and dedicated research talent on various projects, thus expediting the identification, recruitment, and education of hundreds of young men and women who have the potential to make major contributions to the scientific study and advancement of education.

The position of research assistant or associate on these projects has enabled many exceedingly competent young men and women with considerable sacrifice to become effective in the area of research.

2. As a result of these grants it has been possible more readily to eliminate the barriers to productive research that prevail in many universities. In other words important projects have been developed with respect to learning which supersede any one particular department and the freedom to utilize the complete resources of the university have been made feasible by this grant.

3. The financial assistance provided by the Federal Government for the cooperative research program has resulted in the more recent development of projects supported by increased State and local appropriations. While the situation in the State departments of education certainly is not yet satisfactory, the influence of the Federal program and leadership at the Federal level is evident in the improved situation at the State and local levels.

4. The collaboration of the university and State and local school systems is of major importance. Unless we are able to develop intelligent and economical methods of dis-

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[24] "Second Report to the President," the President's Committee on Education Beyond the High School (Washington: U.S. Government Printing Office, 1957), pp. 51–52.

seminating the results of research, nothing much will happen to the educational process. This whole matter of the dissemination of research results deserves our earnest attention and financial aid in this connection. The University of Illinois projects in one area, both at the elementary and secondary school levels, have made an important contribution in this area of dissemination in the sense that whatever is revealed by the research becomes the property of over 200 school systems over the country.

5. The cooperative research program has accomplished more in the way of acceleration of basic research than any other one source. Moreover, the U.S. Office of Education in the Department of Health, Education, and Welfare in allocating these funds has done so on a completely objective basis and on the basis of the merit of the proposal at hand. No effort has been made to impose a particular point of view, to advance a particular type of research, or to enter into the actual direction of a research in a university. This cannot be said of financial aid from certain private funds.

6. While the cooperative research program has not been of long duration, it is evident that a major contribution will be made if this could be spread over a period of time. For example, in the field of the education of the mentally retarded, research indicates that many children in this classification are educable in the normal public school organization. The research also indicates marked progress in the direction of the identification of the talented and the development of an environment compatible with the proper education of this talent. I am of the opinion, however, that the major attention of the country has been centered on the intellectually exceptional child and too little has been accomplished in the way of identifying the talent in the areas of inventiveness, creativeness, or others.

I sincerely hope the cooperative research program will continue and that the appropriation will be increased.

COOPERATIVE RESEARCH PROGRAM

(Information concerning (A) how the program has helped educational research at the University of Illinois and (B) why the program should be expanded and strengthened)

I offer the following additional statement in support of the cooperative research program as representative of members of the faculty who have participated in this program. This memorandum was prepared by Prof. N. L. Gage, coordinator of research in the college of education.

A. The cooperative research program of the U.S. Office of Education has had a salutary effect on educational research at the University of Illinois. It has made possible a vast improvement in the utilization of the outstanding research talent present in our faculty. And the research done under this program already has had extremely beneficial effects on education in Illinois and throughout the Nation. Here are some of the topics on which we have done research under cooperative research program contracts:

(a) The logical structure of teaching and the development of critical thinking. Methods of teaching for the development of critical thinking have been developed.

(b) The use of test results in schools. Millions of dollars are currently being spent to give standardized tests to schoolchildren in the United States. How are these test results used by the schools which give the tests? Our project has thrown valuable light on this question. Methods for improving the use of test results have been developed.

(c) The efficacy of special class training on the development of mentally retarded children. This project has resulted in the development of new techniques for such special classes.

(d) The extent to which group counseling improves the academic and personal adjustment of underachieving gifted adolescents. Results of this study have led to improved methods for getting gifted adolescents to make full use of their talents, to their own benefit and that of the Nation.

(e) Principles for programing learning materials in self-instructional devices for mentally retarded children. This project represents an attempt to exploit the promise of so-called teaching machines in teaching mentally retarded children.

(f) The prediction and understanding of the effect of children's interests on school performance. How traits other than intelligence affect school performance is a promising but still unmined area of research.

(g) The effects on the use of tests by teachers trained in a summer institute. Summer institutes for guidance workers in the school have been carried out at the University of Illinois and elsewhere under the National Defense Education Act. This project is studying how such an institute changes the ways in which teachers use tests after attending such a summer institute.

(h) Mass communications and popular conceptions of education in the United States and in several European countries. This project will throw light on what the press, radio, television, and the like, do to people's ideas about schools and teachers. These popular conceptions affect how people support education financially and who goes into the teaching profession, among other things.

(i) Improved school adjustment of underachieving gifted fifth graders, and response patterns associated with group counseling.

(j) Changes in schools which do and do not send staff members to training institutes in counseling.

(k) Productive thinking of gifted children. This project should yield ways of improving the teaching and learning of such children.

B. Additional funds should be appropriated for the cooperative research program for at least the following reasons:

(a) Present funds already inadequate: It is an understanding that the cooperative research program is already unable to grant contracts to all the projects that it considers to be highly meritorious.

(b) More faculty research talent: The staff of the College of Education at the University of Illinois will be growing larger in the next few years due to increased enrollments. This larger staff will bring with it increased resources and talents for educational research. To make it possible for the talent of our additional staff members to be used to do such research means, in general, that such major sources of research support as the cooperative research program should be expanded. What is true at the University of Illinois is true of most of the colleges and universities for teacher education in the United States.

(c) Indirect costs: There should be an increase in the percentage of indirect costs assumed by the U.S. Office of Education in its cooperative research contracts. Presently, indirect costs on such contracts may not exceed 15 percent of the direct costs to be charged against U.S. Office of Education funds. Such a rate covers less than one-half of the university's actual indirect costs. A most recent indirect costs rate agreement reached with the Government provides for a rate of 55 percent of salaries and wages to provide for full reimbursement. This rate, when converted to a rate applicable to total direct costs, is approximately 35 percent. Thus, the university's contribution for indirect costs on Federal share of direct costs is at present 20 percent.

The reimbursement for indirect costs presently allowed may provide for most of the incremental indirect costs contributed to a specific project. Such an incremental approach is, however, indefensible when all contracts and grants are viewed simultaneously and when the effect of such an approach is projected many years into the future. If universities continue to accept less than full reimbursement for indirect costs, they will be forced to divert funds appropriated for other purposes. Such action, of course, cannot be justified to the persons and agencies providing the other funds.

(d) Fellowships: Fellowships for research trainees are urgently needed. The statement of the President's Science Advisory Committee on "Scientific Progress, the Universities, and the Federal Government," with respect to graduate education in science in general, applies with particular force to graduate training in educational research. Graduate study leading to a doctor's degree in educational research is expensive, and lack of financial means probably is the greatest single difficulty faced by the American graduate student. Although the Federal Government already has taken a hand in solving this problem, we believe, because of the size and urgency of the need, that the level of Federal support should be increased substantially, and the best and most direct form of support for graduate education is the graduate fellowship. Truly promising candidates for such fellowships can be found. Fellowships should be provided both directly, by the Federal Government, to talented graduate and postdoctoral students, and also to selected universities for allocations to promising applicants. Such fellowships should include a supplementary grant to universities to help them meet the full cost of such education. Further, such programs should not exclude the student from part-time assignments in research or teaching or from payment for such services when it is appropriate.

(e) Psychologists: I should like to add a point called to my attention by Professor Gage. He was appointed to represent the 18,000-member American Psychological Association in its efforts to support an expansion of the cooperative research program. Psychologists already have participated greatly in the cooperative research program. In fact, more than 50 percent of the principal investigators of research contracts awarded under the cooperative research program have been members of the American Psychological Association. In recent decades, due to lack of funds, a disproportionately small share of the Nation's psychological research talent has gone into research in education, as compared with research on industrial, military, clinical, and other kinds of problems. The cooperative research program has done more than anything else to get psychologists to devote their research talents to educational problems. To achieve a more appropriate allocation of the Nation's psychological research talents to educational problems, the present cooperative research program needs the kind of strengthening that is being advocated.

(f) Long-term grants: I wish to endorse a change in the cooperative research program that would meet the need for grant authority to permit long-term grants to particular research projects. Here again, permit me to cite the statement by the President's

Science Advisory Committee: "The Federal Government should continue and enlarge the practice, now followed with great success in a few agencies, of providing research support over long terms and for broad objectives." Further, "* * * in its essence the concept of 'purchase of services,' which is implied in any Government contract, was and is a doubtful one, when applied to basic research. Basic research, almost by definition, has no clearly predictable practical result, and so the Congress and the Federal agencies involved have had to interpret very broadly the notion of 'value received' in return for sum spent on research contracts." Educational research will contribute fully to the national welfare only when it receives the kind of support which the President's Science Advisory Committee advocated for all American science.

FEDERAL AID FOR WHAT?

(By Mortimer Smith)

Financial aid to education needs to be accompanied by the raising of questions about what in education is worthy of being aided. As we enter a period when the question no longer seems to be whether or not we will have Federal aid, but how soon and how much, it seems to us to be more essential than ever to inquire about sound educational purpose and solid educational content. We cannot be satisfied with genuflections in the direction of good education, undefined, or safely assume that huge sums of money thrown into the educational hopper will automatically enrich the education product. Without careful definition of, and insistence on, what is worthy in education, more money may simply serve to perpetuate and entrench an unsatisfactory status quo.

We are led to these reflections after reading two recent reports, one by the President's task force on education and the other the report of a panel, appointed by the outgoing Secretary of Health, Education, and Welfare, on the extension and expansion of the National Defense Education Act, which expires in 1962. While the contributors to these reports are in favor of good education and recommend governmental allocation of handsome sums of money in support thereof, they are both notably reticent when it comes to spelling out what they mean by "good."

The task force, headed by President Frederick L. Hovde of Purdue University, proposes Federal aid over the next 4½ years of no less than $9,390 million. It recommends Federal grants to States of $30 annually per pupil; an additional $20 per pupil to assist States with low income; grants of $20 per pupil to schools in large urban centers which have unique and grave problems; and colleges and universities would receive $3,550 million over 4½ years for assisting academic and building facilities.

In proposing these astronomical sums, the authors of the task force report have surely been more generous with money than they have in telling us what the money should buy. They do speak of the national interest demanding a first-rate system of schools but they do not describe such a system. Do they mean a system that would satisfy NEA or one that would be approved by CBE? They call for a vigorous program to lift the schools to a new level of excellence, but whose conception of excellence, that of the advocate of life adjustment, former U.S. Commissioner of Education Lawrence Derthick, or that of the advocate of strict academic standards, Vice Adm. H. G. Rickover?

One indication that the authors of the report have not thought carefully about what constitutes excellence in education is to be found in their suggestion that legislation governing the $20 per pupil grant for low income States should provide for construction, salaries, or other purposes related to the improvement of education in the public schools, as the State may decide. But State departments of education, like the U.S. Office of Education, can be infiltrated by advocates of the kind of education-for-adjustment which has landed us in the mess we are now in. If these people are in the departments of education in many of the Southern States (which States would be among the chief beneficiaries of this grant), what is to prevent them from spending the new grants for beefing up the driver education program or for building more model living rooms for the homemaking course or for underwriting any number of things which have little or nothing to do with genuine improvement of education in the public schools?

The panel of 20 citizens which reported to the Department of Health, Education, and Welfare on the extension of the National Defense Education Act (it recommended extension and wide expansion of the act) also approached the problem of aid to education in vague and general terms. One member of the panel, Arthur Bestor, professor of history at the University of Illinois, filed a minority report in which he summed up admirably the shortsightedness of recommending vast sums of money without precise definition of educational purpose:

"Committees, I discover, will always agree to spend more money, whether or not they agree on anything else. I cannot conscientiously subscribe to a report like the present that refuses to discriminate the conspicuously valuable program from the comparatively worthless one, and devoutly prays Congress to make its sun to rise on the evil and on the good alike.

"The National Defense Education Act of 1958 is a hodgepodge of different measures. Certain of these have contributed importantly to the improvement of American educational weaknesses in the first place. Such tendencies include an overemphasis on allegedly practical courses at the expense of solid learning, an obsession with mere pedagogical methods, and excessive reliance on gadgets and media. The various Federal educational programs that point in this adverse direction should, I feel, be abandoned or curtailed."

Professor Bestor struck a note which should, we think, be dominant in all proposals for governmental aid to education. Said he: "The resources of the Federal Government should be husbanded for the purpose of stimulating the full development of our intellectual resources. Local communities should pay the full cost of the frills to which they may be addicted."

We hope we will not compromise our political neutrality by saying that in one respect we find President Kennedy's $5,600 million aid-to-education message to Congress rather disappointing. While the President speaks of the need for "a new standard of excellence," states that "the human mind is our fundamental resource," and that "the demands of citizenship require the maximum development of every young American's capacity," these commonplaces are nowhere spelled out. We think that the President, who is himself a literate man with some conception, surely, of what constitutes a sound education, missed a golden opportunity to define excellence in education and to inform his fellow Americans what it is he wants to buy for them with their $5 billion. We feel that Americans cannot be satisfied with genuflections in the direction of good education, undefined, or safely assume that huge sums of money thrown into the education hopper will automatically enrich the educational product.

What disturbs us is that there is no indication anywhere in the President's message that all this money will be used for the proper things and not used to bolster the status quo, to strengthen all the worst features of American public education; bad guidance practices, driver education on school time, social adjustment courses, and general emphasis on the nonintellectual side of school activities.

The National Education Association will support the President's program without "ifs" and "buts," says the executive secretary of that great organizational advocate of "things are pretty good just as they are." Perhaps what bothers us is that we are not sure that what is good for the NEA is necessarily good for the country.

As we stated at the beginning, we bring up these matters of emphasis because increasing Federal aid to education seems now to be a certain fact of life. When it comes, let's make sure it is education that is being aided.

INVESTMENT IN MAN: AN ECONOMIST'S VIEW

(By Theodore W. Schultz)

My plan is first to comment on the state of our knowledge about investments that people make in themselves and, then, to consider briefly the reluctance that we have in thinking about human wealth, and to give reasons why modern economists have shied away from it. I plan, then, to show how wholly new and important questions can be examined, once we acknowledge the role of human wealth, and how a number of big puzzles in our economic data may be solved. I venture to suggest a human wealth hypothesis and to note that estimates from two recent studies are consistent with it.

It is a simple truth that people invest in themselves. They do it as individuals and as families and through their national and local communities. In making these investments, there are many different combinations of family and community arrangements. Our knowledge, however, of the comparative advantages of having either the family or the community or combinations of the two make these investments is very limited. Much of the income that is used in making these investments in ourselves is classified as consumption. Much of the human effort that enters is thought of as leisure, although education, which is one of these investments, is mainly hard work, as any student will say. No doubt most education rates high in serving both consumption and production. This should give it a special priority. But we go on counting expenditures for education as if they were only consumption. Then, by some strange twist, when we look at the vast expenditures that the U.S.S.R. has been pouring into education, we fail to see that many millions of families of that country have valued them highly as consumption and may well have looked upon their level of living as having risen accordingly.

THE NEGLECT OF THE STUDY OF HUMAN WEALTH

People are, also, an important part of the wealth of nations. Moreover, as people invest in themselves they can augment the amount of human wealth: in many countries this form of wealth, measured by what it renders to production, is now vastly larger than all other forms taken together. But our knowledge about national wealth is almost wholly restricted to the nonhuman components, that is, to reproducible physical capital and land. The study of human wealth is everywhere neglected notwithstanding its importance and notwithstanding the fact that people all about us are investing in themselves.

Why are we so reluctant to acknowledge the role of human wealth? The mere thought of doing so seems to offend us; to discuss it openly appears to rub many people the wrong way. Why is it in bad taste? The answer is that we cannot easily rise above our values and beliefs; we are strongly inhibited from looking upon men as

an investment, except in slavery, and this we abhor. Nor is it good by our lights for man to look upon himself as an investment, for it too could be debasing. Our political and legal institutions have been shaped to keep man free from bondage. All this must be seen against a long historical struggle to rid our society of indentured service and to eliminate all vestige of feudalism with its lord and vassal relations. Thus it is understandable why a study of man, treating him as if he were wealth, runs counter to deeply held values, for it would seem to reduce him once again to a material component, to something akin to property, and that would be wrong. Above all, freemen are the object to be served. No less a person than J. S. Mill insisted that the people of a country are not to be looked upon as wealth because wealth exists only for the sake of a people.[1]

But surely Mill was wrong, because there is nothing in the concept of human wealth that implies that it may not exist wholly for the sake of a people. Mill saw this at a later stage of his work when he considered skills. If by investing in themselves people enlarge the choices that they can exercise, it follows that this is one way of enhancing, rather than impairing, the role (welfare) of freemen.

Even so it is the acknowledged task of poets and philosophers to keep us on guard. What is hard to explain, however, is the long neglect of investment in man by modern economists. Clearly, they have shied away from the study of human wealth. This may come as a surprise because economists are usually not thought of as being shy when it comes to abstracting from those values and beliefs that do not fit their particular calculus. It should be said that the philosopher-economist Adam Smith boldly treated all of the acquired and useful abilities of all the inhabitants or members of a society as part of capital, although he was also the father of errors in not seeing clearly that capital is a stock.

THE OMISSION OF HUMAN WEALTH BY ECONOMISTS

Nevertheless, the main stream of modern economics has bypassed undertaking any systematic analysis of human wealth. On why this has happened, let me venture these reasons: The classical tripartite treatment of land, labor, and capital has been a heavy hand; it should have been the services of land, man, and reproducible capital forms, or of each as a stock, in which case human effort is represented by man. Then, too, economists have found it all too convenient to think of labor as a homogeneous input free of any capital components. Marx built his theory on a presumed dichotomy between capital and labor. Joan Robinson also takes her labor pure and straight.[2] One can always adjust and thus try to standardize the unit of labor, but there was no need of doing even that until fairly recently, because for a long time in Europe and in the United States, too, the statistics on hourly earnings and prices were so shaky that no one could say for sure that real wages were rising. Then, as it became apparent that real wages had been rising, the rate of this increase for many decades was so small that it was both easy and plausible to attribute all of it to factors other than an improvement in the quality of the labor force. Although there is presently much uneasiness about a concept of labor in which one abstracts from capital that has been invested in man, the conventional measure of labor as an input is still "man-hours worked." To add an hour of work of an electronic engineer and an hour of a migrant farmworker is to put together 2 very unequal hours of labor input; it may be likened to counting an acre of poor, dry farming land and an acre of very valuable irrigated land that has been made highly productive by large capital outlays in irrigation structures, as if the 2 acres were still comparable in producing farm products.

Another and more compelling reason why economists have neglected human wealth has arisen from a conventional restriction on the concept of capital. Instead of developing and using an all-inclusive concept of capital, economists have restricted their definition of capital to include only those classes of wealth that are commonly bought and sold in the marketplace. Irving Fisher, in a series of papers published just before the turn of the century and then in his excellent but grossly neglected book, "The Nature of Capital and Income,"[3] clearly and cogently presented an all-inclusive concept of capital. But the prestige of Alfred Marshall was too great; his ideas on this issue prevailed as his students and many followers entered upon the stage. Marshall dismissed Fisher's comprehensive concept of capital in these words: "Regarded from an abstract and mathematical point of view, his position is incontestable. But he seems to take too little account of the necessity for keeping realistic discussions in touch with the language of the marketplace."[4] Marshall concluded his appendix on "Definitions of Capital" by again making it clear that "we are seeking a definition that will keep realistic economics in touch with the marketplace."

Free men are not for sale, and, thus, Marshall's marketplace concept of capital had the effect of excluding all capital that becomes an integral part of a people. Granted that for particular purposes it is appropriate to restrict the concept of capital that one uses and granted also that the particular restriction imposed by the notion of the "marketplace" is altogether too narrow for many of the purposes to which I am addressing myself, Marshall's view of capital, nevertheless, could have been given a much broader interpretation than it has received. Obviously, labor is in touch with the marketplace as wages and salaries are presently determined. These wages and salaries represent income streams, and, like the income streams from property, they too may be discounted, and appropriate capital values may be imputed to each of them. Furthermore, investments in man, like investments in property, are ways of establishing additional income streams. Inasmuch as it is possible to observe their rates of return, these investments in man would appear to fall within the scope of Marshall's realistic economics. It is of course far from easy to estimate these rates from such statistics as are now being collected; useful statistics, however, could be had if we were to set our hand to the task.

I would be remiss if I did not acknowledge the fact that, in spite of the restriction that Marshall placed on his concept of capital, his writings are studded with gems of wisdom on the economic importance of adequate food, housing, and health and of developing the skills of workers. He also stressed the value of scientific training and the diffusion of scientific knowledge and looked upon education as a "national investment."[5]

NEW ECONOMIC HORIZONS

Once we are of a mind that it is meaningful to examine the role that investments in man perform in an economy, a wholly new set of questions becomes relevant and important. Underdeveloped countries everywhere want to accelerate their economic growth. Most of them are strongly committed to programs of constructing new dams and power facilities, roads and harbors, factories, and, above all, steel mills. Meanwhile, in many of these countries, few additional resources are being made available for training and education. The relevant and important question is clearly indicated: Are these countries making an optimum allocation of the resources at their command? To arrive at a valid answer we must use a concept of capital that includes both human and nonhuman wealth. To consider only the latter, as is almost everywhere the case, can give only misleading results. No wonder, therefore, that poor countries are in general being badly misled. There can be little doubt that they are presently allocating their resources in ways that are far from what would be required to achieve an optimum rate of growth. Harberger's study concentrating on Chile strongly supports this view, for he finds that technical advances are the key factor in achieving rapid development and that additional expenditures to improve the quality of the (technically trained) labor force are of primary importance in attaining this end.[6]

To consider a somewhat narrower question: Has India in recent years spent too much on irrigation and all too little on training her cultivators on how best to use the additional water? From reports that I get, this has been happening. The error appears to be a very costly one. In Iraq, where the government has been obtaining huge amounts of revenue from oil, the Development Board, according to Yudelman,[7] will have spent close to $1,400 million by 1960—virtually all on flood control, irrigation, drainage, and other physical structures and only a pittance on training and education to prepare farmers and others in the use of these new facilities. Yudelman concludes that this one-sided allocation represents a most serious error in the efforts of Iraq to achieve agricultural development.

But these are the mistakes of poor countries, especially those in which there are massive governmental programs. Although we may be giving some of these countries bad economic advice, presumably this does not impair our economy. We are always ready to take comfort in our long, gradual development, in the open and decentralized character of our economy, and in our large and impressive investments in what I am calling human wealth. There is, however, no room for complacency. We, too, are constantly confronted by the same allocative problem, that is, how much or how little to invest in nonhuman wealth relative to what we put into ourselves. How well or how badly we are doing on this score is subject to debate. But what is not debatable is the fact that there is little or no economic analysis to draw upon because these aspects of this problem have been almost wholly neglected.

In terms of both consumption and economic growth, I have little doubt that in recent years we have been allocating altogether too many of our resources to automobiles and roads compared to what we have allocated to education. But this is an opinion; let me consider situations in which there is some evidence. Negroes on the average earn only a fraction as much as do white

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[1] See J. S. Nicholson, "The Living Capital of the United Kingdom," Economic Journal, vol. I (March 1891).

[2] See The Accumulation of Capital (Homewood, Ill.: Richard D. Irwin, 1956).

[3] "The Nature of Capital and Income" (New York: Macmillan Co., 1906).

[4] "Principles of Economics" (8th ed.; London: Macmillan & Co., 1930), appendix E, pp. 787–788.

[5] Ibid., Book IV, pp. 216–217.

[6] Arnold C. Harberger, "Using the Resources at Hand More Effectively," to appear in the Proceedings of the American Economic Association (1959).

[7] Montague Yudelman, "Some Issues in Agricultural Development in Iraq," Journal of Farm Economics, vol. XL (February 1958).

workers. May not much and even most of this vast discrepancy in earnings be a direct consequence of the lower productivity of Negroes arising from the deplorably bad education that they have been obtaining? Morton Zeman's study of "White and Nonwhite Income Differentials in the United States" [8] strongly supports an affirmative answer. The very low earnings of many of the migrant farm workers may also rest primarily on this factor.

To take still another of the serious income inequalities marked against our national record, namely, the chronic poverty of so many of the rural areas in and about the Appalachian country consisting largely of whites: Is this poverty, also, rooted mainly in the relatively small investments that people in these areas have seen fit and have been able to make in themselves? Tang,[9] in a recent study of two groups of counties in the southern Piedmont region, has found that whereas they started from an equal income position at about the turn of the century, farm people in his developed counties have gained importantly in farm income per worker relative to those in his underdeveloped counties. This divergency in farm income per farmworker has become increasingly larger over time. Even the prosperous and full employment conditions that prevailed between 1940 and 1950 did not change this trend toward increasing income disparity.[10] Tang's findings are not inconsistent with the industrialization hypothesis that he sought to test. A preliminary examination of his data would seem to indicate that they are also consistent with another hypothesis, namely, one based on education and related investments in people as the principal explanatory variable.

PUZZLES AND A PARADOX

Some major puzzles in our economic data may be resolved, once we take investments in man into account. As the stock of capital increases and its use deepens, we might expect the capital-income ratio to increase. So it did for a long time. Kuznets [11] gives these ratios of reproducible capital to annual income:

	Ratio
Great Britain:	
1875	4.6
1905	6.5
United States:	
1879	2.8
1909	3.4

For the period since 1909, I turn to Goldsmith.[12] His national wealth estimates also include land and, therefore, give a larger ratio than those of Kuznets, cited above. Goldsmith's ratio of national wealth to annual national income declined 25 percent between 1909 and 1949:

[In billions of dollars]

Year	National wealth	Net national income	Ratio
1909	145	29	5.0
1949	898	237	3.8

[8] Ph. D. dissertation, University of Chicago, 1958.

[9] Anthony M. Tang, "Economic Development of the Southern Piedmont, 1860–1950" (Chapel Hill: University of North Carolina Press, 1958).

[10] Ibid., p. 220.

[11] Simon Kuznets, "Toward a Theory of Economic Growth" (lecture at the Bicentennial Celebration of Columbia University, May 1954), table 9.

[12] Raymond W. Goldsmith et al., "A Study of Saving in the United States" (Princeton, N.J.: Princeton University Press, 1956), vol. III, tables W–1 and N–1.

If we restrict ourselves to estimates of the private sector of the U.S. economy, it is abundantly clear that we have not been winning our increases in income from the use of more tangible capital [13] relative to income. Between 1919 and 1957, total income rose at an annual rate of 3.1 percent while that of tangible capital rose at a rate of only 1.8 percent.[14] But all these estimates of capital exclude human capital represented by training, education, additional capabilities based on health and new knowledge.[15] The stock of this human capital has been increasing more rapidly than that of tangible capital; therefore, the observed decline in the capital-income ratio may be largely, or even wholly, an illusion resulting from the omission of human capital.

There is, also, the Leontief paradox indicating that the U.S. exports mainly wage-goods and imports largely capital-intensive goods, contrary to what one might expect for a country with much capital and with very high real wages. But, here, again, no account is taken of the human capital that is represented by the acquired skills and abilities of engineers, chemists, and other workers. This human capital renders important services in the production of these wage-goods that we export. The value productivity of these particular forms of human capital may exceed that obtained on tangible (physical) capital used in producing the capital-intensive goods that we import.

The central puzzle, however, the one that encompasses the others, is in our economic growth as it is revealed in the many estimates that indicate a large and increasing divergency between the rise in income and in the resources that we use to produce the additional income. Our income has been going up much the faster of the two. For example, between 1889 and 1919 the rate of increase of labor and tangible capital combined was only 67 percent as large as that of income (both are for the private sector of the domestic economy).[16] Even so, between 1919 and 1957 the rate of increase of man-hours worked and of tangible capital, taken together, was down to a mere 32 percent of the rate at which our income rose. It is hard to believe, but wonderful if true, and if true, why? That is the puzzle.

A HUMAN WEALTH HYPOTHESIS

What is it that we have been doing that has given us a rate of economic growth that is three times as large as the rate of increase of labor and capital? My hypothesis is that the explanation is to be found in the large and rapid accumulation of human wealth that is being excluded from our conventional measures of "man-hours worked" and of tangible capital.

[13] As this capital is now conceived and measured.

[14] Solomon Fabricant, "Basic Facts on Productivity" (Occasional Paper No. 63 [New York: National Bureau of Economic Research, 1959]), table 5:

Average annual percentage rates of increase

	1889–1919	1919–57
1. Total output	3.9	3.1
2. Labor (weighted man-hours)	2.2	.8
3. Capital (weighted tangible capital)	3.4	1.8
4. Total inputs	2.6	1.0
5. Divergency (percentage line 4 is of line 1)	67.0	32.0

[15] It is necessary to distinguish between new knowledge that becomes embedded in tangible capital and new knowledge that becomes an integral part of a people. As tangible capital is presently measured, however, even much of the new knowledge that becomes a part of it is also being missed.

[16] See Fabricant, op. cit.

The preliminary results from two studies lend support to this hypothesis. The first of these is based on a study that I have made of the formation of human capital, represented by education beyond the eighth grade. This form of capital not only has become very large but has been increasing much more rapidly than has the formation of conventional nonhuman capital.[17] In estimating the gross capital formation entailed in a high-school education, I found that in current prices it cost the U.S. economy $127 per student in 1900, and $1,493 in 1956. My estimates for college and university education are $385 for 1900 and $3,580 for 1956; most of these costs are of the nature of opportunity costs because they consist of earnings that students have foregone while they were in school studying. The national totals for all public and private schools must suffice for now; they show that only $180 million of this capital (gross) was formed in 1900, whereas in 1956 it had become no less than $22,700 million. To compare this increase with that of nonhuman capital, I need burden you with only the percentage that one was of the other in each of the 2 years: In 1900, the formation of this kind of capital, i.e., represented by high school, college, and university education, was only 4 percent of that of all physical capital; by 1956 it had risen to 28 percent of that of physical capital. This dramatic rise in the relative position of this one form of human capital, as I have measured it, nevertheless, substantially underestimates the real relative increase because I am here relying on gross capital formation figures and it is the net figures that count. There are many indications that the net figures have gone up even more because, whereas the useful life of physical capital has been declining, that of human capital has been increasing.

The other study tells us something about the rates of return on this form of human capital. Here I draw on some of the estimates that Becker [18] reported in a recent lecture. He has found that, as of 1950, males were earning a 14.8-percent return on what they had privately invested in acquiring their high school, college, and university education, measured by their opportunity costs (earnings foregone while in school) and their direct costs (tuitions, books, etc.). When the other costs, those not borne by students or their families directly, are added to these private costs, this rate of return was still no less than 11 percent. How does this compare with the rate of return that owners of property were obtaining? Compared to that of corporations before taxes, it is probably not very different. What about the rate of return on all nonhuman wealth, namely, on the approximately $1,000 billion of national wealth, as estimated by Goldsmith? This figure includes all land (agricultural, forestry, and urban), producer and consumer durables, apartment buildings and private residences, Government structures, inventories, livestock, monetary metals, and net foreign assets. It is hard to believe that the 11-percent return on this human capital did not exceed by a wide margin the rate of return that was being realized on this huge stock of nonhuman wealth.

[17] My paper carries the title, "Gross Capital Formation Represented by High School, College, and University Education in the United States, 1900 to 1956" (AER Paper No. 5807, Department of Economics, University of Chicago, April 29, 1958).

[18] Gary S. Becker, professor at Columbia University, in a lecture given before the Economic Development Workshop at the University of Chicago, February 5, 1959. In this lecture he drew on a major study that he has been making of the economics of education for the National Bureau of Economics Research.

It should be pointed out that in both Becker's and my study none of the private or "public" costs of this education was charged to consumption or to other important goals. This means that we have overestimated the relevant costs of this kind of capital formation because a very substantial part is incurred for these other purposes and it should be attributed to them.

It should be evident that this has been a very preliminary treatment of the investments that we are making in ourselves. Education beyond the eighth grade is only one of the forms that this kind of capital formation takes, albeit a large and increasing form. Elementary education, which we take for granted, may rate even higher in what it renders to an economy. How else, for example, can one explain the early remarkable achievements in agriculture in Japan? Many poor countries are neglecting their elementary education relative to what they are spending on physical plants and equipment; moreover, the cost of this form of education is relatively low because of the low opportunity costs of taking students at that age away from other useful work.

On-the-job training is another way of accumulating some of this human capital. Still another goes back to measures that increase the strength and energy of a people and improve their health and vitality. New, useful knowledge is undoubtedly of strategic importance both in changing the nature of the useful skills that are of most value and in altering and improving the quality of the physical plant and equipment that we employ. I have not touched on the very important question of how we perpetuate this human capital in the home and through institutions other than through organized education.

I have tried to show that the state of our knowledge of investment in man is very meager. Our values and beliefs have hindered us greatly in thinking clearly about it. Economists too have missed seeing the important role that the increasing stock of human capital has come to play in the economy. A concept of capital restricted to tangible property will not do. A much more comprehensive concept of capital is required—one that will include human capital. Once we take this more comprehensive view, the central puzzle in our estimates of economic growth looks solvable; the human wealth hypothesis appears to gain support from studies now under way and it may go a long way in explaining the kind of economic growth that we have been achieving and that poor countries everywhere would like to understand with a view of using this experience to improve their economic lot. Finally, even though this approach to the investment in man were to put us on the right track, much hard thinking and research remain to be done.

Capital Formation by Education

(By Theodore W. Schultz, University of Chicago)

I propose to treat education as an investment in man and to treat its consequences as a form of capital. Since education becomes a part of the person receiving it, I shall refer to it as human capital. Since it becomes an integral part of a person, it cannot be bought or sold or treated as property under our institutions. Nevertheless it is a form of capital if it renders a productive service of value to the economy. The principal hypothesis underlying this treatment of education is that some important increases in national income are a consequence of additions to the stock of this form of capital. Although it will be far from easy to put this hypothesis to the test, there are many indications that some, and perhaps a substantial part, of the unexplained increases in national income in the United States are attributable to the formation of this kind of capital.[1]

Education can be pure consumption or pure investment, or it can serve both these purposes. But, whatever it is in these respects, education in the United States requires a large stream of resources. The principal task of this paper is to present a set of estimates of the value of the resources that have been entering into education. These resources consist chiefly of two components—the earnings that students forego while attending school and the resources to provide schools. Our estimates begin with 1900, cover the next 5 decennial years, and close with 1956. The annual factor costs are given in current prices. A major section is devoted to the earnings that students forego while they attend school, both because of their importance and because these foregone earnings have heretofore been neglected. More than half the total resources that enter into high school, college, and university education consists of the time and effort of students. The section on costs of the educational services that the schools provide introduces estimates of the value of school property used for education, along with current expenditures for salaries, wages, and materials.

Capital formation by means of education is neither small nor a neat constant in relation to the formation of nonhuman capital. It is not small even if a substantial part of the total cost of education were strictly for consumption. What our estimates will show is that the stream of resources entering into elementary education has increased less than that entering into either high school or higher education. But, even so, it has been increasing at a larger rate than has the gross formation of physical capital. In 1900 the total cost of elementary education was equal to about 5 percent of gross capital formation compared to 9 percent in 1956. Comparable figures for high school and higher education combined are 4 percent in 1900 and almost 25 percent in 1956.

Two more introductory comments seem necessary, one on the neglect of the study of human capital and the other on the moral issue of treating education as an investment in man. A serious fault in the way capital is treated in economic analysis has been the omission of human capital; this was a major part of the burden of my Teller lecture.[2] Had economists followed the conception of capital laid down by Fisher,[3] instead of that by Marshall,[4] this omission, so it seems to me, would not have occurred.

It is held by many to be degrading to man and morally wrong to look upon his education as a way of creating capital. To those who hold this view the very idea of human capital is repugnant, because for them education is basically cultural and not economic in its purpose, because education serves to develop individuals to become competent and responsible citizens by giving men and women an opportunity to acquire an understanding of the values they hold and an appreciation of what they mean to life. My reply to those who believe thus is that an analysis that treats education as one of the activities that may add to the stock of human capital in no way denies the validity of their position; my approach is not designed to show that these cultural purposes should not be, or are not being, served by education. What is implied is that, in addition to achieving these cultural goals, some kinds of education may improve the capabilities of a people as they work and manage their affairs and that these improvements may increase the national income. These cultural and economic effects may thus be joint consequences of education. My treatment of education will in no way detract from, or disparage, the cultural contributions of education. It takes these contributions for granted and proceeds to the task of determining whether there are also some economic benefits from education that may appropriately be treated as capital that can be identified and estimated.

Ideally, we should like to have estimates of the formation of human capital, both gross and net, and of the size of the stock. We should also like to know how much, if any, of the increase in national income is attributable to increases in the stock of human capital and what the "rate of return" on investment in education has been. There will then be the question, How do parents and students and public authorities respond to these investment opportunities?[5] In this paper, however, I take only one small step toward answering these questions.

Let me now present the sources of the estimates that follow, making explicit the underlying assumptions and commenting on the data so that the reader may have a basis for determining the limitations of these estimates. The more important economic implications that emerge from this study will be left until later.

I. Earnings that students forgo

It will be convenient to draw an arbitrary line between elementary and secondary schools and to assume that no earnings are forgone on the part of children who attend elementary schools.[6] Beyond the eighth grade, however, these earnings become important. The time and effort of students may usefully be approached as follows: (1) Students study, which is work, and this work, among other things, helps create human capital. Students are not enjoying leisure when they study, nor are they engaged

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[1] By "unexplained" I mean here the increases in measured national income that exceed the increases in measured resources, treated as inputs. For approximately the same period covered by this study, Solomon Fabricant, in Basic Facts on Productivity Changes ("National Bureau of Economic Research Occasional Papers," No. 63 (New York, 1959)), table 5, presents estimates that show the output of U.S. private domestic economy as having increased at an average annual rate of 3.5 percent between 1889 and 1957, whereas total inputs increased at an annual rate of only 1.7 percent. For the more recent part of this period, that is, between 1919 and 1957, these annual rates of increase were 3.1 and 1.0 percent, respectively.

[2] In "Investment in Man: An Economist's View," Social Service Review, vol. XXXIII (June 1959).

[3] Irving Fisher, "The Nature of Capital and Income" (New York: Macmillan Co., 1906).

[4] Alfred Marshall, "Principles of Economics" (8th ed.; London: Macmillan & Co., Inc., 1930). In discussing definitions of capital, Marshall commented on Fisher's concept as follows: "The writings of Professor Fisher contain a masterly argument, rich in fertile suggestion, in favor of a comprehensive use of the term. Regarded from the abstract and mathematical point of view, his position is incontestable. But he seems to take too little account of the necessity for keeping realistic discussions in touch with the language of the marketplace" (app. E).

[5] Surely some individuals and families make decisions to invest in some kinds of education, either in themselves or in their children, with an eye to the earnings that they expect to see forthcoming from such expenditures on education. It should be possible to analyze these decisions and their consequences as one does other private decisions that give rise to physical capital formation throughout the economy.

[6] This assumption is plausible enough in the case of our society at the present time. But back no further than 1900, many of these children were of considerable economic value as workers, and some parents were keeping them from school for that reason.

wholly in consumption; they are here viewed as "self-employed" producers of capital. (2) Assume, then, that if they were not in school, they would be employed producing (other) products and services of value to the economy, for which they would be "paid"; there is, then, an opportunity cost in going to school. (3) The average earnings per week of those young men and women of comparable age and sex who are not attending school or of students while they are not in school are a measure of the (alternative) value productivity of the students' time and effort. (4) The cost of living of students and nonstudents may be put aside because they go on whether young people go to school or enter the labor market and are about the same except for minor items, such as books, extra clothes, and some travel in getting to and from school.

TABLE 1.—*Estimates of earnings forgone by high school and college or university students in 1949*

Age	Median income	Weeks worked	Income per week	Annual earnings forgone in attending school	In weeks equivalent to average earnings of workers in manufacturing
	(1)	(2)	(3)	(4)	(5)
14 to 17:					
Male	$311	24	$13.00	$520	
Female	301	20	15.00	600	
18 to 19:					
Male	721	32	22.50	900	
Female	618	29	21.30	832	
20 to 24:					
Male	1,669	40	41.70	1,669	
Female	1,276	36	35.40	1,416	
25 to 29:					
Male	2,538	44	57.70	2,308	
Female	1,234	33	40.40	1,616	
Per student:					
High school				[1] 583	11
College or university				[2] 1,369	25

SOURCES AND NOTES

[1] Students enrolled in high school were approximately half males and half females; 92.7 percent were allocated to the age group 14 to 17, and 7.3 percent to ages 18 to 19. In making this allocation, it was assumed that those below the age of 14 offset those above the age of 19 ("Statistical Abstract of the United States, 1956," table 126).

Col. 1: "U.S. Census of Population, 1950, Special Report on Education, 1953," table 13, except for figures for age group 20 to 24, which are from Herman P. Miller, "Income of the American People" (New York: John Wiley & Sons, 1955), table 20. Virtually all the income in these age groups would appear to be from "earnings" according to Miller's table 34.

Col. 2: "U.S. Census of Population, 1950, Special Report on Employment and Personal Characteristics, 1953," table 14. Of the persons who did work in 1949, the census shows the percent who worked 1 to 13, 14 to 26, 27 to 39, 40 to 49, and 50 to 52 weeks, and, on the assumption that these classes averaged out to 7, 20, 33, 45, and 51 weeks, respectively, these were used as weights.

Col. 3: Col. 1 divided by col. 2.

Col. 4: Assumes that students forgo, on the average, 40 weeks of earnings; col. 3 multiplied by 40.

Col. 5: "Economic Report of the President, January 1957," table E–25. The average gross weekly earnings for all manufacturing was $54.92; col. 4 divided by $54.92.

[2] College or university students were distributed as follows:

Ages	Percent males	Percent females
14 to 17	3.5	5.0
18 to 19	15.2	16.0
20 to 24	30.6	11.5
25 to 29	14.7	.5
Total	67.0	33.0

These percentages were used as weights in calculating the estimate of $1,369 (based on Statistical "Abstract of the United States, 1956," table 126).

Estimates of the earnings that students have forgone were made in the following manner: High-school students were treated separately from college and university students. The year 1949 was taken as a base year in determining the "earnings" per week of young people, both males and females, for each of four age groups. Students' forgone earnings were calculated on the assumption that, on the average, students forego 40 weeks of such earnings, and then expressed in earning-equivalent weeks of workers in manufacturing in the United States. The results appear in table 1; they indicate that high-school students forgo the equivalent of about 11 weeks and college or university students about 25 weeks of such earnings. These 1949 earnings ratios were applied to particular years between 1900 and 1956; an adjustment was then made for unemployment, as set forth in table 2.

Two sorts of limitations need to be borne in mind in interpreting and in using these estimates. The first pertains to the 11-week and 25-week estimates for the base year 1949; the other is inherent in applying the 1949 relationships to other years.

Many of the young people who did work in 1949 were employed for only a few weeks during the year. It seems plausible that their earnings per week would be below those of workers of equivalent abilities who worked most or all of the year. To this extent, our estimates are too low.[7] Also, it could be that students rate somewhat higher per person in the particular abilities for which earnings are received than do those not in school who are earning income. To the extent that there are such differences, other things being equal, our estimates of earnings forgone are again too low. On the other hand, some students have held jobs while they were attending school; the earnings they have received from such jobs should have been subtracted from our estimates. Then, too, young people are probably burdened with more unemployment relative to the number employed than is the labor force as a whole.[8] Thus, of the four factors just mentioned, two pull in one direction and two in the other. They may be compensating factors.

TABLE 2.—*Annual earnings forgone by students, adjusted and not adjusted for unemployment, 1900–1956, in current prices* [1]

Year	Average weekly earnings, all manufacturing	Annual earnings forgone per student while attending: High school, Unadjusted	High school, Adjusted for unemployment	College or university, Unadjusted	College or university, Adjusted for unemployment
	(1)	(2)	(3)	(4)	(5)
1900	$8.37	$92	$84	$209	$192
1910	10.74	118	113	269	259
1920	26.12	287	275	653	626
1930	23.25	256	224	581	509
1940	25.20	277	236	630	537
1950	59.33	653	626	1,483	1,422
1956	80.13	881	855	2,003	1,943

[1] Sources:

Col. 1: "Economic Report of the President, January 1957," table E–25, and U.S. Department of Labor; and "Historical Statistics of the United States, 1789–1945," a supplement to "Statistical Abstract of the United States, 1949," series D, pp. 134–144.

Col. 2: For high school students, col. 1 multiplied by 11; based on table 1.

Col. 4: For college and university students, col. 1 multiplied by 25; based on table 1.

Cols. 3 and 5: The percent unemployed is based on Clarence D. Long, "The Labor Force under Changing Income and Employment" (a NBER study [Princeton: Princeton University Press, 1958]), app. C, table C-1 and, for 1956, table C-2. Unemployed adult male equivalents in percent of the labor force were as follows: 1900, 8.2; 1910, 3.0; 1920, 4.2; 1930, 12.4; 1940, 14.7; 1950 4.1; and 1956, 3.0.

There is also the question: What would the earnings of school-age workers have been if all of them had entered the labor market? But the question is not relevant because our problem is not one that entails a large shift in the number of human agents. The elasticity of the demand, either in the short or the long run, for such workers over so wide a range is not at issue. Instead, we want to know what earnings a typical student has been forgoing at the margin. Even so, our estimates of earnings forgone are substantially reduced by the effects of the large shift of students into summer employment;[9] the earning figures that we are using, drawing on the 1950 census, are heavily weighted by this summer employment. As pointed out above, many who did work for pay worked only a couple of months or so.[10]

[7] Of males aged 14 to 17 who worked in 1959, 44 percent worked only about 7 weeks (an average) and 19 percent worked about 20 weeks (average). Similarly, in the case of females aged 14 to 17 who worked, 53 percent worked only about 7 weeks and 21 percent about 20 weeks (averages). For ages 18 to 19, these figures are smaller, i.e., for males, 24 percent worked only 7 weeks and 19 percent about 20 weeks; and for females aged 18 to 19, the 2 figures are 29 and 23 percent, respectively. For ages 20 to 24, they are 10 and 12 percent for males and 17 and 15 percent for females.

[8] "The Economic Report of the President, January 1960," table D–18, gives some figures that appear relevant. They show total unemployed equal to 5.2 percent of the total employed, whereas for the 14 to 19 age group it was 11.8 percent.

[9] In 1955, for example, 1,200,000 individuals aged 14 to 19 entered the labor force between May and July, in contrast to about 400,000 in the ages 20 to 24.

[10] One can know something about the relation of the number of individuals in these age groups who are gainfully employed to the number enrolled in school. As one might expect, in the youngest of the 3 age groups, the number gainfully employed

The other difficulties stem from applying the 1949 "structural" relationships to other periods, especially to earlier years. The only adjustment that has been introduced is that for movements in unemployment. It is not easy to isolate the changes resulting from legislation. Stigler[11] suggests that "on the whole compulsory school attendance laws have followed more than led the increase in enrollments of children over 14." Child labor laws may have done likewise. In any case, these laws may be viewed as a comprehensive private and public effort to invest in education, the child labor laws having the effect of eliminating some job opportunities.[12]

There is a presumption in favor of the view that high-school students in 1949 were attending school more weeks per year than did high-school students in earlier years. Such evidence as I have been able to uncover, however, suggests that for 1900, 1910, and 1920 most high-school students, including those who were attending secondary preparatory schools, were being instructed so that they could win entrance into a college or university and that these students were attending school about as many weeks per year as high-school students in more recent years. Between the early twenties and the midforties, there may have been a small dip in this variable as a consequence of the large increases in high-school enrollment and the fact that high-school instruction was no longer devoted primarily to the preparation of students for college.[13]

The weekly earnings of workers who possess the capabilities of students and who are of that age group may have changed substantially since 1900 relative to the earnings of those employed in manufacturing. But it is not possible even to guess whether their earnings have become more or less favorable relative to the earnings of workers in manufacturing. The age groups that appear in table 1 represent young people who had had more years of schooling than did the same age groups in 1900. But this would also be true of workers in manufacturing. The fact that the wage ratio between skilled and unskilled workers has narrowed may imply that our estimates of earnings forgone by high school students during the earlier years are somewhat too high, or more plausible, that the estimates for college and university students are on the low side for those years.[14] It would be exceedingly difficult, however, to isolate the effects of these changes.

(April 1950) was a little more than one-third the number enrolled in school (October 1950), whereas for the age group 20 to 24 there were fully 7 times as many in the gainfully employed group as there were enrolled in school. The figures for 1950 are as follows:

Ages	Enrolled in school (October) (millions)	Gainfully employed or in labor force (April) (millions)
16 to 17	3.06	1.12
18 to 19	1.19	2.39
20 to 24	0.96	7.09
Total	5.21	10.60

[11] George S. Stigler, "Employment and Compensation in Education" ("National Bureau of Economic Research, Occasional Papers," No. 33 [New York, 1950]), p. 8 and app. B.

[12] In commenting on child labor laws, Albert Rees has called my attention to the Census of Manufactures of 1890, which shows that 121,000 children (males under 16 and females under 15) were employed and that their annual earnings were 31 percent of those of all manufacturing wage earners. This is a substantially higher ratio than that implied for this age group in tables 1 and 2. Thus using 11 weeks' earnings forgone for 1900 may understate the investment in high-school education at the beginning of this period.

[13] Unfortunately for our purposes, data for the United States do not separate elementary and high-school attendance. The data are mainly for the 5 to 17 age group with two sets of figures: (1) The average number of days that schools were in session and (2) the average number of days attended by each enrolled pupil 5 to 17 years of age. These are: 1900, 144 and 99 days, respectively; 1910, 156 and 113 days; 1920, 163 and 121 days; 1930, 173 and 143 days; 1940, 175 and 152 days; 1950, 178 and 158 days; and 1956, 178 and 159 days. Thus there has been a 60-percent increase in the average number of days that each enrolled student attended schools. This rise, however, has been dominated by changes that have occurred in the attendance of elementary students. In the early years, high-school students were heavily concentrated in States that had already established long school sessions and good attendance records. For example, the average number of days attended by high-school students in a sample of such States was 170 days in 1920; a 1925–26 set of 31 States shows 151 days, and another set of States for 1937–38 shows 168 days, rising to 178 days in 1945–46 and 176 days in 1959–50.

II. COSTS OF THE SERVICES PROVIDED BY SCHOOLS

Ideally, we want a measure of the annual flow of the inputs employed for education. This flow consists of the services of teachers, librarians, and school administrators, of the annual factor costs of maintaining and operating the school plant, and of depreciation and interest. It should not include expenditures to operate particular auxiliary enterprises, such as providing room and board for students, operating organized athletics or other noneducational activities. School expenditures for scholarships, fellowships, and other financial aids to students should also be excluded, because they are in the nature of transfer payments; the real costs involved in student time are already fully covered by the opportunity-cost estimates.

Tables 3 and 4 give these costs of schools for elementary, secondary, and higher education. Each table is essentially self-contained, with sources and notes.

[14] Paul G. Keat, "Changes in Occupational Wage Structure, 1900–1956" (unpublished Ph. D. thesis, University of Chicago, March 1959), p. 77, estimates the wage ratio of skilled to unskilled workers to have been 205 in 1900 and 149 in 1949.

TABLE 3.[1]—*Annual resource costs of educational services rendered by elementary and secondary schools in the United States, 1900–1956, in current prices*

[Millions of dollars except col. 4 in billions]

Year	Public schools						Private schools		Public and private schools		
	Gross expenditures	Capital outlay	Net expenditures	Value of property	Implicit interest and depreciation	Total public	Gross expenditures	Total private	Total	Secondary	Elementary
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1900	215	35	180	.55	44	224	27	28	252	19	233
1910	426	70	356	1.1	88	444	54	56	500	50	450
1920	1,036	154	882	2.4	192	1,074	104	108	1,182	215	967
1930	2,317	371	1,946	6.2	496	2,442	233	246	2,688	741	1,947
1940	2,344	258	2,086	7.6	608	2,694	227	261	2,955	1,145	1,810
1950	5,838	1,014	4,824	11.4	912	5,736	783	769	6,505	2,286	4,219
1956	10,955	2,387	8,568	23.9	1,912	10,480	1,468	1,404	11,884	4,031	7,853

[1] Sources and notes:

Col. 1: Lines 1–6, from "Statistical Abstract of the United States, 1955," table 145; line 7 from "Biennial Survey of Education in the United States, 1954–56."

Col. 2: Lines 1–6, from "Biennial Survey of Education in the United States, 1948–50," ch. 2, table 1; line 7 from the 1954–56 survey.

Col. 3: Obtained by subtracting col. 2 from col. 1.

Col. 4: From same sources as col. 2.

Col. 5: Obtained by taking 8 percent of col. 4. The distribution of physical assets is placed at 20 percent land, 72 percent buildings, and 8 percent equipment, following Robert Rude's study, "Assets of Private Nonprofit Institutions in the United States, 1890–1948" (N.B.E.R., April 1954, not published), table II–2a. With no depreciation or obsolescence on land, 3 percent on buildings (more obsolescence than for colleges and universities because of changing local and community populations to which high schools must adjust) and 10 percent on equipment, and with an implicit interest rate of 5.1 percent, we have an 8-percent rate per $100 of assets per year.

Col. 6: Obtained by adding cols. 3 and 5.

Col. 7: From same sources as col. 1, except that line 1 is based on the same ratio as line 2 between cols. 1 and 7; line 3 is based on the same ratio as line 4; and line 7 is based on the same ratio as line 6.

Col. 8: Obtained by taking the percentage that col. 7 is of col. 1 and multiplying by col. 6. The gross expenditures of private schools ranged from 9.7 to 13.4 percent of that of public schools. This procedure assumes that capital outlays, value of physical property, and imputed interest and depreciation bear the same relationship to gross expenditures for private as for public schools.

Col. 9: Obtained by adding cols. 6 and 8.

Col. 10: Obtained by allocating the total of col. 9 between elementary and secondary schools on the basis that it costs 88 percent more per student in secondary than in elementary schools. Expenditures for high schools determined by using George J. Stigler's estimates appearing in "Employment and Compensation in Education" ("Occasional Papers," No. 33 [New York: National Bureau of Economic Research, 1950]), tables 7 and 12. Enrollment in elementary schools is given as 33, and in secondary schools as 21 per teacher (using average for last 5 years in Stigler's table); and average salary of elementary school teachers in 1938 was $1,876, and of secondary school teachers it was $2,249. This is as 100 to 120. Accordingly, per student, we have: $\frac{120 \div 21}{100 \div 33} \times 100$ = an index of 188 for teacher salary per student in secondary schools compared to 100 for that in elementary schools. A slightly lower ratio appears in the "Biennial Survey of Education in the United States, 1939–40," ch. 1, table 42, note 1, in which secondary school costs per student are placed 74 percent higher than that in elementary schools. There are, however, no estimates in the 1939–40 survey which permit one to determine expenditures per student for elementary and secondary schools.

TABLE 4.[1]—*Annual resource costs of educational services rendered by colleges and universities in the United States, 1900–1956, in current prices*

[Millions of dollars]

Year	Gross expenditures (1)	Auxiliary enterprises (2)	Capital outlay (3)	Net expenditures (4)	Value of physical property (5)	Implicit interest and depreciation (6)	Total (7)
1900	46	9	17	20	254	20	40
1910	92	18	30	44	461	37	81
1920	216	43	48	125	741	59	184
1930	632	126	125	381	1,925	154	535
1940	758	152	84	522	2,754	220	742
1950	2,662	539	417	1,706	5,273	422	2,128
1956	4,210	736	686	2,788	8,902	712	3,500

[1] Sources and notes:

Col. 1: Lines 1–6, from Statistical Abstract of the United States, 1955, table 145; and line 17 from Biennial Survey of Education in the United States, 1954–56. These expenditures by public and private institutions were as follows:

[In million dollars]

	Public	Private
1920	116	100
1930	289	343
1940	391	367
1950	1,429	1,233
1956	2,375	1,835

Col. 2: Lines 5–7, same source as col. 1. For the 2 sets of institutions these were as follows:

[In million dollars]

	Public	Private
1940	59	93
1950	255	284
1956	364	372

Lines 1–4 were obtained by letting these auxiliary enterprises equal ⅓ of gross expenditures.

Col. 3: Lines 4–7 from Biennial Survey of Education in the United States, 1954–56, ch. iv, sec. II; lines 1–3 obtained by taking 6.5 percent of col. 5, lines 1–3.

Col. 4: Obtained by subtracting the sums of cols. 2 and 3 from col. 1.

Col. 5: From Biennial Survey of Education in the United States, 1948–50, ch. iv, sec. II, table I, and 1954–56. These estimates check closely with those of Robert Rude, "Assets of Private Nonprofit Institutions in the United States, 1890–1948," (National Bureau of Economic Research, April 1954, not published).

Col. 6: Obtained by taking 8 percent of col. 5; they assume no depreciation and obsolescence on land, 2 percent on buildings and improvements, and 10 percent on equipment. Following Robert Rude's study cited above, table II–2a, these physical assets were distributed 15 percent to land, 70 percent to buildings and improvements, and 15 percent to equipment. Assuming an interest rate of 5.1 percent, we have per $100 of assets:

Interest on all assets	$5.10
Depreciation and obsolescence:	
On buildings and improvements	1.40
On equipment	1.50
Total	8.00

Col. 7: Is the sum of cols. 4 and 6.

TABLE 5.[1]—*Earnings forgone and other resource costs represented by high-school education in the United States, 1900–1956, in current prices*

Year	Number of students (millions) (1)	Earnings forgone per student (2)	Total earnings forgone (3)	School costs (4)	Additional expenditures (5)	Total (6)
				Millions	*Millions*	
1900	0.7	$84	$59	$19	$3	$81
1910	1.1	113	124	50	6	180
1920	2.5	275	688	215	34	937
1930	4.8	224	1,075	741	54	1,870
1940	7.1	236	1,676	1,145	84	2,905
1950	6.4	626	4,006	2,286	200	6,492
1956	7.7	855	6,584	4,031	329	10,944

[1] Sources:

Col. 1: Statistical Abstract of the United States, 1955, table 145; and Biennial Survey of Education in the United States, 1954–56, ch. 2, table 44.

Col. 2: From table 2, col. 3.

Col. 3: Col. 1 multiplied by col. 2.

Col. 4: From table 3, col. 10.

Col. 5: Expenditures for books, supplies, extra clothes, and travel to and from school estimated at 5 percent of total earnings forgone, hence 5 percent of col. 3.

Col. 6: Sum of cols. 3, 4, and 5.

TABLE 6.[1]—*Earnings forgone and other resource costs represented by college and university education in the United States, 1900–1956, in current prices*

Year	Number of students (1)	Earnings forgone per student (2)	Total earnings forgone (3)	School costs (4)	Additional expenditures (5)	Total (6)
	Thousands		*Millions*	*Millions*	*Millions*	*Millions*
1900	238	$192	$46	$40	$4	$90
1910	355	259	92	81	9	182
1920	598	626	374	184	37	595
1930	1,101	509	560	535	56	1,151
1940	1,494	537	802	742	80	1,624
1950	2,659	1,422	3,781	2,128	378	6,287
1956	2,996	1,943	5,821	3,500	582	9,903

[1] Sources:

Col. 1: "Statistical Abstract of the United States, 1955," table 145; and the "Biennial Survey of Education in the United States, 1954–56," ch. 2, table 44.

Col. 2: From table 2, col. 5.

Col. 3: Col. 1 multiplied by col. 2.

Col. 4: From table 4, col. 7.

Col. 5: Expenditures for books, supplies, extra clothes, and travel to and from school estimated at 10 percent of earnings forgone; thus 10 percent of col. 3.

Col. 6: Sum of cols. 3, 4, and 5.

III. TOTAL COSTS OF EDUCATION

The estimates of the costs of elementary education were complete as set forth in column 11 of table 3, inasmuch as no earnings were forgone in accordance with our assumption.

Table 5 summarizes the principal components entering into the costs of high-school education. A comparison of columns 3 and 6 shows at once the importance of the earnings that students forgo relative to total costs of this education. That such forgone earnings should have been a larger proportion of total costs of high-school education during the earlier years (and a larger proportion of total costs of high school than of college and university education in all years) comes as a surprise. Earnings forgone while attending high school were well over half the total costs in each of the years; they were 73 percent in 1900 and 60 percent in 1956; the 2 low years were 1930 and 1940, when they fell to 57 and 58 percent of total costs. During 1950 and 1956 they were 62 and 60 percent, respectively. Other and more general economic implications of these changes in resource costs of high-school education will be considered later.

Table 6 provides similar estimates for college and university education. Here, too, earnings forgone by students are exceedingly important (see cols. 3 and 6). In 1900 and 1910 these earnings were about half of all costs, rising to 63 percent in 1920 and then falling to 49 percent in 1930 and 1940. With inflation and full employment, they then rose to 60 and 59 percent in 1950 and 1956.

IV. CONCLUDING OBSERVATIONS

When costs of all levels of education are aggregated, the proportion of total costs attributable to earnings forgone has clearly risen over time. This is due to the much greater importance of secondary and higher education in more recent years, a change that outweighs the decline in the forgone-earnings proportion of high-school education alone. For all levels of education together, earnings forgone were 26 percent of total costs in 1900 and 43 percent in 1956. Probably the actual 1900 figure should be somewhat higher than this because of forgone earnings of children in the higher grades of elementary school (ignored here), but such an adjustment would not substantially alter the picture.

Between 1900 and 1956, the total resources committed to education in the United States rose about 3½ times (1) relative to consumer income in dollars and (2) relative to the gross formation of physical capital in dollars. Accordingly, if we look upon all the resources going into education as consumption based on consumer behavior, our estimates would not be inconsistent with the hypothesis that the demand for education has had a high income elasticity.[15]

If, however, we treat the resources entering into education as investments based on the behavior of people seeking investment opportunities, our estimates then are not inconsistent with the hypothesis that the rates of return to education were relatively attractive; that is, they were enough larger than the rate of return to investments in physical capital to have induced the implied larger rate of growth of this form of human capital.[16]

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[15] A 1-percent increase in real income was associated with a 3.5 percent increase in resources spent on education, implying an income elasticity of 3.5, had other things stayed constant. Among other changes, the price of educational services rose relative to other consumer prices, offset perhaps in considerable part by improvements in the quality of educational services.

[16] Of course, other relevant factors may not have remained constant. For example, it seems plausible to believe that the grip of capital rationing is much less severe presently than it was during earlier years covered by this study.

Again, it should be stressed that the underlying private and public motives that induced the people of the United States to increase so much the share of their resources going into education may have been cultural in ways that can hardly be thought of as consumption, or they may have been policy determined for purposes that seem remote from investment. Even if this were true, it would not preclude the possibility that the rates of return on the resources allocated to education were large simply as a favorable byproduct of whatever purposes motivated the large increases in resources entering into education. If so, the task becomes merely one of ascertaining these rates of return. If, however, consumer and investment behavior did play a substantial role in these private and public decisions, then, to this extent, economic theory will also be useful in explaining these two sets of behavior.

Not only have the streams of resources entering into elementary, high school, and higher education increased markedly, but they have changed relative to one another.

1. Though elementary education by this measure has increased at a slower rate than has either of the other two, it has come close to doubling its position relative to gross physical capital formation; it rose from about 5 to 9 percent of the latter between 1900 and 1956.[17]

The total costs of elementary education have been strongly affected by changes in enrollment and attendance. Increases in the average number of days that enrolled students have attended school played almost as large a part as did the increase in enrollment; the first of these rose 60 and the second 73 percent between 1900 and 1956. However, it should be noted that this factor of attendance has nearly spent itself: average daily attendance is now within about 10 percent of its apparent maximum. Enrollment, on the other hand, will turn upward in response to the growth in population. Meanwhile, the salaries of elementary schoolteachers have been declining relative to wages generally.[18] Altogether, however, it seems plausible that investment in elementary education will not continue to rise at the rate that it did during the period covered by our estimates.

As previously noted, some earnings were undoubtedly forgone by elementary pupils, especially by children attending the upper grades. We have come upon bits of data that suggest that these earnings may have been appreciable during the early part of this period. Farm families, particularly, at that time still placed a considerable value on the work that their children could do for them; moreover, fully a third of the population had farm residences in 1900 and 1910. Surely, a poor country endeavoring to establish a comprehensive program of elementary education must reckon the cost entailed in the earnings that older children will have to forgo.

2. The annual national cost of high-school education has risen markedly, so much so that in 1956 it was equal in amount to nearly 13 percent of gross physical capital formation compared to somewhat less than 2 percent in 1900.[19]

Enrollment in high school advanced from 0.7 to 7.7 million between 1900 and 1956. It had already reached 7.1 million in 1940. The effect of the upsurge in population that began in the early forties had started to make itself felt by 1956, the proportion of young people embarking upon a high school education being very large—indeed, it was approaching its maximum. The increases in this ratio were striking; for example, in 1900 only about 11 percent of the 14- to 17-year age group was enrolled in secondary schools; by 1956 the percent was about 75.[20]

Let me emphasize once more the fact that earnings forgone have made up well over half the total costs of high-school education. In 1956 they were three-fifths of total costs, which is somewhat less than at the beginning of this period. From this experience one may infer that poor countries, even when they are no less poor than were the people of the United States in 1900, will find that most of the real costs of secondary education are a consequence of the earnings that students forgo while attending school.

3. The trend of total cost of higher education has been similar to that of high school costs. It rose at a slightly smaller rate than did total high school cost in the early part of the period, and at a larger rate later. Relative to gross physical capital formation, it was about 2 percent in 1900 and slightly less than 12 percent in 1956.

TABLE 7.[1]—*Total costs of elementary, high school, and college and university education in the United States, 1900–1956, in current prices*

[Millions of dollars]

Year	Elementary (1)	High school (2)	College and university (3)	Total (4)
1900	230	80	90	400
1910	450	180	180	810
1920	970	940	600	2,510
1930	1,950	1,870	1,150	4,970
1940	1,810	2,900	1,620	6,330
1950	4,220	6,490	6,290	17,000
1956	7,850	10,950	9,900	28,700

[1] Sources (figures have been rounded): Col. 1: From table 3, col. 11. Col. 2: From table 5, col. 6. Col. 3: From table 6, col. 6. Col. 4: Cols. 1+2+3.

Enrollment in higher education increased from 328,000 in 1900 to 2,996,000 in 1956. Of the 18 to 21 group, 4 percent were in residence and enrolled as undergraduates in higher education in 1900; by 1956, 32 percent of this age group were thus enrolled. The numbers in the college age group will increase substantially soon, as the children born with the upsurge in birth rates of the early forties reach these ages. The proportion of this age group that will begin higher education is not readily discernible. The upper limit is not near at hand, as it is for elementary- and high-school education; there are many indications that it will continue to increase for some time to come.

Earnings foregone by students attending colleges and universities were also about three-fifths of total costs in 1956. Here, however, we appear to observe an upward trend between 1900 and 1956.

4. Altogether, total costs of education have increased much more rapidly than have the total costs of the resources entering into physical capital. Between 1900 and 1956, the total costs of the three levels of education covered by this study have risen from 9 to 34 percent of the total entering into the formation of physical capital.

Several more steps must be taken, however, before we can gage the increases in the stock of capital developed by education and its contribution to economic growth. These steps will entail allocating the costs of education between consumption and investment, determining the size of the stock of human capital formed by education, and ascertaining the rate of return to this education. I plan to examine these issues in subsequent papers.

EDUCATION AND ECONOMIC GROWTH

(By Theodore W. Schultz)

Educators have turned to economists now and again on how best to finance our schools; even so, there are only a few crumbs in public finance on this important matter. Inflations of recent years have made teachers and school administrators aware of the index of consumer prices and of some of the implications of inflation to their earnings and to school finance. No doubt there has come some understanding of the role of fiscal and monetary policies in achieving economic stability. The new upsurge in population that began in the forties also has made itself felt; and there are now many simple projections of the future needs for more schools and teachers.

Education is like a mansion with many vistas. I know that the economic vista does not have a wide appeal, for it lacks both elegance and excitement. Old landmarks like public finance, rising prices, lagging salaries, crowded classrooms, and more costly construction are mundanely dull. So is the task of achieving efficiency in the way teachers and the school plant and its facilities are employed. There is, however, one attractive view to which I want to direct attention, namely, to the role of education in economic growth.

The level of income and the level of education of a country apparently are related, for when one is high so is the other. Does this simply mean that a country with a high level of income can afford to spend and, as a rule, does spend enough to obtain for its people a high level of education? This has been the predominant view because we have not been inclined to look upon education as an investment in people but have regarded it as a component in consumption, albeit not as urgent as our daily bread, although contributing to a fuller life. From this point of view, it has been clear that, while a poor people cannot afford a high level of education, the rich, of course, can.

But the connections between education and income are not this simple. Let us suppose that education were, among other things, a powerful engine in winning greater productivity and increases in real income. Under these circumstances one should look upon education as an investment contributing to economic growth. We observe that no country with an illiterate population has a modern economy (such a population is always saddled with a primitive or backward agriculture and little or no industry) and no country with a high output per person is manned by workers who have only a low

[17] Whenever I refer to estimates of gross nonhuman or gross physical capital formation, I shall base them on Simon Kuznets' "Annual Estimates 1869–1953" (New York: National Bureau of Economic Research, 1958), table T–8, technical tables in supplement to summary volume on "Capital Formation and Financing," mimeographed, used with his permission. Estimates for 1956, roughly comparable with that of Kuznets' series, is the 67.4 billion appearing in "Economic Report of the President, January 1960." Table D–1, raised by 26.4 (the percent by which Kuznets' estimate for 1950 exceeds commerce estimate of that year). Thus we have the total costs of elementary education increasing from $230 to $7,850 million and gross physical capital costs increasing from $4,300 to $85,200 million.

[18] Keat (op. cit., table 7, p. 25) presents estimates showing that these teachers in 1903 received 58 percent more earnings than did the average full-time employee in manufacturing during the year, compared to only 19 percent more in 1956. Comparable figures for high-school teachers are 188 and 36 percent; and for professors, 261 and 73 percent.

[19] Beginning with 1940, the total costs of high-school education exceeded that of elementary education; by 1956 they were almost 40 percent larger. In 1900 it was the other way around, with elementary education nearly three times as large as that of high school, measured in resources used (see cols. 1 and 3 of table 7).

[20] However, of this 14- to 17-year age group, 88 percent was enrolled either in elementary school, high school, or college.

level of education. Are these wholly spurious relationships? The plausible answer is "No."

The connections, however, between education and economic growth are exceedingly complex. It is far from easy to identify those fruits of education that consist of improvements in the capabilities of a people that are useful in economic endeavor. It takes years as a rule to develop these capabilities and then it requires more years for these capabilities to prove their worth in production. It is not as simple as adopting hybrid seed corn or applying a few bags of fertilizer in the spring and garnering the crop in the fall. But the mere fact that it is much harder to identify and measure the economic rewards from education does not mean that education viewed as an investment does not, under appropriate circumstances, contribute to national income.

Human investments,[1] as I conceive of them, include much more than formal education; they are the sum of all the acquired, useful capabilities of a people, whatever their sources. The health and vitality of a population are a part of it; on-the-job training also plays a large role; and the investment that it takes to move and change jobs in a progressive economy belongs here, in addition to formal education.

This is an exploratory study. Some of the results presented are necessarily tentative, especially the estimates of the stock of education and of returns to education and inferences based on them. Many new data will be included. This study consists of eight sections as follows: "Setting for Economic Growth," "Preliminary Issues," "Resources Entering into Education," "Stock of Capabilities Developed by Education," "Return to Education," "Contributions of Education to Economic Growth," "Sources of Inefficiency," and an appendix.

SETTING FOR ECONOMIC GROWTH

By economic growth, I mean an increase in production that gives a country more real income. Thus, increases in national income are a measure of economic growth.[2] The rate of this growth may be small or large but not so small that it fails to exceed the growth in population; accordingly, an increase in per capita income is implied. The national income as it increases may be variously distributed between public and private sectors and among families and individuals.

I take it to be true that individuals and countries want a higher level of real income than they presently command, which means, for the purpose at hand, they are motivated to achieve economic growth. The idea of economic growth has taken on worldwide importance, mainly because there is so much poverty in the world and because most peoples now believe that it can be reduced. People everywhere have the idea that it can be done; they no longer believe that poverty is ordained by God. No symbolism of a caste or class or religion can any longer support this idea. Men can, and men will, do something to reduce their poverty.

One of the basic ideas of our civilization is progress with much stress on economic progress. The idea of progress was not held by the Greeks or Romans or by Medieval and Renaissance Europeans. It had its origin in the rationalistic philosophy of the Enlightenment.[3] A few European countries slowly and gradually achieved enough economic growth to improve the lots of their people, despite a rapid growth of population. The United States long ago moved out ahead, but her economic growth was not nearly as dramatic as that of Germany and Japan toward the end of the 19th century. Then, following a profoundly deep revolution, came the forward thrust of Russia. Presently one poor country after another—to name a few, Mexico, Puerto Rico, and Israel—are demonstrating that rapid economic growth can be had. These achievements are becoming a part of the common knowledge of people everywhere. It is no wonder, therefore, that the once isolated, "backward," poor people of the world have begun to stir and are seeking means of improving their incomes. Even the very isolated Indians in the mountains of Guatemala and Peru are becoming informed about these developments.

But what are the sources of economic growth? A country's natural endowment—labor force and reproducible capital. What is required? The traditional answer is—work and save and manage prudently. Labor and capital become the essential components that can be augmented. But we find that our national income has been increasing at a much larger rate than either the labor force or the stock of physical capital. It would seem that increases in these two components leave much of our economic growth unexplained.

While man-hours rose less than 1 percent and physical capital less than 2 percent per annum, the output of the U.S. economy rose slightly more than 3 percent per annum between 1919 and 1957 (see table 1).[4]

The crucial figures in the above estimates are the 3.1 percent per annum for output and the 1 percent per annum for total input.

TABLE 1.—*Increases in output and input of the private domestic sector of the U.S. economy, 1919–57*

[Indexes, 1929=100]

	1919 (1)	1957 (2)	Increases in percent per annum (3)
Output	69.7	225.2	3.1
Input:			
Labor input (weighted man-hours)	86.7	116.9	0.8
Capital input (weighted tangible capital)	80.3	158.2	1.8
Total input (weighted man-hours and capital)	84.9	125.5	1.0

Thus, between 1919 and 1957 by adding only 1 percent to the total input, the economy in its generosity increased real income by a bit more than 3 percent.

How much is known about the mainsprings of economic growth? Much less than is commonly believed. It is quite apparent from public discussion and debate that we do not really understand the components that have entered into our economic growth. We concentrate on capital and labor with no consideration of the importance of the improvements in the capabilities of labor. Much stress is placed on the formation of capital, and yet human capital is omitted altogether. The omission is serious.

If education is in large part an investment that becomes an integral part of students, we should to this extent treat human beings as capital. But at this point we brace our feet and refuse to budge. Many educators, I am sure, will find such a treatment repugnant because according to their way of thinking man represents a unique set of values whether one calls this set spiritual or humanistic, whereas capital is necessarily materialistic. Some educators look upon economics as being materialistic, as a study of commodities and capital, and, in their view, man is neither of these.

What about the deeply held belief that education is basically cultural and not economic in its purpose, that the objective of education is to develop individuals to become competent and responsible citizens, that it gives men and women an opportunity to acquire an understanding of the values they hold and an appreciation of the fine arts and what these mean to life? My reply to those who believe thus is that an analysis that treats education as one of the activities that may add to the stock of human capital in no way denies the validity of their position; the analysis that follows is not designed to show that these cultural purposes should not be or are not being served by education. What is implied, however, in my approach is that, in addition to achieving these cultural goals, some kinds of education may improve the capabilities of a people on which they draw as they work and manage their affairs and that these improvements may increase the national income. These cultural and economic effects may thus be joint consequences of education. My treatment of education in no way detracts from or disparages the cultural contributions of education. It honors these and proceeds to the task of determining whether there are also some economic benefits from education that may appropriately be treated as capital which can be identified and estimated. Ultimately, we would like to estimate not only the size of this particular stock of human capital, but also its contributions to income. We want to measure the return attributable to various forms of such capital which may be revealed by the growth of the economy and by the way in which output responds to changes in education.[5]

I shall present estimates a bit later which will show that in the United States the rate of increase in our investments in students by means of education has been much larger than the rate at which we have invested in physical capital. Thus, education may well be an important key to the "unexplained" economic growth. But let me postpone introducing the underlying estimates until I have at least touched on the economic properties of education and the concepts for analyzing their behavior. In this paper, I can do no more than offer an outline of these matters.

PRELIMINARY ISSUES

Economic properties. Let me treat our schools as if they were a vast enterprise that

[1] I discussed this set of issues in an address which was then published as "Human Wealth and Economic Growth," The Humanist, II (1959), pp. 71–81.

[2] Our measures or estimates of national income are by no means foolproof. For example, the reduction in the hours that people work per week is a "credit" that does not get into the estimates of national income. The shifts from household production and from self-sufficient production to a dependency on work for wages and market exchange can lead to an overestimate of the increase in real national income over a period of time.

[3] J. B. Bury, "The Idea of Progress: An Inquiry into Its Origin and Growth." New York: Dover publication, 1955.

[4] From Solomon Fabricant, "Basic Facts on Productivity Change." Occasional paper No. 63, National Bureau of Economic Research, New York, 1959. Columns 1 and 2 are from table A which is based on John Kendrick's forthcoming study, "Productivity Trends in the United States," and column 3 from table 5. These estimates are for what Kendrick calls the "private domestic economy."

[5] Some individuals and families make decisions to invest in some kinds of education, either in themselves or in that of their children, with an eye on the earnings that they expect to see forthcoming from such expenditures on education. It should be possible to analyze these decisions and their consequences as one does other private decisions that give rise to physical capital formation throughout the economy.

"produces" educational services. Schools require a special of resources—teachers, school administrators, buildings, et cetera—to "produce" these particular services. Thus, educational services are not "free" to the economy even though no charges were made for them. Educational services entail costs, they involve a production process, and there is a supply. We can look upon some of these educational services as having properties that satisfy particular preferences that people have as consumers and also as having properties that can be transformed into human capabilities useful in economic endeavor and, as such, represent investment opportunities. In studying the demands for education, it will be convenient to classify them as follows: (1) Those educational services that are purely for consumption, (2) those that are purely for investment, and (3) those that are intrinsic complements in serving both consumption and investment objectives.

Are there any services that are purely for consumption? Difficult as it may be to identify them, surely there are some such. Education prides itself on its contributions to the quality of life. An appreciation of the fine arts belongs here, as does a part of a liberal education as traditionally conceived, and so do parts of home economics and courses in finishing schools. Kindergarten and education for the use of free time by older children and adults are also of this sort, so it would seem.

Other educational services are acquired purely as an investment. Education which is undertaken by individuals to improve their capabilities to do the work they are at belongs in this class. The attendance at school on a part-time basis while working is of some importance. On-the-job training undoubtedly is a large factor in this connection but it is not acquired in our schools. In some vocational training, and also in some technical and professional education, schools do offer programs of instruction for individuals who only want to qualify for better jobs on ahead. Nevertheless, it seems that only a small part of the education in our schools should be classified as being purely for investment.

By all odds, most education is neither pure consumption nor pure investment but serves both of these purposes, and the two are complements. It may be helpful to try to rank them as follows: (1) Primarily consumption and only secondarily investment. Most families in the United States presently seem to look upon elementary education in this way. (2) Consumption and investment considerations that are more nearly equal: our secondary schools that are not mainly vocational belong in this class as they are viewed both by parents and students of that age group, as does much of the education in some of the liberal arts colleges. (3) Educational services that are sought primarily for investment and only secondarily for consumption purposes. This class includes most college and university education in the United States, nearly all professional education (lawyers, doctors of medicine, engineers, technologists with advanced degrees), and some adult education and organized extension programs.

It may turn out that some educational services are subject to particular cost conditions, that is, to constant costs; others to decreasing costs; and still others to increasing costs. I know of no evidence that would indicate that something useful can be done along these lines at present. Given the dynamic character of the economic growth we have had for some decades, and given the fact that most of the resources used in producing educational services are the work of human agents (teachers and the time and effort of students) and that the prices of these productive services per unit have been rising relative to the prices of the material goods used in education, the supply price of a unit of education has been rising relative to other things that require proportionally less human effort to produce.[6]

It should, also, be noted that, since the quality of educational services has been improved over time, it is important to take account of such improvements both in studying the demand for and the supply of these services.

The demand: The demand for educational services as shown above is of two parts; one, based on consumer behavior in consumption, and the other based on the behavior of people in investing in themselves.

But is this not pressing the use of economic concepts all too far? Is there any reality in applying these notions about demand and those that we come to later about supply to the behavior of families, students, and those who manage our schools? Children are legally required to attend school for many years. Neither students nor parents have any choice in the matter. The services of our schools are not for sale; schools are not run for a profit; they are beyond the calculus of the market; and, for all these reasons, it will be said that an attempt such as this to apply economic concepts to education is highly artificial.

Some personal introspections may be permissible to get at motivations and to see how people may think and act with regard to these issues. Let me take the reader back to a small rural community in a setting where elementary education was provided by an efficient one-room school. Members of these families were the board that made all the basic decisions. Think of this board as a very small consumer cooperative in which each member had one vote. The members of this board paid the bills by voting taxes on their property. The salary of the teacher was the principal item in the money costs that had to come out of taxes. The members of this board considered this salary with care against what they received in education as they saw it. In the case of the older children, parents were, also, very much aware of the income foregone in their not having their children available for farmwork while they attended school. Compulsory school attendance laws followed more often than they took the lead in making for school attendance.[7] For high school and college, the connections between taxes and value received from education were less close. On the other hand, for children in high school or college, it was necessary to enter upon several expenditures that were large for the family, and these were much discussed and carefully evaluated, i.e., board and room (high school, too, meant leaving home), tuition, some travel, books, and appropriate clothes. Income forgone became exceedingly important. It is fair to say that the costs of having a student attend high school and college was not for the parents or for the student merely consumption; it was primarily an investment in the student's future capabilities. In making its decision the family was keenly aware that it must cut into its savings or reduce its consumption of conventional things, or do both. This meant that the family income was reduced from what it would have been had the student stayed at home and helped with the farmwork. These economic attributes of education in such a face-to-face rural community were readily discernible. While they may not be quite this evident and as observable in today's larger and more complex urban communities, the underlying elements of costs and value received are fully as real.

So let me return to the demand for education. Much, of course, depends upon the growth, composition, and location of the population. Immigration plays a role even today, and the people who enter may come with little or with much education. Most of this growth has been indigenous but uneven, and mainly because of variations in birth rate the changes in population growth since the thirties have very much altered the size of various age groups in the school population.

The increases in these age groups have been moving through the total population like successive large waves following a storm. The crests of these waves vary substantially in time and by location. Internal migration has altered these locational effects (internal migration is an exceedingly complex variable). Some of it is in response to differences in earning opportunities as people leave agriculture and other depressed areas; some of it is an adjustment to differences in the attractiveness of communities as a place to live and to rear a family, as people leave the core of the big cities and take up residence in suburban areas or move to the west coast.

The number of children per family of the various subpopulations has been narrowed significantly since the early forties, and the median number has become larger.

Economists make much of the income elasticity of the demand, which expresses a relationship between income and the quantity of a good or service acquired by consumers, other things equal. If income were to rise 10 percent per family and families were to increase their consumption of a particular good by less than 10 percent, it is said to be inelastic. The income elasticity of the demand for farm foods, for example, in the United States, is highly inelastic, about two-tenths. (A 1-percent rise in income person gives rise to two-tenths of 1 percent of such purchases, other things equal.) As yet we have very little empirical knowledge about income elasticity of the demand for education, viewed as a "consumer good." Such bits of evidence as we have suggest that it is highly elastic.

In any attempts that are made to determine the demand for education, we do well to introduce the level of education of parents as a variable. If this is an important factor, then the increase in the level of the education of parents that has taken place during recent decades in the United States will play a substantial role in the way families allocate their income to obtain more and better education for their children.

The more equal distribution of personal income that has taken place in recent decades and, also, the equalization in the number of children among families has enhanced the income elasticity of this part of the demand for educational services.

We have made no comment about the price elasticity of this demand. It may not be as useful as is the income elasticity of the demand for education in studying economic growth. Be that as it may, the price elasticity is very hard to gauge. So much, then, about a consumer demand for education in an expanding economy.

There is also a derived demand, and it may be much the more important of the two in education. A derived demand is the demand for a producer good, namely, for a resource employed in production. Most resources are reproducible, and the stock of such resources can be increased by appropriate investments. The behavior of parents and students in deciding to invest in an education represents such a derived demand. Here it is the anticipated rate of return on such an investment that matters.

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[6] In "The Emerging Economic Scene and Its Relation to High School Education," in "The High School in a New Era," pp. 97–109 (edited by Francis S. Chase and Harold A. Anderson. Chicago: University of Chicago Press, 1958), I consider why it is that the costs of education rise more than does the cost of living.

[7] See George J. Stigler, "Employment and Compensation in Education," p. 8 and appendix B. Occasional Paper No. 33. New York: National Bureau of Economic Research, 1950.

Inasmuch as the next section of this essay will be devoted to capital formation by education, only two issues related to family income and to investments in education will be mentioned here. First, relatively fewer families in the United States are now subject to as much capital rationing as formerly; and, second, many families and students have been learning that they can invest in an education and that they are likely to realize a relatively high rate of return on such an investment in themselves and in their children. Some estimates of these rates of return will be presented later.

The Supply: There is little point in considering the elasticity of the supply of educational services under stationary constraints. In a dynamic economy, in which real earnings of workers rise, the relative supply price of education per enrolled student rises because of the large part that human effort plays in the costs of education.

Education is indeed a large enterprise in the United States. During 1956, the value of all resources entering into elementary, secondary, and college and university education was $28.7 billion. The educational enterprise is, as a rule, of slow growth; its output does not fluctuate as do crops; nor does it swing up and down with business cycles. Major wars, however, have altered its services substantially. It is slow in adjusting to inflation.

More teachers are required per 1,000 students as the number of students in high school and in higher education increases relative to those in elementary schools. The total high school, college, and university enrollment in 1900 (940,000) was not quite 6 percent as large as the enrollment in elementary schools (16.3 million); in 1956 it was about 38 percent (10.7 and 28.2 million, respectively).

The salary per teacher rises relative to costs of plant and equipment (per some standard unit) as a consequence of the rise in wages and the salaries relative to costs of physical inputs throughout the economy. The value of the time of students (per student per year) also rises for two reasons: (1) The wages (earnings) that a student forgoes in attending school have been increasing relative to the price of nonhuman inputs, as in the case of teachers' salaries, and (2) a larger proportion of all students are in high school and college or university coupled with the fact that the earning capacity of students is substantial during the years that they attend high school, and especially so during the years they devote to higher education.

A comment seems warranted about the educational enterprise, when we look at it as producing a stream of outputs relative to the input of resources that it employs. The inputs, of course, consist of the time of teachers, school administrators, and students and the services of plant and equipment. A basic difficulty arises in determining changes in this output-input ratio because there are as yet no satisfactory standards for measuring the performance of these inputs in terms of educational output. The qualitative differences in education are exceedingly hard to determine. Even so, we know that teachers have a larger and better stock of knowledge to draw upon than formerly. Some of this new knowledge may have favorable effects upon teaching that are similar to those of new techniques in the production of other commodities and services. For example, it is widely held that the instruction offered by most engineering schools is much better today than it was, say, in 1930. Nevertheless, education is not like most of the other sectors of industry or agriculture in which output per unit of conventional input rises markedly over time. Gains in factor productivity may be hard to realize in education. Accordingly, as economic growth proceeds and salaries rise relative to the costs of nonhuman inputs, the real costs of education per student per year rise. In this sense, education is a rising-cost industry. The importance of finding ways of determining the nature and the quality of the educational output needs to be stressed.

RESOURCES ENTERING INTO EDUCATION

Whether we treat educational services as a cultural component free of any investment entanglement, or as a pure investment, or as some combination of these two purposes, the costs of education are basic economic facts. The upper limit in any case would be had if we were to allocate all of these costs to one or the other of these purposes. Whatever the true allocation between these purposes may be, the central question underlying this section is: How many resources go into education in the United States? We now present several sets of estimates to reveal the magnitude of the major costs components of education and the accumulated costs per student at successive levels of education.[8]

Three ratios and what they might mean: We are looking for connections between education and economic growth. Three different ratios will be introduced: (1) An education-labor ratio to show the amount of human effort going into education relative to the total labor force. (2) An education-income ratio which relates the resources entering into education to consumer income. (3) An education-investment ratio to show the relation between the resources entering into education and the resources going into reproducible physical capital.

The education-labor ratio is based on teachers and on students old enough to work relative to the employed labor force. If we count only teachers, we observe a rise from 504,000 to 1,522,000 between 1900 and 1956, which represents an increase from 1.86 to 2.34 percent of the employed labor force of the United States. If we count high school and college and university students who forgo doing other forms of productive work to attend school, their numbers were equal to 3.5 and 16.5 percent, respectively, of the otherwise employed labor force in these 2 years. (See line A–6 of table 2.) Teachers and the students together were equal to 5.3 percent of the employed labor force in 1900 and to 18.8 percent in 1956 (shown in line A–7).

TABLE 2.—*Selected measures of resources entering into education in the United States in 1900 and 1956*

	1900		1956	
	In thousands	Percent	In thousands	Percent
A. Labor inputs (in number of persons):				
1. Teachers	504	100.0	1,522	100.0
1a. Elementary	429	85.0	817	53.7
1b. High school	31	6.2	461	30.3
1c. Higher education	24	4.8	228	15.0
1d. Unclassified	20	4.0	16	1.0
2. Students (high school and higher education)	938		10,696	
3. Total, lines 1 and 2	1,442		12,218	
4. Employed labor force	27,100		65,000	
5. Percent line 1 of line 4		1.86		2.34
6. Percent line 2 of line 4		3.5		16.5
7. Percent line 3 of line 4		5.3		18.8
	Million dollars	Percent	Million dollars	Percent
B. Consumer income (in current prices):				
1. Total	13,700		279,000	
2. Percent line C–1 of line B–1		2.9		10.3
C. Gross resources costs (in current prices):				
1. Total	400	100.0	28,700	100.0
1a. Elementary	230	57.5	7,850	27.4
1b. High school	80	20.0	10,950	38.2
1c. College and university	90	22.5	9,900	34.4
2. Gross physical capital formation	4,300		85,200	
3. Percent line 1 of line 2		9.3		33.7

The education-income ratio connects the rise in educational resources to consumer income. It appears in line B–2 of table 2, and it indicates that these educational resources rose from 2.9 to 10.3 percent relative to consumer income between 1900 and 1956.

The education-investment ratio is based on the resources entering into education relative to the resources used for investments as conventionally defined, namely, for nonhuman capital formation. This ratio increased from 9.3 to 33.7 percent between 1900 and 1956. This is a critical ratio in this study; it appears in line C–3 of table 2. It should be noted also that whereas 58 percent of the educational resources in 1900 was for elementary education, in 1958 only 27 percent was used for this purpose.

In one important respect, these three ratios give strikingly similar results: between 1900 and 1956, the resources allocated to education rose about 3½ times (a) relative to consumer income in dollars, (b) relative to the gross formation of physical capital in dollars, and (c) in terms of labor inputs, counting teachers and the number of students who forgo earnings in attending school, relative to the employed labor force of the United States.

What inferences do these ratios support? If we look upon all of the resources going into education as consumption based on consumer behavior, these estimates would not be inconsistent with the hypothesis that the income elasticity of the demand for education is highly elastic. A 1 percent increase in real per capita income was associated with a 3.5 percent increase in the allocation of resources to education.[9]

But if we look upon all of the resources entering into education as investments based on the behavior of people seeking investment opportunities, these estimates are not inconsistent with the hypothesis that the rate of return to education was very attractive. The returns presumably were larger than those to physical capital to have in-

[8] Based mainly on my study "Capital Formation by Education." See the December 1960, issue of the Journal of Political Economy.

[9] Had other things stayed constant, this would indicate an income elasticity of 3.5. But the prices of educational services rose relative to other consumer prices, offset perhaps in considerable part by improvements in the quality of the educational services.

duced the implied larger rate of growth of this form of capital.

I hasten to add that the underlying private and public motives may have been cultural in ways that can hardly be thought of as consumption, or they may have been policy determined for purposes that seem remote to investments. Even if this were true, it would not preclude the possibility that the rates of return on the resources allocated to education were large simply as a favorable byproduct of whatever purposes motivated the large increases in resources entering into education. If so, the task becomes one of ascertaining these rates of return. If, however, explicit consumer and investment calculations do play a substantial role in these private and public decisions, then, to this extent, economic theory will be a useful tool for analyzing and explaining these two sets of behaviors.

Factor costs of education: In this section, I present a set of estimates that are basic in determining the real costs of education to the economy. Whether we treat education as consumption or investment, or as complements in these respects, or as serving still other purposes, these estimates will be essential. They are presented, therefore, in some detail so that others can use them in studies that require knowledge about the aggregate costs of education.

Among the principal components in the total real costs of education, the earnings that students forgo while they attend school are of major importance. These are indeed real costs, and they are much larger than educators realize. In both higher and secondary education they account for more than half of total costs. But how much thought is given to ways of economizing on the time and energy of students? Their contributions, measured in terms of earnings forgone, are exceedingly large, and, yet, all too little account is taken of this important economic characteristic of education in organizing and administering the educational enterprise.

Two master tables appear in an appendix, table A and table B, which set forth the conventional costs of elementary, secondary, and higher education, for both public and private schools. They are more complete than those heretofore available, mainly in providing estimates of the services of land, buildings, and facilities that are used in education (see columns 4 and 5 of table A and columns 5 and 6 of table B). In elementary and secondary education, the value of the services of property represented about one-fifth of all conventional costs (excluding the earnings that high-school students have forgone). In college and university education, however, the services of property were formerly a substantially larger part of total costs, although by 1956 they were only about one-fifth of total costs, leaving aside the value of the earnings that students forgo.

As already stated, an economist will attach much importance to the earnings students forgo while they are in school. These are real costs to parents, to students, and to the economy. Estimates of the annual earnings forgone, per student, while attending high school and while attending college and university appear in table C of the appendix.[39] In 1900 these forgone earnings were $84 per student in high school and $192 per student in college and university; by 1956 forgone earnings were $855 and $1,943, respectively (see columns 3 and 5 of table C).

We are now prepared to bring together the various cost components that enter into education. Our estimates for elementary education are complete as they appear in column 11 of table A in the appendix, inasmuch as we assume that no earnings were forgone in the case of elementary pupils.

The principal items entering into the costs of high school education appear in table 3. One sees at once, in comparing columns 3 and 6, the importance of the earnings that students forgo relative to total costs of this education. The fact that this component has declined with time is surprising. It is also surprising that this component is relatively larger for secondary students than for college students. Earnings forgone while attending high school were well over half of the total costs in each of the years; they were 73 percent in 1900 and 60 percent in 1956; the 2 low years were 1930 and 1940, when they fell to 57 and 58 percent of total costs. Other and more general economic implications of these changes in resource costs of high school education will be considered later. Table 4 provides similar estimates for college and university education. Here, too, earnings forgone by students were exceedingly important (see columns 3 and 6). In 1900 and 1910 these earnings were about one-half of all costs, rising to 63 percent in 1920 and then falling to 49 percent in 1930 and 1940. With inflation and full employment, they then rose to 60 and 59 percent in 1950 and 1956.

TABLE 3.—*Earnings forgone and other resource costs represented by high school education in the United States, 1900 to 1956, in current prices*

	Number of students (1)	Earnings forgone per student (2)	Total earnings forgone (3)	School costs (4)	Additional expenditures (5)	Total (6)
	Millions		*Millions*	*Millions*	*Millions*	*Millions*
1900	0.7	$84	$59	$19	$3	$81
1910	1.1	113	124	50	6	180
1920	2.5	275	688	215	34	937
1930	4.8	224	1,075	741	54	1,870
1940	7.1	236	1,676	1,145	84	2,905
1950	6.4	626	4,006	2,286	200	6,492
1956	7.7	855	6,584	4,031	329	10,944

Sources: Col. 1: "Statistical Abstract of the United States, 1955," table 145; and "Biennial Survey of Education in the United States, 1954-56," ch. ii, table 44.
Col. 2: From table C (appendix to this chapter), col. (3).
Col. 3: Col. (1) multiplied by col. (2).
Col. 4: From table A (appendix to this chapter), col. (10).
Col. 5: Expenditures for books, supplies, extra clothes, and travel to and from school estimated at 5 percent of total earnings forgone; hence, 5 percent of col. (3).
Col. 6: Cols. (3)+(4)+(5).

TABLE 4.—*Earnings forgone and other resource costs represented by college and university education in the United States, 1900–1956, in current prices*

	Number of students (1)	Earnings forgone per student (2)	Total earnings forgone (3)	School costs (4)	Additional expenditures (5)	Total (6)
	Thousands		*Millions*	*Millions*	*Millions*	*Millions*
1900	238	$192	$46	$40	$4	$90
1910	355	259	92	81	9	182
1920	598	626	374	184	37	595
1930	1,101	509	560	535	56	1,151
1940	1,494	537	802	742	80	1,624
1950	2,659	1,422	3,781	2,128	378	6,287
1956	2,996	1,943	5,821	3,500	582	9,903

Sources: Col. 1: "Statistical Abstract of the United States, 1955," table 145; and the "Biennial Survey of Education in the United States, 1954-56," ch. ii, table 44.
Col. 2: From table C (appendix in this chapter), col. (5).
Col. 3: Col. (1) multiplied by col. (2).
Col. 4: From table B (appendix in this chapter), col. (7).
Col. 5: Expenditures for books, supplies, extra clothes, and travel to and from school estimated at 10 percent of earnings forgone; thus 10 percent of col. (3).
Col. 6: Cols. (3)+(4)+(5).

TABLE 5.—*Total costs of elementary, high school, and college and university education, in the United States, 1900 to 1956, in current prices*

[In millions of dollars]

	Elementary (1)	High school (2)	College and university (3)	Total (4)
1900	230	80	90	400
1910	450	180	180	810
1920	970	940	600	2,510
1930	1,950	1,870	1,150	4,970
1940	1,810	2,900	1,620	6,330
1950	4,220	6,490	6,290	17,000
1956	7,850	10,950	9,900	28,700

Sources (figures have been rounded: Col. 1: From table A (appendix in this chapter), col. (11). Col. 2: From table 3, col. (6). Col. 3: From table 4, col. (6). Col. 4: Sum of cols. (1), (2), and (3).

Factor costs per student: The total costs per enrolled student in 1956 were $280 per elementary student, $1,420 per student in high school, and $3,300 per student in higher education. Using these estimates, we can readily calculate the accumulated total cost of the education per student at different stages. These are shown in table 6.

The factor cost represented by 8 years of elementary school based on 1956 prices was $2,240 per student. Four years of high school added $5,680, making the total cost of 12 years of schooling $7,920 per student, of which amount 43 percent was attributable to earnings forgone. Four years of college or university education required $13,200 per student, bringing the total cost of elementary school, high school, and higher education to $21,120 per student, with 53 percent arising from earnings forgone. If we add 3 years of postgraduate work, the accumulated total becomes $31,020 per student—of which 55 percent was attributable to earnings forgone.

THE STOCK OF CAPABILITIES DEVELOPED BY EDUCATION

The economically useful capabilities of a people that are developed by education specifically have the properties of a factor of

[39] A full discussion of the source of these estimates and their limitations appears in my study "Capital Formation by Education," op. cit.

production. The concept of a factor of production, however, is very tricky because it always has two economic faces. In one, a factor appears as Dr. Stock and in the other as Mr. Flow. It is all too easy to become confused by these changes in face. Land is a stock; rent is a flow. The size, composition, and capabilities of a labor force represent a stock; the services of the work that is done in an hour or during a week is, on the other hand, a flow. Inputs, which are sometimes referred to as resources or as productive services, whether rendered by man or by material things, are all flow concepts. The natural endowment (land), reproducible capital (plant, equipment, inventories), and the labor force (workers) are all stock concepts.

TABLE 6.—*Resource costs per student through elementary, high school, and higher education in the United States at 1956 prices*

	School inputs (1)	Earnings forgone (2)	Total (1)+(2) (3)	School inputs (4)	Earnings forgone (5)	Total (4)+(5) (6)
8 years elementary school (dollars)	2,240		2,240	2,240		2,240
1 year high school (dollars)	568	852	1,420			
2 years high school (dollars)	1,136	1,704	2,840			
3 years high school (dollars)	1,704	2,556	4,260			
4 years high school (dollars)	2,272	3,408	5,680	2,272	3,408	5,680
Total through 4 years high school (dollars)				4,512	3,408	7,920
In percent				(57)	(43)	(100)
1 year college (dollars)	1,353	1,947	3,300			
2 years college (dollars)	2,706	3,894	6,600			
3 years college (dollars)	4,059	5,841	9,900			
4 years college (dollars)	5,412	7,788	13,200	5,412	7,788	13,200
Total through 4 years college (dollars)				9,924	11,196	21,120
In percent				(47)	(53)	(100)
1 year graduate or professional (dollars)	1,353	1,947	3,300			
2 years graduate or professional (dollars)	2,706	3,894	6,600			
3 years graduate or professional (dollars)	4,059	5,841	9,900	4,059	5,841	9,900
Total through 4 years graduate or professional school (dollars)				13,983	17,037	31,020
In percent				(45)	(55)	(100)

NOTE.—1956 costs were $280 for elementary, $1,420 for high school and $3,300 for higher education per year of school. During high school 60 percent of the $1,420 represented earnings forgone per student, and 59 percent of the $3,300 are earnings forgone per student while attending college or university.

Our measure of a factor of production will differ depending upon whether we use a stock or a flow concept; for example, a parcel of land with perpetual life may have a value that is 20 times as great as its annual rent.

The productive life of the capabilities of man at a given moment will differ depending, among other things, upon his age. Consider two engineers who are equally capable and who do the same amount of engineering work during a particular year. Their respective contributions as engineers during that year are the same, although each may be very different when viewed as a stock of engineering capabilities because one of them may be a young engineer, just starting his career and with a long productive life ahead of him; the other may be an old man, doing his last year of work before he retires. The age of engineers is, therefore, important in gaging the stock of engineering capabilities.

When the young people who enter the labor force have more education than the old people who retire, the value of the stock of education in the labor force will rise even with no change in the number of workers. Such has been the case in the United States for a long time. Though younger workers back in 1900 had only little more schooling than older workers, this difference has become larger, much to the advantage of those in the younger age groups. The stock of education, accordingly, has become more valuable in two ways: (1) Each successive age group has more years of schooling and (2) a larger share of the total education has been carried by the younger persons than formerly—and as a consequence the average productive life of this education has been increasing.

It is not an easy task to measure changes in the stock of any form of wealth in a dynamic economy. It is doubly difficult to do this for education, for we are beset by both inadequate concepts and a lack of information. As a preliminary step, I propose to consider a year of school as a basic unit, as reported in national statistics. Later, I use a year of school adjusted to the length of the school year. We cannot yet estimate the weighted productive life of all of the education that the labor force possesses, although a rough indication is obtainable by examining the changes in the distribution of this education among the labor force.

Number of school years.—A year of school completed is a convenient unit of measurement. It is possible, also, to aggregate the education of a population, in a very rough manner, by counting the number of school years as one might count acres, houses, or tractors. By such a count the labor force in 1957 had completed a total of 776 million years of school compared to 216 million years in 1900. (See table D of appendix.) If a year of schooling were about the same in amount of quality of education in both years and if the distribution of these years of school completed among the components of the labor force were comparable, it would be quite meaningful to infer that the stock of education that the labor force possessed had increased about three and one-half times between 1900 and 1957.

But we know that a year of school acquired in earlier years represented many fewer days of attendance than has been true more recently. The average attendance of enrolled pupils, age 5 to 15, was only 99 days in 1900, whereas it had leveled off at 159 days in 1957. Moreover, the labor force of 1900 consisted mostly of workers who had been in school when the average daily attendance was even less than 99 days; for example, most of those who then were 35 to 45 years of age were presumably in school in 1870 when the average daily attendance was only 78 days (this leaves aside the schooling possessed by immigrants).

I have adopted a procedure developed by Prof. Clarence D. Long [11] to adjust school years completed for the effects of the changes in school attendance. It gives me an equivalent school year based on 1940, equal to 152 days of school attendance. This procedure gives the results that appear in table 7.

Clearly, the schooling of the working population was greatly overstated in the early years relative to the more recent period. Accordingly, adjusting for differences in school attendance, we find that between 1900 and 1957 the total stock of equivalent school years in the labor force rose from 116 to 740 million: this is an increase of 6⅓, instead of about 3½-fold. (See cols. 4 and 6 of table D of the appendix.)

But the distribution of education among members of the population and of the labor force has also changed. As a flow of productive services rendered by labor, younger members, say those from ages 14 to 24, contributed somewhat less of the total education entering into the labor force in 1956 than they did in 1900 because a smaller proportion of this age group were in the labor force in 1956 than was the case in 1900, mainly because so many more of these younger people were continuing their education. When we give appropriate weights to each age group, we obtain the distribution shown in table 8.

TABLE 7.—*Years of school per member of the labor force, 14 years and older, 1910–57*

Year	Years of school completed (1)	Equivalent school years completed (2)	Percent col. 2 is of col. 1 (3)
1900	7.70	4.14	54
1910	7.91	4.65	59
1920	8.12	5.25	65
1930	8.41	6.01	71
1940	9.02	7.24	80
1950	10.10	8.65	86
1957	10.96	10.45	95

TABLE 8.—*Distribution of equivalent school years in the labor force*

Age group	Number of school years per 100 laborers		Percentage distribution of education by age groups	
	1900	1957	1900	1957
14 to 19	61	91	15	9
20 to 24	74	132	18	13
25 to 44	187	547	45	52
45 to 64	78	249	19	24
65 and over	14	26	3	2
Total	414	1,045	100	100

As a stock, however, the changes in the distribution of education carried by the labor forces have been shifting strongly in favor of the younger members of the labor force so that the total stock is becoming more valuable because more of it has become concentrated in younger people. For example, those from age 20 to 24 had 12.8 years of school equivalent in 1956 compared to only 4.6 years in 1900; whereas those in the labor force who were in the ages 45–64 had increased from 3.8 to 7.8 years. A comparison of columns 4 and 5 of table 9 supports this inference.

[11] Set forth in his excellent study, "The Labor Force under Changing Income and Employment." Princeton, N.J.: Princeton University Press, 1958. See especially appendix F. Professor Long has very kindly made available to me his basic worksheets which provide the adjustment factors on which my estimates of equivalent school years are based. I am indeed much indebted to him.

TABLE 9.—*Equivalent school years per member of labor force*

Age group	Number of years of school		Relative to the average	
			4.14=100	10.45=100
	1900	1957	1900	1957
(1)	(2)	(3)	(4)	(5)
14 to 19	4.2	11.0	101	105
20 to 24	4.6	12.8	111	122
25 to 44	4.2	12.2	101	117
45 to 64	3.8	7.8	92	75
64 and over	3.3	5.6	80	54

We conclude from this treatment of the stock of school years that it has been increasing rapidly and at a greater rate than has the stock of reproducible physical capital. The total equivalent school years at selected dates are shown in table 10.

TABLE 10.—*Total equivalent school years of the labor force and of the population, 14 years and older, 1900 to 1957*

[In millions of school years equivalent]

Year	Labor force	Population
1900	116	212
1910	167	299
1920	217	388
1930	293	535
1940	382	715
1950	520	951
1957	740	1,173

Source: Based on tables D and E of the appendix. The population series is somewhat better than the labor force series because the procedure used may underestimate the proportion of the population with advantages in education entering the labor force relative to those who did not have the same educational advantages.

Stock of education at costs: The stock of nonhuman reproducible wealth did not increase nearly as much as did the education of the labor force, measured in school years equivalent. Between 1900 and 1957, the stock of reproducible wealth increased about 4.5 times, whereas the education of the labor force rose about 6.4 times. Even so, our unit of measurement, a year of school equivalent, still understates substantially the increase in the stock of education that has occurred. We have already noted that older members of the labor force have much less education per person than the younger workers. Moreover, this difference increased markedly as the level of education rose. Accordingly, not only has the stock of school years risen relative to reproducible physical wealth but it has also become more heavily concentrated in the younger ages; and, therefore, it has a longer average productive life than would be the case if the rise in education were distributed equally among the various age groups. We have not adjusted for this gain in our estimates.

Another important improvement in both the stock and flow of productive services from education has been the large increase in the number of years of high school and college relative to the elementary instruction. A school year, however, makes no distinction among these, although they differ greatly in value in terms of costs. In 1957, the labor force had 7.5 elementary, 2.4 high school, and 0.6 college and university years of school; in 1900, the comparable numbers were 3.4, 0.56, and 0.15 years of school. Moreover, these estimates for 1900 are very likely on the high side, as will be noted later.

Each of these years of schooling has its costs. I propose to use the following price tags—elementary, $280; high school, $1,420; and college and university, $3,300. These are based on 1956 prices. Using these prices, the costs of an average school year, which the labor forces of 1957 had acquired, was $723.[13] The underlying estimates are shown in table 11.[14]

TABLE 11.—*Costs of education in labor force in 1957 as measured by years of school per member*

	Years of school per member	Costs per year in 1956 prices	Costs per member of labor force 1×2	Percent
	(1)	(2)	(3)	(4)
Elementary	7.52	$280	$2,106	28
High school	2.44	1,420	3,458	45
College and university	.64	3,300	2,099	27
Total	10.6	----	[1] 7,663	100

[1] Average cost per school year: $7,663÷10.6=$723.

The members of the labor force of 1957, 14 years and older, carried in their persons a total of 740 million equivalent years of school, representing a total cost of $535 billion.[14] Census data for 1940 are comparable with those for 1957, which encourages us to make parallel estimates of the stock of education within the labor force of 1940. Table 12 gives these estimate for 1940.[15]

TABLE 12.—*Costs of education in labor force in 1940 as measured by years of school per member*

	Years of school per member	Costs per year of school	Costs per member of labor force 1×2	Percent
	(1)	(2)	(3)	(4)
Elementary	6.85	$280	$1,918	33
High school	1.71	1,420	2,428	41
College and university	.46	3,300	1,518	26
Total	9.02	----	[1] 5,864	100

[1] Average cost per school year: $5,864.00÷9.02=$650.00.

The total equivalent school years in the 1940 labor force, accordingly, cost $248 billion at 1956 prices.

We made two tentative estimates for 1900. These are, in substance, a lower and an upper limit of the costs per equivalent school year. The lower one is $423, and the upper, $540 in 1956 prices. In the lower estimate, high school and college education is allocated within the labor force roughly as it was distributed in the population over the comparable age groups; in the higher estimate, all of this education was allocated to the labor force. The procedures for obtaining the higher estimate for 1900 are displayed in table 13.[16]

TABLE 13.—*Costs of education in labor force in 1900 as measured by years of school per member*

	Years of school per member		Costs of school per year (upper limit)	Cost per member of labor force (upper limit) 1b×2	Percent
	(1a)	(1b)	(2)	(3)	(4)
Elementary	3.75	3.437	$280	$962	43
High school	0.31	0.556	1,420	790	35
College and university	0.08	0.147	3,300	485	22
Total	4.14	4.14	----	[1] 2,237	100

[1] Average cost per school year: $2,237.00÷4.14=$540.00.

Stocks of education and reproducible wealth compared: For reproducible wealth we draw on the studies of Goldsmith. For education we take those presented in this study. It should be emphasized that our estimates of the stock of education are still very tentative and incomplete. They are incomplete in that they do not take into account fully the increases in the average life of this form of human capital arising from the fact that relatively more of this education is held by younger people than was true in earlier years. They are incomplete also because no adjustment has been made for the improvements in education over time except as reflected in the changes in the proportions of elementary, high school, and higher education.

Keeping these qualifications in mind, even so, the stock of capital formed by education increased much more than did the stock of reproducible (nonhuman) capital. Between 1900 and 1957, the former rose 8.5 times, whereas the latter increased only 4.5 times, both in constant 1956 prices.[17] The underlying value estimates in billions of dollars appear in columns 2 and 3 in table 14.

[13] An alternative estimate places this figure at $735, obtained by taking 6 instead of 7 years as the average schooling of those who had completed 5 to 8 years of school.

[14] Based on table 138 of the 1959 "Statistical Abstract of the United States" which gives the percentage distribution by years of school completed for the labor force 18 to 64 years old, 1957. The elementary subtotal is $(4\times5.6)+(7\times26.2)+(8\times68.3)\div100=7.522$; the high school subtotal is $(2.5\times19.8)+(4\times48.5)\div100=2.435$; and the college subtotal is $(2\times8.8)+(5\times9.2)\div100=0.636$. Column 3 is based on these numbers, whereas those that appear in column 1 have been rounded.

[14] Obtained by multiplying 740 million by $723,000. The same result will be had when one adjusts the $7,663 per member of the labor force from 10.6 school years for the 18–64-year-old labor force to 10.45 school years for the 14-and-older labor force; this adjustment makes for $7,556 per member and, multiplied by 70.8 million, the total labor force of 1957, we have $535 billion.

[15] These estimates are also based on table 138 of the "Statistical Abstracts of the United States, 1959," and are restricted to the labor force 18 to 64 years old. Column 1 is derived for elementary $(4\times8.7)+(6\times39.4)+(8\times51.8)\div100=6.85$; high school $(2\times18.1)+(4\times33.7)\div100=1.71$; and college $(2\times7)+(5\times6.4)\div100=0.46$.

[16] These estimates are from a study of the high school enrollment and graduates and also of college enrollment and graduates from 1900 back to 1850. High school enrollment represented about 0.636 of 1 percent; and graduates, 0.351 of 1 percent of the population; and, for college, the two comparable estimates were 0.270 and 0.135 of 1 percent. Distributing all of these among the labor force of 1900, we have for elementary, $(83.5\times2.53)+(16.58)\div100=3.43$; high school, $(2\times5.16)+(4\times11.33)\div100=0.556$; and college, $(2\times2.46)+(4\times2.46)\div100=4.147$.

[17] Again, it should be emphasized that our procedure understates the increase in the value of stock of education within the labor force. For 1900, we allocated all of the high school and college and university education to the labor force, whereas this was not the case for 1957 and 1940 because available population surveys gave us the necessary information on this point. Then, too, the "durability" of the stock has been increasing as a consequence of the gains in education among the younger age groups relative to the older ages. In addition, there is the improvement in quality referred to in the text.

TABLE 14.—*Total value of the stock of education and of reproducible nonhuman wealth in the United States, 1900 to 1957, in 1956 prices*

[In billions of dollars]

	Educational stock of population 14 years and older (1)	Educational stock of labor force 14 years and older (2)	Stock of reproducible nonhuman wealth (3)	Percent column 2 is of column 3 (4)
1900	114	63	282	22
1910	168	94	403	23
1920	227	127	526	24
1930	328	180	735	24
1940	465	248	756	33
1950	656	359	969	37
1957	848	535	1,270	42

Source: Cols. 1 and 2 are in 1956 prices, and they are based on table F of the appendix; col. 3 is from Raymond W. Goldsmith who kindly made available to me his estimates of U.S. (national) reproducible wealth in 1947–49 prices. I then adjusted them to 1956 prices.

RETURN TO EDUCATION

If education were only consumption, we would restrict our study to the behavior of people as consumers, and we would try to estimate and explain their demand for education. To the extent that education is an investment, we would like to know the return and, among other things, its contribution to economic growth. Can we make any meaningful allocation of the costs of education between consumption and investment?

Let us review these costs with this allocation in mind. The costs of a year of school in 1956 prices were: elementary, $280; high school, $1,420; and college and university, $3,300. Thus, the education of a particular student who advances through the grades and continues on until he has won a Ph. D. or a professional degree would have entailed the following accumulation of costs:[18] elementary (8 years), $2,240; high school (4 years), $7,920; college (4 years), $21,120; graduate or professional school (3 years), $31,020. The percentage of these costs, consisting of earnings forgone, are 0, 43, 53, and 55, respectively.

The total stock of education in 1957, valued at these costs, carried by the population 14 years and older, was 848 billion dollars.

As a first step, let us exclude from investment all of the education of the population that is not in the labor force. By this procedure we remove 37 percentof the education in the population 14 years and older from the investment category. This step then excludes all education that is not a part of the labor force from human capital formed by education. The value of the total stock of education in the labor force was, therefore, $535 billion. This allocation, while simple and convenient, is undoubtedly too drastic because the education of many individuals who are not in the labor force, consisting mainly of women, is important for economic growth for a number of reasons. The education of women, for example, reduces the subsequent effective costs of education because of the critical role that mothers play in motivating their children to obtain an education and to perform well while they are attending school. Thus, if we could get at the factors underlying the perpetuation of education, it is likely that we would discover that the education of many persons not in the labor force contributes heavily to the effective perpetuation of the stock of education. To the extent that this is true, some part of the education not in the labor force contributes to this investment process.

Another step in allocating the costs of education between consumption and investment would be to pursue our earlier speculations and to assume that families and students in our society do not think of elementary education as investment, that they look upon high school as both consumption and investment in about equal parts, and that they view college and university education mainly or wholly as an investment. These assumptions would warrant a 50–50 division[19] and would allocate either $424 of the $848 billion, or $267.5 of the $535 billion stock of education carried to investment by the labor force in 1957.

But to allocate the costs of education in this way would seem to be quite arbitrary when we come to examine the apparent return to education. Although parents and students may view the various levels of education as implied by the above assumptions, the return to education is also a relevant criterion. The return to elementary education, for instance, would appear to exceed by a wide margin to return to either high school or college education. The implications of this fact would be that, whereas parents might look upon elementary school as essentially cultural (in our terminology as consumption), it is nevertheless an exceedingly productive investment in human capital.

Elementary school and earnings. In 1939, when the costs of a year of elementary school were about $86, white urban males with 7 or 8 years of school earned from $175 to $304 more than did those who had only 5 to 6 years of school, the differences increasing with age. Zeman's estimates of mean wage or salary income of white urban males in 1939, for three of the younger age groups, are shown in table 15.[20]

TABLE 15.—*Estimate of wage and salary income of white urban males in 1939 for three age groups based on years of elementary-school education completed*

Age in years	North and West			South		
	Income (based on years of school completed)		Difference	Income (based on years of school completed)		Difference
	7 to 8	5 to 6		7 to 8	5 to 6	
25 to 29	$971	$796	$175	$896	$688	$208
30 to 34	1,194	984	210	1,094	850	244
35 to 44	1,456	1,152	304	1,305	1,045	260

In 1949, when the costs of a year of elementary school were close to $190, the median income of males who had completed 8 years of school was from $492 to $551 larger than it was for those males who had completed 5 to 7 years of school. Table 16 gives the figures for the three age groups.[21]

The data for 1956 are available for males who completed 8 years and those who completed less than 8 years of school. For the 25 to 34 age group the difference in mean income (or earnings) was $1,023 and for the 35 to 44 age group, $1,087, at a time when the costs of a year of elementary school were $280. These three sets of raw data are not inconsistent with the view that the latter years of elementary school contribute appreciably to the productivity and earnings of members in the labor force.

Moreover, the ratio of the increase in lifetime earnings associated with 8 years of elementary education over the earnings of those with less than 8 years of school to the differences in the costs is fully twice as large as the comparable ratio for earnings and costs of a college education.[22]

TABLE 16.—*Median income in 1949 of males completing 8 years of school, as compared with similar groups completing 5 to 7 years*

Age groups	Years of school completed		Difference
	8	5 to 7	
25 to 29	$2,255	$1,763	$492
30 to 34	2,557	2,038	519
35 to 44	2,803	2,252	551

Return to high school education: Becker's[23] forthcoming study places the return on total high school costs in 1939 at 14.3 percent, and on earnings forgone, which in his study represents virtually all of the private costs, at 19.2 percent, after adjusting the income data for mortality and unemployment. These estimates, however, are not adjusted for differences in abilities of IQ between elementary and high school students. Becker indicates that these differences appear to be substantial, although he stresses that there is little available evidence.[24]

Return to college education: Here, again, I turn to Becker's estimates based on the

[18] From table 6.

[19] In the preceding section of this chapter, "Stock of Capabilities Developed by Education," we noted that 28 percent of the total costs of education per member of the labor forces consisted of elementary education and 45 percent of high school education. Add half of the 45 to the 28 and it would allocate 50 percent of these educational costs to consumption.

[20] Morton Zeman, "A Quantitative Analysis of White-Nonwhite Income Differentials in the United States," adapted from table 14. Unpublished doctor's dissertation, University of Chicago, September 1955.

[21] From "Statistical Abstract of the United States, 1959, table 140, p. 110.

[22] In 1956, the lifetime earnings from 18 years to 64 for those with 8 years of elementary school was $43,000 more than for those with less than 8 years of such school (see table 17). On extreme assumption that those with less than 8 years of elementary school had no years of school, we would have 8 years of costs or $280×8=$2,240, giving a ratio 19.2. If we assume that those with less than 8 years of school had completed 4 years, the additional costs were $1,120 and this ratio of earnings to costs would be 38.4. These ratios for 1939 and 1949 were quite similar to those for 1956 (see table 17 for further detail).

[23] Gary S. Becker of Columbia University is completing a comprehensive study of returns to education as a part of the research program of the National Bureau of Economic Research. These estimates are quoted with his permission.

[24] My study leads me to believe that these returns to high school education are somewhat on the high side for another reason which, however, would reduce the IQ differences. There was a considerable difference in the elementary education of those terminating their school at that point and of those continuing into high school. Years of school completed is not a satisfactory measure of elementary education. For the labor force in 1940, years of school completed exceeded by 25 percent equivalent years of school, based on 152 days of attendance per year. Those in the labor force who received only an elementary education originated mainly in States in which a relatively low proportion of those in the 14-to-17 age group were enrolled in high school (with less IQ difference, accordingly, between those going on and those not continuing with high school) and in which the average number of days of elementary school attendance per year was substantially below the average of the United States. (There were 8 States in 1940 in which less than half of the 14-to-17 age group was enrolled in high school, whereas at the other end of the scale 87 to 90 percent were enrolled.)

difference in income between high school and college graduates, adjusted for ability, race, unemployment, and mortality. For white urban males, the private return in 1940 and 1950 was 12.5 percent and the return to total college costs, including both earnings forgone and the conventional college costs as estimated by Becker, was 9 percent.[25]

Lifetime earnings relative to educational costs: The ratio of additional lifetime earnings to the costs of the education associated with such earnings provide a clue for interpreting the return to education. The lifetime income of males from age 18 to 64, in 1939, with 4 or more years of college, exceeded that of such male high school graduates by $39,000. Total costs was $1,087 per year, thus $4,348 for 4 years of college. The earnings-cost ratio would be 8.97. (Becker's estimate of the return to total cost for college education of urban white males in 1939 is 9 percent.) For high school education, the lifetime income of males from 18 to 64 with 4 years of high school exceeded that of males with 8 years of elementary school by $25,000, and here the total costs were $1,636 indicating a ratio of 15.3. (Becker's estimates of the return to this education for white urban males in 1939 is 14.3 percent.)

These raw data for lifetime income to educational costs for all males in the United States from age 18 to 64 (table 17) indicate that:

1. The ratio of lifetime earnings to educational costs is larger for 5–8 years of elementary school than it is for either high school or college.

2. These ratios have been rising since 1939 for college and elementary education. They appear to have declined substantially for high school education between 1939 and 1949, but to have risen somewhat since 1949.

3. Adjusting the college and high school ratios to Becker's estimates, the return to college education rises from 9 to 11 percent and the return to high school education falls from 14.3 to 10.3 percent between 1939 and 1958.

[25] Gary S. Becker, "Underinvestment in College Education?" Proceedings, American Economic Review, 1960. The private return after taxes in 1940 was 12.5 and, in 1950, 10 percent. Before tax, these rates are about the same; the lower return for 1950 is caused by the increase in personal income tax. The 9-percent rate for total costs is before tax for both 1940 and 1950.

THE CONTRIBUTION OF EDUCATION TO ECONOMIC GROWTH

A preliminary guess at this contribution is now possible. I shall restrict it to the period between 1929 and 1957, during which the stock of education carried by the labor force rose by $355 billion in 1956 prices. I propose to treat this increase in the stock of education in two parts. One part is to be attributed to the growth in the size of the labor force; it accounts for $69 billion. The other part represents the increase in the level of the stock of education per laborer; it comes to $286 billion.

TABLE 17.—*Additional lifetime income of males from ages 18 to 64 in the United States, by years of school completed and costs of education for 1939, 1949, 1956, and 1958*

Years of school completed	1939	1949	1956	1958
College:				
A	$39,000	$92,000	$120,000	$151,000
B	$4,348	$9,456	$13,200	$13,780
C (ratio)	8:97	9:73	9:77	10:96
High school:				
A	$25,000	$42,000	$64,000	$70,000
B	$1,636	$4,056	$5,680	$5,930
C (ratio)	15:3	10:36	11:27	11:80
Elementary:				
A	$12,000	$30,000	$43,000	$47,000
B	$344	$760	$1,120	$1,169
C (ratio)	34:9	39:5	38:4	40:2

NOTE.—A=additional lifetime earnings; B=additional costs of education; C=ratio=A/B.

Source: Lifetime income estimates are based on "Annual and Lifetime Income in Relation to Education: 1939–1959," Herman P. Miller, Bureau of Census, table 15, an unpublished paper. Estimates used here with author's permission. Costs of education are from my study. The elementary education takes the difference in lifetime earnings of those with 8 years of school and those with less than 8 years; and, for costs, it is assumed that those with less than 8 years of school had completed 4 years; therefore, the costs estimates are for 4 additional years of elementary school, thus undoubtedly overstating the costs because the average number of years of school completed of those with less than 8 years of school was surely more than 4 years.

Between 1929 and 1957, the real income of the United States doubled, increasing from $150 to $202 billion in 1956 prices.[26] The proportion attributed to human effort appears not to have changed appreciably between these two dates.[27] If we take the share earned by labor to have been 75 percent, its contribution increased from $112.5 to $226.5 billion over this period.[28] The labor force in 1929 consisted of 49.2 million persons, resulting in an earned income of $2,287 per member of the labor force. If the earnings per person were held constant,[29] the labor force of 68 million in 1957 would have earned $155.5 billion. Labor, however, earned $226.5 billion or $71 billion more than it would have had the earnings per person in the labor force not risen. How much of this $71 billion is attributable to more education?

[26] Based on Simon Kuznets' estimates of net national product. The size of the labor force represents the civilian labor force; see table D–17 of Economic Report of the President, January 1960.

[27] For summary, see I. B. Kravis, "Relative Income Shares in Fact and Theory," American Economic Review, XLIX (December 1959), 931.

[28] Thus, 25 percent of the national income is here attributed to nonhuman wealth; $37.5 billion in 1929 and $75.5 in 1957. Here, too, there is a substantial unexplained increase, if the rate of return to this capital in 1929 were to have prevailed during 1957.

The stock of reproducible nonhuman wealth was $735 and $1,270 billion for the above two dates, in 1956 prices (see table 14). Adding to these the stock of land, valued at $248 billion in 1957, the total national nonhuman wealth becomes $983 and $1,518 billion for the 2 years under consideration. A return of $37.5 billion on a stock of $983 billion in 1929 implies a rate of return of 3.8 percent. Applying this rate to the 1957 stock of $1,518 billion we obtain $57.7 billion, thus leaving $17.8 billion unexplained (75.5−57.7=17.8). If we now add this $17.8 to the $71 billion for labor, the unexplained total becomes $88.8 billion.

[29] Thus, the task here is to explain the increase in real income per person in the labor force. Our hypothesis is that some of this increase in earnings can be explained by increases in the stock of education per person in the labor force.

TABLE 18.—*Estimates of the contribution of education in the labor force to earnings and to national income, between 1929 and 1956, in the United States*

Estimate	Rate of return	Stock of education added (in billions of dollars)		Income attributable to this additional education (in billions of dollars)			Proportion of unexplained increase in national income (in billions of dollars)	
		Part 1	Part 2	Part 1 (2)×(3)	Part 2 (2)×(4)	Total (5)+(6)	Of the $71,000,000,000 increase in earnings of labor: Col. (6) / 71 ×100 (percent)	Of the $88,800,000,000 increase in returns to capital and labor: Col. (6) / 88.8 ×100 (percent)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	[1] 9	69	286	6.2	25.7	31.9	36	29
2	[2] 11	69	286	7.6	31.5	39.1	44	36
3	[3] 17.3	69	286	11.9	49.5	61.4	70	56

[1] For this set I take the estimate reported by Becker, which is for college education of white urban males adjusted for ability, employment, and mortality, for 1940 and 1950.
[2] My estimate of the return to college education in 1958.
[3] In this estimate I have given weights to each level of education and applied different rates of return as follows:

1957	Weights in educational stock (1)	Rate of return (percent) (2)	Total 1×2 (percent) (3)
Elementary	0.28	35	9.80
High school	.45	10	4.50
College	.27	11	2.97
Total	1.00		17.27

This estimate of returns is high relative to the other 2 because of the very large contribution attributed to the investment in elementary education as seems to be the case from the ratios of additional lifetime earnings over costs of elementary education indicated in table 17. I have taken the lowest of the ratios, i.e., that for 1939. For high school and college I have applied my estimates for 1958.

The total stock of education carried by the labor force in 1930 had a value of $180 billion in 1956 prices. The labor force increased slightly more than 38 percent between 1929 and 1957. Accordingly, to keep the stock of education per laborer constant at its 1929 level, it would have required $69 billion more, increasing it to $249 billion.[39]

With this adjustment, the per laborer stock of education would have been the same in 1957 as it was in 1929. The total stock of education, however, had risen by $355 billion in 1956 prices; it, therefore, rose by $286 billion beyond the $69 billion required to keep the per laborer stock constant.

How much did these two parts, namely the $69 and $286 billions invested in education of the labor force, contribute to the national income? The answer depends upon the rate of return earned on this investment. Three estimates of the rate of return are presented along with the result that each implies.

Thus, this treatment of the increase in the education per person of the labor force that occurred between 1929 and 1957 explains between 36 and 70 percent of the otherwise unexplained increase in earnings per laborer, depending on which of the estimates of the rate of return that is applied.

SOURCES OF INEFFICIENCY IN EDUCATION

We have established that the educational enterprise in the United States is, indeed, a vast undertaking; measured by the resources it employs, it was a $28.7 billion operation in 1956, having risen from a small $400 million enterprise in 1900 in prices of that time. It would be surprising if there were not some major inefficiencies in the way resources are used in education, giving this history of its growth and the weak incentives that exist to adjust to changes in the value of the product and in the prices of the resources employed, even if there had been no technical developments relevant to education whatsoever.

We can do no more at this juncture than to indicate the more likely sources of inefficiency that may beset the educational enterprise.

1. It is plausible that all too little has been done to economize on the time that students put into education. It could be argued that the time of students is treated as if it were of low value, whereas in fact, as we have shown, the earnings that students forgo in attending high school and college are more valuable than all of the other resources employed.

2. The price of human effort of both teachers and students has risen markedly relative to the price of material inputs. Such a large shift in the relative prices of inputs argues for the substitution of material inputs for human effort in education wherever this is feasible. There is always the unsettled question: Is it possible to make such substitutions within the realm of education? The facts are far from clear. To the extent that it is possible to achieve substitutions, tradition is strongly set against doing so. There are firmly established beliefs that equipment, better classrooms, and library facilities, and other material inputs can supplement teachers and students but cannot in any significant measure substitute for their time. These traditional beliefs must be put to test because of changes in economic circumstances. We need to find ways of substituting some material inputs for some human effort in education if it is possible.

3. If the economic benefits from the capabilities that education presently develops in students is as important as this study implies, there is a strong presumption that more thought should be given to the changing demands for these capabilities and to efficient ways of developing those capabilities that are most in demand. Both private and public decisions affecting investment in education are based on unnecessarily vague information about prospective demands, and they are made in a frame of reference that blunts private initiative and swamps public policy with other considerations of minor importance to the ultimate purposes that are to be served by education.

4. There can be little doubt that inflation can be a major disturbing factor in achieving an efficient educational enterprise. This enterprise is slow and cumbersome in adjusting to changes in the price level; the lags are many, and they exact a substantial cost. It can take years before there is a realization that competition from industry for talent, whether for teachers or students, makes itself felt sufficiently to force salary readjustment in education. Meanwhile, the teaching force becomes depleted before it becomes evident to the public. Contrary views notwithstanding, even in education we get and hold about the quality of talent that we pay for.

5. I would stress the need to introduce new techniques in education. By new techniques I mean new kinds of resources or inputs that are superior to the old resources that they replace, in this case, in producing educational services. Clearly, one thing that is involved here is the addition to the stock of knowledge to be taught. As noted earlier, educational institutions that concentrate on engineering, produce better engineers in 4 years presently than was the case two or three decades ago. The notion of new and better techniques in this context, however, has many facets in addition to that of improvements of knowledge per se. Here, too, tradition is strongly set against the introduction of new and superior resources, and thus it shelters inefficiencies; new techniques that are at hand or could be developed are not employed.

6. Lastly, and perhaps more important than any of the other factors already noted, is the apparent underinvestment in education. Even when none of the costs of education of those people who enter the labor force are allocated to consumption, the large rate of return on the total costs of education creates a strong presumption that more could be invested in education relative to other forms of investment to the advantage of economic growth.

[39] Note here that it required an educational investment of $69 billion (180+69=249) to provide enough education to bring the 18.8 million persons who were added to the labor force between 1929 and 1957 to the same average level of education that characterized the labor force of 1929. Although this part of the educational investment does not enter into the observed increase in earnings per laborer, it undoubtedly contributed to the increase in national income but not to the unexplained part earned by labor.

TABLE A.[1]—*Annual resource costs of educational services rendered by elementary and secondary schools in the United States, 1900 to 1956, in current prices*

[In millions of dollars, except col. 4 in billions]

Year	Public schools						Private schools		Public and private schools		
	Gross expenditures	Capital outlay	Net expenditures	Value of property	Implicit interest and depreciation	Total public	Gross expenditures	Total private	Total	Secondary	Elementary
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1900	215	35	180	0.55	44	224	27	28	252	19	233
1910	426	70	356	1.1	88	444	54	56	500	50	450
1920	1,036	154	882	2.4	192	1,074	104	108	1,182	215	967
1930	2,317	371	1,946	6.2	496	2,442	233	246	2,688	741	1,947
1940	2,344	258	2,086	7.6	608	2,694	227	261	2,955	1,145	1,810
1950	5,838	1,014	4,824	11.4	912	5,736	783	769	6,505	2,286	4,219
1956	10,955	2,387	8,568	23.9	1,912	10,480	1,468	1,404	11,884	4,031	7,853

[1] Sources and notes:

Col. 1: Lines 1–6, from "Statistical Abstract of the United States, 1955," table 145; and, line 7, from "Biennial Survey of Education in the United States, 1954–56."

Col. 2: Lines 1–6, from "Biennial Survey of Education in the United States, 1948–50," ch. 2, table 1; and, line 7 from the 1954–56 survey.

Col. 3: Obtained by subtracting col. 2 from col. 1.

Col. 4: From same sources as col. 2.

Col. 5: Obtained by taking 8 percent of col. 4. The distribution of physical assets is placed at 20 percent land, 72 percent buildings, and 8 percent equipment, following Robert Rude's study, "Assets of Private Nonprofit Institutions in the United States, 1890–1948," National Bureau of Economic Research, April 1954 (not published) table II–2a. With no depreciation or obsolescence on land, 3 percent on buildings (more obsolescence than for colleges and universities because of changing local and community populations to which high schools must adjust), and 10 percent on equipment, and with an implicit interest rate of 5.1 percent, we have an 8 percent rate per $100 of assets per year.

Col. 6: Obtained by adding cols. 3 and 5.

Col. 7: From same sources as col. 1, except line 1 is based on the same ratio as line 2 between cols. 1 and 7; and, in line 3 is based on the same ratio as line 4; and line 7 is based on the same ratio as line 6.

Col. 8: Obtained by taking the percentage that col. 7 is of col. 1 and multiplying by col. 6. The gross expenditures of private schools ranged from 9.7 to 13.4 percent of that of public schools. This procedure assumes that capital outlays, value of physical property and imputed interest and depreciation bear the same relationship to gross expenditures for private as for public schools.

Col. 9: Obtained by adding cols. 6 and 8.

Col. 10: Obtained by allocating the total of col. between elementary and secondary schools on the basis that it costs 88 percent more per student in secondary than in elementary schools. Expenditures for high schools determined by using George J. Stigler's estimates appearing in "Employment andCompensation in Education," "Occasional Paper 33," National Bureau of Economic Research, New York, 1950, tables 7 and 12. Enrollment in elementary schools is given as 33, and in secondary schools as 21 per teacher (using average for last 5 years in Stigler's table); and average salary of elementary school teachers in 1938 was $1,876, and of secondary school teachers it was $2,249. This is as 100 to 120. Accordingly, per student, we have:

$$\frac{120\div 21}{100\div 33}\times 100 = \text{an index of 188 for teacher salary per student in secondary schools}$$

compared to 100 for that in elementary schools. A slightly lower ratio appears in the "Biennial Survey of Education in the United States, 1939–40," ch. 1, table 42, footnote 1, in which secondary-school costs per student are placed 74 percent higher than that in elementary schools. There are, however, no estimates in the 1939–40 survey which permit one to determine expenditures per student for elementary and secondary schools.

TABLE B.—*Annual resource costs of educational services rendered by colleges and universities in the United States, 1900 to 1956, in current prices*

[In millions of dollars]

Year	Gross expenditures (1)	Auxiliary enterprises (2)	Capital outlay (3)	Net expenditures (4)	Value of physical property (5)	Implicit interest and depreciation (6)	Total (7)
1900	46	9	17	29	254	20	40
1910	92	18	30	44	461	37	81
1920	216	43	48	125	741	59	184
1930	632	126	125	381	1,925	154	535
1940	758	152	84	522	2,754	220	742
1950	2,662	539	417	1,706	5,273	422	2,128
1956	4,210	736	686	2,788	8,902	712	3,500

SOURCES AND NOTES

Col. 1: Lines 1 to 6, from "Statistical Abstract of the United States, 1955," table 145; and, line 7 from "Biennial Survey of Education in the United States, 1954–56." These expenditures by public and private institutions were—

[In millions of dollars]

	Public	Private
1920	116	100
1930	289	343
1940	391	367
1950	1,429	1,233
1956	2,375	1,835

Col. 2: Lines 5 to 7, same source as col. 1. For the 2 sets of institutions these were—

[In millions of dollars]

	Public	Private
1940	59	93
1950	255	284
1956	364	372

Lines 1 to 4 obtained by letting these auxiliary enterprises equal ⅛ of gross expenditures.

Col. 3: Lines 4 to 7 from "Biennial Survey of Education in the United States, 1954–56," ch. 4, sec. II; and, lines 1 to 3 obtained by taking 6.5 percent of col. 5, lines 1 to 3.

Col. 4: Obtained by subtracting the sums of cols. 2 and 3 from col. 1.

Col. 5: From "Biennial Survey of Education in the United States for 1948–50," ch. 4, sec. II, table I, and 1954–56. These estimates check closely with those of Robert Rude, "Assets of Private Nonprofit Institutions in the United States, 1890–1948," National Bureau of Economic Research, April 1954 (not published).

Col. 6: Obtained by taking 8 percent of col. 5; they assume no depreciation and obsolescence on land, 2 percent on buildings and improvements, and 10 percent on equipment. Following Robert Rude's study cited above, table II–2a, these physical assets were distributed 15 percent to land, 70 percent to buildings and improvements, and 15 percent to equipment. Assuming an interest rate of 5.1 percent, we have per $100 of assets—

Interest on all assets	$5.10
Depreciation and obsolescence:	
On buildings and improvements	1.40
On equipment	1.50
Total	8.00

Col. 7 is the sum of cols. 4 and 6.

TABLE C.—*Annual earnings forgone while attending high school and college and university, adjusted and not adjusted for unemployment, 1900 to 1956, in current prices*

Year	Average weekly earnings, all manufacturing (1)	Annual earnings forgone per student while attending: High school, Unadjusted (2)	High school, Adjusted for unemployment (3)	College and university, Unadjusted (4)	College and university, Adjusted for unemployment (5)
1900	$8.37	$92	$84	$209	$192
1910	10.74	118	113	269	259
1920	26.12	287	275	653	626
1930	23.25	256	224	581	509
1940	25.20	277	236	630	537
1950	59.33	653	626	1,483	1,422
1956	80.13	881	855	2,003	1,943

Sources:

Col. 1: Economic Report of the President, January 1957, table E–25, and U.S. Department of Labor; and Historical Statistics of the United States, 1789–1945, a supplement to Statistical Abstract of the United States, 1949, series D 134–144.

Col. 2: For high school students, col. 1 multiplied by 11.

Col. 4: For college and university students, col. 1 multiplied by 25.

Cols. 3 and 5: The percent unemployed is based on Clarence D. Long, "The Labor Force Under Changing Income and Employment," a NBER study (Princeton University Press, 1958), app. C, table C–1, and, for 1956, table C–2. Unemployed adult-male equivalents in percent of the labor force were as follows: 1900, 8.2; 1910, 3.9; 1920, 4.2; 1930, 12.4; 1940, 14.7; 1950, 4.1; and 1956, 3 percent.

TABLE D.—*Total school years completed of the labor force of the United States, 1900 to 1957*

Year	Labor force (millions) (1)	School years completed per person (2)	Total school years completed (millions) (3)	Equivalent 1940 completed school years per person (4)	Total equivalent 1940 school years completed (millions) (5)	(6)
1900	28.1	7.70	216	4.14	116	
1910	35.8	7.91	283	4.65	167	
1920	41.4	8.12	336	5.25	217	
1930	48.7	8.41	410	6.01	293	
1940	52.8	9.02	476	7.24	382	
1950	60.1	10.10	607	8.65	520	
1957	70.8	10.96	776	10.45	740	

TABLE E.—*Total school years completed of the population 14 and older in the United States, 1900 to 1957*

Year	Population (millions) (1)	School years completed per person (2)	Total school years completed (millions) (3)	Equivalent 1940 school years completed per person (4)	Total equivalent 1940 school years completed (millions) (5)	(6)
1900	51.2	7.64	391	4.13	212	
1910	64.3	7.86	505	4.65	299	
1920	74.5	8.05	600	5.21	388	
1930	89.0	8.32	741	6.01	535	
1940	101.1	8.85	895	7.07	715	
1950	112.4	9.95	1,118	8.46	951	
1957	117.1	10.70	1,253	10.02	1,173	

TABLE F.—*Value of the stock of education of the labor force and population, 14 years and older, for the United States in 1956 prices*

Year	Value of an equivalent year of school (in 1956 prices) (1) (2)	School years equivalent (in millions of years): Labor force (3)	Population 14 years and older (4)	Total value (in billions of dollars): Labor force 2 times 3 (5)	14 years and older 2 times 4 (6)
1900	540	116	212	63	114
1910	563	167	299	94	168
1920	586	217	388	127	227
1930	614	293	535	180	328
1940	650	382	714	248	465
1950	690	520	951	359	656
1957	723	740	1,173	535	848

Source: Discussed throughout the text of a preceding section of this chapter, "The Stock of Capabilities Developed by Education."

[From the Journal of the American Economic Association, March 1961]

INVESTMENT IN HUMAN CAPITAL

(By Theodore W. Schultz)

Although it is obvious that people acquire useful skills and knowledge, it is not obvious that these skills and knowledge are a form of capital, that this capital is in substantial part a product of deliberate investment, that it has grown in Western societies at a much faster rate than conventional (nonhuman) capital, and that its growth may well be the most distinctive feature of the economic system. It has been widely observed that increases in national output have been large compared with the increases

of land, man-hours, and physical reproducible capital. Investment in human capital is probably the major explanation for this difference.

Much of what we call consumption constitutes investment in human capital. Direct expenditures on education, health, and internal migration to take advantage of better job opportunities are clear examples. Earnings forgone by mature students attending school and by workers acquiring on-the-job training are equally clear examples. Yet nowhere do these enter into our national accounts. The use of leisure time to improve skills and knowledge is widespread and it too is unrecorded. In these and similar ways the quality of human effort can be greatly improved and its productivity enhanced. I shall contend that such investment in human capital accounts for most of the impressive rise in the real earnings per worker.

I shall comment, first, on the reasons why economists have shied away from the explicit analysis of investment in human capital, and then, on the capacity of such investment to explain many a puzzle about economic growth. Mainly, however, I shall concentrate on the scope and substance of human capital and its formation. In closing I shall consider some social and policy implications.

I. SHYING AWAY FROM INVESTMENT IN MAN

Economists have long known that people are an important part of the wealth of nations. Measured by what labor contributes to output, the productive capacity of human beings is now vastly larger than all other forms of wealth taken together. What economists have not stressed is the simple truth that people invest in themselves and that these investments are very large. Although economists are seldom timid in entering on abstract analysis and are often proud of being impractical, they have not been bold in coming to grips with this form of investment. Whenever they come even close, they proceed gingerly as if they were stepping into deep water. No doubt there are reasons for being wary. Deep-seated moral and philosophical issues are ever present. Freemen are first and foremost the end to be served by economic endeavor; they are not property or marketable assets. And not least, it has been all too convenient in marginal productivity analysis to treat labor as if it were a unique bundle of innate abilities that are wholly free of capital.

The mere thought of investment in human beings is offensive to some among us.[1] Our values and beliefs inhibit us from looking upon human beings as capital goods, except in slavery, and this we abhor. We are not unaffected by the long struggle to rid society of indentured service and to evolve political and legal institutions to keep men free from bondage. These are achievements that we prize highly. Hence, to treat human beings as wealth that can be augmented by investment runs counter to deeply held values. It seems to reduce man once again to a mere material component, to something akin to property. And for man to look upon himself as a capital good, even if it did not impair his freedom, may seem to debase him. No less a person than J. S. Mill at one time insisted that the people of a country should not be looked upon as wealth because wealth existed only for the sake of people [15]. But surely Mill was wrong; there is nothing in the concept of human wealth contrary to his idea that it exists only for the advantage of people. By investing in themselves, people can enlarge the range of choice available to them. It is one way freemen can enhance their welfare.

Among the few who have looked upon human beings as capital, there are three distinguished names. The philosopher-economist Adam Smith boldly included all of the acquired and useful abilities of all of the inhabitants of a country as a part of capital. So did H. von Thunen, who then went on to argue that the concept of capital applied to man did not degrade him or impair his freedom and dignity, but on the contrary that the failure to apply the concept was especially pernicious in wars; "* * * for here * * * one will sacrifice in a battle a hundred human beings in the prime of their lives without a thought in order to save one gun." The reason is that, "* * * the purchase of a cannon causes an outlay of public funds, whereas human beings are to be had for nothing by means of a mere conscription decree" [20]. Irving Fisher also clearly and cogently presented an all-inclusive concept of capital [6]. Yet the main stream of thought has held that it is neither appropriate nor practical to apply the concept of capital to human beings. Marshall [11], whose great prestige goes far to explain why this view was accepted, held that while human beings are incontestably capital from an abstract and mathematical point of view, it would be out of touch with the marketplace to treat them as capital in practical analyses. Investment in human beings has accordingly seldom been incorporated in the formal core of economics, even though many economists, including Marshall, have seen its relevance at one point or another in what they have written.

The failure to treat human resources explicitly as a form of capital, as a produced means of production, as the product of investment, has fostered the retention of the classical notion of labor as a capacity to do manual work requiring little knowledge and skill, a capacity with which, according to this notion, laborers are endowed about equally. This notion of labor was wrong in the classical period and it is patently wrong now. Counting individuals who can and want to work and treating such a count as a measure of the quantity of an economic factor is no more meaningful than it would be to count the number of all manner of machines to determine their economic importance either as a stock of capital or as a flow of productive services.

Laborers have become capitalists not from a diffusion of the ownership of corporation stocks, as folklore would have it, but from the acquisition of knowledge and skill that have economic value [9]. This knowledge and skill are in great part the product of investment and, combined with other human investment, predominantly account for the productive superiority of the technically advanced countries. To omit them in studying economic growth is like trying to explain Soviet ideology without Marx.

II. ECONOMIC GROWTH FROM HUMAN CAPITAL

Many paradoxes and puzzles about our dynamic, growing economy can be resolved once human investment is taken into account. Let me begin by sketching some that are minor though not trivial.

When farm people take nonfarm jobs they earn substantially less than industrial workers of the same race, age, and sex. Similarly nonwhite urban males earn much less than white males even after allowance is made for the effects of differences in unemployment, age, city size, and region [21]. Because these differentials in earnings correspond closely to corresponding differentials in education, they strongly suggest that the one is a consequence of the other. Negroes who operate farms, whether as tenants or as owners, earn much less than whites on comparable farms.[2] Fortunately, crops and livestock are not vulnerable to the blight of discrimination. The large differences in earnings seem rather to reflect mainly the differences in health and education. Workers in the South on the average earn appreciably less than in the North or West and they also have on the average less education. Most migratory farmworkers earn very little indeed by comparison with other workers. Many of them have virtually no schooling, are in poor health, are unskilled, and have little ability to do useful work. To urge that the differences in the amount of human investment may explain these differences in earnings seems elementary. Of more recent vintage are observations showing younger workers at a competitive advantage; for example, young men entering the labor force are said to have an advantage over unemployed older workers in obtaining satisfactory jobs. Most of these young people possess 12 years of school, most of the older workers 6 years or less. The observed advantage of these younger workers may therefore result not from inflexibilities in social security or in retirement programs, or from sociological preference of employers, but from real differences in productivity connected with one form of human investment, i.e., education. And yet another example, the curve relating income to age tends to be steeper for skilled than for unskilled persons. Investment in on-the-job training seems a likely explanation, as I shall note later.

Economic growth requires much internal migration of workers to adjust to changing job opportunities [10]. Young men and women move more readily than older workers. Surely this makes economic sense when one recognizes that the cost of such migration are a form of human investment. Young people have more years ahead of them than older workers during which they can realize on such an investment. Hence it takes less of a wage differential to make it economically advantageous for them to move, or, to put it differently, young people can expect a higher return on their investment in migration than older people. This differential may explain selective migration without requiring an appeal to sociological differences between young and old people.

The examples so far given are for investment in human beings that yield a return over a long period. This is true equally of investment in education, training, and migration of young people. Not all investments in human beings are of this kind; some are more nearly akin to current inputs as for example expenditures on food and shelter in some countries where work is mainly the application of brute human force, calling for energy and stamina, and where the intake of food is far from enough to do a full day's work. On the hungry steppes and in the teeming valleys of Asia, millions of adult males have so meager a diet that they cannot do more than a few hours of hard work. To call them underemployed does not seem pertinent. Under such circumstances it is certainly meaningful to treat food partly as consumption and partly as a current producer good, as some Indian economists have done [3]. Let us not forget that Western economists during the early decades of industrialization and even in the time of Marshall and Pigou often connected additional food for workers with increases in labor productivity.

Let me now pass on to three major perplexing questions closely connected with the riddle of economic growth. First, consider the long-period behavior of the capital-income ratio. We were taught that a country which amassed more reproducible capital relative to its land and labor would employ such capital in greater depth because of its growing abundance and cheapness. But apparently this is not what happens. On the contrary, the estimates now available show that less of such capital

[1] This paragraph draws on the introduction to my Teller lecture [16].

[2] Based on unpublished preliminary results obtained by Joseph Willett in his Ph. D. research at the University of Chicago.

tends to be employed relative to income as economic growth proceeds. Are we to infer that the ratio of capital to income has no relevance in explaining either poverty or opulence? Or that a rise of this ratio is not a prerequisite to economic growth? These questions raise fudamental issues bearing on motives and preferences for holding wealth as well as on the motives for particular investments and the stock of capital thereby accumulated. For my purpose all that needs to be said is that these estimates of capital-income ratios refer to only a part of all capital. They exclude in particular, and most unfortunately, any human capital. Yet human capital has surely been increasing at a rate substantially greater than reproducible (nonhuman) capital. We cannot, therefore, infer from these estimates that the stock of all capital has been decreasing relative to income. On the contrary, if we accept the not implausible assumption that the motives and preferences of people, the technical opportunities open to them, and the uncertainty associated with economic growth during particular periods were leading people to maintain roughly a constant ratio between all capital and income, the decline in the estimated capital-income ratio [3] is simply a signal that human capital has been increasing relatively not only to conventional capital but also to income.

The bumper crop of estimates that show national income increasing faster than national resources raises a second and not unrelated puzzle. The income of the United States has been increasing at a much higher rate than the combined amount of land, man-hours worked and the stock of reproducible capital used to produce the income. Moreover, the discrepancy between the two rates has become larger from one business cycle to the next during recent decades [5]. To call this discrepancy a measure of resource productivity gives a name to our ignorance but does not dispel it. If we accept these estimates, the connections between national resources and national income have become loose and tenuous over time. Unless this discrepancy can be resolved, received theory of production applied to inputs and outputs as currently measured is a toy and not a tool for studying economic growth.

Two sets of forces probably account for the discrepancy, if we neglect entirely the index number and aggregation problems that bedevil all estimates of such global aggregates as total output and total input. One is returns to scale; the second, the large improvements in the quality of inputs that have occurred but have been omitted from the input estimates. Our economy has undoubtedly been experiencing increasing returns to scale at some points offset by decreasing returns at others. If we can succeed in identifying and measuring the net gains, they may turn out to have been substantial. The improvements in the quality of inputs that have not been adequately allowed for are no doubt partly in material (nonhuman) capital. My own conception, however, is that both this defect and the omission of economies of scale are minor sources of discrepancy between the rates of growth of inputs and outputs compared to the improvements in human capacity that have been omitted.

A small step takes us from these two puzzles raised by existing estimates to a third which brings us to the heart of the matter, namely the essentially unexplained large increase in real earnings of workers. Can this be a windfall? Or a quasirent pending the adjustment in the supply of labor? Or, a pure rent reflecting the fixed amount of labor? It seems far more reasonable that it represents rather a return to the investment that has been made in human beings. The observed growth in productivity per unit of labor is simply a consequence of holding the unit of labor constant over time although in fact this unit of labor has been increasing as a result of a steadily growing amount of human capital per worker. As I read our record, the human capital component has become very large as a consequence of human investment.

Another aspect of the same basic question, which admits of the same resolution, is the rapid postwar recovery of countries that had suffered severe destruction of plant and equipment during the war. The toll from bombing was all too visible in the factories laid flat, the railroad yards, bridges, and harbors wrecked, and the cities in ruin. Structures, equipment, and inventories were all heaps of rubble. Not so visible, yet large, was the toll from the wartime depletion of the physical plant that escaped destruction by bombs. Economists were called upon to assess the implications of these wartime losses for recovery. In retrospect, it is clear that they overestimated the prospective retarding effects of these losses. Having had a small hand in this effort, I have had a special reason for looking back and wondering why the judgments that we formed soon after the war proved to be so far from the mark. The explanation that now is clear is that we gave altogether too much weight to nonhuman capital in making these assessments. We fell into this error, I am convinced, because we did not have a concept of all capital and, therefore, failed to take account of human capital and the important part that it plays in production in a modern economy.

Let me close this section with a comment on poor countries, for which there are virtually no solid estimates. I have been impressed by repeatedly expressed judgments, especially by those who have a responsibility in making capital available to poor countries, about the low rate at which these countries can absorb additional capital. New capital from outside can be put to good use, it is said, only when it is added "slowly and gradually." But this experience is at variance with the widely held impression that countries are poor fundamentally because they are starved for capital and that additional capital is truly the key to their more rapid economic growth. The reconciliation is again, I believe, to be found in emphasis on particular forms of capital. The new capital available to these countries from outside as a rule goes into the formation of structures, equipment, and sometimes also into inventories. But it is generally not available for additional investment in man. Consequently, human capabilities do not stay abreast of physical capital, and they do become limiting factors in economic growth. It should come as no surprise, therefore, that the absorption rate of capital to augment only particular nonhuman resources is necessarily low. The Horvat (8) formulation of the optimum rate of investment which treats knowledge and skill as a critical investment variable in determining the rate of economic growth is both relevant and important.

III. SCOPE AND SUBSTANCE OF THESE INVESTMENTS

What are human investments? Can they be distinguished from consumption? Is it at all feasible to identify and measure them? What do they contribute to income? Granted that they seem amorphous compared to brick and mortar, and hard to get at compared to the investment accounts of corporations, they assuredly are not a fragment; they are rather like the contents of Pandora's box, full of difficulties and hope.

Human resources obviously have both quantitative and qualitative dimensions. The number of people, the proportion who enter upon useful work, and hours worked are essentially quantitative characteristics. To make my task tolerably manageable, I shall neglect these and consider only such quality components as skill, knowledge, and similar attributes that affect particular human capabilities to do productive work. Insofar as expenditures to enhance such capabilities also increase the value productivity of human effort (labor), they will yield a positive rate of return.[4]

How can we estimate the magnitude of human investment? The practice followed in connection with physical capital goods is to estimate the magnitude of capital formation by expenditures made to produce the capital goods. This practice would suffice also for the formation of human capital. However, for human capital there is an additional problem that is less pressing for physical capital goods: How to distinguish between expenditures for consumption and for investment. This distinction bristles with both conceptual and practical difficulties. We can think of three classes of expenditures: Expenditures that satisfy consumer preferences and in no way enhance the capabilities under discussion—these represent pure consumption; expenditures that enhance capabilities and do not satisfy any preferences underlying consumption—these represent pure investment; and expenditures that have both effects. Most relevant activities clearly are in the third class, partly consumption and partly investment, which is why the task of identifying each component is so formidable and why the measurement of capital formation by expenditures is less useful for human investment than for investment in physical goods. In principle there is an alternative method for estimating human investment, namely by its yield rather than by its cost. While any capability produced by human investment becomes a part of the human agent and hence cannot be sold; it is nevertheless "in touch with the marketplace" by affecting the wages and salaries the human agent can earn. The resulting increase in earnings is the yield on the investment.[5]

Despite the difficulty of exact measurement at this stage of our understanding of human investment, many insights can be gained by examining some of the more important activities that improve human capabilities. I shall concentrate on five major categories: (1) Health facilities and services, broadly conceived to include all expenditures that affect the life expectancy, strength and stamina, and the vigor and vitality of a people; (2) on-the-job training, including old-style apprenticeship organized by firms; (3) formally organized education at the elementary, secondary, and higher levels; (4) study programs for adults that are not organized by firms, including extension programs notably in agriculture; (5) migration of individuals and families to adjust to changing job opportunities. Except for education, not much is known about these activities that is germane here. I shall refrain from commenting on study programs

[3] I leave aside here the difficulties inherent in identifying and measuring both the nonhuman capital and the income entering into estimates of this ratio. There are index number and aggregation problems aplenty, and not all improvements in the quality of this capital have been accounted for, as I shall note later.

[4] Even so, our observed return can be either negative, zero, or positive because our observations are drawn from a world where there is uncertainty and imperfect knowledge and where there are windfall gains and losses and mistakes aplenty.

[5] In principle, the value of the investment can be determined by discounting the additional future earnings it yields just as the value of a physical capital good can be determined by discounting its income stream.

for adults, although in agriculture the extension services of the several States play an important role in transmitting new knowledge and in developing skills of farmers [17]. Nor shall I elaborate further on internal migration related to economic growth.

Health activities have both quantity and quality implications. Such speculations as economists have engaged in about the effects of improvements in health,[6] has been predominantly in connection with population growth, which is to say with quantity. But surely health measures also enhance the quality of human resources. So also may additional food and better shelter, especially in underdeveloped countries.

The change in the role of food as people become richer sheds light on one of the conceptual problems already referred to. I have pointed out that extra food in some poor countries has the attribute of a "producer good." This attribute of food, however, diminishes as the consumption of food rises, and there comes a point at which any further increase in food becomes pure consumption.[7] Clothing, housing, and perhaps medical services may be similar.

My comment about on-the-job training will consist of a conjecture on the amount of such training, a note on the decline of apprenticeship, and then a useful economic theorem on who bears the costs of such training. Surprisingly little is known about on-the-job training in modern industry. About all that can be said is that the expansion of education has not eliminated it. It seems likely, however, that some of the training formerly undertaken by firms has been discontinued and other training programs have been instituted to adjust both to the rise in the education of workers and to changes in the demands for new skills. The amount invested annually in such training can only be a guess. H. F. Clark places it near to equal to the amount spent on formal education.[8] Even if it were only one-half as large, it would represent currently an annual gross investment of about $15 billion. Elsewhere, too, it is thought to be important. For example, some observers have been impressed by the amount of such training underway in plants in the Soviet Union.[9] Meanwhile, apprenticeship has all but disappeared, partly because it is now inefficient and partly because schools now perform many of its functions. Its disappearance has been hastened no doubt by the difficulty of enforcing apprenticeship agreements. Legally they have come to smack of indentured service. The underlying economic factors and behavior are clear enough. The apprentice is prepared to serve during the initial period when his productivity is less than the cost of his keep and of his training. Later, however, unless he is legally restrained, he will seek other employment when his productivity begins to exceed the cost of keep and training, which is the period during which a master would expect to recoup on his earlier outlay.

To study on-the-job training Gary Becker [1] advances the theorem that in competitive markets employees pay all the costs of their training and none of these costs are ultimately borne by the firm. Becker points out several implications. The notion that expenditures on training by a firm generate external economies for other firms is not consistent with this theorem. The theorem also indicates one force favoring the transfer from on-the-job training to attending school. Since on-the-job training reduces the net earnings of workers at the beginning and raises them later on, their theorem also provides an explanation for the steeper slope of the curve relating income to age, for skilled than unskilled workers, referred to earlier.[10] What all this adds up to is that the stage is set to undertake meaningful economic studies of on-the-job training.

Happily we reach firmer ground in regard to education. Investment in education has risen at a rapid rate and by itself may well account for a substantial part of the otherwise unexplained rise in earnings. I shall do no more than summarize some preliminary results about the total costs of education including income forgone by students, the apparent relation of these costs to consumer income and to alternative investments, the rise of the stock of education in the labor force, returns to education, and the contribution that the increase in the stock of education may have made to earnings and to national income.

It is not difficult to estimate the conventional costs of education consisting of the costs of the services of teachers, librarians, administrators, of maintaining and operating the educational plant, and interest on the capital embodied in the educational plant. It is far more difficult to estimate another component of total cost, the income forgone by students. Yet this component should be included and it is far from negligible. In the United States, for example, well over half of the costs of higher education consists of income forgone by students. As early as 1900, this income forgone accounted for about one-fourth of the total costs of elementary, secondary and higher education. By 1956, it represented over two-fifths of all costs. The rising significance of forgone income has been a major factor in the marked upward trend in the total real costs of education which, measured in current prices, increased from $400 million in 1900 to $28.7 billion in 1956 [18]. The percentage rise in educational costs was about 3½ times as large as in consumer income, which would imply a high income elasticity of the demand for education, if education were regarded as pure consymptoms.[11] Educational costs also rose about three and a half times as rapidly as did the gross formation of physical capital in dollars. If we were to treat education as pure investment this result would suggest that the returns to education were relatively more attractive than those to nonhuman capital.[12]

Much schooling is acquired by persons who are not treated as income earners in most economic analysis, particularly, of course, women. To analyze the effect of growth in schooling on earnings, it is therefore necessary to distinguish between the stock of education in the population and the amount in the labor force. Years of school completed are far from satisfactory as a measure because of the marked increases that have taken place in the number of days of school attendance of enrolled students and because much more of the education of workers consists of high school and higher education than formerly. My preliminary estimates suggest that the stock of education in the labor force rose about eight and a half times between 1900 and 1956, whereas the stock of reproducible capital rose four and a half times, both in 1956 prices. These estimates are, of course, subject to many qualifications.[13] Nevertheless, both the magnitude and the rate of increase of this form of human capital have been such that they could be an important key to the riddle of economic growth.[14]

The exciting work underway is on the return to education. In spite of the flood of high school and college graduates, the return has not become trivial. Even the lower limits of the estimates show that the return to such education has been in the neighborhood of the return to nonhuman capital. This is what most of these estimates show when they treat as costs all of the public and private expenditures on education and also the income foregone while attending school, and when they treat all of these costs as investment, allocating none to consumption.[15] But surely a part of these

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[6] Health economics is in its infancy; there are two medical journals with "Economics" in their titles, two bureaus for economic research in private associations (one in the American Medical and the other in the American Dental Association), and not a few studies and papers by outside scholars. Selma Mushkin's survey is very useful with its pertinent economic insights, though she may have underestimated somewhat the influence of the economic behavior of people in striving for health [14].

[7] For instance, the income elasticity of the demand for food continues to be positive even after the point is reached where additional food no longer has the attribute of a "produce good."

[8] Based on comments made by Harold F. Clark at the Merrill Center for Economics, summer 1959; also see [4].

[9] Based on observations made by a team of U.S. economists of which I was a member, see Saturday Review, Jan. 21, 1961.

[10] Becker has also noted still another implication arising out of the fact that the income and capital investment aspects of on-the-job training are tied together, which gives rise to permanent and transitory income effects that may have substantial explanatory value.

[11] Had other things stayed constant this suggests an income elasticity of 3.5. Among the things that did change, the prices of educational services rose relative to other consumer prices, perhaps offset in part by improvements in the quality of educational services.

[12] This of course assumes among other things that the relationship between gross and net have not changed or have changed in the same proportion. Estimates are from my essay, "Education and Economic Growth" [19].

[13] From [19, sec. 4]. These estimates of the stock of education are tentative and incomplete. They are incomplete in that they do not take into account fully the increases in the average life of this form of human capital arising out of the fact that relatively more of this education is held by younger people in the labor force than was true in earlier years; and they are incomplete because no adjustment has been made for the improvements in education over time, increasing the quality of a year of school in ways other than those related to changes in the proportions represented by elementary, high school and higher education. Even so the stock of this form of human capital rose 8.5 times between 1900 and 1956 while the stock of reproducible nonhuman capital increased only 4.5 times, both in constant 1956 prices.

[14] In value terms this stock of education was only 22 percent as large as the stock of reproducible physical capital in 1900, whereas in 1956 it already had become 42 percent as large.

[15] Several comments are called for here. (1) The return to high school education appears to have declined substantially between the late thirties and early fifties and since then has leveled off, perhaps even risen somewhat, indicating a rate of return toward the end of the fifties about as high as that to higher education. (2) The return to college education seems to have risen somewhat since the late thirties in spite of the rapid influx of college-trained individuals into the labor force. (3) Becker's estimates based on the difference in income between high school and college graduates based on urban males adjusted for ability, race, unemployment and mortality show a

costs are consumption in the sense that education creates a form of consumer capital [16] which has the attribute of improving the taste and the quality of consumption of students throughout the rest of their lives. If one were to allocate a substantial fraction of the total costs of this education to consumption, say one-half, this would, of course, double the observed rate of return to what would then become the investment component in education that enhances the productivity of man.

Fortunately, the problem of allocating the costs of education in the labor force between consumption and investment does not arise to plague us when we turn to the contribution that education makes to earnings and to national income because a change in allocation only alters the rate of return, not the total return. I noted at the outset that the unexplained increases in U.S. national income have been especially large in recent decades. On one set of assumptions, the unexplained part amounts to nearly three-fifths of the total increase between 1929 and 1956.[17] How much of this unexplained increase in income represents a return to education in the labor force? A lower limit suggests that about three-tenths of it, and an upper limit does not rule out that more than one-half of it came from this source.[18] These estimates also imply that between 36 and 70 percent of the hitherto unexplained rise in the earnings of labor is explained by returns to the additional education of workers.

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return of 9 percent to total college costs including both earnings forgone and conventional college costs, public and private and with none of these costs allocated to consumption. (See his paper given at the American Economic Association meeting, December 1959 [2].) (4) The returns to this education in the case of nonwhite urban males, of rural males, and of females in the labor force may have been somewhat lower. (See Becker [2].) (5) My own estimates, admittedly less complete than those of Becker and thus subject to additional qualifications, based mainly on lifetime income estimates of Herman P. Miller [12], lead to a return of about 11 percent to both high school and college education as of 1958. (See [19] sec. 5.)

Whether the consumption component in education will ultimately dominate, in the sense that the investment component in education will diminish as these expenditures increase and a point will be reached where additional expenditures for education will be pure consumption (a zero return on however small a part one might treat as an investment), is an interesting speculation. This may come to pass, as it has in the case of food and shelter, but that eventuality appears very remote presently in view of the prevailing investment value of education and the new demands for knowledge and skill inherent in the nature of our technical and economic progress.

[16] The returns on this consumer capital will not appear in the wages and salaries that people earn.

[17] Real income doubled, rising from $150 to $302 billion in 1956 prices. Eighty-nine billions of the increase in real income is taken to be unexplained, or about 59 percent of the total increase. The stock of education in the labor force rose by $355 billion of which $69 billion is here allocated to the growth in the labor force to keep the per-worker stock of education constant, and $286 billion represents the increase in the level of this stock. (See [19] sec. 6, for an elaboration of the method and the relevant estimates.)

[18] In percent, the lower estimate came out to 29 percent and the upper estimate to 56 percent.

IV. A CONCLUDING NOTE ON POLICY

One proceeds at his own peril in discussing social implications and policy. The conventional hedge is to camouflage one's values and to wear the mantle of academic innocence. Let me proceed unprotected.

1. Our tax laws everywhere discriminate against human capital. Although the stock of such capital has become large and even though it is obvious that human capital, like other forms of reproducible capital, depreciates, becomes obsolete, and entails maintenance, our tax laws are all but blind on these matters.

2. Human capital deteriorates when it is idle because unemployment impairs the skills that workers have acquired. Losses in earnings can be cushioned by appropriate payments but these do not keep idleness from taking its toll from human capital.

3. There are many hindrances to the free choice of professions. Racial discrimination and religious discrimination are still widespread. Professional associations and governmental bodies also hinder entry; for example, into medicine. Such purposeful interference keeps the investment in this form of human capital substantially below its optimum [7].

4. It is indeed elementary to stress the greater imperfections of the capital market in providing funds for investment in human beings than for investment in physical goods. Much could be done to reduce these imperfections by reforms in tax and banking laws and by changes in banking practices. Long-term private and public loans to students are warranted.

5. Internal migration, notably the movement of farm people into industry, made necessary by the dynamics of our economic progress, requires substantial investments. In general, families in which the husbands and wives are already in the late thirties cannot afford to make these investments because the remaining payoff period for them is too short. Yet society would gain if more of them would pull stakes and move because, in addition to the increase in productivity currently, the children of these families would be better located for employment when they were ready to enter the labor market. The case for making some of these investments on public account is by no means weak. Our farm programs have failed miserably these many years in not coming to grips with the costs and returns from off-farm migration.

6. The low earnings of particular people have long been a matter of public concern. Policy all too frequently concentrates only on the effects, ignoring the causes. No small part of the low earnings of many Negroes, Puerto Ricans, Mexican nationals, indigenous migratory farmworkers, poor farm people and some of our older workers, reflects the failure to have invested in their health and education. Past mistakes are, of course, bygones, but for the sake of the next generation we can ill afford to continue making the same mistakes over again.

7. Is there a substantial underinvestment in human beings other than in these depressed groups [2]? This is an important question for economists. The evidence at hand is fragmentary. Nor will the answer be easily won. There undoubtedly have been overinvestments in some skills, for example, too many locomotive firemen and engineers, too many people trained to be farmers, and too many agricultural economists. Our schools are not free of loafers and some students lack the necessary talents. Nevertheless, underinvestment in knowledge and skill, relative to the amounts invested in nonhuman capital would appear to be the rule and not the exception for a number of reasons. The strong and increasing demands for this knowledge and skill in laborers are of fairly recent origin and it takes time to respond to them. In responding to these demands, we are heavily dependent upon cultural and political processes, and these are slow and the lags are long compared to the behavior of markets serving the formation of nonhuman capital. Where the capital market does serve human investments, it is subject to more imperfections than in financing physical capital. I have already stressed the fact that our tax laws discriminate in favor of nonhuman capital. Then, too, many individuals face serious uncertainty in assessing their innate talents when it comes to investing in themselves, especially through higher education. Nor is it easy either for public decisions or private behavior to untangle and properly assess the consumption and the investment components. The fact that the return to high school and to higher education has been about as large as the return to conventional forms of capital when all of the costs of such education including income forgone by students are allocated to the investment component, creates a strong presumption that there has been underinvestment since, surely, much education is cultural and in that sense it is consumption. It is no wonder, in view of these circumstances, that there should be substantial underinvestment in human beings, even though we take pride, and properly so, in the support that we have given to education and to other activities that contribute to such investments.

8. Should the returns from public investment in human capital accrue to the individuals in whom it is made? [19] The policy issues implicit in this question run deep and they are full of perplexities pertaining both to resource allocation and to welfare. Physical capital that is formed by public investment is not transferred as a rule to particular individuals as a gift. It would greatly simplify the allocative process if public investment in human capital were placed on the same footing. What then is the logical basis for treating public investment in human capital differently? Presumably it turns on ideas about welfare. A strong welfare goal of our community is to reduce the unequal distribution of personal income among individuals and families. Our community has relied heavily on progressive income and inheritance taxation. Given public revenue from these sources, it may well be true that public investment in human capital, notably that entering into general education, is an effective and efficient set of expenditures for attaining this goal. Let me stress, however, that the state of knowledge about these issues is woefully meager.

9. My last policy comment is on assistance to underdeveloped countries to help them achieve economic growth. Here, even more than in domestic affairs, investment in human beings is likely to be underrated and neglected. It is inherent in the intellectual climate in which leaders and spokesmen of many of these countries find themselves. Our export of growth doctrines has contributed. These typically assign the stellar role to the formation of nonhuman capital, and take as an obvious fact the superabundance of human resources. Steel mills are the real symbol of industrialization. After all, the early industrialization of England did not depend on investments in the labor force. New funds and agencies are being authorized to transfer capital for physical goods to these countries. The World Bank and our Export-Import Bank have already had much experience. Then, too, measures

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[19] I am indebted to Milton Friedman for bringing this issue to the fore in his comments on an early draft of this paper. See preface of [7] and also Jacob Mincer's pioneering paper [13].

have been taken to pave the way for the investment of more private (nonhuman) capital abroad. This one-sided effort is underway in spite of the fact that the knowledge and skills required to take on and use efficiently the superior techniques of production, the most valuable resource that we could make available to them, is in very short supply in these underdeveloped countries. Some growth of course can be had from the increase in more conventional capital even though the labor that is available is lacking both in skill and knowledge. But the rate of growth will be seriously limited. It simply is not possible to have the fruits of a modern agriculture and the abundance of modern industry without making large investments in human beings.

Truly, the most distinctive feature of our economic system is the growth in human capital. Without it there would be only hard, manual work and poverty except for those who have income from property. There is an early morning scene in Faulkner's "Intruder in the Dust," of a poor, solitary cultivator at work in a field. Let me paraphrase that line, "The man without skills and knowledge leaning terrifically against nothing."

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THE PROGRAM FOR EDUCATIONAL LEADERSHIP

(Remarks by Bryce N. Harlow, director of governmental relations, the Proctor & Gamble Manufacturing Co.)

The newest phase in our program of aid to higher education is grants to support graduate schools of education. Beginning in 1961, we are providing $15,000 per year to each of the following graduate schools. We hope to be able to continue this level of support for a total of at least 5 years: Graduate School of Education, University of Chicago; Teachers College, Columbia University; Graduate School of Education, Harvard University; Graduate School of George Peabody College for Teachers; Graduate School of Education, Stanford University.

These grants are in special recognition of the fact that the quality of education depends on the quality of teaching—on the knowledge held by the teacher, on his ability to impart this knowledge to others and on his capacity for stimulating thought. As these areas of teaching capability are expanded, education itself is moved forward. Advances here come principally as a result of research and of sharing the results of this research throughout the broad spectrum of the educational system.

There are relatively few graduate schools in the country which not only train teachers but which also, through research, advance the art of teaching. The institutions named above are among those which are providing outstanding leadership in advanced education. On a highly selective basis they train those who are to teach and those who are to teach others to teach. In addition they carry on broad programs of educational research, the results of which are available to all other educational institutions. Thus, in supporting these graduate schools, an important measure of support is provided to all education throughout the country.

These graduate schools have another claim to the name of national educational institutions. They select their students from all parts of the United States and from an impressive part of the rest of the free world, returning them after training to schools, colleges and universities throughout this country and abroad. For this reason also, it is appropriate that support of these graduate schools of education should come from organizations which are, themselves, national or international in character and outlook.

Finally, our support of these graduate schools is impelled by the absence of well-to-do alumni of schools of education. In some other fields, successful alumni are in a position to make substantial contributions to the institutions which provided their education. With only a few exceptions, this is not the case with those in the teaching profession, whose earning power is relatively restricted. Unfortunately, this is true not only for the alumni of these graduate schools but for teacher-training institutions throughout the country. This fact opens a special opportunity and justification for the exercise of corporate support.

As stated with respect to large universities in our university program, we do not suggest that only these five graduate schools of education are worthy of corporate support. Many others also make heavy contributions to teaching and to the improvement of learning methods. Many others, which do not do extensive educational research themselves but which translate the advances of others into better education of teachers, also deserve financial assistance. It is our hope that other organizations, believing as strongly as does our own in the essentiality of meeting the Nation's need for more and better teachers, will compile their own lists of deserving institutions and provide to them the support they richly deserve.

The support of graduate schools of education indicated is only the newest part of a Procter & Gamble program which also includes: 240 four-year scholarships; certain technical scholarships totaling about 30; payments to all of the 40 State and regional associations of colleges, including approximately 475 different colleges; $20,000 each year to each of 10 large universities, to be used as the universities may choose; certain special grants to such organizations as the National Fund for Medicl Education and the United Negro College Fund. The total being contributed has now reached $1,100,000 per year.

The thought occurs to me that this kind of voluntary, private support of education is about the finest "aid to education" our free system can produce. Many other business groups are similarly engaged, and a compilation of these efforts ought to be illuminating. Certainly, an accurate appreciation of such efforts ought to give perspective to those who contend that public instrumentalities alone have the ability and zeal to advance the cause of American education.

[From Better Schools, June 1958]

NON-PUBLIC SCHOOL STUDENTS—SHALL PUBLIC FUNDS BE USED TO AID THEM?

(By Virgil M. Rogers, dean, School of Education, Syracuse University)

If we accept the American tradition concerning the relationship of church and state, which grew out of 250 years of painful experimentation in the Thirteen Colonies and later in the States, there can logically be only one answer to the question posed in the title above—no.

Yet as time passes, and with it a firsthand knowledge of the evils which brought forth recognition of the necessity for disestablishment, urgings become more numerous and demanding along two particular lines: (1) the introduction of religious observance and instruction into the public schools; and (2) the granting of public funds for the aid in one way or another of various private religious schools.

Such demands call constantly for interpretation of the Constitution, particularly of the first amendment, which says in part: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." In 1930 a Supreme Court decision in the case of *Cochran* v. *Louisiana State Board of Education* held to be legal the free distribution of textbooks to nonpublic school pupils.

This held that the State's obligation to all schoolchildren in the State transcends a strict observance of the principle of "a wall of separation" between church and state. The Louisiana decision served to cast a certain confusion over interpretation of what had formerly appeared to be a clear-cut guiding principle.

From the Court's child benefit theory, the public welfare theory has evolved. In the years immediately ahead we may expect to see an increasing number of cases brought to the testing under this public welfare theory.

Obvious difficulties present themselves in any attempt to apply this theory. First, who is to say where welfare stops? Are not

courses in arithmetic, English, geography, religion, etc., for the pupils' welfare? Who defines "welfare"? Further, if public funds are to be given for services which a nonpublic school would otherwise have to provide out of its own budget has not the first amendment been specifically violated?

If the funds from pocket No. 2 are shifted to pocket No. 1, and public funds then put into pocket No. 2, does it not remain that pocket No. 1 has twice the original funds? And has this increase not been brought about through public funds? Therefore fine-point distinctions on the basis of what such funds are to be used for can be nothing more than distinctions on paper.

The dangers inherent in this sort of thing are memorably stated in the dissenting opinion which Justice Rutledge of the U.S. Supreme Court wrote with Justice Burton in the famous (5 to 4 decision) *Everson v. Board of Education* case in the State of New Jersey, involving the question of free bus transportation for children attending parochial schools. The Court ruled that, under the New Jersey statute, free transportation could be provided these children. In dissenting, Justice Rutledge wrote:

"But we are told that the New Jersey statute is valid in its present application because the appropriation is for a public, not a private, purpose; namely the promotion of education, and the majority accept this idea in the conclusion that all we have here is 'public welfare legislation.' If that is true and the amendment's force can be thus destroyed, what has been said becomes all the more pertinent. For then there could be no possible objection to more extensive support of religious education by New Jersey.

"Conversely, to say that they (parochial schools) are for public purposes is to say that they are not for religious ones.

"This is precisely for the reason that education which includes religious training and teaching, and its support, have been made matters for private right and function, not public, by the very terms of the first amendment. That is the effect not only in the guarantee of religion's free exercise, but also in the prohibition of establishments. It was on this basis of the private character of the functions of religious education that this Court held parents entitled to send their children to private, religious schools.

"The great condition of religious liberty is that it be maintained free from sustenance as also from other interference, by the State. For when it comes to rest upon that secular foundation it vanishes with the resting. Public money devoted to payment of religious costs, educational or other, brings the quest for more. It brings too the struggle of sect against sect for the larger share or for any."

Eight years after Justice Rutledge's dissent, a statement by the administrative board, National Catholic Welfare Conference, in the name of the bishops of the United States (1955), said: "The students for these schools (parochial) have a right to benefit from these measures, grants, or aids, which are manifestly designed for the health, safety, and welfare of American youth, irrespective of the school they attend."

Many students of jurisprudence as well as of American education believe that the High Court made two or three major decisions at a time when the full implications had not been foreseen, and that eventually the Court will reverse these decisions in the interest of religious freedom and public welfare.

We have witnessed, I believe, the beginning of a series of "breachings" of the "wall of separation between church and state," which if extended will eventually erode the vast public school system which has been the pride of the American people and has become the model educational plan for the civilized world. Unless the trend is checked and some legislative revocations brought about—and this must surely happen as our citizens become aware of the perils inherent in the erosion of our freedom now taking place—public schools will be wrecked, religious freedom compromised, and the integrity of both public and nonpublic education destroyed.

REMARKS BY WALTER T. ANICKA, AMERICAN INSTITUTE OF ARCHITECTS

As a preface to the following remarks, it should be stated that the schools designed by this office have been, with few exceptions, designed for districts which are burdened with low valuation per child, based primarily on residential taxes, with negligible industrial assessments and ever-growing enrollments. The districts vary from 1,000 to 8,000 students, with an average valuation of $5,000 per child. The challenge of a limited budget, rather than being a handicap, has given this office the opportunity to produce an honest solution to a difficult problem, whenever we have had the understanding cooperation of our client.

Much has been expounded relative to the cost of a building: initial cost (construction), maintenance cost, operational cost, etc. All of these are important and reflect the true cost of any building. The first cost, the construction contract, is the price tag that assumes prime consideration of the taxpayer when he is presented with the proposal for the bond issue. However, the other costs mentioned must not be overlooked, and it is the diligent architect who must be able to resolve successfully within his design and construction budget not only the original cost, but also the control of the future expenditures necessary to use, operate, and maintain the building. He must design for economical maintenance and operation if he is to honestly solve the problem.

The often quoted price per square foot of construction, or the cost per pupil, though a handy guide for comparison, is not in itself a true barometer. Such comparisons are misleading, and certainly are not reliable on a broad geographic basic, because of the varying requirements of construction necessitated by climatic conditions. In this particular midwestern area, 35 percent of the school construction cost is absorbed in providing adequate heating, electrical, and mechanical facilities. To date it has been virtually impossible to reduce this amount to any degree and still provide the physical comfort necessary. The 65 percent remainder of the established cost, therefore, becomes the budget an architect has at his disposal to provide not only the physical building, but also the popular clichés of the hour deemed essential by the building committee and the educators who have recently visited the 12 most spectacular monuments in their area and have returned with a preconceived "dream school" in their minds which will undoubtedly include:

(a) Receptivity: A warm, welcoming atmosphere to favorably influence the attitude of the child.

(b) Beauty: Should be able to be recognized from a factory or a mausoleum.

(c) Versatility: It should be able to be used for all things by all people.

(d) Flexibility: It should be able to expand and contract all areas without disruption to various activities.

(e) Kid-proof: Nothing should be subject to tampering, mischievous destruction or breakage.

(f) Maintenance-free: Nothing should need repair because it is rare to have money to provide for the maintenance in the operating budget.

(g) Functionability: Every individual teacher using the building should have his every need satisfied, with the latest wrinkle in equipment pertaining to the subject he teaches (whether he will use it often or not).

All this, and still there must be funds left over for: lawns and landscaping, athletic and play fields, parking lots and loading ramps, covered porches and quiet study areas.

This is not meant to be ludicrous, but unfortunately, these are the desires and/or stipulations of many unrealistic school clients who want their building to equal the well-publicized monuments they have seen in the wealthiest districts, but cannot understand why they can't have all the frills and still keep within their very limited budget.

The legerdemain to accomplish the economical school:

1. The architect must have the understanding and cooperation of his client. Many a school is a monument to the ego of the client. For some reason, there is often a strong feeling of being in competition with adjoining districts and a tendency to exceed or at least equal the neighboring school plant, regardless of tax valuation; or they might want to experiment with a novel or advanced theory in education. This is admirable and desirous if they can afford it, but if they cannot, a compromise must be made.

2. On the other hand, the architect too is not justified in proposing a monument to his ego, and the client should be firm in forestalling such overenthusiasm for design at the expense of the necessities. The publicity gained from radical solutions does not (or at least should not) compensate for the constant inefficiencies in the use of buildings of this type.

3. The basic shape and size of the building is important. We have found that a single-story structure, with a compact zone type plan, is the most economical. It is necessary to keep the exterior perimeter to a minimum. A one-story plan more readily lends itself to satisfying the requirements of building and safety codes.

4. The provision and use of space should be well studied. The size and shape of an area is dictated by its ability to be used 100 percent of the time. It is not economical to provide areas which, however desirable they may be, cannot be used to the maximum. This requires ingenuity, knowledge, and cooperation in scheduling in the use of the building. The amount of space should be prorated in proportion to its relative importance to the established and foreseeable curriculum. Some of the individual desires for offices, consultation rooms, and separate areas for one particular minor activity or another are fine and useful to a limited degree, but when the budget is a stringent consideration, these desires must be rationalized between pure luxury and utility.

5. Built-in equipment: The same understanding must be established in terms of built-in equipment. If definite need and usefulness can be established, it is included; if not, some ingenious improvisation must be made. This is an important area in design, and the client and the teacher must be educated in the proper use of flexible space, equipment, and storage. It is granted that the architect must understand the teacher's problem, but the teacher also must be willing to consider the architect's alternate solution.

6. The timing of bids and the duration of construction are important. In this particular geographic area, certain seasons are more favorable to obtain bids than others in order that a project may be "closed in" before inclement weather, thus providing inside work during the cold season.

7. A project should be designed to facilitate rapid construction to minimize the field time, thereby making the structure available to the owner with less financing costs.

8. The completeness, accuracy, and clarity of the architectural documents are imperative. The contractor's proposal is definitely affected by his understanding of the project during the bidding period. In addition to the contractor's understanding of the plans and specifications, his opinion of the architect and the architect's knowledge, and the architect's field supervision and cooperation has a tangible affect on the cost. Each should have a mutual respect for the knowledge and capabilities of the other.

9. Finally, and certainly not the least important, is the selection of materials.

(a) Materials should be chosen which are readily available, and which local labor has had experience and knowledge in using.

(b) They should be fabricated or manufactured within a reasonable distance from the locality of construction in order to eliminate the nonproductive cost of transportation.

(c) They should be factory-assembled wherever possible to reduce the inefficiencies of onsite assembly and handling.

(d) Stock sizes and shapes are imperative. It should be planned to use the material as it is merchandised and fabricated, without additional refinishing, cutting or assembly.

(e) Materials specified should be easy to use and assemble, to eliminate confusion on the job.

(f) Strict adherence to the module principle should be observed: repetition of the same unit to make more efficient shop fabrication, handling, and installation. (Recently this office constructed a 1,000-student high school with but three lengths of steel: 14 feet, 28 feet, and 42 feet, thereby reducing the cost of the structural frame to approximately 80 cents per square foot.)

(g) Keep to a minimum the number of different types of materials and finishes to ease the factor of coordination and delivery.

(h) Choose the materials that are least subject to wear and destruction.

(i) Choose materials which through the architect's personal experience or reliable research have been proven to qualify for the job which they are supposed to perform, thereby not subjecting the owner to the expense of being a guinea pig for new materials which may have to be replaced because of poor performance.

Education: The Foundation of Freedom and Modern Technology

(By Hollis L. Caswell, president, Teachers College, Columbia University)

I

To the Worldwide Conference of International Cooperation Administration Education Chiefs:

You are pioneering a new type of educational leadership. Your vision, your professional competence, your persistence against difficulties can exert a profound influence on the future of our country and the world.

In 1954 I visited a number of your missions and became somewhat acquainted with your programs. In 1958 I again visited several missions and became still better acquainted with your work. I was impressed with the change I felt had occurred in those 4 years. Programs had taken clearer form, working relations with educational authorities in host countries were stronger, new ways of working were being tested, but most apparent was an increase in the assurance and conviction of your staffs. Four years had made a great difference.

It becomes increasingly apparent that the task in which you are engaged is one of long duration. You are still in the vanguard. You must test your ideas and practices constantly, you must vigilantly seek better ways to achieve the great purposes you serve, you must build a sound foundation for the future. It is in this setting that I address you today.

I shall make some observations about the international scene, about the place of America in it, and about the role education must play. Some of these will be commonplace to you; yet I hope the total analysis will be helpful.

II

There are, I believe, two dominant, interrelated goals in our activities in aiding other countries. First, we wish them to choose freedom rather than tyranny as a way of life. Second, we wish them to abolish poverty, hunger, and disease and provide a fuller, richer life for their peoples.

It is imperative that these peoples choose freedom for several reasons. Tyranny is never satisfied; it always seeks to expand; the larger the area of conquest, the more it seeks to control. Free peoples make good neighbors whom we can trust, but peoples controlled by dictators are always dangerous neighbors. Tyranny provides an unstable treacherous base for government. It responds to the whims, the goals, the selfishness of a single individual or a small group of individuals. It thus compounds danger in a world in which all-inclusive tragedy is already the fear of all those who have ears to hear and minds to understand. Perhaps most important of all, we know that the spirit of man cries out for freedom. It is only the freeman who can develop his full potentialities as a human being. It is only in a setting provided by freedom that the greatest of all values—the inherent worth and dignity of each individual—can be realized. Therefore, we wish men to be free so that they will be good neighbors, so that our world will achieve a degree of stability which gives people confidence, and so that each and every person in whatever country will be respected and valued as an individual.

In our 20th century world the second great goal—the eradication of poverty, hunger, and disease—for the first time in mankind's history comes within the realm of possibility. Modern technology has so greatly increased our powers of producing goods and services that at last it is not idle dreaming to contemplate achieving a world in which people are not starving but are adequately fed, in which people by the millions are not suffering from terrible diseases which could be cured but have reasonable medical attention, in which countless children are not homeless and neglected and exploited but rather have opportunities for wholesome living and loving care.

These two great goals, I say, are interrelated and sometimes in conflict. In fact, the great political controversy of our time is whether a free nation can provide for the economic well-being of its people as adequately as a nation with dictatorial control of political, social, and economic life. This is indeed the heart of the issue where uncommitted nations are concerned.

On one point I believe history writes us a clear warning. If people have to choose between freedom and bread, the great majority will take bread. It is only the few great souls who will say with conviction, "Give me liberty or give me death."

These, then, are our two great goals: Freedom and the eradication of poverty, hunger, and disease. Let us see how the tasks to which you are assigned relate to these goals.

III

To achieve both of these goals education is absolutely essential—it must provide the foundation upon which all else rests. Nothing of permanence can be done without education.

People cannot be forced to love and preserve freedom and to create instrumentalities to carry it forward, they must learn these things. They must develop attitudes which permit freedom to prosper; they must grow in willingness to try new ways.

One of the most profound and significant insights of our Founding Fathers was their perception of this truth. Washington, Jefferson, Adams, Madison all noted the central importance of education in developing and maintaining a Nation of freemen. Jefferson perhaps put the matter most succinctly in his oft-quoted statement: "If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be." A society of freemen must indeed be erected on a foundation of education.

Neither can modern technology be established and maintained except where education is widespread. We had a clear demonstration of this during World War II when we saw how ineffective recruits with little education were in our armed services. You can give a people plants and machinery, dams for irrigation and hydroelectric power, modern drugs, and even a food supply that will provide an adequate diet, but without the base which only education can provide the machines will rust, land will continue as desert, disease will persist, and the diet of the people will be little changed. Even when technicians are brought in to get the services started, unless a broad base of attitudes and skills is developed to support modern technology the results will be the same.

At the time of President Eisenhower's visit to the Middle East a correspondent quoted the King of Afghanistan as saying in an interview: "We are grateful for the airports, dams, and highways the United States has helped us build. But our greatest help has been in regard to education—and this help has come solely from Americans. Long after the highways and dams are forgotten, what you have done for our education will remain in the minds of men."

Statistics from many nations indicate unmistakably that the road to an economic system based on modern technology is through widespread education. Countries with a high level of natural resources and a low level of general educational development, such as Colombia, have low per capita incomes; countries with a low level of natural resources and a high level of general educational development, such as Denmark, have high per capita incomes. In the United States, which has a high level of natural resources, the advance of economic development is directly related to the level of education. Sections of the country with lower educational levels have lower rates of production and consumer income and expenditure. As industry and business become more advanced the demand for education increases. In 1910 of all men employed in the United States 24.1 percent were unskilled; by 1930 the percentage was 20.7; by 1950 it was 6.5. During the same period there was a steady increase in employment in positions requiring more education.

It is imperative that education underlie all our foreign aid efforts if they are to succeed. The program of education must not be thought of as one comparable segment of the total. It should relate to and seek to advance and make permanent every other type of activity such as agricultural and industrial improvement. I say again, education must provide the foundation upon which all else is built if our efforts are to have permanent and continuing effect.

IV

Yours is a complex task. Since we believe in freedom and seek to foster it we would not wish to impose American practices on any people—even though we were in position to do so. We are concerned with a far more difficult task—helping people to adapt from our culture those elements which are compatible with theirs and to identify in

their own culture those values and practices upon which they can build toward freedom and plenty. We Americans have had little experience in such an undertaking. We lack some invaluable tools, among them a wide command of foreign languages.

Yet I am convinced there is much in our experience which should prove extremely helpful to these neighbors of ours.

We are accustomed to creating new institutions to serve new purposes. We do not cling to tradition with the tenacity to be found in many older countries. The history of American education has many illustrations of new institutions arising better to meet the needs of our people and our Nation. The land-grant college, vocational agriculture, organized programs of adult education, the junior high school, and the community college are illustrative. This flexibility makes it easier for us to think beyond existing patterns than it is for educators from many other nations.

We have had a long experience in seeking to educate all the children of all the people—a necessary goal in the less well developed countries today. Lessons we have learned from our successes and our failures can be used to help them move ahead more rapidly.

Americans have minimized the use of education merely as a means of attaining social prestige. We have always viewed it as an instrumentality which should foster optimum development of the individual and provide service to our country. We have worked to destroy artificial barriers and standards. This is in contrast to substantial elements of European education. It is consistent with the need for education found in the countries where you work.

We have largely avoided the separation of the academic and vocational, with the attendant inclination to look down on work with one's hands. The United States has never had an "unemployment B.A." problem of the kind which exists in many places where vocational and technical education are given a subordinate place. There is much in our educational experience which supports the dignity of all labor that can be useful to countries seeking to move into a modern economy.

We have never hesitated to use education to serve the public good in helping meet our social problems. Citizenship, conservation, health, home and family life—all have received attention as conditions required. There is much in this experience from which these nations can learn.

In brief, it appears to me, as we consider the status and needs of the less well developed countries today, that America has a body of experience more applicable than that of any other nation to the conditions and problems which those countries face and greater compatibility of goals. You are a product of this experience. We will not impose, we will not encourage a nation to depart from its culture merely to copy American practice, but I say to you that America, with its devotion to freedom and its experience in achieving an economy of abundance, has much to offer the nations of the world which are seeking these same goals.

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Now I shall present to you certain judgments about our educational efforts abroad, indicating points which I believe we should especially hold in mind as we go forward.

A. The creation of general enlightenment among a people is essential if freedom is to be prized and modern technology made effective. I ask you whether we are currently giving sufficient attention to this broad goal. There are some indications that we are not.

The spread and development of elementary and secondary education are primary means to this end. Yet our efforts directed at preparing leaders in elementary and secondary education, in school administration and supervision, and in teacher education are comparatively limited. For example, the number of students from other nations studying education in American institutions is relatively small. In 1958 from all Latin America there were only 439 persons studying education in the United States. At the same time there were 2,755 studying engineering. In 1959–60 there were approximately five times as many students from foreign countries studying engineering in the United States as were studying education. Education had next to the smallest number of students of all major fields.

Where is the leadership coming from to meet the tremendous challenge of developing the educational systems of these countries? It is indeed shortsighted to prepare scientists, linguists, economists, sociologists, engineers, and doctors if we neglect the preparation of men and women who can lead their people to achieve general enlightenment, a sense of social responsibility, and common vocational skills essential to an industrialized age. Wisdom indicates that in countries where this essential base is so inadequate, the preparation of educational leaders should receive priority.

American leadership in higher education, which exerts great influence on our foreign aid programs, does not adequately appreciate the critical importance of achieving the general enlightenment of the mass of people of these nations. The Committee of the American Council on Education on Institutional Projects Abroad as listed in its latest report has not a single member whose main interest is elementary, secondary, vocational, or teacher education. The 1959 conference had 31 participants on the program. Not one of them was a specialist in any of these areas. In the entire program as reported in the Proceedings, only one reference was made to these fields and that by Senator JAVITS.

It is my conviction that in the future substantially greater attention must be devoted—both at home and abroad—to those aspects of the educational program which focus on educating all the people in personal, social, and vocational attitudes and skills which are essential to the achievement and advancement of freedom and modern means of production and consumption. Failure to do this will demonstrate the truth for the 20th century of James Madison's observation that "A popular government without popular information or the means of acquiring it is but a prolog to a farce or a tragedy, or perhaps both."

B. In achieving general enlightenment and commonly needed vocational skills there is one point in particular which requires emphasis. Conditions push us; the time of decision is short. Children and youth must be educated, but we cannot wait as we have in the past so often for one generation to succeed another before change is accomplished. The education of adults—particularly young adults—should have a far larger place in our thinking and planning than it now appears to hold. We have been too satisfied to operate through established educational institutions and agencies, accepting the students who come under their influence.

Conditions call imperatively for a broader approach, an approach which inquires how the education of each person, young or old, may be furthered. I am convinced that in every country seeking rapid advancement the organized education of adults should play a very large part. Have we taken the steps which we should take to aid in developing powerful, effective programs for this group? It is my impression that we have not. Illustrations of good work can be given but the need is for massive efforts.

In this area above all, creative plans and programs should be developed. Trained workers in adult education are even fewer than in the schools. Advantage should be taken of mass means of communication, of volunteer services, of demonstrations and short training courses. Attention should be given not only to achieving literacy but also to cultivating vocationally useful skills, developing better understanding of the responsibilities of citizenship, and modifying attitudes so that improved community organization and effectiveness are achieved.

In brief, it is my suggestion that each of you, as you look at the program in the country where you serve, ask whether enough is being done for adults to help them achieve the new day for which so many of them aspire.

C. Most of you serve in host countries which have centralized educational systems. Like decentralization, centralization has its own particular advantages and limitations. One of the chief problems is to evolve new and improved practices. There is an inclination to accept only those changes which can be applied at one time throughout an entire eductional system. But there is great need for an increase in centers of intensive development—experimental and demonstration centers, if you will. People gain more from seeing one actual operating center of high efficiency and effectiveness then from hearing many words.

It would be highly desirable for ministries of education to be encouraged and aided in establishing divisions or departments of demonstration and experimentation. Schools and colleges could be assigned to such divisions or departments for periods of time and thus freed from general regulations and restrictions. Ministries would then accept the responsibility for planning and testing new practices before putting them into general operation. To have a spirit of experimental testing permeating the entire staff would change markedly the way in which many ministries function.

D. I have said that you are in the vanguard of a new and critically important educational development, one which promises to be of long duration. At the beginning, much had to be done "by guess and by gosh" or on the basis of what seemed to be commonsense. This is still true. A field of activity that is long pursued on this basis, however, bogs down in regulations, fails to develop improved ways of doing things, and tends to lose sight of the broad purposes which it should serve.

Systematic, rigorous inquiry concerning goals, activities, and outcomes provides the guard against such a situation's developing. Questions need to be asked and answered with the soundest possible base of assurance as to what goals are attainable under what conditions; what kinds of activities succeed and what fail and why; what kinds of persons are effective in your programs, what kinds ineffective and why; what kinds of training programs get the best results; and how cultural adaptation really occurs. These and many other important questions await study.

I am aware that the ICA office in Washington has been seeking information. I know that the officers have been trying hard to get beyond the "by guess and by gosh" stage of making decisions. I particularly applaud the establishment of a research arm in the Washington office to seek more vigorously for sound guides to solving the problems which you face.

However, I express the judgment that an enterprise as complex and vast as the one in which you are engaged will require for optimum development a substantial program of systematic, continuous research. Policy formulation, program development, and field operations all can profit from such an approach.

In considering such a development two points are particularly important. As I noted earlier, education provides the foundation upon which activities toward improvement in various aspects of the life of a

country can be based. In the final analysis, it is only as it is seen how education influences the actual health practices of people, the methods of farming employed, the adequacy of vocational skills, and the like that sound appraisal can be made. Furthermore, the improvement of aspects of living such as these always involves heavy emphasis on education. Consequently, I believe that research in education in your programs should not be narrowly conceived; it should permeate and relate to all efforts to improve the lives of people in the nations in which you work.

The second point is that much inquiry, particularly of the action research type, should be a part of the program development in each country. In some instances, type studies might be developed. In others, distinctive problems would require treatment.

In brief, I am saying to you that the size, complexity, and seriousness of the challenge you face call for rigorous, continuing, systematic analysis and study. Out of such a process carried through a period of a year a new body of knowledge of first importance may be developed about the field of international education. Such knowledge we desperately need as an aid in assuming our proper place in the modern world.

E. A program can be no better than the personnel which carries it forward. The best-conceived program in the world will fall flat if it is placed in the hands of incompetents. Dedicated, well-trained men will overcome unbelievable obstacles to achieve a goal in which they have faith. I observed earlier that the quality of ICA personnel with whom I came in contact in two trips appeared to have substantially improved over a 4-year interval.

It seems to me, however, that there is a strong possibility that greater attention should be given to the continuous improvement of personnel. Every ICA mission should have not only the regular activities of orientation of new personnel, but also a continuous program of in-service education for all. As you well know, educational institutions in the United States have found this essential. Increasingly, business and industry have discovered the same thing. Not only the workman, foreman, and supervisor are included; more and more opportunities are provided for all levels of management up to top executives.

I advise a careful review of the provisions you, as leaders in your missions, make for the in-service development of personnel and careful inquiry as to whether increased competence is being built as it should be.

F. My final suggestion relates to a general governmental policy. I do not know how much you can do about it, but I believe that if you can get across a vision of the real role education must play, your influence will be substantial.

From 1956 to 1959 of all the dollar obligations for ICA projects, only 6.7 percent went to education. The total allotted to education throughout the world in 1959 approximately equaled the cost of five DC–8 jet planes. I submit to you that in view of the basic role education must play and the great seriousness of the international situation, this is a penurious and totally inadequate provision. We Americans are a strange people in some ways. We say we believe in education, and I am sure most people are sincere in this statement. Yet we blithely go along spending huge sums for liquor, chewing gum, cosmetics, candy, and baseball while we view with apprehension the cost of providing a good education for our children. We cry out against taxes to support schools at the very time we increase our consumption of automobiles and send pleasure boat construction and maintenance skyrocketing to unbelievable heights.

In the foreign field we follow the same pattern. We proclaim our intention to be good neighbors; we say we will help those who are less fortunate than we; we urge them to take the path of enlightenment and freedom. Yet when the chips are down our Christian ideals too often give way. Our help turns toward the materialistic rather than toward the mind and spirit of man. We are more ready to give our neighbor a paved road down which to drive his camel or donkey, or even to give him an automobile to drive upon it, than we are to help him set in process education which will develop men and women better able to improve their own lot.

Those of us at home should carry the message that America must first and foremost invest in the spirits and minds of men. In schools and colleges and legislative halls, in factories and farms we must develop a generation of Americans who truly put human values ahead of things.

You in your turn should press this point from your position of vantage. You should help America see what she has to win and what she has to lose. If our people could but understand what it would mean to have India drop backward and Communist China move ahead, if they could but appreciate what it would mean to have large areas of Africa under the control of dictators, if they could but realize that our own salvation lies in willingness to befriend the poor, lift up the downtrodden, and eliminate ignorance and hatred, no sacrifice would be too great. Then first things would come first. To bring this to pass is the goal to which you and I, as loyal Americans and true educators, should be dedicated.

The School Lunch Program and Federal Controls

(By Donald H. Ackerman, Jr.)

When advocates of Federal aid to education discuss the problem of Federal controls, they normally challenge opponents to cite any examples of such control in existing programs, such as National Defense Education Act, impacted areas legislation, or similar current laws. For example, when Secretary Ribicoff testified this spring before the House Education Subcommittee, he stated that "these programs of Federal assistance to education have, in my judgment, been administered without evidencing one shred of Federal control * * *. In my 6 years as Governor of Connecticut, not once has the Federal Government exercised control directly or indirectly over education in my State. I doubt whether you will find any such control in any of our 50 States."

No doubt there have been examples cited both in agreement and disagreement with his views in relation to existing programs. However, letters from administrators in various school systems indicate that even in such a widely supported and supposed innocuous program as the national school lunch program, controls invariably result and interfere with the most practical, efficient, and beneficial local administration of the entire operation.

The Scottsdale, Ariz., High School District has discontinued the Federal school lunch program because they wish to offer their students a la carte meals, and their agreement with the Government required them to serve a plate lunch with limited selection. They thus felt that by this change their cafeteria program would be more attractive to the older students. These boys and girls had reached an age when they were quite capable of making such decisions.

Administrators of the Scottsdale school system also questioned the wisdom of the milk program which gives a greater cash subsidy for a half pint of milk sold to a child who carries a bag lunch than is given for the complete plate lunch, which includes a half pint of milk.

In a letter to a Member of Congress, an official of the Farm Bureau in Phoenix refers to the Scottsdale and also the Phoenix situation by stating that "when this program—one of the oldest, most widely and favorably accepted Federal aid programs—is being terminated because it actually costs more to administer free government surplus commodities than they are worth, it would seem that any further debate on whether you get controls with Federal aid is rather assinine!"

The Phoenix situation is somewhat similar, in that the business manager of the Phoenix Union High Schools and College System states, "The history of the situation by which we discontinued the Federal school lunch program in the high schools of our district involves not so much the actual law governing the Federal school lunch program as the regulations which seem to be typically bureaucratic interpretations of the law that work toward the detriment of the school lunch program." He felt that letters to that effect were at the instigation of the San Francisco office of the Federal school lunch program, with no referral to the Arizona State Board of Education.

In Phoenix, unless they offer an a la carte service there are many students who will not participate in the lunch program. Thus administrators had the choice between discontinuing their practice of making a la carte items available to the students in addition to the regular plate lunches, or being disqualified from the Federal school lunch program. If they had continued the program, under regulations being imposed, they would have had a severe drop in the participation of students who would not eat the plate lunches, preferring to bring their own food from home or to patronize off campus for restaurants. If they continued to participate in the program and discarded the a la carte service, they would have had to raise the price of meals to 40 cents.

The route was quite obvious. The plan adopted resulted in the greatest participation ever, with a freer operation, saving bookkeeping costs, and providing the type of menus demanded by students and their parents. Business Manager Mitchell found a question involved of arbitrary regulations and lack of local control of the lunch program for what the local authorities felt was the best need of the students.

In June 1955, the Los Angeles City Board of Education discontinued the school district's participation in the type A meal served to elementary pupils because—

(a) The cash subsidy over a period of years had been reduced from 9 cents per meal to less than 4 cents.

(b) Increase in the protein requirements for each meal reduced further the cash subsidy due to additional costs.

(c) Size of portions served, rigidly enforced, was too much food for many pupils, particularly the primary grades, first through third.

Thus, to remain on a solvent basis under the existing Los Angeles Board policy that cafeterias must be self-sustaining, it became necessary to either raise the price of the lunch or drop from the program. Later reevaluation of the present nonparticipation policy in the spring of 1961 showed that an even further drop by approximately 2 cents per meal would occur at that time. Sources indicate that in California, San Diego, Glendale, Riverside, Alhambra, and other areas have also dropped from the system recently.

Suggestions by the business manager of the Los Angeles City Board of Education for realizing the objectives of the program and achieving greater participation included provision for more control on a local school district basis for the enforced requirements of the protein, butterfat, vegetables, and fruit in the meals. In Los Angeles, this centralized local control would save approximately 200 man-hours per day.

The late Representative John Lesinski, Sr., former chairman of the House Education and Labor Committee, stated on May 8, 1957, that "it is impossible to draft a general Federal aid bill which will not contain a great deal of Federal control over local school systems * * *. I am convinced, after the hard study we have put to the question, that no acceptable bill preventing Federal domination of local schools can be drawn. I reluctantly come to the conclusion, but I had to face the facts." His successor as chairman, Representative Graham Barden, pointed to some of "the most horrible illustrations of interference and wrongdoing under that bill (Public Law 815—the Federal impacted area bill) that you can imagine, and I challenge anyone to deny that statement."

On the basis of the experiences of at least these school systems herein referred to, as well as equally convincing evidence in fields such as highways, agriculture, welfare, etc., it seems clear that as the Federal share increases, conflicts arise between Federal and local officials as to the most effective use of funds, and controls ultimately tighten.

Other school districts around the Nation may not have shared the same experiences as Los Angeles, Glendale, Scottsdale, and Phoenix—but these examples serve to answer those advocates of general Federal aid to education who plaintively ask, "Show us one single isolated example of Federal controls accompanying any form of Federal aid." The school lunch program is a case in point.

SCHOOL NEEDS AND FEDERAL AID TO EDUCATION

(By Roger A. Freeman)

Are we spending enough on education?

If not, how much should we spend?

How much will the schools need 5 or 10 years hence?

These and similar questions are being asked and eagerly debated in large and small communities throughout the country. Never before have the American people shown a deeper or more lively interest in their educational system and its improvement than at the present time. Nor does it seem that any single event ever did more to turn public interest in education into grave concern than the appearance of the sputniks.

There had been warnings galore for years about deficiencies in our schools and colleges and about Russian advances in education and science. But no complaints nor criticism seemed able to weaken the conviction that the United States has the best schools in the world.

The belief in the inevitable superiority of American education was shattered when the Soviets sent a small metal globe into orbit. This brought home, more effectively and more painfully than scholarly reports, that Russian-educated scientists can successfully challenge the products of our own education institutions. That it ended the era of complacency about American schools was shown in a public opinion poll by Life magazine early in 1958 in which two-thirds of U.S. college graduates rated Russian mathematics-science high school training superior to that in the United States. It is now self-evident that a major improvement in the quality of our educational product has become a matter of national survival. As one educator remarked: "The man who has done most for American education in 1957 may well have been Nikita Khrushchev."

UNDERFINANCED SCHOOLS?

While the events of 1957 helped focus interest on education, they have not, so far, led to a universal agreement on the nature and cause of the unsatisfactory status of American education. Why are the graduates of our schools 2 or 3 years behind their European and Russian counterparts? Are our schools losing out because they are not getting the funds needed to carry on a program that is adequate in today's world? Or is it because of lack of thorough training in the fundamentals, a substitution of easy courses for hard subjects, the shift from the subject-centered to the child-centered curriculum?

One body of opinion, consisting largely of college and university presidents and faculty members, scientists, engineers, and businessmen, holds that the watering down of the curriculum and the erosion of standards in the elementary and secondary schools are responsible for the absolute and relative decline in the educational level of our youth This group feels that the schools demand too little and fail to prepare their students properly for professional and scientific study.

Public school administrators, teachers' organizations, professors of education, and allied groups deny that the quality of public school education has declined. They insist that more children are getting a better education than ever before, and that the schools are prevented from raising educational levels even higher only by a lack of money. They point at shortages of teachers and classrooms, and predict that a serious deterioration of the schools is imminent and inevitable unless their financial support is quickly and substantially raised.

The educational policies commission of the National Education Association complained in a statement, "The Contemporary Challenge to American Education," on January 3, 1958:

"Every major study of the status of American education tells the same story of neglect. It is a story of crises in education, of teachers poorly paid and in inadequate numbers, of poor communities struggling to pay mounting school bills, of classroom shortages, of colleges and universities contending with overenrollment and undersupport, of waste of human talent. These problems are not entirely monetary, but lack of money is the major element."

It concluded that "At a minimum, expenditures for education should be doubled within a decade."

"We could make rapid and substantial improvements in the quality of our schools right now if we had the financial resources to do as well as we already know how to do," declared William G. Carr, executive secretary of the National Education Association.

A few years ago the then Administrator of the Federal Security Agency, Oscar Ewing, wrote: "The plain fact is that when public school education is bad, the basic fault is almost always lack of money."

Beardsley Ruml stated that "public education broadly speaking has failed to participate in national prosperity," and that "the public schools in 1957 are in the same position that the banks were in 1931. In a year or two or three, more and more public schools will become educationally insolvent."

"The Russian satellites may be the price we are paying for a generation of poorly financed schools," declared the president of the New Jersey Teachers Association; and the New York Herald Tribune, in an editorial, "The Lessons of Our Defeat," gave its answer to the question why we fell behind the Russians in missiles: "The Congressmen who killed Federal aid to schools won't have far to look to find the guilty party."

These and similar charges present a grave accusation against the American people: That they have been and are starving the schools while lavishing the abundance of their material prosperity upon personal consumption. They add up to a warning that the schools will be increasingly unable to provide for American youth the required level of education unless their income is vastly increased.

In between the two opposing views—those who blame our educational shortcomings on lack of money and those who trace it to a lowering of standards—there are, of course, many shades of opinion. One large group holds that the schools have done an admirable job in catering to the needs of millions of less-gifted young people whom compulsory attendance laws are keeping in the schools to a higher age, but that they have failed to challenge and develop the talents of the upper third or fourth of their students. This group does not place all responsibility at the door of insufficient funds but does believe that school support has badly lagged and must take its share of the blame.

THE RECORD OF SCHOOL SUPPORT

In evaluating the charge that American schools are inadequately financed, the emerging picture is clear cut and unequivocal. The American people have loyally and faithfully supported their schools. The record of steeply increasing school revenues is nothing short of spectacular and makes no persuasive case for holding insufficient funds responsible for shortcomings in the product of our public school system. Since the turn of the century enrollment has doubled, national income multiplied 25-fold, school expenditures multiplied 60-fold. School funds have increased much more rapidly than the gross national product, national income, personal consumption expenditures, or any other economic yardstick.

Contrary to a widespread belief, a smaller percentage of the population of the United States is now enrolled in the public schools than was in 1900. But school expenditures grew faster than outlays for the other governmental services except national defense. Expenditure per pupil in dollars of constant value has doubled every 20 years.

American public schools are better supported than the schools in other culturally and economically leading countries and keep more children for more years than foreign school systems. They enroll a much larger percentage of the young people 15 to 18 years old than the schools in any other country, and have taken on many responsibilities and teach many subjects which nowhere else are held to be in the domain of the public schools. But the children learn less, in terms of academic achievement, in American schools in 12 years than they do in Russian or other foreign schools in 10.

Shortages and overcrowding are far worse in Russian and other European school systems than in the United States. Factual analysis shows that teacher and classroom shortages in our schools have been greatly exaggerated and that they are rapidly diminishing. The U.S. Office of Education reported a need for 370,000 classrooms in fall 1954; in fall 1957 it placed the classroom shortage at 140,400. Within a few years, declining annual enrollment increases will make it unnecessary to maintain school construction at its present record level of over 70,000 classrooms a year.

The teacher-pupil ratio has been declining consistently, even during the recent years of unprecedented enrollment increases. We would have a surplus of almost 200,000 teachers if the schools now maintained the teacher-pupil ratio that prevailed in 1929 or if teachers worked the year round, as other people do. Several dozen research studies tried to find evidence of the advantages of smaller classes. But, surprisingly, the findings more often showed academic achievements to be higher in larger classes.

No other industry could afford to let its plant and trained staff go idle more than 3 months each year. But teachers' organizations have been showing a stiffening resistance to suggestions for all-year employment of teachers and buildings. They oppose the use of instructional television and films, teacher aids, or other means of making fuller or more effective use of the available manpower and material resources.

Has teaching lost its attractiveness because of low salaries? Over the past decade, the percentage of college graduates who go into

teaching has sharply risen, and the number of certificated teachers in the public schools has increased five times faster than the total labor force. The number and proportion of degrees in the teaching force has grown steeply and consistently. More persons are leaving nonschool jobs for teaching than quit teaching to accept private employment.

Teachers' pay is lower, on an annual basis, than the income of practitioners in such professions as law, medicine, or engineering. But teachers' salaries have risen proportionately more than per capita income, or the wages of workers in private industries and of other public employees. Relatively, the teachers are better off today than they were 30 years ago. Undoubtedly, many good teachers are woefully underpaid. What is worse, college students who rank in the upper half of their classes in ability, are likely to choose other careers which do not restrict their advance to inflexible annual increments. Can this be corrected by raises across the board? Probably not, because communities are unwilling to pay all teachers as much as they believe good teachers to be worth. It is no secret that many of our present teachers could not earn as much doing anything else. The trouble with teachers' salaries is not low starting pay but slow advance and low ceilings. Unfortunately, teachers' organizations insist on union-type salary scales and strongly oppose recommendations for paying teachers as other professional workers are compensated: competitively, according to merit and performance. Until this deadlock can be broken we probably shall go on underpaying good teachers while not getting the caliber of candidates the schools need.

DOES GOOD EDUCATION COST MORE?

Most studies which tried to equate the quality of education with the numbers of dollars spent, are long on presumption and short on evidence. As a rule, they rate a school not by the progress of its pupils in acquiring skills and knowledge, but by the desirable features of the school and its program, the variety of offerings, teacher-pupil ratio, etc. Many or most of these criteria depend on the amount of money spent and have little relationship to the quality of education transmitted to the pupils. The few studies which measured academic achievement against expenditures, such as the 1956 Connecticut project, found little or no correlation between the two.

Some observers hold that the rise in educational costs in the past two or three decades has raised the quality of education. But this is strongly denied by others who feel that the quality of public school education has gone down as the number of pupils and graduates soared.

Large enrollment and the declining value of the dollar bear some responsibility for increasing school outlays. But the sharp and consistent rise in the per pupil cost in constant dollars proves that the major cause of higher costs lies in other factors:

(a) While productivity—output per man-year—increased in most other fields of human endeavor, it declined in the schools. Technological progress which has raised productivity in other industries is being resisted by teachers' organizations.

(b) The proliferation of course offerings in a bewildering variety of subjects and the assumption of noneducational responsibilities by the schools probably is responsible for the employment of more than 100,000 additional teachers.

(c) The change from the subject-centered school which taught basic skills to the "child-centered" or activity school required more and roomier facilities. Building space allowances per pupil have gone up between 50 and 100 percent over the past 20 to 30 years.

The introduction of courses in marriage and family relationships, child development, grooming, junior homemaking for boys, teenage problems, beauty care, date behavior, consumer buying, stagecraft, square dancing, pep club, and fly casting without an increase in the number of classroom hours resulted in less time being spent on solid subject-matter learning. Pupils took the new courses not in addition to the fundamental subjects but instead of them. Mathematics became an optional subject through 4 years of high school in some of the country's largest school systems.

President Lee DuBridge of the California Institute of Technology observed: "There seems to be a kind of Gresham's law in high school and college courses—namely that the soft ones drive out the tough ones. And in certain places this softening, degenerating process appears to have gone to extreme limits."

President Grayson Kirk of Columbia University warned: "The primary purpose of any school is education, not social adjustment; the student becomes educated by hard work, not by entertainment."

To be sure, tens of thousands of dedicated and hard working teachers watched the trend with sorrow and anguish, and tried valiantly to maintain standards in their own classes. They were thwarted by parents who abdicated their responsibility to the schools, who, singly or in groups, clamored for easier courses, for instruction in subjects that used—and ought—to be taught in the home, who insisted that the schools lower their demands upon children and promote them each year regardless of merit and achievement. As local boards of education, overwhelmed by the pressure of numbers, devoted more and more of their time and attention to looking over bills, approving salary schedules, and building projects, worrying over the tax rates and bond issues, the control of the curriculum passed into the hands of the professional administrators. Some administrators, no doubt, deplored the drift toward an easier curriculum and tried to stem the trend. Others followed what seemed to be the line of least resistance to the pressures of small but vocal minorities among parents. But many who were steeped in an educational philosophy that recognizes no hierarchy of subjects and has little regard for intellectual excellence and mental discipline, welcomed and furthered the trend toward lower standards.

The results of these developments became apparent in recent years. An impressive array of the presidents and faculty members of America's leading colleges and universities and top scientists testified at congressional hearings or revealed otherwise that over the past quarter century the educational level of the high school graduates who applied for admission to or entered their institutions has seriously declined, their knowledge of science, mathematics, and humanities diminished.

During the same period the school's per pupil cost in constant dollars more than doubled. Is this a mere coincidence? Or could it be that the same guiding philosophy which caused school costs to rise, simultaneously lowered academic achievements? Sloan Wilson answered these questions in an article "It's Time To Close Our Carnival," which opened Life magazine's series "Crisis in Education" in March 1958. In describing how progressive educational policy took over American public schools, he recalled that "nobody foresaw how enormously expensive such a school system would be." He then went on to describe the results: "It is hard to deny that America's schools which were supposed to reflect one of history's noblest dreams and to cultivate the Nation's youthful minds, have degenerated into a system for coddling and entertaining the mediocre."

Some of the most eminent men in the sciences and humanities have stated their conviction that the needed uplift in the level of American education requires a renewed emphasis upon subject-matter learning, a major raising of academic standards in the elementary-secondary schools, and a new direction in the training and certification of teachers. The sentiment of the American people in the postsputnik period seems to demand just that. The increase in ballot box defeats of school proposals in the fall and winter 1957–58 are a reminder of widespread dissatisfaction with the results of the school system.

Will higher standards and greater emphasis upon subject-matter learning cause expenditures to rise? If the schools add courses in mathematics, science, history, and languages to the present curriculum without eliminating the soft courses and activities, costs will go up. But the problem in most schools is not that solid subjects are not offered but that their standards are too low and that not enough students enroll in them and are motivated to study with the necessary seriousness and dedication. If the popular courses for social conditioning are continued as part of the school curriculum, little progress will be made toward improving the skills and knowledge of the students. They will still prefer "co-ed cooking" to geometry if both carry credits.

Training in mathematics is no more expensive than "junior homemaking for boys." Nor does insistence on rigorous mental discipline raise operating costs. If the schools will concentrate on subject-matter teaching—as the public schools did until a quarter century ago, and as some American public and many nonpublic schools as well as schools outside the United States still do—costs will need to rise only moderately beyond the rate of increase in pupil enrollment.

To be sure, over the next decade the schools must get additional billions of dollars if they are to give an adequate education to an ever-growing number of pupils. Deficiencies in many areas require the infusion of more money. Also, if teachers' salaries are to keep pace with the rising general wage level, they will have to go on increasing.

Will school requirements be up $5 billion, $10 billion, $15 billion, over the next 10 years? That depends, above all, on how efficiently school funds are spent. Large amounts are presently wasted in keeping alive thousands of tiny school districts and uneconomical small schools which should long have been consolidated. Much of the inevitable cost increase could be offset by a more effective utilization of human and physical resources. The schools have been slow in abandoning a structure and methods which have long outlived their usefulness.

The choice in setting future policies does not necessarily lie between high-priced good schools and low-priced bad schools. The alternative may be between well organized schools which stress academic achievement, and can be operated at moderate cost, and life-adjustment-type schools which cost more and will not give our gifted young people the type of education which the Nation's cultural, scientific, economic, and political leadership requires in this atomic age.

It is now evident that we cannot, for any amount of money, buy a better education for our youth. Nor can education be fed painlessly on a silver spoon. The price of education is hard work, for which there is no substitute. Awarding students a high school degree for electing themselves out of an education with soft courses has led to a frightful waste of the ability and brainpower of the Nation's youth. Group dynamics and automatic promotion do not stimulate individual excellence. What is needed—and needed badly—is a general raising of educational standards in our public schools. There have been many suggestions on how this can be brought about. One of the best comes from the president

of Johns Hopkins University, Dr. Milton S. Eisenhower:

"I would like to see, say 100 presidents of our best public and private universities agree that, starting in about 1961 they will no longer accept a student unless he demonstrates genuine proficiency in English, a single foreign language, mathematics, science, and history. If this were done, it would have a profound influence upon secondary schools. I suspect the leaders of our secondary schools would welcome this external influence."

If methods are adopted for a fuller and more effective utilization of teachers and school facilities, if television, films, and other technological methods of widening the range of good teachers and saving manpower are adopted, if the schools concentrate on subject-matter teaching and eliminate frills, the quality of school education will be lifted but school funds will not need to rise much beyond the growth rate of the national income.

If, however, the trends of recent decades continue for the next 12 years, school revenue requirements will more than double by 1970. This will inevitably require a substantial increase in the tax burden.

Also, in the words of Bernard Iddings Bell, we may be "producing—at great expense and with the most incongruous self-congratulation—a nation of Henry Aldriches."

DO THE STATES NEED FEDERAL ASSISTANCE?

Some observers doubt that State and local governments will be able to meet school and other public needs in the years ahead and believe that they will have to depend increasingly upon Federal assistance. They point at the long-range trend of fiscal centralization which has raised the U.S. Treasury's share of all tax collections from one-third to three-fourths, and which has preempted the most lucrative sources of revenue.

When we analyze the financial history more closely we find that Federal taxes multiplied quickly and drastically during wars—World Wars I and II and the Korean conflict—while State and local governments kept their budgets and taxes stable. But during the intervening peace periods, both before and after each war, State and local governments invariably raised their tax receipts at a much sharper rate than the Federal Government. Since the end of World War II, Federal revenues have doubled while State and local revenues tripled. The Federal share of all taxes dropped between World Wars I and II, and has fallen from 82 to 67 percent since 1944. The cause of these varying trends is plain: wars require a concentration of effort in the National Government; but during peacetime emphasis shifts to domestic public services which are the primary responsibility of States and communities.

Has the Federal Government preempted the most lucrative sources of revenue? It probably has pushed income taxes to their productive limit and made it almost impossible for the States to add substantially to the existing load. Even exorbitant income tax rates have not produced a U.S. Treasury surplus that would enable the Federal Government to expand its commitments: its income fell short of outgo 80 percent of the time in the past three decades and met only 80 percent of the aggregate Federal expenditures. The national debt grew to astronomical proportions.

If income tax rates have reached a level that cannot be exceeded with impunity, neither the States nor the Federal Government can be expected to venture much deeper into this field. Thus, greater funds needed for schools and other purposes will probably have to be obtained by other means.

Federal levies on alcohol and tobacco also limit the additional rates which the States can collect. But the National Government barely utilizes other types of consumption taxes and has left this potentially fertile field almost entirely to the States.

The charge of Federal exploitation to the fullest, bordering on preemption, is well substantiated for the income tax (and possibly for estate taxes), but not for other types of taxation. But the total size of the Federal tax burden unquestionably limits the fiscal capacity of States and communities. They would be in a far better position to increase their revenues if, as the well-known public finance expert, Harold Groves, so well put it, the Federal Government did not "descend annually upon their taxpayers like a ton of bricks." This condition could be improved by relieving the U.S. Treasury of some of its obligations. It would be intensified if more responsibilities were placed on it. Federal taxes are still so high partly because of the cold war and partly because Federal civilian (that is, non-war-connected) expenditures multiplied five times between the 1948 and 1961 budgets. If the commitments of the Federal Government are further increased, it will have to descend annually upon the [States'] taxpayers even more heavily than it does now. Thus, a lopsided fiscal situation would be further aggravated.

The effect of Federal grants was well described by Senator KENNETH KEATING, of New York: "The process is a mushrooming one, since the greater the drain on local tax sources by the Federal Government to pay for these grants, the less individual States will be able to meet their problems out of their own resources. The wide appeal of Federal aid rests on the myth that it is a substitute for higher taxes, does not cost anything, or is paid by somebody else." At a hearing of the Education and Labor Committee of the U.S. House of Representatives, Congressman CLEVELAND M. BAILEY, of West Virginia, interrupted a witness who had remarked that Federal school aid would require higher taxes: "So far as I know Congress has not even begun any hearings on additional taxation. Let us assume there is not any additional taxation * * *. And you are not certain it is going to cost you a single cent more in taxes."

If Federal funds do not cost a single cent more in taxes, they are, of course, preferable to State and local funds which call for tax boosts. The Federal Government may assume additional obligations by simply raising the national debt. If, however, it financed new commitments to aid the States through taxation, the Federal tax share might well begin to rise again—to 75, 80, or 90 percent—and, thus, further undermine the ability of States and communities to raise their own support.

Some 15 or 20 years ago it was widely believed that States and communities were unable to increase their revenues by their own powers. Now, that they have raised their tax receipts at an amazing pace, far more rapidly than the Federal Government, it is being claimed that in doing so the States have exhausted their fiscal capacity and can go no further. If the States had not expanded their taxes so fast it would have been taken as a proof that they just could not do it. The advocates of Federal aid can base their case as easily on the fact that State and local revenues rise fast as that they rise slowly. They seem to have only one prescription for all types of malady.

The fact is that the fiscal capacity of the States is limited only by the size of the Federal burden and by the willingness of the people to be taxed. Analysis shows that the crucial question is not whether the States are capable of raising their own revenues but whether it is desirable that they do. States and communities can largely run their own show, in keeping with the wishes of their residents, and cannot be easily directed from Washington as long as they provide their own funds. But they can be whipped into line through the device of programmatic and conditional grants-in-aid.

Federal grants-in-aid were few and small sized prior to 1930. Their amount tripled between 1930 and 1940, tripled again between 1940 and 1950, and tripled a third time between 1950 and 1960. They now total over $7 billion a year, and account for one-fourth of all State revenues. What will they amount to 20 or 30 years hence at that rate of growth? It is significant that grants tripled under the Eisenhower administration which from inception tried to reduce them. How fast would they rise under an administration that favors them?

About a hundred State and local activities are now being aided and increasingly ruled by an ever-expanding Federal bureaucracy. If we continue to travel this road, the States will soon be only regional subdivisions of national administrative departments, and all governmental powers will be concentrated in Washington. This would mean the end of local autonomy and home rule. The questions to be raised are: Shall we preserve the right of the citizens in the several States and communities to decide what types of local services they want Government to supply and how much of them? Or shall those decisions be made on a more or less uniform national basis by bodies which are little concerned with local differences in concepts and needs and by officials who are not as easy of access as those back home? Do we want to maintain diversity or does this day and age require increasing uniformity of public service from the Atlantic to the Pacific? Has the principle of a Federal system of Government, of a wide dispersal rather than a concentration of government, of a wide dispersal rather than a concentration of powers outlived its usefulness after some 170 years?

The fiscal justifications frequently cited for Federal grants-in-aid are largely irrelevant. Lack of capacity, if proven to exist in some States or in all States, could be remedied by a far simpler device than a hundred grant-in-aid programs, each with its own regulations, and supervising Federal bureaucracy. Tax sharing or unconditional, nonearmarked, grants would require almost no administration and permit no control. But Congress does not seriously consider such proposals because they would not accomplish the real purpose of grants-in-aid: to shift to the national level the control of governmental activities which constitutionally are in the realm of the States. Thus, the slogan "Federal Aid Without Federal Control" is a contradicition in terms. If there were no intention on the part of Congress to overrule the decisionmaking powers of States and communities there would be no need for programmatic grants-in-aid.

THE BATTLE OVER FEDERAL SCHOOL AID

Few issues of public policy have been more heatedly debated, more ardently fought over, more bitterly battled, in and out of Congress for a longer period of time than Federal aid to education. Considering the tremendous effort that has been exerted for close to a century by large and powerful national associations against little organized opposition, the drive so far has been surprisingly unsuccessful. Only an insignificant amount of Federal money is now available to the schools for educational purposes.

Some of the existing programs are not truly aid to education: the grant for school lunches was authorized as a child welfare measure and a farm surplus disposal method, and as such is administered by the Department of Agriculture; payments to communities affected by Federal activities are an indemnification for tax losses occasioned by the immunity of property acquired by the Federal Government.

Two national grants are now available to the schools for educational purposes, both

significantly favoring some parts of the curriculum over others. A plan to foster training in certain selected vocational skills was initiated in the weeks prior to America's entry into World War I and a 4-year (1959–62) program to expand instruction in science, mathematics, and foreign languages and to aid guidance, counseling, and testing was enacted after the first appearance of the sputniks. Federal appropriations for these programs total slightly over $100 million a year, equal to less than 1 percent of the school budgets, and barely more than one-tenth of 1 percent of the U.S. budget. That seems a rather scant return on the huge investment in manpower and money during this century-long campaign.

Congress has in recent years repeatedly considered proposals to appropriate about $300 million a year for school construction. Sentiment for such a program has been affected by the sharp reduction in the classroom shortage—as reported by the U.S. Office of Education—from 370,000 in 1954 to 132,400 in 1959, but it is conceivable that at some juncture Congress may be persuaded to pass such legislation. If so, it would, at best add insignificantly to a $16 billion school budget, and could well retard construction progress because communities not eligible in a particular year might postpone their plans until they can get their needed buildings at 50 cents on the dollar.

Many arguments are being advanced to demonstrate the need for Federal assistance to the schools. The core of the case, as it is commonly presented, is lack of fiscal capacity: the States, it is said, cannot possibly, under their own powers, raise sufficient funds. This assertion does not come from those who are de lege and de facto responsible for the schools—the States, and the boards of education. Most Governors who have stated their views have expressed opposition to expanded or "massive" Federal school aid. The National School Boards Association has repeatedly refused to support the demand, and, in fact, not one of the 50,000 State and local boards of education has, for at least the past 5 years, testified in favor of it before a congressional committee. Some State and local school board members have appeared to testify against it.

The campaign has been spearheaded, and is largely being carried on by school employees—by the national organizations of school administrators and teachers and allied groups. It has, to date, been largely a token fight. The typical proposal before Congress has totaled $300 million a year and few bills exceeded $500 million. That still would leave the States and communities responsible for raising 97 percent of the school support. Even a grant of $1 or $2 billion annually would be a small contribution toward a revenue need which by the end of the 1960's will total $24 billion—or according to the National Education Association—$31 billion.

A Federal appropriation amounting to $1 or $2 billion would require States and communities to raise the remaining $22 to $23 billion, or more than 90 percent of the total. Does it not seem hard to believe that the States can now raise $12 to $13 billion, and by 1970, $22 to $23 billion, but that their capacity falls short of just another billion or two. Do $1 or $2 billion spell the difference between excellent schools and starving schools? Actually, States and communities have been increasing their school support at the rate of about $1 billion a year for the past 5 years.

It is more likely, as mentioned above, that we have so far witnessed only a token fight, a battle over the principle and precedent of Federal school aid rather than a contest over the size of the Federal contribution. The war over the approval of general—rather than special and earmarked—school aid and over the big sums, from $5 billion on up, still lies ahead. A continuation of the rapid growth of Federal grants-in-aid may well lead to the adoption of such a program within the next decade. Past experience does not suggest that Congress would authorize funds of this size without demanding and exercising an increasing voice in decisions on how this money is to be spent, as James Bryant recently so well pointed out.

To some it is axiomatic that Federal control must follow Federal aid. Others vigorously deny it. So much ink has already been spilled over this question that we do not want to restate the arguments pro and con, important as they are. It is conceivable that the usual antithesis of National versus State-local control may hide or misstate the underlying crucial issue.

Max Lerner wrote: "The choice before us is not the choice between the control of education by local officials and by National Government officials; that is not the choice, and don't let anyone tell us it is. The choice is between control by people who have not given their lives to education and control by people who have given their lives to it."

This suggests, and probably rightly so, that the real issue is one of control of the schools by laymen or by the professionals. Lay control of the schools is exercised largely through the approval or denial of funds. Administrators must, at least pro forma, comply with the wishes of the parents, communities, boards of education, if they want their budgets approved, their tax elections and bond issues to carry. As a larger share of the support comes from central governments, more and more funds are distributed by other educational administrators, in State departments of education, and in the U.S. Office of Education. This makes local administrators less dependent upon local favor and shifts authority to the nationally organized educational bureaucracy, a close-knit and battle-hardened fraternity.

Viewed in this context the Federal aid fight is not so much a controversy over the size or type of school support but over school control. Large national funds would, at least partly, tend to substitute for State and local funds; aggregate school revenues may not differ much one way or the other. The rate of financial growth could even decline. But the administrators would be firmly in the saddle.

Recalling a famous bon mot by Georges Clemenceau, Paul Woodring declared: "Just as war is too important to be left to the generals, education is too important to be left to the educators." Myron Liberman, however, proposed that "local control of education by laymen should be limited to peripheral and ceremonial functions of education." He suggested that authority be vested in the nationally organized educational profession. Such diametrically opposed philosophies cannot be reconciled. Which of the two the public schools will follow in the years ahead will be determined by the outcome of the fight over Federal aid to education. The availability of large Federal funds would inevitably and irrevocably decide the power struggle between the lay public and the educational bureaucracy in favor of the latter.

IN CONCLUSION

The fiscal case for Federal school aid is contrived, unsubstantiated, and fallacious. The ideological case for Federal aid as a means to national uniformity and professional direction of educational policies cannot be proven or rebutted. It must be accepted or rejected on faith. It is certain that a major entry of the National Government into the school field would fundamentally change the historical relationship between the American local community and its public schools. We may doubt that it would be a change for the better.

MILITARY CONSTRUCTION PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Nebraska [Mr. WEAVER] is recognized for 60 minutes.

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. WEAVER. Mr. Speaker, on June 13 during debate on the General Government Matters, Department of Commerce and related agencies appropriation bill for 1962, I laid before the House a detailed study of the practice of setting aside certain military construction projects for the exclusive bidding by small contractors. The Small Business Administration and the Department of Defense have agreed that construction contracts, with the exception of Capehart housing, will be considered as automatically set aside if they cost less than $500,000. Bidding is limited exclusively to small contractors. A small contractor is one who did less than $5 million gross business annually on an average over 3 years, is independently owned and is not dominant in his field. By this set-aside process the Government does not get the benefit of free and open competitive bidding on these jobs.

Many of my colleagues have commented to me on that study and it has received national attention through newspapers around the country. I have been asked for additional information on this very serious situation.

Also, on June 21, the Administrator of the Small Business Administration, the Honorable John E. Horne, appeared before the Select Committee on Small Business of the other body to testify on activities of his agency during the past year. He took particular note of what he called "a strong effort" to discontinue this military construction set-aside program. He referred specifically to a bill which I introduced on January 31 of this year, H.R. 3690, and to an identical bill introduced by the Senator from Montana [Mr. METCALF] and a similar bill to mine introduced by the distinguished gentleman from Louisiana [Mr. McSWEEN].

In his prepared statement, the Administrator made assertions which, if viewed casually, seem to make sense. It is mandatory, therefore, that these statements be carefully examined in the light of logic and reason.

On page 14 of his prepared statement, the Administrator says:

> Set-asides on construction procurement are neither initiated by this agency nor agreed to by the contracting agency, unless there is a reasonable expectation that bids will be received from a sufficient number of responsible small business concerns and unless the bid price is reasonable. The Armed Services Procurement Regulation and the Federal Procurement Regulations each authorizes set-aside awards to be made at fair and reasonable prices, and empowers contracting officers to reject any bid they believe is unreasonable.

Now this sounds fine—if it worked out. We are, as Members of Congress, interested in seeing to it that small business gets a fair deal. We are also interested in seeing to it that the Government and the taxpayer get a fair deal. The Administrator's explanation seems to show that both get that kind of a deal.

But is this the case?

For one thing, the Administrator implies each contract is judged as a separate entity. This is not the case, as he himself testified just a few seconds before making that assertion. In the preceding paragraph of his statement the Administrator says:

> Under SBA's agreement with the Department of Defense, the Department's construction procurement officers consider that SBA has recommended a set-aside on all construction procurements, except Capehart housing, between $2,500 and $500,000.

The Administrator here is contradicting himself. On the one hand he says construction authorities judge each contract on its own merits, and on the other, he says these same contracting officers must consider that all construction procurements falling within the specified price have been set aside. He cannot have it both ways.

The Administrator is contradicted, too, by men in the Department of Defense who work daily with this program. Construction procurement officers feel they are tied by a rigid, inflexible program which cannot be ignored. It is their considered opinion that all construction procurement within the price range is automatically set aside and must be bid on only by small contractors unless they can prove the following conditions exist:

First. There will not be enough bidding by small firms to guarantee competition and a reasonable price.

Second. It can be shown the project is beyond the capability of small concerns to perform.

Third. Public safety demands speed beyond the capacity of small contractors to produce.

These criteria are not guesswork. They can be found in correspondence between officers of the Corps of Engineers and contractors. These criteria are not local in nature, either, but appear from this same correspondence to be nationwide.

In one letter, the district engineer at Seattle, Wash., writes:

> Under current instructions from higher authority, I am required to set aside for small business all work costing $500,000 or less which is advertised by this district. An exception to this procedure can be made only if it can be determined that adequate competition and reasonable prices will not prevail.

Note in this letter the emphatic manner in which the district engineer speaks.

In another letter, to still another contractor, the district engineer at Wilmington, N.C., has this to say about the tight limits placed on his discretionary power:

> This office must comply with this (set-aside) agreement except in rare cases where it can be shown that the work is beyond the capability of small business or where public safety requires speed beyond that capability.

There is the same emphasis in this letter as in the one from the district engineer at Seattle. The Seattle letter says the contracting officer is "required" to set aside these contracts. The Wilmington letter says the corps "must comply" with the program. Neither letter indicates the officer feels he has the kind of discretionary power attributed to them by the SBA.

These stipulations in the agreement between the Department of Defense and the SBA are obviously designed to hamstring the judgment of contracting officers. It is obvious nobody can determine at the time a contract is advertised and an invitation to bid is sent out whether there will be an adequate number of bids or how responsible the bidders will be. And it must be noted here that contracts are set aside for exclusive bidding by small contractors at the very beginning—when the invitation to bid is sent out. This automatically precludes a large number of bidders and thereby lessens the ability to determine if reasonable prices are offered.

I would like here to cite an example of how this works. A large construction firm, Peter Kiewit Sons' Co., was doing work at the Glasgow, Mont., Air Force Base. It came to the attention of their Montana area manager that another project at the base, involving Invitation No. ENG–45–108–61–151 was in the offing. This invitation covered construction of aircraft maintenance docks and support facilities. So, on April 27 of this year, he wrote to the district engineer at Seattle. After noting that the contract had already been set aside for small business, despite several conferences between the contractor and the corps, the contractor's agent says:

> The work is primarily of the heavy construction type including earthwork, gravel and crushed aggregates, asphaltic paving, underground utilities, and portland cement concrete paving. All of this work is of the nature and within the scope of work we have been doing at Glasgow AFB since May of 1958. We presently have at Glasgow sufficient equipment of the type necessary to perform this work. This equipment includes truck tractors, scrapers, dozers, motor graders, rollers, dump trucks, water trucks, belt loaders, screening plants, crushers, aggregate plants, hot-asphalt plants, asphalt laydown equipment, concrete batch plant, 34–E paver, transit mixers, concrete spreading and finishing equipment, trenching machines and miscellaneous supporting equipment. We also have at Glasgow sufficient qualified and experienced personnel for this type of work. In view of these circumstances we believe that we are in the best position to offer the Government the most competitive price for this work. In addition we are manned and equipped to insure the timely completion of this work.

To my way of thinking this is a logical assumption on the part of the contractor. The list of equipment needed for this project is staggering and it involves a pretty sizable investment, not only in capital outlay, but in the cost of moving the equipment to the site where it would be needed. It is indeed difficult to understand how or why the Corps of Engineers felt it had to continue the set-aside program on this particular project.

But back came the answer from the Seattle district engineer on May 4 of this year. In it he states:

> In the bid invitation under discussion I can recognize fully that competition is reduced by eliminating your firm and other firms defined as big business from the list of eligible bidders. However, it is not possible for me to make a finding that adequate competition and reasonable prices will not prevail.

The district engineer goes on to make a point which should have been obvious to everyone in the Department of Defense and the Small Business Administration as soon as this program was conceived. The engineer states further:

> I am sure you are aware there are few circumstances in which it is possible to make such a finding because, in fact, such a judgment can be confirmed only on the opening of bids.

By this time it is too late for the contracting officer to use any yardstick except the estimates, which have been made with the knowledge that the bidding will be limited to small business. And so, small business will have to move in the great masses of equipment and manpower needed for this job—while a short distance away the machinery is already available at no moving cost at all. We may never know exactly how much this operation will cost the American taxpayer, because the contractor was precluded from bidding. The moving cost alone must be pretty high on this kind and size of equipment.

This is not a unique example of what I have been discussing here. I have been provided another example and this one involves the Tidewater Construction Co. of Norfolk, Va., and a job at the Army Transportation Terminal, Sunny Point, N.C. The work involved replacing fender pilings and Tidewater, through its president, S. E. Liles, Jr., asked for and was furnished copies of the plans and an invitation to bid. Mr. Liles, in a letter to the district engineer on January 16, 1961, tells the story in these words:

> Immediately after we received the advertisement we were confronted with the fact that this job was set aside for small business.

This was particularly puzzling to Mr. Liles, as he explains further in his letter:

> Just a few months ago your office received bids on similar work at Sunny Point. Our company was the low bidder and our proposal was approximately 20 percent less than that of the second bidder. We were awarded the job and completed it promptly and, to the best of our knowledge, to your complete satisfaction.
>
> As we were completing the work covered by the contract, our representatives were approached and asked to furnish your office with prices for the replacement of additional piles, which apparently are now the subject of this separate advertisement. We made estimates and visited your Office, and apparently our prices were very much in line. We were informed that technicalities finally made it necessary not to accept our offer but to readvertise the job.

At this point in his letter Mr. Liles makes the observation which is also apparently the basis for SBA's contention that we do have adequate safeguards and the officer has discretionary power. He notes that the set-aside provision in the advertisement for bid carries the notice that:

> This action is based upon the determination of the contracting officer alone.

And he adds this pertinent observation:

> It would appear that the contracting officer still has some opportunities to exercise his independent judgment in certain cases.

Mr. Liles was soon disillusioned. The District Engineer at Wilmington, N.C., fired back an answer 2 days later. In that January 18 letter the contracting officer who is supposed to have such a wide latitude of choice, has this to say:

> Under a joint Small Business Administration-Defense program, the Assistant Secretary of Defense (Supply and Logistics) has entered into an agreement with the Administrator, Small Business Administration, whereby the Department of Defense agencies will consider that the Small Business Administration has initiated a joint set-aside request for each proposed construction procurement estimated to cost less than half-a-million dollars. This office must comply with this agreement.

I would like you to note the emphatic way in which this is stated. He feels he "must comply."

The district engineer goes on to say:

> It is true that your company had a contract for similar work at Sunny Point a few months ago and that your performance was entirely satisfactory to this office. The exclusion of your firm from bidding on this contract is in no way related to any past performance, but is due to the fact that we must comply with the joint Small Business Administration-Defense program which became effective after your recent contract was awarded.

Once again, we will probably never know just what the savings to the American taxpayer could have been on this project. We do have in the Tidewater letter the basis for an educated guess, and that guess would be just about 20 percent. That could have been an important saving to the Government.

This exchange of letters bears on another point which I have heard repeated often by those who so strongly advocate this set-aside system for Government construction. In discussing this with SBA people I have been told:

> Well, big contractors are likely to submit a low bid on one of these projects because they know that it cannot be considered and they just want to embarrass the SBA.

On the face of it this is a ridiculous statement. It costs a contractor, large or small, many hundreds, sometimes thousands, of dollars to prepare a bid. It involves paperwork, estimators, and so forth.

Here, though, we have a clear-cut example refuting this SBA claim. The contractor involved had just gotten through doing a very similar job. He had submitted a low bid, 20 percent below his competition. His performance on that contract was so well accepted by the corps that they approached him about doing further work. Once again, they discussed prices and, again, the corps seemed pleased with the offer that was made. There can be no question here about anybody submitting a fake bid or trying to embarrass anyone.

I have mentioned here the attitude that the contracting officers take toward this set-aside business—how they feel they must operate. This belief that they are faced with a rigid, inflexible program is nationwide.

How about the SBA itself? The Administrator assures us that there is no intent of inflexibility. Some of his people apparently feel otherwise. On November 17, 1960, a Mr. Larry Nieman, Director of the Small Business Administration's Omaha office, appeared before a joint meeting of representatives of the Associated General Contractors and the district office, Corps of Engineers. I quote now from the minutes of that meeting:

> Mr. Nieman explained that he was Director of the Small Business Administration office located at 7425 New Federal Building, Omaha, Nebr., and that his jurisdiction was the entire State of Nebraska and all Government work originating in Omaha; consequently, all projects within the Omaha district are within his jurisdiction. He explained that small-business set-asides would apply to all jobs below $500,000 and above $2,500.

Now these were minutes of the meeting. If he had qualified his jurisdiction in any way or the application of this program in any way, it would be certainly reflected in the minutes. Apparently, then, SBA's people themselves are of the opinion that this applies to all construction in this category. Set-asides then are automatic.

In my June 13 study of this basic problem to a large segment of our American industrial economy, I pointed out that the construction procurement agencies themselves consider that price increases to the American taxpayer are inevitable under the set-aside program because of a lack of free and open competition. The Corps of Engineers ran an analysis in which they estimated the difference between the low bid by big firms and that of small firms—during a period when there was no set-aside restriction—ran to 12 percent. I have cited examples previously demonstrating a price increase ranging from 2 percent to 83 percent which the American taxpayer, now or in future generations, will have to pay.

The reason for this cost increase is well known throughout the construction industry itself. It is simply that any time there is a restriction on bidding, no matter for what reason, costs will go up to the purchaser. When bidding is open to all on a free and competitive basis as it once was under both Armed Services and General Procurement Regulations, costs are kept down.

This fact of the free enterprise system is recognized in a number of the basic laws of our country including, for example, the Renegotiation Act. That act exempts from its provisions all construction awarded through competitive bids on the theory that whenever there is true competitive bidding there will not be excessive profits from the contract. The Renegotiation Board has ruled that whenever there are restrictions on bidding, a contract is not obtained through true competition and therefore is subject to the provisions of the Renegotiation Act. The basis for this ruling is that when competition is restricted, prices are higher and there is a strong possibility of excessive profits from the contract.

In view of this, the Small Business Administrator in his statement to the select committee made a surprising assertion.

On page 15 of his prepared statement, the Administrator says:

> Although it has been claimed that the set-aside program is costing the Government more money, Secretary of the Navy Connally, in testifying recently before your procurement subcommittee, while acknowledging that there may be such instances, said, "I don't know of one where the Navy or the Government has wound up paying more money for an item as a result of doing business with small business firms."

I say this is a surprising assertion on the part of the Administrator because he knew better. On June 13 I cited for the House three specific examples of where the Navy had paid higher prices because of the set-aside program. That was 8 days before Mr. Horne made his statement and he most certainly had a chance to examine the RECORD before then.

I am surprised, too, that the Secretary of the Navy would make such an assertion. He had merely to check with his Bureau of Yards and Docks and he could have found the answer. It was spelled out by that Bureau in testimony appearing in part 2 of the General Government-Commerce hearings on page 474. On that page Admiral Corradi cites three specific examples. If the Secretary of the Navy cared to look further I am sure he could find more. It might be a project well worth his undertaking.

SBA not only has the power to set aside contracts on an automatic basis, and by so doing nullify the judgments of the contracting officers, it has the power to certify any small business firm as competent to do just about anything. And once again, the sound judgment of contracting officers is reversed.

A typical example of what can happen under this system came to light down in Greenville, Miss., where the Government owns a plant which manufactures concrete matting used in flood control work. The situation seemed to me so outrageous that I asked the Comptroller General to examine it thoroughly. He has done so and I would like to give you a report on his findings.

Although owned by the Government, this plant is operated by contractors on a year-to-year basis. As was the usual custom, the district engineer at Vicksburg, Miss., issued an invitation to bid. The contract involved the manufacture of 75,000 items. In his report, the Comptroller General states:

> Three bids were received and opened on February 25, 1960, with the C. G. Kershaw Contracting Co. the lowest bidder. The dis-

trict rejected the Kershaw bid on the basis of an administrative determination that neither the Kershaw Co. nor its principals had the capacity nor the business integrity necessary to perform the work.

So, what happened?

The Kershaw Co. appealed to the SBA and got a certificate of competency from that agency. This certificate was binding and so the award went to the Kershaw Co.

The results are outlined in the GAO report:

District officials have informed us * * * that contract specifications permitted three-fourths of 1 percent rejects, or 627, whereas actual rejects amounted to 1.3 percent, or 1,074. The quantity of rejects was greatly in excess of that experienced by the district in previous contracts for this work.

Also, we were informed that, because of the poor management practices of the contractor, the job was "strung out," making substantial overtime work necessary. The original contract completion date was February 21, 1961, but additional time allowed extended the completion date to March 30, 1961. The contractor completed casting on March 21, 1961. Because of the large percentage of rejects, district officials also expressed apprehension as to whether the mats produced will prove satisfactory when actually laid next year.

That this decision by SBA to overrule the judgment of the district engineer cost money can be demonstrated by quoting further from the GAO report:

District officials state that administration of the Kershaw contract will involve substantial costs in excess of those incurred in connection with similar contracts in preceding years. The original Kershaw contract covered the casting of 75,000 mats at a price of $577,400. On November 17, 1960, the contract was modified to provide for an additional 8,000 mats at a price of $61,700. Total contract price amounted to $639,100. However, district officials estimate that additional costs of about $32,000 have been incurred to date in the administration of the contract. The additional costs are attributed primarily to the necessity of increased inspection of the contractor's operation, large amounts of correspondence with the contractor, numerous conferences held between the parties, and the processing of claims filed by the contractor.

In addition, district officials estimate that the cost of handling the contractor's claims which are still unsettled will amount to another $3,000 to $10,000.

Thus, a bureaucratic decision to overrule the judgment of the contracting authority has cost $32,000 already, could cost an additional $3,000 to $10,000. Assuming the Government does not have to pay any of the claims filed by the contractor, this one deal will have cost nearly 6 percent additional.

No matter which way you turn, it seems that in this particular area, bureaucracy rules supreme—and at a high cost to the American taxpayer at every turn.

I would like to examine one other phase of this problem upon which I have not touched before, and that involves some very serious legal and constitutional questions in this set-aside program in construction.

I have consulted with competent legal authorities, men expert in the field of constitutional law and I would like to report their findings.

The fifth amendment to the Constitution of the United States provides in part:

No person shall * * * be deprived of life, liberty or property without due process of law.

The right to carry on a construction business on an equal basis with all other contractors is a property right that is guaranteed by the Constitution and backed up by numerous court decisions. Neither Congress nor any Federal administrative agency has the right to infringe upon, limit, or destroy that right.

In volume II, "American Jurisprudence", "Constitutional Law", section 336, page 1147, it is stated:

The right to earn a livelihood by following the ordinary occupations of life is protected by the Constitution; such protection is particularly found in the guarantees of the 14th amendment. It has been said that the preservation of such right is the principal purpose of the Constitution itself and is of the very essence of the personal freedom and opportunity that it was the purpose of the 14th amendment to secure. The right is fundamental, natural, inherent, and inalienable, and is one of the most sacred and most valuable rights of a citizen. A person's business, occupation, or calling is "property" within the meaning of the constitutional provisions as to due process of law and is also included in the right to liberty and the pursuit of happiness.

In *Butchers' Union Co.* v. *Crescent City Co.*, 111 U.S. 746, 756, 757, an old but a respected case, Mr. Justice Field said:

As in our intercourse with our fellow men certain principles of morality are assumed to exist, without which society would be impossible, so certian inherent rights lie at the foundation of all action, and upon a recognition of them alone can free institutions be maintained. These inherent rights have never been more happily expressed than in the Declaration of Independence, that new evangel of liberty to the people: "We hold these truths to be self-evident"—that is so plain that their truth is recognized upon their mere statement—"That all men are endowed"—not by edicts of emperors, or decrees of Parliament, or acts of Congress, but "by their Creator with certain inalienable rights"—that is, rights which cannot be bartered away, or given away, or taken away except in punishment of crime—"and that among these are Life, Liberty and the pursuit of Happiness, and to secure these"—not grant them but secure them—"Governments are instituted among Men, deriving their just powers from the consent of the governed." Among these inalienable rights, as proclaimed in that great document, is the right of man to pursue their happiness, by which is meant the right to pursue any lawful business or vocation, in any manner not inconsistent with the equal rights of others, which may increase their prosperity or develop their faculties, so as to give to them their highest enjoyment. The common business and callings of life, the ordinary trades and pursuits, which are innocuous in themselves, and have been followed in all communities from time immemorial, must, therefore, be free in this country to all alike upon the same conditions. The right to pursue them, without let or hindrance, except that which is applied to all persons of the same age, sex, and condition, is a distinguishing privilege of citizens of the United States, and an essential element of that freedom which they claim as their birthright. * * * In this country it has seldom been held, and never in so odious a form as is here claimed, that an entire trade and business could be taken from citizens and vested in a single corporation. Such legislation has been regarded everywhere else as inconsistent with civil liberty. That exists only where every individual has the power to pursue his own happiness according to his own views, unrestrained, except by equal, just, and impartial laws.

More recently, in *Greene* v. *McElroy*, (1959), 360 U.S. 474, 3 L. Ed. 2d, 377, 79 S. Ct. 1400, the U.S. Supreme Court held that the right to follow a chosen profession free from unreasonable Government interferences comes within the liberty and property concepts of the fifth amendment.

A similar conclusion was reached in *Peters* v. *Hobby* (1955), 349 U.S. 331, 99 L. Ed. 1129, 75 S. Ct. 790. In that case Justice Douglas wrote a separate concurring opinion in which he stated that one of man's most precious liberties within the meaning of the fifth amendment is the right to work.

In *Schware* v. *Board of Bar Examiners* (1957), 353 U.S. 232, 1. L. Ed. 2d 796, 77 S. Ct. 752, the Supreme Court held that a State cannot exclude a person from the practice of law or from any other occupation in a manner or for reasons that contravene the due process or equal protection clauses of the 14th amendment.

In volume 12, "American Jurisprudence," "Constitutional Law," section 472, page 135, the rule is stated:

Certain dicta of the Supreme Court in tax cases and the application to congressional legislation of the same rules as to classification which are applied to determine the validity of State legislation under the equal protection clause of the 14th amendment indicate that the Supreme Court often tests the validity of Federal legislation under the due process clause of the fifth amendment by the same rules of equality that are employed to test the validity of State legislation under the 14th amendment.

The set-aside program, as it is being applied to the construction field, that is, on an automatic basis, and to government construction contracts, deprives all contractors who do not qualify as small business of the right to bid on a large volume of government construction work and thereby limits or destroys their constitutional right to carry on a legitimate business, a normal occupation.

Many contractors whose annual revenue is only slightly larger than $5 million, depend almost entirely upon Government contracts of $500,000 or less for their source of income. The set-aside program will force them out of business and destroy their right to carry on their chosen occupaton.

Many larger contractors also depend for a portion of their income upon a volume of Government business involving contracts of $500,000 or less. While these contractors will not be forced out of business their right to carry on their business upon the same conditions as are afforded to other contractors is taken away from them.

On page 505 of the General Government-Commerce Hearings, part II, the Administrator was asked to comment on this situation. His reply follows:

Mr. HORNE. Any time you get in these areas you are bound to help some and hurt others.

Mr. Speaker, I submit that the Constitution does not give any administrative agency that authority.

IMMIGRATION-REFUGEE LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. LINDSAY], is recognized for 60 minutes.

Mr. LINDSAY. Mr. Speaker, in each Congress we are required to survey many of the Nation's needs and to act resolutely to meet those needs. I recognize that no one Congress is capable of meeting every national need and priorities of importance must be established. This does not mean, however, that the majority leadership in the Congress should with impunity, year after year, relegate to the legislative cellar subjects which are not to their particular liking. Immigration and refugee legislation are among such subjects. Immigration reform is long overdue. Our refugee legislation is woefully inadequate. The majority's inaction in these fields—even worse, its refusal to act—can no longer be excused.

The archaic restrictions that bind our immigration policies reflect a provincialism that ill befits us. We give the impression, both at home and abroad, that we are obsessed with a xenophobia that is neither reasonable nor sensible.

I am concerned particularly with the national origins quota system—a system which purports to preserve the ethnic composition of quota immigrants and concomitantly the ethnic and racial balance of the country. The McCarran-Walter Act bases its quota system upon the white population of the United States in 1920, divided up—arbitrarily at that—between ethnic groups. In rewriting the law we must depart as far as we can from this system. The total population according to the 1960 census should be used as a base, not just the white population as it stood in 1920. Quotas should be divided up, insofar as possible, according only to U.S. needs and priorities of applications.

Our refugee law is inadequate. It is confined to a very limited number of Europeans. It excludes all others, and does not give us a base upon which we can exercise real leadership in the world refugee problem.

The McCarran-Walter Act discriminates against naturalized citizens. It contains unnecessary penalties which makes them second-class citizens.

Reform immigration legislation must be considered now. The Eisenhower administration recommended legislation to liberalize our immigration laws in the 84th, 85th, and 86th Congresses. Congress refused to act. In this Congress I have waited expectantly for a message from the new administration on the subject of immigration, and to date there has been silence. Can this be another subject, like civil rights, that the administration wants shoved into the legislative cellar? Is this yet another broken campaign promise?

The 1960 platform of the Democratic Party states:

> The national origins quota system of limiting immigration contradicts the founding principles of this Nation.

The platform calls for an end to discrimination in immigration policies, revision of the quota system, removal of the distinctions between native-born and naturalized citizens and admission of a fair share of refugees. It expresses confidence "that a Democratic President in cooperation with Democratic Congresses will again implant a humanitarian and liberal spirit in our Nation's immigration and citizenship policies."

This is high sounding language my friends. But it becomes clearly apparent that these are just words, full of sound and fury before the election, but signifying nothing after the election. What a cynical approach to the public welfare this is. In contradistinction, the Eisenhower administration repeatedly called for legislative reform of our immigration and refugee policies. A Democratic Congress refused to act. The Republican platform calls for basic amendments of the McCarran-Walter Act. I and others on the minority side have introduced omnibus reform legislation, which I shall talk about in greater detail.

An integral and essential facet of overall immigration policy is the refugee problem.

In the years since World War II over 40 million human beings have been involuntarily uprooted from their homes and have crossed frontiers, artificial or traditional, in search of asylum. The tragic proliferation of refugees all over the world is one of the legacies of an era convulsed by two World Wars and many smaller wars, revolutions, civil conflicts, and surging nationalist movements. Refugees are both the product of political tensions and the cause of new unrest. Wherever refugees exist two elements are present: human misery and political tensions. The refugee is the pawn of power politics, a source of conflict between the state of origin and the asylum state. With dismal regularity in the postwar world, the immediate political issues generated by refugees have become caught up in the larger issues of the cold war.

Wherever there is an unsolved refugee problem, there is thus a tragic human situation and a potentially explosive political situation. Refugee problems do not solve themselves; on the contrary, they are self-exacerbating. When neglected—as they all too often have been—human misery abounds and political tensions are aggravated.

Consider for a moment the human dimensions of the "refugee problem." In the course of a world tour of refugee camps last autumn, I observed thousands of children and adults living without hope, without the barest material comforts, and above all, without the conditions of human dignity which we Americans have come to accept as our birthright.

My first onsite experience with an exploding refugee situation occurred in the autumn of 1956 when I served as the representative of the Attorney General of the United States in Austria and Germany for purposes of setting up machinery under which almost 40,000 refugees from the Hungarian revolution might be brought into the United States. Many an early dawn I stood on the Austrian side of the bridge at Andau and watched Hungarian refugees come over the freezing swamps and canals. It was a sight and an experience that I shall never forget. Anyone who has witnessed the chaos, the fear, and the suffering of human beings in mass flight from their homes and their homelands can never again think of the plight of uprooted populations as anything less than an urgent demand on conscience and compassion.

The United States can scarcely press for solutions to world refugee problems without offering to accept some of the refugees themselves. I do not suggest that we must open our doors to massive immigration, but I do maintain that we are under the strongest moral obligation, in advancing an overall resettlement plan, to participate in such a plan by offering homes within our own country to at least a reasonable number of refugees. Such action would require certain basic reforms in our immigration legislation.

Another concept currently imbedded in our immigration policy is the system of involuntary loss of nationality by naturalized citizens through residence abroad. In this area we have witnessed a shift from a rebuttable presumption of voluntary expatriation to a conclusive establishment of expatriation.

Historically expatriation was the act of the citizen, not the state. Simply by a change of abode for a period of time a naturalized citizen is conclusively presumed to have renounced his allegiance to the United States. This distinction creates a broad gap between the rights of native born and naturalized citizens and no system of exceptions, as are currently contained in the law, can rectify such a discrimination. The current expatriation provisions are arbitrary and repeal is warranted.

Mr. Speaker, I am today introducing immigration legislation designed to make necessary and workable revisions to the Immigration and Nationality Act.

Included in my bill are the following major features:

First, in order to eliminate the current obsolete quota system formula based on the 1920 census my bill establishes an annual quota computed on the basis of the total U.S. population according to the 1960 census. This would result in an annual quota of about 300,000 instead of the present quota of 154,000. The quota for each minimum quota area would be raised from 100 to 200. This would include the countries in the "Asia-Pacific triangle." In fact my bill abolishes that classification.

Second, my bill provides that all unused annual quota numbers will be placed in a general quota pool, without distinction between areas, which will be available for allocation to the quota

areas whose quotas were oversubscribed during the previous fiscal year. Each such oversubscribed area will receive a percentage of the number of visas in the quota pool in the ratio that its assigned quota bears to the aggregate quota of all oversubscribed quota areas.

Third, the bill contains provisions which would allow new political entities an immigration quota of not less than the subquota or minimum quota for the area previously comprised.

Fourth, refugees are defined in the bill as including persons forced to flee from Communist territory or from a country in the Middle East because of persecution or fear of persecution. The definition also includes persons who are victims of war, political upheaval, or natural calamity who are unable to return to their former homes.

Fifth, where the President finds that an emergency situation such as the Hungarian revolt has arisen causing the creation of large classes of refugees, he may, by proclamation, direct the Attorney General to parole into the United States, refugees as selected by the Secretary of State. Furthermore, the Attorney General is authorized to parole into the United States refugees selected by the Secretary of State in any fiscal year up to 10,000 per year.

Sixth, my bill provides for the subsequent adjustment of the status of such parolees, within prescribed procedures, to that of permanent residence. The Congress will retain veto power over such admissions.

Seventh, the bill further provides, that during the next 2 years a total of 20,000 special nonquota immigrant visas will be authorized for refugees and their spouses and children if accompanying them. Up to 10,000 of these special nonquota visas will be available for unsettled hard-core refugees now in refugee camps under the auspices of the United Nations High Commissioner for Refugees. The provisions of the Immigration and Nationality Act with reference to exclusion because of tuberculosis will be waived as to such unsettled hard-core refugees in United Nations camps.

Eighth, my bill authorizes the Secretary of State to make grants to public and private agencies in the United States for the purpose of financing the resettlement of refugees in the United States for the next 2 years in conjunction with the special 20,000 nonquota visas that would be authorized. These grants would include some assistance for the care and rehabilitation of the nonsettled, hard-core refugees.

Ninth, the bill eliminates the requirement that an alien furnish information as to his race and ethnic classification in an application for an immigrant or nonimmigrant visa.

Tenth, my bill eliminates the current discriminatory provisions in the law under which naturalized citizens can be deprived of their citizenship because of sustained residence abroad in excess of 3 years in their country of origin and 5 years elsewhere.

Mr. Speaker, the need for prompt and effective action in the area of immigration policy appeals to our conscience and to commonsense. I know of no one who is satisfied with the law as it now stands. And yet few are willing to press for positive reform. It is time that we had it. I ask for support for my bill. And in so doing I ask the majority in the Congress and the administration to honor its commitment to the American people.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. LINDSAY. I yield to the distinguished gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, I believe the gentleman from New York is performing a true public service this afternoon by calling this matter to the attention of the House. I know the gentleman agrees with me when I comment that it is rather ironic, to say the least, that our Nation which in its entire history has prided itself on its ability to absorb people from all sections of the world, should in recent years develop what amounts almost to a deliberate closed-door policy which, as the gentleman has indicated, definitely discriminates against these refugees who are still suffering as a result of wartime dislocation.

I know the gentleman has worked hard in the previous session, specifically in his committee, to advance sound, constructive legislation. I certainly hope that his remarks this afternoon will receive the attention of the Members and most certainly the support of the Members as well.

Mr. LINDSAY. I thank the distinguished gentleman from Illinois. I know that the gentleman, himself, is the author of comprehensive omnibus legislation dealing with the problem of immigration. I think the gentleman, as well as I, have a right to ask that the appropriate committee of the House, the Committee on the Judiciary, hold hearings and that the majority side of that committee listen to our plea for a full-scale hearing on the subject of omnibus immigration reform.

Mr. Speaker, as indicated, I am not going to go into details of the bill that I have introduced. Suffice to say for the present, it deals with the subject of the national origins system, deals with the knotty problem of reform in that area.

It brings the quota system up to date by using as a base the 1960 census. It makes full and complete use of all unused quotas. It removes the built-in discriminations of the McCarran-Walter Act, particularly those provisions which make unnecessary distinctions between naturalized and native-born citizens, and it deals realistically and positively with the subject of refugee legislation, one of the most neglected and one of the most important subjects of all.

If the United States is to take a leadership position in the effort in the Middle East, for example, to relieve tensions in that area and other tension-danger countries and areas then it must be willing at least to adopt domestic policies of its own that do not continue to reflect an obsession of exclusion, zenophobia is the word that is used, and we are still possessed with it and gripped with it here in the United States.

Until this country is willing to act courageously on the subject and this administration push legislation or even offer legislation it seems to me we cannot hold our head up as high as it should be held in the council of nations.

The need for prompt and effective action in this area—immigration policy—appeals both to conscience and to commonsense. I know of no one who is satisfied with the law as it now stands and yet few are willing to press for substantial reforms.

U.S. RELATIONS WITH LATIN AMERICA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Alabama [Mr. SELDEN] is recognized for 60 minutes.

Mr. SELDEN. Mr. Speaker, almost half a year has passed since President Kennedy first pledged a fresh beginning at meeting the critical political and economic challenge to U.S. relations with Latin America.

Some might argue that in terms of long-range objectives, half a year is too brief a period to assess fairly the progress being made by the administration in its efforts to carry out this pledge. Yet half a year, when working in an area where positive action is long overdue, is a great deal of time in today's world.

On his return from Latin America last week, Ambassador Stevenson expressed the opinion that our position there has deteriorated since his visit of only a year ago. And the President himself has emphasized that time is not running in our favor in the struggle against the inroads of international communism.

In short, we do not have 6 months to lose. We do not have a day to lose when our enemy has marked the southern part of our hemisphere as a major battlefield in the cold war.

As chairman of the Inter-American Affairs Subcommittee of the House Committee on Foreign Affairs, I fully recognize that the Kennedy administration inherited an unenviable situation in Latin America last January. I also recognize that the administration and the Congress have made a beginning at long-range planning for the development of Latin America through enactment of legislation to help implement the Alliance for Progress envisaged by the President.

But the fact remains that while the administration inherited the burden of past mistakes, time enough has elapsed to determine whether it has profited from the past in its own conduct of Latin American affairs. And while we have moved in the direction of long-range objectives, the fruits of these newly formulated cooperative efforts with Latin America will take time to mature.

Yet the Communist challenge to Latin America is imminent. It does not mark time for political transition in the United States. Unless met day to day

and month to month, it can and will make mockery of our long-term aspirations.

The mass of impoverished Latin Americans must be convinced, by action and not words alone, that their governments are genuinely concerned with their plight, and that, with the cooperation of the United States, they are on the way to accomplishing tangible results.

Moreover, the governments of Latin America must be convinced, if they are not already, that while we are working to provide assistance for social and economic development, we cannot ignore our obligation to meet the immediate threat of Communist infiltration in this hemisphere.

The Americas can look forward to Alianza para Progreso. But what is needed now, today, is Accion para Progreso—swift, firm, and well-directed action to meet and turn back the Communist offensive in Latin America.

Are we getting such action? Has the policy drift in our Latin American relations been arrested? Are we nearer today than we were half-a-year ago toward regaining the initiative in Latin America?

In my opinion, the answer to each of these questions is—No. Despite the hopes raised by initial efforts to implement long-range programs, despite speeches, task force reports, and white paper, U.S. Latin American policy fundamentally remains one of drift rather than drive, of response rather than initiative.

Today, the primary attention of the administration and of the American people is focused on the crisis evolving out of what Premier Khrushchev cynically describes as a bone in his throat—West Berlin. But what of the cancer within our own inter-American system—Castro's Cuba? We intend to make it clear that we will defend West Berlin from the Communists. But have we made it equally clear that we intend, by action and not words alone, to defend our own hemisphere from communism?

Or shall we once again respond to the Communist timetable, give priority to their strategic aims, and defer action for 6 more months in meeting the Red threat to Latin America?

The presence of a Communist government in this hemisphere weakens our position throughout the world. It saps the strength of the inter-American system. If there is a single principle upon which the historic integrity of this country rests, and upon which the Pan American movement is based, it is the principle of noninvolvement of foreign powers in the affairs of this hemisphere.

So long as there is a Communist Cuba, it will serve to hinder, even offset, every constructive effort we undertake in Latin America. Its purpose, like that of its Moscow and Peiping mentors, will be to aggravate existing tensions and promote conditions of instability. Its tyranny, less than 100 miles from our shores, derides the policy of the greatest nation of the free world and weaken our posture, not only in Latin America, but throughout the world.

Fidel Castro has intimated, and there are those who believe him, that the United States has not dealt firmly with Cuba because we fear Soviet reprisals—because the United States is a weak leader. The United States did indeed lose prestige as a result of the abortive invasion attempt of recent months—not because of our association with that venture, however, but primarily because it failed.

Is there any wonder then that doubt exists in the minds of Khrushchev, Castro, and even among the uncommitted peoples of the world, that we, who cannot take measures to guarantee Havana, Caracas, or Brasilia for the free world, will take them to guarantee West Berlin. Is such a nation one upon which uncommitted peoples, who must respect force because of its imminence if not its principle, can rely in a time when the Soviets and their agents are threatening the use of force?

The need for action in Latin America, therefore, is not separable from the crisis in West Berlin. We cannot defer it without peril.

To date, however, Latin American leaders have balked at collective action against Cuba on grounds that this would constitute intervention in the internal affairs of another state. This not only ignores the fact that international communism is itself engaged in flagrant intervention, but it also ignores the essential obligations, under OAS treaties and commitments, to the principle of collective security.

On May 17, the Members of this body voted overwhelmingly to approve a resolution which I introduced in early April. This resolution expressed the sense of Congress that such steps as may be necessary should be taken to initiate action through the Organization of American States against the Communist regime in Cuba. During consideration of this legislation, I emphasized that the OAS is not lacking in authority to act against a Communist government.

Under the Rio Pact, the American Republics may resort jointly to the use of sanctions and/or armed force in eliminating a threat to the hemisphere.

The Declaration of Caracas, agreed to in 1954 when communism had infiltrated the Guatemalan regime, specifically describes communism as an extracontinental threat to the hemisphere.

As these provisions relate to Cuba, there can be no reasonable doubt that the OAS has the legal authority and obligation to act collectively against a government that is openly communistic and stands in defiance of every inter-American principle.

But while the obligation is apparent, the will to meet it is yet lacking on the part of some Latin American governments. Nonintervention has thus become an excuse to avoid our hemispheric commitments to collective security.

What, then, does the United States, the leader of the hemisphere, propose to do? Is the leader itself to be led, and led away from its commitments, not only to the hemisphere but to its own national interest?

If the representatives of the American people do not have the answer, I believe the people themselves do. They want action. They applauded the President when, immediately following the Cuban invasion fiasco, he implied that action was forthcoming. But they are still waiting, and waiting impatiently for some indication that the President means what he says.

Considering this popular mood, I believe that unless collective action is undertaken to rid the hemisphere of the Castro cancer, the American people ultimately will demand a unilateral solution, or a multilateral solution supported by those Latin American nations which will honor their hemispheric commitments.

Yet, while the need for action is urgent and the popular support for it overwhelming—as was demonstrated by the almost unanimous House vote given my resolution proposing OAS sanctions against Cuba—our Latin American policy continues its dangerous drift, under the guidance of those who believe that our long-range economic plans can meet an immediate Communist threat.

For months now, we have moved with tentative and mincing steps toward enlisting the support of Latin American nations for collective action. Tactful, but forceful, bargaining is long overdue.

Possibly some Latin American governments do not take the President of the United States at his word when he declares that this Nation will not long defer action of some kind. It might well be that these governments have some doubt concerning the will of our own Government which, while seeking collective sanctions, is not itself applying complete unilateral sanctions.

I refer specifically to the fact that we, at this very hour, are still doing business with Cuba. From January through March of this year, U.S. imports from Cuba amounted to $11.5 million. Of this total, $9.4 million constituted goods arriving in U.S. ports. On the basis of these first-quarter statistics, the 1961 estimate of imports from Cuba will be $37.6 million; of total imports, including goods for transshipment, the total will be $46 million.

Early this year I urged that action be taken to stop all U.S. imports from Cuba. This could have been done, and it can still be done, by invoking the Trading With the Enemy Act. Such action would mean an end to Castro's remaining source of dollar exchange—and it would mean more. It would serve notice that the United States, by deed as well as word, is totally committed to the ultimate eradication of Communist influence in this hemisphere.

It seems incredible that we, at this late date, are still doing business with Castro. Equally baffling, in my opinion, is the fact that until last week, for a period of several months, the United States did not have a permanent Assistant Secretary of State for Inter-American Affairs.

Whatever the administration's reasons for delaying this vital appointment, its effect on policy and staff coordination among career staff personnel and Latin American diplomats has been demoralising. At the same time, dispersion of authority for the formulation and direction

of Latin American policy has deterred efforts to strengthen our position. With the appointment of a new Assistant Secretary, this situation can be improved. But for the future, if the Assistant Secretary is to do the job that must be done, it is necessary that his authority and responsibility be clear—and that he be willing to accept it.

I believe it fair to judge the administration's conduct of our Latin American affairs in the light of its own stated objectives in the area. The President himself has been among the foremost to point out that our policy in prior years has been vitiated by indecision and a business-as-usual pace, despite warning signs that action was needed. To look ahead toward the next decade in Latin America is a prime goal; but 1971 can be lost by indecision and failure to act upon the immediate problems of 1961.

In this regard, I believe that the Kennedy administration has fallen short in its approach to Latin American policy. In my opinion, the past half-year has seen an ominous continuation of the policy of drift and wait that has characterized our relations with Latin America in recent years.

Yet as the President himself said in his inaugural address, while the time for action grows short, there is still time.

The administration, having by now sounded out the governments of Latin America as to their intentions concerning Castro's Cuba, should move swiftly and firmly to carry out our hemispheric commitments.

The administration, having given notice that it intends to carry out these commitments multilaterally or, if all else fails, acting in our own national self-interest, should demonstrate to the world that this Nation still means what it says—whether in West Berlin or in our own hemisphere.

The administration, having the overwhelming support of the American people in any effort it undertakes to eradicate communism from our hemisphere, should take strength from the fact that our people are indeed willing to undergo any risk or make any sacrifice to preserve our way of life.

This final point—that our people are ready, willing, and able to respond to the Communist challenge to the Americas—is the essential truth which the President, of all Americans, should best understand.

He has called for sacrifice. If he has any doubts about the will of our people to answer this call let them be resolved. For the fact is that if the administration has suffered failures in its Latin American policy, its ultimate failure lies in underestimating the true determination of our people.

Therefore, let us make it clear to our friends in Latin America that the people of the United States are not content with a policy of drift and wait, and that while we are and will continue to be a well-meaning people, we have not lost the ability to be a well-doing people—whether the task be aid to a friend or dealing with an enemy.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I am happy to yield to the distinguished gentleman from Florida [Mr. FASCELL.]

Mr. FASCELL. Mr. Speaker, the gentleman from Alabama is chairman of the Inter-American Subcommittee of the Committee on Foreign Affairs. It has been my privilege to serve with him on that subcommittee for some time. I must say that the gentleman is very assiduous in his duties, he is sincere, he is dedicated, he is a student of the Latin American and Inter-American problems. I commend him for his dedication and his sincerity. I must certainly concur in his analysis. He has put his finger right on the problem that confronts us as a Nation, not only in Latin America but throughout the world. We know we have long-range objectives and the means to deal with those long-range objectives.

Our whole difficulty and our frustration as a Nation stems from the fact that we need short-term action, or action now, as the gentleman has so well put it, but we need this desperately in Latin America because of the stepped-up Communist penetration in that area. The events of the past 40 years have culminated in Russian and Chinese penetration in Latin America. The statement by the head of the Cuban Government shows that he is now openly and publicly a Communist, and so are his people, and that should leave no doubt for anybody.

Now, there are those who say what we should do at this point is to leave the matter of Cuba isolated to themselves and go on about our business in Latin America. We have programs which in the long run obviously will do some good; but, as the gentleman has said, the long-range program will not answer the threat of communism in Latin America which has put so much pressure on all of the existing governments that we do not know from one day to the next which one will go. Cuba cannot be isolated in that sense from all of the problems in Latin America. I have advocated a complete embargo in and out of Cuba for several months, under the previous as well as this administration. I do not care whether it affects tobacco, cigars, molasses, tractors, or anything else. But, this is, as the gentleman has said, a definite action which shows what we need. I agree with the gentleman we should do that and we should attempt to get coordinated action and act in concert through the Organization of American States. Now, we have been trying to do that, as the gentleman said in his speech. This Government under this administration has made efforts to get these votes. We are not sure that we have them. When the gentleman from Alabama and I made our trip through South America last year, we came back in November with the conviction we did not have the votes then. I am satisfied we do not have the votes today. So, we are faced with the fact, and I will say it again as I said in November when we got back, it is time for our friends to stand up and be counted. Now, if they do not want to stand up and be counted, then it is time for us to find out about it publicly. Let our people know about it publicly and direct our course of action to meet the specific Communist threat in Latin America without any further to-do. So, I am for joint action, if we can get it, and the immediate thing to do now is to effect complete embargo.

The Cuban refugee problem, coupled with high unemployment in the Miami area, presents one of the most explosive situations in the United States today. Since it is now generally conceded that there is no immediate opportunity to resettle in their homeland, the Cuban refugee stay in Miami is no longer a temporary matter.

In the last official report, it was estimated that there were over 80,000 Cuban refugees, and they are still coming into Miami at the rate of 600 to 1,200 a week. For the most part, these people are destitute. Obviously, Greater Miami by itself cannot take this continuing impact of people and their attendant problems.

The whole matter is compounded because our area is now one of substantial unemployment. Rightly or wrongly, it is being claimed by many that the Cubans have taken many employment opportunities formerly available to Americans. This could lead to a very bad situation if allowed to continue and not given immediate, remedial attention.

Accordingly, some time ago I asked the Secretary of Health, Education, and Welfare, who has been charged by the President with the responsibility of operating this program, to institute a resettlement program.

I now ask the Secretary of Health, Education, and Welfare to reevaluate the entire Cuban refugee program and to give immediate and special emphasis on accelerating my request for relocation and resettlement of the Cuban refugees out of the Miami area.

These Cubans who are here are fleeing from Communist tyranny and do not seek charity. In my judgment, it would be a mistake for us to feel that the only solution to their problem is to hand them a relief check and emergency supplies.

We must make strong and concerted efforts on more than a temporary basis to reorient these people in other areas and give them an opportunity to make their own livelihood until such time as they are able to return to their own homeland.

Our local citizens, churches, and community have done an outstanding job. They have opened up their hearts and pocketbooks to these people, but there is a limit to their ability to assist and to the number of jobs in Greater Miami that can be given to the Cuban refugee.

Obviously, each Cuban refugee knows that for every job held by one of the refugees, an American worker has been displaced, and this in an area where there is already a shortage of jobs.

It is doubtful, under present circumstances, with the continuing flow of refugees into the Miami area, that any more refugees can be absorbed into the economic lifestream of our community. In fact, we have already passed a reasonable level of absorption.

It will take considerable local effort and support to launch an immediate and effective relocation program in the proportion needed.

Accordingly, I call on and ask our community leaders who have so generously given their time and attention to this whole problem from the very beginning to assist in this most important effort of resettlement.

This committee should be composed of local governmental officials, church leaders, officials of the press, business people, labor leaders, and representatives of the Cuban refugees. We must, at the local level, make every effort to secure the cooperation of the Cuban refugees in this resettlement and relocation program. This can be accomplished with patience and understanding.

I am sure that the Cuban refugees and their leaders are thoroughly cognizant of the generosity of the people of Greater Miami and the people of the United States through their Government and that they, the Cuban refugees themselves, will, through their own organizations, recognize that it is to their own benefit to initiate and support an accelerated relocation program.

If the resettlement program is to succeed, their individual leadership and assistance must play a very important part.

Mr. SELDEN. I am grateful for the very fine statements as well as the kind remarks of the gentleman from Florida [Mr. FASCELL] who is an extremely valuable member of both the Subcommittee on Inter-American Affairs and the full Committee on Foreign Affairs. Certainly no one in the House of Representatives knows better the Latin American area or the Cuban problem than the gentleman from Florida [Mr. FASCELL].

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the distinguished gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Speaker, I certainly want to join in commending the gentleman from Alabama and also the gentleman from Florida [Mr. FASCELL] for their analysis of the situation, and I do feel that they are doing a definite service to the people of this country in pointing up the problem that needs to be solved and solved immediately, and it can be solved with a little effort and a little attention directed to this problem by those who have authority.

I am concerned because it appears to me that the right hand does not seem to know what the left hand is doing. For instance, on one side we have broken diplomatic relations with Cuba; we have cut off most of our exports to Cuba; not all, but most, and all should be cut off.

We have helped to mount an invasion against Cuba. We have cut off the sugar quota, and yet through the left hand we are still allowing Cuban goods to come into this country and we are paying American dollars to Castro for the goods that are coming into ports in Florida and other ports of entry.

I think the gentleman from Alabama [Mr. SELDEN] has pointed up this problem specifically in his speech today. We have read in the paper statements to the effect that this damage has been done because some Government economists feel this trade is really not of much significance. Perhaps that is true when you compare it to the trade we carried on with Cuba before our break in diplomatic relations. However, I would like to point out to you just a few items that are still coming in to show that it amounts, as the gentleman said, to millions of dollars still going to Castro. For instance, in January and February, through the ports in Florida alone Castro shipped in over 5 million pounds of fresh pineapples, over 4 million pounds of oranges, over 3.5 million pounds of tomatoes, over 2.6 million pounds of tobacco, over 5.5 million pounds of cucumbers, and over 3 million pounds of native vegetables.

In June of this year Castro has shipped in over 1.6 million pounds of tobacco and over 1 million pounds of pineapples.

Now, perhaps the economic significance is not very important, and is rather irrelevant when one considers the overall gross national product of this country. That American dollars are going out as a result of trade with Cuba is not an economic issue, but it is a moral issue. It has very significant moral implications, because by allowing Cuban goods to be imported into this country the United States is simply giving American dollars to Castro which are used to continue his domination of the Cuban people. This country's currency is therefore being used to maintain a tyrant whose ideology is point by point opposed to democracy and freedom.

There are daily arrivals of Chinese, Czech, and Russian advisers with a mission to help transform Cuba into a spearhead for the Communist conquest of Latin America.

As was pointed out by the gentleman from Alabama, by continuing to provide Castro with a ready market for Cuban goods, we provide him with ready cash for fighter planes, tanks, and Czech arms for his 400,000-man militia. As a matter of fact, the papers in Florida have just carried reports that lobster is being imported now. It is being systematically unloaded, and is being carried away in trucks whose identities are masked as protection from the strong feelings of the American people against this sort of action.

We have just had the example of molasses being imported, and the great outcry of the American people in that instance. It disturbs me that the left hand does not know what the right hand is doing. I am concerned about element present in the decisional processes of this Nation which is responsible for the policy dealing with Cuba and Latin America

I think this anti-Castro invasion was symbolic of our vague and uncertain approach to this condition in our hemisphere. It is as though indecision has resulted in a loss of purpose. We all know that tolerance of the enemy has no place in our heritage. The steps we have taken toward Cuba would have been regarded by our predecessors years ago as just short of a declaration of war. We have already proclaimed Castro an enemy of the American people, and yet only one of the enemy's goods carries embargo with it, and, of course, that is sugar. This embargo was imposed, in effect, by the Congress of the United States.

There should be an embargo on all Cuban goods. Even now, as I mentioned before, the American supermarkets are putting in their display windows lobster from Cuba.

Does the solution lie in educating the citizens of this Nation to these facts? I think not, for the American people are far ahead of their Government in this respect.

Is perspective then lacking in the governmental agencies charged with the jurisdiction of foreign policy? Have the years of departmental service forced its employees into conformed channels of thinking? Has routine become the substitute for imaginative action? If so, then a penetrating purge is needed to give fresh vitality to our policies.

The authority concentrated in the Presidency under the Trade Agreements Extension Act of 1951 should provide sufficient machinery to halt this condition. If this measure is inadequate, then the Trading With the Enemy Act certainly may be properly invoked. If even then the Executive feels that it does not have the proper tools at hand, then initiative demands proposal. If this is the case, I ask the Members of this body to join with all of the Members who are concerned with this problem to ask the President to assert his leadership, to ask his advisers to give attention to this problem immediately, and ask Congress to focus its attention and efforts toward initiating a complete economic boycott of Cuba as the first step.

I thank the gentleman from Alabama for yielding to me.

Mr. SELDEN. I thank the gentleman for his very fine statement. Living on the shores of southern Florida, the gentleman from Florida [Mr. ROGERS] is an astute student of the Cuban problem.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from South Carolina.

Mr. DORN. I want to commend the gentleman from Alabama and our colleague from the great State of Florida for pointing out the critically urgent nature of the situation in Latin America, with particular reference to this cancer in the side of the great North and South American Continents. Cuba is the Formosa of the Caribbean. It is as important to the defense of the Western Hemisphere as any other point in it. It divides North America from South America. The nation that controls Cuba for any length of time sooner or later militarily will be in a position to divide these two great continents and probably dominate militarily both of them. So I commend the gentleman from Alabama and the gentleman from Florida for defending our own people, who are literally under the gun today in the southeastern part of the United States.

If this lackadaisical policy continues for another few months, this bearded Caribbean beatnik will have jetplanes and technicians, and will possibly have the atomic bomb with which to bomb Miami, Mobile, Montgomery, New Orleans, and Atlanta. We are giving him the precious time he needs. Not only that, we are giving him money indirectly through trading with the enemy, with which to build up his military potential. It is a serious situation.

I should like to remind my colleagues in this House that when the Monroe Doctrine was established under the administration of James Monroe the United States was a weak nation, comparatively. We were faced with the great powers of western Europe, England, France, and Spain, and czarist Russia in Alaska was rattling the saber. Yet Monroe had the courage and the backing of the people and the Congress to enunciate and establish a policy which kept the peace in the Western Hemisphere for over a century.

It is strange, unbelievable, and fantastic today that we, the most powerful nation in the world, are afraid to invoke this Monroe Doctrine and use the means that we have to defend the United States, North America, South America, and the Caribbean area. Certainly we should have the courage today to stand up with all our might and defend these principles and ideals in which we believe.

Are we going to wait until Khrushchev brings up the Berlin crisis and keeps stirring it up, all the while Castro, his ally in the Caribbean, keeps getting jetplanes? I have the strong suspicion that every move Russia makes is designed to strengthen this ally 90 miles from the continental United States, so that in a few years, as Communist Russia has always done, she can be in a position to sit back and watch the United States in a major war with a little island which we helped create.

The gentleman from Alabama sees so clearly the consequences of such a policy of indifference. The time is critical. The hour is critical—the time for action is now. The American people are with you, may I say to the distinguished gentleman from Alabama. You know a lot of people think those of us in our section of the country are more concerned with some other issues of an inflammatory nature, but when I was home the one great and major issue in my district and throughout the South is this question of a Communist base just off the shores of Miami, Fla. Yes, you are literally under the gun. The time for action has arrived. Let us block Cuba. Let us stop trading with the enemy. We need leadership at the highest level in this country today. The people are with you. I think the Congress is overwhelmingly with you as demonstrated by several resolutions we have adopted, which the gentleman has introduced over the last few years. But, we do need leadership—positive leadership all the way up the line and we need it now. I want to again thank my colleagues, the gentleman from Alabama and the gentleman from Florida.

Mr. SELDEN. I thank the distinguished gentleman from South Carolina for his excellent analysis of the critical situation we face in the Western Hemisphere.

Mr. Speaker, I yield to my distinguished friend and colleague, the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Speaker, I want to tell my esteemed colleague and dear friend, the gentleman from Alabama, that all of us, I know, have been inspired by his message and by his grasp of this problem that concerns all Americans. I congratulate the gentleman from Alabama and my colleagues from Florida, Mr. FASCELL and Mr. ROGERS, for the knowledge they have about this situation. My home in the State of Florida is 350 miles north of Miami. I represent a district which is largely a rural area, yet, Mr. Speaker, I do not know of any question about which my people are more concerned than this question, What are you going to do about Castro?—that bearded son of Beelzebub has caused me, I think, the most nightmarish thoughts of any demon who has appeared on the stage of this modern world of ours—irreligious—with no conscience of right or wrong—destroying literally thousands and thousands of the finest people in this hemisphere—thumbing his nose at this great and powerful Nation, as he has—I say to you he has provoked within me and I think within the hearts and minds of the vast majority of the American people a contempt and a concern not even exceeded by Khrushchev.

Mr. Speaker, I congratulate the gentleman from Alabama on his keen understanding of this problem and on the particular point he made when he said that the problem confronting us is not only a problem as to the future, but it is a problem of the here and now. Yes, it is well to educate—it is well to reform—it is well to help—it is well to encourage—it is well to ally ourselves behind all of these great principles of progress—but communism will not wait for that progress to be a fact and the challenge is the challenge of doing something now and doing it positively. I, too, want to say to the President of the United States, as the gentleman from Alabama has said and as others of our colleagues have said, that the American people are behind positive action. We will take up whatever challenge is given to us to make this beloved Republic of ours a safe bastion in the future as it has been in the past. I, too, believe that we must act now so far as this menace from Cuba is concerned.

Mr. Speaker, I thank the distinguished gentleman very much for bringing this vital message to us.

Mr. SELDEN. Mr. Speaker, I am grateful for the excellent statement made by my colleague, the gentleman from Florida [Mr. MATTHEWS].

WILL THE PRESIDENT APPROVE FINDINGS OF TARIFF COMMISSION ON SHEET GLASS IMPORTS?

The SPEAKER pro tempore. (Mr. BOLLING). Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 45 minutes.

Mr. BAILEY. Mr. Speaker, my colleagues in the House, had you had an opportunity to walk down the main street of my home city of Clarksburg, W. Va., or enter any of the business enterprises in the city, including its banks, on May 17 of this year, you would have observed a smile on the face and a ray of hope in the eyes of my constituents, because on that day the U.S. Tariff Commission entered an order restoring the rates on import duties on sheet, crown, and cylinder glass to the rates contained in the Smoot-Hawley Act of 1930, wiping out seven separate reductions in the import duty on foreign shipments of this type of glass. These folks could once more see the possibility of a restoration of a once thriving industry that is today being threatened with extinction by unrestricted imports of glassware from abroad.

Under the provisions of the Reciprocal Trade Agreements Act, adopted first in 1934, the Congress surrendered its constitutional authority to make treaties and fix tariffs and vested this authority in the hands of the President, who was given the power to overrule the findings of the U.S. Tariff Commission.

It was my privilege and pleasure in 1951, on the floor of this House, to write into a renewal of our Reciprocal Trade Agreements Act, the so-called escape clause, which guaranteed to every American producer the privilege of applying to the Tariff Commission for an opportunity to prove injury to their industry through the operation of the act.

In this procedure, a domestic producer was given the opportunity to produce witnesses and be represented by counsel before the Tariff Commission to prove injury. The Tariff Commission, under the escape clause, was given the authority to either increase the rate of import duty or to fix quotas limiting imports in order to permit the industry a reasonable return on their investment and to provide jobs for American working men and women.

Some months ago, the sheet, crown, and cylinder glass industry applied to the Tariff Commission for a hearing under the provisions of the escape clause. The facts presented to the Tariff Commission were so outstanding on the side of their claim for proof of injury that the Tariff Commission, on May 17, entered an order which, in substance, wipes out a series of seven reductions in import duties on this type of glassware and ordered them restored to the rate as fixed in the Smoot-Hawley Act of 1930.

Under the escape clause procedures in our Trade Agreements Act, the President was still given authority to approve or disapprove the findings of the Tariff Commission. He still has that authority, limited by a recent decision of the U.S. Supreme Court, to approve the findings or disapprove them in toto. He cannot modify such findings, but must approve or disapprove.

Under the escape clause procedure, the President has 60 days in which to approve or disapprove Tariff Commission findings and, in this particular instance, the President must, prior to July 17, issue an Executive order either approving or disapproving the findings of

the Tariff Commission as they apply to imports of sheet, crown, and cylinder glass.

During the 1960 presidential campaign, it was the privilege and pleasure of our present occupant of the White House to carry his campaign into the State of West Virginia, whose economy has been deteriorating largely due to the fact that the major industries of our State are having to meet unrestricted and ever-increasing foreign imports. My State produces 57 percent of the sheet, crown, and cylinder glass produced in the whole Nation. An additional 20 percent of this type of glass is produced in plants in Oklahoma, Arkansas, Missouri, Ohio, and Pennsylvania. Most of the glass plants in these States are either closed or are operating at reduced capacity because imports have, within the past 24 months, increased 254 percent.

Unless our Chief Executive, who has firsthand knowledge of the sorry situation existing in our glass industry, approves the findings of the Tariff Commission, our economy in West Virginia will further depreciate. In fact, his failure to approve this finding will sound the death knell of one of our State's major industries.

It is my fond hope that divine providence will give our Chief Executive the courage to carry out his commitments to the people of West Virginia that, if elected, he would do something to correct our economic ills.

In this connection, I desire to call to the attention of my colleagues action taken by the State Legislature of West Virginia, in extraordinary session, in adopting a memorial to the President urging him to approve the findings of the Tariff Commission in this instance.

Mr. Speaker, I wish to include as a part of my remarks a certificate and resolution approved by the State Legislature of West Virginia, as follows:

STATE OF WEST VIRGINIA—CERTIFICATE

I, C. A. Blankenship, clerk of the House of Delegates of the West Virginia Legislature, hereby certify that the following and hereto attached instrument of writing is a true and perfect copy of House Concurrent Resolution No. 2, expressing the sense of the Legislature of West Virginia in support of the finding of the U.S. Tariff Commission Escape Clause Investigation No. 7–101, dated May 17, 1961, pertaining to crown, cylinder and sheet glass, adopted by the West Virginia Legislature, in extraordinary session, on June 15, 1961.

Given under my hand at the city of Charleston this 21st day of June 1961.

———, *Clerk of the House of Delegates.*

HOUSE CONCURRENT RESOLUTION 2

Concurrent resolution expressing the sense of the Legislature of West Virginia in support of the finding of the U.S. Tariff Commission escape clause investigation No. 7–101, dated May 17, 1961, pertaining to crown cylinder and sheet glass

Whereas it is apparent to this legislature that in many areas of our State there exists an emergency in relation to unemployment; and

Whereas in Harrison and Kanawha Counties four large sheet glass plants are and have been operating at greatly reduced capacity, and with a reduced number of employees; and

Whereas the U.S. Tariff Commission, on May 17, 1961, in connection with escape clause investigation No. 7–101, unanimously found, after investigation, and reported to the President that sheet glass such as produced in West Virginia, is being and has been imported into the United States in such increased quantities as to cause serious injury to the sheet glass industry; and

Whereas the Tariff Commission further recommended that the tariff on sheet glass be increased to rates set out in the report; and

Whereas West Virginia produces more sheet glass than any other State; and

Whereas the State of West Virginia is alert to take action that may increase employment and retain here industries traditionally a part of our economy, and to take all effective measures in support of such policy: Therefore be it

Resolved by the house of delegates (the senate concurring therein), That it is the sense of this legislature that the President of the United States can and should adopt and put into effect the findings of the U.S. Tariff Commission, dated May 17, 1961, in connection with escape clause investigation No. 7–101.

At this time, Mr. Speaker, I desire to yield to the gentlewoman from the State of Tennessee. This good gentlewoman is a native of the city of Clarksburg, in my State, the daughter of the late Senator Nathan Goff. It is a pleasure to recognize her for whatever statement she desires to offer.

Mrs. REECE. Mr. Speaker, I wish to commend my distinguished friend from West Virginia for the excellent and clear explanation of the desperate problem that is facing the glass industry in the United States today. The First District of Tennessee has large glass industries, and it is happy to join with the State of West Virginia and my distinguished colleague in appealing to President Kennedy to put into effect the recommendations of the U.S. Tariff Commission on this product.

Mr. BAILEY. I thank the gentlewoman very much for her contribution.

At this time I yield to the gentleman from Missouri [Mr. ICHORD].

Mr. ICHORD of Missouri. Mr. Speaker, I wish to commend the gentleman from West Virginia who has always been a tireless worker in behalf of the sheet glass industry of the United States for arranging this special order in order to focus attention upon the need for approval of the recommendations of the Tariff Commission in its recent escape clause investigation in regard to sheet glass. The sheet glass industry, as pointed up by the hearings and findings of the Tariff Commission, is in a very dismal state. The industry will be destroyed completely if something is not done. Our sheet glass plants in the United States are now operating at about 50 percent capacity. Employment is down around 25 percent since 1950. Imports, I will say to the gentleman from West Virginia, have increased from 1950 more than 1,100 percent. The cause of unemployment, decreased production, and company losses is very clear. Our foreign producers are able to sell and are selling glass at prices from 8 percent to 25 percent less than domestic producers. They cannot continue to exist with this type of competition. I join with the gentleman from West Virginia in urging the President to approve the recommendations of the Tariff Commission.

Mr. BAILEY. I thank the gentleman from Missouri. I now yield to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Speaker, I do not believe that American industry and the American workingmen have in the United States today or in the halls of this body a better friend than the distinguished gentleman from West Virginia, Mr. CLEVE BAILEY. I have listened with keen interest to his remarks. I think he has done an outstanding job of putting this problem into focus for the Members of the House, and I certainly want to join with him in urging that the President adopt the findings and the recommendations of the Tariff Commission and do so at the earliest possible date.

On June 8, 1961, the entire Oklahoma congressional delegation, both of our Senators and all six Members of the House, joined in sending a letter to the President in which we urged that this action be taken.

Mr. Speaker, I ask unanimous consent that the letter of the Oklahoma delegation to the President dated June 8 be made a part of the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The letter is as follows:

JUNE 8, 1961.

The PRESIDENT,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: On May 17 the U.S. Tariff Commission submitted its report to the President in which it affirmed a finding that the domestic sheet glass (common window glass) industry has been seriously injured as a result of an influx of foreign-made sheet glass into the United States. The report was unanimous in the finding of serious injury and all the Commissioners recommended increased tariff protection. Two of the Commissions found that even higher tariff rates than those suggested by their colleagues were necessary to alleviate the injury.

Two sheet glass plants are located in Oklahoma. One, at Henryetta, is operated by the Pittsburgh Plate Glass Co., the other, at Okmulgee, is operated by the American St. Gobain Corp., formerly the American Window Glass Co. Both plants are located in surplus labor areas which have been classified officially as areas of substantial unemployment. The plants are virtually the only sizable employers of manpower in their respective areas.

Since 1950, imports of sheet glass have risen from slightly less than 3 percent to almost 25 percent of domestic consumption. The result is that our domestic producers are suffering financial losses induced by their low operating rates and resultant higher operating costs. One large sheet glass plant has been forced to close completely, a major factor in the classification of that location as a labor distress area. All of the other plants are operating far below capacity, with idle machines and workers, with the result that each of those locations has also been classed as a labor distress area.

Thousands of jobs, hourly rated and salaried, and millions of dollars of payroll are at stake here. The industries supplying the sheet glass manufacturers are sorely affected. Three jobs in supplying industries are affected by each job lost in the glass industry itself. Reemployment possibilities are practically nonexistent and the plants

themselves cannot be adjusted to the production of any other commodity. The net worth of the domestic manufacturers is lower today than it was in 1955 even considering the normal inflation since that time.

The present unhealthy status of the domestic industry is entirely the result of low-priced imports made possible because U.S. sheet glass workmen are admittedly paid 3½ to 4 times for comparable work than their highest paid foreign counterparts.

All of the glass unions joined in the proceedings before the Tariff Commission and fervently supported and continue to support the manufacturers in their request for relief. It must be obvious that with this favorable labor cost situation, foreign producers are easily able to undersell our domestic producers and they have done so in large volume.

The majority recommendations of the Tariff Commission suggest virtual minimal increases in duty. Such increases would not likely reduce the flow of imports in any appreciable degree and would not deprive any importers of the volume of trade they presently enjoy. We respectfully point out that the President is not bound to follow the exact suggestions of the Tariff Commission, but may exceed them when, in his judgment, it appears necessary to provide adequate relief for an injured domestic industry.

The small increases recommended by the majority of the Commission while they would not likely have any immediate effect on unemployment and plant idleness, might over a period of time permit some slightly increased operating ratio. In this respect it would, of course, be better than nothing, but with the wide advantage in production costs enjoyed by foreign producers, any benefits of such small tariff increases should not be expected to immediately remove domestic producing towns from the distressed area category.

The Oklahoma senatorial and congressional delegations are intimately familiar with the problem of the domestic manufacturers. We know that all of the statutory tests for relief set up in the Trade Agreements Extension Act of 1951, as amended, have been met. We see that the domestic glass industry has not been able to maintain its position in relation to the economic growth of the country. The cyclical increases in demand are now supplied entirely by foreign glass and deep inroads have been made in every phase of the domestic demand.

If the glass industry is to survive and make contributions to the alleviation of the Federal tax burden, and if the American workmen in distressed areas are ever to find employment the necessary tariff adjustments should be placed into effect without delay.

Sincerely yours,

ROB'T S. KERR.
A. S. MIKE MONRONEY.
ED EDMONDSON.
CARL ALBERT.
PAGE BELCHER.
JOHN JARMAN.
VICTOR WICKERSHAM.
TOM STEED.

Mr. EDMONDSON. Mr. Speaker, I have also read the resolution adopted by the West Virginia Legislature. I think it is a fine statement of the position of that body. I do not have any hesitation in expressing my viewpoint that the members of the Legislature of Oklahoma feel just exactly the same way that the members of the Legislature of West Virginia feel on this subject. We have major industries in our State whose very existence is at stake. The job of literally thousands of workingmen all over the country are at stake in this question. I urge the President to follow the recommendations of the body established by the Congress to look into matters of this kind. I urge him to recognize that the escape clause is the very heart of the reciprocal trade agreement principle at this time. If we are to continue to have an effective reciprocal trade agreement program that meets with the approval of our people, the escape clause must be meaningful.

At this time it is up to the President to demonstrate that it is meaningful and that it does afford the kind of safeguard it is intended to afford to American industry and to our American workmen in the glass industry.

Mr. BAILEY. Mr. Speaker, I wish to thank the gentleman from Oklahoma for his forthright statement.

Mr. Speaker, I now yield to the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Speaker, I want to associate myself with the gentleman from West Virginia in the remarks he has made, as well as with the gentlemen who have spoken previously and thank them for their efforts in this field, because this is of great importance to my district, also. Glass is very important to the 17th Ohio District. It is also significant historically to north-central Ohio. More important, it is strategically important to the whole country, not only in the interest of employment and its effect on our economy, but also for our defense and for our self-sufficiency as a Nation.

In what amounts to an unprecedented action, the Tariff Commission recognized the plight of our domestic glass industry and made sweeping recommendations for relief from importation of glass. The President has until July 17 to approve these recommendations which, I might add, were unanimously adopted. The United States will never take the position that we do not need foreign trade—we do. We must not, however, be fearful of exercising our own best judgment when it comes to considering our domestic economy and our industries which are seriously affected by foreign imports.

We do not think the choice is easy. The working men and women in my district are vitally interested in the President's action. The choice is never easy or simple, and we can understand his thoughtful deliberation. It is my hope, however, Mr. Speaker, that he will not be unduly influenced by our State Department nor by any considerations, except what is in the interest of our sovereignty as a Nation.

We think it is important, and that action is needed at this time. We hope he meets it with dispatch.

I want to thank the gentleman from West Virginia [Mr. BAILEY], for making it possible for me to join with him in what I think is a very important matter for our country, and I commend him for his stand.

Mr. BAILEY. Mr. Speaker, I want to thank the gentleman for his participation in this panel.

Mr. MOORE. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from West Virginia [Mr. MOORE], my colleague.

Mr. MOORE. Mr. Speaker, I certainly desire to associate myself with the remarks of the gentleman from West Virginia. I well realize that over the years in this particular field he has been active and a leader in an attempt to bring about a more impartial conduct of the foreign trade of the country.

In addition to the sheet glass decision which is in the hands of John F. Kennedy, there is also another decision that awaits the President's action. That has to do with one of our industries in the State of West Virginia which is also subject to a great deal of harassment from foreign imports, and that is the ceramic tile industry.

The Tariff Commission on May 8 tendered to the President a recommendation that relief was necessary in this industry in order that they might meet the competition from abroad. It might be that we in the House of Representatives here today will receive some sort of an omen as to what the President will do with the decision that we are here discussing today in the sheet glass industry when we see what the Chief Executive does with respect to the similar recommendations of the Tariff Commission in the ceramic tile case.

I was, of course, very interested that the Tariff Commission, in this instance, initiated this investigation on their own motion of investigating conditions in the sheet glass industry. They recognized the peril of the sheet glass industry of the United States, and in an unusual, unanimous decision, transmitted to the President their belief that this industry merited relief, and further in that recommendation agreed that the tariff should be adjusted upward to allow the industry and its workers to more fairly compete with foreign-made sheet glass.

The American flat-glass industry is a significant part of the total glass industry producing approximately one-third of the entire dollar value of all manufactured glass.

Its major customers are the transportation—particularly automobiles—construction and furniture manufacturers, in that order.

In 1960 imports of flat glass captured 16 percent of the American market, exclusive of the captive market of finished goods—that is, glass incorporated in finished imports such as automobiles, tables, furniture. Imports in 1960 represented over $50 million in sheet, plate, and rolled glass. Excepting the year 1959 this represents the highest value of flat-glass imports on record.

For the observer of trends in foreign competition during the past decade, this should not come as a surprise. Indeed for manager and worker in many industries in this country it has come to pass that this has been one of the cruelest facts of life—if not the most bitter, with which his Government has forced him to live.

WINDOW SHEET GLASS

Examine, for example, the fantastic rise in imports in but one or two divisions of this industry. In 1949, imports of window sheet were 4 million square feet; in 1951, 26 million square feet; in 1953, 80 million square feet; in 1956, 282

million square feet; in 1959, 425 million square feet or 8½ million 50-foot boxes, an alltime high.

In 1960, a recession year, sheet imports decreased somewhat but were still over 7 million boxes, valued at $28 million. While imports were decreasing by 1½ million boxes, our domestic shipments dropped 5½ million boxes. The American loss in the domestic market from 1959 to 1960 is estimated at $28 million—a figure identical to that of the foreign sales made here in window sheet last year.

We have been assured repeatedly that the theories of the free traders will give us the solution to our trade problems. We have been told for example that all we have to do to increase our exports is to import. It would appear that the domestic flat glass people have good grounds on which to contest this hypothesis. Surely it cannot be denied that the imports have increased. But what of the exports? Have they passed the free trade litmus test of foreign economics.

During the decade of the fifties exports of American-made window glass dropped from 172,000 boxes to only 55,000 boxes while imports rose during the same period from 534,000 boxes to 8.5 million boxes. In 1950, total glass product imports represented less than one-third of our exports. By the decade's end, not only was the gap closed but the United States became a net importer of glass products by 6 percent in dollar value.

Transposing the statistics to their humanistic components exposes the true significance of foreign competition. According to one spokesman of the industry, the 1959 imports of window sheet which was over 30 percent of domestic shipments, displaced 5.4 million manhours or about $22 million in wages. This, coupled with the 1960 imports of this merchandise brought the payroll loss suffered by American workers in this industry to over $40 million. By anyone's standard that represents a lot of bread and butter.

The principal advantage enjoyed by foreign competition in the flat glass industry can be found in the striking wage differentials between foreign and domestic workers. The average hourly wage here is about $3.15 an hour whereas that found in the major competing nations abroad is 75 percent below this level.

It must be admitted that the most persuasive and articulate glass salesman in the country cannot talk away such an advantage which of course is directly reflected in the comparable prices in the two competing products.

PLATE GLASS

Among the flat glass imports, sheet and plate represent the greatest portion in dollar value. Since 1957 sheet accounted for at least 45 to 55 percent of the total while plate ran about 30 to 45 percent of the remainder.

In 1957 for instance, when all flat glass imports were $31 million, plate accounted for $14 million. In 1959 when flat glass imports were almost $60 million, plate rose to $18 million. Last year's plate glass imports were one-third of the total or about $17 million out of $51 million.

When one official recently concluded that the "6,000 workers laid off in the plate glass industry can be attributed in large part to the imports" he was stating a conclusion that would be difficult to refute.

Currently there is much debate and discussion on the subject of depressed areas. But to the student of national affairs it would appear that there is a marked reluctance to consider the causes which have led to the depressing effects and hardships in our communities. By such mental circumvention it seems that a depressed area may be defined as "any area which is depressed because it is depressed."

The cause and effect relation between rising imports and declining employment is overlooked; the obvious facts are sidestepped. Even a cursory examination would show a marked similarity between the nature of the industries found in these depressed areas and the nature of specific imports. Automation, customer's moods and new products, simply do not account for the devastation caused to our industries.

When directly competitive imports displace domestic sales in sufficient volume more than mere merchandise is displaced. Industries follow the fate of their products and communities that of their industries. A depressed area is a displaced area because its sales have been displaced. For this we can thank our postwar foreign economic policies, policies which have now been revealed in their stark deficiencies, cleverly papered over to mask their bankruptcy.

The times call for drastic measures. It must mean that the national interest will be put above the specious merit of "international relations" where it has rightfully belonged since our national birth. Heretofore our foreign interests were considered to be but an extension of our national interest. Today considerations of domestic welfare tag along in the shadow of the so-called rights of other countries in our markets.

It is time to raise our tariffs or other protective measures toward the level of the protective effects achieved abroad. This would be fair and equitable. We would ask for only that which the other trading nations of the world now enjoy. That would mean real reciprocity.

In effect we have no choice. The slow destruction of our depressed areas demands a tariff or quota protection so that new life can be pumped into them. If this means that our allies must temporarily adjust the schedules of their booming industries to our sagging production then it must be. They have fattened on our market. We employed ourselves fighting with them in the forties, rebuilding them in the fifties. A little reciprocity in reverse is little to ask in return.

In this House some several weeks ago we passed, and the President subsequently signed, what is referred to as the area redevelopment bill. It calls for spending initially about $394 million for areas of these United States whose economy is depressed.

It would seem to me, and I am sure the gentleman in the well of the House certainly must agree with me, that the people in West Virginia and a lot of other depressed areas of the country could receive a lot more economic help if the Chief Executive in this instance would act favorably upon the recommendations of the Tariff Commission in both the ceramic tile and the sheet glass cases.

Mr. BAILEY. The ceramic tile decision is directly connected with the glass industry itself. Is that the material they use for relining and building up the interior of their furnaces?

Mr. MOORE. That is very true.

Mr. BAILEY. So that is a part of the industrial problem.

Mr. MOORE. That is true. But there is a specific decision the President must make on July 8 with respect to that particular industry and the case which they made before the Tariff Commission. There is no question about the fact that it is very much a part of that which we are discussing here today. I would simply make the observation, following up my remarks, that with respect to the area redevelopment bill, which we all in West Virginia look upon as being the answer to some of our economic problems, if the Chief Executive in this instance would be disposed to grant the relief which has been recommended by the Tariff Commission in the sheet glass case, and in the ceramic tile case, more would be done for the economy of West Virginia, more would be done for the glass industry of West Virginia, more would be done for the workers of this industry than we could ever hope, perhaps, to receive under the area redevelopment bill.

So I would want, certainly, to commend the gentleman from West Virginia for taking the floor at this time to urge the President to look with favor on these decisions of the Tariff Commission. I further want to acknowledge the gentleman's long years of work in this field, and further state that since coming to the House of Representatives some 6 years ago, that I have learned a great deal from the gentleman who now is in the well of the House on this subject. It is a particularly difficult thing, not uncommon in the Congress this year, when good friends of different parties now find themselves political foes, by virtue of the fact their State legislatures placed them in the same congressional district. I know the gentleman from West Virginia feels just as I that notwithstanding the outcome of our mutual undertaking some 18 months hence we both look to and urge the Chief Executive in this instance to do what we think is certainly the right thing to do with respect to the decisions that are now to be made by him in these two tariff cases which so vitally affect the State of West Virginia.

Mr. BAILEY. I heartily agree with the gentleman from the First District of West Virginia. I am thankful I have 18 months to get ready for him.

In conclusion, Mr. Speaker, may I say briefly that we have every hope in all areas where this industry is in difficulty, and particularly in my State, that since

the President has firsthand knowledge of the situation and has visited a lot of these industries, he will in the face of the unanimous decision of the Tariff Commission and commitments made go along and let this action of the Tariff Commission stand.

Mr. BAILEY. Mr. Speaker, in behalf of my good friend, the gentleman from Arkansas [Mr. TRIMBLE], I ask unanimous consent that he may include at this point in the RECORD his statement of the situation as it applies to his State of Arkansas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I wish to join my colleague from West Virginia [Mr. BAILEY] in his valiant efforts to tighten the imports of glass and other imports which is doing grave injury to the glass industry. In the district which I am honored to represent, excessive imports of flat glass has caused the slowdown of the Harding Glass Co. at Fort Smith, Ark., where more than 400 employees are now out of jobs. I wish to say to my colleague that I am with him in every way that I can help. I commend him for his fine work in this cause.

TEXTILE INDUSTRY PROBLEMS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 60 minutes.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HEMPHILL. Mr. Speaker, I take this time at this late hour today to talk again about the situation with regard to textiles. I have in my hand an editorial from the Rock Hill, S.C., Herald of June 28, 1961, entitled, "When are Textiles Going to Get Some Action?"

This editorial reads as follows:

The U.S. State Department admittedly has some knotty problems to cope with regarding protection for the ailing American textile industry.

The State Department's desire to maintain good relations with textile producing areas is understandable—and to the advantage of the United States as a whole.

Yet the textile industry deserves better treatment than the talk, talk, talk, and no action that it is getting.

Quite aside from the industry's internal problems, textiles are of great importance to the health of the Nation. For example:

The Defense Department regards textiles as essential to national defense. Twentieth century progress has not outdated clothing and the many other uses for textiles.

The industry accounts for 9 percent of the national income produced by manufacturers.

Textile makers spend more than $22 billion a year on wages, material, and equipment.

The industry pays about $340 million a year in tax revenue to State and local governments and pays between $300 million and $400 million a year in Federal income taxes.

Textile firms have more than $8 billion invested in plants and equipment.

The long-standing problems of the industry cannot be solved by government action alone. But government action can ease the problems somewhat, without damaging relations with other nations.

A little action in place of all of the talk would be a refreshing new approach.

Mr. Speaker, on the domestic scene in the last few weeks the textile industry, in keeping with what it thought were the promises of the present administration when the campaign was at its heat, especially in the textile areas of this Nation, has been to the White House, to the State Department, and to the President's Advisory Council and other departments of this Government asking desperately needed relief for the textile industry. This relief is needed because of the import situation. This relief is needed because of the dark clouds looming on the textile horizon unless some relief is given.

Unfortunately, for the purposes of the people involved in that industry, for the purpose of the future welfare of this Nation, the protests on the conduct and the policies of an irresponsible and irresponsive State Department have not brought forth fruit from that Department.

I have in my hand an article from the Daily News Record of June 28, 1961, which reads as follows:

PROTESTS ON INTERNATIONAL PACT DON'T IMPRESS U.S. GOVERNMENT—U.S. SPOKESMAN SAYS POLITICAL PRESSURE OF INDUSTRY WILL BE DISREGARDED—CALLS TRADE PLEA FOR AGREEMENT ON ALL FIBERS "MANIFEST ABSURDITY"

(By Art Garel)

WASHINGTON.—The Government will go ahead with its plans to negotiate an international cotton textile agreement despite the political pressure from the domestic textile industry, a high U.S. official said Tuesday.

He said the industry request for an international agreement to be negotiated on fabrics of all types of fibers was aimed at strengthening political support but was what he termed a manifest absurdity from any other point of view.

The official also made these points:

1. Once the industry gets over what he termed its initial hysterics and faces facts it will realize it is getting all it can legitimately expect from the Government.

2. The international textile agreement could result in a cutback in imports of a maximum of 9 percent although this cutback may be considerably smaller.

3. The Office of Civil and Defense Mobilization probably will make its recommendations on the textile petition before an agreement on an international textile agreement is reached, since the conference probably will not get down to "serious bargaining" until at least sometime in September.

4. The domestic textile industry wants to be placed in a sheltered hot house where the least efficient producer will be protected and where there is no incentive to use new techniques or otherwise to progress.

5. There are at least a dozen other industries which have a better case for import protection and the textile industry does not have a good case; exports are greater than imports and the industry's production is 107 percent of the domestic market.

The industry started shouting for import quotas when imports were only 1½ percent of domestic production and has been shouting for protection ever since, he said.

6. Unilateral action to restrict textile imports would be fatal to the United States, resulting in deep economic injury and would have severe political repercussions.

7. The Government is helping the textile industry where concern is greatest, by removing fears of any large and sudden increases in imports. He said the industry had an insatiable appetite, which cannot be appeased except at the expense of the rest of the Nation.

8. Refusing to bow to political pressure, he indicated, would not do any great injury to the chances for passage of the reciprocal trade agreements program because very few from Congress who support the program are among those applying the pressure.

The official said the International Textile Conference was being called not only because of political pressure from the domestic industry but also to help solve the world problem of new, developing nations which are placing increasing pressure on world textile markets.

An orderly procedure is necessary, he said, to found outlets for the production of these industries without disruption to the markets of any country.

Since Hong Kong is being asked to cut back its exports to the United States, he said, keeping imports from all other countries at the 1960 level would result in an overall reduction of 9 percent.

He indicated, however, that this reduction figure might not be realized because some other adjustments might be made, as, for example, the United States has offered Japan a 5-percent increase for 1961.

He said the international agreement could proceed in a number of ways and listed two possibilities.

The agreement, he said, could consist of a tight pattern of quotas to which all nations would agree.

It could also consist of a set of principles accompanied by bilateral agreements negotiated under these principles.

The principles would include an understanding that each nation could impose unilateral quotas on imports from countries not party to the agreement, he said. This would prevent countries not party to the agreement from increasing their exports at the expense of countries restricting their exports.

There would also be safeguards to prevent fiber substitution.

The developing nations must be satisfied that the conference is being approached in a liberal spirit, he said, rather than as a restrictionist device and must not fear that their exports will be frozen while exports from competing countries will be free.

If these fears are alleviated, he said, cooperation can be expected.

Trade patterns for other types of textiles, he said, are different from those of cotton and it makes no sense to try to work out one agreement for all.

There are only three major suppliers of wool textiles—the United Kingdom, Japan, and Italy—and only one major supplier of silk textiles—Japan—he pointed out, and the United States cannot negotiate with 15 countries where only 3 are affected.

In 1960, he said, imports of cotton textiles totaled $265 million, compared with exports of $284 million.

He said the industry had 94 percent of the domestic market plus more than an additional 6 percent in exports.

The State Department of this Nation may have its problems, and properly so. The State Department of this Nation as a branch of the executive branch of this Government is supposed to have problems. But the State Department of the United States yesterday, today, and tomorrow, as I conceive it, is employed by the people of this Nation. When it disregards the welfare of a certain segment

of that people, as it has disregarded the welfare of the textile people, it has betrayed the textile industry—it has betrayed the people involved in that industry and it has betrayed those of us who represent the people in the textile producing areas who are asking for relief and who know the problems and the necessity for relief. It is a two-way street. The State Department may have its problems but we are entitled to consideration of our problem. The answer that is made that, "We must have international trade," or the answer that "We have a certain foreign policy," is not an answer to the 5 million unemployed in this Nation. That is not the answer these people want to hear. That is not the proper kind of answer from a department of this Government.

I say the Department of State is derelict in its duty, and again I say it is not responsive to its obligations to the American people.

Not long ago the industry leaders went to the Department of State to attend conferences on the problems of the textile industry of the United Sates. I hold in my hand a release dated June 20, 1961 which tells exactly what happened there. To say that what happened was disappointing would be a great understatement and would be minimizing the actual feeling of our industry leaders, of the textile workers of America.

Mr. Speaker, the release to which I refer is as follows:

Industry leaders came away from Department of State conferences on Monday and Tuesday convinced that prompt and vigorous action must be taken by President Kennedy to prevent his program of assistance to the U.S. textile industry being torpedoed.

Under Secretary of State George Ball bluntly told textile area Members of Congress and industry representatives the Department—

1. Is opposed to U.S. control of textile product imports;

2. Intends to seek multination agreements on trade in cotton textiles to the exclusion of manmade fibers and fabrics and wool and silk fabrics;

3. Proposes to use the 1960 level of cotton goods imports into the United States as a base for discussing trade arrangements with other nations;

4. Plans to seek a cutback of about 30 percent of Hong Kong's 1960 exportations (278 million square yards' equivalent) to the United States which indicates a goal of a reduction of only about 8 percent of 1,008 million square yards equivalent total.

5. Plans for the agreements to provide for built-in increases of about 5 percent a year to allow for the U.S. growth factor.

6. Has scheduled for Wednesday conversations with representatives of other nations on cotton textile trade without the consultation, advice, or guidance of U.S. industry spokesmen.

Spokesmen for the ACMI, the manmade fiber producers, wool manufacturers, apparel manufacturers, and two textile unions immediately expressed their dissatisfaction with the Department's attitude.

Subsequently, the group of textile-fiber-apparel industry representatives who attended the session at the invitation of the Department authorized ACMI President J. M. Cheatham to issue on its behalf a public statement labeling the approach as "completely unsatisfactory and unacceptable."

Ball disclosed that the United States, in the Geneva, Switzerland meeting with some 23 nations next month, would attempt to persuade the industrialized nations of Western Europe to lower their barriers against imports from low-wage underdeveloped countries and "share the burden" now borne chiefly by the United States. Additionally, the United States would urge the developing and low-wage nations to voluntarily restrict their exports to the United States.

The U.S. negotiators, he said, would attempt to draft the pacts in such a fashion as to prevent circumvention of the agreements on cotton textiles by the substitution of man-made fibers and, also, to provide safeguards against undue concentrations of products. He proposed that the agreement would be supervised by a study group.

He dismissed inclusion of wool and worsted fabrics in the agreements because the wool trade, he said, is different and a very complex business.

Ball said late this month he would go to Hong Kong in quest of a voluntary agreement for the British Crown Colony to hold the line on exports to the United States until a general agreement can be worked out. He described Hong Kong as a very special problem.

On the subject of U.S. industry advisers to U.S. Government negotiators, Ball said he would welcome technical advice from the industry. He said he intended to get such assistance from liaison with a cotton textile apparel committee to be selected from the industry.

Ball said he was surprised to learn that the Department's quest for a multination agreement was regarded as a maneuver to circumvent the OCDM case.

He asserted that consideration of the industry's OCDM case is going forward and added:

"We are not going to prejudice the OCDM case."

The Cabinet officer did not elaborate on this point. The result: Industry leaders are unclear as to what would happen if the United States enters into an international agreement which would be in conflict with remedial action dictated by a possible OCDM finding that the national security is being threatened by present levels of textile product imports.

During a discussion period at the Monday meeting industry leaders expressed themselves on these points:

That the textile import problem is "a total industry problem that can't be broken down into segments" and the Department's decision to report to two separate industry groups (cotton and manmade fibers on Monday; silk and wool on Tuesday) came as "a surprise."

That the industry was shocked to learn that spokesmen for importing organizations had been invited to the meeting;

That the Department, in seeking solutions to world political and economic problems through multination agreements, should not limit their interest to the textile industry nor expect the industry to bear a disproportionate burden in this field;

That the industry's ability to meet military textile requirements in case of a national emergency has already shrunk to a level impairing national security and further import increases can only endanger the Nation's ability to survive attack;

That the selection of the 1960 level of imports is too high in that the industry has been unable to digest that volume and, consequently, has been forced to contribute measureably to the Nation's unemployment figure.

Mr. Speaker, I have also here, and I have done this every month and intend to do it as long as this Congress is in session, and to begin again when we have the second session of this particular Congress, a letter from the Textile Workers Union of America, AFL–CIO, in reference to textile mill employment and production in the United States, June 22, 1961, which I include as part of my remarks.

The letter is as follows:

TEXTILE WORKERS UNION OF AMERICA,
AFL–CIO,
Washington, D.C., June 22, 1961.

To Members of Congress from Textile Districts.

From John W. Edelman, Washington Representative.

Re textile mill employment and production in the United States, June 1961.

With the summer lull, mill orders continue sluggish and on a hand-to-mouth basis. Some mills are closing down for 2 week vacation periods and others are reducing from 6-day to 5-day workweeks.

Revised April figures show production worker employment of 814,900 with an increase in May to about 823,000 which is the highest since November 1960. It is still 40,000 under the unemployment of a year ago.

The seasonally adjusted drop in April's unemployment rate was sharper than expected, the rate being 5.7 compared to 9.0 in March. The general improvement was also registered in the production index which was revised upward in March to 104.6 and which exceeded 106 in April. This is an increase of 8.6 percent over the December 1960 level.

U.S. textile imports were down sharply in April compared to a year ago.

	April		January 1961	April 1960
	1961	1960		
Countable cotton cloth (million yards)	16.5	45.8	84.3	165.7
Broad woven grey cloth (million yards)	8.9	36.7	----------	------
Cotton yarn (thousand pounds)	742	1,163	3,579	5,482

Mr. Speaker, on the 23d of this month I received a telegram from a plant manager employing people in the textile industry in my area showing the disappointment of the people of my area in what the State Department is doing.

That telegram is as follows:

CAMDEN, S.C., *June 23, 1961.*

HON. ROBERT W. HEMPHILL,
Representative, Fifth District of South Carolina, House Office Building, Washington, D.C.:

We are disturbed and disappointed with the plan of the State Department as announced by Under Secretary of State, George W. Ball, to negotiate for cotton textiles alone what he designates as an orderly increase in imports, and enter into no negotiations and establish no quotas on imports of manmade fibers or products of wool and silk. We strongly urge that you express to the President vigorous objections to the Ball program as being injurious to the manmade fiber and domestic textile industry. Your support of the textile industry and efforts to improve the textile import situation have been most encouraging and we appreciate your help.

L. M. JONES,
Plant Manager, May Plant, E. I. du Pont de Nemours & Co., Camden, S.C.

Mr. Speaker, I also have here an article from the Washington Post which I have previously classified as the Washington Daily Worker with all the implications that such a characterization should imply. That article appeared today on the editorial page, if you really can call it an editorial page—I call it a sort of scan-

dal or propaganda sheet because it does not care anything about the Constitution and, of course, wants to destroy America and to destroy a part of the textile industry, which is, in fact, destroying a part of America. I have this article from the Washington Post and it is as follows:

TRADING IN TEXTILES

The fight over textile imports has become so bitter that it is beginning to embarrass American foreign policy. If the administration now retreats into protectionism, it will be correctly regarded abroad as an ominous precedent for economic isolationism. To head off an open collision, the State Department is supporting a compromise to give short-term comfort to textile manufacturers at home and long-term hope to those abroad.

A voluntary system of expanding quotas is now slowly being devised by the nations that buy and sell cotton textiles. The underdeveloped nations will be asked to exercise "restraint" in pouring their low-priced goods abroad. The industrialized nations, in return, would open their markets increasingly to foreign cloth. And all quotas must be mutually acceptable to buyer and seller.

Within these principles, the State Department hopes to see a network of precise bilateral agreements to allocate the world trade in cotton textiles. A conference of some 25 nations in Geneva late next month will begin to construct this system. The Department has suggested the nations sending cotton goods to this country impose on themselves quotas initially equal to their present sales here, with a 30-percent cutback for Hong Kong and perhaps some increase for Japan. These quotas would then expand, but not so fast as our domestic market, leaving some expectation of growth for our own mills. At the same time the other industrialized countries would agree to take quotas of cotton goods from the underdeveloped countries.

The American textile manufacturers' response has been characterically hysterical. Our textile imports in 1960 were less than our exports, amounting to only about 7 percent of consumption, but the manufacturers are demanding this country barricade itself behind a unilateral and fixed quotas system that would cutback all our foreign suppliers and virtually eliminate many. The industry has strong support in Congress, where more than 200 Members, including a third of the Senate, have signed a letter to the President complaining that the diplomats fail to understand our mills' difficulties.

President Kennedy is currently the arbiter in this struggle. At his press conference yesterday he was noncommittal about specific plans, but endorsed the Geneva meeting. He demonstrated again his inclination toward lower trade barriers by emphasizing the volume of American cotton sales abroad: "It has to be balanced."

The allocated market principle is a long detour from the road this country has slowly been traveling toward more open international trade. The proposal's authors defend it as the most hopeful device to avoid an outright reversal of direction. They also emphasize, with justice, the importance of stable export markets for the underdeveloped nations and say that we already allocate markets for some raw materials.

But a profound question is posed by this textile marketing plan. Anyone who sees virtue in unhindered trade and free competition must approach it with painful misgivings. Once applied, quotas may be exceedingly difficult to alter. State Department officials swear they would be committed to steady increases, and the system itself would be merely a temporary device to ease the transition into unrestricted trade. On balance, even temporary quotas are permissible only if they are the unavoidable alternative to irresistible pressure in Congress for harsher barriers, in turn incurring reprisals abroad. Perhaps the administration ought to consider tax concessions for those American cotton mills that may be genuinely uncompetitive, allowing them to accumulate the capital to diversify or get out of the cotton business altogether.

Mr. Speaker, at the end of this article the following sentence is found:

Perhaps the administration ought to consider tax concessions for those American cotton mills that may be genuinely uncompetitive, allowing them to accumulate the capital to diversify or get out of the cotton business altogether.

Mr. Speaker, what right has anybody to tell a segment of our American industry to get out of business? Do those who subscribe to such a theory not know that these people have been in business for years? Do they not know that the people working in the textile industry today have not only furnished our country with much needed materials in time of war for which they received awards of excellence from the War Department, but do they not also know the people working in this industry have sacrificed their sons and daughters, some of whom lost their lives in the cause of freedom, thinking that their Government, and I suppose the Government includes the State Department, because sometimes it seems that the State Department is running the Government—and running it into the ground—would do something for them when they returned and would be quick when these men returned from the wars to be their stanchest ally. I wonder what they think of the situation today? This is not a new thing. In the 5 years I have been here, we have been constantly trying to do something about this particular problem. We have constantly pointed up the difficulties in which we are involved and asked for some relief, but we have not had any relief.

Now, we have some others who are in trouble also. I have an article from the Wall Street Journal of Thursday, June 22. I cut it out because it shows that our State Department is not only wrong in the textile field but it is wrong in its general overall policy. This is an article which is headlined "Record Exports of Timber to Japan Cause Controversy Over High Prices, Lost Wages."

It is as follows:

RECORD EXPORTS OF TIMBER TO JAPAN CAUSE CONTROVERSY OVER HIGH PRICES, LOST WAGES

(By a Wall Street Journal staff reporter)

PORTLAND, OREG.—The Japanese are sharply increasing their purchases of U.S. timber, a move which is stirring a controversy in the Northwest.

Japan's purchases of logs from the west coast this year have been the largest in history. Its log buying jumped 127 percent above the 1960 pace in the first 3 months this year in Oregon, Washington, and California, Federal figures show. For the full year, Japanese log imports from the United States may be as much as 200 percent over 1960, Northwest woodsmen estimate. Japan's log purchases from the United States may reach 200 million to 400 million board feet this year, compared with 92 million in 1960, estimates indicate.

The large-scale exports have led some U.S. timber industry leaders to seek a Federal quota limiting the export of Federal timber to Japan. Also, the mills recently got Oregon's legislature to pass a law banning the sale of any logs to Japan from State-owned timber.

Why have timber exports to Japan caused this controversy?

The Japanese demand has raised the prices of some logs, and U.S. mills competing on the open market often find they have to pay more for timber. Japanese have paid prices $5 to $30 a thousand board feet above the going market prices for fir and hemlock logs, U.S. industry sources say. Most mills depend on buying Federal timber or logs for at least part of their raw material.

CONSUMER PRICE COULD BE AFFECTED

"Through a Japanese bidder's competition, I went from $98,110 up to $210,500 in buying at an auction. Now do you understand how I feel?" asks James Whitty, president of Al Pierce Lumber Co., Coos Bay, Oreg.

The rising Japanese demand could ultimately affect the prices of lumber for U.S. home buyers and other consumers, but proponents and opponents of log exports generally agree the current volume of exports is not large enough to push up lumber prices generally.

Those opposed to log exports to Japan also say processing the logs into lumber and other products in Japan hurts employment here. Some mill and union leaders argue that if the Japanese can't buy raw logs, they will buy more lumber instead. A payroll of $43 a thousand board feet is created by logging and making lumber. However, less than half this amount comes from logging alone, according to a spokesman for the Western Forest Industries Association, a group opposing Japanese log buying.

"The Japanese are importing both our logs and our payroll," said Joseph W. McCracken, executive vice president of the association at Portland, Oreg. A. F. Hartung, president of the International Woodworkers of America union, says, "The sawmills could not stay in business if they had to meet the top prices paid by the Japanese."

SOME SUPPORT EXPORTS TO JAPAN

However, there is considerable support for the Japanese exports even in the heart of the lumber producing area.

Says one industry spokesman: "I would rather see the logs manufactured into lumber here. But it's our Government's policy to keep Japan in our orbit. To do that, we have to trade with Japan."

An International Longshoremen's and Warehousemen's Union official said: "We favor log exports to Japan. They create jobs."

Crown Zellerbach Corp., Simpson Timber Co., and some other large companies have sold logs to Japan.

Japan is short of wood. Although nearly two-thirds of the country is forested, much of the timberland is inaccessible for logging.

Japan currently has a big forest-road-building program underway to open up such timber areas.

Japan has relied increasingly on wood imports. Until recently, Japan was increasing its imports from Russia faster than from the United States. Between 1956 and 1958, Japan's wood imports from the United States rose about 80 percent, while imports from Russia gain 536 percent. Japanese figures show. In the past year, however, Japan has slowed its wood buying from Russia. Japanese trade representatives in the United States say. A spokesman for a Japanese trading company says Soviet trade gets mixed up with politics, and so the supply and price is not dependable.

JAPANESE PERTURBED OVER FUSS

The Japanese get somewhat perturbed by the fuss in the United States over timber exports.

"Americans shouldn't kiss us goodby and get too cocky," says one Japanese importer. Japan already is buying more heavily in

New Zealand and Australia as well as the United States he says.

However, the Japanese have pulled in their horns slightly on U.S. buying recently. "A month age, we couldn't find enough hemlock 4 by 4's for Japan. Now we can't sell them," says a spokesman for Pacific Lumber & Shipping Co., Seattle. This may stem partly from a world shipping bottleneck resulting from the burgeoning log trade plus fast-rising grain shipments to Red China that suddenly have filled a lot of ships.

It's generally felt Japan still would like to buy more North American wood. Japanese representatives in the Northwest have been close-mouthed about saying how much more. Japan imported about 2 billion feet of softwood logs last year from all countries, and would like to boost that to 6 billion feet, according to Dant & Russell, Inc., Portland, Oreg., the main exporter of logs to Japan. Japan uses about 20 billion board feet a year.

The reason I include this particular article is we are all losing wages. When we lose wages we lose dignity, we lose respect, we lose productivity, consumer power and purchasing power, and we lose a part of the natural wealth of the Nation.

The textile industry went to those at the White House and the various executive departments and told them that the textile industry is essential to the defense of this Nation. It is. The textile industry is essential. Otherwise we could not clothe our troops or have many other things that are essential to defense. I do not understand why we continue to have deaf ears here unless there are some who are determined to wreck this Nation, to take it apart piece by piece, knowing that snapping the vitality of this particular segment of American industry will strike a serious blow at the confidence of the people of this country in their Nation because they need jobs, they need wages, they need the dignity of work.

I also have an article here from the Wall Street Journal of Thursday, June 22, which is headed "White House Pushes To Get the New Haven $5,500,000 U.S. Loan as Defense Industry" as follows:

WHITE HOUSE PUSHES TO GET THE NEW HAVEN $5,500,000 U.S. LOAN AS DEFENSE INDUSTRY

(By a Wall Street Journal staff reporter)

WASHINGTON.—The White House is actively directing an effort to save the New York, New Haven & Hartford Railroad from bankruptcy with still another infusion of Federal loans.

Already President Kennedy's transportation adviser, James M. Landis, has intervened on the New Haven's behalf before the Interstate Commerce Commission, but that agency has closed its door to the railroad. So, Mr. Landis is guiding the New Haven to the Treasury Department and the Office of Civil Defense Mobilization for help.

The New Haven, on the advice of Mr. Landis, has asked for a $5,500,000 direct loan by next Monday under the Defense Production Act of 1950. Before the Treasury can grant a loan under the act it must receive a certification from OCDM that the applicant is an essential defense industry.

WHITE HOUSE SUPPORT

And it seems evident the White House is pushing hard in the New Haven's behalf. One White House aid said bankruptcy for the railroad would be a ghastly situation. He declared "the administration is going to help" the New Haven and any other commuter railroads in financial trouble.

This White House source noted President Kennedy intends to submit legislation, probably next year, that would provide Federal aid for commuter lines. This plan would be much broader than the token proposal the President sent Congress this week which seeks to make clear that, under pending housing legislation, urban planning grants can be used for studies of mass transit problems.

White House intervention for the New Haven at the Treasury and OCDM is irking officials of other Federal agencies. The New Haven won't be able to pay off the loans it has already received from or through the Government, they contend, so the White House effort amounts to a subsidy program for a privately owned railroad without authorization from Congress.

The New Haven has borrowed about $39 million since 1955 either in direct loans from the Government or in private loans on which the Government has guaranteed repayment. In May the New Haven obtained an ICC loan guarantee for $1,500,000 after Mr. Landis told the Commission the White House favored the New Haven application. But because it has grave doubts about New Haven's ability to repay this loan and previous ones it has guaranteed, the ICC has said it won't help the railroad any more.

UNUSUAL USE OF ACT

In its application to the Treasury and the OCDM, the New Haven is proposing an unusual use for the Defense Production Act. The law was passed primarily to finance expansion of basic industries, such as steel and pipelines, during the Korean war. It has been used little since then and, according to the OCDM, help for a railroad under it has been rare.

Even if it gets the $5.5 million loan, the New Haven has indicated it will be back to Washington with still another loan application later in the year. The railroad, it's understood, calculates it will need about $10 million to carry it through 1961.

This $10 million estimate takes into consideration some $3.1 million of tax cuts the New Haven will get in the last half of this year from the four States in which it operates: New York, Connecticut, Rhode Island, and Massachusetts. They have enacted tax relief measures to help the New Haven, but the aid will not start until July 1. On a full-year basis, the four new laws will mean $6.2 million in annual tax relief for the New Haven.

The most pressing bill facing the New Haven is a $1.5 million interest payment due July 1 on its $76.8 million of outstanding first mortgage 4 percent bonds. The New Haven for the first 4 months this year had a net loss of $7,758,381 compared with a loss in the corresponding 1960 months of $4,396,683.

I came across the New Haven situation in my committee and found out that the Interstate Commerce Commission in certain instances had made loans without proper collateral. I am in favor of helping the railroad industry, but if the railroad industry is important to defense, certainly the textile industry is too.

Let us look at it this way: They tell us that voluntary quotas will not work, yet in the Japanese Trade Agreement the voluntary quotas have worked in large part. Can we afford to sacrifice this industry? Is that the intent of the policymakers today? If it is, they are against my people and they have betrayed them. There is no other way to describe it.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I believe the gentleman has raised a most practical point. I realize he is speaking on behalf of the people he represents, but he emphasizes the predominant influence of foreign affairs in our problems today. Certainly we cannot isolate any segment of our economy on account of foreign affairs. The gentleman is absolutely correct in his request that the State Department consider itself the servant of the American people, and, of course, specifically of the people in his district, just as each of us representing our respective constituents hopes that the State Department serves our people, as the gentleman hopes they will serve his. I believe the gentleman's remarks are in good order, I believe the gentleman's remarks deserve the attention of all the Members of the House. Certainly it would be my wish that the gentleman's remarks receive attention in the State Department, and it would be my further hope that the gentleman would through his remarks and his activities bring congressional interest and attention to this problem so that we might see that our State Department serves the taxpaying citizens of America. I commend him for his loyalty to the constituents he represents.

Mr. HEMPHILL. I thank the gentleman from Illinois.

I have noted the gentleman's diligence. His office is right across the hall from my office. I have noticed the ability with which he has represented his people. I know he is concerned with this problem, not because it is his immediate problem but because he is concerned with the affairs of this Nation. Why have we not had some proposal? We have quotas on those countries that are friendly. To deny those countries that are unfriendly the right to export to this country is self-evident.

Let me tell you a peculiar situation which exists. It is well known, but the American people have not been renewed in their contact with it lately.

We are shipping cotton overseas. We have to get rid of our surplus cotton. We are shipping cotton overseas and today, because of a differential of 8½ cents that we subsidize, that cotton is being bought overseas for the purpose of being shipped back here. I have witnessed it firsthand in Japan and other places across the seas. Now, our mills are having to pay a certain amount for cotton and their competition pays 8½ cents less a pound. You may ask, How can they compete? Our competition is not hiring American workingmen. It is not paying wages to American workingmen. The wages of our foreign competition are not helping to pay taxes. They have not fought for our country. They have not contributed, and yet we are told that we must gear our policy to see that their interests are taken care of first. I resent that attitude and I resent that lack of appreciation of America first, because unless we think of America first we are not going to be able to think of an America at all.

America cannot exist except as a leading nation; otherwise it just would not be America.

Mr. Speaker, I received a letter the other day from a gentleman in California whom I have never seen and do not know, but one I appreciate. I ask unanimous consent to insert that letter at this point in my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The letter is as follows:

SAN FRANCISCO, CALIF.,
June 20, 1961.

Representative ROBERT W. HEMPHILL,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HEMPHILL: I wish to commend you with all the power at my command for your forthright, determined attempts to obtain action in the matter of textiles.

I just read your speech in the June 15 RECORD, and I am aware of the earlier effort made in March, when you and so many other legislators produced data which should satisfy any reasonable person as to the situation.

Sir, I am shocked that nothing has been done, having been reading about this for some months now, and not only that, but that the State Department is planning new international agreements to cover only one aspect of the problem.

I do not believe this is stupidity, as has been the case perhaps in the overall foreign policy, which has made this country the laughingstock of freemen and freedom fighters everywhere.

I believe there are men trying to destroy this industry, and why can't action be done; why is it so impossible to obtain satisfaction for the people of America, re jobs, taxes, subversion, etc.? Are we going to have to go up there and pull these masters of indecision out of their bureaus with our bare hands?

Let us get the names of the men responsible. Let us return tariffmaking agreements to Congress, if it is not too late. Voluntary quotas would work—why are we so afraid of everyone else in the world, that we cannot protect our own interests? Best of luck. I will tell everyone I can of the situation.

Sincerely,

JAMES L. SHARP.

Mr. HEMPHILL. Not long ago I talked in the well of this House about a horrible editorial in the Washington Post called "A Terminal Case." I have here an excerpt of comments on that particular editorial, and I ask unanimous consent to include it in my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The matter referred to is as follows:

A TERMINAL CASE

With its oversea outlets vanishing and the competition at home increasingly savage, the textile industry was lobbying with desperate energy this spring for Federal quotas to hold back the rising flood of foreign imports. Last week President Kennedy told the textile manufacturers he would extend every legitimate kind of aid they were requesting, but he declined to impose quotas. The President put himself on the side of commonsense and international fairplay.

Although only 7 percent of the cloth sold here is now imported, the manufacturers can see the future clearly. From 1958 to 1960, imports of cotton, wool, and synthetic fibers more than doubled.

The State Department will renew its labors to persuade the exporting nations into voluntarily limiting their shipments to us. Apparently these self-imposed limits are to be expanded with time. Meanwhile the textile-makers here will have a grace period to get out of the lines of production in which they find they cannot compete. This temporary protection is altogether proper.

President Kennedy evidently has convinced the textile industry of his genuine concern for its troubles. He will propose loans like those offered in distressed areas. The Commerce Department will undertake the research that the industry no longer can afford. The Agriculture Department will seek a solution to the really outrageous inequity of cotton pricing; the mills here must buy raw cotton on the supported domestic market, while their competitors abroad can buy American cotton 20 percent cheaper on the unsupported world market.

All of these remedies will be money well spent if they relieve the political pressure for the imposition of fixed quotas, with the discrimination that would mean. But the point to remember is that no amount of protectionism can restore the industry even to the fragile health it enjoyed 15 years ago.

Our cotton exports have sunk to one-third of the 1947 level, and quotas will not raise them. At home, consumers have spent a diminishing share of their income on clothing; plastics and paper have replaced many industrial uses of cloth. Although textile production has diminished only slightly since World War II, productivity in the mills has risen more than 70 percent; it has meant the loss of 400,000 textile jobs, and quotas will not bring them back.

Fixed textile import quotas would invite retaliation against our own products, and betray our whole foreign economic policy. Textile manufacturing is largely a low-wage, low-investment industry suitable for the early stages of a nation's development. With its high-wage, mature economy, the United States has outgrown much of textile manufacturing as an appropriate livelihood. Sustained protection of uneconomic mills would close our markets to struggling nations in whose advancement we have invested millions of dollars of foreign aid.

The decline of uncompetitive industries is always a cruel affair, both for the people who work in it and those who invested in it. The President has rightly perceived that the Government's proper role is to soften temporarily a blow that cannot be shielded except at prohibitive cost in both dollars and international good faith.

Mr. HEMPHILL. Mr. Speaker, let me say this in closing. We in the textile area are part of America. We intend to be part of America tomorrow. We have been a part of the greatness of America in the past, and we are proud of it. We are part of the strength of America today, and we are proud of it. We are determined to exist. We are determined to progress. We are determined that the State Department see our problem and do something about it. If they do not, I know not what course may lay ahead of us. I only know that I will subscribe to a course offering relief to the need of my people.

In conclusion, Mr. Speaker, let me pause here to thank the people who are employed in the House of Representatives for their patience, working with us at this late hour; a fine group of people, and I am happy to serve with them. But, the time has come, Mr. Speaker, for some relief in the textile industry.

GEN. THOMAS D. WHITE

Mr. MACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK. Mr. Speaker, on September 14, 1917, Congressman L. E. Wheeler, of the 21st District, Illinois, advised the Secretary of War of his appointment of one Thomas Dresser White to the U.S. Military Academy. In July 1918, that young man entered the Military Academy from which he graduated in July 1920. Tomorrow, 41 years later, that same man and now Gen. Thomas D. White, Chief of Staff of the U.S. Air Force, is retiring from the military service.

General White's long and distinguished service has taken him to many foreign lands, has seen him in responsible positions in two wars and has culminated in outstanding service to his country as Chief of Staff of the most powerful Air Force in the world.

General White's career has literally spanned the growth of airpower into aerospace power—from the days of the Jenny to the current era of supersonic jet aircraft, ballistic missiles, the X–15 rocket craft, which has flown a mile a second, and earth orbiting satellites.

But General White has been more than a distinguished airman. He is in truth a military statesman of the first order and a forward thinker who has constantly placed the national interest above service interest. I know that our Nation will miss his counsel. I also know that all of us wish him happiness and tranquillity in the years ahead.

As an aviator myself, I am particularly proud that General White was appointed from my district and I feel privileged to make these remarks on behalf of such a distinguished American.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. MACK. I will be happy to yield to the gentleman.

Mr. HEMPHILL. Mr. Speaker, it just so happens that I am a member of the Air Force Reserve. I must say that General White has always had the Reserves as well as the men on active duty at heart.

About a year ago I was privileged to go to San Francisco with him. Not only do I consider him a great military leader, but he is a man whose life has been an example to American boys and girls, a person of absolute courtesy and military bearing such as would inspire the admiration of all of us. I associate myself with the remarks of the distinguished gentleman from Illinois.

Mr. MACK. I thank the gentleman from South Carolina for his appropriate remarks, especially since the gentleman served in the Air Force as an aviator during World War II.

A CONTROLLED OUTLET FOR THE GAMBLING URGE

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. FINO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINO. Mr. Speaker, I am happy to note that as a result of recent warning of stock market speculation, the Subcommittee on Commerce and Finance has opened hearings to determine whether present regulations are adequate to protect the investing public.

This, to me, is an acknowledgment by Congress that the public is engaged in a speculative frenzy—or gambling activity—and that proper regulation, control, and supervision appears necessary. It would further tend to prove that gambling—and it has been admitted that this is what we are dealing with—is an aspect of the human personality that simply cannot be eradicated but must instead be controlled and beneficially channeled.

Mr. Speaker, gambling, as we all know, can be harmful when neither controlled nor regulated. We would do well to establish a controlled outlet for the gambling urge so that this natural human proclivity could be made to serve rather than disrupt our Nation.

The Congress is cognizant of the detrimental effects of gambling in the securities market—the need for control has been realized. Is the Congress not aware that gambling in this nation is a multibillion-dollar business and a pillar of organized crime? Surely, such a vice empire merits control and regulation no less than does the securities market. I urge the Congress to recognize this fact—and I urge the Ways and Means Committee to act favorably upon my proposal for a national lottery.

Only through a national lottery can we strike at the heart of the gambling syndicates, for a national lottery, in addition to securing and activating revenues presently beyond the control of responsible society, would diminish the amount of money available to shore up the crime syndicates.

We are coming to recognize that gambling cannot be exterminated but must rather be controlled. Let us act upon this realization. Now, more than ever, a national lottery is a must.

CADILLACS OR CORN

Mr. DERWINSKI. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROBISON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROBISON. Mr. Speaker, I hold in my hand a portion of the front page of the Elmira Star-Gazette, a newspaper published in Elmira, N.Y., in my congressional district, for the evening of Saturday, June 24. I refer specifically to a large photo of a 1961 Cadillac sedan, alongside which William T. Smith, a farmer from the neighboring community of Big Flats, N.Y., is kneeling.

And on the rear of the Cadillac is mounted a large sign that clearly states, and I am quoting from the picture: "Thank you, J.F.K. Thank you, Orville. Thank you, if you voted for them. We didn't. We bought this car with money we received for not growing corn."

There is another photo, just below this one, that shows Farmer Smith surveying a part of the 104 acres of land, which, according to the caption, he has diverted from crop production to weed production, and, indeed, it looks like nothing but a weed patch.

Mr. Speaker, I wish there were some way that these photos could be reproduced in this RECORD, since they tell a story better than a thousand words. However, since that is not, of course, possible, I merely wish to add that my hat is off to Farmer William T. Smith, of Big Flats, N.Y., for having the courage and the spirit to take this dramatic way of demonstrating what an irresponsible mess our whole farm price-support program is—such a mess that it is indeed time that someone like Farmer Smith made an example of it—and to now ask unanimous consent that the entire accompanying news story be included as a part of my remarks.

FARMER'S $6,100 CADILLAC MOCKS GIVER—CORN BONUS PAID FOR IT

(By Lorana Sullivan)

Chemung County farmer William T. Smith is riding Uncle Sam's crop control program in a new $6,100 Cadillac sedan.

He bought the car with money the Government is paying him to keep 104 acres out of production. He hopes he makes taxpayers angry.

Wanting to dramatize his belief that handling taxpayers money this way is not "morally right," Smith has mounted a sign on the back of the car which offers tongue-in-cheek thanks to President John F. Kennedy, Secretary of Agriculture Orville L. Freeman and the voters who elected Kennedy.

Why a Cadillac?

"I think the taxpayers would like me to have the best, so I got the works," he comments dryly.

The Federal Government has paid Smith part of a total allotment of about $6,500 for not producing corn on 104 acres of land. The Chemung County Agricultural Stabilization and Conservation Department (ACS) administers the Federal program here.

Smith did not have to join the crop conservation program. He says he decided to participate in order to demonstrate to the taxpayers how the Government spends tax money. Smith states he is opposed to the "diabolical" program but believes someone had to make an example of it.

Smith's views are challenged by Charles W. Warden, who heads the county ASC and administers the feed grain program here.

"If it (the program) has stopped the production of corn, then it's a success," declared Warden. "That's the object of the program."

Asked about farmers like Smith to whom the program provides unexpected bounty, Warden commented:

"I think anything that comes out of Congress is good. I go along with Congress and the administration. This bill was passed by congressional action, not by a bunch of farmers."

Informed that a story about Smith's views would be published, Warden protested: "The farmer is having a rough enough time as it is. It is not fair to discriminate against him by printing something about a farmer like Smith."

The owner of a 1,200-acre dairy and poultry farm at Big Flats, Smith was notified of a new 1-year volunteer grain program early this year. The Federal program was designed to cut production of corn and sorghum so that present Government storage of feed grains could be reduced.

He visited the county ASC office to investigate. He was asked if he had grown corn in 1959 or 1960.

He had. He had planted an average of 262 acres in those years, with an average yield per acre of 100 bushels.

He was told he was eligible for the Government program. With a corn production base of 262 acres, he could divert 40 percent of this acreage.

However, the land taken out of production did not have to be his best corn producing land. He could designate any part of his cropland, as long as it had been intensively cultivated within the past 3 years.

Smith signed up for the program that day. An office worker asked if he wanted his advance payment then or later. He took the advance payment on the spot—a Government check for $3,049. The remainder of the $6,500 will be paid later.

Naturally, he didn't divert his best land from production. Instead he selected 104 acres from which he "was lucky to get a yield of 65 bushels per acre." Under the program, he cannot use the diverted land for grazing or harvest silage or corn crops from it until December 31, 1961.

"I see no reason why this program will work now, since agricultural production controls haven't worked in the past 30 years. A farmer can always find a loophole."

He illustrates this point by explaining how he could still grow 252 acres of corn while participating in the program.

"The Government doesn't classify sweet corn as grain corn. I could plant 104 acres of sweet corn, which has about the same feed value as field corn, and get back the same yield of corn as I would if I weren't in the program. I just wouldn't grow it on the land I've diverted."

Another gimmick, Smith says, is an ASC program which pays a farmer half the cost of liming his fields.

"The ASC pays you for fertilizing the land—it's supposed to be for hay—but when you put that land back into corn production your corn yield is increased.

"You can't sell a farmer on being patriotic about taking his land out of production. He's just trying to make a buck like everybody else.

"If I stood on a corner and asked people to pay me for not planting 104 acres of corn, do you think I'd get any money?" he asks.

Ironically, the Chemung County Extension Service still is distributing information to farmers telling them how to produce more corn per acre of land.

How will Smith's farm fare under the Federal program?

"I'll fertilize and take good care of the 158 acres I planted in corn this year, and I'll probably grow just as much without the diverted acreage," he says.

"Then this fall I'll plant a wheat crop on some of the diverted land. It won't be harvested until next year, so I'll be following the program. Meanwhile, the weeds are having a ball."

Smith tells of a farmer near him who also is participating in the corn bank program.

"He's planted strawberries on the land he put into the program. The berries won't be harvested until next year, since they take a year to produce. The money he's collecting

is a real gift. He's getting paid to divert land that wouldn't produce for a year anyway."

Other Chemung County corn growers are receiving substantial payments for not raising corn. In the county 132 of 250 eligible corn growers have received $36,925.49 in advance payments for diverting 1,633.2 acres of land from production. Total payments will amount to about $75,000, the ASC office says.

In New York State 16,141 of 41,136 eligible corn growers have received advance payments of $3,017,001. Their total payments will be about $7 million.

Why is Smith so indignant about his "gift"?

"I know these Government payments are not morally right," Smith declares. "No farmer will take his best land out of production, and yet the taxpayer is paying him for an average yield from good land.

"I took the payments and bought the Cadillac to make an example out of what's going on," he explains. "How many people really know how tax money is spent? I couldn't think of an easier way to bring what's going on to the attention of the taxpayer."

AUGMENTATION OF THE MARINE CORPS

Mr. ICHORD of Missouri. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. DOWNING] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DOWNING. Mr. Speaker, the Secretary of the Navy, the Honorable John B. Connally, recently announced a decision to augment the Marine Corps thus providing a nucleus and framework for a 4th Marine Division. This is, in my opinion, a significant step forward toward providing our country with adequate forces for limited war. Throughout our history a ready Marine Corps has played an important role in our continued efforts to preserve peace by being strong. The record of the Marine Corps speaks for itself. There is no requirement for me to recount at this time the many victories this fighting organization has won or the numerous crises which it has nipped in the bud. The decision to increase the size of the corps by 15,000 men and to utilize this increase, in part, to establish a skeleton for a 4th Marine Division is a perceptive indication that we mean business. I only wish the rest of the outlook in the area were as bright. I am considerably concerned about the Navy's capability to move the Marines to trouble points. The record shows that we have amphibious lift of only 1½ Marine Division/Wings, or about one-third of a total realistic requirement. As Mark Watson recently reported in the Baltimore Sun, "The United States has the best amphibious fleet in the world—for one regiment. But it won't carry two divisions." It appears that our amphibious ship Navy has been sadly neglected in recent years.

I hasten to point out that I am making no indictment of the Navy's shipbuilding programs during the past decade. Our seagoing arm has been doing marvelously well with the limited and wornout tools with which they have had to work. I believe that the quick response and stabilizing of the situation in the Lebanon, Quemoy-Matsu, Congo, and other brush-fire incidents are sufficient evidence of this. In an era when emphasis has been placed, logically enough, on the staggering problems of missile gaps, space race, and deterrent forces, it is understandable that less glamorous, but nevertheless vitally necessary military weapons have been neglected. However, we have reached the point when we can no longer afford to neglect the Navy amphibious lift capability. If our current three divisions of Marines and possibly a future fourth division are to be able to carry out the traditional mission of quick reaction and immediate movement to the scene of threatened aggression, a large-scale program of new ship construction must be initiated. A cursory appraisal of our amphibious fleet reveals that at the end of this fiscal year the Navy will possess a total of 105 amphibious ships of various types; troop transports, cargo ships, amphibious assault ships with embarked helicopters, and tank-landing ships. It is almost impossible to believe that 62 of these ships will be over 15 years old by the end of this month. Most of these ships are veterans of World War II. Many were already well worn by wartime steaming by the time that conflict was over. These same ships have been maintained and operated on a near emergency basis for all the years that have followed World War II. To put it simply, these aged ships, representing far more than half of the total amphibious forces, are just plain worn out.

Now all of this would be more acceptable if we could be assured that a program were underway for a systemized replacement of the old ships. We are even aware that, with the advances in techniques in shipbuilding, and with the new methods of amphibious warfare, a mathematical ship-for-ship replacement is not actually necessary. As a matter of fact, I understand that the Navy envisions its amphibious mission being carried out in the seventies by fewer, but newer, swifter ships. Unfortunately, this long-range program has not been implemented because of shipbuilding fund limitations. In order to carry out an orderly replacement of overage ships, 9 or 10 new amphibious-type vessels should be included in each annual shipbuilding program. During the past 5 years, only two or three ships have been programed each year. In the 1961 program just one ship was provided. Obviously, with 10 ships passing their age limit each year and with a backlog of overaged ships already on hand, the present shipbuilding program is at the level of token replacement only.

And if this picture were not already dismal enough, let me point out that the Navy's most optimistic expectations would still provide amphibious lift for only one-half of the four Marine Corps divisions. And to cap this dreary summation, even this two-division planning does not take into account that ships, as do airplanes and missiles, must spend part of their time in overhaul and maintenance. So all we would have under the most optimistic planning would be less than a two-division assault lift. All in all, the amphibious lift picture is so dreary as to represent a serious deficiency in our national security posture. No wonder the Commandant of the Marine Corps has remarked that he already has more fight than ferry.

By 1965 the undeniably vital Polaris submarine program, with its first priority, will be completed. No one, of course, would suggest that the Polaris submarine program on which our very survival may depend be watered down in favor of other construction programs. That might well represent national suicide. At the same time, it is during the years 1961–65 that the threats of limited war with the attendant danger of escalation loom greatest on our horizon. It is precisely during those years of forced neglect that amphibious ship construction program should be receiving its greatest emphasis.

What I am saying is that we cannot afford to wait until after 1965 to provide ships we need right now. What I am saying is that these fine Marines with their unchallenged record must not be hampered nor have their lives jeopardized because we have failed to provide them with adequate modern sealift. The decision to bolster our Marine Corps was incisive and forward looking. It was a decision from which any erstwhile aggressor, I am sure, can take no comfort. But that decision was merely the first step. The next step, which must begin right now, is to provide the Marines with modern Navy ships which will guarantee their being moved and sustained in any place on earth where communism might throw down the challenge. The requirement is clear. Our response must be to provide systematic, large-scale, high-priority shipbuilding programs to guarantee an up-to-date, first-class, ready-to-go amphibious fleet. For generations the legendary phrase, "The U.S. Marines have landed" has meant that the situation is under control and that peace has been preserved. This is a legend which we cannot allow to perish.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COHELAN on account of Arms Control Conference, Switzerland.

Mr. BOW (at the request of Mr. ARENDS) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. PUCINSKI (at the request of Mr. ICHORD of Missouri), on Monday, July 3, for 15 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KILDAY.

Mr. MAHON.

(The following Members (at the request of Mr. DERWINSKI) and to include extraneous matter:)

Mr. GOODELL.
Mr. SCHWENGEL.
Mr. BRUCE.
Mr. MICHEL.
Mr. GOODLING.
Mr. ARENDS.
Mr. BECKER.

(The following Members (at the request of Mr. ICHORD of Missouri) and to include extraneous matter:)

Mr. GALLAGHER.
Mr. MULTER.
Mr. GEORGE P. MILLER.
Mr. CAREY.
Mr. ROUSH.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5723. An act to extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program;

H.R. 6027. An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes; and

H.R. 7677. An act to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act.

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 106. Joint resolution transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4500. To donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.

H.R. 4913. To amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act;

H.R. 5723. To extend the veterans' guaranteed and direct home loan program and to provide additional funds for the veterans' direct loan program;

H.R. 7677. To increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act; and

H.R. 7712. Making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

ADJOURNMENT

Mr. ICHORD of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 4 minutes p.m.), under its previous order, the House adjourned until Monday, July 3, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1081. A letter from the Secretary of the Army, transmitting reports of the number of officers on duty with Headquarters, Department of the Army and the Army General Staff on March 31, 1961, pursuant to Public Law 581, 81st Congress; to the Committee on Armed Services.

1082. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting the April 1961 report on Army, Navy, and Air Force prime contract awards to small and other business firms, pursuant to the Small Business Act, as amended; to the Committee on Banking and Currency.

1083. A letter from the Deputy Director for Congressional Relations, International Cooperation Administration, transmitting a copy of the agency's reply to the report of the Comptroller General dealing with contracts (reference B-133355) relating to the International Cooperation Administration, Department of State, for fiscal years 1958–60; to the Committee on Government Operations.

1084. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to grant minerals, including oil, gas, and other natural deposits, on certain lands in the Northern Cheyenne Indian Reservation, Montana, to certain Indians, and for other purposes"; to the Committee on Interior and Insular Affairs.

1085. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to establish a U.S. Disarmament Agency for World Peace and Security"; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. House Joint Resolution 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes; without amendment (Rept. No. 612). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on House Administration. House Resolution 250. Resolution providing for the printing as a House document the report of the Judicial Conference of the United States, held March 13–14, 1961, at Washington, D.C.; without amendment (Rept. No. 613). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 251. Resolution to provide for the printing of the Constitution of the United States, with an index and ancillaries, as a House document; with amendment (Rept. No. 614). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 259. Resolution authorizing the printing as a House document of a compilation of General Accounting Office findings and recommendations for improving Government operations; and providing for additional copies; without amendment (Rept. No. 615). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 292. Resolution providing for additional copies of a consultation entitled "Language as a Communist Weapon"; without amendment (Rept. No. 616). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 293. Resolution providing for additional copies of testimony of Petr S. Deriabin, former officer of the Union of Soviet Socialist Republics' Committee of State Security (KGB) entitled "The Kremlin's Espionage and Terror Organizations"; without amendment (Rept. No. 617). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 294. Resolution providing for additional copies of staff consultations entitled "The Ideological Fallacies of Communism"; without amendment (Rept. No. 618). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 295. Resolution providing for additional copies of hearings entitled "Communism in the New York Area—Entertainment," 85th Congress, 2d session; without amendment (Rept. No. 619). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 296. Resolution providing for additional copies of a consultation with Edward Hunter, author and foreign correspondent, entitled "Communist Psychological Warfare—Brainwashing," 85th Congress, 2d session; without amendment (Rept. No. 620). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 297. Resolution providing for additional copies of House Document No. 119, 86th Congress, 1st session, entitled "Patterns of Communist Espionage"; without amendment (Rept. No. 621). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 307. Concurrent resolution providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session; without amendment (Rept. No. 622). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 308. Concurrent resolution providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups"; without amendment (Rept. No. 623). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 309. Concurrent resolution providing for additional copies of hearings entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership"; without amendment (Rept. No. 624). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 310. Concurrent resolution providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress"; without amendment (Rept. No. 625). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 311. Concurrent resolution providing for additional copies of House Document 336, 86th Congress, 2d session, entitled "Facts on Communism—Volume I, The Communist Ideology"; with amendments (Rept. No. 626). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 320. Concurrent resolution authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies; with amendment (Rept. No. 627). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 348. Resolution to authorize the Committee on Foreign Affairs to employ an additional employee, and for other purposes; with amendment (Rept. No. 628). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 327. Concurrent resolution authorizing the printing of additional copies of House Document No. 198 of the 84th Congress, entitled "The Commission on Intergovernmental Relations"; without amendment (Rept. No. 629). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Resolution 349. Resolution authorizing the printing of "U.S. Defense Policies in 1960" as a House document; without amendment (Rept. No. 630). Ordered to be printed.

Mr. HAYS: Committee on House Administration. S. 1748. An act to provide for the increase of distribution of the CONGRESSIONAL RECORD to the Federal Judiciary; without amendment (Rept. No. 631).

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 17. Concurrent resolution authorizing the printing of the pamphlet entitled "Our Capitol" as a Senate document and providing for additional copies; without amendment (Rept. No. 632). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 23. Concurrent resolution to print additional copies of part I of hearing on migratory labor; without amendment (Rept. No. 633). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 24. Concurrent resolution relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary; without amendment (Rept. No. 634). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 27. Concurrent resolution authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium; without amendment (Rept. No. 635). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 342. Concurrent resolution authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN; and providing for additional copies; without amendment (Rept. No. 636). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 341. Resolution authorizing the employment of two additional mail clerks, Office of the Postmaster of the House of Representatives; without amendment (Rept. No. 637). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 357. Resolution providing additional funds for the Committee on House Administration; without amendment (Rept. No. 638). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 354. Resolution to provide for a flag for the Members of the House of Representatives; without amendment (Rept. No. 639). Ordered to be printed.

Mr. RUTHERFORD: Committee on Interior and Insular Affairs. H.R. 498. A bill to provide additional lands at, and change the name of, the Fort Necessity National Battlefield site, Pennsylvania, and for other purposes; with amendment (Rept. No. 640). Referred to the Committee of the Whole House on the State of the Union.

Mr. RUTHERFORD: Committee on Interior and Insular Affairs. H.R. 566. A bill authorizing the establishment of a national historic site at Old Fort Davis, Jeff Davis County, Tex.; with amendment (Rept. No. 641). Referred to the Committee of the Whole House on the State of the Union.

Mr. RUTHERFORD: Committee on Interior and Insular Affairs. H.R. 2203. A bill to authorize the Secretary of the Interior to exchange certain property in Rocky Mountain National Park, Colo., and for other purposes; with amendment (Rept. No. 642). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H.R. 4360. A bill for the relief of Hood County, Tex.; without amendment (Rept. No. 643). Referred to the Committee of the Whole House on the State of the Union.

Mr. RUTHERFORD: Committee on Interior and Insular Affairs. H.R. 5518. A bill to revise the boundaries of the Fort Raleigh National Historic Site in North Carolina, and for other purposes; with amendment (Rept. No. 644). Referred to the Committee of the Whole House on the State of the Union.

Mr. RUTHERFORD: Committee on Interior and Insular Affairs. H.R. 5548. A bill to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes; with amendment (Rept. No. 645). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 6067. A bill to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Ball or Beech Gap Southwest and running into the State of Georgia; with amendment (Rept. No. 646). Referred to the Committee of the Whole House on the State of the Union.

Mr. RUTHERFORD: Committee on Interior and Insular Affairs. H.R. 7240. A bill to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes; without amendment (Rept. No. 647). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Interior and Insular Affairs. H.R. 7042. A bill to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes; without amendment (Rept. No. 648). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. Annual review of the National Science Foundation (Rept. No. 670). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. Report on Project Mercury (Rept. No. 671). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H.R. 1612. A bill for the relief of Mr. Ernest Hay, Wamego, Kans.; with amendment (Rept. No. 649). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 2990. A bill to confer jurisdiction upon the Court of Claims to determine the claim against the United States of Amis Construction Co. and San Ore Construction Co.; without amendment (Rept. No. 650). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 3855. A bill for the relief of Dwylia McCreight and John T. McCreight, Jr.; without amendment (Rept. No. 651). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 4382. A bill for the relief of Joseph L. Thomas; with amendment (Rept. No. 652). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 5182. A bill for the relief of Charles P. Redick; with amendment (Rept. No. 653). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 5320. A bill for the relief of Robert Knobbe; without amendment (Rept. No. 654). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 7581. A bill for the relief of Mike H. Kostelac; without amendment (Rept. No. 655). Referred to the Committee of the Whole House.

Mr. MACGREGOR: Committee on the Judiciary. H.R. 7610. A bill for the relief of Joe Kawakami; without amendment (Rept. No. 656). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 7676. A bill for the relief of George W. Ross, Jr.; without amendment (Rept. No. 657). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 7739. A bill for the relief of Arthur C. Berry and others; without amendment (Rept. No. 658). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 7740. A bill for the relief of Mrs. Sharon Lee Harden; without amendment (Rept. No. 659). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 1532. A bill for the relief of Jeanine Ruth Tabacnik; with amendment (Rept. No. 660). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 1550. A bill for the relief of Jesus Garza Lopez; without amendment (Rept. No. 661). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1551. A bill for the relief of Kim-Ok Yun; with amendment (Rept. No. 662). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 1898. A bill for the relief of Isabel Brown; without amendment (Rept. No. 663). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 1901. A bill for the relief of Georgia J. Makris; with amendment (Rept. No. 664). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 2136. A bill for the relief of Hajime Misaka; without amendment (Rept. No. 665). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 2145. A bill for the relief of Joginder Singh Toor; without amendment (Rept. No. 666). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 2181. A bill for the relief of Kim Dom Yong; without amendment (Rept. No.

667). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 3404. A bill for the relief of Elemer Christian Sarkozy; without amendment (Rept. No. 668). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 6514. A bill for the relief of Dr. Louis Karel Dupre; without amendment (Rept. No. 669). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BETTS:

H.R. 7925. A bill to provide a 6-year statute of limitations for assessing tax on omission of dividends or interest from gross income reported on tax return, and to provide a special penalty for such omission; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 7926. A bill to provide for the construction of a new Federal office building in Van Nuys, Calif.; to the Committee on Public Works.

By Mr. HENDERSON:

H.R. 7927. A bill to adjust postal rates, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KILGORE:

H.R. 7928. A bill to provide for the conveyance of certain excess real property of the United States to the city of Mission, the city of McAllen, and the city of Edinburg, all situated in the State of Texas; to the Committee on Government Operations.

By Mr. LANGEN:

H.R. 7929. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mr. MASON:

H.R. 7930. A bill to amend section 170 of the Internal Revenue Code of 1954 with respect to certain civic organizations; to the Committee on Ways and Means.

By Mr. RYAN:

H.R. 7931. A bill to amend title I of the Housing Act of 1949 to provide more adequate relocation payments for individuals, families, and business concerns displaced from urban renewal areas; to the Committee on Banking and Currency.

By Mr. SIKES:

H.R. 7932. A bill to amend the act of July 2, 1948, so as to repeal portions thereof relating to residual rights in certain land on Santa Rosa Island, Fla.; to the Committee on Armed Services.

By Mr. STRATTON:

H.R. 7933. A bill to provide for a monument to Martin Van Buren, and for other purposes; to the Committee on House Administration.

By Mr. VINSON:

H.R. 7934. A bill to authorize the Secretaries of the military departments to make emergency payments to persons who are injured or whose property is damaged as a result of aircraft or missile accidents, and for other purposes; to the Committee on Armed Services.

H.R. 7935. A bill to restore authority in the Armed Forces to prepare the remains, on a reimbursable basis, of certain deceased dependents of military personnel and to transport the remains at Government expense to their homes or other appropriate place of interment; to the Committee on Armed Services.

By Mr. MORGAN:

H.R. 7936. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. KASTENMEIER:

H.R. 7937. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. HALPERN:

H.R. 7938. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MULTER:

H.R. 7939. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. FARBSTEIN:

H.R. 7940. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MOELLER:

H.R. 7941. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. ADDONIZIO:

H.R. 7942. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. JOHNSON of Wisconsin:

H.R. 7943. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. CLEM MILLER:

H.R. 7944. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. FRIEDEL:

H.R. 7945. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. ASHLEY:

H.R. 7946. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. CELLER:

H.R. 7947. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. BLATNIK:

H.R. 7948. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. RIVERS of Alaska:

H.R. 7949. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. DONOHUE:

H.R. 7950. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. RHODES of Pennsylvania:

H.R. 7951. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. LANE:

H.R. 7952. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MOULDER:

H.R. 7953. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. SHIPLEY:

H.R. 7954. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. PIKE:

H.R. 7955. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. OLSEN:

H.R. 7956. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. RODINO:

H.R. 7957. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. NIX:

H.R. 7958. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. RYAN:

H.R. 7959. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. KARTH:

H.R. 7960. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. O'HARA of Illinois:

H.R. 7961. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. STAGGERS:

H.R. 7962. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. KOWALSKI:

H.R. 7963. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. ROOSEVELT:

H.R. 7964. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. DANIELS:

H.R. 7965. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. TOLL:

H.R. 7966. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. ZELENKO:

H.R. 7967. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. DIGGS:

H.R. 7968. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. ZABLOCKI:

H.R. 7969. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mrs. KELLY:

H.R. 7970. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. HAYS:

H.R. 7971. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. McDOWELL:

H.R. 7972. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MURPHY:

H.R. 7973. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. GALLAGHER:

H.R. 7974. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MONAGAN:

H.R. 7975. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MERROW:

H.R. 7976. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. HOLIFIELD:

H.R. 7977. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. MOORHEAD of Pennsylvania:

H.R. 7978. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. REUSS:

H.R. 7979. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. ANFUSO:

H.R. 7980. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. COHELAN:
H.R. 7981. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.
By Mr. INOUYE:
H.R. 7982. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.
By Mr. JUDD:
H.R. 7983. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.
By Mr. VANIK:
H.R. 7984. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.
By Mr. LATTA:
H.R. 7985. A bill to amend the Agricultural Act of 1956, as amended, and the Agricultural Act of 1949, as amended, to prohibit the subsidized export of any agricultural commodity to Communist nations and to prohibit sales by the Commodity Credit Corporation of any agricultural commodities to such nations; to the Committee on Agriculture.
By Mr. MERROW:
H.R. 7986. A bill to provide for adjusting conditions of competition between certain domestic industries and foreign industries with respect to the level of wages and the working conditions in the production of articles imported into the United States; to the Committee on Ways and Means.
By Mr. LINDSAY:
H.R. 7987. A bill to amend the Immigration and Nationality Act so as to modernize and liberalize the quota system and provide for the admission of persecuted peoples, and for other purposes; to the Committee on the Judiciary.
By Mr. ALBERT:
H.J. Res. 466. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962; to the Committee on Agriculture.
By Mr. BROYHILL:
H.J. Res. 467. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.
By Mr. LINDSAY:
H.J. Res. 468. Joint resolution designating the 7-day period beginning November 5, 1961, as Hospitalized Veterans Week; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of North Carolina memorializing the President and the Congress of the United States to enact suitable legislation to regulate correspondence schools and their solicitors as to their activities in the several States, which was referred to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AVERY:
H.R. 7988. A bill for the relief of Mrs. Joan M. Miller; to the Committee on the Judiciary.
By Mr. DERWINSKI:
H.R. 7989. A bill for the relief of Mrs. Francisca Tongco Ruiz and Leo Bayani Ruiz; to the Committee on the Judiciary.
By Mr. GALLAGHER:
H.R. 7990. A bill for the relief of Ruth Adams, Joseph Adams and Thomas Herbert; to the Committee on the Judiciary.
By Mr. JOELSON:
H.R. 7991. A bill for the relief of Concetta Vacca, Rosaria Vacca and Francesco Vacca; to the Committee on the Judiciary.
By Mr. MILLER of New York:
H.R. 7992. A bill for the relief of Juana Brandariz Sanchez; to the Committee on the Judiciary.
By Mr. MILLIKEN:
H.R. 7993. A bill for the relief of Aram Fayda and his wife, Elena Fayda; to the Committee on the Judiciary.
By Mr. SIKES:
H.R. 7994. A bill for the relief of Tina Jane Beland; to the Committee on the Judiciary.
By Mr. RILEY:
H.R. 7995. A bill for the relief of Ioannis Sokratis Zachos; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XII,

192. The SPEAKER presented a petition of Henry Stoner, Avon Park, Fla., relative to requesting a resolution dealing with congressional districts and representation in Congress, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Gen. Thomas Dresser White

EXTENSION OF REMARKS
OF
HON. PAUL J. KILDAY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. KILDAY. Mr. Speaker, Gen. Thomas Dresser White has not only achieved 41 distinguished years in the military service of our Nation but also, while not officially a native son of Texas, has been most appreciative of the Lone Star State's contribution to the training of Air Force pilots, of which he is one of the most outstanding.

As I recall several years ago General White stated that Texas is so big in this respect, as in many others, that he was required to make not one but two Armed Forces Day speeches. And he did this job well, as he always does, in citing the many Air Force bases in Texas now in the current aerospace forces, and in the impact they have had on the training of Air Force men over the years, covering the two major World Wars, the Korean conflict and the peacetimes between.

General White has often been complimented for his devoted service to his country, and his objective knowledge of world affairs in the military sphere, in his many appearances before congressional committees, especially during the missile and space hearings presided over by LYNDON B. JOHNSON, and during appropriations hearings presided over by GEORGE H. MAHON. It is safe to say that Gen. Tommy White seldom has been out of the shadows of Texas here in Washington, one way or another, and he has emerged from this close affiliation with marks of affection and mutual admiration.

In his retirement the Nation is losing a devoted military authority, as well as a cultured gentleman, diplomat, linguist, and friend. We hope that the months and years that follow these 41 years of great service are as kind to him personally as they have been to the recipients of his invaluable service to his Nation.

News for the Blind

EXTENSION OF REMARKS
OF
HON. J. EDWARD ROUSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. ROUSH. Mr. Speaker, I have great admiration and respect for those who have the misfortune to be blind. I am personally acquainted with several of these individuals, and, without exception, they are provident, cheerful, and express an intense interest in National, State, and community affairs.

In order that these people in my district might have firsthand information on the happenings in Washington and an expression from their Congressman on pending legislation, I have my periodic newsletters translated into braille for the benefit of sightless constituents. This is done at nominal expense to me, and the result has been most gratifying. I commend the practice to my colleagues, and urge them to join with me in assisting these less fortunate friends in their efforts to be well-informed and knowledgeable citizens.

Castro Welshes

EXTENSION OF REMARKS
OF
HON. CORNELIUS E. GALLAGHER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. GALLAGHER. Mr. Speaker, now that Castro has proven to us that he had no intention of relieving the 1,200 prisoners regardless of the ransom demanded, our country has been placed in a position of appeasing a Communist tyrant.

I have voiced my sentiment previously on the Tractor for Freedom exchange with Castro and I was and still am unequivocally opposed to submitting to his

extortion which would only encourage him to greater ruthlessness. I was appalled at the idea of paying tribute to this kind of extortion.

I can certainly understand the humanitarian aspects and since our country values human life as opposed to the Communist ideology, I do not disagree with the human aspect of it. Life is a precious thing but millions of Americans died in wars to preserve our honor. It is no less precious today.

When we were a new and young Nation, we refused to pay tribute to the tyrant pirates of the Barbary Coast. We are a large and powerful Nation now who would refuse to pay tribute to Khrushchev—why then should we have considered paying tribute to Castro.

I would like to include as part of my remarks the excellent editorial from the Jersey Journal of June 16, 1961:

CASTRO WELSHES

It would seem that now is the time for the Tractors for Freedom Committee to recognize that Fidel Castro is a welsher and to give up on exchanging tractors for the prisoners he holds.

Castro now shows he never really was serious about his proposal. At first it sounded to the world like the magnanimous offer of a man whose prime purpose was to build up Cuba. Now it is exposed for the propaganda fraud it always was.

Americans were shortsighted to take the offer seriously in the first place. It put our country in a position of accepting responsibility for an invasion which was not ours. But our impulsive humanitarianism could be offered as an excuse.

Now Castro is trying to change the terms of the deal. He obviously has no intention of making the trade and undoubtedly never had. Now is the time to leave him in his absurd position. He dare not harm the prisoners; he hardly can use or convert them. They and the world know their friends tried to exchange them. Now let Castro find a way of releasing them.

Attorney General Biased on Interpretation of Logan Act

EXTENSION OF REMARKS

OF

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1961

Mr. MICHEL. Mr. Speaker, I wish to make a brief statement concerning the Castro blackmail attempt to trade tractors for Cuban rebel prisoners and I hope the abortive attempt to negotiate and reopen discussion on this subject is immediately halted and that this will be the last that has to be said on this whole disgusting issue.

It has been brought to my attention that the executive secretary of the tractors for Castro committee, Mr. John Hooker, Jr., is the protege of Attorney General Robert F. Kennedy. Not only does Mr. Hooker find time to spend most of his leisure hours lolling in Mr. Kennedy's office, but has been a regular house guest of the Attorney General.

All this points up a gross example of conflict of interest on the part of the Attorney General in interpreting the Logan Act and the legality of the existence of the committee inasmuch as Mr. Hooker has obviously been lobbying for the Justice Department throughout the negotiations. Therefore, one could expect the reply I received from the Attorney General, which appears on page 11220 of the June 26 RECORD, in response to my letter to the Attorney General suggesting that the committee was acting in violation of section 953 of title 18 of the United States Code.

Mr. Kennedy stated:

In view of the foregoing, I do not believe any violation of the Logan Act is involved.

Since it now appears that the top administrator of our Justice Department was actually directing, behind the scenes, the negotiations with the Castro prisoner-emissaries, it is understandable that Mr. Kennedy's legal views might be, shall we say, somewhat predetermined.

"The Most Important Landing of a Bird Since the Dove Flew Back to the Ark"

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1961

Mr. SCHWENGEL. Mr. Speaker, this year we are celebrating the 50th anniversary of a magnificent feat that has revolutionized naval and air warfare and has thus proved to be of decisive importance to the safety and security of our lives. That unprecedented and truly historic feat was accomplished on January 18, 1911, by a daring and ingenious youth named Eugene Ely, then employed by Glenn Curtiss as "exhibition pilot." As a matter of fact, the idea of trying such a "stunt" belongs to Curtiss, but the great credit for performing it goes to Eugene Ely.

For some time prior to 1911 Curtiss tried to persuade the Navy to help him to carry out a flight landing on a naval ship. He wanted to get the Navy interested in aviation. Only late in 1910 he succeeded in convincing the Navy Department that such a "stunt" would be of infinite value to the Navy. Early in 1911 the Navy readied an armored cruiser, *Pennsylvania*, for this purpose at San Francisco Bay where Eugene Ely was eagerly waiting to try the stunt. On January 18, Ely took off from Selfridge Field and approached the *Pennsylvania*. He made a long, low approach to the stern of the cruiser, rose to clear the stern, and then cut his engine. His effort was crowned with success. Ely had made the first landing aboard a ship. He also flew back to Selfridge Field. There and then carrier aviation was born, opening a new age for our Navy and for our defense forces. At the time Captain Pond, of Pennsylvania, declared that this was "the most important landing of a bird since the dove flew back to the ark." And this was not considered an overstatement, neither at the time nor even today.

This marvelous stunt of an adventurous American lad has proved to be of incalculable importance to our fighting forces, particularly during the last war. And this year we observe the 50th anniversary of that historic airplane landing on a ship deck as a truly epoch-making event. It is sad to note, however, that Eugene Ely never flew again from a ship. Less than a year after his landing on the *Pennsylvania*, he died in a crash at Macon, Ga., and was buried in a small private cemetery in his hometown, Williamsburg, Iowa, without military and naval honors. But his name should not be forgotten in the annals of our naval aviation. On this half-century mark of his daring deed, let us honor the blessed memory of an American lad who blazed new paths and opened new horizons in U.S. naval aviation.

It pleased me to learn this week that the Post Office Department will issue a commemorative stamp in honor of Mr. Ely and this historic flight. The design and the issuance date are yet to be worked out, but this recognition will further serve to direct attention to the significant role which Eugene Ely, of Williamsburg, Iowa, played in naval aviation history.

Retirement of Gen. Thomas D. White

EXTENSION OF REMARKS

OF

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1961

Mr. MAHON. Mr. Speaker, I wish to pay tribute to one of my favorite Americans—to Gen. Thomas D. White, Chief of Staff of the Air Force, who retires from his position tomorrow at 11 a.m.

General White is not only a favorite of mine, he is a favorite of a host of others who honor him for his character and personality and for his great contribution to our Nation's welfare.

The retirement of General White after many years of dedicated service is truly a symbolic one and worthy of the recognition which it is now receiving. Not too many years ago the Air Force, which he has led so well as Chief of Staff, demonstrated its youth and vitality by transitioning smoothly from one of all aircraft to one of a mixed force concept of missiles and aircraft. Despite the tradition which was becoming part of its daily existence, it possessed the foresight and vision to meet the ever-changing demands of science and technology. At the same time, its Chief of Staff, whom we are honoring today, provided the decisive leadership necessary to effect the transition. We are fortunate, therefore, as we have been many times in the past, to have the proper military leaders at the times we have needed them most. General White was indeed such a leader.

To those of us here on the Hill, General White was not only an extremely

able military man but one of the finest gentlemen that I have ever met. To the members of the Air Force from which he is retiring, I want to say that General White exemplified your traditions, your sacrifices, your hardships, your victories and, above all, your strength, in all of his actions. You have every right to hold your heads high and fly your planes higher in a proud salute to your Chief of Staff.

To the Nation it would be well to suggest that we pause a moment to express our gratitude that we are privileged to live in a land that produces men like Thomas D. White.

Pennsylvania Is Providing Its Recreational Areas

EXTENSION OF REMARKS
OF
HON. GEORGE A. GOODLING
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. GOODLING. Mr. Speaker, Members of this House have undoubtedly seen many recent articles calling for the preservation of park land and open space before it is gobbled up by urban sprawl. The Secretary of the Interior has called upon the Nation to preserve its best scenic and recreational areas now before it is too late.

A recent editorial in the Washington Post has cited California and New York for their outstanding job in preserving recreational opportunities for their people. The States have a great role to play in this field, and I am happy to report that my own State of Pennsylvania stands with New York and California as a leader in the field of park preservation.

In my own district, the Commonwealth has opened the new Gifford Pinchot State Park named for America's greatest conservationist and Pennsylvania's two-time Governor. This magnificent facility contains a manmade lake 3½ miles long and serves the many thousands of people who live in the York-Harrisburg metropolitan area. In less than 2 months' time, more than a quarter of a million visits have been made to this new park, testimony to the need and the demand of modern Americans for creative outdoor leisure.

Gifford Pinchot State Park has two beaches, each 1,400 feet long. It offers the quiet of good boating, and it has been stocked with many fish species ready for the catching next spring. Over 1,500 picnic tables have been made from the trees the Commonwealth cut down to make way for the new manmade lake, and camping areas are now being developed along with many other facilities.

Gifford Pinchot State Park is another jewel in the crown of rich and beautiful southcentral Pennsylvania. Our cities are historic, our farms are rich, our scenery is unsurpassed, yet we know full well that the vitality of our towns rests upon their beauty and nearby recreation as well as upon their productivity. That is why Pennsylvania has embarked upon a park program equal to any in the Nation.

July has been designated by Gov. David L. Lawrence as "Pennsylvania Parks Month." We have two slogans. For those who would come to visit the land of the Declaration of Independence and the Constitution, we say visit Penn's Woods. See our mountain forests, our superb fishing streams, our beautiful parks, our unequalled history. To Pennsylvanians we say, attractive communities grow—with parks. Pennsylvania must preserve its beauty and we intend to do just that.

Gifford Pinchot would be proud of his Commonwealth today as we stand among the few States willing to carry their share of responsibility for future generations because it is for the children of tomorrow that we are building parks like these.

General Electric's Vallecitos Atomic Laboratory

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. GEORGE P. MILLER. Mr. Speaker, under leaves to extend my remarks in the RECORD, I wish to call the attention of my colleagues to a great industrial operation in my district, namely the General Electric's Vallecitos atomic laboratory. This installation is currently on the verge of expanding its facility, which first began in 1956 when General Electric's atomic power equipment department announced plans to build this laboratory.

Since then this nuclear laboratory near Pleasanton, Calif., has grown steadily. Today it represents an investment of many millions of dollars and a wide range of buildings from four working nuclear reactors to offices and laboratories dedicated toward the peaceful uses of the atom.

I have personally visited Vallecitos and have observed General Electric's scientific team at work. They are now involved in a new and vital project that will influence the coming of economic power. General Electric's technical team believes that a promising path to broadly competitive nuclear power lies through the development of nuclear superheat. This they believe will improve on the most economical reactors, and will allow the utility industry to use today's steam technology and equipment.

As in the case of most reactor types, the limiting considerations in nuclear superheat are reliable fuel and long-lived fuel materials.

To cope with this problem, the Empire State Atomic Development Associates, Inc. (ESADA) has undertaken with General Electric the design and construction of an experimental superheat reactor for the development of nuclear superheat fuel. ESADA is a nonprofit corporation of seven New York State Utilities—Central Hudson Gas & Electric Corp., Consolidated Edison Co. of New York, Long Island Lighting Co., New York State Electric & Gas Corp., Orange & Rockland Utilities, and Rochester Gas & Electric Corp. These New York utilities have stepped up to assume a large fraction of this multimillion-dollar program for solving programs jointly faced by the nuclear industry, the utility industry, and the Atomic Energy Commission.

The ESADA Vallecitos Experimental Superheat Reactor will be built at the Vallecitos Atomic Laboratory right next to the Vallecitos Atomic Powerplant—our Nation's first privately financed atomic power station.

Information which can be obtained from the operation of this superheat test facility will establish technical feasibility and support the design and construction of future nuclear superheat powerplants on electric utility systems. As one of the steps leading to the issuance of a construction permit an open hearing on the reactor project will be held June 29 at the AEC's Germantown headquarters.

My congratulations to the New York State utilities for their progressive leadership in the East, and best wishes to General Electric and its technical team on the nuclear frontier in the West. May the success of both groups bring the Nation closer to economic atomic electric power.

Resolution Adopted by Young Americans for Freedom

EXTENSION OF REMARKS
OF
HON. DONALD C. BRUCE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. BRUCE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to insert at this point a copy of the resolution adopted by the Young Americans for Freedom, meeting in Minneapolis, Minn., on June 21, 1961.

This organization represents some 250 college and young professional chapters all over the United States. They have experienced a phenomenal growth in only 9 months, and their influence extends to nearly every phase of American life.

I am proud that they have seen fit to endorse my Joint Resolution 444, and wish to insert a copy of their resolution at this point in the RECORD:

RESOLUTION ADOPTED BY YOUNG AMERICANS FOR FREEDOM, MINNEAPOLIS, JUNE 21, 1961

Whereas Young Americans for Freedom in its statement of principles, the Sharon statement, recognizes "that the United States should stress victory over, rather than coexistence with, communism,"

and that communism is at present the greatest single threat to our liberties; and

Whereas individual members and chapters of Young Americans for Freedom have urged that the United States adopt a foreign policy that is designed to win in this struggle for freedom: Be it therefore

Resolved, That the board of directors, acting for the organization, unanimously endorses House Joint Resolution 444, introduced by Congressman DONALD C. BRUCE, of Indiana, a "Declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement"; be it further

Resolved, That members of Young Americans for Freedom be urged to write to Members of Congress and of the Senate expressing their support for adoption of House Joint Resolution 444.

A certified true copy.

CAROL D. BAUMAN,
Secretary, Board of Directors, Young Americans for Freedom.

HOUSE JOINT RESOLUTION 444

Joint resolution on the declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas numerous findings, resolutions, and condemnations in United States law, Presidential proclamations, and treaties which bind the United States, proclaim that the world Communist movement pursues invariably the same object, world conquest, and evinces a clearcut design to reduce all peoples under its absolute despotism; and

Whereas the supranational world Communist movement does not represent the Russian and other peoples under its totalitarian control, but rather, in violation of their legitimate national aspirations, commands their lands and resources as an industrial-military base for its global campaign; and

Whereas the world Communist movement operates on every level of human activity, using all conceivable pressures—ideological, psychological, economic, military, paramilitary, etc.—to bring about a widening influence and ultimately absolute control over every human thought, aspiration and action in the nations it subverts and conquers; and

Whereas the United States of America has taken numerous steps including the use of armed forces to withstand the global aggression of the world Communist movement in certain areas in various foreign countries and within our borders; and

Whereas these steps which constituted a determination to resist certain individual thrusts of that aggression, in their totality have not met the full challenge of the global state of hostility that has been declared in dogma and prosecuted in deed by the world Communist movement; and

Whereas the nature of the threat demands the engagement of the full will of the American people against the hostile universal dedication of the enemy, and the application of a complete global policy to meet and defeat on every front the widespread coordinated forces of the world Communist movement: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That a state of hostility exists, and, finding no longer tolerable the abuses and usurpations of the global aggression unjustly thrust upon men by the world Communist movement, in order to bring peace and security to this Nation and the family of nations and to realize the hopes expressed in law for the freedom of Communist-enslaved peoples, it hereby is and henceforth shall be, the indomitable national will of the people of the United States of America and the unswerving purpose of their Government to achieve complete victory over the forces of the world Communist movement in all its names, its parties and sections, and to this great end we urge similar action by all independent nations and humbly beseech the strength and guidance of Almighty God; and be it further

Resolved, That the President shall prepare for the approval of the Congress a program to achieve this total victory.

Ribicoff Asks Conference: Back School Aid—Why?

EXTENSION OF REMARKS
OF
HON. FRANK J. BECKER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. BECKER. Mr. Speaker, I am inserting herewith, a news item published in the Long Island Press under date of June 28, 1961. This article points up a glaring example of the Goverment lobbying for legislation whether or not it is favored by the people paying the bill. The point I would like to make is simply this: It is evident that it is perfectly all right for the Secretary of Health, Education, and Welfare to send his Assistant Secretary all the way to Hawaii at the taxpayers' expense, to ask the Governors at their annual conference to support the President's legislation to provide Federal aid for education. While the Government is acting to prohibit business firms from taking a tax deduction as a business expense, the cost of lobbying is all against legislation that affects their business. I suppose it is the old story that the Government has control and the taxpayer has none. This certainly is a glaring example of what is happening to our Federal Government today.

It is also very strange that not one single State has asked for Federal aid for education, but it is a fact that several States and their legislatures have adopted resolutions opposing Federal aid to education. I make particular reference to the last paragraph of this article where the Secretary uses the word "meaningful" States' rights but objected to "the false cry of alarm that is raised whenever the Federal Government and State join together to solve problems of national significance which the States alone cannot solve." Whose opinion is this, that the States cannot solve the question of education, with no State on record requesting this aid. It seems significant that the planners of Federal control of education are determined to drive this legislation down the throats of the American people and there is nothing else behind this movement but Federal control. I think this article should prove a lesson to all of us how the taxpayers' money can be used in one way by the Government, but restricts business from using their own money in the same identical fashion.

The article follows:

ASK GOVERNORS: BACK SCHOOL AID

HONOLULU.—The Kennedy administration made its bid to the National Governor's Conference today for support of its embattled program of Federal aid for education.

The appeal came from Health and Welfare Secretary Abraham Ribicoff, a conference member for 6 years while Governor of Connecticut. His statement was to be read by Assistant Secretary James M. Quigley at today's session devoted to financing public schools.

Ribicoff protested against the use of "catch phrases and slogans of another era" being used against discrimination programs like that of Federal aid for schools.

He said he wanted to protect meaningful States' rights but objected to "the false cry of alarm that is raised whenever the Federal Government and State join together to solve problems of national significance which the States alone cannot solve."

Ed Koterba: Newspaperman, Friend, a "Good" Man

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 29, 1961

Mr. MULTER. Mr. Speaker, Ed Koterba was a newspaperman—he was a member of what we often refer to as the fourth estate—a profession much maligned and much praised. Ed Koterba was one of the reasons for the praise and his work one of the best answers to much of the criticism of the newspaper reporter's profession.

Ed first came to Washington in 1951 as a general assignment reporter on the old Washington Times-Herald. When that paper was acquired by the Washington Post in 1954 he continued with them in the same capacity.

Ed Koterba's interest in anything and everything that might have news value knew no bounds. A native of Omaha, Nebr., he got ink in his veins in his early youth and became a copy boy for the Omaha World Record.

When World War II came he left his studies at the University of Omaha and served as a second lieutenant in Army intelligence.

Ed later became editor of the Record Herald in Waynesboro, Pa., the post he held when resigned to come to Washington in 1951.

In 1954, while working for the Washington Post, he earned the general news award of the Washington Newspaper Guild for his exposé of election irregularities in southern Maryland.

In 1955 he resigned from the Post and made a 32-State trailer tour. From material he gathered along the way he wrote a daily column which appeared in 100 newspapers across the country.

About 2 years ago he took over the Scripps-Howard column of the late Frederick Othman. During these past 2 years

he has informed, entertained, and educated his readers with his daily columns.

These, however, are just the facts of his life—these are just the bare bones. The flesh that clothed them was the personality of Ed Koterba. To many hundreds of us here on the Hill and elsewhere—who knew and respected him—they do not adequately express the essence of the man whom everyone would describe as "good"—a word often used but all too frequently not applicable.

The wit, good sense, kindness, and honesty of Ed Koterba will be sorely missed.

I commend to the attention of my colleagues the following editorial which appeared in the Washington Daily News of June 29, 1961:

ED KOTERBA

There was a special, cheerful, wide-eyed country boy quality to Ed Koterba that made his death in a plane crash on the west coast this week seem doubly tragic.

Despite the success of his newspaper column, the great number of friends he had acquired in all walks of life and his relatively uncomplicated nature, he nevertheless gave the impression of one who might be particularly vulnerable to chance—a young man so refreshingly ingenuous that life could betray him quite easily and unexpectedly on a bright, clear, windswept Pacific shore.

Ed was a good newspaperman, full of energy and joy and curiosity. Everything interested him, especially the people he observed in Washington political life, their strengths and weaknesses and triumphs and defeats, and while he could be sympathetic with their failings, he was quick to anger at injustice, cruelty, stupidity, and waste.

We are grateful for having known this capable, modest, unsophisticated reporter who took almost everything seriously except himself. These qualities are rare and his will be greatly missed.

To the Graduates of Brooklyn Academy June 1961, "The Proprietors of the Year 2000"

EXTENSION OF REMARKS

OF

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1961

Mr. CAREY. Mr. Speaker, on Thursday, June 22, I was scheduled to deliver the commencement address to the graduates at Brooklyn Academy, an outstanding high school in the borough of Brooklyn, N.Y. The consideration of the housing bill taking place in the House that day precluded my presence at the commencement.

To the distinguished principal of the school, Mr. Thomas Bohan, to its director, Mr. Jack Bernstein, the faculty, parents, and graduates I tender my profound regrets and offer here the words which would have been delivered on that occasion:

THE PROPRIETORS OF THE YEAR 2000

(Commencement address to the graduating class of Brooklyn Academy, June 1961 by Hon. Hugh L. Carey, of New York)

I shall try to avoid that frame of reference so often used by commencement speakers dealing with the state of the universe. At the outset the orator dwells morosely on the horrendous condition of the world and mankind and cites the peril that lurks in every corner. He then becomes magnanimous and declares "it all belongs to you." With this I agree—this world is yours for the taking and I have a profound belief in your ability to take it and make it better than ever.

The first expression I would make tonight is one of gratitude and appreciation. On behalf of our community and our Nation I warmly commend first the parents and sponsors of the graduates. The secondary education of these young men certainly involved personal and financial sacrifices on your part. For your generosity and support I am sure your sons share the gratitude of the people of Brooklyn for making them finer citizens and beneficiaries of your trust in the future. But if there is a sacrifice here there is also an investment. You have made a deposit, a downpayment, on a richer, fuller life for those young children and for yourselves and your grandchildren. I commend you on your wisdom and your perseverance.

At the terminal point of the school year and for you, the end of scholastic chapter, it is both timely and just to express appreciation to the directors, the principal, and the faculty of this fine school. I am certain the graduates join me in the fervent wish that their effective and devoted work will continue for many years to come.

As I looked forward to the pleasure of being with you graduates I indulged in a reminiscence of an evening in June some 20 years ago when my class graduated from a high school very near here in Brooklyn.

The challenge then, the outlook, the opportunities, the obstacles, were similar to those before you now. We faced the alarming prospect of armed conflict in World War II. You have before you your period of military service, your part in the cold war. There was a recession then, a lack of jobs. There was the emphasis on specialization—the need for advanced training and many other points of similarity between your prospects and ours. But in one aspect your future is in dramatic contrast. You are the generation which will control the 21st century. Considering your age today and your expectancy on this planet, you will be in the prime years of your life when year 2000 appears on the calendar. That prospect alone should appeal to the venturesome, the courageous, curious nature which is the special prerogative of the undergraduate.

So many of us would like to be with you in youth and look forward to those 40 years ahead. Your future is a bright and splendid thing. Don't let anyone paint it with a black brush. You will shape the world you live in and I am confident you will make it at once serene and exciting but most of all a new, a different and a better place. You are in the age of new discovery. True—all the continents and oceans are charted, but you have all of space and a great new dimension of thought in which to roam. You will mark phases and make strides that we scarcely dared to dream about. Almost every day there is an account of some new scientific advance—medical, physical, biological. In every way there is progress—somedays a breakthrough. Of course the price of progress is trouble and you will bear a full share. You have the hardship of living in a divided world fraught with atomic peril. But you have the corresponding benefit of being alive to see the eventual triumph of democracy and insure that triumph by your own dedication. Your further education will be more complex. The world demands so much more now to be successful but consider the rewards. For example only yesterday in the city of Freeport, Tex., mankind saw a momentous move toward the resolution of a problem which has puzzled us since time began. Since he first knew thirst, man has been trying to find a practical, large-scale way to convert the salt water of the ocean to fresh water.

Through the cooperation of government research and the ingenuity of private enterprise the city of Freeport, Texas, in its homes, is now consuming potable, drinkable water converted from the salty Gulf of Mexico. Who can predict what impact this will have on the arid, desolate wastelands of the world. Over centuries wars and battles have been fought for the control of water sources and arable land. Now, for the first time, in your lifetime there will be enough to cultivate and irrigate and feed the hungry of every nation and you will be here to see it happen. But the challenge is not just to see it happen. You have the opportunity to make it happen.

You will work wonders that were beyond our most exotic comprehension. In the amazing span ahead you will see man triumph over cancer, control heart disease, save the lives of seven out of ten children that are still dying at birth in the developing nations of Asia and Africa. You are a part of it. All you have to do is advance with it, to learn to look forward. Rear-view mirrors are necessary on the highways but you do not need one to guide your life. You will falter and you will have failures, as we have faltered and we have failed. But the important thing is the next attempt, not the past failures. We had a great inventor in the generation before ours, the late Charles F. Kettering, a man whose eyesight was so poor in college he had to have his assignments read to him by a classmate. He invented the electric storage battery, the self starter, synthetic rubber, freon gas and hundreds of other devices. He was also a great educator—one who said:

"The only time you don't want to fail is the last time you try." Try you must and succeed you will. In a sense you have a chance to write the history of the world in advance. How will you go about it? Certainly your education must go on. Those of you who can go on to college must do so. Your State and Nation fully understand the need to advance you in higher studies. In addition to the scholarships and tuition aids I am certain that shortly you will be hearing of the most comprehensive program of loans, grants, and fellowships ever offered by your Government. You owe it to yourselves to make an inquiry about your rights and opportunities under this program. When my class graduated 20 years ago a college course was a luxury. To you it is a matter of practical necessity. The opportunities ahead are enormous. I am not going to use that worn cliche that there is plenty of room at the top. No, I believe it more accurate to state that there is room all along the line, in every shade of the spectrum, on every rung of the ladder. But you must fit the pattern, blend with the picture, square with the job. You must have the qualifications for automation. Automation is here. You cannot lick it and you might as well join it. If we are going to irrigate deserts and cultivate wasteland we will need more engineers, chemists, surveyors—with great emphasis on technical training. We need more teachers and more advanced teachers.

In the complexities of this great new world there must be more communication, more linquists, more lawyers. With our longer life span, population explosion, we must have more doctors, research men, technicians, nurses. We have the electron and the atom working for us. We need physicists, computers, managers. Because we do have turmoil and entanglement throughout the world some of which is beyond us, we need more than ever attend to our supernatural welfare with the help of the priest, minister, and rabbi. The ranks of the clergy must be extended. In conclusion, let me say this:

you are residents in space; you are in an astronomical age. You are transients in time. You must move with it or see it pass you by. It surely will if you stand still for an instant. Tonight in a certain sense you have completed your first stage in your orbit of life. You have had the thrust and the power to get to this first stage. Your diploma attests that you have qualified and have met the requirements demanded by the regents of your State and for this you deserve high praise and every compliment. You have also won the right to control your movement in life. From here on you must keep moving up. You must be your own booster.

It is a privilege and pleasure to address you and see you start into this golden age of opportunity. You are the generation of the year 2000. May you live to the full the enlightened, joyful and splendid years ahead.

I commend you on your work thus far and I congratulate your parents and teachers on this memorable accomplishment. Together with them I urge you to keep your eyes fixed on the turn of the next century. You have no place to go but up—no way to move but forward—You are on your way.

Remarks on the Retirement of Gen. Thomas D. White

EXTENSION OF REMARKS
OF
HON. LESLIE C. ARENDS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1961

Mr. ARENDS. Mr. Speaker, I rise to associate myself with the commendatory remarks of my colleagues on the occasion of the retirement of Gen. Thomas D. White, of the U.S. Air Force.

Time, as we all know, has a way of slipping by us, particularly when we are engaged in the serious day-to-day problems affecting this Nation and its security. I am always reminded of this fact on occasions such as this when I see my good friends, such as General White, reach the end of their dedicated careers and step into well-earned retirement.

Retirement ceremonies, especially of our great military leaders, always fill me with mixed emotions. I feel sad to see them go and yet I know that they truly need a rest from the burdens they have carried for these past many years. General White has certainly carried a heavy burden as Chief of Staff of the Air Force. Working on the concept of a ready force in being, he developed and led the most powerful Air Force in the history of the world. Together with General LeMay, whom we are glad to see as his brilliant successor, he gave us a deterrent force in the Strategic Air Command which has no equal. He fought his battles well here on the Hill and those of us who met him in committee hearings were impressed with his fine, gentlemanly manner and his intellectual genius. He is a true leader, for I know of no instance in which he ever panicked in this topsy-turvy world of ours. He always breathed a quiet air of confidence in the power and ability of his Air Force to meet its job and to win. He imbued us with that confidence and it was always comforting to listen to him even in worsening world conditions.

I have the highest respect for Tommy White and I want to thank him personally and publicly for all he has done for this great Nation.

Congressional Report to the Vermont Legislature

EXTENSION OF REMARKS
OF
HON. CHARLES E. GOODELL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 29, 1961

Mr. GOODELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by the very distinguished Congressman from the State of Vermont, which he delivered on May 2, 1961, to the Vermont Legislature. I consider it an excellent report, worthy of the consistently able representation that BOB STAFFORD has given to the people of Vermont in the U.S. Congress this year:

CONGRESSIONAL REPORT TO THE VERMONT LEGISLATURE

Mr. President, Mr. Speaker, members of the general assembly, I deeply appreciate the opportunity you have given me of returning to Montpelier to report to you in person concerning activities in Congress—and my stewardship, as U.S. Representative of the people of Vermont.

For this citizen, each day of absence from these Green Mountains, each week of exposure to life at our Nation's Capitol, has served to enhance my affection for life in Vermont.

Not that life in Washington is unpleasant. Quite the contrary is true. Indeed I serve there as your Representative with pride and pleasure. But Vermont has a special quality—a unique appeal that for me exists in no other place.

Part of our State's appeal unquestionably lies in her great scenic beauty—in her changing seasons—in her unparalleled opportunities for recreation of body and soul. Yet the qualities about Vermont which touch me the deepest are those which exist in the characteristics of our people and their manner of life.

Put briefly, the fundamental principles upon which this country has grown great are more effective guidelines for living in Vermont than in any other place I know.

Of course there are many things about our State—as there are about our Nation—which can and need to be improved. And there is ample justification for objective and constructive criticism in connection with them. But I have little sympathy for those who continually find fault with this great State and its government, just as I deplore those few who continually deride and blacken the Government of the United States of America—whether its administration be under Democratic or Republican control.

Four months in Washington has, if anything, increased my pride in being a Vermonter. Let me tell you why.

Let us look for a moment at the demands emanating across the land today for Government assistance—such assistance of course to come from Washington because individual States have supposedly not done the job.

One of the first of the so-called revolutionary requests made upon Congress by the New Frontier was for emergency unemployment benefits. This legislation provided for extending such benefits from 26 to 39 weeks in order to help the thousands who were unable to find work for long periods of time.

Federal assistance was urgently requested because these workers were in dire need for necessities of life—and only a handful of States had made any provision to take care of them.

So Congress passed this legislation. But when the New Frontiersmen arrived on the scene with this bill, Vermonters were already there. We can be proud of the fact that our State was already taking care of its own people. Under legislation approved by the last general assembly here in Montpelier, we had already provided 13 weeks of additional benefits during periods of high level unemployment.

It was with considerable satisfaction that only last month my office received a copy of an order by our State department of employment security here in Vermont increasing maximum benefits under unemployment provisions to $40. This was also done as a result of legislation passed by this general assembly 2 years ago. Our activities in these areas have established our State in a position of national leadership.

In discussing minimum-wage legislation with my colleagues in Congress, especially Members from the Southern States, I take pride in pointing out that Vermont increased her minimum wage 33 percent 2 years ago. Here again this State ranks among the more forward in assuring a living wage for its people without interferences from Washington.

When the individual States take action within the proper access of their respective responsibilities they tend to inhibit the Federal Government from intrusions into these fields.

Problems in the field of education deserve discussion at this point. They are amongst the most important and complex issues that we face. The effective support of our schools at a proper level is indeed the most pressing problem continuously facing our individual towns and this legislature.

It has been in the past.

It will continue to be in the future.

We cannot afford to lag and we must combine all the resources necessary to assure our children the best education possible. In the solution of some aspects of the educational problem, Vermont has made much excellent progress. Specifically, the program of State aid for school construction, which has now been in effect for 8 years, is among the best in America. It has enabled our communities to build about 1,000 modern classrooms for our children. It has permitted the application of more local tax dollars to increasing teachers' salaries.

Of course, the educational problem is not solved. Our teachers still need better salaries. We need more classrooms. We need to update our curriculums.

But I do know this. Had every State government supported its educational program as Vermont has, during the last decade, Washington would not be faced with the dilemma it now is in in this field.

So it is with our programs of State aid for construction of sewage treatment plants, for assistance in the development of our airports, for expansion of our State park system and access highways to our private ski resorts, and, of course, for maintenance and construction of all our roads.

As I tell Members of Congress from other States about the scope of those programs in Vermont, they are quite frankly astounded. This is not the picture many of them have shown of our State.

Too often they have looked at only the false impression painted by those who do not know Vermont. Too often they are mislead by isolated, unfair statistics concerning such things as the size of this outstanding deliberative body which I now address.

Too often we ourselves are guilty of adding to this false picture. Because our government is close to us, indeed closer probably than any such government in the United States, we freely condemn and criticize. This is good for those elected to govern. It keeps them on their toes.

But let us not allow outsiders to condemn and criticize without justification. Let us freely answer them about how we run our State, and let them know that we will continue to insist that it is to be run from our townhalls and our State capitol. Let us sell Vermont, not sell it short. We have not been good salesmen. We ought to change—the Green Mountain State is such a worthy product.

As you can see by now, absence does make the heart grow fonder. I also hope, that in my case, it makes the mind grow keener.

The first 4 months spent in Washington as your Representative in Congress have not made me any less aware of the part the Federal Government plays in every facet of your life and mine. Nor has it led me to believe that we can put our heads in the sand and return to the good old days of nongovernmental interference and little Washington control.

When we get aid from Washington, we are going to get controls. And when these controls emanate from Washington, there is less and less that can be done about them at a Vermont town meeting or here in the Vermont General Assembly. These are facts I hope everyone will keep in mind as your Congress continues to be called upon for more and more assistance in more and more fields.

In reporting to you and the people of Vermont on activities in Congress, it is important that you know exactly the philosophy I have in regard to my duties as your Representative. Although stated before, I should like to repeat it here. It is:

Not to have preconceived conclusions or a closed mind on any issue; to study each piece of legislation as it comes up for consideration, and to vote for what I believe to be in the best interest of the United States and Vermont; to work in behalf of a continued strong Defense Establishment so as to meet any type of aggression and to secure freedom throughout the world, to see that America leads the way to a just international peace; to present positive programs in place of those I might criticize; and to give personal attention to each letter and problem of my fellow Vermonters.

As your Representative I am often asked what my position is on a certain bill which has been introduced in Congress. Certainly you have the right to know where I stand and what my beliefs are. I shall always give them whenever an issue is sufficiently defined so that a clear-cut position can be stated.

However, often there are many bills dealing with one subject. There is no way of knowing what form a committee will report a bill. In such cases, it is difficult to do more than indicate the guidelines upon which my judgment of the final bill will be predicated.

This is the situation at the moment with reference to the many bills before Congress dealing with Federal aid to education. Such is the complexity of this matter that I know of no one who has a crystal ball which will enable them to say what this bill will call for when it reaches the floor for debate.

There are certain fundamental matters regarding Federal aid to education in which I believe strongly, however.

I have long supported scholarships and loans for students attending institutions of higher learning. The matter of assisting our students in obtaining a college education is one which seems to me to be fully within the proper jurisdiction and concern of our Federal Government.

The worldwide struggle between democracy and communism cannot be won unless we can maintain educational superiority. National survival is fully as dependent upon the success of our educational system as it is upon the power of our Defense Establishment.

Too few of our ablest students are attending college today. The costs of a college education are varied too greatly from one college to another, and often above the means of any but the wealthiest of our families to afford.

The Federal Government can properly also assist States and communities in the construction of primary and secondary schools. This can be done without imposition of Federal controls, and would free up additional State and local moneys for teachers' salaries and upgrading curriculums.

The matter of direct grants to school districts creates the area of greatest concern. The ifs are many. The legal questions are confused and subject to much guesswork. The only method which I can presently endorse is one by which any Federal grants may be given directly to the individual States on an equitable basis, to be used by those States as they see fit in strict compliance with their individual laws.

I can heartily concur with what our distinguished senior Senator from Vermont, the Honorable GEORGE D. AIKEN, said to you when he spoke here last month: "Under no circumstances should the Federal Government be permitted to dictate the end use of our school money or establish curriculums for our classes."

Let me digress here for a moment, to say a word about our senior Senator. GEORGE AIKEN needs no defense from me. I shall undoubtedly not always be in complete agreement with him, nor him with me. But I am proud to be associated with him.

And GEORGE AIKEN is a true Vermonter. He has gained respect through the Nation and world for his home State of Vermont. He is one of the most able and distinguished Members of the U.S. Congress. He has truly sold Vermont, and not sold it short. And I take equal pride in our distinguished junior Senator, WINSTON PROUTY.

Matters being considered by Congress have a critical effect on the world situation. It is of the utmost importance that every Congressman pay strict attention to them.

It can be reported to you that prior to making this trip, your Representative has not missed a single quorum call or rollcall vote in the House since the opening day. You have every right to expect this type of attention from your Representative, and I intend to continue to give it.

Most of the legislative matters handled to date have dealt with domestic issues as the present administration has attempted to bolster the economy. Some of these matters I have supported. Others I have opposed because they have not appeared to this Representative to be in the national interest.

This was true of the so-called feed grain bill—the administration's proposal for dealing with the surplus in corn and sorghums. Along with a majority of the northern New England Members of Congress, I opposed this legislation because its effectiveness in helping farmers in other parts of the country is questionable, and it is obvious that it would be harmful to our own dairy and poultry industries.

My position on the minimum wage legislation which has gone through great debate in both Houses of Congress has been recently stated. I strongly supported the House action that adhered closely to the philosophy that Federal minimum wage laws should be applied solely to interstate commerce. I endorse increasing the minimum wage level to $1.15, even with escalation to $1.25 an hour, but extension of coverage should be within the constitutional framework of interstate commerce. Let Vermont—let all the individual States decide minimum wage levels for intrastate commerce.

As Vermont has demonstrated, it can adequately take care of providing a livable, working wage for those industries doing business solely within its borders.

The depressed area bill, another administration proposal, now holds out false hope for those areas with critical, long-term unemployment problems. It can be of no help to an area such as Vermont; indeed, it may thwart our attempts to bring new industry into the State to provide more jobs for our people.

On the positive side for Vermont thus far in the 87th Congress, is a bill passed by the House during April, which continues Federal assistance for the training of practical nurses. This is not a new program, but one which our State has followed with considerable success.

Many Vermonters closely interested in this legislation wrote to me about it. I was happy to work in behalf of its passage by explaining its impact to many of my colleagues. Don't overlook the fact, here again Vermont has been among the leaders of States making sure that people are properly trained to assist in the job of taking care of our sick and the infirmed.

To date, there have been nearly 7,000 bills introduced in the House of Representatives alone, in Washington. You will be happy to know that your Congressman has contributed only seven to this rather startling total and I shall comment on these briefly.

The matter of medical care was the subject of the first piece of legislation which your Congressman introduced in the House. This bill, which has also been introduced in the Senate by Senators AIKEN, PROUTY, JAVITS, and others, provides a voluntary health insurance program for all persons over 65 at subscription charges they can afford to pay. Basic cost is shared by the States and Federal Government. Administration is left to the States.

Although medical care legislation may not be brought up by the administration for action until next year, it is my sincere hope that it will allow proper consideration of this voluntary plan. If the administration refuses this consideration and ramrods its social security medical plan through under gag rules, it will mean that more than 40 percent of our elderly Vermont people will not be eligible for any coverage whatsoever.

Those Vermonters with social security coverage will benefit considerably by legislation approved in the House during the latter part of April. This proposal gives male workers the option to retire at age 62, with proportionately reduced benefits; eases the eligibility requirements; increases benefits paid to widows; and increases the minimum social security benefit from $33 to $40 per month. Your Congressman voted in favor of this bill as reported out by the House Ways and Means Committee, and as adopted.

Many of us were disappointed that this bill did not incorporate any revision in the amount of outside earnings permitted under social security. Your Congressman has introduced legislation to increase these outside earnings from $1,200 to $1,800 before any deductions are made in benefits. Let us hope that the 87th Congress will consider this matter at a future date. Our older people should not be penalized for making enough money to maintain their independence.

A third bill I have introduced is also designed to encourage self-care on the part of our citizens, without undue encroachment by Government. This measure would allow the establishment of voluntary pension plans by the self-employed, with the Federal Government permitting a tax deduction for the amounts paid into the pension plan. Such

legislation would give the thousands of self-employed people, such as farmers and small businessmen permission to set aside earnings for their retirement under similar advantages now enjoyed by those employed by large industries and corporations.

This measure was reported out favorably by the House Ways and Means Committee only last Wednesday and the outlook for approval of this legislation is good. In my opinion, it would be a step toward fewer Government handouts in the future.

One of the issues resulting from the last congressional campaign here in Vermont concerned Federal legislation to deny known American members of the international Communist movement passports which would enable them to roam at large throughout the world furthering the Communist cause.

Having taken such a strong stand during the campaign in favor of this type of legislation, I felt it my duty to join with other Congressmen in supporting such a proposal. In consequence, I have introduced such legislation in the 87th Congress.

The lack of any outspoken support of this legislation to date by the present administration is somewhat perplexing, since it has received widespread nonpartisan support in the Congress, and the critical need for it has been strongly endorsed by the leading authorities who deal with the international Communist menace.

You have probably noted publicity concerning another of the bills introduced by your Congressman which affects your deliberations on a bill before this general assembly. I refer to the measure granting the consent and approval of Congress to the Northeastern Water and Related Land Resources Compact.

Such Federal legislation does just what the title says. It is enabling legislation allowing the Northeastern States to enter into such a compact if they wish. Whether or not the State of Vermont desires to enter into such an agreement with other New England States, is solely a matter for the Vermont Legislature to decide. But Congress must grant its consent to such a compact before the States have an opportunity to either accept or reject it.

Because of Vermont's particular interest in the 1962 National Girl Scout Encampment—which will bring thousands of visitors to our State when it is held at Button Bay on Lake Champlain next year—I also joined in introducing legislation which would authorize the Secretary of Defense to lend certain Armed Forces equipment to the Girl Scouts for this mammoth affair.

All of Vermont should give the Girl Scouts and the many people connected with them a rousing welcome to the Green Mountains next summer. Properly done the State will gain thousands of effective and appealing ambassadors, as a result.

In view of my earlier statement concerning the volume of legislation in Congress—15,000 bills is average—you will appreciate the importance of the work of standing committees. It has been my privilege to serve upon the Armed Services Committee. That committee's importance may be gaged in part by the fact that it plays an instrumental role in the expenditure of more than half of the national budget. The size and composition of the Armed Forces and their reserves—the weapons, ships, planes, tanks, missiles that they will possess are determined in large measure by this committee and its Senate counterpart.

It is a heavy responsibility. Every member of the committee deplores the fact that so much money, effort, and talent must be expended for military forces. But each of us recognizes that only thus, given the present state of the world, can this Nation's future and the Western World's freedom be assured.

There are other domestic matters that could be reported on if time permitted. I have not attempted to discuss international matters. One doesn't become an expert on them in 4 months.

But, I can say that Congress is much preoccupied and greatly concerned with the enormous problems which confront us on the international scene. We are deeply concerned—and not very happy—with the situation as it exists in Cuba, in Laos, in the Congo, indeed throughout the world.

This concern precludes any partisanship or lightheaded remarks.

We are united in Congress behind President Kennedy on major questions of foreign policy. We are prepared to work with him and support him. I sincerely hope that all Americans are.

It is a high honor to serve in the U.S. Congress. But, it is an even higher honor to serve in that body from the State of Vermont. For Vermont stands for ideals and principles which are respected in the Halls of our National Capitol.

It was a tribute to Vermont, not to your Congressman, that he was elected chairman of his 38 freshmen Republican colleagues.

It is a tribute to Vermont that much of the legislation passed by the Vermont Legislature has been used as a model for workable legislation elsewhere.

As a freshman Representative in the most important legislative body in the world today, the training and associations afforded me on this battleground are invaluable.

While the sights of the Congress, by nature, must be more broad and the impact of its legislation more far reaching—the principles by which it must be guided are the same which guide you here.

Believe me, we need guidance, human and Divine at the Nation's Capitol. For we are dealing with a threat to the very existence of our country. Neither Congress nor the administration can afford a major mistake. All of us will do our best—because America deserves our best.

The State of the Nation's Finances

EXTENSION OF REMARKS

OF

HON. HARRISON A. WILLIAMS, JR.

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Thursday, June 29, 1961

Mr. WILLIAMS of New Jersey. Mr. President, the economic health of our Nation has been the subject of many diagnoses within recent months. We have heard expressions of guarded optimism, gloom, or hope for the biggest boom yet. The conflicting statements are, at times, confusing, but they do indicate a fundamental concern about the extent of the recovery from our latest recession. We are looking for a calm, constructive appraisal of the outlook for economic growth and increased production.

Secretary of the Treasury Douglas Dillon, has given the Nation many fine statements on the work ahead for this Nation if we are to reach our full economic potential. He has described four general goals: a steadily growing economy, full employment for a steadily expanding labor force, reasonable price stability, and an equitable tax system. If these goals are met, we can hope for unmatched prosperity "to give us the strength we shall need to face the worldwide challenges of the sixties."

In an address on June 20 before the National Press Club the Secretary gave a very clear account of those goals and the effort that must be made to achieve them. His words should merit careful consideration and discussion.

Mr. President, I ask that the address of the Honorable Douglas Dillon be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF THE HONORABLE DOUGLAS DILLON, SECRETARY OF THE TREASURY, BEFORE THE NATIONAL PRESS CLUB, WASHINGTON, D.C., TUESDAY, JUNE, 20, 1961

The state of our Nation's finances is currently the subject of considerable public debate. So is the fiscal outlook for the future. Perhaps I can make a useful contribution to this discussion by setting forth the Treasury's views on these and related matters.

At the outset, let me say that I believe we have four basic national economic goals. I further believe that they must all be pursued simultaneously.

First, we seek an economy that grows steadily and rapidly.

The attainment of this first and most important goal is essential to the realization of our second objective, which is full employment for our steadily expanding labor force. We cannot tolerate the levels of unemployment that have characterized the past few years.

Our third goal is reasonable price stability. This has always been important in protecting pensioners and others on fixed incomes. It is doubly important today. For we cannot keep our international payments in balance unless we are competitive in foreign markets. At the very least, this calls for price stability and the reflection in price cuts of some portion of our annual increases in productivity.

Our fourth goal is a tax system which assesses the tax burden fairly and reasonably in accordance with ability to pay.

The achievement of these goals should, in turn, produce a budget surplus that would both permit us to reduce our national debt and to provide funds for the expansion of private business and industry. For when the economy is growing steadily and rapidly, with unemployment reduced to acceptable levels, the retirement of our national debt places tax money in the hands of investors—money which they can and will use for further investment in the private sector.

Unfortunately, as I have said on an earlier occasion, we have not yet mastered the art of maintaining steady growth at full capacity. Our economy is still plagued by ups and downs. Although we have made substantial progress in terms of preventing major depressions, we still suffer periodically from periods of recession when growth slows to a halt and unemployment mounts rapidly. However, although we still have a great deal to learn on the preventive side, we have learned how to slow a decline and how to initiate recovery by using the automatic stabilizers we have built into our economy. It is largely thanks to these stabilizers that our recessions of the past decade have been so much more moderate than the wrenching depressions of pre-World War II days.

These automatic stabilizers so generally credited with softening our recent economic declines, are:

First, an automatic and rapid decrease in tax yields, as corporate profits and employment decline.

Second, a prompt buildup of unemployment compensation and retirement pay-

ments as jobs grow harder to find and to hold.

Their effect is automatically to increase Government outpayments and decrease Government receipts. The result is a deficit which helps to arrest the economic decline.

The automatic stabilizers have been operating since last fall. We can largely thank the stimulating effects of their action for the mildness of the recession. It is also due to their action that we are facing a substantial budgetary deficit this fiscal year.

Now, let us look for a moment at tax receipts:

When the budget for fiscal year 1961 was first submitted, Federal revenues were estimated at $84 billion. This included certain intergovernmental transactions and receipts from the unemployment tax, which, because of a change in Government bookkeeping procedures last December, are no longer carried on the receipt side of the ledger. Therefore, in order to make the original estimate comparable with current estimates, we should adjust the earlier revenue figure of $84 billion down to $82.9 billion.

The recession which no one in or out of Government foresaw at the end of 1959, has now reduced revenues to a point well short of this adjusted estimate. If we eliminate the windfall receipt of the $500 million advance repayment of the German postwar debt, fiscal year 1961 revenues will be about $77.7 billion, a drop of $5.2 billion.

Our obligation to help ease the effects of the recession upon our less fortunate citizens will also add to this year's deficit. The bulk of unemployment compensation is financed from trust funds and is therefore not reflected in the budget. However, the provisions in our permanent legislation for those out of work 6 months or longer are clearly inadequate. This spring—just as in 1958—we had to enact temporary legislation to care for their urgent needs. The budget expenditures called for by this temporary legislation will add approximately a half-billion dollars to the deficit this fiscal year.

So you can see that our two automatic stabilizers, while helping to halt the recession, were also responsible for a swing of $5.7 billion toward a budgetary deficit.

This swing, coupled with substantial increases in the rate of defense expenditures, minor increases in other expenditures, plus congressional failure to increase postal rates, has led us to a deficit for this fiscal year that will approach $3 billion. Since this deficit contributed substantially to halting the recession, it was entirely appropriate in the circumstances.

The alternative—of reducing Government expenditures to match reduced revenues—would not only have meant no temporary unemployment compensation, but also a substantial addition to the unemployment rolls as Government programs were curtailed, to say nothing of the damage to our national security caused by the defense cutbacks that would have been required.

Let me underscore this point: reductions in expenditures to match reduced revenues would have increased the severity of the recession, enlarged unemployment, and thereby further reduced our revenues. We would have found ourselves in a deflationary spiral that could easily have led to a severe and prolonged economic depression.

In actual fact, this alternative was so clearly unacceptable that there has been little responsible complaint about the deficit for the current fiscal year. There has, however, been considerable concern about the deficit of some $3.7 billion which we face in the coming fiscal year. This reaction is perfectly understandable. For recovery is well underway. It is probable that by this time next year our economy will be rolling in high gear. We may well be in the midst of an economic boom.

Why, then, another deficit?

The reason is simple: The corporate taxes we will collect in the coming fiscal year will be based on calendar year 1961 profits. Personal income collections above the withholding rate will also be largely based on 1961 results.

The first quarter of 1961 marked the very bottom of the recession. Corporate profits ran a full 20 percent behind the previous year's rate. While it is true that business is showing signs of a strong recovery, corporate profits in the current quarter will probably not exceed those of the comparable period last year. So, even with a substantial upturn in the second half of the year, we shall be doing well if corporate profits equal their 1960 rate. Consequently, the revenues the Government can count on for fiscal year 1962 will still be at recession levels. In fact, they will be considerably less than the revenues originally forecast for the current fiscal year.

Meanwhile, expenditures must keep pace with our ever-growing population and our mounting national needs. This makes a deficit inevitable if we are to meet cur urgent requirements in defense, in space, in education, in housing, in transportation, and in the international field.

With recovery on the march, however, we plan to incur only those expenditures that are essential to our long-range national security and to the well-being of our people. There is no need for emergency programs to stimulate the economy. None has been proposed. On the contrary, the President has urged the Congress not to add to his legislative proposals. He has also urged the enactment of badly needed revenue-raising programs, particularly in the postal field. The enactment of a fair and long needed increase in postal rates is essential if we are to hold the deficit to the reasonable figure we have foreseen. Those who fear for the fiscal soundness of our Government would do well to direct their energies to bringing about an upward adjustment in postal rates.

I recognize the concern of those who fear that a budget deficit next year may be inflationary. The great majority of those who express this concern acknowledge that a reasonable budget deficit in time of recession can help to halt the downturn—as has been the case this year. So it is not the budget deficit per se that worries them. It is, rather, a deficit incurred during a period of economic expansion such as we now anticipate. They fear that any deficit during a period of growth may set in motion the forces of inflation. However, in the light of current economic prospects, such fears are not justified.

Inflation falls roughly into two categories:

The first is the type we have lived with over the past decade, known as cost-push, or wage-price inflation. It is a gradual process that comes about whenever prices and wages are increased more rapidly than is warranted by growth in productivity. The threat of this type of inflation is always with us. It is greater in good times than in bad, because in good times both management and labor are tempted to increase prices and wages at the expense of consumers whose resistance has been lessened by prosperity.

This type of inflation is particularly dangerous today in the light of our balance-of-payments problem and the imperative need to keep our products competitive with foreign products, at home and abroad. The President has repeatedly appealed to both labor and management to exercise restraint in their wage-price actions and to keep in mind at all times the overall national interest. It was to help in this effort that he created the President's Labor-Management Advisory Committee. While the danger of this type of inflation is real and ever present, it operates outside of budgetary influences.

The second—and classical—type of inflation is supply-demand inflation. This occurs whenever demand outruns supply. If more money becomes available to buy the same volume of goods, prices simply rise. This is inflation of the type which twice in this century totally destroyed the value of the German mark. This is the type of inflation which is influenced by budgetary action.

We need have no fear that a budget deficit such as we envision for next year will bring with it the threat of this classic kind of inflation. For we are no longer in a time of shortages. There is unusual—and underutilized—capacity everywhere in our land today: in steel, in autos, in housing, in textiles, in chemicals—indeed, everywhere we look. We also—and unfortunately—are underutilizing our labor force, which stands ready and willing to operate the unused capacity of our industrial plant. Next year's budgetary deficit will, of course, stimulate demand. But it will be a demand that can and will be met by the use of presently unemployed labor and plant. Rather, therefore, than creating inflationary pressures, the $3.7 billion deficit we anticipate in fiscal year 1962 will be helpful in putting our unused plant capacity and labor force to work.

When we evaluate the coming deficit for fiscal 1962, we should look back to fiscal year 1959, when the country faced an identical economic situation. The upturn from an earlier low started in the spring of 1958. The entire fiscal year 1959 was one of substantial recovery. Yet the deficit reached the staggering figure of over $12 billion—more than three times the deficit presently in sight for next year. It is clear that there is nothing unusual about a deficit in the year immediately following a period of recession.

It is with all this in mind—reduced recession revenues, growing national needs, unused plant capacity, excessive unemployment, and absence of inflationary pressures—that I reiterate my earlier statement that a deficit of the size which we envisage for fiscal year 1962—a deficit one-third the size of the 1959 deficit—is both inevitable and appropriate.

The alternative—to reduce expenditures to match recession revenues, with resulting dangers to our national security, neglect of our national needs, slowing of our progress toward full employment and toward full utilization of our plant capacity—is totally unacceptable.

This alternative course is equally unpalatable if we look ahead to the revenue prospects for fiscal year 1963. By then, revenues should be flowing from a prospering economy. They could well jump as much as 10 percent over what we can expect for fiscal year 1962. With reasonable prosperity during 1962, our fiscal year 1963 revenues should approximate $90 billion, compared to the $81.4 billion that we now foresee for the coming fiscal year.

Once again this would parallel past experience. For in fiscal 1960, our revenues jumped a full $9.8 billion over the recession revenues of 1959.

The reasons underlying this prospect are best understood if we examine our economy in terms of our gross national product:

Our GNP for 1960 was about $503 billion. But this year during the first quarter GNP dropped below $500 billion. Even with the presently forecast total of around $530 billion in the fourth quarter, the average for 1961 will not quite reach $515 billion—or an increase of only about 2¼ percent over 1960.

But 1962 gives promise of being a year of accelerating growth. From something like $540 billion in the first quarter, we can reasonably hope for an increase to about $570 billion by yearend. This would give 1962 an annual level of some $555 billion, an increase of nearly 8 percent over 1961.

If this pattern should develop next year—and the chances are good—our revenues for fiscal 1963 would be adequate to meet all of

our national needs, with something left over. We should keep this longer-range prospect of prosperity clearly in mind whenever we can consider next year's budgetary outlook.

Now what can we do during the coming year to facilitate the achievement of our basic economic goals as our economy recovers and our output increases?

First, we must avoid price increases so that those who live on fixed incomes will not be penalized. This will require a high order of self-restraint on the part of both labor and management with wage increases geared to increases in productivity.

Second, we must make a great and continuing effort to reduce unemployment to a tolerable figure—4 percent is the current goal. A modest and noninflationary deficit such as we foresee for next year will contribute to this end. In addition we should mount a coordinated attack on structural unemployment by enacting the President's proposals, including an expanded training program.

Finally, we should use the respite given us by the present recovery to overhaul and strengthen the mechanism of our "automatic stabilizers" so that future recessions may be milder and shorter than any we have so far experienced. The fact that we have twice had to enact temporary unemployment compensation measures clearly indicates that our permanent legislation to help the jobless should be overhauled and strengthened. This should be done not only for the benefit of future unemployed, but in the interest of overall economic stability.

If we do these things we can look forward to a period of unmatched prosperity—prosperity that will give us the strength we shall need to face the worldwide challenges of the sixties.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 3, 1961

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ALBERT). The Clerk will read the following communication.

The Clerk read as follows:

JULY 3, 1961.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

The words inscribed on our Liberty Bell: Leviticus 25: 10: *Proclaim Liberty throughout all the land, unto all the inhabitants thereof.*

Eternal and ever-blessed God, who art always seeking to draw us within the circuit and compass of Thy divine fellowship, we rejoice that Thou hast made our beloved country the beneficiary of Thy bountiful providence.

Grant that our hearts may expand with the spirit of pride and patriotism as we commemorate that great day in the calendar of our national history which we call Independence Day.

Inspire us with gratitude and renewed consecration as we go up and down the courts of memory and call to mind those intrepid patriots and heroes of the 18th century whose indomitable faith and fortitude made the dream of liberty a glorious reality.

May we highly resolve on this day of sacred memory that we will dedicate and devote ourselves to the God-ordained task of releasing the hidden splendor of humanity and hastening the dawning of that time when all nations shall live together as a commonwealth of freemen, enjoying a peace that is honorable, just, and righteous.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 29, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1258. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which concurrence of the House is requested:

S. 29. An act for the relief of Ok Nyu Choi (Ann Wollmar);

S. 149. An act for the relief of the estate of Gregory J. Kessenich;

S. 207. An act for the relief of Jean Goedicke;

S. 245. An act for the relief of Kam Yung (Lee) Chong;

S. 270. An act for the relief of Mrs. Jeliza Prendic Milenovic;

S. 464. An act granting the consent of the Congress to interstate compacts for the development or operation of library facilities and services;

S. 489. An act for the relief of Dellarose J. Dowler;

S. 680. An act to authorize the Secretary of Commerce to utilize funds received from State and local governments and private organizations and individuals for special meteorological services;

S. 731. An act for the relief of Charles F. Tjaden;

S. 1450. An act for the relief of Shim Dong Nyu (Kim Christine May);

S. 1698. An act for the relief of Athena Nicholas Euteriadou; and

S. 1990. An act to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communication facilities.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2154. An act to amend Public Law 85-626, as amended by Public Law 86-542, relating to dual rate contract agreements.

The message also announced that Senate Resolution 143, disapproving Reorganization Plan No. 3 of 1961, transmitted to Congress by the President on May 3, 1961, failed in passage.

The message also announced that Senate Resolution 147, disapproving Reorganization Plan No. 4 of 1961, transmitted to Congress by the President on May 9, 1961, failed in passage.

HOUSE BILLS ENROLLED

Mr. BURLESON, from the Committee on House Administration, announced that that Committee had examined and found truly enrolled bills of the House of the following titles:

H.R. 1575. An act for the relief of Mrs. Anneliese Franziska Guay;

H.R. 1602. An act for the relief of Ido Enrico Cassandro;

H.R. 1887. An act for the relief of Helen Tilford Lowery;

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore;

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo;

H.R. 2165. An act for the relief of Marie F. Balish;

H.R. 2835. An act for the relief of Jose Lauchengco, Jr.;

H.R. 3371. An act for the relief of George Sauter (also known as Georgois Makkas);

H.R. 3722. An act for the relief of Maria Czyz Krupa;

H.R. 4636. An act for the relief of Ralph B. Cleveland; and

H.R. 4796. An act for the relief of Richard A. Hartman.

ENROLLED BILLS SIGNED BY THE SPEAKER

The SPEAKER pro tempore. The Chair desires to announce that pursuant to the authority granted the Speaker on Thursday, June 29, 1961, he did on June 30, 1961, sign the following enrolled bills of the Senate:

S. 1748. An act to provide for the increased distribution of the CONGRESSIONAL RECORD to the Federal Judiciary;

S. 1922. An act to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes;

S. 2083. An act to correct a technical inaccuracy in the act of May 19, 1961 (Public Law 87-36); and

S. 2154. An act to amend Public Law 85-626, as amended by Public Law 86-542, relating to dual rate contract agreements.

And the following enrolled bills of the House:

H.R. 1575. An act for the relief of Mrs. Anneliese Franziska Guay;

H.R. 1602. An act for the relief of Ido Enrico Cassandro;

H.R. 1887. An act for the relief of Helen Tilford Lowery;

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore;

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo;

H.R. 2165. An act for the relief of Marie F. Balish;

H.R. 2835. An act for the relief of Jose Lauchengco, Jr.

H.R. 3371. An act for the relief of George Sauter (also known as Georgois Makkas);

H.R. 3722. An act for the relief of Maria Czyz Krupa;

H.R. 4636. An act for the relief of Ralph B. Cleveland; and

H.R. 4796. An act for the relief of Richard A. Hartman.

APPROVED WORK PLANS APPROVED BY COMMITTEE ON PUBLIC WORKS

The SPEAKER pro tempore laid before the House the following letter, which was read and, with accompanying papers, referred to the Committee on Appropriations.

JUNE 28, 1961.

Hon. SAM RAYBURN,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Public Works has approved the work plans transmitted to you which were referred to this committee. The work plans involved are:

State	Watershed	Executive Committee No.	Committee approval
Arizona	Magma	931	June 28, 1961
Arkansas	Muddy Ford of Illinois River.	931	Do.
Georgia	Bull Creek	931	Do.
Illinois	Seven Mile Creek	931	Do.
Kansas	Fall River	931	Do
Louisiana	Bayou Rapides	931	Do
Texas	Camp Rice Arroyo	931	Do.
Do	Lower Plum Creek	931	Do.

Sincerely yours,
CHARLES A. BUCKLEY,
Member of Congress; Chairman, Committee on Public Works.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that the House Committee on the District of Columbia may have until midnight Thursday to file certain reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

PROPOSAL FOR A U.S. DISARMAMENT AGENCY

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the proposal for a U.S. Disarmament Agency is new evidence of uncertainty and confusion in our foreign policy.

On one hand, we appropriate an unprecedented sum for military forces to meet the Communist menace, and warn of the impending crisis—perhaps war—over Berlin.

On the other, we talk of disarmament and refrain from testing our nuclear weapons.

Disarmament is unthinkable today. If we concluded an agreement with Russia for disarmament or nuclear-test control, what would it be worth? We should have learned long ago that agreements mean nothing to the Communists. Words are weapons, to be used in whatever manner suits Communists' purposes.

The Communists will sign an agreement for disarmament or nuclear-test control only when they have a sure-fire way to beat that agreement.

Creation of a Disarmament Agency would bring false hope to those who long for the day when mankind can safely beat swords into plowshares and spears into pruning hooks. That day is not yet here, and indeed cannot be seen even on the distant horizon.

CONGRESSIONAL FLAGS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I received this morning a communication from a woman in the free State of Maryland, which reads as follows:

We think all Congressmen should fly
Their flags like admirals do,
And maybe wear a uniform
Like generals do, too.
Thus, with a tasteful tunic
Colored, say, red, white, and blue
It might, indeed, keep sentries
From shooting up a few.

Then if this worthy imagery
Should not make all aware
Of what is what and who is who
Within our country fair,
We might include a likeness
Of Federal Father there,
In lower corner rampant,
Enjoying ride and air,
Dispensing billions by the bale,
Ensconced in rocking chair.

THE LATE ERNEST HEMINGWAY

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include articles.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I rise to pay tribute to a distinguished American writer whose death yesterday, the 2d of July, is the occasion for mourning on the part not only of many Americans but of many persons throughout the world. I refer, of course, to the great American novelist and short story writer, Ernest Hemingway, who died in Ketchum, Idaho, on Sunday of a gunshot wound.

Ernest Hemingway was one of the outstanding writers of the 20th century. His novels and short stories, marked by a spare and limpid prose style, had a profound impact on the writing of the English language. As Archibald MacLeish said yesterday:

He was a master of English prose, the great stylist of his generation.

A man of great physical vigor, Hemingway's works were characterized by a preoccupation with violence and death. He sought however to represent the courage and character of man confronted with the sometimes brutal forces of nature.

In 1953, Mr. Hemingway was awarded the Nobel Prize for his short novel "The Old Man and the Sea." Yet he was probably better known for his three earlier novels, "A Farewell to Arms," "The Sun Also Rises," and "For Whom the Bell Tolls."

Few American writers have had such a wide influence in other countries. The English critic, Cyril Connolly, observed yesterday:

I think Hemingway was one of the half-dozen greatest living writers, a Titan of the age we live in. I put him with Joyce, Eliot, and Yeats among the real founders of what is called the modern movement in writing.

Mr. Speaker, the American people have lost a giant figure in the death of Ernest Hemingway. We have not lost his books and many others will read them for years to come.

AUTHORS, CRITICS PAY TRIBUTE TO HEMINGWAY

Mr. Speaker, at this point in the RECORD I include an essay on Ernest Hemingway by Charles Poore, of the New York Times:

BOOKS: HEMINGWAY
(By Charles Poore)

"Prose is architecture, not interior decoration," Hemingway once said, "and the baroque is over."

In a way lucky for him, the baroque was not over. Against its weary, ornamented excesses the spareness of his style stood out. With that style he did something to change the course of storytelling in our century.

If it was a simple style it had the simplicity of a Bach fugue or a landscape by Cézanne. The thousand and one writers who—consciously or unconsciously—imitated its elementals found that out. Or were found out, 'way over in left field, by their peers and voluntary counselors.

None could quite catch his harmonies and cadences. Others wrote pages spattered with three-word sentence dialogs. Their pages fell apart.

And when they also tried to share the wealth of his material they usually achieved something not so much like Hemingway as like the peculiar movie and television versions of his stories, which achieved only one unity. The unity of being flawlessly miscast.

He stands now, with William Butler Yeats and James Joyce, as one of the three most influential writers of an era.

AN ENDURING METEOR

He appeared in the sky of our literature like a meteor—and then stayed there. A strange way for a meteor to act. Yet as each book appeared, savants dutifully issued final announcements that he was burned out. The Nobel Prize judges apparently believed those announcements until they read "The Old Man and the Sea."

He was sustained as effectively by his enemies as by his friends. The millions who enjoyed his stories were not particularly troubled by his skill in writing about violence. They had probably noticed that the world around them was generally in a state of considerable turmoil and that he found patterns of significance in its embroilments. Also, he created some heroines who brought about vicarious fatalities of the heart.

Those who candidly deplored Hemingway and all his works sacrificed awesome amounts of time to the documentation of their disapproval. They seemed to have read every word he wrote. Since no statute required them to do so, one wondered where they found marginal leisure to enjoy authors they wholeheartedly admired.

PAVING STONES TO HONORS

Nor should we disdain his parodists. After all, their splendid lampoons added paving stones to the road toward the Nobel Prize, even if those paving stones were delivered by air.

There is an unassailable mythology about any writer's themes and characters. In Hemingway's case the salient idea is that he wrote about big-gamesters, pugs, thugs, girls with long legs and tawny hair, soldiers of fortune and misfortune.

And that's right, isn't it? Anyone who ventures to point out, say, that in civilian life the hero of "A Farewell to Arms" was an architectural student, or that the hero of "For Whom the Bell Tolls" was a schoolteacher, or that the hero of "The Sun Also Rises" was a working newspaperman with an editor barking at him through the other end of a cable, must be guilty of some sort of weakness for obnoxious irrelevance.

Hemingway was no dove for the literary coteries, but he was a gregarious man. He had more friends than any other writer of his stature, in more astonishingly varied circles, from Africa to Montana, from Key West to New York to Madrid, Paris and the Venetian Plain.

SCORNFUL OF THE HERDERS

He was aware that many wanted him to settle down and cultivate the suburbanalities. Once he wrote a parody of the clucking intellectual herdsmen of literary nationalism. It was spoken by a fishing-trip companion to Jake Barnes, the hero of "The Sun Also Rises."

"You're an expatriate," the man tells Jake. "You've lost touch with the soil. You get precious. Fake European standards have ruined you. You drink yourself to death. You become obsessed by sex. You spend all your time talking, not working. You're an expatriate, see? You hang around cafes."

Hemingway wrote that more than a dozen years too soon. In due course, events at Pearl Harbor and elsewhere would enable uprooted multitudes of Americans in uniform to find necessity's most bitter expatriation.

One of Hemingway's friends was Bernard Berenson, connoisseur of life in art, art in life, who called "The Old Man and the Sea"—"an idyll of the sea as sea, as un-Byronic and un-Melvillian as Homer himself, and communicated in a prose as calm and compelling as Homer's verse. No real artist symbolizes or allegorizes—and Hemingway is a true artist—but every real work of art exhales symbols and allegories."

A hatful of pedants will find new allegories, new symbols, in Hemingway, year after year after year. They will be able to do that the more easily because the books will live on.

NOVELIST HAILED AS GREAT STYLIST

Mr. Speaker, I should like also to include a series of tributes paid to Ernest Hemingway by a number of writers as reported in the New York Times of July 3, 1961:

NOVELIST HAILED AS "GREAT STYLIST"—LITERARY WORLD PAYS TRIBUTE TO HEMINGWAY AS "MASTER"

Archibald MacLeish, poet and playwright: "He was a master of English prose, the great stylist of his generation. He had an English idiom of his own which imposed itself by its own validity on his contemporaries. Like all true idioms it was an idiom of the human spirit, not of the language alone. Writers in other tongues were influenced almost as much as those who wrote in English. Hemingway felt the pulse of the time and gave it an equivalent in words."

Lionel Trilling, critic and professor of English at Columbia University: "His place in American literature is secure and preeminent. There is no one in the whole range of literature of the modern world who has a better claim than he to be acknowledged as a master, but it is in his short stories rather than in his novels that his genius most truly and surely showed itself."

Alfred Kazin, author and critic: "Probably no other American writer of our time has set such a stamp on modern literature. Hemingway was one of our true poets. He gave a whole new dimension to English prose by making it almost as exact as poetry, by making every word sound, by reaching for those places of the imagination where the word and the object are one."

James Thurber, author and playwright: "Hemingway was unquestionably one of the greatest writers of the century. It was once said accurately of him that his contribution to literature was a certain clarification of the English language. Of himself, he once said, 'The thing to do is last and get your work done.' I met him only once, and we went over to Tim Costello's and had a wonderful time and became brothers."

John Dos Passos, author: "He was one of the best of our time. I believe his original short stories will certainly last. He was a great stylist and a magnificent writer. I am sure that all of his work that I have read will stand up. He was, indeed, a magnificent writer and his contributions were large."

Van Wyck Brooks, author and literary historian, chancellor of the American Academy of Arts and Letters: "His destiny has been to symbolize an age of unparalleled violence as no other American has symbolized it. He was in his way a typical American, and there was something permanently adolescent about him that stood for certain immaturity in the American mind. He was a 20th-century Mark Twain, as he was also a 20th-century Byron, but he was unquestionably a great writer, a great artist in prose, the inventor of a style that has influenced other writers more than any other in our time."

Lillian Hellman, playwright: "He was a wonderful writer. I read proof on his first book when I was a 20-year-old at Horace Liveright [the publishing house]. 'In Our Time,' his first collection of short stories, came in as a manuscript, and I remember the great joy of taking it home that first night. I still think it was his best book."

Gerard Bauer, secretary general of the Goncourt Academy: "He represented the American novel in its most vivid form of action. I found his talent corresponded better than that of Faulkner to an America that is always on the road of action and discovery."

Oliver LaFarge, novelist: "The use of English without elaboration, the directness of statement, the clarity of his prose liberated me of an attempt to write in a literary manner. I think his more recent writing fell off badly, but I think he will stand as one of the very great short-story writers, and one of the great novelists. His use of dialog to tell a story was absolutely extraordinary."

Tennessee Williams, playwright: "To begin with a somewhat obvious statement, 20th century literature began with Proust's 'The Remembrance of Things Past,' and with Hemingway's 'The Sun Also Rises,' since literary history has already established the fact that Joyce was not and never was meant to be an artist with a comparably wide audience. Hemingway never retired from his life into his workshop. He knew that an artist's work, the heart of it, is finally himself and his life, and he accomplished as few artists that have lived in our time, or any, the almost impossibly difficult achievement of becoming, as a man, in the sight of the world and time he lived in, the embodiment of what his work meant on its highest and most honest level, and it would seem that he continued this achievement until his moment of death, which he would undoubtedly call his moment of truth, in all truth."

J. B. Priestley, British novelist and playwright: "Hemingway had a tremendous influence on writers all over the world, and on the whole it was a good influence. He was a subtle writer with the ability to put his message over in a simple way. Mind you, I didn't always agree with his work."

Cyril Connolly, British author and critic: "I think Hemingway was one of the half-dozen greatest living writers, a titan of the age we live in. I put him with Joyce Eliot and Yeats among the real founders of what is called the modern movement in writing. I think he still had a great deal to say."

Walter Allen, British critic and editor: "I think Hemingway was a great but a limited writer. It seems to me that his best work was done within his first 10 years as a writer and I mean by that his first three volumes of short stories and the novels, 'Fiesta,' and 'A Farewell to Arms,' within their limits are almost perfect. His tragedy as a writer, it seems to me, was that he was unable to accommodate his genuinely heroic vision of man to modern urban society."

Carl Sandburg, poet and biographer: "He was a writer who profoundly influenced style in America in the novel and the short story. He got a style going among many fellows using short words. He had no stock heroes. He chose his own order of people to love. His was a peculiar wisdom, sometimes a little bit flagrant, but his own."

V. S. Pritchett, author and critic: "The thing that strikes me most in looking back over his writings was that he revived the vernacular tradition and this was a most important contribution to Anglo-American literature. He reintroduced speech as a way of conveying stories. The only writer we had at all like him was Kipling. His influence on the short story was enormous, wherever you go, whether in India, the Middle East or elsewhere, you find that the young writers have read his short stories and are trying to imitate him."

C. P. Snow, British novelist: "He was a great original artist whose influence has spread all over the world. No novelist in the world has produced such a direct effect on other people's writing."

Harvey Breit, critic and playwright: "He once told me he was working in a new mathematics, and I was skeptical. I thought that even great and simple men delude themselves. But it turned out he was working in it. He had staked out a unique terrain. Over and beyond the battle cries that meant so much to so many of us, over and beyond his categorical imperatives of 'nada' and 'courage' and the struggle to last, to hold out, to be just, to love a good friend, and put down a bad enemy, over and beyond all these consistent truths in his work, he had

found a language. It was more than an ear that recorded; it was a marvelous medium, immutable, through which all his experience passed, and an essence of truth resulted. He was a poet, really a poet, through his prose."

DISARMAMENT AGENCY BILL

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, there is a widely accepted myth in this country to the effect that disarmament and national strength are contradictory policies. Those who have a vested interest in the continuation of the armaments race have been only too happy to further the public acceptance of this notion. As President Eisenhower pointed out in his farewell address to the American people, there is a grave danger of American policy being influenced by a military-industrial-political clique in directions which could well be contrary to those intended by our President, by the Congress, and by the American people. In a recent article Marquis Childs pointed to the method in which the efforts of the President, and his associates, Arthur Dean and John J. McCloy, have been undercut by this very same clique. He wrote:

WHY MR. DEAN CAME TO GENEVA

(By Marquis Childs)

GENEVA.—Recently Arthur Dean got a telephone call from a friend in New York. The friend, head of a large advertising agency, began by insisting that the nuclear test ban talks which Dean is conducting for the United States be broken off at once and ended by berating Dean for squandering the taxpayers' money in such a wrongheaded endeavor.

It happens that Dean is serving without pay and without an expense allowance, as he has on his Government assignments under both the Eisenhower and Kennedy administrations. He was disturbed and at first somewhat puzzled by his friend's intense feeling on the subject of nuclear tests. But it developed that along with 200 other advertising executives he had been brought to Washington by the Air Force for an indoctrination in the need to improve America's nuclear weaponry.

The Air Force, the munitions industry, certain highly influential scientists, along with other elements in the Pentagon, are pressing President Kennedy either to break off the talks or to announce that while they go on, the United States will, nevertheless, start testing again. In his commonsense, reasonable fashion Dean argues the case for going on with what he believes to be a supremely important endeavor—that Russia will gain far more than the United States if both powers start testing again; that the U.S. arsenal already contains 2½ times the volume to destroy the Communist half of the world; that world opinion must be convinced the United States will go the whole way to get a test ban with workable guarantees.

When Dean and John J. McCloy, the President's adviser on disarmament, went through a long briefing preliminary to taking on their respective jobs, one of the proposals for the new wave of nuclear armament to be achieved with resumed testing was unveiled for them. In its fantastic science-fiction quality it has lived vividly in Dean's mind as he has persistently and patiently, day after day, put the Western case for a controlled test ban up to the intractable Soviets. In oversimplified form the concept is as follows:

A megaton (equivalent to 1 million tons of TNT) nuclear warhead can by testing be reduced from 200 pounds to 35 pounds. Consequently, the missile to carry it can be greatly reduced in firepower and in size.

These small warheads and smaller missiles capable of reaching targets in the Soviet Union can be mounted on specially built trucks. They can be manned by a lieutenant and a sergeant. Up to 50,000 of these missile-equipped trucks would be kept criss-crossing the United States night and day on a rotating basis. This would insure that at all times a sufficient retaliatory striking power would escape destruction from a first strike by the Soviets.

The principal author, as he is also the principal protagonist of starting new tests, is Edward Teller. The distinguished physicist who is credited with much of the original work on the hydrogen bomb has argued before one top-secret forum after another with his remarkable zeal and persuasiveness for this concept which he believes to be essential to America's security.

What if the Hungarian freedom fighters had had this 35-pound warhead, Teller argues, think of the difference it would have made. Teller himself is a refugee from Hungary.

To some of his listeners it appeared that the result would have been to blow up the freedom fighters along with most of Hungary and perhaps also to have launched an all-out nuclear war. Skeptics such as Dean point to the greatly increased danger in putting nuclear missiles under the control of an ever larger number of individuals who might be erratic enough under certain circumstances to set one off. The chances of an accident—several near accidents of catastrophic scale are said to have been kept from public knowledge—would be increased by a geometric ratio.

Yet the Teller concept is said to have won over a considerable segment of the Air Force along with other military protagonists of renewed testing. The Air Force finances the Rand Corp. which pays scientists and triple-dome thinkers far above Government salaries and much of their recent work has supported the view that a nuclear war is perhaps inevitable and that the United States can sustain an attack and recover within a given number of decades from x million of casualties.

In this city where diplomacy, hotelkeeping, and watchmaking are the principal industries many conferences are always in progress. But in the marathon conference on nuclear testing the stakes are highest of all.

Because of the dangers to which Mr. Childs points, because of the excellent point which President Eisenhower made in his farewell address, and, above all, because of the compelling points made in President Kennedy's letter of June 29, it seems to me particularly appropriate and particularly encouraging that so many Members of the House have joined in the sponsorship of the administration's bill for the establishment of a Disarmament Agency for World Peace and Security. I have today introduced a companion bill to the bill introduced on Thursday by the distinguished chairman of the Foreign Affairs Committee, Dr. MORGAN, and by 48 other Members of this House. It is my hope that the Foreign Affairs Committee, so many members of which, both Democrats and Republicans, are cosponsors of this bill, will soon schedule hearings and executive consideration so that the House may have an opportunity to act upon this legislation.

Most Members of this House, Mr. Speaker, very naturally look upon the major bills before their own committees as being of primary importance. As a member of the Education and Labor Committee, I am, of course, deeply concerned over the fate of the education bills which that committee has been working on, and I naturally consider those bills to be very important criteria as to the success of the session. But I must state that, however important I consider education legislation to be, I consider this Disarmament Agency bill to be of even greater urgency.

The American people—and all of mankind—face today a situation for which history holds no parallel. In the past an armaments race has often led to war. But never in the past has humanity faced a situation in which a war between two major powers could result in the literal extinction of both those powers and the highly probable extinction of most of the rest of mankind. In a thermonuclear war today, no nation, no continent can remain unaffected. No people can decide to remain aloof from the idiocy of a thermonuclear struggle. No hiding place can be found, Mr. Speaker. As the stockpiles of H-bombs and other incredible weapons grow, there grows with them the incontestable certainty that there is no sane alternative to disarmament and to peace.

Obviously, we shall have to continue to arm ourselves and to remain on guard against the threats to freedom and to civilization which are posed by the enemies of freedom. Apparently, we shall have to continue for some time to devote well over half of our national budget to the arts of death and destruction. But certainly, at the same time, we can and we must devote imagination, energy, and dedication to the task of seeking ways and means of disarming. We cannot shrug off the hard and often unrewarding chore of exploring every possible avenue of arriving at an enforcible multilateral disarmament agreement. The creation of a top-level agency, of the sort envisaged in this administration proposal, bringing together all the talents and all the authority needed for this task, may well be the most important single thing this 87th Congress can do.

THE AMERICAN FLAG

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 15 minutes.

Mr. PUCINSKI. Mr. Speaker, tomorrow the Nation will observe the 185th anniversary of our Independence Day. Indeed, there is very little that I could

add on the subject of Independence Day to the very inspiring and dramatic words of our chaplain delivered earlier today in opening our session.

However, there is one thing that I would like to comment on. It seems that July 4 nowadays has become merely a symbol of exodus to the country, to the resorts; and for all the other things that people do in their leisure time, while the original meaning of Independence Day has somewhat been submerged in the long lines of traffic on our highways and the dire predictions of the National Safety Council that in excess of 400 people are going to be killed on the highways.

During the past few months, I have received a considerable amount of mail from well-meaning constituents, and I am sure this is true of all my colleagues, good Americans, who ask me what can they do? Our constituents know that the world is in dire trouble. They know also that the enemies of freedom are gaining ground; that the survival of liberty against the threat of communism is faced with its greatest challenge. And so, well-meaning Americans frequently write to us here in the Congress and say: "What can I do as one American?"

I should like today, on the eve of our Fourth of July observance, make one appeal that every American can respond to very easily. I know that there are great debates on what we can do. The President has outlined a program on what he thinks every American can do. Spokesmen for the minority party have outlined their recommendations, and we here in Congress frequently discuss what each American can do. The suggestions are varied. But one thing that I believe every American can do tomorrow without any difficulty and without really any great sacrifice is to display the American flag.

It is becoming increasingly lamentable when you drive through the cities and villages and the countryside of America on the 4th of July to see the complete absence of the American flag being displayed except on public buildings. It is my belief that if the American people would go back to the old habit of displaying with pride the American flag; reminding their children what that flag stands for; devote one moment of meditation over the full significance of that flag, the entire national purpose of America would become abundantly clear. Here in the American flag—the symbol of our independence and democracy—is contained everything that free people all over the world strive for and wish for and that we Americans have and take so tragically for granted.

We wonder why it seems to be slipping away from us. It is slipping away only because we forget the great struggle, the great sacrifice, the great effort that has been made by the people who made the American flag possible today. It is tragic that countless millions of Americans are so busy in packing their lunch baskets and picnic baskets, preparing their fishing tackle, and all the other things necessary for a delightful holiday weekend that they completely overlook the fact that tomorrow is Independence Day; that it means what it says, independence; that a nation must rededicate itself if that independence is to survive and to be preserved.

If the American people tomorrow, by this very simple act, would display the flag, I think that in one single gesture they could do much to rekindle the spirit which during the past 185 years has made this the greatest nation in the world.

As I stand in the well speaking about the American flag I am confident that there will be those in our country who will say this is flag waving. There is a sophisticated element in America who over the years have tried to in some way degrade and ridicule those who would try to spell out the full meaning of the American flag. The phrase "flag waver" has become a connotation of something that is not quite proper; something that is not quite right; something not quite real. When a man gets up and gives a speech on the depth and meaning of the American flag, you frequently hear people say he is a flag waver, as if it was bad and inherently wrong, from time to time, to remind Americans that a nation without a symbol cannot survive.

Perhaps the real answer in these troubled times is to have more flag wavers. All Americans ought to be flag wavers, provided they understand the depths of democracy and liberty and freedom and tolerance which our flag symbolizes and are willing to unequivocally practice the meaning of these rights symbolized by the flag they are waving.

Democracy takes a great deal of understanding. We here in this Congress legislate every day, and I am sure that there are many people who disagree with the actions we take, simply because too often they do not understand the full depth of the legislation we enact. To survive, democracy needs understanding, tolerance, respect for each other, and above all, a willingness to make sacrifices.

I, for one, am confident our country will survive the present crisis as it has survived other crises. But we will survive only if we are resolute in our dedication to the traditions of freedom carved out by those men whose sacrifice in defense of independence we observe tomorrow. I am confident that when we place on the balance the principles that we Americans stand for, as symbolized by the American flag, against the Communist symbol and the despotism it represents, the scales of world opinion will tilt in favor of America and freedom. This will come to pass only if the American people understand what freedom really means. I hope tomorrow will bring about a revival of understanding of the depth and meaning of American Independence Day. Displaying the American flag on the Fourth of July can go a long way toward helping attain such a revival of spirit.

Thank you.

W. W. LYNCH, OUTSTANDING TEXAS CITIZEN, HONORED

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, one of Texas'—as well as the Nation's—outstanding business leaders, W. W. Lynch, president of the Texas Power & Light Co., of Dallas, has recently received a great honor by his election as vice president of the Edison Electric Institute.

As a Member of Congress from the First Congressional District of Texas—a large part of which is served by the Texas Power & Light Co.—I have a deep appreciation of this company and W. W. Lynch, in particular.

In the early days of World War II, it was through the efforts of Mr. John W. Carpenter, president of the company at that time, and W. W. Lynch, vice president of the company at that time, that we were able to use the information, knowledge, and research of the Texas Power & Light Co., and these two great officials in convincing the President of the United States, the War Production Board, and other officials of the need of a steel mill in our section of the country and, thereby, receive the support that was necessary to make such a steel mill possible. I refer to the Lone Star Steel Co., of Lone Star, Tex. The Texas Power & Light Co. possessed the basic information—based upon research which had been obtained at considerable expense to the company—that was adequate to prove the existence of large ore bodies from which iron and steel could be produced economically and the existence of manganese and coking coal sufficiently nearby to make such a project a success.

I am justified in stating that without the efforts of the officials of this company Lone Star Steel would not, in all probability, have come into existence. W. W. Lynch was executive vice president of the Lone Star Steel Co. in the early pioneering days and made a great contribution toward its success.

In addition, the Campbell Soup Co., at Paris, Tex., in all probability, would never have been attracted to our area of the country without the sincere efforts of W. W. Lynch.

Texas Power & Light Co. for many years has sponsored extensive research in the development of Texas lignite as a low-cost fuel for production of electric power and as a latent natural resource for further industrialization of Texas. W. W. Lynch approached officials of the Aluminum Co. of America with a plan whereby his company would make available to Alcoa its wide experience with lignite, certain Milam County lignite

reserves, the newly developed Parry process for drying lignite, and would act as agent in building and operating a powerplant fueled by lignite to operate an aluminum plant. Alcoa became interested and, as a result, built the large aluminum plant now in Milam County, an industry that has been a tremendous boost for the economy of that central Texas area.

I doubt that there is a city or town that is served by Texas Power & Light Co. that has not received substantial help and assistance from this company, in addition to the regular and customary service. There are many industries in our district today, in towns and cities, served by the Texas Power & Light Co. that are employing hundreds and thousands of people in aggregate that would not be there had it not been for the intelligent efforts and generosity of W. W. Lynch and the Texas Power & Light Co.

The Edison Electric Institute is to be congratulated for recognizing one of America's really great business and industrial leaders in the selection of W. W. Lynch as its vice president.

A recent issue of the Paris News, Paris, Tex., carried the following statement concerning Mr. Lynch's election:

W. W. Lynch, president of Texas Power & Light Co., Wednesday was elected vice president of Edison Electric Institute, the trade association of the Nation's investor-owned electric utility companies at the association's 29th annual convention at New York City.

After graduation from Texas A. & M. College in 1922, Lynch spent a year and a half with Westinghouse Electric Manufacturing Co., Pittsburgh, Pa. In 1923, he came to Texas Power & Light Co., where he served successively as design assistant, field electrician and foreman, and superintendent of distribution before he was elected vice president of the company in 1936. He was named executive vice president in 1947, and became president in 1949.

Lynch has been director and a member of the Edison Electric Institute and a member of its executive committee. He is vice president, director, and a member of the executive committee of Texas Utilities Co.

In 1952, Lynch was named engineer of the year by the Dallas chapter of the Texas Society of Professional Engineers. Under his leadership Texas Power & Light Co. in 1955 received the electric industry's highest honor, the Charles A. Coffin Award, "in recognition of its distinguished contribution during the year 1954 to the development of electric light and power for the convenience of the public and the benefit of the industry."

Well known in Texas industrial, agricultural, and civic circles, Mr. Lynch is a director and a member of the directors committee of Republic National Bank of Dallas; a director and member of the executive committee of Employers National Insurance Co., Texas Employers Insurance Association, and Employers Casualty Co., and president of Insurance Building Corp. He is a director of Employers National Life Insurance Co., Dallas Citizens' Council, Trinity River Authority, and State Fair of Texas. He is a member of the regional executive committee of region No. 9, Boy Scouts of America; a trustee of the Texas A. & M. Research Foundation of Renner, Tex.; of Southwestern Medical Foundation; and a member of the advisory committee of the University of Dallas.

Another more recent honor which has come to W. W. Lynch is his being named president of the Texas Research Foundation.

PUBLIC TO BE ADVISED ON PROPOSED CONSENT DECREES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, committees of the Congress for a period of several years have heard testimony and received other evidence demonstrating a serious defect in procedures respecting the settlement of Federal antitrust cases by consent. This defect stemmed from the secrecy which has surrounded the settlement of antitrust cases. The secrecy in the handling of these cases attached not only to the negotiations, but, also, to the agreed upon orders and decrees. The terms and conditions of such consent orders and decrees under the policy for secrecy were not made known until after the Federal Trade Commission or the courts had given their final approval. At that point, the consent orders and consent decrees become binding contracts and, as a rule, cannot be modified. Thus, no opportunity under this policy of secrecy was afforded persons who may be affected by such judgments and who were not named as parties to the actions, to express their comments or views.

In view of these circumstances, the policy for secrecy produced consent orders and consent decrees in the settlement of Federal antitrust cases which were sharply criticized as containing serious defects. The A.T. & T. consent decree of 1956 is a striking example. As a result, Members of Congress introduced bills which would require advance notice of proposed consent judgments for a period of 30 days prior to approval and finalization. Members of the House Small Business Committee, including the gentleman from California [Mr. ROOSEVELT] and the gentleman from New York [Mr. MULTER], have introduced bills of that kind. These bills have not been acted upon.

Notwithstanding the failure of Congress to act on this important matter, the Attorney General of the United States, the Honorable Robert Kennedy, on June 29, 1961, announced he had issued an order establishing a new consent judgment policy.

Pursuant to this policy, each proposed consent judgment shall be filed in court or otherwise made available upon request to interested persons as early as feasible but at least 30 days prior to entry by the court. Prior to entry of the judgment, or some earlier specified date, the Department of Justice will receive and consider any written comments, views, or relevant allegations relating to the proposed judgment, which the Department may, in its discretion, disclose to the other parties to the action. The Department of Justice shall reserve the right, first, to withdraw or withhold its consent to the proposed judgment if the comments, views, or allegations submitted disclose facts or considerations which indicate that the proposed judgment is inappropriate, improper, or inadequate; and second, to object to intervention by any party not named as a party by the Government.

This action on the part of the Attorney General is laudatory. It serves a public interest in a very important way.

With leave to revise and extend my remarks, I include at this point a copy of the consent judgment policy statement to which I have referred:

CONSENT JUDGMENT POLICY

(Order No. 246–61)

OFFICE OF THE ATTORNEY GENERAL,

Washington, D.C., June 29, 1961.

It is hereby established as the policy of the Department of Justice to consent to a proposed judgment in an action to prevent or restrain violations of the antitrust laws only after or on condition that an opportunity is afforded persons (natural or corporate) who may be affected by such judgment and who are not named as parties to the action to state comments, views or relevant allegations prior to the entry of such proposed judgment by the court.

Pursuant to this policy, each proposed consent judgment shall be filed in court or otherwise made available upon request to interested persons as early as feasible but at least 30 days prior to entry by the court. Prior to entry of the judgment, or some earlier specified date, the Department of Justice will receive and consider any written comments, views or relevant allegations relating to the proposed judgment, which the Department may, in its discretion, disclose to the other parties to the action. The Department of Justice shall reserve the right (a) to withdraw or withhold its consent to the proposed judgment if the comments, views or allegations submitted disclose facts or considerations which indicate that the proposed judgment is inappropriate, improper or inadequate and (b) to object to intervention by any party not named as a party by the Government.

The Assistant Attorney General in charge of the Antitrust Division may establish procedures for implementing this policy. The Attorney General may permit an exception to this policy in a specific case where extraordinary circumstances require some shorter period than 30 days or some other procedure than that stated herein, and where it is clear that the public interest in the policy hereby established is not compromised.

ROBERT F. KENNEDY,
Attorney General.

THE POLITICS OF SURVIVAL—OR IS ONE TRACTOR WORTH TWO MEN?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, one of the most thought provoking addresses I have had the opportunity to read was made at American University here last Thursday evening before the Second Annual Energy Institute, by William J.

Murray, Jr., chairman of the Texas Railroad Commission.

Mr. Murray's far-seeing observations on the relationship of energy production and utilization to the standard of living throughout the world, combined with the importance of politics in business life and world affairs, will be of interest to all Members of Congress.

His address is as follows:

THE POLITICS OF SURVIVAL—OR IS ONE TRACTOR WORTH TWO MEN?

The honor of addressing this annual Energy Institute was readily accepted because I greatly desired the privilege of association with the outstanding members of your faculty and because I wanted an excuse which would insure my presence at the institute. As you know, we elected officials are sometimes criticized for absence from official duties if we are attending a meeting just to gain knowledge no matter how desperately we need it, but there is magic about a speech and even though I rarely gain or impart knowledge by speech making, it at least gives me an excuse which all other politicians will respect.

Selection of a subject for this evening has troubled me considerably and I must confess that I was unduly late in reaching a decision. These circumstances may offer some explanation. Our Texas Legislature has recently concluded its regular session, and as commission chairman I have frequently been summoned to testify before their committees. In recent weeks my mother has had a heart attack, my father two major operations, and my oldest daughter a large church wedding. Fortunately, all now seem to be favorably recovering including the father of the bride.

Those of you who also live by the calendar may sympathize with my recent discovery under "Things To Do Today," the notation "finish Washington speech," and being appalled to realize that I had not even concluded on a subject. In my correspondence regarding this invitation I found that presumably I was to be the only speaker covering the general field of "State regulation" and that the possibilities of discussing MER proration, market demand proration, new techniques of improved oil recovery, import regulations, and State and Federal natural gas regulatory problems had all been mentioned. But before concluding which phase I would cover I read the proceedings of the First Annual Energy Institute, which to my regret I had been unable to attend, and referred again to the transcript of the Joint Economic Committee hearing on energy resources including a review of my own testimony before that committee.

Bedtime came without a decision, and the next episode I am embarrassed to acknowledge, but it is quite true: During the night, I awakened from a nightmare in which I had dreamed I was delivering a speech for which I was totally unprepared, entitled "The Politics of Survival." The next morning I recalled the dream, could understand why my sleep had been fitful, but could not explain what twist of the mind had produced such a weird title. At breakfast my 13-year-old daughter, after listening to the news, commented, "Daddy, we had quite an argument at school. Our teacher got really worked up about it. Do you think it is right to trade tractors for men, and is one tractor really worth two men?" Later, as I deliberated over the subjects which had previously been under consideration, my mind kept returning to the silly dream and to the very serious conversation at breakfast with my daughter. Finally, feeling somewhat frustrated and foolish, I picked up the dictaphone and was almost surprised to hear, "Title—The Politics of Survival—Or Is One Tractor Worth Two Men?"

In retrospect, I recognize that it is presumptuous of me to attempt to speak on such a subject, but there is nothing foolish about the subject, and I desperately wish that it could have been entrusted to a speaker of adequate judgment, vision, and eloquence. But here I am, and here goes the speech:

Surely both Republicans and Democrats, Americans generally, and all other citizens of the free world must have been intensely interested in and impressed by President Kennedy's report on his meeting with Premier Khrushchev and his appeal that we meet the challenge of communism by a broad program of support to the undeveloped nations of the world. This report was of great significance to all of civilization. Would we rather the mission have been entrusted to a scientist, an industrialist, a philosopher, or a theologian? Did we discount it because it was made by a politician and had political implications? We should not, because this was a job that had to be done by a politician. I would prefer to use the word "statesman," but I must recall that advice given me when I was making my first campaign: "Son, you can't be a statesman until first you are a successful politician." The very survival of civilization cannot be divorced from politics. Consequently, it is upon the shoulders of political statesmen that such awesome responsibility rests today.

I will not be so presumptuous as to attempt to paraphrase any part of the President's report or so audacious as to suggest that my quoting from it here would add emphasis to it. Instead, may I quote something I read recently, which I respectfully suggest is in keeping with the tone of the President's address: "He seems incredible but he represents two-thirds of mankind. He is the world's average man. He lives in a hut. He cannot read or write. His energy is sapped by disease. He labors 15 hours a day. He works on land he does not own. He and his family are always hungry. He will die young, but he still has hope."

In spite of the sincere and stirring appeal of our President, would not practical men feel that it is unrealistic to suggest that there is a reasonable basis for hope? Today with a world population of 2.8 billion, over two-thirds live at near starvation level, but by the end of this century world population, if present trends continue, will reach a staggering total of 7 billion. If these trends continue only until 1975 and then birth rates begin to decline, it is estimated that world population will be in excess of 6 billion by the year 2000. Even if birth rates should immediately begin to decline at rates more rapid than any United Nations study has indicated probable, world population would still rise to 5 billion by the end of the century. No wonder Harry Emerson Fosdick stated, "The population question is the basic problem in the world today and unless we solve it, no other problem of world society can be solved at all."

The premise which I am about to state is of great importance to society. But since all of you here are experts in the energy field, since you presumably have done study and preparation for this Institute, since you likely attended or read last year's proceedings, since you may also have studied the transcript of the hearing on energy resources, read the Paley Commission report, the Seagram Foundation Scientific Symposium entitled "The Next 100 Years," and the papers of the World Power Conference and the Second Atoms for Peace Conference, and since you are acquainted with the writings of the world's leading demographers and ecologists, there is no necessity in documenting this premise for you. This premise is that if there is any basis for hope for the world's average man and if there is any means of solving the population problem, then it will come largely through a prodigiously huge increase in the production and utilization of mechanical energy throughout the world. As you know, the standard of living of every people in the world can be accurately measured by their relative per capita consumption of energy. As you know, the fact that our Nation enjoys the highest standard of living of any people in the world or in the history of civilization is due largely to the rapid increase in the utilization of energy in this Nation. The keynote speaker at last year's Energy Institute rather well summed up this premise in the following quotation: "The number of people who can live on the earth and the comfort in which they live depends upon how much energy can be obtained and how economically it may be employed."

Relevant to this premise are four conclusions which presumably you have already reached but which desperately need to be expounded to the citizens of this Nation. Because of the importance of these conclusions I do not like to state them without some support, but neither do I wish to be tedious in attempting to prove to you that which you already know. A compromise will be sought by quoting one or two authorities who seem to represent the consensus of scientific opinion. The conclusions follow:

1. The ultimate energy requirements of this Nation are so great that the only possible adequate source of supply in the distant future is from the new exotic sources, principally nuclear and solar. The long-range energy demand and supply picture may be reasonably well summed up by quoting from Dr. Lewis G. Weeks' article, "Where Will Energy Come From in 2059?"

"Population increase and an acceleration in per capita demand for energy will produce a total demand for energy in the year 2059 probably as much as 50 or more times that of 1959. Man will find a way to harness and transmit solar energy. He will develop methods for making use of geothermal energy and he may do the same with tidal energy. He will learn how to free and utilize more and more the energy of the atom, the sources and supply of which are beyond our capacity to imagine."

2. But it is the consensus of expert opinion that for the remainder of this century these exotic sources will not supply a very significant portion of the total energy demand, and that for the immediate future this nation must rely upon present conventional sources, predominantly coal and petroleum. Since much of the public seems to think that the nuclear era is at hand, several supporting quotations are probably advisable here.

I would suggest that each of you be prepared on any occasion when you are in communication with a lay group to be able to conclusively demonstrate to them their stake in energy and the fact that for a long time in the future they must depend upon present conventional sources of supply.

Philip Sporn, president of the American Electric Power Co., testified at the energy hearings as follows: "The part of our total energy requirements to be satisfied by nuclear energy (in the year 2000) is only slightly over 20 percent. This would still leave almost 80 percent of our total energy requirements to be supplied by conventional sources. It is clear that our total energy requirements in the year 2000 and in the intervening period will necessarily require very large amounts of fossil fuel. I believe there is grave danger that we will tend to forget the essentiality of fostering the continued development of an adequate supply of coal, oil, and gas. * * * We must not forget the continuing importance of our fossil fuels and we must make certain in our policy considerations that they will be capable of fulfilling their important role of providing the far larger share of our total energy needs that nuclear power, even under

the most favorable conditions, will not be able to satisfy, at least for the remainder of this century."

George O. G. Löf testified regarding solar energy that, "It is also the greatest source of the earth's energy and the one which will eventually replace all fuels. At least within the next few decades, solar energy cannot be expected to furnish an appreciable fraction of the energy needs of the country. One percent in the year 2000 would appear to be an optimistic estimate."

Robert E. Wilson, member of the General Advisory Committee, U.S. Atomic Energy Commission, stated at the Fifth World Petroleum Congress in New York that "the impact of atomic energy on the petroleum industry during the next few decades will be practically negligible."

Dr. Edward Keller, at the Geneva Atoms for Peace Conference, stated that he did not look for economical power generation from nuclear fission during this century.

Dr. Walter G. Whitman, chairman of the Department of Chemical Engineering at MIT and U.S. delegate to the Second Atoms for Peace Conference at Geneva, stated that "oil and gas will furnish the bulk of the world's energy 50 years from now."

3. Therefore, in about a decade and for the remainder of this century, our conventional domestic energy supplying industries will be hard pressed to fully supply our greatly increased national demand. I hasten to add that this should not be construed as the statement of an alarmist. Domestic energy resources are available and our industry can supply the demand, but it will have to remain virile, strong, aggressive and farsighted. Research, exploration, and development will have to be initiated today if these industries are to fulfill their destiny in the future. This conclusion is well supported in the proceedings of the First Energy Institute.

4. But in the immediate years ahead, surplus energy supplies will exist, cutthroat competition within and between the competing energy industries may take place, ill-advised and even punitive legislation and regulation may occur, and the economic survival of our energy producing industries, at least under the free enterprise system, may be in question. It is believed that support for this conclusion is found in the recent testimony before the Department of Interior on import quotas and method of allocation, in the hearings on Senate bill 666 to amend the Natural Gas Act, and in the proceedings of this Second Annual Energy Institute.

But what has this got to do with my title, "The Politics of Survival?" Well, in the first place, politics will play an important role in determining whether your industry, and therefore your job, survives. And there is something you can do about it. You can participate in politics. But men like you, men of science, engineers, business executives, industrialists, are usually unwilling to participate in politics. Dean Hagerty of the University of Texas Engineering School recently told this story. Shortly after the war he employed a German refugee, Dr. Frey, to teach fluid dynamics. Dr. Frey had been head of the Propeller Division of Messerschmidt and during the war years had served as liaison with the German Luftwaffe. Dean Hagerty and Dr. Frey were attending a scientific meeting in which the speaker was discussing the Frey theory of propellers, but pronouncing it F-r-a-y. Dr. Frey rose in the meeting, addressed the speaker, said "It's not Fray, it's Frey, I'm Frey, and your explanation of the theory is wrong." Then he launched into a brilliant scientific exposition that held the audience spellbound. After the meeting Dean Hagerty commended the brilliant scientist, but then asked what he and other men of science were doing while Hitler was coming into power. Dr. Frey replied, "Oh, we men of science and of industry were above becoming involved in politics."

Dean Hagerty told this story at a meeting of professional engineers as an indictment of their failure to participate in public affairs. Similarly, although fortunately not to the extent that it was true in prewar Germany, American scientists, engineers, and business executives frequently consider themselves above becoming involved in political issues. Many of those who are involved participate reluctantly in a selfish effort to protect their particular business, industry, or profession. There is also a third category of such men who do accept positions of public responsibility but who then become so idealistic and noble that they will not advocate that which their practical judgment and experience tells them is in the best interest of the Nation because they are afraid they might be accused of supporting the interests of the profession or industry with which they were formerly associated.

Let's get specific. Energy is vital to the future security, progress, and prosperity of this Nation. Coal and petroleum will constitute the dominant source of supply for most, if not all, of this century. Oil, coal, and gas are fighting with each other and many battles are being waged among the separate divisions of each industry. Natural gas regulation is in a condition of utter chaos because attempts have been made to use regulatory methods both impractical and foreign to our American system of free enterprise. The domestic oil industry, particularly the independent producer, is struggling for survival and is deeply concerned about the status of import regulations, the attacks upon the depletion recognition, and the possibility of being subjected, like the gas producer, to utility regulation. Coal, so I am told, is suffering grave difficulty at the very time when it needs to be engaged in mechanization of the mines and research on utilization. The issues facing all three industries are the subject of constant political debate and maneuver, frequently by the prejudiced and uninformed.

My plea to you as men of scientific training and integrity, as men of practical business judgment, is that you enter the political arena, but that you give first consideration to the welfare of the Nation and to the welfare of the consumers. If policies which are in the national interest are not particularly beneficial to your industry, then accept them, for survival is at stake. But if policies which promote national welfare also help your industry, then do not be afraid to advocate them. It is not yet a crime in this country to seek an honest profit if the public is served thereby. It is still possible, even probable, that he who makes the greatest profit has rendered the greatest service.

But finally be practical in your politics. There is no point in advocating something, even though it be sound, that the voters will not accept. There are various ways of accomplishing the same sound objective. You cannot be a statesman unless you are first a practical politician. But one can be a statesman even though he has been a practical politician.

We can test my sincerity in these statements by inquiring whether I am willing to practice what I preach. Again to be specific (and this is always uncomfortable), I am opposed in principle to fixing price on any competitively produced commodity, be it automobiles, beef, wheat, or gas. But in the case of gas, the burner tip sale to the domestic consumer is a utility which must be regulated and it is apparently now impossible to demonstrate to Congress that the consumer can be protected without also regulating the competitive price at the wellhead. I have concluded that it is pointless to stand on principle and thereby win the praise of some of my constituents, but rather to acknowledge that wellhead price fixing is here to stay and therefore seek a compromise which will devise a reasonably practical method of fixing price and which will avoid the cost of service basis that would be ultimately ruinous to the consumer. Thus I need to be devoted to principle but not to the extent that it results in being politically impractical. I should be concerned first about national and consumer welfare and place this above the welfare of my State or the petroleum industry which we regulate, but I should not be afraid to advocate that which I believe to be in the best interest of the Nation simply because the program might be criticized as benefiting the petroleum industry and States in which it is produced.

A similar approach should be made to the problem of oil import regulation. If oil imports benefit the consumers of the Nation and reduce the amount of foreign aid which we must distribute to the oil exporting nations then I have no right to oppose them because they are harmful to the economy of my State. But if oil imports impair our national security then I should oppose them without fear of being criticized as another selfish Texan.

Finally, as we turn to the larger picture, the problems of the average man of the world, the problem of survival of civilization, were we not all in agreement with the President that regardless of expense and sacrifice on our part, a continued, even expanded, foreign aid program to the overpopulated, underdeveloped, low standard of living areas of the world is essential not only to their survival but to ours? But without criticizing the principle of foreign aid, may we not as practical men acknowledge that much of it has been extravagant, wasteful, inefficient, and in retrospect totally ineffective in accomplishing our purpose? As we consider what was spent and what has been accomplished in Nationalist China, India, South Korea, Brazil, Laos, and Iran for example, it is difficult not to despair of the benefits of foreign aid. But when we consider the strength and prosperity of Western Europe, particularly West Germany, we recognize that our aid probably saved them and the world from communism. Overall, might not we cease to attempt to assess blame but try to profit by experience both in success and failure and determine to find more practical and effective ways of assistance in the future?

If we agree that mechanical energy is the key to our own future national progress and prosperity, how much more true is it that energy is the key to raising the standard of living of the overpopulated, energy-starved areas of the world? We could never possibly spare enough dollars or raise and export enough surplus food to assuage the hunger of the world's average man who is increasing in number with such explosive rapidity. But to the overpopulated areas of the world we might point the way to developing their energy resources as we have in this Nation and also show them how to produce the machinery to use these energy fuels.

Some time ago I read an account of how an American company, in cooperation with our State Department, had developed a gear reduction mechanism for use in India which would triple the efficiency produced by their customary source of energy, the bullock. By hitching the bullock to this machine it would greatly increase the volume of water pumped from irrigation wells and could generate electricity for thousands of large communities in India which have no electric power. The Indian Government was reported to be most enthusiastic about this invention and forecast that if widely used it could result in a 50-percent increase in the agricultural yield as a result of more efficient irrigation, and by furnishing electric power for hand

tools it could provide jobs for hundreds of thousands of natives in handcraft work. One could not help but be excited by the potential benefit and good will to this Nation which would come from this invention.

Not long afterward a delegation of Indians representing their Government paid the Railroad Commission to visit to discuss techniques of oil exploration in their country and methods of conservation in the production of such oil as might be discovered. They were also quite interested in the possibility of exporting this oil to the United States so as to obtain much needed dollars. I could not help but think how much more valuable this petroleum would be to India if used at home and of the great potential good of tractors, trucks, irrigation pumps, and diesel electric generators powered by it. If a sacred bull that has to be fed would have the potential of increasing agricultural yield by 50 percent how much greater the possibility of good from petroleum which could supply energy, fertilizers, and thousands of petrochemical synthetic products to reduce the load on the soil.

Recently I entertained in my home a Saudi Arabian official who argued quite persuasively that we should increase, rather than reduce, the volume of imported crude from his country, because 83 percent of their income came from oil and it was desperately necessary that additional money be available to raise the standard of living of his people if there was any hope that they might be saved from communism. Shortly thereafter I heard an engineer discussing his recent visit to Saudi Arabia and telling with excitement of the possibility of salt water conversion plants which might be installed on the Arabian Gulf and the Red Sea, which would supply limitless quantities of fresh water for irrigating the desert. Some of Saudi Arabia's vast petroleum reserves could be used for fuel for such salt water conversion, possibly utilizing anticipated developments in plasma dynamics. Additionally, petroleum could be used to produce fertilizer so that with water and fertilizer the vast desert would again become a veritable Garden of Eden and would furnish food not only for the natives but for millions in starving Asia.

Surely somehow in the future, instead of offending foreign governments because we restrict importation of their oil to try to save our domestic industry and thereby preserve our national security, we ought to be able to find ways to help them utilize desperately needed energy themselves and to supply it to the energy-starved areas surrounding them.

In conclusion, then, we again ask the question, "Is one tractor worth two men?" Idealistically, morally, spiritually, "No." One human being is worth more than a thousand tractors. Materialistically, "No." In many parts of the world one tractor can accomplish more than a thousand coolies and it is a lot easier to fuel the tractor than to feed the coolies. But if men of science, engineers with practical experience, business executives with judgment and ability will recognize that through politics we direct the affairs of State, Nation, and the world, and therefore determine that they will give their greatest ability to matters of politics; if such men will help formulate wise policies at home, particularly in the field of energy production and distribution so as to keep our Nation strong and prosperous; and if such men will furnish leadership, again particularly in the field of energy production and utilization, so that this country may wisely and economically assist the underprivileged nations to lift their own standard of living; then it might be possible to give such hope to the average man of the world as to preserve peace and freedom and make democracy possible. Then after we have shown the world how to produce enough tractors and to provide the fuel to run them, we will have so lifted the standard of living and so added to the dignity of man as to be able to realistically state "one man is worth a thousand tractors" because he was created in God's image and was given the intelligence to build as many tractors as he needed. This kind of language the peoples of the world will listen to, this kind of example they will follow. This is practical politics. This is the politics of survival.

FHA EMPHASIZING HELP FOR SMALLER COMMUNITIES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I want to commend the Federal Housing Administration on the new emphasis it has placed on helping smaller municipalities restore community life through community improvement programs.

The Administration has inaugurated a program in which specialists from FHA insuring offices visit public officials in smaller communities to advise them of FHA services and to assist them in undertaking practicable community improvement programs. This gives the smaller communities the professional consultant service that only the larger metropolitan cities can afford to hire. The FHA specialists do not wait to be called on by the localities, but volunteer their services. If a community is faced with complex problems of deterioration, I have been informed that the FHA will send two or more specialists to the community, and will make as many repeat trips as necessary to see the community improvement program successfully underway.

Two of the major tools being used in this reinforced program are sections 220 of the Housing Act for urban renewal areas and 221 for displaced families. Furthermore, the FHA has informed me that special emphasis is being placed on conservation and rehabilitation with the more costly complete redevelopment only where necessary.

GETTING TO THE GRASSROOTS

The FHA has taken the attitude that the big redevelopment projects are glamorous, but, in addition to the high cost, do not actually get to the grass-roots.

To make wider use of Federal mortgage insurance under sections 220 and 221 possible, the FHA also has done away with certain arbitrary standards involving such things as size of side yards, and has sent special instructions to insuring offices to set standards applicable to particular neighborhoods and communities.

FHA Commissioner Neil J. Hardy felt that a special urban renewal division in the FHA was necessary to expedite this phase of the agency's activities. It has been set up under Christian O. Christenson, a veteran FHA official, whose present staff of 15 probably will be increased to about 30 persons.

This move to the grassroots to improve our smaller communities should be an important step in helping rejuvenate community life.

Commissioner Hardy's action points up the need for a separate agency to handle problems of smaller community development. It also sets an example for other Government departments and agencies. All of them should reevaluate their current programs to determine if they are giving adequate and equal attention to our smaller communities and business institutions or if the smaller communities are being neglected in favor of the large metropolitan areas.

DISCRIMINATORY POSTAL RATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the fate of the postal rate adjustment bill may well rest on what is proposed for increases in second-class mail rates.

While the second-class rate would be increased by an average of 79 percent, the mail rates now paid by small daily and weekly newspapers would be multiplied many times.

The National Editorial Association has prepared figures showing that mail rates would be multiplied almost seven times for newspapers like the Orange City-Sioux County, Iowa, Capital; Humboldt, Iowa, Independent; Kimberly, Idaho, Advertiser; Bad Axe-Huron, Mich., Daily Tribune; and the Florence, Kans., Bulletin. Mail rates of hundreds of other members of NEA would be multiplied three, four, and five times, depending on the size of the publication, the amount of mail circulation, and the amount of advertising carried.

While this represents the smallest part of the postal deficit, it is hit hardest in proposed postal rate increases. This alone should deter the Congress from taking action that would impair the performance of this public service.

Let us review here some of the comments of a few of those in the industry who would be affected directly:

Lloyd T. Page, Jr., vice president, Virginia Press Association: "The Postmaster General has admitted that an average 79 percent boost in postal rates 'is a sharp increase.' We agree with the Postmaster General. We hope that this committee will agree with our thinking that an increase of 148 to 280 percent goes far beyond 'a sharp increase.'"

William F. Berghold, the Rural New Yorker, New York, N.Y.: "Farm publications in the category of the Rural New Yorker have just completed the third round of postal increases and any further increase, regardless of amount, would be ruinous to our industry. This Government agency got what it asked for 3 years ago, and presumably that raise was supposed to have put Post Office operations in the 'black.' That it has not done so should not be laid at the door of private enterprise."

Lloyd G. Schermer, business manager, the Missoulian-Sentinel: "We are now spending about $13.68 per day on postage for delivery of our papers. This amount will be jumped to $53.99 per day. I would like to point out that a substantial number of our newspapers

are being delivered directly to post offices in western Montana ready for mailing that normally represents work that should be performed by the Post Office Department. Of course, with such a substantial increase, we may be forced to throw this entire load on the local post office in Missoula in order to save money to pay for the increase in mail rates."

Lee E. Kelly, Sr., publisher, Thomasville (Ga.) Times-Enterprise: "Over the past 3 years we already have had an approximate increase of 100 percent. Now the proposed increase would add another approximate 349 percent to our postal bill."

Lowell D. Mills, publisher, Hutchinson (Minn.) Leader: "The Postmaster General apparently wants to lower the boom on second-class publications. He is pushing the most drastic rate increase bill ever proposed."

Donald R. Coe, president, Montana State Press Association, Missoula, Mont.: "From the standpoint of the larger newspapers the new postal rates might not be of such concern—I am sure I couldn't say one way or the other. However, it will hurt me and it will hurt a large majority of the weekly newspapers in Montana and those in the other 49 States. It is quite conceivable that the increase will be the straw that breaks the camel's back and puts some of them out of business."

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. PATMAN, for 10 minutes, today, to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. EVERETT and to include extraneous matter.

Mr. BRADEMAS.

Mr. BROOKS of Louisiana.

Mr. ALGER.

(The following Members (at the request of Mr. ARENDS) and to include extraneous matter:)

Mr. MARTIN of Nebraska.

Mr. FORD.

(The following Member (at the request of Mr. BOGGS) and to include extraneous matter:)

Mrs. SULLIVAN.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 29. An act for the relief of Ok Nyu Choi (Ann Wollmar); to the Committee on the Judiciary.

S. 149. An act for the relief of the estate of Gregory J. Kessenich; to the Committee on the Judiciary.

S. 207. An act for the relief of Jean Goedicke; to the Committee on the Judiciary.

S. 245. An act for the relief of Kam Yung (Lee) Chong; to the Committee on the Judiciary.

S. 270. An act for the relief of Mrs. Jeliza Prendic Milenovic; to the Committee on the Judiciary.

S. 464. An act granting the consent of the Congress to interstate compacts for the development or operation of library facilities and services; to the Committee on the Judiciary.

S. 489. An act for the relief of Dellarose J. Dowler; to the Committee on the Judiciary.

S. 680. An act to authorize the Secretary of Commerce to utilize funds received from State and local governments and private organizations and individuals for special meteorological services; to the Committee on Interstate and Foreign Commerce.

S. 731. An act for the relief of Charles F. Tjaden; to the Committee on the Judiciary.

S. 1450. An act for the relief of Shim Dong Nyu (Kim Christine May); to the Committee on the Judiciary.

S. 1698. An act for the relief of Athena Nicholas Euteriadou; to the Committee on the Judiciary.

S. 1990. An act to amend section 1362 of title 18 of the United States Code so as to further protect the internal security of the United States by providing penalties for malicious damage to certain communication facilities; to the Committee on the Judiciary.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 30, 1961, present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H.R. 6027. An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

ADJOURNMENT

Mr. HALEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 22 minutes p.m.), under its previous order, the House adjourned until Thursday, July 6, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1086. A letter from the Comptroller General of the United States, transmitting a report on review of progress payments made on selected ship construction contracts awarded and administered by the Department of the Navy; to the Committee on Government Operations.

1087. A letter from the Comptroller General of the United States, transmitting a report on the review of selected activities of the Bureau of the Budget, Executive Office of the President, carried out principally during fiscal year 1960; to the Committee on Government Operations.

1088. A letter from the Chairman, Franklin Delano Roosevelt Memorial Commission, transmitting the fifth interim report of the Franklin Delano Roosevelt Memorial Commission; to the Committee on House Administration.

1089. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend titles I and II of the Immigration and Nationality Act, and for other purposes"; to the Committee on the Judiciary.

1090. A letter from the Assistant Director of Administrative Services, CWO, W-2, U.S. Air Force, Civil Air Patrol, transmitting the Annual Report of the Civil Air Patrol for the calendar year 1960, pursuant to Public Law 476, 79th Congress; to the Committee on the Judiciary.

1091. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 31, 1961, submitting a report, together with accompanying papers and illustrations, on an interim report on Columbia River between mouth of Willamette River and Vancouver, Wash., requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted March 14, 1957, and April 9, 1957 (H. Doc. No. 203); to the Committee on Public Works and ordered to be printed with one illustration.

1092. A letter from the Comptroller General of the United States, transmitting a report on review of management of idle production equipment within the Department of Defense; to the Committee on Government Operations.

1093. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Federal National Mortgage Association (FNMA), Housing and Home Finance Agency, for the fiscal year ended June 30, 1960 (H. Doc. No. 204); to the Committee on Government Operations and ordered to be printed.

1094. A letter from the Comptroller General of the United States, transmitting the review of slum clearance and urban renewal activities of the Atlanta regional office of the Housing and Home Finance Agency, September 1960; to the Committee on Government Operations.

1095. A letter from the Under Secretary of Commerce, transmitting a draft of a proposed bill, entitled "A bill to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity"; to the Committee on Interstate and Foreign Commerce.

1096. A letter from the Commissioner, Federal Housing Administration, relative to the technical research program conducted by the FHA, and relating to a contract being entered into with the Pennsylvania State University, pursuant to Public Law 85-934; to the Committee on Interstate and Foreign Commerce.

1097. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a copy of an order entered under the authority contained in section 13(b) of the provisions of section 13(c) of the act of September 11, 1957; also a list showing the name of the person involved; to the Committee on the Judiciary.

1098. A letter from the Director, U.S. Information Agency, transmitting a draft of a proposed bill, entitled "A bill to give effect to the agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific, and cultural character, approved at Beirut in 1948"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RUTHERFORD: Committee on Interior and Insular Affairs. H.R. 5786. A bill to

provide for the establishment of Cape Cod National Seashore; with amendment (Rept. No. 673). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 453. Joint resolution relating to deportation of certain aliens; with amendment (Rept. No. 672). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. GREEN of Oregon:

H.R. 7996. A bill to establish a U.S. Disarmament Agency for World Peace and Security; to the Committee on Foreign Affairs.

By Mr. RUTHERFORD:

H.R. 7997. A bill to establish the White House as a national monument; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to endorsing H.R. 6400, relating to the farm program; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to a Federal fish hatchery in Nevada; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the proposed cutting down of trees in the Presidio; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FINNEGAN:

H.R. 7998. A bill for the relief of Esmail Azarshay; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H.R. 7999. A bill for the relief of Pietro D'Angelo; to the Committee on the Judiciary.

By Mr. MOOREHEAD of Ohio:

H.R. 8000. A bill for the relief of Mrs. Helen Veselenak; to the Committee on the Judiciary.

By Mr. PILLION:

H.R. 8001. A bill for the relief of Manuel Calvete Pereira; to the Committee on the Judiciary.

H.R. 8002. A bill for the relief of Naveed Reza; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 8003. A bill for the relief of Vincent Anthony Czajkowski; to the Committee on the Judiciary.

SENATE

MONDAY, JULY 3, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The PRESIDENT pro tempore. The Senate will come to order, and by order of the Senate will stand in recess until July 5 at noon.

RECESS TO WEDNESDAY

Thereupon (at 12 o'clock and 6 seconds p.m.) the Senate took a recess, under the order previously entered, until Wednesday, July 5, 1961, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

President John F. Kennedy on "The Meaning of Liberty"

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 3, 1961

Mr. BRADEMAS. Mr. Speaker, on the day before Independence Day, I am pleased to insert in the CONGRESSIONAL RECORD an eloquent statement by President Kennedy on "The Meaning of Liberty." The statement was published in the July 2, 1961, issue of Parade magazine:

THE MEANING OF LIBERTY

(By President John F. Kennedy)

July 4 has traditionally been the day when Americans pay their tribute to liberty. We gather, as our forefathers did, to listen to Fourth of July orations. The old-fashioned eloquence of these speeches testifies to the deep and abiding attachment of the American people to the sentiments of freedom.

At the same time, the flow of ceremonial words sometimes obscures the hard problems of personal responsibility involved in the day-to-day fight for liberty.

Now that the very idea of personal liberty is under attack in so many parts of the world, the obligation rests on us more urgently than ever to recognize that words are not enough to sustain the revolution of liberty—that liberty resides essentially, not in what we say, but in what we do.

What matters is the concrete meaning that our words give our lives. What is the significance of pious gestures if, through acquiescence or through choice, we throw our daily weight against the institutions and ideas which make liberty real? The battle for liberty takes place, in the end, in the mind and heart of individuals.

When we think of liberty in 1961, let us not be content with the stately periods of the Fourth of July orations. Let us not just talk of liberty: let us act for it. Let us translate our devotion into deeds—the rejection of arbitrary limitations on liberty based on race or religion or color; the determination to respect the individuality of others; the conviction that free discussion among freemen affords the best guarantee of human progress.

We make the revolution of liberty, not by what we exhort others to do, but what we do ourselves.

Debt Limit

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 3, 1961

Mr. BROOKS of Louisiana. Mr. Speaker, on Monday, June 26, 1961, the House voted upon the matter of extending the debt limit. At the time of the vote I was a patient in the hospital at the Naval Medical Center, Bethesda, Md. It turned out that I remained there for 5 or 6 days. I was against increasing the debt limit and had I been able to get out of the hospital and appear on the floor of the House, I would have voted accordingly. I want this insertion to preserve my voting record on this matter.

Gen. Thomas Dresser White

EXTENSION OF REMARKS
OF
HON. GERALD R. FORD, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 3, 1961

Mr. FORD. Mr. Speaker, 27 years ago the then U.S. Ambassador to the Soviet Union, William C. Bullitt was involved in an airplane crash near Leningrad in the Soviet Union. The aircraft, piloted by a tall, dark-haired, good-looking young man, had become iced up, causing the crash. Mr. Bullitt immediately wired the late President Franklin Delano Roosevelt, saying:

We landed upside down, but came out right side up.

The pilot of that airplane on that cold bleak day in the Soviet Union was Gen. Thomas Dresser White, then a first lieutenant. And I can say it was indeed fortunate for us that this outstanding man came out of that crash unscathed. Certainly he has come out right side up ever since. General White was graduated from the U.S. Military Academy in July of 1920 and has given his country over 41 years of outstanding, dedicated service. These 41 years have covered a unique period in history, particularly the last few years which have been termed the technological crossroads. I believe it fortunate that we had a man of the caliber of General White as Chief of Staff of the U.S. Air Force during this period. We know that his successor, Gen. Curtis LeMay, will carry on the fine tradition

that General White is leaving. I know all of you join me in wishing General White the best of everything. We shall reflect often on his unstinting and dedicated service to his Nation.

Safeguards of the Innocent—Tools of the Guilty

EXTENSION OF REMARKS
OF

HON. ROBERT A. EVERETT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 3, 1961

Mr. EVERETT. Mr. Speaker, on June 8, 1961, Mr. Harry Avery, an outstanding lawyer and investigator and very prominent citizen of Alamo, Tenn., which is in our congressional district, made an excellent address before the attorneys general section of the Tennessee Bar Association convention in Memphis.

This address is so outstanding and to the point that I would like to bring it to the attention of the membership of the Congress. The address follows:

SAFEGUARDS OF THE INNOCENT—TOOLS OF THE GUILTY

(By Harry S. Avery, Attorneys General section, 80th annual convention, Tennessee Bar Association at Memphis, June 8, 1961)

Your chairman, Gen. Fleming Hodges, and I were engaged in the investigation of a fire during this past year which destroyed a valuable dwelling—the home of a widely known citizen of his district. At first, it was thought to be of accidental origin. However, the investigation which subsequently followed resulted in the development of most unusual and bizarre circumstances. He presented them to the grand jury. An indictment charging arson was returned, naming four defendants—two as principals and the other two as accessories after the fact.

Before the trial ensued, the owner, who was not one of the defendants, died of a heart attack. Likewise, one of the defendants passed on by the same route and another defendant received his heavenly reward primarily from results of severe burns received as the fire ignited his clothing before he could escape the premises.

General Hodges was confronted with many unusual circumstances and rules of evidence in his efforts to try the case. During the investigation and trial, other cases in which I had participated in the investigation for more than the past 30 years throughout the country, came to my mind. He suggested that I tell you of some of them at this meeting. This, of course, pleased and flattered me.

I realized, however, that perhaps all of you have, from time to time, participated in the investigation and prosecution of bizarre cases equally as fascinating, the facts of which and difficulties confronting you at the trials defied the imagination even of a fiction writer. Therefore, I doubted the wisdom of annoying you with a recitation of some of my personal experiences in this respect. I will be delighted if I can bring to you a discussion that at least has the possibility of arousing your interest in what some others, far more capable than I, have to say in their efforts to improve the criminal laws, investigative techniques and trial procedures. They, as well as you and I, wish and pray that our democratic system of government might be made more secure; that our Nation might be freed of gangsters and criminals who spy against us, who use the safeguards written into the Constitution of the Federal Government, the constitutions of our several State governments, statutes and judicial decisions, for no other purpose except to safeguard the rights and privileges of the innocent in a free democratic society and government. Those safeguards are not written into the law to protect the guilty, but how often have you and I experienced and observed the investigations and trials of the guilty, thwarted by gangsters and crooks who pervert the safeguards of the innocent into tools of the guilty?

If I could say something here today—and I am talking not as a representative of the National Board of Fire Underwriters—that would cause you or even some of you to read, "The Enemy Within," by Attorney General Robert F. Kennedy—or "Masters of Deceit," by J. Edgar Hoover, Director, Federal Bureau of Investigation, your time and mine, in my humble opinion, would be well spent.

I am speaking to you as a father, a grandfather, and a citizen of Tennessee; as a member of this bar who has practiced law defending criminals; who has assisted in the investigation and prosecution of criminals; one who relaizes that he is well over the horizon of life's western slope. My present desire is to make some contribution, however small, to help perpetuate our free government. It seems to me, our Government is in dire peril but we should not despair. It was in peril at Valley Forge and most every decade has brought forth a new peril to our freedom. Our ancestors have overcome these perils, but this has not been done without sacrifice, without amendments, nor without development of new laws and procedures.

Who are the enemies within? They are the gangsters and criminals who have brought a hundred-percent increase crime wave within the past 20 years and who brought a 12-percent increase in crime within the past year, according to the annual Federal Bureau of Investigation reports. They are the gangsters who have infiltrated into labor and management, working in a highly organized fashion throughout the Nation, sapping legitimate business of billions of dollars annually. They are more powerful now than ever in the history of the Nation. In some instances, according to the McClellan committee, "They control political figures and threaten whole communities." They are the type who, by use of telephone and modern inventions, can overnight call a meeting with almost immunity under our present safeguards for the innocent, as they did at Apalachin in 1957. They are the types who pay fabulous sums, as Mickey Cohen did for a $25,000 bulletproof car; who owned silk lounging pajamas costing $275—300 suits, 60 pairs of $60 shoes, and 1,500 pairs of socks, and yet not show an income of over $1,500.

They are the type criminal who may, over the telephone, be sent into a community within a few hours—where they are not previously known—and organize in short order a large segment of its society and thwart local government by bribing corrupt public officials. You and I know that the methods which can be legally used by law-enforcement officials have not kept step with the modern techniques of today's criminals.

Who are the masters of deceit? Yes, they too are a part of a criminal conspiracy to destroy us—like a two-headed serpent, one running underground, the other above. Its underground element, with its allegiance to the Kremlin and in control of the whole serpentine body, spying, sobataging, and even ready to commit murder, and its above-ground element waving the American flag, crying out against law-enforcing officials taking advantage of every safeguard in the law for the innocent.

They all wrap themselves in the immunity of the fifth amendment, even refusing to give their names. They contact each other by telephone, conscious of the fact that if an official of the law is listening on the line, he cannot use the evidence against them, and if he reveals that he has done so, will face a criminal charge himself. Yet, they use every device, inside and outside the courtroom, to break down the American judicial system. Contributing to the peril, also, is the attitude of so many of our so-called good citizens who fail to do their patriotic duty really to fulfill the responsibility of good citizenship. They turn their heads to avoid becoming witnesses. They complain to the district attorney for the slightest inconvenience occasioned by suppena, either for witnesses or jury service, and some even perjure themselves in order to shirk their responsibilities. All this contributes to general apathy for law enforcement.

Some of our judges, honorable and well-intentioned though they may be, contribute to not only general apathy of the populace for law enforcement, but to the disgust of law-enforcing officials. One's commonsense, even without benefit of experience as a criminologist, cries out that the certainty of swift arrest and just punishment is the most effective crime deterrent.

As early as 1956, one distinguished law professor and former editor of the Michigan Law Review, writing in the Reader's Digest and the American Mercury asked, "Why do our courts protect criminals?" He was criticizing members of the U.S. Supreme Court for reversing the convictions of numerous criminals who had used the safeguards of the innocent as tools of the guilty. In one case, the conviction was reversed where an officer on an instant tip had gone to a hotel room, smelled burning opium seeping under the door. He knocked on the door—the occupant opened it slightly and opium fumes poured out. The officer properly identified himself and found the illegal physical evidence in the hotel room and our highest Court reversed the conviction on the ground that search of the hotel room without a proper search warrant was unreasonable and that no evidence against anyone whose privacy had been invaded, no matter how clearly it established guilt, was admissible. Such was a judge-made rule and such rules have been made about unreasonable search not only to cover one's home, but a hotel room or a place he rents to sell dope, whisky, lottery tickets, a house of prostitution or even to conceal stolen goods. Law Prof. John Baker White said, "This judge-made rule had set a strange precedent by which many courts for 40 years had been caused to play into the hands of hoodlums and their lawyers."

In Tennessee, one search warrant is not enough. It must be in triplicate, filed or placed in three separate places and requires a rather skilled legal technician to draft. Certainly, the average police officer, even in the necessity of a quick search, could not meet the requirements of these unnecessary precautions.

Let us see what one of our U.S. Supreme Court judges says about this situation: On April 3, 1961, in the case of *Chapman* v. *United States of America*, the Court reversed the conviction of Chapman. The facts revealed that Chapman had, through a real estate agency, rented a dwelling belonging to a man by the name of Bridgman. On a Sunday morning the owner drove out to meet his new tenant and invite him to church. Chapman was not on the premises. Odors emitting from the house clearly revealed that the law was in serious violation by the manufacture of whisky. In the State where this occurred, the manufacturer of whisky and its possession for disposition, abrogates the lease. The owner summoned the police. They, too, were aware of the physical evidence. They found a window unlatched—they were instructed on this Sunday a.m.

by the owner to enter. While inside, Chapman the tenant, appeared. The officers found 1,300 gallons of illegal whisky mash. Chapman was convicted and ultimately appealed to the highest Court in the land, which reversed the conviction. Justice Clark dissented saying, "Every moment of every day a law officer somewhere in the United States is faced with problem of search and seizure" and added it was the duty of the Court to lay down the rules with such clarity and understanding that he may be able to follow them. In this dissent, Justice Clark further stated, "For some years now the field has been muddy (as to rules) but today (April 3, 1961) the Court makes it a quagmire claiming, 'It fashions a novel rule, supporting it with an old theory long since overruled.'" He added, "It is disastrous to law enforcement to leave at large the inconsistent rules laid down in these cases."

It seems to me that when Judith Coplon's conviction was reversed because the FBI failed to prove that they did not intercept a telephone message by wiretapping, right while she was attempting to turn over secret Government documents to a Russian spy, the Court was ignoring our national security. It also seems to me that too often the courts are more concerned with the method by which evidence is obtained than with the prevention of crime and the punishment of offenders.

In the Charles Rizzo case in New York, the defendant with three other gangsters planned the robbery of a bank payroll. They trailed the victim to the bank—their timing was bad—he had already left the bank, but they continued to trail him and as he attempted to pay off workmen, the gangsters with concealed guns approached him and police officers, suspicious of their conduct, intercepted them. Three of them were convicted for an attempted armed robbery, but Rizzo appealed. His pals went to Sing Sing. The police having caught them before they pulled their guns, the Court reversed the conviction, holding that although the men had planned a robbery and set out to accomplish it, this did not constitute an attempt, but merely a preparation. Does anyone doubt that this brought rejoicing in the underworld? Once again, the courts had turned guilty men loose on society under a technicality so ridiculous that the average citizen could not understand, and even well-informed and educated citizens concerned with the safety of the community, could not believe it to be reasonable or realistic.

With the investigations by Senator McClellan's committee here in Tennessee, revealing gangster infiltration into the Teamsters Union and bringing to light evidence of bribery and the impeachment of one judge, there was a sound basis for disgust.

With gangsters living in the lap of luxury, with police officers having to wallow in a quagmire of inconsistencies with so-called good citizens shirking their duty as witnesses and jurors, with the general apathy for law enforcement reflected by the public attitude, with the high cost of living facing every citizen, be he policeman or other investigating officer, small wonder it is to me that we do not have more police officials who are derelict to duty, who succumb to this horrible environment, and what a relief and joy to meet and know so many dedicated officers to public duty and to the welfare of our democratic form of government.

We could continue to refer to case after case of judicial decisions by individual judges or by split decisions of courts of three, five, or nine members, where a bare majority changed the rules, made new law, so to speak, which should have been properly within the province of our legislative branch of government. It would, perhaps, serve no good purpose here.

It is not my purpose to be critical of the judiciary, to try to reflect upon the character or caliber of our judges, but certainly no harm could be done by a study of the effect of some of their decisions which have preempted our legislative prerogatives and discouraged dedicated, honest, intelligent and capable officers of the law and prosecuting officials.

Take the so-called Durham rule enunciated just a few years past by the Federal Court of Appeals of the District of Columbia, where the long-standing rule on insanity was abrogated and a new definition written into the law. No longer in the District of Columbia would it be permitted to show the defendant knew the difference between right and wrong, but under the so-called Durham rule, the defendant must be acquitted if it was shown that the crime was the product of a mental disease or defect. This, of course, resulted into a tool for the guilty rather than the safeguard of the innocent. Within 12 months there were more acquittals for insanity than in the past 4 years. Practically speaking, it simply turned the function of the jury over to our psychiatrists.

In passing, we might also mention the Supreme Court's decision in the now famous Mallory case—also a District of Columbia case. It was held in effect that even on Sunday, the defendant charged with rape and held for 7 hours while the police were investigating, violated the rule of the court which required the arraignment of arrested persons without delay, that Mallory had been held too long without arraignment and the conviction was reversed on no other grounds. It was not even claimed by defendant's attorneys that he was mistreated or that the police had used duress. This apparent unreasonable holding brought protest from crime commissions and law-enforcing officials all across the country. How is a prosecuting or district attorney going to know what unnecessary delay may be in the mind of a judge? It is in theory a safeguard for the innocent who might fall into custody of an unscrupulous policeman, but in fact it is a tool for the guilty. Certainly the safety of the community which has such a great stake in the enforcement of the criminal laws was dealt a discouraging blow.

While I was initially thinking upon the subject of this discussion, I addressed a letter to the Honorable Robert F. Kennedy, U.S. Attorney General, which read in part, as follows:

"I have been invited to appear on the program of the district attorneys general division of the Tennessee Bar Association which convenes in Memphis June 8. My subject is to be 'Safeguards of Law for the Innocent—Tools for the Guilty.' Naturally, the fifth amendment; the presumption of innocence; certain rules of evidence; safeguards in court opinions and constitutional prohibitions (such as in Georgia, a defendant charged in a felony, may take witness stand not under oath and make any kind of a statement without being subject to any questions from any source, his own attorney, the prosecuting attorney or even the trial judge) are some of the safeguards.

"With crime constantly on the march and increase in the United States, do you believe any steps or laws could be taken or should be passed which would still protect the innocent and yet not be so potent tools for the guilty?"

Attorney General Kennedy replied:

APRIL 3, 1961.

DEAR MR. AVERY: Thank you for your interesting and complimentary letter of March 5, 1961, in which you asked whether I believe any steps could be taken, or laws passed, which would protect the innocent and yet not be potent tools for the guilty. I would like to make the following comment on your question:

The degree to which a legal rule may operate to protect an innocent citizen, or merely shield a guilty one, varies with the circumstances of each case. The balance between the competing interests that come into play in these matters is, of course, a delicate one to maintain. With these considerations in mind, the courts are continuously engaged in the complicated process of molding the law by interpreting constitutional and statutory standards in the controversies before them. It follows that maintaining a harmonious balance between the two factors you mention is mainly within the province of the courts. Certainly one of our large tasks as lawyers is to discern these legal principles in judicial decisions and conform to them in the actions we take.

In addition, on the positive side there are a number of instances in which it is our primary responsibility to act. For example, upon becoming Attorney General I immediately directed that a review be made of our Federal criminal laws to find the areas in which new legislation appears desirable.

The work is nearing completion. I expect soon to submit to the Congress a legislative program to aid in combating crime. All proposals are receiving a critical examination in the Department to insure that the innocent and unwary are properly protected, while substantial violators may be reached.

Your good wishes to me and my associates in the Department of Justice are indeed appreciated. I would have no objection to your using this letter as you may desire.

Sincerely,

ROBERT F. KENNEDY,
Attorney General.

No sane person wishes to take away any safeguard for the law-abiding citizens. However, most of our constitutional safeguards were initiated following a period of oppression. Our forefathers' wish was to forever eradicate tyranny and oppression. There does not now exist in our society any peril to the freedom of worship, freedom of speech and the press; to the right of petition for habeas corpus; to the right of one's possessions and property without adequate compensation. These and many other fundamental safeguards for the liberty of the innocent will ever remain secure as long as we have a democratic form of government. However, today there exists a great peril to our Government from the criminals and the masters of deceit. Every step should be taken to apprehend them and this requires some new laws which will not harm the innocent, but will give modern means to the prosecuting officials to counteract the modern inventions now at the disposal of these enemies to our society. Methods doubtless can and should be legalized to make available evidence of interstate crime and threats to our national security by the interception of telephone and other electronic communication between criminals.

Today far-flung criminal syndicates rely heavily upon the telephone and telegraph in the conduct of their nefarious activities. It is essential that these communications be intercepted.

It is dangerous to national security to free a person guilty of crime directed to the overthrow of our democratic government simply because the evidence was obtained by the interception of a telephonic or telegraphic communication.

The present law gives criminals greater immunity in the use of the telephone, radio, and telegraph than any other methods of communications. A face-to-face oral conversation may be overheard and proven in court. A letter or other written communication may fall into the hands of the law and be used as evidence. Why, then, should a telephone conversation be inviolate? If it is intercepted presently by wiretapping,

the Government is not only forbidden to prove the conversation, but is also forbidden from introducing any other evidence discovered by knowledge obtained from monitored conversations.

The fourth amendment protects written communications from only unreasonable searches and seizures. It does not absolutely bar officers from seizing private papers and using them as evidence; it merely requires proper safeguards against abuse. It does not seem unreasonable to me why communications by wireless or by wire should be placed at least in the same category of competency.

I have only touched upon some of the safeguards which should be strengthened by legislative enactment, and this will not come without an awakening by the general public to law enforcement. Nothing in this respect is more frightening than the May 20, 1961, statement of Director J. Edgar Hoover, when he said:

"Heartened by an atmosphere of continuing public complacency, and encouraged by its success in involving every legal technicality to thwart the interest of justice, the Communist Party is today a unified, ambitious, and destructive instrument of subversion operating within our midst. It has shown a brazen defiance and disrespect for America's laws, governmental institutions, and traditions."

In closing, may I again acknowledge my appreciation to General Hodges and you for the courtesy extended to me and for General Kennedy's letter. I also again appeal to you with the hope that every intelligent American, if he has not already done so, will read "The Enemy Within" and "Masters of Deceit."

It may be that Thomas R. Marshall, a former vice president, was correct in saying in 1914, "What the country needs is a good 5-cent cigar," but today there is a crying need for capable, qualified Attorneys General and their assistants who have practical experience in the investigation and prosecution of criminals to aspire for places upon the bench and the legislative branch of Government.

Tabulation of Replies to a Questionnaire

EXTENSION OF REMARKS

OF

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 3, 1961

Mr. MARTIN of Nebraska. Mr. Speaker, the tabulation of replies to the questionnaire I sent to Fourth District residents has just been completed and I am pleased to report that over 20 percent of those who received the questions and many wrote additional comments giving me their views on matters of national importance.

Nebraska's Fourth District is primarily rural, and you will note that the tabulation shows that an overwhelming percentage of those who returned the questionnaire are in favor of eventually eliminating all price supports and controls on agriculture, 81 percent are opposed to medical care under social security, and over 87 percent are against Federal aid to secondary schools. Nebraska's Fourth District citizens are opposed to vast expenditures for foreign aid and the comments many wrote expressed the view that expenditures in the past and proposed programs would simply be pouring more money down the drain without accomplishing the purpose of making our country more secure or putting us in a better position in the world community. Almost everybody who wrote additional comments urged that the budget be balanced and outgo be confined to actual income of the Federal Government.

It is most gratifying to me to know that so large a number of my constituents are interested enough in national affairs to let me know their opinions. I feel that an active and well-informed electorate is our best guarantee of good government, and am pleased to insert in the CONGRESSIONAL RECORD the tabulation of the returned questionnaires and a sampling of the comments:

[In percent]

	Yes	No	Not sure
1. Do you favor reducing the amount of money spent for foreign aid?	83.4	9.2	7.4
2. Should Communist China be admitted to the U.N.?	10.9	78.8	9.9
3. Do you favor a gradual reduction in farm price supports?	74.2	12.4	13.2
4. Are you in favor of giving the Secretary of Agriculture the power to sell on the open market Commodity Credit Corporation feed grains at less than the support price, as provided by the 1961 feed grains program?	30.5	38.1	31.0
5. Do you favor a Government program that would work toward eventually eliminating all supports and all controls on agriculture?	81.7	10.5	7.7
6. Should we increase social security taxes to provide free medical care for pensioners, despite the fact that many are not covered by social security?	11.2	81.0	7.0
7. Do you favor more public works spending by the Government as an antirecession measure?	22.5	67.4	10.0
8. Do you favor raising the minimum wage to $1.25 an hour and broadening coverage to include 4,000,000 more employees?	38.4	54.1	7.4
9. Should workers be forced to belong to unions to hold jobs?	7.4	82.4	9.4
10. Do you believe antitrust laws should also apply to labor unions?	75.5	9.1	15.2
11. Do you favor some sort of income tax allowance for education, rather than direct Federal aid to education?	65.1	23.2	11.0
12. Do you favor direct Federal aid to all schools—public, private, or parochial?	7.7	87.8	4.4
13. Do you favor repayable Federal loans to college students, rather than outright grants of money?	87.1	7.7	5.1
14. Do you feel that Federal aid to education will result in Federal control of education?	77.4	15.6	7.0

SUMMARY

Many points were covered in the comments included with the returns. They boil down, however, into three main categories:

First. Most of our Nebraska people are unalterably opposed to a welfare state, and to the legislation which is being proposed and passed here in Washington that would control them as individuals throughout their lives. Strong opposition was registered to Federal aid to education; socialized medical and foreign economic aid programs; and minimum wage legislation. Many felt that an income tax deduction to parents with children attending college would be the proper way to approach this problem, rather than the appropriation of Federal funds for loans and scholarships.

Second. In regard to agriculture, many of our farmers feel that the Government should gradually get out of the agriculture program, and that the great mistake in this field was made when the Government continued the program after the close of World War II. Most of our farmers indicated that they would like to be free to operate without Government controls.

Third. In regard to communism, from the comments received, the people of the Fourth District feel that the administration is not aggressive enough in its stand toward communism. Quite a number in their comments stated that we should use force if necessary to keep communism out of the Western Hemisphere, particularly in Cuba. A strong Military and Defense Establishment, it was indicated, should be maintained in the United States. Military strength is the only thing that the Communists understand.

QUOTABLE QUOTES

Agriculture: "The time is long overdue for the Federal Government to quit meddling in the affairs of the citizens of the United States of America. It should be remembered that this Nation was founded on the freedoms of the individual and grew strong and prosperous under the private enterprise system, not by subsidies paid for by taxes taken from the people for this express purpose. I would like to see farm price supports completely abolished, gradually."

Communism: "A mere defense never won anything. Communists believe the old saying: 'All's fair in love and war.' * * * Stop the Communists, especially in the Western Hemisphere. This is a must. * * * The admission of Red China into the U.N. would be tantamount to the destruction of the United States. * * * How much more pushing around are we going to have to take from Russia and Communist sympathizers? * * * Let's stop being so soft toward the commies. They only have one idea in mind—world domination—and that's been going on since 1918. We have to meet them on their own ground. Tell them, 'Straighten up and fly right or armed intervention.' Laos, Cuba, Berlin, and other trouble spots—there's going to have to be a showdown with them sooner than later."

Federal aid to education: "I see no reason why the Government should either subsidize or loan money to students for college education. If they are deserving and desirous, they will manage to get such an education through their own efforts. * * * In Nebraska, the extensive school improvements that are being made all over the State belie any genuine need for outside aid."

Foreign economic aid: "You cannot buy friendship with American dollars. Let's stop this program, instead of throwing so much of it down the drain. * * * It should be obvious that foreign aid does not bring friends. We are despised by many nations we have helped. Continued giveaway programs will defeat this Nation without a shot being fired by an enemy. Cut foreign aid to the bone."

Foreign policy: "I believe it is time we placed our Government and our way of life first, and not second to the wishes of the United Nations. * * * I have a son in the Army. I don't want to see him get killed

in action, but I also don't want to see him a slave of the Communists. * * * It is time to take positive action against Castro. The foothold that communism has gained in Latin America must be stopped by * * * whatever action is necessary."

General: "If someone would muzzle Goldberg and keep him from beating down the economy so he can take credit for recovery, and let industry get a little confidence in the screwballs, we might get rolling again. Most of the trouble is lack of confidence in this administration, just like it was with Roosevelt in the thirties. He stabilized the depression. * * * I think the Government should stop all the giveaway programs and make an effort to get back on a sound basis. The people should support the Government and not the Government support the people, if we expect to keep our freedom. * * * The time is long overdue for the Federal Government to quit meddling in the affairs of the citizens of the United States."

Unions: "Since F.D.R. gave unions the green light, it may become necessary to give them the yellow or the red. * * * No; I belong to a labor union, but I also think to keep America free, we shouldn't be forced to join. * * * I do not believe a man should be forced to belong to a union to work; neither do I believe a man should receive the benefits won by a union, if he does not belong."

Statement by Congresswoman Sullivan for Hearings on Deceptive Packaging and Labeling of Consumer Products, Outlining Need for Comprehensive Rewriting of Food, Drug, and Cosmetic Act of 1938 as Proposed in H.R. 1235

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 3, 1961

Mrs. SULLIVAN. Mr. Speaker, because of the widespread interest in the hearings conducted by the Senate Judiciary Committee's Subcommittee on Antitrust and Monopoly on deceptive packaging and labeling of consumer products, I am submitting under unanimous consent, for inclusion in the CONGRESSIONAL RECORD, the statement I prepared for the subcommittee on this matter, and the bill, H.R. 1235, to which my testimony refers.

The material referred to follows:

STATEMENT PREPARED BY CONGRESSWOMAN LEONOR K. SULLIVAN, DEMOCRAT, OF MISSOURI, FOR SENATE JUDICIARY COMMITTEE'S ANTITRUST AND MONOPOLY SUBCOMMITTEE ON LABELING AND PACKAGING OF CONSUMER PRODUCTS

I want to begin my statement by expressing my thanks to Senator HART, of Michigan, for serving as chairman of these excellent and useful hearings on packaging and labeling practices affecting consumers. I feel these hearings represent one of the most effective instances of consumer education we have had in the Congress in many years.

Every shopper who has had to fight the battle of the best-buy dilemma in the stores and who has had the feeling that no one in Washington seemed to know or care about the problem, at least knows at this point that we do care and are concerned. The question now arises, however: What do we do about it?

No purpose would be served by my going back over the ground you have already covered and discussing the myriad of confusing sizes confronting the consumer in trying to buy almost any packaged food or other packaged consumer product sold presumably by weight. Sugar, at least, still comes in 2- and 5-pound bags, and coffee in 1- and 2-pound bags or cans, and that's something to be thankful for. We can quickly compare price on these items, and on a few more.

But, as your previous witnesses have so ably pointed out, the careful shopper absolutely needs a slide rule and the knowledge of how to use it in order to divide fractions of ounces into "so many for so much" prices, if she is to estimate even roughly whether the large economy size is a better value than the smaller size. Often the answer is that it is not a better value—that the large size costs disproportionately more. And this answer always comes as a shock, as if the manufacturers and retailers, after spending years educating the consumer to believe the larger size is always more economical, are now cashing in on that induced belief by deliberately turning it against the consumer and cheating the purchaser. For that is exactly what the packaging rat race seems to represent.

UTOPIA, OR DECENT CONSIDERATION FOR THE CONSUMER?

The solution—from the consumer's standpoint, certainly—would be a return to the traditional and recognizable weights and measures in net contents—pounds, half pounds, quarts, pints, etc., as in bread and milk and butter and flour and a number of other products. Despite what the manufacturers and merchandisers profess, I have yet to meet any consumer who really prefers a $12\frac{3}{29}$ pints size to a quart or a $7\frac{5}{16}$ ounces size to a half pound, and yet in many products that is what we are being offered, whether we know it or not.

And, just as you can compare the price of a half gallon of ice cream to the price for a quart, and the quart price to that for a pint, it would be wonderful if most other products came in double and triple or quadruple sizes, too, so that the consumer could readily estimate the degree of economy—or lack of it—in buying larger sizes.

Are we seeking utopia in asking that kind of consideration from the manufacturers and distributors? I don't think so. I think we are entitled to that kind of decency and consideration. Moreover, I think consumers should take a hand in this personally and ask for and insist upon standardized contents and show preference for products packaged in familiar quantity designations.

The Government, meanwhile, should move vigorously and effectively to enforce its newly upheld powers to crack down on deceptive packaging involving slack-filled containers holding an excessive amount of nothing.

VIOLATIONS OF INTENT OF FOOD AND DRUG ACT IN LABELING

Serious as it is to the consumer in trying to make intelligent choices in the stores, I am not nearly as concerned over the lack of uniformity of sizes which makes quantity versus price comparisons so mathematically difficult as I am over the fact that on many items, you just can't read the net weight, and thus can't make any computations at all. Oh, it appears on the package all right if it is a food item—but just try to find it. To me, this is indefensible, and an outright violation of the spirit and intent and clear wording of the Food, Drug, and Cosmetic Act.

For instance, the law now says in section 403 that an article of food in packaged form shall be considered misbranded, and therefore subject to seizure and removal from the market "* * * unless it bears a label containing (1) the name and place of business of the manufacturer, packer or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure or numerical count"; and, in subsection (F), "* * * if any word, statement or other information required by or under authority of this act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use."

Senator HART and members of the subcommittee, it seems to me that the intent of the law is indeed clear. But apparently the courts have varied in their interpretation of what constitutes sufficient conspicuousness of the information required on the label and, as a result, finding the information is often a case for an eagle-eyed proofreader rather than the ordinary individual under customary conditions of purchase and use.

There are going to be hearings by the FDA soon on the information to be required and how it must be displayed on labels of hazardous household substances under the law we passed on this subject last year. If we were to permit manufacturers to use the required warning words of "Danger" and "Caution" and "Causes burns" or "Keep out of the reach of children" in the same circumspect and hidden manner as some of them do now on labels giving contents and weights on food packages, the hazardous-products law would be of little use.

SIMPLE AMENDMENT REQUIRED TO CLOSE LOOPHOLE

Now is this something we can correct? I believe it is, and by a very simple amendment to the Food, Drug, and Cosmetic Act—one which adds a new sentence to the end of subsection (f) of section 403 as follows: "The Secretary (of Health, Education, and Welfare) may issue regulations which specify the kind, size, and location on the label or labeling of statements required by this section."

That is all that would be needed to bring the information on contents and weights out from behind the veil of tiny type in noncontrasting inks or pastel colors and let the consumer really read what the package is supposed to contain. This will not end the attempts at cheating in package sizes, but it will give the conscientious consumer who wants it at least a fighting chance to make a comparison. And perhaps then we can educate more consumers to read the labels and make the arithmetical computations; and if enough of us do that and get mad enough about the conspiracy of cruelty to the consumer represented by these fractionalized quantities we can do something about it—by refusing to buy products in packages made up deliberately to mislead us on size and weight.

The language I have just cited as necessary to strengthen the Food, Drug, and Cosmetic Act in regard to enforcement of the information requirements on food labels is a paragraph out of a 41-page bill which I introduced on January 3 of this year to completely rewrite whole sections of the Food, Drug, and Cosmetic Act and close a variety of loopholes, some of which have been in the act since it was passed originally in 1938.

SPECIAL INTEREST EXEMPTIONS

For instance, and just as a simple illustration of the special interest provisions which still permeate the law after all of these years, you may be surprised to learn that soap is not subject to regulation under the act as a cosmetic (although some special purpose

soaps might occasionally qualify as regulated drugs under certain circumstances). We use soap primarily to get clean and that, it seems to me, is a pretty fundamental cosmetic use. Moreover, if you believe the soap advertisements, you would also suspect that many soap products have magic qualities to make us beautiful besides. But, regardless of all that, soap is not a cosmetic under the 1938 act. It is certainly not a food. And it is usually not a drug. It is therefore, in most instances, a nothing under this act—it is by and large therefore not subject to labeling requirements of the act.

And if you think food packaging is confusing and misleading as to weight and size and contents, try—just try—to figure out the price per ounce or the comparative cost of two competing brands of soap in the stores.

We have always since 1938 had strict laws covering notice of presence of artificial coloring matter in foods and drugs. But not in ice cream, butter, or cheese. That special interest exemption, like soaps, has been in the act from the beginning.

SERIOUS HAZARDS TO HEALTH AND SAFETY

The illustrations I have just cited of loopholes in the act involve primarily economic considerations—being able to read the label information on size and weight of contents for purposes of comparative shopping. Much more important to the consumer, however, are the loopholes which jeopardize the health of the public.

For instance, we have a strong law now on the pretesting of chemicals used in or on foodstuffs to establish their safety before use. Last year, we passed a law requiring the pretesting for safety of all color additives, not just the coal-tar colors. Color—artificial color—is an important ingredient in most cosmetics. It is, however, the only ingredient in cosmetics which we require must be pretested for safety before marketing. Hence, we have never had an effective safe cosmetics law.

We have tried—consumers have tried—since 1938 to make the Food, Drug, and Cosmetic Act effective insofar as cosmetics are concerned—effective in preventing harmful beauty-aid products from reaching the market. But all we can do now—unless the culprit ingredient is an artificial color—is to wait until some or many consumers are hurt or burned or disfigured or caused great distress or serious illness by a new cosmetic product in order to take it off the market.

Illicit traffic in barbiturates and pep pills is a national danger and disgrace. Our laws for coping with this traffic are weak and inadequate. How many people must die in head-on collisions on the highways or commit suicide from sleeping pills before we really crack down on the widespread bootlegging of these dangerous drug items?

When section 507 of the Food, Drug, and Cosmetic Act was written some years ago to require certification of the antibiotic wonder drugs, we knew of only five of them. The law specifies that every batch of these five antibiotics or their derivatives must be certified as to potency and purity by the Food and Drug Administration. However, we now have a number of additional antibiotics. But unless they are made in combination with one of the five specified by name in the act, they do not have to be certified. Yet the certification tests from time to time have uncovered instances of improperly manufactured batches of antibiotics which would be either useless or fatal if used as prescribed by the physician.

Our factory inspection law is full of holes.

Therapeutic devices are being marketed without proof of efficacy and—worse than that—without required pretesting for safety. New drugs must be proved safe before they are marketed but they don't have to be proved efficacious.

Because of the loopholes in factory inspection in the drug field, many doctors hesitate to prescribe by common or generic terms, fearing that unless they specify a brand name (which often costs far more) the patient may get a substandard product turned out by a fly-by-night manufacturer.

PIECEMEAL APPROACH TOO SLOW IN MAKING LAW EFFECTIVE

My purpose in listing some of the glaring loopholes and faults in the Food, Drug, and Cosmetic Act is twofold:

First, I am seeking, of course, to point out an effective course of action in correcting the situation involving deceptive or misleading or inadequate labeling information which you have been spotlighting in these hearings. I think one section of my bill, H.R. 1235, would go far toward solving that problem.

More than that, however, I want to point out that this is only one part of a vastly broader problem of protecting the consumer from a variety of practices and conditions in the marketplace affecting not only our pocketbooks but our health and our lives. Since they involve primarily inadequacies or loopholes in the Food, Drug, and Cosmetic Act, I think all of these problems should be solved legislatively in one big comprehensive package—in a consumer bill—instead of in the piecemeal fashion Congress has been following on consumer legislation since 1938.

For instance, in 1953 we closed partially one of the loopholes in the factory inspection law. In 1954 we passed a pesticides residue control bill. In 1957, we finally succeeded in establishing compulsory Federal inspection of poultry. In 1958 we passed the Food Additives Act. In 1960 we passed the Color Additives Act. Presumably, in that same pattern of a little bit at a time, we could get a safe cosmetics bill through next year, unless the situation as regards certification of antibiotic drugs or the factory inspection loopholes or fake cancer remedies or unsafe therapeutic devices or barbiturates and amphetamines or new drug sanctions or some other single issue should win priority in committee consideration. This is not to criticize either the House or Senate committees handling changes in the Food, Drug, and Cosmetic Act. They have performed notable service to the consumer in many ways.

H.R. 1235 SEEKS COMPREHENSIVE CHANGES IN STATUTE

It just seems to me we can no longer settle for the piecemeal approach. You have spotlighted the problem of deceptive packaging and misleading or inadequate labeling. And of course it is a serious problem to the consumer. It can be solved quite readily, I think, through simple amendments to the basic statute. All I am urging is that we keep in mind, in seeking a solution for this one problem, that with very little additional effort—assuming enough consumers can be aroused to the need—we can go on to make the Food, Drug, and Cosmetic Act the bastion of our health and the protector of the consumer it was intended to be when originally drawn and before the compromises had to be made to achieve passage in the atmosphere of 1938. We must make of this law the device Dr. Wiley intended it to be more than a half century ago when the original pure food law was passed in 1906.

I have prepared this statement in the hope that I can enlist the support of the Senators on this subcommittee, and of the witnesses who have appeared, and of all of the consumers who are interested in the facts you are bringing to light—enlist your support behind H.R. 1235, an omnibus bill I have introduced this year to meet some of the problems you have brought out in your hearings here as well as a great many other important problems affecting the consumer. I would appreciate it if you would include the text of H.R. 1235 in the record of your hearings, as follows:

"[87th Cong., 1st sess.]

"H.R. 1235

"(In the House of Representatives, January 3, 1961, Mrs. SULLIVAN introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce)

"A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act so as to amend certain labeling provisions of the food, drug, and cosmetic chapters; prohibit worthless ingredients in special dietary foods; require adequate controls in drug manufacture; require new drugs to be shown efficacious and new therapeutic devices to be shown safe and efficacious before they are marketed commercially; make other improvements with respect to new drug control; require all antibiotics to be certified; provide adequate controls over the distribution of habit-forming barbiturates and stimulant drugs; require cosmetics to be shown safe before they are marketed commercially; clarify and strengthen existing inspection authority; make additional provisions of the Act applicable to carriers; provide for administrative subpenas; and for other purposes

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Food, Drug, and Cosmetic Amendments of 1961'.

"REQUIRED LABEL STATEMENTS

"SEC. 2. (a) Subsection (f) of section 403 of such Act is amended by adding at the end thereof the following sentence: 'The Secretary may issue regulations which specify the kind, size, and location on the label or labeling of statements required by this section.'

"(b) Subsection (c) of section 502 of such Act is amended by adding at the end thereof the following sentence: 'The Secretary may issue regulations which specify the kind, size, and location on the label or labeling of statements required by this section.'

"(c) Subsection (c) of section 602 of such Act is amended by adding at the end thereof the following sentence: 'The Secretary may issue regulations which specify the kind, size, and location on the label or labeling of statements required by this section.'

"(d) Subsection (e)(1) of section 701 of such Act is amended by changing '403(j)' to read '403 (f) or (j)'; changing '502 (d) or (h)' to read '502 (c), (d), or (h)'; inserting '602(c),' between '504,' and 'or 604,'.

"(e) Subsection (k) of section 403 of such Act is amended by deleting the last sentence reading: 'The provisions of this paragraph and paragraphs (g) and (i) with respect to artificial coloring shall not apply in the case of butter, cheese, or ice cream.'

"WORTHLESS INGREDIENTS IN SPECIAL DIETARY FOODS

"SEC. 3. (a) Section 402 of such Act is amended by adding at the end thereof the following new subsection:

"'(f) If it purports to be or is represented for special dietary uses and it contains any substance whose usefulness for special dietary purposes has not been established in accordance with section 403(j) of this Act, except that binders, excipients, fillers, carriers, or coatings may be present.'

"(b) Subsection (i) of section 403 of such Act is amended by changing 'paragraph (g)' to read 'paragraph (g) or (j)'.

"(c) Subsection (j) of section 403 of such Act is amended by changing the period at the end to a semicolon and adding: 'no substance whose usefulness for special dietary

purposes has not been established in accordance with this paragraph shall be mentioned on the label or in the labeling of such a food, except that binders, excipients, fillers, carriers, or coatings may be declared as such.'

"REQUIREMENT OF ADEQUATE CONTROLS IN DRUG MANUFACTURE

"SEC. 4. Clause (2) of paragraph (a) of section 501 of such Act is amended to read as follows:

"'(2) (A) if it has been prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; or (B) if it is a drug and the methods used in, or the facilities or personnel or controls used for, the manufacture, processing, packing, or holding of such drug were inadequate (as determined in accordance with regulations promulgated by the Secretary) (i) to insure that its identity and strength do not differ from, and that its purity and quality do not fall below, those which such drug purports or is represented to possess, or (ii) to insure that such drug will not be injurious to health when used in accordance with directions for use on its labeling, or when used in accordance with a prescription of a licensed practitioner (which prescription is consistent with the labeling of such drug), or (iii) to insure that its labeling is not such as to cause such drug to be adulterated or misbranded:'.

"PRETESTING OF NEW DRUGS AND THERAPEUTIC DEVICES FOR SAFETY AND EFFICACY

"SEC. 5. (a) Section 201(p) of said Act is amended to read as follows:

"(p) The term 'new drug' means—

"(1) Any drug the composition of which is such that such drug is not generally recognised among experts qualified by scientific training and experience to evaluate the safety and efficacy of drugs as safe and efficacious for use under the conditions prescribed, recommended, or suggested in the labeling thereof, except that such a drug not so recognized shall not be deemed to be a 'new drug' if at any time prior to the enactment of this Act it was subject to the Food and Drugs Act of June 30, 1906, as amended, and if at such time its labeling contained the same representations concerning the conditions of its use; or

"(2) Any drug the composition of which is such that such drug, as a result of investigations to determine its safety and efficacy for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions.

"(b) Section 201 of such Act is further amended by adding at the end thereof the following new subsection:

"'(s) The term "new device" means:

"'(1) Any device the composition, construction, or properties of which are such that such device is not generally recognized, among experts qualified by scientific training and experience to evaluate the safety and efficacy of devices, as safe and efficacious for use under the conditions prescribed, recommended, or suggested in the labeling thereof; or

"'(2) Any device the composition, construction, or properties of which are such that such device, as a result of investigations to determine its safety and efficacy for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions.'

"(c) Subsection (a) of section 505 of such Act (21 U.S.C. 355) is amended to read as follows:

"'NEW DRUGS AND THERAPEUTIC DEVICES

"'SEC. 505. (a) No person shall introduce or deliver for introduction into interstate commerce any new drug or new device, unless an application filed pursuant to subsection (b) is effective with respect to such drug or device.

"'(b) Any person may file with the Secretary an application with respect to any drug or device subject to the provisions of subsection (a). Such persons shall submit to the Secretary as a part of the application (1) full reports of investigations which have been made to show whether or not such drug or device is safe and efficacious for use, the submission of full clinical records on each patient on whom the drug or device was tested may be required upon request of the Secretary; (2) a full list of the articles used as components of such drug or device; (3) in the case of a drug, a full statement of the composition of such drug, or, in the case of a device, a full statement of its composition, properties, and construction and the principle or principles of its operation; (4) a full description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug or device; (5) such samples of such drug or device and of the articles used as components thereof as the Secretary may require; and (6) specimens of the labeling proposed to be used for such drug or device.

"'(c) The Secretary, within ninety days after the filing of an application under this subsection, shall notify the applicant that the application is effective or shall give the applicant notice of opportunity for a hearing on the question whether to permit the application to become effective, except that prior to the ninetieth day after such filing the Secretary may notify the applicant in writing that the time for action by him has been extended to such time (not more than one hundred and eighty days after the date of filing the application) as the Secretary deems necessary to enable him to study and investigate the application.

"'(d) If the Secretary finds, after due notice to the applicant and giving him an opportunity for a hearing, that (1) the investigations, reports of which are required to be submitted to the Secretary pursuant to subsection (b), do not include adequate tests by all methods reasonably applicable to show whether or not such drug or device is safe and efficacious for use under the conditions prescribed, recommended or suggested in the proposed labeling thereof; (2) the results of such tests show that such drug or device is unsafe or not efficacious for use under such conditions or do not show that such drug or device is safe and efficacious for use under such conditions; (3) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug or device are inadequate to preserve its identity, strength, quality, and purity; or (4) upon the basis of the information submitted to him as part of the application, or upon the basis of any other information before him with respect to such drug or device, he has insufficient information to determine whether such drug or device is safe and efficacious for use under conditions, he shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

"'(e) The effectiveness of an application with respect to any drug or device shall, after due notice and opportunity for hearing to the applicant, by order of the Secretary be suspended if the Secretary finds that (1) for reasons set forth by him, there is reasonable doubt as to the safety or efficacy of the drug or device for use under the conditions prescribed, recommended or suggested in the labeling or proposed labeling thereof, or (2) the application contains any untrue statement of a material fact, or (3) that the applicant has failed to establish or maintain any required records, or to make any required report, in accordance with an applicable regulation or order under subsection (j), or that the applicant or any person under his control has refused to permit access to, or copying or verification of, any such record as required by paragraph (2) of such subsection. The order shall state the findings upon which it is based.

"'(f) An order refusing to permit an application with respect to any drug or device to become effective shall be revoked whenever the Secretary finds that the facts so require.

"'(g) (1) An order of the Secretary after a hearing under this section shall be based upon a fair evaluation of the entire record at the hearing and shall include a statement setting forth in detail the findings and conclusions on which it is based.

"'(2) Orders of the Secretary under this section shall be served (A) in person by any officer or employee of the Department designated by the Secretary or (B) by mailing the order by registered mail or certified mail addressed to the applicant or respondent at his last-known address in the records of the Secretary.

"'(h) In case of denial or withdrawal of approval of an application under this section, the applicant may file in the United States court of appeals for the circuit in which such applicant resides or has his principal place of business, within sixty days after the serving of notice of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose, and thereupon the Secretary shall file in the court a transcript of the record of the proceedings on which he based his order, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition the court shall have jurisdiction, which upon the filing of the record with it shall be exclusive, to affirm or set aside the order. The finding of the Secretary as to the facts shall be sustained if based upon a fair evaluation of the entire record at the hearing. If any person shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts and order by reason of the additional evidence so taken, and he shall file with the court such modified findings and order. The court, on judicial review, shall not sustain the order of the Secretary if he failed to comply with any requirement imposed on him by subsection (g) (1). The judgment and decree of the court affirming or setting aside any order under this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless specifically ordered by the court to the contrary, operate as a stay of the Secretary's order.

"'(i) The Secretary shall promulgate regulations for exempting from the operation of the foregoing subsections of this section drugs or devices intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety and efficacy of drugs or devices. Such regulations may provide for conditioning such exemptions upon the establishment and maintenance of such records, and the making of such reports to the Secretary, of data obtained as the result of such investigational use of such drugs or devices, as the Secretary finds will enable him to evalu-

ate the safety of such drugs or devices in the event of the filing of an application pursuant to subsection (b).

"'(j)(1) Every person engaged in manufacturing, compounding, or processing any new drug or new device with respect to which an application filed pursuant to this section is effective shall establish and maintain such records, and make such reports to the Secretary, of data relating to clinical experience and other data or information, received or otherwise obtained by such person with respect to such drug or device as the Secretary may by general regulation, or by order with respect to such application, prescribe on the basis of a finding that such records and reports are necessary in order to enable the Secretary to determine, or to facilitate a determination, whether there is or may be ground for invoking subsection (e) of this section. Regulations under this paragraph shall exempt from the requirement of such recordkeeping or reporting, or both, except to the extent that the Secretary finds such exemption to be inconsistent with the purposes of this paragraph, retail pharmacies, hospitals, clinics, public health agencies, and licensed practitioners who prepare or compound such drugs or dispense or use such devices solely in the regular course of their business, operation, or profession as such.

"'(2) Every person required under this section to maintain records, and every person in charge or custody thereof, shall, upon request of an officer or employee designated by the Secretary, permit such officer or employee at all reasonable times to have access to and copy and verify such records.'

"(d) Paragraph (e) of section 301 of such Act is amended to read as follows:

"'(e) The refusal to permit access to or copying of any record as required by section 703; or the failure to establish or maintain any record, or make any report, required under section 505(j), or the refusal to permit access to, verification, or copying of any such required record.'

"(e) Subsection (a) of section 302 of such Act, as amended by section 2 of this Act, is further amended by striking out '(e),'.

"(f) Subsection (d) of section 502 of such Act is amended to read as follows:

"'(d) If it is for use by man and contains any quantity of the narcotic or hypnotic substance alpha-eucaine, barbituric acid, beta-eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marihuana, morphine, opium, paraldehyde, peyote, or sulfonmethane; or any chemical derivative of such substance, as well as any new drug, which derivative or new drug has been by the Secretary, after investigation, found to be, and by regulations designated as, habit forming; unless its label bears the name, and quantity or proportion of such substance or derivative and in juxtaposition therewith the statement "Warning—May be habit forming."'

"CERTIFICATION OF ALL ANTIBIOTICS

"SEC. 6. (a) The first sentence of subsection (a) of section 507 of such Act is amended to read as follows: 'The Secretary of Health, Education, and Welfare, pursuant to regulations promulgated by him, shall provide for the certification of batches of drugs composed wholly or partly of any kind of penicillin, streptomycin, chlortetracycline, chloramphenicol, or bacitracin or any derivative thereof, or composed wholly or partly of any other kind of antibiotic substance.'

"(b) Section 507 of such Act is further amended by adding at the end thereof the following new subsection:

"'(g) For the purpose of this section and of section 502(l), the term "antibiotic substance" means a chemical substance produced by a living micro-organism and capable of destroying or inhibiting the growth of another micro-organism in high dilution, or the synthetic equivalent thereof.'

"(c) Paragraph (l) of section 502 of such Act is amended to read as follows:

"'(l) If it is, or purports to be, or is represented as a drug composed wholly or partly of any kind of penicillin, streptomycin, chlortetracycline, chloramphenicol, or bacitracin, or any derivative thereof, or a drug composed wholly or partly of any other kind of antibiotic substance (as such term is defined in section 507(g)), unless (1) it is from a batch with respect to which a certificate or release has been issued pursuant to section 507, and (2) such certificate or release is in effect with respect to such drug: *Provided*, That this paragraph shall not apply to any drug or class of drugs exempted by regulations promulgated under section 507 (c) or (d).'

"BARBITURATES AND HABIT-FORMING STIMULANT DRUGS

"SEC. 7. (a) The Congress hereby finds and declares that there is a widespread illicit traffic in barbiturates and in amphetamines and other habit-forming central nervous system stimulant drugs moving in or otherwise affecting interstate commerce; that the use of such drugs, when not under the supervision of a licensed practitioner, often endangers safety on the highway and otherwise has become a threat to the public health and safety, making additional regulation of such drugs necessary regardless of the intrastate or interstate origin of such drugs; that in order to make regulation and protection of interstate commerce in such drugs effective, regulation of intrastate commerce is also necessary because, among other things, such drugs, when held for illicit sale, often do not bear labeling showing their place of origin and because in the form in which they are so held or in which they are consumed a determination of their place of origin is often extremely difficult or impossible; and that the regulation of interstate commerce without the regulation of intrastate commerce in such drugs, as provided in this Act, would discriminate against and depress interstate commerce.

"(b) Chapter V of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end thereof a new section as follows:

"'BARBITURATES AND HABIT-FORMING STIMULANT DRUGS

"'SEC. 508. (a) As used in this section—

"'(1) the term "barbiturate" means any drug which contains any quantity of (A) barbituric acid or any of the salts of barbituric acid; or (B) any derivative of barbituric acid, which derivative has been designated by the Secretary under section 502(d) as habit forming; and

"'(2) the term "habit-forming stimulant drug" means a drug which contains any quantity of (A) amphetamine or any of its optical isomers; or (B) any salt of amphetamine, or any salt of an optical isomer of amphetamine; or (C) any substance which the Secretary, after investigation, has found to be, and by regulation designated as, habit forming because of its stimulant effect on the central nervous system.

"'(b) No person shall manufacture, compound, or process any barbiturate or any habit-forming stimulant drug, except the following persons:

"'(1) Manufacturers, compounders, and processors who have listed their names and places of business with the Secretary and who are regularly engaged in preparing pharmaceutical chemicals or prescription drugs for distribution through branch outlets, through wholesale druggists, or by direct shipment, (A) to retail pharmacies or to hospitals, clinics, public health agencies, or physicians, for dispensing by registered pharmacists upon prescriptions, or for use by or under the supervision of practitioners licensed by law to administer such drugs in the course of their professional practice, or (B) to laboratories or research or educational institutions for any use described in paragraph (5).

"'(2) Branch outlets established by listed manufacturers, compounders, or processors described in paragraph (1), and wholesale druggists who maintain establishments in conformance with local laws and are regularly engaged in supplying prescription drugs (A) to retail pharmacies, or to hospitals, clinics, public health agencies, or physicians, for dispensing by registered pharmacists upon prescriptions, or for use by or under the supervision of practitioners licensed by law to administer such drugs in the course of their professional practice, or (B) to laboratories or research or educational institutions for any use described in paragraph (5).

"'(3) Retail pharmacies, hospitals, clinics, and public health agencies, which maintain establishments, in conformance with local laws regulating the practice of pharmacy and medicine and which are regularly engaged in dispensing prescription drugs, upon prescriptions of practitioners licensed to administer such drugs, for patients under the care of such practitioners in the course of their professional practice.

"'(4) Practitioners licensed by law to prescribe or administer barbiturates or habit-forming stimulant drugs, who have such drugs in their possession for use in the course of their professional practice.

"'(5) Persons who possess barbiturates or habit-forming stimulant drugs for use in research, teaching, or chemical analysis and not for sale.

"'(6) Officers and employees of Federal, State, territorial, or local governments, whose possession of such drugs is in the course of their official duties.

"'(7) An employee of any person described in paragraph (1) through paragraph (6), and a nurse or other medical technician under the supervision of a practitioner licensed by law to administer such drugs, having possession of such drugs by reason of his employment or occupation and not on his own account.

"'(c) No person shall possess any barbiturate or any habit-forming stimulant drug, except (1) a person described in subsection (b), or (2) a person to whom such drug in his possession has been dispensed, or for whom it has been prescribed in conformance with section 503(b), by a practitioner licensed by law to prescribe and administer such drugs in the course of such practitioner's professional practice, or (3) a carrier or warehouseman whose possession of such drug is in the usual course of his business as such.

"'(d) No person shall sell, deliver, or otherwise dispose of any barbiturate or any habit-forming stimulant drug to a person not authorized by subsection (c) to possess such drugs.

"'(e)(1) Every person engaged in manufacturing, compounding, processing, selling, delivering, or otherwise disposing of any barbiturate or any habit-forming stimulant drug shall, upon the effective date of this section, prepare a complete and accurate record of all stocks of each such drug on hand and shall keep such record for three years. On and after the effective date of this section, every such person manufacturing, compounding, or processing any barbiturate or any habit-forming stimulant drug shall prepare and keep, for not less than three years, a complete and accurate record of the kind and quantity of each such drug manufactured, compounded, or processed and the date of such manufacture, compounding, or processing; and every such person selling, delivering, or otherwise disposing of any barbiturate or any habit-forming stimulant drug shall prepare or obtain, and keep for not less than three years, a complete and accurate record of the kind and quantity of each drug received, sold, delivered, or otherwise disposed of, the name and address of the

person from whom it was received and to whom it was sold, delivered, or otherwise disposed of, and the date of such transaction.

"'(2) Every person required by paragraph (1) of this subsection to prepare or obtain, and keep, records, and any carrier maintaining records with respect to any shipment containing barbiturates or habit-forming stimulant drugs, and every person in charge or custody of such records, shall, upon request of an officer or employee designated by the Secretary, permit such officer or employee at reasonable times to have access to and copy such records. For the purposes of verification of such records and of enforcement of this section, officers or employees designated by the Secretary are authorized, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, to enter, at reasonable times, any factory, warehouse, establishment, or vehicle in which barbiturates or habit-forming stimulant drugs are held, manufactured, compounded, processed, sold, delivered, or otherwise disposed of, and to inspect, within reasonable limits and in a reasonable manner such factory, warehouse, establishment, or vehicle, and all pertinent equipment, finished and unfinished material, containers, and labeling therein, and to inventory any stock of such drugs therein, and obtain samples of such drugs. If a sample is thus obtained, the officer or employee making the inspection shall, upon completion of the inspection and before leaving the premises, give to the owner, operator, or agent in charge a receipt describing the sample obtained.

"'(3) The provisions of paragraphs (1) and (2) of this subsection shall not apply to a licensed practitioner described in subsection (b)(4) with respect to drugs received, prepared, possessed, administered, or dispensed by him in the course of his professional practice.

"'(f) The Secretary may by regulation exempt any barbiturate or any habit-forming stimulant drug from the application of all or part of this section when he finds that regulation of its manufacture, compounding, processing, possession, and disposition, as provided in this section or in such part thereof, is not necessary for the protection of the public health.'

"(c) Section 301 of such Act (21 U.S.C. 331) is amended by adding at the end thereof the following:

"'(o)(1) The manufacture, compounding, or processing of a drug in violation of section 508(b); (2) the possession of a drug in violation of section 508(c); (3) the sale, delivery, or other disposition of a drug in violation of section 508(d); (4)(A) the failure to prepare or obtain, or the failure to keep, a complete and accurate record with respect to any drug as required by section 508(e), or (B) the refusal to permit access to or copying of any record as required by section 508(e); or (5) the refusal to permit entry or inspection as authorized by section 508(e).'

"(d) The first sentence of section 304(a) of such Act (21 U.S.C. 334(a)), is amended by inserting before ': *Provided, however*', the following: ', and any drug which is a barbiturate or a habit-forming stimulant drug within the meaning of section 508 and which has been manufactured, compounded, processed, possessed, sold, delivered, or disposed of in violation of section 508 shall be liable to be proceeded against at any time on libel of information and condemned in any United States district court within the jurisdiction of which the article is found'.

"(e) Nothing in this Act shall be construed as authorizing the manufacture, compounding, processing, possession, sale, delivery, or other disposal of any drug in any State or territory in contravention of the laws of such State or territory.

"FAKE CANCER REMEDIES

"SEC. 8. (a) Section 301(d) of the Federal Food, Drug, and Cosmetic Act is amended by striking '404 or 505' at the end of the subsection and substituting therefor '404, 505, or 509'.

"(b) Section 301(l) of such Act is amended by striking the period at the end thereof and adding the following: ', or that such drug has been approved by the Secretary under section 509.'

"(c) Section 304(a) of such Act is amended by striking from the first sentence '404 or 505' and substituting therefor '404, 505, or 509'.

"(d) Chapter V of such Act is amended by adding at the end thereof the following new section:

"'DRUGS AND DEVICES INTENDED FOR THE PREVENTION OR TREATMENT OF CANCER

"'SEC. 509. (a) No person shall introduce or deliver for introduction into interstate commerce any drug or device intended for any use in the prevention, cure, mitigation, or treatment of cancer in man unless (1) he shall have submitted to the Secretary, (A) a full statement of the composition of the drug or construction and properties of the device, and a full description of the components, methods, facilities and controls used in its production, (B) scientific evidence, including the results of all animal studies and clinical tests, showing that the article has value for such use or that there is a reasonable possibility that the article has value for such use, and (C) such samples of the article as the Secretary may require for such scientific study as in his judgment should be made to evaluate the information submitted pursuant to this paragraph; (2) he shall have a valid approval issued by the Secretary under the provisions of subsection (b); and (3) he shall have limited his distribution as required by any conditions and restrictions imposed under the provisions of subsection (c) or (d).

"'(b) The Secretary shall study the information obtained pursuant to subsection (a), and may consult in respect thereto experts qualified by scientific training and experience to evaluate such information. The Secretary shall then decide whether the article has value for use in the prevention, cure, mitigation, or treatment of cancer in man, or whether there is a reasonable possibility that the article has value for such use. The Secretary shall promptly notify the person concerned whether or not he approves the article for distribution.

"'(c) When the decision of the Secretary is that there is a reasonable possibility that an article has value for such use, his approval shall be limited to use of the article solely in a reasonable program of investigation by experts qualified by scientific training and experience to determine the value of the article in the prevention, cure, mitigation, or treatment of cancer in man. The Secretary shall include in his approval such conditions and restrictions as in his judgment are necessary to confine the use of the article within the limits of such a program. The Secretary shall revoke his approval, or modify such conditions and restrictions, when in his judgment developments under the program require. When such program is completed the person concerned may submit to the Secretary the results thereof, as provided by subsection (a).

"'(d) When the decision of the Secretary is that an article has value for use in the prevention, cure, mitigation, or treatment of cancer in man, the Secretary shall include in his approval such conditions and restrictions as in his judgment are necessary for the protection of the public health. The Secretary shall modify or withdraw such conditions and restrictions if, in his judgment, clinical experience justifies such action. The Secretary shall revoke his approval issued under subsection (b) if (1) he finds, after reasonable notice and opportunity for hearing to the person concerned, that the approval was obtained through any untrue statement of a material fact; or (2) clinical experience reveals that the article has no value in the prevention, cure, mitigation, or treatment of cancer in man.

"'(e) This section shall not apply to X-ray equipment, surgical instruments, radium, and radioactive isotopes in the forms in which they are generally recognized, upon the effective date of this section, to be of value for use in the prevention, cure, mitigation, or treatment of cancer in man.'

"'PRETESTING COSMETICS

"SEC. 9. (a) The following new section is added at the end of chapter VI of such Act:

"PRETESTING COSMETICS

"'SEC. 604. (a) No person shall introduce or deliver for introduction into interstate commerce any cosmetic—

"'(1) the composition of which is such that such cosmetic is not generally recognized, among experts qualified by scientific training and experience to evaluate the safety of cosmetics, as having been adequately shown to be safe for its intended use and other uses reasonably to be anticipated, or

"'(2) the composition of which is such that such cosmetic, as a result of investigations to determine its safety for such a use, has become so recognized, but which has not, otherwise than in such investigations, been so used to a material extent or for a material time,

unless an application filed pursuant to subsection (b) is effective with respect to such cosmetic.

"'(b) Any person may file with the Secretary an application with respect to any cosmetic subject to the provisions of subsection (a). Such persons shall submit to the Secretary as a part of the application (1) full reports of investigations which have been made to show whether or not such cosmetic is safe for use; (2) a full list of the articles used as components of such cosmetic; (3) a full statement of the composition of such cosmetic; (4) a full description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such cosmetic; (5) such samples of such cosmetic and of the articles used as components thereof as the Secretary may require; and (6) specimens of the labeling proposed to be used for such cosmetic.

"'(c) The Secretary, within ninety days after the filing of an application under this subsection, shall notify the applicant that the application is effective or shall give the applicant notice of opportunity for a hearing on the question whether to permit the application to become effective, except that prior to the ninetieth day after such filing the Secretary may notify the applicant in writing that the time for action by him has been extended to such time (not more than one hundred and eighty days after the date of filing the application) as the Secretary deems necessary to enable him to study and investigate the application.

"'(d)(1) If the Secretary finds, after due notice to the applicant and giving him an opportunity for a hearing, that (A) the investigations, reports of which are required to be submitted to the Secretary pursuant to subsection (b), do not include adequate tests by all methods reasonably applicable to show whether or not such cosmetic is safe for its intended use and other uses reasonably to be anticipated; (B) the results of such tests show that such cosmetic is unsafe for any such use or do not show that such cosmetic is safe for such uses; (C) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such cosmetic are in-

adequate to preserve its identity, strength, quality, and purity; or (D) upon the basis of the information submitted to him as part of the application, or upon the basis of any other information before him with respect to such cosmetic, he has insufficient information to determine whether such cosmetic is safe for its intended use and other uses reasonably to be anticipated, he shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

"'(2) A cosmetic shall be deemed unsafe and an application with respect to it may not become effective—

"'(A) if its intended use or any use which can reasonably be anticipated will or may result in ingestion of all or part of such cosmetic and (i) the cosmetic is found by the Secretary to induce cancer when ingested by man or animal or (ii) it is found by the Secretary, after tests which are appropriate for the evaluation of safety of cosmetics, to induce cancer in man or animal, or

"'(B) if its intended use or any use which can reasonably be anticipated will not result in ingestion of any part of such cosmetic and, after tests which are appropriate for the evaluation of the safety of cosmetics for any such use, or after other relevant exposure of man or animal to such cosmetic, it is found by the Secretary to induce cancer in man or animal.

"'(3) An application with respect to a cosmetic may not become effective if the data before the Secretary show that its intended use or any use which can reasonably be anticipated would promote deception of the consumer in violation of this Act or would otherwise result in misbranding or adulteration within the meaning of this Act.

"'(e) The effectiveness of an application with respect to any cosmetic shall, after due notice and opportunity for hearing to the applicant, by order of the Secretary be suspended if the Secretary finds that (1) for reasons set forth by him, there is reasonable doubt as to the safety of the cosmetic for its intended use or any other use reasonably to be anticipated, or (2) the application contains any untrue statement of a material fact.

"'(f) An order refusing to permit an application with respect to any cosmetic to become effective shall be revoked whenever the Secretary finds that the facts so require.

"'(g)(1) An order of the Secretary after a hearing under this section shall be based upon a fair evaluation of the entire record at the hearing and shall include a statement setting forth in detail the findings and conclusions on which it is based.

"'(2) Orders of the Secretary under this section shall be served (A) in person by any officer or employee of the Department designated by the Secretary or (B) by mailing the order by registered mail or certified mail addressed to the applicant or respondent at his last-known address in the records of the Secretary.

"'(h) In case of denial or withdrawal of approval of an application under this section, the applicant may file in the United States court of appeals for the circuit in which such applicant resides or has his principal place of business, within sixty days after serving of notice of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose, and thereupon the Secretary shall file in the court a transcript of the record of the proceedings on which he based his order, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition the court shall have jurisdiction, which upon the filing of the record with it shall be exclusive, to affirm or set aside the order. The finding of the Secretary as to the facts shall be sustained if based upon a fair evaluation of the entire record at the hearing. If any person shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts and order by reason of the additional evidence so taken, and he shall file with the court such modified findings and order. The court, on judicial review, shall not sustain the order of the Secretary if he failed to comply with any requirement imposed on him by subsection (g)(1). The judgment and decree of the court affirming or setting aside any order under this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless specifically ordered by the court to the contrary, operate as a stay of the Secretary's order.

"'(i) The Secretary shall promulgate regulations for exempting from the operation of this section cosmetics intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety of cosmetics.'

"(b) Section 201(1)(2) of such Act is amended by changing the semicolon to a period and deleting the words 'except that such term shall not include soap.'

"(c) Section 301 of such Act is amended—

"(1) by striking out in paragraph (d) thereof '404 or 505' and inserting in lieu thereof '404, 505, or 604'.

"(2) by inserting '604,' in paragraph (j) after '507'.

"(3) by adding at the end thereof the following new paragraph:

"'(p) The using, on the labeling of any cosmetic or in any advertising relating to such cosmetic, of any representation or suggestion that an application with respect to such cosmetic is effective under section 604, or that such cosmetic complies with the provisions of such section.'

"(d) Section 304 of such Act is amended—

"(1) by striking out in subsection (a) thereof '404 or 505' and inserting in lieu thereof '404, 505, or 604'.

"(2) by striking out in subsection (d) thereof '404 or 505' and inserting in lieu thereof '404, 505, or 604'.

"(e) Section 601 of such Act is amended—

"(1) by changing the semicolon after the word 'usual' in subsection (a) to a period, and deleting the remainder of the subsection.

"(2) by changing subsection (e) to read as follows:

"'(e) If it is, or it bears or contains, a color additive which is unsafe within the meaning of section 706(a)'.

"(3) by adding at the end thereof the following new subsection:

"'(f) If it is a cosmetic to which the provisions of section 604 apply but with respect to which an application is not effective under such section.'

"(f) Section 602 of such Act is amended by adding the following subsection:

"'(e) Unless its labeling bears (1) the common or usual name of the cosmetic chemicals, and (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient: *Provided*, That to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, or results in deception or unfair competition, or is not in the best interest of the consumer, exemptions shall be established by regulations promulgated by the Secretary.'

"ADMINISTRATIVE SUBPENA POWER

"SEC. 10. (a) Section 301 of such Act is further amended by adding a new subsection as follows:

"'(q) The refusal to attend and testify or to produce documents in obedience to a subpena authorized by section 701(c) as amended.'

"(b) Subsection (a) of section 302 of such Act, as amended, is amended by striking 'and' before '(j)' at the end of such subsection, changing the period to a comma, and adding 'and (q)'.

"(c) Subsection (c) of section 701 of such Act, as amended, is amended by inserting '(1)' after '(c)' and adding at the end of such subsection the following:

"'(2) So far as may be necessary for the purposes of any such hearings, the Secretary or such officer or employee as he may designate for the purpose is empowered to sign and issue subpenas compelling the attendance and testimony of witnesses, and requiring the production of any books, papers, or other documents which he deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such documents may be required from any place in the United States or any territory, District, or possession thereof at any designated place of hearing.

"'(3) In case of contumacy by, or refusal to obey a subpena issued to any person, the Secretary may invoke the aid of any district court of the United States within the jurisdiction of which such hearing is carried on, or where such person is found or resides or carries on business, to require the attendance and testimony of witnesses and the production of books, papers, and other documents. Any such court may issue an order requiring such person to appear before the Secretary or officer or employee designated by the Secretary there to produce documents, if so ordered, or to give testimony touching the matter upon which the hearing is being held; and any failure to obey such order of the court may be punished by the court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.'

"SEC. 11. Section 703 of such Act is amended by deleting the second proviso which reads: '*Provided further*, That carriers shall not be subject to the other provisions of this Act by reason of their receipt, carriage, holding, or delivery of food, drugs, devices, or cosmetics in the usual course of business as carriers.'

"FACTORY INSPECTION

"SEC. 12. (a) The first sentence of subsection (a) of section 704 of the Federal Food, Drug, and Cosmetic Act is amended to read as follows: 'For purposes of enforcement of this Act, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held, for introduction into interstate commerce or are held after such introduction, or to enter any consulting laboratory, or to enter any vehicle being used to transport or hold such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such factory, warehouse, establishment, consulting laboratory, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein, and all records, files, papers, processes, controls, facilities, and things therein

bearing on whether articles which are adulterated or misbranded within the meaning of this Act, or which may not be manufactured, introduced into interstate commerce, or sold or offered for sale by reason of any provision of this Act, have been or are being manufactured, processed, packed, transported, or held in any such place.'

"(b) Subsection (b) of section 704 of such Act is amended to read as follows:

"'(b) Upon completion of any such inspection of a factory, warehouse, consulting laboratory, or other establishment, and prior to leaving the premises, the officer or employee making the inspection shall give to the owner, operator, or agent in charge a report in writing setting forth any conditions or practices observed by him which, in his judgment, indicate that any food, drug, device, or cosmetic in such establishment (1) consists in whole or in part of any filthy, putrid, or decomposed substance, or (2) has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health, or (3), in the case of drugs, has been or is being manufactured, processed, packed, or held under conditions which may cause such drug to be adulterated within the meaning of section 501(a)(2)(B) of this Act.'

"(c) Section 704 of such Act is further amended by adding at the end thereof the following new subsection:

"'(e) As used in this section, the term 'consulting laboratory' means a laboratory which, for a fee or other remuneration, performs assays or other laboratory services for a manufacturer, processor, or compounder of drugs, if such manufacturer, processor, or compounder owns or has under his control an establishment which (other than as a consulting laboratory) is subject to inspection under this section.'

"(d) Subsection (a) of section 302 of such Act is amended by striking out '(f),'.

"INSPECTION OF FOREIGN MANUFACTURERS

"SEC. 13. The second sentence of subsection (a) of section 801 of such Act is amended to read as follows: 'If it appears from the examination of such samples or otherwise that (1) such article has been manufactured, processed, or packed under insanitary conditions, or (2) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, (3) such article is adulterated, misbranded, or in violation of section 505, or (4) such article has been manufactured, processed, packed, or held in any factory, warehouse or establishment that refuses to allow reasonable inspection upon request of an officer or employee duly designated by the Secretary of the Department of Health, Education, and Welfare, then such article shall be refused admission, except as provided in subsection (b) of this section.'

"SEC. 14. (a) The first section of the Act of August 1, 1947, Public Law 313, Eightieth Congress, as amended, is amended as follows:

"'The Secretary of the Department of Health, Education, and Welfare is authorized to establish and fix compensation for ten additional scientific or professional positions in the Food and Drug Administration, each such position being established to effectuate those research and development functions of such agency which require the services of specially qualified personnel.'

"(b) Section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105), is amended by adding the following new subsection at the end thereof:

"'The Secretary of the Department of Health, Education, and Welfare is authorized, subject to the procedures prescribed by this section, to place for the Food and Drug Administration, one additional position in grade GS-18, two additional positions in grade GS-17, and seven additional positions at GS-16, all of which shall be of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).'

"EFFECTIVE DATES

"SEC. 15. The amendments made by sections 4, 10, 11, 12, 13, and 14 of this Act shall take effect on the date of enactment of this Act; the amendments made by sections 2, 3, 6, 7, and 8 of this Act shall take effect on the one hundred and eightieth day after enactment of this Act; the amendments made by sections 5 and 9 shall take effect on the three hundred and sixtieth day after enactment of this Act."

Washington Report

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, July 3, 1961

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of July 1, 1961:

WASHINGTON REPORT
(By Congressman BRUCE ALGER, Fifth District, Texas)

JULY 1, 1961.—The case for the Dallas Federal Building was my subject in a special order on the floor of the House. As reported earlier (see newsletter of June 17, 1961), this action was a responsibility forced upon me as I saw it, by a political party line vote rejecting authorization of the building, after approval and reapproval over a 5-year period. My presentation in the name of the 1 million people of the Fifth District, and the several million served by Dallas Federal courts and officers, stressed the merits of the building: (1) Convenience and efficiency—a centralized location of 17 widely scattered agencies and Federal courts will better serve those needing and seeking Federal help, and improve the convenience, efficiency, and comfort of Federal personnel; (2) economy—rental savings of $990,000 per year, plus $870,000 refurbishing of the present building at 1114 Commerce, anyway, and a cost annually of $2.35 per square foot compared to approximately $5 Dallas going rate, if leased; (3) good government—this point is the most important and had better be clearly understood by every citizen, particularly the rank and file of our people whose main contact with the Government is paying taxes. This issue, like many, can be simply stated or complicated and distorted out of all understandable shape, even by the well meaning.

The issue at stake: Do we have government based on fact and merit or do we have "power politics," the rewarding or punishing of districts and individuals, and their political leaders making deals outside the normal legislative process. Note at this point the concern of certain Dallas leaders, whomever they may be, that my speaking out and calling attention to the merits of the building and its political rejection, might jeopardize the attainment of the building and/or alienate certain political leaders. Realize, too, then, the capitulation of these people to power politics, rather than representative government (the Republic within a democracy). Imagine some being so cowed by and fearful of the power of political leaders that they would prefer to agree to deals, to wait until "the building is given to us."

On the other hand, where are those who believe that Federal buildings are studied and approved by legislative process of Congress and the administration on the basis of fact and merit? I choose to believe that I represent far more of the latter than the former. For my part, so long as I am the Member of Congress representing the Fifth District, I shall vote on the basis of merit. There will be no deals outside the normal legislative process, and no fear, intimidation, or reprisals. So long as most Dallas citizens believe this, so long will I be willing to represent the Fifth District, and no power on earth will intimidate me, coerce me, or cause me to change position apart from the merit of the proposal. By doing this I can protect the workingman from a dictatorial labor boss, I can protect the voiceless thousands from the selfishness or greed of misguided businessmen and business interests, and, most of all, I can protect and preserve our constitutional Government, which alone assures our personal freedom, dignity, and opportunity.

The Department of Defense appropriations bill, 1962, involved a 43-page bill, a 73-page report, and 6 volumes of printed documentary testimony before the Appropriations Committee. The total cost of this national defense bill is $42,942 million ($43 billion), which is $2,427 million more than last year and approximately $6 million less than requested in the budget. Understandable breakdowns in two ways:

First, by function: Personnel, $12,050 million; operation and maintenance, $10,937 million; procurement, $14,881 million; and research, development, test and evaluation, $4,842 million.

Second, by organization: Army, $10,359 million; Navy, $13,458 million; Air Force, $17,583 million; Office of Secretary of Defense, $1,310 million. These sums give the United States the strongest balanced military force in the world. We are warned that our capability in limited war must be brought up to the excellence of our all-out nuclear power. The shift gradually from aircraft to missiles is being accomplished. At the same time that we improve our nuclear missiles we are developing an ever more sensitive and accurate BMEWS (ballistic missile early warning system). Our emphasis is still on massive retaliation as the deterrent of general war. At the same time we are better prepared than ever for so-called limited warfare by flexible, and highly mobile forces.

As I see it, the dangers facing us are not in the excellence of our military arms and personnel—that is, in our weapons and capability, but in our planning and execution, in other words, our leaders. The success of military ventures rests now—after appropriating the money—on our leaders, our President, the Commander in Chief, the Joint Chiefs of Staff, and other military leaders, our Intelligence Department leaders, and of course, those who can keep us out of war in the first place, the Secretary of State and those in positions of responsibility in the State Department. The policy laid down by the President must be firm with no appeasement—firm, tough, self-interest, clearly stated and easily understood by friend and foe alike who respect only strength and firm action. Any weakness on our part or appeasement in Berlin, Laos, Asia, Europe, Cuba, South America, or elsewhere, will advance the encroachment of the Communists on us and the free world, thus increasing the danger of war which we have unintentionally invited. We must draw a line now at which we are prepared to fight and stick to it with no further thought of compromise or appeasement in any manner. It should be our continued hope and prayer that the President recognizes this even when his advisers don't.

SENATE

WEDNESDAY, JULY 5, 1961

(Legislative day of Monday, July 3, 1961)

The Senate met at 12 o'clock meridian, and was called to order by the Honorable EDMUND S. MUSKIE, a Senator from the State of Maine.

The Reverend Frederick Brown Harris, D.D., offered the following prayer:

Almighty God, Thou hast made us in Thy image. That is the awesome thought that haunts and inspires all our mortal days. Yet it has pleased Thee to hide from us a perfect understanding—we see but as in a glass darkly. And so mystery and uncertainty meets us at every turn.

Yet we walk an unknown way in a sure faith in goodness and justice and truth—the unshakable belief that in the final reckoning even the gates of hell cannot prevail against that holy Trinity and of virtues and verities.

In the strength of that creed, to waiting problems and to demanding duties, Thy servants return to this place of governance from a national celebration which is tied to our tenderest memories—a revered day observed now with more denials of freedom than the world has ever known.

Again we have listened joyfully and gratefully to the peals of a liberty bell ringing clear and confident in our own hearts. With contrition for our failures and with a humility which our own imperfections keep from prideful boasting, we would lift our heartfelt plea: "America, America, God mend thine every flaw."

With the bells of freedom still ringing in this blessed land, solemnize us with the assurance that our free world holds the sanctuary of the hope of men for freedom on this earth, against the forward drive of ruthless power. It is in that holy crusade we march in Thy strength.

In the Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 5, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. EDMUND S. MUSKIE, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. MUSKIE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. METCALF, and by unanimous consent, the reading of the Journal for Thursday, June 29, 1961, and Monday, July 3, 1961, was dispensed with.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of June 29, 1961, the President pro tempore, on June 30, 1961, signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

S. 1748. An act to provide for the increased distribution of the CONGRESSIONAL RECORD to the Federal Judiciary;

S. 1922. An act to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes;

S. 2083. An act to correct a technical inaccuracy in the Act of May 19, 1961 (Public Law 87-36);

S. 2154. An act to amend Public Law 85-626, as amended by Public Law 86-542, relating to dual rate contract agreements;

H.R. 6027. An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes; and

H.J. Res. 465. Joint resolution making continuing appropriations for the fiscal year 1962, and for other purposes.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 29, 1961:

S. 32. An act for the relief of Jeno Becsey;

S. 68. An act for the relief of Kay Addis;

S. 70. An act for the relief of Mah Ngim Hay (Joe Mah);

S. 71. An act for the relief of Mah Ngim Bell (Bill Mah);

S. 186. An act for the relief of Dr. William Kwo-Wei Chen;

S. 219. An act for the relief of Dr. Nobutaka Azuma;

S. 268. An act for the relief of Hok Yuen Woo;

S. 395. An act for the relief of Fausto Lavari;

S. 400. An act for the relief of Mrs. Keum Ja Asato (Mr. Thomas R. Asato);

S. 441. An act for the relief of Rodopi Statherou (Statheron); and

S. 610. An act to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce.

On June 30, 1961:

S. 146. An act to extend and increase the special milk program for children;

S. 277. An act for the relief of Erica Barth;

S. 452. An act for the relief of Nellie V. Lohry;

S. 485. An act for the relief of Charles Edward Pifer;

S. 707. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation;

S. 746. An act for the relief of Yee Mee Hong;

S. 759. An act for the relief of Sadako Suzuki Reeder;

S. 865. An act for the relief of Wieslawa Barbara Krzak;

S. 921. An act for the relief of Martha Uchacz Barras;

S. 1093. An act for the relief of Sze-Foo Chien;

S. 1619. An act to authorize adjustments in accounts of outstanding old series currency, and for other purposes;

S. 1922. An act to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes; and

S. 2154. An act to amend Public Law 85-626, as amended by Public Law 86-542, relating to dual rate contract agreements.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 5852. An act to provide for the free entry of a towing carriage for the use of the University of Michigan;

H.R. 5963. An act to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River;

H.R. 7678. An act to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States; and

H.J. Res. 225. Joint resolution to grant the consent of Congress to the Delaware River Basin compact and to enter into such compact on behalf of the United States, and for related purposes.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 307. Concurrent resolution providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session;

H. Con. Res. 308. Concurrent resolution providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups";

H. Con. Res. 309. Concurrent resolution providing for additional copies of hearings entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership";

H. Con. Res. 310. Concurrent resolution providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress";

H. Con. Res. 311. Concurrent resolution providing for additional copies of House

Document 336, 86th Congress, 2d session, entitled "Facts on Communism—Volume I, The Communist Ideology";

H. Con. Res. 320. Concurrent resolution authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies;

H. Con. Res. 327. Concurrent resolution authorizing the printing of additional copies of House Document Numbered 198 of the 84th Congress, entitled "The Commission on Intergovernmental Relations"; and

H. Con. Res. 342. Concurrent resolution authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN; and providing for additional copies.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 1575. An act for the relief of Mrs. Anneliese Franziska Guay;

H.R. 1602. An act for the relief of Ido Enrico Cassandro;

H.R. 1887. An act for the relief of Helen Tilford Lowery;

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore;

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo;

H.R. 2165. An act for the relief of Marie F. Balish;

H.R. 2835. An act for the relief of Jose Lauchengco, Jr.;

H.R. 3371. An act for the relief of George Eauter (also known as Georgois Makkas);

H.R. 3722. An act for the relief of Maria Czyz Krupa;

H.R. 4636. An act for the relief of Ralph B. Cleveland; and

H.R. 4796. An act for the relief of Richard A. Hartman.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, as indicated:

H.R. 5852. An act to provide for the free entry of a towing carriage for the use of the University of Michigan; and

H.R. 7678. An act to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States; to the Committee on Finance.

H.R. 5963. An act to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River; to the Committee on Public Works.

H.J. Res. 225. Joint resolution to grant the consent of Congress to the Delaware River Basin compact and to enter into such compact on behalf of the United States, and for related purposes; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The concurrent resolution (H. Con. Res. 307) providing for additional copies of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit," 85th Congress, 1st session, was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities five thousand additional copies each of volumes I and II of a publication entitled "Soviet Total War—Historic Mission of Violence and Deceit", Eighty-fifth Congress, first session.

The concurrent resolution (H. Con. Res. 308) providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups," was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities eight thousand additional copies each of parts 1, 2, and 3 of the hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups", held by that committee during the Eighty-sixth Congress.

The concurrent resolution (H. Con. Res. 309) providing for additional copies of hearings entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership," was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities ten thousand additional copies each of parts 1, 2, 3, and 4 of the hearings held by that committee in San Francisco entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership", Eighty-sixth Congress, second session.

The concurrent resolution (H. Con. Res. 310) providing for additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress," was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Committee on Un-American Activities twenty thousand additional copies of a study entitled "Legislative Recommendations by House Committee on Un-American Activities—Subsequent Action Taken by Congress or Executive Agencies—A Research Study by Legislative Reference Service of the Library of Congress", Eighty-sixth Congress, second session.

The concurrent resolution (H. Con. Res. 311) providing for additional copies of House Document No. 336, 86th Congress, 2d session, entitled "Facts on Communism—Volume I, the Communist Ideology," was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed thirty thousand additional copies of House Document 336, Eighty-sixth Congress, second session, entitled "Facts on Communism—Volume I, The Communist Ideology" of which fifteen thousand copies shall be for the use of the Committee on Un-American Activities and fifteen thousand copies shall be prorated to the Members of the House of Representatives for the duration of the Eighty-seventh Congress after which time the unused balance shall revert to the Committee on Un-American Activities.

The concurrent resolution (H. Con. Res. 320) authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies, was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That a collection of inaugural addresses, from President George Washington to President John F. Kennedy, compiled from research volumes and State papers by the Legislative Reference Service, Library of Congress, be printed with illustrations as a House document; and that ten thousand eight hundred and eighty additional copies be printed, of which eight thousand eight hundred and twenty copies shall be for the use of the House of Representatives, and two thousand and sixty copies for the use of the Senate.

The concurrent resolution (H. Con. Res. 327) authorizing the printing of additional copies of House Document No. 198 of the 84th Congress, entitled "The Commission on Intergovernmental Relations," was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed four thousand six hundred additional copies of House Document Numbered 198 of the Eighty-fourth Congress, first session, entitled "The Commission on Intergovernmental Relations", of which four thousand shall be for the use of the House Committee on Government Operations, three hundred copies for the House document room, and three hundred copies for the Senate document room.

The concurrent resolution (H. Con. Res. 342) authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN, and providing for additional copies, was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That the tributes extended to the Speaker, the Honorable Sam Rayburn, in the House of Representatives on June 12, 1961, and any other relevant material, be printed, with illustrations, as a House document; and that one hundred and twenty-five thousand additional copies shall be printed, of which one hundred and twenty-two thousand five hundred copies shall be for the use of the House of Representatives, two thousand five hundred copies for the use of the Senate, and two thousand copies, bound in style to be determined by the Joint Committee on Printing, for the use of the Speaker.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON NUMBER OF OFFICERS ON DUTY WITH HEADQUARTERS, DEPARTMENT OF THE ARMY AND ARMY GENERAL STAFF

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on the number of officers on duty with Headquarters, Department of the Army and Army General Staff, as of March 31, 1961 (with an accompanying report); to the Committee on Armed Services.

REPORT ON PRIME CONTRACT AWARDS TO SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense, Installations and Logistics, trans-

mitting, pursuant to law, a report on Army, Navy, and Air Force prime contract awards to small and other business firms, dated April 1961 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF CIVIL AERONAUTICS BOARD

A letter from the Chairman, Civil Aeronautics Board, Washington, D.C., transmitting, pursuant to law, a report of that Board, covering the fiscal year 1960 (with an accompanying report); to the Committee on Commerce.

REPORT ON EXAMINATION OF ECONOMIC AND TECHNICAL ASSISTANCE PROGRAM FOR IRAN

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on examination of economic and technical assistance program for Iran, International Cooperation Administration, Department of State, fiscal years 1956–60 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF SELECTED ACTIVITIES OF BUREAU OF THE BUDGET

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of selected activities of the Bureau of the Budget, Executive Office of the President, fiscal year 1960 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF PROGRESS PAYMENTS MADE ON SELECTED SHIP CONSTRUCTION CONTRACTS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of progress payments made on selected ship construction contracts awarded and administered by the Department of the Navy, dated June 1961 (with an accompanying report); to the Committee on Government Operations.

NEGOTIATION AND ADMINISTRATION OF SELECTED CONSTRUCTION AND TECHNICAL SERVICE CONTRACTS

A letter from the Deputy Director for Congressional Relations, International Cooperation Administration, Washington, D.C., transmitting, for the information of the Senate, a copy of a letter written by the Deputy Director for Operations, International Cooperation Administration, dated June 16, 1961, addressed to the Comptroller General of the United States, relating to a report of the Comptroller General on a review of negotiation and administration of selected construction and technical service contracts, International Cooperation Administration, transmitted to the Senate on March 30, 1961 (with an accompanying paper); to the Committee on Government Operations.

DETERMINATIONS RELATING TO CERTAIN CONSTRUCTION PAYMENTS DUE THE UNITED STATES

A letter from the Secretary of the Interior, transmitting, pursuant to law, determinations relating to construction payments due the United States for the period 1963 through 1967 from the Wellton-Mohawk Irrigation and Drainage District, Wellton-Mohawk Division, Gila project, Arizona; to the Committee on Interior and Insular Affairs.

GRANTING OF MINERALS ON CERTAIN LANDS IN MONTANA TO CERTAIN INDIANS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to grant minerals, including oil, gas, and other natural deposits, on certain lands in the Northern Cheyenne Indian Reservation, Mont., to certain Indians, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF TITLES I AND II OF IMMIGRATION AND NATIONALITY ACT

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend titles I and II of the Immigration and Nationality Act, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

INTERIM REPORT OF FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

A letter from the Chairman, Franklin Delano Roosevelt Memorial Commission, Washington, D.C., transmitting, pursuant to law, the fifth interim report of that Commission (with an accompanying report); to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Commerce:

"ASSEMBLY JOINT RESOLUTION 35

"Resolution relative to Pacific shipbuilders

"Whereas there has been introduced into the 87th Congress of the United States H.R. 213, the purpose of which is to repeal the 6-percent construction bid differential for Pacific coast shipbuilders; and

"Whereas this bid differential is still essential and necessary to offset the freight differential which Pacific coast shipyards must pay in transporting steel from the east coast; and

"Whereas the Pacific coast shipyards have a wartime production record of which they are justifiably proud; and

"Whereas our voters cannot risk the loss of the highly skilled labor pool of shipbuilders on the west coast in the event their services are again needed in time of war or national emergency: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California hereby memorializes the Congress and President of the United States to do all that is necessary to defeat H.R. 213 and any other bill or action which would deprive the Pacific coast of this equitable and necessary 6-percent construction bid differential on shipbuilding; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit suitably prepared copies of this resolution to the President and Vice President of the United States, the President pro tempore of the U.S. Senate, the Speaker of the House of Representatives, and to each Senator and Representative in this State's delegation to the Congress of the United States."

A joint resolution of the Legislature of the State of North Carolina; to the Committee on Commerce:

"RESOLUTION 69

"Joint resolution memorializing the Congress of the United States, the Members of the Congress from the State of North Carolina and the Secretary of Commerce to enact suitable legislation to regulate correspondence schools and their solicitors as to their activities in the several States

"Whereas there are many business schools and correspondence schools whose principal offices and places of business are located in the various States of this Nation and whose solicitors or agents are engaged in the business of going from State to State in the solicitation of students to attend said business schools and colleges and in the solicitation of students to purchase various courses of study; and

"Whereas magazines of national circulation, as well as many newspapers having a wide coverage, are filled with advertisements as to such colleges, some of which are of a deceptive nature written in clever language, and are phrased in such manner as to lead prospective students and purchasers of said courses to believe that they will be guaranteed a job or position upon the completion of such courses; and

"Whereas many employers, managers of corporations, and government administrators prefer to do their own training and education of prospective employeees and many of the courses sold by said correspondence schools are useless, and the public is entitled to protection against such solicitors and their representations; and

"Whereas some of the highest courts of the States have held that said solicitors of correspondence schools and other business colleges cannot be regulated and cannot be compelled to furnish bonds or other guarantees for the performance of said contracts and for the suppression of fraud because said regulations on the part of the individual States constitute and become an undue burden on interstate commerce, and such a holding has lately been issued in the form of an opinion by the Supreme Court of North Carolina: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring):

"SECTION 1. The General Assembly of North Carolina does hereby memorialize the Congress of the United States, the Members of the U.S. Senate from North Carolina, and the Members of the House of Representatives of the Congress from North Carolina to enact suitable legislation which will supplement and aid the various States in the regulation of solicitors of correspondence schools and other business schools and colleges whose solicitors are engaged in interstate commerce to the end that the people and citizens of the various States are protected from deceptive advertising and from fraudulent schools. The General Assembly of North Carolina further memorializes and requests the Honorable Luther Hodges, Secretary of Commerce, to use his best efforts to the end that such legislation be enacted by the Congress.

"SEC. 2. Upon adoption of this resolution, a copy thereof shall be mailed by the secretary of state to the President of the U.S. Senate and the Speaker of the House of Representatives of the Congress of the United States, and a copy shall also be mailed by the secretary of state to each Member of the Congress from the State of North Carolina and to the Honorable Luther Hodges, Secretary of Commerce.

"SEC. 3. This resolution shall become effective on its adoption.

"In the general assembly read three times and ratified, this the 22d day of June 1961.

"W. LUNSFORD CREW,
"President of the Senate, pro tempore.
"JOSEPH M. HUNT, JR.,
"Speaker of the House of Representatives."

A resolution of the Senate of the State of California; to the Committee on Agriculture and Forestry:

"SENATE RESOLUTION 201

"Resolution relative to farm program

"Whereas the proposed Agricultural Act of 1961, H.R. 6400 by Mr. COOLEY, of North Carolina, and S. 143 by Senator ELLENDER, of Louisiana, is essentially based upon the same sound principle of farmer self-help that has been so successful in California's own widespread program of marketing agreements; and

"Whereas the act recognizes that our abundance should be used to improve the diets and health of children and needy persons in the United States and to strengthen the cause of democracy throughout the world; and

"Whereas the act seeks to improve our stewardship of the land through strengthening the system of democratically administered,

independent soil conservation districts which has changed the face of the farming areas of the Nation over the past 30 years; and

"Whereas the act intends also to conserve human resources on the land by strengthening the family farm and the cooperative organizations of family farmers and by offering an opportunity to marginal farmers and young farm people to upgrade their skills and their properties in the great tradition of the Farmers Home Administration; and

"Whereas the act, through its provisions for the use of a variety of economic devices, suitable to differing situations which may arise in various crops, rather than by set and rigid formulas, affords farmers the opportunity to improve their position with little, if any, retail price increases and at no net cost to the Public Treasury; and

"Whereas it appears that programs under the act will be developed, administered, and advised upon by democratically elected committees of working farmers, subject to the sound principle of legislative review: Now, therefore, be it

"Resolved by the Senate of the State of California, That Representative COOLEY and Senator ELLENDER are congratulated upon their drawing of an act which should long stand as a landmark in national farm policy, and the California delegation to Congress is urged to give their strong support to the act in committee, and the Congress of the United States is urged to pass it with the sound agricultural and public policy principles embodied in it left unimpaired; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, to each Member of Congress from California, and to the chairman and members of the House and Senate Agricultural Committees, and the Secretary of Agriculture."

SELF-REGULATION OF ADVERTISING INDUSTRY—RESOLUTION

Mr. WILEY. Mr. President, there was forwarded to me an important resolution by the officers of the Advertising Federation of America. It will be remembered that the subject of advertising has been receiving considerable notice and attention.

I ask that the resolution, which was forwarded to me, be printed in the RECORD following my remarks and that it be appropriately referred.

RESOLUTION OF THE ADVERTISING FEDERATION OF AMERICA

Whereas it is generally recognized that self-regulation in the interest of truth and good taste in advertising is the best, most effective, and most economical method of improving the quality of advertising in this country; and

Whereas it is generally recognized that further governmental control, constituting as it does a diminution of that liberty which is the symbol of our Nation, should only be employed where self-regulation has been ignored or has failed after fair trial; and

Whereas in the past 18 months all segments of the advertising industry have joined in a massive campaign of self-regulation and self-policing and in the development and enforcement of codes applicable to their particular fields of advertising; and

Whereas all of the great national organizations of advertising have unanimously supported and promulgated these codes, and advertisers, media, and advertising agencies have sworn to observe them and have advanced their effectiveness by the dedication of their skills, their labor, and their wealth; and

Whereas in this short period of time more than 30 advertising panels have been set up to enforce these advertising codes in cities all across the Nation; and

Whereas the great majority of the more than 180 advertising clubs in all of the towns and cities of the country have appointed local ethics committees to educate their membership in the principles of truth and good taste in advertising; and

Whereas as a result of all of this tremendous effort an improvement in the quality of advertising has already taken place and has been officially noted by leaders in Government, and in the advertising industry as well; and

Whereas the promise of increased personnel and of organizational and procedural reforms in the Federal Trade Commission and the Federal Communications Commission suggest the strong possibility that greater efficiency and effectiveness can be achieved by both of these important agencies of Government within their present framework and without the employment of extreme regulatory methods: Now, therefore, be it

Resolved, That it is the sense of this 1961 Convention of the Advertising Federation of America that in view of the earnest and effective campaign of self-regulation which the advertising industry has voluntarily undertaken and has so successfully advanced no additional governmental controls or restrictions are warranted at this time.

ITALIAN AMERICAN WAR VETERANS RESOLUTIONS

Mr. KEATING. Mr. President, the Italian American War Veterans of the United States, Inc., adopted a series of strong and patriotic resolutions at their annual convention in Little Falls, N.Y. The work of this fine organization is well known and I am sure the resolutions expressing their opinions on matters of national importance will be of interest to my colleagues.

Mr. President, I ask unanimous consent for these resolutions to be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

We, the members of the Department of New York, Italian American War Veterans of the United States, Inc., in convention assembled June 16–18, 1961, at the city of Little Falls, N.Y., do hereby adopt the resolutions hereafter set forth and direct distribution hereof to our national convention and to the following named: President of the United States, U.S. Senate and House of Representatives, Governor of the State of New York, New York State Senate and Assembly.

1. Whereas it is clear we are the prime target of communism; that peaceful coexistence is a dream; that nothing is depraved which promotes communism, we, therefore, highly resolve: we intensify our efforts against global communism.

2. Whereas it was sensible policy to oppose admission of Red China to the United Nations; that there is a movement to reverse our stand without moral substance, we, therefore, most sincerely resolve: we strongly reaffirm our position against the seating of Communist China in that august body.

3. Whereas we expectantly face a vast space age; that the forces of evil are trying to blot out our very existence, we, therefore, prayerfully resolve: our policies at home and abroad be attuned to the end we merit and justify our leadership in the free world and gain the universal respect of all peoples.

4. Whereas it is undisputed there are 47 nations maintaining representation at the Vatican; that the benefits therefrom, not the imputed religious involvements, serve the ends of man, we, therefore, boldly resolve: we establish diplomatic relations with the Vatican State to better serve our own national destiny.

5. Whereas our impressionable younger citizens are an easy prey of those who wallow and flood the market with obscene literature, salacious magazines, immoral movies, and vicious TV programs, we, therefore, seriously resolve: such mediums must be supervised by stringent and competent law enforcement.

6. Whereas juvenile delinquency is torturing the soul of our Nation and is casting a horrible blemish on our enviable way of life, we, therefore, solemnly resolve: there be made available for our youth sufficient wholesome programs conducive to its eradication from our national scene.

7. Whereas the choice of an education in a free society is fully consonant with our constitutional concept of equal rights and privileges; that education has reached onerous levels in qualified, nonprofit private schools because of insufficient funds, a situation which should be the concern of all, we, therefore, humbly resolve: in the name of our Founding Fathers, a system of national and State support be mandated to alleviate the burdens of such schools.

8. Whereas the New World was discovered, explored, colonized, and settled by Christians dedicated to religious freedom, we, therefore, justifiably resolve: in the name of liberty, persecution in any form be soundly protested and freedom of belief vigorously promoted in the Western Hemisphere.

9. Whereas it is true all men are created equal and endowed with certain inalienable rights; that it is an undeniable historic fact the greatness of a nation is preserved only where there is one class of citizenship regardless of race, color, or creed, we, therefore, reflectively resolve: an enlightened program of civil rights be prudently enforced.

10. Whereas we are shamefully faced with organized crime, corruption, graft, and evils which beset law and order, we, therefore, vehemently resolve: there be a relentless prosecution of the laws for the protection of life, liberty, and pursuit of happiness.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. AIKEN (for Mr. PASTORE), from the Joint Committee on Atomic Energy:

Gerald Johnson, of California, to be Chairman of the Military Liaison Committee to the Atomic Energy Commission.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEATING:

S. 2195. A bill for the relief of the Lewis Invisible Machine Stitch Co., Inc., now known as Lewis Sewing Machine Co.; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 2196. A bill for the relief of Chin Yung Kao; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. MANSFIELD, Mr. MCCARTHY, Mr. BURDICK, Mr. METCALF, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mr. WILEY):

S. 2197. A bill to amend section 107(a)(3) of the Soil Bank Act, as amended; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 2198. A bill for the relief of Lise Marie Berthe Marguerite De Simone; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S.J. Res. 114. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of President and Vice President; and

S.J. Res. 115. Joint resolution designating the 8-day period beginning on the 12th day of October of each year as "Patriotic Education Week"; to the Committee on the Judiciary.

(See the remarks of Mr. CASE of New Jersey when he introduced the last above-mentioned joint resolution, which appear under a separate heading.)

AMENDMENT OF SECTION 107(a)(3) OF SOIL BANK ACT, RELATING TO GRAZING ON CERTAIN LANDS

Mr. HUMPHREY. Mr. President, on behalf of myself, the Senators from Montana [Mr. MANSFIELD and Mr. METCALF], the Senators from North Dakota [Mr. BURDICK and Mr. YOUNG], my colleague, the junior Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MUNDT], and the Senator from Wisconsin [Mr. WILEY], I introduce a bill to authorize the Department of Agriculture to permit grazing of or the removal of hay from conservation reserve acreage areas adjacent to or nearby designated disaster areas.

As my colleagues know, last week on June 29, the President signed into law S. 2113 (Public Law 87-62) to help bring relief to the farmers who have been so hard hit by the drought in the upper Midwest. This bill authorized the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage in designated disaster areas. The bill I offer today would expand this authority to include conservation reserve acreage nearby the disaster areas.

To explain the purpose of the bill, I should like to say that it is one thing, as we have done, to permit hay to be taken from soil bank acres or conservation reserve acres in areas that are drought stricken if there is any hay. But right now there is a premium on hay in these drought areas, and the farmers in those areas are paying a premium price. It seems to me that since the Government has already rented vast areas of land in the conservation reserve program, there might be, as my bill would permit, haying or grazing on some of the conservation reserve acres nearby or adjacent to the drought areas in order to alleviate the feed storage problem.

It is understood that the Department proposes to operate under this authority in the same manner it is presently operating within present designated disaster areas. Operations would be conducted under the direction of State and county ASC committees. Hay removal or grazing would be authorized by county committees upon application of the farmer who would agree to permit grazing only to victims of disaster areas or sell hay only to such persons at not to exceed a fair value established by the county committee. Conservation reserve payments on such land would be reduced by the committee's appraised value of the grazing or hay.

Mr. President, the prompt passage of this measure is required to help alleviate the grave hardship so many farmers are facing due to the devastating drought. I hope and pray that this bill will be quickly considered, passed, and signed into law.

I am not sure that the bill would meet all the requirements. Very frankly, I have had to prepare the bill by remote control. Like many other Senators, as I said, I went home over the weekend. I have asked the Department of Agriculture for technical assistance in designing the bill.

What I want done, and what I am sure my colleagues wish to have done, is to remove the ironical situation in which there is in one county or in an area of a State drought that is destroying all values, compelling farmers to sell their crops, cattle, livestock, and poultry at forced sales, while at the same time, in another area 50 miles away, by an accident of nature, there is some good hay on land that the Government has rented under the conservation reserve program.

It seems to me we ought to have enough sense to make that hay available at a cost that is reasonable or modest, or, if conditions would make it possible, to permit the bringing of the cattle into the conservation reserve acres for a limited period of time under the control of the ASC county committee. That is the farm committee that knows the situation in the particular area.

A similar bill will be introduced in the other body.

I appeal to both the Senate Committee on Agriculture and Forestry, and to the similar committee in the House, for prompt action, because passage of the bill 3 weeks from now would do no good. It would do no good to talk about this program sometime later in August. By that time a good proportion of the cattle in the States of Montana, North Dakota, South Dakota, and northern and western Minnesota, will be liquidated. The farmers will be through. The cost to the Government in loss of revenue will be fantastic, and the cost to the communities will be beyond calculation.

The small business people in these parts of the Midwest are suffering today. Delegations from those areas have been calling on me. I have received telegrams and telephone calls appealing to me, as I know other Senators have been appealed to also, to get something done. I feel a special sense of responsibility because this administration has made very strong commitments to the farm people of this land, and I know it will want to keep them.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2197) to amend section 107(a)(3) of the Soil Bank Act, as amended, introduced by Mr. HUMPHREY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

DESIGNATION OF PATRIOTIC EDUCATION WEEK

Mr. CASE of New Jersey. Mr. President, I introduce, for appropriate reference, a joint resolution designating the 8-day period beginning on the 12th day in October of each year as Patriotic Education Week. This measure, Mr. President, is similar to Senate Joint Resolution 91, which I introduced in the 1st session of the 86th Congress. It is a companion measure to House Joint Resolution 458, introduced recently by Representative FRELINGHUYSEN, of New Jersey's Fifth District.

This joint resolution would authorize and request the President to issue annually a proclamation inviting the American people to observe Patriotic Education Week in schools and other suitable places, with appropriate ceremonies and activities. Patriotic Education Week would begin each year on Columbus Day and end with the aniversary of the British surrender to our revolutionary forces at Yorktown. This seems a most appropriate period, Mr. President, in which to call attention to our Nation's rich historical heritage.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 115) designating the 8-day period beginning on the 12th day of October of each year as Patriotic Education Week, introduced by Mr. CASE of New Jersey, was received, read twice by its title, and referred to the Committee on the Judiciary.

U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY—ADDITIONAL COSPONSORS OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the names of the senior Senator from New Jersey [Mr. CASE], and the junior Senator from Oregon [Mrs. NEUBERGER], be added as cosponsors to S. 2180, a bill to establish a U.S. Disarmament Agency for World Peace and Security, which I introduced on June 29 on behalf of myself and other Senators.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF SALINE WATER CONVERSION PROGRAM—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of June 27, 1961, the names of Senators MOSS, MCGEE, YARBOROUGH, SMITH of Massachusetts, NEUBERGER, CARROLL, LONG of Missouri, ENGLE, CASE of South Dakota, GRUENING, WILLIAMS of New Jersey, FONG, and JACKSON were added as additional cosponsors of the bill (S. 2156) to expand and extend the saline water conversion program being conducted by the Secretary of the Interior, introduced by Mr. ANDERSON (for himself and other Senators) on June 27, 1961.

NOTICE OF RECEIPT OF NOMINATION BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nomination of deLesseps S. Morrison, of Louisiana, to be the representative of the United States of America on the Council of the Organization of American States.

In accordance with the committee rule, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on June 30, 1961, he presented to the President of the United States the following enrolled bills:

S. 1748. An act to provide for the increased distribution of the CONGRESSIONAL RECORD to the Federal judiciary;

S. 1922. An act to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes;

S. 2083. An act to correct a technical inaccuracy in the Act of May 19, 1961 (Public Law 87–36); and

S. 2154. An act to amend Public Law 85–626, as amended by Public Law 86–542, relating to dual rate contract agreements.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts from radio broadcast by himself over station WGM, Chicago, relating to the challenges confronting the country.

FORMULATION OF POLICY IN REGARD TO BERLIN

Mr. COOPER. Mr. President, a few days ago I made a suggestion in the Senate that the President of the United States or the Secretary of State consider the appointment of a committee, which might be called a consultative committee, to work under the Secretary of State in the formulation of policy regarding the Berlin crisis.

I have been interested to note that a number of newspapers have commented editorially and favorably on my suggestion and a number of political writers, including Mr. Arthur Krock, of the New York Times, have written articles in regard to it.

I ask unanimous consent to have some of the editorials and articles printed in the body of the RECORD at the conclusion of this statement.

An editorial appearing in the Houston Post on June 23, 1961; an article by Arthur Krock, of the New York Times on June 23; and an editorial from the Louisville Courier-Journal on June 23.

I think the comments in the Louisville Courier-Journal are sound. But I must say in fairness, as I heard the speech of Senator BRIDGES, I did not consider that he charged Senator MANSFIELD with weakness, but rather praised him for his patriotic initiative, although disagreeing with him on the details of his speech.

There being no objection, the editorials and the articles were ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. COOPER. Mr. President, I repeat today my suggestion that such a committee be formed and I hope my suggestion will be considered and acted upon by the President and Secretary of State.

When I made the suggestion in the Senate I said that it was not my purpose at that time to discuss the substance of our Berlin policy, but rather a means to provide unified support for it, and to insure full consideration of every aspect of the issue.

All of us know that our policy is based on two very firm principles. One is that the United States is in Berlin as a matter of right under the quadripartite agreement with the Soviet Union, and cannot be ousted from its position by any unilateral decision by the Soviet Union. The second basic principle is that we have committed ourselves to the defense of the people of West Berlin, and, of course, we adhere to that position.

But I believe it is absolutely necessary that in the days ahead the President have behind him the unified support of the Congress and of the people of the United States, of whatever party and whatever section. My point in suggesting the appointment of a consultative committee broadly representative of the United States, with members who have dealt face to face with the problems of Berlin and Germany, and are of broad political experience, was to build the unity which I think we shall need increasingly in the days ahead.

I suggested among those who might be considered for appointment such men as Gen. Lucius Clay, who was High Commissioner for our country when Germany was still under military occupation. He was in Germany at the time of the airlift, which broke the Berlin blockade. I also mentioned Mr. John McCloy, who now is engaged in the problems of disarmament, but who, succeeding General Clay, had great experience at first hand with the issue of Berlin and of Germany. I also suggested the two Ambassadors who followed, Dr. Conant and Mr. David Bruce, and the two Secretaries of State who dealt for years with these problems, Mr. Acheson and Mr. Herter.

I note that former Secretary of State Acheson is consulting with the President and with the Secretary of State. I am very glad to know this is true, because I have the highest regard, as I believe everyone else who knows him does, for his service, his judgment, his patriotism, his great ability, and his courage. But I believe that it would be helpful if others with similar experience were brought into consultation.

Further, I believe it would be helpful in developing unity of purpose, and confidence, if the President and the Secretary of State were to advise to the fullest extent with members of the appropriate congressional committees—the Foreign Relations Committee and the Armed Services Committee—and with the leaders of both the Republicans and the Democrats, to create the kind of bipartisan policy which we enjoyed at the time when Senator Vandenberg was serving in the Senate.

I make these suggestions for several reasons. I know the country is becoming increasingly aware of the dangers which it may face before the year is out. I think it is necessary, in this situation, to have the greatest possible unity and support behind the President of the United States. Such unity and support will be better achieved if our people believe that the advice of those who have known the most about these problems and have dealt with them for years is sought and considered on every aspect of the Berlin and German issues.

Second, the people should know that the responsible members of committees of the House and of the Senate, those dealing with foreign relations and the armed services, have been informed as fully as they can be of these problems and of our policies.

I close by making another comment. I have stated what I believe to be the basic principles upon which our policy must be based. Yet I think every aspect of our policy about Germany and Berlin ought to be considered and reviewed in the days ahead. This does not contemplate any appeasement. It means that our Government performs its highest function when it considers all the possibilities which can be undertaken to preserve our basic principles and yet avoid, if we can honorably do so, outright conflict—conflict which could develop into a thermonuclear war.

We know, for example, that East Germany now checks, to some degree, upon traffic which moves to the civilian population of Berlin. If Mr. Khrushchev does make a peace treaty with East Germany, which he can do any time he desires, then the question of access into West Berlin will arise. It very well might be that he would say to us, "You can deal with Eastern Germany about access rights." Then the question would arise as to whether we would deal with East Germany; or, if we did deal with East Germany, whether it be possible then to secure any reasonable response upon our means of access which we hold as a matter of right by the quadripartite agreements, to which Russia was a party.

I think it would be much better, before we come to such a point, to continue to talk to Soviet Russia, as we have been talking to her for years about our rights of access—and Russia confirmed the right of access in 1949—and to ascertain what ideas Russia has now about our rights of access if she should make a treaty with East Germany. I think it would be much better to discuss this matter with Soviet Russia before it makes a treaty with East Germany, if it does make one, than to be faced later with the question of determining whether we will discuss our rights with East Germany.

I make this statement because I believe the administration owes every duty to the country, to the maintenance of our rights in Germany and the rights of the people of Berlin, to keep the matter open, by discussions before a crisis arises.

To summarize, I make my suggestions:

First, that the President and Secretary of State bring into consultation men of broad political and practical experience with the problems of Berlin and Germany.

Second, that the President consult fully with Republican leaders and Republican members of the Foreign Relations Committee and the Armed Services Committee, as well as the Democratic leaders and members, in order to achieve a real bipartisan position.

Third, that the United States keep open the channels of communication with Soviet Russia rather than postpone discussion until some crisis would place us in the position where we would either have to refuse to discuss our rights of access to Berlin with East Germany or have to discuss it with East Germany.

I want to be sure, as I am sure all of us do, that there is the fullest possible support behind the President of the United States, because he must speak for all of us, in every crisis facing our country.

I make these suggestions so that there will be rallied behind the President the fullest support of both parties and of the people of the United States and to assure that our positions have received the fullest and best consideration.

EXHIBIT 1

[From the Houston Post, June 23, 1961]

SENATOR COOPER MAKES SOUND SUGGESTION FOR ACHIEVING U.S. UNITY ON BERLIN

Although there is a possibility that Soviet Premier Nikita Khrushchev is practicing what has come to be known as "brinksmanship," the possibility that he will follow through on his threats to precipitate a Berlin crisis later this year connot be discounted for a moment. He not only may follow through, despite the grave risks of a nuclear war, but he could get himself in a corner where it would be impossible for him to back down.

What Khrushchev does almost certainly will depend on what he thinks he has a fair chance of being able to get away with without a war, and that in turn depends upon the stand taken by this country and its allies, and most particularly the United States.

The plain fact is that there are grave doubts in both this country and Western Europe about just how firm a stand the Kennedy administration will take. These doubts are reasonable and understandable as a result of the handling of the Laos and Cuban problems. The failure to back up strong words with resolute and positive action undoubtedly has encouraged Khrushchev. This offsets any declarations by President Kennedy that there will be no retreat at Berlin.

It is of the utmost and most crucial importance that all doubts as to what the United States and the West will do if Khrushchev acts in Berlin be eliminated as quickly and as effectively as possible. But before this can be done, a decision must be made on the position to be taken. Once made, there can be no wavering. But the decision must be one which will have the support of all the American people and their leaders, and they must be willing to back it to the hilt.

Differences of views within the Western alliance, within the administration in Congress, among other political leaders of the country and among the American people as a whole apparently help to explain the lack of firmness in the cases of Laos and Cuba. Because of the importance of the stakes, this kind of disunity would be infinitely more dangerous in the case of Berlin.

Within this context and background, the proposal advanced by Senator JOHN SHERMAN COOPER, of Kentucky, in a Senate speech Wednesday, that the administration name a nonpartisan panel of six experts to study the German situation and to help it in securing a united position, is a sane and sound proposal. It should be accepted and acted upon promptly by the President.

At the very least, both political parties would know what the position of the United States is, and the President would know their positions. Ultimately, the decision on Berlin must be made by the President, and once he has made it, it must be backed by the entire Nation. He can help to insure that unity and support by acting along the lines Senator COOPER suggested.

[From the New York Times, June 23, 1961]

A SENATE DEBATE IN THE HIGHEST INTEREST

(By Arthur Krock)

WASHINGTON, June 22.—To search for an alternative by which war could be averted, without sacrificing the honor or the treaty obligations of the United States, is the highest duty of statesmanship. When the threat from a status quo to which such an alternative might be found is nuclear war, the obligation of Government is even more demanding. But it was for suggesting a specific plan to solve the Berlin crisis, and a plan out of line with the U.S. policy, that Senator MANSFIELD is being criticized.

The premise of his critics is that because MANSFIELD is the majority leader of the Senate the Kremlin will take his public and detailed proposal of a possible Berlin policy alternative as a semiofficial hint the United States is preparing to retreat from the prospect of a showdown; that, therefore, Premier Khrushchev will decide he needs only to stand firm on his demands to attain them in full without any risk of war. In view of the fact that the Kremlin made this miscalculation before, and had to be corrected by the allied Berlin airlift, it is entirely possible that MANSFIELD'S critics are right on that point. But it is not sufficiently conclusive to serve as a silencer of the Senate debate on the Berlin issue in its constitutional foreign policy role.

This week Senator COOPER of Kentucky, made an impressive comment to that effect, accompanying it with a highly constructive proposal. After reviewing the basic positions of the United States and the U.S.S.R., as recently restated by the President and Premier Khrushchev, he said to the Senate:

"It is inevitable and correct that this issue must be debated in the Congress. [Several Senators] have presented views, alike in their patriotic purpose, but nevertheless far apart concerning the policy this Government should undertake. As the debate proceeds, it is possible that we will have a polarization of views in the Congress—one to hold without deviation the position the United States has asserted in the past, and the other to find an alternative."

Because, he continued, the German and Berlin issues are "dangerous and most critical ones that confront our Nation, with the possibility of * * * a thermonuclear war," the American people who would be among those cast into this incinerator of civilization must, like Congress, previously be assured that "the best consideration has been given by the administration to every aspect of the issue." This, he said, will enable the President to rely on that "full support [of his ultimate decision] by a unified Congress and a unified country." This is indispensable and is strongest when it is voluntary and not a forced submission to an official fait accompli.

That was the spirit of Senator MANSFIELD'S highly visionary suggestion that a free city made of both the Berlins, its independence guarded by an international treaty to which the U.S.S.R. was signatory, and access to it guarded by international arms, might be a negotiable alternative. It is wholly likely, as his Senate critics predicted, that the U.S.S.R. would then use its familiar tactics to try to communize and thus make short shrift of this "freedom," as the West defines it. But it is not improbable that, if no alternative to the East-West status quo is found, the seeds of war will sprout the day the U.S.S.R. is ready. And, in view of the military fact that West Berlin could not be successfully defended by the West if the Soviet armed forces mean business, its free inhabitants and their cities would be immediate casualties.

To mention such a fact is denounced by many as appeasement. But it is one of those the American people have a right to know. This right is emphasized by the other fact that their Government, not they, agreed to in wartime secrecy, if it did not originate, the monstrous zoning of Germany which set Berlin 110 miles within the Russian zone and thereby created the perilous problem which could involve them in the horrors of thermonuclear war.

This is the possibility which led Senator COOPER not only to term Senate discussion inevitable and correct, but to make his own proposal. It was that "men who have specific and practical knowledge of the issues, who have dealt with them face to face, and are broadly representative of our country" (he mentioned several) should assist the President and the Secretary of State in reviewing every aspect of the problem, including all possible ways of easing it.

Maybe it can't be eased. But to search intensively for it, as MANSFIELD WAS, isn't appeasement.

[From the Courier-Journal, June 23, 1961]

OUR POLICY, NOT RUSSIA'S, MAY BE BASED ON BLUFF

It is particularly valuable for a Republican leader so respected as Senator JOHN SHERMAN COOPER to speak up on a possible approach to the Berlin problem. There is danger of a complete political freeze on the subject.

When Senator MIKE MANSFIELD was bold enough to suggest that all of Berlin be made a free city under United Nations protection, he was denounced by Senator STYLES BRIDGES as an advocate of weakness. Nobody likes to be charged with appeasement on such a subject. Yet many people, including Democrats as well as Republicans, have convinced themselves that it is unpatriotic even to talk about ways of extricating ourselves from the dangerous Berlin deadlock. Senator MANSFIELD warns against this tendency to "equate all change with defeat or retreat."

There may be some value in a proposal by Senator JACOB JAVITS. He wants Congress to go on record as reiterating our pledge to protect the freedom of the 2 million West Berliners against any threat. But President Kennedy undoubtedly gave that message to Premier Khrushchev at their Vienna meeting.

Those who insist on absolute rigidity in our Berlin policy are not serving the best interests of the Berliners or of ourselves. They are staking our national future on a perilous gamble. They assume that Mr. Khrushchev is not really serious about his threats to Berlin, because he issued an ultimatum some 30 months ago and has not yet carried it out. They believe that we can fritter away yet another 6 months, as we have frittered away the past 30, without proposing any new initiative whatever on Berlin.

These patriotic citizens are gambling on the idea that Khrushchev is really bluffing on Berlin, and that we can call his bluff by standing pat and asserting our rights.

SOVIET CONFIDENCE HAS INCREASED

They fail to recognize that the Soviet Union has grown more confident of its strength since 1958. There is still good reason to believe that the Russians would prefer to avoid a nuclear war, as long as they can make progress toward their world goals through political and economic pressure. But it is the Soviets, and not ourselves, who are now in position to practice the dangerous art of brinkmanship. It is they who are likely to force our hand in Berlin, instead of our forcing theirs.

Our final Berlin policy cannot be based on a bluff, then. And isn't it so based at the moment? Clearly, we have no solid agreement with our allies. President de Gaulle is reported as seeing no real reason not to negotiate with the Government of East Germany, though the West Germans angrily reject such action because to them it means recognition of a contemptible puppet regime. The British are plainly unenthusiastic about forcing the issue of a German treaty to the point of nuclear war.

Our own Berlin policy has other built-in weaknesses. Would Senator BRIDGES, for instance, vote for a declaration of war against the Soviet Union over such an issue as whether or not we should have dealings with the Communist government of East Germany? This is vast oversimplification of the whole German problem, to be sure. But it is the aspect which the Soviets will insist on presenting to public opinion in America and the rest of the world.

PAINTING OURSELVES INTO A CORNER

The vital point is that, in Kennedy's words, we must not "fear to negotiate or negotiate out of fear." If we make it an unpatriotic act even to debate the Berlin problem, we are painting ourselves into a corner from which there is no escape short of war or utter humiliation. There is little doubt that the whole American people would accept even the horrible choice of war under such circumstances. But surely we must try to avoid leaving ourselves with only such dreadful alternatives.

Senator COOPER is not proposing any particular pattern for a Berlin settlement. He only urges the appointment of a committee of experts on Germany, to advise the President and the State Department. The group would be nonofficial and nonpartisan. He suggests such people as John J. McCloy, Lucius Clay, and James A. Conant, plus two former Secretaries of State of different parties, Dean Acheson and Christian A. Herter. It would be wise to add a few younger men, whose contacts with Germany are immediately up to date.

It sounds very noble to talk of standing fast in Berlin. We will and must stand fast, in the sense of refusing to surrender the West Berliners to the mercies of the Communists. But a nation can be firm without being utterly rigid, and without locking itself into a straitjacket at a time of national peril. Senator COOPER's moderate proposal may at least make it respectable to talk about Berlin policy without being branded an appeaser.

AMERICAN FOREIGN POLICY

Mr. McGEE. Mr. President, first, I wish to invite attention to an editorial entitled "Raising Our Sights" published in the Washington Post and Times Herald for Saturday, July 1. It deals with the very illuminating speech made by the junior Senator from Arkansas [Mr. FULBRIGHT], the chairman of the Committee on Foreign Relations, before this body last week.

In the speech the Senator from Arkansas [Mr. FULBRIGHT] called upon the Nation to take a long and hard look at its policy positions around the world without panicking at every little "discombobulation" which happens to occur on the periphery of the cold war. It was an extremely useful and helpful set of comments.

The judgment of the speech on the part of the editorial staff of the newspaper likewise, I think, commands the respect and interest of this body, and I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RAISING OUR SIGHTS

Senator FULBRIGHT'S call for a longer view of American foreign policy was addressed to the rank and file of citizens as well as to policymaking officials. What he asks is that the Nation, as such, think seriously of its posture before the world in the light of the basic values in our Western civilization. He sees the struggle between communism and the free world entering a critical phase. But this is no occasion for shock, confusion, or the wringing of hands over peripheral events that the United States cannot control. His plea is for adherence to sound principles without erratic diversions to counter every gesture and sally from Moscow.

Mr. FULBRIGHT recognized that it is easier to prescribe a policy of wisdom, judgment, and consistency than to apply that policy to many varied and bewildering situations. Nevertheless, it is good to evaluate hasty responses to provoking events in the light of long-range objectives. The Senator is right in saying that we need to develop a "national style" as well as specific initiatives and responses, and this national style ought to be consistent with the principles which shape the American way of life.

By "national style" the chairman of the Senate Foreign Relations Committee means the U.S. performance in World War II, the saving of Greece and Turkey from Communist conquest, the Marshall plan, OECD, the aid given to the underdeveloped countries, the establishment of NATO and a host of related policies in which the United States has asserted leadership to protect the independence and improve the living conditions of free peoples. What Senator FULBRIGHT seemed to be saying is that these trunklines of American policy ought not to be compromised or jeopardized by questionable ventures designed to counteract tactical maneuvers on the part of the Communist powers. Let us not be thrown off the beam, he urged in effect, by Cuba, Laos, and the Soviet cosmonaut.

There is a great deal of wisdom in the Senator's thesis:

"It is not our affluence, or our plumbing, or our clogged freeways that grip the imagination of others. Rather it is the values upon which our system is built. These values imply our adherence not only to liberty and individual freedom, but also to international peace, law and order, and constructive social purpose. When we depart from these values we do so at our peril. If we are faithful to our own values, while following an intelligent, courageous and consistent line of policy, we are likely to find a high measure of the support we seek abroad. But if we fail our own values and ideals, ultimately we shall have failed ourselves."

We do not find in the speech any complacency or any lame acceptance of the status quo. The essence of Mr. FULBRIGHT's plea is for greater strength—but strength and action in keeping with a free society. He does not accept the thesis that "fire spread by communism can only be fought effectively with fire." Communist lies, subversion, political murders and the subjugation of free peoples do not call for free-world programs of the same character.

Nor can the United States have it both ways. It cannot hold the confidence and respect of mankind as the champion of freedom, human rights and social progress and at the same time compete with the Soviet Union in imposing its way of life on other peoples. There should be no disposition on the part of any self-respecting country to race with the Soviet Union on its own course. Rather, the race should be in terms of the values long ago established and still cherished by freemen. Senator FULBRIGHT has given us a timely and effective reminder that the first obligation both of the Government and of individual citizens is to keep the American participation in the historic struggle on a high plane of ethics and humanitarianism.

FCC STUDY OF THE TELEVISION INDUSTRY

Mr. McGEE. Mr. President, I should like to invite the attention of my colleagues to a column published in the Saturday morning Washington Post and Times Herald, written by Lawrence Laurent, the television and radio writer for the newspaper. In the column Mr. Laurent discusses an incident which occurred in the wake of the FCC hearings on programing in New York. The burden of the discussion centers around the testimony of some of the leading luminaries in the television business, those actively participating in programs—individuals such as Bill Goodson and David Susskind, to name two.

The point of comment in the column has to do with the real and implied threats to those television personalities who dared to testify and to raise questions about the way the industry was being operated at the moment. A citation was made from the industry's official magazine, Broadcasting, of the assertion that some of the witnesses in the FCC hearings held in New York might find it difficult to do business, to find outlets for their talents hereafter, because they criticized the industry itself.

Fortunately a member of the FCC study staff, Mr. Ashbrook P. Bryant, served notice to all members of the industry, at whichever end of the line they may be operating, that the FCC itself will be deeply concerned if instances should ever occur in which the participants in television programs are threatened with having programs canceled or with a refusal to sign contracts for the future because they dare to speak their minds before an official Government hearing.

I think this body should applaud Ashbrook Bryant for making the Commission's position clear. I wish to add my voice, as a member of the Subcommittee on Communications of the Committee on Commerce of the Senate. I know the Congress, in addition to the FCC, will be very much interested in the attitude of the industry in regard to the

television investigations, hearings, and enlightenments taking place at the present time.

Whatever else occurs, in the public interest it is imperative and important that any knowledgeable individual connected with any of the communications media of this country at all times shall have complete freedom to speak, without fear of retribution or the threat of a job or of a new contract.

Because of the little "fuss" raised already, I think the industry should stand on notice that there will be many watchful eyes observing the future conduct of contracting and talent arrangements in the television industry.

Mr. President, I ask unanimous consent to have printed in the RECORD the Laurent column to which I referred, and also a second column by Mr. Laurent published this morning, which reveals the stiffening of the backbone of the Commission in reviewing new applications for licenses in the communications field, in which it is stated that the Commission is now setting up firmer standards and requiring stronger evidence of conduct in the public interest.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald, July 1, 1961]

FCC STUDY CHIEF HAD THE LAST WORD

(By Lawrence Laurent)

When the television industry gets itself in trouble, a situation that is not exactly uncommon, there are two standard lines of defense. The first is the argument that "this is a very young business, making the mistakes of the young."

The other defense—in the wake of scandals about payola, plugola, and some strange business combinations—is "these are long-established business practices, which have never before been questioned."

After several weeks of hearing these alternate themes played before the Legislative Oversight Committee last year Representative JOHN E. MOSS, Democrat, of California, exploded: "I have never seen such a young, immature business with so many old, long-established bad habits. This is like hearing a man claim he's suffering from infantile senility."

It was the infantilism that showed up during the past 2 weeks as a Federal Communications Commission panel heard testimony in New York City. Some of the most creative men in television came before the FCC's network study staff to tell how TV might be improved.

One industry reaction came in a scarcely veiled threat that appeared in Monday's issue of Broadcasting magazine. "Some witnesses in current FCC hearings on TV practices," the magazine reported, "may have lots of cajoling to do when they try to resume doing business with individuals and organizations against whom they have testified.

"Even such reluctant witnesses as Bill Goodson (of the Todman-Goodson panel show empire) finally testified that talent agencies like MCA demand 'right to sell' program rights in return for supplying talent. Similarly, Producer David Susskind, having blasted practically every broadcasting institution in sight, may find it difficult to find a friendly port in which to do business."

On Thursday, Robert Montgomery was even more specific. He said he believed witnesses at the hearings "had taken their livelihoods into their hands when they came down here."

For once, the FCC refused to sit still while threats were made. Once the meekest agency in the Federal Establishment, the FCC found its courage only after being battered by scandals. Since March 1960, under Chairman Frederick W. Ford and now under Newton N. Minow, the FCC has declined to play its familiar role of cheerleader to the broadcast business.

When Thursday's hearing was completed, FCC Network Study Chief Ashbrook P. Bryant had a softly worded, "big stick" statement to make. He said:

"I am authorized by the Commission to state that it is confident that the testimony given here will not be the basis for any actions which would adversely affect the professional careers or future activities of these witnesses.

"It is perhaps unnecessary," Bryant continued, "to add that retaliatory action against witnesses in a hearing such as this would hardly comport with the responsibilities assumed by the Commission licensees."

The implication was plain. Witnesses appearing at the request of the Federal Government are not to be threatened, no matter how slyly, nor are they to be coerced.

Bryant added: "We think it is clear that those who have criticized the current network program fare have not spoken out of direct economic self-interest, because it would appear that all of them are still successfully engaged in their professional pursuits. Rather, we believe that they have testified out of their concern for its present status."

[From the Washington Post and Times Herald, July 5, 1961]

REJECTION OF LICENSE POSES PROGRAM POLICY

(By Lawrence Laurent)

An embattled Chairman of the Federal Communications Commission once described the issuance of broadcast licenses as "a kind of Oklahoma land rush. About all we can do under the law," he explained, "is to say what's available and then hand out the licenses."

He was referring, of course, to those available radio frequencies and TV channels for which there is only one applicant. In such cases, traditionally, the applicant had to meet only the minimum requirements of American citizenship, financial responsibility, technical ability, and good character.

What about the applicant's broadcast schedule?

"Well," said an FCC Commissioner, "if he doesn't play the 'Old Gray Mare' 24 hours a day, it is none of our business."

(Things are different when there are two or more applicants. Each tries to prove the "public interest" will be served best by giving the license to him. The result of competitive struggle, theoretically, is that the best-qualified applicant will make the greatest number of promises, and ultimately the community will be benefited. When John C. Doerfer was FCC Chairman he estimated that "about 70 percent" of the TV licenses had been given to noncompetitive applicants.)

Last week, the FCC in a historic 4 to 2 decision turned down an uncontested application by Suburban Broadcasters for an FM (frequency modulation) radio station in Elizabeth, N.J. That was a complete reversal of traditional policy, but it wasn't totally unexpected.

What went into effect for the first time was a philosophy enunciated in July 1960, by then Chairman Frederick W. Ford. That was supplemented by rulemaking procedures that began last February. This approach requires an applicant to tell the FCC "the measure he has taken and the effort he has made to determine the tastes, needs and desires of his community and the manner in which he proposes to meet those needs and desires."

The importance of last week's decision is underscored in the current edition of Television Digest:

"Remember the name 'Suburban.' It could become celebrated in broadcast-regulation history. In a significant decision last week, the FCC turned down the FM application of Suburban Broadcasters for Elizabeth, N.J., on the ground that it had done nothing to seek out the programing needs of its proposed service area. This 'seek out' concept is the touchstone of the FCC's new philosophy."

There are enormous implications in the decision. Until recently, station operators could expect automatic, pro forma, renewal of their licenses every 3 years. Last year, the FCC began checking the station's performance against the programing promises made by the station in its application.

If the Suburban decision withstands assaults in the Federal courts, the FCC will have one more measure of how well the license holder is serving his community. Theoretically, each renewal is a new application for a broadcast license and, thus, the FCC will want to know if the broadcaster has made an effort to learn what his community wants and needs. And, furthermore, what has been done to meet these wants and needs.

The responsible broadcaster will not lose a single wink of sleep over the developments. The fast-buck operator, hoping to get a station for a quick sale, or the man who owns several stations and mimeographs the schedule for all of them from one central office, will have problems.

Commissioner Ford didn't take part in the 4 to 2 decision. He was out of town, fulfilling a longstanding speaking engagement. Those who voted in favor of denying the license were Chairman Newton N. Minow and Commissioners Robert T. Bartley, Robert Emmet Lee and T. A. Craven. In the minority were Rosel H. Hyde and John S. Cross.

THE BERLIN POWDER KEG

Mr. KUCHEL. Mr. President, yesterday the American people celebrated the anniversary of the Declaration of Independence. This is a unique document in the annals of mankind and its seemingly never ending struggle for freedom. A handful of colonials, determined to be free, when they signed the Declaration of Independence said:

And for the support of this declaration, with a firm reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor.

Mr. President, the 1960's are dark days and full of trouble for the cause of man's freedom. The free peoples of West Berlin face a grave danger. The menace which communism poses to them represents in a larger sense an unmistakable challenge to America and to the free world.

An excellent and thought-provoking editorial was published in California, in the Oakland Tribune, the assistant publisher of which is our former distinguished colleague from California, William F. Knowland. The editorial says, in part:

Nothing will impress Khrushchev and his presidium more than the certain knowledge

that we have determined to preserve this island of freedom, that we understand the calculated risks involved and the potential costs.

The American people are united, Mr. President, in these sentiments. We intend to remain so. We are in Berlin under an agreement entered into by the victorious Allies, including the Union of Soviet Socialist Republics. Nothing the Soviet premier may do with respect to entering into a separate treaty of peace with the East German Communist satellite can alter the rights or the responsibilities we have, together with our British and French allies, in occupying West Berlin today, which, incidentally, is an occupation the West Berliners ardently desire to continue.

Mr. President, I ask unanimous consent that the text of the editorial, entitled "The Berlin Powder Keg," be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE BERLIN POWDER KEG

Will the lights be going out in Berlin before the year 1961 passes into history on December 31?

In Washington, Moscow, Bonn, Paris, and London the implications of the Khrushchev thinly veiled ultimatum is better understood than it is away from the capital cities.

Before we hardly know it summer will pass into fall and the preparations for Christmas with its message of "Peace on earth, good will to men" will be subverted by the rulers of the Kremlin determined to force a showdown even at the calculated risk of war.

They anticipate that their will and iron nerve will outlast what they consider "the decadent West" and will result in an abject surrender by the North Atlantic Powers.

Despite the Munich-minded men in our own country and among some of the allied nations there can be no surrender of the free people of Berlin without destroying the morale of freemen everywhere to resist Communist tyranny. These are the stakes Moscow is playing for and determined to win.

The supply of "little surrenders" has been exhausted by the stalemate in Korea, the farce at Geneva, the offer of payment of tractor blackmail to Castro, and the backdown, after brave words, in Laos.

On the issue of Berlin the chips are down and the sooner 180 million Americans face up to these facts the more likely our Nation is to survive and with us a free world of freemen.

At an early date the wives and children of our combat ready forces in the isolated garrison of Berlin should be withdrawn for no nonresident women and children should be available as possible hostages to communism.

It will soon be time for our forces and the city of Berlin to "strip for action." No nonessential personnel or nonproductive workers should be left there to be furnished food, fuel, and clothing by airlift or otherwise.

As a completely surrounded outpost of freedom neither the token forces there nor the courageous civilians of Berlin could long hold out against a massive Soviet or East German Communist effort to take the city. But neither was the Alamo, Fort Sumter, or Corregidor able to hold out against the overwhelming odds against those garrisons. The forces which won the initial struggle lost the three wars against us.

But nothing will impress Khrushchev and his presidium more than the certain knowledge that we have determined to preserve this island of freedom, that we understand the calculated risks involved and the potential costs. We will not fire unless fired upon, but if our garrison and the free city of Berlin is attacked by Communist forces, East German, or Soviet, the Communists must know that we will fight with all the weapons and all of the power of a free people determined to remain free. This resolve was so clearly enunciated in the Declaration of Independence in these words:

"And for the support of this Declaration, with a firm reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor."

DROUGHT IN THE MIDWEST

Mr. HUMPHREY. Mr. President, over the past weekend I journeyed to my home State of Minnesota, and accompanying me was my administrative assistant, Mr. Connell. He traveled in many of the areas of my State, and I visited with many of the farm leaders, those who are responsible for our agricultural program in Minnesota and in the neighboring States of South Dakota and North Dakota.

I am sure the Senate is fully aware of the fact that a serious major drought is underway in approximately the eastern two-thirds of Montana, most of North Dakota, the western half of South Dakota, and the northern half of Minnesota. In fact, today the Governor of Minnesota asked the Secretary of Agriculture to include 11 more counties in Minnesota in the drought disaster area.

Mr. President, this drought in certain parts of the Nation is of very serious consequence. In western South Dakota there has been a drought for 3 or 4 years.

A friend of mine, who has a farm in the western part of that State, called me at my home on Saturday, pleading for immediate action on a certain matter, with respect to which I shall introduce a measure today. When I said to him that the Congress had passed legislation which permitted the taking of hay from the soil bank acres in the disaster areas, he said, "Senator HUMPHREY, there is no hay. The legislation which has been passed may be of help in some places, but we have not had any rain in this area of any consequence for 3 or 4 years and there is no hay. There is no grain."

Mr. President, a number of things can be done and are being done. I have asked the Secretary of Agriculture to prepare a statement—which I am sure he is now doing—to indicate what the Department of Agriculture is doing to alleviate the conditions of economic hardship.

For example, the Congress has passed S. 2113, introduced by the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], to permit the harvesting of hay and grazing on conservation reserve acres in the areas which have been declared to be drought areas. The President signed the legislation only last Saturday. I believe it is Public Law 87–62.

The legislation is now at work, and a certain amount of help is coming because of it.

There is also the possibility of the use of diverted acres under the feed-grain legislation, which program is within the jurisdiction of the Secretary of Agriculture. I understand that he has ordered that procedure. In fact, he has acted already in the State of North Dakota and will take similar action in other areas.

There can and should be a moratorium on Farmers Home Administration loans in the disaster areas. I wonder how many Senators know that auction barns are operating 24 hours a day in some of the Midwestern States. Cattle are being sold for whatever the auctioneers can get for them. The auctioneers are operating around the clock. When cattle are sold off a ranch or a farm, it is a tragic loss to the owner, because it takes a great deal of time to rebuild a herd. Therefore, it seems to me that a moratorium on such loans would be very important, so that farm owners will not be compelled to make sacrificial sales—sales at low prices under distressed conditions.

There also should be and will be a moratorium on Commodity Stabilization Service farm-storage facilities loans. Those are loans which are made to farmers for storage on the farm. It seems to me that the Government would be well advised to extend for at least 1 year a moratorium on the payment of any of those loans.

Then there ought to be the freezing of Government grain storage in the drought and disaster areas to conserve the feed for stock later this year. I noticed this morning that the Secretary has indicated that that will be done. In other words, he has indicated that the feed grains in storage and on location in the drought and disaster areas ought not to be removed from those areas, because if the feed grains are removed or transported, shipping costs and other expenses would be added.

Then there should be an emergency ACP, which is the agricultural conservation practices program, in an attempt to put the drought counties back in shape for production next year. I am examining into the law, but it is my recollection that the Secretary of Agriculture or the Department has the authority to make available under an ACP program certain sums of money for placing the land that is under drought conditions back into usable land for productive purposes. For example, weed control would be included, as well as summer fallow practices to preserve moisture, and possibly the planting of some covering which can be turned under. These practices I believe ought to be examined into immediately. I use this occasion in the Senate to call upon the Department of Agriculture to do so.

Finally, there are emergency low interest, about 3 percent, loans through the Farmers Home Administration. Those low-interest loans would give farmers an opportunity to get some extra credit. This point in the program is particularly important for county feeders, dairy farmers, cattle farmers, as well as others. But farmers need loans if they are not to be forced to sell their livestock at a concessional price. I am hopeful that emergency loans, of course, will be made available, and I understand that they are to be.

IMPORTATION OF SUGAR FROM THE FIJI ISLANDS AND EXPORT OF WHEAT FLOUR REQUIREMENTS TO THE FIJI ISLANDS

Mr. HUMPHREY. Mr. President, it has come to my attention that the Fiji Government has offered to purchase—for dollars—as much as 50 percent of their annual wheat flour requirements from the United States, if our Government will permit the Fiji Government to export into the United States less than 1 percent of the sugar we plan to purchase from foreign sources in 1961.

I direct the attention of the Senate to this unique offer, because this sounds like a sensible deal to me; and I hope the executive departments will give Fiji's offer every consideration, because the principle involved is significant.

For many months, some of us in the Congress have been urging the administrators of the Sugar Act to utilize our ex-quota sugar allocations to develop additional exports of American agricultural commodities.

Just this past March, the Congress included new language in the Sugar Act, providing that "special consideration shall be given to countries of the Western Hemisphere and to those countries purchasing U.S. agricultural commodities."

During the debate in the House, the distinguished chairman of the Committee on Agriculture [Mr. COOLEY] was questioned about the meaning of this new provision:

> What is meant by the requirement that consideration is to be given those countries purchasing U.S. agricultural commodities? Does this mean that we will limit our ex-quota sugar purchases to those countries which are our best customers?

Chairman COOLEY's response was:

> No; it does not. Here again, this provision must be read in the light of the overriding purpose of the act which is to provide us with adequate sugar supplies. It would obviously be silly to require that those in charge of obtaining this sugar should go down the foreign trade list and first try to obtain sugar supplies from those countries which the statistics show have purchased the most agricultural commodities from us. This is not the intent of this provision. On the contrary, the intent is that the administrators of the Sugar Act will use this authority when they find an opportunity to move additional American agricultural commodities on a quid pro quo basis in obtaining our ex-quota sugar and will give special consideration to such proposals.
>
> It is likely that this authority will not be used very frequently but, on the other hand, the committee wants the President to have this authority, if there is an opportunity to use it and an indication of congressional approval of this type of transaction. It is anticipated that this consideration will come into operation only when some country which has some sugar it would like to sell the United States comes in with a specific proposal to take U.S. agricultural commodities in return for our purchase of their sugar. It is an order to give the President the authority which those administering the program said he did not have last year when they turned down some proposals which were made on exactly this basis. For example, last year, Brazil was willing to take a very substantial quantity of our wheat in return for our purchase of some of their sugar. They came to the Department of Agriculture with this proposal and were told that there was no authority to make this kind of an arrangement. Subsequently, Brazil bought a large quantity of wheat from Communist Russia to fill their needs—the first such purchase they have ever made. It is in order to authorize the President to make this kind of a transaction that this language has been placed in the amendment.

Congress has wisely provided the executive branch of the Government with authority to utilize American sugar allocations to develop more customers for American agricultural commodities. And I hope the administrators of the Sugar Act will utilize their new authority, in accordance with the intent of Congress. In fact, the Fiji offer would be a good place to start; for, as the Good Book says, "A little child shall lead them."

It could well be that the little country of Fiji could open a new vista of opportunities for selling more U.S. agricultural commodities.

The proposition made by the Fiji Government is as follows:

> The Fiji Government agrees to purchase for dollars through ordinary commercial channels a minimum of 5 million pounds of U.S. wheaten flour for spread shipment during the next 6 months. This offer is conditional on the U.S. Government allocating Fiji the right to import into the United States of America under the U.S. Sugar Act, 15,000 short tons raw sugar during the same 6-month period. Payment for flour will be made in U.S. dollars. The first shipment of Fiji sugar up to a full cargo could be programed for delivery at east coast U.S. refineries in July 1961. If the United States of America is interested the Fiji Government would be prepared to increase purchases of U.S. flour pro rata with increase of United States ex-quota sugar allocations up to 30,000 tons of sugar.
>
> The Fiji purchases of flour from the United States of America represent the opening of new trade with the United States of America. The Fiji Government understands this proposal is unique and hopes this opportunity to move additional American agricultural commodities at full commercial market prices for dollars will be given your sympathetic and special consideration.

Mr. President, I commend the people of Fiji for this offer. No one knows better than I how difficult it is to alter established channels of international trade. Not only Government officials but importers and bankers and trade associations are involved; and, in the case of Fiji, this proposition had to be cleared through the British Foreign Office, the London Board of Trade and Whitehall itself. Fiji wants to sell some of their sugar in the United States during the Cuban emergency; and they will break down trade barriers, cut through redtape, and change their buying habits if necessary to sell us some sugar.

The principle involved in the Fiji offer is far more important than the quantity of flour and sugar involved. Fiji has only 365,000 people. It is not a rich country. Their total purchases are small, compared to big countries. But they buy over 95 percent of their tobacco from the United States. They buy aircraft engines, lubricating oil, photographic equipment from us. In total trade, Fiji imports about $1 million more from the United States than we import from Fiji.

We have never sold any flour to Fiji before. U.S. flour costs considerably more than Australian flour, which Fijians have been using. But if we Americans will import as little as seven-tenths of 1 percent of our sugar imports this year from Fiji, Fiji will buy as much as one-half of their total flour imports from us, for dollars. This sounds like a good deal to me.

Fiji has long been a stanch friend of the United States. These islands are a vital base for the Western World in the Pacific; and under the ANZUS Pact, we share responsibility for the security of Fiji. The port at Suva was a revictualling base for the Anzac Naval Force and for American convoys during World War II, under U.S. command. The airport at Nandi is an important crossroads for international air travel and commerce in the Pacific.

There are many good reasons why the United States should consider Fiji's application for a very small part of the Cuban sugar allocation during the Castro emergency—flour offer or no. And now, with this commendable offer to purchase for dollars 5 million pounds of flour from American millers during the next 6 months, it seems to me that the administrators of the Sugar Act should give this little country special consideration.

I understand that there are still some 200,000 tons of sugar to be allocated in 1961. I hope the administrators will let Fiji have an allocation of 15 of those 200. Our American wheat farmers need new customers; and if, by their example, little Fiji leads the way to bigger and better markets for U.S. agricultural commodities, the American farmer will never forget this historic breakthrough.

CONDITIONS IN POLAND

Mr. WILEY. Mr. President, I have received a very startling letter from Vincent B. Welch, a very prominent lawyer here in the city of Washington, who tells about a visit he made into a country that, I must say, we thought was almost solidly pro-Western. In the letter he states:

> Because you may not have been fully apprised of the true conditions and attitudes in Poland, and because as a Senator your votes on matters such as foreign aid and national defense must be based upon an informed and considered judgment upon all the available facts, I am taking the liberty of sending you a copy of the article to help you in forming your judgment on these matters.

The article by this distinguished lawyer, Vincent B. Welch, of Washington, is something that causes one to stop, look, and listen.

I ask unanimous consent that the article be printed in the RECORD following my remarks, and I also ask that the article then be referred to the Committee on Foreign Relations.

I may say I have caused copies of the letter to be forwarded to the hierarchy here in the city, asking their reaction to it, but I feel it is a matter of such consequence that the Committee on Foreign

Relations should have the matter before it, and, if necessary, have Mr. Welch appear before the committee and give his personal viewpoint and reaction from his spending time in Poland.

The ACTING PRESIDENT pro tempore. Without objection, the article will be printed in the RECORD, and referred to the Committee on Foreign Relations.

BEHIND THE IRON CURTAIN

(By Vincent B. Welch)

The purpose of this article is to awaken you to some of the everyday facts about international communism as it exists today in the satellite nations and to scare the daylights out of you with respect to the possibility of world engulfment by this octopus, unless the Western World, led by the United States, does something and does something fast to stop it.

This summer, together with a client of mine of Polish descent, I spent 10 days behind the Iron Curtain, in Poland. What I saw had an effect on me that I hope this article will have on you. I started out on this trip as a complacent American: overstuffed, like most Americans, with the material things of life, myopic because of my closeness to my own work and a busy schedule, only vaguely familiar with the activities of the Communist world in recent years, and only mildly curious to view personally this somewhat interesting political creature. Within 48 hours I had seen all that I needed to see to scare me virtually to death, and I think the only reason I stayed there for 8 more days was that I was in somewhat of a state of hynotized amazement.

In recent years, friends of mine have visited Russia and its satellite nations, including Poland, as typical American tourists and have returned to tell me about their interesting trips and the good times they had. I only wish they had had an opportunity to be, as I was, in the company of an individual who not only himself speaks fluently, as fluently as he speaks English, all Slavic languages, including Russian and Polish, but also had several non-Communist friends in Poland who could reveal some of the true facts about Poland today. I wish that those American tourists had stayed at hotels which Americans don't frequent and had spent the majority of their time learning, as we did, what really goes on behind the Iron Curtain, rather than wasting their time and money on guided tours, which have only the dual purpose of extracting American currency and deceiving the Western World. If they had been fortunate enough to have visited the Communist satellite nations in this fashion, they would have long ago felt compelled to write such articles as this themselves, and I wouldn't find myself driven by the urgency of the situation to try to help wake up America.

In the past I have read many stories about Poland which were written by visitors to that country, including skilled newspaper reporters, but nothing in those articles did anything to disturb me particularly. I don't know what Poland they were describing, but they couldn't have seen the same country I did. If we were to believe such stories, as well as Communist propaganda, we would conclude the following: (a) communism hasn't done Poland any particular harm; (b) in reality, communism has done Poland some good, and Poland is now enjoying a degree of prosperity; (c) on the international political plateau, Poland leans neither to the East nor to the West, or, perhaps, only slightly to the East; (d) the Polish people like or at least don't dislike the people of the West; and (e) in the event of international conflict between the East and the West. Poland could be counted on to rise up against communism or at least to be of definite advantage to the West by organizing a strong underground movement. Such ideas, I can assure you, should be regarded as pure propaganda and rubbish.

The assumption that the Polish people individually like the people of the West, or at least don't dislike them, is completely in error. They thoroughly despise us, particularly the Americans. Based on my experience, an American traveling around Poland alone, not accompanied by party-trained guides, is subjected to hostile glares and even to physical shoving around. For instance, porters carrying suitcases into hotels often purposely bang them against an American's heels. Even if some of the Polish people did want to try to understand the people from the West who visit Poland, they are barred by law from speaking with them, unless they are assigned or specifically permitted to do so. The failure to abide by this regulation almost inevitably means subsequent interrogation and possible punishment. I personally made a concerted effort to get some Polish people to talk with me one evening at a restaurant-night club in which there were approximately 200 Polish people. My efforts for 3 or 4 hours resulted in one person grunting some kind of a hello, and he had obviously had too much to drink. The fact is they don't like us, and even if they might if they had the opportunity to know us as individuals, they aren't going to get that opportunity anyway.

With respect to living conditions, over 90 percent of the Polish people live in relative poverty. Their average monthly take-home pay (approximately 950 zlotys) is so low that it wouldn't cover the cost of two pairs of shoes, even discounting the more basic necessities of survival, such as a place to live and something to eat. It takes 3 to 4 months' pay to buy a cheap suit of clothes. We gave a Polish friend an old wornout suit, and his tears of thankfulness said an awful lot. He proudly wore it every day during the remainder of our visit. The people are allocated 9 square meters of living space apiece, if you can call the hovels in which they live living space. A typical bathroom also serves as the kitchen and isn't as large as the smallest American bathroom. Most of what we would regard as the necessities of living are unavailable, even if the money could be found with which to buy them. For example, we searched for hours in Warsaw before we could locate a can of grapefruit juice. It was a rusty, beat-up article which would never be on the shelf of a store in the United States of America. The price was approximately double its cost in America, which perhaps explains its lack of supply, since the Polish people simply can't afford to buy it. Meatless Mondays and innumerable horsemeat shops further illustrate the lack of basic food supplies in the country.

With respect to their attitude toward communism, over 90 percent of the Polish people are Communists or Communists in sympathy, through dedication, brainwashing, or abject fear. The young people are virtually all dedicated Communists or Communists in spirit, simply because that's all they have ever been taught. For 15 years, Russia has seen to it that the young have had an opportunity to learn only communism and its alleged benefits. The middle-aged Polish people have been brainwashed and thoroughly so. This has resulted in their conversion to communism by the millions or their submission to and compliance with communism through terror. Only among the old does any trace of the old Poland exist, and only in this group is there much opposition to communism. The communistic theory in this instance is that it makes no difference how the old people feel because they will soon be dead, and, therefore, they will soon be no problem, or that in any event they would be relatively valueless to the West in an international conflict.

It might be asked why there has been such a high degree of conversion to communism in Poland if the people live in a state of poverty and fear. One of the principal reasons is that the people are thoroughly convinced that international communism will eventually dominate the world, and in their minds it is only a question of how soon this will happen. In short, they want to be on the winning and not the losing side, believing that they will somehow benefit from this position and that their living conditions will be superior to those of the people in the conquered Western World. In addition, they believe that the Western World has much of the wealth today in life and that somehow, when this is seized, it will be distributed to their advantage. But whatever the reasons are, it is manifest that as a people they have become converted to communism. Therefore, it would appear to be utterly ridiculous for the Western World to engage in a game of giveaway to people who are on the other side and thoroughly dislike us, such as this country's recent $130 million so-called economic gift to Poland which can only go in one way or another right into the party coffer.

If communism means what we saw in Poland, it means a division of most of the wealth among something less than 2 percent of the population, comprised mostly of top party members and officials. The rest of the nation shares what is left, but it is difficult to share on any acceptable or tolerable basis virtually nothing. This isn't what international communism purports to be, but what it certainly is in practice. The party builds modern buildings for the party but virtually no houses or apartments for the people, and the people themselves can't afford to build them. A recent photograph in one of the most prominent American newspapers purported to show a typical modern Warsaw office building. The catch was that this was the Communist Party Headquarters, and it's the only building like it in Warsaw.

Life is a constant turmoil in Poland. For instance, in Polish restaurants I saw everywhere people constantly tapping their feet and drumming the table tops with their fingers, whispering among themselves but careful never to talk to strangers, furtively glancing around as though they expected at any moment what they've been afraid of for years. Waiters in restaurants trembled so much that they often couldn't pour coffee in my cup without spilling some into the saucer.

As one individual told us, you can't live in Poland for 2 years without having a nervous breakdown. It is a common experience for people to hear a knock on the door down the hall of their apartment house in the middle of the night, then departing footsteps, and later, the next day or so, suddenly realize that their neighbor is no longer around. But no one dares ask where he went, even if he is never seen again. They know, however, that he has either been exterminated or sent to a work camp.

Spies spy on spies, who spy on the rest of the people. Members of families spy on the rest of their family. This was forcibly brought home to me by the experience of a Polish acquaintance of ours who went to Poland this summer to visit his family for 3 months. By coincidence, he returned to New York on the same plane with us, and he informed us that the reason for cutting his vacation short was that he had found out on the preceding day that his brother was the spy assigned to his own family. His staring straight ahead for 9½ hours on the return flight without saying a word to anyone said a lot more than words could ever have.

Roman Catholicism, which some years ago was a potent anticommunistic force in Poland, is being gradually but definitely suppressed. The Catholic churches are being heavily taxed, with the obvious objective of closing them. A monastery which we visited outside of Warsaw received an arbitrary

order to close down within 30 days. Not many years ago, the churches were crowded literally every hour of the day. During week days now they are practically empty and on Sundays only half full, with those attending being mostly old people. Eventually, if the party officials are successful in their plans, and they probably will be, there won't be any churches open in Poland.

Although most visitors to Poland don't realize it, their hotel rooms are bugged and their telephones are tapped, and thoroughly trained party agents are assigned to follow virtually their every movement. The only time a visitor can or should talk freely is on the sidewalk some distance from his hotel when he is certain that no one is within listening distance. To seek information about the Communist world or the Communist way of living which might be of some advantage to the West is one of the most dangerous things a visitor can do. I hadn't been in Warsaw 24 hours before the agent assigned to me made the first direct and open contact. A whisper in my ear by an old Polish man of the word "policja" (police) put me on guard in my subsequent conversations with this individual. The agent knew my whereabouts at all times, and if I failed to keep an appointment with him at a particular place and time, within 15 minutes thereafter he would appear where I was, completely unannoyed at my standing him up. I purposely did this several times to test his actions. Turning over the name, address, telephone number, and picture of this individual to Army Intelligence upon my return gave me at least some sense of satisfaction.

To illustrate further the efficiency of their surveillance system, one evening we were exposed to communistic propaganda ad nauseam by two individuals, one a writer and one a dentist. Incidentally, the writer only 2 days before in our presence at the monastery was telling anticommunistic jokes and laughing uproariously at any funny remarks about communism. Angrily, and with insulting remarks, we finally left these two individuals only to be called 2 days later by the dentist and pleasantly invited to dinner. I wondered why we were receiving this pleasant invitation in the light of our attitude when we last left them, until it was revealed during the latter part of the conversation that they knew we had been to the U.S. Embassy the day before and precisely with whom we had talked for several hours.

Private professional practice of any kind is at a virtual standstill. As an attorney, I was naturally interested in the practice of law in Poland. I discussed this with an anti-Communist attorney in Warsaw, who some years ago had a thriving legal practice, one which he stated was now virtually nonexistent. He pointed out that it is an obvious waste of time for an attorney to defend an alleged criminal when the individual has been adjudged guilty and the sentence prescribed before the trial event starts. When I inquired about such matters as the negotiation of contracts, he stated that you don't negotiate contracts in Poland—you sign them as drafted by the party officials.

The so-called October era in Poland, that little elbow room the Polish people won because of their determination during and after the June 1956, bread and freedom revolt of the Polish workers, is definitely at an end. Gomulka has returned to the fold and to the orthodox communistic thinking and doing. He has denounced the West in no uncertain terms. He was the first to congratulate Khrushchev on his stand at the summit and sided with him through the Polish press in a subsequent violent denunciation of the West, particularly the United States. Recent United Nations votes only serve to confirm this fact.

The control of the Polish Army is in the hands of a former Soviet officer, Gen. Joseph Urbanowicz, who claims to be a Pole from Latvia, but informed sources know better. More than 50 of the higher Polish Army and Navy officers have been deprived of their commands this year. Gradually the Polish Army is becoming completely Russian-dominated.

This complete change in Poland, with its enslaving of the masses, has been accomplished in the past 15 years, and, to a large extent, it was accomplished early in this period. However, communism swept through East Germany in a faster period of time. To my absolute amazement, I learned during the latter part of my trip, which was spent in East Berlin and West Berlin, that the East German people are more dedicated to communism than are the Russians. In the Communist world, the East Germans are considered comparable to the Red Chinese in their dedication to communism, and Russia is as much afraid of a premature international move on their part as on the part of the Red Chinese. Is the same thing going to happen in the rest of Europe, in Africa, in what remains of the free Orient, in Cuba, and in parts or all of Central and South America?

If this all sounds a little cloak-and-daggerish, let me add that all of the basic facts recited herein have been confirmed by American intelligence sources. And to quote American intelligence sources further, conditions in other satellite nations are worse.

If the people of the free world could only see all of this or understand it, the problem of the conquest of the remainder of the world by international communism would not exist. But they don't see it; and they won't see it; and, therefore, like myself before my trip to Poland, they won't understand it.

I don't know what ought to be done now about the Communist threat to the world, but I'm going to try to find out, and you should too. I am certain that an increased military budget is imperative, but this would appear to be only part of the solution. I am also personally convinced that educating the American people to this immediate threat is even more important. There must be some people in the United States who know what we ought to do, and there must be some statesmen in the United States who can lead us to do it.

Every April 15, when I pay the balance on my Federal income tax for the preceding calendar year, like nearly every other American I grumble and rant and rave about high taxes, unnecessary Government spending, and so forth. Personally, I would be delighted if the Federal Government would substantially increase my annual income tax, along with the taxes for every other American, and spend every cent in an effort to defeat international communism. If that left me penniless, at least I'd be a relatively happy man—at least a free poor man and not a poor man who would have to live virtually 24 hours a day, 7 days a week, 52 weeks a year, in an atmosphere of fear, approaching, at times, sheer terror.

From the foregoing, you must now realize that I am not a professional writer. But, for once in my life, I wish I were, because then I would be better able to express what I have tried to say here, and I would surely be able to convince you, too, to become an anti-Communist missionary, as I have.

ERNEST HEMINGWAY

Mrs. NEUBERGER. Mr. President the literary world has lost its great Hemingway.

The literature and culture of America has been enriched and enhanced by his writings.

John Crosby, well-known columnist of the New York Herald Tribune, has captured the impact of the Hemingway personality in such a way that he recalls to mind my meeting with the great author around a blazing fire in the lodge at Sun Valley, Idaho.

There was a magnitude of mind and body about this man that John Crosby has expressed as follows:

It was a little like meeting Plato. So great was his renown that you expected a statue, something of marble or bronze, not flesh and blood.

Mr. President, I ask unanimous consent to have a portion of the column by Mr. Crosby printed in the RECORD.

There being no objection, the excerpt from the article was ordered to be printed in the RECORD, as follows:

THIS IS THE WORD FOR HIM

(By John Crosby)

I didn't know Ernest Hemingway very well, but the circumstances of our first meeting are characteristic of the man. I had been in Venice only a few hours and I stopped for lunch at Harrys Bar and Grill, a watering hole made famous by Hemingway's worst book, "Across the River and Into the Trees." * * * My wife pointed to a man seated all by himself in a corner reading a newspaper.

"That's Ernest Hemingway," she said.

This seemed altogether unlikely. Hemingway had just been severely injured in an airplane accident in Africa and, although it looked like him, I doubted that he was in Venice. * * * I was emboldened to go over and ask him if he were Ernest Hemingway. He looked up with a pleased smile.

"Sit down," he said. "Have some wine."

He adored recognition and later, after he grew the beard, he became just about the most recognizable celebrity anywhere on earth.

* * * * *

But what a man he was. We in America don't appreciate our heroes. It's part of our national cultural inferiority complex that we are the last to recognize what giants our writers are. Or were.

Hemingway shook the earth. The French, the Italians, the Germans, and even the English—though English writers seemed to have resisted him somewhat—wrote sentences differently after Hemingway. You could not, as a writer, read Hemingway and come away totally unchanged. His impact on style permeated to the bones. And in all languages.

I remember watching Picasso on NBC's "Wisdom" series climb a stepladder and slash at a white wall with a black pencil, creating a line of sheer aggressive self-confidence. Hemingway wrote sentences the way Picasso drew a line; they marched, those sentences, with a sculptural and terribly deceptive simplicity, with a musical inner harmony that had rightness about them as if they couldn't possibly be written any other way, as if God had carved them out of stone, a sort of permanent enrichment of the universe. It's sometimes forgotten that the Nobel Prize was given to Hemingway not for content but for his shattering impact on the world's style.

Still, style is just the outer cloak of inner conviction. You can't divorce style from content; the one, and the other went together, as inseparable as hydrogen and oxygen in the air, in Hemingway's prose. Much has been written about Hemingway's death wish, love of death, and all that. I don't know. I think Hemingway loved life, every agonizing breath of it, and that this crept into his prose and is preserved there for all future generations to see.

When Hemingway wrote of waking up in the morning in his Midwest boyhood, of striding into a cold trout stream in the hot sunlight and of catching and cooking and eating a trout, I could feel the sunlight and

taste the trout and the goodness of life. And not just I, an American. Spaniards could. Frenchmen could. Hemingway could communicate with any one—across national boundaries and, I feel strongly, across generations. I can read Tolstoy and I, who am not Russian and who, God knows, am not 19th century, can feel I know his people and almost participate in a life wholly alien. In the same way, Hemingway could take people of distant lands and distant cultures and make them, for the moment, a midwestern American boy. He'd catch a moment in a trout stream and freeze it, like sculpture, in perpetuity.

He was lovable, infuriating, boyish, yet unexpectedly wise and, above all, true. True was one of his words. "True," he'd say, if you scoffed at some of the wilder tales of Africa or Spain. Curiously, the wilder ones were the truest. His best tales, like "The Sun Also Rises," were true tales about true people. Truth in disciplined order was what, in his best work, he wrote. You cannot ask for more of a writer.

THE SPENDING PROGRAMS OF THE KENNEDY ADMINISTRATION

Mr. WILLIAMS of Delaware. Mr. President, the American people are just beginning to realize the enormous cost of many of the new spending programs of the Kennedy administration.

This was brought sharply to our attention last week when the Secretary of the Treasury told the Senate Finance Committee that he expected a $3 billion deficit in the fiscal year ending June 30, 1961. He admitted $2.3 billion of this deficit was the result of the increased spending policies on the New Frontier.

The Kennedy administration has been in power just 5 months. During this time they have spent $2.3 billion more than the Government has taken in in revenue. This means that during the past 5 months the Government has been operating in the red at the rate of $110 million per week or, putting the Government on a 5-day workweek, this means $22 million for every 8-hour working day. Or, to put it another way, the Kennedy administration has been spending $650,000 per hour more than its revenue 24 hours a day for every day it has been in office. This increased cost is the result of accelerated spending under old programs as well as the inauguration of many new Federal-aid programs under the New Frontier.

Upon assuming office, the President almost daily issued statements recommending a balanced budget and boasting of the manner in which he was going to reduce Government personnel.

Instead of reducing the number of Government employees he has been building up an ever-expanding bureaucracy. During the first 4 months in which he has been in office he has added 33,445 additional Federal employees. This covers the period from January up to May 31. The June figures are not yet available. But during these first 4 months additional employees were put on the Government payroll at the rate of over 8,000 per month. This is 2,000 per week, or 400 per day for every working day of a 5-day week.

Every day the executive offices have been open under the Kennedy administration additional Government employees have been added at the rate of more than 4 every 5 minutes.

These statistics illustrate the alarming manner in which the size and the cost of the Federal bureaucracy have been expanding under the Kennedy administration and unless checked will result in more inflation and further deterioration of the American dollar.

FARMER SMITH AND THE CROP CONTROL PROGRAM

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent to have incorporated in the RECORD at this point a very interesting article which was published in the Evening Press of Binghamton, N.Y. It is entitled "He Got a Cadillac by Not Growing Corn This Year." It was written by Lorana Sullivan.

The article refers to a Mr. William T. Smith, a farmer in upstate New York, who is calling our attention to the fact that he is now riding in a new Cadillac bought with money which the U.S. Government paid him not to grow corn. Mr. Smith is very strong in his criticism of a program which makes this possible.

To quote the article:

Smith purchased the automobile with money the Federal Government is paying him to keep out of production 104 acres in this area west of Elmira. He does not think such use of taxpayers' money is morally right.

He was asked the question: "Why a Cadillac?"

Mr. Smith dryly replied:

I think the taxpayers would like me to have the best, so I got the works.

This article, which I have asked to have printed in the RECORD at this point, illustrates the complete absurdity of the U.S. Government through any Department of Agriculture trying to run all the farms throughout the Nation. It just cannot be done. Sometime we will wake up to the fact not only that this is too expensive for the taxpayers to bear but also that the American farmers do not want this subsidy.

The American farmers will not trade their freedom of action for a Government check tied to Government controls.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HE GOT A CADILLAC BY NOT GROWING CORN THIS YEAR

(By Lorana Sullivan)

BIG FLATS.—Farmer William T. Smith is riding Uncle Sam's crop-control program in a new $6,100 Cadillac sedan bearing a sign reading:

"We bought this car with money we received for not growing corn."

He hopes it makes taxpayers angry.

Smith purchased the automobile with money the Federal Government is paying him to keep out of production 104 acres in this area west of Elmira. He does not think such use of taxpayer's money is morally right.

Why a Cadillac?

"I think the taxpayers would like me to have the best, so I got the works," Smith commented dryly.

The Government is paying Smith about $6,500 for not producing corn on the 104 acres.

The Chemung County Agricultural Stabilization and Conservation Department (ASC), which administers the controversial feed grain program here, says of it:

"If [the program] has stopped the production of corn, then it's a success. That's the object of the program."

The owner of a 1,200-acre dairy and poultry farm at Big Flats, Smith was notified early this year of the new, 1-year volunteer program designed to cut production of corn and sorghum, thereby reducing Government storage of feed grains.

He visited the county ASC office to investigate and was asked whether he had grown corn in 1959 or 1960. He had planted an average of 262 acres in those years, with an average yield per acre of 100 bushels.

He was told he was eligible for the Government program and could divert any 40 percent of his 262 acres.

Smith took an advance payment on the spot—a Government check for $3,049. The remainder of the $6,500 was to be paid later.

Naturally, he didn't divert his best land from production. Instead, he selected 104 acres from which he "was lucky to get a yield of 65 bushels per acre."

Under the program he cannot use the diverted land for grazing or harvest of silage or corn until December 31, 1961.

How will Smith's farm fare?

"I'll fertilize and take good care of the 158 acres I planted in corn this year, and I'll probably grow just as much without the diverted acreage," he said.

"Then this fall I'll plant a wheat crop on some of the diverted land. It won't be harvested until next year, so I'll be following the program. Meanwhile, the weeds are having a ball."

Smith tells of a farmer near him who also is participating in the corn bank program.

"He's planted strawberries on the land he put into the program. The berries won't be harvested until next year since they take a year to produce. The money he's collecting is a real gift. He's getting paid to divert land that wouldn't produce for a year anyway."

In Chemung County, 132 of 250 eligible corngrowers have received $36,925 in advance payments for diverting from production 1,63[illegible] acres of land. Total payments will amount to about $75,000, the ASC office says.

In New York State, 16,141 of 41,136 eligible corngrowers have received advance payments of $3,017,001. Their total payments will be about $7 million.

"I know these Government payments are not morally right," Smith said. "No farmer will take his best land out of production, and yet the taxpayer is paying him for an average yield from good land.

"I took the payments and bought the Cadillac to make an example out of what's going on. How many people really know how tax money is spent?

"I see no reason why this program will work now, since agricultural production controls haven't worked in the past 30 years.

"A farmer can always find a loophole," he added.

"You can't sell a farmer on being patriotic about taking his land out of production. He's just trying to make a buck like everybody else.

"If I stood on a corner and asked people to pay me for not planting 104 acres in corn, do you think I'd get any money?" Smith asked.

Ironically, the Chemung County Extension Service still is distributing information to farmers telling them how to produce more corn per acre of land.

Mr. KEATING. Mr. President, I wish to join in the commendation of Mr. William T. Smith, of Big Flats, N.Y., which the Senator from Delaware has voiced.

Mr. Smith's attitude is typical of the attitude of 90 percent of the farmers of New York State. They want to stand on their own feet. They are opposed to Government control over all of the things they grow, as well as things they do not grow. They are the kind of Americans who have made this country what it is today.

Mr. Smith has performed a useful service by calling attention in this rather spectacular way to some of the key deficiencies in our agricultural programs.

Mr. WILLIAMS of Delaware. I thank the Senator. I agree with him fully. I also join him in paying my respects to Mr. Smith, a great American. He has rendered a service in calling this absurd policy to the attention of the American people. It should be remembered that many farmers, as the Senator from New York has pointed out, did not wish to join the program, but they were in effect forced into the program through the action of the Secretary of Agriculture 2 or 3 months ago when the Department began dumping corn on the market, thereby deliberately breaking the corn market, with the threat that if the farmers did not come into the soil-bank program they would be bankrupted in the fall.

Many farmers had no choice but to sign up under the program. The manner in which the Secretary of Agriculture has used his power is absolutely indefensible. Under the power he received under the so-called Feed Grain Act, he deliberately broke the corn market last spring during the planting season.

There is no question that he broke the corn market by 15 to 20 cents last year. At the same time, he was buying soybeans, which were not then in surplus. That action ran soybean prices up by about 50 cents a bushel above the normal price. This was a multi-million-dollar windfall for the processors and speculators. The farmers had sold before this rise. Furthermore, 2 years from now the farmers will no doubt be confronted with a surplus crop as the result of the increased planting which will follow these higher prices of last spring.

Pushing up the price of beans did not benefit the farmers. At that time of the year about 80 percent of the beans were owned by the processors, and the profit from this market rise was made, not by the farmers, but by the warehousemen who owned them.

The present administration, with its market rigging policies, is not helping the American farmers; instead it is creating a speculator's paradise.

AMERICAN HERITAGE FOUNDATION PRESSES FOR ELECTORAL REFORM

Mr. KEATING. Mr. President, too little is known about a most effective public service organization in Washington devoted to the revision and reform of our Nation's electoral processes. I speak of the American Heritage Foundation, which for many years has sponsored and circulated research materials on the key areas of our State and Federal election laws where reform is most needed.

The publications of the foundation are objective and competent. They have been widely cited in the press and by public officials and interested citizens throughout the Nation.

This year the drive for electoral reform has resulted in hearings in the Senate on the part of both the Constitutional Amendments Subcommittee of the Judiciary Committee and the Privileges and Elections Subcommittee of the Rules Committee. As a member of both of these subcommittees, I am gratified by this serious interest in electoral reform. Much of the momentum for electoral reform is a direct result of the vigor of the American Heritage Foundation. Although we still have a long way to go, I am hopeful that the continued active leadership of the foundation will help make this goal a reality.

It is with pleasure today that I call attention to the fine work of the American Heritage Foundation. I ask unanimous consent to include in the RECORD an excellent article entitled "Nineteen Million Americans Can't Vote," which appeared in the Family Weekly in New York. This article was written by Mr. Brendan Byrne, the distinguished executive director of American Heritage Foundation. I also ask unanimous consent to include three excellent editorials which appeared in the Long Island City Star-Journal, the Utica Press, and the Schenectady Gazette as well as a news article from the New York Journal American on the work of the American Heritage Foundation.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York (N.Y.) Family Weekly, Nov. 6, 1960]

NINETEEN MILLION AMERICANS CAN'T VOTE

(By Brendan Byrne, executive director, American Heritage Foundation, as told to Theodore Irwin)

(NOTE.—On election day this week, one out of every six eligible citizens will be disqualified through no fault of his own; the reasons add up to a national disgrace.)

In Tuesday's Presidential election both candidates agree the results will be close. Every vote will be important. Yet the next President may be chosen not by those who cast their ballots but by the citizens who cannot vote.

A nationwide study by the American Heritage Foundation indicates that an estimated 19 million Americans of voting age will be disfranchised this year, generally through no fault of their own. Thus, out of more than 100 million eligible citizens, almost 1 out of 6 will be shamefully deprived of the voting privilege.

The 19 million missing at the polls this week will be penalized by outmoded regulations and unreasonable legal barriers which either rob them completely of a ballot or manage to discourage them so that voting seems too much of an effort.

The largest group of Americans affected are the 8 million who it is predicted will move with their families across State, county, or precinct lines during the year. Our population has grown more and more mobile, shifting from farm to city, from city to suburb, often from one State to another. Factories and mills move with their employees. Workers today travel wherever their specialized training happens to be needed.

Ignoring this trend, 35 States still require a full year's residence for anyone who wants to declare his choice for President. Three States (Alabama, South Carolina, and Mississippi) demand 2 years' residence. In some States, such as New York, if you move up the street to another house in the same precinct and district, you lose your vote unless you can prove you have lived at your new address for at least 30 days.

Then there are the 2,600,000 people—businessmen, traveling salesmen, actors, railroad men, bus and truck drivers, among others—who have to be away from their home districts on election day. Under their State laws, they have no feasible way of casting their ballots.

Another 5 million are qualified citizens who are kept home or in hospitals by illness, are physically disabled, or are elderly persons living in nursing homes. Too many States, like New Mexico, make no provision for enabling them to vote by mail.

In the District of Columbia, 600,000 citizens can't vote because they have no legal residence elsewhere and are not entitled to absentee ballots. Although they pay taxes and can be drafted for military service, these forgotten people have no representation.

Sunday obstacles block the path to the voting booth for many other Americans. Twenty-one States have no laws permitting employees time off from work to vote. Annual registration in some States places an undue hardship on certain potential voters, particularly in rural areas; only 10 States have full, permanent personal registration.

Many of the half-million U.S. citizens living abroad find it hard to obtain an absentee ballot. Five States still do not provide for absentee mail balloting by civilians.

In the face of all the gaps in our balloting procedures, 36 States have made some kind of change since our last presidential election. But we still have far to go before every citizen of voting age can cast a ballot if he wishes.

To strengthen our representative form of government, the American Heritage Foundation supports these recommendations by leading political scientists and election specialists:

1. Reduce State residence requirements to 6 months and the county minimum to 30 days.

2. Make available absentee registration and voting by mail to all voting-age citizens who will be away from the State or county on election day.

3. Extend absentee voting privileges to the sick and hospitalized.

4. Give the franchise to those who live in the District of Columbia.

5. Provide central registration facilities throughout the year, closing them about 6 weeks before election day.

6. Adequate, trained personnel must staff all polling places.

7. We should have a statewide uniform system of permanent personal tax-free registration.

8. Facilities should be provided for mobile registration in public places, a practice effectively followed in Philadelphia.

9. Literacy tests should be simple and objective, evaluated according to an answer key provided by educators.

States that make it easier for their citizens to vote get more of them to the polls. Inevitably, people who want to vote but are disqualified lose interest in their government because they feel they have nothing to do with how it's run. Our democracy ends up being the loser.

Let's get out this vote, too.

[From the Utica (N.Y.) Press, Feb. 1, 1961]

IDAHO TOPS U.S. VOTING

Idaho and Mississippi have little in common ethnically, geographically, or culturally

and, it appears now, also in political habits. For the Gem State, a beautiful blend of mountain and prairie sage with 600,000 people, led the Nation in getting its citizens to the polls in the November election. A total of 80.7 percent of Idahoans cast their ballots, according to the American Heritage Foundation.

Mississippi was on the other end of the list. This State, with its beautiful girls, had a mark of 25.6 percent. It has a population of 2,178,914, of whom nearly half are Negroes.

The telling difference in the showing of the two States, however, comes in how easy (or hard) they make it to vote. Idaho has permanent tax-free registration and residents can register until 3 days before election. A 6-month residence in the State and 30 days in the county is sufficient to vote.

In the Magnolia State, however, 2 years' residence is necessary and 1 year in the election district. Other obstacles: Payment of poll tax; no absentee voting; no registering after July 7.

How did New York come out? We had a mark of 67.58 for 27th place (Utica's figure, 96 percent). Other leading States: Minnesota, 76.97; Connecticut, 76.91. There was no Southern State in the top 10. In fact, the low 10 were all Southern States, with Alabama's 30.91 percent second to Mississippi's.

The lesson herein is plain.

[From the Long Island City (N.Y.) Star-Journal, Jan. 23, 1961]

OUR VOTELESS 19 MILLION

The voteless residents of the District of Columbia are at last in process of getting the right to vote—four States have already ratified a constitutional amendment for that purpose—but millions of Americans continue to be ineligible to exercise the voting privilege.

They are the otherwise eligible voters who move to other States before election day and cannot fulfill length-of-residence requirements for voters in their new home States.

It is estimated that fully 19 million Americans of voting age were deprived of their votes last November, some because they were hospitalized and some because of absentee-ballot difficulties, but most of them because they had moved to other States.

While the States hold the right to set their own voting rules, no State should be allowed to deprive any American citizen of his vote in a national election by unduly severe residence requirements.

Voting rules vary widely. Idaho, for example, permits voter registration up to 3 days before elections and requires only 6 months residence in the State and 30 days in the county. At the other end of the scale, Mississippi requires 2 years residence in the State and a year in the election district.

It is no coincidence, as the American Heritage Foundation points out, that Idaho has the best voting record among the States, and Mississippi the worst. In the national election last November, 80.7 of Idaho's voting-age population voted. In Mississippi the percentage was 25.6.

New York State's record, incidentally, was nothing to be very proud of. We stood 32d among the States in this respect with 67.6 of our voting-age population casting votes.

This situation can be corrected, but it will take some concerted effort both by Congress and the legislatures of the various States.

[From the Schenectady (N.Y.) Gazette, Jan. 25, 1961]

NOT SO GOOD

There may be considerable disappointment in New York State that this State was in 32d place among the 50 States in the percentage of the voting population that actually voted in the 1960 presidential elections.

Since it is widely accepted (at least in the Northern States) that one of the responsibilities of every citizen under our republican form of government is to be an informed voter and to vote whenever he can, it is somewhat embarrassing to learn that the great Empire State was well down in the list so far as vote participation was concerned—that only 18 States had poorer showings last November, and that most of them were States where obstacles are deliberately put in the path of a considerable number of persons of voting age.

If you read the analysis of vote participation given by the American Heritage Foundation (printed on this page last Friday) you noticed that the foundation sought to emphasize that States which make it easier to register and vote are generally the ones that get the most people to the polls. For example, Idaho, which topped the list with 80.7 percent voting, allows its people to register as late as 3 days before election, and it requires only 6 months' residence in the State and 30 days in the county.

On the other side, the bottom eight States, which so far as we are concerned were uncomfortably close to New York State in the list, require a poll tax for voting and they make it difficult for some people in other ways such as setting the poll tax deadline early in the year when the average person is not highly concerned about the November election. And three of those States require a 2-year residence.

Where does that leave New York State? Our State is neither in the very bad nor the very good category. We don't have a poll tax for voting, and we don't have a 2-year residence. But we do require 1 year in the State, 4 months in the county and 30 days in the district and as we pointed out here the other day, various organizations and officials are trying to liberalize the requirements.

It's difficult to say how many more persons would vote if the New York State requirements were liberalized. Would our State jump from 32d place to 25th, or 20th, or 15th, for example? We don't know. But we do know that you're not going to get a vote from a person who is legally prevented from voting, no matter how much you appeal to him.

[From the New York (N.Y.) World-Telegram and Sun, Dec. 7, 1960]

HERITAGE FUND HAILS VOTE DRIVE

The American Heritage Foundation's 1960 get-out-the-vote campaign was an outstanding success, leaders of the foundation reported last night at the group's 14th annual dinner, held at the Hotel Pierre.

John C. Cornelius, foundation president, observed that more than 68.5 million votes were cast in the presidential election. He said this was more than 64 percent of the Nation's citizens of voting age and added:

"When we consider that 19 million citizens were kept from the polls by archaic election laws, the percent of actual eligibles who voted comes to about 80 percent—which means that we got out a vote that compares favorably to that of Great Britain, France, and other European democracies."

Brig. Gen. David Sarnoff, foundation chairman, said 1960 had been "one of the most successful years in the history of the foundation." He said that "the closeness of the election proves the soundness of our basic appeal that every single vote counts."

The foundation announced an educational program in 1961 aimed at modernizing archaic State election laws.

THE COLD WAR GI BILL—FAIRNESS SHOWN BY ARMY TIMES

Mr. YARBOROUGH. Madam President, I call the attention of the Senate to a most perceptive article which was published in the Army Times of June 10, 1961. The article is entitled "School Benefits Due Special Peacetime Soldier," and was written by Mr. Monte Bourjaily, Jr.

In his article, Mr. Bourjaily poses the question: "Why Are Peacetime Veterans Entitled to the Benefits of a Cold War GI Bill?"

The term "peacetime veterans" is a term applied by the opponents of the cold war GI bill. Mr. Bourjaily's answer presents some startling statistics. He shows that only a handful of young men of draft age are ever called upon to fulfill a military obligation. The article reads, in part:

The odds against any particular man being drafted are 4 to 1. The way the system works, there are some areas in the country where no man has been drafted for 2 years' service for several years. There are other areas where the only way the draft boards fill the quotas set for them has been to take men age 22.

The only possible conclusion is that military service is no longer an experience and an obligation that will be fulfilled by most American men. It is still something with which every American is faced, but it is now a lottery.

The fact is that those who have served in the military since Korea have been given special treatment. As time goes by, this is even more true. They were specially selected, unwillingly, and by chance for an obligation faced by all male citizens of this country but fulfilled by only a part of them.

Madam President, only recently I received a petition signed by almost 1,000 students of the University of Maryland in support of the cold war GI bill. This is an indication of the continuing and growing interest in this most vital legislative proposal now pending before Congress.

Madam President, I ask unanimous consent that the complete article published in the Army Times of June 10, 1961, be printed in the RECORD, because it presents valuable information which is very pertinent to S. 349, the cold war GI bill introduced on January 11, 1961, by me and 36 other Senators, of whom the distinguished present Presiding Officer of the Senate [Mrs. NEUBERGER] is one.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCHOOL BENEFITS DUE "SPECIAL" PEACETIME SOLDIER

(By Monte Bourjaily, Jr.)

Why are peacetime veterans entitled to the benefits of a cold war GI bill? Because—contrary to the views of the Defense Department—they are special. Here's why:

The size of the Armed Forces has stabilized at, essentially, 2.5 million men. To maintain military forces of this size, the Defense Department has said that it must have a draft law. Congress has agreed.

While only the Army drafts enlisted men, the existence of the draft law and the threat of military service in the Army contributes to the ability of the other services to attract enough volunteers to maintain their strengths. The threat of being drafted for 2 years of military service is also a strong incentive, we are told, for men to volunteer for the Reserve under the 6-month RFA program. Without this program, it would be

impossible to have a reserve (including the National Guard) ready enough to fulfill its mission in modern circumstances.

The draft law expires in 2 more years. Even before it comes up for renewal—and it seems likely that it will be renewed, the chances of any particular man being forced to serve are comparatively slim.

Consider the number of men reaching age 18 each year is increasing. For the next several years the figure will average about 1.6 million. The draft age today is close to 24. The need of the services for new recruits is less than 400,000, not counting the draft. From the draft, the Army is taking less than 72,000 a year. Total requirement for new men is running about 450,000 to 500,000 a year and will not exceed that, even if the Army should be authorized an increase next year to 925,000.

About one-third of those who attain age 18 are disqualified for physical and mental reasons for military service. This figures out to about 600,000 men. In addition, perhaps 200,000 men a year qualify for deferment because of parenthood, essentiality in their jobs, and for other reasons.

Let's put these figures together. From the new manpower pool of 1.6 million 18-year-olds a year, we can take 600,000 physically and mentally disqualified and 200,000 deferred. This leaves 800,000 in the pool. From this number, deduct 400,000 who volunteer for military service. This leaves 400,000 from which will be drafted fewer than 100,000.

The odds against any particular man being drafted are 4 to 1.

The way the system works, there are some areas of the country where no man has been drafted for 2 years' service for several years. There are other areas where the only way that draft boards have filled the draft quotas set for them has been to take men age 22. But most draft boards fill the largest part of their quotas by accepting volunteers, men who ask to be sent at a specific time so that they will be able to plan their futures.

The only possible conclusion is that military service is no longer an experience and an obligation that will be fulfilled by most American men. It is still something with which every American male is faced, but it's now a lottery. One man out of four loses, to accept the attitude of most civilians.

Even considering the total manpower pool of 1.6 million and the total military requirement for about 500,000 new men a year, the odds against any one individual serving in the military are about 3 to 1.

Whatever the motive of an individual in joining one of the military services, there are in today's world certain factors which put him at a potential disadvantage if he does not stay in. For today the civilian economy demands of its workers more education, more skill, than ever before. Those who join the military and learn a trade benefit to a degree. But those who do not learn a trade for which there is a civilian demand have lost at least 2 years, in their civilian career development as compared with their contemporaries.

If the disadvantage was solely the individual's, those of us who are sympathetic could bleed a little, cry a little, and be completely ignored. But there are disadvantages to the country, too. The President is asking Congress to spend several hundred million dollars to retain civilians who are technologically obsolete. He wants to teach unemployed workers new skills so that they can get work. They've been costing the Government unemployment money. They've been costing the country a guilty conscience.

Mr. Kennedy's administration opposes a peacetime or cold war GI bill including, most importantly, educational grants. Money that would be required to carry out this program, his administration says, can be better spent on grants, loans or some other aids for the entire population. Cold war veterans shouldn't be given special treatment, he says.

The fact is that those who have served in the military since Korea have been given special treatment. And as time goes by, this is even more true. For they were specially selected, unwillingly and by chance for an obligation faced by all male citizens of this country but fulfilled by only a part of them.

As of now, they are a specially selected group in another way. Mental and physical standards for enlistment and for draft service are higher than ever. Those who are in uniform represent a select, selected, above-average group of young American men.

Those of this group who do not remain in uniform can make an outstanding contribution to American progress in a variety of fields. But they can do so only if educated and trained. Many will get education and training on their own. But many more will not, unless they receive some sort of Government educational aid.

Educational benefits are opposed by the services because they might influence men to leave service. This is, it seems to me, relatively a slight danger. Men to not make military service a career merely because they can't get a civilian education.

The educational benefits of a cold war GI bill are more than a kind of veterans' bonus. They are potentially an investment in increasing the national technological capacity, an essential in the world today. As such, I hope that the bill passes.

TEXAS MOURNS PASSING OF FORMER GOV. MIRIAM A. FERGUSON

Mr. YARBOROUGH. Madam President, Texas in all walks of life mourned the recent passing of former Gov. Miriam "Ma" Ferguson. Her burial beside the body of her husband, former Gov. James E. "Farmer Jim" Ferguson, closed one of the most colorful and turbulent chapters in Texas political history.

Her life was an example of absolute devotion and love of her family under great difficulties, and also concern for all the people.

Madam President, a few years ago I heard one of the most distinguished history professors of Texas pose this question to a seminar of history teachers, all of them college professors: If the Fergusons were not the best 20th century Governors of Texas, who were? No one would challenge that opinion of the Texas Governors of the present era.

The Ferguson family did more than any other Texas Governors in the 20th century to advance public school education in that State, because it was under their administrations that free textbooks were first distributed and equalization moneys voted for rural schools to bring them up to minimum standards. Formerly, schools in the rural areas of Texas had operated only 3 or 4 months a year.

Mrs. Ferguson left a record in her second term which will inspire the people of Texas, in the future, to elect some other woman as Governor.

Madam President, I ask unanimous consent to have printed in the RECORD the following articles and editorials concerning her life and services:

From the Austin Statesman, June 26, 1961, an article entitled "Texans Mourn Mrs. Ferguson."

From the Austin American, June 27, 1961, an article entitled "Ferguson Last Rites Conducted."

From the Austin American, June 27, 1961, an editorial entitled "Mrs. Ferguson Inscribes Page of Texas History."

From the Dallas Times Herald, June 26, 1961, an article entitled "Texas Mourning Miriam Ferguson, Former Governor."

From the Washington Post, June 26, an article entitled "'Ma' Ferguson Dies; Texas Ex-Governor."

From the Houston Post, June 27, 1961, an article entitled, "'Ma' Ferguson Buried in Simple Austin Rites."

From the Houston Press, June 27, 1961, an editorial entitled "Me for 'Ma.'"

From the Abilene Reporter-News, June 27, 1961, an editorial entitled "Death Writes Finis to Ferguson Political Saga."

From the Houston Post, June 27, 1961, an editorial entitled "'Ma' Ferguson Played Unique Role in Political History of the State."

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Austin Statesman, June 26, 1961]

TEXANS MOURN MRS. FERGUSON

(By Carlton Wilson)

The State of Texas Monday mourned the death of Mrs. Miriam A. "Ma" Ferguson, a housewife at heart who became one of the first women Governors in the Nation because she loved her husband so much and wanted to clear his name.

She hated to be called "Ma," but the name stuck. It was a price she paid to become a public figure. She disliked politics because it took her away from her flower gardens and family.

But she had a job to do, and she did it. She became "home folks" to Texans and was as well loved by some as she was controversial to others.

Funeral services for Mrs. Ferguson will be held at the family home, 1500 Windsor Road, at 5 p.m. Monday. Rev. Charles Sumners, rector of St. David's Episcopal Church, will officiate. Burial will be beside Gov. James E. Ferguson in the State cemetery. Funeral arrangements are under the direction of Weed Corley Funeral Home.

Flags flew at half-mast around the capital Monday, as Texas mourned the death of its only woman Governor.

Gov. Price Daniel sent from Hawaii a personal message of condolence to the family when informed by phone Sunday afternoon of Mrs. Ferguson's death.

The Governor's office Monday directed that State flags on the capitol and other State buildings be lowered to half-mast for the day in tribute to the former chief executive.

Representatives of the executive branch of the State and of the legislature and members of State courts were to attend the funeral services.

From Washington, D.C., Vice President LYNDON JOHNSON wired: "I deeply regret the tragic news of the passing of Mrs. Ferguson. She was a colorful lady and a good friend."

In Austin, longtime Railroad Commissioner Ernest O. Thompson said: "She was a great lady and a good friend. A good woman is lost."

Pallbearers were State Comptroller Robert S. Calvert, District Judge Mace Thurman of Austin, District Attorney Les Procter, Jr., of Austin, Charles Guokas and Dr. C. E. Reece, both of Houston; Wright Armstrong, of Fort Worth; Jerome Sneed and Robert Sneed, Austin attorneys; Holland Page, an Austin

contractor; Charles L. Krueger, Jim Motheral, and Bill Coates, all of Austin.

Mrs. Stuart Watt, her only living daughter, and several grandchildren were at her bedside at the end. Her other daughter, Mrs. George Nalle, preceded her in death. Other survivors are George Nalle, Jr., and James Stuart Watt, both grandsons, of Austin, and three greatgrandsons.

"She went out pretty quickly, but her death was so gradual and so quiet that I don't think she knew the end was near," Mrs. Watt said.

Ma Ferguson and her husband, James E. "Farmer Jim" Ferguson, who was also known as "Pa," dominated Texas politics for two decades. She served as Governor for two terms—from 1925 to 1927 and from 1933 to 1935. Pa Ferguson was elected Governor in 1914 and again in 1916.

In 1917 he was impeached and removed from office for fiscal irregularities and barred from ever holding any other State office.

So, Mrs. Ferguson donned her sunbonnet in 1924 and tackled eight male opponents. She pleaded with wives, mothers, and sisters to help her clear the family name. They responded, wearing big buttons with campaign slogans such as "Me for Ma," and "Put on Your Old Gray Bonnet."

Opponents charged that if she were elected, she would be a figurehead and that "Pa" would actually be running the State. Pa and Ma turned the charges to their own use and brought out another campaign slogan: "Two Governors for the price of one."

They made good the promise. "Pa" shared the executive offices in the State capitol and made most of the major decisions while "Ma" stayed at home and devoted a large part of her time to household chores she loved.

She didn't like public attention, particularly in her later years. And one of the things she didn't like about being Governor was that she didn't have enough time to devote to her flowers. She didn't like it because a gardener kept the flower beds around the mansion.

Ma was a stanch defender of family integrity, and she confided to friends that the only reason she entered politics was to clear her husband's name and give him a chance to put his policies back into practice through her.

She was an absolute contrast to her husband. He had showmanship with the then famous Ferguson oratory. She was always quiet and dignified to the end.

"Ma" suffered a heart attack last November, and much of her time in recent months has been spent in hospitals. She was returned home for the last time 12 days before her death. It was a birthday present.

She wanted to be in her home to observe her 86th birthday with her family and a few close friends.

The day Mrs. Ferguson was elected—November 4, 1924—was the day that Mrs. Nellie Tayloe Ross became the first woman Governor of Wyoming in a special election to fill the unexpired term of her husband, William B. Ross.

It made Mrs. Ferguson the first woman elected Governor in a general election and to a full term.

She continued her strict home policy as Governor-in-fact as well as first lady. No liquor could be served in the Governor's mansion, and all ash trays were removed to discourage women who smoked in those days.

Mrs. Ferguson ran again in 1932 and narrowly defeated Ross Sterling, a Houston oilman who contested the election. But she avoided legal service as long as she could, and by the time the contest reached the State supreme court, her term of office was over.

Her husband died in 1944 and she had the satisfaction of hearing the legislature order that he be given an honored burial in the State cemetery despite his impeachment. The monument for him reserved a spot for her alongside his grave.

"All Texans mourn the passing of one of our great citizens," Senator RALPH YARBOROUGH said. "Gov. Miriam A. Ferguson's life is an example of absolute devotion and love of her family under great difficulties and concern for all the people.

"The Ferguson family did more than any other Texas Governors of the 20th century to advance public school education in Texas; she left a record that will inspire the people in the future to elect some other woman as Governor."

Mrs. Ferguson's last public appearance was in 1955 when she celebrated her 80th birthday at a banquet at an Austin hotel.

Vice President LYNDON B. JOHNSON, who was then Senate majority leader, attended and hailed her and her husband as "people who stand for the folks—foursquare, without apology and no compromise."

"Maybe they weren't always right, but they tried to be right, and you can ask for no more of anyone," JOHNSON said.

[From the Austin American, June 27, 1961]

FERGUSON LAST RITES CONDUCTED—EX-GOVERNOR IS LAID TO REST BESIDE SPOUSE

(By Marj Wightman)

An 86-year-old woman who'd have rather stayed home than be Governor—yet served twice in the high office—left the Texas scene Monday in a 5:30 p.m. traffic jam.

Mrs. Miriam A. Ferguson was buried beside the body of her husband, James E. Ferguson, in the State cemetery following a simple funeral service at her home.

The former Governor of Texas died Sunday after a heart attack.

Old friends and former political associates parked their cars for blocks on Enfield and Windsor Roads to walk slowly toward the big tree-shaded house and pay their final tribute to the only woman in the country who served twice as the Governor of a State.

It is said now, and probably will be said for years to come, that the Ferguson era was the most colorful in Texas politics. And perhaps it was.

Certainly it was not usual in 1924 to see a woman run for Governor in order to vindicate the family name—and win. Yet this woman who spent her last years in Austin living and enjoying the role of a gentle, white-haired great-grandmother did just that.

In the process Miriam Ferguson acquired a nickname she hated, but had to put up with the cries of the crowd for "Ma" because that was what the voters wanted. Twice they wanted "Ma" Ferguson and twice they elected her.

Mrs. Ferguson was first elected Governor in 1924, taking to the stump to vindicate "Farmer Jim" who'd been elected in 1914 and again in 1917. But, Jim Ferguson was impeached for alleged fiscal irregularities in his second term.

Although Mrs. Ferguson was defeated for reelection after her first term in office, she came back and won again in 1932.

"Farmer Jim" and "Ma" (soon the newspapers even dropped the quotes around the nickname and just about everyone forgot the lady Governor started life as Miriam) dominated the Texas political picture from 1914 until the mid-1930's. Mrs. Ferguson's final bid for the Governor's chair came too late in 1940.

Six years ago, on Mrs. Ferguson's 80th birthday, more than 600 well-wishers, many of them big name State officials and politicians, gave her a testimonial dinner which she described as "the party to end all parties."

Since then, she had stayed away from the public's eye.

A new generation had grown up, one that couldn't remember those perennial good old days when politicians of the opposite side of the floor blasted the Fergusons for their conduct of the highway department's business and their liberalism in setting convicts free from Huntsville.

Yet, the Ferguson campaign slogan of "two Governors for the price of one" worked in the precincts. Ma tended to the home fires while "Farmer Jim" tended to matters down at the office.

A personality contrast to her politician husband, Mrs. Ferguson was quiet and dignified. After ex-Governor Jim Ferguson died in 1944, Mrs. Ferguson devoted most of her time to her home, her flowers, and her grandchildren.

Since suffering a heart attack last November, Mrs. Ferguson had spent much of her time in an Austin hospital. She returned home just before her 86th birthday.

When she left the big green-shuttered house on the corner of Enfield and Windsor at 5:30 p.m., Monday, the homebound drivers slowed or stopped or moved as the cars ahead moved according to the directions of the two traffic policemen on duty.

And for a minute their thoughts were all the same.

Ma Ferguson is gone.

[From the Austin American, June 27, 1961]

MRS. FERGUSON INSCRIBES PAGE OF TEXAS HISTORY

Just past her 86th birthday, Gov. Miriam A. Ferguson has gone to her eternal rest, joining in death her husband, with whom she carved into the enduring pages of history a record of State government unique in the annals of America.

She and the late Gov. James E. Ferguson were the only family team both of whom served as chief executive during the life of the other. The only close approach to the record was when Mrs. Nellie Tayloe Ross, of Wyoming, was appointed Governor to succeed her deceased husband, then elected to the office at a special election. Mrs. Ferguson was nominated Governor in August 1924, in what in Texas amounted to election, and the formal election followed in November, the same day in which Mrs. Ross was elected.

Mrs. Ferguson served one term, then, in the conflicts of State politics of the time, was replaced. Six years later, she was returned by the people of Texas to the executive chair to serve the traditional second term.

Thus the Ferguson family team presided over State government on three separate occasions, and for a total of more than 6½ years.

Her election to the State's highest office came only 4 years after women had received the full right to vote. Prior to Mrs. Ferguson's election, Dr. Annie Webb Blanton had been the first woman elected to State office, as superintendent of public instruction.

Mrs. Ferguson brought into office the first woman secretary of state, Mrs. Emma Grigsby Meharg; and her administration also had the first woman commissioner of labor, and the first member of the State prison board.

Her administrations were closely linked with the personality, and represented broadly personal political victories, of Gov. James E. Ferguson, a man whose State service, with all its controversy and political bickering, will stand out permanently as a distinctive and dynamic revitalization of the executive office.

When Mrs. Ferguson came into office, it was natural that people bestowed the title of "Pa" and "Ma" Ferguson. A person of reserve and dignity, she never came to like the title, however affectionately used by friends.

In historical depth, Mrs. Ferguson's election to office marked defeat of the modern Ku Klux Klan in its ambitious and nearly successful effort to control State government.

Along with that, her election had the practical effect of repudiation by the citizenship of Texas of the verdict of impeachment which had removed Governor Jim from office in 1917.

Friends and supporters of the husband-wife team were constant in their devotion. In office and out, the Fergusons were dominant in Texas political affairs for a full two decades, from the time he came unexpectedly to the State's top office in 1915 until she completed her second administration in 1935.

After she retired from office, there was the long period of calm and retrospect for the husband and wife, until Governor Jim died in 1944. Then for Mrs. Ferguson, a long and serene span of years in which her interest in public and political affairs stayed always keen. As the years lengthened, her birthdays came to be an important event in Austin. Hundreds of friends gathered to greet her and pay their respects.

This year, after she had been critically stricken with a heart ailment last November, Mrs. Ferguson insisted on going home from the hospital the day before her 86th birthday last Tuesday, so that she might spend the day with her daughter and other members of the family, including three great-grandsons. For the first time, her critical health prevented others than the family and a few of her longtime friends from saluting her in person on what was to be her last birthday observance.

For her and for Texans the fires of old political conflict long since had flickered into the embers of softened memories. She held the respect, the admiration, and affection of Texans who had lived through the days of the Ferguson era and those who have reached maturity since the days she was writing new and impressive records in the history of her State government.

[From the Dallas Times Herald, June 26, 1961]

TEXAS MOURNING MIRIAM FERGUSON, FORMER GOVERNOR

AUSTIN.—The State of Texas today mourned the death of Mrs. Miriam A. "Ma" Ferguson, a housewife at heart who became one of the first women Governors in the Nation because she loved her husband so much and wanted to clear his name.

She hated to be called "Ma," but the name stuck. It was a price she paid to become a public figure. She disliked politics because it took her away from her flower gardens and family.

But she had a job to do, and she did it. She became "home folks" to Texans and was as well loved by some as she was controversial to others.

SERVICES SLATED

Mrs. Ferguson, 86, died at her home in Austin yesterday. Funeral services and burial beside her husband were scheduled today.

Services were to be held at the Ferguson's two-story, white stucco home on Windsor Road in an old, stately section of the capital city. Rev. Charles A. Sumners, pastor of St. David's Episcopal Church, was to officiate.

Mrs. Stuart Watt, her only living daughter, and several grandchildren were at her bedside at the end. Her other daughter, Mrs. George Nalle, preceded her in death. Other survivors are George Nalle, Jr., and James Stuart Watt, both grandsons living in Austin, and three great-grandsons.

"She died very peacefully," Mrs. Watts said.

DOMINATED POLITICS

"Ma" Ferguson and her husband, James E. Ferguson, who was known as "Pa," dominated Texas politics for two decades. She served as Governor for two terms—from 1925 to 1927 and from 1933 to 1935. "Pa" Ferguson was elected Governor in 1914 and again in 1916.

In 1917 he was impeached and removed from office for fiscal irregularities and barred from ever holding any other State office.

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Opponents charged that if she were elected, she would be a figurehead and that "Pa would actually be running the State." The Fergusons turned the charges to their own use and brought out another campaign slogan: "Two Governors for the Price of One."

FIRST IN NATION

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Mrs. Ferguson ran again in 1932 and narrowly defeated Ross Sterling, a Houston oilman who contested the election. But by the time the contest reached the State supreme court, her term of office was over.

"PA" HONORED

Her husband died in 1944 and she had the satisfaction of hearing the legislature order that he be given an honored burial in the State cemetery despite his impeachment. The monument for him reserved a spot for her alongside his grave.

"All Texans mourn the passing of one of our great citizens," Senator RALPH YARBOROUGH said. "Gov. Miriam A. Ferguson's life is an example of absolute devotion and love of her family under great difficulties and concern for all the people.

"The Ferguson family did more than any other Texas Governors of the 20th century to advance public school education in Texas—she left a record that will inspire the people in the future to elect some other woman as Governor."

[From the Washington Post, June 26, 1961]

"MA" FERGUSON DIES; TEXAS EX-GOVERNOR

AUSTIN, TEX., June 25.—Miriam A. Ferguson, twice Governor of Texas and one of the Nation's first women Governors, died here today. She was 86.

Mrs. Ferguson, called "Ma" by friends and foes alike, shared honors with Mrs. Nellie Tayloe Ross of Wyoming for the honor of being the Nation's first woman Governor.

Mrs. Ferguson and Mrs. Ross were elected Governor on the same day, November 4, 1924. Mrs. Ross' victory came in a special election to fill the unexpired term of her late husband, William B. Ross. Mrs. Ferguson won a bitter campaign in the general election after being named in the Democratic primaries.

Both Mrs. Ferguson and her late husband, James E. "Farmer Jim" Ferguson, were longtime political powers in Texas.

Mr. Ferguson was twice elected Governor of Texas in the pre-World War I era. He was impeached and removed from office for fiscal irregularities during his second term as Governor in 1917.

Because of the impeachment, Mr. Ferguson was barred from seeking public office, but his wife in 1924 ran for Governor on a platform vindicating his name. She was an anti-Ku Klux Klan candidate. Both were active in her campaign, using the slogan "two Governors for the price of one."

Mrs. Ferguson was defeated for reelection in 1926 by Attorney General Dan Moody. But then she came back and won the office for another 2-year term in 1932 from the incumbent R. S. Sterling by a margin of less than 4,000 votes. Her last attempt in politics was in 1940 when she made an unsuccessful bid for Governor against W. Lee O'Daniel.

She continued an interest in politics but confined most of her activity to working in her garden at her home here in recent years.

She suffered a heart attack last year but was soon able to return to her home. However, she was hospitalized again this year and had returned to her home only last Tuesday. She died at her home shortly before noon today.

Funeral services will be conducted at 5 p.m. central standard time, Monday at her home here. Burial will be in the State cemetery beside the body of her husband, who died in 1944.

Surviving are a daughter, Mrs. Stuart Watt of Austin; two grandsons, George Nalle Jr. and James Stuart Watt, both of Austin, and three great-grandsons.

[From the Houston Post, June 27, 1961]

"MA" FERGUSON BURIED IN SIMPLE AUSTIN RITES

AUSTIN.—Mrs. Miriam A. "Ma" Ferguson was buried Monday beside the body of her husband, James E. "Farmer Jim" Ferguson, following a simple funeral service at her home.

The 86-year-old former Governor died Sunday after a heart attack. She and her husband were the only husband-and-wife team to both win election in Texas as Governor.

Tributes poured in from across the State for the gentle white-haired great-grandmother who with her husband guided the State's destiny during a period of turbulent Texas politics.

She was first elected Governor in 1924, taking to the stump to vindicate the family name. Her husband was elected Governor in 1914 and reelected, but impeached for fiscal irregularities in his second term. Mrs. Ferguson was defeated for reelection, but came back and won the office again in 1932.

In recent years she confined her activity mostly to gardening at her home in one of the city's older residential areas. She suffered a heart attack November 30, 1960.

The flag fluttered at half staff over the State capitol in tribute to the only woman in the Nation to serve twice as Governor of a State.

The Reverend Charles Sumner, rector of St. David's Episcopal Church, of which she was a member, officiated at the services. She was buried in the State cemetery beneath a large headstone erected after the death of her husband in 1944.

[From the Houston Press, June 27, 1961]

ME FOR "MA"

The story of Fergusonism is remembered vividly by older Texas voters who played their parts in it.

The death of Mrs. Miriam A. Ferguson in Austin at 86 years of age was the final postscript to this story now embedded in Texas history.

The story actually ended 21 years ago when for the last time "Pa" persuaded "Ma" to run for Governor on the Ferguson slogan, "Two Governors for the Price of One" and the Ferguson name was snowed under for the first time in 25 stormy years.

Mrs. Ferguson, of course, was the only woman ever elected to statewide office in Texas, twice winning the governorship, first from 1925 to 1927 and again from 1933 to 1935.

She was a mild-mannered, motherly wife of the fiery "Farmer Jim" Ferguson whose eloquence and political charm tore Texas apart in 16 hotly contested campaigns—12 Democratic primaries and 4 general elections.

It would not be fair to her or to history to say she actually served as Governor. She made no bones about turning the office over to her husband who was barred by law from holding it after his impeachment and removal by the legislature in 1917.

Mrs. Ferguson was a gracious lady. Her only purely personal brush with the headlines came because she loved flowers and didn't like the State's professional gardeners caring for the beautiful gardens of the Governor's mansion while she was its mistress.

The simple reason she went into politics was to live up to the phrases, "From this day forward, for better, for worse," which she repeated before the turn of the century when she was married to a young Bell County lawyer.

She lived to see him reach his heights * * * be cast into the depth * * * to help him regain power in her name and person * * * to be buried in 1944 with full honors as an ex-Governor * * * to pass away quietly Sunday herself in a new and far different Texas than that she and her husband ruled and rolled so long.

[From the Abilene Reporter-News, June 27, 1961]

DEATH WRITES FINIS TO FERGUSON POLITICAL SAGA

Death Sunday wrote the last chapter on Texas' most controversial political family of the 20th century.

Miriam A. "Ma" Ferguson died at her Austin home of a heart attack at the age of 86.

It was the banner story in most Texas newspapers, but only the voters of middle age and past would understand why. Doubtless most of the younger generation of voters had never heard of her, unless they read of her in the history books.

Jim and Ma Ferguson (she heartily disliked the "Ma" nickname) between them were elected to four terms as Governor. She was the State's only woman Governor, and the only woman in U.S. history to serve two terms as a Governor.

This day has its turbulent politics in Texas, but unlike the times of the Fergusons.

Farmer Jim was elected in 1914 and reelected in 1916, but impeached in 1917 on a charge of fiscal irregularities.

But then, and for nearly 20 years afterward, there were thousands of Texas voters who felt that Ferguson could do no wrong.

With Ferguson barred from holding office, Mrs. Ferguson ran for Governor in 1924 on a platform of vindicating Jim's name. Both actively campaigned and offered "two Governors for the price of one."

They made this slogan come true, for Jim shared the Governor's office with his wife and was credited with making virtually all the decisions.

When they were at the peak of their power, Jim published his weekly newspaper, "Ferguson Forum," which was the bible for his hosts of supporters.

Dan Moody beat Ma Ferguson in her bid for reelection in 1926.

Sitting out the race of 1928, she tried again in 1930 but lost to Ross Sterling. Two years later she whipped Sterling and came back to office after a 6-year absence and one defeat, in itself an unusual political achievement.

Ma didn't run for reelection in 1934, and made one last bid in 1940 against W. Lee O'Daniel. She was a poor fourth. The Ferguson grip on the Texas public had been broken.

Even the historians would have trouble reaching agreements, perhaps, in appraising the contributions of the Fergusons to Texas politics and government.

But as a team, they were a force to be reckoned with longer than any politician before them or since, dominating the Texas scene most of the 20 years from 1914 to 1934.

[From the Houston Post, June 27, 1961]

"MA" FERGUSON PLAYED UNIQUE ROLE IN POLITICAL HISTORY OF THE STATE

The campaign song of Mrs. Miriam A. "Ma" Ferguson, Texas' only woman Governor, was "Old Gray Bonnet."

This is a down-to-earth song and "Ma" Ferguson was a down-to-earth person, with a wealth of motherly devotion, although it was not this fine attribute which gave her her nickname. She was called "Ma" from the initials of her given names.

Throughout her long life she well exemplified the uncomplicated philosophy of simplicity and unpretentiousness. These were attributes which she also carried into her political life. Because of them, when she became the first woman Governor of Texas, nothing in her high office was strong enough to break the close relationship she had with the people of Texas.

Her husband, James E. "Farmer Jim" Ferguson also had this close relationship with the people of Texas. He was greatly endowed with the ability to speak to these people of the small towns and rural areas, and convince them that he was their man. It elected him Governor in 1915, and brought Mrs. Ferguson for the first time in her life out of her Bell County bailiwick.

Farmer Jim's career as Governor had a bitter end. He was impeached in 1917 and barred from holding political office. Severe as this blow may have been to the Fergusons, it was not the kind which either of them considered a political death knell.

Mrs. Ferguson was determined to vindicate her impeached husband. She ran for Governor. "Farmer Jim," with his political acumen and oratorical skill, carried the campaign load. Two Governors for the price of one? That sounded like a good deal among the grassroots Texans, although the first campaign was a bitter one.

A man and his wife may be individuals, but if the promise of the marriage ceremony is fulfilled they conduct their life in unity. It is unique in the history of Texas politics that this unity of purpose between the Fergusons should have been brought into the State's highest administrative office, when Texans sent their first woman Governor to Austin in 1924.

It is hardly surprising that "Ma" Ferguson's first administration was marked by strong criticisms of her policies. Indeed, they were said not to be her's, but her husband's. This was undoubtedly reflected in her unsuccessful campaigns for reelection in 1926 and again in 1930. However, in 1932 she was again elected, defeating the incumbent Governor, Ross Sterling. In 1940, she lost to W. Lee "Pappy" O'Daniel, thus closing one of the most colorful chapters in Texas' political history.

Mrs. Ferguson was far from a political innocent, and it would be wrong to say that she made no contribution to the State as Governor. However, the true story of government-in-tandem by the Fergusons remains for some future historian to tell. "Ma" Ferguson had the great virtue of loyalty to the people who put her in office, and this is tantamount to loyalty to Texas. She made her mark in Texas history, and it will not easily be erased.

Mr. YARBOROUGH. Madam President, these are only samples of articles and editorials about this unique personality. As I recall, Mrs. Nellie Tayloe Ross was sworn in as Governor of Wyoming 15 days before Mrs. Ferguson was sworn in as Governor of Texas. They were the first two women to be duly elected as Governors of States.

A large number of articles and editorials have been written concerning Mrs. Ferguson, but those which are now to be printed in the RECORD are sufficient to give a picture of the kind of life which was lived by this distinguished woman.

FOREIGN AID DILEMMA

Mr. DWORSHAK. Madam President, for some time the administration has been trying to stimulate interest in an expanded foreign aid program. However, it is becoming more apparent each day that the response to this propaganda effort is very limited, although I recognize the sincerity of the President in making this appeal to the people.

Recently an opinion survey was made by Dr. George Gallup to ascertain which program sponsored by the administration was receiving the greatest public support. It is interesting to note that of about seven different programs concerning which the American people were asked to express their opinion about making sacrifices, the program for increased economic aid to foreign nations was next to the last. Only 21 percent of those interviewed were willing to make sacrifices for that program.

At the bottom of the list was the program for increased military aid to nations, for which only 9 percent of the people who answered the survey were willing to make sacrifices.

The Idaho Daily Statesman, of Boise, recently published an editorial entitled "A New Deal for Foreign Aid." The editorial pointed out the necessity of making a reappraisal of this program if it is to receive the essential public support which it requires to make it successful.

Madam President, I ask unanimous consent that the editorial may be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A NEW DEAL FOR FOREIGN AID

On one account, at any rate, a multibillion-dollar program of American foreign

aid poses no problem for the new Director of the U.S. Bureau of the Budget, Daniel E. Bell.

That's in the matter of finance.

In an address prepared for delivery at commencement exercises of Pomona College in California, his alma mater, he points out that "we are providing now in grants and loans for economic and military aid to underdeveloped countries an amount less than 1 percent of our annual outlay for national defense." That, perhaps is not much, if any, more than we spend for tobacco, or cosmetics.

Anyhow, Mr. Bell argues that "plainly we could raise the amount of resources we are devoting to foreign aid, even to double its present level, without serious strain on the budget or the economy, if this were considered necessary in the national interest."

There's serious dispute over the question of whether this foreign aid operation is really in the national interest—and well there may be.

Let's by-pass that question, though, for the moment and consider another phase of the deal about which Mr. Bell isn't so sanguine. He puts it this way:

"The dilemma is serious. If we encourage undirected and overrapid political change in a country, the result may be a Communist takeover.

"If we lean toward the status quo, the pressure for change may build to an explosion—for which the Communists are ready."

Obviously we're in danger when we attempt to interfere in any other country's affairs.

If we accept Mr. Bell's view, it's apparent that the odds are loaded in favor of the Reds. It leaves us a mighty narrow area in which to operate. There's no place in it for foreign aid patterned after the Marshall plan which served its purpose in a day when we were dealing with temporarily distressed countries that were ready and able to operate on a plane that was comparable to our own.

In dealing with underdeveloped and emerging nations that probably have some ideas of their own about what's right and proper, it's evident that this original concept of foreign aid must be changed quite radically.

In Cuba, in Laos, and in Vietnam there's disturbing evidence that old concepts and old methods just won't work any longer.

It's quite obvious that if we're to continue with this foreign aid endeavor, we're going to have to watch our step warily, and that our programs will have to be pretty thoroughly overhauled so that they'll operate more effectively and, probably, a good deal less expensively.

A new deal all around for foreign aid is definitely in order.

"NECESSITY FOR RESUMPTION OF NUCLEAR TESTING" — ADDRESS BY SENATOR PASTORE

Mr. SYMINGTON. Madam President, no Member of the Senate takes his duties more seriously and conscientiously and conducts them with more fairness than the distinguished senior Senator from Rhode Island [Mr. PASTORE].

As a longtime member of the Joint Committee on Atomic Energy, the able Senator from Rhode Island has had full knowledge over a period of years of a subject about which the American people should have more knowledge. I speak of the question of resumption of nuclear testing.

Madam President, Senator JOHN PASTORE is one of the foremost authorities in the entire Nation on the subject of atomic energy. In an address he delivered on the Fourth of July at patriotic exercises at the Colt High School, in Bristol, R.I., the Senator from Rhode Island gave his opinion on this subject, one which has tied into it so much of the future of the United States and the rest of the world.

Madam President, this is one of the most thought provoking analyses of this vital matter, and I ask unanimous consent that this address by the senior Senator from Rhode Island be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF U.S. SENATOR JOHN O. PASTORE AT THE FOURTH OF JULY CELEBRATION, PATRIOTIC EXERCISES, AT COLT HIGH SCHOOL, BRISTOL, R.I., JULY 4, 1961

Today the eyes of a world hungry for freedom turn to the birthplace and the birthday of liberty.

We commemorate today a deed that is 185 years young. We celebrate a declaration that made the 4th day of the month of July a holiday for all time for the people of America—and a day of reverence for the liberty loving people of the world.

More than 170 million Americans pause to praise the 4 million of the American Revolution for the courage of their convictions. They gave us a land of freedom—a land of fair play—and a land with a future.

Three billion people in today's world—friends, foes, and neutrals alike—wonder if we still possess those convictions; we, the richest Nation in the world, foremost in science, unparalleled in our standard of living.

They wonder if we have the moral fiber to match our material and military power. They wonder if we have the courage of our convictions of democracy—of dignity and decency.

Our material wealth has ever been quick to the needs of a hungry world. We are generous, perhaps generous to a fault, but we glory in that failing, if a failing it be. We shall never be miserly—we shall always be compassionate.

Our military power has ever been quick to the relief of the oppressed. We have conquered no colonies—we have no captives—we desire no plunder—we want no ransoms. Our moral conduct is accepted and admired by the people of the world. It is a compliment to us that the nations of the world do not expect us to use the sabotage, the bombings, the arson, and the assassinations which are the trademarks of the Kremlin.

The world's faith in America is our warmest weapon in the cold war. This is the contest in which Soviet dreams of complete world conquest now involve us.

We of America wish each nation to develop in its own image. To us, this is the important badge of freedom. That freedom must not be put in bondage to communism. Life holds little chance for a people in chains.

How far do you think Khrushchev would indulge a little people when he talks so tough to the West on the issue of Berlin? Let us make no mistake—if he could, he would scuttle every wartime agreement to swallow up Berlin—then would come the conquest of all of Germany—then with a Communist Germany to conquer all of Europe—and with Europe under the lash to enslave the entire world, including the very spot on which we have gathered this Independence Day.

The Kremlin respects nothing but power. But power is a changing progressive possession. The balance of power is the barometer of world peace.

Power has been stated in nuclear terms since our first atom bomb was exploded in July of 1945. From the beginning, our nuclear strength has been pledged to peace. From the very beginning we have gone more than our share of the distance to bring this destructive force under international control. This was even before Russia had the bomb.

We have sought an enforceable test ban as far back as October 31, 1958. We have held more than 300 meetings with the representatives of the Soviet Union in the hope that nuclear tests might be brought under international control.

In all of this time our negotiations with the Kremlin have been in vain. Three dreary frustrating years have passed, during which time we have voluntarily suspended our own underground tests. Still we have no agreement.

The serious question which troubles us and which causes us alarm is—what have the Russians been doing in the meantime? Have they been testing clandestinely—and, if they have, what does it mean to our national security and the peace of the world?

This we know: In 1958 the balance of power was in our favor. But 1958 did not spell the pinnacle and perfection of nuclear weapons.

The path to perfection—monstrous as it may seem—is through testing.

In 1958 the Russians were well advanced in nuclear weapon know-how. If they have continued testing while we stood still with our self-imposed ban they might well perfect the fantastic weapon that Khrushchev boasted about.

Let me remind you of this Khrushchev boast on January 14, 1960. That was more than a year after we imposed the moratorium on ourselves.

This is what Khrushchev told his Central Committee of the Communist Party:

"Though the weapons we have now are formidable weapons indeed, the weapon we have today in the hatching stage is even more perfect and more formidable. The weapon which is being developed and is, as they say, in the portfolio of our scientists and designers, is a fantastic weapon."

Fantastic indeed. We who have been close to the astounding expansion of nuclear weapons know that the fantastic of today is the fact of tomorrow. It could be the Russian's. It could be ours. But it cannot be ours unless we test.

Are they testing? We don't know. Can we take the chance? Of course not. The stakes are too big. At stake is the freedom of the world.

Against that chance we must make a choice.

With all the responsibility of a member of the Joint Committee of the Congress on Atomic Energy—with all the reserves of classified knowledge that I may not reveal—I say that we must resume our underground testing.

Time is running against us. Would we pass on to our children and to our children's children the heritage of freedom we have received from our forebears? Then the hour of decision is at hand.

Franklin Delano Roosevelt faced decision in the birth of the atom bomb. He listened to Albert Einstein—and America had it first.

Harry Truman faced the decision on the hydrogen bomb. He listened to Brian MacMahon and the Joint Committee—and

America had it first. Now the day of decision is here for President Kennedy. The one way lies the fantastic. The other way lies the nameless fear. It is fear of the unknown—the tragedy of the second best. In the cold war there is no second best for freedom. If we are not first—we are lost.

I realize there is a segment of world opinion that will be critical of our decision to resume even underground testing. I understand the feelings of sincere hearts that shrink from the utter destruction of nuclear war.

But that threat is best defeated by superior strength. At the diplomatic bargaining table there is no second guessing for the second best. World opinion has no cash value with Khrushchev. I would rather risk loss of world opinion—than loss of our own national security. If we act wisely now we will jeopardize neither.

A browbeating foe trades on our very concern for the good will of the world. He trades on our love for peace and fair play. The time has come in this year of 1961 when we must have the convictions and the courage of 1776.

We must stand up to Khrushchev with the courage of our greatest power and the conviction of our deepest faith.

Let us live up to our national convictions—our proved courage—and our commonsense. To those who fear that we might lose face—let us remind them—and ourselves—that more than face will be lost if the citadels of freedom crumble before our eyes.

In these critical times when bluff and bluster are the order of the day—we must be as powerful as our science can make us. Only then can we afford to be as peaceful as our power will permit us.

Let us say here on this Fourth of July—and let us say it so the whole world may hear—that all men everywhere are created equal—that they have a God-given right to pursue their happiness as freemen.

Let us dare to sound again to the Kremlin the clarion call of that first Fourth of July—that to the dignity of man and to the decency of the world—we pledge, under God, our lives, our fortunes and our sacred honor.

ADJOURNMENT TO FRIDAY

Mr. METCALF. Madam President, is there any further morning business?

The PRESIDING OFFICER. The Chair hears none.

Mr. METCALF. Then, Madam President, I move that the Senate stand in adjournment until Friday, July 7, at 12 o'clock noon.

The motion was agreed to; and (at 1 o'clock and 1 minute p.m.) the Senate adjourned until Friday, July 7, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 5, 1961:

REPRESENTATIVE ON COUNCIL OF THE ORGANIZATION OF AMERICAN STATES

DeLesseps S. Morrison, of Louisiana, to be the representative of the United States of America on the Council of the Organization of American States, with the rank of Ambassador.

FEDERAL POWER COMMISSION

Lawrence J. O'Connor, Jr., of Texas, to be a member of the Federal Power Commission for the term of 5 years expiring June 22, 1966, vice Arthur Kline, term expired.

FEDERAL MARITIME BOARD

Rear Adm. John Harllee, of the District of Columbia, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1965, vice Sigfrid B. Unander.

EXTENSIONS OF REMARKS

Needed: Greater Mobilization of U.S. "Idea Reserve" To Fight Communism

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, July 5, 1961

Mr. WILEY. Mr. President, in our Nation's battle against the Communist effort to take over the world, we are, in my judgment, failing to adequately utilize to the maximum degree one of our greatest resources—the brainpower of the free people.

How can this be accomplished?

Recently, I was privileged to make some suggestions in a radio broadcast over station WGN, Chicago. The idea of the broadcast was tied into a recommended Fourth of July effort to stimulate new thinking among our people on the challenges confronting the country.

We recognize, however, that such endeavors cannot be limited to a specific day. Rather, this is a year-round challenge.

I ask unanimous consent to have excerpts from the address printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

On July 4, 1961, the American people will celebrate, once again, the anniversary of our independence.

The occasion offers a great opportunity for us to renew the Spirit of '76; become rededicated to the ideals of our Republic; inspire the patriotism and greatness required for survival of freedom in these challenging times.

On July 4, 1776, the Liberty Bell was rung to announce the official adoption of the Declaration of Independence. This was actually the birthday of the Nation, and marks the most important single event in its history.

The Constitution—after adoption by the requisite number of States and put into effect in 1789—provided a foundation for the new Nation "* * * to form a more perfect union; establish justice; insure domestic tranquillity; provide for common defense; promote the general welfare; and secure the blessings of liberty to ourselves and our posterity."

For these ideals, early Americans fought, and won, a battle for independence.

Later, in the 1860's, the Nation faced a great trial of its life. In the midst of the Civil War, the great challenge, to paraphrase Lincoln, was: "to determine whether a nation conceived in liberty and dedicated to the proposition that all men are created equal could long endure." After a long and bloody struggle—with the highest war-casualty rate in our history—the Nation was preserved.

Now in the 1960's, we, again, face a great test: to determine whether a nation of free men, faced with great, and growing, threat to survival, can endure, survive, and perpetuate the ideas and ideals of freedom.

In my judgment, Khrushchev's threat to "bury us" was not just an idle wisecrack. By word and deed, the Communist bloc, now controlling one-fourth of the land and one-third of the world's people, continues to mobilize its efforts toward world conquest.

In the face of such a challenge, what can we, the American people, in observing July 4, 1961, do to strengthen, in muscle and spirit, the ability of our country to meet the great challenges of the times?

Traditionally, we have observed July 4 by patriotic lipservice observances; shooting off fireworks; recreation; enjoyment of a lazy holiday; indulging in other kinds of celebrations.

But 1961 is no time for playing. Rather, it is a time for serious reflecting upon the great threat to our way of life.

Should we, then—

Wave the flag? Yes.

Tighten our belts as necessary? Yes.

Better educate our people in the history, objectives, workings, and accomplishments of a free system? Yes.

Encourage greater individual effort, as well as civic, cultural, fraternal, veteran, religious, and other organizations to better serve our national cause? Yes.

In addition, we should encourage more citizens to enlist voluntarily, either in a military or nonmilitary role, to fight communism and to support national policies that effectively oppose the Red foe.

In my judgment, however, there is still a great untapped reservoir of good ideas of the American people on how to win the battle for freedom.

For this reason, I have suggested that we—and this means you and me—

Devote on July Fourth time to evaluating the challenges confronting the Nation, and

Create, if we can, new ideas on how to better combat the threat to our security and improve our way of life.

If in your judgment these would serve the national interest, then forward them to the President, or to myself, or to other Senators or Congressmen.

This is the time for action. Let's get going. Let's demonstrate to the world—

That as a free people we are not fat and lazy and so swimming in self-indulgence that we cannot compete with or defend our system against communism;

That freedom is not, as Khrushchev says, an outmoded concept that is literally dying on the political vine of history; and

That freedom, not totalitarian communism, is the dynamic revolution of the times that can best serve the people of the world now and in the future.

In this battle we need you, and you, and you. Only by so mobilizing every American can we hope to insure the triumph of freedom.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 6, 1961

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. ALBERT.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

JULY 6, 1961.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Philippians 4: 19: *My God shall supply all your needs according to His riches in glory by Christ Jesus.*

Almighty God, who art acquainted with our many needs, may we encourage and assure ourselves that Thou art willing and able to do for us exceeding abundantly above all that we can ask or think.

Grant that as we go forth into the hours of the new day we may feel our hearts kindled with an eager desire to do good and to serve our generation according to Thy holy will.

We penitently acknowledge that all the plans and proposals, which we have for enacting the right kind of legislation, will be futile and inadequate unless we have Thy guiding wisdom.

May we yield ourselves humbly and heroically to the leading of Thy spirit and gain the mastery over all the obstacles which impede our progress in establishing the kingdom of brotherhood and good will among men.

Hear our prayer in the name of our blessed Lord who proclaimed that if we refuse to be the brothers of men we cannot be the sons of God. Amen.

THE JOURNAL

The Journal of the proceedings of Monday, July 3, 1961, was read and approved.

LEGISLATIVE PROGRAM FOR WEEK BEGINNING JULY 10, 1961

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Speaker, I do this for the purpose of inquiring from the acting majority leader as to the schedule for next week.

Mr. BOGGS. Monday, July 10, is District day, and there are four District bills that will be called up:

H.R. 3222, to confer jurisdiction on counterclaims and cross-claims;

H.R. 7265, to determine marital property rights;

H.R. 5143, relating to the mandatory death sentence; and

H.R. 6798, regarding a home for foundlings.

Also scheduled for the same day are the Consent Calendar and the Private Calendar, as well as five suspensions. They are:

H.R. 187, regarding review of orders for deportation;

S. 796, relating to the use by States of surplus property;

H.R. 5786, regarding the Cape Cod National Seashore;

S. 576, concerning the status of the faculty at the U.S. Merchant Marine Academy; and

H.R. 7391, regarding the conservation of migratory waterfowl.

On Tuesday there is a primary election in Virginia.

On Tuesday the bill H.R. 6141, to amend the Hiss Act, will be taken up.

On Wednesday the session will open with an address by His Excellency the President of the Republic of Pakistan.

Then for Wednesday and the balance of the week there will be the District of Columbia appropriation bill, 1962, and H.R. 7576, the atomic energy authorization bill.

Conference reports, as usual, may be brought up at any time. Any further program will be announced later.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. HIESTAND. I yield.

Mr. SMITH of Virginia. Will the gentleman from Louisiana announce that, as customary, owing to the primary in Virginia on Tuesday, any rollcall votes will go over until Wednesday?

Mr. BOGGS. The majority leader will do that on Monday.

POSTAL STAMP COMMEMORATING TARAS SHEVCHENKO

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent that the gentleman from North Dakota [Mr. NYGAARD] may extend his remarks at this point in the RECORD and include a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. NYGAARD. Mr. Speaker, this year, Ukrainians all over the world are commemorating the 100th anniversary of the death of Taras Shevchenko, who was not only a great Ukrainian poet and national prophet, but also an outstanding humanitarian and fighter for freedom for all nations and races. In North Dakota we have some 25,000 Americans of Ukrainian descent, who are among the most outstanding and loyal citizens in our State.

One of these great patriots is Dr. Anthony Zukowsky, who is president of the North Dakota branch of the Ukrainian Congress Committee of America, Inc. He is most interested in the issuance of a postal stamp commemorating Taras Shevchenko. I wish to insert in the RECORD a copy of Dr. Zukowsky's letter to the President petitioning him to approve issuance of such a stamp in the "champions of liberty" postage stamp series.

The issuance of such a stamp would bring a moral support to the Ukrainians and many other nations behind the Iron Curtain, and would also please many American citizens to whom Taras Shevchenko is such an inspiring symbol. I wish to add my approval to the request of Dr. Zukowsky for issuance of this special stamp.

The letter follows:

JUNE 24, 1961.

Hon. JOHN F. KENNEDY,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am taking the liberty of writing to you in regards to including Taras Shevchenko in the "champions of liberty" postage stamp series, which is being issued by the U.S. Government in honor of outstanding fighters for freedom in the world.

On May 18, 1961, I wrote to the Honorable J. Edward Day, Postmaster General, in regards to that matter, and I received his reply stating that the Citizens' Stamp Advisory Committee advised him not to include a recommendation for issuance of such a stamp in the 1961 program.

As you no doubt know, the U.S. Senate and the U.S. House of Representatives, last summer, unanimously voted for the bill authorizing the erection in Washington, D.C., of a statue of Taras Shevchenko, Ukraine's greatest poet and world humanitarian, in commemoration of the 100th anniversary of his death in 1961. This bill was signed into law by the President of the United States. I am very glad to recall that the House of Representatives issued a House document on Taras Shevchenko entitled "Europe's Freedom Fighter: Taras Shevchenko, 1814–61."

We have been advised that the Ukrainian Congress Committee of America, Inc., which represents over 2 million American citizens of Ukrainian descent, submitted to Postmaster General Day a proposal to include Taras Shevchenko in the "champions of liberty" postage stamp series. Our State organization strongly and fully endorses the issuance of such a stamp.

Taras Shevchenko was not only a great Ukrainian poet and national prophet, but also was an outstanding humanitarian and fighter for freedom for all nations and races. In 1857, more than a century ago, Shevchenko advocated a Ukrainian George Washington in a belief that the Ukrainian people, then under the despotic rule of czarist Russia, would achieve their national freedom and emancipation under such a leader as was George Washington, Father of our Country. Shevchenko remains to this day a beacon of national aspirations and a symbol of freedom and independence for the 45 million Ukrainian people now in bondage of Communist empire. The Soviet Govment, knowing how deeply Shevchenko is revered by the Ukrainian people, has been trying unsuccessfully to slant his poetry so as to suit its political propaganda, and to make him a "proletarian and anti-imperialist" poet.

But for the Ukrainians in their homeland and for those American citizens who come from Ukrainian ancestry, Taras Shevchenko remains an inspiring symbol of freedom and humanity and especially to those American pioneers of Ukrainian descent living in North Dakota, who came here from the neighboring towns where Taras Shevchenko was born. In their family tradition, father or mother personally knowing our great poet, they have urged me to write to you.

At this time I would like to notify you that the initiative to celebrate and commemorate the 100th anniversary of the death of Taras Shevchenko came from Ukrainians abroad, and only after the U.S. Senate and the House of Representatives passed the bill to erect a statue of Taras Shevchenko in Washington, D.C., and the Canadian Parliament, a few months before, authorized the erection of a monument of this great freedom fighter in Winnipeg, Manitoba, Canada, did the Communists, in order to save their face, permit the commemoration of this significant event, not only in almost every town in the Ukraine, but all over the Soviet Union.

In an effort to impress the world and especially the Ukrainians, Nikita S. Khrushchev, en route to his meeting with Your Excellency in Vienna, Austria, made a special trip to Chernocha Mountain, near Kiev, Ukraine, to place a wreath on the grave of Taras Shevchenko.

We feel it was a masterpiece of Russian propaganda, because ironically, Khrushchev is known internationally as the butcher of the Ukraine and he and the Russian-Communist government deprived Ukrainian people of all liberties, putting them back into slavery. Yet he placed a wreath on the grave of a man who all of his life sacrificed for liberty, truth and happiness for all people. By that gesture, Nikita S. Khrushchev would like to win Ukrainians, and other nations, and those of Ukrainian ancestry living here and in Canada. Without doubt, he made that commemoration of Taras Shevchenko as an instrument of his tactics in the cold war.

Therefore, the U.S. Government, as a leader of the Western World, should create new frontiers in winning this cold war for the United States, and to fight communism as an international conspiracy, not only militarily and economically, but first of all ideologically, by selecting and recognizing such spiritual leaders as Taras Shevchenko, who were fighting long ago for the same ideals as the United States is today. They are our natural allies. Over 100 years ago Taras Shevchenko asked Ukrainians:

"When will we receive our Washington with a new and righteous law? And receive him we will someday."

And words that he wrote into his spiritual testament are of the same value today, as 100 years ago:

"Bury me, be done with me,
Rise and break your chain.
Water your new liberty
With blood for rain.

"Then in the mighty family
Of all men that are free,
Maybe sometimes, very softly,
You will speak of me."

We feel that the issuance of a stamp to commemorate the 100th anniversary of the death of Taras Shevchenko is not a philatelistic matter, but first of all it is a very important part of our foreign policy, our propaganda, and it is also a big step forward in our mortal struggle during this cold war, of winning souls and hearts of the peoples behind the Iron Curtain. We believe this significant aspect in issuing the Taras Shevchenko stamp was not taken into consideration by the Citizens' Stamp Advisory Committee.

Therefore the U.S. Government would contribute greatly toward the cause of freedom not only in the Ukraine but elsewhere in the world, by recognizing the great influence that the issuance of a stamp commemorating the 100th anniversary of the death of Taras Shevchenko, the great freedom fighter of Europe, would have on Ukrainians and other nations now oppressed by Communist slavery and tyranny.

In behalf of the 25,000 Americans of Ukrainian descent living in North Dakota, I earnestly urge you, Mr. President, to reverse the decision of the Citizens' Stamp Advisory Committee of the Post Office Department, and instruct the Postmaster General of the importance of issuing the proposed Shevchenko stamp in the "champions of liberty" series, which would enhance the prestige and significance of the United States in the world affairs, especially among the enslaved nations behind the Iron Curtain.

Respectfully yours,

DR. ANTHONY ZUKOWSKY,
President, UCCA, State Branch of North Dakota.

DIVIDENDS AND UNCLE SAM

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BARRY. Mr. Speaker, the issue of the $50 exclusion and 4 percent credit on dividends is rapidly assuming greater proportions and is of vital interest to all as well as to the 12.5 million stockholders in this country.

As you are aware, the President has recommended the repeal of these investment incentives. The intent of the administration seems clear. Through its policies of taxing more and spending more, it is trying to advance this country toward a welfare state—thereby stifling the initiative of the productive Americans who take pride in self-reliance upon their own resources. The administration is trying to force on the American people its own short-range irresponsible fiscal policies. Instead of setting an example by balancing the Federal budget, reducing the deficit, and recommending sound tax reform measures, the New Frontier is leading the people of America to economic dependence upon the State.

I believe the potential ramifications of Kennedy's tax revision proposal should be thoroughly scrutinized by every Member of this House—and I therefore feel it my duty to call attention to a succinct yet enlightening letter which appeared in the Wall Street Journal.

DIVIDENDS AND UNCLE SAM

EDITOR, the Wall Street Journal:

The Federal income tax law permits each taxpayer to exclude from his taxable income the first $50 of dividends received and to reduce the tax otherwise payable by a credit equal to 4 percent of dividends received in excess of $50. The effect of this credit is to tax dividends at a rate of 4 percentage points lower than other income. The dividend credit existed in one form or another from the inception of the Federal income tax in 1913 until 1936 and was reinstated in 1954.

President Kennedy now proposes the repeal of the credit and exclusion. Two tests should be applied to this proposal. First, will it promote equity among different classes of taxpayers? Second, will it stimulate economic growth and provide more jobs?

On the question of equity, the first thing to remember is that dividends are taxed twice, once to the corporation and a second time to the stockholders because corporations, in determining their taxable income, can deduct interest, wages, and rent, but cannot deduct dividends. Thus, although the dividend credit partially eliminates this double taxation, stockholders are discriminated against even under our present tax law.

The Secretary of the Treasury, in proposing, on behalf of the President, to eliminate the dividend credit, contended that it benefits only a small segment of the taxpaying public and helps high-bracket more than the low-bracket taxpayers. The first criticism is invalid because the dividend credit is designed to remedy a specific inequity; that is, the double taxation of dividends. Since those who suffer the inequity are a minority, of course only a small segment of the taxpaying public is aided. Many similar tax relief provisions exist; for example, the additional exemption for the blind. It has always been one of the signal accomplishments of the American democratic system that whenever a group, no matter how small, suffers an injustice, Congress can and will come to its defense.

Secretary Dillon's second objection is unsupported by the facts. For every $1 of dividends, the tax reduction resulting from the credit is 4 cents—regardless of whether the taxpayer is in the 20-percent or the 60-percent bracket. As a matter of fact, the greatest proportional benefit accrues in the lower brackets. A taxpayer in the 20-percent bracket is relieved of four-twentieths or 20 percent of the tax on his dividends. One in the 60-percent bracket is relieved of four-sixtieths or 6⅔ percent.

Equity among classes of taxpayers would seem to require the increase rather than the elimination of the 4-percent dividend credit. Such an increase would find precedent in Canada, where a 20-percent credit is granted, and in Great Britain, where payment of the income tax by the corporation is treated as a prepayment of the stockholder's tax. In few highly industrialized countries are dividends treated in as discriminatory a manner as in the United States.

The second ground upon which the President's proposal should be judged is its effect on the entire economy. Will it promote a higher rate of growth? Will it lead to more jobs? The fundamentals of this problem are all too often overlooked. There is no known way in which a man can get a job except to have someone hire him. Before an employer will take on additional employees, he must have sufficient capital to buy the productive machinery with which the new employees will work, and must anticipate adequate profits. It is just as simple as this. If you take away the dividend credit, the psychological effect on taxpayer morale will be very serious.

Not only will the elimination of the dividend credit discourage the creation of new job opportunities and thereby retard economic growth; it will favor big business over small business. Removal of the credit will make bonds even more attractive in comparison with stocks, in spite of the fact that equity capital is in most cases the only way in which small business can get the necessary funds. The big corporations can get by. They can borrow at the prime rate. But small business cannot. What is the point in putting all the elaborate small business relief provisions into our tax law if, at the same time, the law makes it substantially harder for the small businessman to get needed capital?

Obviously, every one of the 12.5 million people who own stock in this country should write to his Congressman urging the retention and ultimate increase of the dividend credit. But these are by no means the only people who are concerned. Everyone who is coming into the labor market for the first time has an even greater interest. To the jobseeker, the resulting restriction in the flow of equity capital may mean that potential employers have no funds to purchase the equipment essential to the creation of new jobs.

To paraphrase Edmund Burke, all that is necessary for bad tax laws to be enacted is for taxpayers to do nothing.

JOHN DANE, Jr.

BOSTON, MASS.

FEDERAL WATER POLLUTION CONTROL ACT

Mr. BLATNIK submitted a conference report and statement on the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control.

SMALL BUSINESS ADMINISTRATOR HORNE TO DISCUSS AGENCY'S PROGRAMS FOR MEMBERS OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, invitations to all Members of the House are being put in the mail today for a meeting in the House Office Building caucus room at 9 a.m. next Tuesday, July 11, to hear the Honorable John E. Horne, Administrator of the Small Business Administration. Mr. Horne will be accompanied by other SBA officials and will discuss the programs and activities of this important agency.

Mr. Horne will discuss such programs as procurement and small business investment companies, and he and his associates will be prepared to answer questions. We on the House Small Business Committee know how many questions arise because our committee members and our staff hear them every day.

The Small Business Administration has now been in existence for 8 years. In 1958, the Congress increased the powers and responsibilities of the agency and made it a permanent part of the executive branch of the Federal Government. Shortly thereafter the Small Business Investment Act of 1958 became law, by which SBA was authorized to establish a Small Business Investment Division, within its organization, for the purpose of making equity capital and long-term credit more readily available for small business concerns.

Since the passage of the above acts, I have received literally thousands of requests from Members of the House for information with respect to the functions, powers, programs, and activities of the Small Business Administration. It is understandably impracticable, if not impossible, for Members to keep abreast of the activities of all of the many agencies of the executive branch.

Accordingly, in the belief that it will prove both interesting and extremely helpful to you, I have invited Mr. Horne to discuss his work with all Members of the House.

On behalf of the entire Small Business Committee, you are cordially invited and respectfully urged to attend this meeting.

POLITICAL APPOINTMENTS ENDANGER ADMINISTRATION OF VITAL SECURITY, IMMIGRATION AND NATIONALITY MATTERS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I introduced today a bill designed to correct a deplorable situation which is about to occur as a result of the apparent intention of the administration to place certain vital administrative functions in the field of national security and the issuance of passports and visas in the hands of totally unqualified political appointees.

My bill proposes to amend that section of the Immigration and Nationality Act which created in the Department of State the Bureau of Security and Consular Affairs entrusted with the administration of certain basic provisions of that law. The law states in plain language that the head of the Bureau shall be a person qualified by experience to conduct security and consular operations and that he shall be charged with any and all responsibility and authority in the administration of those parts of the Immigration and Nationality Act which under the terms of the law are conferred on the Secretary of State. Having outlined the requirements in those words, the law dispensed with the necessity of obtaining the advice and consent of the Senate in the appointment of the head of that important office.

My bill is designed to provide for the advice and consent of the Senate while simultaneously changing the name of the office, defining its function in greater detail, and raising the status of its chief officer.

It is my intention to press vigorously for early enactment of this amendment to the basic immigration and nationality code inasmuch as I believe that immediate remedy is necessary in order to prevent the deterioration of important executive functions exercised both in this country and abroad.

According to press reports which appeared in several newspapers within the last 2 weeks, Mr. Salvatore Bontempo and Mr. Michel Cieplinski have been selected to be appointed, respectively, to the posts of Administrator and Deputy Administrator of the Bureau of Security and Consular Affairs of the Department of State.

Having acquainted myself with the background of both alleged nominees, I believe that both appointments have been made, or are about to be made, in violation of the law, Executive orders, existing regulations, and even of the most recent order issued by President Kennedy regarding full reports and detailed information on individuals considered for important administration positions. I am referring to President Kennedy's order issued as an aftermath of the case of Mr. Frank D. Reeves, whose nomination as a Commissioner for the District of Columbia has been withdrawn.

According to my information, the security clearances in the cases of Messrs. Bontempo and Cieplinski required under Executive Order No. 10450, issued by former President Eisenhower, have not been obtained and the necessary investigations have not been completed.

In addition to this violation of the old and new Presidential orders and instructions, the intended appointment of the two men would be in violation of section 104(b) of the Immigration and Nationality Act which, in establishing the position of Administrator of the Bureau of Security and Consular Affairs, describes his qualifications as requiring that he "shall be qualified by experience."

Both nominees come directly from the field of strictly political activities, neither of them having ever been associated with matters affecting internal security, immigration, issuance of passports, and determination of citizenship and nationality, although all of those matters are within the purview of the law which they would be called upon to administer.

The Bureau of Security and Consular Affairs is one of the most important offices in the Department of State, indeed, one of the more important offices of the entire executive branch of the Government. Not only is internal security of the Nation involved in the Bureau's operations but so is the security supervision of diplomatic and consular establishments and personnel as well as the very fate of hundreds of thousands of U.S. citizens and aliens who leave this country or come to the United States each year. Both nominees are entirely foreign to the important and technically involved field in which they are about to operate. By their appointment, violence is done not only to the law, to Presidential orders but also to the best interests of good government.

Mr. Speaker, having spent well over a quarter of a century in politics, I certainly recognize the necessity of paying up political debts. I am by no means an adversary of that reality of our political life. However, I deeply believe that payment of political indebtedness to individuals should not be in conflict with national interests, and that persons who for political reasons may be deserving of rewards should not obtain them at the expense of such interest, or be entrusted with duties for which they are not qualified.

In the case of Messrs. Bontempo and Cieplinski, a perusal of their professional records and past experience most certainly disqualifies them from the respective positions for which they appear to have been selected.

Every high official of the Department of State who talked to me about the two nominees attempted to give me the impression that he agreed with me and that he was opposed to the appointments. That opposition seems to have had no effect, and I understand that these two appointments are still under consideration. It is, therefore, that I could not refrain from lodging a public protest. I did that because of my responsibilities as the coauthor of the law which established the offices the two men are about to assume, and I did that mindful of my continuing responsibilities as the chairman of a committee and of a subcommittee of the House with which, under the terms of the law, they would have to work.

My protests and representations made to high officials of the executive branch remain without effect. I am convinced that the dangerous situation about to be created by the ill-advised appointments should be immediately corrected by the Congress.

The language of my bill is as follows:

A bill to amend section 104 of the Immigration and Nationality Act for the purpose of establishing the Office of Passports and Visas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 104(a) of the Immigration and Nationality Act (8 U.S.C. 1104) is hereby amended by deleting the following: "(2) the powers, duties, and functions of the Bureau of Security and Consular Affairs;" and inserting in lieu thereof: "(2) the powers, duties, and functions of the Office of Passports and Visas;".

(b) Section 104 (b), (c), (d), and (e) of the Immigration and Nationality Act is hereby amended to read as follows:

"(b) There is hereby established in the Department of State an Office of Passports and Visas to be headed by a Director with rank and compensation equal to that of an Assistant Secretary of State, who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be a citizen of the United States qualified by experience in the administration of immigration and nationality laws, and shall maintain close liaison with the appropriate committees of Congress in order that they may be advised regarding the administration of this Act. The Director shall be charged with any and all responsibility and authority in the administration of the Office and of this Act which are conferred on the Secretary of State as may be delegated to him by the Secretary of State or which may be prescribed by the Secretary of State.

"(c) Within the Office of Passports and Visas there shall be a Passport Service and a Visa Division each headed, respectively, by a Deputy Director of the Office appointed by the President, by and with the advice and consent of the Senate, qualified by experience in the administration of the immigration and nationality laws.

"(d) The functions heretofore performed by the Passport Office and the Visa Office, respectively, shall hereafter be performed by the Passport Service and the Visa Division, respectively.

"(e) The Secretary of State is hereby authorized to appoint a General Counsel of the Office of Passports and Visas, who shall maintain close liaison with the Immigration and Naturalization Service and with the appropriate committees of Congress with a view to securing uniform interpretations of the provisions of this Act."

(c) Subsection (f) of section 104 of the Immigration and Nationality Act is hereby repealed.

HANDBOOK OF HANDOUTS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, in a special message to the 1961 U.S. Conference of Mayors in Washington, President Kennedy urged greater local activity to boost the economy, but his Secretary of Commerce then offered the mayors a long list of Federal programs which would enable them to avoid doing any such thing.

Complete with checklist, which each mayor could use to determine if he had tapped every drawer in the Federal cash register, the mayors were given a publication entitled "A Handbook of Federal Aids to Communities," listing more than 100 programs of Federal assistance to local areas. Some mayors called it "A Handbook of Handouts."

One observer at the conference commented:

Any mayor who calls in Uncle Sam to help out on this list of programs would shortly find himself with nothing left to do as mayor but to snip ribbons at supermarket openings.

THE BERLIN SITUATION

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, we are all concerned over the threats issued by Soviet Premier Khrushchev in regard to Berlin. The United States and other Western Powers have certain guaranteed rights in regard to Berlin, rights under international agreements and treaties signed following World War II.

I think we should take every appropriate action to let the Communist leaders know that this Nation is united in its determination to honor and defend these rights in Berlin and to honor our commitments to the people of West Germany.

I am introducing a resolution today which I believe all Members of the Congress can support. It puts this great legislative body on record as supporting the necessary action to defend our rights and rights of the free world in regard to Berlin.

I shall ask for early hearings on this resolution. It is my hope that the Members of this body and of the Senate will agree with me that we should stand firm against the latest saber-rattling tactics of the Communist war lords.

SOVIET TACTICS

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, in the last 2 days the press has blossomed out with stories of an alleged feud between the Soviet Union and Red China. It is my belief that these stories are being planted in the press of the free world by the Soviet Union because Mr. Khrushchev now finds himself in a box. Mr. Khrushchev has laid down an ultimatum to the free world to withdraw from West Berlin. President Kennedy and our western allies have unequivocally and forcefully stated we have no such intention. I believe Khrushchev is trying to create the impression of a rift between the Soviet Union and Red China so that his ambassadors can go around planting the idea that if the West will make minor concessions to the Soviet Union on Berlin, it will avoid more serious concession to Red China. By these reports, Khrushchev is attempting to create the impression that he is the "apostle of peace" and is trying to save the world from the war-hungry overlords of Red China. I think the whole concept of a feud between the Soviet Union and Red China is as phony as a $3 bill. It is the Communist version of the old Tinkers to Evers to Chance play, and I hope that no responsible American official will take it seriously. Premier Khrushchev has worked himself into the box on Berlin by his own choice and I do not believe the Western Powers should budge an inch to help him get out. I have no criticism of the free press for reporting these stories because the press is merely carrying out its duties of reporting the news, but I do believe the American people should treat these reports with the greatest degree of caution.

FEDERAL EDUCATION AGENCY FOR THE FUTURE

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. AYRES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. AYRES. Mr. Speaker, a short time ago there appeared in the CONGRESSIONAL RECORD a report entitled "A Federal Education Agency for the Future."

Tuesday I pointed out to the American public, as a guest on the "Today" television program, that this pamphlet would make very interesting reading. In it is the general blueprint for a nationalized school system, complete with the bureaucratic trappings, centralization of direction in Washington, bypassing of local boards and taxpayers and the inevitable expansion and increasing drain on the Federal Treasury which has accompanied the establishment of some new service for the people by the Government.

I was interested to note that the Associated Press of yesterday carried a story in which a Mr. Carroll Hanson, Public Information Director of the Office of Education, said my description of the report was a slight exaggeration. Now mind you, he did not refute any of the things I pointed out, he did not deny the intent of the Office of Education, he merely said that it was a slight exaggeration.

In my TV appearance I predicted that the Office of Education would require 50,000 people within 10 years. Perhaps this was a slight exaggeration, perhaps they will only grow to around 48,000 or 49,000—but no one denies that they have vast growth plans.

In fact, Mr. Hanson's own story to the Associated Press has these interesting words:

> Its [the report] recommendations are designed to insure that the Office of Education is prepared to render vastly increased staff services to the President, and through him to the Congress and the American people, in the initiation and formulation of broad national policies in the field of education.

Notice that Mr. Hanson used the words "vastly expanded staff services"—and I ask you, How do you get vastly expanded staff services in the inefficiency of bureaucracy other than to have vastly increased staffs to perform these services.

And, you will note, Mr. Hanson also talks of initiation and formulation of broad national policies in the field of education. Translated from the governmentese which confuses everyone but the users, this means the agency is ready to start, and rigidly control, national education policies.

I have also noted an article in the Washington Post of this morning. This story follows the general line of the Post in that it attempts to pooh-pooh anyone who reads the blueprint accurately, and says only that the report is a detailed plan for reorganization. It is interesting to note that the Office of Education calls itself in the Post article "a tiny office" and then rather proudly points out that its annual budget now is about a half billion dollars a year, "a larger item in the Federal Budget than are two full-fledged Cabinet departments."

And, according to the Post article, it is with some anticipatory delight that the Office of Education looks forward to "legislation that would—virtually overnight—better than triple our present budget."

In the Post story there is this jewel of logic, and I quote:

> The report does not advocate a greater Federal involvement in education, but it is largely based on the assumption that the Federal role will expand.

Now I ask you to analyze that statement carefully. It is supposed to assure us that the Federal Government has no intentions of getting further into education. But, at the same time, it says the Federal Government is going to expand its activities in education. Now, how do you expand your activities without getting further involved? This is gobbledygook, and any such attempt to whitewash this report by doubletalk falls far short of the mark. Anyone with an ounce of experience in dealing with the Government knows that when it expands it gets really involved, and invariably local interests are shoved aside.

Now let me give you a line or two out of this report and let you judge for yourselves if this constitutes "greater Federal involvement."

Among the programs which the report says will be of "significantly increased scope and impact" are:

First. "Increased financial assistance for teacher education." What this simply means is purse-string control over standards and requirements for educating America's teachers.

Second. "Broadening of Federal interest in curriculum and improvement of instruction." At present, curriculums are decided at the local and State levels. Local school boards, county officials, and State offices of education decide what youngsters will learn. This report states quite plainly that the Federal Government intends to inject itself into decisions on curriculums. Getting more specific, the report says :

> Greater attention to the study of comparative education, history, languages, geography, economics, and comparative government must be given in order to prepare students to understand the world of tomorrow. Likewise, teacher preparation, textbooks, and the curriculum in these subject fields must be improved.

That should be plain enough language—and that does involve the Federal Government in about every field of education.

Now, let me conclude with a report on Mr. Carroll Hanson. In a letter to Mr. Homer D. Babbidge, who prepared the report from suggestions given him by the 12-member committee, all staff members of the Office of Education, by the way, Mr. Hanson had this interesting observation, which I presume reflects his and the agency thinking on the matter:

> The tradition of local control has been used by certain groups to forestall increased expenditures for education * * * the tradition of local control should no longer be permitted to inhibit the Office of Education's leadership.

Plain enough? I trust that there is no exaggeration there. He simply means, "We intend to take over, period."

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. BAILEY, for 30 minutes, on Monday, July 10.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mr. HIESTAND) and to include extraneous matter:)

Mr. KEARNS.

Mr. FINO in two instances.

Mr. VAN ZANDT.

(The following Member (at the request of Mr. BOGGS) and to include extraneous matter:)

Mr. WALTER and to include Awards of Freedom of the Order of Lafayette.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on July 5, 1961, present to the President, for his approval, bills of the House of the following titles:

H.R. 1575. An act for the relief of Mrs. Anneliese Franziska Guay;

H.R. 1602. An act for the relief of Ido Enrico Cassandro;

H.R. 1887. An act for the relief of Helen Tilford Lowery;

H.R. 2155. An act for the relief of Reoko Kawaguchi Moore;

H.R. 2156. An act for the relief of Mrs. Tui Hing Tow Woo;

H.R. 2165. An act for the relief of Marie F. Balish;

H.R. 2835. An act for the relief of Jose Lauchengco, Jr.;

H.R. 3371. An act for the relief of George Sauter (also known as Georgois Makkas);

H.R. 3722. An act for the relief of Maria Czyz Krupa;

H.R. 4636. An act for the relief of Ralph B. Cleveland; and

H.R. 4796. An act for the relief of Richard A. Hartman.

ADJOURNMENT

Mr. ASPINALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 13 minutes p.m.), under its previous order, the House adjourned until Monday, July 10, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1099. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1962 involving a decrease of $509,500,000 for the Agency for International Development, an increase of $85 million for military assistance, and an increase in limitation on administrative expenses in the amount of $260,000 for the Export-Import Bank or Washington (H. Doc. No. 208); to the Committee on Appropriations and ordered to be printed.

1100. A letter from the Acting Secretary of the Interior, relative to stating that an adequate soil survey and land classification of the lands in the Bully Creek extension of the Vale project, Oregon, has been completed as a part of the investigations required in the formulation of a definite plan for project development, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1101. A letter from the Chairman, Federal Home Loan Bank Board, transmitting the Annual Report of the Federal Home Loan Bank Board for the calendar year 1960, pursuant to section 17(b) of the Federal Home Loan Bank Act, as amended; to the Committee on Banking and Currency.

1102. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of a proposed bill entitled "A bill to eliminate the requirements for certain detailed estimates in the annual budgets"; to the Committee on Government Operations.

1103. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the report on backlog of pending applications and hearing cases in the Federal Communications Commission as of May 31, 1961, pursuant to Public Law 554, 82d Congress; to the Committee on Interstate and Foreign Commerce.

1104. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POWELL: Committee on Education and Labor. H.R. 7904. A bill to extend and improve the National Defense Education Act, and for other purposes; without amendment (Rept. No. 674). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee of conference. H.R. 6441. A bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control; without amendment (Rept. No. 675). Ordered to be printed.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 3222. A bill to amend section 4(a) of the act of April 1, 1942, so as to confer jurisdiction on the municipal court for the District of Columbia over certain counterclaims and crossclaims in any action in which such court has initial jurisdiction; with amendment (Rept. No. 676). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 5143. A bill to amend section 801 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901; with amendment (Rept. No. 677). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 6798. A bill to amend the act incorporating the Washington Home for Foundlings and to define the powers of said corporation; with amendment (Rept. No. 678). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 7265. A bill to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes; with amendment (Rept. No. 679) Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H.R. 8004. A bill to extend for 1 year the temporary provisions of Public Laws 815 and 874, 81st Congress, which relate to Federal assistance in the construction and operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. ELLSWORTH:

H.R. 8005. A bill to provide that until the national debt is retired, not less than 5 percent of the net budget receipts of the United States for each fiscal year shall be utilized solely for reduction of the national debt; to the Committee on Government Operations.

By Mr. KARTH:

H.R. 8006. A bill to amend section 107 (a)(3) of the Soil Bank Act, as amended; to the Committee on Agriculture.

By Mr. FINDLEY:

H.R. 8007. A bill to provide assistance to certain States bordering the Mississippi River in the construction of the Great River Road; to the Committee on Public Works.

By Mr. HAGEN of California:

H.R. 8008. A bill to provide for the designation of that portion of U.S. Highway No. 466 between Barstow and Bakersfield, Calif., as a part of the National System of Interstate and Defense Highways; to the Committee on Public Works.

H.R. 8009. A bill to authorize the modification of the existing project for the New Melones Dam and Reservoir, Stanislaus River, Calif., and for other purposes; to the Committee on Public Works.

By Mr. INOUYE:

H.R. 8010. A bill to provide for the issuance of a special postage stamp in commemoration of the 20th anniversary of the attack on Pearl Harbor; to the Committee on Post Office and Civil Service.

By Mr. MATTHEWS:

H.R. 8011. A bill to amend the District of Columbia Redevelopment Act of 1945 to provide for the restoration and rehabilitation of the home of John Philip Sousa, and other homes on Capitol Hill, to encourage private industry to provide shopping facilities and hotels and restaurants in the historic Capitol Hill restoration project area to serve its residents and that part of the more than 7 million American and foreign visitors to the National Capital annually who desire such accommodations on Capitol Hill, and for other purposes; to the Committee on the District of Columbia.

By Mr. SISK:

H.R. 8012. A bill to extend for 1 year the temporary provisions of Public Laws 815 and 874, 81st Congress, which relate to Federal assistance in the construction and operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. RIVERS of Alaska:

H.R. 8013. A bill to transfer certain land within U.S. survey 1474, tract A, of the townsite of Sitka, Alaska, to the city of Sitka, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. WALTER:

H.R. 8014. A bill to amend section 104 of the Immigration and Nationality Act for the purpose of establishing the Office of Passports and Visas; to the Committee on the Judiciary.

By Mr. BLATNIK:

H.R. 8015. A bill to permit the taking of hay from conservation reserve acres for relief of farmers in drought-disaster areas; to the Committee on Agriculture.

By Mr. KARTH:

H.R. 8016. A bill to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes; to the Committee on Agriculture.

By Mr. RIVERS of Alaska:

H.R. 8017. A bill to encourage the discovery and development of tin deposits and mining of tin from domestic mines; to the Committee on Interior and Insular Affairs.

By Mr. SAUND:

H.R. 8018. A bill to amend the Social Security Amendments of 1960 to provide old-age, survivors, and disability insurance coverage for certain additional hospital employees in the State of California; to the Committee on Ways and Means.

By Mr. CUNNINGHAM:

H. Con. Res. 344. Concurrent resolution that it is the sense of Congress that this Nation stand firm behind the international agreements in regard to Berlin; to the Committee on Foreign Affairs.

By Mr. ELLSWORTH:

H. Res. 369. Resolution declaring the Eastern Orthodox Church to be a major faith in the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONTE:

H.R. 8019. A bill for the relief of Urszula Kosior; to the Committee on the Judiciary.

By Mr. INOUYE:

H.R. 8020. A bill for the relief of Mrs. Yvonne Frances Yeh; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H.R. 8021. A bill for the relief of Carmelo Iacono; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 8022. A bill for the relief of Carmen Estwick; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 8023. A bill for the relief of Delmeria A. Cheddar; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H.R. 8024. A bill to provide for the reforming of the line between sections 2 and 3, township 3 north, range 1 east, San Bernardino meridian, to bring the one-fourth and one-sixteenth markers in line with the true northeast and southeast section corners; to the Committee on Interior and Insular Affairs.

H.R. 8025. A bill for the relief of Francisco F. Sarmiento; to the Committee on the Judiciary.

H.R. 8026. A bill for the relief of Tommy Lee (also known as Lee Shue Chung); to the Committee on the Judiciary.

H.R. 8027. A bill for the relief of Mrs. Gee Lun Lee Law; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

193. Mr. MONAGAN presented a petition of the Waterbury, Conn., Lithuanian-American Council memorializing the Government of the United States not to enter any agreement with Soviet Union which would directly or indirectly lead to the recognition of status quo in Eastern Europe; to expose to the world opinion the crimes of the Kremlin rulers by publicly charging them with breaking of numerous international treaties, enslaving of their neighbors and exiling of millions of innocent people to Siberia; to raise the question of the illegal seizure of the Baltic States by the Soviet Union at the nearest session of the United Nations and to demand that this international crime would be rectified, which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

The Freedom Awards of the Order of Lafayette, Inc.

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 6, 1961

Mr. WALTER. Mr. Speaker, the Order of Lafayette is composed of officers who served in France or French possessions during World War I or II, and its auxiliary members are also in favor of strengthening our traditional friendly relations with France. It is a nonpartisan, nonprofit, and tax exempt corporation, with headquarters at 12 West 44th Street, New York, N.Y.

At its convention luncheon held at the Plaza Hotel in New York on May 19, 1961, its first Freedom Award for foreseeing and combating communism was presented to Douglas MacArthur, General of the Army. Six hundred people filled the ballroom and heard General MacArthur make a brilliant and inspiring speech on the space age, which has been inserted in the CONGRESSIONAL RECORD together with the Freedom Award by Hon. JOSEPH W. MARTIN, JR.

The Order of Lafayette of which the Honorable Hamilton Fish is president general, adopted the following resolutions at its convention on May 19, which were compiled by a score or more of influential anti-Communists suggesting the names of a number of persons living and dead who have been leaders in the fight against the menace of communism, to freedom in America, and elsewhere:

Freedom Award list unanimously agreed to: Gen. Douglas MacArthur, Cardinal Francis E. Spellman, J. Edgar Hoover, Hon. Richard M. Nixon, Hon. Hamilton Fish, Hon. Martin Dies, Hon. Francis E. Walter, George Meaney, George Sokolsky.

Freedom Award—honorable mention during the last 30 years: Hon. John L. McClellan, Hon. John W. McCormack, Hon. Barry M. Goldwater, Hon. Karl E. Mundt, Hon. Thomas J. Dodd, Hon. Walter H. Judd, Hon. Joseph Starr.es, Hon. Harold R. Medina, Hon. Martin McKneally, Lt. Gen. Albert Wedemeyer, Rev. Daniel A. Poling, John T. Flynn, Fulton Lewis, Jr., Bob Considine, Westbrook Pegler, Patrick Scanlan, William F. Buckley, Frank Hanighen, James F. O'Neil, Hon. Charles Edison, Hon. Spruille Braden, Hon. Richard Arens, Walter L. Reynolds, Roy M. Brewer, Roy Cohen, John Thomas Taylor, Robert E. Condon, Archibald B. Roosevelt, Mrs. Mary Markward, Mrs. William Sherman Walker.

Freedom Award as a tribute to the memory of deceased Americans: William Green, William R. Hearst, Edward A. Hayes, Alfred Kohlberg, Col. Robert McCormick, Hon. Patrick McCarron, Hon. Joseph R. McCarthy, Walter Steele, Ben Stolberg, Hon. Robert Taft, John B. Trevor, Rev. Edmund A. Walsh.

These Freedom Awards are only to be presented at meetings or functions of the Order of Lafayette. It was decided not to include any former Communist in the lists many of whom have been very helpful in exposing the Communist conspiracy in the United States.

Mr. Fish, who was chairman of the first congressional committee—1930–31—to investigate communism told the Order of Lafayette convention that the most important organizations in fighting communism were the Catholic Church, FBI, the American Legion, the American Federation of Labor, and the congressional committee. These important groups, together with other veterans and civilian organizations, and numerous individuals throughout the Nation have been the real pioneers fighting in the front lines against communism in America for the past 30 years. At that time communism was a powerful force in the United States. The executive committee of the CIO was dominated by Communists. The American Labor Party in New York State composed of Communists and fellow travelers cast a half a million votes. Fortunately, it is now extinct.

Today, due to the tireless and fearless efforts of numerous anti-Communist organizations, groups and individuals in exposing and combating communism, aided by public opinion, the Communists have been reduced in the United States to a comparatively small number of fanatics and fellow travelers. On the other hand, world communism has grown steadily into an appalling and dangerous menace to the free nations of the world including the United States.

National Lottery

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 6, 1961

Mr. FINO. Mr. Speaker, I would like to point out to the Members of this House the national lottery of the Commonwealth of Puerto Rico. This lottery, flourishing on American soil, should serve as an example to us on the mainland.

Puerto Rico, with a population of only slightly over 2 million persons, realized $45 million from the sale of lottery tickets in 1960. The profit to the Government in that year was close to $10 million. Most of this money went to the general fund of the Commonwealth.

A corollary benefit of the Puerto Rican national lottery was the employment of some 6,000 agents, vendors, and others who would have been otherwise unemployable because of age, physical disability, poor health, or lack of adequate training. A national lottery in this country, besides being a tremendous source of revenue, might bring similar benefits.

Pioneer and Homecoming Day of Berwick, Pa., on the Event of the 175th Anniversary of the Founding of the Town

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 6, 1961

Mr. VAN ZANDT. Mr. Speaker, on Friday, June 30, 1961, I was honored to have the privilege of delivering the principal address at the Pioneer and Homecoming Day luncheon in connection with the 175th anniversary of the founding of Berwick, Pa.

My address follows:

It is always a pleasure to return to Berwick whenever opportunity permits, and particularly so on this occasion to participate in Pioneer and Homecoming Day.

It is significant that the 175th anniversary of the founding of Berwick is celebrated less than a week before the 185th anniversary of the signing of the Declaration of Independence on July 4.

Pennsylvania's prominent role in the war for independence is a source of pride to all of us who claim the Keystone State as our home.

Berwick's 175th anniversary is a historic milestone on the road to progress.

Like the Fourth of July—this anniversary celebration provides an occasion to review past accomplishments and to plan for a greater future.

Despite world turmoil we Americans on occasions like this find time to interrupt our daily routine and reflect briefly on our history, our traditions, and our achievements.

This is a healthy attitude to adopt because on an occasion such as this we afford ourselves the opportunity to pay tribute to the stalwart pioneering men and women who built our Nation, our State, and our homes.

No town, city, or borough in Pennsylvania more truly represents the spirit of the State than Berwick—a bustling community with a history extending back to the days of the postrevolutionary period.

The striking characteristic of Pennsylvania today—as in the past—is its remarkable diversity.

Landscape and natural resources and people, their dialects, manners, customs and traditions, their religious beliefs, mental and social attitudes, and occupations—all display a seemingly endless variety.

No less so in the case of Berwick—where the various strains of American ancestry blend in a spirit of community cooperation.

In considering the nature of Pennsylvania—the person with a love for history may think of such treasured shrines as Independence Hall, Valley Forge, and the Gettysburg Battlefield.

The Keystone State always has played—and still plays—a leading role in the Nation's drama.

So, too, has Berwick played such a role, as demonstrated, for instance by the nearby

site of Fort Jenkins from which Americans issued forth two centuries ago against a foe as fearsome in its time as any on earth today.

The courageous spirit of Pennsylvania which has stood by the national flag with devotion unsurpassed in national history was reflected in the many gallant deeds of Berwick citizens of the pioneer period.

Moreover, their courage was constantly matched by productive energy.

At the time of Berwick's first settlement, northern Pennsylvania was a region of magnificent distances.

The means of communication with distant points were inadequate—slow and tedious.

As the population, production, and wealth increased there arose an urgent necessity for better roads and more direct routes to important points.

The citizens of Berwick manifested a deep interest in promoting internal improvements of this character.

Evan Owen, a Quaker, founded the town in 1786 as a place of refuge for his coreligionists and a year later set out to superintend construction of a road for their benefit.

Two years later—in 1788—the road was completed from Nescopeck Falls to the Lehigh Valley and to the people of Berwick it appeared as glorious as the Pennsylvania Turnpike appears to us today.

Yet there remained room for improvement and the people of Berwick were ever in search of that.

In March of 1804 the Susquehanna and Lehigh Turnpike and Road Co. was incorporated and the old Nescopeck Road was transformed into a graded pike in 1805 at tremendous expense.

Andrew Shriner, of Berwick, was one of the contractors, and Christian Bowman, of Berwick, first traversed the road to Easton.

In 1806 the Susquehanna and Tioga Turnpike Road Co. was chartered "for making an artificial road by the best and nearest route from Berwick to that point on the north line of the State which is nearest Newtown, on the River Tioga in the State of New York."

This road in turn was completed in 1818—also at great expense—4 years following construction of a bridge across the Susquehanna costing the monumental sum of $52,000.

The subsequent position of Berwick at the terminal point of two turnpikes and at their intersection with the route traversed between points on the river rendered it a place of considerable importance.

The effect on its growth in size and population was at once apparent.

The log cabins first erected were gradually superseded by structures of an improved and more substantial appearance—including numerous brick houses and several impressive hotels—required by the large number of travelers passing through the town.

The rise of stage travel in the United States added at once to the wealth of the area.

The time at which this began cannot be definitely determined.

It did not assume a permanent character, however, until 1810, when a mail service was connected with the stage.

Thereafter, the turnpikes, bridge, and stage enterprises did so well in Berwick that those involved rose rapidly in local prestige and positions of importance.

While road travel was absorbing the interest of the masses hereabouts, the attention of others was directed to a question of equally serious import: the navigation of the Susquehanna.

This stream was declared a public highway by the provincial assembly in 1771 and a sum of money appropriated to render it navigable.

The Durham boats in which the first families ascended the river to Berwick derived their names from Durham, a town on the Delaware below Easton, where they were made.

When manned by four men with setting poles, these boats progressed only at the rate of 2 miles an hour against the current.

Various improvements were attempted in an effort to speed up travel on the Susquehanna, and many famous craft were launched in this endeavor.

Of these the first was the *Codorous*, a steamboat launched in April 1826 amid the cheering of a large crowd along the riverbank.

Encouraged by the success of the venture, the captain of the *Codorous* attempted to better his feat a month later in the treacherous rapids near Nescopeck Falls.

The vessel used on this occasion was the *Susquehanna*, a far larger craft than the *Codorous*, and of which much was expected.

But tragedy occurred when the boilers exploded, bringing death to passengers and crew.

The disaster conclusively demonstrated the impracticability of navigating the river by steam.

To overcome this fact, a canal was proposed as the only feasible means of transporting Berwick's increasing production to the seaboard.

Excavations began at the Fourth of July celebration of 1828 amid mighty local enthusiasm and the martial appearance of the Berwick Guards in full-dress uniform.

There is no denying the fact that, with the completion of the canal, industry was attracted to the town to an unprecedented extent and with economic benefit to the entire area.

The initial step in conferring upon Berwick its present prominence in manufacturing circles was made in 1840 when M. W. Jackson and George Mack established a foundry at the corner of Third and Market Streets.

To say that the growth of Berwick has been directly resultant from that of its manufacturing interests would be the expression of a platitude.

In illustration of this it may be said that the population was 452 in 1840—more than twice that by 1870—following the industrial boom produced by the Civil War—and over 3,000 by 1886.

The extent and importance of Berwick's business interests followed in the wake of its increasing population.

The first store appeared in 1800, the water company in 1818, and the first major banking institution in 1864 as growing population demands began attracting business from all over the State.

Yet antedating commercial enterprise in the town was an interest in education which became apparent with the arrival of the first citizens.

The first school at Berwick was opened in 1800 by Isaac Holoway in the Quaker meetinghouse.

This building and the markethouse were the only local structures used for educational purposes until 1839—in which year Berwick Academy was constructed.

Equally important from the outset of Berwick's existence were the various religious bodies, of which the Friends were the first to erect a house of worship.

In October 1799, the ground was purchased upon which a meeting house was built—some 9 years before the Methodists erected a temple in the vicinity, and 71 years prior to the existence of an Evangelist Church.

Presbyterian doctrines were first promulgated at Berwick in 1827, and those of the Baptist Society in 1842, in which year there were only two Baptists in the town.

In later years all manner of religious folk had moved into the area, bringing with them spiritual beliefs of every kind, yet all of them dedicated to the principles upon which Berwick has thrived and prospered over the years in the manner of a typically American community, founded on devotion to God and preserved through the strength of faith.

Undoubtedly, as anyone familiar with Berwick traditions can plainly see, the vitality of the city springs from the moral fiber of its population whose purposes, hopes, and dreams correspond in every detail to those of the grand design drawn up by our forefathers.

Out of this welter of people—faiths and influences—Berwick has emerged as a symbol of the fulfillment of the great American dream portraying the United States as a haven providing liberty and freedom for the peoples of all nations.

That in truth—is also the story of Pennsylvania—of which Berwick stands revealed as a junior-size copy.

As early as 1727 Germans, Swiss, and French Huguenots were pouring into the region south of the Lehigh Mountains near the English, Welsh, and Dutch settlers of earlier origin.

Religious, cultural, and nationalistic differences were viewed by alarmists as cause for grave concern and warfare of some sort was prophesied.

No fighting took place—however—and in short time the divergent groups were working in absolute harmony.

So it was for Pennsylvania as a whole—and so for Berwick—where it early was proven that the "melting pot" theory of Americanism was no mere crackpot dream—but a wholly practical principle—in fact, the only principle worth considering in a world where freedom is the major goal of men of good will.

Consider, too, the capitalistic nature of Berwick in a Nation founded on capitalistic principles.

From the moment industry made its first appearance hereabouts and mass-production began to benefit the local inhabitants, the town became a major force in the industrial network of the Nation.

Perhaps the greatest example of Berwick's productive capacity was brought to light with the construction in 1904 of the American Car & Foundry Co., where the first all-steel passenger coach was manufactured in the first year of the plant's existence.

Today with an airport and two railroad lines to facilitate the travel of persons to and from Berwick, the city stands out as a productive center of considerable magnitude.

Freight and passenger cars still emanate from its blast furnaces and numerous other items such as drugs, lumber, clothing, soft drinks, and potato chips continue to pour forth from various and sundry factories manned by contended Berwick residents.

This is the kind of city that has made America great; the small metropolis of about 15,000 people working and striving to improve their surroundings in the same diligent manner as their ancestors before them.

It is also such a town as would keep alive the memory of its founders—for the benefit of the living—as an example to all in the art of miraclemaking.

As an admirer of miracles—as represented by the miracle of America—I hail your pioneer spirit and your preservation of American ideals on this and similar occasions.

In these perilous days when world communism threatens to engulf us, it is reassuring to know that this area of Pennsylvania—true to its brave tradition—can be depended upon as in the past, should our national honor be imperiled.

For the history of Berwick is replete with the traditional courage and patriotism of

its manhood and womanhood so essential in defending our American ideals.

These fine American attributes constitute our greatest armor against the defiant declaration of Nikita Khrushchev that our grandchildren will live under Communist rule.

This is a challenge we cannot dismiss lightly.

In fact it should provide on this occasion a compelling reason for rededicating ourselves to the enduring American ideals of liberty and freedom under God.

It has been a real pleasure to participate in this program in observance of Pioneer and Homecoming Day and I am pleased it was possible to accept your kind invitation.

The Late Ed Koterba

EXTENSION OF REMARKS
OF
HON. CARROLL D. KEARNS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 6, 1961

Mr. KEARNS. Mr. Speaker, I am sure that all the Members of the Congress share my grief over the untimely death of Ed Koterba.

Ed had a brilliant future as a newspaperman and his humor, perception, and ability to write a human interest story with a light touch will be greatly missed.

I shall always remember the day Ed strolled into my office with his big smile and said:

Congressman, I'm Ed Koterba. I have just returned from Sharon, Pa.—

In my district—

and had the most delicious potato soup I have ever eaten at the Shenango Inn there. The recipe should be made famous.

So began the "potato soup" stories in Roll Call and other papers all over the country. The recipe is still used whenever potato soup is served in the House cafeteria.

That is only one example of Ed's imagination and initiative, and how he could take a simple event and make an interesting story out of it.

The world needs people like Ed. It is sad to lose them in their prime.

National Lottery

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 6, 1961

Mr. FINO. Mr. Speaker, while we in Congress persist in refusing to capitalize on the natural gambling spirit of the American people and while we stubbornly continue to ignore the tremendous revenue-producing features of a national lottery in the United States, most of the countries throughout the world continue to treat and respect gambling as an instinctive and universal human trait which brings pleasure to the people and financial benefits to government treasuries.

I would like, Mr. Speaker, to bring to the attention of the Members of this House some interesting facts and figures which I have gathered from some of these countries where the wheels of fortune spin on behalf of the public welfare.

VENEZUELA

This small South American nation, with a population of less than 7 million, last year took in $48.8 million, of which $30 million was given out in prizes leaving $18.8 million as revenue for the treasury.

Venezuela uses this income from gambling wisely. The great bulk of this revenue was used for the benefit of hospitals and schools, and the remainder was devoted to other Government purposes.

Mr. Speaker, with our taxes rapidly rising and with the need for new sources of revenue to meet our public demands becoming more pressing, is there a more painless or sensible way of raising government revenue than a national lottery? Venezuela does not think so.

SENATE

FRIDAY, JULY 7, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Honorable LEE METCALF, a Senator from the State of Montana.

The Reverend Edward L. R. Elson, S.T.D., minister, the National Presbyterian Church, Washington, D.C., offered the following prayer.

Almighty God, we thank Thee for Thy mercies which are new every morning. Deliver us now from the clash and clamor of the world about us, from the turbulent concerns confronting us on every continent of the world, and from the pressure of daily duties, that we may "be still and know that Thou art God."

Bestow upon Thy servants here assembled the gift of the quiet soul, the serene spirit, and the disciplined mind, that all deliberations may be lifted into the higher order of Thy kingdom. Grant to all of us the wisdom and the will to seek first Thy kingdom and Thy righteousness, in the certain confidence that all else shall be added thereto.

Bless this Nation which Thou hast given us, and renew within us pure religion and high patriotism, that we may be good enough and great enough to be the servants of Thy purposes upon the earth.

In the dear Redeemer's name we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE.
Washington, D.C., July 7, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of Wednesday, July 5, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 6, 1961, the President had approved and signed the following act and joint resolution:

S. 1342. An act to provide that participation by members of the National Guard in the reenactment of the Battle of First Manassas shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes; and

S.J. Res. 106. Joint resolution transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service:

One hundred and twelve postmaster nominations.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nomination on the executive calendar will be stated.

ATOMIC ENERGY COMMISSION

The Chief Clerk read the nomination of Gerald Johnson, of California, to be Chairman of the Military Liaison Committee to the Atomic Energy Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EMPLOYMENT OF ALIENS IN A SCIENTIFIC OR TECHNICAL CAPACITY

A letter from the Under Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity (with accompanying papers); to the Committee on Commerce.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES IN FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of May 31, 1961 (with an accompanying report); to the Committee on Commerce.

AGREEMENT FOR FACILITATING INTERNATIONAL CIRCULATION OF VISUAL AND AUDITORY MATERIALS OF AN EDUCATIONAL, SCIENTIFIC, AND CULTURAL CHARACTER

A letter from the Director, U.S. Information Agency, transmitting a draft of proposed legislation to give effect to the agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific, and cultural character, approved at Beirut in 1948 (with an accompanying paper); to the Committee on Finance

REPORT ON MILITARY ASSISTANCE PROGRAM FOR SPAIN

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on the military assistance program for Spain (with an accompanying report); to the Committee on Government Operations.

ELIMINATION OF REQUIREMENTS FOR CERTAIN DETAILED ESTIMATES IN ANNUAL BUDGETS

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to eliminate the requirements for certain detailed estimates in the annual budgets (with an accompanying paper); to the Committee on Government Operations.

AUDIT REPORT ON FEDERAL NATIONAL MORTGAGE ASSOCIATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal National Mortgage Association, Housing and Home Finance Agency, fiscal year 1960 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF SLUM CLEARANCE AND URBAN RENEWAL ACTIVITIES OF ATLANTA REGIONAL OFFICE, HOUSING AND HOME FINANCE AGENCY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of slum clearance and urban renewal activities of the Atlanta regional office, Housing and Home Finance Agency, September 1960 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF MANAGEMENT OF IDLE PRODUCTION EQUIPMENT WITHIN DEPARTMENT OF DEFENSE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of management of idle production equipment within the Department of Defense, dated June 1961 (with an accompanying report); to the Committee on Government Operations.

TECHNICAL RESEARCH PROGRAM AT PENNSYLVANIA STATE UNIVERSITY

A letter from the Commissioner, Federal Housing Administration, Washington, D.C., reporting, pursuant to law, that title to certain scientific equipment purchased under contract with Government funds has been vested in the Pennsylvania State University; to the Committee on Government Operations.

CERTIFICATION OF ADEQUATE SOIL SURVEY AND LAND CLASSIFICATION, BULLY CREEK EXTENSION OF VALE PROJECT, OREGON

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of the lands in the Bully Creek extension of the Vale project, Oregon, and that the lands to be irrigated are susceptible to the production of agricultural crops (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT OF CIVIL AIR PATROL

A letter from the Assistant Director of Administrative Services, Civil Air Patrol, Ellington Air Force Base, Tex., transmitting, pursuant to law, a report of that patrol, for the calendar year 1960 (with an accompanying report); to the Committee on the Judiciary.

ADJUSTMENT OF IMMIGRATION STATUS OF A CERTAIN IMMIGRANT

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a copy of an order relating to the adjustment of the immigration status of Raj Kumar Mallick (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

Two joint resolutions of the Legislature of the State of California; to the Committee on Armed Services:

"ASSEMBLY JOINT RESOLUTION 34

"Joint resolution relative to the proposed cutting down of trees in the Presidio

"Whereas it has been reported that the U.S. Army intends to cut down 26 acres of beautiful and hand-planted eucalyptus, acacia, pine, and other trees in the Presidio in San Francisco in order to expand a cemetery; and

"Whereas the felling of these trees and removal of the shrubs from these rolling acres in the Presidio will remove an area of rare beauty which has laboriously been planted and maintained since the first planned reforestation, on a large scale, in 1882, and would put off, probably forever, the release of any acreage of the Presidio to the city of San Francisco for a new and unique San Francisco residential area; and

"Whereas with the Armed Forces declaring their various real estate holdings surplus at a growing rate, it is indeed appropriate to ask if among these other properties an appropriate site for a cemetery could not be found without permanently destroying or impairing the historic beauties of the Presidio: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States and the Secretary of the Department of Defense to take appropriate executive and legislative action to prevent the removal of trees at the Presidio in San Francisco for the extension of a cemetery, to direct the U.S. Army to seek another more appropriate site among its vast real property holdings for such a cemetery, and to take such other action as will insure that the historic and carefully nurtured natural beauties of the rolling acres of the Presidio will remain for the enjoyment and appreciation of the people of the entire Nation as well as the citizens of the State of California and the city of San Francisco; and be it further

"*Resolved*, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of the Department of Defense, and to the Secretary of the Army."

"SENATE JOINT RESOLUTION 47

"Joint resolution relative to the future use of military airports

"Whereas it has come to the attention of the members of the California Legislature that H.R. 6178 has been introduced in the U.S. House of Representatives to provide for a joint study by the Administrator of the Federal Aviation Agency and the Secretary of Defense of the disposal and future use of military airports expected to be surplus to the needs of the Department of Defense; and

"Whereas California now has several dozen military installations which have aviation facilities; and

"Whereas the inventory of military aircraft has gone in 7 years in excess of 54,000 to something less than 27,000; and

"Whereas there have been tremendous reductions in manpower trained to use military aircraft; and

"Whereas the State of California, through its Aeronautics Commission stands ready and willing to cooperate in any such study of future disposal of military airports by civilians as well as by military activities: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California hereby endorses and urges the adoption of H.R. 6178 by the U.S. Congress; and be it further

"Resolved, That the Legislature of the State of California respectfully urges that the study undertaken pursuant to H.R. 6178 include the problem of how to prevent the leasing of space for military fields to private persons, firms and corporations and the civil operation of aircraft by such persons, firms and corporations on the military fields in competition with civil airports; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Administrator of the Federal Aviation Agency and the Secretary of Defense."

A joint resolution of the Legislature of the State of California; to the Committee on Commerce:

"ASSEMBLY JOINT RESOLUTION 42

"Joint resolution relative to memorializing the Civil Aeronautics Board to reconsider cancellation of turbojet flights from Redding to San Francisco and from San Francisco to Redding

"Whereas Pacific Airlines has decided to cancel its midday turbojet flight numbers 725 and 758 from Redding to San Francisco and from San Francisco to Redding, with stops at Chico and Sacramento; and

"Whereas said curtailment of services was decided upon by the company without informing interested local parties in the affected area prior to the company's decision to drop the above-mentioned flights; and

"Whereas flight 725 is the principal flight from Redding to San Francisco and is used by more passengers than any of the other flights now serving Redding; and

"Whereas Pacific Airlines is the only airline presently certified to serve this area; and

"Whereas the elimination of these flights would cause considerable inconvenience to airline travelers using these flights; and

"Whereas this rapidly expanding area of northern California has great and continued need for a dependable airline service which connects it with flights to San Francisco and the Midwest, East, and South, as does flight 725; and

"Whereas citizens of this area feel that should Pacific Airlines cancel these flights, necessary steps should be taken to request the Civil Aeronautics Board to consider certifying one or more airlines to serve this area in the public interest, to insure adequate and dependable airline service to the area: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California memorializes the Civil Aeronautics Board to take such steps as may be necessary to insure adequate air service to citizens of this area in the public convenience and necessity; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Civil Aeronautics Board, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Government Operations:

"ASSEMBLY JOINT RESOLUTION 38

"Joint resolution relative to Fort Funston

"Whereas Fort Funston in San Francisco has been declared surplus Federal property by the General Services Administration; and

"Whereas this land, comprising about 116 acres of sand dunes and beach, would make an excellent public park and recreation area along the Pacific Ocean; and

"Whereas a public auction to sell part of the land to private developers could be scheduled at any time: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the National Park Service is requested to recommend the development of surplus Fort Funston property for a State park and recreational area; and be it further

"Resolved, That the General Services Administration is requested to take no action to dispose of the Fort Funston property until the State of California has an opportunity to take such action as may be necessary to acquire the property for a public park and recreational area; and be it further

"Resolved, That the chief clerk of the assembly is directed to prepare and transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of the Interior, to the Director of the National Park Service, and to the Administrator of General Services."

Two joint resolutions of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"SENATE JOINT RESOLUTION 50

"Joint resolution relative to the King Range National Conservation Area

"Whereas there is pending in the U.S. House of Representatives a bill, H.R. 6793, to provide for the establishment of the King Range National Conservation Area in the coastal area of northern Mendocino County and southern Humboldt County; and

"Whereas this bill, authored by the Honorable CLEM MILLER, Congressman representing California's First Congressional District, provides for conserving and developing the lands and other resources in the area under a program of balanced usage providing for the long-range development of the area; and

"Whereas the King Range National Conservation Area will be acquired by donation, by purchase with donated or appropriated funds, or by land exchange, but not by eminent domain; and

"Whereas the conservation program is designed to enhance the economic climate of the local area, the State of California, and the United States, through sound conservation practice; and

"Whereas the King Range National Conservation Area is an important implementation of the advance conservation concepts in all resource fields, in keeping with the vision of the New Frontier: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully urges Congress to enact H.R. 6793, providing this much needed conservation area for the use and benefit of the people of the State of California and of the United States; and be it further

"Resolved, That the secretary of the senate transmit copies of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, the Chairman of the House Committee on Interior and Insular Affairs, and to each Senator and Representative from the State of California in Congress."

"ASSEMBLY JOINT RESOLUTION 44

"Joint resolution relative to water resources development

"Whereas the Federal Government is presently engaged in the construction and operation of the Central Valley project in the State of California, which project has resulted in great benefits to many areas in the Sacramento and San Joaquin Valleys in this State; and

"Whereas one of the units of the Central Valley project is the Tehama-Colusa Canal which will deliver water from the Shasta and Trinity units of the Central Valley project to service areas in the western portion of the Sacramento Valley; and

"Whereas there is an urgent need for water for agricultural purposes in Yolo and Lake Counties in this State, which regions have not been included in the service areas of any existing or proposed Federal or State water development projects; and

"Whereas the need for water in these regions has resulted in studies of methods of developing the necessary water supplies, culminating in the recent report with respect to the proposed multipurpose Wilson Valley project contained in Bulletin 90 of the State department of water resources, dated March 1961; and

"Whereas it would appear that either an extension of the Tehama-Colusa Canal through Yolo County to a terminus in the vicinity of Putah Creek or the Wilson Valley project, or both, might be appropriate and feasible additions to the Central Valley project: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to make funds available for a study of the feasibility of either extending the Tehama-Colusa Canal through Yolo County to a terminus in the vicinity of Putah Creek, or constructing the proposed multipurpose Wilson Valley project, substantially as described in Bulletin 90 of the State department of water resources, dated March 1961, or both, as a part of the Central Valley project for the benefit of both Yolo and Lake Counties; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"ASSEMBLY JOINT RESOLUTION 43

"Joint resolution relative to amendments to the National Bankruptcy Act

"Whereas the State of California has enacted laws licensing and regulating companies and persons engaged in the business of selling various types of investments to the public and as a part of such licensing and regulation the State law authorizes the particular licensing and regulating agency to take possession of the affairs and assets of such company or person under a conservatorship whenever it appears that the licensee is operating contrary to law or is in a hazardous financial condition; and

"Whereas at the present time there are some 11 trust deed investment companies

which are licensees of the State, and in which the public has invested millions of dollars; and

"Whereas these companies are in receivership or bankruptcy under the provisions of the National Bankruptcy Act (title 11, United States Code); and

"Whereas the Legislature of the State of California has before it legislation which would grant the agency having licensing jurisdiction over trust deed companies to take possession of a company if it was found to be operating contrary to law or in a hazardous and unsafe financial condition, for the purpose of rehabilitating or liquidating the company in order to safeguard the funds and property of the investing public; and

"Whereas in the past, under similar laws granting conservatorship and liquidation authority over licensees engaged in the investment of the public money, the State has been ousted of its conservatorship and jurisdiction by the licensee company petitioning for relief under the various provisions of the National Bankruptcy Act; and

"Whereas it is highly desirable and beneficial that State agencies, which are fully informed concerning the operations of the particular business of a licensee and are able to rehabilitate or liquidate the licensee, should not be stopped in the process by the intervention of Federal authority under the Bankruptcy Act; and

"Whereas the State of California believes that such interruption of the conservatorship or liquidation proceedings not only delays the marshaling of assets but increases the cost and expenses to the detriment of both creditors and investors and as well deprives the licensing agency of applying its expert knowledge to the affairs of the said licensees: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Congress of the United States is respectfully memorialized to enact appropriate amendments to the National Bankruptcy Act to exclude from the provisions of that act any person or company with respect to which the regulatory laws of the State applicable to the business in which the person or company is engaged provides for the conservatorship or liquidation of the licensed business, under the jurisdiction of a State court, and over which the conservatorship authority or liquidation authority is being exercised; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to prepare and transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"ASSEMBLY JOINT RESOLUTION 46

"Joint resolution relative to urging the Federal Government to continue to permit employment service administrative funds to be expended for classified advertising in the operations of the placement service of the California Department of Employment

"Whereas for more than 8 years the California Department of Employment has utilized paid classified advertising as an integral part of placement operations conducted under the uniform national system of public employment offices established under Federal law; and

"Whereas the effectiveness of such activity and the resultant benefit to individuals, industry, and the community as a whole far outweighs costs involved, particularly when considered in connection with the additional free public-service advertising it has tended to cause publishers to make available to the department; and

"Whereas this method of communicating job opportunities has always been utilized in California only to a modest extent involving a comparatively minor portion of the administrative expenditures connected with placement operations, and has been strictly limited always to advertising to obtain applicants in shortage occupations, and not to advertise jobs for which applicants are available from the active application file; and

"Whereas the filling of a few such key jobs through classified advertising has frequently resulted in affecting the subsequent placement of substatnial numbers of active file applicants in related positions; and

"Whereas though the administrative expense funds for the State's placement operations are provided by the Federal Government, they are in fact collected from California employers under the Federal Unemployment Tax Act; and

"Whereas statements contained in House Report No. 392, accompanying proposed legislation embodied in H.R. 7035, the appropriation bill for the Department of Labor, Health, Education, and Welfare, and related agencies indicates that it is contemplated that measures be undertaken to impose restrictions which would prohibit expenditures of administrative funds for such classified advertising: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress of the United States is urged to permit continuation of the utilization of classified advertising as an integral part of State placement operations in the national system of employment offices; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, and to each Member of the Congress of the United States representing the State of California."

A joint resolution of the Legislature of the State of California; to the Committee on Post Office and Civil Service:

"ASSEMBLY JOINT RESOLUTION 39

"Joint resolution relative to a commemorative stamp honoring John Muir

"Whereas the year 1964 will mark the 50th anniversary of the death of John Muir, one of the great naturalists of our Nation and a lifelong advocate of the need to preserve the great natural resources of our scenic forests and wilderness areas; and

"Whereas born in Scotland, John Muir came to the United States at an early age and as a young man settled in 1868 in California, the State he later came to call his home; and

"Whereas John Muir thereafter spent his life exploring, largely on foot, the mountainous and wilderness areas of California, the United States and Alaska and writing stirring poetry and numerous articles and books extolling the beauties of nature, recounting his travels, and seeking to acquaint his countrymen with the great inheritance available to all in the natural resources of our scenic forests and wilderness areas; and

"Whereas it was to a great extent through these explorations and writings of John Muir that our country was awakened to the heritage of our great forests and mountains and the great need for national parks and reservations to preserve all these for future generations: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Postmaster General of the United States to provide for the issuance of a commemorative stamp honoring the 50th anniversary of John Muir's death; and be it further

"Resolved, That the chief clerk of the assembly be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Postmaster General of the United States, to the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States."

Three joint resolutions of the Legislature of the State of California; to the Committee on Public Works:

"ASSEMBLY JOINT RESOLUTION 36

"Joint resolution relative to memorializing the Congress of the United States to enact into law proposed legislation to authorize the use of the airspace above and below the gradeline of highways within the Interstate System

"Whereas there is presently pending before the Congress of the United States legislation authorizing a more beneficial use of the airspace above and below the established gradeline of highways within the Interstate System; and

"Whereas the enactment of legislation to accomplish this purpose will result in greater financial benefits to the State of California and its political subdivisions without in any way impairing the full use and safety of the highways, or in any way interfering with the free flow of traffic on the Interstate System: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress and the President of the United States to enact into law the legislation to authorize the more beneficial use of the airspace above and below the gradeline of highways within the Interstate System; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"ASSEMBLY JOINT RESOLUTION 41

"Joint resolution relative to optimum development of the Central Valley Basin and San Franisco Bay region of California, including multipurpose development of certain watersheds therein

"Whereas the settled policy of the Congress of the United States in the field of water resources activities and basin planning is stated repeatedly in the symposium of 31 reports of the Select Committee on Natural Water Resources, United States Senate, established pursuant to Senate Resolution 48, 86th Congress; and

"Whereas in Committee Print No. 15 of said reports it is specifically stated that, 'the obvious way to achieve such coordination is to require that all developments within a basin shall fit as nearly as possible into and constitute an integral part of a comprehensive plan for the optimum development of the basin's resources. This concept is now well established and the Congres has taken a number of steps to implement it. One important step in this direction is the efforts the Congress has, in a number of instances, authorized the Federal agencies to develop overall plans for important regions. At the present time comprehensive plans have been completed or are being completed under the leadership of the Corps of Engineers, and in full cooperation with States and other Federal agencies, in the Delaware and Columbia River Basins, and are being developed for river basins in the Southeast, and for the Texas basins, by "study commissions" established by Congress for the purpose. Such developments indicate that the Congress is willing to do its part to implement the concept of comprehensive and coordinated development plans'; and

"Whereas the State of California has benefited greatly in past years from the coordinated activities of Federal agencies in the construction of projects to control floods, conserve water, and to provide other water-associated benefits as carried out by the Bureau of Reclamation of the Department of Interior and the Corps of Engineers of the Department of the Army; and

"Whereas the State of California looks forward to continued activity by these two agencies toward the fuller development of the State's water resources; and

"Whereas major projects such as the San Luis unit have been authorized for construction by the Bureau of Reclamation and other major units such as Auburn Dam, Folsom south unit, and the east side division of the Central Valley project are approaching the authorization stage; and

"Whereas virtually no multiple-purpose projects remain to be constructed in California which have been authorized for construction by the Corps of Engineers; and

"Whereas a number of proposed flood control and water development projects do remain in California which may be susceptible of development by the Corps of Engineers on the upper Sacramento River, Cache Creek, the Fresno River, Chowchilla River, Eel River and other north coast streams, Cosumnes River, and streams in the San Francisco Bay area; and

"Whereas the Congress throughout the decades has assigned to the Corps of Engineers the tasks of planning and developing systems of public works, for the control of floods in the rivers of the Nation; for the improvement of navigation in rivers, canals, and harbors of the Nation; for the protection of riverbanks and coastal shores; for the planning of highways and systems of transportation needed for the military defense of the Nation; and the making of coordinated basin plans for public works: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation and provide funds to authorize the Corps of Engineers, in cooperation with the Federal Bureau of Reclamation and the California Department of Water Resources, and in conjunction with a study commission and other Federal and State agencies, to make studies which would lead to multipurpose development of these basins; and be it further

"Resolved, That the chief clerk of the assembly be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of the Army, and to the Chief of Engineers."

"ASSEMBLY JOINT RESOLUTION 45

"Joint resolution relative to establishment of a Federal water pollution control research facility in California

"Whereas the Congress of the United States is considering legislation for the establishment of several regional laboratories and research facilities for the conduct of technical investigations, experiments, field studies and training relative to the prevention and control of water pollution; and

"Whereas, one of said research facilities is to be located in the southwestern area, and insofar as practicable, said facilities are to be located near institutions of higher learning in which graduate training in such research might be carried out; and

"Whereas regional research facilities are urgently needed to supplement the activities of the Robert A. Taft Sanitary Engineering Center, Cincinnati, Ohio, in providing technical assistance to the States and local agencies on the mounting problems of water pollution control and water resources management; and

"Whereas it is both logical and desirable that a regional research facility be established in California, not only because of the magnitude of water pollution and water quality problems in this State but also for the reason that California agencies have been conducting a substantial portion of water pollution control research at the State level; and

"Whereas California is one of the areas of the United States in which the problems of water quality management are both critical and of great magnitude as evidenced by the fact that the State's present population of over 15 million is expected to almost double in the next 20 years and, to make possible this growth, the people of the State last year voted a $1,750 million water bond proposition initiating the greatest water development project ever conceived in any State of the Union; and

"Whereas California is ideally located for studying the ground water quality problems that are unique to the Southwest, since one-third of the Nation's ground water supplies are developed here and since California has been the forerunner in conserving and augmenting water resources by recharging ground water basins; and

"Whereas ground water problems associated with sea water intrusion also can be studied in California for the reason that 13 ground water basins along the State's coastline already have been damaged by the encroachment of saline waters and other basins are now being threatened; and

"Whereas California has the added geographical advantage of being situated where studies of marine waste disposal problems can be undertaken since two-thirds of the State's sewage and industrial wastes are discharged into ocean waters; and

"Whereas the State has, in the University of California, an institution of higher learning that provides graduate education in the fields of research to be carried out in the proposed regional research facilities; and

"Whereas the extent of said university's educational and research activities in the field of water pollution control is documented by the following facts:

"(1) It has the oldest sanitary engineering program on the west coast, with the largest full-time academic staff in the United States, the greatest number of resident graduate students, and the largest number of sanitary engineers working for doctorates;

"(2) It has the Nation's most extensive academic research program in the field of water pollution control, operating research laboratories with a paid staff of 115 and undertaking over $750,000 annually on research studies, including, but not limited to, waste water reclamation, marine waste disposal, ground water pollution problems, and waste treatment processes;

"(3) It has a school of public health with internationally recognized competence in the field of radiological health sciences—a field of increasing significance in water pollution control programs; and

"Whereas a research facility located near the University of California would be able not only to draw upon a large reservoir of academic personnel and graduate students but would also benefit from the extensive research being conducted by the university in the fields of water pollution control and water resources management: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation establishing regional water pollution control research facilities and to locate one of these facilities near the University of California; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of Health, Education, and Welfare."

A joint resolution of the Legislature of the State of California; ordered to lie on the table:

"ASSEMBLY JOINT RESOLUTION 40

"Joint resolution relative to Project Mohole

"Whereas the drilling barge *Cuss I*, named after the Continental Union, Shell, and Superior Oil Cos. which were responsible for its construction, and now owned and operated by the Global Marine Exploration Co., recently successfully drilled in the deepest ocean depths ever achieved and opened new vistas for exploring the earth and its origin, and thus vindicating the dedicated scientists who conceived this daring and improbable object; and

"Whereas this unprecedented drilling took place as part of a scientific project called Mohole under the able sponsorship, guidance, and direction of the National Science Foundation, the National Academy of Sciences, and the Global Marine Exploration Co.; and

"Whereas some of the major achievements of this scientific experiment included the unusual engineering design of the ship which made Project Mohole possible in the first place, the positioning of the ship in a stationary spot on the ocean through an intricate system of radar and sonar buoys, the completion of permanent undersea anchored buoys at depths of 12,000 feet, the securing in place of 12,000 feet of drill pipe in the ocean through the device of a guide shoe assembly which prevents bending in the pipe at the surface, and the gathering of cores from the earth's ocean bottom; and

"Whereas the success of this scientific gamble was brought about only through the untiring and coordinated efforts, the technical ingenuity, and the courageous faith of the many scientists who participated in this extraordinary achievement; and

"Whereas the knowledge gained from ocean sediments alone will greatly enhance our understanding of the history of the oceans, climatic changes, and the evolution of life, and Project Mohole is one of the most important scientific undertakings of modern times, for it will probe into new and totally unknown regions of the world; and

"Whereas the scientists' goal is to drill a hole all the way down to where the light crust of the planet rests on its dense mantle, known as the Moho, after Andrija Mohorovicic, a Yugoslav who discovered it in 1909 by a brilliant analysis of earthquake vibrations; and

"Whereas drilling through the sea is the only feasible way of reaching the Moho, and the result of reaching the Moho should bring back cores of ages-old material rich in information about the earth's beginnings and its structure: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the legislature highly commends and congratulates the many scientists, workers, and members of the petroleum industry who made this achievement possible, and expresses its deep interest and encouragement in the furtherance of Project Mohole; and be it further

"Resolved, That the legislature respectfully urges the Congress of the United States to take such steps as may be necessary to support Project Mohole so that the scientists may achieve their ultimate goal; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Senate of the State of California; to the Committee on Appropriations:

"SENATE RESOLUTION 202

"Resolution relating to a Federal fish hatchery in Nevada

"Whereas a proposed fish hatchery in Douglas County, Nev., would provide fish for planting not only in Nevada but all of the eastern slope of the Sierra Nevada Mountain Range; and

"Whereas this area presently is used by thousands of Californians and Nevadans for public recreation but is inadequately supplied with proper fishing facilities due to the lack of adequate hatchery production in certain areas; and

"Whereas the Federal budget as adopted by the Senate of the United States presently provides for $150,000 for the start of a fish hatchery project in this area: Now, therefore, be it

"Resolved by the Senate of the State of California, That the Congress of the United States is hereby respectfully requested to appropriate sufficient money to commence the construction of a fish hatchery project in Douglas County, Nev., for the benefit of the people of the State of California and Nevada; and be it further

"Resolved, That the secretary of the senate transmit suitably prepared copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the House of Representatives of the State of California; to the Committee on the Judiciary:

"HOUSE RESOLUTION 412

"Resolution relative to H.R. 1774

"Whereas there has been introduced in the Congress of the United States, at its present session, H.R. 1774, by the Honorable CHET HOLIFIELD, Representative, 19th District of California; and

"Whereas H.R. 1774 would amend section 312 of the Immigration and Nationality Act so as to provide that any person who has lived in the United States for 20 years and is over 50 years of age may take his examination for citizenship in the language of the country of his origin; and

"Whereas this would liberalize a provision in this act which permits a person to take his examination for American citizenship in the language of his country of origin if he were 50 years of age or over at the time of the enactment of the act; and

"Whereas this bill is supported by many worthwhile groups and individuals in California, including the Catholic Labor Institute, East Los Angeles Branch, and the Community Services Organization, and would be a beneficial change in the law enabling many longtime residents of the United States to become citizens and thereby participate more fully in the privileges and responsibilities of life in a democracy: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the Assembly of the Legislature of California does urge the Congress of the United States to enact H.R. 1774 into law; and be it further

"Resolved, That the chief clerk of the assembly is directed to send copies of this resolution to the Honorable CHET HOLIFIELD, Congressman, 19th District, all Members of Congress and the U.S. Senate from California, and the Vice President of the United States and the Speaker of the House of Representatives."

The petition of John F. Drac and William Kona, of Chicago, Ill., relating to the extension of the right of self-determination to the Slovakia and its Slovak people; to the Committee on Foreign Relations.

CENTENNIAL OBSERVANCE OF ENACTMENT OF THE HOMESTEAD ACT—RESOLUTION OF NEBRASKA LEGISLATURE

Mr. HRUSKA. Mr. President, on June 7, 1961, my colleague from Nebraska [Mr. CURTIS] introduced a joint resolution which provides for the observance next year of the centennial of the enactment of the Homestead Act. The joint resolution is highly meritorious and appropriate, as perhaps no piece of Federal legislation contributed more to the development of the West and to the recovery of the Nation following 4 years of civil strife than did the Homestead Act, signed into law by President Lincoln on May 20, 1862.

I joined my colleague in cosponsoring Senate Joint Resolution 98 and express the hope that it will be passed in timely fashion at this session of Congress. Nebraska has a special interest in the centennial because the first homestead entryman is located near Beatrice in Gage County, Nebr. On June 19, 1961, the Nebraska State Legislature adopted a resolution supporting this measure together with S. 2027, which provides for the issuance of a series of stamps commemorating the 100th anniversary of the enactment of the Homestead Act.

Mr. President, I ask unanimous consent that the text of Legislative Resolution 40 be printed at this point in my remarks.

There being no objection, the resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

RESOLUTION 40

Whereas the year 1962 is the centennial of the Homestead Act, and

Whereas the monument of the National Park Service to the Nation's first homestead entryman is located near Beatrice, Nebr.: Now, therefore, be it

Resolved by the members of the Nebraska Legislature in 72d session assembled:

1. That the Members of Congress are hereby memorialized to support the bills in Congress directing the President of the United States to designate the Homestead Centennial in the year 1962, and the Postmaster General of the United States to issue a commemorative stamp of the 100th anniversary of the Homestead Act.

2. That copies of this resolution be transmitted by the clerk of the legislature to the Vice President of the United States as President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to each Member from Nebraska in the Senate of the United States and in the House of Representatives of the United States.

RESOLUTION OF KANSAS CONFERENCE STUDENT ASSOCIATION

Mr. CARLSON. Mr. President, the Kansas Conference Student Association, which is composed of representatives from religious sponsored colleges in Kansas, at its spring meeting adopted a resolution endorsing the Peace Corps program. I ask unanimous consent that the letter from the president of the Kansas Conference Student Association, containing the resolution be made a part of these remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KANSAS CONFERENCE
STUDENT ASSOCIATION,
June 16, 1961.

Mr. FRANK CARLSON,
U.S. Senator,
U.S. Congress, Washington, D.C.

HON. MR. CARLSON: The Kansas Conference Student Association in its spring 1961 conference, with delegates from Baker University, Bethel College, College of Emporia, Friends University, McPherson College, Ottawa University, Southwestern College and Sterling College, recommended the continuation of plans for and support through Congress of the Peace Corps program.

We support the following Peace Corps philosophy:

That U.S. citizens be sent by the U.S. Government to underdeveloped countries for the purpose of helping underdeveloped countries help themselves, emphasizing academic fulfillment and technical skill while omitting political and cultural issues.

Yours very truly,

J. E. LANSDOWNE,
President.

CONTROL OF RAILROAD PIGGYBACKING—PETITION

Mr. MILLER. Mr. President, I have received a petition signed by 575 members of Local Union 147, Over the Road, City Transfer Drivers, Helpers, Dockmen & Warehousemen, Des Moines, Iowa, in support of legislation to control railroad piggybacking. The petition reads as follows:

We, the undersigned, depend on the trucking industry for our livelihood. Piggybacking has become a menace to our industry through low rates granted by the Interstate Commerce Commission and approved by Congress.

I ask unanimous consent that this petition be referred to the Committee on Commerce to be made a matter of record in the consideration of the bills now before that committee on this subject.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, with an amendment:

H.R. 5490. An act to provide for more effective participation in the reserve components of the Armed Forces, and for other purposes (Rept. No. 498).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

H.R. 4324. An act to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes (Rept. No. 499).

By Mr. BYRD of Virginia, from the Committee on Finance, with an amendment:

H.R. 845. An act to amend title 38, United States Code, to increase the rate of special

pension payable to certain persons awarded the Medal of Honor, and for other purposes (Rept. No. 500).

By Mr. LONG of Louisiana, from the Committee on Finance, with amendments:

H.R. 879. An act to amend title 38, United States Code, to provide increases in rates of disability compensation, and for other purposes (Rept. No. 501).

WHEAT REFERENDUM—REPORT OF A COMMITTEE (S. REPT. NO. 502)

Mr. ELLENDER. Mr. President, from the Committee on Agriculture and Forestry, I report an original joint resolution and ask for its immediate consideration. This resolution would simply extend the latest date for holding the wheat referendum from July 25 to August 26. The Committee on Agriculture and Forestry is busily engaged at the present time in attempting to produce a wheat bill.

Mr. DIRKSEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. DIRKSEN. As I understand, the request was for unanimous consent for the immediate consideration of the joint resolution.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The joint resolution (S.J. Res. 116) was read the first time by its title and the second time at length, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 336 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following: "Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962, may be conducted not later than August 26, 1961."

Mr. DIRKSEN. Mr. President, before the Senator from Louisiana makes his explanation, is my understanding correct that the action taken by the Committee on Agriculture and Forestry on a 1-year wheat program is such that it is necessary that there be a postponement of the referendum date in order actually to make that program effective and feasible, and that the purpose of the joint resolution, on which the Senator has asked for immediate consideration, proposes nothing more than the postponement of that date?

Mr. ELLENDER. The Senator is correct. Under the law, as Senators know, the referendum must be held not later than July 25. The joint resolution advances the date to August 26. That is the only change made. As I said, it is likely—in fact, I hope it will be so—that the committee will report a wheat bill to the Senate next week.

So it is important that the date for the referendum be extended from July 25 to August 26, in order that the referendum may be submitted under the regular procedure. This is important in connection with the wheat bill.

Mr. DIRKSEN. It is my further understanding that the joint resolution had the unanimous approval of the Committee on Agriculture and Forestry, of which the distinguished Senator from Louisiana is the chairman.

Mr. ELLENDER. That is correct.

Mr. SCHOEPPEL. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. SCHOEPPEL. I have just now entered the Chamber. Do I correctly understand that the joint resolution purports to do nothing except advance the date for the referendum, which, unless the date for holding it is advanced, is to be held in the latter part of July?

Mr. ELLENDER. That is correct. In other words, under the law, the referendum should be held not later than July 25. This joint resolution will extend the date to August 26; that is all it will do.

Mr. SCHOEPPEL. I thank the Senator from Louisiana.

Mr. CARLSON. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. I certainly shall not object to immediate consideration of the joint resolution, because I believe it is absolutely necessary for the referendum to be held. But I urge the distinguished chairman of the committee to give serious thought to the desirability of not reporting to the Senate any measure which would require a cut in the wheat acreage this year. I make that recommendation based on the production this year and on the drought which is occurring in some of the great wheat-producing States. In addition, consideration should be given to the importance of wheat in connection with the food-for-peace program, which I believe to be one of the most important programs our country has in connection with the improvement of international conditions.

As the chairman of the committee knows, this year we have exported approximately 675 million bushels of wheat, and our domestic consumption is 625 million bushels. In other words, this is the first time in our history when we have exported more wheat than we have used domestically. I believe it important in connection with both the domestic situation and our international program that the committee give serious consideration to the necessity of making no cut this year in the wheat acreage. In that respect, I refer again to the importance of that matter in connection with our international relations. I am sure the distinguished chairman of the committee will give serious consideration to that situation; but I did not wish this opportunity to pass without making some reference to it.

Mr. ELLENDER. Of course the Senator from Kansas knows that our committee is giving thought to that matter. As soon as the wheat bill is reported to the Senate, the Senator will see that the committee did take into account the suggestions made by the distinguished Senator from Kansas.

The ACTING PRESIDENT pro tempore. Is there objection to the request for the immediate consideration of the joint resolution?

There being no objection, the joint resolution (S.J. Res. 116) was considered, ordered to a third reading, read the third time, and passed.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the joint resolution taken from the report of the Committee on Agriculture and Forestry.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

This resolution would extend the time within which the 1962 wheat marketing quota may be held until August 26, 1961. The national marketing quota for wheat for the marketing year beginning July 1, 1962, was proclaimed by the Secretary of Agriculture on May 10, 1961 (26 F.R. 4143). Section 336 of the Agricultural Adjustment Act of 1938, as amended, requires that a referendum with respect to such marketing quota be held not later than July 25, 1961. In view of the fact that there is pending before the Congress legislation which would affect acreage allotments and marketing quotas for the 1962 crop of wheat, it is important that the time within which the referendum must be conducted be extended in order that wheat producers will know at the time they vote the type of program which will be in effect.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

AGRICULTURAL ADJUSTMENT ACT OF 1938

SEC. 336. Between the date of the issuance of any proclamation of any national marketing quota for wheat and July 25, the Secretary shall conduct a referendum, by secret ballot, of farmers who will be subject to the quota specified therein to determine whether such farmers favor or oppose such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the effective date of such quota, by proclamation suspend the operation of the national marketing quotas with respect to wheat. *Notwithstanding any other provision hereof, the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962, may be conducted not later than August 26, 1961.*

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSH:

S. 2199. A bill to permit the use of certain construction tools actuated by explosive charges in construction activity on the U.S. Capitol Grounds; to the Committee on Public Works.

By Mr. GOLDWATER:

S. 2200. A bill for the relief of Benarsi Dass and wife, Gyano Peganyee Dass; to the Committee on the Judiciary.

S. 2201. A bill to amend the Public Health Service Act to provide for reimbursement of services performed at special places, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. GOLDWATER when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. BOGGS (for himself and Mr. WILLIAMS of Delaware):

S. 2202. A bill for the relief of Dr. Jen Chiu; to the Committee on the Judiciary.

By Mr. KEATING:

S. 2203. A bill for the relief of Jozef Budny; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2204. A bill to increase U.S. productivity in the national interest and for the benefit of the individual worker and businessman, by promoting mutual understanding and cooperation between labor and management, encouragement of public responsibility in the private economy, and maximization of technical and managerial progress, through the establishment of a Peace Production Board and the support of local and industrywide boards; to the Committee on Banking and Currency.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 2205. A bill for the relief of Josefine Lepschi; to the Committee on the Judiciary.

By Mr. MILLER:

S. 2206. A bill to authorize the Secretary of the Army to study the feasibility of development of lakes at Winnebago and Snyder Bends, on the Missouri River, for recreational purposes, and to conduct the necessary construction therefor; to the Committee on Public Works.

S. 2207. A bill to amend section 117(b)(1) of the Internal Revenue Code of 1954 relative to scholarship and fellowship grants; to the Committee on Finance.

(See the remarks of Mr. MILLER when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. CLARK:

S. 2208. A bill for the relief of Su-Fen Chen; to the Committee on the Judiciary.

By Mr. YOUNG of North Dakota:

S. 2209. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to assist in the controlling of grasshoppers on conservation reserve acreage under certain conditions; to the Committee on Agriculture and Forestry.

By Mr. MANSFIELD (for Mr. BURDICK):

S. 2210. A bill to amend the Internal Revenue Code of 1954 so as to treat as an involuntary conversion the sale of livestock on account of drought during 1961 and to treat any gain from such sales as capital gain; to the Committee on Finance.

By Mr. ELLENDER:

S.J. Res. 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962; considered and passed.

(See the remarks of Mr. ELLENDER when he reported the above joint resolution, which appear under a separate heading.)

AMENDMENT OF PUBLIC HEALTH SERVICE ACT TO PROVIDE FOR REIMBURSEMENT OF SERVICES PERFORMED AT SPECIAL PLACES

Mr. GOLDWATER. Mr. President, I introduce, for appropriate reference, a bill to amend the Public Health Service Act to provide for reimbursement of services performed at special places, and for other purposes. I ask unanimous consent that the bill lie on the desk for 5 days so that any Senator who may wish to do so may cosponsor it.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Arizona.

The bill (S. 2201) to amend the Public Health Service Act to provide for reimbursement of services performed at special places, and for other purposes, introduced by Mr. GOLDWATER, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

PEACE PRODUCTION BOARD

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to establish a 25-member Peace Production Board.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2204) to increase United States productivity in the national interest and for the benefit of the individual worker and businessman, by promoting mutual understanding and cooperation between labor and management, encouragement of public responsibility in the private economy, and maximization of technical and managerial progress, through the establishment of a Peace Production Board and the support of local and industrywide boards, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. JAVITS. Mr. President, during World War II, in order to assure the most effective mobilization of our resources, we established a War Production Board. With the stakes as high and the problems of mobilization even more crucial in what is technically peacetime, I propose today that we establish a Peace Production Board whose job it would be to forge all of our country's resources into an all-out effort to decisively win the economic cold war.

It is the responsibility of the United States under present international conditions, to require the most effective mobilization and the maximum utilization of all elements of the Nation's productive forces—the urgency of the need is analogous to its urgency in war.

The Peace Production Board's objectives would be to accelerate national productivity by: Promoting cooperative labor-management relations; developing the fullest use of manpower and machine power; eliminating featherbedding in both management and labor; establishing better procedures to avoid national emergency work stoppages; achieving maximum employment; reducing waste and absenteeism; promoting sound wage and price policies; fostering higher worker morale; dealing with problems of workers and management adversely affected by automation or relocation of industries.

The Board would be authorized to make recommendations to the President regarding legislation for standby price and wage controls to be used during periods of emergency.

I hasten to point out that we are not talking about controls and allocations or wages and price ceilings and the other wartime indicia of industrial mobilization as we did in the War Production Board. We are talking about extended—perhaps decades long—efforts to marshal as nearly as possible within the confines of peacetime operation the full productive capacity of our Nation for the victory of freedom against communism, under the patriotic impetus that a Peace Production Board could give.

Chairman Khrushchev recently compared the United States to a wornout runner living on its past performance. He also predicted that the Soviet Union would outproduce the United States by 1970. Last week, President Kennedy wisely accepted this challenge and invited the U.S.S.R. to engage us in this peaceful competition. The President spoke confidently of our ability to increase our productive development. But is this to be another case where we have only brave words but no deeds; ringing rhetoric but no decisive leadership or creative boldness?

Unlike the utterances he made during the campaign, the President now seems to be saying that the United States is not imperiled by the rapid growth of U.S.S.R. productivity. Last week, the President said:

> If our growth rate is increased to even 4½ percent, which is well within our capability, it is my judgment that the Soviet Union will not outproduce the United States at any time in the 20th century.

In the first place, this administration has come up with no programs to insure that the U.S. growth rate will rise 4½ percent. And second, the experts say that if we take away consumer goods, Soviet production could outrun the United States by 1970.

Indeed, a Government study has reported that as the result of Soviet emphasis on its total investment in industry, the U.S.S.R. achieved parity of annual industrial investment in 1958 and has subsequently outstripped the United States. This study has warned that unless U.S. industrial investment shows a significant increase by the mid-1960's, the Soviet industrial investment program will be double that of the United States.

In the face of this formidable challenge, it is the responsibility of the United States as peace leader of the free world to require the most effective mobilization and the maximum utilization of the Nation's working force.

We are today trying to wage this struggle restricted by problems that have prevented this country from applying its full potential to the economic struggle with the Communist bloc.

Our industrial plant led by steel production is estimated to be underutilized by 30 percent. Last year 20 million man-days of work were lost as the result of labor-management disputes. The Nation recently has been shocked by disclosures of featherbedding in the missile base building program, which has resulted in 132,872 man-days lost in the last 5 years—an example of the sort of make-work arrangements that impose, where they do occur, undue restrictions on automation and efficiency, that dangerously slow our production rate and unduly increase costs. Also, featherbedding in management, disregard of the antitrust laws and of business ethics, nepotism, excessive expense accounts, and inertia have reduced our production growth and our competitive position.

Aside from this waste, nearly 5 million Americans who want to work are unemployed today—and much of this unemployment is being accepted as practically permanent.

Every time the United States has a recession, the Soviet Union gains in the economic struggle. Our Government has reported, for example, of the 46 percentage points that the U.S.S.R. gained in total annual investment in production facilities from 1950 to 1959, 20 points were gained during the recession years of 1954 and 1958.

I believe Americans must face the fact that we cannot hope to win the decisive cold war unless we deal with deficiencies that have been slowing the U.S. productivity rate in costs and in efficiency.

Under my bill the Board would be comprised of the Vice President as Chairman; the Secretaries of the Treasury, Agriculture, Commerce, Labor, and Health, Education, and Welfare; the Attorney General; the Administrator of the Small Business Administration; also, four members from business; four members from labor; two members from agricultural management; two members from agricultural labor; a labor-management expert; and three representatives of the public.

The bill would authorize the Board to form labor-management-public boards on a plant, community, regional, or industry basis to achieve its objectives. The Board would also be empowered to develop apprenticeship, training, and other programs for employee and management education to develop more diversified skills; formulate programs to reduce waste and absenteeism; aid in the revision of building codes, zoning regulations, and other local ordinances to keep them responsive to changing economic conditions; provide for adequate transportation for the labor force; promote employee safety and health; encourage courses in industrial relations in colleges; develop productive incentive programs; and disseminate technical information.

Mr. President, I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

A bill to increase United States productivity in the national interest and for the benefit of the individual worker and businessman, by promoting mutual understanding and cooperation between labor and management, encouragement of public responsibility in the private economy, and maximization of technical and managerial progress, through the establishment of a Peace Production Board and the support of local and industrywide boards.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Peace Production Act of 1961".

CONGRESSIONAL FINDING

SEC. 2. Congress hereby finds and declares that the national interest requires a productivity drive in order to meet the continuing responsibilities of the United States for the development of its own domestic economic strength and that of the free world; and in order to meet the threat of the growing and aggressive Communist-bloc economic power. The Congress further finds that the major problems facing such a national productivity drive are an unacceptable rate of chronic unemployment, the underutilization of production facilities, a too frequent incidence of recessions, and the inadequacy of means for resolving labor-management disputes resulting in the loss of production vital to the national economy. The Congress declares that efforts to achieve success in a national productivity drive will be advanced through the acceleration of automation, the elimination of featherbedding in both management and labor, the reduction of absenteeism, the establishment of better procedures to avoid national emergency work stoppages, and the promotion of higher morale, which can best be achieved through cooperative action among labor, management, farmers, voluntary organizations, consumers, and all levels of government, while preserving the traditional areas of responsibility and interest of each. The Congress also declares that it is the responsibility of the United States under present international conditions to require the most effective mobilization and the maximum utilization of all elements of the Nation's productive forces.

PEACE PRODUCTION BOARD

SEC. 3. (a) There is hereby established in the executive branch an independent agency to be known as the "Peace Production Board" (hereinafter referred to as the "Board"), which shall be composed of twenty-five members as follows:

(1) The Vice President of the United States, who shall be the Chairman of the Board;

(2) The Secretary of the Treasury; the Attorney General; the Secretary of Agriculture; the Secretary of Commerce; the Secretary of Labor; the Secretary of Health, Education, and Welfare; and the Administrator of the Small Business Administration;

(3) Four members who shall be representative of management in large and small businesses (as defined by the Small Business Administration) in manufacturing and service industries (including transportation);

(4) Four members who shall be representative of labor organizations in such industries;

(5) Two members who shall be representative of management in extractive and agricultural industries;

(6) Two members who shall be representative of labor organizations in such industries;

(7) Two members who are recognized experts in labor-management relations, at least one of whom shall be from the academic field; and

(8) Three members shall be representative of the general public, and who shall be selected without regard to any interest or connection they may have with any of the foregoing areas.

(b) Members of the Board referred to in paragraphs (3) to (8) of subsection (a) shall be appointed by the President for terms of six years, except that of the members first appointed six shall be appointed for terms of two years, six shall be appointed for terms of four years, and six shall be appointed for terms of six years. Vacancies shall be filled in the same manner as the original appointments, except that a member appointed to fill a vacancy occurring prior to the expiration of the term of his predecessor shall be appointed only for the unexpired portion of such term.

(c) The Board shall meet at least four times each year at such times as it shall determine or at the call of the President. A quorum shall consist of thirteen members.

(d) Members of the Board referred to in paragraphs (3) to (8) of subsection (a) shall receive compensation at the rate of $50 per diem while performing services for the Board, and while away from their homes in connection with attendance at meetings of the Board shall be entitled to transportation expenses and per diem in lieu of subsistence at the rate prescribed by, or established pursuant to, section 5 of the Administrative Expense Act of 1946, as amended (5 U.S.C. 73b-2).

(e) The President is authorized to appoint, by and with the advice and consent of the Senate, an Executive Director of the Board. The Executive Director shall be the principal executive officer of the Board and shall be paid compensation at the rate of $20,000 per annum. The Board is authorized to appoint, in accordance with the civil service laws and regulations, and fix the compensation in accordance with the Classification Act of 1949, as amended, of such other officers and employees as may be necessary.

(f) With the consent of the heads of other departments and agencies of the Government, the Board is authorized to utilize the personnel, services, and facilities of such departments and agencies in carrying out its functions under this Act. Such departments and agencies shall cooperate with the Board to the greatest extent practicable for such purpose.

(g) The Board shall transmit to the President and to the Congress an annual report of its activities under this Act.

OBJECTIVES OF BOARD

SEC. 4. It shall be the objective of the Board—

(1) to enlist the cooperation of labor, management, and State and local governments, in a manner calculated to foster and promote free competitive enterprise and the general welfare, toward the implementation of the national policy declared in the Employment Act of 1946 to create and maintain "conditions under which there will be afforded useful employment activities, including self-employment, for those willing and seeking to work, and to promote maximum employment, production, and purchasing power";

(2) to promote peaceful labor-management relations;

(3) to promote free and responsible collective bargaining;

(4) to promote sound wage and price policies;

(5) to promote a climate of cooperation and understanding between labor and management and the community, and the recognition by labor and management of the public interest in harmonious labor-management relations;

(6) to promote the maintenance and improvement of worker morale and to enlist community interest in increasing productivity and reducing waste and absenteeism;

(7) to promote the more effective use of labor and management personnel in the interest of increased productivity;

(8) to stimulate programs through which the social and economic problems of individual workers and of management personnel adversely affected by automation or other technological change or the relocation of industries may be ameliorated; and

(9) to promote policies designed to insure that American products are competitive in world markets.

FUNCTIONS OF BOARD

SEC. 5. (a) In order to achieve the objectives set forth in section 4, the Board shall encourage and assist in the organization of labor-management-public boards and similar groups designed to further such objectives, on a plant, community, regional, or industry basis, and to provide assistance to such groups, as well as existing groups organized for similar purposes, in attaining such objectives. Such assistance shall include—

(1) aid in the development of apprenticeship, training, and other programs for employee and management education for development of greater and more diversified skills;

(2) aid in the formulation of programs designed to reduce waste and absenteeism;

(3) aid in the revision of building codes, zoning regulations, and other local ordinances and laws, in order to keep them continuously responsive to changing economic conditions;

(4) aid in planning for the provision of adequate transportation for the labor force and the promotion of employee safety and health;

(5) the encouragement of attendance by members of such groups at courses in industrial relations at institutions of higher education, and the fostering of close cooperation between such groups and such institutions for the purpose of developing such courses and for other purposes;

(6) the encouragement of studies of techniques and programs similar to those in paragraphs (1) to (5) of this subsection, as they are applied in foreign countries;

(7) aid in the development and initiation of production incentive programs;

(8) the dissemination of technical information and other material to publicize its work and objectives; and

(9) the dissemination of information and analyses concerning the economic opportunities and outlook in various regions and communities, and of information on industrial techniques designed for the increase of productivity.

(b) The Board is authorized to make recommendations to the President regarding legislation for price, wage, commodity, and materiel control, and commodity and materiel allocation, authorized to be exercised during periods of emergency, as it may deem necessary from time to time.

(c) The Board shall perform such other functions, consistent with the foregoing, as it determines to be appropriate and necessary to achieve the objectives set forth in section 4.

POWERS OF BOARD

SEC. 6. (a) The Board shall carry out the functions referred to in section 5 through—

(1) the utilization of the services and facilities of the departments and agencies of the Federal Government, and of such other governmental agencies, private groups, and professional experts as it deems necessary;

(2) the coordination of such services and facilities in order to supply technical and administrative assistance to labor-management-public groups designed to further the objectives set forth in section 4;

(3) grants to groups or individuals for financing up to 50 per centum of the cost of carrying out any project or program, including the setting up of local, regional, or industrywide labor-management-public boards, in furtherance of the objectives of the Board, but financial assistance shall not be provided under this paragraph in connection with any one project or program for a period in excess of three years, and not more than a total of $------ shall be expended in any year for such purposes; and

(4) establishment of regional or industrywide advisory committees to advise the Board on ways and means to best fulfill its functions and to convene regional and industrywide conferences to formulate ideas and programs for the fulfillment of the objectives set forth in section 4.

(b) The Board may accept gifts or bequests, either for carrying out specific programs which it deems desirable or for its general activities.

APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

STUDY OF FEASIBILITY OF DEVELOPMENT OF CERTAIN LAKES ON MISSOURI RIVER FOR RECREATIONAL PURPOSES

Mr. MILLER. Mr. President, I introduce, for appropriate reference, a bill to authorize an immediate study under the direction of the Chief of Engineers to determine whether modification is warranted in the case of the project for improvement of the Missouri River to provide for construction of impervious levees to preserve the Oxbow Lakes at Winnebago and Snyder Bends for recreational purposes; also to authorize such construction if determined to be justified by the Secretary of the Army.

Mr. President, one of these lakes has already been formed as a result of the change in the Missouri River channel by the Corps of Engineers and the other will be formed by a further change which is scheduled for completion early in 1962. Immediate action is indicated if these lakes are to be protected from siltation and if costs of the necessary construction are to be kept minimal. Recreational resources in this area are few and far between, and preliminary surveys by the Corps of Engineers and the Iowa Conservation Commission indicate the feasibility and desirability of this construction.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2206) to authorize the Secretary of the Army to study the feasibility of development of lakes at Winnebago and Snyder Bends, on the Missouri River, for recreational purposes and to conduct the necessary construction therefor, introduced by Mr. MILLER, was received, read twice by its title, and referred to the Committee on Public Works.

CULTURAL EXCHANGE ACT—AMENDMENT

Mr. KEATING. Mr. President, on behalf of myself and Senators BUSH, CASE of New Jersey, FONG, JAVITS, LONG of Hawaii, NEUBERGER, SCOTT, and WILEY, I submit an amendment to the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among peoples of the world through educational and cultural exchanges. I ask that the amendment be printed, under the rule.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. JAVITS. I wish to identify myself with the amendment my colleague is submitting to continue the alien orphans program. It is among friends. The program has now expired by lapse of time, but I hope very much that Senators will interest themselves in the program and get behind it.

Mr. KEATING. I thank my colleague.

Mr. DIRKSEN. Mr. President, with repect to the alien orphans program, my understanding is that the program can go forward administratively so that it will not be too badly impaired. I made some inquiry, for, as the Senator knows, I did make a statement and did submit a bill for that purpose only, but discovered that it would be opposed in the House.

Mr. JAVITS. Mr. President, will the Senator yield at that point?

Mr. DIRKSEN. We can discuss the program a little later.

UNEMPLOYMENT INSURANCE COVERAGE FOR NONPROFIT ORGANIZATIONS—AMENDMENT

Mr. JAVITS. Mr. President, on behalf of myself and Senators KEATING and KUCHEL, I submit, for appropriate reference, an amendment to S. 2084, the bill to make major revisions in Federal-State unemployment compensation programs and in the Federal Unemployment Tax Act. This amendment would permit coverage of nonprofit organizations' employees on a reimbursed cost basis, if a participating State wishes to establish such a program. At the present time, the States have a choice only between coverage based upon a payroll tax or no coverage at all, since a State's entire program becomes ineligible if it extends coverage without imposing a payroll tax, except in the case of municipal employers. The result has been that employees of nonprofit organizations have been denied unemployment compensation coverage in many States because a payroll tax imposes costs which are prohibitive for nonprofit organizations.

The State of New York first suggested these provisions, which I have also introduced as S. 499. In addition, the State of California has expressed deep concern with the problem, and its legislature has enacted a program which is contingent upon the enactment of Federal legislation such as the amendment which I am now proposing. I understand that the California bill is now before the Governor of that State, who is expected to sign it in the near future.

Mr. President, I ask unanimous consent that the amendment may be printed as a part of my remarks.

The ACTING PRESIDENT pro tempore. The amendment will be received and appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment was referred to the Committee on Finance, as follows:

On page 34, following line 5, insert the following:

"MODIFIED CONDITIONS FOR COVERAGE OF NONPROFIT ORGANIZATIONS

"SEC. 211. Section 3303(c) of the Federal Unemployment Tax Act is hereby amended by adding at the end thereof a new paragraph as follows:

"'(9) Person—

"'The term "person" shall not include any organization, service for which is excepted

from employment under paragraph (8) of section 3306(c).'"

On page 34, line 6, strike out "SEC. 211" and insert in lieu thereof "SEC. 212".

TEMPORARY REDUCTION OF EXEMPTION FROM DUTY ENJOYED BY RETURNING RESIDENTS—AMENDMENT

VISITORS' GIFT LIMITATION

Mr. JAVITS. Mr. President, I send to the desk for printing an amendment to H.R. 6611, the bill reported by the Senate Finance Committee to reduce temporarily the exemption from duty enjoyed by returning U.S. residents.

This amendment is similar to S. 1280, which I had introduced previously, and to an amendment to H.R. 6611 which I had proposed to the Finance Committee. It differs from these only in that it incorporates two technical amendments recommended by the Treasury Department, which serve to clarify further the purposes of the bill.

The amendment would increase the amount of gifts which foreign visitors to the United States could bring in without payment of duty, in order to equalize the new provisions for returning residents and visitors to this country. Clearly, in considering H.R. 6611, dealing with U.S. tourist imports, we should at the same time act to eliminate the related problem of imports by foreign visitors.

This legislation was first proposed by the Randall Commission, which was established as the result of an amendment to the Mutual Security Act of 1957 which I proposed and which made a number of recommendations for the improvement of tourism in the United States. Many of its recommendations have already received favorable congressional action.

I was pleased to note that the reports of the Treasury and State Departments on this legislation were favorable, and that the Department of State indicated that enactment of these provisions would remove a source of irritation to visitors to this country and would strengthen present efforts to encourage tourism to the United States.

Mr. President, I ask unanimous consent that the amendment may be printed as a part of my remarks.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

SEC. 3. (a) Paragraph 1798(b) of the Tariff Act of 1930, as amended (19 U.S.C., sec. 1201, par. 1798(b)), is amended by renumbering subdivisions (2) and (3) as (3) and (4), respectively, and by inserting after subdivision (1) the following new subdivision:

"(2) Not exceeding $100 in value of articles (including not more than one wine gallon of alcoholic beverages and not more than one hundred cigars) accompanying such person to be disposed of by him as bona fide gifts, if such person has not claimed an exemption under this subdivision (2) within the six months immediately preceding his arrival and he intends to remain in the United States for not less than 72 hours;".

(b) Paragraph 1798(g) of such Act, as amended (19 U.S.C., sec. 1201, par. 1798(g)), is amended by striking out "subdivision (2) of subparagraph (b)" and inserting in lieu thereof "subdivision (3) of subparagraph (b)".

(c) Subdivision (2)(B) of section 321(a) of such Act, as amended (19 U.S.C., sec. 1321), is amended by inserting "(b)(2) or" after "paragraph 1798".

(d) The amendments made by subsections (a), (b), and (c) shall apply with respect to persons arriving in the United States on or after the 30th day after the date of the enactment of this Act.

CHANGE OF REFERENCE

Mr. ANDERSON. Mr. President, I ask unanimous consent that the Senate Interior Committee be discharged from further consideration of S. 698, a bill to amend the act of October 31, 1949, with respect to payments to Bernalillo County, N. Mex., for furnishing hospital care for certain Indians, and that the bill be appropriately rereferred.

In the past this legislation has been before the Senate Labor and Public Welfare Committee which has jurisdiction over the subject matter.

There being no objection, the bill (S. 698) was referred to the Committee on Labor and Public Welfare.

DELAWARE RIVER BASIN COMPACT—REFERENCE OF JOINT RESOLUTION

Mr. ANDERSON. Mr. President, I ask unanimous consent that when the Senate Judiciary Committee concludes action on House Joint Resolution 225, to grant the consent of Congress to the Delaware River Basin compact and to enter such compact on behalf of the United States and for related purposes, that the joint resolution be referred to the Senate Interior Committee for consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF SALINE WATER PROGRAM—ADDITIONAL COSPONSOR OF BILL

Mr. ANDERSON. Mr. President, on June 27, 1961, I introduced S. 2156, to expand and extend the saline water program being conducted by the Secretary of the Interior. Since the printing of the bill, the junior Senator from Oklahoma [Mr. MONRONEY] has advised me that he wishes to join in the sponsorship of this legislation. I therefore ask unanimous consent that when the bill is reprinted that the name of the junior Senator from Oklahoma [Mr. MONRONEY] be added as cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRADE CHALLENGES FROM ABROAD—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of June 29, 1961, the name of Mr. CASE of South Dakota, was added as an additional cosponsor of the bill (S. 2176) to provide for the inclusion of certain producers and growers of raw materials as interested parties in escape clause proceedings under the Trade Agreements Extension Act of 1951, to make mandatory the recommendations of the U.S. Tariff Commission in such proceedings, and for other purposes, introduced by Mr. BRIDGES (for himself and other Senators) on June 29, 1961.

NOTICE OF HEARING ON SENATE CONCURRENT RESOLUTION 14, SALUTING "UNCLE SAM" WILSON OF TROY, N.Y., AS THE PROGENITOR OF AMERICA'S NATIONAL SYMBOL OF "UNCLE SAM"—COMMITTEE MEETING DURING SENATE SESSION

Mr. DIRKSEN. Mr. President, on behalf of the Subcommittee on Federal Charters, Holidays, and Celebrations of the Committee on the Judiciary, I desire to announce that a public hearing has been scheduled for Tuesday, July 11, 1961, at 2:30 p.m., in room 2228 New Senate Office Building, on Senate Concurrent Resolution 14, saluting "Uncle Sam" Wilson of Troy, N.Y., as the progenitor of America's national symbol of "Uncle Sam."

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas [Mr. MCCLELLAN], the Senator from New York [Mr. KEATING], and myself, as chairman.

Mr. President, I am informed that a very substantial delegation from New York will be in attendance at the hearing. It is only for that reason that I now ask unanimous consent that, notwithstanding the session of the Senate on Tuesday next, the subcommittee may be permitted to meet.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ANNOUNCEMENT OF HEARINGS TO BE CONDUCTED JULY 25 ON S. 1747

Mr. ANDERSON. Mr. President, on several occasions I have advised the Senate of the economic straits in which the U.S. lead-zinc industry finds itself because of excessive imports. The price of these two metals today, and for the past several months, is 11 and 11½ cents per pound, respectively.

This industry has followed the Trade Agreements Act in seeking relief from the volume of imports which have depressed its market prices. On three different occasions, beginning in 1955, it appeared before the Tariff Commission and presented its case to prove its contention, namely that imports greatly in excess of our requirements were destroying that industry. On each of these occasions the Tariff Commission found with the petitioners, namely that the

lead-zinc industry was being substantially injured by too great a volume of imports.

The Tariff Commission recommended action to the then President who declined to accept these recommendations which included increased duties on imports. Instead, a stockpile program was inaugurated, and barter of surplus agricultural products for foreign-held lead and zinc was established. These policies were at best temporary palliatives.

When, in 1957, the stockpile program was abandoned and lead and zinc were removed from the list of items eligible for barter, the lead-zinc markets, which had improved while these programs were in operation, immediately plummeted. Imports in greater volume than ever bebore poured into this country.

In an effort to aid this industry, which I consider vital to our security and national economy, I introduced, as you know, S. 1747, a bill to stabilize the mining of lead and zinc in the United States. This bill, among other things, would provide an increase in duty on lead-zinc imports. There has been much discussion and delay concerning the plight of the lead-zinc industry and little action. In an effort to change inaction to action, I wish to announce that the Interior and Insular Affairs Committee will hold a hearing July 25 on S. 1747. The hearing will be conducted in room 3110, New Senate Office Building, at 10 a.m., by the Subcommittee on Minerals, Materials, and Fuels, which is chaired by the junior Senator from Colorado [Mr. CARROLL] who is a cosponsor of the bill.

Mr. CARROLL. Mr. President, I am pleased to associate myself with the remarks of my distinguished colleague, the very able chairman of the Senate Interior Committee. Also, I want to say to him and to the Senate here today that I am looking forward to presiding over the hearings called for July 25, and I shall await with much anticipation the testimony of the officials of the Department of the Interior on this perplexing problem which has, up to now, eluded favorable solution.

As Senator ANDERSON has stated, these hearings will seek to change inaction to action. Let me trace this failure on the part of the executive branch to support a plan which would permit the lead and zinc industry to escape from the strangulation caused by excessive imports.

Senator ANDERSON has already referred to the repeated attempts to seek reasonable relief from excessive imports through the machinery provided for in the Trade Agreements Act. This machinery has failed the industry because the former President declined to accept the Tariff Commission's recommendations for reducing import quotas on four separate occasions.

My colleagues on the Senate Interior Committee and I have become convinced that the only road to assistance for the lead and zinc industry is legislative action.

In January of this year, the chairman of the House Interior Committee introduced a bill, H.R. 3416, which encompasses the concept of a subsidy to be paid to domestic producers, to be derived from a fund made up of revenue from an increased duty to be imposed on foreign imports. A companion bill was introduced in the Senate in April by Senator ANDERSON, chairman of the Senate Interior Committee. This bill is S. 1747. I joined with him in sponsoring this bill, as did Senators BENNETT, METCALF, and Moss.

On March 9 and 16 the House Interior Committee held hearings on the overall problems facing the domestic mining industry. It was not considered appropriate at that time to hold hearings specifically on H.R. 3416 or H.R. 84, a bill to provide subsidies for the small producers, because the Department of the Interior had not submitted a departmental report on these bills. Pertinent and earnest testimony was received from representatives of all aspects of the lead and zinc industry attesting to the serious plight of the industry.

On May 4 and 5 the Senate Interior Committee held similar exploratory hearings and again heard representatives of the entire industry describe the hopelessness of the situation. As of that time, the executive branch still had not furnished the requested reports on this proposed legislation.

In response to entreaties from the two committees and spokesmen for the industry, the administration promised to formulate a policy on domestic mining. The first part of June was given as the target date for announcing this policy.

On June 16, although no official word had been received by the committees, the House Interior Committee announced that public hearings would be held on H.R. 84, introduced by that stanch champion of domestic mining, Congressman EDMONDSON of Oklahoma. This bill is limited to assistance to the small, independent producer, but it was hoped that the occasion of this hearing would bring forth from the administration some hint, at least, of what policy would be established with respect to mining. Unfortunately, the invited officials from the Department of the Interior did not appear to testify. The Department officials explained that they had not had sufficient time to formulate the promised policy.

Mr. President, about this time the Interior Department offered a new proposal for stockpiling lead and zinc and for financing the purchase of the metals for stockpiling by selling surplus farm products to foreign countries. This proposal was first revealed in an informal meeting held in the White House. Unfortunately, the Senate Interior Committee was not officially represented at this meeting. At this point in the RECORD I would like to insert an Associated Press account of the administration's surprise proposal.

There being no objection, the account was ordered to be printed in the RECORD, as follows:

[From the Denver Post, June 24, 1961]

JFK PROPOSES STOCKPILE PLAN FOR LEAD, ZINC

WASHINGTON, June 24.—The United States soon may begin stockpiling lead and zinc in a move to wipe out the price-depressing surplus hurting the domestic lead and zinc industry.

A White House spokesman proposed this Friday among several plans to relieve the depressed mining industry.

Myer Feldman, Deputy Special Counsel for the President, told Members of Congress from nine mining States the White House is considering a plan to use dollars obtained from foreign sale of American farm surpluses to purchase domestic lead and zinc.

Representative ED EDMONDSON, Democrat, of Oklahoma, said Feldman stressed the Federal purchase plan as a means of disposing of some $60 million worth of lead and zinc now in the hands of producers and smelters. This is equivalent to about 1 year's production.

Other proposals under consideration include permitting a higher silver price, which would help lead and zinc mines indirectly, setting up a task force to draft a redevelopment program for depressed mining areas, and a continuing study of the industry and its problems to search for other solutions to the ailments of lead-zinc producers.

DOLLARS FOR FOOD

EDMONDSON noted that under the proposed plan the Government would have to get dollars in exchange for foodstuffs sent abroad, in order to pay cash to the domestic mines.

This, he said, might involve lowering the price at which farm products are sold abroad, to induce the foreign purchasers to pay in dollars instead of their own currencies.

The net effect in the United States, EDMONDSON said, would be to stockpile metal instead of farm commodities—with a substantial saving in warehousing costs.

He said the group of lawmakers would "think about it," and indicated that industry opinion was divided on whether this or some other plan should be adopted.

An administration official emphasized that the scheme was "highly tentative."

Also tentative, administration sources said, was a second proposal offered for these lawmakers' consideration—permitting a rise in the price of silver. This would help the lead and zinc mining firms indirectly, since silver normally is found in formations containing lead, zinc, and some other metals.

A third proposal was that a task force be set up to study the depressed mining areas with a view to launching a redevelopment program under the newly adopted law providing Federal grants and loans to areas of chronic unemployment.

The fourth suggestion was that a continuing study of the industry and its problems be undertaken, to search for other solutions to the ailments of the lead-zinc producer.

EDMONDSON said Feldman was of the opinion that the lead-zinc purchase program could be undertaken without new legislation, but that some of the Congress Members disagreed.

PRICE ESTIMATE ASKED

"We asked the White House to prepare a memorandum on the proposed plan and on the estimated prices it would expect to pay on the domestic metals," EDMONDSON said.

"That is important, because if the plan does not operate to raise domestic prices, it won't help the domestic industry at all."

Some Members of the congressional group also proposed higher tariffs on foreign metals entering the country quota limitations on imports, and various types of subsidies, EDMONDSON said.

In addition to EDMONDSON, the delegation which visited the White House included Representatives WALTER BARING, Democrat, of Nevada; HOWARD BAKER, Republican, of Tennessee; JOSEPH MONTOYA, Democrat, of New Mexico; WALTER L. MCVEY, Republican, of Kansas; ARNOLD OLSEN, Democrat, of Montana; GRACIE PFOST, Democrat, of Idaho;

RALPH HARDING, Democrat, of Idaho; VERNON W. THOMSON, Republican, of Wisconsin; RICHARD ICHORD, Democrat, of Missouri. Standins for several Senators were on hand, including spokesmen for A. S. (MIKE) MONRONEY, Democrat, of Oklahoma; LEE METCALF, Democrat, of Montana; ROBERT S. KERR, Democrat, of Oklahoma; HOWARD CANNON, Democrat, of Nevada; ALAN BIBLE, Democrat, of Nevada; ANDREW SCHOEPPEL, Republican, of Kansas; and FRANK CARLSON, Republican, of Kansas.

Mr. CARROLL. With due respect to the good intentions of the administration planners, the stockpiling proposal encountered immediate opposition from the industry. At this point, I ask unanimous consent to insert a news story from the New York Times, dated July 2, 1961, which describes the industry's reaction.

There being no objection, the news story was ordered to be printed in the RECORD, as follows:

U.S. BID REBUFFED BY LEAD-ZINC MEN—MINING INDUSTRY TURNS DOWN STOCKPILING PROPOSAL

(By Peter Bart)

For many years now, domestic miners of lead and zinc have complained bitterly that they have not been able to find enough customers. Yet last week they angrily rebuffed what could have been their biggest customer of all—the Federal Government.

This action may seem perplexing, but then the entire history of the lead and zinc mining industry in this country has been a puzzling affair. For over the last half century when American industry was prospering and expanding, the business of digging these two key metals out of the ground has slowly but steadily deteriorated. Profits have diminished, markets dried up, and imports have mounted ominously.

The solution to these problems advanced by the mining interests was eminently predictable: Increased aid and protection from the Government. The specific form that this aid would take, however, has been a source of continuing controversy and debate.

Last week, the latest chapter in this debate was opened when the White House announced it was considering a new plan to relieve the lead and zinc mining companies. According to Myer Feldman, deputy special counsel for President Kennedy, the plan involved the purchase of domestic lead and zinc, using dollars obtained from the foreign sale of U.S. farm surpluses.

STOCKPILE WOULD GROW

The metal purchased under this arrangement would be added to the Government's supplemental stockpile of metals—a stockpile that, like other Goverment stockpiles, already is bulging with lead and zinc. But by buying the metal, the Government would hope to reduce near-record stocks of lead and zinc that now are burdening the mining companies and depressing prices.

In addition, Mr. Feldman said, the administration was studying the possibility of freeing silver from its pegged price of 90½ cents an ounce. Since silver is normally found in formations containing lead and zinc, higher silver prices also would aid lead and zinc miners.

Some industries might have snapped up a proposal by the Government that it buy about $65 million worth of excess stocks. But not the lead and zinc mining companies. By week's end, they had made it quite clear that they wanted no part of the Government's plan.

The industry fired off a telegram to the White House that termed the plan a temporary palliative. The telegram sent on behalf of the industry by the Emergency Lead-Zinc Committee, said: "Your proposal is basically the same program tried in 1954 to 1957 with disastrous results. It does not consider the basic problem—reduction of excessive imports." The mining officials, and their Congressmen, let it be known that they were holding out for a higher tariff—in effect, for a doubling or tripling of present tariffs on imports of lead and zinc.

The mining men contend that in the 1954–57 period, when the Government last stockpiled metal, stocks in the hands of producers were reduced and prices improved. But imports continued at a high level. And the moment stockpiling ceased, the industry collapsed once again.

VIEW OF MINING MEN

The mining companies argue that the ailments afflicting their industry are too severe to be treated with a short-term program of Government aid. They note that employment in lead and zinc mining has plunged from 25,000 in 1952 to about 9,000 at present. In the last 5 years alone, the number of lead and zinc mines in operation has dropped from 670 to slightly more than 200. Production of lead fell last year to 244,000 tons, compared with 352,000 tons 5 years earlier and 681,000 in the peak year of 1926. Last year's was the lowest level of output since 1899.

While U.S. mines were having their problems, imports also were trailing off. But domestic miners nonetheless believe that every ton of lead and zinc brought into this country from abroad represents an unfair invasion of their domain.

In 1960, when domestic lead output was 243,000 tons, imports amounted to about 350,000 tons. Domestic zinc output came to 820,000 tons in 1960 while imports were 571,000 tons.

TARIFF RISE SOUGHT

To combat these imports, domestic mining companies want to raise the tariff on lead and zinc to 2 cents a pound (the present tariff is 1⅛ cents on lead and seven-eighths cent on zinc). If the price on either metal were to go below 13½ cents a pound, the tariff would be lifted by another 2 cents. The price of lead now is 11 cents a pound, while that of zinc is 11½ cents.

Proposals for higher tariffs have met with little enthusiasm from officials of the Kennedy administration, who are concerned with the potential impact of higher tariffs on producer countries. The main nations involved are Australia, Canada, Peru, and Mexico, and their reaction to a tariff increase would be stormy indeed.

Thus, administration officials find themselves caught between a powerful domestic pressure group on the one hand and important principles of foreign policy on the other. How they will resolve this dilemma is unknown at present. But it is clear that their initial effort at compromise has not been a success. As one mining official said: "Someone let the air out of that trial balloon before it even got off the ground."

Mr. CARROLL. Within a few days after this proposal was announced, my staff talked to the President's deputy special counsel by telephone. During the discussion of the industry's opposition to the proposal, my staff was advised that the administration intended to withdraw the proposal.

I would like to insert in the RECORD an article by Freeman Bishop in the July 6 issue of the American Metal Market, the leading daily newspaper of the metal industries. This article appears under the provocative headline "Are U.S. Mines Sacrificial Goats?" and it is illustrative of the growing concern on the part of the domestic producers.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE U.S. MINES SACRIFICIAL GOATS?

(By Freeman Bishop)

WASHINGTON.—Is domestic minerals and metals production being sacrificed to encourage production of the same metals in foreign nations for import into the United States? This is a question many Members of Congress are pondering this week.

Sponsors of lead-zinc legislation were among those expressing the most concern over the Kennedy administration's failure to indorse any kind of legislation to aid domestic producers.

This alarm from many areas of the Congress was stimulated recently by a White House conference at which a proposal was made to have the Agriculture Department take over $65 million in lead and zinc and process a similar amount of domestic farm surpluses overseas.

Interior Subcommittee Chairman ED EDMONDSON, Democrat, of Oklahoma, and Senator ROBERT S. KERR, Democrat, of Oklahoma, told Metal Market the proposal would help to relieve lead-zinc overhang in this Nation but that the majority of the lead-zinc would come from foreign production currently in storage in the United States.

They both urged that additional action be recommended by the White House in the form of subsidy legislation for small producers to relieve depressed conditions in lead-zinc areas.

But these national legislators and many others expressed a strong fear that the administration has adopted a policy of aiding foreign production of metals without making any provision to revive the domestic minerals industry.

BARTER PROGRAM

The barter program offered by the White House is fine if incorporated into adequate legislation covering domestic production and import duty increases to bring U.S. prices into line with low-cost foreign production, Senator KERR said.

But many western Congressmen, irked by the decision in 1958 of former President Eisenhower to place only controls on lead and zinc, yesterday indicated they feared the Kennedy administration has adopted the same view.

By the same view, they mean no administration backing will be likely for lead-zinc import duties or for lead-zinc subsidy legislation to keep the small producer in business.

Lead-zinc has been a sore subject on Capitol Hill ever since Government buying for stockpiling ran out of funds and Congress refused to appropriate more money for this purpose.

COAL IMPORTS

The National Coal Policy Conference here told a group of 18 Members of Congress this week that the coal industry had been deeply affected by unfair competition from imports of residual fuel oils since the early 1950's.

The coal spokesmen said that lead-zinc and other metals asking for protection by tariffs only now are realizing the damage being done to American industry by cheap imports.

The coal industry has had to face unfair competition from foreign imports.

Mr. CARROLL. Mr. President, this brings us up to the present date. As Senator ANDERSON has pointed out, we still do not seem to be any closer to a solution to the lead and zinc problem. The 4th of July has come and gone. The summer is half over. The time has come when the executive branch should

come forward and state its position on the legislation we have proposed. Proposed, Mr. President, after years of diligent study into the difficulties with which our domestic miners and producers are faced and the recommendations for meeting these difficulties.

If we appear to be pressing for action, the impression is an accurate one. Still, we do not wish to be unreasonable. We are aware of the conflicting interests involved in this question because of our international trade relations, and we realize that the work of the executive branch in formulating this position is not easy. For this reason, the chairman of the Senate Interior Committee has scheduled the hearings on S. 1747 for July 25. The letter notifying the Department of the Interior of these hearings and inviting Assistant Secretary John Kelly and his associates to testify was dispatched to the Department on June 29. In other words, we have set the hearings almost a month from the date of the notification, which we earnestly hope will allow the executive branch time to finish its preparations.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Sidney I. Lezak, of Oregon, to be U.S. attorney, district of Oregon, term of 4 years, vice Clarence E. Luckey;

James V. Ryan, of Pennsylvania, to be U.S. marshal, eastern district of Pennsylvania, term of 4 years, vice William A. O'Brien;

Doyle W. Foreman, of Oklahoma, to be U.S. marshal, northern district of Oklahoma, term of 4 years, vice James Y. Victor; and

Jack D. Obbink, of Nebraska, to be U.S. marshal, district of Nebraska, term of 4 years, vice William Raab.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, July 14, 1961, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

THE NEW HAVEN RAILROAD

Mr. BUSH. Mr. President, the rejection by the White House of the New Haven Railroad's application for a $5.5 million loan under the Defense Production Act will probably force the railroad into receivership.

Receivership in itself is no solution to the problems which confront the railroad, its employees, and the people it serves in four Northeastern States.

But receivership could be the first step toward a solution. It could galvanize the States and cities immediately affected, and the Federal Government, as well, into taking the actions which will be required in order to restore sound, efficient rail service in southern New England.

Mr. President, I have suggested to the President of the United States that he call a meeting of the Governors of Connecticut, New York, Massachusetts, and Rhode Island, to discuss ways in which the Federal Government can assist under the mass transportation provisions of the new Housing Act. I have also suggested that he consider ways by which the New Haven can be relieved of the 10 percent tax on passenger fares, and other steps which the Federal Government might take to equalize competition with other modes of transportation which are heavily subsidized. Heavy subsidies to its competitors on the highways and the airways have been the chief factor in bringing the New Haven to its financial knees.

Mr. President, I ask unanimous consent to have printed in the RECORD a telegram I sent to President Kennedy on July 5, and editorials published in the Hartford Courant, the Washington Post, the Stamford Advocate, and the New York Times, commenting on the New Haven Railroad's financial crisis.

There being no objection, the telegram and the editorials were ordered to be printed in the RECORD, as follows:

JULY 5, 1961.

The Honorable JOHN F. KENNEDY,
President of the United States,
The White House, Washington, D.C.:

The immediate financial crisis facing the corporation now operating the New Haven Railroad must not obscure the necessity of finding a long-range solution to the problem of restoring sound, efficient rail service in New England. More than 30,000 residents of my State are dependent upon commuter trains to travel to and from their jobs each day. It is imperative that this service be continued and improved, and that other essential railroad services to business and industry be maintained without interruption.

I respectfully suggest that you call a meeting of the Governors of the States immediately affected—Connecticut, New York, Massachusetts, and Rhode Island—for discussion of ways in which Federal Government can assist under the mass transportation provisions of the new Housing Act. As you know these provisions were taken from bill which I joined Senator WILLIAMS of New Jersey in sponsoring. They make available $25 million in grants for studies directed at finding solutions to mass transportation problems, and $50 million in loans to public bodies for such purposes as purchases of new equipment for lease to operating companies. Since losses incurred in passenger service are a major cause of the New Haven's current difficulties, mass transportation studies aimed at solution of commuter problems in New York, Boston, and Providence areas should be initiated without delay.

I also respectfully suggest you consider ways by which the New Haven can be relieved of 10 percent tax on passenger fares and other steps Federal Government might take to equalize competition with elements heavily subsidized by said Federal Government. This heavily subsidized competition is the principal single factor that has brought the New Haven Railroad to its knees financially.

With respect I am,

PRESCOTT BUSH,
U.S. Senator.

[From the Hartford Courant, July 5, 1961]

BANKRUPT AGAIN

If all the signs are right we may expect the New Haven Railroad to go into bankruptcy at any moment. If it doesn't, it ought to. There is little use in throwing more good loans after bad. Not that bankruptcy is to be welcomed for itself by anyone—least of all by the creditors, who now include Uncle Sam. But bankruptcy is to be welcomed as the essential prerequisite for a turn for the better. In particular bankruptcy would open the way for these two necessities: (1) A new, professional management, (2) a long-term, thoughtful plan of Government aid.

The New Haven already has in its history a model of how bankruptcy, through ruthless surgery, can nevertheless bring about a turn toward improvement. In the depression the New Haven finally went over the brink into bankruptcy, and when in 1947 after 12 years of prudent management the trustees returned the road to private management, it had been restored to self-sustaining life.

To be sure the trustees have one advantage over private management, in that they don't have to pay out profits as they go along. They can put earnings into modernization and improvement. But the great advantage of bankruptcy is that it takes decisions away from stockholders and management who are interested in what they can get out of the enterprise. Bankruptcy brings to the fore the only ones involved who have a real interest in conserving the property and rebuilding it, the first-mortgage holders.

There are those who fear that bankruptcy means that lines will be abandoned and services cut. This need not be. The last time the trustees improved maintenance—and how the New Haven needs that again today. They also bought new equipment, and made service more reliable on cleaner, more attractive trains.

The last few years we have had just the opposite of such an upward spiral. Money has been poured into the New Haven by the millions, and still it needs more. Four States have given it tax relief, and still it needs more relief. The Federal Government has guaranteed its loans, but still it needs more loans. And all the while its equipment grows more shabby, its trains dirtier and fewer. Nor has the experience in freight, supposedly a railroad's moneymaker, been more encouraging.

There is one difference in the prospective bankruptcy from the last one. That time the economic climate in which American railroads operated was such that the New Haven, after rehabilitation, could be turned loose on its own. Now the inroads of automobile, truck, and highway have been so severe that the country as a whole will have to chip in to keep its railroads going.

Anybody who has enjoyed the excellent service on the modern trains of the state railroads of France or Germany or Austria or Switzerland, will hardly fear the cliche that government should keep its hands off the railroads. Not that we want a Government-run railroad. But the economics of the times are such that we do need a national policy of Government aid in one form or another. After all, the Government helps the barges, the oceangoing ships, the trucks and buses, and the airplanes. Why should we not fear help to these carriers, but fear comparable help to the railroads? Besides, it is the only alternative there is to what the New Haven has made all too unpleasantly familiar—a losing battle with decay.

[From the Washington Post, July 5, 1961]

THE LAW OF THE MARKET

The New Haven Railroad is in deep financial trouble. The road has been kept out of bankruptcy by a series of loans made or

guaranteed by the Federal Government. It is now applying for further assistance in order to stave off disaster once more.

Failure of a major business enterprise is a grave matter. The people who ride on the New Haven, the businesses that ship by it, fear that they will be hurt by service curtailment. Investors holding its securities would be injured. Financial confidence may suffer. The Interstate Commerce Commission has pointed out that bankruptcy would not be a solution to the road's problems, because the interest savings are less than what it takes to keep it running.

Nevertheless, there is a strong case for letting the law of the market prevail. Curtailment of service is very doubtful; according to past court decisions, it would be possible only with the approval of the regular State authorities. Receivership would offer the opportunity of injecting new blood into the organization, which might permit a fresh look at the New Haven's problems. Continued Federal aid would make sense if there were assurance that it would be used to improve the road's equipment and cut its costs. But a stream of loans mainly to pay interest and payrolls means throwing good money after bad. It simply puts off the evil day when the basic problems of the New Haven must be faced by the States and cities which it serves, by the men who work for it, and by its users. It delays the contributions that States and cities realistically will have to make, the cutting of payroll and other costs that must occur, and the improvements in the road's practices that are needed to make it viable. Beyond this, solution of the New Haven's problems will require more imaginative regulation by the ICC. Receivership is no solution, but it could be the first step toward one.

The plight of the New Haven raises broader issues of transportation policy. Our States and cities have been investing enormous sums in highways and access facilities that have allowed trucks and automobiles to compete on favorable terms with railroads. These are expensive facilities, and the possible demand for them is virtually open ended. The automobile abhors a vacuum, and will rapidly fill up any space allowed for it. For a fraction of what it costs to provide for automobile and truck transport, and for a fraction of the national resources involved, the States and local authorities could contribute toward a strengthening and improvement of our railroads. Before we convert our cities into a jungle of expressways, cloverleaves, and parking lots, we should give thought to how to tie the railroads into a sensible system of local mass transportation.

[From the Stamford Advocate, July 5, 1961]

THE NEW HAVEN IS BANKRUPT

The management of the New Haven Railroad is reputedly going to ask President Kennedy to personally intervene to save the railroad from bankruptcy. It now wants another federally guaranteed loan, this time of $5.5 million, to pay interest on bonds and to keep the road running. Since the Government has already guaranteed $35 million in loans for our railroad there are many who believe that the limit has been reached.

The fact is that the present management of the railroad has in its whole life shown no evidence that it can run a railroad regardless of how much money it is given. The New Haven seems to have the capability of losing more than any relief available. It constantly asks for more, but its record of earnings constantly diminishes. Its fare rate is close to if not already at the point of diminishing returns. The States and communities have given up their taxing of the railroad even as a business. Government loans are certainly subsidies in fact. But despite all, the railroad loses more money and attracts few supporters.

It would now seem that everyone must recognize the fact that further loans will only postpone the date of the beginning of recovery for the New Haven. This date cannot be marked until there is a change in management. Lawyers and bankers have their place in every business structure, but every business should be run essentially by those who know the business itself. Otherwise the business will not attract public support. So a railroad succeeds best when run by railroadmen and gets into trouble when bankers or lawyers attempt to run it for other purposes than to give railroad service.

The railroad is important to this community. It cannot be allowed to disintegrate to a point from which it cannot be saved. Bankruptcy is not a pleasant cure. No firm in receivership can deliver really fine service to its customers, but the alternative to receivership is ruin and further delay of recovery.

While some dwell on the amount of taxes the New Haven has paid the State and the communities in New England in those happy days of transportation monopoly and seem to feel that now the communities owe the railroad something, it is fair to point to the other side of the coin. Those owning, running, and manipulating railroads in those dear bygone days had a very good thing indeed. Property and right-of-way transactions made many fortunes. Some railroad activities were so outrageous that today's controls became necessary.

But the past is the past. It is time for a new day. That can only begin with a receivership which recognizes the fact that the New Haven is bankrupt in more ways than financial.

[From the New York Times, July 6, 1961]

THE PLIGHT OF THE RAILROADS

The New Haven Railroad, as it is known today, seems to be in its death throes. The 89-year-old carrier appears to have gone as far as it can as an independent entity operating in the general framework of private enterprise.

It has virtually exhausted its cash resources. It has been unable to meet interest charges on its first-mortgage bonds. Its commercial creditors have refused to extend it any new loans—even with a Government guarantee. Unless the Federal Government grants a $5,500,000 disaster loan for the railroad under provisions of the Defense Production Act, bankruptcy would appear inevitable.

To find out what's the matter with the New Haven, all one need do is to look at a map of the three New England States the railroad serves. A vast network of highways makes it possible for a truck to take most anything portable from any point on the New Haven's 1,600 miles of line to any other point in less time than it would take the New Haven to make up a train containing the same merchandise in a freight car.

The only business in substantial volume which the New Haven retains from its great days is that of hauling commuters; and commuters never did pay their way on any railroad. But the railroad used to be able to recoup losses on commuters by carrying their wives and children to and from the city—at retail prices. The private automobile has ruined that traffic.

The New Haven's plight is symptomatic of what has been happening to eastern railroads as a whole. The once mighty Pennsylvania Railroad suffered its second annual loss in its 114-year history in 1960. Another red-ink year seems assured for 1961. The New York Central Railroad had a $25 million deficit in the first 5 months this year and its management has acknowledged that it was in the red again last month and will be once again in July.

The freight revenues of the eastern roads and particularly those serving New York simply cannot any longer absorb the passenger deficits they are incurring. The New Haven's special problems have placed it in the vanguard of a number of eastern roads moving at various speeds in the same general direction.

Only a major program of aid from Federal, State, and local sources seems capable of staving off the downward plunge of the eastern railroads. Some States and local bodies have taken positive steps. Congress has recently taken an interest in the commuter problem by voting funds for equipment loans. It is imperative that more be done, either by imposing taxes on competitive forms of transportation comparable to those paid by the railroads, or by granting the railroads comparable benefits. To save the vital commuter services essential to every large city—whether New York, Boston, or Philadelphia—subsidy appears inevitable. The railroads are too important to allow to die by default.

Mr. ROBERTSON. Mr. President, in order that I may comment on the New Haven Railroad situation, mentioned a moment ago by the distinguished Senator from Connecticut, I ask unanimous consent that at this time I may proceed for 3 minutes in addition to the 3 minutes authorized under the order which has been entered.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. ROBERTSON. Mr. President, on June 29, 1961, I inserted in the RECORD a letter which I had written to Mr. Frank B. Ellis, Director of the Office of Civil and Defense Mobilization, on June 22, 1961, in which I stated that in my opinion there is no legal basis for making loans from Defense Production Act funds to the New York, New Haven & Hartford Railroad.

On July 6, 1961, the Director of the Office of Civil and Defense Mobilization ruled that the New York, New Haven & Hartford Railroad could not qualify for a Defense Production Act loan, since the applicant does not propose to engage in the development of processes or the production of materials, and that no expansion is proposed, and that the application makes clear that the proposed loan would be used to pay existing obligations and maintain existing capacity. Needless to say, the ruling was eminently correct; and in view of the tremendous pressure exerted in behalf of the requested loan, I commend Mr. Ellis in limiting expenditures under the Defense Production Act to the purposes intended under the provisions of the act and for his steadfastness.

On June 29, 1961, when I made a statement on this matter to the Senate, and inserted in the RECORD the letter I had written to Mr. Ellis on June 22, 1961, and the letter which the chief counsel of the Joint Committee on Defense Production had written to me on June 29, 1961, I stated that I realized the importance of the railroads to the country, but that I did not think a $5.5 million loan to the New York, New Haven & Hartford Railroad was the answer.

The Joint Committee on Defense Production is sympathetic to the problems of the railroad industry and has indicated in recent annual reports that

transportation is of the highest importance in the mobilization program. It is necessary that we have an economic climate in which the railroad industry can operate on a profitable basis as an important and necessary part of our transportation system. The Association of American Railroads today estimated the net income on the Nation's class I lines at $17 million in the first 5 months of 1961. This was said to compare with a net of $195 million in the like period of last year, and $234 million in the 1959 period.

I urge the Congress and the departments and agencies of the Government which have responsibilities relating to transportation to give careful consideration to the steps which must be taken to create an economic climate in which the entire railroad industry can contribute to the economic activity of this country in the future, as it has done in the past.

It is my understanding that the Interstate Commerce Commission would not be precluded from guaranteeing loans to a railroad, simply because the railroad is operating under a plan of reorganization. The Transportation Act of 1958 requires that there be a reasonable expectation of repayment of the loan, but it is my understanding that the Court can authorize a receiver to issue certificates under which the loans advanced to the receiver would be given priority.

The morning newspapers indicate that the New York, New Haven & Hartford Railroad plans to ask for the appointment of a receiver, under section 77 of the Bankruptcy Act, which was passed several years ago by the Congress, to provide a remedy in situations such as the present one. Under that section, any railroad corporation may file a petition stating that it is insolvent or unable to meet its debts as they mature, and that it desires to effect a plan of reorganization.

The judge may, upon not less than 15 days' notice published in such manner and in such newspapers as the judge may in his discretion determine—which notice so determined shall be sufficient, for cause shown, and with the approval of the Commission, in accordance with section 20a of title 49, as now or hereafter amended—authorize the trustee or trustees to issue certificates for cash, property, or other consideration approved by the judge, for such lawful purposes and upon such terms and conditions and with such security and such priority in payments over existing obligations, secured or unsecured, or receivership charges, as might in equity receivership be lawful. Where such certificates are authorized to provide funds to pay for the acquisition, assembly, or installation of safety equipment or materials related thereto, or for the purpose of reimbursing the trustee or trustees for funds so expended, the judge may direct—without limitation of his power to make such direction in the absence of this provision—that the certificates shall have such lien on the property of the debtor and shall be entitled to such priority in payments over existing obligations, secured or unsecured, and receivership charges and present or future duties, debts, or taxes or other obligations in favor of or payable to any State or any subdivision, agency, or instrumentality thereof, and interest or penalties, and to such parity with all or any portion of the other costs or expenses of administration or operation as in the particular case the judge may find equitable at the time of authorizing the issuance of such certificates, regardless of whether such obligations, charges, costs or expenses, duties, debts, or taxes constitute or are secured by liens on real or personal property or shall have become payable before or after the issuance of such certificates.

For the information of the Members of the Senate who have not followed this matter in the press, I ask unanimous consent that the letter of July 6, 1961, from the Director of the Office of Civil and Defense Mobilization to the Secretary of the Treasury, and which was released by the White House on the same date, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

The White House today made public the text of the following letter from the Director of the Office of Civil and Defense Mobilization addressed to the Secretary of the Treasury:

JULY 6, 1961.

Hon. DOUGLAS DILLON,
Secretary of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: This has reference to the application of the New York, New Haven & Hartford Railroad Co. for a loan in the amount of $5,500,000 under section 302 of the Defense Production Act. The application for this loan was forwarded by your Department to this Office on June 13, 1961, for a determination regarding the issuance of a certificate of essentiality as required by Executive Order No. 10480, as amended.

We referred the application in the ordinary course to the Interstate Commerce Commission and the Department of Defense for review and comment. Those comments have been received. My decision in the matter is the product of a careful examination and full consideration of the application as filed, the applicable law, the views of Government agencies conversant with the problems of rail transportation and the needs of the national defense, and of the facts surrounding the loan proposal.

Section 302 provides, in pertinent part, that in order "to expedite production and deliveries or services to aid in carrying out Government contracts for the procurement of materials or the performance of services for the national defense, the President may make provision for loans * * * to private business enterprises * * * for the expansion of capacity, the development of technological processes, or the production of essential materials."

Since the applicant does not propose to engage in the development of processes or the production of materials, the only basis which the Congress has here provided for a loan to the applicant is that such loan be "for the expansion of capacity" to perform transportation services needed for the national defense.

The application makes clear that the proposed loan would be used to pay existing obligations and maintain existing capacity. No expansion is proposed. Whether expansion of the applicant's transportation capacity would serve the national defense is not presented for determination.

For these reasons I am unable to certify the loan as essential under the terms of the statute.

Sincerely,

FRANK B. ELLIS,
Director.

HENRY DOORLY STEPS DOWN

Mr. HRUSKA. Mr. President, last year, 57 years to the day after he started newspapering with the Omaha World-Herald, Henry Doorly stepped down from all official connection with that journal.

In a farewell editorial written on July 1, 1960, he wrote:

> Today, after 57 years, I am retiring from all active duty on the World-Herald. I have thoroughly enjoyed my experience with the newspaper, and only old age compels me to give it up * * * I am sorry to leave, but the time comes when it is inevitable, and I do thank the people who helped make the World-Herald such a big success, the public, the advertisers, and the employees of the paper. Best of luck to you all.

Last week, Henry Doorly bowed to the inevitable. He went on to his greater reward at the age of 81, on June 26.

CHAMPION OF FREEDOM OF THE PRESS

Freedom of the press was gained after a struggle lasting for centuries. It is highly prized. It is indispensable to a self-governed republic such as ours.

To reach its fullest fruition, its freedom must be used responsibly and with restraint. To win the constant battle necessary for continued existence as an independent institution, it must render constructive, wholesome, and balanced service; not only in the fullness and reliability of its reporting and news service, but also in its viewpoint and goals as expressed editorially and in its activities.

For over a half century, Henry Doorly as the dominant force in the World-Herald adhered to these principles and translated them into practicalities.

He first associated himself with this journal at a time when its outlook and fortunes were bleak indeed. In fact, they were far in arrears.

But together with its founder, Gilbert M. Hitchcock, he worked diligently to achieve steady progress. Together they built solidly and well. Mr. Hitchcock spent most of the time between 1903 and 1923 in Washington, first as Congressman and then two terms as a U.S. Senator. Mr. Doorly stayed in Omaha to run the paper.

By the time he had stepped down from official duties, Mr. Doorly lived to see the Omaha World-Herald a dynamic, influential, outstanding force, not only in its midwestern habitat, but in the entire Nation.

In more recent years, the efficient operation of his paper came to be taken for granted. Yet it was based upon hardheaded, hard-hitting business practices which he himself tried out, proved, and insisted upon in the earlier period of its existence, and from then on.

EXAMPLES OF PROGRESSIVE ACHIEVEMENT

One of his outstanding characteristics was his progressiveness, his desire to keep up with, and even anticipate, the fast-moving technology of our age, and

the quick-shifting scene of human events.

Examples of his wide civic and humanitarian interest include:

The Soil Conservation Awards begun in 1944 which won for him personally the 1952 Distinguished Service Award of the National Association of Soil Conservation Districts.

The fabulously successful scrap collection drives of 1942–43 which served as a model for other newspapers the Nation over, winning for the World-Herald a Pulitzer Prize for public service.

The traffic safety campaign begun in 1952, also adopted by a number of other papers, which cut auto fatalities in the Nebraska area 30 percent in the first 4 months.

The campaign to build the Children's Memorial Hospital, one of the many ways in which Mr. Doorly proved his particular interest in the welfare of children.

Establishment of the World War II Memorial Park for which his paper led a drive for funds.

A MAN OF PRINCIPLE AND CONVICTIONS

Yet he never sought or attained progressiveness at the cost of abandoning those values and beliefs which demonstrated their wisdom under the stress and test of actual experience. While this was true in all of his activities, it was especially true in his views and battles on national affairs. He called the shots objectively, submitting them first to the cold analysis of long-range value, never the expedient. In this connection, it is especially notable that the firmest of loyalties, admiration, and respect flourished without abating for many years between our colleague the senior Senator from Virginia, Senator HARRY F. BYRD, and Mr. Doorly.

The Midwest has many fine heritages. One of its most prized will be Mr. Doorly's spirit and influence which will live for a great many years into the future in the newspaper to which he dedicated his lifetime efforts.

Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD at this point a number of newspaper and editorial comments on the life and departure of this great American.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald, June 28, 1961]

HENRY DOORLY

Within the last 2 weeks Henry Doorly was talking to one of his associates on this newspaper.

"Can you think," he said, "of something the World-Herald can do for Omaha? Omaha has been good to the World-Herald, and I think it is time that we should do something more for the city."

The question he posed was not a new one. Again and again, in the 57 years he had served this newspaper as employee and executive, Henry Doorly had asked himself and others what more the World-Herald might do for Omaha. We will not list here his contributions to his hometown. Some of them have been noted, since his death, on other pages of the World-Herald.

Henry Doorly was one of the great builders of Omaha's history.

What he did generally was done through the columns of the World-Herald. Only rarely was he personally prominent in the direction of the many movements he launched. This does not mean, however, that he was merely an idea man. Quietly, behind the scenes, he worked hard and long for all of the things he thought were good for Omaha and the Midwest.

He was never satisfied that he was doing enough, because he loved his adopted city. Though in his later years he spent long vacations elsewhere, he was often restless when away and was always happy to return.

Those who knew him well believed that Mr. Doorly's background accounted in large part for what seemed to be an uncommon love of his adopted city.

He was born on the island of Barbados, in the West Indies, of English parents. Barbados was settled originally by adventurous Englishmen, but in Mr. Doorly's youth it had developed into the typical British colonial society. It was stratified. Opportunities were limited. Young Henry Doorly found it stifling. He left it, as soon as he could, with scarcely a backward glance.

The Middle West, which when Henry Doorly arrived in 1898, still had much of the frontier about it, suited him perfectly. Here, despite a British accent which persisted faintly until the day of his death, he felt at home. This was his kind of country; these were his people. He fell in love with the Great Plains. His fervor was that of the convert. Out of profound gratitude he served it well.

With an equal sense of dedication he fought, on the national scene, for what he believed to be the good of all America. He affiliated with no party, accepted no political honors, but championed always the cause of honest, decent, responsible government. Perhaps his warmest friend and most sincere admirer, outside of the Omaha community, was the conservative Democratic Senator from Virginia, HARRY F. BYRD.

All who knew Henry Doorly will honor him as a great leader and a great builder. So particularly do his associates of the World-Herald, who were privileged to serve under him and who will continue to the utmost of their ability to serve the vital interests of Omaha, the Midwest, and America.

[From the Hastings Daily Tribune, June 28, 1961]

A LEADER IS GONE

The death of Henry Doorly, retired chairman of the board of directors of the Omaha World-Herald, removes from the scene one of the leading figures in America's newspaper industry. He had a remarkable career in his chosen field, one that will stand as a tribute to him and to the American system of free enterprise in which he so strongly believed and consistently fought for.

His life constituted a classical American success story. He began his newspaper career as a police reporter and closed it in 1960 as the chairman of the board of directors of one of the Nation's truly great newspapers. During the 57 years of his association with the World-Herald it consistently rose in stature as a newspaper of force and influence.

The late publisher, through the World-Herald and as an individual, leaves his mark on Omaha and the State. He used the force of the free press in what he believed to be the best interests of the majority and there are any number of enterprises, private, and public, that this State would not have today had it not been for the devotion that he had for his State and its people.

Nebraska, during the years, was most fortunate to have had Henry Doorly as the director of a very potent force for public good. There were those who did not, and do not agree, with one or another of the editorial policies of the World-Herald, but never could they attack those policies because they were dishonest. The newspaper's policies reflected always the considered best judgment of the publisher, and were never based upon decisions that would lead to personal gain or self-aggrandizement.

[From the Grand Island Independent]

DYNAMIC FORCE

For a quarter of a century Henry Doorly directed the business and editorial policies of the Omaha World-Herald. Inheriting the responsibility from his late father-in-law, Senator Gilbert Hitchcock, he accepted it with zeal and enthusiasm. Under his direction the World-Herald became a dynamic force in midwestern journalism. It made many enemies, as was to be expected. But it won many friends, also.

Mr. Doorly was cast in somewhat the same mold as another great midwestern publisher, William Rockhill Nelson, of the Kansas City Star. Both men were passionate believers in the policies they established for their newspapers. Both had a terrific amount of energy. Both left their impress indelibly on the communities their papers served.

Omaha will have much to remember Henry Doorly for. The Childrens Memorial Hospital. Public power. The World War II Memorial Park. He was a soil conservation pioneer, and in 1952 won the distinguished service award of the National Association of Soil Conservation Districts.

Henry Doorly will go down in Nebraska history as one of the most outstanding newspapermen the State has ever produced.

[From the Nebraska City News-Press]

HOSPITAL BEST

(By J. Hyde Sweet)

Probably if one could have asked him the late Henry Doorly of the Omaha World-Herald would have called Children's Memorial Hospital in his hometown the best thing he ever did in the way of public service.

Mr. Doorly as the guiding light of the World-Herald for a half century loved the memorial hospital. It was largely on his account and his newspaper that the institution was built to serve thousands of youngsters throughout Nebraska and Iowa and to become one of the most unique enterprises of its kind in the country.

Mr. Doorly was an astute, energetic, and capable newspaperman. The World-Herald, established by his father-in-law, Senator Gilbert H. Hitchcock, grew enormously under the Doorly leadership to become the outstanding journal of expression in the Missouri River Valley country. It has maintained that degree of excellence even after the Doorly guidance was discontinued except in an advisory capacity.

Nebraskans will miss Henry Doorly and so will Omaha.

[From the Omaha World-Herald July 2, 1961]

FROM NEBRASKA PRESS

LINCOLN.—I deeply regretted reading of the death of Henry Doorly.

Nebraska and the Nation have lost one of the finest newspapermen.

For many years, Henry Doorly contributed generously of his exemplary talents to newspapering and journalism.

As president of the Nebraska Press Association I speak for our 250 members in expressing our deep sorrow in the loss of one of the finest publishers the State of Nebraska has ever known.

A. H. HENNINGSEN.

A GREAT MAN GONE

LINCOLN.—Nebraska newspapering has lost a great man. Few have done as much for

the raising of newspaper standards in Nebraska as Henry Doorly.

My sympathy is extended to his family.

VERN SCOFIELD,
General Manager,
Nebraska Press Association.

[From the Omaha World-Herald, July 3, 1961]

HENRY DOORLY

BOYS TOWN, NEBR.—Young citizens of Father Flanagan's Boys' Home were grieved to hear of the death of Henry Doorly. He was a great man, and we have deep respect and admiration for men of his caliber.

The older residents of Boys Town recall very well the encouragement and the support that this good and kind man gave to the late beloved Father Flanagan. He helped Boys Town grow. He told in his newspaper of our early struggles to survive; frequently, he would relate our many problems, and gained for us new friends and benefactors.

We shall keep him long in our memories and in our prayers.

PATRICK J. NORTON.

[From the Omaho World-Herald, June 27, 1961]

DOORLY WAS DOMINANT FORCE ON WORLD-HERALD FOR YEARS—HE STARTED IN 1903, RETIRED IN 1960

Henry Doorly, retired chairman of the board of the World-Herald Publishing Co., who died Monday night, was for many years, the dominant force in this newspaper.

An employee and executive of the World-Herald for 57 years, he made it a going institution financially.

Mr. Doorly was born in Bridgewater, Barbados, British West Indies, on November 9, 1879. His grandfather, a major in the British Army, established the family in Barbados. Mr. Doorly's father, Martin Edward Doorly, was a music teacher there. His mother, who was Katherine Isabella Carrington, was a member of a family that had lived in Barbados for generations.

SURVEYOR

Mr. Doorly, who had eight brothers and a sister, attended Harrison College in Barbados, then was apprenticed to study surveying under Walter Merivale, an engineer who was the father of Philip Merivale, the actor.

The prospects for a young man in Barbados were dim, so in 1898 Mr. Doorly, "with a smattering of civil engineering," borrowed money for passage to New York.

There he heard of a job on a ranch at Deadwood, S. Dak., and worked his way there with a Barbados friend. Only one job was open, and after one look at the ranch young Doorly told his friend, "You can have it." He went into Deadwood to ask the local surveyor for a job.

The surveyor had no job, but he said that he had heard that the Union Pacific, which was surveying for the famed Sherman Hill cutoff in Wyoming, needed men. The young surveyor went there and got a job.

Through the winter young Doorly, who had never before seen snow, lived in a converted boxcar and worked in temperatures that often were 10° to 20° below zero. In the boxcar he lived with several young Americans of about his own age. Despite his British accent, he evidently got along with them well, for he used to say in later years that this was the finest introduction to America that any young man could get.

DRAFTSMAN

The Sherman Hill job was followed by a similar one in Oklahoma. Then Mr. Doorly came to Omaha as a draftsman for the Union Pacific Railroad, and left that to be a draftsman with the Army Engineers. The pay was good and the work easy but, Mr. Doorly said, he looked at the elderly employees around him and said, "Once a draftsman, always a draftsman." He got a job as a salesman for the M. E. Smith Wholesale Dry Goods Co. and remained there 6 months, hating every minute of it. "I just wasn't a salesman," he said later.

Mr. Doorly was the organizer of a short-lived cricket club on what is now the Field Club grounds and became acquainted with the young people of the time. One Sunday afternoon he went calling with friends at the Philip Potter home, and there met Margaret Hitchcock, daughter of the then U.S. Representative Gilbert M. Hitchcock, who was the founder and publisher of the World-Herald. Margaret Hitchcock and Henry Doorly became engaged in the spring of 1903.

REPORTER

Mr. Hitchcock suggested to his daughter's fiance that he come to work for the World-Herald. Mr. Hitchcock said frankly that the paper was not breaking even and was $150,000 in debt. "But," he said, "we might as well sink or swim together."

"I agreed," said Mr. Doorly, "but I didn't know how close it was to sinking."

The newcomer was put on the payroll at $17.50 a week and made police reporter. As "the Englishman" he created somewhat of a sensation in the rough-and-ready police station of that day.

"I guess I wasn't so hot as a reporter," Mr. Doorly said long afterward. At any rate, 3 months later he was made want ad manager—a job about which he knew absolutely nothing.

WANT ADS

"But if you have to do something, you do it," he said.

One of the things he did was to make an arrangement with a local candy company to supply 1-pound boxes of candy in exchange for advertising. The boxes of candy were given as premiums for want ads inserted in the World-Herald on Saturday.

The want ads came plentifully. There probably was little profit in them, for even in exchange for advertising the candy probably cost 25 to 30 cents a box. But there is an axiom in advertising—which well may go back to the young Henry Doorly—that the paper that gets the want ads will get local and national display advertising, too.

Mr. Doorly learned the want ad business so well that a few years later he wrote a book about his experiences which for years was regarded as the standard text in the field. In all the years that followed he kept an especially watchful eye on the want ad department and there was a legend that any want ad manager who could please him for a year would be welcomed by any paper in the country.

ORIGINATOR

The World-Herald, which in some years had had trouble scraping money together to meet its payroll, and had on occasion paid them in orders on advertisers, gradually gained financial stability.

After 2 years as want ad manager, Mr. Doorly was put in charge of local and national advertising as well. In 1910 he became business manager.

On the death of Senator Hitchcock, in 1934, he became publisher and president of the World Publishing Co.

Once again—though this time, of course, not altogether without preparation—he threw himself into a new task, that of learning everything possible about the news and editorial departments of the paper.

Again he learned fast and sparked ideas. He was the originator of and driving force behind many World-Herald policies, among them:

The fight for public power in Omaha, which lasted from 1939 to 1946.

The fabulously succesful scrap-collection drives of 1942 and 1943, which served as a model for other newspapers the country over, and which won for the World-Herald a Pulitzer Prize for public service.

The Soil Conservation Awards, begun in 1944, which won for Mr. Doorly personally the 1952 distinguished service award of the National Association of Soil Conservation Districts.

The traffic safety campaign begun in 1952, also adopted by a number of other papers, which cut auto fatalities in this area 30 percent in the first 4 months.

The campaign to build the Children's Memorial Hospital, one of the many manifestations of Mr. Doorly's particular interest in the welfare of children.

Establishment of World War II Memorial Park, for which the World-Herald led a drive for funds.

Mr. Doorly explained his views on newspaper publishing thus:

"We figure we are here to look after the public's interest. Those things are the job of a newspaper, especially when you publish the only newspaper in a city the size of Omaha. I look upon myself as a trustee of the public interest."

In his role, Mr. Doorly expected no thanks.

"You can't look for popularity if you are an independent newspaper," he said, "because you are constantly stepping on some one's toes. When you are alone in the field, it is doubly difficult to please."

RETIREMENT

When Mr. Doorly announced his retirement as president in 1955, he was no doubt sincere. But for a man of his temperament, retirement was almost impossible. He became chairman of the board, and held that office until mid-1960. His interest in the paper never slackened. He was a director when he died.

Only recently, telling of his early years as want ad manager, he remarked, "I poked my nose into almost every department of the paper."

Then, chuckling guiltily, he added, "I guess I still do."

Mr. Doorly is survived by his wife, Margaret; two daughters, Mrs. W. Dale Clark and Mrs. Ben H. Cowdery of Omaha, and a son, Gilbert, of Fort Lauderdale, Fla.

THE ORIGIN AND MEANING OF VIRGINIA'S DECLARATION OF RIGHTS—ADDRESS BY SENATOR ROBERTSON

Mr. TALMADGE. Mr. President, on the Fourth of July the erudite and articulate junior Senator from Virginia [Mr. ROBERTSON] delivered a significant, timely, and appropriate Independence Day address at Shadwell, Va., the birthplace of the revered author of our immortal Declaration of Independence, Thomas Jefferson. Devoted to the topic "The Origin and Meaning of Virginia's Declaration of Rights," it was an oration distinguished by the eloquence and scholarship characteristic of the able and respected Senator and worthy of the solemn occasion of our Nation's 185th anniversary.

The Senator traced with authority and perception the origins of our heritage of government, which derives its power from the consent of the governed and performed a notable public service in delineating the modern-day distortions which have developed in the meaning of the term "equal" as used by Mr. Jefferson in the Declaration of Independence and subsequently employed in the dubiously ratified 14th amendment. His irrefutable conclusions demonstrate beyond question how the philosophy of

government on which this Nation was founded has been twisted by the Supreme Court of the United States and advocates of force legislation in the field of human relations.

This address deserves a prominent place among the historical papers of the Nation, and I ask unanimous consent, Mr. President, that the text of it be printed herewith in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ORIGIN AND MEANING OF VIRGINIA'S DECLARATION OF RIGHTS

(Remarks of Senator A. WILLIS ROBERTSON at Shadwell, Va., July 4, 1961)

On June 12, 1776 a Virginia Convention, assembled in Williamsburg, adopted a declaration of rights which had been prepared by a senior statesman and one of the ablest of the Revolutionary leaders, George Mason. Included in the convention that voted for the adoption of that declaration were Edmund Pendleton, Edmund Randolph, James Madison, Patrick Henry, and most of the other Virginia leaders of that period.

In a recent celebration of that historic anniversary, an English historian, Dr. Arnold J. Toynbee, said that various 20th century revolutions "display, unmistakably their origins in the parent revolution in this country" and indicated that they would have had Jefferson's approval. Commenting upon that misunderstanding of American history, the distinguished editor of the Richmond News Leader said in the leading editorial on June 13: "Jefferson was a revolutionary, but it is preposterous to suggest that his revolution of 1776, led by men of literacy, sound education and deep political tradition, in any way is to be equated with the chaos of the Congo or the new tyrannies of Castro's Cuba."

There is a widespread misunderstanding in this country of the meaning of the word "equal," that was used by Mason in the Virginia Bill of Rights and next by Jefferson in the Declaration of Independence, and an even more widespread misunderstanding of the meaning of our representative democracy among the illiterate millions of Asia and Africa. Therefore, no place could be more fitting than the birthplace of Thomas Jefferson; no time more appropriate than the anniversary of the adoption of his immortal Declaration of Independence, to discuss the origin and meaning of Virginia's Declaration of Rights, usually referred to as Virginia's Bill of Rights.

Students of Virginia history will recall that the declaration of rights contained 16 paragraphs. Time will not permit me to quote them all, nor is that necessary for a discussion of their origin and meaning since the first 2 sections stated the essence of the form of government that members of the convention sought to establish and the other 14 were merely corollaries explaining in greater detail the fundamental principles of personal freedom and the right of self-government.

George Mason, the author of our Bill of Rights, knew the Bible, the original source of all law that recognizes human rights, the principles of democracy as enunciated by Pericles some 450 years before the birth of Christ, and the principles of natural law as enunciated by Cicero some 60 years before the birth of Christ. He also drew liberally upon established British principles of freedom commencing with the revision of the Magna Carta in 1215. Referring to the sources of the Virginia Declaration of Rights, a distinguished Virginia scholar and historian, Dr. Lyon Gardiner Tyler, son of President John Tyler, said in his "History of Virginia," published in 1924:

"As regard the Virginia Declaration of Rights, it not only contained all that was valuable in Magna Carta in 1215, the Petition of Rights in 1628, written by Sir Edward Coke, and the Bill of Rights in 1689, written by the great Lord Somers, but it constituted also the most complete statement of the principles of government. Thus its first and second sections expressed the idea of the democracy which lay at the bottom of the whole revolution, the first declaring 'the equal rights of all men, by nature, to freedom and independence' and their inalienable claim to the 'enjoyment of life, liberty, property, and happiness;' and the second, declaring that 'all power is vested in, and consequently derived from, the people; that magistrates are their trustees and servants, and at all times amenable to them.' While these sections really stated nothing that had not been tacitly recognized ever since the dethronement of James II by people of English descent everywhere, the old form, depicting the king as 'the fountain of authority' had been kept up in all legal and political literature in England and America. Now for the first time, fact and form were brought together in official papers. Rights began with Nature, and not as concessions of the monarch, and the people, not the king, became the open and acknowledged source of authority."

Section 1 of the Virginia Declaration of Rights reads as follows:

"That all men are by nature equally free and independent, and have certain inherent rights, of which, when they enter into a state of society, they cannot, by any compact, deprive or divest their posterity; namely, the enjoyment of life and liberty, with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety."

The fundamental principles of the sacredness of human life and of the right to acquire and possess property are to be found in the Ten Commandments which God gave to Moses on Mount Sinai some 1,500 years before the birth of Christ. Moses in Deuteronomy enlarged upon those 10 fundamental principles including this instruction to the judges of the courts which he established:

"Hear the causes between your brethren, and judge righteously between every man and his brother, and the stranger that is with him. Ye shall not respect persons in judgment, but ye shall hear the small as well as the great; ye shall not be afraid of the face of man."

And all students of the Bible are familiar with the frequent references in both the Old and the New Testaments to property rights—condemnation by the prophet of the illegal taking by King Ahab of Naboth's vineyard being an outstanding example.

Among exponents of freedom and equality, none had a greater influence upon Mason than the eminent English philosopher, John Locke.

Locke was the political theorist of the Martin Luther Reformation. He strongly objected to the doctrine of royal prerogatives based upon the so-called "Divine Right of Kings." Instead, Locke expounded the belief that individuals, by means of a social compact, formed a body politic, giving up their personal right to interpret and administer the law of nature in return for a guarantee that their natural rights to life, liberty, and property would be preserved. When injustices became obvious, the people might resist the civil authority. There was need of rebellion, Locke stated, whenever the government endeavored to invade the property of the subject and to make itself the "arbitrary disposer of the lives, liberties, or fortunes of the people." This right of revolution he qualified in two ways. Force was not to be used except in the most serious cases. And only the majority could overthrow the government.

Mason also drew upon the Greek conception of equal rights when he wrote into the first section of our Bill of Rights, "All men are by nature equally free and independent and have certain inherent rights * * * namely, the enjoyment of life and liberty, with the means of acquiring and possessing property and pursuing and obtaining happiness and safety."

All the members of that convention knew that the equality referred to in the Virginia Bill of Rights related to the inherent rights that were specified—life, liberty with a means of acquiring and possessing property and pursuing happiness and safety. It was only 18 days after the adoption of the Virginia Bill of Rights that Jefferson presented his draft of the Declaration of Independence to the Continental Congress in Philadelphia, to members of which copies of the Virginia draft of Mason's Bill of Rights had been sent. He shortened and paraphrased the Mason statement but, in the opinion of John Adams, the Continental Congress did not intend to change its meaning. That great son of Massachusetts, Jefferson's opponent for the Presidency, but in later years his warmest friend, was on the committee selected to draft the Declaration of Independence. When his wife in Boston heard that he had signed a declaration saying, "all men are created equal," she promptly wrote him that he knew that was not true, to which Adams replied: "You don't understand what we meant. All we meant to say was that all men are born men and not some men and some whales." Years later, after observing the excesses of the French Revolution, Adams wrote John Taylor of Virginia:

"Inequalities are a part of the natural history of man. I believe that none but Helvetius will affirm, that all children are born with equal genius.

"That all men are born to equal rights is true. Every being has a right to his own, as clear, as moral, as sacred, as any other being has. This is as indubitable as a moral government in the universe. But to teach that all men are born with equal powers and faculties, to equal influence in society, to equal property and advantages through life, is as gross a fraud, as glaring an imposition on the credulity of the people, as ever was practiced * * * by the self-styled philosophers of the French Revolution. For honor's sake, Mr. Taylor, for truth and virtue's sake, let American philosophers and politicians despise it."

The action of the Supreme Court in the public school segregation cases of 1954, the multiplicity of so-called civil rights bills introduced in the Congress all testify to the current misconception of the term "equal."

In commenting on the word "equality," Hon. R. Carter Pittman, of Georgia, a distinguished constitutional authority, said:

"No one who helped to write it or who voted to adopt it ever asserted the doctrine of human equality either before or after July 4, 1776, but the Declaration of Independence, like the Constitution, has 'taken on new meaning' by the application of 'new philosophy' and 'modern authority'"—such, for instance, as the Swedish Socialist Myrdal.

The influence which Locke's philosophy had upon Mason is evident not only in the first section of the Declaration of Rights but also in the second and third sections. They are as follows:

"II

"That all power is vested in, and consequently derived from, the people; that magistrates are their trustees and servants, and at all times amenable to them.

"III

"That Government is, or ought to be, instituted for the common Benefit, Protection, and Security, of the People, Nation, or Community; of all the various Modes and Forms of Government that is best, which is capable of producing the greatest Degree of Happiness and Safety, and is most effectually secured against the Danger of Mal-administration; and that, whenever any Government shall be found inadequate or contrary to these Purposes, a Majority of the Community hath an indubitable, unalienable, and indefeasible Right, to reform, alter, or abolish it, in such Manner as shall be judged most conducive to the public Weal."

Although the writings of Locke and of other noteworthy men greatly influenced Mason, the Declaration of Rights was, by no means, a mere repetition of another's ideas. Admittedly, Mason was not a discoverer in a wholly unexplored field. However, according to a former Member of Congress from Fairfax County, Hon. R. Walton Moore, "No one will deny that he exhibited astonishing originality in what cannot be regarded as other than a great creative achievement."

For example, Mason was familiar with the English Bill of Rights of 1689. But that instrument was largely retrospective. The English Bill of Rights contained little or no thought of popular government, for it left the prerogatives of the Crown unimpaired and the authority of Parliament beyond any great control by the people.

The work of Mason applied the principles of freedom, equality, and the social compact to local politics and gave them a new meaning in the American application of a government, to which the people had delegated certain powers, reserving all others to themselves or to their sovereign States.

A fundamental principle of a representative democracy is contained in section 4, which reads:

"That no man, or set of men, are entitled to exclusive or separate emoluments of privileges from the community, but in consideration of public services; which, not being descendible, neither ought the offices of magistrate, legislator, or judge, to be hereditary."

Such thinking derives its origin from Pericles who in his famous "Funeral Oration" stated this principle as follows:

"If we look to the laws, they afford equal justice to all in their private differences; if to social standing, advancement in public life falls to reputation for capacity, class considerations not being allowed to interfere with merit, nor again does poverty bar the way, if a man is able to serve the state, he is not hindered by the obscurity of his condition."

Mason, like our other forefathers, had seen the numerous abuses which resulted from hereditary political offices, notably the succession of kings. These early Americans, many of whom like James Madison and Patrick Henry, were not large landowners, were determined that the elevation of anyone to a position of authority must depend not on ancestry but on merit. And who should be the judge of merit but the people themselves?

The precautions which Mason insisted upon were later incorporated by Madison in article I, section 9 of the Constitution: "No title of nobility shall be granted by the United States; and no person holding any office or profit or trust under them, shall, without the consent of Congress, accept of any present, emolument, office or title, of any kind whatever, from any king, prince, or foreign state."

I will pass over a number of the sections of the declaration which contain provisions substantially the same as the Bill of Rights in the Constitution, framed by James Madison. In fact, he succeeded in having incorporated in the Philadelphia Constitution all of the essential provisions of government to be found in the 16 paragraphs of the Virginia Declaration.

The 14th section of the Declaration of Rights is not the work of Mason but was added by the Virginia Convention. It reads:

"That the people have a right to uniform government; and, therefore, that no government separate from, or independent of, the government of Virginia, ought to be erected or established within the limits thereof."

Apparently this section resulted from the efforts of those delegates who were concerned over the situation in Virginia's western territory. It extended to the Mississippi River, and Virginia claimed title to the Northwest Territory.

It is interesting to note the relationship between section 14 and the thinking of those delegates in the Virginia Constitutional Convention of 1788 who objected to the Constitution on the ground that the Federal Government thereby created would engulf the States with a tyranny not dissimilar to that of George III. The foresight and determination of men like Mason and Madison established our Central Government as one of limited powers and emphatically affirmed this position with the 10th amendment, which provides that:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

In section 15 Mason contends:

"That no free Government, or the Blessing of Liberty can be preserved to any People but by a firm Adherence to Justice, Moderation, Temperance, Frugality, and Virtue, and by Frequent Recurrence to fundamental Principles."

Here, perhaps, we find his strongest emphasis upon the principles of morality which are expressed in the Bible. And evidently Mason had the Bible in mind when he called for a "frequent recurrence to fundamental principles."

Finally, 16th section declared:

"That Religion, or the Duty which we owe to our Creator, and the Manner of discharging it, can be directed only by Reason and Conviction, not by Force or Violence; and therefore, all Men are equally entitled to the free exercise of Religion, according to the Dictates of Conscience; and that it is the mutual Duty of all to practice Christian Forbearance, Love, and Charity, towards each other."

Mason's original wording had provided for "religious toleration." We owe it to the efforts of James Madison, who, at but 25 years of age, suggested that Mason's wording in the original draft should be broadened into a statement asserting freedom of conscience.

George Mason's Declaration of Rights is particularly significant because its principles, in large measure, serve as the basis for the Declaration of Independence, the Constitution, and its Bill of Rights, and most State constitutions.

Drawing upon the Bible, and the experience in government of civilized nations and applying those precedents to a new theory of government "of the people, for the people, and by the people," George Mason and his coworkers provided for us the priceless principles of constitutional liberty in a unique system of private enterprise. In a brief span as compared to the 900 years of the city-state of Athens, 400 years of the Roman Empire, we have become both the richest and the freest nation of the world.

All this heritage is now threatened—from without by the forces of communism, armed with nuclear weapons, and at home by those who would abandon the ancient landmarks, set by our fathers, and take us down the road to socialism. We may survive a nuclear attack. But we cannot survive, any better than Athens and Rome, moral degeneration and the abandonment of fundamental principles. For as Daniel Webster said:

"Who shall reconstruct the fabric of demolished government? Who shall rear again the well proportioned columns of constitutional liberty? Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No, if these columns fall, they will be raised not again. Like the Coliseum and the Parthenon, they will be destined to a mournful, a melancholy immortality. Bitterer tears, however, will flow over them, than were ever shed over the monuments of Roman or Grecian art; for they will be the remnants of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty."

LINEAR ELECTRON ACCELERATOR

Mr. KUCHEL. Mr. President, a bill—S. 2043—to authorize appropriations for the Atomic Energy Commission is now on the Senate Calendar. I have particular interest in one section of that bill and would like to take this opportunity to ask the support of my colleagues in approving an important project authorized by this legislation.

I refer, Mr. President, to the 2-mile linear electron accelerator, known as Project M. This accelerator, to be the longest ever built, was first recommended by the Stanford Physics Department in 1955. In 1958, a National Science Foundation Panel asked for favorable consideration of this proposal. In the same year, it was also approved by a Joint Panel of the General Advisory Committee of the Atomic Energy Commission and the President's Science Advisory Committee. President Eisenhower gave the project his strong endorsement, and hearings were held before the Joint Committee on Atomic Energy. A refusal, last year, to grant the necessary funds for construction has thwarted progress on the effort. Now the Atomic Energy Commission again has submitted an authorization request, amounting to $114 million for this important Stanford project. I am grateful that this year, this great undertaking has been approved by the committee, and I look forward to approval also here in the Senate and the House.

The efforts of private industry and private institutions have played a vital role in the growth of scientific knowledge. By private means, have we pioneered, initiated, and explored. Yet, the Government must also accept its responsibility. The Government must work with private effort, particularly when, as in this case, the cost of a project necessary for American security and welfare is beyond private means.

While I cannot speak with more than a layman's knowledge in behalf of the proposed linear accelerator, I can speak as an American interested in maintaining the U.S. lead in high energy nuclear physics.

It is generally conceded that our Nation leads the world in this particular field. It is also known that the Soviet Union is expending tremendous effort in order to not only catch our lead, but to surpass it. Therefore, our action on this

proposal is imperative, as it affects the continued leadership of the United States in a highly significant field. If we are to remain strong in the scientific war with the Russians, we must encourage in every way possible scientific research, education, and knowledge.

While the atom-smashing accelerator may even alter the very concept of space, it will extend the frontier of science and welfare in other fields as well. Particularly impressive to me is the remarkable progress made in the treatment of malignant disease, brought about by the construction of a medical version of the linear accelerator. Dr. Edward L. Ginzton, the director of the linear accelerator project, along with Kenneth B. Mallory and Henry S. Kaplan, related the progress in treatment of cancer in a Stanford Medical Bulletin in August 1957. According to their study, the physical advantages resulting from cancer treatment by high-speed accelerators compared with conventional X-ray treatment are substantial. To spell this out, high-energy beams make possible curative therapy for some cancers unlikely to react to ordinary treatment, greater precision and homogeneity of dosage instrumental in the treatment of deep tumors, and palliative therapy for such tumors without exacting an excessive price in terms of radiation sickness and skin destruction. Faced with the gruesome facts that 270,000 Americans will die from cancer in 1961 and 510,000 new cases will be reported, we must grasp every scientific opportunity that will thwart the growth of such dread diseases.

The medical version of the accelerator is also at Stanford. In this regard, I would like to comment on Stanford University as the site of the new project. As we all know, the facilities at that great university are outstanding and its staff world renowned. Furthermore, no other group of scientists is so expert in the field of linear accelerators. Their experience dates back to the midthirties; and since the war, no fewer than 10 linear accelerators have been constructed either at Stanford or under Stanford's direction. Accelerators around the world have been influenced by the Stanford pattern or Stanford scientists.

In February, I had the privilege of touring the vast Stanford accelerator facilities with some of the leading experts in the field. I was deeply impressed; and I am sure that if all my colleagues had the opportunity to see the advancements already made, as I saw them, there would be complete and enthusiastic support for this worthwhile project to keep our country in the lead in this vital field of research.

STATEMENT BY SENATOR KUCHEL BEFORE THE CONSTITUTIONAL AMENDMENTS SUBCOMMITTEE OF COMMITTEE ON THE JUDICIARY

Mr. KUCHEL. Mr. President, I testified before the Constitutional Amendments Subcommittee of the Senate Committee on the Judiciary last week, indicating views that are mine with respect to the overdue need of reform in the electoral college system.

I ask unanimous consent that the comments I made at that time be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ELECTORAL COLLEGE REFORM

(Statement by Senator THOMAS H. KUCHEL before the Constitutional Amendments Subcommittee of the U.S. Senate, Thursday, June 29, 1961)

Mr. Chairman, I am glad to have this opportunity to appear before the Constitutional Amendments Subcommittee to discuss our electoral college system.

As we saw in November, Senator John F. Kennedy won the Presidency by the slimmest of popular vote margins—one-fifth of 1 percent—yet succeeded in winning a comfortable majority of 300 votes in the electoral college. More significantly, it would have been possible for Mr. Kennedy to have lost the election on the basis of the people's will and still be elected President.

President Kennedy's close call emphasizes the need to reexamine the method of selecting the Chief Executive, particularly the anomalous selecting body of the electoral college. Under our present system, the people of the United States still do not have the privilege of electing their President. It is done for them by representatives of the individual States.

"If," as Alexander Hamilton said of the electoral college, "the manner of it be not perfect, it is at least excellent." The best method of selecting a President had been a problem to the Founding Fathers. Several plans had been proposed and discarded; in the end, the electoral college was favored. Perhaps Mr. Hamilton was correct in the era of 1789. But in the 1960's, it is, I think, generally conceded that the electoral college is not excellent, but, to the contrary, is archaic, outmoded, and potentially mischievous.

A system of indirect choice appeared to solve the problems of Hamilton's day. Communications were poor; the country was large and sparsely settled; its citizens were uneducated; and the likelihood of such citizens knowing the candidates was slim. There were no political parties as we know them. Trust was placed with the local elector to select the best possible candidate.

However, the justification for this approach in electing a President has long passed. The times require a more realistic and accurate electoral process.

A number of alternatives to the present system is possible. One is the outright abolition of the electoral college, leaving the choice of the President to the popular vote. Another is the distribution of the electoral vote in proportion to the popular vote. A third is the so-called district system, which would allocate an electoral vote to the winner of the popular plurality in a House district with the senatorial votes going to the winner of the statewide popular vote.

Reasonable arguments have been made in supporting and rejecting each of these alternatives. My own inclination is that the second proposal, the proportional system, offers the basis for the most constructive and acceptable solution. While it abolishes the anachronistic office of presidential elector, the electoral vote is retained and divided between the candidates in proportion to the popular vote.

Such a plan would, in my view, give more accurate weight to the minority vote cast in each State by eliminating the winner-take-all system now in effect.

As it now stands, literally millions of American voters—35 million this last election—are disenfranchised because of the unit rule system. In the 1960 presidential election, in my own State of California, almost 50 percent of the voters went unaccounted for in the final analysis. With a 35,623 vote margin, out of a total of 6½ million votes cast, Vice President Nixon won California's 32 electoral votes. Contrariwise, Mr. Kennedy, in Illinois, gained 27 electoral votes with a margin of fewer than 9,000 popular votes.

Such a process only exaggerates, State by State, the margin of the victor as well as the defeat of the loser. In sum, Kennedy was able to win the election by disproportionate margin in the electoral college.

Actually, there have been more flagrant electoral distortions in history. Franklin D. Roosevelt's victory over Willkie in 1940 is such an example. While winning the election by only a 5-percent popular margin, FDR took 85 percent of the electoral vote. Abraham Lincoln walked away with one of the biggest electoral landslides in history in the election of 1864. Lincoln's electoral total was 91 percent of all those cast; however, his popular margin over his opponent, George McClellan, was only 5 percent.

This distortion will not occur under the system I favor.

Second, a proportional system prevents the danger of a presidential candidate receiving a minority of the popular vote and winning the Presidency with a majority of the electoral vote. Under our newer apportionment figures, it would be possible for a candidate to receive a plurality of a single vote in only 11 States to become President. He need not get a single vote in the remaining 39 States.

I have posed the extreme of an example. Nevertheless, aside from the 10 Presidents who did not poll a majority of the popular vote but who did win by a plurality, we have already had 3 minority Presidents. This to me, reveals the weakness of our system. In the election of 1824, the House of Representatives gave the election to John Quincy Adams, although Andrew Jackson had received both the popular and the electoral votes. In the dramatic election of 1876, Rutherford B. Hayes became President with 264,282 fewer popular votes and 1 more electoral vote. In the election of 1888, Benjamin Harrison became President with 95,713 fewer votes and 65 more electoral votes. And, as we came close to seeing it happen again, we must alter our system to keep pace with changing needs and to allow us to elect a popular, national President.

Third, a proportional system will abolish what has been called the evil of the one-party State and, by doing so, invigorate the two-party system. Under the present system, there is little incentive to vote in one-party States, as verified by voting performance. A public interest group ranked States according to the percentage of not only the registered voters but also the voting age civilians who might have voted in the 1960 presidential election.

Dramatically low on the list were four southern one-party States—South Carolina, Georgia, Alabama, and Mississippi—where participation ranged from approximately 31 percent down to 25 percent. In close two-party States participation was appreciably higher. Illinois voters, for example, had a ranking of 76 percent, and my own State of California had over a 70-percent participation.

Faced with the unit rule, there is also little incentive for the minority party to waste precious funds and energies in a State they cannot reasonably hope to win. They prefer to concentrate their efforts on the large and pivotal States where the greatest rewards may be reaped.

Breaking down the sanctity of the electoral vote in the one-party State means that

the Republicans will be encouraged to be more active in Alabama and the Democrats more active in New Hampshire. Subsequently all citizens—not only those in pivotal areas—will have the benefit of being exposed to a national campaign and its accompanying political education. In time, a presidential candidate might be chosen from any State, not just pivotal States such as New York, California, Pennsylvania, Illinois, and Ohio.

Such prospects as these will not depreciate the basis for the adherence to the two-party system, as the critics of the proportional system contend. Indeed, I believe it is the other way around. If anything, the splinter parties now can wield tremendous power in a pivotal State if they can shift the weight of power for one of the two major parties. Reasonably, these electoral reforms should strengthen the historical foundations of a two-party system. A few electoral votes should have no greater appeal to minor parties than the scattering of a few popular votes.

Fourth, a proportional system undeniably provides the best reflection of popular desire in the framework of a Federal system that retains the States as voting units.

Any change necessitates a constitutional amendment—a long and complex process—which must be ratified by the legislatures or conventions in three-fourths of the States. If we urged complete abolition, the very idea that the smaller States would have to yield some of their constitutional equality would probably prevent its adoption. Clearly, the proportional plan, while eliminating the defects of the present system, is a compromise, and for that very reason it ought to have a better future.

Furthermore, by a revision short of abolishing the electoral vote, States would not be prone to encourage ridiculous voting laws merely for the sake of broadening the voting population. In other words, under a direct, popular vote, with the voting requirements still in the hands of the State, there would be nothing to stop a State from lowering its voting limits to an unreasonable age. The alternative would have to be Federal control of voting requirements, which is an infringement on the States.

The electoral college has been criticized for a century and a half. Yet the obsolescence remains. We can less afford a minority President in these perilous times than in any period of our history. National strength depends on the solidarity of the American people behind a President who is directly elected by a majority of the voters. It is our obligation to the American people to secure for them the democratic machinery that will insure this.

J. EDGAR HOOVER

Mr. LAUSCHE. Mr. President, recently the Citizen-Journal, of Columbus, Ohio, carried a column written by Mr. Henry J. Taylor, stating that in high places within our Federal Government there is a move to discredit and oust J. Edgar Hoover. I cannot believe that that move is in existence, and I therefore hope the report is not true.

I cannot believe that there are well-intentioned and loyal citizens occupying high places in our Federal Government who would seek to render ineffective the services of a man who for 37 years has been the most feared individual in America by Communists and their hirelings. To the Communists and their fellow travelers in this country J. Edgar Hoover is an arch enemy. He has fought them openly and watched them secretly in their subversive and hostile activities toward our country. He has stopped them. They fear him.

Mr. President, it is a matter of public record that repeated times, through the leadership of Mr. Hoover, Communists and their sympathizers and their activities to overthrow our Government have been brought to light. Without question there are many similar cases that have not been made public due to the never-ceasing activities to track these people right to their den.

Mr. President, Khrushchev and his hirelings who try to infiltrate our Government, in my opinion, would shout with joy upon the dismissal of Mr. J. Edgar Hoover. It would be a day of victory for them and an added incentive to pursue their trade more openly and without fear.

Manifestly, if what has been reported is true, a great service has been rendered to our country in bringing to light this alleged attempt to "get Mr. Hoover's scalp."

I cannot believe it is true. I hope it is not true.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. KUCHEL. I congratulate my colleague for the comments he has made. I look upon J. Edgar Hoover as one of the great Americans of this or any other generation. I think he represents a bulwark of strength for the security of our people. The Senate, the Congress, and the country would be shocked if any attempt were made to relieve Mr. Hoover of the magnificent public service he continues to perform.

I repeat my congratulations to my friend.

Mr. LAUSCHE. I am very grateful to the Senator from California for his statement.

THE LADY AND THE "LEAHY"

Mr. MUSKIE. Mr. President, last Saturday, July 1, I had the pleasure of accompanying our distinguished majority leader, the Senator from Montana [Mr. MANSFIELD] and his gracious lady for the launching of the new guided missile frigate *Leahy* at the Bath Iron Works, Bath, Maine. Mrs. Mansfield christened the mighty ship, the largest ever built in the Bath yard. The occasion was auspicious and significant for several reasons.

Mrs. Mansfield, in launching the ship, displayed not only her charm and grace, but also exhibited the skill of a veteran launcher. In wielding the christening bottle, she demonstrated a swing which would have done credit to a Mickey Mantle or a Ted Williams.

The *Leahy* was the 339th hull launched by Bath Iron Works since it first began constructing vessels for the Navy in 1890. Its first contracts were for the gunboats *Machias* and *Castine*, part of the Great White Fleet sent around the world by President Theodore Roosevelt. Since that time, Bath Iron Works' vessels have represented the highest quality in Navy construction. Its destroyers have been favorites with generations of naval officers and enlisted men.

During World War II, the Bath Iron Works launched a destroyer every 17 days for 3 years. Its destroyer production totaled more than the destroyer construction of the entire Japanese Empire during the same period. The Bath Iron Works' record demonstrates a facility of incalculable value to the country in maintaining peace on the oceans of the world. It is a vital link in our defense structure. Under the leadership of President John Newell, it is a model of compact efficiency.

July 1 was a most significant day for the launching of a vessel named for Adm. William B. Leahy, the President's Chief of Staff during World War II. Admiral Leahy was a great leader in our Nation's struggle for freedom, and on the day his namesake was launched, Gen. Maxwell Taylor was appointed to a similar post with President Kennedy.

At the launching, we were treated to one of Maine's incomparably beautiful and bracing days. The Senators from Montana [Mr. MANSFIELD and Mr. METCALF] and Representative INOUYE, of Hawaii, were treated to the pleasure of a brilliant summer sky on the coast of Maine. Even Representative INOUYE was impressed by the crystal clear air and the beauty of our impressive coastline.

Finally, the occasion was given special meaning by the pertinent and graceful comments of our distinguished majority leader. I ask unanimous consent that the Senator's thoughtful comments on the launching of the *Leahy* be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MIKE MANSFIELD, DEMOCRAT, OF MONTANA, AT THE LAUNCHING OF THE GUIDED MISSILE FRIGATE "LEAHY," BATH, MAINE, JULY 1, 1961

Ladies and gentlemen, it is with great pleasure that I have brought a lady here to launch another lady. I can assure you that Mrs. Mansfield is an expert launcher. Many years ago, far from the sea, she launched me on a voyage in politics and Government. So potent was Mrs. Mansfield's effort that I think a bit of the momentum remains despite 20 years in Congress. The Congress of the United States is sometimes a stormy sea. And to Mrs. Mansfield and the influence of her launching, I give full credit for managing to stay afloat in it.

I am proud that you have chosen her to perform this task today. I am also delighted that the name which shall be given to the other lady is *Leahy* and that the time for her christening is so auspicious. It was almost 13 years ago that Admiral Leahy laid down the burdens of a unique office, that of Chief of Staff to the President which he had borne so magnificently in World War II and in the difficult years thereafter. This post went unfilled after his withdrawal in 1949. But on this particular day, this July 1, 1961, another distinguished servant of the Nation, Gen. Maxwell Taylor, is officially assuming similar burdens. May I express the fervent hope that his coming to the White House at this time will signify as much for the preservation of peace as Admiral Leahy's contribution meant to the achievement of victory in war.

Ladies and gentlemen, when we say we are here to launch a ship, we say what has been said countless times before on similar occasions. We say it with scarcely a thought of what lies in back of the sentence.

It is to that—to what lies behind a launching—that I ask you to turn your thoughts for a moment. Think first of the immense and intricate labor here in this shipyard, of the putting of plank on plank, of plate on plate. Think of the integration of skills, of heart, of brawn, and of brain, from the beginning of the architect's drawings to this moment.

And think, if you will, of the combination of these same factors which acted to produce the materials in hundreds of mines and factories, the materials which were brought to this yard in order that the ship could be assembled. How many hands, in how many cities, in how many nations have already touched this ship? How many minds have combined to bring it to this cohesion of birth?

What did it take to make just the compass by which this ship will be steered? Where does a compass begin? In a factory in Boston with a purchase order? Or does it begin—this compass—with the first stirrings of man's awareness of his difference from other life forms?

And a missile—where does a missile begin? In our decade? In our century? Or does it begin at that dim moment in the past when man first understood that 2 plus 2 equals 4?

The name that this ship will bear; it is an illustrous name. It is a name and something more for it tells of other factors, factors of our history without which this ship would have no meaning, no bearings. *Leahy* is the war with Spain. It is World War I. It is World War II. It is the conflict in Korea. It is, in short, a name and a symbol of a life dedicated—one life in the millions of lives risked for a nation and countless thousands given for it. These, too, the named and unnamed whose sacrifices have given form, substance, and survival to our Nation in conflict, lie behind this moment, this event.

What I am trying in a most inadequate way to say to you, ladies and gentlemen, is that when we launch this ship today, we set upon the seas more, far more, than an assemblage of inanimate materials. We put into the wind a repository of human civilization and of our particular part of it. We launch the essence of an endless flow of human dreams and human hopes and human achievements.

This ship is an expression of our national and our total civilized heritage, mankind's heritage. And it is this heritage which is at stake in the world today—this heritage and the opportunity for generations to come in this Nation and in all parts of the world to add to it.

It is this heritage which peace—honorable peace—will preserve. It is this heritage which war—unbridled war—can destroy.

May this ship bring peace, stability, and understanding. May the *Leahy* always carry with it—on its bow—the image, figuratively speaking, the image of the lady who will launch her and with it the confidence, the strength, and the devotion we all have for our country at all times and under all conditions.

May this ship, then, defend that peace and may it go always in peace on the oceans of the earth.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MUSKIE. I am happy to yield to the distinguished majority leader.

Mr. MANSFIELD. On behalf of Mrs. Mansfield I thank the distinguished Senator from Maine. I think all too often we overlook our wives, who have done so much to help us get where we are and who, in return, receive so little in the way of recognition.

It was more of an event, I believe, for me to be with Mrs. Mansfield at the Bath Iron Works when she christened the *Leahy*, than it may have been for her. I was extremely proud not only of the way she wielded the christening bottle but also of the honor accorded to her.

Speaking of the Bath Iron Works, I must say I have never seen a more compact, a more competent, a more well-run shipyard than the one at Bath, Maine. It has, as the Senator from Maine indicated, an outstanding reputation. In my opinion, the Bath Iron Works would compare favorably not only with any other shipyard in the United States but also with any other shipyard in the world. It is run by an extremely capable man in the person of Mr. John Newell, its president, and it is a credit not only to the State in which it is located but also to the Department of the Navy, and the country as a whole.

The Senator from Maine [Mr. MUSKIE] was there, along with my distinguished colleague [Mr. METCALF] and his wife, the outstanding Representative from Hawaii [Mr. INOUYE] and his wife, and two distinguished Representatives from Maine [Mr. TUPPER and Mr. GARLAND] and their wives. It was an occasion which will long be remembered by all of us in attendance.

In conclusion, I am deeply grateful to the Senator from Maine for making his remarks, and I assure him, I thank him also, on behalf of Mrs. Mansfield.

Mr. MUSKIE. I thank the distinguished majority leader for his generous comments.

OFFICIAL REGISTER OF THE UNITED STATES

Mr. JAVITS. Mr. President, I was pleased to note an editorial in the Washington Post and Times Herald of July 1, 1961, urging approval of proposed legislation which I have introduced, and which I have also proposed as an amendment to the independent offices appropriation bill, to restore the Civil Service Commission's authority to publish the Official Register of the United States. This vital document, which has been published since 1802, was abolished through a legislative rider to last year's appropriation for the Civil Service Commission.

I fully agree with the editorial that there is even more need now for such a publication, so that citizens may know who is making the decisions in Government which affect every one of them, and how much these officials are being paid.

I ask unanimous consent that the editorial may be printed in the body of the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REVIVE THE REGISTER

Congress should revive the Official Register, either by separate statute or by the amendments which Senator JAVITS urged on the Senate Appropriations Subcommittee last week.

The publication, which contained names and salaries of Government employees in administrative and supervisory posts, was suspended last year as an economy measure. Its total cost is about $40,000 a year.

This sort of publication was commenced in 1802 in the Jefferson administration, on the theory that the annual publication of all employees of Government might hold down the Federal payroll. Initially all employees were included but later the affected classes were cut down. Jefferson said in his first annual message:

"We may well doubt whether our organization is not too complicated, too expensive; whether offices and officers have not been multiplied unnecessarily and sometimes injuriously to the service they were meant to promote. I will cause to be laid before you an essay toward a statement of those who, under public employment of various kinds, draw money from the Treasury or from our citizens."

There is a lot more need for such a list now than there was in 1802. The best evidence of that is to be found in the very fact that the list has grown so large that, in the estimate of Congress it costs too much to print it. Its very length seems a better argument for continuing publication than for suspending it. Citizens in a democracy really ought to be able to find out easily, as they could in the Official Register, who is governing them and how much they are paid.

MR. SMITH COMES TO WASHINGTON

Mr. KEATING. Mr. President, I am happy to announce that today Mr. Smith comes to Washington. I refer to Mr. William T. Smith, of Big Flats, N.Y., who has received wide attention recently because of the rather dramatic way in which he has chosen to demonstrate the illogic and foolishness of the new feedgrains program. Mr. Smith, as many will recall, bought an automobile with money which the Government paid him not to grow corn under this program.

Mr. Smith has admitted that he hopes to make taxpayers angry in the knowledge that they have contributed to his purchase of a $6,000 car. He will very likely achieve his desired result. If the mail which I receive is any indication, he has already done so.

Mr. Smith with his wife and family are in Washington today, and I have taken this opportunity to honor them at a luncheon in the Old Supreme Court Chambers.

Mr. President, I am frankly disturbed by the new departures being advocated in the way of proposed agricultural policies. Above all, the Congress has been requested to give up its powers to make decisions about farm policy and turn them over to the Secretary of Agriculture. We are being asked to substitute a farm czar for the Congress.

Mr. President, I am hopeful that the relevant committees of both the Senate and the House will turn thumbs down on the omnibus farm bill. It is my sincere belief that new and better farm programs are needed to provide farmers with the opportunity to stand up for themselves, and to make decisions for themselves. This is no easy task, but it is certainly a responsibility of the Congress, and it is not one which we should abdicate to the Secretary of Agriculture.

Mr. Smith's action certainly illustrates the difficulties that are bound to be encountered when the Government accepts the full responsibility for a sector of our economy. The new feed-grains program is another illustration of the principle of prosperity by subsidy. Unless Farmer Smith and those like him challenge this program, we will soon be on the road to the complete federalization of agriculture.

Americans have traditionally been rewarded for what they create rather than for what they fail to create. Idleness—in the form of either idle hands or idle land—has always been considered a vice to shun rather than a virtue to cultivate. Once the Government assumes the full responsibility for the welfare of a given group and a given industry, then it soon becomes responsible for everyone who buys from people in this industry, sells to them, or has some function related to the activity involved. For example, because the Government now pays people not to grow corn, I received a strong letter from a manufacturer of silos who says that if we do not grow corn, then we will not need silos to store the corn that we do not have but for which the Government is paying anyway, so why does not the Government also pay for the silos which are not being used for the corn which is not being grown? There is no end to this.

Mr. President, I fully believe that Congress is ready and willing to make the hard decisions necessary to develop a realistic and equitable farm program. The American people want us to do this. One of the reasons that Mr. Smith's actions have been so widely heralded is that he has found a unique way to express the feelings of many citizens that in a free economy, the role of the Government must be carefully and assiduously evaluated and circumscribed if freedom of action is to be preserved.

Mr. WILLIAMS of Delaware. Mr. President, I wish to associate myself with the remarks of the Senator from New York in paying respects to Mr. Smith, of New York. Mr. Smith is to be congratulated on what he has done to call the attention of the American people to the absurdity of the Kennedy feed-grain program. Certainly the principle of paying farmers for not growing a commodity, such as is being done under the feed-grain program, cannot be defended. Mr. Smith has done an excellent job in calling attention to this absurdity.

In this connection, I ask unanimous consent that an editorial entitled "Political No Man's Land," published in the Wall Street Journal, be printed in the RECORD at this point, as a part of my remarks. This editorial calls attention to the confusion which exists because of the lack of leadership of the executive branch of the Government.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POLITICAL NO MAN'S LAND

Almost everyone, it seems, is dissatisfied in one way or another with the Kennedy administration. Even its best friends are saying it is floundering like a fish on a beach. What is the trouble anyway?

A number of explanations readily occur for the confusion and curious out-of-control atmosphere in Washington—an atmosphere so palpable in regard to Cuba, Laos, the mishmash of domestic programs, the haphazard running of the White House, the inept handling of the press, and just about everything else of either major or minor significance.

One reason commonly heard is that the President is still working into his unenviable job; his supporters are hopeful about this on-the-job training, figuring he has the capacity to learn and is learning. Another explanation is that he has been the victim of uncommonly bad advice, which seems plain enough. A related view is that, whatever the first appearances, the quality of many of the advisers he brought to Washington is not very high. Still another is that Mr. Kennedy and his colleagues are temperamentally prone to speak more firmly than they are willing to act, which unquestionably does make for confusion.

There is, we suspect, a good deal of truth in all of this, and yet, take it all in all, it does not seem to be the whole of the trouble. For what it is worth, we sense an additional difficulty: In a deep and philosophical sense, this administration does not know what it is doing or what it wants for America.

To be sure, administration spokesmen talk a lot about national purpose, national goals and the need for citizens' sacrifices for the national interest. And the administration does have broad goals, the same ones as would any other administration—a just peace in the world, concern for the commonweal at home. But all that is much too general to define a clear political philosophy.

In the present climate of American politics, two philosophies are possible. One is the traditional, constitutional concept of government: That the individual prospers best, materially and spiritually, when least hampered by government, and that government should do only what the people cannot do by themselves. However much this approach may be abused in political practice, it at least provides clear principles which can be applied in specific cases and specific choices.

The second philosophy is the doctrine of the big government solution: The answer to all problems and the foundation of all hopes lies in the expansion of the Federal Government. This, too, can be a self-consistent philosophy, leading logically to socialism if not totalitarianism.

The Kennedy administration has so far shown little use for the first and leans strongly to the second. Yet the administration is not prepared—nor would it be a politically realistic decision—to apply the doctrine of the Federal solution fully and consistently and logically. Thus, it finds itself in a foggy area somewhere in between the two, with no compass for direction and no dependable guide for the hard choices that have to be made.

This makes more difficult the conduct of foreign affairs, difficult enough at best. For example, while the administration cannot yet be called soft on communism, it is very soft on socialism abroad, an attitude which is no help in fighting communism. In general, uncertainty as to one's own ideological stand complicates the countering of a determined and politically committed foe.

In domestic matters, how can such an administration draw any lines, set up any priorities among the myriad competing special-interest claims? Without a political philosophy, it has no logic with which to resist any. It tries to satisfy all but succeeds in satisfying none.

Even without a clear direction, there is a financial yardstick to determine how much is enough and how much is too much, but the administration won't use it. Instead of insisting that the Government spend no more than it has left after meeting the requirements of defense, this administration says categorically that budget deficits are inevitable and appropriate and that living within income is totally unacceptable. This being said, there is no measure for setting priorities or, indeed, for saying "no" to anything.

It is no wonder the upshot of all this is to bewilder the Nation and the world. We say that not merely in criticism of the President, for many circumstances and many associates are conspiring to make his job tougher than it need be, and he is entitled to sympathy on that account.

Still, it is up to him to pull his administration out of its intellectual fog, and we hope he can. Until he does, the administration will give the impression of floundering because it is in fact floundering in a political no man's land.

THE NEW FRONTIER TROIKA

Mr. DIRKSEN. Mr. President, a troika, as we know, is a Russian vehicle drawn by three animals. It now looks as if the New Frontier has a troika of its own.

Orville Freeman has said that food and the disposition of surplus farm products to feed the hungry abroad must be integrated "to meet the demands of foreign policy."

The President told the same audience on June 27 in Washington that food for peace "is not an element of the cold war—not an arm of the foreign policy of the United States."

The redoubtable Senator from Louisiana [Mr. ELLENDER] stated to the same audience that surplus food donations should be placed on a repayable dollar loan basis and substituted for part of our foreign aid policy.

So we can take our choice. It seems, however, that one horse pulling the troika is headed north, one south, and one east.

Or if one would like his directions stated differently, one horse moves right, one left and one up—or down.

Here is a chance for some real farm slogans—"Food to the Right." "Food to the Left." "Food." Farmers should like this.

First, we will send one batch of food with the special blessing of Orville labeled "Food for Peace." The next batch we can send with the President's blessing and label it "For the Hungry." The third batch we can send under the imprimatur of Senator ELLENDER and label it "Food for Cash."

It is wonderful.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. GOLDWATER. I wish to comment on the remarks of the Senator from New York concerning Mr. Smith. I believe all Americans should hold Mr. Smith in great admiration. I shall relate very briefly a similar occurrence in my own home State. A taxpayer undertook to point out the stupidity of the Agricultural Act.

The ACTING PRESIDENT pro tempore. The 3 minutes of the Senator from Illinois have expired.

Mr. GOLDWATER. Mr. President, I will speak on my own time.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Arizona.

Mr. GOLDWATER. The gentleman to whom I refer had 4,500 acres in cotton planted in one county. He did not plant a crop the next year, so the Government paid him out of the soil bank for not planting. He went into another county and planted 4,500 acres of cotton outside the allotment. Before he reached that point he had received $205,000 from the soil bank for not planting cotton in one county. He was fined $905,000 for planting 4,500 acres of cotton in another county. But by the time he sold the cotton, he had made a quarter of a million dollars, and he decided that the Agricultural Act was stupid, but also it provided opportunities of making money.

I join the Senator from New York [Mr. KEATING] in paying my respect to Mr. Smith. I believe that the Mr. Smiths of America, whom I have often called the forgotten Americans, will rise up more and more in indignation at the spending by the New Frontier.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. DIRKSEN. The Chicago Tribune published an editorial under the caption "Corn and Cadillacs." I hope others do not catch on, because if they do, we shall have corn and Cadillacs all over the place, and we shall be farther from base than ever before.

Mr. GOLDWATER. Then Chevrolet will ask for equal time.

GEN. DOUGLAS MacARTHUR'S VISIT TO THE PHILIPPINES

Mr. GOLDWATER. Mr. President, David Lawrence, writing in the Evening Star of July 6, said:

> Of all the roving ambassadors who have gone abroad, none has produced so profound and useful impression in behalf of the United States as has Gen. Douglas MacArthur this week in the Philippines.

This is understandable for there is universal acceptance of men who are right and who are strong, and at the same time wise and kind. The general is such a man, and I suggest that wherever he might travel his reception would be the same as that given him in the Philippines. He is what the world has always expected of Americans. He typifies the man of faith in his God, his country, and himself. He stands erect because of pride. He has never been one to weaken in the face of the enemy. Had his advice been heeded, the world today would be more peaceful, for the mainland of China would be controlled by free people and not enslaved by Communists. If the purpose of roving ambassadors is to be accomplished, I suggest that we send more men like General MacArthur on such missions so that the world can see that we still have determination and courage and faith.

I ask unanimous consent that the article entitled "MacArthur's Sentimental Journey," by David Lawrence, published in the Washington Evening Star issue of July 6, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MACARTHUR'S SENTIMENTAL JOURNEY—MOST USEFUL IMPRESSION IN BEHALF OF UNITED STATES CREATED BY HIS VISIT TO THE PHILIPPINES

(By David Lawrence)

Of all the roving ambassadors who have gone abroad, none has produced so profound and useful an impression in behalf of the United States as has Gen. Douglas MacArthur this week in the Philippines.

"A sentimental journey" is what the retired commander of America's Armed Forces in the Far East during World War II called his trip on the occasion of the 15th anniversary of Philippine independence. The outpouring of millions of emotion-filled citizens of the Philippines proved that the ties between the two countries are stronger than ever. This was a tribute to America as well as to its "old soldier."

The example to the world is a significant one. For it was the United States which, over a period of years, helped to educate and train a whole generation of leaders for the new republic. No better illustration of how to deal with colonialism could be given in the modern world. It contrasts with the failure of various European nations to train their colonies in Africa for self-government. What a travesty on fairplay that the United States, which liberated first Cuba and then the Philippines, should still be chastised as imperialistic by certain orators and organs in Latin America.

General MacArthur's trip, therefore, is a timely reminder of the record of the United States, which sacrificed the lives of many of its soldiers to secure the freedom of both the Philippines and Cuba following the Spanish-American War in 1898.

General MacArthur's wise counsel and careful handling of the American occupation of Japan helped, moreover, to contribute to the setting up of a democratic government in Japan. It is too bad that his record was marred by the arbitrary recall from his entire command which he experienced at the hands of President Truman in 1951. Whatever differences there were about military policy in the Korean area, history will render the judgment that it might have been better to limit the recall of the general to the Korean command and not to have subjected him to the humiliation of a withdrawal also from Japan, where he had made such a remarkable success in the postwar period. Certainly, some way to prevent the tragedy that surrounded the event could have been found. But, unhappily, impulsive men in the White House make mistakes which they live to regret someday, though they do not always concede that they erred.

General MacArthur symbolizes today the heroism of millions of Americans who fought in two wars in the Far East—8,000 miles from home. The wars in that region have proved that the United States will defend its interests in any quarter of the globe and that it will not follow concepts of isolationism. Indeed, the Spanish-American War also proved even six decades ago that American forces would go as far away as the Philippines to tackle an enemy.

General MacArthur's visit to the Philippines is not official. He doesn't represent the U.S. Government there, although the journey has an official blessing and facilities of transportation were made available to him by our Government.

So far as the people of the Philippines are concerned, they saw again the man whose father had served as a general in the U.S. Army in the days when the Philippines were liberated from Spain. The people saw also this week the same man who was in command of American and Philippine forces in 1941, when Japanese bombers drove them out. He pledged then, "I shall return." His words echoed around the world, even as the story of his spectacular escape on a submarine was being reported. He came back at the head of a victorious army in 1945, as his troops, aided by America's naval and air forces in the Far East, made the return possible.

General MacArthur is 81 years old and doubts that he will ever see the Philippines again. But the record of an American soldier who stood up bravely under the most discouraging circumstances and steadfastly promised to rescue the people of the Philippines will live long in the memory of all peoples in the Far East. It is a record of Americanism, of courage, of kindliness toward the citizens of the Philippines, and of wisdom in administering the delicate task of a military occupation of Japan.

It is always easy to speak of what might have been. Had General MacArthur's advice been followed by President Truman with respect to the bombing of the Red Chinese bases in 1950, the Communists might never have gotten North Korea, and a telling blow might have been struck against Communist aggression in the Far East. The saddest words of tongue or pen are, indeed, "It might have been."

Mr. GOLDWATER. Mr. President, I also ask unanimous consent that an article on General MacArthur, written by Lyle Wilson, and published today in the Washington Daily News, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"MAC" HASN'T FADED AWAY

(By Lyle C. Wilson)

The man to alert the American people to the deadly truth of our times is General of the Army Douglas MacArthur.

The deadly truth is that the United States may be in a war over Berlin by midwinter. President Kennedy is under pressure to alert Americans to this shocking situation. The President equally is under pressure to convince the Soviet Union that the United States has the will to fight for West Berlin.

It is no reflection on the President of the United States to speculate that the Communists' Mr. K might hear better if he were listening to Douglas MacArthur. Nor is it any reflection to believe that, given the proper sounding board, General MacArthur could command in the United States and throughout the world as great and attentive an audience as any man.

If the President has come to the hard decision that there shall be no appeasement on West Berlin, who could better state it and calculate the consequences than General MacArthur. He is the man widely acclaimed as the most articulate soldier and greatest military leader of our times. His business was war and, more especially, victorious war.

General MacArthur is not the man to whom should be given a blank check on which to draft national policy on his own. If General MacArthur's ideas on West Berlin and global strategy matched the policies of the Kennedy administration, however, the General would be capable of stating the whole in words which could boom and echo around the world.

General MacArthur is 81 years old. He is controversial, vain and arrogant, a sentimentalist who speaks sometimes in the language of purest corn. To all the World War brass here and abroad surviving, however, Douglas MacArthur most perfectly symbolizes, save only Sir Winston Churchill, his country's indomitable, triumphant will to

win. These old soldiers have not died nor faded away.

Perhaps the President and General MacArthur could have a meeting of minds on West Berlin and what after that. If so, maybe the leaders of Congress could arrange a repeat appearance for the General before a joint session for a statement of American policies and aims.

All of this, of course, is most unlikely. Harry S. Truman would be mortally offended if General MacArthur were recalled to the national stage. Surely, President Kennedy would not want to offend HST. Or, would he?

There are alternatives by which the President could alert the American people and convince Khrushchev. He could do it himself. The complaint arising, however, is that he has not done it. There could be an instant general mobilization. One mobilization begets another, however, and another until, as in July–August 1914, mobilizations begot an unwanted war.

Or perhaps there is some other U.S. citizen best fitted to sound the alarm. The hard job awaits—seeks—the man.

INDEPENDENCE DAY

Mr. DWORSHAK. Mr. President, on Tuesday, Americans celebrated Independence Day, even though many of them did not fully appreciate the significance of the anniversary. On July 4 an editorial written by James Brown and published in the Idaho Statesman sounded a timely and eloquent warning to Americans who are rapidly losing much of their independence by virtue of the concentration of Government in the National Capital. I ask unanimous consent to have the editorial published in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INDEPENDENCE DAY

Back in 1776 it started with the Declaration of Independence. And for many years it was celebrated in every village and city in the Nation. Independence Day, it was called, the day commemorating the establishment of the great freedoms that have made this Nation tops in the world.

Plenty of freedom is left, of course. There is the freedom of religion, which is a great national treasure. There is freedom of speech which survives despite an occasional throwing of tomatoes and rotten eggs. There is freedom of the press which is our privilege.

Individuals are free to come and go wherever they choose as long as they have the long green, and even that isn't too essential in these days of freedom of credit. A man's home is his castle even if he has a 30-year mortgage and a stubborn lawn. Everyone has an automobile; some persons have two or three of them, and the Nation has created a highway massacre situation that kills more people than an ordinary war. Individuals are free to work or be idle just as they are free to overeat or starve.

Great times, these.

So great perhaps, that the value of independence has been forgotten as we live in the lap of luxury and credit and, compared to 1776, idleness.

Little concern to Americans is the fact that independence is a rapidly shrinking privilege all around the world. Nations have fallen under cruel dictatorships, individual privileges have been taken away, the right to worship as peoples of many nations once chose is a thing of the past. In many parts of the world of the spirit of 1776 has been buried under the iron heel of dictators.

Americans gradually are losing their independence but they seem unconcerned. They accept regulation from Government that the founders of the Declaration of Independence never intended, and certainly never imagined. Under the sublime feeling of comfort and little annoyance, the people of this Nation have concern only for the moment and for their pleasure.

Government, originally intended not to regulate any more than was necessary, now is the dominant factor in the American way of life. Regulations have developed from Government-created emergencies which control the individual and his property from the cradle to the grave. In turn for this seizure of the rights under the original independence, the Government pays doles and the slumbering American surrenders his birthright.

How far along the road to complete surrender of independence has this Nation traveled? How many even consider the fact that Government in this country has assumed new power over the individual and his former rights? Very few, we think, and that is a regrettable conclusion.

Presently in Washington, with the general approval of the Nation, the program is to seize more of the individual's independence that comes to him from his labors and transpose it into Government largess. Do-gooders, from the President on down in Government, are dedicated in an all-out effort to take from the people of this Nation the independence that they have earned from their skills and their effort. Many Socialist schemes are in our way of Government now, and more of them appear to be not too far around the corner. Day by day Americans come more and more under the Government yoke. So skillfully has the transposition from former independent government been planned and handled, so definitely is the program to discredit and abandon our American traditions that it seems almost amazing that the intelligence of this Nation does not demand the same vigorous action that created Independence Day in that year of 1776. We certainly could use a revival of that spirit and we should get at the business of demanding it before it is too late.

In 1776, Government was new. People could not pay it much tribute for the simple reason that they had nothing with which to pay. And for more than 150 years, our Government was contained within the original concept and purpose.

Came then a depression and the opportunity for the great planners. After 30 years, the trend is evident. Give it another 30 years and independence granted the individual will be forgotten and dependence of the individual on the Government will be the way of life. The great forfeit will be the determination of the predepression American to make his own way of life to accept, instead, the way of socialism.

All around this city and this State and this Nation there are millions of intelligent Americans who are breezing along with the breeze, ignoring their destiny. Now they live it up. They have enough left after they pay the big bite against their independence that they find no alarm. Most unfortunate, they are irritated at any mention of where we might be going. Their concern is where we are now.

Yet around this same Nation there are other millions who have started to generate concern over the restrictions to their independence. They are not quite in the Minuteman status but they are developing. It is the eventual collision that will come from this growing concern over the loss of full independence and the acceptance of the inevitable disaster of too much government that the end effect of the spirit of 1776 will come to test. Whether we have gone too far down the wrong road, and whether we can ever get started back to the principles of Independence Day is the issue.

Other nations, grown careless, have collapsed and today live in memories of their traditions. Too late, they learned their lesson. It is not too late for this Nation to awaken but it is getting near that time. The revival of Independence Day could be of even more significance than 1776. The question is whether a sufficient number of the people of the Nation either understand or care.

NUCLEAR TESTING

Mr. BRIDGES. Mr. President, among the most interesting and heartening developments of the last few weeks has been the evergrowing demand from a number of my colleagues in both Houses and on both sides of the aisle for an end to the so-called agreement with Communist Russia whereby we forgo all types of nuclear and atomic weapons tests.

As far back as February 1958, on the floor of the Senate, I warned against a ban on such testing until a hard-boiled and practical inspection system was established. It is difficult enough to enter into a technical agreement with a friendly country. It is pure folly to expect the Communists to observe a ban based upon honor and good faith.

As Dr. Edward Teller put it: Since that ban went into effect almost 3 years ago, we have been sure of only one thing, and that is that the United States has not engaged in any testing.

In the meantime, we have the familiar marathon negotiations at Geneva threatening to break all records, with the show going on even though the negotiators change, even though administrations change.

If it is said that nothing has been accomplished, that it has been an exercise in futility, I say, "No." Something has been accomplished—something of great and sinister importance for the future.

For almost 3 years, our experimentation and testing has been at a standstill—one might say that all sorts of ideas and projects which needed to be tested and proved have piled up, until there is a fantastic backlog.

But, underground nuclear explosions cannot be detected, and one might also say that for all we know all sorts of ideas and projects in Communist Russia have in fact been tested, that important breakthroughs in weapons development have been made.

From the viewpoint of Communist Russia, therefore, something has been gained by the Geneva test ban. For us the negotiations have been futile, but not for them.

I ask you to note the sequence of these two reports:

On January 14, 1960, in a speech to the Communist Central Committee, Khrushchev said:

Though the weapons we have now are formidable weapons indeed, the weapon we have today in the hatching stage is even more perfect and more formidable. The weapon which is being developed and is, as they say, in the portfolio of our scientists and designers, is a fantastic weapon.

According to a July 1, 1961, North American Newspaper Alliance report

from Bonn, Germany, Khrushchev at the Vienna meeting with President Kennedy is said to have referred to Russia's possession of a fantastic new military weapon.

One is not being an alarmist in assuming from these statements and reports that Khrushchev may very well have been referring to the so-called neutron bomb. The Russians may have just moved a test model neutron bomb from the drawing board to the laboratory, or they may be much further along in its development. The crucial point is that under the present arrangement we have no control over their decision to develop such a bomb. There is nothing we can do either to detect or to prevent experimentation leading to the perfection of this weapon.

While the Russian Government may profess to have suspended tests, there is no way of knowing. Monitoring equipment is not sufficiently accurate at the moment to detect small tests—especially those underground. We know that it is very difficult to determine the difference between underground nuclear blasts and earthquakes and tremors—thousands of which are recorded as originating in Russia each year.

Nor is that all. There is one other result about which we are absolutely certain: The United States and the West have made most of the concessions, if you compare our stand as of 1958, or 1959, or 1960 with the present stage of agreement or disagreement. The negotiations have been an exercise in the art of compromise, but largely on our part.

After the latest British-American proposal, about which so many of us have serious reservations, the Communist answer was to propose a completely unworkable method of supervision through a three-man commission which could act only by unanimous vote.

Here is no desire for effective controls and supervision, but only to maintain the status quo. And why not, if it reaps great advantages to the Communists to insist that we observe the test ban, while at the same time dragging on with these negotiations?

The President is faced with a difficult decision, but the office of the Presidency requires him to make a decision, difficult though it is. That decision might involve the destiny of our Nation.

Much of the past concern about nuclear testing was in regard to air pollution due to radioactive fallout. There is certainly no such danger when conducting underground tests. World opinion—even among government officials of many nations—is largely uninformed on this matter. We might even contribute to world understanding if we invited qualified representatives from many nations to act as observers for the first series of proposed detection tests. As I understand it, these would be tests to develop more refined detection equipment, particularly with respect to underground explosions.

On the other hand, let us not forget that we are informed, we have the facts, and we also have the responsibility of preserving freedom throughout the world.

We quite likely have given a 3-year advantage to the Communists in this matter of weapons testing. We cannot afford to continue to give such decisive advantages to those whose avowed intention is to destroy us.

If communism triumphs, the darkness of tyranny will fall across the face of the earth.

We must have the courage to make a hard decision on behalf of freedom in our Nation and indeed the whole world.

KENNEDY TALKING LIKE NIXON

Mr. DIRKSEN. Mr. President, I submit for inclusion in the RECORD a very interesting article written by Roscoe Drummond entitled "Growth Statistics: Kennedy Talking Like Nixon."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 5, 1961]

GROWTH STATISTICS: KENNEDY TALKING LIKE NIXON

(By Roscoe Drummond)

When I listened to the President of the United States the other day saying that we are outproducing the Soviets and that they won't catch up with us even by the year 2000, for one moment I thought I was at the wrong press conference, or that, perhaps, there had been a recount and the other man had taken over or that by some odd political alchemy the man who was talking was President Richard Milhous Nixon.

Don't get me wrong; I liked the spirit and substance of what was being said about the state of the economy and about the Russian gross national product moving up only 1 percent in comparison with the United States gross national product in 48 years.

But somehow during the campaign I got the impression that it was that other fellow—what's his name, Nixon?—who was almost alone in contending that the United States was running well in the race with the Soviets, and that Mr. Kennedy had persuaded a plurality of one-tenth of 1 percent of 88 million voters that things had been going so badly for so many years that if we didn't get a change of administration, the race would be over soon and we wouldn't even be on the track.

During the campaign Mr. Kennedy appeared to have two principal adversaries—Nikita Khrushchev and Richard Nixon. Now he appears to have embraced one in order to dispatch the other. Or, one could fairly say that President Kennedy has hurled Mr. Nixon—or at least his arguments—at Mr. Khrushchev and scored a bull's eye.

Only a few months ago no two persons could have been much farther apart in appraising the United States-Soviet economic race than Mr. Kennedy and Mr. Nixon. Now Mr. Kennedy comes within 2 percentage points of agreeing precisely with Mr. Nixon—and that is an economic statistician's latitude. Mr. Nixon said Soviet production as of 1959 was only 44 percent of U.S. production. Last week the President placed it at 46 percent.

During the campaign Mr. Kennedy warned us repeatedly that "if we didn't get going again," the Soviets would be on our heels momentarily.

Not long ago Mr. Kennedy was warning that the Soviet Union was growing nearly two and one-half times as fast as the U.S. economy.

At times last year Mr. Kennedy put the pace of Soviet economic growth even higher. On February 10, 1960, he saw the Soviets growing not two and one-half times our rate, but nearly three times as fast.

There was a wide range in Mr. Kennedy's growth statistics in the campaign. In April 1960 he said: "Why should we be satisfied when the Soviet Union moves ahead 10, 11, and 12 percent, and we move ahead 1½ percent?" This statement leaves the impression that Mr. Kennedy was saying that the Soviets were moving ahead not two or three times as fast as we are, but six to eight times as fast.

At his reassuring press conference, the President put our present economic growth rate at 3½ percent, estimated that it would average 4½ percent, and thereby affirmed the same view which Mr. Nixon expounded in the campaign—that the Soviets would not catch up with the United States as far as we could see ahead.

I do not mean that it is unfair for Mr. Kennedy to seize Mr. Nixon's stance and statistics. Mr. Nixon has no monopoly on them and undoubtedly he'd be glad to help the President win any debate—kitchen or otherwise—with Mr. Khrushchev.

MEDICO

Mr. BRIDGES. Mr. President, in a world beset on many sides with fear, suspicion and antagonism, one of the truly heartwarming developments during the last few years has been the emergence of a voluntary, nonprofit organization known as Medico.

Medico, composed as it is of thoroughly dedicated people, was inspired initially by the work of the famed Dr. Albert Schweitzer and was founded by the late Dr. Thomas A. Dooley together with its present secretary general, Dr. Peter Commanduras. Its avowed purpose is to administer to those millions of afflicted individuals, particularly in the underdeveloped nations, who belong, as Dr. Schweitzer put it, to the "fellowship of those who bear the mark of pain."

We have heard much of "The Ugly American" and it may be that the epithet has been warranted on occasion. We hear too little, however, of "The Good American," which the inspired doctors, nurses, and laymen of Medico so truly represent. Theirs is a saga of selfless devotion to the ultimate goal of the medical profession, the relief of disease and suffering wherever they may be found.

Last year I had the pleasure of presiding at a luncheon in the capital of the United States in honor of the late Dr. Dooley, the young man who became a legend in his own short lifetime. In the course of his remarks at that luncheon, Dr. Dooley stated succinctly one of the fundamental purposes of Medico as being that of an instrument of international good will. He made the point that the Medico program was designed initially to help people to help themselves, and thus maintain their self-sufficiency and self-respect. The successful achievement of this objective in a relatively short period of time has been manifested dramatically by the relief of human suffering in a large number of program areas, from Kenya to Laos. However, much needs to be done and, with the full support of the American public, much more can be done.

In view of what I consider to be the vital importance of Medico, I was extremely heartened and pleased to read of a conference which was held last

week in New York City, in connection with the 110th annual meeting of the American Medical Association.

At this conference, Dr. Commanduras gave a full and descriptive report of the need for medical services which exists in many underprivileged areas of the world and offered proposals calling for more extensive cooperation on the part of the various specialist groups among the membership of the AMA. It is heartening indeed to learn that the representatives of the medical specialty societies in attendance gave full endorsement to an enlarged program of participation in Medico, and agreed to present these proposals to their several memberships for formal action.

An enlightening report of Dr. Commanduras' presentation and the enthusiastic reaction of those present, in agreeing to accelerated action, is contained in a fine article which appeared in the New York Times for Sunday, July 2, 1961, entitled "A Report on Medico," by Howard A. Rusk, M.D. In view of the significance of this report, I ask unanimous consent that it be printed in full at the conclusion of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

A REPORT ON MEDICO: STATUS OF AID TO INTERNATIONAL HEALTH IS RANKED TOP SURVEY AT AMA PARLEY

(By Howard A. Rusk, M.D.)

Amid a feast of clinical reports, scientific exhibits, motion pictures, and telecasts presented at the 110th annual meeting of the American Medical Association here in New York last week, there was one report of medical starvation and famine.

The report was given to a small group of the foremost leaders of American medicine, at a special meeting called by Medico. Medico is the voluntary, nonprofit, nonpolitical, nonsectarian organization formed in 1958 by Dr. Peter Commanduras and the late Dr. Thomas A. Dooley. Headquarters of Medico are at 420 Lexington Avenue.

Each of the medical specialty organizations, such as surgeons, radiologists, internists, pediatricians, and general practitioners, had been invited to send official representatives.

The story of the world's medical needs, as told to them by Dr. Commanduras, Medico's secretary general, was a grim one. He reported:

One-half of the people of the world, more than a billion persons, rarely if ever in their lifetime have a physician to treat their ills.

Malnutrition, vitamin deficiencies and even starvation take an annual toll of millions of children in Asia, Africa, South America, and the Caribbean.

Readily correctible clubfeet and other congenital deformities doom tens of thousands of children to go through life as cripples.

Trachoma prevention and modern ophthalmological treatment and surgery could save the sight of thousands of persons, chiefly in southeast Asia, the Middle East, and North Africa, who now face a lifetime of blindness.

Diseases that have yielded to modern medical science, such as smallpox, cholera, and malaria, still cause millions of deaths annually in these areas.

ENORMOUS, BUT NOT HOPELESS

The problem, as reported by Dr. Commanduras and other Medico officials, is enormous but it is not hopeless.

Substantial progress, particularly in public health, has been made in many nations with the help of the World Health Organization, International Cooperation Administration, and private foundations.

These programs, although of the utmost importance, only indirectly touch the lives of the world's sick, blind, and disabled. Their need is immediate and personal; their primary interest is not political or ideological.

Such words as freedom, justice, dignity, and security are meaningless to those faced with the heritage of a life of discomfort or agony.

Something tangible and definitive can be done to reduce suffering on a sufficiently broad scale to be significant. This has been demonstrated by Medico, which operates under two basic concepts:

1. To bring direct, physician-to-patient medical aid to areas where the need is greatest, treating the sick who otherwise would receive no medical attention.

2. To teach and train others to give this kind of medical assistance.

Medico's success and expansion from 1 small hospital in Laos in 1958 to 15 projects in 12 nations currently, has resulted from support from several sources.

The program is financed largely by 70,000 local supporters with annual contributions in amounts of $10 or less.

The Nation's leading pharmaceutical, hospital, and surgical supply manufacturers have contributed drugs and equipment valued at more than $3 million.

The American physicians who have personally participated in Medico's oversea work on a short-term basis have all been volunteers who have received no pay. Many have paid their own travel and maintenance.

A number of these physicians and surgeons were present at last Monday's meeting to tell heartwarming stories of the friendly reception they had received in Afghanistan, Cambodia, Gabon, Ghana, Malaya, Laos, Peru, Sudan, and other underdeveloped nations.

The purpose of this special meeting called by Medico was to invite formal participation by all national medical and surgical societies in the Medico program.

Under the proposal each specialty organization would be represented on the Medico board of directors and each would form a special committee to implement the Medico program objectives.

For example, if an anesthesiologist were needed for a Medico project in Sierra Leone, the committee representing the American Society of Anesthesiologists would be responsible for recruiting a volunteer.

Should the specialty organization itself approve, its members would automatically become members of Medico and would be assessed annual dues to support Medico projects.

The representatives of the specialty societies present as individuals enthusiastically and unanimously endorsed the proposal in principle and agreed to present it to their own organizations for formal action. In view of the importance of the undertaking, it is almost inconceivable that any of our major medical and surgical societies should refuse the invitation.

Another evidence of the increasing recognition of American medicine's international responsibilities came at a meeting of the U.S. Committee of the World Medical Association Wednesday. Five years ago only 30 persons attended a similar meeting. Wednesday there were more than 300 present.

All who attended the meeting urged a campaign for more members, more interest and more support from American medicine.

Today more than at any other time in our history, the leadership of our Nation is challenged. Direct, physician-to-patient services by American doctors offer a proven, effective way by which the sick, blind, and crippled of the world may understand in a personal way the value we place on human dignity.

Of all the scientific reports, research advances, new drugs, and sociomedical recommendations coming out of the 110th annual meeting of the American Medical Association, probably the most significant and vital development was the interest shown in the physician's role in international health.

THE BERLIN POWDER KEG

Mr. BRIDGES. Mr. President, those of us who know Bill Knowland, the former Republican leader in this body, are well aware of his capacity for stating a strong position in clear, concise terms.

I recently read an editorial from his Oakland Tribune which illustrates this fact. The editorial, entitled "The Berlin Powder Keg," correctly states:

The supply of little surrenders has been exhausted. * * * On the issue of Berlin the chips are down and the sooner 180 million Americans face up to these facts the more likely our Nation is to survive and with us a free world of freemen.

Our actions with respect to Berlin could well be the deciding factor in the efforts of freemen to win the struggle with Communist oppression. A concession to Russian threats would be disastrous.

The editorial in the Oakland Tribune by our former colleague is an outstanding commentary on this crisis, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE BERLIN POWDER KEG

Will the lights be going out in Berlin before the year 1961 passes into history on December 31?

In Washington, Moscow, Bonn, Paris, and London the implications of the Khrushchev thinly veiled ultimatum are better understood than they are away from the capital cities.

Before we hardly know it summer will pass into fall and the preparations for Christmas with its message of "Peace on earth, good will to men" will be subverted by the rulers of the Kremlin determined to force a showdown even at the calculated risk of war.

They anticipate that their will and iron nerve will outlast what they consider "the decadent West" and will result in an abject surrender by the North Atlantic powers.

Despite the Munich-minded men in our own country and among some of the allied nations there can be no surrender of the free people of Berlin without destroying the morale of freemen everywhere to resist Communist tyranny. These are the stakes Moscow is playing for and determined to win.

The supply of little surrenders has been exhausted by the stalemate in Korea, the farce at Geneva, the offer of payment of tractor blackmail to Castro and the backdown, after brave words, in Laos.

On the issue of Berlin the chips are down and the sooner 180 million Americans face up to these facts the more likely our Nation is to survive and with us a free world of freemen.

At an early date the wives and children of our combat-ready forces in the isolated garrison of Berlin should be withdrawn, for no nonresident women and children should be available as possible hostages to communism.

It will soon be time for our forces and the city of Berlin to strip for action. No nonessential personnel or nonproductive workers should be left there to be furnished food, fuel, and clothing by airlift or otherwise.

As a completely surrounded outpost of freedom neither the token forces there nor the courageous civilians of Berlin could long hold out against a massive Soviet or East German Communist effort to take the city. But neither was the Alamo, Fort Sumter, or Corregidor able to hold out against the overwhelming odds against those garrisons. The forces which won the initial struggle lost the three wars against us.

But nothing will impress Khrushchev and his Presidium more than the certain knowledge that we have determined to preserve this island of freedom, that we understand the calculated risks involved and the potential costs. We will not fire unless fired upon but if our garrison and the free city of Berlin is attacked by Communist forces, East German or Soviet, the Communists must know that we will fight with all the weapons and all of the power of a free people determined to remain free. This resolve was so clearly enunciated in the Declaration of Independence in these words:

"And for the support of this declaration, with a firm reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor."

"HOW TO MAKE A PORK BARREL"

Mr. BRIDGES. Mr. President, an editorial entitled "How To Make a Pork Barrel," which appeared in a recent edition of the Wall Street Journal, provides a shocking revelation of the extent to which the urban renewal program is used and abused.

The facts brought out in this revealing column make previous advocates of pork-barrel legislation look like skinflints. When, in the name of urban renewal, a town can receive as much as $478 in Federal funds for every one of its inhabitants, we have certainly hit a new high—or perhaps the word should be "low"—in fiscal irresponsibility.

I believe this commentary should be read by every Member of this body, and I particularly commend it to those Senators who champion the cause of a multibillion-dollar urban renewal program. I ask unanimous consent that the editorial entitled "How To Make a Pork Barrel" be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW TO MAKE A PORK BARREL

If the phrase "urban renewal" conjures up any clear image it is that of a street scene in one of our great cities, with its rows of tenements swarming with people lacking not merely room to move but air to breathe, a congestion that chokes not merely the view but the community that surrounds it.

Such, anyway, was the image that supposedly moved Congress to pass the multibillion-dollar urban renewal program. There was little inquiry as to why the slums and congestion existed or why the cities were unwilling to renew themselves. It was sufficient that the condition was, therefore, to apply the familiar remedy of billions from Washington.

Well, the actuality has turned out to be something different, as a detailed report in this newspaper the other day revealed. Whatever else this program may be, it isn't urban renewal.

A more accurate name today might be "the village landscaping program" or, if people were willing to be bluntly honest, the Federal pork barrel project. That old favorite of Congress, the rivers and harbors bill, just can't compare with this handy, bulging cask for dipping into.

Take just a few samples from the many reported in our recent story: The metropolis of East Granby, Conn., $246,000 of Federal funds for its 2,434 people. Lithonia, Ga., $102,800 for its 1,667 people. Atchison, Kans., $1,916,800 for its 12,500 people.

Or look a little more closely at the situation in Mercedes, Tex., a town of some 10,000 people. Here was a town which, by all the evidence, really did need a new sewer system, the cost of that program being about $234,000. In the words of the mayor, "We would never have been able to finance that by ourselves."

So what happened? In the name of "urban renewal" this small town got a Federal grant of $1.1 million not only to fix up its sewer system but also to pave streets and build a residential housing project. And now, again in the words of the mayor, "We're able to issue $350,000 in bonds for a new civic center without even raising the tax rate." They can now build a civic center when they were too poor to take care of their own sewage.

Or look at Wink, Tex. Here the Federal Government has allotted $478 for every man, woman, and child of its 1,800 population. This to completely remodel the town's business district, all three blocks of it.

To labor the evidence would be needless. As one of the officials of the Urban Renewal Administration quite frankly states, "There are no limits whatever on the size a city has to be to get urban renewal grants." And apparently none, either, on the kind of project for which towns and villages can tap the Federal till. The list of things which these happy folk are building with Federal funds includes parks, playgrounds, tennis courts, and swimming pools. All good things indeed for any town. And more blessed yet when they are paid by other people's taxes.

As a pork barrel this has the wonderful advantage that there's no need for any pretense about building a dam to preserve natural resources or dredging a creek for navigation purposes; the handouts can go to lovely, little towns like Princeton, N.J., or crossroad villages, like Wink, Tex., lost in the wide-open mesquite plains. All you need is a diligent representative in Washington.

It's hardly necessary to labor the editorial comment either. As the publisher of the Wink Bulletin remarked, "You can hardly spend money like this in a little town without doing some good." Or as the Mercedes mayor put it, "This is the greatest thing that's happened to us in years."

So it is. And also the greatest thing that's happened in years to the business of building pork barrels.

BERLIN

Mr. BRIDGES. Mr. President, a recent editorial in the Boston Sunday Herald, one of the outstanding newspapers in the country, outlined in a frank and hard-hitting manner the problem we face with respect to Berlin and the initial steps which should be taken to prevent a tragic misunderstanding by the Communist bloc of our intentions with respect to this strategic city.

The commentary rightfully points out:

All the words we can say about Berlin are as fragile as the Soviet pledge to honor our access routes. It is only what we do that will communicate our unalterable purpose.

I heartily agree. While we can hope for the best, we must of necessity be prepared for the worst, and I, for one, hope we will not be tardy in making these preparations.

I ask unanimous consent that this editorial from the Boston Sunday Herald be printed at this point in the RECORD, and I commend it to the attention of my colleagues.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FRAGILE WORDS ON BERLIN

We cannot say enough times that we will not get out of Berlin to convince the Soviet that we will not.

We can string out one "no" after another until the processions of negatives fade into a distant repetitiveness, and Moscow will be unimpressed.

All the words we can say about Berlin are as fragile as the Soviet pledge to honor our access routes.

It is only what we do that will communicate our unalterable purpose.

The only rights that Khrushchev will respect are the rights that we are willing to fight for. And he has seen no evidence that we are any more willing to fight seriously for Berlin than we were to fight for Laos or Cuba.

There is one way, and one way only, in which we can make our determination so unmistakable that history can never record 1961 as a year in which we were tragically misunderstood by the Communist imperialism. That way is by clear preparation for a military engagement.

This will not be saber rattling. There would be no threats of nuclear weapons; indeed no threat at all, merely the quiet preparation for defending the status of West Berlin.

What these preparations should be would depend on a careful calculation of the probable challenge. Presumably stockpiling of military and civilian supplies would be indicated in West Berlin and in the West German termini of communication routes across East Germany.

Armored trucks and trains should be readied, and fighter planes stationed at suitable West German airfields. Additional transport planes could be ferried across from this country.

These would conspicuously be the weapons of an engagement strictly limited to the enforcement of our rights of access to Berlin. They would be in no way aggressive in appearance. There would be no increase in the number of troops in West Berlin (United States, 4,000; United Kingdom, 3,500, and French, 3,500).

The entire deployment would be most unexcitably carried out, and we could hope that in the process our official spokesmen might exhibit the same confident good humor that President Kennedy exhibited when he suggested that Khrushchev not plan to nail up the tiger skin of economic victory until he had captured the tiger.

In all this we shall need the understanding cooperation of our NATO allies, and this may preclude any peacemaking role for Prime Minister Macmillan. For there not only can be no compromise which prejudices our position, there can be no indication that such a compromise might be considered.

In no way can we say in words that we mean to stand firm. The calm preparation to meet the challenge head on—that is how to say what we mean to say.

CAMPAIGN OF DECEPTION

Mr. BRIDGES. Mr. President, much has been said in the past with respect to

the proposition of Red China being admitted to the United Nations and, I assume, this controversy will develop even more fully in the immediate future.

My position against the inclusion of the Peiping regime in the U.N. is well known. If anything, I feel more strongly now that to admit Communist China to this international body would be one of the most tragic mistakes of our time.

A recent editorial in the Manchester (N.H.) Union Leader, entitled "Campaign of Deception," refers to the admission of Red China to the U.N. as "the grand betrayal." This is an outstanding editorial. Its comments about the latest report of the National Strategy Committee of the American Security Council are most straightforward and informative.

I ask unanimous consent that the text of this fine editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Manchester Union Leader, June 24, 1961]

CAMPAIGN OF DECEPTION

The latest report of the National Strategy Committee of the American Security Council presents an intelligent analysis of one of the most misleading of all arguments put forth by proponents of U.N. acceptance of Red China's membership.

We're referring, of course, to the non sequitur—"We can make no real progress with disarmament unless Communist China participates." Therefore: "We can make no real progress with disarmament unless Communist China becomes a member of the United Nations."

It should be obvious that the latter inference simply does not follow from the original premise. Yet, Peiping's apologists in our own country and throughout the world have sought to confuse the whole issue by writing supposedly learned epistles based on the illogical assumption that the admission of Red China to the United Nations would in some way aid the cause of disarmament.

The truth of the matter, as the ASC report points out, is that "admission of another Communist state would make it possible for the Communist bloc to take an even more rigid and belligerent position on all disarmament matters."

Of course, if Red China did qualify for membership in the U.N., i.e., if Red China were a peace-loving nation, if Red China accepted the obligations of the U.N. Charter, and if Red China was able and willing to carry out these obligations, then, the ASC report acknowledges, "the prospects for disarmament would be greatly improved."

However, the National Strategy Committee emphasizes, "The pious hope that making Communist China a member of the U.N. would force her to bow to the pressures of world opinion and abide by both the spirit and the letter of international agreements, is hardly a sound basis for the reduction of armaments."

The assumption that Red China's presence at the Conference in Geneva of the Ten Nation Committee on Disarmament this August would aid the Committee in its work is unbelievably naive.

The free world, unless it chooses to close its eyes to the facts—will see the type of obstructionism Red China would employ as a member of the U.N. when the Fourteen Power Conference on Laos attempts to reach a solution to that particular problem. And the ASC report is right on target with its analysis of how Red China's participation in this Conference "will undoubtedly be used propagandawise to emphasize the Communist line that a nation of 600 million cannot be ignored; that it is firmly established and will remain the true Government of China; and that it is prepared to work with other nations to contribute to a lessening of tensions. These themes will be played over and over again throughout the summer months, echoing from the sophisticated international Conference headquarters in Geneva throughout the capitals of Asia, Africa, and Latin America."

Indeed, Peiping's inclusion at the Conference table is a calculated move to wear down the opposition of Congress and the overwhelming majority of the American people to the grand betrayal—the admission of Red China to the United Nations.

TELFORD TAYLOR AND THE CIA

Mr. BRIDGES. Mr. President, I request unanimous consent to have printed in the body of the RECORD an article which appeared in the Newark (N.J.) Star-Ledger of June 14, 1961. This article appeared on page 1 under the heading "Protests Mount Against Telford Taylor as CIA Boss." It was written by Edward J. Mowery under a Washington dateline.

I think the information contained in this article may be of interest to the Members of the Senate because some confusion arises with respect to individuals named "General Taylor."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROJECTS MOUNT AGAINST TELFORD TAYLOR AS CIA BOSS

(By Edward J. Mowery)

WASHINGTON.—The active boom for retired Brig. Gen. Telford Taylor to head the Central Intelligence Agency has caused grave concern, even consternation, on Capitol Hill.

Allen W. Dulles, 68-year-old CIA Director (since 1953), has evinced no desire to step out. But he has been held personally responsible for the abortive, CIA-directed Cuban invasion and is expected to be replaced.

Taylor, a product of Harvard Law School, a native of Schenectady, and a New York City lawyer, is known as a perennial champion of leftists, whose professional talents have aided such individuals as Harry Bridges, various Smith Act defendants, and union moguls with asserted Communist leanings.

Others mentioned for the Dulles post are Gen. Maxwell D. Taylor (who heads a committee probing CIA), Deputy Attorney General Byron R. "Whizzer" White (reputed choice of his boss, Robert F. Kennedy), and Gen. Matthew B. Ridgway (favored by Gen. Douglas MacArthur).

But the ground swell for Taylor's nomination, it was learned yesterday, has reached the cloakroom discussion stage, and Taylor has reportedly been interviewed extensively for the CIA post.

Taylor supporters claim they have the sympathy of Walter W. Rostow, deputy special assistant to the President for national security affairs.

Lawmakers on both sides of the aisle coyly dodged all direct questions relating to the Taylor rumors, but they did not mask their concern.

Congress, they indicated, will take a hard, solid look at any nominee for the important CIA directorship which requires Senate confirmation via the Senate Armed Services Committee.

Senator THOMAS J. DODD, Democrat, of Connecticut, vice chairman of the Senate Internal Security Subcommittee—who also refused to comment on Taylor rumors—characterized the CIA top post as a vital rung in safeguarding America's security.

DODD, who has served with naval intelligence, the FBI, and as vice chairman of the Nuremberg war trial review board, declared:

"This position (CIA Director) is one of the most sensitive, delicate, and important in the Federal Government. Both the President and the country must have unquestioned confidence in whomever is chosen to fill it.

"I would place this position on a level with that of the Secretary of Defense and Director of the FBI, requiring the same kind and degree of confidence as that reposed in J. Edgar Hoover.

"I personally believe that the individual (named to the CIA), his qualifications and background will come under exhaustive scrutiny by the Congress * * *."

Who is Telford Taylor, an apparent frontrunner in the scramble for the top job in the supersecret Central Intelligence Agency?

HELD MANY POSTS

Newspaper files, CONGRESSIONAL RECORDS, and other data disclose that Taylor (now 53) entered Government service as a young New Deal lawyer in 1933 in the Department of the Interior.

He served successively in the Agricultural Adjustment Administration, Attorney General's Office, and Federal Communications Commission (General Counsel) before entering the Army in 1942.

After a brief stint in military intelligence (Europe), Taylor became a staff colonel (1945) at the Nuremberg war trials and chief U.S. counsel at proceedings subsequent to the Four Power trials of principal defendants. He became a brigadier general in 1946.

ATTACKED IN SENATE

The "Nuremberg trial scandal"—alleged procedures under Taylor's direction—erupted before Presiding Judge Charles F. Wennerstrum left Germany. The judge bitterly attacked prosecution procedures.

Charges against Taylor exploded in the Senate in two stages. On May 1, 1950, Mrs. Freda Utley, a self-described former member of the British Communist Party who lived 6 years in the U.S.S.R., described Taylor as being "sympathetic" to the Soviet Union, "one of a number * * * with leftish sympathies."

Testifying before the Senate Foreign Relations Subcommittee (p. 777 of the record), Mrs. Utley (an author) said she considered America to be the hope of the free world, "and people like [Owen] Lattimore a menace to our freedom."

MADE CHARGE IN BOOK

"Question. Did you write 'The High Cost of Vengeance' (a book about Germany) and did you refer to Brig. Gen. Telford Taylor as being sympathetic to Soviet Russia?

"Answer. In a chapter I referred to a number of people with those kind of leftish sympathies * * * who has been placed in high position * * * and I referred to Telford Taylor. That was the general opinion of Mr. Taylor * * *."

(Representative George A. Dondero, Republican, of Michigan, had previously demanded an investigation of Nuremberg trial procedures and the "Communist clique" which had assertedly penetrated the Taylor staff.)

TRUMAN APPOINTEE

On December 18, 1950, the late Senator William Langer, Republican, of North Dakota, startled members of the Senate Judiciary Committee with this assertion:

"If the payrolls are subpenaed * * * it will be seen that practically the entire (Nurem-

berg) staff was composed of leftists and men * * * since exposed as Communists and members of Communist-front organizations."

Taylor next appeared on the Washington scene (1951) as head of the Small Defense Plants Administration (a Truman appointee), and in November 1953, the Harvard lawyer touched off a real hassle with the late Senator Joseph R. McCarthy with a speech before the Cadet Corps at West Point.

BLASTED M'CARTHY

Taylor called the Senate Government Operations Committee probe of espionage at the Fort Monmouth, N.J., Radar Center "a shameful abuse of congressional investigating power." And McCarthy, Taylor said, was a dangerous adventurer.

The Wisconsin Senator's quick rebuttal took the form of a bombshell.

McCarthy announced that Taylor's civil service record was "flagged" with the notation, "unresolved question of loyalty."

Civil Service Commission Chairman Philip Young told newsmen that the "flagging" meant either that a loyalty investigation was underway when Taylor left the Small Defense Plants Administration (September 18, 1952) * * * or one had been made without a decision.

He assumed the "flag" would stay on Taylor's record, Young explained, unless the "Commission takes action to remove it * * * the matter has never come up."

Three weeks later, McCarthy reported receiving a list of "about" 125 Reds who allegedly had infiltrated the staff of John McCloy, High [U.S.] Commissioner for Germany * * * "who were brought in by McCloy, Telford Taylor, and others."

McCarthy charged that the persons were identified Communists who fled Germany, became U.S. citizens and returned to work in McCloy's office.

DEFENDED BRIDGES

Newspaper files (including those of the Daily Worker and People's Daily World) picture Telford Taylor as frequently defending accused Communists.

He has appeared as defense counsel twice to stymie Government efforts to deport Harry Bridges, and is quoted as having described Bridges' long pro-Red record as the record "of successful trade union leadership."

Taylor also has appeared for 7 Smith Act defendants in Hawaii, for 14 officers of the Communist-controlled International Mine, Mill & Smelters Union, for Junius Scales, described by the Daily Worker as a victim of the Smith Act, and for 6 U.N. workers whose dismissal stemmed from their alleged leftist views.

BOOMED AS CANDIDATE

Scales' conviction under the act's Communist Party membership clause (with a 6-year prison term) was upheld June 5 in a startling Supreme Court decision.

Taylor's rising star as the professional champion of leftists triggered one unique proposal that he be boomed for Attorney General.

Testimony before the House Un-American Activities Committee concerning Communist political subversion—page 7341 of the official record—unfolds a speech by Corliss Lamont at a party sponsored by the American Committee for the Protection of Foreign Born.

Lamont told his enthusiastic audience that Telford Taylor should be appointed Attorney General of the United States.

This may have been a protective measure by Lamont and the notorious committee. Lamont is vice chairman of the Emergency Civil Liberties Committee, a cited Communist front.

The ACPFB, according to the Attorney General, is "subversive and Communist."

As one lawmaker commented concerning the CIA:

"Whoever pops up as the suggested nominee for Director * * * will get a hard, thorough appraisal."

ONE THOUSAND VOTES

Mr. SCOTT. Mr. President, the Pittsburgh Press has added its commendations to that being heard throughout the Nation on the occasion of the 1,000th consecutive vote of Senator MARGARET CHASE SMITH. The Press says, "In 6 years, Maine's voice not once has been neglected." I would add only that in the years that Senator SMITH has been in the Senate, neither has the national welfare ever been neglected by the senior Senator from Maine.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh Press, June 19, 1961]

HEAP OF YEAS AND NAYS

In the CONGRESSIONAL RECORD, that faithful journal of the words and deeds of our Washington lawmakers, there appear every so often the results of the voting: Yeas, so many; nays, so many; not voting, so many.

With exceptions so rare as to be almost never, the "not voting" list is a part of the RECORD, usually preceded by formal apologies for the absentees, such as: "I announce that the Senator from wherever is absent on official business." Which could mean anything.

But never once, in about 6 years, has the name of MARGARET CHASE SMITH, the Senator from Maine, appeared on the "not voting" list. When the billboard test came to a vote Thursday, Mrs. SMITH answered her 1,000th consecutive rollcall.

This was such an unusual performance that the hardbitten male politicians of the Senate paused to note it with applauding oratory. Never before, in 172 years, had any Senator compiled such a consistency.

Now how a Senator votes, and how he attends to his duties otherwise, could be more important than fidelity in responding to the drone of the rollcall clerk. But this is a remarkable record, as evidenced by the fact that no other Senator ever approached it and that it was freely predicted by those lauding Mrs. SMITH that no other ever would.

In the Senate, as in other legislative bodies, there always are some who unavoidably are detained, some who deliberately duck, some who just don't get there in time to vote. For 1,000 rollcalls, vital or not, Mrs. SMITH has been in none of these categories. She was there.

And when you come right down to it, isn't that why we send Senators to Washington? To vote for us on the issues, great and small. In 6 years, Maine's voice not once has been neglected.

BACK-DOOR SPENDING

Mr. SCOTT. Mr. President, the Pittsburgh Press, a highly regarded newspaper in the Commonwealth of Pennsylvania, has endorsed the proposal by the distinguished Senator from Utah to prevent more back-door spending. The newspaper makes the point very simply, when it says:

The alternative is rampant Government debt, and quite probably further depreciation of the 47-cent dollar.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh Press, June 19, 1961]

DRAIN ON THE TREASURY

Senator WALLACE F. BENNETT, of Salt Lake City, is making a new attempt to shut the back door to the Treasury.

He is doing this in the face of an increasing number of programs sponsored by the Kennedy administration to expand this debt-making way of doing business.

Under the Constitution, taxpayer money is supposed to be spent only by specific appropriations passed by Congress. The back-door system sidesteps this constitutional mandate. Instead of making appropriations, Congress merely says to a Government agency: "We won't give you any money directly, but you go down to the Treasury and borrow it."

This eliminates congressional control on spending. The agency borrows from the Treasury and the Treasury borrows wherever it can get the money. Up goes the national debt.

Treasury Secretary Dillon has just been before the Senate Foreign Relations Committee with a proposal to permit the administration to take $8,800 million through the back door of the Treasury for long-term foreign aid loans over 5 years. Mr. Dillon says this is the "most efficient and least costly" way to provide this foreign aid.

It is neither. Congress loses control. The debt increases. Inflation is stimulated.

"This is hidden spending of which people are often unaware," says Senator BENNETT. "Yet it hurts our pocketbooks, both in the form of tax drains and decreased purchasing power through inflation. It weakens control over Government spending in general. It can result in loss of confidence in our dollar at home and abroad."

Senator BENNETT has proposed a change in Senate rules which would prohibit any spending except by appropriations cleared by the Senate Appropriations Committee.

In the House a similar rule has been blocked in committee. But if the Bennett proposal is approved by the Senate the effect will be the same as if both Houses had agreed to abide by the Constitution. At least in the Senate, any spending scheme must pass muster by the Appropriations Committee and there will be an annual limitation on handouts of the taxpayers' money.

The alternative is rampant Government debt, and quite probably further depreciation of the 47-cent dollar.

TRANSITION IN AFRICA

Mr. JAVITS. Mr. President, the emerging nations on the African Continent present us with an extraordinary challenge in every phase of our national American economy and policy. We have not been adequately prepared for the swift developments in Africa, and in the effort to catch up numerous problems have been created, particularly in the economic area. Some of these are discussed in an article by H. S. Cummings, Director, Africa-Near East Division, Bureau of Foreign Commerce. I ask unanimous consent that there be printed in the RECORD his article entitled "Facing the Power Shift in Africa," which appears in the Foreign Commerce Weekly, July 3, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FACING THE POWER SHIFT IN AFRICA

(An analysis of the "mutual ignorance gap" between the United States of America and the emerging African nations)

(By H. J. Cummings, Director, Africa-Near East Division, Bureau of Foreign Commerce)

Every businessman in America, indeed every taxpayer in America, is being affected in some measure by the major power shift now being carried out in a large part of the continent of Africa.

The transition from European control to African control of economic activities in Africa is now underway. This transfer of economic power from London, Paris, and Brussels to some 24 newly independent areas of Africa is a matter of direct concern to Americans as well as to the peoples of the new African countries involved and to the citizens of former metropoles.

Our direct concern with this power shift is illustrated rather dramatically in the sudden change in economic relationships between the United States and the Republic of the Congo after the latter received its independence just a year ago. In the period 1955–60, U.S. exports to the Congo averaged about $40 million a year and U.S. aid expenditures to the area during that period were nil. During the year following the power shift from Brussels to Leopoldville, the level of U.S. exports fell nearly 50 percent below the 1959 level and U.S. aid to the Republic of the Congo reached a level of about $75 million.

POWER SHIFT COSTLY

This shift in power from Brussels to Leopoldville was sudden, disorderly, and very costly in terms of human life as well as in terms of money. Its effects in discouraging private foreign and domestic capital participation in African economic development have been felt in Africa far beyond the Congo's frontiers. African officials of countries located hundreds of miles from the nearest Congo border state frankly that their attempts to attract foreign capital and foreign technical and management assistance have been seriously hampered by events in the Congo. Experienced bankers and businessmen in nearby east Africa and the Federation of Rhodesia and Nyasaland attribute much of the capital flight from those areas in the latter part of 1960 to the failure of the power shift from Brussels to Leopoldville to take place in an orderly fashion.

This one tragic and costly breakdown in the power transfer process has served to focus attention on the nature of the problems to be faced in Africa during and following the transition period in which Africans assume responsibility for economic control of their respective countries. In order to understand these problems we must acquaint ourselves with the institutional arrangements that existed just prior to the transition period. These might be roughly and very generally summarized as follows:

Economic policy was developed in the metropole and carried out in the African territories largely by European staffs. In the private sphere international trading activities were handled by large expatriate firms. In short, the actual operation of both the public and private sectors of the economy was the responsibility of the European civil servant and the expatriate businessman. During this period the supporting institutions of both the public and private sectors were European and located in Europe. The highly developed and costly educational systems that produced civil servants, teachers, technicians, businessmen and professional men for the African areas were located in Europe and financed by Europeans.

LEADERS RECOGNIZE NEEDS

Many responsible African leaders recognize that the transfer of economic power from the metropoles to individual African countries did not carry with it the basic social and economic institutions essential to sustained and orderly economic growth. In the long run, such institutions must and will be developed in Africa. In the meantime, each African country must utilize to the fullest extent possible economic and social resources available to it from friendly non-African sources including the former metropoles.

In a few African countries aggressive programs for educating Africans abroad and for attracting foreign capital and management training to Africa are already underway. In others, such programs are still in the planning stage. In many African countries the leaders are expecting the United States to increase its share of participation in the social and economic development of Africa.

These expectations are in many cases very general and are based upon impressions gained by African leaders during comparatively brief visits to the United States. Actually, most African leaders are quite unaware of the multifariousness of this country's training resources; most Americans likewise are unaware of the wide range of specific and urgent demands African countries have for know-how, technical and management training assistance, and for foreign capital—both public and private. This mutual ignorance gap cannot be closed by merely matching comprehensive catalogs of African requirements against American availabilities but such catalogs, if produced on a periodic basis, might be useful in determining program priorities.

NATIONAL AND REGIONAL PRIORITIES

The problem of determining development project priorities in Africa during the coming decade may be complicated by a number of factors that can influence regional as well as national economic growth rates. Should, for example, national rivalries in Africa be carried to the point where the large hydroelectric power installation becomes the preferred status symbol of national progress, then programs for diversified development will have to be scrapped or at least placed in the bureaucratic deep freeze, pending the coronation of the national kilowatt king. Since, in many instances, national boundaries in Africa were established with little or no regard for economic and ethnic realities, some national economic development efforts will be handicapped by a paucity of natural resources and the lack of a sense of national unity.

To minimize their handicaps, Africans will have to intensify their efforts in working out regional development schemes with their neighbors. Both Africans and Americans should develop effective methods for exchanging information and ideas on matters relating to specific African development needs and to specific American means of meeting these needs.

EUROPEAN INTERNATIONAL HELP

Effective methods cannot be worked out without first taking into account two basic ingredients in Africa's present and future development programs: the first is that Western Europe, including the United Kingdom, will continue to be the principal source of many of Africa's development needs that must be met from outside sources; the second is that many international organizations—such as the International Bank for Reconstruction and Development, the International Finance Corporation, the International Development Association, and many of the specialized agencies of the United Nations, including the Economic Commission for Africa—will become increasingly important sources of assistance to Africa.

It might be well for everyone concerned in this matter to keep in mind that for the foreseeable future, global development requirements will run considerably ahead of the world's capacity to meet these requirements and that Africa will find itself in competition with southeast Asia and Latin America in its attempts to obtain capital and know-how.

Against this background Africans and Americans can develop effective methods of exchanging information and ideas on specific fields for African-American cooperation in African development. The first step in developing these methods would be to look at what of value is currently being done in this field. This would include an evaluation of African as well as of United States efforts. For sake of convenience, these efforts might be classified in three general categories according to their origin and source of finances—private, public, and combined private and public. In the private field, trade and industry associations might join with foundations, schools and universities, and other nongovernment organizations in listing present programs in the field of African-American cooperation. U.S. Government agencies engaged in programs in Africa could make a similar assessment of government programs.

EFFORTS SHOULD BE EVALUATED

The primary objectives of this stocktaking would be to measure the scope of our present efforts, assess the efficiency of our existing programs, and to work with Africans on the problems of developing new areas of collaboration.

Should the above type of analysis, for example, be applied to U.S. Government commercial programs for Africa we might expect the following type of questions to be posed:

ASSESSMENT OF AMERICAN EFFORTS

Are Africans in increasing numbers being made aware of the services available to them in the commercial offices of U.S. Embassies and consulates in Africa?

Are the commercial offices of the U.S. Embassies and consulates in Africa well located, equipped with adequate commercial library facilities, and staffed by commercial officers who are well informed on matters relating to foreign trade and foreign investment?

Are American commercial officers now serving in African posts working closely with other members of their respective American missions in acquainting Africans with the availability in the United States of a wide variety of consulting and advisory service organizations that can render Africans substantial assistance in such fields as engineering, marketing, transportation, communications, management, procurement and technical training?

Are members of the American business community being kept currently informed through private and U.S. Government publications on Africa's specific development needs?

Have local chambers of commerce and other private business associations been made aware of the vital role they can play in the field of African-American economic cooperation? (Results of recent experiments in this field in the form of trade clinics conducted by the New England Chambers of Commerce and by the Chamber of Commerce of Greater Pittsburgh demonstrate clearly the value of having Africans discuss economic problems with various sectors of the American business community.)

Similarly, the African government in making an analysis of their respective efforts in this field might wish to raise the following questions:

ASSESSMENT OF AFRICAN EFFORTS

1. What arrangements are being made by African governments and by African commerce and industry associations to bring

their specific problems of trade and investment to the attention of U.S. business firms?

2. Are African government officials and African businessmen acquainting themselves with the services available to them through the commercial offices at the nearest U.S. Embassy or consulate?

3. What efforts are African governments making in the United States to acquaint private U.S. businessmen with specific opportunities for African-American economic cooperation?

4. How many African governments are utilizing the public and private facilities available to them in the United States for the distribution of information designed to acquaint Americans with conditions in specific African countries?

These questions illustrate some of the avenues of approach to increasing the level of African-American economic cooperation. This search for more effective methods of African-American cooperation must be carried out with vigor and imagination by Africans and Americans alike. Each African country has its own special problems and its own particular social and economic goals. The establishment of economic institutions through which the desired economic goals can be reached may in some instances be seriously retarded by certain cultural rigidities peculiar to a particular country or section of country. For this and other reasons, the rate of economic development will differ widely among the nations of Africa.

It is reasonable to assume that the highest rate of economic development will take place in those countries that establish the type of economic institutions through which the country's resources can be channeled systematically into wealth-producing activities. Many African leaders know that real independence of their respective countries will be reached only after that country has developed basic institutions essential to its sustained growth. Important among these institutions will be the educational institution which will supply the national personnel requirements in the fields of government, industry, agriculture, and the professions.

America's experience in developing institutions which preserve individual human rights and, at the same time, generate a high level of economic activity, is of more than passing interest to a number of African leaders who are seeking help in developing institutions through which they can carry out bold plans for rapid economic development. In seeking help from this country, these African leaders may wish to keep in mind this country's goals in Africa as they were stated by President John F. Kennedy when he said: "We want an Africa which is made up of a community of stable and independent governments * * * where men are given the opportunity to choose their own national course free from the dictates of coercion of any other country."

FIRST ANNUAL PAUL TOBENKIN MEMORIAL AWARD PRESENTED TO BONNIE ANGELO LEVY OF NEWSDAY

Mr. KEATING. Mr. President, the first annual Paul Tobenkin Memorial Award was presented recently to Mrs. Bonnie Angelo Levy of the Washington bureau of Newsday, for a series of articles on the abandonment of public schools in Prince Edward County, Va.

This annual award was established by a group of Paul Tobenkin's friends who wished to see his dedicated crusade for civil and human rights carried forward by other reporters and newswriters after him. Paul Tobenkin was a reporter and newswriter on the staff of the New York Herald Tribune for 25 years before his untimely death in 1959. He was noted for his inspiring reports of man's never-ending war against racial-religious bias, bigotry, and discrimination.

Mrs. Levy's perceptive on-the-scene accounts of the fight over school integration in Prince Edward County fully justify the recognition they have received. They portray the difficult struggle for equal protection in human terms every American will understand. They faithfully report not only the facts involved, but the atmosphere of the conflict. This is interpretative reporting at its best.

Mr. President, I congratulate Bonnie Angelo Levy for being the first recipient of the Paul Tobenkin Memorial Award and I commend those who have made this award possible for encouraging newswriting in this great spirit. I ask unanimous consent that the announcement of the award and Mrs. Levy's prize-winning series be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PAUL TOBENKIN MEMORIAL AWARD

For newswriting on racial or religious bias, awarded to Bonnie Angelo of the Washington Bureau of Newsday, for a series of articles on the abandonment of public schools in Prince Edward County, Va.

Judges: George Cornish, editor-in-chief of Grolier Encyclopedia; Charles Collingwood, CBS news correspondent, and Joseph Carter, national affairs editor of Newsweek magazine.

In addition to the award to Bonnie Angelo, citations were awarded to: Don Marshall, Jersey Journal, Jersey City, N.J.; John J. Lindsay, Washington Post; Aaron Epstein, Santa Rosa (Calif.) Press Democrat; and David Zinman, Associated Press, New Orleans.

BATTLE OF PRINCE EDWARD, VA.—SOUTH FINDS MODEL FOR SEGREGATION

(By Bonnie Angelo)

(A series of articles by Bonnie Angelo, of Newsday's Washington bureau, on Prince Edward County, Va., which appeared consecutively from December 19 through December 23, 1960.)

FARMVILLE, VA.—A delegation from New Orleans recently traveled 1,000 miles to visit this small southside Virginia trading center, which calls itself, "the deathbed of the Confederacy."

Tourists aren't unusual here—Civil War buffs from both sides come to retrace Lee's route to surrender at nearby Appomattox, and to take pictures of the plaques, side by side, noting that both Lee and Grant (traveling separately) were guests at the Prince Edward Hotel on that April day in 1865. But the New Orleans group, like other delegations from Atlanta and Baton Rouge and Mississippi and Tennessee, were here not to mourn Lee's surrender but to cheer Prince Edward County's refusal to surrender to the Supreme Court.

In the historic decision of 1954, the Court ordered this placid county in Virginia's "Black Belt" to end segregation in its schools. But rather than integrate, Prince Edward simply abandoned public schools altogether. Since June 1959, when "No Trespassing" signs were posted on its 20 schools (13 Negro, 7 white), Prince Edward County has enjoyed the dubious distinction of being the only county in the Nation without public education.

That is not to say without schools. The 1,370 white children of the county are receiving an education in an elaborate private school system. Their education is virtually free, thanks to some artfully framed State laws, including one that provides grants for students who wish to attend private schools. By choice of Negro leaders mapping legal strategy, the estimated 1,700 Negro children get no schooling at all. It is the mechanics of this thus-far successful integration dodge that attracts observers from other southern communities unwilling to accept integration to some extent as a fact of life in the mid-century. They clutch at the straw offered by Farmville.

Other groups are watching Prince Edward County closely for other reasons. Race relations workers fear that the Negroes are growing restive, and are interested in the economic boycott threatened last week by the Negro leaders. Educators across the country, who might have trouble finding Farmville on their maps, are concerned at this threat to the public education system. Among these is Secretary of Health, Education, and Welfare Arthur Flemming, who recently described the Prince Edward school situation as "a serious blight on the American education scene."

Farmville, the county seat, is a pleasant town of 5,000, about 65 miles southwest of Richmond. It is the trading center for five surrounding rural counties and is, ironically, a small-scale center of higher education, boasting Longwood State Teachers College in the heart of town and Hampden-Sydney, a Presbyterian supported men's college, a few miles out.

In the morning white children scurry to school, teenage girls on their way to classes in the Presbyterian Church clutching an impressive load of books, little boys shunning the tame propriety of sidewalks to walk on walls and through puddles en route to makeshift quarters in the Baptist Church. Afternoons, the sandwich shop collects chattering college girls, studying to be teachers in a town with no public schools. Main Street is bright with Christmas decorations and shoppers—white and Negro—would appear to be more concerned with holiday chores than the sorely unequal state of education in Farmville.

It has the everyday face of a small southern town. Who can say what lies beneath the unruffled surface? It depends on whose eyes are looking into the heart of the town.

The segregationist standard bearers—and they speak for the majority—reassure you with conviction that things in Farmville have never been better. Negro leaders prefer to think that the community is bordering on complete breakdown.

The truth lies somewhere between these two extremes, but the truth is hard to pin down when those who can look at both sides of the question are afraid to talk. And they are. One businessman, his face taut, said, "It's like a runaway team of horses—get in the way and you get trampled." He had gotten "in the way" a year ago by opposing the sale of the public high school to the private white school group—the action seemed too final to him. For this reluctance, his business and family have suffered. "I don't discuss it at all any more," he said wearily, and his eyes showed the hurt. "It upsets me all over again, and I've spent too many sleepless nights over this thing."

Another lifelong Farmville resident said, "Nobody can talk. In Farmville today they figure, 'You're either for us or against us.' You can't say anything—because you may say the wrong thing, and that can ruin you. We are all unhappy about everything." Raising his voice a shade, as if to make sure it carried to the several bystanders within earshot, he added, "But get this straight—the Negroes are wrong in this thing, and the whites are right, absolutely right."

Down the block, in a store featuring mocha-skinned dolls in its toy display, a manager nervously eyes the shoppers like a producer counting the house after poor reviews. "We're hurting," he said tersely. "You can't take $300,000 a year (the Negro school budget) out of a town of this size and not feel it. At least not in a store where we do 60 percent colored business."

He, like all other Farmville merchants, pledges hefty sums to the private school foundation. A committee comes to call with a "suggested" figure for his pledge. What happens to a businessman who doesn't give? "Nobody wants to find out."

Last summer a number of deeply concerned Farmville business and professional men met—secretly, of course—to try to work toward some solution. But after the second meeting, mineographed "minutes" were distributed by a spy, giving names and quotes. The men whose comments indicated even tentative interest in reopening schools felt the bitter sting of rebuffs from townspeople who had been friends and neighbors.

Despite the undercurrents eddying beneath the smooth surface, Farmville has suffered none of the violence that wrenched Clinton, Tenn., then Little Rock, cropped up sporadically in other southern towns and now grips New Orleans. Farmville, too, might have become a familiar word in headlines—and might yet—if integration, even token integration, had been attempted.

But Prince Edward's ingenious—or diabolical—stroke of abolishing public schools neatly precluded violence. The whites complacently shifted to the private school; the Negroes had nowhere at all to turn. White leaders offered a similar private school system for Negro youngsters, but only one signed up. The others, cautioned by their leaders, shunned the bait that might have undermined legal action to force the reopening of schools.

Farmville people, even those who may be correctly called white supremacists, express regret (in varying degrees) that half the county's young are getting no education. The regrets, however, are usually coupled with the explanation that "they brought it on themselves when they listened to those NAACP outsiders—they don't care about the children, they just wanted to make this a test case."

BATTLE OF PRINCE EDWARD, VA.—WHITES, NEGROES IN TOUGH CHESS GAME

(By Bonnie Angelo)

FARMVILLE, VA.—In southern communities a court order to desegregate schools all too often leads to battle conditions between white and Negro, names called and stones hurled, crosses burned and windows shattered. But in Prince Edward County, one of the five cited in the fateful Supreme Court decision of May 1954, it has been not a battle but a chess game of awesome dimensions.

A chess game spanning almost a decade calls for two shrewd masterminds on opposite sides of the board. Plotting the moves of the Negroes is the Reverend L. F. Griffin, Negro minister and coordinator for the National Association for the Advancement of Colored People (NAACP). This odd, laconic man has a sly cat-and-mouse insight into his adversaries' moves, and shows a wry sense of humor about the struggle he leads.

Opposing him is the entire power structure of Farmville. They rally round one master strategist, J. Barrye Wall, editor of the Farmville Herald, who demonstrates on its pages weekly that the pen and the sword are not necessarily on opposing sides. Wall gets the lion's share of credit—or blame—for framing the boldly defiant decision to abolish Prince Edward's public schools and set up a for-white-only private school system financed almost entirely by State and county funds.

In his comfortably cluttered newspaper office, Wall help the cause in several ways, gathering money for the Prince Edward Academy building fund, jacking up wavering readers with rip-snorting editorials, and serving as a general consultant on segregation matters.

Wall, a corpulent man with a Phi Beta Kappa key dangling proudly across his necktie, is a dedicated segregationist. As he sees it, his community is under constant attack from outsiders. In a recent editorial he warned that "outside sources * * * use your children as pawns in a national, if not international, conspiracy."

The leader of these outsiders is the Reverend Mr. Griffin, a Farmville native whose father before him occupied the pulpit of the First Baptist Church for Negroes on Main Street. His big, bulky frame and his bronze face with its small mustache were familiar around Farmville. But when he allied himself with the NAACP, he gave up his claim to being "one of our good Farmville Negroes."

It was the Reverend Mr. Griffin who made the opening play in the Prince Edward chess game. In 1951 the students at the Negro high school staged a strike—a gambit never before used in this unsophisticated rural setting—in protest against their shabby, inadequate school. Did the minister arrange the walkout? "My good friend Barrye Wall says I did—and so I must have," he replied with elaborate deference.

The strike led to the NAACP suit, which in turn led to a tortuous legal maze with no end in sight. Wall insists that despite legalities, the whites have checkmated the Negroes. "People don't seem to understand that Prince Edward County is no longer in the public school business," he said flatly. Stabbing the air with his cigar to underscore his statements, he spelled it out: "We are not going to pay for integrated schools and that's that."

He paused briefly to take an obituary over the telephone, then returned to chat about attitudes he finds in New York. "I listen to taxidrivers, I don't ask their opinions, they tell me—and I tell you that in the North there is hate in the heart. There's no hate in our hearts," he insisted, and one knew without asking that he referred to white hearts. "Maybe it's because of generations of a close relationship."

In a moment he returned to the core of the matter. "We aren't against public schools," he said, "we are against integration." His blue eyes turned steely behind his glasses as he spat out with fearsome finality, "We just ain't going to have it."

The Reverend Mr. Griffin, however, looking to the courts and the inexorable tide of the 20th century, is equally certain that they will have it. He admits that the schools may reopen as all-Negro, shunned by whites as long as the courts allow tuition grants and tax credits from public funds. He predicted that court action would have the public schools back in business by next September, but his words had the hollow sound of whistling in the dark.

The minister's optimism is boundless—tending occasionally to outdo his capacity to deliver. Last week he put into motion plans for an economic boycott, following up a mild threat he blandly tossed out at a meeting of the county supervisors. Negro sympathizers shuddered because they doubt that a boycott will succeed in Farmville. And the failure will only hurt the Negroes more. Barrye Wall asked pointedly, "Who will give them credit?" and others wonder if the Negroes, dirt poor now, will dare endanger their jobs.

In a sense, the Reverend Mr. Griffin's task is thankless, for he must bear the brunt of the white community's anger and at the same time is aware that many of his own people have no heart for the fight. He knows that white people say that he doesn't care about the Negro children's education, what he really wants is integration. Some suggest that he is trying to be another Reverend Martin Luther King, and to achieve this bases his moves on publicity mileage.

In his detached, almost diffident way, the big preacher restated his case. "I am only concerned that the Negroes of Prince Edward County are not deprived of their rights as citizens," he says. To try to help keep up the morale of his people, the Reverend Mr. Griffin organized the Prince Edward Christian Association (PECA). Each Wednesday night 100 or so Negroes gather at his church for the PECA meeting—mostly hymns and a sermon to bolster sagging spirits, and a collection. That is the extent to which the Negro community is organized—organization is not the forte of this small-church pastor.

He takes hope wherever he can find it. He cited the meetings of a bare handful of whites—"biracial, not interracial," he observed laconically—to try to work toward a solution, admittedly they haven't gotten anywhere, "but," he added, "in Prince Edward County the shocking, amazing, remarkable, astounding thing is that a biracial group would get together and talk."

He also noted with some relish the strains in the fiber of the white community. "The whites have turned on their own—the Negroes are getting a little rest," he clucked. He knew it was an optimist's exaggeration.

To see Prince Edward's school situation in perspective, he needs only to look at the contrast in the lot of the white children and that of the colored. Tomorrow Newsday will report on the flourishing Prince Edward Academy for white children only.

BATTLE OF PRINCE EDWARD, VA.—WHITE PRIVATE SCHOOL: $15 A YEAR

(By Bonnie Angelo)

FARMVILLE, VA.—Where else but here can every child (white) in a county boast that he attends private school? And where else but here can private schooling be had for a mere $15 a year per child (white)?

In Prince Edward County in southside Virginia almost 1,400 children attend accredited private schools virtually free. The Negro child has no school of any kind, yet his parents' taxes help support the institution that is the brick-and-mortar symbol of defiance of the Supreme Court's order to end segregation. No other county in the South has so openly flouted the court and its defiance is well into its second successful year.

The students are currently housed in temporary quarters, mostly Sunday school rooms. But on a hilltop at the edge of Farmville, six buildings are taking shape on the new campus of Prince Edward Academy. The $375,000 project is being built for about $200,000, thanks to generous gifts of labor and materials. The money has come principally from Farmville residents who have given until it hurts—and it hurts particularly when one is pressured into giving even when his heart is not in it.

SCHOOLS LIE ABANDONED

Around the county the seedy look of disuse has crept like a parasitic vine over the abandoned public schools, including the fine Negro high school that came—too little and too late—after the Supreme Court decision against Prince Edward's segregated schools.

If members of the Negro community once thought the private school system would collapse under its own shortcomings, as did a similar undertaking in Little Rock, they know now that they underestimated the white community's determination not to tolerate integration. Now the Negroes pin their hopes on the courts. The NAACP has brought suit to prevent the county from selling its schools (the private school foun-

dation yearns to buy the high school building) and to force the reopening of the public schools.

The NAACP is optimistic about the outcome. "This kind of defiance won't hold up in court," said one official. "If you are collecting tax money and spending it for education, you can't discriminate this way." But a leading segregationist countered with this question: "Who's going to make the county appropriate funds and who's going to operate the schools—the Federal Government?"

WHITE ACADEMY FLOURISHES

While the suit is languishing in the crowded channels of legality, Prince Edward Academy is flourishing. Even those who hate its fancy name and everything it stands for admit grudgingly that it is a remarkable feat of organization and cooperation.

More than anyone else, the man who has made it work is B. Blanton Hanbury, president of the Prince Edward School Foundation. In the past year and a half, he has probably spent more time in the intricate maneuvers of shifting from public to private schools than he has on his business, the Buffalo Shook Co. (Shooks are assembled into hogshead, which store tobacco.) On his desk is a photograph of five pretty little Hanburys (one more has arrived since the picture was made) and these are the reason for his zealous interest in education—segregated education.

Tamping tobacco into his pipe, Hanbury, genteel and soft-spoken, glowed with pride as he talked about Prince Edward Academy. He credits the "magnificent cooperation of parents, teachers, and pupils—everyone felt they were participating in an experiment that had to succeed."

Scholastically, the pupils are doing as well as they did in public schools, perhaps because the teachers moved en masse from one system to the other. Sixty percent of last June's graduates went on to college or business schools. There has been no juvenile delinquency—"not even a pencil mark on the walls"—and the pupils seem to feel a personal responsibility for the success of the anti-integration project. They go to school from 8:30 until 1:30, with no study halls or lunch periods. Sports are the only extracurricular activity, possibly because the former public school coach was made "headmaster" of the academy. "We cut out all the frills and improved the level of education," Hanbury said. He envisions similar private systems as "the coming thing throughout the South" and cites the many delegations that have come to study the Prince Edward operation. "It will improve the whole system of education," he said.

Though he seems to be a thoughtful man, Hanbury is not troubled by the fact that the Negroes of Prince Edward have no schools at all. "We were concerned at first," he said blandly. "We all want education for Negroes—through the years the white people have paid 90 percent of the costs to educate them. We offered them private schools like ours, but they weren't interested. What they want is integration."

Hanbury is the first to admit that the great experiment could not go on without the help of the State and county. Public funds are designed to help them in three ways:

First, and most important, the State and county provide tuition grants for students wishing to attend any private, nonsectarian school—$265 for each high school student, $240 for elementary pupils. In each case it is only $15 short of Prince Edward Academy's tuition fee.

Second, the county allows tax credits for property owners who contribute to the private school foundation. They can give up to 25 percent of their total tax bill and have this amount deducted outright—a device that has netted $56,866 for the private system. As a pointed reminder, the 25 percent was figured and neatly penciled in the corner of each tax bill mailed to a white property owner.

The county helps the schools in still another way, authorizing transportation payments to each family to pay the cost of getting the children to school by bus or private transportation. The payments go up to $35 per pupil a year. Thus, the county rescued the floundering 16-bus fleet operated by "Patrons Inc." to transport children to the five rural elementary units and to the consolidated private high school in Farmville. The buses are antique vehicles purchased from schools replacing them. The drivers are high school boys.

At this point, NAACP leaders are not attacking this use of public funds for private schools. They are waiting first for the outcome of the pending suit—but it is a good guess that in time the grants and tax rebates will be challenged. And if public funds are cut off, the private white system will surely fall apart.

"From here on out," said Hanbury, "there's always going to be some form of public aid to help parents who don't want to send their children to integrated public schools. And that's all the public schools we'll ever have in this county."

Integrated public schools are precisely what the Negro half of the county's population is holding out for. "And if you win in the end, all this is not a price too high to pay," sighed one NAACP leader. To find out how high the price is, Newsday visited the volunteer centers set up by the Negroes for the Negro children. A report on these centers will appear tomorrow.

BATTLE OF PRINCE EDWARD, VA.—DILEMMA: HOW TO EDUCATE NEGROES WITH NO SCHOOLS

(By Bonnie Angelo)

FARMVILLE, VA.—In New Orleans, Negro children on their way to integrated schools are harassed each day with jeers, curses, even rocks in this first agonizing stage of desegregation. In Prince Edward County, Va., where desegregation was ordered almost 6 years ago, the Negroes would risk violence for the chance to go to school again.

New Orleans has at least made a start. Prince Edward, on the other hand, has defied the Supreme Court by putting a stop to public school education altogether. Since June 1959, not one Negro child has had a day of schooling, while white youngsters attend private schools financed chiefly by public funds. The Negroes, holding out for integrated public schools, steadfastly refuse to participate in a similar segregated private system.

A number of Negro children, 200 or so, have left the county, determined to continue their education. Some are living with relatives in other parts of Virginia, a number attend a Negro institution close by in North Carolina, and 50 have been sent to other States—their expenses paid by the American Friends Service Committee. All but 3 of the 70 Negro teachers, the backbone of their community, have left the county to find jobs.

To help the "kids" who are left behind, the Negroes have set up 14 centers where volunteers do what they can to keep young minds active for about 3 hours a day. The centers have registered 652 children—another 800 are lost, unaccounted for—and untaught.

They are trying, really trying, with those centers. But how much can you do with 34 children from 5 to 12 years old crowded into 1 bare room 9 feet square? Their teacher, Mrs. Victoria Brown, one of the three who stayed, knows her work well. She has a master's degree from New York University. In the big round printing that is the mark of her profession, she chalks sentences on a heavy cardboard box—her ingenious substitute for the blackboard she does not have. But there is no substitute for running water and plumbing.

Tacked on the bare board wall is a numbers chart and a manger scene with the ancient message: "Joy to the world, the Lord is here." The little room, like all the other centers, is heated by a small wood stove, hazardous in the tiny area jammed with squirming boys and girls but necessary against the inordinately bitter Virginia winter.

The money for wood came from a professor at Hampden-Sydney, a men's college about 300 yards down the road. This token of concern from one troubled professor is the only offer of help from that center of higher education in the liberal arts. Mrs. Brown accepted the money gratefully, graciously. "Some are interested, but I guess they don't know what to do—we're in such confusion," she said kindly.

She is equally kind in her attitude toward the Negro minister whose tidy, well-built church, Mercy Seat Baptist, stands idle just across the road from the center. He knows the unbelievable conditions of the squalid hut in which Mrs. Brown desperately tries to bring the light of education to the neglected children of his race. But he has never offered to let them use any part of his church.

In a way, the children of the Hampden-Sydney Center are luckier than some, for they have Mrs. Brown, a teacher of 35 years' experience. Out in the dirt-road backwoods of the county, the children depend on any neighborhood woman who has the time and interest to watch over a center.

Beyond the crossroads hamlet of Prospect, a bleak two-room schoolhouse—long ago ruled unfit even for Negroes by the Prince Edward County School Board—serves as a center. Mrs. Leola Hill does the best she can with the dozen or so youngsters who climb the scrabbly windswept hill each morning. It's hard to worry about not having books when your one warm room doesn't have a door, but Mrs. Hill worries about both shortcomings.

Whatever is there is a testimonial to this goodhearted Negro woman's concern for the children. She bought the stove, she bought the weekly current events sheet that is their only textbook and she is selling candy to buy a door. She fills the water bucket, with its dipper, at a nearby house and puts up bright pictures from her copy of Farmer's Wife (pies and table settings and animals, whatever is colorful). She tries to teach letters and numbers, but finds that they mostly like to cut out pictures. The meager supply of Farmer's Wife was almost exhausted as she said this and one little girl was snipping the bold letters from a patent medicine ad.

Some of the centers have more to offer. The largest, in the basement Sunday school auditorium of the Farmville First Baptist Church for Negroes, has 2 blackboards, a couple of worktables and a variety of books for its 94 pupils. They are divided into three different age groups—the youngest learning their lessons from a 15-year-old boy who was teaching the alphabet with brisk, grown-up efficiency.

In this center, the leaders stress pride in the accomplishments of the Negro. Bulletin boards display magazine articles on the first African cardinal and Fats Domino's $200,000 home, along with lists of Negroes famous in the worlds of sports and music. The moving spirit behind these centers is Mrs. Helen Baker, the one outsider who has moved into Farmville to help the Negroes. Mrs. Baker, a lively and capable Negro woman, is completely at ease with any race and intellectual level. She was sent down from Baltimore 2 months ago by the American Friends Service Committee to organize the Negro community to deal with the emergency that goes on and on.

Director of a youth center, a natural diplomat and a buoyant spirit, she filled a serious gap. She laughs now at what she had thought her job would be. "To me, a center meant basketball courts and handcraft programs and hobbies and all that," she said. "I had no idea of the realities of Prince Edward until I saw the centers."

She is not the first social worker to find the county situation beyond imagination. Last year, an NAACP worker outlined a program for the centers that read like sheer fantasy. It suggested, for example, that older students might learn "how to open a bank account" and how to figure measurements for curtains and drapes—nothing, unfortunately, on how to obtain a schoolroom door.

There is no money available for the centers in a county where Negroes and poverty live side by side. "We need everything," said Mrs. Baker. "Furniture, books, crayons—everything." She knows that the centers can't fill the need of schools, but she would like to see them teach the children useful skills, sewing and knitting for the girls, woodworking for boys and some creative crafts for both.

Mrs. Baker is a peace-loving Quaker, but in off moments she deplores the utter calm of Farmville. "It's calm because nothing, nothing is happening. Nobody—white or colored—talks about the real issues. People say 'It's a shame these children are out of school,' but even the Negroes show nothing more than discomfiture, no fire."

"There is, however, one man in Farmville who speaks out and doesn't care who might not like it. He is Dr. Gordon Moss, dean of Longwood College, who talks about past damage and future hope for Prince Edward County in tomorrow's Newsday.

A Lone White Stands Up for Equality

(By Bonnie Angelo)

Farmville, Va.—In the emotional maelstrom that goes along with the desegregation of public schools in the South, the voice of the white southerner who is willing to accept integration is drowned out by the shrill invective of unyielding segregationists.

This is not hard to understand, for the white moderates are a troubled minority in Dixie. And even fewer will speak out when they know it leads to snubs and insults—or worse—from the people they must live with. In Prince Edward County, Va., where segregationists are so solidly united that they could abolish public schools without community protest, only one white resident has the courage to oppose his neighbors boldly and without equivocation.

Dr. Gordon Moss, dean of Longwood Teachers College, is not a man to be intimidated. He takes the floor at public meetings, doesn't care who knows that he meets with Negro leaders, and delights in forcing former friends to speak to him. Moss is a native Virginian, so they can't call him an outside agitator. But they do call him a nigger-lover and an integregationist—the two most damning epithets in the Virginia vernacular.

His concern is not primarily race relations. He has devoted his life to the training of teachers and cannot sit by and watch the fabric of public education ripped to shreds because a few colored children might sit alongside whites in a classroom. There are a few others—pitifully few—who think like Moss, but as business and professional men they are vulnerable to the retaliation that comes swiftly in Farmville. A man has to watch what he says when his livelihood is at stake.

In his position of stature on the Longwood campus, Moss is comparatively safe—although a protesting delegation has called unsuccessfully on the college president. "I get right many black looks when I go downtown," the dean drawled with a wry smile. "Fortunately, my family is fairly immune." One grown son lives elsewhere, his daughter is a Longwood student, and his younger son was sent away to prep school when the all-white private academy replaced public schools.

"I wouldn't let my son go to it for anything in the world," he said, his brown eyes flashing with anger, despite his calm, professional tweeds-and-pipe exterior. "Maybe the kids are doing all right in French and math and English, after all, they have the same teachers they had in the public schools, but they are learning principles that are far from what I would call proper education. How, in a government class, can they teach democracy in such an undemocratic school?"

Moss is harsh in his judgment of the motives at work in Prince Edward County. He believes that the hard-core white supremacists are using the Supreme Court decision as "an excuse, or opportunity, to destroy public education here completely and permanently." He based this opinion on "what I've heard the white supremacist leaders say over the years." The nub of it is simple: Educating only the white children would be cheaper and educated Negroes are trouble-makers.

What will solve Prince Edward's incredible have-or-have-not situation? Moss is a realist. He does not believe that the white community will ever do anything until it is forced to. The moral issue, the patent injustice of present conditions, goes without challenge. Farmville people are churchgoers and Bible readers, but the crisis that grips the community is never mentioned from the pulpits. One Presbyterian minister spoke out and the elders soon told him tactfully that he was being replaced. The Presbyterian Church is the key building for the private white school.

"The ministers," Moss said in measured tones, "have been pusillanimous and cowardly to the *n*th degree. They couldn't help immediately, but they could make the conscience of the people hurt worse than it does—and, yes, consciences do hurt."

Two developments, Moss said, might force the reopening of the public schools. First (and preferably) would be court action cutting off public funds now used to operate the private all-white system. (No suit has been filed as yet to challenge Virginia's ingeniously drawn new laws designed to get around Supreme Court orders.) State and county provide tuition grants, transportation allowances and tax rebates to underwrite the private white schools. Without these public funds, only well-heeled students could afford the actual costs of private education, unless the wealthy were to make up the tremendous deficit, and at least half the whites would then be in the same boat with the school-less Negroes.

"That's when the whites will accept integration," Moss predicted. He is convinced that it would be only token integration. "The Negroes want recognition of their rights. Then they will be content to go on to their own schools, if they are as good as white schools. And prior to 1959 there was not equality of schools here."

The second course of possible action is rebellion by the Negroes, but there has been no sign of this. "The Negroes here are unbelievably patient," Moss observed. He has seen no indication that they are even thinking of making demands "in a way forceful enough" to bring about action. They are counting heavily on the courts to force the reopening of schools.

This thoughful educator finds it hard to be optimistic about any neat, legalistic end of this situation that has been caught up in the intricacies of the courts for almost 10 years. "Farmville can get over the superficial nature of it," he said soberly. "But I don't think for the next generation it can get over the intangible scars and the evil of it."

The Negroes are likely to win the legal stage of the battle of Prince Edward—and New Orleans and many other southern towns yet untouched by the turmoil that marks the Negro's tortuous path to equality. But the battle that lies beyond may be even harder for the dark-skinned citizen. For it must be fought in the conscience and the heart of the white man, in the North as well as the South, if the meaning of equality is to be more than a legal phrase.

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there further morning business? If not, morning business is closed.

FREE ENTRY OF ELECTRON MICROSCOPES AND OTHER APPARATUS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 451, H.R. 3385.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 3385) to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the Record a statement of the purpose of the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Purpose

The purpose of H.R. 3385 is to transfer from the dutiable to the free list of the Tariff Act of 1930, as amended, apparatus utilizing any radioactive substance in medical diagnosis or therapeutic treatment, including the radioactive material itself when contained in the apparatus as an integral element of the apparatus, and electron microscopes, and parts or accessories of any of these articles, when imported for its own use, and not for sale, by or on behalf of, any nonprofit society, institution, or organization, whether public or private, incorporated or established for educational, scientific, or therapeutic purposes.

General Statement

A number of educational institutions are purchasing electron microscopes from abroad for use in connection with research and educational activities. Because of the expensive nature of these new tools of scientific research and education substantial import duties would normally be applied.

Rather than attempt to legislate separately for each separate importation, it would appear to be in the interest of expediency to provide one vehicle for the free importation of all microscopes of a similar nature when imported by nonprofit institutions.

Included in the bill is a provision for the free importation of apparatus utilizing

radioactive substances in medical diagnosis or therapeutic treatment, such as cobalt 60 therapy units used in cancer diagnosis and treatment. Parts or accessories of the articles covered, such as kits to increase magnification, voltage focusing kits, etc., are included.

The general public interest in developing and advancing scientific or medical research and inquiry as well as diagnostic and therapeutic techniques will be served by permitting nonprofit societies, institutions, and organizations established for educational or scientific purposes to import free of duty the highly advanced equipment covered by H.R. 3385.

The committee, in reporting the bill, emphasizes that the free importation provision applies only to bona fide organizations actually engaged in science and education and that they must in all cases be classed as nonprofit in their operations

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 3385) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. DIRKSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSPORTATION OF REMAINS, FAMILIES, AND EFFECTS OF FEDERAL EMPLOYEES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 453, S. 1458.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1458) to amend the act of July 8, 1940, relating to the transportation of the remains, families, and effects of Federal employees dying abroad, so as to restore the benefits of such act to employees dying in Alaska and Hawaii, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment at the top of page 4, to insert a new section as follows:

SEC. 2. The amendment made by this Act shall become effective with respect to Alaska and Hawaii, respectively, on and after the date each of them became a State of the United States of America.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of July 8, 1940, entitled "An Act to defray the costs of returning to the United States the remains, families, and effects of officers and employees dying abroad, and for other purposes" (5 U.S.C. 103a), is amended to read as follows:

"In case any civilian officer or employee of the United States dies (1) while in a travel status away from his official station in the continental United States, excluding Alaska, or (2) while performing official duties outside the continental United States or in Alaska, or in transit thereto or therefrom, the head of the department, independent establishment, agency, or federally owned or controlled corporation, hereinafter called department, in the service of which such officer or employee was engaged, is hereby authorized, under regulations to be prescribed by the President and except as otherwise provided by law, to pay from the appropriation available for the activity in which he was engaged—

"(a) In case of the death of the officer or employee in such travel status in the continental United States, excluding Alaska, or in the case of the death of the officer or employee while performing official duties outside the continental United States or in Alaska or in transit thereto or therefrom, the expenses of preparing and transporting the remains of such officer or employee to his home or official station or such other place as the head of the department concerned shall determine to be the appropriate place of interment.

"(b) In case of the death of the officer or employee while performing official duties outside the continental United States or in Alaska or in transit thereto or therefrom, the transportation expenses of his dependents, including expenses incurred in packing, crating, drayage, and transportation of household effects and other personal property to his former home or such other place as the head of the department shall determine.

"(c) In the case of dependents of a civilian officer or employee who died while residing with such civilian officer or employee performing official duties at a place outside the continental United States or in Alaska or while in transit thereto or therefrom, the head of the department concerned is authorized to pay the necessary expenses incurred for the transportation of remains to such person's home or to such other place as the head of the department concerned shall determine to be the appropriate place for interment. Mortuary services and supplies may be furnished, if practicable, by the department concerned in respect of such dependents on a reimbursable basis where local commercial mortuary facilities and supplies are not available, or if available, the cost thereof is prohibitive in the opinion of the head of such department. Reimbursement for the cost of mortuary services and supplies furnished under the authority of this paragraph shall be collected and credited to current appropriations available for the payment of such costs."

SEC. 2. The amendment made by this Act shall become effective with respect to Alaska and Hawaii, respectively, on and after the date each of them became a State of the United States of America.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement of the purpose of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT

The act of July 8, 1940, among other things, authorizes the payment of the expenses of preparing and transporting to his home or place of interment the remains of a Federal employee who dies while performing official duties in a "territory or possession of the United States" and the expenses of transporting his family and household effects to his former home. While these expenses were paid in the case of employees dying on duty in the former territories of Alaska and Hawaii, the Comptroller General has ruled that they may not be paid in the case of employees stationed and dying in Alaska and Hawaii after they became States. On the other hand, the act continues to authorize the payment of the costs of transporting home the remains of dependents who die while residing with an employee performing duties in either Alaska of Hawaii. Thus, since statehood, the remains of a deceased dependent, but not those of the employee himself, may be returned at Government expense.

The measure corrects this inconsistency by amending existing law to authorize the return at Government expense of the remains of employees and dependents alike who die in either Alaska or Hawaii.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. DIRKSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF DEFENSE DEPARTMENT OVERSEAS TEACHERS PAY AND PERSONNEL PRACTICES ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 454, S. 841.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 841) to amend the Defense Department Overseas Teachers Pay and Personnel Practices Act, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement of the purpose of the bill, and I ask unanimous consent that a statement with reference to its purpose be printed in the RECORD in connection with each bill passed today.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

The statement of the purpose of the bill was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this measure is to correct two minor deficiencies found in the Oversea Teachers Act since it was enacted in 1959.

EXPLANATION

Section 7(c) of that act provides authority for quarters and certain other types of allowances, during summer recess periods, for teachers who complete a school year and who agree in writing to serve for the next school year. Section 7(d) obligates any such teacher who does not report for duty at the beginning of the next school year to repay any allowance received during the summer recess regardless of the reasons for not reporting. Section 1 of the proposed legislation would permit administrative relief in appropriate situations, when a teacher is unable to report for the next school year

for reasons beyond his control and which are acceptable to the Department of Defense. Such reasons could include death, serious illness, etc.

The second change made by the proposed legislation relates to the definition of "year" for the purpose of certain administrative actions in the case of teachers. The proposed measure proposes in the case of teachers that it be "school year" rather than "twelve months." The Department of Defense states that such a change will improve administration of the program and eliminate inequities which may arise under present law.

SECTIONAL ANALYSIS

Section 1. Amends section 7(d) of the Defense Department Overseas Teachers Pay and Personnel Practices Act to provide that a teacher who has received quarters or a quarters allowance or storage of household effects for the recess period between school years and who fails to report for the next school year for reasons acceptable to the Government will not be obligated to the United States for the amount or value of quarters or storage he has received.

Section 2. Amends section 7 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–3), to permit the granting of transportation agreements for teachers serving in the oversea dependents schools of the Department of Defense which would require a minimum period of service of less than 1 year. When appropriate, such agreements would require a minimum period which would coincide with the length of a school year.

AGENCY VIEWS

Following are letters from the Department of Defense requesting enactment of this measure and setting forth detailed reasons therefor.

THE SECRETARY OF DEFENSE,
Washington, January 16, 1961.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation to amend the Defense Department Overseas Teachers Pay and Personnel Practices Act, and for other purposes.

This proposal is a part of the Department of Defense legislative program for 1961 and the Bureau of the Budget advised by letter dated January 10, 1961, that there is no objection to its submission for the consideration of the Congress. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF LEGISLATION

The purpose of the legislation is to correct certain deficiencies in current legislation which have resulted in actions which are not believed to be in accord with the intent of the existing legislation, and the correction of which would improve the administration of the personnel program for teachers in the oversea dependents schools of the Department of Defense.

Section 7(c) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (5 U.S.C. 2355(c)) provides authority for quarters or a quarters allowance or storage of household effects and personal possessions, during summer recess periods, for those teachers who complete a school year and who agree in writing to serve for the next school year. Section 7(d) of this act (5 U.S.C. 2355(d)) obligates any such teacher who does not report for service at the beginning of the next school year to repay moneys received as a quarters allowance or for storage, or both, regardless of the reasons for not reporting.

Section 1 of the proposed legislation would amend 5 U.S.C. 2355(d) so as to permit administrative relief in appropriate situations, when a teacher is unable to report for the next school year for reasons beyond his control and acceptable to the Department of Defense. Such reasons could include death, serious illness, transfer (when considered to be in the interest of the Government), and other such circumstances. Similar authority for relief from obligation to repay moneys to the United States is contained in other statutes, and should be available for administrative use in appropriate circumstances for teachers in the oversea dependents schools.

Section 7 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–3), authorized the payment, at Government expense, of the expenses of travel and transportation for an employee, his family, and household effects when he is assigned to a post of duty outside the continental United States. It also contains a proviso that such expenses shall not be allowed unless the employee agrees to remain in the Government service for 12 months following his appointment, unless separated for reasons beyond his control and acceptable to the Government.

While the Department agrees fully that a minimum period of a year of service should be required incident to assignments overseas, the present wording of the statute has presented technical problems with respect to teachers in the oversea dependents schools. As a general rule, services of teachers are required only for a school year which usually varies from 9 to 10 months. Thus, an effective "year of service" for teachers falls 2 or 3 months under the minimum service requirements of the present law. To comply with the letter of the law, therefore, a teacher must plan to spend 2 or 3 months in a nonpay status in the oversea area after the school term is over in order to accumulate the minimum period of 12 months of service. An alternative is for the teacher to resign after completing the school year, whereupon the Department would make a finding that such reason for separation was beyond the control of the teacher and for reasons acceptable to the Government. It is not believed that such administrative difficulties were anticipated when the statute was enacted.

The proposed legislation would exclude personnel subject to the Defense Department Overseas Teachers Pay and Personnel Practices Act (5 U.S.C. 2351 et seq.) from the minimum oversea service requirements. Under section 4(a)(7) of that act, the Secretary of Defense is already responsible for prescribing regulations governing the length of the school year or school years applicable to teaching positions. With enactment of section 2 of the proposed legislation, the Secretary of Defense would be able to prescribe minimum periods of oversea service for transportation purposes consistent with the length of the school year in a particular country.

Section 2 of the proposed legislation would also serve another important purpose relating to a teacher's entitlement to quarters, quarters allowance, or storage during the summer recess period as authorized by section 7(c) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (5 U.S.C. 2355). That act authorized continuance of those benefits during the summer recess if the teacher has agreed in writing to serve as a teacher during the next school year. By permitting the minimum period of oversea service for transportation purposes to be stated in terms of a "school year" rather than "12 months," the Department, if determined to be in the interest of the Government, could return a teacher to the United States at the close of a school year without the necessity of processing a resignation. In such cases, the employee would be carried on leave without pay during the recess period, thus making clear the teacher's entitlement to the benefits of section 7(c) of that act.

Enactment of this proposed legislation would improve the administration of the oversea teachers personnel program and will eliminate possible inequities which may arise under existing law.

COST AND BUDGET DATA

It is anticipated that any increased costs resulting from the enactment of this proposal would be negligible and would result in no increase in budgetary requirements.

Sincerely yours,

JAMES H. DOUGLAS,
Deputy.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(d) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (5 U.S.C. 2355 (d)) is amended by inserting after the words "he shall", the words ", except for reasons beyond his control and acceptable to the Department of Defense,".

SEC. 2. Section 7 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–3), is amended by inserting in the first proviso after the words "his appointment", and in the second proviso after the word "concerned", the words "or, in the case of a person employed in a teaching position (other than as a substitute) in the Department of Defense under the Defense Department Overseas Teachers Pay and Personnel Practices Act (5 U.S.C. 2351, and the following), for a minimum period of one school year as determined under such Act,".

EDUCATION AND CULTURAL EXCHANGE

Mr. DIRKSEN. Mr. President, at this point, perhaps I should inquire of the majority leader with respect to the so-called education and cultural exchange bill, about which there is considerable controversy, what is proposed with respect to the bill or the amendments, in view of the fact that a demand will be made for some yea-and-nay votes as of today.

Mr. MANSFIELD. Mr. President, it is the intention, when the Senate has finished with its consideration of the bills on the calendar to which there is no objection, to return to the consideration of the unfinished business, which is the cultural exchange bill. However, it is not anticipated that there will be any yea-and-nay votes on that proposal this afternoon. There will be, but later, after consultation with the minority leader. We will get together to see if we can agree upon a time limitation for voting, to begin on Monday next.

TRANSFER OF CERTAIN PROPERTY TO THE GOVERNMENT OF AMERICAN SAMOA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 455, Senate bill 1087.

The motion was agreed to; and the bill (S. 1087) to authorize and direct the transfer of certain Federal property to

the government of American Samoa was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is hereby authorized and directed to transfer, without reimbursement or transfer of funds, to the government of American Samoa, within ninety days after the date of enactment of this Act, title to all property, real and personal, which is located in American Samoa on the date of enactment of this Act and which is owned by the United States and is within the administrative supervision of the Department of the Navy on such date: *Provided*, That title to any personal property which was located in American Samoa on July 1, 1951, and was made available to the government of American Samoa by the Department of the Navy, but which has been consumed or disposed of since such date, shall be deemed to have been transferred to the government of American Samoa on July 1, 1951.

The excerpt from the report (No. 486) is as follows:

The purpose of this measure is to authorize a transfer by the Department of the Navy to the government of American Samoa of the land, buildings, and certain personal property held by the Navy in Samoa in 1951 prior to the termination of the period of naval administration. Since the transfer in 1951 of the responsibility for the administration of the territory to the Secretary of the Interior, these lands, buildings, and property have not been used by the Navy and have been utilized by the present government of American Samoa.

EXPLANATION OF THE BILL

A similar measure, requested by the U.S. Department of the Interior during the 2d session of the 86th Congress, passed the Senate but died in the House of Representatives. Mr. LONG of Hawaii, introduced the current proposal.

It is required to transfer title to property that is excess to the needs of the Department of the Navy and has been used by the government of American Samoa since July 1, 1951, as existing law does not permit such transfer without reimbursement.

The property to be transferred by the bill was acquired by the Department of the Navy during the period of naval administration of American Samoa. This property comprises 215.845 acres, acquired at a cost of $68,049.40, and improvements have been constructed at a cost in excess of $3 million. July 1, 1951, was the effective date of Executive Order No. 10264 of June 29, 1951 (16 F.R. 6419) by which administration of the territory was transferred from the Secretary of the Navy to the Secretary of the Interior. The Departments of the Navy and Interior on June 28, 1951, entered into an agreement with respect to the transfer of responsibility for the administration of the government of American Samoa from the Department of the Navy to the Department of the Interior. The agreement provided that the Navy would transfer to the government of American Samoa all land at American Samoa under its control, and the improvements thereon. Since this transfer of responsibility, these lands, buildings, and property have not been used by the Navy and have been utilized by the present government of American Samoa under a revocable permit from the Navy Department.

Special provision is made for any personal property which was located in American Samoa on July 1, 1951, and which was made available to the government of American Samoa by the Department of the Navy, but which has been consumed or disposed of since such date. The bill provides that title to such property shall be deemed to have been transferred to the government of American Samoa on July 1, 1951. This personal property consisted primarily of quantities of various supplies, including appropriation purchase account materials, Navy stock account materials, and Bureau of Medicine and Surgery materials.

FISCAL DATA

Enactment of this legislation will not involve the expenditure of any Federal funds. This measure simply transfers the property in question from the rolls of the Navy to the rolls of the Department of the Interior.

DEPARTMENTAL DATA

The enactment of this measure is favored by the Department of the Interior and neither the Department of the Navy, on behalf of the Department of Defense, nor the Bureau of the Budget has any objections as indicated by the letter printed below and hereby made a part of this report:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., May 23, 1961.

Hon. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services, U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Your request for comment on S. 1087, a bill to authorize and direct the transfer of certain Federal property to the government of American Samoa, has been assigned to this Department by the Secretary of Defense for the preparation of a report thereon expressing the views of the Department of Defense.

S. 1087, if enacted, would authorize and direct the Secretary of the Navy to transfer, without reimbursement or transfer of funds, to the government of American Samoa, title to all property, real and personal, which is located in American Samoa on the date of enactment and which is owned by the United States and within the administrative supervision of the Department of the Navy on such date. The bill requires the transfer of the property to be within 90 days after the date of enactment. Special provision is made for any personal property which was located in American Samoa on July 1, 1951, and which was made available to the government of American Samoa by the Department of the Navy, but which has been consumed or disposed of since such date. The bill provides that title to such property shall be deemed to have been transferred to the government of American Samoa on July 1, 1951.

The property to be transferred by the bill was acquired by the Department of the Navy during the period of naval administration of American Samoa. This property comprises 215,845 acres, acquired at a cost of $68,049.40, and improvements have been constructed at a cost in excess of $3 million. July 1, 1951, was the effective date of Executive Order No. 10264 of June 29, 1951 (16 F.R. 6419), by which administration of the territory was transferred from the Secretary of the Navy to the Secretary of the Interior. The Departments of the Navy and Interior on June 28, 1951, entered into an agreement with respect to the transfer of responsibility for the administration of the government of American Samoa from the Department of the Navy to the Department of the Interior. The agreement provided that the Navy would transfer to the government of American Samoa all land at American Samoa under its control and the improvements thereon. Since this transfer of responsibility, these lands, buildings, and property have not been used by the Navy and have been utilized by the present government of American Samoa under a revocable permit from the Navy Department.

Evaluation of the military requirements for this property discloses that the property is excess of current and mobilization requirements.

In view of the foregoing, the Department of the Navy, on behalf of the Department of Defense, interposes no objection to the enactment of S. 1087.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee.

Sincerely yours,

W. S. SAMPSON,
Captain, U.S. Navy, Deputy Chief
(For the Secretary of the Navy).

REPEAL OF REQUIREMENT TO FURNISH ABSTRACTS AND EVIDENCES OF TITLE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 456, Senate bill 931.

The motion was agreed to; and the bill (S. 931) to repeal that part of the act of March 2, 1889, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications, and evidences of title was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso in the third full paragraph on page 941 of volume 25 of the Statutes at Large, in the Act of March 2, 1889, as amended (40 U.S.C. 256), is hereby repealed.

The excerpt from the report (No. 487) is as follows:

The purpose of S. 931 is to repeal the proviso in a paragraph of the act of March 2, 1889, as amended (40 U.S.C. 256), which provides that, in the procurement of sites for public buildings, it shall be the duty of the Attorney General to require of the grantors in each case to furnish, free of all expenses to the Government, all requisite abstracts, official certifications, and evidences of title that the Attorney General may deem necessary.

GENERAL STATEMENT

The section of the act of March 2, 1889, as amended, referred to in S. 931, has application only to a small percentage of the number and value of real property acquisitions of the Government, namely, sites for public buildings as distinct from sites for military reservations and other defense requirements, flood control and reclamation projects, Veterans' Administration facilities, national forests, and other similar Federal acquisitions. The limited applicability of the act places an inequitable burden on grantors who are required to bear the expenses provided for therein.

It is sometimes necessary to acquire sites for public buildings by condemnation, rather than direct purchase, because the title offered for sale to the Government is defective, the Government is unable to agree with the owner of the property as to price, or the time within which the Government must secure title to or possession of the sites is so short that it is not feasible to negotiate with owners of the sites for voluntary sales and for evidences of title. Since the requirement for furnishing of title can only be enforced under the act in cases of direct purchase, the

cost of furnishing evidences of title in condemnation proceedings must be borne by the Government.

There have been instances where a person was willing to donate realty to the Government, but refused to bear the expense of procuring evidences of title. A grantor who cooperates with the Government in a voluntary sale of his property for valuable consideration is required to procure or bear the expense of procuring evidences of title. This has resulted in withdrawal of proposed donations of realty to the Government, undue delays in the acquisition of building sites, added costs to the Government in the prosecution of condemnation actions, and condonation of grantor's advoidance of the requirement to furnish evidences of title.

With repeal of this proviso, existing law makes adequate provision for the procurement of any evidences of title which the Attorney General may deem necessary, and further provides that the expenses of procurement, except where otherwise authorized by law or provided by contract, may be paid out of the appropriations for the acquisition of land or out of the appropriations made for the contingencies of the acquiring department, independent establishment, or agency.

COMMITTEE VIEWS

It is the opinion of the committee that because of this old proviso which S. 931 will repeal, the General Services Administration is the only agency of the Government acquiring land which requires the grantor to furnish the title evidence. This is often circumvented by requesting that the land be acquired by the Attorney General through condemnation proceedings, where this law would not apply. In some cases it may actually foster condemnation proceedings rather than amicable agreement with landowners. Enactment of S. 931 would make the acquisition of sites for public buildings the same as the acquisition of sites for military installations and other facilities. The committee feels that repeal of this proviso will accelerate the acquisition process for sites for public buildings, will not result in a net additional expenditure in the long run, and recommends its enactment.

ESTIMATED COST

Repeal of the proviso by S. 931 would appear to increase the cost to the Government of conveyances of sites for public buildings by the cost of obtaining evidences of title. The extent of the increase would be dependent on the number of sites acquired. It appears that in the long run the Federal Government is now paying for the cost of title evidence. The majority of the public building sites are acquired by condemnation proceedings through the Department of Justice, which pays for the necessary evidences of title. Where sites are acquired by negotiated purchase from the owners, it is assumed that the purchase price includes the cost to the vendor of furnishing satisfactory evidences of title. The increase would apply only to the few donations of property. Accordingly, it is believed probable that a net savings to the Government will result.

AGENCY COMMENTS

This legislation was requested by the Administrator of General Services, with the approval of the Bureau of the Budget, as shown by the following communication:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., January 10, 1961.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: There is transmitted herewith, for referral to the appropriate committee, a draft bill prepared by this agency, to repeal that part of the act of March 2, 1889, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications, and evidences of title.

This proposal is a part of the legislative program of the General Services Administration for 1961.

The third full paragraph on page 941 of volume 25 of the Statutes at Large, in the act of March 2, 1889, as amended (40 U.S.C. 256), provides that all legal services connected with the procurement of titles to sites for public buildings, other than for lifesaving stations and pierhead lights, shall be rendered by U.S. attorneys, with the proviso that, in the procurement of such sites, it shall be the duty of the Attorney General to require of the grantors in each case to furnish, free of all expenses to the Government, all requisite abstracts, official certifications, and evidences of title that the Attorney General may deem necessary.

This section of the act of March 2, 1889, as amended, has application only to a small percentage of the number and value of real property acquisitions of the Government, namely, sites for public buildings as distinct from sites for military reservations and other defense requirements, flood and reclamation projects, Veterans' Administration facilities, national forests, and other similar Government acquisitions. The limited applicability of the act places an inequitable burden on grantors who are required to bear the expenses provided for therein.

It is sometimes necessary to acquire sites for public buildings by condemnation, rather than direct purchase, because the title offered for sale to the Government is defective, the Government is unable to agree with the owner of the property as to price, or the time within which the Government must secure title to or possession of the sites is so short that it is not feasible to negotiate with owners of the sites for voluntary sales and for the evidences of title referred to in the act. Since the requirement for furnishing evidences of title can only be enforced under the act in cases of direct purchase, the cost of furnishing evidences of title in condemnation proceedings must be borne by the Government.

Experience has shown that many owners did not receive or procure evidences of title at the time they acquired the realty and are dilatory in, resist the procurement of, or refuse to procure the required evidences of title. If the evidences of title are not furnished by grantors within a reasonable time and the realty is urgently required, the Government must resort to condemnation proceedings.

There have been instances where a person was willing to donate realty to the Government but, not unreasonably, refused to bear the expense of procuring evidences of title. Nor should a grantor who cooperates with the Government in a voluntary sale of his property for valuable consideration be required to procure or bear the expense of procuring evidences of title.

In summary, the statutory requirement that grantors furnish, at their own expense, evidences of title has resulted in withdrawal of proposed donations of realty to the Government, undue delays in the acquisition of building sites, added costs to the Government in the prosecution of condemnation actions, and condonation of the grantor's avoidance of the requirement to furnish evidences of title.

If subject proviso is repealed, section 355, Revised Statutes, as amended (40 U.S.C. 255), makes adequate provision for the procurement of any evidences of title which the Attorney General may deem necessary and further provides that the expenses of procurement, except where otherwise authorized by law or provided by contract, may be paid out of the appropriations for the acquisition of land or out of the appropriations made for the contingencies of the acquiring department, independent establishment, or agency.

Repeal of subject proviso would appear to increase the cost to the Government of conveyances of public building sites by the cost of obtaining evidences of title. However, GSA acquires the majority of its public building sites by condemnation proceedings through the Department of Justice; and the necessary evidences of title are obtained by the Department of Justice and paid for from that Department's appropriated funds. With the exception of a few donations of property, the remaining acquisitions of public building sites by GSA are effected by purchase from the owners; and it is reasonable to assume that a vendor will include in his purchase price to the Government an amount which is more than adequate to protect himself against unforeseen contingent expenses in furnishing evidences of title. Accordingly, it is unlikely that repeal of subject proviso would result in a net additional expenditure of Federal funds. It is probable that there would be a net savings to the Government if, in the case of purchases of property, the Government furnishes at its expense such evidences of title as it deems necessary.

For these reasons, prompt and favorable consideration of the enclosed draft bill is recommended.

The Bureau of the Budget by letter dated December 28, 1960, advised that there is no objection to the transmittal of this legislative proposal to the Congress.

Sincerely yours,

FRANKLIN FLOETE,
Administrator.

COMMISSION ON PRESIDENTIAL OFFICE SPACE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 457, Senate bill 51.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 51) to provide for a Commission on Presidential Office Space, which had been reported from the Committee on Public Works, with amendments, on page 3, line 15, after "(c)", to strike out "to the greatest extent practicable,", and in line 18, after the word "work", to strike out "subject to such conditions and limitations as may be contained in appropriations made for such work"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established a commission to be known as the Commission on Presidential Office Space (hereinafter referred to as the "Commission"). It shall be the duty of the Commission to initiate and carry out a program of construction and remodeling in accordance with proposals (a) and (c) of plan one of the report of the President's Advisory Commission on Presidential Office Space, dated May 31, 1957, including remodeling of the east wing of the White House and construction of the necessary access tunnels: *Provided,* That proposal (a) of said report shall be modified to provide for renovation and remodeling of the old State, War and Navy Building to provide Presidential office space.

SEC. 2. (a) The Commission shall be composed of seven members as follows:

(1) Two Senators appointed by the President of the Senate;

(2) Two Representatives appointed by the Speaker of the House of Representatives;

(3) Three persons appointed by the President of the United States from the executive branch or from private life.

(b) A vacancy in the Commission shall not affect its powers but shall be filled in the same manner as the original appointment was made.

(c) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(d) Commission members appointed from the Congress and the executive branch shall serve without additional compensation. Commission members appointed from private life shall receive $50 per diem when engaged in the performance of Commission duties. All Commission members shall receive reimbursement for necessary traveling and subsistence expenses incurred by them in the performance of Commission duties.

(e) Within the limits of its appropriations, the Commission is authorized to appoint such personnel, without regard to the civil service laws and the Classification Act of 1949, as amended, and to make such expenditures as, in its discretion, it deems necessary.

SEC. 3. In the performance of its duties the Commission shall—

(a) after consultation with the President, approve all design, construction, interior decorating and landscaping plans;

(b) determine the methods for selecting and approve the selection of the architect;

(c) utilize the services of the Chief of Engineers, Department of the Army, in awarding contracts for the performance of the construction work; and in supervising the progress of such design and construction work;

(d) take measures to assure that all lumber, fixtures, and other materials removed from the Executive Mansion or other buildings are carefully examined by appropriate Federal or other authorities for the purpose of segregating and safeguarding any of such materials which are of such historical importance that they should be permanently preserved;

(e) provide for (1) the preservation of any such material which is of permanent historical importance and (2) the sale, donation, destruction, or other disposition of the remainder of such material in the manner most consistent with its symbolical value and without commercial exploitation;

(f) from time to time, but at least once annually submit to the Congress and the President a report on the progress of the work under its supervision. Upon the conclusion of its work the Commission shall promptly submit a final report;

(g) the Commission shall cease to exist thirty days after the submission of its final report.

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary for the expenses of the Commission, including funds for such construction, remodeling, renovation, and equipment as the Commission may determine to be necessary to carry out the provisions of this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The excerpt from the report (No. 488) is as follows:

The purpose of S. 51, as amended, is to establish a Commission on Presidential Office Space and authorize it to carry out a program of construction and remodeling in accordance with proposals (a) and (c) of plan 1 of the report of the President's Advisory Commission on Presidential Office Space, dated May 31, 1957, including remodeling of the east wing of the White House and construction of the necessary tunnels, with proposal (a) modified to provide for renovation and remodeling of the old State, War, and Navy Building to provide Presidential office space.

GENERAL STATEMENT

S. 51, as amended, would authorize establishment of a Commission on Presidential Office Space. The Commission would be composed of seven members, two Senators to be appointed by the President of the Senate, two Representatives appointed by the Speaker of the House of Representatives, and three persons appointed by the President of the United States from the executive branch or from private life. Commission members appointed from the Congress and the executive branch would serve without additional compensation. Members appointed from private life would receive $50 per diem when engaged in the performance of Commission duties. All Commission members would receive reimbursement for necessary traveling and subsistence expenses incurred by them in the performance of Commission duties. The Commission would appoint such personnel and make such expenditures as deemed necessary, within the limits of its appropriations.

It would be the duties of the Commission, after consultation with the President occupying the White House at that time, to approve all design and construction plans, determine the methods for selecting and approve the selection of the Architect, and to utilize the services of the Office, Chief of Engineers, Department of the Army, in awarding contracts for the construction work and in supervising the progress of the design and construction work. Such work performed by the Chief of Engineers would be on a reimbursable basis. Measures would be taken to assure that all lumber, fixtures, and other materials removed from the Executive Mansion or other buildings are carefully examined to determine their historical value, and their proper preservation and distribution. Reports on progress of the work would be submitted to the Congress and the President from time to time, but at least once annually. Upon conclusion of its work the Commission would promptly submit a final report, and would cease to exist 30 days after such submission.

The report of the President's Advisory Commission on Presidential Office Space was published as House Document No. 211, 85th Congress. The proposals of plan 1 that would be authorized by S. 51, are essentially the same as plan 5 of the report, and are as follows:

(a) Renovate and remodel the old State, War, and Navy Building, in lieu of constructing a new building to house only the White House Office on the site, extend the White House grounds to include the site and building, and connect it to the White House by tunnel.

(c) Remodel the West Wing of the White House for use as quarters for visiting dignitaries.

S. 51 would also authorize remodeling of the East Wing of the White House. This was considered by the Advisory Commission to be a constant feature of all plans studied. It is used as an adjunct to the West Wing for office space, but is inconvenient because of the distance involved. It is proposed that the remodeled East Wing be occupied by the social staff of the President and First Lady, the White House Police, for gallery and museum purposes, and similar activities not directly related to operations of the White House Office.

The bill authorizes the Commission to appoint its own staff, which it is believed would not be large. The committee is of the opinion that an existing engineering and construction organization could be advantageously and economically used in supervising the design and construction of the improvements, and that such work could be performed by the Corps of Engineers rapidly, efficiently, and at minimum cost.

The other feature (b) of plan 1 of the Advisory Commission provided for other organizational units of the Executive Office to be housed in Federal Office Building No. 7 to be located on the square north of Pennsylvania Avenue between Jackson Place and 17th Street, and connect it to the White House Office building by a tunnel. Construction of that building has been authorized and funds appropriated for design, site acquisition, and initiation of construction.

DISCUSSION

For the first 110 years of our Nation's history the offices of the President were housed in a structure designed and intended for residential purposes. Official business activities were intermingled with personal and family activities. Only the impacts and pressures of office requirements upon the family needs of the President eventually raised the question of suitable facilities for the Office of the President. Even then the response to the old question was construction of the temporary West Wing in 1902. Since that time each recurring need for larger and more efficient quarters for the President and his office staff was partly satisfied by makeshift improvements or by the alteration of a structure originally built as a temporary addition to the White House.

To meet the changing requirements of the President's Office the West Wing has been successively altered and enlarged and other structures obtained. That wing was completely rebuilt in 1934, but a plan approved in 1946 to enlarge it was later rescinded. The East Wing was built and occupied in 1942. The State Department activities were removed from the State, War, and Navy Building in 1947. The building was then reassigned for use by the offices of the President and renamed the Executive Office Building. That building is in bad condition, and contains many deficiencies in design, space arrangement, and location, and does not solve the problem of housing the President's Office with its attendant functions.

Within the field of Federal administration during the periods of our Nation's growth in size, population, greatness, and responsibility, large office buildings like the Pentagon, Interior, Agriculture, General Accounting Office, House Office Building, and Senate Office Buildings, were carefully planned, designed, and built to accommodate Government agencies in accordance with their particular needs. Many other large office buildings have been authorized, are under construction, or have been completed at and in the vicinity of our seat of Government.

The offices of the President, however, have never operated in structures planned, designed, and constructed to serve their own unique functions. The result is that the office facilities of the Chief Executive of the United States are outmoded, overcrowded, inefficient, and not consistent with effective and well-coordinated management of the highest office of the executive branch of the Government.

The President's Advisory Commission on Presidential Office Space gave careful study and consideration to various plans to provide adequate and efficient housing for the Executive Office of the President over a long period of time. The plan recommended in its report will provide a solution to the problem.

ESTIMATED COST

The estimated cost of the work that would be authorized by S. 51, as presented in House Document 211, 85th Congress, based on construction costs current in 1957, is as follows:

(a) Renovate and remodel the old State, War, and Navy Building and connect it to the White House by tunnel	$12,000,000
(c) Remodel west wing of the White House	1,270,000
Total	13,270,000

COMMITTEE RECOMMENDATIONS

The committee considers it of utmost importance to provide adequate space and facilities for the Executive Mansion and the Executive Office commensurate with the dignity and importance of the high position of the President of the United States. It believes that enactment of S. 51, will provide the necessary authorization to fulfill the needs of the White House Office, provide security and privacy for the President and his Office, and retain and enhance the traditional character of the White House and its surroundings.

U.S. OFFENSIVE IN COLD WAR WITH RUSSIA

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Oskaloosa Daily Herald of June 30 entitled "Why Can't U.S.A. Take Offensive in Cold War With Russia?"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHY CAN'T U.S.A. TAKE OFFENSIVE IN COLD WAR WITH RUSSIA?

Why must the United States always be on the defensive when Mr. K. and the Communists are involved? Just once we would like to know that America, land of the free and home of the brave, has taken the initiative in the cold war.

Almost every day we read of failures in our foreign policies, with every evidence we are losing ground in the struggle to control men's minds and preserve the ideals of freedom.

Entrenched bureaucracy bears the brunt of criticism, and its power is so strong that even our national administrations can make no headway toward the application of common horsesense in our affairs with the nations of the world.

The military is blamed with bureaucracy, too, but even this one bulwark of defense of the homeland bows to sacrosanct meddling of the fumbling underlings of the State Department, foreign aid, and national policy.

The Russians have a realistic goal of world domination and never hesitate to apply the psychological approaches that gain ground, enslave free peoples, and counter our moves. The Red goal never changes, even though the antics of the Communist leaders may shift from brotherly love to hate and back overnight.

Just because we are pledged not to fire the first shot is no excuse for holding our diplomatic and counterintelligence punches until the Reds land the first blow. Recently we have been so wrong in our timing—in Cuba, in Korea, in Vietnam, in Laos, and now in South America.

These are days when America could use another Teddy Roosevelt, who is remembered for his "Fear God and take your own part" and "Speak softly and carry a big stick."

CREDIT OF CERTAIN SERVICE FOR PENSION PURPOSES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 459, House bill 2953.

The motion was agreed to; and the bill (H.R. 2953) to amend section 521 of title 38, United States Code, to provide that certain service shall be creditable for pension purposes was considered, ordered to a third reading, was read the third time, and passed.

The excerpt from the report (No. 490) is as follows:

GENERAL STATEMENT

The purpose of this bill is to authorize the tacking of two or more separate periods of service during more than one period of war. For example, World War I, and World War II, or during World War II and the Korean conflict in order to qualify under the 90-day-service requirement for non-service-connected pension.

The Veterans' Administration has reported:

"In meeting the days-of-service requirement, two or more periods of service separated by as much as several years during the same period of war may be tacked; but the combining of separate periods of service in different periods of war is not authorized, even though the interval might be shorter. We see no basis for this distinction, and accordingly favor enactment of H.R. 2953 * * *."

The Veterans' Administration advises that this bill would be negligible as to cost.

DEPARTMENTAL REPORTS

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
April 3, 1961.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

DEAR SENATOR BYRD: This report on H.R. 2953, 87th Congress, as passed by the House of Representatives on March 6, 1961, is furnished in response to your request.

The purpose of the bill is to authorize tacking of two or more separate periods of service during more than one period of war in satisfying the 90 days' service requirement for payment of non-service-connected disability pension to veterans of World War I, World War II, and the Korean conflict. Tacking would also be authorized in determining the eligibility of their widows and children for non-service-connected death pension.

The bill is substantially the same as H.R. 8098, 86th Congress, as passed by the House of Representatives on May 2, 1960. The bill was pending before your committee at the close of that Congress.

Where other requirements are met, pension is authorized for veterans of World War I, World War II, or the Korean conflict, who served (1) 90 days or more during one of those periods, or less if discharged for a service-connected disability, or (2) 90 consecutive days or more ending during World War I, or beginning or ending during World War II or the Korean conflict. These service requirements also serve as a basis for payment of death pension benefits to the widows and children of these veterans.

In meeting the days-of-service requirement, two or more periods of service separated by as much as several years during the same period of war may be tacked; but the combining of separate periods of service in different periods of war is not authorized, even though the interval might be shorter. We see no basis for this distinction, and accordingly favor enactment of H.R. 2953.

It is not possible to furnish an estimate of the cost of H.R. 2953 if enacted. However, it is believed that the cost would be negligible.

Advice has been received from the Bureau of the Budget with respect to a similar report of February 20, 1961, on the bill to the chairman, House Committee on Veterans' Affairs, that there was no objection to the presentation of that report from the standpoint of the administration's program.

Sincerely,

J. S. GLEASON, Jr.,
Administrator.

DECISIONS ON APPEALS BY BOARD OF VETERANS' APPEALS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 460, House bill 866.

The motion was agreed to; and the bill (H.R. 866) to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals was considered, ordered to a third reading, was read the third time, and passed.

The excerpt from the report (No. 491) is as follows:

The bill requires that decisions of the Board of Veterans' Appeals shall be in writing and shall contain findings of fact and conclusions of law separately stated.

The following excerpt from the report by the House Committee on Veterans' Affairs, giving the background of the bill, is reprinted for the information of the Senate.

"A special subcommittee composed of experienced lawyers held hearings from April 5 to May 3, 1960, on various bills to provide for judicial review of decisions of the Administrator of Veterans' Affairs. During the course of these hearings it was established that opinions of the Board of Veterans' Appeals did not contain findings of fact and conclusions of law and that it was not possible to tell from the opinion of the Board what basic facts were found to exist or what conclusions of the law the Board considered applicable. All the opinions at that time were merely narrative recitations of a portion of the evidence with generalized statements of law so that it was impossible to tell from decisions of the Board why a particular claim was either allowed or denied. Following these hearings the Board has experimented with a revised format for its decisions to more clearly set forth its findings and conclusions. While recent examples of Board decisions which have been made available to the committee represent an improvement, the committee believes that this requirement is one of fundamental importance and should be a matter of law rather than administrative practice.

"The committee believes that careful consideration of any claim requires analysis of all of the evidence with a determination of all the material facts which are found to have been proven. It is only when a determination of the material facts has been made that it is possible to decide the rules of law which must be applied. In the view of the committee a principal reason for requiring the Board to make findings of fact and conclusions of law is that it requires the members of the Board to use more care in the analysis and decision of each case that comes before it.

"The hearings in the 86th Congress of the special subcommittee resulted in the reporting of H.R. 12653, a bill to establish a special court with exclusive appellate jurisdiction over decisions of the Administrator. The question of requiring the Board to make findings of fact and conclusions of law was extensively considered during the course of the hearings but was not included in H.R. 12653, as the committee believes that this matter should more appropriately be considered in a separate bill. If a separate appellate court is established as provided by H.R. 12653, this bill will have another important purpose which was expressed by the Supreme Court of the United States as follows: 'the orderly functioning of the process of review requires that the grounds upon which the administrative agency acted be clearly disclosed and adequately sustained

(*SEC* v. *Chenery Corp.*, 318 U.S. 80, 93, 63, S. Ct. 454, 462, 87 L. Ed. 626–1943).'

"H.R. 849, 87th Congress, and other bills provide for the creation of such a court.

"The committee feels that the importance of requiring findings of fact and conclusions of law by the Board cannot be overemphasized and that it is fundamental to the successful exercise of appellate review. Since it also has an important function entirely unrelated to the review process, that is, the improvement of administrative adjudication, it should be considered in a separate bill. While, as recognized above, the Board of Veterans' Appeals has made changes in the format of its decisions along the lines contemplated by this bill, the committee believes it well to have such a provision written into the law.

"An independent tribunal with appellate jurisdiction of veterans' claims was established in England more than 40 years ago. A typical example of the 'statement of case for hearing' in connection with an appeal from the Ministry of Pensions to the Pension Appeal Tribunal appears hereafter in this report.

"The committee does not consider it proper to direct that this particular form shall be used by the Administrator as a statement of findings of fact and conclusions of law. Examples are included for purposes of information and to show the contrast with the format employed until very recently for opinions of the Board of Veterans' Appeals—two examples of which appear thereafter. There are also included examples of recent board opinions in the new format which shows that improvement can result from more clearly stating the findings and conclusions underlying a decision. However, while the committee believes an improvement has been made by the new format, material facts have been omitted in some cases and so-called conclusions of law have failed to cite the applicable section of the appropriate law."

COST

The bill does not increase or create any new benefits. It does not create any new positions, so it does not result in any estimable increased cost. It is expected the bill will ultimately result in savings in administrative costs by reducing the number of claims and * * * the numbers of persons employed in administrative adjudication.

EXTENSION OF PROVISIONS FOR BENEFITS TO VETERANS DISCHARGED BEFORE DECEMBER 31, 1956

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 461, House bill 6269.

The motion was agreed to; and the bill (H.R. 6269) to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date was considered, ordered to a third reading, was read the third time, and passed.

The excerpt from the report (No. 492) is as follows:

GENERA STATEMENT

This bill seeks to amend appropriate provisions of title 38, United States Code, to provide that in all cases whenever a veteran is discharged or released from active duty he shall be deemed to continue on such duty during the period of time immediately following the date of such discharge or release required for him to proceed to his home by the most direct route and, in any event, until midnight of the date of such discharge or release. The present law has this provision in effect for only those cases separated from active duty after December 31, 1956.

The Veterans' Administration recommended this proposal in a formal submission to the Congress and the committee concurs in the finding of the Veterans' Administration that this legislation "would achieve a desirable uniformity of treatment which would eliminate the rather arbitrary distinction based on when the discharge occurred."

The Veterans' Administration cannot estimate the number of individuals involved but does state the number would not be large and, accordingly, the cost would be relatively small. In this connection it should be borne in mind that no monetary benefits would accrue under the amendment prior to the date of enactment.

The report of the Veterans' Administration follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, D.C., March 29, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is transmitted herewith a draft of a bill to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date, with the request that it be introduced in order that it may be considered for enactment.

The proposed bill would amend section 106(c) of title 38, United States Code, to provide, in all cases, that whenever an individual is discharged or released from active duty he shall be deemed to continue on such duty—for the purpose of veterans' benefits—during the period of time immediately following the date of such discharge or release required for him to proceed to his home by the most direct route, and in any event until midnight of the date of such discharge or release. This rule is now limited by section 106(c) to those separated from active duty after December 31, 1956.

Historically, the existing law is an outgrowth of section 102(12) of the Servicemen's and Veterans' Survivor Benefits Act. That law, which became effective January 1, 1957, applied the principle to the new program of dependency and indemnity compensation which it established for service-connected deaths. When this principle was later extended to all veterans' benefits, it was not made applicable to discharges or releases earlier than 1957.

The proposed bill would achieve a desirable uniformity of treatment which would eliminate the rather arbitrary distinction based on when the discharge occurred. Moreover, we do not anticipate that serious administrative difficulties would be encountered if this bill is enacted, even though it will involve a few cases of persons discharged from service many years ago.

The cost of the proposed legislation would depend primarily on the number of individuals who, prior to January 1, 1957, suffered injury, disease, or death during the period from time of notice of discharge to midnight of the date of such discharge or release, or until the termination of the period of necessary travel time if later. We are unable to estimate the number of such individuals who would thereby become eligible for veterans' benefits. The number affected, however, would not be large and accordingly the cost would be relatively small. It should also be noted that under this proposal no monetary benefits would accrue under the amendment prior to the date of enactment.

We are advised by the Bureau of the Budget that there would be no objection from the standpoint of the administration's program to the presentation of this proposed legislation to the Congress.

Sincerely,

J. S. GLEASON, Jr.,
Administrator.

TRANSPORTATION OF REMAINS OF VETERANS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 462, House bill 7148.

The motion was agreed to; and the bill (H.R. 7148) to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial was considered, ordered to a third reading, was read the third time, and passed.

The excerpt from the report (No. 493) is as follows:

GENERAL STATEMENT

This bill provides that if a veteran dies at a Veterans' Administration facility in any State, including territories, District of Columbia, Commonwealth of Puerto Rico, and the Canal Zone, the remains may be transported to the place of burial in any State or the Canal Zone.

Present authority permits the Veterans' Administration to transport the body to a place of burial in the continental United States or Hawaii when the veteran dies in a Veterans' Administration facility located in the continental United States or Hawaii. The body, however, may not be transported to a place of burial which is within the Commonwealth of Puerto Rico or any territory or possession of the United States, unless death occurs in a VA facility located in the commonwealth, territory, or possession.

Since the enactment of Public Law 86–624, the Hawaii Omnibus Act, the Veterans' Administration has been in the position that if a veteran dies while hospitalized in a facility located within the continental limits, the body may be transported to Hawaii, as an example, but not to Puerto Rico even though the veteran may have been transferred by the Veterans' Administration to the United States from Puerto Rico for treatment purposes.

The Veterans' Administration, which requested this legislation in a formal submission to the Congress, believes that it will not involve more than 12 or 15 cases in any one year and the annual cost would not exceed $5,000.

The report of the Veterans' Administration follows:

MAY 11, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is enclosed herewith a draft of a bill to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial.

The bill would amend section 903(b) of title 38, United States Code. This subsection now provides that when a veteran, properly admitted for hospital or domiciliary care, dies in a Veterans' Administration facility in the continental United States or in Hawaii the body may be transported to the place of burial in the continental United States or Hawaii. The body may not be transported to a place of burial which is in the Commonwealth of Puerto Rico or in a

territory or possession of the United States. To the contrary, if such a death occurs in Puerto Rico or in a territory or possession, the body may only be transported to the place of burial when such is within Puerto Rico, the territory or the possession; i.e., in whichever death occurs.

Our proposal would provide that if a veteran dies in a Veterans' Administration facility in any "State," as defined generally for purposes of title 38 (i.e., each of several States, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico), or the Canal Zone, the remains may be transported to the place of burial in any State (as so defined) or the Canal Zone.

From 1925 to its repeal in 1933, the World War Veterans Act, 1924, provided for transportation to the place of burial within the continental United States, its territories, or possessions of the body of a veteran of any war who died away from home and at a place to which he had been ordered for the purpose of receiving medical, surgical, or hospital care. Under the Veterans Regulations issued pursuant to the Economy Act (Public Law 2, 73d Cong.), transportation was permitted only to the place of residence, the nearest national cemetery, or any other place requested by the next of kin if the expense in respect thereof would not be greater than to the place of residence. No authority was contained under the Veterans Regulations for the transportation of the body outside the continental United States.

The policy established in 1933 has been liberalized on three subsequent occasions. The most recent amendment was made by the Hawaii Omnibus Act (Public Law 86-624) to authorize the remains of veterans who die in Veterans' Administration facilities to be transported to and from Hawaii on the same basis as is permitted with respect to any of the other 50 States.

Since the enactment of the Hawaii Omnibus Act we have the rather incongruous situation that if a veteran dies while hospitalized in one of our facilities anywhere in the continental United States we may transport the body to Hawaii, but not to Puerto Rico—even though the veteran may have been transferred by the Veterans' Administration to the United States from Puerto Rico for treatment purposes. We see no logical reason for continuing this unequal treatment.

We are unable to estimate the cost of this legislation with any exactness but we believe that it is unlikely to be more than 12 or 15 affected cases in any one year and that consequently the annual cost would not exceed $5,000.

We are advised by the Bureau of the Budget that there would be no objection from the standpoint of the administration's program to the presentation of this report to the committee.

Sincerely,

———,

Deputy Administrator
(For and in the absence of
J. S. Gleason, Jr., Administrator).

ANNOUNCEMENT OF CONSIDERATION OF AMENDMENT OF TITLE VI OF THE MERCHANT MARINE ACT, 1936

Mr. MANSFIELD. Mr. President, the next measure on the calendar, Calendar No. 463, is Senate bill 1690, to amend title VI of the Merchant Marine Act of 1936, as amended, in order to increase certain limitations in payments on account of operating-differential subsidy under such title. That measure will not be brought up today; but I wish to serve notice on the Senate that it may well be brought up next week.

MELVIN H. BAKER AND FRANCES V. BAKER

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 464, House bill 4206.

The motion was agreed to; and the bill (H.R. 4206) for the relief of Melvin H. Baker and Frances V. Baker was considered, ordered to a third reading, was read the third time, and passed.

The excerpt from the report (No. 495) is as follows:

PURPOSE

The purpose of the proposed legislation is to pay $12,760.04 to Melvin H. Baker and Frances V. Baker of Buffalo, N.Y., in full settlement of their claims against the United States based on an overpayment of their income tax for the year as the result of the erroneous inclusion of a dividend paid in 1954 in the 1953 income tax return.

STATEMENT

The facts and circumstances surrounding this claim and the recommendations of the Judiciary Committee of the House of Representatives thereon are contained in House Report No. 117, as follows:

"On March 16, 1954, Mr. and Mrs. Baker filed their joint income tax return for the calendar year 1953. As has been noted in the Treasury Department report to this committee on the bill, that return reported as income a dividend which was not actually received during that calendar year. This was a dividend of the National Gypsum Co. which was declared on October 27, 1953, which was to be payable to those stockholders who were record owners of stock on December 14, 1953. However, the dividend was payable on January 4, 1954, and therefore the amount paid was not available in 1953. As an actual fact, it was not received by the taxpayers until January of 1954. Therefore the inclusion of the amount of the dividend in the 1953 return was clearly erroneous. This error was not discovered until 1958 when Mr. and Mrs. Baker were considering some estate and gift tax matters.

"The dividend of $15,293.60 was also correctly included in the return for 1954 as taxable income. The erroneous inclusion of the same amount in the 1953 return resulted in an overpayment of Federal income taxes for that year of $12,760.04, and this is the amount which is stated in H.R. 1593.

"This committee has carefully considered the question of relief under these circumstances, and has concluded that this is a proper case for legislative relief. It is unfair for these taxpayers to have to pay taxes on the same income twice. While the Treasury Department questions relief because of the general situation regarding limitations periods, it does not appear from the report of that Department that there is any question concerning the reporting of the income or the amount paid. It is difficult to see how the retention of this overpayment could be justified if it were not for the fact that a claim was not filed within the period referred to in the Treasury report. In fact that report states "If a timely claim had been filed, the taxpayers would have been entitled to the amount stated in the bill." Accordingly the committee recommends that the bill be considered favorably.

The committee agrees with the conclusions reached by the House and it is, therefore, recommended that H.R. 4206 be favorably considered.

Attached hereto and made a part hereof is the report of the Secretary of the Treasury to the Congress on the proposed legislation.

OFFICE OF THE SECRETARY
OF THE TREASURY,
Washington, May 27, 1959.

Hon. EMANUEL CELLER,
Chairman, Committee on the Judiciary,
House of Representatives,
Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in response to your request of January 19, 1959, for this Department's views on H.R. 1593 (86th Cong., 1st sess.), entitled "A bill for the relief of Melvin H. Baker and Frances V. Baker."

H.R. 1593 would direct the Secretary of the Treasury to pay the sum of $12,760.04 to Melvin H. Baker and Frances V. Baker, of Buffalo, N.Y., in full settlement of all claims against the United States. The bill recites that such sum represents overpayment in income tax for the year 1953 as a result of the inclusion of a dividend from National Gypsum Co. declared on October 27, 1953, but not payable until January 4, 1954.

The records of the Internal Revenue Service disclose that Mr. and Mrs. Baker filed a joint income-tax return for the calendar year 1953 on March 16, 1954, with the office of the district director, Buffalo, N.Y. On this return there was reported as income a dividend which was not actually received.

The 3-year period of limitations for filing a claim for refund of income tax paid with the return for 1953 expired on March 16, 1957. The taxpayers did not file a claim for refund within the prescribed period. If a timely claim had been filed, the taxpayers would have been entitled to the amount stated in the bill.

The Department is not aware of any reason justifying the failure of the taxpayers to file a claim for refund within the 3-year period prescribed by law. It would appear that it is a matter peculiarly within a taxpayer's own knowledge as to whether he has or has not received a dividend in a particular year.

Congress has determined it to be a sound policy to include in the revenue system a statute of limitations which, after a reasonable period of time, bars taxpayers from obtaining refunds of tax overpayments and bars the Government from collecting additional taxes. Such a provision is essential in order to achieve finality in tax administration. In the absence of special circumstances, which do not appear here, granting special relief would discriminate against other taxpayers similarly situated and would constitute an undesirable precedent.

In view of the foregoing, the Treasury Department is opposed to the enactment of H.R. 1593.

The Bureau of the Budget has advised the Treasury Department that there is no objection to the presentation of this report.

Sincerely yours,

DAVID A. LINDSAY,
Assistant to the Secretary.

STATUS OF NAVAL RESERVE OFFICERS' TRAINING CORPS GRADUATES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 465, House bill 4349.

The motion was agreed to; and the bill (H.R. 4349) to place Naval Reserve Officers' Training Corps graduates in a status comparable with U.S. Naval Academy graduates was considered, ordered to a third reading, was read the third time, and passed.

The excerpt from the report (No. 496) is as follows:

PURPOSE OF THE BILL

The purpose of this bill is to place the Naval Reserve Officers' Training Corps (Regular) graduates in a status comparable to that of U.S. Naval Academy graduates, with respect to the form of the Regular commission received by members of this corps.

DISCUSSION OF THE BILL

This bill relates to the form of the Regular commission received by the Regular Naval Reserve Officers' Training Corps graduates. This legislation neither increases, decreases, nor otherwise affects the period of obligated service for these graduates.

These Regular graduates are those who are appointed as midshipmen in the Naval Reserve upon entering the NROTC as a freshman in college, and who obligate themselves to accept upon graduation an appointment in the Regular Navy or Marine Corps. These individuals should not be confused with the NROTC (contract) students who agree only to serve in the Reserve after graduation. The bill does not apply in any way to this latter group.

Under present law, the Regular graduates obligate themselves upon entry as a freshman to serve on duty a minimum of 3 years as a Regular officer following graduation. This period was increased administratively to 4 years several years ago for the new entering classes.

Under existing law, these graduates, before they have completed 30 months of active service, must make application for retention in active service as a Regular officer in the event that they decide to make a career in the Navy or Marine Corps. If they fail to make application, their Regular commission is terminated at the end of their 36 months of service and they serve their remaining obligation as a member of the Reserve. In effect, therefore, under existing law they must request to stay in as a Regular officer in the Navy or Marine Corps.

The bill repeals existing provisions of law relating to the requirement for application to remain on active duty as a Regular officer. As a result of this bill, these officers will have to make application in order to get out of the service at the expiration of their obligated tour. As noted above, under existing provisions an officer in this category must apply if he wishes to remain in the active service as a Regular officer. The procedure provided in this bill is the same as that now applicable to the U.S. Naval Academy.

Both the Navy and Marine Corps urgently need a greater portion of the NROTC graduates to undertake a permanent career as a Regular officer. The Navy highly recommends this bill as assisting in this matter, since it repeals one of the distinctions in the form of the Regular commissions now awarded to this group as compared to the commission received by the graduates of the U.S. Naval Academy.

COST

The Department of Defense advised that this legislation has no cost implications.

PERMANENT INDEFINITE APPROPRIATION TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 466, Senate bill 739.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 739) to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund, to provide for permanent indefinite appropriation to said fund, and for other purposes, which had been reported from the Committee on Post Office and Civil Service, with amendments, on page 1, line 3, after the word "That", to strike out the comma and "(a)"; on page 2, line 9, after the word "of", to strike out "three" and insert "four", and, after line 19, to strike out:

(b) Subsection (c) of said section 17 is amended to read as follows:

"(c) There is hereby appropriated to the fund, out of any money in the Treasury not otherwise appropriated, for the fiscal year beginning July 1 next following the date of enactment of this amendatory paragraph, and for each fiscal year thereafter, such amount as may be required to prevent the estimated balance in the fund at the end of any such fiscal year from being less than the estimated total of lump sum credits and voluntary contribution accounts of present and former employees or Members, minus the estimated total of annuity payments made to such employees or Members or to the survivors of such employees or Members, and chargeable to such credits and accounts."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (d) of section 17 of the Civil Service Retirement Act, as amended, 70 Stat. 759 (5 U.S.C. 2267), is amended to read as follows:

"(d) The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of public-debt obligations for purchase by the fund. Such obligations issued for purchase by the fund shall have maturities fixed with due regard for the needs of the fund and bear interest at a rate equal to the average market yield computed as of the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt that are not due or callable until after the expiration of four years from the end of such calendar month, except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest on such obligations shall be the multiple of one-eighth of 1 per centum nearest such average market yield. The Secretary of the Treasury may purchase other interest-bearing obligations of the United States, or obligations guaranteed as to both principal and interest by the United States, on original issue or at the market price only if he determines that such purchases are in the public interest."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund."

The excerpt from the report (No. 497) is as follows:

PURPOSE

The purpose of this measure is to provide a method for fixing a fair and equitable rate of interest on money borrowed by the U.S. Treasury from the civil service retirement and disability fund.

BACKGROUND

Retirement and disability fund

The civil service retirement and disability fund was created by the original Civil Service Retirement Act of May 22, 1920. Deductions from employees' salaries (including Members of Congress), matching amounts contributed by the Government, appropriations from the general fund of the Government, interest earned on fund investments, and donations, gifts, and legacies made for the benefit of civil service employees are credited to the fund.

The fund is a separate entity within the total financial structure of the Government and reflects the fiscal posture of the civil service retirement system. The Retirement Act requires that any balance in the fund not needed for current payments of benefits or refunds shall be invested in Government bonds.

Currently, slightly in excess of $10 billion of the fund is invested in Government bonds.

Interest rates

(1) 1920 to 1954: During this 34-year period, the interest was fixed at the discretion of the Secretary of the Treasury at a constant rate of 4 percent on all but a relatively small amount in the fund representing voluntary contributions by employees, which was invested at a fixed rate of 3 percent.

(2) 1954 to 1956: Effective July 1, 1954, the Secretary of the Treasury, pursuant to his authority under the Retirement Act reduced the rate of interest to 3 percent.

(3) 1956 to present: Public Law 854, 84th Congress, amended the Retirement Act at the request of the administration to provide that the rate of interest be equal to the average coupon rate (rounded to the nearest one-eighth of 1 percent) borne by all marketable interest-bearing obligations of the United States forming a part of the public debt that are not due or callable until after the expiration of 5 years from the date of original issue. Initially, the rate of interest under this formula amounted to 2½ percent. Currently, the rate is 2⅞ percent.

COMMENT

The administration and the committee agree that the present law which measures the interest rate on the basis of borrowing costs in past years is improper and should be replaced by a formula which takes into account what the Government is required to pay currently in the open market for its new borrowings. Under such a formula the retirement fund would be neither subsidized nor penalized, and the U.S. Treasury would neither be given a bargain nor forced to pay a premium. The present coupon rate formula currently provides a rate of 2⅞ percent on retirement funds newly invested. The market yields formula would provide a rate of some 3½ percent on newly invested funds.

Under the bill, the new formula would apply only to future investments. Special issues presently held by the fund would be allowed to mature gradually over a 15-year period. Thus, the fund would benefit to the extent of some $6 million additional interest the first year and a cumulative like amount in each succeeding year over a span of 15 years, at which time the total increase in interest would amount to between $90 and $100 million a year.

PUBLIC HEARINGS

A public hearing on this measure was held May 12, 1961. Representatives of the Bureau of the Budget and the Civil Service Commission and many employee organizations testified in support of this measure. No adverse testimony was received from any source.

AGENCY VIEWS

Following are letters from the Bureau of the Budget and the Civil Service Commission supporting enactment of this measure:

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., January 17, 1961.
Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: Senate Report No. 1656, 85th Congress, 2d session (covering H.R. 11574, independent offices appropriation bill, 1959), requested that the Commission, in conjunction with the Bureau of the Budget and the General Accounting Office and on the basis of new quinquennial valuation of the civil service retirement system by the Board of Actuaries, submit recommendations for keeping the retirement fund current and providing for the Government's future liabilities on a sound basis.

In response to this request, the Civil Service Commission and the Bureau of the Budget on November 19, 1959, submitted to the Senate Committee on Appropriations their joint report and recommendation on financing the retirement system. Copies of this report are attached. Separate report on the subject was submitted by the Comptroller General of the United States.

In his 1961 budget message presented January 18, 1960, the President proposed enactment of the joint Commission-Budget Bureau recommendations on a long-range policy of financing the retirement fund. Two items in the joint report are of special concern to the Commission.

The Commission recommends a change in that part of the law prescribing the method for determining interest rate on investments of the civil service retirement and disability fund. The Retirement Act now provides for investment of the fund in special issues which bear interest based on the average rate borne by all Treasury marketable interest-bearing bonds with maturities of 5 years or more from the date of issue. This formula, based on coupon rates, presently gives the fund an interest rate lower than that paid by the Treasury on current borrowing for equivalent periods from other sources. Section 17(d) of the act should be amended to authorize payment of interest at a rate equal to market yields of issues not due or callable until after the expiration of 3 years. If such a new standard were established, the Treasury Department would reinvest the fund at the new rate as its present holdings mature. Thus, conversion of the investments to the new basis would take a number of years, producing a gradual increase in the rate of earnings toward an ultimate level of 4 percent or thereabouts, if present money market conditions prevail for a considerable period.

The Commission firmly believes that employee contributions to the system should be maintained in the fund on a fully funded basis. As to the Government's liability, we also believe it would be desirable to provide a clear and definite legislative indication that the benefits promised in the Civil Service Retirement Act are underwritten by the full faith and credit of the United States. This could be done by making provision for automatic appropriations to the retirement fund to supplement agency contributions when necessary to assure that the benefits provided by the system can be paid without reducing the balance in the fund below the total to the credit of employees. Adoption of this recommendation will assure that the employees' contributions are at all times protected and that financial means will be available when needed to meet the Government's share of benefit payments. This approach would assure that the fund would not decline below the amount to the credit of the employees, which is estimated to level off at around $9.5 billion. While authorization of a permanent appropriation would be an exception to the desirable policy of annual appropriations which are reviewed by the Appropriations Committees, we believe this exception is justified as a means of preserving the equity in the fund which employees build up through required or voluntary contributions.

Draft of bill to cover these items is attached. The Commission strongly recommends that this legislation be introduced and enacted into law.

The Bureau of the Budget advised on January 16, 1961, that it continues to support this legislative proposal as its enactment would be in accord with the program of the President.

By direction of the Commission:
Sincerely yours,
ROGER W. JONES,
Chairman.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., March 27, 1961.
Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service, U.S. Senate.

DEAR MR. CHAIRMAN: On January 17, 1961, Roger W. Jones, Chairman of the Civil Service Commission at that time, transmitted to the President of the Senate proposed legislation to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund, to provide for permanent indefinite appropriation to said fund, and for other purposes.

For your convenience, a copy of the proposal is attached.

A bill, S. 739, to carry out the proposed legislation was introduced by you on January 31, 1961.

Recently, the Commission has reviewed this proposal and continues to recommend strongly that the legislation be enacted into law.

The Bureau of the Budget advises that from the standpoint of the administration's program there would be no objection to the Commission's continued support of the proposed legislation.

By direction of the Commission:
Sincerely yours,
JOHN W. MACY, Jr.,
Chairman.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of Calendar No. 352, Senate bill 1154, so that the bill will be laid before the Senate as the pending business.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

SCHOOL BAND TO TOUR EUROPE

Mr. DIRKSEN. Mr. President, I hold in my hand an article that gives me a great sense of pride in our fellow Americans. Seventy-five young musicians, accompanied by their director, his assistants, and chaperons, are giving of their time, talent, and funds to extend the hand of friendship throughout Europe and are representing America, through the endorsement of the people-to-people program. No Federal assistance to underwrite expenses was accepted. This is a project sponsored by individuals and private concerns who are interested in the exchange of ideas with the peoples of countries across the seas.

I am confident, of course, that this project will generate a great reservoir of good will. I am quite happy to know, among other things, that some 21 of the young musicians will be from the State of Illinois. That is a great tribute to the musical talent being developed in our State.

I ask unanimous consent to have printed in the RECORD an article entitled "School Band To Tour Europe," which was published in the Republican-Times, of Ottawa, Ill., on Monday, June 26, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCHOOL BAND TO TOUR EUROPE

BLOOMINGTON, ILL.—A project 10 years in the making—the School Band of America—moved toward its goal today, a 4-week tour of Western Europe.

The 51 boys and 24 girls between the ages of 15 and 21 that form the band began assembling in New York City for a plane trip to London Tuesday. The group includes 22 Illinois student musicians.

In Europe it will play nine concerts, starting July 2 in London.

Interspersing the concert appearances will be tours of points of interest in England, Holland, Belgium, Western Germany, Switzerland, and France. The group will return July 24.

Although the School Band of America is on a good will tour during which its 75 members hope to exchange ideas with their counterparts in Europe, each is paying his or her way or having paid by a sponsoring group in this country.

The project was first considered in 1951 by Edward T. Harn, coordinator of music education for the Bloomington schools. Harn says he mulled over the idea until 1959, when he took a trip to Europe and asked music teachers there how they felt about a tour by an American student band.

Their enthusiasm, he said, sent him back determined to promote a trip.

In October 1960 details of the forthcoming tour were spelled out in a nationally circulated musicians' magazine and within 30 days, Harn said, some 250 youthful musicians had applied.

Audition centers conducted by music teachers were set up in Massachusetts, Ohio, California, and in Bloomington. Applicants who could not attend the auditions submitted tape recordings and character references.

From the 250 applicants, Harn selected the 75.

Harn said he obtained endorsement of President John F. Kennedy's People-to-People Music Committee but turned down a proposed Government grant of $70,000 to aid the project.

Each band member paid $755 to cover costs of the 4-week trip.

Where a member was unable to pay the trip cost, a group in his home community underwrote the expenses.

To meet the cost of orchestrations, instruments and other equipment, Harn said he called on old friends and associates. They spread the word, he said, and soon manufacturers and musical instruments and music publishers swamped him with offers.

One firm loaned the band four $800 bass horns and eleven $350 cornets; another firm supplied the percussion instruments; music stands came from a third firm; the U.S. Navy loaned arrangements of the national anthems of countries the band will visit; a publishing company gave Harn some dance band arrangements.

Via chartered flight, the band, Harn, 3 assistant directors and 13 chaperons fly to England to begin 3 days of rehearsals at Ramsgate. The band plays its first concert July 2 at Victoria Embankment Gardens in London, its second the next day at Stratford-on-Avon.

Harn has taught music in Illinois schools for 18 years. He received his master's degree from Southern Illinois University at Carbondale.

Illinois musicians in the band include:

Mary Finnigan, Crystal Lake; Barbara Stumm, Bloomington; Pamela Backus, Harvard; David Gershenson, Fairfield; Edward Zentera, Glenwood; Jack Allen, Champaign; Albert Carnine, Bloomington; Rita Mentzer, Normal; Nancy Hampton, Glenwood; John Landefeld, Western Springs; Guy Parks, Batavia, and Tom Reeves, Belvidere;

Also William Epperson, Centralia; Kent Gummerman, Bloomington; Steve Rettenmayer, Canton; Neal Tidwell, Centralia; Kathleen Farr, Canton; Linda Sweetin, Bloomington; Arthur Eiff, Bloomington; John Barr, Lisle; Janalee Francis, Gibson City, and Robert Armour, Belvidere.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I am delighted to yield to the minority leader.

Mr. DIRKSEN. I understand that in accordance, I believe, with assurances given by the majority leader, no record votes will be taken today on the cultural and educational exchange bill or on any of the amendments which may be submitted to it.

My understanding is that there are some 10 amendments to be offered. I am further informed that perhaps as many as six rollcalls will be requested.

I think now it is assured that there will be no yea-and-nay votes today.

Mr. MANSFIELD. I may say to the distinguished minority leader that there will be no yea-and-nay votes today, but it is the hope of the leadership that we can have some debate on S. 1154, the cultural exchange bill, so that we can be prepared—again, I hope, on a time-allocated basis—to proceed to the conclusion of that bill on Monday.

It is further anticipated that next week we shall very likely bring up:

Senate bill 901, the oceanography bill.

S. 2043, a bill to authorize appropriations for the Atomic Energy Commission.

S. 1459, a bill to amend the provisions of law relating to longevity step increases for postal employees.

S. 1488, a bill to amend section 508 of title 28 of the United States Code, relating to attorneys' salaries.

S. 1690, a bill to amend title VI of the Merchant Marine Act of 1936, as amended.

Then one bill which was not brought up today was H.R. 6611, an act to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes.

It was felt, in view of the nature of this particular proposal, it would be better to bring it up next week.

That will be the schedule, and I urge on all Members of the Senate, and I know the minority leader joins me, to be prepared to be on the floor every day from Monday next until we adjourn sometime in the summer—or later, in the fall.

Mr. DIRKSEN. I wish to ask the majority leader another question. So that we may make some specific preparation, would it be the majority leader's intention, after action on the pending bill, the consideration of which we shall resume on Monday, to consider the oceanography bill, which, in my judgment, is also quite controversial?

Mr. MANSFIELD. If that is the wish of the minority leader, we will be delighted to do so.

Mr. DIRKSEN. I thank the majority leader.

NEW YORK TIMES PRAISES KENNEDY FARM PROPOSALS

Mr. PROXMIRE. Mr. President, when the New York Times praises administration farm programs, it is news. The New York Times has viewed the Nation's farm problems consistently from the standpoint of the consumer and especially the taxpayer.

Thursday morning the New York Times carried an editorial praising the good sense in the administration's proposed wheat and feed grain bills.

The editorial properly contends that farmers must pay the price of limiting production if they are to enjoy improved income.

Mr. President, the administration's farm program is going to accomplish the dual purposes of reducing the heavy cost of the farm program while improving depressed farm income. What has been for a long time one of the most serious economic problems and burdens in America—overproduction on the farm—is beginning to approach at least a partial solution.

I ask unanimous consent that the New York Times editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FARM BILL

When the Congress killed a section of the omnibus farm bill that would have increased the powers of the Secretary of Agriculture, the lawmakers appeared to be rebuking the Kennedy administration. But when it included programs for wheat and feed grains in the same measure, Congress tacitly conceded the administration's point that strict control of agricultural production is sensible and necessary.

Much of the farm surplus has accumulated in these commodities. Earlier this year, Congress passed an emergency feed grains control program that gave growers higher price support and acreage retirement payments. But it imposed upon them meaningful restrictions designed to set practical limits to the abundance.

Upon this model, which has worked well, are based the wheat and feed grains programs in the omnibus bill. If the administration resists the temptation to lure farm votes with sky-high price supports, a reduction of the agricultural surplus should be advanced substantially by these programs. The effect on taxpayers and consumers is not yet entirely clear; but this approach hardly can be more expensive than commodity storage, and it should increase farm income and purchasing power.

What the Congress predictably refused to grant was authority for the Secretary of Agriculture to initiate other commodity control programs and to put them into effect with a minimum of logrolling, revision, and demagogery. This was opposed by the lawmakers themselves, and also by processors, warehousemen, and other elements that benefit from plentiful supply.

An agricultural production sensibly planned to meet the Nation's requirements is the cornerstone of sound farm policy.

U.S. DISARMAMENT AGENCY MERITS BROAD SUPPORT

Mr. PROXMIRE. Mr. President, last week the majority whip, the Senator from Minnesota [Mr. HUMPHREY] introduced the administration bill, S. 2180, to create a U.S. Disarmament Agency for World Peace and Security. He has kindly consented to add my name as a cosponsor. I appreciate this very much, because I want to make my support for this landmark legislation as visible as possible. It is my belief that creation of the U.S. Disarmament Agency will be an important step toward freeing mankind from the scourge of war and insuring the survival of the world.

We and our allies face a dual challenge: to extend freedom and to maintain peace. In order to achieve these twin goals, we have an obligation not only to be strong, but also to strengthen the mechanisms of peace.

In his letter accompanying the draft bill, President Kennedy wrote:

> Today, ability of man to master his environment threatens to outpace his ability to control himself. The world is more and more interdependent, and the people of the earth can now look beyond this planet to a new age of discovery, but they have not yet been able to banish the primitive threat of war. The ingenuity that has made the weapons of war vastly more destructive should be applied to the development of a system of control of these weapons.

These words eloquently remind us that more than a year ago the President, then still known to us as the Senator from Massachusetts, spoke at the University of New Hampshire, saying:

> The most gaping hole in American foreign policy today is our lack of a concrete plan for disarmament.
>
> Plans for disarmament—specific, workable, acceptable plans—must be formulated with care, with precision and, above all, with thorough research. For peace, like war, has become tremendously complicated and technological. It is to the proper and effective solution of these complex technical problems of disarmament that I wish to direct my attention today.
>
> A new Disarmament Agency will need strong leadership, imaginative thinking, and a national priority of attention and funds.
>
> But we owe it to ourselves—to all mankind—to try to give peace more than our words and our hopes. "Give me a fulcrum" Archimedes is reported to have said, "and I can move the world." Perhaps this new Agency could provide our Government with such a fulcrum. And perhaps then we, too, could move the world on the road to world peace.

The President has redeemed his campaign pledge by submitting legislation to create the U.S. Disarmament Agency. It is now up to Congress to act swiftly to approve this carefully drawn blueprint, so that the establishment of a functioning Disarmament Agency at the highest levels in our Government can begin without delay.

The President has been greatly assisted in the drafting of this bill by his Special Adviser on Disarmament, the Honorable John J. McCloy. Mr. McCloy's distinguished record of public service is well known. It was he who guided postwar Germany along the first steps toward democracy and membership in the Western alliance, as High Commissioner for Germany. He has now earned our new thanks and congratulations for his work in drafting this bill.

In his letter to the President accompanying the draft bill, dated June 23, 1961, Mr. McCloy wrote:

The purpose of this legislation is to establish an agency at an authoritative level in the Government, with the exceptionally broad competence, functions, and resources required to work toward the objective of a peaceful world society in which disarmament, except for the forces needed to apply international sanctions, is the accepted condition of international life. An agency of such far-reaching scope should be able to bring its point of view and recommendations promptly to the highest level of government. The agency should have primary responsibility within the Government for disarmament matters, but there must be close cooperation and coordination with other affected agencies, particularly the Department of State, since a disarmament program must take into account the national security; foreign policy; the relationships of this country to international peacekeeping agencies, including the United Nations; and our domestic, economic, and other policies.

The Secretary of State, the Secretary of Defense, the heads of other affected agencies, and I agree that the performance of these tasks requires the establishment of the new agency which would be created by the enactment of this bill.

Clearly Mr. McCloy is aware of the magnitude of the step we should take. He recommends that the new U.S. Disarmament Agency be under the direction of the President and the Secretary of State. That puts the Agency in a somewhat special relationship to other parts of our Government, recognizing that considerations of disarmament and arms control are so important that they merit the President's continuing attention, while also taking account of the fact that any steps toward disarmament must be carefully dovetailed with the activities of the Secretary of State. Mr. McCloy concludes as follows:

I must stress that organization, machinery, and competent people alone cannot guarantee the success of the mission of our country to prevent war, curb the arms race, and create lasting conditions of peace. But they can assure that the best effort of which we are capable is directed toward these ends.

A question that may occur to a great many is this: Does it make sense to talk about disarmament while enacting the record defense budgets which are needed to maintain our military strength? Does it make sense to create a new Disarmament Agency just as we move into a sharply focused crisis over Berlin?

I believe it does make sense, because it expresses to all mankind the fundamental dedication of our Nation to the search for peace. The creation of a Disarmament Agency will be an enduring symbol of that conviction, even as we are forced to renew and increase our military strength to counter the Communist challenge.

We must repair the roof even while it is raining. In the past we have not been adequately prepared to take advantage of all arms control opportunities. The unhappy fact is that on more than one occasion we did not have the data, we did not have the carefully worked out policies, to enable us to move forward as constructively and rapidly as possible in the Geneva test ban negotiations.

The opportunity for fruitful negotiations at Geneva may now have passed. The recent Soviet insistence on a tripartite control commission, with a built-in Communist veto of inspection provisions, makes a mockery of their own professed desire for disarmament.

But the Communist leaders recognize the unparalleled dangers of nuclear war and the frightening consequences of a further unbridled arms race extending on without end. Therefore, it is not unreasonable to hope that they will again be willing to negotiate constructively and seriously for the ban on the testing of nuclear weapons which would be a sound first step toward a working, enforceable system of arms control and disarmament.

If and when their attitude changes, we should be fully prepared to negotiate acceptable agreements. I know of no better way to insure such preparation than to enact the bill, S. 2180, to establish a U.S. Disarmament Agency for World Peace and Security, as rapidly as possible.

I ask unanimous consent to have printed in the RECORD two articles by Mr. Marquis Childs outlining the many factors which bear on the awesome decision now facing the President with regard to resumption of nuclear testing. Mr. Childs eloquently describes the many competing considerations which must be taken into account.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 4, 1961]

FEAR IS THE SPUR ON TEST DECISION

(By Marquis Childs)

So profoundly has the international landscape been altered by recent events that neither public opinion nor the political currents centering on the issue of war or peace have caught up with the change. The old arguments, the old slogans, the fears and hopes of the recent past, have almost overnight been outdated.

A measure of the change is that it can now be said with virtual certainty that the disarmament talks that were to have begun at the end of July will never be held. The end of this long road is already tacitly accepted both by Washington and Moscow.

Negotiation for a nuclear test ban is continuing in a semicomatose state at Geneva only because neither side wants to take the blame for breaking off the talks that have continued for more than two and a half years. How much longer the three delegations—British, American, and Soviet—will sit around the conference table is anyone's guess.

All this might have been foreseen in late March. At that time the Kennedy administration, having got agreement with the British on the full details of a nuclear test ban treaty, reopened the talks that had been recessed the previous October. Even before the formal discussion could begin the Soviet delegate, Semyon Tsarapkin, let it be known that Russia would insist on a three-headed control commission, with each head having a separate and independent voice—the built-in veto.

But because some progress had been made and because hopes had been so high that nuclear control and inspection duly ratified in a treaty would be a step toward disarmament and a way out of the nuclear jungle, Britain and the United States persisted. President Kennedy had said in the campaign last year that he intended to make another determined effort to reach an agreement. In the first days of his administration, with some encouragement out of talks held in December between Soviet and American scientists in Moscow, the ultimate problem seemed to be one of persuading the Senate and the American people to accept a treaty providing for mutual inspection to police a test ban.

The sole issue that remains, and it is a momentous, a truly awesome issue with the most far-reaching and frightening consequences, is if and when the United States is to begin testing nuclear weapons. Here, as with the flickering Geneva talks, each side is reluctant to make the break, knowing how much turns in world opinion on where the blame is placed for starting a new round of nuclear armaments.

Premier Khrushchev has said that if the United States begins new tests the Soviet Union will follow suit. Some officials believe Moscow wants to prod us into taking the first step in order to justify, to the accompaniment of a loud propaganda blast, a Soviet test series essential to bring Soviet weapons up to the American level.

Six weeks ago a momentous top-secret briefing was held in the President's office with all his principal advisers present. The case for and against testing was presented as objectively as possible by Harold Brown, director of advanced research for the Department of Defense.

Brown's presentation centered on two potentials that might be developed with further tests. One was the so-called neutron bomb—hydrogen fusion set off without the trigger of an atomic explosion, which kills all life without causing physical destruction. The other, even more deeply shrouded in secrecy, was the neutron flux which, if it can be developed, would have the force of an antimissile missile, causing the enemy's projectiles to fall inert without exploding.

The 25 or 30 men in the room listened largely in silence. Occasionally Gen. Curtis LeMay, designated as Chief of Staff of the Air Force and along with the most of his service a zealous advocate of starting new tests, prodded Brown on one point or another. In the end the President is said to have concluded, despite the wide range of opinions expressed following Brown's presentation, that the decision could wait for perhaps as long as a year. It could wait, that is to say, if the preparations for ultimately resuming testing were pushed in the meantime.

Now the President has named a special committee of scientists to pass on all the evidence and in particular to try to determine whether there is any real reason to believe that the Soviets have gone ahead secretly during the 2½-year moratorium to

develop new weapons systems. But this can at best be a delaying tactic. For with fear as the spur, the pressures will grow to take the plunge.

[From the Washington Post, July 5, 1961]

HOW THE WORLD LOOKS AT TESTING

(By Marquis Childs)

The only nuclear tests subject to detection during the past 2½ years were those set off by the French in their proving ground in the Sahara. Each of the four French shots was greeted with cries of anguished indignation by the African nations to the south of the Sahara.

Any pollution of the atmosphere by these primitive tests was negligible. Its menace to human life, either present or future, could hardly be subject to proof. Yet the very word "fallout" has taken on such dire and fearsome connotations that it sets off a wave of protest and that is particularly true in the underdeveloped and uncommitted countries.

It is a reality which cannot be ignored by policymakers in the West even though weaponeers tend to brush it aside in their zeal to get on with the job of perfecting ever newer weapons series.

World opinion is an important factor in weighing all the elements that must go into the decision on whether to resume weapons tests. The Soviet Union means, if possible, to place the blame for a new round on the United States.

A longtime objective of Soviet propaganda has been to identify the United States with nuclear armament and the indiscriminate use of mass death. That was particularly true before the Soviet arsenal included these weapons. But even since then one goal is plainly to try to neutralize the massive deterrence of the West, and swing the balance back to manpower under arms in which the Communist bloc far exceeds the West.

This is difficult to combat if only because the United States is the only nation ever to have used a nuclear weapon. Moreover, the bombs dropped on Hiroshima and Nagasaki were used against Asians. Propaganda to one side, that has had an impact among peoples of color impossible to exaggerate.

Would you have used it against Germany if you had had the bomb before V–E day? is a question repeatedly asked. Was not the war against Japan virtually ended when you decided to try out the weapon into which you put such a vast expenditure of effort and money? These are doubts and fears deeply rooted in Asian minds.

The crew of the Japanese fishing boat, the *Lucky Dragon*, suffering from radiation as a result of sailing into a restricted test area following one of the Eniwetok explosions helped to dramatize such fears. Leftwing and anti-American propagandists were only too happy to make use of the incident. In the French film, "Hiroshima Mon Amour," newsreel shots taken immediately after the bomb exploded showed the full horror to theatergoers in many countries.

The conscience of the world is deeply troubled. A new round of tests, even though they should all be conducted underground with no contamination of the atmosphere, will have an incalculable effect. It can be counted upon to increase the trend toward neutralism in England and the Scandinavian countries as well as in Asia and Africa. Reports to the State Department indicate that important segments of opinion in Britain would be alienated if it could be clearly shown that the United States initiated a new test series.

Add to this the fact that disarmament negotiation has all but been abandoned as a consequence of, first, the Soviet insistence in every negotiation on the three-headed monster—the built-in veto—that would prevent any effective control and inspection. Secondly, in the preliminary talks in Washington between John J. McCloy, the President's disarmament negotiator, and Soviet delegate, Valerian Zorin, the latter has insisted on trying to get McCloy to talk substance rather than the framework for discussion which was to have begun among several nations at the end of next month.

It seems evident that Zorin wants to make a case which he will take before the United Nations General Assembly in the fall charging the United States with refusing to discuss disarmament. It is a sad commentary that this comes just as the administration has moved to create a Disarmament Agency—the Agency for peace that President Kennedy talked about in his campaign.

"Hope deferred maketh the heart sick." That injunction from the Book of Proverbs has a special meaning for our time. The nuclear test talks had seemed to offer a way out of a long dark passage. To close the door with an order to resume the tests will have the look of an irrevocable step backward.

Mr. PROXMIRE. Mr. President, I also ask unanimous consent to have printed in the RECORD a statement by the Federation of American Scientists. The FAS is a nationwide organization of 2,000 scientists and engineers of all fields concerned with the interrelations of science and world affairs. Their statement expresses full support for the proposed U.S. Disarmament Agency. It also includes comments by five leading American scientists—Hans A. Bethe, Herman Kahn, Donald G. Brennan, Ernest C. Pollard, and Polykarp Kusch. Some of these scientists may not agree fully on the policies that the United States should adopt, but they unite in their support for the Agency which will provide a new framework of information and coordination for the all-important task of disarmament.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SCIENTISTS HAIL KENNEDY'S DISARMAMENT BILL; URGE PROMPT, BIPARTISAN ACTION BY CONGRESS

The Federation of American Scientists hails as a giant step forward the President's June 29, 1961, proposal to establish a permanent Government agency to undertake research, planning, and negotiation for the disarmament and arms control agreements which are and will continue to be necessary for minimizing the risks of nuclear war.

The President's proposal deserves widespread and enthusiastic bipartisan support in the Congress. Its prompt enactment is essential now, as much as ever before, to the deceleration of the arms race. Congress must also recognize and support the new agency on a continuing basis with ample funds.

This federation has for more than a decade urged our Government to establish a high-level Disarmament Agency. A year ago FAS stated, on the occasion of the 15th anniversary of the first atomic explosion:

"It is clear that our best efforts toward arms controls will be unavailing if the Soviet Union is intransigent. But the only way in which we can determine whether they share our goal is by negotiating with them. The goal of such negotiations is an arms control plan—perhaps the first of a series—which will increase our chances of survival and avoid significantly unequal effects on the military strength of East and West.

"If we make a complete effort to this end and fail, we will know that Russia is seeking arms control agreements only to improve her relative military position or to gain propaganda victories. If we do not make a complete effort, we will have failed to do that which it is in our power to do and which a minimum regard for our safety and our responsibility to mankind requires.

"This goal will not be easily attained. The federation appreciates, perhaps more clearly than many, that workable arms control agreements are difficult to create, propose, and negotiate, even when all parties recognize that such agreements are essential to survival. The scientific and technical problems, as well as the military, diplomatic, and administrative problems, of negotiating an arms control agreement are exceedingly demanding. Solution of the problem requires, at the very least, conviction throughout our Government of the importance of the goal, thorough investigation and evaluation of proposals, and creative thinking to develop all possible routes to agreement.

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"On this 15th anniversary of the nuclear arms race, let us recognize that while time is short, time still remains. We must no longer fail to do our utmost toward seeking arms control. The tragedy of ultimate failure is so great that we must make survival the first order of business and devote generously to the study of disarmament whatever talent and resources may be usefully employed."

The need for this agency was eloquently expressed by President Kennedy more than a year ago in his speech at the University of New Hampshire in which he said:

"The most gaping hole in American foreign policy today is our lack of a concrete plan for disarmament. * * *

"However, as each year passes, the possibilities of disarmament—or, to use a more realistic term, "arms control"—become more difficult. It is harder to limit growing nuclear stockpiles than the shipment of raw materials—harder to prevent surprise attacks once they can be launched from underground, underwater, or outer space. The engines of death are multiplying in number and the destructiveness on every side—the institutions of peace are not.

"No issue, in short, is of more vital concern to this Nation than disarmament; no issue could demand more priority of top-level attention than disarmament; and yet, this Nation has no consistent, convincing disarmament policy.

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"Plans for disarmament—specific, workable, acceptable plans—must be formulated with care, with precision and, above all, with thorough research. For peace, like war, has become tremendously complicated and technological. It is to the proper and effective solution of these complex technical problems of disarmament which I wish to direct my attention today. First, let me make it plain that I do not believe all the problems of peace can be solved by increased research—science and technology cannot fill our present gaps in vision, in leadership, and in sound, creative planning. But research can give us the vitally important knowledge which we must have if we are to lay the ground work for effective control of today's vast and complex weapons systems.

* * * * *

"But mere governmental reorganization is not enough. A new agency is not enough. Its recommendations must be integrated into our diplomacy and defense at the highest levels. Its work must be both supported and implemented by the State Department, the Defense Department, the AEC, and above all by the President himself, for only he can overcome the resistance likely to arise in those agencies. It will need strong leadership, imaginative thinking, and a national priority of attention and funds.

* * * * *

"But we owe it to ourselves—to all mankind—to try to give peace more than our words and our hopes. 'Give me a fulcrum,' Archimedes is reported to have said, 'and I can move the world.' Perhaps this new agency could provide our Government with such a fulcrum. And perhaps then we, too, could move the world on the road to world peace."

President Kennedy is to be congratulated for redeeming his campaign pledge to urge creation of such an agency. We trust that the President will now make every necessary effort to mobilize the public and the Congress to the fulsome and bipartisan support of the Disarmament Agency.

The goal of disarmament will be difficult to attain, and the route to that goal will be long and arduous. But the job will never be done unless we equip ourselves for the task. And the creation of the Disarmament Agency is an elementary and long-overdue first step along that route. That first step must be taken promptly.

Comment by Prof. Hans A. Bethe, theoretical physicist and chief of the theoretical physics division at Los Angeles during World War II. Dr. Bethe has been a consultant to the Los Alamos Laboratory since 1947 and was a member of the U.S. delegation to the Geneva test ban negotiations. He won the Atomic Energy Commission's Enrico Fermi award in 1960 for his contribution to nuclear physics. Dr. Bethe is a member of FAS.

"For a long time there have been need for organized thinking on disarmament and for an agency within the Federal Government responsible for this thought and for the preparation of international negotiations. I urge top-priority consideration and support for the bill to establish the U.S. Disarmament Agency for World Peace and Security."

Comment by Dr. Herman Kahn, physicist and mathematician, strategic analyst, and military planner. Dr. Kahn is the author of "On Thermonuclear War" (Princeton, 1960). He has also written and lectured widely on civil defense and other aspects of national security policy.

"It is disgraceful that we have not created such an agency long ago. While organization and research alone will not make the world safe, they are likely to play a major role in facilitating any action. We must make an effort with the scope, vigor, and imagination embodied in the draft bill."

Comment by Dr. Donald G. Brennan, research mathematician and communication theorist at the Lincoln Laboratory of MIT. Dr. Brennan is the editor of "Arms Control, Disarmament, and National Security" (George Braziller, New York, 1961) and was guest editor of the fall 1960 issue of Daedalus, devoted to arms control. Dr. Brennan is a member of FAS.

"The President's Disarmament Agency bill is excellent and will, if enacted and suitably funded, at last equip our Government to do the hard work and intensive scientific, political, military, and economic research necessary for the formulation and evaluation of arms control measures. To those of us who have long sought and supported such legislation, the bill contains all of the necessary authority to tackle systematically our most serious national problem—the preservation of our Nation and the prevention of nuclear war. In the 1960's, the President's bill, if enacted, may prove to be our single most important step toward decelerating the arms race.

"Creation of the Disarmament Agency by Congress should, therefore, be prompt, enthusiastic, and nonpartisan."

Comment by Prof. Ernest C. Pollard, biophysicist and formerly chairman of the department at Yale University. Dr. Pollard was chairman of the advisory committee on science and technology of the Democratic Party and worked at MIT Radiation Lab and for the War Department's Office of Scientific Research and Development during World War II. Dr. Pollard is a member of FAS.

"I believe this agency is essential for long-term planning for peace. It is the only way to avoid negotiation in crisis many times in the future. In my opinion, passage of this bill is the most important action that Congress can take this summer."

Comment by Dr. Polykarp Kusch, nuclear physicist and 1955 Nobel laureate in physics. Dr. Kusch is chairman of the physics department at Columbia University and was active in atomic physics during World War II. He served on the advisory committee on science and technology of the Democratic Party.

"A great many of the factors that make contemporary war a historically unprecedented hazard have a technological origin. It is also true that the same technology that creates this hazard can bring men together and can be used to improve the lot of all men everywhere. It is my belief that every effort should be made to use the knowledge of science, the skills of technology, and every other talent of man to promote the cause of peace. I am certain that a new agency, free of domination by the military and other traditional agencies of Government, will find new and novel approaches to make our now rapidly increasing knowledge and skill real weapons in forging the peace."

ORDER OF BUSINESS

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the Senator from Minnesota [Mr. McCARTHY] without losing my right to the floor.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

AUTOBAHN

Mr. McCARTHY. Mr. President, in January of this year the Berlin Illustrirte, the German pictorial magazine published in West Berlin, issued a special edition in English devoted exclusively to West Berlin. It depicts the cultural, religious, economic, political and social life of the 2½ million people who live in that island city. It is well worth reading.

One article written by Mr. James P. O'Donnell, formerly Berlin correspondent for Newsweek and the Saturday Evening Post, is entitled "Autobahn." It tells of Mr. O'Donnell's ride from West Germany through Russian controlled middle Germany into Berlin, but more importantly, it describes the importance of this highway as a means of communication between Berlin and West Germany.

Mr. O'Donnell sets forth very clearly the history of the rights of the United States to use the autobahn based upon the London protocols of September 1944. In accordance with those agreements American troops pulled back from Thuringia, upper and lower Saxony, and parts of Mecklenburg, territory then inhabited by 9 million Germans. Russian troops pulled back from West Berlin, the population of which was then 2 million. The Western Powers are in Berlin by virtue of the authority of the same agreement which put the Russians in territory originally conquered by American troops. The Russian troops were invited to occupy territory conquered by U.S. troops, such as Magdeburg and Helmstedt—invited by us. So, also, were the three Western Powers invited to occupy West Berlin by the Soviets. This was all agreed to in London in 1944. The right of access to Berlin stems from these same agreements.

Mr. President, I ask unanimous consent that the article "Autobahn" by Mr. O'Donnell be printed immediately after my remarks in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AUTOBAHN

(By James P. O'Donnell)

Some call it "nightmare highway." To the tens of thousands of Americans who have served in Berlin since 1945, the long yellow ribbon of cement highway from Helmstedt to Berlin has become the Burma Road of the cold war.

For the millions of Americans who have never seen this autobahn, but whose national destiny is now engaged by solemn pledges to keep open the access route to free Berlin, it is time again to describe what is happening along this most important road in the world.

On the map, the drive looks simple enough, 110 miles, due east, a double-lane superhighway, not unlike the drive from Baltimore to Philadelphia, or the length of the New Jersey Turnpike. The ride should take less than 3 hours. But here, through the last 15 years, a mass of hedgehog controls has grown up, a kind of medieval madness in the heart of central Europe.

We come to the first of many autobahn ironies. All the time we will be driving from Helmstedt, a provincial town in West Germany, to Berlin, the historic capital of Germany. And yet the Iron Curtain barriers here are more formidable than any international frontier in Western Europe today. Indeed, more stringent, and time consuming, than the border of the Soviet Union itself, where one enters at Brest-Litovsk. How did it all begin, how did this menace of a permanent traffic jam become a serious threat to world peace? Today, for what must be the 40th or 50th time, I approach the Helmstedt checkpoint, destination Berlin. The scene is normal, or what passes for normal here at Helmstedt.

At the first or allied checkpoint a brisk British major, Royal Signals, leading a convoy of some dozen lorries, is presenting his military travel orders to a young Soviet captain, one copy in English, one in Russian. The captain peruses them, stamps them, makes a notation in a book. Then he salutes and waves the convoy through. The major returns the salute. All is formal, has become ritual. It is a political ballet—with no last act.

A kind of play within a play, the routine is swift compared to what we shall soon see; but every small gesture is articulate. The nonchalant Britisher is asserting the Western allies' right to proceed to Berlin unmolested. The silent Soviet captain is asserting his right to control—to see, but not to oversee. Premier Khrushchev, in November 1958, tried to write a brusque last act to this symbolic pantomime. He dropped the hint, seeming simple but loaded with chicanery, that Moscow was about to turn over the functions of this Soviet captain to the Communist East German authorities. One has only to drive another few hundred feet ahead to discover why this scheme was, in fact, a loaded ultimatum.

For beyond this casual allied checkpoint today looms the mammoth control apparatus

of the East German Customs and Paramilitary Police (called Vopos)—a half-mile of loading and unloading sheds, scales, barriers, custom booths, tollgates, passport checks, currency controllers. Through this grim gauntlet, like wary beetles in a bottleneck, are slowly weaving the giant diesel trucks which today and every day keep open the lifeline to Berlin.

East German officials are examining the papers of all civilian traffic, allied or German, and the bills of lading, in sextuplicate, of all Berlin trucks. But the East Germans act in the presence, and under the orders of, the Soviets. The removal of the Soviet captain, Khrushchev's threat to give marionettes their own strings, would make the East Germans sovereign here at Helmstedt. Their present throttle on Berlin traffic would then become a stranglehold.

Thus this autobahn has become a barometer of Bolshevik intention. "Finnegan blockades," on again, off again, are the most frequent form of nerve warfare. As an American civilian, not traveling on military orders, I too must pass through this East German control. It is slow but perfunctory.

Meanwhile I chat with truckers who left West Berlin at dawn. It is past noon now and they are clearing their last papers, a mere 4 hours delay. In the past, I have seen them stacked up for from 7 to 70 hours. But today the green light is on—from Moscow.

So familiar is the scene, and so heartening the spectacle of the truck-and-trailer parade, that I forget for the moment that my mission is not to push on to Berlin, but to pause here and roll back the newsreel of memory, back in 1945 when this autobahn mummery began.

In the high summer of 1945, the first weeks of the Four Power occupation of Germany, the Red army established a control point here at Helmstedt, a most casual one. A single watch house was set up by the side of the road, later two small peppermint pole-barriers, manned by one or two Soviet soldiers, usually noncoms. Their job was to examine the travel documents of Americans, British, and French proceeding to and from the German capital.

These travel orders had an attached Russian translation. Sometimes the Soviet GIvan would scan them dutifully, hold them upside down, or simply wave you on. In lieu of proper travel orders, often a passport, a used airmail envelope, or a life insurance policy would do in a pinch—anything with a stamp or "Propusk."

Usually this lonely Soviet sentinel was friendly, although now and then one met a morose Asiatic. Sometimes he was sober, more often pleasantly spiffed. One lonesome corporal from the steppes once delayed me simply to show off pictures of the gal he left behind the Volga, a Slavic Lili Marleen. We were allies.

How did this Soviet picket first get here, in his small striped watchhouse, here at Helmstedt, 25 miles west of the Elbe River? Not, as so many people wrongly assume, by right of conquest. He came by invitation of the Western Powers, part of the same troop shift that brought the Western garrisons into Berlin.

Today, as I drive off now toward the Elbe, I recall yet once again those hectic days of early April 1945 when troops of the American 9th Army were rolling down this same stretch of Autobahn on the high road—we thought—to Berlin. Helmstedt itself was taken on April 9. Three days later, April 12, the day of the death of President Roosevelt, advance elements of the U.S. 2d Armored Division captured the large city of Magdeburg, and were assembling on the Elbe River to prepare a crossing.

Now comes a curious moment in American military history. I stood on the west bank of the Elbe that morning and watched elements of a combat command make a routine river crossing. Once across the Elbe, in early afternoon, our GI's ran into brisk fire from the last-stand German battle group. Suddenly came the order to pull back. This road to Berlin became the road not taken.

Important today is not the now fruitless debate whether American troops should have rolled on into Berlin, how difficult or easy it might have been in a military sense. The pullback order on the Elbe was a high-level political decision, in strict accord with wartime protocols signed in London in September 1944 between the Western Powers and the Soviet Union. This wartime agreement, dividing Germany into zones, and providing for a special Four Power status for the German capital of Berlin, is the basic document on which our Western rights along this Autobahn still rest. If they are not absolute, they are substantial.

There is a direct link between the presence of the Soviets at Helmstedt, on German soil captured by American armies, and the Western presence in Berlin. It was confirmed by Marshal Zhukov in his first meeting with General Eisenhower in Berlin, on June 5, 1945. Indeed, the Red army marshal insisted that the American armies still deep in the German provinces of Mecklenburg, the two Saxonies, and Thuringia be withdrawn before the formal entry of Western troops into Berlin in early July 1945.

It is about a 30-minute drive from Helmstedt to the Elbe Bridge. Today a new steel bridge is a reminder of the hocus-pocus Marshal Sokolovsky, Zhukov's successor, played with the old war-damaged bridge, one of the signals of the Berlin blockade of 1948. In those days there was less Soviet attention to the fine legalities. Stalin was confident he could starve Berlin into submission. All through traffic along the Autobahn ground to a halt; barriers were down for almost a year.

The roaring miracle of the airlift, and the silently effective weapon of counterblockade won a victory that could have been more complete. The Jessup-Malik agreement at the United Nations, followed by the 1949 Paris Treaty reaffirmed, yet once again, the Western presence in Berlin. But these fresh agreements failed to nail down what all close observers of Autobahn realities already knew to be necessary—unhindered transit between West Berlin and West Germany, what General Clay and Mayor Reuter called a policy of the open road. Under the blockade, indeed because of it, two utterly different German economies had emerged. West Berlin was now linked to the rapidly reviving, soon booming economy of West Germany.

A basic overland link was this same Autobahn. Driving today from the Elbe Bridge, through the heart of the communized zone of East Germany, more than a decade since the blockade, what we are really watching is one economy flowing through another, like a river with hostile banks, a free economy rolling through a slave one.

It is a unique spectacle. Now we are but an hour from Berlin, entering the pine and lake country of the plain of Brandenburg. The loneliness of the "zone of silence," Soviet Germany all round us, is broken by the intermittent but welcome roar of the great trucks, 20-tonners, heading out from Berlin, westbound.

I pause by the roadside to make a precise count. Every 2 minutes, a truck heading west passes a truck bound east. These Berlin truckers salute each other, now with horns, now with winker signals, fiercely proud that their long-distance hauling is keeping a great city alive.

Where are they heading? Those lumbering west are loaded with finished industrial products—radios, generators, TV's, machinery, processed foods, to be sold in the markets of West Germany, in Holland and in Belgium, in France and as far off as Italy. Berlin-bound trucks bring bulkier products, raw material for the factories, fuel, and food for the Berliners. A careful breakdown will show, however, that for every three trucks heading toward Berlin, two return unloaded. One empty truck is normal—it represents the lower economic value of bulk imports versus quality exports. But the second empty truck symbolizes the margin of subsidy. Berlin industry must someday balance its books by filling this second ghost truck.

The inspiring show of free-flowing traffic does not last long. In another half hour, we approach the checkpoint of Dreilinden. The scene here is the Helmstedt open-air roadshow in reverse, right at the city limits of Berlin. But somehow, perhaps because it is nightfall, or the rain, or the garish floodlights, it seems more forboding. There are almost as many trucks here, stalled by paper formulas, as I have met along the 110 miles of open road.

Travelers from the Western World tend to be anxious, overanxious, to pass this last dreary control and breathe the free air, the wonderful free air, of West Berlin. For 40 minutes now I stand in a queue with a few other foreigners—a Belgian calico salesman, a Swiss doctor and his Italian wife, a French student at the Free University of Berlin. But most of our companions in the long line are German. What are they talking about?

Despite a score of flaming red placards, screaming hostility, inciting German against German, one is soon aware how little it all registers. Despite an occasional gruff Vopo, despite two Soviet officers who survey all and say nothing, these Germans, West and East, are fraternizing. They exchange a hundred little barbed comments that point up the great absurdity—this artificial gulf that today separates the Germany of Goethe, Beethoven, and Schiller from the Germany of Luther, Bach, and Kant.

As Western statesmen proceed, yet once again, toward the summit, let no one stumble into the illusion that the Berlin problem is a local issue. Proposals for a free city, a kind of Danzig on the Spree, are dangerous nonsense. No solution of the Berlin issue is better than a bad solution, and no solution will be lasting that does not remove the barriers today separating Germans from Germans.

This is the real lesson of the autobahn. In 1945 the Soviet armies advanced to the Elbe, and behind that advance the commissars of tyranny have spent 15 years practicing 20th-century colonialism in Eastern Europe. The attempt to strangle and engulf Berlin is part of the master plan. Our Western response, tardy but emphatic, has thwarted that plan. Every truck that enters Berlin inspires not only all Berliners, it keeps a little light burning in Dresden, Warsaw, Budapest, Prague, and Bucharest.

"A TIME FOR COMPASSION—A TIME FOR EXCELLENCE"—ADDRESS BY SENATOR HUMPHREY

Mr. McCARTHY. Mr. President, on June 15 and 16 over 1,200 delegates to the Eighth National Conference on Economic and Social Development gathered in Washington. Their program centered upon one particular aspect of legislation which occupies our attention. Members of farm, labor, church, civic, business, and women's organizations joined to discuss foreign aid. Government leaders were called upon to inform these men and women about prospects and programs for the Peace Corps, ICA, food for peace, land reform, cultural exchange—almost every area under consideration as foreign aid.

After President Kennedy's address at a meeting of the full conference on Friday noon, my colleague from Minnesota [Mr. HUMPHREY] spoke. His address was a realistic appraisal of foreign assistance. I believe the statement made by the Senator from Minnesota [Mr. HUMPHREY] deserves consideration and thoughtful attention.

I ask unanimous consent to have a transcript of the address printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A TIME FOR COMPASSION—A TIME FOR EXCELLENCE

(Address by the Honorable HUBERT H. HUMPHREY to the Eighth National Conference on International Economic and Social Development, June 16, 1961)

First of all I want to say what a great opportunity it is to share this platform today with the President of the United States. The President gave us a splendid message. In a sense, it was a fighting message. I think the President, above all others, knows that we are having difficulties in the Congress with our foreign aid program. What the President was attempting to say and what he said so well and so directly to you was that we need your help. It was a "call to arms," so to speak, a call to action. If you are going away from this luncheon today with only the thought in mind that you have had an experience that few other Americans have had; namely, that you heard the President—that you saw the President, and that he looked good, that his voice was strong, that his message was splendid—if that is all that you are going to do after this luncheon, then I hope you enjoyed the meal.

Very frankly, I think luncheon speeches should have a greater purpose than merely trying to prolong the time of the meal. A luncheon speech should be, at least in this instance, a dramatic call to action for you to go back to your communities, to mobilize support—first, of understanding and then of our international efforts here in the Congress of the United States, and, indeed, in the many organizations that you represent.

I am very pleased that the President today saw fit to speak to us so candidly about the problems of waste, the problems of mismanagement, as well as about the achievements, the fulfillments, the accomplishments and the victories of our international program of our foreign aid. In our visits occasionally (when I say "our visits" I mean the Members of the Congress when we have the privilege to visit with the President and his advisers and Cabinet officers) we have urged that this record of achievement be brought to the attention of the public, along with the headlines of mistakes.

Let me just lay it on the line to you. This world is not a Communist world. The Soviets are not winning. The nations around the periphery of the Soviet Union have not fallen into the lap of the Kremlin, people do want to be free and, above all, they want to remove themselves from the unbelievable burdens of misery which have been their lot throughout the centuries.

I think it is about time that those of us who carry this banner of compassion, of understanding, and of freedom stand up and be a little more erect, a little more confident, a little more willing to face the facts of life, the good as well as the bad, or the bad as well as the good. When we do, I think that the picture will seem a little more reasonable and a little more pleasing.

I told a story at Brandeis University which Mr. Taft may remember. An English anthropologist visiting the early American Colonies went back and wrote a report on his observations of the life of the Indian. He wrote the following in his professional journal in the early years of the 18th century: "I visited the Colonies. I observed the habits of the Indian. All Indians walk single file, at least the one I saw did."

His account reminds me so much of those who constantly condemn our foreign-aid program as being wasteful, inefficient, ineffective, a loss, a failure. These critics hear of some one place, or some area in which foreign aid has not done its job. Yes, my fellow Americans, if you want to judge the foreign-aid program on the abuses that you have found in it, the mistakes that we have made, then, indeed, all foreign aid is a loss, at least the one instance I saw was a mistake, and I have drawn my conclusions from it.

Now, this is not to say that the foreign-aid program cannot stand revision. It is, in fact, getting a good working over every hour of the day. I left a 2-hour session this morning. May I say that our conversation with representatives of the administration was not exactly a love feast. It was a frank, honest, heart-to-heart talk, a heated discussion over what some of the members of the U.S. Senate Foreign Relations Committee thought ought to be in a foreign-aid program. It was a critical examination of military assistance; a critical evaluation of political judgment; a careful examination of economic assistance: and an even more careful examination of what we call long-term financing, the development loan. This kind of discussion is desirable. But some Members of Congress need to be reminded that we are examining this program to strengthen it, not to destroy it. Make no mistake. The United States of America will not forsake her responsibilities. We have no choice but to continue aid. We cannot stop. We cannot fail to shoulder our share of the world's responsibilities. We cannot withdraw into the caves. We have to stand on high ground. And since this is the case, I think we ought to know what we stand for, and what we are going to do as we make our stand. That is your task when you go back to your communities.

I'm not here to explain all the intricacies of foreign aid; the experts have appeared before you. But I am here to ask you to mobilize civic groups, to mobilize political action, to let the world know and, first of all, to let the Congress know, that you want a foreign aid program—a foreign aid program that fulfills, No. 1, the democratic dimension of promoting economic, political, and social reform. We want a foreign aid program that offers to the people of the world a better life. We would want it even if there weren't any Communists around to scare us into it.

There isn't anything new in the world situation. There is just a new awareness of it. May I say there is a classic example of this awareness in respect to Cuba. All at once Americans are excited about Cuba, and there is reason to be. But let me tell this audience that the poverty of Cuba of yesterday was there 3 years ago. The people were sick, they were the victims of economic exploitation. They had no knowledge of political liberty or freedom then or now.

So what were we concerned with? What was the talk in this Nation about Cuba prior to a year ago? The Hilton Hotel, the country club. I remember motions and amendments brought to Congress for tax exemptions for some people who needed no tax exemptions. And I say that we are possibly paying the price for that callused indifference to human need. Possibly Castro is the burning flame that will remind us of our social and political and economic and moral responsibilities in this hemisphere. I think he is.

I am not for foreign aid just because it promotes an opportunity for America to send people around the world. I'm for it because it is in my heart. I am for the foreign-aid program, I am for what we are trying to do, bilaterally, unilaterally, multilaterally, through the aid administration, through our multilateral institutions, and through the United Nations, because it is the right thing to do.

I want to say to this audience—and I am sorry that some of our Government people have left—if our motivation is out of fear, if our motivation is only to stem from some other political system—and if that is our only motivation, then we weaken the strength and purpose that is ours or could be ours. I want Americans to get on fire with a righteous cause. I want us to be so on fire with the belief in people, in their destiny, their enlightenment, their enrichment, their better life, that nothing can stop us. I want Americans to have a cause, a purpose, a dedication, and I want that dedication to be so clear that even the most illiterate person in the farthest corner of the world can understand it without any detailed explanation.

This sense of purpose ought to be like a neon light on the horizon of the world. We should declare war, not in the sense that some ask for, but as former President Truman once said, against man's ancient enemies. We intend to win a war against poverty, against hunger, against disease, and ignorance. Let me tell you something. We can win it. There isn't a single force that can stand against us. We are either going to win it or we are going to lose ourselves, that's what this oneness of the world means.

Sometimes I wonder what comes over us. We stand in amazement at the ability of man to orbit this earth. We know how rapid transportation is. We talk in terms of flying to one part of the distant world within an hour or 2 hours. Yet for some reason or another, we think that the social and economic injustices that are literally on our back door are not literally in our own home. They are. You cannot escape the evil of the earth. You cannot escape its restlessness. You cannot escape the misery of your neighbor, no matter how many walls you build. We are attempting to tear down these walls. We are attempting to extend the hand of partnership as a good neighbor. We are not, as I said to a group yesterday, seeking to dominate anyone. America must never become a dominator—it must become a cooperator.

We need really to be a part of all humanity, not apart from it. We need to get off from the high stand and get down with the people. If we don't, they will accept our money, take our technicians, and turn against us, just as surely as you are gathered in this room.

Now, none of this is new, but it does carry a new sense of urgency. Sometimes I wonder whether we can get these results through peaceful evolution. I have wondered whether or not those who have so much today are willing to share it. I have seen very few examples in history, fellow Americans, where the mighty and the powerful and the aristocrats of privilege have been willing to give it up, without violence. I am reminded again and again of the chapters of history from time immemorial of where the handwriting was on the wall, but people were blind, and refused to see it or to read it or to understand it. I am hopeful that somehow or another, this time we will be able to get people to understand before it is too late.

We have, indeed, talked about world revolution. There is a "revolution," that's a fact. Like our President, I am not afraid of that word. I believe in revolution, revolution for progress. I believe in revolution to eliminate injustice, and inequities. And I

believe in the change that is required by the technology and the demands of our time.

I don't think it is enough just to send Federalist Papers, the Declaration of Independence, and a copy of the Constitution to people to preach our doctrine of freedom. These are important. But what is more important is to have the spirit today of those who wrote those documents, of those who signed the Declaration of Independence when they said, "We pledge our lives, our fortunes, and our sacred honor."

They didn't say, "We are going to pledge 1 hour a week of our life," or "10 percent of our fortune," and "very little of our honor." They pledged it all, and I am of the opinion that until the forces of oppression and tyranny in this world understand that those of us who believe in and live in freedom are willing to pledge it all, there will be no victory, there will be no change for the better.

Now we have seen what all of this means in daring plans—Marshall plan, and point 4. These can excite the world. Point 4 is still good language my friends. Don't you forget it. Point 4 stands for something throughout this world. Technical assistance? Yes.

Now, I believe there is another historical policy change. I mentioned it to you, and the President outlined it for you so well. We are determined that our aid shall be deployed as an incentive for genuine economic, political, and social reform. I am happy to be a part of this administration, of this Government to be a working part of this. I want to make it quite clear that if any of you are supporting foreign aid because you think we are going to support the status quo, you are in the wrong meeting, you are in the wrong group, you have the wrong purpose. There needs to be a fundamental change. Our goal isn't to buy any flag-waving friendship of corrupt dictators or corrupt governments. Our goal is to promote a real partnership, and to promote it with the people, some of whom our people have never met.

To some of my friends in the State Department, let me say, "Get acquainted with the other side of the street." Let me say to our friends in this Government, "Get acquainted with the people that elect us." Very few men are elected in the country clubs. Very few men are elected by the so-called political and social elite. I enjoy the good life, but as a politician in this great America, I know that my stay in office is dependent upon my service to the overwhelming majority of the people of my constituency. Our foreign-aid program is entirely the same way. But all too often we have been afraid to offend the powers that be. Those powers that be do not need to be offended. They just need to be reminded that we are not engaged in the pursuit of the preservation of the past. We are engaged in the pursuit of orderly change for the future.

Your discussions here today have all included this point—land reform. I know you mean it. But land reform needs to be more than a token. May I say to those who love freedom, "Either divide your land freely or someone is going to do it for you, forcibly." We must talk this way to friends and neighbors throughout the world.

Now regarding social welfare. I know one of the reasons our foreign-aid programs have had some trouble abroad. We haven't wanted to use the word "welfare" at home, and you know it. You can't export something you don't have, and you can't export something that you are ashamed of without having people discover your duplicity. You cannot say that planning is antifreedom in America, and then demand that people overseas plan. You can't say in this new foreign-aid program that you need a country administrator to coordinate things, to see that everything is planned and orderly and then deny the same kind of coordination back home. I am for planning. I am for the better use of human and physical resources. I am planning without coercion. I am for planning through cooperation, and I emphasize the word "cooperation," which leads me to another point.

Just before I came here today I asked certain members of our Government, "How many Government people do you have promoting cooperatives overseas?" I left a committee room where there were 11 military assistance specialists and 3 for other programs. I complement our military. They know what they are doing. They have been given a mission and they perform it. But I want to know how many people this Government has on its payroll in the State Department, in ICA, or any place else to promote consumer cooperatives, producer cooperatives, credit unions, farmers' cooperatives, health cooperatives, housing cooperatives.

I want to know how many specialists we have, how many consultants. Have we tried to take an inventory of our talent at home? With whom are we working abroad? Who are the people that we can talk to and work with? I want to know because cooperative housing is a must in Chile, and in Peru, and farmers' cooperatives are the only way that I know to save this area of the world from collectivism. They answer the Communist collective. This is the democratic cooperative. And everybody knows it.

And let me make it quite clear to you, if I have anything to say about it, and I am, there will be no foreign-aid program reported from committee until I find out how this Government intends to promote these objectives in specifics. I can make good speeches and I am not making a bad one now. It is one thing to talk about health, it is one thing to talk about land reform, it is another thing to spell it out in detail. And some of us are slow learners. I like to see it audiovisual. And we are going to insist that we see it. As a matter of fact, specific planning is being required of witnesses in the present hearings.

Let's have our embassies, as well, reflect this country. Yes. I am going to lay it right on the line. I don't think the activities at embassies should be reported only on the social page of the newspapers. I don't think the American people ought to get the idea that foreign embassies in this Capitol, and American representatives in other Capitols are primarily engaged in social functions at embassy receptions. Of course, they're not and I am not saying they are. Yet I submit, my friends, that a larger section of the metropolitan press of this city is given over to the report of social activities than they are to accounts of how many children are going to school in Peru; or how many children are going to school in India; or how many hospitals do we and others in cooperation with us plan on building next year.

I would like to read in the newspapers that we are discussing a foreign-aid bill of approximately $5 billion which will be spelled out in schools, hospitals, land, jobs, industries, teachers, doctors, nurses, and all that we can understand. And I would like to read that we are talking about more than $5 billion—there is more that you don't see and you know it. We have investments in many multilateral activities which must receive the same kind of scrutiny as the main bill.

Now, when I speak of revamping our embassies, I mean just that and we need your help. The Congress has taken a dim view of labor attachés. Yes, that is right. Some Members of Congress have just denied money which could be designated for labor attachés. Listen, my friends. The Communist movement, if that's what you are primarily worried about, seeks as its first target the labor movement. We need an inventory of all the available competent labor talent in America. We need to have priority to strengthen every American embassy throughout the world with good, honest, trade unionists who understand the importance of organization, of collective bargaining, and of all that the labor movement means in a free society.

I am for representation allowances, but if as much time were spent in the Congress of the United States in debate on whether or not we ought to have a cultural attaché, a labor attaché, a social welfare attaché as to whether we should have representation allowances, we would have a better country and a better foreign policy.

I have been around. You know I am not a theorist about this. I don't lay any claim to perfection, that's why we need men like Dean Sayre. I am not like him, I know. I have never run on the "Purity ticket." I submit that our embassies need to exemplify what this country really is.

This country is agriculture, for example. I noticed the other day where a certain country was going to have some of its farmers go to Russia to find out about agriculture. Well, may I say, this is what we might call studying failure. I have much respect for many of the Russians. I have a great deal of respect for their science. But I want to tell you something, my friends. Do not downgrade our agriculture in the eyes of the public and in the world's public image of America. Agriculture is the greatest success story America has to offer today. There has never been anything like it. Never.

And I want our embassies to be filled with educators; people who understand health and health problems; administrators for cooperatives; labor specialists; social welfare specialists; we need people to work with others on the scene, on the spot, in these areas of human improvement.

We need the best of our people, as the President said today. This means that they must come forth from industry, from labor, from cooperatives, from education. We need the best because this is a time for excellence. We cannot afford mediocrity. Our Foreign Service people must understand theirs is not merely a job; it is a mission. They must recognize that this new foreign-aid program does not provide an occupation; it offers a challenge. They must know that their assignment is not merely an opportunity for travel; it is a chance to work and to build.

I am saying that our oversea missions should reflect the whole of the American community. We Americans are not all diplomats, at least not Machiavellian diplomats. We are doers, we are builders, we are teachers, we are healers, we are producers. We glory in the love of learning and in the excitement of achievement. We are dedicated to human welfare. We have more voluntary organizations dedicated to human welfare than does all of the rest of the world put together. And I am proud of it.

The Prophet Isaiah tells us, "Where there is no vision the people shall perish." The vision we ought to offer the peoples of the world, unashamedly and proudly, is that of democratic, social, and economic revolution. In order to do this, we must be willing to demonstrate concern and compassion. This is not just a job; this a commitment. We need to call upon all of our resources, not just the Government. The Government is just like the tip of the iceberg. The real strength of America is below, in the people, in the communities.

You and I dream of sending a man to the moon, and the President said we would do it, and he outlined how—with sacrifice, commitment, a plan, and a program. I say that within this same decade, we can do something even better. We can have a higher goal. In this decade, with less effort and

at one-tenth the cost, we could banish famine from this earth. Never again need a man know the pains of hunger. If this is our decision, I suggest that we announce our intention to banish hunger from the earth.

Let me ask you, Is one man on the moon more important in your lives than half of humanity committed to misery. Better than half of humanity now lives in misery.

Yes, we can create a world in which the family of man is no longer divided between those who live on the sunlit hills, and those who live in the sunless and dirty slums. We can build a great cathedral of freedom, which can house all of mankind. The road ahead is long. The President has told you that it may be three decades or more. I agree. But so what? If you are tired, retire. Get out of the way for people who are not tired.

The Chinese have a proverb that goes something like this: "A journey of a thousand miles begins with a single step." We are making those single steps now, and I think that we are taking another step today, indeed, this very hour. You are dedicating yourselves to mobilization and that is the crux of this beginning. This is a mobilization meeting for peace. I love that word and all that it means. This is a call for progress, a mobilization of the minds and hearts of all Americans who are looking forward to a decade for developing brotherhood. And while we are developing brotherhood, let's live it.

Unless we set an example of human dignity, an example of respect for humankind and for human equality, $5 billion of foreign aid, $4½ billion of foreign aid will be a waste, a loss. In fact, it will be poison.

At every opportunity, I repeat that the fulfillment of human rights, the protection and guarding of those rights, the maintenance of human rights, the expression of civil rights, is no longer just morally required, and morally right. We have known that for centuries. Civil rights is no longer just politically desirable. Many men in public life know that. The fulfillment and the protection of, and the devotion to, human rights and the elimination of every trace of bigotry, discrimination, intolerance is an international security imperative. And you know it.

I must conclude now and return to my job—a job to which I am committed, the mission of being a public servant. But in leaving, let me remind you not to think of foreign aid merely in terms of the dollars—important as it is that people understand that 80 percent of our spending is for domestic investment, if we must use that argument. What the world needs to know more than anything else is that we care, that we believe in people, that we seek to alleviate their suffering. The world seeks to know that we are healers and teachers and providers. It wants to know above all, that we have faith in the destiny of others and others have faith in ours.

I think this is why we are here. And I now charge you with the responsibility of action. Don't you let us fail for one moment. Go to it.

Thank you so much.

Mr. McCARTHY. Mr. President, I thank the Senator from Wisconsin.

FEED SHORTAGE IN WISCONSIN

Mr. PROXMIRE. Mr. President, the feed shortage in northern Wisconsin has reached the crisis stage.

The light snowfall and cold temperatures last winter killed off old legume stands. Now the severe, devastating drought has shriveled hay and grain crops.

Even if rain should now fall, feed production will be no more than one-third of normal. Farmers will be forced to sell many cattle in order to feed the others.

The following three emergency measures should be adopted at once by the Department of Agriculture:

First. Release soil bank land and feed grain diverted acres in and near the drought areas for pasture or harvesting hay.

Second. Extend the already operating livestock feed program beyond the present August 15 termination date.

Third. Help transport hay from southern Wisconsin and other surplus areas into the drought area.

The drought emergency is especially severe in the following counties, which have been designated by the Wisconsin State ASC Committee: Douglas, Bayfield, Ashland, Iron, Florence, Sawyer, Rusk, Price, and Taylor.

FARM PEOPLE SUPPORT SOCIAL SECURITY MEDICAL CARE IN WISCONSIN POLL

Mr. PROXMIRE. Mr. President, medical care for our Nation's older people is not just a problem of our cities. In the country, too, on the farms and in the small towns that make up rural America, the need for adequately financed, modern medical care is great.

How to pay for the miracles of modern medicine is a question which has aroused a great debate throughout our land. The pros and cons of each method are being carefully weighed, not only by the older people who have the most immediate interest, but also by all other citizens who will share in the costs and benefits of any Government medical program.

The distinguished weekly farm newspaper, the Wisconsin Agriculturist, in its issue of July 1, 1961, published a poll taken among farm people in Wisconsin.

Mr. President, the Wisconsin Agriculturist has been remarkably accurate, in election after election, in predicting how Wisconsin farmers would vote. Often the predictions have completely contradicted the expectations of most observers and reporters, but the Wisconsin Agriculturist has been amazingly accurate.

The conclusions of the poll are most interesting, and, I believe, highly significant. Of all those who said they had heard anything about medical care for the over-65 group financed through the social security system, a full 61 percent stated that such a plan should be adopted. Only 8 percent said it should be turned down.

These figures are all the more remarkable because farm people, and others who live in country areas, are traditionally conservative. The evidence of this poll clearly indicates that a large majority of these people support a program of old-age medical care financed through the efficient and time-tested social security system.

The reasons are plain—and they have nothing to do with shopworn labels like "radical," "Socialist," and "visionary." As one Polk County, Wis., homemaker said, quoted in the Wisconsin Agriculturist:

> I sure do think old people should have medical help. I know one old couple that's trying to get along on $30 a month. He got sick, and one batch of pills cost $8.

In a nutshell, that is the problem. Old age is a time of low income for many people. And the cost of modern medical care has skyrocketed.

Mr. President, I add that, of course, old age is also the time of expensive illness. The fact is that medical costs for people over the age of 65, by and large, average 2½ times larger than those for people who are younger.

I ask unanimous consent that the article "Medical Care for the Aged?" from the July 1, 1961, issue of the Wisconsin Agriculturist, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEDICAL CARE FOR THE AGED?

(Wisconsin Agriculturist pollsters asked farm folks what they thought about it. Almost two-thirds favored some kind of hospital or medical bill.)

Elderly people have become quite a problem. Modern medicine lets more people than ever before live to advanced years. Each new miracle drug and every spectacular cure means that more people will reach retirement age, and more will live longer after retirement.

Those who have the good sense to plan for old age, and are lucky enough not to have their plans upset, can generally provide for themselves during their years on life's summit.

But others, many of whom never planned any farther ahead than the next paycheck, and some with just plain bad luck, find they have to pinch pennies and give up the simplest luxuries just to keep themselves fed, clothed, and sheltered. Some are not able to support themselves, and fall back on relief to keep body and soul together.

Old age is traditionally a period of low income for a major segment of our population.

When sickness strikes an elderly person, any one of a number of things may happen. The individual may have plenty of money to pay for his or her own medical expenses, and he will settle all the medical bills promptly.

Or perhaps the elderly person lacks funds to pay the bills. Many bills are forgiven or paid by public or private welfare agencies. In many other cases, children step in and pay their parents' medical bills.

NOT GETTING MEDICAL CARE NEEDED

Just the same, it's argued that many elderly people aren't getting the medical care they need. Many of them aren't aware of the free care they can get, while many would rather die with dignity than take the undignified step of asking for charity.

In order to solve the problem of health care for the aged, it's been proposed that we expand social security benefits to include medical care for persons over 65.

Arguments have been hot and heavy on both sides. On one side is the emotional argument that old people shouldn't be dependent on charity, and that many aren't getting the care they need.

The other side has pointed out that no matter how medical care is provided to those who cannot pay, it's the taxpayer who ends up paying the bills anyway. Some physicians proclaim that they'd rather treat people free when they can't pay than have the Government step in and pay the bills.

To bring some order out of the chaos of charge and countercharge, the Wisconsin Agriculturist has taken a poll of Wisconsin farm families to see how one segment of the public feels about Government health care.

The poll indicates that 61 percent of those who have had this controversy brought to their attention are in favor of a program of medical care for the aged. Here are the questions asked by our poll takers, and how Wisconsin farm folks answered them.

Congress has been considering a plan to help people 65 or older pay their hospital and medical bills through expansion of the social security system. Have you heard anything about this proposal?

	Men	Women	Total
Yes	74	70	72
No	19	21	20
Not sure	7	9	8

If you have heard about plans for Federal old-age medical and hospital insurance, in general what do you think of them?

	Percent
Some plan of this kind should be adopted	61
Help of this kind should be given to people on relief, but to no others	13
A plan of this kind should be turned down	8
Undecided	18

Men and women had pretty much the same ideas about Government medical care programs. Women in the 35–49 age group appeared to be less in favor of these programs than women in other age groups.

Quite a few people interviewed had some comments to make.

"If this plan is adopted, it should lighten the welfare load," said a Clark County farmer.

He echoes the feeling of many who would like to see the burdens of local units of government lightened. Local welfare spending comes pretty much out of property taxes, while the Federal programs proposed as a part of social security would be paid by taxes on income and payrolls.

This would have the effect of shifting much of the welfare load from the property owner to the wage earner.

There is considerable feeling about people who make a habit of living off the public, too. One young Sauk County farmer puts it this way: "I work hard and have no sympathy for others. I believe in a pension for those who have hard luck and sickness. There are too many who won't work hard now or even save for old age because the Government will keep them."

A Polk County senior citizen was concerned about abuses in a medical care system. "Yes, I think it's fine to help older folks with medical bills," he says, "but once you start helping, some of them will run to the doctor every day. And not just to one doctor. They will go to all they can and set up a howl like they will die over a pain in the big toe."

Others are enthusiastic about a Federal health plan. "It's a good idea," says an older La Crosse County farmer. "I hope they can work out something satisfactory."

And a Polk County homemaker put it this way: "I sure do think old people should have medical help. I know one old couple that's trying to get along on $30 a month. He got sick, and one batch of pills cost $8."

We certainly have a hotly contested issue here, and it's undoubtedly going to get hotter. Our population is gaining elderly people every day, and their medical care problems are mounting with their numbers.

ARTICLE DESCRIBES HUGE GRANTS TO SMALL TOWNS FOR URBAN RENEWAL

Mr. PROXMIRE. Mr. President, a striking article in the July 3 issue of the Wall Street Journal, by Donald A. Moffitt, describes how small towns have received large grants for urban renewal projects from the Housing and Home Finance Agency.

The reporter has focused attention on several small communities in Texas, which are receiving amounts totaling as much as $478 per resident. But the story itself is applicable to many small towns throughout the Nation. The Government has approved grants totaling $41 million for 77 towns, each with a population of less than 15,000. Another $37 million has been earmarked for grants to small towns, and Mr. Moffitt reports that the total is climbing by the day.

To qualify for a Federal grant, a town generally has to pay one-third of the cost of a project. The Federal Government supplies the remaining two-thirds. Some towns are reported to have built streets, parks, playgrounds, swimming pools, and tennis courts, all of which are normally considered local responsibilities. Mr. Moffitt reports that these projects have been used by some towns as part of their shares of urban renewal expenses.

Mr. President, the Wall Street Journal has been accurate in its reporting in the past, and if the report to which I have referred is accurate, this is a scandalous situation. Congress certainly did not intend that slum clearance and urban renewal funds should be used for those purposes. There is no question that this is extremely wasteful and extravagant. It represents an administration of housing legislation passed by the Congress in a way which I think does not reflect the views of a majority of the Members of Congress and which is likely to damage the prospects for having in the future programs of urban renewal and effective slum clearance, which the American people overwhelmingly favor.

Mr. President, I ask unanimous consent that the article describing this situation be printed in the RECORD, and I am asking the Housing and Home Finance Agency to give me its comments on it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRASSROOTS GRANTS—SMALL TOWNS SCRAMBLE TO GET SLUM REMOVAL AID FROM UNCLE SAM—RESTORING WINK WILL COST $891,868—TOWNS SPLURGE ON PARKS, SWIMMING POOLS—A LETTER TO LYNDON HELPS

(By Donald A. Moffitt)

MERCEDES, TEX.—Ever since the drought of the 1930's the municipal finances of this small town in the south Texas citrus belt have been a tangled mess.

The city defaulted on its bonds and went into bankruptcy in 1941. In later years it was either unable or unwilling to collect enough taxes to pay off the defaulted bonds and still maintain essential services. As a result, no new streets were built; sewer and water lines began to disintegrate, and police and fire protection fell off.

But, of late, Mercedes' fortunes have taken a decided turn for the better. In recent months some $160,000 worth of new street paving has been laid and $400,000 more is planned. Sewer and water lines have been replaced and extended at a cost of $234,000. A $285,000 residential development project is getting under way. Altogether, nearly $1.7 million is being pumped into this town of 10,963 people.

The wherewithal for most of this transformation is coming from Uncle Sam, under the terms of the Federal urban renewal program.

MONEY FOR SMALL TOWNS

Urban renewal usually brings to mind the massed population of big cities, crowded tenements and traffic congestion—problems notably missing in Mercedes. However, although the Federal program was originally aimed at curing blight of this sort in major metropolises, more and more of the program's funds, as Mercedes' case illustrates, is being channeled to smaller towns. At last count, the Government had approved grants totaling $41 million for 77 towns with fewer than 15,000 inhabitants. Another $37 million has been earmarked for grants to small towns and the total is climbing almost daily.

Here in Texas, the strange twist in the urban renewal program is especially obvious. The State's two largest cities, Houston and Dallas, have yet to spend a cent of Federal urban renewal funds except for a small grant authorized for a planning survey. But 18 smaller Texas cities have jumped on the bandwagon to the tune of $19,057,645 in aid.

The grants to these communities, though small in comparison with the big figures earmarked for projects in Chicago and New York, are still surprisingly large when they are broken down on a per capita basis. For example, in Wink, a tiny oil town in the mesquite-covered plains of west Texas, the city fathers are getting set to receive $891,868 of Federal money, which, among other things, is expected to lead to a complete remodeling of the town's three-block business district. On the basis of Wink's 1,863 population, that's the equivalent of $478 of U.S. funds for each man, woman, and child who lives there. Should New York City's urban blight prove proportionately as expensive to cure, it would require $3.8 billion of funds from Washington.

A LETTER TO LYNDON

Smalltown officials have shown sharp political acumen in dealing with Federal urban renewal officials and this partly accounts for the big role they are playing in the program. When Wink's program did not proceed as rapidly as the townsfolk thought it should, a local businessman wrote to Vice President LYNDON JOHNSON complaining of the delays. The matter was referred to Housing and Home Finance Administrator Robert C. Weaver, who gave it "priority attention," and Wink got its authorization for the Federal money last week.

Urban renewal projects of all sorts are currently getting a big push from the Kennedy administration. The President has ordered HHFA officials to speed up processing of applications and he has wired the mayors of cities with projects: "Your city's rebuilding program can be accelerated and at the same time jobs can be provided to help meet our Nation's unemployment problem."

Texas cities, of course, aren't the only ones taking advantage of the Federal Government's generosity in urban renewal grants.

Some of the towns which already have received Federal funds for projects are East Granby, Conn. (population 2,434), which has

a grant of $246,193; Braddock, Pa. (population 12,337), which has been granted $2,050,559, and Lithonia, Ga. (population 1,667), with a grant of $102,872.

REVAMPING SITKA

The Government also has earmarked $430,000 for urban renewal in Sitka, Alaska, a town of 3,237 inhabitants, Atchison, Kans., with 12,529 people, is to get $1,916,822. A grant of $463,210 has been reserved for Princeton, N.J., a city of 11,890, when its renewal program gets underway. Princeton is mainly interested in buying two blocks of land next to its central business district in order to make a thoroughfare out of a jogging street that now causes a traffic bottleneck.

"Straightening the street, of course, could be done by the municipality," says Dr. Harry W. Hazard, executive director of the Borough of Princeton Housing Authority. "But we'd also like to develop the area so businessmen wouldn't move away, and part could be a place for our public library." Princeton's plans have been stalled several years, largely because of a suit by businessmen who contend their area isn't blighted.

Even Tuxedo Park, the wealthy New York community founded by Pierre Lorillard in the last century as a refuge for millionaires, has received a Federal grant for planning aid to prepare itself for a renewal project.

"There are no limits whatever on the size a city has to be to get urban renewal grants," declares W. H. Gelbach, Director of Administration Management for the Urban Renewal Administration (a part of the HHFA). "All a city has to have is an urgent and pressing problem and an approved, workable program for solving it."

Robert A. Robinson, director of the Housing and Home Finance Agency's regional headquarters in Fort Worth, observes, "Actually, it's easier for people in small towns to get together on an urban renewal program than in big cities." He explains the sharp upsurge in applications from smaller communities: "People in these towns hear about the program and find out they can get help with their streets and utilities. In some of the larger cities, on the other hand, there are conflicting interests which can't agree to have a program."

SWIMMING POOLS AND TENNIS COURTS

To qualify for Federal grants, localities generally have to pay one-third of the cost of a project, with the Federal Government picking up the bill for the remainder. Some towns are building streets, parks, playgrounds, swimming pools, and tennis courts—all normally considered a local responsibility—and are crediting the cost toward their share of urban renewal expense.

In Mercedes, quick-thinking city officials decided to include a much-needed new school in their urban renewal project and found that by doing so the $355,000 school expenditure qualified the town for $710,000 in Federal funds. Actually the school has been built outside the limits of the renewal project, but it was approved as part of the city's one-third contribution because it will serve residents living in the urban renewal area.

"This is the greatest thing that's happened to us in years," enthuses Mercedes Mayor C. A. Ripley. "We would never have been able to finance sewerage in this town by ourselves. We've done that, and now we're able to issue $350,000 in bonds for a new civic center without even raising the tax rate."

Mercedes' South Side, once crisscrossed by curbless, dusty streets, now boasts of smooth paving. Across from modern one-story Travis School on South Georgia Street 13 modest but neat frame houses occupy what once was a block of untended weeds. These are homes built for occupants of condemned shanties; the former shanty dwellers are buying the better quarters with loans insured by the Federal Housing Administration under section 221 of the National Housing Act. The law provides for 40-year mortgages on urban renewal relocation homes.

SPRUCING UP OLD HOMES

Here and there in the neighborhood carpenters are replacing leaky roofs, rotten siding, and falling porches for residents who've been told to get their homes in order. Many of these repairs are being made with special Federal loan help.

Folks here are so delighted with the turn of events that plans are being made for a second big project—to renovate Mercedes' old-fashioned downtown business district, tear down some buildings, and encourage owners to spruce up others. According to present planning, the town will even sport modern pedestrian malls in its downtown area. Cost of the project is expected to hit $750,000, with the townsfolk counting on Uncle Sam to foot $500,000 of the bill.

"Big cities," says Mayor Ripley, "have urban blight to a greater degree, but blight affects the economy as a whole to a greater extent in a small town. I've seen urban renewal projects in big cities and they're like roses in a weedpatch. In a small town like this, you can see the whole town change."

A few hundred miles to the north, residents of Wink are eagerly awaiting a similar transformation. "Our first project takes in 220 acres, about a third of the town," says Donald L. McBee, the 29-year-old director of Wink's urban renewal agency and recently elected president of the Wink Chamber of Commerce. Wink plans to spend $670,000 of the Federal money to acquire 283 parcels of land which will be cleared and resold for an estimated $143,000. The town plans to use some of the Federal funds to pay for $149,779 in street improvements and $85,016 in sewer and water line extensions.

Wink intends to upgrade its downtown area—a three-block section along State Highway 115, the town's main artery. All but 9 of the 30-odd buildings in the section will be torn down. The highway will be widened and large parking areas will be set aside.

Wink city officials hope businessmen will use the money they'll receive from the sale of the property to put up new stores downtown, but this is by no means a certainty. A dozen main street buildings are ramshackle frame structures already deserted by their owners for lack of business.

"To build up, you've got to tear down first," says Melvin N. Dow, publisher of the Wink Bulletin. "Will it be built up after it's torn down? We don't know, but we were at a point where we had to do something one way or another." He adds: "It's like everything else, a little gamble. But you can hardly spend money like this in a little town without doing some good."

Wink's troubles stem from the depression in the oil industry in the vicinity. In its boom days in 1929 and 1930, the town had a population approaching 25,000, compared with its present 1,863. Now, however, there's little new drilling in the area and producers are beginning to waterflood old wells to push the remaining oil out of the ground. Most of the town's wage earners work for a handful of pipeline companies and oil and gas well service firms in the area, and no new industry has been attracted to make up for the decreasing oil activity.

TOO MANY EYESORES

For this reason, some businessmen doubt that urban renewal will do too much toward reviving the town's economy. "The vacant stores around here aren't going to be built back," says Owen Partain, one of the dozen or so merchants who haven't closed up shop. Standing in the variety store bearing his name, he observes: "They're eyesores, though, and I think most of us wanted to get rid of these eyesores downtown."

The program shows signs of producing a few worthwhile side effects, however. For one thing, the city recently began to enforce plumbing, electrical, and building codes and for the first time the Federal Housing Administration is making commitments to insure mortgages on homes in the town.

A DISSENTING VIEWPOINT

Wink citizens voted 187 to 5 in a referendum election, required by Texas law, in favor of having an urban renewal project, and opponents of the plan are notably scarce. One dissident, however, is Dick Strawn, owner of a liquor store and icehouse.

"I think it's one of the most un-American things that's ever been hatched up, myself," Mr. Strawn grumbles as he drags a 50-pound chunk of ice across the floor of his icehouse. "The Government's got all the business it can attend to. This giving and giving and giving has got to end."

Smalltown applications for aid frequently cause big headaches for Federal officials administering the program. "For one thing, we have to make sure we're not perpetuating a ghost town," declares Mr. Robinson, the HHFA regional administrator.

Another factor to consider is whether the urban renewal funds actually will be spent for that purpose. But Federal officials indicate their definition of urban renewal is broad. Take the case of Stanton, Tex., which recently asked for $223,976 it wanted to spend mainly on street paving and sewers.

"There's no bedrock slum there," concedes an official who had a hand in processing the application. "There are only three real shacks in the whole town. But they do lack adequate streets, and many of the houses are old and substandard. It was touch and go there, but we gave them preliminary approval because there was so very little wrong with the town that with just a minimum effort they could have a topnotch place."

The official adds: "If I've ever been in a community that had the resources to do what's needed on its own, though, it's this one. We just gave them an incentive to do what they should have been doing all along."

HARPER'S MAGAZINE ARTICLE IS EVIDENCE OF NEED FOR PROPOSED SEC INVESTIGATION OF THE STOCK MARKET

Mr. PROXMIRE. Mr. President, the Securities and Exchange Commission has proposed a major investigation of the stock market, the first such investigation since the 1930's.

As a member of the Banking and Currency Committee, I wish to express support for this proposed inquiry. Hearings on it are now being conducted in the House by Representative PETER F. MACK, JR., of Illinois.

The stock market is one of the basic institutions of the American economy. If there are irregularities in the stock market, the SEC Chairman, William L. Cary, has said that in recent months there have been evidences of a substantial amount of manipulation in stock prices, then they should be corrected before they harm the entire economy.

The proposed investigation is to extend over a period of a year and a half, and will require an initial appropriation of $750,000. This would be money well spent. The confidence of the investor in the stock market is a basic requirement of our economic system. Any assault on this confidence can have very serious consequences.

The SEC inquiry will seek answers to such questions as:

First. Are the rules of the stock exchanges adequate to protect the millions of new investors who have flocked into the market in recent years?

Second. Are the rules being enforced?

Third. Have the standards of market operation been lowered?

Fourth. Should there be some regulation of the unlisted, over-the-counter market?

Fifth. Is there a need for new legislation?

Sixth. Can the $20-billion mutual fund market be properly regulated under existing statutes?

We need a thorough study of broker-dealer practices, exchange rules, and mutual fund operations. Chairman Cary has reported evidence of brokers' failing to keep required records and books.

What makes this investigation especially timely now is the enormous growth in the number of investors, many of them woefully inexperienced and uninformed. This problem has been delineated in fine literary style by Peter Bart in the July issue of Harper's magazine. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A WARNING TO WALL STREET AMATEURS

(By Peter B. Bart)

(NOTE.—Dreams of the affluent society and the space age—plus an old-fashioned urge to gamble—have brought hundreds of thousands of greenhorns into the stock market. * * * Many of them are behaving so foolishly that they scare even the old pros.)

One of the more popular stories making the rounds of Wall Street saloons this spring concerned the fellow who called his broker and asked him to buy 400 shares of a company called Ultrasonics Precision. When the broker asked whether his customer knew anything special about the company the customer replied: "My barber told me to buy it—he's given me some good tips lately."

The transaction was completed, but 2 weeks later, after the next haircut, the customer called again. "I was all wrong," he said. "My barber recommended Ultrasonics Industries, not Ultrasonics Precision. Sell Ultrasonics Precision and buy me the right one." The broker did as directed only to find that his customer had cleared an $800 profit on the wrong stock.

The story, and its several variations, may be apocryphal, but, like most such tales, it tells something of the tenor of the times. And the tenor of the times on Wall Street these days is deeply disturbing to many thoughtful financial men because there are too many barbers and friends of barbers acting exactly like the people in the story.

In short, Wall Street is worried about the growing role of the small speculator in today's market. It was this sort of worry that led Keith Funston, the tall and august president of the New York Stock Exchange, to flash a warning signal early this spring. Addressing the public in the manner of an impatient parent who had just caught his child with a hand in the cooky jar, Mr. Funston intoned: "There is disquieting evidence that some people have not yet discovered that it is impossible to get something for nothing." A month later he warned: "The behavior of the public makes a mockery of the word 'investing.'"

What triggered Mr. Funston's warnings was the sudden speculative fever that swept the market in March, April, and May. Volume soared to record levels, the Dow-Jones industrial average hit a new high, standing-room-only crowds suddenly materialized at many brokerage-house boardrooms, and, in the words of one broker, "people raced around buying stock as if they feared there wouldn't be any left the next day."

The sudden mass enthusiasm for the stock market was attributed to several factors—the apparent end of the recession, the change of administration in Washington, the prospect of further inflation. But it also reminded Wall Street of an important change that has taken place in the securities business in recent years; namely, that the stock market has become a mass market. Although Wall Street has worked hard to bring about this change, it knows remarkably little about the new monster that it has created.

How will the mass market behave in periods when significant gains in the economy appear in the offing? How will it respond to sudden downturns and disappointments? Will it be able to contain its speculative surges? No one pretends to know the answers to these questions, but many analysts are extremely apprehensive about what the answers may turn out to be.

"We may be about to witness a phenomenon once deemed inconceivable, a wave of mass speculation that would have been impossible in the 1920's," said Bradbury K. Thurlow, vice president and treasurer of the Wall Street firm of Winslow, Cohu & Stetson, Inc. "The 1929 boom may actually have been only a trial run for the one now apparently getting underway." Mr. Thurlow pointed out that in 1929 only about 1,500,000 people owned common stocks, while today the number of share owners is estimated at 15 million. The big brokerage houses, noting that the number of stockholders has doubled in less than 10 years and that new accounts are opening at a record clip, hope for a share-owning population of perhaps 30 million in another 5 years or so.

The problem with a speculative boom in this sort of mass market, say Mr. Thurlow and many other analysts, is that it would inevitably lead to a spectacular bust, a bust which could destroy millions of investors as well as speculators and give the market a bad name for at least another generation.

This is a disquieting prospect for Wall Street leaders who have struggled long and hard to enhance the stock market's corporate image. Thanks to their efforts and expenditures, the symbolism of the bucket-shop and the backroom manipulator has been banished, and a new aura of gray-flannel respectability now surrounds the stock market. It is this structure of confidence and respectability which the outbreak of mass speculation threatens, and that is why Wall Street is uneasy.

NO MATTER WHAT, IF IT'S NEW

Although the speculative fever has affected all facets of the securities business, it has focused particularly on small, relatively unknown companies, especially companies selling stock to the public for the first time. So strong has been the swing to the little companies that some analysts have labeled it "the revolt against the blue chips."

The new issues were a fit target for speculation. For one thing, companies selling stock to the public for the first time generally issue a small amount of shares. And because there are so few shares in the hands of the public the price can be driven up even by a minor surge of interest. Moreover, the new shares usually are issued at prices designed to attract investor interest. In a bull market, these often are bargain prices indeed.

Finally, many of the new companies "going public" are in space-age industries and bear such melodramatic names as Datamation, Electro-Sonic Laboratories, Electronics Missiles Co. Corporate names like these have pull in the market. (Agricultural Equipment Corp., a manufacturer of weed burners, recently changed its name to Thermodynamics, Inc., prior to issuing stock.)

As a result of these various factors, brokers have been besieged by customers demanding shares in the new issues, and the prices have taken off like rockets. Companies like Packard Instrument, Renwell Electronics, and Pneumodynamics have doubled within days of the stock issue. Stock in Alberto-Culver, a small producer of hair tonic and shampoo, was issued at $10 and soared almost immediately to $25 a share. Shares in one company bearing the non-space-age name of Mother's Cookie Co. leaped from $15 to $25 within 48 hours. Cove Vitamin and Pharmaceutical went from $3 to $60 in 3 months.

"My customers don't even want to know what a company manufactures or what its earnings prospects are," said one young Wall Street broker. "If it's a new issue they want it, whatever the case."

Some Wall Street firms have tried to cool the ardor of their customers. White, Weld & Co. refused to open accounts for customers who were interested solely in new issues. Merrill Lynch, Pierce, Fenner & Smith made a survey of 46 companies that had issued stock during the 1945–46 new-issues boom, and found that only two of the companies now are selling above the offering price.

These efforts in general, however, were without much effect. "In this kind of situation a broker is like a prostitute," reflected a high official of one old-line Wall Street firm. "If we turn away any business we know darn well they'll just take it elsewhere."

The basic problem with a new-issues boom, however, is that it tends to be self-propelling. Public enthusiasm for the newly issued securities encourages more companies to bring out stock—thus there are more new securities registration statements before the Securities and Exchange Commission at this time than ever before in that agency's history. Meanwhile, prestige underwriters who formerly snubbed smaller issues have suddenly developed a fondness for them because of the profits involved. And the small speculator is encouraged all the more to dive into the new-issues market because he sees such distinguished firms backing the shares.

CULT OF GROWTH STOCKS

Another reason it is difficult to bring order to the new-issues boom is that most new offerings first appear on the volatile over-the-counter market, where they are harder to control than on the exchanges. In fact, it is here that the most frenzied speculation has taken place not only in new issues but in established stocks as well.

The over-the-counter market is something of a misnomer, since there is no counter and no clearly defined market—that is to say, no central place where the shares are auctioned off as in the case of the New York Stock Exchange or the American Stock Exchange. The so-called market consists of some 5,000 dealers in offices scattered all over the country, each of whom has a battery of phones and a nervous stomach. Nonetheless, it is the Nation's biggest mechanism for trading securities, with five times as many stocks regularly traded as on the "big board" of the New York Stock Exchange. It has long served as a proving ground for small companies as well as a pleasant retreat for established concerns which shy from the publicity surrounding the major exchanges or don't want to disclose data required to attain a listing on the exchanges.

However, as a result of the fad for new issues and the general surge of speculation in relatively unknown companies, the apparatus for over-the-counter trading has been strained to the breaking point. Dealers in over-the-counter securities use words like "fantastic" and "unbelievable" to describe

their volume of business, and many say that they made more money in commissions during the first quarter of 1961 than during all of 1960.

If many of the oldtimers on the over-the-counter market have been awed by the tremendous volume, they've been equally aghast at the way in which the public has cast aside the traditional yardsticks used in evaluating stocks. These yardsticks involved such considerations as the dividend yield (5 percent was considered reasonable) or the "price-earnings ratio"—the relationship between a company's earnings and the price of the stock. (If a stock sold at more than 10 or 12 times the company's earnings, many brokers used to consider it overpriced.) In today's market, with attention focused on so-called growth stocks, people clamor to buy stocks which have no yields and sell at 50 or 100 times earnings. Thus in May IBM was selling at 75 times earnings, Polaroid at 95 times earnings, and Fairchild Camera at 60 times earnings.

"It's possible to argue that the IBM's and Polaroids are well worth their current price," notes Stephen H. Weiss, of A. G. Becker & Co. "But in a market like this one the good growth stocks tend to cast their aura of glamour around dozens of small, unseasoned companies operating in roughly parallel fields. The result is astronomical and unjustified prices for unknown, unstable stocks."

The cult of the growth stock traces its origins to several sources. For one thing, it's in keeping with the speculative spirit of the times. For another, most people in the upper tax brackets prefer to maneuver among the esoteric, low-yield growth stocks and pay a capital-gains tax limited to 25 percent rather than pay higher taxes on dividend income. Finally, investors figure that the growth stocks hold out the brightest prospects for short-term appreciation rather than the once-popular but sluggishly performing blue chips.

The growth-minded mood of the current market was effectively, if unintentionally parodied not long ago by Comedians Lou Holtz and Jack Paar when Mr. Holtz confided to Mr. Paar on a national television show that he owned a stock listed on the American Exchange which would move from $10 to $1,000 in 10 years. The following day was a memorable one for the exchange's $10 stocks. The favorite with the television-minded speculators was a company named MPO Videotronics, and trading in that stock couldn't be opened until a few minutes before the close because of a rush of buy orders. Alas, the company proved to be a double disappointment. To begin with, it wasn't the stock Mr. Holtz had in mind; and its principal product turned out to be television commercials.

As one Wall Street analyst commented on the whole episode, "Never have so many people invested so much money so stupidly."

TIGHTENING THE SCREWS

The Jack Paar-Lou Holtz incident was hardly the only case in which stocks suddenly took off under mysterious circumstances. In this case, of course, the underlying cause seemed to be innocent enough. In a number of other cases, however, the suspicion of manipulation hung over the market.

There is no way of knowing how much old-fashioned price rigging takes place in Wall Street today; i.e., the creation of an artificial demand to buy or sell a stock by influential insiders. Some financial men scoff at the idea; others insist, however, that price rigging persists to an alarming extent and is a very real threat to public confidence.

The position of the latter group would appear to gain credence from several recent actions of the Securities and Exchange Commission against prominent Wall Street firms. The most spectacular case involved charges of massive rigging and illegal distribution of $10 million worth of securities. In May, these charges resulted in the expulsion of Gerard A. Re and his son, Gerard F. Re, from the American Stock Exchange. Re, Re & Sagarese at one time was one of the largest specialist firms on the American Exchange.

The Re case aroused a great deal of comment for several reasons. For one thing, it was the first time since the establishment of the SEC in 1934 that the agency had taken action against a specialist. The specialist's role is a pivotal one on the exchanges, since he is charged with the responsibility of maintaining an orderly auction market in those securities assigned to him.

Moreover, one of the many prominent men who had been victimized by some of the Re deals was Edward T. McCormick, president of the American Stock Exchange.

As part of its crackdown on market manipulation, the SEC announced that it would undertake an investigation of the American Stock Exchange. Meanwhile, it brought disciplinary action against Bruns, Nordeman & Co., for manipulating the price of shares in Gob Shops of America, a small chain of Rhode Island stores, and against an underwriter, R. A. Holman & Co., on charges of holding back shares in a stock sale in order to create an artificial demand. The SEC also warned underwriters against so-called tie-in sales in which newly issued securities are sold on condition that the buyer later will purchase an additional amount on the open market.

While the SEC was cracking down on some of the more blatant market malpractices, the exchanges also were tightening the screws in other areas. The New York Stock Exchange, for example, recently stiffened its requirements for getting a stock listed. The New York and American Exchanges have stepped up their so-called stock watching activities, in which staff members quietly investigate situations where prices suddenly spurt or volume soars for no apparent reason. The New York Exchange also reminded companies on the big board of their obligation to disclose immediately any information that might have an effect on the prices of listed securities.

The big board's warning was precipitated by a series of incidents in which important companies were especially obvious in leaking information in advance of official announcements. One big electronics company, for example, took groups of reporters and security analysts out to see an important new computer several days before the story was to be released for publication. The visits generated sufficient rumors to push up the stock by 5 points during the 2 days immediately preceding the announcement.

It is this sort of practice which has given new currency to the old Wall Street saying: "Buy on the rumor and sell on the news." The reasoning behind it is that when important news is brewing about a company—a merger, stock split, or important new product—the stock will rise until the story hits the papers and then will decline. The effect is to put the squeeze on the gullible investor who is impressed by what he reads in the paper—and to increase the flocking of lambs into Wall Street for shearing.

Burton Crane, the stock market columnist of the New York Times, traced the market performances of 28 companies which had announced stock splits and found that nearly all had climbed in the weeks prior to the announcement. However, far more stocks fell than rose during the period immediately following release of the news. Thus some cynical members of the financial press refer to many of their stories as "near news" rather than news. "Near news" is information that has been methodically leaked to all persons who might possibly have interest in the story and who might be in a position to profit from advance knowledge.

The expanded role of "near news" has coincided with the growing importance of special stock deals in that part of the public relations industry which specializes in publicizing and distributing financial and business news. More and more companies now include some sort of stock arrangement as part of the total remuneration paid to public relations agencies. For instance, many corporations grant stock options to the public relations agencies which allow them to buy stocks at their original low prices well after they have increased in value. The effect has been to focus the attention of the public relations people on the price of the stock rather than on getting out the news, so that some agencies have become stock touts rather than publicists.

These practices raise deeply disturbing questions: Does the small investor or even the small speculator get a fair break in the market? Does he have proper access to corporate news? Is he victimized by market riggers? When speaking for public consumption on these questions, nearly all Wall Streeters take the position that (a) the market is basically honest, (b) they are nonetheless concerned lest arrant speculation or a few well publicized cases of price rigging may seriously shake public confidence in the market.

"You can never do away with the insiders, and you can never get around the fact that some people inevitably are going to know things and profit from this knowledge while others will remain in the dark," said one experienced Wall Street analyst. "Thus people are certainly not competing on equal terms in the stock market. But, nonetheless, within this framework we must strive to make things as equitable as possible. In the stock market everyone should be equal, even though some people inevitably will be a little more equal than others."

It was the great misfortune of Dr. Irving Fisher, the distinguished economist at Yale from 1893 to 1935, to have achieved immortality with a misjudgment. Said Dr. Fisher in 1929: "Stock prices have reached what looks like a permanently high plateau."

Not many people talk about "permanently high plateaus" any more. Many Wall Street analysts currently seem to subscribe to an economic adaptation of Newton's law that every action has an equal and opposite reaction. They theorize that every boom runs to excess and inevitably generates some sort of correction or downturn in the market. This principle places the analysts in something of an ambivalent position, to be sure, since, though Wall Street thrives on booms, it also knows that the greater the boom, the greater may be the correction.

POISED TO RUN AWAY

At present, there are fears that Wall Street may be poised for a speculative boom of runaway proportions and that the shakeout or correction which will follow may do a great deal of damage to the investing public.

There is much disagreement over what may trigger the shakeout. It could be an unexpected diplomatic crisis in Berlin, southeast Asia, or some other trouble spot; or a sudden floodtide of corporate larceny—the ruthless milking of corporate assets by high executives—which, according to J. K. Galbraith, was a factor in the 1929 crash; or a loss of public confidence due to disclosures of serious manipulation, or any number of other factors. If conditions were sufficiently sensitive, it wouldn't require too catastrophic an incident to set off a shakeout since the movement of relatively few shares establishes the prices for all shares of stock. (Only a small percentage of the total amount of stock in existence is actively traded in the market.) If and when a break

does occur, the market will be propelled downward by a number of forces. For instance, insiders in companies whose stock has only recently been issued to the public—and has enjoyed great increase in value—may well try to unload a good part of their holdings. And other paper millionaires will no doubt join them.

Whatever the causes, however, surprisingly few Wall Streeters are prepared to suggest steps to ward off a bust. In a society of mass affluence, they reason, there's little that can be done to prevent people from gambling away their money. Lifting margins or curbing the activities of nonregulated lenders would be of little use, they argue, because most of the speculation in today's market takes place on a cash basis. "If the public wants to shoot craps, there's nothing we can do about it," says one high SEC official.

There are, of course, several long-range measures that could be taken and that have the support of Wall Street; chiefly, increased efforts to educate the public in the economics of the stock market and in economics in general. Secondly, just as investors should be better informed, so should their brokers. The big Wall Street houses have done much in recent years to improve the caliber of their staffs. But there are still too many ill-prepared, ill-educated brokers in the securities business, who mislead their customers—if not cheat them.

These are problems that must be tackled over the long term. On the more immediate level, some Wall Streeters and independent observers favor several short-term devices to curb the excesses in the market:

1. A crackdown on the advertising placed by some investment advisory services which make get-rich-quick promises.

2. A further increase in the staffs maintained by the SEC and the major exchanges to watch for price rigging and other irregularities.

3. Continued warnings to the public by the exchanges themselves—and even by officials in Washington—against the dangers of excessive speculation. (Mr. Funston issued another such warning in mid-May.)

4. A greater effort at self-policing by the financial community in general. For instance, prestige firms should refuse to underwrite stock offerings for undercapitalized and poorly managed enterprises.

5. A tightening of SEC rules governing new issues, which would require fuller disclosure of financial information by companies involved, and the certification of the accuracy of such information for small as well as large stock issues. (At present, no certification by accountants is required for stock offerings of $300,000 or less.)

6. New legislation giving the SEC stricter controls over securities trading and over new issues, enabling it, for example, to bar doubtful companies from selling stocks to the public.

These reforms—not to mention more radical proposals—are likely to run up against the laissez faire instincts of the financial community. However, there are now increased stirrings in Washington for Congress to take a hand in the regulation of the market. Whether new controls come from Wall Street itself or from Washington, there is growing recognition that something must be done: Having transformed the securities business into a truly mass market, Wall Street must now face the responsibilities which this change entails. Whether it will or not is an open, and urgent, question.

Mr. PROXMIRE. Mr. President, we in this body have a responsibility to the American investor to make sure that the market into which he puts his money is a fair one, and that its rules and regulations are adequate and well enough enforced to keep it that way.

For this reason, I join with Representative PETER F. MACK, JR., of Illinois, in urging widespread support of this investigation.

SMALL BUSINESS ADMINISTRATION

Mr. PROXMIRE. Mr. President, as part of a continuing interest in the activities of the Small Business Administration, I recently queried small businessmen in Wisconsin as to their opinions about the SBA, because I have heard many informal criticisms.

Their comments, both favorable and unfavorable, have been summarized in a letter I have sent to the Senator from Alabama [Mr. SPARKMAN], who was chairman of the subcommittee which held hearings on the operation of the SBA.

I believe that the letters make it clear that the small businessman is constrained to comply with regulations which are extremely burdensome. For example:

One businessman wrote that his most recent loan application required approximately 1½ man-months of administrative time and three-quarters of a man-month of secretarial time just to complete the forms. He pointed out that for the average small business, this time expenditure was almost prohibitive. Another businessman said it took his firm 90 days to complete its application forms for an SBA loan.

There are other criticisms, but the one which I have stated runs repeatedly through our inquiries.

I ask unanimous consent that the letter to which I referred and six representative letters of comment on the Small Business Administration from Wisconsin businessmen be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 7, 1961.

The Honorable JOHN SPARKMAN,
U.S. Senate, Washington, D.C.

DEAR JOHN: Recently, I wrote to small businessmen who had borrowed from the Small Business Administration in Wisconsin asking their opinion of the SBA. The reaction was divided.

A number of the replies contained favorable comments on the operation of the SBA.

Complimentary references to local branch personnel of the SBA stressed the efficiency of SBA personnel, and were of a general nature.

The criticisms of the SBA were registered along more specific lines. The main discontent, appearing in nearly all of the critical replies, was over the redtape encountered in obtaining an SBA loan.

One businessman wrote that his most recent loan application had required approximately 1½ man-months of administrative time and three-quarters of a man-month of secretarial time just to complete the forms. He pointed out that, for the average small business, this time expenditure was almost prohibitive. Another businessman said it took his firm 90 days to complete its application forms for an SBA loan.

Other criticisms centered on the high collateral requirements for SBA loans, the short terms of some loans, and the interest charges, which are regarded by some businessmen as being overly high. One businessman said that the 5½ percent interest charge on his SBA loan was too high.

The Agency has also come in for some criticism on the grounds that it represents one more bureau in an already bureaucratized Federal Government.

I am enclosing copies of several representative letters from my constituents commenting on the SBA.

The SBA has not been unresponsive to some of these criticisms. In an effort to slash some of the redtape, the SBA has devised simplified application forms and other timesaving procedures.

To improve the Agency's lending program, the dollar limit on applications which can be approved by SBA regional offices has been increased. Previously, the field offices could approve participation loans of up to $100,000 on their own authority. This limit has been raised to $150,000. On direct loans, the regional offices will now be able to approve loans of up to $50,000. The former limit was $20,000.

Smaller loan categories have also been liberalized. With this increase in delegated authority, it is now possible for district offices of the SBA to process 75 percent of all loan applications.

Another innovation has been the abolition of the Loan Review Board, and the establishment in its place of three area loan groups, each authorized to take final action on application from the territory assigned to it. The Loan Review Board, which formerly passed on all applications coming to Washington, had become a bottleneck.

The SBA has also decided to place a less restrictive emphasis on collateral, and to give added value to a company's ability to pay off a loan on its reputation for sound management, earnings record, and previous credit experience.

The SBA has also embarked upon a program to reverse the decline in the share of small firms in Government procurement. The military services have agreed to inform the SBA in advance on research and development contracts so that the agency will have time to locate small firms capable of handling such contracts.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

FAVORABLE TO SBA

JAJ INDUSTRIES CORP.,
Delavan, Wis., June 28, 1961.

U.S. SENATE,
Washington, D.C.
(Attention of WILLIAM PROXMIRE, U.S. Senator from Wisconsin.)

DEAR SENATOR PROXMIRE: Thank you very much for your letter of June 8. I am sorry we have not had the opportunity of answering this sooner.

We have been very pleased with our association with the Small Business Administration. Our loan is a joint loan with the local bank participating to the extent of approximately 25 percent. I think one of the most difficult things in handling a loan of our type was the acquainting of the bank with the purposes and policies of the Small Business Administration. I would think that there would be some additional information that could be passed on to the bank that would make these people more actively interested in long-term financing with the Federal Government through small business loans.

As you know, a loan of this sort is considered last resort financing. By this, I mean that we must be able to prove that we are unable to obtain this money at any other institution and therefore need the services of the Government.

I think the most important lesson we have learned from dealing with the Small Business Administration is that its policies are set up to teach us to help ourselves not to take anything away from us. I think we have learned this lesson well and now are

happily on a road to success. Our volume has more than tripled in the period of the loan and our profits have soared in even greater proportion.

As in all Government functions where every taxpayer can be a critic, we were somewhat hampered on a number of our activities by the gigantic redtape that was necessary on approval of our actions. We have always dealt very closely with the office in Madison, Wis., and felt that they were well aware of our problems.

As a former small businessman, you can understand that many decisions must be made and carried out in a short period of time. By keeping the local office aware of our every action, it was very simple for us to consult with them on interim borrowing, capital improvements, and many other phases of our loan administration. Our local bank was most understanding and this was never a problem with them.

Our problems did arise when we had to get approval of any changes in our original loan authorization and these changes had to be handled either through the Chicago office or through Washington itself. It would seem to me that more powers could be delegated to the local offices and they would be better equipped to deal with the problems.

Even though the Small Business Administration stresses the importance of having a participating bank in its loans, the participating bank only recommends changes as suggested by the borrower. These recommended changes then have to go through your chain of command and it does make things rather difficult when an important decision must be finalized in a short period of time. It is not possible to convey to Chicago or Washington the same background that you have given the local representatives. This would require numerous visits to these people and they are certainly too busy with other phases of the Small Business Administration, such as disaster loans.

In summing this up, we all agree here that this has been a wonderful thing for us. We have stopped and analyzed our past mistakes, planned more extensively for our future, and placed a new value on the dollar in business growth.

If we do have any problems in the future, we like to feel that we are free to contact you for any assistance.

Thank you for your personal attention in this matter.

Very truly yours,

F. J. CALLUM,
Secretary-Treasurer.

CECRAFT MANUFACTURING CO., INC.,
Stoughton, Wis., June 26, 1961.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: In reply to your letter of June 8, requesting information regarding the SBA loan which this firm obtained in recent months, it is very gratifying to know that a Government agency can be of assistance to a small business such as ours. The transfer of this business from Milwaukee to Stoughton involved a considerable expense, therefore, using capital which should have been used for inventory.

Due to the intense competition from large mills, it was necessary for this firm to maintain a larger and more balanced inventory. Since this firm was unable to make a straight loan from a private institution, we solicited the help of SBA. We were granted a loan at a reasonable rate of interest and over a satisfactory length of time.

Since obtaining this money, to bolster our operation and carry a complete inventory, our business has increased even though homebuilding, in general, has not been as good as in previous years. This strengthened our firm to the degree that a large precut home corporation saw fit to give us a long-term contract, which will help give us the volume desired to be competitive with larger mills. Since the location of this mill is in a very heavily populated area we are in a position to serve southeastern Wisconsin and northern Illinois with our products at a lower cost of transportation.

As to your request for ideas of how improvements can be made within the SBA, as per our experience, I would like to state that the Chicago office of SBA handled our application very satisfactorily.

I feel that said office has taken into consideration the character of the individuals, their resourcefulness and aggressiveness in their operations, to warrant granting this loan. There were many factors connected with the progress of this firm and since the necessary capital to market its products was lacking, but due to its potential, the Chicago office made its decision to grant the loan and actually set this firm in a position to produce its products for sale to the general lumber dealers for their trade.

We recognize that a tremendous change is taking place in the homebuilding field and have been changing our business from a bulk production to a ready-cut or package distributor. SBA through its granting this loan has made it possible for us to do this conversion. By the same token it has and will increase our employment, which means more paychecks, more taxes, etc.

We are very pleased with the way in which this loan was handled, and if you have any further questions regarding our operation and/or our association with SBA, feel free to direct your communications to me.

Thanking you for this request, I remain,

Sincerely yours,

CECRAFT MANUFACTURING CO., INC.,
MYRON C. TREMBLEY,
Director of Sales.

BJORKSTEN RESEARCH LABORATORIES,
Madison, Wis., June 19, 1961.

Senator WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: Thank you for your letter of June 8 requesting comments on the operation of the Small Business Administration.

Our small business has had two loan arrangements with the Small Business Administration (not concurrent), as well as utilizing their services for some available published information and filling out various registration forms on request.

On the whole, we feel that this agency renders a useful service and are generally pleased with our relationships and past dealings with them.

A specific area in which this service might be improved is that of the ever-present redtape. In the first place, it would appear that loan application forms and procedures could be greatly simplified. The information requested in many cases would seem to be more applicable to big business than small business and the time required to complete these forms and supplementary information requested is quite large. The most recent application with which we were concerned required approximately 1½ man-months of administrative time and about three-fourths man-month of secretarial time just to complete the application. For the average small business, this time expenditure could be almost prohibitive. The amount of detail and attendant paperwork after approval of a loan is also appreciable and appears somewhat overlegalized.

In the case of one of our loans, the philosophy seemed to be the greater the need the less the willingness to grant it, which is also true with other lending institutions.

The above comments are not intended as criticisms of either the fine people with whom we have dealt nor the overall agency, since, as previously stated, we believe the agency serves a useful purpose, but mean to indicate lines along which we, as users of this service, feel it might be improved.

Yours very sincerely,

BJORKSTEN RESEARCH LABORATORIES,
JAMES E. HENNING,
Vice President.

CRITICAL OF SBA

FEDERAL REFRIGERATOR MANUFACTURING CO.,
Waukesha, Wis., June 28, 1961.

The Honorable WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SIR: I appreciated receiving your letter relative to the activities of Small Business Administration and will try to contribute whatever I can, even though I feel strongly that this organization is set up only for the purpose of political propaganda. We went through all the mass of necessary detail in making application for a SBA loan. You possibly can recall this because we wrote and called, asking for whatever help you could contribute.

With the work involved in filling all of the data requirements and the time expended on the application, I sincerely believe it cost our firm $10,000, only to be turned down after all the gymnastics were fulfilled.

I realize that Government money should not be squandered, but we were refused a loan even though we had a bank agreement for participation. Surely, any bank too has obligations to its depositors.

We were turned down on the basis of not having sufficient collateral and for not being able to show a history of profits. No consideration was given, or at least we were not so advised, that the shortage of working capital contributed to this inability and reasonable assistance could have changed our operations to a profit. Our bank does know of this and on that basis they were willing to help.

I do not feel that you will be able to help much in your endeavors. The SBA is not set up to help sincerity or integrity. It is strictly another governmental agency to perpetuate more people on the Government payroll.

However, I am answering your letter because I feel that anyone who is willing to write is worthy of a reply.

Yours very truly,

JOHN ROMADKA, *President.*

RUBBER ENGRAVING & STAMP CO., INC.,
Green Bay, Wis., June 27, 1961.

Mr. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR MR. PROXMIRE: In reply to your letter of the 8th, in which you inquire about our observations in dealing with the Small Business Administration, we wish to state that we did not go ahead with the deal even though the loan was authorized.

The main reason as to why we declined the loan was the steep monthly terms. We need a rubber vulcanizing press badly, in order to stay in business. However, the SBA classifies this press as machinery; therefore, loans are made on 5-year terms only. And since we needed $18,000 plus insurance, the monthly payments were beyond our reach.

Mr. PROXMIRE, at present there is a used press available the same size as the one mentioned above, only 6 years old, which we can purchase for $12,000, including the boiler to heat it with. However, it won't be available long because it is considered a "real buy."

The bank tells us that to get a $12,000 loan, we have to apply to the SBA again. But that takes times, and we need more than a 5-year term. Mr. PROXMIRE, what can you do to help us?

To date, our summary of the SBA is that it is not a department to help small businesses in dire need like ours. Can you do anything to change it?

Very truly yours,

RUBBER ENGRAVING & STAMP CO. INC.,
EDLEE L. KARNZ, *Manager*.

BILTMORE APPAREL SHOP,
Milwaukee, Wis., June 23, 1961.

Mr. WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Thank you for your kind letter of June 8, with reference to my experience with the SBA.

I am certain it is no news to you that the small businessman, today, is beset with many problems, foremost among which is the desire and the knowledge that he must expand or else. With this thought in mind, I did approach the SBA, and was shown every courtesy, and my loan for $20,000 was approved, but after studying the terms and conditions, under which the loan was to have been executed, I felt it impossible to retain my identity as a businessman and was compelled to turn it down.

I have not, as a result expanded as much as I would have liked, but the Lincoln State Bank, with whom I have done business with for the last 20 years, have and still are supplying my immediate needs.

I am sincerely grateful for your interest, and welcome this opportunity to express my sincerest good wishes for your continued good health and success.

Cordially yours,

JACK C. YOUNG.

THE GREAT HYMNS—ADDRESS BY SENATOR CURTIS BEFORE THE SENATE BREAKFAST GROUP

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the distinguished Senator from Mississippi, without losing my right to the floor.

Mr. STENNIS. On Wednesday morning, June 28, 1961, the Senate breakfast group was privileged to have as our leader the Senator from Nebraska [Mr. CURTIS] who, with his profound sense of true values, brought a wholesome and helpful message on the lasting spiritual value of great religious hymns.

In an age of materialism, and in today's world of change and awesome challenges, we can find great strength, reassurance, and inspiration in the great hymns which have lasted through the ages, as well as in the remarks of the Senator from Nebraska.

I ask unanimous consent that these remarks be printed in the body of the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR CARL T. CURTIS, OF NEBRASKA, BEFORE THE SENATE BREAKFAST GROUP, WEDNESDAY, JUNE 28, 1961

May I say at the outset that this morning I am unable to solve any or all of the perplexing problems that you, my colleagues, must face day to day. I am not qualified to do that. I am of the opinion, however, that what we need today is not so much solutions to specific problems, as a sense of direction and an abiding faith in certain fundamentals. In support of this contention, I call as my witness Mr. William Gladstone, who is so well known for his accurate description of the Constitution of the United States. It is a different quotation of Gladstone that I wish to use in this discussion. Gladstone once said—

"I am convinced that the welfare of mankind does not now depend on the state and the world of politics; the real battle is being fought in the world of thought, where a deadly attack is made with great tenacity of purpose and over a wide field upon the greatest treasure of mankind, the belief in God and the Gospel of Christ."

One of Washington's great preachers of our generation, who in recent months has passed to his reward, was Dr. Oscar Blackwelder, of the Lutheran Church of the Reformation here on Capitol Hill. I loved to hear him preach. He said something once that I have never forgotten. He said in substance that what we needed at this time was not to grasp the spirit of the age, but rather to grasp the spirit of the ages.

We are often told that individuals sometimes formulate their own theology, or their religious beliefs, from hymns. I think that is true. This is natural and worth while It also means that we owe a great debt to the successful and dedicated writers of hymns whose works have lasted through the ages.

Someone might write a so-called "popular song" that would bring great financial reward to the writer, yet that song might be questionable from the standpoint of its moral tone. It might appeal to our baser instincts both as to the melody and as to the suggestive words of the song. It is not so with a great hymn. A great hymn is something beautifully written, that we love to hear. It carries an eternal and divine truth. Hymns belong to the ages, rather than to the age. What we of our generation need is more great writers of hymns.

It is for that reason that I am going to vary our program this morning a little bit and relate some of the background of our great hymns. I must confess that this is not a result of original research on my part but it is largely taken from a great little volume that came to my attention more than a quarter of a century ago, entitled, "Hymn Lore," written by Dr. Calvin W. Laufer.

One of the hymns which has inspired men for more than 185 years, because it was first published in 1776, is "Rock of Ages." No doubt everyone here is familiar with it. The first two stanzas are as follows:

"Rock of Ages, cleft for me,
Let me hide myself in Thee;
Let the water and the blood,
From Thy riven side which flowed,
Be of sin the double cure,
Cleanse me from its guilt and power.

"Not the labors of my hands,
Can fulfill Thy law's demands;
Could my zeal no respite know,
Could my tears forever flow,
All for sin could not atone;
Thou must save, and Thou alone."

It was written by Mr. Augustus M. Toplady at a time when he was having a religious controversy with John Wesley concerning his theological convictions. He wanted to prove where he stood.

The popular story of its genesis is that one day Toplady was caught in a shower and found refuge in the cleft of a rock near Blangdon Church, Somerset, England, where he was a curate. In the fissure of the rock he found shelter. This experience, it is supposed, inspired the hymn. Whether this is true or not, one thing is certain—the rocky crag, 70 or 80 feet tall, was often in his view. This, together with the Biblical passage referring to the "rock of ages," supplied the symbolism of the hymn. Whatever the source, for inner comfort, for assurance of heart, and for absolute confidence in Christ's redeeming work, the hymn is perhaps unexcelled.

At the funeral of Gladstone, who translated the hymn into Latin, Greek, and Italian, a great congregation sang it with such feeling that mighty England must have been consoled.

The next great hymn that I want to tell about was written in Washington, D.C. It is entitled, "God Be With You Till We Meet Again." While this hymn has been used at funerals, or at least it used to be, it was written to express the feeling of Christian people assembled for one purpose or another, who were about to part.

The author was Dr. Jeremiah Rankin and the hymn was written while he was Pastor of the First Congregational Church of this city. He was a popular preacher and was heard by Government officials from all parts of the country. In Washington, D.C., especially at that time, which was 1882, the officials in our Government, both the elected officials and those who served in the Departments were here for a while and then gone. This pastor had a feeling that he had in his congregation individuals who came in with every new Congress or new administration, people whom he would like to have always, but who would soon be leaving.

I will not read to you the entire hymn, but the first two stanzas and the chorus go like this:

"God be with you till we meet again,
By His counsels guide, uphold you,
With His sheep securely fold you,
God be with you till we meet again.

CHORUS

"Till we meet, till we meet,
Till we meet at Jesus' feet;
Till we meet, till we meet,
God be with you till we meet again.

"God be with you till we meet again
'Neath His wings protecting hide you,
Daily manna still divide you,
God be with you till we meet again."

This song became very popular at youth camps, summer conferences, and great gatherings that would last for several days where people from many parts of the country assembled, perhaps never to see each other again. Dr. Rankin was a Congregational pastor for 30 years and for 13 years he was president of Howard University here in Washington.

It is to the Reverend John H. Newman, who became a Cardinal in the Roman Catholic Church, to whom we are indebted for the hymn that has lifted the hearts of men and women since it was written more than 100 years ago, "Lead, Kindly Light, Amid the Encircling Gloom." It is reported that this hymn was written by John Newman in the time of illness, mental perplexity, and spiritual unrest. The future was vague, uncertain, dark and baffling. I want to read to you the first stanza of that hymn:

"Lead, kindly Light, amid th' encircling gloom,
Lead Thou me on; The night is dark, and I am far from home;
Lead Thou me on: Keep Thou my feet; I do not ask to see
The distant scene—one step enough for me."

He wrote in the second stanza:

"I was not ever thus, nor prayed that Thou shouldst lead me on;
I loved to choose and see my path; but now lead Thou me on.
I loved the garish day, and spite of fears,
Pride ruled my will: remember not past years."

Today this hymn can be the source of great strength to all of us who, like the writer, are perplexed, uncertain and baffled. It illustrates the point that we, with our human intelligence and training, cannot solve our

problems, but we can follow the lead of One greater than man.

The next great hymn that I would mention was written by Martin Luther. He set to music the theme of the 46th Psalm. This hymn was probably written as early as 1527 and published in 1529. The title of the hymn to which I refer is, "A Mighty Fortress Is Our God". The first stanza of that hymn is as follows:

"A mighty Fortress is our God,
A bulwark never failing;
Our Helper He amid the flood,
Of mortal ills prevailing;
For still our ancient Foe,
Doth seek to work us woe;
His craft and power are great,
And, armed with cruel hate,
On earth is not his equal."

I am not going to take time to read all of the stanzas but the last stanza closes with these lines: "God's truth abideth still, His Kingdom is forever".

"A Mighty Fortress Is Our God" is one of the most usable hymns. It is suitable for private devotions and for festal occasions. In times of crises it is always effective. Gustavus Adolphus' army sang it before the Battle of Leipzig, October 16, 1631, and again at the Battle of Lutzen in 1632. After the World War it was sung in services celebrating the armistice. It is a most comforting hymn of faith.

I would like to tell you now about a hymn that was published in 1825. Its author was Sir John Bowring, an Englishman who traveled widely and who at one time served as British consul at Canton. I refer to the hymn, "In the Cross of Christ I Glory." The hymn was perhaps inspired by the appearance of some ruins in China, but Sir Bowring wrote it before he actually reached China. It is believed that he heard many stories and reports concerning life, customs, traditions, and literature of China. His father was a manufacturer of woolen goods for China and as a young man he heard the reports of the missionaries to that land.

The story current about the hymn's origin relates it to the ruins of a cathedral in Macao, China. The cathedral had been erected by Catholic missionaries centuries before but had been demolished by fire and earthquake, the beautiful facade alone remaining, and surmounting it a cross. These ruins were supposed to have inspired the writing of the hymn.

The stanzas are short, so I'm going to read for you all four of them.

"In the cross of Christ a glory,
Towering o'er the wrecks of time;
All the light of sacred story,
Gathers round its head sublime.

"When the woes of life o'ertake me,
Hopes deceive and fears annoy,
Never shall the cross forsake me;
Lo! It glows with peace and joy.

"When the sun of bliss is beaming,
Light and love upon my way,
From the cross the radiance streaming,
Adds more luster to the day.

"Bane and blessing, pain and pleasure,
By the cross are sanctified;
Peace is there that knows no measure,
Joys that through all time abide."

Sir John Bowring wrote other hymns including, "Watchman, Tell Us of the Night," and "God Is Love."

Everyone here is familiar with, and could no doubt recite, the 23d Psalm, which begins, "The Lord is my Shepherd." It is often called the Shepherd's Psalm. During the dark days of the Civil War, Dr. Joseph H. Gilmore was the minister of the First Baptist Church at Philadelphia. As the tragic Civil War was in progress and there was no promise of early settlement, many religious people were depressed, and needed exactly the kind of help that the Shepherd Psalm could provide.

Dr. Gilmore preached a sermon one Sunday night on the 23d Psalm. Following the service he and his young bride were the guests in the home of one Deacon Wattson and they discussed the service and the beauty of the 23d Psalm and thought it ought to be in a song. During the conversation in that home, the words of this hymn came to him. Only two lines were later changed. His wife had great confidence in the song and without his knowledge sent it to a publisher. About 3 years later he was the guest preacher in a Baptist church in Rochester and he was surprised to hear them singing, as he entered, the hymn that he had written. It was, "'He Leadeth Me: O Blessed Thought." The first stanza of that hymn is as follows:

"He leadeth me: O blessed thought.
O words with heavenly comfort fraught.
Whate'er I do, where'er I be,
Still 'tis God's hand that leadeth me."

The First Baptist Church of Philadelphia is no longer there. A large office building is now on that spot, but on it is a plaque which recites the writing of this hymn and points out that there is where the church stood as well as the house of Deacon Wattson. All of this happened back in 1862, but this great hymn is still an inspiration and help to millions of people around the world.

One of the greatest writers of hymns was Reverend Isaac Watts. Some years ago, when a Methodist hymnal was written it was found that it contained 53 hymns written by Watts. It was a hymn that he wrote based upon the 90th Psalm and written while he was still a young man that assured him a place as an immortal writer of hymns. That hymn was, "Our God, Our Help in Ages Past." Watts was an Englishman and the hymn was written just before the death of Queen Anne, in 1714, which proved to be a time of national anxiety and political unrest. You see, my friends, that we are not the only generation that has been called upon to live in times of anxiety and unrest and bewilderment.

I am only going to read the first two stanzas of this hymn, which are as follows:

"Our God, our help in ages past,
Our hope for years to come,
Our shelter from the stormy blast,
And our eternal home.

"Before the hills in order stood,
Or earth received her frame,
From everlasting Thou art God,
To endless years the same."

This hymn was sung at the tomb of England's Unknown Soldier. At the request of Robert Browning it was sung at his funeral. It was in constant use during World War I. It has continued to inspire men down through the ages.

The last hymn that I will mention is a hymn written for conferences and retreats. Its background is Lake Chautauqua in western New York, where for many years, beginning about 1873, hundreds of people, young and old, met for study and prayer. It was written in 1877 to fill the longing of eager students who came to enrich their spiritual life through communion with God in the great outdoors.

This hymn has as its scriptural foundation the words of Jesus when he said. "I am the bread of life." A well-known hymnologist calls the hymn a little gem. It was written by Mary A. Lathbury, who was the daughter of a minister and who had a distinguished career in teaching and writing, and who died at the age of 72. She was known as the "Laureate of Chautauqua." One of her other hymns is well known to many here—it was entitled, "Day Is Dying in the West."

The hymn referred to as a little gem, is entitled, "Break Thou the Bread of Life." I will read to you its two stanzas and that will conclude my remarks:

"Break Thou the bread of life, Dear Lord, to me,
As Thou didst break the loaves, beside the sea;
Beyond the sacred page I seek thee, Lord;
My spirit pants for Thee, O living Word.

"Bless Thou the truth, deal Lord, to me, to me,
As Thou didst bless the bread, by Galilee;
Then shall all bondage cease, all fetters fall,
And I shall find my peace, my all in all."

JAN HUSS (1369–1415)

Mr. PROXMIRE. Mr. President, the great Bohemian religious reformer, Jan Huss, born to peasant parents 592 years ago, was the first torchbearer of Reformation in Europe. He was an eloquent and learned preacher as well as a great teacher. As such he was esteemed highly by the people, but his popularity was secured at the price of clerical antipathy. His election to the rectorship of the university in Prague did not abate the opposition of the clergy.

In 1409 his excommunication was issued against a mounting public protest in his favor. He was overwhelmingly supported by the people, and the king and queen of Bohemia appealed to Rome to have the charges against him quashed. All this was of no avail. In March 1411 the ban was pronounced upon him, and ultimately the whole city of Prague was laid under interdict.

Huss then withdrew from the city and went to Kozihradek in southern Czechoslovakia. In 1413 he was taken to Constance in southwest Germany, to be tried there by a religious council on the charge of heresy. He was convicted and executed on July 6, 1415. On the 546th anniversary of the death of this great champion of freedom, I join with Bohemians and Czechs everywhere to pay tribute to his memory.

HEARINGS BY STATISTICS SUBCOMMITTEE OF JOINT ECONOMIC COMMITTEE

Mr. PROXMIRE. Mr. President, one of the most important economic documents that have been published in this country and, in the view of most critics, certainly the most important study of monetary policy that has been made since the Aldrich Commission study in 1908, which resulted in the Federal Reserve Act, was the study of money and credit that was made by the Commission on Money and Credit. This is an extremely interesting study, controversial in many respects. But it is most interesting to me because many of the recommendations in it are recommendations that some of us have urged for a long, long time in the Senate, particularly the distinguished senior Senator from Illinois

[Mr. DOUGLAS]. This position is joined in by some of the leading bankers, financiers, labor leaders, farm leaders, professors and other experts on monetary policy in the country.

The Joint Economic Subcommittee on Statistics of which I am chairman, has scheduled hearings on unemployment concepts. We are trying to get far more information than we have on the nature of various kinds of unemployment, and are trying to catalog and categorize the various kinds of unemployment that have troubled us.

I raise the point because in the report of the Commission on Money and Credit there is the following statement:

Unfortunately the data are not now available to estimate the current number of job vacancies and the proportion of unemployment attributable to inadequate demand as compared to structural, frictional, and seasonal causes. While it may not be possible to attain precise quantitative measures of these magnitudes, it is imperative that far greater effort and funds be devoted to acquiring better information. The Government should institute a major program to identify the precise kinds of unemployment information needed as an adequate guide for policy decisions and then to acquire the data on a timely basis.

Our hearings are designed to determine whether or not such a major program would be justified.

Recently Mr. George Gallup conducted a poll to determine how people felt about making a sacrifice for their country in the sense of paying higher taxes, and it was interesting to note that in the poll a substantial majority of the people indicated that they were not willing to pay higher taxes for defense, for any kind of foreign aid, or for a whole series of programs, but a very substantial majority was willing to pay higher taxes to train the unemployed in new skills so that they could fill jobs which are now unfilled because we do not have the skilled people to fill them.

This approach is an enormously popular concept in America. Interestingly, it is a concept which is very popular with Republicans and Democrats.

I ask unanimous consent that a report on that poll from the Madison, Wis., Capital Times be printed in the RECORD, at this point.

There being no objection, the Gallup poll was ordered to be printed in the RECORD, as follows:

KENNEDY'S CALL TO SACRIFICE HAS YET TO SINK HOME

(By George Gallup)

PRINCETON, N.J.—President Kennedy's call for greater sacrifices to strengthen the U.S. position here and abroad has yet to sink home with a great many Americans.

Of the major proposals specified by the President in his second state of the Union message, only one—expanding training for unemployed workers—is cited by more than half of the public as an item for which they would be willing to sacrifice to the point of increased personal taxes.

In his speech before a joint session of Congress, Kennedy asked for increased spending also for strengthening the Armed Forces, a greater civil defense effort, economic and military aid to other nations, the U.S. Information Agency, and a stepped-up space effort with the goal of getting a man on the moon.

None of these other items, however, finds over half of the public saying they are willing to sacrifice in order to achieve the goal.

To see which items get the greatest priority from the public, the Gallup poll had its interviewer show voters a card listing the major items and ask this question:

"Here is a list of items for which President Kennedy has asked Americans to make sacrifices. For which of these would you be willing to make sacrifices, even if it meant increasing your own taxes?"

Top priority goes to the President's proposal that workers now laid off because of automation be given training in new job skills.

At the bottom of the list, the public puts increased military aid to other nations.

The vote on the complete list—Willing to sacrifice for:

	Percent
Retraining program for unemployed	67
Increase funds for improved Armed Forces	28
Strengthen civil defense program	28
Step up USIA propaganda efforts	26
Increase space research efforts	21
Increase military aid to nations	21
Increase military aid to nations	9
None of them	5
Don't know	3

(Table adds to more than 100 percent since many people cited more than one item.)

Analysis of the results by party affiliation shows little difference between Republicans, Democrats, or Independents.

Voters from all three groups name the expanded training for the unemployed most frequently. This item is given somewhat greater priority, however, by Democrats (71 percent) and Independents (70 percent) than it is by Republicans (58 percent).

Democrats tend to give increased economic aid to underdeveloped nations slightly greater priority than Republicans do.

Among all three groups, increased spending for military aid to other nations ranks last.

Mr. PROXMIRE. Mr. President, before any extensive program is undertaken, or a great deal of money is spent, it seems to me Congress should know what the conditions are. There is a very serious dispute between Chairman Martin of the Federal Reserve Board and Dr. Heller, Chairman of the Council of Economic Advisers, as to whether or not structural unemployment is as important as many people have argued that it is. The Chairman of the Federal Reserve Board has argued that it is most important. He has implied that it is considerably more important than is the question of inadequate demand, whereas the head of the Council of Economic Advisers, an extremely accomplished and eloquent economist, Dr. Heller, drastically disagrees with him. Dr. Heller and Dr. Tobin, of the Council of Economic Advisers, in particular, have studied the problem in some detail and have presented to the Joint Economic Committee documented study indicating that a substantial increase in demand would go a very long way toward establishing all kinds of employment. In order to resolve this kind of question, it seems to me we need a great deal more of the kind of information that the report of the Commission on Money and Credit has requested.

As I have said, this Commission consisted of people of such diverse and contradictory views as some of the following: David Rockefeller, president of the Chase Manhattan Bank; Robert Nathan, of Robert Nathan Associates; Stanley H. Ruttenberg, director of department of research, AFL–CIO; Charles B. Shuman, president of the American Farm Bureau Federation; and Gaylord A. Freeman, Jr., president, the First National Bank of Chicago.

It seems to me that virtually all intelligent, thoughtful, and responsible people who have considered this subject recognize the very great need for considerable study in this area.

BALANCE OF PAYMENTS AND LOW FOREIGN WAGES

Mr. PROXMIRE. Mr. President, last week on the floor of the Senate there was considerable discussion of the balance-of-payments problem and the problem of foreign imports and competition from abroad in textile areas and other areas. At his press conference, President Kennedy was asked about competition from abroad, particularly in the textile field.

Mr. President, the crux of the problem seems to come back again and again to the wage differential, the fact that in this country wages are considerably higher than in other countries; and it is alleged that not only are our wages higher, but that wage costs are higher—and therefore the total cost of production in this country is in many cases far higher than in other countries.

The very book to which I have referred, published by the Commission on Money and Credit, contains some interesting observations on this subject.

Before I get into that matter, however, I would like to point out exactly how sharp a discrepancy there is between wages paid in this country and wages paid in such countries as West Germany and Japan. The Joint Economic Committee furnished me with some figures showing that in 1960 the average hourly earnings in all manufacturing industries in this country amounted to $2.29 an hour, with fringe benefits amounting to 35 cents; a total of $2.64 an hour. These figures compare with those of West Germany, where the average wage is 62 cents an hour, plus fringe benefits of 20 cents, or a total of 82 cents an hour. In Japan the average wage is 30 cents an hour plus fringe benefits of 5 cents an hour, or a total of 35 cents an hour. These figures show that the wage in the United States is nearly three times the wage paid in West Germany, and seven or eight times higher than the wage paid in Japan, both in comparable industries.

As a matter of fact, the figures which I have just disclosed understate the case, if anything, because the Committee for International Trade Policy, which is not a committee which would overstate the case for protection, has indicated a greater discrepancy between United States

wages and wages in Japan. This committee believes that the best basis for comparison is in the field of unskilled wages. For all production workers in Japan in manufacturing, during 1957—this is not 1960, but 1957—the average wage was 17 cents an hour, whereas in the United States in 1956 it was $1.98.

I ask unanimous consent that a table, designated table III, at page 42 of a booklet entitled "Labor Costs and International Trade" be printed in the RECORD at this point, together with a table prepared by the Joint Economic Committee, to which I referred previously, showing the average hourly earnings in manufacturing industries.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE III.—*Wage comparisons for selected industries in Japan and the United States*

Japan (All production workers)		United States (All production workers)	
Industry	Hourly earnings April 1957 (U.S. cents) [1]	Hourly earnings 1956 average (cents)	Industry
Food and kindred products.	17	183	Food and kindred products.
Lumber and wood products.	14	176	Lumber and wood products.
Chemical and related industries.	24	211	Chemical and allied products.
Textile mill products.	11	145	Textile mill products.
Stone, clay and glass.	20	196	Stone, clay and glass.
Primary metal industries.	29	236	Primary metal industries.
Fabricated metal products.	19	207	Fabricated metal products
Machinery	21	221	Machinery, except electrical.
Transportation equipment.	26	225	Ship and boat building and repairing.
Apparel and other finished products.	10	145	Apparel and other finished textile products.
Medical and scientific instruments, photo and optical; watches and clocks.	20	201	Instruments and related products.
All manufacturing.	19	198	All manufacturing.

[1] Converted at exchange rate, 1 yen equals 0.2778 of 1 U.S. cent.

Source: U.S. Department of Labor, Bureau of Labor Statistics, September 1957, "Employment, Wages and Foreign Trade," in U.S. Congress, "Foreign Trade Policy, Compendium of Papers on United States Foreign Trade Policy," 85th Cong., 1st sess., Washington, 1957, p. 774.

Average hourly earnings—manufacturing industries (1960):

United States: $2.29 (plus fringe benefits $0.35).

West Germany: $0.62 (plus fringe benefits $0.20).

Japan: $0.30 (plus fringe benefits $0.05).

Source: Joint Economic Committee.

Mr. PROXMIRE. Mr. President, I bring this matter up not because I am arguing in favor of protection, but because we should give some recognition to the fact that wages are dynamic and that they change very rapidly and very drastically and differently in one country as compared with another.

The Commission on Money and Credit wrote exactly to that point when it spoke about the great difference between a country which has full employment and pressure against resources, especially against manpower resources, such as West Germany or Japan, as compared with a country which has considerable unemployment, and virtually no pressure to drive up wages, which is the situation in our country. They write:

> In the absence of any important elements of market power, wages tend to rise faster when there are more unfilled job vacancies [demand for labor] relative to the amount of unemployment. There is no universally applicable guide indicating the amount of wage and price increase, if any, which is likely to be associated with a specified increase in demand for labor, or how much unemployment, if any, is likely to be associated with a particular wage increase.
>
> The amount of additional aggregate demand needed to create a given number of new jobs, and hence a given reduction in unemployment, tends to be greater as unemployment declines. At some high level of unemployment, perhaps 8 percent, there is almost no pressure exerted on wages from aggregate demand. An increase in demand which then opens up 100,000 new jobs will reduce unemployment by almost 100,000 because workers of almost every skill category will be available in almost every local area. If unemployment falls because of further growth of demand, labor surpluses will tend to disappear in those skill categories and geographical areas where unemployment was initially smallest.

This is the situation in Germany at the present time.

> Still further increases in demand will result in labor shortages and pressures for wage increases in these areas and skill categories, even though substantial unemployment may exist elsewhere. Each further increase in aggregate demand will reduce unemployment and will give rise to consequent pressure for higher wages. It is reasonable to expect that when unemployment has been reduced 4 percent the pressure for wage increases will be much greater than when unemployment was 6 percent, and that by the time unemployment has fallen to 2 percent, unfilled vacancies will be widespread and the demand for labor will bring strong pressure for wage increases.

This is the situation which has developed in Germany. In an article which appeared in the Sunday Times magazine section recently, entitled "Inquiry Into German Prosperity," written by Flora Lewis, that situation is underlined. This is what the author says about the situation in West Germany:

> Unemployment is a joke. There were some 150,000 more jobs offered last year than there were people looking for work. Newspaper ads for cleaning women dressed up their allure with high-sounding appeals for "household economics, specialists," and "room attendants." A cartoon on the labor shortage showed a snooty lad just out of school leaning on a flashy sports car and replying to the urgent entreaties of a factory director, "Well, the car will suit me and the plant looks tolerable, so if there is a marriageable daughter in the house, I'm willing to discuss taking on that apprentice job."

There is a very striking and almost shocking difference between the shortage of jobs and prosperity in Germany, but of late the German situation has greatly improved, although it is still far below the situation here.

The article continues:

> A recent German survey chronicled an evening with the Schmidts, the average family. It did not mention vati's (father's) job, but he must have worked in a garage or on the railways or in construction from the brawny look of him in an accompanying picture. On his DM600 marks a month ($150), the family operates a tight budget.
>
> Vati is listening to a radio play, according to the chronicler, and mutti (mother) is sitting in one of their heavy old-fashioned chairs catching up with her mending. They seldom go out, and when they have friends over, it is for a glass of wine or beer. The budget will not stretch to dinner parties. They are saving up for a television set. Their 16-year-old daughter, Renate, who earns DM60 marks a month ($15) as a student secretary, has a radio of her own and keeps tuned to AFN, the American forces station, for jazz.

Mr. President, I have gone into this detail because I believe it is important in the ensuing debate that will take place on reciprocal trade that the groundwork be laid for a comparison of wages, recognizing that this is a dynamic situation.

The Joint Economic Committee compiled a study showing what has happened to wages in the United States and in West Germany and in Japan over the past 5 years. In order to make it accurate, I ask that the figures be corrected to reflect price increases.

What was disclosed to me was extremely interesting. It showed that in this country wages have increased from an index of 100 in 1956 to 115.7 in 1960. However, the price index has increased by about 9 percent, so real wages have gone up about 6 percent over 5 years, or roughly 1 percent a year.

In Japan the wage index has risen, not the 15 percent it has risen in the United States, but more than 20 percent—21.1 percent. The price index in Japan has risen 9 percent, so real wages have risen 10.6 percent, or almost twice as much as the increase in the United States.

The most interesting situation is in West Germany. Since 1956, wages in West Germany have risen by 37.4 percent. The West German price index shows an increase almost exactly the same as ours—9.6 percent. The wage increase in Germany has been 25.4 percent in only 5 years, an increase almost 5 times that in the United States.

The reason why I am emphasizing these figures is that I believe there are a number of ways in which we can persuade our friends and allies in West Germany to help us adjust our imbalance of payments, our loss of gold, and our other serious international problems to the fact that they are so efficient, that their standard of living is improving, and that they are able to compete with us so well. They are quite willing to try to make adjustments, but I think we must concentrate in the particular area of increasing wages. This can vastly improve the situation, which I think in West Germany is still unfortunate, because their standard of living is still far, far below that of the United States. While doing

so, they can equalize the competitive situation between our two countries.

Mr. President, the article in the New York Times also points out that the West German attitude on foreign aid is beginning to change. There are two other ways in which, I believe, West Germans can help us, and in which I believe they are helping us. The first is to help take some of the burden of aiding the free world off our back and alleviating that situation. The second is revaluation. The last paragraph of the article reads:

The attitudes are beginning to change. The sorry spectacle of the United States asking West Germany to help solve the winter gold crisis was a setback in the process of enlightenment and has made explanation of the need for giving more difficult. Nor, until a few weeks ago did the Bonn Government start using its powers to mold opinion in favor of the more enlightened self-interest that includes large-scale aid. To help others does mean some sacrifice for West Germans. They are up to it, but they are a goodly way still from generally recognizing their contribution as a political duty to the free world and as a moral privilege. It is up to the German leaders to open their people's eyes as well as the national purse strings.

Recently it was announced, when a loan was made to India, that West Germany participated more than any other country except the United States of America. For example, the West German participation was substantially greater than that of Great Britain. It was a very substantial contribution, something in the neighborhood of half a billion dollars. As I recall, it was about $450 million. That is $450 million which the taxpayers of the United States will not have to provide. It is the type of assistance which means much to us. We should certainly encourage the West Germans to continue such assistance.

It is understandable—and certainly anyone with political experience in this country recognizes it—that it will be hard for West Germany to move along that path instead of moving along the path of providing adequate wages for its people, when there is a serious shortage of jobs and there are many skills which deserve to be rewarded.

The only other area which seems to be really promising for assistance to us in solving our imbalance of payments from other countries, such as West Germany, is in revaluation. There is virtually no sentiment in the United States for devaluation of our money to try to solve our problem; but West Germany has recently revalued its currency by 5 percent. West Germany, understandably, wishes to go slowly in this field.

It seems to me that progress is being made on all fronts. This kind of adjustment will take patience. It will take earnest pleas, on the part of our leadership, to persuade West Germany and other nations to go along with us. Nevertheless, in view of the statistics, and in view of the progress which has been made in West Germany and other nations, we are moving ahead.

Mr. President, I ask unanimous consent that a table prepared by the Joint Economic Committee, to which I have referred, the article entitled "Inquiry into German Prosperity," published in the New York Times magazine of June 25, 1961, be printed at this point in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

Comparison of changes in average hourly earnings on all manufacturing, cost of living, and real wages, in United States, Germany, and Japan, 1956–60

[1956=100]

	1956	1957	1958	1959	1960
UNITED STATES					
Average wage index	100.0	104.5	107.6	112.1	115.7
Consumer price index	100.0	103.4	106.3	107.2	108.9
Real wages	100.0	101.1	101.2	104.6	106.2
GERMANY					
Average wage index	100.0	110.0	117.4	124.2	137.4
Consumer price index	100.0	102.9	105.8	107.7	109.6
Real wages	100.0	106.9	111.0	115.3	125.4
JAPAN					
Average wage index	100.0	105.6	105.6	113.3	121.1
Consumer price index	100.0	102.9	103.8	104.8	109.5
Real wages	100.0	102.6	101.7	108.1	110.6

NOTE.—Average hourly wages used to compute the indexes given above are probably not strictly comparable. The data do not include fringe benefits but do include, in the case of Japan, bonuses. If various fringe benefits such as insurance, retirement, family allowances, medical fees, etc., were included, it might change the comparative rates of increase over the period shown, though we have no basis for judging this.

Source: Department of Labor and United Nations.

INQUIRY INTO GERMAN PROSPERITY: CAN WEST GERMANY AFFORD TO BE LESS CONCERNED WITH MATERIAL WELL-BEING TODAY AND MORE WITH "ENLIGHTENED SELF-INTEREST" IN THE FORM OF HELPING OTHERS?

(By Flora Lewis)

BONN.—The roads are clogged with cars. Forests of television antenna etch the horizon. The long waiting lists at the employment offices contain not the names of jobseekers but of employers trying to snatch up the few idle workers. It is obvious that West Germany is riding the crest of a boom, a wave of prosperity that has been swelling up for over 5 years now and shows no sign of receding.

No one disputes that the country is prospering. If the economists' weighty pile of statistics were doubted, there is the evidence of loaded shop counters, of clanging factory towns that sprout neat new suburbs like yeast, growing almost before the eyes. And yet, not even the economists can agree whether the country is rich or not, whether the prospects of well-being stretch indefinitely into a comfortable rosy future or whether the bounty of fortune must be coddled and jealously saved lest gray times descend.

The insistence, not only by America but by India and the capital-hungry countries, that West Germany spread more of its new-churned butter on other people's dry bread has led to an angry argument over the true state of West German wealth. Is it sound and enduring? Is it solid and substantial, with more than enough to spare?

The answers, based on the same set of facts, are conflicting because the people who give them are really asking conflicting questions cloaked in common words. For wealth and prosperity are relative terms, determined by comparison, and the two are not always the same. Any measure of the soundness of West German prosperity depends at once on predictions for the future, comparisons with other nations of the present, and what is left from the past.

Wealth, in modern terms, is not only money and goods but the capacity to create more of both. Prosperity might be defined as the utilization of that capacity.

The West Germans point out that while their wealth has certainly grown, it developed from a point little above zero to which total war and collapse in defeat had reduced them. Theirs is a handsome country of gentle river valleys and wooded hills, but it has little of natural riches that need only be dug from the soil to be used. No oil, no water power, little iron and metals, no immensities of fertile plain, only coal which is no longer an unmitigated asset.

But it is a country rich in tools and skills, skills inherited from the past and steadily renewed, tools bought and made at a rate of expansion that surpasses that of any other Western nation. As a result, the value of everything the economy turns out has nearly tripled in a decade. West German economists estimate that their country is a little better off than Great Britain or about half as rich as the United States, measured by the per capita industrial capacity. And the assets are in busy use, in contrast to the American economic scene with its idle patches, so that prosperity smiles on West Germany.

Unemployment is a joke. There were some 150,000 more jobs offered last year than there were people looking for work. Newspaper ads for cleaning women dressed up their allure with high-sounding appeals for "household economics specialists" and "room attendants." A cartoon on the labor shortage showed a snooty lad just out of school leaning on a flashy sports car and replying to the urgent entreaties of a factory director, "Well, the car will suit me and the plant looks tolerable, so if there's a marriageable daughter in the house I'm willing to discuss taking on that apprentice job."

Nor, despite the warnings that are more superstitious knocks on wood than serious economic predictions, are there any signs that the West German boom is headed for a bust. With two economic collapses in the last generation, Germans are shy of optimism. But the major factors that lurked behind the American boom of 1929 and brought it crashing are nowhere to be seen in Germany. Speculation has been kept in check by the economy's insatiable appetite for investment capital; consumers still want a million things and they are gradually earning more with which to buy them; rising productivity and economic discipline have kept prices from spurting out of buyers' reach although costs have been creeping upward.

The foundations of the economy, then, look sound and the prospects are good that prosperity will continue.

That does not mean, however, that West Germans live well by American sights. A recent German survey chronicled an evening with the Schmidts, the average family. It did not mention vati's (father's) job, but he must have worked in a garage or on the railways or in construction from the brawny look of him in an accompanying picture. On his DM600 a month ($150), the family operates a tight budget.

Vati is listening to a radio play, according to the chronicler, and mutti (mother) is sitting in one of their heavy old-fashioned chairs catching up with her mending. They seldom go out and when they have friends over it is for a glass of wine or beer. The budget will not stretch to dinner parties. They are saving up for a television set. Their 16-year-old daughter Renate, who earns DM60 a month ($15) as a student secretary, has a radio of her own and keeps tuned to AFN, the American forces station, for the jazz.

Saturday night they go to the movies, a family comedy if they can find one, and stop

in at the neighborhood gasthaus on their way home. Vati invariably orders beer, but mutti is likely to choose a lemonade or a Coca-Cola instead. The other big beer night is Thursday, when vati has a regular date for cards and talk at the gasthaus with the boys. Mutti's regular fling is the weekly afternoon kaffeeklatsch with a circle of women who manage to sew and consume mountains of whipped cream on cake at the same time.

The Schmidts do not eat much fresh meat—it is too expensive for them—but they have their fill of sausages, cabbage, and potatoes, about 16 pounds of potatoes a week for the family of four including 7-year-old Karl. Rent on their 3½-room apartment is cheap—only DM82 ($20.50) a month—because it is in an old, rent-controlled building. Their extravagances, aside from coffee, tobacco, and liquor which are all heavily taxed; are meager. The main one is Fifi, the dachshund, whose license alone costs $1.50 a month.

It is scarcely a picture of luxury, but compared to the furious scrabbling of a decade ago, it is solid comfort and most people in Germany are rather pleased with themselves.

There is also, of course, the Duesseldorf set whose men drive black Mercedes 300's—the managerial car—and whose women buy copies of Paris couturier dresses in a local shop where, they trill, "It didn't cost any more than the original would in Paris."

Even in Duesseldorf, though, mink-lined driving gloves or solid gold bar-mixing sets for those who have everything would be looked on askance as wasteful oddities. Habit, caution limned on the mind by harsh experience, and a certain natural hardheadedness have kept even those who could be profligate from chasing after dazzling fripperies.

The very rich in Germany—and their proportionate numbers are smaller than in the United States—are for the most part people who have made all their own money. They show the characteristics of first-generation wealth still striking for more, rather than of established wealth that takes money for granted and thinks of using it instead of making it. A good many of these people were rich or well-to-do once before, but they had to build their shattered fortunes all over again.

It has been said, "West Germany is neither a nation nor a culture, but an economy." In a sense, it is true. Improvements in material welfare are the dominant preoccupation both of the great majority and of the minority of writers and preachers whose main objective since prosperity has been to combat crass materialism. Politicians extol the great issues but take infinite pains with the least pressing pocketbook items well before elections.

Chancellor Konrad Adenauer's slogan "No Experiments" has brought regular success at the polls not simply because of its international political implications for security. His electorate also reads into it a promise of more of the goods they have been saving to accumulate, more of the job security they have won after almost half a century of wild business cycles, more solid steps in their steady climb to better living. And Adenauer unremittingly does his best to keep the promise, not only because his own vote harvesting depends upon it, but also because he fears what unknown urges might spring from a population so recently led from a mass insanity if maddening symptoms of economic disease were to reappear.

Occasionally, when they happen to feel like philosophizing, West German businessmen and politicians wonder with sadness whether their country's democratic stability now rests on the four wheels of a car and the four legs of a refrigerator.

They do not know. No one really knows. But it is almost axiomatic in West Germany now to consider the cars and the refrigerators as the real pedagogues of democracy and possibly even its main support here, at least until the generations who were numbed into senselessness by inflation, unemployment, and defeat have passed from the scene.

Nor is it surprising that material things should mean so much to Germans now. Twice in this century Germany struck out with all its might in the name of glory, aggrandizement, mastery, and came to grief. In a mere decade, by concentrating on pins and needles, machines and profits, and ignoring the big soul-stirring words, West Germans have reached a level of general comfort and well-being beyond the dreams of their forefathers.

But such concentration does not provoke many urges to generosity nor to a sense of obligation for the plight of those less fortunate. On the contrary, the instinctive assumption of people here, ingrained by history, is to consider themselves have-nots who may have picked up a bit of luck but are not so foolish as to count on it. It is an attitude based on a history of being stragglers and, as so often happens with popular attitudes, has far outlived the facts.

The Germans came late to the status of nationhood. As a result, they did poorly in the grab for colonies when colonies were considered the fount of wealth. The feeling of getting less than their share was a habit of mind that expressed itself in colonial ambitions before World War I and in the scream for Lebensraum before World War II. It mattered little to the feeling that its premises were false. This sense of deprivation has persisted long after the facts of ruin disappeared.

West Germany received huge amounts of unexpected aid after the war, and while people took with gratitude they learned not so much the blessedness of giving as the worthiness of getting. It is enlightening to hear high officials rail at the waste, the inefficiency, and the dumb openhandedness of some current American aid programs to other countries.

While the criticisms are no doubt technically quite valid, they tend to lay down businesslike and neat criteria for foreign aid which—had they been in effect in Washington in 1949—would have virtually ruled out help for Germany then. There is a limit to how immediately and economically rewarding an aid program can be and still qualify as aid rather than plain commerce.

Still, the authorities at least are well aware that, as the official publication of a leading West German bank declared recently, "We certainly are well off, not the richest country in the world, but one of the rich few."

How much then can West Germany afford to help the poor many? To begin with, of course, what anybody can spare depends on what he thinks he should keep. In times of crisis, personal or national, it always turns out that the necessary is less than supposed. The gold and exchange surplus cannot be a source of aid; it is at most a means of converting domestic wealth into aid. So the question is: How much can fairly be drained off the creamy head of West German prosperity?

The money would have to come from either taxes or borrowing, public or private. A figure that has taken on the currency of a slogan among economic officials as a minimum reasonable foreign aid contribution is 1 percent of gross national product, in effect, a tenth of a tithe. For West Germany, that would be some $700 million a year, and more as the economy expands. It would be roughly comparable to the U.S. foreign aid burden. Nor it "tithe" altogether the right word, for in addition to spiritual benefits it would mean benefits for the part of the economy that received resulting export orders at the expense of the economy as a whole.

Foreign aid is for West Germany now—and the Germans are coming to see this—more a question of politics than of economics. Party politics before this fall's election are involved especially when it comes to tax changes. Although the per capita tax burden is rated by economists as at least as heavy as in other countries, it still falls in a way that favors the wealthy. This was deliberately contrived at the beginning of economic revival to encourage the formation of desperately needed capital.

Now many thoughtful Germans are seriously worried about the continued concentration of the country's wealth in a few manicured hands. But those hands have acquired a strong grip on their privileges.

International politics play the counter role. It is not only a matter of satisfying the insistent Americans. Immediate West German interests are involved. On the crudest level, there is the rivalry with East Germany for the favor of many neutral states. It is important to Bonn to maintain the diplomatic quarantine of the East German rump state. To many young countries, it is important to get capital and of little importance from where. Bonn has resources the East German Communists have never managed to create and can easily win this match by using them. But that is not a motive that carries very far.

There is, too, a much broader political interest to be served by large-scale German foreign aid. This is the enlightened interest of enlarging the area of well-being in the world. Some officials and politicians have grasped it. Most have not. People are used to thinking of development aid as America's affair. "You're the rich country," they say. And they are used to thinking of it as serving American purposes, rather than the cause of human welfare and freedom as a whole.

Preoccupied with their own revival, few Germans have yet come to notice that their ability to stay on their feet depends in part on helping others up. And they have not been on their feet for long. Although the ground is solid, they keep their eyes on it for fear they may be seeing things and a hidden precipice really lies ahead.

This attitude distracts their attention from the real stragglers of the modern world, and tends to promote the feeling of the newly rich that the poor have only themselves to blame for not being able to steer along the same rocky road to success.

The attitudes are beginning to change. The sorry spectacle of the United States asking West Germany to help solve the winter gold crisis was a setback in the process of enlightenment and has made explanation of the need for giving more difficult. Nor, until a few weeks ago, did the Bonn Government start using its powers to mold opinion in favor of the more enlightened self-interest that includes large-scale aid. To help others does mean some sacrifice for West Germans. They are up to it, but they are a goodly way still from generally recognizing their contribution as a political duty to the free world and as a moral privilege. It is up to the German leaders to open their people's eyes as well as the national purse strings.

ONE HUNDREDTH ANNIVERSARY OF U.S. GOVERNMENT PRINTING OFFICE

Mr. MILLER. Mr. President, this year marks the 100th anniversary of the U.S. Government Printing Office. At the centennial dinner held on June 27, the Honorable OMAR BURLESON of the 17th District of Texas, vice chairman of the Joint Committee on Printing, delivered

the principal address. I ask unanimous consent that this very fine, timely, and historical address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. OMAR BURLESON, OF TEXAS, AT THE 100TH ANNIVERSARY DINNER HELD AT THE GOVERNMENT PRINTING OFFICE, JUNE 27, 1961

Mr. Harrison [the Public Printer], Senator MILLER, representatives of the graphic arts, employees of the Government Printing Office, other distinguished guests, ladies and gentlemen, may I assure you that I respond heartily and enthusiastically to your invitation to be with you on this occasion.

For fear of sounding undignified, I did not address you as fellow employees of "Swampoodle." I was tempted to say "my friends up Tiber Creek." In doing so, I could have well known that, at least you had a paddle. You know those of us at the Capitol are down Tiber Creek and sometimes we have trouble finding a paddle.

In this highly scientific era, the harnessing of nuclear power and the ability to utilize it, we still have speakers for occasions such as this. I suppose we could use a robot of some kind—simply select the theme, push a button here, pull a lever there, and out comes an afterdinner speech.

It would probably be better than some we have all heard and better than the one near at hand.

There is, however, this thing certain. The speaker would not have the pleasure, satisfaction, and warm response of hearing these generous words of introduction accorded him by a longtime personal friend and associate. I am grateful.

As honored and as delighted as I am to accept this invitation to share this occasion with you, I have one regret which you will understand. I had hoped that the chairman of the Joint Committee on Printing, the distinguished and lovable Senator from Arizona, would address you and that I would be privileged to hear him.

Of course, Senator HAYDEN has been around a long time. He says you never have to explain something you did not say. Most of us in the Congress have not yet learned that. Sometimes, you know, we must take more time explaining what we said than it took to say it in the first place. You who may have something to do with the committee hearings and the daily CONGRESSIONAL RECORD will marvel that we could ever find that much time or space.

This is a time of celebration and it is a significant one. As you know, it commemorates the 100th anniversary of this great institution, the Government Printing Office.

As early as 1819, there were some farsighted men in the Congress and in Government service who recognized the need for the Government to have its own printing establishment, and in 1861, on the same day that Abraham Lincoln was inaugurated as President of the United States, this Office opened its doors.

It was during this period that it may truly be said that the United States of America passed through the period of infancy and youth to full maturity in the company of nations.

Although the history of this great institution may not appear spectacular to the layman, it, nevertheless, has had a tremendous influence upon the affairs of our Nation.

The beginning of the Government Printing Office, when it opened its doors on March 4, 1861, consisted of a small group of buildings—which is not a fact of great import—and a quantity of equipment, which is not significant, either—all purchased for the sum of $135,000. What really counts is that the purchase was instrumental in bringing into the Government service 350 people versed and skilled in the twin arts of printing and bookbinding. From the very day of the opening of its doors to the present, history has been silent about delays in public printing which, until then, had consumed so much of the time and interest of the Congress. It is reasonable to assume that such delays as may have occurred were never critical.

Among the original Government Printing Office buildings was the stable where, according to the records, there were accommodations for "one black horse and one bobtailed bay horse; one wagon and a carryall."

The delivery section also had three or four bicycles, one of the latest design for delivery of emergency work and urgent messages. Come to think of it, even today the bicycle remains the fastest mode of travel over short distance in Washington traffic. That is, if the rider survives until he reaches his destination. Sometimes we in the Congress may suspect that the bobtailed bay may have thrown a shoe on the way to the Capitol when a hurry-up order requires the delivery of copies of bills or hearings, but it invariably comes through in time to keep the legislative ball rolling and the delinquencies have seldom been more than a matter of minutes.

The dollar-and-cents value of anything is of no little interest to those of us in the Congress. Therefore, it is well to mention in passing that the Government Printing Office has had no space addition since 1939, when the volume of business was about $21 million as compared to $100 million during the last 2 or 3 fiscal years. There is a great need for an additional building and added facilities, which we hope will be realized in the very near future.

To me, the important part of any institution is the people in it. As all houses do not make homes, so do not brick and mortar and steel and machines make an institution such as this. An institution such as this makes the U.S. Government. Therefore, it comes down to the proposition that you and I, in whatever capacity we find ourselves, represent the Government to millions of our fellow citizens. This being true, we have a definite and a clear responsibility, responsibility of loyalty to the code of ethics for Government service, which I find in this little pamphlet, entitled "Presenting the Government Printing Office."

The history of the personnel of this Office convinces me that the people in it have and have always had this dedication.

I think it proper to mention the contribution of former Public Printer Augustus E. Giegengack, present here this evening, who was at the helm at the beginning of World War II, and under whose direction this Office performed a tremendous service during those trying years. He was awarded the Certificate of Merit for outstanding contributions to the war effort, and in accepting it fully recognized the contribution of 7,000 employees who made the award possible.

There is another former Public Printer here, through whose efforts a modernization program put the Government Printing Office abreast of the commercial industry in the employment of up-to-date printing processes. I refer to Mr. Raymond Blattenberger.

Of course, not all the operations related to public printing and binding are confined within the walls of the Government Printing Office. The preparatory work which must be done by the editors, the screening and processing of orders by the printing clerks before publication, is vital to all operations.

These people are doing an essential job and they must not go without credit. The Public Printer and those of you in executive and administrative positions will be the first, I know, to acknowledge that this Office could not function as efficiently as it does if the preliminaries were not so competently handled by the printing clerks and departmental representatives.

There is no doubt that the present Public Printer, whom I have known for a long period of time and with whom I have closely worked, will carry on the enviable record of his predecessors in the fine traditions of this institution.

I predict that in this time of rapidly moving events, he will make his own record which will be a challenge to those about him and those who will follow.

Someone totally unfamiliar with the Government Printing Office, and of course, there are more who are not than who are, may ask what it is and what does it do. A number of answers might be given, depending on who responded to the question.

It might be called the largest printing office in the world—32½ acres of floorspace in a group of red brick buildings.

A community—with its dependents equivalent to a fair-sized city.

An investment of $25 million in plant and equipment.

A $100-million-a-year business.

A partner with the Congress in its legislative function.

It could be any of these. We could call it a partner with the Federal agencies in their essential operations and public undertakings.

A partner with the commercial printing industry in the placement of $30 million worth of printing contracts annually.

A collaborator in research and development projects with printers and lithographers throughout the Nation.

Any of these descriptions would be accurate. The Government Printing Office is all of these things.

I prefer to think of the Government Printing Office as the people who are here—6,500 men and women who know their jobs intimately and do them well. Dedicated people who have grasped the ideals of those who went before them—so often their own fathers or grandfathers.

I am reminded here that, if this were a sermon, which definitely it is not, the text could appropriately be taken from the Book of Psalms in which we are admonished to "Remove not the ancient landmarks which thy fathers have set."

We in Government service should want to live and to work to see an America which will move forward, decade after decade, ever creating new and better jobs by producing more and better goods for more and more people. We want to see an America enriched by an old feeling that any ambitious young man or woman can rise above the circumstances of any environment. We want to see an America in which industry, labor, and agriculture will move forward to lift ever higher the standard of American living and to build ever stronger the bulwark of our national life. To move forward, to progress, but to never lose sight of the landmarks which our fathers have set.

It is not an impossible task and should not even be a difficult one. It is simple compared to that task which confronted the men and women of a few brief years ago. They did not inherit the most productive plant in all the world such as this; they did not inherit the most advanced technical processes in the printing industry. In many instances they had nothing but the labor of their bare hands, but they had vision, inspiration and a great faith. I do not think they whined and complained that the world owed them anything. They had a view which we find peculiar in some places today, and that is that the privilege of self-government carries with it the obligation of supporting it wholeheartedly. They were the people, and that was the spirit which built this country.

For that reason, just as this institution is a part of this great Nation and is many things, so is our country many things. It is the good and the bad, the ugly and the beautiful, the absurd and the superlative, the rude and the gracious. It is a scrap of paper enshrined in the Archives Building just down the street. A bridge over the Potomac River. A cracked bell in Philadelphia and a tomb out here in Arlington Cemetery.

America is the truckdriver saying, "This is a free country, and I'll vote for whom I darn please."

Just after the surrender of Japan, when the army of occupation moved in, a group of allied officers was given an audience by a venerable Japanese statesman. The old man was very impressed by the various uniforms worn by the men of the different nations. Turning to a British officer, he said, "I observe by the uniform that you are a subject of the British Empire." The officer bowed, squared his shoulders and replied, "I am."

Observing an American officer, the old man said, "And I assume from your uniform you are a subject of the United States of America." The officer snapped back, "Subject? I am not a subject of anything—I own part of it."

You and I have been proud of the fact that we are a part owner of this land in which we live, and we cherish it and hold dear this prized possession.

To rededicate ourselves to our country and to the jobs we hold, perhaps we would like to be reminded that:

"This beloved and mighty America to which I owe absolute allegiance is more than a land of lordly rivers, rolling plains, and mighty peaks.

"It is more than a country vastly rich with stores of minerals and ore; more than a people blessed with a genius of invention and enterprise, production and distribution.

"America is God's experiment in free government of the people, by the people, and for the people.

"The America to which I give my heart's full measure of devotion is God's herald in history, proclaiming to the world the dignity, the duty and the destiny of nations under free government."

In this tradition of service, I join with those of you who are no more than 25 years old (and, of course, that includes all the ladies) who, by reason of the advances of medical science, will likely live to be 125, and on the 200th anniversary, we shall meet here again.

In the meantime, thank you for your association and permitting me to be with you.

SS "HOPE" VISITS SAIGON, VIETNAM

Mr. MILLER. Mr. President, the Senate is well aware of the great value of the Project Hope medical mission ship, which is doing so much in southeast Asia to show that Americans are people with hearts. This was demonstrated on June 1, 1961, when the Senate adopted a resolution relative to the establishment of a White Fleet, a proposal designed to capitalize on the phenomenal success of Project Hope.

It is pleasing to be able to report that the American people are also well aware of what a potent force for good will Project Hope is. This awareness is evidenced by editorials such as the one which was published on June 17, 1961, in the Boone News-Republican in my home State of Iowa. I ask unanimous consent that this perceptive editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MERCY MISSION TO VIETNAM

This past Thursday the good ship SS *Hope* steamed into the Vietnamese port of Saigon for a 4-month medical mission that could not have come at a more propitious time. With Vietnam reeling under the forces of internal subversion, this evidence of American helpfulness may be more persuasive in putting the Vietnamese people on the side of the free world than military assistance.

The hospital ship is on the final leg of its yearlong good-will mission to southeast Asia. During 7 months in the waters off Indonesia, the *Hope's* basic medical team of 15 physicians, 24 nurses, 30 medical technicians, and others earned the respect and friendship of the Indonesian people and of their Government. This hard-working staff of volunteers held 800 classes and lectures, treated 17,000 patients, performed 700 major surgical operations, and greeted 30,000 shipboard visitors.

It will cost $3,500,000 to operate the *Hope* for 1 year, exclusive of the $2 million in mutual security funds that were used to refit the 1,500-ton former Navy hospital ship. All the operating funds are being privately raised through solicitation of corporations, labor groups, and individuals. The Project Hope organization would like to send still more ships on medical teaching missions to Africa and South America if the necessary funds are forthcoming.

The Senate eased the way for a step-up in this type of mercy mission by adopting a resolution on June 1 supporting the establishment of a White Fleet. The President would have authority to establish such a fleet—to rush assistance to disaster areas, as well as to carry on a regular program of technical assistance and training—whenever he feels it would further U.S. foreign policy. That the Project Hope mission does bring good will to the United States is exemplified by the comment of the mayor of Sumbawa, an island in the Indonesian Archipelago, to one of the ship staff: "This is the first time foreigners came to Sumbawa who did not come to steal our rice. We will never forget what you have done."

TWO PHILOSOPHIES OF DEFICIT FEDERAL SPENDING

Mr. MILLER. Mr. President, in the June 28 issue of the Sioux City Journal appeared a timely editorial pointing out the two philosophies of deficit Federal spending: One is that there has not been enough growth to create the taxes on pay and profits to cover the spending demanded; and the other is that we spend too much. I happen to subscribe to the latter. Indeed, I would go further, and would state that when we spend too much, the inevitable result is retardation of growth, because inflation and the accompanying shrinkage in value of our money discourage thrift, investment, and business expansion. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ONLY WAY?

Sylvia Porter's column on today's editorial page discusses Federal budgets. Over the years, Sylvia points out, it has become traditional for them to be laced with red ink. Even in the so-called boom years of the 1950's there have been deficits, she explains, adding:

"The only way to explain the deficits of the 1950's is that we didn't grow enough to create the taxes on pay and profits to cover the spending demanded to fight the cold war and provide services deemed essential or desirable for the people."

We disagree with Sylvia's contention that this is the only way to explain the deficits of the 1950's. There is another, and more realistic, way.

The Federal Government simply indulged in deficit financing, overspent its income, and went into debt. As a national institution, we lived beyond our means because of the strange and mixed-up thinking of those who believe big government and big spending are the answers to our problems. That happened in good years, too, when the Nation should have been hacking away at the burdensome national debt instead of adding to it.

Our defense obligations must be met, of course, and maintaining security is expensive business. The spenders are erring in promoting at the same time costly home-front programs that might be nice to have but which, in plain, unvarnished English, we can't afford.

THE FOREIGN AID BILL

Mr. MILLER. Mr. President, one of the most important pieces of legislation to come before the Senate will shortly be the foreign aid bill. I know of no other legislation over which so many American people are so disturbed as this. There is no question that most of our people recognize the desirability of a reasonable amount of foreign aid if it is judiciously spent. However, with the priority that has been given by this administration to domestic spending legislation, and with the $3 billion deficit for the fiscal year just ended and the $5 billion deficit—at least—forecast for the current fiscal year, most of which can be attributed to increased spending for domestic programs, our taxpayers back home are deeply concerned over the sincerity behind various statements regarding the need for all of the spending proposed by the foreign aid bill. If, indeed, all of this is so terribly necessary, they wonder why the administration did not see fit to cut down the amount of the domestic spending that has been requested.

Of equal concern is the common knowledge that much of the foreign-aid money we have taken from our taxpayers has not been judiciously spent. From 1955 to 1960, the Soviet bloc gave to non-Communist countries foreign aid amounting to $3.5 billion; at the same time, the United States aid in grants and loans to the same countries amounted to $5.7 billion. Still the Communists have been more effective. As was pointed out in an excellent editorial published in the June 26 edition of the Waterloo (Iowa) Daily Courier, our whole concept of foreign aid is apparently based on some false assumptions or lack some ingredient to make it workable. I ask unanimous consent that this editorial be printed in the RECORD.

Also, Mr. President, in the June 10 issue of the Des Moines Register appears

a knowledgeable article by Mr. Arthur Krock, setting forth additional reasons why there are suspicion and restiveness over the administration's foreign aid bill. I ask unanimous consent that the article be printed in the RECORD.

Finally, Mr. President, numerous taxpayers over the Nation are asking pointedly, "How much foreign aid can we afford?" This is raised as a result of the administration's request to boost the request of the Eisenhower administration by at least another half a billion dollars. Perhaps the answer is that we cannot afford any foreign aid whatsoever that is not judiciously spent; and we can only afford an amount which, even if judiciously spent, will not weaken our national character by demoralizing our people, through inflationary effects of such spending. I ask unanimous consent that a good editorial on this phase of the foreign aid question, appearing in the June 18 issue of the Sioux City Journal, be printed in the RECORD.

There being no objection, the editorials and the article were ordered to be printed in the RECORD, as follows:

[From the Waterloo (Iowa) Daily Courier, June 26, 1961]

UNITED STATES MUST REEXAMINE FOREIGN-AID CONCEPT

It is time that we Americans gained a more realistic understanding of problems inherent in the accepted concept that foreign aid, by reducing poverty, will prevent the spread of communism.

That idea, based on vague American idealism, has now run up against some painful facts.

With the impact of Western technology, the standard of living in some backward areas of the world has actually declined. Modern medical methods of controlling epidemics, reducing infant deaths, and treating chronic diseases have caused a population explosion which places a greater strain than before on the food supply. More people are hungry today than ever before in world history. Foreign aid in many lands is useless without some means of controlling the population, by artificial means or otherwise.

Even in underdeveloped nations with adequate land for expansion, as in Latin America, the gap between living standards there and in the advanced Western nations is actually broadening rather than contracting. As a result, people who obtain a smattering of education are increasingly dissatisfied with their rate of advance and are willing to accept the Communist promises that the job can be done faster under a Marxist dictatorship.

Furthermore, foreign aid cannot possibly increase the standard of living fast enough in these areas to overcome this dissatisfaction. The case is summarized neatly by Prof. H. Wentworth Eldredge, chairman of the Dartmouth College sociology department, in the May issue of NATO Letter:

"A present annual per capita income of $200 (not unusual among backward economies) will reach at the highly optimistic yearly growth of 5 percent within a decade the hardly impressive total of $325 per capita. Meanwhile, the $1,400 annual per capita income of the United States will have increased to $2,280. In short, the level-of-living gap will have increased from $1,200 to $1,965.

"But this is a fictitious calculation; no underdeveloped economy is very likely to grow at a net per capita rate of 5 percent annually because the population explosion (induced by Western public health techniques controlling the death rate) is likely to reduce the net per capita rate to 2.5 percent or lower.

"Naturally, we too in the West will be very fortunate indeed to hold a 5 percent or close to 5 percent net per capita output growth yearly over a period of time, but the chances are better. To summarize the conclusions of G. L. Bach ("Economics: An Introduction to Analysis and Policy"): If we make the assumption that Latin America could attain a 2.5 percent net annual per capita product growth, it would take 40 years to attain one-third of the present U.S. per capita income. And if the U.S. income grows at the low rate of 2 percent per annum it would require over 250 years before Latin American income reached one-third of the then current U.S. income level."

If foreign aid cannot possibly accomplish results to meet the rising expectations of the people in underdeveloped lands, why, then, should the Communists make headway with fewer resources and a less effective economic system? From 1955 to 1960, the Soviet bloc gave foreign aid to non-Communist countries amounting to $3,510 million. United States aid in grants and loans to the same countries during the same period amounted to $5,739 million. Our total foreign aid bill during the period was a staggering $23,998 million. Yet the Communists are gaining everywhere while the West is losing.

We are not proposing the abolition of foreign aid. But apparently our whole concept of foreign aid is based on some false assumptions or lacks some ingredient to make it workable. Perhaps we should spend more energy and expense in exploiting unrest in Communist areas like Red China rather than trying to fight a purely defensive battle.

[From the Des Moines Register, June 10, 1961]

KROCK AGAINST PRESIDENT'S FOREIGN AID PROPOSAL

(By Arthur Krock)

WASHINGTON, D.C.—The administration's foreign aid program has come before Congress for approval in the most defensive position these proposals have ever occupied. The position is that of a large borrower who, despite unsatisfactory tangible earnings, wants not only to renew his loan at the bank, but make it annually self-renewing for 5 years. To get even the substantial assent of Congress, the administration will have to persuade it to do the following:

Delegate to the Executive for 4 years, with an involvement of about $2 billion a year, its power of the purse—the greatest and most effective of the powers specifically and exclusively vested in Congress by the Constitution.

By this action put itself in the position where it can neither reduce nor withhold this $8 billion without (1) incurring the charge of breaking contract, (2) obliging the executive to leave unfinished in the lurch foreign aid projects undertaken on long-term commitments, and (3) being held responsible for the international ill will this inevitably will incur.

Increase the already large amount of Treasury back-door borrowing by granting this authority to a Government agency whose previous record has bred deep distrust in Congress of its competence and the soundness of the policy it administers.

By this increase of funds which can be spent by Government agencies without applying for them to Congress year by year, further undermine the sound fiscal system which requires annual appropriations to be made with knowledge of anticipated revenue.

Do all this on the assurance of the administration that, given a long-term fund commitment, it can and will correct the administrative and personnel-created weaknesses of the foreign aid programs under the three preceding Presidents, during which the influence of international communism has steadily expanded in the world.

Even if President Kennedy and his aides can accomplish these extraordinary persuasions, the requested foreign aid fund of $4.8 billion for fiscal 1962, a rise of $800 million from President Eisenhower's request for fiscal 1961, will have to surmount more obstacles if Congress is substantially to approve it.

These obstacles, which can be identified by the questions committee members are asking of Secretary of State Dean Rusk, Secretary of the Treasury C. Douglas Dillon and other administration advocates, have been created by the following conditions:

The great unpopularity with the voters in many congressional constituencies of the foreign aid program, making its championship a hazard to reelection.

The apparently widespread conviction in the country that, without new and more painful price inflation, the economy cannot furnish $7.3 billion more for foreign aid, and also finance the increased domestic spending for welfare measures urged by the President, plus the proposed vast outflow of other billions for space exploration and military defense.

Growing support among the people for those Members of Congress and publicists who are demanding that the President choose a precise list of priorities, leaving the remainder, including a man moon landing at a cost of $20 billion to $40 billion for later and more gradual attainment.

The answers made by Cabinet witnesses thus far to the questions these attitudes inspired do not seem to have been very persuasive.

The additional evidence of Soviet implacability supplied by the Vienna conversation between the President and Premier Khrushchev, in combination with the continued obstructions to a Laos settlement raised by Communist troops, and to a nuclear weapons treaty by Kremlin delegates at Geneva, weight the scales against rather than for the new foreign aid program.

The apparent strength of the congressional resistance suggests that the President's chances of overcoming it depend on the skills, political and otherwise, with which he uses his tools of persuasion, since the tools themselves are merely reconditioned old ones.

The kit includes a new and consolidated agency, reoriented on the principle of Truman's point 4.

[From the Sioux City Sunday Journal, June 18, 1961]

HOW MUCH FOREIGN AID CAN WE AFFORD?

There apparently is in progress a systematic program by top Kennedy administration officials to boost U.S. foreign aid spending. The Director of the Bureau of the Budget, David E. Bell, said the other day for example that the United States can afford to double its aid to underdeveloped countries. "Plainly we could raise the amount of resources we are devoting to foreign aid, even to double its present level, without serious strain on the budget or the economy, If this were considered necessary in the national interest," Mr. Bell declared in a California speech.

Meanwhile, across the continent, another Kennedy administration official, Health, Education, and Welfare Secretary Abraham Ribicoff, was making a speech in Boston in which he said that as other nations helped the United States in its formative years, so too the time has come for us to help others.

Well, it seems to us that in the years since World War II the United States has been anything but parsimonious in dealing out economic and military aid to foreign

governments. The total amount we have spread around the world in the past 15 years or so is heading toward the $100 billion mark. Even figured by liberal definitions, this is a princely sum.

The United States always has been ready to offer a helping hand to needy countries, and—within the bounds of reason—rightly so. Generosity is an American trait and a good one. But mixed in with the customary generosity of this Nation has been a new note—big giveaways of our wealth via the scattergun method. We've aided oversea nations with a vast shower of American dollars, but today we are having trouble in more countries around the world than ever before.

What have we gained by our multibillion-dollar foreign aid programs in the past 15 years? That is a question virtually defying an answer. Those who advocate big spending abroad say that if we had not given so much money to foreign countries, things would be even worse than they are today. But here again there is no way of measuring the accuracy of such a position.

Mr. Ribicoff's statement that now the time has come for us to help others, sounds almost as though the United States has been sitting idly by without offering oversea aid. But it is evident he has a yen for bigger spending.

In some instances, we are providing foreign countries with more money each year than they take in from local revenue. But still we find anti-U.S. sentiment spread widely around the world.

The record does not provide a very good case for boosting foreign aid giveaways. Indeed, to the contrary, it signals a crying need for application of the brakes and a reexamination of what type of aid would serve the cause of freedom better.

FEDERAL COMMUNICATIONS COMMISSION HEARINGS ON TELEVISION INDUSTRY

Mr. McGEE. Mr. President, a day or two ago I mentioned on the floor of this body a specific threat against performers in the television industry for testifying against the industry at the Federal Communications Commission hearings in New York. The point of reference of my remarks happened to be an article by Lawrence Laurent, published in the Washington Post. Since then, I have obtained a copy of the broadcast announcement itself in which the threat was contained.

Because of the importance of this implied inducement to members of the industry not to testify against things which in their judgment may have gone wrong, I ask unanimous consent to have printed in the RECORD the actual copy of the material itself, from Broadcasting magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

How To Influence People

Some witnesses in current FCC hearings on TV practices may have lots of cajoling to do when they try to resume doing business with individuals and organizations against whom they have testified. Even such reluctant witness as Bill Goodson (Goodson-Todman) finally testified that talent agencies like MCA demand right to sell program rights in return for supplying talent. Similarly Producer David Susskind, having blasted practically every broadcasting institution in sight, may find it difficult to find friendly port in which to do business.

Footnote to Susskind's testimony: Truman TV series rights were being peddled to TV syndicators about 1 year ago. One syndicator says he turned it down then because (1) it would need network slot and because the former President is so apt to become embroiled in controversy, firm was sure no network would take show, and (2) if syndicated to stations, advertiser limitations would make series nearly unsalable. Producer Susskind testified he couldn't find TV network customer for his projected 26 hour-long TV episodes based on Truman.

Mr. McGEE. Mr. President, I further remind both the Senate and the communications industry of this country that this body will, I am sure, take a very dim view of any efforts on the part of individuals or organizations in the communications business that may in any way—whether it be veiled or flagrantly open—threaten the security, the economic livelihood, or the job opportunities of individuals who so dare to testify during the deliberations now being conducted. The implications of such a threat are very dangerous. They do not do credit to the industry itself. I hope that members of the industry will speak out now against any such indulgence, and in no way themselves will condone the spread of threats, even beneath the surface or by indirection. I can assure all who are interested that as a Member of the Senate and as a member of the Communications Subcommittee of the Commerce Committee, I and all my colleagues will watch very carefully the conduct of the industry in connection with this matter.

Mr. President, at this time I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADJOURNMENT TO MONDAY

Mr. McGEE. Mr. President, I move that the Senate adjourn until 12 o'clock noon on Monday.

The motion was agreed to; and (at 2 o'clock and 10 minutes p.m.) the Senate adjourned until Monday, July 10, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 7, 1961:

U.S. Marshals

James V. Ryan, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania for the term of 4 years, vice William A. O'Brien.

Doyle W. Foreman, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma for the term of 4 years, vice James Y. Victor.

Collectors of Customs

Lucia M. Cormier, of Maine, to be collector of customs for customs collection district No. 1, with headquarters at Portland, Maine.

Russell F. Niquette, of Vermont, to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt.

In the Army

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3305:

To be colonels

Adair, George T., O51901.
Adams, Ernest C., O20933.
Allen, John U., O20889.
Alphin, Horace E., O43324.
Anson, Paul A., O31400.
Arfman, John F., O42802.
Arn, Lauren A., O43290.
Arvin, Paul D., O80360.
Ash, Hughes L., O31799.
Bagnulo, Aldo H., O20550.
Bailey, William W., O20687.
Baker, Denzil L., O43052.
Bartling, Carl W., O43091.
Baughn, Wilmot T., O40155.
Bednarek, Frank, O38932.
Besson, Robert, O20771.
Bisbing, John, O31665.
Blake, Ellis D., O43023.
Bledsoe, Carl E., O31592.
Booth, Lance E., O31755.
Bowman, Homer H., O31700.
Briggs, Edwin J., O43363.
Bronn, Carl H., O31748.
Brooks, William P., Jr., O31654.
Brown, Charles P., Jr., O38922.
Brown, Greg J., O31783.
Brown, Harold McD., O20832.
Brown, Laurence C., O20876.
Brownson, Harold N., O43108.
Burba, Edwin H., O31518.
Bush, Benjamin R., O40166.
Butler, Earle B., O43106.
Campbell, Fred P., O20704.
Chabot, Joseph L., O20721.
Chappuis, Steve A., O20899.
Check, Gilbert J., O51936.
Clark, Milton H., O20638.
Clarke, Frederick J., O20572.
Clayman, Donald C., O20866.
Clema, Joe A., O43020.
Comm, Edward D., O31484.
Cone, John M., O20658.
Conner, Karl, O31686.
Connor, Albert O., O20699.
Connor, John P., O20860.
Cox, Lavonne E., O20934.
Crosby, Henry A., O43102.
Cuphaver, Carl A., O43296.
Curtis, Coy L., O20737.
Dalrymple, John C., O31509.
Dalia, George C., O43297.
Davidson, Cecil H., O31560.
Davisson, Horace G., O20650.
Deason, Charles A., O30601.
Dickie, Ralph LeR., O31493.
Diercks, Frederick O., O20599.
Dodds, William A., O20815.
Duncan, James W., O20834.
Dyer, Harold F., O43328.
Easton, William G., O20656.
Edwards, Earl L., O31647.
Egan, John B., O43003.
Eister, William D., O38915.
Eklund, Karl F., O20557.
Enemark, William A., O20879.
Espelund, Selmer J., O43416.
Etzler, Charles R., O20895.
Eubank, Perry H., O20630.
Feidt, Gerald E., O31513.
Fish, Hamilton W., O20592.
Fraser, Alexander G., Jr., O31805.
Gallagher, William J., O31669.
Gassett, Silas, O31481.
Gavalas, Leonidas G., O31569.
Gaynor, James K., O43354.
Geddes, John A., O31512.
Gerot, Joseph O., O30818.
Gershenow, Louis, O31577.
Gildart, Robert C., O20703.
Gonseth, Jules E., Jr., O40211.
Graham, Ephraim F., Jr., O20838.
Graham, Jackson, O20553.
Graham, Riley A., O43404.
Grant, Carl E., O31653.

Green, Martin L., O20720.
Griffin, Linwood, Jr., O43074.
Griffith, Wilbur M., O20250.
Griswold, George M., O31660.
Grote, Robert W., O31717.
Groves, Joseph R., O20869.
Haberman, Howard F., O40193.
Haefele, Joseph L., O80270.
Hall, Robert E., O31747.
Hammond, David G., O20868.
Hanburger, Christian, O20554.
Hardaway, Eads G., O20855.
Haycock, William M., O31712.
Heimstead, Merten K., O20880.
Hines, Charles B., O20585.
Hines, John B. R., O20606.
Hodges, Joseph H., Jr., O20733.
Hoffman, Aldon M., O42975.
Holt, Olin P., O43298.
Hoska, Lukas E., Jr., O20717.
Hudiburg, Howard B., O31741.
Hyzer, Peter C., O20589.
Ingmire, Edgar J., O20639.
Ishoy, Victor A., O31640.
Jacobs, Lawrence P., O31556.
Janes, Ernest L., O31587.
Jenks, Harold F., O31691.
Johns, Glover S., Jr., O31501.
Johnson, Chester L., O20681.
Johnson, James R., O20756.
Johnston, Marvin V., O43313.
Jones, William P., Jr., O20546.
Joslin, Will D., O31816.
Kemp, James B., O43382.
Kenderdine, John M., O43446.
Kernan, Melvin M., O40236.
Kimbrell, Gordon T., O20851.
Koletty, John W., O40230.
Kopcsak, Peter J., O19440.
Lamar, Joseph R., O43014.
Lang, Edmund H., O43006.
Lash, Eugene L., O42272.
Lawrie, Joe S., O20914.
Lawson, Walter R., O20808.
Lee, Edwin C., O43030.
Lemmon, Kelley B., Jr., O20816.
Lutes, Leroy, Jr., O20757.
Luther, Henry, O79713.
Lutz, Carl G., O43366.
MacGrain, Donald, O38933.
Mangold, Harold B., O31522.
Marr, Harold E., Jr., O20729.
Martin, Winfield L., O20809.
Martineau, Frederick J., O42971.
Matchette, Claude H., O31490.
McCrea, William S., O20884.
McCrone, Willard P., O20548.
McDaniel, Seaton F., O43098.
McDonnell, William J., Jr., O31698.
McGee, George A., Jr., O20806.
McGillin, Howard O., O31743.
McGrath, Thomas W., O43322.
McLaughlin, Charles V., O31639.
McMains, D. M., O80364.
Metz, Thomas McG., O20696.
Meyer, Charles R., O20762.
Miller, Henry L., O43302.
Miller, Mabry G., O31486.
Minor, Floyd E., O31668.
Mitchim, Charles F., O20577.
Montgomery, Austin J., O51942.
Montgomery, John H., Jr., O20754.
Morrison, John A., O20945.
Murphy, Ernest V. D., Jr., O31663.
Nagle, Frederick W., O20904.
Neier, Thomas D., O20698.
Nelson, Clarence F., O43073.
Nelson, John G., O20886.
Nelson, Wilner N. J., O79632.
Newton, Carroll T., O20865.
Oberbeck, Arthur W., O20569.
Oden, Delk McC., O20805.
O'Malley, Charles S., Jr., O20682.
Ord, John A., O31532.
Orth, Eugene C., Jr., O19863.
Palmer, Robert S., O20611.
Parker, David B., O20571.
Parker, John C., O31778.
Parsons, William J., O40228.
Peale, James N., Jr., O20684.
Pearsall, James F., Jr., O20774.
Peot, Joseph J., O31536.
Pervier, George W., O31736.
Peters, Robert E., O31646.
Pierce, Donald R., O43332.
Polk, John F., O20859.
Popowski, Michael, Jr., O31633.
Postlethwait, Edward M., O20718.
Prahl, Robert L., O31555.
Prather, Lawrence H., O31722.
Priest, Perry B., O31562.
Quandt, Douglass P., O20605.
Rader, William F., O31543.
Reaves, Kelsie L., O20777.
Redling, William N., O31516.
Reeves, James H., Jr., O20665.
Reid, Clarence E., O31809.
Rice, Kenneth E., O79714.
Richards, Daniel A., O20689.
Richards, Frederick W., O31565.
Rogers, Walter D., O30676.
Roth, Louis E., O43387.
Rowan, Robert L., O31727.
Rowland, Henry C., Jr., O20940.
Sacerdote, Sydney E., O38920.
Sandlin, Joseph C., O31752.
Sanford, Arthur L., Jr., O31572.
Saylors, John H., O31638.
Schermerhorn, John G., O20610.
Scherrer, Edward C. D., O20690.
Schroeder, Norman M., O43002.
Scordas, Paul H., O38914.
Scott, Franklin E., O51898.
Seedlock, Robert F., O20609.
Shepherd, Daniel F., O43060.
Shepherd, Gerald D., O31571.
Sheppard, Harvey E., O43086.
Shive, Donald W., O20628.
Short, Earl R., O31685.
Shull, Lewis F., O43277.
Simpson, Thomas B., O20902.
Skeldon, James H., O20831.
Sloan, George B., O20821.
Smart, Donald V., O31597.
Smedile, Joseph A., O20942.
Smigelow, Howard G., O31791.
Smiley, Stanley W., O30160.
Smith, Ralph H., O31614.
Solf, Waldemar A., O40145.
Sollohub, Julian V., O20584.
Spengler, Henry M., O20636.
Stann, Eugene J., O20573.
Strandberg, William B., O20579.
Stromberg, Woodrow W., O20728.
Surles, Alexander D., Jr., O20622.
Swarm, William R., O43018.
Sweger, Dyson C., O31461.
Talbott, Charlie Y., Sr., O31664.
Tanner, James D., O52132.
Taylor, Benjamin F., O20779.
Taylor, Kenneth G., O83573.
Teeter, Edgar M., O20688.
Terry, Augustus T., Jr., O31781.
Thompson, Donald F., O20885.
Tiede, Roland V., O31801.
Tolson, John J., 3d, O20826.
Townsend, Elias C., O31680.
Ulrich, John A., O31527.
Underwood, George V., Jr., O20679.
Unger, Ferdinand T., O20734.
Van Allen, William G., O20931.
Van Atta, Ward H., O20939.
Van Volkenburgh, Robert H., Jr., O20758.
Walker, George H., O20617.
Washington, Donald, O20894.
Weissman, Edwin W., O31559.
White, Barney D., O31606.
Whitesell, Carlin H., O20620.
Whitmore, Stanley E., O52122.
Wilhoyt, Ellis E., Jr., O20593.
Zehner, Elery M., O20820.
Zierdt, John G., O20632.

To be colonels, Chaplain

Ames, Kenneth L., O30864.
Anderson, Wilber K., O43126.
Knight, Lonnie W., O30885.
Moore, Harmon D., O51971.
Phillips, Mitchell W., O22712.
Rhea, John I., O43117.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299:

To be lieutenant colonel

Hughes, Fredrick K., O24471.

To be major

Graham, Elmer H., O78856.

To be captain, Medical Service Corps

Gandy, Kent E., O91832.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298:

To be first lieutenants

Abbuhl, Willmott, O89021.
Abernathy, Eugene B., O84763.
Adams, William D., O82380.
Akin, Robert B., O84934.
Alexander, William F., O82383.
Allanson, Will B., O85120.
Allen, Teddy G., O83848.
Allison, Roy L., O82387.
Allred, Raymond S., Jr., O85399.
Amend, William B., O86984.
Apruzzese, Vincent A., O91437.
Arndt, Terrance L., O88558.
Axline, Daniel D., O82397.
Back, Eric L., O82398.
Balaguer, Melchor C., O83677.
Baldwin, Roy G., O84942.
Barkett, John S., O88561.
Barnes, Jimmie E., O91549.
Barnwell, Isaiah E., Jr., O83850.
Basha, Robert T., O91156.
Basham, Harold R., O91550.
Baxter, Thomas R., O84121.
Beaumont, Marion E., O92159.
Beck, Buddy G., O82413.
Becker, Ronald C., O84122.
Behnke, James E., O89029.
Belinsky, Howard M., O83680.
Bennett, Eugene W., O87474.
Bentz, Ronald J., O83854.
Bergevin, Duane B., O83855.
Beyer, Alfred H., O91161.
Beyer, Harry C., O82421.
Bishop, Robert L., O83856.
Biskup, Robert L., O87679.
Blakey, Joe B., O82426.
Blanchard, Robert DeW., O90343.
Bliss, Richard A., O90133.
Blomstrom, Harold W., O87683.
Bonnoitt, John J., 3d, O83858.
Boothe, Robert S., O83859.
Borelli, Raymond F., O82432.
Boswell, Benjamin W., O83861.
Bowdan, Melvin R., Jr., O91768.
Bowen, David, Jr., O83862.
Bowser, John A., O83864.
Boyd, Robert C., O82435.
Boyd, Thomas G., O91531.
Boyett, George H., O84954.
Bradin, James W., 4th, O83866.
Bradley, Holley D., O82437.
Brett, William J., O88588.
Brewer, Robert R., O84128.
Brewster, Nathan H., O82440.
Brickner, Robert L., O91771.
Broadhurst, Donald G., O82444.
Brooks, Joseph H., O88343.
Brown, Jerry R., O87696.
Brown, Joseph E., O84930.
Brown, Spencer L., O82449.
Bruno-Berretiaga, Fernando A., O83870.
Bruschette, Jerome A., O82453.
Buckman, LeRoy R., O84129.
Bunger, Reid H., O82458.
Buntyn, James R., Jr., O84130.
Buono, Daniel P., O85954.
Burleson, Grady L., O83872.
Burns, Richard C., O83686.
Burns, Walter L., O82463.
Burrell, Raymond E., O84131.
Caldwell, James A., O82468.
Camarota, Jeremiah F., O82469.
Cannon, Edwin E., Jr., O83873.
Cannon, Robert S., O82470.
Cantrell, Ralph D., O84767.
Carbone, Anthony J., O89799.

Casey, Joe W., O83875.
Caston, James C., O91183.
Cavoli, Ivo J., O89317.
Ceverha, George W., O84137.
Chandler, Edward V., Jr., O83877.
Chee, Alfred C. K., O82484.
Chesterfield, Joseph V., O82485.
Christie, Jerrold L., O84964.
Clark, Herbert T., O83878.
Clark, Richard A., O88626.
Clement, John P., 3d, O84770.
Clough, William S., O83691.
Cohen, Michael I., O82496.
Cole, John W., O84142.
Cole, Leslie W., O88632.
Coleman, Ronald R., O82497.
Connolly, John D., O83693.
Cook, James W., O82500.
Cook, Kenneth J., O89841.
Cook, Robert W., O84144.
Cooper, George H., Jr., O84966.
Cooper, William H., 3d, O82501.
Corkery, Paul J., Jr., O82505.
Cornell, Marcus C., O83694.
Cotton, Thomas W., O83881.
Cowart, David W., O84969.
Cox, Kenneth E., Jr., O83882.
Craig, Joe F., O82510.
Cross, George B., O88035.
Crowley, Ronald C., O83884.
Cubert, Burleigh M., O86030.
Curran, Francis P., O84149.
Currin, David M., O84970.
Daley, Richard M., O83885.
Davis, George C., O88644.
Davis, James L., O82523.
Davis, Philip A., O88646.
Davis, Robert E., O89328.
Davis, Roy J. O88647.
Dearth, Edgar G., Jr., O84774.
Dedyo, Harry P., O82527.
Dembinski, Mark L., O84974.
DeMetrovich, Frederick F., O88364.
De Nio, Jean H., O82538.
De Rocher, Robert F., O89463.
Di Giacinto, Joseph V., O84157.
Dillon, John P., O84158.
Dishner, Wilbert J., Jr., O83889.
Doherty, William J., Jr., O92182.
Dombrosky, Francis B., O82545.
Donahue, Andrew J., O82546.
Doyle, Stuart G., O83892.
Draper, Stanford C., O91580.
Drennon, Clarence B., 3d, O82549.
Edmond, Holman, Jr., O83893.
Edwards, Fain E., O83894.
Egan, James E., O83702.
Eldredge, Richard B., O84979.
Eldredge, Robert E., O84164.
Elliott, Charles R., O82561.
Ellis, Orous L., Jr., O83895.
Engh, Richard J., O89476.
Eppler, Daniel R., O86120.
Evans, Albert B., Jr., O82567.
Evans, Jacky R., O82568.
Fagan, Allan P., O84165.
Farill, Trent G., O83896.
Farnsworth, Fred L., O82571.
Farrar, Raymond E., O83708.
Farris, Jack B., Jr., O83897.
Feloney, John A., Jr., O83710.
Fenton, Charles R., O89675.
Fields, Harvey R., O83899.
Filer, Robert E., O84167.
Filson, Ronnie L., O83900.
Fish, Richard O., O83901.
Fisher, Don R., O82576.
Fletcher, James E., O85536.
Fletcher, Richard F., O84985.
Flowers, Robert G., Jr., O82579.
Floyd, Charles W., O84778.
Fowler, Darrell L., O84169.
Freeman, Thomas E., O82585.
Fulfer, Jesse K., O84171.
Galbreath, Carlton A., O83902.
Gallagher, Michael W., O82593.
Gard, William B., O82594.
Genovese, Peter E., Jr., O82599.
Gess, William D., Jr., O82600.
Gilliam, Glen L., O89061.
Ginex, Thomas D., O87752.
Glover, Ronald F., O91840.
Goodman, Donald W., O89992.
Gordon, Raymond, O83908.
Goudie, Richard B., O85173.
Gowan, Arthur D., O84992.
Gowen, Ralph D., O84176.
Grade, Kenneth D., O91845.
Gravett, Ray A., O91256.
Greene, Earnest L., O91850.
Grieg, John M., O85417.
Griffith, Allen L., O82618.
Groves, James R., O82623.
Guillory, Kenneth R., O89216.
Guinn, Ollie R., O87767.
Hadjis, John, O91169.
Haenni, Antonio L., O82631.
Haines, Richard E., O87526.
Hamilton, Welton E., O82638.
Hardin, Robert E., O83915.
Harmon, Charles P., O84180.
Haskell, Charles T., Jr., O83917.
Haskins, Franklin C., O89501.
Haugland, Maurice M., O82645.
Hauschild, John L., O91599.
Heald, Paul G., O91265.
Healey, Roger, Jr., O92063.
Heard, Reuben L., O82650.
Hempstead, Edward B., O86244.
Hendricks, Carl C., O84183.
Hennessey, Stephen P., O83727.
Hernandez, Jose A., O82656.
Herron, Roy H., O83921.
Hickey, William C., Jr., O82657.
Hicks, David L., O87789.
Hilton, Thomas G., O87791.
Hoffman, James E., O82663.
Hollingsworth, Victor L., O84186.
Holloway, Havis L., O89509.
Holmes, Ernest L., O88398.
Holst, Raymond H., O91275.
Homolka, Hubert H., O84187.
Honan, Joseph C., O83733.
Hopf, William H., O83735.
Hopkins, James A., O84188.
Hopkins, Stephen H., O87535.
Horn, Jesse Lee, Jr., O89511.
Hornaday, Robert W., O91873.
Hubler, George E., Jr., O85003.
Hughes, Joseph L., Jr., O84189.
Hull, Arthur V., O89074.
Hulse, Kent O., O85005.
Humeston, Edwin A., 3d, O84190.
Humphrey, Johnny M., O83926.
Hunnicutt, Roy D., O82676.
Hutcheson, Samuel Z., O84193.
Hutzler, Ralph L., Jr., O91879.
Iwai, Robert H., O82681.
Jacobs, Bruce V., O89333.
Jacobson, Walter R., O89075.
Jagoe, Marcellus H., 3d, O85008.
Jebavy, Ronald J., O82683.
Jennings, Gerald R., O90124.
Johnson, Alvin F., O85336.
Johnson, Floyd C., O82690.
Johnson, Gaylon LaW., O84196.
Johnson, Gonzales B., O83931.
Johnson, James O., O83932.
Johnson, Michael D., O89814.
Johnson, William M., O92074.
Johnston, Lon D., O84197.
Jones, Dennis R., O84198.
Jones, Edwin Y., Jr., O86334.
Jones, Joseph E., O83935.
Jones, Robert C., O84199.
Jones, Robert P., O87810.
Jordan, Daniel W., O83936.
Jutilla, Donald D., O84200.
Kaiser, Gary L., O82698.
Kaiser, Samuel E., O82699.
Kane, Paul N., O82702.
Kaney, Frank N., O85013.
Kasmark, James W., Jr., O82706.
Kaye, Francis, O82700.
Keefer, Gary L., O91895.
Keighler, Howard V., 3d, O82713.
Kelly, Peter J., O84201.
Kennedy, James M., Jr., O84202.
Kennedy, Paul J., Jr., O84203.
Kerr, Paul J., O88275.
Kiely, James L., Jr., O82718.
Killian, Howard J., Jr., O88768.
King, Howard F., Jr., O85016.
Kirshman, Ronald L., O82723.
Kiser, James E., O82724.
Klein, Alvin A., O87823.
Klein, Hugo L., O86376.
Klys, Adam J., O84789.
Kneiss, Richard F., O88116.
Komer, James E., O87826.
Kronkaitis, John, O83744.
Kutzner, Robert A., O85019.
Lacy, Paul J., O88775.
Lagutchik, Peter, Jr., O89084.
Lasseter, Earle F., O89536.
Lavey, Michael A., O91907.
Lee, Gordon K., Jr., O91627.
Lee, Lothrop, Jr., O82748.
Lehmann, Clark T., O91909.
Leitzen, Thomas R., O86413.
Lennon, John C., Jr., O90231.
Lester, Donald P., O87836.
Liepins, George, O90200.
Lindsey, Charles R., O90201.
Linver, Sidney L., O85606.
Livingston, George D., Jr., O82755.
Lockwood, Edward D., O87840.
Long, Avery P., Jr., O84214.
Long, Melvin D., O89094.
Longoria, Ezekiel, O88795.
Loos, Richard E., O84215.
Louney, Patrick D., O88798.
Lucke, David B., O83747.
Luksik, Franklin D., O82762.
MacKenzie, David F., O83750.
Maloney, Mark L., O88804.
Mann, Hal G., O88138.
Martinez-Boucher, Rafael E., O83947.
Massey, Ralph E., Jr., O83948.
Masson, Ronald D., O84218.
Mastroserio, Joseph, O86471.
Matsen, Gerald G., O83949.
Mattes, Richard W., O83755.
Matthews, John P., O85208.
Matthews, Robert C., Jr., O83756.
Maxson, Ronald G., O83950.
McAllister, Max F., Jr., O83757.
McCluskey, William J., O83951.
McDonald, Warren J., O92223.
McEuen, Roger S., O85039.
McFadden, Patrick J., O82791.
McGaw, Charles D., O83671.
McIntosh, Larry P., O82794.
McKee, Elmo J., O89555.
McKinnon, Graham, 3d, O85043.
McKinzie, George J., O88826.
McLeod, Roger L., O83958.
McNamara, Andrew T., 3d, O88443.
McShane, Donald L., O85436.
Merritt, Richard H., O82803.
Metcalf, George P., 3d, O85045.
Michener, Edward H., O81812.
Mickelson, Roger W., O89260.
Miles, James L., O84224.
Miller, Gary A., O84226.
Miller, Raymond A., Jr., O82807.
Miller, Retsae H., O83962.
Millham, Richard D., O83762.
Mitchell, Richard G., O88840.
Moffitt, Robert B., O87856.
Moll, Robert E., O83763.
Moore, George A., O85049.
Moore, Lanny W., O84231.
Mowbray, Calvin W., Jr., O85050.
Mozey, William B., Jr., O86559.
Muchmore, Gilbert L., O85354.
Murray, Lark R., O89114.
Musil, Louis F., O87864.
Myers, William M., O92102.
Naughton, Hugh V., O85051.
Nelson, Raymond W., O82841.
Nelson, Roosevelt, O83964.
Nelson, Turner L., O84796.
Neumann, Thomas W., O91475.
Neuville, Donald L., O84238.
Nichols, James M., Jr., O88859.
Nilsson, John A., O89266.
Nishimoto, Masami, O84239.
Norton, Graham J., Jr., O90348.
Norvell, Frank C., Jr., O85057.
Nulk, Robert A., O84240.
Obregon, Conrad J., O82850.
O'Brien, Morgan J., O82851.

O'Connor, Edward J., Jr., O83766.
O'Donovan, Thomas E., Jr., O83767.
Offield, Nathan A., O82852.
Olds, Warren T., Jr., O83967.
Olson, Stanley R., O82853.
Orndorff, David A., O91965.
O'Rourke, Thomas A., Jr., O82855.
Osborn, John J., O84244.
O'Sullivan, Christopher J., O85063.
Pace, Prewitt L., O82860.
Paddock, Alfred H., O91483.
Parchen, David H., O82864.
Parker, Raymond L., O87872.
Patterson, Twyman L., O82355.
Perkins, Jerry L., O85067.
Perry, Richard O., O84248.
Peterson, Rolland B., O85069.
Pfabe, Richard K., O85445.
Phillips, Don, O91352.
Piascik, Leon P., Jr., O82877.
Pierce, Dale W., O83971.
Pietsch, Robert C., O87584.
Pike, Randall L., O83769.
Piasket, Richard L., O83770.
Poach, James R., 3d, O89128.
Pointer, Monroe, O85071.
Pollard, Gordon K., O82880.
Ponton-Nieves, Hector R., O83973.
Posey, Frank D., O82881.
Powell, Arvis L., O82884.
Power, Peter J., O84251.
Powers, Byron L., O91982.
Prahm, Byron F., O82885.
Prentice, Charles C., O87888.
Presnell, Darrell D., O82886.
Price, Herman L., O82887.
Putnam, Sidney F., O82891.
Ralston, Leonard H., O85073.
Randall, Thomas G., O85446.
Raupp, Edward R., O82895.
Redman, Peter, O83774.
Redmon, Burt P., O84254.
Rees, Warren K., O83975.
Reeves, Jon A., O85241.
Regut, Robert E., 89388.
Reinen, Robert H., O87898.
Reitz, Wilson, Jr., O91362.
Renfro, Ronald D., O84255.
Resley, Patrick E., O85075.
Richardson, Celeste T., O91365.
Rider, Charles R., O88897.
Rill, Joseph H., Jr., O82908.
Rizzo, Peter J., O83977.
Roach, Armand D., Jr., O89281.
Roberts, Milton R., O82913.
Robinson, Charles A., Jr., O85079.
Robinson, James C., Jr., O83978.
Roche, William H., O91366.
Rogers, James D., O91994.
Root, Duane B., O83980.
Roppo, Leo J., O85245.
Rose, Robert S., O82921.
Ross, Joseph L., O82925.
Rusch, Richard M., O84262.
Rushing, Theophilus H., Jr., O83984.
Russell, Frederick W., 2d, O84263.
Sambol, Donald G., O90452.
Sanders, Paul B., O82933.
Sanner, Herman R., O82934.
Sargent, Terrence D., O82935.
Saunders, James D., O83781.
Scanlon, John G., O83782.
Schad, Charles T., O81828.
Schafer, Lawrence H., O82940.
Schlieper, David P., O91681.
Schlossberg, Arnold, Jr., O83986.
Schooner, Murray J., O83784.
Schott, Joseph D., O92247.
Schrader, Johnie R., O91506.
Schriver, Robert F., O88490.
Schroeder, William M., O88917.
Schumacher, Robert H., O82946.
Scott, James MacK., O83990.
Sechtman, Paul L., O85252.
Serda, William C., Jr., O88991.
Shanahan, Edward J., Jr., O89140.
Shaw, Robert V., O82956.
Shelby, Donald McC., O82957.
Shell, James H., O82958.
Shelton, Hal T., O84270.
Shepard, George T., O82959.
Shriver, Louis M., Jr., O83790.
Siemering, Edward W., O82964.
Sitten, John R., Jr., O84273.
Sivert, William D., O89379.
Slocum, Neil R., O88939.
Smart, Lee D., O88207.
Smith, Edward, O84274.
Smith, Edward C., Jr., O84275.
Smith, James A., O87619.
Smith, Lee C., Jr., O83994.
Smith, Richard N., O82978.
Smith, Stanley LeR., Jr., O92124.
Smith, Thomas S., Jr., O87621.
Smitherman, Joe V., O88945.
Snell, Robert A., O84276.
Snowden, John R., O92253.
Snyder, Thomas E., O83995.
Snyder, Walter H., O82984.
Solomon, William V., O82985.
Sorensen, William A., O85088.
Sowell, Mark S., O90623.
Spearman, David L., O83996.
Spears, Tom, O91388.
Spivey, Currie B., Jr., O83997.
Squire, John H., O83998.
Stairs, William D., O84279.
Stallings, Jimmie L., O90267.
Steakley, David L., O87930.
Stedman, Robert W., O89146.
Steele, Jerry T., O84280.
Steele, Merrill F., Jr., O82996.
Stewart, Robert G., O84000.
Strickland, Robert, O89620.
Strong, Edwin T., Jr., O83008.
Stryker, Dean K., O84283.
Surface, Vaughn E., O83012.
Sutton, Donald M., O84284.
Sutton, William M., O92021.
Talbot, Ralph, 4th, O90538.
Tamer, Robert S., O87940.
Tannenbaum, David L., O87634.
Taylor, Ronald D., O89623.
Taylor, William E., O84004.
Tebo, Robert J., O89151.
Temples, Coy H., O91704.
Templin, Timothy T., O83019.
Tennis, Gayland L., O83020.
Thibodeau, Charles A., Jr., O83801.
Thomas, Charles R., O88972.
Thomas, Kenneth E., O84006.
Thompson, Robert A., O87945.
Tilling, William T., Jr., O84287.
Tippin, Garold L., O83025.
Tipton, Carl W., O90111.
Torretto, Richard J., O87951.
Treacy, John T., O87645.
Tripp, Frederick G., O83031.
Tucker, Everette L., Jr., O83032.
Tucker, Woodson C., O90561.
Turenne, Paul N., O84011.
Uhlrich, Theodore W., Jr., O83034.
Ulzheimer, Robert, O83806.
Umbaugh, Lloyd D., O83511.
Valimont, Benjamin F., O90568.
Van Devender, Edward P., O84013.
Van Steenbergen, Albert R., O83807.
Vaughn, John P., O84291.
Volpe, Michael, O83808.
Waddell, Marion F., O83043.
Wagner, Edward H., O83044.
Walker, John R., O85095.
Wallace, Richard C., O83049.
Walsh, Richard J., O88992.
Walters, Charles C., O83051.
Walton, Ronald A., O83052.
Walton, Warren J., O89160.
Webb, Daniel J., O83058.
Webber, Paul B., O83059.
Weber, William J., O91416.
Weiss, George R., O83063.
Welsh, Richard W., O84020.
Westbrook, Tommy R., O89164.
Wheeler, Rock C., Jr., O84297.
White, Donald P., O85100.
White, Weldon E., O91722.
Whitehead, Dorsey M., O83068.
Whitmarsh, Donald B., O88228.
Wiles, Edward, Jr., O88527.
Wilhite, James A., O84022.
Wilkinson, Cicero, O84023.
Wilkinson, Coleman D., O92045.
Williams, Durward R., O86978.
Williams, Robert S., Jr., O84025.
Willoughby, Kenneth L., O84026.
Wilson, Douglas B., Jr., O83812.
Wilson, James F., O88232.
Wise, Ronald T., O91728.
Withington, Robert J., O83815.
Witter, Lee F., O84300.
Wolfe, June E., Jr., O91540.
Wood, Robert D., O83083.
Woodall, Jack D., O84301.
Wylder, Robert J., O83087.
Yoder, Kenneth E., O83817.
Zeltman, Ronald W., O84305.

To be first lieutenant, Women's Army Corps

Phillips, Charlotte E., L581.

To be first lieutenants, Medical Service Corps

Bardill, Donald R., O91548.
Bevilacqua, Joseph J., O91553.
Carter, William A., O88350.
Dimmitt, William A., O88368.
Dryden, David D., O82551.
Dubiel, Joseph, Jr., O91428.
Duffy, Paul F., O88255.
Fechner, Ruben F., Jr., O82572.
Habeck, Edgar J., O91855.
Hayes, John D., O83918.
Helser, Carl W., O88095.
Hubbell, Gilbert L., O82673.
Jenkins, William N., O85775.
Lawson, James L., O89088.
Leach, William O., O85788.
Locklear, James P., O88792.
Logan, Robert F., Jr., O83940.
McLeod, William R., O88827.
Miles, Peter D., O82806.
Milske, Thomas R., O88155.
Murphy, Robert J., O88853.
O'Donnell, Frank P., O85061.
Roberts, John E., O82912.
Rockwell, John H., O88902.
Russillo, Michael P., Jr., O88307.
Sites, William G., O88206.
Snyder, Harvey W., 2d, O87623.
Ulrich, Wayne E., O87647.
Wheeler, Gerald E., O83066.
Wilson, Jack R., 2d, O83075.
Wolters, Kenneth V., O84303.
Woods, William B., O83085.

To be first lieutenant, Army Nurse Corps

Seufert, Helen J., N3012.

To be first lieutenants, Army Medical Specialist Corps

Derrick, Beverly A., M10185.
Pavlis, Patricia M., M10186.
Sampson, Carol M., R10180.

The following-named person for reappointment to the active list of the Regular Army of the United States, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be colonel

Holley, James E., O17185.

The following-named persons for appointment in the Regular Army by transfer in the grades specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, and 3290:

To be captain, Medical Service Corps

Miller, Henry T. (CE), O71398.

To be first lieutenant

Reue, David N. (MSC), O76547.

To be second lieutenant

Moore, Claude P. (MSC), O86537.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, and 3288:

To be major

Marshall, George W., O1291850.

To be captains

Bastian, Richard K., O4016762.
Cole, Billie J., O995510.
Dalone, Arthur A., O1926018.
Hoeft, Kermit C., O2263463.
Jones, William A., III, O1688796.
Maddox, Fletcher B., O2287519.
McQueen, James T., O4023756.
Rush, Robert P., O2021674.
Strange, Loren C., O1919102.
Tumlin, Grady H., Sr., O977316.

To be first lieutenants

Allen, Carl J., O5400656.
Blackham, Richard G., O5701802.
Cook, Walter C., O4012906.
Cunningham, Cleve, O5301509.
Daugherty, John M., Jr., O4068248.
Dickson, Rodney, O4077295.
Gagliardone, John L., O4067102.
Garrison, Edgar C., O4057029.
Giampaoli, Joseph T., O5405065.
Hornstein, Edmund H., O4065552.
Hudak, Robert J., O5200136.
Keefe, Victor F., O4049148.
Kelley, Carl C., O4043198.
Little, Ronald E., O4049647.
McNatt, Orville W., O4048685.
Rutter, Leo F., Jr., O4061048.
Santulli, John F., O4041607.
Thompson, Michael R., O5701810.

To be second lieutenants

Anderson, David W., O5511231.
Bartay, Tandy E., O5410165.
Bartels, Steven E., O5511592.
Brooks, Richard L., Sr., O5403866.
Buford, Alfred E., O5403075.
Carter, Randall O., O5203835.
Gantt, Larry O., O5306083.
Hawkins, Lawrence R., O5006423.
Henry, Larry F., O5213351.
Jacko, Victor W., O5310769.
Jackson, George B., Jr., O5303981.
Kuhn, William K., Jr., O5405354.
Lantz, Norman F., O5508634.
Larson, Christian M., O5509894.
Lyles, Billy A., O5306165.
McCormick, William R., O5403686.
Mitchell, Thomas P., O5306019.
Smith, Richard A., O5508391.
Smith, Vernelle T., O5508881.
Thompson, John T., Jr., O5203791.
Van Dine, Peter W. H., O5704783.
Wakelin, John D., O5703507.
West, William A., O5509360.
Wigner, Larry R., O5507342.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3291, 3292, 3293, 3294, and 3311:

To be majors, Medical Corps

Clearkin, Kevin P., O4055724.
Moore, Robert C., Jr., O5202436.

To be captain, Army Nurse Corps

Ayers, Donna M., N805257.

To be captains, Dental Corps

Brown, Alden G., O5003584.
Horton, John E., O5003264.
Lederer, Robert M., O3012002.
McCasland, John P., O2284678.
Ott, Gerald R., O2289709.
Purdy, Robert B.

To be captains, Medical Corps

Chipman, Martin, O3011282.
Kleck, Henry G., O4024915.
Knovick, George C., O5301326.
Mattei-Rosich, Ivan R., O5826215.
Miller, William C., Jr., O4044278.

To be captains, Medical Service Corps

Bizer, James E., O4016260.
Yarbrough, Charles R., O1684964.

To be first lieutenant, Army Nurse Corps

Gately, Miriam A., N902318.

To be first lieutenants, Chaplain

Banton, Huston J., II, O5004426.
Fung, Edmond, O5701549.
Howerton, Robert B., Jr., O2295715.

To be first lieutenant, Dental Corps

Nelson, Robert N., O5213483.

To be first lieutenant, Judge Advocate General's Corps

Howe, Charles B., O5508208.

To be first lieutenants, Medical Corps

Boyd, Charles N., O2300477.
Goler, David, O2300463.
Lenio, Paul T., O72123.

To be second lieutenants, Army Nurse Corps

Grieser, Elaine M., N5407309.
Hart, Suzanne D., N5407159.

To be second lieutenants, Medical Service Corps

Berlin, Jack E.
Garrett, Richard L., O5410155.
Hatfield, Earl P., MM1936113.
Howell, Lawrence C., Sr., O2298045.
LaValley, John W., MM2297864.

To be second lieutenant, Women's Army Corps

Estock, Barbara J., L2299746.

The following named distinguished military students for appointment in the Regular Army of the United States, in the grade and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, and 3290:

To be second lieutenants, Medical Service Corps

Carter, Jimmie B., Jr.
Chin, Gordon O.
Turpin, William P., IV

The following named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287 and 3288:

Berry Terry G.
Bevis, Coleman O., Jr.
Bulley, Brian
Burns, Jerald G.
Cappadona, Louis A., Jr.
Castillo, Rosendo J.
Chrissinger, John E.
Christopherson, David E.
Crosby, Philip A.
Dacas, Kenneth J.
Davis, Terrel E.
Dunning, Stephen G.
Ebaugh, Christian M.
Eppley, Vernon L.
Ferguson, Jack W.
Furgeson, Charles T.
Givens, Arthur A., Jr.
Hardy, David J., Jr.
Harn, Patrick J.
Harper, Michael R.
Haywood, Everett L.
Hervey, Robert F.
Jaeger, John F.
Johnson, Alvin B., Jr.
Keiser, Maurice R.
Major, Ernest H.
Marsh, Caryl G.
McClure, Walter R.
McFarland, Jon W.
McIntire, Paul J.
Morris, James D.
O'Connor, Robert E.
Paisley, James A.
Parker, Frederick E., III
Pettine, Anthony V., III
Reddington, Thomas E.
Reilly, Robert J.
Reppard, Richard A.
Smith, Arthur L.
Smith, Dennis B.
Smith, Tommy J.
Spencer, Farrell J., Jr.
Spitler, Melvin R.
Stanberry, Robert M.
Symcox, Jerry J.
Tait, Donald A.
Thrift, Raymond H., Jr.
Tilton, William M.
Tippin, Scott M.
Turner, Robert D. S.
Vinci, Vincent D.
Watson, Walter E., III
Watt, Murray B.
Watzek, Albert L.
White, Charles A., Jr.
Wiseman, Donald E.
Wylie, Robert M.
Yaugo, Edward O.

The following-named cadet, graduating class of 1961, U.S. Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3284 and 4353:

Myerchin, Thomas S.

IN THE AIR FORCE

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be captains, USAF (medical)

Kenneth H. Cooper, AO5701252.
Albert R. Cristian, AO3075344.
Robert T. Herrington, AO3013440.
John R. Hoch, AO3045952.
Donald N. Mantle, AO3078324.
Andrew A. Nielsen, AO3079638.
James H. Oliver, Jr., AO3079053.
Lewis H. Richmond, AO3075123.
Charles H. Sawyer, AO3074993.
Charles R. Secrest, AO3090891.

To be captain, USAF (dental)

Earle S. Slaughenhoupt, Jr., O4045700.

To be captain, USAF (nurse)

Mida M. Page, AN2242744.

To be first lieutenant, USAF (dental)

Donald W. Turner.

To be first lieutenants, USAF (nurse)

Phyllis J. Bolterman, AN2214469.
Della J. Daniels, AN2243240.
Alta B. Moore, AN3075839.
Dorothy D. Pavlakovic, AN3088479.
Charlotte Roberts, AN3077288.
Delia A. Shea, AN3046021.
Josephine M. Trippe, AN2242848.
Claire Walsh, AN3091695.

To be second lieutenant, USAF (nurse)

Norma D. Halley, AN3091809.

The following distinguished graduates for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be second lieutenants

Distinguished Officer Training School Graduates

Ben D. Jenkins, AO3116554.
William E. Owen, Jr., AO3116573.
William H. Sowers, AO3116590.
William S. Tuthill, AO3116594.

Distinguished Officer Candidate Graduates

James E. Deal, AO3115497.
Aubrey L. Hall, AO3110170.

Distinguished Aviation Cadet Graduates

Lanny R. Andres, AO3117515.
Joseph A. Breen, AO3117430.
John M. Carroll, Jr., AO3117528.
Philip L. Huntwork, AO3117564.
Creston C. Hutchinson, Jr., AO3117279.
Richard K. Koehnke, AO3117491.
Donald B. McGhee, AO3117576.
Richard L. Millikan, AO3117582.
Craig F. Morgan, AO3117583.
Robert W. Moser, AO3117585.
Charles A. Newton, AO3117589.
Walter S. Radeker III, AO3117407.
Dieter W. Satz, AO3117611.
Richard J. Szucs, AO3117624.
Gerald A. Taylor, Jr., AO3117504.
David A. Terry, AO3117338.
Jack M. Thurman, AO3117418.

Subject to medical qualification and subject to designation as a distinguished military graduate, the following distinguished military student of the Air Force Reserve Officers' Training Corps for appointment in the Regular Air Force, in the grade of second lieutenant, under section 8284 of title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

Donald W. Doerge, AO3109391.

The following persons for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with dates of

rank to be determined by the Secretary of the Air Force:

To be second lieutenants

Ackerlund, Walter E., AO3085517.
Adam, Wallace B., AO3087249.
Ahart, Edward L., AO3096391.
Ahearn, Joseph A., AO3093687.
Ahearne, John F., AO3073701.
Akers, Brian L., AO3093797.
Alexander, George, AO3094218.
Allman, Robert L., AO3094929.
Alman, Frederick R., AO3085945.
Anderson, Joseph C., AO3094417.
Anderson, Lavon N., AO3087406.
Armbruster, John A., AO3093227.
Armstrong, Arthur J., AO3093669.
Atteberry, David L., AO3098829.
Augspurger, Earl F., Jr., AO3073519.
Avery, Allan F., AO3099348.
Barham, Billy G., AO3094833.
Barland, Edwin S., AO3097129.
Barlow, William K., AO3086012.
Barnett, Larry L., AO3094854.
Basso, Ronald J., AO3093398.
Bartlett, Donald A., AO3086040.
Beamer, James M., AO3086238.
Beauchamp, Charles K., AO3086087.
Beerman, Raymond O., AO3093140.
Bell, David F., AO3073318.
Benson, Robert P., AO3093576.
Berg, Robert M., AO3086804.
Bergholz, Richard J., AO3095122.
Bergstad, Joe G., AO3098329.
Bergstrom, Charles R., III, AO3095217.
Berkley, Charles E., AO3086709.
Bernd, Ronald E., AO3082011.
Beschta, Jack W., AO3083727.
Bessette, John F., AO3085761.
Biery, Alvin E., AO3093359.
Boehm, Stanley P., AO3096394.
Bonham, Arthur E., AO3087072.
Boudreau, Jean A., AO3085762.
Boudreaux, Clifford P., Jr., AO3095077.
Bourne, William R., Jr., AO3094182.
Boyden, James E., AO3094701.
Boynton, Gerald D., AO3093801.
Bradfield, Edward N., Jr., AO3086013.
Braman, Ellis J., AO3094335.
Braniff, Ronald W., AO3086703.
Brickson, Milton E., AO3086909.
Bridges, Edward S., II, AO3093313.
Briesch, Earl W., AO3093026.
Brooks, Kent, AO3087223.
Brown, Charles V., AO3087140.
Brown, Donald E., AO3085084.
Brualdi, Ulysses J., AO3095120.
Bruetsch, Walter E., AO3085764.
Buchanan, John W., AO3094386.
Buckenmaier, Chester C., Jr., AO3086712.
Bunch, Frederick D., AO3094337.
Burchard, Donald C., AO3087415.
Burke, James P., AO3085158.
Burnett, Troy D., AO3071636.
Burns, Kenneth S., AO3073560.
Burns, Vincent B., AO3084769.
Bush, Roger G., AO3094744.
Campbell, James P., AO3086992.
Carnevale, Arthur, Jr., AO3086245.
Carver, Robert M., AO3095106.
Cassity, James S., Jr., AO3087416.
Castetter, Robert L., AO3096178.
Caulfield, John J., Jr., AO3087182.
Chamberlin, Robert W., AO3072721.
Chambers, James E., AO3096044.
Church, James W. B., Jr., AO3086579.
Clancy, John T., AO3094425.
Clarke, Walter F., AO3084681.
Colton, George M., AO3094887.
Coody, Marion C., AO3084813.
Cooper, James H., AO3067730.
Cornwell, Jefford R., AO3094807.
Cotten, Leonard W., AO3072676.
Cowan, Jimmy D., AO3097134.
Cramer, James L., AO3073258.
Crews, Charles P., AO3094822.
Cronican, John G., Jr., AO3087185.
Cronquist, Richard G., AO3087379.
Cross, Robert A., AO3083983.
Curren, John J., AO3087186.
Dabasinskas, John R., AO3094968.
Daleo, James M., AO3086769.
Dauber, Carl W., AO3095193.
Davenport, Ernest J., AO3086412.
Dawley, Donald L., AO3095302.
DeGreve, Stanley C., AO3094768.
Dejong, John E., AO3097712.
Dempster, Kennett D., AO3086192.
Dessert, Robert A., AO3094042.
Dianich, David F., AO3094184.
Dickinson, Dean C., AO3085607.
Dierker, Joseph B., AO3094083.
Dipilla, Reginangelo A., AO3094084.
Disalvo, Richard S., AO3087188.
Dixon, Glenn R., AO3087310.
Doherty, Edward P., AO2205109.
Dorsey, William H., AO3087425.
Dow, Donald W., Jr., AO3093806.
Duick, William, AO3086639.
Dunlap, Fredric C., AO3087381.
Dziacko, Stanley, Jr., AO3093580.
Earl, John A., AO3086967.
Eastep, Franklin E., AO3093147.
Eckert, Theodore J., AO3086685.
Eggen, Charles P., AO3086807.
Ehernberger, Lumir J., Jr., AO3087255.
Ellis, Christopher F., AO3096891.
Ellis, Kenneth N., Jr., AO3086018.
Ellis, William H., Jr., AO3094521.
Erhart, Ronald G., AO3094851.
Erickson, Bertil R., AO3093671.
Evans, Jay J., AO3067933.
Fahnestock, Dale L., AO3085462.
Felty, Darrell W., AO3094746.
Filtz, Regis F., AO3085437.
Finnegan, Patrick M., AO3072992.
Fitzsimons, R. Michael, AO3093985.
Flickinger, Harry H., AO3086339.
Fogle, James M., AO3094316.
Foley, William L., AO3086820.
Ford, Brian J., AO3087189.
Forsythe, Conrad O., AO3093836.
Fournier, Pierre D., AO3086775.
Frantz, John J., AO3093672.
Fredrickson, Gerald O., AO3067703.
Freeman, Thomas W., AO3085581.
Freer, Jerry H., AO3084749.
Frusti, Roy A. J., AO3084877.
Fyock, Milford D. V., AO3101499.
Gaddie, William R., AO3085880.
Galias, Donald T., AO3085772.
Gallinger, Robert J., AO3093093.
Galloway, James A., AO3085859.
Gantter, Wallace F., AO3087190.
Gardner, Norman E., AO3094978.
Garver, Charles W., Jr., AO3073992.
Gee, William L., AO3086250.
Geesey, Roger A., AO3087112.
Geisel, Martin A., AO3085509.
Generale, Mark A., AO3093167.
Gibson, Leroy A., AO3087366.
Giles, Thomas E., AO3094913.
Gilfillin, Eugene A., II, AO3085860.
Gill, Ben T., Jr., AO3084451.
Gillman, Wallace M., AO3086160.
Giuliani, Benjamin W., AO3085624.
Godsey, Neil W., AO3082622.
Goetz, Michael B., AO3095150.
Gompert, Leon T., AO3094880.
Gordon, Glynneth M., AO3087232.
Gray, Alvin L., Jr., AO3096591.
Green, Ronald R., AO3086808.
Greene, Rockwell N., AO3093483.
Greene, Samuel J., AO3087192.
Griffith, James R., AO3094217.
Hackert, Nels A., AO3085984.
Hager, John A., AO3093033.
Halac, Harry E., AO3093095.
Haldeman, Bruce, AO3086252.
Hamer, Howard A., AO3095031.
Hamilton, William C., AO3072556.
Hancock, Charles C., Jr., AO3093743.
Harmon, James B., AO3085328.
Harriman, Albert R., Jr., AO3085809.
Harris, Roy V., Jr., AO3093772.
Hartung, Ludwig F., Jr., AO3086707.
Haselbauer, Francis G., AO3094085.
Hatch, Bruce R., AO3095510.
Hatch, Gordon L., AO3094320.
Haver, Robert W., AO3094462.
Hayden, Warren R., AO3087315.
Hayes, Oscar E., AO3056082.
Hedden, Wesley D., AO3093484.
Henry, Charles J., AO3085526.
Herbert, David B., AO3093773.
Hermann, Gordon L., AO3093403.
Hershey, Terry L., AO3084545.
Hetrick, Raymond H., AO3095265.
Hewitt, Conrad W., AO3093584.
Hight, Gerald A., AO3094353.
Hillesland, Kent L., AO3094501.
Hjelm, Lawrence N., AO3083565.
Hoder, Joseph J., AO3093275.
Hogue, Baxter E., AO3087442.
Hollis, Lewis D., AO3094280.
Holmes, William C., AO3086553.
Horner, Charles A., AO3085894.
Huebner Defejervar, Charles A., AO3094427.
Hugelman, Rodney D., AO3069248.
Hughes, Thomas F., AO3086855.
Huguley, Ted E., AO3094508.
Hymas, Carl E., AO3096032.
Irwin, Joseph R., AO3094062.
Jackson, Lee S., AO3093898.
James, John R., AO3085198.
Jamison, Theodore T., AO3094517.
Jansen, Theodore A., AO3085404.
Janssens, Leo G., AO3094989.
Jarvie, James G., Jr., AO3072159.
Johnson, Robert J., AO3093775.
Jolly, Bobby G., AO3101252.
Kaiser, Richard J., AO3086782.
Kane, Jackie J., AO3094175.
Kanillopoolos, John J., AO3093816.
Katsikas, Constantinos J., AO3073254.
Kern, Kenneth J., AO3085644.
Ketter, Donald J., AO3094343.
Kilroy, John D., AO3094279.
King, Martin B., AO3085839.
Kirsimagi, Tonu J., AO3093278.
Klar, Charles H., III, AO3084891.
Klingbeil, Ronald L., AO3094932.
Kowalczyk, Robert A., AO3095196.
Kucera, Howard L., AO3086367.
Kunkle, Alexander J., AO3082950.
Lanahan, Robert J., AO3087197.
Langie, John D., AO3095060.
Langlinais, Gedeon B., AO3094239.
Laws, Louis W., AO3087092.
Ledden, John M., AO3095121.
Lee, Robert S., AO3095278.
Legare, Vincent P., AO3086320.
Lehnhoff, Edward W., Jr., AO3095051.
Leighton, John H., Jr., AO3085780.
LePage, Frederick R., AO3087080.
Light, James E., AO3094305.
Liles, Charles O., AO3094836.
Lindsay, Nathan J., AO3094504.
Love, William A., AO3085899.
Lowry, Clifton L., AO3095210.
Ludwig, Karl T., AO3085528.
Lyons, Bernard G., AO3094181.
Mack, William F., AO3093281.
Mahaffey, Kenneth E., AO3093198.
Malone, Burnie H., III, AO3095136.
Manz, Joe E., Jr., AO3093327.
Martin, Norman C., AO3094381.
Maston, Eugene W., AO3094770.
Matheis, Vernon H., AO3093415.
Mathison, Richard A., AO3085691.
Mathys, Ronald E., AO3085406.
Maxwell, Robert S., AO3102151.
May, Robert S., AO3086559.
McBride, Jon R., AO3094793.
McCall, Philip J., AO3086321.
McDaniel, Dentis S., AO3095294.
McDevitt, Neil T., AO3067480.
McHenry, Dale E., AO3093442.
McKinley, Robert D., AO3087353.
McKnight, George P., AO3092981.
McLaughlin, Richard E., AO3086734.
McMullan, Charles D., AO3092982.
Mecca, Mauro L., AO3094010.
Medeiros, Manuel F., Jr., AO3085531.
Menuez, Jan L., AO3093237.
Merrill, Landell H., AO3093751.
Middlemist, Louis S., Jr., AO3093471.
Miller, John C., AO3095022.
Miller, Robert A., AO3094779.
Miller, Shirley A., AL3060826.
Miller, William J., Jr., AO3085784.
Minkin, Alan R., AO3085818.
Momberger, Richard A., AO3072765.

Moore, Gery E., AO3086632.
Moore, James O., AO3092978.
Moore, Tom C., AO3072523.
Moore, William J., AO3085532.
Moreman, Otis S., III, AO3094422.
Morenoff, Edward, AO3067293.
Morgan, William R., AO3095146.
Mugler, David J., AO3094853.
Mulrooney, William L., AO3087087.
Mulick, Richard F., AO3094754.
Murphy, Crawford O., Jr., AO3094559.
Murray, Guy E., Jr., AO3086261.
Nawrocki, Edmund A., AO3085786.
Nelson, Elmer E., AO3093681.
Nethercot, Hubert S., AO3094855.
Nevin, John M., AO3072728.
Nicholson, Robert S., AO3086280.
Niedens, Alverta D., AL3060929.
Niven, William A., AO3093752.
Nordhauser, Fred, AO3082526.
O'Brien, John W., Jr., AO3094248.
Ojakangas, Dennis R., AO3074052.
Olivet, David J., AO3086069.
Olsen, Alan K., AO3073148.
Olson David A., AO3093637.
Parker, Billy R., AO3094626.
Paulk, Linton A., AO3083534.
Peacock, James M., AO3073866.
Pepe, Paul A., AO3095266.
Perry, Glenwood H., AO3085842.
Petersen, Ernest V., AO3087345.
Peterson, Frederick H., Jr., AO3093074.
Phelps, James E., Jr., AO3086571.
Phillips, Frank T., AO3093568.
Pickens, William, III, AO3086071.
Pierce, James O., II, AO3086096.
Pikell, Paul W., AO3093702.
Poor, Russell A., AO3083321.
Pope, James N., Jr., AO3094395.
Porco, John V., Jr., AO3086857.
Porter, Jimmie R., AO3092997.
Porter, John B., AO3086793.
Prater, Ronald F., AO3055494.
Pray, Wayne S., AO3093640.
Price, George, AO3094398.
Prostko, Vincent A., AO3085445.
Purins, Guntis, AO3094789.
Quayle, Ronald J., AO3093905.
Quinby, Charles F., AO3087001.
Rachofsky, David J., AO3085535.
Rasmussen, James L., AO3093517.
Reardon, James P., AO3093906.
Reckler, Arthur, AO3095242.
Reed, William C., AO3085379.
Reoh, George C., AO3093001.
Repole, Joseph, Jr., AO3093536.
Reynolds, Louis H., II, AO3083952.
Rhodes, Guy W., AO3086742.
Riddle, Richard D., AO3093416.
Risan, Thomas J., AO3086915.
Rist, John D., AO3094131.
Roach, James H., AO3086333.
Robertson, Arthur D., AO3094171.
Robertson, Robert A., AO3085745.
Robison, Russell D., AO3083872.
Rogers, James C., AO3086672.
Roselund, Gordon E., AO3087299.
Rosenfeld, Stuart A., AO3094936.
Rosetti, William J., AO3094644.
Rostkowski, Alexander E., AO3085795.
Roy, Robert J., AO3086636.
Rutten, Thomas W., AO3085678.
Rutter, Joseph G., AO3094086.
Sabo, Ronald P., AO3086795.
Sackschewsky, Virgil E., AO3093474.
Sanders, Delbert A., AO3094923.
Schaefer, Robert F., AO3094987.
Schneider, Jerry R., AO3093420.
Schumacher, Frederick W., AO3093336.
Schuyler, Peter R., AO3074627.
Schwartz, Larry I., AO3094948.
Selzer, Larry A., AO3094329.
Semrad, Joseph E., Jr., AO3086434.
Shaper, James R., AO3094578.
Shapleigh, William M., AO3093112.
Sheldon, James H., AO3093909.
Shelley, Zack H., Jr., AO3094414.
Shepler, Ronald K., AO3072986.
Sherouse, Lewis E., AO3085345.
Sherwood, Marcia W., AL3060586.
Shindler, George R., AO3094476.
Sickeler, Richard O., AO3086746.
Sims, William R., AO3093342.
Sitterly, Lewis F., AO3093058.
Skucas, Donatas, AO3072626.
Smith, Conrad E., AO3094949.
Smith, Eric E., AO3093952.
Smith, Keith W., AO3095142.
Smith, Larry E., AO3093911.
Smith, Richard E., AO3085488.
Smith, Theodore W., AO3087161.
Smith, Walter E., AO3085447.
Snaring, Thor M., AO3073583.
Starnes, Arthur J., AO3085283.
Sterrett, Ronald E., AO3086696.
Stevens, Donald T., AO3086640.
Stone, John T., Jr., AO3093791.
Stroud, Donald E., AO3094733.
Stutzman, Roger D., AO3085009.
Sullivan, David J., AO3094349.
Suranyi, Edward E., AO3095230.
Suter, Richard M., AO3094794.
Termeer, John J., AO3094585.
Tharp, Roland L., Jr., AO3094233.
Thomas, William B., AO3086267.
Thomason, Henry A., Jr., AO3094203.
Thompson, David E., AO3083625.
Thompson, Paul Y., AO3094051.
Toner, William L., AO3094467.
Trace, Thomas L., AO3093713.
Tuttle, Thomas O., AO3093115.
Tyler, Wayne L., AO3094224.
Ubelhor, Robert J., AO3093422.
VanKuren, James T., AO3072233.
Veach, James P., AO3093618.
Violett, Russell L., AO3086152.
Voss, John H., AO3093013.
Wade, James E., AO3094165.
Wagener, Dennis G., AO3093397.
Wainwright, Ronald G., AO3093793.
Wakeman, James F., AO3073396.
Walton, Morris D., AO3093014.
Warble, Keith V., AO3068381.
Watts, James D., AO3097985.
Wavell, John C., AO3095232.
Weber, Robert H., AO3093423.
Werle, Benjamin O., AO3086362.
West, John E., AO3093686.
White, Jerry D., AO3094690.
Wickman, John F., AO3094706.
Wigton, Richard S., AO3093794.
Willett, James G., AO3094558.
Wittenberg, William A., AO3094830.
Womack, Bond M., Jr., AO3094350.
Work, James B., AO3083877.
Wray, Robert F., AO3086700.
Wynne, John W., Jr., AO3073846.
Yager, Walter S., AO3095184.
York, Guy P., AO3093795.
Yorks, Robert A., AO3086757.
Young, Bruce E., AO3094708.
Young, Francis J., Jr., AO3085432.
Zahniser, Frank R., AO3095281.
Zeidler, Jerry L., AO3093380.
Zimmerlee, Joseph R., AO3086126.
Zustovich, Alfred B., AO3085800.

CONFIRMATION

Executive nomination confirmed by the Senate July 7, 1961:

ATOMIC ENERGY COMMISSION

Gerald Johnson, of California, to be Chairman of the Military Liaison Committee to the Atomic Energy Commission.

SENATE

MONDAY, JULY 10, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God our Father, as servants of the national welfare, before, in the hearing of all the world, we talk of the Nation's good, we would lift our needy hearts to the Nation's God. Thou hast ordained that in the leadership of public affairs the care of the many must rest upon the shoulders of the few. Enable, we pray Thee, those thus lifted to posts of great power to cultivate the spirit of fairness and charity that differing opinions may not bitterly divide, nor practices dishonor, nor conflicts make us unkind.

Be patient with our impatience. In times of tension make us more forbearing and considerate one with another, remembering that even in the glare of public gaze each fights a hard battle and walks a lonely way.

Enrich us with a passionate care for others' needs without which all we say, even though we speak with the tongues of men and angels, is as but sounding brass and tinkling cymbals.

Help us in all our ways to be masters of ourselves that we may be the servants of all. Thus may we faithfully serve our baffled day as we do justly, love mercy, and walk humbly with Thee, our God. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 7, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITTEN, Mr. NATCHER, Mr. CANNON, Mr. ANDERSEN of of Minnesota, and Mr. TABER were appointed managers on the part of the House at the conference.

CALL OF THE CALENDAR DISPENSED WITH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar, under the rule, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour, for the transaction of routine

business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

Warren D. Quenstedt, of Virginia, to be Deputy Administrator of the National Capital Transportation Agency.

By Mr. EASTLAND, from the Committee on the Judiciary:

Bernard J. Brown, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania; and

Forrest F. Walker, of Virginia, to be U.S. marshal for the eastern district of Virginia.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the calendar will be stated.

POSTMASTERS

The Chief Clerk proceeded to state sundry nominations of postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

Mr. DIRKSEN. Mr. President, it runs in my mind that this is probably the first report of new postmaster nominations that has been made by the Committee on Post Office and Civil Service during the present session. I should like to inquire of the majority leader whether my recollection in that respect is correct.

Mr. MANSFIELD. I am not absolutely certain. It seems to me that other postmaster nominations have previously been presented to the Senate at this session, but I would not wish to be held to that statement. It is my understanding that some were previously considered, but were carryovers from the Eisenhower administration's recommendations.

Mr. DIRKSEN. Yes.

I do congratulate the Committee on Post Office and Civil Service.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The President pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORTS OF SECRETARIES OF DEFENSE, ARMY, NAVY, AND AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, his report, together with reports of the Secretary of the Army, Secretary of the Navy, and Secretary of the Air Force, for the period July 1, 1959, to June 30, 1960 (with accompanying reports); to the Committee on Armed Services.

REPORT ON REVIEW OF MILITARY ASSISTANCE PROGRAM FOR THE PHILIPPINES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on the review of the military assistance program for the Philippines, as administered by the Joint U.S. Military Advisory Group to the Philippines (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF PLANNED PROCUREMENT AND CONCURRENT DISPOSAL OF COMPRESSED GAS CYLINDERS, CORPS OF ENGINEERS, DEPARTMENT OF THE ARMY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of planned procurement and concurrent disposal of compressed gas cylinders, Corps of Engineers, Department of the Army, dated June 1961 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF MANAGEMENT WITHIN DEPARTMENT OF THE AIR FORCE OF REPLACEMENT EQUIPMENT

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of management within the Department of the Air Force of replacement equipment, dated June 1961 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON BOSTON NATIONAL HISTORIC SITES COMMISSION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Boston National Historic Sites Commission, April 1961 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON NATIONAL CAPITAL HOUSING AUTHORITY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the National Capital Housing Authority, fiscal years 1959 and 1960 (with an accompanying report); to the Committee on Government Operations.

DONATION OF CERTAIN FEDERALLY OWNED LAND TO JICARILLA APACHE TRIBE, NEW MEXICO

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land (with an accompanying paper); to the Committee on Interior and Insular Affairs.

EDWARD J. MAURUS

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation for the relief of Edward J. Maurus (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON GENERAL REVISION OF U.S. COPYRIGHT LAW

A letter from the Librarian of Congress, transmitting, pursuant to law, a report of the Register of Copyrights on the general revision of the U.S. copyright law, dated July 1961 (with an accompanying report); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

VOLUNTARY ELECTION BY EMPLOYEES OF ANNUAL PREMIUM COMPENSATION

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to authorize the voluntary election by employees of annual premium compensation instead of the saved pay rate (with an accompanying paper); to the Committee on Post Office and Civil Service.

DETAILS OF COOPERATION, RELATING TO TRANSFER OF MATERIALS FOR RESEARCH AND DEVELOPMENT ACTIVITIES

A letter from the Secretary of State, transmitting, pursuant to law, a classified document concerning certain details of cooperation with respect to the transfer of materials for research and development activities (with an accompanying document); to the Joint Committee on Atomic Energy.

PETITIONS AND MEMORIALS

Petitions, etc., presented and referred as indicated:

RESOLUTION OF GUAM LEGISLATURE

Mr. ANDERSON. Mr. President, the island of Guam on the edge of the continent of Asia came under the American flag as a result of the hostilities with Spain in 1898. In the 81st Congress, the Committee on Interior and Insular Affairs wrote a bill for an Organic Act for Guam by which this western-most part of the United States became self-governing in substantial measure, with a popularly elected legislature possessing true legislative powers and control over its Guamanian finances. This measure was signed into law by President Truman.

Early this year, President Kennedy appointed a native Guamanian, Richard F. Taitano, as Director of the Office of Territories, Department of the Interior, and in May 1961 he named another native of the island, Manuel Guerrero, as the Government Secretary of Guam, an office

embracing the functions of Lieutenant Governor and secretary of state in many of our State governments.

The popularly elected Legislature of Guam recently adopted a resolution congratulating Mr. Guerrero on his appointment by President Kennedy, and expressing the best wishes of the people of Guam.

Mr. President, I ask that the resolution of the Guam Legislature and accompanying letter of transmittal be printed in the RECORD at this point.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

SIXTH GUAM LEGISLATURE,
TERRITORY OF GUAM,
Agana, Guam, July 3, 1961.

Hon. CLINTON B. ANDERSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. ANDERSON: I take great pleasure in transmitting a certified copy of Resolution 147, duly and regularly adopted by the Guam Legislature on June 14, 1961.

Sincerely yours,

A. B. WON PAT, *Speaker.*

RESOLUTION 147

Resolution relative to extending the official congratulations and best wishes of the Sixth Guam Legislature to the Honorable Manuel F. Leon Guerrero on his appointment as Secretary of Guam

Whereas in May 1961, Manuel F. Leon Guerrero was appointed by the President of the United States to be the Secretary of Guam, and was on May 20, 1961, sworn into office, the first person of Guamanian ancestry to hold this high executive position within the government of Guam; and

Whereas the new Secretary has a long and and proud history of public service to the people of Guam, going back almost 30 years, having during that time served in many high positions within the various departments of the government of Guam, which makes his appointment as the second highest executive of our government an appropriate recognition of these many years of outstanding service; and

Whereas Manual F. Leon Guerrero has also played an important role in the history of the Guam Legislature, having been the first chairman of the committee on rules of the first legislature operating under the organic act, and having in that position been responsible for the enactment of basic legislation still governing our territory; and

Whereas Mr. Leon Guerrero has earned the firm friendship and deep admiration not only of the members of the legislature but as well that of their constituents, which makes it appropriate that the legislature officially extend its congratulations to him upon his appointment: Now, therefore, be it

Resolved, That the Sixth Guam Legislature does hereby on behalf of the people of Guam extend to the Honorable Manuel F. Leon Guerrero, Secretary of Guam, its congratulations and best wishes on his appointment to this high office; and be it further

Resolved, That this resolution do also serve as an expression of appreciation to the President of the United States, the Honorable John F. Kennedy, for the honor he has extended to the people of Guam by his appointment of Manual F. Leon Guerrero as the first Secretary of Guam of Guamanian ancestry; and be it further

Resolved, That the speaker certify to and the legislative secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable John F. Kennedy, President of the United States, to the Honorable Stewart L. Udall, Secretary of the Department of Interior, to the Honorable Clinton B. Anderson, chairman, Committee on Interior and Insular Affairs, U.S. Senate, to the Honorable Wayne Aspinall, chairman, Committee on Interior and Insular Affairs, U.S. House of Representatives, to the Honorable Manuel F. Leon Guerrero, Secretary of Guam, and to the Honorable Bill Daniel, Governor of Guam.

CONVEYANCE OF CERTAIN LANDS TO ARMORY BOARD OF THE STATE OF FLORIDA—CHANGE OF REFERENCE

Mr. MANSFIELD. Mr. President, on June 16, 1961, the bill (S. 2095) to amend the act of July 14, 1954, providing for the conveyance of certain lands to the Armory Board of the State of Florida, was introduced and referred to the Committee on Interior and Insular Affairs. That original legislation was handled by the Committee on Armed Services. I move on behalf of the distinguished Senator from New Mexico [Mr. ANDERSON], who is also the outstanding chairman of the Interior and Insular Affairs Committee, that the Committee on Interior and Insular Affairs be discharged from further consideration of S. 2095 and that the bill be referred to the Committee on Armed Services.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

RESOLUTION OF MARION COUNTY, KANS., BAR ASSOCIATION

Mr. CARLSON. Mr. President, there is a vacancy in the U.S. Circuit Court of Appeals, Tenth Judicial Circuit, and many Kansas citizens are urging that this vacancy be filled by the appointment of Judge Delmas C. Hill, who is presently a U.S. district judge for the district of Kansas. His many years of experience qualifies him for an appointment to the appellate division of our Federal court.

The Marion County Bar Association of Marion, Kans., adopted a resolution in this regard and I ask unanimous consent that the resolution be printed in the RECORD, and referred to the Committee on the Judiciary.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF MARION COUNTY BAR ASSOCIATION, MARION, KANS., JUNE 23, 1961

Whereas Delmas C. Hill has rendered outstanding services as U.S. district judge for the district of Kansas for 12 years; and

Whereas it is believed that his outstanding judicial ability should be recognized by appointment to the appellate division of our Federal court: Therefore be it

Resolved, That the Marion County Bar Association, Marion, Kans., unanimously endorses Delmas C. Hill for appointment to the U.S. Circuit Court of Appeals, Tenth Judicial Circuit; and be it further

Resolved, That the secretary forward a copy of this resolution to the President of the United States and the U.S. Attorney General.

EDWIN G. WESTERHAUS,
President.

ROGER H. MORSE, *Secretary.*

RESOLUTION OF NORTHWEST KANSAS BAR ASSOCIATION

Mr. CARLSON. Mr. President, a resolution was adopted at the annual meeting of the Northwest Kansas Bar Association urging the establishment of facilities for the U.S. District Court for the District of Kansas at Salina, Kans., and the implementation of provisions for holding regular terms and sessions of court at Salina.

Presently there are more than 250,000 citizens in northwest Kansas who are not served by any U.S. district court facilities nearer than Topeka, Kans., and Wichita, Kans., and in view of the fact that for many years Salina, Kans., has been a statutory place for the U.S. District Court for Kansas, I urge that every consideration be given this request.

Now that Kansas is to have a third Federal judge, it seems opportune that provisions should be made to hold regular sessions of the court in northwest Kansas.

I ask unanimous consent that the resolution be printed in the RECORD, and referred to the Senate Judiciary Committee.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED FOR THE YEARS 1960 AND 1961 FOR THE NORTHWEST KANSAS BAR ASSOCIATION

Whereas there are presently residing in the northwest quarter of Kansas more than 250,000 citizens who are not served by any U.S. district court facility nearer than Topeka, Kans., and Wichita, Kans.; and

Whereas Salina, Kans., is now and for many years has been a statutory place for the U.S. District Court for Kansas to sit and hold court; and

Whereas Salina is the most rapidly growing city in the State of Kansas of comparable size or larger and is now the fourth largest city in Kansas; and

Whereas, notwithstanding the aforesaid facts, Salina has remained without any court facilities for the U.S. District Court to use at Salina; and

Whereas the lack of such court facilities at Salina, Kans., subjects the people of the northwest quarter of the State of Kansas to undue, unfair and burdensome expense in the handling of their business in the U.S. District Court for the District of Kansas; and

Whereas the need for such court facilities at Salina, Kans., is continuously growing more acute; and

Whereas the Senate Judiciary Committee has recommended the necessary appropriation for a third judge for the U.S. District Court for the District of Kansas: Now, therefore, be it

Resolved by the Bar Association of Northwest Kansas:

1. This association urges each of the U.S. Senators, U.S. Congressmen for the State of Kansas, and the judges of the U.S. District Court for the District of Kansas immediately and forthwith to do all in their power to cause appropriations to be made, plans to be prepared and construction to be accomplished for the establishment of facilities for the U.S. District Court for the District of Kansas at Salina, Kans., and the implementation of provisions for holding regular terms and sessions of said court at Salina, Kans.

2. Each member of the Bar Association of Northwest Kansas is hereby urged to lend

his full support and assistance to said Senators, Representatives, and judges to accomplish the matters set forth in paragraph 1 hereof.

3. Each citizen of the northwest quarter of Kansas is hereby urged to give his full support to said Senators, Representatives, and judges to accomplish the matters set forth in paragraph 1 hereof; and be it further

Resolved, That a copy of this resolution shall be forthwith transmitted to each of said U.S. Senators, Representatives, and judges; and be it further

Resolved, That this convention reaffirm the resolution adopted at the convention of this association at the Phillipsburg meeting in 1960, with reference to the establishment of Federal court facilities at Salina, and further urges the establishment of additional Federal court facilities at Hays, and that copies of said Phillipsburg resolution and of this resolution be forthwith transmitted to the Honorable Robert F. Kennedy, Attorney General of the United States, each of the U.S. Senators, U.S. Congressmen for the State of Kansas, and judges of the U.S. District Court for the District of Kansas, with the urgent request that they use their utmost efforts to cause appropriations to be made, plans to be prepared, and construction to be accomplished for the establishment of facilities for the U.S. District Court for the District of Kansas at Salina, Kans., and Hays, Kans.

RESOLUTION OF PUMPKIN CREEK FARMERS UNION LOCAL 2258, MOUND VALLEY, KANS.

Mr. CARLSON. Mr. President, the members of the Pumpkin Creek Farmers Union Local 2258, of Mound Valley, Kans., at their business meeting on June 26, 1961, adopted a resolution expressing themselves in favor of the Agricultural Act of 1961.

I ask unanimous consent that the resolution be printed in the RECORD, and referred to the Senate Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

MOUND VALLEY, KANS.,
June 28, 1961.

Senator FRANK CARLSON,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: The following is a resolution adopted at the business meeting of the Pumpkin Creek Farmers Union Local 2258, on June 26, 1961:

"Whereas farm families need an opportunity to increase their income; and

"Whereas farmers are still $40 billion customers of labor and business: Therefore be it

"*Resolved*, That the members of Pumpkin Creek Farmers Union Local 2258, in session this 26th day of June 1961, express themselves in favor the Agricultural Act of 1961; and be it further

"*Resolved*, That we request the Agriculture Committee in the House of Representatives and the Committee of Agriculture and Forestry in the Senate report out on the act for action of the House of Representatives and the Senate; and be it further

"*Resolved*, That copies of this resolution be sent to the Senators and Congressmen and to the Secretary of Agriculture and the press."

L. OAKLEAF,
President.

BLANCHE BRUHN,
Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLAND, from the Committee on Agriculture and Forestry, with amendments:

S. 1710. A bill to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until July 14, 1963, and for other purposes (Rept. No. 503).

By Mr. JOHNSTON, from the Committee on Agriculture and Forestry, without amendment:

S. 1873. A bill to amend the act entitled "An act to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economics courses," approved September 13, 1960 (74 Stat. 899), in order to permit the use of donated foods under certain circumstances for training college students (Rept. No. 504).

By Mr. JOHNSTON, from the Committee on Agriculture and Forestry, with amendments:

S. 1107. A bill to exempt the production of Durum wheat in the Tulelake area, Modoc and Siskiyou Counties, Calif., from the acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (Rept. No. 505).

By Mr. JORDAN, from the Committee on Agriculture and Forestry, without amendment:

S. 763. A bill to authorize annual appropriation to reimburse Commodity Credit Corporation for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals, and for other purposes (Rept. No. 506).

By Mr. SMITH of Massachusetts, from the Committee on the District of Columbia, with amendments:

H.R. 258. An act to amend the District of Columbia Sales Tax Act to increase the rate of tax imposed on certain gross receipts, to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942 to transfer certain parking fees and other moneys to the highway fund, and for other purposes (Rept. No. 507).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 1018. A bill to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes (Rept. No. 508);

S. 1492. A bill to amend the act of March 24, 1948, which establishes special requirements of governing the selection of superintendents of national cemeteries (Rept. No. 509); and

S. 1775. A bill to authorize the Secretary of the Interior to expend appropriated funds to acquire approximately 12 acres of land for the Richmond National Battlefield Park, and for other purposes (Rept. No. 510).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1305. A bill for the relief of Kazuo Ito and Satomi Ito (Rept. No. 516);

S. 1527. A bill for the relief of James D. Jalili (Rept. No. 517);

S. 1716. A bill for the relief of Dr. Alexander Corpacius (Rept. No. 518);

H.R. 1353. An act for the relief of Max Bleier (Rept. No. 519);

H.R. 1477. An act for the relief of Mansureh Rinehart (Rept. No. 520);

H.R. 1620. An act for the relief of Kejen Pi Corsa (Rept. No. 521);

H.R. 1626. An act for the relief of Jack Konko (Rept. No. 522);

H.R. 1911. An act for the relief of Ricaredo Bernabe Dela Cena (Rept. No. 523);

H.R. 1915. An act for the relief of Mrs. Sode Hatta (Rept. No. 524);

H.R. 2360. An act for the relief of Mrs. Tome Takamoto (Rept. No. 525); and

H.R. 4557. An act for the relief of Manuel Martinez-Lopez (Rept. No. 526).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 333. A bill for the relief of Godofredo M. Herzog (Rept. No. 512);

S. 1054. A bill for the relief of Huan-pin Tso (Rept. No. 514); and

S. 1088. A bill for the relief of Ivan Balog (Rept. No. 513).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1205. A bill for the relief of Roger Chong Yeun Dunne (Rept. No. 515).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE (S. REPT. NO. 511)

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 31) relating to certain aliens, and submitted a report thereon; which concurrent resolution was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(5) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254(c)):

A-2151799, Arcobasso, Joseph,
A-5649963, Echevarria, Juan Domingo,
A-2079893, Kopi, George.
A-2753728, Lopez-Aldama, Marcelino,
A-4866820, Wong, Yuen Bo,
A-1956110, Ramirez-Cordova, Pedro,
A-11598412, Foon, Moy Wah,
A-4108177, Lial, Anastasio Leon,
A-4162490, Hlistowski, John,
A-4010788, Sisto, Anthony Vito,
A-5616068, Bruno, Vito,
A-9096677, Bustamante, Jose,
A-4864576, Nemeth, Paul,
A-4579619, Stewart, James,
A-2539330, Mikkelsen, Hans Christian Gunnar,
A-1893042, Steingesser, Benjamin,
A-5275541, Hedge, Alick Smith,
A-8957696, Salas-Araiza, Felipe,
A-10381924, Filippazzo, Salvatore,
A-111589558, Cantor, Louis,
A-4603964, DeNigris, Joseph.
A-11163875, Hay, Toy Wing.
A-4445005, Malicourtis, Vrasidas,
A-4310666, Mata-Molina, Socorro,
A-3699153, Miller, Jacob,
A-1969762, Sciacca, Antoniette,
A-890548, Thing, Moy Nom,
A-5542123, Pagani, Aldo,
A-4028658, Newton, Harold,
A-3112318, Houy, Yee,
A-8196763, Parisi, Gioacchino.

SEC. 2. That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than six months:

A-10265245, Chan, Wan,
A-9167100, Chung, Young,
A-7463525, Katz, Manfred,
A-9777398, Key, Mok,
A-1990570, Kuo, Irene Hsing-Nee,
A-10401833, Wing, Chu,
A-9528675, Wong, Chan,
A-7651542, Yu, Bei Wun Tun,
A-9653774, Lin, Toh Jung,
A-6587841, Chung, Yin Own,
A-5966273, Loy, Jow,

A-6703136, Lydakis, George John,
A-6703135, Lydakis, Penelope George,
A-10258021, Shek, Tsang,
A-9678206, Nam, Chi,
A-6794998, Nahkung, Helen Mineko,
A-9632204, Pavesic, Stojan,
A-9526171, Sam, Mak,
A-9752413, Kiriranta, Eino Aulis,
A-6943747, Partheniades, Nicholas.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSH:

S. 2211. A bill to amend the Internal Revenue Code of 1954 to exempt from tax transportation furnished solely by railroads which are in receivership; to the Committee on Finance.

(See the remarks of Mr. BUSH when he introduced the above bill, which appear under a separate heading.)

By Mr. ERVIN:

S. 2212. A bill to provide for the judicial review of orders of deportation; to the Committee on the Judiciary.

By Mr. GRUENING (for himself and Mr. BARTLETT):

S. 2213. A bill to convey the interest of the United States in certain land to the city of Sitka, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BUTLER:

S. 2214. A bill to authorize the Administrator, General Services Administration, to convey by quitclaim deed a parcel of land to the Silver Hill Voluntary Fire Department and Rescue Squad; to the Committee on Government Operations.

(See the remarks of Mr. BUTLER when he introduced the above bill, which appear under a separate heading.)

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 2215. A bill to donate to certain Indian tribes some submarginal lands of the United States, and to make such lands parts of the reservations involved; and

S. 2216. A bill to authorize the transfer of three units of the Fort Belknap Indian irrigation project to the landowners within the project; to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 2217. A bill to provide for the disposal of certain property to the city of Kenosha, Wis.; to the Committee on Armed Services.

(See the remarks of Mr. PROXMIRE when he introduced the above bill, which appear under a separate heading.)

By Mr. BARTLETT (for himself and Mr. GRUENING):

S. 2218. A bill to relieve certain veterans who relied upon erroneous information from repayment of subsistence allowances paid to them under the Servicemen's Readjustment Act of 1944, as amended; to the Committee on the Judiciary.

(See the remarks of Mr. BARTLETT when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE (by request):

S. 2219. A bill to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Massachusetts:

S. 2220. A bill for the relief of Dr. Heinz Friedrich Kohler and his wife, Annemarie Schaad Kohler, and their son, Marjus Allen Kohler; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 2221. A bill for the relief of Diomira Macerola Rossi; and

S. 2222. A bill for the relief of Christos Vlahakis and Chrissoula Vlahakis; to the Committee on the Judiciary.

By Mr. CHURCH:

S. 2223. A bill for the relief of Marie Luisa Ruiz Iglesias and Jose Antonio Iglesias; to the Committee on the Judiciary.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 2224. A bill to grant minerals, including oil, gas, and other natural deposits, on certain lands in the Northern Cheyenne Indian Reservation, Mont., to certain Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

CONCURRENT RESOLUTION

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 31) relating to certain aliens, which was placed on the calendar.

(See the above concurrent resolution printed in full when reported by Mr. EASTLAND, which appears under the heading "Reports of Committees.")

EXEMPTION FROM TAX OF TRANSPORTATION FURNISHED SOLELY BY RAILROADS IN RECEIVERSHIP

Mr. BUSH. Mr. President, I introduce a bill to amend the Internal Revenue Code of 1954, to exempt from taxation transportation furnished solely by railroads which are in receivership. I ask that the bill be referred to the Finance Committee; that a copy of the bill be printed in the RECORD, following my remarks; and that there be printed in the RECORD editorials on this general subject from the New York Times of July 11, the New Haven Register of July 9, and the Hartford Courant of July 7.

Mr. President, although measures affecting the revenues must originate, under the Constitution, in the House of Representatives, I am introducing the bill in the Senate at this time in order that it may be given prompt consideration by the Committee on Finance. A companion bill is being introduced in the House by the Honorable ABNER W. SIBAL, of Connecticut's Fourth District, and I hope it will be given early consideration by the Ways and Means Committee of that body.

Mr. President, the New York, New Haven & Hartford Railroad Co., operating company of a rail carrier which is of vital importance to the economy of my State and the entire Northeast area, has entered reorganization proceedings under the Federal Bankruptcy Act.

By heavily subsidizing competition from the highways and airways, the Federal Government is responsible, in large part, for the plight in which the New Haven and other rail carriers find themselves.

Relief from the 10-percent tax on passenger fares is a first step which the Federal Government should now take to put the railroads into a better competitive position. At a minimum, such relief should be given to those railroads such as the New Haven which have petitioned for reorganization under the bankruptcy act.

The tax on passenger fares was a wartime measure designed to discourage travel as well as to raise revenues. Like other wartime excises, it has lingered on, although the need to discourage travel has disappeared.

The need to avoid a loss of approximately $255 million in revenues was advanced by the administration in opposition to an attempt this year by Republican members of the House of Representatives to repeal this tax completely.

This argument can hardly be advanced against relief limited to railroads which have been forced into receivership by competition heavily subsidized by Government itself. The effect upon the Treasury's revenues will be small. In the case of the New Haven, I am advised that the annual amount involved is approximately $3 million.

Relief from this burdensome tax would, however, be of substantial benefit to the railroad and of great assistance to the trustees who will be appointed by the Federal court, in their efforts to put the New Haven back on a sound operating basis.

It should benefit the 30,000 commuters in my State who must travel on the New Haven to and from their jobs. It may make unnecessary, or at least limit in amount, future increases in passenger fares—fares which already tend to discourage rather than promote travel by rail. We should encourage greater use of the railroad for travel, and thus reduce congestion on the highways.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and without objection the bill and editorials will be printed in the RECORD.

The bill (S. 2211) to amend the Internal Revenue Code of 1954 to exempt from tax transportation furnished solely by railroads which are in receivership, introduced by Mr. BUSH, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 4263 of the Internal Revenue Code of 1954 (relating to exemptions from the tax on transportation of persons) is amended by adding at the end thereof the following new subsection:

"(g) RAIL TRANSPORTATION BY CARRIERS IN RECEIVERSHIP.—The tax imposed by section 4261 shall not apply to—

"(1) any amount paid for transportation by rail furnished solely by a carrier which, at the time such amount is paid, is subject to bankruptcy or reorganization proceedings under the Bankruptcy Act, or

"(2) any amount paid for facilities in connection with such transportation."

(b) The amendment made by subsection (a) shall apply to amounts paid after the date of the enactment of this Act for or in connection with transportation furnished after such date.

The editorials presented by Mr. BUSH are as follows:

[From the New York Times, July 10, 1961]

DOWN GOES THE NEW HAVEN

Running downhill for a long time, the New Haven Railroad has finally had to file for reorganization as a bankrupt. The petition has been accepted by the court and approved,

as made "in good faith." All avenues of help had been explored and found closed.

Whatever the defects of his administration of the railroad, George Alpert as president had put up a determined and partly successful battle to win recognition from the public and Government, at every level, of the bewildering, discouraging problems that must be faced by the eastern railroads.

Bankruptcy, which now seems to have been inevitable for the New Haven, solves nothing. Yet it may just turn out to be, as we hope it will, the dramatic event that finally shapes public opinion and governmental action to devise a program adequate to the magnitude of the emergency. Perhaps now the follies of overregulation, of overtaxation, of unreasoning subsidy to competition that have helped bring some of the eastern railroads to their knees will be acknowledged.

But let us not assume, in Washington, in the State capitols, in the city halls of metropolitan areas that a palliative handout of a loan here and tax rebate there and a trifling help with equipment purchase elsewhere will do the job—especially in respect to the commuter travel problem.

Salvage is not enough. A holding operation is not enough. A bold new comprehensive modernization, synchronization and mechanization plan is needed, with commuter lines treated on a metropolitan regional basis. Such a technological and management revolution is probably attainable only with governmental subsidy; but it is the kind of solution to "save the railroads" that would enlist public support in the urban areas now being choked to death by the automobile.

[From the New Haven Register, July 9, 1961]

THE NEW HAVEN'S PROBLEMS ARE NATIONAL PROBLEMS

The bankruptcy proceedings in which the New Haven Railroad is now involved represent the beginning—not the end—of grave new problems for the carrier and for the New England community which it serves. Bankruptcy itself solves nothing.

What must be sought now is a program through which the incoming trusteeship operating the railroad will be able to make economic sense out of the morass of overregulation, overtaxation, overmanipulation and overexpenditure which has sapped the New Haven's financial strength, its staff morale, and its capacity for public service. Such a program, it is now perfectly clear, is going to require explicit public policies at the State level and the Federal level which recognize the essentiality of railroad service, which foster some sort of equity and balance in the railroad's fight against its subsidized competitors in the air and on the highways, and yet which—we would hope—would also be aimed at maintaining the private aspects of the railroad as an operation and, eventually, as an investment.

The plight of the New Haven is shared in some measure by every other American railroad. The brightest note in the New Haven's crisis is found in the fact that it does not stand—or fall—alone. The urgency of effective action is an urgency now acknowledged by Government, by the passenger public, and by numerous agencies which have in the past made little effort to understand or aid the railroad as it foundered.

Revival will take a long time. But if we can get the New Haven back on the rails in responsible and efficient terms we should also be able to set a nationwide pattern for railroad stability—and this is something the entire country needs.

[From the Hartford Courant, July 7, 1961]

NO LOAN: NOW WHAT?

It looks as though the New Haven were at the end of the road to which the signs have long been pointing: bankruptcy. The Office of Civil and Defense Mobilization, asked by President Kennedy, was unable to certify that the $5.5 million loan for which the railroad had asked was essential under the National Defense Production Act. And anyway, even if this loan had been granted, the New Haven would have been back for more. It has had loans before, and tax relief. But still it needs more.

So, barring a miracle, the New Haven is going to be run not by an independent management, good or bad, but by one or more trustees in bankruptcy under a court. But, as noted here the other day, this time there is a big difference from the previous bankruptcy. The economic climate is no longer such that the railroads can keep their heads above the financial waters on their own.

In fact there is one school of thought that holds bankruptcy a mistake. The argument is that a trustee could not raise the funds needed through equipment-trust certificates or anything else. Commuter service might have to be curtailed. And there are few savings that bankruptcy could make, compared to the $21 million a year saved when the railroad was last in bankruptcy, from 1935 to 1947.

Whether or not bankruptcy is the wise course, it seems to be here. And the New Haven is merely the first of many eastern railroads to run into financial trouble. The Boston & Maine hangs on by a shoestring. The Pennsylvania and the New York Central, long great and rich, are running in the red. And the troubles of the eastern railroads look to be merely forerunners of the troubles that the great roads of the West are going to face in the end. Out there, to be sure, the open spaces and the long hauls and bulk cargoes still make freight shipment by rail natural. But here the Connecticut Turnpike—State financed—parallels the New Haven's main line. And many a stretch of the Interstate Highway System, 90 percent paid for out of Federal funds, duplicates a track that the railroad is expected to support all by itself. As the New York Times pointed out yesterday:

"A vast network of highways makes it possible for a truck to take most anything portable from any point on the New Haven's 1,600 miles of line to any other point in less time that it would take the New Haven to make up a train containing the same merchandise in a freight car."

On top of that the New Haven suffers, as do all railroads serving urban centers, from the growing commuter problem. Once cities and States have provided streets and highways (they don't provide tracks), automobile commuters pay their own way. Railroad commuters don't, and never have. But the cushion that once supported them, other passenger and freight revenues, isn't there any more. To make today's railway commuters pay what it costs to get them in and out of town would be self-defeating. It would run around the same vicious spiral, downward into debt, that the bus companies learn about whenever they raise rates or cut service.

What we face, then, is a vast economic and technological problem, more serious than most of us realize. And no one knows the answer. But one thing we do know. And that is that in one way or another the New Haven, and the other roads that are just a step ahead of it in keeping out of the hands of the sheriff, cannot be allowed to die. They must be maintained, and indeed improved from their shabby state. Legally they may not qualify for a defense loan. But they are vital to defense just the same. And they are just as vital to a peacetime economy.

Finding the answer will be difficult. The cities with their commuters, the States whose economies are at stake, and indeed the whole social complex of the United States, are all involved. Whether the answer is going to be tax relief, or subsidy, or both—and maybe more—blood is going to have to be pumped into the railroad's open veins. As Senator BUSH noted last weekend, the New Haven's immediate crisis "must not obscure the necessity of finding a long-range solution to the problem of restoring efficient rail service in New England."

One correction should be made in that prescription. It should read, "the necessity of restoring and maintaining efficient rail service throughout the United States."

CONVEYANCE OF CERTAIN LAND TO SILVER HILL (MD.) VOLUNTEER FIRE DEPARTMENT AND RESCUE SQUAD

Mr. BUTLER. Mr. President, I introduce, for appropriate reference, a bill to authorize the Administrator, General Services Administration, to convey by quitclaim deed a parcel of land to the Silver Hill Voluntary Fire Department and Rescue Squad.

Mr. President, in that part of Prince Georges County, Md., known as Silver Hill, there are located several sizable Government installations, such as the Bureau of the Census, the Navy Hydrographic Office, the National Air Museum, and the Smithsonian Institution, among others.

These installations, as well as many private businesses and thousands of homes in the area, receive their fire protection and ambulance service from the Silver Hill Volunteer Fire Department and Rescue Squad. This fire department, which has provided exceptional service since its incorporation in 1946, is situated on land owned by the U.S. Government, and its firehouse and other facilities were constructed pursuant to a revocable license issued by the Commissioner of Public Buildings with requirements that the fire station's exterior conform to the architecture of the Government buildings in the vicinity. This was accomplished; and the buildings, incidentally, were constructed, and are maintained, with private funds notwithstanding that the license provides for demolition and removal of the structure within 90 days of notice to vacate. Since 1946, the department has of necessity obtained much additional equipment, and now needs more space. The demands upon the department, both from Government and private sources, has increased manifold. It is impossible, however, for the Silver Hill company to finance any such expansion program because the provisions of the revocable license make the buildings, valued in excess of $60,000, valueless for lending purposes.

That the U.S. Government depends on the services of the Silver Hill Volunteer Fire Department is without dispute. A spot check of the records has revealed that in the past 5 years in excess of 60 ambulance runs were made to the various Government installations. It has an agreement with Andrews Air Force Base to transport to other hospitals patients admitted under emergency conditions who are not Air Force personnel entitled to hospitalization at Andrews. In the first 5 months of 1961, five fire alarms

from the Census Bureau were responded to and one from the Navy Hydrographic Office. Service to all the other Government installations in the area is rendered on a continuing basis. This wonderful and efficient department is indeed rendering a valuable service and protecting millions and millions of dollars of Government property daily.

As I said before, it is now necessary for this company to expand its facilities, and it is also necessary for them to obtain financing. I am therefore introducing a bill which will convey by quitclaim deed that property upon which the Silver Hill Volunteer Fire Department is presently situated plus a small additional amount of acreage. If this is accomplished, the department will be able to get the necessary financing and thereby expand its facilities and be better able to continue supplying efficient and high-type fire protection and ambulance service which are currently being subjected to ever-increasing demands. The only cost to the Government will be the value of the land conveyed, and it is my opinion that that value has already been recaptured by the Government many times over because of past services rendered by the Silver Hill Volunteer Fire Department.

Mr. President, I urge the committee and the Senate to give immediate consideration to this bill which is so important to the affected section of Prince Georges County, Md.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2214) to authorize the Administrator, General Services Administration, to convey by quitclaim deed a parcel of land to the Silver Hill Volunteer Fire Department and Rescue Squad, introduced by Mr. BUTLER, was received, read twice by its title, and referred to the Committee on Government Operations.

DISPOSAL OF PROPERTY TO CITY OF KENOSHA, WIS.

Mr. PROXMIRE. Mr. President, I introduce for appropriate reference a bill, to provide for the disposal of certain property to the city of Kenosha, Wis. This bill is designed to clarify an unfortunate situation which has developed in connection with the proposed transfer of property no longer used by the Navy which is needed by Kenosha for an expansion of their waterworks.

The property in question has been reliably and objectively appraised at $7,500. It consists of some land and abandoned buildings, which are rapidly deteriorating. The Navy's official appraisal of the property, based on their prior use of the facility as a Reserve training center, is $69,400. The existence of the large divergence between the two appraisals is the reason for this bill.

Incidentally, the Navy has told me it intends under no circumstances to use the property again.

The Navy informs me that it has no use for the property. There appears to be no other military use for it. The present value is clearly about $7,500. But technical and legal requirements prevent the Navy from lowering its price to a figure which could be met by the city of Kenosha.

The consequent delay is causing serious concern in Kenosha. The entire waterworks expansion program may have to be reconsidered unless the Navy property becomes available soon.

My bill calls for the release of the right, title, and interest of the United States in and to the land to the city of Kenosha for a sum not to exceed $7,500, the fair appraisal price. I hope it will make possible a speedy and satisfactory solution to this unfortunate bureaucratic tangle.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2217) to provide for the disposal of certain property to the city of Kenosha, Wis., introduced by Mr. PROXMIRE, was received, read twice by its title, and referred to the Committee on Armed Services.

RELIEF OF CERTAIN VETERANS FROM REPAYMENT OF SUBSISTENCE ALLOWANCES

Mr. BARTLETT. Mr. President, on behalf of myself and my colleague, the junior Senator from Alaska [Mr. GRUENING], I introduce, for appropriate reference, a bill to relieve veterans in Alaska who received subsistence allowances under the Servicemen's Readjustment Act of 1944 from repayment of the allowances so received. Having made as detailed a study as available records permit, I am convinced that these allowances were received in reliance upon erroneous information which the veterans obtained from their instructors in the on-the-farm training program.

After World War II, Alaska was favored with many young men and their families, who sought to develop Alaska's infant agriculture. The land they homesteaded required clearing and the basic, hard, costly pioneering farmwork which is always necessary in areas where the land has never been plowed or furrowed.

To improve their agricultural techniques, these young men enrolled in the on-the-farm training program. The instructors for the program were provided by the University of Alaska, which had a contract for this purpose with the Veterans' Administration.

According to reliable information furnished me, instructors in the on-the-farm training program advised students that their eligibility for subsistence allowances would not be affected adversely by reason of off-the-farm employment. It was said that the Government knew of the off-the-farm employment engaged in by the students enrolled in the training program, that in most cases it was the Federal Government itself which employed such students off the farm, that the long summer hours of daylight in Alaska made off-the-farm employment and on-the-farm training reconcilable, and that Alaska farmers converting virgin, forested lands into paying farms faced economic problems which made impracticable prohibition of off-the-farm employment in Alaska. These were the reasons given to the students for the information transmitted to them by the instructors.

Subsequently, the Veterans' Administration found that trainees receiving off-the-farm employment were, in fact, not eligible for subsistence allowances under the act of 1944. At first, the VA assessed the University of Alaska. Later, the VA assessed the veterans themselves.

The bill I introduce today would promote substantial justice because the Alaska veterans acted in reasonable reliance upon the statements of instructors in the program and received subsistence allowances under a pardonable misapprehension as to the law. Under the bill, veterans who have not paid the amount assessed against them would be relieved of liability. Veterans who have paid would receive refunds.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2218) to relieve certain veterans who relied upon erroneous information from repayment of subsistence allowances paid to them under the Servicemen's Readjustment Act of 1944, as amended, introduced by Mr. BARTLETT (for himself and Mr. GRUENING), was received, read twice by its title, and referred to the Committee on the Judiciary.

NOTICE OF HEARINGS BY SUBCOMMITTEE ON NATIONAL POLICY MACHINERY

Mr. MANSFIELD. Mr. President, I should like to include at this point in the RECORD the announcement of forthcoming hearings before the Subcommittee on National Policy Machinery. On last Friday the Senator from Washington [Mr. JACKSON], chairman of the subcommittee, announced that Secretary of State Dean Rusk and Secretary of Defense Robert McNamara will appear before the subcommittee during a concluding series of public hearings on how our Government can best staff and organize itself to outthink, outplan, and outperform world communism. The hearings will begin at the end of July and continue through August.

The Senator from Washington said:

> These windup hearings, like those the subcommittee held last year, will take a frank and searching look at the number one problem facing our country—the planning and management of national security policy.

The list of witnesses appearing at the hearings also includes the names of Director of the Bureau of the Budget David Bell and his predecessor in the Eisenhower administration, Maurice Stans. Assistant Secretary of Defense—Comptroller—Charles J. Hitch will also testify, as will Wilfred J. McNeil, president of the Grace Line, who served as comptroller of the Department of Defense during both the Truman and Eisenhower administrations.

The dean of the Harvard Graduate School of Public Administration, Don K. Price, will also testify.

The names of additional witnesses and hearing dates will be announced later.

The hearings—

The Senator from Washington added—

will continue the subcommittee's nonpartisan and objective study of the staffing and organization of our Government for timely planning ahead on the critical issues of national survival, and for effective implementation and follow-through of foreign and defense policies.

Serving with the Senator from Washington on the subcommittee are Senators HUMPHREY, MUSKIE, MUNDT, and JAVITS.

NOTICE OF HEARINGS ON WORLD REFUGEE PROBLEMS

Mr. HART. Mr. President, the Subcommittee on Refugees and Escapees of the Senate Judiciary Committee, of which I am chairman, will hold a series of hearings on the world refugee problems and U.S. interest and responsibility in its solution. These hearings will be held in room 357 of the Old Senate Office Building and will begin on July 12 at 1 p.m., to continue through July 14.

The subcommittee will hear representatives of the Department of State and the Department of Health, Education, and Welfare. We will also hear spokesmen for private, religious, nationality, and social agencies who have carried on oversea relief activities with refugees. We will hear from a number of distinguished individuals who have recently been abroad and studied the refugee situation.

Our hearings will be directed to an examination of U.S. activities in the field of refugees in all parts of the world. We hope, in these and subsequent hearings, to gather comprehensive factual information on all aspects of the refugee problem, including an evaluation of our programs and efforts up to the present.

The present state of political ferment in the world and the continuation of the cold war suggests that the problem of refugees will be with us for some time to come. The subcommittee will report to the Senate from time to time as our investigations progress. I am hopeful these reports will be useful to the Members not only in their consideration of refugee problems but also foreign policy, immigration, and related matters.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts from radio address delivered by himself recently over radio station WGN, Chicago, on the subject of "Statesmanship in Labor and Management."

Excerpts from recent radio broadcast by himself over Wisconsin radio stations on the subject of "Alert Confidence," in battling communism.

By Mr. HARTKE:

Telegram dated June 12, 1961, to Secretary of Labor Arthur J. Goldberg from Robert Pastrick, president of the Young Democrats of Indiana; also Secretary Goldberg's reply thereto, containing comments on the administration's economic programs.

ANNOUNCEMENT OF ADDRESS BY THE PRESIDENT OF PAKISTAN ON JULY 12

Mr. MANSFIELD. Mr. President, I should like to announce, for the information of the Senate, that the distinguished President of Pakistan, His Excellency Mohammed Ayub Khan, will address a joint meeting of the Congress on Wednesday, July 12.

PRIME MINISTER OF NIGERIA TO ADDRESS THE SENATE ON JULY 26

Mr. MANSFIELD. Mr. President, I also announce, for the information of the Senate, that the distinguished Prime Minister of Nigeria, Sir Abubakar Tafawa Balewa, will address the Senate on July 26.

BERLIN

Mr. MANSFIELD. Mr. President, in this morning's New York Times there appears an article, by C. L. Sulzberger, entitled "'Chicken' Played With H-Bombs."

It seems to me that in this article, Mr. Sulzberger has put in a most lucid fashion the fundamental question which confronts the world at Berlin. He compares the evolving crisis in that city with the highly irresponsible teenage game of putting two automobiles on a head-on collision path at top speed. This practice is correctly deplored by adults when it involves teenagers in the search for a thrill. Are we now to glorify essentially the same practice when it is pursued by adults in the name of diplomacy? We need to think very deeply about this question, Mr. President. Mr. Sulzberger has performed a highly useful public service by reminding us of this need.

I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOREIGN AFFAIRS—"CHICKEN" PLAYED WITH H-BOMBS

(By C. L. Sulzberger)

PARIS, July 9.—The best time to halt trouble is before it starts, but nobody yet involved in the gathering Berlin crisis seems ready to accept this evident logic.

Both East and West give every sign of being convinced that if they respectively show signs of reason these will be interpreted as signs of weakness. The result is a game of "chicken" played with nuclear implications. "Chicken," it may be recalled, is the perverse and juvenile sport of driving two automobiles head-on at each other to see which driver flinches first.

One can draw certain conclusions from the attitudes of both sides. The West has completed its notes to Moscow and is in the process of submitting them to NATO for approval. These express goodwill and a readiness to discuss all problem except under threat of compulsion.

But Khrushchev, whose normal diplomatic methods are too often compulsive, is caught in an odd bind himself. In November 1958, he announced he would sign a separate East German peace if no new Berlin formula were arranged within 6 months. That was 32 months ago and he has made no irrevocable move.

He, therefore, fears we don't believe him when, as he told President Kennedy in Vienna he promises to move this year if we don't accept a new arrangement. Ever since the Vienna meeting he has been rattling rockets to convince us.

We, on the other hand, regard this technique as precisely the kind of threat under whose shadow we won't negotiate. Our experts argue that if we express too much willingness to talk, Moscow will construe this as yielding.

With the prevalence of this logic—or its lack—the peril mounts. Khrushchev threatens action of the most dangerous sort on the assumption that a United States not tough enough to smash Castro wouldn't dare risk war on Berlin; that Britain and France, preoccupied respectively with bankruptcy and Africa, will in the end back down.

The only way we feel we can impress him is by sternness. Military precautions will soon materialize and, next September, diplomatic preparations will wind up with an Allied summit meeting. If Russia proceeds with its plans for genuine crisis, we won't reply to political moves by force. But we will institute a blockade of the Soviet Union and its satellites to maximize their economic and agricultural difficulties.

This approach by both sides inferentially assumes that no decision can be reached until there is first a crisis, a crisis Khrushchev schedules for next autumn. The trouble is that both West and East, caught in self-fabricated quandaries, believe that when crisis comes the opponent will yield.

Each does its utmost to assure that it means business on Berlin and each suspects the other doesn't believe this is so. Neither wishes to make a gesture of compromise for fear this would be seen as weakness and thereby encourage the adversary to get even tougher.

Neither West nor East wants nuclear war. But each refuses to admit as much for fear of ruining its bargaining position. Consequently both prepare for the eventuality neither wants. There is no danger of nuclear war by governmental calculation. But there is danger of war by individual miscalculation. No matter how deliberately Washington and Moscow plan their moves, neither can insure against human fallibility, against the man who loses his nerve when tension mounts.

This kind of strategy may be suitable to poker but it is scarcely wise in "chicken"—especially when the onrushing automobiles are filled with H-bombs. Nor does that vast portion of the world not committed to either camp seem to do anything about the situation more useful than wringing hands.

U.N., of course, was created to handle precisely this kind of problem. As a nebulous "third party," theoretically without bias, U.N. should right now be intervening before things get entirely out of hand. Otherwise, if neither West nor East is "chicken," North, South and every compass point will be incinerated in the resulting holocaust.

Secretary General Hammarskjold is clearly detested by Khrushchev and, should he try to suggest sanity, the more resolute Western leaders would be irked because they feel that now is the time for showdown.

It is therefore up to other and neutral nations such as India to apply pressure in U.N. Somebody should propose an alternative to autumnal suicide for the world.

JOINT CANADIAN-UNITED STATES DEFENSE UNDERTAKINGS

Mr. MANSFIELD. Mr. President, those of us who are from States bordering on Canada have a particular interest

in the maintenance of close and friendly relations with our great neighbor to the north. For that reason, I am delighted to call the attention of the Senate to a series of articles written by Mr. Basil Dean, the publisher of the Calgary Herald. These articles deal with joint Canadian-United States defense undertakings on the northern approaches to the Americas. They are exceptional articles in every respect, representing highly informative reporting on the installations which are designed to alert the hemisphere to attacks from the north. The articles are of particular interest, however, because they reveal a Canadian viewpoint which recognizes the immense importance of the continuance of the closest cooperation between Canada and the United States in the interest of the security and welfare of the people of both nations.

I ask unanimous consent, Mr. President, that the articles be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE NORTHERN APPROACHES

(By Basil Dean)

(A series of articles on the Arctic defenses which appeared recently in the Calgary Herald, of which the author is publisher. They were prepared after a 10,000-mile tour of the distant early warning line and other defense installations.)

THE LONG NIGHT WATCHES

There is a radar site on the Greenland icecap where the mercury drops to 65 below zero and the wind can blow at 150 miles per hour at the same time.

Perched on top of a mountain near the great American base at Thule, just over 800 nautical miles from the North Pole, are the fantastic antenna of the ballistic missile early warning system—four of them, each bigger than a football field standing on its end.

Strung across the icecap, along Canada's Arctic coastline and over her Arctic islands, around the coasts of Alaska and down the length of the inhospitable Aleutian Islands, are the stations of the distant early warning line, keeping their sleepless, unblinking watch through the months-long Arctic nights.

At Frobisher, Churchill, and other bases in Canada and Alaska, the immense refueling tanker aircraft of the Strategic Air Command stand bleakly in the forbidding cold of the Far North, festooned with heaters which at some bases must burn 2,000 gallons of fuel a day just to keep the engines warm. Their instructions are simple and brutal: be ready to get off the ground within 15 minutes at any time of the day or night, 7 days a week, 52 weeks a year.

These are the northern approaches. These are the strategic frontiers which Canadians and Americans must guard with unrelenting zeal.

These are the places where the line in the old hymn, "Through the long night watches," takes on a deadly meaning. For here the sun will set at the end of October and not rise again until the end of February. And men must keep their constant vigil, perhaps in an unimaginable storm which turns everything into an icy hell and which can kill a man 50 feet from warmth and shelter.

In the company of Canadian and United States Government and military officials, I made a tour of almost 10,000 miles, in March 1961, of the DEW line and other military establishments in the Far North.

We visited Frobisher Bay, on the southern shore of Baffin Island, and Thule, on the northwest tip of Greenland; we called at Cambridge Bay, a main sector of the DEW line where the temperature was 47 below and there was an 11 mile-per-hour wind; we spent a night at Point Barrow, the northernmost tip of the North American Continent, and had lunch at Cold Bay, on the extreme western tip of the Alaskan Peninsula—which is some distance west of Honolulu.

We saw SAC refueling tankers ready for their operational missions and inspected the rocket-research establishment at Churchill (recently seriously damaged by fire). We were intercepted (but not, fortunately, in anger) by supersonic fighters over Alaska, and toured the BMEWS site in Greenland.

As a result, all of us were overwhelmed by the magnitude and complexity of the task which is being superbly performed by Canadian and American soldiers, airmen, and civilians along the northern approaches. And we came away convinced that, as things stand, it would be impossible for Russia to launch a surprise attack on this continent.

Whatever weapons the Russians used, the SAC bomber force could be alerted before it was destroyed on the ground. To insure this is really the sole purpose of all the Arctic defenses.

THE MONSTROUS EYE

THULE, GREENLAND.—You approach the site of the ballistic missile early warning system along a windswept road which winds across the tundra below the icecap from the airbase which nestles on the shores of Thule Bay.

It is like entering the world of science fiction.

BMEWS (they pronounce it "bemuse") is the most powerful radar station ever built. Its output is measured in multimegawatts; a megawatt is a million watts, and the biggest CBC transmitter in Canada puts out only 50,000 watts.

It can detect and track an intercontinental ballistic missile more than 2,000 miles away; and while the missile is on its flight away from the launching pad, the computers directed by the BMEWS radar can predict its trajectory and where it will land.

A single tube in the BMEWS transmitter will put out more continuous power than Canada's biggest radio station; and in radar, power is piled up and released in millionth-second bursts of unbelievable energy. One of BMEWS' tubes can transmit pulses of over a million watts—and it has several tubes.

Close up, its high-frequency radio waves are deadly. "If you stood between the projector and the reflector," one officer said succinctly, "you would fry."

The reflectors themselves (there are four of them) project the radar pulses into the upper atmosphere over Russia, and detect any echoes—from rockets, from meteors, from satellites in orbit, even from the moon.

It cost $500 million to build, and will shortly be supported by two other BMEWS installations in Alaska and in the north of England—at $250 million apiece.

It has only one function—to give 15 minutes' warning to Canada and the United States that a Russian missile onslaught is on the way. This will not permit New York or Toronto or even Calgary to be evacuated; but it will give the Strategic Air Command, the "Sunday-punch" deterrent, and later on the U.S.-based ICBM's, time enough to get clear before they are destroyed on the ground.

Nobody doubts that a few rockets would be aimed directly at BMEWS and that it might well be destroyed in the first wave; so it might have a useful life of only 15 minutes, which works out to $66 million a minute. But it is an essential part of the deterrent: to let Russia know that she cannot take North America by surprise. The real success of BMEWS would be measured in the fact that it was never needed at all.

It is impossible to convey any real idea of the massive size of this installation; but perhaps this fact will come closest:

The BMEWS tubes are water cooled. The water is passed through heat exchangers which in turn are connected to the heating system of the large building in which the transmitters, computers, and associated equipment are housed. The cooling of the tubes produces enough heat to maintain the building at 65 degrees on the coldest Greenland day, and only a small amount of extra heat is needed to maintain normal room temperature.

The station is maintained through the great Thule Airbase, where 5,500 American soldiers, airmen, and civilians battle the Greenland climate.

The temperature never gets exceptionally low—43 below is the coldest on record. But before you decide that isn't too bad, you must remember that this is sometimes accompanied by 50-mile-per-hour winds and "whiteouts."

A whiteout consists of blowing snow so thick that you cannot see your hand in front of your face; and whenever zero weather and high winds are combined, Thule's people are forbidden to leave whatever building they are in; every building has its own emergency ration supply.

To heat the base and supply its power, a 7,000-ton U.S. Navy powership is moored in the bay. It produces 29,000 kilowatts of power and 115,000 pounds of heating steam an hour at the same time. It burns 2 million gallons of fuel oil a month.

Many other activities besides BMEWS are based on Thule. Out on the bay at the time of our visit, engineers were busy building a 12,000-foot runway on sea ice 3 feet thick, on which they expected to land a 200-ton B–52 jet bomber. They seemed confident it would work.

One hundred and thirty-eight miles inland, the U.S. Army has built Camp Century, the city under ice. Here, on the icecap, in temperatures which may reach 65° below and winds which may reach 150 miles per hour, men were spending the winter in ice tunnels heated by a portable nuclear reactor so compact it can be moved in a single airplane.

But everywhere eyes and thoughts and radar antennas are constantly turned to the northern horizon, beyond which lies Russia, for Thule is the farthest great outpost of the northern approaches.

FOUR HOURS TO ZERO

Along the Arctic coastline of Canada and Alaska the stations of the Distant Early Warning line keep their silent, lonely vigil.

They are peaceful places, standing in the main alone along the forbidding shore, manned by cheerful men (mostly civilians) with the professional assurance of the latter-day electronic technician.

But so long as there is any possibility that Russia may attack this continent with traditional bomber forces, the men who run the radars of the DEW line cannot relax their vigilance for an instant. If the Russian bombers ever come to strike the cities of Canada and the United States, we shall be warned by the DEW line radars. We shall be warned about 4 hours ahead of the first bomb.

One day in March 1961, the aircraft in which I was traveling flew along the whole length of the Canadian and Alaska sections of the DEW line. Now and again, we dropped down to look closely at one of the lonely stations, sitting in purposeful silence amid the icy wastes.

I wondered what sort of men would come to man these uninviting outposts; for these are civilians, not soldiers who must go where they are sent.

Their reasons vary. Many of them are there to earn money in a place where they can't spend it—like the ex-Montreal taxi-

driver who was driving a snowmobile at Point Barrow, Alaska (and who left you in no doubt about where he learnt to drive). He was there to earn enough money to buy a quick carwash back home.

Some are there to escape the pressures of city living; but these are looked over carefully by psychiatrists beforehand, because living on a DEW station is like going to sea for 12 months in a corvette and never touching shore, and a badly neurotic member of the crew could play havoc with morale.

Some are there to taste the romance of the Far North: To rub elbows with Eskimos, and polar bears, and nights which last 3 months, and 60 below temperatures. But all, once they get there, become fully absorbed in the professional demands of their job.

These demands are exacting. A DEW station is useless unless its radars are working and the fantastically complex system of communications between station and station, and between the line and the headquarters of the North American Air Defense Command, and the Strategic Air Command, is 100 percent reliable.

There is nobody on the DEW line waiting to push the button. Its sole function is to inform Norad and SAC of every airborne object moving within its range which it cannot identify. Once it has done this, that part of its job is finished. But its vigilance can never be relaxed. And incidentally, it has never picked up a track which has not ultimately been accounted for.

Life on a DEW station is not without its lighter moments. Professional polar bear hunters along the Bering Sea use airplanes for scouting nowadays. When they spot a bear, they climb high enough to be tracked by the nearest DEW station, and they get the duty operator to "fix" their position. Then later, when they take their client out to shoot the bear, the DEW line radars can guide them to precisely the same spot on the ice.

The DEW line cost $500 million to build and costs $56 million a year to run. It is unquestionably the most expensive piece of big-game hunting equipment ever devised.

THE COMMUNICATIONS MIRACLE

At Cambridge Bay, on the southern shores of Victoria Island in the Canadian Arctic, we asked the meteorological officer if he could check the weather at Point Barrow, Alaska, our next port of call.

Point Barrow, the most northerly point on the North American Continent, is 1,300 miles from Cambridge along the Arctic coast; and the coast is for all practical purposes uninhabited. But the weatherman picked up his phone and not only dialed Point Barrow but also dialed the extension of the weather office there. In 20 seconds we had our weather check.

In the Strategic Air Command operations room at Frobisher Bay, I overheard a senior American officer phoning the Pentagon for some urgent information.

He picked up a phone which connected him directly with SAC headquarters at Omaha, Nebr. SAC answered more quickly than the average office switchboard would answer someone inside the building.

He asked for a line to the Pentagon. After a couple of seconds' pause, he was connected and began talking. But before he had finished what he had to say, he broke off and said, "Who are you?"

There was another pause. Then he banged down the receiver and said "Dammit, they gave me England." He had been connected, in error, to a U.S. Air Force command post near London.

These two incidents illustrate the extraordinary complexity of the communications system which links the northern approaches with the United States-Canadian defense machine. An unknown track on a DEW line radar on the Arctic shore is communicated instantaneously to Norad headquarters at Colorado Springs, to SAC in Omaha and to Ottawa and Washington.

The great computers at the ballistic missile early warning system site at Thule in Greenland communicate their information directly to other computers in the United States. Ordinary telephoning across the frozen wastes is quicker and easier than most telephoning between Canadian or American cities. And the cost of providing the northern approaches with a communication system that is reliable under all circumstances has been astronomical.

But it has to be. The DEW line radars, which cost $500 million to build, would be valueless if their information could not be moved south quickly enough to get the great bombers of SAC in air before they were destroyed on the ground. If BMEWS ever detects a massive flight of Russian missiles headed this way, SAC will have 15 minutes to get its B–52's into the air before their bases are destroyed by rockets.

The DEW line, the BMEWS, Norad and SAC all put together will not prevent nuclear projectiles falling on our cities—if the Russians ever decide to send them. Nobody pretends that there is any means of defense which will destroy the attackers before they reach southern Canada and the United States.

What these vast organizations are designed to do is to protect the deterrent: The SAC bombers which carry nuclear bombs and the missile bases now being installed.

The underlying philosophy is simple enough: if the Russians know they cannot knock out, by surprise attack, the U.S. capacity to retaliate, then they probably will never start a nuclear war. The whole strategic pattern of the northern approaches is designed to make such a surprise attack, and such a knockout blow, impossible.

It is a gamble into which, over the last 10 years, the United States has poured hundreds of billions of dollars and to which, through Norad and our contributions to the early warning system, Canada has added her small share.

So long as SAC can get off the ground, so long as the U.S. intercontinental ballistic missiles can be launched in time, so long as the Russians know that, whatever they do, the United States and its allies will still be able to hit back, there is a fair chance that the gamble will pay off.

But everything, in the last resort, depends on the Strategic Air Command; and it is time to consider this great striking force and its relationship to the northern approaches.

THE SLEEPLESS ALERT

A Pan-American Boeing 707 jetliner landed at Frobisher Bay on a winter day to refuel on its way from London to Los Angeles over the polar route.

The temperature was 30 below zero and there was a 20-mile wind blowing in the Arctic twilight—a normal Arctic day. As the passengers descended, they could see a line of huge aircraft standing on the ramp, unprotected from the weather, each of them connected by large flexible tubes to a battery of portable gasoline heaters.

These aircraft were refueling tankers of the Strategic Air Command, the U.S. Air Force's long-range bomber force.

If the tourists had been permitted to enter SAC headquarters at Frobisher, they would have seen many airmen sitting in the "Alert Lounge" in their flying suits—although the building is heated to about 80°. These were the crews of the flying tankers: crews who for 2 weeks at a stretch are kept at immediate readiness, 24 hours a day.

At any moment, klaxons may sound all over the building. The crews will then dash to a line of station wagons, which are never used for any other purpose, and drive to the aircraft assigned to them; all other traffic on the base, without exception, will come to a dead stop.

They will climb into their aircraft, start the engines and take off. They already know their mission—they have learned it by heart. They do not know whether the klaxon's blast means just another practice, or whether this is for real.

Somewhere in the skies above the Arctic they will make their rendezvous with a great B–52 jet bomber. Briefly the two aircraft will be joined by the refueling pipes, then contact will be broken, the tanker will return to base and the bomber will continue on its way. If war had started, its destination would be a Russian city.

These are the men of the Strategic Air Command of the U.S. Air Force. It is unquestionably the most professional military organization in the world—probably the most professional military organization in history.

Its officers and men are the most single-minded, the most dedicated, I have ever met. And, furthermore, it is the shield and buckler of the whole free world.

If you cherish an image of a sloppy GI with his hat on the back of his head and a wad of gum stuck to his teeth, you will not find him in SAC. Its bases look like a brigade of guards depot on the morning of a royal inspection. Its men are in the toughest league mankind has ever seen. They know it and they are proud of it.

SAC today has a number of refueling bases in Canada. It has bombers and tankers spread at bases clear around the world, and it has its own worldwide communications system which probably has no equal anywhere. And until the long-range missiles take over, it is the bombers of SAC which alone can contain the Russian threat.

The northern approaches are designed for one purpose and one purpose only; to make sure that SAC is not destroyed on the ground. This is what the DEW line and the Mid-Canada line and the BMEWS are for. They are to make certain that the weapons of massive retaliation, the great deterrent, are preserved long enough to do the job which every man in SAC, along with everybody else, prays will never have to be done.

When the klaxon sounds, the men of SAC are expected to get their aircraft in the air in 15 minutes. If this sounds easy, just remember that four or six or eight (depending on the aircraft) great engines must be started and brought to running temperature; that they must be ready to start after sitting out, perhaps for days, at 30 or 40 or 50 below; that the crew of an average airliner will normally take 15 minutes on the cockpit check alone.

And remember, too, the tensions which such an assignment must generate. When the klaxon sounds, you go, whether you are sound asleep or in the movies or in the shower or having dinner; and you never know whether it is for real or just a practice.

It is a tough league and this is a tough outfit, run by tough-minded men. If an aircraft is broken for any reason, the squadron commander reports in person to the commander in chief who is not, I am told, given to sentiment or softness. Nobody in SAC likes to lose an aircraft.

There are no excuses. SAC aircraft are expected to take to the air, on demand and without warning, and there is no place for explanations of failure. For failure, in this league, is simply unacceptable.

And when you watch the vapor trails next summer while you are playing golf at Banff, reflect that because of them you can sleep soundly in your bed at night.

THE HEART OF THE MATTER

The heart of the defense system for this continent—and for the whole free world—is the massive deterrent as represented by the Strategic Air Command and the missile installations now coming into being.

Everything else that goes on—the DEW line, the BMEWS, the mid-Canada radar line,

Norad—is designed to protect and strengthen the weapons of massive retaliation. It is not possible to prevent the Russians from destroying our cities with today's weapons and the horrendous power of the nuclear bomb; the only hope is to convince the Russians that they cannot destroy our capacity to hit back.

This concept is not clearly understood in Canada. Much of the debate about our role in Norad, about nuclear warheads for our fighters in Europe, nuclear warheads for our Bomarcs at home, the kind of fighters we should buy to replace the aging CF–100—much of this debate is carried on by people who think we are talking about preventing the bombers from reaching our cities. Even a system twice as elaborate and twice as costly as the one we have now could offer no such guarantee.

The DEW line offers no defense against enemy bombers; it merely lets Norad and SAC know they are coming, so that Norad can deploy its fighters and guided missiles and SAC can get its bombers off the ground. The ballistic missile early warning system, likewise, can do nothing but warn.

Now supposing the Russians sent 500 bombers to attack targets in North America. Some would be aimed at New York, some at Los Angeles, some at Detroit, Pittsburgh, and Chicago. But many, perhaps the majority, would be aimed at the Strategic Air Command bomber bases and at the new long-range missile sites.

Many of these bombers would get through. That is inevitable. Some cities would be destroyed; so would some bomber bases.

But every bomber that could be destroyed before it reached its target would mean a city or a bomber base saved.

The purpose of Norad, aided by the DEW line and the mid-Canada and Pinetree lines, is therefore to engage the bombers as far forward (i.e., as far north) as possible, and inflict the maximum possible damage on the enemy's bomber force before it reaches the target.

Hence the Sage sectors and supersonic interceptor squadrons poised along the United States-Canadian border. Hence the Bomarcs to be based around North Bay. Hence the CF–100 squadrons (shortly, in all probability, to be reequipped with F–101 supersonic fighters) based in Canada.

The whole machine is designed to harry the Russian bombers before they reach their target, and to destroy a good number of them. If enough can be destroyed, the Russians cannot be sure of knocking out all the apparatus of retaliation, and must consequently expect a devastating blow to fall on them in return. There is fair evidence—to say nothing of the considered view of Sir Winston Churchill—for the proposition that this knowledge, and this knowledge only, has kept Khrushchev in check.

On this basis, Canada's proper role becomes abundantly clear. We can contribute very little to the weapons of massive retaliation, beyond providing SAC with refueling bases on Canadian soil. But we can and should contribute substantially to the apparatus of early warning, interception, and attrition of the enemy bomber force before it reaches its main targets.

In the light of these facts—and they are inescapable—the current argument about whether we should put nuclear warheads on our Bomarcs becomes silly. We have no choice.

The Bomarc is immensely less effective without nuclear warheads; without them, it is certainly not worth its cost. So, whatever the antinuclear handwringers may say, the Bomarc must be so equipped and soon.

If we are to make our just contribution to the attrition capabilities of Norad, our fighter squadrons in Canada, which operate under Norad Command, must be given new airplanes; and this too cannot wait.

Many weapons are today beyond our grasp. But we can manage within existing levels of defense expenditure to make a real contribution to the deterrent in the form of fighters, ground-to-air missiles, and tactical radar. We can, at little cost, provide facilities for mobile ICBM bases in Canada if these seem to be required.

We are all in this together. If the deterrent fails and Russia attacks, Canada will be destroyed along with the rest of the free world. We have the strongest possible selfish reasons for making the deterrent as strong as it can be made.

God helping us, we can do no other.

THE NEW TEMPO IN FEDERAL SPENDING

Mr. BENNETT. Mr. President, having just returned from a brief visit to Utah, I have had an opportunity to talk to many people during the past week about the present course of Government activity. On the basis of these conversations, I feel there is a growing alarm about the rate at which new spending has been undertaken during the first 5 months of the Kennedy administration.

Two weeks ago, in the Senate Finance Committee, the Secretary of the Treasury informed us that he expected a $3 billion deficit for the fiscal year which ended June 30, 1961. And he admitted that $2.3 billion of this deficit resulted from increased spending programs presented as part of the New Frontier.

DRAMATIC INCREASE IN DEFICITS

The $2.3 billion deficit over a 5-month period means that during this time the Government has been operating in the red at the rate of $110 million per week. Assuming a 5-day workweek, this means $22 million for each 8-hour working day.

Or, to put it another way, the Kennedy administration has been spending $650,000 per hour more than its revenue, 24 hours a day, for every day it has been in office. This increased cost is a result of accelerated spending under programs previously authorized as well as the inauguration of many new Federal assistance programs under the New Frontier.

FEDERAL PAYROLL EXPANDS

The alarming increase in the number of persons on the Federal payroll during the past several months has also been shocking. This is a field in which the Eisenhower administration made spectacular progress. Despite expansion in governmental operations, primarily as a result of the cold war, and despite the increasing population, Federal civilian employment was reduced by 274,000 persons between January 1953 and November 1960.

Today that trend has been sharply reversed. Instead of continuing this policy, as he had promised to do, President Kennedy added 33,445 Federal employees during his first 4 months. This means he was adding employees to the Federal payroll at more than 8,000 per month, or 400 per day for every working day of a 5-day week.

NOT CAUSED BY COLD WAR

The alarming increase both in Federal deficits and in the number of persons added to the Federal payrolls during the early months of the Kennedy administration demonstrates that this administration is firmly committed to a policy of "spend and elect." I think no one would object to any increase in spending or in manpower which had a direct bearing on our struggle in the cold war, but this spending and these added employees are for the most part not in that category.

I urge the administration and Congress to review carefully the accelerating tempo of Federal expenditures which promise only to weaken our economy, to fan the fires of inflation, and to weaken us in our battle with an enemy which would be only too happy to see us spend ourselves into oblivion.

ROBERT S. BALL

Mr. MANSFIELD. Mr. President, it has just come to my attention that one of the outstanding reporters on Capitol Hill, Mr. Robert S. Ball, of the Detroit News, has passed to his reward.

Mr. Ball was a man of great reportorial experience and talent, and on occasion he went above and beyond the call of duty in order to cover the news for the newspaper which he so ably and diligently represented.

I desired to call this matter to the attention of the Senate because of the outstanding reputation of Mr. Ball among Members of the Senate on both sides of the aisle.

I wish, on behalf of my colleagues, to express to his widow and family our deepest condolences and sympathy, and to assure them that we were appreciative of the courage, against great odds, which Bob Ball displayed in carrying out his duties.

Mr. DIRKSEN. Mr. President, I fully concur in the sentiment expressed by the majority leader. I recognize full well when a man becomes a practiced tradesman in his own art in the Nation's Capital, and particularly in the newspaper field, he develops a great sense of touch, and nearly always a sense of objectivity, and in so doing he makes a great contribution to public service and to the information about people in the Capital. So there is a real loss as a great and good member of the Fourth Estate takes his departure.

I join the majority leader in the sentiments he has expressed and in the condolences that are to be transmitted to the family of Robert Ball.

FOREIGN AID

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial of the June 9 issue of the New York Times entitled "The Policy of Foreign Aid," and an article entitled "New Reasons for Passing Kennedy's Aid Plan Seen," from the New York Herald Tribune issue of June 10, written by Mr. Roscoe Drummond.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 9, 1961]

THE POLICY OF FOREIGN AID

Premier Khrushchev gave a new twist yesterday to a mounting crisis that goes far beyond Berlin. Congress is still

dawdling, weeks behind schedule, over one of the most vital measures of our foreign and defense policies—the foreign-aid bill. It sent such a measure to the White House last year by May 12. Now, with the new fiscal year already underway, the authorization bill for this year's program is still in committee in both Senate and House. When Congress will finish its debate is still in the hands of the congressional powers that be and, it seems, the formidable opposition lobbies.

As a result, while there is still money in the pipelines, the program is already at a standstill as far as new commitments and projects are concerned. This puts the recipient countries, whose military and economic policies are geared to our aid, in a serious predicament. It certainly does not present an inspiring picture of our zeal and determination in the defense of freedom.

The size of the Kennedy program, which involves not only $4.8 billion for this fiscal year but a $26-billion package over the next 5 years, demands careful scrutiny. But the urgent need for the program has already been presented publicly and privately by President Kennedy and his civil and military aides. For the benefit of the unconvinced, it is pertinent to summarize the arguments:

1. Foreign aid in the amounts and with the flexibility now called for is essential for both our own survival and that of the free world in the tridimensional war waged by Soviet imperialism. It is essential to enable some of the aided countries to maintain military defenses that may be beyond their own resources but that serve them and us at a fraction of the cost of similar defenses here at home. It is equally essential in this revolutionary age to maintain the frontiers of freedom by enabling underdeveloped countries to stay free, to fight misery and poverty with the principles of the American, not the Communist, revolution. It is essential to counter the stepped-up Communist aid programs for political penetration, now passing $1 billion a year.

2. Quite apart from the Communist menace, foreign aid is an expression of our own ethos that imposes on us moral and political responsibilities and obligations as good neighbors to help those less well off. This responsibility rests especially heavily on the rich United States; but it also rests on all industrialized countries which must share the burden.

3. The United States is fortunate that its ideals serve its own best interests. We must not only deter military aggression; we must also keep free, develop and enlarge the free markets of the world to maintain our own growing economy. An investment of about 1 percent of our gross national product is thus a good investment in the future, especially since most of the expenditures mean employment for our factories, farms, and workers.

4. As is inevitable in so vast an undertaking, there have been waste and mistakes. But much of any present waste is due primarily to congressional insistence on annual appropriations that hamstring all long-range planning. No business could be run on that basis. That is why President Kennedy today, as President Eisenhower yesterday, asks for a revolving development loan fund calling for $7.3 billion over the next 5 years to extend low-interest but repayable loans for long-term projects. If that be back-door borrowing Congress has already authorized it for a score of agencies; and Congress' present delay is the best argument for it in foreign aid.

Of course, we can help only those willing to help themselves, and the biggest development aid must come from private investments. But without the foreign-aid program there will be little development of any kind; and the Communist imperialism could win the world by reason of our default.

A COLD WAR COUNTERATTACK—NEW REASONS FOR PASSING KENNEDY'S AID PLAN SEEN

(By Roscoe Drummond)

WASHINGTON.—There are fresh and powerful reasons for Congress to pass the administration's economic aid program.

But President Kennedy's proposals to carry forward and to improve upon past measures to assist underdeveloped countries are having difficulty with Congress exactly as did the Eisenhower program.

The reason is the same: a foreign aid program, however vital to the national interest, has no voter constituency to demand its passage and no domestic pressure group to influence Congressmen.

Congress can be brought to appropriate billions of dollars year after year to subsidize farmers in part because U.S. farmers are voters; the farm program has a domestic constituency. But the economic aid program has to be advanced solely on its merits, sold on its merits, and approved on its merits with individual Congressmen knowing full well that they are not likely to be rewarded at the polls for their approval and possibly will be punished. This is why it takes political courage and a devotion to the national interest for Congressmen to approve large appropriations for economic aid.

The case for passage of the President's economic aid program is rational, realistic and, I believe, persuasive. The heart of it is this:

1. Those who plead that the United States should take the initiative in the cold war and not just react against the Communists are most often the opponents of the aid program. But economic aid is a prime example of the U.S. initiative. We were first to use economic aid as a means of shielding the underdeveloped nations from Communist takeover. Economic aid is not a defensive counterthrust to Communist action.

It is taking the initiative in the very best sense. At a time when the Soviets are paying us the unwilling compliment of copying it in their own peculiar way, those who most strongly urged that we take the offensive are urging that we abandon one of the best means of mounting the offensive. The aid program is an invaluable tool in the cold war because it helps nations win a self-sustaining rate of economic growth.

2. The best provision in the new aid program is the long-term financing which permits long-term planning for the most effective use of aid dollars. Economic development is a long-term process and a country needs reasonable assurance of aid not just for 12 months, but for several years in order to develop a workable program.

Furthermore, for those most critical of the administration of the aid program to deny the means of long-range planning through long-range financing is to deprive the Government of the best means of correcting past mistakes. Let us recognize that the government leaders in the less developed countries are politicians—as they are in the United States. If they are going to put into effect what may be politically difficult internal reforms and programs for social and economic justice, we should help arm them with the politically valuable argument that we are ready to commit ourselves to long-term programs of aid calculated to achieve substantial progress.

To authorize the Government to borrow money from the Treasury, in amounts specified by Congress, to make development loans to underdeveloped countries—this does not deprive Congress of any control over the program. It increases control since Congress will have a quarterly review of past programs and a quarterly opportunity to examine new plans—and stop them if Congress so desires.

3. When the economic aid program is advocated as vital to the national interest by President Kennedy, President Eisenhower and President Truman and by every Presidential nominee since the start of the cold war—Thomas E. Dewey, Adlai Stevenson and Richard Nixon—Congress ought to ponder very hard before striking it down. Approval was never more urgent than now.

Mr. COOPER. I hope very much the editorial and article will be studied and considered by the Senate. They are of particular importance now because it is my understanding that the Foreign Relations Committee will make its important decisions on the foreign aid bill this week. Among other things the bill calls for a new organization under the Department of State, and it would increase the authorization for foreign aid in its various categories.

Important as those sections may be, I believe the most important provisions of the bill are those which would assure continuity of foreign aid for a period of 5 years, and which would give flexibility to the new organization, by allowing it to borrow from the Treasury. The latter provision has been called back-door spending, but the fact that the Congress will authorize the sums that may be appropriated, and that Congress will fix the appropriation will make it clear that the Congress retains control, substantively.

I speak today because, as I have said, I understand the Foreign Relations Committee is about to make important decisions on these two sections. Those of us who are not on the committee have the opportunity now to state our position before the committee acts.

Unless these two provisions are provided this year—that is, the 5-year authorization and the flexibility which will be given by Treasury borrowing—I do not believe we can have a foreign aid program that can be truly effective.

As Mr. Drummond has said in his article, many who oppose foreign aid call for new initiative and new efforts on the part of the administration, in the fields of national security as they called for new initiative on the part of the Eisenhower administration.

These two provisions in the administration bill, similar to those recommended by President Eisenhower, give opportunity for the United States to take a new and effective initiative in the field of foreign aid.

I particularly note that, in the past administration of the great Republican President, Mr. Eisenhower, Vice President Nixon, and other Republican leaders favored these necessary provisions. I hope very much in the days just ahead the Foreign Relations Committee and the Congress will approve these most important features of the foreign aid bill.

SEGREGATION IN RAILROAD TERMINALS

Mr. JAVITS. Mr. President, I have an interesting letter this morning that I would like to make a part of the RECORD. It deals with the actions of the Interstate Commerce Commission to enforce the Interstate Commerce Act

with respect to nonsegregation of railroad terminals.

We are all acquainted with what is happening in the South with respect to the freedom riders. It is very interesting, therefore, to note this letter. What it practically says is that, notwithstanding the provisions of the Interstate Commerce Act, which read, "It shall be unlawful for any common carrier to subject any particular person to any undue or unreasonable prejudice or disadvantage in any respect whatsoever," and the interpretation of the courts that this prevents segregation in railroad terminals, the Commission is compelled to admit that segregation is rife in many railroad terminals in many Southern States. This is sometimes done by what we lawyers call a colorful effort to make it apply to interstate commerce. For example, in Mississippi, the Commission notes there is a sign at Biloxi which says, "Colored Waiting Room (Intrastate) By order of the State of Mississippi."

When it is backed by the police power of the State, it is just as effective as if it said, "Interstate," or whatever else might be there. Negroes know that fact very well. They know that if they enter the door they will very promptly be arrested.

Mr. President, many of us have said—I think I have not been quiet on that score for years—that this is the basic law of the United States, involving the power of a commission, being flouted in a very important section of the country. When people are considering measures of protest against this most outright violation of law, they ought to take into consideration how really blatant it is in order to assess the equities on both sides.

Mr. President, I again protest the failure of the present administration to seek any law from the Congress upon this entire subject. This is true even though the Department of Justice has been thrown out of court in Prince Edward County with respect to suing. The administration is still not before Congress seeking any help from the Congress, as did the previous administration, in respect to civil rights legislation.

Let history record that Congress passed civil rights bills in 1957 and 1960, notwithstanding all the advertising to the contrary, because the administration asked for them and was back of them. We have yet to see from the present administration any request in this field, notwithstanding the most blatant violation of law of the kind to which I have referred.

I shall continue to protest. I think the whole country must protest. We cannot accept this situation, and certainly we must not fail to use every arm of the law with respect to it. We must have statutory authority for the Attorney General to sue in representative civil rights cases. Until that is provided we shall not be either giving full relief to the citizens of the United States or attempting to implement properly the 14th amendment.

Mr. President, I ask unanimous consent that the letter from me to the Chairman of the Interstate Commerce Commission, together with the reply thereto, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 16, 1961.

Hon. JOHN H. WINCHELL,
Chairman, Interstate Commerce Commission, Washington, D.C.

DEAR MR. CHAIRMAN: I have for some time been deeply disturbed by reports I have received from areas in the South relative to bus and air terminal segregation, which has recently received increased public attention as a result of the freedom riders movement.

I am informed that cases relative to segregation of such terminals have been pending before the Interstate Commerce Commission for more than 23 months and that former Chairman Tuggle indicated on December 31, 1959, that the Commission was receiving staff recommendations to deal with this problem. These recommendations apparently have not yet been acted upon.

I have now received photographs, which I enclose, showing the use of local police power to enforce racial segregation in the railroad station in Flomaton, Ala., a station of the Louisville & Nashville Railroad, and understand that similar situations exist at Ocean Springs, Biloxi—the site of Keesler Air Force Base—Gulfport, Jackson, Hattiesburg, Laurel, and other Mississippi towns. It is also my understanding that complaints involving this question were filed with the Commission in June 1959, and that there has been contact by interested groups with the Commission since that date supplying further information regarding this situation.

The failure of the Interstate Commerce Commission to act in this matter is particularly surprising to me in view of the Commission's ruling in *N.A.A.C.P.* v. *St. Louis-San Francisco Railroad Company* (297 I.C.C. 335) and the clear provisions of section 3(1) of the Interstate Commerce Act (49 U.S.C.) which states:

"It shall be unlawful for any common carrier subject to the provisions of this chapter * * * to subject any particular person * * * to any undue or unreasonable prejudice or disadvantage in any respect whatsoever."

In addition, the recent Supreme Court decision in the Boynton case makes even more clear the illegality of such segregation practices.

I believe it to be the immediate and pressing duty of the Commission to resolve the cases now pending before it in this respect, both for the protection of the clear constitutional and statutory rights of our citizens and to assist in eliminating the basic social injustice protested in the freedom riders movement.

The Interstate Commerce Commission has a duty to act and therefore a responsibility for events ensuing on a failure to act seasonally.

With best wishes,
Sincerely,

JACOB K. JAVITS,
U.S. Senator.

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., June 27, 1961.

HON. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR JAVITS: Reference is made to your letter of June 16, 1961, in which you express your concern with segregation practices in the field of transportation. You refer specifically to bus and air terminal segregation and to specific cities where railroad stations have segregation by means of local police action. In your letter you express your concern with the continued existence of segregation even though it has been a substantial period since the courts and this Commission have rendered decisions that segregation of passengers by reason of race, creed, or color is unlawful.

In this reply I shall attempt to give you a substantial report. First, let me assure you that the Commission has not been unmindful of this problem and there have been continued efforts to secure compliance.

Your letter refers to segregation in air terminals. The Commission has no jurisdiction in the field of air transportation, and we have, of course, done nothing in this area.

As your letter indicates, in December 1959 the Commission did have before it certain staff reports of violations of the act in the area of segregation. After very careful consideration, the Commission determined that its policy would be to seek criminal prosecution against carriers who violate. A recital of some of the factors which were involved in connection with policy decision might be helpful to your better understanding of this matter. A proceeding before the Commission itself frequently takes some time. This method involves individual cases against individual carriers. The Interstate Commerce Act does not empower this Commission to impose penalties. Criminal prosecution is the primary enforcement weapon given the Commission in the act and is the weapon used for most violations of other provisions of the act. Public reports of fines imposed tend to cause other carriers to discontinue similar practices. I am sure you understand that these are not all of the factors involved in reaching the policy decision.

Thereafter, our staff continued its investigation of each alleged violation which came to our attention. A mention of some of the facts disclosed by the violation seems warranted. In many cases the violation was not by the carrier. For instance, in a number of instances police would board a bus while it was in a city and order any Negro who was not seated in the rear thereof, to move to the rear. If there was any protest the Negro would be removed from the bus and, presumedly, charged with violation of a city ordinance. In other instances when a carrier removed segregation signs from its terminal the police would post segregation signs. The Interstate Commerce Act provides that it shall be unlawful for any common carrier to subject any person to any unjust discrimination. These discriminatory acts by the police are not matters which fall within our limited jurisdiction and such matters have all been referred to the Civil Rights Division of the Department of Justice. I think you should know that in our investigations we have found substantial improvement in the area of compliance by carriers.

Investigations of these matters have resulted in the submission of nine recommendations to the Department of Justice for criminal prosecution, and one recommendation for a civil forfeiture action seeking a money judgment. Referrals to the Department of Justice for criminal prosecution are the usual and normal method for this agency and also by every agency. Only the Department of Justice has the power to institute criminal prosecution. Such referrals are not the subject of any public statement and hence I can appreciate that on the surface it might appear that the Commission had taken no action.

One of the referrals to the Department of Justice has resulted in a case in court. In that case the segregation was practiced on the bus and both the bus company and the bus driver were prosecuted. Each pleaded guilty and each was fined $100. The penal provisions of the act provide for a fine of not less than $100 nor more than $500. A copy of the press release issued by the Commission following such court action is attached for your information.

As you no doubt know, the Attorney General recently filed a formal petition with the Commission which proposed the issuance of

regulations in this field, applicable to motor carriers. Again, this matter was carefully considered. There are a number of difficult legal questions presented, including the power of the Commission to promulgate regulations in this area. These questions have not been resolved but on June 19, 1961, the Commission, by order, instituted the proceeding and provided for special procedural rules to expedite a determination.

Factual material and legal arguments must be filed by July 20. Oral argument before the full Commission on the legal questions will be heard beginning August 15. I believe you will agree that these steps clearly show the Commission's desire to reach an early decision. For your further information I am attaching hereto a copy of the order.

I am not unmindful of the fact that this proceeding does not include carriers by railroad. In this connection the Attorney General did not include rail carriers in his petition. This, however, did not prevent the Commission from giving this matter consideration. As I earlier indicated there are questions of the power of the Commission to issue regulations in the field of motor carriers. Under the provision of part I of the act, applicable to rail carriers, the questions are much more doubtful. It would therefore appear that the Attorney General did not include rail carriers for the same reason.

Your letter refers specifically to segregation signs in rail terminals at Flomaton, Ala. (with pictures), and at Ocean Springs, Biloxi, Gulfport, Jackson, Hattiesburg, and Laurel. This identical matter has been the subject of a field investigation and very recently a report was received and is now being considered for action by our enforcement attorneys. I am advised that the investigation discloses signs of the type shown by the pictures you forwarded with your letter. In other cases the signs contain words which may have been designed to avoid violations of the Interstate Commerce Act. For instance, in Biloxi, the sign reads: "Colored Waiting Room (Intrastate) By order of State of Mississippi."

You should not infer that this reference to "intrastate" will, in fact, cause the conclusion that there is no violation of the Interstate Commerce Act. I point this out merely to indicate there is need for consideration of legal questions. The report is being reviewed by an enforcement attorney. This review and study will be completed in the near future and at that time appropriate action will be taken.

I regret that this reply has been so lengthy, but your letter indicates that you are very much interested in this problem. The Commission appreciates your interest in our work and I assure you that this matter has not been neglected or delayed.

We do, of course, have limitations of manpower and responsibilities in many areas but we have and will continue our efforts in this area.

Sincerely,

EVERETT HUTCHINSON,
Chairman.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. COOPER. Is it not correct that last year, and again this year, the Senator from New York and I introduced a bill, quite limited in scope, which we think would be very helpful, to authorize the Attorney General of the United States to intervene and to sue in the name of the United States on behalf of any child who is denied equal rights as to attending a nonsegregated school?

Mr. JAVITS. We have. It is elementary legislation which the administration ought to be before the Congress clamoring for, on the same "must" basis as it is clamoring for 16 other measures, but it is simply not doing so.

TRIBUTE TO SENATOR FULBRIGHT

Mr. MANSFIELD. Mr. President, there appears in the July 6, 1961, Christian Science Monitor an article by Richard L. Strout. The title is "Mr. FULBRIGHT's Long View."

The article, of course, refers to the distinguished chairman of the Foreign Relations Committee and to the exceptional perception revealed in his speech on foreign policy which was delivered in the Senate on June 29.

Mr. President, I know that the Senate shares my great admiration for the Senator from Arkansas. His knowledge of foreign relations is unexcelled in this body and in this Government. He thinks deeply. He thinks wisely. He thinks with the highest sense of patriotism. And when he expresses himself on foreign policy, as he did on June 29, he contributes greatly to our understanding of the international situation and to policies which will safeguard the interests of the Nation.

I am delighted that Mr. Strout in his article has recognized the exceptional capacities of the distinguished chairman of the Foreign Relations Committee and the particular contribution which was contained in his June 29 speech. I ask unanimous consent that the article previously cited be included at this point in the RECORD and that a condensed transcript of the speech of the Senator from Arkansas [Mr. FULBRIGHT], carried in the New York Post of July 9, 1961, also be printed.

There being no objection, the article and condensation were ordered to be printed in the RECORD, as follows:

MR. FULBRIGHT'S LONG VIEW

(By Richard L. Strout)

Some of the most distinguished men in Washington have been chairman of the Senate Foreign Relations Committee. They include Henry Cabot Lodge, Walter F. George, William E. Borah, Arthur H. Vandenberg, and Tom Connally, of Texas. For good or ill, they have left their mark on history. Senator J. WILLIAM FULBRIGHT, Democrat, of Arkansas, has been chairman only since 1959, but he is already in the top rank.

Last week Mr. FULBRIGHT quietly took the Senate floor, cleared his voice, and delivered a 4,000-word commentary on America's role in foreign affairs which many wish President Kennedy had made. There is a feeling here that the Nation is looking to the White House for guidance in the rush of world events; guidance which is being delayed, perhaps, till momentous decisions are taken. The remarkable thing is the presence in the Senate of a man with sufficient conviction, authority, and independence to make the kind of speech Mr. FULBRIGHT made.

Mr. FULBRIGHT's relationship to the White House is that of friendly detachment. He was considered as Secretary of State at the start of the administration. Born in 1905, he was a Rhodes scholar at 20, and came into politics after being president of the University of Arkansas at 34. He has been a Senator since 1944.

The Fulbright speech on June 29 was intended to distinguish what is crucial in American foreign policy from what is merely important. There will be disagreement, of course, about this but Senator FULBRIGHT carries an authority that makes his judgment worth weighing. Cuba and Laos, Mr. FULBRIGHT said gravely, are important—but not crucial. What is crucial is for the United States to concentrate on the main struggle, avoid peripheral contests, and expect precipitate action that "would substantially alter the balance of power in the world * * * resulting in the alienation of most of Latin America, Asia, and Africa."

Mr. FULBRIGHT's comment followed an article by commentator-columnist Eric Sevareid, quoted by the Luce publications, ridiculing what he described as liberal illusions and pooh-poohing, for example, the notion that the United States must not offend world opinion. Mr. Sevareid seemed to argue that since the Reds know there is no such thing in the moralistic sense why should America and Britain bother about it?

This was the kind of thinking against which Mr. FULBRIGHT raised his solemn warning. There is a fallacy (as he sees it) in the new "get tough" attitudes.

"In the struggle with communism," he said, "there is a double standard. The Communists seek to impose their design on other countries. It is suggested with some frequency that U.S. policies would be improved by an infusion of the more mischievous tactics employed by the Communists; that we could beat the Communists at their own game."

Mr. FULBRIGHT rejected this. "The fact is," he argued, "that our greatest strength—indeed our greatest asset in the struggle—is this double standard. * * * It is not our affluence, or our plumbing, or our clogged freeways that grip the imagination of others. Rather it is the values upon which our system is built."

Developing his thesis, he added, "When we depart from those values we do so at our peril. The world, as we have come to realize, also recognizes the double standard, and demands from the United States a higher order of conduct than is expected from others."

Should the United States now smash Castro with tanks, planes, and guns as some eager patriots desire? Not according to Mr. FULBRIGHT's calm reasoning. Such a course, he thinks, would be self-defeating. He agrees that "the hour is very late in Latin America, but it is not," he said, "completely hopeless," not if the United States acts firmly to implement the Alliance for Progress.

By inference the Fulbright speech indicates that he did not approve of the Kennedy venture in Cuba. Failure of that venture probably gives Mr. FULBRIGHT a weightier influence in future policy formation.

SENATOR FULBRIGHT'S VIEW: COLD WAR POLICY AND PERFORMANCE

(A sweeping critical review of recent American diplomatic failures was made by Senator J. WILLIAM FULBRIGHT, Democrat, of Arkansas, chairman of the Foreign Relations Committee, in a speech on the floor of the Senate June 29. A condensed transcript of his speech follows.)

For the past 2 months the attention of the world has been engaged by a series of dramatic events. In their wake, a great many Americans have been left shocked, confused, and frustrated by unmistakable blows to the prestige of the United States.

First, a Soviet flier orbited the earth in a space vehicle. Then came the misadventure in Cuba. This was quickly followed by a further decline in the Lao situation, which has set the stage for what may be an unhappy denouement to that affair.

My fear is that many Americans, including some whose judgment is generally good, are drawing the wrong conclusions from the events I mentioned.

DANGEROUS DOCTRINE

From the Soviet space achievement, they conclude that we must dramatically expand our man-in-space program, whatever the cost.

The lesson of Cuba, they suggest, is that the objective was the correct one, but that the means employed were inadequate. And they further suggest that any means by which we can block Communist encroachment in our hemispheric garden is the proper course of action.

From the events in Laos, many of these voices argue that a political settlement in the present circumstances will simply yield up another country to communism, that we must prevent with any available means the formation in Laos of a government that includes Communist participation.

What these voices are saying is that the United States is the strongest country in the world, and should not hesitate to commit its strength to the active defense of its policies anywhere outside the Communist empire.

This is dangerous doctrine; nothing would please Communist leaders more than to draw the United States into costly commitments of its resources to peripheral struggles in which the principal Communist powers are not themselves directly involved.

As a nation, we are understandably prone to be more responsive to dramatic events than to the hard, continuing struggle itself. This is a susceptibility that is common to free societies, but much less a problem to totalitarian societies.

As a nation, we are a ruggedly pragmatic people, accustomed to disposing of problems swiftly and resolutely. Yet it may be that the simple trial and error methods that accompanied our growth are not relevant to our present role as defenders of Western civilization.

Since the end of World War II, our overall policy has been clear to us, but its outlines have occasionally been blurred in the view of others by our diplomatic performance.

AN ECONOMIC STRUGGLE

Our objective has been world peace, which we have tried to maintain by cooperating with many other countries and assisting the efforts of each one to find its own destiny in an atmosphere free of coercion.

We sought to internationalize control of the atom at a moment when we, alone, possessed the knowledge of nuclear power. This initiative was frustrated by the Soviet Union. At that moment, when we possessed a nuclear monopoly, we might have imposed our will upon the Soviet Union, but we did not.

Subsequently, the pressures arising from the Soviet Union's imperialistic design induced us to form defensive alliances with other countries. As the stress of the struggle shifted from a military to an economic and social context, we intensified our efforts to enable other countries to develop strong institutions and better standards of life for their peoples.

We helped to create the U.N., and we have faithfully honored our obligations and commitments to the world organization.

It is with such policies that we have sought to clarify our intentions, and to achieve our objective of peace, stability, and progress in a changing world. Many of our most vexatious problems have grown out of the occasional lapses and departures from the philosophy that has inspired our policies.

Our equivocal position in the mid-1950's on the question of so-called neutralism is one example of such a lapse. The impetuous withdrawal of our support for the Aswan Dam project in Egypt is another, and has had far-reaching consequences. The massive retaliation statement was a lapse.

We can point to the Cuban affair as a more recent example.

In the past 10 years we have sometimes defended what may be regarded as the indefensible—the regimes of certain anachronistic leaders whose only virtue was their anticommunism. Such gestures have harmed, not helped, our position.

The point is this: We are confident that our objectives are correct and unassailable; yet our bona fides will be fully accepted by others only if and when our performance is fully consistent with these stated objectives.

It may be that the time has come to reappraise some of our basic assumptions. Throughout much of this century many Americans assumed, wrongly, that the transgression and affronts to world order committed by aggressive forces were none of our business.

With the collapse of that assumption, a good many of us have swung in the other direction and to the opposite conclusion that we can, and should, impose our design for living upon the uncertain but aspirant societies of the world. This assumption is also illogical. However admirable our design may be, it cannot be imposed.

In the struggle with communism there is a double standard. The Communists seek to impose their design on other countries. Their tactics most often are a brew of terror, subversion, and saturation propaganda mixed with promises, of which a number are translated into meaningful assistance.

THE REAL ISSUE

The United States seeks not to impose its hegemony upon others, but to help others remain independent and safe from foreign domination.

It is suggested with some frequency that U.S. policies would be improved by an infusion of the more mischievous tactics employed by the Communists; that with some application we could beat the Communists at their own game.

This, I think, totally misses the point and the real nature of the struggle. The fact is that our greatest strength—indeed, our greatest asset in the struggle—is this double standard. Ours is a permissive system, challenged by one that is totalitarian. Our system guarantees certain basic rights to the individual, and it is these that have made the United States the focus of man's best hope for a way of life that is consistent with his quest for freedom and dignity.

It is not our affluence or our plumbing or our clogged freeways that grip the imagination of others. Rather, it is the values upon which our system is built.

Some may object that, as a practical matter, the fire spread by communism can be fought effectively only with fire. I disagree. The United States must remain strong and firm. But the United States, in order to prevail, must also help others toward the fulfillment of their own highest purposes.

The United States cannot guarantee the borders of a neutral country against infiltration, or its villages from subversion. But the United States can become a pivotal force in enabling well-intentioned governments of independent countries to bring about the economic and social reforms that their societies are understandably enough insisting upon. Given such reforms, subversive efforts fail.

Somewhat quixotically, the United States sought to make an armed anti-Communist bastion of Laos. This was a mistake.

Laos is a primitive country. Most Lao are rooted in the past. Theirs is the pace of the meandering Mekong River, which nourishes their lands. Most are concerned not with an entity known as Laos, but with their families, with the life in their villages.

They are a disarmingly gentle people, for whom conflict is disagreeable. They keenly dislike killing each other. It is likely that many more people are presently losing their lives in the terror-ridden countryside of South Vietnam each month than have died from all the strife in Laos.

I say that our policy in Laos was a mistake because it was not related to the needs of the country or the nature of its people and their interests. In a landlocked country of mountains, rain forests, and river delta—a country profoundly backward, even by regional standards—the United States attempted to establish an anti-Communist force in the form of an elaborately outfitted 29,000-man army and a tame government.

South Vietnam is a different case. The people are anti-Communist. That would seem to raise a question: How is it that the Communist Viet Cong guerrillas in South Vietnam have managed to gain a foothold in much of the countryside? The answer appears to rest with the regime of President Diem.

The regime in Vietnam has been strong in a situation where strength has been essential. It has been courageous and diligent in bringing order and economic progress out of the chaos that attended the country's birth. It can point to a record of steady accomplishment.

A QUALIFIED SUCCESS

Yet the regime has lacked something in benevolence and has shown impatience toward a people who have suffered a great deal. Opposition, including that of anti-Communist elements, has been vigorously suppressed. It is a regime that of necessity has been authoritarian, but one that also has been perhaps unnecessarily severe.

The term "qualified success" could be used to describe the American performance in Vietnam, as well as the Diem regime.

If I were one of the so-called neutralist leaders of a newly independent country, I—like most of this group—would have silently identified my hopes for the future with American leadership. And despairing of consistently wise American leadership, as I often would, I might impart this thought to my American colleagues:

The Soviet Revolution occurred more recently than the American. And its heirs are adroit in trimming their sails to the revolutionary winds of change around the world. Yet much of the world remembers what the American Revolution has accomplished. And the countless millions who do remember—whether in Vietnam, Iran, Cuba, or elsewhere—hope and insist that the spirit and intelligence that inspired America's revolution will animate America's foreign policy.

Cuba, of course, for all intents and purposes, has been transformed into a Communist-oriented, totalitarian state. It is idle to expect the present Cuban regime to reform, to collapse, or to be overthrown by its exiles.

And I submit that to overthrow it by American force, or by some combination including American force, would be self-defeating and would create more problems than would be solved.

We often hear that the existence of a Communist regime in China is intolerable to the United States. But is that really the case? I know it is embarrassing and annoying and potentially dangerous, but is it really intolerable?

The possibility of Soviet missile bases and jet aircraft bases in Cuba is frequently noted. I suppose we would all be less comfortable if the Soviet did install missile bases in Cuba, but I am not sure that our national existence would be in substantially greater danger than is the case today. Nor do I think that such bases would substantially alter the balance of power in the world.

What would substantially alter the balance of power in the world would be precipitate action by the United States resulting in the alienation of most of Latin America, Asia, and Africa.

THE THIRD CHOICE

I believe that if we intervene unilaterally in Cuba, we prejudice our cause in the hemisphere. The vulnerability of Latin America to communism may well be increased more by unilateral action against

Cuba than by the continued existence of Castro's Cuba.

There is much that we can do to strengthen the cause of freedom in the Western Hemisphere, if we have the wit to do it and if we get on with the job. We have neglected the job as long as we dare.

We can act vigorously and imaginatively to implement the Alliance for Progress and the Act of Bogotá. This is a slow, long-term job, but that is all the more reason for starting at once.

We can improve the breadth and depth of our contacts with free labor groups and with the intellectual non-Communist left in Latin America.

The United States must make clear that it is not seeking to cultivate compliant regimes, but rather independent and progressive societies. Our duty is to show that between communism and the flickering old order, the United States recognizes a third choice—permissive societies whose central purpose is to embody the peoples' will and the peoples' needs.

In Latin America, as in much of the rest of the world, the question is being posed: Can social and economic progress proceed apart from totalitarian discipline? It is our duty to provide a credible case for the affirmative side of this debate. Our economic and philosophical resources, if wisely used, should enable us to succeed.

ROCKETS FOR NASSER?

Mr. KEATING. Mr. President, it is my understanding that the State Department has given its approval for an export license issued by the Commerce Department for rockets to be sold to the United Arab Republic. This deal, although negotiated and consummated with a private company, has raised very serious doubts in the United States and elsewhere.

The purchase of so-called weather rockets by the UAR follows closely upon the successful launching by the State of Israel of a meteorological research rocket. The Israeli rocket was the work of Israeli scientists and represents a considerable achievement in science and technology. It is evident that the Arabs are trying to shoot their prestige upward with a rocket, too.

Personally, I question very much the wisdom of our Government in permitting the export of articles like rockets which can so easily be converted from peaceful to warlike uses. Let there be no question; the rockets proposed to be sold can be so converted. I have already sent telegrams to both the Secretary of State and the Secretary of Commerce asking how many rockets are to be supplied, what guarantees the United States has received that they will be used for meteorological and not for military or political purposes, and what kind of inspection is to be provided? The American people are entitled to have answers on this kind of a deal, in which American-made rockets are being shipped to one of the trouble spots of the world where our past experience has taught us that mere promises are not always binding.

If the rockets are to be used for research and if the United Arab Republic is seriously contemplating a program of constructive study into weather problems, then we should of course wish them every success. The weather in the Middle East causes many problems and any efforts that could be made, for instance, to increase rainfall would be of great benefit to all concerned.

But frankly, I would think that a cooperative Arab effort with Israel to develop existing water resources such as the Jordan River would bear more immediate fruit and indicate a more genuine Arab desire for economic progress than the purchase of foreign rockets for a weather shot. The Arabs have blocked cooperative work on the Jordan River in the past. What is needed in the Middle East now is not more foreign rockets but more local cooperation in developing existing resources. If the Arab States could agree to a final negotiated settlement with Israel on the outstanding problems between them, then foreign assistance to the Arabs would not carry the same potential dangers that it does today. Until such an agreement can be reached, however, the U.S. Government should not lend any type of assistance which could directly or indirectly increase Middle Eastern tensions. This question will have to be considered at greater length when the foreign aid bill is debated but this transaction will raise serious qualms in many quarters.

WELCOME TO THE ANNUAL CONVENTION OF THE AMERICAN ASSOCIATION OF NURSERYMEN

Mr. KEATING. Mr. President, one of the Nation's oldest trade associations is holding its 86th annual convention in Washington, D.C., beginning this Saturday, July 15. It is the American Association of Nurserymen, which is composed of more than 1,500 firms engaged in the business of beautifying our Nation. One hundred and four of these firms are located in the State of New York.

Through its programs of stimulating individuals, businesses, and governmental units to use nursery products to landscape homes, establishments, and highways, the American Association of Nurserymen and its members have done much to make this country a finer, more beautiful, and healthier place in which to live.

Only a few years ago the highway which was adequately landscaped was an exception. Today States have recognized the importance of planting trees and shrubs along our highways for beauty and safety. There are many excellent examples of proper highway planting in my own State of New York.

The American Association of Nurserymen industrial awards program has helped make better neighbors and nicer places to work out of factories, banks, schools, gas stations, laboratories, and other commercial and institutional structures in almost every State in the Union. In 7 years, 182 awards have been granted for outstanding landscaping around this type of establishment. Incidentally, 25 of these awards have gone to New York firms.

This 86th convention of the nurserymen marks the retirement of Dr. Richard P. White, who has been the association's head since 1938. Dr. White, who is one of the leaders in the trade association field, is well known on Capitol Hill as a result of his years of representing the nursery industry in legislative affairs affecting that segment of our economy. We wish this pioneer in the association movement well in his retirement.

I am also pleased, as we prepare to welcome the American Association of Nurserymen to Washington, to wish this fine organization continued success in the days ahead. Its mission of making our country a more beautiful place in which to live deserves the support of all Americans.

THE AMERICAN INDIAN CONFERENCE

Mr. ERVIN. Mr. President, the University of Chicago played host to a historic and memorable occasion on June 13–21, 1961. Approximately 700 American Indians, coming from 90 tribes throughout the Nation, gathered to formulate a Declaration of Indian Purpose to be presented to the President of the United States, the Congress, the Secretary of Interior, and to the American people. This Declaration of Indian Purpose summarizes the thinking of the most representative group of American Indians ever assembled.

Reservated, nonreservated, and offreservated Indians met to survey their own conditions and petition the Federal Government and the American people for an understanding attitude and recognition through policy of the true nature of the present-day situation of the American Indians.

The first Americans have long been called the silent Americans. I am happy to see American Indians assembled as they were at the Chicago conference. It is through such meetings that we, the Members of the Senate, and the Members of the House of Representatives can best ascertain how to truly help the American Indians grow and develop as members of our free society.

Mr. President, it is my understanding that the Declaration of Indian Purpose is being printed and will be presented to President John F. Kennedy for study by the Federal Government.

I ask unanimous consent to insert in the RECORD at this point seven articles regarding the American Indian Chicago Conference.

The articles are "A New Last Frontier," "What the Indians Want," "Indians Open Pow-Wow Here," "Indian Conference Gets Hint of U.S. Changes in Policy," which appeared respectively, earlier this month in America, the Chicago Sunday Sun-Times, the Chicago Daily News, and the Chicago Sun-Times; and "Indians Demand New U.S. Policy," "Indians Parley Rated a Success," and "The New Indian Frontier," which appeared in the New York Times. These articles reflect some of the needs and wishes of the Indians attending the Chicago conference.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From America, June 10, 1961]

A NEW LAST FRONTIER

(By Thomas E. Connolly)

By the 1860's the American Indian had reached his last frontier. Relentless land

speculators and frontier farmers had driven him across the Mississippi onto the Western Plains. Then came the gold rush, the drive to Oregon and victorious Union armies sent to subdue the West. In the sixties he made his last stand on the prairies, fighting to preserve the land and the life he had known.

By the seventies he had lost his frontier. With buffalo herds wantonly destroyed, smallpox epidemics wasting his villages, and prospectors pouring onto the lands promised as reservations, the American Indian was reduced to listless poverty, disease, and a death rate that threatened annihilation. He spent the years between 1860 and 1960 struggling for survival.

But today the Indian has emerged from the prairie. At the University of Chicago this week, several hundred Indian leaders are meeting in workshop discussions to prepare a statement of Indian purpose for the 1960's.

They maintain that, within the rich pluralism characterizing America's unity, Indian values and aspirations can be harmonized and not destroyed. Perhaps they will join their voices with the continued criticism from abroad, complaining that America lacks appreciation for the tradition and values of other peoples. Certainly they will face a difficult struggle against conformism and the modern refusal to live with variety. For, despite a century's effort to force acculturation upon them, American Indians still live by values that are different.

Traditional Indian society is a clan society. It is based on group instincts, group activity, and group use of assets; it discourages competitive and individualistic behavior. For the Indian, land is a gift of God for the equal support of all men. It represents existence and identity, not real estate to be bought and sold for the enrichment of a few and the loss of many. These traditional ideals of unity, of sharing with others, and of respect for the land, set the Indian apart from contemporary America.

However, the Christian basis for these traditional Indian virtues is unmistakable; they cannot be cast aside as mere laziness, improvidence, or unpractical for the 20th century. Cooperative enterprises and corporate forms of ownership and operation are an integral element of American life today. Throughout the world emerging communities are recognizing cooperatives as an ideal form of self-development.

The Indian Reorganization Act of 1934 recognized this value and established development planning along the lines of Indian attitudes and desires. The Bureau of Indian Affairs set up tribally operated loan funds, herds, forests, sawmills, and marketing cooperatives in order to create strength and social stability in Indian communities.

The 80th Congress, however, economy-minded and determined to get out of the Indian business as rapidly as possible, completely overturned the initial successes of this self-determination policy. A conservative Congress brought back the old policy of forced acculturation. By 1950, reservations were allowed to dwindle, tribal authority was purposely diminished, and plans were laid for terminating the more prosperous reservations in an effort to enforce the individualistic practices of modern society.

To meet the challenge of adjustment without disappearance, the delegates in Chicago this week are basing their discussions on the self-determination philosophy of the Indian Reorganization Act and demanding recognition once again of their treaty rights to a distinctive existence. The "Statement of Indian Purpose" which they formulate will pose a double challenge: one for them and one for America. The Indians themselves must develop an outline for corporate community life and development that can be adapted to the complexities of modern America. And the American community, on its part, must be willing to live with this diverse community and show that it is broadminded enough to accept the demanding benefits of pluralism.

If Indians and other Americans can cooperate in this venture, then the American Indian Chicago Conference will have been a historic success. The delegates can return to their people with a new sense of their dignity as American Indians, proud of their past and hopeful for their future.

[From the Chicago Sunday Sun-Times, June 11, 1961]

WHAT THE INDIANS WANT

(By Dr. Sol Tax)

Older than the Nation itself and more complex than ever is the American Indian problem. For decades, only piecemeal, stop-and-go actions have been taken to help Indians fulfill their aims and adjust fully to a growingly complex society.

No comprehensive survey of the Indian situation has been made in 32 years. But this week the Indians themselves, representing hundreds of tribes all over the country, will gather on the campus of the University of Chicago to arrive at a declaration of purpose embodying their goals.

Coordinator of the all-tribal conference, which climaxes a series of regional meetings, is Dr. Sol Tax. This article was prepared after discussions with others active in planning the conference: Robert Rietz, director of the Chicago Indian Center; Dr. Nancy O. Lurie, of the University of Michigan; and Albert Wahrhaftig, an assistant to the coordinators.

This background article summarizes the highlights of the Indian problem, underscoring some of the fallacies and failures of previous policies.

VIEWS TO BE AIRED AT PARLEY HERE

It may come as a surprise that there are about as many Indians in the United States today as there were when Columbus discovered America.

The aboriginal population of North America, including Canada and the northern border area of Mexico, is estimated to have been about 1 million. This population was greatly reduced by wars and epidemics, and by the end of the 19th century it appeared that the Indians were a people doomed to extinction.

In the 20th century, their numbers have been steadily and rapidly increasing. Between 1930 and 1960, the American Indian population—excluding Alaska—rose from 332,397 to 508,665, an increase of approximately 50 percent, roughly the same as the increase in the Nation as a whole despite the fact that Indian death rates are still proportionately higher compared to birth rates than is the case for the general population. It is striking that this increase continues even though all Government programs consistently aim at decreasing the Indian population as such—in earlier years by military campaigns and for the last 75 years by promoting the disappearance of Indians into the general population.

Nor are 1961 Indians merely Indians by name or appearance. While we may pass many of Chicago's more than 4,000 Indians in the streets every day without even realizing that they are Indians, almost all of them live and guide their lives in terms of moral values more Indian than non-Indian. The "vanishing American" is here to stay.

The so-called Indian problem has been with us since Colonial times. Although special bureaus, agencies, and commissions in the Federal and many State Governments, as well as private organizations, have devoted vast amounts of money and endless expert planning to Indian affairs, the problem remains. One may well ask why.

To seek an answer to this question, Indians from tribes all over the Nation will meet for a week beginning Tuesday at the University of Chicago. The American Indian Chicago Conference will climax 6 months of concerted effort by Indians themselves to make their own voices heard. We anthropologists who are coordinating the effort have set ourselves the task of listening and learning but not speaking.

In the last 6 months, I for one have learned more about the Indian view than in my 30 years of previous research. We do not know what proposals will be made at the conference nor the language in which they will be couched, but it is already possible to restate the Indian problem in terms of the underlying Indian point of view, to take into account not only the objective facts as known from historical and anthropological studies, but how these facts have been experienced and interpreted by Indians themselves.

From the beginning, Indians have cherished their heritages, their communities, their homelands, their moral values. More than anything else, they have wanted to retain their identity. Whenever they came to realize that Europeans had come to take away their land and their identity, they resisted. From the beginning, whenever programs have threatened their land or their identity, such programs have failed. Therefore, the first necessity in dealing with Indians in the United States honestly and intelligently is to stop trying to take away their land and stop trying to take away their identity as Indians. We must assume that every Indian tribe is here to stay.

Basing policy on any other assumption is like saying that the solution to the well-known school bus problem is for all Roman Catholics to become Protestants or vice versa.

This does not mean that we have to move back to Europe and give the continent back to the Indians. It only means that we must stop threatening the last remnants of Indian landholdings and strengthen the Indians' land base wherever we can.

Nor does this mean that Indians expect to live by hunting, fishing, and handouts from the Federal Government or anybody else. It only means that we should return to Indians, for as long as needed—and this may be forever—some equivalent to the economic opportunity that was lost to them with the loss of their lands.

Nor does the requirement that their identity be respected mean that Indians want to turn back the clock and live in the manner of their ancestors at the time of European contact.

Respecting the identity of Indians means recognizing the continuing existence and identity of Indian communities. Nobody is "just an Indian." He is, first of all, a Tuscarora, or an Apache, or a Menomini, or a Klamath or a member of some other tribe with its particular history and traditions. Before the white man came, there were Hopis and Winnebagos and many other tribes, but no "Indians." It is only the Europeans who saw them all as "Indians." Therefore, a threat to the existence of the community is a threat to the existence of every member of the community.

Some Indian people resent having been given citizenship by Congress in 1924, seeing in this act the possible destruction of their tribal integrity and individual rights. The implication, such as in the word "assimilation," that a tribe and its culture will eventually disappear, is a threat of death to every individual concerned. No wonder the longstanding assumption that Indians will welcome assimilation has paralyzed attempts at constructive programs for Indians.

If a change, no matter how beneficial, is defined as a change from being Indian to being white, it stands a good chance of not being adopted. If the opportunity to learn a trade suggests the beginning of a process of departure from being an Indian, it may well be rejected. Precisely because the rifle,

the horse, and the automobile were never associated with assimilationist interpretations, they were incorporated into Indian cultures. Frequent failures of Government programs may be traced to justifying them as a means of assimilation.

Before money is appropriated, we have always wanted assurance that it will help Indians to stop being Indians in the expectation that then they will no longer need help. Some Indian leaders themselves have considered it expedient, and even necessary, to play along with this expectation in attempting to get help for Indians in desperate need. As a result, they may lose the confidence of members of their groups who feel that these leaders are selling their Indian heritage for a mess of Government pottage.

New and better understanding and some 300 years of historical perspective point out not only our past errors but how effective it would be to approach the Indian problem in a totally new light. It should be easy enough now to stop taking the land, since we have taken all but a tiny fraction of the entire continent from the Indians, and perhaps Indians should now let bygones be bygones. How can they let bygones be bygones when they have not yet gone by? The age-old effort continues to alienate Indians from their few remaining acres under the same old pretexts that it is for their own good. Indeed, it even bothers us to let them have some few bits of their remaining lands free of local real estate taxes, thinking it too generous or discriminatory.

Individual Indians never had the right to alienate tribal property, and there is probably no case in our history when a tribe responsibly and willingly parted with the territory it used and occupied as its own. The continent was, therefore, taken away by hook or by crook. We who think of land as real estate do not understand or appreciate the continuing and poignant personal loss felt by Indians who lose their lands. While my work and association with Indians made me aware of the sacred tie of the Indian to land, the last 6 months have revealed its unsuspected intensity and universality. A tribe without its land is as inconceivable as an Indian without his tribe.

Since the time of earliest contact, it has been our bland and naive assumption that Indians would not only part with their lands as so much real estate, but would jump at the slightest chance to shake off their curious customs and strange ways to become like Europeans. The psychological reason for this myth probably combined the hopes that Indians living like Europeans would need only a few acres per family and there would be more than enough land for all; and that European farmers would be spared the disconcerting example of Indian neighbors hunting and fishing while they work on routine farm tasks.

In order not to waste the taxpayer's money and the Indians' time in futile enterprises based on the expectation of eliminating the Indian problem by eliminating Indian communities, Government agencies must reconcile themselves to the historic fact of Indian persistence and develop an appropriate administrative philosophy. All who are concerned with Indian welfare must be reconciled to the need to subsidize Indian communities and to help Indian individuals to make their ways as Indians. How much less subsidy than at present will ultimately be required we will know only after the Indian people receive opportunities to develop their resources in an unthreatening atmosphere of free choice.

The famous case of the Mohawks, who have made the high steel industry uniquely and peculiarly their own specialty while retaining and reaffirming their identity as Mohawks, illustrates that Indians can adapt effectively to the most modern conditions—given opportunity and free choice. The Mohawk case was not a Government program—it developed fortuitously—but it offers a model and a philosophy in solving the Indian problem.

Recognizing the identity of Indian communities and their right to persist means more than only removing threats. It also means allowing the Indian communities to become again whole and fully functioning. When Indian communities were independent and sovereign, they were able to adapt readily to changing conditions and avail themselves intelligently and efficiently of new ideas, techniques, and material objects. Throughout the long period of the fur trade, for example, Indians enriched their cultures without losing their sense of identity.

In our management of Indian affairs we have made two serious miscalculations. First, we, rather than the Indians, have decided what their goals should be. Second, we have tried to see to it that these goals are reached by our own rather than by the Indians' methods. Important community decisions are made by outsiders and the work of carrying out the decisions is done by outsiders. Since a normal community derives its meaning in the very act of organizing to make decisions and to carry them out, all American Indian communities have been effectively crippled. One result of this has been that normal differences of opinion cannot be worked out within the community.

Since decisions are made outside the community, people with inclinations and skills for leadership can only compete for power rather than resolve issues and carry out responsibilities. Then, compounding the error, we blame tribes for their factionalism and for the lack of true community leadership; and we claim still more the need to make their decisions for them because they can never get together.

It is sometimes argued that the crippling effects of governmental paternalism could have been avoided if the Government had simply stayed out of the Indian business. But this has not worked either. There are many Indian communities which are not recognized by the Government which face problems as acute as those of the overregulated communities. These nonreservation settlements, even when they no longer own their land, are identifiable as communities whose members are as attached to their territorities as any other Indians, and with pressing problems comparable to the others. Their problems cannot be wished away by refusing to recognize them. These are communities without paternalistic control but also without the needed subsidization to begin to carry out choices they would like to make for their own benefit.

If the foregoing analysis is correct in regard to Indian communities generally, whether recognized or unrecognized by the Federal Government, and if it properly takes into account the Indian point of view, it appears that the responsibilities of Government agencies are clear:

1. Indian communities should be subsidized without setting any time limits.

2. Subsidization must not interfere with effective Indian selection and execution of their own programs.

3. Subsidization on the same terms must include legitimate, traditional Indian communities that perhaps never have been subsidized.

It is said that Congress, at least, will not consider proposals so different from the established concepts of Indian administration, ineffective as these concepts have proved. I assume, however, that people are educable and that Congress is responsive to informed public opinion.

The Indians meeting in conference in Chicago this week are eager to bring their problems as they understand them before the American public and to tell us how they are prepared to work them out.

Will these Indians be satisfied to find solutions limited by the established channels of administrative precedent in the belief that this is their only possible recourse? Or, will they rather strike out in a direction which is unprecedented but necessary from their own point of view in the hope that the American public will, for the first time, hear and be impressed by the voice of the American Indian on the Indian problem? In either case, the choice will be a decision of the Indian people themselves and thus a necessary first step toward any good solution of the age-old Indian problem.

[From the Chicago Daily News, June 14, 1961]

INDIANS OPEN POWWOW HERE

(By Ben Holman)

A peace pipe passed on from the famous Indian Chief Sitting Bull was used to begin the greatest conference of Indians in American history at the University of Chicago.

In the fashion of their ancestors, representatives of tribes from Alaska to Florida took turns puffing on the pipe.

The outdoor ceremony Tuesday night on Stagg Field officially opened the 8-day American Indian Chicago conference.

The pipe now belongs to Robinson Johnson, 1637 West 51st Street, a Winnebago Indian and member of the American Indian Center here.

"I got the pipe from the widow of a Chicago businessman who had received it as a gift from Sitting Bull himself," explained Johnson.

Like Sitting Bull, the fighting Sioux chief who was responsible for Custer's last stand, Tuesday night's participants smoked on a mixture of Indian tobacco and cedar bark.

The ceremony was preceded by songs and dances by a group from the Indian center.

Afterward the vanguard of Indian delegates and non-Indian observers feasted on 800 pounds of beef and lamb barbecued on a giant pit in the style of the original Americans.

About half of the expected 1,000 Indians had arrived for the giant conference.

During the next 8 days here they plan to work out recommendations on the goals and aspirations they hope will become the basis of a new and modern American Government Indian policy.

The Indians at the conference represent every tribe, faction, and politics in American Indian life.

Many have brought their historic causes with them.

Two Indians have come all the way from Alaska. Both have served in the Alaskan Legislature. Their complaint is that the Government basically does not trust the Indians and will not give them responsibility for their own affairs.

William Paul, Sr., a good-looking, gray-haired man of the Alaskan Tlingit people, said, "The Indian office has spent all of $8 million in southeast Alaska for salmon canneries and the fishing industries.

"We're indebted almost $4 million and the canneries show a profit of less than $40,000 a year. Something is wrong with management—and that's the Government.

"The Indian people don't even have the right to hire an independent auditor or lawyer to see what's wrong."

Another Indian attending the conference, John R. Winchester, a young Potawatomi from Dowagiac, Mich., has been fighting quite a different battle in Michigan.

"Last year," he said at the conference, "they buried an Indian and then dug him up because he was an Indian.

"The cemetery had a clause against burying anyone but Caucasians there and nobody read the contract. If the law says only Caucasians, up comes the Indian.

"The Ottawas, Chippewas, and Potawatomi got together and got a law passed stopping such discrimination."

Michael Williams, a white-haired Potawatomi from Niles, Mich., belongs to a tribe that claims most of Chicago still belongs to them.

They have filed claims with the Federal Government's Claims Commission asking restitution for this land. They say it was never paid for in early 19th century contracts.

And the Winnebagos, represented by Mitchell Whiterabbit, of Black River Falls, Wis., claim ownership of about half the State of Wisconsin and a small portion of Illinois.

"We just want what the land cost at the time when the treaties were signed," said Whiterabbit. "Our treaties were never fulfilled."

[From the Chicago Sun-Times, June 15, 1961]

INDIAN CONFERENCE GETS HINT OF U.S. CHANGES IN POLICY

A formulator of Federal Indian policy arrived here Wednesday to observe a conference on Indian problems, and he indicated that the policy is in for a decided shift.

"There won't be any more terminations in this administration," said William Zimmerman, member of an Interior Department task force on Indian policy and former member of the Department's Bureau of Indian Affairs.

His statement about termination was a reference to one of the most highly charged issues at the American Indian Chicago Conference at the University of Chicago.

Termination means an end to Federal supervision and subsidy of Indian reservations. Termination was inaugurated as a policy beginning about 1953 .

Zimmerman said the five-man task force of which he is a member will make public recommendations to Interior Secretary Stewart L. Udall in about 2 weeks.

Although he was guarded about what the group will say, his remarks indicated that it will urge an expanded economic development program for reservations, with Washington lending a hand through loans to the Indians.

Zimmerman said such a fund would require $25 million to $100 million over and above the $210 million presently budgeted for Indians. But he emphasized that the additional amount would be loan money while the budgeted figure is an annual appropriation.

The development loan money, which the Kennedy administration did not request this year, would fulfill a recommendation contained in a preliminary statement presented to the University of Chicago conference.

The statement is being discussed in small groups by some 400 Indians and is expected to emerge as a declaration of views and recommendations.

One prominent section of the preliminary statement is a recommendation for economic development on reservations, and this proposal fits into Zimmerman's view that the Government must continue to aid reservation Indians until they have developed viable economies.

Zimmerman said he thinks this can be accomplished on reservations with good economic potential—forests, minerals, tourist traffic—even though the Government has been aiding reservations for years, without their becoming economically self-sufficient.

[From the New York Times, June 20, 1961]

INDIANS DEMAND NEW U.S. POLICY—67-TRIBE CONFERENCE ASKS END OF TERMINATION

(By Donald Janson)

CHICAGO, June 19.—A national conference of Indians urged the Federal Government today to abandon the so-called termination policy of the last administration.

Under this policy, first set forth in a congressional resolution in 1953, the Government ends supervision over the affairs of tribes that it considers able to manage their own assets. Such tribes become subject to State and local laws and taxes

A handful of tribes has been terminated, all with disastrous results, the conference asserted in a declaration of Indian purpose. The Indians contend that termination has been undertaken without adequate preparation.

"Instead of social and economic betterment, the Indians are offered homelessness and deeper poverty than any they have ever known," the declaration said. "And to add insult to injury, this is to be accomplished in the name of citizenship."

The policy was designed to free Indians and give them all the rights and prerogatives pertaining to American citizenship.

ASKS IMPROVED EDUCATION

The declaration of Indian purpose was drawn up at a weeklong conference at the University of Chicago in the name of 420 Indian participants and the 67 tribes that they represent. There are about 200 Indian tribes and bands in the United States. The conference was called and coordinated by Dr. Sol Tax, anthropologist at the university.

The declaration calls for improved formal and vocational education for Indians both on and off reservations. And it asks for a Federal program of economic assistance that would allow Indians to develop the economic potential of their reservations.

The declaration asks for help in attracting small industry to reservations to provide employment. It also asks that Indians be given preference for jobs in the Bureau of Indian Affairs offices on reservations.

Delegates to the conference noted that about a decade ago the Government began a relocation policy under which individual Indians were sent to large cities with the promise of a job and with a 3-week period of Federal subsidy to get them started. The relocation program has failed, the Indians here asserted unanimously. Many relocated Indians lost their right to Federal protection and services long before becoming eligible for State or city assistance.

HEALTH AND HOUSING STRESSED

The declaration also called for a "concentrated effort to retain, rather than to dispose of, Indian lands in order to allow the Indians sufficient economic units upon which to improve their economic conditions."

Federal aid in improvement of health and housing conditions on the reservation was also sought. The declaration noted that the life expectancy of Indians was 40 years, compared with 62 years for the whole population. The death rate of Indian infants, it said, is twice that for the rest of the Nation.

"Indians are living in tarpaper shacks, wigwams, and homes without sanitary facilities, plumbing, and running water," the declaration said, "and in some areas in condemned slums or company hovels."

Tribal representatives and Indian lawyers deliberated all week before drawing up the 40-page declaration. Tomorrow, at the concluding session, the document will be presented to W. W. Keeler, chairman of an administration task force that is investigating Indian affairs with a view to recommending changes in policy.

[From the New York Times, June 25, 1961]

INDIANS' PARLEY RATED A SUCCESS—8-DAY SESSION CALLED BOON IN ARTICULATING PROBLEMS

(By Donald Janson)

CHICAGO, June 24.—An 8-day conference of American Indians that ended here this week helped the Indians to articulate their problems and gave them new confidence in their dealings with non-Indians.

The assessment was made by Dr. Nancy O. Lurie, professor of anthropology at the University of Michigan, a coordinator of the conference.

"Whatever becomes of the declaration, the conference is likely to prove its worth to the Indians on a personal level for years to come," she said.

The declaration that she referred to was one of Indian purpose, a lengthy document drawn up and adopted by nearly 700 Indians from more than 80 of the Nation's 200 tribal groups. The participants included 420 members of 67 federally recognized tribes.

CALLS FOR FEDERAL HELP

The document asked that Indians be given Federal help to improve their economic circumstances without being required to give up their way of life.

During the 8 days of the conference, the Indians lived, worked, ate, and socialized together and with non-Indians at the University of Chicago.

They conferred in committee rooms, plenary-session halls, dormitories, cafeterias, and on campus lawns.

After each day of business many of them reassembled, Indian fashion, around a circle of drumbeating, chanting singers to dance or talk, sometimes until nearly dawn. At these informal affairs, whether on the lawn or indoors, many of the Indians wore bright, casual, western dress in place of the business suits usually seen at the daytime meetings.

Tribes from all parts of the country were represented at the gathering, one of the largest Indian meetings ever held. Some delegates came in their own automobiles. Some stayed at hotels, but most were accommodated in dormitories. Their occupations ranged from justices of Oklahoma's Supreme Court to sheepherders. They came from homes of every kind, from luxury apartments to wigwams.

NOTES U.S. RESPONSIBILITIES

The declaration of Indian purpose asks a redefinition of "the responsibilities of the United States toward the Indian people in terms of a positive national obligation to modify or remove the conditions which produce the poverty and lack of social adjustments as these prevail as the outstanding attributes of Indian life today."

The declaration asserts "the inherent right of all people to retain spiritual and cultural values." It goes on:

"What we ask of America is not charity, not paternalism, even when benevolent. We ask only that the nature of our situation be recognized and made the basis of policy and action.

"In short, the Indians ask for assistance, technical and financial, for the time needed, however long that may be, to regain in the America of the space age some measure of the adjustment they enjoyed as the original possessors of their native land."

DECLARATION'S PROPOSALS

Specifically, the declaration asked:

Abandonment of the policy of the Eisenhower administration of terminating Federal supervision and subsidy of reservations without the full consent and preparation of the Indians concerned.

Measures to improve education, health, housing, and welfare services for Indians on and off the reservations.

Abolition of the 10 area offices of the Bureau of Indian Affairs, transferring the authority of these offices to reservation superintendents. The aim is to provide more efficiency in local operations and direct access by reservations to Washington in the Bureau's chain of command.

Programs for industrial and natural resources development on the reservations.

More adequate Federal aid to Indians leaving reservations for relocation.

The declaration will be presented to President Kennedy by a committee of Indians to be chosen by the tribes within 3 weeks.

[From the New York Times, June 25, 1961]

THE NEW INDIAN FRONTIER

Many American Indians have been fighting politically—as their ancestors did with bows and arrows in the old frontier days—to keep their lands, their fishing and hunting grounds, and their own tribal ways.

In the long run of years the Indians will be better off if they become integrated politically, economically, and socially with the rest of the American people—as some are already. But those who want to preserve their tribal enclaves should be given adequate Federal assistance for health, protection, education, and economic improvement so they can live decently on their own reservations and be better equipped to seek their fortunes outside if that is their choice.

It is true that this means a kind of self-imposed segregation, in conflict with the American tradition of integrating all peoples and races; but the historic and cultural background of the American Indian gives him a special status requiring special consideration as a member of a separate group in the American community so long as he desires it.

The Government's policy since 1953 has, however, been directed to the termination both of the special status of Indians and of continued Federal responsibility and aid.

Two current developments now promise a better future for the Indians. The recent American Indian conference in Chicago—the first in history—has formulated an authoritative bill of particulars as to what the Indians themselves want, notably abandonment of the termination policy, application of more Federal aid to develop their own potentialities, and a greater voice in how that is done. A special task force, appointed by Secretary of the Interior Udall, which has been making a nationwide field study of the reservations and the Government's role in them, will soon propose recommendations for improved Federal administration of Indian affairs.

Both reports will suggest useful guidelines for Federal action, and both are assured sympathetic attention from the Government. The Indians should get a fair break—and no changes in their status without their own approval, as President Kennedy has pledged.

ADOLF A. BERLE, JR.

Mr. MANSFIELD. Mr. President, it is with deep regret I note the resignation from his position and the departure of Mr. Adolf Berle, who will return to his duties as a professor of law in Columbia University in New York City.

There has been some criticism of Mr. Berle and of his associates during his few months in Washington, D.C., but I think, by and large, he has contributed much at a very difficult time in the history of our relations with Latin America. He has, in my opinion, done an excellent job under very difficult and precarious circumstances. He has brought about a liaison, so to speak, between the Good Neighbor Policy, which he had so much to do with inaugurating in the 1930's, and the Alliance for Progress, which is the goal of the present administration.

I think Mr. Berle is to be commended for the devotion to duty which he has shown and for the objectivity which has been his in understanding the problems affecting this country and Latin America. I express the hope that the job which he has performed so nobly will not be forgotten, and that from time to time his advice will be asked as to how best to proceed in this most delicate and sensitive area of relations, the area covering this hemisphere.

Mr. President, I ask unanimous consent that an editorial published in this morning's Washington Post and Times Herald entitled "Mr. Berle Departs," be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Is there objection to the request of the Senator from Montana?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. BERLE DEPARTS

During his tenure as chief of President Kennedy's task force on Latin America, Adolf A. Berle, Jr., made his presence felt in Washington. Some complained that Mr. Berle in his ambiguous role as consultant and planner assumed too much authority. But there is little question that Mr. Berle gave an effective nudge to the complacent adn helped give real form to the President's new Alliance for Progress. Now that Mr. Berle has retired from the scene, his positive contributions to Latin-American policy ought to be noted.

The truly democratic reform movements in the hemisphere had few better friends in Washington than Mr. Berle. His presence served to link Mr. Kennedy's new initiative with the good-neighbor policy which Mr. Berle helped to shape in the Roosevelt administration. If he shared in the miscalculations in the Cuban invasion, Mr. Berle was scarcely alone.

From the beginning, it was stressed that Mr. Berle's task force was a transitional instrument. Mr. Berle was wise in stepping down as Robert F. Woodward arrived to fill the long-vacant post of Assistant Secretary of State for Inter-American Affairs. His job done, Mr. Berle will be leaving a clearer field to the official who should have adequate authority to carry out what the task force has begun.

SABER RATTLING IN RUSSIA

Mr. MANSFIELD rose.

The PRESIDING OFFICER (Mr. GORE in the chair). The Chair recognizes the Senator from Montana.

Mr. MANSFIELD. Mr. President, last Saturday, in response to questions by the press relative to the statement made by Chairman Khrushchev concerning the possibility of a summit conference on the part of himself, Mr. Macmillan, President de Gaulle and President Kennedy, which was accompanied, as usual, with some saber rattling, I issued a statement which reads as follows:

It is another case of Khrushchev trying to seize the initiative. Mr. Khrushchev says, in effect, let's get together. You bring along your ideas and I'll bring along mine and we'll see what we can work out for peace in Germany and Europe.

But as we have seen, in the past decade and a half, peacemaking, which is so simple in the abstract, is highly complex in the particular. Of course, it is for the President and the other heads of states to which Mr. Khrushchev's invitation is addressed, to decide whether or not conditions warrant taking up his proposal for a meeting at this time. It would seem to me, however, that the prospects of constructive results would be greater and a lot of valuable time—Mr. Khrushchev's no less than Mr. Kennedy's—could be saved if the whole bag of proposals and counterproposals were examined, first, by especially selected ambassadors. What would be most useful, I think, is not a full-fledged international conference of foreign ministers with all the dramatic theatrical trimmings. Rather, it seems to me that what would be helpful would be the kind of sober, quiet diplomatic discussions without fanfare which led to the settlement of the first Berlin crisis in 1949, to the Trieste difficulty, and to the Austrian peace treaty. If these quiet diplomatic discussions proved useful, it might then be worth while to consider the possibility of the kind of meeting at the top that has been proposed.

THE PLIGHT OF THE RAILROADS

Mr. KEATING. Mr. President, the plight of the New Haven Railroad has centered attention in the most dramatic way on the vast problems confronting almost all of our passenger railroads. These problems are very lucidly considered in editorials in the New York Times and the New York Herald Tribune.

These editorials serve both to put the case of the New Haven in perspective and to emphasize that far-reaching measures are necessary to any long-range improvement in railroad commuting prospects.

I ask unanimous consent that these editorials be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, July 7, 1961]

FACING THE NEW HAVEN'S BLEAK FUTURE

It did not really matter whether Washington granted the New Haven Railroad an emergency $5.5 million loan, or, as it happened, refused it. The money would have postponed for a few months the inevitable showdown. If the New Haven has to go into bankruptcy, we might just as well face the future now.

Unfortunately, bankruptcy would not solve any of the railroad's basic problems. Its trustees might improve the efficiency of management. They might save money by cutting down on unprofitable but still—to the public—essential services. There might be all sorts of ingenious proposals for separating the New York commuting operation from the rest of the line.

But none of these steps can correct the two great causes of the New Haven's decline—the competition from the highways and the tax burdens loaded on it by the States, cities, and towns which it serves.

Look, for example, at the magnificent Connecticut Turnpike, which parallels the railroad's main line to Boston for most of its way through Connecticut.

This superhighway was built 2 years ago at the cost of $450 million, most of which came from the Federal Government. Along it stream huge, lightly taxed trailer trucks, buses and private automobiles, filled with the passengers and freight that used to go by train. The Connecticut Turnpike perfectly symbolizes both the tax inequity and the highway competition that have beaten the New Haven to its knees.

It is true that the New Haven has the permanent disadvantages of a high passenger-freight ratio and of being a comparatively short-haul operation. It is also true that earlier this year New York, Connecticut, Rhode Island and Massachusetts voted to relieve the New Haven of $8.2 million a year in taxes. But it was too little

and too late for a company that lost, in the first 5 months of 1961, $9.6 million.

It is unthinkable that the region the New Haven serves, a region as rich and densely populated as any in the country, should be without a railroad, or at best should be forced to make do with a Toonerville bankruptcy arrangement. Yet a decently functioning New Haven can only be bought at a price no one has so far been willing to consider.

That price will include wholesale tax changes, far greater than those which revived the strictly commuter Long Island Railroad. It will have to include some kind of regional planning, possibly in the form of an interstate authority, which identifies the railroad as an essential artery of transport, not as a prey or a whipping post or an enemy of the people.

It will also have to include a large sum of working capital to restore equipment and to make possible the kind of service which will compete successfully with the highways. These are the terms we are suddenly being forced to think in. We might as well come to grips with them at once.

[From the New York Times, July 6, 1961]

THE PLIGHT OF THE RAILROADS

The New Haven Railroad, as it is known today, seems to be in its death throes. The 89-year-old carrier appears to have gone as far as it can as an independent entity operating in the general framework of private enterprise.

It has virtually exhausted its cash resources. It has been unable to meet interest charges on its first-mortgage bonds. Its commercial creditors have refused to extend it any new loans—even with a Government guarantee. Unless the Federal Government grants a $5,500,000 disaster loan for the railroad under provisions of the Defense Production Act, bankruptcy would appear inevitable.

To find out what's the matter with the New Haven, all one need do is to look at a map of the three New England States the railroad serves. A vast network of highways makes it possible for a truck to take most anything portable from any point on the New Haven's 1,600 miles of line to any other point in less time than it would take the New Haven to make up a train containing the same merchandise in a freight car.

The only business is substantial volume which the New Haven retains from its great days is that of hauling commuters; and commuters never did pay their way on any railroad. But the railroad used to be able to recoup losses on commuters by carrying their wives and children to and from the city—at retail prices. The private automobile has ruined that traffic.

The New Haven's plight is symptomatic of what has been happening to eastern railroads as a whole. The once mighty Pennsylvania Railroad suffered its second annual loss in its 114-year history in 1960. Another red-ink year seems assured for 1961. The New York Central Railroad had a $25 million deficit in the first 5 months this year and its management has acknowledged that it was in the red again last month and will be once again in July.

The freight revenues of the eastern roads and particularly those serving New York simply cannot any longer absorb the passenger deficits they are incurring. The New Haven's special problems have placed it in the vanguard of a number of eastern roads moving at various speeds in the same general direction.

Only a major program of aid from Federal, State, and local sources seems capable of staving off the downward plunge of the eastern railroads. Some States and local bodies have taken positive steps. Congress has recently taken an interest in the commuter problem by voting funds for equipment loans. It is imperative that more be done, either by imposing taxes on competitive forms of transportation comparable to those paid by the railroads, or by granting the railroads comparable benefits. To save the vital commuter services essential to every large city—whether New York, Boston, or Philadelphia—subsidy appears inevitable. The railroads are too important to allow to die by default.

SPACE BONDS UNDER STUDY

Mr. KEATING. Mr. President, some time ago I proposed the issuance of space bonds by the Treasury Department to help pay some of the costs of our space exploration program. The initial reaction of the Treasury Department was not favorable, but I am glad to note that under Secretary Dillon's guidance, the Department is taking a second look. In fact, a full-time consultant has been engaged to study the entire savings bond program including the specific use of the space bond.

I am hopeful that this study will lead to an imaginative and enterprising Government effort to sell space bonds. The space bond idea has been strongly supported by the National Rocket Club, by a variety of newspapers, and by considerable public comment and correspondence. Without any solicitation whatever, the National Aeronautics and Space Administration has received nearly 50 contributions for our Nation's space program, ranging from $1 to $100. An organized bond program could easily tap America's enthusiasm for the space age and put it to constructive use for the whole Nation.

I ask unanimous consent to include in the RECORD following my remarks a letter from the Secretary of the Treasury assuring me of his further interest in the plan.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, June 21, 1961.

Hon. KENNETH B. KEATING,
U.S. Senate, Old Senate Office Building, Washington, D.C.

DEAR KEN: Thank you for sending me the copy of the editorials which you included in the CONGRESSIONAL RECORD. They show that the public interest fully justifies the efforts that we are making to review the shape of our whole savings bond program, including the specific use of the space bond.

Although the Treasury staff has already done a fair amount of work on this project, we are engaging a special consultant who will be devoting full time shortly to this undertaking and undoubtedly will be in touch with members of your staff as his work progresses. As I assured you in our recent conversation I will give you a full report at the earliest possible time.

With best wishes,

Sincerely,

DOUGLAS DILLON.

Mr. KEATING. I also ask unanimous consent to include a statement by the president of the National Rocket Club. I regret very much that it is not also possible to include the sketch of the proposed 25-cent space savings stamp which the National Rocket Society has already drawn up. It is a fine likeness of Comd. Alan B. Shepard, Jr., with the Freedom Seven rocket in the background and would have been a cheerful addition to the RECORD, had the rules permitted its inclusion.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY HAROLD A. TIMKEN, JR., PRESIDENT OF THE NATIONAL ROCKET CLUB, WASHINGTON, D.C., JUNE 21, 1961

At our last meeting, May 24, I read a proposal which had been made to the Secretary of the Treasury by the National Rocket Club. In it, we urged his consideration of a new series of savings bonds to be designated "Series S Bonds for Space." Senator KENNETH B. KEATING has also proposed such a plan and, subsequently, our efforts have been coordinated with his office. The National Rocket Club's plan was printed in the CONGRESSIONAL RECORD of May 25 by the Senator, along with his own comments.

Since then, we have received a message from the Office of the Secretary of the Treasury which raised the question of the accounting involved in such an idea. In brief, Secretary Dillon's office said that since all Government funds are commingled, it is not possible to cite any specific program nor to indicate what portion was financed by tax revenue or through the sale of savings bonds. Therefore, it was felt that the space bonds program could not be adopted.

There was no intent on the part of the National Rocket Club or Senator KEATING to suggest that moneys realized from the sale of space bonds and savings stamps be used solely for the U.S. space program—either civilian or military. The idea was one designed to simply stimulate the sale of bonds through what might be called new packaging. Our thought was that in the wake of enthusiasm generated by Alan Shepard's flight, the issuance of a new series of savings bonds and stamps would give even further encouragement to our dedicated scientists and astronauts, as well as financially aiding the accelerated space program.

Rather than let the idea drop, we have had a space bonds savings stamp designed with Astronaut Alan B. Shepard's likeness on it. You will find a copy of it by each plate. We have requested the opportunity to show this sample of a savings stamp to the Secretary of the Treasury in a further effort to impress upon him the potential of space bonds.

There has been considerable support for the idea in newspaper editorials at various locations across the Nation. I, personally, have received many favorable comments from leading space scientists, both in and out of Government.

Because of this interest and support, we are encouraged to further pursue this worthwhile idea. A space bonds program could be of tremendous assistance to the accelerated U.S. space effort. I ask that you continue your support of this effort by the National Rocket Club, and, in turn, I will keep you informed of our progress.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. JAVITS. I welcome and commend my colleague for the activity on his part in the proposed program. It may be recalled that, together with the Senator from Delaware [Mr. WILLIAMS], I authored the idea of peace bonds. It seems to me that the Treasury has been very far behind the times in not taking advantage of the patriotism of American people in the savings bond effort. I believe that the Senator is making a very important contribution in proposing his new idea, which is perhaps better than ours, or perhaps ours is better than his. But who really cares, provided the

Department shows some initiative and enterprise?

Mr. KEATING. I am grateful for my colleague's remarks. Peace bonds are certainly just as important as space bonds, if not more so. Any funds derived from the sale of such bonds, whether sold by public or private agencies, would go into the general fund of the Treasury. So it is basically a promotional idea. I believe that when programs have aroused the enthusiasm and interest of the people, in the manner in which the fight for peace and ambitious projects in the space field have done, the Treasury Department should take advantage of such enthusiasm. I am delighted that Secretary Dillon has given me assurances, not only in writing, but also personally, that he is very much interested in the proposed program, and has called a specialist into the Department to study the entire program.

Mr. JAVITS. I thank my colleague.

AMERICAN FOREIGN POLICY—WISHFUL THINKING OR HARD REALITY?

Mr. TALMADGE. Mr. President, in a day when American foreign policy seems to be based more on wishful thinking than hard reality, it is refreshing to find a mind capable of an incisive appraisal of things as they are. Such is the mind of Columnist Eric Sevareid, who turned his keen intellect and sharp pen to just such an analysis in a recent column first printed in the New York Post and reprinted as a public service advertisement by Chairman A. N. Spanel of the International Latex Corp. in today's Washington Post.

Mr. Sevareid's words give no comfort to the timid and deflate the illusions of the idealists, but they are the kind of hard thinking and tough talk which today's situation demands if we, as a nation, are to survive in the continuing conflict with godless tyrants who have sworn one way or another to bury us. I ask unanimous consent, Mr. President, that the text of this column be printed herewith in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 10, 1961]

SHOWDOWN

(By Eric Sevareid)

I hope American nerves are strong; I know American heads are befogged.

The showdown with the Communist world conspiracy is on. We have entered the final stage of the long struggle to determine if we can hold our world position short of a great war. We are in that stage because Khrushchev has decided we are. He will act accordingly, which will force us to act accordingly—if we can clear our heads.

He did his best at Vienna to make us understand, just as Hitler did, time after time. It is wrong to think Khrushchev said nothing new. When he said, in effect, "No negotiations on anything unless it suits us tactically, no disarmament agreement, no test-stoppage agreement, no U.N. save on our terms, no letup on Berlin"—when he said all this, he was saying: "We have you. Why go on with the chess game?"

He has concluded that the Western alliance cannot be pulled together, that north Africa will soon be wide open to Communist exploitation with central Africa to follow, that Southeast Asia is rapidly crumbling into Communist hands, that our Latin American flank is being turned. He is now sure that the great game of isolating the United States, then impoverishing it, then breaking its will, is all over save for our helpless, thrashing convulsions, which will be interesting and from time to time dangerous.

No doubt there are afterhours parlor games in the Kremlin these nights—betting pools, for example, on the precise month when the United States, driven desperate by Castro's subversion of other Latin regimes, threatens to use force, whereupon Castro laughingly points out that he has short-range missile emplacements aimed at the lovely white city of Miami and would we care to test his will to use them.

I imagine they play an uproarious game of "Can You Top This?" reading selected items from the British and American press. The passionate claims of British Socialists that Britain will have more world influence if she gives up her atomic weapons must be a consistent funnybone tickler. These days they must particularly cherish the Whitehall-Lippmann theory that if we show willingness to renegotiate West Berlin, the Reds will obligingly give us at the bargaining table a stronger position than we have now.

Surely they adore reading the worrying, hair-shirt arguments that the United States must not do this or that because it will offend world opinion, knowing as they do that there is no such thing in the moralistic sense—the proof of which is that after all their crimes, including Hungary, they enjoy more influence and respect in the world than ever. They must love the British-American notion that the bosses of the new, neutral nations are somehow more high-minded and spiritual than those of the committed nations.

They must have shaken their heads in happy disbelief when they read that conservative newspaper executives, calling on the President, said no when he asked if they accepted his premise that the United States has entered the most critical period of its history.

And they must love the large school of American liberals who assume that any given country, however barren and illiterate, however profound its background of violence and chieftainship, is capable not only of economic modernization but of parliamentary democracy.

They must love the liberals with social-worker mentalities who do not grasp that illiteracy, low wages, concentrated land ownership and so on are not "social problems" but integral parts of a system of life and therefore enormously resistant to quick change by anything less than the "totalitarian disciplines" the same liberals abhor. They must love the liberals who assume that because a Marshall plan worked in modern Europe a similar plan can work among those regimes of Latin America where statistics are wild guesses, where trained economists hardly exist, where economic planning is finger painting, where, as between countries, there is very little background of communications, normal trade or even intellectual interest in one another.

The gamesmen in the Kremlin must smile in their sleep as they realize how deeply ingrained is the American illusion that a ton of wheat can offset a ton of Communist artillery shells, that a squad of Peace Corpsmen is a match for a squad of guerrilla fighters.

But I hope they frowned a bit when they read the angry retort of Defense Secretary McNamara when he heard for the umpteenth time the pious theory that the Communists were gaining in Laos and South Vietnam because the regimes there are "'unresponsive to the people's needs." A burning sense of reality on a short fuse can make a quiet man shout (as I'm afraid it makes me shout these days) and McNamara shouted that the Communists are gaining in those countries for very simple reasons known as guns, bombs, fighters, and threats.

Frightened people in a score of desperate countries want to be on the winning, but not necessarily the moral side; and we have to start winning soon. We are going to lose in several more places before we do. We may as well face the fact that we will also lose in places we cannot afford to lose, until and unless we are willing to fight, no matter the reproving editorials in the Manchester Guardian, no matter what the temporary backlash of world opinion may be.

The relations between nations are not the same as those between individuals. We can afford to lose everything—except respect for our strength and determination. Lose that, and Khrushchev won't bother to sit down and talk again even to say no.

PUBLIC IMAGE OF THE AMERICAN MEDICAL ASSOCIATION

Mr. CANNON. Mr. President, recently, the AMA made a decision which was greeted by much distaste in the State of Nevada, a feeling which I personally share.

So that Members of Congress may have a more complete view about the public image of this association, I ask unanimous consent that the following excellent editorial which appeared in the Las Vegas Review-Journal on June 30, 1961, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SICK DOCTORS?

We have never thought too much of the American Medical Association and we think even less of it today after several of its holier than thou officers announced that it would be beneath their dignity to hold their 1962 clinical session in Las Vegas.

The officers of the American Medical Association seem to think it would be imprudent and "detrimental to the image of medicine" to come to Las Vegas because we have gambling establishments.

We've got news for the AMA. Its public image is not too hot, and hasn't been for years. With all the money that thousands of doctors across the Nation have poured into the AMA over the years, the organization has never been able to sell the idea that it is interested in the public welfare. In fact, its lobbying and pressure group activities in Washington have left a bad taste in the mouths of many Americans. Rather than help create a favorable public image of the average hard working and sincere doctor, the AMA has bungled the public relations job miserably and actually done much to foster the view that doctors are self-righteous, money-grabbing men who charge too much for their services, spend most of their time on the golf courses, drive the biggest cars and own the biggest houses in town.

So, we doubt very much that it would damage the medical profession for the AMA to meet in Las Vegas. In fact, it might even make the organization seem a little more human.

As for gambling, we doubt that there are too many members of the AMA who haven't done their share of gambling, particularly in playing the races. We don't see how betting a few dollars is going to corrupt anyone, and for that matter no one here is going to force them to put even so much as a dime in a slot machine.

The National Council of Catholic Women apparently didn't feel it was beneath its dignity to meet in Las Vegas last October, and we doubt very much that the council's image was dented in the slightest.

Are the good members of the AMA any better than the thousands of members of Optimist International who met here last week? Are the doctors any better than the thousands of Admiral radio and television dealers who met here last month? Are the doctors any better than the several hundred prominent scientists who met here last month to hear Dr. Edward Teller, the father of the H-bomb?

The list of outstanding organizations which have selected Las Vegas as the ideal convention city is long and impressive. And, we can't think of one that has gone away feeling that its public image has been damaged.

It has never been our aim to criticize any organization that happens to reject Las Vegas as a convention site. Usually we just feel sorry for them. But we certainly believe a reply is in order when officers of a national organization publicly condemn our city. And, quite frankly, we are getting a little tired of people who are so ridiculous as to worry about what's going to be said if they visit Las Vegas.

It is our hope that every Nevada member of the American Medical Association will join in protesting the association's decision and the public slap that some of its members have seen fit to take at Las Vegas.

It is actually a sad thing when men supposedly of the caliber of those belonging to the AMA are so foolish as to feel that coming to Las Vegas is beneath their dignity. It means, of course, that we still have much missionary work to do among the more backward peoples of the Nation.

Above all it is obvious that some of the doctors belonging to the AMA need to have their heads examined.

INVESTIGATION OF CONGRESS—CASE OF EDWARD A. HINTZ

Mr. FULBRIGHT. Mr. President, recently I received from the Department of Justice a copy of the memorandum opinion delivered by U.S. District Judge Julius H. Miner in the case of the United States of America, plaintiff, against Edward A. Hintz, defendant. This opinion discusses two issues raised in that case—the nature of violations of section 192 of title 2 of the United States Code, providing for punishment for contempt of Congress, and the question of a congressional committee right to prescribe the circumstances under which hearings shall be held, particularly with respect to the use of television and the extent to which a witness, called before a congressional committee, may question the circumstances under which he is asked to testify.

This case has a long background which, in the interest of saving time, I shall not go into. On May 16, 1957, the Senate adopted Senate Resolution 124, 85th Congress, citing Edward A. Hintz for contempt because of his refusal to testify in the Banking and Currency Committee's hearings on the Illinois banking situation. Senate Report 232, 85th Congress, from the Banking and Currency Committee, explained the entire story in detail, including a full copy of the pertinent portions of the transcript of the hearing. Other legal proceedings relating to this case appear in volume 19 of the Federal Rules Decisions at page 410, and in volume 245 of the Federal Reporter, second series, at page 667. The Banking and Currency Committee's printed hearings on the Illinois banking situation also contain additional material relating to the legal problems arising out of these hearings.

It is enough for this purpose to say that Mr. Hintz was cited for contempt because he refused to testify before the committee on the ground that there were present in the hearing room television and moving picture cameras, radio equipment, and still cameras.

After lengthy legal proceedings during which Mr. Hintz attempted unsuccessfully the right of the committee to bring him before it, Mr. Hintz was indicted. The first indictment was dismissed for technical reasons, and Mr. Hintz was indicted again on October 31, 1958. His lawyer moved to dismiss the indictment, and the decision I have received explains the reasons for Judge Miner's rejection of the motion to dismiss the indictment. After the motion to dismiss the indictment was denied, Mr. Hintz pleaded nolo contendere, a sentence of guilty was thereupon entered, and Mr. Hintz was sentenced to 1 year in the custody of the Attorney General and fined $100. The imposition of sentence was suspended, and Mr. Hintz was placed on probation for 1 year.

The opinion discusses at length the entire problem of televising congressional hearings. At the time of the hearing, the issue was raised by Mr. Hintz' counsel, and I ruled that the hearing would proceed in accordance with the procedures previously established at the hearing for other witnesses—that television cameras, moving picture cameras, radio, and other recording equipment might be operated, but that the live television cameras would not be directed at the witness while he was testifying, if he so requested, and still photographers would remain behind the witness table while he was testifying. The fundamental basis for my ruling is contained in the following paragraph from my statement at the hearing:

> Neither the witness nor his counsel have a right to object on the basis of the means of communication which are used by various media to transmit this hearing to the public. The decision that public hearings be held is solely within the discretion of the committee itself. This having been decided, it is not proper for me now to decide that the committee should discriminate among the various means of public communication. To do so in the absence of a definite showing that the witness will be rendered unable to testify truthfully would amount to a decision by me that the public is not entitled to determine which means of communication it desires to use. Thus, it is in effect a form of censorship.

I am glad to say that Judge Miner's opinion completely sustains the position I took. The entire opinion should be read by interested committees. I should like, however, to call attention to one or two remarks which, in my judgment, deserve specific mention.

> Ruling on how congressional hearings shall be conducted is the task of the Congress. The courts have no right to dictate either the procedures for Congress to follow in performing its functions, or the composition and conduct of the persons and paraphernalia admitted by Congress to its hearings. This court has no power to impose upon Congress, a coordinate branch of our Government, either a proscription against or a prescription for radio, television, movies, or photographs. This court is of the opinion that the mere presence of such mechanisms at an investigative hearing does not infect the proceeding with impropriety.

Judge Miner's opinion also states:

> There is a presumption that Congress, having ventured to act pursuant to its constitutional authority and in furtherance of its investigative functions, has properly exercised that authority and properly performed those functions. This presumption is not rebutted by anything less than competent proof that (1) defendant was actually deprived of his normal faculties to respond intelligently with clarity and accuracy, (2) this deprivation was the reasonable result of conditions caused, or affirmatively allowed to exist, by Congress, and (3) such conditions were unreasonable and unwarranted.

On the general subject of different means of communications, the court gave the following comments:

> Once we have confirmed the right of the public to the presence of the press over the desire of a witness to protect his sensibilities, it is impossible to accept as valid a rationale which excludes other media because of personal sensitivity. The pencil and pad have the capability of drawing a fine and accurate picture of the proceedings in words and caricatures. The camera and the microphone do not render the proceedings more public; they render the picture more precise. The difference in the effect on a witness' emotional sensibilities through the press report or through sight and sound recording and transmission is not a difference of kind. At most the difference is in the immediacy and the extent of the effect.

Because of the importance of this opinion as a guide to Senate committees, I ask unanimous consent that the full text of the opinion be printed in the RECORD immediately following these remarks.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA, PLAINTIFF, VERSUS EDWARD A. HINTZ, DEFENDANT—No. 58 CR 656—193 F. SUPP. 325 (1961)

(In the U.S. District Court for the Northern District of Illinois, eastern division)

MEMORANDUM

Edward A. Hintz was indicted on October 31, 1958, for violation of section 192 of title 2 of the United States Code (Revised Statutes, sec. 102, as amended by 52 Stat. 942), which provides:

> "Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than $1,000 nor less than $100 and imprisonment in a common jail for not less than one month nor more than twelve months."

The indictment charged, in substance, that the Committee on Banking and Currency of the U.S. Senate had been conducting hearings pursuant to Public Law 601, 79th

Congress, sections 102(1)(d) (rule XXV(1)(d) of the Standing Rules of the Senate) and 134(a) (60 Stat. 815, 831), and pursuant to Senate Resolution 155, 84th Congress, 2d session; that the defendant had been duly summoned to testify before the committee at its hearing on October 9, 1956, in Chicago, Ill.; that the defendant had come before the committee, where he was duly directed to be sworn and to testify; that the defendant had refused so to be sworn and to testify; and that the defendant thereby willfully had made default in violation of the statute.

Defendant subsequently moved to dismiss the indictment, presenting several important legal issues. Both parties filed detailed, comprehensive briefs on all questions raised by the motion. This memorandum will deal with two of those questions.

The defendant complains that there is a fatal inconsistency in the charge of the indictment. He points to the allegation that he had "come before" the committee pursuant to summons, and then to the conclusory charge that he "willfully did make default." He next points to the allegation that he refused "to be sworn and to testify," and the supposed failure of the indictment to allege that he refused "to answer any question pertinent to the question under inquiry." Finally, he views the "willful default" and "refusal to answer" branches of the statute as defining completely discrete and distinct offenses, and contends that activity coming under one must ipso facto be deemed nonviolative of the other. In substance, the defendant interprets section 192 as proscribing only conduct falling within one of two categories: (1) willful disregard of summons, which defendant says is all that is meant by the statutory phrase "willfully makes default," and (2) refusal, after having appeared, to answer questions which concern the substance of the subject under investigation, which defendant says is all that is meant by the statutory phrase "pertinent to the question under inquiry."

This court is unable to adopt the propositions so urged, predicated as they are upon a misapprehension of both the purpose and the provisions of section 192. The "default" which, when willful, violates the statute, refers to a failure "to give testimony or to produce papers" upon a matter under inquiry before the Congress or its committee. Such default can as well occur by refusal to testify as by refusal to appear. The statute proscribes every willful failure to comply with summons, not merely the failure to appear pursuant to summons.

This interpretation of the provisions of the so-called "first branch" of section 192 accords with its purpose as expressed by Mr. Chief Justice Vinson in *United States* v. *Bryan*, 399 U.S. 323, 329–330 (1950), rehearing denied 339 U.S. 991:

"It is clear that R.S. § 102 is designed to punish the obstruction of inquiries in which the Houses of Congress or their committees are engaged. If it is shown that such an inquiry is, in fact, obstructed by the intentional withholding of documents, it is unimportant whether the subpenaed person proclaims his refusal to respond before the full committee, sends a telegram to the chairman, or simply stays away from the hearing on the return day. His statements or actions are merely evidence from which a jury might infer an intent to default. A proclaimed refusal to respond, as in this case, makes that intent plain. But it would hardly be less plain if the witness embarked on a voyage to Europe on the day before his scheduled appearance before the committee.

"Of course a witness may always change his mind. A default does not mature until the return date of the subpena, whatever the previous manifestations of intent to default. But when the Government introduced evidence in this case that respondent had been validly served with a lawful subpena directing her to produce records within her custody and control, and that on the day set out in the subpena she intentionally failed to comply, it made out a prima facie case of willful default."

The allegation in the indictment that defendant refused to be sworn and to testify is sufficient to charge, not only that he made willful default, but also that, having appeared, he refused to answer questions pertinent to the question under inquiry.[1] See *United States* v. *Josephson*, 165 F. 2d 82 (C.A. 2, 1947), certiorari denied 333 U.S. 838, rehearing denied 333 U.S. 858; *Eisler* v. *United States*, 170 F. 2d 273 (1948), certiorari granted 335 U.S. 857, certiorari dismissed 338 U.S. 883. Indeed, the mere charge of refusing to be sworn sufficiently charges a violation of the so-called second branch of the statute. There is no question more pertinent to a subject under investigation than the question whether the witness before the tribunal will answer truthfully.

The defendant is mistaken in his view that, having appeared before the committee pursuant to a subpena requiring that he appear and testify, he could be charged only for refusing to answer pertinent questions rather than for willful default. He further errs when he urges that his refusal to be sworn and to testify is not sufficient to charge a refusal to answer pertinent questions.

Defendant further attacked the indictment by asserting that the circumstances under which he was being asked to testify were such that any attempt to punish him for his refusal would constitute an unlawful interference with his "legal" and "moral" rights. In substance, he contends that such refusal cannot be contumacious when it is made in the presence of, and purports to be predicated upon an inability to testify accurately when he is the subject for television and radio broadcasting apparatus, newsreel cameras, and photographers.

Ordinarily, this type of attack is phrased in terms of avoidance and may be properly raised only during the trial as a defense or in mitigation. However, defendant has raised the issue in his attack on the legal sufficiency of the indictment, and it is this attack with which the Court is here concerned.

All counsel agree that television, radio, newsreel, and other equipment were present and operating in the hearing room when defendant was asked to testify. Counsel only disagree concerning the existence, nature, and extent of the discomfiture which a witness may feel while being subjected to the scrutiny of the public as well as the Congress. The issue, therefore, which this Court decides, is whether a contempt of Congress is divested of its criminal character by the mere presence of mass communication media in the vicinity of the witness whose silence the statute condemns.

In support of his position, the defendant has cited *United States* v. *Kleinman*, 107 F. Supp. 407 (D.C.D.C., 1952), and an Illinois statute (Ill. Rev. Stats., 1957, ch. 51, sec. 57).

The Kleinman decision does not support plaintiff's contentions on the issue now before this Court. The Court there was considering the merits of a contempt-of-Congress charge, and not the sufficiency of the charging document. Indeed, the fact that District Judge Schweinhaut disposed of the Kleinman case on its merits necessarily implies a belief, if not a judicial determination, that the indictments were sufficient to charge the crime even though "there were, in close proximity to the witness, television cameras, newsreel cameras, news photographers with their concomitant flashbulbs, radio microphones, a large and crowded hearing room with spectators standing along the walls, etc." (107 F. Supp. 408). If Kleinman is authority at all on the question whether a reluctant witness may or may not cite the presence of communications mechanisms as complete justification for his contempt of Congress and in bar of any prosecution, it is authority for the principle that he may not.

The language in Kleinman [2] can, of course, be read as approving a single pervasive principle of exclusion—one which prevents conviction of any witness who commits contempt of Congress while in the presence of spectators and the sensory apparatus which permit the Nation to see and to hear. To the extent that the learned court in Kleinman may, in fact, have been advancing such an exclusionary principle, this court disapproves its reasoning and declines to accept the case as authority. This is not solely because the statement of such a rule was unnecessary to the disposition made of the merits in Kleinman and is but obiter dictum. The principle reason for the rejection of such a rule is that neither statute nor Constitution nor internal rule of Congress requires exclusion of the public from the view of congressional committee proceedings as a condition precedent to the application and enforcement of section 192.[3]

It is true that canon 35 of the American Bar Association Canons of Judicial Ethics [4]

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[1] Congressional inquiries must, of course, be related to proper legislative purposes, and witnesses may be directed to answer only if the questions are pertinent to such inquiries. *Barenblatt* v. *United States*, 360 U.S. 109 (1959), rehearing denied 361 U.S. 854; *Watkins* v. *United States*, 354 U.S. 178 (1957); *Quinn* v. *United States*, 349 U.S. 155 (1955); *McGrain* v. *Daugherty*, 273 U.S. 135 (1927).

[2] "It is said that these defendants are hardened criminals who were not and could not have been affected by the paraphernalia and atmosphere to which they were exposed. That may be so, but the Court cannot take judicial notice that it is so. Moreover, it cannot be said that for John, who is a good man, one rule applies, but for Jack, who is not a good man, another rule applies. Such reasoning is incompatible with our theory of justice" (107 F. Supp. at 408).

[3] On the contrary, the Legislative Reorganization Act of 1946 requires that "All hearings conducted by standing committees or their sub-committees shall be open to the public, except executive sessions for marking up bills or for voting or where the committee by a majority vote orders an executive session" (ch. 753, title I, sec. 133(f), 60 Stat. 831; 2 U.S.C. sec. 190a(f)). This provision was incorporated in the standing rules of the House of Representatives on January 3, 1953, as rule XI, clause 25(g), Rules and Manual of the House of Representatives (U.S. Government Printing Office, 1957), page 366.

(See, also, rule 3 of the Senate Commerce Committee: "Public hearings of the full committee, or any subcommittee thereof, shall be televised or broadcast only when authorized by the chairman and the ranking minority member of the full committee.")

[4] The canon reads as follows:

"Proceedings in court should be conducted with fitting dignity and decorum. The taking of photographs in the courtroom, during sessions of the court or recesses between sessions, and the broadcasting or televising of court proceedings are calculated to detract from the essential dignity of the proceedings, distract the witness in giving his testimony, degrade the court, and create misconceptions with respect thereto in the mind of the public and should not be permitted.

"Provided that this restriction shall not apply to the broadcasting or televising, under the supervision of the court, of such portions of naturalization proceedings (other than the interrogation of applicants) as are designed and carried out exclusively as a

has received overwhelming judicial approval, and that communications media machinery are barred from most courtrooms in the United States. But what the courts may do in order to further the search for justice between litigants has no relevance to what Congress may believe will further its search for information.

There is a valid judicial purpose in excluding from a courtroom all factors which may disturb or distract the witnesses from their primary goal. But the purpose of the canon and its "exclusionary" principle is completely unrelated to any need or desire to protect litigants or witnesses from the widespread dissemination of testimony. The press, without the supplementation afforded by other media, has already proved itself quite adequate and valuable to the functions of disseminating reports of testimony. Even the strictest application of canon 35 would not require that a galaxy of press reporters or "spectators standing along the walls" who invariably attend an important or sensational court trial should be excluded.

Once we have confirmed the right of the public to the presence of the press over the desire of a witness to protect his sensibilities, it is impossible to accept as valid a rationale which excludes other media because of personal sensitivity. The pencil and pad have the capability of drawing a fine and accurate picture of the proceedings in words and caricatures. The camera and the microphone do not render the proceedings more public; they render the picture more precise. The difference in the effect on a witness' emotional sensibilities through the press report or through sight and sound recording and transmission is not a difference of kind. At most the difference is in the immediacy and the extent of the effect.

The purpose for admitting the one in the courtroom while excluding the other, relates solely to the character of judicial proceedings, our concept of the function of the courts, and our conclusions concerning the methods by which best to perform judicial functions and promote the quest for justice. Even so, there is agitation among the bar for abolition or modification of the ban in judicial proceedings.[5]

The sensitivity of a witness is much less a proper factor in legislative hearings. There are no litigants in a congressional hearing. The issues in a congressional investigation have no particular relevance to the liberty or property rights of witnesses. Indeed, there is a valid legislative purpose in informing and educating the public to the end that they may exercise an informed judgment and render all possible aid to Congress in the investigations and deliberations which are the essence of the legislative function. There is, undeniably, a valid legislative purpose in admitting to the conference room the eyes and the ears of the Nation.[6]

In judicial proceedings there are private rights of litigants which the court is zealous to protect. In legislative inquiries, there are no such rights directly in issue. So long as there is no encroachment upon constitutional rights, the public right and duty of the legislature to investigate supersedes any incidental private embarrassment. And the same rule applies when Congress implements its investigations by disseminating its findings, by informing the people on the necessity for, alternatives to, provisions, efficacy, and probabilities for enactment of proposed or pending legislation, and by soliciting the aid of an informed public. (See *Barenblatt* v. *United States*, 360 U.S. 109, 126–127, 134 (1959), rehearing denied, 361 U.S. 854; *Watkins* v. *United States*, 354 U.S. 178, 215 (1957).)

It is possible that constitutional rights can be denied through abuse of either the exclusionary principle of the courts or the admissibility rule adopted by Congress. Abuses may have actually occurred in the past and may occur in the future. What makes us secure in sustaining the right of the judiciary to exclude, and the legislature to admit, is a confidence that our courts will not permit encroachments on constitutional rights.

Ruling on how congressional hearings shall be conducted is the task of the Congress.[7] The courts have no right to dictate either the procedures for Congress to follow in performing its functions, or the composition and conduct of the persons and paraphernalia admitted by Congress to its hearings. This court has no power to impose upon Congress, a coordinate branch of our Government, either a proscription against or a prescription for radio, television, movies, or photographs. This court is of the opinion that the mere presence of such mechanisms at an investigative hearing does not infect the proceeding with impropriety. It is only when appeal is made for judicial action in a particular case that the courts can appraise the legislative procedures and conduct which it is alleged have been unlawfully employed (*Watkins* v. *United States*, 354 U.S. 178, 205 1957).

Kleinman sustained refusals to answer congressional inquiries because of the presence of the public, the press and the other media—their number, distance, lighting, dimensions of room, demeanor. The learned judge held that "the concentration of all of these elements seems to me necessarily so to disturb and distract any witness to the point that he might say today something that next week he will realize was erroneous" (107 F. Supp. at 408).

The question for the factfinder in a contempt-for-refusal-to-answer case, where the defense condemns the conditions under which the defendant was commanded to answer, is whether or not the conditions were reasonably conducive to that clarity and accuracy of response of which that defendant would normally have been capable. (See *United States* v. *Orman*, 207 F. 2d 148, 159 (C.A. 3, 1953).) Kleinman is correct to the extent that it properly defined the issue to be decided. This court does not agree with Kleinman, however, in its view that this issue can be decided without competent evidence of the actual effect of the conditions on the individual asserting their impropriety.

Kleinman first found that ordinary men would be so adversely affected by the physical conditions under which the defendants there had been called upon to speak, that they could not speak with ordinary clarity and accuracy. It then proceeded to "presume" that the defendants were so affected, notwithstanding that defendants had not offered proof of the actual effect of the physical conditions upon them. This presumption, the court reasoned, was applicable because the Government failed to present evidence to the contrary. And, anyway, said the court, such evidence would have been incompetent because "it cannot be said that for John, who is a good man, one rule applies, but for Jack, who is not a good man, another rule applies" (107 F. Supp. at 408).

To follow the Kleinman rationale is to effect a basic departure from criminal law procedural principles which have long been considered settled. The Government's initial burden is to present proof of every essential element of the crime charged (*United States* v. *Hoyland*, 264 F. 2d 346 (C.A. 7, 1959), certiorari denied 361 U.S. 845). The accused carries the burden of going forward by proving facts which relate to him personally, especially when those facts are relied upon by him as justifying or excusing an otherwise criminal act (*McPhaul* v. *United States*, 364 U.S. 372, 379 (1960); *Taylor* v. *United States*, 19 F. 2d 813 (C.C.A. 8, 1927); *Williams* v. *United States*, 170 F. 2d 319, 322 (C.A. 5, 1948), certiorari denied 335 U.S. 909; *Jencks* v. *United States*, 226 F. 2d 540 (C.A. 5, 1955), reversed on other grounds 353 U.S. 657 (1957)).

The prosecution always has the burden of proving guilt beyond a reasonable doubt and this burden never shifts (*Leland* v. *Oregon*, 343 U.S. 790 (1952), rehearing denied 344 U.S. 848; *United States* v. *Indian Trailer Corp.*, 226 F. 2d 595 (C.A. 7, 1955); *United States* v. *Fenwick*, 177 F. 2d 488 (C.A. 7, 1949); *United States* v. *Morley*, 99 F. 2d 683 (C.A. 7, 1938), certiorari denied 306 U.S. 631; *Duncan* v. *United States*, 23 F. 2d 3 (C.C.A. 7, 1927)), but its task in response to an alleged defense is to answer, not to anticipate, a defendant's proof.

In a prosecution for violation of title 2, United States Code, section 192, the Government makes out a prima facie case of willful default by introducing evidence that defendant "* * * had been validly served with a lawful subpena * * * and that on the day set out in the subpena (defendant) intentionally failed to comply * * *" (*United States* v. *Bryan*, 339 U.S. 330 (1950)).

The Government need not, initially, adduce evidence to negative the defense that the conditions set by Congress at the time of inquiry rendered defendant unable to speak with such accuracy and clarity as reasonably approximates that of which he would

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ceremony for the purpose of publicly demonstrating in an impressive manner the essential dignity and the serious nature of naturalization."

(See Howard, "A Newspaper Editor Looks at Canon 35," 37 J. Am. Jud. Soc. 166 (1954); McCoy, "The Judge and Courtroom Publicity," 37 J. Am. Jud. Soc. 167 (1954); Brownell, "Press Photographers and the Courtroom—Canon 35 and Freedom of the Press," 35 Neb. L. Rev. 1 (1955); Swindler, "Commentary on Press Photographers and the Courtroom," 35 Neb. L. Rev. 13 (1955); Boldt, "Should Canon 35 be Amended? A Federal Judge Answers 'No'," 41 A.B.A.J. 55 (1955); Hanson, "Canon 35—Press, Radio and Television Coverage of the Courts," 16 Ala. Lawyer 248 (1955); Miller, "Should Canon 35 be Amended? A Question of Fair Trial and Free Information," 42 A.B.A.J. 834 (1956); Wiggins, "Should Canon 35 be Amended? A Newspaperman Speaks for the News Media," 42 A.B.A.J. 838 (1956); Tinkham, "Should Canon 35 be Amended? A Question of Proper Judicial Administration," 42 A.B.A.J. 843 (1956); Seals, "TV—A Pressing Problem," 19 Texas B.J. 72 (1956); McCandless, "The Case Against Canon 35," 45 Ill. Bar J. 544 (1957); Cedarquist, "The Case for Canon 35," 45 Ill. Bar J. 698 (1957); Taylor, "Broadcasting in the Courtroom," 60 W. Va. L. Rev. 312 (1958); Barco, "The Free Press" and "A Fair Trial," 31 Pa. Bar Assn. Quarterly 63 (1959); Douglas, "The Public Trial and the Free Press," 46 A.B.A.J. 841 (Aug. 1960).)

[5] It is currently being contended that with the elimination of flash, hot lights and noisy equipment, the old objections to broadcasting no longer have vitality, and that broadcasting, photographing and televising such proceedings will afford the public a needed familiarity with the administration of justice. A special committee of the American Bar Association is presently reappraising the problem. (See Lyman, *"Courts, Communications and Canon 35,"* 46 A.B.A.J. 1295 (December 1960).)

[6] Even canon 35 sanctions the broadcasting, photographing, or televising of certain court ceremonials which register a salutary impact on the public. No objections have been raised to the transmission of judicial conferences, judicial inaugurals, and other nonlitigative ceremonials.

[7] The regulation of telecasts, broadcasts, and photographs of hearings before the House of Representatives and its committees is discussed briefly in CONGRESSIONAL RECORD, Feb. 23, 1961, pp. 2610–2614.

normally have been capable. This latter principle has been adopted by the Supreme Court for application in prosecutions under title 2, United States Code, section 192, in the following words (*United States* v. *Fleischman*, 339 U.S. 349, 360–362 (1950)):

"Granting that these or other excuses for nonaction may exist, must the Government negative each, or was the burden on respondent to advance them as defensive matter?

"We think that the circumstances of this case fairly bring into play the familiar doctrine in criminal cases that 'it is not incumbent on the prosecution to adduce positive evidence to support a negative averment the truth of which is fairly indicated by established circumstances and which if untrue could be readily disproved by the production of documents or other evidence probably within the defendant's possession or control' (*Rossi* v. *United States*, 289 U.S. 89, 91–92 (1933)), and authorities cited. The considerations that govern this question have been stated well by Mr. Justice Cardozo in discussing a similar question—the constitutionality of a statute which shifted the burden of proof in a criminal prosecution to the defendant. He said:

" 'The decisions are manifold that within limits of reason and fairness the burden of proof may be lifted from the State in criminal prosecutions and cast on a defendant. The limits are in substance these, that the State shall have proved enough to make it just for the defendant to be required to repel what has been proved with excuse or explanation, or at least that upon a balancing of convenience or of the opportunities for knowledge the shifting of the burden will be found to be an aid to the accuser without subjecting the accused to hardship or oppression.

* * * * *

" 'For a transfer of the burden, experience must teach that the evidence held to be inculpatory has at least a sinister significance * * *, or if this as times be lacking, there must be in any event a manifest disparity in convenience of proof and opportunity for knowledge, as, for instance, where a general prohibition is applicable to everyone who is unable to bring himself within the range of an exception (Greenleaf, Evidence, vol. 1, sec. 79). The list is not exhaustive. Other instances may have arisen or may develop in the future where the balance of convenience can be redressed without oppression to the defendant through the same procedural expedient. The decisive considerations are too variable, too much distinctions of degree, too dependent in last analysis upon a commonsense estimate of fairness or of facilities of proof, to be crowded into a formula. One can do no more than adumbrate them; sharper definition must await the specific case as it arises' (*Morrison* v. *California*, 291 U.S. 82, 88–91 (1934).)

"In this situation, manifestly, the prosecution is under a serious practical handicap if it must prove that negative proposition—that respondent did not or had no good reason for failing to try to comply with the subpena insofar as she was able. The possibilities of time and circumstances are of such wide range as to defy inclusive rebuttal. On the other hand, the burden of the affirmative was not an oppressive one for respondent to undertake; the relevant facts are peculiarly within her knowledge."

It is not sufficient for a defendant in these cases merely to describe the setting for the congressional inquiry. Just as no court can proscribe congressional inquiries merely because they are alleged to involve the area of freedom of speech or improper impelling motives (*Barenblatt* v. *United States*, 360 U.S. 109, 125–134 (1959), rehearing denied 361 U.S. 854), no court can look at a setting and ipso facto determine that a witness properly refused to comply with a subpena to testify. On the contrary, there is a presumption that Congress, having ventured to act pursuant to its constitutional authority and in furtherance of its investigative functions, has properly exercised that authority and properly performed those functions. This presumption is not rebutted by anything less than competent proof that (1) defendant was actually deprived of his normal faculties to respond intelligently with clarity and accuracy, (2) this deprivation was the reasonable result of conditions caused, or affirmatively allowed to exist, by Congress, and (3) such conditions were unreasonable and unwarranted.

The principle that one who is ordered by propery authority to speak may remain silent if he is able to bring himself within the area of insulation from such commands, is not new, nor is it unique to this kind of case. For many years our courts have required that when a witness claims a right to remain silent in reliance on the privilege against self-accusation assured by the fifth amendment, and that claim is contested before a court, he must demonstrate that the answer can, indeed, support a conviction or furnish a link in the chain of evidence needed to convict (*Mason* v. *United States*, 244 U.S. 362 (1917); *Blau* v. *United States*, 340 U.S. 159 (1950)).[8]

In the Mason case, the Supreme Court confirmed the rule that the witness who asserts the privilege against self-incrimination must have and prove that he "* * * had reasonable cause to apprehend danger to himself from a direct answer to any question propounded * * *" (244 U.S. at 367). Proof must be presented by the witness as to the effect any such answer may or would have upon him, not as to the effect such answer may or would have upon someone else or even upon some hypothetical "ordinary" man. Nor is it sufficient for him merely to assert, without such proof, that there may or would be such effect, for:

"The general rule under which the trial judge must determine each claim according to its own particular circumstances, we think, is indicated with adequate certainty in the above cited opinions. Ordinarily, he is in much better position to appreciate the essential facts than an appellate court can hold and he must be permitted to exercise some discretion, fructified by commonsense, when dealing with this necessarily difficult subject. Unless there has been a distinct denial of a right guaranteed, we ought not to interfere.

"In the present case the witnesses certainly were not relieved from answering merely because they declared that so to do might incriminate them * * *" (244 U.S. at 366–367).[9]

Mr. Hintz has no greater right than the courts to prescribe the conditions under which he may be interrogated by Congress. Whether a congressional committee hearing shall be public or private, and who shall be admitted or invited, are questions committed to the Congress by the very basic constitutional separation of powers principle. The courts may not deny legal sufficiency to a contempt of Congress indictment merely because the admitted factual context includes the presence of photographic and aural recording and transmission apparatus. The defendant has full opportunity to assert the presence and prove the effect on him of such apparatus in his defense to the charge at the trial.

There is but one limitation to this right of the defendant to assert the nonwillfulness of his refusals to answer questions relevant to a proper legislative purpose. This concerns the matter of the oath. It is the opinion of the court that no conditions within the hearing room, no impropriety in the convening of the inquiring committee or in the means by which a witness has been summoned, and no irrelevancy of the questions anticipated or known to follow, can warrant a refusal to take the oath or express an affirmation. It is, in short, no defense to a contempt of Congress prosecution for refusal to swear or affirm, that the witness would not or could not answer the questions of substance to follow.

The defendant's contention concerning Ill. Rev. Stats. 1957, chapter 51, section 57, may be quickly disposed of. This statute reads:

"No witness shall be compelled to testify in any proceeding conducted by a court, commission, administrative agency, or other tribunal in this State if any portion of his testimony is to be broadcast or televised or if motion pictures are to be taken of him while he is testifying."

The statute may be sufficient to proscribe any State of Illinois proceeding brought to punish a refusal to testify at a State or municipal legislative hearing that was broadcast, televised, or filmed.[10] The statute does not, however, purport to apply to Federal proceedings. Indeed, any interpretation to the contrary would render the statute unconstitutional in its purported application to Federal proceedings. (*In re Tarble's* case 80 U.S. 397 (1871); *Tennessee* v. *Davis*, 100 U.S. 257 (1879); *Bank of the United States* v. *Halstead*, 23 U.S. 51 (1825); *McCulloch* v. *Maryland*, 17 U.S. 316 (1819). See also, *Weston* v. *The City Council of Charleston*, 27 U.S. 449, 465 (1829); *Bank of Commerce* v. *New York City*, 67 U.S. 620, 632–633 (1862); *Township of Pine Grove* v. *Talcott*, 86 U.S. 666, 675 (1873); *Claflin* v. *Houseman*, 93 U.S. 130, 136 (1876); *Kansas City Southern Ry. Co.* v. *Kaw Valley Drainage Dist.*, 233 U.S. 75, 78 (1913); *Massachusetts* v. *Mellon*, 262 U.S. 447, 485–486 (1922); *Sanitary District of Chicago* v. *United States*, 266 U.S. 405, 426 (1925); *Florida* v. *Mellon*, 273 U.S. 12, 18 (1927); *Parker* v. *Brown*, 317 U.S. 347, 359–360 (1943); *Allied Stores of Ohio* v. *Bowers*, 358 U.S. 522, 526 (1959); Cf. *City of New York* v. *Mila*, 36 U.S. 102 (1837).)

JULIUS H. MINER,
U.S. District Judge.

Dated April 5, 1961.

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[8] Also, with respect to assertions that communications are privileged, it is incumbent on the claimant to prove his right to the benefits of the privilege (*Crosby* v. *Pacific S.S. Lines*, 133 F. 2d 470, 475 (C.A. 9, 1943), certiorari denied 319 U.S. 752. See also, *Ranger, Inc.* v. *Equitable Life Assurance Society of U.S.*, 196 F. 2d 968 (C.A. 6, 1952)).

[9] It is, of course, accepted principle that where there is provided appropriate immunity from the effects of his testimony, a witness may not refuse to speak. (See *Reina* v. *United States*, 364 U.S. 507 (Dec. 19, 1960).)

NATIONAL PERIL FROM WITHIN AND WITHOUT

Mr. JOHNSTON. Mr. President, in its issue of Tuesday, July 4, the Anderson Daily Mail sounds a warning to the American people to be aware of the peril confronting our country from within and without.

In accordance with this editorial, I believe that the country can no longer drift aimlessly. We cannot afford to be stupified by the progress we have made in the past but must look seriously into the future in order to continue our great traditions of liberty and freedom.

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[10] While this court is aware of the important legal issues raised by this legislative directive in its application to court proceedings, we do not here intend to pass upon the power of the Illinois legislature to prescribe how judicial proceedings shall be conducted.

Now, more than ever, our country needs to hold in mind the objectives of our heritage and accordingly strengthen our stand at home and promote our cause abroad. Communism is threatening the world today as never before. We cannot appease the Communists any longer but must work for peace and the preservation of liberty regardless of the cost.

Mr. President, I ask unanimous consent that this splendid editorial be printed in the body of the RECORD together with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ON OUR 185TH BIRTHDAY

On this 185th anniversary of our Nation's birth, thoughtful men everywhere will reappraise the course of freedom over decades now past, and will peer deep into the future as they hopefully attempt to chart the course of America through dangerous waters that lie ahead.

Today our land, this beloved America, faces powerful enemies without any conflicting tides within our own borders.

The most important, the most challenging, the most frightful fact for America on this Independence Day is that insidious communism, spreading its tentacles throughout the universe, has this Nation as its prime target.

It seeks to isolate us from the remainder of the world, and to conquer us from within.

Failing at that it is assembling its armed might—a mighty armament of nuclear weapons—with which it hopes to destroy us in one gigantic blow.

Steadily the Communist world is gathering its might, and the showdown will certainly come, in one form or another, not somewhere in the distant future, but within the lifetimes of nearly all who read these lines.

Today we could well be standing much closer to the brink than we were in the early 1930's when Hitler began his climb to power.

That is the peril from without.

But we are also faced with internal dangers.

One is moral corruption.

Another is easy living.

As a Nation we have, without doubt, lost some of the moral stamina of our rugged forefathers who established this as a Christian nation, and who built it upon a solid foundation of trust in the Almighty.

We have drifted away from that standard in this century, and it has changed the moral fiber of the American people. We countenance many things in our national life and in our social life that are basically wrong. But we shrug them off, and those who engage in these practices remain honored members of society.

Easy living, too, is in danger of taking its toll.

That hasn't happened yet. Conclusive proof is found in the manner in which the American people gave up luxuries and bucked down to winning the Second World War only 20 years ago.

We would do the same again today.

But somewhere down the road ahead there is a danger that America, like other great civilizations of the past, may succumb to the pleasures of soft living so that when the clarion call for defense of the Nation comes, the people will no longer be able to respond.

These are dangers that we face today and tomorrow.

NEBRASKA STOCK GROWERS ASSOCIATION 72D ANNUAL CONVENTION

Mr. HRUSKA. Mr. President, last month, the Nebraska Stock Growers Association held its 3-day annual convention in Norfolk, Nebr. On Friday, June 9, it was my privilege to be a guest and speaker on its program. Mrs. Hruska at the same time was honored at the annual luncheon of the Cow Belles, the ladies auxiliary which is doing so much to advance and popularize the use of beef and beef products on America's dinner table.

This association was organized in 1888 to deal with the cattle raisers' problems and difficulties of those times. It has performed a useful role of vigorous leadership ever since. In the past 70-some years which have intervened, the place and problems of this industry have changed greatly.

HIGH PLACE OF BEEF INDUSTRY

Its place is of the highest rating on the Nation's menu. Beef is the largest volume item sold in the food stores in America. Although it is only one among some 5,000 items in these stores, beef and beef products generate upward of 10 percent of their total dollar sales.

The Nation's per capita consumption of beef on an annual basis is 85 pounds. In 1950 it was about 63.4 pounds.

In Nebraska, 43 percent of farm income comes from cattle. In addition to its vast raising and feeding operations, my State has some 60 meatpacking establishments, and of course the world's largest livestock market, which is located in Omaha.

PROBLEMS OF THE BEEF INDUSTRY

As time has gone on, the problems of the beef industry have changed. No longer are they cattle rustlers and transportation of cattle in proper efficient fashion, as they used to be in the pioneer days.

In its recent meeting, the Nebraska Stock Growers were concerned about manmade problems, problems coming from legislative halls primarily.

Chester Paxton, of Thedford, Nebr., president of the group, in his keynote speech and report, discussed at some length the pending omnibus farm bill. He referred to it as a "monstrosity" and said it "dwarfs all other problems facing the industry at the present time." He pointed out that the bill would take the policy of authority out of the hands of Congress and turn it over to the Secretary of Agriculture, or to those who he appoints.

President Paxton went on to declare:

This is back-door approach to legislation that could lead to controls and marketing quotas for cattle or all livestock. When this happens we have the complete socialization of agriculture. We must see that this never happens," Mr. Paxton declared.

There are many scouts for the New Frontier working with various farm organizations for the enactment of this farm bill. They call it rush or emergency or must legislation and ridicule anyone who stands in their way. They feel they must push it through before we who will be affected have studied it thoroughly or it won't pass.

On the concluding day of the meeting, the association went on record in a resolution formally adopted calling for specific elimination from the omnibus bill of the cattle industry and also opposing the omnibus farm bill in its entirety because, as the resolution states:

(a) Unprecedented powers granted the Secretary of Agriculture to control all phases of agriculture will ultimately affect cattle production and marketing.

(b) The constitutional power granted to Congress to make law are being circumvented.

The association originally had considered calling only for exemption from the omnibus farm bill of their beef industry. However, during the course of their discussions, their attention was called to the article written by Dr. Willard Cochrane, chief economic adviser to Secretary of Agriculture Freeman. The article referred to appeared in the Journal of Farm Economics for November 1959, in which Dr. Cochrane wrote:

It is possible that the longrun price elasticity of beef at retail is greater than one, and some remote possibility that this price elasticity at the farm price level is greater than one. For these reasons, beef producers probably would not want to initiate supply control, and they would be justified in sitting out any early moves toward supply control.

It is probably the case, however, that beef producers would be forced to accept supply control if producers in the above aggregate of animal products adopted supply control.

Almost a year later, in the Farm Quarterly, summer 1960 issue, Dr. Cochrane was interviewed by the managing editor of that Journal, Charles R. Koch. Here is a pertinent excerpt from that interview:

Question by Editor Koch: "After a few commodities adopted supply control do you think others would be encouraged to follow suit?"

Answer by Dr. Willard Cochrane: "It would not be a matter of encouragement; some of them would be forced in. If you had a control on hogs, for example, and none on eggs, growers would transfer their corn into the production of more poultry and more eggs. It would be this old transfer of resources devil all over again. The feed resources released from hogs would be put through chickens to produce eggs; and eggs happen to be inelastic in demand and in just a little bit they'd be in real trouble. The feed grain would also be transferred to beef and beef producers would feel some pressure."

It became clear to the stock growers, as it should to anyone, that whether there was exemption of beef cattle or not from the terms of the omnibus farm bill, sooner or later they would fall into the maw of bureaucratic, governmental, and autocratic control centered in the hands of one man, a Presidential appointee in the person of the Secretary of Agriculture.

This was too much for the independent spirit and position which the stock growers had maintained for three quarters of a century, and hence the approval of resolution No. 3, entitled "Omnibus Farm Bill," which reads as follows:

Whereas the Agricultural Act of 1961, the omnibus farm bill identified as S. 1643 and H.R. 6400, contains provisions which could result in a strict control of livestock production and marketing which would be detrimental not only to the producer but to the consumer: Be it therefore

Resolved, That the Nebraska Stock Growers Association strongly urge that cattle be specifically eliminated from S. 1643 and H.R. 6400; and be it further

Resolved, That the Nebraska Stock Growers Association oppose the omnibus farm bill identified as S. 1643 and H.R. 6400 in its entirety because

(a) Unprecedented powers granted the Secretary of Agriculture to control all phases of agriculture will ultimately affect cattle production and marketing.

(b) The constitutional power granted to Congress to make law is being circumvented.

WIDE INTEREST IN NATIONAL AFFAIRS

The association publishes The Nebraska Cattleman. It has a staff which follows closely for the benefit of members, many issues and national affairs as well as State and local problems. The staff is headed by a very competent secretary treasurer in the person of Robert M. Howard, with headquarters in Alliance, Nebr.

In keeping with their long standing practice, the association adopted a number of resolutions.

For the purposes of this RECORD, however, I call attention only to those which are of national scope and interest.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD the several resolutions adopted by the 72d annual convention of the Nebraska Stock Growers Association on June 10, 1961, at its Norfolk, Nebr. meeting.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS PASSED BY THE NEBRASKA STOCK GROWERS ASSOCIATION AT THE 72D ANNUAL CONVENTION IN NORFOLK, NEBR., JUNE 10, 1961

STATEMENT OF POLICY

Whereas your committee on resolutions, believe it appropriate to call attention again to the policies, objectives, and beliefs of this association; and

Whereas the object of the Nebraska Stock Growers Association shall be to promote unity of purpose of cattlemen; to advance, foster, and protect the interests of all cattle breeders and producers of the State of Nebraska; to seek to improve the general merit, and extend the favorable reputation of Nebraska cattle; and do all things necessary to advance the prosperity of the industry; and

Whereas this committee desires to reaffirm these purposes and objectives of this association and that it will continue to be its aim to vigorously promote the interest and welfare of Nebraska cattlemen; and

Whereas it has been through the organized efforts of the members of the Nebraska Stock Growers Association that the promotion and protection of the livestock interest have been achieved: Therefore be it

Resolved, That we summon all Nebraska cattlemen to become members of the association and to be more closely united to safeguard and to further their industry always keeping in mind the general welfare and prosperity of our State.

OMNIBUS FARM BILL

Whereas the Agricultural Act of 1961, the omnibus farm bill identified as S. 1643 and H.R. 6400, contains provisions which could result in a strict control of livestock production and marketing which would be detrimental not only to the producer but to the consumer: Be it therefore

Resolved, That the Nebraska Stock Growers Association strongly urge that cattle be specifically eliminated from S. 1643 and H.R. 6400; and be it further

Resolved, That the Nebraska Stock Growers Association oppose the omnibus farm bill identified as S. 1643 and H.R. 6400 in its entirety because—

(a) Unprecedented powers granted the Secretary of Agriculture to control all phases of agriculture will ultimately affect cattle production and marketing.

(b) The constitutional power granted to Congress to make law are being circumvented.

ECONOMY IN GOVERNMENT

Whereas for many years we have in our resolutions called for economy in Government; and

Whereas each succeeding year brings greater spending of the taxpayer's money, much of it for nonessential services; and

Whereas our Government cannot long continue to spend in excess of its ability to pay: Now, therefore, be it

Resolved, That the Nebraska Stock Growers Association urge the State legislature to include in their interim study a study of sections, 1, 2, and 3, House Resolution 23, now pending in Congress, the sections reading:

"SECTION 1. The Government of the United States shall not engage in any business, professional, commercial, financial, or industrial enterprise except as specified in the Constitution.

"SEC. 2. The Constitution or laws of any State, or the laws of the United States shall not be subject to the terms of any foreign or domestic agreement which would abrogate this amendment.

"SEC. 3. The activities of the United States Government which violate the intent and purposes of this amendment shall, within a period of three years from the date of the ratification of this amendment, be liquidated and the properties and facilities affected shall be sold and the moneys applied on the national debt."

IMPORTS

Whereas foreign meats are continuing to be shipped to the U.S. markets in burdensome quantities; and

Whereas domestic cattle numbers are on the increase, which will result in larger beef supplies in the future; and

Whereas these foreign imports are likely to continue in heavy volume, thus causing adverse price impact on domestic production: Therefore be it

Resolved, That we request Congress to enact equitable and realistic legislation that will protect our industry against excessive imports of foreign meats and livestock.

LIVESTOCK BUYING AND TRADE PRACTICES

Whereas in order to realize full value for their livestock the Nation's stock growers and feeders must depend on unrestricted buying competition in all livestock markets; and

Whereas recently several bills have been introduced into the Congress of the United States which, if enacted, would seriously restrict the buying and selling competition of many large meatpackers, thus rendering less effective that competition for slaughter livestock to the serious detriment of livestock producers and feeders; and

Whereas the U.S. Department of Agriculture, under the Packers and Stockyards Act, has ample authority to promulgate and enforce reasonable and effective regulations governing livestock buying and trade practices of all segments of the meat packing business: Therefore, be it

Resolved, That the Nebraska Stock Growers Association opposes the enactment of any legislation that would restrict or limit the right of any buyer to compete for livestock in any legitimate channel of trade or that would restrict the right of any processor to use any legitimate method of merchandising livestock products.

BRUCELLOSIS

Whereas it has always been the policy of the Nebraska Stock Growers Association to advocate eradication of brucellosis from their herds by official vaccination of all heifer replacements until the entire herd has been vaccinated as calves; be it

Resolved, That we reiterate this policy by going on record as being for a 100-percent official calf vaccination program and will be willing to work out a mandatory calf vaccination program with the proper State and Federal officials if it will lead to modified certified areas; and be it further

Resolved, That the policy of the Nebraska Stock Growers Association regarding the blood testing part of the program be this: that the percent blood testing of range herds be deleted from the program and the bleeding that is done be left to the individual owner as is required to solve his particular herd problem of disease control, compliance with interstate movement regulations above official vaccination, compliance with breeding stock regulations on movement, interstate or to modified certified areas or to sales.

NATIONAL BEEF COUNCIL

Whereas the National Beef Council has been active in promoting beef on a national scale since its conception in 1955; and

Whereas its principal objective is to promote beef and beef products: Therefore be it

Resolved, That the Nebraska Stock Growers Association urge its members to support the National Beef Council in its efforts to promote our product.

NATIONAL LIVESTOCK AND MEAT BOARD

Whereas the National Livestock and Meat Board during the past 37 years has done an outstanding job of research, education, and information on all red meat: Therefore be it

Resolved, That the Nebraska Stock Growers Association urges further support of the National Livestock and Meat Board's activities in behalf of beef research and education.

REQUESTS TO LIVESTOCK MARKETS

Whereas many Nebraska cattle producers have signed prior consent authorization requesting their marketing agencies to deduct 8 cents per head for beef promotion purposes on cattle consigned by these producers; and

Whereas such method of deduction has been approved by the Packers and Stockyards Division: Therefore be it

Resolved, That the Nebraska Stock Growers Association urge all markets and direct buyers of cattle to honor such requests by the individual cattle producer.

RETIREMENT BENEFITS

Resolved, That we favor the tax protection on voluntary retirement benefits for self-employed individuals.

EDUCATION

Whereas the education of our children is of great importance; and

Whereas a concerted effort is being made by the NEA (National Education Association) to force States to greatly enlarge school districts and school enrollments, and to take over local control through various redistricting propositions; and

Whereas the Nebraska State Education Association seems to be complying with their wishes; and

Whereas many vicious, so-called educational bills have been advanced and some passed in the past two terms of our State legislature: Be it

Resolved, That our legislative committee appoint a subcommittee on education before the unicameral convenes in January of 1963 and that the duties of this education committee be to keep themselves informed on all bills being presented to the senate on education, with full power to appear at hearings on said bills, and to favor or oppose them.

AVERAGING OF INCOME

Resolved, That we favor legislation providing for the averaging of income for tax purposes over a period of from 5 to 10 years.

LABOR UNIONS

Whereas we recognize the right of labor to organize, nevertheless we express our belief that no man should be denied employment solely because of membership or non-membership in an organization.

Therefore we ask that labor unions be subject to the same controls and regulations as are now in force for corporations and industry.

PACKERS AND STOCKYARDS ADMINISTRATION

Whereas the Packers and Stockyards Act has been amended to extend the jurisdiction of the U.S. Department of Agriculture to all points where livestock are bought and/or sold in interstate commerce; and

Whereas closer supervision of interstate transactions will serve as a protection to producers through the registering and bonding all livestock buyers and sellers and general supervision of them: Now, therefore, be it

Resolved, That the Packers and Stockyards Administration implement the provisions of the amended Stockyards Act to its fullest extent.

LEATHER

Whereas the use of genuine leather in many products now offered on the American market, has been largely replaced by synthetic products, which often are inferior in wearing qualities and eye-appeal; and

Whereas the cattle producers of Nebraska have a direct, economic interest in the expanded use of genuine leather; and

Whereas increased emphasis, on the part of everyone connected with the cattle business, on purchasing genuine leather products, can have a material effect on its use and adaptation to the market: Now, therefore, be it

Resolved, That the members of the Nebraska Stock Growers Association hereby declare themselves as being in wholehearted accord with the nationwide emphasis being placed upon the use of leather and will do their best, as individuals, to insist on leather in any of the products they buy, wherever it is practical to do so; and be it further

Resolved, That the Secretary of Agriculture resist any attempt to set up embargoes on the export of hides.

WILDERNESS LEGISLATION

Whereas legislation has been proposed in the Congress that would authorize the creation of a wilderness system which contains no definite limitation of the federally owned lands which may be removed from multiple use and set aside for the enjoyment of a fortunate few; and

Whereas this legislation provides no recognition of natural resources within their borders for commercial and recreational purposes: Now, therefore, be it

Resolved, That the provision and protection of needed wilderness areas be left to the agencies administering the lands and to the citizens of the States where such areas are practical.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). If there is no further morning business, morning business is closed.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate turn to the consideration of the unfinished business, S. 1154.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

THE PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

U.S. FOREIGN TRADE POLICY

Mr. JAVITS. Mr. President, I intend to address the Senate at not too great length on a subject of critical importance, which is under hot debate in the country: The U.S. foreign trade policy. I call attention to the fact that I addressed myself to this same subject almost precisely 1 year ago, on July 2, 1960.

The past year has seen a rapid acceleration of events that emphasizes more than ever the urgent need for reformulation of U.S. trade policy to meet the mortal challenge to U.S. free world leadership during the decade of the 1960's.

Time is running out. Twelve months from now—on June 30, 1962—the reciprocal trade agreements program expires. This program has been the basis for U.S. trade policy during the past quarter of a century. Its renewal, in revised form to meet the challenges of the coming decade, is vital to this Nation and the whole free world.

But, already, it is clear that the renewal of our trade policy is in serious danger unless plans for export promotion are implemented and unless this administration summons up the courage and the initiative to deal with the problems of import competition where they occur here in the United States.

The pressures against our policy are mounting rapidly; at home, as the result of economic problems which can be traced, in part, to certain concentrated imports; and abroad, as the result of our decreasing bargaining power in a world of new and powerful economic relationships.

We have 1 short year to meet the pressures at home and to fashion a policy instrument to overcome the pressures abroad.

It is disappointing to me that the administration has not taken on the fight to continue our national trade policy. Unless it does so soon, there will be a serious threat to the whole U.S. foreign policy position and it may seal the doom of the continued effectiveness of the reciprocal trade agreements. The signals are up that unless this fight is undertaken soon by the Kennedy administration, the U.S. position favoring the expansion of reciprocal international trade will be irretrievably damaged. Moreover, the expected beneficial effect of the new foreign-aid program sought by the Kennedy administration will be canceled out by the diminution in international trade and by resulting trade wars.

I intend by these remarks to ring the alarm bell on this administration. And I sound this warning: If protectionist forces at home win in this trade struggle, it will represent a new isolationism in American policy; it will result in retaliation against our exports by trading blocs, already formed in Europe and now being discussed in Africa and Latin America; it will give the Communists an opportunity for the economic disruption of the free world unmatched in all their history; and it will enable the Communists to subvert through trade the developing areas of the free world. Those are the issues posed for us by the drive now gathering momentum for imposed quotas and tariff walls.

I also hope we shall have a year-long debate on U.S. foreign trade policy in Congress, in the newspapers and magazines of our land, on television and radio, and among every sector of the public—a debate that should surely overshadow even the great tariff debates of the 1800's, because the issues are much greater and the consequences much graver today than ever before.

Mr. President, I should like to name, first, several factors which have a bearing on any enlightened discussion of U.S. foreign trade policy.

First. The Soviet bloc trade offensive is in high gear, threatening to draw the developing nations of the free world—and even some of the industrialized ones—into economic dependence.

Second. Economic regionalism is a reality in Western Europe and in Central and South America, and will occur in other parts of the world, because the movement will not be stopped; and although the growth of these regional groupings is a primary requisite for free world economic progress, it is also a challenge to our ability to compete and to share fully in the expanding markets.

Third. The U.S. balance of payments crisis and the accompanying gold outflow reached a dangerous climax during the past year. Although relative stability in our foreign exchange position seems to have returned, this stability must be made more permanent by a rapid increase in our exports during the coming decade.

Fourth. The economic and social stability of Latin America and of other developing areas of the free world is being dangerously threatened. The United States and its industrialized trading partners must provide adequate markets for their primary commodities so that these developing nations can effectively finance their economic development in freedom. Their raw material exports represent the very basis of their whole existence. Foreign aid, while it might ameliorate, will not change the situation. Exports and imports are their basic opportunity for developing the way in which we want them to develop.

Fifth. The recent business downturn reveals that the United States is increasingly dependent on export markets to help avoid sharper recessions. The decline in our gross national product between the beginning of 1960 and the be-

ginning of 1961 would have more than doubled, had it not been for a $3 billion increase in our exports over that period.

Sixth. The United States has a consumer's economy and consumers need the competitive effect of normal imports on domestic production.

Seventh. While the United States is seeking to insure its decisive superiority over the Communist bloc in economic power, the basic instrument of U.S. foreign economic policy—U.S. foreign trade—is under sharp and mounting attack by advocates of imposed quotas and tariff walls at home.

The administration should give the highest priority to legislation now to bring up to date U.S. trade policy and to establish a framework for renewal of the Reciprocal Trade Agreements Act in 1962. Five months ago, I introduced two bills to do this. Their purpose is to promote U.S. exports and to recognize the Federal Government's responsibility to help alleviate the more serious economic dislocations resulting from reciprocal imports. Eighteen colleagues on both sides of the aisle joined me in sponsorship of the export bill, S. 1379, and Senator CLIFFORD CASE, of New Jersey, joined me as cosponsor of the import bill, S. 851.

The principle behind the import bill is that when import competition, required by our foreign economic policy, so adversely affects some U.S. producers, Federal assistance is justified in the national interest to those disadvantaged.

It is clear that concentrated imports do adversely affect a number of U.S. businesses and their workers, and even whole communities. These American citizens must be helped in their economic distress. International negotiations and the aid of the negotiating machinery of the GATT and the International Labor Organization to correct sweatshop and below-standard wage and working conditions directly related to concentrated imports are entirely appropriate, and our Government should carry them on. But our national trade policy must also directly assist those seriously and adversely affected by competitive imports.

Loans, tax incentives, and technical assistance must be given to businesses and communities so that if practicable they can meet such import competition or move into lines of production not subject to this problem.

For workers we need, first and foremost, retraining programs and new skills; but we also need supplemental unemployment compensation, relocation assistance, and early retirement, so that workers adversely affected by concentrated import competition may also have an alternative other than the distortion of the whole foreign policy of the United States. This kind of assistance must be specifically directed toward those who need it, whether they are located in economically distressed areas or not. The assistance should not be blanket, industrywide. Indeed, the administration's ideas on that score, it seems to me, are a freewheeling expenditure of public funds, because they tend to leave the less efficient firm as poorly off in relation to its more efficient competitor as it was before. What should be done is to specifically direct the correction of the situation to the less efficient competitor.

The administration cannot avoid this struggle over trade. Already there is a bill sponsored by Senator BRIDGES and 17 others of our colleagues which would shear the President of his key power over foreign trade and could seriously embarrass our trade prospects. The bill seeks to give relief but it is much better given without these dangers under an adjustment assistance program. This bill would concentrate final policymaking powers on trade in the hands of the six members of the Tariff Commission who have neither the authority nor the means to relate their decision to the broad domestic, economic, and urgent foreign policy issues involved. It would also make interested parties to Commission proceedings of elements in the U.S. economy not directly involved in particular proceedings—for example, producers of the raw materials of which products are made—thus putting greater pressure on the Commission.

The National Import Policy Act of 1961—S. 851—is designed to provide assistance for import-injured elements in our economy while avoiding the pitfalls which I have pointed out above. However, the implications of this legislation can be far reaching and the complexity of the provisions will require much time for perfection.

At present, both the Tariff Commission and the President are faced with a dilemma, resulting from the fact that actual or threatened serious injury from imports must involve an industry before the Tariff Commission can recommend tariff or quota relief. Over the past decade the Trade Agreements Act has been amended to make this definition less distinct and strict interpretation more difficult.

The Commission has attempted to solve the problem of injury to segments of an industry by broadening over the years, the practical application of the law to include smaller and smaller elements of an industry. Serious injury to an industry is being equated with serious import competition in one commodity or article. This has resulted in recommendations for tariff and quota relief which increasingly tend to open an umbrella over large parts of industries, even though no serious injury is experienced by them.

The President, in turn, having to take into consideration the foreign economic policy objectives and the continued health of the competitive free enterprise system of the United States has resorted increasingly to the practice of rejecting Tariff Commission recommendations. Since 1950, the President has invoked the escape clause only 13 times out of a total number of 38 recommendations for escape-clause action by the Tariff Commission; in the three cases still awaiting his decision, he has asked for more data.

The previously introduced bills for trade adjustment assistance do not solve this dilemma. Their language requires the President to invoke the recommendations of the Tariff Commission—increased tariffs or tightened quotas—before businesses, workers, or communities become eligible for adjustment assistance. In other words, not only would increased protection be required before assistance is given, but this protection, under present interpretation of the law, would be extended more and more to those not needing it.

My proposed legislation attempts to solve this problem in the following way:

First. Eligibility for assistance, either by a whole industry or by individual businesses, workers, and communities, would not depend on a Tariff Commission recommendation for additional tariff or quota protection;

Second. The President would not have to accept a Tariff Commission recommendation for such additional tariff or quota protection, should such a recommendation be made, in order to extend assistance to a whole industry or to individual businesses, workers, and communities.

It should be pointed out that eligibility criteria would be strict, requiring both proof of injury and, for businesses and communities, presentation of adequate plans for using the assistance to be given. In this manner assistance could be specifically directed to those needing it. On the other hand, the power by the Tariff Commission and the President to extend tariff or quota protection, when necessary, would not be diminished.

I believe that a point of great importance is the provision which would authorize the President to reduce on a graduated basis any tariff or quota protection which he might invoke as a result of Tariff Commission recommendations. The President would be authorized to announce such a graduated reduction to take place over a period not to exceed 7 years. He would thus be able to phase out external trade barriers as our domestic industries or their individual elements achieve competitiveness through the assistance extended to them. This provision has the following advantages:

First. It considerably lessens the possibility of permanent Government subsidization of industries or their individual elements.

Second. It gives assurance to our trading partners that the United States is willing to compete as freely as possible with them, thus reducing the temptation to invoke retaliatory measures against U.S. exports.

Third. It clarifies absolutely the President's authority to accept Tariff Commission recommendations in part—an issue which was put in doubt at least on Commission recommendations made prior to June 30, 1958, because of the Customs and Patents Court of Appeals ruling on bicycles.

The trade adjustment assistance concept is not new and has been discussed throughout the past decade. However, its successful application is all the more necessary now in view of the increasing challenges to the success of our foreign economic policy.

The business community of the United States does not appear to share the reluctance of the Kennedy administration to meet the trade issue. The United

States Council of the International Chamber of Commerce and the New York Chamber of Commerce advocate a trade adjustment assistance approach. I have received letters from 19 leaders of business and labor, located in 11 States, expressing support of this approach or stating the need for its consideration alongside programs for export promotion.

Madam President, I ask unanimous consent that certain information relating to that subject may be printed at this point in the RECORD.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Without objection, it is so ordered.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM COMMENTS BY LEADERS OF U.S. BUSINESS AND LABOR ON S. 851, THE NATIONAL IMPORT POLICY ACT OF 1961, AND S. 1379, THE NATIONAL EXPORT POLICY ACT OF 1961

E. Rosendahl, executive vice president, Bennett-Rosendahl Co., Inc., New York, N.Y.; chairman, foreign trade committee, Brooklyn Chamber of Commerce, May 16, 1961: "The copies of S. 851, the National Import Policy Act of 1961, S. 1379, the National Export Policy Act of 1961, as well as the section-by-section analyses and your remarks on introducing them were received by me and read with considerable interest and attention.

"Please accept my sincere thanks for your courtesy in sending them and congratulations not only for the bills themselves but also for the extremely valuable analyses of the same.

* * * * *

"Personally, I am in enthusiastic agreement on both acts. I think your solution of the problems that may be caused by foreign imports as described in S. 851 is timely and definitely sound. There will undoubtedly be difficulties in the implementation of the act but I feel that such difficulties can be solved. This should be an effective answer to those people who advocate increasing duties or imposing quotas every time a foreign product seems to be competing unduly with the domestic counterpart.

"With reference to S. 1379, I am also completely in accord with its various provisions. I am particularly impressed with the expansion and liberalization of the Export-Import Bank Act of 1945, something which was definitely needed. Incidentally, I was quite surprised at the ignorance of many American manufacturers of the very existence of the Eximbank so that section 6 struck a very responsive chord.

"With reference to section 3 dealing with the establishing of a Council for Export Promotion, while it does not specifically mention the same, I feel sure that the continuance of the Regional Export Expansion Committees is contemplated. These, as you know, were started under President Eisenhower and continued under President Kennedy."

I. P. de Pedraza, executive director, Florida Ports & Foreign Trade Council, Tallahassee, Fla., March 2, 1961:

"This is certainly essential legislation which will enable us to have a properly regulated foreign commerce, with due protection for all interested parties and providing the proper stimuli to our small businesses to enter the export field.

"Please let us know if there is any action we can take to assist the passage of these important bills."

Robert D. Kleist, president, Foreign Trade Association of Southern California, Los Angeles, Calif., March 14, 1961:

"I very much appreciate receiving your letter and the outline of the bills to create a National Import Policy Act of 1961 and the National Export Policy Act of 1961. May I take this opportunity of congratulating you on this forward looking and sound business proposal.

* * * * *

"May I take this opportunity to offer to you the assistance of this association in helping to publicize your bills throughout this community. Our present public relations program is devoted primarily to the development of an understanding of the advantages and the need for imports as well as exports. You may be assured of our desire to cooperate with whatever facilities we have available.

"I have studied the proposed bills and at the moment have no suggestions as to any alterations. I am passing the bills to the legislative committee of this association and as soon as they have had an opportunity to study the bills, they will be passed through the other committees for their consideration as well. After this study has been completed, I will report to you further the comments which our committee members have made.

"I was appointed by the Secretary of Commerce last year to serve on the Regional Export Expansion Committee and continue to serve under the new administration. As a member of this important committee and in the capacities mentioned above, I am looking forward with interest and hope toward the rapid consideration and adoption of the bills which you have proposed and which are so greatly needed at the present time. You will be doing us a great favor if you will keep us advised of developments and indicate any way which we may be of assistance to you."

Robert Murphy, president, Corning Glass International, Corning, N.Y., March 15, 1961:

"I take pleasure in acknowledging the receipt of your recent letter enclosing copies of your introductory remarks and bill analysis relating to the National Import Policy Act of 1961 and the National Export Policy Act of 1961.

"I have read the foregoing with interest and hasten to extend my warmest congratulations on the comprehensive approach to this vital problem which you are making. The treatment especially of the import phase is especially well done and overdue. I congratulate you on the understanding of this complex problem which these papers manifest, and concur fully in the approach you are making."

W. A. Mitchell, chairman of the board, Central Trust Co., Cincinnati, Ohio, March 10, 1961:

"I have studied with much interest the material enclosed with your recent letter relating to the National Export Policy Act and the National Import Policy Act. I am glad to note that you have an excellent grasp of the problem and are not being stampeded into drastic action because of the recent excitement regarding the loss of gold during the past year. As chairman of the advisory and international committee of the American Bankers Association, we have been pointing out in our biennial reports for well over 2 years the problem of our deficiency in the balance of payments but it is a matter that we must attack gradually on a number of fronts instead of being stampeded into actions which will affect our prestige throughout the free world."

Jesse Clark, president, Brotherhood of Railroad Signalmen, Chicago, Ill., March 10, 1961:

"As previously expressed to you, we appreciate very much your interest in these important policies. While it is obvious some fair arrangement must be made with respect to export and import, I wholeheartedly agree with your comment that the United States should insist upon the removal of substandard conditions in its trade relationships with all countries.

"Further, we agree that Congress should enact legislation to assist workers, businesses, and communities in their efforts to meet import competition, by means which will strengthen the free enterprise system.

"Your continued efforts on behalf of the American people in their dealings with people of other nations on a fair and equitable basis are very much appreciated."

Harry A. Bullis, Minneapolis, Minn., March 15, 1961:

"You asked for my comments.

"The one certainty about our foreign trade is that other countries will buy from us only as long as they are selling to us. We need to increase our exports, and we can export only if we import.

"The industry which still leans upon protectionism should accept society's ultimate verdict that if it cannot survive without protection in these prosperous times, it must shift over to lines in which it can survive. Chronically weak and inefficient soft spots in our economy should not be continued year after year.

"As I see it, with your two bills you are endeavoring to help answer the question: What can the United States import in larger amounts without significant harm to the American farmer, American industry, or the American worker. It seems to me that your bills take into account the fundamental fact that as our imports increase, so also will our exports.

"It would appear that your proposed legislation, as you say, 'opens up a comprehensive approach to trade expansion.'"

Gilbert H. Vorhoff, president, Hemisphere International Corp., New Orleans, La., March 10, 1961:

"I am tremendously impressed with your letter received today, enclosing your recommendations and bill analyses relating to the National Import Policy Act of 1961 and the National Export Policy Act of 1961.

"Would you be kind enough to send copies of this material to several influential people in this area, who are as vitally interested as I in free world trade?"

Philip H. Snyder, International Marketing Specialists, New York, April 6, 1961:

"I take this opportunity to give my wholehearted endorsement to the Sparkman-Javits bill. Also, I consider S. 851 to be an important contribution to a problem that demands solution.

"At the April 4 meeting of our New York Regional Export Expansion Committee, I discussed the above pending legislation with fellow members. Your important efforts have certainly been well noted and are appreciated by other members of the committee. I understand that some of the members have already written to you in regard to these matters.

"Aside from the general excellence of your pending legislation, I was most interested in the additional provisions of the Sparkman-Javits bill, with regard to participation of the Small Business Administration in the export expansion program. The idea of establishing a Foreign Trade Division to be headed by a Deputy Administrator, in the Small Business Administration, is particularly appealing to the writer. I think that the existence of such a special division within the Small Business Administration could achieve an enormous amount of good, especially in a major foreign trade area like Metropolitan New York. We have here, thousands of small exporters and businessmen who would welcome a Foreign Trade Division within the Small Business Administration."

W. H. Lukens, vice president, R. M. Hollingshead Corp., Camden, N.J., March 17, 1961:

"Industries affected by excessive importation should receive relief: I have advocated for many years that if we subsidize our steamship companies and airlines all for national defense, we should be willing to subsidize industries that are greatly damaged by imports.

"Restricting imports is not the answer: I admire you for the position you are taking because if we restrict imports that will, as you state, automatically reduce exports and nearly 5 million people are engaged directly or indirectly in the U.S. international trade.

* * * * *

"I like very much your provision that would prevent import restrictions being imposed when a small section of an industry was affected, which import restrictions would bring 'windfall profits for the more efficient members of that industry.'

"I am chairman of the Philadelphia Regional Export Expansion Program Committee: The members of that committee are shown on the dittoed sheet attached. I mention this so that you will know that I am familiar with the activities of export trade expansion. It is because of that knowledge that I highly admire, with a few exceptions, the position that you are taking."

Arthur A. Kron, president, Gotham-Vladimir Advertising, Inc., New York, N.Y., March 31, 1961:

"As the chairman of the New York Regional Export Expansion Committee, appointed by the Department of Commerce, I feel deeply, as I see that you do, that intelligent far-reaching legislation is necessary if we are to attain the results so vital to the welfare of the United States.

"I am not able to comment specifically on your bill because there are so many unanswered questions that I am unable to form a detailed opinion.

"However, I realize that the original form in which the bill is presented is not necessarily its final form, so therefore any comment at this point is rather pointless.

"However, the subject is so important that it merits prompt and careful consideration, and I would like to commend you for the energy and the initiative that you are taking toward the providing of a proper solution for this intricate matter."

Leonard F. Hunke, export manager (engineers and manufacturers), Minneapolis, Minn., March 20, 1961:

"I am wholeheartedly in favor of the acts as proposed and particularly those portions of the acts which will require complete cooperation in the implementation of both export and import policy. Such close cooperation between both the programs has been commonplace with a great number of foreign countries through the medium of their trade agreements with various nations and as a result any trade agreement undertaken is to the best advantage of the overall economy of that particular country."

Thomas J. Watson, Jr., New York, N.Y., March 15, 1961: "The two bills you have introduced make an important contribution to the development of U.S. policy in these areas, and I think that Congress should give them serious consideration. I am in favor of the general objectives of these bills as outlined in your news release."

Gaylord C. Whipple, Oak Park, Ill., April 3, 1961:

"As you probably know, I have been for a number of years a member of the World Trade Advisory Committee, and more recently, a member of the Export Expansion Committee of the Department of Commerce. But beyond that, I have been engaged in international trade all of my business life, and feel that this segment of our business is of the utmost importance to the economy and well-being of our country. Hence my interest in the problems concerning international trade.

"I have gone over the two bills which you are proposing, and feel that they are good, and should open up, as you say, a comprehensive approach to trade expansion. I am particularly interested in having the Export-Import Bank provide a realistic program of extending short-term export credit guarantees against commercial risks, as well as political risks, and agree with you that this action is long overdue.

"I am also very much in sympathy with your proposal to improve Federal export services for U.S. business. We have been hampered in the past by restricting suitable operation of the Bureau of Foreign and Domestic Commerce [sic] expanding their services due to lack of appropriations, so I feel the legislation proposed in your bill should have a very beneficial effect in this respect."

Mr. H. F. Koller, Providence, R.I., March 29, 1961:

"With specific regards to imports I believe that your bill is necessary to prevent the dangers which you point out. There can be no question that with a wide disparity of labor costs oversea firms can produce and ship their material to us at prices below those prevailing in our economy. I am fully in accord with your idea for an Advisory Committee. The only difficulty I can visualize here is the securing of the wide cross section in the membership of such a group.

"In section 5 you indicate that a business would be eligible not only for increased imports but even the threat of such imports. This appears to be an extremely broad statement since every firm will insist that it is threatened. With these few observations I am sure the remaining sections will be of service to our Nation.

"The questions of exports raised many more factors. I am certain that legislation such as yours has caused the change of attitude by Eximbank and their recently announced plans for increased guarantee and insurance coverages. This certainly should be of service although you are aware of the small interest actually displayed by the exporting fraternity and the present program of Eximbank. Our institution, as well as other agencies here, have circularized and advertised our ability to be of service to our clients and the community with little interest being shown by most firms.

J. A. Monroe, vice president, Smith-Douglass Co., Inc., Norfolk, Va., March 16, 1961:

"We were very interested in reading a copy of your press release of February 10 dealing with National Import Policy Act of 1961 and National Export Act of 1961. While we recognize these go hand in hand with one another and one cannot be promoted without recognition of the other, our primary interest is in the Export Policy Act and such legislation as necessary to expand it.

* * * * *

"It seems to us your bill to encourage and promote the expansion of domestic exports in the world through private enterprise has considerable merit and particularly as it pertains to export credit guarantees by Export-Import Bank."

H. H. Whitmore, office of the president, Jones & Lamson Machine Co., Springfield, Vt., March 22, 1961:

"This company has long been vitally interested in the export and import policies of our country. For many years, we have done a great deal of export business. Naturally, we are affected by machine tool imports and closely watch activities in this area.

"We are of the belief that the world is too small to confine our efforts to our own country and our immediate neighbors. We must learn to live with the other countries of the world and to compete with them in the world's markets.

"Your continued interest in this area will, I know, be of help to many people who are in a position similar to ours."

C. F. Burke, assistant to the president, General Tire & Rubber Co., Akron, Ohio, March 16, 1961:

"We appreciate your thoughtfulness in sending us the information in connection with the National Export Policy Act and the National Import Policy Act. We have referred this to our Export Department and they are heartily in accord with your position. We are so informing our Ohio Senators.

"We believe that the National Export Policy Act provides a very effective implementation of Government agency activities so as to eliminate any lost motion in achieving the end results; i.e., increased exports. It also provides a more effective help to exporters in the form of expanded commercial and political risk insurance through the Export-Import Bank, placing us in a more comparable position with Canada, Great Britain, and Western Germany."

H. N. Baron, manager, Florida Citrus Exchange, Tampa, Fla., March 15, 1961: "As you know, the problem of U.S. participation in international trade is very close to my heart. And I can only wholeheartedly endorse the proposed legislation which, in my opinion, is of vital interest to the expansion of our exports and in the interest of our balance of payments."

EXCERPTS FROM "PRINCIPLE OF AN INTERNATIONAL TRADE POLICY FOR THE UNITED STATES," BY THE U.S. COUNCIL OF THE INTERNATIONAL CHAMBER OF COMMERCE, MAY 1961

2. To provide enlarged markets for our exports and to prevent political and economic separation inside the Atlantic Community, we should support legislation entrusting the President with adequate power to negotiate in the GATT for the reduction of U.S. tariffs—power of such scope and form as to permit the kind of broad tariff reductions to which the regional blocs are geared. To achieve these basic aims, it will be essential to give the President the authority to reduce all tariff rates substantially over the next 5 years.

3. In a dynamic, competitive economy, the adjustments attendant on such tariff reductions can readily be absorbed. Nonetheless, we should face up to the fact that these changes may involve some significant shifts in the use of capital and labor in a few sectors of the U.S. economy—shifts calculated to move these factors out of industries which cannot stand up to foreign competition into industries which can effectively exploit our growing foreign markets. Accordingly, we should initiate a trade adjustment program, designed to give temporary assistance to the labor and capital which is being redeployed in the process. The program, which has various successful precedents abroad, may be designed among other things to afford retraining, moving expenses, tax relief, and low-interest capital loans in appropriate circumstances. At the same time, we cannot stress too strongly the point that the program must be carefully conceived to avoid rewarding inefficiency or obsolescence and to avoid damping the incentive of capital and labor to find alternative employment.

EXCERPTS FROM "A FOREIGN TRADE POLICY FOR THE 1960'S," BY THE NEW YORK CHAMBER OF COMMERCE, JUNE 1961

THE TRADE AGREEMENTS PROGRAM

The current trade agreements program, scheduled to expire on June 30, 1962, is the cornerstone of our foreign trade policy.

It is essential that it be extended and improved. It is vital to our national interest and security because it permits flexibility in our international commercial relations.

However, if we are to participate effectively in the more difficult trade negotiations of the years ahead, the bargaining authority of the President must be broadened. To this end, the administration should initiate a broad study leading to proposals specifying the nature of the bargaining authority that will be needed. The "peril point" and "escape clause" provisions of the act should be retained, but the narrow definitions within which they now operate should be revised.

In line with this policy, the Government should develop a program of trade adjustment assistance to help industries and their employees adversely affected by trade concessions made in the national interest. This assistance should be temporary and on a declining basis.

The national security amendment to the Trade Agreements Act should be continued and its provisions more neatly tailored to requirements.

EXCERPTS FROM RESOLUTIONS ADOPTED BY THE 16TH MISSISSIPPI VALLEY WORLD TRADE CONFERENCE AT NEW ORLEANS, LA., MAY 3–5, 1961

Whereas this conference recognizes the merit and calls for passage of bill S. 1379, designated "National Export Policy Act of 1961," and commends that section which expands the facilities of the Export-Import Bank for the financing and insuring of exports, as well as further study and consideration of S. 851, designated "National Import Policy Act of 1961"; and

Whereas this conference places its full strength and support behind the General Agreement on Tariffs and Trade (GATT) and urges that it not only be again ratified but overwhelmingly reaffirmed by Congress in 1962, and recognizes the urgency of establishing the Organization for Trade Cooperation (OTC) as an essential administrative arm: Now, therefore, be it

Resolved, That this conference deplores any retreat toward protectionism as a solution to the U.S. balance-of-payments deficit, which would only provoke retaliation. The balance of trade, which is now substantially in our favor, could be turned against us with disastrous effects to the dollar.

Mr. JAVITS. Madam President, a point of great importance in the legislation which I have proposed is that the President would be given authority to reduce tariffs or quota protection on a graduated basis, if he invokes such protection as a result of the Tariff Commission's recommendations. The President has no such authority now. Let us consider, for example, the textile business, which feels very seriously that it needs a breather and that it needs quotas in order that it may have a chance, taking it at the very best, to adjust its business to the competition it is receiving from Japan, Hong Kong, and other places. Let us assume that negotiations for a voluntary quota do not reach complete maturity. If the President should impose quotas, he does not have the authority under present law, if he acts upon the recommendation of the Tariff Commission, to phase out these quotas, and be fair to the foreign policy of the United States. My bill would provide the President with the authority to phase out such quotas imposed according to the recommendations of the Tariff Commission, over a period of 7 years. This is extremely important authority. It will be extremely helpful to our foreign policy and very reassuring to other countries with whom we do business. At the same time, it will be helpful to American business.

The trade adjustment idea, which I have just mentioned, is not new. It has been discussed for the last 10 years. Its successful application is essential right now; otherwise we shall have a very serious reverse in the reciprocal trade agreements policy because of the controversy which has been engendered throughout the country by the hurt which is inflicted upon certain segments of business or certain individual businesses and workers by concentrated imports. This situation needs to be compensated for. It is a hurt administered because of public interest. Therefore, the Federal Government needs to give help in order to alleviate the damage which the condition causes.

I believe that we must have a clear perspective on the domestic effects of import competition before we can hope to see foreign trade as a successful instrument of our foreign economic policy. Here are the facts that I believe put the trade issues into proper perspective.

First, U.S. imports of products considered competitive, even to a minor degree, with domestic production, amounted in 1960 to some $7 billion. This was 1.4 percent of our gross national product. A decrease of $1 billion in such imports would have increased the total number of our employed by 86,000—one-eighth of 1 percent of our labor force, about 2 percent of our 4 million unemployed last year. Of course, even this very small hypothetical increase in employment would have been at the price of much more unemployment when our exports were cut back as the result of inevitable foreign retaliation.

On the other hand, if imports of lamb and mutton, Wilton and velveteen carpets, scissors and shears, cotton pillowcases, and compact automobiles had been cut off during the past few years—an import reduction averaging about $582 million a year—the U.S. consumer would have ended up paying some $1 billion more for the purchase of these or similar products during 1960. Lack of competition would have forced prices up. Lack of foreign compact cars could well have caused further delays in the manufacture of these less expensive models by American manufacturers. In accordance with the employment estimates given above, this $582 million reduction in imports initially might have resulted in some 57,000 jobs for American workers, but on this basis, the American consumer would have been paying at the rate of $17,500 a year for each of these workers.

The cost of protectionism to the American consumer is high—in terms of money, quality, and choice; the benefit to the American worker—who is also a consumer—cancels itself out. During the debate on the extension of the Sugar Act, two Members of the Senate pointed out that the cost of subsidies on sugar, built around import and domestic production quotas, comes to around $600 million to $700 million a year.

The effects of imposed quotas and tariff barriers, however, reach beyond the cost to the American consumer as compared even to a small and probably temporary employment benefit; it includes the cost of inflated profits for some producers who are no longer exposed to the rigors of import competition. It is estimated that a 3-cent-per-pound increase in the tariff on lead, superimposed on the present import quota, might draw some 250 U.S. marginal producers back into the lead-mining business to mine some 147,000 additional tons of lead. However, the total additional cost of lead to the American consumer would come to almost $35 million a year, of which it is estimated $14.8 million would be in the form of windfall profits for lead producers who are able to compete with imports at the present tariff rate.

The facts which I have outlined were perhaps best summed up by the man who put a "Buy American" sticker on the rear bumper of his Volkswagen. Not only had a two-way import policy enabled him to buy an inexpensive foreign car—a purchase which he might not have been able to make at all if the United States had kept out car imports—but in the coming years he will have the choice to "buy American" because of the changes brought about in American automobile production as the result of import competition.

The very manufacture of compact cars in the United States reduced foreign imports of such cars materially. I think the American consumer ought to consider that situation very carefully before he jumps from the frying pan of concentrated imports into the fire of imposed quotas, and deprives himself of the opportunity of buying better or inducing American manufacturers to manufacture better.

In short, Madam President, the cost to the American consumer is high; and the cost of subsidies to the American taxpayer—for example, subsidies of the type which we are being urged to adopt in regard to lead and zinc—is also very high; and the cost to American workers, in terms of the exports of American-produced goods, is also very high. These are the standards we had better consider before we jump into protectionism on a large scale, as we are being urged to do.

It is significant that the decline of 223,000 new automobiles imported in 1960, as compared to 1959, accounted for 40 percent of the $553 million drop in general imports between these 2 years. The American automobile industry, which had not really entered the small car field until 1959, more than doubled its 1959 production of 755,000 of these cars in 1960. Imports, which amounted to 7 percent of net sales of domestic production in 1959, dropped to 4.2 percent of net domestic sales during 1960. That happened because our automobile industry "got on the ball" and did something about that situation. That is the way to deal with import competition. The protectionist way is very much the wrong way.

Not all elements of all industries, however, have the capital, the sales and

service systems, or the technical skills to meet their foreign competition with such success. This problem can be especially acute for enterprises in industries where a high degree of domestic competition already prevails. It is therefore necessary to help certain parts of, or individual enterprises in, such industries, in meeting or in adjusting to the additional pressures of import competition.

The textile and apparel industries are outstanding examples of the need for specifically directed assistance, extended within a framework of an import policy in the national interest. There is a real problem in these industries. They need and deserve help, and it is entirely feasible to give them specific help consistent with the national interest.

Imports of textile and apparel represent a very low percentage of net domestic sales. In 1959, it was 4 percent for textiles and 1.9 percent for apparel, as compared to 7 percent in the automobile industry; and in 1960, it was 4.6 percent and 2.1 percent, respectively, as compared to the greatly reduced 4.2 percent for automobiles. But elements of these industries are feeling seriously the impact of foreign competition, and they should be assisted.

Companies, for example, that depend for a major part of their income on sale of cotton sheeting are clearly affected. Sheeting alone was responsible for 181 million square yards—or 57 percent—of the entire import increase in cotton fabrics between 1958 and 1960. But relatively few competitive fabrics enter the United States. Imports of cotton fabrics during 1960 amounted to 486 million square yards—4.2 percent of total U.S. production. It is the concentrated nature of these imports which gives rise to the requirement for selective assistance.

My office has prepared a series of tables on imports, sales, and profits in the textile and apparel industries over the past 6 years. These tables present an industrywide picture, as well as some comparison with respect to leading firms within the two industries. These data differ from those usually used with respect to textile imports. The tables I am using refer to the value of imports, instead of the quantity of imports. The quantity figures commonly discussed do not take into account sufficiently the great variation in quality and cost of the material imported. I believe the data I am presenting here, based on import value, meet more closely the need to gain a perspective of the true economic impact of import competition and what should be done about it.

Madam President, I ask unanimous consent that the tables be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I A AND B.—*U.S. textile manufacturers; Sales, imports, and profits, 1955–60 (with comparison of profits of all U.S. manufacturers)*

Year	Table I–a							Table I–b				
	Net sales of U.S. textile manufacturers excluding apparel	Imports of textiles excluding burlaps and apparel	Imports of textiles as a percent of net sales of U.S. textile manufacturers	Net sales of 15 U.S. textile weaving and rayon and acetate firms [1]		Net sales of 11 U.S. textile weaving firms	Net sales of 4 U.S. rayon and acetate firms	All U.S. manufacturers: net profits as a percent of net sales	U.S. textile manufacturers excluding apparel: Net profits as a percent of net sales	15 U.S. textile weaving and rayon and acetate firms [1] net profits as a percent of net sales	11 U.S. textile weaving firms: Net profits as a percent of net sales	4 U.S. rayon and acetate firms: Net profits as a percent of net sales
				Amount	As a percent of net sales of U.S. textile manufacturers							
	Billion	*Million*	*Percent*	*Million*	*Percent*	*Million*	*Million*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
1955	$13.3	$428	3.2	$2,804	21.1	$2,188	$616	5.4	2.6	4.8	3.1	9.1
1956	13.2	463	3.5	3,119	23.5	2,519	600	5.3	2.6	3.8	3.0	6.1
1957	13.1	442	3.4	3,226	24.4	2,641	585	4.8	1.9	[2] 3.3	[2] 2.8	4.4
1958	12.0	429	3.6	3,124	25.8	2,507	617	4.1	1.6	[2] 2.8	[2] 2.3	4.1
1959	13.8	546	4.0	3,625	26.1	2,887	738	4.8	3.0	4.1	3.3	6.3
1960	13.2	609	4.6	[3] 3,684	[3] 28.0	[3] 2,994	690	4.2	2.5	[3] 4.3	[3] 4.0	5.2

[1] Net sales of $50,000,000 or more annually, 1955–60.
[2] Excludes 1 firm having a deficit in 1957 and 1958.
[3] Excludes 1 firm for which final 1960 data was not available.

TABLE II.—*Net sales and net profit as a percent of net sales for 15 U.S. textile weaving and rayon and acetate firms, with net sales of $50,000,000 or more annually, 1955–60*

[Dollars in millions; percent totals average]

	1955		1956		1957		1958		1959		1960	
	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales
TEXTILE WEAVERS												
Berkshire-Hathaway	$65	0.5	$68	1.4	$66	[1]	$62	[1]	$70	1.9	$63	7.4
Burlington Industries	515	3.2	636	2.4	671	2.3	651	1.2	806	3.4	913	3.9
Cannon Mills Co	197	5.1	210	5.1	197	6.5	194	5.6	210	4.9	203	6.4
Cone Mills	164	3.0	156	3.5	170	2.6	166	1.8	190	2.8	189	2.0
Dan River Mills	92	4.2	122	4.4	164	3.5	161	3.6	174	4.8	163	4.5
Loewenstein & Sons	228	4.7	291	2.0	285	1.1	255	.6	260	1.9	253	2.0
Pepperell	85	2.2	99	2.3	90	2.8	81	2.3	93	3.9	[2]	[2]
Reeves Bros	50	.2	62	2.3	58	1.5	56	.2	62	1.6	72	3.2
Stevens & Co	321	2.7	373	2.2	418	2.1	386	2.8	460	4.1	513	3.0
United Mer. & Mfg	342	4.5	369	3.7	393	2.5	379	1.9	415	3.0	468	3.1
West Point	129	3.9	133	4.2	129	3.5	116	2.8	147	4.2	157	4.1
Total	2,188	3.1	2,519	3.0	2,641	[3] 2.8	2,507	[3] 2.3	2,887	3.3	[4] 2,994	[4] 4.0
RAYON AND ACETATE												
American Enka Corp	71	9.9	61	3.8	65	2.0	74	2.7	109	5.2	95	7.1
American Viscose Corp	259	9.5	289	6.2	228	3.7	217	3.2	240	6.4	207	3.3
Beaunit Mills, Inc	108	8.3	112	5.5	100	3.4	102	2.9	124	5.1	124	2.9
Celanese Corp	178	8.7	188	8.7	192	8.4	224	7.5	265	8.5	264	7.5
Total	616	9.1	600	6.1	585	4.4	617	4.1	738	6.3	690	5.2
Grand total	2,804	4.8	3,119	3.8	3,226	[3] 3.3	3,124	[3] 2.8	3,625	4.1	[4] 3,684	[4] 4.3

[1] Deficit.
[2] Not available.
[3] Excludes 1 firm having a deficit in 1957 and 1958.
[4] Excludes 1 firm for which final 1960 data was not available.

TABLE III.—*U.S. apparel manufacturers: Sales, imports, and profits, 1955–60*

Year	Net sales of U.S. apparel manufacturers	Imports of apparel	Imports of apparel as a percent of net sales of U.S. apparel manufacturers	Net sales of 3 U.S. apparel manufacturers	U.S. apparel manufacturers: Net profits as a percent of net sales	3 U.S. apparel manufacturers: Net profits as a percent of net sales	Year	Net sales of U.S. apparel manufacturers	Imports of apparel	Imports of apparel as a percent of net sales of U.S. apparel manufacturers	Net sales of 3 U.S. apparel manufacturers	U.S. apparel manufacturers: Net profits as a percent of net sales	3 U.S. apparel manufacturers: Net profits as a percent of net sales
	Billion	*Million*	*Percent*	*Million*	*Percent*	*Percent*		*Billion*	*Million*	*Percent*	*Million*	*Percent*	*Percent*
1955	6.9	79	1.1	204	2.6	4.3	1958	9.7	131	1.4	215	0.9	3.0
1956	9.3	107	1.2	230	1.6	4.1	1959	10.8	200	1.9	250	1.6	3.9
1957	9.2	113	1.2	228	1.3	4.0	1960	11.0	228	2.1	248	1.4	3.8

TABLE IV.—*Net sales and net profit as a percent of net sales for 3 U.S. apparel firms with net sales of more than $50,000,000 annually for at least 2 years, 1955–60*

Year	1955		1956		1957		1958		1959		1960	
	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales	Net sales	Net profit as percent of net sales
APPAREL	*Million*		*Million*		*Million*		*Million*		*Million*		*Million*	
Bond Stores, Inc.	$85	3.7	$88	3.6	$90	3.9	$84	4.0	$85	3.8	$85	3.0
Cluett, Peabody, & Co.	87	4.4	110	4.4	106	4.2	99	2.3	114	3.3	112	4.4
Richman Bros., Inc.	32	4.8	32	4.3	32	3.9	32	2.6	51	4.6	51	4.1
Total	204	4.3	230	4.1	228	4.0	215	3.0	250	3.9	248	3.8

Sources: Tables I, II, III, and IV: U.S. Department of Commerce, Federal Trade Commission, Standard & Poor's Industry Surveys, and Moody's Industrials.

TABLE V.—*U.S. imports and exports of cotton manufacturers and semimanufacturers, 1960–61*

[Value in thousands of dollars]

	Imports	Exports	Balance in favor of United States		Imports	Exports	Balance in favor of United States
1960				*1960*			
January	21,960	24,499	2,549	October	18,511	23,648	5,137
February	22,282	25,417	3,165	November	18,203	22,821	4,618
March	24,677	27,167	2,490	December	18,416	24,853	6,437
April	24,842	25,880	1,038				
May	21,161	23,726	2,565	Cumulative	264,648	284,157	19,509
June	24,716	23,401	−1,315	*1961*			
July	23,622	25,402	1,780	January	19,178	24,161	4,983
August	24,277	17,265	−7,012	February	15,104	24,201	9,097
September	22,021	20,078	−1,943				

Source: Census Reports FT–120 and FT–420; February 1961 data by phone from Census Bureau.

Mr. JAVITS. Madam President, from these statistics, I point out the following facts:

First. Between 1955 and 1959, net sales of the domestic textile industry increased from $13.3 billion to $13.8 billion—more than four times faster than the increase in imports.

Second. Over the same period, the net sales of 15 U.S. textile weaving, and rayon and acetate firms increased by $821 million—seven times more than imports. The share of net sales on the domestic textile market by these 15 firms increased from 21.1 percent to 26.1 percent. This raises the question of whether the textile industry is feeling the impact of increasing competition of leading manufacturers, rather than imports. It is of special interest to note that during the past 6 years, only 1 of the 15 leading firms discussed here has applied for tariff or quota relief under the "escape clause" and "peril point" provisions of the Trade Agreements Act.

Third. While net profits as a percentage of net sales for all U.S. manufacturers dropped from 1955 to 1959, profits in the textile industry actually increased.

Fourth. Comparisons between 1956 and 1960 show a similar pattern, even though 1956 was a year of high business activity, and 1960 a year of recession.

(a) The textile industry as a whole appears to have suffered less from the drop in business activity than other industries; net sales in 1960, at $13.2 billion, were the same as those in 1956.

(b) Net sales of the 15 leading firms increased by $565 million—four times faster than imports. Their share of the domestic market increased from 23.5 percent in 1956 to 28 percent in 1960.

(c) Net profits as a percentage of net sales held up remarkably well, compared to the average for all U.S. manufacturers; and the profits of all 15 leading firms actually increased from 3.8 percent in 1956, to 4.3 percent in 1960.

I believe that all this must be viewed in the light of total textile imports, which increased, over this 6-year period, from $428 million to $609 million. These imports actually declined during the 1957–58 recession. The decline of imports of cotton manufactures, which has been proceeding at an accelerating pace since August of last year, indicates that a similar drop probably has occurred in other textile imports, which usually lag some months behind the state of business activity in this country.

Some broad questions arise from these statistics:

First. In view of the availability of substitute products and the time lag between business activity and imports, can a quota system hope to protect the elements of the textile industry which really are hurt by import competition, unless it blankets the whole industry?

In short, do they need quota protection; or do they need help in terms of greater efficiency in their industries, relocation, retraining of workers, and opportunities to enter into new lines and new activities which could be afforded by an adjustment-assistance program? I believe the latter is very definitely the answer.

Second. Can the United States and the great majority of textile manufacturers afford a quota system which blankets the whole industry and would also give protection to producers who have over the past 6 years increased their share of the domestic market by one-third? This seems a very serious disadvantage for small business which needs help.

Third. Are the less efficient textile producers actually feeling the effects of technological advance and the increasing competitiveness of the larger manufacturers rather than imports, primarily?

Net sales in the apparel industry increased from $6.9 billion in 1955 to $11 billion in 1960, while imports increased

from $79 million to $228 million. This industry is so highly competitive that no significant trends can be detected among leading producers, except that their profits average two to three times higher than those of the whole industry. Imports represent a small percentage of net sales. So, while, of course, they affect with great impact some lines, they are not a major volume factor in the industry as a whole.

I believe the discussion of these facts may help to put the domestic effects of import competition in textiles and apparel into better perspective, in terms of the action to be taken and the policy to be pursued.

The broad picture that emerges shows clearly that the United States can meet foreign competition and that attempts to isolate ourselves economically would be to the disadvantage of most consumers and most producers in this country. The Joint Economic Committee "Study of Employment, Growth and Price Levels," completed in December 1959, and the Senate Commerce Committee "Study of the United States and World Trade," completed in March 1961, both found no evidence that the United States is pricing itself out of world markets, except in isolated instances.

In the calendar year 1960, our $3.2 billion increase in exports and $600 million decrease in imports, resulted in a $4.9 billion balance of trade surplus—a result which certainly would not support the contention that our industries overall cannot compete in world markets. The fact is that U.S. quality, performance, and servicing are sought after in most of the world in connection with a high proportion of our fabricated industrial exports.

However, even though labor costs have risen less in the United States than in most industrial countries, our industrial productivity has lagged behind. Since our wage rates were considerably higher than those of our competitors, to begin with, and since they are likely to remain so for some time to come, we must increase our rate of productivity growth. This is especially true of industries where wage rates have always tended to follow the national trend, while production techniques did not develop as fast.

The challenge we face is in the field of productivity. It is a challenge which can be met successfully only within our own borders. It is for this purpose that I have proposed the establishment of a Peace Production Board which would lead this Nation in a productivity drive. Such a drive would be severely hampered by a policy of economic isolation. Its success will depend in large measure on the international exchange of techniques and ideas, which is a major byproduct of international trade, and on the stimulus of foreign competition to U.S. production and invention. Its success also will depend on an expanding market abroad for the goods we produce.

Therefore, the emphasis must be not only on whether we are hurt by imports, but also on how we are helped by exports and the expansion of those exports.

One of the major channels of this international interchange of know-how is provided by the overseas investment activities of American business and the trade resulting from the establishment abroad of subsidiaries. There are now many rumors regarding the fact that foreign subsidiaries are sending their goods into the United States. I think we must look squarely into that situation. A Department of Commerce survey of 150 of our largest manufacturing companies with overseas subsidiaries, prepared for submission to the House Ways and Means Committee on June 22, 1961, gives the following revealing picture:

During 1959, subsidiaries of U.S. companies, excluding paper, pulp, and foodstuff producers, were responsible for $328 million of imports into the United States, as compared to more than four times that amount—$1.429 billion—of U.S. exports directly to them. During 1960 this ratio doubled to nearly 8 to 1: imports dropped to $213 million, while exports rose to $1.625 billion.

So, on the whole, the establishment of subsidiaries abroad has been very helpful, rather than very damaging, to our foreign-trade position, and, indeed, has very materially reduced the import competition suffered by the United States.

These manufacturing companies, ranging from producers of automobiles to those producing office equipment or sewing machines, have not only established oversea markets for the products of their U.S. parent companies, and they not only represent a steady market for capital equipment and other United States exports to supply their own needs, but they are also in the strategic position of operating in the very countries whose productive techniques have, in many instances, begun to outstrip our own. Thus, they become a prime source of the kind of knowledge we need in order to continue in our position of free world leadership.

Only after we have arrived at a solution of the domestic problems of trade expansion can we turn our full attention to the challenges which demand it and press in upon us from the outside world.

The next point is the increasing momentum of the Soviet bloc trade drive. Certainly we do not live in a vacuum. The rapidly growing momentum of the Soviet bloc trade drive demands a massive response from us. Between 1954 and 1959, Soviet bloc trade with 41 nations in the developing areas of the free world increased by 165 percent—from $860 million to $2.3 billion. During the same period, U.S. trade with these nations increased by only 19 percent—from $7.8 billion to $9.3 billion. It is obvious that the United States is still far ahead. However, the ratio of U.S. trade superiority over the Soviet bloc trade has been reduced from 9 to 1 to 4 to 1. Furthermore, preliminary figures indicate that, while Soviet bloc trade with these developing nations may have risen by another 20 percent during 1960, U.S. trade increased only 3 percent.

Added to this picture is the fact that the Soviet bloc has signed a growing number of bilateral trade and aid agreements with free world nations. Between the end of 1954 and May 1, 1961, these bilateral agreements increased from 148 to 313—almost all of them with developing nations. As these agreements are implemented by a rapidly rising flow of trade, the Soviet bloc is seeking to mount an "irresistible" campaign to draw these nations into economic dependence, with the eventual consequence of political domination. Let us consider that situation very carefully as we consider what we shall do about our foreign trade policy.

Madam President, we are contemplating a great foreign-aid program. I favor it very much. Between 1954 and 1960, while the United States has been sending an annual average of $1.5 billion in economic loan and grant aid to the developing nations, we increased our imports from them by only $700 million. Nonetheless, the 1960 total of our imports from them enabled them to purchase about three times as many of the goods which they need for economic development than did our economic aid. As these nations build their industrial potential and increase their ability to sell abroad, the United States must give them an opportunity to compete fairly in our domestic market. Furthermore, we must insist that the industrialized nations of Western Europe open their markets to the products of the developing nations, too. For instance, the elimination or sizable reduction of sumptuary taxes on coffee by Germany, France, and Italy would enable Latin America to sell between $60 million and $100 million more coffee a year, thus making a welcome addition to the precariously low foreign-exchange reserves of the Latin American nations.

It is self-contradictory to speak of increasing cooperative economic-aid efforts to the developing nations, without also planning to buy their products which eventually can put their economies on a self-sustaining basis. This is a further reason why I believe the administration must face up to the trade issue, while it presses for its new foreign-aid program. If the administration hopes to achieve its new foreign-aid program by permitting our trade policy to be reversed, it will be seriously damaging the foreign economic policy of the United States.

I doubt that the new foreign aid program can be "bought" on such an unrealistic basis, or that a foreign aid program so "bought," no matter what may be in the fine print, can really be effective.

The trade adjustment assistance approach can conserve what is best in the reciprocal trade agreements program as we have carried it on and prevent its breaking down because of injustices to some businesses and workers. The authority in the President to phase out tariff protection over a period of 7 years can provide for the needed transition to take care of stresses and strains created by the reciprocal trade agreements policy. It is to be noted that fundamentally no change is recommended by me in the "escape clause" or "peril point" provisions or in the national security provisions of the existing Trade Agreements

Act. What I am suggesting is a way in which to meet the objections to the program as they have developed since it was last renewed, instead of adopting drastic changes which will seriously hurt not only the reciprocal trade agreements program, but our peace leadership of the free world as well.

Americans have far more to gain in respect of exports than to lose in respect of imports. Our exports last year exceeded our imports by $4.9 billion, aggregating $19.6 billion, while our imports, aggregating $14.7 billion, really only represented $7 billion of competitive goods. The balance of our imports consisted of essential materials and other commodities which we need and do not produce here.

Trade expansion, not trade contraction, is the major economic offensive for freedom we must wage. The peace leadership of the free world calls for discipline, self-denial, and statesmanship. Particularly in view of domestic pressures, the fidelity of our country to its often proclaimed belief in a world of increasing trade is an acid test of our determination to exercise a wise peace leadership in which the whole free world can have that confidence we esteem and require.

I ask unanimous consent to have various editorials and articles inserted in the RECORD, at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 10, 1961]

FOR A LIBERAL TRADE POLICY

The 11-member Development Assistance Group, created to promote world trade and the development of underdeveloped countries, meets in Toyko tomorrow to discuss, among other things, American protests against rising cotton textile imports into the United States.

These imports amount as yet to only 6 percent of our own cotton textile production for the domestic market, and the United States, which enjoys an export trade surplus now running at an annual rate of $6.8 billion, has a net export surplus in cotton textiles as well, not to speak of our export of baled cotton. But such imports are rising, especially for example, from the low-wage center of Hong Kong from which they have nearly quadrupled in the last 3 years, and President Kennedy has expressed concern.

But the President has, for very cogent reasons, rejected the industry's demands for quotas and other import restrictions which would be contrary to our whole reciprocal trade policy designed to expand, not to constrict, world trade as an essential basis for free world prosperity. It would be contrary to our whole policy of aiding the underdeveloped countries to stay free by helping them gradually to replace aid with trade in which cotton textiles are a key factor. It would inevitably provoke retaliatory restrictions on our own exports to the detriment of our whole economy. We cannot sell abroad without buying from abroad.

However, to avert any real disruption of our cotton textile industry, the administration is seeking international agreements along two lines. One is to obtain voluntary restrictions on cotton textile exports to the United States, such as Japan has already adopted and Hong Kong is asked to adopt, to cut American-bound exports by 30 percent. The other is to induce countries now restricting such imports to take more such goods in order to preserve the market.

There is every prospect that these measures will succeed. But the real remedy is for the American cotton textile industry, as for all our industry, to modernize both its plants and its methods, in which the United States is falling behind other modern countries. Therein lies the best chance both for meeting foreign competition and for accelerating our own economic growth.

[From the Washington Post, July 10, 1961]

LEADING FROM THE REAR

The United States occupies a peculiarly uncomfortable seat at the Geneva negotiations on tariffs. This country loudly sounded the call for lower duties and increasingly free trade, but the major European trading nations are all prepared to go substantially farther down this road than we can. We are marching along in the rear of our own parade.

The chief purpose of this round of tariff discussions is to mitigate the discriminatory effects of the continental Common Market now being organized by the six nations of the European Economic Community. In 1958, the year after the EEC was set up, Mr. Dillon proposed these negotiations under the General Agreement on Tariffs and Trade, the international referee of commercial fair play. The 1958 extension of our Reciprocal Trade Agreements Act was drafted with the Common Market chiefly in mind. Congress authorized tariffs reductions up to 20 percent.

In reply the EEC offered a general 20-percent reduction in its industrial duties, if the other nations would match it. The British are ready to go that far. In contrast, the United States must hedge its counter-offers with qualifications about peril points and escape clauses. The Trade Act shows the effects of 27 years of diligent lobbying by our least competitive industries, and it now contains powerful devices to protect them. The reductions the United States can provide will average a good deal less than 20 percent.

Since the act was first passed in 1934, the rates paid on dutiable imports has fallen from 50 percent of their value to 11 percent; most of the drop was in the early years, and recently the rates on many items have even been rising. It is probably correct to conclude that the commodity-by-commodity approach cannot be carried much further, since the easy cuts have long since been made and attempts at reduction now merely start political fights.

At the same time suggestions have come from Europe that the traders there are growing weary of GATT's present commodity-by-commodity negotiating procedures. There may shortly be pressure to replace it with a system of sweeping reductions of average rates. This is a consideration to be kept very much in mind as the administration begins to draft the 1962 renewal of the Reciprocal Trade Agreements Act.

If the United States is to expand its foreign trade significantly, its tariff laws must provide the negotiators with unprecedented flexibility. There are now two regional free trading arrangements going into effect in Europe, another taking shape in Latin America, and similar plans under discussion even in Africa.

Providing this flexibility will mean jeopardizing some American industries which now enjoy tariff protection. In the long view, this probably will have to be done; the salutary effects of free competition do not stop at the water's edge. But this should not be done lightly.

The new draft of the act might usefully be accompanied by legislation to provide low-interest loans, community grants and industrial retraining opportunities in situations where foreign competition hurts domestic producers. On a smaller scale, this is the kind of temporary assistance the administration is already considering for the hard-pressed textile industry.

[From the Washington Post, June 29, 1961]

TRADING IN TEXTILES

The fight over textile imports has become so bitter that it is beginning to embarrass American foreign policy. If the administration now retreats into protectionism, it will be correctly regarded abroad as an ominous precedent for economic isolation. To head off an open collision, the State Department is supporting a compromise to give short-term comfort to textile manufacturers at home and longterm hope to those abroad.

A voluntary system of expanding quotas is now slowly being devised by the nations that buy and sell cotton textiles. The underdeveloped nations will be asked to exercise restraint in pouring their low-priced goods abroad. The industrialized nations, in return, would open their markets increasingly to foreign cloth. And all quotas must be mutually acceptable to buyer and seller.

Within these principles, the State Department hopes to see a network of precise bilateral agreements to allocate the world trade in cotton textiles. A conference of some 25 nations in Geneva late next month will begin to construct this system. The Department has suggested the nations sending cotton goods to this country impose on themselves quotas initially equal to their present sales here, with a 30-percent cutback for Hong Kong and perhaps some increase for Japan. These quotas would then expand, but not so fast as our domestic market, leaving some expectation of growth for our own mills. At the same time the other industrialized countries would agree to take quotas of cotton goods from the underdeveloped countries.

The American textile manufacturers' response has been characteristically hysterical. Our textile imports in 1960 were less than our exports, amounting to only about 7 percent of consumption, but the manufacturers are demanding this country barricade itself behind a unilateral and fixed quotas system that would cut back all our foreign suppliers and virtually eliminate many. The industry has strong support in Congress, where more than 200 members, including a third of the Senate, have signed a letter to the President complaining that the diplomats fail to understand our mills' difficulties.

President Kennedy is currently the arbiter in this struggle. At his press conference yesterday he was noncommittal about specific plans, but endorsed the Geneva meeting. He demonstrated again his inclination toward lower trade barriers by emphasizing the volume of American cotton sales abroad: "It has to be balanced."

The allocated market principle is a long detour from the road this country has slowly been traveling toward more open international trade. The proposal's authors defend it as the most hopeful device to avoid an outright reversal of direction. They also emphasize, with justice, the importance of stable export markets for the underdeveloped nations and say that we already allocate markets for some raw materials.

But a profound question is posed by this textile marketing plan. Anyone who sees virtue in unhindered trade and free competition must approach it with painful misgivings. Once applied, quotas may be exceedingly difficult to alter. State Department officials swear they would be committed to steady increases, and the system itself would be merely a temporary device to ease the transition into unrestricted trade. On balance, even temporary quotas are permis-

sible only if they are the unavoidable alternative to irresistible pressure in Congress for harsher barriers, in turn incurring reprisals abroad. Perhaps the administration ought to consider tax concessions for those American cotton mills that may be genuinely uncompetitive, allowing them to accumulate the capital to diversify or get out of the cotton business altogether.

[From the New York Herald Tribune, May 21, 1961]

QUOTAS NO ANSWER TO TEXTILE TROUBLES

Behind the clamor for textile import quotas is the plain fact that the industry is in trouble. Exports are off sharply, imports have risen 300 percent since 1958, domestic demand is slipping. Jobs are disappearing. Employment in the industry has fallen 32 percent from its Korean war peak in February 1951, which means a loss of 440,000 jobs. Some regions have been especially hard hit: as of last November, textile employment in New England was down 61 percent.

Imports still account for only 7 percent of domestic consumption, but what textile men fear is the handwriting which the sharp rise in imports has put plainly on the wall. Unless something is done to save the industry, its troubles are going to multiply while its markets contract and its mills shut down.

But import quotas, however well they might serve the self-interest of domestic textile manufacturers and workers, are not the answer.

Inherent in any quota system is the allocation of favors among competing nations; its inescapable corollary is the allocation of penalties. The Nation has enough international troubles without getting involved in juggling market shares among Hong Kong, Japan, Formosa, Spain, France, and other eager exporters, and doing it against a backdrop of heavy political pressures at home.

If the American textile industry proves itself unable to meet foreign competition, it simply is going to have to adjust to a smaller scale of operation.

This does not mean it has to give up yet. One of its myriad troubles is the Government's own making, and in his seven-point program of proposed relief for the industry President Kennedy promised a study of it. This is the two-price system of subsidizing American cotton exports, under which American manufacturers have to pay a sharply higher price for raw American cotton than their foreign competitors get it for.

Another of the seven points is a research program, to be undertaken by the Commerce Department, aimed at developing new uses and thus new markets for textiles. This is something the industry itself should have been doing more of.

The textile industry is important to the Nation as a whole, and vital to regional economies. It deserves support and encouragement. But ultimately it has to stand on its own feet, and not expect to be propped up by an arbitrary and dangerous system of quota restrictions.

[From the New York Times, May 9, 1961]

PROTECTIONISM AND THE DOLLAR

The improved position of the dollar in world financial markets is one of the notable features of the present period as compared with the last months of the Eisenhower administration.

In part because President Kennedy made known early and vigorously his intention to defend the dollar with all our vast resources, the rapid outflow of gold has virtually ceased. In addition, our balance-of-payments position has improved substantially so that in the first quarter of this year our deficit on international account was running at an annual rate of only about $1 billion as against almost $4 billion in the closing months of 1960.

This improvement will, we hope, weaken the political position of the protectionist forces that have been trying to take advantage of our recent international financial difficulties to press for increased curbs on imports.

It is true that there are industries which are being hurt by the combination of recession and increased imports of foreign merchandise. The communities, businessmen, and workers who are adversely affected naturally think first of getting Government protection against such competition. But if we restrict imports through quotas or higher tariffs, forces will be set in motion abroad to restrict our exports. Aside from the unfortunate economic consequences of a pattern of reciprocal restrictionism, the political consequences in terms of alienating friendly nations could also be disastrous. Such considerations led us to oppose petroleum import quotas when President Eisenhower introduced them in 1959, and lead us to oppose the possible imposition of textile imports quotas now.

Ideally, the answer to foreign competition should take the form of improved productivity, lower cost and lower price, and improved quality. But the fact must be faced that some types of production here may be uneconomic in the sense that they have no real answer to foreign competition. For businesses and workers in such industries it would usually be much cheaper and better to ease the transition to other occupations through direct Federal assistance rather than to set up new barriers that only invite retaliation and ill will from our friends and allies abroad.

[From the Washington Post, July 10, 1961]

UNITED STATES TO PROPOSE EASING TEXTILE IMPORTS ROAD

TOKYO, July 9.—George W. Ball, American Under Secretary of State for Economic Affairs, today said the United States was planning to propose an easing of textile import restrictions to gradually expand the market in lower-wage countries.

Ball said this would be proposed at Geneva, Switzerland, July 17.

The Under Secretary, who leads the U.S. delegation to the 10-nation economic development group meeting here Monday, said at a luncheon that no one was doing enough for the underdeveloped countries.

He called on Japan and the Western countries to fight the Communist economic challenge with a higher level of industrial growth.

Ball made these points on economic foreign policy:

The United States will propose in Geneva on July 17 that the Western countries ease restrictions on textile imports to provide a gradually expanding market for lower-wage countries.

The United States which until recently opposed entering international commodity agreements, is working closely with many producing countries to bring stability into crucial primary commodity markets.

The U.S. Government is discussing new borrowing arrangements for the International Monetary Fund.

To achieve a reasonable balance of external accounts, industrial nations would have to consult to bring about a measure of harmony in their domestic policies.

Ball said: "We can no longer afford speculative raids on the great reserve currencies—the dollar and sterling."

Countries attending the meeting are the United States, Great Britain, Belgium, Canada, France, West Germany, Italy, Japan, the Netherlands, and Portugal.

[From the New York Times, May 15, 1961]

WESTERN EUROPEAN INDUSTRIES ADAPT QUICKLY TO TARIFF CUTS—VULNERABLE PRODUCERS TAKE FAST STEPS WHEN TRADE TREATIES ARE CONCLUDED—NORWEGIAN TEXTILE FIELD CITED

(By Edwin L. Dale, Jr.)

PARIS, May 14.—For the United States, increasingly agitated over the problem of tariffs and competitive imports, there may be a lesson to be learned in Western Europe.

Travels in Nations of both the Common Market and the European Free Trade Association yield the same conclusion. It is this:

Industries are likely to adapt remarkably quickly to lower tariffs and competitive imports, on one condition: There must be absolute certainty that the tariffs will decline and eventually disappear—certainty written into laws or treaties.

Put another way, vulnerable industries will make the necessary changes only when there is no longer any hope of avoiding tariff cuts.

The case of the Norwegian textile industry is a perfect example of what is going on in almost all countries of Europe.

For 6 years this industry was in the forefront of those forces in Norway that successfully blocked the establishment of a Scandinavian common market, on the ground that it could not compete with Denmark and Sweden.

Then the rush of events, started by the formation of the European Common Market on the Continent, suddenly forced Norway almost overnight into the European Free Trade Association. There was to be tariff-free competition not only from Sweden and Denmark, but from Britain, Switzerland, Portugal and Austria as well.

With remarkable speed, the Norwegian textile industry faced up to the new situation. Some product lines were dropped, with concentration on a smaller number of items that could be competitively produced. And already, with the tariff cutting only beginning, the industry—no doubt to its own surprise—is not only surviving but has become an important exporter.

This sort of adaptation is made easier, of course, when business conditions generally are good, as they have been in Europe.

Furthermore, the basic principle does not necessarily apply to that handful of items, including textiles, where the threat comes not from other advanced nations but from low-wage countries, including Japan.

Europe as a whole is far more restrictive than the United States in its import policies for these goods. Britain lets in goods from Commonwealth countries, but only under a system of voluntary export quotas. She may have to adopt import quotas even for Commonwealth goods.

But for fair competition, the experience with the free trade experiment in Europe leaves little doubt that industries can and do adapt. Imports into all of the countries in the two groups have risen spectacularly in the last few years, with imports from fellow members of the "club" generally rising the fastest.

[From the New York Times, May 4, 1961]

TEXTILE QUOTAS ARE UNSOUND

President Kennedy's program for assistance to the textile industry implies that he is seriously thinking of imposing quotas on textile imports into this country.

If any such quotas are set, he will have made a serious error, bowing to political pressure which he should have withstood. The imposition of textile import quotas would again—like President Eisenhower's imposition of petroleum import quotas—contradict this country's long and ardent advocacy of the freest possible international trade.

And such a major step of economic nationalism here would encourage similar economic nationalism everywhere else in the free world, as well as inviting retaliation and resentment in the many free world nations—Japan, Pakistan, and India, to name but three—which would be affected.

In early 1959 a subcommittee of the Senate's Commerce Committee published a report declaring that the textile industry's problems were so grave that import quotas were essential. Though textile imports did increase sharply in 1959, the other factors at work were so much more powerful that in that same year profits of the textile industry were the highest in almost a decade and it was able to spend more on new plant and equipment than it had spent in any year since 1951.

Along with much of the rest of the economy the American textile industry has suffered from the recession this past year. Hence it has once again applied its powerful political pressure to obtain import quotas. But imports are not the basic cause of the industry's troubles. Imports, though increasing, constituted less than 7 percent of last year's supply of textiles. The real reason for this pressure is the belief that curbing of imports would be easier to accomplish than would be an attack on the more fundamental causes of the industry's troubles. Among those basic causes the most important is probably the declining trend in textile consumption per capita which results both from technological displacement of textiles in industry and from changes in the mode of life—and hence in textile consumption—of the average American.

President Kennedy must be aware of what a major step along a new—and we believe wrong—road the imposition of textile import quotas would be. His proposal for a world textile conference suggests that he will try first to get acceptance of voluntary quotas—on the Japanese model—from exporting countries. But even such a step is obviously a move limiting competition and trade.

Ironically, one of the reasons for the textile industry's difficulties with imports lies in the U.S. Government's own program to help the cottongrowers. The Government keeps domestic cotton prices artificially high, and subsidizes exports, with the practical result that American cotton can be bought in foreign countries for less than American manufacturers can buy it in the United States. The President should wipe out this artificial two-price system for cotton, rather than further entangle our economy in the network of Government regulation by imposing textile import quotas.

Mr. JAVITS. I sum up by saying that exports are absolutely indispensable to the foreign policy of the United States. Exports cannot be increased by our country in sufficient volume unless we also have imports.

We face retaliation and Communist economic warfare of the most lethal character, and we face stoppage of our productive capacity and expansion, unless we encourage a foreign trade policy that will get results.

There are industries today that are being materially hurt by concentrated imports from abroad. There are workers and whole communities similarly hurt. But we would be doing them no favor if we erected high tariff walls or imposed quotas in order to give them relief.

The way to give them relief is by international agreements and by doing our utmost to create an international trade program to get higher standards and better markets in other countries.

By so doing, competition from imports, so far as we are concerned, may be somewhat relieved.

Finally, we must give our President flexible authority, so that if it is necessary to protect our industry for a time, that program may be phased out, and phased out in such a way that the whole world will know it is a temporary measure.

Finally, in our country, any business worthy of the name and any worker who suffers as a result of actions we have taken in the national interest should, in justice, be given Federal assistance, as was done after World War II, when we adjusted from a war economy to a peace economy, and gave V-loans, financed by the Federal Government, in order to make the transition from wartime to a status consistent with the national interest. I strongly urge that it be done now. I predict that the foreign economic policy of the United States will be the principal domestic issue of the campaign to come. I fear the day when we will jeopardize the fight for freedom, in which we lead the whole world, by improvidently trying to make decisions in the light of a national election campaign. If the administration really wants to exercise leadership, this is the time to begin to make a foreign economic policy.

If we fail to do so, the world position and the domestic economy of the United States will be endangered. I hesitate to use the word "crumble," but let us remember when Khrushchev says he will bury us, he says it because he does not believe we have the self-discipline or the wisdom to do the things of the character I have discussed. Indeed, he thinks we are going to do too little too late, and that therefore the centralized totalitarianism which is communism will bury us.

We defy him to do so, but we can defy him successfully only if we ourselves take appropriate measures. That is the reason for my speech today.

Mr. AIKEN. Madam President, will the Senator yield for a question?

Mr. JAVITS. I yield.

Mr. AIKEN. I want to ask the Senator from New York, who has given us a very thoughtful speech, whether he has given thought as to how any program could be devised which would result in a better distribution of the production of low-cost countries to other low-cost countries. We know there is a tendency of American industries to establish plants in countries where the costs of production are low. That is a perfectly natural impulse on their part. Then there is another perfectly normal impulse, and that is to sell the products of that production in the best market in the world, which happens to be the United States of America.

If the products developed in the countries where the cost of labor, the cost of raw materials, and the shipping costs to the markets of the world are lower, were sold in areas of similar income levels, then there would be a general expansion of world trade which would benefit everybody.

How can we overcome the tendency to locate in the lowest production cost areas, and also the tendency to ship a major part of that production to the best paying markets? In my book, that is a real problem. I hope the Senator from New York can shed some light on a solution of it.

Mr. JAVITS. I shall do my best, as briefly as I can. In the first place, the problem is not of the magnitude that it has been advertised to be. The figures I have, indicate that the very foreign subsidiaries to which the Senator has referred, bring into the United States some $200-odd million worth of goods a year, while there are exported to their own plants, for their own purposes, about eight times as much, about $1.6 billion.

One way we can solve the trade expansion problem is by a greater guarantee of export credits by the Export-Import Bank, as to which some efforts are now being made. The Export-Import Bank has announced that it intends to liberalize and expand its operations. It has not actually been done yet, but there are conferences being held about it. Exporters would be encouraged to sell in areas where the credit is not now as good as it is in commercialized areas. The suggestion is made that such areas be given long-term credit. We must remember that the Japanese, the English, and other countries give 5- and 10-year terms on credit guarantees, while we are caught flatfooted in making the same kind of credit guarantee available.

The Senator is a member of the Foreign Relations Committee of the Senate. I point out that our Government is suffering seriously from an absence of business management. Business management cannot be gotten out of the Government. I believe the committee should direct its attention toward some means of introducing business management, through the private economic system, into the management of the foreign aid program, in the various countries in which the program operates. I think, through our own foreign aid program, we can absorb some of the imports from which we are now suffering.

If we did any of these things to an appreciable extent, we would be suffering from a shortage of imports. The leverage in that field is so great.

Finally, the countries of Europe right now are quite prosperous, and they are not beginning to take the imports that they should take.

I say, let us not cut off our nose to spite our face, and curtail our own trade position by imposing quotas and high tariffs. Export markets are available, and they should be gone after. For example, in one commodity, coffee, there is the possibility of increasing the exports of Brazil and the few other countries in Latin America that sell coffee by up to $100 million annually if only Germany and a few other countries would reduce what are called sumptuary taxes, which are the remains of the past, when coffee was considered a luxury, and which taxes remain in the law because the governments have come to depend on certain amounts of revenue as a result of sumptuary taxes, and those countries do not

want to remove those taxes unless we get after them very hard.

Those are a number of ways in which the situation can be alleviated.

Mr. AIKEN. Those things can also work in reverse. The Senator from New York has referred to coffee and to the possibility of increasing the market in Europe, particularly in Germany. I agree fully with the Senator's remarks in that respect. However, we hear many comments to the effect that the U.S. Government contemplates taking the lead in pushing the price of coffee up to $1 a pound to the consumers in this country, in order to increase income in the coffee-producing countries. In my opinion, the Latin American countries would be very foolish to follow such a procedure. The last time the price of coffee to the consumer went up to $1 a pound, the producers lost 20 percent of their business.

Mr. JAVITS. I could not agree with the Senator more.

Mr AIKEN. We know that competitive beverages would move into the market. Coffee would suffer in those circumstances. I do not know for what price coffee should sell. Possibly it should sell for a little more than it now sells for, but certainly any effort to put the price of coffee at an artificial and abnormally high level would have exactly the opposite effect from what the administration apparently thinks it would have.

Mr. JAVITS. The Senator is emphasizing precisely the point I am seeking to emphasize. We often forget the interests of the consumers in regard to trade restrictions and price fixing.

Mr. AIKEN. Volume counts.

Mr. JAVITS. Exactly. The people of the United States have plenty of choice as to whether they drink coffee or do not drink coffee. If the consumers reduce their consumption, it will cost the producer much more than can be made up by a price increase.

Mr. AIKEN. It is income which counts the most to the producer or to the manufacturer, wherever he may be. Income is represented by production times price.

Mr. JAVITS. I thank my colleague for his observations.

Mr. DWORSHAK. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DWORSHAK. In outlining his trade adjustment assistance program, does the Senator from New York propose that the U.S. Government take unilateral action or in some way try to negotiate with representatives of the Inner Six and Outer Seven, who have been holding conferences in Europe for some time?

Mr. JAVITS. I should like the United States to follow both approaches. I think the people of the countries of the European Economic Community and the European Free Trade Association are very much more worried than most Americans are about what we are likely to do at home. It is my proposal that we embark on the path which will give us greatest strength for negotiating with them. I think that path is more likely to be the proposal I have recommended than imposed quotas. We can always follow the imposed quotas path as an extreme. As a technique for getting the most out of our negotiation, I think that would be the wrong way to approach the problem.

Mr. DWORSHAK. The Senator from New York referred to the disintegration of or the deterioration of our trade agreements program. The Senator proposes that we might accomplish something through GATT, which has been holding conferences in Geneva since last September, and will continue to do so for another 6 months. Does the Senator imply we are approaching a breakdown in our trade agreements program or in our international trade, primarily because there has been a failure on the part of the Reciprocal Trade Agreements Act which was passed in 1934, the GATT conferences which began in 1947, and many of the devices which allegedly were created to strengthen the position of the United States in foreign trade?

As I read the remarks, the President implies these programs have been failures and that it is time to discard these programs, which have been the basis of our trade agreements program for more than a quarter century.

Mr. JAVITS. I say to my colleague, I do not believe these programs have been failures. I think they have served the United States well. I am inviting attention to the dangers now faced by these programs, not as the result of anybody's arbitrary views but owing to the facts of economic life and the concentration of imports from Hong Kong, Japan, and many other places.

I am recommending a way to meet the problem which will not represent a breakdown in our foreign policy, and recommending it in a timely way, before we have to renew the reciprocal trade agreements program.

Mr. DWORSHAK. The Senator from New York is aware that the Congress has never officially endorsed GATT, yet for 14 years GATT has been holding conferences with foreign nations. I think the one presently being held is the fifth.

Little progress has been made in strengthening our trade relations. When concessions are made, the United States makes most of them.

Does the Senator from New York feel hopeful that GATT, as an agency, will be able to carry on and to serve a worthwhile purpose in any future program?

Mr. JAVITS. I do, provided that we arm ourselves with the necessary means for making the GATT most effective. I believe that the means I recommend are additional means required by the present economic situation.

Mr. CASE of New Jersey. Mr. President, I want to commend my distinguished colleague from New York for the foresight he has shown in regard to our economic foreign policy and for his constructive leadership in proposing solutions consistent with our policy of expanding, rather than contracting, world trade.

There is no question of the severity of foreign competition in an increasing number of fields. The only major question is the type of response we shall make to it. There are those, who, as always, would have us raise a high wall of tariff and quota restrictions and thus preserve the American market for American products. To do that indiscriminately, on an across-the-board basis, would, in my judgment, not be in the interests of our country. For one thing, tariffs and quotas amount to a tax on the American consumer, resulting in higher prices here. But the basic reason we must not again retreat into the high tariff protectionism of the 1920's is that this would lead other nations to follow the same course. They would clamp down on their own imports of American-made goods in retaliation.

This would have much wider consequences than the obvious fact that it would bring about unemployment in many American industries which produce goods for export. It would add up to a major decline in all world trade. There is widespread agreement among economic historians that our own high tariffs in the period just before the world economic depression of the 1930's had a great deal to do with causing that depression. The nations of the free world could be committing economic suicide if they were to follow that course again.

We need a cooperative effort to make American products fully competitive in our own and in world markets. Our Government has a major responsibility here. For one thing, our tax and depreciation policies must be revised to make it possible for American industry to modernize its obsolete plant and equipment, and make it possible for us to compete, in that respect, on equal terms with our foreign competitors.

Of course, both industry and labor have got a major responsibility, too—to cooperate in increasing our productivity and efficiency. And I am convinced that so far as labor is concerned, it will do its part fully, once it is convinced that its efforts would not be used by management for the purpose of harming the legitimate interests of the trade union movement.

Our existing procedures, through which an industry faced with serious foreign competition can now get tariff or quota relief, are helpful in some cases. But, in others, relief may not be available or it may be inadequate. Tariffs and quotas are clumsy instruments which apply to whole industries rather than to the individual plants, communities, and workers most in need of assistance. I think we have a major responsibility, as a nation, to help those Americans adversely affected by our liberal foreign economic policy, for this policy is so clearly in our national interest and that of our trading partners in the free world.

The proposed National Import Policy Act, introduced this year by the senior Senator from New York, is designed to make assistance available to businesses, individuals, and to communities injured by foreign competition. Business firms would be eligible for special loans, technical and managerial assistance, and for special tax treatment, with liberalized depreciation allowances. This assistance would be designed to help them to adjust to the new situation and to become competitive once again.

The bill which I was glad to join in sponsoring would make workers who are unemployed as a result of increased imports eligible for a higher rate of unemployment compensation, and for longer periods of time. It would also establish a program of retraining and vocational rehabilitation under the supervision of the Secretary of Labor. If no job opportunity occurred where the unemployed person worked, the Federal Government would assist him in locating and in moving to another job opportunity elsewhere.

I commend my distinguished colleague for his leadership in putting forth these principles at a time when pressures are strong to abandon our commitment to an unfettered and expanding world trade. I hope that his remarks will receive the most careful consideration in every quarter of our land.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. DIRKSEN. Madam President——

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Madam President, without losing my right to the floor, I should like to yield to the distinguished Senator from Arkansas [Mr. FULBRIGHT] so that he may propound a unanimous-consent request.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Madam President, it is my understanding that the distinguished minority leader intends to offer a motion to recommit the bill to the committee. I thought, in order to have some understanding, for the benefit of our colleagues, we ought to have a limitation on debate.

Madam President, I ask unanimous consent that debate on the motion to recommit, when it is made, be limited to 45 minutes to each side, the time to be controlled by the distinguished minority leader on behalf of the motion and by me on behalf of the opposition.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the unanimous-consent agreement is entered.

Mr. DIRKSEN. Madam President, the pending business is the mutual educational and cultural exchange bill, is it not?

The PRESIDING OFFICER. The Senator is correct. Does the Senator desire to make a motion at this time?

Mr. DIRKSEN. Yes, Madam President. Informally or formally, I offer a motion to recommit the bill to the Committee on Foreign Relations. It is a simple motion to recommit.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois. The Chair understands that time on the motion will be under control.

Mr. DIRKSEN. That is correct, Madam President.

The pending business is the mutual educational and cultural exchange bill. In my judgment it is highly important. I think it is controversial. I believe the bill ought to go back to the committee for additional consideration.

There are some 10 amendments pending. This is a bill which is very difficult to intelligently amend on the floor.

Before I start my discussion I should like to make a unanimous-consent request, because my speech, such as it is, will be a series of questions addressed to the distinguished chairman of the Committee on Foreign Relations, for I think that will make good legislative history and will be informative to the Senate.

Madam President, I ask unanimous consent that I may suggest the absence of a quorum and the time necessary for the call of the roll not be charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DIRKSEN. Madam President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is so ordered.

Mr. DIRKSEN. Madam President, the bill before the Senate is certainly quite far reaching in many respects. I make that statement notwithstanding the fact that it purports to be something in the nature of a consolidation of many enactments that are on the statute books at the present time. But I would gather from modifications made that the present bill would go a little further than the acts to which I have referred, and I believe that the financing procedure, even though a limitation of qualification before the Appropriations Committee is provided, always presents the possibility of setting up a high-level program, which for a number of years might be discharged with foreign currencies, but if and when such currencies should ever disappear, the obligations would have to be liquidated with dollar appropriations, because of the latitude and the dimensions of the program.

This point is of concern. I believe it is one reason why various amendments have been offered. I know the difficulty of doing a suitable and adequate job of amending a bill of this type on the floor of the Senate, and that is the reason for the pending motion to recommit.

I believe that the best way to establish some legislative history is to ask the chairman of the Committee on Foreign Relations a few questions about the bill so that his answers may be of record, and so that there may be no misunderstanding as to what is involved.

First, I refer to section 102, on page 2 of the bill, which would give the President authority "by grant, contract, or otherwise."

The word "otherwise" is a residual word, and because of its broad connotations, I do not quite know why it should be used in the section. The bill will then continues:

> By grant, contract, or otherwise to establish educational exchanges (1) by financing studies for research, instruction, and other educational activities.

The bill would include "of or for citizens and nationals of foreign countries."

That is one group. It would include "of or for citizens and nationals of foreign countries in American schools and institutions of learning located in or outside of the United States."

Consonant, of course, with the amount of money that might be available, I can readily understand why a reference was made to the bill as a global aid to education bill. I should like to ask the chairman at this point whether or not only the money that will finally be provided would keep the program from being a global Federal aid to education bill.

Mr. FULBRIGHT. First, with regard to the first part of the question, especially concerning the words "or otherwise," most of the language to which the Senator from Illinois has referred has been taken from existing legislation.

As one example, I read from the joint resolution of August 24, 1949, concerning the Republic of Finland. The last sentence of the first resolving paragraph reads as follows:

> This account shall be available to the Department of State to finance by contract, grant, or otherwise.

The words "or otherwise" have appeared very often in legislation. I believe the bill would merely add an additional flexibility. Occasions sometimes arise in which the particular activity that is contemplated may involve something in the way of either a hybrid between a grant or contract, and may partially be paid by the Government and partially by a private organization.

In any case, it is not new language. It is in the law itself. If the Senator wishes me to attempt to justify all the existing language in all the laws which are incorporated in the pending bill, I am afraid he will be asking more of the poor, wornout chairman of the Foreign Relations Committee than he will be able to do.

Mr. DIRKSEN. I am perfectly willing to concede that the words have appeared in some other statutes. I have examined them as best I could. I do not make too much point of that. I do make the point that the dimensions of the bill, when we think in terms of educational exchanges for our citizens in foreign countries and for nationals of foreign countries in American schools and institutions of learning in or outside of the United States, are vast indeed, and I do not recall at the moment whether previous legislation has gone quite that far. If it has, it was something which has escaped the attention of Congress. It is never too late to take a good look at language that we may have heretofore

approved. The proposed program can cost the American people a great deal of money.

Mr. FULBRIGHT. If I may give the Senator one further citation of language in the earlier act, which I sponsored, and which was passed in 1946, I quote:

> The Secretary of State is authorized to enter into an executive agreement * * * for the purpose of providing, by the formation of foundations, or otherwise.

In other words, the use of that particular expression "or otherwise" is a well-established practice. Whether or not it is justifiable in every case, I do not know. However, I do know it has not been abused in any case in some 12 years of experience. Actually, the foundations—we call them commissions in some countries—have followed a pattern that is very well recognized.

As to the global nature of the program, my main criticism of the program as it exists is that it is much too small for a country of our size and responsibility. The detailed budget breakdown and what is proposed for the 1962 budget are shown in the hearings, if the Senator wishes to refer to them.

As I say, everything that is authorized in the legislation, if passed, will be subject to appropriations by the Appropriations Committee. The Senator from Illinois is a distinguished member of that committee. He is familiar with the difficulty this bill has suffered from ever since the program was started. It has had a very difficult time in growing. It is not very large as of now. With respect to what some people call an open-end authorization, precisely that language appears in the Smith-Mundt Act, which never had a ceiling placed upon the amount that was to be appropriated. Every year the Appropriations Committee has set the exact amount. The Senate committee has been reasonable and enlightened in its dealing with the appropriation. However, the House committee has been extremely parsimonious with the appropriations. In conference the amount has always been set at less than the budget figure, and, with very few exceptions, less than what the Senate had allowed.

I do not believe there is any sound basis for a fear that this will grow rapidly, because the Committee on Appropriations is extremely critical. As the Senator knows, when we contemplate what is being done in the domestic education field, Congress has done only very little domestically. But it has also done very little in the foreign field. That is a matter of judgment.

I believe the amount fixed in the current budget is too small at the present time in view of our needs. Nevertheless, that depends upon Congress in its annual appropriations. I do not know what better guarantee than such careful scrutiny by the committee the Senator would require, namely, having the Appropriations Committee limit the amount. This is not a proposal for a borrowing authority, I may say.

Mr. DIRKSEN. Madam President, the distinguished Senator from Arkansas knows that in other years I did support the program he sponsored. I am not sure that I share his enthusiasm and adventurous excitement about the results that have been achieved. It is well that we take a look now at what is before us, which is an effort to consolidate the various statutes into one package. In addition to the educational exchanges, the bill provides cultural exchanges. That will include visits by leaders of importance, and by distinguished persons, and tours in countries abroad by creative and performing artists and athletes in any field of the arts, sports, or any other form of cultural attainment. It may be that we have approved that language before, but I would like to have it reexamined again in the light of our experience.

Under cultural exchanges there is included also representation in various international meetings. In addition to the language heretofore carried, we are now adding meetings. We are including, also, assemblies. I do not know that that has appeared in earlier legislation.

Then the cultural program calls for participation by groups and individuals from other countries in nonprofit activities in the United States and fairs and expositions and trade and industrial fairs, and so forth. Much of that has been covered heretofore and has been rather widely discussed. It goes further than the language I recited.

The President is also authorized to provide handicrafts, books, periodicals, translations of writings and establishing—and I emphasize this—establishing and operating in the United States and abroad centers for cultural and technical exchanges, to promote public relations, and so forth.

Here is broad language to set up cultural exchanges in the United States and abroad. I assume those established in the United States would be for the benefit of our visitors from abroad as much as for anyone here. It gives significance to the observation I made a little while ago when I said that somebody referred to this as a global Federal Aid to Education Act.

Mr. FULBRIGHT. In response to the Senator, I would say that most of the activities to which he has referred are presently in the Smith-Mundt Act and in Public Law 860, which authorized broad participation in cultural exchanges. The legislation would give the President authority to coordinate and reorganize and, if possible, to make more efficient, the activities already in the law. I do not believe there is anything of substance in the language which the Senator has mentioned which is not already in the law. The committee did not undertake to delete many activities that are already authorized. In some of these I have not been as much interested, or not interested any more than the Senator from Illinois has been interested, but many people are interested in them, and I believe they are justified as activities.

I do not know what the Senator means by global Federal aid to education. The dollar appropriation to the State Department this year for the programs in the bill is in the neighborhood of $30 million. If that is a global program, I do not understand what global means. The U.S. Information Agency has three times as much money as is involved here. This is a relatively small program. I believe it is too small. It touches various countries, but it is extremely small from the standpoint of a global program.

I think that all the activities mentioned by the Senator are justified. I wonder if he would pinpoint one or two which especially offend him and which he believes should be deleted.

Mr. DIRKSEN. I am never offended about these things; I simply point out what I believe are the implications.

If we look at the financing provisions, notwithstanding the fact that this proposal must go through the Committee on Appropriations and through Congress, here is a sort of residual package. First, the appropriations to carry out the purposes of the act are to "remain available until expended." That language has not appeared heretofore, so those appropriations are to be without end and without term. Once they are put on the shelf, they are there and cannot be called back. They are to "remain available until expended."

Mr. FULBRIGHT. That language, "to remain available until expended," is used in Public Law 860—the Cultural Exchange Act. That is exactly the way appropriations which are budgeted for that act are appropriated. They are "available until expended." That language is incorporated in this bill.

Mr. DIRKSEN. All right. Now let us see where we would go beyond the regular appropriations. I read from page 13 of the bill:

> Funds appropriated for programs under this Act may, without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), be used for the acquisition from any source of foreign currencies in such amounts as may be necessary for current expenditures and for grants, including grants to foundations and commissions in accordance with international agreements providing for the accomplishment of the purposes of this Act.

That is open-end language. It may have appeared heretofore, but I point out that we have a Treasury which is bursting with foreign currencies. In fact, the accounting of these foreign currencies has been so bad that the distinguished Senator from Delaware [Mr. WILLIAMS] could not even get an itemized account or an approximate balance. He has chased the Bureau of the Budget, the Treasury, and other agencies back to the wall to come up with some kind of figure. These funds are available, of course, under the limitations of appropriations.

How easy it is to think of foreign currencies as something we got for nothing. We did not get them for nothing. We had to barter agricultural commodities and many other things to get them. So there is now a lure to put hands on those foreign currencies. However, the day will come when they will run out. If we have a high level program of educational exchange, cultural exchange, teachers, trainees, technicians, and the like, then it will be necessary to liquidate the program with dollars.

Probably the distinguished Senator from Arkansas is a little disconcerted because the program which he initially

sponsored has only reached the $30 million level. Give it time. Wait until it is found out in connection with the bill—and perhaps it has not been found out heretofore—that it is possible to pay travel expense, pay per diem in lieu of subsistence, and to bring families along; wait until it is found out that it is possible to pay for insurance and to bring back a lifeless body, if one should die over there. I think we have gone a long way.

In addition, these funds will become available through foundations and educational and other institutions. I read the language; perhaps I am mistaken in my understanding of it:

(e) (1) In providing for the activities and interchanges authorized by section 102 of this Act, grants may be made to or for individuals, either directly or through foundations or educational or other institutions, and may include funds for tuition and other necessary incidental expenses, for travel expenses from their places of residence and return for themselves, and, whenever it would further the purposes of this Act, for the dependent members of their immediate families, for health and accident insurance premiums, emergency medical expenses, costs of preparing and transporting to their former homes the remains of any of such persons who may die while away from their homes as participants or dependents of participants in any program under this Act, for per diem in lieu of subsistence at rates prescribed by the President for all such persons, and for such other expenses as are necessary for the successful accomplishment of the purposes of this Act.

Some of that language has appeared in previous acts. I am not unmindful of it. Also, I am not unmindful that the Senate passes many bills as to which we do not have a chance to spell out carefully and in detail what is involved.

If I were on the other side, this proposal would be the biggest lure I could think of, to think that if I could qualify as an influential person, as a distinguished person, as a professor, as a technician, as a trainee, I could get transportation, I could get subsistence, I could bring my family along, I could get health and accident insurance, and I could send lifeless remains back—God forbid that any such fortunity ever should happen. It seems to me we have reached the point now, notwithstanding the fact that there are 8 or 10 different statutes dealing with this situation, that this proposal ought to have the benefit of a good look-see. Let us understand what is involved. Perhaps we have used similar language before in some respects, but there is some curious language. I want to be certain whether we are being asked to consider a global Federal-aid-to-education proposal.

I approach this question in a most gracious spirit. I have not been able to figure out how, properly, adequately, and effectively, to amend the bill on the Senate floor. That is the reason a motion is pending to send the bill back to the Committee on Foreign Relations.

Mr. FULBRIGHT. Madam President, I am at a loss to know how to respond to the Senator from Illinois. As I have already said, most of the language to which he has referred is already in the law. If he is proposing to repeal the Smith-Mundt Act, that might be done, although I should think there would be considerable opposition to that. I realize that the Senator does not particularly approve of this legislation. I recall that in the Committee on Appropriations he made the point that he thought this activity could be more efficiently conducted by private sources. He stated at one time that out of 50,000—using round numbers—foreign students in the United States, only about 10 percent of them were here under Government auspices. That, roughly, is the fact now. It was some years ago when the Senator made that statement.

Mr. DIRKSEN. But I supported the proposal.

Mr. FULBRIGHT. There is a difference of opinion about the program. I believe the Government program has been far the most effective part of the whole, overall activity involving foreign students in this country, because the program has been properly administered. It has been supervised. In other words, my opinion is that this has been a worthwhile program. If the Senator from Illinois chooses to call it global, that is his prerogative.

It is a very small program, as programs go.

The Committee on Foreign Relations is considering a very important program which will cost $4.3 billion. It might properly be called global. But the program proposed in the bill now before us involves some $30 million for this year.

I do not know how to answer the Senator from Illinois. If he does not believe that education and educational exchanges are not only proper, but are a very important part of our international relations, I do not know what I can do to persuade him that they are important, because he has been a Member of Congress as long as I have been.

His opinion differs on this subject; just as there is a great difference of opinion in this body and the other body about Federal aid to education here at home. I have always favored it, and I still do. There are many who oppose it.

The program may not be as good as the Senator from Illinois would like it to be. Every Senator is at liberty to vote against it if he desires to do so. The bill, however, would reenact to a very great extent existing legislation. I know of no great movement to abandon the Smith-Mundt Act or Public Law 860 or Public Law 584, or any of the other acts which are involved in the proposed legislation. The bill makes only very minor additions to existing law. If the Senator from Illinois simply does not like the existing legislation, there is nothing I can do about it that I know of. He has a right to his opinion about educational exchanges. I believe that of all the exchanges the United States has engaged in since World War II, this one has resulted in a greater infusion of understanding of this country and a mutual understanding, for that matter, of any activity. In my opinion, the $30 million involved in this activity is worth 10 times more than the $100 million involved in the USIA.

I have great difficulty finding any very favorable reaction to the Voice of America; but that is a matter of opinion. I supported that program, too; but I do not have any great faith in it. I have supported it for various reasons.

The Senator from Illinois has brought up the question of foreign currencies. He tempts me to point out that this has been a part of the bookkeeping of the Republican administration for 8 years. Why they got it into such a mess, I do not know.

Mr. DIRKSEN. Certainly I do not condone it. Regardless of the source of such a situation, it is not good, in my book.

Mr. FULBRIGHT. I realize that. I think it is in a very uncertain condition; and we had that testimony before our committee. But the currencies of only about six to eight countries would be available for purchase as excess currencies. They cannot be allocated for use in connection with this program, except in pursuance of an appropriation. First, it is necessary to get dollars, as the result of an appropriation. Then the agency can take the appropriation to the Treasury, and can say to the Treasury, "If you have any rupees, francs, lira, and so forth, that you do not need, we will buy them with this money which has been appropriated by the Congress." It is merely a bookkeeping arrangement, pursuant to an appropriation by the Congress. If the committee on which the Senator sits approves an appropriation of $100,000 or $1 million, and if the Congress makes the appropriation, the agency which receives the appropriation can exchange it at the Treasury for foreign currencies. But that has nothing to do with the looseness of the program to which the Senator has referred. His criticism in regard to the looseness with which the exchange is handled is utterly irrelevant, insofar as the pending bill is concerned.

Mr. DIRKSEN. Oh, no. For instance, let me refer to the language on page 15, subparagraph 2. Is that new language which the committee has written into the bill? I refer to the paragraph which begins with the words "Notwithstanding the provisions of any other law," and so forth.

Mr. FULBRIGHT. That means which may from time to time be established under a recommendation of the Appropriations Committee.

Mr. DIRKSEN. It is new language, is it not?

Mr. FULBRIGHT. It is not different from what was previously in the law. Very similar language is to be found in Public Law 584, under limits to be established by the Appropriations Committees of the Congress. How would the Senator provide for a different arrangement?

Mr. DIRKSEN. First, I wish to find whether that language is taken from existing law or whether it is entirely new language.

Mr. MUNDT. Madam President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. MUNDT. Let me say it is new language. I have an amendment which would provide for returning to the customary procedure of having the limita-

tions set by the Appropriations Committees. The difference, as I understand, is that there would be no need to return to the Appropriations Committees to secure the limitations established by the Congress. They could be established by a legislative committee or by a legislative act. Frequently we provide that "the expenditure of not more than $100 million shall be authorized" for such-and-such a purpose; but the actual amount of the expenditure is determined by the Appropriations Committees.

I have an amendment which would strike out the words "and within such limitations as may from time to time be established by Congress, to use," and would insert "to use in such amounts as may from time to time be specified in appropriation acts,".

Mr. FULBRIGHT. I would not object to that.

Mr. DIRKSEN. First, Madam President, with respect to the whimsical remark made by the Senator from Arkansas, let me say that a bookkeeper can be careless, regardless of whether he be a Democrat or a Republican; and there have been some careless bookkeepers, insofar as the foreign currency account is concerned. So it is high time that the Congress took a good look.

At this time, with the Treasury fairly bulging with foreign currencies, this provision is: "Notwithstanding the provisions of any other law," and so forth. That would waive all of the present difficulties, by providing "notwithstanding the provisions of any other law, and within such limits as may from time to time be established by Congress, to use, to the extent that such use is not restricted by agreement," these foreign currencies.

My point is that this program can be handled for a certain length of time by the use of such funds; but when the time comes when no more foreign currencies are available, then what will happen? Then if the Congress tries to put an ax to the program, tremendous pressures will be put on the Appropriations Committees; and Congress will be told, "You cannot cut this program. It is a sacred program, and it is not to be touched." Once all the foreign currencies have been used, that will be the situation. Again and again I have pointed out that the vast amounts of foreign currencies in the Treasury become a monumental lure.

But here it is provided: "Notwithstanding the provisions of any other law and within such limits as may from time to time be established by Congress."

Madam President, I have been under those pressures before. I saw the so-called food program for use in the schools begin with $25 million; and I lived to see the time when, with Federal aid, both cash and commodities, and with contributions by the States and the voluntary agencies, it became a $1 billion program. That is what happens in this great city, where the practice of the art of mushrooming is not at all extraordinary.

Madam President, there are other items in the bill; but I shall not go further.

I think this bill is entitled to something of a good, hard look. For that reason, I have moved that the bill be recommitted to the committee. I have not made that motion in malice. I have made the motion because I believe it is in the public interest.

So I am prepared to let my case rest right there.

Mr. MUNDT. Madam President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. MUNDT. I should like to have the Senator from Illinois yield to me, so that I may have an opportunity to ask the distinguished chairman of the Foreign Relations Committee whether he can inform the Senate exactly——

Mr. DIRKSEN. If I may intervene, let me say that I have used 30 minutes of my time. I wonder whether the Senator from Arkansas would like to use some of the time available to him.

Mr. FULBRIGHT. If the Senator from South Dakota wishes to ask me a question, I now yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 10 minutes.

Mr. FULBRIGHT. I now yield to the Senator from South Dakota.

Mr. MUNDT. I was not able to understand the outcome of the colloquy between the distinguished chairman of the Foreign Relations Committee and the Senator from Illinois in regard to the language which appears at the top of page 12. Will the chairman of the committee detail for the Senate exactly what changes are involved? A number of Senators have spoken to me specifically about the words, in line 4, "dependents of participants," as they relate to the new language—that in italics—which would seem to expand the present arrangement from the responsibility the Government now has for dependents of participants, and would now include additional expenditures and programs, and perhaps additional dependents. Will the Senator from Arkansas explain that for the benefit of the Senate?

Mr. FULBRIGHT. The remains of one who might die while away from home could, under such authority, be returned home. I was going to comment on that matter.

Public Law 885, of the 84th Congress, in section 3, provides that the Secretary of State is authorized to pay the actual expenses of transporting home the remains of deceased grantees, not U.S. Government employees, who may die while away from their homes, while participating in international educational exchange activities under the jurisdiction of the Department of State. I meant to refer to that matter. That provision is in the law.

Mr. MUNDT. Is it in the law with respect to dependents or participants?

Mr. FULBRIGHT. Not in regard to dependents.

Mr. MUNDT. Then this portion of the bill adds the reference to dependents, does it?

Mr. FULBRIGHT. Yes.

Mr. MUNDT. And it does that not only for that purpose, but also for the other purposes set forth in the italicized words?

Mr. FULBRIGHT. Under the ruling of the Comptroller General, with which I believe the Senator is familiar, under existing law the cost of the transportation of dependents is authorized. It has been used in a very limited fashion, because the Board of Foreign Scholarships and the administrators of the programs have not thought that it was necessary except in unusual cases, particularly with distinguished professors who are requested by foreign countries to come to their countries. Very often they are unwilling to go for a year without their families.

The Comptroller General wrote a letter on this subject, dated February 13, 1959. He ruled that the cost of transportation for dependents in grants to certain senior categories of persons participating in the international education exchange activities authorized by the U.S. Information and Educational Exchange Act of 1948—with which the Senator is familiar—section 32(b)(2) of the Surplus Property Act of 1944, and so forth, is authorized. That is not a new authority.

Mr. MUNDT. That relates to the practice of paying the cost of dependents of American professors who go overseas.

Mr. FULBRIGHT. That is correct.

Mr. MUNDT. The question has been raised and brought to my attention as to whether this act extends that authority to include the cost of foreign students and professors who come here from other lands.

Mr. FULBRIGHT. I do not think the ruling of the Comptroller General is limited to Americans.

Mr. MUNDT. I think it is.

Mr. FULBRIGHT. What makes the Senator think that?

Mr. MUNDT. Because we had a discussion of it before the State Department Appropriations Subcommittee the other day. Money for that purpose was involved. We were advised categorically that the money could be used exclusively and solely to pay for dependents of Americans, primarily of professors, who are going overseas. So either the Comptroller General is incorrect or the testimony before the McClellan subcommittee was incorrect.

Mr. FULBRIGHT. Was the question before the Senator's committee whether it was intended to do this as a matter of policy or whether there was authority? This question goes only to the authority.

This matter illustrates the statement I made in response to the question of the Senator from Illinois, that all of these details are closely examined into and under the control of the Appropriations Committee. There is nothing open-ended about it. It is within the control of the Appropriations Committee. In fact, I have often felt the Appropriations Committee has attempted to substitute its judgment for the judgment of the agency involved. I do not seek an argument with members of the Appropriations Committee, but I have often felt that it does that. For example, one time the committee eliminated the item for the Salzburg seminar, which was

an efficient way to spend the money. The committee did not like it. It was authorized under the bill, but the Appropriations Committee said it did not like it. This often happens.

I ask unanimous consent to have printed at this point in the RECORD a copy of the letter from the Comptroller General, to which I referred earlier. It speaks for itself as to what it means.

I think it means dependents are included, whether they be dependents of Americans or foreigners, so long as we give a travel grant or a full grant under sections of the bill. That is quite apart from the question whether or not the administrators choose to do it. If they have assured the Senator they are not going to do it, I do not think that is necessarily in conflict with the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., February 13, 1959.

The Honorable the SECRETARY OF STATE.

DEAR MR. SECRETARY: In a letter of October 24, 1958, Mr. William O. Hall, Acting Assistant Secretary for Administration, requested our views upon the authority of the Department of State to include an allowance for cost of transportation of dependents in grants to certain senior categories of persons participating in the international educational exchange activities authorized by the U.S. Information and Educational Exchange Act of 1948 (22 U.S.C. 1431–1479), section 32(b)(2) of the Surplus Property Act of 1944, as amended (50 U.S.C. App. 1641(b)), the act of August 24, 1949 (20 U.S.C. 222–224), and section 7 of the India Emergency Food Aid Act of 1951 (50 U.S.C. App. 2316).

The letter of the Acting Assistant Secretary states:

"The program conducted under these various statutes seeks to further our foreign policy objectives through educational and related activities, including the exchange of persons, which promote mutual understanding between the people of the United States and the people of other countries. Grants are made to individuals to enable them to participate in the program. In some instances, awards are made strictly on the basis of competition, primarily in the student and research categories, and in other instances, including the teacher and professor categories, it is often necessary to seek people especially qualified to meet specific requirements that exist in the area and assignment in which they are to serve. In the latter categories the Department is experiencing increasing difficulties in obtaining the persons best qualified to meet the specific requirements, including the rather lengthy period of not less than a full academic year in the host country.

"This difficulty is due in large part to the absence thus far of any provision in these grants for payment of transportation of dependent members of the immediate family of the grantee. As a general rule grantees in the senior categories indicated above are accompanied by dependents. In such instances each member of the family unit contributes to the general objectives of the program in meeting and associating with persons in the host country. The Department and the Board of Foreign Scholarships have become convinced of the necessity for assisting these grantees in meeting the expense of transportation of accompanying dependents and formal action taken by the Board at its most recent meeting urges that appropriate action be taken to accomplish this.

* * * * *

"The Department, in keeping with the action of the Board of Foreign Scholarships, proposes to include an allowance for cost of transportation of dependents among the benefits of the grant in certain senior categories of persons going to and coming from remote areas of the world for periods of not less than a full academic year, usually 8 to 10 months."

We view the several acts involved, related by statutory provision (22 U.S.C. 1440) as well as purpose and subject matter, as vesting in the Secretary of State broad discretionary authority with regard to expenses for allowance incident to participation in the respective educational programs. Accordingly, in the light of the representations made with respect to the difficulties encountered in obtaining the best qualified persons to participate in the authorized educational programs due to the absence of any provision for an allowance for cost of transportation of dependent members of the immediate family of the grantee, if it be determined that such an allowance is necessary in order to carry out the programs, we would not object to the inclusion thereof in the grant.

Sincerely yours,
JOSEPH CAMPBELL,
Comptroller General of the United States.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. DIRKSEN. I merely wish to say to the distinguished Senator from Arkansas that it is amazing how little detail actually finally gets to the members of the Appropriations Committee. First we have a catenation of witnesses. Time is limited. They submit, in finest print that taxes bifocals and trifocals, general language. I defy any member of that committee—and I was on it 17 or 18 years—to be able to check the matter within the compass of time.

Mr. FULBRIGHT. Is the Senator speaking on my time?

Mr. DIRKSEN. Yes; this is on the Senator's time.

Mr. FULBRIGHT. I am not going to yield for another speech. The Senator has 15 minutes. I yielded only to the Senator from South Dakota.

Mr. DIRKSEN. I wanted to make the point.

Mr. FULBRIGHT. The Senator has his own time to make his point.

I yield to the Senator from South Dakota.

Mr. MUNDT. The Appropriations Committee was advised, after the fact, that these dependents had been supported in oversea posts. A member of the committee—not the present speaker—raised the question. In response, the representative of the State Department said that the allowance was authorized under the letter from the Comptroller General, to which the Senator has referred, and it was operated only from the standpoint of dependents of Americans, for example, professors, overseas. On that basis, although the committee has not finally acted, the assurance seemed to allay the particular concern of some members of the committee who felt that in paying for the dependents of foreign professors and foreign students visiting in this country, an alarming situation would be brought about, because in some of these countries from which we are happy to accept students and professors, men are allowed to have 4 or 5 wives and may have 20 or 30 children. We did not want to get into a position where the U.S. Government would be forced to discriminate and say, "We will accept dependents from countries where people have only 1 wife and perhaps 5 children, but not from countries where a man may have 7 or a dozen wives and 30 children." We thought it better to keep the policy clear and limit its operation according to a formula under which we would make payments only to dependents of outward-moving students from this country.

Mr. FULBRIGHT. Does the Senator wish to ask me a question?

Mr. MUNDT. Yes.

Mr. FULBRIGHT. Will the Senator please come to it, because we are under a limitation of time.

Mr. MUNDT. Is the understanding of the Senator from South Dakota with respect to the language on page 12 correct in the opinion of the Senator from Arkansas?

Mr. FULBRIGHT. As I understand, under this language, in the very few cases where distinguished professors have dependents, and it is very important that they come, in the discretion of the board of foreign scholarships, there is authority that the travel expense of the dependents may be allowed. I think it is neither proper nor justified to do otherwise. I think it would be quite improper, if we allow our professors to go abroad—and it is in very few numbers—and to take dependents, not to allow reciprocity in this connection. There are very few dependents involved. There is no compulsion upon the selection committees to accept anyone with dependents. As a matter of fact, in the case of students and the less distinguished or outstanding people, if they have dependents, they probably will not get to come at all.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. I yield myself 5 more minutes.

I do not wish to labor the point. It is quite evident that there are many people, in this body and out, who feel that educational exchanges are not a proper activity, or that Federal aid to education is not a proper function. There are people who think that education is the one root of all the evil in this world, and that we should not have allowed people to learn to read and write, because they become ambitious and stir up trouble. These are matters of opinion. We have had roughly 15 years of experience under the international exchange programs. There are various figures of the number of people that have been involved. Under Public Law 584, there have been, in round numbers, about 40,000. More have participated in combination with the others bills which have

been mentioned, such as the Smith-Mundt Act, Public Law 860, the Finnish Act, and several others. I think this activity has thoroughly justified itself.

There is a great mass of literature on the subject. There have been many reports. There have been annual reports by the administration on the number of people who have participated and who have made their marks in foreign countries. There have been a number who have done so in this country. This is a big country, and the impact of the program here is not so noticeable. In many smaller countries, which have a greater regard for intellectual achievement than this country, these people have had great influence in government, in the newspapers, and in the schools.

In a country such as Japan, which I happened to visit last year, a leading newspaper had 25 promising young editorial writers and reporters who had been to our country as exchange students. That is simply one illustration. Many others I would not burden Senators with at this time.

I really do not believe there is any doubt about the validity of the exchange technique. This is one activity as to which the Russians have paid us the compliment of imitating. They have started, in recent years, their own exchange program. They have started a Freedom University. The statistics are all in the hearing record. There are extensive statistics as to what the Russians are attempting to do.

I think, on balance, the evidence is unquestionable that this is a proper activity. All the bill would do, really, is bring together in one place the various acts which have been passed at various times in the last 15 years.

Most of the language to which the Senator from Illinois objects, or which he criticizes, is already in the law. There are very few additional provisions. If any of those additional provisions are defective in a way I do not realize or the committee does not know about, we of course would be more than pleased to consider some improvement, if any suggestions are made in that regard.

So far as the law is concerned, I do not believe there is any question about its value. I hope the Senate will reject the motion to recommit.

Mr. MORSE. Madam President, will the Senator yield me 5 minutes?

Mr. FULBRIGHT. Madam President, I yield 5 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 5 minutes.

Mr. MORSE. Madam President, the chairman of the Committee on Foreign Relations, of which I have the honor to be a member, is a very modest person. Undoubtedly he would not make some of the arguments in support of the bill I shall make.

I wish to say for the RECORD that it is a great privilege to serve on the Committee on Foreign Relations under the leadership of the Senator from Arkansas [Mr. FULBRIGHT]. It is a particular privilege to serve under the Senator in connection with any matter which involves scholarship and cultural development, as does the bill before the Senate. Therefore, I wish to make a few brief comments in support of the position of my chairman.

I speak most respectfully of my friend from Illinois [Mr. DIRKSEN], but I completely disagree with the position he has taken.

From listening to my friend, I have the impression that whether it is the motivation or not, the result of agreeing to the motion to recommit—which I sincerely hope will not be agreed to—would be to kill the bill for this session of the Congress. Time is wasting, Madam President, in regard to this subject matter, and we do not have any time to waste.

It is very important that we move ahead with the job called for under the bill. I urge the passage of the bill as one of the most effective weapons we have in the great fight for freedom against communism around the world. In my judgment, this kind of approach will do more to beat communism around the world than jet bombers. This kind of weapon will be more effective to defeat communism than military aid in many parts of the world, for which we are spending hundreds of millions of dollars.

I say most respectfully to the chairman of my committee, the ammunition in the bill will do more good in Latin America than the proposal of the Pentagon to increase military aid to Latin America from $55 million to $68 million, as contained in the foreign aid bill the committee is now marking up.

Madam President, this is an opportunity for us to do something effective in promoting the cause of freedom in the contest against communism. We do not have much time remaining.

My good friend from Illinois says he would like to send the bill to the committee so that it can have a long, hard look. It has had it, Madam President. My chairman has not said so, but, as one of his coworkers, I say so.

This is a copy of the hearings. On every Senator's desk there is a copy, Madam President. There are 238 pages of hearings on the bill.

"Take a look at it," I say to those who may momentarily find themselves in a position of some doubt because of the argument made by the Senator from Illinois. Take a look at the list of witnesses who appeared before the committee. Outstanding witnesses testified before the committee. They produced 238 pages of hearings.

Madam President, we have gone through the bill with a fine tooth comb, so to speak.

I suggest that Senators read the committee report. My chairman did not invite attention to it, and again I think he refrained from doing so because of his own modesty. I wish to refer Senators to page 4 of the committee report. What do we find there?

A beginning was made last October—

That was before the presidential election. I say to my friend from Illinois, the minority leader of the Senate, this has been a bipartisan approach toward consolidating legislation now on the books, and adding some, in regard to cultural exchanges. This is not a Democratic program or a Kennedy program alone. This is a bipartisan program, and a very sound one.

I ask Senators to listen to the language of the committee report, as found on page 4:

A beginning was made last October by convening under committee auspices, and under the chairmanship of Senator FULBRIGHT, an informal conference of top-level educators and Government officials most conversant with the operations of the exchange programs. Among the participants were the present Secretary of State, the Director of the U.S. Information Agency at that time, and the former head of the State Department Bureau of International Cultural Relations.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. FULBRIGHT. Madam President, I yield 5 additional minutes to the Senator from Oregon.

Mr. MORSE. Madam President, those men from the executive branch were not Democrats. They were Republicans, or, more precisely, at least were serving under a Republican administration, I say to the Republican minority leader of the Senate.

I continue to read:

There was complete agreement on the urgent need for action, and a remarkable unanimity of feeling about the required major changes in legislation governing the exchange programs. While there was a clear consensus about the proper course to be followed, there naturally have been differing views about that question. A case could be made for an effort to recast and strengthen the entire range of international educational and cultural programs, but such an attempt would involve lengthy and arduous study and a sweeping reorganization which would militate against needed early action. On the other hand, it could be argued that the relevant acts might just be amended in places to correct the more obvious deficiencies. This approach would only perpetuate the difficulty experienced in making a patchwork collection of legislation serve the new requirements of this period of world history. It therefore was decided that, in developing draft legislation, a middle course should be pursued which would offer the greatest promise of useful and prompt action in this current session of Congress.

The resulting bill (S. 1154), incorporating this moderate approach, was introduced by Senator Fulbright on March 2. Testimony from more than a dozen nongovernmental witnesses, representing among them the views of most major American institutions of higher learning, was received in public session on March 29, and was uniformly favorable in character. A public hearing to receive the views of the executive branch was delayed until April 27 so that the committee could be given a fully coordinated and approved single administration position on the bill. On that date, Philip H. Coombs, Assistant Secretary of State for Educational and Cultural Affairs, presented the composite views and proposed amendments of the executive branch, and strongly supported S. 1154. While there was a large number of such proposed amendments, many of the suggested changes were technical rather than substantive in character.

I ask my colleagues of the Senate only to read the committee report. If they read the commitee report, I do not believe they can possibly support a motion to recommit the bill, which will kill the bill.

I paraphrase the Senator's language, but I think, accurately, that the bill should be recommitted so as to provide for a long, hard look at what is proposed by the bill. The bill has had a thorough examination, to the everlasting credit of the Senator from Arkansas [Mr. FULBRIGHT] and the members of the Committee on Foreign Relations.

Madam President, I wish to now make a quick reply to a couple of the arguments I have heard made on the floor of the Senate today.

I read from page 2 of the bill, beginning at line 21:

> (B) of or for citizens and nationals of foreign countries in American schools and institutions of learning located in or outside the United States;

Someone suggested that this is almost a global foreign aid to education bill. Madam President, it is highly to be desired that some students and scholars be sent to some institutions outside the United States, if we are going to accomplish the objective of cultural exchanges.

Let us consider the great American University in Beirut, and the case of a young scholar from any one of the Arab countries. In such an instance it would be very much in the interest of the United States to send the student to the American University at Beirut. I have lectured at that university. It is a great institution of higher learning. I believe we ought to be making greater use of the American University at Beirut, and such greater use is contemplated in the section to which objections have been raised.

We hear much about what Russia and Red China are doing in regard to extending fellowships, grants, travel expenses, paying tuition, and getting students to come into Russia and into Red China or sending them elsewhere to get their Communist indoctrination. I believe Russia would be delighted to pay a Panamanian, for example, to study politics in Cuba at the University of Havana.

We must face up to the fact that the present world contest between freedom and communism will go on for a good many years. We must take advantage of every opportunity that is available to us in any educational citadel of freedom anywhere in the world to which we can send students under a cultural exchange program such as the one proposed.

I am not now speaking about cultural exchanges that are based upon bringing people to the United States. I shall not be scared away from the bill because every student that we would help would not be brought to the United States. In fact, I should like to make a different argument. The Senator from Vermont [Mr. AIKEN] will be interested in this, because he and I have observed some of the problems of student exchanges in various parts of the world. In many instances the best arrangement may be to have the exchange, but not to bring the student to the United States. Send him to one of the other universities elsewhere in the world where he can have the cultural development that is so essential, in my judgment, if we are going to carry on successfully the fight against communism on a cultural and educational level.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Madam President, may I have 3 additional minutes?

Mr. FULBRIGHT. I yield 3 more minutes.

Mr. MORSE. One of the problems involved in some of the exchanges is that we bring students to this country for study, and then they do not always wish to return to their own country to do the job for which we brought them here to train them to do.

Thus, as argued today, it does not follow that we ought to be against the bill because it does not provide that every student, for example, must be brought to the United States. In many individual cases such action would not be desirable.

Certainly most of these students and teachers will come here. Dollar for dollar, I think that helping to educate these people in the United States is the best foreign aid program we could have.

Mr. Bertell Mason, Jr., of Oak Grove, Oreg., has sent me a copy of "The Oregon Surveyor" which makes this same point. The article in this publication declares, and I quote:

> The money required to send one kid to Nigeria for 2 years to live as they live and work on a pick and shovel gang would more than pay for a 4-year engineering education in this country for a Nigerian student who, upon his return, would be a lifelong asset to both Nigeria and the United States.

This is the basic objective of the bill. But there undoubtedly are instances when the same thing can be better achieved by helping the student go to an American institution abroad, and we should not rule out that possibility.

Therefore, it is the flexibility of the program for which I wish to plead. I am not for unlimited flexibility, but we must have the kind and degree of flexibility that is provided for in the bill, with adequate checks to see to it that capricious and arbitrary discretion is not resorted to by the administrators of the program.

The Senator from Arkansas has made perfectly clear that such checks are provided in the bill. We have already pointed out that the appropriations check is in the bill in regard to every single project, if we wish to use such checks.

As I ask the following question, I should like to have the attention of the Senator from Arkansas [Mr. FULBRIGHT]. It is my understanding in connection with the argument that has been made concerning foreign currency that, without exception, the foreign currency must really be paid for in terms of dollars, so far as the proposed program is concerned, and therefore from the very beginning the question was one of a dollar program and not a foreign currency program in the sense that it has been discussed by the Senator from Illinois.

Mr. FULBRIGHT. The Senator is correct. The reason it is for the benefit, one might say, of our own Treasury is to allow them to get rid of unneeded and excess foreign currency. For that reason we used the opportunity. We would not have to. If there were not any foreign currencies—if they disappeared tomorrow—we would carry on the program as a dollar program.

Mr. MORSE. I shall make two more points in closing, because I am aghast at the suggestion that the bill be recommitted, which would mean for the present session the end of a bill that would provide a program for exchange of persons on a cultural and educational level.

Such a program is essential, in my judgment, if we are going to make headway against communism in this world, and we have no time for delay. We have before us a bill that has been thoroughly considered, well worked out, and one that contains the necessary checks in order to prevent abuses.

Let us assume that some abuses develop. We cannot write perfect legislation. We have the procedure by which we can correct any abuses that should develop, if proof were offered to us in the next session of Congress that some corrections are necessary.

But I wish to say that we hear a great deal in this country about what the Russians are doing in inviting Africans to come to Russia. In the bill we have an opportunity to make available training on a cultural student exchange and professional exchange basis. We have an opportunity to make some inroads into Africa.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Madam President, may I have 2 additional minutes?

Mr. FULBRIGHT. I yield 2 additional minutes to the Senator from Oregon.

Mr. MORSE. The suggestion has been made that action on the bill be delayed for another session, because that would be the effect of the motion. The point has been made that there is no limit in an authorization that is open-ended. The point has already been made by the Senator from Arkansas that we have the Appropriation Committee check. But if one were really objecting on the basis of the point that has been made, one would think that the objector would come along with a proposal for a ceiling. But no such amendment has been offered.

I wish to say to my good friend from Illinois that in my judgment he has not raised a single objection in the debate that could not be considered by way of consideration of an amendment rather than dilatory tactic, the result of which would be, irrespective of what the motivation may be, to delay the bill from further consideration at this session of Congress. If the Senator from Illinois wishes to establish a ceiling, why does he not propose an amendment, for example, providing for a ceiling of $100

million? No such suggestion has come from the Senator from Illinois. We have from him only a proposal to send the bill back to committee for, in effect, no further consideration at this session of Congress.

As a member of the Committee on Foreign Relations, I consider the program contained in the bill to be one of the most vital forces available to us in our attack on communism around the world. I wish to make a further suggestion to my Republican friends who have made many speeches in this country—and I have supported the thesis of those speeches—about a people-to-people movement. Here is an opportunity to implement a people-to-people movement in this country. Here is an opportunity for cultural exchanges so vital in order to get people to understand each other better.

I close by making an argument in relation to Latin America. As chairman of the Senate Subcommittee on Latin America, I want this bill as an integral part of what I consider to be the alliance for progress program of the Kennedy administration. Here is an alliance for progress on a cultural level so essential for a better understanding throughout Latin America.

The defeat of the Dirksen motion to recommit, in my judgment, is essential in the great fight that we must make on the cultural and peoples' exchange level against the inroads that the Communist section of the world is successfully making in many parts of the world. I urge the defeat of the Dirksen motion.

Mr. FULBRIGHT. Madam President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 14 minutes remaining, and the Senator from Illinois has 15 minutes remaining.

Mr. FULBRIGHT. Madam President, I yield myself 4 minutes. First, I would like to express my appreciation to the Senator from Oregon for his very fine statement. He has emphasized some aspects of the program which I had overlooked.

He has reminded me of the meetings we held last fall. It would be interesting for the RECORD to call attention to the kind of people who were present at the meeting. I issued the invitation for a meeting in October. It was a 2-day meeting. It was attended by Mr. Dean Rusk, who at that time was president of the Rockefeller Foundation. I am quite sure that he did not have the vaguest idea that he would be the Secretary of State. He was president of the Rockefeller Foundation and had been for some years. Also attending the meeting were Mr. Kenneth Holland, president of the Institute of International Education; Dr. Anna Hawkes, president of the American Association of University Women; Prof. Sumner Crosby, of Yale University; President Hurst Anderson, of American University; Dr. Walter Laves, of Indiana University; Richard A. Humphrey, of the American Council on Education; Kingman Brewster, Jr., provost-designate of Yale University; John Howard, of the Committee on the University and World Affairs; Robert Thayer and Saxton Bradford, of the Department of State George V. Allen, then Director of the U.S. Information Agency; and William Handley of that Agency.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. HOLLAND. Do we understand that these notable figures in education joined in recommending the proposed legislation now before the Senate?

Mr. FULBRIGHT. I was going to say that this was the initial meeting, out of which the proposed legislation grew. I invited these people to attend the meeting. We had gone over a list in trying to get what we considered to be outstanding people in education and who were familiar with the international aspect of education and, of course, also with the domestic aspect, as shown by the list, and we invited them to come to the meeting. They came and spent 2 days here. We went over existing legislation and discussed the subject at great length. Our staff took their suggestions and considered existing legislation, and then developed the proposed legislation now before the Senate. That is the bill that is now presented to the Senate. It has not been resubmitted for approval to these people, although a number of these same people in their later testimony endorsed the bill. This meeting was held last October.

I say all this in answer to the criticism of the Senator from Illinois that not sufficient attention has been given to the subject. That is not so. The meeting was held, and the committee staff and the staffs of the Departments had an opportunity to go over the suggestions, and to develop and refine them. Everyone admitted at the meeting that legislation in this field had become so complex that it was very difficult to keep it straight, that it was extremely difficult to administer in this fashion, and that it ought to be brought together in one place and consolidated as a matter of administration.

This is another example of a case where we have had some criticism about administration; yet when we seek to change the administration and improve it, we are criticized for trying to delegate authority. That is not so. The main motive is to improve the quality of the administration. The proposed legislation does not increase any authorizations for money at all. It leaves that subject entirely up to the budget process and to the Committee on Appropriations.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. I will reserve the remainder of my time.

Mr. MUNDT. Madam President, I yield myself 5 minutes from the minority time. I speak not in particular support of the motion to recommit the bill to the committee. I speak on the overall problem that we confront in dealing with the proposed legislation and trying to have added what I consider to be necessary and appropriate amendments.

I must say however that so far as the argument of the senior Senator from Oregon is concerned, about serious delay resulting from the motion to recommit the bill I do not feel it is valid on at least two grounds.

In the first place, if the bill is recommitted, it will be to the committee on which the senior Senator from Oregon and the junior Senator from Arkansas both serve, and both of whom are enthusiastic supporters of the program as am I. I certainly would not anticipate a delay of more than 48 hours or 72 hours before the committee would decide which of the amendments now before the Senate it wanted to accept, which it wanted to modify, and which it wanted to turn down. I do not believe that we can talk about a delay of several weeks when we talk about returning a bill to a committee which is friendly to the bill. That is vastly different from returning a bill to a committee which is unfriendly to it and which was able to marshal only a close vote in reporting it.

Secondly, Madam President, these programs are now in operation. The bill does not initiate any new program. We have been assured of that by the Senator from Arkansas. He is exactly correct. These programs are all in motion. Most of them have been in motion for a dozen years. Some of them have been in motion under the Smith-Mundt Act, which was passed in the 80th Congress, and others under the Fulbright Act, which was passed either in the 79th Congress or perhaps in the early part of the 80th Congress.

So far as any lost time in the race with communism is concerned, therefore there is none involved. The proposed legislation sets up no new programs whatever. It does, however, change some of the programs, and is in this respect that some of us are concerned with regard to the proposed legislation.

For example, there is the question of whether it is better to spend American dollars to train foreign students in foreign schools, or to spend those dollars to train foreign students in American schools. That is one of the issues before us. At the present time money is available to foreign students to come to American institutions of their choice. The proposed legislation would extend the authority of the administration to provide that the money could be spent to give an education to foreign students in a foreign country.

I share with the senior Senator from Oregon the high regard for the American university at Beirut. I, too, have been a campus visitor there, and I admire what is being done in that great institution.

Under the terms of the legislation which is presently the law, without any amendment whatever, it is possible for the American Government and for the funds available from the Federal Treasury to be used to help support the great university at Beirut under terms of the Smith-Mundt Act of the 80th Congress. We have done that.

It is altogether a different question, however, whether we want to go the second step. Do we want to say to these young students that, instead of coming to an American institution and getting the feel and sense of American life here

and for a while to live in American homes and to associate with Americans and with American student bodies, we will give these foreign students an opportunity with American grants to go, perhaps, to the American university at Beirut or Oxford, or Heidelberg, or perhaps to some other institution where they will continue their connections and associations with foreigners instead of Americans; where they will read about America but never see it; where they will look at pictures of America, but never have an opportunity to feel the spirit of America?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. I yield myself 5 additional minutes.

The proposed legislation puts an altogether different slant on this program and provides an entirely different emphasis. It does indeed give some significance to what the Senator from Illinois has pointed out, that it could become a program of global aid to education. We have not yet decided whether we will have Federal aid to education in the United States. Before doing that, we are now asked to go the second mile, to provide Federal aid for education universally, to educate people wherever we select them, in institutions wherever they elect to go, in any country whatever. I think this is a grave consideration. There are arguments on both sides. It illustrates the fact, however, that this bill is changing the focal point of the legislation in some degree. It is a question not to be decided lightly.

There are other changes that disturb me also. It would weaken substantially the control by Congress. It would change the control from the Appropriations Committee to control by the legislative committee. It pushes the Appropriations Committee into the background, by providing that the Administrator can go to the full extent of the authorization act, which is on occasion an act without limitation whatever.

In addition, and more seriously, it fails to meet what I believe to be one of the most serious problems in the whole administrative field today under both the Fulbright plan and the Smith-Mundt Act. Under both acts we actually transport fewer people overseas for the purpose of those acts than are being transported by the military. The military and the foreign economic aid program—the CIA, MSA, or whatever initials we wish to apply to it—transport twice as many people than are transported under these two acts combined.

When I heard that the committee was dealing with this field, it was my hope that they would bring into focus and into a central point and a central clearinghouse all the exchange programs, not only the two basic acts which are affected by the proposed legislation, but also those implemented by the economic administration, the military, and the various mutual assistance programs.

But they are left untouched. We have not met with the important problem of centralizing a clearinghouse in these activities, any more than the bill meets with the equally serious problems of what is cultural exchange and what is not; what is a book that is to be handled by USIA, and what is a book to be handled under the remaining sections of Public Law 402; what will be considered an appropriate activity under the administration of Mr. Murrow, and what will be considered as appropriate to come under the administration of the State Department. That is left in a fuzzy state in the proposed legislation. It seems to me the question should be clarified at this point, so that the program can be made workable, consistent, and much more effective.

I believe many of the omissions and many of the problems of commission could be and can be corrected by amendment on the floor of the Senate if enough Senators would interest themselves in listening to the arguments and to an understanding of the problems involved. I suspect that attention can be focused on a problem of this kind much better in committee than in the fairly empty Senate Chamber—at least, I hope so. To that extent, I am certainly inclined to agree with the suggestion of the Senator from Illinois [Mr. DIRKSEN] that if we are to attract the attention of any number of Senators to decide where they want to go and how they want to go in changing the act, that would be done more effectively and efficiently and in the company of more people in the committee room than in the somewhat stilled confines of the Senate Chamber. To that extent and for that purpose only I shall perhaps vote for the Dirksen motion to recommit.

I think that what is needed is to be certain that in the changes which are being suggested for the act, we do not reduce the program of companionship of executive agencies and Congress by taking away, as in some instances the bill specifically does, the fiscal and regulatory controls by Congress over the operations of the act.

Neither do I believe we should vest, by the delegation of powers to any Executive or any executive agency, the right to switch around or merge or move from one area to another the operations of the act, which Congress needs to understand if Congress is to support the act adequately, as I believe it will. It has supported the act generously in the past, although I do not believe the support has been adequate. I believe Congress will support it both generously and adequately if a companionship is continued between Congress and the executive agencies, rather than to make the operation solely a part of the executive branch of the Government, with Congress reduced to stamping advance approval on actions which are not yet defined. Madam President, either by amendments adopted on the floor or by amendments to be approved in committee, if S. 1154 is committed, I hope we can strengthen, rather than weaken, our educational exchange programs. To achieve that goal, I feel definitely some amendments are essential; I have had prepared and shall offer such amendments in the event the Senate decides not to recommit this bill.

Mr. MORSE. Madam President, will the Senator from Arkansas yield me 2 minutes?

Mr. FULBRIGHT. Madam President, I yield 2 minutes to the distinguished Senator from Oregon.

Mr. MORSE. I wish to make a few comments about the statement made by the Senator from South Dakota. First, I assure the Senator from South Dakota that no one could appreciate more than the Senator from Oregon the contributions which the Senator from South Dakota has made over the years to the whole problem of exchanges, as we find it in connection with the Smith-Mundt Act. I make these comments on the point the Senator from South Dakota has made as an answer to his speech, as well as in reference to his proposal that the bill be sent back to a friendly committee.

First, the committee has given very thorough consideration to the principles involved in the suggested amendments. The Committee on Foreign Relations is an exceedingly busy committee. The Senator from South Dakota knows that after a committee disposes of a bill and reports it to the Senate, it moves on to the rest of the committee calendar; and the calendar of the Committee on Foreign Relations is a log-jammed calendar. I think it is only to be expected that the committee would take care of the business which is now pending, before it reconsidered this bill. Therefore, I do not believe it is a meritorious argument to say that the bill should be sent back to committee simply because it would be sent back to a friendly committee. It would be sent back to an exceedingly busy committee, one of the busiest in the Senate. The committee has given due, careful consideration to the general principles involved in the proposed amendments.

Next, it would be a pretty bad precedent in the Senate if we started to send bills back to the committee because half a dozen or more amendments had been offered afterward on the floor of the Senate. There are not many pieces of important proposed legislation as to which half a dozen or a dozen or more amendments are not suggested in the Senate. What is the preferred procedure? To consider amendments on the floor of the Senate. The floor of the Senate is the place where the amendments ought to be considered and disposed of.

Next, the Senator from South Dakota says that all these policies are already on the statute books, that there is nothing new. There are several things new in the bill. First, the administrative procedure is new. We bring the main responsibility under an Assistant Secretary of State for Cultural Affairs. That will result in a great improvement, in my judgment, in more efficiency in the administering of all these programs. It will also lift some limitations, where payment can be made in some instances, such as under the Fulbright scholarship program, for more than travel. That limitation will be lifted, under the bill, and thus improve the effectiveness of the operation of the bill.

I say to the Senator from South Dakota that now is the time and here is the place to dispose of the bill, after it has come to the Senate following very

thorough consideration by the Committee on Foreign Relations. Hearings consisting of 238 pages and a very carefully prepared committee report are on the desk of every Senator. We do this, I say most respectfully, in connection with almost every piece of proposed legislation that comes before the Senate. It is very rarely that the Senate ever recommits a bill to a committee. I see no reason why this bill should go back to a committee which is already a very busy one, when we have it before us now, ready to work on it, and I believe ready to dispose of it before the day is out.

Mr. FULBRIGHT. Madam President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 7 minutes remaining.

Mr. FULBRIGHT. I yield myself 3 minutes.

The Senator from South Dakota and I, over the years, have, I believe, worked very closely in promoting this broad program. I recall many occasions when we have both appeared before the Committee on Appropriations to urge that committee to increase the appropriation under the authority of the Smith-Mundt Act, which is the basic authority for the dollar appropriation. I recall one time when we made a very interesting fight together to increase the appropriation by $10 million. It was the only time, to my knowledge, when we ever upset the Committee on Appropriations on the floor of the Senate in any substantial way. The proposal was lost in conference; nevertheless, the Senate went along with it.

I can sympathize with what the Senator said about the bill not going far enough. On the other hand, the Senator from Illinois [Mr. DIRKSEN], who has made the motion, apparently believes the bill goes much too far. He says it is a global system of Federal aid to education, leaving me, at least, with the feeling that he believes the bill goes too far. So I am a little nonplused as to whether the bill goes too far or does not go far enough.

I rather think that this divergence of opinion is evidence of the fact that the bill goes the right distance. It does not depart in any great way from existing law. It does bring the programs together. It removes some shackles which have accumulated over the years, some of which were inherent in the original, basic legislation.

Perhaps the most important feature is that while it does not itself provide it, the bill gives an opportunity to a new Assistant Secretary of State for Educational and Cultural Affairs, Mr. Philip H. Coombs, to try to regroup and improve various measures and to improve the administration of the program. I am particularly interested in that aspect of the bill, and shall deal with it later in discussing the amendments which will be offered.

As of the moment, I can see no reason whatever to have the bill recommitted to the Committee on Foreign Relations. That committee has already reported the bill. There was no dissent at all in the committee. In fact, everyone who followed the hearings and spoke upon the subject was favorable to the bill as being a step forward in the improvement of this activity, which the committee supports, I believe, unanimously.

Mr. DIRKSEN. Madam President, I am prepared to yield back the remainder of my time except for 1 minute, which I shall use now.

First, with respect to the fact that these programs have been on the statute books in considerable degree before, I may say that Gibbon, the great historian, once observed, in his "Decline and Fall of the Roman Empire," that progress is made not always by what goes onto the statute books, but by what comes off.

It is well to go back and take a real hard look at so many things which have been compounded over a long period of time, so as to ascertain where the "bugs" are, if any.

One other interesting item that has not been alluded to is on page 7 of the bill. It is with respect to participation, and reads:

> In such agreements with the United Nations and other international organizations, the President may provide for equitable U.S. participation.

That is a new, fancy word. We have discovered what "equitable" means in connection with what the outlay has been for the Congo, because our share was 32½ percent. But when we discovered that others were not paying, we had to "pony up" another $15 million; and, in addition, there is a $36 million "hole" in the $160 million participation program in the Congo. Of course, under the provision as to "equitable," that could be done, and our share could be brought up to 48 percent, 50 percent, or even more.

The PRESIDING OFFICER. The time the Senator from Illinois has yielded to himself has expired.

Mr. DIRKSEN. Madam President, I yield myself an additional minute.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 more minute.

Mr. DIRKSEN. Madam President, perhaps this has been done in other acts; but that is all the more reason why—in view of the experience we have had—these things should be nailed down.

So, Madam President, I conclude my argument on that point; and I yield back the remainder of the time under my control, because I am prepared to vote on the motion to recommit the bill to the committee. Such a motion is consonant with the rule. There is nothing unusual about it in connection with regular congressional procedure; it is entirely standard, and can be done.

Mr. FULBRIGHT. Madam President, at this time I shall suggest the absence of a quorum.

Mr. DIRKSEN. That will be perfectly satisfactory.

The PRESIDING OFFICER. Does the Senator from Arkansas yield back the remainder of the time under his control?

Mr. FULBRIGHT. I do.

Mr. DIRKSEN. So do I.

Mr. FULBRIGHT. Then, Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to recommit.

Mr. FULBRIGHT. On this question, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Missouri [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MOSS], the Senator from Florida [Mr. SMATHERS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Virginia [Mr. BYRD] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MOSS], the Senator from Florida [Mr. SMATHERS], and the Senator from Missouri [Mr. SYMINGTON] would each vote "nay."

On this vote, the Senator from Connecticut [Mr. DODD] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Connecticut would vote "nay," and the Senator from Arizona would vote "yea."

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from South Dakota [Mr. CASE]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from South Dakota would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from South Dakota [Mr. CASE] is absent on official business.

On this vote the Senator from South Dakota [Mr. CASE] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from Minnesota would vote "nay."

On this vote the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Connecticut [Mr. DODD]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 17, nays 71, as follows:

[No. 91]

YEAS—17

Allott	Dworshak	Schoeppel
Bennett	Fong	Thurmond
Butler	Hruska	Tower
Capehart	Kuchel	Williams, Del.
Curtis	Miller	Young, N. Dak.
Dirksen	Mundt	

NAYS—71

Aiken	Gruening	Monroney
Anderson	Hart	Morse
Bartlett	Hartke	Morton
Beall	Hayden	Muskie
Bible	Hickenlooper	Neuberger
Boggs	Hickey	Pastore
Burdick	Hill	Pell
Bush	Holland	Prouty
Byrd, W. Va.	Jackson	Proxmire
Cannon	Javits	Randolph
Carlson	Johnston	Robertson
Carroll	Jordan	Russell
Case, N.J.	Keating	Saltonstall
Church	Kefauver	Scott
Clark	Kerr	Smith, Mass.
Cooper	Lausche	Smith, Maine
Cotton	Long, Hawaii	Sparkman
Douglas	Long, La.	Stennis
Eastland	Mansfield	Talmadge
Ellender	McCarthy	Wiley
Engle	McClellan	Williams, N.J.
Ervin	McGee	Yarborough
Fulbright	McNamara	Young, Ohio
Gore	Metcalf	

NOT VOTING—12

Bridges	Dodd	Magnuson
Byrd, Va.	Goldwater	Moss
Case, S. Dak.	Humphrey	Smathers
Chavez	Long, Mo.	Symington

So, Mr. DIRKSEN's motion to recommit was rejected.

Mr. FULBRIGHT. Madam President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

The committee amendments, agreed to en bloc, are as follows:

On page 2, line 2, after the word "of", to strike out "an", and in the same line, after the word "cultural", to strike out "exchange service, and" and insert "exchange;"; in line 9, after the word "world", to insert "to promote international cooperation for educational and cultural advancement;"; on page 3, line 1, after the word "students", to strike out "technical and other"; in line 16, after the word "competitions", to insert "meetings,"; in line 17, after the word "exhibitions", to insert "and assemblies"; after line 17, to strike out:

"(iv) United States participation in international fairs and expositions, including trade and industrial fairs and other public or private demonstrations of United States industrial accomplishments and cultural attainments;"

At the beginning of line 23, to strike out "(v)" and insert "(iv)", and in the same line, after the word "by", to strike out "foreign governments and"; on page 4, line 2, after the word "subparagraphs", to strike out "(ii), (iii), and (iv)" and insert "(ii) and (iii)"; in line 3, after the word "this", to strike out "paragraph" and insert "paragraph;"; after line 3, to insert:

"(3) United States participation in international fairs and expositions, including trade and industrial fairs and other public or private demonstrations of United States economic accomplishments and cultural attainments."

In line 9, after the word "of", where it appears the second time, to strike out "such educational and cultural exchanges," and insert "this Act,"; on page 5, line 1, after the word "schools", to insert "and institutions of learning"; at the beginning of line 3, to strike out "United States"; in the same line, after the word "citizens", to strike out "and" and insert "or", and in the same line, after the word "institutions", to insert "of the United States,"; in line 4, after the word "schools", to insert "and institutions"; in line 11, after the word "literature", to insert "and other subjects related to American civilization and culture,"; in line 14, after the word "supporting", to strike out "programs of medical and scientific research," and insert "medical, scientific,"; in line 16, after the word "educational", to insert "research and", and in the same line, after the word "development", to strike out the comma and "health, nutrition, and sanitation"; in line 24, after the word "countries", to insert "and by financing visits by teachers from those countries to the United States for the purpose of participating in foreign language training and area studies in United States schools, colleges, and universities;"; on page 6, after line 3, to insert:

"(7) United States representation at international nongovernmental educational, scientific, and technical meetings;

"(8) participation by groups and individuals from other countries in educational, scientific, and technical meetings held under American auspices in or outside the United States."

On page 7, line 4, after the word "binational", to insert "or multinational"; in line 10, after the word "for", where it appears the first time, to insert "equitable"; at the beginning of line 11, to insert "including a reasonable share of the cost of,"; in line 12, after the word "cultural", to strike out "exchanges" and insert "programs"; in line 15, after the word "Act", to strike out the comma and "and provide for the coordination and planning of programs involving research, technical aid, and international educational and cultural exchange and development"; in line 18, after the word "such", to strike out "agency" and insert "agencies"; in line 19, after the word "or", to strike out "officer" and insert "officers"; at the beginning of line 20, to insert a colon and "*Provided, however,* That before the President implements any proposal for the transfer of such power or authority, that proposal shall be submitted to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, and thereafter a period of not less than sixty days shall have elapsed while Congress is in session. In computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days."; on page 8, line 4, after the amendment just above stated, to strike out "The head of such agency or such officer may from time to time promulgate such rules and regulations as may be necessary and proper to carry out functions under this Act, and may, under rules and regulations promulgated by him, delegate authority to perform any of such functions to his subordinates, acting under his direction, or to the heads of such other departments and agencies of the Government as he may deem appropriate, who may delegate to their subordinates, acting under their direction, authority to perform any functions so delegated."; after line 14, to strike out:

"(b) The head of any agency or any officer of the United States designated by the President, pursuant to the authority of subsection (a) of this section, to exercise the powers and authority conferred on him by this Act, if his position is not already subject to appointment by and with the advice and consent of the Senate, shall (1) be appointed by the President by and with the advice and consent of the Senate, and (ii) may receive compensation at not to exceed the rate of $22,500 per annum."

At the beginning of line 24, to strike out "(c)" and insert "(b)"; on page 9, after line 10, to strike out:

"(d) For the purpose of performing functions outside the United States under this Act or for a binational foundation or commission established in furtherance of the purposes of this Act, the President may—

"(1) employ or assign persons, or authorize the employment or assignment of officers or employees of United States Government agencies, who shall receive compensation at any of the rates provided for the Foreign Service Reserve and Staff by the Foreign Service Act of 1946, as amended (22 U.S.C. 801), together with allowances and benefits thereunder; and persons so employed or assigned shall be entitled, except to the extent that the President may specify otherwise in cases in which the period of the employment or assignment exceeds thirty months, to the same benefits as are provided by section 528 of the Foreign Service Act for persons appointed to the Foreign Service Reserve and, except for policymaking officials, the provisions of section 1005 of the Foreign Service Act shall apply in the case of such persons; and

"(2) utilize such authority, including authority to appoint and assign personnel for the duration of operations under this Act, contained in the Foreign Service Act of 1946, as amended (22 U.S.C. 801), as the President deems necessary to carry out functions under this Act. Such provisions of the Foreign Service Act as the President deems appropriate shall apply to personnel appointed or assigned under this paragraph, including, in all cases, the provisions of section 528 of that Act: *Provided, however,* That the President may by regulation make exceptions to the application of section 528 in cases in which the period of the appointment or assignment exceeds thirty months."

And, in lieu thereof, to insert:

"(c) For the purpose of performing functions under this Act outside the United States, including participation in binational of multinational foundations or commissions, the Secretary of State may employ or assign or authorize the employment or assignment for the duration of operations under this Act of persons to the Foreign Service Reserve or Foreign Service Staff and alien clerks and employees in accordance with applicable provisions of the Foreign Service Act of 1946, as amended (22 U.S.C. 801)."

On page 11, after line 3, to insert:

"(d) For the purpose of performing functions under this Act, the President is authorized to provide that any person employed or assigned by a United States Government agency to perform services outside the United States shall be entitled, except to the extent that the President may specify otherwise in cases in which the period of employment or assignment exceeds thirty months, to the same benefits as are provided by section 528 of the Foreign Service Act of 1946, as amended (22 U.S.C. 928) for persons appointed to the Foreign Service Reserve and, except for policymaking officials, the provisions of section 1005 of the Foreign Service Act of 1949, as amended (22 U.S.C. 807) shall apply in the case of such person."

On page 12, at the beginning of line 5, to strike out "and", and in the same line, after the word "for", to strike out "such other expenses and"; in line 6, after the word "President", to strike out the comma and "of" and insert "for"; in line 7, after the word "persons", to insert "and for such other expenses"; after line 18, to insert:

"(3) The President is authorized to provide for publicity and promotion (including representation) abroad of activities of the type provided for under this Act."

In line 22, after the word "All", to strike out "citizens and residents of the United States" and insert "persons"; in line 23, after the word "Act", to strike out "for a period in excess of three months shall be investigated with respect to loyalty and suitability" and insert "shall be investigated to insure that the employment or assignment is consistent with the national interest"; on page 13, line 6, after the word "Act", to insert "to remain available until expended,"; at the beginning of line 12, to strike out "(1) which (A) are covered by agreements with other nations calling for lump sum commitments or (B) require advance planning and expenditures over extended periods, shall remain available until expended, and (2)"; after line 21, to strike out:

"(c) Any money appropriated to any department or agency of the Government for research, technical aid, and other educational and cultural programs shall, as directed by the President, be made available through allocations, grants or otherwise, for programs in furtherance of the purposes of this Act.

"(d) To carry out the purposes of this Act, notwithstanding the provisions of any other law and within such limits as may from time to time be established by Congress, the President is authorized to reserve, convert, invest, deposit for interest, and use, in such places and amounts and for such periods as the President shall determine to be necessary to provide for the programs authorized by this Act, any currencies of foreign nations, to the extent that such currencies are not restricted from such use by agreement with the foreign nations concerned, and any other funds received or to be received by the United States or any agency thereof—"

And, in lieu thereof, to insert:

"(c) Moneys appropriated to any department or agency of the Government in furtherance of the purposes of this Act for research, technical aid, and educational and cultural programs, may be transferred by the President to any other appropriation available for like purposes, but no appropriation shall be increased or decreased by more than 10 per centum by reason of transfers pursuant to this paragraph.

"(d) The President is authorized—

"(1) to reserve in such amounts and for such periods as he shall determine to be necessary to provide for the programs authorized by subsections 102(a)(1) and 102(a)(2)(i), and

"(2) notwithstanding the provisions of any other law and within such limits as may from time to time be established by Congress, to use, to the extent that such use is not restricted by agreement with the foreign nations concerned, for any programs authorized by this Act, any currencies of foreign nations received or to be received by the United States or any agency thereof—"

On page 15, line 13, after the word "repayments", to insert "including interest,"; in line 19, after the word "thereof", to insert a semicolon, and "or", in the same line, after the amendment just above stated, to strike out the colon and *"Provided,* That all sums due or paid on and after August 24, 1949, by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the Act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to the authority contained in the Act of February 9, 1922, or of any other indebtedness incurred by that Republic and owing to the United States as a result of World War I, shall be available only for educational and cultural exchange programs and other activities authorized in subsections 102 (a) and (b) of this Act, in relation to Finland and the people or Finland; or"

On page 16, after line 10, to insert:

"(e) The President is further authorized to reserve and use for educational and cultural exchange programs and other activities authorized in subsections 102 (a) and (b) of this Act, in relation to Finland and the people of Finland, all sums due or paid on and after August 24, 1949, by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the Act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to the authority contained in the Act of February 9, 1922, or any other indebtedness incurred by that Republic and owing to the United States as a result of World War I."

At the beginning of line 23, to strike out "(e)" and insert "(f)"; on page 17, line 12, after the word "supervising", to strike out "and planning"; on page 18, after line 4, to strike out:

"(b)(1) There is hereby continued the United States Advisory Commission on Educational Exchange (hereinafter referred to as the 'Commission'). The Commission shall formulate and recommend to the President policies for exercising his authority under this Act."

And, in lieu thereof, to insert:

"(b)(1) The United States Advisory Commission on International Educational and Cultural Affairs (hereinafter referred to as the "Commission") is hereby established to replace the United States Advisory Commission on Educational Exchange. The Commission shall formulate and recommend to the President policies for exercising his authority under this Act and shall appraise the effectiveness of programs carried out pursuant to it."

In line 25, after the word "years", to insert "except that, of the first nine appointments, three shall be for a term of one year and three shall be for a term of two years"; on page 19, line 19, after the word "members", to insert "of whom at least one shall be a member of the Commission"; at the beginning of line 22, to strike out "President" and insert "Secretary of State", and in the same line, after the word "such", to strike out "appointments the President shall give" and insert "appointments"; in line 23, after the word "consideration", to insert "shall be given"; on page 20, line 4, after the word "the", to strike out "United States Advisory Commission on Educational Exchange," and insert "Commission,"; in line 10, after the word "the", to strike out "United States Advisory"; in line 11, after the word "Commission", to strike out "on Educational Exchange"; in line 15, after the word "advise", to strike out "the President and other"; in line 20, after the word "assistance", to strike out "in carrying out this Act"; after line 23, to insert:

"(d) The Secretary of State is authorized to create such other committees as in his judgment may be of assistance to the Commission in fulfilling its responsibilities. The period for which every such committee shall be established and its membership shall be determined by the Secretary of State. At least one member of every such committee shall be a member of the Commission."

On page 21, at the beginning of line 6, to strike out "(d)" and insert "(e)"; at the beginning of line 12, to strike out "(e)" and insert "(f)"; on page 22, line 1, after the word "of", to strike out "$75" and insert "$50"; at the beginning of line 4, to strike out "(f)" and insert "(g)"; in line 5, after the word "the", to strike out "Board of Foreign Scholarships, the Advisory Commission on Educational Exchange, the Advisory Committee on the Arts" and insert "Board, the Commission, the Committee,"; in line 10, after the word "The", to strike out "Board of Foreign Scholarships, the Advisory Commission on Educational Exchange and the Advisory Committee on the Arts" and insert "Board, the Commission, and the Committee"; on page 24, line 3, after the word "section", to strike out "101(a)(15)(H) add" and insert "101(a)(15)(I) change the period to a semicolon"; in line 4, after the word "thereof", to insert "and add"; in line 5, after the word "following", to strike out "'or (iv) who is a medical doctor or nurse coming temporarily to the United States for additional training or study; or (v)" and insert "'(J) An alien"; in line 11, after the word "States", to insert "as a participant in a program designated by the Secretary of State"; in line 14, after the word "research", to insert "or receiving training,"; in line 16, after the word "join", to strike out "him;"." and insert "him"."; in line 17, after "(9)", to strike out "add" and insert "insert before the semicolon"; in line 18, after the word "thereof", to insert "a colon and"; in line 19, after the word "a", to strike out "failure to maintain nonimmigrant status or to comply with the conditions of such status for an alien within the definition of subsection 101(a)(15)(F) or (H)(v) or the spouse or minor child of any such alien, to accept employment during the period of validity of such alien's visa, solely for the purpose of contributing to the support of such alien or his accompanying spouse or minor children, or to meet the expenses of returning to their home country, if such employment does not displace any unemployed permanent resident of the United States.'" and insert "violation of this paragraph for an alien within the definition of subsection 101(a)(15)(F) or (J), or the spouse or minor child of any such alien, to accept employment other than that specifically included in the terms of his admission, during the period for which temporarily admitted, when necessary for the support of such alien or his accompanying spouse or minor children, or the expenses of returning to their home country, if the Attorney General, in the exercise of his discretion and after such consultation with appropriate agencies or other sources as he deems advisable, is of the opinion that such employment is necessary, will not interfere with the successful accomplishment of the purpose for which the alien has been admitted, will not deprive of employment any permanent resident of the United States, and the alien has applied for and been granted by the Attorney General advance permission to accept employment'."; on page 25, line 22, after the word "admitted", to strike out "as an exchange visitor"; in line 23, after "(15)", to strike out "(H)(v)" and insert "(J)"; at the beginning of line 24, to strike out "exchange visitor"; on page 26, line 1, after "(ii)", to insert "or", and in the same line, after "(iii),", to strike out "or (iv),"; in line 3, after the word "residence", to insert "under sections 244 and 245 or for another nonimmigrant status under section 248 other than under section 101(a)(15)(A) or (G),"; in line 16, after the word "status", to insert "under the United States Information and Educational Exchange Act of 1948, as amended,"; after line 18, to strike out:

"SEC. 110. (a) Section 871 of the Internal Revenue Code of 1954 (relating to tax on nonresident alien individuals) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"'(d) CERTAIN FOREIGN STUDENTS AND VISITORS.—For purposes of this section, a nonresident alien individual who (without regard to this subsection) is not engaged in trade or business within the United States and—

"'(1) who, during the taxable year or during so much of the taxable year as he is present in the United States, is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (H)(v) of section 101(a)(15) of the Immigration and Nationality Act, as amended; and

"'(2) at least 90 percent of whose gross income from sources within the United States for the taxable year consist of—

"'(A) scholarship or fellowship grants not excluded from gross income under section 117, allowances for living and travel expenses, or other allowances or payments received in connection with his activities as a nonimmigrant under subparagraph (F) or (H)(v) of such section; and

"'(B) income exempt from taxation or excluded from gross income under this subtitle;

shall be treated as a nonresident alien individual engaged in trade or business within the United States.'

"(b)(1) Section 3121(b) of the Internal Revenue Code of 1954 (relating to the definition of employment for purposes of the Federal Insurance Contributions Act) is amended—

"(A) by striking out 'or' at the end of paragraph (17);

"(B) by striking out the period at the end of paragraph (18) and inserting in lieu thereof '; or'; and

"(C) by adding at the end thereof the following new paragraph:

"'(19) service performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (H)(v) of section 101(a)(15) of the Immigration and Nationality Act, as amended.'

"(2) Section 210(a) of the Social Security Act, as amended, is amended—

"(A) by striking out 'or' at the end of paragraph (17);

"(B) by striking out the period at the end of paragraph (18) and inserting in lieu thereof '; or'; and

"(C) by adding at the end thereof the following new paragraph:

"'(19) Service performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (H)(v) of section 101(a)(15) of the Immigration and Nationality Act, as amended.'

"(c) The amendments made by subsection (a) of this section shall apply only with respect to taxable years beginning after December 31, 1960. The amendments made by subsection (b) of this section shall apply with respect to service performed after the date of the enactment of this Act."

And, in lieu thereof, to insert:

"SEC. 110. (a) Section 117(b)(2)(A) of the Internal Revenue Code of 1954 (relating to the conditions for exclusion of scholarship and fellowship grants in the case of individuals who are not candidates for degrees) is amended to read as follows:

"'(A) CONDITIONS FOR EXCLUSION.—The grantor of the scholarship or fellowship grant is—

"'(i) an organization described in section 501(c)(3) which is exempt from tax under section 501(a),

"'(ii) a foreign government,

"'(iii) an international organization, or a binational or multinational educational and cultural foundation or commission created or continued pursuant to the Mutual Educational and Cultural Exchange Act of 1961, or

"'(iv) the United States, or an instrumentality or agency thereof, or a State, a Territory, or a possession of the United States, or any political subdivision thereof, or the District of Columbia.'

"(b) Section 871 of the Internal Revenue Code of 1954 (relating to tax on nonresident alien individuals) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"'(d) PARTICIPATE IN CERTAIN EXCHANGE OR TRAINING PROGRAMS.—For purposes of this section, a nonresident alien individual who (without regard to this subsection) is not engaged in trade or business within the United States and who is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, shall be treated as a nonresident alien individual engaged in trade or business within the United States.'

"(c) Section 872(b) of the Internal Revenue Code of 1954 (relating to exclusions from gross income of nonresident alien individuals) is amended by adding at the end thereof the following new paragraph:

"'(3) COMPENSATION OF PARTICIPANTS IN CERTAIN EXCHANGE OR TRAINING PROGRAMS.—Compensation paid by a foreign employer to a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended. For purposes of this paragraph, the term "foreign employer" means—

"'(A) a nonresident alien individual, foreign partnership, or foreign corporation, or

"'(B) an office or place of business maintained in a foreign country or in a possession of the United States by a domestic corporation.'

"(d)(1) Section 1441(a) of the Internal Revenue Code of 1954 (relating to withholding of tax on nonresident aliens) is amended by inserting before the period at the end thereof the following: , 'except that in the case of any item of income specified in the second sentence of subsection (b), the tax shall be equal to 18 percent of such item'.

"(2) Section 1441(b) of such Code (relating to income items subject to withholding) is amended by adding at the end thereof the following new sentence: 'The items of income referred to in subsection (a) from which tax shall be deducted and withheld at the rate of 18 percent are—

"'(1) that portion of any scholarship or fellowship grant which is received by a nonresident alien individual who is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is not excluded from gross income under section 117(a)(1) solely by reason of section 117(b)(2)(B); and

"'(2) amounts described in subparagraphs (A), (B), (C), and (D) of section 117(a)(2) which are received by any such nonresident alien individual and which are incident to a scholarship or fellowship grant to which section 117(a)(1) applies, but only to the extent such amounts are includible in gross income.'

"(3) Section 1441(c)(4) of the Internal Revenue Code of 1954 (relating to exceptions to withholding of tax on nonresident aliens) is amended to read as follows:

"'(4) COMPENSATION OF CERTAIN ALIENS.—Under regulations prescribed by the Secretary or his delegate, there may be exempted from deduction and withholding under subsection (a) the compensation for personal services of—

"'(A) nonresident alien individuals who enter and leave the United States at frequent intervals, and

"'(B) a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended.'

"(e)(1) Section 3121(b) of the Internal Revenue Code of 1954 (relating to the definition of employment for purposes of the Federal Insurance Contributions Act) is amended—

"(A) by striking out 'or' at the end of paragraph (17);

"(B) by striking out the period at the end of paragraph (18) and inserting in lieu thereof '; or'; and

"(C) by adding at the end thereof the following new paragraph:

"'(19) service which is performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is performed to carry out the purpose specified in subparagraph (F) or (J), as the case may be.'

"(2) Section 210(a) of the Social Security Act, as amended, is amended—

"(A) by striking out 'or' at the end of paragraph (17);

"(B) by striking out the period at the end of paragraph (18) and inserting in lieu thereof '; or'; and

"(C) by adding at the end thereof the following new paragraph:

"'(19) Service which is performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is performed to carry out the purpose specified in subparagraph (F) or (J), as the case may be.'

"(f) Section 3306(c) of the Internal Revenue Code of 1954 (relating to the definition of employment for purposes of the Federal Unemployment Tax Act) is amended—

"(1) by striking out 'or' at the end of paragraph (16);

"(2) by striking out the period at the end of paragraph (17) and inserting in lieu thereof '; or'; and

"(3) by adding at the end thereof the following new paragraph:

"'(18) service which is performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is performed to carry out the purpose specified in subparagraph (F) or (J), as the case may be.'

"(g)(1) Section 3401(a)(6) of the Internal Revenue Code of 1954 (relating to the definition of wages for purposes of withholding of income tax at source) is amended by adding at the end thereof the following new subparagraph:

"'(C) an individual who is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, if such remuneration is exempt, under section 1441(c)(4)(B), from deduction and withholding under section 1441(a), and is not exempt from taxation under section 872(b)(3, or'.

"(2) Section 3402(f) of such Code (relating to withholding exemptions) is amended by adding at the end thereof the following new paragraph:

"'(6) EXEMPTION OF CERTAIN NONRESIDENT ALIENS.—Notwithstanding the provisions of paragraph (1), a nonresident alien individual (other than an individual described in section 3401(a)(6)(A) or (B)) shall be entitled to only one withholding exemption.'

"(h)(1) The amendments made by subsections (a), (b), and (c) of this section shall apply to taxable years beginning after December 31, 1961.

"(2) The amendments made by subsection (d) of this section shall apply with respect to payments made after December 31, 1961.

"(3) The amendments made by subsections (e) and (f) of this section shall apply with respect to service performed after December 31, 1961.

"(4) The amendments made by subsection (g) of this section shall apply with respect to wages paid after December 31, 1961."

On page 36, line 20, after the word "as", to strike out "they relate" and insert "it relates"; and in line 21, after "601", to strike

out "602" and insert "602,"; so as to make the bill read:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Mutual Educational and Cultural Exchange Act of 1961'.

"SEC. 101. STATEMENT OF PURPOSE.—The purpose of this Act is to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries by means of educational and cultural exchange; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations, and the contributions being made by their respective economic and social systems toward a peaceful and more fruitful life for people throughout the world; to promote international cooperation for educational and cultural advancement; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world.

"SEC. 102. (a) The President is authorized, when he considers that it would strengthen international cooperative relations, to provide, by grant, contract, or otherwise, for—

"(1) educational exchanges, (i) by financing studies, research, instruction, and other educational activities—

"(A) of or for American citizens and nationals in foreign countries, and

"(B) of or for citizens and nationals of foreign countries in American schools and institutions of learning located in or outside the United States;

and (ii) by financing visits and interchanges between the United States and other countries of students, trainees, teachers, instructors, and professors;

"(2) cultural exchanges, by financing—

"(i) visits and interchanges between the United States and other countries of leaders, experts in fields of specialized knowledge or skill, and other influential or distinguished persons;

"(ii) tours in countries abroad by creative and performing artists and athletes from the United States, individually and in groups, representing any field of the arts, sports, or any other form of cultural attainment;

"(iii) United States representation in international artistic, dramatic, musical, sports, and other cultural festivals, competitions, meetings, and like exhibitions and assemblies;

"(iv) participation by groups and individuals from other countries in nonprofit activities in the United States similar to those described in subparagraphs (ii) and (iii) of this paragraph;

"(3) United States participation in international fairs and expositions, including trade and industrial fairs and other public or private demonstrations of United States economic accomplishments and cultural attainments.

"(b) In furtherance of the purposes of this Act, the President is further authorized to provide for—

"(1) interchanges between the United States and other countries of handicrafts, scientific, technical, and scholarly books, books of literature, periodicals, and Government publications, and the reproduction and translation of such writings, and the preparation, distribution, and interchange of other educational and research materials, including laboratory and technical equipment for education and research;

"(2) establishing and operating in the United States and abroad centers for cultural and technical interchanges to promote better relations and understanding between the United States and other nations through cooperative study, training, and research;

"(3) assistance in the establishment, expansion, maintenance, and operation of schools and institutions of learning abroad, founded, operated, or sponsored by citizens or nonprofit institutions of the United States, including such schools and institutions serving as demonstration centers for methods and practices employed in the United States;

"(4) fostering and supporting American studies in foreign countries through professorships, lectureships, institutes, seminars, and courses in such subjects as American history, government, economics, language and literature, and other subjects related to American civilization and culture, including financing the attendance at such studies by persons from other countries;

"(5) promoting and supporting medical, scientific, cultural and educational research and development;

"(6) promoting modern foreign language training and area studies in United States schools, colleges, and universities by supporting visits and study in foreign countries by teachers and prospective teachers in such schools, colleges, and universities for the purpose of improving their skill in languages and their knowledge of the culture of the people of those countries, and by financing visits by teachers from those countries to the United States for the purpose of participating in foreign language training and area studies in United States schools, colleges, and universities;

"(7) United States representation at international nongovernmental educational, scientific, and technical meetings;

"(8) participation by groups and individuals from other countries in educational, scientific, and technical meetings held under American auspices in or outside the United States.

"SEC. 103. (a) The President is authorized to enter into agreements with foreign nations, the United Nations and other international organizations, in furtherance of the purposes of this Act. In such agreements the President is authorized, when he deems it in the public interest, to seek the agreement of the other nations concerned to cooperate and assist, including making use of funds placed in special accounts pursuant to agreements concluded in accordance with section 115(b)(6) of the Economic Cooperation Act of 1948, or any similar agreements, in providing for the activities authorized in section 102, and particularly those authorized in subsection 102(a)(1), of this Act with respect to the expenses of international transportation of their own citizens and nationals and of activities in furtherance of the purposes of this Act carried on within the borders of such other nations.

"(b) Such agreements may also provide for the creation or continuation of binational or multinational educational and cultural foundations and commissions for the purpose of administering programs in furtherance of the purposes of this Act.

"(c) In such agreements with the United Nations and other international organizations, the President may provide for equitable United States participation in and support for, including a reasonable share of the cost of, educational and cultural programs to be administered by such organizations.

"SEC. 104. (a) The President may exercise any power or authority conferred on him by this Act through such agencies or officers of the United States as he shall direct: *Provided, however,* That before the President implements any proposal for the transfer of such power or authority, that proposal shall be submitted to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, and thereafter a period of not less than sixty days shall have elapsed while Congress is in session. In computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days.

"(b) The President is authorized to employ such other personnel as he deems necessary to carry out the provisions and purposes of this Act, and of such personnel not to exceed fifteen may be compensated without regard to the provisions of the Classification Act of 1949, as amended, and of these not to exceed five may be compensated at a rate in excess of the highest rate provided for grades of the general schedule established by the Classification Act of 1949, as amended, but not in excess of $1,000 per annum more than such highest rate. Such positions shall be in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.

"(c) For the purpose of performing functions under this Act outside the United States, including participation in binational or multinational foundations or commissions, the Secretary of State may employ or assign or authorize the employment or assignment for the duration of operations under this Act of persons to the Foreign Service Reserve or Foreign Service Staff and alien clerks and employees in accordance with applicable provisions of the Foreign Service Act of 1946, as amended (22 U.S.C. 801).

"(d) For the purpose of performing functions under this Act, the President is authorized to provide that any person employed or assigned by a United States Government agency to perform services outside the United States shall be entitled, except to the extent that the President may specify otherwise in cases in which the period of employment or assignment exceeds thirty months, to the same benefits as are provided by section 528 of the Foreign Service Act of 1946, as amended (22 U.S.C. 928) for persons appointed to the Foreign Service Reserve and, except for policymaking officials, the provisions of section 1005 of the Foreign Service Act of 1949, as amended (22 U.S.C. 807) shall apply in the case of such persons.

"(e)(1) In providing for the activities and interchanges authorized by section 102 of this Act, grants may be made to or for individuals, either directly or through foundations or educational or other institutions, and may include funds for tuition and other necessary incidental expenses, for travel expenses from their places of residence and return for themselves, and, whenever it would further the purposes of this Act, for the dependent members of their immediate families, for health and accident insurance premiums, emergency medical expenses, costs of preparing and transporting to their former homes the remains of any of such persons who may die while away from their homes as participants or dependents of participants in any program under this Act, for per diem in lieu of subsistence at rates prescribed by the President for all such persons, and for such other expenses as are necessary for the successful accomplishment of the purposes of this Act.

"(2) Funds available for programs under this Act may be used (i) to provide for orientation courses, language training, or other appropriate services and materials for persons traveling out of the countries of their residence for educational and cultural purposes which further the purposes of this Act, whether or not they are receiving other financial support from the Government, and (ii) to provide or continue services to increase the effectiveness of such programs following the returns of such persons to the countries of their residence.

"(3) The President is authorized to provide for publicity and promotion (including representation) abroad of activities of the type provided for under this Act.

"(f) All persons employed or assigned to duties under this Act shall be investigated to insure that the employment or assignment is

consistent with the national interest in accordance with standards and procedures established by the President.

"SEC. 105. (a) Appropriations to carry out the purposes of this Act, to remain available until expended, are hereby authorized, and this authorization includes the authority to grant, in any appropriation Act, the authority to enter into contracts, within the accounts so authorized, creating obligations in advance of appropriations.

"(b) Funds appropriated for programs under this Act may, without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), be used for the acquisition from any source of foreign currencies in such amounts as may be necessary for current expenditures and for grants, including grants to foundations and commissions in accordance with international agreements providing for the accomplishment of the purposes of this Act.

"(c) Moneys appropriated to any department or agency of the Government in furtherance of the purposes of this Act for research, technical aid, and educational and cultural programs, may be transferred by the President to any other appropriation available for like purposes, but no appropriation shall be increased or decreased by more than [illegible] per centum by reason of transfers pursuant to this paragraph.

"(d) The President is authorized—

"(1) to reserve in such amounts and for such periods as he shall determine to be necessary to provide for the programs authorized by subsections 102(a)(1) and 102(a)(2)(i), and

"(2) notwithstanding the provisions of any other law and within such limits as may from time to time be established by Congress, to use, to the extent that such use is not restricted by agreement with the foreign nations concerned, for any programs authorized by this Act, any currencies of foreign nations received or to be received by the United States or any agency thereof—

"(i) under agreements disposing of surplus property or settling lend-lease and other war accounts concluded after World War II;

"(ii) as the proceeds of sales or loan repayments, including interest, for transactions heretofore or hereafter effected under the Agricultural Trade Development and Assistance Act of 1954, as amended;

"(iii) in repayment of principal or interest on any other credit extended or loan heretofore or hereafter made by the United States or any agency thereof; or

"(iv) as deposits to the account of the United States pursuant to section 115(b)(6) or section 115(h) of the Economic Cooperation Act of 1948, as amended, or any similar provision of any other law.

"(e) The President is further authorized to reserve and use for educational and cultural exchange programs and other activities authorized in subsections 102 (a) and (b) of this Act, in relation to Finland and the people of Finland, all sums due or paid on and after August 24, 1949, by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the Act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to the authority contained in the Act of February 9, 1922, or of any other indebtedness incurred by that Republic and owing to the United States as a result of World War I.

"(f) Foreign governments, international organizations and private individuals, firms, associations, agencies, and other groups shall be encouraged to participate to the maximum extent feasible in carrying out this Act and to make contributions of funds, property, and services which the President is hereby authorized to accept, to be utilized to carry out the purposes of this Act. Funds made available for the purposes of this Act may be used to contribute toward meeting the expenses of activities carried out through normal private channels, by private means, and through foreign governments and international organizations.

"SEC. 106. (a)(1) For the purpose of selecting students, scholars, teachers, trainees, and other persons to participate in the programs authorized under section 102(a)(1) of this Act, and of supervising such programs and the programs authorized under section 102(b) (4), (5), and (6), there is hereby continued the authority of the President to appoint a Board of Foreign Scholarships (hereinafter referred to as the 'Board') consisting of twelve members. In connection with appointments to such Board, due consideration shall be given to the selection of distinguished representatives of cultural, educational, student advisory, and war veterans groups, and representatives of the United States Office of Education, the United States Veterans' Administration, public and private nonprofit educational institutions.

"(2) In the selection of American citizens for participation in programs under this Act, preference shall be given to those who have served in the Armed Forces of the United States, and due consideration shall be given to applicants from all geographical areas of the United States.

"(b)(1) The United States Advisory Commission on International Educational and Cultural Affairs (hereinafter referred to as the 'Commission') is hereby established to replace the United States Advisory Commission on Educational Exchange. The Commission shall formulate and recommend to the President policies for exercising his authority under this Act and shall appraise the effectiveness of programs carried out pursuant to it.

"(2) The Commission shall consist of nine members, who shall be appointed by the President, by and with the advice and consent of the Senate.

"(3) The members of the Commission shall represent the public interest and shall be selected from a cross section of educational, cultural, scientific, technical, and public service backgrounds.

"(4) The term of each member shall be three years, except that, of the first nine appointments, three shall be for a term of one year and three shall be for a term of two years. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor is appointed shall be appointed for the remainder of such term. Upon the expiration of his term of office any member may continue to serve until his successor is appointed and has qualified.

"(5) The President shall designate a chairman from among members of the Commission.

"(6) The Commission is authorized to adopt such rules and regulations as it may deem necessary to carry out the authority conferred upon it by this Act.

"(c)(1) There is hereby continued the Advisory Committee on the Arts (hereinafter referred to as the 'Committee') created under section 10 of the International Cultural Exchange and Trade Fair Participation Act of 1956, consisting of a chairman and nine other members, of whom at least one shall be a member of the Commission. Appointment of all members and selection of the chairman of this Committee shall hereafter be made by the Secretary of State. In making such appointments, due consideration shall be given to the recommendations for nomination submitted by leading national organizations in the major art fields.

"(2) The members of the Committee shall be individuals whose knowledge of or experience in, or whose profound interest in, one or more of the arts will enable them to assist the Commission, the President, and other officers of the Government in performing the functions described in paragraph (3) of this subsection.

"(3) The Committee shall, in connection with activities authorized under subsection 102(a)(2) of this Act—

"(A) advise and assist the Commission in the discharge of its responsibilities in the field of international educational exchange and cultural presentations with special reference to the role of the arts in such fields;

"(B) advise interested officers of the Government in the discharge of their responsibilities in connection with such activities and in connection with other international activities concerned with the arts;

"(C) provide such other advice and assistance as may be necessary or appropriate.

"(4) The term of office of each of the members of the Committee shall be three years.

"(d) The Secretary of State is authorized to create such other committees as in his judgment may be of assistance to the Commission in fulfilling its responsibilities. The period for which every such committee shall be established and its membership shall be determined by the Secretary of State. At least one member of every such committee shall be a member of the Commission.

"(e) The President is authorized to create such interagency and other advisory committees as in his judgment may be of assistance in carrying out the purposes of this Act, and from time to time to convene conferences of persons interested in educational and cultural affairs to consider matters relating to the purposes of this Act.

"(f) The provisions of section 214 of the Act of May 3, 1945 (59 Stat. 134; 31 U.S.C. 691), shall be applicable to any interagency committee created pursuant to the provisions of this Act. Members of the Board, the Commission, the Committee, and other committees provided for in this section shall be entitled (i) to transportation expenses and per diem in lieu of subsistence at the rate prescribed by or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended (5 U.S.C. 73b–2), while away from home in connection with attendance at meetings or in consultation with officials of the Government or otherwise carrying out duties as authorized, and (ii) if not otherwise in the employ of the United States Government, to compensate at rates not in excess of $50 per diem while performing services for such Board, Commission, Committee, or other committee.

"(g) The President is authorized to provide for necessary secretarial and staff assistance for the Board, the Commission, the Committee, and such other committees as may be created under this section.

"SEC. 107. The Board, the Commission, and the Committee shall submit annual reports to the Congress and such other reports to the Congress as they deem appropriate, and shall make reports to the public in the United States and abroad to develop a better understanding of and support for the programs authorized by this Act.

"SEC. 108. (a) Whenever the President determines it to be in furtherance of this Act, the functions authorized hereunder may be performed without regard to such provisions of law or limitations of authority regulating or relating to the making, performance, amendment, or modification of contracts, the acquisition and disposition of property, and the expenditure of Government funds, as he may specify.

"(b) The President shall submit annual reports to the Congress of activities carried on and expenditures made in furtherance of the purposes of this Act. Each such report shall include the texts of agreements made with other nations during the period covered by the report, a full description of the program and the funds expended with respect to each country in which activities have been carried on in furtherance of the purposes of this Act.

"(c) In connection with activities authorized by section 102(a)(2) of this Act, the

President is authorized to provide for all necessary expenditures involved in the selection, purchase, rental, construction, or other acquisition of exhibits and materials and equipment therefor, and the actual display thereof, including but not limited to costs of transportation, insurance, installation, safekeeping and storage, maintenance and operation, rental of space, and dismantling.

"(d) The President is authorized to utilize the provisions of title VIII of the United States Information and Educational Exchange Act of 1948, as amended, to the extent he deems necessary in carrying out the provisions and purposes of this Act.

"SEC. 109. The Immigration and Nationality Act, as amended, is hereby amended as follows:

"(a) In section 101(a)(15)(F) insert '(i)' at the beginning thereof, strike out the semicolon at the end thereof, and add the following: ', and (ii) the alien spouse and minor children of any such alien if accompanying him or following to join him;'

"(b) In section 101(a)(15)(I) change the period to a semicolon at the end thereof and add the following: '(J) An alien who is a bona fide scholar, trainee, teacher, professor, research assistant, specialist or leader in a field of specialized knowledge or skill, or other person of similar description, and who is coming temporarily to the United States as a participant in a program designated by the Secretary of State for the purpose of teaching, instructing or lecturing, or studying, observing or conducting research, or receiving training, and the alien spouse and minor children of any such alien if accompanying him or following to join him'.

"(c) In section 241(a)(9) insert before the semicolon at the end thereof a colon and the following: '*Provided*, That it shall not be deemed a violation of this paragraph for an alien within the definition of subsection 101(a)(15)(F) or (J), or the spouse or minor child of any such alien, to accept employment other than that specifically included in the terms of his admission, during the period for which temporarily admitted, when necessary for the support of such alien or his accompanying spouse or minor children, or the expenses of returning to their home country, if the Attorney General, in the exercise of his discretion and after such consultation with appropriate agencies or other sources as he deems advisable, is of the opinion that such employment is necessary, will not interfere with the successful accomplishment of the purpose for which the alien has been admitted, will not deprive of employment any permanent resident of the United States, and the alien has applied for and been granted by the Attorney General advance permission to accept employment'.

"(d) In section 245 add at the end thereof the following:

"'(d) No person admitted under section 101(a)(15)(J) or acquiring such status after admission shall be eligible to apply for an immigrant visa, or for a nonimmigrant visa under section 101(a)(15)(H)(i), (ii), or (iii), or for adjustment of status to that of an alien lawfully admitted for permanent residence under sections 244 and 245 or for another nonimmigrant status under section 248 other than under section 101(a)(15)(A) or (G), until it is established that such person has resided and been physically present in his own or another foreign country for an aggregate of at least two years following departure from the United States: *Provided*, That upon request of an interested Government agency and the recommendation of the Secretary of State, the Attorney General may waive such two-year period of residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply only to those persons acquiring exchange visitor status under the United States Information and Educational Exchange Act of 1948, as amended, subsequent to June 4, 1956.'

"SEC. 110. (a) Section 117(b)(2)(A) of the Internal Revenue Code of 1954 (relating to the conditions for exclusion of scholarship and fellowship grants in the case of individuals who are not candidates for degrees) is amended to read as follows:

"'(A) CONDITIONS FOR EXCLUSION.—The grantor of the scholarship or fellowship grant is—

"'(i) an organization described in section 501(c)(3) which is exempt from tax under section 501(a),

"'(ii) a foreign government,

"'(iii) an international organization, or a binational or multinational educational and cultural foundation or commission created or continued pursuant to the Mutual Educational and Cultural Exchange Act of 1961, or

"'(iv) the United States, or an instrumentality or agency thereof, or a State, a Territory, or a possession of the United States, or any political subdivision thereof, or the District of Columbia.'

"(b) Section 871 of the Internal Revenue Code of 1954 (relating to tax on nonresident alien individuals) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"'(d) PARTICIPANTS IN CERTAIN EXCHANGE OR TRAINING PROGRAMS.—For purposes of this section, a nonresident alien individual who (without regard to this subsection) is not engaged in trade or business within the United States and who is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, shall be treated as a nonresident alien individual engaged in trade or business within the United States.'

"(c) Section 872(b) of the Internal Revenue Code of 1954 (relating to exclusions from gross income of nonresident alien individuals) is amended by adding at the end thereof the following new paragraph:

"'(3) COMPENSATION OF PARTICIPANTS IN CERTAIN EXCHANGE OR TRAINING PROGRAMS.—Compensation paid by a foreign employer to a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended. For purposes of this paragraph, the term "foreign employer" means—

"'(A) a nonresident alien individual, foreign partnership, or foreign corporation, or

"'(B) an office or place of business maintained in a foreign country or in a possession of the United States by a domestic corporation.'

"(d)(1) Section 1441(a) of the Internal Revenue Code of 1954 (relating to withholding of tax on nonresident aliens) is amended by inserting before the period at the end thereof the following: ', except that in the case of any item of income specified in the second sentence of subsection (b), the tax shall be equal to 18 percent of such item'.

"(2) Section 1441(b) of such Code (relating to income items subject to withholding) is amended by adding at the end thereof the following new sentence: 'The items of income referred to in subsection (a) from which tax shall be deducted and withheld at the rate of 18 percent are—

"'(1) that portion of any scholarship or fellowship grant which is received by a nonresident alien individual who is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is not excluded from gross income under section 117(a)(1) solely by reason of section 117(b)(2)(B); and

"'(2) amounts described in subparagraphs (A), (B), (C), and (D) of section 117(a)(2) which are received by any such nonresident alien individual and which are incident to a scholarship or fellowship grant to which section 117(a)(1) applies, but only to the extent such amounts are includible in gross income.'

"(3) Section 1441(c)(4) of the Internal Revenue Code of 1954 (relating to exceptions to withholding of tax on nonresident aliens) is amended to read as follows:

"'(4) COMPENSATION OF CERTAIN ALIENS.—Under regulations prescribed by the Secretary or his delegate, there may be exempted from deduction and withholding under subsection (a) the compensation for personal services of—

"'(A) nonresident alien individuals who enter and leave the United States at frequent intervals, and

"'(B) a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended.'

"(e)(1) Section 3121(b) of the Internal Revenue Code of 1954 (relating to the definition of employment for purposes of the Federal Insurance Contributions Act) is amended—

"(A) by striking out 'or' at the end of paragraph (17);

"(B) by striking out the period at the end of paragraph (18) and inserting in lieu thereof '; or'; and

"(C) by adding at the end thereof the following new paragraph:

"'(19) service which is performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is performed to carry out the purpose specified in subparagraph (F) or (J), as the case may be.'

"(2) Section 210(a) of the Social Security Act, as amended, is amended—

"(A) by striking out 'or' at the end of paragraph (17);

"(B) by striking out the period at the end of paragraph (18) and inserting in lieu thereof '; or'; and

"(C) by adding at the end thereof the following new paragraph:

"'(19) Service which is performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is performed to carry out the purpose specified in subparagraph (F) or (J), as the case may be.'

"(f) Section 3306(c) of the Internal Revenue Code of 1954 (relating to the definition of employment for purposes of the Federal Unemployment Tax Act) is amended—

"(1) by striking out 'or' at the end of paragraph (16);

"(2) by striking out the period at the end of paragraph (17) and inserting in lieu thereof '; or'; and

"(3) by adding at the end thereof the following new paragraph:

"'(18) service which is performed by a nonresident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is performed to carry out the purpose specified in subparagraph (F) or (J), as the case may be.'

"(g)(1) Section 3401(a)(6) of the Internal Revenue Code of 1954 (relating to the definition of wages for purposes of withholding of income tax at source) is amended by adding at the end thereof the following new subparagraph:

"'(C) an individual who is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, if such remuneration is exempt, under section 1441(c)(4)(B), from deduction and withholding under section 1441(a), and is not exempt from taxation under section 872(b)(3), or'.

"(2) Section 3403(f) of such Code (relating to withholding exemptions) is amended by adding at the end thereof the following new paragraph:

"'(6) EXEMPTION OF CERTAIN NONRESIDENT ALIENS.—Notwithstanding the provisions of paragraph (1), a nonresident alien individual (other than an individual described in section 3401(a)(6) (A) or (B)) shall be entitled to only one withholding exemption.'

"(h)(1) The amendments made by subsections (a) (b), and (c) of this section shall apply to taxable years beginning after December 31, 1961.

"(2) The amendments made by subsection (d) of this section shall apply with respect to payments made after December 31, 1961.

"(3) The amendments made by subsections (e) and (f) of this section shall apply with respect to service performed after December 31, 1961.

"(4) The amendments made by subsection (g) of this section shall apply with respect to wages paid after December 31, 1961.

"SEC. 111. (a) There are hereby repealed—

"(1) Section 32(b)(2) of the Surplus Property Act of 1944, as amended (60 Stat. 754, 50 U.S.C. App. Sec. 1641);

"(2) Sections 2(2), 201, 203 insofar as it relates to schools, 601, 602, and 603 insofar as they relate to the Advisory Commission on Educational Exchange, 1001 insofar as it relates to persons employed or assigned to duties under this Act, and 1008 and 1009 insofar as they relate to educational exchange activities, of the United States Information and Educational Exchange Act of 1948, as amended (62 Stat. 6; 22 U.S.C. sections 1431(2); 1434, 1439, 1440, 1446, 1448, 1466, 1467, and 1468);

"(3) The International Cultural Exchange and Trade Fair Participation Act of 1956 (70 Stat. 778; 22 U.S.C. 1991–2001);

"(4) The joint resolution of August 24, 1949, authorizing the use of Finnish World War I debt payments available for educational and technical instruction, etc. (63 Stat. 630; 20 U.S.C. 222–224).

"(b) All Executive orders, agreements, determinations, regulations, contracts, appointments, and other actions issued, concluded or taken under authority of any provisions of law repealed by subsection (a) of this section shall continue in full force and effect, and shall be applicable to the appropriate provisions of this Act until modified or superseded by appropriate authority.

"(c) Any reference in any other Act to the provisions of law listed in subsection (a) shall hereafter be considered to be references to the appropriate provisions of this Act."

The PRESIDING OFFICER. The bill is open to amendment.

Mr. FULBRIGHT. Madam President, I ask unanimous consent that the time on all amendments be limited to 1 hour; 30 minutes to a side, the time to be controlled by myself and by the Senator from South Dakota [Mr. MUNDT].

Mr. STENNIS. Madam President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. I do not object, but I have remarks to make on an extraneous matter.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the unanimous-consent request is agreed to.

Mr. HRUSKA. Madam President, reserving the right to object——

Mr. FULBRIGHT. Mr. President——

The PRESIDING OFFICER (Mr. HICKEY in the chair). The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

Mr. DIRKSEN. Mr. President, I thought there was a reservation of objection made by the distinguished Senator from Nebraska.

Mr. HRUSKA. There was, on my part, Mr. President. For the time being, I object.

Mr. FULBRIGHT. Mr. President, I thought the Presiding Officer announced that the unanimous-consent request had been agreed to.

The PRESIDING OFFICER. The Chair has been advised that the Chair did announce the agreement, before an objection was heard. The present Presiding Officer took the chair just a minute ago, but is advised by the Parliamentarian that the ruling by the Chair had been announced.

Mr. FULBRIGHT. I do not wish to insist on it.

Mr. DIRKSEN. Mr. President, I am sure that in the hurly-burly the reservation was overlooked.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the unanimous-consent agreement be vacated, if there is an objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none; and, without objection, the unanimous-consent agreement is vacated.

The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, I object, for the time being. I think we ought to work out a program which is a little more definite and satisfactory than the basis upon which this one is presented.

The PRESIDING OFFICER. The bill is open to amendment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 139. An act for the relief of Krste Angeloff;

S. 442. An act for the relief of Aspasia A. Koumbouris (Kumpuris);

S. 537. An act to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic monument purposes;

S. 540. An act to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes;

S. 796. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes;

S. 1073. An act for the relief of Henry Eugene Godderis;

S. 1720. An act to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world; and

S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 1258. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; and

H.R. 2645. An act for the relief of Wieslawa Alice Klimowski.

MAXIMUM UTILIZATION OF FIGHTING TROOPS

Mr. STENNIS. Mr. President, I wish to address myself to the question of the maximum utilization of our fighting troops and to raise some questions concerning whether we are getting the maximum utilization from them.

The Army today has a strength of 870,000 and as of June 30, 1961, will have 14 divisions, 14 battle groups and/or armored cavalry regiments, and 5 missile commands.

Five of these divisions are deployed in Europe, two divisions are deployed in Korea. Those divisions in Europe and Korea are stated to be ready to fight. One division is located in Hawaii, six divisions are located in the United States. Three of these six divisions are assigned to Strategic Army Forces (Straf) and three divisions are assigned to Strategic Army Corps (Strac).

The Army of Strac is, as we have been told, ready to move our troops on short notice to several areas throughout the world. Let us contrast the size of these land forces with those of the Soviet Army as to which our knowledge, of course, is not complete.

The U.S.S.R. now has slightly more than 3,600,000 men under arms and this number is stated to include approximately 2,500,000 in the Soviet Army's ground forces and it has been reported that this permits the retention of about 175 organized combat divisions.

When we in Congress contrast the number of divisions we can get from our troops and the number the Russians can get from their troops, we immediately are faced with the statements about the size and manning of the divisions. In all these comparisons it develops that the U.S. divisions are not at full strength even though the Russians are also stated to be in full strength.

This, then, is the mystery which continually confronts Congress in appro-

priating money; namely, what are the other soldiers doing, in addition to those who would be engaged in fighting?

Whatever causes the dilemma, the mystery remains as to why the Russians need so few in support of their forces and we need so many.

I am always troubled by the question of our worldwide commitments vis-a-vis the number of troops we have available. When we add them up—NATO, Korea, the Philippines, SEATO, treaty with the downunder countries, and so forth—we keep wondering how in the world we would ever start to meet our commitments if the Soviets attempted to start trouble in a number of places at the same time.

We know that we want our troops to stand a fighting chance, and this requires a sufficient number of troops armed with the best available equipment.

It was shocking for me to learn that the Army has been engaged in finding a replacement for the World War II rifle for some 16 years. The Army started to think about this immediately after World War II. By Korea time, the new M–14 was nowhere near reality. It is now 1961, and this supposedly superior weapon is in very small production, and, as I understand, there is some question as to its quality, in reference at least to the M–1.

After making available billions of dollars for Army modernization and the replacement of antiquated equipment, we are advised that the Army is still miles away from being modern, the M–14 being only one of the elements involved. I understand the situation with respect to tanks—modern tanks—is still very serious, and so on down the line.

I do not wish to be gloomy, but the realities of the situation worry me, and I want to know about our troop strength and its equipment, and how we can better utilize them.

I know that we are making some effort so far as the Marines are concerned, with 15,000 more men, and I see that 5,000 more men are being added to the Army. So far as the Army is concerned, I am wondering if this is not a drop in the bucket.

I have strongly supported the needs of our Army in construction, in funds for weapons, in maintenance and operations, and in increasing the number of troops.

But I want to know what the other soldiers are doing, in addition to those who would be engaged in fighting. I want to know, too, why we need so many men to support our forces, while the Russians need so few—as simple arithmetic shows us to be the case.

On the other hand, we talk of the great need for more divisions. The real need, as I see it, is to get more than 14 divisions out of the number of men we already have.

The West is seeking a formula to end the Berlin crisis. We hope that our search for a successful formula can be found. In the event the difficulties cannot be resolved short of armed conflict, we must be prepared to back up our commitments in that part of the world with an armed force sufficient to withstand any aggressive action on the part of the Soviets.

A new move in the program is to further emphasize our reserve program which could utilize the men with training and talents.

We have already emphasized this over the years, and it is in keeping with our great need for a real bone-and-muscle Army—the quick striking force—armed with the best possible weapons in the hands of each man and supported by the latest in equipments.

A discussion as to the utilization of the men already trained—our Reserves and National Guard—should be weighed and a decision reached as to how to use such manpower; whether additional manpower should be added to our forces; and how to make available sufficient numbers of combat-ready troops so that our Army modernization program will pay off in the future.

Mr. President, I emphasize the need for the utmost in modernization of the Army. Instead of talking about numbers of troops added to the present number of men in uniform, we should have a clear analysis of the situation and a decision with reference to better utilizing the men we already have in uniform, in more effective divisions.

Mr. President, the Preparedness Investigating Subcommittee has the conviction that a dollar spent for defense should bring a dollar's worth of defense.

The lesson has come home to all of us again and again—in defense, unless we spend the money in time, the money goes down the drain.

Thus, endlessly long leadtimes have cost the Government simply enormous sums of money and have brought the Government obsolescent weapons. There are many examples of this, but I shall mention one—the Navaho air-breathing intercontinental missile, which was canceled several years ago after approximately $800 million had gone into its development. Paralleling the development of the Navaho was the air-breathing Snark, the intercontinental missile now being phased out; the victim of long leadtime, and inevitably, therefore, of obsolescence.

Are we ignoring these lessons today as history repeats itself and we are presented with differing ideas as to how fast we should progress with the intercontinental, mach 3 bomber, known as the B–70?

If we follow the present plan for the development now contemplated, will we not be courting the procurement disasters of the past?

By holding down the development of this weapon system to that of a prototype minus needed sophisticated electronic equipments, it appears to me that the flyaway model will come too late and with too little.

Should we undertake the present development at a cost of $1.3 billion, or the faster development at a cost of $2.7 billion?

These are difficult questions to answer. The difference between $2.7 billion and $1.3 billion is a lot of money, but time is no longer on our side and, in fact, is running against us. We must take the chance of failure if we are to survive.

In the New York Times of June 29, 1961, an article appeared about a Russian jet airplane, stated to be the successor to the Soviet Bison, the jetprop bomber with the longest range of the Soviet bombers.

Only today we have read of the show of might by the Soviets during their recent air show in Moscow.

Our own air attaché says the show was very impressive and that "it is evident the Russians have continued with the development of all classes of aircraft." Western military experts reported that the air parade displayed some items that the United States "cannot match."

The occasion marked the first time the Soviets have publicly displayed supersonic delta-wing bombers, the size and speed of which reportedly equal or surpass our B–52 and B–58 supersonic bombers.

What does this mean? As noted by General White, recently retired Air Force Chief of Staff, in a television interview on July 2 of this year, obviously it means that the Russians are expressing their continued approval of a weapon alternate to the intercontinental ballistic missile. It means that a nation, admittedly ahead of us in the ICBM race, is preserving for itself a capability for something less than the all-out, final military outburst.

We need not emulate the Russians out of blind fear. We must do our military planning according to our own lights and objectives. But in doing so, we cannot afford to give up on the manned bomber and to give up on planning for a better bomber with greater deterrent capabilities. Let us remember that the total marriage of the ICBM and atomic warhead have never been tested, and we are not exactly sure what will happen when and if we consummate this marriage when and if testing is resumed.

I have not changed my opinion of March 28, when I disagreed with the President's slowdown of the B–70. I consider this manned bomber a firstline defense weapon of the future, and I believe the development of manned bombers should be pushed to the utmost.

Time is essential. We cannot buy time. Compounded by prior indecision, even now time is catching up with this once promising technical step forward, and the extension of the operational date of the B–70 to about 1968 has somewhat diluted much of its original attractiveness as an alternate delivery system to intercontinental ballistic missiles.

I share the concern of many that we may be faced with a critical manned-bomber gap in the immediate years ahead unless vigorous action is applied now.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Illinois.

Mr. DOUGLAS. First, I congratulate the Senator from Mississippi for speaking on this vitally essential subject.

Mr. STENNIS. I thank the Senator.

Mr. DOUGLAS. In my judgment, the Senator has put his finger on at least two of the greatest weaknesses in our defenses; namely, first, the slowness with which improved weapons are being adopted, and second, the great waste of manpower in supply and administrative functions.

Without betraying any secrets, is it not true that the rate of production of the so-called M–14 rifle has been disappointingly slow?

Mr. STENNIS. The Senator is entirely correct. The problem has not been one of money. Deputy Secretary of Defense Gilpatric repeated today in open hearing that it has not been a matter of money. The problem has been one of production. The Subcommittee on Preparedness is taking a further look into the point which the Senator has mentioned. However, we have not fully developed the recent facts as yet.

Mr. DOUGLAS. Is it not also true that, with the possible exception of the British Army, we have the highest ratio of noncombatants in the U.S. Army of any army in the world?

Mr. STENNIS. The Senator is correct. As the Senator from Mississippi understands the term "noncombatant," it means men who are not ready to take place in a fighting division and carry forward on short notice.

Mr. DOUGLAS. Some years ago the Army published an advertisement which in effect stated that only 1 man out of 25 in the Army carried a rifle and was in a rifle squad. While it is true that the artillery, of course, has a real function, nevertheless the figure stated seems to me to be shockingly low. I had the figure very carefully analyzed, and it was approximately correct.

Mr. STENNIS. The Senator from Illinois has made a very fine contribution over the years in the field of which he speaks. The Committee on Preparedness will try to go into the subject anew, and see again what the situation is.

Mr. DOUGLAS. I am appalled that such a situation should continue after so many years. I think it is a matter of crucial importance. I am baffled as to why these delays have occurred.

Mr. STENNIS. The Senator from Mississippi shares the Senator's concern.

Mr. PROXMIRE. Mr. President, will the Senator yield on the same point?

Mr. STENNIS. I yield.

Mr. PROXMIRE. The Senator has indicated that there are 14 divisions with some 870,000 troops?

Mr. STENNIS. Yes. The Senator from Wisconsin will recall that, in addition, we also have what I believe are called regimental combat teams, composed of additional men above the 14 divisions that would be ready for action. But in round numbers the members of those teams would not add greatly to the number.

Mr. PROXMIRE. It seems to me that there is a very disproportionate relationship between the number of people in the Army and the number of people who are combat-ready, or who are in divisions or combat teams and capable of acting as firstline soldiers.

In view of the fact that the Senator from Mississippi is certainly one of the outstanding authorities in the Senate on this subject, I wonder if he can tell the Senate if there is any prospect of getting an adequate explanation from the Department of Defense. I realize that there are problems of supply in a modern army. There must be people behind the line—more people than in the front line. But I believe the comparison the Senator has made between the Russian forces and our forces is a very telling one. After all, the Russians have the same problems that we have. They, too, must supply a modern army.

I wonder if it is possible to get an explanation that would be satisfactory on the point. I believe it is important because the defense program is by far the most expensive program that Congress deals with. It requires billions of dollars of the taxpayers' money. It seems to me that we need some real answers.

Mr. STENNIS. The Senator is correct. By the way, there are 14 battle groups in addition to the 14 divisions. So in stating how much we have ready, we ought to name those groups, too. But the striking comparison that is unfavorable is the number of men who are in uniform as compared with the number of men who are ready now or in a very few weeks' notice would be ready to take their place in battle formation.

The Senator from Mississippi is impressed with the idea that before we talk too quickly about calling in more divisions, or bringing in more raw recruits, we should take a look to see why we do not utilize to the fullest extent those already in uniform.

The Senator from Mississippi can give no quick answer to the Senate on that subject. The problem has been considered before by capable committees. We will certainly try to take another look and see what the real explanation, if any, is.

One point that impresses the Senator from Mississippi is that so many men are taken up in the various training programs in the various services, and are scattered all over the world engaged in teaching programs, technical training, and a host of other activities, many of which, the Senator from Mississippi believes, with only a little effort could be consolidated with a great saving of money and manpower. We are attempting to put the picture together, but it will take some time.

Mr. PROXMIRE. Mr. President, I thank the Senator from Mississippi. His contribution has been extremely useful. I will be interested in obtaining the kind of information that the Senator from Mississippi can furnish. I believe this is one way we can perform two services: First, we would have a more effective Defense Establishment, which is most important; second, we would save literally hundreds of millions, and perhaps billions of dollars.

Mr. STENNIS. I thank the Senator from Wisconsin very much for his very timely comments and for his interest.

Mr. President, I yield the floor.

FOOD INDUSTRY SPONSORS ASKED TO RAISE TV QUALITY

Mr. McGEE. Mr. President, I wish to address myself for only 3 or 4 minutes to a question involving the communications industry in this country, and television in particular.

I hold in my hand a full page editorial from a food industry trade journal entitled "Food Field Report," for July 3 of this year. The editor, Roy M. King, devotes a full page, plus pictures, to a petition for raising the quality of television programing in this country.

In the course of his remarks he puts his finger on the concern of the advertisers for better programs, because he recognizes properly that one of the conditions influencing the level of TV is the capability of a program to attract sponsors through the media of widespread listening or viewing audiences. This has been sometimes described as the really vulnerable point of the weakness of television programing, that it is geared to what the people demand or are willing to look at rather than to a raising of the level of programing.

I believe it would be interesting to this body to note the approaches to this question to which the private trade journal thinks the industry should arise.

First, he defends the new Chairman of the FCC, Mr. Newton Minow, for his forthright expressions of concern, a few weeks ago about the industry itself. He concludes by saying that the answer to the problem of television programing is in a combination of pressures.

One such pressure would be through the FCC itself, wherein the Commission would take a closer look at the renewing of licenses before the licenses are automatically granted, as has been the case so often in the past.

Second, he suggests that through its own efforts the food industry ought to demand a high level of program. He has said that business owes this obligation to the people. It is a kind of responsibility that we ought to expect from the business community itself. He says:

> After all, an illiterate remains illiterate until educated.

I think it is extremely encouraging that this kind of sentiment has come from private industry itself at a time when we are all so deeply concerned about the level of television programing in this country. I think it likewise brings into focus the incongruity of the intimations that occurred recently in a television trade journal broadcast magazine that anyone in the industry who would dare to testify against the industry might find himself out of a job. I think it is well known that this willingness on the part of industry itself to try to raise the level ought to suggest to the television industry itself that there is a great deal of housecleaning it can do inside and a considerable bit of initiative it can exercise in taking an approach to this very difficult question.

I ask unanimous consent that the article entitled "Food Industry Sponsors Asked to Raise TV Quality," published

in the Food Field Reporter, issue of July 3, 1961, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOOD INDUSTRY SPONSORS ASKED TO RAISE TV QUALITY

(By Roy M. King)

The highest possible stage in moral culture is when we recognize that we ought to control our thoughts. It follows that those in the television industry involved in transposing their thoughts into words and pictures in order to communicate them to the public have the greatest responsibility to culture. They can control the thoughts of others—potentially, 180 million others.

Newton N. Minow, Chairman of the Federal Communications Commission, believes that the television industry has ignored this responsibility. In a now famous speech before the National Association of Broadcasters, Mr. Minow indicted the television program output as "a vast wasteland." He described its fare as "a procession of game shows, violence, audience participation shows, formula comedies about totally unbelievable families, blood and thunder, mayhem, violence, sadism, murder, western badmen, western goodmen, private eyes, gangsters, more violence and cartoons. And, endlessly, commercials—many screaming, cajoling and offending. And most of all, just plain boredom."

Expressing confidence in the industry's health, but deriding its product, the FCC Chairman stated that "when television is good, nothing—not the theater, not the magazines nor newspapers—nothing is better. But when television is bad, nothing is worse."

In defense of good taste and an enjoyable evening of entertainment and intellectual stimulation, we must concede the accuracy of his criticism.

ANNOYING STEREOTYPES

We are annoyed by stereotyped gangster shows which vie for honors in brutality. We despise copycat westerns purportedly telling the true story of our past, but succeeding only in conveying a sense of absurdity.

We are offended by the prevalence of tasteless, blaring commercials during any decent program which we might have the good fortune to tune in. Most upsetting are the highly vaunted documentaries which reach the screen devoid of all controversy because a sponsor goes into a trauma at the thought of offending a minority interest—not out of a sense of brotherhood, but rather a conjured-up fear of product boycott.

We suspect that most of our readers agree with us.

It is obvious that television executives will not instigate a cultural reform of their own volition. Under the present system, sponsors—including food industry firms—select programs on the basis of popularity, the theory being that the more people are exposed to a particular program, the more opportunity they have to see commercials advertising the sponsor's products.

The effectiveness of advertising is well known. Through a highly organized system of ratings, any potential sponsor can immediately determine which types of programs are commercially worth a chunk of his advertising dollar and which are not. No one can honestly blame a sponsor from withdrawing his support from a program geared to the interests of a minority of potential viewers. His allegiance is to his stockholders.

The problem which no one seems even able to state is simply that the majority of the people are intellectually incapable of dining on a menu consisting of cultural fare. Westerns, situation comedies, and detective shows contain the greatest amount of stimulation they can absorb.

Public-interest programs are actually private-interest programs because only a comparatively few people watch them. Stimulating programing admired by the more intelligent members of our citizenry cannot command an audience of sufficient quantity to attract sponsors. Only after television has satisfied the mass majority with pap can the industry take a chance on financial loss by catering to the minority.

SICKENINGLY SIMILAR

Many supporters of television argue that, if critics applied their rigorously sweeping standards to the world of books, newspapers, and magazines, they would find the ratio between quality and mediocrity to be sickeningly similar. Although highbrows may dream that the masses will rise to their levels, it just ain't so.

Television poses a unique problem. Anyone can walk into a bookstore and purchase 10th-rate trash at one counter and a work of classic repute at another. At the corner newsstand, one may buy the New York Times in addition to a sample of journalism suitable only for wrapping herring. One may subscribe to the New Yorker or one of hundreds of confession rags. However, when a good television show leaves the air, it is usually replaced by a bad one, and the ratio between quality and mediocrity is increased. This is merely an updated version of Gresham's law.

The primary function of business is to make money. The primary function of art is to give people a better understanding of life. The two should never be confused—but they may coexist.

There have been several suggestions aimed at achieving this end. They are as follows: Pressure of organized public opinion, governmental control, television self-regulation and sponsor self-regulation. Public opinion will not do the job, governmental control is out of the question, and television and industry self-regulation, unless rigorously enforced, could lead to economic disaster.

Mr. Minow has no intention of permitting his agency to dictate programing, nor does he want to mold television into an isolation ward for highbrows. He merely wants to stimulate the industry to self-improvement and encourage the public to insist on better programs. His goal—as everyone's should be—is a better balance between pure entertainment and educational types of shows.

The FCC Chairman carries a persuasive stick: His agency's right to refuse renewal of television broadcasting licenses.

Under Federal law, the airwaves are the property of the public. To obtain a channel for broadcasting, it is necessary to seek a Federal license. Regulation keeps stations from interfering with each other, and apportions existing channels.

In applying for a license, a would-be broadcaster must provide data on his legal, technical and financial qualifications. He must also agree to show that his operation will meet the test of public interest, convenience or necessity. Therefore, he must say something about programing.

The FCC does not stipulate that a specific proportion of time must be devoted to any particular kind of program. The applicant does this. Since the FCC attaches importance to diversity, the broadcaster enters many categories.

A license runs for 3 years. As part of his renewal bid, a broadcaster must report what he put on the air during a representative week chosen by the FCC.

No outlet has even been denied a renewal because its programing was not in the public interest. Yet, it is common knowledge that a substantial number of stations have performed at wide variance with their promises. Mr. Minow feels that "licenses were often renewed pro forma." He has warned the industry: "Renewal will not be pro forma in the future. There is nothing permanent or sacred about a broadcasting license." He intends to hold well-advertised public hearings in the communities of individual stations at renewal time in order to determine whether a given community feels its station is serving the public.

ANSWER PROPOSED

The answer, then, is a combination of pressures on inadequate programing. The Government, through FCC, can arrange for a community testing of quality. With the Damocles sword of renewal hanging over their heads, broadcasters may edge toward proper balancing of programs.

Although we understand the economic necessity of certain programs, food industry sponsors should adopt a more flexible attitude toward quality programing—or the companies involved might find themselves bewailing the loss of honorably earned corporate images symbolizing excellence.

Business owes the people a responsibility in addition to raising its material standards. Sponsors should attempt different, even controversial shows, in an effort to bring some culture to viewers. After all, an illiterate remains illiterate until educated.

Mr. McGEE. Mr. President, in the same connection I call attention to Senators an article on our television problem written approximately 10 years ago.

The article was carried in the Saturday Review of Literature for August 25, 1951. It is an article which was written by a gentleman who was then a Senator from Connecticut, Senator William Benton. In that article former Senator Benton attempts to assess the elements which comprise the difficulties in television. Because of the parallels between 1951 and 1961, and the suggestion in the article that we have made distressingly slow progress in correcting the problems that were recognizable a decade ago, I believe it would be interesting to the Members of the Senate to read again Senator Benton's very intelligent set of proposals of that day.

Among the interesting proposals was his suggestion of the creation of a National Citizens Advisory Board on Radio and Television. The purpose of such a board, as he rightly suggested, would be to distill and mobilize public opinion in order to back up and, if necessary, to move the Congress of the United States in taking the kind of forthright action on the question that is of such deep and abiding public interest. I therefore ask unanimous consent that Senator Benton's article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Saturday Review of Literature, Aug. 25, 1951]

TELEVISION WITH A CONSCIENCE

(By Senator William Benton)

This is the summer of decision for television. The American people through their Congress, and Congress through its agency the Federal Communications Commission, will decide in the next few months whether

TV is to become an electronic version of the Atlantic City boardwalk—or the broadest avenue to popular enlightenment the world has ever seen.

The Federal Communications Commission, which issues station licenses, has granted no new permits since September 1948; it has been studying engineering data. As a consequence, there are only 107 TV stations to serve the 13 million receiving sets now in use.

But on March 22 of this year the Commission began the process of thawing out the freeze on new permits by announcing a tentative allocation table which would authorize nearly 2,000 new stations—almost 20 times as many stations as are now on the air. The document by which the Commission acted is disarmingly titled "Third Notice of Proposed Further Rulemaking." A more accurate title would be "The Magna Carta of American Television." Under this "third notice" there will be decided in Washington the question of who is to control and operate American television and under what conditions.

What I fear—and my fear is shared by scores of thoughtful people who have written me in recent weeks—is that by default American television is about to take the Atlantic City boardwalk road—the road to trivialization—with our TV stations devoting their good viewing hours to vying with a few salable program stereotypes, for the same lowest common denominator of audience interest, all in behalf of 15 or 20 big sponsors. That has been the road of radio, a road which, on the whole, is a dismal one, in spite of the fact that the medium has brought entertainment and escape to tens of millions of bored, lonesome, or dreary lives.

It seems to me that there are three possible developments that might, in combination, save TV from treading the same road. The first is that the commercial television networks and license holders will learn, or can be persuaded, that it is in their own interest to devote more and better time to educational and public service programs (let us say, for example, 7 p.m. to 9 p.m., 3 nights a week for adult education and public service); or that stations will be required to develop standards and adhere to them, as a condition of securing or retaining their licenses.

The second hopeful development would be a new system of telecasting, competitive with the present system which is dependent wholly on advertising revenue—a new system in which the station operator would produce programs for those willing to pay a fee.

The third is the operation of TV stations by educational institutions.

A fourth step, underlying and buttressing these three, or any one of them, is envisaged in a bill I have introduced in the Senate with the cosponsorship of Senators Hunt, Bricker, and Saltonstall, which would create by congressional act a Citizens Advisory Board charged with the duty of seeking, marshaling, and focusing public opinion about public service television, with annual recommendations to the FCC, the Congress, and the public. I should like to discuss each of these four points briefly.

The experts estimate that within 5 years advertisers will spend at least a billion dollars a year to buy TV time and program talent. I have no doubt that the network executives are busy drafting codes for good programing, and that they are discussing public service programs. There are many able and remarkable men in this fast moving, competitive industry. I have warned my friends in the industry that they face a storm of public protest if they surrender completely to triviality, and many of them realize it.

But I am not optimistic about their efforts. I have seen codes and good intentions before. I remember 1928 and 1933 and 1938 and 1943—the key years in the history of radio.

In 1935 I sold out my interest in the advertising agency of Benton & Bowles. We had been the biggest single customer of NBC, and later of CBS as well. I became a part-time vice president of the University of Chicago with the hope of developing educational programs on the radio networks. At the time I left the university to become Assistant Secretary of State in 1945, the university had two such programs, "The Human Adventure," on Mutual, and "The University of Chicago Round Table," on NBC. But I had failed, miserably, in the goal I had set for myself—and for radio. These programs, like other so-called educational and public service programs, had been kicked around by the networks, shifted again and again to new time periods, or killed.

Comparing what was known about educational programing to what was done about it in 1940 the networks were doing a far poorer job than in 1930; in 1950 they were doing a far poorer job than in 1940. The commercial pressure toward trivialization in radio has proved irresistible. What is there to resist it in TV?

Studying today's TV, the Federal Communications Commission found that in a composite week in 1950 only 3 percent of all commercial programs were of an educational type. Another 3 percent were discussion programs. Less than 1 percent were religious.

In another study Prof. Dallas Smythe, of the University of Illinois, and Prof. Donald Horton, of the University of Chicago, monitored all programs on the seven TV stations in metropolitan New York for 1 week in January of this year. They found that, exclusive of news and homemaking programs, only 3 percent of all TV time could be classified as "informational." Two percent of TV's time went to discussion of public issues and 1 percent to religion. "A clear majority of the time," they reported, "was devoted to entertainment programs with relatively low or perhaps negative survival value for the individual viewer or for society." New York is the area which has had the most experience in programing and which now points the way for the rest of the country. Its pattern is disturbingly similar to radio's. It is not a happy prospect for TV throughout America. Yet Prof. Charles Siepmann of New York University fears that we may now be witnessing a peak in television's service to a variety of tastes, since the program producers have not yet settled on a handful of formulas, as radio has.

The magazine TV monitored all crime shows on the seven television stations in the Los Angeles area for the first week of May this year. They found that close to 1,000 crimes took place on the TV screens, the great majority of them on children's programs. "Seventy percent of all programing televised specifically for children was based on crime," says the magazine. Many of these programs were reruns of movie westerns. There may be argument as to just how deleterious these programs are, but no one can argue that television is living up to its educational potential on any such formula, especially when we remember that children are now spending more time watching television than they spend in school.

These programing studies—they are the only such studies I have yet seen—give substance to my contention that commercial television, if it is allowed to mushroom along the lines of commercial radio without guidance from Congress or from organized public opinion, will never remotely do the great and urgent educational and public service job required by the times.

My second possibility is much more exciting and promising. It does not put its faith in begging an hour or two a day from commercial TV—a crumbs-off-the-table approach. It calls for subscription television—putting a box office or a tuition fee at the receiving end of television. And why not a system in which the viewer orders and pays for what he gets, without any advertising whatsoever? Such a system could and should be developed wholly within the American theory of private competitive broadcasting, just as the Reader's Digest, which carries no advertising, is completely consistent with the theory of American magazine publishing.

Subscription TV appears to be perfectly possible technically. At least two techniques have been given engineering tests. In each the signal sent out over the transmitter is coded or scrambled; the image can be clarified only if the viewer pays a fee.

The Zenith Radio Corp., in Chicago, was given permission by the FCC to make a 90-day market test with 300 families last winter. Under the Zenith system, part of the signal comes in over telephone wires. The subscriber calls the phone company when he wants an offered program and is billed by the phone company.

Hollywood would not permit its recent movies to be televised, and Zenith was only able to offer motion pictures more than 2 years old—at $1 a picture. However, the 300 test families consumed almost 4 times as many of these old movies at home as they had previously consumed when they had to go out to a movie house—to see new movies.

Another technique, being developed by the Skiatron Corp., in New York, uses as its unscrambler a slotted card which is leased to the subscriber. Without the card you can't get the program.

The implications of these new techniques are enormous, not only for the economics of the communications and entertainment industries, but also for public service and education and for providing the special programs desired by many minorities.

A program director of a commercial subscription station might schedule his station much as the editor of a Sunday newspaper makes up his issue. He might calculate the departments which appeal to substantial special interest groups in sufficient numbers to warrant inclusion—business, books, real estate, the theater, sports, gardening, travel, science, education, broadcasting, even stamp collecting. Every Sunday editor knows that many readers buy the paper largely to read one section.

My own hunch is that such a station, properly run in New York, Chicago, or Los Angeles, let us say, might prove more profitable than any radio station has ever proved to be.

Take stamp collecting as an elementary example of the new editorial possibilities. If my dreamy-eyed program director thought there might be 50,000 people in New York willing to pay a nickel a day to see a daily stamp collecting get-together, and if he proved to be right, he could gross $2,500 a day for this time period alone. This is a great deal more than he could get from an advertiser.

The subscription method can be the answer to televising first-run motion pictures, the Metropolitan Opera, full-length plays, college football, and other events which the consumer wants to buy, if he can only buy them in his home. Here is the great mass market for many events which have always heretofore been regarded as "class." TV opens this chance—from class to mass—not only in the world of the arts and of music and entertainment but in education as well.

How many lawyers in New York would pay a dime or a quarter to have the faculty of the Columbia Law School analyze the Supreme Court's decisions every Monday evening? The same principle can be carried even to the teaching of such abstruse subjects as physics. But the great educational

market would probably lie in the broad field of adult education.

The third possibility for realizing the educational and public service potential of television lies in the development of stations operated by educational institutions. The FCC has made provision for these in the tentative allocation table announced last March. This table is not in itself a grant of licenses. It merely presents a preliminary pattern, locality by locality, from which applications will be considered late this autumn; and it makes a distinction, locality by locality, between commercial stations and educational stations. For example, the New York metropolitan area, which now has seven TV stations, is assigned four more, only one of which is reserved for education; Denver, which has no station now, is assigned six, one for education.

Throughout the summer the FCC will hear arguments about this allocation table; about the principles underlying the pattern; about the specific assignments by communities; and about commercial allocations versus educational reservations. It hopes by October to come up with a final and definitive pattern. When it does so it will then allow 60 more days for filing of license applications. By January the Commission hopes to begin granting new construction permits. Conceivably, some of the new stations could be on the air by next summer.

This is an optimistic version of the timetable. Few believe it can be adhered to. I recite it to demonstrate that, for those who want to see television live up to its great potentialities for "transforming and uplifting human relations"—Professor Siepmann's phrase—the time for action is today.

I wonder how many citizens of the United States—including all who pride themselves on their interest in the educational system and all the parents who worry about what television is doing to their children—know whether a channel for education has been reserved by the FCC in their own areas.

If no allocation was made in the March table there isn't much time remaining to try to get one; if your community doesn't get a reservation by this October, it can in all probability never get one. There won't be any left.

If your community has been awarded a channel by the FCC, what steps are being taken to claim it? How many months—or years—will your community need to reach a decision and arrange the financing, through the school board, the State legislature, the local college, or otherwise? The FCC suggests it will hold these educational reservations open for a reasonable period. But remember that the FCC is likely to be under constant pressure from importunate commercial applicants.

Or perhaps your school system, or a consortium of civic groups, would do better to apply for a commercial license, on a not-for-profit basis, in the expectation of carrying sponsored entertainment programs part of the day in order to finance educational programs the rest of the day. If so, that calls for an immediate decision, and a prompt presentation to the FCC. Indeed, it may already be too late.

Of the nearly 2,000 new TV stations the Commission proposes to authorize, 209 have been tentatively reserved for noncommercial, educational use. The Commission showed courage and imagination in making these reservations. The powerful National Association of Radio & Television Broadcasters has formally denounced these educational reservations on the ground that they "set up a special class of applicants," and that these channels may be wasted through nonuse or partial use. The FCC is going to need public support if it is to hold these channels for education; and, of course, it requires concrete evidence that these channels will be used.

Two taunts have been hurled at the hopeful television educators. One is, "Look what happened in radio." It's true that in the twenties well over a hundred educational institutions or boards were awarded choice radio channels. Most of these were finally relinquished to commercial operators when the educators wouldn't or couldn't use them. Educators learn slowly.

However, I cannot accept the analogy between radio and TV. Educators learn very slowly, but they do learn. Television isn't just a cousin of radio. In its educational potential it is sui generis. It is uniquely adapted to education. As John Crosby the New York Herald-Tribune's radio and television critic points out, television has five times the wallop of radio, and it requires, and gets, five times the attention. Attention is the indispensable element in education.

The second taunt is, "Where is the money coming from?" That is the same kind of taunt which was hurled a hundred years ago against the dream of free public education for all children.

If the promise is as great as I think it is, the money will be found. The American people believe in education. They spend perhaps $5 billion a year for it today. Once they have been shown the power of television in education, I cannot believe they will deny it to themselves or to their children.

Within the past 6 months three foundations, the Ford, Kellogg, and Sloan Foundations, have appropriated a total of over $2 million for the development of educational radio and TV. This is just "seed money."

A main source of money may be appropriations by State and local governments. The most dramatic development of this spring in the field was the announcement of the regents of the University of the State of New York, which has supervising authority over 8,000 education institutions. The regents asked the FCC for 11 educational channels in New York State—3 more than the FCC had reserved for the entire State—and reported that they were asking the New York State Legislature for $3,500,000 to build the transmitters. This action may serve as a model.

Another method for financing educational stations could develop if the FCC would change its formula on noncommercial educational stations. The formula should permit noncommercial stations to earn a profit—for philanthropic ends. So-called educational stations should be permitted to carry entertainment programs sponsored by advertisers part of the day to earn profits to finance educational programs the rest of the day. This is the plan used by the only educational TV station now on the air, at Iowa State University, which holds a commercial license.

The third method is the subscription method I have already mentioned. One of my former associates at the University of Chicago has calculated that some universities could finance their year-round TV programing and even offer it free simply by withholding exclusive rights to telecasts of football games and applying the subscription technique.

What are the chances for any of my three possibilities—the full-blown creation of educational stations, the development of subscription television, and the hoped-for flowering of the commercial conscience—to save TV from the road to trivialization? Students of the question assure me that the answer lies less in new Federal legislation than in the dynamics of our society. This means that the reforms can't happen unless the public makes them happen, and keeps making them happen. That is why I gave main emphasis in my draft legislation, in Senate bill 1579, to the introduction of a new dynamic in the form of a National Citizens Advisory Board on Radio and Television.

This Citizens Advisory Board, as I have envisioned it, would be composed of 11 outstanding private citizens, drawn from the fields of education and communications and from among leaders in the civic, cultural, and religious life of the Nation. In an annual report to Congress, to the Federal Communications Commission, and to the public the Board would review how well radio and television are serving the public interest. This annual report would point up broadcasting's successes and failures. Most importantly, it would suggest how radio and TV could serve the public interest better. Undoubtedly the Board would try to determine answers to those difficult and perennial questions: "What is an educational program? What is a public service program?" Undoubtedly the Board would occasionally recommend new legislation to Congress.

The power to grant and withhold licenses must of course remain untrammeled in the Federal Communications Commission. However, the FCC has neither the time nor the authority actively to seek out, marshal, and crystallize public opinion. Nor does it claim to have competence in education.

Because it would be advisory only, my proposed Citizens Advisory Board would not be subject to the charge of "censorship." Yet its potency should not be underestimated. The broadcasting industry, for all the fact that it now has the field of "pressure" to itself in Washington—there is no listeners' or viewers' lobby in Washington to speak for the TV consumer—cannot and will not be insensitive to criticism over the long pull and to the force of articulate public opinion. At this stage—this summer of 1951—the articulate public opinion must come from those who are articulate—and that includes you, my reader. I urge you to make yourself articulate to your Congressmen and Senators.

Mr. McGEE. Mr. President, on the same question, but somewhat on a more hopeful and better note in connection with television, I hold in my hand an article entitled "All Television Isn't Bad." It was written by Dick Kleiner and published in the Laramie Boomerang, in my hometown of Laramie, Wyo., of July 1, 1961.

The burden of the article is to suggest a tremendous potential of the as yet untapped resources in educational TV, which can be fully employed to raise the level of television programs. I ask that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALL TELEVISION ISN'T BAD

(By Dick Kleiner)

NEW YORK.—It is currently quite fashionable to blast TV's violence, repetition and corruptive qualities with such phrases as "television is terrible."

We ought to be more explicit and say, "Commercial television is terrible." There are many wonderful things being done through the medium of television; it isn't fair to castigate a magnificent tool because some misuse it.

Consider educational TV. Without fanfare and investigation, the use of television in schools is steadily increasing. Latest figures show there are 48 educational stations operating in 28 States. Their total audience is estimated at more than 70 million, including approximately 20 million regular viewers.

Most of these are open-circuit stations—they can be picked up by any receiver within

range of the signal. A few are closed circuit—the transmitter and receivers are hooked together so only those on the circuit can get the picture.

Whichever way they operate, the idea is the same—to get varied educational courses into schools and, in some cases, homes. The audience is generally pupils in classrooms but occasionally any interested set owner. And it watches while the best teachers explain their subjects.

If you must have violence, you can still get it on educational TV. What's more brutal than to watch someone split an infinitive, bisect an angle or render a poem?

The development of video tape has given educational TV its recent impetus. An educational TV station can now amass a library of courses on tape, and telecast them time and again.

As an example, South Carolina's educational TV network is currently building a three-channel, closed-circuit network which will reach every high school in the State. They are taping 6 to 10 courses a year, and plan to keep this pace for the next 6 years. The network will then have a complete library of at least 36 high school courses.

What are the advantages of telecast courses? There would be none if every school could afford the best teachers giving every possible course. But too many schools are not in that position; their budgets preclude hiring the best teachers and their small enrollment makes it impossible to offer every course.

Back to South Carolina for an example. A rural high school had a class of 57 students. State law requires that, to give a specific course, there must be at least 15 students. In that class, there were only 14 who expressed an interest in studying plane geometry. But plane geometry was offered over the educational TV network, and it was piped into the school for those 14 students.

While a course is coming in on the TV set, the classroom teacher has an opportunity to do other things. When the TV lecture is over, she can (assuming she has the capability) continue with a discussion of the lecture.

There also is the obvious advantage of educational TV for students who are unable to attend school because of physical disability.

Experience of educational TV stations has shown that those who use open circuits find their audience containing people they were not aiming at. Adults tune in to learn things they never knew or long ago forgot.

B–58's NEEDED IN PRODUCTION

Mr. YARBOROUGH. Mr. President, I was interested in hearing the comments of the distinguished senior Senator from Mississippi [Mr. STENNIS] about our armed defense posture, particularly in the light of articles which appear in today's newspapers about the Russian air display, and the assumption of many that Russians are producing only missiles and have stopped the production of manned aircraft. If any Americans have labored under that mistaken impression, they must surely have been disillusioned by the Soviet air show which was headlined in almost every American newspaper today.

Mr. President, I have sensed a serious feeling of concern here among Members of the Senate, as well as among thinking people throughout the country, about the decision of the Department of Defense to discontinue production of manned bomber aircraft in 1962.

The soundness of that position might well be questioned in the light of what our opponents are doing now.

With the news from the Soviet air show in Moscow yesterday now before us this concern has been greatly heightened in the past few hours. For a number of aircraft of advanced design were flown past the spectators there, including our own military observers and newsmen of the world. A number of noteworthy articles have appeared in today's papers, and I ask unanimous consent that they be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. YARBOROUGH. I believe this evidence of breakthroughs in new aircraft and missile design by the Soviets should lead to a very serious reconsideration of our defense plans—and a review of decisions to cut off production of our B–52 and B–58 bombers, manned bombers. The latter, the B–58 bomber, is our most advanced craft. Defense officials should review their decision to cut back or cut off production in fiscal year 1962 before the growth potential of these planes is fully realized.

Although the defense officials insist that they place great emphasis on a mixed force of manned bombers and ballistic missiles, they have not reconsidered their decision to cut off the source of supply and source of improvement by curtailing the B–52 in its "H" model, and the B–58 in its "A" model, although we all know that the B–70 will not be operational in necessary quantities until around 1970.

The B–58 is the only operational manned bomber in production in the free world today. Of all the countries in the free world today, we are the only one that is producing a supersonic manned bomber, and we are now discontinuing the production of this bomber, even with our limited supply of it.

I wish to point out that the vast expense of developing this bomber has already been incurred. Hence, the current cost of producing the B–58 would come down with increasing volume and the per unit cost would be less.

This is the only area of defense in which we are voluntarily relinquishing our leadership and it is probably the most critical area of national defense.

It is not too late for the Defense Department to reconsider, and I urge them to do so before it is too late.

EXHIBIT 1

[From Aviation Week, July 10, 1961]

A MAJOR MISTAKE

(By Robert Hotz)

The United States made a major policy mistake in abandoning high priority for advanced manned aircraft development and accepting at face value Nikita Khrushchev's statement that the Russians are pursuing the same policy to concentrate on ballistic missiles. This has become evident during the rehearsals for the 1961 Tushino air show scheduled to be flown yesterday over Moscow. In the month-long rehearsals for this show, Western observers perched on the railroad embankment that borders the grassy Tushino field were able to identify three new supersonic bombers, two new mach 2-plus fighters, a new jet seaplane, a flying crane helicopter and a convertiplane the size of a DC–4 transport.

They also were able to note that the Red air force has equipped all of its latest operational fighters, such as the all-weather versions of the supersonic Farmer and mach 2 Fishbed, with airborne radar and infrared guided missiles and has modernized its big bomber fleet of Bears, Bisons, and Badgers with air-to-ground missiles with ranges up to 300 miles, supersonic speeds and radar guidance.

Largest of the three new supersonic bombers is Bounder (Aviation Week, Dec. 1, 1958, p. 27; July 3, p. 27), an extremely large aircraft of B–36 size. In its present configuration, Bounder has high subsonic cruise capability with supersonic dash performance in the target area. It is built to take advanced powerplants, such as nuclear heat sources, for its huge turbojet engines. The Bounder in its conventionally powered versions is an intercontinental bomber posing a grave threat to the North American air defense system. In its nuclear-powered versions, it would be a multithreat missile launcher, early warning center, and ECM station.

Next down the scale comes a beautiful new design that mounts two large turbojets on each side of the vertical tail fin and utilizes an extremely thin delta wing. This mach 2 bomber is larger than the Convair B–58 and also is in the heavy class with intercontinental range from refueling.

The third supersonic bomber, Blinder, is in the medium class and appears to be a highly advanced development of Yakovlev's earlier Backfin (Aviation Week, Jan. 20, 1958, p. 38). It has shoulder-mounted twin jets with a sharply swept wing and looks as though it could nudge mach 2 in top speed.

Whether there were further surprises in store for observers of the Tushino show was not yet apparent at this writing. But the appearance of these three supersonic bombers makes clear the folly of abandoning the F–108 fighter project, aimed at developing a long-range mach 3 interceptor as part of the B–70 program, and of allowing the air defenses of North America to slide into obsolescence on the grounds that the Soviet manned bomber threat would never grow beyond the subsonic Bears and Bisons.

The Bear and Bison fleet is now a new and more powerful threat as a second wave followup behind the supersonic bombers, hurling their megaton missile loads onto targets from beyond the range of the Nike-Hercules missile and against a thinly manned airborne defense of F–106 and F–101 fighters oversaturated by the first supersonic waves of attackers.

Even the elaborate DEW, mid-Canada and Pinetree lines and the SAGE system have not been modernized to handle supersonic bomber attacks. Plans to do so were scrapped several years ago by the same Defense officials who killed the F–108 development, cut down the F–106 mach 2 interceptor program and slashed the Bomarc B missile force.

The two new mach 2-plus, long-range interceptors displayed during the Tushino rehearsals, plus the modernization of Fishbed, Fitter, Faceplate, and Farmer fighters with infrared and radar-guided air-to-air missiles, indicate a vastly increased air defense capability against Strategic Air Command subsonic B–52 bombers and highlights the pitifully small number of supersonic B–58's now programed for the SAC fleet. It also shows that the slowdown of the B–70 development program was the sheerest stupidity.

These new developments also indicate that the Soviets are not relying entirely on ground-to-air missiles for their air defense. These missiles represent only the inner defense core. The long-range interceptors

equipped with airborne radar, guided missiles and mach 2-plus speed to hunt their quarry are the tougher outer layers on which the Soviets count for the significant attrition of attacking bombers.

Both the family of supersonic bombers and this third generation of supersonic fighters indicate that the Soviet experience with ICBM reliability must be paralleling our own and that, despite Mr. Khrushchev's rocket rattling, they are still depending on the manned bombers as their first line of long-range offense. It also indicates they do not rate the effectiveness of our ICBM attack capability very high and are more worried about the delivery capability of the SAC bomber fleet.

The initial folly of curtailing advanced manned aircraft development occurred in the Eisenhower administration in the face of official USAF warnings that this policy was foolhardy. But it has been enthusiastically endorsed by the Kennedy administration in general and in particular by Robert McNamara, his Secretary of Defense.

Only in Congress, where the sage counsel of Representatives CARL VINSON and GEORGE MAHON and Senators RUSSELL, SYMINGTON, and JACKSON prevailed, did the case for the continued development of manned bombers get a fair hearing. And we doubt whether these gentlemen of Congress, in the midst of passing on the fiscal 1962 defense appropriation and authorization bills, were given much information on the ominous new birds that darkened Moscow skies in June.

We recommend that Congress and the American people demand the truth about the new Soviet airborne threat and that they earnestly inquire into why we made the incredible mistake of virtually abandoning advanced manned aircraft development to put all of our eggs in the ICBM basket long before this weapon reached operational reliability and technical maturity—and what our leaders propose to do about it now.

[From the Army Navy Air Force Journal]

U.S.S.R. ISN'T HOLDING BACK ON AIRCRAFT DEVELOPMENT

The new Russian delta-winged bomber, photographs of which have appeared in Soviet newspapers and which was one of several new aircraft recently flown over Moscow, should give our Defense Department chiefs some food for thought. Western observers report that the new U.S.S.R. bomber appears to be in the very high performance category, and perhaps could outclass anything in our inventory. In fact, there is some speculation that one version of the bomber may be nuclear powered.

With this evidence of continued Russian development of high performance bombers, and also fighters, it would be well for our Defense Department administrators to take a second look at their decision to virtually freeze progress in the field of manned military aircraft. The weight of expert opinion holds the view that even after missile performance and reliability is assured, there will still be need for manned military aircraft.

[From the New York Times, July 9, 1961]

OBSOLETE BOMBERS FOUND NECESSARY IN MISSILE AGE

(By Hanson Baldwin)

The piloted bomber, often characterized as obsolete in the age of the missile, appears to be extending its useful life in both the United States and the Soviet Union. The House recently insisted despite administration opposition, on adding $525 million to a military procurement authorization bill to obtain additional piloted bombers. And the Soviet has announced production of two new heavy, long-range jet bombers, apparently capable of high speed and high altitude.

The reason for continuing stress on the bomber as a primary instrument of strategic deterrence is the limited number of intercontinental ballistic missiles available to either side and the limited reliability of the long-range missile, particularly when fired under operational conditions in salvos or in mass.

ATLAS STRENGTH

The United States today has 3 Polaris submarines in commission, with a total of 48 missiles. Two submarines are on station off the coast of Europe at any one time; the third, if emergency dictated, could fire most of its missiles on short notice from port in Scotland.

This country's Atlas land-based missiles ready for use and emplaced on completed sites are still numbered in two figures, but the total will increase rather rapidly this year and next.

The Russians' exact missile strength is unknown, but there is no good evidence of any large number of Soviet ICBM missile sites. In fact, available evidence indicates that only a limited number of the Soviet's first-generation ICBM—a big, powerful, and unwieldy brute has been built and emplaced.

Many observers believe that Soviet ICBM's total fewer than 50 today. Some also believe the Russians are concentrating on the development and production of second-generation missiles, such as this country's solid-fuel Polaris or Minuteman. These missiles would be considerably more economical and could be more easily emplaced and hidden, or made mobile.

Estimates of when the Soviets may have the capability of putting perhaps 150 missiles on targets in the United States vary widely. But most observers believe this capability will not be achieved until sometime between late 1962 and mid-1964. Present programs indicate that the United States will have in this period a similar or greater missile capability.

SOVIET TESTS CITED

Important in the assessment of Soviet capability is the known record of long-range Russian missile tests. These firings, for a variety of reasons cannot be completely hidden. Most are conducted from the known Soviet launching sites at Tyuratam to a target and impact area about 3,500 miles away on the Kamchatka Peninsula.

In the last 18 to 24 months fewer than 20 test firings have been conducted over this range. Of this total far less than half have scored hits in the impact area on Kamchatka.

It is noteworthy that all of these have been test firings, not launchings conducted by operational crews under operational conditions when missile reliability might be expected to be reduced. Similarly, the great majority of United States firings have been research and development shots, not operational tests.

The Soviet has never conducted a salvo firing, or mass launching of long-range missiles, Washington experts point out. This is a technique essential to nuclear surprise attack, but one that is difficult to control precisely, particularly with liquid-fueled missiles, which require a long preparatory period.

POLARIS FIRED IN SALVO

No land-based ICBM's have ever been fired in salvo, either, although a Navy Polaris submarine fired a number of missiles in salvo under operational conditions. The results indicated that reliability is still a major problem in missile development.

In time, when the Russians develop second-generation missiles, and when improved versions of the Navy Polaris and Air Force Minuteman are available, ICBM missile reliability may increase to 75 percent. That is, 75 percent of the missiles launched may be expected to hit close enough to the target to destroy it. But this achievement is further away than had been anticipated when ICBM's were first developed.

To the problem of missile reliability must be added, the experts say, the fact that no nuclear warhead for an ICBM has even been tested, as far as is known, after a complete flight. Moreover, missiles once launched cannot be recalled or directed to alternate targets thus lacking the flexibility of bombers. And the problem of maintenance command and control of hundreds of missiles scattered over half the world has by no means been completely solved.

For all these reasons the command bomber is likely to remain an important element of the Nation's strategic deterrent throughout this decade. But, experts point out, its tactics will have to change. Although there is no strong evidence, as yet, of any major Soviet ICBM buildup, there is verified evidence of major strengthening of Soviet defenses against piloted bombers.

SOVIET DEFENSES IMPROVED

The improvement in Soviet radar, antiaircraft missile defenses and high-altitude fighter-interceptor has been marked since the Russians first detected the U–2 reconnaissance plane on one of its high-altitude flights over the Soviet on May 1, 1960.

Today, Moscow and most of the major target areas in the Soviet are heavily protected by missile batteries, radar, and fighter fields.

These defenses are not believed to be capable now of destroying aircraft flying at the U–2's altitude of 70,000 to 75,000 feet, although they soon may be. But they are fully capable of shooting down bombers flying at 40,000 to 60,000 feet.

Accordingly, bomber tactics are changing. So-called penetration aids of all kinds, including electronic gear, are stressed, as are so-called standoff, very low level and very high level attacks.

AIR MISSILES STRESSED

Air-launched missiles, such as the Skybolt, still under development, or the Hound Dog, already in service, which enable the bomber to stand off beyond defensive antiaircraft missile range, are also given emphasis.

Extremely low-level attacks to bring the bombers into targets beneath the detecting beams of radar are another tactics, now of major importance. But low-level, high-speed runs increase metal fatigue and require the strengthening of big bombers such as the Boeing B–52, which we originally designed to fly in rarefied air at high altitudes.

For all these reasons the Air Force is hopeful that the administration will permit the use of the increased funds for bomber procurement advocated by Congress. The $525 million could be used to purchase additional B–52's, or Convair B–58's. If this money is released, the Air Force may buy about 50 more B–52's to provide replacements for, and to augment, the more than 600 now in service or on order.

[From the Philadelphia Inquirer, July 10, 1961]

RUSSIA UNVEILS NEW WARPLANES IN POWERFUL DISPLAY OF AIR MIGHT—JET FIGHTER "CAN KILL" ANY PLANE

(By Henry Shapiro)

Moscow, July 9.—The Soviet Union unveiled Sunday at least 10 new types of warplanes. They included a jet fighter Russia said could destroy any modern plane regardless of speed and altitude, and a delta-winged bomber with missiles it said could not miss.

The aerial display over Tushino Airfield, near Moscow, was Russia's first public demonstration of military airpower since 1956.

It marked U.S.S.R. Aviation Day. The theme of the show was, "We must fly higher, faster, and farther than anybody."

BLURRING SPEED

More than half a million Russians saw the more than 300 aircraft fly across brilliant skies, some of them so fast they were a blur to the eye. Some of the supersonic bombers and fighters flashed by before foreign military attachés had a chance to adjust their binoculars.

The subsequent thunder of their supersonic booms shook the viewing stand from which Premier Nikita Khrushchev watched the show alongside Cosmonaut Yuri Gagarin and Russia's top political and military brass.

In a display of aerial versatility, a huge helicopter appeared carrying under its belly a wooden house, which it landed on the field. The house was about the size of the biggest car trailer built in the United States. This particular helicopter is rated as capable of carrying 180 men.

Col. Melvin J. Nielsen, American air attaché, summed up the impression of Western military observers when he said: "It was an impressive show. It is evident that the Russians are continuing with the development of all classes of aircraft. They are not standing still."

The display unveiled swarms of supersonic jet fighters carrying air-to-air rockets, a liquid-fueled rocket plane, and supersonic jet bombers underslung with air-to-surface missiles similar to the American Skybolt, which is still in the development stage.

The Soviets also showed a vertical takeoff troop and cargo-carrying transport billed as the largest and most powerful in the world. It was developed by Designer Nikolai Kamov, and included the properties of both plane and helicopter with two turboprop engines, a wing, two rotors and two pulling propellers.

The Soviet news agency Tass gave this description of some of the new planes:

"Rocket-carrying planes. Their up-to-date equipment enables them to see the target from far away. They carry missiles capable of destroying any target hundreds of kilometers away, and no defenses can save these targets from destruction.

"Jet aircraft for the detection and destruction of submarines far away from Soviet shores.

"A new jet plane armed to destroy any modern plane, whatever its speed and altitude."

The show began at 10 a.m. with an artillery salute and 44 Yak-18 sports planes flying in formation to spell "Lenin." There was a 1-hour demonstration of aerial sports including trapeze gymnasts hanging from helicopters, mass parachute drops, and colorfully clad girls carrying national banners on a platform balanced by 19 helicopters.

The new demonstration of Soviet airpower coincided with Khrushchev's announcement Saturday that the Soviet Union would increase its military budget by one-third and suspend planned cutbacks in its armed forces.

NEW BOMBERS

Among the new aircraft displayed for the first time were:

A four-jet heavy bomber, nicknamed the "Bounder." Roughly similar in size to the American B–52 or slightly larger. Described as supersonic; has a delta wing, with jet engines mounted beneath the wing and one on each wingtip. Assumed to have intercontinental range.

A twin-jet medium bomber announced as capable of "several times the speed of sound." Not named. Plane's engines mounted at the rear of the fuselage over the horizontal stabilizers. Extremely sleek, severely swept-back wings. Appeared roughly comparable to America's B–58 Hustler in size. Ten roared by, presumably to suggest they were in mass production.

Three and possibly four new fighters, mostly delta-winged and armed with rockets. One was described as having a liquid rocket engine, presumably for fast climbing ability. The plane, equipped with normal jet engine, turned on its rocket booster in a pass over the field and climbed straight up at speeds which Western observers termed "extremely fast."

NEW HELICOPTERS

What was described as a screw wing vertical takeoff troop and cargo carrier, claimed to be the largest in the world, has both forward propelling engine and turbine-powered rotor blade on each wing.

A new small twin-rotor helicopter with what appeared to be small rockets mounted on each side.

One and possibly two new light bombers, presumed to be supersonic.

ROCKET-TROOP ASSAULT

Another feature of the demonstration was an assault by rocket troops of the Red army, who came spilling out of a squadron of helicopters with rocket weapons. Tass said such rocket troops are now the main type of the Soviet armed forces.

The air parade, which was commanded by Air Marshal Konstantin Vershinin, culminated in an air salute—a salvo of bangs produced by jets breaking the sound barrier.

Marshal Vershinin said in an Aviation Day article in the Communist Party newspaper Pravda that many of the Soviet air force's jets have no equal in the world for speed, altitude, and range of flight.

In a similar vein, Spaceman Gagarin urged young Russians in an article in Komsomol Pravda, the Communist youth newspaper, to choose aviation as a profession. He wrote: "The world's best, most powerful machines are waiting for you."

[From the Washington Evening Star, July 10, 1961]

NEW SOVIET PLANES HELD UNMATCHED BY UNITED STATES—MOSCOW AIRPOWER DISPLAY LEAVES WESTERN OBSERVERS IMPRESSED

Moscow, July 10.—The Soviet Union showed off its air might yesterday in a dazzling display that struck Western diplomats as a gesture designed to strengthen Kremlin demands on Berlin.

Premier Khrushchev and Cosmonaut Yuri Gagarin watched side by side along with a crowd of 50,000 while the Soviet air force paraded a spectacular array of new craft at Moscow's Tushino Airfield.

Western experts watching the show—first the Russians have staged since 1956—said the United States has nothing to match several of the entries, including a jet fighter than can light up a liquid rocket engine booster in flight to gain a tremendous rate of climb.

IMPRESSIVE SHOW

The most spectacular attraction shown publicly for the first time was a delta wing bomber the announcer said had a speed several times that of sound. The plane looked bigger than the eight-engine U.S. B–52 and had four jets, two on the wingtips and two inboard below the wings.

Western air attachés showed keen interest in a flypast of 10 heavy supersonic bombers which also made their first public appearance. This new model's two engines were mounted on the rear atop the long, slender fuselage. It had high swept wings and was comparable in size to the U.S. B–58, whose publicly admitted speed is 1,500 miles per hour.

"A very impressive show," said the U.S. air attaché, Col. Melvin Nielsen. "It's evident the Russians have continued with the development of all classes of aircraft."

Western observers said the show made clear the Russians are not pinning all their faith on long-range missiles alone.

COPTER CARRIES HOUSE

The fighters carried air-to-air rockets instead of conventional cannon. The new bombers were armed with air-to-surface missiles instead of bombs.

The Russians gave advance billing to a vertical takeoff plane that does not depend on a jet thrust to get it aloft. Called a screw wing plane it was a cross between a plane and a helicopter.

Two engines were mounted at the end of each wing, and it had two rotors atop each wing making it highly maneuverable and able to carry either troops or freight.

Another new model was a three-tail, jet-powered helicopter that landed and unloaded a cargo of rockets.

One novelty was a giant helicopter capable of hauling 180 men. It appeared carrying a wooden house under its belly and landed it on the field. The house was about the size of a large car trailer in the United States.

The Soviets spiced up their show with a flypast of 15 helicopters, each carrying a trapeze on which sat a pretty girl dressed in the national costume of one of the 15 Soviet Republics.

Another crowd-pleasing feature was a mass drop of 600 men with brightly colored parachutes.

Air Marshal Konstantin Vershinin who directed the show, said in an Aviation Day article in the Communist Party newspaper Pravda that many of the Soviet Air Force's jets have no equal in the world for speed, altitude, and flight range.

[From the New York Herald Tribune, July 10, 1961]

A FIGHTER THAT CAN DESTROY ANY PLANE—SO MOSCOW SAYS—IN SUPERSONIC DISPLAY

Moscow, July 9.—A jet fighter that the Russians claim can destroy any enemy plane regardless of speed and altitude, and a delta-winged bomber with missiles that allegedly cannot miss—these were among the new aircraft displayed here today on U.S.S.R. Aviation Day.

The show obviously went all out to put over its theme: "We must fly higher, faster, and farther than anybody." Some of the supersonic bombers and fighters flashed by before foreign military attachés had a chance to adjust their binoculars.

The display included swarms of supersonic jet fighters carrying air-to-air rockets, a liquid-fueled rocket plane and supersonic jet bombers underslung with air-to-surface missiles similar to the American Skybolt, which is still in the development stage.

The Soviets also showed a vertical takeoff troop and cargo-carrying transport billed as the largest and most powerful in the world. It was developed by designer Nikolai Kamov and included the properties of both plane and helicopter with two turboprop engines, a wing, two rotors, and two pulling propellers.

The Soviet official news agency Tass gave this description of some of the new planes:

"Rocket carrying planes. Their up-to-date equipment enables them to see the target from far away. They carry missiles capable of destroying any target hundreds of kilometers away, and no defenses can save these targets from destruction."

"Jet aircraft for the detection and destruction of submarines far away from Soviet shores."

"A new jetplane armed to destroy any modern plane, whatever its speed and altitude."

Following are detailed descriptions of some of the Soviet aircraft shown for the first time:

A four-jet heavy bomber, nicknamed the "Bounder." Roughly similar in size to the American B–52 or slightly larger, described as supersonic; has a delta wing with jet engines mounted beneath the wing and one on each wingtip. Assumed to have intercontinental range. A twin-jet medium bomber announced as capable of "several

times the speed of sound," not named. Plane's engines mounted at the rear of the fuselage over the horizontal stabilizers, extremely sleek, severely swept-back wings. Appeared roughly comparable to America's B–58 Hustler in size. Ten roared by, presumably to suggest they were in mass production.

Three and possibly four new fighters, mostly delta-winged and armed with rockets, one was described as having a liquid rocket engine, presumably for fast climbing ability. The plane, equipped with normal jet engine, turned on its rocket booster in a pass over the field and climbed straight up at speeds which Western observers termed "extremely fast."

America's X–15 experimental plane is powered with a rocket engine but it is believed the United States has nothing similar in design to the new Soviet fighter.

What was described as a "screw wing" vertical takeoff cargo troop and cargo carrier. Claimed to be the largest in the world. Has the general appearance of Britain's Fairey Rotodyne. Has both forward propelling engine and turbine-powered rotor blade on each wing.

A new small, twin-rotor helicopter with what appeared to be small rockets mounted on each side.

A helicopter nicknamed "Flying Crane," capable of lifting a small house. The helicopter is mounted on four supports which enable it to straddle and lift giant loads. It is believed to be a modification of the previously shown MI–6 helicopter, named the "Hook."

One and possibly two new light bombers, presumed to be supersonic.

[From the New York Herald Tribune, July 10, 1961]

RED AIR SHOW A POWER PLAY IN CRISIS GAME

(By Walter Lister, Jr.)

Moscow, July 9.—The Soviet Union flaunted its missile-toting airpower today, unveiling a dozen new types of warplanes during a 2-hour show at Tushino Airfield. Ostensibly the show, Russia's first public display of military airpower since 1956, was in honor of Aviation Day. But with Premier Nikita S. Khrushchev forcing a world crisis over West Berlin, the show served to assure Russians of their own strength and—probably more to the point—flexed Soviet air to Western Powers.

The display of aircraft sharply contrasted with Mr. Khrushchev's statement in 1957 that manned aircraft were outdated.

More than 100,000 spectators, including Cosmonaut Yuri Gagarin, foreign diplomats, and Russia's top political and military men, viewed the flypast of some 300 planes ranging from helicopters with dangling gymnasts to a rocket-boosted fighter that zoomed up and out of sight within seconds.

Col. Melvin J. Nielsen, American air attaché, called it an impressive show, adding that Soviet aircraft production has "obviously been not standing still."

Chief Air Marshal Konstantin Vershinin boasted in Pravda today that many Soviet jets have "no equal in the world for speed, altitude and range." Another Soviet militarist, Colonel General Ponomarev, writing in Trud, said Russian rocket troops are "capable of destroying the aggressor in any part of the world."

Tass, the Soviet information agency, described today's new jet missile carriers as being capable of launching their rockets, presumably with atomic or thermonuclear warheads, "without entering the zone of the enemy's antiaircraft defense."

The agency said these air-to-surface missiles could hit targets several hundred miles away and "no defense can save these targets from destruction."

The Tushino show included a mass parachute drop of rocket equipped troops.

An alleged model of Maj. Gagarin's spaceship—marked "Vostok" and bearing his picture—climaxed a parade of Soviet satellite models hanging from helicopters.

The show concluded with a barrage of thunderclaps as Soviet jets broke the sound barrier at speeds upward of 1,000 miles an hour.

Cameras were discouraged, although some photographs were taken and the whole show was televised. Most of the new military planes have been shown pictorially in the Soviet press in the last 2 weeks, without designations or statistics.

[From the Washington Daily News, July 10, 1961]

LATEST NEW AIRCRAFT—SOVIET SHOWS MIGHT

Moscow, July 10.—The Soviet Union kept facts and figures on its new jet bombers and fighters under wraps today, but Western observers said they had seen enough to be impressed.

For 2 hours Russian Air Force pilots roared over Tushino Airfield yesterday displaying at least 10 new aircraft including a fighter with a liquid-fueled rocket booster and a big four-engine bomber said to be capable of launching missiles.

CLAIMS

The air show's announcer and Tass news agency were long on claims for the spectacular display but short on detailed facts.

Soviet Premier Nikita S. Khrushchev, who had announced only the day before that Russia is boosting its military budget by a third, watched from the reviewing stands.

Tass said new rocket-carrying planes had equipment capable of "destroying any target hundreds of kilometers away, and no defenses can save these targets from destruction."

Tass also mentioned "jet aircraft for the detection and destruction of submarines far away from Soviet shores" and "a new jet plane armed to destroy any modern plane, whatever its speed and altitude."

Some of the planes whisked by so quickly that foreign military attachés could not focus their binoculars on them—but the supersonic booms shook the hundreds of thousands who watched the aerial show.

"It was an impressive show," said Col. Melvin J. Nielsen, American air attaché.

"It is evident that the Russians are continuing with the development of all classes of aircraft," he said. "They are not standing still."

GUESSING

Western military observers were left to guess at such figures as wingspreads, power of engines, speeds and ranges. There also was no way of knowing whether these planes were in mass production or mainly prototypes.

But these are among the things they could see:

A four-jet heavy bomber, nicknamed "Bounder," roughly similar in size to the U.S. B–52, or possibly larger. Described in the program as supersonic it has a delta wing with two jet engines mounted beneath the wing and one on each wingtip. It was assumed to have intercontinental range.

A twin-jet medium bomber announced as capable of "several times the speed of sound." As yet unnamed. Engines mounted at the rear of the fuselage over the tail stabilizers. Sleek with swept back wings. Appears roughly comparable in size to the U.S. B–58 Hustler. Ten roared by, presumably to suggest they were in mass production.

Three and possibly four new fighters, mostly delta winged and armed with rockets. One was described as having a liquid rocket booster. It turned this on in a pass over the field and shot up at speed which Western observers termed "extremely fast."

A "screw sing" vertical takeoff and cargo carrier, claimed to be the world's largest. Appears generally like Britain's Fairey Rotodyne. Has both propelling engine and a turbopowered rotor blade on each wing.

A new small, twin-engine helicopter with what appeared to be small rockets mounted on each side.

A helicopter nicknamed the "Flying Crane" capable of lifting an entire house. Believed to be a modification of the previously shown M–16 helicopter named the "Hook."

One and possibly two new light bombers, presumed supersonic.

Another feature of the demonstrations was an assault by rocket troops—soldiers who spilled out of squadrons of helicopters with rocket weapons. Tass said such rocket troops now are "the main type of the Soviet Armed Forces."

[From the Chicago Daily Tribune, July 10, 1961]

RUSSIA SHOWS AIR MIGHT IN GIANT DISPLAY

Moscow, July 9.—The Soviet Union gave a spectacular display of its air might at Tushino Airfield today. It showed new craft ranging from two supersonic jet bombers to a giant helicopter that can carry a house.

Premier Nikita Khrushchev and Cosmonaut Yuri Gagarin watched side by side. Diplomats in the stands speculated that the power display, the first Russian Air Force show since 1958, was intended to influence the rapidly developing Berlin crisis.

"A very impressive show," said the American air attaché, Col. Melvin Nielsen. "It is evident the Russians have continued with the development of all classes of aircraft."

NOTHING TO MATCH

Western experts said the United States has nothing to match several things, including a jet fighter that can light a liquid rocket engine booster in flight to give it a tremendous rate of climb.

These observers said the air parade showed Russia is not putting all its faith in long-range missiles.

Instead of the conventional cannon, the fighters carry air-to-air rockets. The latest bombers were armed with air-to-surface missiles instead of bombs.

A delta wing bomber, which the announcer said had a speed several times that of sound, was the most spectacular plane shown publicly for the first time.

It had four jets, two on the wingtips and two inboard below the wings. It looked bigger than the U.S. B–52, which has eight engines, and it dwarfed a fighter plane shown with it.

Running the delta a close second in interest for watching Western air attachés were 10 heavy supersonic bombers.

This new model also was being shown publicly for the first time. Its two engines were mounted on the rear atop the long and slender fuselage. It had high swept wings. It was comparable in size to the American B–58, whose publicly admitted speed is 1,500 miles an hour.

A huge helicopter appeared carrying under its belly a wooden house, which it landed on the field. The house was about the size of the biggest car trailer built in the United States. This helicopter is rated as capable of carrying 180 men.

LIGHTS UP AUXILIARY

The pilot of the jet fighter with the liquid rocket engine lit up his auxiliary just as he passed the Government reviewing stand. The plane, delta winged, shot up into the clouds in a matter of seconds.

There were three other displays of new delta wing fighters, all of which carried air-to-air rockets.

The Russians showed four editions of a new jet amphibious plane.

Another novelty was something billed in advance as a vertical takeoff plane in the sense the phrase is used in the West, since it did not depend on a jet thrust to get into the air. It was halfway between an airplane and a helicopter—the program called it a screw-wing plane.

Two engines were mounted at the end of each wing. In addition it had two rotors atop each wing. It was extremely maneuverable, and could be used to carry either freight or troops.

Also shown for the first time was a three-tailed jet-powered helicopter which landed on the grass field and unloaded a cargo of rockets.

[From the Wall Street Journal, July 10, 1961]

WORLDWIDE

Russia displayed 10 new types of war planes, including supersonic jets.

The airshow, at Tushino Airfield, near Moscow, came a day after Premier Khrushchev said Russia will increase its military budget one-third and suspend planned cutbacks in its Armed Forces because of the Berlin crisis. Khrushchev and Astronaut Yuri Gagarin sat side by side while watching the aerial display, the first in Russia since 1958.

A delta-wing bomber, which the announcer said has a speed several times that of sound, was shown publicly for the first time. It features four jets, two on the wingtips and two inboard below the wings. Ten heavy supersonic bombers also flew overhead, as well as a giant helicopter which Russia claims can carry a house.

Col. Melvin Nielsen, U.S. air attaché in Moscow, termed it "a very impressive show." He added: "It's evident the Russians have continued with the development of all classes of aircraft."

[From the Washington Post, July 10, 1961]

REDS SHOW AIR MIGHT—NORSTAD CITES UNITY OF WEST ON BERLIN—MOSCOW DISPLAY FEATURES HELICOPTER CARRYING A HOUSE

(By Stanley Johnson)

Moscow, July 9.—The Soviet Union gave a spectacular display of its air might at Tushino Airfield today. It showed a bewildering variety of new craft ranging from two supersonic jet bombers to a giant helicopter that can carry a house.

Premier Nikita Khrushchev and Astronaut Yuri Gagarin watched side by side. Diplomats in the stands speculated that the power display, the first Soviet airshow since 1958, was intended to influence the rapidly developing Berlin crisis.

"A very impressive show," said the U.S. air attaché, Col. Melvin Nielsen. "It's evident the Russians have continued with the development of all classes of aircraft."

Western experts said the United States has nothing to match some of the items displayed, including a jet fighter that can light up a liquid-fuel rocket engine booster in flight to give it a tremendous rate of climb.

These observers said the air parade showed the Soviet Union is not putting all its faith in long-range missiles.

Instead of conventional cannon, the fighters carried air-to-air rockets. The latest bombers were armed with air-to-air surface missiles instead of bombs.

A delta-wing bomber, which the airshow announcer said had a speed several times that of sound, was the most spectacular plane shown publicly for the first time.

It has four jets, two on the wingtips and two inboard below the wings. It looked bigger than the U.S. B-52, which has eight engines, and it dwarfed a fighter plane shown with it.

Running the delta a close second in interest for Western air attachés was a flypast of 10 heavy supersonic bombers.

This new model was also being shown publicly for the first time. Its two engines are mounted on the rear atop the long and slender fuselage. It has high swept wings. It is comparable in size to the American B-58, whose publicly admitted speed is 1,500 miles an hour.

The pilot of the jet fighter with the liquid rocket engine lit up this auxiliary just as he passed the reviewing stand. The plane, delta winged, shot up into the clouds in seconds.

There were three other displays of new delta-wing fighters, all of which carried air-to-air rockets.

The Russians showed four editions of a new jet amphibious plane.

Another novelty was something billed in advance as a vertical takeoff plane in the sense the phrase is used in the West, since it does not depend on a jet thrust to get into the air. It is halfway between an airplane and a helicopter—the program called it a screw-wing plane.

Two engines were mounted at the end of each wing. In addition it has two rotors atop each wing. It is extremely maneuverable and could be used to carry freight or troops.

Also shown for the first time was a three-tailed jet-powered helicopter which landed on the grass field and unloaded a cargo of rockets.

A huge helicopter appeared carrying under its belly a wooden house which it landed on the field. The house was about the size of the biggest car trailer built in the United States. This particular helicopter is rated as capable of carrying 180 men.

The helicopter phase of the show opened with a crowd-pleasing flypast of 15 whirlybirds, each with a trapeze mounted underneath on which a pretty girl was posed. Each girl was dressed in the national costume of one of the 14 Soviet Republics.

Then came four helicopters carrying models of the various Soviet sputniks including one of the Vostok, in which Gagarin traveled in space.

For the 50,000 people at the show, the aerial chorus line and a mass drop of 600 men in brightly colored parachutes were the most popular features.

The day was bright and sunny with temperatures in the 80's although there were enough scattered clouds for the high flying jets to do disappearing acts.

There was a flypast of 16 turboprop bombers called Bear, the military version of the TU-114. This is the giant plane in which Khrushchev flew to the United States in 1959. The bombers carried orange air-to-surface missiles beneath their wings.

There were 15 twin-jet Badger bombers, the military version of the TU-104 civil airliner, which also carried air-to-surface guided missiles. These missiles have a range of hundreds of miles and could easily have nuclear warheads, Western experts said.

This was the first time the Soviet Union had publicly displayed supersonic bombers; but Western authorities had assumed the Reds had them.

Air Marshal Konstantin Vershinin said in an Aviation Day article in Pravda that many of the Soviet jets have no equal in the world for speed, altitude and range.

In a similar vein, Spaceman Gagarin urged young Russians in an article in Komsomol Pravda to choose aviation as a profession. "The world's best, most powerful machines are waiting for you," he wrote.

[From the New York Times, July 10, 1961]

RUSSIANS DISPLAY NEW BIG BOMBERS AND JET FIGHTERS—MOSCOW'S FIRST AIR SHOW IN 5 YEARS IS BELIEVED KEYED TO CRISIS OVER BERLIN—LARGE HELICOPTERS FLY—ROCKET BOOSTER ON A COMBAT CRAFT AMONG INNOVATIONS—KHRUSHCHEV PRESENT

(By Seymour Topping)

Moscow, July 9.—The Soviet Union exhibited new supersonic jet fighters and bombers today in an impressive show of airpower.

Celebrating Aviation Day, the Soviet Air Force put on display at least 11 new combat aircraft and helicopter transports with great lifting capacity.

Among them were a delta wing jet fighter with a liquid-fueled rocket booster and a heavy delta wing jet bomber.

Hundreds of thousands of spectators witnessed the 2-hour show at Tushino Airfield outside Moscow. It was the first of its kind in 5 years.

In addition to a military flypast that featured missile-carrying fighters and bombers, the crowds saw mass paratrooper jumps and the latest type of jet airliners. Helicopters bore mockups of earth satellites and of the Vostok spaceship in which Maj. Yuri A. Gagarin made the first manned flight into space.

PREMIER DISCLOSED CHANGES

Premier Khrushchev attended the demonstration a day after having announced a 3-billion-ruble ($3,500 million) rise in the defense budget and the suspension of troop reductions announced in January 1960. He said yesterday that he had been compelled to take these measures to counter similar Western moves in the face of the impending crisis over Berlin.

The airshow was regarded here as an implicit warning to the West as the showdown on Berlin nears.

Col. Melvin J. Nielsen, air attaché at the U.S. Embassy, described the show as "quite impressive."

"They evidently have continued with the development of all classes of aircraft since the last show and have not been standing still," Colonel Nielsen added.

In announcing last year that rocket units were the core of the Soviet Armed Forces, Mr. Khrushchev contended that conventional bombers were becoming obsolete. While today's show suggested a change in Soviet thinking, it was possible that some of the types exhibited had been under development for years and that Moscow had produced a number of prototypes.

Konstantin A. Vershinin, chief Soviet air marshal, writing today in Pravda, Communist Party newspaper, said that rockets had taken over many tasks but that "the air force continues to play a great role."

Reporting an increase in the firepower of the air force, he said, "Instead of cannons, planes today carry air-to-air missiles, and bombs have been superseded by air-to-surface missiles."

Shortly before the military flypast began, the U.S. air attaché, his Western colleagues, and Western correspondents were instructed to put aside their cameras. Photography was permitted at the 1956 show.

Soviet Air Force officers and Soviet security men in civilian clothes then mingled with attachés, diplomats, and correspondents in the special foreigners' enclosure.

Photographs of some of the craft seen in the air show were later distributed by Tass, the official Soviet press agency.

The new planes streaked by, often veering sharply away and could be seen by foreign observers only for a matter of seconds. The heavy delta-wing bomber was observed for the first time under good visual condi-

tions. It had been glimpsed from a considerable distance during a rehearsal last month and photographs of it were printed in the Soviet press.

The bomber, mounting four unusually large engines, apparently is heavier than the U.S. supersonic B–58 Hustler, which also has delta wings. The Convair Hustler, which is capable of speeds up to 1,380 miles an hour, has a 56-foot 10-inch wingspan and is 96 feet 9 inches long.

The Soviet bomber appears to be supersonic, but there was no way of determining its speed or range.

One of the most impressive displays was a column of 10 slender bombers with 2 jet engines at the rear atop the fuselage. They were described as heavy supersonic craft by a Soviet commentator but Western observers said they appeared to be medium types in the class, as regards size, with the B–58.

LIGHT BOMBERS OBSERVED

One and possibly two new light bombers were observed. That seen best was a twin-jet supersonic aircraft carrying rockets. Its jet intakes were forward of the wings on the sides of the fuselage and its exhaust pipes were set in the tail.

Three and possibly four new delta-wing fighter types were spotted.

The one that did the show's finale was powered by the rocket booster in addition to its regular jet. It approached the field on the jet, cut in the booster and streaked straight up with its exhaust flaming.

Western experts said the United States has fighters equipped for rocket-assisted takeoffs but nothing comparable operationally to the Soviet craft.

Many of the fighters carried what appeared to be air-to-air missiles. Large air-to-surface missiles were exhibited for the first time on older bombers.

Four twin-jet flying boats described as designed for antisubmarine patrol were exhibited for the first time.

Three new types of helicopters were demonstrated, including two of a size larger than any operational in the U.S. Air Force.

One of the latter, which unloaded rocket units on the airfield, was powered by two turbine engines. It appeared capable of carrying light tanks or a passenger load of about 100 persons.

A similar helicopter landed carrying a small house. It was equipped to hover over a load and lift it into the interior. It was described as a "flying crane."

A formation of three triple-tailed, turbine-powered helicopters flew over with rockets affixed to their sides.

A large troop-and-cargo-carrying vertical-takeoff plane was of the rotodyne type, which combines the capabilities of a helicopter and a conventional airplane. It had two rotors on top of the wings and was equipped with two propellers, which give it greater speed than regular helicopters.

DEADLY FIGHTER DESCRIBED

One of the jet fighters exhibited at the Soviet aviation show today was described as being capable of destroying any plane regardless of speed or altitude.

The show began with an artillery salute and 44 sports planes forming the word "Lenin." There was a 1-hour demonstration of aerial sports, including trapeze gymnasts hanging from helicopters and colorfully clad girls carrying national banners on a platform balanced by 19 helicopters at a 300-foot altitude.

NEW YORK TIMES CALLS FOR PADRE ISLAND ACTION NOW

Mr. YARBOROUGH. Mr. President, the New York Times of Friday, June 23, 1961, in a very timely editorial, called for the passage of the Padre Island, Tex., national seashore recreation area bill. It is long overdue. I introduced such measures in the 85th and the 86th Congresses and at this session of the 87th Congress. In this Congress the bill is S. 4.

The opponents of the development of this recreation area as a national park recreation area are not idle. In an effort to defeat its preservation as a recreation area for rest and rebuilding of the human spirit, promoters through sales, real or pretended, are busily working to boost the price of the land, and large landowners are seeking to find other uses for Padre Island.

I ask unanimous consent that the editorial in the New York Times of June 23, 1961, with the title "Breakthrough at Cape Cod," be printed in the RECORD at this point. It points to the passage of the Cape Cod legislation by the Senate and calls for similar passage of the Padre Island bill.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BREAKTHROUGH AT CAPE COD

For years Congress has been talking about, but doing nothing to preserve, the few remaining areas of unspoiled seashore left in the United States. Action by the House Interior Committee in clearing the bill to establish a Cape Cod national seashore is, therefore, cause for cheering. This may be the long-awaited breakthrough for an expanded national park system.

When the Cape Code bill becomes law—and we call for completion of congressional action on it in this session—it will be the first major piece of wild, scenic shoreline saved for future generations since our one and only national seashore recreation area, at Cape Hatteras, was created by act of Congress 24 years ago.

Hearings have also been completed by House and Senate committees on bills to establish national seashores at Padre Island in Texas and at Point Reyes in California. Both should be added to the national park system, along with Cape Cod, by this Congress.

DR. WEBB SEARCHES FOR WILLIAM E. HINDS, HIS MENTOR FOR GREATNESS

Mr. YARBOROUGH. Mr. President, the July issue of Harper's magazine contains a moving article by the Southwest's most noted historian, Dr. Walter Prescott Webb, which I am pleased to call to the attention of Congress. The article relates how Dr. Webb as a young boy was encouraged and inspired to improve his education by the interest and generosity of the support of a stranger. Dr. Webb was a small boy on a dryland farm in west Texas when his correspondence with a kindly man in New York began, a correspondence which resulted in Dr. Webb's eventual college education, and the start of his distinguished career as a historian.

This article is not only a tribute to the kindness of this New York man, William Hinds, but it is a remarkable example of what great benefits and consequences can result from the planting of a small amount of seed corn in the form of assistance to poor but intelligent youth. The Congress will find this article especially apt in its consideration of the scholarship programs and the cold-war GI bill now before us.

It is a convincing illustration of the great good we may do the country through the encouragement of the educational ambitions of our youth.

Doubtless many other young people, without the strong natural bent and motivation which possessed the body and soul of Walter Prescott Webb, and impelled him to international fame as the leading living historian of the American West and the interpreter of the present and prophet of the future of the Land of Little Rain, would drop their drive to full intellectual development unless there is encouraging material aid and intellectual encouragement. This article is a frank confession by Dr. Webb of the inclination he many times felt, as nearly all of us doubtless have, to quit the sacrifice of the quest.

His article startles us with the vivid exposition of conflicting desires and motivations of youth, inspires us by the narration of the kindness and understanding of the unknown stranger, and stirs the hope for a million more William E. Hindses. Yes, Dr. Webb, you will find William E. Hinds, but not in a bare record of his life past. You will find him in living present lives, and in many future lives, and inspired by your wonderful account of what William E. Hinds did for you. I predict that your "Search for William E. Hinds" will be reprinted at many places and times. It may well become the best known of all of your writings. I will begin the reprinting of this touching, inspiring, moving quest today.

Mr. President, I ask unanimous consent that the article, "The Search for William E. Hinds," by Walter Prescott Webb, from the July 1961 issue of Harper's magazine may be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SEARCH FOR WILLIAM E. HINDS

(By Walter Prescott Webb)

(Dr. Walter Prescott Webb has been described by Time as "his generation's foremost philosopher of the frontier, and the leading historian of the American West." Most of his honors came late in life. When he was 70 years old, in 1958, he was elected president of the American Historical Association, received a $10,000 award from the Council of Learned Societies, was made an honorary doctor of laws by the University of Chicago, and was named by ex-students of the University of Texas as one of its four most distinguished living alumni. His best known books are "The Great Plains," "The Texas Rangers," "Divided We Stand," and "The Great Frontier." Dr. Webb has written many articles for Harper's and for historical journals. He was distinguished professor of history at the University of Texas, Harmsworth professor at Oxford, and Harkness lecturer at London University. Since his retirement in 1958, he has taught at Rice and the University of Houston, and now is working for the Ford Foundation on an experimental project for the teaching of

history by closed-circuit television. He is the owner of Friday Mountain Ranch, which he describes as "overrun with foxes, bobcats, 'coons, and ringtails.")

For more than 50 years now—since May 1904—I have been searching for a man I never saw. Though he died 45 years ago, the search grows more intensive as I approach inevitably the time when I can no longer pursue it. The reason I continue this search is that I owe this man a great debt. It would mean a lot to me if I could report to him how a long-shot investment he made in Texas finally turned out.

Since I cannot report to William E. Hinds, I am doing the next best thing by reporting to other people—in hopes that at least some of them may be enriched by the spirit that animated this man. I think this would please him. Once when I tried to express my appreciation, he wrote: "You cannot do anything for me, but if I help you now, perhaps in time you can help someone else." This is the nearest thing to applied Christianity that I know.

He never told me much about himself and I did not inquire because a boy on a small farm in west Texas does not ask personal questions of a mysterious and wonderful benefactor in New York. He died before I had anything to say to him, before there was any return on his investment, of which I was the sole custodian. I knew what I owed him, but for a long time I feared that I might default on the obligation. As the years went by, I prospered in a moderate way and gradually rose in my profession of historian and writer. The greater my success, the greater became my sense of obligation to him. I have to find some way to partially discharge it.

So this is a sort of public acknowledgment of the obligation. It is also an appeal for more information about William E. Hinds. Surely there are some still living in New York who knew him, and there may be others elsewhere who were warmed by his spirit. Before I set down the scant facts I have about him, I must first tell how his life touched my own.

My parents migrated from Mississippi to Texas about 1884, destitute products of the Civil War in search of a new opportunity. I was born in 1888, and 4 years later they moved to west Texas. There I received the childhood impressions that account for the realism in my first book, "The Great Plains." My father was a country schoolteacher, self-educated, and he never had more than a second-grade certificate. He was one of the last fighting teachers, employed to hold school in the country schools where the big boys had run the teacher off the year before. It was a rough life in a rough country. My father was usually paid a premium of $10 a month to teach these outlaw schools. He got $50 or $60 a month for a 5-month term—an annual income of $250 or $300, supplemented by what he earned in the summer farming or working at anything that came up, at about 75 cents or a dollar a day.

I learned to read early, and by the time I was 10 reading became a passion. Since my father was a teacher, we had books in the house, and both my parents were readers. At that time the most popular brand of coffee was put out by Arbuckle Brothers, and you could get 10 pounds of it for a dollar. The beans came in 1-pound paper bags, with Mr. Arbuckle's signature on the side; if you collected enough of his signatures, he would send you a premium. The first book I ever acquired for myself, "Jack the Giant Killer," cost me 10 signatures. It was the first piece of mail that Uncle Sam ever brought to me, and I can never forget the thrill of receiving it at the Lacasa Post Office, the thrill of reading it on Old Charlie as I rode him home. It was the beginning of a long series of thrills and shocks that have come to me via the post office.

Not only did I read everything in our house, but I scoured the country for 3 miles to come up with files of the Youth's Companion, the Saturday Blade, and the Chicago Ledger. From a peddler I acquired a big file of Tip Top Weekly, which dealt with the doings of Frank Merriwell, who seemed to be running things at Yale. As far as I can recall, this was the first time I ever heard of college. From Frank Merriwell I got the first faint desire to go to college myself but it never occurred to me that I would ever do it.

This reading opened up such a wonderful world that I developed an aversion to the one that lay around me. I wanted to get away from it into the world where the books were.

When I was either 12 or 13, my father homesteaded a quarter section of land—160 acres—in Stephens County. This was about the last of the vacant land, since the open range was fast going under fence. The best land had already been taken, and this place lay back in what was called the Cross Timbers—deep sand with a red clay bottom, covered with scrub oak and blackjack. My father built a plank house in an open glade, and we began opening up a farm, the hardest work a boy can do.

This land once belonged to Phil S. Lehman, of New York, but he had wisely gone off and forgotten all about it. When we had paid the back taxes and lived on it 10 years, that made it ours according to Texas law. We didn't exactly steal it, but we were mighty glad when the 10 years expired. During that time my mother was always apprehensive when a stranger poked his head out of the brush, and it was not until after the limitation had run that we widened the road. From the time I was 13 until I was 17 seemed an eternity. When we plowed, we plowed in new, stumpy land, and when we were not plowing, we were making more stumps and more new ground. For at least 2 years I did not go to school at all because my father was away teaching in the winter, and I was the man on the place except on weekends.

Very early in my career, my father made a casual remark that had enoromous influence on my life. He said that when I grew up he wanted me to be an editor. Now I didn't know what an editor was, but his remark excited my curiosity. I finally learned that an editor ran the local paper. One day when we were in Ranger, I made bold to go into the office of the Ranger Record, and there was the editor, whose name was Williams, pecking away on an Oliver typewriter. This was the first typewriter I had ever seen, and it fascinated me. I stood looking over Editor Williams' shoulder at this marvel until he suggested that I do something else. By this time I had spied a treasure of untold magnitude, a great pile of exchanges which Editor Williams had thrown into a corner of the office because no wastepaper basket was big enough to contain them. Most of the papers were in the original wrappers, and all but the latest ones were covered with dust. I got up my courage to ask if I might have some of them, and the editor said go ahead. I carried off as many as I thought it would be seemly to try to get away with.

Among them were several copies of the Sunny South, edited by Joel Chandler Harris and published in Atlanta, Ga. The official records tell me that the Sunny South, a weekly, was "devoted to literature, romance, fact, and fiction." It was then publishing A. Conan Doyle, Uncle Remus, Gelett Burgess, Will Irwin, and many other good writers, with lavish illustrations. It was wonderful, but the tragedy was that I had only a few copies.

In reading it, however, I learned that for 10 cents I could have the Sunny South every week for 3 months. I did not have 10 cents, and I knew of no way of getting such an amount of money. My father was working hard and I was almost afraid to approach him, though I know now that he probably would have given me the dime had I asked at a propitious time. That winter he was away, and my mother and I often sat up late reading. One night I told her what I wanted, and why. She did not say anything, but I can see her now as she got up from her chair and went diagonally across the room in the yellow light of a kerosene lamp, and extracted from some secret place a thin dime. It may have been the only coin in the house.

That dime is the most important piece of money I have ever owned, for my entire life pivots on its shiny surface. It brought the Sunny South for 3 months, and soon the whole family was in love with it. There was never any trouble about renewing the subscription.

The letter column in the Sunny South was presided over by Mrs. Mary E. Bryan. One day I sat down and wrote her a letter which had one quality dear to en editor—brevity—and perhaps another essential to the writer, a willingness to lay bare something deep in the human heart. I said I wanted to be a writer, to get an education. I mentioned that my father was a teacher, and that he had been crippled in an accident. I signed with my middle name, which I always liked because an uncle who had the name was something of a writer.

The letter was published in the issue of May 14, 1904. My father had come home from school, and we were then plowing corn with Georgia stocks. (A Georgia stock is a kind of one-horse plow.) The corn was less than a foot high. It was late in the afternoon, the time when the sun hangs unmoving in the sky for an incredible length of time. We were very tired and were sitting on the beams of our Georgia stocks letting the horses blow, when my sister came from the mailbox of the new rural route which ran about a mile from the house and handed me a letter.

Few sueh letters have ever been received by tired boys sitting on Georiga stocks in a stumpy field. The envelope was white as snow and of the finest paper; the ink was black as midnight; the handwriting bold and full of character, with fine dashes. The flap was closed by dark-red sealing wax stamped with the letter H.

The address was: "Prescott, Ranger, Tex., care of lame teacher."

The letter bore a New York postmark, May 17, 1904, but there was no return address. The envelope which lies before me now shows what care I used in opening this letter. It read:

BROOKLYN, N.Y., *May 16, 1904.*

PRESCOTT,
Ranger, Tex.

DEAR JUNIOR: I am a reader of the Sunny South and noticed your letter in the "Gossip Corner." I trust you will not get discouraged in your aspirations for higher things, as you know there is no such word as fail, in the lexicon of youth; so keep your mind fixed on a lofty purpose and your hopes will be realized, I am sure, though it will take time and work. I will be glad to send you some books or magazines (if you will allow me to), if you will let me know what you like.

Yours truly,

WM. E. HINDS.

Now I realize how narrowly I missed this rendezvous with destiny. How did it come about that a letter addressed to "Prescott" reached me? The Sunny South came addressed to W. Prescott Webb, and it passed through the hands of Mr. John M. Griffin, the bewhiskered postmaster who was an ex-Confederate soldier. Since the Sunny South was pro-Confederate, Mr. Griffin got to reading my paper and fell in love with it. He and the rural mail carrier were probably

the only people outside my family who knew that the name Prescott was really mine.

Even so, that letter nearly missed its mark. The envelope bears the post office stamp, "Missent," but I have no idea where it went before reaching me.

From that day on I never lacked for something to read—the best magazines in the land and occasional books. Every Christmas a letter would arrive from New York, and usually a tie of a quality not common in west Texas.

These books and magazines fired to white heat my desire for an education. Evidently my father, who was not a demonstrative man, was touched by my fervor. The stumpy farm had expanded and because of my father's love for the soil and his understanding of the principles of dry farming it became productive. But there was still not enough of it, and we rented additional land from the neighbors. One day when we were clearing land my father asked me a question.

"Do you think," he asked, "that if you had 1 year in the Ranger school you could pass the examination for a teacher's certificate?"

To that question the only answer was "Yes."

"Well," he said, "if you will work hard, and if we make a good crop, we will move to Ranger for 1 year and you can go to school."

The year 1905 was one of the good years when the rains came. The fields produced bountifully, especially the new ground with the accumulated humus of a thousand years. The Ranger cotton gins ran day and night all fall. I know because I fed the suction pipe on Saturdays and after school. I had to make a sacrifice to go to school. Every boy in west Texas had a horse. Mine was a trim blue mare, close-built, easy to keep, fast, and lovely to look at. I sold her for $60 to get money for books; I got the tuition free by sweeping the school floors.

I pored over my books because I had a contract to deliver a second-grade certificate in the spring. My extensive reading gave me some advantage, but I had rough going with mathematics and grammar. I shall never forget J. E. Temple Peters, principal of the school and a near genius, who spent hours coaching a group of us to pass the examination at the county seat. When the time came, I had developed a severe case of tonsillitis, and my fever must have gone to 103 and over. Peters, who was one of the examiners, fed me aspirin while the fever fired my brain and seemed to sharpen all my faculties. I wrote on the eight required subjects for 2 days far into the night, but when I rose to turn in my papers I staggered in the aisle. There was never any thought of quitting. This was my only chance.

When school ended, I went back to the farm to await the decision of the examiners. Then one day there was an official envelope in the mailbox. It was just a second-grade certificate which permitted me to teach in the rural schools, but to me it was a certificate of emancipation. I have acquired a good many parchments of finer quality in my career, but this one outranks them all.

My father not only moved the family back to the farm, but he quit teaching to devote all his time to it. I began where he left off, and through his influence had no trouble in getting an appointment. As a matter of fact, I taught three schools in that year, one for 6 weeks, one for 4 months, and one for 2. My salary ranged from $42.50 to $45 a month, and I saved a bigger proportion of it than I have ever saved since. I had an affair of conscience because of the short hours. I had been accustomed to working from 10 to 14 hours a day, and there seemed to be something immoral about quitting at 4 o'clock.

With the money I saved I spent another year in school, and in the spring I passed the examination for a first-grade certificate. Suddenly I became a success. I was employed at $75 a month to teach the Merriman School which my father had taught 2 years at $60. (Underneath the stony Merriman School grounds and the nearby Baptist churchyard lay a million or so barrels of oil, not to be found for 10 years.) I was getting the maximum salary paid in the county schools. I was wearing good clothes and moving in the highest circles of local society, working 5 days a week and quitting when the sun was from 2 to 3 hours high.

Then in the winter of 1909 everything changed. One cold day, so windy that the pebbles from the playing field rattled like buckshot against the side of the school building. I walked down to the mailbox and found a bulky letter from William E. Hinds. It was dated January 9, 1909. Here are the most important paragraphs:

"My DEAR FRIEND: We have not had much winter as yet but the last few days have been cold and presume we shall have our usual amount before spring. My sister went to Washington, D.C., for the holidays and was at the White House New Year's. Secretary Cortelyou is our cousin, so she was invited to stay at the White House for luncheon.

"My friend, I wish you would write me what your plans and wishes are for the future. We all have plans and hopes for the future and it is well we have, even if they are not always realized. Come, let us be chums, and write me just what is on your mind; perhaps I can help you and after all the best thing in life is to help some one, if we can. One would count it a great thing (to remember) if they had helped some one, that had afterwards become famous or great, say for instance Lincoln or Gladstone or any of the other great ones who were born a hundred years ago this year. And perhaps I can say, 'Why I helped J. Prescott Webb when he was a young man.'[1] And people may look at me, as a privileged character to have had the opportunity; so my boy, tell me about your plans and hopes and then perhaps I may be able to help you carry them out.

"Are there any books which you would like? If so say so and let me send them to you. If you don't say so I may send them anyway.

"Your friend,

"WM. E. HINDS."

As an afterthought, he wrote on an extra sheet as follows:

"I am interested in your teaching. How many scholars and are they mostly from the farm or town? Teaching is good training and I know it will benefit you.

"Have you planned going to college in the fall, if you haven't planned, it is something you would like to do, if so what college have you in mind? Now answer all these questions, please."

At the time the letter came I had not thought seriously of going to college. That was something for the sons of doctors and other prosperous people. Besides I was already a success, and rather enjoying the illusion. The letter faced me about, and made what I was doing insignificant—a means only.

I answered all his questions, telling him that I would like to go to the University of Texas. I had saved some money, for I had been at work 3 months, and I determined to save more. I reduced my social activity, and with some difficulty restrained myself from making a bid for a girl I had a very hard time forgetting. The road ahead was rough enough for one, and too rough for two.

Thus it came about that in September 1909, I boarded the train for Austin and the University of Texas with approximately $200. Our agreement was that I would spend my money, and when it played out, I would notify Mr. Hinds and he would send me a check each month. At the end of the second year, I owed him about $500, and he suggested that I should drop out and earn some money, saying that "I am not a rich man." I sent him a note for what I owed, but he would accept no interest. He never did.

In 1911–12, I taught the Bush Knob school in Throckmorton County, $90 a month. I reduced the note and told him I would like to return to the university. He approved, and I can sum it all up by saying that I never started a year at the university that he did not see me through. He never refused any requests I made of him, though I am glad to remember that I kept them to the minimum.

The nearest he ever came to a refusal was one summer when I made a good deal of money as a student salesman. I wrote Mr. Hinds that I would like to come to New York to see him, and that I had the money. He advised me to apply it on my college education. I did, but I have always regretted that I never saw him.

When I took the B.A. degree in 1915, I owed him something less than $500, which was our limit. And here I need to say something about my college career. I was 21 years old when I entered college, and I had no preparation for it. I had skipped too many grades and too many years of schooling. I did not have entrance credits, but because I was 21 the university admitted me on what is known as individual approval. My career as an undergraduate was completely lacking in distinction. I made fair grades in most subjects, but none to make Hinds proud. He never asked a question about grades. He never admonished me to do better.

But every month the check came. What he saw in me I have never been able to understand, but the fact that he saw something, that he seemed to believe in me, constituted a magnetic force that held me on the road. If I felt inclined to quit, or to go on a binge, and spend money foolishly, as my friends often did, I could not do it for very long, because there was a mysterious man in New York who trusted me.

Equipped with the B.A. degree, I got a job as principal of the Cuero High School at $133 a month. Then, in the fall of 1915, a letter came saying that William E. Hinds was dead.

The lawyers found my note in his papers, and they began to write me crisp and businesslike letters. They had me make a new note to his sister, Ida K. Hinds, for $265. It was cosigned by my father and bore interest. Then came a letter from Miss Hinds, who had spent her life as a teacher in the New York schools. She said that she had taken over the note, and that I would not be bothered with the lawyers any more. In the fall of 1916, I married Jane Oliphant, and moved to the San Antonio Main Avenue High School as a teacher of history. Miss Ida Hinds came down to spend a part of the winter at the Gunter Hotel and she was often our guest.

She told me about all I know of her brother; that he had never married, that he had helped other boys, and that he was an importer of European novelties. She implied that he was not intensively devoted to business, was rather casual about it. After his death I received an excellent photograph of Hinds, which is now before me. He had fine features, black hair, blue eyes, fair skin, a thin straight nose, and delicate ears. He wore a black mustache and had a full head of hair which appears to have been unruly.

Why didn't I get from Miss Hinds the information I now seek about her brother? There is no satisfactory answer to the question, as I look back now. From where I stood then, the answer seems reasonable to me. It never occurred to me that I would write this story. At that time there was no story because I had done nothing to justify

[1] For years he did not get my first initial right, but addressed me as J. Prescott Webb.

one, and I was not yet a writer. Even had I thought of it, I would have considered that I had plenty of time, for youth is not conscious of the brevity of life. Moreover, I had just married, and at such a time each day seems sufficient unto itself.

Miss Hinds did not remain in San Antonio very long. It was probably in January of 1917 that she went to Los Angeles and took residence at 1316 South Vermont Avenue. Her first letter was dated February 18, 1917.

Then a letter arrived postmarked Burlington, Vt., April 18, 1918. It marked the end of the trail. Inside was an undated memorandum from her to me, which read: "I enclosed your note in directed envelope so if anything happens to me, it will be sent to you. If you receive this, you will know that I have passed away and you are under no further obligation. Consider the matter closed as there is no one else that would be interested."

The note she enclosed was for $265 with 5 percent interest. Endorsements on the back show that on April 17, 1917, I paid $100 principal and $16.56 interest, leaving a balance of $165 due in 6 months with interest "at 6 percent or 7 percent." The last endorsement is dated October 11, 1917, with a payment of $90 on the face of the note plus $5.68, leaving a balance of $75.

That $75 has never been paid to anyone connected with Hinds. It has, however, been paid over and over to those who needed it, and it will be paid again in the future as Hinds would have wanted it.

The act of this man is the unsolved mystery of my life. I have never been able to understand what motivated him. I find it easy enough to write a check for some student in temporary need, one that I can see and know, and I have written a good many such checks. But I still cannot understand how a man in New York City could reach far down in Texas, pluck a tired kid off a Georgia stock in a stumpy field, and stay with him without asking questions for 11 years, until death dissolved the relationship.

He did not live long enough to see any sign that the investment he made was not a bad one. In 1918 I became a member of the faculty of the University of Texas. My development there was slow—I have been late all my life—and it was not until 1931 that I published my first book, "The Great Plains." Others followed in due course, but it was not until after 1950 that things began to happen which might have gratified William E. Hinds. When these marks of recognition came, my satisfaction was always tinged with regret that he could not know about them.

William E. Hinds was a great reader, and he probably was aware of Shelley's ironic lines:

> The seed ye sow, another reaps;
> The wealth ye find, another keeps;
> The robes ye weave, another wears;
> The arms ye forge, another bears.

I have reaped where he sowed, and I wear what he wove. Indeed, I keep a part of the wealth he found, but I have tried to keep a little of the spirit with which he used it. His spirit has hovered over me all my life. His name appears in the preface or dedication of my major books. I cannot now better describe what he did for me than I did in "The Texas Rangers":

"To the memory of William Ellery Hinds. He fitted the arrow to the bow set the mark and insisted that the aim be true. His greatness of heart is known best to me."

This is the end of the story. I appeal to those who read it, for more information about William E. Hinds. I would like to know when and where he was born, where he was educated, and what occupation he followed. If he helped other boys, as his sister stated, I would like to know who they are and what they did. His will might reveal something about his interests and activities.

I have consulted with private detective agencies about making a search, but found them just as vague about what they would do as they were specific about fees. I admit that this investigation should have been made long ago, but it was something easy to postpone. It might have been possible to make contact with the Cortelyou family, but I neglected to do it. While in New York once, I took a taxi to the place where William E. Hinds lived in Brooklyn, and I ran the index of the New York Times in search of his obituary, but could not find his name. In January 1961 I had a bout with the hospital and the surgeons, and came pretty close to losing. This was a warning that I could no longer delay; as soon as I was able, I went to work in earnest.

I now summarize the facts I have about him. His full name was William Ellery Hinds. For several years after 1904 he lived at 489 Classon Avenue, Brooklyn, N.Y. He later moved to another address which I do not have. The only relatives he ever mentioned were his sister and some cousins, one of whom was George B. Cortelyou, Secretary of the Treasury under Theodore Roosevelt after 1907. I do not know the exact date of his death, but it must have been in the autumn of 1915 because my note made out to Ida K. Hinds bears the date of January 25, 1916.

The meager results of my search thus far suggest that I remain silent, William E. Hinds, may be forgotten. I want him to be remembered. Finally, it seems to me that what he did may encourage others to follow his example, and thus perpetuate his influence. He would want no better monument.

(Anyone having information about William E. Hinds should address W. P. Webb, University Station, Austin, Tex.—THE EDITORS).

Mr. DOUGLAS. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. DOUGLAS. I am very glad the Senator from Texas has placed this article in the RECORD. As he says, it is very moving. I think it is worthy of notice for many reasons, some of which the Senator from Texas has mentioned. I would like to suggest an additional reason for its noteworthiness, namely, that this is an illustration of the generosity with which the citizens of the North have treated the citizens of the South ever since 1865.

Mr. YARBOROUGH. I thank the distinguished Senator from Illinois for his references. I think the people of all sections of the country, as individuals, have been very generous to Americans of other sections of the country. But I believe that in this great country we will not find charity limited to any one section; we will not find their generosity limited to any one section. We will not find their hospitality limited to any one section.

If the Senator from Illinois will pardon a personal reference, in my service during World War II, I was stationed for a time with an Army Ground Force unit in Michigan, in North Carolina, in Missouri, in California, in my home State of Texas; and also on maneuvers in Louisiana for 100 nights. For 100 nights we slept on the ground, on ground which was colder than at any time since the Louisiana Purchase, because the cold broke down the trees.

We found the people of Louisiana universally generous, cordial, and hospitable to other Americans among them.

In Louisiana, when we were on maneuvers, I was amazed to learn that the farmers did not seek a guaranteed profits and tax writeoffs. The farmers, ranchers, landowners, and timber owners of Louisiana granted their land free for the vast maneuvers which take place in Louisiana year after year. We dug fox holes in that land. We moved trucks across every acre of it. Time after time the people signed permits for the right of entry. They were paid only if their fences were torn down or their stock killed.

Later, our division went to Missouri, to Fort Leonard Wood. There was no permit to cross the land. It became my job as a staff officer of an infantry division to get the people together in order to secure permission to cross the land.

Our request was not rejected by a single citizen of Missouri. They granted the U.S. Army the right to cross their land. Even though considerable damage was done to their fences and considerable damage was done by the trucks, the people were paid nothing.

The plain people of America are a great, generous, and noble people. That generosity, in fact, is not limited to any particular section, either in regard to themselves or in crossing State lines.

I do not believe the Senator from Illinois has ever heard me, during my 4 years of service in the Senate, refer to "the North." I regard the United States as one country, regardless of section.

Mr. DOUGLAS. The Senator from Texas never has taken a sectional attitude. It is interesting in this case to note that it was a resident of New York City who not only gave encouragement to a southern, Texan boy, but lent money to him consistently over the years, sight unseen, to enable him to pursue his education.

In view of the feelings which sometimes exist toward the North, I think this example of generosity across the Mason-Dixon line deserves to be recognized. I thank the Senator from Texas for placing this article in the RECORD.

Mr. YARBOROUGH. I thank the distinguished Senator from Illinois. Much as I cherish his friendship, and high as my regard is for him, I disagree with him on one small point. I believe there is really no substantial ill feeling toward the people of the North on the part of the people of my section of the country. We are one country, one Union of States. Neither do I believe there is ill feeling on the part of one section of the country toward another section of the country. For we bring our problems from all States and all to the Congress and here we attempt to resolve our differences.

The only alarm we in Texas feel is that so many people from the North are pouring into Texas that we Democrats are wondering how strong the Democratic vote will be.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the

international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. MUNDT. Mr. President, I call up my amendment designated "6-28-61—F" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 15, lines 4 and 5, it is proposed to strike out "and within such limitations as may from time to time be established by Congress, to use," and insert "to use in such amounts as may from time to time be specified in appropriation Acts,".

Mr. FULBRIGHT. Mr. President, I have discussed the proposed unanimous-consent agreement with the Senator from South Dakota. I wish to propound the agreement and ask unanimous consent that it be entered, as follows:

Ordered, That, effective on Tuesday, July 11, 1961, at the conclusion of routine morning business, during the further consideration of the bill (S. 1154) debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received, except Keating and others amendment B-7-7-61.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. MANSFIELD. Mr. President, I suggested to the distinguished acting majority leader that the name of the majority leader be deleted and that the name of the chairman of the Committee on Foreign Relations be substituted.

Further, do I correctly understand that the proposed agreement would include the consideration of the Keating amendment, as well?

Mr. FULBRIGHT. That is correct.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the agreement is entered.

The agreement, as entered into, is as follows:

Ordered, That, effective on Tuesday, July 11, 1961, at the conclusion of routine morning business, during the further consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour to be equally divided and controlled by the mover of any such amendment or motion and Mr. FULBRIGHT: *Provided,* That in the event Mr. FULBRIGHT is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received, except amendment lettered B-7-7-61, intended to be proposed by Mr. KEATING (for himself and others).

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively by Mr. FULBRIGHT and the minority leader: *Provided,* That either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

Mr. MANSFIELD. Mr. President, earlier today the Committee on the Judiciary reported two nominations. I ask unanimous consent that they be called up and considered by the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will state the nominations.

The legislative clerk read the nomination of Forrest F. Walker, of Virginia, to be U.S. marshal for the eastern district of Virginia for a term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Bernard J. Brown, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for a term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. MUNDT. Mr. President, in view of the fact that we have arrived at a unanimous-consent agreement, and in view of the fact that there are now on the floor Senators who expect to make somewhat lengthy speeches, let me say that I have discussed the amendment with the chairman of the committee, and there is no objection to it. At the beginning of the debate tomorrow, I shall offer a brief explanation of the amendment; and we shall then arrive at a meeting of the minds on an amendment as to which there may be some controversy.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I announce that there will be no more rollcall votes this afternoon. But there will be rollcall votes tomorrow. Therefore, I urge all Senators to be present throughout the session tomorrow.

Mr. MUNDT. Let me say, Mr. President, that I do not believe we shall use the entire amount of time available on the amendments. So Senators might keep that point in mind when they plan their day's work.

CORRESPONDENCE WITH THE TRACTORS TO CUBA COMMITTEE

Mr. MUNDT. Mr. President, in view of the fact that the Tractors to Cuba Committee has dissolved, and is returning, unopened, the letters written to it by senders—incidentally, I may say, with the rather unusual twist of postal regulations to permit return of the letters without postage although an answer to the sender is to be printed on the envelope—I ask unanimous consent to have printed in the body of the RECORD, in connection with the conclusion of the effort to trade tractors for Cubans, a poem written by Rudyard Kipling. I think it points up a lesson which Americans can learn from this sorry adventure with proposed appeasement.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

DANE-GELD

It is always a temptation to an armed and agile nation
To call upon a neighbour and to say:
"We invaded you last night—we are quite prepared to fight,
Unless you pay us cash to go away."

And that is called asking for Dane-geld,
And the people who ask it explain
That you've only to pay 'em the Dane-geld
And then you'll get rid of the Dane!

It is always a temptation to a rich and lazy nation,
To puff and look important and to say:
"Though we know we should defeat you, we have not the time to meet you.
We will therefore pay you cash to go away."

And that is called paying the Dane-geld;
But we've proved it again and again,
That if once you have paid him the Dane-geld
You never get rid of the Dane.

It is wrong to put temptation in the path of any nation,
For fear they should succumb and go astray;
So when you are requested to pay up or be molested,
You will find it better policy to say:

"We never pay anyone Dane-geld,
No matter how trifling the cost;
For the end of that game is oppression and shame,
And the nation that plays it is lost!"

—*Rudyard Kipling.*

PRAISE OF YOUNG GADFLIES

Mr. MORSE. Mr. President, the issue of the Catholic Sentinel, of Portland, Oreg., for June 29, 1961, contained a provocative editorial which might well be pondered by all Americans. The writer of this editorial is reminding us that this country will not have much of a future if the time comes when our teenage and college-age generation has no complaints, no new ideas, and no ideals it believes are worth struggling for.

I ask unanimous consent to have the editorial printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN PRAISE OF YOUNG GADFLIES

"I say thank God for the spectacle of students picketing—even when they are picketing me and I think they are wrong—for students protesting and freedom-riding, for students listening to society's dissidents, for students going out into the fields with our migratory workers, and marching off to jail with our segregated Negroes. If America is still on the way up it will welcome this new, impatient, critical crop of young gadflies. It will be fearful only of the complacent and passive." (Edmund Brown, Governor of California, commencement address at the University of Santa Clara.)

And we thank God that there are still persons in politics with the courage to speak as Governor Brown has done. We have awakened recently and painfully to discover that the traditional radicalism of youth is considered not only out of fashion but positively unpatriotic. We have always cherished the notion that an angry young minority, perennially in dissent, flourished in every clime and age, matured, married, engaged in the work of the world and eventually ripened into wise and tolerant greybeards who would encourage the next generation of radicals. In all ages we need young people who will look for new answers to the old questions. Perhaps once in several generations the human race will be blessed with a mind which poses a new question.

The very nature of youth guarantees the presence of a measure of this holy impatience. Society itself waxes and wanes in its degree of toleration for this propensity of youth. Ours has been called an age of anxiety. It is not the first such age. The world spins, and periodically the human race experiences an acute case of the shakes. But, for the first time in the history of man, someone in another continent makes a statement, and: Instant Hysteria. Not unnaturally, the more jittery we are about the status quo, the less tolerant we become of anyone rocking the boat.

In the midst of all our anxieties, however, we must take the time to ponder the function of our institutions of higher learning. Our young people are leaving the campuses not merely to decorate the lawns of the country club, or to don a barbecue apron for the family cookout but to inherit the earth—or what's left of it—to reap what we have sown. They must rethink the problems. They must not be content with old answers which, as it turns out were not answers. They must pick up the tasks of our society and the burdens of our inheritance and build a human habitation for the generation which will follow them. It is the job of older and wiser heads to moderate the enthusiasm of youth—not to muffle it.

PERSONAL SAVINGS IN LATIN AMERICA

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as part of my remarks, an article entitled "Personal Savings in Latin America." The article was written by Robert Cutler and was published in the Foreign Service Bulletin.

Mr. Cutler is a distinguished American banker from Massachusetts. He is serving with great distinction as U.S. Executive Director of the Inter-American Development Bank. It was my privilege and honor to serve with him at Bogotá, Colombia, when he was a member of the U.S. delegation, along with the Senator from Iowa [Mr. HICKENLOOPER] and myself. Mr. Cutler was a very able adviser and counselor to the Under Secretary of State, Mr. Dillon, who was chairman of our delegation there, and also to the rest of us who served on the delegation. The Act of Bogotá was greatly influenced by the able assistance of Mr. Cutler to the U.S. delegation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PERSONAL SAVINGS IN LATIN AMERICA

(By Robert Cutler)

The Inter-American Development Bank, organized in El Salvador in February 1960, opened its doors for business on October 1, 1960. It is soon to be an international lending institution with three windows.

The first two of these windows were provided for in its charter. From the first window loans are made which (like loans made by the World Bank) are repayable in the currency loaned; from the second, loans are made which (like loans made by IDA, the new World Bank affiliate) may be repayable in the currency of the borrower. In its first 8½ months, the Bank approved $32 million in first window loans and $29 million in second window loans.

The third window is being provided by U.S. authorization and appropriation legislation which implements the Act of Bogotá and the Alianza para el Progreso. From this window the Bank (under agreement with the United States) will lend on flexible terms and conditions up to $394 million for social development projects in Latin America.

The Inter-American Development Bank, a multilateral and cooperative institution composed of the United States and 19 Latin American nations, was established to accelerate the economic development of Latin American countries and to encourage their private investment. Later the Bank was chosen as a primary mechanism for administering the resources to be provided for the social development of Latin America.

Through the developing change in U.S. policy there runs a common thread, the thread of self-help by the Latin American Republics. Such self-help is prerequisite to building a solid foundation for the effective use of external help.

The vast dimensions of what is needed to the south of us cannot be met by domestic taxation in the Latin American countries or by grants and loans from foreign governments, or by both these sources added together. It will be the resources of the people themselves, much more effectively mobilized, that must play a large and determining part.

The private resources of Latin America are very great. Stable economies, free of the thieving curse of inflation, can encourage the development of indigenous savings institutions which are so familiar in the United States and lead to a much larger volume of personal savings. A healthy investment climate can bring Latin American private capital out of hiding, both at home and abroad and put it to work side by side with U.S. dollars in building strong economies and raising the living standard of the citizen.

In mobilizing greater personal savings in Latin American countries, comparison might first be made between individual savings and mechanisms for savings in the United States, on the one hand, and in our sister Republics to the south, on the other.

The capacity of the people of the United States to save, to continue saving through thick and thin, and each year to push higher and higher the towering total of personal savings is a wonder of the modern world.

We North Americans have just about everything to tempt us away from saving. You have only to look at the constantly expanding volume of installment credit to see how often and how joyfully we invite the tempter right into our own parlor. It seems a paradox that, at the same time, we Americans keep on saving.

The latest figures I have seen indicate that the annual flow of individuals' savings in the United States is around $18 billion. This is more than 4 percent of our annual net national income. The components making up this total are savings in mutual savings banks, savings and loan associations, savings divisions of commercial banks, postal savings, credit unions, U.S. savings bonds, and reserves of life insurance companies.

It may not be orthodox to measure our total accumulated individuals' saving to date by our net national income for a particular calendar year. I do so, however, in order to produce a percentage that can be compared with a statistic derived from Latin America.

The estimate for 1960 of the total accumulated individuals' savings in the United States exceeds $313 billion. This savings accumulation at the end of 1960 approximated 75 percent of the net national income for that calendar year.

Perhaps it's not a paradox, after all, that we Yankees are the greatest savers and at the same time the greatest borrowers on earth. Rather, it is two sides of the same coin: the coin of freedom. As freemen, we recognize thrift as the precious ingredient in building individually and collectively the Nation's economy. Also, as freemen, we enjoy exercising the right to dispose of our spendable income as we ourselves decide.

In the Latin-American Republics, the picture of individual savings is enormously different.

A generally similar calculation for Latin America, indicates that, in 1959, less than half of the republics could show a percentage that was over one-tenth as large as the U.S. percentage of 75 percent. These Latin republics and their respective ratios of accumulated individual savings to net national income are: Peru, Ecuador, and El Salvador 12 percent each; Venezuela 11 percent; Argentina 10 percent; Colombia 8 percent; and Mexico, Panama, and Guatemala with more than 7 but less than 10 percent. At the other end of the spectrum, four republics were either just over, or only a fraction of, 1 percent.

The theory and the benefit of individual savings is not unknown in most of these countries. But the applicable procedures for encouraging, receiving, administering, and effectively investing the peoples' savings are often in their infancy or perhaps as yet unborn.

Take, for example, Nicaragua. There exists in the entire Republic one specialized insti-

tutional arrangement for individual savings, INFONAC, the national government's development institution. In 1954, INFONAC placed coin banks in the schools to develop in students the habit of saving. In 6 years the savings accumulated in these piggybanks have more than quadrupled; but the gross figure in córdobas (equivalent to $450,000) is still less than two-tenths of 1 percent of that country's gross national income for 1959. For the moment, disregard the fact and consider the spirit. That the school children of a small, not highly developed Central American country (with a population of only 1,400,000) could save the equivalent of $450,000 in 6 years has a singular significance.

Think back to our own modest start in the United States with mutual savings. It is not for nothing that, among North America's 25 largest mutual savings banks, 4 bear honored names reflecting the humble character of their initial accounts: the Dollar of New York; the Dime of Brooklyn; the Dime of Buffalo; the Five Cents of Boston.

In Latin America, the Republics of Mexico and Colombia are fine examples of nations in which the institutional structures for encouraging and administering the peoples' savings approach those with which we are familiar at home.

In Mexico, such savings (exclusive of life insurance reserves and social security) at the end of 1959 approximated 8 billion pesos (equivalent to about $640 million). Mexican savings have been growing steadily and at a faster rate (despite rising prices) than Mexico's national income. Mexicans save directly through 102 commercial banks with savings departments, 5 savings banks, 98 financieras, 12 capitalization societies, 26 mortgage credit institutions, and 3 savings and loan institutions.

In the Republic of Colombia, the Government has been influential for 30 years in the process of mobilizing and utilizing the savings of the private sector. Colombia had accumulated personal savings at the end of 1959 (exclusive of life insurance and social security) totaling almost $200 million (8 percent of the net national income of Colombia for that year). Of this total, one-third flowed into 17 commercial bank savings departments, and one-third into 3 savings banks, 3 mortgage banks, and 3 other financial institutions.

The reasons why Latin America, thus far, has lagged far behind in providing effective structures for mobilizing personal savings are fairly obvious and easy to state:

First: The level of the peoples' cash income is distressingly low. In Bolivia, northeastern Brazil, and Haiti, for example, the total per capita income is little more than 70 U.S. dollars a year. This fact more than limits, it prevents an individual's capability to save. In addition, in such areas it is traditional to pay by coin or note. To the man on the street and the man on the farm the check is an unfamiliar device that doesn't look or feel like money.

Second: The development of institutions for savings has been lethargic, for such mechanisms seem alien to the customs and traditions of the native peoples.

Third: The Latin peoples have an abiding, continuing, haunting fear of inflation, which in so many Latin countries has historically run off with and devoured the nest eggs. The burned child fears the fire.

There has, however, been a slow stirring in recent years in Latin America. A trend has developed toward the establishment of several types of institutions which are relatively novel in Latin America:

1. Savings and loan associations, supported by a central institution; which gather savings from home buyers.

2. Mutual funds, which (using foreign seed capital) seek savings from domestic sources to be invested in securities contributing to the development of the country.

3. Domestic housing institutions, through which an individual wanting to buy a home is committed to save a predetermined portion of the value of the home that is to be built.

The overwhelming needs for social and economic development in Latin America—caught up in the revolutionary spiral that is sweeping over underdeveloped areas throughout the world—throw into bold and immediate relief the pressing requirement of mobilizing the private wealth of Latin America.

Housing, especially low-cost housing for low-income people, is a priority need. Over 1 million family housing units are annually needed; whereas only 30 percent of that demand is currently being met.

Sanitation and potable water is another priority need. In the United States we think of water to drink as we think of air to breathe. But in the second largest city of one Latin American republic, one-third of the population must daily drink and wash with water subject to contamination * * * and even that is very scarce. In some rural villages in the tropical area of the continent, such is the lack of pure water and modern sanitation that only 50 percent of the children born in a given year live to attain 12 months of age.

Housing and sanitation are but two critical fields. A changed U.S. policy, which has been developing since 1958, sharply recognizes these needs, that the urgency to strive to meet them is imperative to the survival of freedom, and that a predominating ingredient toward their solution will be self-help by the nations and by the peoples themselves.

The great leaders in Latin America recognize these facts. The distinguished Prime Minister of Peru, don Pedro Beltran, spoke thus at the Inter-American Development Bank's second annual meeting in Rio de Janeiro, on April 14 of this year: "I have the conviction that we still have time to take up and complete the work which the peoples of America are awaiting. I also have the certainty that tomorrow will be too late."

THE SISTER-CITY PROGRAM

Mr. MORSE. Mr. President, the city of Portland, Oreg., has for some time maintained a sister-city relationship with Sapporo, Japan. Recently, I was furnished an illustrated pamphlet showing some of the industries and attractions of Sapporo, which I found to be of great interest. There has been a good deal of activity between these two cities to make their sister-city program a success. I corresponded with Mr. Edward Murrow, the Director of the U.S. Information Agency, to advise him that I thought the Portland-Sapporo program was an excellent one that could be used more widely in this country.

I ask unanimous consent that the response I received from Mr. Murrow on this subject be included at this point in the CONGRESSIONAL RECORD.

There being no objection, the letter and the memorandum were ordered to be printed in the RECORD, as follows:

U.S. INFORMATION AGENCY,
Washington, D.C., June 26, 1961.

The Honorable WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: Your kind letter of June 14 was particularly gratifying because it gives me a chance to express appreciation through you to Mayor Schrunk and the city of Portland for the excellent work being done between Portland and Sapporo, Japan. If you should see fit to pass our congratulations along to the mayor, it would be most appreciated.

As you know, the sister-city program is coordinated through the Office of Private Cooperation of this Agency. Mayor Schrunk and his associates have evolved a model program, one the more to be praised because it helps bring citizens of a most important area in our foreign relations into closer contact with our own communities. Our USIS mission in Japan indicates that sister-city relationships are making a decided contribution to U.S. information objectives in that country. Another active affiliation in which you may be interested is that between Eugene, Oreg., and Chinju, Korea. Medford, Oreg., has been linked with Alba, Italy, for several years.

The enclosures indicate that some 150 American communities are currently participating in informational and cultural exchanges with cities in 34 nations. Many more of our communities are interested in sister-city activities and affiliations are increasing daily.

I have taken the liberty of asking the Office of Private Cooperation to keep you apprised of developments in the program which may be of interest to you.

Sincerely,

EDWARD R. MURROW.

ACTIVE TOWN AFFILIATIONS BY STATE AS OF MAY 1961

ARIZONA

Phoenix—Orange, France.
Tucson—Trikkala, Greece.

CALIFORNIA

Alameda—Lidingo, Sweden.
Alhambra—Granada, Spain.
Bellflower—Los Mochis, Mexico.
Burbank—Solna, Sweden.
Campbell—Vohburg, Germany.
Chula Vista—General Roca, Argentina.
Downey—Guadalajara, Mexico.
Fresno—Lahore, Pakistan.
Glendale—Hiraoka, Japan.
Gonzales—Somoto, Nicaragua.
Lodi—Lodi, Italy.
Lodi—Kofu, Japan.
Long Beach—Valparaiso, Chile.
Los Angeles—Nagoya, Japan.
Montebello—Ashiya, Japan.
Monrovia—Monrovia, Liberia.
Napa—Como, Italy.
Pasadena—Ludwigshafen, Germany.
Pasadena—Mishima, Japan.
Redondo Beach—La Paz, Mexico.
Redondo Beach—Managua, Nicaragua.
Riverside—Sendai, Japan.
Salinas—Chillan, Chile.
San Bernardino—Tachikawa, Japan.
San Diego—Yokohama, Japan.
San Francisco—Osaka, Japan.
San Jose—San Jose, Costa Rica.
San Jose—Okayama, Japan.
Santa Ana—Santa Ana, El Salvador.
Santa Cruz—Ajaccio, Corsica.
Santa Fe Springs—Santa Fe, Argentina.
Sausalito—Vina Del Mar, Chile.
Sonoma—Chambolle-Musigny, France.
South Gate—South Gate, England.
Artesia—Koudekerk Aan den Rign, Netherlands.
Stockton—Shimizu, Japan.
Torrance—Konya, Turkey.
Vallejo—Trondheim, Norway.

COLORADO

Boulder—Meppel, Holland.
Denver—Brest, France.
Denver—Takayama, Japan.
Littleton—Bega, N.S.W., Australia.

CONNECTICUT

Bristol—Bristol, England.
Darien—Mercara, India.
Westport—Marigny, France.

DELAWARE

Dover—Lamia, Greece.
Newark—La Garde Freinet, France.

FLORIDA

Clearwater—Nagano, Japan.
Coral Gables—Cartagena, Columbia.
Jacksonville—Porto Alegre, Brazil.
Miami—Bogotá, Colombia.
Miami Beach—Fujisawa, Japan.
Orlando—Goiania, Brazil.

GEORGIA

Savannah—Guatemala City, Guatemala.
Thomasville—Luneburg, Germany.

HAWAII

Honolulu—Hiroshima, Japan.
Honolulu—Naha, Okinawa.
Honolulu—Bruyeres, France.

ILLINOIS

Western Springs—Rugeley, England.
Deerfield—Luedinghausen, Germany.

INDIANA

Mishaswaka—Soest, Germany.

IOWA

Davenport—Kaiserslautern, Germany.
Des Moines—Kofu, Japan.
Sioux City—Indore, India.
State of Iowa—Yamanashi Prefecture, Japan.

KANSAS

Wichita—Orleans, France.

KENTUCKY

Lexington—Deauville, France.
Louisville—Montpellier, France.
Shelbyville—Wittlich, Germany.
Versailles—Versailles, France.

MAINE

Calais—Calais, France.
St. Stephen, New Brunswick, Canada.
Scarborough—Scarborough, England.

MARYLAND

Frederick—Landau, Germany.
Forest Heights—Villaviciosa, Philippines.
Hagerstown—Wesel, Germany.
Rockville—Pinneberg, Germany.

MASSACHUSETTS

Amherst—Arcachon, France.
Boston—Rome, Italy (Salute).
Boston—Kyoto, Japan.
Boston—Strasbourg, France.
Wellesley—Vohenstrauss, Germany.
Weston—Rhombas, France.

MICHIGAN

Bay City—Mechelon, Belgium.
Bay City—Ansbach, Bavaria, Germany.
Detroit—Rotterdam (Salute).
Detroit—Toyota, Japan.
Harper Woods—Epernay, France.
Harper Woods—Ettlingen, Germany.
Kalamazoo—Fougeres, France.

MINNESOTA

Montevideo—Montevideo, Uruguay.
New Ulm—Ulm, Germany.
St. Paul—Nagasaki, Japan.
Worthington—Crailsheim, Germany.

NEBRASKA

Oakland—Hammenhog, Sweden.

NEW HAMPSHIRE

Laconia—Lilienfeld, Austria.

NEW JERSEY

Atlantic City—Royan, France.
Hackensack—Passau, Germany.
Madison—Seven Oaks, England.
Montclair—Graz, Austria.
Newark—Newark-on-Trent, England.
New Brunswick—Tsuruoka, Japan.

NEW YORK

Cortland—Peshawar, Pakistan.
Garden City—Coburg, Germany.
Garden City—Aixen Provence, France.
Jamestown—Jacobstad, Finland.
Long Beach—St. Marc, Haiti.
Lynbrook—Tobaru, Okinawa.
New York—Tokyo, Japan.
New Rochelle—LaRochelle, France.
Niagara Falls—Ise, Japan.
Rochester—Rennes, France.
Rye—Rye, England.

NORTH CAROLINA

Fayetteville—Thiers, France.
Asheville—Petropolis, Brazil.
New Bern—Bern, Switzerland.
Statesville—Takada, Japan.

OHIO

Berea—Verria, Greece.
Columbus—Genoa, Italy (Salute).
Dayton—Augsburg, Germany.
Lakewood—Koza City, Okinawa.
Toledo—Toledo, Spain.
Akron—Valencia, Venezuela.

OREGON

Eugene—Chinju, Korea.
Medford—Alba, Italy.
Portland—Sapporo, Japan.

PENNSYLVANIA

Bethlehem—Tondabayashi, Japan.
Chambersburg—Gotemba, Japan.
Cheltenham—Cheltemham, England.
Manheim—Mannheim, Germany.
Pittsburgh—Bilboa, Spain.
Swarthmore—Stadt, Germany.
York—Asunction, Paraguay.
York—Arles, France.

RHODE ISLAND

Newport—Shimoda, Japan.

TEXAS

Dallas—Dijon, France.
Houston—Taipei, Taiwan, Republic of China.
Lubbock—Hannover, Germany.
New Bruenfuls—Bruenfuls, Germany.

UTAH

Ogden—Hof, Germany.
Salt Lake City—Matsumoto, Japan.

VIRGINIA

Hampton—Southhampton, England.
Luray—Luray, France.
Norfolk—Moji, Japan.

WASHINGTON

Bellingham—Tateyama, Japan.
Bremerton—Olongapo, Philippines.
Everett—Celle, Germany.
Port Angeles—Rosenheim, Germany.
Seattle—Kobe, Japan.
Tacoma—Kokura, Japan.

WEST VIRGINIA

Fayetteville—Lezoux, France.

WISCONSIN

Racine—Montelimar, France.

AMERICAN DISARMAMENT POLICY—SUMMER OF DECISION

Mr. CLARK. Mr. President, as international stability deteriorates from Cuba to Kuwait and a new Berlin crisis looms ahead, all of us in this body must give serious attention to the ways and means of maintaining around the world both peace and freedom.

Members of the Senate should not remain silent while policies affecting the continued existence of our country are being deliberated within the executive branch of our Government. No single branch of Government, no group of executive departments or agencies have a monopoly of wisdom. The Senate has a constitutional responsibility to discuss and debate the critical problems of war and peace which confront our President in this summer of decision.

We may be asked later to consent; now is the time to advise. We should play our part in helping to form policy and public opinion. This has been our responsibility under our constitutional system since the foundation of the Republic.

Accordingly, it has been reassuring to note the able speeches delivered recently by the majority leader, Senator MANSFIELD, on Berlin; by Senator CHURCH, on Africa; by Senator MORSE, on Latin America; by Senator SYMINGTON, on space; by the chairman of the Foreign Relations Committee, Senator FULBRIGHT, on the need for restraint, wisdom, and style in dealing with foreign policy in general, and our Communist opponents in particular; and by the assistant majority leader and chairman of the Disarmament Subcommittee of the Foreign Relations Committee, Senator HUMPHREY, on the President's proposal to create a U.S. Disarmament Agency for World Peace and Security.

These speeches deserve greater attention than they have received. One may hope that they have encouraged the President and at least some of his advisers to believe that the Senate will support him in an active effort to negotiate peace from strength. Without doubt they have helped create a climate of opinion in this body and beyond which will prevent the rash and belligerent actions advocated by some of our colleagues both on and off the floor—the same colleagues who, in several instances, voted last year and the year before against increased defense expenditures in recent years.

My purpose this afternoon is to present for discussion a policy for peace and disarmament which I hope will be seriously considered by the President of the United States and others in charge of United States disarmament policy in this summer of decision.

Time is short. By fall there may be no time left. There is obviously a struggle going on right now within the executive branch of our Government for the mind of one man—the President of the United States. On the result of that struggle may depend whether we and our children will live out our normal lifespan.

There is, of course, no single, quick, and easy road to peace, security, and freedom—far from it. We must build our military, social, and economic strength in all areas where it is now weak. When I say "we," I mean our allies in Latin America, our friends in Asia, our friends in Africa, and also our friends in Europe. But we—the entire

free world, and the uncommitted world, as well—must also play a far more positive role in the search for peace in the immediate future than we have played in the recent past. Otherwise, we risk drifting inexorably into the final world war which nobody wants, but which the continuation and acceleration of the arms race seems to assure.

As General MacArthur said last week in his address before the Philippine Congress:

> Each side, so far as the masses are concerned, is desirous of peace. Both dread war. But the constant acceleration of preparation may, without specific intent, ultimately precipitate a kind of spontaneous combustion.

Inertia, inaction, timidity in proposing plans to prevent the drift to spontaneous combustion are the enemies of peace.

Last week a major constructive step toward organizing our executive branch for peace was taken. The President sent to the Congress his bill to create a U.S. Disarmament Agency for World Peace and Security. As a cosponsor of that measure, I urge its prompt consideration and passage. Such an agency has long been an imperative of an American policy for peace. I regret that it was not created immediately after World War II.

While we have spent hundreds of billions of dollars in the last 16 years to organize ourselves for war and to provide ourselves with armaments, weapons systems, and missiles capable of destroying most of humanity, we have made no comparable effort in time, energy, brains, or money to organize effectively the search for peace.

The President stressed the central issue in his letter submitting the bill to create the proposed Disarmament Agency to the Congress:

> Peace cannot be brought about by concentrating solely on measures to control and eliminate weapons. It must also encompass measures to sustain and strengthen institutions and the rule of law. A disarmament program must take into account the national security, our foreign policy, the relationships of this country to international peace-keeping agencies, including the United Nations, and our domestic, economic, and other policies.

I stress this sentence from the President's message:

> It should drive toward the creation of a peaceful world society in which disarmament, except for the forces needed to apply international sanctions, is the accepted condition of international life.

And as Mr. McCloy stated in his covering letter to the President enclosing the proposed legislation:

> The purpose of this legislation is to establish * * * an agency at an authoritative level in the Government, with the exceptionally broad competence, functions, and resources required to work toward the objective of a peaceful world society in which—

And I stress the following—

> disarmament, except for the forces to apply international sactions, is the accepted condition of international life.

It is most heartening that this new Agency has received the approval of the Department of Defense, the Department of State, the Atomic Energy Commission, and other interested agencies. It is not for us to inquire how such unanimity was achieved—although I can make a guess—but we can have nothing but praise for the result. Let us follow up the efforts of Mr. McCloy and the President with speedy and favorable action on our own part.

Two aspects of the proposed legislation are particularly praiseworthy. First, the Director of the Disarmament Agency will have direct access to both the Secretary of State and the President. This arrangement should insure that the recommendations of the Director will receive immediate consideration by the Chief Executive, who is also Commander in Chief of our Armed Forces. It should also make it easier to obtain as Director of this critical office an executive of high reputation and stature.

Second, the legislation gives to the Director the duty of assessing all scientific aspects of disarmament, as well as processing plans for the structure and operation of international organizations and the methods of maintaining peace and security during different stages of disarmament. The Director would, of course, coordinate his findings and recommendations with other agencies with responsibilities in this area. But he would be responsible, under the direction of the Secretary of State, for conducting international negotiations based on approved policy.

It is important to understand that the aim of this new agency is to formulate and achieve through negotiations workable plans looking toward international agreements for total and permanent disarmament enforced through world law. This is no effort to pursue gamesmanship in weapons systems or mere "arms control." The ultimate national objective stated by the President and his principal adviser, Mr. McCloy, is a world wholly disarmed except for those internationally controlled forces necessary to insure the maintenance of peace.

This appears clear from section 3A of the proposed act where the term "disarmament" is defined as including "the elimination, reduction, control, limitation, inspection, verification, or identification, of armed forces and armaments of all kinds under international agreement or measure, including the necessary steps in connection with disarmament to create and strengthen international organizations for the maintenance of peace."

Sections 31 (a) and (d) also refer to the "elimination" of armed forces and armaments.

Surely, the administration has taken a long step forward in recommending the creation of an adequately staffed agency whose purpose is to achieve world peace through enforceable world law by total and permanent disarmament.

The President has thus crossed the bridge of a major policy decision. The imperative next step, this summer, is to implement the policy expressed in the bill with a specific and detailed American program for achieving it. Our Government must be prepared to act boldly and with imagination. And speed is of the essence because preliminary United States-Soviet negotiations will resume next week looking forward to the general disarmament conference still tentatively scheduled to open in Geneva at the end of this month. Brave and farsighted words in support of disarmament, world law, and world peace have been spoken. The crying need at the moment is to put forward a program to convert these brave words into action.

Fortunately there are individuals holding high office who are urging the President to espouse a bold U.S. plan providing in detail for total and permanent disarmament adequately inspected and controlled under a system of world law. But, unfortunately, elsewhere in the Government, there are officials who object to any change whatever in the status quo—a view successfully urged upon the previous Secretaries of State and President, ever since Mr. Stassen's first efforts for a meaningful disarmament agreement were torpedoed at the London Conference in 1955.

Any specific steps to implement the disarmament policy set forth now in the pending Disarmament Agency bill are viewed, as one might expect, with suspicion and distaste in certain circles at the Pentagon, the Atomic Energy Commission, and the Budget Bureau. Until the U.S. disarmament plan is announced, we will not know for sure whether those who put their faith in arms alone or those who favor a bold U.S. initiative for world peace have prevailed.

Speaking for myself, and, as one Senator only, I hope the President will endorse a U.S. plan for disarmament, peace, and world security which contains the essential elements of a plan which I will describe. It is not my own plan. It is not a new plan. But I believe it is the best plan yet prepared and divulged by persons who have given the enormous problems involved earnest and prolonged consideration. It is the result of many years of painstaking study by two highly qualified experts, Grenville Clark and Prof. Louis B. Sohn. It has been discussed and approved by many serious students of disarmament the world over. I have spoken in support of it in countries as far apart as Norway and Japan.

Its philosophy was endorsed only yesterday at Munich by Chancellor Adenauer of West Germany, who said:

> Controlled disarmament is the most important thing in the world—nothing else. What is the use of a peace treaty if the mightiest powers in the world face each other armed to the teeth?

It is a plan in line with the disarmament statement approved by the Prime Ministers of the British Commonwealth meeting in London this spring. It is a plan which, as I shall show subsequently, should be approved by the U.S.S.R. Here are its major outlines:

First. The complete disarmament of all the nations—rather than the mere "reduction" or "limitation" of armaments—to be accomplished in a simultaneous and appropriate manner by carefully verified stages and subject to a well organized system of inspection.

That disarmament must be universal and enforceable is generally agreed. That it must also be complete is no less necessary, since (a) in the nuclear age no mere reduction in new means of mass destruction can be effective to remove tension and danger; and (b) if any substantial national armaments were for long to remain, it would not only be impracticable to maintain a sufficiently strong world police force to deal with any possible aggression, but it would also be impossible to create long term effective measures for inspection and control.

Once the international agencies required to monitor the disarmament process were set up, another 10 years might be required for an adequately policed step-by-step reduction in all categories of armed forces and armaments.

At the end of this period, no national military forces whatever would exist; and the only military force in the world, as distinguished from the present type of municipal police force, would be a world force which would be built up parallel with and in proportion to the disarmament process.

Second. A permanent world police force, under international authority fully adequate to forestall or suppress any breach of a disarmament agreement or other violation of world law. This police force would consist of two components, a standing component of perhaps half a million men and a somewhat larger peace force reserve, both of which would be composed entirely of volunteers recruited mainly, although not exclusively, from the smaller nations. The number of nationals of any one country serving at any time in the force would not be allowed to exceed 3 percent of its total strength.

National contingents would not be furnished. Individual recruitment would be the method of raising the required numbers.

Third. As part of the disarmament treaty, a world law, in constitutional and statutory form, against international violence, forbidding, under appropriate penalties the use of force by any nation against any other for any cause whatever save only in self-defense. This world law should be applicable not only to nations but also to individuals whose activities endanger international peace.

Fourth. World judicial tribunals to interpret and apply this world law against international violence. Organs of mediation and conciliation should also be created in order to provide peaceful means of adjudication and adjustment as the sole method of dealing with all international disputes which cannot promptly be resolved by the parties thereto without outside intervention.

Fifth. Extensive revision of the charter of the United Nations—for, in the alternative, a new international peace agency—so as to provide adequate governmental machinery to monitor peace. Such a revision would include:

(a) Practically universal membership in the world organization.

(b) A revision of voting procedures to assure that the larger and more powerful nations have an equitable voice and vote in the general legislative assembly, which should be unicameral, not bicameral, and in which there would be no veto.

(c) Appropriate executives elected by this reorganized legislative assembly, holding much the relationship to the assembly as the British Cabinet does to the House of Commons.

(d) A development authority. Since one of the most dangerous areas for future conflict lies in the vast disparity between the economic condition of the underdeveloped nations and those of Western Europe, the United States, the U.S.S.R., and Japan, the world organization should establish its own development authority administered by an economic and social council.

(e) Its own revenue system for the world organization, to provide operating budgets to sustain the world police force, for the annual cost of operating the limited world organization outlined above, and for the proposed development authority.

This plan is admittedly bold; some will say it is radical; but so was the Constitution of the United States. This plan calls for a yielding of a limited amount of sovereignty by the nations of the world in order to prevent that annihilation of humanity which a third world war would bring. But man's history from the beginning has been a constant yielding of smaller sovereignties in the interest of wider law and order.

The June 17, 1961, U.S. reply to the Soviet aide memoire on the nuclear test ban negotiations stated this point in the following terms:

> After World War II the leading powers joined in establishing a world organization because of a common conviction, resting upon the evidence of history, that a world made up of numerous, separate sovereign powers, acting without regard to their responsibilities in the international community, was a world in which wars were too easily bred.

I ask Senators to note this language, which I stress:

> There was a widespred feeling that states must be willing to place some limit upon the free exercise of sovereign powers in the interests of the larger community of nations. This has been the trend of history.

Let it be very clear that under the plan I have advocated, sovereignty is yielded over a single area only, that of keeping the peace between nations, whose rights and powers would otherwise remain unlimited.

This plan will find little favor with those wedded to the status quo. But I suggest that careful analysis will convince the objective student that the most likely probable alternative to such a plan is, within the lifetime of most of us in this Chamber, the annihilation of a large part, if not all, of the human race.

I appreciate that a plan of this character is far in advance of public opinion in this country today. Endorsement of this or any like plan for peace and disarmament by the administration would require great political courage and foresight. And yet if it were patiently and fully presented by the Chief Executive and the overriding needs for such a plan to reverse the arms race were explained, I am confident that the American people would support the President.

It will be said that no such elaborate plan could possibly be agreed upon. Yet, as I have pointed out, many of the leaders of opinion in the free world and in much, if not all, of the uncommitted world as well, are already thinking along these lines.

I suggest that we in the United States of America are the laggards.

It will be said, the Russians will never agree. But let us look at the record—a record which unfortunately has not been made clear to the American people.

On June 4, 1961, Premier Khrushchev, at Vienna, handed an aide memoire to President Kennedy in which he said:

> The Soviet Government, as is well known, has already more than once emphasized that the Soviet Government, on its part, is willing unconditionally to accept any Western control proposals if the Western Powers accept the proposal for general and complete disarmament.
>
> The Soviet Government reaffirms its readiness and in this case agrees to sign a document which will include the Western proposals on the cessation of nuclear tests.
>
> We can take this step because the question of security of states will be on a different level in conditions of general and complete disarmament. There will be no armies nor will there be threats of attack by one state on another.
>
> When all states disarm and have no means for attack on other countries, then conditions will indeed be created under which each country will have proper guarantees of its security. No state will have the possibility secretly to set up armed forces which will threaten any other state or group of states. In these conditions we are ready to accept any control proposed by Western Powers.

When Mr. Khrushchev went back to Moscow after his talks with President Kennedy at Vienna, he made, on June 15, a broadcast report to the Russian people in which he repeated, in these words, the statement of his aide memoire:

> We have declared, and I categorically repeat this now: If the Western powers will agree to complete and general disarmament, the Soviet Union is ready to accept any system of control which they would like to put forward. * * *
>
> I repeat once more: the Soviet Union is for strict and effective international control. We are ready to accept your proposals on control, Mr. President of the United States, provided you accept our proposals on complete and general disarmament. Then there will be no deadlock in the negotiations on disarmament.
>
> We want honest disarmament. We want to secure equal conditions for all states during disarmament, so that no one can ever take advantage of disarmament to obtain advantages to the detriment of the security of other countries.
>
> Our proposals provide for strict control on each stage of implementation of the disarmament agreement. We consider that if complete disarmament is implemented, then the most thorough control will be needed. The control organs should have access everywhere without any so-called veto, without any prohibition, without any restrictions. There should be access at any time and at any place, and we are ready to provide this for the control organs. Only on the condition of complete and general disarmament

under the strictest control is it possible to achieve confidence and create the necessary conditions for peaceful coexistence of states when no country or group of countries could secretly arm to attack other countries.

Just 2 days ago the Soviet Premier reiterated his Government's desire "to reach agreement on disarmament with strict international control."

Note the apparent abandonment of the Soviet insistence on the "troika" principle in the context of general disarmament controls. Note also, on the negative side of course, that there is no recognition in Khrushchev's statements of the need for an international force, recruited individually and free of the veto, to keep the peace in a disarmed world.

Perhaps Mr. Khrushchev doesn't mean what he says. We have had plenty of experience with that sort of thing, both with Khrushchev and with his predecessors in the Kremlin.

But it must be recognized that he has said, about as clearly as it can be said, that he is ready to accept whatever system of control is considered necessary by the Western Powers to insure total, complete, and effective disarmament.

I suggest that the least we can do is to put Mr. Khrushchev to the test. If he means what he says on disarmament controls and we can get him to recognize the need for a strong international peacekeeping authority in a disarmed world, would we not have found the road to permanent peace? If we cannot, we should abandon the plan because this condition is an absolute essential. We must have a strong international peacekeeping authority. If he does not mean what he says, let us at least call his bluff and make our own position abundantly clear to the rest of the world.

The rest of the world, I am convinced, wants total, permanent, and effective controlled disarmament under enforceable world law. The United States is being looked to for leadership. Let us not disappoint the aspirations of mankind.

There remains the problem—and perhaps insoluble problem—of China. All agree that disarmament without Chinese Communist participation can never be effective. President Eisenhower, for example, at his press conference on Febuary 11, 1960, responded in these words to a question as to the point at which the Chinese Communists should come into a worldwide disarmament agreement:

> Well, it's perfectly clear that in such a big territory, such a great population could not be ignored when you are talking about general disarmament. And once that we can make any kind of progress between the West and the Soviets and its satellites, I think that there will have to be some kind of mechanism in which we can bring these people into some kind of agreement, if it is going to be successful.

An even more specific statement was made by former Secretary of State Christian Herter to the Foreign Relations Committee of the Senate on June 21, 1960, when he said that Communist China's participation was "inevitable" if a disarmament agreement between East and West were to be effective. The late John Foster Dulles and his chief Far Eastern adviser, Walter Robertson, made similar statements.

That these views are shared by President Kennedy and his principal advisers, I have no doubt; I believe it to be entirely clear.

But there is no reason to suppose the Red Chinese are presently interested in a worldwide disarmament agreement. Should this affect our present attitude and program? I think not.

Last week, new rumors of dissension between the Chinese and the Russians spread through the world. The belligerence of the Chinese Communist is well known. It is entirely possible that world-wide efforts for disarmament would break down on the rock of Chinese Communist opposition. Yet how do we know until we try? How do we know until our own plan has been presented to the world? How do we know if we stick to our present sterile policy of pretending the Chinese Communist state is not really there or, if it is there, it will go away, if we forget about it.

Is it not possible that if we could come to an agreement with the Russians and if we have, as I believe, the solid support of the Western World and of the uncommitted world too, behind plans for total and permanent disarmament, the dangerously explosive Chinese situation could be brought under control? Would even a nation of 600 million people headed by a ruthless dictator be willing to defy the rest of the world? On the other hand, what chance is there that the Chinese can ever be brought into the community of civilized nations if we are unwilling to make further effort to talk with them.

All of these questions require far more serious discussion than they have yet been given in this body. No one can pretend that the Chinese Communists are "a peace-loving nation" as specified in the United Nations Charter; but neither are the Governments of the Soviet Union, Rumania, Bulgaria, Hungary, Czechoslovakia, and Albania. And yet we deal with each of these nations, not because we like their governments, not because we approve of their treatment of their own nationals, not because we believe in their materialistic philosophy, but because, in an imperfect world, it is always better to negotiate than to fight unless basic principle is involved and because, in the long run, we can slowly but surely moderate their opposition to a just peace. I conclude accordingly that the Chinese Communists must, at least before the final stages of the disarmament discussion, be brought into these discussions.

A Senator from Massachusetts, speaking on December 11, 1959, about the expectations raised around the world by the Russian proposal for far-reaching disarmament and the considerable disappointment at the limitations of this proposal, said:

> It is for us now to meet these expectations with far-reaching new plans of our own, and not to disappoint the world by treating this problem merely as a matter of psychological warfare. We must design and propose a program that combines disarmament with the strengthening of the United Nations and with world development. We must propose the creation of new United Nations institutions of inspection and control and of economic development. * * * So far we have lacked the vision to present a comprehensive program for the development of a world community under law.

Those words are as true today as when the President of the United States—then the Senator from Massachusetts—first spoke them.

Time is running short. The East-West disarmament conference is imminent. A comprehensive American plan for disarmament under enforceable world law is the present imperative for peace.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to my friend from Oregon.

Mr. MORSE. I wish to say to the Senator from Pennsylvania that he has just delivered not only a speech of high statesmanship, but also a speech in which he himself has demonstrated what I believe to be the greatest need in international affairs today, namely the application of the rules of reason to the great issues which confront mankind, involving a threat to the peace of the world.

The Senator from Pennsylvania is to be commended for talking to the Senate in terms of specifics. It may be that we will have suggestions to make to him for some changes in some of the specifics, for the addition of new provisions in the suggested program for world disarmament. However, there is no escaping the thesis of the speech. There is no escaping the premise with which the Senator closed his speech when he said:

> Time is running short. The East-West disarmament conference is imminent. A comprehensive American plan for disarmament under enforceable world law is the present imperative for peace.

Senators have heard me refer to this today and previously. In fact, for years in the Senate I have been a disciple in foreign policy matters of a great Republican. However, it is particularly fitting that once again this may be made a part of the record in connection with the truly great speech by the Senator from Pennsylvania this afternoon. I believe that the greatest of our leaders in the Senate in the field of foreign policy during my service of some 17 years in the Senate was Arthur Vandenberg, of Michigan, now dead, but for years chairman of the Foreign Relations Committee.

It is a fitting tribute to Arthur Vandenberg that I should lay emphasis on the concluding premise of the speech of the Senator from Pennsylvania this afternoon. I paraphrase Arthur Vandenberg correctly when I say that I heard him, standing on the carpet of this great parliamentary forum, point out to us in his historic speeches that there is no hope for permanent peace in the world until all the nations are willing to set up a system of international justice through law, through the procedure of which every issue which threatens the peace of the world will be submitted for final determination, with the decision to be enforced by an international body or organization such as the United Nations.

Here today the Senator from Pennsylvania proposes a blueprint which calls for some drastic amendments to the charter of the United Nations, which will be difficult to get and which will take some time to get. However, there is no other answer but to urge, and to see to it that that charter is amended so that we can have an enforceable organization through which there can be applied the rule of law, enforced by some such police force as the Senator from Pennsylvania has suggested here again.

All I want to say is that the Senator from Pennsylvania has spoken in terms of a great ideal which has also, at the same time, great practicality.

Let us take a look at two or three of the issues which threaten the peace of the world at the very moment that the Senator and I are carrying on this colloquy on the floor of the Senate.

Let us take Berlin. Certainly the Senator does not believe that we are going to settle the problems of Berlin by the Western Powers and Russia shaking their nuclear weapons at each other.

Mr. CLARK. I know the Senator would like to have me reply. First, I must thank him very much for his kind and complimentary remarks, although they were undeserved. He has made such a great contribution in the area of foreign policy in general and in connection with Latin American policy in particular in the Senate, it ill becomes anyone as junior as I to compliment him. Nonetheless I do. I feel strongly, as I am sure my friend does, that either these ridiculous nuclear armaments of destruction are already obsolete and cannot be properly utilized as a basis for forcing any international solution of a problem such as Berlin or elsewhere in the world, or else we will be dead before our normal life span has been lived out.

Mr. MORSE. The Senator from Pennsylvania is unanswerably correct. Many people do not like to hear it, but the fact is that on moral grounds, a nuclear armament race cannot be justified. There are millions and millions of people in the world, whose total number far outnumbers the population of the Western Powers and the Soviet Powers, who are repeating that again and again to the nuclear powers.

Let us take the matter of Berlin. It is so easy these days to get the American people all stirred up about Berlin and to take the position that we are going to fight a nuclear war over Berlin if necessary.

I would suggest to the Russian military leaders, headed by Khrushchev and to the American military leaders, that they are not serving mankind very well by stirring up a great deal of emotion and getting people prepared for a war over Berlin.

The Berlin agreement for the occupation of a defeated Germany was entered into by the Communists and the Western Powers at a time when they thought they were always going to be unanimous and at a time when they thought they would always be of one mind.

Mr. CLARK. Noble allies.

Mr. MORSE. Noble allies. The fact is they ought to have appreciated the fact that history teaches that an alliance very often, and, for that matter, usually breaks up. We do not like to face the fact that we signed a very poor document when we signed the treaty over Berlin. We signed a document that divided up Germany itself for occupation, and also divided up the capital city of Berlin, even though Berlin was away out in the middle of a large territory, a free society, surrounded by a totalitarian Communist area. We did not even provide very definitely for ingress into Berlin or for exit from it.

The Senator from Pennsylvania and I are lawyers. We know what we would say to a man who said he wanted to buy a farm. We would take a look at its boundaries and descriptions. If we saw that he did not have an easement into the landlocked farm that he wanted to buy, we would say to our client that if we cannot buy him a right-of-way, we had better get him an easement into the farm.

The sad fact is that this was not a good treaty. The sad fact is that this treaty was not as clear as some of the brass in the Pentagon are seeking to lead the American people to believe it is. The Berlin Treaty is full of ambiguities. The Russians and their East German puppets are planning to decide those ambiguities to suit themselves.

The Berlin Treaty and the whole question of Berlin ought not to be left up to the two contending powers to decide between themselves on the basis of which can outbluff the other because the world stakes are too high. I think either side will call the other's bluff if this means of "settling" the Berlin issue is allowed to continue. It should be placed instead in an atmosphere where the rules of reason can apply.

In my judgment, it is about time that some of the leaders of the bystander nations should move in on the Berlin issue and tell the Western Powers and the Soviet Union, that they do not propose to let the Western Powers and the Soviet Union settle the Berlin issue by force of arms. Why? Because every nation in the world has a stake in Berlin. If there were disarmament, much of the Berlin problem would vanish. There would not be the rattling of nuclear weapons, threatening the survival of mankind.

I know that when one makes a statement like this, he must expect abuse and criticism. But I am not talking about giving up anything to the Communists in Berlin, or anywhere else. What I am saying is that both sides are talking of force, and of war as their first resort instead of the last resort. Neither side has begun to exhaust its peaceful remedies. I believe the United States, as a peaceful Nation, should be talking about the peaceful procedures open for the settlement of issues relating to Berlin.

So long as we serve in the U.S. Senate, it is our duty to follow where we think the facts lead. In my judgment, the facts at this stage do not support the Pentagon's policy on Berlin, any more than they support Khrushchev.

The facts call upon the nations of the world to say to the Western Powers and to Russia: "Bring the question before the United Nations for determination in the oncoming session of the United Nations."

It is my hope and prayer that the Government of the United States will itself take the lead in bringing the issue into the United Nations.

That is my position; and it might help to pave the way to the development and the hastening of a true, total disarmament program. I am convinced that although we must keep ourselves so strong that Russia will not dare attack, we must also, and we have only a few years left—devise a program for disarmament which will bring to an end the threatening by the nations of the world—or certain powerful nations of the world—of the use of nuclear weapons. International power politics played with nuclear weapons and ballistics missiles is simply going to result in nuclear war.

But people ask, "What about the 2 million Germans in Berlin?" I am for their protection; but I say to the 2 million Germans, "You will be better protected under a course of action which provides for disarmament and enforcement of the peace by the United Nations than you will ever be protected by following policies which help throw Russia and the Western Powers into a nuclear war."

I speak most respectfully when I say that I do not propose to let the population of West Berlin determine this issue for the Western Powers. It was not so many years ago that there existed in Europe another form of totalitarian government known as Nazi Germany, which killed thousands upon thousands of American boys and boys of other Western Powers, and which exterminated some 6 million Jews. Here is one Senator who has always taken the position, I may say to the brass in the Pentagon, that it is not safe for the peace of the world to give nuclear weapons to the West Germans. Mine is one vote in the Senate which will not approve the giving of nuclear weapons to West Germany at the present time, without some such program as the Senator from Pennsylvania is talking about, a program which will enforce the peace by the application of the rules of law; and then nuclear power will not be necessary.

Unfortunately, military thinking seems to hold that if we just arm everybody, we will all be safe. History does not support that theory.

It is very difficult for us to understand the attitude of the people of some countries which could be potential enemies. I am not talking about Khrushchev; I am not talking about the totalitarian leaders of Russia. I know, as does the Senator from Pennsylvania, that dependence cannot be placed on them on the basis of their past record. I am speaking of the masses of the people of Russia. I am satisfied that the masses of the people of Russia want to avoid nuclear war as much as do the people of the United States. I believe the yearning for peace is in the hearts of all minkind, so far as the masses of the people are concerned.

I believe the leaders of those governments, be they Western Powers or Com-

munist Powers, have a clear obligation to try to create a program which will provide an enforceable peace under some such system as the Senator from Pennsylvania has outlined this afternoon. In my judgment, that should be the approach, without taking the position which apparently some in this body are willing to take, namely, of letting the West Germans, to a great extent, call the shots in the settlement of Berlin.

I believe the issue of Berlin will have to be settled along a procedural line, such as the Senator from Pennsylvania has outlined this afternoon in regard to a system for disarmament. Once that system has been developed, the problem of Berlin will not threaten to plunge us all into destruction, and its 2 million people will be better protected under a system where the rules of international law will be applied than they will ever be protected in a nuclear war.

Mr. CLARK. I thank the Senator from Oregon.

Mr. CHURCH. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I am very happy to yield to the distinguished Senator from Idaho. I express my gratification that two members of the Committee on Foreign Relations are willing to stay until this late hour to listen to what I have to say.

Mr. CHURCH. Mr. President, first, I commend the distinguished Senator from Pennsylvania for what I believe is a most significant and courageous address. It seems to me there is no disagreement among us that the United States has two objectives it seeks to serve in the world at large: It seeks to preserve peace with freedom. Both, I believe, are indispensable.

There is no question that the United States has a military policy intended to serve these objectives. If we were to debate the military policy, doubtless we could fill this Chamber. The frightening thing is that we talk so little and listen so little to discussions which concern a policy for peace. I feel certain that both the distinguished Senator from Pennsylvania and Oregon would agree that, with respect to the military policy, so long as the world is heavily burdened with armaments, and so long as Mr. Khrushchev rattles his rockets and threatens the peace of the world at Berlin, then we dare not tempt him with weakness; we must maintain our military strength at a level that, hopefully, will deter the coming of global war.

Mr. CLARK. Mr. President, if the Senator from Idaho will permit an interjection, I am in complete accord with what he has just said.

Mr. CHURCH. I know the Senator from Pennsylvania is.

Mr. CLARK. I simply add that an almost equally terrifying menace confronts us in the form of Communist China, and we must be equally alert to prevent their incursions on lands which are still more or less peaceful and under more or less the rule of freedom.

Mr. CHURCH. I concur wholeheartedly in the addendum the Senator from Pennsylvania has made. If the world is to continue to maintain arms, then there is no question but what the military policy of the United States is essential. But if we believe the military policy of the United States will preserve freedom and peace in the world, over the long run of the years, this, it seems to me, is in contradiction of everything which history teaches us, because armaments have not maintained peace in the past. The concept of a balance of power has not preserved the peace in this century, which has witnessed the most destructive of wars. Perhaps this is because it is not possible to maintain a perfect balance of power, or perhaps it is because it is an imbalance of power that really preserves peace. Whatever the reason, history makes it clear that a balance of power, based upon military systems, does not preserve the peace.

What the Senator from Pennsylvania seems to have said today, as I listened to his excellent address, is that our military policy is not enough; that if we are really to secure our objective of peace with freedom in the world, the United States needs a policy for peace, and that policy we lack. Unless we believe that the introduction of thermonuclear weapons, which replace the old balance of power with a balance of terror, somehow will work, where the old balance of power failed, then it seems to me there is no rational basis for chancing the destiny of this country upon military policy alone. Indeed, the rational course would seem to lead in the opposite direction, because now, for the first time, we are confronted with a situation where, if the arms race continues, if the Soviet Union and the United States continue to poise ever-larger numbers of evermore destructive weapons in the ground, which can be fired by the push of a button, or which can accidentally be triggered in such a way as to bring a rain of death upon all the earth, then it must be clear that never has the need been so great to come forward with an affirmative policy for peace, to secure the objectives which this Nation seeks to serve.

The particular proposal the Senator from Pennsylvania has made may or may not be the proper one. But I certainly believe it is worthy of very serious consideration.

The purpose of his address today, as I see it, is to try to awaken a country that will not hear, and a world that is largely unmindful of the great danger which faces the human race, to the imperative need for a proposal for peace which involves effective and enforcible disarmament, and the establishment of institutions of world order and world law that will be sufficient to meet the requirements of this nuclear age. We must come forward with such a proposal; but we are not doing it, and no one seems to care. I am glad the Senator from Pennsylvania does care; and I hope his proposal will be seriously considered by the President, and that the attention of the entire Nation will somehow be turned to it; and that we shall begin to advocate detailed proposals which this country, as leader of the free world, can make, and upon which rational reliance can be placed. That is the greatest challenge which faces us today, and our response to it is the greatest responsibility we owe to ourselves and to our children.

I thank the Senator from Pennsylvania for making so meaningful a contribution to so noble and so vital a cause.

Mr. CLARK. Mr. President, it is most moving to me to hear my dear friend, with whom I first came to the Senate some 5 years ago, make these important comments. I wish to express my deep gratitude to him.

I feel, as does he and as does, also, the Senator from Oregon [Mr. MORSE], that we have a triple job to do. We must try to arouse the people of the United States to a realization of the danger in which they live and to the need to support bold and imaginative solutions which will help get us out of this mess.

Next, with all due deference to the many empty chairs around us—we are all used to them—let me say there is a job to be done in educating our colleagues in the Senate and those in the other body to their responsibility, as the elected representatives of the people, to come forward with plans to get us out of this mess.

Finally, there is the job of winning the mind of the President of the United States for peace and for aggressive, bold action for peace, against the advices he is receiving not to move very rapidly, not to do much of anything, but to stay where we are with the status quo.

I believe these are the important things to be done this summer, so that in the task of persuading the American people that bold action is required and in the task of persuading the Congress to support bold action, we shall have the leadership of that very great young American, the President of the United States.

In conclusion, let me say to my friends, the Senator from Oregon [Mr. MORSE] and the Senator from Idaho [Mr. CHURCH]—and, incidentally, let me say also that I deeply appreciate their coming to the Chamber at this time and their remaining here—that a typographical error was made in preparing the first page of my speech. As prepared, the fourth paragraph referred to a speech by the Senator from Idaho [Mr. CHURCH] "on Latin America." Actually, an omission occurred at that point; the text should read that a speech was made by the Senator from Idaho [Mr. CHURCH] on Africa, and a speech was made by the Senator from Oregon [Mr. MORSE] on Latin America. I apologize to my colleagues for that omission in the prepared text.

Mr. President, I yield the floor.

NECESSITY FOR LONG-RANGE BOMBERS

Mr. MILLER. Mr. President, in passing the Defense Department appropriation bill, the House provided a total of $448,840,000 for the procurement and production of long-range bombers. No identification of this appropriation with the B–70 bomber appears, although the House Appropriations Committee stated that first preference should be given in the use of available funds for acceleration of the B–70 program. Events of yesterday and recent reports emanating

from the Soviet Union, disclosing development by the Soviets of a new superbomber, compel me to recommend to the Senate that the $448,840,000 be identified directly with the B–70 program.

In the June 30 issue of the Washington Evening Star appeared an article entitled "New Soviet Jet 40 Feet Longer than U.S. Craft." The article described Russia's giant new bomber, designated by U.S. military authorities with the code name "Bounder." Eyewitnesses estimated that the Bounder is 200 feet long, with a wingspan of 80 feet. The B–52, our principal long-range bomber, is 157 feet long, with a wingspread of 185 feet. I ask unanimous consent that the article from the Star be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW SOVIET JET 40 FEET LONGER THAN U.S. CRAFT

Russia's giant new jet bomber is more than 40 feet longer—and may be considerably more powerful—than anything in the long-range nuclear bomber fleet.

The new Soviet bomber, a four-jet delta-wing craft, was unveiled in Moscow 2 days ago during practice flights for an air show there July 9.

It came as no surprise to U.S. officials here. They said the plane—designated by U.S. military authorities with the code name "Bounder"—had been under development for a number of years.

This suggested the Russians may have the plane in quantity, although firm information was not available.

Public disclosure of the Bounder could be intended by the Russians as a way of pointing up Soviet airpower at this time of deepening crisis over Berlin.

HUGE ENGINES NOTED

The Russian newspaper Red Star published pictures of the plane without giving details. Westerners in Moscow saw the plane takeoff.

It was noted here that the engines appered exceptionally big. Officials said there were published reports nearly 2 years ago that the Bounder would be nuclear-propelled, but that the new Soviet bomber is powered by turbojet engines.

They said the Bounder is about 200 feet long and has a wingspan of about 80 feet.

Some observers suggested the Bounder is somewhat comparable to this country's advanced B–58 Hustler, also a four-jet delta-wing craft, which is designed to travel up to 1,300 miles an hour.

However, the B–58 is less than half as long as the Bounder—96.8 feet—and has a shorter wingspan—56.8 feet.

The 80-ton B–58, which can fly higher than 50,000 feet, recently flew nearly 3,700 miles from New York to Paris in what the Air Force claimed was record time of 3 hours, 19 minutes, and 51 seconds.

WILL BUY 116 B–58'S

The United States plans to buy 116 B–58's. One wing of 36 craft now is being formed.

The U.S. heavy strategic bomber is the eight-jet B–52, which travels at about 650 miles an hour. It is 157 feet long and has a wingspread of 185 feet. The B–52 is a swept-wing plane. Faster craft are of the narrower delta-wing design. There are nearly 500 B–58's.

The remainder of the U.S. long-range bomber fleet is made up of about 1,000 aging B–47's, a six-jet plane due to be retired gradually. The 600-plus-miles-an-hour B–47 is 107 feet long and has a wingspread of 116 feet.

With the advent of the missile age, the Kennedy administration has decided against buying any more B–52's or B–58's. It also has cut back development of the 2,000-mile-an-hour B–70 bomber.

In passing the nearly $43 billion defense money bill on Wednesday, the House ticketed $448,840,000 for more manned bombers. It urged a speedup in the B–70 program and gave the administration the opportunity to use part of the funds for B–52's and B–58's, if it should change its mind.

Mr. MILLER. Mr. President, in this morning's edition of the New York Times there appeared an article concerning Moscow's airshow which was held yesterday, at which the new Soviet long-range bomber was displayed. The article states that this bomber appears to be supersonic, mounts four unusually large engines, and is apparently heavier than our new B–58 Hustler, which, like the Soviet bomber, is a delta-wing type. I ask unanimous consent that this article be printed in the RECORD, along with an article from this morning's Washington Post, bearing the caption "Reds Flaunt Air Might in Big Show," and also an article—from today's Washington Star—entitled "New Soviet Planes Held Unmatched by United States."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 10, 1961]

RUSSIANS DISPLAY NEW BIG BOMBERS AND JET FIGHTERS: MOSCOW'S FIRST AIRSHOW IN 5 YEARS IS BELIEVED KEYED TO CRISIS OVER BERLIN; LARGE HELICOPTERS FLY; ROCKET BOOSTER ON A COMBAT CRAFT AMONG INNOVATIONS—KHRUSHCHEV PRESENT

(By Seymour Topping)

Moscow, July 9.—The Soviet Union exhibited new supersonic jet fighters and bombers today in an impressive show of air power.

Celebrating Aviation Day, the Soviet Air Force put on display at least 11 new combat aircraft and helicopter transports with great lifting capacity.

Among them were a delta-wing jet fighter with a liquid-fueled rocket booster and a heavy delta-wing jet bomber.

Hundreds of thousands of spectators witnessed the 2-hour show at Tushino Airfield, outside Moscow. It was the first of its kind in 5 years.

In addition to a military flypast that featured missile-carrying fighters and bombers, the crowds saw massed paratrooper jumps and the latest type of jet airliners. Helicopters bore mockups of earth satellites and of the Vostok spaceship in which Maj. Yuri A. Gagarin made the first manned flight into space.

PREMIER DISCLOSED CHANGES

Premier Khrushchev attended the demonstration a day after having announced a 3 billion ruble ($3,500 billion) rise in the defense budget and the suspension of troop reductions announced in January 1960. He said yesterday that he had been compelled to take these measures to counter similar Western moves in the face of the impending crisis over Berlin.

The airshow was regarded here as an implicit warning to the West as the showdown on Berlin nears.

Col. Melvin J. Nielsen, air attaché at the U.S. Embassy, described the show as "quite impressive."

"They evidently have continued with the development of all classes of aircraft since the last show and have not been standing still," Colonel Nielsen added.

In announcing last year that rocket units were the core of the Soviet armed forces, Mr. Khrushchev contended that conventional bombers were becoming obsolete. While today's show suggested a change in Soviet thinking, it was possible that some of the types exhibited had been under development for years and that Moscow had produced a number of prototypes.

Konstantin A. Vershinin, Chief Soviet Air Marshal, writing today in Pravda, Communist Party newspaper, said that rockets had taken over many tasks but that "the air force continues to play a great role."

Reporting an increase in the firepower of the air force, he said, "Instead of cannons, planes today carry air-to-air missiles, and bombs have been superseded by air-to-surface missiles."

Shortly before the military flypast began, the U.S. air attaché, his Western colleagues, and Western correspondents were instructed to put aside their cameras. Photography was permitted at the 1956 show.

Soviet Air Force officers and Soviet security men in civilian clothes then mingled with attachés, diplomats, and correspondents in the special foreigners' enclosure.

(Official photographs of some of the craft seen in the air show were later distributed by Tass, the official Soviet press agency.)

The new planes streaked by, often veering sharply away, and could be seen by foreign observers only for a matter of seconds. The heavy delta-wing bomber was observed for the first time under good visual conditions. It had been glimpsed from a considerable distance during a rehearsal last month and photographs of it were printed in the Soviet press.

The bomber, mounting four unusually large engines, apparently is heavier than the U.S. supersonic B–58 Hustler, which also has delta wings. The Convair Hustler, which is capable of speeds up to 1,380 miles an hour, has a 56-foot 10-inch wing span, and is 96 feet 9 inches long.

The Soviet bomber appears to be supersonic, but there was no way of determining its speed or range.

One of the most impressive displays was a column of 10 slender bombers with two ject engines at the rear atop the fuselage. They were described as heavy supersonic craft by a Soviet commentator but Western observers said they appeared to be medium types in the class as regards size, with the B–58.

LIGHT BOMBERS OBSERVED

One and possibly two new light bombers were observed. That seen best was a twin-jet aircraft carrying rockets. Its jet intakes were forward of the wings on the sides of the fuselage and its exhaust pipes were set in the tail.

Three and possibly four new delta-wing fighter types were spotted.

The one that did the show's finale was powered by the rocket booster in addition to its regular jet. It approached the field on the jet, cut in the booster, and streaked straight up with its exhaust flaming.

Western experts said the United States has fighters equipped for rocket-assisted takeoffs but nothing comparable operationally to the Soviet craft.

Many of the fighters carried what appeared to be air-to-air missiles. Large air-to-surface missiles were exhibited for the first time on older bombers.

[From the Washington Post, July 10, 1961]

REDS FLAUNT AIR MIGHT IN BIG SHOW—DISPLAY FEATURES HELICOPTER CARRYING A WOODEN HOUSE

(By Stanley Johnson)

Moscow, July 9.—The Soviet Union gave a spectacular display of its air might at Tushino airfield today. It showed a bewildering variety of new craft ranging from two supersonic jet bombers to a giant helicopter that can carry a house.

Premier Nikita Khrushchev and astronaut Yuri Gagarin watched side by side. Diplomats in the stands speculated that the power display, the first Soviet air show since 1958, was intended to influence the rapid development of the Berlin crisis.

"A very impressive show," said the U.S. air attaché, Col. Melvin Neilsen. "It's evident the Russians have continued with the development of all classes of aircraft."

Western experts said the United States has nothing to match some of the items displayed, including a jet fighter that can light up a liquid-fuel rocket engine booster in flight to give it a tremendous rate of climb.

These observers said the air parade showed the Soviet Union is not putting all its faith in long-range missiles.

Instead of conventional cannon, the fighters carried air-to-air rockets.

A delta-wing bomber, which the air show announcer said had a speed several times that of sound, was the most spectacular plane shown publicly for the first time.

It has four jets, two on the wingtips and two inboard below the wings. It looked bigger than the U.S. B–52, which has eight engines, and it dwarfed a fighter plane shown with it.

Running the delta a close second in interest for Western air attachés was a flypast of 10 heavy supersonic bombers.

This new model was also being shown publicly for the first time. Its two engines are mounted on the rear atop the long and slender fuselage. It has high swept wings. It is comparable in size to the American B–58, whose publicly admitted speed is 1,500 miles an hour.

The pilot of the jet fighter with the liquid rocket engine lit up this auxiliary just as he passed the reviewing stand. The plane, delta-winged, shot up into the clouds in seconds.

There were three other displays of new delta-wing fighters, all of which carried air-to-air rockets.

The Russians showed four editions of a new jet amphibious plane.

Another novelty was something billed in advance as a vertical takeoff plane in the sense the phrase is used in the West, since it does not depend on a jet thrust to get into the air. It is halfway between an airplane and a helicopter—the program called it a "screw wing plane."

Two engines were mounted at the end of each wing. In addition it has two rotors atop each wing. It is extremely maneuverable and could be used to carry freight or troops.

Also shown for the first time was a three-tailed jet-powered helicopter which landed on the grass field and unloaded a cargo of rockets.

A huge helicopter appeared carrying under its belly a wooden house which it landed on the field. The house was about the size of the biggest car trailer built in the United States. This particular helicopter is rated as capable of carrying 180 men.

The helicopter phase of the show opened with a crowd-pleasing flypast of 15 whirlybirds each with a trapeze mounted underneath on which a pretty girl was posed. Each girl was dressed in the national costume of one of the 15 Soviet Republics.

Then came four helicopters carrying models of the various Soviet sputniks including one of the Vostok, in which Gagarin traveled in space.

For the 50,000 people at the show, the aerial chorus line and a mass drop of 600 men in brightly colored parachutes were the most popular features.

The day was bright and sunny with temperatures in the eighties although there were enough scattered clouds for the highflying jets to do disappearing acts.

There was a flypast of 16 turboprop bombers called Bear, the military version of the TU–114. This is the giant plane in which Khrushchev flew to the United States in 1959. The bombers carried orange air-to-surface missiles beneath their wings.

There were 15 twin-jet Badger bombers, the military version of the TU–104 civil airliner, which also carried air-to-surface guided missiles. These missiles have a range of hundreds of miles and could easily have nuclear warheads, Western experts said.

This was the first time the Soviet Union had publicly displayed supersonic bombers, but Western authorities had assumed the Reds had them.

Air Marshal Konstantin Vershinin said in an Aviation Day article in Pravda that many of the Soviet jets have no equal in the world for speed, altitude, and range.

In a similar vein, Spaceman Gagarin urged young Russians in an article in Komsomol Pravda to choose aviation as a profession. "The world's best, most powerful machines are waiting for you," he wrote.

[From the Washington Star, July 10, 1961]

NEW SOVIET PLANES HELD UNMATCHED BY UNITED STATES—MOSCOW AIRPOWER DISPLAY LEAVES WESTERN OBSERVERS IMPRESSED

Moscow, July 10.—The Soviet Union showed off its air might yesterday in a dazzling display that struck Western diplomats as a gesture designed to strengthen Kremlin demands on Berlin.

Premier Khrushchev and Cosmonaut Yuri Gagarin watched side by side along with a crowd of 50,000 while the Soviet air force paraded a spectacular array of new craft at Moscow's Tushino airfield.

Western experts watching the show—first the Russians have staged since 1958—said the United States has nothing to match several of the entries, including a jet fighter that can light up a liquid rocket engine booster in flight to gain a tremendous rate of climb.

IMPRESSIVE SHOW

The most spectacular attraction shown publicly for the first time was a delta wing bomber the announcer said had a speed several times that of sound. The plane looked bigger than the eight-engine U.S. B–52 and had four jets, two on the wingtips and two inboard below the wings.

Western air attachés showed keen interest in a flypast of 10 heavy supersonic bombers which also made their first public appearance. This new model's two engines were mounted on the rear atop the long, slender fuselage. It had high swept wings and was comparable in size to the U.S. B–58, whose publicly admitted speed is 1,500 miles per hour.

"A very impressive show," said the U.S. air attaché, Col. Melvin Neilsen. "It's evident the Russians have continued with the development of all classes of aircraft."

Western observers said the show made clear the Russians are not pinning all their faith on long-range missiles alone.

COPTER CARRIES HOUSE

The fighters carried air-to-air rockets instead of conventional cannon. The new bombers were armed with air-to-surface missiles instead of bombs.

The Russians gave advance billing to a vertical takeoff plane that does not depend on a jet thrust to get it aloft. Called a screw wing plane it was a cross between a plane and a helicopter.

Two engines were mounted at the end of each wing, and it had two rotors atop each wing making it highly maneuverable and able to carry either troops or freight.

Another new model was a three-tail jet-powered helicopter that landed and unloaded a cargo of rockets.

One novelty was a giant helicopter capable of hauling 180 men. It appeared carrying a wooden house under its belly and landed it on the field. The house was about the size of a large car trailer in the United States.

The Soviets spiced up their show with a flypast of 15 helicopters each carrying a trapeze on which sat a pretty girl each dressed in the national costume of 1 of the 15 Soviet Republics.

Another crowd-pleasing feature was a mass drop of 600 men with brightly colored parachutes.

Air Marshal Konstantin Vershinin who directed the show said in an aviation day article in the Communist Party newspaper Pravda that many of the Soviet air force's jets have no equal in the world for speed, altitude, and flight range.

Mr. MILLER. Mr. President, I may point out that the article published in the Washington Post states that observers noted that the Soviet Union is not putting all its faith in long-range missiles, and that the big, new delta-wing bomber was the most spectacular plane shown in public for the first time, and looked larger than the B–52.

Editorials published today in both the New York Times and the Washington Post point out that Premier Khrushchev has embarked on a stepped-up program of increased Soviet military power in line with his threats of war to attain objectives. I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 10, 1961]

KHRUSHCHEV STATES HIS TERMS

Backing up his move with stepped-up military preparations and a spectacular airpower display in Moscow, Premier Khrushchev again calls for a peace conference to liquidate the vestiges of World War II. By self-assumed "right" he summons to it President Kennedy, Prime Minister Macmillan, and President de Gaulle, but not the country with which peace is to be made—Germany. With seeming reasonableness he urges the Western leaders to sit down with him and other peace-loving states.

But he also makes it plain that he will accept no proposals that do not meet his terms. These terms call for a partitioned Germany, for a free city of West Berlin stripped of Western protection, and for a European security system that would get the United States out of Europe and leave the Continent to Soviet mercies.

If the Western statesmen do not have the wisdom to bow to these terms, the Soviet ruler again threatens to conclude a separate peace treaty with his East German agents, to lay down still acknowledged Soviet obligations and to put West Berlin's lifelines under the sovereign control of these agents who already threaten a new blockade to drive the West out of the city. If the Western Powers resist, they will be branded as "aggressors" to be rebuffed by Soviet might, even at the price of war.

The Western reply to this Soviet arrogance should be self-evident. The Soviet ruler calls for a peace conference, not to negotiate, but to impose the peace he wants on both vanquished Germany and the Allies who helped him conquer it. He, and he alone, resorts to threats of war to change the existing situation, not only in Berlin but on a worldwide scale to bring about the collapse of Western defenses and the whole free world.

The Western Powers are not happy with the status quo, either, and would like to change it. But they are solemnly pledged not to change it by force, just as they are pledged to resist any attempt at forceful change by anybody else. They seek a change

by peaceful negotiations for which they have been and always will be ready, not under duress and not as pawns of Soviet power politics, as at Paris, but only if the Soviets are equally ready to negotiate in good faith. They have on record a Soviet agreement to the broad principles for such a change, laid down in the Geneva directive of 1955 which called for German self-determination within a framework of European security as a condition for disarmament—principles later spelled out in the Western peace plan of 1959 which remains the basis of the Western position.

The Soviets have repudiated these principles, but if they are ready to return to them, negotiations can proceed at once. It's up to Mr. Khrushchev.

[From the Washington Post, July 10, 1961]

WAR AND PEACE

Premier Khrushchev's announcement that Soviet Russia will increase defense spending by $3.5 billion and suspend the planned reduction of 1.2 million men in armed force strength discloses very little about Soviet military power but divulges a great deal about Soviet diplomatic maneuvers.

There is a remarkable contrast between the January 14, 1960, address to the U.S.S.R. Supreme Soviet and the new statement on July 8; but how Communist military power is affected it is not easy to say.

When he announced planned budget and force cuts in 1960, Chairman Khrushchev took pains to say that "the proposed reduction will in no way lessen the firepower of our armed forces." Notwithstanding the proposed cuts, he said, "the Soviet Army's present-day equipment is quite sufficient to make our country unassailable." At another point he said "there will be no weakening of our country's defense might whatsoever."

The agile Mr. Khrushchev, notwithstanding that the 1960 changes would not cut Soviet power, managed to claim great credit for them as a peaceful gesture. With his usual facility, he contrived to have it both ways: Soviet armed might was not being cut but the cut in Soviet armed might showed how peaceful Soviet Russia really was.

The arms reduction he told the Supreme Soviet in 1960, was governed by "the peaceful aspirations of our people." It was due to "the high humane ideals inherent in our progressive world outlook." It was being done because "we do not want war, because we do not mean to attack anyone, do not wish to threaten anyone and have no aggressive aims." It was all to show that "our intentions are the most peaceable, and not aggressive." Soviet Russia was "setting a good example in keeping with the finest human aspirations."

Now that the arms budget is going back up and the strength of the armed forces is being raised, does this prove that Soviet Russia no longer has such noble and pacific purposes? Not at all. The 1960 reductions proved Soviet Russia had only peaceful intentions and the 1961 increase in armed strength proves exactly the same thing. It is the wicked Western Powers whose increased armaments make all this necessary. On that account, Soviet Russia will not carry out planned reductions (that would not have diminished its power) and will undertake increased armament expenditures, which presumably will increase Soviet military might.

What it all comes down to is that Premier Khrushchev wished the world to think he was making a pacific gesture in 1960 and he wishes it to think he is making a belligerent gesture in 1961. He could have cut the armed forces in 1960 without letting the world know; he could have increased them in 1961 without letting the world know. So the meaning of both speeches must be sought in other than purely military terms. They have only the same symbolic meaning that the Premier's changes of costume have. He wore his civilian suit in 1960; recently he donned his new general's uniform when he addressed the Russian people on television.

The Chairman's purposes are so transparent that this posturing would be almost comic were it not for the grim reality of the military power that continues to be at his disposal whether he is bemused or bemedaled, in his store suit or his general's uniform. In 1960 he was courting the West; now he is cudgeling it. He rings all changes but to one purpose. It is against that grim purpose the West must prepare, without being utterly disarmed when he uses guile or utterly dismayed when he uses threats.

Mr. MILLER. Mr. President, earlier this year there were reports that the administration had decided to more or less mark time with the development of the B–70, and to rely upon the bomber force we now have, while at the same time putting all of our future defense eggs in the one basket of long-range missiles. In this connection, I quote from the CONGRESSIONAL RECORD for May 15, when the distinguished senior Senator from Georgia [Mr. RUSSELL] stated:

The Senate Committee on Armed Services was simply not willing to assume the responsibility of stopping the procurement of manned bombers in 1962. As I stated in my statement, I do not know what motivated all of the members of the committee, but the committee members were unanimous on that one point. All 17 members felt we should continue to procure manned bombers after 1962.

In my opinion, missilry has not yet achieved that stage of perfection and development which would warrant placing all the future security of this country on the operation of the missile system.

Placing complete reliance on missiles lives dangerously with the possibility of an antimissile defense system being developed by the Soviets; and it plays with the fire of irretrievability of intercontinental ballistic missiles that might be launched as the result of a false alarm. Only through use of a bomber under positive human control can unnecessary destruction of Soviet Russia be headed off if a false alarm is sounded. Only through maneuverability such as that possessed by the B–70 can deterrence of the Soviets be achieved if they are able to perfect an antimissile defense. It seems to be particularly noteworthy that the Soviets have gone ahead with the development of a superbomber concurrently with their intercontinental ballistic missile production. They appreciate the possibility that we may develop an antimissile defense.

Our new Chief of the Air Staff, Gen. Curtis LeMay, has repeatedly stated his position that we should lose no time in developing and producing the B–70 as an essential part of our deterrent posture. One of the last things Gen. Thomas White said before retiring as Chief of the Air Staff was that we should go full speed ahead with the B–70 program. If we are going to give our leaders the task of protecting this Nation by deterring the Soviets from aggression, we ought to be willing to heed their advice.

I am very happy to note that two of the most distinguished Members of this body have already indicated that that is exactly what they are ready to do. In the case of the distinguished senior Senator from Georgia [Mr. RUSSELL], he stated—and again this was on May 15:

My own view is that we ought to proceed to procure the B–70 at the earliest possible date or do away with the program altogether.

And the distinguished Senator from Mississippi [Mr. STENNIS] said, on the same day:

As the Senator from Mississippi understands the facts now, at the proper time he will certainly support a request for additional funds to step up and push forward at a more rapid rate the B–70 program, because the development of the manned bomber is in our frontline of defense. I think we will need such craft for many years to come, and I do not believe it will be rapidly replaced by any kind of missile.

All kinds of suggestions are being made as to how we should demonstrate to the Soviets our firmness on Berlin. I assure Senators that nothing will impress them more than demonstrated faith in the military leaders—those who would employ 90 percent of our nuclear power—by acting on their recommendation to move quickly and decisively on the B–70 program. There will come a day when our B–52 fleet will become obsolete. This cold war with the Communist world will not be over for a long time. The Soviets are playing a long-range game. That is why they have debeloped a new superbomber to replace their other bombers when they become obsolete. We cannot afford to give them any leadtime in any area of strategic striking capability. If cost is of concern, there is plenty of cutting that can be done with some of these domestic spending programs which have little or no bearing on our national defense capabilities and have no relevance to the sense of urgency our President has called for. By merely adhering to the amount of money requested by the President for the housing program, instead of exceeding it as was done by the Congress only a few days ago, this entire appropriation could be dedicated to the B–70 program without any increase in our budget deficit.

Mr. President, the B–70 program is urgently needed to enable the United States to stay ahead of the Soviets in airpower. Therefore, it is of the utmost importance that the Senate and this Congress specifically tie this $448,840,000 appropriation to the B–70 program as a clear indication that we have the will and determination to win a shooting war if Mr. Khrushchev decides to start one over Berlin or any place else—now or at any time in the future.

THE OMNIBUS FARM BILL

Mr. MILLER. Mr. President, one of the most difficult tasks of a legislator is to make a proper evaluation of the administrative cost and feasibility of proposed legislation. Failure to do so can result in more problems being created by legislation than those it attempts to solve.

Those who ask Congress for legislation too often are taking a shortsighted look at a specific problem, without at the same time giving due consideration to the administrative and enforcement ramifications of the proposed legislation.

Nowhere is this more obvious than in the case of S. 1643, the so-called omnibus farm bill.

Subtitle B, relating to marketing orders, directs the Secretary of Agriculture to establish and maintain such standards of grade, size, quality, and maturity and such grading, pack, container, and inspection requirements, and to undertake such marketing research and development projects, and to maintain such operations for agricultural commodities as will effectuate such orderly marketing of such agricultural commodities as will be in the interests of producers and consumers. Provisions for allotting, or providing methods for allotting, the amount of such commodity or product or any grade, size, or quality thereof, which each producer may be permitted to market or dispose of in any or all markets are called for; also classifications during any specified period or periods on the basis of the amount produced or marketed by such producer or produced on or marketed from the farm on which he is a producer in such prior period as the Secretary of Agriculture determines to be representative, subject to such adjustment of abnormal conditions and other factors affecting production or marketing as the Secretary may determine. Allotments may be in terms of quantities of production from given acres or other production units. Under such order, rules, or regulations any officers or employees of the Department or any committees or boards created or designated by the Secretary of Agriculture may be vested with authority to perform any or all functions in connection with rulings and review proceedings.

National marketing orders are to be established covering marketing quotas for specified agricultural commodities, including but not limited to corn, tobacco, wheat, cotton, rice, peanuts, barley, oats, rye, grain sorghums, flaxseed, soybeans, dry edible beans, grass seeds, vegetables—including potatoes—fruits, tree nuts and seeds, hogs, cattle, lambs, chickens, turkeys, whole milk, butterfat, eggs, hops, honey, and gum naval stores. The national quota for any agricultural commodity shall be apportioned among the States in which the commodity is produced, with such adjustments as are deemed necessary for abnormal conditions affecting production and marketing, allotments or quotas previously established, and other relevant factors as the Secretary determines will best effectuate the purposes of the act.

In turn, this national marketing quota would be apportioned among the States, and in turn among the farms in the State or the counties. Past marketings or production—in terms of acreage, production units, or commodity units—of the commodity; the quota or quotas or allotment or allotments previously established for the farm; abnormal conditions affecting production; land, labor, and equipment available for the production and marketing of the commodity; rotation practices; soil and other physical factors affecting the production of the commodity; and such other relevant factors as the Secretary determines are to be taken into account.

These are only some of the complexities of the proposed omnibus farm bill. From the standpoint of controls over agriculture, it is readily apparent why former Secretary of Agriculture Henry Wallace said last fall that this type of legislation would place American farmers under worse controls than those found in most Communist-dominated countries.

But it is the administrative and enforcement side of the bill which gives me much concern. Think of the thousands and thousands of new Federal employees who would be added to the Federal payroll to police this program. A small indication of this is revealed by what is taking place under the emergency feed grains legislation passed by Congress earlier this year. In the July 2 issue of the Des Moines Register appears a timely article, captioned "Detectives Are Out in Iowa Fields," to check compliance in the new program. In Iowa alone there are 3,200 of these so-called performance reporters—being paid $14 per day—measuring and checking 108,112 farms. This relates only to feed grains. It relates only to one State. Think of the army of detectives which would be required if quotas for honey, lambs, hogs, cattle, chickens, eggs, milk, and all of the other commodities covered by the omnibus bill were to be measured.

In my judgment, we have too many Federal employees now, without adding any more. I hope that any future legislation relating to agriculture or any other area, except possibly national defense, will, at least until we can be assured of a balanced Federal budget and preservation of the value of our money, be presented with a sounder appreciation of the administrative and enforcement problems than was done in the case of S. 1643.

I ask unanimous consent that the Register article be printed in the RECORD, along with a letter from Mr. Raymond F. Hurst, of Nevada, Iowa, stating that the emergency feed grains checkers are going to cost around $3,500 at least for each of the 99 counties in Iowa, or up to a half million dollars for my State alone.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, July 2, 1961]

"DETECTIVES" ARE OUT IN IOWA FIELDS—CHECK COMPLIANCE IN NEW PROGRAM

(By Don Muhm)

ALGONA, IOWA.—Two men walk the perimeter of a cornfield, stringing wire stakes one by one on a steel tape measuring device.

At the fencerow, they stop and make notes.

Then they consult an aerial map with the farmer who owns the field they just measured, and pinpoint its location and size.

This procedure will be duplicated on 108,112 farms in Iowa this year. It is the process by which farm program workers check compliance on 1961 emergency feed grain program contracts.

BIG MONEY

Big money is involved in the program. Kossuth County farmers stand to collect $2 million in Federal payments for retiring 68,197 acres—at an average rate of $31 an acre.

About $100 million will be paid to farmers throughout Iowa, at rates ranging from a low of $24.60 an acre in Decatur County to $43.60 in Clinton County.

The compliance workers, either farmer-elected township committeemen or college students, receive $1.75 an hour or $14 a day. They do not receive mileage payments.

These men are called "performance reporters." At work in Iowa now are 3,200 of these reporters.

In most cases these reporters are farmers elected to be on the township Agricultural Stabilization and Conservation Service (ASCS) committees. The three commiteemen will check fields in their respective townships, or an area of 36 square miles.

There are 56 such reporters here in Kossuth County. One of the two ASCS supervisors is Andrew Reising, of Wesley.

MEASURE FIELDS

"We measure a farmer's cornfields, cropland he is diverting from production, and estimate his 'conserving' acres," Reising explained.

In Reising's home township of Wesley, 86 percent of the farmers are participating in the feed grain program. In Kossuth County, 2,605 farmers out of a potential of 3,308 farmers (79 percent) are in the program this year.

This turnout was impressive.

"We had farmers coming to our office who have had nothing whatever to do with farm programs before," said Curtis Haahr, former fieldman and now ASCS office manager at Algona.

"Some of these farmers hadn't so much as sealed corn before."

Across Iowa, nearly 60 percent of all farms producing feed grains were signed up under the program, agreeing to retire nearly 3 million acres of cropland.

The work involved in measuring both the cornfields and the "diverted" acres dwarfs that involved with the "old" corn allotment program.

SELF-POLICING

In 1958, workers had to measure cornfields only on 39,000 farms. This year, they must check fields and retired land on 108,112 farms. A deadline of July 21 has been set for checking compliance.

There is a built-in, self-policing aspect. All records are made public, and farmers can compare their participation and payments with those of any other farmer in the county.

The high payment rate, according to Haahr, is only one reason why the program has been popular.

"Farmers realized a need for a program which would help fight declining prices brought about mainly by overproduction," the Kossuth County office manager said.

"Here they have a chance to receive a fair income for retiring land, a price support, and a chance to keep from building up larger surpluses.

"This program will be cheaper to the taxpayer than to continually store grain. Farmers seemed to feel this makes sense."

Farmer Luke Youngwirth, of Wesley, said: "We needed a farm program which would keep our surpluses from growing. This should help."

TEN MILLION BUSHELS

Of 263 acres, Youngwirth removed 20 percent from corn production for $35.10 an acre. Youngwirth is a livestockman who seals his own corn and then buys grain on the open market for his hogs and beef cattle.

On June 23, there were nearly 10 million bushels of Government-owned corn in Kossuth County—the greatest amount stored in any Iowa county.

Operating the farm program is a big job. But it is only a part of the Kossuth County ASCS story.

Last year, these workers handled conservation payments totaling $34,903; conservation reserve payments of $34,965; put 7 million bushels of corn under loan and nearly a million bushels under purchase agreements; loaned $85,536 to farmers for building storage structures; issued wool "incentive" payments of more than $34,000.

This means that one office will handle something like $12 million annually—in one way or another. The feed grain program will represent a total payment to Kossuth County farmers of about $2 million.

NEVADA, IOWA, *May 17, 1961.*

Senator JACK MILLER,
Washington, D.C.

DEAR SENATOR MILLER: Until April 1 I was sixth district ASC fieldman here in Iowa. Of course the fieldmen at that time were given no opportunity to help develop the new program. In addition to placing the three county committeemen on full time, they hired the three regular township committeemen and the two alternates to work in securing the data for the 1959–60 crop history. Just for securing this information most counties spent somewhere around $3,500 or more which means that this cost could be close to half a million dollars just in Iowa.

Now we still have the three county committeemen, in addition to the office manager, running our county office. This means an added cost of approximately $50 per day per county. We have 100 ASC offices in Iowa. When we multiply $50 by 100 counties by 20 workdays per month, it makes a sizable figure.

The last published figures from Jasper County was 34 percent participation and Dallas County was 55 percent. Now we have the three townships calling on all farmers that have not signed to get added participation.

It would appear that the present administration is interested in building a strong political organization and it would appear that a lot of public money is being spent to this end.

I hope that our Republican organization is keeping a close watch in some of these areas.

With best wishes, I remain,
Sincerely yours,

RAYMOND F. HURST.

ADJOURNMENT

Mr. METCALF. Mr. President, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 21 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, July 11, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 10, 1961:

DEPARTMENT OF LABOR

George L-P Weaver, of the District of Columbia, to be an Assistant Secretary of Labor.

IN THE NAVY

Adm. Charles R. Brown, U.S. Navy, to be placed on the retired list with the rank of admiral under the provisions of title 10, United States Code, section 5233.

Vice Adm. Frederick N. Kivette, U.S. Navy, to be placed on the retired list with the rank of vice admiral under the provisions of title 10, United States Code, section 5233.

Having designated, under the provisions of title 10, United States Code, section 5231, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, I nominate them to have the grade of vice admiral while so serving:

Rear Adm. Alfred G. Ward, U.S. Navy.
Rear Adm. David L. McDonald.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 10, 1961:

POSTMASTERS

ALABAMA

Gilbert W. Melcher, Gulf Shores.
Guy T. Traylor, Woodland.

ALASKA

Betty M. Homstad, Platinum.

ARKANSAS

Earl D. Miller, Alexander.
Rudolph D. Winborn, Alma.
Nolen E. Renfrow, Charleston.
Calvin E. Reeves, Hughes.

CALIFORNIA

George V. Peetris, Big Bear Lake.
Audrey C. Hagood, Carlotta.
Walter H. Miller, Chino.
Lona A. Mitchell, Clarksburg.
Joseph T. Collins, Fair Oaks.

COLORADO

Charles E. Casper, Campo.
Lawrence D. Kuhnke, Hudson.

CONNECTICUT

Ernest N. Weir, East Glastonbury.

FLORIDA

George W. Bissett, Saint Augustine.
Ray T. Graddy, Sebring.

GEORGIA

Ernest V. Pool, Jr., Winder.
Effie R. Rhodes, Aragon.
Wanda C. Putman, Brooks.
Harvell M. Upchurch, Hapeville.

IDAHO

Earl Wright, Jr., Murtaugh.

ILLINOIS

Tom H. Mason, Marietta.
Michael C. Mott, Rio.

INDIANA

Edgar Hebner, Jr., Boonville.

IOWA

Raymond J. Donovan, Bernard.

KANSAS

Henry M. Miller, Galesburg.

LOUISIANA

Warren A. Hurst, Kentwood.
Beatrice A. Croft, Pride.
Cord W. Garrott, Pearl River.

MASSACHUSETTS

John A. MacIver, Monterey.
Genevieve V. Harty, South Barre.

MICHIGAN

Bernice C. Gould, Brant.
Eugene L. Byrnes, Cassapolis.
Edwin G. Kniss, Delton.
Robert E. Petersen, Frankfort.
William E. Hackelberg, Indian River.

MINNESOTA

Edward J. Noreen, Bayport.
Frank J. Kolbinger, Becker.
Henry S. Blexrud, Caledonia.
Edward N. Hentges, Eden Valley.
Raymond E. Staffanson, Farwell.
Richard C. Zimmerman, Kent.
Robert F. Entzion, Knife River.

MISSOURI

Lawrence E. Hatridge, Belleview.
Ida W. Summa, Gentry.
Kenneth J. Dunlap, Mineral Point.

NEW MEXICO

Tony J. Manzanares, Tierra Amarilla.

NORTH CAROLINA

James C. Barnes, Autryville.
Kelly M. Holmes, Bolton.
Jack E. Bolick, Conover.
Ralph R. Palmer, Crossnore.
Durham H. Mitchell, Fairmont.
Louis E. Potts, Highlands.
Bonnie L. Mason, Holly Ridge.
William T. Whitten, Hot Springs.
Lucille K. Parker, Hubert.
Mabel T. Murray, Moyock.

NORTH DAKOTA

Wesley D. Kahl, Carrington.

OHIO

Alfred E. Clinger, Burgoon.
Harley J. Kalb, Chatfield.
Lloyd R. Crawford, Columbiana.
Charles R. Cramer, Iberia.
Ralph E. Jenkins, Lewistown.

OKLAHOMA

Martha C. Cassity, Kaw.
Keith B. Landrum, Lenapah.

OREGON

John R. Nieland, Canby.

PENNSYLVANIA

Harvey W. Bruner, Jr., Apollo.
David G. Reynolds, Claysville.
Kimber C. Sharrer, Harmony.
Frank A. Santone, Jr., Malvern.
William E. Thumma, Millersville.
W. Nevin Martin, Willow Street.

SOUTH CAROLINA

Vincent B. Limehouse, Ladson.

TENNESSEE

David F. Ross, Cottagegrove.
Helen A. Bowman, Cumberland Gap.
Norma L. Clement, Ellendale.
Forrest Ferguson, Greenfield.
Edgar D. Freedle, Hartsville.

TEXAS

Herbert J. Popp, Garwood.
John L. Rose, Albany.
Arlene H. Burks, Blossom.
Arthur C. Johnson, Bogata.
Esmon D. Rushing, Broaddus.
C. Lowell Moore, Cumby.
Robert C. Denison, Deport.
Homer R. Granberry, Douglassville.
Howard C. Johnson, Eagle Lake.
L. Scott Pickitt, Gilmer.
Clara J. Loesch, Industry.
Virginia B. Taylor, Ponder.
Hans J. Runk, Port Lavaca.

VIRGINIA

Winfrey W. Grizzard, Amelia Court House.
Henry W. Conner, Appomattox.
Carroll D. Harrison, Cartersville.
Mary H. Colvin, Catlett.
John R. Womble, Cheriton.
Osta A. Quillen, Fort Blackmore.
Austin F. Robinson, Great Falls.
James W. Keesee, Gretna.
Oscar E. Wooldridge, Huddleston.
Hamilton W. Shoop, Meredithville.

WASHINGTON

Paul C. Alvestad, Gig Harbor.
Martin A. Pressentin, Rockport.

WEST VIRGINIA

James G. Skaggs, Ansted.
Grover B. Herold, Craigsville.

WISCONSIN

Ellsworth J. Honish, Camp Douglas.
David B. Johnson, Chaseburg.
Ernest R. Overman, Pembine.

WYOMING

Alice L. Hahn, Edgerton.
Faye T. Sankey, Mills.
Alexandria C. Yokel, Wilson.

U.S. ATTORNEY

Bernard J. Brown, of Pennsylvania, to be U.S. attorney for the middle district of

Pennsylvania for the term of 4 years, vice Daniel H. Jenkins.

U.S. MARSHAL

Forrest F. Walker, of Virginia, to be U.S. marshal for the eastern district of Virginia for the term of 4 years, vice Richard A. Simpson.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 10, 1961

The House met at 12 o'clock noon.

Rev. B. Pascale, minister, Silver Lake Baptist Church, Belleville, N.J., offered the following prayer:

O God, our Father, we invoke Thy help with reverence, thanksgiving, and praise. We are grateful for Thy loving kindness and tender mercy. Man does not live by bread alone. Out of Thy divine spirit we are fed with love, joy, peace, patience, kindness, self-control, and faithfulness.

Renew this faith, O God, while we wait upon Thee, that we may possess the conviction and assurance to see beyond the horizon of reason. It was this faith that gave our Founding Fathers vision, hope, and a task to accomplish the national miracle of the centuries. They laid the foundation whereon we are called to build the superstructure. Help us to build well.

Lift us up above the moods and fears of this present age. Rededicate and guide this House for the advancement of peace on earth and good will toward all people. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, July 6, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 866. An act to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals;

H.R. 2953. An act to amend section 521 of title 38, United States Code, to provide that certain service shall be creditable for pension purposes;

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions;

H.R. 4206. An act for the relief of Melvin H. Baker and Frances V. Baker;

H.R. 4349. An act to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates;

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date; and

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 51. An act to provide for a Commission on Presidential Office Space;

S. 739. An act to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the civil service retirement and disability fund;

S. 841. An act to amend the Defense Department Oversea Teachers Pay and Personnel Practices Act, and for other purposes;

S. 931. An act to repeal that part of the act of March 2, 1899, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications and evidences of title;

S. 1087. An act to authorize and direct the transfer of certain Federal property to the Government of American Samoa; and

S. 1458. An act to amend the act of July 8, 1940, relating to the transportation of the remains, families, and effects of Federal employees dying abroad, so as to restore the benefits of such act to employees dying in Alaska and Hawaii, and for other purposes.

S.J. Res. 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962.

COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from New York [Mr. POWELL] I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during general debate this week.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object, is that for the entire week?

Mr. ALBERT. That is the request.

Mr. GROSS. Will the gentleman tell us what the schedule of business for the entire week is, other than that presently announced?

Mr. ALBERT. There is no other business that I know anything about except for one conference report. Of course, there will be no general debate on that.

Mr. GROSS. So the schedule as announced for this week will stand without any particular change other than conference reports?

Mr. ALBERT. The gentleman from Oklahoma cannot speak for the majority leader, but so far as I know that is the only other business.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, why does not the gentleman ask for this permission day by day and let us see what develops on the House floor. I think it is going entirely too far to ask for any committee and all subcommittees of that committee to sit for an entire week.

Mr. ALBERT. Mr. Speaker, I will revise my request and ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1962

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? The Chair hears none and appoints the following conferees: Messrs. WHITTEN, NATCHER, CANNON, ANDERSEN of Minnesota, and TABER.

SELECT SUBCOMMITTEE OF COMMITTEE ON LABOR—PERMISSION TO SIT DURING GENERAL DEBATE

Mr. ZELENKO. Mr. Speaker, I ask unanimous consent that the Select Subcommittee on Labor may sit today, tomorrow, and Wednesday during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORITY TO DECLARE A RECESS WEDNESDAY, JULY 12, 1961

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, July 12, 1961, for the Speaker to declare a recess for the purpose of receiving in joint meeting the President of the Republic of Pakistan.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA DAY

The SPEAKER. This is District of Columbia day.

The Chair recognizes the gentleman from Mississippi.

CONFERRING JURISDICTION ON THE MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA OVER CERTAIN COUNTERCLAIMS

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 3222) to amend section 4(a) of the act of April 1, 1942, so as to confer jurisdiction on the municipal court for the District of Columbia over certain counterclaims and crossclaims in any action in which such court has initial jurisdiction, and ask unanimous consent that

this bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 4(a) of the Act entitled "An Act to consolidate the police court of the District of Columbia and the municipal court of the District of Columbia, to be known as 'the municipal court for the District of Columbia', to create 'the municipal court of appeals for the District of Columbia', and for other purposes", approved April 1, 1942 (D.C. Code, sec. 11–755 (a)), is amended to read as follows: "The court and each judge thereof shall have and exercise the same powers and jurisdiction as were heretofore had or exercised by the police court of the District of Columbia or by the municipal court of the District of Columbia or the judges thereof on the effective date of this Act and in addition the said court shall have exclusive jurisdiction of civil actions in which the claimed value of personal property or the debt or damages claimed, exclusive of interest, attorneys' fees, protest fees, and costs, does not exceed the sum of $3,000 and, in addition, shall also have exclusive jurisdiction of such actions against executors, administrators, and other fiduciaries as well as of all crossclaims and counterclaims interposed in all actions over which it has jurisdiction, regardless of the amount involved: *Provided, however,* That the District Court of the United States for the District of Columbia shall have jurisdiction of counterclaims and crossclaims interposed in actions over which it has jurisdiction."

SEC. 2. The amendment made by the first section of this Act shall apply only with respect to actions instituted on and after the date of enactment of this Act.

With the following committee amendment:

On page 2, following line 21, insert the following new section:

"SEC. 3. This Act shall take effect thirty days after enactment."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, under existing law the municipal court for the District of Columbia has exclusive jurisdiction of civil actions, including counterclaims and crossclaims in which the claimed value of personal property or the debt or damages claimed, exclusive of interest, attorneys' fees, protest fees, and costs, does not exceed the sum of $3,000.

The purpose of this legislation is to increase the jurisdiction of the municipal court for the District of Columbia in cases where crossclaims or counterclaims are filed in the excess of $3,000. Under present law if a counterclaim or crossclaim is filed in excess of $3,000 the case would require litigation in two courts. The municipal court would have jurisdiction for the claim which is under $3,000 and where the counterclaim or crossclaim exceeds $3,000 the jurisdiction would vest in the U.S. District Court for the District of Columbia. This has been so held in the case of *Hillyard* v. *Klein* (64 A. 2d 759 (1949)). This, of necessity, means that the litigation must be disposed of by two courts rather than one. It is the purpose of this bill to prevent such a situation and this would be accomplished by striking the phrase "including counterclaims and crossclaims" where it presently appears in the subsection, and inserting in lieu thereof, immediately before the proviso which occurs at the end of the subsection, the following phrase:

as well as of all crossclaims and counterclaims interposed in all action over which it has jurisdiction, regardless of the amount involved.

The proposed change in law would have the effect of clearly vesting the municipal court with exclusive jurisdiction over civil actions involving claims not in excess of $3,000, even though counterclaims or crossclaims interposed in any such action might exceed this jurisdictional amount. The net result of the change would be to allow the municipal court alone to dispose of the litigation, and avoid the necessity of having the U.S. District Court hear and determine so much of the litigation as involved counterclaims and crossclaims in excess of $3,000.

A public hearing was held on this legislation by a subcommittee of the House District Committee on June 26, 1961. No one appeared in opposition to the bill. The legislation was considered at a meeting of the full House District Committee on June 29, 1961, and was adopted by a unanimous voice vote of the members of the House District Committee. The legislation was approved by and introduced at the request of the Bar Association of the District of Columbia.

PROVIDING NEW BASIS FOR DETERMINING CERTAIN MARITAL PROPERTY RIGHTS

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 7265) to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Marital Property Rights Amendments of 1961".

SEC. 2. Section 940 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, sec. 18–101), is amended to read as follows:

"SEC. 940. COURSE OF DESCENTS GENERALLY.—On the death of any person seized of or entitled to an interest in an estate in lands, tenements, or hereditaments in the District of Columbia, and intestate thereof, the same shall descend in fee simple to such person's surviving spouse, if any, and kindred, who according to the laws of the District of Columbia now or hereafter in force relating to the distribution of the personal property of intestates, would be entitled to the surplus personal property of such intestate, if he or she had died a resident of the District of Columbia and possessed of such surplus personalty; and such surviving spouse and kindred shall take as tenants in common in the same proportions as are or shall be fixed by such laws relating to personal property. Such real property shall be liable, in the event of insufficiency of the personal property, for the payment of the intestate's funeral expenses, debts, costs of administration, and estate, inheritance, and succession taxes in the same manner and to the same extent as the personal property of such intestate. Should said lands, tenements, or hereditaments be sold under a decree of a court having jurisdiction over the same, then it shall be unnecessary to secure the consent of said widow or surviving husband to said sale, unless the widow elects to take her dower, if any, in all real estate whereof the husband, prior to November 29, 1957, was seized at any time during the marriage or the surviving spouse elects to take the right of dower provided by section 3 of the Act approved August 31, 1957, as amended by section 3 of the Marital Property Rights Amendments of 1961 (D.C. Code, sec. 18–201a)."

SEC. 3. Section 3 of the Act approved August 31, 1957 (71 Stat. 560; Public Law 85–244; D.C. Code, sec. 18–201a), is amended to read as follows:

"SEC. 3. Every husband and wife shall acquire by virtue of the marriage a right of dower which shall be an inchoate estate for life in one-third of the real property owned by the other spouse at any time during the marriage, whether by legal or equitable title, and whether held by either spouse at the time of his or her death or not, and such estate, which shall have the same incidents as the common law estate of dower in force and effect in the District of Columbia immediately prior to November 29, 1957, shall be in lieu of any inchoate rights acquired by or which may have attached to the real estate of any husband or wife by virtue of the provisions of subsection (b) of this section, as in effect immediately prior to the effective date of this amendment, and shall not operate to the prejudice of any claim for the purchase money of such lands. No such right of dower shall attach to any lands held by any two or more persons as joint tenants while such tenancy exists; and all provisions of the Act entitled 'An Act to establish a code of law for the District of Columbia', approved March 3, 1901, as amended, and all other laws in force in the District of Columbia relating to the right of dower and its incidents shall, on and after the effective date of this amendment, be construed to be applicable to both husband and wife."

SEC. 4. Section 1173 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, sec. 18–211), is amended to read as follows:

"SEC. 1173. RENUNCIATION OF DEVICES AND BEQUESTS TO SPOUSE; ELECTION OF DOWER.—(a) Subject to the provisions of section 1174 of this Act, a widow or surviving husband shall be such devise or bequest be barred of any statutory rights or interest she or he may have in the real and personal estate of the deceased spouse or the dower rights provided by section 3 of the Act approved August 31, 1957, as amended by section 3 of the Marital Property Rights Amendments of 1961 (D.C. Code, sec. 18–201a), as the case may be, unless within six months after the will of the deceased spouse is admitted to

probate, she or he shall file in the probate court a written renunciation to the following effect:

"I, A B, widow (or surviving husband) of , late of , deceased, do hereby renounce and quit all claim to any devise or bequest made to me by the last will of my husband (or wife) exhibited and proved according to law; and I elect to take in lieu thereof my legal share of the real and personal property of my said spouse (except that in lieu of my legal share of the real property, I elect to take dower in all the real property of my deceased spouse to which such right is applicable).

"(b) In similar manner, where the deceased spouse has died intestate of any real estate and letters of administration have been issued with respect to the estate of such deceased spouse, the surviving spouse shall be barred of the dower rights provided by section 3 of the Act approved August 31, 1957, as amended by section 3 of the Marital Property Rights Amendments of 1961 (D.C. Code, sec. 18–201a), unless within six months after such letters of administration have been issued with respect to the estate of the deceased spouse, she or he shall file in the probate court a written renunciation of her or his legal share of such intestate real estate to the following effect:

"I, A B, widow (or surviving husband) of , deceased, in lieu of my legal share of the real property of which my deceased spouse died intestate, do hereby elect to take dower in all the real property of my deceased spouse to which such right is applicable.

"(c) If, during said period of six months, a suit should be instituted to construe the will of the deceased spouse, the period of six months for the filing of such renunciation or election shall commence to run from the date when such suit shall be finally determined, by appeal or otherwise. A renunciation or election may be made in behalf of any spouse unable to act for himself or herself by reason of infancy, incompetency, or inability to manage his or her property, by the guardian or other fiduciary acting for such spouse when authorized so to do by the court having jurisdiction of the person of such spouse. The time for renunciation by any spouse may be extended before its expiration by an order of the probate court for successive periods of not exceeding six months each upon petition showing reasonable cause and on notice given to the personal representative and to such other persons in such manner as the probate court may direct.

"(d) In any case where the wife or husband has made no devise or bequest to the spouse, and in any case where nothing passes by any purported devise or bequest, the surviving spouse shall be deemed to have filed a written renunciation as provided in subsection (a) of this section (subject to his or her right to elect dower in lieu of the legal share of real estate within six months from probate of the will provided in subsection (b) of this section).

"(e) By renouncing all claim to any and all devices and bequests made to her or him by the will of her husband or his wife pursuant to the provisions of subsection (a) of this section, or in the event that a renunciation shall be deemed to be effected pursuant to the provisions of subsection (d) of this section, the surviving spouse shall be entitled to such share or interest in the real and personal estate of the deceased spouse (including dower if elected in lieu of the legal share in the real estate) which she or he would have taken had the deceased spouse died intestate, except that in neither event shall the surviving spouse be entitled to more than one-half of the net estate bequeathed and devised by said will, or, if dower be elected, one-half of the net personal estate bequeathed and dower in the real estate devised.

"(f) Notwithstanding any other provision of law now or heretofore in effect in the District of Columbia, any valid antenuptial or postnuptial agreement which shall have been entered into by the spouses shall govern and the provisions thereof shall determine the rights of the surviving spouse in the real and personal property of the deceased spouse, and the administration thereof, but nothing contained in this subsection shall prohibit any spouse from accepting the benefits of any devise or bequest made to him or her by the deceased spouse."

"SEC. 1165. ABSENT OR INCOMPETENT "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (D.C. Code, sec. 18–204), is amended to read as follows:

"SEC. 1165. ABSENT OR INCOMPETENT SPOUSE.—Where any married person is a lunatic or insane, and has been so adjudicated by a court of competent jurisdiction and such adjudication remains in force, or where any married person has been absent or unheard of for seven years, the husband or wife, as the case may be, of such lunatic or insane or absent person may grant and convey by his or her separate deed, whether the same be absolute or by way of lease or mortgage, as fully as if he or she were unmarried, any real estate which he or she may have acquired since such adjudication or since the beginning of such absence."

SEC. 6. Section 1154 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, sec. 30–201, is amended by striking out "of subsection (b)".

SEC. 7. Any provision of law inconsistent with the provisions and amendments of this Act is hereby repealed.

SEC. 8. The foregoing provisions of this Act shall be come effective on the sixtieth day after the date of enactment of this Act.

With the following committee amendments:

On page 2, line 12, strike the word "Such" and insert in lieu thereof "Subject to the right of dower, such".

On page 3, line 17, following the word "as" insert "such subsection was".

On page 8, line 21, strike the words "on the sixtieth day" and insert in lieu thereof "six months".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, the purpose of the bill is to clarify some ambiguities and correct certain inequities in existing District of Columbia law relating to the succession of real and personal property.

Prior to 1957, upon the death of a spouse without a will there was provided by statute one means for the distribution of surplus personal property and another for the succession of realty. The common law rights of dower and curtesy were also recognized by statute. In the case of a will, the surviving spouse might elect to renounce his rights under it and take the distributive share of personality and dower of curtesy, as provided by statute.

The 1957 amendments to the statutes of succession and distribution provided that realty would thereafter be distributed upon intestacy in the same manner as personalty. Also, dower and curtesy were abolished, but a proviso was added to the effect that an inchoate intestate share attached to all real property owned by either spouse during marriage, which could not be defeated by conveyance, transfer or encumbrance. This provision caused much ambiguity as to the extent of this inchoate intestate share.

Under the 1957 amendments, if there was a will, the surviving spouse could elect to take the statutory share in realty as well as personalty. This would mean that in cases where there were only collateral heirs the will could be defeated completely and the surviving spouse would get all of the surplus personalty and realty.

The bill amend this provision of the 1957 amendments to provide that a surviving spouse could not receive more than half of the estate in personalty and realty electing to take against the will.

The bill also reestablishes the dower provided by common law and makes it applicable to either the surviving wife or husband. This provision would be in lieu of the inchoate intestate share set out in the 1957 amendments.

The bill also sets out the forms to be used by a surviving spouse to renounce under a will or to seek dower rather than the statutory intestate share of an estate, with the time prescribed within which to make the election or renunciation. A guardian or other fiduciary appointed by a court to act for the surviving spouse is given authority to exercise the right of election.

In case a surviving spouse receives nothing under a will the bill provides that he is presumed to have renounced the will subject to his right to further elect to take dower rather than his statutory share in real estate.

Valid antenuptial and postnuptial agreements are recognized but the surviving spouse is not prohibited from accepting anything under his spouse's will.

The bill also provides that the spouse of a lunatic or person absent for over 7 years may convey property acquired since adjudication or absence as fully as if unmarried.

A public hearing was held by a subcommittee of the House District Committee on this legislation on June 26, 1961. At this hearing members of the Bar Association of the District of Columbia appeared to testify and also inform the subcommittee the bill had the endorsement of the District of Columbia Bankers' Association and the Women's Bar Association of the District of Columbia. The Board of Commissioners of the District of Columbia also approved the legislation through a representation from the office of the Corporation Counsel. The Commissioners of the District of Columbia have also submitted a report to the chairman of the House District Committee recommending passage of this legislation.

ESTABLISHING A CODE OF LAW FOR THE DISTRICT OF COLUMBIA

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 5143) to amend section 801 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 801 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189, 1321), is amended to read as follows:

"SEC. 801. PUNISHMENT.—The punishment of murder in the first degree shall be death by electrocution unless the jury by unanimous vote recommends life imprisonment; or if the jury, having determined by unanimous vote the guilt of the defendant as charged, is unable to agree as to punishment it shall inform the court and the court shall thereupon have jurisdiction to impose and shall impose either a sentence of death by electrocution or life imprisonment.

"Notwithstanding any other provision of law, a person convicted of first degree murder and upon whom a sentence of life imprisonment is imposed shall be eligible for parole only after the expiration of twenty years from the date he commences to serve his sentence.

"Whoever is guilty of murder in the second degree shall be imprisoned for life or not less than twenty years.

"The provisions of this legislation shall be applicable to all defendants sentenced following the effective date hereof. Cases tried prior to the effective date of this Act and which are before the court for the purpose of resentence shall be governed by the provisions of law in effect prior to the effective date of this Act: *Provided,* That the judge may, in his sole discretion, consider circumstances in mitigation and in aggravation and make a determination as to whether the case in his opinion justifies a sentence of life imprisonment, in which event he shall sentence the defendant to life imprisonment. Such a sentence of life imprisonment shall be in accordance with the provisions of this Act.

"In any case tried under this Act as amended where the penalty prescribed by law upon conviction of the defendant is death except in cases otherwise provided, the jury returning a verdict of guilty may fix the punishment at life imprisonment; and thereupon the court shall sentence him accordingly; but if the jury shall not thus prescribe the punishment the court shall sentence the defendant to suffer death by electrocution unless the jury by its verdict indicates that it is unable to agree upon the punishment, in which case the court shall sentence the defendant to death or life imprisonment."

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from California.

Mr. COHELAN. Mr. Speaker, will the gentleman explain the bill that is now before the House?

Mr. ABERNETHY. I will be happy to.

The purpose of the legislation in question is to abolish mandatory capital punishment for first degree murder in the District of Columbia. The District is the only jurisdiction, State or Federal, which retains the mandatory death penalty for first degree murder. In most State jurisdictions as well as in the Federal criminal law (18 U.S.C. 1111) applicable outside the District of Columbia, capital punishment is permissive. In most States as well as in Federal law, generally, the penalty for first degree murder is death unless the jury recommends life imprisonment. That is what this legislation would accomplish.

This legislation in conformity with the practice in some of the States would authorize and empower the trial judge, in the event of a disagreement among the jurors as to punishment only, to impose sentence which could be either death or life imprisonment. The committee has examined the opinion of the Supreme Court in the *Andres* case (330 U.S. 740), a first degree murder conviction from the territory of Hawaii under the provisions of section 1111 of title 18. The committee feels that this legislation has been drawn in such a way that the difficulties mentioned by the Supreme Court in that case will as far as possible be obviated. The penalty for first degree murder shall be death by electrocution unless the jury by unanimous vote recommends life imprisonment. The possibility of disagreement as to punishment has been considered and, the committee feels, resolved with clarity.

This legislation requires that when one is convicted of first degree murder and sentenced to life imprisonment, he shall not be eligible for parole unless he has served 20 years. The purpose of this provision is to distinguish between the penalty for first degree and the penalty for second degree murder. Under existing law in the District of Columbia, the penalty for second degree murder is life imprisonment or not less than 20 years. This provision of existing law is not changed by this legislation.

When this second degree penalty provision of existing law is read in connection with the Indeterminate Sentence Act (title 24, sec. 203, D.C. Code, 1951 edition as amended), it will be seen that when a judge imposes sentence for second degree murder, the limits of the sentence are as follows: A sentence of life imprisonment under the terms of the Indeterminate Sentence Act means that the individual so sentenced is eligible for consideration of parole after having served 15 years. In practical effect one given a sentence for second degree murder of life imprisonment is eligible for consideration of release on parole after having served 15 years. If the judge is impressed by the mitigating circumstances surrounding the second degree murder conviction, he is authorized to impose a minimum sentence, the maximum limit of which would be 20 years in accordance with the terms of the Indeterminate Sentence Act. Such defendant would be eligible for consideration of parole after having served 6⅔ years. In practical effect, a sentence of 6⅔ years to 20 years is a legal sentence, minimum in character, for second degree murder.

It is noted that the language of this legislation would distinguish the parole eligibility of one sentenced to life imprisonment as the result of a first degree murder conviction. Such an individual must serve at least 20 years before being eligible for the consideration of parole, notwithstanding any other provision of law.

Question has arisen as to the disposition of the small number of first degree murder cases which have been tried prior to the effective date of this act, and which have resulted in the imposition of the death penalty. In such of those cases as may come before the court for resentencing following the affirmation of an appeal or for any other reason, a procedure is established whereby discretion is vested in the resentencing judge to consider the circumstances in mitigation and in aggravation to the end he is empowered to impose either the death penalty or life imprisonment. Accordingly the trial judge shall have sole jurisdiction and discretion to make the following determination in such cases. If the factors in aggravation outweigh those in mitigation, he shall impose a sentence of death by electrocution. If, in his judgment, the factors in mitigation outweigh those in aggravation, he shall impose a sentence of life imprisonment.

The attention of the committee has been drawn to certain decisions in one of the States wherein efforts of the prosecution to argue for the death penalty under a permissive death penalty statute have resulted in reversals of convictions on the theory that such argument invades the discretionary functions of the jury. Whatever may have been considered the intention of the legislature in that instance it is deemed desirable to state clearly that nothing contained in this legislation is intended to preclude the Government from arguing to the jury from the evidence adduced in a particular case that the jury should return the death penalty. Likewise the defense is entitled to argue that the jury if it finds the defendant guilty of murder in the first degree should specify the penalty of life imprisonment.

Mr. COHELAN. This, in effect, is a modification of the existing law here in the District of Columbia?

Mr. ABERNETHY. It is a modification.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from North Carolina.

Mr. WHITENER. I appreciate the gentleman yielding to me. I asked him to do so in order that I may emphasize, and I believe the gentleman from Mississippi will agree, that under this bill it was not intended by the committee in any way that the bill shall prohibit or interfere with the right of the prosecuting attorney to contend and argue for the death penalty in the presentation of a first degree murder case to a jury, nor is it intended in any way to impinge upon the right of defense counsel to argue that the death penalty should not be imposed by the jury in a particular case.

Mr. ABERNETHY. I will say to the gentleman from North Carolina that he is absolutely correct.

This question was raised in the committee. It was subsequently submitted to members of the Bar Association of the District of Columbia. We included in the report the language which specifically sets forth the points which the gentleman from North Carolina has raised.

Mr. WHITENER. Mr. Speaker, if the gentleman will yield further. We were faced with the decisions in the courts of my State which gave rise to this question. As was pointed out to the Committee on the District of Columbia, the General Assembly of North Carolina has, within the past few weeks, passed a clarifying statute which took care of that. Our reason for mentioning it in the committee and here on the floor is to make it abundantly clear that we are not expecting the courts to take the course which was taken in the Supreme Court of North Carolina.

Mr. ABERNETHY. I thank the gentleman.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 2, lines 12 and 13, strike the following:

"The provisions of this legislation shall be applicable to all defendants sentenced following the effective date hereof."

On page 2, line 14, insert a quotation mark before the word "Cases."

On page 2, line 15, following the word "of" and before the word "resentence" insert "sentence or".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BROYHILL. Mr. Speaker, the purpose of this bill is to abolish the present mandatory death sentence upon conviction for first degree murder in the District of Columbia, and to make such sentence optional with the jury or the court.

Under the terms of this bill, if a jury by unanimous verdict finds a defendant guilty of murder in the first degree, then it must follow one of three courses in regard to sentence. If the jury agrees unanimously upon either the death sentence or a sentence of life imprisonment, then that sentence shall be imposed. Should the jury be unable to agree as to sentence, however, it shall so inform the court, and the court shall then have jurisdiction to impose a sentence either of death by electrocution or of life imprisonment.

It is further provided that a person sentenced to life imprisonment for first degree murder shall not be eligible for parole until he has served at least 20 years of his sentence.

Under the provisions of this bill, a judge in his sole discretion may consider circumstances in mitigation or in aggravation and impose a sentence either of death or of life imprisonment in cases which were tried prior to the effective date of this act and which are subsequently before his court for sentencing or resentencing.

In the past 20 years, four States—North Carolina, Connecticut, Massachusetts, and Vermont—have adopted legislation abolishing the mandatory death sentence for first degree murder in favor of a permissive system, leaving the District of Columbia the only jurisdiction in the United States in which the death sentence is still mandatory.

The case against the mandatory death sentence has been clearly delineated. The principal argument is the reluctance of juries to find a defendant guilty of first degree murder in many cases when they have no option for imposing a lesser sentence than capital punishment regardless of mitigating circumstances. Also, the value of capital punishment as a deterrent to crime has been seriously questioned in many quarters. The general acceptance of this doubt is reflected in statistics which reveal a marked decline in the number of executions in this country in recent years. In 1930, there were 155 executions in the entire United States. This figure dropped to 134 in 1940, to 82 in 1950, and to 57 in 1960. This trend is definitely associated with the increasingly adopted practice of giving the jury or the court, or both, the power of deciding whether a convicted person must be executed or may be given a lesser sentence than death. By 1918, the death penalty was mandatory upon conviction of capital crime in 12 States. By 1930, there remained only five States with a mandatory death law. In 1951, Vermont was the only State with such a law, Massachusetts having passed its alternative bill in that year.

It may be observed that the complete abolition of capital punishment, as opposed to making it permissive with the jury or the court, has not found general favor. On April 2, 1950, Delaware became the seventh State to abolish the death sentence completely. However, nine other States which had once abolished capital punishment have subsequently reinstated it on a permissive basis.

In support of H.R. 5143, I submit the following facts:

First. The fact that the District of Columbia stands alone today as the only jurisdiction, State or Federal, which retains the mandatory death sentence is sufficient evidence that its present position in this respect is obsolete and untenable.

Second. The present laws of 43 States, as well as Federal criminal law (18 U.S.C. 1111), make capital punishment permissive. Thus, this preponderance indicates the correctness of the permissive feature of this bill.

Third. Strong belief has been expressed by authoritative sources that this bill will serve to increase the percentage of conviction for first degree murder in the District of Columbia. On the other hand, it can hardly decrease the number of executions in the District, since the last such execution was carried out in 1957, and only four have been performed in the past 10 years.

AMENDING THE ACT INCORPORATING THE WASHINGTON HOME FOR FOUNDLINGS

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 6798) to amend the act incorporating the Washington Home for Foundlings and to define the powers of said corporation.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act for incorporating a hospital (or home) for foundlings in the city of Washington, approved April 22, 1870, and amended March 3, 1909, January 28, 1925, and February 20, 1934, be and the same is hereby amended by adding thereto the following:

"SEC. 6A. In carrying out its objects under sections 5 and 6 of this Act, this association shall have power to provide for the support and operation of a licensed child-placing agency under the laws in effect in the District of Columbia in lieu of maintaining a hospital, home, or building for the reception and support of destitute and friendless children or for the care and treatment of foundlings, and to provide for the erection and maintenance of a separate building for the care and treatment of men, women, and children afflicted with cancer."

With the following committee amendments:

On page 1, line 7, strike the word "thereto" and insert in lieu thereof the following "at the end of section 6".

On page 1, line 11, strike the words "under the laws in effect in" and insert in lieu thereof "under and subject to applicable laws and regulations of".

Mr. ABERNETHY. Mr. Speaker, the Washington Home for Foundlings was incorporated by act of Congress as the "Washington Hospital for Foundlings" on April 22, 1870 (16 Stat. 92). As stated in section 5 of the act, "the object of this association is to found in the city of Washington a hospital for the reception and support of destitute and friendless children."

By the amendatory act of March 3, 1909 (35 Stat. 838) the name of the association was changed to "Washington Home for Foundlings" and the president and directors were thereafter required to report to the Commissioners of the District of Columbia each year on the condition of the institution, in lieu of reporting to the Secretary of the Interior, as provided by the incorporating act.

The amendatory act of January 28, 1925 (43 Stat. 794) enlarged the powers of the association to permit it to accept funds to be used for the care and treatment of women afflicted with cancer while the act of February 20, 1934 (48 Stat. 353) authorized an increase in the number of directors.

Shortly after the association was authorized to accept funds to be used for the care and treatment of women afflicted with cancer the association determined that the most effective way to

combat cancer was through the setting up of an institution for the treatment of men, women, and children afflicted with cancer. This has been done.

Also, in recent years it has become obvious to the association that the most effective way of caring for foundlings is through placement in foster homes and so the association has closed its institution and now operates as a licensed child-placing agency.

The purpose of H.R. 6798 is to amend the charter of the Washington Home for Foundlings to specifically authorize the association to engage in these activities which have become necessary in order to carry out its purposes.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Iowa.

Mr. GROSS. I would like to ask the gentleman to what extent will this home involve the Federal Government? Will the charter for this involve the Federal Government in spending in the future?

Mr. ABERNETHY. None whatever. This is a foundling home. It is a private institution; not for profit. This simply extends the charitable work which they may perform under their charter.

Mr. GROSS. I thank the gentleman.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

AMEND SUBVERSIVE CONTROL ACT OF 1950

The Clerk called the bill (H.R. 5751) to amend the Subversive Activities Control Act of 1950 so as to require the registration of certain additional persons disseminating political propaganda within the United States as agents of a foreign principal, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KOWALSKI, Mr. COHELAN, and Mr. RYAN objected; and, under the rule, the bill was stricken from the Consent Calendar.

THREATS AGAINST PRESIDENT AND SUCCESSORS TO THE PRESIDENCY

The Clerk called the bill (H.R. 6691) to amend title 18, United State Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ADDITIONAL ASSISTANT, SECRETARY OF LABOR

The Clerk called the bill (H.R. 6882) to provide for one additional Assistant Secretary of Labor in the Department of Labor.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS, Mr. WEAVER, and Mr. FORD objected; and, under the rule, the bill was stricken from the Consent Calendar.

RELIEF OF PERSONS HARMED AS THE RESULT OF THE NEGOTIATION OF FORGED OR FRAUDULENT GOVERNMENT CHECKS ISSUED AT PARKS AIR FORCE BASE, CALIF.

The Clerk called the bill (H.R. 4528) for the relief of certain persons involved in the negotiation of forged or fraudulent Government checks issued at Parks Air Force Base, Calif.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who is determined by the Secretary of the Treasury—

(1) to be liable to the United States by reason of the negotiation, or presentment for payment, of any forged or fraudulent check which, during the period beginning July 1, 1955, and ending March 31, 1958, both dates inclusive, was drawn on the Treasury of the United States and issued or procured as a result of fraud at Parks Air Force Base, California; and

(2) to have negotiated such check or presented it for payment, without actual knowledge of any fact which would constitute notice of an infirmity in such check or defect in the title of the person negotiating it;

is hereby relieved of liability to the United States arising out of his negotiation of such check, or his presentment of such check for payment.

SEC. 2. (a) In the case of any person who has paid to the United States, on account of any check referred to in the first section of this Act, any amount for which the liability of such person would have been relieved by such first section if this Act had been in effect when such amount was paid to the United States, the Secretary of the Treasury is authorized and directed to pay to such person, out of any money in the Treasury not otherwise appropriated, an amount equal to all such amounts so paid to the United States by such person, reduced by any amounts recovered by such person from any prior endorser of such check.

(b) In the case of any person who has paid to a subsequent endorser of a check referred to in the first section of this Act any amount for which the liability of such person to the United States would have been relieved by such first section if such liability had required payment to the United States and this Act had been in effect when such amount was paid, the Secretary of the Treasury is authorized and directed to pay to such person, out of any money in the Treasury not otherwise appropriated, an amount equal to all such amounts so paid to any subsequent endorser, reduced by any amounts recovered by such person from any prior endorser of such check.

SEC. 3. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for all amounts for which liability is relieved by the first section of this Act, but nothing in this section shall preclude the recovery from any such certifying or disbursing officer of the amount of any loss incurred by the United States because of fraud or criminality on the part of such officer.

SEC. 4. Nothing in this Act shall be construed to relieve any person of liability to refund to the United States any amount received by him by reason of fraud or bad faith on the part of such person in connection with the negotiation of the checks referred to in paragraph (1) of the first section of this Act.

SEC. 5. No part of the amount appropriated in this Act for the payment of any one claim in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF SECTION 1732(b) OF TITLE 28, UNITED STATES CODE

The Clerk called the bill (H.R. 3227) to amend section 1732(b) of title 28, United States Code, to permit the photographic reproduction of business records held in a custodial or fiduciary capacity and the introduction of the same in evidence.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 1732, title 28, United States Code, as amended, is further amended by striking out the words "unless held in a custodial or fiduciary capacity or" in the first sentence of such subsection.

With the following committee amendment:

Page 1, line 4, strike "as amended, is further" and insert "is".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE CENTENNIAL OBSERVANCE

The Clerk called the resolution (H.J. Res. 435) to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CENTENNIAL OF LAND-GRANT UNIVERSITIES AND COLLEGES

The Clerk called the resolution (H.J. Res. 436) to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

COMPENSATE PRISON INMATES FOR INJURIES INCURRED

The Clerk called the bill (H.R. 7358) to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the third paragraph of section 4126 of title 18, United States Code, is amended by adding at the end thereof the words "or in any work activity in connection with the maintenance or operation of the institution where confined."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JURISDICTION AND VENUE OF U.S. DISTRICT COURTS

The Clerk called the bill (H.R. 1960) to amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 85 of title 28 of the United States Code is amended—

(a) By adding at the end thereof the following new section:

"§ 1361. Action to compel an officer of the United States to perform his duty

"The district courts shall have original jurisdiction of any action to compel an officer or employee of the United States or any agency thereof to perform his duty."

(b) By adding at the end of the table of sections for chapter 85 of title 28 of the United States Code the following:

"1361. Action to compel an officer of the United States to perform his duty."

SEC. 2. Section 1391 of title 28 of the United States Code is amended by adding at the end thereof the following new subsection:

"(e) A civil action in which each defendant is an officer or employee of the United States or any agency thereof acting in his official capacity or under color of legal authority, or an agency of the United States, may be brought in any judicial district where a plaintiff in the action resides, or in which the cause of the action arose, or in which any property involved in the action is situated.

"The summons and complaint in such an action shall be served as provided by the Federal Rules of Civil Procedure except that the delivery of the summons and complaint to the officer or agency as required by the rules may be made by certified mail beyond the territorial limits of the district in which the action is brought."

Mr. POFF. Mr. Speaker, I as unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, the recent growth in the size and power of the executive branch of the Government has precipitated an alarming increase in court litigation growing out of controversies between the Federal Government and private citizens. Frequently, private citizens are compelled to bring a suit against a Government official to compel him to perform his duty under the law. Moreover, private citizens are often victims of adverse decisions by administrative agencies of the Federal Government and, in order to protect their rights, are compelled to take an appeal to a Federal court.

Under the law as it now exists, a private citizen in such cases is not privileged to bring his suit in the local Federal court. Rather, he is required to institute the suit in the Federal district court in Washington, D.C. This is true primarily for two reasons. First, local district courts historically have disclaimed jurisdiction over mandamus proceedings. A mandamus proceeding is a law suit to compel a Government official to perform his duty. Second, under the venue provisions of the present law, the suit must be brought in the judicial district where the principal defendant makes his residence. Under the doctrine of indispensable parties, the head of the Government agency must be joined as a party defendant in the appeal from an adverse decision of the agency. The official residence of the head of the agency almost always is the District of Columbia. This means that the aggrieved citizen must bring his suit in the Federal district court in Washington, D.C.

H.R. 1960 contains two sections. The first section grants jurisdiction to local district courts to entertain mandamus proceedings to compel a Government official to perform his duty. The second section provides that, at the option of the private citizen, the suit may be brought in the district court located in any one of three places, viz, first, the judicial district where the citizen resides; second, the judicial district where the cause of action arose; or third, the judicial district where the property involved in the controversy is located.

There is absolutely no reason why the Federal Government should require private citizens living at remote distances from Washington to assume the physical and financial burden of prosecuting their legal rights against their Government in a strange forum. Often litigants are required to travel thousands of miles, lose time from their employment and suffer interminable delay awaiting their turn on a congested court docket. Justice delayed is justice denied. On the other hand, the Federal Government suffers no inconvenience in conducting the litigation in the locality where the controversy arose. There are Federal courts, Federal attorneys, Federal marshals and officers of Federal agencies in every quarter of the Nation. In fact, the convenience of the Government would be promoted by trying the case in the local district court where the papers are available, the property is accessible, and the witnesses are within easy reach.

Our Nation was founded upon a profound respect for the rights of the individual citizen. The Government should be willing always to accommodate itself to the preservation of those rights, more particularly when the Government is the party in controversy with the private citizen.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIMITING PRIORITY AND NONDISCHARGEABILITY OF TAXES

The Clerk called the bill (H.R. 4473) to amend the Bankruptcy Act with respect to limiting the priority and nondischargeability of taxes in bankruptcy.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MODIFICATION OF THE PROJECT MISSISSIPPI RIVER

The Clerk called the bill (H.R. 4660) to authorize modification of the project Mississippi River between Missouri River and Minneapolis, Minn., damage to levee and drainage districts, with particular reference to the Kings Lake Drainage District, Missouri.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the project for the Mississippi River between Missouri River and Minneapolis, Minnesota, "Damage to Levee and Drainage Districts," House Document Numbered 135, Eighty-fourth Congress, authorized by the Rivers and Harbors Act of July 3, 1958, Public Law 500, Eighty-fifth Congress, is hereby modified to provide for a lump-sum payment to the Kings Lake Drainage District, Missouri, in lieu of payments to individual landowners for flowage easements.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FACULTY AT U.S. MERCHANT MARINE ACADEMY

The Clerk called the bill (S. 576) to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEROUNIAN. Mr. Speaker, I object.

WYANDOTTE NATIONAL WILDLIFE REFUGE

The Clerk called the bill (H.R. 1182) to create the Wyandotte National Wildlife Refuge.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the islands more specifically referred to in section 2 of this Act in the Detroit River are hereby established and designated as the Wyandotte National Wildlife Refuge. The Wyandotte National Wildlife Refuge shall be administered by the Secretary of the Interior in accordance with the laws and regulations relating to national wildlife refuges, and shall be maintained as a refuge and breeding place for migratory birds and other wildlife in connection therewith.

SEC. 2. The lands referred to in the first section of this Act are more specifically described as follows:

In township 3 south, range 11 east, Michigan meridian, those federally owned islands in the Detroit River known as Grassy and Mammy Juda (or Mammajuda) Islands, together with all accretion and reliction and all soil of the bed of the Detroit River bordering on the meander lines of said islands and appurtenant thereto by reason of riparian ownership.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF LIGHT STATION PROPERTY IN SCITUATE, MASS.

The Clerk called the bill (H.R. 1452) to authorize the sale of a portion of the former light station property in Scituate, Mass.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I should like to inquire of the author of the bill if he has any objection to the inclusion of a provision which would require that the persons buying the property pay the fair market value of the reversionary interest.

Mr. MICHEL. Mr. Speaker, reserving the right to object, I would have no objection to that. This is only a small parcel of land that we are talking about, perhaps 7 by 15 feet. It is so small it would be practically impossible to determine what the value would be. As I understand it, the entire area of the lighthouse site is 5 acres and that it was purchased at one time for only $1,000. My mathematics is not good enough to figure precisely what the value of this parcel would be, but it would be a very small amount. We are talking about 50 to 55 square feet of land. By way of comparison there are 217,800 square feet in a 5-acre plot and this entire area was deeded to the town of Scituate originally for $1,000, with a reversionary interest.

Mr. FORD. Mr. Speaker, the only problem is that the objectors have consistently required that anybody buying property from the Federal Government pay fair market value for it, and in order to be consistent we ought to require the same here as we have with others.

Mr. MICHEL. My constituent, who simply wants to rebuild the corner of his front porch which now protrudes over this parcel of land, is perfectly willing to pay whatever amount is reasonable and appropriate. These folks do not want to profit at the expense of the Government. I certainly have no objection to amending the bill to provide for this payment and ask unanimous consent that the bill be passed over without prejudice in order that I might work out the appropriate language.

Mr. Speaker, in view of the statement of the gentleman from Michigan [Mr. FORD], I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CONSERVATION OF MIGRATORY WATERFOWL

The Clerk called the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes.

Mr. ASPINALL. Mr. Speaker, this bill is listed to be brought up under suspension; therefore, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ALVIN R. BUSH DAM, PA.

The Clerk called the bill (H.R. 6676) to designate the Kettle Creek Dam on Kettle Creek, Pa., as the Alvin R. Bush Dam.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the dam known as the Kettle Creek Dam authorized to be constructed on Kettle Creek in the Susquehanna River Basin in the State of Pennsylvania by the Flood Control Act of 1954 shall be known and designated hereafter as the "Alvin R. Bush Dam". Any law, regulation, map, document, record, or other paper of the United States in which such dam is referred to shall be held to refer to such dam as the "Alvin R. Bush Dam".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCIS E. WALTER DAM, PA.

The Clerk called the bill (H.R. 4300) to designate the Bear Creek Dam on the Lehigh River, Pa., as the Francis E. Walter Dam.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the dam known as the Bear Creek Dam authorized to be constructed on the Lehigh River in the Delaware River Basin in the State of Pennsylvania by the Flood Control Act of 1946 (60 Stat. 644) shall be known and designed hereafter as the "Francis E. Walter Dam". Any law, regulation, map, document, record, or other paper of the United States in which such dam is referred to shall be held to refer to such dam as the "Francis E. Walter Dam".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAR RISK INSURANCE

The Clerk called the bill (S. 1931) to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1312 of title XIII of the Federal Aviation Act of 1958 (49 U.S.C. 1542), is hereby amended by striking out "June 13, 1961" and inserting "June 13, 1966" in lieu thereof.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALARY PROTECTION FOR CERTAIN EMPLOYEES

The Clerk called the bill (H.R. 7043) to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

POSITIONS IN THE GENERAL ACCOUNTING OFFICE

The Clerk called the bill (H.R. 6007) to amend section 505(d) of the Classification Act of 1949, as amended, with respect to certain positions in the General Accounting Office.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SURPLUS AGRICULTURAL COMMODITIES TO ASSIST NEEDY

The Clerk called the bill (S. 1720) to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, reserving the right to object, I notice there is no indication as to the cost of this legislation. Could the author of the bill or a member of the committee tell us about that?

Mr. HAYS. I cannot tell the cost of it, but this authority was granted to use surplus agricultural products to pay people on certain projects in which they were engaged in certain countries. If this legislation does not pass we will have to lay off, for instance, in Tunisia, several thousand people working on projects and receiving only surplus agricultural products in payment. It has been going on for several years. The bill passed the Senate unanimously. I understand there is no objection in the Committee on Agriculture to this authority's being extended, and the Committee on Foreign Affairs reported it unanimously.

Mr. PELLY. Further reserving the right to object, Mr. Speaker, can the gentleman indicate why the State Department is suggesting deferring consideration of this bill?

Mr. HAYS. The State Department is doing that?

Mr. PELLY. According to the information I have, they suggest deferring action until action has been taken on the bill S. 1643.

Mr. HAYS. They have not indicated that to us. I have a letter from Mr. McGovern saying the executive branch considers it urgent, and I understand there is no objection.

Mr. PELLY. Is any of this material going behind the Iron Curtain?

Mr. HAYS. It is my understanding none of it is going behind the Iron Curtain.

Mr. PELLY. I withdraw my reservation of objection, Mr. Speaker.

Mr. GROSS. Reserving the right to object, Mr. Speaker, how are these people presently being paid?

Mr. HAYS. Since the 30th of June they have not been paid. They have been paid with surplus agricultural products, flour, wheat, or what-have-you.

Mr. GROSS. How many do you say we employ over there?

Mr. HAYS. In Tunisia several thousand. I do not know exactly, but I understand in the neighborhood of ten thousand people were receiving the surplus agricultural products as pay for the work they are doing.

Mr. GROSS. What are they doing?

Mr. HAYS. Building highway projects, and so forth.

Mr. GROSS. In Tunisia? I thought we had been ordered to get out of Tunisia.

Mr. HAYS. Not to my knowledge, not in the immediate future. We have 2 more years to go.

Mr. GROSS. Therefore, we are just building something we are going to leave in 2 years?

Mr. HAYS. This is part of the whole mutual security program. We have built projects all over the world. I think the one in Tunisia is most important. That nation seems to give every indication of being a good ally.

Mr. GROSS. There is a good deal of friction about giving these products to allies abroad.

Mr. HAYS. No. We are using them for these projects. The gentleman knows all about this program of food for peace.

Mr. GROSS. How long will this extend, forever?

Mr. HAYS. The Committee on Agriculture is working on the necessary legislation, and this is only an extension until that legislation is passed.

Mr. GROSS. Would that be the omnibus farm bill?

Mr. HAYS. It is an extension of Public Law 480. It is not the omnibus foreign-aid bill.

Mr. GROSS. I withdraw my objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 601(a)(2) of the Mutual Security Act of 1960 is hereby repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SURPLUS PROPERTY ACT OF 1944—SURPLUS LAND FOR HISTORIC MONUMENTS

The Clerk called the bill (S. 537) to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan.

There was no objection.

MAKING NATIONALS, AMERICAN AND FOREIGN, ELIGIBLE FOR CERTAIN SCHOLARSHIPS UNDER SURPLUS PROPERTY ACT OF 1944

The Clerk called the bill (S. 539) to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is this all about?

Mr. BROOKS of Texas. Mr. Speaker, this bill would remove certain restrictions under the Fulbright Act which prevent American nationals from receiving aid. At this time the act is limited only to those American students who are citizens of the United States. There are a few categories of Americans who technically are not citizens, in Samoa, for example, where there are people who are nationals but are not technically full citizens. The gentleman will recall that in 1950 the people in Guam were taken out of that status. The people in the Virgin Islands and Puerto Rico are now citizens. But, only those Americans who live in Samoa, the natives of Samoa, are classified as nationals. This is a technicality and the purpose of the bill is to remove that technicality and allow Americans who are to all intents and purposes citizens of the United States to be eligible for aid with respect to these scholarships. This would allow them to participate on the same basis as other U.S. citizens in Puerto Rico and other areas.

Mr. GROSS. Is this confined to trust territories?

Mr. BROOKS of Texas. No, this is not applicable to trust territories. This bill is confined to American nationals and, as was brought out by the testimony before the subcommittee, there are only a few applicants now to be considered on the Island of Samoa, and it would appear that is the only area to be affected by this legislation.

Mr. GROSS. Can the gentleman from Colorado [Mr. ASPINALL], shed any further light on this matter?

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield. I wish to state that it is my understanding that the gentleman from Texas is correct. The only nationals we have under our flag are the Samoans who live on the Island of Samoa. They are not citizens. The people in the trust territories are not affected by this legislation, as I understand it, because they are neither nationals or citizens.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. The Island of Samoa became a possession of the United States at about the turn of the century, and actually we have owned the Island of Samoa since 1899, but we have never recognized the people in this area as citizens. We have recognized them as nationals and this bill would wipe out this legal technicality which treats the people of Samoa as nationals and not as citizens of the United States.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

Mr. FORD. Mr. Speaker, reserving the right to object, the State Department has repeatedly informed the Committee on Appropriations that there are

no or very few foreign currencies generated from any one of the many programs available to help pay for research, development, test and evaluation costs for the Army, Navy, and Air Force in the various foreign countries. The State Department always comes back with the threadbare and shopworn argument that such funds are not available. Now I find in this proposal, apparently, such funds are available or at least will be available. In other words, they can find the funds when they want them and they can hide them or pretend that the funds do not exist when they do not approve of the program. Will the gentleman tell me where the State Department now finds such funds available when they tell the Defense Department that money for these other purposes cannot be located?

Mr. BROOKS of Texas. As I understand, this originates under the Fulbright Act with funds already provided by law being expended now by American citizens and by some foreign students to study in American universities and for American students and American citizens to study abroad in foreign universities, of course, pursuant to agreement between the countries. The funds here are limited by law, as I recall the testimony, to $20 million and the money is generated by the sale of surplus commodities in those areas. That has been the law for some time. This would not encourage the generation of additional funds, but merely affects the use of existing funds as provided by law.

Mr. FORD. Mr. Speaker, until I get a more satisfactory answer from the State Department, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PAY IN ADVANCE FOR REQUIRED PUBLICATIONS

The Clerk called the bill (S. 540) to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 12, 1930 (46 Stat. 580), is amended by (1) inserting after the word "subscription" the words "or other", and (2) deleting the words "and other periodicals" and inserting in lieu thereof the words "periodicals, and other publications".

SEC. 2. The following parts of Acts and all amendments thereto are repealed:

(1) The proviso to the paragraph headed "General Expenses, Library" under the caption "Library, Department of Agriculture" in the Act of March 4, 1909 (35 Stat. 1054);

(2) The first proviso to the paragraph headed "Regular Supplies, Quartermaster Corps" in the Act of April 27, 1914 (38 Stat. 362);

(3) The first parenthetical phrase under the caption "Pay, Miscellaneous" in the Act of March 3, 1915 (38 Stat. 929);

(4) Section 5 of the Act of March 4, 1915 (38 Stat. 1049);

(5) The tenth paragraph under the caption "United States Veterans' Bureau" in the Act of June 7, 1924 (43 Stat. 533).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF SURPLUS PERSONAL PROPERTY

The Clerk called the bill (S. 796) to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(n) of the Federal Property and Administrative Services Act of 1949, as amended, is hereby amended by adding at the end thereof the following: "In addition, under such cooperative agreements, and subject to such other conditions as may be imposed by the Secretary of Health, Education, and Welfare, or the Director, Office of Civil and Defense Mobilization surplus property which the Administrator may approve for donation for use in any State for purposes of education, public health, or civil defense, or for research for any such purposes, pursuant to subsection (j)(3) or (j)(4), may with the approval of the Administrator be made available to the State agency after a determination by the Secretary or the Director that such property is necessary to, or would facilitate, the effective operation of the State agency in performing its functions in connection with such program. Upon a determination by the Secretary or the Director that such action is necessary to, or would facilitate, the effective use of such surplus property made available under the terms of a cooperative agreement title thereto may with the approval of the Administrator be vested in the State agency."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, the purpose of this bill is to amend the Federal Property and Administrative Services Act of 1949 so as to authorize the use of surplus personal property by State distribution agencies.

Under the present law, there is an area of doubt which makes it questionable whether an agency of a State, set up for the purpose of distributing surplus property can, in fact, properly use that property.

Under the law, the Department of Health, Education, and Welfare can distribute surplus property only to certain specified agencies, and even though a State distributing agency might wish to use this property, there are serious legal questions as to whether this agency has the right to do so.

The examples which most readily come to mind are those of automobiles, trucks, and laborsaving equipment. Since this gap exists in the law, it is impossible at the present time to put the title to such equipment in the State distributing agency. The result is that an automobile, for example, cannot be registered, and as a result of the dubious title, there are serious questions in connection with the liability for injuries and the writing of liability insurance policies.

Because of the inability of these State agencies to use equipment, additional costs are incurred through the use of substitute equipment. Thus, the enactment of this bill would mean a substantial saving of expense in the administration of this vital program.

This bill was filed at the request of the Department of Health, Education, and Welfare. It is exactly the same as my bill, H.R. 5096, and H.R. 11499 which passed the House last year.

I believe that this is a necessary clarification of the law and that the passage of this bill will contribute to the efficiency of the administration of this important program which annually distributes between $300 and $400 million of surplus property to education, health and civil defense agencies throughout the country.

ENLISTMENT OF ALIENS IN THE REGULAR ARMY

The Clerk called the bill (H.R. 181) to amend sections 3253 and 8253 of title 10, United States Code.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10, United States Code, is amended as follows:

(1) Section 3253(c) is amended to read as follows:

"(c) In time of peace, no person may be accepted for original enlistment in the Army unless he is a citizen of the United States or has been lawfully admitted to the United States for permanent residence under the applicable provisions of chapter 12 of title 8."

(2) Section 8253(c) is amended to read as follows:

"(c) In time of peace, no person may be accepted for original enlistment in the Air Force unless he is a citizen of the United States or has been lawfully admitted to the United States for permanent residence under the applicable provisions of chapter 12 of title 8."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORITY FOR PROSECUTION OF BAD CHECK OFFENSES

The Clerk called the bill (H.R. 7657) to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sub-

chapter X of chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, is amended—

(1) by inserting the following new section after section 923:

"§ 923a. Art. 123a. Making, drawing, or uttering check, draft, or order without sufficient funds

"Any person subject to this chapter who—

"(1) for the procurement of any article or thing of value, with intent to defraud; or

"(2) for the payment of any past due obligation, or for any other purpose, with intent to deceive;

makes, draws, utters, or delivers any check, draft, or order for the payment of money upon any bank or other depository, knowing at the time that the maker or drawer has not or will not have sufficient funds in or credit with the bank or other depository for the payment of that check, draft, or order in full upon its presentment, shall be punished as a court-martial may direct. The making, drawing, uttering, or delivering by a maker or drawer of a check, draft, or order, payment of which is refused by the drawee because of insufficient funds of the maker or drawer in the drawee's possession or control, is prima facie evidence of his intent to defraud or deceive and of his knowledge of insufficient funds in, or credit with, that bank or other depository, unless the maker or drawer pays the holder the amount due within five days after receiving notice, orally or in writing, that the check, draft, or order was not paid on presentment. In this section, the word 'credit' means an arrangement or understanding, express or implied, with the bank or other depository for the payment of that check, draft, or order."; and

(2) by inserting the following new item in the analysis:

"923a. 123a. Making, drawing, or uttering check, draft, or order without sufficient funds."

SEC. 2. This Act becomes effective on the first day of the fifth month following the month in which it is enacted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALLOTMENT OF PAY IN EMERGENCY EVACUATIONS

The Clerk called the bill (H.R. 2555) to provide for allotment and advancement of pay with respect to civilian employees of the United States in cases of emergency evacuations in oversea areas, and for other purposes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PROMOTION OPPORTUNITY FOR AIR FORCE OFFICERS

The Clerk called the bill (H.R. 7809) to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of the Act of September 21, 1959, Public Law 86-335 (73 Stat. 600), as follows the enacting clause is amended to read as follows: "That during the period beginning on the date of enactment of this amended Act and ending at the close of June 30, 1962, any authorized strength prescribed for the grade of lieutenant colonel by or under section 8202 of title 10, United States Code, may be exceeded by not more than four thousand eight hundred."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT NECESSITY NATIONAL BATTLEFIELD SITE, PA.

The Clerk called the bill (H.R. 498) to provide additional lands at, and change the name of, the Fort Necessity National Battlefield Site, Pa., and for other purposes.

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand that this land in southern Pennsylvania is going to be purchased at the rate of $700 an acre?

Mr. MORGAN. The gentleman will notice that the bill authorizes the Secretary of Interior to acquire the land by purchase, exchange donation, or by such means to be in the public interest. I do not feel the amount authorized in the bill will be needed to purchase the 160 acres. The figure of $115,000 was inserted by the Committee on Interior and Insular Affairs.

I also inform the gentleman that the bill gives 340 acres of land to the Federal Government for $1, by the State of Pennsylvania.

Mr. GROSS. But is not $700 an acre for southern Pennsylvania land an excessive price for that kind of land?

Mr. MORGAN. I am sure the land can be purchased for a smaller amount.

Mr. GROSS. We will sell you the finest kind of farmland in the State of Iowa, and I mean grade A land for less than $700 an acre, I will say to the gentleman.

Mr. RUTHERFORD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RUTHERFORD. This land must still be appraised. The purpose of the limitation set by the subcommittee of $115,000 is just that, a limitation. It does not necessarily mean that we recommend that they pay $115,000 for land at $700 an acre.

Mr. GROSS. I understand all that, but we are here asked to authorize $115,000 to buy 160 acres of southern Pennsylvania land and I contend that is excessive.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ESTABLISHING A NATIONAL HISTORIC SITE AT OLD FORT DAVIS, JEFF DAVIS COUNTY, TEX.

The Clerk called the bill (H.R. 566) authorizing the establishment of a national historic site at Old Fort Davis, Jeff Davis County, Tex.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to know something about this national park bill. Will the gentleman tell us what is proposed to be done?

Mr. RUTHERFORD. Responding to the question of the gentleman from Iowa, may I say that this is one of three forts in the Southwest that properly projects and portrays the opening of the western portion of the United States. The National Advisory Committee on Historic Old Forts on Indian Reservations eliminated many of these sites. This particular one, it was pointed out, was one of the best preserved and most representative of the old Indian forts in the Southwest. This fort was the birthplace of the Signal Corps of the U.S. Army, among other historic aspects. This is not a fort to be restored. It is presently being maintained and preserved in a very high state.

Mr. GROSS. Where is this fort?

Mr. RUTHERFORD. It is in the State of Texas, in the southwestern portion of the United States.

Mr. GROSS. What is farmland worth in that area?

Mr. RUTHERFORD. The market value, as market values usually go—I would say the price put on this of $500 an acre would result in its being snapped up very readily.

Mr. GROSS. Is this irrigated land?

Mr. RUTHERFORD. No; this is pasture land.

Mr. GROSS. Where is it? Where in Texas is it—near El Paso?

Mr. RUTHERFORD. This is halfway between El Paso and San Antonio.

Mr. GROSS. Between El Paso and San Antonio?

Mr. RUTHERFORD. Yes. The location of this old fort was the outpost to protect those going west to California along the old trail.

Mr. GROSS. Does the gentleman say that land in that area is worth $500 an acre?

Mr. RUTHERFORD. For this particular purpose, yes.

Mr. GROSS. Then you do not have enough money in this bill because you want 480 acres and you have $115,000 to buy it with. You do not have enough money in this bill.

Mr. RUTHERFORD. Yes; we have sufficient money. We think we have more than sufficient money, because since approval of the subcommittee of this legislation we already have one donor of around $2,500, and we expect to receive more donations to reduce the outlay by the Federal Government.

Mr. GROSS. Then you do not need $115,000. If you are going to get all of these donations, you do not need the $115,000?

Mr. RUTHERFORD. That is correct. We hope this money will not be needed.

Mr. GROSS. Does not the gentleman think it would be a good idea to see how much more may be donated? Maybe all of this $115,000 will be donated.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore (Mr. IKARD of Texas). Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXCHANGE OF CERTAIN PROPERTY IN ROCKY MOUNTAIN NATIONAL PARK, COLO.

The Clerk called the bill (H.R. 2203) to authorize the Secretary of the Interior to exchange certain property in Rocky Mountain National Park, Colo., and for other purposes.

There being no objection, the Clerk read the bill as follows:

A bill to authorize the Secretary of the Interior to exchange certain property in Rocky Mountain National Park, Colorado, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to exchange in the manner and to the extent hereinafter provided land, interests in land, and improvements in Rocky Mountain National Park:

(1) The Secretary may convey to the Colorado Transportation Company the right, title, and interest which the United States has in the Fall River Pass Building, but not the land upon which the building is situated, adjacent to the Trail Ridge Road in section 36, township 6 north, range 75 west: *Provided,* the United States shall reserve for a period of two years the right to use without charge the alpine exhibit room; and he may also convey to said company all right, title, and interest of the United States in and to the property known as Grand Lake Lodge, described in section 3 hereof as parcel A, including the land and any improvements thereon owned by the United States;

(2) In exchange for the foregoing, the Secretary is authorized to accept from the Colorado Transportation Company the land and interests therein located in Rocky Mountain National Park, described in section 3 as parcels C and D, together with such other privately owned land and interests in land within the park as he may designate;

(3) In exchange for the Government property conveyed pursuant to this Act the United States shall receive other property of approximately equal value and such differences as there may be in values shall be equalized by a payment of funds.

SEC. 2. Upon consummation of the exchange the Secretary shall, by publishing notice in the Federal Register, revise the boundary of Rocky Mountain National Park so as to exclude from the park the land described in section 3 as combined parcels A and B.

SEC. 3. The aforesaid parcels, A, C, and D, and the combined parcels A and B are more particularly described as follows:

PARCEL A

Beginning at the southeast corner of section 31, township 4 noth, range 75 west of the sixth principal meridian; thence north along the east line of said section 31 800.0 feet; thence west 1,000.0 feet; thence south 134.06 feet; thence west 329.75 feet; thence south 166.94 feet; thence west 1,078.60 feet; thence south 497.82 feet, more or less, to the south line of said section 31; thence east along the south line of said section 31 to the point of beginning, containing 35 acres more or less.

PARCEL C

Beginning at a point on the west line of section 32, township 4 north, range 75 west of the sixth principal meridian, 800 feet north of the southwest corner of said section 32; thence east 660.0 feet; thence north 520.0 feet; thence east 660.0 feet; thence north 1,325.94 feet; thence west to the west line of said section 32; thence south along said west line of said section 32 to the point of beginning, containing 48 acres, more or less.

PARCEL D

Beginning at a point 800.0 feet north of the south line of section 32, township 4 north, range 75 west of the sixth principal meridian and 660.0 feet east of the west line of said section 32; thence east 1,962.18 feet; thence north 520.0 feet; thence west 1,962.18 feet; thence south 520.0 feet to the point of beginning, containing 23.5 acres, more or less.

COMBINED PARCELS A AND B

Beginning at the corner common to sections 31 and 32, township 4 north, range 75 west, and sections 5 and 6, township 3 north, range 75 west, sixth principal meridian; thence south 88 degrees 55 minutes east, 660.0 feet along the south section line of said section 32; thence north 800.0 feet; thence west 660.0 feet, more or less, to a point on the section line common to said sections 31 and 32; thence continuing west 1,000.0 feet; thence south 134.06 feet; thence west 329.75 feet; thence south 166.94 feet; thence west 1,078.6 feet; thence south 497.82 feet, more or less, to a point on the south section line of said section 31; thence south 89 degrees 24 minutes east, 2,389.47 feet along the south section of line said section 31 to the point of beginning; the tract as described containing approximately 47 acres.

With the following committee amendments:

Page 1, line 8, strike out the words "right, title, and" and insert in lieu thereof the word "possessory".

Page 2, line 19, strike out the word "funds." and insert in lieu thereof: "funds: *Provided,* That all procedures and rights authorized in this Act shall be in conformity with that agreement entered into under date of February 7, 1961, by and between the United States of America and the Colorado Transportation Company."

Page 3, line 1, after the word "are" insert ", subject to minor revisions or corrections of a technical nature,".

Page 3, line 6, strike out the entire line and insert in lieu thereof "thence north 800.0 feet along the east line of said section 31;".

Page 3, line 23, strike out all of the description through page 4, line 4, and insert in lieu thereof: "Beginning at a point 800.0 feet north and 660.0 feet east of the southwest corner of section 32, township 4 north, range 75 west of the sixth principal meridian; thence east 1962.18 feet; thence north 520.0 feet; thence west 1962.18 feet; thence south 520.0 feet to the point of beginning, containing 23.5 acres more or less."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOOD COUNTY, TEX.

The Clerk called the bill (H.R. 4360) for the relief of Hood County, Tex.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like an explanation of this bill, if I may have it, from some Member.

Mr. LANE. Mr. Speaker, in reply to the gentleman from Iowa, may I state that the bill for the relief of Hood County, Tex., is one which passed not only the Committee on the Judiciary last year but passed the House. However, it was not considered on the Senate side. It calls for an expenditure of $10,279 to reimburse that small county in Texas for the county's claim for damages under the original Disaster Act. Due to some confusion at the time application for payment was not properly filed on time. This amount of $10,279 is the amount established by the U.S. Government at the time it was settling those damage claims for that disaster in Texas back a few years ago and is the amount that has been arrived at by the United States. Because of some difficulty in the county government at the time, the claims and forms all were completed and executed but failed to be filed within the statutory period. For that reason this bill merely waives the statute of limitations and gives to that little county the sum of $10,279 to which they are rightfully and properly entitled because of the fact the disaster occurred there. All the other cities and counties were paid. This county is the only area left out of the disaster settlement at that time.

Mr. GROSS. Let me see if I get this picture correctly: The relief train went by Hood County, Tex., and somebody failed to flag it at the proper time; is that correct?

Mr. LANE. I would not say it that way. There was some little confusion, some little petty jealousy in the county government, and the person who was supposed to file the necessary papers overlooked filing them on time. This bill is the amount that the Government recommended be paid had forms been filed on time and for that reason your committee felt that this county should be given the relief they are entitled to.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

H.R. 4360

A bill for the relief of Hood County, Texas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Commissioners Court of Hood County, Texas, the sum of $10,279. The payment of such sum shall be in full settlement of all claims of the Commissioners Court resulting from flood damages during the period April 19, 1957, to April 27, 1957, for which application was not timely filed under administrative agreement between the State of Texas and the executive branch of the United States as a result of the President's declaration of this area as a disaster area under the provisions of Public Law 875, Eighty-first Congress, as amended: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be

deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FORT RALEIGH NATIONAL HISTORIC SITE, N.C.

The Clerk called the bill (H.R. 5518) to revise the boundaries of the Fort Raleigh National Historic Site in North Carolina.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, since the House is apparently going to establish national monuments and national parks all over the place—somebody has gotten this thing started all over again—I think we ought to have an explanation of every one of them. The taxpayers are going to get in real deep trouble providing the money to acquire the land and then the upkeep once they are established. So, I think from here on out we ought to have to have an explanation of every one of them, large and small.

Mr. RUTHERFORD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. RUTHERFORD. Fort Raleigh National Historic Site was established in 1941 with an area of 18½ acres. Since that time the number of visitors to the site has grown tremendously. In 1960, over 90,000 persons were attracted to it. In part this is attributable to the popularity of the annual summer productions of "The Lost Colony," a historical play dealing, on the very site of its occurrence, with the attempted first settlement. In part it is attributable to great improvements in the road system serving the area, to the opening up of this part of the country to countless numbers of tourists, and to the establishment of nearby public recreation areas under Federal and State auspices. But in large part it is also attributable to the intrinsic merits of the site and the desire of visitors to see the place which they have learned from their study of American history to respect as the site of the first English settlement.

The 18½ acres which are within the present historic site are insufficient either to accommodate the influx of visitors or to preserve the whole area which Sir Walter Raleigh's colonists are believed to have occupied.

The subcommittee recommends an appropriation of $259,000. However, it has been learned from reliable sources that, prior to the time of the appropriation, these funds will be supplied by private sources or by the State of North Carolina, and, therefore, the appropriation will not be required. But we do feel that the authorization should be limited.

Mr. GROSS. So once again we are confronted with the situation of someone in Congress hopefully saying that private donations and contributions by the State and the counties will be made, but no one seems to know how much. Yet we know that the taxpayers under the terms of this bill will put up $150,000 as a minimum. How much more the Lord only knows.

Mr. ASPINALL. I think the gentleman should be friendly to the position the Committee on Interior and Insular Affairs and the Subcommittee on National Parks takes in these matters. When these bills are sent to us from the Department they have an open-ended appropriation just as so many departmental bills do. Our committee is desirous of holding the question of the amount of money to be spent as the responsibility of the Congress. They make out a case for the total amount. Then they are advised of all the money that they can get from donations, and it is just that much better for the Federal Treasury. So we put in the maximum amount every time.

I understand my colleague's feeling about these matters; but would he rather have an open-ended authorization, without any review by the Congress, or would he rather have these maximum amounts authorized as we have done with all of the bills coming out of our committee, and have a close scrutiny of the activities of the Department?

Mr. GROSS. The answer to that is self-evident. Of course, the gentleman from Iowa wants to see every possible restriction, but I am not unaware of the fact that having put in the restrictions others will probably come along in the next session of Congress, change the rules, dig more money from the Federal Treasury. I do not have to dig very far back to find some examples. For instance, the Jefferson Memorial down in St. Louis; how that started and how it has grown into many, many millions of dollars. We appropriated something like $5 million this year on top of the millions that already have gone into that project.

Mr. ASPINALL. Mr. Speaker, I do not recall now the situation as to the Jefferson Memorial in St. Louis, but I can recall as far as these other bills are concerned that we are compelling the Department to stay within the authorized amounts. We also understand that as soon as we give publicity to a situation such as is involved in this proposed legislation, prices can go sky high. We are endeavoring to take hold of those situations in order that we may have a constructive and effective approach to what we are trying to do.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. KYL. Mr. Speaker, I think it should be pointed out to the gentleman from Iowa [Mr. GROSS] that the State of North Carolina has acted in very good faith as far as the establishment of parks in the past is concerned. The State of North Carolina, at least as much as any State in the Nation, has provided the parks with State funds and with donated funds and has asked very little from the Federal Government. I am inclined to believe that their activities in the past have been of such nature that we may rely upon their good intentions in the future. I would also say to the gentleman that the chairman of the full committee, the gentleman from Colorado [Mr. ASPINALL] is indeed very careful in matters of financing, and removing open-end appropriations on which stand I commend him, as well as my colleague from Iowa, for the businesslike procedure which they follow.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

H.R. 5518

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to preserve, as a part of the Fort Raleigh National Historic Site, lands historically associated with the attempt to establish an English colony on Roanoke Island, the boundaries of such site are hereby revised to include the following described lands:

EASTERN AND SOUTHERN EXTENSION

Beginning at the southwest corner of the present Fort Raleigh National Historic Site, which is on the northerly right-of-way line of North Carolina State Highway Numbered 345, said point bearing south 7 degrees 45 minutes east, 35 feet, more or less, from a concrete monument on the existing west boundary of the said national historic site;

Thence south 72 degrees 00 minutes east, 537 feet, more or less, following everywhere the said northerly right-of-way line of North Carolina State Highway Number 345, which line is also the south boundary of Fort Raleigh National Historic Site, to a corner on the said south boundary of the national historic site;

Thence south 68 degrees 30 minutes east, 70 feet, more or less, following everywhere the said northerly right-of-way line of North Carolina State Highway Numbered 345, which line is also the south boundary of Fort Raleigh National Historic Site, to the southwest corner of land now or formerly owned by the W. O. Dough estate;

Thence north 29 degrees 30 minutes east, 992 feet, more or less, along the westerly property line of lands now or formerly owned by the said W. O. Dough estate and of the W. J. Griffin subdivision which line is also the east boundary of the Fort Raleigh National Historic Site, to a point on the high water line of Roanoke Sound, said point being the northwest corner of the said W. J. Griffin subdivision;

Thence south 83 degrees 00 minutes east, 729 feet, more or less, along the high water line of Roanoke Sound to the point of intersection with the westerly line of Dare Avenue or the extension thereof in the W. J. Griffin subdivision;

Thence south 29 degrees 30 minutes west, 1,230 feet, more or less, along the said westerly line of any northerly extension of Dare Avenue and/or the westerly line of Dare Avenue, and crossing on a prolongation of said line the 60-foot right-of-way of North Carolina State Highway Numbered 345 to a point on the southerly right-of-way line of said highway;

Thence south 69 degrees 00 minutes east, 115 feet, more or less, following everywhere the said southerly right-of-way line of North Carolina State Highway Numbered 345 to the point of intersection with the easterly property line of land now or formerly owned by Essie Payne; thence south 27 degrees 00 minutes west, 910 feet along the said easterly property line of land now or formerly owned by Essie Payne to a point;

Thence south 7 degrees 45 minutes east, 790 feet, crossing the 100-foot right-of-way

of the United States highway bearing numbers 64 and 264, to a point located on land now or formerly owned by Ralph Umphlett; thence south 73 degrees 30 minutes west, 640 feet, more or less, to a point on the easterly property line of land now or formerly owned by Essie Payne;

Thence south 27 degrees 00 minutes west, 175 feet, more or less, along the said easterly property line of land now or formerly owned by Essie Payne to a point on the easterly property line of land now or formerly owned by Willis Pearce;

Thence north 7 degrees 45 minutes west, 1,430 feet, more or less, along the said easterly property line of land now or formerly owned by Willis Pearce, crossing the said 100-foot right-of-way of the United States highway bearing numbers 64 and 264, to a point on the southerly property line of land now or formerly owned by Alma Reich and Alton Aydlett;

Thence south 67 degrees 00 minutes west, 1,100 feet, more or less, along the said southerly property line of land now or formerly owned by Alma Reich and Alton Aydlett to a point on the easterly right-of-way line of the Old Ferry Road; thence north 32 degrees 00 minutes east, 1,530 feet, more or less, following everywhere the said easterly right-of-way line of Old Ferry Road, to the point of intersection with the southerly right-of-way line of North Carolina Highway Numbered 345;

Thence northwesterly 60 feet, more or less, crossing the right-of-way of said North Carolina State Highway Numbered 345, to the point of beginning, but excluding therefrom the right-of-way of the United States highway bearing numbers 64 and 264. The tract as described contains approximately 73 acres.

WESTERN ADDITION

Beginning at a point on the high water line of Roanoke Sound which marks the northwest corner of land now or formerly owned by the Roanoke Island Historical Association, said point being located about 450 feet westerly from the northwest corner of the existing Fort Raleigh National Historic Site;

Thence south 35 degrees 15 minutes west, 1,356 feet, more or less, along the west property line of said land now or formerly owned by the Roanoke Island Historical Association crossing the 60-foot right-of-way of North Carolina State Highway Numbered 345, and along the west property line of a second tract of land now or formerly owned by the Roanoke Island Historical Association, to the most westerly corner of the said second-named tract of land now or formerly owned by the Roanoke Island Historical Association;

Thence south 69 degrees 00 minutes west, 100 feet, more or less, to a corner on the easterly property line of land now or formerly owned by Jerome Griffin, thence north 76 degrees 00 minutes west, 2,500 feet, more or less, across land now or formerly owned by Jerome Griffin, to a point of the high water line of Roanoke Sound; thence easterly 3,450 feet, more or less, along the high water line of Roanoke Sound to the point of beginning, the tract as described containing approximately 52 acres.

SEC. 2. The Secretary of the Interior, in furtherance of the purposes of this Act, is authorized to procure, in such manner and subject to such terms and conditions as he may deem to be in the public interest, lands and interests in lands described in section 1 hereof. In acquiring such additional lands and interests therein for the Fort Raleigh National Historic Site, the Secretary is authorized to use any funds now or hereafter made available for the acquisition of lands in the national park system. When so acquired, they shall be administered as a part of the Fort Raleigh National Historic Site in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended.

With the following committee amendment:

Page 6, after line 14, add a new section reading as follows:

"SEC. 3. There are hereby authorized to be appropriated such sums, but not more than $259,000, as are necessary to carry out the provisions of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITION TO CUMBERLAND GAP NATIONAL PARK, KY.

The Clerk called the bill (H.R. 5548) to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior may acquire for addition to Cumberland Gap National Historical Park the following described land and interests in land, located in Bell County, Kentucky: *Provided,* That appropriated funds may not be used to pay more than one-half the cost of such acquisition.

Beginning at a concrete marker on the west boundary of Cumberland Gap National Historical Park and being on the south margin of Avondale Avenue in the city of Middleboro, Kentucky, and also on the south bank of Davis Branch; thence along the park boundary the following courses and distances:

South 24 degrees 50 minutes west, 196.79 feet; thence south 30 degrees 02 minutes west, 129.95 feet to a stake; thence south 12 degrees 22 minutes west, 31.82 feet; thence south 80 degrees 38 minutes west, 143.36 feet; thence south 88 degrees 04 minutes west, 100 feet; thence north 86 degrees 14 minutes west, 100 feet; then north 80 degrees 33 minutes west, 100 feet; thence north 77 degrees 42 minutes west, 186.40 feet;

Thence north 82 degrees 51 minutes west, 271.55 feet; thence leaving the park boundary and following along the south right-of way of Clydesdale Avenue south 71 degrees 39 minutes west, 310 feet, more or less, to the north right-of-way of United States Highway 25E;

Thence along the said highway right-of-way south 82 degrees 09 minutes west, 317 feet, more or less, to its intersection with the north right-of-way of Clydesdale Avenue; thence along the north right-of-way of Clydesdale Avenue north 70 degrees 09 minutes east, 423 feet, more or less, to a point on the park boundary;

Thence with the park boundary the following courses and distances: south 86 degrees 39 minutes west, 261.44 feet; thence south 81 degrees 26 minutes west, 147.66 feet; thence north 6 degrees 55 minutes west, 49.23 feet; thence south 83 degrees 04 minutes west, 980 feet; thence north 6 degrees 55 minutes west, 135 feet, more or less, to a point in the middle of Little Yellow Creek;

Thence leaving the park boundary and up the center of the meanders of Little Yellow Creek, 2.562 feet, more or less, to a point in the middle of Little Yellow Creek which is also a point in the middle of Davis Branch;

Thence leaving Little Yellow Creek and along the center of Davis Branch, 400 feet, more or less, to the south margin of Avondale Avenue; thence with the south right-of-way of Avondale Avenue south 55 degrees 44 minutes east, 5 feet, more or less, to the point of beginning, said tract containing 90 acres, more or less.

With the following committee amendment:

Page 3, after line 14, add a new section reading as follows:

"SEC. 2. There are hereby authorized to be appropriated such sums, but not more than $30,000, as are necessary to carry out the provisions of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SURVEY OF A PROPOSED NATIONAL PARKWAY

The Clerk called the bill (H.R. 6067) to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Ball or Beech Gap Southwest and running into the State of Georgia.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, will somebody tell me why it is necessary to authorize $35,000 to locate a road? What is the matter with the State highway commission of this State that it cannot take care of the location of the road?

Mr. RUTHERFORD. Mr. Speaker, if the gentleman will yield to me, all of the land involved here is either Federal land under the Department of the Interior or under the Department of Agriculture. This appropriation of $35,000 is for a survey of approximately a 170-mile extension of the Blue Ridge Parkway through South Carolina into Georgia. The result of this survey is to be reported to Congress. This does not authorize construction, it is a survey of the feasibility of the project.

Mr. GROSS. What is the matter with the State that it cannot take care of this comparatively small item of expense? Why come to the Federal Government for it?

Mr. RUTHERFORD. This is in the national park at the present time. The State does not have authorization to go into the national forest. This is not State land.

Mr. GROSS. When we set up another national park, or historic site, the Federal Government begins to take over. This is another one of the little expenses we run into when we establish these things.

Mr. RUTHERFORD. This is Federal land at the present time. This is only to authorize a study of the feasibility of the road in what is federally owned land at the present time.

Mr. GROSS. I understand, but when we undertake these things from then on the expenses mount up for the Federal taxpayer.

Mr. Speaker, I withdraw by reservation of objection.

Mr. FORD. Reserving the right to object, Mr. Speaker, may I ask the chairman of the Committee on Interior and Insular Affairs if there is a committee amendment proposed to this bill?

Mr. ASPINALL. There are several committee amendments proposed to the bill. One amendment has to do with future jurisdiction over the land, to be taken into consideration when the final determination is made on the survey.

May I say to my colleague from Michigan and my colleagues of the House that the gentleman from Colorado [Mr. CHENOWETH] and I traveled over every foot of the Blue Ridge Parkway that is now constructed, also the Skyline Drive of the Shenandoah National Park, this last Fourth of July weekend. It is a very much traveled area. The Smoky Mountains National Park, which is adjacent to a part of the Blue Ridge Parkway, and a part of which parkway is in the park, is the most visited national park facility in the United States. It had a visitation last year of approximately 4,500,000. We are two of the very few Members of Congress who have gone over that part of the Blue Ridge Parkway which is now constructed. This is a part of the parkway in the section which is south and west of Asheville where the proposed parkway into Atlanta is proposed to take off. We found the parkway to be one of the finest facilities, one of the greatest drawing cards for this kind of recreation to be found in the United States.

Mr. FORD. May I ask the gentleman from Colorado to read the other proposed committee amendment?

Mr. ASPINALL. Does the gentleman mean the one to change the word "Ball" to "Bald"?

Mr. FORD. I raise that question because I understand on Consent Calendar No. 142 there was a committee amendment that went beyond the authorization of funds and actually attempted to appropriate funds. Am I misinformed as to the kind of committee amendment that was?

Mr. ASPINALL. I think the gentleman is. This is only an authorization.

Mr. FORD. There is no appropriation, it is purely an authorization for an appropriation?

Mr. ASPINALL. The gentleman is correct. If this committee ever trespasses on the jurisdiction of the Committee on Appropriations, we want to have it brought to our attention immediately.

Mr. FORD. I withdraw my reservation of objection, Mr. Speaker.

Mr. WEAVER. Reserving the right to object, Mr. Speaker, may I ask the chairman of the committee if I understand correctly that every bit of the survey will be on Federal land?

Mr. ASPINALL. I am not at liberty at this time to say that, but as far as the survey would be concerned it would be to take care of that part of it located primarily on Federal land, and only this survey can tell us about the feasibility of the route proposed. If any of it is private land, then the feelings of the gentleman from Iowa should be taken into consideration, because we should not take funds from the Federal Treasury for this purpose unless the area becomes a Federal facility.

Mr. WEAVER. That is why I brought up the question.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a sum not exceeding $35,000 is hereby authorized to be appropriated out of the Treasury of the United States, to be used by the Department of the Interior through the National Park Service with which to make a survey, now directed, of the route of a proposed national parkway extending from the Blue Ridge Parkway at or near Tennessee Ball or Beech Gap in North Carolina and running in a southwesterly direction by Cashiers, North Carolina, and Highlands, North Carolina, into the State of Georgia in the direction of Atlanta, Georgia, the survey to recommend the most desirable terminating point of said parkway. An estimate of the cost of construction of an appropriate national parkway, comparable with the Blue Ridge Parkway, over the indicated route, together with such other data as may be of value, shall be obtained through the said survey, hereby authorized, for the purpose of determining the feasibility and desirability of constructing the proposed national parkway, or any portions thereof. Final report of such survey, accompanied by full information and data, with recommendations, shall, at the earliest possible date, be made and submitted to the Congress of the United States for its consideration.

With the following committee amendments:

Page 1, line 6, strike out the word "Service," and insert in lieu thereof "Service and by the Department of Commerce through the Bureau of Public Roads,".

Page 1, line 8, strike out the word "Ball" and insert in lieu thereof the word "Bald".

Page 2, line 15, change the period to a colon and add the following language: "*Provided,* That the survey of such portions of the proposed national parkway as may be located within the exterior boundaries of a National Forest shall be made in cooperation with the Secretary of Agriculture, and the comments and recommendations of the Secretary of Agriculture with respect to such portions shall be set forth in the final report to be submitted to the Congress by the Secretary of the Interior."

The committee amendments were agreed to.

Mr. TAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. TAYLOR. Mr. Speaker, the purpose of H.R. 6067 is to authorize an appropriation of a sum not exceeding $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at or near Beech Gap running in a southwest direction into the State of Georgia in the direction of Atlanta. The survey would recommend the most desirable route and terminating point.

This proposal is timely because the Blue Ridge Parkway as presently planned is 90 percent completed.

This region which is within 1 or 2 days' travel to 60 percent of the population of the United States desperately needs more recreational lands developed as the recreation areas are now overcrowded. Last year over 6 million people traveled the Blue Ridge Parkway, and reports this year show a 20-percent increase, making this the most traveled scenic road in America. Last year 3 million people visited the Great Smoky Mountains National Park which is located only some 50 miles from the proposed parkway extension.

This proposed national parkway might be considered as an extension of the Blue Ridge Parkway. It would provide a safe, cool, and scenic roadway along the crest of the Blue Ridge Mountains leading from the Blue Ridge Parkway and Smoky Mountain National Parkway to and through the mountains of Georgia. The region through which the parkway would pass is largely undeveloped. Large portions of it are still in a state of natural wilderness.

This territory is comparable to the outstanding scenic wonders of the most beautiful sections of the present Blue Ridge Parkway. This parkway would pass by Whiteside Mountain, the highest granite cliff in the East and by many spectacular waterfalls such as Bridal Veil, Cullasaja, Toxaway, Dry Falls, and Whitewater. Much of the right-of-way would likely be across Forest Service lands now owned by the U.S. Government.

The present parkway is 480 miles in length and the extension would have a maximum length of 170 miles. This proposed parkway when developed would provide an economic boost to all western North Carolina especially to the section west of Mount Pisgah.

Travel is western North Carolina's fastest growing industry. The growth has been so great that there is constant demand for more scenic roads and an expansion of facilities. As we plan for the future we must realize that we have just begun to tap the great potential of recreational opportunity that lies ahead in this section of our country.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read:

A bill to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Bald or Beech Gap southwest and running into the State of Georgia.

A motion to reconsider was laid on the table.

AUTHORIZING EXCHANGE OF LANDS AT WUPATKI NATIONAL MONUMENT, ARIZ.

The Clerk called the bill (H.R. 7240) to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the

monument, to add certain federally owned lands to the monument, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior may, in his discretion, obtain a valid title for the United States to the lands described as: southeast quarter, section 17, and section 29, township 26 north, range 10 east, Gila and Salt River meridian, for addition to the Wupatki National Monument in exchange for lands of approximately equal value described as: southwest quarter, section 16, township 26 north, range 10 east, and section 32, township 26 north, range 9 east, Gila and Salt River meridian. The lands conveyed by the Secretary and the privately owned land known as northwest quarter, section 21, township 26 north, range 10 east, Gila and Salt River meridian, shall after execution of the exchange, cease to be a part of the Wupatki National Monument.

SEC. 2. The Secretary may, in his discretion, accept the donation of a permanent easement for a road right-of-way two hundred feet wide for the purpose of providing public access to the significant Crack-in-Rock Ruin which lies within the monument: *Provided,* That no road may be constructed upon the right-of-way without further legislative authority. The right-of-way to the ruin shall extend across terrain suitable to the Secretary from any point on the north line of township 25 north, ranges 9 or 10 east, Gila and Salt River meridian, which he may select.

SEC. 3. Subject to valid existing rights, the public lands lying west of the west right-of-way line of United States Highway 89 in section 3 township 25 north, range 8 east, Gila and Salt River meridian, consisting of lot 4, southwest quarter northwest quarter, northwest quarter southwest quarter and the westerly portions of lot 3, southeast quarter northwest quarter, and east one-half southwest quarter are added to and made a part of the Wupatki National Monument.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDING CERTAIN FEDERALLY OWNED LAND TO THE LASSEN VOLCANIC NATIONAL PARK, CALIF.

The Clerk called the bill (H.R. 7042) to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following described lands of the Lassen National Forest are hereby excluded from the forest and added to the Lassen Volcanic National Park:

Lots 1, 2, and 3, south half northeast quarter, and southeast quarter northwest quarter section 4; west half southeast quarter and those parts of the south half northwest quarter and of the southwest quarter of section 11 lying each of Lost Creek; and section 19, township 31 north, range 4 east, Mount Diablo meridian: *Provided,* That the aforesaid lands in section 19 are included within the national park subject to the right of the Secretary of Agriculture to construct and maintain a permanent road through such section in order to permit the use, protection, and administration of adjacent national forest lands and the removal of timber from the national forest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. IKARD of Texas). This concludes the call of the eligible bills on the Consent Calendar.

AMENDING SURPLUS PROPERTY ACT OF 1944—SURPLUS LAND FOR HISTORIC MONUMENTS

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent to return to Calendar No. 130 on the Consent Calendar for the consideration of the bill (S. 537) to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes, which the gentleman from Michigan [Mr. FORD] asked unanimous consent to be passed over without prejudice. The misunderstanding as to this has been cleared up.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last clause of section 13(h)(2) of the Surplus Property Act of 1944, as amended (50 U.S.C. App. 1622(h)(2)), is amended by striking out the words "it was acquired by the United States at any time subsequent to January 1, 1900", and substituting the words "its historical significance relates to a period of time within the fifty years immediately preceding the determination of suitability and desirability for such use."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar Day. The Clerk will call the first individual bill on the Private Calendar.

WORTHINGTON OIL REFINERS, INC.

The Clerk called the bill (H.R. 1414) for the relief of the Worthington Oil Refiners, Inc.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

MRS. MAURICIA REYES

The Clerk called the bill (H.R. 3843) for the relief of Mrs. Mauricia Reyes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ADOLPHE C. VERHEYN

The Clerk called the bill (H.R. 6158) for the relief of Adolphe C. Verheyn.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SENDING H.R. 6012 TO COURT OF CLAIMS

The Clerk called the resolution (H. Res. 249) providing for sending the bill H.R. 6012 and accompanying papers to the Court of Claims.

There being no objection, the Clerk read the resolution as follows:

Resolved, That the bill (H.R. 6012) entitled "A bill for the relief of the estate of George S. Rumley," together with all accompanying papers, is hereby referred to the Court of Claims pursuant to section 1492 and 2509 of title 28, United States Code; and the court shall proceed expeditiously with the same and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform Congress whether the claim is a legal or equitable claim or a gratuity, and the amount of damages, if any, legally or equitably due from the United States to the claimant, the statute of limitations, the plea or res judicata, laches, any lapse of time, or any prior court decision of this claim by any court of the United States to the contrary, notwithstanding. The Court of Claims is directed to consider the records of any previous trial of this case.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HENRY EUGENE GODDERIS

The Clerk called the bill (S. 1073) for the relief of Henry Eugene Godderis.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of title III of the Immigration and Nationality Act, Henry Eugene Godderis shall be held and considered to have been lawfully admitted to the United States for permanent residence on September 1, 1955.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALOYSIUS VAN DE VELDE

The Clerk called the bill (H.R. 1496) for the relief of Aloysius van de Velde.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(9) of the Immigration and Nationality Act, Aloysius van de Valde may be issued a visa

and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA FALATO COLACICCO

The Clerk called the bill (H.R. 1581) for the relief of Maria Falato Colacicco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the child, Maria Falato Colacicco, shall be held and considered to be the minor natural-born alien child of Mr. and Mrs. Vito Colacicco, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendments:

On page 1, line 4, after the word "Act," strike out "the child,".

On page 1, line 6, after the words "alien child of," strike out "and Mrs.".

On page 1, lines 6 and 7, strike out the word "citizens" and substitute the words "a citizen".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CHUNG-HUANG TANG KAO

The Clerk called the bill (H.R. 1583) for the relief of Mrs. Chung-Huang Tang Kao.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Chung-Huang Tang Kao shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Mrs. Chung-Huang Tang Kao. From and after the date of the enactment of this Act, the said Mrs. Chung-Huang Tang Kao shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARMA PEREIRA DE BUSTILLOS

The Clerk called the bill (H.R. 1630) for the relief of Carma Pereira de Bustillos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Carma Pereira de Bustillos, who lost United States citizenship under the provisions of section 352(a)(2) of chapter 3, title III, of the Immigration and Nationality Act of 1952, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Carma Pereira de Bustillos shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MADDALENA HAAS

The Clerk called the bill (H.R. 3148) for the relief of Maddalena Haas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maddalena Haas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof, the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Maddalena Haas. From and after the date of the enactment of this Act, the said Maddalena Haas shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISTVAN ZSOLDOS

The Clerk called the bill (H.R. 3393) for the relief of Istvan Zsoldos.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Istvan Zsoldos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 1, 1957: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

With the following committee amendment:

On page 1, line 6, strike out "January 1, 1957" and substitute in lieu thereof "January 1, 1959".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SYLVIA ABRAMS ABRAMOWITZ

The Clerk called the bill (H.R. 4221) for the relief of Sylvia Abrams Abramowitz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(3) of the Immigration and Nationality Act, Sylvia Abrams Abramowitz may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act.

With the following committee amendments:

On page 1, line 3, strike out the word "provision" and substitute the word "provisions".

On page 1, line 3, after "212(a)(3)" add "and (4)".

On page 1, at the end of the bill, change the period to a colon and add the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZBIGNIEW RYBA

The Clerk called the bill (H.R. 4553) for the relief of Zbigniew Ryba.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the

minor child, Zbigniew Ryba, shall be held and considered to be the natural-born child of Helena Ryba, a citizen of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY WEINSTEIN

The Clerk called the bill (H.R. 6996) for the relief of Harry Weinstein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry Weinstein, of Palisades Park, New Jersey, the sum of $750. Such sum represents reimbursement to the said Harry Weinstein for payment made out of his own funds in settlement of a civil action brought against him before the United States District Court for the District of New Jersey, as the result of a motor vehicle accident occurring on December 14, 1957, when the said Harry Weinstein was operating a Government vehicle in the course of his duties as an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, lines 9–10, strike out "United States District Court for the District of" and insert in lieu thereof "Law Division of the New Jersey Superior Court, Bergen County,".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNEST MORRIS

The Clerk called the bill (H.R. 1290) for the relief of Ernest Morris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Ernest Morris is hereby relieved of liability to the United States in the amount of $1,580.21, the amount in which he was paid retirement pay in violation of section 212 of the Act entitled "An Act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes", approved June 30, 1932 (5 U.S.C. 59a), during the period September 22, 1958, through January 26, 1959. Ernest Morris was erroneously advised by agents of the United States at the time of his employment as an operating engineer by the General Services Administration in September 1958 that such section 212 was not applicable in his case. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest Morris, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, strike "$1,580.21" and insert "$1,788.80".

Page 1, line 5, strike "retirement pay" and insert "salary payments".

Page 1, lines 5 through 9, strike "section 212 of the Act entitled 'An Act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes', approved June 30, 1932 (5 U.S.C. 59a)" and insert "the Act of July 31, 1894, (28 Stat. 205) as amended".

Page 2, lines 14 and 15, strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNEST JOHN LARGE

The Clerk called the bill (H.R. 1492) for the relief of Ernest John Large.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest John Large, Richmond, California, the sum of $103.90 in full settlement of his claim against the United States for reimbursement for the amount of judgment and costs rendered against him in favor of Paul E. Kalem, arising out of an accident involving the said Ernest John Large and Paul E. Kalem on April 19, 1956, in Richmond, California, while Ernest John Large was operating a Post Office Department vehicle in the course of his duties as an employee of the United States: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT A. ST. ONGE

The Clerk called the bill (H.R. 4030) for the relief of Robert A. St. Onge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert A. St. Onge of Taunton, Massachusetts, the sum of $672.20, such amount representing a judgment and costs secured against said Robert A. St. Onge in the courts of the State of Massachusetts, arising out of an accident which occurred on December 2, 1959, when he was operating a Post Office Department vehicle in the course of his duties as an employee of the Post Office Department. Such sum shall be paid only on condition that the said Robert A. St. Onge shall use such sum to pay such settlement and costs in full: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 4 and 5, strike "in excess of 10 per centum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KRSTE ANGELOFF

The Clerk called the bill (S. 139) for the relief of Krste Angeloff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Krste Angeloff shall be held and considered to be the natural-born alien minor child of Mrs. Miles Angeloff, citizen of the United States: *Provided*, That the natural parents of the said Krste Angeloff shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANASTASIA STASSINOPOULOS

The Clerk called the bill (S. 713) for the relief of Anastasia Stassinopoulos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Anastasia Stassinopoulos shall be held and considered to have been lawfully admitted to the United States for permanent

residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Anastasia Stassinopoulos. From and after the date of the enactment of this Act, the said Anastasia Stassinopoulos shall not again be subject to deporation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SYDNEY GRUSON

The Clerk called the bill (H.R. 1395) for the relief of Sydney Gruson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 316 of the Immigration and Nationality Act, Sydney Gruson shall be held and considered to have been physically present in the United States during all the time he was residing abroad in the employ of an American firm.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, upon his admission for permanent residence in the United States, Sydney Gruson shall be held and considered to have complied with the residential and physical presence requirements of section 316 of the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BYRON K. EFTHIMIADIS

The Clerk called the bill (H.R. 1614) for the relief of Byron K. Efthimiadis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Byron K. Efthimiadis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 13, 1956.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOAN JOSEPHINE SMITH

The Clerk called the bill (H.R. 1646) for the relief of Joan Josephine Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Joan Josephine Smith, shall be deemed to be the alien child of Ambrose Smith, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. JOSEPHINE L. GO AND DR. WELLES P. GO

The Clerk called the bill (H.R. 2115) for the relief of Doctor Josephine L. Go and Doctor Welles P. Go.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Josephine L. Go and Doctor Welles P. Go shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. PAMELA GOUGH WALKER

The Clerk called the bill (H.R. 2655) for the relief of Mrs. Pamela Gough Walker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(4) of the Immigration and Nationality Act, Mrs. Pamela Gough Walker may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act, under such conditions and controls as the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That, unless the beneficiary is entitled to care under chapter 55 of title 10, United States Code, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ASPASIA A. KOUMBOURIS (KUMPURIS)

The Clerk called the bill (H.R. 3694) for the relief of Aspasia A. Koumbouris (Kumpuris).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WALTER. Mr. Speaker, there is an identical Senate bill on the Speaker's desk. I ask unanimous consent for the immediate consideration of the bill (S. 442) for the relief of Aspasia A. Koumbouris (Kumpuris), which is identical with H.R. 3694.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Aspasia K. Koumbouris (Kumpuris), shall be held and considered to be the natural-born alien child, of Mr. and Mrs. John Kumpuris, citizens of the United States: *Provided,* That no natural parent of the beneficiary, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H.R. 3694) were laid on the table.

RALPH (YUNSOO) KAHN

The Clerk called the bill (H.R. 3853) for the relief of Ralph (Yunsoo) Kahn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Ralph (Yunsoo) Kahn shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 30, 1955.

With the following committee amendments:

On line 4, strike out "Ralph (Yunsoo) Kahn" and insert "Yun Soo Kahng".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to read: "A bill for the relief of Yun Soo Kahng.

A motion to reconsider was laid on the table.

HANS-DIETER SIEMONEIT

The Clerk called the bill (H.R. 5057) for the relief of Hans-Dieter Siemoneit.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(4) of the Immigration and Nationality Act, Hans-Dieter Siemoneit may be issued a visa

and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That, unless the beneficiary is entitled to care under chapter 55, title 10, United States Code, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendments:

On page 1, line 3, strike out the language "provision of section 212(a)(4)" and substitute in lieu thereof the following language: "provisions of section 212(a) (1), (4), and (6)".

On page 2, line 5, strike out the words "this exemption" and substitute in lieu thereof the words "these exemptions".

On page 2, lines 5 and 6, strike out the words "a ground" and substitute in lieu thereof the word "grounds".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCISCO JOAQUIM ALVES

The Clerk called the bill (H.R. 5138) for the relief of Francisco Joaquim Alves.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MARIA LUISA REIS (NEE) LOYS

The Clerk called the bill (H.R. 6122) for the relief of Maria Luisa Reis (nee) Loys.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maria Luisa Reis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 7, 1948.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENJAMIN SCHOENFELD

The Clerk called the bill (H.R. 2111) for the relief of Benjamin Schoenfeld.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitation on the time within which applications for disability retirement are required to be filed under section 7(b) of the Civil Service Retirement Act (5 U.S.C. 2257 (b)) is hereby waived in favor of Benjamin Schoenfeld, New York, New York, a former employee of the Department of the Treasury, and his claim for disability retirement under such Act shall be acted upon under the other applicable provisions of such Act as if his application had been timely filed, if he files application for such disability retirement within sixty days after the date of enactment of this Act. No benefits shall accrue by reason of the enactment of this Act for any period prior to the date of enactment of this Act.

SEC. 2. Notwithstanding any other provision of law, benefits payable by reason of the enactment of this Act shall be paid from the civil service retirement and disability fund.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY JAMES TAYLOR

The Clerk called the bill (H.R. 4369) for the relief of Henry James Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim against the United States, described in this Act, of Henry James Taylor. Such claim arises out of severe personal injuries sustained on or about August 22, 1956, by the said Henry James Taylor, who was then aged seven, as a result of his coming in contact with an allegedly unprotected high-voltage transformer near his home at Fort Belvoir.

SEC. 2. Suit upon the claim referred to in the first section of this Act may be instituted at any time within the one-year period beginning on the date of enactment of this Act, notwithstanding the lapse of time, any statute of limitations, or any other provision of law. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgments thereon, shall be in the same manner as in cases over which such court has jurisdiction under chapter 171 of title 28, United States Code. Nothing in this Act shall be construed as an admission of liability on the part of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMERICAN PRESIDENT LINES, LTD., ET AL.

The Clerk called the bill (H.R. 5321) for the relief of American President Lines, Ltd., Nitto Shosen, Co., Ltd., and Koninklijke, Java-China-Paketvaart Lijnen N.V. (Royal Interocean Lines).

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to American President Lines, Ltd., 311 California Street, San Francisco, California, the sum of $2,578.50, in full settlement of all claims against the United States for damages to the steamship Albion Victory, which occurred on June 14, 1951, at Pusan, Korea; to Nitto Shosen Co., Ltd., Kishimoto Building, 18 Marunouchi 2-Chome, Chiyoda-Ku, Tokyo, Japan, the sum of $5,555.55, in full settlement of all claims against the United States for damages to the steamship Ritsuei Maru, which occurred on November 5, 1953, at Inchon, Korea; and to Koninklijke Java-China-Paketvaart Lijnen N.V. (Royal Interocean Lines), Prins Hendrikkage 108–114, Amsterdam C., Holland, the sum of $470.20, in full settlement of all claims against the United States for damages to the motorship Tjisadane, which occurred on February 18, 1956, at Naha, Okinawa: *Provided*, That no part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon his conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STELLA REORGANIZED SCHOOLS R–I, MISSOURI

The Clerk called the bill (H.R. 6103) for the relief of the Stella Reorganized Schools R–I, Missouri.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Stella Reorganized Schools R–I, Missouri, the sum of $1,500, in full settlement of its claims against the United States for reimbursement of amounts paid by it to the United States for rental of space at Fort Crowder, Missouri, for educational use: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, lines 10 and 11, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was orderd to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. ERNEST HAY

The Clerk called the bill (H.R. 1612) for the relief of Mr. Ernest Hay, Wamego, Kans.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treas-

ury not otherwise appropriated, the sum of $57.59, to Ernest Hay, Wamego, Kansas, in full settlement of his claims against the United States for reimbursement of the amount of expenses and other losses and damages occurred in resettlement as a result of his displacement in connection with the acquisition of land (trace numbered 779) due to the construction of Tuttle Creek Dam and Reservoir project, Kansas: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 1 and 2, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMIS CONSTRUCTION CO. AND SAN ORE CONSTRUCTION CO.

The Clerk called the bill (H.R. 2990) to confer jurisdiction upon the Court of Claims to determine the claim against the United States of Amis Construction Co. and San Ore Construction Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the lapse of time, laches, or any statute of limitations, jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine and render judgment upon the claims of the Amis Construction Company and San Ore Construction Company, joint venturers operating as Amis-San Ore, contractors under contract numbered 25–066–ENG–2700 for the construction of the north-south runway and adjacent taxiway at Lincoln Air Force Base, Lincoln, Nebraska, for such increased cost as they may have sustained in compliance with an oral request by the Government to expedite the completion of the north-south runway at said air force base so as to advance its completion before the contract completion date, (1) without regard to whether the absence of a written change order or written directive so to do may have placed said contractors in the legal position of having been volunteers for the performance of said work; (2) without regard to the provisions of Public Law 547, Eighty-second Congress, second session, and Public Law 207, Eighty-third Congress, first session, which by identical sections 803, provided that none of the funds appropriated for the construction of said work should be used for the additional cost of expediting the construction of the project, and (3) without regard to whether to contractors administratively pursued their attempts to be paid beyond the denial of their claim by the Corps of Engineers Board of Contract Appeals of the Office of the Chief of Engineers, Department of the Army.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DWYLIA McCREIGHT AND JOHN T. McCREIGHT, JR.

The Clerk called the bill (H.R. 3855) for the relief of Dwylia McCreight and John T. McCreight, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of determining the entitlement of Dwylia McCreight and John T. McCreight, Junior (the minor daughter and son, respectively, of the late John Thomas McCreight (Social Security Account Number 235–12–5556) and Ona E. Young (now Mrs. Ona E. Summers, of Weirton, West Virginia)), to child's insurance benefits under section 202(d) of the Social Security Act on the basis of the wages and self-employment income of the said John Thomas McCreight, the said Dwylia McCreight and John T. McCreight, Junior, shall each be held and considered to be the child (as defined in section 216(e) of such Act) of the said John Thomas McCreight and to have been dependent upon him at the time of his death.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH L. THOMAS

The Clerk called the bill (H.R. 4382) for the relief of Joseph L. Thomas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Joseph L. Thomas, Dayton, Ohio, is hereby relieved of all liability to repay to the United States a sum of $791.78, which was erroneously paid to him by the Department of the Air Force as retirement annuity and salary between October 24, 1958, and December 1960.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, any amounts refunded by reason of the liability referred to in section 1 of this Act by the said Joseph L. Thomas, or any amounts withheld by the United States from moneys otherwise due him. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

With the following committee amendments:

Page 1, line 4, strike out "$791.78" and insert "$771.79".

Page 1, line 6, after the word "Force" insert "and by the United States Civil Service Commission".

Page 2, line 2, after the word "him" insert "and reimburse the Civil Service Retirement and Disability Fund in the amount of $722.70".

Page 2, add new section as follows:

"SEC. 3. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES P. REDICK

The Clerk called the bill (H.R. 5182) for the relief of Charles P. Redick.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law or limitation on amounts of annual leave, the Secretary of Commerce is authorized and directed to recredit to the leave account of Charles P. Redick, Chevy Chase, Maryland, four hundred and eight hours of annual leave which he lost as a result of his unlawful separation from employment in the Office of the Housing Expediter for the period beginning July 31, 1947, and ending on October 20, 1947, the date of his restoration to Government employment.

With the following committee amendments:

Lines 6 and 7, strike out "four hundred and eight" and insert "two hundred and forty".

Line 9, strike out "July 21" and insert "August 1".

Line 10, strike out "20" and insert "18".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT KNOBBE

The Clerk called the bill (H.R. 5320) for the relief of Robert Knobbe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $365 to Robert A. Knobbe of Fifty-three hundred South Christiana Avenue, Chicago, Illinois, in full settlement of his claims against the United States based upon an accident on April 9, 1960, when an Army staff car collided with his private automobile on Staten Island, New York. This claim is not cognizable under the Federal Tort Claims Act: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIKE H. KOSTELAC

The Clerk called the bill (H.R. 7581) for the relief of Mike H. Kostelac.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $4,165.00 to Mike H. Kostelac, of Millstadt, Illinois, in full settlement of his claims against the United States based on losses he incurred in good faith, caused solely by erroneous and untrue representations of fact by responsible Government personnel in connection with his bidding on a contract for removing kitchen waste at Fort Lewis, Washington, in 1946: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOE KAWAKAMI

The Clerk called the bill (H.R. 7610) for the relief of Joe Kawakami.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joe Kawakami, 3259 Sacramento Street, San Francisco 15, California, the sum of $106.05 in full reimbursement of the expenses incurred by him personally in paying a judgment obtained against him in a civil action in the municipal court of Chicago, as the result of a vehicular accident which occurred on January 9, 1953, at Chicago, Illinois, when he was acting within the scope of his employment as the chauffeur of the Army vehicle involved in said accident: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE W. ROSS, JR.

The Clerk called the bill (H.R. 7676) for the relief of George W. Ross, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George W. Ross, Junior, the sum of $2,575.50 in full satisfaction of his claim against the United States for the loss of certain personal property resulting from civil war conditions during 1958 at Padang, Indonesia, where he had served as public affairs officer, United States Information Agency: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARTHUR C. BERRY, AND OTHERS

The Clerk called the bill (H.R. 7739) for the relief of Arthur C. Berry, and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the hereinafter named persons are relieved of all liability to refund to the United States the amounts listed opposite their names or such lesser amounts as may be outstanding on the date of enactment of this Act. Said amounts represent overpayments of retired or retainer pay resulting, through no fault of the payees, from erroneous computations of retired and retainer pay, due them from the Department of the Navy, or the amount of service on which such pay was based in the several amounts set opposite their respective names as listed herein: Chief Yeoman Arthur C. Berry, United States Fleet Reserve, $1,801.72; Chief Boatswain's Mate William W. Brewer, United States Fleet Reserve, $236.75; Lieutenant Commander William R. Davis, United States Naval Reserve (retired), $90; Machinist's Mate First Class Rufino De Las Penas, United States Fleet Naval Reserve, $190; Chief Commissaryman Theodore E. Denno, United States Fleet Reserve, $44; Chief Boatswain's Mate Albert T. Diedrich, United States Fleet Reserve, $462.77; Chief Pay Clerk (W-3) Stephen Hruska, United States Navy (retired), $320.58; Lieutenant (junior grade) Thomas C. Ingle, United States Navy (retired), $123.60.

Mr. LANE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANE: Page 2, line 13, add the following: "Lieutenant (junior grade) Bruce C. Jeppson, Medical Corps, United States Naval Reserve (retired), $37.02; Chief Machinist's Mate James L. Keppel, United States Fleet Reserve, $1,439.28; Commander Austin S. Kibbes, United States Naval Reserve (retired), $5,847.85; Chief Aviation Structural Mechanic Lee J. King, United States Fleet Reserve, $85.68; Lieutenant John J. Lowe, United States Navy (retired), $1,161.76; Chief Machinist Donald A. McFarland, United States Navy (retired), $1,395.64; Chief Boatswain Hugh P. MacNichol, United States Navy (retired), $9,686; Chief Machinist's Mate Everett Murphy, United States Fleet Reserve, $340; Chief Storekeeper Arthur V. Newell, United States Fleet Reserve, $1,839.21; Lieutenant Commander Benjamin D. Parish (Medical Corps), United States Naval Reserve (retired), $48.42; Chief Warrant Officer Opie G. Ray (W-2), United States Navy (retired), $742; Ensign Nathan R. Sewell, Junior, United States Naval Reserve (retired), $549.18; Rear Admiral Kirby Smith, Civil Engineer Corps, United States Naval Reserve (retired), $4,400; Boatswain's Mate First Class Anastacio Torres, United States Navy (retired), $184.24; Chief Pharmacist James W. Walker, United States Navy (retired), $665.28; Lieutenant George A. Whitlock, United States Navy (retired), $1,783.92.

"SEC. 2. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. SHARON LEE HARDEN

The Clerk called the bill (H.R. 7740) for the relief of Mrs. Sharon Lee Harden.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Sharon Lee Harden, widow of Second Lieutenant Donald L. Harden, United States Air Force (deceased), of Sun Valley, California, the sum of $1,138.19 in full satisfaction of her claim against the United States for reimbursement in addition to the amount she received under section 2732 of title 10, United States Code, for household goods and personal effects destroyed as a result of a fire on May 29, 1960, at the AAA Moving and Storage Company, agent for North American Van Lines, Valdosta, Georgia, while the property was stored in a warehouse under a Government contract: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEANINE RUTH TABACNIK

The Clerk called the bill (H.R. 1532) for the relief of Jeanine Ruth Tabacnik.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jeanine Ruth Tabacnik shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, strike out all of lines 8, 9, 10, 11, and 12, and insert in lieu thereof the

following: "enactment of this Act, the Attorney General shall reduce by one number the number of refugees who may be paroled into the United States pursuant to sections 1 and 2(a) of the Act of July 14, 1960 (74 Stat. 504) during the fiscal year ending June 30, 1962."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESUS GARZA LOPEZ

The Clerk called the bill (H.R. 1550) for the relief of Jesus Garza Lopez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a) (31) of the Immigration and Nationality Act, Jesus Garza Lopez may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIM-OK YUN

The Clerk called the bill (H.R. 1551) for the relief of Kim-Ok Yun.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Kim-Ok Yun, the fiance of Fedel Cedillo, a citizen of the United States, and her minor child, Joe Cedillo, shall be eligible for visas as nonimmigrant temporary visitors for a period of three months: *Provided,* That the administrative authorities find that the said Kim-Ok Yun is coming to the United States with a bona fide intention of being married to the said Fidel Cedillo and that they are found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within three months after the entry of the said Kim-Ok Yun and Joe Cedillo, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within three months after the entry of the said Kim-Ok Yun and Joe Cedillo, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Kim-Ok Yun and Joe Cedillo as of the date of the payment by them of the required visa fees.

With the following committee amendment:

On page 1, line 4, strike out the word "fiance" and substitute in lieu thereof the word "fiancee".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISABEL BROWN

The Clerk called the bill (H.R. 1898) for the relief of Isabel Brown.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (4) of the Immigration and Nationality Act, Isabel Brown may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act: *Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

GEORGIA J. MAKRIS

The Clerk called the bill (H.R. 1901) for the relief of Georgia J. Makris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a) (27) (B) of the Immigration and Nationality Act, Georgia J. Makris shall be deemed to be a returning resident alien.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Georgia J. Makris. From and after the date of the enactment of this Act, the said Georgia J. Makris shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAJIME MISAKA

The Clerk called the bill (H.R. 2136) for the relief of Hajime Misaka.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hajime Misaka shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOGINDER SINGH TOOR

The Clerk called the bill (H.R. 2145) for the relief of Joginder Singh Toor.

There being no objection, the clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Joginder Singh Toor shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIM DOM YONG

The clerk called the bill (H.R. 2181) for the relief of Kim Dom Yong.

There being no objection, the clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Kim Dom Yong shall be held and considered to be the natural-born alien child of William and Adeline W. Gomberg, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SCHWEIKER] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SCHWEIKER. Mr. Speaker, I rise in support of H.R. 2181.

While the 1st Marine Division was heavily engaged in combat with the Communists in Korea in 1952, a young Korean boy, about 7 years old, was found in the vicinity of the division command post.

Kim Dom Yong was taken in by members of the commanding general's mess. Gen. Randolph McC. Pate was the commanding officer. At General Pate's direction the Kim Dom Yong Benevolent Protection Association was formed to support Kim. It was believed that his parents were South Korean peasants who were killed by the Communist invaders.

Each subsequent commanding general of the 1st Marine Division continued the same relationship with Kim until 1955, when the 1st Marine Division was returned to California.

In March 1955 young Kim was turned over to the U.S. Marine Advisory Group in Seoul, Korea, with the senior marine officer becoming his "father." Since that time, Kim has made his home at this mess and has continued his education in Korean schools.

Because of his close association with the U.S. Marine Corps, he has grown to think and act much like an American and is presently attending Seoul High School.

Kim was sent to represent Korea at the Boy Scout jamboree held in Colorado Springs, Colo., last summer. He got seasick for 19 days, and the medical officer from Seoul Marine Advisory Group, Captain Wishengrad, wrote his sister, Mrs. William Gomberg, at the University of Stanford, where Dr. William Gomberg was a visiting summer professor, asking that they visit Kim at the Public Health Hospital in San Francisco. As a result of this visit, the Gombergs arranged to have Kim visit with them for the next several weeks.

Because of this association and the fact that the Gombergs had recently lost a son of Kim's age, they decided they would like to adopt him as their own. Both Dr. and Mrs. William Gomberg have doctorate degrees from Columbia University. Dr. Gomberg is presently a professor of industry, at the Wharton School of the University of Pennsylvania, and is earning a good salary. Mrs. Gomberg has been a teacher in Lower Merion High School.

The Gombergs have filed affidavits of support and intent to adopt. They also have a certificate of eligibility for Kim to attend the Lower Merion Senior High School, and would like to send him to college.

I have a certified letter from Kim expressing his desire to enter the United States as the adopted son of Dr. and Mrs. William Gomberg. I also have a letter from Col. N. J. Rodeheffer, commanding officer of the Marine Advisory Group at Seoul, stating his support for this adoption as being in the boy's best interest. Other high ranking Marine Corps officers who have known Kim, such as Maj. Gen. J. P. Berkley and Maj. Gen. Alan Shapley, also support this bill. I urge its adoption.

ELEMER CHRISTIAN SARKOZY

The Clerk called the bill (H.R. 3404) for the relief of Elemer Christian Sarkozy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a)(9) of the Immigration and Nationality Act, Elemer Christian Sarkozy may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. LOUIS KAREL DUPRE

The Clerk called the bill (H.R. 6514) for the relief of Dr. Louis Karel Dupre.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 201 of the Act of January 27, 1948, as amended (62 Stat. 6; 66 Stat. 276; 70 Stat. 241), shall not be applicable in the case of Doctor Louis Karel Dupre.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELATING TO DEPORTATION OF CERTAIN ALIENS

The Clerk called the resolution (H.J. Res. 453) relating to deportation of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the case of each alien hereinafter named, in whose case deportation has been suspended for six months pursuant to section 19(c) of the Immigration Act of 1917, as amended (54 Stat. 671, 56 Stat. 1044, 62 Stat. 1206), or in whose case deportation has been suspended pursuant to section 244(a)(5) of the Immigration and Nationality Act (66 Stat. 214; 8 U.S.C. 1254(c)), the Attorney General is authorized and directed to cancel deportation proceedings and to record the lawful admission for permanent residence of each such alien in accordance with the provisions of the said Acts, as they apply, respectively, to each of the aliens herein listed:

A-7351220, Donze, Peter.
A-3544790, Fatovic, Sime.
A-7137472, Rodriguez-Guzman, Guillermo.
A-10255185, Santos, Manuel.
A-9678132, Tsakiridis, Anastassios.
A-8960659, Young, Richard Kai.
A-2088508, Gomez, Salvador.
A-6799270, Ojeda, Miguel Carrizales.
A-11134483, Ojeda, Simona Hernandez.
A-5962211, Schoenfeldt, Rudolph Herman.
A-10073984, Sirakof, Mehmadale Ibrahim.
A-4314277, Hochstaedt, Amalie.
A-3870732, Hochstaedt, Samuel.
A-4337830, Balian, Hetoum.
A-3796156, Cocchiara, Francesco.
A-5805886, Diachuk, Anton.
A-3217992, Donati, Dante Joseph.
A-5957256, Friesen, Jacob T.
A-10367234, Goethals, David.
A-6683188, Gustafson, Elmer Knute.
A-5398546, Hing, Lee.
A-3753202, Kirsch, Helen Ann Hudson.
A-4678924, Knaisky, Alex.
A-2916574, Krasinski, Felix Frank.
A-1843781, Kulesza, Stanley.
A-5062680, Lebel, Morris.
A-4084621, Leto, Gaetano.
A-3479810, Loeb, Harry.
A-2278968, Matusiak, Walter.
A-5958294, Morten, William Richard.
A-3399434, Padilla, Joe.
A-5164925, Parsin, Nicholas.
A-5761121, Reyes-Perez, Manuel.
A-2833184, Ventrera, Rocco.
A-4535016, Vlahos, Anastasio.
A-6948450, Zarate, Lorenzo.
A-3785377, Vitagliano, Feleciano.
A-10949520, Cicchetti, Biaggio John.
A-6782676, Vielkind, Joseph Rudolph.
A-6401740, Willumeit, Otto Albert.
A-1853197, Ignotis, Leonas Louis.
A-5070555, Kulakowski, James.
A-5751283, Lara, Lupe Rincon.
A-4454891, Nestroy, Joseph.
A-3207150, Plevinsky, John J.
A-1291890, Andrade-Marrero, Francisco.
A-2950893, Bigras, Norman John Leonard.
A-8874149, Hurtado, Raymond.
A-5206377, Ketzenzis, Basilios Demos.
A-5175516, McKay, Julia Elizabeth.
A-3028956, Moy, Yee.
A-8190474, Nadzam, John Andrew.
A-2561599, De Hernandez, Angelina Diaz.
A-3183469, Pagnozzi, Joseph Pepe.
A-5652064, Bagliore, Frank.
A-5731475, Folkers, Herman Richard.
A-3173438, Herskovitz, Lajos.
A-1734315, Yeargle, Roy A.
A-5750516, Deutsch, Frank.
A-2079872, Glasser, Charles.
A-5480212, Hiracheta-Rodriguez, Anacelto.
A-10198028, Losa, Primitivo.
A-4682905, Russo, Guy Thomas.
A-10432443, Walter, George.
A-2323922, Phiskunoff, Peter.
A-2753700, Lopez, Manuel.
A-4963677, Andrews, Michael.
A-5938328, Hollander, Per Erik Gunnar.
A-5206147, Stern, Herman.
A-10392830, Leppa, Michael.
A-1090977, Velasquez-Refugio, Francisco.

With the following committee amendment:

Page 4, strike out all of line 23.

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUDICIAL REVIEW OF ORDERS OF DEPORTATION

Mr. WALTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 187) to provide for the judicial review of orders of deportation.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, title I of the Immigration and Nationality Act (66 Stat. 166; 71 Stat. 639) is hereby amended by adding the following:

"JUDICIAL REVIEW OF ORDERS OF DEPORTATION

"SEC. 106. (a) The procedure prescribed by, and all the provisions of the Act of December 29, 1950, as amended (64 Stat. 1129; 68 Stat. 961; 5 U.S.C. 1031 and the following), shall apply to, and shall be the sole and exclusive procedure for, the judicial review of all final orders of deportation heretofore or hereafter made against aliens within the United States pursuant to administrative proceedings under section 242(b) of this Act or comparable provisions of any prior Act, except that—

"(1) a petition for review may be filed not later than six months from the date of the final deportation order or from the effective date of this Act, whichever is the later.

"(2) the venue of any petition for review under this Act shall be in the judicial circuit in which the administrative proceedings before a special inquiry officer were conducted in whole or in part, or in the ju-

dicial circuit wherein is the residence, as defined in this Act, of the petitioner, but not in more than one circuit;

"(3) the action shall be brought against the Immigration and Naturalization Service, as respondent. Service of the petition to review shall be made upon the Attorney General of the United States and upon the official of the Immigration and Naturalization Service in charge of the Service district in which the office of the clerk of the court is located. The service of the petition for review upon such official of the Service shall stay the deportation of the alien pending determination of the petition by the court, unless the court otherwise directs;

"(4) except as provided in clause (B) of paragraph (5) of this subsection, the petition shall be determined solely upon the administrative record upon which the deportation order is based, and the Attorney General's findings of fact, if supported by reasonable, substantial, and probative evidence on the record considered as a whole, shall be conclusive;

"(5) whenever any petitioner, who seeks review of an order under this section, claims to be a national of the United States and makes a showing that his claim is not frivolous, the court shall (A) pass upon the issues presented when it appears from the pleadings and affidavits filed by the parties that no genuine issue of material fact is presented; or (B) where a genuine issue of material fact as to the petitioner's nationality is presented, transfer the proceedings to a United States district court for the district where the petitioner has his residence for hearing de novo of the nationality claim and determination as if such proceedings were originally initiated in the district court under the provisions of section 2201 of title 28, United States Code. Any such petitioner shall not be entitled to have such issue determined under section 360(a) of this Act or otherwise;

"(6) if the validity of a deportation order has not been judicially determined, its validity may be challenged in a criminal proceeding against the alien for violation of subsection (d) or (e) of section 242 of this Act only by separate motion for judicial review before trial. Such motion shall be determined by the court without a jury and before the trial of the general issue. Whenever a claim to United States nationality is made in such motion, and in the opinion of the court, a genuine issue of material fact as to the alien's nationality is presented, the court shall accord him a hearing de novo on the nationality claim and determine that issue as if proceedings had been initiated under the provisions of section 2201 of title 28, United States Code. Any such alien shall not be entitled to have such issue determined under section 360(a) of this Act or otherwise. If no such hearing de novo as to nationality is conducted, the determination shall be made solely upon the administrative record upon which the deportation order is based, and the Attorney General's findings of fact, if supported by reasonable, substantial, and probative evidence on the record considered as a whole, shall be conclusive. If the deportation order is held invalid, the court shall dismiss the indictment and the United States shall have the right to appeal to the court of appeals within thirty days. The procedure on such appeals shall be as provided in the Federal rules of criminal procedure. No petition for review under this section may be filed by any alien during the pendency of a criminal proceeding against such alien for violation of subsection (d) or (e) of section 252 of this Act; and

"(7) nothing in this section shall be construed to require the Attorney General to defer deportation of an alien after the issuance of a deportation order because of the right of judicial review of the order granted by this section, or to relieve any alien from compliance with subsections (d) and (e) of section 242 of this Act. Nothing contained in this section shall be construed to preclude the Attorney General from detaining or continuing to detain an alien or from taking him into custody pursuant to subsection (c) of section 242 of this Act at any time after the issuance of a deportation order.

"(8) it shall not be necessary to print the record or any part thereof, or the briefs, and the court shall review the proceedings on a typewritten record and on typewritten briefs.

"(9) any alien held in custody pursuant to an order of deportation may obtain judicial review thereof by habeas corpus proceedings.

"(b) Notwithstanding the provisions of any other law, any alien against whom a final order of exclusion has been made heretofore or hereafter under the provisions of section 236 of this Act or comparable provisions of any prior Act may obtain judicial review of such order by habeas corpus proceedings and not otherwise.

"(c) An order of deportation or of exclusion shall not be reviewed by any court if the alien has not exhausted the administrative remedies available to him as of right under the immigration laws and regulations or if he has departed from the United States after the issuance of the order. Every petition for review or for habeas corpus shall state whether the validity of the order has been upheld in any prior judicial proceeding, and, if so, the nature and date thereof, and the court in which such proceeding took place. No petition for review or for habeas corpus shall be entertained if the validity of the order has been previously determined in any civil or criminal proceeding, unless the petition presents grounds which the court finds could not have been presented in such prior proceeding, or the court finds that the remedy provided by such prior proceeding was inadequate or ineffective to test the validity of the order."

SEC. 2. This Act shall take effect on the thirtieth day after its approval and, notwithstanding the provisions of any other law, including section 405 of the Immigration and Nationality Act (66 Stat. 280), shall then be applicable to all administrative proceedings involving deportation or exclusion of aliens notwithstanding (1) that the person involved entered the United States prior to the effective date of this Act, or (2) that the administrative proceeding was commenced or conducted prior to the effective date of this Act. Any judicial proceeding to review an order of deportation which is pending unheard in any district court of the United States on the effective date of this Act (other than a habeas corpus or criminal proceeding in which the validity of the deportation order has been challenged) shall be transferred for determination in accordance with this Act to the court of appeals having jurisdiction to entertain a petition for review under this Act. Any judicial proceeding to review an order of exclusion which is pending unheard on the effective date of this Act shall be expedited in the same manner as is required in habeas corpus. All laws or parts of laws inconsistent with this section are, to the extent of such inconsistency, repealed. If any particular provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 3. The table of contents (Title I—General) of the Immigration and Nationality Act is hereby amended by adding the following:

"Sec. 106. Judicial review of orders of deportation."

The SPEAKER. Is a second demanded?

Mr. POFF. Mr. Speaker, I demand a second.

Mr. CELLER. Mr. Speaker, a parliamentary inquiry. Is the gentleman from Virginia entitled to demand a second?

The SPEAKER. Is the gentleman from Virginia opposed to the bill?

Mr. POFF. No, I am not, Mr. Speaker.

The SPEAKER. Is the gentleman from New York opposed to the bill?

Mr. CELLER. I am, Mr. Speaker.

The SPEAKER. The gentleman from New York is recognized to demand a second.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, I yield myself 10 minutes. Mr. Speaker, it is my belief that the Congress owes the American people the enactment of this bill as a measure of reassertion of the Nation's inherent right to terminate its hospitality to its enemies and misbehaving guests. The enactment of this legislation will put an end to the mockery of our judicial process and to the perversion of the constitutional right of "due process" through which the worst alien element, the subversives, the gangsters, and the racketeers are able to prolong their stay in this country.

This legislation will put order in a field where various judicial decisions have created chaos skillfully exploited by the most undesirable aliens who have a sufficient supply of money permitting them to thwart deportation orders by going from court to court tying up the hands of the Department of Justice and preventing enforcement of the law.

No person will be deprived of his day in court under this bill, but no one will be able to keep returning to various courts under the most frivolous and most arrogantly raised claims delaying the time when the United States could rid itself of people who have no right to remain in this country.

I agree with my three colleagues who have submitted dissenting views attached to the report on this legislation when they state that the bill will affect a very limited number of aliens and will probably be applicable in no more than about 2 percent of the deportation cases.

Yes, it is true that the bill will affect a small number of aliens. But it will affect those who do not use judicial review in good faith to correct an administrative error but who use it repeatedly and interminably for the sole purpose of remaining in the United States during the pendency of the never-ending litigation.

This bill does not prevent any alien from seeking judicial review of administrative orders of deportation. On the contrary the bill, strictly in accordance with the spirit and intent of the Administrative Procedure Act, sets up a special form of judicial review for that purpose. It sets up a single, expeditious, and fair method of judicial review in accordance with the well tested act of December 29, 1950, which provides for

the judicial review of orders issued by the various Federal agencies. This is something that has long been lacking in the field of enforcement of our immigration laws.

It is precisely this deficiency which permitted the hardened Communist agent, Heikkila, to delay his deportation since January 4, 1948, until his death in 1960. I might add, however, that his widow now continues the litigation. Similarly, the enactment of this bill will prevent a convicted narcotics peddler and racketeer, Marcello, from delaying his deportation ordered in 1952 and remaining until this day in Louisiana. There are other similar cases listed in the committee report and there are more listed in the CONGRESSIONAL RECORD of July 6, 1959, which is the date on which the House passed the bill the last time.

Historically, an order for the deportation of an alien could be challenged in the courts solely by habeas corpus proceedings, available to the alien only after he had been taken into custody. In recent years, as a result of judicial decision, it has become possible for aliens to obtain judicial review of an order of deportation upon its issuance. An equally divided Supreme Court, in January 1954, affirmed per curiam a holding that deportation orders issued under the Immigration and Nationality Act of 1952 are reviewable in actions for declaratory judgments as well as by habeas corpus. This was *Brownell* v. *Rubinstein* (346 U.S. 929 (1954)). Later, the Supreme Court held that deportation orders entered under the Immigration and Nationality Act of 1952 can be judicially reviewed in actions for declaratory and injunctive relief under section 10 of the Administrative Procedure Act. This was decided in *Shaughnessy* v. *Pedreiro* (349 U.S. 48 (1955)).

The purpose of this bill is to set up a special form of judicial review of deportation orders, exactly as is contemplated by section 10 of the Administrative Procedure Act. Furthermore, the bill specifies the court in which such action shall be brought. Nothing contained in the bill is, or can be, designed to prevent an alien from obtaining review by habeas corpus.

There is now, and since 1950 there has been, a special form of judicial review of administrative orders of certain Federal agencies. These are enumerated in the act of December 29, 1950, Public Law 901, 81st Congress, title 5, United States Code, section 1031, et seq., as amended by the act of August 30, 1954, 68th Statutes at Large, page 961. Under that act, a special and exclusive form of judicial review is created with respect to certain orders of the Federal Communications Commission, Secretary of Agriculture, U.S. Maritime Commission, Federal Maritime Board, Maritime Administration, and the Atomic Energy Commission. Exclusive jurisdiction is vested in the courts of appeals to review those orders; the procedure and process are carefully spelled out, including provisions for the making of rules, stays, and suspensions of orders, and review in the Supreme Court.

The proposed bill declares that all the provisions of the act of December 29, 1950, shall apply to and shall be the sole and exclusive procedure for the judicial review of orders of deportation of aliens within the United States. Thereby, the bill carries out the spirit and intent of the Administrative Procedure Act by establishing a special form of judicial review of such deportation orders, exactly as is provided for by the act. Instead of the multitudinous and repetitive court reviews now available by virtue of judicial interpretations, the bill sets up a special single form of judicial review by the court of appeals. This will guarantee the person in question that by a review by an appellate court he will be getting justice to the fullest extent, and to the same extent as persons aggrieved by orders of other Federal agencies which I just mentioned. Most important, by eliminating review in the district courts, the bill would obviate one of the primary causes of delay in the final determination of all questions which may arise in a deportation proceeding.

Since administrative deportation proceedings are unique in a few respects, it is necessary for the bill to provide some additional specifications of procedure and substance in regard to judicial review which do not appear in the general statute relating to agency actions.

Thus, the venue is declared to be in the judicial circuit where the administrative proceedings were conducted or in which the petitioner has his residence, but, of course, not in more than one circuit.

Whenever a petitioner who seeks judicial review claims U.S. nationality, and a genuine issue of fact is presented, the case is to be transferred to the U.S. district court where the petitioner has his residence for a hearing and determination de novo as to his alleged U.S. citizenship.

The validity of a deportation order may be challenged in a criminal proceeding brought against an alien under section 242 (d) or (e) of the Immigration and Nationality Act; the bill declares the new procedure applicable to such challenge.

The bill declares that the exclusive method of review of an exclusion order respecting an alien seeking admission into the United States shall be by habeas corpus. This restores the law to the position which it occupied for as much as 80 years or so, until it was held that an alien seeking admission into the United States had the right to use our courts to litigate, as a controverted judicial case, his privilege of entering the United States. Certainly, there appears to be no reason why an alien claiming a privilege cannot obtain full justice through habeas corpus proceedings. It may be noted that some years ago the Supreme Court held in effect that for an alien seeking admission to the United States, due process of law is whatever procedure the Congress determines shall be available. No one can question the fairness of making habeas corpus available as the sole method of judicial review.

There have been arguments by lawyers for aliens that the established judicial principle of res judicata does not apply to court actions determining the validity of deportation cases. As a result, the questions which have been determined and which could have been determined in such cases are tried over and over again. Some cases have been in litigation for more than 10 years. Apparently, there is no limit under existing law, and there is not even a requirement in existing law that a judge to whom an alien makes application for relief from a deportation order shall be informed that there was a previous determination of the case. If for no other reason than to protect the judiciary against unscrupulous aliens, some changes in this respect are required.

The bill provides that an order of deportation or of exclusion shall not be reviewed if the alien has not exhausted his administrative remedies. Every petition for review or for habeas corpus must state whether the validity of the administrative order has been upheld in prior judicial proceedings and if so, where and when. The bill also declares that no petition for review or for habeas corpus shall be entertained if the validity of the administrative order has been previously upheld unless the Court finds that the petition presents grounds which could not have been presented in the prior proceedings, or unless the Court finds that the prior proceeding gave an inadequate or ineffective remedy.

The bill has a 30-day deferred effective date. At that time it becomes applicable to all administrative proceedings regardless of when they may have been conducted or when the alien may have entered the United States. All judicial review proceedings to review expulsion orders, pending on the enactment date of the bill are to be transferred for determination in accordance with the provisions of the bill. Judicial proceedings to review exclusion orders are required to be expedited in the same manner as habeas corpus. All laws inconsistent with the bills are repealed. There is included the usual separability clause.

This bill will have the following beneficial effects upon the national welfare, safety, and security:

First. An alien who has been excluded from the United States will have judicial review only by habeas corpus. This means that he will not be able to sue the Government of the United States to enforce a claim of privilege of entering the United States. Such a lawsuit is unheard of, and was in this country unknown until the Supreme Court decided the Shung case in 1956. Furthermore, habeas corpus is an expeditious form of judicial review and is decided quickly. If the aliens are permitted to bring lawsuits, they will be able to gain admission to this country and accomplish their undesirable purposes by filing the suit in a crowded court where it may take many years for the case to be reached for trial. Meanwhile, they would gain entry by applying to the court for judicial bail, thus remaining here until the case is tried, even though there is not the slightest legal ground for their claim to enter the United States. The bill would prevent this completely, without depriving aliens of any constitutional rights.

Second. Aliens ordered deported will be required to start their judicial review action within 6 months. This prevents a deportable alien from waiting around while the Government is trying to obtain a passport to accomplish his deportation. This may take years. Meanwhile, he does nothing but wait until he is directed to appear for deportation. Then he starts his lawsuit and obtains more delay through the courts. This bill would require the suit to be started within 6 months after he is ordered deported, thus preventing the alien from waiting until he finds it convenient to start the lawsuit challenging the deportation order.

Third. A deportable alien, under this bill, will have an automatic stay of deportation, unless the court otherwise directs. It is hoped, indeed, that the courts of appeals will be very circumspect in granting such stays, as distinguished from district courts which are overwhelmed with work of various types, which prevents the judge from having enough time to look into the facts of the case closely when he is requested to issue a restraining order.

Fourth. The Federal courts which are very congested today will be relieved of a great burden, under this bill, because excluded aliens will be restricted to habeas corpus proceedings instead of cluttering up the courts with lawsuits to test their claim of admissibility to the United States. Deportable aliens will have to bring their action in courts of appeals, instead of the various district courts where they are now bringing the actions. Furthermore, the deportable alien will have to bring the suit in the vicinity where he lives or where the deportation proceeding was conducted. He will not be able to shop around, as at present, and start his suit against the Government in a court such as in the District of Columbia, for example, where the calendar is very crowded so that he gets the benefit of the delay in being reached for trial.

Fifth. Most important, the bill prevents repetitious court actions when the legal issues have once been previously disposed of.

As I said before, I am not impressed by any suggestions that it is only a few aliens who misuse the courts to prevent their deportation. On the contrary, it is exactly that comparatively small number of aliens who are the subversives, racketeers, and gangsters that we must get rid of. The fact that the United States wins most of the court actions instituted by these aliens does not affect the necessity for this legislation. On the contrary, the success of the United States in the litigation is merely proof that most of the aliens who are contesting deportation have nothing but frivolous claims. What is important is to expedite the final decision on any such claim, once and for all.

I sincerely hope, Mr. Speaker, that we may have unanimous action on this legislation.

Mr. POFF. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Virginia.

Mr. POFF. I would suggest to the gentleman, it might be appropriate at this point to emphasize the fact that in a habeas corpus proceeding brought by an alien seeking admittance to the United States, the issue of the lawfulness of detention including the alien's status is the subject matter which is tried by the court and which issue is put at rest when decided.

Mr. WALTER. That is it precisely and the issue is determined in a court of original jurisdiction. Of course, from a decision of that court, the alien may appeal to the circuit court of appeals and to the Supreme Court of the United States.

Mr. POFF. This legislation specifically preserves to the alien seeking admission into this country the right to have the question of his status tried by a habeas corpus proceeding; does it not?

Mr. WALTER. Yes; it does and for a very obvious reason. We were very much concerned over the possibility of writing an unconstitutional statute by depriving even an alien of the right to a writ of habeas corpus.

If excluded aliens are permitted to bring declaratory judgment lawsuits, they will be able to gain admission to the United States and accomplish their undesirable purposes by filing a suit in a crowded court where it may take many years for the case to be reached for trial. That is exactly the situation in Louisiana today where this fellow, Marcello, who was convicted of trafficking in narcotics, a well-known racketeer, who has been to the Supreme Court three times simply because he had the money to take his case there, was deported and he got back into the United States. He is in the United States now and has been released on bail. So now we run the same gamut of habeas corpus proceedings and possibly declaratory judgment again, and then the circuit court, and then the Supreme Court of the United States. As I said, this man has been to the Supreme Court three times already. It is aliens of that sort that this legislation is aimed at. I say very frankly to you that this legislation was asked for by the last Attorney General, Mr. Rogers, because of the frustration he experienced in trying to rid ourselves of this undesirable element. Again, the present Attorney General of the United States, Mr. Kennedy, as a result of his experience with notorious alien racketeers generally and Marcello, the drug peddler, specifically, is asking for this legislation.

I said in my opening remarks, the Congress owes it to the people of the United States to enact this legislation.

On February 12, 1961, the Washington Sunday Star printed a report by Miss Miriam Ottenberg regarding Mr. Kennedy's proposals to obtain the enactment of legislation which would permit him to fight organized crime more efficiently.

According to Miss Ottenberg's story, the Attorney General of the United States was interested in the following legislation:

1. More control over gambling in interstate commerce.

2. Measures to expedite court procedures in order to prevent long delays in deporting gangsters.

3. Extension of the immunity statutes into more criminal fields to compel the small fry of the underworld to inform on their bosses.

Mr. Kennedy put particular emphasis on deportation because a number of major underworld figures are subject to deportation action but wage successful delaying actions through the courts.

"If a criminal has enough money," he explained yesterday, "he can delay deportation for 12 or 15 years. That was not the intent of Congress."

He cited particularly the case of Carlos Marcello, of Louisiana, described as one of the principal crime figures in the United States. Marcello has been fighting off deportation since 1952.

I repeat what I said in my opening remarks, the Congress owes it to the people of the United States to enact this legislation.

Mr. CELLER. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I have the highest regard for the gentleman who has just addressed the House, the author of the bill. Indeed, I have an affectionate regard for him. But candor and good faith prompt me to take an opposing view. I do so with reluctance because of the attitude I have always expressed toward the gentleman from Pennsylvania.

The attitude of the gentleman from Pennsylvania as chairman of the Subcommittee on Immigration is understandable, but I think it is unreasonable and may become, in its operation, as far as the bill itself is concerned, rather harsh, because it visits the sins of the few upon the many.

I want no truck with the individual who abuses the law by resort to dilatory tactics through astute lawyers piling delay upon delay to prevent exclusion or deportation; I have no sympathy whatsoever with that kind of person, crooks, thieves, and so forth; but they form a very small part of the vast army of honest, God-fearing immigrants who have entered this country or who seek to enter the country.

My opposition, also, is fostered by the fact that most welfare agencies are opposing this bill, and I refer to the Friends Society, the National Lutheran Council, the National Catholic Welfare Council, the United HIAS, the American Jewish Congress, the Tolstoi Foundation, and the World Council of Churches; and, in addition, two bar associations in my own bailiwick have pronounced opposition to the bill; namely, the Association of the Bar of the City of New York and the New York County Lawyers Association.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WALTER. I may say to the gentleman that the organizations he just mentioned expressed their opposition to a bill under consideration in 1958 prior to its amendment. They have voiced no opposition whatsoever to this legislation.

Mr. CELLER. Even so, I say to the gentleman they voiced their opposition when there were hearings on the bill. I do not think there have been hearings

since 1958, and I have not heard from these organizations that they have changed their point of view; if so, they have not disclosed or made manifest that change of view.

Mr. RYAN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. RYAN. Is the gentleman familiar with the views of the committee on Federal legislation of the Association of the Bar of the City of New York, which were expressed on July 5, 1961? I quote from that report:

> The committee considers that H.R. 187 is unsound in sending proceedings to review deportation orders to the courts of appeals rather than to the district courts; that it goes too far in limiting the availability of judicial review to aliens, and its provisions applying the principles of res judicata to habeas corpus proceedings are unconstitutional.

That is from the report of the committee.

Mr. CELLER. I thank the gentleman for that statement.

Apparently, though, we are having review. I do not challenge the fact that we are having review in these cases. The gravamen of my opposition is the type of review. Review in the courts is being circumscribed so that the review becomes inadequate and at times may be extremely unjust; and the type of review is discriminatory as against the alien because we will have, if this bill is passed, two entrances to the court, one entrance for the citizen, and the other entrance for certain types of aliens. That is not equality before the law. I believe on the facade of the Supreme Court Building there is the statement "Equal justice under law." This is not equality before the law, when you have the situation develop where you have one type of review for certain types of aliens and another class of review for the citizen.

Procedural changes are involved in this proposed law, that is true. The procedural changes, however, may be highly important procedural changes or involve fundamental rights, and we must, therefore, scrutinize most carefully procedural changes of this sort.

Now, in exclusion cases all we can now have is the writ of habeas corpus. There is eliminated deliberately what is known as relief by declaratory judgment. That is where the Government, represented by the immigration inspectors or the Immigration Department, and attorneys for the alien agree upon a state of facts. They present the facts to the Court and the Court decides the case on its merits. It is true that the latest decisions of the Supreme Court have held that in the case of the writ of habeas corpus the merits of the case can be fathomed and justice determined; but you know as well as I do that Supreme Courts have frequently changed their points of view, that the doctrine of stare decisis, the following of precedents, is not as sacred in the Supreme Court as it has been heretofore. So that in a month or two the Supreme Court may change its point of view. But now we advance a statute providing that declaratory judgment review is out of the window. All we have left then is the writ of habeas corpus. The Court may at some future time say all we shall consider on the writ of habeas corpus is the question, Is the alien lawfully or unlawfully detained? And then the Court may be confronted with the order of exclusion and the courts will say, "Yes, that is legal; there is an order; therefore there is due process, and there may be a dismissal of the writ of habeas corpus.

That is what I am afraid of. I do not want to rely upon judge-made law. I want to rely upon what we do in this Chamber and what is done in the other Chamber. Beyond that, much is made of the delays and dilatory tactics. Goodness knows, we have dilatory tactics and delays in all manner of actions. Take the antitrust cases, take the Investment Bankers case, take the General Motors-Du Pont case—it took years and years, yet nobody comes into this Chamber and asks us to change the remedies with reference to those cases.

There was testimony before Subcommittee No. 5 of the Committee on the Judiciary last week to the effect that there was an indictment brought against General Motors and it took 7 years for the Government to obtain a final conviction against General Motors. Does that mean we rush in here and ask for a change in the remedies that were involved in that case? We do not do that.

Yes; property rights are involved, but here we have human rights involved. And I think we should pause before we invoke what I consider is a rather drastic remedy with reference to this new bill.

Beyond that I endeavored to find out how many were these cases that caused such vexations and frustrations to the Immigration Service.

I asked the Department of Immigration to give us the figures, and Commissioner Swing indicated before the Committee on Appropriations of this House that in 1956 there were something like 15,285 cases involving exclusion and deportation, and there were only 298 court cases. Even in those court cases all were not those involving dilatory tactics. In the next year there were 21,728 which used the administrative machinery, and only 363 that used the courts, and only a few of those cases involved dilatory tactics. In one instance the percentage of court cases was 1.9 and in the second instance it was 1.6, so that we are not overwhelmed with these cases; these bad cases. Bad cases often make bad law, and we must be very careful in that regard.

Now, beyond that, in the case of deportation, again there is a change of remedy. Instead of going to the district court you compel the humble alien to go to the court of appeals. This is what the minority report said on that:

> Curtailing judicial review by compelling the average alien to go into the court of appeals places an undue burden upon him. It calls for the retention of high-priced counsel who, in many instances, must travel to courts of appeal which are far distant from the residence of the alien or place of detention. This would be reflected in the counsel's fees. This change in procedure would most effectively curtail court action, tending to discourage the alien without means from seeking recourse to the courts, meritorious as his case may be. We are thus making a distinction between the rich and the poor. We do not believe that the matter of judicial review should be looked upon as a grace conferred upon the alien, but, rather, should be viewed as a mark of civilization according to all equality before the law.

And beyond that, it has been argued that when you have a case before the Interstate Commerce Commission or you have a case before the Civil Aeronautics Board or you have a case before the Federal Communications Commission, such cases are like a case before the Immigration Service. That is not true. You have a human being involved in the latter case; you have only property rights involved in the others. Those cases are very involved and take days and days of trial, involving huge amounts, mountains sometimes, of evidence taken, and naturally those cases must go to the court of appeals. But, that should not be the case when you have an alien who seeks to resist deportation. Beyond that, why should we clutter up the courts of appeals? There three judges sit as the court of appeals; one judge presides in the district court. Now you are going to take up the time of a triad of judges instead of one judge or numbers of single judges throughout the length and breadth of the Nation. I hope, therefore, that this bill will not prevail.

Mr. LINDSAY. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. LINDSAY. Mr. Speaker, there is a pressing need for legislation which will provide a single form of review of immigration and nationality cases after the administrative process has been completed. It has been demonstrated that the existing legal structure permits repetitious appeals to the courts, testing over and over again the same subject matter, long after the alien has had his full day in court. This has only served to delay and confound.

At the same time, it is important that review procedures be sound. I have, therefore, one strong and important reservation about the committee bill.

The committee bill provides that judicial review of final orders of deportation shall be governed by the procedures prescribed in 5 U.S.C. 1031 et seq. These sections provide that the courts of appeals shall have exclusive jurisdiction of review of such final orders. In my judgment, the better practice, and the better policy, would be to retain original judicial review of immigration cases in the Federal district courts. The reasons set forth in the committee report for the circumvention of the district courts seem to me inadequate. The nature of the deportation case at the administrative level is entirely different from the usual proceeding before the Federal Communications Commission, Atomic Energy Commission, or the other regulatory agencies listed in section 1032 of title 5. The volume of immigration cases is substantially greater, and the facts to be found are less buried in questions of policy. There is far less reason, if any at all, to deviate from the more normal course.

Nor can I credit the argument that—

since deportation proceedings deal with the liberty of persons rather than mere property an initial review in an appellate court gives the alien greater rights, greater security, and more assurance of a close study of his case by experienced judges.

If the alien is in custody, his remedy has been and will continue to be habeas corpus. The writ is returnable in the district court, and in the average case will involve the same kind of issue as in the noncustody case. If anything it will be more complex. Therefore, why the distinction? District courts deal with questions of "rights" and "security" in every criminal prosecution; yet we do not consider that in this area district courts "give" less "rights" or "security" than appellate courts.

The proposed procedure may prove wasteful of time and judicial manpower. The courts of appeals sit three en banc; the appellate courts are fewer in number and geographically further apart, they are not adapted to first-instance consideration of such matters.

If this bill should pass, I would hope that the Judicial Conference of the United States will conduct an early review of the operation of this procedure, if adopted, in order to make available to us its findings as to the administrative viability of this provision. If experience shows that the courts of appeals are in fact ill-suited for original jurisdiction of these petitions, we should not hesitate to adjust this measure accordingly.

Mr. WALTER. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. MOORE].

Mr. MOORE. Mr. Speaker, I rise to support H.R. 187, which has been introduced by my colleague and good friend on the Judiciary Committee, the gentleman from Pennsylvania [Mr. WALTER].

Two years ago, on July 6, 1959, the House passed H.R. 2807, also by Mr. WALTER. H.R. 2807 was identical with the bill we are considering today. Also during the 85th Congress the House passed a similar bill, H.R. 13311.

In my opinion a revision of the procedure for reviewing orders of deportation is long overdue. As evidenced by the fact that both the Judiciary Committee and the House during the last two Congresses have acted favorably on identical or similar measures, this is not a new subject or a subject on which we lack any of the basic information for the pressing need for legislative action.

This measure had the strong support of the Eisenhower administration. Judge Lawrence E. Walsh, then the Deputy Attorney General of the United States, in commenting upon the bill in a letter to the chairman of the Judiciary Committee stated, and I quote:

It would furnish a fair, just, uniform, and expeditious system of judicial review, in place of the present procedures under which deportable aliens, particularly subversives and criminals, have been able to delay unduly their departure from this country by unnecessary and unjustified legal maneuvers.

Likewise, Byron R. White, the present Deputy Attorney General, has urged the early enactment of this bill.

The bill, instead of the present system which permits the alien at his pleasure to bring a multitude of repetitious and dilatory proceedings for the purpose of delaying and frustrating his deportation, substitutes a single uniform system of review in which the alien's rights are adequately protected and in which the issue can once and for all times finally be settled. The objection to the bill is not that it denies the alien due process or the other customary protections of our judicial system, but that it only gives him one bite out of the apple. In other words, it does not permit the delaying tactics that have been successfully employed by many of the most notorious aliens. Many of these aliens have remained in this country for years past the time they should have been deported.

I do not believe that objection to it is valid. I believe the rights of the alien are adequately protected by this bill and that it represents a desirable change and improvement. Therefore, I hope my colleagues on both sides of the aisle will support the passage of this important measure and that the other body will likewise take prompt action.

Mr. CELLER. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. LIBONATI].

Mr. LIBONATI. Mr. Speaker, it seems futile in speaking on any legislation affecting the criminal law for men who have practiced as defenders before the bar to expect that their words would be received with any sense of admonition. So in this bill, peculiarly, the lawyer minds of the Committee on the Judiciary who are in favor of this bill do not realize that the proceedings before the Immigration Commissioner or his duly appointed representative as hearing officer are not a judicial hearing. The rules are not in a legalistic sense limited to the question of evidence as such that would be admissible in a court of law.

As a matter of fact, the entire record is compiled by the hearing officer himself. It is known even that he supplies certain evidence, documentary evidence and affidavits, after the hearing is closed. So under these circumstances, Mr. Speaker, you are not dealing with a full hearing. You are dealing with a kangaroo court, so to speak, which disregards regular procedure and further there is no opportunity for raising the legal questions of the legal limitations of the inquiry or honesty of purpose in creating and keeping a record of integrity in those proceedings.

You say that you do not curb the right to have an original writ, which is a constitutional writ, the writ of habeas corpus, by forcing a new procedural method for honoring of the writ namely to be directed solely to an appellate jurisdiction, the court of appeals—where three judges sit en banc. We know that under such a situation they cannot inquire as to anything beyond the written record. We know further that no written record would be supplied to the petitioner in that proceeding. It would merely be a systematic method of disposing of the case at the earliest opportunity without any question as to the relevant facts that might be brought into the case by the petitioner in a district court hearing by a Federal district judge.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. LIBONATI. I yield to the gentleman from Pennsylvania.

Mr. WALTER. I respectfully invite the gentleman's attention to the law in section 242, in which the procedure for the examiner is set forth in detail. The gentleman apparently has not seen this section.

Mr. LIBONATI. Yes; I have. He is so important in his official capacity that he dominates the whole proceeding, and he proceeds as he sees fit. The gentleman knows that is true.

It is a fact that during the past 12 years of the more than 200,000 aliens deported and excluded, the Immigration and Naturalization Service can only point to 37 instances of possible dilatory use of judicial process. Most of these cases were instituted since 1956. The mass of cases are handled by administrative proceedings alone. A small percentage are appealed to the courts and of that number a minute fraction can be characterized as dilatory in purpose.

I think this is a bad bill. I do not think it will accomplish its purpose, for even though you pass this bill it does not preclude a district judge from honoring a writ. I think it is bad law because those who object to the present procedure are critical of delays affecting only seven cases. Do these few cases dictate the passage of a bad law?

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Speaker, I want to add my voice to the compelling and cogent argument of the distinguished chairman of the Judiciary Committee. I am opposed to H.R. 187, which would amend the present system of judicial review of administrative orders for the deportation and exclusion of aliens.

At present such orders are reviewable by the U.S. district courts by either declaratory judgments or habeas corpus proceedings, depending upon whether the alien is at liberty or in custody. There is no time limit for bringing such actions.

H.R. 187 would abolish the declaratory judgment action in both exclusion and deportation cases.

In exclusion cases judicial review would be limited to habeas corpus proceedings in the Federal district court. Such proceedings would also be the sole method of securing judicial review from orders of deportation when the alien is in custody.

In deportation cases where the alien is not in custody judicial review would be available only upon a petition to review to the U.S. court of appeals filed not later than 6 months from the final deportation order.

H.R. 187 also contains provisions concerning the application of the theory of res judicata to immigration review cases.

Before I comment on the merits of the separate provisions of the bill, let us look at one of its principal purposes.

It is argued in support of this bill that it is necessary because of—

the growing frequency of judicial action being instituted by undesirable aliens whose cases have no legal basis or merit, but which are brought solely for the purpose of preventing or delaying indefinitely their deportation from this country.

Committee report, page 2.

The overwhelming number of deportation and exclusion cases were administratively handled. The minority report points out that the percentage of court cases is not even 2 percent of administrative proceedings. Of that 2 percent, only a small fraction of the cases can be said to have abused the judicial process. The minority report states on page 29:

During these 12 years—1947–59—of more than 200,000 aliens deported and excluded, the Immigration and Naturalization Service can point to only 37 instances of possible dilatory use of judicial process.

A close look at the purported need for this legislation leads one to the conclusion that "because of the derelictions of a few, we visit their sins upon the many"—committee report, page 28.

We must remember that the judicial process is orderly and deliberate. This is fundamental to our form of government.

The enactment of this legislation would cause serious hardship to those who have come to our country or to those who want to enter. Let us examine some of the proposals contained in H.R. 187:

First. The restriction of judicial review in exclusion cases to habeas corpus proceedings.

The committee on American citizenship of the New York County Lawyers Association has studied H.R. 187 and recommends that it be disapproved. Its Report No. F–1, March 16, 1961, comments on elimination of declaratory judgment actions in exclusion cases:

There is no sound reason for the proposed abolition of declaratory judgment actions in exclusion cases. It would have the effect of preventing an excluded alien from testing the legality of his exclusion unless he was in custody. In many instances excluded persons are paroled into the United States. Since they are not in the physical custody of the authorities, such persons would be deprived of any means of judicial review. Moreover, many persons seeking entry at the land border of the United States are excluded and turned back. They are not kept in custody. Such persons also would be deprived of any means of judicial review.

In addition, the theory that a habeas corpus proceeding is a more expeditious method of review than an action for a declaratory judgment is questionable. A leading text states:

The whole controversy comes before the Court for quick disposition if the Government files an answer immediately and makes a motion for summary judgment or for dismissal, attacking the administrative record. (Gordon and Rosenfield, "Immigration Law and Procedure" (1959 ed.), sec. 8.9d.)

Second. The elimination of the district court as a court of original jurisdiction for the review of deportation orders where the alien is not detained.

H.R. 187 proposes a new procedure for judicial review of final orders of deportation. Instead of bringing a declaratory judgment proceeding in the district court, the alien would have to file a petition for review in the court of appeals in the judicial circuit where the administrative proceedings were conducted or where the alien petitioner has a residence.

This proposal seeks to make deportation orders reviewable in much the same manner as orders of certain Federal agencies such as the Federal Communications Commission, Federal Maritime Board, and the Atomic Energy Commission.

The orders of these agencies are not the same as deportation orders. The proceedings before the FCC, AEC, and other agencies concern commercial interests usually of substantial magnitude and complexity. The litigant against the Government is almost invariably represented by counsel and the evidence introduced before the agency is usually detailed, lengthy and complex. Some of these hearings have been known to drag on for years. In deportation proceedings, however, the hearing concerns a single individual or a family. Many times the alien is not in a financial position to engage able counsel and because of language and other difficulties cannot intelligently protect his legal interests. Why should such a litigant be forced to incur the extra expense and inconvenience entailed by requiring him to appeal to the court of appeals?

The Brooklyn Women's Bar Association's Committee on Federal Legislation, the chairman of which is the well known and highly regarded New York lawyer, Anita Streep, has recommended that H.R. 187 be defeated. The committee has this to say concerning appeal to the court of appeals:

Requiring the initiation of the action in the circuit court would place undue financial, as well as other, burdens upon an alien. There are only 10 circuit courts in the United States, whereas there are at least 90 district courts. The result of the distance, additional expense, and all the other factors could and undoubtedly would deprive the vast majority of aliens who might have a bona fide ground for judicial review of their day in court.

Third. The requirement that an action to secure judicial review must be instituted within 6 months of a final order of deportation.

According to the provisions of H.R. 187, habeas corpus would be available when the alien was in custody, but other petitions for review would have to be filed not later than 6 months from the final order of deportation.

I am sure that all of my colleagues have received pleas from aliens for private legislation on their behalf. Many times the alien turns to us as a last resort. Frequently his desperate plea reaches us well after 6 months from the final order. During that time the alien has perhaps appealed to the Immigration Board of Appeals, has petitioned the Service for extensions, requested a waiver of Public Law 555, or has pleaded hardship or physical persecution. The point is that there are various administrative remedies available to the alien after a deportation order. To enact this provision would force many aliens to immediately appeal to the courts for fear that administrative relief would take longer than 6 months. This provision would unduly burden the courts and reduce the rights of aliens. It would serve as a trap for the unwary alien not alert to this legal requirement who would be estopped from seeking judicial review after 6 months from the date of the deportation order.

Fourth. H.R. 187 also contains language making the principle of res judicata applicable to petitions for review and habeas corpus proceedings. The committee on Federal legislation of the Association of the Bar of the City of New York has questioned the constitutionality of this section, although it is not a bar to further consideration.

H.R. 187 deserves our closest scrutiny for it affects basic rights of people. For the alien within our borders or for the person seeking to enter this land of freedom, the immigration laws determine his future and that of his family.

I believe that in many ways our present immigration laws fail to live up to our country's past as a refuge from tyranny, oppression, and poverty. In 1903 the Statue of Liberty in New York City was inscribed with these words:

"Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door."

Since Emma Lazarus wrote that poetic testimony to our humanitarian ideals, we have whittled away at those ideals. The enactment of H.R. 187 would cause another chip to fall.

At this point for the benefit of my colleagues I insert the text of the report of the committee on American citizenship of the New York County Lawyers' Association, dated March 16, 1961, which recommended disapproval of H.R. 187:

Report of committee on American citizenship on H.R. 187, which seeks to provide for the judicial review of orders of deportation.

RECOMMENDATION: DISAPPROVAL

H.R. 187 was introduced in the House of Representatives on January 3, 1961, by Congressman WALTER. It is identical with H.R. 2807, which was passed by the House during the last session of Congress but did not reach the Senate floor. H.R. 2807 was opposed by the American Bar Association, the Immigration and Nationality Lawyers' Association, and major religious and charitable organizations concerned with immigration.

The bill seeks to make basic changes in the procedure for judicial review of administrative orders of deportation and exclusion. At present such orders are reviewable by the U.S. district court either in actions for declaratory judgment or in habeas corpus proceedings, depending on whether the alien is at liberty or in custody. There is no time limit within which such an action or proceeding must be instituted. The bill would abolish the declaratory judgment action in both deportation and exclusion cases. In exclusion cases judicial review would be available only in habeas corpus proceedings in the U.S. district court. Such proceedings would also be the sole method of securing judicial review from orders of deportation when the alien is in custody. However, in deportation cases where the alien is not un-

der detention judicial review would be available only upon a petition for review of the U.S. court of appeals, filed not later than 6 months from the date of the final deportation order.

The committee finds the following features of the bill objectionable:

1. The elimination of the district court as a court of original jurisdiction for the review of deportation orders where the alien is not under detention.

(a) There is no justification for this because only slightly over 1 percent of all deportation and exclusion cases reach the courts and the annual number of cases filed throughout the country is not much over 100. The Supreme Court has often said that deportation is a severe penalty which may result in the loss of all that makes life worth living. Why, then, should an alien involved in a deportation proceeding be accorded fewer safeguards than a taxpayer who may seek to recover in the district court sums he claims were illegally collected from him, with an opportunity for appeal to the court of appeals and to the Supreme Court, if certiorari is granted.

(b) Moreover, the bill would result in a confusing and irrational division of jurisdiction between the district court and the court of appeals in immigration matters. The district court would continue to have original jurisdiction in all exclusion proceedings, in deportation cases where the alien is under detention, in cases where the validity of a deportation order is challenged in criminal proceedings, in cases where a substantial claim to U.S. citizenship is made, and, finally, cases where an attack is made not on the validity of an order of deportation but on the manner in which it is carried out, or upon any one of the myriad of decisions which may be made by the Immigration and Naturalization Service which do not involve deportation. On the other hand, the court of appeals would have original jurisdiction to review deportation orders where the alien is not in custody.

(c) In a wide range of deportation cases, the decision of the special inquiry officer is by regulation made final. No appeal may be taken to the Board of Immigration Appeals. In such cases the bill would have the effect of compelling the alien to proceed from the lowest administrative level directly to the court of appeals. Far from being a quasi-judicial officer, the special inquiry officer is part and parcel of the Immigration and Naturalization Service and is under its control.

(d) Litigation in the court of appeals, often located in a city other than the one in which the alien resides, will be more expensive and more cumbersome and, hence, less available in worthy cases than litigation in the district court.

2. The restriction of judicial review in exclusion cases to habeas corpus proceedings:

There is no sound reason for the proposed abolition of declaratory judgment actions in exclusion cases. It would have the effect of preventing an excluded alien from testing the legality of his exclusion unless he was in custody. In many instances excluded persons are paroled into the United States. Since they are not in the physical custody of the authorities, such persons would be deprived of any means of judicial review. Moreover, many persons seeking entry at the land borders of the United States are excluded and turned back. They are not kept in custody. Such persons also would be deprived of any means of judicial review.

3. The requirement that an action to secure judicial review must be instituted within 6 months of a final order of deportation:

(a) This requirement is unnecessary in the overwhelming majority of deportation cases in which the Government is in a position promptly to deport an alien. In such cases, the alien must, if he desires judicial review, seek it promptly. Should his case have no merit, the Government may oppose the granting of a stay of deportation or may proceed expeditiously by way of a motion for summary judgment. In cases where for various reasons it is not possible for the Government to deport an alien who is under an order of deportation, he should not be barred access to the courts at any time to challenge the validity of such order. The mere passage of time should not be permitted to sanction a possible miscarriage of justice where such basic human rights are involved.

(b) Moreover, after an order of deportation has been made, various forms of administrative relief may be available to the alien. These include possible application for stay of deportation based on fear of physical persecution or on other grounds including ill health. Administrative remedies, such as registry, may be available to him to endeavor to legalize his status. The proposed bill would compel him to resort to the courts within a period of 6 months even though such administrative procedures had not yet been completed.

Respectfully submitted.

COMMITTEE ON AMERICAN CITIZENSHIP,
EDWARD F. L. BRUEN,
Chairman.

The SPEAKER. The question is: Will the House suspend the rules and pass the bill?

The question was taken.

Mr. YOUNGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 304, nays 59, not voting 73, as follows:

[Roll No. 109]

YEAS—304

Abbitt	Brewster	Dowdy
Abernethy	Bromwell	Downing
Adair	Brooks, La.	Doyle
Albert	Brooks, Tex.	Durno
Alexander	Broomfield	Dwyer
Alford	Brown	Edmondson
Andersen, Minn.	Broyhill	Elliott
Anderson, Ill.	Burke, Ky.	Ellsworth
Andrews	Burke, Mass.	Everett
Arends	Burleson	Evins
Ashbrook	Byrnes, Wis.	Fallon
Ashmore	Cahill	Fascell
Aspinall	Casey	Feighan
Auchincloss	Cederberg	Findley
Avery	Chamberlain	Fisher
Ayres	Chelf	Flood
Bailey	Chenoweth	Flynt
Baker	Chiperfield	Ford
Baldwin	Church	Forrester
Baring	Clancy	Fountain
Barry	Coad	Frazier
Bass, Tenn.	Colmer	Frelinghuysen
Bates	Conte	Friedel
Battin	Cooley	Fulton
Becker	Corbett	Garland
Beckworth	Cunningham	Garmatz
Beermann	Curtin	Gary
Belcher	Curtis, Mass.	Gathings
Bell	Curtis, Mo.	Gavin
Bennett, Fla.	Dague	Glenn
Bennett, Mich.	Davis, James C.	Goodell
Berry	Davis, John W.	Goodling
Betts	Davis, Tenn.	Grant
Blitch	Delaney	Gray
Boggs	Denton	Griffin
Boland	Derounian	Griffiths
Bolling	Derwinski	Gross
Bolton	Dole	Gubser
Bow	Dominick	Hagan, Ga.
Bray	Donohue	Haley
Breeding	Dorn	Hall
Hansen	Mahon	Halleck
Hardy	Mailliard	Roudebush
Harris	Marshall	Roush
Harrison, Wyo.	Martin, Mass.	Rousselot
Harsha	Martin, Nebr.	Rutherford
Harvey, Ind.	Mason	St. George
Harvey, Mich.	Mathias	Saund
Hays	Matthews	Saylor
Hébert	Meader	Schadeberg
Hechler	Merrow	Schenck
Henderson	Michel	Schneebeli
Herlong	Miller, George P.	Schweiker
Hiestand	Miller, N.Y.	Schwengel
Holifield	Milliken	Scott
Horan	Mills	Scranton
Hosmer	Monagan	Seely-Brown
Huddleston	Montoya	Short
Ichord, Mo.	Moore	Shriver
Ikard, Tex.	Moorehead, Ohio	Sibal
Inouye	Moorhead, Pa.	Sikes
Jensen	Morgan	Siler
Johansen	Morris	Sisk
Johnson, Calif.	Morrison	Smith, Calif.
Johnson, Md.	Morse	Spence
Johnson, Wis.	Moss	Springer
Jonas	Moulder	Stafford
Jones, Ala.	Murray	Staggers
Jones, Mo.	Natcher	Steed
Judd	Nelsen	Stephens
Kee	Nix	Stratton
Keith	Norblad	Stubblefield
Kilday	Norrell	Taber
Kilgore	Nygaard	Taylor
King, N.Y.	O'Hara, Mich.	Teague, Calif.
King, Utah	O'Konski	Teague, Tex.
Kirwan	Osmers	Thomas
Kitchin	Ostertag	Thompson, La.
Kornegay	Patman	Thompson, Tex.
Kunkel	Pelly	Thomson, Wis.
Kyl	Perkins	Thornberry
Laird	Philbin	Tollefson
Landrum	Pike	Trimble
Lane	Pilcher	Tupper
Langen	Pirnie	Utt
Lankford	Poage	Vanik
Latta	Poff	Van Pelt
Lennon	Pucinski	Van Zandt
Lesinski	Quie	Vinson
Lipscomb	Rabaut	Wallhauser
Loser	Ray	Walter
McCormack	Reece	Watts
McDonough	Reifel	Weaver
McFall	Rhodes, Ariz.	Westland
McIntire	Riehlman	Whalley
McMillan	Rivers, S.C.	Whitener
McSween	Robison	Whitten
McVey	Rogers, Colo.	Widnall
Macdonald	Rogers, Fla.	Willis
MacGregor	Rogers, Tex.	Wright
Machrowicz		Young
Mack		Younger

NAYS—59

Addabbo	Holtzman	Olsen
Addonizio	Joelson	Powell
Byrne, Pa.	Karsten	Price
Carey	Karth	Reuss
Celler	Kastenmeier	Rhodes, Pa.
Clark	Kelly	Rivers, Alaska
Cohelan	Keogh	Rodino
Corman	King, Calif.	Rooney
Daddario	Kluczynski	Roosevelt
Daniels	Kowalski	Rostenkowski
Dent	Libonati	Ryan
Diggs	Lindsay	Shipley
Dingell	McDowell	Sullivan
Farbstein	Madden	Thompson, N.J.
Finnegan	Magnuson	Toll
Gallagher	Miller, Clem	Ullman
Giaimo	Mosher	Yates
Green, Oreg.	Murphy	Zablocki
Green, Pa.	O'Brien, Ill.	Zelenko
Holland	O'Hara, Ill.	

NOT VOTING—73

Alger	Fogarty	Moeller
Anfuso	Gilbert	Multer
Ashley	Granahan	O'Brien, N.Y.
Barrett	Hagen, Calif.	O'Neill
Bass, N.H.	Halpern	Passman
Blatnik	Harding	Peterson
Bonner	Harrison, Va.	Pfost
Boykin	Healey	Pillion
Brademas	Hemphill	Rains
Bruce	Hoeven	Randall
Buckley	Hoffman, Ill.	Riley
Cannon	Hoffman, Mich.	Roberts
Collier	Hull	St. Germain
Cook	Jarman	Santangelo
Cramer	Jennings	Scherer
Dawson	Kearns	Selden
Devine	Kilburn	Shelley
Dooley	Knox	Sheppard
Dulski	McCulloch	Slack
Fenton	May	Smith, Iowa
Fino	Minshall	Smith, Miss.

Smith, Va.	Wharton	Wilson, Ind.
Tuck	Wickersham	Winstead
Udall	Williams	
Weis	Wilson, Calif.	

So (two-thirds having voted in favor thereof) the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Wilson of California and Mr. Fenton for, with Mr. Buckley against.

Mr. Hemphill and Mr. Harrison of Virginia for, with Mr. Anfuso against.

Mr. Hoffman of Michigan and Mr. Kearns for, with Mr. Santangelo against.

Mr. McCulloch and Mr. Devine for, with Mr. Multer against.

Mr. Williams and Mr. Winstead for, with Mr. Brademas against.

Mr. Jennings and Mr. Alger for, with Mr. Fino against.

Mr. Scherer and Mrs. Weis for, with Mr. Ashley against.

Mr. Bass of New Hampshire and Mr. Hoffman of Illinois for, with Mr. Barrett against.

Mr. Collier and Mr. Knox for, with Mr. Dawson against.

Mr. Hoeven and Mr. Cramer for, with Mr. Gilbert against.

Mr. Wharton and Mrs. May for, with Mrs. Granahan against.

Mr. O'Neill and Mr. Roberts for, with Mr. Healey against.

Mr. Rains and Mr. Tuck for, with Mr. Randall against.

Mr. Seldon and Mr. Smith of Virginia for, with Mr. Shelley against.

Mr. Moeller and Mr. Bruce for, with Mr. Sheppard against.

Until further notice:

Mr. Fogarty with Mr. Minshall.
Mr. St. Germain with Mr. Dooley.
Mr. Blatnik with Mr. Pillion.
Mr. Cannon with Mr. Wilson of Indiana.
Mr. Cook with Mr. Halpern.
Mr. Peterson with Mr. Kilburn.

Mrs. GREEN of Oregon, Mr. DENT, Mr. MADDEN, and Mr. LINDSAY changed their votes from "yea" to "nay."

Mr. PIKE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

ESTABLISHMENT OF THE CAPE COD NATIONAL SEASHORE, MASS.

Mr. RUTHERFORD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5786) to provide for the establishment of Cape Cod National Seashore, with a committee amendment as printed in the bill.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the area comprising that portion of the land and waters located in the towns of Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham in the Commonwealth of Massachusetts, and described in subsection (b), is designated for establishment as Cape Cod National Seashore (hereinafter referred to as "the seashore").

(b) The area referred to in subsection (a) is described as follows:

Beginning at a point in the Atlantic Ocean one-quarter of a mile due west of the mean low-water line of the Atlantic Ocean on Cape Cod at the westernmost extremity of Race Point, Provincetown, Massachusetts;

thence from the point of beginning along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean, Cape Cod Bay, and Provincetown Harbor in generally southerly, easterly, and northerly directions rounding Long Point and then southwesterly to a point a quarter of a mile offshore of the mean low-water line on the harbor side of the dike depicted on the United States Geological Survey Provincetown quadrangle sheet (1949) crossing an arm of the Provincetown Harbor;

thence northerly, along a line a quarter of a mile offshore of and parallel to the low-water line at the dike to a point easterly of the point of intersection of the said dike with the boundary of the Province Lands Reservation as depicted on the said Provincetown quadrangle sheet;

thence westerly to the said point of intersection of the dike and the Province Lands Reservation boundary;

thence along the boundaries of the Province Lands Reservation northwesterly, northeasterly, northerly, and easterly to the easternmost corner of the reservation being near United States Route 6;

thence leaving the said easternmost corner along an extension of the southerly reservation boundary line easterly to the northerly right-of-way line of United States Route 6;

thence along the northerly right-of-way line of United States Route 6 in a general easterly direction crossing the Truro-Provincetown line and continuing in the town of Truro in a generally southeasterly direction to a point four-tenths of a mile southeasterly of the southerly right-of-way line of Highland Road;

thence easterly five-tenths of a mile to a point;

thence turning and running in a southeasterly direction paralleling the general alinement of United States Route 6 and generally distant therefrom five-tenths of a mile to a point approximately 700 feet northwesterly of Long Nook Road;

thence southwesterly along a ridge generally paralleling the alinement of Long Nook Road and distant approximately 700 feet therefrom to a point two-tenths of a mile northeasterly of the northerly right-of-way line of United States Route 6;

thence southeasterly paralleling the general alinement of United States Route 6 and generally distant two-tenths of a mile northeasterly thereof to a point 300 feet south of the southerly right-of-way line of Higgins Hollow Road;

thence in a general easterly direction paralleling the southerly alinement of Higgins Hollow Road and 300 feet distant southerly therefrom to a point five-tenths of a mile east of the easterly right-of-way line of said Route 6;

thence turning and running in a southeasterly and southerly direction paralleling the general alinement of United States Route 6 and distant five-tenths of a mile easterly therefrom to a point 300 feet north of the northerly right-of-way line of North Pamet Road;

thence in a generally southwesterly direction paralleling the general alinement of North Pamet Road and generally distant 300 feet northerly therefrom to a point approximately two-tenths of a mile east of the easterly right-of-way line of United States Route 6;

thence in a southerly direction paralleling the alinement of United States Route 6 and generally distant two-tenths of a mile easterly therefrom to a point three-tenths of a mile south of South Pamet Road;

thence west to the intersection of Old County Road and Mill Pond Road;

thence following the easterly right-of-way line of Old County Road southward to a point opposite the southerly right-of-way line of Ryder Beach Road at its intersection with Old County Road;

thence eastward to a point 300 feet east of the easterly right-of-way line of said Old County Road;

thence in a southerly direction paralleling Old County Road at a distance of 300 feet to the east of the easterly right-of-way line of said road to a point 600 feet south of the southerly right-of-way line of Prince Valley Road;

thence in a generally westerly direction, crossing Old County Road and the New York, New Haven, and Hartford Railroad right-of-way to the southern extremity of the town landing and beach in the Ryder Beach area, and continuing to a point in Cape Cod Bay a quarter of a mile offshore from the mean low-water line of Cape Cod Bay;

thence turning and running along a line a quarter of a mile offshore of and parallel to the mean low-water line of Cape Cod Bay in a general southerly and easterly direction rounding Jeremy Point and thence in a general northerly direction along a line a quarter of a mile offshore of and parallel to the mean low-water line on the westerly side of Wellfleet Harbor, to a point one-quarter of a mile due north of the mean low-water line at the eastern tip of Great Island as depicted on the United States Geological Survey Wellfleet quadrangle sheet (1958);

thence north to the mean high-water line on the north shore of the Herring River estuary in the vicinity of its confluence with Wellfleet Harbor;

thence following the mean high-water line southwesterly, northwesterly, and northeasterly to the easterly right-of-way line of Chequesset Neck Road at its crossing of Herring River;

thence following the course of Herring River along the 20-foot contour line of the southeasterly shore thereof to a point near Mill Creek;

thence crossing Mill Creek in a northeasterly direction to the 20-foot contour level near to and northeast of the confluence of Mill Creek and Herring River;

thence following generally northerly and easterly along the easterly edge of the Herring River marshes on the 20-foot contour to a point north of which the easterly right-of-way line of a medium duty road, as depicted on said Wellfleet guadrangle sheet, crosses northward across a marshy stream near the juncture of said medium duty road with Bound Brook Island Road;

thence crossing said marshy stream along said easterly right-of-way line of said medium duty road, and continuing in a northerly direction to the 20-foot contour level on the north side of said marshy stream;

thence following the 20-foot contour line westward approximately 1,000 feet to its intersection with an unimproved dirt road, as depicted on said Wellfleet quadrangle sheet, leading from a point near the juncture of Bound Brook Island Road and the said medium duty road;

thence following said unimproved dirt road northwesterly for approximately 1,600 feet to the 20-foot contour line bordering the southerly edge of the Herring River marshes;

thence following said 20-foot contour line in an easterly direction to Route 6;

thence crossing Route 6 and continuing to a point on the easterly right-of-way line of a power transmission line as depicted on said Wellfleet quadrangle sheet;

thence in a general southerly direction along the easterly right-of-way line of said power transmission line to the northerly right-of-way line of Long Pond Road;

thence in a general easterly direction along the northerly right-of-way line of Long Pond Road to the line commonly known as the "Head of the Mile Lots" line, which line

is approximately 3,200 feet westerly of the Atlantic Ocean;

thence southerly along the "Head of the Mile Lots" line to the southerly right-of-way line to Cahoon Hollow Road;

thence in a general westerly direction along the southerly right-of-way line of Cahoon Hollow Road to the easterly right-of-way line of said power transmission line;

thence in a general southerly, easterly, southeasterly, and again southerly direction along the said easterly right-of-way line of a power transmission line to the Eastham-Wellfleet town line;

thence southeasterly for a distance of approximately 5,200 feet to a point due north of the intersection of the easterly right-of-way line of Nauset Road with the northerly right-of-way line of Cable Road;

thence due south to the intersection of the said easterly right-of-way line of Nauset Road and the said northerly right-of-way line of Cable Road;

thence in a general southerly direction crossing Cable Road and along said easterly right-of-way line of Nauset Road to a point 500 feet north of the northerly right-of-way line of Doane Road and its intersection with Nauset Road;

thence west to a point 500 feet west of the westerly right-of-way line of Nauset Road;

thence southerly and westerly 500 feet from and parallel to the said right-of-way line of Nauset Road to the easterly right-of-way line of Salt Pond Road;

thence southerly along the easterly right-of-way line of said Salt Pond Road to its intersection with the southerly right-of-way line of Nauset Road;

thence westerly along the southerly right-of-way line of Nauset Road to its intersection with the easterly right-of-way line of United States Route 6;

thence southerly along the easterly right-of-way line of said Route 6 a distance of about four-tenths of a mile to the northerly boundary of the Eastham town hall property;

thence easterly to a point one-tenth of a mile from United States Route 6;

thence turning and running in a generally southerly direction paralleling the general alinement of United States Route 6 and generally distant therefrom one-tenth of a mile to a small stream approximately one-tenth of a mile beyond Governor Prence Road extended;

thence southeasterly along the said stream to the Orleans-Eastham town line;

thence along the Orleans-Eastham town line to the southerly tip of Stony Island;

thence generally southeasterly in the town of Orleans by Nauset Harbor Channel to a point due north of the northerly tip of Nauset Heights as depicted on United States Geological Survey Orleans quadrangle sheet (1946);

thence due south to the 20-foot contour line in Nauset Heights as delineated on the said Orleans quadrangle sheet;

thence generally southerly along the said 20-foot contour to a point about one-tenth of a mile northerly of Beach Road;

thence southwesterly along a line intersecting Beach Road at a point two-tenths of a mile easterly of the so-called Nauset Road leading northerly to Nauset Heights;

thence southerly to the head of a tributary to Little Pleasant Bay at the northerly tip of Pochet Neck as depicted on the said Orleans quadrangle sheet;

thence generally southerly along the thread of channel of the said tributary passing westerly and southwesterly around Pochet Island and thence southwesterly into Little Pleasant Bay passing to westerly of the northerly tip of Sampson Island, the westerly tip of Money Head, and the southwesterly tip of Hog Island following in general the centerline of Little Pleasant Bay to Pleasant Bay;

thence generally southeasterly in Pleasant Bay along a line passing midway between Sipson Island and Nauset Beach to a point on the Chatham-Orleans town line one-quarter of a mile westerly of the mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach;

thence generally southerly in Pleasant Bay in the town of Chatham along a line a quarter of a mile offshore of and parallel to the said mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach to a point a quarter of a mile south of the mean low-water line of the southern tip of Nauset Beach;

thence easterly rounding the southern tip of Nauset Beach along a line a quarter of a mile offshore of and parallel thereto;

thence generally northerly and northwesterly, and westerly along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean on the easterly shore of Nauset Beach and on to the outer cape to the point of beginning.

Notwithstanding the foregoing description of the Cape Cod National Seashore, there is excluded from said seashore the area within the town of Wellfleet, being a portion of Griffin Island, which is bounded and described as follows:

Beginning at a point on the northerly side line of Duck Harbor Road distant 500 feet easterly from the mean high-water line of Cape Cod Bay;

thence running easterly and southwesterly by the northerly and easterly right-of-way line of Duck Harbor Road to the northerly right-of-way line of Chequesset Neck Road;

thence northwesterly, westerly and southwesterly by the northerly right-of-way line of Chequesset Neck Road to a point distant 500 feet easterly from the mean high-water line of Cape Cod Bay; and

thence northerly by a line 500 feet distant easterly from and parallel to the mean high-waterline of Cape Cod Bay to the point of beginning.

In the event water access from Pleasant Bay and/or Nauset Harbor is closed from the ocean the Secretary shall take immediate action to provide an adequate passage from those inland waters to the Atlantic Ocean and maintain such opening thenceforth.

SEC. 2. (a) The Secretary of the Interior (hereinafter referred to as "Secretary") is authorized to acquire by purchase, gift, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property, and improvements thereon and any interest therein, within the area which is described in section 1 of this Act or which lies within the boundaries of the seashore as described pursuant to section 3 of this Act (both together hereinafter in this Act referred to as "such area"). Any property, or interest therein, owned by the Commonwealth of Massachusetts, by any of the towns referred to in section 1 of this Act, or by any other political subdivision of said Commonwealth may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act.

(b) The Secretary is authorized (1) to use donated and appropriated funds in making acquisitions under this Act, and (2) to pay therefor not more than the fair market value of any acquisitions which he makes by purchase under this Act.

(c) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary within such area. The properties so exchanged shall be approximately equal in fair market value: *Provided*, That the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

The Secretary shall report to the Congress on every exchange carried out under authority of this Act within thirty days from its consummation, and each such report shall include a statement of the fair market values of the properties involved and of any cash equalization payment made or received.

(d) As used in this Act the term "fair market value" shall mean the fair market value as determined by the Secretary, who may in his discretion base his determination on an independent appraisal obtained by him.

SEC. 3. (a) As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage in the area described in section 1 of this Act that is in the opinion of the Secretary efficiently administrable to carry out the purposes of this Act, the Secretary shall establish Cape Cod National Seashore by the publication of notice thereof in the Federal Register.

(b) Such notice referred to in subsection (a) of this section shall contain a detailed description of the boundaries of the seashore which shall encompass an area as nearly as practicable identical to the area described in section 1 of this Act. The Secretary shall forthwith after the date of publication of such notice in the Federal Register (1) send a copy of such notice, together with a map showing such boundaries, by registered or certified mail to the Governor of the Commonwealth of Massachusetts and to the board of selectmen of each of the towns referred to in section 1 of this Act; (2) cause a copy of such notice and map to be published in one or more newspapers which circulate in each such towns; and (3) cause a certified copy of such notice, a copy of such map, and a copy of this Act to be recorded at the registry of deeds for Barnstable County, Massachusetts.

SEC. 4. (a)(1) The beneficial owner or owners of improved property which the Secretary acquires by condemnation may elect, as a condition to such acquisition, to retain the right of use and occupancy of the said property for noncommercial residential purposes for a term of twenty-five years, or for such lesser time as the said owner or owners may elect at the time of such acquisition.

(2) The beneficial owner or owners, not being a corporation, of a freehold estate in improved property which property the Secretary acquires by condemnation, who held, on September 1, 1959, with respect to such property, an estate of the same nature and quality, may elect, as an alternative and not in addition to whatever right of election he or they might have under paragraph (1) of this subsection, to retain the right of use and occupancy of the said property for noncommercial residential purposes (i) for a term limited by the nature and quality of his or their said estate, if his or their said estate is a life estate or an estate pur auter vie, or (ii) for a term ending at the death of such owner or owners, or at the death of the survivor of them, if his or their said estate is an estate of fee simple.

(3) Where such property is held by a natural person or persons for his or their own life or lives or for the life or lives of another or others (such person or persons being hereinafter called "the life tenant"), with remainder in another or others, any right of election provided for in paragraph (2) of this subsection shall be exercised by the life tenant, and any right of election provided

for in paragraph (1) of this subsection shall be exercised by the concurrence of the life tenant and the remainderman or remaindermen.

(4) The beneficial owner or owners of a term of years in improved property which the Secretary acquires by condemnation may elect, as a condition to such acquisition, to retain the right of use and occupancy of the said property for noncommercial residential purposes for a term not to exceed the remainder of his or their said term of years, or a term of twenty-five years, whichever shall be the lesser. The owner or owners of the freehold estate or estates in such property may, subject to the right provided for in the preceding sentence, exercise such right or rights of election as remain to them under paragraphs (1) and (2) of this subsection.

(5) No right of election accorded by paragraph (1), (2), or (4) of this subsection shall be exercised to impair substantially the interests of holders of encumbrances, liens, assessments, or other charges upon or against the property.

(6) Any right or rights of use and occupancy retained pursuant to paragraphs (1), (2), and (4) of this subsection shall be held to run with the land, and may be freely transferred and assigned.

(7) In any case where a right of use and occupancy for life or for a fixed term of years is retained as provided in paragraph (1), (2), or (4) of this subsection, the compensation paid by the Secretary for the property shall not exceed the fair market value of the property on the date of its acquisition by the Secretary, less the fair market value on such date of the said right retained.

(8) The Secretary shall have authority to terminate any right of use and occupancy of property, retained as provided in paragraph (1), (2), or (4) of this subsection, at any time after the date when any use occurs with respect to such property which fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in regulations issued pursuant to section 5 of this Act and in effect on said date: *Provided,* That no use which is in conformity with the provisions of a zoning bylaw approved in accordance with said section 5 which is in force and applicable to such property shall be held to fail to conform or be opposed to or inconsistent with any such standard. In the event that the Secretary exercises the authority conferred by this paragraph, he shall pay to the owner of the right so terminated an amount equal to the fair market value of the portion of said right which remained on the date of termination.

(b)(1) The Secretary's authority to acquire property by condemnation shall be suspended with respect to all improved property located within such area in all of the towns referred to in section 1 of this Act for one year following the date of its enactment.

(2) Thereafter such authority shall be suspended with respect to all improved property located within such area in any one of such towns during all times when such town shall have in force and applicable to such property a duly adopted, valid zoning bylaw approved by the Secretary in accordance with the provisions of section 5 of this Act.

(c) The Secretary's authority to acquire property by condemnation shall be suspended with respect to any particular property which is used for commercial or industrial purposes during any periods when such use is permitted by the Secretary and during the pendency of the first application for such permission made to the Secretary after the date of enactment of this Act provided such application is made not later than the date of establishment of the seashore.

(d) The term "improved property," wherever used in this Act, shall mean a detached, one-family dwelling the construction of which was begun before September 1, 1959 (hereinafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures accessory to the dwelling which are situated on the land so designated. The amount of the land so designated shall in every case be at least three acres in area, or all of such lesser amount as may be held in the same ownership as the dwelling, and in making such designation the Secretary shall take into account the manner of noncommercial residential use in which the dwelling and land have customarily been enjoyed: *Provided, however,* That the Secretary may exclude from the land so designated any beach or waters, together with so much of the land adjoining such beach or waters as the Secretary may deem necessary for public access thereto.

(e) Nothing in this section or elsewhere in this Act shall be construed to prohibit the use of condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances.

SEC. 5. (a) As soon after the enactment of this Act as may be practicable, the Secretary shall issue regulations specifying standards for approval by him of zoning bylaws for purposes of section 4 of this Act. The Secretary may issue amended regulations specifying standards for approval by him of zoning bylaws whenever he shall consider such amended regulations to be desirable due to changed or unforeseen conditions.

All regulations and amended regulations proposed to be issued under authority of the two preceding sentences of this subsection shall be submitted to the Congress and to the towns named in section 1 of this Act at least ninety calendar days (which ninety days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) before they become effective and the Secretary shall, before promulgating any such proposed regulations or amended regulations in final form, take due account of any suggestions for their modification which he may receive during said ninety-day period. All such regulations and amended regulations shall, both in their proposed form and in their final form, be published in the Federal Register.

The Secretary shall approve any zoning bylaw and any amendment to any approved zoning bylaws submitted to him which conforms to the standards contained in the regulations in effect at the time of the adoption by the town of such bylaw or such amendment unless before the time of adoption he has submitted to the Congress and the towns and published in the Federal Register as aforesaid proposed amended regulations with which the bylaw or amendment would not be in conformity, in which case he may withhold his approval pending completion of the review and final publication provided for in this subsection and shall thereafter approve the bylaw or amendment only if it is in conformity with the amended regulations in their final form. Such approval shall not be withdrawn or revoked, nor shall its effect be altered for purposes of section 4 of this Act by issuance of any such amended regulations after the date of such approval, so long as such bylaw or such amendment remains in effect as approved.

(b) The standard specified in such regulations and amended regulations for approval of any zoning bylaw or zoning bylaw amendment shall contribute to the effect of (1) prohibiting the commercial and industrial use, other than any commercial or industrial use which is permitted by the Secretary, of all property within the boundaries of the seashore which is situated within the town adopting such bylaw; and (2) promoting the preservation and development, in accordance with the purposes of this Act, of the area comprising the seashore, by means of acreage, frontage, and setback requirements and other provisions which may be required by such regulations to be included in a zoning bylaw consistent with the laws of Massachusetts.

(c) No zoning bylaw or amendments of a zoning bylaw shall be approved by the Secretary which (1) contains any provision which he may consider adverse to the preservation and development, in accordance with the purposes of this Act, of the area comprising the seashore, or (2) fails to have the effect of providing that the Secretary shall receive notice of any variance granted under and any exception made to the application of such bylaw or amendment.

(d) If any improved property with respect to which the Secretary's authority to acquire by condemnation has been suspended by reason of the adoption and approval, in accordance with the foregoing provisions of this section, of a zoning bylaw applicable to such property (hereinafter referred to as "such bylaw")—

(1) is made the subject of a variance under or an exception to such bylaw, which variance or exception fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in the regulations issued pursuant to this section and in effect at the time of the passage of such bylaw, or

(2) is property upon or with respect to which there occurs any use, commencing after the date of the publication by the Secretary of such regulations, which fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in such regulations (but no use which is in conformity with the provisions of such bylaw shall be held to fail to conform or be opposed to or inconsistent with any such standard),

the Secretary may, at any time and in his discretion, terminate the suspension of his authority to acquire such improved property by condemnation: *Provided, however,* That the Secretary may agree with the owner or owners of such property to refrain from the exercise of the said authority during such time and upon such terms and conditions as the Secretary may deem to be in the best interests of the development and preservation of the seashore.

SEC. 6. The Secretary shall furnish to any party in interest requesting the same, a certificate indicating, with respect to any property located within the seashore as to which the Secretary's authority to acquire such property by condemnation has been suspended in accordance with the provisions of this Act, that such authority has been so suspended and the reasons therefor.

SEC. 7. (a) Except as otherwise provided in this Act the property acquired by the Secretary under this Act shall be administered by the Secretary, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with laws of general application relating to the national park system as defined by the Act of August 8, 1953 (67 Stat. 496); except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

(b)(1) In order that the seashore shall be permanently preserved in its present state, no development or plan for the convenience of visitors shall be undertaken therein which would be incompatible with

the preservation of the unique flora and fauna or the physiographic conditions now prevailing or with the preservation of such historic sites and structures as the Secretary may designate: *Provided*, That the Secretary may provide for the public enjoyment and understanding of the unique natural, historic, and scientific features of Cape Cod within the seashore by establishing such trails, observation points, and exhibits, and providing such services as he may deem desirable for such public enjoyment and understanding: *Provided further*, That the Secretary may develop for appropriate public uses such portions of the seashore as he deems especially adaptable for camping, swimming, boating, sailing, hunting, fishing, the appreciation of historic sites and structures and natural features of Cape Cod, and other activities of similar nature.

(2) In developing the seashore the Secretary shall provide public use areas in such places and manner as he determines will not diminish for its owners or occupants the value or enjoyment of any improved property located within the seashore.

(c) The Secretary may permit hunting and fishing, including shellfishing, on lands and waters under his jurisdiction within the seashore in such areas and under such regulations as he may prescribe during open seasons prescribed by applicable law. The Secretary shall consult with officials of the Commonwealth of Massachusetts and any political subdivision thereof who have jurisdiction of hunting and fishing, including shellfishing, prior to the issuance of any such regulations, and the Secretary is authorized to enter into cooperative arrangements with such officials regarding such hunting and fishing, including shellfishing, as he may deem desirable, except that the Secretary shall leave all aspects of the propagation and taking of shellfish to the towns referred to in section 1 of this Act.

The Secretary shall not interfere with navigation of waters within the boundaries of the Cape Cod National Seashore by such means and in such areas as is now customary.

SEC. 8. (a) There is hereby established a Cape Cod National Seashore Advisory Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of ten members each appointed for a term of two years by the Secretary as follows:

(1) Six members to be appointed from recommendations made by each of the boards of selectmen of the towns referred to in the first section of this Act, one member from the recommendations made by each such board;

(2) One member to be appointed from recommendations of the county commissioners of Barnstable County, Commonwealth of Massachusetts;

(3) Two members to be appointed from recommendations of the Governor of the Commonwealth of Massachusetts; and

(4) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be Chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the Commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this Act upon vouchers signed by the Chairman.

(e) The Commission established by this section shall act and advise by affirmative vote of a majority of the members thereof.

(f) The Secretary or his designee shall, from time to time, consult with the members of the Commission with respect to matters relating to the development of Cape Cod National Seashore, and shall consult with the members with respect to carrying out the provisions of sections 4 and 5 of this Act.

(g) No permit for the commercial or industrial use of property located within the seashore shall be issued by the Secretary, nor shall any public use area for recreational activity be established by the Secretary within the seashore, without the advice of the Commission, if such advice is submitted within a reasonable time after it is sought.

(h) (1) Any member of the Advisory Commission appointed under this Act shall be exempted, with respect to such appointment, from the operation of sections 281, 283, 284, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U.S.C. 99) except as otherwise specified in subsection (2) of this section.

(2) The exemption granted by subsection (1) of this section shall not extend—

(i) to the receipt or payment of salary in connection with the appointee's Government service from any sources other than the private employer of the appointee at the time of his appointment; or

(ii) during the period of such appointment, and the further period of two years after the termination thereof, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter concerning which the appointee had any responsibility arising out of his appointment during the period of such appointment.

SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act; except that no more than $16,000,000 shall be appropriated for the acquisition of land and waters and improvements thereon, and interests therein, and incidental costs relating thereto, in accordance with the provisions of this Act.

SEC. 10. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

The SPEAKER pro tempore. Is a second demanded?

Mr. SAYLOR. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, is the gentleman from Pennsylvania opposed to the bill?

Mr. SAYLOR. I am not.

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. The gentleman from Iowa demands a second.

Without objection, a second will be considered as ordered.

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, I yield 1 minute to the chairman of the Committee on Interior and Insular Affairs, the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, I want to open my remarks in support of H.R. 5786 by congratulating all of the members of the Massachusetts delegation—Mr. KEITH, Mr. BOLAND, Mr. LANE, Mr. CONTE, and Mr. MORSE—who had the foresight to introduce bills to preserve the Cape Cod area as part of our national heritage. I want also to express my appreciation to the chairman of the subcommittee on National Parks, the gentleman from Texas [Mr. RUTHERFORD], for the forthrightness and disinterestedness with which he pursued and ironed out the various problems which became evident during consideration of the bill. I want to thank the gentlelady from Idaho [Mrs. PFOST] whose Subcommittee on Public Lands handled the predecessor bills during the 86th Congress. And I want the personnel of the National Park Service who studied and investigated the Cape Cod proposal to know that their efforts are fully appreciated by us even though we have not agreed with their recommendations in all respects.

I am impressed, Mr. Speaker, with our increasing Federal responsibility for preserving open space and historic areas for America to enjoy. Out West, where most of our national parks and monuments are located, we had the great good fortune to start this program—beginning with Yellowstone Park in 1872—before the country began to fill up. We owe a great debt of gratitude to our predecessors for exercising their foresight. Here in the East, we have let things go too long. We have allowed the country to grow without seeing and acting on the need for preserving open public space near our centers of population.

Think of a map of the northern part of the east coast of the United States, if you will, and you will see what I mean. Boston, New Haven, New York, Philadelphia, Baltimore, Washington, Richmond, and Norfolk. Here is a great stretch of our Atlantic coast that is fast developing into an almost continuous street of cities. This is not good. It is too late to preserve much of this stretch. But there are a few areas where it is still possible, in the words of the act of August 25, 1916, the foundation stone of the national park system:

> To conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations.

Cape Cod is one of these few areas on the Atlantic coast. Millions of Americans live within easy driving distance of it. Tens of thousands can come from all parts of the country to enjoy it every year. It is still relatively unspoiled and it deserves to be kept that way. The investment which this bill authorizes to be made for its preservation will be repaid a hundredfold in the years to come. I urge the favorable action of the House on H.R. 5786 as amended by the Committee on Interior and Insular Affairs of the House.

Mr. RUTHERFORD. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, at the beginning of this session, a new Subcommittee on National Parks was created in the Committee on Interior and Insular Affairs. I have the honor of being chairman of that subcommittee, and I am proud that the first major piece of legislation reported by it is this bill to create the Cape Cod National Seashore. I think it impressive that a subcommittee whose members come from every part of the country except New England—from Texas, Colorado, Idaho, Nevada, Oregon, Alaska,

North Carolina, New York, Pennsylvania, Nebraska, and Iowa—should choose a bill having to do with Massachusetts on which to make its first major effort of the year.

It ranks as major in my mind for at least three reasons:

First. It gives us the first substantial addition to the national park system in the continental United States that Congress has had before it since 1947 when the Everglades National Park in Florida and the Theodore Roosevelt National Memorial in North Dakota were created. If we look at no more than our increase in population since 1947 and at the American people's increased leisure time and mobility, we cannot fail to conclude that we have been falling far behind in this form of providing for improvement in our national life.

Second. It is an important addition to the national park system in the East. All of us have had complaints that our national parks are mostly where the population is not—that is, in the West. And I think the complaint is entirely justified that we are badly in need of additional national park areas near the centers of population in the East. Cape Cod is a step in this direction since it lies within an easy day's drive for a population of at least 25 million.

Third. It is very important since it will save one of the few remaining lengths of comparatively undeveloped and unspoiled shoreline that remain in the United States. There are others, to be sure, that may come along later—Point Reyes in California and Padre Island in Texas—but Cape Cod is the only one that is still available along the Atlantic coast north of Cape Hatteras. It is time, I think, for Congress to take what steps it can to preserve such an area as this for all time and for all generations.

Having said this much by way of general introduction, let me go into more detail. The bill, as reported by the Committee on Interior and Insular Affairs, calls for the creation of a national seashore area containing about 25,725 acres. This is a smaller area than the National Park Service asked for and it is somewhat larger than some of the local people would like to see. Our committee considered very carefully the pros and cons of every tract which the local people asked to be excluded. We considered very carefully the pros and cons of every tract that the National Park Service asked to be included. The figure we arrived at is admittedly a compromise but we think it is a fair one.

The new national seashore will include about 7,000 acres that are in State ownership and will be donated to the United States. It includes about 2,750 acres that the United States already owns and that will be made available for Park Service use as they become surplus to present Federal needs. Another 1,000 acres are owned by local governmental units. The remainder, nearly 15,000 acres, are in private ownership and will have to be acquired.

The bill goes to elaborate lengths to assure the local people that they will not suddenly be dispossessed as soon as this bill becomes law. It is traditional, of course, for the National Park Service to use its powers of condemnation very sparingly, but the bill provides that this power shall, in no event, be used against residential property for 1 year after the bill becomes effective and that it shall never be used to acquire such property which conforms to local zoning bylaws which are in accord with general standards approved by the Secretary of the Interior. It provides, moreover, that the owner of residential property may elect to retain the use and occupancy of his property during his lifetime or for 25 years. I want to emphasize, in addition, that any property owner may continue to sell the property, or lease it, or leave it to his children, or do anything else with it that a normal owner may do. The bill does not affect, or even pretend to affect, these rights at all. I repeat, the local people are much more fully protected by this bill than they are by any other piece of legislation that I have ever seen.

Many of you know from first-hand experience that Cape Cod is beautiful country and that it is well worth preserving in its present state for posterity. Let me assure those of you who have not seen it for yourselves that our committee did not act without familiarizing itself with the area. A group from the committee which included the gentlelady from Idaho [Mrs. PFOST], the gentleman from Alaska [Mr. RIVERS], the gentleman from Colorado [Mr. CHENOWETH], and the gentleman from Oregon [Mr. ULLMAN] visited the area last December and saw it for themselves. Another group which included the gentleman from California [Mr. JOHNSON], the gentleman from Oregon [Dr. DURNO], and the gentleman from Iowa [Mr. KYL] and myself visited it this spring. We may have had minor differences of opinion with respect to the inclusion or exclusion of individual areas from the national seashore, but I am sure that there was no difference of opinion that Cape Cod will be a worthy addition to our national park system, that it is different from any unit of that system which we now have, and that it should be preserved for the use and enjoyment of our own generation and of the generations which will follow us.

Let me underscore the preservation aspect of the Cape Cod proposal. The bill itself does so, our committee report does so, and I want to do so personally and as chairman of the National Parks Subcommittee. The sight of the coastline which the Pilgrims first saw in 1620 is worth preserving. The 3,600 acres of Province lands at the tip of the cape which are still, fortunately, in a wild state after all these years are worth preserving that way. The ponds, large and small, which dot the area and gleam like jewels on a bright day, are worth preserving. The broad sweep of highlands the whole way across the cape from Pamet to Bound Brook is worth preserving.

I doubt seriously that there is any way of preserving these areas for public enjoyment without making them a part of the park system. Most of the good people of the present generation of Cape Codders, aside from a few real estate operations, have honest intentions of preserving them. But what of the next generation? How long can people resist the pressures of population growth which are already impinging on this beautiful area? How long can they resist the lure of subdivision and sale? This is what makes the passage of this bill at this time so important.

Let me emphasize one point: Cape Cod does not need to be preserved for the Cape Cod residents alone; it needs and deserves to be preserved for all America. Just as a New Englander enjoys the Grand Canyon in Arizona, just as a New Yorker enjoys the Everglades in Florida, just as a Californian enjoys the Effigy Mounds in Iowa, just as an Oregonian enjoys the Skyline Drive in Virginia and North Carolina, so all of us should be able to enjoy Cape Cod in Massachusetts. Cape Cod is not merely a local heritage. It is and should be treated as a part of our national heritage in the same way that Grand Canyon, or Glacier View, or Effigy Mounds, or the Everglades are.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. RUTHERFORD. I yield.

Mr. ASPINALL. I understand there is a difference between the House bill and the Senate bill.

Mr. RUTHERFORD. The gentleman is correct.

Mr. ASPINALL. It is my understanding that the House intends to stand by its version; is that correct?

Mr. RUTHERFORD. That is correct.

Mr. ASPINALL. One of the biggest differences between the two bills is that the bill from the other body would take control of appropriations away from the Appropriations Committee, and the House bill would not. Is that correct?

Mr. RUTHERFORD. The gentleman is correct, plus the fact that the Senate bill includes more land for the national park than the House bill does. We do not provide for back-door spending out of the Treasury.

Simple enjoyment of such areas as these is, to my mind, one of the highest and best forms of recreation. Too often we think of recreation, particularly when it is associated with a seashore, as involving the loud and raucous, the outboard motor, the high diver, and popcorn and peanuts. We do not intend Cape Cod to become a second Coney Island. There is no danger that it will become such under the auspices of the National Park Service. The American people will continue to be able to enjoy the cape—its beauty, its historical associations, its scientific interest, and its peace and quiet.. Assurance of this is what we need and what H.R. 5786 gives us.

Mr. Speaker, there are a number of other aspects of this bill that I should like to talk about, but time does not permit me to do so. I want, however, to close by paying tribute to the work which was done during the 86th Congress by the gentlelady from Idaho [Mrs. PFOST] whose Subcommittee on Public Lands began the work of considering the Cape Cod proposal which my subcommittee has continued in the 87th Congress. I want to thank all members of the Committee on Interior and Insular Affairs, and particularly the members of the Subcom-

mittee on National Parks, for their steady attention to the work which was before them. I want to thank the chairman of the full committee, the gentleman from Colorado, Congressman ASPINALL, for the encouragement that he gave us to go ahead with this work.

Mr. Speaker, it is an honor for me to be able to present this bill to the House and to recommend its passage, as amended.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. KYL]

Mr. KYL. Mr. Speaker, with the presentation of this legislation we have both an opportunity and an obligation to survey the entire field of national parks and a related matter of outdoor recreation. This is not a discussion which can be disposed of in a few minutes.

It should be pointed out again, Mr. Speaker, that this body 2 years ago established the Outdoor Recreation and Resources Review Commission to study our long-range planning in outdoor recreation and its relationship with our park systems, our natural forests, and our other resources. The study of that Commission has been long, arduous, and detailed, and I believe will be of great value. The present consideration could have benefited tremendously if we had awaited the forthcoming report of the ORRRC.

It is important that we realize the legislation before us will be regarded as precedent for many future proposals. In a very brief review the gentleman from Iowa can only point out factors deserving deliberation. Proponents of the Cape Cod Seashore Park have demanded speed because of possible deterioration of the park area through commercial and recreational developments. Unquestionably, every other area henceforth will require speed to prevent destruction of the natural beauties.

This legislation calls for creation of a park from land which is highly developed and very valuable. The bill will permit property owners to reside on their property through their lifetime. There is still a conflict between conservation and recreation. There is no accurate estimate of the cost of property acquisition and there is reason to believe that that acquisition cost will be increased by the necessity of access road construction and other considerations. To the best of my knowledge, only one central sewage system exists on the cape and this is in an area to be excluded from the park. It is my opinion that the entire Department will soon have its own highly developed community facilities program to rival that of other departments of the Government for creation of public utilities and services. Since this area is highly developed for both commercial and especially for residential purposes, creation of the park will create serious financial burdens for the beautiful little towns which are losing taxing evaluations. For the latter reason alone, I would have to oppose the version of this legislation passed by the other body if that legislation comes back to this House after a conference.

In the broader view, it is my hope that this legislation will cause us to take a good look at the national park system. What more should it include to be considered a well-rounded program? Should conservation continue to be the almost complete purpose of national parks? Are there not new concepts to be considered, such as regional park systems or programs of cooperation between the Federal Government, the States, and the communities? I believe the Congress is entitled to a complete review of the policies and intentions of the Park Service so far as future additions and development are concerned. I am disposed to oppose every other park bill which is presented before we receive a definitive report from the Interior Department and the Park Service; according to news stories, we are not being informed because the Department does not want to "tip their hand." It should be added that the hand is being played with a pot of over a billion dollars. The Cape Cod area is worthy of preservation in the park system. There are other areas in every State which could be so designated. How can these areas best meet the needs and the desires of the Nation and the people? Do we need a new concept of preservation, not to replace but to augment the system of national parks?

Mr. Speaker, I must again ask every Member to think on this question. How can we best preserve the beauties and other values of our outdoor resources in a manner which is equitable and practical, not only so far as the National Government is concerned, but with respect and judgment for the communities and the people who live in the park areas?

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Colorado.

Mr. ASPINALL. The gentleman from Iowa now speaking serves well on the Outdoor Recreational Resources Commission, and his warning is very timely. But, it is my understanding that the Outdoor Recreational Resources Commission has offered no objection whatsoever to this particular legislation; am I not correct?

Mr. KYL. The gentleman is correct.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Washington.

Mr. PELLY. I wonder if the gentleman could tell us when that report of the Outdoor Recreational Resources Commission might be expected.

Mr. KYL. The reporting time was extended by this body. The report, consisting of about 24 volumes, will be presented to the Congress shortly after the first of the year.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Iowa.

Mr. GROSS. Well, to get this in the proper perspective, if I can assist in it, this bill calls for an expenditure of $16 million—that is the foot in the door—to start the establishment of a national park on Cape Cod; is that correct?

Mr. KYL. The estimates of the cost of acquisition of the property have ranged from $16 million to as high as $100 million. I believe the most realistic estimates have been somewhere between $50 million and $60 million.

Mr. GROSS. So that the $16 million is not a very firm figure; is that correct?

Mr. KYL. That limitation is included in the bill. I am not an appraiser, but it would be my estimate that the cost of acquisition of this property would be much higher than the $16 million included in the bill.

Mr. GROSS. On top of that it is going to require roads; is that not correct, a road system to serve this project?

Mr. KYL. There are some roads in the area at the present time, but if the visitation is increased, I think it would be reasonable to expect that there would have to be improvements made along that line.

Mr. GROSS. I believe the gentleman stated that there is only one sewage system in the entire area, and that is excluded from the land sought to be acquired under the terms of this bill.

Mr. KYL. To the best of my information, that is correct.

Mr. GROSS. Could the gentleman tell me why the State of Massachusetts does not underwrite the costs of this park?

Mr. KYL. The only answer I could give to that question is that the witnesses from the State of Massachusetts have told the committee the State could not assume the financial burden of doing this job.

Mr. GROSS. So they want the taxpayers of the entire country to take it over.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Massachusetts.

Mr. BOLAND. As a matter of fact, are we not here establishing a national policy with respect to national seashore areas? That is probably the real reason the Commonwealth of Massachusetts does not take it over. As I recall, the first venture was the Cape Hatteras seashore project, which was dedicated about 4 years ago, one of the country's greatest park areas. And, I think it is in this area that we are establishing a national policy. The gentleman a moment ago referred to the fact that the Commonwealth of Massachusetts should establish its own park area for the enjoyment of all the people of the United States. I do not believe they should. That is the reason we are getting into this field, and I think it is a good field to get into.

Mr. KYL. Of course, the gentleman from Massachusetts realizes, in connection with Cape Hatteras and certain other parks, the State government and the local governments have participated in the establishment.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from North Dakota.

Mr. SHORT. Some of this property to be acquired, as I understand, is now privately owned.

Mr. KYL. Almost all.

Mr. SHORT. Is the property now subject to local taxation?

Mr. KYL. It is.

Mr. SHORT. Is there any provision in this bill to reimburse the local political subdivisions for the tax loss that will be sustained if title to this land is taken over by the Federal Government?

Mr. KYL. In the original bill there was a provision for payment in lieu of taxes. That provision has been removed by amendment.

Mr. SHORT. I thank the gentleman.

Mr. KYL. The most serious consideration given this bill was that of the gentleman from Massachusetts [Mr. KEITH] who had the dual task of promoting a worthwhile park and the protection of property rights for towns and citizens of the cape. His work has been exemplary.

Mr. GROSS. Mr. Speaker, I yield 7 minutes to the gentleman from Oregon [Mr. DURNO].

Mr. DURNO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DURNO. Mr. Speaker, I would make it crystal clear to this body, as I have so abundantly done before the Interior Committee, that I am in accord with the overall position of the Department of the Interior in its ambitious national park program. I will energetically encourage the development of our natural resources, that are so important to my State, and to our Nation. I hope I may assist in the creation and preservation of certain areas of our country as wilderness. I do want to be a part in the orderly development of recreation areas throughout this land. This is especially true in the East where suitable land is scarce.

I oppose the timing of this particular legislation. Today's proposal is reaching us even before the Outdoor Recreation Resources Review Commission has had a chance to make a report. This completed report is due to be delivered to the Congress January 3, 1962.

I realize in Government we go from crisis to crisis. Despite propaganda to the contrary, this particular problem is not a crisis and might well await recommendations from the Outdoor Recreation Resources Review Commission.

I will object from time to time to the when, the who, and the how of this program. I repeat I am in accord with its overall objectives.

I cannot pass to a discussion of this bill itself without saying to the constituents of my colleague from Massachusetts [Mr. HASTINGS KEITH], that he has worked long and hard with this committee, and as a result I believe H.R. 5786 is a much better bill than the one passed by the other body.

H.R. 5786 is an entirely new concept. For the first time the Federal Government is moving in and invading a thickly populated section of the country; 25,000 to 30,000 acres of land would arbitrarily be taken, much of it from private property owners, held for many generations. This was done by Members of this Congress sitting down with the National Park Service, and cutting up, carving up, apportioning, and reapportioning land for a national seashore.

I do not feel that the gentleman from Texas, the gentleman from Iowa, the gentleman from California, or the gentleman from Oregon, has any right, moral or legal, to recommend the confiscation or condemnation of land of one landowner, and exclude the land of his neighbor. The determination of the status of some of this land was like playing Russian roulette.

Your committee has carefully considered the Cape Cod proposal.

Open hearings, two visits to the area, which included careful coverage of the ground area in the morning by automobile, and in the afternoon by helicopters helped in our deliberations, and in formulating our recommendations.

I voted to place H.R. 5786 before the Congress because I think that all measures of great significance and broad principle should be debated on this floor.

I held reservations as to the wisdom of its passage, and these I would like to briefly pass on to you.

First. Cape Cod would become primarily recreational and the very purpose of preservation and conservation which the bill espouses would be defeated.

Second. According to testimony the cost of acquisition would run from $20 to $120 million, or six times what this bill calls for.

Third. I sincerely believe the four townships most affected do not want this park. Provincetown and Chatham do because of tourist dollars, and little loss of tax revenue to their township.

Fourth. No mention of access road development is made in this bill. This has been estimated to cost $59 million. Who will pay that bill?

Fifth. There is no compensation for loss of tax revenues by the townships. The bill passed by the other body does not protect the municipalities by reserving good adjacent land for residential construction.

Sixth. There is no central sewage disposal in this whole thickly populated area of the cape.

Seventh. There will be a backing up of holiday traffic clear to Plymouth and the very beautiful residential areas to the north will find their way of life not conserved or preserved but seriously threatened by the summer throng attracted.

Eighth. This bill would make the Secretary of the Interior a virtual czar over the lives of the people who are permitted to remain within the confines of the park: He would appoint most of the Advisory Committee; he would appoint the Chairman of the Committee; his word would be final with respect to the zoning ordinances; and his word would be final in much of the fishing and hunting in the area.

These are the reasons I object to the enactment of this legislation.

In conclusion, I was astounded, astonished, and saddened by a recent press release in the Washington Post. Speaking of the park program, officials said they did not want to disclose their hand now, but they proposed to acquire 5.4 million acres of private land at a cost of $1.5 billion in the next few years. All this under the guise of preservation, conservation, and recreation; when we already have 770 million acres in the public domain.

A case in point. On July 7, last Friday, we had before our committee another park proposal involving 113,000 acres of land in Missouri, 86 percent of which is privately owned.

Another case in point. Last week the Department of the Interior came to committee headquarters and without consulting either the chairman of the subcommittee or the chairman of the whole committee, tried to set up a hearing on another national park. Most of us had not heard of this one.

According to Secretary Udall and the press, this is only the beginning. There is much more to come. Let us proceed slowly, and consider the wisdom of our elders, who have preceded us.

John Quincy Adams, from Massachusetts, the sixth President of the United States, and for 20 years thereafter a Member of this body, had this to say: "Property has divine rights, and the moment the idea is admitted into society that property is not as sacred as the laws of God, anarchy and tyranny begin."

The following is a statement prepared by the Cape Cod Chamber of Commerce, Hyannis, Mass., Norman H. Cook, executive secretary, for hearings in Washington, D.C., on March 7, 8, 9, 1961, on the proposed "Cape Cod National Seashore," and contained in H.R. 989 and S. 857 before the Committees on Interior and Insular Affairs, U.S. House of Representatives and U.S. Senate:

Mr. Chairman and committee members, the proposal before you calls for Federal acquisition of nearly 30,000 acres of land in Barnstable County, Cape Cod. Some of you have inspected the area, and know that this is not a wilderness area. Taking this land and opening it to the genral public will have consequences not entirely clear at this time. A wide variety of opinions have been offered, from claims of great benefit to forecasts of disaster for our local economy. That substantial changes will take place seem inevitable. It is our ability to absorb these changes in whichever direction that concerns us.

We cannot believe that the Congress would deliberately set out to destroy our economy. Therefore, we hope you will provide safeguards that will help us absorb the impact with a minimum of hardship.

These safeguards should include "payments in lieu" of taxes for a period of time long enough to assure our towns financial stability. Twenty-five years would not seem too long. Provisions for appeal to the Federal Courts could be provided to determine fair and equitable adjustments. This is a new and untried experiment, and our towns and county should not be left entirely to the mercy of administrative decisions. The Park Service's estimates of the number of people that will use this park indicate an extreme burden on local facilities for traffic control, and public health and safety.

The matter of access to this area is of great concern to us. At the present time, there are approximately 112 miles of old-fashioned highways between the proposed park and the population centers of Boston and New York. These are now dangerously overcrowded in July and August. To im-

pose a load 5 times greater (see p. 316, report on S. 2636, pt. 2, June 2, 1960) which is the Park Service estimate, could be disastrous.

The cost of alleviating these conditions should be included in the estimates of the costs of this proposal. We are all too familiar with the effects of capital expenditure that do not include the operating and secondary costs. The proposal before you ignores these, and, as presently drawn, will place the burden on the local governments. Our economy depends on vacation travelers, and our highways are barely adequate. If traffic doubles or increases five times, it could mean the trade we now need for our support will be driven away because of travel difficulties.

Federal Highway aid in this area is on a 50–50 basis, not 90–10. We believe that if the Congress decides that creating this park is in the national interest, it should not force local interests to pay for highway construction, as wall as sacrifice the potential income from the land areas involved, and assume the other burdens this act will impose.

We hope you will include an authorization and an appropriation that continues, "payments in lieu" of taxes for many years, and provides for the entire cost of construction of access highways.

The sums involved in highway construction can be estimated from the facts concerning the section of U.S. Highway No. 6 from West Barnstable to Orleans, a 25-mile section of single lane, which cost $7.5 million. From West Barnstable to the Cape Cod Canal, a matter of 11 miles, there now exists a modern highway of limited access, with a safety median strip. Beyond this, new construction is needed. U.S. Route No. 6 to connect New York City, 55 miles; Massachusetts Route No. 28, to connect Massachusetts Turnpike, 20 miles; Massachusetts Route No. 3, to connect Boston, 12 miles, a total of 112 miles, which will cost in excess of $59.7 million not including land damages.

Construction costs west and north of the canal will be higher than on the cape. Therefore, please include these costs as part of the cost of this proposed park. They could easily exceed the cost of the park itself.

A realistic appraisal of the total cost and provisions to meet them could help considerably in the creation of the park. As it now stands, the park cannot be created without the approval of the General Court of Massachusetts in granting Federal control in State-owned lands. It would seem doubtful that our legislature would approve, knowing that they will have to raise half the cost of the necessary highway construction.

I thank you for this opportunity to present our views on this matter.

STATEMENT BY THE TOWN OF CHATHAM TO THE SUBCOMMITTEE ON NATIONAL PARKS OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C.

Inasmuch as the town of Chatham has submitted statements both verbal and written, on a proposed Cape Cod National Seashore Park at various Senate and House subcommittees hearings, and in order to avoid repetition, the town respectfully requests the verbal and written statements, as described and enumerated below, be made a part of the record of this hearing on the new House bill H.R. 989.

1. Verbal statement by Robert A. McNeece made at the Senate subcommittee hearing on Senate bill S. 2636 on December 9 and 10, 1959, Eastham, Mass.

2. Statement of the "position of the town of Chatham in relation to Senate bill S. 2636" presented at the same hearing.

3. Statement filed by Everett C. Small, chairman of the Chatham Board of Selectmen at the hearing before the Senate Subcommittee on Public Lands on June 21, 1960.

4. A statement by the town of Chatham presented to the Subcommittee on Public Lands of the House of Representatives at the hearing of said committee on December 16 and 17, 1960, at Eastham, Mass.

5. The verbal statement by Robert A. McNeece made at the aforementioned hearing.

All of the above are part of the record of the hearings referred to but are distinct and not repetitious in content. Inasmuch as H.R. 989 is a new bill the town of Chatham wishes to be assured that all the testimony it has thus far submitted on the proposed Cape Code National Seashore Park will be printed in and become a part of the record of this hearing.

Supplementing the aforementioned testimony the town of Chatham wishes to make the following additional statement of facts and relevant comments in support of the position the town has taken in regard to a proposed Cape Cod National Seashore Park as it relates to the town of Chatham.

Chatham has maintained from the beginning that any area of the proposed park which must be reached by travel over narrow roads through its fine residential districts would have a serious depreciating affect on the fine residential character of the town as a whole. In a recent letter to the Chatham Park Commissioners from Director Conrad Wirth, of the National Park Service, published in the Cape Cod Standard Times of March 2, 1961, Director Wirth acknowledges the validity of the Chatham contention by describing limited uses now planned for Morris and Stage Islands which would have such an effect as not to "cause access and transportation problems through the town of Chatham." In another press release Senator SALTONSTALL confirmed Chatham's contention by saying in effect the limited uses "answers both the valid concern of the Chatham Board of Selectmen that increased traffic congestion would necessitate the widening of streets and thus impair the traditional charm of the town." Thus the validity of Chatham's most important concern about potential traffic has been recognized by two of the most important sources of legislation to establish the park, Director Wirth and Senator SALTONSTALL. In this same connection Chatham wishes to call attention to Director Wirth's statement and the words "cause access and transportation problems—through the town of Chatham" and refer to the statement made by Director Conrad Wirth as recorded in the hearings at Eastham December 16 and 17, 1960, in which he said, "In our studies we also tried to give the fullest possible consideration to the probably effects of the proposed national seashore on the neighboring communities. You will note that the community centers of Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham are all outside of the recommended boundaries." On the one hand the National Park Service claims the proposed park is outside the bounds of the community center of Chatham and on the other hand it recognizes traffic problems through the town of Chatham.

Chatham has also maintained from the beginning that it was not good planning to separate one area of the park in Chatham, 14 road-miles distant, from the next nearest part of the park in Orleans. Chatham has maintained that the park should be as compact and cohesive as possible, because of its impact on the towns effected, the traffic problems, and the efficiency and economy of administration. Chatham wishes to refer the subcommittee to the final paragraph of the "Statement of the National Park Service in answer to the criticism that the area proposed for the Cape Cod National Seashore Park, as it appears in the record of the hearings as Eastham December 16 and 17, 1960, is not really all needed for park use." "It would also impair its cohesiveness as an administrable area by so constricting and fragmenting it that park routes and facilities could not be developed adequately in the best interests of park conservation and public use. To thus hamper proper park planning would tend to increase the impact of public use upon the traditional atmosphere of the cape."

Chatham also wishes to call attention to Mr. Thompson's verbal testimony, at the above-mentioned hearing, in which he said, "There must be some continuity of an area and unity to its development program." Also to the testimony of Prof. Serge Chermayeff, an ardent proponent of the park, in which he states, "The ecology of wildlife cannot jump quarter-mile gaps." Chatham is quoting these statements, out of context, by Mr. Thompson and Professor Chermayeff merely because it believes they were impulsive utterances stemming from innate, commonsense knowledge that there should be some continuity to the park and yet this proposal would separate one part of the park in Chatham, 14 road-miles distance, from the next nearest part in Orleans.

Chatham wishes to call attention also to another paragraph in the statement by Director Wirth. "In suggesting the proposed boundary, we also gave careful consideration to such park planning requirements as the potentialities for its appropriate uses by the visiting public; the need for suitable and safe entrances; means of moving from place to place in the seashore in safety and in such manner as to make a seashore visit enjoyable; public use facilities such as visitor centers, administrative and headquarters sites, and the minimum land needed to accomplish these purposes. In other words, the seashore, if it is to succeed both as a conservation device and as a public use area, must be such that we can provide sensible and orderly protection, development, and use within it. This will not be possible if it is pared down or dismembered into several or more separate and isolated tracts."

Would not separating Chatham from the rest of the park amount to dismemberment? Could such a small area be provided with sensible and orderly protection economically? Is moving 14 miles over a narrow, winding road between Orleans and through Chatham's busy streets consistant with means of moving from place to place in the seashore in safety?

There has now been introduced in the Senate a new bill, S. 857, which, Chatham understands, will be considered at this hearing. This bill provides for reductions in the proposed park boundaries in every lower cape town requesting reduction, but does not provide for any reduction in Chatham.

The only concession made to the town of Chatham is that "Notwithstanding any other provisions of this act, Morris and Stage Islands shall be administered as a sanctuary in which the flora and fauna shall be preserved and where camping and other major activities and developments for the accommodation of visitors shall be prohibited." Who is to define major activities?

In an article in the February issue of the Atlantic Monthly, Devereux Butcher describes the act establishing the Everglades National Park, Fla., and what happened in that park thereafter. From this article Chatham wishes to quote the following: "Congress specifically directed that the area—'shall be permanently reserved as a wilderness, and no development * * * for the entertainment of visitors shall be undertaken which will interfere with the preservation intact of the unique flora and fauna and the essential natural primitive conditions now prevailing in this area.'" Note the similarity of this wording to that in the bill, S. 857. Mr. Butcher, in the same article, relates what has actually happened at the Everglades as follows:

"When Everglades National Park, Fla., was established in late 1947, under a 1934 authorization Act, the area was an unblemished wilderness except for a few patches of agricultural land on the eastern side and a winding dirt road that ended 40 miles away at a little group of weathered fishermen's shacks known as Flamingo, overlooking Florida Bay. The park was, in fact, as much an unblemished wilderness and wildlife sanctuary as Mount McKinley at the time of our visit.

"Newton B. Drury, who was National Park Service director in 1947, said that before starting any development in Everglades, the area would be studied to make sure that whatever was done would not disturb the wildlife, which constituted the park's principal, and perhaps most fragile, feature.

"A new administration came into office in the early 1950's, and since then the 40-mile road has been improved and it fills its purpose well; but at its southern end, where the shacks once stood, there is now a fishing-yachting resort of the kind that is a dime a dozen in Florida.

"There is a 60-room motel, a dining room seating 200, a marina, 57 boat slips, with dockside electric power and water, accommodating boats up to a hundred feet in length, and a hoist for boats up to 5,000 pounds. A channel dug across part of the park's Florida Bay provides access for yachts. Marine supplies—gas, diesel fuel, bait, tackle, and ice—are for sale. There is a launching ramp for boats brought in on trailers. Sightseeing trips run daily to the Cuthbert rookery, when the birds are nesting, and to Cape Sable, White Water Bay, and Florida Bay; inboard and outboard boats are for rent with or without guides, as are 30- and 40-foot self-propelled houseboats that sleep four to six persons. Fifteen- and sixteen-foot Fiberglass boats also are for rent, with or without motors. The supplies and personnel required for this operation must be trucked 40 miles through the park. Is this big commercial resort in accord with the authorization act?"

Could this same thing, or something similar, eventually happen to the Chatham area, particularly in view of the national growing pressure for more recreational use areas?

Nothing in the bill S. 857 prevents the National Park Service from providing a road through Morris Island to the wildlife areas of Monomoy, which can be made accessible by viaduct or bridge and provide recreational facilities to thousands upon thousands of visitors who may enjoy the following permitted uses as quoted from a pamphlet issued by the U.S. Fish and Wildlife Service, Monomoy area, "Recreation." Varied forms of recreation are available to the public on the refuge. They include fishing, camping, hiking, shell collecting, picnicking, and photography.

The wording in the bill S. 857 implies that there will be very limited visitation to Morris, Stage, and Monomoy Islands. Chatham wishes to quote from the economic study of the proposed Cape Cod National Seashore Park. "Our estimate is that at the present time there are 23,000 summer residents in the area at any one time. We forecast that without the development of the national seashore park, this number would be more than double in 15 years. The nature of most of the summer residents, under that condition would continue to be the family groups that now predominate.

"When the lower cape's 23,000 summer residents are used as a basis for calculating 'visitor days,' a conservative estimate is that there are 1.5 million visitor-days already being spent in the area. The implication of the kind of growth experienced at Hatteras—66.8 percent in a 4-year period—if applied to the lower cape would mean a tremendous influx of persons.

"This would mean a total of 2,500,000 visitor-days at the end of a 4-year period after the establishment of the park and 10 million visitor-days in a 15-year period after the establishment of the park.

"Of course the season would be much longer since the experience of other parks has been to draw visitors heavily in the spring and fall. If the park is not established, visitor-days on the lower cape will be less than 4 million. Such an influx as the one predicted for the park is not beyond reasonable expectations."

To assume that only a small fraction of people making up the 10 million extra visitation days will not visit the Chatham area either from a desire to see the whole park while they are here or a wish to use the recreational facilities which may be made available at Monomoy, is unrealistic. Either a sufficient number will come to justify the cost of acquisition (possibly $1 million) administration and maintenance, or it would be sheer folly, particularly in view of the need to maintain a sound dollar, to buy and maintain such an expensive piece of property for a very few people. There is an inconsistency here which puzzles Chatham and leads the town to wonder if the "limited uses" will be only of a temporary nature. Will the history of the Everglades be repeated in the Chatham area.

In determining the fair market value of Morris and Stage Islands which the owners have set at $1,108,500, based on the price of the individual lots on the islands, Chatham has compared the prices of these lots with other shore front, or near shore lots actually sold or with signed agreements to purchased, and can point out lots that range from $15,000, for .65 acre to $20,000, for 1 acre. Such lots and prices must be taken into consideration when an independent appraisal is made.

Much is made of Morris and Stage Islands being "administered as a sanctuary." Alan H. Morgan, executive vice president of the Massachusetts Audubon Society, has stated that "Morris Island, acre for acre, is the most important land bird habitat on the entire New England coast." He further stated, "an overwhelming proportion of its membership as individuals are, we are sure—emphatically—in favor of the park." Chatham takes it for granted that the park, as he referred to it, includes Morris Island.

By contrast a local expert in the knowledge of bird habitats, Edward Norman, member of National Audubon Society, Cooper Ornithological Society, American Ornithologists' Union, Massachusetts Audubon Society, Wilson Ornithological Society, and Northeastern Bird-Banding Association.

Cooperator Bander of the Fish and Wildlife Service of the Department of the Interior, formerly cooperator in banding and research at the Austin Ornithological Research Station in Wellfleet, Mass., states:

"The writer, relating to Morris and Stage Islands in the town of Chatham, has previously expressed opposition to the inclusion of Morris and Stage Islands in the Cape Cod National Seashore. The new provisions written into the revised Saltonstall-Smith bill, S. 857, do not alter this opinion.

"Under private ownership of Morris and Stage Islands, being highly restricted zoned areas, the habitat and ecology will be greatly improved for all forms of wildlife as proved by a parallel situation at harbor coves where food producing planting has increased the bird population throughout the year. The present owners of Morris and Stage Islands have firmly expressed their desire for conservation of the natural beauty of the area. As proof of this attitude, an agreement for a conservation easement covering the cedar swamp and marshes has been made with the town through the conservation commission.

"I firmly believe that such individual management of the land will be of greater benefit to the wildlife than the so-called wildlife sanctuary of the National Park Service."

Mr. Morgan did not poll the members of the Audubon Society, so his statement is presumptuous. If he were to furnish them with the statement filed by Mr. Norman at the December 1960 hearings in Eastham and a record of what has happened at the Everglades would they "overwhelmingly and emphatically" support the inclusion of Morris Island in the park?

The new bill, like its predecessor, establishes the bounds of Nauset Beach at one-quarter mile offshore. This is an invasion of Chatham and Massachusetts waters. For what reason does the National Park Service want a quarter of a mile of our waters in Pleasant Bay? Why are not the bounds set at the mean low water mark, which is common practice, and is used as a method of describing the bounds of other areas in the same bill?

In his statement presented to the subcommittee hearing of December 1960 in Eastham, Director Wirth quotes William H. Whyte, Jr., authority on open space conservation, in connection with community growth. Chatham would like to quote the same William Whyte, Jr., from a statement made in the Urban Land Institute—Technical Bulletin 36, as follows: "The charm of the lower cape lies in lived-in houses as well as in the dunes." It is this charm which one may expect to observe in the colonial houses (required by deed restriction) that will be built on Morris Island if excluded from the park.

Unfortunately no Senate or House subcommittee members have been able to make a leisurely road trip over the Chatham area and the road between Chatham and Orleans under favorable conditions. The National Park Service has taken about 2 years to study the Cape Cod area but the Senate and House committees have had a comparatively few hours to make the same study. The thought of widening and straightening the scenic road between Orleans and Chatham is abhorrent. Massachusetts no longer builds three-lane highways so that if this road were to be widened to State specification it would have to go to four lane with the result that it would no longer be a charming winding road but, instead, a speedway.

In summarizing its views on proposed legislation to establish a Cape Cod National Seashore Park, either under H.R. 989, S. 857, or any other bills relating to the subject, the town of Chatham contends that Morris, State, and Monomoy Islands should be eliminated from any proposed bounds for the following reasons: Based on facts, quoted statements, and other material presented in this statement it has been clearly established and acknowledged that additional traffic through our residential areas is a valid concern of the town.

That either the traffic attracted to the Chatham area in pamphlets issued by the National Park Service will be so great (as Chatham believes it will) that it will cause immeasurable injury to the town or there will be so few people visit the area, as the bill S. 857 implies, that the cost of its acquisition, maintenance, and administration would not be justified.

That separation of one part of the park in Chatham from the next nearest part by 14 miles defeats the desirable purposes of continuity for cohesiveness, traffic safety, maintenance, and administration reasons.

That it is unfair to make land concession to other towns but none to Chatham and is even more cruel since Chatham lost the approximate 3,000 acres of Monomoy to the Federal Government in 1944.

The town of Chatham, therefore, concludes—

(1) That Morris, Stage, and Monomoy Islands should be excluded from any Cape Cod National Seashore Park.

(2) That the westerly, southwesterly, southerly, and northerly bounds of Nauset

Beach to a point on the northerly side delineated on an accompanying map be established at the mean low water mark.

(3) That Monomoy be continued to be preserved in its natural, primitive condition, an excellent example of the constant changes wrought by nature on such projections of sand spits and dunes into the ocean and as a superb retreat for those who are willing to suffer the inconvenience involved in reaching it for the sake of its seclusion and environment which will encourage spiritual and mental reflection for the Thoreaus of today and tomorrow. This is particularly important in view of the fact that the neighboring sandspit of Nauset Beach will be widely used for recreational purposes.

(4) That if preserved for its present purposes, and under its present management, it can continue to operate on a comparatively modest budget which ranges from $6,868 in 1952 to $19,130 in 1961. Whereas, if placed under national park jurisdiction, following the experience of Cape Hatteras, hundreds of thousands of dollars of Federal Government money might be spent on Monomoy and the area would still be at the mercy of frivolous and powerful nature.

(5) That at Cape Hatteras, whole towns were excluded from the park and this precedent could be applied to Chatham in relation to the Morris, Stage, and Monomoy Island areas.

(6) That Chatham is aware of its social responsibilities to the American public and has provided its best beaches for public uses, free of charge, from the tip of Harding Beach, with minor interruptions, almost to the Harwich border, a distance of some 3 to 4 miles.

(7) That the Federal Government should accept Chatham's offer of 235 acres of town owned land on Nauset Beach, as shown on an accompanying map, under the conditions voted at the annual town meeting of March 7, 1960, a copy of the article and vote of that meeting being made a part of the record of this hearing.

(8) That by accepting this proposal and making the aforementioned exclusions and boundary changes the Federal Government will be preserving for posterity a relatively unspoiled, typical cape township with about 200 original and restored Cape Cod cottages, colonial churches, windmills, monuments, and parks and a scenic and comparatively unblemished shoreline. That through its own history of preservation and vigorous program to conserve open space and marsh areas, it is doing its part, at the local level, to cooperate with the program of the National Park Service.

(9) That because of its geographical location on the elbow of the cape, comparatively remote from the main cape traffic arteries, Chatham believes that it can achieve its own preservation objectives and implement the overall purposes of national park legislation if no national attraction is established within its mainland area, and that posterity will be better served as a consequence.

Respectfully submitted.

EVERETT C. SMALL,
ROBERT A. MCNEECE,
DAVID F. RYDER,
Board of Selectmen, Town of Chatham, Mass.

P.S.—Chatham respectfully requests that the following be printed in and made a copy of the record of this hearing:

(a) Copy of a map showing the town-owned areas of Nauset Beach.

(b) Copy of a map showing the boundary changes requested by the town of Chatham.

(c) Copy of the article and vote of the Chatham annual town meeting, March 7, 1960.

(d) Copy of a letter addressed to the Honorable GRACIE PFOST dated January 24, 1961, from the Chatham Board of Selectmen.

In view of the fact that S. 857 is to be voted on at the annual town meeting of March 6, 7, and 8, Chatham would like the privilege of submitting supplementary data to be made a part of the record of this hearing.

STATEMENT OF THE PLANNING BOARD OF THE TOWN OF EASTHAM, FOR SUBMISSION AT HEARINGS BEFORE THE SENATE SUBCOMMITTEE ON PUBLIC LANDS OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, S. 857, AND THE HOUSE OF REPRESENTATIVES COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, H.R. 989, RE CAPE COD NATIONAL SEASHORE PARK

The planning board of the town of Eastham, has been from the very first, and still is, unanimously against any form of national park in the town of Eastham.

Our position has been upheld by the almost unanimous vote of the town's people against a national park. At proper annual town meetings the towns of Eastham, Wellfleet, and Truro voted as follows:

Eastham, 4 in favor, 57 against.
Wellfleet, 4 in favor, 105 against.
Truro, 13 in favor, 80 against.

The National Park Service has stated it cannot establish a satisfactory park with less than the maximum amount of land asked for in the bill for a Cape Cod National Park, even though this bill covers more area in Eastham than the national park as originally proposed.

It has been shown by a study authorized by the town, and made by the Blair Associates for the town, that we cannot exist with such a taking. Obviously the two are incompatible.

A point that should be carefully considered, is that all of the towns involved own considerable acres of beach and adjoining upland. The national park can only acquire these areas by a two-thirds majority vote by these same people who voted so strongly against a national park. It is therefore safe to assume that the park would be denied these areas that would be so vital to the establishment of a park. It would leave innumerable breaks in the continuity of a park and cause many large areas spotted throughout.

There are many reports of abuses of the national parks, and we have already had a number of very unpleasant experiences with people who believe a park had already been established. This is only one of the many reasons the townspeople would not be willing to give town property to the park. Furthermore, the thought that after establishment of a park, the town might find it economically wise to give up its beaches, is entirely false. Town-owned beaches can be a moneymaker for the town. The town of Orleans has an exceptionally well run beach which is free to the residents and their guests, and makes a charge of 50 cents to transients. Their net profit for 1960 was $4,000. This profit goes for other nonpaying town parks and beaches.

We cannot understand how the proponents of this bill arrived at a figure of $16 million for the establishment of the park and acquisition of property. By their own statements, they require the entire area, therefore they must purchase the entire area. Persons qualified by their occupations as appraisers, planning board members, real estate brokers, and builders versed in local values, have made the following estimate of the fair market value of the land and the replacement costs of the 300 homes in the area. The estimate arrived at is approximately $18 million for the town of Eastham. This estimate was made in the fall of 1959. Since that time new homes have been built, and more acreage already containing homes has been added to the proposed park. We therefore feel that this is a very modest estimate.

The towns of Wellfleet and Truro have considerably more acreage in the proposed park area and should have a greater estimated value. Add to this the property to be taken in the towns of Orleans and Chatham, the high cost of the takings, such as title searching, surveying, court proceedings, access roads, administration buildings, and the many other expenses of establishing a park. Therefore, we feel that a conservative figure for a total cost could well exceed $100 million, or about $3,300 an acre—an unheard of cost for establishing a national park. Furthermore, with today's high cost of government, including aid to distressed areas, to which we would be added, there is no assurance of how much of the $16 million Congress would vote for the park.

To sum up the above, were a national park to be established, it would be completely against the wishes of, and disastrous to, the towns involved. The cost would be prohibitive, and, by park standards, it would be highly undesirable and completely unworkable.

The planning board of the town of Eastham, being charged with looking out for the future of the town, and consequently the adjoining towns and the county, would like to point out that authorizing a national park in such a highly developed area as Cape Cod would establish a very dangerous precedent, thereby leading us to believe that in the future, no private property would be immune from seizure by the Government.

The town of Eastham has had zoning regulations and a building code for 10 years, a zoning committee for 5 years and a conservation commission for 4 years, all active.

The town of Eastham is now one of the best zoned in the county, and we are continually improving on it. At our 1961 annual town meeting, we made further restrictions on signs, and turned down two petitions for extension of the business area.

The attached copy of our zoning laws shows that the entire area of the proposed park is in the well-zoned residential A district.

This town could only become a so-called honky-tonk area by being forced into it for economic reasons by a national park.

The town of Eastham has 17 public town landings, of which 11 are on salt-water beaches and also holds in excess of 50 acres of land and 3,100 feet of beach for future public use, as needed.

It is clearly evident that the town of Eastham is already doing all of the desirable things for the public that this bill envisions, and that any bill for a national park in Eastham would not only be superfluous but very costly to both the town and the Government and would defeat its own purposes.

Following are two statements made by the Director of national parks in an article in the Saturday Evening Post. "Some camping grounds are so crowded that they amount to outdoor slums." "Yellowstone will be destroyed if things keep on as they are going, literally destroyed, crowds walking all over the formations, vandalism is more and more prevalent. We ought to at least keep what we've got and we're not doing it." We feel that these statements based on real facts show that conservation and preservation could not possibly exist in so small a place as the proposed Eastham area if it were wide open to millions of visitors and under the auspices of the National Park Service.

Should (regardless of all valid arguments against it) a national park be established, we feel that it is imperative that the property owner within the area be fully protected. A section should be included in the bill requiring that sufficient funds be immediately available for the purchase of any properties that the owners wish to sell to the National Park Service and that the Park Service be required to purchase such property within 1 year from the date of request by the owner. This would alleviate

the hardship for those persons who feel they must sell for whatever reason. As this park is to be established for all of the Nation to use, it should be paid for by the people and not at the cost of the property owners.

STATEMENT MADE BY ANTONE DUARTE, JR., CHAIRMAN OF THE TOWN OF TRURO PLANNING BOARD, AS THE OFFICIAL REPRESENTATIVE OF THE TOWN OF TRURO, AT THE HOUSE OF REPRESENTATIVES SUBCOMMITTEE HEARING ON THE PROPOSED CAPE COD NATIONAL SEASHORE PARK ON TUESDAY, MARCH 7, 1961

Mr. Chairman and members of the committee, my name is Antone Duarte, Jr. I live in the town of Truro, Mass. I am the chairman of the Truro Planning Board, an elective board of the town of Truro. I have been designated by the planning board and the selectmen as the official representative of the town and to present the case of the town to your committee.

I shall attempt to present a case consistent with the wishes of the majority of the voters of the town of Truro, while also keeping in mind the rights and wishes of minority groups.

On December 9, 1959, I issued a lengthy statement for the town of Truro Proposed National Park Committee at the Senate subcommittee hearing at Eastham, Mass., which was conducted by Senator FRANK MOSS. Since that statement is a part of the CONGRESSIONAL RECORD, I shall not make a time-consuming repetition of the facts involved.

Since the Eastham hearings, the officials of the town of Truro have had meetings with our Representative, HASTINGS KEITH, and have arrived at the maximum area that any national seashore park in the town of Truro could comprise without reducing the town to a point where its ability to survive as a township would be endangered.

We have requested that four areas be omitted from the park as proposed by H.R. 66, H.R. 711, H.R. 989, and any others which define like proposals. The four areas shall be designated as the Highland area, the Longnook area, the Ryder Beach area, and the Pamet area. These areas are mostly residential and contain a large percentage of the improved property within the proposed park. I have referred to these areas in my above-mentioned report to the Senate subcommittee, but I will bring it up to date briefly:

The Highland area contains 300 acres of land; there are 63 owners of 76 buildings; the total assessed value of buildings is $216,230; the market value of the buildings is $721,000; the market value of the land, 300 acres at $1,000, $300,000; total value, buildings and land, $1,021,000.

The Longnook area contains 190 acres of land; there are 29 owners of 41 buildings; the total assessed value of buildings is $134,400; the market value of the buildings is $338,000; the market value of the land, 190 acres at $1,200, $228,000; total value of buildings and land, $566,000.

The Pamet area contains 300 acres of land, there are 85 owners of 104 buildings; the total assessed value of the buildings is $297,500; the market value of the buildings is $991,665; the market value of the land, 300 acres at $2,000, $600,000; total value of buildings and land, $1,591,665.

The Ryder Beach area contains 320 acres of land, there are 42 owners of 53 buildings; the total assessed value of the buildings is $127,200; the total market value of the buildings is $424,000; the total market value of the land, 320 acres at $1,000, $320,000; total value of buildings and land, $744,000.

Grand totals of 4 areas, 1,110 acres of land, 219 owners of 274 buildings; total assessed value of buildings, $775,330; total market value of buildings, $2,474,000; total market value of land, $1,447,000; total value, $3,921,000.

Note.—In 1960 the total assessed value of the town of Truro was $4,219,934. Taxes assessed on real estate in 1960—$167,466.30.

The four above areas are considered the minimum amount that can be removed from the proposed park so that the town can still survive as a township. Representative KEITH is in accord with this proposal as he has pledged his support to the town as its representative in Congress. I request that your committee give serious consideration to the above four areas. I am not here to present evidence to destroy the park, or otherwise hamper it. I am here as a representative of a town, asking for consideration so that it may continue to exist and to carry on as it has done since its incorporation in 1709.

I hereby propose the following amendment to the bills in question, relative to the boundary lines of the park:

Delete all lines between line 21 of page 3 and line 19 of page 4 (H.R. 989) and substitute the following:

"thence along the northerly right-of-way line of United States Route 6 in a generally easterly direction crossing the Truro-Provincetown town line to and continuing in the town of Truro to a point 300 feet northerly from the northerly right-of-way line of Highland Road;

"thence easterly paralleling the general alinement of Highland Road and 300 feet distant northerly therefrom to a point 300 feet westerly of the westerly right-of-way line of Coast Guard Road;

"thence northerly, northeasterly and easterly paralleling the general alinement of Coast Guard Road and 300 feet distant westerly therefrom to a point on the top of the ocean bank;

"thence southerly along the top of the ocean bank to a point thereon which is 300 feet distant southerly from the general southerly alinement of Highland Road extended;

"thence westerly along a line 300 feet southerly from and paralleling the general alinement of Highland Road to a point 300 feet westerly of the westerly right-of-way line of South Highland Road;

"thence northerly and westerly paralleling the general alinement of South Highland and Highland Roads 300 feet distant southerly therefrom to a point on the easterly right-of-way line of said Route 6;

"thence turning and running southeasterly by the easterly right-of-way line of Route 6 to a point four-tenths of a mile southeasterly of the southerly right-of-way line of Highland Road, thence easterly two-tenths of a mile to a point;

"thence turning and running in a southeasterly direction paralleling the general alinement of U.S. Route 6 and generally distant therefrom two-tenths of a mile to a point 300 feet northerly of the northerly right-of-way line of Long Nook Road;

"thence running easterly paralleling the general northerly alinement of Long Nook Road and 300 feet distant northerly therefrom to a point on the top of the ocean bank;

"thence southerly along the top of the ocean bank to a point which is 300 feet south of the southerly right-of-way line of Long Nook Road;

"thence westerly paralleling the general alinement of the southerly right-of-way line of Long Nook Road and 300 feet distant southerly therefrom, 4000 feet to a point;

"thence due south crossing Higgins Hollow Road to a point 300 feet south of the southerly right-of-way line of Higgins Hollow Road;

"thence in a general westerly direction paralleling the general southerly alinement of Higgins Hollow Road and 300 feet distant southerly therefrom to a point two-tenths of a mile east of the easterly right-of-way line of said Route 6;

"thence turning and running in a southeasterly direction paralleling the general alinement of said Route 6 and distant easterly therefrom two-tenths of a mile to a point 300 feet north of the northerly right-of-way line of North Pamlet Road;

"thence in a general easterly direction paralleling the general alinement of North Pamet Road and 300 feet distant northerly therefrom to a point on the top of the ocean bank;

"thence southerly along the top of the ocean bank to a point 300 feet south of Pamet Town Landing;

"thence westerly to a point 300 feet east of the easterly right-of-way of South Pamet Road;

"thence in a southerly and westerly direction paralleling the general alinement of South Pamet Road and 300 feet distant southerly therefrom to a point two-tenths of a mile east of the easterly right-of-way line of said Route 6; (There is included in the foregoing description so much of the marsh bordering Pamet River as lies below 3 feet above mean high water line as shown on U.S. Geological Survey North Truro quadrangle sheet (1948) and Wellfleet quadrangle sheet (1958) as lies east of said Route 6 said marsh to be included in the park boundaries.)

"thence turning and running in a southeasterly direction paralleling the general alinement of said Route 6 and distant easterly therefrom two-tenths of a mile to a point three-tenths of a mile south of South Pamet Road;

"thence west to the intersection of Old County Road and Mill Pond Road;

"thence following the easterly right-of-way line of Old County Road southerly to a point opposite the southerly right-of-way line of Ryder Beach Road at its intersection with Old County Road;

"thence easterly to a point 300 feet east of the easterly right-of-way line of said Old County Road;

"thence in a southerly direction paralleling Old County Road at a distance of 300 feet to the east of the easterly right-of-way line of said road to a point 600 feet south of the southerly right-of-way line of Prince Valley Road;

"thence in a generally westerly direction, crossing Old County Road and the New York, New Haven & Hartford Railroad right-of-way to the southern extremity of the town landing and beach in the Ryder Beach area, and continuing to a point in Cape Cod Bay a quarter of a mile offshore from the mean low-water line at said extremity of the town landing and beach;

"thence turning and running along a line a quarter of a mile offshore of and parallel to the mean low-water line of Cape Cod Bay in a general southerly direction to the town line between Truro and Wellfleet."

It is understood that the argument against this proposal for boundary changes is that it breaks the continuity of the park. It should be noted that the continuity is already broken at each of the areas in question, by a town road, a town-owned parking area, and a town-owned beach. These could not be taken over without a vote of the town, which might be difficult to obtain unless some concessions were made to the town.

The national seashore park proposal has contributed to considerable unrest in the town of Truro during the past 5 years. The following are some of the problems which are disturbing to our taxpayers:

1. What zoning requirements must be met before a resident can be assured that he can continue to live in his home for the remaining years of his life. The town officials can give no answer to this question because they have tried without success to find out what the Secretary of the Interior will require. The town now has a zoning code but it has no

assurance that it will be acceptable. The zoning requirements of the Secretary of the Interior should be made known to Congress and to the towns before final action is taken on this bill.

2. How will payments in lieu of taxes be made? The expenses of the town of Truro have been increasing at the approximate rate of 10 percent per year over the last 10 years. The economy of the town is dependent upon an increasing amount of tax revenue each year. This increasing tax revenue is the result of increased construction within the town. When part of the taxable property (25 to 30 percent) is taken away and when 70 percent of the land is no longer available for expansion, then the town of Truro will need considerable financial assistance. Before final action is taken on this bill, a careful study should be made regarding adequate payments in lieu of taxes.

3. What will be the status of the town-of-Truro-owned beaches within the proposed park? The town of Truro owns five beaches and parking areas within the proposed park. The town has spent many thousands of dollars in recent years acquiring and improving the parking areas. Will the town be reimbursed for this recent expense? If not, the town should be in a position to anticipate favorable payments in lieu of taxes.

4. Will the National Park Service stress conservation or recreation? The voters of the town of Truro have shown by their acceptance of the present zoning code that they do not favor unlimited exploitation of the town for honky-tonk business enterprises. Out of 20 miles of frontage on U.S. Route 6 in Truro, business is allowed on only 1 mile. The balance is reserved for residential use. The zoning code prohibits any additional tenting and trailer parks within the town of Truro. The town is now limited to the present three tenting areas and one trailer park. There is a great concern as to the extent of tenting that the park will bring into the area. The town would like to see the areas defined as to size and location before final action is taken on this bill.

CONCLUSION

The voters and officials of the town of Truro are in sympathy with the residents and officials of the other five towns involved in the proposed park. We trust that their proposals and suggestions will receive your kindest consideration. Thank you for this opportunity of coming before you to present these suggestions from the town of Truro, Mass.

STATEMENT ON BEHALF OF THE TOWN OF WELLFLEET

Mr. Chairman and members of the committee, the views of the town of Wellfleet on the proposed establishment of the Cape Cod National Seashore Park in the Commonwealth of Massachusetts have been submitted on various occasions, both orally and in brief form. It is my understanding and that of the community that previous testimony on the subject matter submitted to the 86th Congress will be considered and that this statement will be a supplement thereto.

I regret that it is impossible for me, as the delegated representative of the town of Wellfleet, to be present before your committee because of a long-planned trip out of the country at this particular time, but I respectfully request that this statement be made a part of the record.

The fundamental issue presented by the proposed legislation is whether or not the area of the lower cape is sufficiently large to permit the establishment of a national seashore park of approximately 30,000 acres and still allow the six municipalities involved to exist economically. At the most recent hearings in the town of Eastham, Mass., on December 16, 1960, the position of the National Park Service was stated to be, in effect, that unless authorization was given to take the entire acreage as proposed that the park could not be established.

The testimony of the towns involved, through their various representatives, was clearly to the effect that unless there were some revisions in boundaries and certain exclusions of designated land areas that the town involved could not exist. I believe that the previous written statement of the town of Wellfleet leaves little room for doubt as to the economic impact of the park as proposed. It should be evident that if nearly 70 percent of the town's acreage is taken for park purposes, including to a great degree most of the land suitable for development and building, that great damage must result. This is particularly true when one considers that over 50 percent of the land excluded from the proposed park is marshland, for which there is no practical utilization.

The hearings held at Eastham, Mass., on December 16–17, 1960, revealed for the first time the position of the National Park Service—that this was an all-or-nothing proposal. Every previous expression of this agency relative to the land area to be taken for park purposes emphasized the fact that land areas were subject to compromise, agreement, and adjustment. Lulled into a sense of security by the promises of the representatives of the Great White Father that there was nothing to fear and that the ultimate objective was a solution to the mutual advantage of all, the towns honestly explored the possibility of agreeing with the establishment of a park, while still being able to exist as political self-supporting entities.

For nearly a year, studies were made on the local level, surveys were conducted, and many meetings were held by and between the townspeople to arrive at a reasonable solution. The towns formally agreed to establishment of a seashore park provided certain reasonable exclusions were granted. The sum total of these was not more than the 10 percent of land area which the original bills proposed to make available for development.

The hearings in Eastham, however, indicated that it was never the intent of the National Park Service to compromise; that actually there was not 10 percent of the land area which could be spared for future development and expansion; and that in the opinion of the Park Service a park of less than the approximate 30,000 acres, as first proposed, was not feasible, and if not authorized, would, if not destroy the park, seriously impair it.

The position of the National Park Service, based on answers to questions propounded at the Eastham hearings, is that the boundaries proposed by it represent the irreducible minimum of area required for their purpose. The position of the towns, and particularly Wellfleet, is that the proposed boundary changes suggested by the towns are the irreducible minimum of land area needed for economic existence as a self-supporting municipality. The only compromise has been that proposed by the local committees, notwithstanding the repeated statements of Mr. Wirth as Director of the National Park Service that his agency always was open to compromise.

The position of the National Park Service leaves no alternative to the town of Wellfleet but to oppose the establishment of a national seashore park, as proposed. At the annual town meeting held on February 13, 1961, the inhabitants voted in opposition to the park as proposed clearly, categorically, and emphatically, 105 to 4, and against a national seashore park on the lower cape 109 to 15. An attested copy of this vote is attached hereto and made a part hereof.

It is the considered opinion of the officials of the town that in the event that a national seashore park is established as proposed, over the objection of the communities, that it would be impossible to obtain the necessary two-thirds vote of the inhabitants to authorize a transfer of town-owned property within the proposed park. This would involve nearly a mile of beach front on the Atlantic Ocean, a half mile of beach front on Cape Cod Bay, landings on all the ponds within the town of Wellfleet, ranging from 2 to 5¾ acres, and other valuable holdings.

At this time when money appropriations must be scrutinized, even by the Federal Government, it should be mentioned that the proposed land taking ultimately will involve a sum approximately 10 times the $16 million requested to establish this proposal. It will result in reducing at least four towns into seasonal resort areas without a stable economy. The elimination of about 75 percent of the area on which homes may be built will destroy the construction trades which support nearly all of the community.

There has been no evidence supported by facts that the establishment of a seashore park requires the substantial land taking as proposed since it is clear that the main attraction of the area is its beaches, which will be used only for about 3 months out of the year.

I respectfully suggest that your committee review the facts previously submitted; that you refresh your recollection of the land uses in existence as observed by those of you who visited the area; that you give the proper weight to the evidence of those who live, work and have protected the area for some 10 generations. That in considering the evidence as expressed in letters and statements by members of garden clubs and similar organizations, most of whom have never been to the locus, that it be given its proper weight. That when you consider statements that most of the people in the area favor the park, you give proper weight to the various votes expressing the will of the people.

If in the considered judgment of your committee you deem that the national interest requires the establishment of some sort of a seashore park in this area, I respectfully suggest that the boundary lines of the park in the town of Wellfleet be changed and that House bill 989 be amended by striking out the boundary description as it relates to the town of Wellfleet from line 22, page 4, through line 21, page 5, and substitute the boundary description attached hereto and made a part hereof, by incorporation and reference.

I further respectfully suggest that Senate bill 857 be similarly amended by striking out from line 19, page 5, through line 2, page 6, and all other lines describing the boundary line in the town of Wellfleet, and substituting the boundary lines referred to above.

CHARLES E. FRAZIER, Jr.
(For the town of Wellfleet).

TOWN OF WELLFLEET EXCERPT

From the record of the annual town meeting held February 13, 1961.

Article 39. Voted: That the town give voice and opinions to the following questions relative to the establishment of a so-called Cape Cod National Park, the results of said vote or opinion to be forwarded to our Senators, Representatives, and to the committees considering the proposed legislation:

1. Are you in favor of the establishment of a Cape Cod National Park according to the proposal of the National Park Service and as specified in the Saltonstall-Kennedy bill filed in the 87th Congress?

Hand count: Yes, 4; no, 105.

2. Are you in favor of the establishment of a Cape Cod National Park according to the proposal of the selectmen of the towns of Chatham, Orleans, Eastham, Wellfleet,

Truro, and Provincetown, providing for modifications of the land areas as proposed by the National Park Service?

Hand count: Yes, 38; no, 95.

3. Are you in favor of the establishment of a national park or a Cape Cod National Park in the area of the towns of Chatham, Orleans, Eastham, Wellfleet, Truro, and Provincetown?

Hand count: Yes, 15; no, 109.

NATALIE V. FLETCHER,
Town Clerk.

DESCRIPTION OF AMENDED BOUNDARY FOR WELLFLEET

Beginning at:

The town line between Truro and Wellfleet;

thence generally easterly along the Truro and Wellfleet town line to the westerly edge of the marsh of Bound Brook;

thence generally southeasterly, southwesterly and westerly by the edge of the marsh to the southerly right-of-way line of an unimproved dirt road as shown on said Wellfleet quadrangle sheet;

thence northerly to the southerly right-of-way line of Bound Brook Island Road;

thence westerly by the southerly right-of-way line of Bound Brook Island Road to the town landing;

thence southerly and westerly by the town landing to a point in Cape Cod Bay one-quarter of a mile offshore from the mean low-water line;

thence southerly along a line a quarter of a mile offshore of and parallel to the mean low-water line of Cape Cod Bay to a point;

thence turning and running easterly on the prolongation of the northerly right-of-way of Duck Harbor Road;

thence continuing easterly and southwesterly by the northly right-of-way line of said Duck Harbor Road to the northerly right-of-way line of Chequesset Neck Road;

thence northwesterly, westerly and southwesterly by the northerly right-of-way line of Chequesset Neck Road to the town landing;

thence westerly by the town landing to a point in Cape Cod Bay a quarter of a mile offshore from the mean low-water line;

thence turning and running along a line a quarter of a mile offshore of and parallel to the mean low-water line of Cape Cod Bay in a general southerly and easterly direction around Jeremy Point;

thence in a general northerly direction along a line a quarter of a mile offshore of and parallel to the mean low-water line on the westerly side of Wellfleet Harbor to a point one quarter of a mile due north of the mean low-water line at the eastern tip of Great Island as depicted on the U.S. Geological Survey Wellfleet quadrangle sheet (1958);

thence north to the main high-water line on the north shore of the Herring River estuary in the vicinity of its confluence with Wellfleet Harbor;

thence following the mean high-water line southwesterly, northwesterly, and northeasterly to the easterly right-of-way-line of Chequesset Neck Road at its crossing of Herring River;

thence following the course of Herring River along the 20-foot contour line of the southeasterly shore thereof to a point near Mill Creek;

thence crossing Mill Creek in a northeasterly direction to the 20-foot contour level near to and northeast of the confluence of Mill Creek and Herring River;

thence following generally northerly and easterly along the easterly edge of the Herring River marshes on the 20-foot contour to a point north of which the easterly right-of-way line of a medium duty road, as depicted on said Wellfleet quadrangle sheet, crosses northward across a marshy stream near the juncture of said medium duty road with Bound Brook Island Road;

thence crossing said marshy stream along said easterly right-of-way line of said medium duty road, and continuing in a northerly direction to the 20-foot contour level on the north side of said marshy stream;

thence following the 20-foot contour line westward approximately 1,000 feet to its intersection with an unimproved dirt road, as depicted on said Wellfleet quadrangle sheet, leading from a point near the juncture of Bound Brook Island Road and the said medium duty road;

thence following said unimproved dirt road northwesterly for approximately 1,600 feet to the 20-foot contour line bordering the southerly edge of the Herring River marshes;

thence following the 20-foot contour line in an easterly direction to said Route 6;

thence northerly by the westerly right-of-way line of said Route 6 to the Wellfleet-Truro town line;

thence turning and running in an easterly direction by the Truro-Wellfleet town line crossing Route 6 to a point 750 feet westerly from the top of the ocean bank;

thence in a general southerly direction along a line 750 feet westerly from the top of the ocean bank to a point on the northerly right-of-way line of Kinnacum Pond Road and the northerly right-of-way line of Gull Pond Road to the easterly right-of-way line of a power transmission line;

thence in a general southerly direction along the easterly right-of-way line of said power tranamission line to the northerly right-of-way line of Long Pond Road;

thence in a general easterly direction along the northerly right-of-way line of Long Pond Road to the westerly right-of-way line of Ocean View Drive;

thence southerly along the westerly right-of-way line of Ocean View Drive to the southerly right-of-way line of Cahoon Hollow Road;

thence in a general westerly direction along the southerly right-of-way line of Cahoon Hollow Road to the easterly right-of-way of said power transmission line;

thence in a general southerly, easterly and southeasterly direction along the easterly right-of-way line of said power transmission line to a point 500 feet north of LeCount Hollow Road (also known as Cook Road);

thence generally northeasterly by a line paralleling the general alinement of LeCount Hollow Road and distant north 500 feet therefrom to a point 500 feet west of the westerly right-of-way line of Ocean View Drive;

thence northerly by a line paralleling the general alinement of Ocean View Drive and distant 500 feet westerly therefrom for a distance of 4,500 feet;

thence running easterly across Ocean View Drive to the top of the ocean bank;

thence generally southerly along the top of the ocean bank to a point 1,000 feet south of LeCount Hollow Road;

thence generally southwesterly by a line paralleling the general alinement of LeCount Hollow Road and distant 1,000 feet southerly therefrom to a point due south of the intersection of the westerly right-of-way line of Ocean View Drive and LeCount Hollow Road;

thence due north to a point 500 feet south of the southerly right-of-way line of LeCount Hollow Road;

thence generally southwesterly by a line paralleling the general alinement of LeCount Hollow Road and distant 500 feet southerly therefrom to the easterly right-of-way line of said power transmission line;

thence in a general southerly direction along the easterly right-of-way line of said power transmission line to the Eastham-Wellfleet town line.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. DURNO. I yield to the gentleman from Colorado.

Mr. ASPINALL. My colleague has been on the committee only a very few months. My colleagues on the committee, as it is now constituted, do not take any orders from downtown or from the Washington Post in regard to anything they consider for the national park system.

Mr. DURNO. I appreciate the chairman's remarks. I have the utmost, highest regard for the chairman of the committee and for the entire committee.

Mr. RUTHERFORD. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, first I would like to compliment the gentleman from Texas, the chairman of the Subcommittee on National Parks, for bringing this bill to the floor. I think he and his subcommittee and the Committee on Interior and Insular Affairs have done a magnificent job in a very difficult situation.

I also take time to compliment the gentleman from Massachusetts, my colleague from the Cape Cod area [Mr. KEITH], whose name appears on the bill. He had, I think, one of the most difficult jobs in resolving many of the problems that arose in that area. If it were not for his interest I am sure it would be difficult to pass this bill.

I also commend to the House the report on this bill filed by the committee. I think for clarity, commonsense, and for beautiful prose it has few equals among the reports I have seen on this floor.

As one of the original sponsors of this legislation, I know my colleagues are aware of my profound interest in this proposal to establish a vitally needed recreational area and beauty spot on Cape Cod for the public. Both Congressman O'NEILL, of Massachusetts, and I cosponsored legislation on May 12, 1958, following the recommendations of the National Park Service. My colleague, Congressman PHILBIN, of Massachusetts, had previously filed a bill to establish a Cape Cod National Park. President Kennedy, who had sponsored similar legislation while in the Senate, this year strongly recommended the Cape Cod National Seashore Park to Congress in his message on natural resources.

This national park would embrace the great outer beach of Cape Cod, famous the world over for its hooked shape, and extending from Provincetown at the tip down through the towns of Truro, Wellfleet, Eastham, Orleans, and Chatham. The greatest single natural feature of the proposed national seashore is an unbroken sweep of 40 miles of coastline along the Atlantic Ocean. This is one of the few lengthy coastal areas in the United States that is still virtually in a state of nature. It is the longest on the Atlantic coast north of Cape Hatteras.

Mr. Speaker, the vanishing shoreline of our Nation ought to be of considerable concern to the people of the United States. Unfortunately it is not. Con-

cern is shown only by a comparatively limited few, and this lack of interest is reflected in the indisputable fact that one of our greatest national resources, the seashore, is rapidly disappearing from public use. The time to reverse this alarming trend is here and now. The time is still available to us, but grows shorter each passing year. The only opportunity to do anything about the matter is speedily diminishing and fleeting away.

What are some of the facts relating to our east and gulf coast shorelines? Back in 1935, the National Park Service made a survey of the Atlantic and gulf coasts for potential national seashores. It found that plenty of unspoiled seashore areas were suitable for public recreation, and it recommended that 12 major strips, with 437 miles of beach, be preserved as national areas. Only 1 of the 12, Cape Hatteras, N.C., was actually acquired as a national seashore. All others, save one, have long since gone into private and commercial developments. In 1954, another survey under the direction of the National Park Service was made, assisted by grants from philanthropic foundations, revealed that of the 3,700 miles of general shoreline along the Atlantic Ocean and Gulf of Mexico, only 6½ percent or 240 miles are in Federal and State ownership for public recreation uses.

If you want to find out the real truth, you should travel, as I did, during the past week along the New Jersey, Massachusetts, and New Hampshire shores and see the number of areas prohibited for use to the public—"Keep out"; "For use only by residents of this town"—these are the signs that are appearing all over our seashore areas. This is one of the things that this bill is attempting to cure.

Mr. Speaker, the population of the Nation continues to increase but no corresponding increase is noted to preserve our natural recreation localities for the growing mass population. If anything is to be done about it, it must be done quickly. It ought to be done now. The Great Beach area at the tip of Cape Cod is one of the most ideal of all the spots in the United States to establish an outstanding recreational facility. There is no longer any comparable region in New England, and for that matter in any part of the United States, that is more desirable for extensive seashore recreation. It offers one of the finest opportunities available to preserve into perpetuity a magnificent playground for all America. Its development as a national seashore area will do much for the people and the nearby communities on the cape.

Mr. Speaker, I am convinced that now is the time for the establishment of this park along the lines recommended by the bill reported from the Committee on Interior and Insular Affairs. This legislation provides for the inclusion of about 25,700 acres within the boundaries of the Cape Cod National Seashore area. These 25,700 acres constitute 10 percent of the whole of Cape Cod.

The Cape Cod National Seashore bill passed by the Senate 2 weeks ago provides for about 30,367 acres to be included in the park boundaries. I agree with the committee determination on this matter. I feel that this bill is adapted to the special requirements of the people who live on the lower cape. This legislation incorporates provisions which will suit the Cape Cod environment and at the same time insure the establishment of a first-rate park area. It is flexible enough to accommodate a healthy future growth for the cape and yet preserve an outstanding area for public enjoyment and conservation. I hope that this bill recommended by the House will prevail in the House-Senate conference over the version of the legislation passed 2 weeks ago by the Senate.

Mr. Speaker, I urge the House to act today on this bill so that we can take advantage of this great national asset on the cape. Continued delay means an uncertain and extended period of transition for communities on the cape. Hopes have been aroused and we should in all fairness try to bring this matter to a decision as soon as possible.

I am convinced that the majority of the people in the area directly affected by the proposal—the lower cape towns of Chatham, Orleans, Eastham, Wellfleet, Truro, and Provincetown—support a national seashore park on Cape Cod along the lines set forth in this bill. This legislation will preserve the scenic and historic features of Cape Cod without injuring or unduly restricting the towns and individual citizens directly concerned. Further delay can only inconvenience everyone and harm the basic interests of the project. Individual homeowners will not know what to do with their property. Long-range zoning and economic planning efforts of the towns will be frustrated. Further commercial inroads will corrupt more of the area's natural beauty.

Mr. Speaker, it was along the Atlantic Ocean side of Cape Cod, between what are now Wellfleet and Eastham, that the Pilgrims caught their first sight of land on November 9, 1620. The bold, sandy shore facing the Atlantic has been the subject of comment since white men landed here. At Provincetown and Truro there are 8 square miles of some of the most spectacular dunes along the Atlantic coast. The dunes are of postglacial origin, built up by ocean currents and wind with material eroded from the outer banks.

Variety, change, and color are the elements that bring fascination and appeal to the scenic qualities of the outer arm of Cape Cod. Nearly one third of the people of our Nation live within a day's drive of the area. Cape Cod is located adjacent to a regional area of the highest population density and the largest concentration of people in the United States. In the decades ahead there is going to be an increased need for more recreational facilities because of America's unprecedented opportunities for leisure. Many of our people now or soon will be able to devote as much time to activities of their own choice as to their occupations. Yet, as a nation, we are very slow to adapt our public policies so as to improve the quality and breadth of recreational experience for the Nation.

Mr. Speaker, may I urge my colleagues to vote this legislation through the House today so that it will be possible to establish a great national park in an area which may otherwise be increasingly blighted by the relentless and sweeping advance of commercial development.

If a national seashore park of this nature is not established on Cape Cod, there is every danger that much of the cape will become a mere extension of the suburban civilization which typifies so many of our lives. If we act sensibly now, while the opportunity remains, we shall have preserved for America and for our people a priceless heritage to be enjoyed many times over, not only by this generation, but by those which follow.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Mr. Speaker, is it not the fact that the rules of the House provide for division of debate under suspension of the rules in order to have 20 minutes in support of a measure and 20 minutes in opposition to the measure?

The SPEAKER pro tempore. The Chair would think that that is correct.

Mr. GROSS. Mr. Speaker, I am shocked to learn that the author of the bill is unable to obtain any time whatever in support of his own bill. Therefore, under the circumstances, and although I am opposed to the bill, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. KEITH] to present his own bill.

Mr. KEITH. Mr. Speaker, the question has been asked—why should this be a national seashore? You have but to go to Cape Cod, particularly to the lower extremities, and you will find that more than 50 percent of the cars are registered from out of State.

The question has been raised as to the cost of the seashore. The original proposal would have cost many more millions of dollars than the $16 million that we have provided. But under the terms of our bill, all residential property is excluded from the seashore. Only unimproved property is to be taken.

The question has been raised as to whether we should not delay this for a couple of years to get a proper perspective of the country's needs. This land is being gobbled up rapidly. If we do not take it now we may never have this opportunity again.

I have lived on the cape pretty close to all the summers of my life. The people down there are divided in their support of this measure. Many of them still are opposed to it. But the committee and the sponsors of this bill, my colleagues from Massachusetts, and others, have worked out a bill which makes it possible to have a national seashore on the cape which will be compatible with local needs and at the same time serve the national purpose. We have no other alternative if we are to preserve for the generations to come such places where they can enjoy a view of the ocean, the sand of the seashore, and the historical significance of this particular area.

The legislation before us today represents a significant step forward in solving the problem of the vanishing American shoreline. Increased population, improved highways, shorter workweeks and longer vacations have brought to much of the Atlantic coast a congested resort atmosphere. With this deterioration of our once virgin shoreline has come a grave national concern for the preservation of seashore areas for the enjoyment of future generations. The historic and scenic beauties of Cape Cod—its old villages with their links to the days of the Pilgrim, the raw beauty of the unmolested sand dunes, fresh water lakes, marshes and heaths in which numerous varieties of plants and animals dwell—as well as the proximity of the cape to the urban centers of the Northeast, make Cape Cod one of the most desirable areas for preservation.

The establishment of a national seashore on Cape Cod is not a new idea. Representatives of the State government have long advocated it. Members of the Massachusetts delegation have introduced bills authorizing a park there for many years, and the National Park Service conducted 5 years of study on this area prior to the introduction of the Saltonstall-Kennedy-Keith bill in September of 1959.

The time, cooperation, and hard work of many, many people have made congressional consideration of this legislation possible. First of all, our Massachusetts Senators and their staffs have been instrumental in the development of the proposal. Their imagination and farsightedness contributed immeasurably to the excellence of the bill.

The membership of the House Interior and Insular Affairs Committee deserves much of the credit for devoting so much time and careful study to this precedent-setting measure. The Public Lands Subcommittee of the last session, under the chairmanship of GRACIE PFOST, and the new National Parks Subcommittee under Chairman RUTHERFORD made special trips to the cape to hear the views of the people and survey the seashore area. The measure which they have reported reflects their deep interest in conservation and their devotion to both the needs of the Nation and the cape towns.

Throughout the several years we have been working on the improvement and perfection of the proposal, the National Park Service has been cooperative and helpful. These men, who have devoted many hours to answering our inquiries and acquainting us with procedures for administration of national land reservations, certainly deserve our thanks.

Most importantly, I want to take this opportunity to commend the residents and officials of the cape along with the many other interested individuals too numerous to mention. Without their patience with the legislative process and significant contributions to the improvement of this legislation, it would not be before us today.

The area proposed as a national seashore in this bill is not wilderness. It is a new concept in national park sites, for it encompassed parts of highly developed and self-sufficient communities. For this reason, Senator SALTONSTALL, former Senator, now President, Kennedy and I devoted many months of deliberation and work in the drafting of a unique bill to fit the unique challenges of the proposed seashore. Our responsibility was twofold—to preserve the area for the enjoyment of future generations on the one hand, and to protect the rights of the many residents within the seashore area and assure the maintenance of a sound tax base in the six towns involved.

We therefore provided in our bill that all residences constructed prior to September 1959 would remain in private ownership so long as the town in which the property is located has a zoning code approved by the Secretary of Interior. This protects the homeowner for all time and gives the towns the needed tax revenue.

Since the boundaries included so much privately owned land in each town, we knew that the success of the seashore would depend upon cooperation and mutual trust between the cape and the Federal Government. We therefore established an Advisory Commission, composed of representatives of the six towns, the county, the Commonwealth and the Interior Department, to help set the policies governing the establishment of the seashore and its future administration. The Commission will advise on the creation of public use areas and commercial development. It will play a vital role in coping with such problems as transportation, police protection and visitor accommodations which will inevitably arise from the creation of this seashore.

Perhaps the most important aspect of the measure is the emphasis we have given to "conservation" in contrast to "recreation." We felt that conservation should be clearly spelled out in the legislation because the major intent of the Federal Government in its desire to administer the area is to preserve it in as close to its present state as possible.

We all know that there are at present sufficient recreational facilities in Massachusetts and along the eastern seaboard to accommodate those who seek them out. To allow the cape to become open to unrestricted commercial exploitation would have been to destroy the very beauty and character of the area, which the Federal Government is attempting to preserve. In our provision describing the uses for which the Secretary may develop the seashore, we made unmistakably clear that the primary intent of this proposal is to conserve and preserve the area.

The version before you differs from the bill passed recently by the Senate in three major respects. The Senate bill contains a contract clause which would allow the Secretary to enter into a purchase agreement with private homeowners prior to the appropriation of funds. This was stricken from my bill by the House committee. I am hopeful that, if the committee on conference does not add this feature to the bill, the Congress will adopt the alternative suggested by the Budget Bureau; namely, to authorize the Secretary to use any appropriation available at the time to the National Park Service for construction.

The tenure of the Advisory Commission in the Senate bill is limited to 10 years, after which their function reverts to the town selectmen, while the House version provides that the Commission serve for the life of the seashore. The major purpose of the Advisory Commission is to consult with the Secretary on policy matters and to advise on regional problems and development. These functions seem to me too broad to be decided by the separate towns.

Finally, the size of the seashore proposed in the House bill is 25,700 acres while the Senate bill contains about 30,367 acres. The committee of both Houses have eliminated the payments in lieu of taxes provision from the legislation. The House bill more adequately recognizes the need of these towns for high-grade residential development. This smaller seashore is necessary if these towns are to retain their identity and character. The tax base is essential if they are to furnish the services the seashore will demand.

This bill assures a national seashore which will work to the benefit of both the cape and the Nation and represents a step forward in progressive and farsighted national park legislation. The House committee has devoted extraordinary time and study to this bill, and I hope that their philosophy will prevail in the House-Senate conference.

This legislation was carefully conceived, thoughtfully written, and painstakingly revised and improved, and I urge its passage by the House.

Mr. GROSS. Mr. Speaker, I yield myself the 3 minutes remaining to me.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CONTE. Mr. Speaker, I rise this beautiful summer day to speak on behalf of the multitude of Americans who would like to enjoy the beauty of such a day as this on Cape Cod.

It is significant to estimate the number of people within 1 day's travel time from this spectacular finger of land that protrudes into the Atlantic. The urban areas of the East and Northeast that could be included in such an estimation contain nearly one-third of the population of the United States. This, of course, does not consider the number of travelers from all the other areas of the United States that each year visit New England, so when I say a multitude of Americans, I do not exaggerate. I am sure they would prefer a Cape Cod unspoiled by the encroachments of a spreading population and urban development.

The cape is not just a long beach that can accommodate a main street lined with tourist facilities. It is much more than a place for vacationing college students. The natural beauty of constantly shifting sand dunes and inland lakes, combined with the ocean beaches, produces a unique phenomenon.

The entire area encompassed by the Senate legislation and the bill filed by myself is the only remaining possible site for a Cape Cod national seashore

park. It would seem only reasonable to maximize the acreage of the park at this time, for there will be little chance to add to the park in the future.

Already commercial development and exploitation have destroyed much of the beauty that we are now trying to save. Since an extensive mutual understanding has been reached between the people of the towns located on the cape and the Federal Government, surely this is the opportune time to create the largest possible acreage of natural beauty. The case for a larger park would not be half so strong if there was an abundance of prospective park sites in the immediate vicinity, or if we did not have this area of agreement. I emphasize, however, that a glance at the map of the Atlantic seaboard reveals no comparable shoreline which equals this area in recreational and scenic assets.

The concentration of our population in the past few decades has obviously fallen into the pattern of urban and suburban categories. The economic resources of these groups of our people have made possible extensive travel and mobility. Social trends combined with these economic advantages have brought about increased usage of all the shore areas of our Nation, whether they be on coastal shores or inland waterways. Cape Cod is an example of the great need resulting from these social and economic trends.

Tracts of land have been bought, homes or lodgings built, natural beauty destroyed. We seek not to limit the people's freedom of access to the area but preserve the characteristics that have already attracted so many of us.

We all know the history of our national park system and the findings of studies concerning its adequacy. These studies have more or less been the source for the introduction of legislation to create three new seashore parks. So we of the Northeast are not alone in our recognition of the value of such seaboard areas.

I am sure that all of us recognize the importance of preserving areas of our country in their natural state. I simply urge that since the opportunity is before us we preserve the maximum acreage of the natural beauty and historic quality which is associated with Cape Cod.

Mr. GROSS. Mr. Speaker, I should like to ask the chairman of the subcommittee, the gentleman from Texas [Mr. RUTHERFORD], if this bill does not provide that a person owning property in this area, which would be taken over by the Federal Government, may occupy it for the rest of his life?

Mr. RUTHERFORD. It does.

Mr. GROSS. What kind of precedent are we setting here?

Mr. RUTHERFORD. This is not a precedent. It has been done in the case of a number of other national parks.

Mr. GROSS. If this bill is passed, will the State of Texas come in with a multi-million-dollar proposal to take care of Padre Island on the Texas gulf coast? Is not this bill an inducement for Texas to come in and ask for huge sums of money for the establishment of a national park in that area?

Mr. RUTHERFORD. The gentleman will remember, Mr. Speaker, that at the outset I said I should indulge in no subterfuge, that later California would possibly come in with a proposal to establish the Point Reyes National Park and Texas the Padre Island Park. I have not attempted to indulge in any subterfuge whatsoever.

Mr. GROSS. Taking the taxpayers into consideration, does not the gentleman think it would be a good idea to reject this bill and wait until the Californians and the Texans come in with their huge projects? Some of the Members who have spoken in behalf of this bill indicate clearly that $100 million will be required rather than $16 million for Cape Cod. I think we ought to get all these projects together in one place, take a good hard look at them and see whether the taxpayers of this country who have just had a debt increase saddled on them up to $298 billion; to see whether they can afford some of these things. Does not the gentleman think that is a reasonable thing to do?

Mr. RUTHERFORD. I may say to the gentleman from Iowa that the fact is we are considering the taxpayers because to delay action on this bill would increase the cost we will have to pay to establish a national seashore. The taxpayers are getting consideration.

Mr. GROSS. That, of course, is an assumption on the part of the gentleman from Texas.

Mr. RUTHERFORD. That is correct.

Mr. GROSS. I know one thing that is dead sure: If you do not stop spending money on projects of this nature the taxpayers are going to get hit right in the face with a nice fat tax increase. The gentleman will agree with that too, I am sure.

Mr. Speaker, the taking of hundreds of thousands of acres off the tax rolls as is being proposed in Massachusetts, Missouri, California, Texas, and elsewhere simply means that those States will eventually come crying to Washington for some form of relief from their revenue losses. It would be a wonderful thing to have a huge national park in every State of the Union, but someone has to put up the money to acquire the land. Then roads and other facilities must be built and the Federal Government for all time must maintain these parks and improvements.

Meantime, the States and other local subdivisions of government have suffered serious losses of revenue and the raids on the Federal Treasury start all over again. I urge again that this bill be rejected until fiscal sanity has been restored in this Government.

Mr. RUTHERFORD. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. BURKE] for a consent request.

Mr. BURKE of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, I wish to associate myself with my colleagues from Massachusetts in support of the establishment of the Cape Cod National Seashore Park. The purpose of this legislation is to provide for the creation and administration of a national seashore at Cape Cod, Mass., as a unit of the national park system.

Proposals supporting this type of legislation date back to the 1930's when it was included in an overall review by the National Park Service of potential national seashores. A more intensive study was made some 5 or 6 years ago when it was found that Cape Cod was one of the few sizable seashore areas that had not been developed. The greatest single natural feature of proposed national seashore is the unbroken sweep of 40 miles of coastline along the Atlantic Ocean.

The passage of this legislation will help conserve the natural beauty of Cape Cod—it will conserve the scenery, with its quaint and rustic backgrounds, it will serve as a reminder of an older and quieter way of life that seems to be lost in today's rush and hub-bub of life, it will protect and preserve the God-given beaches for all Americans to enjoy.

Mr. RUTHERFORD. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker, last week many tourists came to Cape Cod, Mass., looking for the new seashore national park. Their anticipation was a bit premature, but I cite it as evidence of the great interest of the people in a recreational area set aside for public enjoyment on historic and beautiful Cape Cod.

The place where the Pilgrims first landed should be set aside as a national seashore park, before its identity is obliterated by the advance of the bulldozers and the cheapening effects of commercialization.

One-third of the Nation's population lives within 1 day's drive of this area.

Unless we pass this bill to set aside a few thousand acres as a sanctuary under the supervision and care of the National Park Service and for the benefit of all Americans, we may have lost our last chance to establish a seashore park along the 600-mile coastline from Portland, Maine, to Norfolk, Va. This need has been under discussion for over 20 years, and the first bill to preserve a section of Cape Cod as a unit of the National Park Service system, was introduced over 5 years ago.

The park will extend 40 miles along the outer coast from quaint Provincetown to the tip of Nauset Beach. Its average width is 1 mile, and its maximum width 4 miles. It is rich in the natural attractions which are a delight to tourists from all over the Nation. The clean invigorating air and the impressive sand dunes are backed up by woods, ponds and marshes which are a natural home for a wide variety of birds.

Stewart L. Udall, Secretary of the Interior, has advised us that—

We are in a race between those who would develop the last, best segments of the seashore for industrial and other purposes and those who would preserve these limited areas

for the health, inspiration, and enjoyment of the people for all time.

Human beings cannot find fulfillment in material progress alone. They must have unspoiled retreats, saved from the ravages of a synthetic civilization, where they can replenish their spirit in the harmony of natural surroundings. To conserve them, as part of the public domain and accessible to all tourists, is in the best tradition of our free and democratic society.

This section of Cape Cod is one of the few havens left along the Atlantic coastline, that are available for a seashore park. By providing for the establishment of the Cape Cod National Seashore Park, we shall protect a paradise that will enrich the lives of this and succeeding generations with the natural beauty created by God that no man will destroy.

Mr. KIRWAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Speaker, this bill commends itself to all those who believe in the conservation of natural resources for the use and enjoyment of all the people.

The committee has done a fine job in conducting extensive hearings, making penetrating studies, and preparing the bill in such a way as to eliminate practically all substantial opposition.

Certainly, most of the serious objections have been largely overcome and resolved and in that regard, I wish to express commendation and appreciation to my able and distinguished colleague, the gentleman from Massachusetts [Mr. KEITH], who represents the Cape Cod district, for his very capable, skillful, untiring, and long-continued efforts which have so greatly contributed to the conciliations and meetings of the mind that assisted the committee in shaping this very comprehensive, forward-looking, and understanding bill.

This bill does not involve extreme eminent domain powers. In general, only unimproved land will be affected.

There is no unwarranted or injudicious taking of private property; the rights of local communities and the State of Massachusetts have been duly considered and respected consistently with the high purposes of serving the public good and protecting Cape Cod against harmful commercial exploitation and from deteriorating in large measure into a honky-tonk paradise and litter ground.

This bill is imperative; it is constructive; it is sound; it is well considered; it is farsighted; it is preservative of one of the most beautiful scenic and recreational areas in the Nation. Its adoption is in the local, State, and National interest.

I have every confidence that the House will move swiftly and overwhelmingly to approve this splendid measure which is in the true interests of proper, desirable, and necessary conservation.

I urge the House to take favorable action and am confident it will do so.

Mr. DONOHUE. Mr. Speaker, I earnestly hope the House will approve this bill, H.R. 5786, providing for the creation and administration of a national seashore at Cape Cod, Mass., as a unit of the national park system without extended delay and debate.

As has been revealed, this bill, and similar ones in the past Congresses, has been the subject of multiple hearings by the Committee on Interior and Insular Affairs. I believe the committee should be congratulated for the wealth of material in support of the establishment of this national park unit it has developed by its most thorough study and investigation.

This is not a newly proposed project, contrary to the impression generated by a few Members here; its proposal for establishment goes back to the 1930's, when it was included in an overall review by the National Park Service of potential national seashores.

The greatest single natural feature of this proposed national seashore is an unbroken sweep of 40 miles of coastline along the Atlantic Ocean. This is one of the few lengthy coastal areas in the United States that is still virtually in a state of nature and it is the longest on the Atlantic coast north of Cape Hatteras. It was along the Atlantic side of this coast between what are now Wellfleet and Eastham that the Pilgrims caught their first sight of land on November 9, 1620.

The major emphasis of this bill, and the major emphasis of the National Park Service in administering the national seashore established will be, of course, on conserving the values which now make Cape Cod so attractive to so many people and which are in such great danger of being lost—its scenery, its wildlife and flora, its homes, dating from periods long past, and its historical association.

All of the authorities essentially agree that Cape Cod is a uniquely beautiful area which is well worth preserving as a part of the American heritage. As you have all heard repeated here several times, Cape Cod is one of the very few sizable seashore areas between Maine and Mexico that has not been developed.

It is unfortunate that in any project of this kind every segment interested cannot be entirely satisfied, but it appears that the recommendation of the committee, after long study and many hearings, represents the best boundary compromise obtainable. I, therefore, again urge the House to approve this measure.

Mr. SAYLOR. Mr. Speaker, I want first to emphasize the nonpartisan nature of the proposal to establish the Cape Cod National Seashore. The House bills by Messrs. KEITH, BOLAND, LANE, CONTE, and MORSE illustrate this. The Senate bill, by Senators SALTONSTALL and SMITH of Massachusetts, make it clear. The support which President Eisenhower and Secretary Seaton gave to this proposal has been carried on by President Kennedy and Secretary Udall. The unanimity with which the Subcommittee on National Parks and the Committee on Interior and Insular Affairs acted on H.R. 5786 is further evidence of its nonpartisan character. This is as it should be. H.R. 5786 is a conservation measure.

I want to emphasize, in the second place, that the Cape Cod National Seashore has both national support and local support. It is supported by such organizations as the National Wildlife Federation, the Izaak Walton League of America, and the National Parks Association. It is supported by the present Governor of Massachusetts and his predecessor in office. It is supported by the commissioner of natural resources of the State and by the State legislature. And, notwithstanding the bitterness of the controversy that sometimes seemed to rage among the good people of Cape Cod, it is supported by at least 70 percent of the residents of the area immediately affected. We have, in short, evidence of strong support all up and down the line.

The third thing I want to emphasize about the Cape Cod proposal is its national importance. Whether we think of it in terms of history or in terms of contemporary enjoyment, Cape Cod's importance far transcends the interests of the local property owners or even the interest of New England. The story of the Pilgrims and their landing on Cape Cod in 1620 belongs to all of us, just as the story of Sir Walter Raleigh and his settlement in North Carolina belongs to all of us. So, also, for the enjoyment that Cape Cod can give us as 20th century Americans. Cape Cod is and should continue to be a gathering place for Americans from all parts of the country. It is its unspoiled scenery and its historical associations that attract us—not pinball alleys or dine and dance taverns or slot machines. We go to Cape Cod for recreation in the best sense of the word, not for amusement. The recreation that we seek and get there can be only a product of conservation, and I am glad to call to your attention the weight that the bill puts on the conservation function of the seashore area we are establishing. The wonder is that, with all the population pressures that there are in the vicinity of Cape Cod, it has been able to remain as it is for as long as it has. True, it is no longer precisely what it was when Thoreau tramped across its acres. True, also, it is on the verge of still more changes and not for the better. But it is not too late to save and preserve it. This is what enactment of H.R. 5786 will help us to accomplish.

Finally, I want to emphasize the care with which the local people's interests in Cape Cod are kept in the picture under H.R. 5786, notwithstanding that the final say is, as it must be, in those who are responsible to Congress and the President. Look, for instance, at the provisions of section 8 of the bill. They set up an advisory commission, 9 out of 10 of whose members are to be appointed on nominations of the selectmen of the towns concerned, the commissioners of Barnstable County, and the Governor of Massachusetts. Or look, again, at section 7(c), having to do with hunting and fishing, and at its provisions that there may be no such activities unless they are compatible with local law. Or look at the elaborate provisions of sections 4, 5, and 6 which set severe limits on the power of the Secretary of the Interior to condemn residential property, encourage the adoption of zoning

ordinances, and protect householders who conform to those ordinances. It cannot be said, by any stretch of the imagination, that the Congress is not fully aware of the fact that, in this bill, it is moving into a settled area and that it is not doing all that it can reasonably do to adapt national operations to local needs.

Mr. Speaker, it would be wrong if I did not say that I, personally, wish a larger part of Cape Cod could be included within the national seashore than has been included. Unfortunately, that could not be. What is included was thoroughly discussed in committee. All of us strove to achieve a just balance between the needs of the towns for elbow-room and the needs of the Nation for a quiet place for retreat from the noise and confusion of our cities. I think we achieved such a balance. I am glad of the part I played in achieving it and I compliment all my fellow members of the Committee on Interior and Insular Affairs, whether they see eye to eye with me or not, on the complete willingness to compromise their differences. I commend the results of the committee's work to all Members of the House and urge a favorable vote on H.R. 5786.

Mr. CURTIS of Missouri. Mr. Speaker, I want the record to show why I am voting against suspending the rules and passing H.R. 5786. The additional views of Congressmen KYL and DURNO on page 29 of the committee report contain this statement:

> Attention should also be drawn to the fact that this legislation represents a relatively new concept, in that the proposed seashore would be created entirely on land now privately owned. For this reason and many others, the legislation should be thoroughly and carefully considered.

Suspending the rules of the House does not permit thorough and careful consideration. I cannot understand why H.R. 5786 was not presented to the House under a rule so adequate consideration could be given to its merits and amendments could be offered and adopted if meritorious.

I think I probably would favor H.R. 5786 after adequate consideration had been given to it by the House. My vote is against the procedure of suspending the rules instead of considering the matter under a rule in orderly fashion.

Mr. RUTHERFORD. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Speaker, I congratulate the committee for coming in here today and proposing a bill to be financed on a direct appropriation basis instead of running around the Congress of the United States and giving our authority away to people downtown.

I believe it is important to bring to the attention of the House that the companion bill S. 857, which passed the Senate on June 27, 1961, carries a back-door provision authorizing the Department, in advance of any appropriation, to go ahead and purchase $16 million worth of land.

This bill passed the Senate on a voice vote and, I believe, there was not one mention of this back-door provision. This is the first time this back-door provision has been included for acquisition of park lands—but if this precedent should prevail it will be just the beginning. Already at least two other park bills have been introduced in the Senate with this same back-door financing.

Here is the language under section 2(b) of the Senate bill:

> The Secretary shall have authority to incur obligations and enter into contracts involving the expenditure of funds authorized by section 9 of this act for the acquisition of property and this action in doing so shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and such funds shall be deemed to have been expended when so obligated.

Just what does this language mean? It means that without any budget estimate or any advance appropriation the Secretary of the Interior is given complete authority to go ahead and buy $16 million worth of land in the Cape Cod area.

It means that Congress would be completely delegating its responsibility for reviewing the financial aspects of this land program to assure that only reasonable prices are being paid and to control the rate of expenditure in relationship to other park requirements.

The legislative committees, and properly so, have not gone in any great detail into the financial aspects of this program. The House committee admits in its report that "there was considerable controversy among the witnesses as to the adequacy" of the $16 million.

I believe we have a serious fiscal responsibility to the Nation to assure that Federal moneys are being expended wisely and economically and we cannot accomplish this unless we require these Departments to submit and justify their financial requirements in the regular annual budget process.

On the floor of this House 2 weeks ago a Member presented a very fine argument on raising the debt limit and stated that our Nation would be in chaos unless we passed that bill. We had no alternative. But we can do something about our future expenditures and assure that we run our Government on a sound fiscal basis.

We all were on the floor the other day and heard the gentleman from Texas [Mr. MAHON], ask the question, What are we going to do about it from today on? He suggested that we resolve that when we vote to authorize a new program that at the same time we vote the money to pay our way so that we will not engage in deficit spending and necessitate having to annually increase the debt limit.

Already back-door amounts pending in legislative bills and propositions total almost $24 billion for this session alone. There are amounts which would be outside the normal budgetary and appropriation processes.

Certainly we should not add the Park Service, which we have been funding on an annual appropriation basis since 1916, to this long list of back-door items where we are delegating our fiscal responsibilities to the departments downtown.

We all know what has happened in many of these programs when we lost control. Over $700 million was spent for tungsten, and $557 million was excess to even our maximum stockpile requirements. Over 20 percent of the purchases were of nonstockpile grade. These cost us $158 million and now we are paying $1,386,000 just for one contract to upgrade a small fraction of the inventory.

We all know the story of what has happened under the Federal aid highway bill.

If we are going to have fiscal sanity, if we are going to know what we are spending and how it is being spent, we must put a stop to authorizing back-door and side-door runs on the Federal Treasury. We cannot go on delegating our job to the Departments by giving them contract authorities and borrowing authorizations in these authorizing bills. How can we assure a balanced program of Federal expenditures within what we can afford to spend, if every legislative bill, without relationship to other needs, authorizes the Departments to go ahead and make a run on the Federal Treasury. Yet the Senate version of this bill we are considering today bypasses the Congress and authorizes the Department to go ahead and commit $16 million, or more perhaps, without any further required congressional review. And there will be others if this precedent is allowed to go through.

I believe Secretary Udall is doing a fine job, but we have a job to do also. It is our responsibility to the taxpayers to not only authorize programs but to assure that they are carried out effectively and economically and in proper balance with other requirements.

I hope the House conferees when they meet with the Senate will stay with their guns and throw out the back-door provision. The Secretary of the Interior, in his letter on this bill after citing some administrative advantages of the contract authority stated the following:

> We realize that some of the foregoing advantages might be achieved in alternative ways, and that contract authority is a departure from the normal budgetary and appropriation process in that it removes some of the controls ordinarily exercised by Congress.

Certainly, he has warned us in advance what we are threatening to do. I hope the House conferees do their job and insist on striking this Senate provision so that the Department will come through the front door to the Committees on Appropriations with a budget request and get its money in the regular way.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired. All time has expired.

The question is on the motion of the gentleman from Texas [Mr. RUTHERFORD] that the House suspend the rules and pass the bill H.R. 5786.

The question was taken; and the Speaker pro tempore announced that in his opinion the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members and the Clerk will call the roll.

The question was taken; and there were—yeas 278, nays 82, not voting 77, as follows:

[Roll No. 110]

YEAS—278

Abbitt	Garmatz	Norrell
Abernethy	Gary	Nygaard
Adair	Gathings	O'Brien, Ill.
Addabbo	Gavin	O'Hara, Ill.
Addonizio	Giaimo	O'Hara, Mich.
Albert	Goodell	Olsen
Alexander	Gray	Osmers
Alford	Green, Pa.	Patman
Andersen, Minn.	Griffin	Pelly
	Griffiths	Perkins
Andrews	Gubser	Philbin
Aspinall	Hagan, Ga.	Pike
Avery	Haley	Pilcher
Ayres	Hansen	Pirnie
Bailey	Hardy	Poage
Baldwin	Harris	Powell
Baring	Harrison, Wyo.	Price
Barry	Hays	Pucinski
Bass, Tenn.	Hechler	Quie
Bates	Herlong	Rabaut
Battin	Holifield	Randall
Beckworth	Holland	Reifel
Bell	Holtzman	Reuss
Bennett, Fla.	Hosmer	Rhodes, Ariz.
Berry	Huddleston	Rhodes, Pa.
Betts	Ichord, Mo.	Rivers, Alaska
Blatnik	Ikard, Tex.	Rivers, S.C.
Boggs	Inouye	Robison
Boland	Jensen	Rodino
Bolling	Joelson	Rogers, Colo.
Bolton	Johnson, Calif.	Rogers, Fla.
Bow	Johnson, Md.	Rogers, Tex.
Bray	Johnson, Wis.	Rooney
Breeding	Jones, Ala.	Roosevelt
Brewster	Judd	Rostenkowski
Bromwell	Karsten	Roush
Brooks, La.	Karth	Rutherford
Brooks, Tex.	Kastenmeier	Ryan
Brown	Kee	St. George
Broyhill	Keith	Saund
Burke, Ky.	Kelly	Saylor
Burke, Mass.	Keogh	Schneebeli
Burleson	Kilday	Schwengel
Byrne, Pa.	Kilgore	Scott
Carey	King, Calif.	Scranton
Casey	King, Utah	Seely-Brown
Cheif	Kirwan	Selden
Chenoweth	Kluczynski	Sheppard
Chiperfield	Kowalski	Shipley
Church	Kyl	Short
Clark	Landrum	Shriver
Coad	Lane	Sibal
Cohelan	Lankford	Sikes
Colmer	Lennon	Sisk
Conte	Lesinski	Spence
Cooley	Libonati	Springer
Corbett	Lindsay	Stafford
Corman	McCormack	Staggers
Cunningham	McDonough	Steed
Curtis, Mass.	McDowell	Stephens
Daddario	McFall	Stratton
Daniels	McIntire	Stubblefield
Davis, John W.	McSween	Sullivan
Davis, Tenn.	Macdonald	Taylor
Delaney	Machrowicz	Teague, Calif.
Dent	Mack	Teague, Tex.
Denton	Magnuson	Thomas
Derwinski	Mahon	Thompson, N.J.
Dingell	Mailliard	Thompson, Tex.
Dominick	Marshall	Thomson, Wis.
Donohue	Martin, Mass.	Thornberry
Dorn	Mathias	Toll
Downing	Matthews	Trimble
Doyle	Merrow	Tupper
Dwyer	Miller, Clem	Ullman
Edmondson	Miller, George P.	Vanik
Elliott		Van Zandt
Ellsworth	Mills	Vinson
Everett	Minshall	Wallhauser
Evins	Monagan	Watts
Fallon	Montoya	Weaver
Farbstein	Moorehead, Ohio	Westland
Fascell		Whalley
Feighan	Moorhead, Pa.	Whitener
Finnegan	Morgan	Whitten
Fisher	Morris	Widnall
Flood	Morrison	Willis
Fountain	Morse	Wright
Frazier	Moss	Yates
Frelinghuysen	Moulder	Young
Friedel	Murphy	Younger
Fulton	Murray	Zablocki
Gallagher	Natcher	Zelenko
Garland	Nix	

NAYS—82

Anderson, Ill.	Flynt	MacGregor
Arends	Ford	Martin, Nebr.
Ashbrook	Forrester	Mason
Ashmore	Glenn	Meader
Baker	Goodling	Michel
Becker	Grant	Miller, N.Y.
Beermann	Gross	Milliken
Belcher	Hall	Moore
Bennett, Mich.	Harsha	Mosher
Blitch	Harvey, Ind.	Nelsen
Broomfield	Harvey, Mich.	Norblad
Bruce	Henderson	O'Konski
Byrnes, Wis.	Hiestand	Ostertag
Cahill	Horan	Poff
Cederberg	Johansen	Ray
Chamberlain	Jonas	Reece
Clancy	Jones, Mo.	Riehlman
Curtin	King, N.Y.	Roudebush
Curtis, Mo.	Kitchin	Rousselot
Dague	Kornegay	Schadeberg
Davis, James C.	Kunkel	Schenck
	Laird	Schweiker
Derounian	Langen	Siler
Diggs	Latta	Smith, Calif.
Dole	Lipscomb	Taber
Dowdy	Loser	Tollefson
Durno	McMillan	Van Pelt
Findley	McVey	

NOT VOTING—77

Alger	Halleck	Pillion
Anfuso	Halpern	Rains
Ashley	Harding	Riley
Auchincloss	Harrison, Va.	Roberts
Barrett	Healey	St. Germain
Bass, N.H.	Hébert	Santangelo
Bonner	Hemphill	Scherer
Boykin	Hoeven	Shelley
Brademas	Hoffman, Ill.	Slack
Buckley	Hoffman, Mich.	Smith, Iowa
Cannon	Hull	Smith, Miss.
Celler	Jarman	Smith, Va.
Collier	Jennings	Thompson, La.
Cook	Kearns	Tuck
Cramer	Kilburn	Udall
Dawson	Knox	Utt
Devine	McCulloch	Walter
Dooley	Madden	Weis
Dulski	May	Wharton
Fenton	Moeller	Wickersham
Fino	Multer	Williams
Fogarty	O'Brien, N.Y.	Wilson, Calif.
Gilbert	O'Neill	Wilson, Ind.
Granahan	Passman	Winstead
Green, Oreg.	Peterson	
Hagen, Calif.	Pfost	

So (two-thirds having voted in the affirmative) the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Harding with Mr. Auchincloss.
Mr. Fogarty with Mr. Collier.
Mr. St. Germain with Mr. Fino.
Mr. Hull with Mr. Devine.
Mr. O'Neill with Mr. Halleck.
Mr. Moeller with Mr. McCulloch.
Mr. Harrison of Virginia with Mr. Pillion.
Mr. Dawson with Mrs. Weis.
Mr. Cook with Mr. Wilson of Indiana.
Mr. Cannon with Mr. Cramer.
Mr. Williams with Mr. Alger.
Mr. Winstead with Mr. Fenton.
Mr. Thompson of Louisiana with Mr. Scherer.
Mr. Hébert with Mrs. May.
Mr. Hemphill with Mr. Hoffman of Illinois.
Mrs. Granahan with Mr. Knox.
Mr. Brademas with Mr. Kearns.
Mr. Multer with Mr. Utt.
Mr. Roberts with Mr. Hoffman of Michigan.
Mr. Celler with Mr. Wharton.
Mr. Dulski with Mr. Hoeven.
Mr. Anfuso with Mr. Wilson of California.
Mr. Santangelo with Mr. Halpern.
Mr. Gilbert with Mr. Dooley.
Mr. Buckley with Mr. Bass of New Hampshire.
Mr. Healey with Mr. Kilburn.

The result of the vote was announced as above recorded.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 857) to provide for the establishment of Cape Cod National Seashore, a similar bill to the one the House just passed.

The Clerk read the title of the bill.

Mr. GROSS. Mr. Speaker, reserving the right to object, is this an effort to substitute the Senate bill for the House bill?

Mr. RUTHERFORD. No, just the opposite, to substitute the House bill for the Senate bill.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill.

Mr. RUTHERFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RUTHERFORD: Strike out all after the enacting clause of S. 857 and insert the provisions of H.R. 5786 as passed.

The amendment was agreed to.

Mr. RUTHERFORD. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RUTHERFORD: Strike out the preamble of S. 857.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

By unanimous consent the proceedings whereby the bill H.R. 5786 was passed were vacated and that bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks in the RECORD just prior to the passage of the bill H.R. 5786.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. MORRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight tonight to file a report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

CLARIFYING STATUS OF FACULTY AND ADMINISTRATIVE STAFF AT U.S. MERCHANT MARINE ACADEMY

Mr. GEORGE P. MILLER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 576) to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy, to establish suitable personnel policies

for such personnel, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 216 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1126), is amended as follows:

(1) By amending subsection (a) to read as follows:

"SEC. 216. (a) The Secretary of Commerce is hereby authorized and directed, under such rules and regulations as he may prescribe, to establish and maintain the United States Maritime Service as a voluntary organization for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels. The Secretary is authorized to determine the number of persons to be enrolled for training and reserve purposes in the said Service, to fix the rates of pay and allowances of such persons, and to prescribe such courses and periods of training as, in his discretion, are necessary to maintain a trained and efficient merchant marine personnel. The ranks, grades, and ratings for personnel of the said Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Secretary is authorized to prescribe, by rules and regulations, the uniform of the Service and rules governing the wearing and furnishing of such uniform of persons in the Service."

(2) By adding at the end of the section, two new subsections to read as follows:

"(e) To effectuate the purpose of this section, the Secretary of Commerce is authorized to employ professors, lecturers, and instructors and to compensate them without regard to the Classification Act of 1949, as amended.

"(f) On such date as may be fixed by the Civil Service Commission with the approval of the Secretary of Commerce, not later than one year from the date of enactment of this subsection, persons then serving as administrative enrollees shall be brought into the competitive civil service or excepted civil service in accordance with the Civil Service Act and rules, and shall thereafter be compensated in accordance with the Classification Act of 1949, as amended, except as otherwise authorized by subsection (e) of this section or other provisions of law, and shall be subject to other laws of general applicability to civilian employees of the United States, subject to the following exceptions and conditions, notwithstanding any other provisions of law:

"(1) The rate of basic compensation of any person serving as administrative enrollee on the date immediately preceding the date specified in the first sentence of this subsection (f) shall upon conversion provided for in this subsection be fixed at a rate which is not less than the combined basic pay and quarters and subsistence allowances received immediately preceding conversion, or the value of such allowances when furnished the person in kind at the rate and in the amounts theretofore authorized by regulation for such allowances. In the case of any such person whose combined basic pay and quarters and subsistence allowances, or value thereof when furnished in kind, exceeds the entrance rate of the grade or level in which his position is placed, the basic compensation of such person shall be fixed at that step in the grade or level which is equal to, or if none be equal, which represents the next higher regular or longevity step or level over the person's combined pay and allowances, as specified above, received immediately preceding the date of conversion. In any case in which no such rate exists in the grade of his position, his rate of basic compensation shall be fixed at the next regular salary rate which is not less than his combined basic pay and quarters and subsistence allowances, or value thereof when furnished in kind. For the purposes of determining eligibility for step increases following conversion, the basic compensation as an administrative enrollee prior to conversion shall be considered as the total amount or value of basic pay, subsistence, and quarters allowances. Any adjustment in compensation required by this subsection shall not be considered to be an equivalent increase in compensation for the purpose of a periodic step increase, nor an increase in grade or rate of basic compensation for the purpose of a longevity step increase.

"(2) The rate of basic compensation authorized by this paragraph shall continue until the person is separated from his position or receives a higher rate of basic compensation by operation of law or regulation.

"(3) Any person who, as a result of the action required under the first sentence of this subsection (f), becomes subject to the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2061 and the following), shall be credited under that Act with all annual leave remaining to his credit as an administrative enrollee, at the rate of five-sevenths of a day of leave chargeable under the Act (5 U.S.C. 2064) for each calendar day of leave remaining to the credit of the enrollee, without regard to the limitations on maximum leave accumulation provided by the Act, and shall be credited with thirteen days of sick leave in addition to any leave recredit to which the employee may otherwise be entitled.

"(4) Active service of any administrative enrollee performed prior to the date specified in the first sentence of this subsection (f) shall be considered creditable as civilian employment in the executive branch of the Federal Government for all purposes, except that in computing length of service for the purpose of title VII of the Classification Act of 1949, as amended, continuous service immediately preceding the date established under the first sentence of this subsection (f) shall be counted either (1) toward one step increase under section 701, or (2) toward one longevity step increase under section 703, as the case may be.

"(5) Persons converted from their status as administrative enrollees to positions by or pursuant to this subsection (f) shall not be entitled, upon conversion or subsequent separation from such position, to payment of travel and transportation expenses which otherwise may be authorized under the joint travel regulations on separation from the United States Maritime Service; nor shall such persons upon conversion to positions by or pursuant to this subsection be entitled to free medical, dental, surgical, and hospital care under section 322(6) of the Public Health Service Act of 1944 (58 Stat. 696; 42 U.S.C. 249)."

The SPEAKER pro tempore. Is a second demanded?

Mr. TOLLEFSON. Mr. Speaker, I demand a second.

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill would provide a definite status for the faculty at the Merchant Marine Academy.

At the present time, the majority of the faculty are employees of the Maritime Service and wear the uniforms of that service. At the same time, by ruling of the Civil Service Commission, a great part of their rights are governed by civil service regulations. This bill would place them under full civil service status without loss of any rights or privileges that they presently enjoy.

The faculty members would be placed under the exempt clause in the same status as the civilian instructors at the Naval Academy. It would give greater freedom to the administration in recruiting qualified instructors.

The bill has the approval of the Academic Advisory Board of the Academy, which Board consists of prominent educators throughout the United States and they have expressed the view that the establishment of a permanent status would be most beneficial to the educational standards of the institution.

An identical bill, H.R. 5383, passed the House during the closing days of the 86th Congress, that is on August 22, 1960, and there was not sufficient time for its consideration in the Senate.

Mr. TOLLEFSON. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. DEROUNIAN].

Mr. DEROUNIAN. Mr. Speaker, I am one of the few lone voices in the wilderness with respect to this bill, S. 576.

This Academy is in my congressional district. As one of the great academies we have, I feel that putting the Academy under civil service, as is proposed by the current bill, is ill-advised action to take. Imagine, if you will, an almost total military academy being run by job descriptions from a bureaucratic desk in Washington, and you have the effect of this bill.

I feel this Academy, which has tremendous possibilities in this nuclear age, will suffer by being run from Washington by people who sit at a desk in the Nation's Capital and punch out these job descriptions. All of the military discipline that we have there today will slowly disappear, in my opinion, with a resulting lack of esprit de corps.

Mr. Speaker, I am unalterably opposed to this bill. I have been opposed to it since I represented the Second Congressional District of New York. I know you cannot fight city hall. You could not fight it last year and you cannot fight it this year. I will not ask for a rollcall, but I just want to voice my opposition on it, since it is a subject dear to my heart in my congressional district.

Mr. TOLLEFSON. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this bill is identical to the one which the House approved last year on August 22. There was not sufficient time in the session to permit the Senate to act upon it, and for that reason the bill came back to our committee and now is on the floor of the House.

Mr. Speaker, I think it would be well to understand what the situation is with respect to the Merchant Marine Academy. The Academy, plus a number of marine training schools, was established during World War II for the purpose of training personnel for the ships we were

building in behalf of the war effort. After the war was over and over a period of time, all of the training institutions were closed with the exception of the one at Kings Point. Kings Point and these other institutions were operated by a branch of the Maritime Administration known as the Maritime Service. The people in the maritime service had sort of a military status and were entitled to wear the uniform and to draw pay and advantages similar to those of the other military organizations. However, the people in the maritime service owed no obligation whatsoever to the Government. They could quit at any time, and in recent years it has become evident that we ought to change the administrative setup in the Academy and make it similar to that which exists in the Military Academies. Incidentally, the bill was approved unanimously by our committe. The gentleman from New York [Mr. DEROUNIAN], made his views known to the committee this year as well as last year, but the committee felt, however, with due respect for his point of view, that we ought to go ahead with the proposal and, as I have indicated, make the Maritime Academy operate similarly to the Military Academies; in other words, place the civilian instructors in civil service status the same as exists in the Military Academies, the Army, the Navy, and the Air Force.

Now, the gentleman from New York fears that this system will not operate in the Maritime Academy, but it seems to me that the experience of the Military Academies indicates clearly that the system will work. Placing the instructors, the civilian instructors, under civil service status gives them more job security and tenure than would otherwise be the case, and it would have a tendency, it seems to me, to keep and attract the better type of instructor. Last year this measure was put to a vote under suspension of the rules, and the House approved it by a vote of about 290 to 90; in other words, by a percentage of better than 3 to 1. It seems to me that this is a step forward. It has the approval of the Department, and I urge the House to adopt the bill.

Mr. GEORGE P. MILLER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from California [Mr. GEORGE P. MILLER] that the House suspend the rules and pass the bill S. 576.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

GENERAL LEAVE TO EXTEND

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONSERVATION OF MIGRATORY WATERFOWL

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7391) to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of important wetlands and other waterfowl habitat essential to the preservation of such waterfowl, there is hereby authorized to be appropriated for the ten-year period beginning with fiscal year 1962, not to exceed $150,000,000.

SEC. 2. Funds appropriated each fiscal year pursuant to this Act shall be accounted for, added to, and used for purposes of the migratory bird conservation fund established puruant to section 4 of the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended (48 Stat. 451; 16 U.S.C. 718d).

SEC. 3. Funds appropriated pursuant to this Act shall be treated as an advance, without interest, to the migratory bird conservation fund. Such appropriated funds, beginning with fiscal year 1972, shall be repaid to the Treasury out of the migratory bird conservation fund, and such repayment shall be made in annual amounts comprising 75 per centum of the moneys accruing annually to such fund: *Provided,* That in the event the full amount authorized by section 1 of this Act is appropriated prior to the end of the aforesaid ten-year period, the repayment of such funds pursuant to this section shall begin with the next full fiscal year.

The SPEAKER pro tempore. Is a second demanded?

Mr. TOLLEFSON. Mr. Speaker, I demand a second.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the resquest of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this bill, H.R. 7391, was reported unanimously from the Subcommittee on Fish and Wildlife of the Committee on Merchant Marine and Fisheries. It was also reported unanimously by the full Committee on Merchant Marine and Fisheries.

Mr. Speaker, at this time I would like to pay appropriate tribute to my colleagues who sponsored similar or identical legislation: Mr. REUSS, Mr. JOHNSON of Wisconsin, Mr. OLSEN, Mr. MILLER of California, Mr. PELLY of Washington, Mr. ELLSWORTH of Kansas, and Mr. GOODLING, of Pennsylvania. They have expressed deep and abiding interest in this subject, and have sponsored similar or identical legislation. Without the help of these able and distinguished conservationists and without the help of my colleagues on the committee as well as the subcommittee which considered this legislation, this bill would not have reached the floor of the House.

This bill was reported unanimously by the subcommittee and by the full committee.

This is a simple measure, and its passage is absolutely necessary in order to save American migratory waterfowl. It provides for loans of $150 million over a 10-year period to purchase 88 percent of the remaining 4.5 million acres of wetlands which represents the Federal share remaining of the 12.5 million acres needed to provide adequate refuge areas for feeding, resting, and wintering of our waterfowl. The States are to acquire some 2.5 million acres, and the balance of this some 5 million acres is now in public ownership.

Under the present law, duck stamp receipts amounting to some $4,836,000 are earmarked for refuge acquisition, except for administrative costs. This will require some 30-odd years to complete our refuge acquisition program.

Unfortunately, there is simply not enough time to complete our program in the time remaining to us during which the lands and open space will remain available.

It is also worth while to note that our lands are going so fast that probably by the conclusion of the 10-year program there will be little land available to the Federal Government for the continuation of the program.

Funds which will be spent will go through the regular appropriation channels, and I want to stress that. There is no back-door appropriation here.

At the completion of 10 years, three-fourths of the annual receipts of the duck-stamp funds will be earmarked for repayment which will continue on out of duck-stamp receipts until the total of $150 million has been repaid to the Treasury.

Our migratory waterfowl face a future which is extremely dark. Each year a million acres of open space vanish under houses, factories, streets, drive-ins, parking lots, and so forth. Of 127 million acres of wetlands in the continental United States at the time of Columbus, 80 percent is now gone forever by reason of drainage. In one State alone 5 percent of the remaining marshland vanished in a period of less than 4 years. Half of the waterfowl production in the prairie States had vanished.

The Department of the Interior estimates that the funds authorized can be expended as follows: $10 million in 1962, $12 million in 1963, $19 million in 1964, $23 million in 1965, $25 million in 1966 and 1967, $23 million in 1968, and for the period of 1969, 1970, and 1971, $21 million—2.8 million acres will be acquired in fee and 1.5 million acres will be acquired by lease and easement. The regular duck-stamp receipts will provide approximately $50 million over the 10 years and will acquire the remaining 200,000 acres of land contemplated by this program.

Our migratory waterfowl face the darkest hour in their history. I am advised by reputable biologists that if the Department of the Interior does what it should there will probably be no season or at least the most abbreviated of seasons during this year.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. I just wanted to make it crystal clear that this money that will be advanced for this purpose will be paid back out of the duck-stamp money, which is money collected from the sportsmen through the sale of duck stamps. This is not money that is coming out of the Federal Treasury. The money will continue to be collected. This merely provides $150 million to do this job now when it can be done cheaply. It means no additional revenue taken away from the people.

Mr. JOHNSON of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Wisconsin, who was a cosponsor of this legislation.

Mr. JOHNSON of Wisconsin. Is it not true that ever since the enactment of the duck-stamp law back in the thirties much of the money that should have gone to protecting the waterfowl of this country has gone to running the Department?

Mr. DINGELL. That is correct. The gentleman and I were cosponsors of that change in the law.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I want to urge the passage of H.R. 7391, as it provides for the establishment of a very necessary crash program for the Federal acquisition of lands for migratory bird refuges and waterfowl nesting areas. Earlier in the session, I joined my colleagues, the gentleman from Michigan, Congressman JOHN DINGELL, the gentleman from Wisconsin, Congressman HENRY REUSS, the gentleman from Montana, Congressman ARNOLD OLSEN, and the gentleman from California, Congressman CLEM MILLER, in introducing this legislation in the House.

If our dwindling duck population is to be saved, Congress must act now to speed up the purchase of waterfowl wetlands. In 1954, I exposed the diversion of the bulk of income from Federal duck-stamp fees to purposes other than wetlands acquisition, for which hunters had voluntarily accepted the fee in the first place. During the next 4 years, I battled for legislation to insure that all income from the stamps would go to provide more refuges for migratory waterfowl. This legislation was enacted into law in 1958.

However, even though all duck-stamp money is now earmarked for the purchase of wetlands, it will take years for the program to reach the anticipated goal of 4,400,000 acres. Meanwhile, many areas suitable for acquisition will have been drained or converted to other uses, and land prices will most likely have become prohibitively high. The next 10 years are the critical period. Wetlands must be acquired now, or it will be too late to save continental flights of waterfowl.

As every duck hunter knows, waterfowl hunting has grown poorer in recent years, and fewer hunters have taken to the field. As a result, duck-stamp sales have lagged. During the 1960 fiscal year, only 1,628,365 Federal duck stamps were sold. This figure is 741,575 below the number sold during the peak year of 1955.

Mr. Speaker, with fewer duck stamps being sold, less money has been available for the purchase of new refuges. This, in turn, has resulted in poorer hunting, fewer hunters, smaller duck-stamp receipts and a further lag in the acquisition program.

Enactment into law of H.R. 7391 would break this vicious circle by authorizing a loan of $150 million from the U.S. Treasury over the next 10 years to purchase the needed property. Starting in fiscal 1972, the money would be repaid to the Treasury from duck-stamp revenues.

This buy-now-pay-later plan will enable the Nation to safeguard its wetlands during the critical decade of the 1960's and preserve for coming generations our immensely valuable waterfowl resources. And by creating the wetlands, we shall also be creating the means to repay the purchase-loan money, for more wetlands will mean better hunting, more hunters and increased duck-stamp sales.

Mr. Speaker, when the National Wildlife Federation held its 25th annual meeting in Washington, D.C., this year, the delegates adopted a series of resolutions that included a priority program on objectives of major conservation importance.

Significantly enough, the first item on that priority list was the establishment of a "crash" program for the acquisition of waterfowl wetlands by way of a loan such as the one proposed in the measure we are now considering.

During the 1930's, flocks of prairie chickens were a common sight in my home district in Wisconsin. Today, you have to look a long time to find a prairie chicken in my State—or anywhere in the country. If we are to save our migratory waterfowl from a similar fate, we must act now to speed up the purchase of wetlands for ducks and geese to nest and rest.

Our new Secretary of the Interior, Stewart Udall, has said that the necessity to meet the outdoor needs of our people now and in the future will in all likelihood be the sharpest and most consistent pressure on our land, water, and forests in the years ahead. It is our responsibility to see to it that there will be sufficient outdoor recreational areas available to our increasing population so that our children and their children may enjoy the outdoor opportunities which we have had.

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from South Carolina.

Mr. McMILLAN. Can the gentleman from Michigan tell me anyone from the Department who appeared before the hearings and made any statement about the acquisition of lands in South Carolina?

Mr. DINGELL. We did not go into specific areas in which the lands would be purchased by the Migratory Bird Conservation Commission and the Department of the Interior. I would assume that some land in the gentleman's State will be purchased under this program.

Mr. McMILLAN. That is what I was afraid of.

Mr. DINGELL. There are several things the gentleman should bear carefully in mind in connection with this program. First, in the history of this program in only very few instances has there been acquisition of land by other than negotiated purchase. In other words, the power of condemnation, which is inherent in the program and already provided in the basic statute, is practically never used as a matter of policy because it is easier and cheaper to get the land by negotiated sale. It is possible to find substantially identical areas, so they do not need to go into this business of actually purchasing by condemnation. I am sure this would meet the bulk of the gentleman's objections.

Mr. McMILLAN. I cannot find anything which was said about purchasing land in South Carolina. Can the gentleman offer any assurance about that?

Mr. DINGELL. I cannot offer the gentleman any assurance. The gentleman from Missouri [Mr. KARSTEN] is on the floor. He is a member of the Migratory Bird Conservation Commission, and perhaps he can answer the gentleman.

Mr. KARSTEN. We discussed this matter earlier. I contacted the Migratory Bird Conservation Commission which, as you know, makes purchases of land for waterfowl refuges, and we have no proposal to purchase any land in the area the gentleman mentions.

Mr. McMILLAN. I thank the gentleman.

Mr. KARSTEN. I know the gentleman has in mind certain areas. We have a policy of not going in and condemning land. We do that only as a last resort. It runs up the prices of the land and creates many other problems. We try to avoid that.

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. RIVERS of South Carolina. I am a member of this committee, but I do not recall any discussion about specific pieces of land under prospect of purchase.

Mr. DINGELL. That is correct.

Mr. RIVERS of South Carolina. I have a question, and I want the distinguished gentleman from Missouri, who is on the Commission, to hear this.

Is it not the policy of this Commission to advise a Member of Congress of the prospective purchase of land in his area and, if there is objection, is it not the policy of the Commission to permit the Member of Congress in that area to testify before the Commission?

Mr. KARSTEN. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Missouri to answer the gentleman's question.

Mr. KARSTEN. The Commission has no formal policy in that regard, but informally, however, they generally consult with the Member of Congress in whose district the proposed refuge is to

be located. Under the procedure that is followed, the Congressman is invited to speak for or against it or to present any information that he may have.

Mr. RIVERS of South Carolina. Is it not also the policy of the Commission that the land they buy for these refuges are submarginal lands and inexpensive land and that they do not buy land which is habitable by people and they do not buy land that is good for recreational purposes for people. When the land gets to $500 or $1,000 an acre, they let human beings occupy that land, but the land that is covered by water is left for the birds?

Mr. DINGELL. The gentleman is correct.

Mr. KARSTEN. We like to buy land as economically as possible. Sometimes we do have to spend more than we like to, but generally we are able to buy refuge lands at very low prices.

Mr. RIVERS of South Carolina. This land is bought by negotiation and not by just going in and condemning it?

Mr. KARSTEN. That is the general procedure.

Mr. RIVERS of South Carolina. And you will not go into a community and just take the people's property without considering these questions.

Mr. KARSTEN. We secure reports from the State Conservation Commissions, local sportsmen, and conservation organizations, as well as others, before we begin to talk about it.

Mr. RIVERS of South Carolina. I think it would be wrong if these people were to go in there and just ruthlessly run over the local people. Of course, that is not the testimony before our committee, and I think the gentleman should have the benefit of that discussion because I do not think that is the record of this Commission.

Mr. DINGELL. I thank the gentleman.

Mr. BREEDING. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Kansas.

Mr. BREEDING. I compliment the gentleman from Michigan for his good explanation of this bill and tell him I am heartily in favor of the bill and hope that it passes.

Mr. TOLLEFSON. Mr. Speaker, I yield such time as he may require to the gentleman from Kansas [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include some newspaper articles.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, I rise in support of the pending bill which simply accelerates the acquisition of duck and goose breeding grounds, a program that has been in operation for some time. The acquisition of these grounds is currently financed by the purchase of duck stamps by hunters. The Dingell bill continues this method of financing the program, but speeds it up for various reasons, among them being the fact that land values continue to rise over a period of time as well as for other reasons. For example, this summer the northern plains areas where ducks and geese breed and grow up are subject to a terrible drought. I have here two news items about the drought which I will insert in my remarks. One is an Associated Press item appearing in the Kansas City Star of July 6, 1961, entitled "Drought in North Widens."

The article is as follows:

DROUGHT IN NORTH WIDENS—PARCHED REGION SPREADS TO UPPER WISCONSIN AND AID IS SOUGHT FOR NINE MORE COUNTIES IN MINNESOTA—FEED CROPS WILTED—IN THE EASTERN MONTANA AREA MANY FIELDS WILL NOT BE HARVESTED

Northern Wisconsin today was added to the drought-ridden Great Plains area as Minnesota sought addition of 9 counties to the 24 already declared Federal disaster tracts.

In the western Dakotas, stockmen joined crop growers in deep concern over dwindling water supplies. They were moving cattle to greener pastures or preparing for early marketing.

A GRASSHOPPER PLAGUE

Grasshoppers were added to the drought plague in eastern Montana, where Federal-State crop-reporting services predicted many fields wouldn't even be harvested.

Senator ALEXANDER WILEY, Republican, of Wisconsin, called for early action by Federal authorities to aid farmers in that State's drought area. Unless there is rain soon, WILEY said, farmers all over Wisconsin will be suffering.

Minnesota's Gov. Elmer L. Andersen said the worsening drought is bringing new appeals to his office daily from farmers whose pastures are browned over by the searing sun and whose feed grain crops are wilted.

WOULD INCLUDE 33 COUNTIES

Granting of the new disaster appeals would place 33 of Minnesota's 87 counties in the emergency category.

In North Dakota, water was drying up in wells, creeks, and ponds, threatening stock along the western and southern boundaries. There has been no growth of pastures or wild hay in the western two-thirds for weeks.

With temperatures in the high 80's again yesterday, much small grain was reported beyond salvage. But corn and soybeans in the eastern zones were accorded a chance, assuming some moisture does come. All of North Dakota was declared a disaster area last week.

MOVE CATTLE HERDS

Western South Dakota cattlemen were reported either moving herds to greener pastures and water or holding dispersal sales, disposing of all but foundation stock.

Charles Govern, cattle expert with the South St. Paul (Minn.) Commission Co., said the unseasonable marketing forced by the aridity was bound to carry prices downward. But he added that housewives could look for little if any effect on prices they pay for meat this year at least.

The other news item is from the New York Times of Sunday, July 9, 1961, entitled "Drought Worse in North Plains."

The article is as follows:

DROUGHT WORSE IN NORTH PLAINS—DISASTER ZONE IS WIDENED—CANADIAN AREA HIT

(By Donald Janson)

CHICAGO, July 8.—A searing drought in the northern plains spread and worsened this week.

Scattered rains and a slight drop in temperature were insufficient to break the hold of the area's worst dry spell in a quarter of a century.

Sections of eastern Wyoming and northern Wisconsin were added to the officially designated disaster zone, which includes all of North Dakota and much of Montana, Minnesota and South Dakota.

Drastically reduced wheat production was forecast. In some localities, a moving blanket of grasshoppers destroyed grain not killed by the drought.

Cattle were being marketed early because of lack of pasture and water. Many stock ponds and creeks were dry and fields were parched and brown west of Minnesota after a month of temperatures ranging from the high eighties to more than 100. In some places there was no rain at all during a June that was the hottest and driest of the century.

MANY CROPS DEAD

"Rain wouldn't do much good now," said a Montanan. "Most unirrigated crops are already dead."

A Washburn, N. Dak., farmer said grasshoppers had eaten some of his cornstalks right down to the ground. The migratory insects have moved as far east as Minnesota.

But despite the ravages of the drought, nobody rated it with the prolonged dust bowl of the 1930's.

The entire Great Plains was affected by the acute drought of the midthirties. Moistureless topsoil, caught by hot winds, was swept over the prairies in dark clouds. Crop failures were commonplace. Cattle starved.

Subsoil moisture has not reached such critical lows in most sections this year, although a limited snow cover got the northern tier of States off to a poor start.

Soil-conserving practices, adopted by more and more farmers since the thirties, provide insurance against a repetition of the disastrous blowing of 25 years ago.

CATTLE SOLD AT A LOSS

Nor are cattle starving today. But some ranchers are being forced to sell them at a loss to feeders outside the stricken area.

Some North Dakota farmers were plowing their wilted wheat under this week in order to seed fast-growing grasses for forage.

Others turned cattle loose to graze in wheat fields.

The National Farmers Union shipped in baled hay and set up hay banks for sale of the feed to farmers.

One hundred and thirty-four counties have been designated a disaster area by the Department of Agriculture. They were thus made eligible for various types of Federal aid.

In addition, the Department of Agriculture is helping State agencies and ranchers to control grasshopper infestations with chemicals.

The insect scourge is worst in eastern Montana and Wyoming and the western Dakotas. One Montanan said it was heavier in his State than the grasshopper plague that accompanied the drought of the thirties. He said soil-bank land, in some cases overgrown with weeds, was a principal breeding ground.

Mr. Speaker, I point out that 100 percent of the money authorized to be appropriated in the pending bill is to be repaid by the hunters who, of course, are the ones who will benefit the most. I will say in all candor to the House, the public is asked to help out on this project by foregoing the interest on the money advanced over a period of time. This has been the practice in reclamation projects over many years and has worked well. I should also say that provisions in the initial drafts of the bill for backdoor spending have been eliminated so the money is subject now, as the bill is drawn, to the appropriation process.

In conclusion, Mr. Speaker, I have estimated that approximately two out of every three households in my district contain a male member of the family who is a duck hunter or a goose hunter and who is vitally interested in the passage and enactment of this bill.

I have a telegram from the Acting Director of the Kansas Forestry Fish and Game Commission, Mr. Fred Warders, stating, and I quote from the message:

> Early passage of this bill is of tremendous importance to sportsmen and conservationists of Kansas and to all States in their combined efforts to preserve and perpetuate our Nation's wetland wildlife species and their habitat.

Mr. Speaker, I strongly urge the enactment of this legislation.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, may I say to the distinguished gentleman from Michigan, who sponsored this legislation, and the other Members who cosponsored similar legislation that I would be remiss in my duty as a sportsman from my State of West Virginia if I did not participate in debate and request that the House give approval to this type of legislation.

We have no extensive lands in West Virginia of this kind, but I think every outstanding sportsmen's organization in my State, and most of them over the Nation, have written to me because of the fact that all the years I have been in the Congress of the United States I have been an ardent conservationist and voted for all types of conservation legislation.

It would be a sorry mistake if the House failed to approve this legislation or failed to take advantage of the opportunity to acquire these lands and hold them for the future. The situation could easily arise where it might cost double what it would cost today to acquire them.

Mr. Speaker, I would like to urge that the legislation be given approval.

Mr. TOLLEFSON. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. SHORT].

Mr. SHORT. Mr. Speaker, I certainly do not rise in opposition to this bill. I have no quarrel with the very commendable need for preserving wildlife habitat in this Nation as our population grows and the natural habitat of all upland game and waterfowl tends to decrease.

North Dakota is right in the middle of the great north-south flyway of migratory waterfowl. We have tens and even hundreds of thousands of acres of land in North Dakota called wildlife habitat and wildlife resting ground, as the ducks and geese fly north and south in the spring and the fall. I think it is important that we preserve this refuge, this habitat, this place where migratory waterfowl can nest, can stop, can rest, can feed.

However, as we acquire, in the name of the Federal Government, more and more of this land, we must keep in mind what is happening to our local political subdivisions. I believe there is a provision of some kind in the present Wildlife Land Acquisition Act which provides that the local subdivisions shall receive in lieu of taxes some portion—I do not know whether it is 25 or 50 percent—of the revenue that the Government receives for the land that is taken out of private ownership and brought into Federal ownership. The simple fact of the matter is that the Government receives practically no remuneration from these lands, as a consequence of which the political subdivisions, the local school districts, and so forth, receive no revenue in lieu of the taxes they previously received.

I think this is eminently important, I think it is vital for the existence of the school districts remaining in these areas, that some provision be made in this type of legislation to reimburse the local political subdivisions, the school districts, the counties, and the townships for the loss of taxable valuation which results in a loss of tax revenue for schools and roads that must be provided for people living in the area. This has happened time and time again in North Dakota, and it has had an extremely adverse effect on many of our local political subdivisions.

Mr. Speaker, that is all I have to say on the subject. I think it is a very commendable objective in the first place, to preserve wildlife habitat but I do think there are practical aspects that should be kept in mind. I hope some provision better than the one that exists now may be retained to provide some revenue for the political subdivisions where this land acquisition takes place.

Mr. TOLLEFSON. Mr. Speaker, as has already been stated, this is simply a speedup program for the acquisition of wet lands for the conservation of migratory waterfowl. It will not cost the Federal Government an additional dollar. All of the money in the final analysis will come out of the duck-stamp funds. The bill provides for an advance of $150 million from the Government over a 10-year period to be used for the acquisition of wetlands, as they are called. After the acquisition of these lands, 75 percent of the proceeds of the sale of duck stamps will be paid to the Government for such period of time until the $150 million is repaid without interest. It is estimated that the duck-stamp proceeds will amount to about $4 million to $6 million annually.

Mr. DINGELL. Mr. Speaker, I yield such time as he may desire to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER. Mr. Speaker, I congratulate the gentleman from Michigan for his sponsorship of this bill. It is a fine piece of legislation, and I hope it will pass.

Mr. DINGELL. Mr. Speaker, I yield such time as he may desire to the distinguished gentleman from Wisconsin [Mr. REUSS], cosponsor of the bill.

Mr. REUSS. Mr. Speaker, I vigorously support H.R. 7391, because the task of saving America's wetlands has become a national imperative. Unless these wetlands can be saved before they are drained, or priced out of the market, our treasured flights of migratory ducks and geese will be no more. Not merely the sportsmen, but all of outdoor America will have lost an incalculable resource.

Back in 1934, the Fish and Wildlife Service established a goal of 7,500,000 acres of wetlands in Federal ownership. Today, the Fish and Wildlife Service has acquired barely 3,500,000 acres, leaving 4 million acres to go.

In 1958 the Congress enacted into law an amendment to the Migratory Bird Hunting Stamp Act raising the price of the duck stamp to $3, and providing that starting July 1, 1960, all receipts from the sale of these stamps, less the cost of printing and distribution, should be used to acquire wetlands for waterfowl use. The requirement of 100-percent dedication to land acquisition was a great step forward, since previously 85 percent of the receipts had been diverted to other purposes.

Fine as the 1958 amendment was, it had hardly gone into effect before its inadequacies became apparent. As Bureau of Sports Fisheries and Wildlife Director D. F. Janzen has pointed out, because of ever-increasing land costs, waterfowl hunting has grown poorer. Fewer hunters have taken the field. As a result, duck-stamp sales have lagged, and with them the wherewithal to acquire new refuges. This in turn has caused poorer hunting, fewer hunters, smaller duck-stamp receipts, and a further lag in the acquisition program.

A special 1959–60 posthunting season sale of duck stamps was inaugurated in order to permit interested citizens to contribute to the land acquisition fund. But through mid-May 1960, only 1,153 such stamps had been sold.

If the 2 million hunters expected each year present themselves, this would make a fund of approximately $6 million annually for acquisition. To acquire the 4 million additional acres would cost $160 million at a rate of $40 an acre, or $200 million at the rate of $50 an acre—$40 to $50 being a reasonable estimate of acquisition costs. If we have to wait for 30 years to acquire the land, we never will do so, and the inadequate annual duck-stamp receipts will continue to decline.

What is needed, therefore, is a buy-now-pay-later program which will put the Department of the Interior in funds to acquire the necessary 4 million acres in the next 10 years, the loan to be repaid from duck-stamp receipts thereafter. H.R. 7391 does just this. Repayment to the Treasury from subsequent duck-stamp receipts will commence in 10 years, in fiscal 1972.

The $150 million, plus the current duck-stamp receipts, should prove adequate to provide the $160 million to $200 million needed to acquire the necessary 4 million acres. By creating the wetlands, we shall be creating the means to repay the purchase money loan.

The conservation-minded citizens of the United States will be forever grateful to the Congress if we will realize before it is too late the desperate need for legislation such as H.R. 7391.

Mr. Speaker, I particularly commend the members of the House Committee on Merchant Marine and Fisheries, the distinguished chairman of that committee, the gentleman from North Carolina [Mr. BONNER], the very able chairman of the subcommittee, the gentleman from Alabama [Mr. BOYKIN], and the great conservationist, the gentleman from Michigan, [Mr. DINGELL], who has done such an outstanding job on this legislation.

GENERAL LEAVE TO EXTEND

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have permission to extend their remarks in the RECORD on the bill now pending.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. GARLAND. Mr. Speaker, I would like to congratulate the gentleman from Michigan, the sponsor of H.R. 7391, for introducing this bill. I know that I speak for all the sportsmen and conservationists in the Northeast in urging the House to pass favorably on this bill this afternoon.

Mr. BREEDING. Mr. Speaker, I am in favor of the bill under discussion. I have introduced similar legislation in the past and I feel this legislation is essential for the preservation of our waterfowl resources. Unless some action is taken soon, most serious losses will result.

I have received correspondence from both the acting director of the Kansas Forestry Fish and Game Commission and the president of the Kansas Association for Wildlife, urging my support of this measure. I include their letters below:

JULY 7, 1961.

DEAR SIR: The sportsman clubs of Kansas, affiliated with Kansas Association for Wildlife, heartily endorse H.R. 7391.

We believe that the action sponsored by this bill is urgently needed for the survival of our migratory waterfowl.

The bill is scheduled for consideration Monday morning, July 10. We would appreciate your favorable action on this bill.

Sincerely,

ROGER C. ARENSDORF,
President, Kansas Association for Wildlife.

[Telegram]

JULY 6, 1961.

Your attention is invited to the upcoming vote on the emergency wetlands acquisition bill H.R. 7391 on Monday, July 10. Early passage of this bill is of tremendous importance to sportsmen and conservationists of Kansas and to all States in their combined efforts to preserve and perpetuate our Nation's wetland wildlife species and their habitat. We respectfully urge your support of H.R. 7391.

FRED WARDERS,
Acting Director, Kansas Forestry Fish and Game Commission.

The SPEAKER. The question is on the motion of the gentleman from Michigan that the House suspend the rules and pass the bill H.R. 7391.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

APPORTIONMENT TO THE COMMONWEALTH OF MASSACHUSETTS OF ITS SHARE OF FUNDS AUTHORIZED FOR THE NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 472.

The Clerk read the title of the House Joint Resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. PELLY. Mr. Speaker, reserving the right to object, this bill has been cleared on this side of the aisle?

Mr. McCORMACK. Mr. Speaker, this is a resolution in which time is of the essence. In the last session of the Massachusetts Legislature a law was passed increasing the tonnage of trucks on the interstate highways from 60,000 to 73,000 pounds. The Bureau of Public Roads informed the State officials that this would conform with the Federal law. Upon looking it over further, they realized that the advance opinion was not the correct one, but in the meantime the legislature had passed a law and the Governor had signed it. There was sort of a faulty line of communication. Nobody is subject to criticism on this matter. The legislature had adjourned.

The apportionment for the fiscal year 1963 will be made in the early part of August, and it is a question whether to call the Massachusetts Legislature back into special session for this particular purpose or to allow the Massachusetts apportionment for the fiscal year 1963, which will be about $51 million, to be made and to be sort of held in abeyance until on or before March 15 of next year, to give the Massachusetts Legislature, which meets in January, an opportunity to amend or repeal or correct the State law, which was innocently enacted into law, to conform with the Federal law. That is the whole purpose of this resolution.

Mr. PELLY. I wonder if there was any faulty line of communication with the minority leadership on this side.

Mr. McCORMACK. I have cleared it with all parties.

Mr. PELLY. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the joint resolution, as follows:

HOUSE JOINT RESOLUTION 472

(Joint resolution providing for the apportionment to the Commonwealth of Massachusetts of its share of funds authorized for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963)

Whereas the Commonwealth of Massachusetts by act of its legislature, approved May 25, 1961 (ch. 523, Massachusetts Acts of 1961) has amended its laws relative to the gross weight load of certain motor vehicles operated on the highways of the Commonwealth including routes on the Interstate System; and

Whereas such amendment, the effect of which would increase the maximum load permitted to be carried on the axles of such vehicles substantially above that legally permitted by State law on July 1, 1956, was enacted and approved without full knowledge of the conflict of such amendment with the provisions of section 127 of title 23, United States Code; and

Whereas section 127 of title 23, United States Code, provides that no funds authorized to be appropriated for the Interstate System for any fiscal year shall be apportioned to any State within the boundaries of which the Interstate System may lawfully be used by vehicles in excess of certain specified weights and dimensions, unless such vehicles could be so lawfully operated within such State on July 1, 1956, and that any funds withheld under these provisions shall lapse; and

Whereas the amendment to the Massachusetts laws approved May 25, 1961, has the effect of exceeding the maximum weight limitations of section 127 of title 23, United States Code; and

Whereas the withholding from apportionment and consequent lapsing of funds for the Interstate System for the fiscal year 1963 would cause undue hardship to the Commonwealth of Massachusetts, and inasmuch as its legislature, having adjourned, does not have reasonable opportunity to enact corrective legislation in sufficient time to prevent such lapse of funds since the apportionment for the fiscal year 1963 is expected to be made by the Secretary of Commerce in the near future: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 127 of title 23 of the United States Code, the Secretary of Commerce shall apportion to the Commonwealth of Massachusetts its share of funds authorized to be appropriated for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963. Such apportionment shall be made in accordance with section 104(b)(5) of title 23 of the United States Code and shall be subject to the condition that the funds so apportioned shall not be obligated or otherwise expended by such Commonwealth so long as the vehicle weight and width limitations established by the law of such Commonwealth exceed such limitations contained in section 127 of title 23 of the United States Code. If on March 15, 1962, the vehicle weight and width limitations established by the law of such Commonwealth exceed such limitations contained in section 127 of title 23 of the United States Code, then funds apportioned to such Commonwealth under this joint resolution shall lapse.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on May 25, 1961, the Governor of Massachusetts signed an enactment of the Massachusetts Legislature amending its laws relating to the gross weights of certain motor vehicles operated on the highways of the Commonwealth. This new act increases the maximum gross weight permissible on construction type vehicles and vehicles carrying petroleum products from 30 to 36½ tons. These ve-

hicles, having three axles, would still be exempt from axle weight limitations, which for the Commonwealth of Massachusetts are 22,400 pounds for a single axle and 36,000 pounds for a tandem axle. It is apparent, however, that by permitting the increased maximum gross weight, the load carried on the axles of these vehicles would be substantially above that which they could have legally carried under the previous existing law. Thus, the new act has the effect of increasing the maximum permissible axle loads for the particular vehicles affected.

As my colleagues know, the Congress in 1956 enacted the Federal-Aid Highway Act of 1956, which expanded tremendously the construction of the National System of Interstate and Defense Highways. The 1956 act contained a provision relating to the sizes and weights of motor vehicles which could be lawfully operated on that system of highways. This provision is now contained in section 127 of title 23, United States Code. The pertinent portion of that section of the Federal law is as follows:

> No funds authorized to be appropriated for any fiscal year under section 108(b) of the Federal-Aid Highway Act of 1956 shall be apportioned to any State within the boundaries of which the Interstate System may lawfully be used by vehicles with weight in excess of eighteen thousand pounds carried on any one axle, or with a tandem-axle weight in excess of thirty-two thousand pounds, or with an overall gross weight in excess of seventy-three thousand two hundred and eighty pounds, or with a width in excess of ninety-six inches, or the corresponding maximum weights or maximum widths permitted for vehicles using the public highways of such State under laws or regulations established by appropriate State authority in effect on July 1, 1956, whichever is the greater. Any amount which is withheld from apportionment to any State pursuant to the foregoing provisions shall lapse. This section shall not be construed to deny apportionment to any State allowing the operation within such State of any vehicle or combinations thereof that could be lawfully operated within such State on July 1, 1956.

As I just stated, the new Massachusetts law has the effect of increasing the load which can be carried on the axles of the vehicles to which it is applicable substantially above that they could previously have carried and could have carried on July 1, 1956, the cutoff date specified in the Federal law. This being the case, the Massachusetts enactment would violate section 127 of title 23, United States Code. Unless speedy action is taken, Massachusetts stands to lose its share of interstate funds for fiscal year 1963—due to be apportioned shortly.

The bill was enacted and approved without a full knowledge of its effect on Federal laws. Through unfortunate circumstances, there was a lack of understanding and communication between the Bureau of Public Roads, the State highway department and the Massachusetts Legislature.

The result is, however, that we now have a law which conflicts with a Federal statute. The effect of this conflict will prevent the apportionment of funds for the Interstate System to the Commonwealth for the fiscal year 1963 unless timely action is now taken. It is expected that these funds will be apportioned in the very near future. It is not feasible to recall the Massachusetts Legislature for a special session on this single matter. Our attorney general's office has been consulted and it has advised that no authority exists to correct this matter by regulation or other administrative action. Certainly, there was no intent to enact a law in Massachusetts which would be contrary to the Federal statute, thus causing Massachusetts to lose its interstate apportionment.

This is a specialized situation. I am introducing, therefore, a joint resolution which will permit Massachusetts to participate in the coming apportionment of interstate funds on the condition that its law is revised, so as not to be in conflict with the Federal law, before March 15, 1962. This legislation will not form a precedent for others to receive advantageous treatment as far as interstate apportionments are concerned. I think it is imperative that Massachusetts be given every opportunity to revise its law since its enactment was done in all good faith, although through misunderstanding. The joint resolution sets forth the reasons for the enactment by Congress of this legislation. It would defer the applicability of section 127 of title 23, United States Code, until March 15, 1962. This deferral will afford the Commonwealth of Massachusetts ample opportunity to revise the law in question consistent with the requirements of the Federal statute.

If the Congress should fail to take action on this important matter, Massachusetts will suffer extreme hardship—the result will be most inequitable. The interstate highway program, of which we are justifiably proud, will suffer a severe setback in our State. I can assure you that every means other than this avenue of approach has been explored and nothing has been found to be feasible. I emphasize again that this proposal of mine will not be a precedent for negating the effect of the Federal statute. We are not waiving its provisions but merely deferring its applicability for a short period of time until the Massachusetts Legislature can meet and revise the Massachusetts law.

To assure that equity will prevail in this unusual situation and to assure that the interstate program will proceed without interruption, I urge your favorable consideration of my proposal.

OCEANOGRAPHER OF THE NAVY

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, I have introduced today, for appropriate reference, a bill which has as its purpose the change of the title of the U.S. Navy Hydrographic Office and the title of the Hydrographer of the Navy to the Oceanographer of the Navy.

The hearings held by the Subcommittee of Oceanography of the House Merchant Marine and Fisheries Committee during the current session of the Congress, have indicated the necessity of this important change in the terminology of title 10, United States Code, chapter 639. This is the charter of the existing U.S. Navy Hydrographic Office.

In the hearing, Rear Admiral Stephan, the Hydrographer of the Navy, in response to a question of mine and then of my colleague from Massachusetts [Mr. MORSE] brought out in clear language the difference between the terms of "hydrography" and "oceanography." I quote Admiral Stephan:

> Hydrography is the study of the shape of the ocean floor. If you were to consider the ocean a bucket of sea water, hydrography is the shape of the bucket.
>
> Oceanography includes the shape of the bucket but also includes the chemical, physical, biological structure, and nature of the water in the bucket, and also the atmosphere that overlies the bucket.
>
> Oceanography is a very much broader subject. I think that, if they were naming the Hydrographic Office now instead of 130 years ago when it was named, we would be called the U.S. Navy Oceanographic Office. Oceanography is the Hydrographic Office business.

I have reason to believe that at all levels in the Department of the Navy this change in title has enthusiastic support.

For the last 20 years the U.S. Navy Hydrographic Office has, in addition to the traditional programs encompassing hydrography and navigational safety, been active in the wide range of sciences referred to as oceanography. The basic mission of the Hydrographic Office has been extended by various directives to encourage and support these broad oceanographic activities. Now the Hydrographic Office is engaged in the comprehensive work of predicting for the Navy task force commanders the oceanic environmental conditions affecting submarine, antisubmarine, amphibious, mine, and missile warfare. Approximately two-thirds of the Hydrographic Office's present activities are over and beyond the term "hydrography."

I feel the recognition of the breadth of scope of this most important task of the Navy should be recognized and given its proper title.

I am assured that this will involve no drastic changes in management or create additional costs.

BIPARTISAN GROUP OF HOUSE MEMBERS OPPOSES ADMINISTRATION'S FOREIGN AID FUNDING PLAN

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, a bipartisan group of 83 Members of the House have jointly addressed a letter to the distinguished chairman of the House Foreign Affairs Committee. This letter

expresses strong opposition to the administration's proposal to finance foreign aid development loans by authorizing an Agency for International Development to borrow from the Treasury in 1962 and in each of the next 4 years rather than to use the normal annual yearly appropriations procedure.

The President's request for a total of $7.3 billion in long-term borrowing plus his proposal to use $1.5 billion in repayments to the Treasury of outstanding foreign loans would bypass the budget and violate the spirit of the Constitution, which calls for an appropriation by Congress.

Our letter is self-explanatory and I would only add my own personal feeling that compliance by the Congress with this unorthodox back-door funding request would constitute an unwarranted and improper delegation of power by the legislative branch of Government to the executive.

This trend in recent years has become frightening. All Federal expenditures should have an annual justification and scrutiny by Congress.

The text of the letter and names of House Members signing it follows:

The Honorable THOMAS E. MORGAN,
Chairman, Committee on Foreign Affairs, House of Representatives.

DEAR MR. CHAIRMAN: We, the undersigned Members of the House, take this means of expressing our strong view that no mutual security authorization bill shall include so-called back-door spending and we thought that the members of your committee should be notified of this sentiment and the fact that many of us will vote against any legislation which provides for financing outside of the regular appropriations process.

Sincerely,

THOMAS M. PELLY, DALE ALFORD, JOHN B. ANDERSON, JAMES C. AUCHINCLOSS, JAMES F. BATTIN, FRANK J. BECKER, PAGE BELCHER, E. Y. BERRY, JACKSON E. BETTS, FRANK T. BOW, CLARENCE J. BROWN, DONALD C. BRUCE, JOHN W. BYRNES, CHARLES E. CHAMBERLAIN, J. EDGAR CHENOWETH, HAROLD R. COLLIER, ROBERT J. CORBETT, GLENN CUNNINGHAM, WILLARD S. CURTIN, STEVEN B. DEROUNIAN, EDWARD J. DERWINSKI, SAMUEL L. DEVINE, ROBERT DOLE, PETER H. DOMINICK, W. J. BRYAN DORN, JOHN DOWDY, ROBERT ELLSWORTH, PAUL FINDLEY, O. C. FISHER, GERALD R. FORD, JR., PETER A. GARLAND, J. VAUGHAN GARY, CHARLES GOODELL, GEORGE A. GOODLING, ROBERT P. GRIFFIN, CHARLES S. GUBSER, JAMES A. HALEY, DURWOOD G. HALL, WILLIAM HENRY HARRISON, JAMES HARVEY, RALPH HARVEY, E. W. HIESTAND, ELMER J. HOFFMAN, WALT HORAN, CARROLL D. KEARNS, CLARENCE E. KILBURN, A. PAUL KITCHIN, JOHN KYL, MELVIN R. LAIRD, DELBERT L. LATTA, GORDON L. MCDONOUGH, CLIFFORD G. MCINTIRE, HAROLD B. MCSWEEN, DAVE MARTIN, CATHERINE MAY, ARCH A. MOORE, JR., HJALMAR C. NYGAARD, HAROLD C. OSTERTAG, OTTO E. PASSMAN, M. BLAINE PETERSON, JOHN R. PILLION, ALEXANDER PIRNIE, RICHARD H. POFF, ALBERT H. QUIE, JOHN H. RAY, JOHN J. RHODES, R. WALTER RIEHLMAN, RICHARD L. ROUDEBUSH, JOHN H. ROUSSELOT, KATHERINE ST. GEORGE, HENRY C. SCHADEBERG, GORDON H. SCHERER, DON L. SHORT, EUGENE SILER, H. ALLEN SMITH, JOHN TABER, CHARLES M. TEAGUE, VERNON W. THOMSON, THOR C. TOLLEFSON, JAMES B. UTT, PHIL WEAVER, J. E. WHARTON, J. ARTHUR YOUNGER.

THIS CAN AND DOES HAPPEN IN AMERICA

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. SCHENCK] is recognized for 15 minutes.

Mr. SCHENCK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Hamilton Journal-News, Hamilton, Ohio, telling the success story of Mr. and Mrs. Milton Flowers. It is a remarkable example of sacrifice, industry, and singleness of purpose displayed by parents of little means who were determined to provide a college education for all of their seven children.

In view of the current trend toward more and more Federal aid to local enterprises of all kinds, it is refreshing to realize that there are families like the Flowers who have the stamina and the will to accomplish their educational goals by their own hard work and devotion to one another. I believe this story will be of interest to the Members of Congress who are concerned about the many Federal programs that have been recommended for consideration.

COULD HAPPEN ONLY IN AMERICA—HARDSHIPS FOUGHT AS SEVEN CHILDREN OF FLOWERS FAMILY COLLEGE GRADUATES—CHALLENGE IS MET BY DEVOTED COUPLE—ACHIEVES FRUITION AS GOAL IS ATTAINED

(By Jim Newton)

Money-conscious parents of one or more college-bound children will be most appreciative of the story of the Milton Flowers family.

Mr. and Mrs. Flowers, 1206 South Second Street, are celebrating this month the graduation of their seventh—and last—child from college. For Mr. Flowers, a maintenance man at Harrison Elementary School, and for his wife, this month ends more than 15 years of working day and night, 7 days a week, to finance the college education of four sons and three daughters.

Milton Flowers left his home in Georgia at the age of 15 and went to Florida, where he made his home with an aunt. He left Florida at the age of 17, en route to Cleveland, and stopped in Hamilton to obtain a job so that he could finance the rest of his trip to the northern Ohio city.

STAYED IN CITY

He stayed in Hamilton, working for Wolf & Co. for 19 years, before joining the public school system as a maintenance man in 1944 at the old Harrison and old Monroe Elementary Schools, before being transferred to his present position at the South Avenue school.

"Milt" Flowers married a Georgia girl, in Hamilton, and they have been residents of this city since August 3, 1923. This devoted couple decided early in their marriage that all of their children would have the benefits of a college education; a tremendous challenge for the father, who left school at the seventh grade, and the mother, who also discontinued her education at the seventh grade.

Looking back on their near-fantastic success, Mrs. Flowers said this week, "I always wanted to go to college and become a teacher. You sort of make your plans for your children to go to college, work toward those goals, and then you surprise yourself.

ONLY HAPPEN HERE

"This could happen only in America, there is no other country in the world where poor people would have the opportunity to put seven children through college," concluded Mrs. Flowers.

When the years approached for the parents to plan for the college education of their first child, Milton Flowers, Jr., the father took evening and weekend jobs as a carpenter, mason, operating a delivery and collection service, and accepted extra janitorial jobs. Mrs. Flowers went to work, doing washings, ironings and working as a housekeeper in private homes.

Milton Flowers, Jr., 34, 1336 Carver Place, attended Wilberforce College, Miami University and the University of Cincinnati, married an Ohio State University student, is now father of three children, and employed in the finance division of the Hamilton Post Office. His wife is employed at the Ohio State Employment Service, 112 N. Second St.

As each Flowers child reached the age of accepting jobs and working, the brothers and sisters contributed toward the education of those in college, and the contributions were continued by the college graduates.

GETS FELLOWSHIP

The second child, Charles Flowers, 32, 351 South Avenue, is a graduate of Lincoln (Pa.) University, and holds a master's degree from Miami University. A teacher and counselor at Roosevelt Junior High School, he recently received a fellowship from Syracuse University, where he will study guidance and counseling this summer for an 8-week period. His wife is a teacher at Harrison Elementary School, a graduate of Central State College, and holds a master's degree from Miami University.

The third child, Delbert Flowers, 30, 1306 Carver Place, is a graduate of Central State College and is now attending Xavier University, where he is studying for his master's degree. Married and father of two children, he is employed as an industrial hygienist at the National Lead Co., Fernald. His wife graduated this month from Central State College, Wilberforce, Ohio.

The fourth child of the college-bred Flowers family is Marcia Flowers, 26, who is a graduate of Central State College and earned her master's degree at Ohio State University. A teacher at Madison Elementary School last year, she was married 2 weeks ago to Quentin James, a graduate of the University of Louisville (Ky.) Medical School, and they have moved to Los Angeles.

FIFTH CHILD

The fifth child, Mrs. Marva Flowers Williams, 24, 309 Piedmont Avenue, Cincinnati, is a graduate of Ohio State University School of Nursing. Mother of one child, she is married to William Williams, a graduate of the University of Kansas. Mr. Williams recently received his master's degree from Xavier University and is a teacher at Porter Junior High School, Cincinnati. Mrs. Williams is employed as a private duty nurse.

The sixth child, Harold Flowers, 22, is an accountant with the New York Housing Authority. A graduate of Central State College he is now attenting New York University, where he is working on his master's degree. His wife is also a graduate of Central State College and is now attending NYU, getting her master's degree. Mrs. Flowers is enployed as an accountant with the national headquarters of the Presbyterian Church, in New York.

Gertrude Flowers, 21, the seventh and last child in the family graduated this month from Central State College and will be a teacher in September at Jefferson Elementary School.

All seven of the Flowers children attended local public schools and are graduates of Hamilton High School.

What does a couple do after putting seven children through college? Retire? Relax?

Take it easy for the rest of their lives? Not Mr. and Mrs. Milton Flowers. They have purchased a 180-acre farm in Butler County, and are now raising livestock.

As Mrs. Flowers said. "You sort of make your plans, work toward your goal, and then you surprise yourself."

THE U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

Mr. PIRNIE. Mr. Speaker I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman form New York?

There was no objection.

Mr. RODINO. Mr. Speaker, today, the most urgent problem we face is the one of preserving and improving conditions of peace in our world. It has become imperative that we focus our energies and efforts in that direction without delay. A U.S. Disarmament Agency for World Peace and Security would provide the best hope we have for preserving the precarious balance of peace in which we now find ourselves. Through the Disarmament Agency we will be able to focus our energies and efforts in the direction of a lasting world peace. Let us tame the horrors of nuclear power and explore its wonders. If the free world is to survive, the arms race must be brought under control.

There is a vast disparity between the billions of dollars and the tremendous quantities of manpower that we expend, the great amount of talent we use to foster our military plans, and the meager amount of time and money that we devote to plans for peace and disarmament. The slow tortuous path toward disarmament must be backed by a thorough technical and scientific preparation on our part. Whatever the cost of the Disarmament Agency, the total expenditures would seem small when our immense military budget is considered.

The conduct of foreign affairs has now become so intimately connected with progress in science that it is easy to see that our preparations must be up to date, continuous, and reliable. The Agency will allow us to be completely prepared under all circumstances, in all political climates. Whether the Russian bear rattles the hammer and sickle or smiles benignly, we must be prepared for any tenor of negotiation. If conditions seem hopeful for reaching a decision, we must be ready to push our proposals strongly. If the prospects seem discouraging we must dig deeper for more information and further possibilities in negotiation.

There are a number of other agencies connected with the Government which attempt to deal with the questions of disarmament. However, they have but few experts on a full-time basis and too few to meet the challenge.

I do not disparage the efforts of these agencies. However, they have a myriad other jobs and conflicting responsibilities which require their closest attention. They do not have the time to sit back and focus their attention on the problems of maintaining and preserving peace through disarmament.

The Disarmament Agency, able to devote its time entirely to the solution of such problems, would be an immeasurable contribution to the creation of world peace. The immensely complicated question of peace should have its own agency, its own experts, machinery, and appropriations. The new Agency would cooperate fully with other Government agencies in their work. Disarmament policy must not be formulated in a vacuum. However, it would not duplicate the valuable work these Government agencies do.

We need further study in such problems of warfare as bacteriological warfare, radiological warfare and chemical warfare. How may all these weapons be detected? How may they be eliminated and reduced? One problem raised by disarmament is the fate of defense industries. What will happen to these industries if we were to have total disarmament? Research by the Agency would provide answers to these and countless other problems.

A problem in the disarmament field which the Agency could go far toward solving is the question of inspection. In all our negotiations for disarmament we have insisted strongly on a policy of inspection. However, we are ill-prepared to carry out any of our proposals, should they ever be accepted. The U.S. Disarmament Agency would set up and train teams which could insure that disarmament agreements, once arrived at, are upheld.

Another area in which inspection has been a difficulty is in the area of underground nuclear explosions. With existing instruments we find it difficult to determine whether a shock has been caused by an earthquake or a nuclear blast. The U.S. Disarmament Agency would be able to concentrate on and to perfect our techniques in this area of seismographic equipment thereby making inspection less difficult.

In the area of disarmament negotiations, traditionally we have been badly prepared.

Each disarmament conference has been characterized by the establishment of special study groups, working on a part-time basis. These peoples get the usual briefings. They then attempt to analyze data without the benefit of long-range research, supported by experienced research agencies.

This pattern has been repeated since the 1955 Geneva summit meeting; at the 1957 London Conference, the 1958 Surprise Attack Conference, the 1959 Nuclear Conference, and the 1960 10-Nation Conference.

As soon as the men on these ad hoc committees become experts, they are replaced by other men, also inexperienced in the art of international disarmament negotiations. The Russians have the advantage of committees composed of men with long-term experience in these matters.

The U.S. Disarmament Agency would provide the badly needed permanent staff of experts who would be able to devote their entire time to the solving of problems in disarmament. A permanent agency with its own permanent staff is a vital necessity in the preservation of peace. This staff would have abundant time in which to prepare innovations in arms reduction plans. The development of these plans would increase the possibilities of breaking the arms-control deadlock.

Far too often agencies, because of their lack of time, rely on old solutions to ever-present problems. They do not have the time to study the possibilities of innovations. This is where the U.S. Disarmament Agency would prove most valuable. The Agency would have the authority to enter into contract with leading educational and research institutions anywhere in the world, making use of their resources, both scientific and educational.

This research would make possible the full utilization of the accurate technical and scientific information that is so necessary for the formulation of a workable policy in the disarmament field.

One problem that is in dire need of reanalysis, for instance, is the old concept of national sovereignty. Would it apply to space? Is it an outworn concept? What can be done to change this concept? This is an area in which the Agency for Disarmament would prove to be of inestimable value.

Working in cooperation with the United Nations, the Disarmament Agency could study in detail a complex problem which has been plaguing that organization for a number of years, that of a United Nations police force.

Heretofore, our efforts for peace have been too widely scattered. What we need is one unified agency. We must guard against a proliferation of too many Federal agencies which are only partially concerned with the problem of peace. Neither the AEC nor the Department of Defense, although they do a valuable job, often against great hardship, are directly concerned with the development of a system of arms control. A Disarmament Agency would concentrate on perfecting our system for monitoring missile and satellite tests and aerial reconnaissance inspection. We must be able to deter the assailant so effectively that he will not use his weapons out of a fear of the possibility that he will be detected.

The concentration of the disarmament effort in one agency would accomplish two things. First, there would be major breakthroughs and discoveries in the art of waging peace as there have been in the field of space or destructive weapons. Scientific methodology must be applied as strenuously to solving the question of disarmament as it is to developing lethal weapons of war. Just as mathematical research has been applied to the probabilities of certain military action, so it could be applied to the probabilities involving the consequences of disarmament proposals. The U.S. Disarmament Agency can and will bring to efforts for peace the same drive and urgency which developed weapons of mass destruction.

These developments in peace will have as profound an effect on foreign policy as have such past developments in nuclear weapons as the Polaris submarines and long-range missiles.

No matter how powerful we are militarily, we have too much at stake to risk any inadequacy in our study of technology as it relates to the arms limitations that could prevent an atomic holocaust.

The second, and perhaps most valuable accomplishment of the U.S. Disarmament Agency would be, by virtue of its very existence, to show the world that the United States is ready to take the initiative in preserving peace, procuring disarmament and arms limitation agreements. By this we would show, dramatically and forthrightly, our belief and faith in the possibility of a world peace. This strong and sincere effort of the Government in the implementing of peace would generate a strong impulse to awaken people to the need for preventing world destruction.

The disarmament situation is discouraging, but we must not let this keep us from reaching some form of agreement. We must make an even greater effort to reach a decision. The Agency will try to improve methods of communication between nations, a condition most vital to complete understanding and reduction of tension and possible conflict.

Finally, may I say that our arms control efforts need scientific ingenuity, coordination, direction, and continuity. Our efforts to better the conditions of underdeveloped countries are also in need of these qualities. To my mind, in the U.S. Disarmament Agency lies the only hope of seeing these qualities realized and of creating a better world in which mankind may live free from the threat of wholesale destruction.

PHILIPPINES NATIONAL LOTTERY

Mr. PIRNIE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. FINO] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, I should like to point out to the Members of this House about the national lottery of our Asian protege, the Republic of the Philippines.

Last year, the gross receipts of the national lottery of the Philippines amounted to about $14 million. The Government profit came by way of a stamp tax and 1.5 percent tax in lieu of income tax. Some $3.5 million was left after prizes and expenses, and this money was allotted to a special charity fund.

The Filipinos are not the only people who have had the wisdom to see that gambling revenues can be used to further charitable and other beneficial endeavors. Indeed, the United States is one of the few Western nations that has yet to come to its senses.

THE HARD REALITIES OF RETRAINING

Mr. PIRNIE. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I am placing in the RECORD a timely article appearing in the July issue of Fortune magazine entitled, "Hard Realities of Retraining."

The author of the article appropriately points out that the general public is becoming quite aware of what is an obvious solution to the twofold problem that rapid economic growth creates, a great unfulfilled demand for new skills and a great decline in demand for unskilled, semiskilled, and obsolete skilled workers. The remedy is training and retraining.

However, becoming aware of the appropriate remedy is only the beginning of the task. The remedy is by no means an easy one to apply. It does not lend itself to one quick application, but rather requires patience, perseverence, and tedious attention. It requires serious and continued study and a recognition that it is multifarious.

The remedy will not be found in the rather offhand fashion that the Kennedy administration has sent up to the Congress, the recommendation that the Congress enact a Federal program for retraining calling for Federal expenditures of almost a billion dollars in the next few years.

We need knowledge and analysis. I hope the Kennedy administration will learn that Federal dollars are not proper substitutes for applied brains in this area or any other area.

The Holland Subcommittee on Labor and Education which has held hearings on the President's recommendations has had a good beginning. The gentleman from Pennsylvania [Mr. HOLLAND], with his interest in this subject over a long period of time, is an appropriate chairman for these studies. However, I am fearful the subcommittee has looked upon what is nothing more than a good start as a finished job. The subcommittee has by no means gathered sufficient information from the private sector of our economy, from the local and State governmental sectors to be in a position to make intelligent recommendations to the Congress for action. The Federal departments having responsibilities in these areas have been of little help in giving information to the subcommittee, for the simple reason that they obviously do not have the information in presentable form.

Indeed, the primary point that the Holland subcommittee hearings have brought out, in my judgment, is the inadequate performance of the Department of Labor and the Department of Health, Education, and Welfare in carrying out the functions in the area of training and retraining that have been their responsibilities for years. The two Departments have not been performing or coordinating their responsibilities—the one for identifying, classifying, and providing word descriptions for the new skills that our dynamic economy is constantly creating as well as the jobs that it is making obsolete; the other for utilizing this data and assisting the vocational educational programs throughout our society to gear themselves to this rapid and ever-changing incident of progress.

One State alone, the State of New York, has done and is doing more in this area than the entire Department of Labor. Certainly with this record of nonfeasance it is senseless to turn any sizable sum of money for expenditure over to the Federal Government at this time on the assumption that it will be spent intelligently.

I hope the Department of Labor and the Department of Health, Education, and Welfare immediately will assume their present responsibilities in gathering and disseminating necessary data of training and retraining by giving this work the highest priority and then come back before the Holland subcommittee with evidence of their work. When these Departments have moved forward to meet their present responsibilities and have done their homework then they should have some intelligent ideas of what further they might do to assist the private sector and local and State governmental sectors to meet the problem in a better and more adequate way.

All of this work will be in vain, however, unless the Kennedy administration economists put away their economic toys and models and start looking at the real economy, which exists outside their ivory towers. The problems of unfulfilled demands for new skills and of waning demands for unskilled, semiskilled, and obsolete skilled workmen is the result of rapid economy growth, not stagnation. The more rapid the growth the greater will be the problem.

The remedy is easy to perceive, but as the Fortune article points out there are hard realities in applying the remedy. Let us get to these hard realities. I am satisfied that if we are set up to cope with frictional unemployment on a day-to-day basis, as we can be, we will not have to cope with structural unemployment in the future. Indeed it is a shame we ever permitted, through inattention, frictional unemployment to accumulate and freeze, as it has, into hard cores of structural unemployment.

The article follows:

THE HARD REALITIES OF RETRAINING

The most fashionable remedy at the moment for depressed areas, nagging unemployment, and sagging economic growth is retraining. Republicans as well as liberal Democrats sing its praises; collective bargaining has embraced it; and in May, President Kennedy submitted a program to Congress, expected to cost $700 million over a 4-year period, to retrain and relocate 800,000 unemployed workers.

The hope is that retraining might not only relieve current unemployment but would help solve the possibly more serious manpower problems the United States will face in the next decade, when technological advance will demand more and more skilled workers, at the same time that it is eliminat-

ing the jobs of the unskilled. With present population and job trends, a situation could develop in which a shortage of skilled workers ate into production and profits, while a growing caste of unemployables on the public rolls gobbled up tax dollars and injected a troubling imponderable into the political scene. An all-out effort to uplift the whole labor force looks like the simple answer.

But despite the high hopes and hearty testimonials it has aroused, retraining has so far proved something less than an economic Lydia Pinkham's. Senators CLARK and DOUGLAS, who have introduced legislation on the subject, do not yet have a clear idea of how to go about it. Several State governments, including Michigan, California, and West Virginia, have authorized retraining programs in one form or another, but have few results to show for it. Pennsylvania in 1957 amended its school law to provide training at public expense for the unemployed. During the recession of 1957–58, 1,761 persons were enrolled in courses in 7 subjects, 884 completed the course, and 741 of these were placed in jobs. The results are not very impressive in a State where 500,000 were unemployed at the time.

RETRAINING FOR WHAT?

The best-publicized retraining effort to date, and the most disappointing, has been the experiment under the Armour Automation Fund. The 1959 labor contract between Armour & Co. and the packinghouse workers' unions established a $500,000 fund to find solutions to the problems resulting from the displacement of employees under the company's modernization program. The agreement was widely hailed as a landmark of collective barganing. A union-management committee, headed by Clark Kerr, president of the University of California, as impartial chairman, was appointed to administer the fund.

Percent change in employment, 1960–70 (chart not included in RECORD): Total U.S. work force will increase by about 13,500,000 during the sixties, according to Labor Department estimates, but the number of jobs requiring various degrees of skills and training will rise even faster. On the labor-supply side, by 1970 there will be 6,400,000 more workers under 25, mostly unskilled, and 5,500,000 more over 45, many with obsolescent skills. But the 35-to-45 age group, which includes the most skilled and productive workers, will actually decrease.

At first, the parties to the agreement put a great deal of hope in retraining. When Armour closed its meatpacking plant in Oklahoma City, the 433 employees who were laid off were given a chance to learn new skills that would enable them to seek jobs outside the meat industry. About 170 applied. But in aptitude tests given by the Oklahoma Employment Service, only 60 were judged able to benefit from some kind of training. The rest were referred to the already overcrowded market for common labor. Those who were trained—for such jobs as typing, upholstering, beauty operation, and auto mechanics—were cast loose in the recession-hit labor market; and some of those who found jobs had to take substantial pay cuts. The results have been disillusioning for the committee, and it no longer considers retraining the major weapon for dealing with unemployment problems in the meatpacking industry.

The Armour experience is a vivid demonstration of what retraining cannot do. The committee, inexperienced in the techniques of relocating workers, undertook on an emergency basis to refit a group of suddenly unemployed workers with skills for which a depressed local job market had little demand. "Retraining for what?" asks one committee member, James Wishart, research director of the Amalgamated Meat Cutters. "On a loose labor market you are just raising the educational level of the unemployed." The committee's executive director, Robben W. Fleming, professor of labor law at the University of Illinois, observes that the experiment "casts real doubt on the efficacy of crash programs which must be inaugurated after the crisis is at hand," and he concludes that "there are some things which are beyond the power of individual companies or unions."

HOW XEROX DOES IT

There are some things individual companies can do, however, and many large corporations have been doing them for a long time. Where there is a constantly advancing technology, there is a continual need to retrain employees for new jobs in the plant. Ford last year retrained nearly 3,000 workers to handle more advanced hydraulic and electrical equipment. In addition to its apprenticeship programs, General Motors retrains 7,200 employees a year—for example, it converts a production assembly worker into a tool-and-die worker. IBM retrains about 100,000 workers for other companies each year to operate the computers and other equipment it sells and leases.

Even some small companies have their own internal retraining programs. The Xerox Corp., of Rochester, N.Y., a company with a rapidly changing product line (it makes copying machines) has launched a farsighted program. The company trains certain employees to take jobs that do not yet exist, while it is preparing to introduce new processes that will eliminate their old jobs. At an estimateed cost of $1,750 per man, the company has given a total of 68 men a 6-week training course in machine-shop techniques and mechanical assembly, then assigned them to temporary work until jobs developed in its fast-growing machine manufacturing or assembly departments. This training was given to men with 10 or more years' seniority, who otherwise would have had to be laid off while machinists were being hired in the open labor market.

IT TAKES MAN-HOURS

A corporation retraining for its own needs has a relatively simple task. It knows the specific requirements of the jobs that will have to be filled, and it can carefully select the workers who seem best qualified to learn the new skills that will be needed. Public retraining programs, on the other hand, are obliged to deal with all sorts of human material and an unpredictable job market.

Actually, the Government was in the retraining business long before the current fanfare began. On a limited scale, the U.S. Office of Vocational Rehabilitation has been doing a quiet but highly successful job for 41 years. It has retrained more than 1,200,000 workers, most of them semiskilled or unskilled when they started. Only 25 percent of those it accepts for training drop out before they finish, and some of these quit to take jobs.

The agency hesitates to call any worker untrainable; officials are shocked at the casual approach of the Armour experiment in declaring 65 percent of its applicants ineligible merely on the basis of a battery of impersonal aptitude tests. Vocational rehabilitation gives each applicant individual attention. An experienced counselor, who ordinarily completes no more than 100 cases a year, determines the applicant's capabilities and interests and helps him find a trade or skill that will suit him. Then the retraining course is fitted to his specific needs.

Vocational rehabilitation does not consider its responsibility fulfilled until it places the man in a suitable job and he is performing successfully in it. "It takes man-hours to develop job opportunities," says one official. And it takes money. The agency spends about $2,000 to counsel, train, and place one man, and it boasts success in 75 percent of its cases. By contrast, the Armour Fund appropriated no more than $150 per worker.

THE 2 MILLION

The Office of Vocational Rehabilitation, however, is restricted to helping the physically or mentally handicapped. Government action on a much larger scale is envisoned in the Kennedy program, which aims a broad assault at general unemployment. The program will be dealing principally with the approximately 2 million Americans who have been out of work 16 weeks or more. Three out of four of these long-term unemployed did not finish high school; one in three is a worker over 45 years of age; one in five is a Negro. (There is, of course, considerable overlapping in these groups; for example, a large number of those who did not finish school are Negroes.) To be effective, retraining must take into account the special problems of each group.

Many of the over-45's are out of work because they are considered too old to be taught new techniques. Enough experience is at hand to indicate that this is largely a groundless prejudice; older workers learn more slowly, but once they have learned, their job performance often beats that of their juniors. Nevertheless, retraining the over-45's will be a futile exercise unless it is coupled with a strenuous campaign to dissolve employers' prejudices. Likewise, any effort to raise Negroes out of the common-labor class will succeed only after the discriminative barriers raised by both management and labor are broken down.

Many of the jobless Negroes and over-45's are concentrated in the so-called depressed areas, where old industries have faded out. The problem here, of course, is not hiring prejudice. Several recent experiments have shown that retraining can play a positive role in reviving a community by attracting new industry. In Mount Union, Pa., under State sponsorship, 150 unemployed men were taught skills required in shoe manufacture for a shoe company, which then moved into town and employed all but 10 of the newly skilled workers. Last year the Beryllium Corp. was thinking of leaving Hazleton, Pa., because of a local shortage of machinists. But under the supervision of the U.S. Bureau of Apprenticeship the community conducted a series of classes to improve the skills of journeymen machinists, and now the Beryllium Corp. has decided to stay.

With many of the young unemployed, the problem is not merely lack of skill, but lack of basic education. The so-called dropout, the boy who leaves high school before graduation, is often doomed to menial work or the dole, and he may not even be able to get anything out of training. In Cleveland, Thompson Ramo Wooldridge Inc. recently undertook, as a public service, to give 20 of the long-term unemployed a training course to turn them into semiskilled machine operators. The men—mostly Negroes—turned out to lack rudimentary understanding of fractions or decimal points, so they could not learn simple blueprint reading. Then the Cleveland Electric Illuminating Co. stepped in and offered to finance a short course in simple mathematics. With fractions and decimals in hand, 12 of the 20 original trainees were able to go back to Thompson Ramo Wooldridge to continue the course.

In Detroit the community has organized a campaign to assist unemployed dropouts in finding work. But the problem is not only how to salvage youths who are now in trouble, but how to prevent future dropouts. According to Labor Department estimates, during the decade of the 1960's, 7,500,000 boys and girls will leave high school before they get their diplomas. The "Higher Horizons" program conducted by the New York Board of Education has dramatically cut the dropout rate by persuading parents and pupils that education is important job

insurance. Studies have shown that while the average IQ level of dropouts is lower than the average of those who finish high school, some individual dropouts score well on intelligence tests and have considerable aptitude for skilled work.

There is also increasing awareness that something must be done about the quality of secondary education itself, particularly in the so-called vocational schools. For the most part, vocational schools fail to provide their students with marketable skills and to supply the trained workers that industry needs. Instead, they have been used largely as a dumping ground for behavior-problem cases and slow learners.

"The kid who's academically talented, he's doing well," says Seymour Wolfbein, the U.S. Labor Department's chief expert on manpower problems. "But the kid who's manually talented, he's not getting a meaningful course of instruction."

SQUEEZING THE TOOTHPASTE TUBE

As head of the Labor Department's newly created Office of Automation and Manpower, Wolfbein will have a good deal to say about the Kennedy administration's retraining program. He views the problem realistically enough to recognize that no Washington-prescribed cure-alls will do the trick. It is not simply a matter of finding out how many jobs are going begging for lack of skilled workers and then training the same number of the unskilled unemployed to fill them. As one union official puts it, "You can't teach a meatcutter to be an electronics technician."

The question is rather of upgrading the labor force by small stages all along the line—teaching the ordinary laborer minor skills, equipping the semiskilled with new techniques, turning the skilled into advanced technicians and junior engineers. Even some who have been doomed as the unemployable may have a place in this scheme. Wolfbein cites the case of the restaurant chain that hired a number of men whose IQ's averaged only 68 and put them to work wiping off lipstick traces that remained on glasses after they went through the automatic dishwasher. It took a bit of time, but the men learned it and became useful workers. With a little ingenuity, Wolfbein believes, industry could make use of many of the unskilled workers it now discards, by teaching them enough to climb at least one rung on the job ladder, thereby freeing better trained workers to learn even higher skills. This method of squeezing up the work force, like toothpaste in a tube, is likely to look more attractive to corporation management if the shortage of skilled workers develops as expected.

"During the war, through sheer necessity, we became very creative in the use of people," says Wolfbein. "Here's another chance to show we've got imagination."

AGRICULTURAL ECONOMICS, 1961—TESTIMONY OF C. B. SHUMAN, PRESIDENT, AMERICAN FARM BUREAU FEDERATION

Mr. PIRNIE. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, frequently some of the most informative statements made to the Congress occur in testimony before the congressional committees. This material though embodied in the printed hearings is frequently lost to the Members of the Congress not on the committee and to the public at large.

I have from time to time placed in the RECORD testimony which has been presented to my own committees, Ways and Means and Joint Economic, because I felt it was particularly valuable. Recently the testimony of Charles B. Shuman before the House Agricultural Committee on May 9, 1961, has been brought to my attention.

It is entirely possible that with section 1 being left out of any agricultural bill the House may be called upon to consider, or with the possibility that the House will not be called upon to consider, any bill, that this testimony may completely escape the attention of the House and the public at large. I believe that this testimony is unusually cogent. It pertains not just to the specific bill before the committee but to our agricultural problems over a period of time. Accordingly, I am placing it in the RECORD to give it the wider readership to which it is entitled.

STATEMENT OF THE AMERICAN FARM BUREAU FEDERATION BEFORE THE SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, WITH REGARD TO S. 1643 AND RELATED MATTERS, PRESENTED BY CHARLES B. SHUMAN, PRESIDENT, MAY 9, 1961

We appreciate this opportunity to present Farm Bureau's views with regard to S. 1643, which contains the administration's general farm program legislative proposals. We will give primary emphasis in our testimony to title I of this bill; however, we shall also discuss our recommendations for constructive legislative action.

Farm Bureau is an organization of 1,600,792 farm families with member units in 2,674 counties in 49 States and Puerto Rico. Our policies are developed through an extensive policy development program which involves study, discussion, and action by the members, and their elected representatives, at thousands of meetings each year. Every member has the opportunity to participate, and all are encouraged to do so. We do not claim this process to be perfect. We are constantly seeking to improve it; however, we are proud that our policies reflect the active participation of hundreds of thousands of members.

As a general farm organization representing members who live in all important farming areas and produce all types of farm products, we are also proud that our policies reflect a reconciliation of regional and commodity differences.

GENERAL CONSIDERATIONS

Our philosophy with respect to government programs for agriculture is summarized in the following extracts from the policy resolutions adopted by the elected voting delegates from member State organizations at our most recent annual meeting (December 1960).

The fundamental basis for farm prosperity includes factors outside agriculture which affect the farmer's cost of operation; availability of competitive markets for his products; his freedom and opportunity to make the best possible use of his individual resources; and the real value of his income dollar.

In order for farmers to prosper and keep pace with other groups in a changing world, we must have national policies that will contribute to—

(1) High employment and rising productivity throughout the economy to provide the basis for rising living standards and a high level domestic demand for farm products.

(2) A relatively stable general price level in order to avoid the painful economic and social disruptions that inevitably result from inflation and depression.

(3) Effective and widespread competition as a means of promoting individual incentive and the efficient use of scarce resources. This means that no group—whether it be business, labor, agriculture, or the government itself—should be permitted to exercise monopolistic powers.

(4) The expansion of trade with other nations on the basis of mutual advantage. This is essential to our continued economic growth.

Recognizing the need to determine the appropriate role of the National Government in agriculture, we should establish a yardstick by which proposed Government policies for agriculture can be measured.

Government programs for agriculture should aid farmers in solving their own problems, promote efficiency in farming, be consistent with the law of supply and demand, provide economic opportunity for farm people, preserve the competitive principle, insure ample research, stimulate market expansion, and insure our ability to feed an increasing population.

Government programs should not stimulate excessive production, permit development of monopolies, freeze historical production patterns, open the way to price fixing, erode individual freedom, and impede orderly marketing, shift adjustment burdens from one group of producers to another.

On the basis of these considerations we are forced to conclude that the Cochrane-Freeman omnibus proposals relative to price supports, production controls, marketing agreements and orders, compensatory payments, etc.—which comprise title I of S. 1643—are unsound and unwise.

UNPRECEDENTED ADMINISTRATIVE POWER

Title I is a bid to concentrate unprecedented power over the destiny of American agriculture in the hands of the Secretary of Agriculture and the executive branch of Government. It is incredible to us that the Congress would abdicate its constitutional prerogative to develop legislative policy to any official of the executive branch.

This bill would give the Secretary discretionary authority to undertake—subject to congressional veto and Government-managed producer referendum—any and all types of programs for fixing farm prices and controlling farm production.

This discretionary authority includes the power to develop control programs for every agricultural commodity produced in this country; select base periods; set quotas in terms of acres, production units (cows, sows, and hens), or commodity units (pounds, bushels, and bales); establish minimum allotments; restrict voting eligibility by granting exemptions and establishing noncommercial areas; support prices through loans, purchases, and direct payments at any level from 0 to 90 percent of parity; limit the amount of payments that may be made to any individual producer; provide for the transfer of marketing quotas by sale or other means; and establish conditions of eligibility for price support.

It is proposed that these sweeping powers be given to the Secretary without any limits on the costs that may be incurred; and without any assurance that resources forced out of the production of controlled commodities will not be diverted to the production of other commodities.

Let us look at some of the implications of these broad powers.

A high percentage of American agriculture always has been free of Government control and price-support programs. These products, on the average, have fared the best. We should copy success instead of failure.

Historical base periods always discriminate against the producers and areas that have been increasing production of a particular product in response to changing con-

ditions. The power to select base periods is the power to select the producers and areas that are to be discriminated against.

The power to establish minimum allotments is the power to level producers downward toward the minimum. In 1944, Congress established a minimum allotment of 1 acre for burley tobacco. In that year approximately 41 percent of all burley allotments were 1 acre or less. By 1957—the latest year for which we have figures—74 percent of all burley allotments were 1 acre or less.

The power to grant exemptions is the power to bring in new producers at the expense of the producers who historically have produced a product. The 15-acre wheat exemption is an example. In 1959, 62 percent of all farmers producing wheat had 15 acres or less. If each of the 1,839,773 farms which had a wheat history or grew wheat in 1959 had produced the national average yield of 25.9 bushels per acre on 15 harvested acres in 1960, the resulting production would have been 715 million bushels, which is more than the total amount of wheat that we currently are able to market at home and abroad on an unsubsidized basis.

The power to make direct payments is the power to destroy the market system by encouraging excessive production and driving prices far below the level that would prevail in the absence of a program. The payment approach also would convert support prices into ceiling prices and spread controls to new areas.

The power to limit payments to individuals is the power to set ceilings on farm size and income opportunities in agriculture. This follows from the fact that a payment program would encourage excessive production; drive market prices below the level that would prevail in the absence of a program; increase the cost to taxpayers; and result in rationing of the limited funds available.

The power to provide for the transfer of marketing allotments and quotas is the power to set a cash value on the right to produce farm products and to shift production from area to area and State to State. Instead of protecting the family-farm type of agriculture, this authority for the sale of allotments would be the highroad to corporate farming.

The controls proposed in title I will not contribute to the preservation of the family farm. On the contrary such controls would limit the opportunity of farm families to make the changes that will be needed to maintain efficiency and increase per farm net income in the years ahead.

The number of "census farms" dropped 22.6 percent between 1954 and 1959, but the entire reduction in total farms took place in the farms with gross sales of less than $10,000.

Farms with a gross of $10,000 or more increased 36.2 percent—from 582,948 in 1954 to 794,001 in 1959. Most of these farms are family operated units. There is no evidence that efficient family farms are in any danger of losing out to corporate type farms. But family farms are adjusting to the size of business that is needed for efficient commercial operations with modern technology and mechanized equipment. There are very few real corporate enterprises in agriculture.

Detailed statistics are attached in appendix A.

The power to establish conditions of eligibility for price support apparently includes the power to regulate wages, hours, housing, and other working conditions for farm labor.

The power to ignore the effects of commodity programs on other commodities includes the power to bring every section of agriculture under complete government control on a step-by-step basis. For example, a payment program for hogs could make pork so plentiful and cheap that beef producers would be forced to seek supports and controls in self-defense.

The idea that controls in some commodities might be used purposely to force producers of other commodities to seek similar controls is not a figment of our imagination. It has been spelled out in detail by the advocates of comprehensive supply controls.

For example, consider the following excerpts from published statements by Dr. Willard Cochrane, the chief economic adviser to the Secretary of Agriculture.

In the Journal of Farm Economics for November 1959, he wrote:

"* * * It is possible that the long-run price elasticity of beef at retail is greater than one, and some remote possibility that this price elasticity at the farm price level is greater than one. For these reasons, beef producers probably would not want to initiate supply control, and they would be justified in sitting out any early moves toward supply control."

"It is probably the case, however, that beef producers would be forced to accept supply control if producers in the above aggregate of animal products adopted supply control." (Willard W. Cochrane, Journal of Farm Economics, November 1959, pp. 714 and 715.)

In an interview with the managing editor of Farm Quarterly, published in 1960, he said:

Question. "After a few commodities adopted supply control do you think others would be encouraged to follow suit?"

Answer. "It would not be a matter of encouragement; some of them would be forced in. If you had a control on hogs, for example, and none on eggs, growers would transfer their corn into the production of more poultry and more eggs. It would be this old transfer of resources devil all over again. The feed resources released from hogs would be put through chickens to produce eggs; and eggs happen to be inelastic in demand and in just a little bit they'd be in real trouble.

"The feed grain would also be transferred to beef and beef producers would feel some pressure." (Excerpts from an interview between Managing Editor Charles R. Koch and Dr. Willard W. Cochrane, entitled "Will You Need a Franchise To Farm?" Farm Quarterly, summer 1960.)

The great powers specifically proposed for the Secretary of Agriculture in title I are increased by the use of undefined terms.

For example, compensatory payments would be limited "to an amount determined to be necessary to support the price on that part of the production on the farm necessary to maintain and strengthen the family farm system of agriculture," but the term "family farm" is not defined. The Secretary could decide that a "family farm" is any farm operated by a family, or that it is a farm that does not exceed a certain size.

The Secretary is to make adjustments in national marketing quotas "to prevent undue restrictions on marketings" and "to permit a gradual reduction of excessive carryover." In the absence of precise definitions, "undue," "gradual" and "excessive" are words that can be given a wide variety of meanings.

HAND-PICKED ADVISORY COMMITTEES

It is said that the administration's recommendations would permit farmers to "write their own programs on a commodity-by-commodity basis," and that this is necessary to take account of commodity differences. We agree that commodity differences are important. Such differences should be, and have been, considered in the development of farm programs, but there are also conflicts of interest among and between commodity producers that must be resolved if the overall interests of farmers are to be advanced.

Our opposition to this type of commodity-by-commodity approach does not reflect any desire to bring all commodities under the same program. We are opposed to the idea that every problem requires a Government program, the method proposed for the development of individual programs, and the associated idea that individual commodity programs can be developed without regard to the fact that all farm commodities are interrelated to varying degrees. The commodity-by-commodity approach would divide agriculture into warring groups when greater unity is needed.

Actually, S. 1643 would not give farmers the opportunity to "write their own programs." On the contrary, the authority of the Secretary of Agriculture would be absolute.

The national farmer advisory committees proposed in this legislation are mere window dressing. Committee members would not be elected by farmers. Two-thirds of them would be appointed by the Secretary of Agriculture, from nominees chosen by per diem employees of the Department of Agriculture who have a vested interest in the perpetuation and expansion of the programs they administer.

It is noteworthy that the role of the federally appointed State ASC committees and federally directed field personnel is not mentioned in the proposed legislation. Anyone at all acquainted with our experience with Government farm programs knows the extent to which these people would become involved in influencing this whole operation.

The Secretary is also to appoint one-third of the committee members from appropriate farm organizations, but the term "appropriate" is not defined. Nonfarm consumers are to have a single representative on each committee, but farmers who buy and use products such as feed, seed, and livestock, apparently are to have no representation on the advisory committees appointed for such commodities. For example, it is difficult to understand why large numbers of livestock, dairy, and poultry farmers should have no representation on a committee determining a supply management program for feed grains—or why the numerous producers of feed grains should have no representation on a committee developing a program for wheat, including feed wheat.

The Secretary of Agriculture not only would be able to handpick the "national farmer advisory committees," he also would be completely free to disregard their advice, amend their recommendations, and terminate their services.

The provision for congressional review and veto of proposed supply control programs would reverse the constitutional and historic roles of Congress and the executive branch of Government. Furthermore, there is nothing in the present bill which gives any assurance that the question of approving or disapproving these programs would ever come to the floor of either House for a vote. The devices that can be used to keep legislation from coming to the floor are well known.

In the case of wheat—the commodity which is in the greatest difficulty as a result of past Government programs—title I would authorize the Secretary of Agriculture to set the pattern for the future by writing a 1962 program without consultation with the Congress. The Secretary could use this authority to dump surplus wheat into the feed grain market to depress market prices in an attempt to force producers of feed grains and all livestock products into control programs. The possibility that this would be done is supported by provisions of the bill which refer to feed wheat and by the fact that a handpicked advisory group has already recommended adoption of the three-price, certificate plan for wheat.

A Government-managed procedure for developing farm programs on a commodity-by-commodity basis is not, and cannot be, a satisfactory substitute for the development of recommendations by voluntary

private organizations and the reconciliation of conflicting views in the Congress where all of the affected people are represented and are given the opportunity of being heard.

While the bill provides that no program would go into effect until approved by a two-thirds vote of eligible producers, the Secretary of Agriculture would have great power to determine the outcome of any referendum. As already noted, he would have broad powers to grant exemptions and thereby limit eligibility to vote in referenda. He also would have broad powers (1) to make the alternative to a proposed program completely unacceptable to producers, and (2) to design individual commodity programs in such a way as to force on a step-by-step basis the adoption of Government controls by producers of competing or related commodities.

The potential cost of the programs that would be authorized by title I is far greater than the cost of existing farm programs, since title I would authorize higher support prices, the extension of supports to all commodities, and the use of compensatory payments.

Since the demand for most farm commodities is such that an increase in supply will result in a greater than proportionate decrease in price, a compensatory payment program would cost far more in most instances than a loan or purchase program designed to support the same level of income to producers.

Furthermore, requests for funds to cover costs of these programs would not be presented to the Appropriations Committees of Congress until after the money had been spent. Instead, these funds would be taken from the account of the Commodity Credit Corporation, an operation which would open wide the back door of the Treasury.

MARKETING ORDERS

In recent years marketing agreements and orders have been useful tools in the orderly marketing of agricultural commodities. The keys to their success have been their application on a local or regional basis and the fact that they have not been used to fix prices or control production.

The amendments proposed by subtitle B of S. 1643 would extend the Agricultural Marketing Agreement Act to all agricultural commodities, and completely change the character of the marketing agreement and order program by authorizing nationwide orders, compulsory checkoffs for advertising, individual producer allotments, and acreage controls.

Existing programs in such fields as milk, fruits, and vegetables would be destroyed by the adoption of nationwide marketing orders. We believe the use of marketing orders on a nationwide basis covering all areas to be unsound and unworkable—particularly when the objective is to fix prices and control production.

The inclusion of control features in the Marketing Agreement Act could lead to the destruction of a number of programs that have worked very well. If the Secretary should decide to include marketing quotas in an order program, producers would be confronted with the alternative of voting for controls, or of losing the helpful programs that have been developed under the present Agricultural Marketing Agreement Act.

RECOMMENDATIONS

The basic thing that is wrong with the proposals in title I is their emphasis on government planning, price fixing, controls, and penalties. The philosophy reflected in these proposals is contrary to the expressed desire of the great majority of the organized farm families of the United States for less—rather than more—government intervention in the operation of individual farms. It should be rejected by the Congress.

There is no need for sweeping legislation to authorize new programs for all farm commodities.

No government price support or production adjustment programs are in effect—or needed—for poultry, hogs, beef cattle, or fruits and vegetables. Producers of those commodities have demonstrated that they can and will adjust production in response to market prices. It would be helpful to extend the present Marketing Agreement Act to some of the commodities—such as fruits and vegetables for processing—which are now excluded; but it would be a serious mistake to change the basic character of the marketing agreement and order approach as proposed in title I.

The extension of production controls to the dairy industry is impractical and unwise. Dairy quotas would reduce efficiency, increase costs, limit opportunity, impose undue hardships on young farmers, lower farm incomes, and prevent desirable changes in production and marketing.

Although imperfect in some ways, the Agricultural Act of 1958 has resulted in substantial improvements in the cotton and rice situations by facilitating sharp reductions in the burdensome carryovers of a few years ago. In the case of cotton, markets have also been increased; the upward trend in foreign production has leveled off; domestic consumption of rayon has declined; the export subsidy rate was reduced; and the national acreage allotment has been increased. The increased support level announced for 1961 has reversed at least some of these favorable developments, but this is a matter of administration rather than legislation.

Compromise legislation was enacted for tobacco last year and we know of no urgent need for further changes in this program at this time. Farm Bureau has supported and continues to support the tobacco program; however, we regard this program as a special case rather than a model for other commodities. Tobacco is heavily taxed. It is not a food. The producer's market is dominated by large domestic companies and foreign monopolies. The acreage involved is small; so the "diverted acres problem" has not been serious. Also, up to now, there is no acceptable substitute.

Additional legislation is urgently needed to help producers correct the unsatisfactory conditions that have developed in wheat and feed grains. Secretary of Agriculture Freeman's statements to this committee that "the CCC investment in price supports at the end of this fiscal year will be about $8.5 billion" and "wheat and feed grains will account for 87 percent of this" underline the need for development of sound legislation in this area.

The wheat program is a classic example of the difficulties involved in any attempt to fix prices and control production legislatively. The feed situation has been seriously aggravated by programs that have diverted millions of acres from controlled crops to feed grains, oilseeds, and forage.

The feed grain problem did not result from elimination of the ineffective and discredited acreage allotment program. All the allotment program did was to shift land from corn to other feed crops. The increase in corn production which occurred after the allotments were dropped, was largely a result of other factors, including the termination of the acreage reserve program and extremely favorable growing conditions the last 2 years.

One of the most significant things in the corn situation is the increase in disappearance that has occurred in response to the lower support levels of recent years. Disappearance has averaged 4,083 million bushels in the last 2 years (1959 and 1960 marketing years) in comparison with an average of 3,099 million bushels for the 5 marketing years, 1948 to 1952, inclusive. This is an increase of 984 million bushels, or 32 percent, and a clear indication that markets can be expanded.

To assist growers of feed grains, wheat, soybeans, and flax in adjusting production to market needs and provide for an orderly liquidation of Government surpluses, we favor a properly designed and administered cropland adjustment program.

Our recommendations for such a program have been introduced in both Houses of the Congress and are now pending before this committee as S. 1246.

The cropland adjustment program proposes to remove a basic cause of continuing low farm income by starting an immediate reduction of the agricultural productive plant to a size which will better fit farm output to market needs and open the way to orderly liquidation of accumulated Government stocks. It provides for voluntary participation by producers of all crops but requires producers who wish to qualify for price support on wheat, feed grains, soybeans, and flax to participate. Greatest emphasis is placed on the retirement of land from wheat and feed grains as these crops—and particularly wheat—are the ones with the most serious surplus problems.

Specifically, we recommend a temporary program which provides that—

(1) The Secretary of Agriculture shall determine annually the overall acreage adjustment of feed grains, wheat, soybeans, and flax necessary to bring production in line with anticipated disappearance. The Secretary shall also establish annually the percentage of cropland which must be placed under contract to qualify for price support on these commodities.

(2) To be eligible for price supports on wheat, feed grains, soybeans, and flax, producers must participate in the cropland adjustment program. Cropland already in a retirement program shall be counted in determining compliance with this requirement. Producers of other commodities may also participate. (Whole farm participation should be encouraged.) Any cropland retired under the program in excess of the minimum requirement for price support must be placed under contract for at least 3 years.

(3) Cropland adjustment payments shall be made at a level which will encourage sufficient voluntary participation to attain the desired adjustment.

(4) Adjustment payments may be made in cash or in kind. Emphasis should be placed on payment in kind, with care to minimize disturbance of the market price structure for grain.

(5) Cropland retired under this program must be in addition to land normally left idle or fallowed.

(6) Acreage retired under the program may not be harvested or grazed.

(7) A maximum limit shall be placed on the percentage of cropland acreage that may be retired in any county after allowing for the minimum acreage required for price support. Acreage retired under previous programs shall not prevent participation in the annual adjustment programs.

(8) Wheat acreage allotments shall be terminated.

(9) The price support level on corn shall be related to the average price received by farmers during the immediately preceding 3 years. The support levels for other feed grains and wheat shall be comparable to the level for corn with adjustments for differences in weight, nutritive value, buyer preference, and supply-demand conditions.

(10) Adequate measures shall be taken to protect farmers from the competition of Commodity Credit Corporation sales from accumulated stocks.

Table I shows the output-use picture of wheat and feed grains in recent years and current carryovers.

TABLE I.—*Average output, disappearance, and carryover of wheat and feed grains, 5 crop years, 1956–60*

Crop	Average production	Average use [1]	Production as percentage of use	Estimated 1961 carryover	Estimated 1961 carryover as percentage of 1960–61 use
Wheat.....million bushels	1,181	1,099	107	1,485	124
Corn.....do	3,862	3,697	104	2,000	48
Sorghum grain.....do	521	397	131	700	135
4 feed grains [2].....million tons	152.5	145.0	105	84.4	53

[1] Including exports.
[2] Includes corn, sorghum grain, oats, and barley.

Assuming that market growth over the next few years will be at least proportional to output growth due to improving yields per acre, a reduction in output of 5 to 8 percent would just about balance current production with current market needs. Any output reduction in excess of this amount would provide opportunity to start liquidation of Government stocks; however, experience with past land retirement efforts, indicates that the percentage cut in acreage would have to be substantially larger than the indicated percentage reduction in output in order to balance supplies with demand.

Table II shows approximate cropland acreage nationally, how the acreage is currently being used, and what the status of land devoted to specified crops would be under the proposed adjustment program.

TABLE II.—U.S. CROPLAND ACREAGE BY PRINCIPAL USES

CROPLAND GROUPED BY PRINCIPAL USE	*Planted acreage (thousands)*
Group A—To be supported (without acreage controls) [1] (producers of these commodities desiring price support must participate in the proposed cropland adjustment program):	
Corn, all	82,906
Wheat, all [2]	55,633
Oats, barley, rye	52,177
Sorghum, for grain	15,444
Soybeans, for beans	23,516
Flax, all	3,527
Subtotal, group A	(233,203)
Group B—To be supported (with acreage controls) [1] (participation in the proposed cropland adjustment program is not required for price support on these commodities):	
Cotton	16,068
Rice	1,614
Peanuts	1,579
Tobacco	1,144
Subtotal, group B	(20,405)
Group C—Other crops and uses: [3]	
Conservation reserve	[4] 28,432
Hay, cropland pasture, other crops, fallow, idle, failure, etc.	177,609
Total cropland, all uses [3]	459,649

[1] Planted acreage for 1960 as reported by USDA.
[2] Currently supported and controlled, but controls to be terminated under Farm Bureau proposal.
[3] 1954 U.S. Census of Agriculture—data now used by USDA in Land Retirement Computations. New census data to be available in about 6 months.
[4] Under contract in 1960.

Under Farm Bureau's proposal all land listed in table II under groups A, B, and C—except for an amount in group C equal to that which is customarily summer fallowed or left idle—would be eligible for the land retirement program on a voluntary basis.

The acreage allotments applicable to crops listed in group B would not be affected by the cropland adjustment program; however, farmers entering the program to qualify for price supports on a grain or oilseed crop would be required to retire a designated percentage of their total cropland. For example, if producers should be required to retire 15 percent of their cropland to qualify for price supports on a grain or oilseed crop, a producer with 200 acres of cropland would be required to retire 30 acres even though he might have a 25-acre cotton allotment. If such a producer wished to ignore the program he could still get price support on his cotton by complying with his cotton allotment, but he would be ineligible for support on grain and oilseed crops.

The cropland adjustment program is designed to achieve needed adjustments in grain production on a basis consistent with individual choice in a market system. Under such an approach it is essential that support prices be consistent with production objectives. This means that price supports should facilitate orderly marketing rather than fix prices at artificial levels.

Wheat allotments and quotas would be terminated. The support price for wheat would be based on the national average support price for corn with adjustments for differences in weight per bushel, nutritive value, buyer preference, and supply-demand conditions. Thus, all grains would be given comparable treatment and the individual farmer would be free to decide what grains he will produce—subject to the requirement that he must retire a percentage of his cropland to qualify for price support on wheat, corn, oats, barley, grain sorghums, rye, soybeans, and flax. The amount of land a producer must retire to qualify for price support would be based on his total acreage of cropland—and not on his production history—so the inequities associated with historic bases would be avoided. Surplus wheat could enter the feed market on a fair competitive basis; but market demand for millable wheat should cause average prices to exceed the support level.

To protect producers of the commodities affected by this program from competitive Government sales, the prices at which the CCC can sell accumulated stocks for unrestricted use should be substantially higher than current support prices.

TITLES II, III, AND IV

It is our understanding that the committee is also asking for our recommendations with regard to section 132 of subtitle D, and titles II, III, and IV of S. 1643. In our judgment, these sections of the bill should be considered separately. We will comment on them briefly and ask your permission to file supplemental statements later, to follow our testimony in the record following today's testimony, if no further hearings on these titles are held.

Title II of S. 1643 contains amendments to Public Law 480, the Agricultural Trade Development Act. These provisions (a) extend for 5 years the authority to enter into foreign currency sales of surplus farm products; (b) increase the authorization for such agreements by $7.5 billion; and (c) amend titles I, II, and IV of Public Law 480 in several significant aspects. We strongly urge this committee to schedule separate hearings on this title.

Farm Bureau would appreciate the opportunity of presenting detailed recommendations in regard to title II and Public Law 480 if such hearings are held. If the decision is made not to schedule a separate hearing, we request the opportunity of filing a detailed statement of title II provisions to be included in the hearing record of S. 1643.

Title III deals with agricultural credit and consolidation of the Farmers Home Administration.

The Farm Bureau favors sound agricultural credit on a permanent basis because we believe it is essential to the further development and advancement of agriculture. Adequate sources of credit at interest rates which are not excessive and on terms which can be adapted to the farmer's needs become increasingly necessary as farmers adjust to technological changes.

We favor the continuation of the Farmers Home Administration, and we approve the consolidation posed in this bill which will reduce the administrative problems, and we believe will provide better service to the farmers.

We supported H.R. 11761 which passed the House in the last Congress and is now before the Senate in the form of S. 764 [Senator ELLENDER]. However, we oppose certain changes which have been incorporated in this new bill. We will supply our detailed objections for the record at a later date.

Title IV is general in nature and deals with co-op merger and acquisition; Great Plains program; and school milk program.

If hearings are not held separately for these items, we will furnish for the record our reaction to each of these provisions.

Section 132 of subtitle D deals with extension of the Wool Act. We have some very definite policy with regard to the extension of the Wool Act, and would certainly like an opportunity to present our detailed views with regard to this part of the bill.

CONCLUSION

A major objective of Farm Bureau policy is to create conditions which will make it possible for farmers to earn and get high per family real incomes in a manner which will preserve freedom. You will note that we stress "per family real income."

Programs that would drastically limit the amount to be sold, put a ceiling on the prices to be received, and, at the same time, cause continued increases in the costs farmers must pay are the road to low per family real income.

The basic issue raised by these proposals in title I of S. 1643 and the alternative approach we have recommended is simply this: Are we going to have a Government-planned, licensed, and regimented agriculture run from Washington, or are we going to solve farm problems in a way that will preserve freedom and increase opportunity for farmers to earn and get high per family net income?

A change in the direction of agricultural policy is long overdue, but the changes proposed in S. 1643 go in the wrong direction. The quotas, penalties, payments, and limitations outlined by title I would lead to complete Government control of individual farming operations, reduced efficiency, smaller markets, the continuation of high Treasury costs, the capitalization of program benefits, and low per family net income for farmers.

Farm Bureau's cropland adjustment program moves in the opposite direction. It is a voluntary program. It moves away from the detailed regulation of individual farming operations. It seeks to reduce total production—not just to shift the problem from commodity to commodity. It will reduce export program costs immediately and total program costs as production is brought into a better balance with effective market demand.

The adoption of Farm Bureau's cropland adjustment program would be a real step forward in agricultural policy. We strongly recommend that this approach be substituted for the controls, payments, permits, and penalties provided in title I of S. 1643.

APPENDIX A: CHANGES IN THE NUMBER AND SIZE OF FARMS

This is a summary of the preliminary census reports on the number of farms in 48 States—excluding Alaska and Hawaii—in 1959.

On a national basis the following significant shifts took place between 1954 and 1959:

(1) The total number of farms dropped 22.6 percent. A little more than one-fifth of this decline resulted from a change in definition which eliminated units of less than 10 acres unless they had gross annual sales of at least $250. The remaining four-fifths of the decline represents an actual change in the number of farm units.

(2) The number of farms with gross sales of $10,000 or more increased 36.2 percent.

(3) The number of farms with gross sales of less than $10,000 dropped 30.8 percent with most of the decline taking place at the lower end of the scale. The drop was 39 percent for farms with gross sales of less than $2,500; 24 percent for those with sales of $2,500 to $4,999; and 7.6 percent for those with sales of $5,000 to $9,999.

Stated another way:

Farms with gross sales of $10,000 or more increased from 12.2 to 21.5 percent of all farms.

Farms with gross sales of $5,000 to $9,999 increased from 14.8 to 17.6 percent of the total.

Farms with a gross of $2,500 to $4,999 decreased slightly from 16.9 percent of the total in 1954 to 16.7 percent in 1959.

Farms with gross sales of less than $2,500 decreased from 56 percent of the total in 1954 to 44.1 percent in 1959.

A new breakdown presented for the first time in the 1959 census indicates that 54 percent of the farms with gross sales of less than $2,500 are part-time units with operators who worked off the farm 100 days or more, or with other family income exceeding farm sales. Another 24.7 percent are part-retirement units with operators 65 years of age or over. Only 21.3 percent of the farms with a gross of less than $2,500 failed to classify as part time or part retirement.

In summary, the new census figures make it clear that family farms are adjusting to the size of business needed for commercial operations and that the great majority of really low production farms are primarily residences.

Number of farms in United States, by economic class, 1954, in comparison with preliminary 1959 data, 48 States [1]

Economic class	1954 census: Gross value of products sold per farm, 1954	1954 census: Number of farms, 1954	Economic class	1959 census, preliminary: Gross value of products sold per farm, 1959	1959 census, preliminary: Number of farms, 1959	Percent change, 1954 to 1959
Commercial farms:			Commercial farms:			
Class I	$25,000 or more	134,003	Class I	$40,000 or more	102,142	
Class II	$10,000 to $24,999	448,945	Class II	$20,000 to $39,999	209,975	
			Class III	$10,000 to $19,999	481,884	
Subtotal, classes I and II	$10,000 or more	582,948	Subtotal, classes I to III	$10,000 or more	794,001	36.2
Class III	$5,000 to $9,999	706,929	Class IV	$5,000 to $9,999	652,938	−7.6
Class IV	$2,500 to $4,999	811,965	Class V	$2,500 to $4,999	616,839	−24.0
Subtotal, classes I to IV	$2,500 or more	2,101,842	Subtotal, classes I to V	$2,500 or more	2,063,778	−1.8
Class V	$1,200 to $2,499	763,348	Class VI	$50 to $2,499 [3]	348,382	
Class VI	$250 to $1,199 [2]	462,427				
Other farms:			Other farms:			
Part time	$250 to $1,199 [4]	574,575	Part time	$50 to $2,499 [5]	882,371	
Residential	Under $250	878,136	Part retirement	$50 to $2,499 [6]	403,696	
Subtotal	Less than $2,500	2,678,486	Subtotal	Less than $2,500	1,634,449	−39.0
Abnormal		2,693	Abnormal		3,099	15.1
Total, all farms		4,783,021	Total, all farms		3,701,326	−22.6
			Reduction from 1954		[7] 1,078,774	
			Reduction from 1954 due to new definition		[7] 231,862	

[1] Excludes Hawaii and Alaska.
[2] With the operator working off the farm less than 100 days, and farm sales greater than other family income.
[3] With the operator under 65 years of age, working off the farm less than 100 days and farm sales greater than other family income.
[4] With the operator working off the farm 100 days or more, or other family income exceeding farm sales.
[5] With the operator under 65 years of age, working off the farm 100 days or more, or other family income exceeding farm sales.
[6] With the operator 65 years of age or over.
[7] Based on actual count; other figures are based on a sample enumeration.

Changes in number of farms, by economic groups and States, 1954–59

State	Less than $2,500	$2,500 to $4,999	$5,000 to $9,999	$10,000 and over
Alabama	−67,287	−1,124	2,754	4,322
Arizona	−1,797	−201	−254	137
Arkansas	−47,608	−5,891	−1,866	5,042
California	−14,574	−5,357	−5,497	1,610
Colorado	−7,994	−2,545	−1,678	4,751
Connecticut	−3,081	−615	−644	−149
Delaware	−784	−360	−137	189
Florida	−11,305	−2,041	−755	1,522
Georgia	−57,853	−8,910	393	7,162
Idaho	−4,259	−2,108	−1,567	2,705
Illinois	−18,162	−5,897	−7,284	10,252
Indiana	−18,910	−4,180	−4,543	2,137
Iowa	−10,799	−10,281	−12,480	15,273
Kansas	−16,127	−6,836	−3,417	10,232
Kentucky	−49,184	−2,005	3,600	5,118
Louisiana	−32,608	−4,757	−944	1,452
Maine	−5,508	−1,245	−1,074	1,802
Maryland	−6,131	−1,494	−1,028	1,277
Massachusetts	−4,504	−712	−935	9
Michigan	−23,487	−5,826	−3,184	5,330
Minnesota	−16,675	−12,355	−2,465	11,809
Mississippi	−74,802	−8,251	1,163	4,090
Missouri	−44,260	−2,589	2,071	11,771
Montana	−3,200	−1,976	−1,200	2,227
Nebraska	−8,342	−9,189	−5,543	12,560
Nevada	−564	−49	−73	174

Changes in number of farms, by economic groups and States, 1954–59—Continued

State	Less than $2,500	$2,500 to $4,999	$5,000 to $9,999	$10,000 and over
New Hampshire	−3,252	−637	−318	331
New Jersey	−4,239	−843	−1,533	−633
New Mexico	−5,329	−234	−409	838
New York	−16,671	−7,833	−5,695	6,905
North Carolina	−73,944	−18,810	5,952	9,500
North Dakota	−5,848	−7,896	453	6,244
Ohio	−27,110	−6,196	−5,723	2,251
Oklahoma	−29,775	−2,151	811	6,509
Oregon	−9,467	−1,734	−1,345	652
Pennsylvania	−24,751	−6,916	−3,470	6,276
Rhode Island	−706	−44	−36	231
South Carolina	−44,374	−7,612	2,690	3,287
South Dakota	−2,853	−5,060	−2,933	3,988
Tennessee	−60,026	4,172	5,426	4,735
Texas	−76,903	−5,403	−202	15,869
Utah	−4,906	−1,190	−282	1,115
Vermont	−2,880	−1,264	−1,093	1,521
Virginia	−42,985	−451	1,655	3,046
Washington	−12,911	−961	−632	922
West Virginia	−25,333	369	−201	581
Wisconsin	−18,365	−16,849	46	12,769
Wyoming	−1,604	−789	−565	1,312
United States	−1,044,037	−195,126	−53,991	211,053

KENNEDY FAILURE IN FOREIGN AFFAIRS

Mr. PIRNIE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOSMER] may extend his remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOSMER. Mr. Speaker, I have asked that the June 16 Washington Report of the American Security Council be reproduced at this point in the RECORD because it coincides with the views of the majority of Americans. I also have in mind that it might be read and even reread by some of the people down at the White House who could learn some necessary things from it—things which are vital for the defense and preservation of the United States of America. This document, written by Ches-

ter Ward, editor in chief of the report, is a clear and understandable blueprint for national survival. It was written by a man who understands the practical business of national self-preservation. It was published by an organization that is likewise realistic. It points out that the professional thesis and naive advice of administration advisers are the basis of the rapid deterioration of U.S. control over its destiny that has occurred since Mr. Kennedy assumed office.

The American Security Council's officials are, in large members, retired officers of the U.S. Armed Forces and others who have actually been shot at, bombed, and otherwise endangered during one or more wars in the defense of their country. Unlike present White House advisers, these officials are not academic types from campus cloisters whose theories have never been tested on the battlegrounds of hot war or cold war. Their words and advice should be sought by Mr. Kennedy, not spurned as has been the case thus far.

The text of the remarkable document to which I have referred is as follows:

AMERICAN SECURITY COUNCIL
WASHINGTON REPORT

U.S. LEADERS SUFFERED MISCALCULATIONS AT VIENNA SUMMIT

WASHINGTON, June 16, 1961.—Grave concern is growing in Washington that President Kennedy's advisers do not realize that the United States is still the strongest Nation on earth.

The publicized purpose of the Vienna summit was to avert miscalculations.

Yet it appears that the actual result was to sow the seeds of the most tragic miscalculation of all—acceptance by U.S. policy advisers of the Communist myth that America is helpless to stem the inevitable expansion of Soviet Communist power.

As Moscow finally reveals to the U.S. public the details of the two documents Khrushchev served on Mr. Kennedy at Vienna—a revelation significantly not made by Washington—evidence mounts that U.S. policy versus Russia has turned even softer than in the initial era of our defeats in Laos and Cuba.

Mr. Kennedy's "Pugwash" professors evidently had no plans to answer that inevitable question, "What do we do now?" if their policy of accommodation and negotiation should fail. It just never occurred to them that jovial, benevolent old Grandfather Khrushchev would, like all other dictator-aggressor-world conquerors, keep raising the price of peace in our time.

The documents delivered to Kennedy at Vienna reveal the new Red-tag price—surrender of Berlin from its status as part of the free world to that of Communist-controlled neutrality; unconditional surrender of any right ever to attempt inspection of a nuclear test-ban agreement without being blocked by a Russian veto.

The Pugwash-professor types were shocked at the rise in the price quoted them so short a time ago as November–December 1960 by Khrushchev himself in Moscow, when they reported back to a young and new President-elect that they were convinced that Khrushchev sincerely wanted disarmament. They would not have been shocked at the rise in the price of negotiated peace if they had only understood the lesson history teaches: the total price of purchased peace goes up, not down, with the payment of each Munich-type installment.

Since Khrushchev quoted them his price in Moscow a few months ago, the United States has made the installment payments of Laos and Cuba. If we pay the now demanded installments of surrendering Berlin to Communist control, and surrendering control of our nuclear destiny to a Soviet neutral controlled administration, the same White House advisers will undoubtedly be surprised again and again when Khrushchev's quotations go up and up.

AMERICANS NO LONGER SUFFER THE MISCALCULATIONS OF THEIR LEADERS

Fortunately for the future of the United States, as the very small but very influential elite groups of ultraintellectuals and scientists show more and more symptoms of suffering from defeatism and doubt the strength of America, millions of just plain Americans are reacting in exactly the opposite direction.

Americans are tired of defeats. They are tired of surrenders covered up as negotiated settlements. They are, indeed, tired of so much talk and so little action by our leaders. For the first time in the 16 years of the cold war, a demand for victory is beginning to roll into Washington. Unlike some professorial types, the American people at times think with their guts. This is one of those times.

The centuries-old intuition of a free people tells them that there must be some alternative for America than further disastrous attempts to buy a negotiated peace from the Communists at ever-increasing prices. More and more thousands of them are crowding to find the answers for themselves in national strategy seminars sponsored throughout the country by the Army, by anti-Communist organizations, by civic and patriotic groups, and by organizations formed for the special purpose of supporting national security, such as the Institute for American Strategy and the American Security Council. They are reading hopeful and resolute books, like "A Forward Strategy for America"—and wondering why those people in Washington don't read them too.

THE NATIONAL PRESS ALSO RUNS AHEAD OF WHITE HOUSE ADVISERS

Most hopeful sign of all is that important segments of the national press are beginning to sense the ground swell of the people's concern for their country. A group of the most influential Washington correspondents begins to meet with leaders of the no-more-accommodations school of thought here. New York Herald Tribune columnist Roscoe Drummond declares that "the country is anxiously waiting for the President to act in a way equal to the urgency of his words."

Close personal friend of Mr. Kennedy and widely syndicated columnist Joseph Alsop concedes that the "new leader of the United States" has not found the answer to the "new brand of brinksmanship which Khrushchev is practicing all over the world," and predicts that "if the West remains unprepared to fight for vital positions, the future is likely to hold a cumulative sequence of resounding Western defeats."

Reaching even more people, Life initiates a completely unprecedented editorial policy, with its issue of June 2 headlining the primary and most urgent of all U.S. national objectives: "We Must Win the Cold War." For the first time a lay audience of many millions of the American people are cut in on the point so long stressed by professional strategic experts: unless we adopt a national objective of victory, we will soon have no alternative than to negotiate our own surrender.

With the American people thus warned and for the first time aroused, their greatest "need to know" is covered in these questions:

1. Is President Kennedy really receiving and acting on advice which recognizes no alternative to continued negotiation with the Soviets at Khrushchev's spiraling prices?

2. What will be the ultimate price of continuing the present foreign policy and military posture? That is, how much further can Khrushchev cash in on the weaknesses of our present policies, and what will happen to our country if we do not change them?

3. Is there a course of action still open to the United States by which we can win the cold war and at the same time deter a hot world war III?

Here are the answers—answers derived from the studies, statements, and writings of experienced strategic experts who believe that U.S. strength will be freedom's surest salvation.

TOO MANY WHITE HOUSE ADVISERS ARE COMMITTED TO NEGOTIATION

Evidence is piling up here that Presidential advisers intend to cling to the hopeless hope of rational and patient negotiation with the Soviets.

It is becoming apparent also that they have convinced the President that he should attempt to still the public clamor for a change away from the soft accommodation approach to a resolute stand based on U.S. power and the will to use it. Just how much influence they still wield is attested by these post-Vienna actions of the President:

1. On June 8 he took advantage of an informal address to United Press International editors and publishers to request the press to help inform the Nation that there is "no single action, no new dramatic policy which can, of itself and almost instantaneously, change basically the balance of power or the balance of events in our favor."

2. At the same time he announced that the United States would remain at the conference table in Geneva despite the contemptuous violations and stallings by the Communists on the Laos cease-fire agreement and the humiliating character of the Khrushchev rebuff of Kennedy personally on the test-ban draft agreement, and despite the numerous U.S. concessions.

3. The demanding and highhanded tone of the Berlin and test-ban documents served on the President by Khrushchev and specifics of the additional concessions listed as his price for reduction of tensions was not revealed to the American public except by Moscow; nor was there any official U.S. acknowledgment of the Associated Press report of June 8 that in case of a conventional war relating to the Berlin issue, Khrushchev had threatened, "We will put five divisions where you put one."

4. The only request Mr. Kennedy has made even indirectly to Congress and the American people as a result of his somber report on the Vienna conference was not to build up U.S. military power, but for more foreign aid funds—especially for social welfare type of aid which is now slated for far more than half of the $4.7 billion requested. This action—or lack of it—clearly is designed not to provoke the Soviets.

BOOKS AND SPEECHES SHOW ADVISERS' PRIME PURPOSE IS AVOIDANCE OF WAR

How is it that sincere and in many respects brilliant policy advisers counsel a course of accommodations and patient negotiations which constitute installment surrenders and which threaten to bring on world war III the way Munich brought on World War II?

Although the reasons are different with different individuals, the writings of many of the advisers to the White House show one common conviction: "Our one hope for the survival of our civilization—[is in] the effort to block the Kremlin without war."

Those words are quoted from Mr. McGeorge Bundy's book on Dean Acheson, in which, among other things, he defends the then Secretary of State's saying that he would not turn his back on Alger Hiss. Mr. Bundy is now the Assistant to the President in charge of national security affairs. Prof. Jerome Wiesner certainly has been outspoken in his conviction that if a disarmament agreement is not secured with the Soviets,

and war outlawed, the arms race will erupt into world war, with "hundreds of millions of people undoubtedly killed, uncountable future generations condemned to death or malformation, and thousands of billions of dollars worth of property destroyed" (preface to "Arms Control Issue," Daedalus, fall, 1960).

Although McGeorge Bundy is generally regarded as the No. 1 egghead in the White House group (Saturday Evening Post, June 10, "The White House Insiders," by Stewart Alsop), Professor Wiesner's unique position as Assistant to the President for Science and Technology and author of Mr. Kennedy's preelection position papers on disarmament, permits him to rival Bundy's unprecedented power. The Saturday Review exuberantly reports that Wiesner's influence has been felt in many directions, and points with pride to success in promoting peace by eliminating the warrior mentality from positions of influence in Washington and the replacement of the military by scientists and lawyers with a genuinely international perspective on human affairs.

Prof. Walt Rostow, the other Presidential Assistant for National Security, joins Bundy in the creed that our society is threatened not merely by military defeat or the defeat of the democratic principle; it could be threatened by war itself, given the nature of modern weapons. He attends Pugwash conferences and appeals to Soviet leaders to see that their only logical choice is to make common cause with the United States to establish an effective system of disarmament. He concluded a lecture on national strategy a year ago with the declaration that "the role of the United States in determining the outcome of the world's history over coming decades will, of course, be marginal, and success cannot be assured."

Also in the small very select group with Mr. Kennedy at Geneva was U.S. Ambassador to Yugoslavia George Kennan. He was the famous Mr. X, architect of the U.S. policy of containment of the Soviets. This placed such restraints on dynamic use of the overwhelming military power America enjoyed from 1946 to 1956, that Stalin and Khrushchev were able to extend their control from 3 percent of the world's population at the end of World War II to more than 33 percent now. Nevertheless, until a few weeks ago, he was advising Mr. Kennedy in Washington as one of his two most influential United States-Soviet policy advisers, and was called to be at his side in Vienna.

Kennan goes much further than Rostow in downgrading U.S. power to influence history and negating U.S. chances of success. In an address to the Women's National Democratic Club in Washington only about a year before the Kennedy election, he concluded that "if you ask me whether such a country [the United States] has, over the long run, good chances of competing with a purposeful, serious, and disciplined society such as that of the Soviet Union, I must say that the answer is 'No.' "

In the same speech he questioned how anyone can be so sure of the righteousness of his own political cause as to participate in a war to defend it. He expressed a sense of deepest horror and dismay at the U.S. policy of deterring war by reliance on nuclear weapons, which he said should be abolished through negotiation. His views as to preferring peaceful defeat instead of war are interesting. In an article in the Atlantic Monthly, he advocates defending our homes only as well as we can in the direct sense, but not by warning of retaliation if our homes should be destroyed. On this he concludes:

"It will be said to me: This means defeat. To this I can only reply: I am skeptical of the meaning of 'victory' and 'defeat' in relation to modern war between great countries. To my mind the defeat is war itself."

HOW KHRUSHCHEV CASHES IN ON U.S. POLICYMAKERS' FEAR OF WAR

Khrushchev's new technique of triple-threat brinksmanship brilliantly exploits the fear of U.S. advisers of taking any action which even appears to risk war. As soon as he discovered that U.S. policy was so largely influenced by the belief that our one hope for survival of our civilization was based on blocking the Kremlin without war, he set the stage to make it appear that the Kremlin will not let itself be blocked without war—whether the issue be Laos or Cuba or Berlin. He will keep it up without end—forcing us into surrender after surrender—so long as U.S. policymakers fear war more than Khrushchev appears to fear war. (He could even be more afraid than our leaders, actually, and still win on every bluff. This probability builds up and up, if U.S. advisers doubt the strength of the United States to compete successfully with the Soviet, and doubt whether our cause is worth risking hundreds of millions of lives and thousands of billions of dollars of property.)

Here is how he does it: Khrushchev first sets the stage by supplying his puppets or proxies with sufficient military materials and manpower so that they can overwhelm local anti-Communist government forces. This he does openly by airlift, such as in Laos, and also clandestinely by border infiltration in secret. Thousands of trained guerrilla troops cross the borders, as in both Laos and South Vietnam. In Cuba it was sealift more than airlift, and Iron Curtain technicians as well as machineguns, tanks, and modern fighter planes.

In short, he does whatever is necessary, and regardless of what anybody thinks or says, to create a situation in which we can save the country and the people from Communist conquest only by open military intervention. The only alternative is surrender, either open or disguised under an international conference. To sway our choice to this alternative of accepting defeat, the triple-threat technique goes into action.

As U.S. policymakers agonize over the dread decision whether to accept the risk of war by employing our military power, Khrushchev casts the second-stage threat of esculation over our hesitating deliberations. From London (usually) to Washington echoes the shrill cry: "Esculation is inevitable. Use of military power will provoke Russia. We must continue to try words. Anything stronger than words risks starting world war III. There will be a nuclear holocaust. The issue here is not worth it."

If the second stage threat of esculation of a little war into a hydrogen holocaust is not really credible, a third-stage threat may reinforce it. "If U.S. forces go into Cuba, Communist divisions will move on Berlin." And then there is always the threat that only works on the United States: "World opinion will brand you as an aggressor."

This technique of Khrushchev brinksmanship worked in Laos and Cuba. Will it work again on Berlin? Is another U.S. surrender in the making?

Even the general press is beginning to reveal how much the answer can depend upon the fears and doubts of "The White House Insiders." The first page of Time for June 16 hypercautiously understates it in this manner.

"In his report on Vienna, Kennedy was firm and uncompromising in his promise to hold Berlin. But there were fears that the President on occasion relied too strongly on advisers who would rather lose the cold war step by step than risk the nuclear consequences of standing fast."

MOBILIZED U.S. POWER COULD WIN THE COLD WAR AND DETER HOT WAR

Before President Kennedy left for Vienna, a group of experienced and realistic strategic experts were trying frantically to get through to him. Both civilians and military, scientists and intelligence specialists, these are the men who believe in United States strength and being willing to use that strength before the slide to defeat becomes irreversible. Their strategic studies have convinced them that the strategy they recommend would provide Mr. Kennedy with an effective answer to any threat Khrushchev might make at Vienna.

They understood thoroughly exactly how tough Khrushchev could talk to Mr. Kennedy—especially about Berlin. Nevertheless, they believe that the experience of two world wars and the statistics of U.S. productive capacity prove that they have the answer—and have it in one word: "mobilization."

We could not win World War I or World War II until we mobilized. Once we mobilize, no power on earth can block our victory. The "inevitability" factor shifts to our side. We do not need total mobilization, since we still have more than twice the productive capacity of the Soviet Union. But we cannot expect to continue with business as usual—and social welfare more than usual.

These strategists recommend mobilization to the extent necessary to accomplish the three essentials:

1. Deter world war III and insure the survival of the United States—by the only sure method—adopt and implement a national strategy capable of unquestionably winning any war the Soviets might start.

2. Win the cold war—by turning the balance of events from U.S. defeats and loss of more and more of the free world to communism, to U.S. victories and the extension of freedom instead of slavery.

3. Win the technological-scientific-industrial race with the Soviets in the twin tracks of research and mass-production—by a massive increase in national effort into these fields.

This is the way we won two World Wars, but there is one vital difference. In each of those, we had time—after the hot war started—to take years to convert from production for peace to production to win a war. This time we must do it before the hot war starts—so that the Communists will not start the hot war, ever. If we wait until the shooting starts with hydrogen-headed intercontinental missiles, it will be too late. As Khrushchev has explained, the difference is that where wars used to start at the frontiers of countries, in the next one "all strategic and industrial targets will be hit in the first hour." Thus we would lose our one great asset for winning wars without ever having used it.

The U.S. capability of spending huge sums of money to swing the balance of military power to our side is the U.S. ace in the hole. Strategic-economic studies by several independent groups of economic experts have proved that we can afford this price of victory. The cost to us of Communist victory would quite literally be a thousand times greater.

The fact that we could surely—although certainly not cheaply or easily—win the scientific-technological-production race with the Soviets is attested in the writings of such leading authorities as Dr. Herman Kahn, of the Rand Corp.; Dr. Richard Foster and Dr. Francis P. Hoeber, of the Stanford Research Institute; Dr. Robert Strauz-Hupe and Dr. James E. Dougherty, of the University of Pennsylvania Foreign Policy Research Institute; and by a substantial number of civilian and military experts in the U.S. Army, Navy, and Air Force.

Once we are strong enough, and determined enough, the Soviet threats of esculation of wars will go away—never to return. Nor will they start any wars, little or big—once they know that the United States will win.

President Kennedy stated in his inauguration address that "we shall pay any price, meet any hardship, support any friend, oppose any foe to assure the survival and success of our system."

The price we must pay for the survival and success of our system is partial mobilization of U.S. strength—before it is too late.

The answer to the question of the citizen, "What can I do for my country?" is twofold: He must do his utmost to translate the rising popular demand for victory into an effective political demand for a resolute national strategy based on overwhelming military means; and secondly, that the administration obtain policymakers who are able to give the national objective of preservation of freedom priority over reluctance to face the risk of war.

CHESTER WARD,
Editor in Chief.

A SEVEN-POINT ARMY RESERVE PROGRAM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I wish to call to the attention of the House the views of my very good friend, Maj. Gen. Michael J. Galvin, USAR, newly elected vice president of the Reserve Officers Association of the United States. On July 5, 1961, at Boston, he called to the attention of the Members of Congress a seven-point Army Reserve program to add 52 Reserve and National Guard divisions, as well as a number of Reserve Corps and Army support units, to our combat ready unit strength, the only type of ground deterrent which Premier Khrushchev respects.

General Galvin, who represents the 70,000-member association in its dealings with the Department of the Army, stated that as Congress by the Reserve Forces Act of 1955 wisely built in 6 years an Army Ready Reserve of 1,425,000 men, now in 1961 Congress should take the next step and launch another 6-year program to weld the bulk of these Ready reservists into an army of combat Ready Reserve and National Guard units.

General Galvin, who is also vice president of the Reserve Division Commanders Association, consisting of the 25 division commanders and 100 other Reserve generals, outlined his plan for the Army Reserve and National Guard as follows:

First. Reduce the present 6 months' active duty program to 4 months by eliminating the final 2 months' basic unit training phase which can be accomplished just as effectively and at lower cost as inactive duty training by Reserve and National Guard units.

Second. Call up one-sixth of the units of the Army Reserve and guard each year, filled temporarily to table of organization and equipment strength with nonunit obligors, for 2 months' intensive training to include field maneuvers and enact adequate civilian job security measures to protect them, the remainder of the Reserve and National Guard to continue present training programs.

Third. Require every Army reservist and guardsman to serve a minimum of 6 years in the Ready Reserve or National Guard.

Fourth. Permit Reserve and National Guard units to use maximum training time allotted for combat training by increasing adviser, administrative and logistical support.

Fifth. Conduct 1-week active duty refresher courses to include a map exercise, or CPX where feasible, at service or corps schools, and require each officer assigned to a unit to attend one every 3 years, with suitable credit given for active duty training covering same subjects during same period.

Sixth. Launch an adequate inactive duty training program in major disaster control and recovery commencing October 1 to train within a limited time our present reservists and guardsmen, with the minimum inactivated duty training time devoted each year thereafter to refresher of those receiving this instruction in the future in the 4 months' active duty program. Home guard units should be organized by March 1, 1962, and training by the National Guard in each State, with a view to taking over major disaster control and recovery and thus release the Reserves and National Guard for combat missions.

Seventh. Restore the position of Assistant Secretary of Army for Manpower, Personnel, and Reserves to energize the above program.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FEDERAL RESERVE SYSTEM HAS POWER TO CORRECT HIGH INTEREST RATES IN THE SOUTH AND THE WEST

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Federal Reserve System was established for the purpose of sponsoring an orderly flow of credit and money and fostering economic growth. In achieving these purposes, it was fully expected that there would be uniformity in interest rates throughout the country so as to provide equal opportunity for people in all sections of the land. Unfortunately, however, this has not proved to be the fact. People in the South and the West continue to pay much higher interest rates than people in the East, particularly in New York City.

I have checked into the figures issued by the Federal Reserve and find a sharp discrepancy. The rate charged for business loans in southern and western cities, as a matter of fact, are over 11 percent higher than rates charged for business loans in New York City. This discrepancy prevails in all sizes of loans, ranging from an excess of from 5 to 10 percent, depending on the size of the loan.

For more than 20 year the Federal Reserve Bulletin has carried a series on interest rates charged on business loans as banks in selected cities in various sections of the country and by size of loans. I find these very interesting because they show very clearly, not only that small loans require a higher interest rate payment by borrowers, but even more significant, there is a substantial differential between the rates charged in the South and the West than in the northern and eastern cities, and particularly as compared with New York City.

I have prepared a tabulation showing these differences from the Federal Reserve Bulletin of April 1961 which I include as part of the RECORD:

Bank rates on short-term business loans, by size of loan, in various sections of the country, March 1961

	Section of country (percent per annum)				Rate as percent of those in New York City	
	19 large cities in United States	New York City	7 northern and eastern cities	11 southern and western cities	7 northern and eastern cities	11 southern and western cities
All loans	4.97	4.75	4.96	5.29	104.4	111.4
Size of loans:						
$1,000 to $10,000	5.89	5.67	5.85	5.99	103.2	105.6
$10,000 to $100,000	5.53	5.40	5.49	5.62	101.7	104.1
$100,000 to $200,000	5.20	5.03	5.20	5.31	103.4	105.6
$200,000 and over	4.80	4.64	4.82	5.09	103.8	110.0

Source: Federal Reserve Bulletin, April 1961, p. 439.

In March 1961, according to this tabulation, the average interest rate on short-term business loans in 19 large cities of the United States surveyed by the Federal Reserve amounted to 4.97 percent. The rate in New York City was 4.75 percent. The rate in seven northern and eastern cities was 4.96 percent. The rate in 11 southern and western cities was 5.29 percent. In other

words, if you compare the average rates on short-term business loans as between New York City and the 11 southern and western cities, you find a sharp differential. As a matter of fact, the rates in the 11 southern and western cities were 11.4 percent above those in New York City. Even in the seven northern and eastern cities the rates were substantially higher than in New York City—the differential being 4.4 percent.

The Federal Reserve has long noted the differential in rates as between various areas of the country but has tended to soft-pedal the differences. For example, in an article appearing in the March 1949 Federal Reserve Bulletin, the following comment was made:

> Averages of rates on all loans tend to exaggerate differences in rates among various sections of the country. In part the differences shown in previously compiled averages of rates on all business loans at banks in New York, in the North and East, and in the South and West, stem from such factors as differences in the size composition of bank loan portfolios. At New York City banks, for example, a much greater proportion of total loan volume is made up of large loans than is the case at banks in other cities.
>
> It is true at the present time that average interest rates on loans of comparable size show some variation among these areas, with the lowest rates being charged in New York City banks. The rate variation is much smaller, however, than a straight average of rates on all loans indicates.

The tabulation I have prepared, however, covers this point, by showing the differential in terms not only of all loans, but loans of various sizes. For example, on the smaller loans ranging from $1,000 to $10,000, the rate was 5.6 percent higher in 11 southern and western cities than in New York City. On loans ranging from $10,000 to $100,000, the differential was 4.1 percent. For loans ranging from $100,000 to $200,000, the differential was 5.6 percent; and for loans from $200,000 and over, the differential was 10.0 percent.

In short, in every category of business loans the banks in the southern and western cities are charging substantially higher rates than are the New York City banks for short-term business loans.

This is a situation which I think it difficult to understand. Why should the southern and western businessmen have to pay higher rates than the businessmen in New York? Of course, when it comes to shipping commodities long distances by rail or otherwise from eastern manufacturers to the South or the West, there might be some logical explanation for higher prices charged in the South and the West—due to the freight differential. But this is not the case with bank credit. The banks manufacture their own credit, right in the locality whenever they make a loan. If we had a completely free market for funds, you would think that these rates would tend to equalize—that money would flow from New York into the South and West where it could earn higher rates of interest, thus increasing the supply of funds available for lending.

THATCHER FERRY BRIDGE

Mr. THOMPSON of Texas.. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, former President Theodore Roosevelt once remarked that the only satisfying compensations for the difficulties of being in public life are occasional opportunities to render worthwhile public services. The truth of his observations has been well illustrated by the constructive career of former Representative Maurice H. Thatcher, of Kentucky, and former Civil Governor of the Canal Zone and the only surviving member of the Isthmian Canal Commission which had supervision of the building of the Panama Canal.

Thus, I have read with special interest the UPI news story to Panama and Latin America on June 28, 1961, by Harry W. Frantz, distinguished Latin American correspondent of the United Press International, about the Thatcher Ferry Bridge, named in honor of former Representative Thatcher.

To supplement the information supplied in the news story, I wish to add that while in Congress he was author of legislation establishing the Thatcher Ferry across the Panama Canal and the connecting highway. Another of his beneficial services for the isthmus, and in fact the entire tropical world, was his authorship of the act creating the celebrated Gorgas Memorial Laboratory in Panama City, which is devoted to research in the field of tropical disease. He is known in the Congress as the Father of the Gorgas Memorial Institute of Tropical and Preventive Medicine, which supervises the work of the laboratory.

The indicated news story follows:

THATCHER FERRY BRIDGE

(By Harry W. Frantz)

WASHINGTON, D.C., June 28, 1961.—The great new bridge now being constructed across the Panama Canal will be officially and permanently known as the Thatcher Ferry Bridge, in tribue to a citizen who has concerned himself with the welfare of the Canal Zone and the people of Panama for more than a half century.

In a rarely precedented personal honor, the House and Senate and their respective Appropriations Committees have all unanimously approved this name, and it will soon become law. Section 303 of a pending miscellaneous appropriations bill provides for this designation.

Maurice H. Thatcher, formerly of Louisville, Ky., still practices law in Washington. As a member of the Isthmian Canal Commission, 1910–13, and Representative from Kentucky, 1923–33, and legal consultant on canal affairs since then, he has been personally associated with almost every event affecting the Canal Zone in 51 years.

He has been three times to Panama since World War II on official honorary missions, and now looks forward to attendance at the bridge opening, expected in the fall of 1963. Friends call him "Mr. Panama Canal," and the people of Panama have long since named various streets, playgrounds and other facilities as marks of good will. The present ferry across the canal bears his name.

The new bridge, estimated to cost between $20 million and $25 million, will when completed become a key part in the Pan American Highway linking North and South American Continents. Final sectors in the highway from the United States to Panama City are now under construction, and a survey is in progress on the route between Panama City and the Colombian frontier. The name "Thatcher" will thus become familiar to countless intercontinental motorists in coming decades.

In a United Press International interview, Thatcher said, "I am naturally deeply appreciative, and humbly grateful, for the fine compliment extended to me by the unanimous action of Congress.

"I believe that the bridge when completed and open to traffic will constitute a great agency for amity and good will between the Republic of Panama and the United States. Functionally, it will provide an adequate crossing for traffic from the Canal Zone and the Republic of Panama, and as a link in the Pan American Highway system it will be one of the most important bridges in the Western Hemisphere."

In recent years, Thatcher encouraged action by Congress which enabled retirement pay for the veteran "silver employees" of the canal construction days, and stirred good will in Panama. The bill was introduced by Congresswoman LEONOR K. SULLIVAN, of St. Louis, Mo.

Above Thatcher's office desk is a certificate making him an honorary president of the Canal Zone Retired Workers' Association, a token of the workers' good will.

As Governor of the Canal Zone in construction years, Thatcher found that the creation of orderly civil administration was no less important than a sanitation program to completion of the project.

He feels that his most significant accomplishments were the improvement of highways, organization of postal facilities, schools, police and fire departments, and strengthening of law enforcement.

"I did what I could to promote good relations between the United States and the Republic of Panama," he said. "As civil Governor of the Canal Zone I also had duties of diplomatic character in relations with the diplomatic corps accredited to Panama. As Governor and later in Congress I always tried to see that the Republic had a fair deal, and I believe that I have the good will of the people of Panama."

The Thatcher Ferry and connecting Thatcher Highway in the Canal Zone were opened to traffic in September 1932. Since then three vessels have carried more than 89 million passengers. Before the bridge is completed in 1963, 100 million passengers and 20 million cars will have used the ferry. The ferry and highway were named for Thatcher at the suggestion of Panama officials. Congress authorized the bridge in an act of July 23, 1956.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. SHELLEY (at the request of Mr. HOLIFIELD), for an indefinite period, on account of official business.

Mr. MOELLER (at the request of Mr. KIRWAN), for 1 week, on account of official business in his congressional district.

Mr. HARDING (at the request of Mr. ALBERT), for Monday, Tuesday, and Wednesday of this week, on account of official business.

Mr. HOFFMAN of Michigan, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legisla-

tive program and any special orders heretofore entered, was granted to:

Mr. SCHENCK, for 15 minutes today, to revise and extend his remarks and to include extraneous matter.

Mr. BAILEY, for 30 minutes on July 13.

Mr. DERWINSKI (at the request of Mr. PIRNIE), for 60 minutes, on July 12.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PRICE.

Mr. ALGER.

Mr. BECKWORTH and to include extraneous matter, notwithstanding the fact it exceeds the limit and is estimated by the Public Printer to cost $216.

Mr. HOLIFIELD (at the request of Mr. PRICE) and to include extraneous matter.

(The following Members (at the request of Mr. PIRNIE) and to include extraneous matter:)

Mr. WESTLAND.

Mr. HALPERN.

Mr. GUBSER.

The following Members (at the request of Mr. MCCORMACK) and to include extraneous matter:)

Mr. ANFUSO.

Mr. MULTER.

Mr. DINGELL.

Mr. KOWALSKI.

Mr. HEMPHILL.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 51. An act to provide for a Commission on Presidential Office Space; to the Committee on Public Works.

S. 739. An act to amend the Civil Service Retirement Act, as amended, with respect to the method of computing interest earnings of special Treasury issues held by the Civil Service retirement and disability fund; to the Committee on Post Office and Civil Service.

S. 841. An act to amend the Defense Department Oversea Teachers Pay and Personnel Practices Act, and for other purposes; to the Committee on Post Office and Civil Service.

S. 931. An act to repeal that part of the act of March 2, 1889, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications, and evidences of title; to the Committee on Public Works.

S. 1087, An act to authorize and direct the transfer of certain Federal property to the government of American Samoa; to the Committee on Armed Services.

S. 1458. An act to amend the act of July 8, 1940, relating to the transportation of the remains, families, and effects of Federal employees dying abroad, so as to restore the benefits of such act to employees dying in Alaska and Hawaii, and for other purposes; to the Committee on Post Office and Civil Service.

S.J. Res. 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 866. An act to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals;

H.R. 1258. An act to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes;

H.R. 2645. An act for the relief of Wieslawa Alice Klimowski;

H.R. 2953. An act to amend section 521 of title 38, United States Code, to provide that certain service shall be creditable for pension purposes;

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions;

H.R. 4206. An act for the relief of Melvin H. Baker and Frances V. Baker;

H.R. 4349. An act to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates;

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date; and

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 17 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 11, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1105. A letter from the Comptroller General of the United States, transmitting a report on the audit of the National Capital Housing Authority (NCHA), for the fiscal years 1959 and 1960 (H. Doc. No. 209); to the Committee on Government Operations and ordered to be printed with illustrations.

1106. A letter from the Comptroller General of the United States, transmitting a report on review of a planned procurement program for compressed gas cylinders, estimated to cost $6 million, and concurrent disposal of good cylinders by the Corps of Engineers, Department of the Army; to the Committee on Government Operations.

1107. A letter from the Comptroller General of the United States, transmitting a report on review of management within the Department of the Air Force of replacement equipment subject to the Air Force unit authorization list (UAL) reporting system; to the Committee on Government Operations.

1108. A letter from the Comptroller General of the United States, transmitting a report on the audit of General Services Administration (GSA) contracts GS-OOP(D)-12006, -12143, -12192, and -12213 with Kaiser Aluminum & Chemical Corp. (Kaiser), of Oakland, Calif.; to the Committee on Government Operations.

1109. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill entitled "A bill for the relief of Edward J. Maurus"; to the Committee on the Judiciary.

1110. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases of certain aliens who have been found admissible to the United States, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

1111. A letter from the executive secretary, National Music Council, transmitting a copy of the financial report of the National Music Council for the year ending April 30, 1961, pursuant to Public Law 873, 84th Congress; to the Committee on the Judiciary.

1112. A letter from the Librarian of Congress, transmitting the report of the Register of Copyrights on the general revision of the U.S. copyright law, dated July 1961; to the Committee on the Judiciary.

1113. A letter from the Secretary of Defense, transmitting the report of Secretary of Defense Thomas S. Gates for fiscal year 1960, together with the reports of the Secretaries of the Army, Navy, and Air Force, pursuant to the National Security Act of 1947, as amended; to the Committee on Armed Services.

1114. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Boston National Historic Sites Commission, April 1961; to the Committee on Government Operations.

1115. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill entitled "A bill to authorize the voluntary election by employees of annual premium compensation instead of the saved pay rate"; to the Committee on Post Office and Civil Service.

1116. A letter from the Comptroller General of the United States, transmitting a report on reviews of selected activities of the low-rent housing operations of 12 local housing authorities (LHA's); to the Committee on Banking and Currency.

1117. A letter from the Comptroller General of the United States, transmitting a report on examination of the pricing of AN/ARC-21 receiver-transmitters under Department of the Air Force negotiated fixed-price contract AF 33(600)-35867 with Radio Corporation of America (RCA), Defense Electronic Products, Camden, N.J.; to the Committee on Government Operations.

1118. A letter from the Comptroller General of the United States, transmitting a report on the review of permissive activities relating to the manufacturing and taxation of distilled spirits, wine, beer, and tobacco products of the Alcohol and Tobacco Tax Division, Internal Revenue Service, Treasury Department, November 1960; to the Committee on Government Operations.

1119. A letter from the Comptroller General of the United States, transmitting a report on the review of power activities of the U.S. Section, International Boundary and Water Commission, United States and Mexico, Department of State, for the fiscal years ended June 30, 1958, 1959, and 1960; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Colorado: Committee on the Judiciary. H.R. 176. A bill to amend section 331 of title 28 of the United States Code so as to provide for representation on the Judicial Conference of the United States; with amendment (Rept. No. 680). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 3462. A bill to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder; with amendment (Rept. No. 681). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 6253. A bill to amend the act of September 2, 1960 (74 Stat. 734), in order to authorize the Secretary of Agriculture to establish minimum standards of quality for any variety of grapes and plums covered by such act, and for other purposes; without amendment (Rept. No. 682). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee on the Judiciary. H.R. 7038. A bill to eliminate the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Circuit; without amendment (Rept. No. 683). Referred to the House Calendar.

Mr. HOLTZMAN: Committee on the Judiciary. H.R. 6902. A bill to provide the same life tenure and retirement rights for judges hereafter appointed to the U.S. District Court for the District of Puerto Rico as the judges of all other U.S. district courts now have; without amendment (Rept. No. 684). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 7596. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes; without amendment (Rept. No. 685). Referred to the Committee of the Whole House on the State of the Union.

Mr. RABAUT: Committee on Appropriations. H.R. 8072. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1962, and for other purposes; without amendment (Rept. No. 686). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII,

Mr. RABAUT introduced a bill (H.R. 8072) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1962, and for other purposes.

[*Introduced and referred July 10, 1961*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRADEMAS:

H.R. 8028. A bill to provide Federal assistance for projects which will evaluate and demonstrate techniques and practices leading to a solution of the Nation's problems relating to the prevention and control of juvenile delinquency and youth offenses and to provide training of personnel for work in these fields, and for other purposes; to the Committee on Education and Labor.

By Mrs. HANSEN:

H.R. 8029. A bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel; to the Committee on Interstate and Foreign Commerce.

H.R. 8030. A bill to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions; to the Committee on Interior and Insular Affairs.

By Mr. HARRIS:

H.R. 8031. A bill to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus; to the Committee on Interstate and Foreign Commerce.

By Mr. FRIEDEL:

H.R. 8032. A bill to amend the Healing Arts Practice Act, District of Columbia, 1928, and for other purposes; to the Committee on the District of Columbia.

By Mr. HARRIS:

H.R. 8033. A bill to amend section 17 of the Interstate Commerce Act so as to authorize the delegation of certain duties to employee boards; to the Committee on Interstate and Foreign Commerce.

By Mr. KILGORE:

H.R. 8034. A bill to amend the Tariff Act of 1930 to impose a duty on shrimps and to provide for duty-free entry of unprocessed shrimps annually in an amount equal to imports of shrimps in 1960; to the Committee on Ways and Means.

By Mr. LANE:

H.R. 8035. A bill for the relief of the town of Winthrop, Mass.; to the Committee on the Judiciary.

By Mr. LESINSKI:

H.R. 8036. A bill to increase from $600 to $700 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. MULTER:

H.R. 8037. A bill to designate judicial precedents which shall be binding in the administration and enforcement of the internal revenue laws; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H.R. 8038. A bill to amend section 491 of title 18, United States Code, prohibiting certain acts involving the use of tokens, slugs, disks, devices, papers, or other things which are similar in size and shape to the lawful coins or other currency of the United States; to the Committee on the Judiciary.

By Mr. HARRISON of Wyoming:

H.R. 8039. A bill to prohibit the reduction in per capita payments by reason of certain irrigation charges on the Wind River Indian Reservation in Wyoming; to the Committee on Interior and Insular Affairs.

By Mr. JONES of Alabama:

H.R. 8040. A bill to permit coverage under the Federal Employees Health Benefits Act of 1959 and the Retired Federal Employees Health Benefits Act of employees of the Tennessee Valley Authority heretofore retired or hereafter retiring under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. KING of New York:

H.R. 8041. A bill to amend title II of the Career Compensation Act of 1949 to provide alert pay for members of the Strategic Air Command; to the Committee on Armed Services.

By Mr. KOWALSKI:

H.R. 8042. A bill to amend the Juvenile Court Act of the District of Columbia to grant the court certain jurisdiction over parents; to the Committee on the District of Columbia.

By Mr. McDONOUGH:

H.R. 8043. A bill to provide penalties for membership in the Communist Party, and to permit the compelling of testimony relating to such membership and the granting of immunity from prosecution in connection therewith; to the Committee on Un-American Activities.

By Mr. CLEM MILLER:

H.R. 8044. A bill to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GEORGE P. MILLER:

H.R. 8045. A bill to change the name of the Hydrographic Office to U.S. Naval Oceanographic Office; to the Committee on Armed Services.

By Mrs. ST. GEORGE:

H.R. 8046. A bill to provide for the establishment, under the National Science Foundation, of a National Science Academy; to the Committee on Science and Astronautics.

By Mr. TUPPER:

H.R. 8047. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives; to the Committee on House Administration.

H.R. 8048. A bill to amend the act of August 3, 1956, relating to the payment of annuities to widows of judges; to the Committee on the Judiciary.

By Mr. ULLMAN:

H.R. 8049. A bill to amend the Administrative Expenses Act of 1946 to provide a more reasonable monetary allowance for transportation of house trailers or mobile dwellings by civilian Federal officers and employees upon their transfer from one official station to another; to the Committee on Government Operations.

By Mr. COOLEY:

H.R. 8050. A bill to amend the act relating to the importation of adult honeybees; to the Committee on Agriculture.

By Mr. CUNNINGHAM:

H.R. 8051. A bill to require that all construction companies receiving prime contracts from the Federal Government shall be required to perform at least 35 percent of the actual work with their own forces; to the Committee on the Judiciary.

By Mr. DAVIS of Tennessee:

H.R. 8052. A bill to authorize the Secretary of the Army to dismantle the U.S. vessel *Mississippi;* to the Committee on Armed Services.

By Mr. MORRIS:

H.R. 8053. A bill to declare that the United States holds certain land in trust for the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex.; to the Committee on Interior and Insular Affairs.

By Mr. KEARNS:

H.J. Res. 469. Joint resolution to provide that the Board of Regents of the Smithsonian Institution shall develop and present to the Congress on or before January 30, 1962, a comprehensive plan to make the Corcoran Gallery of Art and its great collections of American art in the District of Columbia a part of the National Collection of Fine Arts, and for other purposes; to the Committee on House Administration.

By Mr. RHODES of Pennsylvania:

H.J. Res. 470. Joint resolution to provide that the Board of Regents of the Smithsonian Institution shall develop and present to the Congress on or before January 30, 1962, a comprehensive plan to make the Corcoran Gallery of Art and its great collections of American art in the District of Columbia a part of the National Collection of Fine Arts, and for other purposes; to the Committee on House Administration.

By Mr. SCRANTON:

H.J. Res. 471. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. Con. Res. 345. Concurrent resolution expressing the sense of the Congress that the United States should recognize a Cuban government-in-exile; to the Committee on Foreign Affairs.

By Mr. BREWSTER:

H. Con. Res. 346. Concurrent resolution expressing the sense of the Congress with respect to a program for paying the national debt; to the Committee on Ways and Means.

By Mr. PUCINSKI:

H. Res. 370. Resolution providing for the reading of the Declaration of Independence in the House of Representatives each year in celebration of the Fourth of July; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H.R. 8054. A bill for the relief of Teresita Fernandez (formerly known as Teresita Calimquim); and Apolonio Fernandez (formerly known as Apolonio Aquino, Jr.); to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H.R. 8055. A bill for the relief of Luigi Assanti; to the Committee on the Judiciary.

By Mr. GALLAGHER:

H.R. 8056. A bill for the relief of Roman Mentel; to the Committee on the Judiciary.

By Mr. HALEY (by request):

H.R. 8057. A bill to authorize the disposition of land no longer needed for the Chilocco Indian Industrial School at Chilocco, Okla.; to the Committee on Interior and Insular Affairs.

By Mr. HALPERN:

H.R. 8058. A bill for the relief of Dr. Avelina Layos; to the Committee on the Judiciary.

H.R. 8059. A bill for the relief of Wai Chan Cheng Liu; to the Committee on the Judiciary.

H.R. 8060. A bill for the relief of Miss Yersapetouhi Darmanian; to the Committee on the Judiciary.

By Mr. HEALEY:

H.R. 8061. A bill conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Medwin Benjamin; to the Committee on the Judiciary.

By Mr. KILGORE:

H.R. 8062. A bill for the relief of Combest B. Sills; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 8063. A bill to authorize Col. Charles P. Baldwin, U.S. Army, retired, to accept certain employment with the Government of Venezuela; to the Committee on Armed Services.

H.R. 8064. A bill for the relief of Guy Augustus Fleming; to the Committee on the Judiciary.

H.R. 8065. A bill for the relief of Carlos Chang and Maria Luisa Chin de Chang; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 8066. A bill for the relief of Sung Woo Kim; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 8067. A bill for the relief of Bruno Beer; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 8068. A bill for the relief of Dr. Cassim M. Jadwat; to the Committee on the Judiciary.

By Mr. ROONEY:

H.R. 8069. A bill for the relief of Marcel Weissman; to the Committee on the Judiciary.

By Mr. SCHADEBERG:

H.R. 8070. A bill for the relief of Juan Bocanegra; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H.R. 8071. A bill for the relief of the H. K. Ferguson Co. and the Macco Corp.; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Army Parachute Team

EXTENSION OF REMARKS
OF
HON. FRANK KOWALSKI
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 1961

Mr. KOWALSKI. Mr. Speaker, recently it was my privilege to receive in my office a group of men comprising the Army Parachute Team.

This outstanding team was headed by Capt. James M. Perry and consisted of 1st Lt. Roy D. Martin, M. Sgt. John T. Holles, Sgts. Alfonso M. Soles, Robert T. Turner, Wilfred J. A. Charette, and Joe A. Norman; Sp4c. Bobby M. Ledbetter, Sfcs. Harold R. Lewis and Gerald F. Bourquin; and Pfc. Leroy K. Smith.

The parachute team had come to Washington to give a demonstration in connection with the Armed Services Day here in the Nation's Capital. However, inclement weather grounded them. Upon learning that the rains and overcast sky made it impossible for the team to make any practice jumps, I asked them to drop into my office. After a pleasant chat with the group, I escorted them to the recording room where we conducted a taped interview. This interview, I am informed, was played back May 16 over radio station WTIC, Hartford, Conn.

These fine young men created a most favorable impression wherever they went. During their visit to the Hill, they also met other Members of the House who were as impressed as I by the appearance, attitude, and conduct of the Army Parachute Team.

I wish to extend my congratulations to Lt. Gen. T. J. H. Trapnell, commanding general, Headquarters XVIII Airborne Corps, Fort Bragg, N.C., on the fine Army Parachute Team under his command.

Proposal for a Cuban Government-in-Exile

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 1961

Mr. ANFUSO. Mr. Speaker, I have just returned from Miami, the temporary new home of free Cubans. There I met with leaders of Cuban parties, old and new, who live for the day when they can liberate their country. Knowing of my long opposition to Fidel Castro and of my sympathetic understanding of the problems which face Cubans, in and out of Cuba, they pleaded with me to help bring unity in their ranks in order that they may all work for a free and democratic Cuba.

I accept this challenge and here and now I submit to my colleagues, so that they may better appraise the situation, a little background material followed by a practical solution based upon our support of a Cuban government-in-exile.

THE BACKGROUND

I knew of Castro's mental imbalance, his hallucinations of grandeur, his links with communism, long before he gained control of Cuba. Back in July 1958, 6 months before Castro came to power, I referred to him in a statement in Congress as vicious because of his action in kidnaping American citizens, and then I added that this "shows what sort of a liberator he would be if he should gain control of Cuba."

I warned then that he would be worse than Batista. Much to our regret, this proved to be true from the moment he took over in Cuba. Because of my early opposition to him, Castro invited me in January 1959 to visit Cuba. That was only 10 days or 2 weeks after he had attained power and his goon squads were murdering innocent men and women in the hundreds. I do not know whether his invitation was a way to squelch my efforts to expose him at that early stage. Nevertheless, I turned down his invitation for two reasons: First, because of his Communist affiliations; second, because of his slurring remarks against American "gringos" at the time he took over and vowing that he would kill 200,000 of them in the event of U.S. interference in Cuban affairs.

His hatred of the United States and everything that the United States stands for is not something recent. It predated his coming to power, and the moment he assumed control he gave vent to his true feelings about America. This is another proof of his Communist views and attitudes—Castro himself answered that question, both by his deeds and his words.

As we listen to Castro's harrangues and his spewing of anti-U.S. hatred, we merely have to close our eyes and we can easily hear Khrushchev talking through him. It is the voice of Castro, but the words are Khrushchev's. At times, one even hears the frenzied and hysterical shrieking of Hitler ringing in

our ears as Castro spews out his mad hatred of us. This puny dictator does not yet realize, in his sick desire for power and his dreams of grandeur, that he is nothing more than a pawn in the hands of Khrushchev who is playing the international chess game with cunning and deception.

WHAT TO DO NOW?

The question above all questions still remains: What can we do now? What must we do now? I have several suggestions. They are not necessarily all that can or must be done, but they can serve as a starting point from which to expand and to deepen our efforts.

First, the United States must make it crystal clear that under no circumstances will we permit or tolerate any foreign intervention in Cuba, and that means Soviet Russia, Communist China, or any of their satellites. We must give strong warning that we shall regard any volunteers or other interlopers from Communist nations in Cuba as a violation and threat to Western Hemisphere security, and as constituting an act of aggression. This would form the basis for the application of certain treaties and laws regarding United States-Cuban relations.

Second, we must go over the heads of Castro and his henchmen and give our assurances to the people of Cuba that they will have our moral and material support in their struggle to regain their freedom and independence. Under the Monroe Doctrine we have every right to help safeguard the freedom of any nation of the Western Hemisphere.

Third, we must impress clearly and unmistakenly upon all Cuban groups and exiles that they must abide by the principles of the Cuban Constitution of 1940 which states that all Cubans are equal before the law. All should be given a chance to participate in the struggle for national freedom. They must cease working at counterpurposes and must assume the semblance of a united Cuban nation in exile. Let it be understood that the United States will, at no time, support extremist groups of either the right or the left if we can hope to attain a free, independent, and democratic Cuba.

Fourth, the United States is to impress upon all anti-Castro forces, of whatever opinion, that the primary task of the moment is unity and strength. They must unite under a central leadership. It is not for any one group to set itself up above all other groups. Only in this way can the Cubans in exile hope to receive the necessary support of the United States and other countries of the free world. Here a word is necessary regarding the present Cuban Council headed by Dr. Jose Miro Cardona. I shall not attempt to fix the blame for the April 1961 fiasco. President Kennedy has magnanimously assumed full responsibility as the Chief Executive of our Nation. But we know that this is not completely true. He was given the wrong advice and he was following a plan conceived long before he took office. But that is water over the dam. We cannot stand still now. We must move forward with a better plan. It ill behooves any member of the council to now sit back and say, "let's wait." Wait for what? For all Latin America, as well as Cuba, to be lost? This is the time for everyone to put his vanity aside and work with all Cubans who love Cuba no less than any single individual or group. I come then to my fifth point and, perhaps, the most important of all proposals.

CUBAN GOVERNMENT-IN-EXILE

Fifth is that a Cuban government-in-exile be established by Cubans now in exile with the expressed purpose of combating Castro and liberating their homeland. It is further proposed that all elements of Cuban society be represented in this government and that its seat be set up, not in the United States, but in another Latin American country. Once this is accomplished, every effort should be made to obtain recognition by the United States and other countries. To encourage this effort I have this day introduced the following resolution and ask as many of my colleagues in both the Senate and House, who believe as I do, to cosponsor such a resolution:

CONCURRENT RESOLUTION EXPRESSING THE SENSE OF THE CONGRESS THAT THE UNITED STATES SHOULD RECOGNIZE A CUBAN GOVERNMENT-IN-EXILE

Whereas the collaboration of the present Government of Cuba with the international Communist conspiracy is an established fact; and

Whereas the present Government of Cuba has embarked upon a program of religious persecution and flagrant disregard of human rights; and

Whereas the present Government of Cuba is engaged in the murder of innocent persons either without trial or after sham trials which make a mockery of the judicial process; and

Whereas the present Government of Cuba has systematically carried on a hate America campaign with the deliberate purpose of poisoning the longstanding friendly relationship between the people of Cuba and the people of the United States; and

Whereas the present Government of Cuba has engaged and is engaged in the mistreatment of American citizens and has confiscated their property; and

Whereas the gross, deliberate, and continuing provocations of the present Government of Cuba have brought about a severance of diplomatic relations between the United States and that Government: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should grant formal diplomatic recognition to a Cuban government-in-exile.

There is no need to belabor the point that the Cuban government-in-exile should at the earliest possible time draw up a preliminary constitution or declaration for a democratic form of government in Cuba. One of the major provisions in this document should be a pledge that it will hold free elections in Cuba within 1 year after the country is liberated. Other provisions to be embodied in this document should include the following:

First, that the Cuban government-in-exile will serve as a symbol of unity and hope for the Cuban people, inside and outside the country, and that it will not relinquish its efforts until Cuba is once again a free nation.

Second, that it will spare no effort to disclose to other Latin American nations and their leaders the true nature of the Castro regime.

Third, that it will emphasize the values of freedom and the fact that communism has smothered what the Cuban people love most, that is, their freedom. It should be further emphasized that it remains for those who still enjoy this precious gift to again light the Cuban torch of freedom on free soil and to carry it back to Cuba, where it shall be raised on a huge statue of Marti right at the entrance of Havana Harbor.

Fourth. That Cubans shall vow that once freedom is restored in their homeland they will never again permit anyone to rob them of it.

Fifth. That Cuba will be liberated by Cubans under the leadership of their government-in-exile and no other government is expected to intervene. The free Cuban government should undertake to enroll 1 million persons sympathetic to its cause all over the world—individuals who are free to act as their conscience dictates, something which those living under Communist enslavement cannot do.

Sixth. That invitation is particularly extended to all Cubans who love their country and want to see it rise again as a free nation to support the government-in-exile and to join in its efforts.

Seventh. That all those Cuban leaders who aspire to leadership place the national aspirations of Cuba above their personal ambitions and prove their capacity for leadership by becoming soldiers in the ranks of their nation's struggle for freedom now and postpone their own careers for a later date.

Eighth. That this is a time which requires sacrifices of blood, sweat, toil and tears, if the dream of Cuba is to be realized in our day.

Ninth, that Cubans owe an obligation to their children who, unless given the hope for freedom, will grow up as robots and slaves under communism carrying out the will of their masters.

PRECEDENT

In support of the proposals suggested above, such as our refusal to tolerate foreign authority in Cuba, our recognition of the independence of the people of Cuba, and our obligation to render all possible aid in achieving these aims, we have a historical precedent which goes back to the year 1898 when Cuba gained its independence from domination by Spain.

On April 20, 1898, the U.S. Congress adopted a joint resolution for the recognition of the independence of the Cuban people, demanding that Spain relinquish its authority in Cuba, and that it withdraw its military forces from there. The resolution speaks of the right of the people of Cuba to be free and independent and notes that "it is the duty of the United States to demand" that Spain relinquish its authority and government in Cuba.

Thus, the U.S. Congress took the initiative in 1898, in setting Cuba on its course to freedom. Following this action, Cuba finally succeeded in gaining its independence through the adoption of the Treaty of Paris, on December 10, 1898, when Spain gave up all claims to Cuba.

CONCLUSION

Finally, I should like to state to my colleagues and Cuban friends that the history of Cuba has not yet been fully documented or written. If we are determined, a glorious history still awaits Cuba as a great leader of Latin America. The setback of April 17, 1961, however, foolishly conceived, was only the beginning of a crusade that must be continued and expanded; it must be carried forward with zeal and determination until Cuba emerges as a free and independent nation entitled to take its rightful place in the family of free nations.

We cannot wait. We must not wait for events to happen. We must, with reason and determination, act now.

Needed: Labor Frontiersmanship in the Space Age

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, July 10, 1961

Mr. WILEY. Mr. President, the complex problems of the times require renewed dedication and resourcefulness by our citizens—individually and collectively.

If this is done, we can—I am confident—meet the challenges confronting us. If it is not done, we may be in trouble.

On the economic front, for example, there is a need for statesmanship, or so-called frontiersmanship, in labor and management.

Traditionally, these have worked to serve their own special interests.

This is still necessary. However, there is also a need for design and support of larger perspective policies and programs to serve the Nation.

Recently, I was privileged to comment on aspects of this challenge over radio station WGN, Chicago. I ask unanimous consent to have excerpts of this address printed in the CONGRESSIONAL RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

NEEDED: LABOR FRONTIERSMANSHIP IN THE SPACE AGE

As a nation, we face complex, difficult problems at home and abroad. To meet these challenges, we need to more effectively mobilize our people and resources, design new policies to meet the unique problems of the times, encourage the full cooperation of all segments of the economy.

Progress and security—a challenge for all of us—depends particularly, upon the dedication and resourcefulness of our more than 71.5 million working men and women.

As a dynamic force in the space age, they provide real manpower and brainpower for a powerful forward thrust into the future.

Traditionally, workers and their unions have been basically concerned with obtaining a fair share of the rewards of their production, including wages, better working conditions, job security, retirement, and other benefits.

Within our free system, we need to carefully and vigilantly protect and perpetuate the rights of workers to speak, to organize, and to bargain—to obtain a just share of the fruits of their labor.

With a strong and growing voice, however, there also goes hand in hand a greater sense of dedication and responsibility.

In these perilous, difficult times, the challenges include the following:

Adherence to policies in labor-management negotiations that spur, not obstruct, economic progress; and recognition of public, as well as worker, interest, in negotiations with management.

In the struggle against communism, unions have also a great opportunity—yes a responsibility—to serve as a strong voice of peace, progress, and freedom.

Around the globe, there is a uniquely strong, common bond among the workers of all nations.

In contact with fellow laborers, elsewhere on the globe, the workers of the United States and their unions have a tremendous opportunity to serve as dynamic transmitters of the ideas and ideals of freedom.

They can present a true, realistic picture of how free trade unions can best serve the working people and the Nation; how free collective bargaining can create a workers-share-in-the-rewards kind of economy—not a trickle-down benefit for workers from either a cartel-like business system or a state-controlled dictatorship; how, under freedom, the worker enjoys respect for his rights and integrity, including the maximum degree of freedom allowable within an organized society; how participation in government "of, by and for the people" has created for the American worker the best standards of living in the history of the world and promises ever-higher standards of living for the future.

As we face the challenges ahead, then, our Nation—and the cause of peace—can benefit tremendously from a stronger, more creative public-interest role of labor in serving our Nation in national and international affairs.

Robert S. Ball

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 10, 1961

Mr. DINGELL. Mr. Speaker, it is my sad duty to inform the Members of this body of the death of an eminent journalist, a brave man, and a dear friend of mine, Robert S. Ball. He died after a long illness on Sunday, July 9, at George Washington University Hospital, at 49 years of age.

Mr. Ball was a member of the Detroit News' Washington bureau, and had worked for the News ever since 1935 as a specialist in aviation and labor reporting. His last major assignment was covering the successful suborbital flight of Astronaut Alan B. Shepard on May 5.

He was given the Aviation Writers' Association Award seven times. He was the author of the definitive work on early aviation in Michigan and a book on Henry Ford's early trimotor aircraft.

Bob saw Army service in Europe during the Second World War and was twice decorated for bravery with the Bronze Star. He also served the Nation during 1951–52 as administrative assistant to the late Senator Blair Moody, of Michigan.

I know the whole Washington press corps joins me in mourning the passing of their late associate, and in extending heartfelt sympathy to his widow and son.

Some Figures Concerning Grain

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 10, 1961

Mr. BECKWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following figures concerning grain:

DEPARTMENT OF AGRICULTURE,
Washington, D.C.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR MR. BECKWORTH: We are returning herewith the tabulation which you requested us to check for errors. We are returning also the tabulation which you submitted to the Bureau of the Census for the same purpose.

There were a number of mistakes, practically all of which were errors in transcription either when set up in the CONGRESSIONAL RECORD or when copied from the RECORD. We have entered corrected figures on the tabulation you submitted to us. We have made no entries on the tabulation reviewed in the Bureau of the Census.

It should be noted that the entry "N.R." does not necessarily mean the same thing under "Number of farms" as it does under "Number of support loans made." Under the first heading, "N.R." means none reported but not necessarily no harvested acreage. Under the second heading, "N.R." means that there were no loans made.

Sincerely yours,

KENNETH M. BIRKHEAD.

THE LIBRARY OF CONGRESS,
Washington, D.C., May 16, 1961.

To: Hon. LINDLEY BECKWORTH.
From: Natural Resources Division.
Subject: The percentage relationship of the number of price support loans per commodity to the number of farms reporting harvested acres of specific commodities, by States, in 1959.

Response is made to your inquiry of April 19, 1961, relative to the percentage relationship of the number of price support loans per commodity to the number of farms reporting harvested acres of specific commodities, by States, in 1959.

Enclosed are the statistical tables which were derived from materials forwarded to this Service during the period, April 19 to April 27. The derived data has been prepared as per your specific instruction. The delay in furnishing the data to you has been due to the time-consuming detail involved in its preparation.

ERNEST J. PAPPAJOHN.

Number of farms reporting harvested acres of specified commodities, by States, 1959

State	Harvested for grain		Harvested					State	Harvested for grain		Harvested				
	Corn	Grain sorghum	Oats	Barley	Rye	Soybeans for beans	Winter wheat		Corn	Grain sorghum	Oats	Barley	Rye	Soybeans for beans	Winter wheat
Alabama	83,756	1,173	3,182			2,048	2,163	Nebraska	70,120	31,338	38,367	10,937	5,004	5,232	46,191
Arizona	176	802	67	1,021	8		644	Nevada	32		101	380	10		105
Arkansas	33,048	1,661	3,362	402		21,479	5,028	New Hampshire	69		75		14		2
California	2,286	2,516	1,135	7,638			2,883	New Jersey	4,940		1,555	1,385	699	1,018	2,444
Colorado	7,242	3,886	5,143	10,688	1,234		11,450	New Mexico	2,261	1,697	475	937	112		1,385
Connecticut	365		96		84		42	New York	18,623		38,159	2,640	1,178	158	16,236
Delaware	3,660		322	762	879	2,959	1,002	North Carolina	142,678	6,074	29,130	7,074	2,680	25,665	41,450
Florida	9,064		373			414	258	North Dakota	5,423	25	32,600	38,668	3,648	2,959	292
Georgia	71,043	1,127	9,461	574	1,123	1,552	7,495	Ohio	104,975		68,619	6,452	2,772	42,489	67,453
Idaho	1,761		6,486	9,171	195		5,350	Oklahoma	11,601	17,074	15,092	13,850	2,372	1,652	35,735
Illinois	131,295	1,200	73,182	5,400	4,323	88,268	63,945	Oregon	1,483		5,782	8,560	616		6,344
Indiana	99,253	773	48,685	4,909	5,991	60,526	57,802	Pennsylvania	64,127		53,354	15,335	2,845	773	43,827
Iowa	155,167	3,051	127,849	1,325	841	64,374	7,854	Rhode Island	42		9	2	21		5
Kansas	39,223	59,661	31,560	26,676	5,251	11,927	83,005	South Carolina	55,187	825	17,228	2,310	1,069	7,745	15,516
Kentucky	99,195	2,311	4,528	4,850	1,214	4,286	10,185	South Dakota	30,261	4,138	33,006	9,907	2,364	3,913	3,504
Louisiana	32,686	232	1,714			3,651	515	Tennessee	94,608	3,266	9,840	3,269	951	7,056	13,042
Maine	57		2,483	46	42		36	Texas	64,861	59,349	17,853	6,194	462		25,551
Maryland	16,067		5,081	5,055	1,835	4,417	7,848	Utah	401		2,460	7,579	73		2,353
Massachusetts	373		91		78		57	Vermont	138		1,112	19	15		54
Michigan	68,700		54,149	7,828	5,218	8,924	63,543	Virginia	60,636	585	11,543	9,170	2,319	9,809	24,366
Minnesota	103,995		107,204	16,990	2,854	57,865	2,875	Washington	1,957		5,289	6,700	772		7,596
Mississippi	90,762	585	4,068			9,634	1,291	West Virginia	19,922		4,342	992	127	48	2,994
Missouri	94,973	19,242	32,832	12,885	3,064	42,757	61,686	Wisconsin	90,101		106,844	3,216	2,199	4,008	3,383
Montana	124		7,756	15,497	332		9,177	Wyoming	694	10	2,982	2,800	111		1,484

Source: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478.

1959 corn crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percent of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percent of number of farms reporting acreage harvested
Alabama	83,756	181	0.22	Nevada	32	(2)	
Arizona	176	(2)		New Hampshire	69	(2)	
Arkansas	33,048	21	0.06	New Jersey	4,940	45	0.91
California	2,286	66	2.88	New Mexico	2,261	(2)	
Colorado	7,242	350	4.69	New York	18,623	180	.97
Connecticut	365	(2)		North Carolina	142,678	393	.28
Delaware	3,660	30	.82	North Dakota	5,423	738	13.60
Florida	9,064	11	.12	Ohio	104,975	8,845	8.42
Georgia	71,043	296	.42	Oklahoma	11,601	29	.25
Idaho	1,761	22	1.24	Oregon	1,483	50	3.37
Illinois	131,295	35,109	26.74	Pennsylvania	64,127	158	.25
Indiana	99,253	12,463	12.55	Rhode Island	42	(2)	
Iowa	155,167	101,556	65.44	South Carolina	55,187	235	.43
Kansas	39,223	10,584	26.98	South Dakota	30,261	5,397	17.83
Kentucky	99,195	1,893	1.90	Tennessee	94,608	113	.12
Louisiana	32,686	1	.003	Texas	64,861	68	.11
Maine	57	(2)	0	Utah	401	1	.25
Maryland	16,067	104	.65	Vermont	138	(2)	
Massachusetts	373	(2)		Virginia	60,636	50	.08
Michigan	68,700	4,873	7.09	Washington	1,957	223	11.93
Minnesota	103,995	24,420	23.48	West Virginia	19,922	6	.03
Mississippi	90,762	101	.11	Wisconsin	90,101	2,006	2.22
Missouri	94,973	13,122	13.81	Wyoming	694	7	1.00
Montana	124	(2)					
Nebraska	70,120	47,076	67.13	Total	1,989,411	271,035	13.62

It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.

[1] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 grain sorghum crop: Number of farms reporting harvested acres, number of price-support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested
Alabama	1,173	1	0.08	Louisiana	232	(2)	
Arizona	802	42	5.20	Minnesota	(2)	7	
Arkansas	1,661	7	.42	Mississippi	585	6	1.00
California	2,516	9	.35	Missouri	19,242	1,364	7.08
Colorado	3,886	104	2.67	Nebraska	31,338	13,704	43.73
Georgia	1,127	(2)		New Mexico	1,697	287	16.91
Illinois	1,200	1	.08	North Carolina	6,074	15	.24
Indiana	773	7	.9	North Dakota	25	(2)	
Iowa	3,051	403	13.20	Oklahoma	17,074	219	1.28
Kansas	59,661	16,794	28.15	South Carolina	825	(2)	
Kentucky	2,311	2	.08	South Dakota	4,138	85	2.05

See footnotes at end of table.

1959 grain sorghum crop: Number of farms reporting harvested acres, number of price-support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961—Continued

States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested
Tennessee	3,266	1	0.03
Texas	59,349	16,308	27.48
Virginia	585	[2]	
Washington	[2]	17	
Wyoming	10	[2]	
Total	222,601	49,383	22.18

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 oats crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as percentage of number of farms reporting acreage harvested
Alabama	3,182	9	0.28
Alaska	54	1	
Arizona	67	[2]	
Arkansas	3,362	28	.83
California	1,135	1	.08
Colorado	5,143	3	.05
Connecticut	96	[2]	
Delaware	522	[2]	
Florida	373	[2]	
Georgia	9,461	178	1.88
Idaho	6,486	48	.74
Illinois	73,182	36	.05
Indiana	48,685	15	.03
Iowa	127,849	985	.77
Kansas	31,560	49	.15
Kentucky	4,528	[2]	
Louisiana	1,714	10	.58
Maine	2,483	212	8.53
Maryland	5,081	[2]	
Massachusetts	91	[2]	
Michigan	54,149	40	.07
Minnesota	107,204	1,363	1.27
Mississippi	4,088	88	2.15
Missouri	32,832	24	.07
Montana	7,756	26	.33
Nebraska	38,367	95	.25
Nevada	101	[2]	
New Hampshire	75	[2]	
New Jersey	1,555	[2]	
New Mexico	475	[2]	
New York	38,159	26	0.07
North Carolina	29,130	61	.21
North Dakota	32,600	627	1.92
Ohio	68,619	48	.07
Oklahoma	15,092	54	.36
Oregon	5,782	22	.38
Pennsylvania	53,354	11	.02
Rhode Island	9	[2]	
South Carolina	17,228	156	.91
South Dakota	33,006	355	1.08
Tennessee	9,840	[2]	
Texas	17,853	124	.69
Utah	2,460	1	.04
Vermont	1,112	[2]	
Virginia	11,543	[2]	
Washington	5,289	102	1.92
West Virginia	4,842	[2]	
Wisconsin	106,844	22	.02
Wyoming	2,982	13	.43
Total	1,026,900	4,833	.47

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Source: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities by States, 1959."

1959 barley crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as percentage of farms reporting acreage harvested
Alabama	[2]	2	
Alaska	67	1	1.49
Arizona	1,021	21	2.05
Arkansas	402	5	1.24
California	7,638	113	1.47
Colorado	10,688	85	.79
Delaware	762	[2]	
Georgia	574	2	.35
Idaho	9,171	345	3.76
Illinois	5,400	2	.03
Indiana	4,909	2	.04
Iowa	1,325	45	3.39
Kansas	26,676	886	3.32
Kentucky	4,850	3	.06
Maine	46	1	2.00
Maryland	5,055	[2]	
Michigan	7,828	19	.24
Minnesota	16,990	2,946	17.34
Missouri	12,885	27	.21
Montana	15,497	2,234	14.42
Nebraska	10,937	402	3.68
Nevada	380	1	.20
New Jersey	1,385	1	.07
New Mexico	937	4	0.4
New York	2,640	3	.11
North Carolina	7,074	17	.24
North Dakota	38,668	7,344	18.99
Ohio	6,452	5	.07
Oklahoma	13,850	236	1.70
Oregon	8,560	278	3.24
Pennsylvania	15,335	2	.13
Rhode Island	2	[2]	
South Carolina	2,310	6	.25
South Dakota	9,907	452	4.56
Tennessee	3,269	[2]	
Texas	6,194	33	.53
Utah	7,579	55	.72
Vermont	19	[2]	
Virginia	9,170	2	.02
Washington	6,700	650	.83
West Virginia	992	[2]	
Wisconsin	3,216	2	.06
Wyoming	2,800	18	.64
Total	290,160	16,259	5.60

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 rye crop: Number of farms reporting harvested acres, number of price-support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested
Arizona	8	[2]		New Mexico	112	[2]	
Colorado	1,234	10	0.81	New York	1,178	2	0.16
Connecticut	84	[2]		North Carolina	2,680	3	.11
Delaware	879	[2]		North Dakota	3,648	211	5.78
Georgia	1,123	3	.26	Ohio	2,772	1	.03
Idaho	195	8	4.10	Oklahoma	2,372	4	.16
Illinois	4,323	[2]		Oregon	616	16	2.50
Indiana	5,991	[2]		Pennsylvania	2,845	[2]	
Iowa	841	3	.3	Rhode Island	21	[2]	
Kansas	5,251	96	1.82	South Carolina	1,069	2	.18
Kentucky	1,214	[2]		South Dakota	2,364	85	3.59
Maine	42	[2]		Tennessee	951	[2]	
Maryland	1,835	[2]		Texas	462	[2]	
Massachusetts	78	[2]		Utah	73	[2]	
Michigan	5,218	1	.01	Vermont	15	[2]	
Minnesota	2,854	60	2.10	Virginia	2,319	[2]	
Missouri	3,064	6	.19	Washington	772	199	25.70
Montana	332	26	7.80	West Virginia	127	[2]	
Nebraska	5,004	76	1.51	Wisconsin	2,199	1	.04
Nevada	10	[2]		Wyoming	111	40	1.27
New Hampshire	14	[2]					
New Jersey	690	[2]		Total	66,999	853	1.27

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 soybean crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of number of farms reporting acreage harvested
Alabama	2,048	15	0.73	New Jersey	1,018	5	0.49
Arkansas	21,479	755	3.52	New Mexico	[2]	3	
Delaware	2,959	2	.06	New York	158	1	.6
Florida	414	[2]		North Carolina	25,665	39	.15
Georgia	1,552	18	1.15	North Dakota	2,959	542	18.32
Illinois	88,268	8,170	9.26	Ohio	42,489	1,547	3.64
Indiana	60,526	1,875	3.09	Oklahoma	1,652	89	5.38
Iowa	64,374	23,521	36.54	Pennsylvania	773	4	.50
Kansas	11,927	819	6.87	South Carolina	7,745	147	1.89
Kentucky	4,286	65	1.51	South Dakota	3,913	259	6.61
Louisiana	3,651	11	.30	Tennessee	7,056	188	2.66
Maryland	4,417	[2]		Texas	[2]	19	
Michigan	8,924	134	1.50	Virginia	9,809	10	.10
Minnesota	57,865	10,899	18.84	West Virginia	48	[2]	
Mississippi	9,634	323	3.35	Wisconsin	4,068	23	.56
Missouri	42,757	3,858	9.02				
Nebraska	5,232	538	10.66	Total	497,666	53,899	10.83

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 wheat crop: Number of farms reporting harvested acres, number of price-support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested [1]	Number of price-support loans made [2]	Number of price-support loans as a percentage of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested [1]	Number of price-support loans made [2]	Number of price-support loans as a percentage of number of farms reporting acreage harvested
Alabama	2,163	81	3.74	Louisiana	515	[3]	
Arizona	644	9	1.40	Maine	36	[3]	
Arkansas	5,028	161	3.20	Maryland	7,848	176	2.24
California	2,883	343	11.89	Massachusetts	37	[3]	
Colorado	13,075	5,796	44.33	Michigan	63,543	1,821	2.87
Connecticut	42	[3]		Minnesota	40,286	1,878	4.67
Delaware	1,002	11	1.09	Mississippi	1,291	27	2.08
Florida	258	[3]		Missouri	61,686	11,732	19.02
Georgia	7,495	434	5.79	Montana	22,804	7,255	31.83
Idaho	20,799	6,568	31.58	Nebraska	46,191	44,390	96.10
Illinois	63,945	3,668	5.74	Nevada	333	[3]	
Indiana	57,802	601	1.04	New Hampshire	2	[3]	
Iowa	7,854	1,199	15.26	New Jersey	2,444	91	3.72
Kansas	83,005	98,581	118.00	New Mexico	1,696	536	31.49
Kentucky	10,185	965	1.04	New York	16,236	990	6.10

See footnotes at end of table.

1959 wheat crop: Number of farms reporting harvested acres, number of price-support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961—Continued

States	Number of farms reporting acreage harvested [1]	Number of price support loans made [2]	Number of price support loans as percentage of number of farms reporting acreage harvested
North Carolina	41,450	292	0.70
North Dakota	58,156	13,202	22.66
Ohio	67,453	2,168	3.21
Oklahoma	35,735	14,263	39.91
Oregon	10,109	3,457	34.21
Pennsylvania	43,827	758	1.73
Rhode Island	5	[3]	
South Carolina	15,516	352	2.26
South Dakota	24,128	3,829	15.87
Tennessee	13,042	370	2.84
Texas	25,551	5,532	21.65
Utah	6,874	245	3.56
Vermont	54	[3]	
Virginia	24,366	1,004	4.12
Washington	11,636	9,324	80.13
West Virginia	2,994	3	.10
Wisconsin	6,695	20	.29
Wyoming	2,485	451	18.14
Total	931,197	242,583	26.05

[1] All wheat. Includes some overstatement for farms growing more than 1 class of wheat.

[2] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.

[3] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

U.S. DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, D.C., May 23, 1961.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D.C.

DEAR MR. BECKWORTH: We are returning herewith the tabulations which you forwarded on May 17 for checking against census data. The final reports were used for Connecticut, North Dakota, Rhode Island, and Vermont. For all other States preliminary State figures were used.

Your attention is drawn to a problem in relation to the table on wheat. Separate figures are given for farms reporting winter wheat and those reporting spring wheat. In four States there is a separation of farms harvesting spring wheat, showing those reporting Durum wheat and those reporting other spring wheat. Adding the farms reporting the various classes of wheat leads to an overstatement of number of farms reporting any wheat. This is particularly the situation for North Dakota where the addition of the number of farms reporting the several types of wheat gives a figure of 58,256, which is in excess of the total number of farms, 54,928. We do not have an unduplicated number of farms producing any wheat in the State. In the table, we have inserted the number of farms reporting winter wheat, Durum wheat, and other spring wheat.

We have not checked the figures for the number of price support loans and the percentages as given in your table, as we do not have the figures on the support loans.

If we can be of any further assistance in this matter, please let us know.

Sincerely yours,

RICHARD M. SCAMMON,
Director, Bureau of the Census.

THE LIBRARY OF CONGRESS,
Washington, D.C., May 16, 1961.

To: Hon. LINDLEY BECKWORTH.
From: Natural Resources Division.
Subject: The percentage relationship of the number of price-support loans per commodity to the number of farms reporting harvested acres of specific commodities, by States, in 1959.

Response is made to your inquiry of April 19, 1961, relative to the percentage relationship of the number of price-support loans per commodity to the number of farms reporting harvested acres of specific commodities, by States, in 1959.

Enclosed are the statistical tables which were derived from materials forwarded to this Service during the period, April 19 to April 27. The derived data has been prepared as per your specific instruction. The delay in furnishing the data to you has been due to the time-consuming detail involved in its preparation.

ERNEST J. PAPPAJOHN.

Number of farms reporting harvested acres of specified commodities, by States, 1959

State	Harvested for grain		Harvested				
	Corn	Grain sorghum	Oats	Barley	Rye	Soybeans for beans	Winter wheat
Alabama	83,756	1,173	3,182			2,048	2,163
Arizona	176	802	67	1,021	8		644
Arkansas	33,048	1,661	3,362	402		21,479	5,028
California	2,286	2,516	1,135	7,638			2,883
Colorado	7,242	3,886	5,143	10,688	1,234		11,459
Connecticut	365		96		84		42
Delaware	3,660		522	762	879	2,959	1,002
Florida	9,064		373			414	258
Georgia	71,043	1,127	9,461	574	1,123	1,552	7,495
Idaho	1,761		6,486	9,171	195		5,350
Illinois	131,295	1,200	73,182	5,400	4,323	88,268	63,945
Indiana	99,253	773	48,685	4,909	5,991	60,526	57,802
Iowa	155,167	3,051	127,849	1,325	841	64,374	7,854
Kansas	39,223	59,661	31,560	26,676	5,251	11,927	83,005
Kentucky	99,195	2,311	4,528	4,850	1,214	4,286	10,185
Louisiana	32,686	232	1,714			3,651	515
Maine	57		2,483	46	42		36
Maryland	16,067		5,081	5,055	1,835	4,417	7,848
Massachusetts	373		91		78		37
Michigan	68,700		54,149	7,828	5,218	8,924	63,543
Minnesota	103,995		107,204	16,990	2,854	57,865	2,875
Mississippi	90,762	585	4,088			9,634	1,291
Missouri	94,973	19,242	32,832	12,885	3,064	42,757	61,686
Montana	124		7,756	15,497	332		9,177
Nebraska	70,120	31,338	38,367	10,937	5,004	5,232	46,191
Nevada	32		101	380	10		105
New Hampshire	69		75		14		1
New Jersey	4,940		1,555	1,385	699	1,018	2,444
New Mexico	2,261	1,697	475	937	112		1,385
New York	18,623		38,159	2,640	1,178	158	16,236
North Carolina	142,678	6,074	29,130	7,074	2,680	25,665	41,450
North Dakota	5,423	25	32,600	38,668	3,648	2,959	252
Ohio	104,975		68,619	6,452	2,772	42,489	67,453
Oklahoma	11,601	17,074	15,092	13,850	2,372	1,652	35,735
Oregon	1,483		5,782	8,560	616		6,344
Pennsylvania	64,127		53,354	15,335	2,845	773	43,827
Rhode Island	42		9	2	21		5
South Carolina	55,187	825	17,228	2,310	1,069	7,745	15,516
South Dakota	30,261	4,138	33,006	9,907	2,364	3,913	3,504
Tennessee	94,608	3,266	9,840	3,269	951	7,056	13,042
Texas	64,861	59,349	17,853	6,194	462		25,551
Utah	401		2,460	7,579	73		2,353
Vermont	138		1,112	19	15		54
Virginia	60,636	585	11,543	9,170	2,319	9,809	24,366
Washington	1,957		5,289	6,700	772		7,596
West Virginia	19,922		4,342	992	127	48	2,994
Wisconsin	90,101		106,844	3,216	2,190	4,068	3,383
Wyoming	694	10	2,982	2,800	111		1,484

Source: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478.

1959 corn crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of number of farms reporting acreage harvested
Alabama	83,756	181	0.22	Nevada	32	[2]	
Arizona	176	[2]		New Hampshire	69	[2]	
Arkansas	33,048	21	11.93	New Jersey	4,940	45	0.91
California	2,286	66	2.88	New Mexico	2,261	[2]	
Colorado	7,242	350	4.69	New York	18,623	180	.97
Connecticut	365	[2]		North Carolina	142,678	393	.28
Delaware	3,660	30	.82	North Dakota	5,423	738	13.60
Florida	9,064	11	.12	Ohio	104,975	8,845	8.42
Georgia	71,043	296	.42	Oklahoma	11,601	29	.25
Idaho	1,761	22	1.24	Oregon	1,483	50	3.37
Illinois	131,295	35,109	26.74	Pennsylvania	64,127	158	.25
Indiana	99,253	12,463	12.55	Rhode Island	42	[2]	
Iowa	155,167	101,556	65.44	South Carolina	55,187	235	.43
Kansas	39,223	10,584	26.98	South Dakota	30,261	5,397	17.83
Kentucky	99,195	1,893	1.90	Tennessee	94,608	113	.12
Louisiana	32,686	1	.003	Texas	64,861	68	.11
Maine	57	212	[3]371.00	Utah	401	1	.25
Maryland	16,067	104	.65	Vermont	138	[2]	
Massachusetts	373	[2]		Virginia	60,636	50	.08
Michigan	68,700	4,873	7.09	Washington	1,957	223	11.93
Minnesota	103,995	24,420	23.48	West Virginia	19,922	6	.03
Mississippi	90,762	101	.11	Wisconsin	90,101	2,006	2.22
Missouri	94,973	13,122	13.81	Wyoming	694	7	1.00
Montana	124	[2]					
Nebraska	70,120	47,076	67.13	Total	1,989,411	271,035	13.62

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.
[3] The number of loans exceed the number of farms which indicates that more than 1 loan was granted to a corn producer on a single farm.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 grain sorghum crop: Number of farms reporting harvested acres, number of price-support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price support loans as a percentage of number of farms reporting acreage harvested
Alabama	1,173	1	0.08	Nebraska	31,338	13,704	43.73
Arizona	802	42	5.20	New Mexico	1,697	287	16.91
Arkansas	1,661	7	.42	North Carolina	6,074	15	.24
California	2,516	9	.35	North Dakota	25	[2]	
Colorado	3,886	104	2.67	Oklahoma	17,074	219	1.28
Georgia	1,127	[2]		South Carolina	825	[2]	
Illinois	1,200	1	.08	South Dakota	4,138	85	2.05
Indiana	773	7	.9	Tennessee	3,266	1	.03
Iowa	3,051	403	13.20	Texas	59,349	16,308	27.48
Kansas	59,661	16,794	28.15	Virginia	585	[2]	
Kentucky	2,311	2	.08	Washington	[2]	17	.86
Louisiana	232	[2]		Wyoming	10	[2]	
Minnesota	[2]	7					
Mississippi	585	6	1.00	Total	222,601	49,383	21.99
Missouri	19,242	1,364	7.08				

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 oats crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of number of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of number of farms reporting acreage harvested
Alabama	3,182	9	0.28	Maine	2,483	212	8.53
Alaska [2]	54	1		Maryland	5,081		
Arizona	67	[3]		Massachusetts	91	[2]	
Arkansas	3,362	28	.83	Michigan	54,149	40	.07
California	1,135	1	.08	Minnesota	107,204	1,363	1.27
Colorado	5,143	3	.05	Mississippi	4,088	88	2.15
Connecticut	96	[3]		Missouri	32,832	24	.07
Delaware	522	[3]		Montana	7,756	26	.33
Florida	373	[4]		Nebraska	38,367	95	.25
Georgia	9,461	178	1.88	Nevada	101	[2]	
Idaho	6,486	48	.74	New Hampshire	75	[2]	
Illinois	73,182	36	.05	New Jersey	1,555	[3]	
Indiana	48,685	15	.03	New Mexico	475	[2]	
Iowa	127,849	985	.77	New York	38,159	26	.07
Kansas	31,560	49	.15	North Carolina	29,130	61	.21
Kentucky	4,528	[3]		North Dakota	32,600	627	1.92
Louisiana	1,714	10	.58	Ohio	68,619	48	.07

See footnotes at end of table.

1959 oats crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961—Continued

States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested
Oklahoma	15,692	54	0.36
Oregon	5,782	22	.38
Pennsylvania	53,354	11	.02
Rhode Island	9	[3]	
South Carolina	17,228	156	.91
South Dakota	33,006	355	1.08
Tennessee	9,840	[3]	
Texas	17,853	124	.69
Utah	2,460	1	.04
Vermont	1,112	[3]	
Virginia	11,543	[3]	
Washington	5,289	102	1.92
West Virginia	4,342	[3]	
Wisconsin	106,844	22	.02
Wyoming	2,982	13	.43
Total	1,026,900	4,833	.04

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Alaska is not shown on summary sheet for specified crops.
[3] Not reported.

Source: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959."

1959 barley crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as percentage of number of farms reporting acreage harvested
Alabama	[3]	2	
Alaska [2]	67	1	
Arizona	1,021	21	2.05
Arkansas	402	5	1.24
California	7,638	113	1.47
Colorado	10,688	85	.79
Delaware	762	[3]	
Georgia	574	2	.35
Idaho	9,171	345	3.76
Illinois	5,400	2	.03
Indiana	4,909	2	.04
Iowa	1,325	45	3.39
Kansas	26,676	886	3.32
Kentucky	4,850	3	.06
Maine	46	1	2.00
Maryland	5,055	[3]	
Michigan	7,828	19	.24
Minnesota	16,990	2,946	17.34
Missouri	12,885	27	.21
Montana	15,497	2,234	14.42
Nebraska	10,937	402	3.68
Nevada	380	1	.2
New Jersey	1,385	1	.07
New Mexico	937	4	0.4
New York	2,640	3	.11
North Carolina	7,074	17	.24
North Dakota	38,668	7,344	18.99
Ohio	6,452	5	.07
Oklahoma	13,850	236	1.70
Oregon	8,500	278	3.24
Pennsylvania	15,335	2	.013
Rhode Island	2		
South Carolina	2,310	6	.25
South Dakota	9,907	452	4.56
Tennessee	3,269	[3]	
Texas	6,914	33	.53
Utah	7,579	55	.72
Vermont	19		
Virginia	9,170	2	.02
Washington	6,700	669	9.83
West Virginia	992	[3]	
Wisconsin	3,216	2	.06
Wyoming	2,800	18	.64
Total	290,160	16,259	5.61

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Alaska is not shown on summary sheet for specified crops.
[3] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 rye crop: Number of farms reporting harvested acres, number of price-support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price-support loans made [1]	Number of price-support loans as a percentage of number of farms reporting acreage harvested
Arizona	8	[2]	
Colorado	1,234	10	0.81
Connecticut	84	[2]	
Delaware	879	[2]	
Georgia	1,123	3	.26
Idaho	195	8	4.10
Illinois	4,323	[2]	
Indiana	5,991	[2]	
Iowa	841	3	.3
Kansas	5,251	96	1.82
Kentucky	1,214	[2]	
Maine	42	[2]	
Maryland	1,835	[2]	
Massachusetts	78	[2]	
Michigan	5,218	1	.01
Minnesota	2,854	60	2.10
Missouri	3,064	6	.19
Montana	332	26	7.80
Nebraska	5,004	76	1.51
Nevada	10	[2]	
New Hampshire	14	[2]	
New Jersey	699	[2]	
New Mexico	112	[2]	
New York	1,178	2	0.16
North Carolina	2,680	3	.11
North Dakota	3,648	211	5.78
Ohio	2,772	1	.03
Oklahoma	2,372	4	.16
Oregon	616	16	2.50
Pennsylvania	2,845	[2]	
Rhode Island	21	[2]	
South Carolina	1,069	2	.18
South Dakota	2,364	85	3.59
Tennessee	951	[2]	
Texas	462	[2]	
Utah	73	[2]	
Vermont	15	[2]	
Virginia	2,319	[2]	
Washington	772	199	25.70
West Virginia	127	[2]	
Wisconsin	2,199	1	.04
Wyoming	111	40	1.27
Total	66,999	853	1.27

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 soybean crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of farms reporting acreage harvested	States	Number of farms reporting acreage harvested	Number of price support loans made [1]	Number of price support loans as a percentage of farms reporting acreage harvested
Alabama	2,048	15	0.73	New Jersey	1,018	5	0.49
Arkansas	21,479	755	3.52	New Mexico	(2)	3	
Delaware	2,959	2	.06	New York	158	1	.6
Florida	414	(2)		North Carolina	25,665	39	.15
Georgia	1,552	18	1.15	North Dakota	2,959	542	18.32
Illinois	88,268	8,170	9.26	Ohio	42,489	1,547	3.64
Indiana	60,526	1,875	3.09	Oklahoma	1,652	89	5.38
Iowa	64,374	23,521	34.91	Pennsylvania	773	4	.5
Kansas	11,927	819	6.87	South Carolina	7,745	147	1.89
Kentucky	4,286	65	1.51	South Dakota	3,913	259	6.61
Louisiana	3,651	11	.3	Tennessee	7,056	188	2.66
Maryland	4,417	(2)		Texas	(2)	19	
Michigan	8,924	134	1.50	Virginia	9,809	10	.10
Minnesota	57,865	10,899	18.84	West Virginia	48	(2)	
Mississippi	9,634	323	3.35	Wisconsin	4,068	23	.56
Missouri	42,757	3,858	9.02				
Nebraska	5,232	558	10.66	Total	497,666	53,899	10.77

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.

Sources: Daily CONGRESSIONAL RECORD, Apr. 13, 1961, p. A 2478, "Number of farms reporting harvested acres of specified commodities, by States, 1959." Statistical tables from the office of Hon. LINDLEY BECKWORTH, Member of Congress, Texas.

1959 wheat crop: Number of farms reporting harvested acres, number of price support loans made, and number of loans as a percent of number of farms reporting acreage harvested by States, through Jan. 31, 1961

States	Number of farms reporting acreage harvested				Number of price support loans made [1]	Number of price support loans as a percentage of farms reporting acreage harvested
	Winter wheat	Durum wheat	Spring wheat	Total		
Alabama	2,163			2,163	81	3.74
Arizona	644				9	1.40
Arkansas	5,028			5,028	161	3.20
California	2,883			2,883	343	11.89
Colorado	11,459		1,616	13,075	5,796	44.33
Connecticut	42			42	(2)	
Delaware	1,002			1,002	11	1.09
Florida	258			258	(2)	
Georgia	7,495				434	5.79
Idaho	5,350		15,444	20,796	6,568	31.58
Illinois	63,945				3,668	5.74
Indiana	57,802			57,802	601	1.04
Iowa	7,854			7,854	1,199	15.26
Kansas	83,005			83,005	98,581	118.00
Kentucky	10,185				965	1.04
Louisiana	515				(2)	
Maine	36			36	(2)	
Maryland	7,848				176	2.24
Massachusetts	37			37	(2)	
Michigan	63,543				1,821	2.87
Minnesota	2,875	1,857	[3] 35,454	40,186	1,878	4.67
Mississippi	1,291				27	2.08
Missouri	61,686			61,686	11,732	19.02
Montana	9,177	958	[3] 12,669	22,805	7,255	31.83
Nebraska	46,191			46,191	44,390	96.10
Nevada	105		228	333	(2)	
New Hampshire	2			2	(2)	
New Jersey	2,444			2,444	91	3.72
New Mexico	1,385		311	1,702	536	31.49
New York	16,236			16,236	990	6.10
North Carolina	41,450			41,450	292	.70
North Dakota	252	11,884	[3] 46,120	58,256	13,202	22.66
Ohio	67,453			67,453	2,168	3.21
Oklahoma	35,735				14,263	39.91
Oregon	6,344		3,765	10,105	3,457	34.21
Pennsylvania	43,827			43,827	758	1.73
Rhode Island	5			5	(2)	
South Carolina	15,516				352	2.26
South Dakota	3,504	1,656	[3] 18,968	24,126	3,829	15.87
Tennessee	13,042			13,042	370	2.84
Texas	25,551				5,532	21.65
Utah	2,353		4,521	6,874	245	3.56
Vermont	54			54	(2)	
Virginia	24,366			24,366	1,004	4.12
Washington	7,596		4,040	11,636	9,324	80.13
West Virginia	2,994			2,994	3	.10
Wisconsin	3,383		3,312	6,695	20	.29
Wyoming	1,484		1,001	2,485	451	13.14
Total	767,393	16,355	147,449	930,193	242,583	26.08

[1] It should be noted that the number of loans granted on a commodity does not necessarily indicate the number of farms on which loans were made because of the fact that more than 1 loan may be granted on a commodity on 1 farm.
[2] Not reported.
[3] Spring wheat other than Durum.

Partnership in Atomic Power

EXTENSION OF REMARKS
OF
HON. CHARLES S. GUBSER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 10, 1961

Mr. GUBSER. Mr. Speaker, a historic milestone in atomic progress was passed recently with the announcement by the Pacific Gas & Electric Co., of their plan to build one of the largest nuclear powerplants in the world. This plant to be called Bodega Bay Atomic Park will be located on the Sonoma County coast, 50 miles north of San Francisco. The 325,000-kilowatt advanced boiling water reactor plant will be designed and built by the General Electric Co.'s atomic power equipment department, which is located in San Jose, Calif.

The nuclear system for this plant will feature the largest single-cycle, boiling water reactor ever built, and will be simpler, more compact, more economical, and more flexible than earlier reactor designs.

If necessary licenses are obtained on schedule, Pacific Gas & Electric will start work on Bodega Bay in 1962 with full-power operation expected in 1965. When completed, the huge $61 million, privately financed station will have a capacity large enough to serve a city of one-half million population.

Pacific Gas & Electric believes that electricity produced at Bodega Bay with nuclear fuel will be economically competitive with electricity that could be generated by a conventional steamplant at that location.

In announcing the plant, Mr. Norman R. Sutherland, president of Pacific Gas & Electric, stated:

> Pacific Gas & Electric's atomic development program, begun in 1951, always has had large, economic plants as its prime objective. The atom will achieve its important role in energy production when it produces electricity to serve a large and diversified power market as economically and as reliably as available conventional fuels.
>
> We are convinced that atomic energy can do this at Bodega Bay.

P.G. & E. has committed the investment of almost $100 million to atomic power to better serve residents of north-

ern and central California in coming decades. It already has paid handsome dividends in engineering improvements that are hastening economic atomic power everywhere.

Bodega Bay is another example of the progressive leadership provided by one of America's investor-owned utilities to provide abundant, low-cost power to the consumers of northern and central California.

My congratulations to Pacific Gas & Electric Co. on this bold step forward, and my best wishes to their partners at General Electric as they go to work on the nuclear reactor system. May the success of both companies bring the Nation closer to broadly economic, atomic electric power.

Rockets to Nasser

EXTENSION OF REMARKS
OF
HON. SEYMOUR HALPERN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 10, 1961

Mr. HALPERN. Mr. Speaker, I view with dismay the announcement of the Department of State that the United States is providing rockets to the United Arab Republic, a regime that has collaborated closely with the Sino-Soviet bloc and presently has army technicians and instructors from Czechoslovakia and other Communist nations attached to the UAR Army.

Since this is a direct and pressing issue under the concept of the Battle Act, which bars shipment of war materials to the Soviets and their allies, I have today asked Secretary of Commerce Hodges to delay issuance of export licenses pending reconsideration. If rockets are to be shipped to a nation armed and equipped by the Sino-Soviet bloc, how can strategic data pertaining to the rockets be kept out of Communist hands?

The Department of Commerce is charged with responsibility in this area and should act immediately to safeguard the national interest. I previously protested to the State Department on its ill-advised and tragic decision to bolster Nasser's prestige after Israel's successful construction of a meteorological research rocket.

The Nasser regime has facilitated Sino-Soviet penetration of Africa for the last several years and defamed America. Today the State Department is apparently attempting to woo Nasser, the Castro of the Nile, in an attempt to buy his favor as he craftily plays off East against West.

Mr. Speaker, the shipment of rockets to the UAR, leader of the Arab League, that discriminates against American citizens on a basis of religion will indicate American weakness rather than strength.

Millions of Egyptians are suffering from hunger and disease. These people will be treated to a propaganda fireworks display, featuring our rocket, but certainly not mentioning and crediting America properly. The rockets will facilitate Nasser's propaganda and attempts to penetrate neighboring states. We thus would help him play the dangerous game of power politics and increase tensions in the Near East.

Mr. Speaker, I would like to know if we are embarking on a policy that seeks support from irresponsible nations that defy international law and insult our citizens by bribing such nations with rockets that contribute to their potential of eventually creating global carnage. What the UAR really wants is rocketry know-how, and it looks to the day when it can obtain nuclear warheads through manufacture or diplomatic blackmail.

We must promote peaceful development and brotherhood in the Near East, not a rocket race.

Results of Annual Questionnaire

EXTENSION OF REMARKS
OF
HON. JACK WESTLAND
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 10, 1961

Mr. WESTLAND. Mr. Speaker, for several years I have mailed questionnaires to the voters of my district to help determine their views on outstanding issues. This year, as during past years, the answers have indicated an interest among the people of the Second District in national and world affairs.

The response this year disappointed me because only about 10 percent of the 104,500 questionnaires I mailed were returned. This seems to me a small percentage. I had hoped for a larger return than in past years, and unless more interest is indicated I may be forced next year to use other methods of seeking the opinions of those I represent.

The returned questionnaires were grouped into six categories, which are self-explanatory. They included labor, white collar, farmer, business, professional, and miscellaneous. The last category included unsigned questionnaires, housewives, retired persons, students and others who could not be classified in one of the other groups.

Mr. Speaker, it is encouraging to me that those who did answer my questionnaire gave substantial thought to the issues and problems involved. About one in three of those who answered took the time and trouble to comment in detail on these matters, and their comments help me to determine how best to represent my district. I wish time would have permitted a detailed reply to all who answered the questionnaire, for I should like to have done so.

I know the Members of Congress will be interested in the outcome of my questionnaire, so under leave to extend my remarks in the RECORD, I include the detailed results. The figures I use here represent percentages, not the number of persons who answered a particular question:

1. In order of their importance to you, number the six most important issues today.

	Labor	White collar	Farmer	Professional	Business	Miscellaneous	All
National Defense	45	41	33	28	35	33	36
Peace	21	16	8	14	15	14	14
Communism	3	9	15	13	11	5	10
Foreign affairs	5	7	5	12	3	7	8
Budget	6	10	9	4	6	7	7
Inflation	5	7	9	6	11	14	7
Education	3	4	4	14	(1)	2	7
Civil rights	1	1	3	3	4	6	3
Farm program	1	(1)	6	(1)	1	3	2
Social security	3	(1)	3	(1)	4	2	2
Atomic energy	(1)	1	(1)	(1)	1	1	(1)
Disarmament	(1)	(1)	(1)	2	(1)	(1)	(1)
Missile development	(1)	(1)	(1)	1	(1)	1	(1)
Space	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Other	3	2	4	2	6	4	3

[1] Less than 1 percent.

2. President Kennedy says we will have a budget deficit. Should Congress (A) increase our debt, (B) increase taxes, (C) reduce spending?

	A	B	C
Labor	13	20	67
White collar	6	11	83
Farmer	3	6	91
Professional	7	19	74
Business	9	7	84
Miscellaneous	4	7	89
All	6	12	82

3. Should exchanges of students, scientists, and professional persons between Russia and the United States be increased?

	Yes	No
Labor	67	33
White collar	61	39
Farmer	49	51
Professional	73	27
Business	57	43
Miscellaneous	62	38
All	63	37

4. Do you favor continuation by the United States of its mutual security program of economic and military assistance to countries outside the Soviet bloc?

	Yes	No
Labor	74	26
White collar	87	13
Farmer	72	28
Professional	85	15
Business	65	35
Miscellaneous	72	28
All	80	20

5. Do you favor (A) an increase in minimum wages to $1.25 an hour, (B) extension of minimum wages to cover more workers?

	A		B	
	Yes	No	Yes	No
Labor	80	20	86	14
White collar	47	53	62	38
Farmer	47	53	68	32
Professional	52	48	49	51
Business	44	56	62	38
Miscellaneous	45	55	69	31
All	49	51	59	41

6. Do you favor my bill, H.R. 3590, to grant up to $1,000 tax deductions to parents for each dependent attending college?

	Yes	No
Labor	85	15
White collar	82	18
Farmer	81	19
Professional	81	19
Business	83	17
Miscellaneous	77	23
All	82	18

7. Should the Federal Government provide funds for (A) school construction, (B) teachers' salaries, (C) private schools?

	A		B		C	
	Yes	No	Yes	No	Yes	No
Labor	75	25	26	74	16	84
White collar	45	55	16	84	5	95
Farmer	44	56	25	75	11	89
Professional	59	41	36	64	4	96
Business	57	43	14	86	6	94
Miscellaneous	48	52	26	74	8	92
All	49	51	23	77	10	90

8. Do you favor admitting Red China to the United Nations?

	Yes	No
Labor	24	76
White collar	19	81
Farmer	16	84
Professional	38	62
Business	17	83
Miscellaneous	28	72
All	21	79

9. Should Congress authorize a voluntary Youth Peace Corps?

	Yes	No
Labor	82	18
White collar	62	38
Farmer	56	44
Professional	64	36
Business	50	50
Miscellaneous	47	53
All	59	41

10. Do you favor an increase in earning limits of social security recipients?

	Yes	No
Labor	75	25
White collar	80	20
Farmer	69	31
Professional	82	18
Business	84	16
Miscellaneous	77	23
All	79	21

11. Do you approve the Secretary of Interior's plan to make our low-cost Pacific Northwest power available to southern California and other areas?

	Yes	No
Labor	37	63
White collar	32	68
Farmer	30	70
Professional	45	55
Business	30	70
Miscellaneous	31	69
All	37	63

Mr. Speaker, the results show that many people of my district are concerned with national defense. The fact that peace ranked second in importance is an indication many believe that a strong defense is a deterrent against a nuclear or conventional war. Also, they recognize the danger of communism by ranking it the third most important issue.

The fact that the budget and inflation were among the top six issues and that 82 percent believe Congress should reduce spending is a strong indication the people support the principle of responsible Government spending.

Mr. Speaker, I am pleased that substantially the majority in each category expressed the same view toward all major issues. This means the people of my district are solidly tied together when it comes to what is good for our country.

The Administration's Economic Programs

EXTENSION OF REMARKS
OF
HON. VANCE HARTKE
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Monday, July 10, 1961

Mr. HARTKE. Mr. President, recently the president of the Young Democrats of Indiana, Robert Pastrick, telegraphed the Secretary of Labor, asking for comments on the administration's economic programs and an answer to political charges that they are retreads and modifications of old programs. Secretary Goldberg's reply is an excellent outline of the administration's position on this and I ask unanimous consent to have the telegram and Secretary Goldberg's reply printed in the CONGRESSIONAL RECORD.

There being no objection, the telegram and letter were ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, IND.,
June 12, 1961.

Hon. ARTHUR J. GOLDBERG,
Secretary of Labor,
Washington, D.C.:

The Young Democrats who supported President Kennedy in his campaign for a New Frontier are concerned over charges by Republican leaders that the economic programs are only retreads and modifications of old programs. We know this is not true and as a leader in the formation of the President's domestic programs to invigorate the economy will you give young people like ourselves an answer to these charges.

ROBERT PASTRICK,
President, Young Democrats of Indiana.

U.S. DEPARTMENT OF LABOR,
Washington, June 13, 1961.

Mr. ROBERT PASTRICK,
President, Young Democrats of Indiana,
Indianapolis, Ind.

DEAR MR. PASTRICK: I am happy to assure you that the programs and policies of the Kennedy administration are specifically designed to move our economy forward and provide a better life for all Americans. They are not retreads or modifications of old programs, as some have charged. On the contrary, while some of the proposals are directed toward improving existing programs, many others are original in concept and bold in their approach to the problems confronting us.

This administration is spelling out in precise terms the Federal Government's responsibility to provide needed assistance to State and local governments as well as to individuals when they cannot themselves bear the necessary burdens demanded of them in order to preserve and assure our Nation's economic progress.

It is true that many of these responsibilities have been discussed before in theory, but this administration is establishing them in fact. For example:

The President's program for temporary extended unemployment compensation, now law, establishes for the first time the concept of national responsibility for what is a national problem—large-scale exhaustion of benefits under existing unemployment compensation laws. While there was a somewhat similar program in 1958, it failed to pin down Federal responsibility in this vital area, and as a result only 17 of the States participated in it. Today all States have joined in the administration's new approach to temporary extended unemployment compensation.

Under the administration's new minimum wage law we find the first breakthrough in the coverage barrier since the original enactment of law almost 23 years ago. For those who may argue that this is not a new program, I would point out that benefits under our Fair Labor Standards Act are now extended for the first time to workers in the giant retailing and service industries.

In answer to a most pressing need, the administration sponsored the Area Redevelopment Act, now law, in which the Federal Government establishes for the first time its responsibility to contribute to the regeneration of communities laid prostrate by the sickness of unemployment, and unable to properly affect their own cure. By Federal loans and grants to sound local programs, a beginning can be made to help revive these stricken areas and bring them up out of the economic doldrums.

Again, a whole new concept in Federal responsibility is being hammered out under the administration's program for manpower development and training. This proposal provides for the training and retraining of several hundred thousand workers in new skills which will equip them for work in occupations in which their old skills will not suffice. This is a new approach to a new problem—that of hard-core unemployment caused by new industries replacing old and certain natural resources being exhausted and replaced by others—all demanding of the workers new knowledge and new skills in their jobs.

The Youth Employment Opportunities Act of the administration also blazes new pathways in governmental concern by establishing responsibility on the part of the Federal Government to furnish training and jobs for youths between the ages of 16 and 22. This program will play a vital role in determining the future training plus the best utilization of young America's skills.

The administration's proposals in the field of agriculture are certainly an imaginative new approach to the vexing farm problems—that of allowing the farm leaders, themselves, to determine the best programs for their needs and then allowing them to put those programs in effect with the joint approval of themselves and the Congress.

In the vital area of education, the administration has carefully worked out an ingenious program for Federal aid in school construction and teachers' salaries in order that, as the President said, we will have "a new standard of excellence in education—and the availability of such excellence to all who are willing and able to pursue it." Once again, the administration is establishing for the first time the Federal Government's responsibility in this tremendously important field.

Likewise, in the matter of housing, the administration's program is directed toward the renewal of our cities and the assurance of sound metropolitan growth in addition to decent housing, within the reach of all. No retread this, but the first really effective housing bill in our Nation's history to benefit the people who really need it.

And in the area of medical care for our elderly citizens, the administration proposal calls for building on the present social security program to establish, for the very first time, our Government's responsibility in the matter of health care for the aged.

The administration has given bold new leadership in many other areas vital to the economic and social well-being of our land, notable among which are:

The President's Advisory Committee on Labor-Management Policy, which is staffed by the Nation's leaders in both fields. This Committee has been formed by the President to help our free institutions work more effectively together and to encourage sound economic growth and healthy industrial relations. Heretofore committees such as this have been named in a crisis atmosphere in a sudden attempt to settle industrial disputes threatening to the Nation's security. The President's Committee, a continuing body, has the responsibility of formulating policies and adjudicating industrial disputes before they reach the crisis state.

President Kennedy has stated that "we fully intend to prove that we are masters of our own economic destiny." The administration's programs and proposals, some of which I have tried to outline for you, are not retreads or modifications of old programs, but rather bold, confident, and carefully planned steps to allow our great people and our economy to achieve the tremendous potential which is theirs.

We count on those such as yourself to assist us in putting into effect this administration's program to the end that we may all realize the great promise of our American heritage of freedom and plenty for all.

Yours sincerely,

ARTHUR J. GOLDBERG,
Secretary of Labor.

Address by the Honorable Douglas Dillon, Secretary of the Treasury

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 1961

Mr. MULTER. Mr. Speaker, the Honorable Douglas Dillon, Secretary of the Treasury, addressed the National Press Club on June 20.

In that address he set forth frankly and with candor the hopes and plans of the new administration in the financial field and, indeed, the whole economic picture. It is with pleasure that I commend to the attention of our colleagues the Secretary's remarks upon that occasion:

ADDRESS BY THE HONORABLE DOUGLAS DILLON, SECRETARY OF THE TREASURY, BEFORE THE NATIONAL PRESS CLUB, WASHINGTON, D.C., JUNE 20, 1961

The state of our Nation's finances is currently the subject of considerable public debate. So is the fiscal outlook for the future. Perhaps I can make a useful contribution to this discussion by setting forth the Treasury's views on these and related matters.

At the outset, let me say that I believe we have four basic national economic goals. I further believe that they must all be pursued simultaneously.

First, we seek an economy that grows steadily and rapidly.

The attainment of this first and most important goal is essential to the realization of our second objective, which is full employment for our steadily expanding labor force. We cannot tolerate the levels of unemployment that have characterized the past few years.

Our third goal is reasonable price stability. This has always been important in protecting pensioners and others on fixed incomes. It is doubly important today. For we cannot keep our international payments in balance unless we are competitive in foreign markets. At the very least, this calls for price stability and the reflection in price cuts of some portion of our annual increases in productivity.

Our fourth goal is a tax system which assesses the tax burden fairly and reasonably in accordance with ability to pay.

The achievement of these goals should, in turn, produce a budget surplus that would both permit us to reduce our national debt and to provide funds for the expansion of private business and industry. For when the economy is growing steadily and rapidly, with unemployment reduced to acceptable levels, the retirement of our national debt places tax money in the hands of investors—money which they can and will use for further investment in the private sector.

Unfortunately, as I have said on an earlier occasion, we have not yet mastered the art of maintaining steady growth at full capacity. Our economy is still plagued by ups and downs. Although we have made substantial progress in terms of preventing major depressions, we still suffer periodically from periods of recession when growth slows to a halt and unemployment mounts rapidly. However, although we still have a great deal to learn on the preventive side, we have learned how to slow a decline and how to initiate recovery by using the automatic stabilizers we have built into our economy. It is largely thanks to these stabilizers that our recessions of the past decade have been so much more moderate than the wrenching depressions of pre-World War II days.

These automatic stabilizers so generally credited with softening our recent economic declines, are:

First, an automatic and rapid decrease in tax yields, as corporate profits and employment decline.

Second, a prompt buildup of unemployment compensation and retirement payments as jobs grow harder to find and to hold.

Their effect is automatically to increase Government outpayments and decrease Government receipts. The result is a deficit which helps to arrest the economic decline.

The automatic stabilizers have been operating since last fall. We can largely thank the stimulating effects of their action for the mildness of the recession. It is also due to their action that we are facing a substantial budgetary deficit this fiscal year.

Now, let us look for a moment at tax receipts:

When the budget for fiscal year 1961 was first submitted, Federal revenues were estimated at $84 billion. This included certain intergovernmental transactions and receipts from the unemployment tax, which, because of a change in Government bookkeeping procedures last December, are no longer carried on the receipt side of the ledger. Therefore, in order to make the original estimate comparable with current estimates, we should adjust the earlier revenue figure of $84 billion down to $82.9 billion.

The recession which no one in or out of Government foresaw at the end of 1959 has now reduced revenues to a point well short of this adjusted estimate. If we eliminate the windfall receipt of the $500 million advance repayment of the German postwar debt, fiscal year 1961 revenues will be about $77.7 billion, a drop of $5.2 billion.

Our obligation to help ease the effects of the recession upon our less-fortunate citizens will also add to this year's deficit. The bulk of unemployment compensation is financed from trust funds and is, therefore, not reflected in the budget. However, the provisions in our permanent legislation for those out of work 6 months or longer are clearly inadequate. This spring, just as in 1958, we had to enact temporary legislation to care for their urgent needs. The budget expenditures called for by this temporary legislation will add approximately a half-billion dollars to the deficit this fiscal year.

So you can see that our two "automatic stabilizers," while helping to halt the recession, were also responsible for a swing of $5.7 billion toward a budgetary deficit.

This swing, coupled with substantial increases in the rate of defense expenditures, minor increases in other expenditures, plus congressional failure to increase postal rates, has led us to a deficit for this fiscal year that will approach $3 billion. Since this deficit contributed substantially to halting the recession, it was entirely appropriate in the circumstances.

The alternative—of reducing Government expenditures to match reduced revenues—would not only have meant no temporary unemployment compensation, but also a substantial addition to the unemployment rolls as Government programs were curtailed—to say nothing of the damage to our national security caused by the defense cutbacks that would have been required.

Let me underscore this point: reductions in expenditures to match reduced revenues would have increased the severity of the recession, enlarged unemployment, and thereby further reduced our revenues. We would have found ourselves in a deflationary spiral that could easily have led to a severe and prolonged economic depression.

In actual fact, this alternative was so clearly unacceptable that there has been little responsible complaint about the deficit for the current fiscal year. There has, however, been considerable concern about the deficit of some $3.7 billion which we face in the coming fiscal year. This reaction is perfectly understandable. For recovery is well underway. It is probable that by this time next year our economy will be rolling in high gear. We may well be in the midst of an economic boom.

Why, then, another deficit?

The reason is simple: The corporate taxes we will collect in the coming fiscal year will be based on calendar year 1961 profits. Personal income collections above the withholding rate will also be largely based on 1961 results.

The first quarter of 1961 marked the very bottom of the recession. Corporate profits ran a full 20 percent behind the previous year's rate. While it is true that business is showing signs of a strong recovery, corporate profits in the current quarter will probably not exceed those of the comparable period last year. So, even with a substantial upturn in the second half of the year, we shall be doing well if corporate profits equal their 1960 rate. Consequently, the revenues the Government can count on for fiscal year 1962 will still be at recession levels. In fact, they will be considerably less than the revenues originally forecast for the current fiscal year. Meanwhile, expenditures must keep pace with our ever growing population and our mounting national needs. This makes a deficit inevitable if we are to meet our urgent requirements in defense, in space, in education, in housing, in transportation, and in the international field.

With recovery on the march, however, we plan to incur only those expenditures that are essential to our long-range national security and to the well-being of our people. There is no need for emergency programs to stimulate the economy. None has been

proposed. On the contrary, the President has urged the Congress not to add to his legislative proposals. He has also urged the enactment of badly needed revenue-raising programs, particularly in the postal field. The enactment of a fair and long needed increase in postal rates is essential if we are to hold the deficit to the reasonable figure we have foreseen. Those who fear for the fiscal soundness of our Government would do well to direct their energies to bringing about an upward adjustment in postal rates.

I recognize the concern of those who fear that a budget deficit next year may be inflationary. The great majority of those who express this concern acknowledge that a reasonable budget deficit in time of recession can help to halt the downturn—as has been the case this year. So it is not the budget deficit per se that worries them. It is, rather, a deficit incurred during a period of economic expansion such as we now anticipate. They fear that any deficit during a period of growth may set in motion the forces of inflation. However, in the light of current economic prospects, such fears are not justified.

Inflation falls roughly into two categories:

The first is the type we have lived with over the past decade, known as cost-push, or wage-price inflation. It is a gradual process that comes about whenever prices and wages are increased more rapidly than is warranted by growth in productivity. The threat of this type of inflation is always with us. It is greater in good times than in bad, because in good times both management and labor are tempted to increase prices and wages at the expense of consumers whose resistance has been lessened by prosperity.

This type of inflation is particularly dangerous today in the light of our balance-of-payments problem and the imperative need to keep our products competitive with foreign products, at home and abroad. The President has repeatedly appealed to both labor and management to exercise restraint in their wage-price actions and to keep in mind at all times the overall national interest. It was to help in this effort that he created the President's Labor-Management Advisory Committee. While the danger of this type of inflation is real and ever-present, it operates outside of budgetary influences.

The second and classical type of inflation is "supply-demand" inflation. This occurs whenever demand outruns supply. If more money becomes available to buy the same volume of goods, prices simply rise. This is inflation of the type which twice in this century totally destroyed the value of the German mark. This is the type of inflation which is influenced by budgetary action.

We need have no fear that a budget deficit such as we envision for next year will bring with it the threat of this classic kind of inflation. For we are no longer in a time of shortages. There is unusual and underutilized capacity everywhere in our land today: in steel, in autos, in housing, in textiles, in chemicals—indeed, everywhere we look. We also, and unfortunately, are underutilizing our labor force, which stands ready and willing to operate the unused capacity of our industrial plant. Next year's budgetary deficit will of course stimulate demand. But it will be a demand that can and will be met by the use of presently unemployed labor and plant. Rather, therefore, than creating inflationary pressures, the $3.7 billion deficit we anticipate in fiscal year 1962 will be helpful in putting our unused plant capacity and labor force to work.

When we evaluate the coming deficit for fiscal 1962, we should look back to fiscal 1959, when the country faced an identical economic situation. The upturn from an earlier low started in the spring of 1958. The entire fiscal year 1959 was one of substantial recovery. Yet the deficit reached the staggering figure of over $12 billion—more than three times the deficit presently in sight for next year. It is clear that there is nothing unusual about a deficit in the year immediately following a period of recesssion.

It is with all this in mind—reduced recession revenues, growing national needs, unused plant capacity, excessive unemployment, and absence of inflationary pressures—that I reiterate my earlier statement that a deficit of the size which we envisage for fiscal year 1962—a deficit one-third the size of the 1959 deficit—is both inevitable and appropriate.

The alternative to reduce expenditures to match recession revenues, with resulting dangers to our national security, neglect of our national needs, slowing of our progress toward full employment and toward full utilization of our plant capacity is totally unacceptable.

This alternative course is equally unpalatable if we look ahead to the revenue prospects for fiscal year 1963. By then, revenues should be flowing from a prospering economy. They could well jump as much as 10 percent over what we can expect for fiscal 1962. With reasonable prosperity during 1962, our fiscal 1963 revenues should approximate $90 billion, compared to the $81.4 billion that we now foresee for the coming fiscal year.

Once again this would parallel past experience. For in fiscal 1960, our revenues jumped a full $9.8 billion over the recession revenues of 1959.

The reasons underlying this prospect are best understood if we examine our economy in terms of our gross national product. Our GNP for 1960 was about $503 billion. But this year during the first quarterly GNP dropped below $500 billion. Even with the presently forecast total of around $530 billion in the fourth quarter, the average for 1961 will not quite reach $515 billion—or an increase of only about 2¼ percent over 1960.

But 1962 gives promise of being a year of accelerating growth. From something like $540 billion in the first quarter, we can reasonably hope for an increase to about $570 billion by year end. This would give 1962 an annual level of some $555 billion, an increase of nearly 8 percent over 1961.

If this pattern should develop next year, and the chances are good, our revenues for fiscal 1963 would be adequate to meet all of our national needs, with something left over. We should keep this longer-range prospect of prosperity clearly in mind whenever we can consider next year's budgetary outlook.

Now what can we do during the coming year to facilitate the achievement of our basic economic goals as our economy recovers and our output increase?

First, we must avoid price increases so that those who live on fixed incomes will not be penalized. This will require a high order of self-restraint on the part of both labor and management with wage increases geared to increases in productivity.

Second, we must make a great and continuing effort to reduce unemployment to a tolerable figure—4 percent is the current goal. A modest and noninflationary deficit such as we foresee for next year will contribute to this end. In addition we should mount a coordinated attack on structural unemployment by enacting the President's proposals, including an expanded training program.

Finally, we should use the respite given us by the present recovery to overhaul and strengthen the mechanism of our "automatic stabilizers" so that future recessions may be milder and shorter than any we have so far experienced. The fact that we have twice had to enact temporary unemployment compensation measures clearly indicates that our permanent legislation to help the jobless should be overhauled and strengthened. This should be done not only for the benefit of future unemployed, but in the interest of overall economic stability.

If we do these things we can look forward to a period of unmatched prosperity—prosperity that will give us the strength we shall need to face the worldwide challenges of the sixties.

Washington Report

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 1961

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of July 8, 1961:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas, July 8, 1961)

Washington joined the rest of the Nation this week in observance of the 185th anniversary of the signing of the Declaration of Independence. The Nation's birthday was fittingly observed in ceremonies throughout the city with more than 170,000 people gathering at the foot of the Washington Monument to listen to patriotic speeches and watch the fireworks display. It seems to me this is a good time for all of us to rededicate ourselves to those principles upon which our country was founded and which too many seem to have forgotten. We need a resurgence of oldfashioned, unashamed patriotism, the kind which gives one a thrill when the Flag goes by, the lump-in-the-throat pride with which we view a parade of our military forces, the heart-bursting enthusiasm in singing our national anthem. We have had too much of the apologists for our way of life, too many who are willing to desert the tried and true principles of freedom for experiments in social planning and welfare states. Unless we are willing to rededicate ourselves to the preservation of our free system of individual initiative, this 185th anniversary of the founding of the greatest ideal of government ever conceived by man may well be the last, for, if we fail to establish a national goal and a blueprint for victory in the all-out war in which we are now engaged with the Communists, Khrushchev could make good on his boast to "bury" us. To reawaken our national conscience is one of the principal tasks I am devoting myself to in the Congress of the United States and to this end I have been calling attention to Members of Congress on various issues which seem to me to be the most pertinent in this period in our history.

Our first concern should be to protect the soundness of our currency. In our eagerness to bolster the economies of every other country in the world we continue to increase our foreign aid demands whatever it may cost the taxpayers of this Nation. I maintain that this kind of action is wrong. We should first protect, without apology, the soundness of our own currency by practicing fiscal responsibility and that means by cutting expenses wherever necessary whether it be for foreign aid or extensive welfare programs.

The Teamsters Union, meeting in Miami and giving new and dangerous power to Hoffa, reemphasizes the need for enactment of the bill I introduced to bring big labor unions under antitrust law. My bill, H.R. 4573, would make labor unions subject to

the same rules of the economic games under which all the rest of us must play. This legislation would protect the individual worker from abuses by unethical labor bosses and racketeers, hiding behind an immunity shared by no other group in our society. An aroused public opinion across the Nation is necessary to force Congress to enact such needed labor reform.

A realistic policy is needed to halt the spread of communism in the Western Hemisphere. The Reds are out to win all of Latin America, using Castro's Red Cuba as a base of operations. There are those in this country who insist that the only solution is to pour more American money into South American countries to bring about social reforms. We seem to be determined to give away the money of American taxpayers whether or not the recipients have any will to resist communism. A more realistic approach is to determine which countries are willing to fight to preserve their freedom against a Communist takeover and then provide those people with the arms necessary to victory.

Tough, realistic, and consistent policy is needed on Berlin to prevent a hot war. Whatever the President said to Khrushchev in Vienna, it evidently had little effect upon the Communist boss. Since that meeting he has stepped up his threats to chase us out of West Berlin and, so far, we have failed to meet the challenge. There can be no equivocation in our position regarding the defense of Berlin. We must prove to Khrushchev that we are not bluffing, that we are prepared to fight, if necessary, to protect the integrity of a free people to which we are committed. If we lose Berlin, as we have lost Laos and Cuba and other parts of the world because of failure to back up our words with deeds, we will lose the world and with it our freedom.

It's time to call the State Department to account. Much of our bungling in international affairs may be because we are slowly becoming the victims of a supergovernment known as the State Department. Many of our mistakes in foreign policy in recent years may be traced directly to decisions of the State Department, often made in defiance of known facts or in opposition to the administration in power. It is imperative that we find out now who is running the State Department and who is responsible for its policies. Only a brief recitation of the failures of the State Department shows they resulted in the loss of China to the Reds, the slow, steady march of communism through Asia, the loss of Laos, and the loss of Cuba right on our doorstep. It is time we call a halt to bungling with a thorough investigation of the State Department and its personnel.

Needed: Alert Confidence in Battling Communism

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, July 10, 1961

Mr. WILEY. Mr. President, the Communists, by aggressive acts and war threats, keep the world in high tension with the dark overhanging prospect of war.

Reportedly, Mr. Khrushchev is beefing up the armed forces. The show of Red air power yesterday in Moscow also demonstrates that the end is not yet. Rather we can expect Mr. Khrushchev's blustering and blowing to possibly expand and that indeed new military action, though perhaps not a global nuclear-type war, may be sparked here and there in the world.

This is a serious situation. Despite the gravity of the situation, however, we must keep our heads. The challenge is simply this: To accurately appraise the threat menacing us; and, then, to take the necessary steps to cope, as well as we can within our human power, with this threat to our survival.

Recently, I was privileged to comment on the need for an alert, realistic approach to the Red threat in a broadcast over Wisconsin radio stations. I ask unanimous consent to have excerpts printed in the CONGRESSIONAL RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

In a complex age, we face a great challenge: That of obtaining, and maintaining, a perspective of the great conflicting forces affecting our progress and security.

For 1961, we live in a dangerous—yes, divided—world. The Western and non-Communist nations are striving to create peace. By contrast, the Reds are shooting for world conquest.

By talking, and corresponding, with folks around the country, I find a wide range of reaction to the Communist threat and its dangers for us. The span stretches all the way from almost hysterical fear to "feet-in-the-mud" complacency.

Now, what is the answer? Just this: Somehow, we must find solid "middle ground" which: (a) recognizes the danger; but (b) encourages confidence, not hysteria. The job is to keep our heads.

Is there justification for such confidence? In my judgment, yes. Why? Let's look at the real facts of life:

Today the United States is the greatest, most powerful country in the world;

Our agriculture-industrial output far exceeds that of the Communist bloc;

Our military forces, combined with those of our allies, are considered by military experts to be the strongest in the world;

Our standards of living are the highest in history (with a gross national product estimated to be $510 to $520 billion in 1961);

The vast majority of the people of the world, in my judgment, aspire toward the ideas and ideals of freedom as their goal.

This, in my judgment, should dispel fear, should give us confidence. Realistically, however, we must also recognize that:

The Reds, too, possess a powerful military machine;

They spew propaganda with unbelievable success;

The multipronged expansion program covers not only military but economic, social, cultural and ideological fronts;

The Communist leaders, and the hard core of party workers, are stanch, almost fanatical, adherents to this atheistic political, economic philosophy, attempting and unrelenting in efforts to conquer the world.

Consequently, we face a grave—though not insurmountable—challenge.

Can we meet it successfully? Yes, but only by—

1. Recognizing the scope of the threat to our security;

2. Dedicating the necessary manpower and resources to winning the battle; and

3. Encourage an alert faith in our cause, confident that right, supported by the will of free people, shall, if a world-destroying war can be avoided, ultimately triumph.

THE LEGISLATIVE WORKLOAD IN CONGRESS

This, then, is a brief look at the major challenges to our security and the threat to peace.

Confident in our ability to deal with this global challenge, we must also dedicate proportionate efforts to resolve problems on the homefront.

Congress is now in the homestretch. The legislative calendar, however, is still loaded with critical issues.

Among the major controversial ones that remain to be considered and acted upon are as follows:

Farm legislation for (a) resolving the production-consumption imbalance; and (b) improving the economic outlook for the American farmer;

Mutual security for strengthening the alliance of free nations battling Communist aggression;

Health aids for the elderly;

Improvement and expansion of our educational system to meet the ever-increasing school enrollments;

Revision, as possible, of the tax system.

These are some of the major challenges to be considered prior to adjournment.

DROUGHT-STRICKEN AREAS IN WISCONSIN

In addition to these international and national problems, we are also facing serious problems right here in Wisconsin.

Across the State, particularly in the north, our farmers are being hit by the drought.

As a result, hay crops have been killed off, grazing land exhausted, and grain crops badly damaged.

The farmers of the area are requesting three forms of aid:

1. Permission to attain pastures or harvest hay on acreage under feed grain and conservation reserve program;

2. Extension of the emergency livestock feed grain program for purchase of surplus grains held by the Commodity Credit Corporation; and

3. Minimum cost on transportation of hay to be imported into the hard-hit area.

I have urged the U.S. Department of Agriculture to give early and effective help for our Wisconsin farmers. In addition, I have cosponsored legislation to permit grazing or removal of hay from conservation reserve land adjacent to the stricken area.

Unless aid is given immediately, milk production will be further curtailed. Farmers, too, may be forced to sell all or part of their milking herds.

If the drought prevails, our farmers may also be in need of low-interest emergency loans to purchase hay and grain for livestock.

I am now exploring the matter with the appropriate agency here in Washington to see what can be done to obtain such loans.

As all of us recognize, not only the farmer but the whole community is dependent upon farm buying power, which can be adversely affected by the drought.

CONCLUSION

These, then, are some of the major problems confronting us.

In the face of such real challenges, how can we more effectively design and adopt the kind of policies and programs to cope with them?

In my judgment, I believe we can successfully accomplish this by further tapping one of our greatest resources, the reservoir of ideas inherent, but too often dormant, in the American people.

Recently, I recommended a special Fourth of July "brainstorming" program which would include encouragement of greater efforts by Mr. and Mrs. Citizen and family to—

Devote more time to evaluating the challenges confronting the Nation, and

Create, if we can, new ideas on how to better combat the threat to our security and improve our way of life.

If in your judgment these would serve the national interest, then forward them to the President, or to myself, or to other Senators or Congressmen.

This is the time for action. Let's demonstrate to the world—

That as a free people we are not fat and lazy and so swimming in self-indulgence that we cannot compete with or defend our system against communism;

That freedom is not, as Khrushchev says, an outmoded concept that is literally dying on the political vine of history; and

That freedom, not totalitarian communism, is the dynamic revolution of the times that can best serve the people of the world now and in the future.

In this battle we need you, and you, and you. Only by so mobilizing every American can we hope to insure the triumph of freedom.

We recognize, however, that such endeavors cannot be limited to a specific day. Rather, this is a year-round challenge.

So, friends: Let's hear from you.

Resumption of Nuclear Tests

EXTENSION OF REMARKS
OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 1961

Mr. PRICE. Mr. Speaker, one of the most important problems facing the United States is whether we should resume atomic-hydrogen weapon testing. Answers to the most important arguments against resumption of tests appears in a featured article in the July 17 issue of U.S. News & World Report. These answers were prepared by my colleague the Honorable CHET HOLIFIELD, chairman of the Joint Committee on Atomic Energy.

Under unanimous consent I include this article in the RECORD.

THE CASE FOR ATOMIC TESTING BY UNITED STATES

(To test new weapons again—or not to test—is moving to top position among decisions pressing in on President Kennedy.

(Representative CHET HOLIFIELD, Democrat, of California, in a key position as chairman of the Joint Committee on Atomic Energy, and as a friend of Kennedy, is among those pressing for a decision to resume testing. His views, based on years of dealing with matters of national security, are shared by many top military men and members of the Atomic Energy Commission.

(In what follows, arguments that are advanced against weapons testing are stated and answered by Chairman HOLIFIELD.)

Argument: We should not resume testing nuclear weapons because Russia and the United States have enough to destroy each other right now.

Answer: This argument could be true in terms of numbers of weapons and total explosive power, and still be fallacious.

Reason? It ignores the problem of delivery of such weapons. Quantities of nuclear weapons in hands of either United States or Russia could be meaningless unless they are related directly to modern, sophisticated delivery systems.

As an example, delivery of a 10-megaton bomb by a manned bomber plane might become impossible in the near future. In fact, this will be the case very soon as a result of antiaircraft missiles—or Sidewinder rockets from supersonic interceptor planes. Missiles launched from planes, and armed with relatively small nuclear warheads and electronic guidance systems which seek their target, could seal the doom of our SAC (Strategic Air Command) bomber planes.

Intermediate and long-range missiles are becoming a reality. Ways of delivering missile warheads are improving at a fantastic rate. Note the rate of improvement in solid-fuel missiles such as the Polaris and Minuteman in the past 18 months.

Argument: But atomic warheads for these missiles have already been developed. Any further improvements are bound to be marginal.

Answer: Further improvements could be tremendous—not marginal. Further testing of warheads is imperative.

Let me give an example, using theoretical warhead weights:

A warhead weighing 500 pounds has a present range of 1,200 miles. If the weight of the warhead were reduced from 500 to 250 pounds, the range could be increased to 1,700 miles with the same amount of missile fuel. Reduction in weight, size, and configuration of warheads requires testing, except in minor instances.

The real problem which faces us—and which depends on testing—is not to create larger yield weapons with more megatons, but to create lighter and smaller missile warheads which are practically invulnerable to interception.

Our national security may rest on this point. We cannot gamble with weapon systems which are rapidly becoming obsolescent. If we believe that an equal or slightly superior weapon capability in our hands is, or has been, a primary factor of deterrence, than we cannot afford to lose that deterrence by depending on obsolescent weapons or methods of delivery.

Argument: It isn't actually necessary to test—and explode—atomic devices, because improvements in weapons can be made in laboratories.

Answer: This argument is dangerous and is refuted by every important event in the history of research and development. Only minor improvements of existing devices can be made without testing. Any major improvement must be proved be testing.

There are new and revolutionary concepts of delivery systems and warheads in today's rapidly moving technology. These concepts must be tested step by step from theory to accomplishment. Continuous testing of missile propulsion and guidance at Cape Canaveral and Vandenberg missile facilities are conclusive as to the need of testing of warheads as well.

The continuous testing of nuclear submarines is another example. Such revolutionary concepts of warhead delivery are being proved in test after test. How naive and impractical and inconsistent are those who are satisfied with the existing state of nuclear warheads while they fail to protest, at all, testing of the basic delivery systems.

Protests against testing of warheads become emotional rather than logical. Denial of testing in one phase of our weapon research and development, while continuing testing in all other phases, can only be crippling in nature. It cannot remove the danger of war; it can only increase the danger of defeat by a determined and ruthless opponent.

Argument: We should be patient. We should continue negotiating with the Soviets in the hope that an agreement on a test ban can be reached.

Answer: We have been patient. We have negotiated for 33 months. During this period only minor concessions have been made by the Soviets to our request for an adequate inspection and detection system, to prevent possible cheating.

On the first meeting in March of this year, the Soviets nullified all previous concessions by advancing a demand for the troika principle of administering the agreement.

The Soviets reneged on a previous agreement for a one-man neutral administrator and demanded a three-man administration, each to have the right to veto any action of the international inspection team. Since one of the three would be a Soviet representative, this of course made a mockery of any previous agreement. Future chances of an equitable administration of any provision of a treaty agreement were destroyed by the Soviets.

Argument: The only alternative is to walk out—and that would give Russia a propaganda victory.

Answer: Breaking off the talks in Geneva is not the only choice. Notwithstanding the futility of our negotiations, I agree that we should continue to negotiate or be willing to negotiate.

However, we should no longer be bound by our voluntary moratorium during the time of future negotiations.

We should not walk out on the negotiations, neither should we tie our hands on nuclear weapons testing for strength and security.

Argument: (a) The Soviets are not testing secretly; (b) the Soviets are testing secretly.

Answer: Neither of these statements can be proved by the United States. It is precisely because we do not know the answers, and because the Soviets will not agree to an adequate system of detection which would give us firm answers, that we face the grave decision.

Argument: If the United States and Britain resume testing, then the Soviets will resume testing.

Answer: This argument assumes that the Soviets have not been secretly testing. If the assumption is not true, then they would not resume, they would continue.

On the other hand, if they have honored the moratorium and have not been secretly testing, we will start out at the same relative position we were in 33 months ago. Our course of action will not be based on ignorance of our opponent's actions, but on proven procedures for improving our capability to deter war.

Argument: The Soviets have more to gain by resuming nuclear tests than the United States and Britain.

Answer: This argument is based on the assumption that the Soviets have not been secretly testing during the 33-month moratorium. The assumption therefore must be evaluated. It can neither be proved nor disproved, because we lack dependable information.

If the Soviets have been secretly testing, they may have closed any gap in their technology which may have existed at the beginning of the moratorium.

If they have not been secretly testing, then it is reasonable to assume that the same gap exists today as we believe existed at the beginning of the moratorium. Assuming this latter situation, we then must evaluate our respective technological capabilities. On this point, I see no reason for doubting our own capability. The record of the past proves that we have had a superior capability in both quality and diverse types of nuclear weapons.

Undoubtedly the Soviets will improve their weapons technology whether their testing is secret or open. Because we lack information as to the present status of their nuclear-weapon technology, we can only speculate as to the relative gain in the future between the Soviets and ourselves.

In a contest of this type, I have confidence in the ability of the United States and Britain to maintain any lead in weaponry that we may now have.

Argument: If tests are resumed, people all over the world will be alarmed and blame the United States.

Answer: There will undoubtedly be some adverse public opinion toward any nation that resumes testing of nuclear weapons. The degree of blame directed against the United States will depend on several factors, some of which can be modified by the skill we exercise in presenting our case to world opinion. Some factors are beyond our control.

The President should, in my opinion, devote a major television speech to this presentation. He should give a brief résumé of our patient negotiations over the 33-month time period. He should then explain the continuous refusal of the Soviets to accept any basic agreement which would give us assurance against secret violation.

The people should be given the facts regarding the need for improvement of existing weapons and the probability of revolutionary weapons development. The basic factor for resumption, of course, would be the maintenance of our position of military strength in the interest of deterrence and the preservation of peace.

We now have a considerable cushion of good will and confidence on the part of our allies and most of the neutral nations. That good will and confidence is based on the belief that we have negotiated sincerely during the recent months.

There is a corresponding decrease in respect for the Soviets. Their failure to advance constructive proposals and their rejection of United States and British concessions have caused growing doubt as to their sincerity. The recent troika proposal in the United Nations and the Geneva Conferences has worked to their disadvantage before the bar of world opinion.

In making the decision to resume testing because we believe it necessary for the preservation of our national security, we must be willing to accept criticism from those who are not responsible for our national safety and who, in most instances, are misinformed or uninformed on the reasons for making the decision.

Argument: Fallout from nuclear-weapons testing by the United States, the Soviets, and possibly other nations, will contaminate the atmosphere and be harmful to people.

Answer: The United States and Britain would not conduct tests which would involve contamination of the world's atmosphere.

Tests which are necessary to improve existing weapons, or prove the principle of new and possibly revolutionary weapons, can be conducted in underground cavities, thereby solving the problem of atmospheric contamination.

Each sovereign nation determines its own course in nuclear-weapon testing. The present test-ban negotiations affect only the United States, Britain, and the U.S.S.R. The fact that the negotiations were being held did not prevent France from conducting atomic-weapon tests in the Sahara Desert.

It would indeed be naive to believe that Communist China would refrain from testing atomic weapons, if such tests were within her capability or to her advantage.

Utilization of Waste Steam From the Hanford Plutonium Reactor

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 1961

Mr. HOLIFIELD. Mr. Speaker, this week the House will consider the AEC authorization bill for fiscal year 1962, H.R. 7576. This is a good bill and has received the utmost in careful consideration from the Joint Committee on Atomic Energy. The members of the committee unanimously reported each provision of the bill favorably, although on one project, 5 of the 18 members of the committee have dissented and submitted separate views. The disputed project provides for the addition of electric generating facilities to the new production reactor at Hanford, Wash.

In order to assist the Members in their consideration of H.R. 7576, and particularly the Hanford project, I would like to submit the following brief explanation of the principal reasons for the Joint Committee's support of this project and an analysis of the minority objections.

ANALYSIS OF MINORITY OBJECTIONS TO PROJECT FOR INSTALLING ELECTRIC GENERATING FACILITIES FOR THE HANFORD, WASH., NEW PRODUCTION REACTOR IN AEC AUTHORIZATION BILL FOR FISCAL YEAR 1962

Section 101 of the AEC authorization bill for fiscal year 1962 (S. 2043 and H.R. 7576) contains a $95 million item to provide electric generating facilities for the Hanford new production reactor. The background and justification for this project are set forth at pages 6–11 of the Joint Committee report (S. Rept. 441; H. Rept. 562).

As noted in the report—

The Joint Committee, in recommending this project, does so on the basis of its economic advantages, its assistance to the national defense, its value to the national prestige, its contribution to nuclear power technology, and its benefits to both private and public enterprise.

These reasons may be summarized as follows:

1. Economic advantages: Various authoritative studies, the latest by the Federal Power Commission, show that the project is economically feasible. These estimates show that all capital investment on power facilities, interest, and operating expenses will be paid back, and that net benefits will accrue to the Federal Government.

2. National defense: A dual purpose reactor provides the United States with great flexibility in adjusting to future changes in the field of international agreements on nuclear weapons. Thus, if all U.S. plutonium plants were shut down under the terms of a disarmament agreement and the NPR were operated for power only, it would be easy and quick to convert back to the production of weapons plutonium if another nation breached the agreement. It should be noted that the Soviets have, and are building, dual-purpose reactors.

3. National prestige: Another benefit is the international prestige value of this project. The capacity of the plant would far exceed the capacity of any other single reactor plant in the world to generate electrical energy. It would be a striking example of U.S. achievement in the peaceful uses of atomic energy.

4. Contribution to nuclear power technology: There are a wide variety of technological benefits that will be realized from this project. Conversion would provide experience in the manufacture and operation of very large turbines employing low pressure, saturated steam; it would provide experience in operating a large nuclear powerplant in conjunction with a large power system. The facilities will provide training for both public and private utility employees in the operation of a large nuclear powerplant. Finally, the NPR project will assist in the development of metallic fuel elements, an important and somewhat neglected field of nuclear technology.

5. Benefits to private and public enterprise: Private utilities will be the principal beneficiaries of NPR power. The power situation in the Pacific Northwest is such that a block of firm power, equivalent to that received by the Bonneville Power Administration from the NPR, could be sold to nonpreference customers for a 10-year period in lieu of the normal BPA 5-year period. The Pacific Northwest area will also benefit because the addition of NPR power will eliminate an imminent deficit of firm power in the area. The early availability of power from the NPR will also permit the Bonneville Power Administration to market additional power thus increasing its revenues by $7 million annually.

Five members of the committee have objected to the inclusion of this project on the following grounds:

First. It would not advance nuclear power technology.

Second. It would be contrary to the spirit, intent, and specific language of section 44 of the Atomic Energy Act of 1954.

Third. It would violate assurances given to Congress in 1958 when the new production reactor was authorized.

Fourth. It would not, as is alleged, aid national defense.

Fifth. It is not needed to meet the power requirements of the Pacific Northwest.

Sixth. It would be used to attract industry from other regions.

Seventh. It would also be used to justify the construction of transmission lines leading to a gigantic Federal electric power grid.

Eighth. It would not produce power economically.

Ninth. It would not enhance international prestige.

Tenth. It would constitute a precedent for the further encroachment of Government in private business.

Each argument must be answered point by point.

ANALYSIS OF SEPARATE VIEWS

1. IT WOULD NOT ADVANCE NUCLEAR POWER TECHNOLOGY

ANALYSIS

The first point of the separate views of certain minority members is that "the project would not advance nuclear power technology." It claims that the $95 million for the plant could be more effective if applied to the development of new techniques and processes, rather than adding 800,000 kilowatts of electric power.

The minority's argument overlooks several important facts:

1. The Hanford electric generating facilities are justified primarily from the economic standpoint of converting otherwise wasted heat from the Hanford plutonium reactor into economic electric power.

2. The $95 million does not come from AEC reactor development funds but is earmarked from AEC production funds, which funds will be repaid in full with interest over the lifetime of the plant.

3. Although the primary justifications of the plant are from an economic and national defense and prestige standpoint, it is incorrect to say there are no benefits in the improvement in nuclear technology.

Those who oppose this project on the grounds that nuclear technology would not be advanced undoubtedly have failed to read the well documented record developed during the course of the Joint Committee's exhaustive hearings on the AEC authorizing legislation for fiscal year 1962. Even the most cursory examination of that record will reveal a truly impressive catalog of potential advances in nuclear powerplant technology as a result of this project. These include the following:

First. Valuable experience would be gained in the manufacture and operation of very large turbines employing low pressure saturated steam.

Second. The project will provide important experience in operating a large nuclear powerplant in conjunction with an existing large power system.

Third. The generation of over 700,000 kilowatts from a single reactor would provide confidence for the extension of nuclear power technology into larger and more economical reactor types.

Fourth. These facilities will provide training in the operation of a large nuclear power generating plant. The extensive training of both private and public utility company employees will greatly facilitate the future integration of nuclear power into existing utility systems.

Fifth. The project will provide an opportunity to employ metallic fuel elements under powerplant conditions so as to obtain statistically significant data on the performance of these elements. Technological advances in this area have been somewhat neglected and the experience thus obtained will fill a gap which now exists in our reactor development program.

2. IT WOULD BE CONTRARY TO THE SPIRIT, INTENT AND SPECIFIC LANGUAGE OF SECTION 44 OF THE ATOMIC ENERGY ACT OF 1954

ANALYSIS

The minority report states that "the project raises important questions of law and policy as to the proper role of the AEC, which must be resolved by this Congress."

What questions of law or policy is the Congress being asked to resolve?

On the question of law, it should be clear that section 44 of the Atomic Energy Act authorizes the production of electric power as an incident to the use of AEC production facilities.

The committee report on the Atomic Energy Act of 1954 makes clear that if the Congress authorizes the construction of electric generating facilities, the AEC will be able to operate those facilities.

This bill clearly authorizes the construction and operation of the electric generating facilities in question.

The minority itself admits this proposition when it says: "It is not being argued that the generation of such energy would be illegal since this bill is intended to provide adequate authorization." It is therefore amply clear and admitted by the minority that no questions of law are presented by this authorization.

Now turning to the questions of policy the minority contends that the question to be resolved is whether "the AEC is to take its place alongside the Department of the Interior and TVA as a major producer of Government generated electrical power." At the outset, the record should be set clear. This project is not a precedent, it is not a "yardstick" type of program for Government sponsored power production, and it is not a "foot in the door" for Government in private enterprise.

This question was specifically discussed at the hearings on the AEC authorization bill. Congressman HOSMER, on May 18 in the course of the hearings, asked Mr. Luce, the BPA Administrator, whether he regarded this plant as a precedent for other kinds of steamplants in the Bonneville area. Mr. Luce replied: "We do not regard this as a precedent for anything. You have a unique problem here of heat or steam energy that is either going to be wasted or used."

Mr. HOSMER pursued this line of questioning further by asking Mr. Luce the following question: "In other words, this is entirely separate, different, divorced from any other argument we may have over BPA applications to power from steam capacity, is that right?"

Mr. Luce replied: "To my way of thinking, it is. Yes."

It should be kept in mind that the situation with respect to the Hanford plant is unique. It would be wasteful and extravagant, as pointed out by the BPA Administrator, to use the heat from this reactor merely to warm up the Columbia River, when it could be put to use to generate needed electrical energy on an economic basis. It could not be more clear that this authorization is not a precedent for the further development of Government-built steam generating plants.

3. IT WOULD VIOLATE ASSURANCES GIVEN TO CONGRESS IN 1958 WHEN THE NEW PRODUCTION REACTOR WAS AUTHORIZED

ANALYSIS

The minority seeks to attack the authorization first on the ground that section 44 of the Atomic Energy Act legally requires that initial preference for energy shall be given public bodies, and that therefore private utilities have no guarantee of benefit from NPR power.

While it is true that section 44 includes a preference provision for public bodies, it should be kept in mind that a preference provision is operative only when there is a demand for such power from preference customers. That this is not the case in the Pacific Northwest, was made abundantly clear over and over again during the course of the hearings on the AEC authorizing legislation.

The fact of the matter is that the Bonneville Power Administrator has stated unequivocably that the power outlook in the Pacific Northwest, at least for the next 10 years, is such that the needs of all preference customers can be met with presently available energy. Thus the only market for Hanford power are the private utilities and basic industries who are in need of additional power supply.

Turning now to the second point on this argument, the minority report claims that neither section 44 nor the majority report gives any clear instructions as to the requirement for a pullback provision.

Section 110(a) of the bill states that the electric energy will be delivered by the Commission to the Secretary of the Interior, "who shall transmit and dispose of such energy under the terms prescribed by section 44 of the Atomic Energy Act of 1954, as amended." The direction that electric power from the NPR shall be sold under section 44 was made for one important reason: That the BPA Administrator would be able to market the power without the restrictions of the 5-year pullback provision which is required by the terms of the Bonneville Act.

The BPA Administrator himself has stated that he would market NPR power in accordance with the intent of the Congress and that intent is abundantly clear in the majority report which states that it is "the committee's understanding and expectation that so long as Bonneville can foresee that the needs of its preferred customers can be met from hydropower it will have the authority to market Hanford power to nonpreferred customers under firm contracts of approximately a 10-year period." Moreover, the BPA Administrator has stated that the power situation in the Pacific Northwest is such that NPR power could be sold to nonpreferred customers under firm 10-year contracts.

Thus the legislative history on this point clearly establishes the desire of the Joint Committee that Hanford power shall be marketed without the restrictions of the Bonneville Act and furthermore the BPA Administrator has stated his willingness to carry out this mandate.

4. IT WOULD NOT, AS IS ALLEGED, AID NATIONAL DEFENSE

ANALYSIS

The record is clear on this point: A dual purpose reactor which can be used for the production of weapons plutonium and/or electrical energy generating would provide the United States with a great deal of flexibility in adjusting its operations to any future changes in the field of international agreements on nuclear weapons. If anything emerges clearly from the Joint Committee hearings on this bill, it is the very basic fact that even if the NPR were operated for power only during the period of a disarmament agreement, it would be rela-

tively easy to change plant operation back to the production of plutonium for weapons if such an agreement were breached. This would not be true if the NPR were not converted.

The minority contends that the conversion of the NPR will hinder the prospects for a disarmament agreement. The fact of the matter is that the Russians have and are building more dual-purpose plants. To leave the United States without the flexibility of a choice between plutonium and power production combinations in the hope of securing Soviet consent to a disarmament agreement could be a dangerous gamble with the security of our country.

But even assuming that the minority is accurate in its speculation about the effect of the new production reactor on a potential disarmament agreement, the argument, if followed to its logical conclusion, leads to an impossible result. All existing reactors in the United States produce plutonium. The end result of the minority argument is that the United States would have to shut down every nuclear reactor in order to obtain a disarmament agreement.

The realities are that any disarmament agreement involving the control of nuclear weapons materials will require inspection procedures to insure that the plutonium produced in atomic reactors will not be surreptitiously used for weapons purposes. International controls applicable to certain peacetime reactors have been developed and put into effect by the International Atomic Energy Agency—IAEA—in which the United States and Soviets are members. Such international controls could presumably be expanded to cover single purpose operation of the new production reactor and similar Soviet reactors, under an agreed upon disarmament treaty.

Finally, the minority contends that "our prestige as a peaceful minded nation would be certain to suffer to some extent" if electrical generating facilities were added to the new production reactors. It is difficult to determine just how the addition of two turbines and related facilities will materially affect our image as a nation determined to have peace. As cogently pointed out by Senator JACKSON during the course of the hearings, this project is "both a sword and a plowshare." The project itself is testimony to America's desire to remain strong while never closing the door to serious arms control negotiations.

5. IT IS NOT NEEDED TO MEET THE POWER REQUIREMENTS OF THE PACIFIC NORTHWEST

ANALYSIS

The minority contends that this project is not needed to meet the power requirements of the Pacific Northwest. They claim that there is no imminent power shortage in the region.

Those who have studied the marketing of electric power know that utilities which have hydroelectric systems, whether public or private, look to the stream history on which their dams are located; they pick the worst water conditions of record and base their sales of firm power on those conditions. The Bonneville Power Administration, as a sound business operation, has done precisely the same thing and their studies show that in 1965–66, a critical water year shortage of 117,000 kilowatts will exist. The brunt of this shortage will be borne by private utilities—the nonpreference customers—unless the deficit is alleviated by the addition of a new source of power.

The minority claims that such deficits will be met by the private utilities themselves with "surplus power from the east group of the Northwest Power Pool being made available to the west group."

The west group cannot depend on imports from the east beyond the existing contract for 84,000 kilowatts of firm power to meet the west group's requirements. It is a fact of life in the electric power industry that no utility puts in a power supply to take care of another utility's power requirements in the absence of an existing contract for firm power.

The minority similarly claims that there are no present demands for industrial power as described by the Bonneville Power Administrator. Of course, there are no present demands of the magnitude described by the Administrator, but this is only because there is not sufficient firm power to create the impetus for new industry to get started. With the addition of new firm power as a result of the NPR, new industry will be able to blossom in the Pacific Northwest, creating the demand which must now remain latent because of the potential power shortage in this area.

NPR power is not only essential to meet an immediately foreseeable power shortage in the Pacific Northwest; it is vital to the continued development of a viable economy in this area with consequent benefits to the entire Nation.

6. IT WOULD BE USED TO ATTRACT INDUSTRY FROM OTHER REGIONS

ANALYSIS

The minority report contends that this project would be used to attract industry from other regions. The apparent basis for this argument is that the power generated at the NPR would be highly subsidized power.

The power features of the NPR will not be subsidized. The $95 million which the Congress is being asked to authorize now will be repaid with interest over the life of the plant. Maintenance and operating expenses will be likewise recovered. The addition of electric generating facilities to the NPR is thus not a Government handout, but rather is a sound business proposition.

The minority next contends that the NPR power will be used to lure industry away from other regions of the country. In opposition to this argument, one can only cite past experience in the Pacific Northwest which proves that Bonneville power has not taken away established industry; instead, it has created new industry. Specific examples of the truth of this statement are abundant:

First. Bonneville power permitted the development of new phosphate deposits in Montana.

Second. Bonneville power was a key factor in the development of the only ferro-nickel plant in the United States, at Riddle, Oreg.

There are many more new industries whose development is directly attributable to the availability of Bonneville power in the Pacific Northwest. These industries have added to the economic growth of the United States as a whole, and not just the Pacific Northwest area. There is not a single instance of Bonneville power being used to attract existing industry from any other part of the United States.

The minority finally asserts that the NPR will have an adverse effect on the Nation's coal industry. They contend that the Hanford plant will be used as a substitute for a coal-fired plant using fuel from depressed eastern coal areas. The record is clear on this point: The NPR is not a substitute for such a plant. If such plants were contemplated, the necessary fuel would not come from other parts of the country since such an operation would be highly uneconomical. If coal-fired plants were to be built in the Pacific Northwest, the necessary coal would undoubtedly come from strip mining operations in that part of the country employing very few miners.

7. IT WOULD ALSO BE USED TO JUSTIFY THE CONSTRUCTION OF TRANSMISSION LINES LEADING TO A GIGANTIC FEDERAL ELECTRIC POWER GRID

ANALYSIS

The minority claims that this project will be used to justify the construction of Federal transmission lines, leading to the construction of a giant national electric power grid. This project will not lead to the construction of a giant Federal power grid and, moreover, it is not dependent on the so-called California intertie.

During the course of the hearing, the Bonneville Power Administrator took pains to point out that the Hanford steamplant justification is not dependent on the construction of a Pacific Northwest-Southwest electric power intertie; the Pacific Northwest being almost entirely a hydroelectric power system is short of energy during low water periods. The Hanford plant would readily fit into the Pacific Northwest system by firming up secondary energy and filling in for periods of low water. With a system which is primarily hydroelectric, the reactor plant can be operated essentially on a schedule which is independent of the load since the energy it generates can be used to displace a hydroplant's energy during which period the hydroplant's energy is stored, in effect, as in a giant battery in the form of additional water behind the damsite.

It is clear that the economic feasibility studies by the Federal Power Commission showed that the addition of electric generating facilities to NPR could be justified without regard to any intertie. The NPR thus stands on its own as an economically feasible and sound business proposition and is not dependent on the addition of an intertie for its economic justification.

8. IT WOULD NOT PRODUCE POWER ECONOMICALLY

ANALYSIS

The economic feasibility of generating byproduct electrical energy from the

NPR has been examined repeatedly by people who are recognized experts in this field and they have all reached the same end result: NPR power generation is economically justifiable. The 1958 AEC study reached this conclusion; the 1960 FPC study reached this conclusion; the 1960 study by JCAE consultants reached this conclusion; and finally, the February 1961 study by the Federal Power Commission, Bonneville Power Administration, and the Corps of Engineers confirms the conclusion of the earlier three studies.

The record will not show a single reliable study which has reached an adverse conclusion. The weight of the evidence permits only one conclusion: NPR power is economically justifiable.

The minority claims, however, that BPA will lose money on the additional power sold as a result of the addition of the NPR electrical facilities.

Studies made by the FPC and Bonneville Power Administration, the agency which will assume the full financial obligation for the Hanford steamplant, indicate that during the dual purpose stage this plant will add salable firm power to the Columbia River power system at a cost of $8.70 per kilowatt-year compared with Bonneville's rate of $17.50 per kilowatt-year. This agency has also indicated that during the single purpose power only phase after 1972, that although the cost of the power is classified, it will have a value of at least $27 per kilowatt-year which is the estimated cost of energy from alternative steam powerplants at that time and also less than the cost of some hydroelectric projects which are now under construction and scheduled for construction during the 1972–75 period.

The costs discussed above are based on standard FPC practices for the evaluation of power projects in which repayment is made over a scheduled time period—being 33 years in the case of the Hanford plant—with allowance made for interest, amortization of capital investment, operations, and maintenance costs.

The minority also criticizes the assumptions in the FPC study. The minority report states that the FPC studies were based on an incomplete premise, in that they failed to include a portion of the $120 million reactor costs in the cost of power. Inasmuch as the reactor is being built for purely defense purposes, it would be highly inappropriate to charge any of the $120 million to power. The additional $25 million conversion feature is a cost item which will have to be considered by the Secretary of Interior and the AEC in the process of allocating costs to the generation of power.

The minority report also notes that the BPA last year had a deficit of $8,486,016. It should be emphasized that the BPA is still ahead of its payout schedule. The deficit noted by the minority resulted from the fact that last year the slump in the aluminum industry and the warm weather conditions in the Northwest reduced Bonneville's anticipated revenue. The BPA has now initiated a vigorous sales program and the addition of the Hanford steamplant will make it possible to immediately market an additional 400,000 kilowatts of firm power on a long-term basis, thereby increasing the annual revenue of BPA by at least $7 million.

The undisputed fact in this economic argument is that every panel of experts that has ever examined the NPR has concluded that it can generate electric energy economically.

9. IT WOULD NOT ENHANCE INTERNATIONAL PRESTIGE

ANALYSIS

The minority finds it difficult to understand in this age of spectacular space exploration how one can claim that international prestige will accrue from building an obsolete type of nuclear powerplant.

The capacity of the Hanford plant will far exceed the capacity of any single reactor plant in the world to generate electrical energy. It would be a striking example of American achievement in the peaceful uses of atomic energy.

It is true that this authorization does not involve a spectacular interplanetary voyage. But it does, however, provide for the generation of over 700,000 kilowatts of electrical energy from man's newest and most promising source of power.

One need only recall the tremendous impact of the Soviet Union's announcement concerning its 100 megawatt dual-purpose plant at the 1958 Geneva Conference on the Peaceful Uses of Atomic Energy to appreciate the potential effect of the NPR on the international prestige of the United States. The NPR will have eight times the output of that Soviet reactor, and six times the output of the Soviet's newest nuclear plant now under construction at Novo Voronezh. The NPR should thus clearly establish the preeminence of the United States in the development of large-scale nuclear powerplants.

10. IT WOULD CONSTITUTE A PRECEDENT FOR THE FURTHER ENCROACHMENT OF GOVERNMENT IN PRIVATE BUSINESS

ANALYSIS

The production of byproduct electric power from the Hanford NPR is by no stretch of the imagination an encroachment of Government in business. The main wholesaler of electric power in the Washington area is the BPA. Bonneville supplies the AEC Hanford Works with its power: 350 to 400,000 kilowatts of electric power. Thus, more than half the production of NPR power is offset by power obtained from Bonneville.

As noted earlier, the question of steamplants was specifically discussed at the hearings on the AEC authorization bill and it was repeatedly stated by witnesses before the Joint Committee that the Hanford project would not constitute such a precedent. Mr. Luce, the BPA Administrator, stated:

> We do not regard this as a precedent for anything. You have a unique problem here of heat of steam energy that is either going to be wasted or used.

Mr. Luce went further and stated that the authorization of the electric generating facilities for NPR was entirely separate and divorced from any other considerations concerning the addition of steam capacity to the Bonneville area.

The addition of electric generating facilities to the Hanford plant is not in any sense a "foot in the door" for further Government construction of steam generating plants in the Bonneville area. The situation at the Hanford plant is unique. As noted earlier, it would be wasteful to dump the heat from this reactor into the Columbia River when for a relatively low cost it could be used to generate economic electrical energy. Failure to authorize this project would permit an extravagant waste of our natural resources.

Address by Senator Olin D. Johnston at the Lexington County, S.C., Peach Festival

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EXTENSION OF REMARKS

OF

HON. ROBERT W. HEMPHILL

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 10, 1961

Mr. HEMPHILL. Mr. Speaker. Under leave to extend my remarks in the RECORD, I wish to include therein an address made by my distinguished Senator, Hon. OLIN D. JOHNSTON, on July 4, 1961, at the Lexington County Peach Festival.

In that connection I wish also to present an editorial "JOHNSTON for Firm Stand," which appeared in the July 6 issue of the Anderson (S.C.) Daily Mail:

ADDRESS OF SENATOR OLIN D. JOHNSTON, DEMOCRAT, OF SOUTH CAROLINA, AT THE LEXINGTON COUNTY PEACH FESTIVAL, JULY 4, 1961, AT GILBERT, S.C.

Dear friends and fellow South Carolinians, 2 years ago on July 4, I was here at Gilbert to give an address on a similiar occasion. I want you to know it is doubly a pleasure to be invited for a repeat performance. It means one of two things: Either my speech was appreciated and you are anxious to hear me again, or so much time has elapsed that you have forgotten how bad I was. I prefer to think the reasons underlying your second invitation are of the former nature.

Within the last month I have had the pleasure to talk twice before groups highly interested in the peach industry in South Carolina. On both occasions I spoke at length on South Carolina's flourishing peach industry. We have much to be thankful for. The general opinion is that this peach crop will be a bumper one. The Agriculture Department has forecast an increase of 900,000 bushels this year, or a total crop of 6½ million bushels. No one could be more proud of our peach industry than I am. It has flourished in this State and become one of our ranking agricultural crops, standing along with cotton and tobacco. South Carolina is now the second ranking peach-producing State in the Nation. We rank only behind California in volume, but no one dare question that we rank first in quality. And that goes for both kinds of peaches.

One of the major problems the peach industry has had to face in recent years is destruction of trees by crown rot and bacterial blast. These diseases killed 400,000 peach trees in South Carolina last year. I am happy to report that the Senate Appropriations Agricultural Subcommittee of

which I am a member has authorized $60,000 for a crash program to be carried out by Clemson College to eradicate these diseases.

On this Fourth of July, however, there is another problem which worries me more than any which faces our peach industry. Rightfully so, you have combined the traditional Fourth of July celebration with the annual peach festival because the interest of promoting this important part of our agricultural economy comes at this time of the year. The peach aspect of this festival is very important, we all agree, but we must never forget the foundations of our celebration of the Fourth of July. You here in Lexington County are to be commended for your annual July 4 celebration reflecting your ceaseless appreciation for our freedom. With each passing July 4, I give special thanks to our God Almighty that I can come home to speak as a freeman in this great State of free people.

In this modern society so many citizens take July 4 for granted. So many people do not couple with their holiday spirit the patriotic spirit which makes July 4 a glorious occasion as you do. I am glad that here in South Carolina we do not miss this opportunity to pay respect to our flag, to our forefathers who fought to make our Nation free, to those who have died to keep it free and to our God for the strength which he has bestowed upon us.

We of a most fortunate nation and civilization live in a perilous age. The free world, of which America is the heart and South Carolina the core, is surrounded by the most awful threat we have ever known in our history. The tendons of communism are reaching out to grasp our land and destroy our freedoms. The hour calls for each and every American to put forth his best effort and to demonstrate every ounce of bravery in the struggle that lies ahead. The perpetual war with communism, hot or cold, requires sacrifices all the way. Just because we may not be in a war that carries a title, or has a set background, does not mean we are not in a fight for survival.

I know from long years of experience in serving the citizens of South Carolina that they are the most freedom-loving people to be found anywhere in the world. Time and time again they have taken up arms to defend their freedom. They know, as I do, that without freedom and without the liberties which are guaranteed us, we would all wither on the vine worse than any peach attacked by any disease known to agriculture. We could, if necessary, suffer through the hardship of the loss of our entire peach industry, but the loss of freedom would be the end of everything we hold dear. The international conspiracy of communism which many refuse to recognize has been and is worming its way across the world with one goal—the goal of destroying our civilization, our religions, and our freedoms.

On March 5, 1946, in his famous Fulton speech in Missouri, Winston Churchill declared that, "From Stettin, in the Baltic, to Trieste, in the Adriatic, an iron curtain has descended across the continent." Never has a more truthful statement been made. In 1958 on Thanksgiving Day, Khrushchev called this statement the "signal to begin the cold war."

Ladies and gentlemen, that iron curtain over the past 15 years has been moved to within 90 miles off our coast. Never since our gallant forefathers took up the fight against the greatest power in the world, with virtually no military might of their own, has this Nation been in such a vulnerable position. When the war for independence was begun by our forefathers, they were nowhere near the military might or economic level we hold today against the Russian Communist machine.

You are familiar with the many advances communism has made on the international scene over the past 15 years. The domination of Cuba, enslavement of Eastern Europe, Korea, and the turmoil in Laos speak for themselves on this score. Communism is not only making advances abroad, but even within our shores is subtly and discretely moving among us.

Recently I put into the CONGRESSIONAL RECORD a series of newspaper articles which, when tied together, dramatically demonstrated the fact that so-called freedom riders, whom I prefer to call trouble riders, actually, if not intentionally, serve the Communist conspiracy. The Communists have even set up a school in East Germany to teach Communists how to infiltrate into America to stir up racial disorder.

I am not so sure, however, that many of you are aware of the more subtle Communist maneuver which was reported in the June 19, 1961, issue of the State newspaper. From New York it was reported that a committee of United Nations experts is proposing that population be taken as the criteria for dividing jobs among the 99 member countries, instead of contributions made to operating costs of the U.N. This would only be part of the revision the committee would recommend to launch a Communist deal to stop grumblings from the Soviet Union and others who don't pay an equal share of U.N. bills but want to run the show.

Ladies and gentlemen, there are more than 1,300 professional jobs in the United Nations. Employees holding these positions, as anyone knows who has dealt with any Government agency, will by large measure be in a position to determine the policy and application of policies for the U.N. These positions at the present time are apportioned according to the share of the U.N.'s annual budget each country contributes. Since we in the United States pay a lion's share of the budget, we accordingly fill a lion's share of these positions. Under the new population formula, each country would have two U.N. jobs allocated for its citizens. In addition, each country would receive 1 more position for each 10 million people up to the 100 million mark, 1 for each 30 million above the 100 million mark, and so on up the scale.

At the present time India is the most populous nation, with some 400 million people. If Red China with its 600 million people were to be seated in the United Nations, it would receive the greatest number of employees. Right here I want to state that I am unalterably opposed to any action that would admit Red China to the United Nations. This, in my opinion, would be the same as placing a criminal on city council. Consequently, I am appalled at this new proposal. Proposals such as this which seek to undermine the position of the United States are either overlooked or ignored by many of our people whose primary responsibility it is to protect the United States in the international sphere, but who think always in terms of appeasing the enemy. Many such oversights have in the past cost us great prestige.

I submit that the United States can no longer afford such laxity going under the guise of friendship. To combat the tremendous growth of communism I have mentioned above, the United States has depended primarily on the fantastically expensive foreign-aid program which, in my opinion, has been a dismal failure. I for one have never voted for 1 cent of foreign aid.

Every program carried on by the U.S. Government for its own protection carries some form of foreign aid disguised as a domestic program. Two examples should serve to illustrate my point. For instance, the agricultural appropriation bill passed last week marked for agricultural purposes contained over $3½ billion for foreign aid. The farmer gets blamed for this cost, over my objection, I want to emphasize.

All of you are aware of the tremendous wheat surplus the taxpayers of America are paying to store every day of the year. The United States had an opportunity to sell 200 million bushels of wheat and relieve ourselves of some of this storage burden, as well as realize a good price for our wheat. When the arrangements for the sale were virtually complete, the Agriculture Department declined to make the sale until the State Department made sure it would have no adverse international effects.

As I would have expected, the State Department killed the sale on the grounds it might injure some of our underdeveloped countries by intervening with their wheat programs. While the United States refused to go through with the sale, our neighbor Canada to the north, which incidentally I do not blame, was happy to take advantage of the opportunity and disposed of 200 million bushels of its wheat on the market. Any of you can plainly see this, in effect, is nothing but additional foreign aid, but it never shows up in the budget as foreign-aid expenditures and gets into the news as a farm cost.

I have opposed consistently all foreign-aid programs from the very beginning. After 15 years of observing the program's operation, I have seen nothing to cause me to change my mind. The expenditure of over $700 million in Laos for an army which fell apart in the face of Communist opposition is an example of the senselessness of our foreign-aid program. Another example is the highway that the United States built for the people of Cambodia. It was a 130-mile road connecting Cambodia's capital with a major seaport built 2 years ago under our foreign-aid program. The highway was intended to be built for $15 million, but during construction it was doubled to $30 million. The highway was built as a symbol of our ingenuity and friendship for Cambodia. It was to represent our roadbuilding know-how.

Recently the American Ambassador to Cambodia said that U.S. prestige in that Asian country will suffer a severe blow if something is not done to repair this friendship highway. Ambassador William G. Trimble said the roadway is rapidly deteriorating. Congressional investigators are already inquiring into charges that both construction and engineering faults caused the trouble. Congress is being asked for another $2,700,000 to repair damage which experts say should never have occurred in the first place. In Cambodia we are being cussed instead of being praised, and Communists are laughing up their sleeves.

Regardless of any repairs made, the purpose of the highway has been a failure and the road is fading along with the prestige of the United States. Because of such instances as I have given here this afternoon, I shall oppose the further expenditure of good American money on such projects.

A prime example of why you cannot buy friends or pay people to do your fighting can be found in Laos. Any administration, Democratic or Republican, which felt Laos was worthy of being saved from communism, and that it was necessary to our way of life and to our security to be kept out of the hands of communism, should have simply announced to Russia and to China, "If you invade that country, we will go to war and protect that country." We should have kept up our defenses instead of wasting our strength on foreign aid.

We had a similar situation in Korea, and money did not do the trick. We wound up sending soldiers in there to fight for Korea, and the same will be true elsewhere. I shall not appraise the rights or wrongs of trying to save Korea from communism, for only history can prove whether or not it was the right thing or the wrong thing to do. What I say is, once the decision has been made to

save any nation from communism, then we must be willing to go the limit. We must not play the part of the appeaser and be bluffed around.

You do not fight communism halfway. We cannot limit our fight against communism to the conference table only. You cannot fight communism with money alone. When you fight communism you must do it all the way.

Communism as administered from the Kremlin is the most insidious form of tyranny ever conceived. I do not believe there is a proposal that we could offer at a negotiating table to create a lasting peace with which the Communists will not find fault and bicker over for years. They do not want total peace, and they do not want total war. They want halfway situations where they can do just enough fighting by means of guerilla tactics, or in the name of freedom revolutions, to overthrow governments and gain ground through appeasement. They want halfway situations where they can spend a little money propagandizing people through the diplomatic channels, but they never go quite far enough to have diplomatic relations broken off.

As a member of the Internal Security Subcommittee of the Senate, it has been obvious to me for years that the diplomatic personnel of Iron Curtain countries stationed in America are nothing but the nucleus of a vast spy and propaganda network. The Communists see to it that their lines of reasoning and propaganda fit into conditions existing in America so as to create strife at every possible turn. Promoters of agitation movements such as the so-called freedom riders, while many of them may be innocently involved, are really doing the work of the Communists. If there were no conditions existing for the promotion of racial agitation, then you would find the Communists concentrating their activities in this country to some other fields.

Whether we like it or not, we are in a life-and-death struggle to save not only our Nation—not just freedom—but our entire Christian civilization. If we lose to communism, we will be buried, as Khrushchev has predicted, under the ruins of freedom in a terrible era of tyranny. It will be the darkest era in the history of civilization—so dark that the dark ages of Europe will appear like lamplights along the way.

We here in America—and those of us here today in Gilbert, S.C.—cannot fail in our struggle against communism. We cannot afford to fail even if it requires us to go to war.

I, for one, am sick and tired of the appeasers who talk of the tragedy of war, but who do nothing to save humanity from the tyranny of communism except to give away a little bit more each day at the conference table. I see nothing to gain from admitting Red China to the United Nations. I think it is an insult for us to even share the conference table with Red China over Laos. I feel that we have talked enough with Khrushchev concerning Berlin. We have our position, which is the right position, and that position is to keep Berlin free. More talks will only mean more giveaway, because the people of West Berlin could never be freer than they are today. They could be made safer in their island of freedom if the rest of Berlin and all of East Germany were made free, but this could never happen as a result of any conference with Khrushchev.

Until this day, I have never discussed the pros and cons of the tractors-for-freedom trade which has been going on between some private citizens in this country and Castro in Cuba. The reason I have never said anything about it is because my heart went out to those poor souls who are languishing away in the prisons of Cuba. If it were a simple matter of giving tractors and saving those people from the horrors of Castro's police force, I would not mind so much, but the matter has become much more important than just a trade. It has developed into another tool of coercion with which the Communists are attempting to belittle the United States and build up among the poor and ignorant people of Latin America an image of strength in Communist Cuba.

Castro would like nothing better than for the U.S. Government to move into such a negotiation and get us in a position at a conference table where he could bang his fists, shout insults at us, and gain widespread publicity and notoriety throughout Latin America. I think we should cease permitting anyone to negotiate with Castro on any level. We cannot ignore him completely, for he represents a spread of a contagious ideological disease. But, like the plague, he has to be isolated from the rest of the Americas or his disease will spread.

Appeasement is no answer to Castro's kind, to Mr. Khrushchev, or any other Communist. The only language the Communists understand and will back down from is a firm military position. We must state the lines, the positions, and the points from which we will not be pressured, pushed, negotiated, or blackmailed. Once this is done, then comes the hardest part of our job, and that is keeping these commitments at all costs which, of course, entails the greatest danger of all—war. This is a terrible word and it has terrible implications to all of us: but let us never forget that we have had to go to war before, time and time again, to preserve and protect our Nation, our homes, our freedoms, and everything we hold dear.

What good would it be to avert war if our Nation could only do this at the expense of freedom? In our struggle for freedom over the past 185 years it has been necessary to make many sacrifices, but at each point in our history the sacrifices have resulted in a strengthening of liberty and the survival of right over tyranny.

I have great faith in the people of our Nation, and I know that they stand ready to courageously and successfully defend our Nation against whatever may be the threat. Our people are not so forgetful that we cannot remember the sacrifices our forefathers made during the Revolutionary War to establish this great land of liberty. Theirs was a most desperate struggle against the greatest power on earth. They were mere colonists without organization, but they stood up for liberty, the pursuit of happiness, and all the other freedoms which we enjoy today.

So if we must again be called on to defend our cherished land, then let us remember that when we celebrated July 4, 1961, we were able to do so because of the sacrifices that were made by our forefathers. We must at all times stand ready to defend freedom.

We are at the crossroads. We have reached the point in our history where we again must decide whether we will travel the misleading, stumbling path of appeasement or the uphill road of resistance.

In my opinion, appeasement is the greatest threat against the survival of America today. Appeasement is the philosophy abroad in our land which has helped communism to prosper at our expense. Appeasement is the poison which all dictators throughout the history of the world have used to destroy freedom and advance tyranny over people. It is the most vicious type of blackmail ever devised and, regrettably, it is extremely effective.

Freedom-loving people value life and property more than any other people on earth, and so it is a natural inclination to try to appease and satisfy the appetites of dictators in order to keep the peace; but history has proved beyond any reasonable doubt that appeasement never satisfies the dictators' appetites, but only increases their hunger.

There comes a time when all dictators, whether they be the variety of Hitler and Mussolini, or the modern variety which is rumbling along under the brand of communism, must be stopped. When this time comes, it also means that freemen, wherever they are, must stand up, defy the aggressors and cast the appeasers out of the arena.

It is my opinion that the time has come for our country to cast out the appeasers and state flatly to the Communist world that we will not budge another inch, or give another soul to tyranny.

I fear that, through the years, our State Department has become filled with appeasers. Appeasement is a curse in our land. The State Department is filled with brain trusters who know an awful lot about how to appease the enemy, but they seem to know nothing about history. They need only to look back to World War II and remember the words of Neville Chamberlain when he came back from Munich and said, "Peace at any price."

God forbid that Americans ever adopt such a slogan and sell their souls and our freedom for peace.

Peace is not worth the paper it could be written on if the price is liberty. I can think of no more challenging words to throw out to the world at this time than those of that great American patriot, Patrick Henry, who said, "Give me liberty or give me death."

The time has come for America to stand up, state our position and, if necessary, fight for it.

We can no longer give in; we can no longer appease.

[From the Anderson (S.C.) Daily Mail, July 6, 1961]

JOHNSTON FOR FIRM STAND

If the events of the past 25 years have taught anything in the field of international affairs it is that appeasement is the worst of folly.

It has been used time and time again by free and peace-loving nations in an effort to buy time and to keep the forces of tyranny under control.

Hitler in his day, and the Stalins and Khrushchevs of later years have invariably taken advantage of any nations that have swallowed the appeasement bait.

South Carolina's senior Senator, OLIN D. JOHNSTON, spoke like a statesman in an Independence Day address this week when he called upon the Nation to stand up to Communist threats now rather than give an inch here and another there until we are finally weakened and backed into a corner where we must either surrender, or fight a war where the advantage is with the enemy.

The Senator spoke for many Americans when he asserted in his address at Lexington that "I am sick and tired of the appeasers who talk of the tragedy of war but who do nothing to save humanity from the tyranny of communism except give away a little more each day at the conference table."

The Senator without doubt had his mind on the Berlin situation, and the Communist plan to drive the Allied Powers out.

Already suggestions of "compromise" are being heard in Washington and other capitals.

Such compromises, we should have learned, always favor Russia, and are forgotten when the advantages have been exploited.

The appeasement route is the surest way toward eventual war.

A firm, uncompromising stand actually offers our best hope for peace.

There's where Senator JOHNSTON stands.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 11, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

These words of Psalm 56: 11 with which General Montgomery closed an address to his men during the Normandy campaign in World War II: *In God have I put my trust; I will not be afraid what man can do unto me.*

Almighty God, as we begin each new day may we put our trust in Thee and focus our minds and hearts upon those horizons which are far beyond all fear and foreboding, all anxiety and anguish.

Give us those inner moral and spiritual certainties and composures which are the priceless possession of all who have found that Thou art their refuge and strength, a very present help in time of trouble.

Inspire us to feel that it is our deepest need and highest joy to enshrine Thy spirit and to have Thy divine guidance in our lives and in all our human affairs.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

DEFENSE EDUCATION ACT

Mr. HIESTAND. Mr. Speaker, in view of the absence from the city of a good many Members, we were unable to get signatures on a minority report on the Defense Education Act. I ask unanimous consent that members of the committee may have until midnight tonight to file additional minority views on that bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ADDITIONAL PROGRAM FOR THIS WEEK

Mr. HALLECK. Mr. Speaker, I wonder if the gentleman from Tennessee would yield briefly in order that I may inquire of the majority leader as to the program.

Mr. MURRAY. I shall be pleased to yield to the majority leader.

Mr. McCORMACK. I am glad my friend asked that question.

In addition to what is already on the program for this week I want to announce so the Members may be alerted that the water pollution conference report will come up on Thursday next.

Mr. HALLECK. I thank the gentleman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS—PERMISSION TO FILE REPORT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight tonight to file a report on the bill H.R. 2206.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

FOREIGN AID

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, I have been asked by members of the Foreign Operations Subcommittee of the Committee on Appropriations as to when we would start the regular schedule of detailed hearings on the aid money bill. In that connection, I think I should say that if the administration, through manipulation and the substituting of imagination for facts, or by other means, should succeed in getting the type of authorization being sought, there would not be a great deal of need for detailed hearings on the part of our committee. So, we will have to wait for further developments before we can prepare the schedule of hearings or even prepare ourselves for conducting the hearings, which if the proposed authorization is approved would, in fact, be somewhat of a mockery of budgetary procedure and the orderly appropriations process.

OUTER MONGOLIA AND RED CHINA

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, shortly after President Kennedy's return from his European jaunt, we heard an agreement was made with Mr. Macmillan for the admission of Red China into the United Nations and possibly its recognition by the United States. And that Mr. Kennedy had indicated to Mr. Macmillan that "it would take about a year to prepare the American people." Within the last few days we have heard of moves by the administration to obtain the recognition of Outer Mongolia on the basis that it is needed for a listening post, among other things. If the CIA and the other Government intelligence agencies cannot get information out of there, there is something wrong and something ought to be done to improve them. The answer to the intelligence problem is not in recognizing Outer Mongolia. On the other hand such recognition would establish a precedent to use the same specious arguments, for admission of its neighbor, Red China, to the U.N. and possibly diplomatic recognition.

In other words, this has the appearance of a two-step procedure, "to prepare the American people" in order to carry out the secret Kennedy-Macmillan agreement, if, indeed, there was one. I think the American people are entitled to object to it right now before any step is taken in this backward direction.

COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FORFEITURE OF FEDERAL RETIREMENT BENEFITS IN CASES OF OFFENSES INVOLVING THE NATIONAL SECURITY

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 361, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6141) to amend the Act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such Act, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and yield myself such time as I may consume.

The SPEAKER. The gentleman from Arkansas is recognized.

Mr. TRIMBLE. Mr. Speaker, House Resolution 361 provides for the consideration of H.R. 6141, a bill to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes. The resolution provides for an open rule with 1 hour of general debate.

H.R. 6141 would continue in full force and effect the prohibitions now contained in the act of September 1, 1954, against payment of any Federal annuity or retired pay on the basis of the service of any individual who has committed an

offense involving the national security of the United States.

However, the legislation would restore certain Federal retirement benefits which, under the existing provisions of the act, have been denied to a number of individuals not because of the commission of offenses involving the national security, but because of the commission of comparatively minor offenses which are in no way related to the national security.

The act of 1954, in its entirety and as now in effect, contains provisions which exceed its original purpose and have resulted in the denial of Federal retirement benefits to certain individuals and their survivors for reasons which are not related to the primary purpose of such act.

H.R. 6141 will remedy this situation by providing for the restoration of Federal retirement benefits to those who have been deprived of such benefits on account of offenses other than offenses involving the national security.

Mr. Speaker, I urge the adoption of House Resolution 361 in order that the House can consider the legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN. Mr. Speaker, I yield myself such time as I may use.

As the gentleman from Arkansas has well explained, this resolution makes in order, under 1 hour of debate and an open rule, the consideration of H.R. 6141, which is a bill to amend, and perhaps correct, some of the provisions of the so-called Hiss Act dealing with the cancellation of Government retirement pay of certain persons.

This bill would confine the loss of retirement and other benefits to those cases involving national security. It is my understanding, through the hearings held by the Rules Committee, that this measure was considered very thoroughly by the House Committee on Post Office and Civil Service; that a great deal of testimony was taken; and a number of cases were found where injustices had been worked, even on some of our great war heroes, as a result of the present law. The committee unanimously reported this bill favorably for the purpose of correcting the present law, yet to still protect the American people from those who engage in subversive activities and to punish them through loss of their retirement benefits.

I have no further requests for time, Mr. Speaker, and yield back the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The SPEAKER. The previous question was ordered.

The resolution was agreed to.

Mr. MURRAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6141 to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6141 with Mr. TRIMBLE in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Tennessee [Mr. MURRAY] will be recognized for 30 minutes and the gentlewoman from New York [Mrs. ST. GEORGE], for 30 minutes.

The gentleman from Tennessee is recognized.

Mr. MURRAY. Mr. Chairman, I yield myself such time as I may use.

The CHAIRMAN. The gentleman from Tennessee is recognized.

Mr. MURRAY. Mr. Chairman, this legislation H.R. 6141, is identical to H.R. 4601, 86th Congress, which passed the House by a voice vote on April 14, 1959, but was not acted on by the other body. This legislation was reported unanimously by the Committee on Post Office and Civil Service—as was H.R. 4601 in the last Congress—and is strongly endorsed by the U.S. Civil Service Commission, which submitted the official administration report urging enactment of H.R. 6141.

This legislation accomplishes two major purposes.

First, it continues and strengthens the prohibition against payment of any Federal retirement benefits to any person convicted of an offense against the national security, now contained in Public Law 769, 83d Congress—known as the Alger Hiss Act.

The denial of Federal retirement benefits to disloyal persons is strengthened in a number of important respects by this measure.

Section 2 of Public Law 769—the section declared unconstitutional by the U.S. Court of Claims in the case of Steinberg against United States—is replaced by a new section 2 recommended by the Department of Justice to overcome the weakness which resulted in the court's decision. The new section 2 prohibits payment of any Federal retirement benefits to a person who refuses to testify before a duly constituted judicial or congressional authority in a matter affecting the national security.

The Department of Justice informed our committee that it would be useless to petition for a writ of certiorari in the Steinberg case because such a writ undoubtedly would be denied while section 2 of Public Law 769 remains in its present state. The Department further recommended that all provisions of Public Law 769 relating to security offenses be strengthened to place the Department in a position to successfully sustain the denial of Federal retirement benefits in cases involving disloyalty and other security offenses.

These recommendations of the Department of Justice are placed in effect by language overcoming the constitutional and certain other objections raised by the court in the Steinberg case and by replacing the remaining security provisions of Public Law 769 with far clearer, more definitive, and more accurate language spelling out the firm congressional intent that no Federal retirement benefits shall be paid to any person convicted of an offense against the national security.

For example, this bill spells out in precise detail, by specific reference to appropriate penal and related provisions, that Federal retirement benefits shall not be paid in the case of any security offense set forth in the Internal Security Act, the Atomic Energy Act of 1954, the Uniform Code of Military Justice, and the Criminal Code of the United States. It provides similar denial of benefits for security offenses covered by statutes for the same general purposes which preceded those named.

The official report of Deputy Attorney General Byron R. White on H.R. 6141, submitted on June 14, 1961, contains the following statement:

> It is the view of the Department of Justice that the bill would, by clarifying existing law and by specifying additional provisions of law relating to security and loyalty the violation of which would be covered by the act, materially strengthen Public Law 769 in denying retirement pay to those who have committed offenses detrimental to national security.

When the bill that became Public Law 769 was being considered in 1954, the chief concern was to prevent payment of a civil service retirement annuity to Alger Hiss, who then was about to be released from a Federal penitentiary after serving a term for perjury in a matter involving subversive activities. It may be of interest that Alger Hiss had 17 years, 3½ months, of Federal service, and well might be eligible for an annuity when he reaches age 62 on November 11, 1966, except for this legislation. It is at best doubtful that he could be denied an annuity under existing law. To prevent such gross miscarriage of justice as payment of Federal annuities to Alger Hiss and his like, enactment of H.R. 6141 is necessary.

The second purpose of this legislation is to correct certain harsh injustices that have resulted from Public Law 769. That law contains a number of far-reaching provisions which have denied retirement benefits to individuals and innocent survivors because of comparatively minor offenses in no way related to the national security. Such provisions were not, and are not, needed to accomplish the principal purpose of denying retirement benefits in cases of offenses against the national security. In fact, they are harmful to such principal purpose because they link the innocent—as to security offenses—with the guilty by fixing the same heavy penalty for both regardless of the vast difference in measure of guilt.

H.R. 6141 eliminates these unnecessary and objectionable additional prohibitions which have nothing to do with national security and restores the rights to Federal retirement benefits previously denied thereunder. Thus, the legisla-

tion will permit payments of annuities and of retired pay in accordance with the existing laws authorizing such payments in the cases of individuals whose offenses do not involve the national security.

In summary, this legislation will carry out the primary objective of Public Law 769—that is, that no Federal annuity or retired pay shall be paid on the basis of the service of any individual guilty of a penal offense, act, or omission involving the national security—but will restore historic retirement rights in other cases which do not involve the national security.

H.R. 6141, in our judgment and that of the Department of Justice, should stand any court test since its prohibition is limited to offenses against the national security. Payment of Federal retirement benefits to offenders in such cases would be shocking to the public conscience and is diametrically opposed to the high principles on which our Government is founded.

Mr. Chairman, I strongly urge enactment of H.R. 6141 to strengthen our national security policy and to do equity to those persons who now face loss of earned retirement benefits although they have never committed an offense against the national security.

Mr. CORBETT. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I am very happy to join the distinguished chairman of the Committee on Post Office and Civil Service in support of the bill H.R. 6141, which was unanimously approved by that committee. I believe that most of the Members of the House are familiar with this legislation which passed the House last year and was not acted upon in the Senate.

The situation which this bill will correct is as follows:

As originally designed the legislation prevented the payment of pensions or annuities to people who were guilty of acts of subversion or disloyalty to the Government of these United States, but unfortunately the language of the law was so interpreted that many persons who had committed only minor violations of the law were given what amounted to a double penalty. First, they were penalized by the court with imprisonment or fines for their acts; second, they themselves, and all their beneficiaries, suffered the additional penalty of losing their pension rights under the laws of this Government. In order to prevent the double punishment this bill has been introduced and we hope will pass here today. At the same time the bill does make clear, and in all respects does place more stringent restrictions, against paying pensions to people who have been guilty of disloyalty to the Government. Consequently, we can very definitely recommend its prompt passage.

Mr. Chairman, I think it is well to point out another thing that the constitutional argument that some people not entirely informed might raise against this bill is entirely clarified by the fact that a person who has paid money into the fund will get that money back.

Nothing in this legislation would prevent a person who is deprived of a pension from the United States from getting back the money that they themselves paid in. What it does prevent is that individual who is guilty of subversion from getting additional funds paid into the retirement fund by the Government itself.

Mr. Chairman, I certainly can recommend this bill to the Committee and to the whole House, and I hope that it is passed. I hope also that the Senate will act upon it promptly.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I would be very happy to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I want to join the gentleman in the statement he has made in behalf of this bill. I am sure the gentleman will recall that when this bill was considered in the Committee on Post Office and Civil Service in 1954 we had some very serious reservations concerning the implications of it. Those defects have now been corrected.

Mr. Chairman, I hope that this bill will be passed by the House.

Mr. CORBETT. I thank the gentleman for that statement, and for pointing out to the Members of the House that he and I, who are usually so wrong, were right for once.

Mr. MURRAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. JAMES C. DAVIS].

Mr. JAMES C. DAVIS. Mr. Chairman, the purpose and the general effect of this legislation have been most ably explained by the distinguished gentleman from Tennessee [Mr. MURRAY] and by the distinguished gentleman from Pennsylvania [Mr. CORBETT], the ranking minority member of the Post Office and Civil Service Committee. My remarks will be directed to the very great importance of the security considerations.

As chairman of the subcommittees which developed this legislation in the 87th Congress, and the identical bill in the 86th Congress, and as a member of the subcommittee that acted on the original legislation in the 83d Congress, my chief concern has been with the establishment of a firm legislative directive that no retirement benefits shall be paid on the basis of Federal service by any person convicted of an offense against the national security.

Certainly, it is repugnant to the high ethical and moral principles, and to the system of laws, on which our free society is founded that the Government of the United States ever could be placed under obligation to pay 1 cent of the taxpayers' money as retirement benefits to any person who commits an offense against the national security.

For one thing, it is to be recognized that the Federal payments of retirement benefits with which we are dealing in this legislation are largely in the nature of gratuities. The prohibition in this bill applies principally to money which otherwise would come out of the taxpayers' pockets, rather than money contributed or paid in by the persons involved.

This legislation will provide the clear and positive affirmation of national policy that we have needed and intended to establish with respect to the fundamental facts and issues which not only justify but require denial of such gratuities to traitors.

Viciously hostile policies and attitudes by foreign communistic powers constantly threaten our existence as a sovereign nation. One of their chief objectives is to infiltrate our Government with subversive influences to undermine and overthrow the Government. What conceivable grounds could there be to aid and abet these hostile purposes by permitting payment from the public treasury of gratuities in the form of retirement benefits to persons convicted of offenses that show them to be Communists or fellow travelers?

Overriding considerations of national security and public necessity require the writing into our statute books of a firm proscription against payment at the expense of American taxpayers of retirement benefits based on service of any person whose acts or omissions endanger the security of the United States.

H.R. 6141 will accomplish this essential purpose. Nothing less will serve.

There is serious doubt that the most significant principle involved in this legislation has been given all due consideration in the interpretation and application of existing law. This principle is beyond argument—that one who accepts public office assumes all of the obligations of the office, both explicit and implicit. When one enters the service of the United States he imposes upon himself an absolute commitment of complete and unswerving loyalty—an obligation that is preemptive of all rights and benefits attached to his public service. Fulfillment of this obligation of loyalty at all times is a condition precedent to the granting of any right or benefit arising out of the office.

Breach of this high obligation and trust by an act or omission which impairs the national security abrogates from the beginning any rights of office and any obligation of the United States to grant benefits related to the office. All claims for such benefits fall with failure of complete loyalty. To permit a different result would be to strike at the very foundations of our free society and our democratic form of government.

There is no ground, in reason or law, for a theory that the denial of benefits provided by this legislation is a form of punishment. The bill neither adds to nor changes any existing provision of law defining criminal offenses and prescribing penalties for such offenses. It merely spells out by statute what already is implicit in the law with respect to obligations attendant upon the acceptance of public office and the conditions attached to the granting of any benefits or emoluments from such office.

Nor is there substance for the proposition that the bill will deny any right

without due process or will inflict punishment without prior appropriate judicial proceedings. This legislation has no effect in the nature of trial and conviction. It makes no provision for any determination that a penal offense has or has not been committed. The bill will become operative only after the fact that the offense occurred has been duly established by a trial and conviction, or otherwise by a duly constituted judicial or legislative tribunal, pursuant to other existing law.

It is to be emphasized, also, that this bill is not a mere limition on the use of appropriated moneys. It constitutes an absolute and permanent bar to payment of Federal retirement benefits under the stipulated conditions. It makes any right or claim for such benefits null and void from the beginning.

The bill operates to divest any person who comes within its bar of benefits to which he otherwise might be entitled but which he has relinquished irrevocably by breach of the first condition of his Federal service—that is, his initial agreement that he will never act against the interests of the United States and will never fail to act when it is his duty to act in support of the United States.

Mr. Chairman, I strongly concur in the unanimous recommendation of our committee that this legislation be approved by the House of Representatives.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. JAMES C. DAVIS. I am happy to yield to the gentleman.

Mr. BECKER. There is one point that comes to my mind in reading this bill and the report, and understanding the people and the organizations that have approved this bill, in view of the fact that the main case that we tried to get at some years ago in this legislation was Alger Hiss, yet, Alger Hiss was not convicted of a violation of the security of the United States, he was convicted of perjury. Will that validate his pension under this act?

Mr. JAMES C. DAVIS. No, indeed. That act itself provides, and the gentleman will see in the hearings, beginning on page 3, the act itself provides that no benefits shall be payable to any person where perjury has been committed under the laws of the United States or of the District of Columbia in falsely denying the commission of an act which constitutes any of the offenses within the purview of any provision of law specified or described in paragraph 1 of this subsection. That specifically takes care of that situation.

Mr. BECKER. I might say to the gentleman, I wanted him to bring that point out. But, in the bill under that subsection, it is not quite as clear as it is in the report.

Mr. JAMES C. DAVIS. The bill is rather lengthy.

Mr. BECKER. I agree with the gentleman, but it does not bring it out as clearly in the bill that we are going to pass here as it does in the report. That is the point I have in mind.

Mr. JAMES C. DAVIS. I am convinced, after going through the hearings and after hearing from the experts on this particular legislation, that it does completely take care of the situation to which the gentleman refers.

Mr. BECKER. I thank the gentleman.

Mr. JAMES C. DAVIS. Mr. Chairman, I hope the legislation will receive the favorable consideration of this Committee and of the House.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, I am happy to join with the distinguished chairman and the ranking minority member of the House Committee on Post Office and Civil Service and the gentleman from Georgia [Mr. JAMES C. DAVIS] in support of the bill H.R. 6141, amending the act of September 1, 1954, which would limit to cases involving the national security of the United States the prohibition against former employees of the Government receiving annuities or pensions. This is a noncontroversial bill. As has been pointed out, it was reported out of the Committee on Post Office and Civil Service by unanimous vote. In fact, a similar measure was approved by this body in 1959 and died for failure of action in the other body before the adjournment of the 86th Congress. It was the original intent of this act of September 1, 1954, which became Public Law 769, that we would primarily get at cases involving disloyalty or acts affecting the national security of the United States. I happened to be a member of the subcommittee of the 83d Congress that acted on this original legislation. I can assure you that the objective we primarily had in mind was to get at cases similar to the act committed by Alger Hiss. We did not intend for it to be as far reaching as it has turned out to be and to cause so much hardship to employees of the Federal Government and, for that matter, members and employees of the military services.

Let me make it clear that none of the members of the committee who support this legislation condones any misdeed by employees of the Government, regardless of how minor the offense. There are, however, other forms of punishment for these misdeeds which are administered by the courts and many administrative agencies. Having been once punished and having paid their debt to society it seems like an unreasonable hardship to work on them to take away a pension they had earned, possibly over a period of 40 years. It is really comparable to double jeopardy; it is merely compounding the punishment.

I have a couple of cases I wish to bring to your attention of employees who were punished for their misdeeds but afterward continued in the employ of the Government. One case involved a postal employee who was convicted on July 24, 1936, for obstructing and removing, as a postal service employee, letters intended to be conveyed through the post office. Thereafter, the man had other Government employment for a short period before entering on duty at the Naval Weapons Plant, from which he was retired for disability on June 23, 1960. Thus, he was employed from 1920 to 1960, or 40 years, in various Government work. Upon his retirement, he was refused a pension, although he had paid his debt for his 1936 crime by the sentence imposed at that time. He is now without any visible means of support. He is unable to work.

I have here another case involving a chief warrant officer of the Marine Corps, who was convicted in 1952 of stealing about $500 from the Marine Corps Exchange at El Toro, Calif. The court-martial fined him $750 and also 1,000 numbers in rank. Thus, he paid the penalty as any other citizen for his crime.

He retired in 1954, and received pension until his case was reviewed in 1960, at which time his pension was revoked and proceedings instituted to reclaim some $20,000 that already had been paid to him. He has been seriously ill, and has no means of support, except what his wife can bring home. He has four dependents, in addition to his wife.

In these two cases where these crimes or misdeeds were committed, the people were convicted and paid for their misdeeds, were punished for them, but were allowed to continue to work for the Federal Government or in the military service. I maintain if any misdeed is so serious that it would bar an employee or serviceman his annuity or his pension, then he should not be permitted to work for the Federal Government or to remain in the military service. On the contrary, any employee who commits an act involving the national security of the United States or an act of disloyalty toward his country should certainly be denied his pension and by all means should not be permitted to remain in the service of the Government.

In the case of disloyalty or acts involving the national security there are provisions in the law that prohibit such persons from remaining in Government service. This legislation we are considering today continues to deny the right to annuity or pension to people who have committed crimes of that sort; so it does not weaken the original intent of the legislation whatsoever.

We hope we will have the unanimous support of this body in approving this legislation.

Mr. TRIMBLE. Mr. Chairman, I have no further requests for time.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, I was one of the original drafters of a bill at the time of the conviction of Alger Hiss. My opinion was then and my opinion now is that this legislation should be directed to specific cases. Unfortunately, during the drafting of the various bills and also during the hysteria on the part of many people throughout the country, we got a little bit carried away and covered far too much territory.

As a result, there are 165 cases which properly should never have come under this kind of legislation. The legislation is aimed specifically at people who have been disloyal—some have been traitors—to the United States, and on that it is perfectly obvious, as has been well said by the chairman of our committee, by the

ranking member and by other speakers here today, there can be no possibility and no shadow of a doubt.

On the other hand, during the working of this law since it was passed in 1954, there have been grave, even tragic, injustices. Some of these cases have been read, and at random I just happened to pick out this one which I would like to cite to you.

A janitor at the Sacramento, Calif., Signal Depot, died in service in October 1957, leaving a widow and two small children. He had previously served from 1944 to 1947 with the Department of the Army and while so employed was arrested for theft of a package from the Herlong, Calif., post office. He was indicted, pleaded guilty, and was convicted of theft of mail. He was removed from the Federal job, and the court placed him on probation for 2 years. His probation record was good and in 1950 was rehired in the Federal service and continued so employed until death. His offense had not been serious enough to warrant imprisonment. He had paid the penalty imposed, had been rehired by the Government and served honorably for 7 years. Yet Public Law 769 operated to deny his innocent widow and children survivor annuities otherwise payable, worth $23,000.

This legislation corrects such a case, and at the same time it in no way mitigates offenses of those people who have deliberately plotted and worked for the overthrow of our Government by force or violence.

I am very sure there will be a unanimous vote of this House to pass this legislation which corrects the abuses but which imposes no further hardship, which in many ways is more than generous to the offender, in that it gives back all of his own money that he may have put into the fund. I can assure the membership of the House that is far more than would be done today in any other country of the world, this side or the other side of the Iron Curtain.

Mr. CORBETT. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD on the bill now pending.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes", approved September 1, 1954, as amended (68 Stat. 1142, 70 Stat. 761; 5 U.S.C. 2281–2288), is amended to read as follows:

"That (a) there shall not be paid to any person convicted prior to, on or after September 1, 1954, under any article or provision of law specified or described in this subsection, of any offense within the purview of such article or provision to the extent provided in this subsection, or to any survivor or beneficiary of such person so convicted, for any period subsequent to the date of such conviction or subsequent to September 1, 1954, whichever date is later, any annuity or retired pay on the basis of the service of such person (subject to the exceptions contained in section 10 (2) and (3) of this Act) which is creditable toward such annuity or retired pay—

"(1) any offense within the purview of—

"(A) section 792 (harboring or concealing persons), 793 (gathering, transmitting, or losing defense information), 794 (gathering or delivering defense information to aid foreign government), or 798 (disclosure of classified information), of chapter 37 (relating to espionage and censorship) of title 18 of the United States Code,

"(B) chapter 105 (relating to sabotage) of title 18 of the United States Code,

"(C) section 2381 (treason), 2382 (misprison of treason), 2383 (rebellion or insurrection), 2384 (seditious conspiracy), 2385 (advocating overthrow of government), 2387 (activities affecting armed forces generally), 2388 (activities affecting armed forces during war), 2389 (recruiting for service against United States), or 2390 (enlistment to serve against United States), of chapter 115 (relating to treason, sedition, and subversive activities) of title 18 of the United States Code,

"(D) section 10(b)(2), 10(b)(3), or 10(b)(4) of the Atomic Energy Act of 1946 (60 Stat. 766, 767; 42 U.S.C., 1952 edition, sec. 1810 (b)(2), (3) and (4), as in effect prior to the enactment of the Atomic Energy Act of 1954 by the Act of August 30, 1954 (68 Stat. 919; Public Law 703, Eighty-third Congress; 42 U.S.C. 2011–2281),

"(E) section 16(a) or 16(b) of the Atomic Energy Act of 1946 (60 Stat. 773; 42 U.S.C., 1952 edition, sec. 1816 (a) and (b)) as in effect prior to the enactment of the Atomic Energy Act of 1954 by the Act of August 30, 1954, insofar as such offense under such section 16(a) or 16(b) is committed with intent to injure the United States or with intent to secure an advantage to any foreign nation, or

"(F) any prior provision of law on which any provision of law specified in subparagraph (A), (B), or (C) of this paragraph is based;

"(2) any offense within the purview of—

"(A) article 104 (aiding the enemy) or article 106 (spies) of the Uniform Code of Military Justice (chapter 47 of title 10 of the United States Code) or any prior article on which such article 104 or article 106, as the case may be, is based, or

"(B) any current article of the Uniform Code of Military Justice (or any prior article on which such current article is based) not specified or described in subparagraph (A) of this paragraph on the basis of charges and specifications describing a violation of any provision of law specified or described in paragraph (1), (3), or (4) of this subsection if the executed sentence includes death, dishonorable discharge, or dismissal from the service, or if the defendant dies before execution of such sentence as finally approved;

"(3) perjury committed under the laws of the United States or of the District of Columbia—

"(A) in falsely denying the commission of an act which constitutes any of the offenses—

"(i) within the purview of any provision of law specified or described in paragraph (1) of this subsection, or

"(ii) within the purview of any article or provision of law specified or described in paragraph (2) of this subsection insofar as such offense is within the purview of any article or provision of law specified or described in paragraph (1) or paragraph (2) (A) of this subsection,

"(B) in falsely testifying before any Federal grand jury, court of the United States, or court-martial with respect to his service as an officer or employee of the Government in connection with any matter involving or relating to any interference with or endangerment of, or involving or relating to any plan or attempt to interfere with or endanger, the national security or defense of the United States, or

"(C) in falsely testifying before any congressional committee in connection with any matter under inquiry before such congressional committee involving or relating to any interference with or endangerment of, or involving or relating to any plan or attempt to interfere with or endanger, the national security or defense of the United States; and

"(4) subornation of perjury committed in connection with the false denial or false testimony of another person as specified in paragraph (3) of this subsection.

"(b) There shall not be paid to any person convicted, prior to, on, or after the date of enactment of this amendment, under any article or provision of law specified or described in this subsection, of any offense within the purview of such article or provision to the extent provided in this subsection, or to any survivor or beneficiary of such person so convicted, for any period subsequent to the date of such conviction or subsequent to the date of enactment of this amendment, whichever date is later, any annuity or retired pay on the basis of the service of such person (subject to the exceptions contained in section 10 (2) and (3) of this Act) which is creditable toward such annuity or retired pay—

"(1) Any offense within the purview of—

"(A) section 222 (violation of specific sections) or section 223 (violation of sections generally of the Atomic Energy Act of 1954 (68 Stat. 958; 42 U.S.C. 2272 and 2273) insofar as such offense under such section 222 or 223 is committed with intent to injure the United States or with intent to secure an advantage to any foreign nation,

"(B) section 224 (communication of restricted data), section 225 (receipt of restricted data), or section 226 (tampering with restricted data) of the Atomic Energy Act of 1954 (68 Stat. 958 and 959; 42 U.S.C. 2274, 2275, and 2276), or

"(C) section 4 (conspiracy and communication or receipt of classified information), section 112 (conspiracy or evasion of apprehension during internal security emergency), or section 113 (aiding evasion of apprehension during internal security emergency) of the Internal Security Act of 1950 (64 Stat. 991, 1029, and 1030; 50 U.S.C. 783, 822, and 823);

"(2) any offense within the purview of any current article of the Uniform Code of Military Justice (chapter 47 of title 10 of the United States Code), or any prior article on which such current article is based, on the basis of charges and specifications describing a violation of any provision of law specified or described in paragraph (1), (3), or (4) of this subsection, if the executed sentence includes death, dishonorable discharge, or dismissal from the service, or if the defendant dies before execution of such sentence as finally approved;

"(3) perjury committed under the laws of the United States or the District of Columbia in falsely denying the commission of an act which constitutes any of the offenses within the purview of any provision of law specified or described in paragraph (1) of this subsection; and

"(4) subornation of perjury committed in connection with the false denial of another person as specified in paragraph (3) of this subsection.

"SEC. 2. (a) There shall not be paid to any person who, prior to, on, or after September 1, 1954, has refused or refuses, or knowingly and willfully has failed or fails, to appear, testify, or produce any book, paper, record, or other document, relating to his service as an officer or employee of

the Government, before a Federal grand jury, court of the United States, court-martial, or congressional committee, in any proceeding with respect to—

"(1) any relationship which he has had or has with a foreign government, or

"(2) any matter involving or relating to any interference with or endangerment of, or involving or relating to any plan or attempt to interfere with or endanger, the national security or defense of the United States,

or to the survivor or beneficiary of such person, for any period subsequent to September 1, 1954, or subsequent to the date of such failure or refusal of such person, whichever date is later, any annuity or retired pay on the basis of the service of such person (subject to the exceptions contained in section 10 (2) and (3) of this Act) which is creditable toward such annuity or retired pay.

"(b) There shall not be paid to any person who, prior to, on, or after September 1, 1954, knowingly and willfully, has made or makes any false, fictitious, or fraudulent statement or representation, or who, prior to, on, or after such date, knowingly and willfully, has concealed or conceals any material fact, with respect to his—

"(1) past or present membership in, affiliation or association with, or support of the Communist Party, or any chapter, branch, or subdivision thereof, in or outside the United States, or any other organization, party, or group advocating (A) the overthrow, by force, violence, or other unconstitutional means, of the Government of the United States. (B) the establishment, by force, violence, or other unconstitutional means, of a Communist totalitarian dictatorship in the United States, or (C) the right to strike against the Government of the United States,

"(2) conviction, under any article or provision of law specified or described in subsection (a) of the first section of this Act, of any offense within the purview of such subsection (a) to the extent provided in such subsection, or

"(3) failure or refusal to appear, and testify, or produce any book, paper, record, or other document, as specified in subsection (a) of this section,

for any period subsequent to September 1, 1954, or subsequent to the date on which any such statement, representation, or concealment of fact is made or occurs, whichever date is later, in any document executed by such person in connection with his employment in, or application for, a civilian or military office or position in or under the legislative, executive, or judicial branch of the Government of the United States or the government of the District of Columbia, or to the survivor or beneficiary of such person, any annuity or retired pay on the basis of the service of such person (subject to the exceptions contained in section 10 (2) and (3) of this Act) which is creditable toward such annuity or retired pay.

"(c) There shall not be paid to any person who, prior to, on, or after the date of enactment of this amendment, knowingly and willfully, has made or makes any false, fictitious, or fraudulent statement or representation, or who, prior to, on, or after such date, knowingly and willfully, has concealed or conceals any material fact, with respect to his conviction, under any article or provision of law specified or described in subsection (b) of the first section of this Act, of any offense within the purview of such subsection (b) to the extent provided in such subsection, for any period subsequent to the date of enactment of this amendment or subsequent to the date on which any such statement, representation, or concealment of fact is made or occurs, whichever date is later, in any document executed by such person in connection with his employment in, or application for, a civilian or military office or position in or under the legislative, executive, or judicial branch of the Government of the United States or the government of the District of Columbia, or to the survivor or beneficiary of such person, any annuity or retired pay on the basis of the service of such person (subject to the exceptions contained in section 10 (2) and (3) of this Act) which is creditable toward such annuity or retired pay.

"SEC. 3. There shall not be paid to any person—

"(1) who (A) after July 31, 1956, is under indictment, or has outstanding against him charges preferred under the Uniform Code of Military Justice, for any offense within the purview of subsection (a) of the first section of this Act, or (B) after the date of enactment of this amendment, is under indictment, or has outstanding against him charges preferred under the Uniform Code of Military Justice, for any offense within the purview of subsection (b) of such first section, and

"(2) who willfully remains outside the United States, its Territories and possessions, and the Commonwealth of Puerto Rico for a period in excess of one year with knowledge of such indictment or charges, as the case may be,

for any period subsequent to the end of such one-year period, or to the survivor or beneficiary of such person, any annuity or retired pay on the basis of the service of such person (subject to the exceptions contained in section 10 (2) and (3) of this Act) which is creditable toward such annuity or retired pay, unless and until—

"(i) a nolle prosequi to the entire indictment is entered upon the record, or such charges have been dismissed by competent authority, as the case may be,

"(ii) such person returns and thereafter the indictment, or charges, is or are dismissed, or

"(iii) after trial by court or court-martial, as applicable, the accused is found not guilty of the offense or offenses referred to in paragraph (1) of this section.

"SEC. 4. (a) In the case of—

"(1) the conviction of any person, under any article or provision of law specified or described in subsection (a) of the first section of this Act, of any offense within the purview of such subsection (a) to the extent provided in such subsection, or the commission by any person of any violation of subsection (a) or (b) of section 2 of this Act, or

"(2) the conviction of any person, under any article or provision of law specified or described in subsection (b) of the first section of this Act, of any offense within the purview of such subsection (b) to the extent provided in such subsection, or the commission by any person of any violation of subsection (c) of section 2 of this Act,

any amounts (not including employment taxes) contributed by such person toward an annuity the benefits of which are denied under this Act (less any amounts previously refunded or previously paid as annuity benefits) shall be refunded, upon appropriate application therefor—

"(A) to such person,

"(B) if such person is deceased, to such other person or persons as may be designated to receive refunds by or under the law, regulation, or agreement under which the annuity (the benefits of which are denied under this Act) would have been payable, or

"(C) if there is no such designation, in the order of precedence prescribed in section 11(c) of the Civil Service Retirement Act (70 Stat. 755; 5 U.S.C. 2261(c)) or section 2771 of title 10 of the United States Code, as applicable.

"(b) Each refund under subsection (a) of this section shall be made with interest at such rates and for such periods as may be provided under the law, regulation, or agreement under which the annuity would have been payable. Such interest shall not be computed—

"(1) if paragraph (1) of subsection (a) of this section is applicable, for any period after the date of conviction or commission of violation, as the case may be, or after September 1, 1954, whichever date is later, or

"(2) if paragraph (2) of subsection (a) of this section is applicable, for any period after the date of conviction or commission of violation, as the case may be, or after the date of enactment of this amendment, whichever date is later.

"(c) No person whose annuity is denied under this Act shall be required to repay that part of any annuity otherwise properly paid to such person which is in excess of the aggregate amount of his own contributions toward such annuity, with applicable interest.

"(d) No survivor or beneficiary of any such person shall be required to repay that part of any annuity otherwise properly paid to such person or to such survivor or beneficiary on the basis of the service of such person which is in excess of the aggregate amount of the contributions of such person toward annuity, with applicable interest.

"SEC. 5. (a) No person (including an eligible beneficiary under chapter 73 of title 10 of the United States Code or under section 5 of the Uniformed Services Contingency Option Act of 1953 (67 Stat. 504; 37 U.S.C., 1952 edition, Supp. III, sec. 374)) to whom payment of retired pay is denied under this Act shall be required to refund to the United States any retired pay otherwise properly paid to such person or beneficiary which is paid in violation of this Act.

"(b) In the case of the conviction of, or the commission of any violation by, any person to the extent provided in paragraph (1) or paragraph (2), as the case may be, of section 4(a) of this Act, any deposits made under section 1438 of chapter 73 of title 10 of the United States Code, or under section 5 of the Uniformed Services Contingency Option Act of 1953 (67 Stat. 504; 37 U.S.C., 1952 edition, Supp. III, sec. 374), to provide the eligible beneficiary with annuity for any period (less amounts previously paid as retired pay benefits) shall be refunded, upon appropriate application therefor, in accordance with such section 4(a), with interest as provided in section 4(b) of this Act.

"SEC. 6. (a) The right to receive an annuity or retired pay shall be deemed restored to any person convicted, prior to, on, or after September 1, 1954, of an offense which is within the purview of the first section of this Act or which constitutes a violation of section 2 of this Act, for which he is denied under this Act an annuity or retired pay, to whom a pardon of such offense is granted by the President of the United States, prior to, on, or after September 1, 1954, and to the survivor or beneficiary of such person. Such restoration of the right to receive an annuity or retired pay shall be effective as of the date on which such pardon is granted. Any amounts refunded to such person under section 4 or section 5(b) of this Act shall be redeposited before credit is allowed for the period or periods of service covered by the refund. No payment of annuity or retired pay shall be made, by virtue of such pardon, for any period prior to the date on which such pardon is granted.

"(b) The President is authorized to restore, effective as of such date as he may prescribe, the right to receive an annuity or retired pay to any person who is denied, prior to, on, or after September 1, 1954, an annuity or retired pay under section 2 of this Act, and to the survivor or beneficiary of such person. Any amounts refunded to such person under section 4 or section 5(b) of this Act shall be redeposited before credit is allowed for the period or periods of serv-

ice covered by the refund. No payment of annuity or retired pay shall be made, by virtue of such restoration of annuity or retired pay by the President under this subsection, for any period prior to the effective date of such restoration of annuity or retired pay.

"(c) The right to receive an annuity or retired pay shall not be denied because of any conviction of an offense which is within the purview of the first section of this Act or which constitutes a violation of section 2 of this Act, in any case in which it is established by satisfactory evidence that such conviction or violation resulted from proper compliance with orders issued, in a confidential relationship, by a department, agency, establishment, or other authority of any branch of the Government of the United States or of the Government of the District of Columbia.

"SEC. 7. No accountable officer or employee of the Government shall be held responsible for any payment made in violation of any provision of this Act if such payment is made in due course and without fraud, collusion, or gross negligence.

"SEC. 8. (a) The President may—

"(1) drop from the rolls any member of the armed forces, and any member of the Coast and Geodetic Survey or of the Public Health Service, who is deprived of retired pay under the provisions of this Act, and

"(2)(A) restore to any person so dropped from the rolls to whom retired pay is restored by reason of any provision of or change in this Act (including the provisions of section 2 of the Act which enacts this clause), his military status, and (B) restore to him and his beneficiaries all rights and privileges of which he or they were deprived by reason of his name having been dropped from the rolls.

"(b) If the person restored was a commissioned officer he may be reappointed by the President alone to the grade and position on the retired list which he held at the time his name was dropped from the rolls.

"SEC. 9. This Act shall not be construed to restrict any authority under any other provision of law to deny or withhold benefits authorized by law.

"SEC. 10. As used in this Act—

"(1) the term 'officer or employee of the Government' includes—

"(A) an officer or employee in or under the legislative, executive, or judicial branch of the Government of the United States;

"(B) a Member of, Delegate to, or Resident Commissioner in, the Congress of the United States;

"(C) an officer or employee of the government of the District of Columbia; and

"(D) a member or former member of the armed forces, the Coast and Geodetic Survey, or the Public Health Service.

"(2) the term 'annuity' means any retirement benefit (including any disability insurance benefit and any dependent's or survivor's benefit under title II of the Social Security Act and any monthly annuity under section 2 or section 5 of the Railroad Retirement Act of 1937) payable by any department or agency of the Government of the United States or the government of the District of Columbia upon the basis of service as a civilian officer or employee of the Government and any other service which is creditable to an officer or employee of the Government toward such benefit under the law, regulation, or agreement providing such benefit, except that—

"(A) the term 'annuity' does not include any benefit provided under laws administered by the Veterans' Administration;

"(B) the term 'annuity' does not include salary or compensation which may not be diminished under section 1 of Article III of the Constitution of the United States;

"(C) the term 'annuity' does not include, in the case of a benefit payable under title II of the Social Security Act, so much of such benefit as would be payable without taking into account (for any of the purposes of such title II, including determinations of periods of disability under section 216(i)) any remuneration for service as an officer or employee of the Government;

"(D) the term 'annuity' does not include any monthly annuity awarded under section 2 or section 5 of the Railroad Retirement Act of 1937 prior to the date of enactment of this amendment (whether or not computed under section 3(e) of such Act) and, in the case of any annuity awarded under such section 2 or 5 on or subsequent to the date of enactment of this amendment, does not include so much of such annuity as would be payable without taking into account any military service creditable under section 4 of such Act;

"(E) the term 'annuity' does not include any retirement benefit (including any disability insurance benefit and any dependent's or survivor's benefit under title II of the Social Security Act) of any person to whom such benefit has been awarded or granted prior to September 1, 1954, or of the survivor or beneficiary of such person, insofar as concerns the conviction of such person, prior to such date, under any article or provision of law specified or described in subsection (a) of the first section of this Act, of any offense within the purview of such subsection (a) to the extent provided in such subsection, or the commission by such person, prior to such date, of any violation of subsection (a) or (b) of section 2 of this Act; and

"(F) the term 'annuity' does not include any retirement benefit (including any disability insurance benefit and any dependent's or survivor's benefit under title II of the Social Security Act) of any person to whom such benefit has been awarded or granted prior to the date of enactment of this amendment, or of the survivor or beneficiary of such person, insofar as concerns the conviction of such person, prior to such date, under any article or provision of law specified or described in subsection (b) of the first section of this Act, of any offense within the purview of such subsection (b) to the extent provided in such subsection, or the commission by such person, prior to such date, of any violation of subsection (c) of section 2 of this Act.

"(3) the term 'retired pay' means retired pay, retirement pay, retainer pay, or equivalent pay, payable under any law of the United States to members or former members of the armed forces, the Coast and Geodetic Survey, and the Public Health Service, and any annuity payable to an eligible beneficiary of any such member or former member under chapter 73 (annuities based on retired or retainer pay) of title 10 of the United States Code, or under section 5 of the Uniformed Services Contingency Option Act of 1953 (67 Stat. 504; 37 U.S.C., 1952 edition, Supp. III, sec. 374), except that—

"(A) the term 'retired pay' does not include any benefit provided under laws administered by the Veterans' Administration;

"(B) the term 'retired pay', as applicable to retired pay, retirement pay, retainer pay, and equivalent pay, does not include any such pay of any person to whom such pay has been awarded or granted prior to September 1, 1954, insofar as concerns the conviction of such person, prior to such date, under any article or provision of law specified or described in subsection (a) of the first section of this Act, of any offense within the purview of such subsection (a) to the extent provided in such subsection, or the commission by such person, prior to such date, of any violation of subsection (a) or (b) of section 2 of this Act;

"(C) the term 'retired pay', as applicable to retired pay, retirement pay, retainer pay, or equivalent pay, does not include any such pay of any person to whom such pay has been awarded or granted prior to the date of enactment of this amendment insofar as concerns the conviction of such person, prior to such date, under any article or provision of law specified or described in subsection (b) of the first section of this Act, of any offense within the purview of such subsection (b) to the extent provided in such subsection, or the commission by such person, prior to such date, of any violation of subsection (c) of section 2 of this Act; and

"(D) the term 'retired pay', as applicable to an annuity payable to the eligible beneficiary of any person under chapter 73 of title 10 of the United States Code, or under section 5 of the Uniformed Services Contingency Option Act of 1953 (67 Stat. 504; 37 U.S.C., 1952 edition, Supp. III, sec. 374), does not include any such annuity of any such beneficiary if such annuity has been awarded or granted to such beneficiary, or if retired pay has been awarded or granted to such person, prior to the date of enactment of this amendment insofar as concerns—

"(i) the conviction, prior to such date, of the person on the basis of whose service such annuity is awarded or granted, under any article or provision of law specified or described in the first section of this Act, of any offense within the purview of such first section to the extent specified in such section, or

"(ii) the commission by such person, prior to such date, of any violation of section 2 of this Act.

"(4) the term 'armed forces' shall have the meaning provided for such term by title 10 of the United States Code.

"SEC. 11. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"SEC. 12. (a) Section 3282 of title 18 of the United States Code is amended by striking out 'three' and inserting in lieu thereof 'five'.

"(b) The amendment made by subsection (a) shall be effective with respect to offenses (1) committed on or after September 1, 1954, or (2) committed prior to such date, if on such date prosecution therefore is not barred by provisions of law in effect prior to such date."

SEC. 2. (a) Subject to subsection (b) of this section, any person, including his survivor or beneficiary, to whom annuity or retired pay is not payable under the Act of September 1, 1954, as in effect at any time prior to the date of enactment of this Act, by reason of any conviction of an offense, any commission of a violation, any refusal to answer, or any absence under indictment, or under charges, for any offense, shall be restored the right to receive such annuity or retired pay for any and all periods for which he would have had the right to receive such annuity or retired pay if the Act of September 1, 1954, had not been enacted, unless, under the amendment made by the first section of this Act, such annuity or retired pay remains nonpayable to such person, including his survivor or beneficiary.

(b) No annuity accrued or accruing, prior to, on, or after the date of enactment of this Act, on account of the restoration, by reason of the amendment made by the first section of this Act and by reason of subsection (a) of this section, of the right to receive such annuity, shall be paid until any sum refunded under section 3 of the Act of September 1, 1954, as in effect prior to the date of enactment of such amendment, is deposited or is collected by offset against the annuity.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having resumed the chair, Mr. TRIMBLE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6141) to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes, pursuant to House Resolution 361, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. KYL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of the bill be postponed until tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gnetleman from Massachusetts?

There was no objection.

NATIONAL LOTTERY OF ECUADOR

Mr. HARVEY of Indiana. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. FINO] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. FINO. Mr. Speaker, I would like to tell the Members of this House about the National Lottery of Ecuador. Like a number of other lotteries of Spanish-speaking nations, the Ecuadoran National Lottery exists not for the benefit of the general treasury but rather for the benefit of numerous charities.

In South America, lotteries support many hospitals, asylums, orphanages and the like that would be otherwise aided or maintained by the government. Ecuador is one of the nations in which the profits of the national lottery are directly channeled to these institutions.

In 1960, the gross receipts of Ecuador's lottery came to $3 million. One-third of this money, the entire profit, was turned over immediately to charitable organizations. The bulk of the money went to assist hospitals.

We here in America could benefit immeasurably if moneys that now flow into the pockets of gangsters could be diverted into a national lottery and utilized as are the profits of many foreign lotteries.

THE LATE SENATOR GEORGE W. NORRIS

Mr. HARVEY of Indiana. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. WEAVER] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WEAVER. Mr. Speaker, 100 years ago today there was born one of the true statesmen, one of the great fighters for liberty and justice of our times, the late Senator George W. Norris, of Nebraska. I am proud to represent the First District of Nebraska where the home of Senator Norris is located at McCook, Nebr. I am proud to represent the State which provided for America this outstanding public servant and man of vision.

The Nation owes much to Senator Norris. It was through his ability to see our country's needs, both the present and future, that these needs have been met. It is largely through his efforts, his courage, his leadership, that our country has been able to meet the challenge of the 20th century.

When George W. Norris foresaw our Nation's farm families acquiring the good things of life through electric power brought to their homes, he was accused of being a visionary. In truth, he was a man of vision. But in addition, he had those fine qualities which enable a man to translate dreams into reality. He had a practical and knowledgeable approach to the fundamental problems involved. And, most of all, he had the courage to fight against any odds—and the odds against him in many cases were tremendous—until those dreams became reality.

When George Norris foresaw arid and semiarid miles of our Western and Plains States becoming a land of abundance, he again was accused of being a visionary. But again, and still against great odds, he battled for his ideals—and again through his courageous leadership, the goal was achieved—and adds to the luster of his name.

Senator Norris was a man who fought against injustice wherever he found it. In these halls of the House of Representatives he was a leader in bringing added democracy to the proceedings of the House. He and his band of supporters were able to win only because they were willing to fight with every breath in their bodies for that victory, inspired by Senator Norris himself.

He took with him to the Senate this same spirit and same ability to gather about him loyal and courageous men who were willing to stand up for a cause and for a principle.

Mr. Speaker, I am proud to have introduced in the House two bills to commemorate George W. Norris' memory, one to change the name of the Lincoln Air Force Base to the George W. Norris Air Force Base, and the other to acquire for the Federal Government his last home and residence in McCook, Nebr., as a fitting shrine to his memory.

It was shortly after I introduced the first of these bills that I received a very touching letter from Mrs. Norris who still lives at the family home in McCook. In that letter, Mrs. Norris said in part:

> Sincerely do I thank you for your interest in having the Lincoln Air Force base renamed for my husband—it touched me deeply.

She goes on to describe her husband as one of the "brave men in the fight for the development of our vital natural resources. Just now our country needs men—like my husband."

Mr. Speaker, in these days which try men's souls—in a time when the faith of the free world in the traditions and institutions of democracy is shaken—in these days when even some of our own citizens are questioning the course our Nation is following—in times like these we do, indeed, need men like George W. Norris.

It is good for us at this time to reflect on such men who through their examples have provided the light by which to guide the footsteps of the future.

IMMIGRATION OF ALIEN ADOPTED CHILDREN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include some letters.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, because of the interest of a number of my colleagues in the House in the matter of immigration of alien children adopted by U.S. citizens, I wish to include in the RECORD at this point the text of letters exchanged between Subcommittee No. 1 of the Committee on the Judiciary and the Attorney General of the United States:

> HOUSE OF REPRESENTATIVES, COMMITTEE ON THE JUDICIARY, SUBCOMMITTEE NO. 1,
> *Washington, D.C., June 27, 1961.*
>
> Hon. ROBERT F. KENNEDY,
> *The Attorney General,*
> *U.S. Department of Justice,*
> *Washington, D.C.*
>
> DEAR MR. ATTORNEY GENERAL: This subcommittee has considered the advisability of legislation which would extend administrative operations authorized pursuant to section 4(a) of the act of September 11, 1957, as amended, under which special nonquota immigrant visas may be issued to certain eligible orphans adopted abroad by a U.S. citizen and spouse, or coming to the United States for adoption. You are, of course, aware that the law expires on June 30, 1961.
>
> I wish to advise you that our conclusion was not to recommend to the House at this time legislation which would continue the above-cited law.
>
> This subcommittee believes that the provisions of section 101(b)(1)(E) in conjunction with section 212(d)(5) of the Immigration and Nationality Act offer a satisfactory solution in equitable situations where the separation of the alien adopted child and the American family should be prevented. It is, therefore, suggested that you utilize the discretionary authority vested in you pursuant to section 212(d)(5), supra, and authorize the paroling into the United States of such

children who, in your opinion, would fall within the purview of paragraph (E) of section 101(b)(1), supra, after they would have remained in the custody of the adopting parent or parents for at least 2 years. It is believed that in accordance with congressional intent evidence in several past enactments on this subject, the following two classes of alien children could be paroled into the United States for the purpose of benefiting prospectively under the nonquota provisions of the law above cited:

(1) Orphans adopted abroad by a U.S. citizen and spouse while such citizen is serving abroad in the U.S. Armed Forces, or is employed by the U.S. Government, or is temporarily abroad on business and where provisions of paragraph (E), supra, do not provide administrative remedy at the time the adopting parent or parents transfer from the country in which adoption occurred; and

(2) Orphans selected by a U.S. citizen and spouse stationed abroad under the circumstances and for the purposes stated in paragraph (1), above, where (a) foreign adoption proceedings have not been instituted or have not been completed, and (b) the adopting parents have given you the proper assurances that they will adopt such orphan in the United States and that the preadoption requirements, if any, of the State of such orphan's proposed residence have been met.

This subcommittee feels that in the case of orphans described in paragraph (1), above, parole entry under section 212(d)(5), supra, could occur at any time while the child is under 14 years of age.

However, it is felt that in order to allow for a reasonable period of time to complete adoption in the United States and thereby make it possible for the children to derive nonquota status under section 101(b)(1)(E), supra, in the case of orphans entering under parole pursuant to paragraph (2) above, the age limit should be lower, possibly 12 years of age.

An expression of your agreement to the suggestion herein outlined will be appreciated.

With kind regards, I am,

Sincerely yours,

FRANCIS E. WALTER,
Chairman.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY
ATTORNEY GENERAL,
Washington, D.C., July 7, 1961.

Hon. FRANCIS E. WALTER,
Chairman, Subcommittee No. 1,
Committee on the Judiciary,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of June 27, 1961, addressed to the Attorney General, setting forth the proposals of your committee in respect to the parole into the United States of certain adopted orphans after the expiration, on June 30, 1961, of the existing law on that subject.

The Department has submitted its report on H.R. 6300 and the purposes of that bill with respect to alien orphans are strongly endorsed. It is hoped that these provisions will eventually be enacted into permanent orphan legislation. In view of the statements in your letter, however, it appears unlikely that this or similar legislation in the alien orphan field will be passed in this session of the Congress.

Because of the lack of any current legislative authority for the admission of alien orphans, the Department of Justice is prepared to invoke the discretionary parole authority vested in the Attorney General under section 212(d)(5) to parole selected alien orphans into the United States "for reasons deemed strictly in the public interest." The exercise of that discretionary authority thereafter will continue until Congress has considered the various proposals on this subject and has enacted a positive law. The Department would consider it to be strictly in the public interest to authorize the entry of any alien orphan between whom and his adopting U.S. citizen parent and the latter's spouse the relationship of child and parent has been created by operation of foreign adoption laws on the personal application or petition of the adopting parents while physically present within the jurisdiction of the adoption tribunal. Additionally, there would be included any alien child for whom a U.S. citizen, abroad in the employ or in the service of the U.S. Government or temporarily abroad on business or pleasure, and his spouse has furnished assurances that the alien child will be adopted by them in the United States and that the preadoption requirements, if any, of the State of such orphan's proposed residence have been met. In both cases parole will be authorized only after investigation identical with that currently conducted under the provisions of the recently expired section 4(a) of the act of September 11, 1957.

After the expiration of 2 years from the decree of adoption, the child, if it has resided with the adopting parents during that period, will be eligible for nonquota status under section 101(b)(1)(E). The Department proposes to exercise the authority vested in the Attorney General under section 245 of the Immigration and Nationality Act to adjust the status of the child at that time to an alien lawfully admitted for permanent residence.

Sincerely,

BYRON R. WHITE,
Deputy Attorney General.

SUBCOMMITTEE ON THE CENSUS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the Subcommittee on the Census may sit during general debate next Tuesday and Wednesday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WALTER.

Mr. TOLL.

(The following Members (at the request of Mr. HARVEY of Indiana) and to include extraneous matter:)

Mr. CHAMBERLAIN.

Mr. ELLSWORTH.

Mr. VAN ZANDT.

Mr. DOOLEY.

Mr. KNOX.

(The following member (at the request of Mr. MCCORMACK) and to include extraneous matter:)

Mr. SANTANGELO.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 139. An act for the relief of Krste Angeloff;

S. 442. An act for the relief of Aspasia A. Koumbouris (Kumpuris);

S. 537. An act to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes;

S. 540. An act to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes;

S. 576. An act to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes;

S. 796. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus property by State distribution agencies, and for other purposes;

S. 1073. An act for the relief of Henry Eugene Godderis;

S. 1720. An act to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world; and

S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Wednesday, July 12, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1120. A letter from the Secretary of State, transmitting a copy of a classified document dated July 6, 1961; to the Joint Committee on Atomic Energy.

1121. A letter from the Cochairmen, U.S. Citizens Commission on NATO, transmitting the semiannual report of the U.S. Citizens Commission on NATO relating to accounting for all expenditures, pursuant to Public Law 86-719; to the Committee on Foreign Affairs.

1122. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to establish an Advisory Board on Indian Affairs"; to the Committee on Interior and Insular Affairs.

1123. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of a proposed bill entitled "A bill to amend the Federal Employees' Group Life Insurance Act"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HIESTAND: Committee on Education and Labor. H.R. 7904. A bill to extend and improve the National Defense Education Act, and for other purposes; without amendment (Rept. No. 674, pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mrs. HANSEN: Committee on Interior and Insular Affairs. H.R. 4945. A bill to set

aside certain lands in Washington for Indians of the Quinault Tribe; with amendment (Rept. No. 687). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H.R. 2732. A bill to amend section 303 of the Career Compensation Act of 1949 to provide that the Secretaries of the uniformed services shall prescribe a reasonable monetary allowance for transportation of house trailers or mobile dwellings upon permanent change of station of members of the uniformed services; with amendment (Rept. No. 688). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H.R. 6597. A bill to amend title 10, United States Code, to permit the crediting of certain minority service for the purpose of determining eligibility for retirement, and for other purposes; without amendment (Rept. No. 689). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H.R. 7724. A bill to provide for advances of pay to members of the armed services in cases of emergency evacuation of military dependents from oversea areas and for other purposes; without amendment (Rept. No. 690). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H.R. 7864. A bill to dissolve Federal Facilities Corporation, and for other purposes; without amendment (Rept. No. 691). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H.R. 7935. A bill to restore authority in the Armed Forces to prepare the remains, on a reimbursable basis, of certain deceased dependents of military personnel and to transport the remains at Government expense to their homes or other appropriate place of interment; without amendment (Rept. No. 692). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H.R. 7722. A bill to amend section 3579, title 10, United States Code, to provide that commissioned officers of the Medical Service Corps may exercise command outside the Army Medical Service when directed by proper authority; without amendment (Rept. No. 693). Referred to the House Calendar.

Mr. ASPINALL: Committee on Interior and Insular Affairs. H.R. 2206. A bill to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado; with amendment (Rept. No. 694). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREEDING:

H.R. 8073. A bill to authorize the Secretary of Agriculture to extend conservation reserve contracts; to the Committee on Agriculture.

By Mr. BREWSTER:

H.R. 8074. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations; to the Committee on the District of Columbia.

By Mr. CORBETT:

H.R. 8075. A bill to provide for redistricting of any of the several States by the Director of the Bureau of the Census for the election of Representatives in Congress in certain cases in which the State fails to redistrict in the manner provided by the law thereof, and for other purposes; to the Committee on the Judiciary.

By Mr. HALEY (by request):

H.R. 8076. A bill to establish an Advisory Board on Indian Affairs; to the Committee on Interior and Insular Affairs.

H.R. 8077. A bill to put to more productive use idle Indian lands now in multiple ownership status, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HALPERN:

H.R. 8078. A bill to amend the Foreign Assistance Appropriations Act, 1962, with respect to freedom of navigation in international waterways; to the Committee on Foreign Affairs.

H.R. 8079. A bill to amend the Foreign Assistance Appropriations Act, 1962, with respect to racial or religious discrimination against American citizens; to the Committee on Foreign Affairs.

H.R. 8080. A bill to amend section 102 of the Foreign Assistance Act of 1961 with respect to freedom of navigation in international waterways; to the Committee on Foreign Affairs.

H.R. 8081. A bill to amend the Foreign Assistance Act of 1961 with respect to racial or religious discrimination against American citizens; to the Committee on Foreign Affairs.

By Mr. JOELSON:

H.R. 8082. A bill to provide for recognition of Federal employee unions and to provide procedures for the adjustment of grievances; to the Committee on Post Office and Civil Service.

By Mr. KORNEGAY:

H.R. 8083. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. LANKFORD:

H.R. 8084. A bill to provide for the conveyance of certain real property of the United States to the State of Maryland; to the Committee on Government Operations.

By Mr. MARTIN of Massachusetts:

H.R. 8085. A bill to provide for the establishment under the National Science Foundation of a National Science Academy; to the Committee on Science and Astronautics.

By Mr. MULTER:

H.R. 8086. A bill to amend the District of Columbia Alcoholic Beverage Control Act to prohibit certain advertising with respect to price, and to prohibit false advertising in the District of Columbia relating to alcoholic beverages; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FINNEGAN:

H.R. 8087. A bill for the relief of Diana Lemaich; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 8088. A bill for the relief of Claudette Moore; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 8089. A bill for the relief of Silas Songsook Younn; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 8090. A bill for the relief of the Big Cypress Marina, Inc.; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 8091. A bill for the relief of Franciszek Kopec and Wladystaw Kopec; to the Committee on the Judiciary.

By Mr. RIVERS of South Carolina:

H. Con. Res. 347. Concurrent resolution tendering the thanks of Congress to General of the Army Douglas MacArthur; to the Committee on Armed Services.

SENATE

TUESDAY, JULY 11, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal Spirit, Thou true home of our souls, whence we sprang, to whom we belong, where alone we are altogether understood, and in whose love and fellowship we may renew our strength—with all our willful rebellions confront us, we beseech Thee, with a compelling vision of Thy will in which alone is our peace, that we may be stripped of pride and made humble and penitent.

We come to Thee conscious of those lofty and eternal verities that outlast the strident confusions of any day. Give us to know that not just to bygone centuries must we turn to hear Thy voice. Unstop our ears to hear Thy imperatives above the babel of crashing systems, yea, in and through the change and perplexities of our day, where Thou art searching and sifting out the souls of men before Thy judgment seat.

So, hearing and heeding the voice divine, may the response of our compassion help to heal this sorely wounded world, so hurt by man's inhumanity to man.

In the dear Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, July 10, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 576) to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes.

The message also announced that the House had passed the bill (S. 713) for the relief of Anastasia Stassinopoulos, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 857) to provide for the establishment of Cape

Cod National Seashore, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 181. An act to amend sections 3253 and 8253 of title 10, United States Code;

H.R. 187. An act to provide for the judicial review of orders of deportation;

H.R. 1290. An act for the relief of Ernest Morris;

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1492. An act for the relief of Ernest John Large;

H.R. 1496. An act for the relief of Aloysius van de Velde;

H.R. 1532. An act for the relief of Jeanine Ruth Tabacnik;

H.R. 1550. An act for the relief of Jesus Garza Lopez;

H.R. 1551. An act for the relief of Kim-Ok Yun;

H.R. 1583. An act for the relief of Mrs. Chung-Huang Tang Kao;

H.R. 1612. An act for the relief of Mr. Ernest Hay, Wamego, Kans.

H.R. 1630. An act for the relief of Carma Pereira de Bustillos;

H.R. 1646. An act for the relief of Joan Josephine Smith;

H.R. 1898. An act for the relief of Isabel Brown;

H.R. 1901. An act for the relief of Georgia J. Makris;

H.R. 1960. An act to amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts, and for other purposes;

H.R. 2115. An act for the relief of Dr. Josephine L. Go and Dr. Welles P. Go;

H.R. 2136. An act for the relief of Hajime Misaka;

H.R. 3148. An act for the relief of Maddalena Haas;

H.R. 3222. An act to amend section 4(a) of the act of April 1, 1942, so as to confer jurisdiction on the municipal court for the District of Columbia over certain counterclaims and crossclaims in any action in which such court has initial jurisdiction;

H.R. 3227. An act to amend section 1732 (b) of title 28, United States Code, to permit the photographic reproduction of business records held in a custodial or fiduciary capacity and the introduction of the same in evidence;

H.R. 3393. An act for the relief of Istvan Zsoldos;

H.R. 3853. An act for the relief of Yun Soo Kahng;

H.R. 3855. An act for the relief of Dwylia McCreight and John T. McCreight, Jr.;

H.R. 4221. An act for the relief of Sylvia Abrams Abramowitz;

H.R. 4300. An act to designate the Bear Creek Dam on the Lehigh River, Pa., as the Francis E. Walter Dam;

H.R. 4553. An act for the relief of Zbigniew Ryba;

H.R. 5182. An act for the relief of Charles P. Redick;

H.R. 7610. An act for the relief of Joe Kawakami;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses;

H.R. 7676. An act for the relief of George W. Ross, Jr.;

H.R. 7739. An act for the relief of Arthur C. Berry and others;

H.R. 7809. An act to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel;

H.J. Res. 453. Joint resolution relating to deportation of certain aliens; and

H.J. Res. 472. Joint resolution providing for the apportionment to the Commonwealth of Massachusetts of its share of funds authorized for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 866. An act to amend section 4004 of title 38, United States Code, to require that the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals;

H.R. 2953. An act to amend section 521 of title 38, United States Code, to provide that certain service shall be creditable for pension purposes;

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron mircroscopes and certain other apparatus imported by, or on behalf of, certain institutions;

H.R. 4206. An act for the relief of Melvin H. Baker and Frances V. Baker;

H.R. 4349. An act to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with the United States Naval Academy graduates;

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date; and

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, as indicated:

H.R. 181. An act to amend sections 3253 and 8253 of title 10, United States Code;

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses; and

H.R. 7809. An act to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel; to the Committee on Armed Services.

H.R. 187. An act to provide for the judicial review of orders of deportation;

H.R. 1290. An act for the relief of Ernest Morris;

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1492. An act for the relief of Ernest John Large;

H.R. 1496. An act for the relief of Aloysius van de Velde;

H.R. 1532. An act for the relief of Jeanine Ruth Tabacnik;

H.R. 1550. An act for the relief of Jesus Garza Lopez;

H.R. 1551. An act for the relief of Kim-Ok Yun;

H.R. 1583. An act for the relief of Mrs. Chung-Huang Tang Kao;

H.R. 1612. An act for the relief of Mr. Ernest Hay, Wamego, Kans.;

H.R. 1630. An act for the relief of Carma Pereira de Bustillos;

H.R. 1646. An act for the relief of Joan Josephine Smith;

H.R. 1898. An act for the relief of Isabel Brown;

H.R. 1901. An act for the relief of Georgia J. Makris;

H.R. 1960. An act to amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the United States district courts, and for other purposes;

H.R. 2115. An act for the relief of Dr. Josephine L. Go and Dr. Welles P. Go;

H.R. 2136. An act for the relief of Hajime Misaka;

H.R. 3148. An act for the relief of Maddalena Haas;

H.R. 3227. An act to amend section 1732 (b) of title 28, United States Code, to permit the photographic reproduction of business records held in a custodial or fiduciary capacity and the introduction of the same in evidence;

H.R. 3393. An act for the relief of Istvan Zsoldos;

H.R. 3853. An act for the relief of Yun Soo Kahng;

H.R. 3855. An act for the relief of Dwylia McCreight and John T. McCreight, Jr.;

H.R. 4221. An act for the relief of Sylvia Abrams Abramowitz;

H.R. 4553. An act for the relief of Zbigniew Ryba;

H.R. 5182. An act for the relief of Charles P. Redick;

H.R. 7610. An act for the relief of Joe Kawakami;

H.R. 7676. An act for the relief of George W. Ross, Jr.;

H.R. 7739. An act for the relief of Arthur C. Berry and others; and

H.J. Res. 453. Joint resolution relating to deportation of certain aliens; to the Committee on the Judiciary.

H.R. 3222. An act to amend section 4(a) of the Act of April 1, 1942, so as to confer jurisdiction on the municipal court for the District of Columbia over certain counterclaims and cross-claims in any action in which such court has initial jurisdiction; to the Committee on the District of Columbia.

H.R. 4300. An act to designate the Bear Creek Dam on the Lehigh River, Pa., as the Francis E. Walter Dam; to the Committee on Public Works.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour, for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Internal Security Subcommittee of the Judiciary Committee was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider a nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the nomination on the calendar will be stated.

NATIONAL CAPITAL TRANSPORTATION AGENCY

The Chief Clerk read the nomination of Warren D. Quenstedt, of Virginia, to be Deputy Administrator of the National Capital Transportation Agency.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE ASSIGNMENTS

Mr. DIRKSEN. Mr. President, I submit a resolution for which I request immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 171) making certain changes in committee assignments, was read, as follows:

Resolved, That the Senator from Illinois [Mr. DIRKSEN] is hereby excused from further service on the Committee on Labor and Public Welfare; and that the Senator from Hawaii [Mr. FONG] is hereby excused from further service on the Committee on Interior and Insular Affairs: Be it further

Resolved, That the Senator from Illinois [Mr. DIRKSEN] be and he is hereby assigned to service on the Committee on Interior and Insular Affairs; that the Senator from Hawaii [Mr. FONG] be and he is hereby assigned to service on the Committee on the Judiciary; and that the Senator from Texas [Mr. TOWER] be and he is hereby assigned to service on the Committee on Banking and Currency and to the Committee on Labor and Public Welfare.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 171), was considered and agreed to.

APPOINTMENTS BY THE VICE PRESIDENT—NEW JERSEY TERCENTENARY CELEBRATION COMMISSION

The VICE PRESIDENT. Pursuant to Public Law 86-683, the Chair appoints the Senators from New Jersey [Mr. WILLIAMS and Mr. CASE], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Vermont [Mr. AIKEN] as members of the New Jersey Tercentenary Celebration Commission.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF U.S. CITIZENS COMMISSION ON NATO

A letter from the Cochairmen, U.S. Citizens Commission on NATO, transmitting, pursuant to law, a report of that Commission, covering the fiscal year 1961 (with an accompanying report); to the Committee on Foreign Relations.

REPORT ON REVIEW OF CERTAIN ACTIVITIES OF ALCOHOL AND TOBACCO TAX DIVISION, INTERNAL REVENUE SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of permissive activities relating to the manufacturing and taxation of distilled spirits, wine, beer, and tobacco products of the Alcohol and Tobacco Tax Division, Internal Revenue Service, Treasury Department, November 1960 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF POWER ACTIVITIES, U.S. SECTION, INTERNATIONAL BOUNDARY AND WATER COMMISSION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of power activities, U.S. section, International Boundary and Water Commission, United States and Mexico, Department of State, fiscal years 1958–60 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEWS OF LOCAL HOUSING AUTHORITIES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the reviews of local housing authorities, Public Housing Administration, Housing and Home Finance Agency (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION OF PRICING OF CERTAIN RECEIVER-TRANSMITTERS UNDER CONTRACT WITH RADIO CORP. OF AMERICA

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the pricing of AN/ARC-21 receiver-transmitters under Department of the Air Force negotiated fixed-price contract AF 33 (600)-35867, with Radio Corp. of America, Defense Electronic Products, Camden, N.J. (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF FEDERAL EMPLOYEES' GROUP LIFE INSURANCE ACT

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend the Federal Employees' Group Life Insurance Act (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Alumni Club of the Massachusetts Institute of Technology in Puerto Rico, endorsing the democratic form of government in Puerto Rico; to the Committee on Interior and Insular Affairs.

Two resolutions adopted by the Wyoming Federation of Republican Women in convention at Buffalo, Wyo., May 19 and 20, 1961, relating to communism; to the Committee on the Judiciary.

RESOLUTION OF COFFEY COUNTY, KANS., FARMERS UNION

Mr. CARLSON. Mr. President, the Coffey County Farmers Union at a recent meeting in Burlington, Kans., adopted a resolution urging approval of H.R. 6400 and S. 1643, generally known as the omnibus farm bill.

The resolution stresses the need for legislation that will assure the farmer of his fair share of the national income.

I ask unanimous consent that the resolution be printed in the RECORD, and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas special Federal legislation, for many years past, has given corporations, labor unions, medical, and other professional societies, protection and bargaining power; and

Whereas agriculture, a $40 billion business, is the life blood of America; and

Whereas the proposed Agricultural Act of 1961—which has been presented to Congress by the President of the United States and his Secretary of Agriculture—if passed, would—

1. Strengthen family farming and the entire rural community;

2. Raise farm income and stabilize farm prices;

3. Adjust production in line with need for food and fiber, at home, and abroad;

4. Provide consumers with plentiful supplies at fair prices;

5. Provide producers with bargaining power, through planned commodity programs; and

6. Manage our abundance consistent with sound conservation for our future needs; and

Whereas the large vote by farmers for production controls, in the past, and the large signup for the present feed grain program is an indication that the farmers favor effective farm legislation: Therefore be it

Resolved, That the Coffey County Farmers Union, in session this 20th day of June, at Burlington, Kans., urge the passage of H.R. 6400 and S. 1643, generally known as the omnibus farm bill; and be it further

Resolved, That a copy of these resolutions be sent to our Congressman GARNER E. SHRIVER, Senators FRANK CARLSON and ANDREW SCHOEPPEL, and Senator ALLEN ELLENDER, chairman of the Senate Agricultural Committee, and Congressman HAROLD COOLEY, chairman of the House Agricultural Committee, and copies be sent to local papers for publication.

H. A. DRESSLER,
President, Coffey County Farmers Union, Burlington, Kans.

EDUCATIONAL TV—EDITORIAL

Mr. CARLSON. Mr. President, educational TV can be of great service to our Nation and this session of Congress should take action in getting it underway.

The last session of the Kansas Legislature enacted legislation and voted funds for this purpose. When the Federal Government votes money for this

purpose, the funds voted by the State of Kansas will be available for matching.

Recently Mr. Thad Sandstrom, general manager of Radio Station WIBW and Station WIBW–TV, discussed this in a timely editorial. I ask unanimous consent that the editorial be made a part of these remarks and referred to the Committee on Commerce.

There being no objection, the editorial was referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

LET'S GO ON EDUCATIONAL TV

(By Thad M. Sandstrom)

The continuing need for more and better education is apparent to educators, parents, children, scientists, businessmen, government officials—in fact almost anyone. There are vast new horizons ahead. Knowledge is the key to the survival of the free world.

We believe educational television can do much in Kansas and the Nation. The time for action on educational television in Kansas is now. Too much time has been wasted.

We believe a fundamental mistake has been made in planning for educational TV in Kansas. Those active in promoting educational TV have insisted the Legislature commit itself to a statewide system so everyone in Kansas could benefit from educational TV.

Nobody really knows what educational TV can do for Kansas. Considering the total cost of education in Kansas, the expense of operating an educational TV system would be a drop in the bucket. Through educational TV, schoolchildren would have the benefit of the best teachers in the State, and in fact, in the Nation. Educational TV will not replace the school classroom, but it can do much to make classroom work more effective.

Up to this time, various committees have studied and reported—and nothing has happened.

It appears likely Congress will soon appropriate $1½ million to each State to build transmitters with matching State funds. With matching State money, this will give Kansas $1 million to start an educational TV system. This is about enough to fully equip two transmitting plants and studios.

Channel 8 is allocated to Manhattan. Channel 11 is allocated to Lawrence. Both Kansas State at Manhattan and Kansas University at Lawrence have applied for these channels, but have no money to run them.

Over a year ago, WIBW suggested that FCC rules would permit channel 11 be transferred to Topeka and channel 8 to near Hutchinson.

This recommendation was later made in the State-financed feasibility study. Channel 8 near Hutchinson would reach Hutchinson, Wichita, Salina, Newton, and the populous areas of central Kansas. Channel 11 operating in Topeka would reach Topeka; Manhattan; Lawrence; Kansas City, Kans.; Emporia, another area of heavy population.

Someone must take the lead. Applications should go to the FCC requesting shifts in channel allocations. Transmitters at Topeka and Hutchinson would cover about 75 percent of the State's population.

Let's get going with educational TV. Let's get these two channels in operation to show what can be done.

Kansas University and Kansas State should take the lead. With the qualified radio-TV people already on the staffs at Kansas University and Kansas State, an adequate job of programing educational TV on a limited basis to get started is possible with a modest budget.

We've waited long enough on educational TV in Kansas. WIBW stands willing and able to lend technical and management assistance to Kansas University, Kansas State and others interested. Let's get Kansas off dead center on educational TV.

RESOLUTION OF NATIONAL EDITORIAL ASSOCIATION

Mr. CARLSON. Mr. President, the National Editorial Association at its annual convention in Salt Lake City adopted a resolution in regard to postal rate increases.

The resolution states that the setting of equitable postal rates cannot be done until a proper allocation of public service costs is made to permit assessment of expenses to the various classes of mail.

This is a position that I have taken for many years and it is based on hearings before the Senate Post Office and Civil Service Committee.

I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the present administration seeks to abandon the traditional postal policy which has encouraged the flow of information and news, a policy that has contributed greatly to the expansion of access to the printed word for more than a century; and

Whereas the postal rate increase legislation now before the Congress fails to follow the Postal Policy Act of 1958 which calls for establishing proper offsets for public services performed by the Postal Establishment but not properly chargeable to users of the mails; and

Whereas setting equitable postal rates cannot be done until a proper allocation of public service costs is made to permit assessment of expenses to the various classes of mail; and

Whereas the cost ascertainment system of the Post Office Department improperly imposes far too heavy a burden on second class mail: Therefore be it hereby

Resolved, That the National Editorial Association urges the Congress to insist that proper allocations for public service costs of the Post Office be made before action is taken to change the second class postal rate structure.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JORDAN, from the Committee on Post Office and Civil Service, with an amendment:

S. 1070. A bill to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, so as to provide for an additional unit of life insurance (Rept. No. 527).

By Mr. SMATHERS, from the Committee on Commerce, without amendment:

S. 320. A bill to amend the provisions contained in part II of the Interstate Commerce Act concerning registration of State certificates whereby a common carrier by motor vehicle may engage in interstate and foreign commerce within a State (Rept. No. 528).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCLELLAN (by request):

S. 2225. A bill to fix the fees payable to the Patent Office, and for other purposes; and

S. 2226. A bill to carry into effect a provision of the Convention of Paris for the Protection of Industrial Property as revised at Lisbon, Portugal, October 31, 1958; to the Committee on the Judiciary.

(See the remarks of Mr. McCLELLAN when he introduced the above bills, which appear under a separate heading.)

By Mr. BARTLETT (for himself and Mr. GRUENING):

S. 2227. A bill to relieve the cities of Skagway and Hoonah, Alaska, of all liability to pay the United States for certain public works projects; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2228. A bill for the relief of Martha Huber Vavra; to the Committee on the Judiciary.

By Mr. EASTLAND (by request):

S. 2229. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses;

S. 2230. A bill to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment; and

S. 2231. A bill to amend section 3238 of title 18, United States Code; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2232. A bill for the relief of Wong Gee Wong; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 2233. A bill to establish Arches National Monument as Arches National Park;

S. 2234. A bill to establish Capitol Reef National Monument as Capitol Reef National Park; and

S. 2235. A bill to establish Cedar Breaks National Monument as Cedar Breaks National Park; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appears under a separate heading.)

By Mr. MAGNUSON (by request):

S. 2236. A bill to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

COMMITTEE SERVICE

Mr. DIRKSEN submitted a resolution (S. Res. 171) relative to committee service of Senators DIRKSEN, FONG, and TOWER, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

PATENTS AND TRADEMARKS: INCREASE OF FEES AND PROTECTION OF INDUSTRIAL PROPERTY

Mr. McCLELLAN. Mr. President, as chairman of the Subcommittee on Patents, Trademarks and Copyrights, of the Committee on the Judiciary, and by request of the Secretary of Commerce I send to the desk two bills for appropriate reference.

The first bill provides for the increasing of fees collected by the U.S. Patent Office of the Department of Commerce in consideration of the issuance of patents and the registration of trademarks and the performance of related activities.

The second bill is to amend title 35 of the United States Code, entitled "Patents," in order to carry into effect the provisions of the convention at Paris for the protection of industrial property as revised at Lisbon, Portugal, October 31, 1958. This bill of course, as stated, is to revise the patent law to accord with the provisions of the Lisbon convention.

It is planned that when the subcommittee can do so, both of these bills will be the subject of hearings in order that all interested parties may set forth their views in regard to the several provisions contained in these measures.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The bills will be received and appropriately referred.

The bills, introduced by Mr. MCCLELLAN, by request, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 2225. A bill to fix the fees payable to the Patent Office, and for other purposes; and

S. 2226. A bill to carry into effect a provision of the Convention of Paris for the protection of industrial property as revised at Lisbon, Portugal, October 31, 1958.

THREE NEW NATIONAL PARKS FOR UTAH

Mr. BENNETT. Mr. President, I introduce, for appropriate reference, three bills to authorize the creation of three new national parks in southern Utah. They are Arches, Capitol Reef, and Cedar Breaks. Each of them is now a national monument; but all three fully deserve the recognition, standing and prestige which will come from national park designation.

These three areas contain some of the most magnificent scenery to be found anywhere in the world. While each area is unique, they are all individually spectacular and comprise in their own way veritable wonderlands of nature. Recently Secretary of Interior Stewart Udall visited Utah and stated that acre for acre southern Utah contains the "greatest concentration of scenic wonders" in the Nation. He also said that Capitol Reef and Arches National Monuments are deserving of national park status. To these two I have added Cedar Breaks, because I feel that it, too, merits such recognition.

Yet, in spite of the inspiring grandeur of these three national monuments, the number of people who visit them is relatively small. While the nearby Grand Canyon National Park received 1,187,000 visitors in 1960, only 102,500 visited Capitol Reef, 115,800 visited Cedar Breaks, and 71,600 visited Arches. Thus the people of America are being denied and are denying themselves the stirring experience of visiting these truly fantastic and awe-inspiring areas.

A principal reason for the relatively small number of visitors is, I am sure, the fact that they have not received national park designation. Their present national monument status does not carry with it in the public mind the prestige associated with national parks. Such recognition is not only deserved, but long overdue.

ARCHES NATIONAL PARK

Arches is located in the heart of the famed Red Rock country of southeastern Utah, just to the north across the Colorado River from the picturesque town of Moab.

Eighty-eight openings that are large enough to be classed as arches have been discovered within the boundaries of this national monument, hence the origin of its name. Other arches are probably hidden away in remote and rugged parts of the area. Spectacular towers, sweeping coves, shapes resembling figures of men and animals, balanced rocks, and other weird forms resulting from the combined action of running water, wind, rain, frost, and sun form a setting to which the arches themselves are a majestic culmination.

Arches National Monument was established by President Herbert Hoover on April 12, 1929. It constitutes an area of 53 square miles.

I was pleased to work with the National Park Service in accelerating the construction of a new access road to Arches. It was completed in 1958 and climbs through the standstone cliffs behind the monument's headquarters and passes through the Courthouse Towers section. Among the most famous scenic areas are the Windows section, and Devils Garden containing famous Landscape Arch, which is 291 feet long and is believed to be the longest natural-stone span in the world. Similarly Klondike Bluffs and Delicate Arch must not be missed in any visit to Arches.

CAPITOL REEF

The striking Capitol Reef wilderness area is in the heart of the famed Wayne Wonderland, a vast scenic region in south-central Utah. Appropriately its boundaries are in Wayne County. Much of this intricately eroded and bright-colored region has never been explored. The national monument was established by Presidential proclamation on August 2, 1937, and covers more than 61 square miles.

Because it resembles domed capitol buildings, the great, 20-mile-long buttressed sandstone cliff with its cap of white Navajo sandstone, was named Capitol Reef. Early geologists called such cliffs in this area reefs because of their visual resemblance to sea reefs composed of rock, or limestone skeletons of coral.

The monument includes a section of the Waterpocket Fold, a great doubling up of the earth's crust, which was caused by an unusual geological movement. The western edge of this fold—of which Capitol Reef is a part—is exposed as a great cliff or escarpment of brilliantly colored rock layers. It extends from Thousand Lake Mountain southeastward about 150 miles to the Colorado River. The fold or reef, fantastically eroded by rain and wind, is a barrier to the traveler. It can be crossed in only three places on horseback. One of these passages also allows automobiles to cross.

Just this past week, contracts have been awarded to build a new $900,000 road from Fruita across the monument paralleling the Fremont River. I was pleased to work with the Park Service on this important project. Because of its peculiar geographical isolation, made the more so by tilted sedimentary rocks, awesome cliffs and canyons and rock masses carved by the elements into weird and fanciful figures, the Fremont River drainage was the last section of Utah to be explored and settled.

Visitors should not miss Capitol Reef itself, Twin Rocks, Chimney Rock, and the spectacular Sulphur Creek Gorge. In addition there are Basketmaker petroglyphs about 1,200 years old and many other spectacular sites.

CEDAR BREAKS

The Cedar Breaks National Monument is located near the progressive city of Cedar City, Utah.

Situated high on the Markagunt Plateau in southern Utah at elevations reaching 10,700 feet, the monument contains a gigantic multicolored natural amphitheater. Within the steepwalled amphitheater, the visitor will see limestone eroded into many fantastic shapes that have been formed by the never-ending efforts of rain, wind, snow, and ice. These formations display an amazing variety of color, as constantly changing light accentuates and subdues the vivid hue of the rocks. Sweeping vistas and attractive wildflowers offer superlative scenic values.

The monument is about 4 miles long and 2½ miles wide, covering almost 10 square miles. Two-thirds of the area is composed of high cliffs and steep talus slopes of the amphitheater. Cedar Breaks is surrounded by Dixie National Forest, which provides many recreational activities for the sportsman and camper.

Early exploration of the Markagunt Plateau began in 1851, when the Mormons settled in Parowan and Cedar City, in the valley to the west. In 1852, church leaders explored the headquarters of the Sevier and Virgin Rivers, which rise on the plateau, but they made no reports concerning the cliffs that are known today as Cedar Breaks.

Both the Wheeler and Powell surveys of 1872 made extensive topographic records of the area as well as observations on the plants, animals, and geology. For more than three decades following these scientific surveys, use was made of the grazing and timber resources.

The first protection afforded this unique region was in 1905 when it was included as part of the Sevier—now Dixie—National Forest and was administered by the Forest Service of the U.S. Department of Agriculture. The area was established as a national monument by Presidential proclamation on August 22, 1933, and was placed under the administration of the National Park Service of the U.S. Department of Interior.

Under the Mission 66 program initiated by President Eisenhower, a visitors' center has been built on the rim 1 mile from the south entrance of the monument. At my request, the Department of Interior initiated an accelerated construction of a 5-mile rim drive from Point Supreme to North View, which is a most inspiring, scenic drive.

Among the highlights of any trip to Cedar Breaks is a visit to Point Supreme, Sunset View, Chessman Ridge Overlook,

and North View. Each viewpoint presents a scene that furnishes a magnificent color panorama of this spectacular area.

SOUTHERN UTAH PARKWAY

On February 6, 1961, I introduced a bill, S. 808, to authorize construction of a Southern Utah Parkway under the administration of National Park Service and Forest Service. It would connect the national parks and monuments of southwestern Utah with the national monuments and recreation areas of southeastern Utah. Among the areas so connected would be the three national monuments that I have discussed today.

Upon introducing the bill, I invited attention to the fact that the parkway would be a national park in its own right because of the scenic areas which it would traverse. I also noted that there are no national parkways west of the Mississippi and that a portion of the $16 million which is appropriated annually for this purpose should be allocated to a parkway in southern Utah.

The Bureau of Public Roads has already surveyed at least four routes which are feasible from an engineering point of view. In addition to this, State and local groups have successfully surveyed other routes. The cost of acquisition of the land would be minimal, since nearly all of the area is federally owned, save for a few acres. Thus far, Secretary of the Interior Udall has declined to survey possible routes, but I am hopeful that he will conduct such a study in the near future.

NEEDLES NATIONAL RECREATION AREA

On March 7, 1961, I introduced a bill, S. 1239, to create the Needles National Recreation Area in San Juan County, Utah. The bill covers 75,200 acres and includes Salt Creek Canyon, Horse Canyon, Chesler and Virginia Parks, Chesler Canyon, and Butler Wash. Generally, it is bounded on the west and north by the Glen Canyon National Recreation Area, and on the south and east by the township and section lines necessary to effectively control the drainages of Salt and Horse Canyons and Butler Wash. On the north, a quarter township is included to permit access to Lost and Salt Canyons and to control more effectively the logical entrance to the plateau upon which the main needle formations are located. Domestic water and terrain suitable for a headquarters area also require the acquisition of land in the northeast corner of the proposed tract. Within the boundaries of the area are 11 surveyed State sections. The remainder is public domain.

It is an area of spectacular sandstone formations sculptured by the forces of weathering into bizarre pinnacles, fins, and arches. Parallel faulting has resulted in an erosional pattern forming literally a maze of slitlike, sheer-walled canyons.

My bill implements a detailed report prepared by the National Park Service. Moreover, the National Park Advisory Board in September 1960 recommended that it be included within the national park system. Thus far, Secretary Udall has not given this bill his approval, but I hope he will now that he has made his recent trip down the Colorado River. In the bill, I expressly provide that multiple use shall be continued in keeping with the wishes of the people of the area. It has great potential mineral wealth, particularly oil. This activity can be carried on under suitable regulations.

RAINBOW BRIDGE NATIONAL MONUMENT

On March 2, 1961, I introduced a bill, S. 1188, to designate the present Rainbow Bridge National Monument as a national park. In doing so, I indicated that I would be prepared to have the proposed national park expanded provided it met with the agreement of the Navajo Indians and provided it did not result in an exchange of lands unfavorable to the people of San Juan County such as that involved in the Glen Canyon Dam exchange. It is likely that when the Natural Bridges National Monument is developed and made accessible it, too, should qualify for national park status. Unfortunately, it has been neglected for over 50 years. I have asked the Secretary of the Interior to budget funds for next year to correct this serious oversight and I hope, too, that he will support appropriations for road development in the old Zion National Monument area which has been similarly neglected for 24 years. Similarly, I hope that he will send up to the Senate a favorable report on my bill to create a Golden Spike National Monument in Box Elder County, Utah.

If the Secretary of Interior and Congress will give their support to all of these measures, the American people will be permitted at long last to visit these magnificent areas.

Because of the great importance of the three bills I have introduced today, I am asking the other three Members of the Utah congressional delegation to join me in sponsoring them, and ask unanimous consent that they be held on the table for cosponsorship until Thursday, July 13, 1961.

The PRESIDING OFFICER. The bills will be received and appropriately referred; and, without objection, will lie on the desk, as requested by the Senator from Utah.

The bills, introduced by Mr. BENNETT, were received, read twice by their titles, and referred to the Committee on Interior and Insular Affairs, as follows:

S. 2233. A bill to establish Arches National Monument as Arches National Park;

S. 2234. A bill to establish Capitol Reef National Monument as Capitol Reef National Park; and

S. 2235. A bill to establish Cedar Breaks National Monument as Cedar Breaks National Park.

EMPLOYMENT OF ALIENS IN A SCIENTIFIC OR TECHNICAL CAPACITY

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity. I ask unanimous consent that a letter from the Secretary of Commerce, requesting the proposed legislation, together with a statement of the purpose of the bill, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and statement will be printed in the RECORD.

The bill (S. 2236) to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter and statement presented by Mr. MAGNUSON are as follows:

THE SECRETARY OF COMMERCE,
Washington, D.C., June 30, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: There are attached four copies of a proposed bill to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity.

There are also attached four copies of a statement of purpose and need for the proposed bill.

We are advised by the Bureau of the Budget that it would interpose no objection to the submission of this proposed legislation.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED FOR LEGISLATION TO AUTHORIZE THE SECRETARY OF COMMERCE TO EMPLOY ALIENS IN A SCIENTIFIC OR TECHNICAL CAPACITY

The draft legislation submitted herewith proposed authority for the Department of Commerce to employ noncitizens in scientific or technical work. Authority, similar to that here sought, was granted by the Congress recently to the National Aeronautics and Space Administration. Congress has exempted the Department of Defense from the prohibitions against employment of noncitizens. The Departments of State and Agriculture and the Immigration and Naturalization Service have also been given authority by Congress to employ noncitizens for certain necessary purposes.

In many instances, agencies of this Department engaged in scientific and technical work of critical national importance have found that the only persons qualified and available to undertake these projects could not be hired because, as noncitizens, they were ineligible for employment by the Government.

The proposed legislation would enable the Department to make the best possible use of available scientific manpower. Any employment under the proposed legislation would, of course, continue to be subject to a prior determination that no qualified U.S. citizen is available for the particular position. The legislation provides adequate authority for investigation to determine the suitability and security status of aliens who may be employed thereunder.

The Department urges early enactment of the proposed legislation.

DEFENSE DEPARTMENT APPROPRIATION BILL—AMENDMENT

Mr. WILLIAMS of Delaware. Mr. President, I submit an amendment to H.R. 7851, and ask for its appropriate reference to committee.

This is an amendment to the defense appropriation bill, the purpose of which would provide that none of the funds appropriated shall be used except, as far as practicable, all contracts must be

awarded on a competitive basis to the lowest responsible bidder.

This is the same amendment that was included as a part of the Defense Appropriation Act last year. I fully recognize this is a problem which should be dealt with legislatively. I have, on repeated occasions, sponsored bills before the appropriate legislative committee which would make it mandatory that, under all circumstances except where the national interest was involved, all agencies should award their contracts to the lowest responsible bidder.

However, having been unable to get action on that bill, I am taking steps to offer that language as a proviso to the Defense Appropriation Act, which will at least give some protection so far as spending money under this particular bill is involved.

I do not have to remind the Senate of the fact that the Comptroller General has called our attention repeatedly to situations wherein an unnecessarily large percentage of the contracts entered into by the Defense Department are presently being awarded on a negotiated basis. As a result the taxpayers are paying hundreds of millions of dollars annually for services which would not be necessary if the procurement division of the Defense Department followed some good, sound business practices requiring competitive bids and then awarding the contracts to the lowest responsible bidder.

I will not at this time go into a list of cases showing such unnecessary tests which have been brought to light. They have been mentioned many times in the Comptroller's reports and on the floor of the Senate.

I am merely asking that the amendment be referred to the committee, and I hope it will be accepted by the committee. If it is not adopted by the committee, I shall offer it again when the bill is before the Senate for consideration.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). The amendment will be received, printed, and appropriately referred.

The amendment was referred to the Committee on Appropriations.

AMENDMENT OF SOIL BANK ACT—ADDITIONAL COSPONSOR OF BILL

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that with respect to the bill (S. 2197) to amend section 107(a)(3) of the Soil Bank Act, as amended, which was ordered reported by the Committee on Agriculture today, that my name may be added as a cosponsor. I had made such request the other day when the bill was introduced, but I understand that my request reached the officials too late to go to the printer. But since there will be a committee print of the bill with the amendments today, I ask now that my name may be added.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 139. An act for the relief of Krste Angeloff;

S. 442. An act for the relief of Aspasia A. Koumbouris (Kumpuris);

S. 537. An act to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic monument purposes;

S. 540. An act to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes;

S. 576. An act to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the United States Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes;

S. 796. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus property by State distribution agencies, and for other purposes;

S. 1073. An act for the relief of Henry Eugene Godderis;

S. 1720. An act to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world; and

S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SALTONSTALL:

Address by Senator JAVITS delivered before the American Management Association Conference in New York City, relating to legislation in the field of world trade.

By Mr. FULBRIGHT:

Public statement adopted by the Executive Committee of Citizens' Committee for International Development, announced at the White House, Washington, D.C., on July 10, 1961; also article entitled "Transcript of President's Appeal for Aid Program," published in the New York Times of July 11, 1961.

EFFECTIVE PARTICIPATION IN THE RESERVE COMPONENTS OF THE ARMED FORCES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 467, House bill 5490, to provide more effective participation in the Reserve components of the Armed Forces.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 5490) to provide more effective participation in the Reserve components of the Armed Forces, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment, to strike out all after the enacting clause and insert:

That section 6 of the Universal Military Training and Service Act, as amended (50 U.S.C. App. 456), is amended—

(1) by amending subsection (c)(2)(A) by striking out in the last sentence thereof the words "eight years" and substituting the words "six years" in lieu thereof;

(2) by amending subsection (c)(2)(B) to read as follows:

"(B) Any person who after attaining the age of eighteen years and six months, but prior to attaining the age of twenty-six years and prior to the issuance of orders for him to report for induction, enlists or accepts appointment in an organized unit of the National Guard shall be deferred from training and service under this Act so long as he continues to serve satisfactorily as a member of such organized unit. No person deferred under the provisions of this clause shall by reason of such deferment be liable for training and service in the Armed Forces by reason of subsection (h) of this section after the twenty-eighth anniversary of the date of his birth or the sixth anniversary of the date of his enlistment or appointment in such unit, whichever occurs later. No such person who has completed six years of satisfactory service as a member of an organized unit of the National Guard, and who during such service has performed active duty for training with an armed force for not less than three consecutive months shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress.";

(3) by amending subsection (c)(2)(D) by striking out in the last sentence thereof the words "eight years" and substituting the words "six years" in lieu thereof;

(4) by amending subsection (c)(2)(E) to read as follows:

"(E) Notwithstanding any other provision of this Act, the President, under such rules and regulations as he may prescribe, may provide that any person enlisted in the Ready Reserve of any reserve component of the Armed Forces pursuant to authority conferred by this paragraph or under section 262 of the Armed Forces Reserve Act of 1952, as amended, or any member of the National Guard deferred from training and service by clause (A) of this paragraph, or any person enlisted or appointed in the National Guard after the effective date of this amended clause and deferred from training and service by clause (B) of this paragraph, who fails to serve satisfactorily as a member of such Ready Reserve or National Guard or the Ready Reserve of another reserve component of which he becomes a member may be selected for training and service and inducted into the armed force of which such reserve component is a part, prior to the selection and induction of other persons liable therefor.";

(5) by amending clause (C) in the first sentence of subsection (d)(1) to read as follows: "(C) agrees to remain a member of a regular or reserve component until the sixth anniversary of the receipt of a commission,";

(6) by amending the fifth and sixth sentences of subsection (d)(1) to read as follows: "If, at the time of, or subsequent to, such appointment, the armed force in which such person is commissioned does not require his service on active duty in fulfillment of the obligation undertaken by him in compliance with clause (B) of the first sentence of this paragraph, such person shall be ordered to active duty for training with such armed force in the grade in which he was

commissioned for a period of active duty for training of not less than three months or more than six months (not including duty performed under section 270(a) of title 10, United States Code), as determined by the Secretary of the military department concerned to be necessary to qualify such person for a mobilization assignment. Upon being commissioned and assigned to a Reserve component, such person shall be required to serve therein, or in a Reserve component of any other armed force in which he is later appointed, for the remainder of his service obligation."; and

(7) by striking out in the seventh and eighth sentences of subsection (d)(1) "in such unit" wherever it appears therein.

SEC. 2. Section 262 of the Armed Forces Reserve Act of 1952, as amended (50 U.S.C. 1013), is amended—

(1) by striking out in subsection (b)(3) the words "eighteen years and six months" and substituting the words "twenty-six years" in lieu thereof; and

(2) by striking out in the first sentence of subsection (c) thereof the words "eight years" and substituting the words "six years" in lieu thereof;

(3) by amending the last sentence of subsection (c) thereof to read as follows: "Each such person (1) shall be deferred from training and service under the Universal Military Training and Service Act, as amended, so long as he continues to serve satisfactorily, as determined under regulations prescribed by the appropriate Secretary, (2) shall by reason of that deferment remain liable for induction for training and service under the provisions of section 4(a) of such Act until the twenty-eighth anniversary of the date of his birth or until the sixth anniversary of the date of his enlistment under this section, whichever anniversary occurs later, and (3) upon the completion of six years of such satisfactory service pursuant to such enlistment shall be exempt from further liability for induction for training and service under such Act, except after a declaration of war or national emergency made by the Congress after August 9, 1955."

SEC. 3. Section 270 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

"(c) Any person who becomes a member of the Army National Guard of the United States or the Air National Guard of the United States after the enactment of this subsection and who fails in any year to perform satisfactorily the training duty prescribed by or under law for members of the Army National Guard or the Air National Guard, as the case may be, as determined by the Secretary concerned, may, upon the request of the Governor of the State or territory, Puerto Rico, or the Canal Zone, or the commanding general of the District of Columbia National Guard, whichever is concerned, be ordered, without his consent, to perform additional active duty for training for not more than forty-five days. A member ordered to active duty under this subsection shall be ordered to duty as a Reserve of the Army or as a Reserve of the Air Force, as the case may be."

SEC. 4. (a) Section 651(a) of title 10, United States Code, is amended to read as follows:

"(a) Each person who becomes a member of an armed force before his twenty-sixth birthday shall serve in the armed forces for a total of six years. Any person covered by this subsection may be sooner discharged because of personal hardship under regulations prescribed by the Secretary of Defense, or, if he is a member of the Coast Guard while it is not operating as a service in the Navy, by the Secretary of the Treasury. Any part of such service that is not active duty or is active duty for training shall be performed in a reserve component."

(b) The amendment made by subsection (a) of this section shall be effective with respect to all persons who became members of the armed forces prior to the date of enactment of this Act as well as to all persons who become members after the date of enactment of this Act, any enlistment or written agreement entered into prior to such date to the contrary notwithstanding.

SEC. 5. Section 3261 of title 10, United States Code, is amended—

(1) by striking out the designation "(b)" in subsection (a) and inserting the designation "(c)" in place thereof; and

(2) by redesignating subsection (b) as subsection "(c)" and inserting the following new subsection (b):

"(b) Under regulations to be prescribed by the Secretary of the Army, a person who enlists or reenlists in the Army National Guard, or whose term of enlistment or reenlistment in the Army National Guard is extended, shall be concurrently enlisted or reenlisted, or his term of enlistment or reenlistment shall be concurrently extended, as the case may be, as a Reserve of the Army for service in the Army National Guard of the United States."

SEC. 6. Section 8261 of title 10, United States Code, is amended—

(1) by striking out the designation "(b)" in subsection (a) and inserting the designation "(c)" in place thereof; and

(2) by redesignating subsection (b) as subsection "(c)" and inserting the following new subsection (b);

"(b) Under regulations to be prescribed by the Secretary of the Air Force, a person who enlists or reenlists in the Air National Guard, or whose term of enlistment or reenlistment in the Air National Guard is extended, shall be concurrently enlisted or reenlisted, or his term of enlistment or reenlistment shall be concurrently extended, as the case may be, as a Reserve of the Air Force for service in the Air National Guard of the United States."

SEC. 7. Title 32, United States Code, is amended as follows:

(1) Section 302 is amended to read as follows:

"§ 302. Enlistments, reenlistments, and extensions

"(a) Under regulations to be prescribed by the Secretary concerned, original enlistments in the National Guard may be accepted for—

"(1) any specified term, not less than three years, for persons who have not served in an armed force; or

"(2) any specified term, not less than one year, for persons who have served in any armed force.

"(b) Under regulations to be prescribed by the Secretary concerned, reenlistment in the National Guard may be accepted for any specified period, or, if the person last served in one of the highest five enlisted grades, for an unspecified period.

"(c) Enlistments or reenlistments in the National Guard may be extended—

"(1) under regulations to be prescribed by the Secretary concerned, at the request of the member, for any period not less than six months; or

"(2) by proclamation of the President, if Congress declares an emergency, until six months after termination of that emergency."

(2) The analysis of chapter 3 is amended by striking out the following item:

"302. Enlistments."

and inserting the following item in place thereof:

"302. Enlistments, reenlistments, and extensions."

SEC. 8. The amendments made by sections 5, 6, and 7 of this Act shall not affect any enlistment, reenlistment, or appointment entered into or made before the effective date of this Act.

SEC. 9. (a) Section 29(a) of the Act of August 10, 1956, as amended (5 U.S.C. 30r), is amended by striking out the words "fiscal year" wherever they appear therein and substituting the words "calendar year" in lieu thereof.

(b) Except with respect to substitute postal employees, the amendments made by subsection (a) of this section shall become effective as of January 1, 1961, and with respect to substitute postal employees such amendments shall become effective as of January 1, 1962.

The amendment was agreed to.

Mr. WILLIAMS of Delaware. Mr. President, may we have an explanation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of the committee report on House bill 5490.

There being no objection, the excerpt from the report (No. 498) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The bill would make omnibus amendments to the laws relating to the 6-month training program and participation in the Reserve components.

The Reserve Forces Act of 1955 contemplated a 6-month training program only for persons under the age of 18½. Subsequent to the enactment of the Reserve Forces Act of 1955, Selective Service regulations that defer a person participating satisfactorily in the Reserve have made possible the successful operation of a 6-month training program for persons over the age of 18½. There are now some statutory gaps, however, that this bill is intended to close. The principal features of the bill are—

1. To reduce from 8 to 6 years the obligated service of persons who enlist in the 6-month training program before reaching the age of 18½. Those who enlist in this program before reaching the age of 18½ now have an 8-year obligation, while those who enlist in it after reaching the age of 18½ have a 6-year obligation.

2. To provide a statutory deferment for those who enlist in the 6-month training program after reaching the age of 18½. Those persons now have a deferment only by regulation.

3. To provide authority for the priority induction of persons who enlist in the 6-month training program after reaching the age of 18½ and who fail to participate satisfactorily. Existing authority for such priority induction is limited to those who enlist before reaching the age of 18½.

4. To provide authority for requiring an additional 45 days of training for members of the National Guard who fail to participate satisfactorily in Reserve training. Existing authority for 45 days of additional active duty for training as an enforcement measure is limited to members of the Reserve.

5. To provide flexibility in the terms of enlistment in the National Guard. The law now provides that original enlistments in the guard shall be for 3 years and reenlistments for periods of 1 or 3 years. The bill proposes to provide that enlistments in the National Guard may be accepted for any specified term not less than 3 years for persons with no prior service and for any specified term not less than 1 year for persons who have had prior service. The requirement that original enlistments must be for 3 years has acted as a deterrent to enlistments of persons who have a remaining Reserve obligation of less than 3 years.

6. To modify a requirement that ROTC graduates who are not needed on extended active duty must perform active duty for training for 6 months. The Department of Defense indicates that the necessary training can be given in less than 6 months and

desires to substitute a variable period of 3 to 6 months in the discretion of the Secretary concerned but with the requirement that the initial period of active duty for training be of sufficient length to qualify the officer for mobilization assignment.

7. To revert to a calendar year basis for computing the 15 days of annual leave with pay to which reservists who are Federal employees are entitled for the purpose of performing active duty for training. Until Public Law 86–559 was enacted, the 15 days of leave with pay were credited on a calendar year basis. The change to a fiscal year basis caused difficulties for a reservist who performed training duty in August of 1960, for example, and whose unit was ordered to training duty again in June of 1961.

LEGISLATIVE BACKGROUND

The Reserve Forces Act of 1955 added to the Armed Forces Reserve Act of 1952 a section authorizing an 8-year enlistment in the Reserve of persons who had not reached the age of 18½. Persons enlisted under this program are required to perform an initial period of active duty for training of not less than 3 months or more than 6 montns (in practice it is 6 months) and to participate satisfactorily in the Reserve after such active duty for training for the remainder of their enlistment, unless excused under regulations by the Secretary of Defense. Persons who enlist in this program and who fail to participate satisfactorily as a member of the Ready Reserve may be ordered to additional active duty for training for 45 days or they may be subjected to priority induction into the armed force of which their Reserve component is a part.

In the addition to the 6-month training program that is being operated under the authority of section 262 of the Armed Forces Reserve Act of 1952, two other somewhat similar programs are being conducted.

The first of these additional programs is for persons who enlist in the Reserve after reaching the age of 18½. When section 262 of the Armed Forces Reserve Act originally was enacted, this authority was needed to provide draft exemption for those persons who enlisted in the program and continued to participate satisfactorily in it. At that time there was no general authority for deferment or exemption from induction merely because of membership in a Reserve component. Since section 262 was enacted, Selective Service regulations have had the effect of opening the 6-month training program to persons over the age of 18½. These regulations, which were promulgated under Executive Order 10809, provided deferment for any registrant who is serving satisfactorily as a member of a Reserve component of the Armed Forces and they protect such a person from induction after completion of 6 years of satisfactory service as a member of the Ready Reserve. These regulations, in combination with the authority to enlist persons into the Reserve components that is contained in sections 510 and 511 of title 10, United States Code, made possible the successful operation of a 6-month training program for persons over the age of 18½. The persons who enlist in this program incur a 6-year obligation, in contrast to the 8-year obligation that is incurred by persons enlisting in the 6-month training program before reaching the age of 18½. Moreover, since the Reserve Forces Act of 1955 did not contemplate a 6-month training program for persons over the age of 18½, there is no authority for the priority induction of those persons enlisting in the Reserve after reaching the age of 18½, who fail to participate satisfactorily in Ready Reserve training.

The second program involving 6 months of active duty for training, other than that authorized by section 262 of the Armed Forces Reserve Act of 1952, is for members of the National Guard. Section 6(c)(2)(A) of the Universal Military Training and Service Act authorizes a deferment for persons under the age of 18½ who enlist in organized units of the National Guard. This provision of the Universal Military Training and Service Act authorizes deferment for persons in this program so long as they continue to participate satisfactorily and, after reaching the age of 28, these persons are exempt from induction. Persons who have completed 8 years of satisfactory service as a member of a National Guard unit and who have performed active duty for training of not less than 3 months during such period are exempt from induction, except during a war or national emergency declared by the Congress after the effective date of the Reserve Forces Act of 1955. In practice, the performance of an initial period of active duty for training of 6 months is prescribed as a condition of enlistment in this program. The Selective Service regulations promulgated under Executive Order 10809 that provided deferment for a registrant serving satisfactorily as a member of a Reserve component also permitted the National Guard to operate a 6-month training program for persons over the age of 18½. There are no statutory provisions for the priority induction of those persons who entered the National Guard or a Reserve component after reaching the age of 18½ and who do not satisfactorily discharge their obligation to participate in training. Similarly, there is no authority to require 45 days of additional active duty for training by those members of the Army National Guard of the United States or the Air National Guard of the United States who failed to participate satisfactorily in Ready Reserve training. There is a further disparity in that persons enlisting in the National Guard after reaching the age of 18½ have a total period of obligated service of only 6 years, in contrast so the 8 years that are required before a person enlisting in the National Guard prior to reaching the age of 18½ acquires a draft exemption.

EXPLANATION

Deferments and exemptions for Reserves

As discussed earlier, the law does not provide a deferment or exemption for persons enlisting in a Reserve component after reaching the age of 18½. Nonetheless, persons enlisting in a Reserve component after reaching the age of 18½ have their induction postponed or delayed as long as they continue to participate satisfactorily. Persons without previous service who enlist in the Ready Reserve after reaching the age of 18½ incur a 6-year obligation, while those who enlist before reaching the age of 18½ incur an 8-year obligation. To eliminate the incongruity that results from imposing a longer obligation on a person who voluntarily enlists before he reaches the age of liability for induction, this bill would reduce the obligation of persons enlisting in the Reserve before reaching the age of 18½ from 8 to 6 years.

Priority induction

Existing law authorizes the priority induction of those persons who enlist in the Ready Reserve before reaching the age of 18½ and who fail to participate satisfactorily as a member of such Ready Reserve. Those persons who enter the National Guard or a Reserve component after reaching the age of 18½ are not subject to the priority induction provisions. Since this method of enforcing participation in National Guard training is unavailable, the States have the unsatisfactory alternatives of punishing the person under State codes, or of discharging him and causing him automatically to become a member of another Reserve component. The bill, then, would authorize the priority induction of those persons over the age of 18½ who become members of the Ready Reserve of any armed force after the effective date of the bill and who fail to serve satisfactorily.

Forty-five days of additional duty for training

Section 270 of title 10, United States Code, provides authority to require persons enlisted or appointed in the Ready Reserve after August 9, 1955, to perform 45 days of additional active duty for training if they fail to participate satisfactorily in Ready Reserve training. This authority does not apply to members of the Army National Guard of the United States or the Air National Guard of the United States. As a result, National Guard authorities have inadequate means of dealing with those who fail to perform the required training. State courts-martial or discharge and reporting of the person to the Selective Service System for routine induction are the only means of dealing with such persons who have enlisted after reaching the age of 18½. Priority induction can be used as a last resort for those who have acquired a deferment because of having enlisted before reaching the age of 18½.

The bill consequently would provide authority to order persons who become members of the Army National Guard of the United States or the Air National Guard of the United States after its effective date to 45 days of active duty for training upon the request of State or other appropriate authority if these persons fail to participate satisfactorily in National Guard training.

National Guard enlistments

Section 302, title 32, United States Code, provides that original enlistments in the National Guard shall be for a period of 3 years, and reenlistments for periods of 1 or 3 years. The disadvantages of these provisions are their lack of flexibility with respect to length of enlistments, the administrative burden which is imposed upon the National Guard in effecting enlistments and discharges in order to comply with the law, and the deterrent effect which present requirements have upon enlistments.

In the Regular Army and the Regular Air Force, persons may enlist for periods from 2 to 6 years. Normal enlistments in the Regular Air Force are 4 to 6 years. In the Army Reserve and the Air Force Reserve, periods of enlistment are prescribed by the Secretary concerned. This greater flexibility allows persons to enter a component for a period more nearly fitting the person's plans and avoids the necessity for effecting discharges and reenlistments, the administrative burden of which has led many States to prohibit 1-year reenlistments.

The requirement that original enlistments in the National Guard be for a period of 3 years has acted as a deterrent to enlistments in the cases of persons who have a remaining Ready Reserve service obligation of less than 3 years.

For example, a person leaving the Active Army or Air Force with an obligation to participate in the Ready Reserve for a period of only 2 years would be reluctant to enlist in a National Guard unit for 3 years. Other persons who have received basic training in the Army Reserve or Air Force Reserve and who may desire to enlist in the National Guard may be discouraged from doing so if the period of enlistment is longer than the remaining period of their required Ready Reserve participation. The National Guard has need for such trained personnel, especially those who have served 2 or more years in the Active Army or Air Force, and every effort is being made to encourage such persons to enlist in the National Guard. It is desirable, therefore, to remove any obstacles, statutory or otherwise, which would tend to discourage such enlistments.

The bill would therefore amend section 302 of title 32 to permit enlistment of nonprior

servicemen for 3 years or more, and prior servicemen to enlist for 1 year or more. This will provide a flexible enlistment program, and persons will be enabled to enlist in the National Guard and as Reserves for their total remaining service obligation, of whatever duration. Persons in one of the highest five enlisted grades will be allowed, under regulations of the Secretaries, to enlist for an indefinite period on a career basis, paralleling that for "first three graders" of the active establishment in sections 3256 and 8256 of title 10.

In addition, in lieu of the discharge and reenlistment, with the consequent paperwork now required in the National Guard, a person may request extension of his current enlistment for any period not less than 6 months, which, if authorized, can be accomplished quickly and simply with a minimum of administrative work. The present provisions authorizing the involuntary extension of enlistments in case of a national emergency are continued.

Active duty for training for ROTC graduates

Section 6(d)(1) of the Universal Military Training and Service Act provides that ROTC graduates commissioned in a Reserve component of the Armed Forces whose services are not required on active duty in fulfillment of the obligation undertaken by them shall be ordered to active duty for training with such armed force for a period of 6 months. However, it is uneconomical to require a 6-month active duty for training period for these officers if it is possible to indoctrinate and train them in less time. It is desirable, therefore, to have as much flexibility as possible in prescribing such duty tours for these officers.

The proposed legislation substitutes a variable period of 3 to 6 months in the discretion of the Secretary of the service concerned, for the directory 6-month provision of present law, with the proviso that the initial period of active duty for training be of sufficient duration to qualify the officer for mobilization assignment.

It is desirable also to have a certain amount of flexibility with reference to the Reserve obligation of these officers. The present law states that such an officer "shall be assigned to an appropriate Reserve unit until the eighth anniversary of the receipt of a commission."

The bill would permit the officer to complete his service obligation in a Reserve component in any armed force. It also would reduce the requirement for 8 years of service in a Reserve component to 6 years in order to achieve consistency with the reduced service obligation of persons enlisting in the 6-month training program.

Leave for reservists who are Federal employees

Until 1960 Federal employees who were members of the Reserve were entitled to leave with pay for not more than 15 days in any calendar year for the purposes of performing training duty. Substitute postal employees were entitled to leave of absence based on the number of hours worked in the calendar year before that in which they were ordered to training duty. Public Law 86-559 changed the basis for computing this leave from the calendar year to the fiscal year to coincide with the availability of annual training duty.

The change has been to the disadvantage of certain reservists who performed training duty in July or August of 1960 and whose units were ordered to duty again in June of 1961.

The bill proposes to revert to the calendar-year basis for crediting this leave. In accordance with a recommendation from the Comptroller General, the committee suggests that the change be made retroactive to January 1, 1961, for employees other than substitute postal employees and prospective to January 1, 1962, for substitute postal employees. The difference in effective dates is not to discriminate against substitute postal employees. Instead, it recognizes that the leave of these employees is computed on the basis of their service in the preceding year. The 1960 change had created quite a problem in resolving the rights of the substitute postal employees that was solved by a General Accounting Office decision that, in effect, postponed the full operation of such change for substitute postal employees until the fiscal year 1962. The committee expects the Comptroller to make an appropriate adjustment for substitute postal employees during the transition period similar to that authorized by the Comptroller at the time of the change from a calendar- to a fiscal-year basis.

LENGTH OF OBLIGATED SERVICE

As referred to the committee the bill proposed to extend the service obligation of persons enlisting in the Reserve after reaching the age of 18½ from 6 to 8 years. It obviously is incongruous for a person who enlists before he is draft vulnerable to have a longer obligation than a person who enlists after reaching the age at which he is subject to induction. The committee, however, decided to make the service obligation of persons enlisting in the 6-month training program uniform at the 6-year level instead of at 8 years. This change would be retroactive in effect and would extend to those persons who have enlisted at a time when an 8-year obligation was required. A corresponding reduction from 8 to 6 years has been made in the obligation of ROTC graduates whose services are not required on extended active duty and who perform 6 months of active duty for training instead.

The committee emphasizes that this reduced obligation should not be construed as an indication that international conditions permit any relaxation in our preparedness efforts or in our attempts to achieve an effective Reserve. There is full awareness of the importance in creating a trained Reserve composed largely of persons who have not previously fought a war or served on active duty for long periods. At the same time the committee strongly believes that the responsibilities for defending our country should be shared fairly and that a reduction in the service obligation should cause an increase in the number of eligible persons who have been given some training and who would be available in the event of an emergency.

The 8-year obligation was imposed on persons in the 6-month training program by the Reserve Forces Act of 1955. This report has mentioned elsewhere that when the 1955 act was considered there was no thought of a 6-month training program being offered to persons over the age of 18½. When such a program was initiated an inequity resulted in that persons under the age of 18½ had an 8-year obligation, while persons who enlisted in the 6-month training program after reaching the age of 18½ had a 6-year obligation. The Army Reserve and the Army National Guard, the largest users of the 6-month training program, adjusted this inequity by varying the period for which enlistees were required to participate actively in the Reserve. Persons enlisting in the Army Reserve and the National Guard before reaching the age of 18½ were required to perform 6 months of active duty for training, 3 years of active participation in the Ready Reserve, and 4½ years of participation in the Standby Reserve. Persons enlisting in the Reserve and the National Guard after reaching the age of 18½ are required to perform 6 months of active duty for training and 5½ years of active participation in the Ready Reserve. Hence, although a person entering the program after reaching the age of 18½ has a total obligation of only 6 years, these persons are required to participate actively for 5½ years, or 2½ years longer than a person who entered the program before he was draft vulnerable. In the Marine Corps, persons entering the 6-month training program are required to perform 6 months of active duty for training, followed by 4½ years of active participation in the Ready Reserve, irrespective of whether the person enlisted before or after reaching the age of 18½. The remaining part of the total obligation is spent in the Ready Reserve, but there is no requirement that the person participate actively after 5 years. Thus, the Ready Reserve designation is more a measure of vulnerability for recall to active duty than a measure of the extent of the person's participation in Reserve training.

Persons who are members of the Standby Reserve can be recalled to active duty only in time of war or national emergency declared by the Congress and then only if the Director of Selective Service has determined that the member is available for active duty. A person who is a member of the Ready Reserve may be recalled to active duty involuntarily in a national emergency proclaimed by the President alone after August 9, 1955. For members of the Army Reserve and the National Guard the effect of the committee action is to release those persons who enlisted in the 6-month training program before reaching the age of 18½ from 2 years of membership in the Standby Reserve. Since Standby reservists can be recalled to active duty only in a congressional declaration of war or national emergency and only after the Director of Selective Service has determined that the member is available for active duty, it is apparent that the change will not substantially affect the availability of reservists in these components. In the Marine Corps Reserve there will be a loss of some persons who now are liable for recall as members of the Ready Reserve, although they are not actively participating in training. This Ready Reserve strength reduction for the Marine Corps would be about 1,500 in 1962, 5,900 in 1963, and 7,200 in 1964, with declining annual loss thereafter. To maintain the same Marine Corps Ready Reserve strength from fiscal year 1968 forward, it will be necessary to recruit and train additional personnel in the 6-month training program starting in fiscal year 1963. The committee considers that the additional costs of recruiting and training such personnel are justified, not only in the interest of causing the obligation for military service to be more extensively shared, but also in the interest of having more persons with some military training available in the manpower pool. In other words, it might be more convenient and less expensive to have a 10- or 12-year obligation than a 6- or 8-year one, but against convenience and expense must be balanced the objective of an equitable distribution of the burden of military service.

One other consideration needs to be mentioned. Under the committee bill the obligation of all persons in the Armed Forces will be 6 years. Without compensatory arrangements in the form of the length of active participation required, this uniform requirement might be unfair, since a person who has performed 2 years or more of extended active duty obviously has contributed more than a person who has performed only 6 months of active duty for training. The committee believes that this problem can be solved fairly by adjusting the period of time that a person is required to participate actively in the Reserve in accordance with the length of active duty or active duty for training performed. For example, a 2-year inductee should be required to participate actively in the Reserve for a shorter period than a person who enlists in the 6-month training program before he is draft vulnerable, and a person who enlists

in the 6-month training program before he is draft vulnerable should be required to participate actively for a shorter period than a person who enlists in the 6-month training program after he is draft vulnerable. The Secretary of Defense has adequate authority under existing law to establish the required periods of active participation in the Reserve on a graduated basis.

COST AND BUDGET DATA

The only parts of the bill having a financial impact are the provisions (1) authorizing 45 days of active duty for training for members of the National Guard who fail to participate satisfactorily, (2) reducing the length of active duty for training by ROTC graduates, and (3) reducing from 8 to 6 years the service obligation of persons entering the 6-month training program before reaching the age of 18½.

The Department of Defense estimates that the enforcement of active participation by members of the National Guard through ordering those who fail to participate satisfactorily to 45 days of active duty for training would cost a maximum of $325,000 in the first year, with a diminishing annual cost thereafter that will level off at about $160,000.

Annual savings of about $1.8 million are estimated to result from the reduction in the length of the active duty for training tours by ROTC graduates.

It is difficult to estimate the fiscal effects of the reduction in the obligated service of persons who enlist in the 6-month training program before reaching the age of 18½. Except for this change, the Army Reserve and the Army National Guard personnel affected would have served an additional 2 years as members of the Standby Reserve. Presumably no replacements for these persons need to be recruited and trained. The Marine Corps personnel affected would otherwise have served 2 additional years as members of the Ready Reserve, with a vulnerability for recall to active duty, but not in a training status. To estimate the cost of training additional persons to maintain the numbers of Marine Corps reservists now projected for fiscal year 1969 and following years it is necessary to make many assumptions and guesses, including the strength of the Marine Corps Ready Reserve in 1969 and the percentage of Marine Corps 6-month trainees who enlist before reaching the age of 18½. A preliminary staff estimate is that an additional 4,000 6-month enlistees in 1963 and an additional 8,000 in 1964 and following years would enable the Marine Corps to maintain the Ready Reserve strength projected for 1969 and following years under existing law. The cost of giving 6 months of active duty for training to one enlistee is slightly more than $1,000.

DEPARTMENTAL RECOMMENDATION

Printed below and hereby made a part of this report is a letter from the then Secretary of the Army indicating that the bill as it was referred to the committee was a part of the legislative program of the Department of Defense.

The Department of Defense recommended that the obligated service of persons entering the 6-month training program after reaching the age of 18½ be increased from 6 to 8 years. For reasons explained earlier in this report the committee has reduced the obligation of those enlisting in the 6-month training program before reaching the age of 18½ from 8 to 6 years in order to make the length of service obligation uniform. Except for this change, the Department of Defense approves the objectives of the bill.

Also printed below and made a part of this report is a letter from the Comptroller General of the United States dated May 29, 1961, recommending the amendment to section 9 that has been adopted by the committee.

DEPARTMENT OF THE ARMY,
Washington, D.C., January 3, 1961.

Hon. RICHARD M. NIXON,
The President of the Senate.

DEAR MR. PRESIDENT: There is inclosed a draft of legislation to provide for more effective participation in the Reserve components of the Armed Forces, and for other purposes.

This proposal is a part of the Department of Defense legislative program for 1961, and the Bureau of the Budget advised on December 23, 1960, that it has no objection to the submission of this proposal for the consideration of the Congress. The Department of the Army has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this legislation is (1) to provide for the deferment of a member of the Ready Reserve who, before being ordered to report for induction, agrees or has agreed to perform 3 to 6 months active duty for training, so long as he continues to serve satisfactorily in the Ready Reserve; (2) to provide for a draft exemption for a member if he serves satisfactorily in the Ready Reserve for the period that he is required by law to remain in the Ready Reserve, or who during such service has performed active duty for training with an armed force for not less than 3 consecutive months; (3) to authorize the priority induction of certain members in the Ready Reserve who are subject to induction and who fail to serve satisfactorily as such members; (4) to authorize the Army or the Air Force, at the request of the State or other appropriate authority, to order certain members of the Army National Guard of the United States or Air National Guard of the United States who fail to participate satisfactorily in National Guard training to additional active duty for training for 45 days; (5) to provide for flexibility with respect to the term of enlistments in the National Guard; and (6) to provide for flexibility with respect to the active duty for training obligation and the Reserve obligation of ROTC graduates.

(1) and (2) Deferments and exemptions for Reserves: Existing provisions of law provide deferments for a member of a Reserve component who enlists under section 262, Armed Forces Reserve Act of 1952, as added by section 2(1), Reserve Forces Act of 1955 (69 Stat. 600) (8-year enlistment, 3 to 6 months' active duty for training program), so long as he participates satisfactorily in Ready Reserve training. This program is restricted to individuals enlisting prior to attaining age 18½. In the National Guard, an individual enlisting or accepting an appointment in an organized unit prior to reaching age 18½ is granted, under section 6(c)(2)(A), Universal Military Training and Service Act (62 Stat. 610), as amended (50 U.S.C. app. 456(c)(2)(A)), a statutory deferment from induction so long as he serves satisfactorily as a member of his unit. Both of the cited provisions also provide that any member who serves on active duty for training for at least 3 months and who completes 8 years of satisfactory service is exempt from induction, except in time of war or national emergency declared by Congress. The law, however, does not provide any deferment or exemption for individuals enlisting in a Reserve component after they reach age 18½. Under current Selective Service directives, the induction of any individual is postponed or delayed so long as he continues to participate satisfactorily in a Reserve component. In accord with this policy, the Army has a Reserve component procurement program for individuals aged 18½ to 25, inclusive, which requires 6 months of active duty for training and participation thereafter until the sixth anniversary of the date of enlistment. This program has proven to be an extremely popular program with young men and hence provides a valuable flow of basically trained individuals into the Army National Guard and the Army Reserve. Non-prior-service personnel who enlist in a unit of the Ready Reserve of the Army between the ages of 17 and 18½ years incur an 8-year obligation. However, non-prior-service personnel who so enlist after they attain the age of 18½ incur a 6-year obligation. The Department believes that all non-prior-service personnel who enlist in a Reserve component should incur the same obligation. The proposed legislation equalizes the two age groups by providing that the 18½- to 26-age group also incur an 8-year obligation. This will provide more equitable treatment with respect to the inductee who performs 2 years of active duty and incurs a 6-year obligation.

The proposed legislation will give flexibility to the existing program by authorizing a statutory deferment for any member in the Ready Reserve who, before being ordered to report for induction, agrees or has agreed to perform 3 to 6 months active duty for training, as the Secretary of the military department concerned may prescribe, so long as he continues to serve satisfactorily as a member of the Ready Reserve, and will require that this initial period of active duty for training will be of sufficient duration to qualify the individuals concerned as basically trained for duties assigned. If the member serves satisfactorily in the Ready Reserve for the period that he is required by law to remain in the Ready Reserve, or has during such service performed active duty for training with an armed force for not less than 3 consecutive months, he will thereafter be exempt from induction under the Universal Military Training and Service Act, except in time of war or national emergency declared by Congress.

(3) Priority induction for Reserves: Section 6(c)(2)(E) of the Universal Military Training and Service Act, supra, authorizes the priority induction of those individuals enlisted or appointed in the Ready Reserve of any Reserve component of the Armed Forces pursuant to authority contained in section 6c of the Universal Military Training and Service Act, or enlisted under section 262 of the Armed Forces Reserve Act of 1952, as amended, supra (8-year enlistment of 17- to 18½-year-olds who agree to perform 6 months' active duty for training), when such individuals fail to serve satisfactorily as a member of the Ready Reserve. The individuals affected by this provision of law are, therefore, restricted to those who enter the National Guard or a Reserve component prior to reaching age 18½; those who become members of such organization after attaining age 18½ are not subject to the priority induction provisions. In the Reserve components (other than the Army or Air National Guard of the United States), any person, 18½ or older, who is enlisted or appointed after August 9, 1955, and who fails to participate satisfactorily, may be ordered to additional active duty for training for 45 days. However, there is no means of enforcing participation in National Guard training. The States, therefore, are faced with the distasteful alternatives of punishing the individual under State codes or discharging the individual and allowing him to become automatically a member of one of the other Reserve components, where efforts must be made to induce participation before the 45-day enforcement provision may be applied. While such persons may be reported to Selective Service for failure to participate satisfactorily, there is no assurance that they will be inducted in view of limited quotas which now prevail in many areas. The absence of effective means to provide prompt corrective action for failure to participate on the part of in-

dividuals entering a Reserve component after reaching age 18½ may result in encouraging others to regard their participation obligations lightly, thus creating serious problems of administration and preventing the attainment of well-trained, well-disciplined units.

The proposed legislation would provide authority for the priority induction of any person, otherwise subject to induction, who is enlisted or appointed in the Ready Reserve of an armed force after the effective date of this legislation and who fails to serve satisfactorily as such a member.

(4) Forty-five days' additional active duty for training: Section 270, title 10, United States Code, which provides authority to order individuals enlisted or appointed after August 9, 1955, to 45 days' additional active duty for training when they fail to participate satisfactorily in Ready Reserve training does not apply to members of the Army National Guard of the United States or Air National Guard of the United States. The disadvantages stated in paragraph (3), above, are also applicable to the lack of authority to apply the 45-day provision to the National Guardsmen. There is an added consideration, however, in favor of applying the 45-day enforcement provision to the National Guard. In many cases, unit commanders of the National Guard might prefer to have an individual perform 45 days' active duty for training and return to his unit, rather than lose him altogether through induction.

The proposed legislation would provide authority to order persons who become members of the Army National Guard of the United States or Air National Guard of the United States after its effective date and who fail to participate satisfactorily in National Guard training to 45 days' active duty for training at the request of State or other appropriate authorities.

(5) National Guard enlistments: Section 302, title 32, United States Code, provides that original enlistments in the National Guard shall be for a period of 3 years, and reenlistments for periods of 1 or 3 years. The disadvantages of these provisions are their lack of flexibility with respect to length of enlistments, the administrative burden which is imposed upon the National Guard in effecting enlistments and discharges in order to comply with the law, and the deterrent effect which present requirements have upon enlistments. In the Regular Army and the Regular Air Force, individuals may enlist for periods from 2 to 6 years. Normal enlistments in the Regular Air Force are 4 to 6 years. In the Army Reserve and the Air Force Reserve, periods of enlistment are prescribed by the Secretary concerned. This greater flexibility allows individuals to enter a component for a period more nearly fitting the individual's plans and avoids the necessity for effecting discharges and reenlistments, the administrative burden of which has led many States to prohibit 1-year reenlistments. The requirement that original enlistments in the National Guard be for a period of 3 years has acted as a deterrent to enlistments in the cases of individuals who have a remaining Ready Reserve service obligation of less than 3 years. For example, an individual leaving the Active Army or Air Force with an obligation to participate in the Ready Reserve for a period of only 2 years would be reluctant to enlist in a National Guard unit for 3 years. Other persons who have received basic training in the Army Reserve or Air Force Reserve, and who may desire to enlist in the National Guard, may be discouraged from doing so if the period of enlistment is longer than the remaining period of their required Ready Reserve participation. The National Guard has need for such trained personnel, especially those who have served 2 or more years in the Active Army or Air Force, and every effort is being made to encourage such individuals to enlist in the National Guard. It is desirable, therefore, to remove any obstacles, statutory, or otherwise, which would tend to discourage such enlistments.

The proposed legislation would amend section 302, supra, to provide that enlistments in the National Guard may be accepted for any specified term, not less than 3 years, of persons with no prior service, or for any specified term, not less than 1 year, of persons who have had prior service in any armed force. It would also provide that reenlistments could be accepted for any specified period or, if the person last served in one of the highest five grades, for an unspecified period. Extensions of enlistments could be accepted for any period of not less than 6 months. Persons enlisting or reenlisting in the National Guard would be concurrently enlisted or reenlisted as Reserves of the Army or Air Force, as appropriate. The proposed amendments discussed in this paragraph are the same amendments recommended in the Department of Defense report to the chairman of the Committee on Armed Services of the House of Representatives on H.R. 6296, 85th Congress.

(6) Active duty for training for ROTC graduates: Section 6(d)(1) of the Universal Military Training and Service Act, supra, provides that ROTC graduates commissioned in a Reserve component of the Armed Forces whose services are not required on active duty in fulfillment of the obligation undertaken by them shall be ordered to active duty for training with such armed force for a period of 6 months. However, it is uneconomical to require a 6-month active duty for training period for these officers if it is possible to indoctrinate and train them in less time. It is desirable, therefore, to have as much flexibility as possible in prescribing such duty tours for these officers. The proposed legislation substitutes a variable period of 3 to 6 months, in the discretion of the Secretary of the service concerned, for the directory 6-month provision of present law, with the proviso that the initial period of active duty for training be of sufficient duration to qualify the officer for mobilization assignment.

It is desirable also to have a certain amount of flexibility with reference to the Reserve obligation of these officers. The present law states that such an officer "shall be assigned to an appropriate Reserve unit until the eighth anniversary of the receipt of a commission * * *." The proposed legislation retains the requirement of 8 years of service in a Reserve component, but restates this requirement to permit the officer to complete the service obligation in a Reserve component of any armed force.

COST AND BUDGET DATA

If this legislation is enacted, of the seven items which make up this legislative proposal, only that provision which would authorize members of the National Guard who fail to participate satisfactorily to be ordered to 45 days' active duty for training would result in increased costs to the Government. It is estimated that, for a 5-year period following enactment, this item would cost the Departments of the Army and Air Force as follows:

	Army	Air Force
1st year	$300,000	$25,000
2d year	225,000	17,000
3d year	170,000	10,000
4th year	150,000	10,000
5th year	150,000	10,000

The above amounts have not been included in any estimate for appropriations submitted through budget channels by the Department of Defense.

It is also estimated that an annual savings of about $1.8 million would result from the reduction in the length of the active duty for training tours of ROTC graduates participating in the 6 months, 8-year program.

Sincerely yours,

WILBER M. BRUCKER,
Secretary of the Army.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 5490) was read the third time, and passed.

SIZE AND WEIGHT OF TRUCKS ON MASSACHUSETTS HIGHWAYS

Mr. SALTONSTALL. Mr. President, yesterday Representative MCCORMACK, the majority leader of the House, had the House pass House Joint Resolution 472. That joint resolution would permit, until March 15, 1962, trucks using Massachusetts highways to exceed the weight and size requirements in connection with the receipt of funds from the Federal Government.

I have talked with my colleague, the Senator from Massachusetts [Mr. SMITH], and with the majority leader, and with the minority leader. I hope the joint resolution will be promptly passed by the Senate, so that Massachusetts may receive these highway funds until March 15 of next year, even though the size and weight of trucks on its highways are too great.

Mr. GORE. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. GORE. I hope the Senator from Massachusetts will not press for action on this measure. One of the great achievements of the National Highway Act of 1956 was the accomplishment of national standards of weights and measurements of trucks. If Congress were to start permitting, State by State, the States to receive benefits——

Mr. SALTONSTALL. Mr. President, if the Senator from Tennessee will yield, let me say the joint resolution would permit this in Massachusetts only until March 15, 1962. Apparently the act became law without knowledge in Massachusetts of the limitations under it.

If this joint resolution is not enacted, Massachusetts will have to call a special session of its legislature, in order to have its law changed. In order to avoid that expense, and because of the question of time, and in order to permit Massachusetts to share in the benefits under the Highway Act, Representative MCCORMACK had the House pass, on yesterday, this joint resolution; and the House passed it unanimously.

I have taken up this matter with the Senator from South Dakota [Mr. CASE] and with the majority leader and his assistant. I have not been able to get in touch with the Senator from Oklahoma [Mr. KERR]. I believe the procedure authorized by the joint resolution will be helpful.

I agree entirely with what the Senator from Tennessee says. But if the joint resolution is not enacted, it will be

necessary for a special session of the Massachusetts Legislature to be called for the sole purpose of permitting Massachusetts to enact such a measure before the next regular session of the legislature, in January. This joint resolution will apply only until March 15, 1962.

I assure the Senator from Tennessee that I would not ask for an extension of the time fixed in the measure. Massachusetts will come in conformity with the legislation next year. It could do it this year by calling a special session.

Mr. GORE. I hope the Senator will not press the matter at this time. As the Senator knows, I was coauthor of the 1956 act. I would regret very much seeing an exception made for a State. It might well be that a special session of the Legislature of Massachusetts would be far less expensive than the destruction of its highways by overweight vehicles, and far, far less expensive than if such action as is proposed becomes a precedent and the precedent allows the law to be violated State by State.

I hope the Senate will defer consideration of the measure until I can have an opportunity to study it.

Mr. SALTONSTALL. Mr. President, I will withdraw my request at this time.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Massachusetts [Mr. SMITH], who is also vitally interested in this measure.

Mr. SMITH of Massachusetts. Mr. President, I wish to associate myself with my distinguished colleague.

Mr. SALTONSTALL. Mr. President, I may say I joined the Senator in my proposal.

Mr. SMITH of Massachusetts. This measure is something we feel is most urgent and necessary, but I defer now to the Senator from Tennessee.

Mr. GORE. I will immediately set about studying the proposal. I hope that it can be worked out.

REENLISTMENT BONUSES UNDER THE CAREER COMPENSATION ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 468, House bill 4324.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 4324) to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement relative to the reasons why this legislation is necessary.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This bill would make uniform certain language in sections 207 and 208 of the Career Compensation Act of 1949 that prescribes the period within which reenlistments must occur for a member to be entitled to reenlistment bonuses. It is intended to eliminate the confusion and problems that have resulted from the use of the term "90 days" at one place and the term "three months" at another place in the law.

EXPLANATION

Until July 16, 1954, enlisted members of the military services who had continuous service, that is those who reenlisted within 3 months after the date of their last discharge, were entitled to either an enlistment allowance based upon years of service in the enlistment from which they were last discharged or a reenlistment bonus based upon the number of years for which they reenlisted. The act of July 16, 1954, added to the Career Compensation Act of 1949 a new section 208 that prescribes an alternative and sometimes more liberal system of reenlistment bonuses for persons reenlisting after July 15, 1954, and within 90 days after the date of their last discharge.

After enactment of the act of July 16, 1954, some discharged enlisted men failed to realize that even if they reenlisted within 3 months after their last discharge the elapsed time from date of the last discharge to the date of reenlistment might be either 91 or 92 days if one or more 31-day months were included in the interim break in service. As a result of the unintended difference between "90 days" and "three months," overpayments of reenlistment bonuses were made by disbursing officers with a resulting checkage of the difference between the reenlistment bonus prescribed by section 207 of the Career Compensation Act of 1949 (reenlistment within 3 months) and the amount erroneously credited under section 208 of that act (which requires reenlistment within 90 days.) This bill proposes to make the period within which reenlistments must be entered into under both systems uniform at 3 months. It also will extend relief to those persons who have erroneously been paid higher reenlistment bonuses as a result of the technical difference between "90 days" and "three months."

COST

The retroactive costs resulting from enactment of this bill are estimated to be nominal, and the Department of Defense indicates that these costs can be absorbed within current appropriations.

Mr. KEATING. Mr. President, may I ask the majority leader a question?

Mr. MANSFIELD. I yield.

Mr. KEATING. I just arrived on the floor. As a member of the calendar committee, this measure has not in any way been brought to my attention. Have these bills been cleared with the minority leader?

Mr. MANSFIELD. Yes; they were cleared. There were three measures we thought we could bring up yesterday, but, for reasons beyond our control, we did not do so. They have all been cleared.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 4324) was ordered to a third reading, and was read the third time and passed.

MEDAL OF HONOR PENSIONS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 469, House bill 845.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 845) to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with an amendment, to strike out all after the enacting clause and insert:

That (a) subsection (b) of section 560 of title 38, United States Code, is amended (1) by striking out "sixty-five years" and inserting in lieu thereof "fifty years"; and (2) by striking out ", and who was honorably discharged from service by muster out, resignation, or otherwise".

(b) Subsection (c) of such section 560 is amended by inserting before the period at the end of the first sentence the following: ", and shall indicate whether or not the applicant desires to receive the special pension provided by section 562 of this title".

SEC. 2. (a) Section 561 of title 38, United States Code, is amended to read as follows:

"§ 561. Certificate

"(a) The Secretary concerned shall determine whether or not each applicant is entitled to have his name entered on the Army, Navy, and Air Force Medal of Honor Roll. If the official award of the Medal of Honor to the applicant, or the official notice to him thereof, shows that the Medal of Honor was awarded to the applicant for an act described in section 560 of this title, such award or notice shall be sufficient to entitle the applicant to have his name entered on such roll without further investigation; otherwise all official correspondence, orders, reports, recommendations, requests, and other evidence on file in any public office or department shall be considered.

"(b) Each person whose name is entered on the Army, Navy, and Air Force Medal of Honor Roll shall be furnished a certificate of service and of the act of heroism, gallantry, bravery, or intrepidity for which the Medal of Honor was awarded, of enrollment on such roll, and, if he has indicated his desire to receive the special pension provided by section 562 of this title, of his right to such special pension.

"(c) The Secretary concerned shall deliver to the Administrator a certified copy of each certificate issued by him under subsection (b) in which the right of the person named in the certificate to the special pension provided by section 562 of this title is set forth. Such copy shall authorize the Administrator to pay such special pension to the person named in the certificate."

(b) The analysis of chapter 15 of such title is amended by striking out

"561. Certificate entitling holder to pension."

and inserting in lieu thereof

"561. Certificate."

SEC. 3. Subsection (a) of section 562 of title 38, United States Code, is amended—

(1) by inserting after "Medal of Honor roll" the following: ", and a copy of whose certificate has been delivered to him under subsection (c) of section 561 of this title,"; and

(2) by striking out "$10" and inserting in lieu thereof "$100".

SEC. 4. The amendments made by this Act shall take effect on the first day of the first month which begins after the date of the enactment of this Act, except that the amendments made by subsection (b) of the first section and by section 2 shall not apply with respect to any application under sec-

tion 560 of title 38, United States Code, made before such first day by any person who fulfilled the qualifications prescribed by subsection (b) of such section at the time such application was made.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have a statement of the purpose of the bill printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of the bill, H.R. 845, is to liberalize the requirements for entry on the Army, Navy, and Air Force Congressional Medal of Honor Roll and to increase the rate of the special monthly pension from $10 to $100 which may be payable to persons on the roll.

GENERAL STATEMENT

The bill as passed by the House of Representatives would eliminate the existing law eligibility requirements that the individual must be 65 years of age and honorably discharged from the armed services, and would increase the amount of the special pension from $10 to $100 monthly. The bill as reported by your committee amends the House-passed bill in two particulars: one, it would prescribe an eligibility requirement of at least age 50 as compared with the requirement of existing law that the individual shall have attained age 65; two, as to those future applicants for entry on the Congressional Medal of Honor Roll, it would limit the proposed $100 rate of special pension to the individuals who specifically indicate a desire to receive such special pension. Persons already receiving the current $10 special monthly pension would not have to indicate such desire but would automatically be paid the new $100 rate from the effective date of the new law. Likewise, no such indication would be required of those whose applications for entry on the honor roll and special pension were made before, but were pending on, such effective date.

The committee believes that the bill, as amended, is meritorious. It permits a holder of the Congressional Medal of Honor to have his name placed on the Medal of Honor Roll at age 50 and allows him to make the election to receive the $100 monthly pension at that age or at any future time he may so desire. Thus, it affords added recognition to a most worthy and honored group through the Medal of Honor Roll and, in addition, permits those so interested an opportunity to obtain a special monthly payment of $100.

It is not known, of course, how many of the group would choose to apply for the monthly benefit. It is estimated that 168 cases could benefit under the bill at a cost of less than $202,000 the first year. There is a potential group under age 50, totaling 128, that may become entitled upon attaining age 50, which may increase the cost in future years. The 296 accounted for is based on latest information furnished to the Veterans' Administration by the Defense Department.

DEPARTMENTAL REPORTS

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., May 4, 1961.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance, U.S. Senate, New Senate Office Building, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in reply to your letters of March 8 and 14, 1961, requesting the views of this office with respect to H.R. 845, S. 1224 and S. 1310, identical bills, to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes.

You are advised that there would be no objection, from the standpoint of the administration's program, to enactment of this legislation.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

DON'T LET THEM RUIN OUR NATIONAL SHRINES

Senator YOUNG of Ohio. Mr. President, our colleague, the senior Senator from Texas [Mr. YARBOROUGH], is not only an outstanding Senator of the United States but is also a writer of note. The need for preserving our national shrines is clearly pointed out by the distinguished Senator in an article which was published in the June 1961 edition of Coronet magazine. The article is entitled "Don't Let Them Ruin Our National Shrines."

The visible history of our progress as a nation is preserved in monuments and historic areas across the United States. These shrines should continue to stand as a link with the past and a guide to the future. They inspire our youth to emulation; they give our older people a pride and reverence for the past that readies them for further sacrifices to preserve this heritage. Our national parks rest the body, calm the spirit, and temper the soul for a better life.

I ask unanimous consent to have the article printed at this place in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DON'T LET THEM RUIN OUR NATIONAL SHRINES—WE MUST MAKE A STAND NOW AGAINST THOSE WHO—IN THE NAME OF "PROGRESS"—WOULD SHATTER THE PRICELESS HISTORICAL IMAGE OF OUR LAND

(By Senator RALPH YARBOROUGH, as told to Keith Elliott)

In A.D. 460 the Romans decreed that anyone destroying an ancient building or shrine would be whipped and would have both his hands chopped off. The magistrate who granted a license permitting such destruction would be fined 50 gold pounds—about $46,000. I do not advocate such stern measures. But Americans today could take a lesson in historical awareness from the old Romans. A callous disregard of our cultural values is robbing future generations of an irreplaceable American resource—their tangible past.

"If America forgets where she came from," wrote Carl Sandburg, "then will begin the rot and dissolution."

Americans, many of them, are forgetting. George Washington's Morristown, N.J., headquarters is threatened by a proposed freeway. In New Mexico, pueblos dating to prehistoric times have been bulldozed for highways. A syndicate once sought to obliterate the hallowed Alamo in Texas—to make room for a hotel.

"Progress" is taking an appalling toll of our Nation's wonders. A study by the National Trust for Historic Preservation shows that at least 25 percent of the finest historic and architectural shrines in the United States have been leveled since 1941.

A recent survey reveals that New York City, Richmond, and St. Louis have lost one-third of their ancient structures worth saving in the past decade. Many of these were vitally linked to our Nation's past.

John Ruskin said of architecture:

"We may live without her and worship without her, but we cannot remember without her." Yet the structures of which our memories are made are dwindling alarmingly.

Belle Grove, a magnificent plantation house in Louisiana, was neglected for years, finally burned down in 1952. The picturesque ironfront buildings of St. Louis were ripped down by the hundreds in 1939, to be replaced by a Jefferson National Expansion Memorial which has not yet been completed. Castle Stevens at Hoboken, N.J., a landmark for over a century, was recently razed so a 13-story building could take its place. A lighthouse at Buffalo, N.Y. beacon to sailors for 126 years, has been abandoned and may be destroyed.

Built in 1904, the Larkin Building at Buffalo had been called "the most influential building in modern architecture." More than any other in the United States, possibly, this Frank Lloyd Wright structure was an architectural breakthrough. Yet it was ripped down mercilessly in 1950 after the city sold the property to a trucking firm. The site's use now: a parking lot for trucks.

The problem in the United States is not only one of preserving our architectural heritage but of preserving it intact. The Brooklyn Bridge, for instance, so long an inspiration to poets, lovers, and songmakers, is now cluttered with structural additions, utility lines, debris. Greenwich Village's sylvan Washington Square is threatened by a proposed highway interchange which city planning expert Lewis Mumford has called "an almost classic example of bad planning."

"The concrete cloverleaf," that critic has said, "is becoming our national flower." And it well may be—if we let it.

Yet as a 41,000-mile network of interstate highways slashes—usefully but sometimes indiscriminately—across the face of our land, there is a growing concern with protecting our historical and natural treasures.

More than 300 American communities now boast conservation groups dedicated to sparing shrines, parks and plazas from needless encroachment of shopping centers, superhighways, skyscrapers, parking lots, even jails. Their efforts have been heartening.

In San Antonio, Tex., for example, the Conservation Society carried on a people-to-people campaign against a proposed expressway route that would scar peaceful Brackenridge Park and other tourist attractions. Voters were convinced. Overwhelmingly, they voted down a $9 million bond issued to finance the project. However, in January 1961, developers poured more than $50,000 into an unprecedented second bond election which carried. Conservationists are now fighting the reversal in Texas courts.

Ten years before, the same group saved a charming, tree-dotted downtown plaza from becoming an underground parking lot. "We can station 10 women at every tree," promised fiery President Wanda Ford. "You'll have to chop us down before you can tackle the trees." Developers gave up the project.

American women have fortunately long taken an active interest in historical conservation. It was stubborn little Ann Pamela Cunningham, of South Carolina, who pioneered the U.S. heritage saving movement in 1859. Learning that Mount Vernon, George Washington's home, was an abandoned shambles, she organized the Mount Vernon Ladies Association to restore it. Result: last year more than 1,200,000 visitors wandered within the resurrected walls and

grounds, emerging with new appreciation for their Nation's past.

Miss Cunningham's inspiration has sparked the preservation of America's heritage. Since her battle, more than 2,000 historic house museums have come into existence. Such preservations as Thomas Jefferson's home in Virginia, Shelburne Village in Vermont, Little Norway in Wisconsin, and Fort Bridger in Wyoming provide a graphic insight into what has made America great.

There is abundant hope for more preservation of American memorabilia in the future if we open our hearts to the past. Thousands of Americans showed concern, for instance, for Boston's Old North Church, Paul Revere's signal tower, after a hurricane nearly destroyed it in 1954. Contributions poured in from every State and the historic shrine was rebuilt.

The public reacted similarly when New York's ancient Carnegie Hall was threatened by demolition in 1959. Led by violinist Isaac Stern, a citizens' committee won the cooperation of Mayor Robert Wagner in saving it. The city purchased the building for $5 million. Stern's committee raised funds to renovate the interior. Now the acoustically perfect musician's mecca will live on as a nonprofit institution—headed, fittingly enough, by Isaac Stern.

If cities can save our shrines, so can our courts. In a historic decision last year, Judge Donald S. McKinlay of Chicago ruled that an owner can be denied permission to wreck his own building—when "public esthetic interest" is involved. The decision prevented destruction of the 68-year-old Garrick Theater, a landmark in Chicago's downtown loop.

Many relics of our past might have been allowed to crumble if someone hadn't suggested a contemporary use for them. In Hannibal, Mo., for example, the stately residence of Mark Twain's childhood sweetheart, Laura Hawkins, has been restored as the Becky Thatcher Book Shop & Cafe. At Waterford, Va., an 18th-century jail is now a tourist reception center. A Quaker meeting house built in 1699 serves as a children's community center in Newport, R.I.

Caring for the past, an association in Philadelphia found a permanent berth for the flagship, *Olympia*, birthplace of the rallying cry, "You may fire when ready, Gridley." Through statewide donations the battleship *Texas* is now docked for good near Houston, 50 miles from the sea. In upper New York State, De Witt Clinton's "great ditch," the Erie Canal, is now being restored. It may soon accommodate mule-drawn barges—loaded with tourists—once again.

In Colorado and Utah we almost lost 200,000 acres of magnificent wilderness and prehistoric remains to a huge upper Colorado River storage project. Fortunately, a bill was introduced in the Senate's last regular session to preserve the area as the Dinosaur National Park.

Yet many places where history holds hands with nature are sad victims of America's growing pains. Take Gettysburg, Pa., for instance. Not long ago Congressman JAMES M. QUIGLEY, of Pennsylvania, admitted forlornly: "The second battle of Gettysburg, the battle to save the historic battlefield from commercial encroachment, is on the way to being lost."

Already a motel and ice cream stand sit smugly on land over which Confederate Gen. George Edward Pickett led his famous charge. A miniature golf course nestles near the headquarters of Gen. George Gordon Meade, the Union commander. A bowling alley now squats where Gen. James Longstreet's Texans battled.

Commercialism threatens other battlegrounds of the Civil War. In Maryland, Antietam, scene of that war's bloodiest 1-day engagement (23,000 killed and wounded), is one. Others: Fort Donelson and Lookout Mountain in Tennessee, Vicksburg in Mississippi, and Manassas, Va., site of the Battle of Bull Run.

But our national shrines are more than buildings and battlefields. "Our purple mountain majesties" and our rockbound coasts, to say nothing of our beautiful beaches, are as much a part of America's heritage as anything we have built or fought over. Thus, I have sponsored a bill to preserve for public recreation a portion of the remaining few miles of unspoiled shoreline left in this country.

Of our 3,700 miles of shoreline, only 265 miles have so far been marked as public preserve—and only a fraction is suitable for seashore recreation. The largest stretch of undeveloped beach frontage in the United States is Padre Island, in the Gulf of Mexico near Corpus Christi, Tex. Padre must be spared the fate of other waterfront wonderlands which are littered by honky-tonks, jerry-built cabins, shabby bait stands.

The Department of the Interior has called for 88 miles of 118-mile Padre Island to be set aside as a national seashore area. My bill would give the status of a national seashore recreation area, like Cape Hatteras off North Carolina, to the peaceful beaches and dunes of Padre Island. Congress, alarmed over our vanishing vistas, is considering other measures to save them.

One bill would establish 10 shoreline parks like Padre Island over the Nation. Three other bills would authorize three national seashore areas: Padre, Cape Cod, Mass., and Point Reyes in California. The wilderness bill would earmark millions of acres in various parts of the United States as "areas where the earth and its community of life are untrammeled by man."

Saving our shrines is good business. Luring just 25 tourists a day to a town, says the U.S. Department of Commerce, is equal in income to establishing an industry with a $100,000 payroll.

In Richmond, Va., Providence, R.I., Newburyport, Mass., and Washington, D.C., business people have organized to buy properties of historical interest, restore them and lease them to suitable tenants. Traffic flow is dramatically increased by visitors who yearn for yesteryear.

More than 36 American cities have put historic areas under control, such as the Old Charleston District in South Carolina. The Vieux Carre in New Orleans, Boston's Beacon Hill, Old Georgetown in Washington, Gratz Park at Lexington, Ky., and the Moravian section of Bethlehem, Pa.

Yet in Dallas, Tex., tree-shaded Turtle Creek Drive is being widened against the protests of thousands who signed petitions saying they preferred the view. And urban sprawl is preempting some of the loveliest remaining vistas of San Francisco's Golden Gate.

"The preservation of open space is the most important single problem that we face today in the physical development of communities," says Hugh R. Pomeroy, commissioner of planning of Westchester County, N.Y. Yet our cities' spaces are becoming increasingly crowded, while the wide-open spaces of America continue to vanish in the paths of bulldozers.

Now is the time for Americans to take stock of their irreplaceable spiritual resources—and take steps to save what remains of historical and cultural importance. A part of our national character and strength will be forever lost if we bury our past in our plans and projects for the future.

While there is still time, let's preserve America's heritage.

Mr. YARBOROUGH subsequently said: Madam President, I wish to express my thanks to the distinguished junior Senator from Ohio for his generous remarks when he placed in the RECORD an article from Coronet magazine. I make particular reference to the paragraph dealing with Padre Island. I hope that the national seashore recreation area will be created by this session of Congress.

WATER POLLUTION—A NATIONAL HAZARD

Mr. YOUNG of Ohio. Mr. President, having just recently returned from a short visit in the Scandinavian countries—Norway, Sweden, and Denmark—where they have a superabundance of fresh, clear water, but apparently drink very little of it, it occurs to me that I should speak briefly on the subject of the contamination of water in the United States by man's activities. This is a problem as old as mankind itself, and here in America it is becoming a more serious one all the time.

In the process of settling this great continent, building farms, cities, and our great industries, we Americans have defiled our water resources on a scale greater than the world has ever seen.

Unless brought to a halt, the continuing pollution of a large part of our indispensable present and future water supply will create increasingly serious problems for every American. These problems go to the heart of our national well-being, affecting our public health, economic growth, enjoyment of living, and the balance of nature.

Every year Americans see the necessity for and approve the spending of billions of dollars for defense, additional billions are spent for soap, cosmetics, detergents, and other devices to obtain personal cleanliness. Yet, during the last administration, our President not only vetoed a modest water pollution control bill, but actually proposed drastic reductions in the annual appropriation for this purpose.

Mr. President, it is time that we begin seriously to do something about the one element which is indispensable to all Americans every day of their lives—our water supply.

We may close our eyes to the menace of sewage in our drinking water, but the American people cannot close their mouths.

Pollution of our water courses has increased sixfold during the past 60 years. It continues to increase more rapidly than preventive efforts. Our industries now discharge twice the waste substance into our rivers and streams as do all the Nation's cities and towns.

It is a fact that the dumping of industrial and other wastes into our water supply has turned it into a national health hazard. Some of our rivers and streams are nothing more than open sewers.

With population increasing rapidly, the need for pure water both for human consumption and for productive purposes looms more and more as one of our major problems. By 1980 our fresh water needs will double.

Mr. President, this is no longer a local problem. The complex pattern of waterflow in our country does not re-

spect State lines. It is unrealistic to try to control this problem in the narrow framework of what from nature's point of view are artificial State boundaries. The problem is so vital and so nationwide in its importance that it can only be coped with by the joint efforts of Federal, State, and local governments. The conference report on the Federal Water Pollution Control Act Amendments of 1961 which shortly will be bebefore us is an excellent start toward making this possible.

Waste has so polluted our water that treatment plants simply cannot keep pace with the increased loads—4,136 new sewage treatment plants are urgently required for 23 million people in communities now threatened with a dangerous sewage problem. Another thousand require major additions and enlargement of existing facilities to provide a minimum measure of safety for 19 million people.

The American people no longer can trust the water that comes out of their faucets, the water they and their children drink, the water in which they bathe and wash their clothes.

Mr. President, every time an American housewife turns on the water faucet, she is committing an act of faith.

I have received a great deal of mail protesting the increasing pollution of our rivers and streams and demanding action far beyond that provided under present programs. It is a subject which always arises when I speak to constituents in Ohio.

Incidentally, it is estimated that this legislation would immediately spur the construction of 400 sewage treatment plants in areas of substantial unemployment, many of them in my home State of Ohio.

Americans are fearful that pollution soon will completely overwhelm the capacity of our sewage treatment plants. They are fearful, too, that the recreational value of our water resources will be destroyed.

Mr. President, I do not know of a bill that has won greater popular support than this measure to control the pollution that is fouling the water that we rely on so heavily in our everyday life.

It is making our rivers and streams unfit for swimming and boating, for waterfowl and fish, and for all manner of recreational purposes at a time when these facilities are more and more demanded and needed by our citizens.

Mr. President, over $48 million of taxpayers' money has been spent in over 30 foreign countries for water and sewage disposal improvements.

For example, in 1955 we spent $4 million in Pakistan and $2 million in India. In 1957 we spent $2 million in Panama. In 1958 Burma received almost $3 million. All for water and sewage disposal improvements in foreign countries.

Under the bill reported by the conference committee, Ohio communities will receive $2,737,000 in 1962, $3,079,000 in 1963, and $3,421,000 each year through 1967.

Certainly the citizens of Ohio are entitled to the same consideration as the people of Pakistan, India, Panama, and Burma. The same is true for citizens in all the States of the Union, as this comparison is valid for them all.

In the 4 years the original Federal Water Pollution Control Act has been in operation, it has resulted in projects which will clean up more than 14,000 miles of America's streams and rivers.

But the little that has been done has only served to show that a great deal more is needed.

There is no question that our water resources can be improved for all uses. The growing threat that pollution poses to the health of our people can be controlled and defeated.

Our water supply is constant, but our use of water grows each year. If pollution continues unchecked, the Nation will soon face a calamity of major proportions.

Mr. President, the issue which will be before us in the conference report is a simple one. We benefit by water that is clean, and we are penalized by that which is dirty. The penalty for our neglect of this vital national resource—if we chose to do so—will be paid for by generations of Americans to come.

COMMUNIST PROPAGANDA

Mr. BENNETT. Mr. President, on April 6 the distinguished Senator from Illinois [Mr. DIRKSEN] and I introduced a bill, S. 1508, which would give the Government greater authority in controlling propaganda sent to the United States from other countries.

It will be recalled that on March 17 President Kennedy ordered discontinuance of the program of intercepting Communist propaganda from abroad. This program, instituted by President Truman and carried on by President Eisenhower, provided a substantial though incomplete deterrent to the dissemination within the United States of Communist propaganda from abroad. Our bill would restore this program, and would close technical loopholes which hindered its operation while it was in effect.

Today there is evidence that President Kennedy's ill-advised order of March 17 is having its inevitable result. According to Irving Fishman, deputy collector of customs at the port of New York, Communist propaganda is now flooding into the country. Because of the President's action, customs agents can no longer intercept Communist mailings, but their obligation to determine whether there is any duty due enables them to keep track of the volume. Since March 17 there has been a great increase in propaganda coming in, particularly from the Soviet Union and Cuba.

As an indication of the incredible volume of this propaganda, Mr. Fishman advised the Senate Internal Security Subcommittee that during 1960 the number of political propaganda packages received in the United States from the Soviet Union was an unprecedented 14,170,529. And from Cuba we received, during a period of only 2 months, 162,087 packages of Communist magazines and 11,700 packages of newspapers, all by air freight—during a period of only 2 months.

And bear in mind that these figures reflect the volume before the President opened the floodgates on March 17. What the volume is today, we do not yet know.

The way in which the Communists are using their new freedom to propagandize Americans and European refugees in this country is illustrated in a technique now being used on persons of Hungarian origin.

In an effort to get homesick Hungarians to return to their homeland, where they may be exploited for propaganda purposes, Communist Hungary is sending Hungarian refugees in America an attractive tabloid, Hungary News, painting a glowing picture of life behind the Iron Curtain, and inviting them to return.

This material has been sent in large quantity since last March, because, as observed in the Washington Post and Times Herald on May 5, 1961:

> The dike was opened then by a Presidential order that the Post Office Department stop impounding Communist propaganda carried in the mail from abroad.

One article tells the Hungarians that they have until December 31 to apply to the closest Hungarian legation for a special Hungarian passport. Another urged them to return even for a brief visit. What is not mentioned is that under Hungarian law, such persons have dual citizenship and when they set foot on Hungarian soil, they become subject to the perils of Hungarian law.

And what is being done to block such schemes as this? Nothing. The Post Office says its hands are tied. Likewise, the State and Justice Departments seem to be doing nothing.

This bill cannot be construed as censorship. It affects only material being disseminated by agents of foreign governments. It requires such agents to register, and requires that propaganda be plainly marked to indicate that it is being distributed by a foreign government or the agent of a foreign government. The bill also makes administrative changes in the Subversive Activities Control Act of 1950.

Mr. President, we must not blind ourselves to the effect which Communist propaganda might have within the United States if left completely free of any restrictions. I hope the Judiciary Committee will give early consideration to S. 1508, so that the inflow of Communist propaganda from abroad can be checked.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

FAITH IN AMERICA

Mr. KEATING. Mr. President, at this time of national peril, too few Americans seem willing and able to take time to recall the ideals for which America stands and, when necessary, fights. So much attention is devoted to the grim details of the cold war struggle that we tend to lose sight of the ideals we intend to defend.

It is particularly important that the young people of this Nation be reminded of these values and principles. All too

often, the impression gets abroad that our youths have nothing to fight for, whereas the young people of Asia, Africa, and Latin America are the true and only fighters for freedom. No effort must be spared to put the lie to this debilitating and crippling impression.

With this need so clearly before us, it was especially heartening to me to read the report of a commencement message delivered recently by Rabbi Philip S. Bernstein at Benjamin Franklin High School in Rochester, N.Y. Rabbi Bernstein's outstanding record in the field of brotherhood and as a spiritual guide for literally millions of Americans make him eminently qualified to speak on this theme. His presentation was realistic but inspiring, and it is not often that these qualities are combined in an address on the meaning of America.

The eloquence and importance of Rabbi Bernstein's remarks were recognized by the Rochester Democrat & Chronicle in a significant editorial of June 25, 1961. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WE MUST KEEP OUR FAITH STRONG IN REAL MEANING OF AMERICA

It is not the fashion among many American intellectuals to dwell on "the need for faith" in the meaning of America, or to emphasize that there is much in which we should take pride. So it was particularly helpful and heartening that Rabbi Philip S. Bernstein should have made these things the core of his message last night to the Benjamin Franklin High School graduating class.

"We need not and must not accept the judgment of our enemies upon us," this eminent spiritual leader told the youngsters. This cannot be repeated too often today when the mobs of anti-American foreign students flash so often into the news and it is so much the custom to berate America.

No apology is necessary for our prosperity which American wealth and benevolence have made possible, the Rabbi said. He agreed with the judgment of famous writers and philosophers that "spiritual values can reside and do reside in a higher standard of life, in healthy babies being born into the world and surviving, and in the leisure which properly used can make for the good life."

Rabbi Bernstein also devoted much of his address to what is wrong with America, to the need for elimination of discrimination and injustice, to the evidence that too much of our youth is soft, physically, and morally. "Mistake me not," he said. "I am encouraging no pollyannaish glossing over of our mistakes nor of the injustices and evils that still prevail in American life."

Nevertheless, while Americans still strive to make their Nation match the ideals in which it was created, they must know that we are doing better all the time. There must be the faith that in this country those ideals are the root of our success. For with such faith in ideals, a nation is not destroyed even though it may be conquered, said the Rabbi.

America is not the real estate that was taken from the Indians, nor the tall buildings, fast cars and giant highways. America is essentially the promise that all men shall indeed be equal under law, and that individual rights will be respected, and, above all, that this is only possible when men are free and self-governing.

TRIBUTE TO SENATOR J. W. FULBRIGHT

Mr. McGEE. Mr. President, I invite the attention of the Senate to a column written by one of the newspaper profession's most distinguished writers, Marquis W. Childs, published in the St. Louis Post-Dispatch of July 9, 1961. The column is devoted to the subject embraced in its title, "Fulbright, a Quiet Critic, Making Influence Felt as Shaper of Foreign Policy."

The burden of the column is to point up the great and statesmanlike contribution the distinguished junior Senator from Arkansas is making in his role as chairman of the Committee on Foreign Relations of the Senate and as a Member of this body.

I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FULBRIGHT, A QUIET CRITIC, MAKING INFLUENCE FELT AS SHAPER OF FOREIGN POLICY—CHAIRMAN OF SENATE FOREIGN RELATIONS COMMITTEE WANTS U.S. TO LIMIT COMMITMENTS TO ITS CAPACITY—WARNED KENNEDY OF CONSEQUENCES OF CUBAN VENTURE AND NOW HAS SENT HIM MEMO ON BERLIN

(By Marquis W. Childs)

WASHINGTON, July 8.—As chairman of the Senate Foreign Relations Committee, Senator J. W. FULBRIGHT, of Arkansas, has assumed a role of the first importance in shaping U.S. foreign policy. It is as a critic, detached but also thoroughly informed, that FULBRIGHT is performing a service, the significance of which is just beginning to be evident.

Although the circumstances are entirely different, what FULBRIGHT is undertaking has some resemblance to the great service of the late Senator Arthur Vandenberg, of Michigan. At the end of World War II, Vandenberg renounced his former isolationism and successfully brought the Republican Party, and with it a large and stubborn segment of opinion, around to the need for America to play an active and constructive role in world leadership. He was one of the chief instruments in the success of the Marshall plan which saved Western Europe from communism.

With, as he believes, American commitments today extended far beyond any practical limits, FULBRIGHT is arguing the need to scale down these commitments to reasonable proportions. What he is saying, both in public and private, is that these commitments are in many instances self-defeating. Because they are impossible of fulfillment over the long pull, they are contributing to a growing mood of frustration in the country, and that frustration threatens to lead either to war or to a new form of isolationism which Vandenberg believed he had put an end to.

The memorandum on Cuba, dated March 29, which Senator FULBRIGHT sent to President Kennedy 2 weeks before the Cuban fiasco, is a model of reasoned statesmanship. It was a clear and unmistakable warning that any invasion attempt, whether failure or success, would shatter the treaty system on which the relationships of the hemisphere are based and thereby have disastrous political and economic consequences. Success of an invasion attempt, with the need for the United States to sustain a military dictatorship in Cuba over a long period, might be worse than failure, the memorandum pointed out.

In a Senate speech last week, FULBRIGHT said:

"It may be that the time has come to reappraise some of our basic assumptions. Throughout much of this century, many Americans assumed—wrongly—that the transgressions and affronts to world order committed by aggressive forces were none of our business. With the collapse of that assumption, a good many of us have swung in the other direction and to the opposite conclusion that we can—and should—impose our design for living upon the uncertain but aspirant societies of the world. This assumption is also illogical. However admirable our design may be, it cannot be imposed."

This is what FULBRIGHT is saying in a challenging and forthright fashion as Government witnesses come up to present the case for foreign aid in closed committee sessions: Is this essential to the Nation's security? Does it contribute to that security or is it a delusion bound to end in bitterness and perhaps disaster?

He is asking these questions particularly about South Korea. He pointed out the other day that, after the expenditure of $4,500 million in the past 10 years, since the end of the Korean war, the result is a sterile military dictatorship with great continuing unemployment and a swollen population sustained by American relief. The aid total does not include the cost of maintaining 65,000 American troops in Korea at a cost averaging $7,000 a year for each man.

There are things that can be done with military force in being, FULBRIGHT is saying, but it is important to understand the limits of that force. Where force cannot impose the American design or even compel any meaningful allegiance to a military alliance, it is wiser to accept the neutral solution. He would apply this concept to much of southeast Asia.

The other day FULBRIGHT sent a memorandum on Berlin to the President. He will not discuss its contents since the situation is delicate and the President's decision so difficult.

But it could well be an important factor in whatever decision is taken. On one side is the Acheson plan providing for the callup of at least two National Guard divisions to be sent to Europe to buttress American forces in Germany. This would be part of a mobilization to impress Moscow with America's determination to stand firm.

On the other side, some in the executive branch are convinced the United States must come up with constructive alternative plans for Berlin to protect the status of the city while possibly opening the way to negotiation.

FULBRIGHT's friends sometimes urge him to take his case more dramatically and dynamically to the Senate floor, but that is not his style. He is trying through quiet persuasion, the voice of reason, to help bring about one of those profound changes such, as in the time of Vandenberg, are necessary to adjust the Nation's policy to the Nation's capacity.

In last week's speech, FULBRIGHT quoted from the famous guerrilla warfare treatise of Mao Tse-tung who directed the vast operation in China that ended with a Communist triumph and Mao as the dictator over 650 million people. Mao said:

"Guerrillas are like fish and the people are the water in which the fish swim. If the temperature of the water is right, the fish multiply and flourish."

In colonial Indochina in 1945, FULBRIGHT went on, the temperature was right. The French spent $7 billion in 8 years trying

to defeat the Vietminh guerrilla army. This effort cost the lives of 100,000 French and Vietnamese. The French at one stage committed a force of 500,000 men. But France, FULBRIGHT told the Senate, bore the heavy burden of its colonial record and its unconcern with political and social reform. France lost.

Somewhat the same situation prevailed in Laos, in FULBRIGHT's view. The United States made a grave error in trying to convert that southeast Asian country into an anti-Communist bastion, according to FULBRIGHT.

As for neighboring South Vietnam, which has been reported to be gravely threatened by Communist guerrillas, FULBRIGHT believes that the proper course for the United States is to continue to sustain and support the Vietnamese Army in its struggle to overcome the tough guerrilla foe. But at the same time, he believes, every effort should be made to help the Vietnamese people to achieve greater economic progress and more political independence. He calls the regime of President Ngo Dinh Diem a "qualified success," rebuking critics who have accepted abusive propaganda about Diem.

If the United States cannot compel the newly aspiring nations to accept the American design for living, neither, in the Fulbright view, can Soviet Russia impose its design. He points to the difficulties Moscow is currently having with President Gamal Abdel Nasser of the United Arab Republic, despite the fact that the Soviets have advanced large sums for construction of the Aswan Dam and have given other aid.

After President Kennedy's election last November there were reports that FULBRIGHT was being considered seriously for the post of Secretary of State. Later reports were to the effect that, because of FULBRIGHT'S southern background and because he had signed the southern manifesto on integration, the President-elect had turned to Dean Rusk. Those opposed to his selection are said to have argued that, in the light of his past views, he would be embarrassed in dealing with the new African nations.

As chairman of the Foreign Relations Committee, FULBRIGHT almost daily meets with ambassadors and distinguished foreign visitors. They are anxious to get from him the congressional view of foreign policy.

While the committee had fallen into a somewhat somnolent state under the previous chairman, 91-year-old Senator Theodore Francis Green, it has always had one of the ablest professional staffs in the Capital. FULBRIGHT has given this staff, under the direction of Carl Marcy, added responsibility.

Next year FULBRIGHT will be up for reelection to his fourth term in the Senate. It has been thought that his principal opponent would be Gov. Orval Faubus, eager to extend his activities to the national field. Exploiting the race issue to the fullest, Faubus, it was believed, would give FULBRIGHT a hard time.

But recently the Governor, who precipitated the integration showdown at Little Rock, had a severe setback when a State bond issue he had gone all out for was defeated. Moreover, there is said to be some reason to believe that Arkansas voters may have come to feel that the Faubus segregation tactics harmed the State and slowed down its industrial growth.

Equally important in any appraisal of the election situation is the stature of FULBRIGHT as a U.S. spokesman on foreign policy. He ranks as one of the major figures on the international scene and increasingly his influence is being felt not only in Washington, but in London, Paris, Tokyo, and the other capitals.

BUREAU OF RECLAMATION FEDERAL SYSTEM OF ELECTRIC TRANSMISSION LINES FOR THE COLORADO RIVER BASIN SYSTEM

Mr. McGEE. Mr. President, I have received from one of our outstanding mayors of Wyoming, Mr. R. Everette Michel—"Butch" Michel, as we call him—the mayor of one of our most progressive cities, Torrington, resolutions from two groups in my State, which he asks me to include in the RECORD, in regard to the proposal for transmission lines which are being considered in relation to the upper Colorado River development program.

One of the resolutions comes from the Wyoming Association of Municipalities. At the State meeting gathered at Rawlins, Wyo., on the 23d day of June, they petitioned the Congress to give most serious consideration to the Bureau of Reclamation's proposal for a Federal transmission system.

The second resolution comes from the Goshen County Cooperative Beet Growers Association, petition in the same cause to the same end.

Mr. President, I ask unanimous consent that both of these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION ON HYDROELECTRIC POWERPLANTS

Whereas certain hydroelectric powerplants have been constructed by the U.S. Bureau of Reclamation in the Colorado River Basin system, from which electric power will be made available to a five-State area including the State of Wyoming; and

Whereas by existing laws of the United States such electric power is to be first sold to preference users, including municipalities and rural electrical associations; and

Whereas the previous Secretary of the Interior in the Republican administration, and the present Secretary of Interior in the Democratic administration have both issued their decision providing for the construction of an all-Federal system of transmission lines from said hydroelectric powerplants to connect with existing grids in the five-State area; and

Whereas five of the private utilities have now made application to the Congress of the United States to build portions of these transmission lines, which would result in the imposition of a "wheeling charge" which would increase the cost of electric power to the preference users at the expense of the consumers in this State: Now, therefore, be it

Resolved, That the Wyoming Association of Municipalities in convention assembled at Rawlins, Wyo., this 23d day of June 1961, does hereby go on record as supporting the construction of an all-Federal system by the Bureau of Reclamation for the electric transmission lines from the Colorado River Basin system, and as opposing the application of the private utilities to construct portions of said lines, and that this association further resolves that it is the sense of this body that the construction of said transmission lines by the Bureau of Reclamation will assure to the people of Wyoming a low-cost electric power for the future development of industries within this State, and that copies of this resolution be forwarded to Wyoming Members of the U.S. Senate and House of Representatives.

GOSHEN COUNTY COOPERATIVE BEET GROWERS ASSOCIATION,
Torrington, Wyo., June 10, 1961.

At a regular board meeting of the Goshen County Cooperative Beet Growers Association, called by A. E. Olson, president, with Directors Homer Oxley; Ferd Zimmerer, vice president; Jay Knowlton, secretary treasurer; Charley Jones, Henry Schmick, Jr., and John Helzer present, the following resolution was passed on behalf of the beet growers of Goshen, Laramie, and Converse Counties, Wyo.

"*Be it resolved*, That as the beet growers of this area are not now receiving a fair profit on their farming operations and resent any action by the U.S. Congress that might in any way raise costs by permitting private power interests to construct and control electric transmission lines interconnecting the backbone lines of the Federal constructed system of the Colorado River storage project transmission system in the five States of Colorado, New Mexico, Arizona, Utah, and Wyoming. The assurance of a sufficient continuous supply of low-cost electric power is essential to the many beet growers of these counties. Members depend upon REA power for irrigation water pumping and the many operations necessary for feeding purposes as well as for domestic uses.

"Furthermore, if the private power companies are allowed to construct these lines, they will increase power costs to all preference users by their 'wheeling charge' with no firm commitment as to what this wheeling charge might amount to in the future.

"We, therefore, strongly urge Congress to appropriate sufficient funds to construct these transmission lines and keep the entire system under Bureau control."

For the best interests of all the people, this allocation and construction should be done immediately.

Respectfully submitted.

A. E. OLSON,
President.
FERD ZIMMERER,
Vice President.
JAY KNOWLTON,
Secretary-Treasurer.

NEW DANGER IN RED ARMS "BUILD-UP"

Mr. WILEY. Mr. President, my mail indicates that there are two classes of people in respect to analyzing the situation which Khrushchev has precipitated upon this globe. There are the complacent folk who sit back and who write about their own problems because of legislative action on the domestic front. There are also those in the other class, who feel the world is "going to pot," that the end is "just around the corner."

I have been one of those who have refrained from expressing a great deal of opinion on a subject about which no one really knows anything, because what will happen will depend upon Khrushchev.

Mr. President, in an already troubled world, Soviet Premier Khrushchev is further "stirring the pot." Witness the threats on Berlin; the publicly stated efforts to "beef up" Communist military forces; and the display of Red airpower in Moscow.

The West is now attempting to assess Khrushchev's threat and, as suggested, the propaganda he is sending out.

Undoubtedly Mr. Khrushchev is attempting to create a psychological pressure as a preliminary to what he hopes will be a Berlin meeting. For what purpose is he doing this? The answer must be to instill in humanity so great a fear of nuclear war that the West will be forced to cave in, or to at least indulge in substantial concessions.

The big question now really is, Can we have peace, or will we have war? What is the answer? Where are the "wiseacres" who know the answer? How critical will be the "showdown" in Berlin?

Yes, there are dreamers who think that all we have to do is to sit down with Khrushchev. We have done this through the years and gotten nowhere, but some think this time we can get somewhere.

In preparing to cope with the Soviet-created crisis, there is one thing we must do. We and our allies must prepare for any eventuality. Khrushchev alone must not be allowed to "set the stage" for negotiations, if there are to be negotiations.

Between now and any deadline set by Mr. Khrushchev, the West must, rather, continually emphasize in an eminently clear way that the Western Powers are in Berlin by right and obligation, and not by sufferance of the Communists; and that, if war arises out of the Berlin crisis, it will be "blood on the hands" of the Reds, not the Western nations.

Too, the West must refute the Red propaganda trick which attempts to show, as was so clearly demonstrated a few moments ago, that if nations resist Communist aggression, they are themselves aggressors. Of course, that idea is not swallowed by anyone in this country, and I do not think it is swallowed by anyone abroad.

Unless the West is successful in indelibly imprinting these factors on the world mind, however, Mr. Khrushchev may have a psychological advantage in any upcoming Berlin negotiations.

The United States and its allies must, first, gird themselves for whatever action, military or nonmilitary, may be necessary in protecting our rights in Berlin and elsewhere. And we must let Khrushchev know that we mean business in that respect. If we do so, it may be the deterrent that will prevent war.

Second, we must take full advantage of the time between now and Khrushchev's deadline to present our case to the world, so that the world will understand what we mean by saying we are standing pat, and we must point the finger of accusation right at Khrushchev to show the facts as they are.

I should like to take a moment to call attention to the world as it is today compared with what it was 22 years ago when I came to the Senate.

When we became a nation, we were laughed at by the European nations because our forefathers said this was a government of, by, and for the people. At that time Europe was far off. As I have said, when I became a Senator 22 years ago, days were required to cross the ocean. Now we are only a few hours away from Europe. The world has changed a great deal in 22 years, and in the change problems have been created. There has been a change in the physical nature of the globe.

Until the opening of the present century the world progressed very slowly. But in the last half century we have been really going strong. Twenty-two years ago there were no A-bombs. There was no overwhelming threat of communism. There was no intercontinental missile, which has brought Russia only 15 minutes away from us. When I came to Washington the world was relatively quiet. I remember those days very well. The world was very quiet.

A few years later at Hiroshima we dropped the bomb, which took 70,000 lives and wounded an additional 70,000. But now we have instrumentalities, as someone said, that could destroy all of New York City.

I state these facts because, according to much of my mail, America is concerned about the domestic policies and problems. A large number of our people are not awake to the changed world in which we are living, and the changed nature of the challenges that exist. They really do not realize that now we have communism to face, which 22 years ago we did not have.

APPORTIONMENT TO COMMONWEALTH OF MASSACHUSETTS OF ITS SHARE OF CERTAIN HIGHWAY FUNDS

Mr. SALTONSTALL. Mr. President, in conjunction with my colleague [Mr. SMITH], I ask unanimous consent to call up House Joint Resolution 472. My request is made with the permission of the majority leader, the minority leader, the acting chairman of the Committee on Public Works, and the ranking minority member of the Committee on Public Works.

The PRESIDING OFFICER. The Chair lays before the Senate a joint resolution coming over from the House of Representatives, which will be read by title.

The joint resolution (H.J. Res. 472) providing for the apportionment to the Commonwealth of Massachusetts of its share of funds authorized for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963, was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. GORE. Mr. President, reserving the right to object, I have conferred with the distinguished junior and senior Senators from Massachusetts [Mr. SALTONSTALL and Mr. SMITH], I have reviewed the facts about which the proposed joint resolution treats. I find present an incredible mixup or failure of understanding or communication between the Federal Bureau of Roads and the State of Massachusetts.

However, the relief sought jointly by the Senators from Massachusetts [Mr. SALTONSTALL and Mr. SMITH] does not in fact set a precedent for permitting a State to violate the maximum standards set in the act. I should like to point out that the joint resolution provides not only that the apportionment may be made, but it also provides that the money may not be obligated or expended so long as the State of Massachusetts has a legal maximum load limit above the maximum limits set by Federal law.

Do I correctly understand that to be the situation?

Mr. SALTONSTALL. That is my understanding of the situation. As one Senator who hopes to be here next March, I certainly will not ask for a further extension of the law. We are very anxious to have the measure enacted, because we have had our troubles in Massachusetts, with our highway construction, to get our fair share of the apportionment.

Mr. GORE. Mr. President, I appreciate the situation. For the very first time Congress designated maximum weight and size limits for vehicles using Federal aid highways. We had theretofore proceeded to build highways sufficient to carry loads of a given dimension, only to have those limits increased, thereby making the highways inadequate. With the initiation of this vast highway program, on a bipartisan basis, costing many billions of dollars, Congress determined that it would be in the national interest and also in the interest of the trucking industry to establish uniform national standards and then to construct highways sufficient to accommodate traffic under such standards.

This decision having been made, we are proceeding now to build highways to accommodate traffic with these maximum limits now provided in law.

Therefore I am sure both Senators from Massachusetts and other Members of the Senate also will see how fallacious it would be now to build highways to carry certain weight limits and then to allow exceptions to be made which would render the highways, which are not even completed, already inadequate even before completion.

So it is with this understanding that I will not interpose an objection.

Mr. SMITH of Massachusetts. I realize the great interest which the Senator from Tennessee has had in the past in making it possible to set weight limits in the various Federal highways, and I compliment him for it.

House Joint Resolution 472 is a resolution which calls for emergency action. The Massachusetts Legislature in June of this year passed a law increasing the tonnage of trucks on the Interstate Highways from 60,000 to 73,000 pounds. The Bureau of Public Roads has advised the State and the attorney general of Massachusetts agrees that this Massachusetts act is in violation with Federal law. The result of this is that Massachusetts will be disqualified from receiving its apportionment of Federal Interstate Highway funds for the fiscal year 1963 unless the law is corrected. Unfortunately, the Massachusetts Legislature has convened for this year and will not meet again until January of 1962. I am, therefore, asking that this joint resolution be adopted so that the Massachusetts Legislature will be able to correct this oversight in its regular session.

I wish to emphasis that this Massachusetts act was innocently enacted into law, that there was no intention to evade the Federal law. In point of fact, the Bureau of Public Roads at one time advised people in Massachusetts that the act enacted by Massachusetts would be in conformity with public law. However, it now appears clear that the act is not in conformity with that law. I, therefore, ask that this House joint resolution be passed.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement I have prepared on the joint resolution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SMITH, OF MASSACHUSETTS

On July 1, 1956, the law of Massachusetts provided for a maximum gross weight of 60,000 pounds for construction-type vehicles and vehicles carrying petroleum products without specifying any axle weight limitation. A June 1961 act of the State of Massachusetts would increase the maximum gross weight of such vehicles to 73,000 pounds without placing any limitation on axle weights. Increasing the maximum gross weight from 60,000 to 73,000 pounds would have the practical effect, of course, of increasing the axle weight.

The General Cousel's office of the Bureau of Public Roads concluded that this act would violate the provisions of section 127 of title 23, United States Code for the following reasons:

Section 127 provides for (1) a maximum overall vehicular weight and (2) maximum axle weights. It does not require that there be any relationship between the two. Accordingly, determining whether a State law enacted subsequent to July 1, 1956, is contrary to section 127 requires that it be tested firstly as to the overall weight and secondly as to axle weights, each test being independent of the other.

Congress concluded that the maximum weights of vehicles using the Interstate System should be as follows:

	Pounds
Overall (gross) weight	73,280
Single-axle weight	18,000
Tandem-axle weight	32,000

Thus, the starting point in determining whether a State law enacted subsequent to July 1, 1956, would be contrary to section 127 is to test the law in light of the above maximums. So tested, the recently enacted Massachusetts legislation falls within the orbit of overall vehicular weight; it does not, however, satisfy the axle weight requirements for the reason that the law of Massachusetts places no limitation on axle weights, and a 73,000-pound overall weight would permit a single-axle weight exceeding 18,000 pounds and a tandem axle weight of more than 32,000 pounds to be imposed upon the highway.

Even though a State law does not provide for weights within the bounds of those specifically designated, a State law still may not be contrary to section 127. Congress realized that some States had laws or regulations in effect providing for weights in excess of those specifically prescribed. Accordingly, Congress provided, as an exception to the basic maximums, that if a State had a law or regulation in effect on July 1, 1956, permitting weights in excess of those specifically prescribed, then such greater weights are permissible. It is to be emphasized that weights in excess of those specifically prescribed must have been pursuant to a law or regulation, and such law or regulation must have been actually in effect on the critical date.

If a State had no law or regulation in effect on the critical date, it must conform to the specifically prescribed maximums, except for a single instance noted below. Since Massachusetts had no law or regulation in effect on July 1, 1956, governing axle weights, the proposed legislation would be contrary to section 127 since under the proposed legislation axle weights in excess of 18,000 pounds on a single axle or 32,000 pounds on a tandem axle can in effect be imposed on the highway. In this connection, it should be pointed out that since Massachusetts had no axle weight limitation in effect on July 1, 1956, the operation of a vehicle of 60,000 pounds in weight with its resulting axle load in excess of 18,000 pounds would be contrary to section 127 were it not for the last proviso of that section declaring that a State shall not be denied its apportionment of interstate funds if it allows the operation of any vehicle or combinations thereof which could have been lawfully operated within the State on July 1, 1956. This proviso, however, does not save the recently enacted legislation from being in contravention of section 127 for the simple reason that a 73,000 pound construction-type vehicle would not have lawfully operated on the highways of Massachusetts on July 1, 1956.

Based upon the foregoing analysis, it has been concluded by the Bureau of Public Roads that the proposed legislation would be contrary to the provisions of section 127. I am, therefore, asking that House Joint Resolution 472 be adopted so that the State of Massachusetts can correct this oversight.

Mr. GORE. Mr. President, with this clear understanding and the obvious inequity, and hardship which would be worked on the great State of Massachusetts, I will not only withdraw my objection, but will lend my support to the joint resolution.

Mr. SALTONSTALL. I thank the Senator from Tennessee.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is now before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading of the joint resolution.

The joint resolution was read the third time, and passed.

The preamble was agreed to.

RESEARCH ROCKETS

Mr. JAVITS. Mr. President, on Friday, July 7, the State Department announced that it had issued a license to the United Arab Republic to purchase research rockets from private U.S. manufacturers. This followed by 2 days the firing, on Wednesday, July 5, of a rocket for meteorological research 50 miles into space by Israel.

In the present state of Near East tension, this coincidence—if indeed it is that—seems to be unwise, and is hereby protested.

Given a correlative effort and equal assurance of peaceful intentions in the United Arab Republic, there would be no objection to U.S. cooperation. However, when aid is based on nothing more than window dressing, and when Nasser and the United Arab Republic insist that they are in a state of war with Israel, the shipment of such rockets can only contribute to the dangerous atmosphere of an arms race already of much concern to the free world.

Mr. President, I have said nothing about this matter up to this time, because I wanted the State Department's explanation. I now have that explanation in the form of a letter from the Department addressed to me, under date of July 11. I ask unanimous consent that the letter may be made a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., July 11, 1961.

The Honorable JACOB K. JAVITS,
U.S. Senate.

DEAR SENATOR JAVITS: In response to a telephonic inquiry from your office on July 10, I am happy to furnish you the following information and background regarding the recent purchase by the United Arab Republic of several research rockets from a private American firm in the United States.

Representatives of the United Arab Republic approached the National Aeronautics and Space Administration (NASA) in May regarding the interest of the United Arab Republic in a program of scientific space research using sounding rockets. In accordance with a general policy to cooperate with other countries in peaceful scientific pursuits, NASA welcomed the opportunity to discuss cooperation in space science experiments with qualified United Arab Republic representatives. Following discussions here with these officials, however, NASA concluded that it would be unable to develop a cooperative program of mutual interest within the brief time span specified by the United Arab Republic.

We understand United Arab Republic officials subsequently contacted commercial representatives in this country regarding the purchase of several unclassified rockets for use in the proposed project. As a result of these contacts, the United Arab Republic agreed to purchase several small Javelin lower stage and Viper upper stage rockets of a type hitherto used for propulsion of sleds in connection with various types of research testing. It is our understanding that the United Arab Republic planned to use these rockets to study meteorological conditions in the upper atmosphere, including measurements of wind direction and velocity. As you know, this is somewhat the same type of scientific experiment as we have ourselves been conducting at Wallops Island and a large number of foreign countries, notably Italy, Japan and, most recently, Israel, have also carried out during and since the International Geophysical Year.

While the U.S. Government played no role in the conclusion of this commercial transaction, the export of all rockets is by law subject to the licensing procedures of the Department of State. Exports of Javelin and Viper type vehicles have already been made to a number of other countries, and we recently releasd a somwhat similar rocket to Sweden for atmospheric research. Several countries manufacture rockets of a similar type. Since these items are not classified and cannot be regarded as effective military weapons, no objection was raised to the export of these rockets from a security standpoint. While export of the entire number requested by the American firm was not approved, it was felt for the foregoing reasons that no basis existed for denying an

export license to the firm for a small shipment involving several vehicles.

I need hardly assure you that it continues to be the settled policy of this Government to cooperate with all countries interested in advancing man's scientific knowledge in the challenging fields of upper atmosphere and space. Likewise it remains a cardinal principle of U.S. policy that such activities should be entirely confined to peaceful pursuits.

I hope the foregoing information will be helpful in connection with the inquiry the Department received from your office. Please let us know if we can be of further assistance.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

Mr. JAVITS. Mr. President, the State Department assures us that there are no military implications involved in these particular rockets. Perhaps that is true, whatever may be said about how they might be converted or serve as a basis, with modification, for military use. The important thing is that we know that some weeks ago NASA was approached to sell these rockets to the United Arab Republic. NASA refused to do so, because there seemed to be no scientific basis for making these rockets available to the United Arab Republic. Then within 2 days after Israel does have a successful scientific achievement, which all free peoples should hail with joy—there are other countries doing the same thing, notably Italy and Japan—we now, through the State Department, give Nasser what he asks for, although he could not get it from NASA, just to help him out because he is a dictator, and dictators always like to show up well.

The only conceivable reason that anyone can assign for this action is that if we had not made the rockets available to Nasser, he could have got them from the Russians. Nothing is said about Nasser getting a great many things from the Russians, including arms.

Mr. President, how silly can we look, to be running after Nasser in this way, after he has used us, at Suez and in other situations, merely because he wants to destroy, as he has said, the Republic of Israel, which has now achieved this successful scientific development? What encouragement will other small nations be given to advance scientific development if we are to nullify their efforts in this fashion? It makes no sense. I hope we will not be guilty of such a blunder again. I rise to call attention to it and to protest against it. The action of the State Department was most shortsighted.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article which appeared in the New York Times dealing with this subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAIRO NEGOTIATES FOR U.S. ROCKETS—WASHINGTON APPROVAL SEEN FOR PRIVATE SALE—UNITED ARAB REPUBLIC IS VYING WITH ISRAEL

(By Walter Sullivan)

The United Arab Republic was reported yesterday to have negotiated for the purchase of research rockets in the United States. Washington is not expected to block their export.

These negotiations followed an attempt by Cairo earlier this year to obtain rockets through the National Aeronautics and Space Administration. The Arab Republic wished to get the rockets in time for a firing this month, presumably in an effort to rival Israel's rocket program.

The scientific objective of the proposed shots—to release a sodium vapor trail in the upper atmosphere—was identical with that of the shot launched by Israel on Wednesday. Some weeks ago the Space Administration notified Cairo that achievement of a rocket shot of scientific value on such short notice was not practicable.

Then the United Arab Republic went into the open market.

PURELY RESEARCH ROCKETS

The sale of rockets to Israel's chief military rival is not likely to be good news in Tel Aviv, even though the vehicles are designed purely for research. Israel produced her own rocket.

On the other hand, the Space Administration would like to have Cairo join the growing international program of rocket research. Washington, likewise, must be pleased that Cairo turned to the United States, rather than to the Soviet Union, for its rockets.

The Arab Republic may have wished to achieve a launching in time for the anniversary, on July 23, of the revolution that brought to power the regime of President Gamal Abdel Nasser. It also presumably knew of Israeli preparations for the firing of Shavit II. (Shavit is the Hebrew word for comet.)

The Space Administration confirmed yesterday that it had been approached by Cairo scientists. It said that, while unable to participate in a program with such a brief timespan, it was interested in one that would not be so hurried.

Thus the Space Administration is carrying out coordinated rocket shots with Italy in a program that took 1 year to mature. It seemed to the Space Administration that, while it might not have taken a year in the case of Cairo, a rocket project could not have been prepared properly in a few weeks.

In the Italian-American program, rockets are fired into the twilight over Sardinia, in the Mediterranean, and over Wallops Island, off Virginia, as dawn moves around the earth. After an initial Italian shot in January, three pairs were launched from the two sites in April.

The Italians bought Nike-Asp and Nike-Cajun rockets from American producers for the Sardinia launchings and the Space Administration furnished the sodium vapor payloads. Some preliminary results have already been published by Italy.

The trail of sodium vapor glows in sunlight and can be photographed from the ground shortly before sunrise or after sunset. Its twists and turns, a few minutes after the shot, indicate wind directions and velocities at extreme elevations.

BEIRUT PRESS URGES ARAB UNITY

BEIRUT, LEBANON, July 6.—Israel's new space rocket drew headlines in the Arab press here today but the newspapers reacted with less alarm than expected. Some said it should teach the Arab countries a lesson in international cooperation.

Al-Jaryda noted that the meteorological rocket was sent up yesterday from a secret Israeli launching pad as Arab countries prepared for a fight against Israel's plans to divert Jordan River waters for irrigation.

"The rocket is aimed at the Arab defense council as much as at space," the paper said. It declared:

"Arab countries use foreign aid as a means of cursing, insulting and plotting against each other. * * * Israel is working on a scientific basis."

The Israelis insist the rocket is a scientific tool, not a military weapon.

JERUSALEM (ISRAEL SECTOR), July 6.—Shimon Peres, Deputy Minister of Defense, said today that Israel had given priority to her rocket program because of "grave defense problems."

"If other countries would change their belligerent policies," he said, "we could change our priorities."

Mr. Peres' statement came a day after Israel launched her first rocket from a site on the Mediterranean coast. His statement also came as a rumor spread across the country that the firing of another rocket was planned within 2 weeks. Some papers that carried reports on yesterday's launching and on plans for future launchings were marred by scattered white spaces where the censor had made deletions, presumably for reasons of military security.

The Defense Ministry, which supervised yesterday's successful firing, would neither confirm nor deny reports of plans for another attempt in 2 weeks.

According to the report in the newspaper Yedoit Aharanot, the next rocket will be larger than Shavit II, which was fired yesterday. The size of Shavit II, however, is still a military secret.

The newspaper report also stated that a tiny radio transmitter would be carried in the next rocket.

CLOUD SEEN FROM GROUND

Shavit II carried a charge of metallic sodium powder which was discharged at the height of the trajectory, 50 miles up, and formed a cloud that could be seen from ground. Direction and speed of wind were measured by tracking the cloud.

Meanwhile the effect of the rocket launching on the Arab world was being heard here with unrestrained satisfaction. It was learned that the Supreme Military Council of the Arab League would meet early next week.

Hatzofeh, organ of the National Religious Party, stated editorially today that Israel's rocket may serve as a "deterrent to the neighboring countries, bringing about a balance of power in the area."

WARNING TO ARABS

Omer, organ of the Histadrut, the general labor federation, said in an editorial: "We hope that the Arab countries will draw the correct conclusion, that Israel is strong and cannot be destroyed and that it would be better for them to accept her existence and to benefit from cooperation with her."

Haeretz, an independent daily, said that Israel "is capable of using this rocket for military ends as well, and sending it to greater distances over the surface of the earth."

WEAPON CALLED CONVENTIONAL

"This will be understood in Israel, in friendly countries and in hostile countries," it added, "and there is no reason to be ashamed of this; denials would only arouse suspicion. As long as the charge in the warhead is nonatomic, rockets are a conventional weapon."

After a Mapai Party rally last night Premier David Ben-Gurion said that Shavit II "had no military aim and had purely scientific purposes only."

He was asked whether the rocket could be put to military use and said: "There are things that I do not discuss. As for future plans by Israeli scientists, first let them send it up and then we will talk."

PLEA BY OTHER PARTIES

With general elections coming up August 15, other parties have been pleading with the Mapai not to use the rocket launching for electioneering purposes.

At one Mapai rally last night, Deputy Defense Minister Peres said that the name Shavit II had been decided upon to prevent the name Shavit I from being corrupted to Shavit Aleph. Aleph is the first letter of the Hebrew alphabet and a symbol of the Mapai

Party. "We would be accused of making propaganda for the Mapai," he said.

Mr. MANSFIELD. Mr. President, is morning business concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the time for the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from South Dakota [Mr. MUNDT].

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arkansas will state it.

Mr. FULBRIGHT. Is the amendment under consideration the amendment designated "6–28–61—F"?

The PRESIDING OFFICER. The Senator from Arkansas is correct.

Mr. MUNDT. Mr. President, I allow myself 5 minutes.

This amendment would modify the language in paragraph 2 of subsection (d) of section 105, which appears at page 15.

The purpose of amendment is simply to protect the appropriations processes and prerogatives of the Congress.

Subsection (d) of the act authorizes the use of foreign currencies obtained by the United States for the purposes of financing the various programs and activities authorized by sections 102(a)(1) and 102(a)(2)(i).

These programs involve the exchange of students, trainees, teachers, instructors, and individuals possessing certain specialized knowledge or skills.

Subparagraph 2, which my amendment modifies, authorizes the President to use these foreign currencies for the aforementioned purposes to the extent that such use is not restricted by agreement with the foreign nations concerned and notwithstanding the provisions of any other law and within such limits as may from time to time be established by Congress.

In other words, the President's authority to use these foreign currencies is by the above-quoted language restricted by such limitations as may from time to time be established by Congress. This would mean that a limitation could be either by an authorizing act of Congress or by an appropriations act of Congress.

I propose to amend this section so that the limitation on the President's use will be governed solely and exclusively by appropriations acts of Congress.

My amendment would strike out the phrase "and within such limitations as may from time to time be established by Congress, to use", and would insert in place thereof the phrase "to use in such amounts as may from time to time be specified in appropriations acts."

The single purpose of this amendment is to assure that these foreign currencies will be used only for such purposes and within such limitations and boundaries as are provided by the appropriations acts of Congress.

Mr. President, I discussed the amendment with the chairman of the Committee on Foreign Relations yesterday in a colloquy between us. I understand the Senator from Arkansas is willing to accept the amendment and to have a vote on it. If my understanding is correct, I am willing to yield back the remainder of my time.

Mr. FULBRIGHT. Mr. President, I yield myself 2 minutes. We have considered the amendment. As a matter of fact, I feel that the language in the bill, by implication at least, would require the appropriation of the funds. I have no objection to the amendment and am perfectly willing to accept it. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota. Without objection, the amendment is agreed to.

Mr. MUNDT. Mr. President, I call up my amendment designated "6–28–61—C" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, beginning with line 14, it is proposed to strike out through the period in line 4 on page 8, and insert the following:

SEC. 104 (a) Except as otherwise provided by subsection (b), the President may exercise any power or authority conferred on him by this Act through such agencies or officers of the United States as he shall direct.

(b) In any case in which a power or authority conferred on the President by this Act is the same or substantially the same as a power or authority exercised immediately prior to the enactment of this Act by or through any agency or officer of the United States, the power or authority conferred on the President by this Act shall be exercised through such agency or officer until otherwise provided by statute or reorganization plan.

Redesignate subsections (b) to (f), inclusive, as (c) to (g), respectively.

Mr. MUNDT. Mr. President, this amendment is, in my opinion, one of the more important amendments which I have proposed to this bill, because if the amendment is adopted, it will assure that Congress will continue to play the role it has played in the past in assuring that our cultural, educational, and informational programs are operated on a well-balanced and well-coordinated basis.

My amendment proposes to rewrite subsection (a) of section 104. As presently written, this subsection grants the President authority and power to exercise all of his authority under this act through any agencies or offices of the executive branch, with the sole limitation on that delegation that his proposal must be brought to the Senate Foreign Relations Committee and to the House Foreign Affairs Committee, and that thereafter a period of 60 days shall elapse before the delegation or transfer of existing authority will become effective.

Mr. President, this is where we get down to the real nub of the problem of fragmentation of efforts in the area of international communications, which I discussed briefly in my introductory remarks a week ago, and to which I alluded yesterday when I spoke of the problem confronting the Appropriations Committees and the Congress, arising from the fact that already there have been too many divisions of such authority and already it has spread into too many obscure areas of activity; and that we need to consolidate, clarify, and coordinate this program, rather than turn over the authority to any individual or agency of Government, to be broken down into further fragments and into smaller fractions.

We must realize that the authority provided by this bill—most of which is already in existence, by reason of prior acts—is now being exercised by several departments and agencies of Government. For the purposes of argument, I would be willing to say that most of this authority is being exercised in connection with programs and activities of either the Department of State or the U.S. Information Agency. These functions are being carried out in these agencies because Congress, either by statute or by approval of a reorganization plan, decided these particular programs could best be handled by these particular agencies. Thus far, they have been located in, allocated to, and identified with joint activities participated in by the Congress and by the Executive.

Section 104(a) of the bill, however, gives the President authority to shift these functions wherever he may choose, with the sole limitation that he must file his decision with the Senate Foreign Relations Committee and the House Foreign Affairs Committee for 60 days before it becomes operative.

Personally, I feel that we have enjoyed a fine partnership between Congress and the executive branch, in fostering, promoting, and developing these programs for foreign educational, cultural, and informational activities. The two basic acts in this area—namely, the Fulbright Act and the Smith-Mundt Act—were congressional, not executive, innovations.

They originated in the minds of Representatives or Senators. They were evolved through the legislative process. They were accepted by the Executive. The executive agencies have embraced them enthusiastically; and the programs have achieved excellent results because—in part, I am sure, and in large part—of the partnership arrangements which have been enjoyed through the years.

I wish to see this partnership continue, and I most certainly do not wish to see Congress abdicate the performance of its responsibilities in connection with these programs. The present arrangement has, I may say, paid real dividends as a result of obtaining the benefit of the best judgment of the Members of Congress associated with the programs as to where these functions and programs can most effectively be carried out in the executive agencies and departments of the Federal Government.

Because it is impossible accurately to identify every program and every activity authorized by the prior acts which are consolidated in this bill, and because it is, therefore, impossible to determine with any accuracy where these functions are being carried out today, I personally feel that it would be unwise to grant to the President the almost unlimited authority to transfer these programs from agency to agency, as he might see fit. I have no opposition to his delegation of the new functions granted by this measure to whatever agency or officer he might choose to select for that purpose. These are new functions and programs, and I would certainly defer to the judgment of the Executive as to the agency or officer he might wish to select in order to have these new functions performed. But as to existing authority and functions, I believe Congress should have full opportunity, in accordance with normal legislative procedures, to examine and consider his proposal to shift these established programs from one agency to another or from one officer to another.

My amendment merely assures that Congress will retain that right. My amendment rewrites section 104(a), so as to provide that existing functions will be transferred only by statute or by reorganization plan. The language of the amendment is clear and is self-explanatory. This part of the amendment reads as follows:

> SEC. 104. (a) Except as otherwise provided by subsection (b), the President may exercise any power or authority conferred on him by this act through such agencies or officers of the United States as he shall direct.

This amendment will leave the Executive with complete latitude to allocate and to delegate these powers wherever he may wish, insofar as they are newly created by Senate bill 1154.

However, subsection (b) deals with powers already in operation and with functions which are being carried out or functions under which operations are now being had, and have been had, in the main, for from 10 to 12 years—some of the functions which the Appropriations Committees have been accustomed to finding carried out in certain areas of activity of the Federal Government, so that those committees can interrogate witnesses and can keep abreast of the program, in connection with making provision of the necessary funds for their expedition.

Subsection (b) of my amendment provides:

> (b) In any case in which a power or authority conferred on the Presidnt by this Act is the same or substantially the same as a power or authority exercised immediately prior to the enactment of this Act by or through any agency or officer of the United States, the power or authority conferred on the President by this Act shall be exercised through such agency or officer until otherwise provided by statute or reorganization plan.

In other words, this part of the amendment provides, in short, that as to existing programs which always have been handled by statute or by reorganization plan, any substantial changes or shifts in those areas shall continue to be handled by either statute or reorganization plan. The amendment would retain in Congress the authority to act in this capacity in the way it always has; and it has exercised that authority fruitfuly and well during the preceding years. In addition, the amendment will avoid the necessity of asking Congress to approve in advance, any reorganization plan submitted by the Executive—to approve it in advance, even before the Executive would have contrived the first syllable or word of the reorganization plan. In the absence of this amendment, the bill would grant to the Executive carte blanche authority to proceed with such a change or reorganization whenever he might wish to submit such a reorganization plan; and it would then be automatically accepted in advance. In my opinion, that would not be good legislation or good prudence. If that part of the bill, without my amendment, were to prevail, I predict that it would work a real injury on these very important programs, because it would tend to put Congress out of business, as regards being able to participate with the Executive in a joint decision as to who should be doing what and as to what should be done in each respective agency. I see no advantage to be gained from that. We have never suffered in the past because of failure of a necessary reorganization plan to be adopted or approved. I feel that the bill as it now stands would tend to create disenchantment among Members of Congress, who presently support this legislation because they understand it and because they have a part in it and because they vote for adequate appropriations for it. The bill in the absence of this amendment would make them feel that they were no longer able to keep abreast of what was being done or what was being planned in connection with this entire activity on our part in the cold war.

If we leave the bill as it is, therefore, I think we shall be setting up a potentially dangerous situation, in which various executive agencies will begin open and active competition with each other to obtain for their respective agencies the many functions authorized by previous legislation. Such bureaucratic competition and grave-robbing could, in my opinion, do violence to the overall effectiveness of our international communications program.

As I pointed out in my opening remarks, most of these programs are amalgams of various cultural, educational, and informational activities. I can imagine that there are many programs currently being conducted by the USIA which the State Department may feel are more cultural than informational; and, by the same token, USIA probably believes some of the cultural exchange programs presently operated by the State Department could be more effectively handled by USIA.

As a matter of fact, I have seen recent statements in the press indicating this rivalry and difference of opinion already exists.

Let us not delude ourselves. These interagency rivalries do exist. They are as old as Washington itself. I would prefer that these disputes be arbitrated by Congress through its normal legislative proceedings, or by the submission of a reorganization plan operating in complete harmony with all reorganization plans submitted by the Executive for other departments and agencies, rather than to turn it over to the President and his advisers, with the statement in advance that "Anything you choose to do in this regard from the standpoint of reorganization will be accepted."

Mr. President, I reserve the remainder of my time.

Mr. FULBRIGHT. Mr. President, I yield myself 10 minutes.

The amendment very clearly, on its face, is an attempt to freeze the present administrative pattern which prevails in the executive branch. With regard to the provision under discussion being an unusual one, I may say it is very similar to the provision which Congress, in Public Law 402, the Smith-Mundt Act, adopted. In that act the authority is placed in the Secretary of State, rather than the President, but it authorizes the Secretary to delegate to such officers of the Government as the Secretary determines to be appropriate, any of the powers conferred on him by the act.

So the provision before us is similar to that one, but it gives the President, rather than the Secretary, discretion in the allocation of power and organization of the administrative machinery. I think this discretion is quite proper and very important.

The purpose of the proposed legislation is to try to bring greater order and responsibility and centralization of authority into the administration of these programs. One of the few criticisms I have heard about the exchange program during the last several years is the fact that there is a certain amount of dispersion of authority. We have the USIA participating to some extent in this program, on a different basis, and for a different objective, although there is a great area in which there is overlapping. Some part of it, particularly in the field of books, is administered in the USIA, and the major part of the exchange of persons itself is in the Department.

Mr. Philip Coombs, who is Assistant Secretary of State with the largest responsibility for these programs, stated in the hearings that at the present time the administration had no plans for any major reorganization. But he was confident some improvement could be made in the organization in the future, and he thought it very important that the President should have discretion to do so.

It would seem to me to be a very great mistake to tie the hands of the President so that he could not change in any respect the existing pattern of administration. As I have said, even the Smith-Mundt Act recognized the necessity of change.

As I stated in my last speech on this legislation, one of the main purposes is to bring together in one place the activities which have been authorized by several different laws, which I have mentioned already and to which reference has been made. So, to that extent, it is absolutely necessary that we have the authority to bring these different functions together.

The proviso that we inserted in committee, which requires any change to be submitted to the Congress and to lie there for 60 days, giving an opportunity for it to be submitted to the respective committees of Congress and giving an opportunity to criticize or to make suggestions regarding the change, it seems to me is adequate safeguard for the rights of Congress.

This is a provision similar to that contained in the Atomic Energy Act. In that instance the committee is given notice of 60 days before any change is to take effect. It would have the effect of allowing us, if we had any serious misgiving as to any proposal, to register that misgiving, to make suggestions, and to discuss it with the administration.

I believe there is no need whatever for this amendment. In fact, I hope the Senate will turn down the amendment and adopt the provision as it comes in the bill. On this point I do not think there was any dissent in the committee on recommending the provision in the bill for adoption.

I reserve the remainder of my time.

Mr. MUNDT. Mr. President, may I inquire of the chairman of the committee whether by the provision included at the bottom of page 7, it is desired to retain in some way the congressional companionship in the bill, and to continue the partnership arrangement, which has served the cause so well for so long, rather than tipping the scale entirely toward the Executive and if so, why it was not provided, after the proposals were submitted to the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House, that the committees be given authority or power to examine the proposals, comment on them, and reject them, if they proved to be undesirable? Although the committees would know about the proposals, I see no authority, in any way, shape, or form, for the appropriate committee to do anything but take a look at it, which makes that provision meaningless. It would be better to strike it out entirely than to create the illusion that we have some authority, whereas we have merely provided glorified, animated filing cabinets where the reports would repose in peace for 60 days, and then life goes merrily on despite any reaction the respective committees of the House and Senate might have to the proposed reorganization proposals.

Mr. FULBRIGHT. The committees have inherent authority to inquire, comment, and make suggestions. It would be quite unnecessary to recite in the bill that the Committee on Foreign Relations has authority to examine and to comment and to express approval or disapproval of whatever proposal is made.

Mr. MUNDT. But there is no authority to act, is there?

Mr. FULBRIGHT. There is no authority to reject it. It is not a reorganization bill. It is exactly the same authority as contained in a similar provision that Congress provided in the Atomic Energy Act. The Joint Committee on Atomic Energy has exactly the same authority. It has worked very well.

In fact, we have two or three members of that committee on our committee, and that is the origin of this suggestion. It was said it had worked very well and had involved a partnership, as the Senator has called it, between the Joint Committee and the Executive.

The object of this proposal is to give the Executive an opportunity to improve administration, and not to tie its hands so there cannot be an improvement in the administration.

Mr. MUNDT. Could not that objective be achieved by a reorganization plan?

Mr. FULBRIGHT. We do not think so. We think it is more difficult and clumsier, when there is major reorganization proposed. If they wish to follow that route, they have authority to do that.

Mr. MUNDT. This does not create new authority without resort to the reorganization plan procedure?

Mr. FULBRIGHT. It provides similar authority to that provided in many bills. It is not unlike the authority provided in the Senator's own proposal, Public Law 402, for the Secretary of State. The Secretary was given the right to delegate to such officer of the Government as the Secretary determined to be appropriate any powers conferred by the act. It is not unlike that authority.

Mr. MUNDT. I am quite familiar with the provision granted for the Department of State. The Senator realizes, of course, that we are bringing into one theater of operations legislatively by S. 1154 a great many other activities, functions, programs, and powers than those included in the Smith-Mundt Act, because we are adding the powers of the Fulbright Act, certain features of Public Law 480, certain features of the Trade and Industrial Act, and so on. We are expanding the powers tremendously over the existing powers under the program established by Public Law 402.

Mr. FULBRIGHT. These powers are all related; they are all in existence. The ones to be administered under the bill are very similar.

The Senator will recall that Public Law 584 had been in existence for some time—I believe about 2 years—before Public Law 402 was passed. The exchange aspect was delegated to the same officials in most cases. The people who are selected by the Board of Foreign Scholarships often are people who receive assistance under both laws; some of it in foreign currency and some of it from appropriated funds.

Mr. MUNDT. I shall conclude my presentation, Mr. President, by saying I was hopeful that perhaps I might induce the chairman of the committee to accept the amendment, because I think it would provide us with a greater assurance of the happy companionability which has existed between the legislative and executive branches as to the operation of the various acts, all of which I consider to be highly important. It appears the chairman is not going to accept the amendment.

I simply wish to make two points. First, it violates my sense of responsibility as a Member of the legislative body whenever we take action to approve in advance reorganization plans we have never seen and which we cannot contemplate. Second, I fear the repercussions will not be serviceable and constructive to the benefit of the programs we are seeking to expedite, to expand, and to emphasize by our actions today, because already Congress has too much difficulty in determining in what areas certain functions are being activated, implemented, and supervised. When these programs are to be shifted around as is proposed, simply by executive action, I feel it will do injury. I hope I am mistaken, because I hope the programs will succeed.

This is not an amendment I care to press, if I cannot induce the chairman to accept it by persuasion. I therefore withdraw the amendment, and yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn. The bill is open to further amendment.

Mr. MUNDT. Mr. President, I now call up my amendment G and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 22, line 23, after the first comma it is proposed to insert "and", and in lines 23 and 24 it is proposed to strike out "and the expenditure of Government funds,".

Mr. MUNDT. Mr. President, this is an amendment which I very much hope the chairman of the committee will accept. It is, in reality, a companion amendment to my first amendment, which has been adopted by the Senate and which was approved and commented upon favorably by the chairman of the committee.

This relates again to the problem of fiscal control by the Congress over the various activities of the Government. The amendment is offered because the language in section 108(a) is vague, and implies, at least, that the President is authorized to spend Government funds without any need for an authorization or appropriation by the Congress.

I grant that this is subject to interpretation. Some may say the language is not intended to have that result. I hope that is true. It could be true. Others may feel the language very specifically does do as I say.

All I ask for is a clarification, to be sure that the power of the purse remains in the hands of the people through their Representatives in the Congress. If it is the intent of the bill to give to the President the right to spend Government funds without any need for authorization or appropriation, then, of course, I think that would be bad legislation. I think that would weaken the whole cause we are trying to support in our efforts today. I am confident we would destroy any possibility whatsoever of the bill being passed by the House of Representatives.

The House of Representatives under the Constitution is granted primary, first control over the purse strings. The House is rightfully and properly very jealous of its prerogatives. I cannot imagine the House of Representatives voting to transfer part of its appropriating authority to the Executive. I doubt that many Members of this body want to give that kind of blank-check authority to the President to run this or any other program, regardless of how meritorious we may feel the program to be.

We have had many arguments on this floor about back-door spending and control over the purse strings. I suggest in the amendment a simple clarification which, as I say, I hope and rather anticipate the chairman may accept. It would delete the words "and the expenditure of Government funds" on lines 23 and 24, page 22, so that the intent of the bill will be clear.

If there is any logical reason for having the language in the bill, I certainly would like to know it, because I do not believe it is actually the intention of the committee to grant this unprecedented authority to the President.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. FULBRIGHT. I do not know whether the Senator is quite aware of it, but our report makes it clear that this represents the reenactment of the precise language of Public Law 860. We do not add or subtract anything. Since the bill will repeal Public Law 860, the language is precisely that in Public Law 860. This particular language has reference, for example, to the American National Theater and Academy, which is dependent for effective and efficient contract operation on Government funds, and is especially interested in it.

We are not adding anything at all. This is an example purely of codification of language. It is nothing new. It has been in the law since the enactment of Public Law 860.

Mr. MUNDT. The Senator is aware of the fact that the language is the same, but it is to be expanded now to include a great many other activities than those originally incorporated under Public Law 860. It is the expansion of the authority to include the other areas which gives concern to the Senator from South Dakota. The language goes much further, inasmuch as it will encompass all the various activities and all the various programs included under the bill.

I am confident that unless we maintain the traditional fiscal control over the program, the House will look upon this bill with a jaundiced eye and reject it. I am confident the Senate should reject it in such circumstances, because it is not proper, in my opinion, to turn over these kinds of spending programs to any executive. It is not necessary.

We have spelled out in the provisions how the money can be made available. I see no reason why we should proceed to add a new authority for the expenditure of Government funds per se, as it is set out specifically in the language, without sanction and action by the Congress.

I am very hopeful the amendment will be agreed to. I believe it will help the Senator and the committee to secure passage of the bill, if we can eliminate this new expansion of the authority for expenditure of funds by executive action. The other authorities would be retained.

Mr. FULBRIGHT. Mr. President, I will admit I do not think this is of too great significance, but since the authority is now in existence and has special application to the activities of ANTA and other activities under Public Law 860, it seems to me it would be bad to try to eliminate the language in that respect.

It is true that the provision does not apply in certain other areas of activity which are already covered in the law. The bill would broaden the law to some extent. But in view of the way in which the measure would apply to Public Law 860, I do not see any reason why the Senator should wish to restrict that provision. I know of no complaints or abuses about the application of the provision during the period of the life of Public Law 860.

Mr. MUNDT. Under Public Law 860, the provision is related to a very peculiar, specialized, and clearly defined function. In that law the provision has merit. But as pointed out on lines 18 and 19, page 22—"Whenever the President determines it to be in furtherance of this Act"—that provision includes all of such activities, some of them relating to large appropriations, because foreign currency would be involved, as well as Public Law 480. Large appropriations for other programs would be involved. It seems to me it would be only proper to correct that provision. With expenditures of funds of the kind contemplated, they should be kept within the purview of the functions of Congress. As they relate to Public Law 860, as I said, in strictly specialized form it is all right; but to make the provision operating procedure for all activities under the measure, it seems to me would be going altogether too far. I respectfully suggest to the chairman of the committee that he delete only a few words—"and the expenditure of Government funds"—as they appear in section 108. Then if it becomes important to continue the authority for the specific act as it existed before, I certainly would not resist an amendment which could be offered to accomplish that purpose.

Mr. FULBRIGHT. Would the Senator from South Dakota be satisfied if the language were restricted to apply only to the area to which it now applies? I believe the language would be "The functions authorized in section 102 (a) (2) and (3) may be performed," et cetera.

Is that the procedure that the Senator is afraid would be applied in other cases?

Mr. MUNDT. If the provision were limited to the programs to which it now applies, I would have no objection. I object only because it would apply to anything in the present act.

Mr. FULBRIGHT. The staff gave me a memorandum, which indicates that during the period of President Eisenhower's administration 23 different laws were waived. I have a list of them.

I do not believe there is any danger in it as the provision now appears in the bill, but if the Senator feels very strongly about the subject, I do not think I would feel too bad if the provision were cut back to have the same application as it has under Public Law 860. According to the staff member present, I believe the language would then read:

> The functions authorized in section 102 (a) (2) and (3) may be performed without regard to——

Mr. MUNDT. To what lines does the Senator refer?

Mr. FULBRIGHT. Lines 19 to 22.

Mr. MUNDT. In other words, as I understand, the Senator would scratch the word "hereunder" and specify the places where the act would become operative?

Mr. FULBRIGHT. Yes.

Mr. MUNDT. Mr. President, I shall be happy to withdraw my amendment, and to support the substitute suggested, if the Senator from Arkansas will offer it. I think his modification would accomplish the purpose.

Mr. FULBRIGHT. Mr. President, does the Senator withdraw his amendment?

Mr. MUNDT. Mr. President, with the understanding that we have arrived at, I withdraw my amendment and yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I ask that on page 22, line 19, the words "authorized hereunder" be stricken, and that there be inserted "authorized in section 102(a) (2) and (3)."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MUNDT. Mr. President, at this time I call up my amendment E.

The PRESIDING OFFICER. The amendment of the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. On page 14, lines 21 and 22, it is proposed to strike out "10 per centum" and insert "5 per centum".

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Dakota.

Mr. MUNDT. Mr. President, I am hopeful that with respect to the present amendment there may be a meeting of the minds, because I share with my distinguished friend, the chairman of the

Senate Committee on Foreign Relations, with whom I have worked for a great many years in close harmony on bills of this type, his desire to give some degree of flexibility in the allocation of funds.

My real concern is that we have gone too far in this connection when we permit a full one-tenth of the money to be transferred without any specification by Congress. I know how careful the Senate Subcommittee on Appropriations for the Department of State affairs deals with such subjects, because I have served on the committee for a long time. I know how reluctant we are to make appropriations in any area where there is great flexibility, because we feel that we lose the direction for which the money was intended. I recognize the validity of the position of the committee and of the chairman of the committee that there should be more flexibility, because we are living in a world of change. So, primarily, I merely suggest that the degree of flexibility be neither zero nor 10 percent, but that the percentage be set at 5 percent, which is a considerable amount of money when it is totaled, because we are dealing with large amounts. I would not deny the right of flexibility. But to agree that one-tenth of the amount in each appropriation bill may be shuffled around without requests coming to the committees of Congress would weaken the force of the argument of those who are trying to get adequate appropriations, because members of the committees of Congress are naturally reluctant to vote large appropriations when they do not know what is to be achieved.

I wonder if my good friend would agree that perhaps a 5 percent flexibility would be adequate?

Mr. FULBRIGHT. The amount was arrived at by the administration. It should be stressed that under the present language of the bill, no appropriation shall be increased or decreased by more than 10 percent. Since the appropriation for the overall program under S. 1154, exclusive of foreign currencies, is not likely to be much over $40 million in the near future, any transfer could not represent more than $4 million—and the actual maximum might be smaller.

In effect, then, this proposed amendment says that expenditures for the programs under S. 1154 may be permitted to rise from $40 million to $42 million, but should not reach $44 million.

The following examples illustrate the need for a high level of transfer authority:

In fiscal year 1960, ICA allocated $4 million to "Aid to American-sponsored schools abroad"; in fiscal year 1961, $2 million. It is understood that something in the neighborhood of $4 million may be proposed for fiscal year 1962. It is also understood that officials of ICA have become convinced that the actual administration of such programs for American-sponsored schools abroad is best handled by CU—Bureau of Educational and Cultural Affairs in State. On such an assumption, it would be desirable to transfer such funds from ICA to CU. A 5-percent limitation on such transfers would prevent them entirely since even $2 million is more than 5 percent of CU's estimated appropriation for 1962. Estimate is based on the budget as submitted to Congress; namely, $38.2 million.

During the past year, a need arose rather suddenly for 300 4-year grants at $3,100 per grant annually for scholarship programs for African students south of the Sahara. The cost of such 4-year grants has been estimated at $900,000 per year, or a total obligation of $3,600,000. Such scholarship programs have in the past always been conducted by CU. However, in this case, CU's funds were so limited that nothing could be allocated for this purpose. ICA, on the other hand, could finance them. If the proposed limitation of 5 percent were operative, when a similar situation arose, funds could not be transferred from ICA to CU for such purposes.

I believe that is a very good example of how a need will arise where one agency which is the interested one in reality finds that the money has been given to ICA, because Congress has been very generous with that latter agency and there has been very little in the way of unobligated funds or very little of any funds in the exchange program in the State Department.

A somewhat similar scholarship program involving Guinea and the Congo for 450 students at $4,500, or $2,025,000 overall, was initiated by ICA, even though, as in the example above, it was generally admitted that such a program was more properly one for CU to administer. A limitation of 5 percent on transferability of funds of this type would prevent such a sharing of responsibility for certain programs between ICA and CU.

I believe one of the reasons for some of the so-called confusion between these programs has arisen from the fact that there was no transferability between the two agencies.

Another example of the need for such transfers at a reasonable level is afforded by a current item which we understand is contained in the State Department's appeal for the restoration of funds in its 1962 appropriation request. That appeal concerns some $600,000 necessary to continue a program of effective contacts with Japanese labor leaders. The item was specifically rejected on the House side on the grounds that mutual security funds were originally used and so should continue to be used. However, the ICA is no longer operating in Japan. The need for this labor program continues, and ICA, as well as other agencies, is deeply interested in its continuance. If the restoration request is denied, this authority in S. 1154 presumably would be the only recourse.

Therefore I submit that while there is nothing sacred about 10 percent as against 5 percent, the Department recommended 10 percent, and the committee believes that this is a reasonable amount. It is not mandatory. In several instances which have come up during the past year there would have been required a transferability of some 10 percent to be effective so far as any of those programs was concerned. If the bill were a huge one, like the mutual security program, running into $3 billion or $4 billion, it would be quite another thing. However, this program is a relatively small program. We do have transferability of 10 percent, I believe, in the mutual security program. It has varied in that program from year to year and as between different activities. In that case, a great deal of money is involved. But here it is in the neighborhood of $4 million. That is all that can be transferred from one agency to another.

Mr. MUNDT. If the Senator were willing to amend the bill so that what he believes and what he has said could be written into law, the Senator from South Dakota would gladly join him in making the amount 10 percent. The difficulty is that the 10 percent extends to moneys appropriated to any department or any agency in Government in furtherance of the act. So we are dealing with billions of dollars, not millions of dollars. If he wants to amend the language to have the 10 percent apply only to money in this act, I will join him.

Mr. FULBRIGHT. It cannot raise the money of this program more than 10 percent. That is written into the act. It is not 10 percent of all other programs. It is of the programs authorized under this act.

Mr. MUNDT. Let me read the language. I read from the bill:

> Moneys appropriated to any department or agency of the Government—

This can be the Defense Department, the Department of Agriculture, or any department. The bill states "any department or agency of the Government." The agencies are innumerable.

> Moneys appropriated to any department or agency of the Government in furtherance of the purposes of this act—

Let us examine what the committee says the purposes are. In two words, it is the cold war. That is a big enterprise. We want to win it.

Mr. FULBRIGHT. Will the Senator go to the next phrase?

Mr. MUNDT. The purposes?

Mr. FULBRIGHT. No. The significant phrase is:

> But no appropriation shall be increased or decreased by more than 10 per centum by reason of transfers pursuant to this paragraph.

In other words, no appropriation can go to more than 10 percent of the amount covered by the proposed act.

Mr. MUNDT. If the Senator has in mind giving 10 percent flexibility to the appropriations under the bill I will join him in supporting such a provision. Then we must change the language in line 16, page 14, to clarify the situation. However, when the Senator expands it to cover the mutual security program and the Department of Defense and the Department of Agriculture, because this says, "for the purposes of this act," which purposes are spelled out in section 101, that is a different situation. The purpose is stated as:

> The purpose of this act is to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other

countries by means of educational and cultural exchange; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations, and the contributions being made by their respective economic and social systems toward a peaceful and more fruitful life for people throughout the world.

That is what we do with ICA. That is what we do with mutual security. We send out teams. We are going to send the members of the Peace Corps also, but they are not being paid much. However, we send out teams of experts to teach people how to run censuses, and other projects.

My first impulse was that I could not support any kind of flexibility. However, I share with my distinguished friend the desire to provide some flexibility. I will be happy to make it 10 percent, as far as I am concerned, of the money appropriated for this act. If the Senator from Arkansas insists on keeping the whole bundle of appropriations that are used in this direction, which runs into high figures, I will blink my eyes and say I will go along with 5 percent. It is a pretty big sum when we go to 5 percent of any money appropriated to any agency working in this field.

Mr. FULBRIGHT. The Senator may be misinterpreting this language. It is clear to me. I have stated what the committee believes to be the situation, namely, that the limitation applies to whatever source the money comes from. I have already stated that it will be in the neighborhood of $40 million, which would make it $4 million. That amount certainly is not enough to upset the Government, by any means. I believe that the language clearly means that if the amount appropriated under the proposed act is $40 million, then the limit on any sum from any act—ICA or any other—would be $4 million. There is no possibility of the extraordinary enlargements of the program the Senator mentions.

Mr. MUNDT. If that is what the Senator has in mind——

Mr. FULBRIGHT. That is what the committee believes the language means. That was the intention.

Mr. MUNDT. I am perfectly confident that, with the way the language is written, we could involve appropriations to any department or agency included in any of the innumerable activities of the cold war. That could run into billions of dollars. If we want to have flexibility, why do we not take out, on line 16, the words "Moneys appropriated to any department or agency of the Government," and insert in lieu thereof "Moneys appropriated in furtherance of this act"?

Mr. FULBRIGHT. I may be misunderstanding the Senator. The purpose of that language is that when money is appropriated to the ICA for a similar purpose, such as the labor leader grant, it may be brought from the ICA into the administration of the proposed act, but limited to 10 percent of the appropriations in the act. In other words, the language at line 20—"but no appropriation shall be increased or decreased by more than 10 per centum"—applies to the amount that may be brought in.

I think that means any appropriation to be made under S. 1154.

If that is satisfactory to the Senator from South Dakota, I would be willing to accept language to that effect, "No appropriation in pursuance of this act shall be increased by more than 10 percent." But the source of it comes from some other place; for example, the ICA. The point was that the ICA had the money to grant the particular scholarships I have mentioned, and the State Department did not have it. It was a situation in which the State Department had the administrative machinery. Everyone admitted that the State Department could do the work most efficiently, but the Department did not have the money. It would have been very convenient and efficient if the money could have been turned over to the State Department to administer. Instead, it was necessary to inject the ICA into an activity for which the ICA was not best equipped. That is the whole purpose of the language. It is not actually intended to increase the amount vastly at all. It is for flexibility in administration.

As the language read, and the way I still believe it reads, it means that no appropriation in pursuance of this act will be increased by more than 10 percent, no matter from what source, whether it comes from the ICA or any other branch of the Government.

Mr. MUNDT. Perhaps where we have our misunderstanding is that the Senator from Arkansas believes, if I understand him correctly, that under the operation of the act it would be so limited that no particular function authorized by the act could be expanded through appropriations by more than 10 percent. I believe that up to 10 percent of the money appropriated for any department of Government engaged in the furtherance of the purposes of the act could be transferred. If we could spell this out to show specifically what the Senator from Arkansas believes, that is what the Senator from South Dakota would like to do.

Mr. FULBRIGHT. As a suggestion, after the word "appropriation" on line 21, I suggest the insertion of the words "authorized by this Act shall be increased by more than 10 per centum." The clause would then read:

> But no appropriation authorized by this Act shall be increased by more than 10 per centum.

That would certainly hold the appropriation within that amount. I would be perfectly willing to adopt that language. I think it would be satisfactory.

Mr. MUNDT. I believe that that would perhaps achieve the purpose. The Senator from Arkansas may be correct. I am not certain that I am right. It could be subject to interpretation either way. I want the language to be precise.

Mr. President, with that understanding, I withdraw my amendment.

Mr. FULBRIGHT. Mr. President, I wish to offer an amendment. After the word "appropriation" on line 21, page 14, I propose to insert the words "authorized by this Act," and then to delete the word "decreased." The language would then read:

> But no appropriation authorized by this Act shall be increased by more than 10 per centum.

The word "decreased" would not then be applicable, so the words "or decreased" should be stricken.

Mr. MUNDT. There may be some function under the act which would necessitate a little decrease so as to transfer the amount to some other function. I think the word "decreased" should be allowed to remain.

Mr. FULBRIGHT. I do not have any objection to that. Then I will not suggest the deletion of the words "or decreased." The language of the amendment would then read:

> But no appropriation authorized by this Act shall be increased or decreased by more than 10 per centum.

The net effect is to insert after the word "appropriation" the words "authorized by this Act."

The PRESIDING OFFICER. The question is on agreeing to the amendment. Without objection, the amendment is agreed to.

Mr. MUNDT. Mr. President, while we are moving along with comparatively noncontroversial, clarifying amendments, I have an amendment which I believe the Senator from Arkansas will accept. I call up my amendment designated "6–28–61–I," and ask that it be read. I call this amendment up now, because the rest of my amendments are more controversial and will involve more discussion and perhaps yea and nay votes, so I should like to permit our brethren to have more time in which to enjoy their lunch.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 18, line 20, immediately after the period it is proposed to insert the following new sentence: "Not more than six members of the Commission may be members of the same political party."

Mr. MUNDT. Mr. President, I rather hope the chairman of the committee will accept the amendment. I have the honest feeling that the omission of such language was a pure oversight on the part of the committee, because every other advisory committee which has been created in this field has been bipartisan in nature. I can think of nothing which would be more injurious than to exclude the minority party from membership on these purely advisory committees or commissions. Heretofore on advisory committees, such as those dealing with Public Law 102, the Voice of America program, and the exchange program, we have not only welcomed but have sought complete support across party lines. I do not think anything has occurred to change that situation. I would simply restore for the new Advisory Commission on Educational and Cultural Exchange the same setup under this act and provide for not more than six members of the Commission to be of the same political party. That is as we have provided heretofore.

If I have misunderstood the intent of the committee, and they really wish to shunt the minority party out of the program, I desire to argue the point further. If I am correct in assuming that the committee wishes to have the Commission operate on a bipartisan basis, and will accept the amendment, I should like to be so advised.

Mr. FULBRIGHT. The proposal was not overlooked. The committee considered it. The real thought is that this kind of activity should be nonpartisan rather than bipartisan. Most of the persons who are considered for this kind of position—it is a nonpaying position—are academic persons of high standing, who have never been involved in politics. It was thought that this would be a step forward, rather than to continue to require them to register their allegiance politically and to swear that they had been voting regularly. That, we believe, is an irrelevant circumstance under these conditions.

I know it has been an old custom, but it has always been my hope that we might move on to a nonpartisan attitude in this sort of activity.

If the Senator from South Dakota insists upon the amendment and holds that this ancient practice must be considered, he can, of course, submit the question to a vote. I shall not fight it. It is not a matter of great moment. I feel certain the program can prevail. I simply hoped the question would not be raised. The Advisory Committee on the Arts, under Public Law 860, has never been treated in that fashion. Generally speaking, I know I have never paid any attention to the politics of the persons who comprise such boards, and I do not believe anyone else has. Usually, they hold high positions in the great universities, and to my knowledge no inquiry of this nature has been made. I have heard there has been some difficulty in ascertaining the politics of the presidents of some universities, and, whatever their activities have been, they have played no particular part in their service.

I do not see that this is a matter of great importance. It certainly is not the intention to exclude either Republicans or Democrats. There is no political profit or material profit in these appointments. They are honorary in nature, and I think those who are appointed to the positions are of a high caliber. I do not believe it is wise to put this kind of board on a partisan basis.

Mr. MUNDT. Precisely because it is in harmony with the very persuasive and proper statement of the chairman of the committee, I believe it is highly important to continue to keep these boards nonpartisan by making them bipartisan. I am not impressed by a man who is ashamed of his politics. I prefer those who are willing to be identified as a Democrat or a Republican or a Socialist; I like Americans to stand up and state their views.

All these causes are designed to promote Americanism and freedom. There has never been a tinge of partisanship on such commissions before. A part of the board has been Democratic and a part has been Republican, as the chairman says, because they have been selected on that basis. However, unless one went around and made inquiry he never found out which were Republicans and which were Democrats; they have all operated as good Americans.

Simply to shunt the Republican Party out because it does not happen today to be in the majority position would, I think, be unwise; just as I thought it was unwise in the 80th Congress, when the Republican Party was in control, not to provide specifically for representation of the minority party. Hence we specifically provided for bipartisan representation.

I think it is important that there continue to be bipartisanship on this Commission. It is important that we provide for listening posts for prominent Republicans and prominent Democrats, who can go back to their respective friends, respective councils, and respective conventions and say, "In this area we join as Americans; there is no partisanship."

Mr. FULBRIGHT. I wonder whether the Senator would agree to language such as the following, to be added in line 20, on page 18, "and no political test shall be applied to their selection."

Mr. MUNDT. No, I am not quite that naive.

Mr. FULBRIGHT. Why not?

Mr. MUNDT. I do not think a political test is applied now. When there is a Republican President, I think it is quite natural that he has more Republican friends, and tends to put nice, well-intentioned Republicans on the board; and I think a Democratic President is inclined, similarly, to appoint to such a board some of his good Democratic friends or other Democrats who are nice and have good intentions.

But if there is to be bipartisanship, the only way to have it is to have representation from both parties, by capable, useful persons. Through the years the operations under that arrangement have been successful. Therefore, I see no advantage in scuttling the bipartisan program which has worked, and setting up in its place one which would openly be partisan. I hope that at this late date partisan representation is not injected into the performance of such functions. Rather than have a partisan advisory committee, I would prefer to have none at all. If there are to be appointed both Republicans and Democrats, with each group watching the other, they will operate in a nonpolitical manner. In the past, all sorts of attacks have been leveled against such agencies, but never has a charge of partisanship been leveled.

I was in hopes that this omission from the bill was an oversight; and I hoped the chairman of the committee would agree to the adoption of the amendment, and would say, in that connection, that the present plan has worked well in the past, and therefore should be continued.

Mr. FULBRIGHT. Mr. President, I do not think this is a matter of major importance. I do not think the future of the program is dependent on the action taken on this amendment, either one way or the other.

I do not know whether inclusion of the words "on a nonpartisan basis" would appeal more to the Senator from South Dakota.

But the idea of bipartisanship is, in my opinion, rather meaningless. What happens, when there is a Republican administration, is that the Republican President appoints certain "captive Democrats." There were all sorts of "Democrats for Eisenhower"—which, in my opinion, was an insult to the party. It is no great achievement to find a so-called captive Democrat who happened once to vote for a Democratic candidate, and to appoint him. I would prefer to have an honest-to-goodness Republican appointed, instead.

I do not think this program will become a matter of partisanship, because there is no great profit in it, one way or the other; there is only a great deal of hard work.

If the Senator from South Dakota wishes to have a vote taken on his amendment, let the vote be taken. But I oppose the amendment, because I think it makes little sense, and would not result in the appointment of good, honest party members.

If the Senator from South Dakota wishes to distort the proper nature of such a board, certainly it could be done by having the Democratic Executive appoint certain so-called captive Republicans. But I do not think that should be done.

When the Executive nominates good persons and when the nominations are confirmed by the Senate, I think that is the proper arrangement. Certainly it is the privilege and prerogative of the Executive to make the appointments, and that is all right with me.

I do not know what are the politics of these appointees. I have not had a constituent solicit me for appointment to these boards, and I do not think one from my State has been appointed. I do not want to be in the position of favoring the appointment of a partisan person to the board.

I do not know whether the president of Yale University is a Democrat or a Republican. It makes no difference to me what his political affiliation is, for if he is good enough to be the president of Yale University, he is good enough to be a member of this board; and he should not be excluded from it simply because he is a captive Republican or a captive Democrat.

So I oppose this amendment.

Mr. MUNDT. Mr. President, in a moment I shall suggest the absence of a quorum. But I do not believe that my distinguished friend really believes that a Democrat who serves on a bipartisan board under a Republican administration or a Republican who serves on a bipartisan board under a Democratic administration is a captive creature and is without worthwhile attitudes. If so, all of our bipartisan board arrangements should go into the wastebasket.

Mr. FULBRIGHT. I believe they should insofar as our foreign policy is concerned.

Mr. MUNDT. Because in that event we would have appointed only captive creatures who would not be worthy of

serving there. But I do not believe these appointees have been "captives." We have had good boards.

If the Senator from Arkansas insists on keeping this program exclusively a Democratic one, no doubt he can succeed in his purpose, on the basis of a rollcall vote. Perhaps I shall lose in my attempt to have this amendment adopted. But I shall not join in an attempt to say that now the time has come to apply a political test, and that these positions shall be given to the friends and associates of the President and his friends, without having bipartisan representation.

I think there should be a yea-and-nay vote on the question of agreeing to this amendment. In a moment, I shall suggest the absence of a quorum; but in the meantime I yield 5 minutes to the Senator from Connecticut [Mr. BUSH], who wishes to speak on an extraneous subject.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 minutes.

Mr. BUSH. Mr. President, the subject to which I shall address myself is not exactly extraneous, although it is not directly related to the pending amendment.

I appreciate very much the courtesy of the Senator from South Dakota in yielding to me.

Mr. President, I wish to address myself to a related subject; namely, the export of plays and motion pictures from this country, under the guise of cultural activities, to other countries.

Recently, my attention was called to two plays which have been performed at Westport, Conn. One is called "The Zoo," and the other is called "Miss Julie."

I wish to read a letter I have received from one of my constituents. The letter refers to these plays, and will give the Senate the picture of what I have in mind in connection with the matter of cultural representations to other countries.

The letter comes from Mrs. Harold Peffers, of Danbury, Conn., and reads as follows:

THE D. G. PENFIELD CO.,
WHOLESALE GROCERS,
Danbury, Conn., July 6, 1961.

Senator PRESCOTT BUSH,
Washington, D.C.

MOST HONORABLE SIR: Yesterday, July 5, 1961, I went to see these plays, "The Zoo" and "Miss Julie" at Westport, Conn.

I got up and walked out before the first play ended—and before the end of the second play most everyone left the theater—they were so terrible.

One woman we talked to said she felt as if she had fallen into a pile of manure, another said it was all right if you liked garbage.

Now, Senator BUSH, these plays are going to be sent to South America as an example of American life. Whoever is in charge of this department must be an enemy of the United States and we wish you could do something about it—talk about lend-lease and armament—forget that and look into things like this. Here is where the Communists are working mostly, homosexuals and pinks. Please, please do something about this.

Respectfully,

NATHALIE R. PEFFERS,
Mrs. Harold Peffers.

Attached to the letter is a clipping from a Connecticut newspaper. The clipping reads as follows:

DOUBLE BILL AT WESTPORT

Adlai Stevenson just had a rough time in South America.

And now the Laurence Henry Co. (Laurence Feldman and Henry Weinstien) are dispatching the New York Repertory Co. into that area.

Two of the plays that will be in the repertory were displayed last night at the Westport Country Playhouse—"The Zoo Story" and "Miss Julie."

If a man of Stevenson's stature found it rough going, it seems to me that these two plays (the company has others in its repertory) are poor selections.

"The Zoo Story," by Edward Albee, is strictly a conversational piece between two characters. William Daniels and Ben Piazza carry on the long flow of talk that ranges from homosexuals to dogs. At times it is smart and witty but generally it is just long-winded. However, the acting is good with Piazza getting the best of the long one-acter.

Viveca Lindfors has to struggle to keep "Miss Julie" entertaining. And she does well, considering the load she has to carry. It is a terribly dated show taking place around the turn of the century in a country estate in Sweden and involves a one-night affair between a girl and her father's valet. Morgan Sterne plays the valet and Betty Field is lost as a maid.

The two plays will be at Westport through Saturday night. On Thursday and Friday afternoons there will be performances of "I Am a Camera," which will be part of the troupe's repertory.

Mr. BUSH. Here is another letter on the same subject:

I understand after attending the theater (Westport Playhouse) this week a certain drama group will present the filthy plays "Miss Julie" and "The Zoo Story" to the Argentine people. At this time we are in need of prestige. These plays to my judgment do not represent America as I know it. What is the matter with our people? Is our morale at this low level?

Again, I have another letter. I ask unanimous consent that this letter and the letter from which I just read be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. BUSH. I read from that letter:

DEAR SENATOR BUSH: Wednesday I went to the Westport Playhouse to see two plays that are going to South America on a Pan American good will tour. Enclosed is a piece from the Bridgeport Post.

That is the clipping I have already spoken of and asked to have printed in the RECORD.

At least 50 people walked out of the theater and many said they would write to Washington to stop such filth going to South America. It depicts the worst side of U.S. life. It was the story of a degenerate—filthy and boring—it would do our country much harm.

I am not a prude and never wrote a letter like this before but please investigate.

Yours truly,

KATHERINE B. WILSON.

Of Southport, Conn.

I appreciate that this is not a bill on which we can legislate matters of this kind, but I was distressed to learn from the Department of State that the company referred to is to take these two plays to Latin America—Buenos Aires, Montevideo, Rio de Janeiro, and Sao Paulo in Brazil. These stops are to be made between July 11 and August 15.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUSH. May I have another 3 minutes?

Mr. MUNDT. I yield 3 more minutes on the bill to the Senator from Connecticut.

Mr. BUSH. I mention this apropos of the Senator's amendment, which has to do with the appointment of the commission, because I believe that if an advisory commission on international, educational, and cultural affairs is to be established to replace the United States Advisory Commission on Educational Exchange, this is the type of thing that should come under the purview of that Commission, and such a commission should feel some responsibility to recommend legislation to Congress to stop exporting the very worst depictions of American life, which present our people as being morally depraved.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. MUNDT. If my amendment prevails and there is representation of both political parties on the commission, every member on every side can have somebody to whom he can go when matters of this kind come to his attention.

Mr. BUSH. I do not doubt it. I do not doubt that, with or without the amendment, the plea would not fall on deaf ears. I believe anyone worthy to serve on that commission, of whatever party affiliation, or if he had none, would feel some sense of responsibility in connection with the matters about which I am talking.

I think we realize, from reports we have had, from books we have read, the export of many of our motion pictures has done us irreparable harm in countries. When we are permitting the continuation of the export of this type of entertainment, which purports to give a picture of American life, we are offsetting the good that comes from cultural exchange programs.

Can anyone imagine the Russians sending to this country the types of plays we are talking about? They send us ballets, dancers, musicians of the best quality. Those they present to us are considered, and probably do, represent the best side of their cultural life. Yet we take no steps to prevent the export of the worst side of our cultural life, in spite of all the State Department can do.

I have talked with the head of the USIA, Ed Murrow, privately. He said there is nothing we can do under existing law to stop or prohibit the export of this kind of entertainment. It is done privately, and he has no authority to hinder, delay, or affect this type of travel by American entertainers.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUSH. Mr. President, may I have 2 more minutes?

Mr. MUNDT. I wonder if the distinguished Senator from Arkansas would yield some time to the Senator from Connecticut?

Mr. FULBRIGHT. Mr. President, I yield 2 minutes to the Senator from Connecticut.

Mr. BUSH. I thank the Senator.

In permitting the export of this type of entertainment without restraint, we go a long way toward vitiating and liquidating the efforts of Ed Murrow and the USIA and the effect of the cultural exchange programs we are talking about today.

My plea is not for an amendment to the bill today, but it is that it not fall on deaf ears, and that if we do establish the commission which is proposed, the plea I make should come before the commission. I intend to call it to the attention of the commission. I believe it should study the whole problem and see whether or not it is worthwhile to recommend legislation which will give the State Department or the USIA some authority to prevent travel and entertainment that will serve only to liquidate the good work that is being done all over the world at the taxpayers' expense.

I think the export of filthy and immoral performances as being representative of U.S. life is shameful. I think the time has come for the Government to take a hand in the problem to see what can be done to control it.

I thank both the Senator from South Dakota and the Senator from Arkansas for yielding time to me.

EXHIBIT 1

DEAR MR. BUSH: I understand after attending the theater (Westport Playhouse) this week a certain drama group will present the filthy plays "Miss Julie" and "The Zoo Story" to the Argentine people. At this time we are in need of prestige. These plays to my judgment do not represent America as I know it. What is the matter with our people? Is our morale at this low level?

Thank you again.

MRS. L. R. CLASE.

EXHIBIT 2

JULY 6, 1961.

Hon. PRESCOTT BUSH,
Washington, D.C.

DEAR SENATOR BUSH: Wednesday I went to the Westport Playhouse to see two plays that are going to South America on a Pan American good will tour. Enclosed is a piece from the Bridgeport Post.

At least 50 people walked out of the theater and many said they would write to Washington to stop such filth going to South America. It depicts the worst side of U.S. life. It was the story of a degenerate, filthy and boring. It would do our country much harm.

I am not a prude and never wrote a letter like this before but please investigate.

Yours truly,

KATHERINE B. WILSON.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator yield 1 minute to me?

Mr. FULBRIGHT. I yield 1 minute to the majority leader.

Mr. MANSFIELD. I ask unanimous consent that, despite the unanimous consent under which we are operating, the Senate lay aside the pending business and that I may call up Calendar No. 472, Senate bill 1873. I do so because of the grave drought and grasshopper situation in the Northwestern part of the country.

Mr. FULBRIGHT. Mr. President, reserving the right to object, may I ask the Senator how long it will take?

Mr. MANSFIELD. One minute.

Mr. FULBRIGHT. For 1 minute?

Mr. MANSFIELD. Yes.

Mr. FULBRIGHT. With that understanding, I have no objection.

Mr. MUNDT. Mr. President, reserving the right to object, and I shall not object, I may say that if it takes 4 or 5 minutes, it is worthwhile. The bill was reported by our agriculture committee unanimously, and I am happy to yield.

Mr. MANSFIELD. This is not a bill that was reported this morning. It was reported yesterday.

Mr. DIRKSEN. Mr. President, if the majority leader will yield, it is a 2-year extension of the livestock loan bill, in which so many Senators representing Western States are interested. I made inquiry this noon, and I understood there was no objection in the Committee on Agriculture and Forestry, nor in its immediate consideration, since it is urgent and the time limit may be imposed very shortly.

Mr. AIKEN. Mr. President, if the Senator will yield, the bill was unanimously reported by the committee. There appears to be a need for it. It carries out legislation which was in effect 2 years ago. There was no need for it in the last 2 or 3 years, but there is now.

Mr. CASE of South Dakota. Mr. President, reserving the right to object, does this bill deal with livestock loans or grasshoppers, or just what situation?

Mr. MANSFIELD. This is a bill to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economics courses.

The other bill to be considered today is the livestock loan bill, which would authorize the Secretary of Agriculture to make emergency livestock loans under such act to July 14, 1963.

Mr. CASE of South Dakota. Both of these measures are emergency matters and should be adopted. Another bill was referred to by my colleague.

Mr. MANSFIELD. That bill was approved favorably today by the Agriculture and Forestry Committee, and is not on the calendar.

Mr. CASE of South Dakota. But may we have the assurance of the distinguished majority leader that it may be considered promptly tomorrow?

Mr. MANSFIELD. The Senator has the assurance of both the minority leader and myself that it will be called up promptly.

Mr. CASE of South Dakota. So the bill on haying for drought disaster areas will be considered tomorrow?

Mr. MANSFIELD. Yes; if it is on the calendar. I want to say for the RECORD that the Senator from South Dakota [Mr. CASE], along with the other Senators who joined in the proposal, has been a stanch advocate of this program.

Mr. CASE of South Dakota. I thank the Senator. I thought this relief should have been permitted under the original emergency legislation, but it is special legislation and it should be adopted.

DONATION OF DAIRY AND OTHER AGRICULTURAL PRODUCTS

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1873) to amend the act entitled "An act to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economics courses," approved September 13, 1960 (74 Stat. 899), in order to permit the use of donated foods under certain circumstances for training college students.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana to proceed to the consideration of Calendar No. 472, S. 1873?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economics courses", approved September 13, 1960 (74 Stat. 899), is amended by striking out the period at the end of such Act and inserting in lieu thereof a comma and the following: "including college students if the same facilities and instructors are used for training both high school and college students in home economics courses."

Mr. MANSFIELD. Mr. President, will the Senator yield to me again?

Mr. FULBRIGHT. Mr. President, I yield to the Senator from Montana.

EMERGENCY LIVESTOCK LOANS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 471, S. 1710.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1710) to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until July 14, 1963 and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1710) to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until July 14, 1963, and for other purposes, which had been reported from the Committee on Agriculture and Forestry, with amendments, on page 1, line 7, after the word "Until", to strike out "July 14, 1963" and insert "December 31, 1961", and on page 2, line 3, after the word "thereof", to strike out "July 14, 1967" and insert "December 31, 1961"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(c) of the Act of April 6, 1949, as amended (12 U.S.C. 1148a–2(c)), is amended

by striking out at the beginning of the first sentence, "For a period of four years from the effective date of this subsection", and inserting in lieu thereof, "Until December 31, 1961,".

(b) Section 2(c) of such Act is further amended by striking out in the second sentence thereof "July 14, 1961", and inserting in lieu thereof "December 31, 1961".

Mr. HOLLAND. Mr. President, the bill is of immediate and of very great importance in the livestock areas where the drought is now pressing very hard. The bill was reported unanimously by the Committee on Agriculture and Forestry with a request for immediate passage.

As a brief statement, the bill, with the committee amendments, would revive the authority to make emergency livestock loans until December 31, 1961, and would extend the authority to make supplementary advances to borrowers under the program until December 31, 1961. I know of no objection at all to passage of the bill.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I am sure that Senators on both sides of the aisle in the committee felt this was an emergency measure. I hope the bill will be passed.

Mr. CASE of South Dakota. Will the Senator yield to me, Mr. President, for one question?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. Under the extension, will there be a limitation to areas which have been designated as disaster areas?

Mr. HOLLAND. No. The bill would simply authorize the Secretary to again make emergency livestock loans. The law has never applied except in emergency cases.

Mr. CASE of South Dakota. I thank the Senator. I hope the bill will be approved.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. MANSFIELD. Mr. President, I move that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement by the Senator from Utah [Mr. Moss], the author of the bill, relative to his position on the bill, may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FRANK E. MOSS

The measure now before the Senate, S. 1710, amends the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under the act until December 31 of this year.

There is no question about the need for the passage of this bill. Twelve other members have joined in cosponsoring it. Many ranchers in my State of Utah and elsewhere in the West are in distress because of prolonged drought, imports of sheep and cattle, and increased expenses without a corresponding increase in income. A serious credit situation has developed. Immediate assistance can best be provided through reactivation of the special livestock loan program.

The program was first authorized in 1953, primarily to assist livestock owners in maintaining basic herds during the period of prolonged drought and unstable livestock prices. Under the original authority, loans could be made to new applicants only through July 14, 1957, but the authority was extended to authorize loans to indebted borrowers until July 14, 1961. This bill will extend until the end of this year authority to make loans to both new and indebted borrowers.

Ranchers conducting family-type operations are eligible for consideration under the Farmers Home Administration regular operating loan program. However, this program is not adequate in its present form to finance many of the larger livestock operations now in trouble in my State and throughout the West, and it is obvious that the expanded program contemplated by S. 1643, the Agricultural Act of 1961, cannot be enacted before the July 14 expiration date.

The special livestock loan program has proved sound and highly successful in the past. Approximately $90 million has been loaned, with more than 93 percent paid back, with interest, to date. Officials of the Farmers Home Administration anticipate that total payout will approach 98 percent.

The program will not require specific appropriation since the Secretary of Agriculture already has the authority under Public Law 38 to use the revolving fund provided for emergency loans for special livestock loans.

I want to take this opportunity to thank the able Senator from Florida [Mr. HOLLAND], for the dispatch with which he has moved, as chairman of the Agricultural Credit and Rural Electrification Subcommittee of the Senate Agriculture and Forestry Committee, to take action on this bill in time to meet the expiration date and the loan emergency, and also to express my appreciation to the distinguished chairman of the committee [Mr. ELLENDER] for his cooperation.

The need for extending the emergency livestock loan program was first brought to my attention by George M. Smith, general manager of the Producers Livestock Loan Co. in Salt Lake City, and this legislation has the support of the Utah State Farm Bureau, Utah Wool Growers, and other farm organizations.

Mr. Smith's letter, together with a letter to Mr. Clarence A. Anderson, State director of the Farmers Home Administration in Utah, are attached to this statement.

PRODUCERS LIVESTOCK LOAN CO.,
Salt Lake City, Utah, March 28, 1961.

Hon. FRANK E. MOSS,
U.S. Senator, Washington, D.C.

DEAR MR. MOSS: Last week a meeting was held in the office of Mr. Clarence A. Anderson, State director of the Farmers Home Administration, during which many of the problems confronting the sheepmen of our State were discussed at some length. Since then similar discussions have been had with representatives of the Farm Bureau and both the State and National Wool Growers Associations. It was the consensus of opinion that some of the problems were deep seated and would take time to resolve. On the other hand, the matter of proper financing through this period of adjustment becomes a complex thing and of such proportion that companies such as ours, the PCA's, and a relatively few banks that make loans on livestock are unable to carry the burden without some help.

Legislation was passed in 1953 authorizing the Farmers Home Administration to assist primary lenders in financing sheep and cattle men under an arrangement known as the special livestock loan program. Legislation providing the same kind of assistance is needed again to insure continued operation of many outfits beyond the current year.

A copy of my letter confirming the meeting in Mr. Anderson's office is enclosed for your information, and your wholehearted cooperation and support of the proposed program is urgently solicited.

With kindest personal regards, I am,

Yours very truly,

GEORGE M. SMITH,
General Manager.

PRODUCERS LIVESTOCK LOAN CO.,
Salt Lake City, Utah, March 27, 1961.

Mr. CLARENCE A. ANDERSON,
State Director, Farmers Home Administration, Salt Lake City, Utah

DEAR MR. ANDERSON: This will have reference to the meeting held in your office a few days ago concerning many serious problems confronting sheepmen.

One of the oldest industries known to man is on its knees and literally being forced from its rightful place in our economy, largely because of steadily rising operating costs and diminishing returns realized from its production of wool and lambs. These are factors beyond control of the sheepmen and his dilemma has been worsened in recent years by drought.

As you know, our company with farm credit assistance, together with two or three banks which survived the depression of the early 1930's gave of their time, energy, and resources to save and mainain a substantial number of both sheep and cattle men in the West who would otherwise have been forced out of business. Had this leadership, encouragement, and financial aid not been made available to them there is good reason to believe that the livestock segment of our western agricultural economy would be negligible today.

In recent years because of the ever-increasing demand on banks for furnishing working capital to various business enterprises, financing of automobiles, appliances, etc., it has been difficult if not impossible for sheepmen and livestock operators generally to obtain financial assistance except through organizations such as ours and the Farmers Home Administration.

Since the officers and directors of our company are sheep and cattle men we have adopted a philosophy of faith and hope in the future. However, as mentioned, increased costs for labor, equipment, taxes, etc., further magnified by unreasonably low returns in the case of lamb and wool has resulted in continuous retrogression in position of most of our range sheep loans. We are aware that some operators have no place in the industry and would not be successful under the most favorable conditions.

On the other hand the great majority are honest hard-working citizens with substantial investments in their operation who need only time, we feel, to reappraise their individual situation and work collectively in solving deeper problems existing in the industry.

Our capacity and that of the PCA's to carry all of them through this period, is of course limited, and unless a program within the Government can become operative along the line of the special livestock loan program established in 1953 whereby joint financing of these hard-pressed people can be done, many sheepmen in this and adjoining States will be required to liquidate their outfits at sacrificed prices and further damage to our economy.

We have met with representatives of other lending organizations and are seeking support from the State and National Woolgrowers Association and intend requesting aid and assistance of our Senators and Congressmen in helping to resolve this situation.

We urgently request that you as State Director of the Farmers Home Administration

communicate this problem to your people at the Washington level so that they being fully apprised of the sheepmens' plight will lend their full effort and cooperation toward bringing about legislation which we feel is a must at this present time if the sheep industry as we know it in the West is to survive.

Yours very truly,

GEORGE M. SMITH,
General Manager.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1710) was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such Act until December 31, 1961, and for other purposes."

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. FULBRIGHT. Mr. President, I offer a substitute for the amendment of the Senator from South Dakota.

On line 19, page 18, after the word "appointed," insert "on a nonpartisan basis."

I should like to offer that as a substitute for the Senator's amendment "I". I am ready to yield back my time on the amendment and vote, if the Senator is willing to yield back his time.

Mr. MUNDT. Mr. President, this proposed substitute is nothing except saying the same thing over again as a parliamentary ruse to avoid a yea-and-nay vote on the very fundamental issue set out in my amendment.

What we are trying to decide—and it is a question for the Senate to decide—is whether at the present time Republicans should be included or excluded from service on the Commission. For 12 years we have had language providing that not more than a majority of the Commission members should be members of the same political party.

I object to the proposed amendment for the same reason that I object to the original language proposed to be corrected by my amendment. The substitute simply provides that the President may appoint members from one party only, if he wishes to do so. I think that is bad, whether the President is a Republican or a Democrat. It is not authority which we should give to a good man, and it is not authority which we should give to a bad man. I think it will seriously weaken the wonderful, bipartisan support we have always had. Members of the Commission have been reporting both to Republican and Democratic associates.

The advisory commissions in the past, when they have had trouble getting appropriations, have gone to their friends on both sides of the aisle to try to obtain adequate appropriations. I see nothing in the record of the past 12 years, during which we have had bipartisan support, which would require a change to eliminate the bipartisan nature of the Commission.

By simply saying "nonpartisan," instead of providing the language we have always had, we would reiterate, in a different phrase, the language in the bill as it is presently stated. I submit that if we are going to have advisory commissions trying to recruit friends for important programs, we could do no better than to select people who are Republicans and who are Democrats. They reflect the genius of our two-party system much better than do nonpartisans.

Therefore, I object to the proposed substitute to my amendment, because it is certainly simply a different manner of accomplishing what the committee language already would do. It would exclude the right of the minority party to representation on the boards and commissions. If that is to become a congressional policy, and if that is to become the attitude, it ought to be written into law by a yea-and-nay vote.

I think it would be a big step backward from a program of bipartisanship which has worked successfully for a dozen years. I do not think the need for political patronage is so great that we should change the fine formula which has given us success for so long.

Mr. President, I reserve the remainder of my time.

Mr. BUSH. Mr. President, will the Senator from Arkansas yield me 3 minutes from the time on the amendment?

Mr. FULBRIGHT. I yield 3 minutes to the Senator from Connecticut.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The Chair wishes to advise the Senator from Arkansas that his amendment is not a substitute amendment, in that it would fall at a different place in the bill. It would therefore have to be treated as a separate amendment, and therefore would not be in order.

Mr. FULBRIGHT. Mr. President, I ask that the amendment be made to apply to the end of the sentence on line 20 of the bill. That is the same place.

The PRESIDING OFFICER. In lieu of the language offered by the Senator from South Dakota?

Mr. FULBRIGHT. In lieu of the language offered, as a substitute.

The PRESIDING OFFICER. Then it would be a substitute.

Mr. MUNDT. Mr. President, may I understand exactly what is being done?

The PRESIDING OFFICER. The amendment offered by the Senator from Arkansas as a substitute for the amendment offered by the Senator from South Dakota will be stated for the information of the Senate.

The LEGISLATIVE CLERK. At the end of line 20 on page 18, in lieu of the language proposed to be inserted by the Senator from South Dakota [Mr. MUNDT] it is proposed to insert the following:

The members of the commission shall be appointed on a nonpartisan basis.

Mr. BUSH. Mr. President, will the Senator yield me 3 minutes?

Mr. FULBRIGHT. I yield 3 minutes to the Senator from Connecticut.

Mr. BUSH. I hope the Senator from South Dakota will accept the modification. I would strongly support it. I feel this is not a Commission which should be considered on a political basis at all. The suggestion that the appointments are to be made on a nonpartisan basis, I think, is quite within the spirit of the bill. It is much more likely we can obtain qualified people to serve on the Commission if we approach it in that atmosphere, than if the commission is felt to be a partisan Commission and a person has to be either a Republican or a Democrat to be a member of it.

I regret to say that in my State—and I think this is true of many States in the United States—some 40 percent of the voters are not enrolled in either party. Voters can register in my State and vote for either party without enrollment in either party. I should not wish any language in the bill to exclude 40 percent of the voters of my State from being members of a Commission.

I hope the modified language will be accepted. I think it is quite appropriate.

Mr. FULBRIGHT. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 3 minutes.

Mr. FULBRIGHT. I appreciate very much the attitude of the Senator from Connecticut. He has expressed what I have in mind.

I know a great many people who are neither Republicans nor Democrats. It is not that they are ashamed of their politics, but they may not be alined permanently with either party. Many leading people, especially those in the academic field, do not wish to be classified or to have to go through a public examination as to their party politics.

That is all I seek to do. All of us who are in politics and who are party members are not ashamed of it. We do not hesitate to declare our party membership.

I think this kind of a function should be performed on a nonpartisan basis, and the people should be selected without respect to politics on both sides. I believe it will be done in good faith. I do not for a minute think that either a Republican President or a Democratic President would deliberately seek to use this kind of appointment to reward party workers. This is not the kind of position which is sought. This kind of position is rarely sought by party workers, largely because there is no remuneration in connection with it and it is an activity which requires a great deal of work for very little reward.

I hope that the Senator from South Dakota and the Senate will accept the amendment.

While I am on my feet, let me say to the Senator from Connecticut that I have been handed a note by a member of the staff, which points out that the Actors Studio Group or the New York Repertory Company produces plays such as "Miss Julie" and "The Zoo Story."

They have announced that they are going to Latin America. But this production is in no way sponsored or financed by the Department of State and the group should not be confused with the American Repertory Company. They are quite different companies. The two plays the Senator mentioned are not in any sense financed or supported by the Government.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BUSH. I am glad the Senator has made that point clear. I did not mean to leave any doubt on the point. My plea is directed to this problem. Companies like the subject one are able to go abroad, not only without any help from the Government, but without any permission or supervision, and regardless of whether their productions are entirely in conflict with what we are trying to accomplish through the proposed program, the USIA, and like efforts.

My plea is that we should not undo with our left hand what we are trying to do with our right hand. Because of plays such as those we have discussed and some of the salacious and immoral movies that we export to distant countries, the time has arrived for us to take cognizance of the problem. For that reason I thought the Commission which would deal with cultural affairs might make it its business to examine into the situation and perhaps to recommend some proposed legislation to Congress that would give the State Department, the USIA, the Passport Department, or a combination of those organizations, some control over the export of plays, entertainment, or what not, that may be deleterious to the national interest, and entirely in conflict with our foreign policy, our cultural exchange policy, and other policies.

Mr. FULBRIGHT. The Senator is correct. The problem is an extremely difficult one. I recall that some time ago I took a trip to Japan. The biggest hit on display was a movie called "Psycho," which I understand is one of the great productions of the movie industry in this country. If we were to produce 10 programs of that type, the handicap for us to overcome would be considerable, because such pictures are shown to millions of people around the world, when in comparison we can only reach a few thousand with our exchange programs. I agree that the problem is great, but I do not know what the answer is.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. I should like to point out that for 3 years the suggestion has been made that we ought to enact legislation to give the State Department some discretionary power in the issuance of passports. We have not been able to get action on such proposed legislation. Today, therefore, Communists can apply for a passport to go to Russia. The State Department issues such passports. For 2 years I have been arguing that some action ought to be taken on the measure. Until I found out today that contained in the unanimous consent agreement which applies to the bill before the Senate is a rule of germaneness, I contemplated offering an amendment to include the proposed legislation on passports. I think that if such a measure were passed, we might be able to reach the panderers who are distributing licentious pictures throughout the world, showing plays that bring upon us the hatred and shame of the people who see them.

Two years ago a licensor of film from one South American State appeared before the Subcommittee on Latin American Affairs. He said:

> All the good that you do with your foreign aid program is more than destroyed by the type of pictures that you are sending to our country.

I point out that reaction because the time has come when proper legislation in this field should be passed. Otherwise, we might as well say that Communists may go all over the world from the United States to spread propaganda and speak against their own country.

In effect we say, "We give you carte blanche authority."

As a member of the Committee on Foreign Relations, I know that the chairman of that committee is desirous of having enacted that type of legislation. We asked for an opinion from the State Department 5 months ago. Such opinion has not yet come forth. I say that the time is at hand when some action should be taken and some declaration made on the subject.

Mr. BUSH. Mr. President, will the Senator yield 1 minute?

Mr. FULBRIGHT. I yield 1 minute to the Senator from Connecticut.

Mr. BUSH. I am pleased to hear both the Senator from Ohio and the Senator from Arkansas speak on this subject. I hope that perhaps the discussion today on the floor of the Senate may lead to some action in connection with this highly important subject. I think it is time to stop presenting ourselves abroad in an untrue light, and that some steps should be taken so that a great organization like the USIA will have some control over the educational and cultural content of material that is exported from this country to our friends abroad, and will be able to prevent the export of entertainment and cultural programs which serve to debase the United States in the eyes of the world.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. MUNDT. I yield 4 minutes to the Senator from South Dakota.

Mr. CASE of South Dakota. First, I heartily second the sentiment expressed by the Senator from Connecticut and the Senator from Ohio with respect to the interpretation of America that is being given by the export of films and other productions. Only last Saturday and yesterday I saw the crowds lined up in queues to enter some of the motion picture theaters in Mexico City. The fare that the patrons were to receive, as suggested by the pictures on the boards and on the marquees advertising the shows, certainly left one ashamed and discouraged because, as the Senator from Ohio and the Senator from Connecticut have said, the filthy films that are being exported and shown in various large cities of the world are carrying a message that is untrue so far as America is concerned, and they do far more harm than we can counter by the expenditure of many millions of dollars through USIA.

Mr. CASE of South Dakota. Mr. President, I wish to express my support for the amendment offered by my colleague [Mr. MUNDT]. It should be unthinkable that a political connotation should be given to this program. The amendment offered by my colleague is certainly in keeping with the efforts we have made to have programs of this sort not partisan, or bipartisan, at the most. I hope the amendment will be agreed to.

Mr. MUNDT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. First, does the Senator from South Dakota yield back the remainder of his time?

Mr. MUNDT. No; I do not. Under the negotiations that took place yesterday by which a unanimous-consent agreement was entered into, I am not sure how the subject was to be handled. So I ask unanimous consent that the time necessary to establish a quorum not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUNDT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MUNDT. May I inquire as to the division of the time which remains?

The PRESIDING OFFICER. Each side has 10 minutes remaining.

Mr. MUNDT. Mr. President, I yield 5 minutes to the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, as I understand the parliamentary situation, the distinguished Senator from South Dakota has offered an amendment to the effect that of the nine members of the Advisory Commission to formulate and help to formulate policy under the bill, not more than six shall come from any one political party. That would make it a bipartisan Commission. The amendment in the nature of a substitute offered by the distinguished Senator from Arkansas would make it a nonpartisan Commission, not a bipartisan one.

I hope that when the vote is taken on the substitute amendment offered by the distinguished Senator from Arkansas, the amendment will be rejected, and that the Senate will accept the version offered by the distinguished Senator from South Dakota.

Mr. AIKEN. Mr. President, will the Senator from Illinois yield, so that I may inquire whether the law as it is now constituted provides for a bipartisan commission?

Mr. DIRKSEN. My understanding is that the existing law so provides.

Mr. AIKEN. Of five members, not more than three may be of one party?

Mr. DIRKSEN. That is correct.

Mr. AIKEN. Then the proposal of the distinguished Senator from South Dakota is to give the majority party a little larger percentage of the membership of the Commission than is permitted by the law which has been in effect in recent years?

Mr. DIRKSEN. That is correct.

Mr. RUSSELL. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. RUSSELL. I am curious to know just what is meant by a nonpartisan commission. Does it mean that a man who is a member of a political party may not serve on the Commission?

Mr. DIRKSEN. No; I think that what the distinguished Senator has in mind is that the President is not inhibited as to whom he shall appoint. He may appoint all from one party or all from another, if he likes; or he may appoint persons who have no identity with either party.

Mr. FULBRIGHT. The thought is that their merit or intellectual interest or capacity to serve is the determining quality, not their membership in a political party.

Mr. RUSSELL. The connotation of the word "nonpartisan" is, in some places, a person who is not affiliated with either of the parties. Oftentimes on the eve of elections, nonpartisan slates are formed which are composed both of Republican and Democratic candidates. At least, that is true in my State.

I had always rather assumed that a nonpartisan commission, as a practical matter, was composed of persons not affiliated with either party. This is the first time I have heard of a nonpartisan commission of this kind, because usually commissions are comprised of members of both parties.

Mr. DIRKSEN. I doubt that it would. The language reserves very broad latitude to the President to make appointments. However, I believe the suggestion of the Senator from South Dakota should be followed. I think it has a little more importance than the importance attached to it by the distinguished Senator from Arkansas.

First, the bill provides that members of the Commission shall represent the public interest. A broad public interest is involved. The Commission is supposed to represent a cross section of public interest. Their functions will be, as the bill states, to recommend to the President policies for exercising his authority under the act. In other words, the Commission will make recommendations to the President, and those recommendations will relate not only to the educational exchanges and to the selection of people, but to the cultural exchanges, as well.

I shall point out now why I believe it is important that the Commission be bipartisan. It goes back to the contribution made by the distinguished Senator from Connecticut about a dramatics company which, I understand, is now going to the Argentine or somewhere else in South America, offering as U.S. culture something which is at once filthy and pornographic, and which certainly is at variance with every concept of decency that I know anything about. If that is culture, then I want no part of it. Yet the Commission is to advise with respect to policies to be followed and with respect to all the things which will happen under the bill.

They are to select athletic groups; they are to select influential individuals; they are to select distinguished personages; they are to select artistic and dramatic groups. The sky is the limit.

In consequence, I believe the minority has some interest in the so-called public concept. I believe we are entitled, in that sense, to be consulted through persons who will be appointed to the Commission and in whose selection we may have a chance to make a recommendation. It does not follow that the President must consult us particularly about the appointments; but it would be following a good, sound, traditional line. It has been done always in connection with every agency that articulates any kind of policy whatsoever.

So the Senator from South Dakota is in good form when he offers the amendment. It is in the best of tradition. Also, I think it affords a distinct safeguard, because I should like to see people—some people, at least—who, if they disagree with the kind of policy established, will prevent the kind of thing to which the distinguished Senator from Connecticut alluded. At least a protest can be uttered, and the protest can be made public, so that if any discipline is to be invoked, it can come from the public side.

I hope, therefore, that the substitute offered by the Senator from Arkansas for the Mundt amendment will be rejected, and that the Senate will accept the modification of the bill suggested by the Senator from South Dakota.

Mr. FULBRIGHT. Mr. President, I yield 2 minutes to the distinguished Senator from Connecticut.

Mr. BUSH. Mr. President, I always find it difficult to differ with my respected and revered leader, the distinguished Senator from Illinois [Mr. DIRKSEN], and with the able Senator from South Dakota [Mr. MUNDT]; but I do not believe that in this instance partisan politics should play a part.

The bill provides that the members of the Commission, who under the Fulbright amendment would be appointed on a nonpartisan basis, must be appointed with the advice and consent of the Senate. I cannot conceive of these appointments being made on a partisan basis, even by an administration that is as politically partisan in some respects as the incumbent administration, without it becoming evident on the floor of the Senate. But I have enough respect for the incumbent President, as I did for President Eisenhower, to believe that in such a situation he would try to select persons qualified in the field of education and culture, so that the Commission would be above criticism of any kind, politically.

The Senator from Arkansas has stated that if the members of the Commission are appointed on a political basis, many persons who are eligible and are highly qualified for the work will be excluded. In the past 8 years, I have regretfully seen some highly qualified persons rejected by my own party for appointment because they were members of the opposite party, although the posts for which they were to be considered were not political at all. They possessed the special knowledge and special talent in a given field, in which they were well qualified to represent the United States on a board or commission of real importance to the United States.

So with the greatest reluctance, I feel compelled to try to dissociate this matter from party politics. Being very proud of my own State's position in cultural and educational affairs, I think I can say that the position which I take this afternoon would be highly acceptable to the people of my State and to those in other centers of education and culture throughout the United States. I do not believe this proposal should be brought into party politics.

Mr. DIRKSEN. I may say to the distinguished Senator from Connecticut that neither party has any monopoly on the dramatic talent, the ingenuity, the artistic talent, or the intellectual talent of the country. He will find a wealth of it in both parties. So the President's selections will in that sense not be limited.

The other point is that this is a good pattern to follow. I think it follows the old Jeffersonian admonition: Nail it down in the law; then there will be no concern about it from then on.

Mr. BUSH. Mr. President, will the Senator yield me 1 minute?

Mr. DIRKSEN. I yield 1 minute to the Senator from Connecticut.

Mr. BUSH. If the language of the Mundt amendment is placed in the bill, it is suggesting that the appointments ought to be made on a partisan basis. The Senator from Illinois and I agree that it should not be on a partisan basis. But if the bill provides that six members may come from one political party, that certainly suggests the kind of division which must be sought. I do not want to see that happen.

Mr. DIRKSEN. We who support the Mundt amendment do. That is the difference.

Mr. MUNDT. Mr. President, I yield myself 4 minutes.

Apparently the Senator from Connecticut is not aware of the fact that this kind of bipartisan commission has been in existence for the last dozen years. It is written into the law and has provided that very excellent group of officials, some from his own State, who have worked for the advancement, progress, and promotion of the purposes of this act.

This is not a new departure. The departure comes when the chairman of the committee and the committee suggest that there no longer be such minority representation on the Advisory Committee.

Mind you, Mr. President, the bill would then provide that six of the nine members may be members of one party. I think such a 2-to-1 majority should be satisfactory to the other side. They say

they want a bipartisan foreign policy. But evidently they want it only in theory, not in practice. They would specifically exclude bipartisan advice..

Mr. AIKEN. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. AIKEN. Under the Senator's amendment, could not nine nonpartisan members be appointed to this Commission?

Mr. MUNDT. Of course.

Mr. AIKEN. All of them could be nonpartisan members—perhaps all from the State of Connecticut, for instance.

Mr. MUNDT. Precisely. That shows what happens when the loading up of a commission is begun.

I agree with the Senator from Illinois that it is better to have the law provide what we mean. But let us stop talking about foreign policy bipartisanship if we do not really mean it. If the Republicans are not to be consulted, but are to be barred at the door, let that be set forth clearly.

Certainly these matters are important. Before the inauguration of the bipartisanship policy, the selections for appointment to such commissions were made on a partisan basis. As a result, the picture of a circus fat lady was shipped to many countries; and the result was that the program was virtually ruined at the start.

That demonstrates why it is proper to have on the Commission a few members identified with each political party, so they will help decide who shall represent America in connection with programs which are sent to other countries.

There has been no criticism of this program under bipartisan support, except now, under the decision by those on the majority side to plow us under—which probably will be done, as a result of rejection of this amendment. I am sorry to see that done. I do not believe it serves the cause, for Senators to say, "We want this program to be the monopoly of a single political party."

Mr. DIRKSEN. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield 2 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, years ago we went through an experience in this field with the so-called cultural art projects, under the old WPA. Having had an interest in the theater, myself, I remember when the touring companies went through the country. They had an advisory group of their own, and they selected the vehicles for presentation. I remember when they erected a tent in southern Illinois, and then performed certain dramatic presentations. The list was one of the most amazing I ever saw. At the University of Michigan there was a dramatist by the name of Avery Hopwood. His plays were represented by bedroom farces. One, which that company played, was entitled "Up in Mabel's Room." Another was entitled "Getting Gertie's Garter." At that time I used to keep myself abreast of the developments with those playrights. But it was one of the most fantastic things I ever saw in all my life, and the plays were performed helter-skelter all over the country. We did not have on the board anyone to give dictation when Franklin Roosevelt selected those who would run that project.

The PRESIDING OFFICER. The time yielded to the Senator from Illinois has expired.

Mr. DIRKSEN. Mr. President, I yield myself 2 minutes from the time available on the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 more minutes.

Mr. DIRKSEN. Mr. President, I maintain that this matter is far more important than the distinguished Senator from Arkansas admits. Even if only a few representatives of our side are on the Commission, so long as they have a good, sound American concept, I think the program will be kept fairly well on an even keel. That is what is sought by means of this amendment, and that is why the amendment is important.

Mr. CASE of South Dakota. Mr. President, will the Senator from Illinois yield to me, so that I may propound a parliamentary inquiry?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. CASE of South Dakota. Would an amendment to the Fulbright substitute be in order?

The PRESIDING OFFICER. It would not be in order, for it would be an amendment in the third degree.

Mr. CASE of South Dakota. Mr. President, the bill, as amended by the committee amendments, is now regarded as original text, is it not?

The PRESIDING OFFICER. The amendment of the Senator from South Dakota [Mr. MUNDT] is, in effect, an amendment in the first degree. The Senator from Arkansas has submitted to that amendment an amendment in the nature of a substitute.

Mr. CASE of South Dakota. Is not the amendment submitted by the Senator from South Dakota [Mr. MUNDT] a perfecting amendment? Has a motion to strike out been made?

The PRESIDING OFFICER. That amendment does not insert a new paragraph; it merely perfects a provision already in the bill.

Mr. CASE of South Dakota. I think a fair construction is that the amendment of the Senator from South Dakota [Mr. MUNDT] is in the first degree; and that a substitute for that amendment might be offered by the Senator from Arkansas [Mr. FULBRIGHT], but that the substitute is open to amendment—in other words, an amendment of the substitute.

The PRESIDING OFFICER. The amendment of the Senator from Arkansas [Mr. FULBRIGHT] is in the second degree.

Mr. CASE of South Dakota. But it was offered as a substitute. If it is a substitute, it is not an amendment in the second degree, I respectfully submit.

The PRESIDING OFFICER. It is an amendment in the second degree.

Mr. CASE of South Dakota. A substitute amendment is an amendment in the second degree?

The PRESIDING OFFICER. That is correct.

Mr. CASE of South Dakota. Do not the rules permit an amendment to be offered to a substitute?

The PRESIDING OFFICER. That depends upon the situation. In this situation, such an amendment is not in order.

Mr. BUSH. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I do not know that I have the floor.

Mr. BUSH. I understand that the Senator does have the floor. Will he yield for a question?

Mr. CASE of South Dakota. I yield.

Mr. BUSH. Why does not the Senator suggest that the Senator from Arkansas modify his amendment accordingly, if the Senator from South Dakota wishes to submit an amendment?

Mr. CASE of South Dakota. I have a modification to suggest, but I am a little doubtful whether the Senator from Arkansas would accept it as a modification.

Mr. BUSH. Why not try him out?

Mr. CASE of South Dakota. The amendment I was going to propose as an amendment or an addition to the substitute offered by the Senator from Arkansas would strike out the period, and would insert a colon and the words:

Provided, That not more than five shall be members of one political party.

That would not destroy—instead, it would buttress—the amendment of the Senator from Arkansas, if he were disposed to regard it in that light.

Mr. FULBRIGHT. The point I have been seeking to make is that the partisanship of the prospective members of such a commission is an irrelevant consideration.

The PRESIDING OFFICER. In whose time is the Senator from Arkansas now speaking?

Mr. FULBRIGHT. Mr. President, does any time remain under my control?

The PRESIDING OFFICER. Eight minutes.

Mr. FULBRIGHT. I now yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 3 minutes.

Mr. FULBRIGHT. Such an amendment would require that the party affiliation of all the members of the Commission be ascertained. That would force it to be constituted on a partisan basis. My objective is to ignore completely that particular aspect. I believe it is not pertinent or relevant to this measure, and has no place in it at all, to provide that ascertainment shall be made of the party affiliation of the members of the Commission. The objective was to ignore the matter of party affiliation. Senators will notice that the original bill did not mention it at all. I suggested the words "nonpartisan," purely in an attempt to allay any such suspicion.

Perhaps these words mean different things to different people. The late Senator Vandenberg said, as I recall,

that he preferred the word "nonpartisan" to the word "bipartisan."

In other words, I have had in mind the thought that in connection with the consideration of foreign-policy matters, no attempt should be made to evaluate them in accordance with a party platform or any other domestic party matter. Perhaps that is an oversimplification. In any event, all I am seeking to do is say that in the appointment of the members of the Commission, their qualifications shall be considered from some point of view other than that of party affiliation.

I noticed in both the last administration and the one which preceded it that the political qualifications of such appointees seemed to have no real significance. Those in the administration would try to hunt up some poor fellow who was called a captive Democrat or a captive Republican. All that only forces a certain amount of hypocrisy upon the appointing officers. I think it is much more dignified and far more effective to simply ignore party affiliation. So whether the Senator offers 2, or 5, or 6, or 10, it is the same with me. I would rather not mention in any respect the party membership of the members of the Commission.

Mr. CASE of South Dakota. Mr. President, will the Senator yield me 1 minute on the bill?

Mr. DIRKSEN. I yield 1 minute to the Senator from South Dakota.

Mr. CASE of South Dakota. The junior Senator from South Dakota respects the point of view which the Senator from Arkansas has expressed. He recognizes immediately that when it is provided that not more than five, or six, or three should be members of one political party, it does require the ascertainment of whether or not the others are members of a political party.

In the kind of program we want to submit to the rest of the world, we will get better programs if we insist on conviction rather than insist on political membership.

Mr. LAUSCHE. Mr. President, will the Senator yield me 2 minutes?

Mr. DIRKSEN. I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. Having, in my career, exercised the appointive power, frequently I was confronted with the need of making a decision when the law was completely devoid of any instructions about the political complexion of the prospective appointees.

As for myself, I always felt the best type of administration was obtained, whether it be on a court or a board or a commission, when there was a practically balanced division of the membership. There should not, and usually there cannot, be a completely balanced division. Hence, when I had to make appointments, even though I was not bound to appoint a Democrat or a Republican, I tried to balance the bench, the board, and the commission.

With the forces which operate under appointive powers, I do not believe we will be able to say, "We will pick these nonpartisan college presidents or college professors." I do not think it works out that way.

For that reason, I shall support the proposition that there will be better administration if there is a practically evenly divided political complexioned composition on the board. The minority of three will militantly oppose improvident, imprudent proposals. The purpose of a minority is to check the majority when the latter wants to go in one direction unrestrained.

Mr. MUNDT. Mr. President, I do not know whether there are any other requests for time. I am ready to ask for a yea-and-nay vote, if no other Senator wishes to be heard.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time? He has 1 minute.

Mr. MUNDT. I am not prepared to yield back the remainder of my time until I am sure there will be a rollcall.

Mr. FULBRIGHT. The yeas and nays have been ordered. I am ready to vote.

Mr. MUNDT. Are there further requests for time?

Mr. President, I yield myself 1 minute.

The vote will come on the Fulbright substitute for the amendment which I offered. My amendment would restore and retain the bipartisan nature of the Board, leaving with the majority the right to appoint six of the nine from its own party, but no more than six. The other three would not have to come from the minority party, but could come from no party at all. At least it would prevent all nine coming from the same political party. It would provide for bipartisan representation and preclude political monopoly.

The vote is on the substitute, and I am prepared to vote.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the substitute amendment of the Senator from Arkansas for the amendment of the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from Utah [Mr. Moss], and the Senator from Tennessee [Mr. KEFAUVER], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana [Mr. HARTKE], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from Utah [Mr. Moss], and the Senator from Tennessee [Mr. KEFAUVER] would each vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Arizona would vote "nay."

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from New Hampshire would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

On this vote the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Minnesota would vote "yea."

On this vote the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from New Mexico would vote "yea."

The result was announced—yeas 56, nays 34, as follows:

[No. 92]

YEAS—56

Anderson	Gruening	Monroney
Bartlett	Hart	Morse
Bible	Hayden	Morton
Burdick	Hickey	Muskie
Bush	Hill	Neuberger
Byrd, W. Va.	Holland	Pastore
Cannon	Jackson	Pell
Carroll	Javits	Proxmire
Case, N.J.	Johnston	Randolph
Church	Jordan	Smathers
Clark	Keating	Smith, Mass.
Cooper	Long, Mo.	Sparkman
Dodd	Magnuson	Stennis
Douglas	Mansfield	Symington
Ellender	McCarthy	Talmadge
Engle	McClellan	Williams, N.J.
Ervin	McGee	Yarborough
Fulbright	McNamara	Young, Ohio
Gore	Metcalf	

NAYS—34

Aiken	Dworshak	Russell
Allott	Eastland	Saltonstall
Beall	Fong	Schoeppel
Bennett	Hickenlooper	Scott
Boggs	Hruska	Smith, Maine
Butler	Kuchel	Thurmond
Capehart	Lausche	Tower
Carlson	Long, La.	Wiley
Case, S. Dak.	Miller	Williams, Del.
Cotton	Mundt	Young, N. Dak.
Curtis	Prouty	
Dirksen	Robertson	

NOT VOTING—10

Bridges	Hartke	Long, Hawaii
Byrd, Va.	Humphrey	Moss
Chavez	Kefauver	
Goldwater	Kerr	

So Mr. FULBRIGHT's substitute amendment for Mr. MUNDT's amendment was agreed to.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the substitute to the amendment of the Senator from South Dakota [Mr. MUNDT] was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

LEGISLATIVE PROGRAM

ANNOUNCEMENT OF PROPOSED VISIT TO CONGRESS BY PRESIDENT MOHAMMAD AYUB KHAN

Mr. DIRKSEN. Mr. President, since there is a goodly contingent of Senators present in the Chamber, I should like to ask the majority leader what the program will be for the remainder of the afternoon and also for tomorrow.

The PRESIDING OFFICER. The Chair inquires as to which Senator yields time on this subject.

Mr. DIRKSEN. I yield myself 2 minutes under the bill.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished minority leader, I wish to state that the remainder of the afternoon will be taken up with the bill now before the Senate, but it appears doubtful that consideration of the bill can be completed today.

It is anticipated that there will be no business involving voting of any kind after 4:30 today. If Senators wish to remain and make speeches beyond that time, that will be fine, but there will be no other business.

Tomorrow the Senate will convene at 12 o'clock. Immediately upon the convening of the Senate there will be a live quorum call. No business will be transacted under the morning hour until the Senate returns from the joint meeting in the Chamber of the House of Representatives to hear President Mohammad Ayub Khan of Pakistan. Very likely there will be votes immediately on our return to the Chamber from the joint meeting. So I would like to put all Senators on notice and express the hope, on behalf of the minority leader and myself, that all Senators will attend the joint session tomorrow as a mark of esteem and honor to our distinguished visitor.

Following completion of action upon the cultural exchange bill, it is the intention to take up the bill on oceanography (S. 901), and following completion of that bill it is intended to consider the bill to authorize appropriations for the Atomic Energy Commission (S. 2043). I understand that both those bills will entail some debate.

Mr. DIRKSEN. I thank the distinguished majority leader.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The bill is open to further amendment.

Mr. MUNDT. Madam President, I call up my amendment 6-28-61—D, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. On page 11, lines 23 and 24, it is proposed to strike out "and, whenever it would further the purposes of this Act, for the dependent members of their immediate families,".

On page 12, lines 3 and 4, it is proposed to strike out "or dependents of participants".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

Mr. MUNDT. Madam President, on the bill I yield 15 minutes to the distinguished Senator from Vermont [Mr. AIKEN].

AGRICULTURAL PROGRAM AND FOREIGN RELATIONS

Mr. AIKEN. Madam President, I call attention today, as I have done on previous occasions, to a situation which, if not clarified and corrected, can have very serious effect upon both our domestic and foreign policies.

I refer to the determined effort of the Department of Agriculture to reduce the agricultural production of the Nation, while at the same time the State Department is insistently urging long-term foreign commitments on an expanded scale.

While the food supply of America is not the only factor in our international programs, it is indeed an indispensable factor and one without which all our other efforts would prove inadequate and possibly fruitless.

We know from experience that in a cold war, a hot war, or the war against poverty, disease, tyranny, or intolerance, food is the most powerful weapon of all.

It is the one indispensable weapon, and without it wars cannot be won.

Throughout history governments have fallen for want of food, and wars have been started and lost by food-short nations.

Since World War II, thanks to the abundance of American farms, many nations have been spared from the specters of pestilence, famine, inflation, and submission to tyranny.

Now, Madam President, I am frankly worried—worried because of the efforts to drastically reduce our agricultural production.

Last March, this Congress, at the request of the President, authorized a program to sharply reduce the planting of corn and other feed grains this year.

According to the report of the Secretary of Agriculture, dated June 21, 1961, 41.6 percent of the producers of corn and sorghum will reduce their planting over 20 million acres of corn and over 6½ million acres of sorghum.

The estimated cost of payments to farmers for making this reduction is $730 million.

This, with administrative costs, will represent an expense of about $800 million to the taxpayer.

To this amount, an additional sum of several hundred million dollars will be paid by dairymen, poultrymen, and livestock feeders as a result of higher feed prices.

This increase in cost to feeders has already started with an increase of 25 percent in the cost of barley in the past 10 days.

This increase in costs will, of course, be passed on to the housewife unless the loss is absorbed by the farmer and I doubt if that can be done.

How much the 1961 reduction program will actually lower production can only be estimated at this time, although the Secretary's report of June 21 states:

> The combined production of corn and grain sorghums will be substantially below estimated requirements.

Certainly, if the acres taken out of production are average producing acres the impact on our feed grain supply will be severe.

There are, however, other unknown quantities entering into the whole picture and upon which total production will depend, first, how much will nonparticipating farmers increase their acreage; second, how much will the yield of the planted acres be increased due to added fertilization and better care; and third, what effect will weather have on total production?

Without waiting to determine the effect of these three imponderables, however, the administration is insistently demanding a renewal of the feed grain reduction program.

Added to this demand is another demand which seeks a sharp reduction in the planting of wheat.

Besides these two specific demands, the administration has requested in the omnibus farm bill new and unprecedented authority for reducing the production of any and all other crops.

In seeking authority to make long-term commitments to foreign countries without the assurance that such commitments can be kept, the State Department is inviting greater distrust and possible failure in the international arena.

The agricultural productivity of the United States plays a double role in the drama of world affairs.

It proves to the people of all nations that a free agriculture is the most productive agriculture.

It assures the world that so long as American farmers are free to produce, our largess will be available to fight the scourges of hunger and inflation anywhere.

Before this Congress acquiesces any further in programs designed to curb food production, we had better take a long, hard look at where we really stand today.

How did we accumulate these so-called surpluses of grain that are supposed to burden us so much?

Do we actually have reserves greater than what is necessary to maintain our position in the world?

In the case of wheat, it was the result of the Korean war and the increased production incidental thereto that provided us with the generous supply we have on hand today.

A slim carryover of 250 million bushels in 1952 increased to 933 million bushels in 1954.

During the last 7 years this carryover has increased only 382 million bushels and this year it is not likely to increase at all.

Had it not been for the heavy accumulation of 1953 and 1954, we would have only a moderate, necessary carryover of wheat today.

In the meantime, the domestic use and export of wheat has increased un-

til, according to the records, there have been only 5 years in history when production has exceeded this year's total disappearance.

As it is, our carryover at the beginning of this marketing year is only a little more than the amount which was used domestically and for export during the marketing year just ended.

We have exported about 675 million bushels of wheat during the marketing year just ended. We have consumed in this country about 625 million bushels.

Is a year's supply of wheat an excessive amount to have on hand?

The carryover of feed grains has increased somewhat in spite of the fact that the annual domestic use and exports have increased over a billion bushels during the last 6 years.

In other words, we are using today for export and domestically more than a billion bushels a year more than we were using 6 years ago.

What has been overlooked, however, is the fact that we have been in a period of declining animal units.

In 3 of the last 6 marketing years, we have fed less than 162 million animal units.

This year, it is estimated we will feed 167.5 million units, with further increases required in the near future.

In view of our increasing population at the rate of 3 million a year, it is obvious that we have to concentrate on maintaining or even increasing our feed grain production through the 1960's—rather than getting upset because we now have a carryover of possibly 3 months more than a normal safe supply on hand.

A particular hazard in the administration's frequent use of the term "supply adjustment" lies in the fact that this term cannot be successfully applied to rainfall, temperature, sunshine, or grasshoppers.

For this reason, the companion term "production management" cannot be fully replete with meaning.

It was only 3 months ago that the Secretary of Agriculture embarked upon a grandiose and expensive program to reduce directly the supply of corn and grain sorghum and indirectly the supply of barley and oats.

On July 3, only 90 days later, the Associated Press carried this story:

WASHINGTON, July 3.—Secretary of Agriculture Orville L. Freeman imposed today limitations on sales of Government stocks of oats, barley, and corn. The aim is to conserve supplies to meet possible needs of drought-plagued livestock farmers in the northern Great Plains. * * *

The order also halts the release of Government oats and barley as payment for export subsidies on feed grain sold abroad and withdraws oats and barley from the export subsidy program.

Only 90 days after that program was started, to reduce the supply of all feed grains, it was found that we had already encountered a shortage in this country of oats and barley.

This order was issued at the very time that the Department of Agriculture is urging Congress to enact legislation requiring a compulsory reduction of 20 percent in the planting of barley next year.

The world is short of barley. The Canadian crop is failing. Nobody knows what our crop will be; and the demand is increasing.

Continuing reports from Canada indicate that drought conditions are severe in the western grain provinces.

Unless there is an unexpected change in weather condition it now appears that Canada will produce nowhere near enough grain this year to meet both domestic and export requirements.

Of course, we cannot tell yet just how serious the effect of the drought will be on final crop production in our Western States and Canada.

Nor do we know whether the drought will extend beyond this year or not.

We know that these drought cycles have started in small areas and have spread, until they have covered the greater part of the country. We know that a drought started in a small area in the Northwest 2 or 3 years ago and since then has been covering additional territory each year since, until now it covers parts or all of several of our great grain and beef-producing States.

We can be sure, however, that the combined production of wheat and feed grains in North America will be far less than our total needs and that our present comfortable reserve may disappear.

There is an ever-increased world demand for American food supplies.

In the Washington News of July 7, we find this item:

The Agriculture Department said today U.S. farm exports set new records in both value and volume in the fiscal year ended June 30.

Estimates by the Department set agricultural exports for 1960–61 at $4.9 billion.

This was 8 percent above the $4.52 billion in the preceding year and 4 percent larger than the previous record of $4.72 billion in 1956–57 when exports were stimulated by the Suez crisis.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. MUNDT. Madam President, I yield to the Senator from Vermont an additional 5 minutes on the bill.

Mr. AIKEN. Madam President, farm commodities now account for 25 percent of our total export business.

Do we want to throw this $5 billion business overboard in the name of "supply adjustment"?

In the light of present uncertainties of production and the certainties of increased requirements at home and abroad, Congress would be shortsighted to authorize another short crop program for next year.

If the administration persists in its demand for less crop production, Congress simply cannot afford to authorize further commitments to supply food to foreign countries under long-term contracts.

Mr. President, I urge the administration to abandon its efforts to reduce the food supply of this Nation.

Food is a national defense item just as important to our security as ammunition, and tampering with the agricultural production of our country in these days of increasing international tension is a dangerous pastime.

Surely there are better ways to improve farm income than through the creation of scarcity and consequent high costs to consumers.

I want America to remain a land of plenty with freedom for our farmers to produce.

Through our bountiful food supply we have been able to save the people of many lands from hunger and distress.

Our food has enabled some nations to resist the type of government which is the very antithesis of freedom.

Because of our large reserve of food, U.S. delegates at the international bargaining table have been able to speak with conviction and from a position of strength.

American agriculture now furnishes employment for about one-third of our total working force. Do we want to reduce this opportunity?

The President of the United States ought to reconcile the conflict within his administration.

Does he support the Department of Agriculture in its effort to reduce the food production of the Nation, or does he support the State Department's proposal for increased aid including the furnishing of food to foreign nations?

Congress cannot legislate wisely or intelligently until we know which way the executive branch intends to go.

We have the right to know, and with important legislation coming before us soon we must know without delay.

Mr. MORSE. Madam President, will the Senator from Vermont yield?

Mr. AIKEN. I will yield if I have sufficient time.

Mr. MORSE. It will not take me more than a minute to say that I join with my colleague on the Committee on Foreign Relations in the recommendation that the administration consider the food program in connection with the foreign aid programs. The Senator from Vermont and I know that the United States does not produce a single bushel of surplus grain which could not be put to beneficial use somewhere in the world in the great battle for economic freedom.

I think it is short-sighted policy that we do not set aside a part of the agricultural program and have it recognized and treated as the foreign aid agricultural program, as such. The agricultural surpluses thus produced could be used completely in connection with agricultural foreign aid. They could be kept separate and distinct from domestic agricultural production.

Mr. AIKEN. The Senator from Oregon is absolutely correct. There is no surplus of grain in the world today. There may conceivably be a shortage of grain, if the international tension continues or if the drought in the United States continues to spread.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JAVITS. I congratulate the Senator from Vermont on sounding the tocsin for us all. I also hope that the Senator from Vermont, in his work on the Committee on Agriculture and Forestry, will bring to us—because we have power right here, as measures are reported from the Committee on Agriculture and Forestry—his version of

what can best be done to fortify ourselves in the way he describes and by alternatives to relieve the plight of the farmer, because the present program seems only to reduce our capability to maintain our position in the world.

Mr. AIKEN. There are alternatives to the plight of the farmer. There are other and better ways to increase farm income. If I had plenty of time available, I should be glad to describe some of them. I shall do that at some future date.

Mr. JAVITS. The Senator from Vermont will have every opportunity to do so in connection with the bill which will be reported by his own committee. I know the Senator will give us the benefit of his wisdom at that time.

Mr. AIKEN. Farm conditions are deteriorating so fast that the situation may be drastically changed before the bill comes before the Senate for action upon it.

Madam President, I thank the Senator from South Dakota for yielding time to me.

Mr. MUNDT. Madam President, I suggest the absence of a quorum; and I ask unanimous consent that the time for the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUNDT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. MUNDT. Madam President, I speak now to my amendment "D," and yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 4 minutes.

Mr. MUNDT. Madam President, this amendment makes certain modifications in subsection (e) (1) of section 104, which among other things consolidates the present authority granted by Public Law 584, Public Law 402, and Public Law 265, to provide for program grants to or for individuals directly or through public or private institutions. However, the subsection substantially broadens the existing authority to provide for the payment of expenses for dependents and members of the immediate family of grantees, beneficiaries, and participants under our educational and cultural exchange programs. Because of this significant change in the potential cost and scope of the program, I believe the matter deserves serious attention by the Senate.

This afternoon, I propose merely to call up the amendment and place it before the Senate. Perhaps overnight we shall be able to work out some arrangement in regard to it. If not, I propose to discuss it in full tomorrow and to have it voted on then.

My amendment would strike out the phrase, on page 11, in lines 23 and 24: "and, whenever it would further the purposes of this Act, for the dependent members of their immediate families".

If that phrase is retained and is enacted into law, we shall be specifically authorizing the payment of incidental expenses and travel expenses for dependents and members of the immediate family of any person participating in any of the educational or cultural exchange programs authorized under section 102 of this measure.

To demonstrate the breadth of this authority, let me point out that section 102 authorizes exchange programs running all the way from student educational exchanges to the exchange of teachers, technicians, performing artists, scientists, and athletes and athletic teams. Under the authority granted by subsection (e) (1) of section 104 of this bill, the administering agency could authorize the payment of travel expenses and incidental expenses for dependents and members of the immediate family of every member of the Bolshoi Ballet, or for the dependents and immediate members of the families of the Czechoslovakian track and field team, or for the dependents and immediate members of the families of the members of a touring baseball team from Japan.

It is quite unlikely that the Government will grant such an allowance, but once we give the Government that authority, demands for grants like that will pyramid upon the administrative officer, and immediately we set up the potentiality for creating ill will once we deny some dependency grants to people requesting them. Under unusual circumstances, we might, for example, think it is good to have members of the Bolshoi Ballet bring their wives, mothers, or sweethearts, but say we cannot go so far as to allow the expenses of wives of members of the Japanese baseball team. So we create ill will.

Under arrangements with the Appropriations Committee, and under the Comptroller General's letter, a program has been worked out which sharply circumscribes expenditures for dependents. It is against the open-door expansion of this procedure that my amendment would move.

I can appreciate that this new authority might be helpful in certain meritorious cases under the educational exchange program. For that reason, under conditions of amity between the Appropriations Committee and the administrative agencies, we have been doing that without specifically opening up rights and privileges under the law.

I further recognize that the authority to pay such expenses for dependents and members of the immediate family is a discretionary authority and is not required by subsection (e) (1) of section 104. But, because it is discretionary and because it will be used selectively, I can anticipate that it may create many more problems than it will solve. Under this discretionary authority, it is conceivable that we might agree, in processing an exchange grant for a French student, to pay the travel and incidental expenses for his wife and child. The day after such approval is granted, another French student, with a wife and six children, might make application, and in this situation it is conceivable that we would disapprove the payment of incidental and travel expenses for the wife and six children. It seems to me that this creates a situation where we may be charged with discrimination and arbitrary favoritism, and in this case it is my opinion that we will have done violence rather than benefit to the overall effectiveness of our educational exchange programs with foreign nations.

If we resolve the difference between the Frenchman with 1 wife and 1 child and the Frenchman with 1 wife and 6 children, the next day we may well have an application from a very distinguished scholar from an Arabian country who has 7 wives and 50 children. What are we going to tell him? Are we going to tell him he cannot come here after we have let the Frenchman in? How are we going to adjudicate it? We avoid those conflicts when we do not write into law specifically the right for those dependents to receive such allowances when persons are brought to our shores for educational exchange purposes or as other exchange visitors.

My amendment also would strike the words "or dependents of participants" which appear at lines 3 and 4, on page 12.

The purpose of this portion of the amendment is to assure that we will not be paying the emergency medical expenses, or the expenses for the transportation of a deceased person, in a case where the person for whom such expenses are paid is not an actual participant under one of our exchange programs.

Nor will we be paying the expense of travel, housing, and board while such a scholar or student is in this country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. I yield myself 30 additional seconds.

The language as presently contained in the bill would allow or authorize the payment of such expenditures for dependents or participants and grantees under our educational and exchange programs. The arguments which I made concerning the first section of my amendment apply with equal persuasion in a case of this latter part of the amendment.

We pay the cost of some dependents of Americans who go overseas as students and professors. That is good. But it is the reverse procedure of bringing to our shores unlimited hosts of dependents which would result in vast additional expense to the Treasury that my amendment would operate against.

I reserve the remainder of my time.

Mr. FULBRIGHT. Madam President, I yield myself 5 minutes.

As the Senator from South Dakota has indicated, under a ruling on existing law by the Comptroller General, the expenses of dependents may be paid. As a matter of fact, however, the Appropriations Committee has put limitations upon appropriations concerning the use of funds for dependents. Nevertheless, it remains flexible, and in certain cases it is possible to allow the expenses of dependents. This authority is particularly important in the case of senior professors. The policy of the administration in the past has been to allow expenses for dependents only in the case of senior professors and similar high-level people. I do not believe that any allowance for dependents of students has been allowed, either for Americans or foreigners, in recent years. There may have been some exceptions in the early days, particularly with regard to GI's, when their dependents were involved, and when we made very special efforts to be as generous as possible with them.

As Senators know, the law itself gives preference in selection to former GI's.

What is significant about the matter is that many of our professors, or at least a few of them, especially outstanding men, are requested by foreign missions. The senior members cannot afford to take their wives, and they could hardly be expected to go for a year without their wives. It is estimated by the administration that the average American professor on an exchange grant uses approximately $2,000 of his own funds to cover his family's expenses. If he has a grant to one of the more important countries, where the experience could be expected to contribute to his prestige and improve his earning capacity in the future, he may be willing to spend this money from his own funds for that purpose. Many of them have. But when some of the underdeveloped countries, who need the services of those specialists more than the advanced countries do, make requests for outstanding professors, and their experience in those countries will not in any way enhance their reputation or earning capacity or standing in their profession, those professors simply turn those requests down.

There have been many cases where American professors, and foreign professors for that matter, are unwilling or unable to make the large financial sacrifices. As is well known, professors are not wealthy, whether they are Americans or foreigners.

All the limitation would do is to take one step toward downgrading the quality of the teachers and professors who may serve under the program.

The purpose of the program, as I understand it, is to further our foreign policy and to obtain the best quality personnel we possibly can. In many cases it will be a great sacrifice for the individuals concerned, in the sense of enduring hardships and adjusting to foreign circumstances which, in many respects, are much more difficult for the older people, those who are professors, than for the students.

I think this restrictive amendment, which would delete the authority to allow the expenditure in limited cases, would be adverse to the quality of the program.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Madam President, I yield myself 3 additional minutes.

Only a small number of dependents of American grantees have been permitted under the existing authority. I think last fiscal year was the first time it was specifically authorized by the Department of State. This related only to remote countries and to high-level people. It was never more than tourist class travel, and it was for a minimum of a 1-year stay.

The Comptroller General's decision in 1959 was largely based on title VIII of the Smith-Mundt Act. Because of section 1009 of that act, Public Law 402, the provisions in title VIII apply to all such international activities under the State Department's jurisdiction. The ruling was not restricted to the dependents of Americans.

I think it would be very unfortunate now to restrict the authority by deleting the provision. The fact that we deleted it, I think, would necessarily be interpreted, in the history of the legislation, as being a denial by the Congress of the authority which now exists under the ruling of the Comptroller General.

The cases which the Senator has supposed, about bringing men with 7 wives and 50 children to the United States, in my opinion do not lend themselves to very serious discussion. We have to assume a minimum of serious and intelligent administration of any act. Similar hypothetical illustrations of perfectly idiotic administration could be made, I suppose, for every bill considered by this body. The fact is that the authority has not been abused in the past. There have been very few dependents allowed. In many cases it is very important, for the quality of the program, to permit the sending of one or two dependents abroad with an American professor. This is not for the benefit of the dependents, but in order to promote the program itself; to supply the best possible available professors.

I think it would be equally important, when we wished to bring an outstanding man from abroad, to permit this. We would be prevented, otherwise, from bringing the man to the United States, simply because he could not bring his wife.

In many cases the wives of these people add a great deal to the impression made in the respective countries which they visit.

The PRESIDING OFFICER. The time of the Senator from Arkansas has again expired.

Mr. FULBRIGHT. Madam President, I yield myself 1 more minute.

Is the Senator from South Dakota prepared to allow the discussion to go over until tomorrow? If so, I shall request that the time for the proceedings from now on today not be charged against either side.

Mr. MUNDT. I wish to speak for only 30 seconds.

Madam President, there is one big difference between having American professors take their dependents abroad and having foreign professors come to the United States with their dependents. As the law now operates, we pay with American money the expenses of dependents of American professors going abroad. That is an acceptable program as now operated.

We are now being asked, however, under the proposed legislation, to permit dependents of professors and others to come to this country and we are asked to pay for their expenses. If it were provided that the foreign country should pay for the expenses of dependents, as we pay for the expenses of the dependents of our people, that would be one thing, but we are asked to pay for the entire exchange both ways. Thus Uncle Sam's taxpayers pay all the costs, round trip, for everybody's traveling dependents. That opens up a Pandora's box which could come back to plague us.

I am perfectly willing to reserve the remainder of my time until tomorrow.

Mr. FULBRIGHT. Madam President, I ask unanimous consent that the time for the proceedings of the Senate from now on this afternoon not be charged against either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1182. An act to create the Wyandotte National Wildlife Refuge;

H.R. 1581. An act for the relief of Maria Falato Colacicco;

H.R. 1614. An act for the relief of Byron K. Efthimiadis;

H.R. 2111. An act for the relief of Benjamin Schoenfeld;

H.R. 2145. An act for the relief of Joginder Singh Toor;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 2203. An act to authorize the Secretary of the Interior to exchange certain property in Rocky Mountain National Park, Colo., and for other purposes;

H.R. 2655. An act for the relief of Mrs. Pamela Gough Walker;

H.R. 2990. An act to confer jurisdiction upon the Court of Claims to determine the claim against the United States of Amis Construction Co. and San Ore Construction Co.;

H.R. 3404. An act for the relief of Elemer Christian Sarkozy;

H.R. 4030. An act for the relief of Robert A. St. Onge;

H.R. 4360. An act for the relief of Hood County, Tex.;

H.R. 4369. An act for the relief of Henry James Taylor;

H.R. 4382. An act for the relief of Joseph L. Thomas;

H.R. 4528. An act for the relief of certain persons involved in the negotiation of forged or fraudulent Government checks issued at Parks Air Force Base, Calif.;

H.R. 4660. An act to authorize modification of the project Mississippi River between Missouri River and Minneapolis, Minn., damage to levee and drainage districts, with particular reference to the Kings Lake Drainage District, Missouri;

H.R. 5057. An act for the relief of Hans-Dieter Siemoneit;

H.R. 5143. An act to amend section 801 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901;

H.R. 5320. An act for the relief of Robert Knobbe;

H.R. 5321. An act for the relief of American President Lines, Ltd., Nitto Shosen Co., Ltd., and Koninklijke Java-China-Paketvaart Lijnen N.V. (Royal Interocean Lines);

H.R. 5518. An act to revise the boundaries of the Fort Raleigh National Historic Site in North Carolina, and for other purposes;

H.R. 5548. An act to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes;

H.R. 6067. An act to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Ball or Beech Gap southwest and running into the State of Georgia;

H.R. 6103. An act for the relief of the Stella Reorganized Schools R–I, Missouri;

H.R. 6122. An act for the relief of Maria Luisa Reis (nee) Loys;

H.R. 6514. An act for the relief of Dr. Louis Karel Dupre;

H.R. 6676. An act to designate the Kettle Creek Dam on Kettle Creek, Pa., as the Alvin R. Bush Dam;

H.R. 6798. An act to amend the act incorporating the Washington Home for Foundlings and to define the powers of said corporation;

H.R. 6996. An act for the relief of Harry Weinstein;

H.R. 7042. An act to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes;

H.R. 7240. An act to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes;

H.R. 7358. An act to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment;

H.R. 7391. An act to promote the conservation of migratory waterfowl by the acquisition of wet lands and other essential waterfowl habitat, and for other purposes;

H.R. 7581. An act for the relief of Mike H. Kostelac; and

H.R. 7740. An act for the relief of Mrs. Sharon Lee Harden.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 1182. An act to create the Wyandotte National Wildlife Refuge; and

H.R. 7391. An act to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes; to the Committee on Commerce.

H.R. 1581. An act for the relief of Maria Falato Colacicco;

H.R. 1614. An act for the relief of Byron K. Efthimiadis;

H.R. 2111. An act for the relief of Benjamin Schoenfeld;

H.R. 2145. An act for the relief of Joginder Singh Toor;

H.R. 2181. An act for the relief of Kim Dom Yong;

H.R. 2655. An act for the relief of Mrs. Pamela Gough Walker;

H.R. 2990. An act to confer jurisdiction upon the Court of Claims to determine the claim against the United States of Amis Construction Co. and San Ore Construction Co.;

H.R. 3404. An act for the relief of Elemer Christian Sarkozy;

H.R. 4030. An act for the relief of Robert A. St. Onge;

H.R. 4360. An act for the relief of Hood County, Tex.;

H.R. 4369. An act for the relief of Henry James Taylor;

H.R. 4382. An act for the relief of Joseph L. Thomas;

H.R. 4528. An act for the relief of certain persons involved in the negotiation of forged or fraudulent Government checks issued at Parks Air Force Base, Calif.;

H.R. 5057. An act for the relief of Hans-Dieter Siemoneit;

H.R. 5320. An act for the relief of Robert Knobbe;

H.R. 5321. An act for the relief of American President Lines, Ltd., Nitto Shosen Co., Ltd., and Koninklijke Java-China-Paketvaart Lijnen N.V. (Royal Interocean Lines);

H.R. 6103. An act for the relief of the Stella Reorganized Schools R–I, Missouri;

H.R. 6122. An act for the relief of Maria Luisa Reis (nee) Loys;

H.R. 6514. An act for the relief of Dr. Louis Karel Dupre;

H.R. 6996. An act for the relief of Harry Weinstein;

H.R. 7358. An act to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment;

H.R. 7581. An act for the relief of Mike H. Kostelac; and

H.R. 7740. An act for the relief of Mrs. Sharon Lee Harden; to the Committee on the Judiciary.

H.R. 2203. An act to authorize the Secretary of the Interior to exchange certain property in Rocky Mountain National Park, Colo., and for other purposes;

H.R. 5518. An act to revise the boundaries of the Fort Raleigh National Historic Site in North Carolina, and for other purposes;

H.R. 5548. An act to authorize the Secretary of the Interior to acquire approximately 9 acres of land for addition to Cumberland Gap National Historical Park, and for other purposes;

H.R. 6067. An act to provide for an appropriation of a sum not to exceed $35,000 with which to make a survey of a proposed national parkway from the Blue Ridge Parkway at Tennessee Bald or Beech Gap southwest and running into the State of Georgia;

H.R. 7042. An act to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes; and

H.R. 7240. An act to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 4660. An act to authorize modification of the project Mississippi River between Missouri River and Minneapolis, Minn., damage to levee and drainage districts, with particular reference to the Kings Lake Drainage District, Missouri; and

H.R. 6676. An act to designate the Kettle Creek Dam on Kettle Creek, Pa., as the Alvin R. Bush Dam; to the Committee on Public Works.

H.R. 5143. An act to amend section 801 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901; placed on the calendar.

H.R. 6798. An act to amend the act incorporating the Washington Home for Foundlings and to define the powers of said corporation; to the Committee on the District of Columbia.

BIRTHPLACE OF THE HYDROGEN BOMB

Mr. ANDERSON. Madam President, I have always been pleased by the relationships between the Los Alamos Scientific Laboratory and the Livermore Radiation Laboratory, for they have been cordial and cooperative. Therefore, I was a little distressed when I read in the Washington Post and Times Herald for July 8, 1961, under the dateline "Yucca Flats, Nev., July 7," in an Associated Press story, this paragraph:

> The AEC refuses to comment about the neutron bomb, but there is speculation that research on the project is going on at the Commission's Radiation Laboratory at Livermore, Calif., birthplace of the hydrogen bomb.

I was not so distressed over the news story until I learned that the Albuquerque Tribune, in my hometown, under date of July 7 carried the same story with the same paragraph again referring to Livermore, Calif., as the birthplace of the hydrogen bomb.

Madam President, I wish to point out two or three things in connection with this.

The Livermore Radiation Laboratory was established in July of 1952. At that time the Mike design, the forerunner of the hydrogen bomb, was firmly established and was under construction at the Los Alamos Laboratory. The device itself, the first hydrogen bomb, was detonated at Eniwetok in November 1952. It could hardly have been possible that Livermore Radiation Laboratory was the birthplace of a bomb which was under construction before the Laboratory was established and which was exploded so soon thereafter.

As a matter of fact, the Joint Committee on Atomic Energy became very much interested in the question of whether or not this country should develop what was called the "super." It was not referred to, in the early days, as the "hydrogen bomb" at all. Always, in discussing it, there was a question of whether, having finished one bomb which had a destructive capacity comparable to some 20,000 tons of TNT, this country should build a "super," which would use lighter materials and could be exploded with much greater power.

During the years from 1943 on—in fact, during 1945, 1946, 1947, and 1948—work proceeded on the so-called super bomb. If we needed a confirmation of that fact, during the Oppenheimer hearings, the following testimony of the Director of the Los Alamos Laboratory was given under oath. Dr. Norris Bradbury made the following statement:

> There was active research, investigation, and exploration in this field (lighter elements for weapons) during the war years. There was actually a system, essentially thermonuclear in nature, devised shortly after the war in 1946–47 for which techniques were then not possible or appropriate to bring to fruition.

Also later on in the testimony he said:

> The progress of the laboratory during the years following the war in understanding and development, and indeed, some systems of very close relevance to the thermonuclear

system as we know them today, were an essential part of the ultimate actual ability to make an effective thermonuclear weapon.

Even "the Hydrogen Bomb," the Blair and Shepley book, says:

Both AEC weapons laboratories were fully mobilized for the job. There was ample work for both, and the scientists at both did their utmost. Los Alamos made the greater contribution.

I point out that even that book, which many times I have said was a little slanted in some of its viewpoints, concedes that Los Alamos made the greater contribution, and it would be hardly fair and proper to refer to Livermore as the birthplace of the hydrogen bomb.

In fact, 92 percent of all hydrogen bombs that are in our stockpile are Los Alamos bombs. The Mike shot was being manufactured when Livermore was started. Until 2 or 3 years ago every subsequent device that we produced was a Los Alamos device in the field of the hydrogen bomb.

The exact date of the first Los Alamos Laboratory weapons actually to enter the stockpile shortly after the Mike shot, is probably classified, but the laboratories wasted as little time as possible in getting actual usable weapons into being. The time was actually very short indeed.

The first Livermore thermonuclear weapon to enter the stockpile, and the first weapon of any sort, did not enter the stockpile until 4 years after the first Los Alamos Scientific Laboratory entry, and therefore quite a number of years after their first being established the practical use of the thermonuclear principle by Los Alamos.

I have said previously, and I wish to repeat, that I believe that the laboratory at Livermore has done very fine work. It has had some exceptionally fine people connected with it, including Dr. Teller, Dr. York, and Dr. Brown, all of whom have had other governmental responsibilities, and now Dr. Foster.

I believe it is unfortunate when newspapers make the statement with reference to Livermore, knowing the facts as they must know that Los Alamos was the first into the subject field.

Finally I would like to ask unanimous consent to have printed at this point in the RECORD a citation from the White House signed on July 8, 1954, from the President of the United States, Dwight D. Eisenhower.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

The Los Alamos Scientific Laboratory, as the Nation's principal institution for the development of atomic weapons, has continued to discharge its responsibilities to the people of the United States with highest distinction and by its achievements has rendered invaluable service to the Nation and the free world.

The Laboratory's momentous success in the field of fission weapons has been followed by equal accomplishments in the fusion field. These achievements are the result of a remarkable group endeavor and the devoted and skillful effort of the individuals of the staff of the Laboratory.

In recognition of the outstanding achievements of the Los Alamos Scientific Laboratory and their contribution to the welfare and collective security of this Nation and the free world, this citation is awarded to the Laboratory as a means of expressing to all its members the gratitude of the people of the United States of America.

DWIGHT D. EISENHOWER.

JULY 8, 1954.

Mr. ANDERSON. Madam President, I believe it is unfortunate that we find in newspaper stories statements of the nature to which I have referred. Such stories try to make it appear that the Livermore Laboratory, splendid as its work has been, was the real birthplace of the hydrogen bomb. Actually the patent, which I believe has been granted, though it may be only pending, on the hydrogen bomb bears the names of the two scientists, Dr. Stan Ulam of the Los Alamos Laboratory, and the other Dr. Edward Teller, who had been at the Los Alamos Laboratory, but who moved to Livermore. Those are the two men who have been properly given credit for the bomb. I am happy that the Los Alamos Laboratory had a great part in the accomplishment.

RADIO AND TELEVISION STATIONS

Mr. DOUGLAS. Madam President, for over 16 years the Federal Communications Commission has had before it what is known as the clear channel proceeding—docket No. 6741. On June 13 the Federal Communications Commission announced that it was directing the preparation of an order which would permit the duplication of 13 of the existing 25 clear channel stations. In other words, the Commission would allow a new station to be established on the same frequency as those now held by 13 of the present 25 clear channel stations. The final order has not yet been published.

Madam President, I am very proud of the new Chairman of the Federal Communications Commission, Mr. Newton Minow. He is, of course, from Illinois. But more important than that, he has brought to the Commission a sense of public service and public duty which has been all too rare there in the past. He has taken the position—and a quite proper position—that basically the airwaves belong to the people and that they are held in trust for the people by those stations which are granted licenses by the FCC.

In a courageous speech he gave here to the broadcasters, Mr. Minow pointed out what we all know to be the truth—that there is a "vast wasteland" in the programing of radio and television. He has correctly taken the point of view that these valuable licenses carry with them the responsibility for those who receive them to serve the public interest.

Madam President, I not only have no criticism of Mr. Minow, but I have the greatest admiration for the way in which he has carried out his appointed tasks in the face of groups with very great economic and political power which seek to preserve their existing power.

Furthermore, with respect to the clear channel proceeding, a decision has been long overdue, for this proceeding was started more than 16 years ago and has been left unfinished until very recently.

In announcing its instructions for the preparation of a order, however, the Commission has duplicated 13 clear channel stations while leaving some 12 clear channel stations unaffected. Among the 13 clear channel stations which are to be duplicated, 6 are network stations, 3 more are owned by a single firm—Westinghouse—and 2 others are to be duplicated for what appears to be rather special reasons. The remaining two are independent stations.

In effect, what the Commission has ordered is that the network stations and those which are owned by one firm, plus four independent stations, two of them with special circumstances, be duplicated. What it has also done in general is not to duplicate the remaining independent stations. In this area, too, there are two network stations which are not affected but on which other stations will, in fact, be allowed to broadcast.

Madam President, I do not have enough knowledge of all the circumstances to make a judgment as to the correctness and initial fairness of this decision. But I can make a judgment about my own State.

In the case of Illinois, every clear channel station serving our State, namely four stations in Chicago and one station in St. Louis, is to be duplicated. This will leave Chicago and Illinois without a single clear channel station.

The proposed purpose of this order is to provide more service to what are called the white or underserved areas of the country. These areas are those which are not served by a nighttime ground wave and the people in these areas are essentially without adequate nighttime service.

I am not at all certain that from the way in which the stations are to be duplicated that any large proportion of the 25 million people now without adequate nighttime service will, in fact, receive that service. This at least is questionable.

But what is clear to me is that in my own State, the effect of the decision will be to increase the area and the number of people who will be without adequate nighttime service. I think it is fair to say that the effect of this decision with respect to the clear channel stations which serve my State will be to deny more people adequate nighttime service than the new "duplicate" stations will serve. If that is the case, and I believe this to be true, I wonder if the decision by the Commission will, in fact, achieve its purpose? And I want to say here that I agree with the basic purpose of attempting to provide adequate service to the underserved or "white" areas of the country.

It would also seem to be clear from an analysis of the proposed order that the network stations are basically to be duplicated under this order while the independent stations, as a group, are not to be duplicated, at least at this time.

In the case of the Illinois area, it appears that the Commission decided to duplicate the four network stations; namely, WMAQ, WBBM, and WLS in Chicago, and KMOX in St. Louis, and

having decided to do this, determined that WGN in Chicago, which is an independent station, had also to be duplicated even though independent stations as a group were not to be duplicated.

Therefore, the effect of the decision will be to leave Illinois, Indiana, Michigan, and Missouri without a single clear channel station. The closest clear channel stations will be in Des Moines, Iowa; Minneapolis, Minn.; Louisville, Ky.; and Cincinnati, Ohio; and, of course, these will not adequately serve Illinois.

As I say, I am not well enough informed to make a judgment about this proposed order in its overall effects, but I can say that I think Chicago and the Illinois area should not lose at one fell swoop all five of the clear channel stations which serve them. I think this is especially true when one examines the list of those clear channel stations which are unaffected and notes that, by and large, they are left in areas with a good many fewer people than in the Chicago and Illinois region. This is emphasized by the fact that the 12 unaffected stations are almost all in areas of much smaller population, except for two New York stations. And while these two New York stations are unaffected, both of them already have, or will have, other stations on their frequencies.

I hope that before this order becomes permanent the Commission may reconsider the effect of the order on Chicago and Illinois which is the second largest population area in the country but which will have no clear channel stations at all if this order goes into effect. This is true even though only one-half of the clear channel stations in the country are to be duplicated.

Now let me turn to the situation existing in my own city of Chicago. Three of the four clear channel stations there are network stations. The fourth is an independent station which is owned by the Chicago Tribune. I think it is fair to say that the Chicago Tribune has never been a great supporter of the senior Senator from Illinois—either before or after he was elected to the Senate. In fact they have fought me in season and out for a third of a century. Therefore, when I say that this independent station which is owned by the Chicago Tribune has been scrupulously fair and has probably performed as great a public service both in the field of public affairs and special features, such as its farm programs reaching into the more rural areas of the State, as any station in the country, I believe that no one will accuse me of bias or prejudice in favor of this station. I can truthfully say that WGN has been most scrupulous in dividing time equally between and among political parties and groups in Illinois, in covering news events of groups with which its owners probably violently disagree, and in giving time to public interest and public service broadcasts which is really unrivaled in most areas of the country. From an examination of the data I have seen which the FCC has put out in directing the preparation of its order, it would appear to be that the only reason that WGN was duplicated was that the Commission decided to duplicate the other Chicago stations, for otherwise most of the independent stations were unaffected.

May I also say that I believe the CBS station in Chicago, namely, WBBM, has also made a real effort to serve the public interest with its news, public affairs, and programing in general. All this is said without derogation to any of the other clear channel stations.

I would hope that before the FCC order becomes final the situation which as it now appears will prevail in the Chicago and Illinois area if the order goes into effect will be reconsidered and that Chicago and Illinois will not lose every single clear channel station which now serves it.

THE NEED FOR TECHNOLOGICAL PERSONNEL

Mr. YARBOROUGH. Madam President, in discussing a far-reaching report recently issued by the National Science Foundation, Dr. Richard Bolt, associate director of the science foundation, emphasized this portion of the report:

> Every young person who shows the desire and the capacity to become a scientist should be ensured the opportunity to do so.

Mr. Howard Simons of the Washington Post staff wrote the following lead on his story concerning the National Science Foundation Report:

> During the next decade the American people must at least double everything—dollars, facilities, and manpower—connected with science and engineering education and basic research if the United States is to maintain itself as a first-class scientific nation.

Madam President, one of the proposals now before the Congress which could go a long way in helping to meet this need is S. 349, the cold war veterans GI education bill. Patterned after the highly successful education programs under the World War II and Korean conflict GI bills, the cold war GI bill would extend educational opportunities to more than 4 million young Americans. The previous GI bills gave the Nation 450,000 engineers, 150,000 physicists, chemists, and other scientists, 180,000 doctors, nurses, and medical technicians, and 230,000 teachers. The cold war GI bill would also open opportunities for the education and training of hundreds of thousands of needed scientists, engineers, doctors, teachers, and technicians over the next few years.

Madam President, I recently placed in the RECORD an article published in the Washington Post, showing that Communist Russia this year will graduate three times as many technological personnel from its colleges and universities, including chemists, physicists, and engineers, as we are graduating this year from American universities and colleges; also showing that Communist Russia this year is graduating more than 200,000 technicians, while we in America are graduating only 16,000 technicians.

The only program which will in great measure take up this lag is the cold war GI bill. I have the privilege of serving on the Veterans Subcommittee and also on the Education Subcommittee, and I have studied all these bills. I am coauthor of most of them. All of the college education bills combined will not place the students in engineering and science colleges that the GI bill alone will place there.

I ask unanimous consent to have printed in the RECORD the aforementioned article by Mr. Simons from the July 10, 1961, issue of the Washington Post entitled "Double Aim on Science, United States Urged"; also an editorial on the same subject from the July 11, 1961, issue of the Washington Post entitled "Twice as Many Scientists."

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 10, 1961]

DOUBLE AIM ON SCIENCE, UNITED STATES URGED—MOVE NECESSARY TO KEEP IN LEAD, NATION IS WARNED

(By Howard Simons)

During the next decade the American people must at least double everything—dollars, facilities, and manpower—connected with science and engineering education and basic research if the United States is to maintain itself as a first-class scientific Nation.

This is the implication of a far-reaching report issued here yesterday by the National Science Foundation.

The total cost during the next 10 years for the United States to insure its scientific program will be an investment of more than $50 billion.

The report suggests that this is a minimum investment, which if not made, could very well mean that scientific progress in the United States will level off and possibly stagnate.

Though an exact year-for-year breakdown of investment and manpower needs is not made, a cost is given for 1970—$8.2 billion. This is $5.2 billion more than the investment being made in fiscal year 1961 from all sources to colleges and universities for science and engineering education and for basic research.

At a press briefing, Dr. Richard Bolt, NSF's associate director for research and the man chiefly responsible for the report, suggested that a goodly portion of the additional investment will have to come from the Federal Government.

The major goal, and hence the reason for this investment, Dr. Bolt emphasized, is contained within the report itself. It is: "Every young person who shows the desire and the capacity to become a scientist should be insured the opportunity to do so."

The report has already been widely promulgated to members of the administration, including President Kennedy, Congressmen, scientists, and educators.

President Kennedy, in a letter of comment to NSF Director Alan T. Waterman, said, "the report makes clear that the Nation has a major challenge to realize to the fullest the potential of those young people who are expected to show desire and capacity to become scientists in the next decade." Achieving this goal, the President said, "will require the sustained efforts of all those in the Nation who are concerned with the quality * * * of American science and technology."

The report, lists as "musts" the following national investments in science and engineering education during the decade from 1961 to 1970:

From 100,000 (1961) to 175,000 (1970) in professional staff at colleges and universities.

From $800 million (1961) to $2,100 million (1970) in salaries for this staff.

From $150 million (1961) to $350 million (1970) in facilities for this staff.

From a total expenditure of $2.1 billion (1961) for science and engineering education to a total expenditure of $5.5 billion (1970).

INVESTMENTS IN COLLEGES

In addition, the report states, the national investment in basic research in colleges and universities during the decade ahead must increase:

From 45,000 (1961) to 85,000 (1970) in professional research scientists.

From $345 million (1961) to $970 million (1970) in salaries for these scientists.

From $85 million (1961) to $360 million (1970) in facilities for this staff.

From a total expenditure of $0.9 billion (1961) for basic research to an expenditure of about $2.7 billion (1970).

PREPARE OTHER PLANS

This is the first of a series of reports developing each of the "musts" set forward in this overall estimate of needs for the decade. It is for this reason that the report does not detail many of the schemes being prepared by Dr. Bolt's staff to show how and where and how much future investments must be made.

Absent from the report is any mention of competition with other nations and the pressures of such competition that might compel the Nation to invest heavily in its scientific progress. The reason for this, Dr. Bolt made clear, is that with or without competition from other nations the United States would still have to maintain its own progress if it is to conquer "disease and ignorance."

The issue, he said, is not competition with another, but the challenge of "how can we obtain the maximum strength from our own efforts to give us a solid scientific foundation to insure the Nation's well-being. If the United States wants to achieve this goal, Dr. Bolt said, the report tells the Nation how much it will cost.

[From the Washington Post, July 11, 1961]

TWICE AS MANY SCIENTISTS

In these days of cold war the annual investment in science is usually related to our national security. That relationship is very real and intimate; yet it is only one of various reasons for the growing demands for science education. Increased scientific knowledge may also mean better health, longer life, more abundant production. It is the well spring from which many of the changes in our rapidly evolving civilization flow.

A major policy document released by the National Science Foundation notes that a century ago machines supplied about 1 horsepower for each worker. Today they provide about 10 horsepower per worker. Eight out of ten workers were then required to feed the Nation; now less than 1 out of 10 is ample. The gist of the message which the Foundation has to offer is that in this day of accelerated scientific discovery the United States must step up its contributions to basic research and scientific education in order to keep in the forefront of social and economic progress. The Foundation sees no dearth of human talent for this purpose. Science and engineering doctorates, the report says, "have risen from about 400 in 1920 to 6,000 in 1960 and can be expected to reach about 13,000 in 1970." Nor do the authors of this study see any danger of draining too much of the Nation's top talent into the science and engineering fields. "The projected doubling of science and engineering doctorates by 1970," they conclude, "would still leave a wide margin of capacity available for the Nation's many other needs—for intellectual leadership in all professions."

It is the financing of this larger investment in science which creates the major problem. Colleges and universities already have a deficit of about $300 million in science teaching equipment and they will need an additional $200 million annually for the next 10 years to meet growing demands. The need for science laboratory buildings, research equipment, professional staff, and other items is also acute. The NSF calls for a step up in the total expenditure for science and engineering education from $2.1 billion in 1961 to $5.5 billion by 1970, and for an increase from $0.9 billion to $2.7 billion for basic research.

This may seem to be a high price, but we surmise that it will have to be met to avoid a slipping backward in the age of science and technology. The NSF points out that high quality in scientific education is especially important for the United States since it cannot possible compete in numbers with other more populous and rapidly growing countries. Given the kind of world we live in, we cannot afford to lag in this vital particular.

Mr. McNAMARA. Madam President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. McNAMARA. I have listened to the interesting statistics the Senator has given with reference to technicians being graduated from schools in the Soviet Union as compared with technicians being graduated from our schools. I believe it would be much more meaningful in the RECORD if the Senator would add the source of his information.

Mr. YARBOROUGH. The source is the article from the Washington Post which I placed in the RECORD, in its entirety, within the past 2 weeks. It was printed in the paper on page D–20, the business page of the paper. The information comes from the Engineers Council of the United States.

Sometimes figures on Russia given by the school people have been criticized; but these figures have been provided by the professional engineers of the United States, who have called on the American people to educate more technicians, more engineers, more scientific personnel, if the United States is to overcome the technological lag.

Mr. McNAMARA. Is not this information in conformity with the information we generally get from the Department of Health, Education, and Welfare?

Mr. YARBOROUGH. Yes, it is. The Department has been giving similar warnings, but some people have been criticizing the Department for empire building, stating that the Department simply wants to build up more personnel and build more schools. It is very interesting to observe that the figures I have just given concerning the number of technicians, scientists, engineers, chemists, and physicists, which Soviet Russia is graduating come from a professional engineering group in this country who are themselves in society. They are asking, we might say, for more competition by having more people trained in some professions in which we are lagging behind Russia.

This warning is in conformity with the warning given by Admiral Rickover, the developer of the Polaris submarine. He has stated that he believes the Russian educational program poses a greater threat to us than her missile advance and rocketry advance.

Also, we have had a warning by Dr. Teller, the inventor of the H-bomb, who says that if the United States does not act to increase the number of engineering and scientific personnel, we will be behind Russia in 10 years.

Mr. McNAMARA. I compliment the distinguished Senator from Texas upon the fine work he is doing in the area of advanced education. I have cosponsored with him proposed legislation of this type in the past, and I hope we may continue to do so.

Mr. YARBOROUGH. I thank the distinguished Senator from Michigan for his kind remarks. His continued support of the cold war education bill since 1959, when it was passed by the Senate by a vote of 53 to 31, is welcomed. I am glad to report to the Senator from Michigan that the record of the hearings we have had this year will come from the printer this week—at least, I hope we will receive it this week—and that we shall then be able to move in the subcommittee and the full committee.

I also commend the Senator from Michigan for his leadership in the field of education. He is a member of the Subcommittee on Education of the Committee on Labor and Public Welfare. He is in attendance at the sessions and works on education bills with a devotion which gives me great pride.

Mr. McNAMARA. I thank the distinguished Senator from Texas.

NEW JERSEY TELEVISION CHANNEL 13

Mr. JAVITS. Madam President, considerable debate is taking place in the New York area about the utilization of channel 13, the WNTA–TV channel, which emanates from Newark, N.J., but covers the whole metropolitan area, and is now proposed to be taken over by a citizens' group, which contemplates that it shall be essentially an educational television station.

This proposal is opposed by the Governor of New Jersey, who has written to me, and I suppose to others, as follows:

If New Jersey channel 13 is made available to an educational group interested in locating the headquarters of operation in New York City, New Jersey would be the only State, territory, or possession to be denied full utilization of this important communication medium for community interest needs.

The Governor's letter is dated July 7, 1961.

The New York Times of today, July 11, 1961, has published an editorial entitled "TV Knows No Boundaries." I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TV KNOWS NO BOUNDARIES

The opposition of Gov. Robert B. Meyner of New Jersey to the establishment of an educational television station on channel 13 should not deter the Federal Communications Commission from the earliest possible approval of the metropolitan area's newest cultural outlet.

The Governor's obstructionist attitude can only be construed as a disservice to the

public interest, convenience, and necessity. In his extended brief filed with the FCC, he has adopted the position that unless New Jersey gets the TV outlet on his terms (he concedes he is not in a position to put them into practice), he will stand in the way of others ready and qualified to operate the channel in the broadest public interest.

The Governor asserts he wants New Jersey matters to be more fully represented on the air. Yet he scorns Educational Television for the Metropolitan Area, Inc., the prospective new operator of channel 13, which promises to do just that. He contends that commercial TV has neglected his State in favor of catering to a mass metropolitan audience. But he opposes the one group that, thanks to its immunity to the pressures of the marketplace, will be in a position to cater to specialized needs in prime evening time.

The sincerity of Governor Meyner in championing the New Jersey cause need not be questioned. But the realization of his aim will not come about through an isolationist policy separating his State from the larger community. His goal can be achieved if New Jersey accepts a full partnership in this unique undertaking.

The Governor's time-consuming strategy, including a court fight, could have the effect of wrecking the educational TV venture; there is a deadline on the educational group's option to purchase WNTA–TV. It would be in the public interest—specifically including the New Jersey public—for Mr. Meyner to withdraw his protest.

Mr. JAVITS. Madam President, I call attention to the following paragraph of the editorial:

The sincerity of Governor Meyner in championing the New Jersey cause need not be questioned.

I certainly do not question it, although I thoroughly disagree with the Governor.

But the realization of his aim will not come about through an isolationist policy separating his State from the larger community. His goal can be achieved if New Jersey accepts a full partnership in this unique undertaking.

It is on that point to which I wish to address my remarks as a Senator from New York. We are very proud of the metropolitan area of New York, which is a tristate area. It is an area which includes a very large population; the most populous part of the State of New Jersey, the great city of New York and its environs, and a very large population in Fairfield County, Connecticut, as well.

It seems to me that great pride ought to be taken by each of the component States of this metropolitan area in its enormous population, its outstanding achievements, and the fact that it is, in many ways, not only the center of commerce, finance, and many educational and cultural activities, but also that it is the seat of the United Nations.

As one of New York's own Senators I may say that this area is considered by us not as New York's province, either in the sense of the city or the State, but as the property and the heritage of the whole area. Many of us, including myself, have supported the work of the Port of New York Authority and other bistate and tristate agencies. We want to continue to do that, whether it relates to water supply or the port or transportation facilities, or to commutation facilities, because this is the way of the future.

The way of the future means that we are a whole country, and that even if there are State lines, we will not let them interfere with what we have accomplished in the interest of the people of an area. If it is necessary to jump over State lines, that may be done by interstate compacts or by other arrangements which can be made for that purpose.

So we would really not wish in any way to enter into a controversy about this matter. Certainly education does not prosper in terms of controversy. Yet I express the hope that the Governor of New Jersey will carefully consider the position, which I believe is quite objective, of a great newspaper like the New York Times, and determine in good conscience whether the tremendous service for educational purposes of such a great television channel as channel 13 would not represent, in a sense, a blessing which the State of New Jersey should facilitate for the whole metropolitan area, taking great pride in the fact that it is making that great contribution, and in the fact that this great public benefit emanates from Newark, in the State of New Jersey.

Especially is this true because, as I know, and the Times says so, the group which is concerned has given its assurance that the programing will give the utmost consideration to the State of New Jersey in terms of local activities, local endeavors, local ideas and aspirations, and the capabilities which the State itself might produce for placing programs on this channel.

I hope we may have this excellent offer, to which I have just referred, pursued in the whole metropolitan area, and that rather than any feeling that New Jersey would be denied, as the Governor of New Jersey puts it, "full utilization of this important communication medium for community interest needs," the Governor and the people of New Jersey may feel that here is a great opportunity in which they can gain the greatest satisfaction by making possible so broad a public service as would this channel devoted to educational purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 11, 1961, he presented to the President of the United States the following enrolled bills:

S. 139. An act for the relief of Krste Angeloff;

S. 442. An act for the relief of Aspasia A. Koumbouris (Kumpuris);

S. 537. An act to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes;

S. 540. An act to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes;

S. 576. An act to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes;

S. 796. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus property by State distribution agencies, and for other purposes;

S. 1073. An act for the relief of Henry Eugene Godderis;

S. 1720. An act to continue the authority of the President under title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world; and

S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

ONE HUNDREDTH ANNIVERSARY OF BIRTH OF FORMER SENATOR GEORGE WILLIAM NORRIS, OF NEBRASKA

Mr. HRUSKA. Today, the 11th day of July 1961, marks the 100th anniversary of the birth of George William Norris, a Senator from Nebraska.

Earlier today ceremonies were held on the steps of the east front of the Capitol connected with the dedication of the George W. Norris commemorative postage stamp. Among the speakers were the Honorable SAM RAYBURN, Speaker of the House of Representatives, and the Honorable J. Edward Day, Postmaster General of the United States.

Presentations of special stamp albums were made to various Members of Congress and to representatives of the President. Also, a special stamp program was presented to Mrs. Jerome Doolittle, granddaughter of the late Senator Norris.

Also, festivities and a celebration are being held today in McCook, Nebr., where the widow of the late Senator is still living. This evening a banquet will be held in that city to commemorate this anniversary. It is regretted by both my colleague and myself that because of senatorial duties here, we were not able to attend the festivities and celebration there.

Madam President, on May 15 the Senate approved Senate Resolution 146. I ask unanimous consent that the text of the resolution be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the resolution (S. Res. 146), adopted by the Senate on May 15, 1961, was ordered to be printed in the RECORD, as follows:

Whereas the late George W. Norris served for ten years as a Member of the House of Representatives and for thirty years as a Member of the United States Senate with dedication, distinction, and untiring concern for the public welfare; and

Whereas he served with distinction as chairman of two standing committees of the Senate, the Committee on Agriculture and Forestry and the Committee on the Judiciary; and

Whereas he sponsored progressive reforms through such proposals as the 20th amendment to the Constitution, anti-injunction legislation, the Tennessee Valley Authority and the Rural Electrification Act, and the unicameral amendment to the Nebraska State Constitution; and

Whereas he was beloved by his own State of Nebraska and the Nation as a whole for his courage, integrity, and unselfish devotion to the cause of his fellow man; and

Whereas July 11, 1961, will mark the 100th anniversary of the birth of George W. Norris: Therefore, be it

Resolved, That at the conclusion of that day's business, or if the Senate is not in session on that date, then on the next following day on which it will be in session, the Senate stand adjourned as a further mark of respect to the memory of the late Senator from Nebraska, George W. Norris.

ADJOURNMENT

Mr. HRUSKA. Madam President, pursuant to the provisions of Senate Resolution 146, I now move that the Senate stand adjourned as a further mark of respect to the memory of the late former Senator George W. Norris, of Nebraska.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nebraska.

The motion was agreed to; and (at 5 o'clock p.m.) the Senate adjourned until tomorrow, Wednesday, July 12, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 11, 1961:

GOVERNMENT OF THE DISTRICT OF COLUMBIA

John B. Duncan, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified.

FEDERAL COAL MINE SAFETY BOARD

Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1964. (Reappointment.)

CONFIRMATION

Executive nomination confirmed by the Senate July 11, 1961:

NATIONAL CAPITAL TRANSPORTATION AGENCY

Warren D. Quenstedt, of Virginia, to be Deputy Administrator of the National Capital Transportation Agency.

EXTENSIONS OF REMARKS

Legislation in the Field of World Trade

EXTENSION OF REMARKS
OF
HON. LEVERETT SALTONSTALL
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Tuesday, July 11, 1961

Mr. SALTONSTALL. Mr. President, a few days ago our distinguished colleague from the State of New York, Senator JACOB K. JAVITS, was the keynote speaker at an American Management Association conference in New York City on expansion of U.S. exports.

Because of his long experience in this field, and his recognized leadership in shaping legislation to help expand our world trade, I am requesting that his thoughtful remarks be printed in the CONGRESSIONAL RECORD.

Mr. President, we who are serving on the Senate Small Business Committee have been working closely with Senator JAVITS on the important legislation, which he discusses. Bills to strengthen the services of the Department of Commerce, the Small Business Administration, and the Export-Import Bank are now pending before our committees.

For this reason, it seems to me that the challenging views of Senator JAVITS are helpful in our consideration of legislation pending on this problem.

All of us are committed to expanding U.S. exports; we are indebted to Senator JAVITS in suggesting practical ways in which the Federal Government can help.

I ask unanimous consent, Mr. President, that Senator JAVITS' speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HONORABLE JACOB K. JAVITS, A U.S. SENATOR FROM THE STATE OF NEW YORK

Senator JAVITS. Thank you very much.

Gentlemen, I am glad to be with you this morning.

I thank you, Mr. Hood, for introducing me so promptly because I have what in Washington are called floor problems. I have to get right back to Washington because we have a social security bill on the Senate floor.

Gentlemen, I am deeply concerned with this subject because I believe that, interestingly for businessmen, you stand at the crossroads of something that can be of inestimable value to our country as well as to your businesses. I think it is essential for American business to move actively and aggressively into the export field.

I think it is also essential to our Nation to materially expand export trade now, with all that that implies. This not only goes for us, but it also goes for our allies, with whom we must have a great deal to do on this subject.

I would like, first, to congratulate the American Management Association, whose elaborate plant here I never saw, though this is my hometown, on staging this kind of briefing session at this time for this particular purpose, because I think it is a rare opportunity and is rarely as felicitous as it is right now.

You have heard about our discussions on the floor of the Senate and Congress generally on foreign aid. These will be succeeded, I assure you, by discussions on foreign trade. The Reciprocal Trade Agreement Act comes up for renewal next year. It will face a terrific fight, and yet it is essential to our country.

The reason it will face a fight is that exports imply imports, and imports hurt people; at least some think they do, and, hence, you have political pressures developing to eliminate imports in one line or another because they hurt a particular local-interest industry or a particular local community. And, yet, if you eliminate imports of one kind or another, you lessen the capability of other nations to accept your exports, and you invite retaliation, and, what is even worse, you invite retaliation by the Soviet bloc, which is a very serious threat in this whole field.

Now I am not without knowledge in this field. I am not only a Senator but I am also chairman of the Economic Committee of the NATO parliamentarians. This is my third year, and, so, on a number of occasions in every year I have gotten a thorough education on what happens in trade all over the world. In addition, I serve on the Senate Small Business Committee, on the Senate Banking and Currency Committee, and on the Joint Economic Committee, and I have dealt with this subject all my life. I used to be chairman of the Economic Policy Subcommittee of the House of Representatives.

I say that to you because I hope you will not dismiss what I say as just being the recitation of a few facts that somebody wrote down for me and let it go at that. I assure you that what I tell you is not based upon any such superficial approach.

Now, I believe it absolutely essential to our Nation that we double our exports in the next 10 years from $20 billion a year to $40 billion a year. Now, we doubled our exports between 1950 and 1960. So we showed that it can be done. They went from $10 billion to $20 billion. Some of that was price inflation, but a good deal of it was actual increase in goods.

Between 1959 and 1960 our exports to the six-member nations of the European Economic Community increased by more than $1 billion, going up an enormous percentage rate, verging on close to 50 percent. The significance of that is that it shows what can be done when you begin to get integrated markets. And when people begin to rationalize the problems created by their own boundaries—and let us not forget, and I heard what Mr. Hood said about timing—let us not forget that you are having the beginning of that in the Americas. There are now two Common Market areas which are developing, one in Central America and one in South America, and I think the time to look into them is now and not when they are actually formed and organized as the European countries have organized under their own treaty.

Now why is it essential that we get into the export field in a much bigger way? I will give my reasons for that because I found that businessmen derive great satisfaction in feeling that what they are doing, in quite a selfish business sense, is nonetheless in the very deep interest of the United States.

I notice the gentleman here from one of the banks. Probably there are a few other bank people here. Well, I know the banks very well, and I talk with their people many, many times, and the concept of business in the public interest is a very strong one among banks and bankers, who more and more feel themselves interested. So I lay certain considerations in the public domain before you this morning as an inducing cause for doubly hard work, doubly intelligent work, and redoubled interest on your part, because your interest should be not only business but patriotism.

The first reason is that we are facing terrific competition from the Communists. They are moving especially into the less developed areas. Between 1954 and 1959 the Soviet bloc increased their trade with the

less developed areas by 165 percent from $860 million to $2.3 billion in roughly 6 years. And they expect even greater gains for 1960 although final statistics are not yet available.

In that 6-year period the ratio of U.S. trade over the Soviet bloc with these same nations was reduced from 9 to 1—that is, we did, as compared with the Soviets, nine times as much trade with these 41 less developed nations—to a ratio of 4 to 1. And the Soviet bloc is primed to draw these countries into economic dependence.

The Soviet bloc has tremendous potentials in this area. It has tremendous potentials for economic warfare. It has already caused us considerable trouble in a few commodities—flax, tin, bauxite, and now residual fuel oil. Almost at will it can seriously disrupt free world markets by dumping material at a cut price.

Now this is a very serious danger and just indicates that the Soviets can and will play an increasing role in world trade.

When Khrushchev said "I will bury you," he meant I will bury you economically, and he confidently believes he can do this just because of this power. Hence, this is one of the main reasons why more and more we have to be dedicated to the world as well as to our own country in terms of trade.

Second, we face a serious imbalance in our international payments. Just last year we were losing at the rate of $3.5 billion to $4 billion a year. Even we can't stand that. Hence we had to reverse the trend.

Now the policies of the Government and business did reverse the trend very materially, and we now have an easily manageable basic deficit of less than a billion dollars a year as the difference between our outgo and income in terms of dollars. But it is generally believed that this relative stability is temporary, and the reason it is believed it is temporary is that our export surplus is not big enough to make it permanent. Our export surplus range in the area of $5 billion is now very heavily attributable to jet aircraft and cotton, and these are considered special situations. So everybody can expect—and anybody who read the First National City Bank newsletter the other day—not to place you in competition—saw that they confidently anticipated that we will have a balance-of-payments crisis again in the fall of this year.

The only way that can be dealt with on any permanent basis is by a material increase in our exports, and let us remember that the world hungers for American products. If we had the salesmanship and the credit medium—and I will come to that in a minute—by which to get them out, the world is starving for the very things we make, providing we can get them on the proper credit terms and we can sell them and put them to use in all these countries.

It is unbelievable that the U.S. steel production should be at a 70 percent rate in a world which is thirsting for the very steel which is not being produced and which absolutely needs it, if it is to stay free and not go Communist.

So point No. 2 is the serious imbalance in our international payments. Point 3 is the lessening effect of foreign trade on economic recessions in the United States. It has been demonstrated time and again that foreign trade often holds up at a time when we have a domestic recession, and this is an extremely valuable anchor to windward especially where you are dealing, as I say, with a world which is so starved for the very things we make. And I am not going to bemuse you again with all the detailed points. You know them very well.

The question is, For how long can we extend credit, and will the free world as a whole follow through in the less developed areas until these areas do come through based on their development plans, because based on the facts that they have people and resources, they are bound to come through ultimately if we persevere enough. Even the British say with their crazy "ground nut" scheme, about which many of you know, in which they dropped a neat $160 million or $170 million, that if they had been able to go through with it, if they had the capital and were willing to go through with it, it would have been successful notwithstanding the fact that it was very fanciful and had a lot of "bugs" in it. But even they say in a scheme like that, "if we had only been able to go through with it, it would have been successful."

That indicates what I say, that most of these places are credit worthy if you were sure there would be followthrough in terms of government and individual investment until they could actually mature on their development plan.

Now I believe these things for these three above reasons at least, and there are many others in terms of the fact that the domestic market doesn't have a saturation point but that the exigencies of international affairs are such that there must be ultimately some ceiling on the development of the American standard of living in terms of our own defense needs, in terms of the toughness of our own people, and in terms therefore of the development and expansion of industry, the great opportunities abroad. And I think there is a very interesting sidelight on that in the enthusiasm with which our young people have embraced the Peace Corps. There is something instinctive about the fact that the young American boy and girl wants this adventure which the West used to give and which the world now gives, and whether we like it or not this will put us out in the world and will put business out in the world. So, in emphasizing the export trade for business, small and large—and I will come to small business in a minute—you are riding with a stream, you are riding with the current of our times.

Now what do we need to do in order to double our export trade in the next 10 years?

First, we must be prepared to take our share of imports. This is absolutely indispensable. The dollar may go all over the world, but sometime it has got to come back here, and the same is true of what we export and what we get paid for. Those people have got to find their money coming back to them somehow, sometime, somewhere, and the only way that that can be done is ultimately if we take our fair share of imports just as we develop our export trade.

Second, we must open up export opportunities to smaller U.S. business. This is the big area, and it still remains to be explored. There is a most infinitesimal participation by American small business in export trade, and in my opinion there you come right up to the point of credit and you have just got to be for the export guarantee operations of the Export-Import Bank so that they give a complete program both of political and commercial risks of export credit guarantees which in the first instance represent an underwriting after the credit has been taken by a bank or insurance company. But this is absolutely a very, very grave problem and in very grave need particularly on the part of small business.

The Small Business Administration, I think, is quite ready to help with this particular situation. That has been the nature of the testimony which we have had from them. But essentially this is a matter for the Export-Import Bank.

In other countries, notably in Britain and in West Germany, in France, Italy, and Japan, there is a tremendous program for both small and large business in the underwriting of export credits, and I will say to you gentlemen who are interested in the export trade that I have yet to see a real liveliness on the part of our banks and insurance companies in this regard.

Now our banks do pretty well although not as well as I think they ought to do, but at least I don't think they are nearly as much subject to criticism as are the insurance companies because here are tremendous pools of capital which are very, very useful for the purposes that we are discussing, and, when backed with Government guarantees, would have absolute security and yet make available to the business community tremendous new resources in terms of export trade.

There are other suggestions aside from the straight Export-Import Bank underwriting very much like an FHA underwriting of a mortgage for export credit. For example, one I would like to lay before you is one proposed to us by Francis X. Scafuro, vice president of the Bank of America International, of New York, who has been cooperating with the international section of the New York Board of Trade. His proposals are incorporated in two bills in the House, of which you may make a note if you like—Federal charter with the right to borrow Federal funds to make good on its guarantees, guarantee corporation to be established by H.R. 7102 and 7103, one of Mr. MULTER, of New York and the other by Mr. WIDNALL, of New Jersey.

He proposes an American export credit but functioning on a premium basis with the efficiency and the independence of a private corporation.

Some 109 export organizations back this bill, and it deserves, I think, the serious consideration of the Congress, if the Export-Import Bank doesn't come up with a program, although it has a draft program out and indeed has been conferring with some of our New York banks about it.

But the question is of consummation. We must have a very comprehensive program of export credit guarantees.

I might say to you, too, that another legislator, who has been rather active in this field and deserves a good deal of credit, is Senator ENGLE, of California, who is a colleague of mine on the Senate Small Business Committee, and is also on the Senate Commerce Committee. He has been very active in this field.

So small business essentially needs the Export-Import Bank backing in terms of guarantees, and needs new pools of capital, that is, of available funds which will back it up in terms of credit extension in its exporting trade.

Also we had some testimony here in New York which indicated that there are a good many companies starting up which give a comprehensive service to small business and take over all of its problems of export sales in terms of documentation, credit, packaging, advice, selling, designing, advertising, and so forth.

Now these package deals may and may not be too expensive. I just don't know. But, in any case, the testimony before the Small Business Committee of the Senate is available to any of you who wish it, and gives a considerable detailing of those services. If you want a copy of that testimony, write my office and we will be glad to let you have it.

Now the third thing which we have got to do in terms of our activities to increase exports is to enlist the cooperation of Western Europe. This is an enormous opportunity.

In the first place, as some of you may know, I am launching quite a campaign to get the OECD, the new Organization for Economic Cooperation and Development, to back up our Alliance for Progress and to double it. I think the Alliance for Progress is just about half enough. That is the $1 billion to $2 billion a year which Latin America needs. It ought to be $2 billion to $4 billion a year in order to really do the job that needs to be done. And the Europeans can very well manage it. But beyond that there are some things they have to do themselves. For example, you know all trade is not just bilateral. It is multilateral, quadrilateral, quintilateral, and you can go on as far as you like from there.

One of the big bugs which we find now is that the European countries, by a lot of taxes called sumptuary taxes, of which I will be glad to give you a list if you are that interested, keep out some of the very important commodities sold by Latin America, notably coffee and cocoa. They also keep out a good deal of tea.

We have estimated, for example, in our office, that as regards one tax, the sumptuary tax on coffee alone in only a few countries, to wit, Germany, France, Italy, if you didn't eliminate it but just reduced it to make it reasonable in relationship to a tax revenue purpose, and took away its penalty features which are now imposed by these three countries—kind of the remains from the past when they had no dollars and were in very difficult financial situations—and you would enable Latin America to sell $60 million to $100 million more of coffee every year to just these three countries alone. These are called sumptuary taxes, kind of an internal excise tax, sort of a sales tax, if you will.

I mention that only because it is an indication of what we can do to help ourselves, and a very striking indication of how we in the Western World are tying our own hands and making it tougher for ourselves to deal with these major problems.

I myself have introduced two major measures to expand our exports and to deal with the problems created by our imports. One is called the National Export Policy Act, S. 851, and the other is the National Import Policy Act, S. 852.

In the National Export Policy Act I had the cooperation of every member of the Senate Small Business Committee. The bill, Senate 1379, is sponsored by 19 Senators, popularly known as the Sparkman-Javits bill. Senator SPARKMAN has done me the great honor of joining with me. He is the chairman of the Small Business Committee.

This measure establishes a Council on Export Promotion in our Government, and proposes to augment very materially the export services, including advertising and the use of other media of that character, rendered both by the State Department and the Department of Commerce. It proposes to expand enormously our trade centers and trade missions. It proposes to run pilot projects which will be especially helpful to small business in respect of warehousing and market research in fields abroad. And, of course, it proposes to beef up tremendously our financial means for accelerating the export drive.

This is a very important measure. It has an excellent chance for passage. It has rather impressive backing and can be of tremendous aid, especially to small business, and has enlisted the whole Senate Small Business Committee.

On the import side—and again I emphasize to you as exporters the critical importance of a proper and fair climate for imports into the United States—it seems to us in Washington, who think as I do, that there is no other way than adjustment assistance. Now, what adjustment assistance means, in effect, is that you take the communities or the line of business or even the individual business and certainly the worker who is put at a disadvantage by imports, and you try to do something for him, not by cutting down the imports or eliminating them, although that must stand on an economic bottom if it is a major and serious injury to American business.

As you know, we have the escape clause, the peril point provisions with respect to negotiations, with the power of the Tariff Commission and the President in those regards, but when you get into a situation where imports are desirable in terms of either the Nation or your world trade position, but they nevertheless hurt people, you have got to find some way of helping those people rather than eliminating the imports.

There we think that loans, tax incentives in terms of remachining or retooling or going into another line of business are very important to the businesses themselves, and, with Senator CASE of New Jersey, I have actually introduced such legislation to do these things.

Also for the worker, we propose supplementary unemployment compensation which I might tell you has an excellent chance for passage. This is a very burning issue, as is early retirement for those who are 60 or over under the social security law, and relocation assistance if the worker wishes to move from place to place and vocational retraining assistance which may very well find its way into the vocational educational bill which we are now considering.

That, I think, gives you a fairly rounded picture of what we are doing in Washington in the efforts to accelerate this strong posture by our country in terms of foreign aid, and perhaps will suggest some ideas to you as to how you may fit into it.

Many good men have come up with many ideas, as I mentioned to you; for example, Mr. Scafuro's idea and others which have been presented to us, those ideas I have myself espoused, not original with me, either, but discussed and put forth by many distinguished economists who appeared before us in the Joint Economic Committee. I think a good many of these will be enacted into law. Some may be delayed until the later session of Congress. Some will run afoul of the rivalries in Government agencies, or perhaps be the victims of timidity in industry and reluctance to blaze new trails. But I do think there will be a supporting and helpful body of legislation, and I would urge you in figuring your own export plans to include the idea that the Federal Government will help with the general export picture either in the ways that I have explained or in other ways.

I might also point out that if any of you have any ideas, let us have them, because, after all, this is where they can be made merchandisable where I work, and this is where we can do something about them, and I assure you of our deep and burning interest. And I think I can assure anybody who has had any experience with me or my office that we don't toss any idea out. We examine it and do our utmost to find some way in which we can use all the ideas we get.

The issue before us is really how best can the peoples of the world satisfy their hunger for the world's goods and services. If the answer is through the private economic system, then the private economic system has got to rise to the enormous challenge which the world poses to it. It needs to send its goods to Malaya, to Senegal, to Brazil, to Iraq, and to Nigeria with the same efficiency and same security with which it supplies eager millions in New York or any other city in the United States. And I must say in conclusion that I am very impressed with the fact that an organization like this, which is so seriously engaged in this work, would get you gentlemen together in order to endeavor to give you an education in this field.

I would also like to point out to you—and I hope very much that you will take this away with you—I think it is very important in terms of Government that, much as you like to think of politicians as fellows who run after the next vote or are worrying about the next election or maneuvering for whatever will be their own personal position—I have served in the Congress of the United States now for 8 years, and in the Senate for 5 years. That gives me a total of 13 years of legislative service. And I would tell you, gentlemen, that in the main—not that it is not by any means unanimous, but in the main, the men and women who are serving in the House of Representatives and the Senate are just as dedicated as you are to the purposes and the aspirations for which you sent them there. There are a lot of good brains and a lot of good information and a lot of very smart people down there trying to do the Nation's business.

If any of you have ever testified before a Senate or House committee, I think you will go away a lot more respectful of what we know about our subjects than when you got there.

Also, we are deeply interested in what the American business community proposes to do about the export business and the import business. We know better than anybody else that even with a $5 billion aid bill you don't begin to scratch the surface of what can be done for this world when you figure that foreign trade is $135 billion a year. And all the aid we give Brazil, for example, can be swept down the sewer in one afternoon if there is a drastic fall in the price of coffee, and you can duplicate that in every country in Latin America, in Africa, and the Middle East. In other words, we are no fools either. We understand what we can and what we cannot do. And I will tell you, gentlemen, freedom will not win unless the business community of the United States learns its part in how to operate in respect of our policy all over the world. And if it does, and learns it well, then the victory of freedom is unquestionable. We will pulverize Mr. Khrushchev once we learn how to use our resources effectively.

Our economy is not less than 2½ times his; maybe 3 times. We have a vaunted reputation in the world of knowing how to supply the very things everybody wants. The only point is that they don't trust us to do it as yet, and here is where the American private economic system is very important.

So, while I come up here on a very hard trip—I left Washington this morning and I must go back at once—I assure you that I don't do it because I want to hear myself talk or because you are such nice fellows. I do it because this is a burning question in the public interest and you can, standing where you do, be materially helpful to the future of our country and to the future of freedom. I hope very much that as you go into these things in your day-to-day problems, you will add an additional quotient of adventure and the willingness to take some risk. You can make the analogy with what

other men and women have risked in war, and I assure that this is just as much of a war as anything we have ever fought.

Thank you very much. [Applause.]

Thomas C. Egan

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. WALTER. Mr. Speaker, today I rise with a grieved heart for, just a few days ago, a truly great friend and college classmate was laid to rest.

The death of Thomas C. Egan, a U.S. district judge, early Thursday came as a shock to his fine family and the great multitude of friends that he acquired in his 67 years on this earth.

Tom was stricken Wednesday afternoon as he was about to leave the bench in a courtroom at the Federal Building in Philadelphia. He died 13 hours later in St. Mary's Hospital.

I first came to know Tom as a student at Georgetown University where both of us became close personal friends.

He never forgot his university and he served it well, as he did all other organizations who were blessed with his membership. He was named alumnus of the year by Georgetown University in 1953. He was a past president of the University's Alumni Association. Five years ago, Georgetown University gave Tom Egan an honorary doctorate.

A veteran of World War I, Tom went into politics shortly after he received his law degree from the University of Pennsylvania in 1921. He was active in independent Republican politics on both a State and national level for a quarter of a century.

Former President Eisenhower appointed Tom to the Federal district court 4 years ago and he served with distinction.

I loved Tom for many reasons. One of the big reasons I loved him was that he was a humanitarian in the deepest sense of the word. Most recently, he was chairman of the Philadelphia Fellowship Commission and headed its fund drive. In 1954, he received the Humanitarian Award of the Deborah Tuberculosis Sanatorium and Hospital for his achievements and contributions in civic and humanitarian affairs.

Another reason why Tom was loved and admired was that he was first, above everything else, a devoted family man. Almost all of his time away from his office was spent with his lovely wife, Mary Kelly Donnelly, and his three sons, Thomas C., Jr., Charles, and Paul, and his daughter, Sister St. Ursula, a teaching nun with the Order of the Sisters of St. Joseph.

How proud he was of his family, and how proud he was that his daughter had decided on living a life of the religious.

Truly, Tom Egan must be with the saints in heaven today. For, there was no finer man walking this earth who lived every moment as a true disciple of his God.

A Tribute to Volunteer Fire Departments

EXTENSION OF REMARKS

OF

HON. EDWIN B. DOOLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. DOOLEY. Mr. Speaker, on July 6 in the friendly village of Mamaroneck, N.Y., there was executed a parade of firemen from the surrounding villages and countryside which was so extraordinary that I believe the story of it deserves being perpetuated in the RECORD.

There have been such parades in Mamaroneck for years, featuring the volunteer companies in or near my constituency, and they have always attracted a sizable crowd. The occasion to which I have referred, however, established a precedent not only in the number of spectators who viewed it, which approximated 15,000 and the number of companies which marched in line, but also in the evident morale of the firemen themselves whose performance was marked by precision and vigor and whose equipment fairly sparkled in the bright lights of the evening.

Someday, someone will tell the story of the contribution which volunteer firemen are making to the communities of Westchester County as well as to other communities of the Nation.

The willingness of the members of the various departments to spring forth on a moment's notice in the service of their communities is a tribute to the firemen and to their fine sense of the fitness of things.

Only recently in Eastchester, N.Y., eight firemen were severely injured in fighting a serious blaze. Instances without number could be mentioned wherein these courageous volunteers have risked their very lives for their fellow citizens.

There are other aspects to the volunteer fire department which constitute a saga of village life which is often overlooked. Their high sense of responsibility to their officers and to their communities is coupled with a warm sense of friendship which makes their meeting places wholesome and pleasant surroundings in which to enjoy the comradeship of rugged men.

Their high sense of purpose is commendable and at the parades such as I mentioned above, people from the villages and towns all over the county rejoice not only at the demonstration but at the opportunity to pay tribute to the men they respect so highly.

My own community of Mamaroneck which staged the parade under the able guidance of Walter Webber, Jr., owes much to the fine group of men who over the years have constituted its fire contingent. In any emergency in which the village finds itself, the volunteers can be counted on to respond immediately in the best interests of the 17,000 people who make up the population of the village.

From the days when men drew their own trucks by hand to modern times when a firetruck costs anywhere from $25,000 to $50,000, volunteer fire departments have taken pride in maintaining their equipment in first-class order and in conducting themselves as first-class members of the community.

I take this opportunity to commend not only the firemen in my own community but those in other villages and towns who are rendering service willingly and without thought of gain. They are the salt of the earth, and Mamaroneck and other communities are proud of them.

Pensions for World War I Veterans, Widows, and Dependent Children

EXTENSION OF REMARKS

OF

HON. VICTOR A. KNOX

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. KNOX. Mr. Speaker, under permission to extend my remarks, I wish to place in the CONGRESSIONAL RECORD the testimony which I have presented to the House Committee on Veterans' Affairs supporting legislation that I have introduced, H.R. 6199 and H.R. 6200, which would provide a pension for veterans of World War I with certain income limitations and a pension for widows and widows with dependent children, also with certain income limitations. It is my sincere conviction that these legislative proposals should receive the serious consideration of the Congress at this time. My testimony follows:

Mr. Chairman, I appreciate the privilege of presenting to the distinguished membership of the House Committee on Veterans' Affairs this statement in support of my bills, H.R. 6199 and H.R. 6200. In deference to your busy schedule I will be brief. The Committee on Veterans' Affairs is to be commended for scheduling hearings on pension legislation affecting the some 2½ million World War I veterans still living, and also those surviving widows and children of such veterans who find it financially difficult to provide the daily needs for themselves.

H.R. 6199 which pertains to survivors of veterans of World War I would amend title 38 of the United States Code to provide a monthly pension of $65 for the widows of World War I veterans subject to an annual income limitation of $2,000 for widows without children and $2,400 for widows with children. This would modify the present pension program of existing law for widows of World War I veterans so that the program would be a separate and permanent pension act. Under my bill in order to be eligible the widow of the World War I vet-

eran would be required to have been married to the veteran for a period of 5 years or more and for any period of time if a child was born of the marriage. The restrictions imposed on income would be the same as those under the pension law that expired June 30, 1960.

I am sure you will agree with me that it is reasonable to assume that the employment opportunities for the widows of these veterans have been greatly lessened due to their ages. Taking these factors into consideration it can hardly be expected that their average annual incomes would exceed $2,000. It is also reasonable to assume that minor children would, with the advance of time, become a decreasing factor in benefit cost and eventually the widows without children would be the sole beneficiaries of my proposed bill.

H.R. 6200 pertains to the veterans of World War I themselves and would amend title 38 of the United States Code to provide a monthly pension of $100 for World War I veterans subject to an annual income limitation of $2,400 for single veterans and $3,600 for veterans with dependents. All honorably discharged veterans of World War I who served in active wartime service for a period of 90 days or more, or honorably discharged after having served less than 90 days for a service-connected disability which is recognized by the Veterans' Administration, shall, upon reaching 62 years of age when there is a disability existing of not less than 10 percent and there is reasonable medical evidence to substantiate that such a disability will continue throughout the remainder of the veteran's lifetime, be entitled to a monthly pension of $100 a month. If the veteran is in need of regular aid and attendance the monthly rate would be increased by $70.

Under the provisions of H.R. 6200 a veteran's income would include social security and retirement pay, less the veteran's contributions; the veteran's share of jointly owned stocks and bonds, saving bank deposits, and the dividends or interest accruing thereon; and other such personal income.

The veterans of World War I and their widows deserve the small pension increases proposed in H.R. 6199 and H.R. 6200. It is my belief that we can make this pension program more adequate for those who need the help most if these pensions are based on some proven need, and not granted to all regardless of income or abilty to provide for themselves.

For those veterans who were on the pension rolls before July 1960, from 1946 to that time their pension only increased from $60 to $66.15 monthly for a veteran under 65 and from $72 to $78.75 for a veteran over 65. In the same period widows' pensions only increased from $42 to $50.40 monthly. I am sure that I need not recite to the members of this committee what has happened to the purchasing power of the dollar in a similar period. I might add at this point, that I have received numerous complaints concerning the determination of a veteran's eligibility under the present law.

Mr. Chairman, I think one of the things about my bill, H.R. 6200, that is not included in other bills pending before your committee is that the benefit eligibility is related to benefit need and would not be available to veterans fortunate enough to have income over amounts prescribed in the bill. This in my judgment is an equitable and appropriate modification. The suggestion for its inclusion was presented to me from members of one of the outstanding veterans organizations in my district. It is a meritorious proposal in that it tailors the Federal program to answering actual need of a significant number of our veterans who have served their Nation in time of war and who now must necessarily look to their Government for help in their declining years.

Let me conclude my statement by commenting briefly on the budgetary aspect. I recognize that what I proposed will result in the expenditure of additional Federal funds in behalf of the veterans of World War I. The exact expenditure involved will be furnished to the committee by actuaries and experts of the Veterans' Administration. It is my conviction that caring for the veterans of our Nation who need financial help is more appropriately a function of the Federal Government than are some of the proposed Federal expenditures that are now being provided by State and local programs. Therefore, I believe that in terms of establishing a priority for the application of Federal funds a very high priority should be given to this deserving and urgent need and that we must meet the cost of the program by delaying some of the suggested Federal programs that encroach upon State and local prerogatives and traditional functions.

I request that your committee give favorable consideration to these legislative proposals.

Thank you for this opportunity.

Appeal by the President for Aid Program

EXTENSION OF REMARKS

OF

HON. J. W. FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, July 11, 1961

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a public statement unanimously adopted by the executive committee of the Citizens' Committee for International Development, announced at the White House, Washington, D.C., on July 10, 1961; also an article entitled "Transcript of President's Appeal for Aid Program," published in the New York Times of July 11, 1961.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

PUBLIC STATEMENT UNANIMOUSLY ADOPTED BY THE EXECUTIVE COMMITTEE OF THE CITIZENS' COMMITTEE FOR INTERNATIONAL DEVELOPMENT ANNOUNCED AT THE WHITE HOUSE, WASHINGTON, D.C., JULY 10, 1961

Our purpose in meeting with the President today was to give him our personal pledge and tell him of our conviction that the American people do accept the challenge to carry out to the fullest measure of their ability the responsibilities imposed on our citizenry in this critical decade.

Specifically, we informed the President of this committee's abiding confidence that the United States must maintain an effective program for economic and social development, as well as military aid, to other less developed nations which are seeking to develop the well-being of their peoples in peace and freedom, and to advance their security. We believe that the security of this country, as well as the peace of the world, depend on a comprehensive efficiently operated foreign aid program—a program of a size and scope consonant with our responsibilities as the leader in the 1960's of the free peoples of the world.

To this end, the Citizens' Committee endorses the program for international development which has been submitted to Congress by the present administration as the most effective program that can be devised within the context of sound economic policy.

It is our belief that the reasons which impelled our Nation to establish a program permitting other free nations to share our progress and maintain their strength, in freedom, are even more compelling now than in the days of our earlier foreign aid operations—in the days of the Marshall plan, point 4, mutual assistance, and ICA.

The challenge to the free world, political, military, and economic, sharply increases week by week, even day by day. The totalitarian forces of the world are themselves expanding their own programs of aid and sending thousands of trained technicians, along with other forms of exploitation.

Any withdrawal or reduction of the efforts of the United States in this field would be an abandonment of our responsibility, a demonstration of unconcern for the weal of freemen, and an immeasurably dangerous threat to our own security and democratic way of life.

This committee points with pride to the notable successes of past programs through which we have assisted in the rebirth of a free and strong Europe, in the development of less privileged nations into societies that can with realism look forward to economic and political stability.

Our attention must now be focused on maintaining these successes and achieving new gains. We must focus not on weakness in the administration of foreign aid programs of the past. These weaknesses can be substantially mitigated by the determination to do so, expressed by the President, and by the steps now being taken to improve both overall administration and personnel selection by the new agency proposed under the President's plan and reflected in the current legislation. These moves, combined with the proposed planning of foreign aid on a country-to-country basis, will go far toward correction of the causes for criticism in the past.

We agree with the President that the annual appropriation machinery, through which foreign aid has been made possible in the past, seriously impairs the effectiveness of our development efforts. Our agreement stems from our own experiences in our private activities—business, labor, and community management. Accordingly, we support a modernized, business-type approach to foreign aid, pointing toward long-term development programs and the elimination of ineffective commitments to meet annual fiscal year deadlines. This can be achieved without sacrificing the safeguards of the annual review of the operations of the program by the Congress. We are sure that the long-term authority, under the new legislation, will permit more economic and effective planning with a maximum degree of self-help and sustained reform commitments on the part of the recipient nations.

This committee notes the fact that, at present, a major part of all foreign aid is spent in the United States for materials and services and that the percentage of funds spent in this country is expected to reach 80 percent. We commend this objective as minimizing the outflow of dollars under the program, with its salutary effect on our balance of payments—as well as directly providing substantial employment in the United States.

We believe that the program for international development and the legislation currently before the Congress is sound in aim and purpose. There is no effective alternative to this program. Whether we maintain our position and leadership in this area or not, those who would destroy freedom throughout the world will continue their programs. We can ill afford, either out of our own economic and security interests, or equally important out of our concern for the peoples in the developing nations of the world, to leave a vacuum to be filled unhindered by the forces of mass aggression and destruction of individual rights and freedom.

We invite—yes, we urge—all Americans of whatever political affiliation to join us in support of this program. We urge every citizen to recognize and accept his obligation to assure that this generation of Americans will have successfully carried out its responsibilities to our heritage, to our way of life, and to our freedom-loving friends throughout the world.

TRANSCRIPT OF PRESIDENT'S APPEAL FOR AID PROGRAM

WASHINGTON, July 10.—Following is the transcript, as released by the White House, of President Kennedy's remarks to the Citizens Committee for International Development today:

"I want to express my thanks to you, and to the other members of the committee who are outstanding public and private citizens, for their effort to assist us in securing the passage of the mutual security bill through this session of the Congress.

"I consider this bill to be probably the most vital piece of legislation in the national interest that may be before the Congress this year. It involves the effort by this country for its own security, for its own well-being, to assist other countries in maintaining their security.

"All of us have been concerned, rightfully, when one or another country passes behind the Iron Curtain. I can say, as my predecessor, President Eisenhower, said before me, that if the United States were not engaged in this program, if we fail to meet our responsibilities in this area this year and in the days to come, the years to come, then other countries must inevitably fall.

"The Communists are making a great effort to expand their influence, to move their center of power outward. The thing that stands between them and their objective are these governments and these people.

"I believe that we have an opportunity to assist them to maintain their countries' independence. They depend in a large degree upon us. This country is a free country. It has great resources, and I think we have to recognize that freedom for ourselves and for others is not purchased lightly. It requires an effort by each of us. This is a matter of the greatest national importance. It is a matter which has engaged the attention of the United States since the end of the Second World War. We have seen the assistance which we gave to Western Europe permit Western Europe to be rebuilt into a strong and vital area upon which our security depends. We see ourselves heavily engaged in Latin America. We see ourselves involved in a great effort in Africa, in Asia to maintain the independence of these countries.

"It is not an easy matter for our people to again support this kind of assistance abroad, but I want to make it very clear that it is assistance to the United States itself. We cannot live in an isolated world. And I would much rather give our assistance in this way—and a large part of it consists of food, defense support as well as long-term economic loans—I would much rather have us do it this way than to have to send American boys to have to do it.

"We believe in this program. One of the most important parts of it now is the provision providing long-term authorizations and commitments. That means that we will say to a country that if you will do "one, two, three" on taxes and land reform and capital investment, then the United States, along with other prosperous countries of Western Europe, will be prepared to meet their responsibilities over a longer period.

"Now, when we move from year to year, without having any idea what we can do in the future, the country's programing, the country's organization for its advance, is bound to be haphazard. And I think that is one of the reasons why the program has not always been successful in the past and one of the reasons why we have had waste in the past.

"We are bringing new people into this organization. We are reorganizing it. We are getting the best talent we can get. I hope that we are going to get long-term authorizations to permit us to move ahead over a period of time.

"I want to express my thanks to you, Mr. Pierson, for your efforts, and to the members of your committee. You are now engaged in a most important public service. And I want to ask the American people to support this program as a vital one in the fight for our own security and in the fight for peace."

Lake Garnett Grand Prix Sports Car Road Races

EXTENSION OF REMARKS

OF

HON. ROBERT F. ELLSWORTH

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. ELLSWORTH. Mr. Speaker, on July 2, I had the very fine opportunity, indeed it was a real pleasure and privilege, to participate in the festivities relating to the Third Annual Lake Garnett Grand Prix Sports Car Races.

Mr. Don Stith, president of the Lake Garnett Grand Prix Sports Car Racing Association, invited me to deliver a few remarks at the opening ceremony on July 2, and to have the honor of presenting the Queen of the Races, Miss Carole Harmon, a student at William Jewell College, Liberty, Mo., with a bouquet of roses. Being a sports car racing fan, and one already familiar with the great event at Garnett, I was delighted to be able to accept Mr. Stith's invitation.

But, Mr. Speaker, my greatest delight was to observe the races, and to see once again how wonderfully well the civic clubs and associations of Garnett, along with hundreds of individuals from Garnett and Anderson County, have cooperated to make this tremendous and spectacular event possible.

Don Stith, whom I have already mentioned, the officers of the association, Frank Bennett, R. W. Farris, Arthur Hughes, Leonard McCalla, Jr., and Kenneth Crippin, and Race Chairman Ted Brown deserve particular commendation for the dedicated effort they have shown in making the Lake Garnett Grand Prix the most notable sports car races in the Midwest, and equal to those throughout the rest of the United States and Europe.

Another factor, besides the hard and good work of the men just mentioned and all of those who have anything to do with the races, which makes the Grand Prix the outstanding event that it is, is the fine quality of the race course. It is a true road course, a very rare course, and one that is acclaimed the world over.

I must repeat how delighted I was to be able to attend the Grand Prix—it was really invigorating. I take this opportunity to invite my colleagues to attend it next year and see for themselves what a thrilling experience sports car races are.

Salvatore Embarrato—I Have But One Life

EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. SANTANGELO. Mr. Speaker, the residents of New York City and especially those of the Lower East Side of Manhattan were saddened on July 6, 1961, at the news of the untimely death of New York State Trooper Salvatore Embarrato in the line of duty. It seems that in pursuing a speeding car on the New York State Thruway, Trooper Salvatore Embarrato went off an embankment and was instantly killed. His death is a statistic, but does not tell the story of the man. While in this instance a law violator in speeding caused the death of Trooper Embarrato, others may have indirectly contributed to his early end.

The untimely passing of this young man brought me great sorrow and heartache. I felt a personal responsibility for this young man, who fervently desired to serve his community and his State in the enforcement of the law. When disaster such as this strikes, one has certain misgivings in the quest for justice. Sometimes it may end in death. The path of glory leads but to the grave.

Safer employment and less risky occupations were open to Trooper Embarrato, but his drive, ambition and energy called him to law enforcement, with its attendant dangers. The story of this young man is a story of an American boy who believed in equality and who refused to be denied the right to be treated as an American.

In 1953 Salvatore Embarrato at the age of 22 passed the civil service examination for police officer in New York City. He ranked No. 82 out of 1,330 applicants on the written examination. He was

found qualified and was certified for appointment by the Civil Service Commission, but rejected by Police Commissioner Frank Adams because the young man's father was a fugitive from justice.

Salvatore Embarrato was class president and class valedictorian during his senior year at St. Joseph's Parochial School. He successfully completed the required State regents and entrance examination to Cardinal Hayes High School from which he graduated and matriculated into Fordham College where he pursued a premedical course. He was required to leave college during his junior year to help support his family.

In November 1951, he applied for pilot training in the aviation cadet training program and in February 1952 he was found qualified for navigator training. He has been a member of the auxiliary police, the ground observer corps, and was a regular contributor of blood to the Armed Forces through the American Red Cross.

After leaving school, he was gainfully employed in various positions, such as, in the U.S. Post Office and New York City Department of Finance. His coworkers and fellow citizens recommended him highly.

In 1954 a proceeding was commenced in the Supreme Court of New York State to review the action of the police department in refusing to appoint Mr. Embarrato as a police officer. The court at that time stated that while the refusal to appoint Mr. Embarrato because of the peccadilloes of the parent was against natural justice, it sustained the action of the police commissioner on the ground that the court could not review the discretion of the police commissioner. The case was appealed by me to the appellate division of the supreme court. Pending the appeal, Mr. Embarrato took the police examination once again and passed it with flying colors. While awaiting determination as to an appointment after passing this second examination, Mr. Embarrato was inducted into the Armed Forces and served honorably doing classified work, and holding down positions of responsibility. He was proficient in the training of canines and was honorably discharged in December of 1956.

Being a determined man, Mr. Embarrato took and once again passed the police examination. After various legal processes, a trial of the issues as to the justification of the police commissioner in refusing this young man appointment to the police force of the city of New York was ordered. On March 3, 1958, the case finally came to trial before a justice of the supreme court, Thomas Dickens. After hearing the facts in the case and the testimony, Justice Thomas Dickens recommended that the matter be referred once again to the police commissioner for reconsideration without regard to the element of the young man's ancestry. The police commissioner thereupon reconsidered and called Mr. Embarrato to appear for appointment on March 5, 1958.

Now the O'Henry twist. Mr. Embarrato, after removing the blot from his good name and proving his right to be treated as an American without the visitation of the sins of his father upon him declined appointment to the police department of the city of New York and joined the New York State Troopers.

He had been a State Trooper of the State of New York since March of 1958, and gained recognition for daring exploits and extraordinary police work. A little more than 3 years after joining the enforcement branch of the State of New York, Salvatore Embarrato was killed seeking to apprehend a violator of law.

I share with the members of the family the grief which is theirs. The wails of the mother at his bier still ring in my ears. The family can be proud of this young man who proved that he was an American, who fought for the right to be treated as one. He was a devoted and loving son. The memory of his good deeds and wonderful performance will forever endure in the hearts and minds of his friends, his mother and father, and his family. Like our heroes of yesteryear, Trooper Salvatore Embarrato had but one life to give to his country.

H.R. 3903, a Bill To Provide a Pension for Veterans of World War I

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. VAN ZANDT. Mr. Speaker, this date I appeared before the House Committee on Veterans' Affairs in support of my bill, H.R. 3903, designed to provide a pension for veterans of World War I.

My bill, H.R. 3903, is one of many similar measures pending before the House Committee on Veterans' Affairs and reveals the widespread interest in providing a pension for the veteran of World War I.

My statement before the House Committee on Veterans' Affairs follows:

Mr. Chairman, the privilege of appearing in support of my bill, H.R. 3903, is appreciated. I would like to commend the committee for scheduling hearings on pension legislation because it is the means of providing a ray of hope to the 2½ million World War I veterans still living out of the 4,744,000 Americans who served their country in 1917 and 1918.

As many of you know, my interest in veterans' affairs has been long and continuous. It began in the 1920's when I served the Department of Pennsylvania of the Veterans of Foreign Wars of the United States for 2 consecutive years as department commander. In the mid-1930's it was my honor to serve three terms as commander in chief of the Veterans of Foreign Wars. Since then I have continued my VFW activities in many capacities.

Upon my election to the 76th Congress, I became a member of this committee and served on it for several years until my resignation from Congress to enter active military service during World War II.

The purpose of reciting this background information is to inform you that my advocacy of a pension for the veterans of World War I started in my Veterans of Foreign Wars days and continued during my congressional career by the introduction in each Congress of a World War I pension bill. My support of this type of pension legislation is based on the traditional American principle adopted following the Revolutionary War and adhered to up to and including the Spanish-American War.

This principle was stated in 1931 by former President Herbert Hoover when he said in part: "the principle that this Nation should give generous care to those veterans who are ill, disabled, in need or in distress, even though these disabilities do not arise from the war, has been fully accepted by the Nation."

The trend in the last few years has been to depart from this traditional principle and is further emphasized by a movement started several years ago to have social security absorb veterans' benefits.

At this time, I should like to commend this committee for the action taken recently in adopting a resolution opposing the transfer of the veterans' vocational rehabilitation program to the Department of Health, Education, and Welfare.

This proposal is one of several steps already taken by the Government toward the eventual absorption of various veterans' programs. I want to add my support to this committee for the leadership it is giving in resisting assaults on veterans' programs.

Returning to the World War I pension question, the average age of the 2½ million surviving veterans of World War I is now more than 66 years and according to reports of the Veterans' Administration, they are dying at the rate of 100,000 a year. As the average age increases, it must be accepted that the annual death rate will mount. In other words, if the traditional treatment accorded our veteran population of previous wars is to be given to the Veterans of World War I, action must be taken immediately.

It is on behalf of the veterans of World War I and especially the many barracks of Veterans of World War I of the United States, Inc., in my congressional district that I appeal to this committee for consideration of my bill, H.R. 3903, or any of the many similar bills that have the same objectives.

My bill, H.R. 3903, amends title 38, United States Code, to provide for the payment of pensions to veterans of World War I and if enacted into law would be known as the World War I Pension Act of 1961.

In plain words, the intent of the bill would increase by 30 percent the present non-service-connected monthly benefit of $78.75. If my arithmetic is correct the monthly benefit would be increased to a little over $102. Ninety days of service and an honorable discharge are required. In addition, the present schedules of income limitations would be increased for single persons to $2,400 and to $3,600 for those married or with dependents.

There is also the provision that when considering income to determine eligibility such income will be exclusive of social security benefits, railroad retirement benefits, annuities, or other pensions.

Mr. Chairman, you are going to have many witnesses appear before you on behalf of the subject of a pension for the veteran of World War I.

In asking for favorable consideration I would like to mention that from an economic standpoint approval of a pension of slightly over $100 for veterans of World War

I who meet the income limitations gives assurance that pension money will be channeled into the economic stream of the Nation.

It will be spent for the necessities of life and will include the grocer, landlord, and the family physician. It will serve as an effective builder of morale by aiding in preserving the self-respect and pardonable pride of veterans who served their country with honor in a national emergency and who, it is understandable, have a natural reluctance against becoming objects of public charity in their declining years.

In theory, Congress has always considered the pension rate as an adjunct to income rather than as supporting income. In this connection, however, many World War I veterans because of advanced age and disability have no other income to support them.

At this point I should like to discuss briefly the situation faced by members of our Armed Forces serving in World War I. At that time, the American doughboy in 1917 received $21 monthly pay which later was increased to $30, with 10 percent additional for oversea service.

There was no family allotment plan as in World War II whereby the Government contributed to the serviceman's deduction from his pay and the total contributions resulted in a family allowance check being mailed monthly to dependents.

In 1917 and 1918 the doughboy was strictly on his own in worrying about the comfort and health of his loved ones, and any so-called allotment could only be paid out of the meager $30 monthly pay he received, as there was no helping hand from Uncle Sam.

When time for discharge arrived, the World War I veteran was given $60 as a separation allowance to assist him in adjusting himself to civilian life.

Mr. Chairman, contrast this treatment with the many fringe benefits made to World War II and Korean veterans in the form of GI home and business loans, mustering-out pay, and unemployment insurance benefits for 52 weeks at the rate of $20 weekly which commonly became known as the 52–20 Club.

In addition, World War II and Korean veterans were given the option of continuing their education in trade schools, colleges, and universities with the cost of tuition, books, and a subsistence allowance for them and their dependents—all paid for by a grateful Government.

Compare these fringe benefits for service in World War II to the $60 separation allowance paid to veterans of World War I—an amount of money that was not sufficient to purchase a good overcoat because, as many will recall, the $60 was received in an era that boasted of high wartime wages accompanied by skyrocketing prices and a craze for silk shirts that cost from $12 to $15 each.

Mr. Chairman, let me make it unmistakably clear that I am not critical of the treatment accorded World War II and Korean veterans because I served in both world conflicts. While I have not found it necessary to avail myself of GI loan and educational benefits provided for my comrades in World War II, I thank God they were made available for those who deserved them as they represent an expression of gratitude by a grateful Government and serve as a measure of compensation for the sacrifices of those who served in America's wars.

My point in comparing the treatment accorded veterans of World War I, World War II and Korea is to emphasize that Congress has been negligent in recognizing the economic plight of the veteran of World War I.

Congress met its responsibility to veterans of the Spanish-American War by approving legislation to pay them and their dependents a reasonable pension and has from time to time granted increases in such benefits.

In like manner the benefits made available to those of us who served in World War II and Korea were not possible until Congress placed its stamp of approval on them.

In all sincerity, I ask, "How much longer are we going to ignore the economic status of the World War I veteran?"

When you search your conscience for an answer keep in mind the paltry $60 separation allowance paid veterans of World War I which in reality was an amount insufficient to purchase a good suit of clothes.

Later you will recall the so-called bonus issue rocked the country because of high unemployment among returned veterans and the absence at that time of any 52–20 clubs to serve as a crutch in adjusting to civilian life.

Finally, the issue was decided by Congress when it overrode President Roosevelt's veto of the adjusted service bonus which was in the form of 20-year certificates and averaged about $300 per veteran. On the other hand, World War II veterans received mustering-out pay immediately upon discharge, which is further evidence of the disparity in the treatment accorded veterans of the First World War.

It is ironical that many of those in Congress and elsewhere opposing a pension for World War I veterans are themselves veterans of World War II.

Frankly, it is difficult to understand their lack of appreciation for the fact that World War I veterans have been in the frontline of battle since their discharge from service nearly 40 years ago in seeking improvement in hospital and medical care for veterans of our Nation's wars.

In fact, the veteran of World War I has for years been occupied in improving the Government's program of caring for veterans of all wars and pioneered in the struggle to establish what is now the Veterans' Administration as the successor of the old Pension Bureau.

Now at an average age of over 66 the World War I veteran's span of life is nearing the end and it is unthinkable that some of his comrades from World War II are proving to be the most vociferous in urging that any World War I pension bill be defeated.

Mr. Chairman, as I have said before, this traditional policy of our Government was established in the days of George Washington and recognized by Congress which granted service pensions to the veterans of all wars from the days of Valley Forge to and including the Spanish-American War.

Unfortunately, Congress has ignored the World War I veteran while approving various fringe benefits to World War II veterans. The approval of these deserving benefits is proof positive that Congress recognizes military service requires great sacrifices and merits recognition.

But again I ask why ignore the ailing and aged World War I veteran and be guilty of such rank discrimination?

When you stop to consider the merits of my bill, H.R. 3903, keeping in mind that the income limitations make the measure no so-called handout, I am convinced that you will find the legislation worthy of your favorable consideration.

Therefore, I respectfully request that you give thought to the obligation Congress owes to the forgotten veteran of America's wars as revealed by the plight of the ailing and aged indomitable doughboy of 1917 and 1918.

It is my sincere hope that upon the conclusion of these hearings, this committee will find it possible to report H.R. 3903 or one of many similar measures to the House. Such action will prove an important step in wiping out the discrimination that has prevailed against World War I veterans when legislating for the veteran population of the Nation.

Opportunities Lie Ahead for New Coast Guard Officers

EXTENSION OF REMARKS

OF

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. CHAMBERLAIN. Mr. Speaker, I commend to the attention of the Members the commencement address by the Honorable Douglas Dillon, Secretary of the Treasury, at 75th commencement exercises of the U.S. Coast Guard Academy, New London, Conn., on June 7, 1961. Secretary Dillon most ably delineated the role of the Coast Guard in today's highly technical world of advancing cultures and societies, pointing out to the graduating class the challenges and opportunities which lie ahead for the new officers. Secretary Dillon's address follows:

ADDRESS OF THE HONORABLE DOUGLAS DILLON, SECRETARY OF THE TREASURY, AT THE 75TH COMMENCEMENT EXERCISES OF THE U.S. COAST GUARD ACADEMY, NEW LONDON, CONN., WEDNESDAY, JUNE 7, 1961

Admiral Evans, members of the class of 1961, distinguished guests, ladies and gentlemen, this is my first visit to the Coast Guard Academy as Secretary of the Treasury. I am honored to participate in this 75th commencement and to address the class of 1961. In a short time you will step up to this platform to receive your bachelor of science diplomas and your commissions as ensigns in the Coast Guard. It is a moment that will climax 4 arduous years of work and study—one you will never forget. You have every reason for pride and satisfaction. But while this day is primarily yours, it also belongs to the country you will serve.

Gentlemen, you are to be congratulated for having chosen a career of service to country and humanity. The path you will follow will not be easy, but the fine training you have received here at the Coast Guard Academy will stand you in good stead in years to come.

You have made an excellent beginning in your professional careers. But commencements, by definition, are primarily beginnings and do not represent final achievement. When you leave this campus today, you will set out on a new and exciting career in one of our oldest and most versatile Armed Forces—a career which offers unparalleled opportunities for service, not only as Coast Guard officers, but also as official representatives of the United States. For, by accepting a commission in the Coast Guard, you will accept the responsibilities of leadership in a profession that will bring you into contact with a worldwide variety of naval, maritime, and commercial affairs.

Leadership is a big word. It will be up to you to give it meaning. Your responsibilities and your opportunities will be greater than those experienced by your predecessors. For your country, which stands before the world as an example of what a free, creative people

can do when given full opportunity for self-expression, is challenged today as never before in its history.

We have indeed been fortunate. A kind providence has blessed us with a fair and fertile land, rich with an abundance of natural gifts and a hard-working, intelligent citizenry. And we have fared well, I think, because there has always been in our people a recognition that there is a Supreme Power not subject to human limitations.

But all our talents and resources will mean nothing unless we bring them to bear as a united people to meet the problems confronting us in the months and the years that lie ahead. Our Founding Fathers understood the situation very well when they wrote 185 years ago: "All men are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

A great truth, to be borne constantly in mind, is that these rights cannot and must not be taken for granted. Each generation must struggle anew to maintain them. This struggle takes different forms. The young men of my time had to meet that challenge in the arena of war. It was our deepest hope that out of our ordeal would be born a lasting peace among all nations. Unfortunately, our hopes have not materialized. We still live in a world beset by tension and anxiety.

If by peace we mean simply the absence of large-scale military operations, then the world is technically still at peace. But all the values of our free society are nevertheless under continuing assault by an alien ideology. This assault upon our free way of life is being waged on all levels: political, economic, psychological—and in some areas, even on the paramilitary level.

Since the end of World War II, there has been a great awakening among the underprivileged peoples of the world. This huge surge of human aspiration is a force of inexorable power. Over and over it has been proved that "men do not live by bread alone." They also yearn for the dignity and self-respect of freemen, and they look to us and to other advanced free nations for assistance in realizing their mounting expectations.

You are, therefore, entering upon your duties as officers of the Coast Guard at a time when the world demands more of our country—and our country demands more of you—than ever before. These demands are spiritual as well as material. It is not enough merely to be militarily and economically strong. To win this struggle we must also appeal to the minds and the hearts of men. We must convince them that our free way of life offers a better future for themselves and for their children than the authoritarian system. Our very future as a nation depends in large measure upon your response to this challenge.

You young men will participate in a worldwide effort to achieve greater understanding between nations and their diverse peoples. We of the Treasury are proud of the part your service is playing.

The Coast Guard is uniquely qualified to meet the complex needs of our times because it is both a military service and a humanitarian agency. All of its resources are at the disposal of those who need them, without regard to nationality.

As officers of the Coast Guard you will be members of a service which enjoys high prestige in many parts of the world. Your duties often will bring you into contact with men of many nations in a working partnership. It is on this personal level that you can contribute much to strengthening your country's international relations.

What are some of the opportunities that await you?

One example is the Coast Guard's constant effort to advance standards of maritime safety throughout the world. Last June, largely as a result of the tragic loss of the *Andrea Doria*, an International Conference for the Safety of Life at Sea was held in London under the auspices of the United Nations. At that Conference which was attended by some 500 officials of more than 50 nations, the Coast Guard represented American shipping interests. During the extended negotiations, the U.S. delegation headed by your Commandant, Adm. Alfred C. Richmond, conducted itself with a professional competence that won universal respect and wide support for many U.S. proposals which pointed the way toward greater safety at sea.

Another recent milestone in international collaboration was the Sixth International Technical Conference on Lighthouses and Other Aids to Navigation held last fall in Washington, D.C., under the auspices of the Coast Guard. Forty nations took part in this Conference.

I cite these Conferences to indicate the wide sphere of activity embraced by your service, and to illustrate the kind of duty that may lie ahead of you at the international conference table as you become senior officers. The significance of these Conferences goes far beyond purely technical considerations. They are an important part of our continuing national effort to achieve greater understanding and collaboration with all nations.

One of the most important international aspects of the Coast Guard's work is its program of providing counsel and instruction to help solve the problems of a growing number of other nations. It has aided in establishing organizations similar in purpose and scope to your own service. It has given officials of other governments an opportunity to study at Coast Guard schools, training stations, and installations since the end of World War II. The Coast Guard has been going about this work quietly and competently. Among the many foreign governments which have received assistance from the Coast Guard during the past year alone are Argentina, Brazil, Ceylon, the Republic of China, Denmark, El Salvador, Ethiopia, France, Greece, Haiti, Honduras, Indonesia, Iraq, Iran, Japan, Lebanon, Pakistan, Peru, Tunisia, Turkey, and Vietnam.

The training program covers a wide variety of subjects, including helicopter rescue techniques, air traffic control, port security, aids to navigation, loran, merchant marine inspection, rescue coordination, and training in the operation of the UF–2 aircraft. This type of intergovernmental cooperation by the Coast Guard is a valuable contribution to maritime safety and the security of the free world. Undoubtedly, some of you will participate in this program, which is becoming increasingly important. From my own experience in international relations, I can assure you that it will be one of the most satisfying experiences of your lifetime.

The humanitarian side of the Coast Guard's work was dramatically brought to the world's attention in 1959, when the Coast Guard cutter *Storis* was dispatched to evacuate an injured seaman from the Soviet refrigerator ship *Pischavaya Industriya* 149 miles from Dutch Harbor, Alaska. After picking up an interpreter and doctor, a Coast Guard plane flew the seaman to the nearby Elmendorf Air Force Base hospital. This incident, one of many, underscores the fact that the Coast Guard's services are available to all ships and persons in peril on the sea, without regard to nationality.

As Coast Guard officers you will have the opportunity to participate in the International Ice Patrol. This outstandingly successful venture in international collaboration was born in 1914, following the tragic sinking of the luxury liner *Titanic*.

Ever since that sad event which cost 1,513 lives, the Coast Guard has been keeping watch over the ice-infested shipping lanes of the North Atlantic.

The Coast Guard is charged with the responsibility for operating the patrol. The cost of its upkeep is presently shared by 16 contributing governments. The fact that the Coast Guard has been entrusted with this heavy international responsibility is another example of the high regard in which the Coast Guard is held by other nations.

In viewing the Coast Guard as part of the world picture, I do not intend in any way to minimize such important functions as maritime law enforcement, port security, or the safeguarding of individual citizens through the small boat safety program. Indeed, as an amateur sailor myself along our New England coast, I have firsthand knowledge of the invaluable service rendered by the Coast Guard to the growing number of Americans who are taking to the water in pleasure craft.

Gentlemen, as you enter upon duty as officers, I think it important for you to bear in mind that whether you serve on our inland waterways or in the Antarctic, you have a tough, but rewarding job ahead of you.

Your 4 years here have been a long, hard voyage, but you have weathered it successfully. In a few minutes, you will raise your right hands to take the traditional oath as commissioned officers of the U.S. Coast Guard. I am confident that you will measure up to the best traditions of the hosts of brave men who preceded you in the service. I have equal confidence that you will acquit yourselves with such distinction that succeeding generations of Coast Guard officers will say "Well done." To all of you, I extend my warmest congratulations. May you all have long, happy, and successful careers in the service of country and humanity.

Hon. Thomas C. Egan

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1961

Mr. TOLL. Mr. Speaker, one of the great jurists of the Federal courts who lived in my district until he passed away last week was the Honorable Thomas C. Egan. He and his family lived at 118 East Sedgwick Street in Germantown. His last public office was that of U.S. district court judge for the eastern district of Pennsylvania. Prior public service included chairmanship of the Philadelphia Gas Commission and membership on the Pennsylvania Public Utility Commission. Before his elevation to the bench, Tom Egan, as he was affectionately known, practiced law in Philadelphia County for many years.

Judge Egan was born in Pennsylvania in 1894 at Shenandoah. He graduated from Georgetown University and received his LL.B. from the University of

Pennsylvania Law School in 1921. He received honorary degrees from Georgetown University, LL.D., and from St. Joseph's College, L.H.D.

I have known Judge Egan for over 30 years and in all that time have had the highest respect for him as a man, a lawyer, and as a judge. He was extremely friendly and pleasant to everyone. Philadelphia has lost an outstanding citizen. The Federal courts have lost a great jurist.

SENATE

WEDNESDAY, JULY 12, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of our fathers and our God, we pause this dedicated moment to acknowledge that deeper than all else we are Thy children, and that supreme over every allegiance is our rightful loyalty to Thee.

Behold us here, in this historic forum, seeking in a common prayer light upon our ways and strength within our hearts.

We would dedicate ourselves anew to the building of a decent, humane, law-abiding world to which Thy reign shall come and Thy will be done.

To this end give us a vision splendid of a unified world which denies the divisive heresy that east is east, and west is west, and never the twain shall meet.

As this day, in this shrine of freedom, Western and Eastern hands are clasped in enduring friendship, and in mutual allegiance to the liberty and dignity of the individual under all skies, may there be strengthened and expanded bridges of understanding and cooperation which shall tie together in a resistless crusade peoples and lands, one in heart, though they be half a world away.

Give us the grace to be done with the tragic trifles which divide Thy children on this earth and to say, and to mean—

Join hands then, brothers of the faith,
Whate'er your race may be;
Who serves my Father as a son
Is truly kin to me.

We ask it in the name of the Elder Brother of us all. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 11, 1961, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H.R. 7265) to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 7265) to amend the code of law for the District of Columbia so as to provide a new basis for determining certain marital property rights, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, in conjunction with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], I suggest the absence of a quorum, before the Senate proceeds to the Hall of the House of Representatives.

The VICE PRESIDENT. The absence of a quorum has been suggested; and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY MOHAMMAD AYUB KHAN, PRESIDENT OF PAKISTAN

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair, for the purpose of attending a joint meeting of the two Houses.

The motion was agreed to; and (at 12 o'clock and 12 minutes p.m.) the Senate took a recess, subject to the call of the Chair.

Thereupon, the Senate, preceded by its Secretary (Felton M. Johnston), its Sergeant at Arms (Joseph C. Duke), and the Vice President, proceeded to the Hall of the House of Representatives for the purpose of attending the joint meeting to hear the address to be delivered by Mohammad Ayub Khan, President of Pakistan.

(For the address delivered by the President of Pakistan, see House proceedings in today's RECORD.)

The Senate returned to its Chamber at 1 o'clock and 34 minutes p.m., and reassembled when called to order by the Presiding Officer (Mr. MUSKIE in the chair).

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEEDED: EXPANDED SHIPBUILDING ON THE GREAT LAKES—RESOLUTION

Mr. WILEY. Mr. President, the completion of the St. Lawrence Seaway, creating America's fourth seacoast, necessitates taking a new look at the commercial and defense potential of the Great Lakes region.

Recognizing its new status, I believe there is a real need for greater effort, not only to step up flow of trade and commerce, but also to expand shipbuilding and other maritime activities to meet the needs of the times.

Today, I was privileged to receive from Mayor Lawrence M. Hagen, of Superior, Wis., a resolution by Alderman Thomas Thompson petitioning the Federal Government for assistance in securing shipbuilding contracts for the city of Superior.

In my judgment, this fine community is superbly qualified for such work and for making a real contribution in this field.

I shall, of course, take the matter up with the appropriate agencies. However, I felt it important, once again, to bring to the attention of the Senate, these special challenges, as well as the fast-growing economic significance of the Great Lakes region to the economy of the country.

I request unanimous consent to have the resolution printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION INTRODUCED BY ALDERMAN THOMAS THOMPSON PETITIONING THE FEDERAL GOVERNMENT FOR ASSISTANCE IN SECURING SHIPBUILDING CONTRACTS FOR THE CITY OF SUPERIOR

Whereas the city of Superior is ideally situated and equipped for the construction of ships; and

Whereas Superior has been determined to be located in a federally designated distressed area; and

Whereas the securing of additional contracts for the construction of ships would greatly enhance the economic conditions in the city of Superior: Now, therefore, be it

Resolved by the Common Council of the city of Superior, That the Federal Government be requested to lend all assistance possible in the securing and awarding of shipbuilding contracts to shipbuilding firms located within the city of Superior; and be it further

Resolved, That certified copies of this resolution be sent to Senators ALEXANDER WILEY and WILLIAM PROXMIRE, and Congressman ALVIN O'KONSKI.

Passed and adopted this 26th day of June 1961.

Approved this 27th day of June 1961.

LAWRENCE M. HAGEN,
Mayor.

Attest:

R. E. MCKEAGUE,
City Clerk.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, with amendments:

S. 2197. A bill to amend section 107(a)(3) of the Soil Bank Act, as amended (Rept. No. 529).

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service, without amendment:

H.R. 1986. An act to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter (Rept. No. 530).

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. Res. 168. Resolution authorizing attendance of a delegation from the Senate at meeting of the Commonwealth Parliamentary Association (Rept. No. 535);

S. Res. 169. Resolution to print as a Senate document a committee print of a "Study Mission to Eastern (American) Samoa" (Rept. No. 533);

S. Res. 170. Resolution suggesting suitable forms for certificates of appointment or election of Senators (Rept. No. 534);

S. Con. Res. 29. Concurrent resolution authorizing attendance of delegations from the Senate and House of Representatives at meeting of the Commonwealth Parliamentary Association (Rept. No. 535);

H. Con. Res. 308. Concurrent resolution providing for additional copies of parts 1, 2, and 3 of hearings entitled "Communist Training Operations—Communist Activities and Propaganda Among Youth Groups" (Rept. No. 536);

H. Con. Res. 309. Concurrent resolution providing for additional copies of hearings entitled "The Northern California District of the Communist Party—Structure—Objectives—Leadership" (Rept. No. 537);

H. Con. Res. 320. Concurrent resolution authorizing the printing of the inaugural addresses of the Presidents as a House document and providing for additional copies (Rept. No. 539);

H. Con. Res. 327. Concurrent resolution authorizing the printing of additional copies of House Document No. 198 of the 84th Congress, entitled "The Commission on Intergovernmental Relations" (Rept. No. 540); and

H.J. Res. 392. Joint resolution to amend the joint resolution of March 25, 1953, relating to electrical and mechanical office equipment for the use of Members, officers, and committees of the House of Representatives to provide that Members having constituencies of 500,000 shall be entitled to an additional $500 worth of equipment; to increase the number of electric typewriters which may be furnished Members; and for other purposes (Rept. No. 541).

By Mr. MANSFIELD, from the Committee on Rules and Administration, with an amendment:

S. Res. 165. Resolution to print "The Constitution of the United States of America, Approved by the Continental Congress," and so forth, as a Senate document (Rept. No. 531); and

H. Con. Res. 311. Concurrent resolution providing for additional copies of House Document 336, 86th Congress, 2d session, entitled "Facts on Communism—Volume I, the Communist Ideology" (Rept. No. 538);

H. Con. Res. 342. Concurrent resolution authorizing the printing as a House document of the tributes extended to the Honorable SAM RAYBURN; and providing for additional copies (Rept. No. 532).

LUCY LEE SILCOX WOOD—REPORT OF A COMMITTEE

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 176) to pay a gratuity to Lucy Lee Silcox Wood, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lucy Lee Silcox Wood, widow of Harlan Wood, an employee of the Senate at the time of his death, a sum equal to nine months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

JACQUELINE E. AUCHAMPAUGH—REPORT OF A COMMITTEE

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 177) to pay a gratuity to Jacqueline E. Auchampaugh, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Jacqueline E. Auchampaugh, widow of Lee M. Auchampaugh, an employee of the Senate at the time of his death, a sum equal to five months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

DATE OF COMMENCEMENT OF TERM OF SERVICE OF JOHN G. TOWER, U.S. SENATOR FROM TEXAS—REPORT OF A COMMITTEE (S. REPT. NO. 542)

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 178) to establish the date of the commencement of the term of service of JOHN G. TOWER, a U.S. Senator from the State of Texas, and submitted a report thereon, which resolution was placed on the calendar, as follows:

Whereas the certificate of JOHN G. TOWER, chosen a Senator on May 27, 1961, during the present session of the 87th Congress, by the qualified electors of the State of Texas to fill the vacancy in the term ending at noon on the third day of January 1967, caused by the resignation of Honorable LYNDON B. JOHNSON, states that he was "duly chosen * * * to represent said State in the Senate of the United States for an unexpired term beginning on the 13th day of June nineteen hundred sixty-one and expiring on the third day of January, nineteen hundred sixty-seven"; and

Whereas under title 2, section 36, of the United States Code (49 Stat. 23), and precedents of the Senate based thereon, salaries of Senators elected during a session to succeed appointees shall commence on the day they qualify; and

Whereas the said JOHN G. TOWER on June 15, 1961, duly qualified by taking, in the open Senate, as provided by rule II, the oath required by the Constitution and prescribed by law, and has subscribed to the same: Therefore be it

Resolved, That the term of the service of the said JOHN G. TOWER shall be deemed to have commenced on the 15th day of June 1961.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of May 1961. In accordance with the practice of several years standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report and statement are as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MAY 1961 AND APRIL 1961, AND PAY, APRIL 1961 AND MARCH 1961

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for May 1961 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In May numbered	In April numbered	Increase (+) or decrease (−)	In April was	In March was	Increase (+) or decrease (−)
Total [1]	2,386,282	2,377,685	+8,597	$1,063,132	$1,197,066	−$133,934
Agencies exclusive of Department of Defense	1,345,661	1,339,939	+5,722	592,337	661,900	−69,563
Department of Defense	1,040,621	1,037,746	+2,875	470,795	535,166	−64,371
Inside the United States	2,224,422	2,216,633	+7,789			
Outside the United States	161,860	161,052	+808			
Industrial employment	563,170	561,712	+1,458			
Foreign nationals	171,003	171,116	−113	24,745	25,488	−743

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside the United States by agencies.

Table III breaks down the above employment figures to show the number outside the United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during May 1961, and comparison with April 1961, and pay for April 1961, and comparison with March 1961*

Department or agency	Personnel				Pay (in thousands)			
	May	April	Increase	Decrease	April	March	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	91,906	88,993	2,913		$40,168	$43,014		$2,846
Commerce [1]	29,199	29,268		69	15,392	17,495		2,103
Health, Education, and Welfare	68,302	67,937	365		32,159	36,215		4,056
Interior	54,219	52,998	1,221		25,985	29,099		3,114
Justice	30,387	30,390		3	17,351	19,730		2,379
Labor	7,888	7,197	691		3,726	4,306		580
Post Office	575,022	573,503	1,519		232,245	259,101		26,856
State [2] [3]	38,204	37,880	324		17,151	18,664		1,513
Treasury	80,355	83,038		2,683	40,981	46,120		5,139
Executive Office of the President:								
White House Office	411	408	3		242	254		12
Bureau of the Budget	465	457	8		381	395		14
Council of Economic Advisers	38	36	2		39	36	$3	
Executive Mansion and Grounds	71	70	1		30	36		6
National Aeronautics and Space Council	3	3			2	(4)	2	
National Security Council	59	60		1	44	51		7
Office of Civil and Defense Mobilization	1,784	1,791		7	1,130	1,285		155
President's Committee on Fund Raising Within the Federal Service [5]		3		3	3	3		
Independent agencies:								
Advisory Commission on Intergovernmental Relations	13	19		6	9	9		
Alaska International Rail and Highway Commission	3	3			2	2		
American Battle Monuments Commission	443	447		4	76	84		8
Atomic Energy Commission	6,822	6,871		49	4,319	4,938		619
Board of Governors of the Federal Reserve System	597	592	5		341	399		58
Civil Aeronautics Board	754	750	4		487	557		70
Civil Service Commission	3,711	3,716		5	2,018	2,280		262
Civil War Centennial Commission	7	7			5	5		
Commission of Fine Arts	6	6			4	5		1
Commission on Civil Rights	81	78	3		44	48		4
Development Loan Fund	149	150		1	101	110		9
Export-Import Bank of Washington	251	247	4		152	173		21
Farm Credit Administration	235	236		1	151	169		18
Federal Aviation Agency	41,872	41,522	350		23,393	26,697		3,304
Federal Coal Mine Safety Board of Review	7	7			4	4		
Federal Communications Commission	1,348	1,355		7	808	912		104
Federal Deposit Insurance Corporation	1,254	1,251	3		701	814		113
Federal Home Loan Bank Board	1,099	1,091	8		624	708		84
Federal Mediation and Conciliation Service	345	341	4		263	299		36
Federal Power Commission	870	865	5		535	607		72
Federal Trade Commission	808	808			516	604		88
Foreign Claims Settlement Commission	56	55	1		37	39		2
General Accounting Office	4,822	4,836		14	2,675	3,075		400
General Services Administration	29,712	29,602	110		12,265	14,080		1,815
Government Contract Committee					8	18		10
Government Printing Office	6,666	6,658	8		3,299	3,612		313
Housing and Home Finance Agency	11,289	11,194	95		6,142	7,011		869
Indian Claims Commission	16	15	1		14	15		1
Interstate Commerce Commission	2,365	2,370		5	1,392	1,595		203
National Aeronautics and Space Administration	16,703	16,560	143		10,902	12,395		1,493
National Capital Housing Authority	392	392			151	165		14
National Capital Planning Commission	49	49			30	34		4
National Capital Transportation Agency	20	20			8	8		
National Gallery of Art	323	324		1	118	138		20
National Labor Relations Board	1,783	1,775	8		1,074	1,215		141
National Mediation Board	122	116	6		93	98		5
National Science Foundation	701	685	16		376	446		70
Outdoor Recreation Resources Review Commission	45	42	3		31	34		3
Panama Canal	14,196	14,129	67		6,748	4,856	1,892	
President's Committee on Equal Employment Opportunity	25	25			12		12	
Railroad Retirement Board	2,165	2,171		6	1,053	1,184		131
Renegotiation Board	273	274		1	212	214		2
St. Lawrence Seaway Development Corporation	162	162			92	97		5
Securities and Exchange Commission	1,054	1,048	6		634	725		91
Selective Service System	6,595	6,585	10		1,857	2,126		269
Small Business Administration	2,499	[6] 2,427	72		1,362	1,569		207
Smithsonian Institution	1,103	1,094	9		479	549		70
Soldiers' Home	1,038	1,030	8		320	331		11
South Carolina, Georgia, Alabama, and Florida Water Study Commission	50	50			34	37		3
Subversive Activities Control Board	27	27			21	23		2
Tariff Commission	266	267		1	190	192		2
Tax Court of the United States	149	149			104	117		13
Tennessee Valley Authority	16,510	15,996	514		8,302	9,312		1,010
Texas Water Study Commission	50	50			32	35		3
U.S. Information Agency	10,796	10,826		30	3,913	4,471		558
Veterans' Administration	173,619	173,518	101		66,603	76,658		10,055
Virgin Islands Corporation	1,032	1,024	8		172	198		28
Total, excluding Department of Defense	1,345,661	1,339,939	8,619	2,897	592,337	661,900	1,909	71,472
Net change, excluding Department of Defense			5,722				69,563	

See footnotes at end of table.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during May 1961, and comparison with April 1961, and pay for April 1961, and comparison with March 1961*—Continued

Department or agency	Personnel				Pay (in thousands)			
	May	April	Increase	Decrease	April	March	Increase	Decrease
Department of Defense:								
Office of the Secretary of Defense	1,958	1,919	39		$1,324	$1,495		$171
Department of the Army	388,111	385,259	2,852		170,811	193,689		22,878
Department of the Navy	345,100	344,700	400		[7] 163,241	184,568		21,327
Department of the Air Force	305,452	305,868		416	135,419	155,414		19,995
Total, Department of Defense	1,040,621	1,037,746	3,291	416	470,795	535,166		64,371
Net change, Department of Defense			2,875				$64,371	
Grand total, including Department of Defense [6]	2,386,282	2,377,685	11,910	3,313	1,063,132	1,197,066	1,909	135,843
Net change, including Department of Defense			8,597				133,934	

[1] May figure includes 165 seamen on the rolls of the Maritime Administration and their pay.
[2] May figure includes 14,450 employees of the International Cooperation Administration, as compared with 14,256 in April and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The May figure includes 3,548 of these trust fund employees and the April figure includes 3,512.
[3] May figure includes 165 employees of the Peace Corps as compared with 87 in April and their pay.
[4] Less than $500.
[5] Abolished by Executive Order 10927 dated Mar. 20, 1961.
[6] Revised on basis of later information.
[7] Subject to revision.
[8] Exclusive of personnel and pay of the Central Intelligence Agency and the National Security Agency.

TABLE II.—*Federal personnel inside the United States employed by the executive agencies during May 1961, and comparison with April 1961*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	90,882	87,982	2,900	
Commerce [1]	28,623	28,686		63
Health, Education, and Welfare	67,841	67,466	375	
Interior	53,741	52,524	1,217	
Justice	30,059	30,059		
Labor	7,790	7,111	679	
Post Office	573,706	572,205	1,501	
State [2 3]	9,666	9,561	105	
Treasury	79,786	82,460		2,674
Executive Office of the President:				
White House Office	411	408	3	
Bureau of the Budget	465	457	8	
Council of Economic Advisers	38	36	2	
Executive Mansion and Grounds	71	70	1	
National Aeronautics and Space Council	3	3		
National Security Council	59	60		1
Office of Civil and Defense Mobilization	1,784	1,791		7
President's Committee on Fund Raising Within the Federal Service [4]		3		3
Independent agencies:				
Advisory Commission on Intergovernmental Relations	13	19		6
Alaska International Rail and Highway Commission	3	3		
American Battle Monuments Commission	10	12		2
Atomic Energy Commission	6,786	6,835		49
Board of Governors of the Federal Reserve System	597	592	5	
Civil Aeronautics Board	753	749	4	
Civil Service Commission	3,708	3,713		5
Civil War Centennial Commission	7	7		
Commission on Fine Arts	6	6		
Commission on Civil Rights	81	78	3	
Development Loan Fund	149	150		1
Export-Import Bank of Washington	251	247	4	
Farm Credit Administration	235	236		1
Federal Aviation Agency	40,903	40,552	351	
Federal Coal Mine Safety Board of Review	7	7		
Federal Communications Commission	1,346	1,353		7
Federal Deposit Insurance Corporation	1,252	1,249	3	
Federal Home Loan Bank Board	1,099	1,091	8	
Federal Mediation and Conciliation Service	345	341	4	
Federal Power Commission	870	865	5	
Federal Trade Commission	808	808		
Foreign Claims Settlement Commission	54	53	1	
General Accounting Office	4,751	4,765		14
General Services Administration	29,712	29,602	110	
Government Printing Office	6,666	6,658	8	
Housing and Home Finance Agency	11,143	11,049	94	
Independent agencies—Continued				
Indian Claims Commission	16	15	1	
Interstate Commerce Commission	2,365	2,370		5
National Aeronautics and Space Administration	16,694	16,551	143	
National Capital Housing Authority	392	392		
National Capital Planning Commission	49	49		
National Capital Transportation Agency	20	20		
National Gallery of Art	323	324		1
National Labor Relations Board	1,752	1,746	6	
National Mediation Board	122	116	6	
National Science Foundation	696	680	16	
Outdoor Recreation Resources Review Commission	45	42	3	
Panama Canal	217	270		53
President's Committee on Equal Employment Opportunity	25	25		
Railroad Retirement Board	2,165	2,171		6
Renegotiation Board	273	274		1
St. Lawrence Seaway Development Corporation	162	162		
Securities and Exchange Commission	1,054	1,048	6	
Selective Service System	6,438	6,428	10	
Small Business Administration	2,467	[5] 2,395	72	
Smithsonian Institution	1,095	1,085	10	
Soldiers' Home	1,038	1,030	8	
South Carolina, Georgia, Alabama, and Florida Water Study Commission	50	50		
Subversive Activities Control Board	27	27		
Tariff Commission	266	267		1
Tax Court of the United States	149	149		
Tennessee Valley Authority	16,504	15,993	511	
Texas Water Study Commission	50	50		
U.S. Information Agency	2,874	2,818		34
Veterans' Administration	172,582	172,474	108	
Total, excluding Department of Defense	1,286,300	1,280,943	8,291	2,934
Net increase, excluding Department of Defense			5,357	
Department of Defense:				
Office of the Secretary of Defense	1,914	1,878	36	
Department of the Army	336,889	334,411	2,478	
Department of the Navy	322,710	322,429	281	
Department of the Air Force	276,609	276,972		363
Total, Department of Defense	938,122	935,690	2,795	363
Net increase, Department of Defense			2,432	
Grand total, including Department of Defense	2,224,422	2,216,633	11,086	3,297
Net increase, including Department of Defense			7,789	

[1] May figure includes 165 seamen on the rolls of the Maritime Administration.
[2] May figure includes 2,062 employees of the International Cooperation Administration, as compared with 2,041 in April.
[3] May figure includes 164 employees of the Peace Corps as compared with 87 in April.
[4] Abolished by Executive Order 10927 dated Mar. 20, 1961.
[5] Revised on basis of later information.

TABLE III.—*Federal personnel outside the United States employed by the executive agencies during May 1961, and comparison with April 1961*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,024	1,011	13	
Commerce	576	582		6
Health, Education, and Welfare	461	471		10
Interior	478	474	4	
Justice	328	331		3
Labor	98	86	12	
Post Office	1,316	1,298	18	
State [1] [2]	28,538	28,319	219	
Treasury	569	578		9
Independent agencies:				
American Battle Monuments Commission	433	435		2
Atomic Energy Commission	36	36		
Civil Aeronautics Board	1	1		
Civil Service Commission	3	3		
Federal Aviation Agency	969	970		1
Federal Communications Commission	2	2		
Federal Deposit Insurance Corporation	2	2		
Foreign Claims Settlement Commission	2	2		
General Accounting Office	71	71		
Housing and Home Finance Agency	146	145	1	
National Aeronautics and Space Administration	9	9		
National Labor Relations Board	31	29	2	
National Science Foundation	5	5		
Panama Canal	13,979	13,859	120	
Selective Service System	157	157		
Small Business Administration	32	32		
Smithsonian Institution	8	9		1
Tennessee Valley Authority	6	3	3	
U.S. Information Agency	8,012	8,008	4	
Veterans' Administration	1,037	1,044		7
Virgin Islands Corporation	1,032	1,024	8	
Total, excluding Department of Defense	59,361	58,996	404	39
Net increase, excluding Department of Defense			365	
Department of Defense:				
Office of the Secretary of Defense	44	41	3	
Department of the Army	51,222	50,848	374	
Department of the Navy	22,390	22,271	119	
Department of the Air Force	28,843	28,896		53
Total, Department of Defense	102,499	102,056	496	53
Net increase, Department of Defense			443	
Grand total, including Department of Defense	161,860	161,052	900	92
Net increase, including Department of Defense			808	

[1] May figure includes 12,388 employees of the International Cooperation Administration, as compared with 12,215 in April. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The May figure includes 3,548 of these trust fund employees and the April figure includes 3,512.

[2] May figure includes 1 employee of the Peace Corps.

TABLE IV.—*Industrial employees of the Federal Government inside and outside the United States employed by the executive agencies during May 1961, and comparison with April 1961*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense)				
Agriculture	3,649	3,547	102	
Commerce	5,676	5,634	42	
Interior	8,083	8,021	62	
Post Office	233	235		2
Treasury	5,156	5,126	30	
Independent agencies:				
Atomic Energy Commission	245	239	6	
Federal Aviation Agency	1,807	1,795	12	
General Services Administration	1,443	1,405	38	
Government Printing Office	6,666	6,658	8	
National Aeronautics and Space Administration	16,703	16,560	143	
Panama Canal	7,078	7,002	76	
St. Lawrence Seaway Development Corporation	128	128		
Tennessee Valley Authority	13,646	13,153	493	
Virgin Islands Corporation	1,032	1,024	8	
Total, excluding Department of Defense	71,545	70,527	1,020	2
Net increase, excluding Department of Defense			1,018	
Department of Defense:				
Department of the Army:				
Inside the United States	[1] 137,100	[2] 136,087	1,013	
Outside the United States	[1] 4,500	[2] 4,507		7
Department of the Navy:				
Inside the United States	198,872	198,949		77
Outside the United States	475	474	1	
Department of the Air Force:				
Inside the United States	149,138	149,634		496
Outside the United States	1,540	1,534	6	
Total, Department of Defense	491,625	491,185	1,020	580
Net increase, Department of Defense			440	
Grand total, including Department of Defense	563,170	561,712	2,040	582
Net increase, including Department of Defense			1,458	

[1] Subject to revision. [2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under U.S. agencies overseas, excluded from tables 1 through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of May 1961, and comparison with April 1961*

Country	Total		Army		Navy		Air Force		National Aeronautics and Space Administration	
	May	April	May	April	May	April	May	April	May	April
Australia	1	1							1	1
Canada	32	32					32	32		
Crete	51	50					51	50		
England	3,317	3,317			19	19	3,298	3,298		
France	21,787	21,730	18,022	17,884	5	6	3,760	3,840		
Germany	80,050	80,204	67,251	67,406	61	58	12,738	12,740		
Greece	272	276					272	276		
Japan	55,763	55,669	20,312	20,081	14,993	15,076	20,458	20,512		
Korea	6,218	6,263	6,218	6,263						
Morocco	2,840	2,895			853	856	1,987	2,039		
Netherlands	44	44					44	44		
Norway	24	24					24	24		
Saudi Arabia	5	5					5	5		
Trinidad	599	606			599	606				
Total	171,003	171,116	111,803	111,634	16,530	16,621	42,669	42,860	1	1

STATEMENT BY MR. BYRD OF VIRGINIA

Executive agencies of the Federal Government reported civilian employment in the month of May totaling 2,386,282. This was a net increase of 8,597 compared with employment reported in the preceding month of April.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1961, which began July 1, 1960, follows:

Month	Employment	Increase	Decrease
1960—July	2,382,549		125
August	2,384,933	2,384	
September	2,364,636		20,297
October	2,360,534		4,102
November	2,360,667	133	
December	2,356,737		3,930
1961—January	2,352,837		3,900
February	2,358,141	5,304	
March	2,365,230	7,089	
April	2,377,685	12,455	
May	2,386,282	8,597	

Total Federal employment in civilian agencies for the month of May was 1,345,661, an increase of 5,722 as compared with the April total of 1,339,939. Total civilian employment in the military agencies in May was 1,040,621, an increase of 2,875 as compared with 1,037,746 in April.

Civilian agencies reporting the larger increases were Agriculture Department with 2,913, Post Office Department with 1,519, Interior Department with 1,221, Labor Department with 691, and Tennessee Valley Authority with 514. The largest decrease was reported by the Treasury Department with 2,683. Increases in the Departments of Agriculture and Interior were largely seasonal.

In the Department of Defense, increases in civilian employment were reported by the Department of the Army with 2,852, and the Department of the Navy with 400. The Department of the Air Force reported a decrease of 416.

Inside the United States civilian employment increased 7,789, and outside the United States civilian employment increased 808. Industrial employment by Federal agencies in May totaled 563,170, an increase of 1,458.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,386,282 civilian employees certified to the committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 171,003 foreign nationals working for U.S. agencies overseas during May who were not counted in the usual personnel reports. The number in April was 171,116. A breakdown of this employment for May follows:

Country	Total	Army	Navy	Air Force	National Aeronautics and Space Administration
Australia	1				1
Canada	32			32	
Crete	51			51	
England	3,317		19	3,298	
France	21,787	18,022	5	3,760	
Germany	80,050	67,251	61	12,738	
Greece	272			272	
Japan	55,763	20,312	14,993	20,458	
Korea	6,218	6,218			
Morocco	2,840		853	1,987	
Netherlands	44			44	
Norway	24			24	
Saudi Arabia	5			5	
Trinidad	599		599		
Total	171,003	111,803	16,530	42,669	1

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Edward T. Wailes, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Czechoslovak Socialist Republic;

William P. Snow, of Maine, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Paraguay;

Seymour J. Rubin, of the District of Columbia, to be General Counsel of the International Cooperation Administration, in the Department of State;

Robert F. Woodward, of Minnesota, a Foreign Service officer of the class of career minister, to be an Assistant Secretary of State; and

deLesseps S. Morrison, of Louisiana, to be the representative of the United States of America on the Council of the Organization of American States, with the rank of ambassador.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PASTORE (for himself and Mr. DIRKSEN):

S. 2237. A bill to permit the entry of certain eligible alien orphans; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2238. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for expenses incurred in the construction of family fallout shelters of a type and design approved by the Office of Civil and Defense Mobilization; to the Committee on Finance.

By Mr. ERVIN (for himself, Mr. LONG of Missouri, and Mr. KEATING):

S. 2239. A bill to amend the act entitled "An act to incorporate the National Society of the Sons of the American Revolution," approved June 9, 1906 (34 Stat. 227), in order to remove the statutory limitation on the amount of property such society may receive, purchase, hold, sell, and convey at any one time; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 2240. A bill for the relief of the Robertson Construction Co.; to the Committee on the Judiciary.

By Mr. ANDERSON (by request):

S. 2241. A bill to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. SYMINGTON (for himself and Mr. LONG of Missouri):

S. 2242. A bill to amend section 491 of title 18, United States Code, prohibiting certain acts involving the use of tokens, slugs, disks, devices, papers, or other things which are similar in size and shape to the lawful coins or other currency of the United States; to the Committee on the Judiciary.

By Mr. CARROLL (for himself and Mr. ALLOTT):

S. 2243. A bill for the relief of Lee R. Garcia, also known as Lino Rios Garcia; to the Committee on the Judiciary.

By Mr. HICKEY (for himself and Mr. MCGEE):

S. 2244. A bill to perfect the method of collecting irrigation charges on the Wind River Indian Reservation in Wyoming; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HICKEY when he introduced the above bill, which appear under a separate heading.)

By Mr. HICKEY (for himself, Mr. MCGEE, Mr. HRUSKA, and Mr. CURTIS):

S. 2245. A bill to amend the act granting the consent of Congress to the negotiation of certain compacts by the States of Nebraska, Wyoming, and South Dakota in order to extend the time for such negotiation; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HICKEY when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

EAST ORANGE—THE NATION'S CLEANEST TOWN

Mr. WILLIAMS of New Jersey. Mr. President, I submit for appropriate reference, a concurrent resolution to congratulate the citizens of the city of East Orange, N.J., for its award as the Nation's Cleanest Town.

The award, given by the National Clean Up—Paint Up—Fix Up Bureau, is one more fitting recognition of the spirit, pride, and dedication of the people and public officials of East Orange in making a success of urban living.

As a preeminently urban nation, we seem too often to be apathetic about the monumental ugliness and deterioration surrounding us. But operating on the fundamental truth expressed by East Orange's distinguished mayor, James Kelly, that "when the amenities go, blight moves in," the people of East Orange have demonstrated their desire and determination to create an attractive, clean, and healthy community.

It gives me particular pleasure, Mr. President, to offer this tribute to the citizens of East Orange and their mayor, who has been an outstanding leader in the effort to enhance and humanize our cities. Mr. President, I ask unanimous

consent that the concurrent resolution be printed in the RECORD.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 32), was referred to the Committee on the Judiciary, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby extends its greetings and felicitations to the city of East Orange, New Jersey, in recognition of the presentation to it on May 3, 1961, of the Ernest T. Trigg Trophy, the Grand National Award in the 1960 National Cleanest Town Contest sponsored by the National Clean Up—Paint Up—Fix Up Bureau.

RESOLUTIONS

ADDITIONAL COPIES OF PART 1 OF HEARINGS ENTITLED "INTERNATIONAL DEVELOPMENT AND SECURITY"

Mr. FULBRIGHT submitted the following resolution (S. Res. 172); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Foreign Relations fifteen hundred additional copies of part 1 of the hearings entitled "International Development and Security," held by that committee during the Eighty-seventh Congress, first session.

ADDITIONAL COPIES OF PART 2 OF HEARINGS ENTITLED "INTERNATIONAL DEVELOPMENT AND SECURITY"

Mr. FULBRIGHT submitted the following resolution (S. Res. 173); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Foreign Relations fifteen hundred additional copies of part 2 of the hearings entitled "International Development and Security," held by that committee during the Eighty-seventh Congress, first session.

PRINTING OF REPORTS ENTITLED "LIMITATIONS ON LOWER BASIN USES OF WATER DUE TO SHORTAGE OF COLORADO RIVER SUPPLY" AND "LIMITATIONS ON UPPER BASIN DEVELOPMENTS DUE TO SHORTAGE OF COLORADO RIVER SUPPLY" AS A SENATE DOCUMENT

Mr. KUCHEL. Mr. President, I have before me two reports, one entitled "Limitations on Lower Basin Uses of Water Due to Shortage of Colorado River Supply," dated March 18, 1961, prepared by Raymond A. Hill, consulting engineer, Los Angeles, Calif.; the second report being entitled "Limitations on Upper Basin Developments Due to Shortage of Colorado River Supply," dated March 7, 1961, also by Raymond A. Hill, consulting engineer, Los Angeles, Calif.

I submit, for appropriate reference, a resolution that the two reports to which I have referred be printed as a Senate document.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 174) was referred to the Committee on Rules and Administration, as follows:

Resolved, That the reports pertaining to the water supply available from the Colorado River to the States of the upper and lower basins, be printed, with an illustration, as a Senate document.

ADDITIONAL COPIES OF REPORT ON FEDERAL CIVILIAN EMPLOYMENT BY COUNTY

Mr. BYRD of Virginia submitted the following resolution (S. Res. 175); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Joint Committee on Reduction of Nonessential Federal Expenditures 3,000 additional copies of a report on Federal civilian employment by county, prepared by that committee during the current session of Congress.

LUCY LEE SILCOX WOOD

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 176) to pay a gratuity to Lucy Lee Silcox Wood, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. MANSFIELD, which appears under the heading "Reports of Committees.")

JACQUELINE E. AUCHAMPAUGH

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 177) to pay a gratuity to Jacqueline E. Auchampaugh, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. MANSFIELD, which appears under the heading "Reports of Committees.")

DATE OF COMMENCEMENT OF TERM OF SERVICE OF SENATOR TOWER

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 178) to establish the date of the commencement of the term of service of JOHN G. TOWER, a U.S. Senator from the State of Texas, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. MANSFIELD, which appears under the heading "Reports of Committees.")

DONATION OF CERTAIN LANDS TO JICARILLA APACHE TRIBE, NEW MEXICO

Mr. ANDERSON. Mr. President, I introduce, for appropriate reference, a bill to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land. I ask unanimous consent that the text of the bill be printed at this point in the RECORD, together with the letter from the Department of the Interior, dated June 30, requesting the introduction of this legislation and providing background information with respect to the need for donating certain lands to the Jicarilla Apache Tribe.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2241) to donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land, introduced by Mr. ANDERSON, by request, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the right, title, and interest of the United States in the following described land containing 391.43 acres, more or less, situated in the State of New Mexico and now in use by the Jicarilla Apache Tribe of the Jicarilla Reservation—

Township 32 north, range 1 west, New Mexico principal meridian:

Section 31, lots 1, 2, 3, east half northwest quarter, northeast quarter southwest quarter, containing 234.38 acres, more or less;

Section 30, lot 4, northeast quarter southwest quarter, lot 3, southeast quarter southwest quarter, containing 156.20 acres, more or less;

Beginning at corner number 1, from which the northwest corner of section 30, township 32 north, range 1 west, New Mexico principal meridian, bears north 57 degrees 40 minutes west, a distance of 2,676 feet. Thence from corner numbered 1 south, 53 degrees 33 minutes west, a distance of 396 feet to corner numbered 2; thence south 36 degrees 27 minutes east, a distance of 100 feet to corner numbered 3; thence north 53 degrees 33 minutes east, a distance of 352 feet to corner numbered 4; thence north 12 degrees 52 minutes west, a distance of 112 feet to point of beginning, containing 0.85 acre, more or less;

is hereby declared to be held by the United States in trust for the Jicarilla Apache Tribe of the Jicarilla Reservation, New Mexico, subject to a reservation of the right of the United States to use so much of said land, together with all facilities now thereon or hereafter installed by the United States, as shall in the opinion of the Secretary of the Interior be needed for the administration of the affairs of the tribe, and subject to a reservation in the United States of a right-of-way across any part of said land which the Secretary of the Interior deems desirable in connection with the administration of the affairs of the tribe.

The letter presented by Mr. ANDERSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 30, 1961.

Hon. LYNDON JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed herewith is a draft of a proposed bill "To donate to the Jicarilla Apache Tribe of the Jicarilla Reservation, N. Mex., approximately 391.43 acres of federally owned land."

We recommend that the proposed bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The Jicarilla Apache Tribe wants to acquire the land involved in order to be in a better position to control a watershed on which the tribe is dependent for its domestic water supply. The 391.43 acres consist of the following four tracts:

1. Eighty-five hundredths acre that was purchased by the United States from private owners in 1903 for $200.

2. Forty acres of public domain land that were set aside by secretarial order (11526 Ind. Div. 1903, JES) of December 7, 1903, for Indian school purposes at the Jicarilla Indian Agency.

3. Two hundred and seventy-two and fifty-three hundredths acres of public domain land that were set aside by secretarial order (7779 Ind. Div. 100, MEW) of October 30, 1900, for a new Indian boarding school that was then under construction on the Jicarilla Indian Reservation.

4. Seventy-eight and five hundredths acres of public domain land that were withdrawn from entry under the Taylor Grazing Act of 1934, as amended, and that are vacant but have been used without formal order for agency and school purposes.

Tracts 2, 3, and 4 make up a continuous strip of land that borders the original western boundary of the reservation, but is outside that boundary. Immediately south of the strip, but also outside the boundary, is a tract of 151.78 acres that was donated to the tribe in 1944, and the title is held by the United States in trust. Immediately north of the strip, but also outside the boundary, is a tract of 155.80 acres that was purchased for the tribe in trust under the Indian Reorganization Act. The purchase was made in 1940. Tract No. 1, above, is surrounded by this latter tract.

The four tracts covered by the bill are important key tracts for the present water system that serves the Jicarilla Agency, the Indian board school dormitory, the Dulce Public School, the Public Health Service facilities, and the tribal housing and development program. The powerhouse and pumping plant for the present domestic water system are located on tract No. 1. The present domestic water storage tanks are located on tracts 2, 3, and 4. The main waterline from the pumping plant and the only access road for the pumping plant cross this land. A proposed improvement of the Dulce domestic water system, which is a community within the reservation, and a business and industrial development planned for the donated land south of tracts 2, 3, and 4, will require waterlines across these tracts.

In order to protect the interests of the tribe, the land in question should be placed in tribal ownership.

The Bureau of the Budget has advised us that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

WIND RIVER RESERVATION IRRIGATION CHARGES

Mr. HICKEY. Mr. President, on January 23, 1961, I was joined by my colleague, the senior Senator from Wyoming [Mr. MCGEE], in the introduction of S. 536 to approve an order of the Secretary of the Interior adjusting, deferring, and canceling certain irrigation charges against non-Indian-owned lands under the Wind River irrigation project, Wyoming. The cancellation totals, in round figures, $36,000.

It is important to note that the beneficiaries of this bill are the owners of the non-Indian lands. It appears now that the Department of the Interior has a different policy with respect to delinquent payments on the lands held in trust by the United States for the benefit of individual Indians. A new superintendent on the reservation acting under what appears to be a Department policy is collecting the delinquent Indian accounts by holding back money from the per capita distribution of tribal funds.

In this connection it is important to understand that the United States is involved in this matter in two capacities. First, the United States is the trustee for some 9,000 acres of land in the irrigation project held in trust because of the problem of fractionated heirship, now under study by the Congress. As such it is the manager of this land and in a position to exert some management skill in making certain that it earns at least the operation and maintenance charges levied against it. Second, the United States is the bill collector by virtue of acting as the disbursing agent for the distribution of the per capita funds. Because collection is so easy by withholding from the per capita distribution there is a tendency, reservation leaders believe, for the Bureau of Indian Affairs to take the easy way out and just collect the irrigation charges from the per capita distribution. At the same time the Bureau is willing to waive, as provided in S. 356, the charges on certain parcels of land which has been found unable to bear the burden of such charges.

In the interest of securing a study of this matter I introduce, for appropriate reference, on behalf of myself and my senior colleague [Mr. MCGEE] as cosponsor, a bill to perfect the method of collecting irrigation charges on the Wind River Reservation in Wyoming.

I request unanimous consent that there be printed in the RECORD at the completion of my remarks a news item from the Lander, Wyo., State Journal of June 8, 1961, outlining the collection of these delinquent Indian charges. In closing I emphasize that I introduce this bill so that the matter may be properly studied by the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the news item will be printed in the RECORD.

The bill (S. 2244) to perfect the method of collecting irrigation charges on the Wind River Indian Reservation in Wyoming, introduced by Mr. HICKEY (for himself and Mr. MCGEE), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The news item presented by Mr. HICKEY is as follows:

[From the Lander (Wyo.) State Journal, June 8, 1961]

PER CAPITA PAY NICKED FOR OLD WATER CHARGES

A number of Shoshone and Arapahoe Indians got smaller per capita checks this month. And it will stay that way until they are paid upon past due irrigation charges.

The Bureau of Indian Affairs has ordered all reservations to get current on those bills, said Clyde Hobbs, new superintendent of the Wind River Agency who took over Monday, succeeding Arthur Arnston who was transferred to South Carolina.

The deductions made for delinquent operating and maintenance irrigation charges were the first in some years, and startled some reservation residents.

They totaled $2,500 this time. They will continue until all the delinquent 1960 fees are paid, which is $22,000 worth.

Then, Mr. Hobbs said, "there will be a breather and we'll start in on the charges in previous years that still aren't paid, or we may deduct for 1961 first, I'm not sure yet."

EXTENSION OF THE TIME FOR COMPLETING THE NIOBRARA RIVER COMPACT

Mr. HICKEY. Mr. President, at the request of the State engineer of Wyoming, Earl Lloyd, I introduce for myself and my colleague, the senior Senator from Wyoming [Mr. MCGEE] and the Senators from Nebraska [Mr. HRUSKA and Mr. CURTIS], a bill to extend for 2 years the time in which the States of Wyoming, Nebraska, and South Dakota are authorized to negotiate a compact governing the waters of the Niobrara River. I ask unanimous consent that Mr. Lloyd's letter requesting such extension be printed at this point in the RECORD as explanation for the need.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2245) to amend the act granting the consent of Congress to the negotiation of certain compacts by the States of Nebraska, Wyoming, and South Dakota in order to extend the time for such negotiation, introduced by Mr. HICKEY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. HICKEY is as follows:

STATE OF WYOMING,
STATE ENGINEER'S OFFICE,
Cheyenne, June 30, 1961.

Senator J. J. HICKEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HICKEY: As you know, the compact commissioners of the States of Wyoming, Nebraska, and South Dakota have been engaged for the last few years in negotiations for an interstate stream compact relative to the waters of the Niobrara River. These three States are involved along that stream.

Because of somewhat different conditions in the areas and the problems involved in the Niobrara River Basin, as it concerns Nebraska and South Dakota and those with which Nebraska and Wyoming are involved, it was finally decided by the joint commission that separate compacts be agreed upon between Nebraska and South Dakota, and Nebraska and Wyoming.

The lower Niobrara River and Ponca Creek compact between South Dakota and Nebraska was agreed upon, signed, and has been ratified by the legislatures of those States. As I understand, the ratifying legislation for this compact has been introduced in the U.S. Senate by Senators ROMAN L. HRUSKA and CARL T. CURTIS, of Nebraska, and the two Senators from South Dakota.

What we felt was the final draft of a compact between the States of Wyoming and Nebraska and which has been designated as the "upper Niobrara River compact" was completed close to the end of the Wyoming legislative session of 1961. The compact was signed by Dan S. Jones, Jr., as commissioner for Nebraska and by some of the Niobrara compact commissioners for Wyoming, but the signatures of all members of the Wyoming commission have not been secured and some have indicated that they would like to have a little more time to study some of its provisions. It was too near the end of the legislature session to secure unanimous approval for its consideration.

It is my opinion that the draft of the compact as now written or with some minor changes can be finally agreed upon before our next Wyoming legislative session and that we can be fully in agreement when it is presented to the legislature for approval. Under the circumstances, I do not feel that the negotiations can be entirely completed before the date of August 5, 1961, which is the final date to which the present consent legislation extends.

As the acting Wyoming interstate streams commissioner and acting for our commission, I would like to request that legislation be introduced in the Congress to extend the time for completion of negotiation of the upper Niobrara River compact between the States of Nebraska and Wyoming for at least 2 years. This would, I am sure, take care of the situation.

The same letter is being sent to Senator GALE MCGEE, and I am quite sure Senators ROMAN L. HRUSKA and CARL T. CURTIS, of Nebraska, will join with the Wyoming Senators in introducing the necessary legislation for this extension. I am sending copies of this letter to them so that they may be advised in this matter.

If I can be of assistance in this connection, please let me know.

Yours very truly,

EARL LLOYD,
State Engineer and Acting Interstate Streams Commissioner.

MARINE SCIENCES AND RESEARCH ACT OF 1961—AMENDMENT

Mr. LONG of Louisiana submitted an amendment, intended to be proposed by him, to the bill (S. 901) to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF PUBLIC HEALTH SERVICE ACT TO PROVIDE FOR REIMBURSEMENT OF SERVICES PERFORMED AT SPECIAL PLACES; ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of July 7, 1961, the names of Senators BRIDGES and CHAVEZ were added as additional cosponsors of the bill (S. 2201) to amend the Public Health Service Act to provide for reimbursement of services performed at special places, and for other purposes, introduced by Mr. GOLDWATER on July 7, 1961.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. COOPER:

Address entitled "American in Today's World," delivered by Senator WAYNE MORSE at Suffolk University, Boston, Mass., June 18, 1961.

By Mr. WILEY:

Article entitled "Jobless Teens Critical U.S. Problem," written by Victor Riesel and published in the Milwaukee Sentinel of July 10, 1961.

THE EVOLUTION OF THE U.S. FLAG

Mr. DIRKSEN. Mr. President, I ask unanimous consent that an article entitled "The Evolution of the U.S. Flag," by Pearl W. Norman, regent, Lucy Holcombe chapter, District of Columbia DAR, published in the June–July 1961 issue of the Daughters of the American Revolution magazine, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE EVOLUTION OF THE U.S. FLAG

(By Pearl W. Norman)

The Quartermaster Corps as required by law, produced the first 50-star banner, designed and made at the Philadelphia Quartermaster Depot, and on Monday, July 4, 1960, the new Old Glory, by tradition, was raised atop Independence Hall by a color guard of U.S. marines, two in colonial soldier costume and two in dress blues; and this Continental Nation and its two sister outposts became as one. Approximately 3,000 persons, including U.S. Senators HUGH SCOTT and JOSEPH S. CLARK, with Senator HIRAM FONG, of Hawaii, as speaker, attended the 2-hour exercise in Independence Square.

The seeds planted in 1776 by our Revolutionary fathers have grown into the greatest stronghold of individual liberty human history has recorded, and with God's help we pray we will continue to go forward to meet the problems of this age, that America will work to destroy the foul cloud of atheistic communism, not by denunciation, but by the self-confident, gloriously inspired, stubborn, magnificent spirit of our forefathers in 1776.

May this generation, the one now growing to maturity, and the ones to follow never falter in their fight to preserve the American dream.

The following historical information on the U.S. flag was prepared at my request by Col. John D. Martz, Jr., and staff, commanding officer of the Institute of Heraldry, U.S. Army, Cameron Station, Alexandria, Va., for publication in our DAR magazine (see frontispiece).

My objective is that it will serve to reacquaint all of us, adults and children, with the wonderful story of the origin and evolution of our flag, symbol of our Republic; and to freemen everywhere it means honor, integrity, and faith in the divine power; it is our American history, it is our Constitution. We have a large group among us today who would replace our Constitution with a world government conspiracy in which our Republic would be a small minority voice in a sea of totalitarian nations, shunting the Stars and Stripes to a secondary spot; that is why our educational system must be on guard to see that our children are taught American history. They will learn to prize their birthright more highly and treasure it more carefully.

"How sure the bolt that justice wings;
How weak the arms a traitor brings;
How mighty they who steadfast stand for Freedom's flag and Freedom's land."

Bayard Taylor (1865).

My gratitude and appreciation to Colonel Martz and his staff for their cooperation; without it this brochure on our Stars and Stripes would be incomplete.

ORIGIN AND DESIGN OF THE FLAG OF THE UNITED STATES

The Continental Congress, meeting in Philadelphia, Pa., on June 14, 1777, adopted a resolution which provided "that the flag of the Thirteen United States be 13 stripes, alternate red and white; that the Union be 13 stars, white, on a blue field, representing a new constellation." This date fixes the annual observance of Flag Day. Most historians agreed that the first flags had the 13 stars arranged in a circle.

Vermont was admitted to the Union in 1791, and Kentucky in 1792. On January 13, 1794, Congress prescribed that after May 1, 1795, the flag should have 15 stripes, alternate red and white; and that the Union be 15 stars, white in a blue field. Flags appearing after this date lacked uniformity in proportions and in the arrangement of the stars.

Subsequently five more States were admitted; and a joint resolution of Congress, adopted on April 4, 1818, provided that "from and after the Fourth of July next, the flag of the United States be 13 horizontal stripes alternate red and white; that the union have 20 stars, white in a blue field." A second section provided: "That on the admission of every new State into the Union, one star be added to the union of the flag; and that such addition shall take effect on the Fourth of July then next succeeding such admission."

This marked a return to 13 stripes and was the first congressional order that the stripes shall be horizontal. Another important point in the 1818 resolution was the provision for adding stars on July 4th following the admission of new States.

There have been 27 star arrangements of the flag since 1777. For more than a century there were wide variations in the arrangement of stars and in the sizes and proportions of the flag. Sometimes the stars were in rows, sometimes in the outline of a great star, or an enlarged circle with one large star in the center. In some instances not all of the stars pointed upward.

Prior to admission of Alaska on January 3, 1959, and Hawaii on August 21, 1959, the States most recently admitted to the Union were New Mexico, January 6, 1912, and Arizona, February 14, 1912.

Prior to their admission, the flag consisted of 13 red and white stripes and a blue field containing 46 stars. The stars were arranged in six rows. From the top, the first, third, fourth, and sixth rows had eight stars each; the second and fifth rows had seven stars each.

Under an act of Congress enacted in 1903, there had been constituted a Joint Army-Navy Board, consisting of eight members—four appointed by the Secretary of the Navy and four appointed by the Secretary of War. This Board was established for the purpose

of conferring on various subjects of mutual interest to the two military services, and apparently it was maintained continuously with replacements. In 1912 the Board consisted of the following members: Adm. George Dewey (hero of the Battle of Manila Bay in the Spanish-American War), senior member; Rear Adm. Charles E. Vreeland; Rear Adm. Sidney Augustus Stanton; Capt. Templin Morris Potts, U.S. Navy; Maj. Gen. Leonard Wood; Maj. Gen. William H. Carter; Brig. Gen. Erasmus M. Weaver, and Brig. Gen. A. L. Mills.

On February 7, 1912, the Joint Army-Navy Board filed a report of recommendations for changing the design of the flag from 46 to 48 stars. This report, signed by Admiral Dewey as senior member, was forwarded to the President. The report recommended that one star be added to each of the two rows, which theretofore had contained seven stars. This made up a blue field containing six rows of eight stars each. A blueprint of the proposed design was filed with the report. The recommendation was approved by President William Howard Taft on February 14, 1912.

On June 24, 1912, President Taft issued Executive Order No. 1556. This order prescribed the number of flags for use by executive departments of the Government and the sizes of each. An additional provision stated that all flags "now on hand or for which contracts have been awarded shall be continued in use until unserviceable but all manufactured or purchased for Government use after July 4, 1912, shall conform to the dimensions and proportions herein prescribed."

Prior to 1910, there were 66 different sizes of flags with varying proportions in use by Government agencies alone and an almost infinite variety in civilian use. The Executive order of 1912 limited the sizes for governmental use to 12. On May 29, 1916, Executive Order No. 2390, issued by President Woodrow Wilson, revised the 1912 order, but retained the proportions of fly to hoist, and field to fly, as well as other proportions.

Suggested designs received by the Army Quartermaster General

After discussion of the possible admittance to the Union of Hawaii and Alaska began, the Heraldic Branch, Office of the Quartermaster General, Department of the Army, in Washington, D.C., received more than 2,500 designs and proposals for changing the arrangement of stars should a new State or States be admitted. These proposals were transmitted to the Quartermaster General by the White House, Members of Congress, and other Government agencies which had received them from artists, teachers, schoolchildren, farmers, and persons in many other walks of life.

The suggested designs ranged from straight rows of stars to fanciful arrangements. Some had the stars arranged in circles within circles. Others had the stars making up a large star. One design placed the stars so as to compose the initial letters, "U.S.A." Some of the proposed designs were made up of fabrics in completed flags; others were painted or drawn on paper or cardboard.

Many of the submitted designs were duplicates. For example, numerous persons proposed, for a 49-star flag, 7 rows of 7 stars each. All of the submitted designs were preserved in the Heraldic Branch, Office of the Quartermaster General, for future reference and consideration by the group or agency assigned responsibility for redesigning the flag.

Admission of Alaska

On June 30, 1958, the Congress passed an act providing for the admission of Alaska as a State and stipulating the terms of admission. The act was signed by President Eisenhower on July 7, 1958. The terms of the act were approved by the voters of Alaska at a special election on August 26, 1958.

On September 27, 1958, President Eisenhower invited the following to constitute a committee to recommend to him the design for a 49-star flag based on the admission of Alaska: the late Honorable John Foster Dulles, then Secretary of State; Hon. Neil M. McElroy, Secretary of Defense; Hon. Robert B. Anderson, Secretary of the Treasury; Dr. David E. Finley, Chairman, Commission of Fine Arts.

On November 25, 1958, the voters of Alaska elected two Senators and one Representative to serve in the U.S. Congress, as well as State and local officers.

Representatives of the members of the President's Flag Committee held a number of meetings, during the course of which the Committee was briefed on the history and background of the flag of the United States by representatives of Maj. Gen. A. T. McNamara, Quartermaster General of the Army. In these briefings, the Committee was advised how previous changes in the flag design were made, and the Committee was shown the proposed designs for a 49-star flag which had been received and developed in the Heraldic Branch of the Office of the Quartermaster General.

Following extensive consideration of all factors involved, the Committee submitted its recommendations to the President, who made the final selection.

This Committee was reconstituted to consider the design for the 50-star flag and made recommendations on its design to the President, who made the final selection prior to admission of Hawaii to the Union. As before, the various designs considered by the Committee were developed by the Heraldic Branch, Office of the Quartermaster General.

Following certification by the Governor of Alaska of the results of the Alaskan elections, President Dwight D. Eisenhower, on January 3, 1959, at a ceremony in the White House, issued a proclamation announcing the admission of Alaska to the Union. At the same ceremony the President announced his selection of the design for the new 49-star flag and signed an Executive order describing it. The flag used at this ceremony, the first authorized 49-star flag, was manufactured at the Army's Philadelphia Quartermaster Depot. All of the existing proportions of the flag and the arrangements of the stripes were retained. The design for the blue field was changed to provide for seven rows of seven stars each.

On August 21, 1959, in a similar White House ceremony, President Eisenhower signed a proclamation announcing the admission of Hawaii to the Union and issued Executive Order No. 10834 establishing the design of the 50-star flag. Again the flag used in the White House ceremony, the first authorized 50-star flag, was manufactured at the Army's Philadelphia Quartermaster Depot.

The new 50-star design consists of 5 rows of 6 stars alternating with 4 rows of 5 stars.

As stated in the Executive order, the 50-star flag would not become the official flag of the United States until July 4, 1960, and it was improper to display it as such before that date.

NUMBER OF STARS IN THE U.S. FLAG, 1777 TO PRESENT

From 1777 to 1795: 13 stars.
From 1795 to 1818: 15 stars.
From 1818 to July 3, 1819: 20 stars.
From July 4, 1819 to July 3, 1820: 21 stars.
From July 4, 1820 to July 3, 1822: 23 stars.
From July 4, 1822 to July 3, 1836: 24 stars.
From July 4, 1836 to July 3, 1837: 25 stars.
From July 4, 1837 to July 3, 1845: 26 stars.
From July 4, 1845, to July 3, 1846: 27 stars.
From July 4, 1846, to July 3, 1847: 28 stars.
From July 4, 1847, to July 3, 1848: 29 stars.
From July 4, 1848, to July 3, 1851: 30 stars.
From July 4, 1851, to July 3, 1858: 31 stars.
From July 4, 1858, to July 3, 1859: 32 stars.
From July 4, 1859, to July 3, 1861: 33 stars.
From July 4, 1861, to July 3, 1863: 34 stars.
From July 4, 1863, to July 3, 1865: 35 stars.
From July 4, 1865, to July 3, 1867: 36 stars.
From July 4, 1867, to July 3, 1877: 37 stars.
From July 4, 1877, to July 3, 1890; 38 stars.
From July 4, 1890, to July 3, 1891: 43 stars.
From July 4, 1891, to July 3, 1896: 44 stars.
From July 4, 1896, to July 3, 1908: 45 stars.
From July 4, 1908, to July 3, 1912: 46 stars.
From July 4, 1912, to July 3, 1959: 48 stars.
From July 4, 1959, to July 3, 1960: 49 stars.
From July 4, 1960, to ———: 50 stars.

WHEN STATES ENTERED THE UNION

Delaware: December 7, 1787.
Pennsylvania: December 12, 1787.
New Jersey: December 18, 1787.
Georgia: January 2, 1788.
Connecticut: January 9, 1788.
Massachusetts: February 6, 1788.
Maryland: April 28, 1788.
South Carolina: May 23, 1788.
New Hampshire: June 21, 1788.
Virginia: June 25, 1788.
New York: July 26, 1788.
North Carolina: November 21, 1789.
Rhode Island: May 29, 1790.
Vermont: March 4, 1791.
Kentucky: June 1, 1792.
Tennessee: June 1, 1796.
Ohio: March 1, 1803.
Louisiana: April 30, 1812.
Indiana: December 11, 1816.
Mississippi: December 10, 1817.
Illinois: December 3, 1818.
Alabama: December 14, 1819.
Maine: March 15, 1820.
Missouri: August 10, 1821.
Arkansas: June 15, 1836.
Michigan: January 26, 1837.
Florida: March 3, 1845.
Texas: December 29, 1845.
Iowa: December 28, 1846.
Wisconsin: May 29, 1848.
California: September 9, 1850.
Minnesota: May 11, 1858.
Oregon: February 14, 1859.
Kansas: January 29, 1861.
West Virginia: June 20, 1863.
Nevada: October 31, 1864.
Nebraska: March 1, 1867.
Colorado: August 1, 1876.
North Dakota: November 2, 1889.
South Dakota: November 2, 1889.
Montana: November 8, 1889.
Washington: November 11, 1889.
Idaho: July 3, 1890.
Wyoming: July 10, 1890.
Utah: January 4, 1896.
Oklahoma: November 16, 1907.
New Mexico: January 6, 1912.
Arizona: February 14, 1912.
Alaska: January 3, 1959.
Hawaii: August 21, 1959.

CIVIL DEFENSE

Mr. DIRKSEN. Mr. President, Mr. Roscoe Drummond has commented on an item upon which I recently spoke in

the Senate, with respect to the imposition of local taxes upon property owners who build their own fallout shelters. This is a subject of which we shall hear a great deal more in connection with the civil defense program.

I ask unanimous consent that the article, entitled "Civil Defense," by Mr. Drummond, published in the New York Herald Tribune of recent date, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CIVIL DEFENSE—WILL IT WORK?

(By Roscoe Drummond)

President Kennedy is wisely and rightly putting the fullest influence of the White House behind developing a stronger civil defense program.

He is asking Congress to increase the civil defense appropriation from $100 million, which is so inadequate as to be a waste, to $300 million, which would enable the Government to make a real beginning.

This is a modest investment in security, safety, and survival.

I believe that the critics and those who are apathetic about civil defense ought to ponder the answers to these questions: Who are the principal advocates of civil defense and what are their credentials? Can civil defense really save lives in the event of nuclear attack? What needs to be done?

The principal advocates of civil defense are the President of the United States, all of the Governors of the 50 States, and the mayors of the whole Nation. At their annual conferences last month, the mayors and the Governors unanimously supported a matching grant program by which Federal, State, and city government can do the job effectively. In other words, the President, whose responsibility is the safety of the Nation, and the governors and mayors, whose responsibility is the safety of the people of their States and cities, are as one in favoring a meaningful civil defense program.

Furthermore, protection of the civil population and the Nation's vast industrial complex against nuclear attack is itself a deterrent to nuclear attack. It is more riskful to attack a nation able to survive that attack.

This is the view of the Defense Department: "The vulnerability of the civil population to nuclear attack may impair the ultimate utility, if not the combat capability, of our military forces."

This is the view of the Chairman of the Joint Chiefs of Staff, Gen. Lyman Lemnitzer: "A well-prepared and safeguarded populace in itself provides a major contribution to our essential nuclear deterrence."

But can a good civil defense save lives on a large scale? Is it practicable or is it a vast boondoggle? I give you the words of the Nobel Prize-winning scientist, Dr. William F. Libby:

"Atomic and hydrogen bombs can create hell on earth in a way no man, not even Dante, has ever imagined. But it is possible to save most people. Defense against radioactive fallout through fallout shelters is a must. This should be done, for it would save millions of lives."

I give you the words of Edward Teller, father of the H-bomb:

"We must realize that an all-out nuclear attack would not leave our Nation uninhabitable. Radioactivity decays * * * contamination would be most critical for about 2 weeks. During that time, to survive, we must be sheltered against radioactivity. Then we could emerge to clean up and rebuild our Nation."

It is highly important that the Federal Government should put its own house in order by providing shelter in its buildings to insure continuity of Government and as an example to the people that our leaders mean it when they say shelter is necessary. There are new Government buildings in Washington completed this past year which do not have fallout shelters.

Sample surveys of shelter potential of existing buildings have been conducted in four different cities. These suggest that millions of Americans could be protected by existing structures with minor modifications. These shelters need to be identified and improved throughout the Nation.

There ought to be an incentive to individuals to build private fallout shelters. Some Federal and State tax rebate would be in order.

Civil defense planning and coordination should be the responsibility of the civil arm of the Government. The present Director of the Office of Civil Defense, Frank Ellis—a southerner who speaks softly and acts vigorously—is the kind of man who can and will do the job—if given the tools by Congress.

MISSION OF SS "HOPE"

Mr. DIRKSEN. Mr. President, I have received a letter from Mr. Henry E. Mooberry, Jr., the People to People Health Foundation, Inc., 1818 M Street, NW., Washington, D.C., in which he enclosed an editorial from the Herald-News, Joliet, Ill., on "SS *Hope's* Mission a Vital and Important One." I ask unanimous consent that his letter to me, and the editorial, be printed at this point in the RECORD.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

THE PEOPLE TO PEOPLE HEALTH FOUNDATION, INC.,
Washington, D.C., July 6, 1961.

Hon. EVERETT MCKINLEY DIRKSEN,
U.S. Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR DIRKSEN: Attached please find an editorial from the June 22, 1961, edition of the Joliet Herald-News on Project Hope and the SS *Hope I*. I am sure you know of the work being done by this private medical organization of Americans who want to help the people of the less fortunate nations update themselves in the modern practices, equipment and drugs of today's medicine. For your further information on *Hope* I attach background material.

Your State is represented by two permanent staff people: Stanley Hellman, D.D.S., 841 West Ainslie Street, Chicago; and Miss Charlotte M. Roller, medical secretary, 825 Armitage Avenue, also Chicago. One other Illinoisan was a member of one of the rotating medical teams who serve the vessel without pay, for from 2 to 4 months. He is Max Hirschfelder, M.D., ophthalmologist, 408 West Second Street, Centralia.

Sincerely,

HENRY E. MOOBERRY, Jr.

[From the Joliet (Ill.) Herald-News, June 22, 1961]

SS "HOPE'S" MISSION A VITAL AND IMPORTANT ONE

Recently the SS *Hope* arrived in the Vietnamese port of Saigon on a 4-month medical mission that could be more important to the future of Southeast Asia than a dozen peace parleys at Geneva.

Vietnam is inwardly sick with Communist subversion. The SS *Hope*, with its message of America's willingness to help, possibly may do more to aline the Vietnamese with the free world than millions in military aid.

The hospital ship is completing a yearlong good will mission to Southeast Asia. So far in waters off Indonesia, the basic medical team of 15 physicians, 24 nurses, and 30 medical technicians has held 800 classes and lectures, treated 17,000 patients and performed 700 major surgical operations.

The *Hope's* operation costs for the year will total $3.5 million, privately raised through solicitation of corporations, labor groups and individuals.

The Senate a short time ago adopted a resolution supporting an entire white fleet of such mercy ships. The President would have authority to send the fleet to disaster areas. It also would carry on a regular program of medical and technical assistance and training wherever such activity might further U.S. foreign policy.

In light of the *Hope's* success, a white fleet could be one of this country's least expensive but most productive foreign aid projects. As the mayor of Sumbawa, an island in the Indonesian archipelago, told the *Hope's* staff: "This is the first time foreigners came to Sumbawa who did not come to steal our rice. We will never forget what you have done."

APPEASEMENT OF COMMUNISTS

Mr. FONG. Mr. President, last Saturday the eminent journalist, Roscoe Drummond, wrote an eloquent and persuasive warning against appeasement of Communists.

In exceptionally lucid and logical fashion, Mr. Drummond pointed out that appeasement will not work because, in his words:

The Communists by their very claim to universal rule will never be appeased until there is nothing left to appease with.

He explained that the Communists are not seeking a balance of power; they are seeking total power.

He pointed out facts about communism that free peoples everywhere should always remember:

The fact is that the Communists do not want, do not accept, do not believe in, do not respect stability of frontiers between a Communist country and a non-Communist country.

Further, the Communists do not accept and do not respect the validity of any frontier anywhere because they do not accept and do not respect the right of any non-Communist government to exist anywhere in the world.

Mr. President, unless we face the fundamental reality of these facts about the Communists, and the unchanging nature of the Communist movement against freedom, we will lose the cold war and the liberty on this planet will perish.

Mr. President, I ask unanimous consent to include the entire text of Mr. Drummond's column in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BERLIN CRISIS—APPEASEMENT WON'T WORK

(By Roscoe Drummond)

Is there a significant concession to make to the Soviets which would satisfy Khrushchev over West Berlin and at the same time assure its freedom?

I think there is no concession which would keep the Kremlin from trying to pull Berlin behind the Iron Curtain. But since there are some who do think that a concession would stabilize the Berlin situation, their views ought to be examined and answered—not just dismissed.

The concession most often suggested is that if the West would recognize the Soviet-forced division of Germany and accept as permanent Moscow's turning East Germany into a Soviet-Communist satellite, then Mr. Khrushchev could be expected to negotiate new guarantees to respect Western rights of access to West Berlin—and to abide by them.

That's the theory—and it seems to me to be contradicted by experience, wisdom, and reason.

What single piece of experience have we to suggest that if we concede title to the Soviet Union or to Red China to countries they have already rolled over, they will cease their efforts to extend their conquests?

After the Soviet Communists appropriated Latvia, Estonia and Lithuania, did this deter them from creating Moscow-ruled puppet governments in Poland, Hungary, Rumania, and Czechoslovakia?

After France and Britain conceded North Vietnam to the Chinese Communists, did this deter Moscow and Peking from launching their attack on Laos? And does anyone believe that after liquidating the independence of Laos—if they do—that this will deter them from attempting to overthrow the government of South Vietnam?

Is there any reason whatsoever to believe that if we recognize Soviet rights to rule East Germany that Mr. Khrushchev will then respect Western rights in West Berlin—and consider the issue closed?

Has appeasement ever worked? And I am not using appeasement as an epithet but to describe a good-faith effort to achieve stability of frontiers between the Communist world and the free world?

The fact is that the Communists do not want, do not accept, do not believe in, do not respect stability of frontiers between a Communist country and a non-Communist country.

Further, the Communists do not accept and do not respect the validity of any frontier anywhere because they do not accept and do not respect the right of any non-Communist government to exist anywhere in the world.

This fact is evident in the official language of official Communist doctrine. George E. Kennan underscores this truth with the fullest possible documentation in his new book, "Russia and the West." This is no new Communist doctrine. It is unwavering, uncompromising, continuing Communist doctrine. It was set out anew in the Moscow manifesto of December 1960, in which the 81 Communist Parties declared their purpose to liquidate every non-Communist government everywhere.

The Soviet and Chinese Communists openly avow their right to universal rule and declare war on every nation and people. What is to be gained by our offering to tell them that what they have already seized is just fine with us? Is that going to stop them from getting ready for the next threat and the next thrust?

If appeasement would work, something—but not much—could be said for it. If a negotiated balance of power stability between the Communist world and the free world would hold, something—but not much—could be said for it.

It won't work because the Communists by their very claim to universal rule will never be appeased until there is nothing left to appease with. The Communists are not seeking a balance of power; they are seeking total power.

If Mr. Khrushchev deems West Berlin a bone in his throat, why should we pluck it out? Why not leave it there? He has thrust many bones in the throat of the West and he will try to thrust more whenever he can get away with it.

PROPOSED ADMISSION OF RED CHINA TO THE UNITED NATIONS

Mr. BRIDGES. Mr. President, the voices of appeasers are soft, well-modulated, and seductive in the extreme. Of course, we no longer call them appeasers because that correctly descriptive word acquired a nasty connotation. Now they call themselves realists. "We might as well face reality and recognize Red China because ultimately we shall have to do so anyway" sounds rather convincing, at least to the shallow and superficially minded. Facing reality and being realistic sounds virile and sensible. On the other hand, appeasing suggested crawling and cringing, and naturally had to be discarded.

So now the former appeasers are pictured as practical, as realists. But the line of disengagement, retreat, appeasement, and looking the other way still gives them away. An appeaser is still an appeaser even though he now claims to be a realist. Gould Lincoln, the able columnist, brilliantly sums this up in his Washington Star column July 11, when he warns that—

> The clamor of the "realists" in this country, if it continues, is likely to "realize" us into a Communist-dominated world.

Mr. Lincoln also warns his readers that the Dirksen resolution reiterating Congress' long opposition to recognition of Red China is still bottled up in the Senate Foreign Relations Committee, even though Majority Leader MANSFIELD cosponsored this important resolution.

Because of its timeliness and sound observations, I ask unanimous consent that the Gould Lincoln column be printed in the RECORD at this point in my remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

THE CRY OF THE REALISTS: "BE A RABBIT, GET THE HABIT, 'REALIZE'"

(By Gould Lincoln)

The clamor of the "realists" in this country, if it continues, is likely to "realize" us into a Communist-dominated world. How many times have they said in recent years: "We have to be realistic. Eventually, Red China will become a member of the United Nations, and eventually Red China will be recognized by the United States."

This is the kind of realism which brought the United States to recognize and to establish diplomatic relations with Red Russia, which we then proceeded to build up industrially and otherwise. The present-day realists, while saying that Red China must finally become a member of the U.N., insist that of course they are opposed to the admission of this bloody-handed Government into this union of nations for peace. By their constant demand that we be "realistic," however, they have virtually told the Red Chinese that if they hold out long enough, they can expect recognition and admission to the U.N. on their own terms.

For years this country has been able to block discussion of the admission of Red China to the U.N. The grounds for rejecting Red China are clear enough. The Communist government of China sent thousands and thousands of men to bolster the North Korean Communists in their war with the forces of the United Nations itself, which had moved quickly, under the leadership of the United States, to prevent the takeover of the Republic of Korea. Thousands of American fighting men were killed or maimed in the Korean struggle.

RESOLUTION AWAITS ACTION

The Congress of the United States has gone on record in the past as being opposed to the recognition of Red China and against that Government's admission to the United Nations. It is about to do so again. A resolution to this effect has been introduced in the Senate by Senator DIRKSEN, of Illinois, minority leader of the Senate. He has been joined in the sponsorship of this resolution by Senator MANSFIELD of Montana, the majority leader, and by several other Senators. The Foreign Relations Committee of the Senate has as yet taken no action on the resolution, and Senator DIRKSEN has threatened to offer it as an amendment to the mutual security bill—the foreign aid bill—unless the resolution is reported out and the Senate given a chance to act upon it. The same committee is handling the foreign aid bill, and is expected to have that measure ready to send to the floor of the Senate by the end of this week or the first of next. In the House of Representatives, Representative JUDD, of Minnesota, has introduced a similar resolution and it is before the House Foreign Affairs Committee which, too, has been working on the mutual aid bill.

There the resolution stands. That it would be overwhelmingly adopted in both Houses of Congress is the prediction of many observers. Meanwhile, it is reported that the White House—meaning the President—is getting opinions from the State Department and other sources regarding what should be the U.S. attitude when this question of taking up the admission of Red China to the U.N. is brought up in September in the General Assembly of that organization, as it seems certain it will be. The moratorium on discussion of the Chinese question, which this country and its supporters have been able to maintain for so long—despite the demands of Russia and its satellites—is threatened by some of the newly admitted African nations. The last vote in the Assembly was carried by the United States by a narrow margin, and statements by the "realists" in this country have not helped.

FIGHT THE ISSUE OUT

The Kennedy administration does not want the recognition and admission of Red China to the U.N., although there are "realists" in its midst. A strong vote in the Congress on the subject may be of assistance at this time and a notice to our friends in the U.N. that we intend to fight with vigor any move to bring Red China into the organization. In the meantime, however, there have been reports that this country might offer some plan to give Red China membership, but keep the Nationalist Chinese Government on Formosa still a member with membership on the Security Council. This has been denied, but apparently the administration is casting about for some plan to prevent a vote in the General Assembly to take up the Chinese issue. The better course would be to fight this issue out, and to attempt to rally all our friends. Britain has its own realists on the Chinese question, but she has stuck with us in the past loyally.

Being "realistic" too often in the past has proved no less than appeasement in the end. In the opinion of some, Woodrow Wilson was not "realistic" when he took us into war against the German military machine in 1917—unprepared as we were. Harry S. Truman was not being realistic when he told the Russian Communists to keep hands off Greece and Turkey, nor was Dwight D. Eisenhower being realistic when he told the Red Chinese we would defend Formosa and the Chinese Nationalists there from attack.

The difficulty today lies in the fact that our friends in Europe, in the Middle East, and the Far East are not sure how far we will go to back up our words and commitments. This is no time for the United States to be a nation of rabbits.

SOVIET WARPLANES ENTERING CUBA

Mr. BRIDGES. Mr. President, it is now reliably reported here in Washington that Soviet Mig's have begun arriving in Cuba. It is also known that Cuban pilots have been receiving training in Mig's in Czechoslovakia. These Soviet-trained pilots, if not already back in Cuba, will be returning shortly. All of which poses a further serious problem for this country. It is time to make up our mind and for neighbors to make up theirs what they propose to do about Soviet puppet Castro and the threat he represents to the whole Caribbean area and Latin America.

David Lawrence had an extremely important column on this problem in the Washington Star for July 11. I ask unanimous consent to have this column printed in the RECORD at this point in my remarks for the benefit of those Senators and others who may want to read it.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

SOVIET WARPLANES ENTERING CUBA—ACTION HELD DEFINITE ATTEMPT BY REDS TO SET UP MILITARY BASE IN HEMISPHERE

(By David Lawrence)

Authoritative information has been received here that Russian Mig's have been supplied to the Castro government in Cuba. The warplanes did not arrive in time to be of help to the Cuban dictator before the ill-fated invasion in the spring, but the presence today of Soviet war supplies is confirmed.

This step is one that has not been given any publicity. The reasons are not known. Those who do comment on it privately say the Cuban Government requested the munitions and theoretically is free to buy them from any country in the world.

But while, strictly speaking, any government may obtain aid from an ally, the United States does not recognize the right of any European power to gain a foothold in any country in this hemisphere. Originally known as the Monroe Doctrine, this principle has been adopted as part of the international law of this hemisphere by the other countries in Latin America.

What the United States now observes, therefore, is a definite attempt on the part of the Soviet Government to set up a military base in this hemisphere. The fact that this is being done in collaboration with an existing government does not alter the principle involved. Cuba is 90 miles away from the United States and a relatively short distance from other countries in Central and South America which have free governments.

For some strange reason, some of the Latin American Governments have been hesitant to come out forthrightly against the Soviet infiltration of this hemisphere. Yet, if any one of them got into trouble, it would be pleading with the United States for help. Unfortunately, the administration here has not crystallized its own Latin American policy except to announce just before the Cuban invasion that the United States would not intervene militarily. This was, unhappily, construed widely to mean that under no circumstances would the Washington Government come to the assistance of a Latin American Government if it should be subverted or, indeed, seized by a foreign power and a puppet government established to carry on its diplomatic relations as well as other functions.

The Soviet scheme is to set up puppet governments everywhere. Moscow has done so in the Balkans. It is preparing to do so in other Latin American countries, as it has in Cuba.

So the concrete question which confronts the U.S. Government is whether a puppet government, established with the economic and military aid of a European power which now sends warplanes to such a country, should be ignored and no steps taken to combat the hostile influence which has been generated. Certainly the relations between the United States and Cuba have grown steadily worse under the inspiration of Soviet advisers who play a prominent part in the Cuban Government.

The basic fact is that Cuba today has a puppet government. There have been no elections to give the Cuban people a chance to express themselves. They have been enslaved through methods introduced by Soviet stooges who occupy "advisory" positions in the government at Havana. Thus, a police state, instead of a free government, prevails in Cuba.

The Kennedy administration has not yet made up its mind what its policy eventually will be in Cuba. But it is difficult to see how there could be a completely hands-off attitude while the Soviets quietly ship in more and more munitions of war to aid the Castro government. The Russian Mig's could at any moment pursue guerrilla tactics and damage American cities. The Russian Government naturally would disclaim all knowledge and all responsibility, and yet considerable injury might well be inflicted for which no recompense could be obtained.

The Cuban problem has been drifting along without any concrete action by the United States. The shipment of Russian Mig's to Cuba, however, accentuates the danger, and it is surprising that even in Congress so little attention is being paid to what is happening 90 miles away from the territory of the United States.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

A NATIONAL PRESIDENTIAL NOMINATING PRIMARY

Mr. PROXMIRE. Mr. President, recently I appeared before Senator KEFAUVER's Subcommittee on Constitutional Amendments and submitted an amendment for a presidential nominating primary. I feel very strongly that Americans are in part disenfranchised in virtually all of our States in the selection of the most important public official in America. They have a choice between only two men who have any chance of being elected President, and in most States they have almost nothing to say about who is to be nominated by the two parties.

A number of distinguished Presidents, including Woodrow Wilson and Theodore Roosevelt, have favored the kind of proposal I have made. The presidential primary is now strongly favored by Senator KEFAUVER, and Senators SMATHERS and SMITH of Maine have similar bills which they have introduced. I ask unanimous consent that a portion of the hearing before the Kefauver subcommittee be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE HONORABLE WILLIAM PROXMIRE, A U.S. SENATOR FROM THE STATE OF WISCONSIN

Senator PROXMIRE. Thank you, Mr. Chairman.

Mr. Chairman, first let me thank you for giving me the opportunity to come before your subcommittee today. I speak now in support of a constitutional amendment, which I have proposed, to establish a national presidential nominating primary.

The plain voter has no real chance to say who will be the only two men in the Nation with any chance to win the most powerful office in the free world—that is, the nominees of the Democratic and Republican Parties in the presidential election campaigns. Without that chance, what does democracy really mean?

Far less than it should.

In a democratic form of government such as ours it is the plain voter—and by this I mean all of the plain voters—who should have the right to say who should be their governing officials.

Surely in the choosing of the most important official in our Government, the President, the fullest possible participation by all voters should be at least legally possible. And this idea should apply particularly to the primary which narrows the selection process to the final choice of two.

Is it not a far better thing to choose our presidential nominees in a national primary, where the candidates and their ideas are on display and are contending openly, than it is to choose them in the narrow, emotional, cynical, rumor-filled, bandwagon rolling, shouting, no-one-listening climate of a party convention?

Senator KEFAUVER. You should include the "smoke-filled room."

Senator PROXMIRE. I will throw that one in too, and contrast the smoke-filled room and the noise and shouting and the emotional situation that we have at a convention with the quietness of the voting booth, in the voting places all over America where every voter has an opportunity, if only for a minute or so, to think quietly as to the candidate who, in his judgment, is best qualified, and to do so without any pressure.

Are we not far better served, at this time in world history when our system is on trial, by placing our trust in all of the people, rather than in a partisan few. We now rely on a microscopic ratio of 1 unrepresentative, nonresponsible delegate to 20,000 potential voters to select the men who will contend for our most important office? What a vast increase in public interest and education in public issues would flow from these exciting contests. And how urgently that public interest and education is needed today in our democracy.

A great American President answered these questions in the affirmative nearly half a century ago. Woodrow Wilson came out strongly for a national primary in 1913, and support for the idea has been growing ever since. The idea for a national primary is not a new one.

As already has been indicated in his statement by the Assistant Attorney General,

Robert La Follette, one of the greatest Senators who ever lived and perhaps the finest statesman that was ever developed in our State, was a real champion of grassroots democracy. And one of the principal methods of achieving grassroots democracy, in his judgment, was to have a presidential primary.

Senator KEFAUVER. Then he was joined by Senator Norris at that time.

Senator PROXMIRE. As I understand it, yes.

Since the advent of national television coverage of the conventions, public opinion polls have reflected consistently the fact that the vast majority of the American electorate wants a more direct voice in the choice of its presidential candidates.

In 1956, 58 percent of a national public opinion poll favored a national primary. National primary bills have been introduced in the past by the distinguished chairman of this subcommittee, and by Senators SMATHERS, of Florida, and SMITH of Maine.

There are compelling reasons for the adoption of this amendment.

The key weakness lies in the fact that the rank and file of the parties' membership do not have a meaningful voice in the selection of the presidential candidate.

Theoretically, the national convention is a democratic institution, but, in fact, it is not representative of the wishes of the rank and file of party members.

In the majority of our States, the delegates to the national conventions are chosen either by State conventions or by State party committees. A handful of political leaders can, and often does, dominate these conventions and committees.

Some kind of presidential primary does exist in 15 of our States, but in most cases these primaries are not responsive instruments for carrying out the wishes of the mass of the party membership.

In a few of these States, the delegates are named by conventions and the presidential poll is only advisory. In some other States, delegates are elected by the people, but are not pledged to support any particular candidate. In a third group of States, delegates are pledged, but are allowed, under State law, to switch to other candidates at the convention, according to their own estimate of the chances of the various contenders.

My own State of Wisconsin is one of only a few where the delegates are bound to support the candidates who won the primary vote. There is no assurance, even in such States as these, that the names of all of the leading contenders will appear on the ballot.

The result of all this is a national convention which is guided mainly by a small group of political leaders who are motivated by what they conceive as being good for their party organizations, either at local, State, or National level. I can't emphasize this enough. What nominee would give the party the biggest boost in Wisconsin or Tennessee or Arizona becomes the criterion—not who is the best qualified candidate.

I want to take a minute to refer to the presentation just made by Assistant Attorney General Katzenbach a few minutes ago when he talked about the expense of conducting a national primary campaign. I think the expense would be less in a national primary, not more. It is necessary now under the present system for candidates to go into virtually every State, one way or another, in order to secure support. On the other hand in a national primary, held on the same day in the whole Nation, national media which are far more efficient throughout the country could be utilized in all States at once. The campaign could be conducted far more efficiently than a campaign in which candidates have to go into State after State and use different methods and systems.

For this reason I think the expense might well be less. But I am disappointed there has not been a study to support the charge as made by the Assistant Attorney General that this would cost more.

I think that on the basis of the experience which the chairman has had, certainly as much as anyone active in public life today, the present system is enormously expensive.

Senator KEFAUVER. I want to say that I thoroughly agree with Senator PROXMIRE about the expense. As a matter of fact, a candidate without financial means would have a much better opportunity of getting his message to the people by putting it on a nationwide primary held on the same day as under the present system.

Under the present system, as you say, you have to go to all of the States. And I think, as I said a few minutes ago, the cost in nonprimary States of trying to get your delegates is much larger than where you have the opportunity of appealing directly to the people in the States.

I think this national primary system would encourage candidates who might be qualified but who do not have a lot of financial backing to participate. And I think it would be a good thing.

Senator PROXMIRE. I agree with you. The fact is that when a man has built up an outstanding reputation as a Senator, as a Governor, as a fine administrator at the Cabinet level or as an outstanding businessman in private life, that this is a reputation that becomes a national reputation; and the national primary would enable people to run on the basis of their record and what they have established, rather than on their skill at manipulating the particular kind of political situation which existed in either a primary State or a convention State or a party committee State.

And I think it would minimize, there is no question about this—it would minimize the importance of partisan connections and associations with people who happen to be in power in particularly important States.

The second point made by Mr. Katzenbach was one in which he referred to Governor Stevenson and said that it would take too much time from their duties for candidates occupying important office. Anybody who looked at the record of candidates in the past—Senator Taft, who was, certainly, a brilliant and fine Senator, Senator Kennedy, who was also a splendid Senator—all of the candidates went all out to win this nomination and they served a wonderful purpose in doing so. They were absent a great deal in the past from their duties.

They brought their message to the people. And I think the most important function that a man in public life can perform is to go out to the people and argue his position and try to persuade them to follow wise and thoughtful national and international positions.

I am sure it takes time away from important duties, but I think that this is the most important time that a man can spend. So that I think to say that it would take time and detract from their duties is not a persuasive argument for two reasons: In the first place, the present system is extremely time consuming; and in the second place, I think that the time that would be taken under the new system would be time extremely well spent.

Senator KEFAUVER. Let me say that I think that the time argument is facetious. It seems to assume that under the present system you do not have to go into the nonprimary States to campaign. I can speak by experience that you have to go there, in any event, to do any good.

You not only have to go once but you have to go several times.

And in the nonprimary States you visit the States, certainly, before the delegates are elected, and after the delegates are elected you go back to talk to the delegates. Whereas, under a primary system you make your appeal to the people and the primary election would be held.

So I think that nationwide primaries will take really less time than is consumed by the present system. That is, assuming that you go out and campaign.

Senator PROXMIRE. The point just made by the chairman, it seems to me, is the crux of this whole thing: the time would be spent differently. Instead of the distinguished public servant spending his time arguing with individual delegates and talking to delegates or appealing to delegates on some basis, he would spend his time making a broad appeal to all of the people, he would spend his time trying to inform the people and persuade the people to his viewpoint.

And it seems to me this is the most essential role in a democracy.

The final objection made by Mr. Katzenbach was that it would be divisive to have this kind of a national primary, that there would be the danger of fomenting long-lasting division within the party. I think this is absolutely the opposite of what happens.

We have had experience in both Oregon and Wisconsin with a primary system, and I say this prevents a lot of divisions. If we leave the nomination decision up to the party convention or committee it is most divisive. On the other hand if you leave it up to the people, there is no basis on which factions in the State can dispute the voice of the people. The sovereign electorate has spoken in the primary, as one man or the other has won. It is clear then that the people prefer candidate A to candidate B. And, therefore, all people can properly unite behind him.

But when this is decided in a convention, by a very few people, there is bound to be bitterness and divisiveness. And I think this is one of the elements that would be avoided by having a national primary instead of having the kind of system we have now.

Senator KEFAUVER. You are quite right. As a part of our American system, when the people have spoken on issues, everybody feels that it is fairly and honestly and properly settled—when they have done so. And they get behind whoever the majority voted for.

Senator PROXMIRE. I believe that my proposal for a national primary would go a long way toward rectifying such abuses in the nominating system. Here is what my amendment would do:

1. Under the provisions of the amendment, any candidate who wished to seek his party's presidential nomination whould file a petition with the Secretary of State bearing a number of signatures equal to at least 1 percent of the votes cast in the previous presidential election. The votes would come from a cross section of our States, representing those of large, medium, and small populations.

2. The national presidential nominating primary would be held on the first Tuesday after the first Monday in August of presidential election years. Each State would be entitled to as many votes as it has in the electoral college. Whichever candidate won a majority of the votes in a given State would receive that State's full electoral vote. The candidate who had a majority of his party's electoral votes in the primary would thus be designated as its presidential nominee. If none of the aspirants won a majority of electoral votes, a runoff primary would be held in September between the two candidates who made the best showing in the August primary.

3. There would still be an important function for national conventions to perform in each party. They would be entrusted with the nomination of the vice presidential candidates and the writing of the party platforms.

In the past, with the great spotlight of public interest focused on the selection of presidential candidates at these hectic national gatherings, it has all too often been

the case that vice presidential candidates have been named as an afterthought. And the important task of hammering out a meaningful party platform has been performed in relative obscurity. With the nomination of the presidential candidates accomplished before the convention, it might now be possible to give weighty and proper consideration to the naming of the vice-presidential candidates and the construction of the party platforms. This should also mean a shorter and less windy national convention, which should be a delight to the vast television audience that has, in the past, been alternately bored and disgusted by long-drawn-out conventions. What could be more in keeping with the educational function of a national election than a full-scale debate over its platform by each of our major parties at its national convention?

Much has been said in criticism of the American voter in recent years, and, regrettably, the voter's record is not all that we might wish it to be. But I think, in the long run, the voter is still the best judge of his own interests, and the most appropriate vehicle for the choice of a presidential candidate.

I might say before I conclude, it is my understanding that the President has indicated that he favors State primaries as they are now but has not committed himself in favor of a national primary. And as the Senator from Wisconsin, as one who is very conscious of our own system, I might say that the national primary might, indeed, become the only alternative, because there is every prospect the State primary in Wisconsin may be abolished.

There is strong support in our State for its abolition, including the most powerful paper in our State, some of the leading figures in both parties have spoken in favor of abolishing it. The number of States with primaries has been diminishing in numbers throughout the country.

It seems to me that if we are going to have any opportunity for any people throughout America to speak their mind, except in public opinion polls, this kind of proposal should get the most serious consideration from the Congress.

Mr. Chairman, let me thank you again for the privilege of coming before you and your subcommittee today.

Senator KEFAUVER. I want to say that while your statement is brief, it is one of the most forceful statements I have heard in favor of the national primary. I think you have rendered a great service in proposing your amendment which has much merit and in presenting your very thoughtful arguments in favor of some kind of nationwide primary for the leading political parties.

There are two advantages and benefits that accrue but not discussed specifically.

One, I think it is by the educational process for candidates in the primary to get out among the people, with the people and have a chance of meeting them and letting them meet you, hear what you have to say, what your proposal is, what you stand for. I think that would make for better understanding of national issues and more participation in elections, all of which is to the good.

And second, that when somebody has campaigned in a national primary and has won, the issues he presented should be meaningful to the delegates to the national convention in writing their platforms, as shown by the American people who will have spoken.

Senator PROXMIRE. May I just say that I think the first point of the educational process would be served, and deserves a great deal of emphasis in view of the feeling that many people have that the public has become too apathetic—and, indeed, they have. One way of getting away from that apathy, exciting the interest of the people, getting them involved, is to give them an opportunity to vote in an election of this kind, where it would be the most colorful kind of campaign, the most important and significant kind of election opportunity.

And there is no question when people have the chance to vote, they give far more consideration to what is at issue.

And then the second point I think we can go a little bit further and say this: That where ideas have been hammered out in primary campaigns and have been put to the test of the primary election and then you have a follow-through in the general election you would have, as the chairman has pointed out, platforms that would reflect these ideas. And you would also have a far better chance of writing these ideas into the law when Congress convenes in the following January because the American people, as well as the Members of Congress, would be so far better informed on the attitude toward these proposals.

Senator KEFAUVER. I think that is a very good observation.

Another thing is, do you not feel, Senator PROXMIRE, that the rank-and-file party members would be more likely to support the candidate who is finally nominated if they had participated in his election in the first place?

Senator PROXMIRE. I think there is no question about it. Also, I think that the candidates—if they supported candidate B and candidate A had won, I think that the feeling which you often get, no question about it, in both parties, the feeling that you get that they have been somehow beaten out of it by sharp dealings at a convention, would be overcome because, as you have said before, the voice of the people has been heard. And I think that the people recognize this kind of decision, where they refuse to accept the decision of the convention which often seems to be and sometimes is unfair.

Senator KEFAUVER. Thank you very much, Senator.

Senator PROXMIRE. Thank you.

THE WISCONSIN IDEA

Mr. PROXMIRE. Mr. President, one of the most illustrious histories of the State of Wisconsin and one of the most important is the so-called Wisconsin idea. Many people have asked me about it. I remember that when the President of the United States was campaigning in the State of Wisconsin in October 1960, he made reference to the Wisconsin idea, and was very enthusiastic about what it represents.

Actually, the Wisconsin idea was the inspiration of Charles Van Hise, the former president of the University of Wisconsin, to extend the boundaries of the State university to the boundaries of the State itself, and to use the intelligence and the skill and understanding of the faculty of the University of Wisconsin for the benefit of all the State, particularly for the State government as it works for the people.

The Milwaukee Journal has just printed a very interesting and excellent article on President Van Hise, one of the most outstanding and distinguished presidents the University of Wisconsin ever had, a man who had perhaps as much to do with the Wisconsin idea and in making it workable and practical and effective as anyone.

I ask unanimous consent that the article published in the Milwaukee Journal describing President Van Hise's making of the Wisconsin idea be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HE MADE THE "WISCONSIN IDEA" FAMOUS—PRESIDENT VAN HISE EXTENDED THE BOUNDARIES OF THE UNIVERSITY TO THE BOUNDARIES OF THE STATE; NEW BIOGRAPHY RECALLS HIS TALENTS AS SCIENTIST, EDUCATOR AND ORGANIZER

The big map on the table depicted the Marquette iron range, an area of complex geology in Michigan's Upper Peninsula. The sunburned young geologist bending over it was Charles Richard Van Hise, a University of Wisconsin instructor and a part-time assistant of the U.S. Geological Survey.

Van Hise and a survey party had tramped the woods and granite hills all that summer in the 1880's, collecting data. Now, with the map a smudge of scribbles showing outcrops and slopes, it was time to try to deduce how the strata were folded thousands of feet beneath the surface.

For nearly a month Van Hise paced round and round the table, calculating angles, cross-checking outcrops, figuring and refiguring in an effort to plot the patterns of the rocky jumble under his feet. It was like trying to fit together an enormous three-dimensional jigsaw puzzle in which most of the parts were missing. Often the end of a day found the scientist twisting his beard in frustration.

He stuck to it, though, driving his brain with sheer willpower, sweating his way through weeks of exhausting mental gymnastics. And, in the end, he wrote the detailed and remarkably accurate report that is still the basic study on this world-famous iron range.

OTHERS DREAMED; VAN HISE ACTED

"Geological insight alone could not have solved the problem," writes Maurice M. Vance in a new biography, "Charles Richard Van Hise," published by the Wisconsin Historical Society. "To complete his task, Van Hise needed persistence as unyielding as the rock formations he was studying." It was this same persistence that triumphed when, as president of the university from 1903 to 1918, Van Hise championed the "Wisconsin idea" of a first-rate university with a campus extending to the State boundaries.

The Wisconsin idea was not solely Van Hise's creation. Several predecessors, beginning with Chancellor John Lathrop in the 1850's had voiced the hope that the university might one day serve the whole State, socially, economically and politically. Thomas Chamberlain, president from 1887 to 1892, experimented with institutes for farmers and mechanics and a lecture series patterned after the Chautauqua circuit.

It remained for Van Hise, however, to raise the university to international eminence and, at the same time, bring it into the daily lives of the people who paid for it.

Much of what he did might have been done by any good administrator. He revitalized the alumni association, launched a weekly bulletin to the newspapers and extended student self-government to men (women had enjoyed it since 1897). Despite strong criticism he set up a student medical clinic and began buying land.

His building program, begun with a steam plant chimney "adequate for a campus of 10,000 students," was something of a joke to his critics in a day when enrollment had not yet reached 4,000. But he persisted and during the 15 years of his presidency the State spent nearly as much for university buildings as it had during the previous half century. He brought the forest products laboratory to the campus and persuaded the U.S. Geological Survey to keep a survey office there.

At the same time he set as his goal a university "as broad as human endeavor,

as high as human aspiration." And to accomplish this he began crusading for the extension program, increased emphasis on research and faculty participation government that was to put the phrase, "the Wisconsin idea," on the tongues of educators, writers and statesmen everywhere, until even Van Hise was tired of hearing it.

Van Hise believed that the creative efforts of the university could be useful in everything from agriculture to fine arts. As a result, his extension work, short courses, institutes and lectures became the most ambitious ever conducted by an American university. Before he died, in 1918, a farmer or a housewife could take correspondence courses ranging from cake baking to soil analysis. Books, pamphlets, lantern slides and motion pictures poured out of the campus offices. University speakers invaded lecture platforms from Lake Superior to the Illinois border.

SET AN EXAMPLE WITH HARD WORK

The indefatigable president set an example for the kind of public service he expected from his faculty by taking posts on five State commissions at once. As a member of the State geological and natural history survey, the forestry board, and, later, as the chairman of the first conservation commission, he did much to develop a conservation program for the State. By 1908, 41 faculty members were commissioners. Today the university works with a score of State agencies, many of which have their headquarters on the campus.

Fortunately Van Hise also was a first-class scholar. From the first he insisted that research was not merely a worthy sideline but a major duty of a State university.

It was, however, this emphasis on creative scholarship which attracted first rank minds to Wisconsin and enhanced a tradition of intellectual excellence already two decades old. And, as Vance points out, it was hard to complain of lack of time to a man who produced nearly 90 books and articles, including several monographs that are still regarded as standard works.

The results were spectacular, if not universally applauded at home. President Charles W. Eliot of Harvard was to call Wisconsin "America's leading State university" in 1908; Lincoln Steffens, chief of the muckraking writers, was to state that same year that Wisconsin was "leading not only your neighbors, but the whole wide world." Theodore Roosevelt, Van Hise's friend, was to write in 1911 that "in no other State in the Union has any university done the same work for the community that has been done in Wisconsin by the University of Wisconsin."

Delegations of educators came from everywhere to study the Wisconsin system and to meet Van Hise, its acknowledged genius. And it appears that many were surprised when simultaneously confronted with the man and the idea. For, on casual meeting, it was hard to believe that this onetime farmboy and lifelong Wisconsin resident could have accomplished such a revolution.

A MAN WHOSE FACTS WERE STRAIGHT

A husky man with a hooked nose and sharp, almost fierce eyes, Van Hise was sometimes tactless and a bulldog in an argument. He stammered as a youth and, in his maturity, was a ponderous word groper.

The secret of his success, says Vance, was that "his abilities and personal characteristics were, on the whole, well coordinated to produce results surpassing what one might have expected from a study of his attributes separately."

He had a keen mind, vast energy, and an ability to grasp and work with mountains of data. He also was highly persuasive. Such ability stemmed from the fact that people who got to know him recognized a man whose facts were straight, whose judgment was sound and whose evaluations were unprejudiced.

Born on a farm near Madison, Van Hise was graduated from the university in 1879 and stayed on to teach and take the first doctorate of philosophy ever awarded there. Summers he worked for the U.S. Geological Survey and, in a few years, made an international reputation as an expert on the crystalline rocks and mineral deposits of the Lake Superior region.

Though he wasn't a flamboyant lecturer, the students liked him and, when President Charles Adams died, he became a popular faculty choice to succeed him. Dean Edward A. Birge, the other candidate, was so polished and precise that comparing the two was "like comparing a Dutch windmill to a Swiss watch."

But the faculty had learned that while Van Hise was rough, he was likeable, talented and a rock of integrity. He also demonstrated an ability to concentrate on the forest rather than the trees. When the regents met after a year of stalling, the 46-year-old geologist was elected president by one vote.

KNEW HOW TO PUT OTHERS TO WORK

Van Hise hated to leave research. But, while he became less and less a geologist, his new responsibilities stimulated rather than stifled extracurricular interests.

"Only one point in my policy is fixed," he wrote a friend soon after his election. "This is that I shall do nothing that I can get anyone else to do."

He meant it, too, as his associates discovered, and became so skillful at delegating authority that his incidental activities soon almost overshadowed his great work at the university.

He was called to the White House in 1908 by Theodore Roosevelt to take a leading part in a nationwide conservation conference. Later he wrote a book that was the first, and for many years the only general treatment of the subject of conservation.

He served as arbitrator in the national strike of locomotive engineers in 1912. He was a member of a committee seeking funds from the Carnegie Foundation and so impressed its representatives that he was named to their board of trustees. He was elected president of every national scholarly society to which he was eligible. Harvard, Yale, Dartmouth, Williams, and Chicago gave him honorary degrees.

The League of Nations was his last consuming interest. He had just begun to spend most of his time fighting for it when he died, at 61, of infection following a minor operation.

Typically, he had a set of newly received proofs at his hospital bedside.

JAY SCRIBA.

TAX REFORM

Mr. PROXMIRE. Mr. President, the Saturday Evening Post has a reputation as a conservative and careful observer of political affairs. Recently the Saturday Evening Post printed an article entitled "What's Wrong With Our Income Tax Laws?" It was written by Harold H. Martin, a Post editor.

This is an unusually competent article, because it discusses the inequities which benefit a few wealthy taxpayers in America at the expense of many others. The article is so instructive and so thoughtful that I believe it is worthy of being called to the attention of all Members of Congress.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. I ask unanimous consent that the Senator may have 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I ask unanimous consent that the article from the Saturday Evening Post be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT'S WRONG WITH OUR INCOME-TAX LAWS?

(By Harold H. Martin)

The process by which the Federal Government extracts more than $40 billion in personal income tax from 84 million Americans every year is a miracle and a wonder. Never before, in any country, have so many people parted with so much of their wealth with so little overt protest and so little covert cheating. In all the ages of struggle between taxgatherer and taxpayer no more effective system of collection has been devised than this simple process by which the individual citizen, supervised only by his conscience, sits down to add up his income, assess his own tax, write out his own check and send it to his Government, or permits most, if not all, of his tax to be withheld from his wages or his salary without his ever seeing the money at all.

That he does this with so little grumbling is perhaps as much a measure of his patriotism as of his fear of punishment. It is a measure also of his belief that the tax laws, though sometimes harsh to the point of brutality, are basically equitable and fair.

Once this has been said, it is also necessary to add that anyone who believes that the income-tax laws as they now are applied are simple, logical, or equally fair to all, is naive to the point of idiocy. The world's most efficient taxing system is actually a fantastic tangle of inequities and special preferences, and every year disenchanted taxpayers in greater numbers are becoming aware that this is so. By any standard which may be applied in determining what makes a tax system good or bad—its fairness, its effect on the economy, the adequacy of the revenue it provides, its ease of administration and compliance—our present taxing process is full of structural faults.

The first questions that must be asked in examining any tax law are simply these: Is it fair and just? Does it tax equal incomes equally? Does it tax unequal incomes in a progression that recognizes differences in the intangible ability to pay, but does not unduly penalize the man who by extra effort or superior talent earns a larger income than his fellows?

The answer to each of these questions is no. The tax laws as they are now applied ignore the fundamental law on which they are based—the 16th amendment to the Constitution, which says that Congress has the power to levy and collect taxes on all incomes from whatever sources derived. Under the present system, billions of dollars of what the economists consider personal income pay no tax at all, and income from certain sources is treated with a special tenderness.

Comparisons drawn up by the Internal Revenue Service illustrate the latter point. A taxpayer with a wife and two children, with $7,000 in income derived exclusively from wages or salary, would pay a tax of $780. A taxpayer in similar circumstances, with $7,000 in income derived from dividends, would pay $609.60. A taxpayer with $7,000 received from the sale of securities giving him a long-term capital gain would pay a tax of $155. A taxpayer whose $7,000 came from interest on State or municipal securities would pay no tax at all.

Here then is an obvious inequity—a tax preference granted mainly to those in the higher brackets, for despite the fact that millions of small taxpayers now own a few shares of stock, it is mainly the higher bracket taxpayer who has any appreciable

income from dividends or capital gains. And it is almost exclusively the well to do who own tax-exempt State and local bonds.

There are economic reasons for this unequal treatment of equal income, and those who benefit from it can defend their special preference with cogent arguments. The fact that such escape hatches exist, however, reflects a conviction in Congress that the high-bracket rates are far too high, and that special concessions must be made to soften their impact. Even these concessions, though, do not restore fairness to the tax structure. They benefit the man who can spend his time manipulating his money to take advantage of them. They penalize the young doctor, lawyer or business executive who concentrates on his profession or his job and by his dedication, energy, and talent pushes his income into upper brackets.

Actually, the whole range of the tax structure, from the lowest bracket to the top, is riddled with inequities, concessions, and special preferences. Whether he knows it or not, nearly every taxpayer, except the unmarried individual earning a wage or salary, has some sort of tax umbrella over his head. The tax laws favor the married man over the bachelor, the family with children over the childless couple, the householder over the renter, the elderly over the middle aged or the young. Each concession is based on some social or economic consideration which to the Congress seems compelling, but each does violence to the principle of equity which says that equal income shall be taxed alike.

In addition to being fair, which the present system is not, a good tax law should promote economic growth and stability. Whether our present taxing system accomplishes this is a matter for sharp debate. Speakers before luncheon clubs receive clamorous applause when they charge that our present high tax rates stultify the economy by draining off all the spare cash that the taxpayer otherwise would save and invest. The country is being ruined, they argue. Incentive is being destroyed. Ground down by taxes, the mass of Americans is being pushed inexorably into a state of threadbare poverty.

Both the statistics and the testimony of one's own eyes refute this charge. Though the taxpayer may cry out in anguish every April 15, the bite the Government puts on his total income is far less than he thinks it is. Though tax rates range from 20 to 91 percent, the amount that finally ends up in the Treasury amounts to less than 11 percent of total personal income. During the past 20 years we have paid the highest taxes in our history. At the same time we have made more, saved more, invested more, and spent more on new houses, new cars, new clothes, new gadgets—and vacations in Europe—than ever before.

High taxes, therefore, have not crippled the economy. They have, instead, cushioned it from disastrous cyclic swings. In times of rising prosperity, when more and more people move into the next higher bracket, the progressive tax rate rapidly siphons off excess cash and thus helps to control inflation. In times of recession, with more and more taxpayers dropping into lower brackets, the percentage of income going into taxes falls sharply, and more dollars are available for the purchase of consumer goods, a stimulant to the economy. One of the virtues of our progressive tax system is this flexibility that brings an automatic reaction to economic change.

At the same time, the concessions built into the tax structure serve to warp and twist the economy out of the path it would be expected to follow if the tax laws were neutral in their application. The present taxing process reduces the mobility of both men and capital. The ambitious young executive in the upper tax brackets finds it almost impossible to accumulate the capital that would permit him to start his own business; he also hesitates to take the better-paying job that would greatly increase his tax liability. The man with dollars to invest does not necessarily seek out the struggling young company which needs additional capital to realize its bright prospects. He puts his money into an industry which enjoys some special tax preference. A thousand dollars invested in oil, coal, iron, timber, textiles, or automobile manufacturing might hold out the promise of the same return before taxes. But the "keeping money" after taxes would be far different, for the extractive industries enjoy tax benefits that manufacturing does not share. The high rates stimulate certain forms of investment, rather than investment generally, and the economy as a whole suffers by this distortion.

A good tax system should also be simple. The tax laws as they now stand are so complicated that even the tax courts do not agree on what they mean, and 80,000 tax lawyers make a good living trying to interpret them to their clients. They are not always successful. Nor does the system operate with precision. Every year taxpayers pay or have withheld some $4 billion more than they owe, and thus are entitled to refunds. Internal Revenue audits show that other taxpayers, through carelessness, ignorance, or chicanery, have paid in some $600 million less than they owe, and are therefore subject to penalty.

From the above it may be argued that the world's fairest and most effective tax system is neither fair enough nor effective enough, and as more and more taxpayers clamor for, and are granted, special preferences, it is growing less equitable and less effective every year. From the 20-percent impost, which all but the poorest must bear, to the 91-percent bracket, which the wealthy seek to avoid by every legal means their lawyers can devise, the tax rates are too high. At the same time, the tax base on which these rates are applied is too narrow. The dilemma the tax reformers face is this: To lower the rates without broadening the base would starve the Government of its revenue. To broaden the base without lowering the rates would flood the Treasury with dollars—and bring the taxpayers of the country nearer to that state of shabby poverty which the luncheon-club orators so graphically foretell.

The problem, therefore, is to find a plan whereby many billions of dollars now untaxed can be brought into the tax pool, and there taxed at drastically lower rates which still will provide the Government with at least as much revenue as it now receives.

President Kennedy, in his tax message, has taken tentative steps in this direction, and the base-broadening and loophole-closing measures he has recommended have been under bitter debate on Capitol Hill since May. While this battle rages, his tax experts in the Treasury and in his Council of Economic Advisers are working on the even more drastic reforms he will propose for 1962 and thereafter.

Before discussing inequities which must be eliminated before rates can be lowered, it may be helpful to take a quick, panoramic look at the income tax as it has evolved through years of war and depression, and to define the word "income" as it is used today.

Since our revolutionary ancestors tossed King George's tea into Boston Harbor, Americans have looked with a moderate rancor on all tax measures. They have particularly resented government dipping its hand into their pockets to seize a share of their personal earnings, and they have sought to avoid such imposts by shifting the burden to other forms of taxes which seem less painful. The War of the Revolution and the War of 1812 were fought on funds raised by loans from foreign governments, and by customs duties, and by excise taxes levied on such luxuries as tobacco, alcohol and sugar. It was not until the Civil War that the country could bring itself to impose a minuscule Federal income tax, and this measure was wiped off the books as soon as the shooting ended.

An effort to revive it was made in 1894, but the Supreme Court immediately killed the law, and it was 1913 before Congress finally acquired the constitutional taxing power it holds today. The provisions of that first law should make today's taxpayers weep. It provided for an exemption of $3,000 for a single person, $4,000 for a married couple, with an impost of 1 per cent on the first $20,000. Above that a surtax was imposed that rose to 6 percent on incomes of $500,000 or more. With these high exemptions, only a handful were affected. Since then the tax has proliferated until today more than one-third of the total population is caught in its toils, and personal income taxes provide more than half of the Government's $78,500,000,000 in budget receipts.

In paying this huge tax bill, which in 1960 amounted to $40,700,000,000, the anguished taxpayer naturally feels that all his resources are being taxed away, that no dollar of income has escaped the collector's clutches. The economist knows that this is not true. In 1959, for example, individual Americans had a total personal income of $383,300,000,000. They paid taxes on $167,900,000,000.

What happened to the rest of it—the $215,400,000,000 which bore no tax? How did it escape? And why?

The answer is fairly simple. We not only use our tax laws as a source of revenue, but we temper them to serve certain social and economic ends which we believe to be worthwhile. We begin by exempting all social security benefits. For humanitarian reasons, we exempt unemployment compensation, relief payments, sick pay, if it is less than $100 a week, compensation received for illness or accident, life insurance paid after death, and the value of the housing allowance furnished to clergymen. For social reasons, we exempt payments made to churches and charitable organizations, in the belief that the taxpayer should be encouraged to support such good causes.

Some income is exempted because it would be too hard to identify, evaluate, and tax, such as the value of the food and fuel the farmer grows and consumes and the value of the imputed rent that a householder who owns his own home allegedly receives.

Certain exemptions and special deductions are allowed because they are believed to serve national purposes which transcend the mere raising of revenue. The depletion allowance for oil and natural gas was written into the law because it was believed that a business so financially hazardous and so important to the national defense was worthy of special protection. The 25 percent applied to capital gains was designed to keep investment money flowing into the economy. The exemption from taxes of interest received from State and municipal bonds has served to encourage local governments to build roads, schools, and hospitals out of private money without direct Federal subsidy.

Most of the tax laws which Mr. Kennedy now seeks to change were designed to serve some useful purpose other than the raising of revenue. The exemption on income earned overseas was a measure to stimulate the flow of American economic know-how to undeveloped countries, thus serving our foreign policy. It was not contemplated that famous writers and movie stars should use it to avoid paying the tax by moving to such low-tax countries as Spain or Switzerland. The $50 dividend exclusion and the 4-percent tax credit on dividend income had for their purpose the encouraging of investment by removing some of the double tax on dividends. For every $100 in corporation profits,

for example, the Government takes $52 in corporation income tax. The remaining $48, when distributed in dividends, is taxed at whatever rate applies to the individual who receives the dividends. The law permitting the deduction of entertainment costs recognized the fact that wining and dining a customer, within limits, could be considered a reasonable business expense.

Thus there was at least some logic behind most tax concessions when they first were written into the law. Others were recognized as conveying special privileges, but, in the economic situation existing at the time the law was written, these privileges seemed to be so trivial as to be of no concern. They became important loopholes, shelters, or tax havens, only as the economy grew, or as the laws themselves were modified. Ever since the high-bracket rates went into effect during World War II, Congress, when a special privilege threatened the equity of the tax structure, has chosen to cure the situation not by closing the escape hatch to all, but by opening it wider so that more and more taxpayers could slip through. The result has been a continuous erosion of the tax base.

The capital-gains tax, the most complicated of the special tax concessions, was originally conceived as applying to profits made on the sale of property such as stocks or real estate. The law has since been amended to bring under the capital-gains umbrella such diverse activities as the sale of timber, royalties on inventions, livestock held for breeding, draft or dairy purposes, the sale of land with unharvested crops, royalty payments for the production of coal, and lump-sum payments from retirement plans. An asset held until death and passed on to a beneficiary pays no capital-gains tax at all, though the recipient may sell it the next day at its full market value. If it is given away to an approved charity, it is fully deductible. With so many loopholes opening up, the greatest intellectual effort being expended in the United States today, outside the halls of science, is the search for ways to convert ordinary income into capital gains.

Economists, who usually are not high-salaried men, take a somewhat bilious look at the capital-gains tax as applied to some lump-sum retirement payments and to stock option plans. Under these devices, high-priced executives may convert what otherwise would be ordinary income, subject to a high tax rate, into a capital gain taxed at 25 percent. Some forms of lump-sum retirement payments are merely an accumulation of salary which the executive chooses not to receive until his working days are over. The stock-option plan is an equally happy arrangement. Under it, corporation employees, usually in the upper executive echelons, are given options to buy large blocks of stock at below the market price. No risk is involved, for if the stock should fall in value before the option is exercised, the company will amiably issue new options at a lower price.

One example of the operation of the stock-option plan which the economists are fond of citing is that of a large automobile company. In 1953 it granted its chairman the right to buy 6,000 shares of stock at $315 a share. By the end of 1959 these shares were worth $6,300,000 more than they cost, and if sold the executive would have had a profit, after capital-gains taxes, which would have averaged out at more than $670,000 a year. To have had that much left after paying ordinary income taxes he would have had to have had a salary of $5 million a year. Stockholders are very sensitive about high executive salaries. They are less concerned with stock-option deals, even though such operations dilute their own interest.

Aside from being born rich, or marrying money, the easiest way to acquire great wealth under the present tax laws is to finance a successful search for oil—an enterprise in which many professional men, such as doctors and lawyers, invest their spare cash, even though they may have no more knowledge of oil geology than a baboon. For a man in the very high brackets there is strong inducement to take a flyer in oil even though the risks are great. If, for example, a man in the 90-percent bracket should invest $100,000 in oil exploration and his company drills a dry hole, his entire loss is deductible from his gross income. The Government loses the $90,000 that he otherwise would have paid in income tax. He loses $10,000.

If he hits oil, he is in clover. He is allowed to deduct all the intangible expenses connected with drilling the producing well, and these expenses, which include such things as geological studies, labor, and so on, usually come to more than half the cost. In addition he can keep a depletion allowance free of tax, of 27.5 percent of the income received from the sale of oil, provided this allowance does not exceed 50 percent of net income.

Everybody agrees that some sort of depletion allowance should be allowed on minerals which were put in the earth when the world began, and which are not being renewed. Nobody knows, though, whether the rate of 27.5 percent of gross income, or some other rate, accurately reflects the depletion of an oil or gas well. The rate has no particular sanctity about it. It was set years ago, in a squabble between the House and Senate, in which one wanted a 25-percent depletion rate and the other held out for 30 percent. Its beneficiaries, however, consider it as immutable as the law of gravity, and any suggestion that should be modified is viewed as an attack on the very foundations of our democracy.

Many economists and tax lawyers, and a number of lawmakers, think the depletion allowance is too generous and would like to see it changed. President Truman, in fact, once said that he "knew of no loophole in the tax laws as inequitable as the excessive depletion exemption" enjoyed by the oil and mining interests, and Prof. Horace Groves, of the University of Illinois, testified before the House Ways and Means Committee that "the depletion allowance is fraught with so much evil and is so devoid of merit that it should be discontinued as an instrument of public policy."

The original depletion laws were designed to protect the small independent operator, who might become bankrupt after striking a few dry holes if the tax system did not compensate him for his losses. In practice it has largely benefited the big company, which presumably is less in need of its protection. Data compiled by the Internal Revenue Service in 1958 shows that 71 percent of the $3,100 million in depletion allowances claimed that year went to companies with more than $100 million in assets.

Once the oil-and-gas depletion allowance had become embedded in the law it was only natural that other extractive industries should set up a clamor to be allowed to find shelter in the same snug tax haven. Congress graciously obliged, and now all minerals from asbestos to zinc—including clam and oyster shells—enjoy some sort of depletion allowance. The only exceptions are dirt, turf, moss and minerals extracted from the air, the sea or other inexhaustible sources.

The Congress' generosity in this aspect once led a disgruntled legislator to introduce a bill granting a depletion allowance on human resources—a deduction of 1 per cent per year for those over 45. It didn't get anywhere.

One of the most controversial of the so-called tax shelters is the law which exempts from income taxes interest received from State and local bonds. This haven is inhabited almost exclusively by the top-bracket taxpayer, and the higher the income, the greater the benefits received. This, the economists argue, naturally discourages venturesome investments by those who could best afford to take risks, and the growth of the economy is inhibited thereby.

The original purpose of the law was to aid State and local governments by keeping interest rates low, and for a while it worked very well. In recent years, however, State and municipal borrowing has increased to such a degree that interest rates have been forced upward in an effort to flush out more funds. Thus the benefit of what is in effect a Federal subsidy now falls more upon the lender than the borrower, and the revenue lost to the Federal Government is two or three times as great as the reduction in the State and local borrowing costs. There are plans afoot to recapture some of this loss by instituting a tax credit, possibly of 50 percent, for the present total exemption. This change, it is believed, would not greatly increase interest costs, and State and local securities would still be attractive to those in the higher-income brackets. Congress, however, will probably take a dour view of any plan to change this particular law, for they know that it will bring down upon their heads the wrath of every Governor, mayor, and school district supervisor in the country.

The greatest clamor of complaint, however, would rise from any efforts to change the tax laws from which most taxpayers benefit—and which cost the Government the greatest loss in revenue. This is the income-splitting provision which allows a married couple to file a joint return. A brief example illustrates the value—to the taxpayer—of this provision. Assuming that the family had a taxable income of $14,000, all of it earned by the husband: If he should pay taxes on this as separate income, the tax on the husband would be $4,260, the tax on the wife, nothing. If they file a joint return, each is assumed to have an income of $7,000. The tax on $7,000 is $1,660, or a total of $3,320.

Here again lies an inequity, for the tax advantage increases as the income increases. A couple with $4,000 of taxable income saves $40. The couple with an income of $400,000 saves $25,180. The man with 100 times the amount of taxable income saves 600 times as much in tax. A family with less than $2,000 of taxable income gets no benefit at all from this provision.

A device called family income splitting provides even juicier benefits. A man operating a business may make all the members of his family equal partners in the business. The business income is then divided among the members of the family. It works like this: A man with a wife and two children with a profit for his business of $50,000 a year would pay $18,294 in taxes if he filed a simple joint return. By making his wife and two children partners in the business, he would cut the total tax by about one-third. Here, too, the higher incomes get the greater benefit. On a $5,000 taxable income, under the family income-splitting plan, the tax saving would be $20. On a taxable income of $320,000, the tax saving would be $40,760. Thus the taxpayer with $320,000 in taxable income saves 2,000 times as much on taxes as the man with $5,000 taxable income, though his taxable income is only 64 times as great.

Last April President Kennedy, as he offered business corporation-tax inducements to expand and modernize, sought to balance off the revenue this plan would cost the Government by certain measures designed to improve collections, eliminate loopholes, and broaden the base. These included reductions on expense-account spending, elimination of tax privileges to Americans living or doing business in developed countries abroad, elimination of the $50 deduction and the 4-percent tax credit on dividends, and a

withholding tax on interest and dividends, to aid those with faulty memories who each year forget to report some $3 billion in such funds.

These were merely first steps toward the broad reforms which Mr. Kennedy and his treasury tax expert Stanley Surrey, the Chairman of his Council of Economic Advisers Walter Heller, and Secretary of the Treasury Douglas Dillon have in mind. Still to come are the really tough ones—the fight on the abuses of the capital-gains law, the reappraisal of the depletion allowances, a new look at the tax exemption of local and municipal bonds, and a reconsideration of the exemption on social security benefits, if this can be removed without affecting those in the lower brackets. Taken in the aggregate, the escape clauses and the special privileges which Mr. Kennedy has sought to eliminate already, or which he will attack in his tax message next January, narrow the tax base by nearly $30 billion—and cost the Government nearly $12 billion in taxes.

If this income could be brought into the tax pool, it would make possible a drastic lowering of tax rates across the board, provided Government spending does not rise. It would also bring the income tax nearer to what it was meant by law to be, a tax on all "incomes, from whatever sources derived." The battle to eradicate whatever inequities exist will be long and bitter, for, in the words of Walter Heller, "one man's loophole is another man's divine right," and the beneficiaries of those rights will fight to save them. But reforms are imperative if the one basic strength of any tax system is to be retained—the taxpayer's faith that the overall tax burden is fairly distributed.

In its study "Growth and Taxes," the 200 businessmen and eductors of the Committee for Economic Development summed up the problem in a paragraph:

"Probably no aspect of public policy is more clearly exposed to the conflicting interests of different citizens than taxation. Yet there are common interests which, if fully appreciated, would be seen to be more important to each of us than the interests which divide us. There are interests in the adequacy of the revenue, in a fair and equitable sharing of the necessary burden, and now, especially, in rapid economic growth. By keeping our eyes on these goals we should find a way, step to step, toward tax reforms from which all will gain."

Mr. PROXMIRE. My final observation is that I was very much pleased and impressed with the fact that the Saturday Evening Post, through one of the editors of the Post, contends vigorously that one of the most notorious loopholes in the tax laws today, the oil depletion allowance, should be thoroughly reconsidered by the Congress. It is one which deserves careful scrutiny by Congress. Its reduction would raise more revenue for our Government and provide more justice in our tax laws.

VISIT TO THE SENATE BY THE BRAZILIAN CONGRESSIONAL DELEGATION TO DISCUSS FORMATION OF PAN-AMERICAN INTERPARLIAMENTARY GROUP FOR TOURISM

Mr. JAVITS. Mr. President, I should like to introduce to my colleagues in the Senate, with the gracious permission of the majority leader, a number of parliamentarians from Brazil who are here on a very interesting mission of friendship and concord with our country. It is their purpose to bring about the organization of an informal interparliamentary group, which will do its utmost to stimulate the maximum amount of tourism and cultural exchange between the United States and Brazil, with the maximum pleasure and profit to the peoples of both countries.

I have the honor to introduce, from our very great friend and, I believe, the bastion of freedom on the shores of the South Atlantic in Latin America, Gurgel do Amaral, Deputy from the State of Guanabara, First Secretary of the Chamber of Deputies, or, to use the language of Brazil, Camera dos Deputados; Deputy Luiz Bronzeado; Deputy Hildebrando de Araujo Goes; and Senator Mourao Vieira.

Each of these gentleman has a most distinguished record in his country. For example, Deputy da Cuñha is the former mayor of the Federal District when the Federal District was in Rio de Janeiro. The other gentlemen in the party have equally distinguished reputations.

Also, it is an opportunity for us to pay our respects to Brazil, the most populous country in South America, a country having enormous resources, and which has just shown its brilliant achievement in the development of Brasilia, the new capital, where the Chamber of Deputies and the Senate are now meeting.

As an earnest of the great friendship, the traditional friendship, which we want to have grow and prosper, between our countries, these gentlemen are here to cement personally the bonds which will arise from the travel of citizens of the United States to Brazil. Their presence emphasizes what Congress has just done in terms of the enactment of a law to develop our interest in international travel, which Brazil is now quite prepared to join us in making a success.

I now present the Members of Congress from Brazil; and I hope that Senators will meet with them personally. [Applause, Senators rising.]

Mr. MANSFIELD. Mr. President, I join in the remarks made by the acting minority leader, the distinguished Senator from New York [Mr. JAVITS] concerning our friends from Brazil. We are delighted that they are honoring us by visiting this Chamber.

We are happy that one of the hemisphere's outstanding economists, Senor Celso Furtado, is in the country at the present time, discussing with officers of the U.S. Government the problem of the northeast part of Brazil, the so-called bulge area.

We are extremely hopeful that together, cooperatively, we may be of assistance to the people who are in dire need in that part of your great country, because we think that as Brazil goes, perhaps so will Latin America go. We are cognizant of the enduring and long-term friendship of Brazil for this country. We are aware of the difficulties involved in solving the problems which your great President is encountering. We wish you, your Government, and your country well. We want our friendship to remain steadfast through the decades and the ages ahead.

Mr. CASE of South Dakota. Mr. President, I, too, wish to join in the welcome which has been expressed by the distinguished Senator from New York [Mr. JAVITS] and the majority leader, the distinguished Senator from Montana [Mr. MANSFIELD].

It was my privilege to be in the great country of Brazil a few years ago to attend the meeting of the Interparliamentary Union there. It has been my privilege to attend meetings of the IPU in various places but never have we been received more cordially than we were in Rio de Janeiro.

On our way home, we were able to visit the new capital of Brasilia, where we got some idea of the tremendous energy and ambitions of the people of Brazil. The city was then only partly built but it was very impressive and suggested what is to become one of the most beautiful capital cities in the world.

You in Brazil, I may say to our guests, have a great heritage. You can contribute much to the welfare of the whole world, particularly to the nations of this hemisphere. We wish you well. It is our desire to help you in every way we can.

Mr. JAVITS. Mr. President, I am grateful to the distinguished Senator from South Dakota [Mr. CASE] and the distinguished Senator from Montana, the majority leader [Mr. MANSFIELD], for their most gracious words of welcome.

I hope our friends from Brazil will take back with them our good wishes, and will report the historic words uttered by the majority leader—and I join with the majority leader in his expression—that as Brazil goes, so perhaps will go the continent of South America.

We hope that you will carry our respects, our understanding of his many problems, and our felicitous hopes for his success, to your President, Mr. Quadros.

SEAT BELTS MAKE FOR SAFETY

Mr. CASE of South Dakota. Mr. President, over the July 4 weekend more than 500 deaths from highway accidents occurred. Many of them would not have happened if the automobiles using the highways were properly equipped with seat belts.

Based on scientific research of automobile crashes, it has been revealed that thousands of persons are killed annually when thrown against the steering wheel or windshields or out of the car on impact. It is estimated that 5,000 lives could be saved and 400,000 serious injuries avoided by the use of seat belts.

More than one-half of all fatal accidents occur at speeds of less than 40 miles an hour. Properly applied seat belts would prevent most of these fatalities. Three out of four traffic deaths occur within 25 miles of home. Based on research statistics, seat belts provide ample evidence that they are as important on short trips and for city driving as they are on long trips.

Less than 1 percent of all accidents involve fire or drowning. Properly applied safety devices greatly increase the chances of remaining conscious and of getting clear from a burning or submerged vehicle.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Campaign

Will Urge Seat Belts in All Cars," published in the Washington Evening Star of July 1, 1961; and an article entitled "Man, Wife Killed as Car Fails To Make Curve," published in the Huron, S. Dak., Daily Plainsman of June 29, 1961. With respect to the latter article, officers said that the lives probably would have been saved had seat belts been used.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Evening Star, July 1, 1961]

CAMPAIGN WILL URGE SEAT BELTS IN ALL CARS

NEW YORK, July 1.—A campaign to put seat belts in every car has been launched by safety and medical leaders.

They estimated 5,000 lives could be saved and 400,000 serious injuries avoided each year, if everyone used seat belts.

The program, announced near the approach of the Fourth of July weekend and its highway hazards, is sponsored by the National Safety Council, American Medical Association, U.S. Public Health Service and cooperating organizations.

The advertising council will conduct a broad advertising program for the safety council.

G. C. Stewart, safety council executive vice president, said " 'Seat Belts Save Lives' is no longer a handy slogan, but a proven fact."

"Day after day we receive reports of accidents in which drivers and passengers have been saved from death and injury because of this one safety device," he added.

Accidents last year killed 38,200 persons.

Dr. E. Vincent Askey, the medical association president, said the decision of automobile manufacturers to install safety belt anchorages for the front seats of all 1962 passenger cars was "another major step toward eliminating the unnecessary bloodshed and carnage on our highways."

"Perhaps only 2 percent of the Nation's automobiles are equipped now with belts," said Robert A. Wolf, director of automobile crash injury research of Cornell University.

"If you drive a car, the chances are 7 out of 10 that you will have a traffic accident within the next 5 years," Dr. Luther Terry, U.S. Surgeon General, told a news conference.

[From the Huron (S. Dak.) Daily Plainsman, June 29, 1961]

MAN, WIFE KILLED AS CAR FAILS TO MAKE CURVE

RAPID CITY.—A man and his wife who were returning from a picnic were fatally injured when their car failed to make a curve 2 miles south of the Pactola Dam on U.S. 385.

The deaths of Kingsley O. Smith, 53, and his wife, Alice, 51, raised the 1961 South Dakota traffic toll to 84, compared with 90 one year ago.

Smith was dead on arrival at a hospital and Mrs. Smith died about 1:30 a.m., about three hours after the accident.

Their son was the first on the accident scene. Officers said this was an accident in which seat belts might have saved lives.

Mr. CASE of South Dakota. Mr. President, to emphasize further what a seat belt can and will do, I shall mention the report on two accidents as published in the Reader's Digest for March 1961, as follows:

As a couple drove an elderly woman home from church in Dallas, Tex., a few months ago, another car crashed into theirs at an intersection. It was a minor accident to the cars; one was barely moving, the other was within the speed limit. Neither overturned. But the elderly woman was thrown out on the pavement and fatally hurt.

A few days later two young men in a sports car failed to negotiate a sharp turn on the scenic highway near San Simeon, Calif. The car hurtled into the air and rolled over and over for 200 feet down a 70-percent grade toward the beach. The occupants walked away from the wrecked car with only slight injuries.

What made the life-and-death difference was the use of seat belts such as air passengers fasten when planes take off or land. The men in the sports car wore belts and owe their lives to them.

Years of research at Cornell University, the University of California, and elsewhere, in analyzing accident records of 22 States confirm the usefulness of ordinary safety belts.

Investigators calculate that 30 to 60 percent of fatal automobile accidents could be saved by belts.

Last year none of the 442 motorists who were killed in accidents over the 4th of July holidays used safety belts.

Because of these facts, I have introduced a bill to require that automobiles manufactured for sale in interstate commerce after January 1, 1962, be equipped with anchors for safety belts. I ask unanimous consent that the text of the bill be printed following my remarks.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, by the Senate and House of Representatives of the United States of America in Congress assembled, That every motor vehicle offered for sale in interstate commerce after January 1, 1962, shall be equipped with sufficient anchorage units at the attachment points for attaching at least two sets of seat safety belts for the front seat of the motor vehicle. Such anchorage units at the attachment points shall be of such construction, design, and strength to support a loop load strength of not less than five thousand pounds for each belt.

SEC. 2. After January 1, 1962, no seat safety belt shall be sold for use in connection with the operation of a motor vehicle on any highway unless it shall be constructed and installed as to have a loop strength through the complete attachment of not less than five thousand pounds and the buckle or closing device shall be of such construction and design that after it has received the aforesaid loop belt load it can be released with one hand with a pull of less than forty-five pounds.

SEC. 3. In order to effectuate the purposes of this Act, the Secretary of Commerce is hereby authorized and directed to adopt and amend regulations governing the materials, strength, anchorage, operation, release mechanism, and installation of any such seat safety belt.

SEC. 4. The term "interstate commerce" includes commerce between one State, territory, possession, the District of Columbia, or the Commonwealth of Puerto Rico and another State, territory, possession, the District of Columbia, or the Commonwealth of Puerto Rico.

The term "motor vehicle" means any other vehicle or machine propelled or drawn by mechanical power and used on the highways principally in the transportation of passengers.

The term "seat belt" means any strap, webbing, or similar device designed to secure a passenger in a motor vehicle in order to mitigate the results of any accident, including all necessary buckles, and other fasteners, and all hardware designed for installing such seat belt in a motor vehicle.

DECEIT, THE STRATEGY OF COMMUNISM

Mr. MILLER. Mr. President, apparently there are still many people who are inclined to think wishfully that Premier Khrushchev and the other leaders in the Kremlin are sincere when they talk of "peace" and "peaceful coexistence." At least, Mr. Khrushchev must think there are, because he continues to use such terms often. Experts on communism and Communist strategy advise that the Soviets use certain words as a means of attaining their end of one world of communism rather than to express their belief in the meaning of the word itself. Thus, if it will help the Communist cause, something that is black will be called white, and vice versa. All of this is in line with the belief of Mr. Khrushchev and other Communists that the end justifies the means, lying included.

Today's edition of the Washington Evening Star contains an excellent editorial which points out this strategy of the Communists in their use of words. The editorial also quotes from a recent speech by Secretary of State Dean Rusk before the National Press Club, calling attention to the deceitfulness that exists in negotiations and United Nations relations with the Communists as a result of this strategy. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RUSK IN ORWELL'S WORLD

In his excellent address to the National Press Club, Secretary of State Dean Rusk seems to have borrowed a leaf from George Orwell's "1984" to help explain why there is so much tension and danger today. As he has put it, the "underlying crisis" stems from the fact that the Soviet Union, though a member in form, has never joined the United Nations in actuality, as a genuinely cooperative participant. On the contrary, in flagrant and persistent violation of all the U.N.'s rules and principles, it has upended law and truth, and resorted to various forms of direct and indirect aggression, in a brutal, ceaseless effort to impose its will "upon those not already subjected to it"—and thus win mastery over the whole of mankind.

Clearly enough, in carrying out this altogether dismal and peace-endangering policy, the Russians have turned reality upside down and made a mockery or a fantasy of the true meaning of words. Thus, as Mr. Rusk has declared, "the very language of international discourse" has had violence done to it: " 'Peace' has become a word to describe whatever condition would promote their world revolution. 'Aggression' is whatever stands in its way. 'People's democracy' is a term applied to regimes no one of which has been chosen by free elections. 'Self-determination' is loudly espoused, but only in areas not under Communist control." And the Secretary has gone on to add the following remarks, which should be taken to heart by anybody naive enough to suppose that the Kremlin is sincerely interested in such projects as the Geneva talks, now moribund, on banning nuclear tests:

"The normally attractive word 'negotiation' is used as a weapon (by the Russians), for the only subjects to be negotiated are further

concessions to Communist appetite. Agreements are offered, but against the background of a long and sobering list of broken promises an agreement is apparently a rest camp, where one pauses and refits for a further advance. New assurances are offered in the very act of withdrawing those earlier given. Law, as one of their spokesmen put it, 'is like the tongue of a wagon—it goes in the direction in which it is pointed.' And the gains of lawlessness are cited as the 'new conditions' which justify new invasions of the rights of others."

All this is quite in line with the loathsome new world depicted by the late Mr. Orwell in his grisly but fascinating "1984"—a world in which every old value is transvalued into the precise opposite of itself through the ghastly ministrations of a supremely efficient totalitarian dictatorship armed with limitless technology and the obscene amorality of antichrist. So it is that wickedness is goodness, and ugliness is beauty, and the lie is the truth, and freedom is slavery, and war is peace—and anybody is mad, and subject to being tortured and "vaporized," who has the suicidal temerity to challenge these propositions after they have been proclaimed from on high through official processes known as "newspeak" and "doublethink."

Although we have not asked him whether he has read "1984," we feel pretty sure that Mr. Rusk has. We feel pretty sure, too, that he sees a terrible similarity between it and what is actually going on in the Communist world. And so it is good to hear him say—and it should be said more and more often, because it is true—that "We can move on with confidence if we are prepared to do what has to be done. The free world has enormous strength, including the inner strength of purposes which are deeply rooted in the nature of man." Given that, we and our allies need not fear the future.

PILOT PLAN FOR THE DEVELOPMENT OF THE WIND RIVER

Mr. HICKEY. Mr. President, I have recently received from a distinguished citizen and jurist of Wyoming, the Honorable Harry S. Harnsberger, Justice of the Wyoming Supreme Court, a fine letter commenting on S. 1910 which has been introduced by my senior colleague [Mr. McGEE] and me to provide for the development of one of the great natural resources on the Wind River Reservation in Wyoming. As the letter indicates, Justice Harnsberger has had a long experience with matters on the Wind River Reservation.

I ask unanimous consent that Justice Harnsberger's letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SUPREME COURT OF WYOMING,
June 29, 1961.

Hon. JOSEPH J. HICKEY,
Senator From Wyoming,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: With a great deal of interest and care I have read S. 1910 and H.R. 7201, and compliment you and the present Members of the Congress from Wyoming for this excellent effort.

You may recall that my first home in Wyoming, where I came in March of 1908, was upon what was then the Shoshoni Indian Reservation, now known as the Wind River Reservation. My mother and older brother engaged in the drilling of the first well exploring for oil and gas on Sage Creek which lies somewhat north of Fort Washakie, and I functioned as the camp cook. At least one previous effort to discover oil had been made by Moore and Thorpe in what is known as the Tar Springs. Neither of these efforts, however, resulted in production, and for some 50 years following, due to remoteness, that great mineral potential, which is now in active production, lay dormant, and the Indians, whose lands were being explored, remained in an almost abject poverty-stricken condition.

During the many years in which I was resident on the Reservation and at Lander in Fremont County, I have had occasion to be upon practically every portion of the Wind River Reservation, and have long been acquainted with the great gypsum deposits which Vipont Mining Co. proposes to develop and produce. The great distance of this mineral wealth from the railroad is a tremendous handicap, and it will only be through Federal assistance in granting a temporary relief from taxes that a sufficient incentive will be given to the immense capital required to bring into production this natural wealth.

The treaty obligation to the Indians undertaken by the United States is more than a financial one. It is moral as well and should involve the education of the Indian peoples as working productive members of society. I recall so well the efforts made to school the Indians to become agriculturists, an activity for which they are completely unsuited. But I also recall that during the days of the CCC camps, when that kind of employment was offered to the Indians, it seemed more nearly suited to them. In consequence, it seems to me that if the development of the gypsum resource is undertaken, the opportunity for the kind of employment acceptable to the Indians would, in itself, be a boon to them, to say nothing of the financial return they would receive from royalties.

As I understand the provisions of the bills now being considered by the Congress, the Government is not being asked to give up anything, because there is now nothing to tax. The most that is sought is an opportunity to bring into being a rather large enterprise which would, when developed, produce a hitherto nonexistent tax.

While I am sure that my observations bring nothing new to your attention, because of my great interest in our Indian peoples with whom I lived for so many years, and in the development of our State, I could not resist the impulse to write you.

Wishing you and your efforts the greatest of success, I am,

Sincerely,

HARRY S. HARNSBERGER.

A REASON TO LIVE

Mr. WILLIAMS of New Jersey. Mr. President, intermittently there appears in the press an essay which possesses the unique attribute of being able to guide its readers beyond the restrictive bounds of traditional modes of thought, and introduces them to a set of ideas which serve to illuminate more completely old and familiar issues.

The article "Recreation for the Aged," by Howard A. Rusk, M.D., which appeared in the July 9 issue of the New York Times is such an essay. It demonstrates clearly that for an ever-increasing segment of our population—the elderly—to be alive simply is not enough. To be alive is one thing; to be living is quite another. For living is a process which requires for its fulfillment both opportunities and a readiness to engage in emotionally gratifying activities. Continued emphasis upon preventive, clinical and rehabilitative medical services is not sufficient. We must make sure that the life sustained by these pillars of scientific medicine will be used for purposeful activity and not squandered in the idle anticipation of the uncertain relief of death.

I ask unanimous consent that the full text of the essay be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECREATION FOR DISABLED—COMEBACK, INC., PERFORMING VITAL TASK IN CONTRIBUTING TO THEIR WELL-BEING

(By Howard A. Rusk, M.D.)

As the 1961 vacation season came into full swing this last Fourth of July weekend, millions of Americans headed for the mountains, beaches, and lakes to have a good time.

In having a good time, they are actually contributing to their physical and mental well-being. There is no doubt that all work and no play makes Jack a dull boy, and it makes everybody else a little dull, too.

The creative and worthwhile use of leisure time is an essential ingredient of human behavior.

Unfortunately, thousands who are in greatest need of recreation have the least opportunity to have fun.

Approximately 70 percent of the hospitals in the United States do not provide recreation services for patients. Such services are available in only a few of the nearly 40,000 nursing homes in the United States. Only 3 percent of the municipal recreation departments in the United States provide services for handicapped persons.

NOTABLE EXCEPTIONS

There are, of course, some notable exceptions such as the Recreation Service for Children of Bellevue, Inc., Veterans' Administration and military and naval hospitals, the hospitals and homesteads of the city of New York, Barnes Hospital in St. Louis, University Hospital in Chapel Hill, N.C., and Montefiore Hospital in Pittsburgh.

Too often hospital administrators, physicians, and hospital board members think of recreation as ward parties at Christmas, a picnic on the Fourth of July, a visit by a motion picture or sports celebrity, or movies every other Wednesday.

These patient activities are important, but they are only a part of the modern concept of therapeutic recreation. One of the real truths of rehabilitation is the observation of the late Dr. Charles Spiller that action absorbs anxiety.

What good does it do for a chronically disabled person to learn to walk again if he is so withdrawn and fearful he will not leave his home?

What good does it do for a handicapped child to achieve his highest potential for physical function if his emotional and social growth are stunted in the process?

A REASON TO LIVE

What good does it do for a postpsychiatric patient to be vocationally rehabilitated, but unable to use his leisure time to make further progress toward healthy interrelation with others?

What sense is there in adding years to the lives of the aged chronically ill, without giving them something to live for?

Fortunately, within the last few years there has been growing recognition of the contribution that well organized therapeutic recreation services, stressing active participation, can make in providing dignity and purpose for the ill and chronically disabled.

Much of this leadership came through the consulting services for the ill and the handicapped of the National Recreation Association.

With the increasing number of chronically ill, disabled, and aged persons, a new national organization has now been established to provide leadership in the development of recreational programs. The organization, Comeback, Inc., 386 Park Avenue South, New York, N.Y., was founded as there was no organization focusing its entire attention on this greatly neglected field.

One of the first major activities of Comeback is to develop organized methods and a published guide through which community recreation resources may be more widely and effectively used to meet the needs of the ill and disabled. This project, which is being aided by a grant from the Office of Vocational Rehabilitation, Department of Health, Education, and Welfare, will be developed in two selected communities, one urban and one rural.

In both areas the main emphasis will be on the development of cooperative functioning and full utilization of community recreation resources.

One unique and effective project of Comeback is the recruitment of older persons to serve as recreational leaders in nursing homes. The plan, as explained by Mrs. Beatrice Hill, director of Comeback, Inc., is to have several nursing homes in a community share a professional recreational specialist who has had training and experience in work with the ill and handicapped.

This specialist then develops programs for each of the nursing homes and supervises them, but the actual program is conducted by elderly persons who have been employed and who have had short-term training in this specialized area of recreation.

The plan, which is proving to be most effective, has several advantages. First, older, more mature persons who have worked as nurses, teachers, or in similar professions have an opportunity to continue working and being useful. This policy was successfully carried out in the Air Force rehabilitation program during World War II, when more than 50 percent of the teachers in the program were convalescent patients.

Second, nursing homes that could not otherwise have professionally directed recreation programs because of cost can afford such programs.

Third, the patients in the nursing homes have an opportunity for constructive, purposeful use of their plethora of leisure time.

The 2,250,000 Americans who are residents of long-term-care institutions or confined to their own homes because of disability desperately need purposeful productive activity.

We recognize the value of creative activity for the growing child, but we have forgotten that no matter how old or disabled we may become, the desire for the dignity that comes only through purposeful activity is never lost.

Some surveys have shown that among older people who participate actively in Golden Age Clubs and similar programs, there are 50 percent fewer visits to physicians' offices and clinics, 50 percent fewer general hospital admissions, and 800 percent fewer psychiatric breakdowns than among persons of the same age not participating in active recreation programs.

Recreation is more than just having fun. It is fundamental to physical and mental well-being.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. SCOTT. Mr. President——

The PRESIDING OFFICER. The Chair advises the Senator from Pennsylvania that the time is under control.

Mr. SCOTT. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

U.S. FOREIGN POLICY

Mr. SCOTT. Mr. President, we have just heard the President of Pakistan, Mohammad Ayub Khan, address the Congress in what to me was the most impressive and the most candid performance I have ever heard in 20 years in Congress. Mohammad Ayub Khan made an impression, because he told the truth, because he was candid, because he presented the facts of life, and because he spoke to the United States as an equal, as a strong friend, and as a doer of deeds, not as a mere talker, lecturer, schoolteacher, suppliant, or sycophant.

I was in Spain on the first anniversary of the Spanish revolution. At the end of 1 year in power, the Spanish Republic had a Cabinet which consisted largely of academicians, eggheads, professors, and talkers. I remember my own feeling on that celebration day—namely, that that Government could not last, because there was not a doer in the crowd. They were men who were full of theories. With all due respect to them, everyone of them was a tract, pamphlet, or book author—and having written several books myself, I do not say that in derogation, but merely as an indication that there is more to life than writing or talking. I felt then that that Government—composed of many good men, many of them idealists and most sincere—was faulty, because they lacked one essential element of judgment, in that they could not discern the difference between their own honest idealism and the false prophets and the betraying gods of communism. And, bit by bit, communism and Communists, of the several varieties—the Stalinists, the Trotskyites, and the other splinter groups, eventually came to take over the Spanish Republic; and it fell.

I think what we face today in Southeast Asia is a most disturbing situation. I have talked to many persons who are in places of power and influence in those countries, and I have talked to many Americans from the Foreign Service and the business world who have been in south Asia and have a right to speak on the basis of their own knowledge. What is happening now, Mr. President—and we should face it—is that our friends there are wondering whether we are going to be doers, whether we are going to perform, instead of only promise.

Every time the Russians unveil an air show, every time the Russians jump the gun on us with some notice of an increase of military strength, we hold another conference; and the greater the Russian threat, the longer our conference lasts. I would hate to think that the United States would make the mistake of being a nation of talkers, instead of a nation of doers.

What is happening in Southeast Asia, Mr. President, I can state now: The only country there that has a Red Chinese embassy is Cambodia. The rest of the countries there do not have Red Chinese embassies. But they will—and they will soon—unless we know where we are going and unless we make clear to the peoples of the entire world where we are going.

Does anyone doubt for a moment that our great friend, the Philippine Republic; and that our very good friends, the Thailanders; and that our strong and militant friends, President Ngo Dinh Diem, and Mohammad Ayub Khan, of Pakistan, are watching us to find out whether we have any plan to go beyond the disaster in Laos?

The PRESIDING OFFICER. The time yielded to the Senator from Pennsylvania has expired.

Mr. SCOTT. Mr. President, will the Senator from Michigan yield me an additional 5 minutes?

Mr. McNAMARA. I yield 5 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for an additional 5 minutes.

Mr. SCOTT. With the disaster in Laos, and the fact that in Vietnam more than 5,000 persons on both sides have been killed in recent years—three times as many as those lost in Laos, but we do not even read about that in American newspapers, because no one connected with our newspapers seems to think that development is sufficiently important to be mentioned—and with the Communists saying unceasingly, following the doctrine of Mao Tse-tung and the doctrine of jungle warfare, "Strike, and fade away; and then strike, and strike again, because the friends of the Asians, the Americans, will hold another conference, and they will write a note, and they will meet and talk, and talk and meet."

Mr. President, the strength of SEATO depends upon the trust of the members of the SEATO alliance in the conviction, the good will, and the firm intent of the United States to act in the cause of freedom. Certainly by mere talk we weaken—and from talking to persons who are in a position to represent the views of their country, I know this is the case—certainly we weaken the certainty among the people in Siam, Vietnam, the Philippines, and elsewhere that we can be relied upon to act firmly to preserve the peace against the Communist menace in this world.

I believe it is about time that our Nation revert to its history of a nation of doers.

Mr. President, I happen to be wearing today, as I often do, an old, authentic campaign button of Theodore Roosevelt, of 1904. I am often asked, "What does the 'T.R.' on the button you are wearing mean?" I reply, "They mean

one of the few Americans of this century who, if he were alive today, would know what to do, and would do it—and that is, he would take the initiative away from communism; and he would with dynamism, force, and leadership unite the American people behind the advocates of the requirements of freedom: to stand ready, to realize that there are worse things than a sullen acquiescence, an easy complacency, a soft dedication to peace at any price, an attitude of reaction instead of action."

Mr. President, I am glad we heard Mohammad Ayub Khan today. We listened to a man of courage and a man who, while directly under the guns of both the Red Chinese and the Red Russians, says, "We will fight and we will do our part if you do yours."

Mr. President, we Americans ought to recognize the value of that kind of friendship. He is the best witness for the foreign-aid program we have had; and a better one will not be found, because he, in his own person, is evidence that the principle of foreign aid is correct, although often the application of it is wrong, when we spend more time than we should trying to buy some petty, tinpot dictator or some weak apologist, instead of maintaining definite, full, all-out advocacy and support of our friends in the world.

Mr. President, I conclude by stating that I am proud, as a member of my party, as a Theodore Roosevelt type of Republican, to espouse what I believe is largely supported by members of my party in the Senate, namely, the conviction that the policy of the United States ought clearly to be that we will be as strong as we must; that we must be as strong as the needs of the world require; that we will be faithful and loyal to our allies; that we will establish the principle of strength for freedom, faith to our friends, and courage to make decisions; and that we will support the President of the United States in his proposals, when they become proposals for action; and that we will continue to oppose blind, useless, vagrant, weak talk which leads, not to action, but away from it.

Mr. President, what we need today is action.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from South Dakota [Mr. MUNDT]. The Senator from South Dakota has 25 minutes remaining. The opposition has 21 minutes remaining.

Mr. McNAMARA. Mr. President, I yield half a minute to the Senator from Mississippi [Mr. STENNIS].

ADDRESS BY SENATOR McCLELLAN, OF ARKANSAS

Mr. STENNIS. Mr. President, on July 6 last, the Senator from Arkansas [Mr. McCLELLAN], delivered a forceful and timely speech before the Texas State Bar Association at Fort Worth, Tex.

His speech represented a fine analysis of some of the major pressing problems confronting our Nation, and included constructive suggestions on ways to meet them.

These sound positions and proposals of the Senator from Arkansas, as always, reflect his clear thinking, his fine judgment, and his commonsense approach to our problems.

I heartily agree with the major conclusions of the Senator, and commend the reading of the entire speech to my colleagues and to the people of the Nation.

I ask unanimous consent to have excerpts from the remarks of the Senator from Arkansis printed in the body of the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESS OF SENATOR JOHN L. McCLELLAN, BEFORE TEXAS STATE BAR ASSOCIATION, FORT WORTH, TEX., JULY 6, 1961

Mr. Chairman, in the course of the recent campaign and during the relatively brief time that he has been in office, President Kennedy in public addresses, in his messages to Congress, and in press conference has made a number of highly significant and important pronouncements. With vision and a keen concept of truth, he has spoken on these occasions with profound wisdom and comprehension.

He has unerringly depicted the evils and aggressive aims of the Communist conspiracy, clearly defined the growing danger it poses to human liberty throughout the world, and forcefully reminded us of its ever-increasing threat to our own security and survival.

He has solemnly warned that "our problems are critical"; that "the tide is unfavorable"; and that "the news will likely be worse before it is better." He has earnestly called upon us "to bear the burden of a long twilight struggle" against "tyranny, poverty, disaster, and war itself." And, to make the sacrifices that will surely be needed in this mighty conflict to which we are unalterably committed, he has urged the American people to "ask not what your country can do for you; ask what you can do for your country."

These and other moving sentiments the President has spoken, the lofty idealism that he has so vigorously and sincerely displayed, the strong and most eloquent appeals that he has made for peace and understanding have unquestionably attracted international attention and commanded the interest and respect of contemporary leaders and heads of government throughout the entire world.

I have no doubt that the future and history will accord to many of his magnificent utterances a signal place of prominence alongside any statements that may be made by other leading world statesmen of our time.

But, in my judgment, President Kennedy's most discerning and finest utterance—one that succinctly portrays and aptly emphasizes the severity of the crisis and the harsh realities of the challenge we face—was made in his January State of the Union message when he said:

"I speak today in an hour of national peril and opportunity. Before my term has ended, we shall have to test anew whether a nation organized and governed such as ours can endure. The outcome is by no means certain. The answers are by no means clear. All of us together—this administration, this Congress, this Nation—must forge those answers."

To me, that is a monumental statement. Its sheer accuracy and candidness are equally matched by its sobriety and solemnity.

Here in five short sentences, the President inferentially identifies and accentuates the danger of international communism and makes a concise appraisal of the enormity and urgency of the task we have at hand.

The responsibility for taking the right course and forging the right answers to meet this crucial test, he places where it rightfully belongs—with you and with me—with all of us. This is not a job for government to do alone. It presents an exacting challenge—one that requires the highest in dedication and the most in service of all our citizens; one that may yet demand of us sacrifices to retain and perpetuate our freedom and independence—sacrifices comparable to those made by our Founding Fathers when they won our freedom and independence and this Republic of ours was established.

Nor is it a job alone for America to do. Communism is a worldwide peril. Our allies and all neutral and independent nations are on its blueprint for subjugation and ultimate conquest. Its cold war threat to human liberty today is no less awesome than was the Nazi menace of the Second World War two decades ago.

It continues an unceasing campaign to pervert and capture the minds of men. Daily, it pushes relentlessly further into new geographical areas. Its gains, in a very few years, have been tremendous and astounding.

While the Communist leaders effectively propagandize with the false claim that they desire to live in a state of peaceful coexistence, the free world is being progressively hedged in on all sides by the devotees of Marx, Lenin, Stalin, Khrushchev, and Mao Tse-tung. In Laos, as in Cuba, in Latin American countries, and in the small newly independent nations of Asia and Africa, disciples of the Communist conspiracy persistently drive for more territory, more manpower, and more resources to add to their ever expanding sphere of domination and influence.

"Peaceful coexistence," in its true meaning and implications, contravenes in letter and spirit and in total the basic dogma of communism as contained in the Communist manifesto. But we cannot accept nor rely upon that meaning, for they use the term as a snare and a delusion. To a Communist, peaceful coexistence is a state of affairs between the Soviet Union and another nation when the other nation is interposing no obstacles or hindrances to the onward movement of the Communist juggernaut.

We cannot and do not now "peacefully coexist" with communism. It is our deadly enemy and that of the entire free world. It is that way—our deadly enemy—because they choose to have it that way. The goals of communism are absolutely incompatible with our objectives of peace and tranquillity among the peoples and the nations of the earth.

They want and are determined to destroy our Government—to bury us. That is a principal reason why we are having now to test anew whether a nation organized and governed such as ours—whether a free society such as ours—can endure.

The preeminence of the United States, our superior strength and the way of life we show to the world are the chief obstacles athwart the paths of Communist aggression. And so the world Communist conspiracy has made us—the United States—its enemy No. 1.

Our status with them will not change no matter what we do—no matter how we conduct our foreign diplomacy. We could pull out of Berlin tomorrow; we could give up Quemoy and Matsu; we could give up Formosa and go on to give up the Philippines; we could make a multitude of concessions and we would still be Communist enemy No. 1.

The basic issue in the world today is not whether or how much coexistence is possible; rather it is freedom versus slavery. And so long as we exist a free Nation with a way of life in the American tradition, we shall remain, by their own choice, Communist enemy No. 1.

We and all of the free world need to be ever mindful of the lessons of history—the lessons of China, Korea, Czechoslovakia, Hungary, Cuba, and others. These tragedies, the pressures and provocative tactics the Communists constantly employ and our exasperating experiences with them in the United Nations, in Summit and Disarmament Conferences completely refute all of their propaganda and protestations regarding peaceful coexistence. They do not mean it—they do not want peace and understanding. They seek only strife, turmoil, and conquest.

Long negotiations with them have, in most instances, been fruitless and futile. We have lost ground, and our international prestige and influence have declined. There is little room left now for maneuver. We are rapidly approaching the day when we and our allies must face the issue squarely. The looming Berlin crisis will be a crucial test. Neither appeasement nor retreat is the answer to our dilemma. We and the major Western powers cannot withdraw from Berlin. We must honor our commitment to protect it. We have no alternative.

I should now like to direct my remarks to two current, vital, and highly controversial proposals: one, to admit Red China to membership in the United Nations, and the other, now pending in the U.S. Senate, to repeal the so-called Connally amendment to our Senate resolution ratifying the participation of the United States in the International Court of Justice. Both of these should be resoundingly defeated.

In 1951, I was the author of the resolution, unanimously passed, declaring it to be "the sense of the U.S. Senate that the Communist Chinese Government should not be admitted to membership in the United Nations as a representative of China." Thereafter, in each succeeding year, the Congress has enacted a like provision in one of its appropriation bills. Thus, the policy of our Government up to this time is clearly and firmly established. There have been no developments in the international situation, and certainly, no change in the attitude and aggression policies of Red China that would warrant reversal of our position, but we hear rumblings that the State Department now wants our Government to recede and withdraw our opposition to her becoming a member. To do so, in my opinion, would be an act of appeasement that would create future problems far more serious than any it would presently resolve.

Her admission will add no lustre to the stature of the United Nations, no dimensions to its capacity, and no measure of integrity to its judgment. Permitting her to become a member will substantially strengthen the Communist bloc and correspondingly weaken the Western group of nations. It will increase the voting power and prestige of the Communists, while diminishing the authority and influence of the anti-Communist forces. It will impede rather than promote progress, and will hinder rather than help the United Nations to carry out its mission. Her presence in the councils of that world tribunal can only serve the interest of totalitarian aggression and will be inimical to the cause of peace and the freedom of mankind.

The Connally amendment reservation adopted by the Senate in 1946 by a vote of 51 to 12 simply withholds jurisdiction from the International Court of Justice over purely domestic disputes of the United States as determined by the United States. The elimination of that provision would, in my judgment, grant that Court compulsory jurisdiction over our internal affairs. This reservation operates as a barrier, a safeguard, a limitation. The removal of these protections cannot possibly provide any material benefit, advantage, or service to our country's well-being. It can only expose us to possible injury and impositions. The repeal of the amendment would be a further surrender of our national sovereignty and would be interpreted as an act of appeasement.

The new presiding judge of the World Court is Bohdan Winiarski, a Polish Communist. Although the new president of the Court, he is not a new judge. He has served that Court and his Communist bosses for the past 15 years. But there is a new Communist judge on the Court; he is Vladimir Koretsky of the Soviet Union. He has a long background as an adviser to Soviet diplomatic missions. As Communists, these two judges regard courts as proper forums for the accomplishment of Communist objectives. They can be relied upon to make whatever decisions will further the Communist world conspiracy.

I think it is significant to note that no Communist nation has ever accepted the compulsory jurisdiction of the International Court of Justice, with or without reservation. In these circumstances, there is no sound or persuasive reason why we should repeal this reservation and accept absolutely and without recourse the compulsory jurisdiction of the International Court of Justice over the strictly domestic and internal affairs of our country.

Here on the home front, decisions of our Supreme Court have in many instances made it difficult to deal with the Communist menace and adequately protect our security from within. Until very recently, the Supreme Court, in a series of decisions, seemingly with design, whittled away at state sovereignty and the powers of the people through their elected State and National Governments, to fight the Communist conspiracy within our borders.

In the Nelson case, the Court struck down antisubversive laws enacted by more than 40 States of the Union, on the basis of the Court-created fiction that Congress had preempted this field of legislation.

In the Yates case, the Court rendered the Smith Act virtually unenforcible by giving the word "organize" a twisted definition and a distorted construction, wholly incompatible with reason, sound logic, and the obvious intent of the Congress.

In the Kent and Briehl cases, the Court struck down the right of the Secretary of State to deny a passport, notwithstanding a formal finding that the granting of it would be contrary to the national security and interest of the United States. It held that this was an "impermissible reason" for refusing to issue the passport.

In the Watkins case, the Court said, in effect, that the committees of Congress would have to carry on their investigations under rules laid down by the Court, and that the Court would decide whether any particular investigation was justified.

In the Konigsberg and Schware cases, the Court struck down the right of a State to refuse to license a Communist to practice law.

In the Sweezy case, the Court struck down the State legislatures' right to investigate subversive activities.

In the Slochower case, the Court said that the State of New York could not discharge a Communist teacher in the public schools of that State.

These and other cases made it appear to many lawyers in all parts of the country that the Court was giving judge-made protection to the Communist Party U.S.A. against the powers of the sovereign States, and the obvious legislative intent of the Congress thus weighing the security of the United States far too lightly on the scales of justice.

Protest against the trend of these decisions came from many quarters. The lawyers of the Nation were among the loudest protestants. The National Association of Attorneys General, the Association of Chief Justices, and the Committee on Communist Tactics, Strategy and Objectives of the American Bar Association were among the most influential voices heard in criticism. As a result of these protests, deep concern was felt and expressed by the public, and obviously, some members of the Court became disturbed.

In the case of *Greene* v. *McElroy*, the Court held that the Secretary of Defense could not withdraw security clearance from a civilian employee working on a Government contract involving military secrets. Associate Justice Tom Clark, in vigorous dissent to the Court's ruling, said:

"Let us hope that the winds may change. If they do not, the present temporary debacle will turn into a rout of our internal security."

Some of the Court's most recent decisions give us slight hope, at least, that the "winds" are changing. The Court, I believe, has been doing some backtracking. Its decisions on June 5 in *Communist Party U.S.A.* v. *Subversive Activities Control Board* and in *Scales* v. *United States of America*, both by sharp and narrow division, lend some encouragement, but still fall short of restoring full confidence.

There was a time when a lawyer could consult the cases, know what the law was, and advise a client accordingly with reasonable certainty and assurance. But, when the Court began overruling established precedents of long standing—when it began setting aside decisions of the Supreme Court that were made at a time when the Court was composed of judges who were learned in the law and in the rudiments of American jurisprudence—it created great doubt and confusion.

Instability supplanted reliability to the extent that today no man can know what the "court-made" law of the land is, or will be, and no lawyer can make any knowledgeable prediction regarding what the decision of the Supreme Court will be in any given case involving communism, subversion, or the powers "reserved to the States respectively, or to the people", by the 10th amendment to the Constitution.

Now let us turn briefly to the Congress and to the executive branch of the Government. In my opinion, they are not measuring up in all respects to their responsibilities. We are not being prudent in our fiscal policies. We are spending too much money.

We are moving rapidly toward an annual budget far in excess of $100 billion and a Federal debt of more than $300 billion. There is no end in sight to deficit spending. It is rising—not diminishing—and the tragedy is the lack of concern and seeming indifference of many of us who are entrusted with executive and legislative duties.

An examination of the record and pending legislative and budget requests before the present Congress will reveal facts and figures strongly supporting these conclusions that I have expressed.

Three administration-supported bills have already been enacted into law. Eleven other administration-supported bills are pending with more than fair prospects of passage. These 14 measures all involve either the establishment of new or the expansion of existing Federal programs. The first year cost of the added spending obligations these measures would incur is $4,974 million. The first 5-year cost of these measures is $20,688 million. These are initial and conservative estimates. From past experience, we know these programs will likely cost much more.

The foregoing does not include four additional requests for increased spending in the areas of space, national defense and social security. The estimated first year cost of these four is $5,075 million. Projected at the same rate, the 5-year cost would be $25,375 million.

So, without taking into account what future Congresses may do, and based on the record and measures pending in the present Congress alone, the prospects are that the cost of operating the Federal Government over the next 5 years will increase by some $46 billion. Ultimately, of course, these increases may be less than I am predicting, but the odds are that they will be considerably more.

I do not rule out or reject all of these measures and all of this additional spending as being unnecessary. Neither do I oppose all of it.

But, I personally believe the policy of habitual deficit spending and pyramiding the national debt is becoming serious—and should be stopped.

Responsible Government should be able to find ways and means to meet this increased cost and not further burden the heritage of future generations with a more perilous national debt. Then too, we should realize that the strength that we shall surely need in this long and unrelenting struggle for supremacy with the totalitarian world cannot be found in an insolvent government nor in a bankrupt treasury.

There is another area in which the Congress needs to take early and affirmative action. Notwithstanding the shocking revelations in the field of labor-management relations made by congressional investigating committees during the past few years, the Congress has not yet enacted adequate remedial legislation. The two bills that passed—the Welfare and Pension Plans Disclosure Act of 1958 and the Landrum-Griffin bill of 1959 made progress, but they still leave much to be desired. Two additional major laws are still needed—one, to prohibit strikes, deliberate slowdowns and work stoppages at national defense installations. The conditions that committee investigations recently disclosed to exist at Cape Canaveral, Vandenberg and other missile sites are a national disgrace. They should not be tolerated. Congress will be derelict in its duty if it fails to pass strong and effective legislation to deal with the problem.

The second law needed is one to place labor unions in the transportation industry under some restrictions and controls comparable to those that our antitrust laws now place on business. The threat of a proposed amalgamation or the forming of an association of all of the transportation unions under one head—under one leadership—with power to call a nationwide strike and paralyze the commerce and economy of this country, poses an internal danger of alarming proportions—one that actually challenges the supremacy of government itself. We need to meet that challenge squarely and head on with laws to curb and restrain the tremendous power that such a combination of forces would create.

Mr. McNAMARA. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time for it be charged to neither side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

DETERRENCE OF COMMUNIST AGGRESSION

Mr. MILLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I ask unanimous consent that I may proceed for 15 minutes, and that the time not be charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Iowa? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, apparently the administration is sending up trial balloons to see what the reaction of the American people would be to the idea of mobilization of our Reserve forces. In the July 3 issue of the Washington Post and Times Herald, Mr. Joseph Alsop reported on a meeting of the National Security Council before which Mr. Dean Acheson made some recommendations. Mr. Alsop stated:

> It is well known that Acheson favors massive, immediate military mobilization, perhaps recalling to the colors of as many as a million reservists and members of the National Guard; that Acheson is supported, at least in principle, by Secretary of Defense Robert McNamara.

At a news conference yesterday, Deputy Defense Secretary Roswell Gilpatric is reported to have said that the administration is considering a callup of Reserve forces to strengthen the Nation's immediate ability to cope with Russia's menacing attitude.

Mr. President, I believe that the American people will reject such an idea as premature and ineffective, and as a further indication of the failure of this administration to know how to handle threats of Communist aggression.

If these are trial balloons to see how the Soviets will react, I am quite sure that the leaders in the Kremlin will not be at all impressed. In fact, I can think of nothing that would please them more than the prospect of a conventional war with the West, because such a war would bleed us white, be indecisive, and would probably be won by them because of their superior resources and the cohesiveness of their conventional forces.

The West has 10,000 to 12,000 men in West Berlin and 20 divisions, uneven in quality and size, in Western Europe. The Soviets have 20 to 22 divisions in East Germany, plus approximately 100,000 in East German forces, 175 divisions in Russia and other nations behind the Iron Curtain, and within a short period could mobilize, equip, and put into the field another 125 divisions.

The ideas of mobilization and the idea of beefing up our conventional forces are in line with the policy attributed earlier this year to the administration of "raising the threshold." In diplomatic terms, this means employing more conventional forces to deter aggression. In plain English, it means spilling the blood of more American troops, fighting, at best, an indecisive conventional war until things get so bad that at least limited nuclear weapons have to be used to put a stop to Communist aggression. Such a policy is a sign of weakness, not of strength. At worst, it will not deter armed aggression by conventional Communist forces. At best, it will drain off manpower and economic resources needed to maintain our superior nuclear power, which is the real deterrent of the Soviets and will remain so until effective disarmament programs are agreed to by them.

Does the administration believe that merely calling up our Reserve and National Guard forces is going to deter Communist aggression in Berlin, in Laos, in Vietnam, in Cuba? Does the administration intend to transport these forces to Western Europe? If it does, does it intend to fight a conventional war with them? If it does, will it keep the dependents of our military personnel in Western Europe? I do not think so. Is it not, then, one of the first orders of business to move out these dependents?

If a conventional war is to be fought, will Soviet and Communist bloc embassies, legations, and consulates be permitted to remain open for business as usual in our country, or in the countries of our allies in Western Europe? I do not think so. Is it not, then, a first order of business to take steps in this direction? Also to take steps leading to the recall of our own staffs from the embassies and other offices in the Soviet Union and in other Iron Curtain countries? Also those of our Western allies?

If a conventional war is to be fought, will we permit trade of any kind to be conducted with the Soviet Union and its satellites? I do not think so. Is it not, then, a first order of business to take steps toward stopping this trade? Also toward seeing to it that our Western allies do the same thing?

If a conventional war is to be fought, will we give foreign aid to Iron Curtain countries, or to other countries which are trading with our enemies? I do not think so. Is it not, then, a first order of business to take steps toward shutting off such foreign aid?

As I said last weekend, it seems to me that this business of calling up reserves and National Guardsmen is putting the cart before the horse. Unless we are willing to take these other actions first, we are not going to employ conventional forces in a shooting war. If it be argued that these other actions will cause a lot of inconvenience, the answer is that unless we demonstrate the willpower and firmness to undergo such inconvenience—unless our allies are equally will-

ing to do so, we never will have the willpower and firmness needed to employ these forces in a shooting war. What is more, the leaders in the Kremlin know it.

There are no doubt other actions that can and should be taken, Mr. President. However, as minimal first steps, we ought to pull out the dependents of oversea personnel in Western Europe—certainly in the area where conventional forces using limited nuclear weapons would operate if Premier Khrushchev decides to start a war over Berlin. Next, the President should advise Premier Khrushchev and other interested governments that at the instant of Russia's unilaterally signing a separate peace treaty with East Germany, all Soviet and Communist bloc embassies, legations, and consulates in the United States will be closed, or at least reduced to a skeleton force; our own Embassies and other governmental offices in the Soviet Union and other Iron Curtain countries will be similarly closed or reduced; that trade of any kind with the U.S.S.R. and its satellites will stop; that foreign aid to Iron Curtain countries or to any other nation trading with the U.S.S.R. and its satellites will cease. After these minimal actions, if the administration has the determination to take them, we might talk about mobilization.

As I said before, I recognize the inconveniences such actions entail. I also recognize that the administration may be concerned over political reverberations of such action. However, I am convinced that the American people are far ahead of the administration in their attitude of firmness of action, as well as words, toward the Communist world. They are concerned that our prestige in the eyes of many friendly and neutral nations around the world has sunk to an all-time low. America, for the first time in her brave history, is becoming known as a nation with big words but small deeds.

Action by the Congress on the foreign aid bill is not as closely related to the Berlin crisis as some proponents of this legislation would have us believe. All the foreign aid programs that can be devised will not persuade friendly and neutral nations, much less the Communist-dominated nations, that we are willing to fight to deter aggression. In fact, they may well interpret action on foreign aid and inaction—inconvenient though it may be—over Berlin as hopefulness on our part that we can buy peace. Enduring peace is never for sale. It can only be secured and maintained by firmness and strength, militarily, economically, and above all morally. Our will to resist—our will to win—these must underlie our words. Equally important, the leaders in the Kremlin must know that this is so. The task of the leadership of this administration is to make certain that they do. We are waiting, Mr. President.

ORDER OF BUSINESS

Mr. KUCHEL. Mr. President, I ask unanimous consent that Senators be permitted to make insertions in the RECORD without the time required to do so being charged to either side.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection to the request of the Senator from California? There being no objection, Senators may request that insertions be placed in the RECORD, without the time required for such requests being charged to either side.

NAACP VISITS CONGRESS

Mr. KEATING. Mr. President, the 52d convention of the National Association for the Advancement of Colored People is meeting in Philadelphia, Pa., this week, as the present occupant of the chair is aware. The conference has been recessed today to enable those attending the convention to come to Washington to meet with Members of Congress.

The NAACP has been in the forefront of the struggle for equality under the law. Its leaders and members have pursued relentlessly the task of making our constitutional principles a reality for all Americans. They have confronted many obstacles in the past and we know that there are tremendous challenges before them. They are determined, however, to continue to move forward and they have the great strength which comes from the knowledge that your mission is a righteous one.

The visit of the NAACP to Congress is a most timely reminder of the urgent need for new civil rights legislation. It is regrettable that at this late stage in the session, the administration has not yet initiated any legislative proposals in this field. As a result, the many civil rights bills which have been introduced by individual members lie dormant in the committee files with no action contemplated by the leadership.

The NAACP convention emphasizes that the hour is late and the need is great. I hope that this courageous organization will succeed in prodding action on these problems. They are as important as any other domestic issues facing America and they will not be solved by being ignored. We have a responsibility to which we should face up to give every possible aid to those engaged in the struggle to advance human freedom in America.

Mr. President, I salute the NAACP and wish their efforts every success.

GOVERNORS' CONFERENCE ENDORSES NEW YORK WORLD'S FAIR

Mr. KEATING. Mr. President, I am happy to call attention to the fact today that the Governors' conference held in Honolulu, Hawaii, unanimously passed a resolution presented by Gov. Nelson A. Rockefeller, of New York, endorsing the New York World's Fair. This resolution is a wonderful expression of confidence and interest of all of the Governors in the fair.

At the present moment, there are 49 foreign countries committed to participate in the New York Fair and 35 major American corporations and associations who have either signed leases or whose leases are under negotiation. In addition, 11 States, plus the Missouri Basin States, have either been allocated space or are negotiating for space.

I ask unanimous consent to have printed at this point in the CONGRESSIONAL RECORD a copy of the text of the before-mentioned resolution of the Governors' conference.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas American prestige and international good will are of vital importance; and

Whereas this prestige and good will can be displayed to the world in an international cooperative venture at World Fair; and

Whereas the city of New York is hosting a World's Fair of magnitude and international importance; beginning April 22, 1964, and continuing through 1965; and

Whereas achievement in science is one of the paramount projects of this infant space age; and

Whereas the New York World's Fair, and its predecessor in Seattle, carry a science theme and are complementary platforms on which the world can stage its achievements and exchange cultures for better understanding; and

Whereas the city of New York is one of the gateways of the world, and host to millions of people; and

Whereas New York in 1939 and 1940 conducted a significant World's Fair promoting good will among nations and featuring achievements of the times: Therefore be it

Resolved by this 1961 session of the Governors' conference meeting in Hawaii, That the Governors of the Nation give their support and endorsement to the 1964–65 New York World's Fair as an international project to further the cause of peace and understanding among peoples of the world.

Mr. KEATING. Mr. President, I have some remarks that I wish to make which will consume probably 15 minutes. If I may retain my right to the floor, I shall be happy to yield to other Senators for the purpose of their requesting that insertions be made in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TELEVISION PROGRAMING

Mr. COTTON. Mr. President, John W. Guider, Esq., of Littleton, N.H., principal owner of Mount Washington TV, Inc., and well known in both New Hampshire and Washington, recently delivered a challenging address before the Portland, Maine, Rotary Club, concerning television programing.

I ask unanimous consent that his speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY JOHN W. GUIDER, BEFORE THE PORTLAND ROTARY CLUB, JUNE 23, 1961

I would like to speak to you today about what sort of job is being done in this country by the people who have been licensed to operate television stations. I feel the publicity on this subject in the last couple of years, and particularly in the last 3 or 4 months, has been distinctly one-sided. As

you know, a television station is an expensive proposition to build and to operate. It is distinctly a risk venture which is entered into by individuals acting as private citizens. Unless they can meet the competition they find in the marketplace from other television stations and from other advertising media including radio, newspapers, and magazines, they will promptly find that operating a television station is an opportunity to lose money as well as an opportunity to make it. Many stations operate at a deficit for many years before turning the corner into the black. We did. A license to operate a television station is definitely not a guarantee that you will make money.

Impressed on the business at all times during 16 or 17 hours of operation every day for 7 days a week and 52 weeks a year is the necessity of meeting the statutory standard of "public interest, convenience, and necessity," a vague requirement which has always defied definition and which can mean a great many different things for as many different people or groups. Nevertheless, upon this vague standard is based the original grant of a license, and the renewal thereof at short periods of 3 years. The investment made, not only in money, but in flesh and blood, and patient building, and in sacrifices which it is hoped will ultimately be rewarded, depends upon the shifting policies of an administrative agency in Washington, D.C., which at all times holds the threat that a license may not be renewed. The investment may be made worthless since it may not perform the only function for which it was intended, and the operators of television stations have the dubious distinction of being the least secure in their business of any important category of commercial enterprise in our country.

Perhaps because of this insecurity, or perhaps because they voluntarily assume the public service obligations which are inherent in the business, it could be said without fear of successful contradiction that there is no major business or industry in America where dedication to public service plays so great a part so many times each day, in the operation of a business as it does in television broadcasting. For those who hold these licenses, public service is as fundamental as the Ten Commandments or the Bill of Rights of the Constitution or the multiplication tables. It penetrates every nook and crevice of our operations. This is not only because we hold our license under an obligation to meet the public interest, convenience, and necessity, but because we cannot conduct a successful business operation unless we render to the public a service which the public of its own free choice is willing to accept to an extent that will permit our business to meet its expenses. We are not a monopoly. We are subject at all times to spirited competition.

So much for the basic obligation of every television station licensee, and for the compelling reasons he has to meet that obligation to the best of his ability.

In recent months you have heard much about television being a vast wasteland. That's a colorful phrase but it is also sheer poppycock. Television, as it is operated today, is making the greatest contribution that has ever been made to the people of this or any other country, in the wealth of information it affords in the fields of news, culture, observation of government and public affairs, and in the contribution it is making to the pursuit of happiness which the Founding Fathers thought important enough to group with "life and liberty" in the Declaration of Independence.

Let me state both frankly and emphatically at this point that I think there is a great deal wrong with television and television programs. I think the most valid charge that is being made against television today is the charge of excessive violence in television shows. I deplore it, and in recent years I have never failed to take every opportunity to speak out against it within our industry. The thing that prevents this point of view from being more effective is merely that a very large percentage of the viewing public chooses to watch the programs that include these very violent sequences. I think that is a phase. I believe that any type of program which was on the crest of popularity during the past year or two is likely to find itself out of favor 2 or 3 years from now. There must be novelty and change in entertainment and cycles are as inevitable as the ebb and flow of the tide. But we know there will be much less violence in TV next winter than last, and a great deal less in the following year.

There are other criticisms with which I could also agree. I do not think I am in the least unique in my views. I believe that most operators of television stations will go to any reasonable lengths, and even some unreasonable ones, to include in their schedules more programs that will bring home to the public generally the problems of the world in which we live, the necessity of a strong national spirit with which to combat these problems, the importance of an informed and educated public, a greater contribution to the successful rearing and training of our children, the advantages of the broad and cultured point of view rather than the narrow and provincial one, the appreciation of better writing, better music, and better thinking, and in general all of the things which improve the mind, enrich the spirit, and cast light into the shadows of ignorance or uncertainty.

This, I assure you, the pros in our still new and young business are trying to do. I think they know best how to go about accomplishing the effort. I do not think it can be accomplished by the threatening mandates of Federal regulatory agencies, or even by acts of Congress. The pros of the business understand the problems as much as people who come and go in the regulatory agencies or in the Halls of Congress. But they understand also that you cannot legislate or regulate taste or intellectual curiosity any more than you can morals. We tried to regulate morals with the great experiment, and it proved to be a colossal failure. It did much more harm than good. It had to be abandoned. This could be another great experiment if it is tried.

Now let's take a minute or two to emphasize a very important point. Practically every criticism of television is based on the quality or the nature of the programing. Programs are not a commodity that can be produced on a production line, measured on a meter, bought by the pound or the gallon, or mined out of the earth. They involve a tricky thing called creativity.

A Federal agency might conceivably order us to devote so many hours a day to this or that kind of public service program but that would be no assurance that the programs would be worth looking at or that people would look at them. Perhaps the scriptwriting that has gone into many television shows is lacking in originality or novelty but remember the voracious appetite the television industry has for the material which is created by writers and scriptwriters and comedians. Remember that more people see the "Real McCoys" every Thursday night than saw all of the performances of "Uncle Tom's Cabin," all of the Victor Herbert operettas, and "Showboat," "Oklahoma," and "South Pacific" put together.

Remember too that more people watched John Fitzgerald Kennedy and Richard M. Nixon in their TV debates last fall than ever heard all of the Presidents of the United States in their personal appearances from George Washington to Dwight Eisenhower. Madison Avenue refers to this fact as the "exposure" which is given to a program. This exposure uses up a creation, however talented, in a single evening, and this results in a demand for creative talent that is far in excess of the supply. This is a serious problem that has the best attention of an industry that is only as old as a boy who has just reached his 15th birthday. I think most people will conclude that the way to meet the problem is not by governmental dictation of the type and numbers of different kinds of programs that television stations must broadcast if they wish to have their licenses renewed.

We don't have to speculate about what television is when it is in private hands that are earnestly trying to improve the quality and balance of programs, as compared to what it is when the Government decides what shall be broadcast. We have before us the example of Great Britain. No critic of American television today could ask for a greater measure of Government control of television programing than resided in the British Broadcasting Corporation, a governmental agency, for the first 10 years of television in England. The programs met the highest standards of good taste, intelligence and culture. They were completely free from any of the characteristics which have been criticized in American television. The English programs were frequently cited as examples of what American television should be. The only trouble with them was that not many people were very interested in looking at them. After 10 years of proceeding along the lines the Government decreed, only a million television sets had been sold in a country which had over 50 million inhabitants. Then a modified form of commercialized television was permitted in England. American programs were imported and English programs were created that were similar to the American format of programing. Within 2 or 3 years this great service to the public which had been held in leash by Government domination for 10 years was discovered and approved by the 90 percent of the British people who had previously exhibited not the slightest interest in television. Within 3 years the number of sets in England increased from 1 million to 10,469,753 in 1960, and that in spite of the fact that a substantial Government license fee has to be paid annually on every one of that number of television receivers.

Now voices are raised in this country that want us to reverse the English experience. They want to dictate what the people shall hear and see. They won't admit this in so many words, but neither can they deny it because it is the plain implication of what they are saying. They do it by criticizing the present programs and insisting that the Government, by processes ranging from threat of failure to renew a station's license to administrative examination of a station's program format, have stations conform to somebody's idea at Washington as to what the public should see and hear.

They resent deeply the charge that they are proposing censorship. They resent it because they do not know how to escape it. And escape it they must, under the law, as I will shortly point out. They do not dare admit or possibly they do not realize that what they are proposing is censorship, plain and simple, and different only in degree, at least at first, from that imposed by totalitarian states.

Does it seem to you that I am overemphasizing the gravity of this point? Life magazine, in last week's issue, devoted two pages to the views of the youthful new Chairman of the Federal Communications Commission. To him Life imputes the view that "some people say that restricting one type of television program in favor of another is a form of censorship." Obviously this powerful head of one of our great regulatory agencies does not think it is censorship. Of course it is the very essence of censorship.

I want to ask simply if the power of the Government to restrict one type of program in favor of another is not precisely the difference that exists today between American television and Russian television? Life goes on to say that the Chairman believes he has news for the people who take the view that this is censorship. He takes the position that they have not watched 1 hour, 1 minute or even 1 second of uncensored television since the first day they switched on a TV set. He says it is a censorship that is far more arbitrary and far more damaging than any of which people could ever accuse him. He says it is censorship by popularity charts.

It occurred to me when I read these words for the first time that here is a perfect example of a case where a word may mean very different things to different people. Students of the law and of political history know that censorship is something that is imposed by governmental authority. The key word is government. It is not called censorship when an editor decides to feature one type of news and suppress another in his newspaper. It is not thought to be censorship when politicians argue their side of the case and ignore the virtues of the other. It is not considered censorship when the publisher of the printed word exercises editorial judgment as to what he will give to his readers in his editorials. It only becomes censorship when governmental authority tells these people what they may publish or say and what they may not. This has been the meaning of censorship from the time of the government magistrates who supervised public morals in Early Rome to the Government censors who read your oversea mail during the war.

Coming more specifically to the issue before us here, it is therefore not censorship when the public gets programs that have been selected by the networks, and by individual stations, because of "popularity charts," or "surveys." It is a traversty on the meaning of words and the developments of history to say that we are censoring your programs because we have tried to find out what you, the public, prefers and because we have tried to meet those preferences.

It might be pertinent at this point to identify the two different forms of censorship. The one most familiar to the public is censorship by prior restraint, such as that which is exercised by the official censor in England over dramatic productions, or by the cable censor in Moscow where he declines to let an American correspondent file his story to an American newspaper.

Of the two sorts of censorship this is the less troublesome. At least you don't get into any trouble with it. You may not publish what you desire to publish, but you are not subjected to punishment since there was no publication.

But there is also a thing called censorship by fear of subsequent punishment. That is what we are threatened with here. You go ahead and publish something at your peril, and later you are punished for doing it. The thing that you did during the first year you had your license might not have seemed serious then but because of later events became a punishable affair. In a sense this is something like an ex post facto penal proceeding.

Time and again during the past few weeks we have heard plainly voiced threats that station licenses may not be renewed unless stations conform to the current thinking in Washington. This is censorship by fear of subsequent punishment.

A point frequently overlooked is that any criticism of TV, sound or unsound, is usually given the broadest and most prominent coverage by the newspapers and magazines that are the unhappy commercial competitors of TV. It is perhaps quite understandable that they should strike back at a competitor that reaches more homes with much more commercial impact and for fewer advertising dollars than is possible in magazines or newspapers. You should realize that great prominence is happily given to any and all television criticisms by the people who operate newspapers and magazines. Any TV critic can view with alarm and know he will get a wonderful press. It is perhaps significant that here, too, is a one-sided attack. Television stations do not attack the printed media. They don't need to. But television stations are subjected to a daily barrage of caustic comment from the printed media. All we ask is that when you read these criticisms of us please consider the source. Remember that the paper or the magazine you are holding in your hand has probably suffered a decline in advertising income because of the very existence of TV. It is too much to expect their publishers to be objective and unbiased in their handling of TV news. They are human. They have been hurt. But you should not be misled.

I'd like to spend a minute or two to get one more point in focus. One of the favorite battle cries of the critics of TV is this one: "Remember that these frequencies belong to the public." Sure they do. More than 30 years ago I was the Washington lawyer for a colorful character who owned a radio station in Zion, Ill., and who headed a religion that contended the world was flat, not round. He also thought he had a vested interest in the particular frequency on which he had been operating. I told him he didn't. There has never been any serious challenge to the proposition that the public at large has the complete property rights to radio (or television) frequencies as against any claim of an individual property right. The same is true of the air we breathe. It is true of the air through which our commercial aviation moves. It is true of the public highways on which so much of the commerce of our Nation travels. But it is a monumental non sequitur to jump from this premise of public ownership to a conclusion that it justifies a Federal administrative agency assuming the right to decide what the people shall hear and see on their television sets, and what may not be broadcast, under the threat that if it does not comply a station may lose its license and have its investment rendered valueless.

Of course, there is no room for doubt on the point. Congress may have been less than specific in setting up for licensees the statutory standard of operating in the public interest, convenience, and necessity, but it stated in flat and unmistakable language that the agency it created, the Federal Communications Commission, should not have the power of censorship.

From the day in 1927 when the first Radio Act was enacted, Congress has specifically told the successive Commissions it created that they were not to have "the power of censorship over the radio communications or signals transmitted by any radio station and that no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communications."

These words I have just quoted are taken from section 326 of the Communications Act of 1934, which is the act now in force.

Neither the Federal Communications Commission nor the individual Commissioners have any power except the power which Congress has given them. Congress in the plainest language imaginable has said that the Commission is to keep its hands off the program content of radio and television broadcasting.

The Commission should not do indirectly or by threats of nonrenewal of license or by excessive harassment of licensees in the administrative processes what Congress has plainly said it must not do.

Congress was wise in putting the noncensorship provision into the original Radio Act and in the subsequent statutes passed for the regulation of broadcasting. As informed and intelligent individuals, you would be wise to see that these protections to our liberties are not eroded by the enthusiasms of Government administrators, however well intended and however well grounded on valid criticisms of some television programs. There are proper ways to improve television programs, but Government censorship is not one of them.

And don't be misled by people who deny the intent to censor while saying as Life quoted the Chairman of the FCC—that he planned to use all his statutory powers to gain more balanced programs.

It is censorship when big brother in Washington decides what you shall see and hear regardless of your own personal preferences.

We may deplore the taste of 95 percent of the public if we are one of the 5 percent who believe that because of superior education, or superior mentalities or superior taste or superior culture or maybe perhaps of superior egos, that we are a cut better than the other 95 percent. But have you ever observed that these views are always expressed by people who do not run for office? No politician would ever be guilty of predicating his argument on the proposition that in following popularity charts what is being done is to cater to the "most unthinking, more tasteless element of the population—to nurture and propagate the lowest common denominator and impose its subterranean standards on everybody else." These are not my words. These are the words that are imputed to the head of the agency that issues licenses to television stations and renews them, not for the 5 percent only but for the other 95 percent as well.

I think it is frightening. I think it is frightening that in such a high place there should be such a misconception of the essence of democracy, of the belief in the majority rule, and a reversion to a type of aristocratic or dictatorial thinking which believes that some tiny percentage of the public should impose its will on the overwhelmingly large percentage of the public. I believe we should stay with the principles that have caused this Government to endure for a longer period than any important government existing today. Let us trust all the people to deal with this problem as they do with other pressing and important difficulties.

I have told you that the story has been given to the public in a one-sided manner. It has. You hear nothing about the good side of television—only the bad, or to be more precise only what a small percentage of the intelligentsia thinks is the bad side of it. These gentlemen who deal in theory rather than fact, in what they think is original thinking and that presumably takes the place of experience, in ideals rather than realities, could profit from my own experience of having known hundreds of people who have written to me or spoken to me about the wonderful change that television has made in their lives.

If I were to tell you some of the actual instances of people who have thanked me because they felt I had something to do with bringing television to them, I would doubtless be accused of maudlin sentiment. And yet, during the first year or two that our station was operating from the top of Mount Washington, simple country folk, people who lived on backroads and in remote areas, old and sickly people, including many who were quite knowledgeable, would come up to me on the street and tell me that television was the most wonderful thing that had ever come into their lives.

If any of those people find a certain program too violent, or too trashy, or if they think it is bad for the children, they have a choice of other programs to which they can turn. Or, like everyone else in America

they can switch off the TV set and do whatever they did before 1946 when TV was first introduced generally. But tens of millions of these people are happy with the new life that television has opened up for them, with the wonderful talent that performs for them in any given week, they are grateful to have fast news, expertly interpreted, and for sports, and great public events where they have the chance to share the sense of "being there" that television alone can give.

If you doubt that there is a great deal more that is good about TV than bad—ask yourself what the reaction would be if every TV station went off the air at 6 p.m. tonight. On total, would this be a good thing for the country or a bad one? And if it would be bad to take all of the TV away from the people, then in principle it is equally bad to substitute something most of them will not look at for something which they are now watching. The degree is all that would vary and that would be determined by the amount of Government dictation.

There is no compulsion to look at television. Therefore it is all the more significant that in tens of millions of homes people do look at it for 5 or 6 hours a day, every day.

In the scathing indictments which we have heard leveled against television, the proponents of these views usually seem to make no effort to be fair. All they do is condemn. They do not recognize the fact that in any week there will be found included in the programs of the three networks and of independent stations, hours and half hours which would satisfy in both quality and quantity the most sensitive of tastes and the most exquisite of demands for intellectual stimulation. It is one of the ironies of the situation that so often our critics say, after delivering a stinging tirade against television in general, "Why, I wouldn't even have a set in the house." But they undertake to say what should be seen and heard by the 50 million homes that do have one or more television sets in the house. I think it is about time that someone called attention to these facts. My voice is a small one. It will not be heard beyond the confines of this room. But if a couple of hundred of you, leaders of your community, go out of here today feeling that the remedies recommended in Washington are worse than the disease they are supposed to cure, I will feel that my efforts have been amply rewarded.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. MUNDT. Mr. President, I should like to propound an inquiry to the acting majority leader, the Senator from West Virginia [Mr. RANDOLPH].

The Senator from South Dakota has an amendment at the desk which will be considered when consideration of the bill is resumed under the time limitation. The Senate Committee on Agriculture and Forestry is now meeting and marking up the agriculture bill. I should like to have the assurance of the acting majority leader that there be a quorum call before the Senate again proceeds under the unanimous-consent agreement.

Mr. RANDOLPH. I think that would be proper.

RADIO AND TV PROGRAMING

Mr. SCHOEPPEL. Mr. President, on January 16 of this year Mr. Robert T. Bartley, Federal Communications Commissioner, delivered an address before the Florida Association of Broadcasters entitled "Regulation of Programs—How Far? How Good?"

Because of the importance of Mr. Bartley's fine discussion on this subject, which carries so much weight and has received so much interest, I ask unanimous consent that the address be printed in the RECORD as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY FEDERAL COMMUNICATIONS COMMISSIONER ROBERT T. BARTLEY, BEFORE THE FLORIDA ASSOCIATION OF BROADCASTERS, JUNE 16, 1961

REGULATION OF PROGRAMS—HOW FAR? HOW GOOD?

There are three reasons why I am glad to be here with you Florida broadcasters. First, it is always a pleasure for me to participate with broadcasters in these shoptalk meetings. Second, I feel a deep kinship with broadcasters in general, since I, too, was one of the "regulated" before I became one of the "regulators." And third, I have been waiting a long time to go fishing again in Florida waters—in the first place.

Tonight, I have chosen for the topic of my talk a subject which has come currently into the spotlight again; namely, the question of regulation of programs by the FCC. As you are no doubt aware, there has been an increasing interest in programing matters in many quarters of late—not only at the Commission, but in Congress, newspapers, and magazines, the trade press, and other segments of the industry as a whole. There have been charges and countercharges hurled about concerning such things as excessive commercialism, program practices, loud commercials, and censorship by the Commission.

I feel that there is a need to clarify the atmosphere somewhat in this field. First, I should like to banish from your minds the so-called bugaboo of censorship. As I think I will show you there is no basis for any such fear on the part of the broadcast industry—from the Commission, at any rate. But more importantly, I should like to try to clarify what I consider to be the legitimate scope of FCC interest and activity in the field of program practice.

The first point to discuss, it seems to me, is the question "What are the outer limits of FCC control in the field of programing?" To start with, we have, of course, the statutory criterion upon which the Commission's licensing jurisdiction is based—what the courts have called the "touchstone" of FCC jurisdiction—namely, public interest, convenience and necessity. Now, from time to time we hear a repetition of the old theme that the functions of the Commission are limited to those of a sort of traffic cop, wherein the Commission's inquiries are restricted merely to a determination of the technical aspects of licensing. The fact is that the FCC is something more.

Courts have held time and again that programs are the essence of the service in the public interest, which Congress set down as the criterion to be used by the Commission in its licensing functions. The courts have clearly upheld the right of the Commission, when considering applications for new licenses or for renewals, not only to consider whether the applicant has the necessary legal, financial, technical and character qualifications to operate a station, but also whether the program service he proposes or has rendered in the past serves the public interest. Therefore, I think it can be validly stated that the Commission not only has the authority to concern itself with program service, but that it has an affirmative duty, in its public interest determinations, to give full consideration to the use to which broadcast licenses are put.

But, on the other hand, we have an equally important section in the Communications Act affecting program matters—namely, section 326, which states that:

"Nothing in this act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication."

In ruling out censorship by the Commission, the Congress wrote a guarantee that governmental regulations would not abridge the free flow of ideas. And, in my judgment, it has been an effective guarantee. But, you may ask, "How is it possible to reconcile the prohibitions as to censorship with the responsibility imposed upon the Commission to inquire into programing in passing upon applications for new stations and for renewals of license every 3 years?"

In speaking of the matter of censorship, in my opinion, a good deal of the heat and furor that has been raised is due directly to a lack of understanding of this business of censorship in its true perspective.

First, you must realize that when you talk of censorship, you are talking about day-to-day control, in advance, of program content. Next, you must realize that we are here dealing basically with a system of licensing established by Congress in the Communications Act. It is clear that radio is a field of scarcity which is subject to reasonable regulation, through licensing, in the public interest. One might argue, as it has in fact been argued on occasion, that any denial of a broadcast license is a previous restraint on free speech. But when faced with this question, the Supreme Court held to the contrary. It pointed out in the Chain Broadcasting case that, under the licensing system established by Congress, the denial of a station license on the grounds that the public interest, convenience, or necessity would not be served, if it was otherwise valid under the act, would not be a denial of free speech. Likewise, other courts have held that when the Commission has refused to renew a license or to grant a new license because it had concluded that the programing was not in the public interest, that this did not constitute a denial of free speech or censorship in violation of the act.

And this must necessarily be so, because the essence of censorship is the passing on specific utterances or programs in advance of their presentation. The Commission's function, in passing either on the program proposals of an applicant for a new station or in reviewing the stewardship of a station upon its renewal period, is no more censorship than our libel laws which are designed not to restrain but to hold to account.

Moreover, it is clearly recognized that even within the constitutional protection of freedom of speech in the first amendment, there are certain limitations upon the right of free speech. The first amendment does not carry the right of free speech so far as to protect statements of sedition, treason, inciting to riot, slander or libel, nor does it shield anyone from the application of other criminal laws designed to protect the general public. The most famous characterization of this is attributed to Justice Oliver Wendell Holmes, who stated: "The right of free speech does not permit a man

to stand up in a crowded theater and yell 'Fire.'"

This same great man once made a statement that I consider to be equally profound. The story is told that one windy spring morning when Justice Holmes was in his nineties, he was strolling on Capitol Hill with his renowned colleague, Justice Brandeis. A young lady walked by and the wind whipped her skirt up about her trim legs. Holmes gazed at her with admiration and turning to Brandeis, he said, with a sigh, "Oh, would that I were 70 again."

Now, back to the subject—in broadcasting, specific prohibitions have been enacted into the criminal laws, so that a person is prohibited from using the radio for the broadcast of obscenities, indecent or profane language, lotteries, or false or fradulent schemes. Outside these prohibitions, section 326 of the act means that there may be no advance proscription by the Government of programs or otherwise legal program types.

One further matter in considering the subject of censorship is that you must recognize that there is a diversification of responsibility in matters of censorship of broadcast material. The Federal Trade Commission, for example, is the agency which is charged with the regulation of commercial copy used in broadcasts. Likewise, the Treasury Department has jurisdiction with respect to commercial advertising involving representations concerning certain alcoholic products. The Justice Department, of course, has jurisdiction in carrying out the provisions of the Criminal Code with respect to broadcasts involving obscenity, fraud, lotteries, etc. So, you see that the question of censorship over broadcast material is not wholly the concern of the FCC, nor can it be laid solely at its door.

Granted that the Commission has authority to concern itself with program service and program practices in the public interest, the question remains, "Should the Commission inquire into these matters, and to what extent should such inquiry be made?"

Bear in mind that a heavy responsibility rests upon the Commission for it must make an affirmative finding that a grant of a new or a renewal application will serve the public interest, convenience, and necessity. How can this best be done?

The most revealing technique for discharging this function would be for the Commission and its staff to sit down with each renewal applicant and his staff. But, this is obviously an impossible assignment. And so, because of the shortness of life, we must compromise by setting up a procedure that requires each applicant to summarize and analyze his programing for a typical week along lines or by categories designed to reveal significant features of the station's overall efforts in the public interest.

We know that the criteria we are presently using for review of renewal applications are somewhat outdated. For example, the new role of radio in the entire broadcast picture has, in my opinion, not yet been properly reflected in the requirements of our application forms. The Commission is presently engaged with various elements of the industry in attempting to arrive at more effective and efficient renewal application forms which will not burden the broadcasters, and yet will give the Commission the information it needs in order to carry out its statutory functions. But, in the light of our responsibilities, we cannot abandon what we now have until we have something better to take its place.

I will have more on this point later.

I think you are entitled at this point to my personal views as to the proper area of programing supervision which should be engaged in by the Commission. However, I caution you that I am merely one of seven Commissioners, and the views which I give you are not necessarily those of my sponsor. First and foremost, I can state categorically that I am a firm believer in self-restraint by the industry and self-regulation in programing practices. I have already pointed out that I agree wholeheartedly with the philosophy of Congress in specifically protecting the right of free speech by means of radio communication in section 326. But I would perhaps go a little further; and I would stand for the proposition that not only should there be no censorship of the broadcaster by the Government, but I would also say there should be no censorship by any other group. In this respect, I have reference to the various pressure groups which, as you all well know, have tried in the past and are trying today to impose a form of censorship, direct or indirect, upon the broadcaster. Through devious, indefinable, and sometimes insidious means, these private groups and organizations—these self-appointed censors—attempt to impose their own views as to the suitability and acceptability of program material upon the broadcaster or his advertiser-sponsor who, sensitive as they must be to public relations, are frequently at a loss to resist such pressure and complaints. However, I think it is the obvious responsibility of the licensee to refuse to knuckle under to these illegal restraints on the operation of his station.

As far as the other areas of program supervision are concerned, I think I can sum up my position as follows: In the field of entertainment programs, I would say that the Commission should place no bars of any kind upon the broadcaster, with the caveat, of course, concerning obscenity, lotteries, and fraud. In this field, I think that public taste is the prime arbiter. As a former broadcaster, and even as a Commissioner now, I can tell you frankly that I personally don't care too much for some types of programs and program practices engaged in by a minority of licensees. However, as in other matters with respect to the running of a station, this is a question of licensee responsibility and licensee judgment in which the Commission does not and, in my opinion, should not interfere. The broadcaster himself must take the risk of offending the public if he goes too far or becomes too extreme in his programing practices. For here the public is, in fact, the absolute censor.

The American system of broadcasting has been symbolized by the hand of a listener turning a receiver dial. One must always be cognizant of the fact that it is the listener or viewer who is the end product—the keystone in our system of broadcasting—toward which the entire machinery of governmental administration, technical developments, investments of broadcasters and expenditures of advertisers is directed. The absolute right of the listener to censor any program which does not attract and hold his interest, by merely turning the dial to another station or by shutting off the receiver, is an integral part of our broadcasting system. It is in this light that American broadcasting has developed to its present state, through the stimulation of competition among stations to attract and hold listeners to their respective stations.

There are, however, certain areas of programing supervision in which I feel the Commission has an affirmative duty to see to it that the congressional mandates contained in the Communications Act are carried out. When Congress enacted the law which governs broadcast services, it set forth certain specific safeguards which were designed to assure the maintenance of free radio in the United States. In addition to specifically protecting the right of free speech in section 326, to which I have already referred, Congress also believed that it was necessary that identification of the source of radio programs was vital to the listening public.

Section 317 of the act requires that not only the sponsor of the program, but anyone furnishing material for a broadcast should be identified, so that the people might know who is the advocate. In other words, Congress imposed a specific prohibition in section 317 of the act against hidden identification or hidden propaganda. This section of the act requires that all matter broadcast by radio stations for which service, money, or any other valuable consideration is paid to, or accepted by the station from any person, must, at the time of such broadcast, be announced as paid for by such persons. The obvious intent of Congress in this section was that the public is entitled to know the true identity of the source of a particular program. It would have been idle gesture for them merely to have required a sponsor to name its product—that comes naturally—and, at times, repetitiously. This section is obviously aimed at the more subtle types of propaganda. It is based on the belief by Congress that if the true identity of the source of such propaganda is known, the public will be better able to evaluate it. In this field, the Commission has an affirmative duty, in my opinion, to see to it that licensees carry out the provisions of the law to the letter.

Another aspect of the Commission's functions, in assuring the maintenance of free radio, is its efforts to assure fairness to all sides in the use of this medium, such as its expression of policy in the Report on Editorializing by Broadcast Licensees, which was issued in 1949. Of course, one portion of this problem is specifically set forth in section 315 of the act, wherein Congress specified that, with respect to political broadcasts, there was to be equal opportunity in the use of radio facilities. You broadcasters are no doubt familiar enough with those provisions, so that they do not require further explanation at this time. However, what I want to concentrate on at this moment is that aspect of broadcasting affecting issues or ideas of a controversial nature, which are not necessarily included in the political broadcast section of the act.

Let me tell you what I think should be the criterion of a broadcaster in this field. I can't think of a better way to start than to quote Thomas Jefferson who said, in defending freedom of the press, "But for God's sake, let us freely hear both sides." That philosophy applies even more so, in my opinion, to radio and television.

The point of focus today in the struggle between the free world and the world of totalitarian dictatorship is the right of men to the fullest access to information. It is in assisting in this struggle for freedom today that it seems to me the broadcaster can best justify the grant of a license to him.

Since radio and television provide such a valuable forum for the expression of responsible views on public issues of a controversial nature, the broadcaster should create and develop with accountable individuals, groups, and organizations programs relating to controversial public issues of import to his fellow citizens. He should give fair representation to opposing sides of issues which materially affect the life or welfare of a substantial segment of the public.

Further, I think that, as an important element in community life, the broadcaster should not be reluctant to take an editorial position on various public issues; but, of course, when he takes such a position, he should identify it as such, and should take affirmative steps to see to it that equal time is provided for all other sides of the question. In providing time for this purpose, he should be guided by certain principles; for example, he should consider requests by individuals, groups, or organizations for time to discuss their views on controversial public issues on the basis of their individual merits and in the light of the contribution which

the use would make to the public and to a well-balanced program structure.

Moreover, programs devoted to the discussion of these public and controversial issues should be identified as such, and should not be presented in a manner which would mislead listeners or viewers to believe that the program is purely of an entertainment, news, or other character.

Before I am accused of attempting regulation by the lifted eyebrow, or by nonofficial Commission statements, or of plagiarism, let me make it clear that I lifted the substance of this from the Code of the National Association of Radio & Television Broadcasters, to which I am sure all of you subscribe in principle.

One other area in which I think the Commission should take affirmative action is on every occasion when there comes to its attention program practices of a licensee which indicate that news and public events are not being presented to the public in a fair and impartial manner. In other words, I think that "news slanting" by a broadcaster is an abuse of the license privilege which cannot and should not be condoned by the Commission under any circumstances.

We come now to the final feature of the question of program control, namely, future policies. I have already indicated that Congress has set down specific areas of program controls in the Communications Act, such as political broadcasts, censorship, and announcement of sponsored programs. In light of the fact that there seems to be some misunderstanding in various quarters as to the nature and extent of this matter of program control, it would seem reasonable that these policy matters should be presented to Congress for its consideration in terms of the direction and scope that such matters should take in the future. In this respect, I think the broadcast industry can be of great help. It should familiarize the congressional committees concerned at every available occasion with the particular problems involved in the operation of stations and in the questions they wish to raise concerning Commission jurisdiction.

I think the broadcasters can also be of great help to the Commission and to themselves by aiding the Commission in the formulation of up-to-date and effective performance forms for use at renewal time.

Further, I have already referred to the need for self-regulation in order to curb program abuses. I think the industry should take measures to curb abuses at their source, whether it be the advertising agencies, fly-by-night operators, or those who generally are more interested in the "fast buck" than in doing a real job for the public and the industry. I think the best hope for the broadcaster is to build up true circulation based upon the quality of his programs, and not artificial audience-stealing gimmicks.

What I have said up to now is a direct quote from an address I delivered many times from Maine to California between 1954 and 1956.

Subsequently, the lid blew off with the quiz show disclosures (certainly a form of fraud) and the payola scandals (a violation of section 317).

I only wish I had been more effective.

Today, I think I perceive another cloud on the horizon.

Following the Commission hearing in the program inquiry where we listened to substantial citizens who coined the phrase "murder, mayhem, and mediocrity," the Commission issued its "Report and Statement of Policy Re: Commission en banc Programing Inquiry" of July 29, 1960.

I am sorely tempted with this substantial and significant segment of broadcasting for my captive audience to read to you the entire statement of 20 single-spaced pages.

But I've been informed that the mind will absorb only what the seat will endure—so I will content myself with two excerpts, then give you some of my personal observations on each.

From page 12, I quote:

"The foundation of the American system of broadcasting was laid in the Radio Act of 1927 when Congress placed the basic responsibility for all matter broadcast to the public at the grassroots level in the hands of the station licensee. That obligation was carried forward into the Communications Act of 1934 and remains unaltered and undivided. The licensee is, in effect, a trustee in the sense that his license to operate his station imposes upon him a nondelegable duty to serve the public interest in the community he had chosen to represent as a broadcaster.

"Great confidence and trust are placed in the citizens who have qualified as broadcasters. The primary duty and privilege to select the material to be broadcast to this audience and the operation of his component of this powerful medium of communication is left in his hands."

Having been in radio in the thirties, I would like to tell you a little bit about how I view that era as of now.

This was before television. But it was when soap opera had a strangle hold on afternoon radio. A minority of listeners were enthusiastic fans. Advertising agencies frantically sought to capture their split of this minority. The vast majority of people had no choice but to leave their sets quiet—and, that they did. That they did in droves. If a station with guts attempted to tap a new audience by offering something different, the station got a rating clobbering, not only for that half hour but for all afternoon. Consequently, few tried.

This never made sense to me in those days. But I had to accept it as a fact of life, or at least a fact of broadcast economics.

This was frustrating experience. A good alert broadcaster didn't need a rating service to tell him that there was considerable public dissatisfaction with a complete diet of soap opera fare. Stations could only fidget and fuss and occasionally apologetically complain to the networks, but America was caught in the soap dish and couldn't get out.

Now, 20 years later with 20–20 hindsight, it's clear to me what happened. The station licensees lost control over their programing, first to the networks, and the networks in turn lost control over programing to the agencies.

Then what happened? People started talking. Congressmen listened. Then Congress started talking and the FCC listened. Then, the FCC investigated. It adopted rules designed to free stations from network domination. Then the licensees and the networks charged censorship in the courts. The courts said "it was no such thing" and affirmed the Commission. And, what happened? Nothing. We still had soap operas across the board.

In the course of time, however, the broadcast structure changed. Where before there had been only some 800 or 900 radio stations and practically all of which were network affiliates. And where revenues were predominantly from national advertisers, now there were some 3,000 stations and revenues were predominantly from local advertisers. And, TV had come along and captured the national advertising money. So, it took a changed broadcast structure to dislodge the hold that soap opera had over network radio.

So, finally about 3 or 4 years ago, I was touched to the heart by a network advertisement announcing their break with soap operas. The ad showed this sweet, pretty, old lady pointing an accusing finger and saying "Young man, what have you done with my soap operas?"

To me, there are some disturbing parallels in television today with radio in the thirties. Our spectrum can accommodate a very limited number of stations, even when UHF comes. The existing economic base is such that national advertising is the predominant support. Network affiliation is absolutely essential to TV stations in nearly every market.

Are you gentlemen, you local licensees and program directors, going to let this potentially greatest of all media for mass communications, continue to drift into control of a few hands? The few, whose interest lies in capturing that loyal minority audience, comprised of the homemaker and maid, our soap buyers, and the kids who buy our cereals. The girls watch the soap operas and the kids watch the cereal serials.

I am going to continue to refuse, at least for a while, to believe that the local licensees and program directors are helpless and can't do anything about this. After all, air time is your time, and air time is the heart of the entire broadcast service. Local licensees and you people in the local stations are those held legally responsible for what goes over stations. Some way must be found for licensees to have an effective voice in determining what program fare is fed to them.

I just can't believe that it is an economic necessity that you have to capitulate. For if stations are too weak individually to exercise their responsibility, they should figure out some way to do it together. Now, whether it would be desirable that licensees be afforded some relief from the antitrust laws in their combined dealings with the networks is a question the affiliates should explore.

The further away programing determination is from the local licensees, the further away from the public it is. I think what is done at the local licensee level, will determine whether TV retains its freedom or whether control gravitates via network headquarters, out to Hollywood, back to Madison Avenue, down to Wall Street, and thence, ultimately, to Washington, D.C.

The licensee is the one possessed of the ultimate power. In his hands has been placed the legal right to determine what he puts out over the air and when he does it. He must be jealous of this right. He must exercise this right for the responsibility is placed squarely on his shoulders. To the extent that he fails to exercise his right, to the extent that he delegates it or contracts it away, he is breaking faith with the public whose frequencies he is authorized to use. The further removed from him is this control, the further away from the public is this control exercised.

Let me repeat, air time is your time and air time is the heart of the entire broadcast service. Guard it jealously if you would retain control.

Now, for my second quote from the Commission's report and policy statement, and this comes from page 16:

"The program provided first by chains of stations and then by networks has always been recognized by this Commission as of great value to the station licensee in providing a well-rounded community service. The importance of network programs need not be reemphasized as they have constituted an integral part of the well-rounded program service provided by the broadcast business in most communities.

"Our own observations and the testimony in this inquiry have persuaded us that there is no public interest basis for distinguishing between sustaining and commercially sponsored programs in evaluating station performance. However, this does not relieve the station from responsibility for retaining the flexibility to accommodate public needs.

"Sponsorship of public affairs, and other similar programs may very well encourage broadcasters to greater efforts in these vital areas. This is borne out by statements made in this proceeding in which it was pointed out that under modern conditions sponsorship fosters rather than diminishes the availability of important public affairs and cultural broadcast programing. There is some convincing evidence, for instance, that at the network level there is a direct relation between commercial sponsorship and clearance of public affairs and other cultural programs. Agency executives have testified that there is unused advertising support for public affairs type programing. The networks and some stations have scheduled these types of programs during prime time."

So, you see there is another side to the coin. What incentive is there for a network to spend time, effort, and money in a genuine public service effort to produce programs which raise the level of our understanding, stimulate our minds, make us uncomfortable with our shortcomings, make us more aware of the challenges facing us—what incentive is there if affiliate after affiliate fails to carry such programs? Do you know that there are many millions of homes deprived of these programs? I ask, is this in the best interest of their listeners? I ask, is this in the best interest of the licensee and his family. Does everyone in his area want escapism all at the same time? Is not a qualitative evaluation of audience more meaningful than a quantitative rating many times?

This can have commercial advantages if given a chance and is adequately developed. When enough people in these blacked-out areas find out that they are being deprived of these programs, I predict more, not less, criticism. This is the cloud I see on the horizon.

When you stop to realize it, you will discover that in no other field of endeavor can a man avail himself of such privileges and opportunities through the use of public property as in the broadcast service. I would say that the broadcaster who looks upon himself as the steward of a public trust can be depended upon to operate his station in not only a satisfactory but an exemplary manner.

Each of us in his own way has a job to do for our country and for our fellow citizens. The broadcaster has a sobering responsibility and a rare opportunity for contribution to the advancement of our democratic way of life. In his own community, every broadcaster can, if he wishes, become a statesman, a leader of his community, a benefactor to the welfare of his neighbors, doing a job which cannot otherwise be duplicated.

The very nature of the facility which the broadcaster has under his control, with its unique potentialities for molding public opinion and as an unparalleled forum of the community in all phases of its cultural, economic, and political life, all this enables the broadcaster, more so than others, to contribute to the enjoyment of living of each of his fellow neighbors and citizens.

The American system of broadcasting, the proper use of radio and television stations, can be and should be one of the cornerstones of liberty in this country.

MORRIS SHEPPARD OF TEXAS; REFORM SENATOR OF THE PROGRESSIVE ERA (1900–1917)

Mr. YARBOROUGH. Mr. President, the May 1961 issue of the Journal of Southern History contains a fine study of voting on reform issues in the U.S. Senate from 1911 to 1916. The era of 1910–17 was called the era of reform or the progressive era by most historians.

The study to which I refer has been made by Howard Wilson Allen, instructor of history, Akron University. His work shows the southern and western coalition that brought about the reform measures of that period.

Generally the western Republicans and southern Democrats had a coalition that voted against the East, which was generally Republican, and by that coalition the reforms were enacted. He has analyzed the reform votes as various historians have identified certain measures as reform measures.

I shall ask that the list be printed in the RECORD, for I do not wish to take time to read it now.

Based upon the peacetime writing of the different historians of the progressive era, 12 issues are noted as the main reform issues of the progressive period. They were as follows:

Underwood tariff.

Income tax—some historians cite the income tax amendment to the Federal Constitution, some cite the income tax amendment to the Underwood tariff, and some cite both.

Federal Reserve Act.

Federal Farm Loan Act.

Federal Child Labor Act.

Women's suffrage amendment.

La Follette Seamen's Act.

Clayton Antitrust Act.

Federal Trade Commission Act.

Confirmation of Louis Brandeis as Supreme Court Justice.

Adamson Act, 8-hour day for railroad employees.

Direct election of Senators amendment.

On these 12 issues there were 19 recorded final votes. The most recorded votes on any one of them that any Senator had was 17, other than Senator Chamberlain of Oregon, who recorded 18 votes. I rise to pay tribute to a predecessor of mine in the post I now hold, the Honorable Morris Sheppard of Texas, who, while he is known to fame as a stanch prohibitionist, has had that reputation overshadow the fact that he was one of the senatorial leaders of the progressive era. Of those 17 recorded votes on those 12 major progressive measures of that era he voted for the reforms 17 times and against the reforms not once. He has a 100-percent voting record. There were, among the Democratic Senators, 16 Senators with perfect voting records, or 100 percent, on those reform issues. There was only one Republican, Senator Poindexter, of Washington, with a perfect voting record for these major reform measures.

Then, over a broader scope of all progressive legislation, major and minor, covering a longer period of time, there was a total of more than 100 votes, and out of that total of more than 100 votes Senator Sheppard is listed as voting for reforms 77 times, and 34 times against, with a percentage of 69 percent. That placed him sixth among all the Democratic Senators in the high percentage of favorable reform votes cast.

I ask unanimous consent to have printed in the RECORD at this point this record, with the breakdown, of votes, entitled "Geography and Politics: Voting on Reform Issues in the United States Senate, 1911–1916."

I commend the article to the attention of my colleagues in the Senate, and I pay tribute to a great Texan, the Honorable Morris Sheppard, who served here and who was one of the leaders on the Democratic side in the coalition for many of these progressive reforms, including the direct election of U.S. Senators.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GEOGRAPHY AND POLITICS: VOTING ON REFORM ISSUES IN THE U.S. SENATE, 1911–16

(By Howard W. Allen)

Since 1940 historians have attempted to develop a better understanding of the "Progressive Era" (1900–1917) by analyzing the characteristics of the progressive reformers—their social status, their occupations, their level of formal education, their economic standing, their ethnic and geographical backgrounds.[1] Three of these historians—Richard Hofstadter, George E. Mowry, and Russel B. Nye—have focused considerable attention on the geographical backgrounds of the reformers.

Nye in "Midwestern Progressive Politics" (1951) emphasized the midwestern and sectional character of progressive reform. The Middle Western progressive reformers were pictured in his book as the dominant and most significant group of supporters of reform in the "Progressive Era," and, conversely, easterners were pictured as dominant in antireform groups. Writing about the factual quarrels in the Republican Party during the Taft administration, he declared:

"The struggle was, in essence, a contest for control of the Republican Party, to decide whether it would become a progressive party, dominated by the Midwest, or a conservative party, dominated by the East."

A similar East-Midwest split, Nye maintained, existed in the Democratic Party.[2]

Hofstadter in "The Age of Reform" (1956) suggested, in contrast to Nye, that the reform movement was nationwide. He pointed out that the reformers lived in a score of cities and hundreds of towns, particularly in the East but also in the Nation at large. Regarding the manner in which Theodore Roosevelt modified the appeal of William Jennings Bryan, Hofstadter wrote, "In this way progressivism became nationwide and bipartisan, encompassing Democrats and Republicans, county and city, East, West, and South."[3]

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[1] A. D. Chandler, Jr., "The Origins of Progressive Leadership" in Theodore Roosevelt, "Letters," Elting Morison, ed. (8 vols., Cambridge, Mass., 1954), VIII, 1462–1465; Eric F. Goldman, "Rendezvous With Destiny: A History of Modern American Reform" (New York, 1952), 74; Kenneth W. Hechler, "Insurgency: Personalities and Politics of the Taft Era" (New York, 1940), 16; Richard Hofstadter, "The Age of Reform" (New York, 1956), 131–172; Arthur S. Link, "Woodrow Wilson and the Progressive Era" (New York, 1954), 1–2; George Mowry, "The California Progressives" (Berkeley, Calif., 1951), 86–88; George Mowry, "The Era of Theodore Roosevelt," (New York, 1958), 59–105; and Russel B. Nye, "Midwestern Progressive Politics" (East Lansing, Mich., 1951), 1–27.

[2] Nye, "Midwestern Progressive Politics," 272–289.

[3] Hofstadter, "Age of Report," 131–137.

Mowry in "The Era of Theodore Roosevelt" (1958) also described the reform movement as nationwide, devoting a large portion of one chapter to evidence showing the national character of the city and State reform movement. But Mowry also seemed to suggest that progressive reform was stronger in the West than it was elsewhere in the Nation, for he emphasized that the States west of the Alleghenies led in the adoption of progressive reforms.[4] Thus, Mowry agreed with Hofstadter that progressive reform was nationwide but accepted Nye's argument in part by suggesting that the reform movement had a western flavor.

In order to provide further evidence concerning the geographic backgrounds of the progessive reformers and of their opponents, this note analyzes the votes in the U.S. Senate from 1911 through 1916 and compares the geographical backgrounds of Senators who voted in favor of reform with the geographical backgrounds of Senators who voted against reform. Obviously a study of the voting in the Senate for 6 years is not the same as a study of the entire progressive reform movement. Voting in the Senate, however, is one facet of history which is significant, which can be readily examined, and which might contribute more precise knowledge concerning the geographical origins of the progressive reformers.

Two standards have been employed to determine what bills and resolutions constituted the progressive "reform votes" in the Senate during the years from 1911 through 1916. One standard was derived from the judgments expressed by some historians of the period. Seven works on the progressive era by well-known historians—B. P. DeWitt, H. U. Faulkner, Henry Pringle, George E. Mowry, R. B. Nye, Eric F. Goldman, and Arthur S. Link—have been examined.[5] These seven historians cited the measures and actions listed below as reform issues. The number in parentheses after each measure indicates the number of historians who mentioned the reform measure in question:

Underwood tariff (7).

Income tax (some historians cite the income tax amendment to the Federal Constitution, some cite the income tax amendment to the Underwood tariff, and some cite both) (6).

Federal Reserve Act (7).

Federal Farm Loan Act (4).

Federal Child Labor Act (4).

Women's suffrage amendment (4).

La Follette Seamen's Act (6).

Clayton Antitrust Act (7).

Federal Trade Commission Act (5).

Confirmation of Louis Brandeis as Supreme Court Justice (4).

Adamson (8-hour day for railroad employees) Act (4).

Direct election of Senators amendment (4).

On these 12 issues there exist 19 recorded final votes.[6] Table 1A that follows is a list of Republican Senators who voted 50 percent or more in favor of the 19 "reform votes," with the names on the list ranked according to the percentage of proreform votes. Table 1B enumerates the Republican Senators who opposed the "reform votes." In tables 2A and 2B the Democratic Senators are ranked in the same fashion as the Republican Senators in tables 1A and 1B. As all Democrats supported over 50 percent of the "reform votes," they have been arbitrarily divided at 90 percent.

TABLE 1–A.—*Vote of Republican Senators who supported the "reform votes"*

[This list includes only Senators who voted more than 5 times]

Name	Number pro-reform	Number anti-reform	Total	Percent pro-reform
1. Poindexter, Washington	17	0	17	100
2. Crawford, South Dakota	6	1	7	86
3. La Follette, Wisconsin	10	2	12	83
4. Kenyon, Iowa	11	4	15	73
5. Norris, Nebraska	12	5	17	71
6. Curtis, Kansas	4	2	6	67
7. Perkins, California	10	5	15	67
8. Clapp, Minnesota	11	6	17	65
9. Cummins, Iowa	6	4	10	60
10. Fall, New Mexico	6	4	10	60
11. Brady, Idaho	7	5	12	58
12. Jones, Washington	8	6	14	57
13. Works, California	5	4	9	56
14. Sterling, South Dakota	6	5	11	55
15. Clark, Wyoming	4	4	8	50
16. Stephenson, Wisconsin	3	3	6	50

TABLE 1–B.—*Vote of Republican Senators who opposed the "reform votes"*

[This list includes only Senators who voted more than 5 times]

Name	Number pro-reform	Number anti-reform	Total	Percent anti-reform
1. Brandegee, Connecticut	0	10	10	100
2. Dillingham, Vermont	0	10	10	100
3. DuPont, Delaware	0	8	8	100
4. Lodge, Massachusetts	0	7	7	100
5. Page, Vermont	0	11	11	100
6. Penrose, Pennsylvania	0	10	10	100
7. Oliver, Pennsylvania	0	16	16	100
8. Lippit, Rhode Island	1	7	8	88
9. Root, New York	1	7	8	88
10. Smith, Michigan	1	7	8	88
11. Smoot, Utah	2	14	16	88
12. Gallinger, New Hampshire	2	13	15	87
13. Colt, Rhode Island	1	5	6	83
14. Sherman, Illinois	1	5	6	83
15. McCumber, North Dakota	2	10	12	83
16. McLean, Connecticut	2	10	12	83
17. Burton, Ohio	3	11	14	79
18. Warren, Wyoming	3	8	11	73
19. Borah, Idaho	4	9	13	69
20. Bristow, Kansas	3	6	9	67
21. Weeks, Massachusetts	3	5	8	63
22. Townsend, Michigan	4	6	10	60
23. Sutherland, Utah	3	4	7	57
24. Gronna, North Dakota	5	6	11	55
25. Nelson, Minnesota	8	9	17	53

TABLE 2–A.—*Vote of Democratic Senators who supported the "reform votes"*

[This list includes only Senators who voted more than 5 times]

Name	Number pro-reform	Number anti-reform	Total	Percent pro-reform
1. Chamberlain, Oregon	18	0	18	100
2. Chilton, West Virginia	17	0	17	100
3. Hitchcock, Nebraska	10	0	10	100
4. Hollis, New Hampshire	11	0	11	100
5. Hughes, New Jersey	15	0	15	100
6. Kern, Indiana	12	0	12	100
7. Lea, Tennessee	12	0	12	100
8. Lewis, Illinois	13	0	13	100
9. Owen, Oklahoma	12	0	12	100
10. Pittman, Nevada	14	0	14	100
11. Robinson, Arkansas	10	0	10	100
12. Shafroth, Colorado	15	0	15	100
13. Sheppard, Texas	17	0	17	100
14. Smith, Arizona	10	0	10	100
15. Thompson, Kansas	17	0	17	100
16. Walsh, Montana	12	0	12	100
17. Pomerene, Ohio	16	1	17	94
18. Swanson, Virginia	17	1	18	94
19. Newlands, Nevada	13	1	14	93
20. O'Gorman, New York	13	1	14	93
21. Johnson, Maine	11	1	12	92
22. Lee, Maryland	12	1	13	92
23. Martin, Virginia	12	1	13	92
24. Shields, Tennessee	11	1	12	92

TABLE 2–B.—*Vote of Democratic Senators who supported less than 90 percent of the "reform votes"*

[This list includes only Senators who voted more than 5 times]

Name	Number pro-reform	Number anti-reform	Total	Percent pro-reform
1. James, Kentucky	8	1	9	89
2. Ashurst, Arizona	15	2	17	88
3. Gore, Oklahoma	7	1	8	88
4. Myers, Montana	14	2	16	88
5. Lane, Oregon	13	2	15	87
6. Ransdell, Louisiana	13	2	15	87
7. Vardaman, Mississippi	13	2	15	87
8. Smith, Maryland	11	2	13	85
9. Smith, South Carolina	11	2	13	85
10. Bryan, Florida	13	3	16	81
11. Martine, New Jersey	13	3	16	81
12. Reed, Missouri	13	3	16	81
13. Fletcher, Florida	14	4	18	78
14. Shively, Indiana	7	2	9	78
15. Simmons, North Carolina	14	4	18	78
16. Stone, Missouri	8	3	11	77
17. Bankhead, Alabama	12	4	16	75
18. Smith, Georgia	9	3	12	75
19. Thornton, Louisiana	9	3	12	75
20. Culberson, Texas	8	3	11	73
21. Overman, North Carolina	11	4	15	73
22. Bacon, Georgia	5	2	7	71
23. Williams, Mississippi	11	5	16	69
24. Tillman, South Carolina	4	2	6	67

Tables 1 and 2 show that the voting was sectional, for Republican Senators from west of the Mississippi River tended to support the "reform votes" and Republican Senators from east of the Mississippi River tended to oppose the same measures. In the Democratic party the East-West division is not so apparent as it is in the Republican, although, among Democratic Senators who supported less than 90 percent of the "reform votes," westerners are in the minority. In addition, in the Democratic party most southern Senators are found in the group which supported less than 90 percent of the "reform votes." Thus, western Senators in both the Republican and Democratic parties tended to provide the most consistent support for the "reform votes" while eastern and southern Senators provided the most consistent opposition.

[4] Mowry, "Era of Theodore Roosevelt," 59–84.

[5] B. P. DeWitt, "The Progressive Movement" (New York, 1915); H. U. Faulkner, "The Struggle for Social Justice" (New York, 1931); Henry Pringle, "The Life and Times of William Howard Taft" two vols., New York, 1939); George Mowry, "Theodore Roosevelt and the Progressive Movement" (Madison, Wis., 1947); Nye, "Midwestern Progressive Politics"; Goldman, "Rendezvous With Destiny"; and Arthur S. Link, "Woodrow Wilson and the Progressive Era." Mowry, "Era of Theodore Roosevelt," is not included as it does not treat the years 1911–16.

[6] There was no rollcall vote when the La Follette Seamen's Act first passed the Senate. See CONGRESSIONAL RECORD, XLIX, 4588. There was, however, a vote on the bill after it was reported from the House-Senate conference committee. This vote is included in table 1. The tax amendment to the Constitution was passed in the Senate before 1911; the first income tax became law as an amendment to the Underwood tariff, but there was not a rollcall vote on the tax amendments to that tariff bill which can be considered to have expressed senatorial opinion on the entire tax amendment. The "reform votes" passed by Senate rollcall may be found in the CONGRESSIONAL RECORD, XLVII, 1924–25; L, 4617, 5347; LI, 1230, 1488, 5108, 14610, 16170(a), 16170(b), 14796, 14797(a), 14797(b), 14802; LII, 4817; LIII, 7412, 12313, 9032, 13655.

The above standard of estimating what bills were reform bills and what individuals were proreform is based on the judgments expressed by the seven enumerated historians. That standard has the disadvantage of being based upon a small sample. As there were approximately 1,260 rollcall votes taken in the Senate between 1911 and 1916,[7] this list of 19 votes constitutes a sample of less than 2 percent. This weakness becomes apparent when tables 1 and 2 are analyzed. Borah, of Idaho, and Bristow, of Kansas, are on the list of opponents of reform in table 1, although four or more of the historians listed on page 3 considered them to be leading progressive reformers. In table 2, every Democratic Senator appears as a supporter of reform legislation. As the possibility that every Democratic Senator was a progressive reformer seems unlikely, one might conclude that most of the bills voted on were Democratic measures and that consideration of final votes alone is not adequate indication of reform sentiment among Democratic Senators.

Consequently, in order to enlarge the number of votes to be used to determine who were the Senators who supported reform measures, the author of this note has attempted to examine every rollcall taken in the Senate between 1911 and 1917[8] on bills, resolutions, and amendments which seemed to him to have presented to the Senate a clear-cut choice between supporting or opposing progressive reform. From the CONGRESSIONAL RECORD, 355 votes were selected on the basis of the brief descriptions in the index. This means that 355 votes were examined; 900 were not studied.

Some of the 355 votes seemed upon closer examination not to involve clear-cut issues, because proreform and antireform measures were intermingled in the same amendment. For example, in the CONGRESSIONAL RECORD, LIV, 4518, Senator Lodge proposed an amendment to an income tax measure which provided that the highest tariff duties should be applied to goods not produced in conformity with the child labor law of 1916. This motion thus coupled a proposal for higher tariffs (an antireform measure in the judgment of the writer) with a proposal to penalize the use of child labor (a proreform measure). This vote and others like it were not counted. In addition, many votes upon what appeared to be reform issues resulted in a "partisan vote." A "partisan vote" has been arbitrarily defined as a vote where fewer than three Republicans or Democrats crossed party lines to vote with the opposition. All "partisan votes" were excluded.

By this process 355 votes were examined, 221 were rejected, and 134 were accepted as "reform votes."[9] A topical breakdown of the "reform votes" follows.

	Votes
Trust regulation	43
Political reforms	11
Child labor reforms	9
Labor reforms	18
Tariff reforms	3
Tax reforms	19
Conservation	18
Agricultural reforms	5
Miscellaneous	8
Total	134

Tables 3 and 4 present the results of the tabulations of the "reform votes." Table 3A includes those Republican Senators who, over 50 percent of the times they voted, supported the 134 "reform votes" selected by the writer. Table 3B includes those Republican Senators who, over 50 percent of the times they voted, opposed the 134 "reform votes." Table 4 presents the Democratic Senators arranged in the same fashion.

TABLE 3–A.—*Vote of Republican Senators who voted for the "reform votes"*

[This list includes only Senators who voted 35 times or more]

Name	Number pro-reform	Number anti-reform	Total	Percent pro-reform
1. Poindexter, Washington	114	0	114	100
2. Norris, Nebraska	94	6	100	94
3. La Follette, Wisconsin	70	5	75	93
4. Kenyon, Iowa	95	17	112	85
5. Brady, Idaho	61	12	73	84
6. Bristow, Kansas	56	12	68	82
7. Cummins, Iowa	90	23	113	80
8. Clapp, Minnesota	81	21	102	79
9. Borah, Idaho	77	22	99	78
10. Gronna, North Dakota	53	16	69	77
11. Crawford, South Dakota	30	9	39	77
12. Jones, Washington	92	31	123	75
13. Sterling, South Dakota	48	20	68	71
14. Works, California	47	26	73	64
15. Curtis, Kansas	30	17	47	64
16. Perkins, California	54	36	90	60
17. Fall, New Mexico	37	27	64	58
18. Townsend, Michigan	37	29	66	56
19. Sherman, Illinois	21	19	40	53
20. Nelson, Minnesota	52	49	101	51

TABLE 3–B.—*Republican Senators who opposed the "reform votes"*

[This list includes only Senators who voted 35 times or more]

Name	Number pro-reform	Number anti-reform	Total	Percent anti-reform
1. Lippit, Rhode Island	6	44	50	88
2. Gallinger, New Hampshire	14	99	113	88
3. Oliver, Pennsylvania	13	80	93	86
4. DuPont, Delaware	8	46	54	85
5. Root, New York	9	41	50	82
6. Brandegee, Connecticut	15	67	82	82
7. Dillingham, Vermont	16	62	78	79
8. Lodge, Massachusetts	15	58	73	79
9. Weeks, Massachusetts	14	53	67	79
10. Colt, Rhode Island	11	38	49	78
11. Smoot, Utah	29	90	119	76
12. Warren, Wyoming	12	36	48	75
13. Penrose, Pennsylvania	10	30	40	75
14. Bradley, Kentucky	9	26	35	74
15. Burton, Ohio	16	45	61	74
16. Smith, Michigan	21	45	66	68
17. Clark, Wyoming	24	51	75	68
18. Sutherland, Utah	21	44	65	68
19. Page, Vermont	34	54	88	61
20. Stephenson, Wisconsin	17	26	43	60
21. McLean, Connecticut	33	47	80	59
22. McCumber, North Dakota	39	50	89	56

TABLE 4–A.—*Democratic Senators who supported the "reform votes"*

[This list includes only Senators who voted 35 times or more]

Name	Number pro-reform	Number anti-reform	Total	Percent pro-reform
1. Hustings, Wisconsin	34	4	38	89
2. Lane, Oregon	85	12	97	88
3. Martine, New Jersey	92	24	116	79
4. Ashurst, Arizona	78	30	108	72
5. Chamberlain, Oregon	76	31	107	71
6. Sheppard, Texas	77	34	111	69
7. Lee, Maryland	46	22	68	68
8. Reed, Missouri	61	31	92	66
9. Hollis, New Hampshire	44	24	68	65
10. James, Kentucky	51	28	79	65
11. Owen, Oklahoma	29	16	45	64
12. Thompson, Kansas	63	36	99	64
13. Lewis, Illinois	34	21	55	62
14. Hitchcock, Nebraska	56	36	92	61
15. Gore, Oklahoma	31	20	51	61
16. Vardaman, Mississippi	48	32	80	60
17. Newlands, Nevada	44	32	76	58
18. Pittman, Nevada	45	33	78	58
19. Myers, Montana	63	49	112	56
20. Kern, Indiana	49	42	91	54
21. Lea, Tennessee	39	36	75	52

TABLE 4–B.—*Democratic Senators who opposed the "reform votes"*

[This list includes only Senators who voted 35 times or more]

Name	Number pro-reform	Number anti-reform	Total	Percent anti-reform
1. Bankhead, Alabama	19	65	84	77
2. Smith, Maryland	16	53	69	77
3. Fletcher, Florida	24	72	96	75
4. Thornton, Louisiana	17	48	65	74
5. Smith, Georgia	25	70	95	74
6. Overman, North Carolina	30	83	113	73
7. Simmons, North Carolina	33	84	117	72
8. Martin, Virginia	28	70	98	71
9. Ransdell, Louisiana	29	63	92	68
10. Culberson, Texas	19	40	59	68
11. Tillman, South Carolina	21	44	65	68
12. Bryan, Florida	32	66	98	67
13. Williams, Mississippi	38	72	110	65
14. O'Gorman, New York	25	44	69	64
15. Saulsbury, Delaware	15	26	41	63
16. Swanson, Virginia	38	64	102	63
17. Chilton, West Virginia	39	55	94	59
18. Shields, Tennessee	34	48	82	59
19. Clarke, Arkansas	20	28	48	58
20. Shafroth, Colorado	42	58	100	58
21. Johnson, Maine	34	45	79	57
22. Stone, Missouri	31	39	70	56
23. Robinson, Arkansas	25	31	56	55
24. Shively, Indiana	28	34	62	55
25. Smith, South Carolina	26	31	57	54
26. Thomas, Colorado	18	21	39	54
27. Hughes, New Jersey	40	44	84	52
28. Smith, Arizona	32	35	67	52
29. Walsh, Montana	39	43	82	52
30. Pomerene, Ohio	59	60	119	51

By comparing tables 1 and 2 (the results of the first standard) with tables 3 and 4, one can see that the comparable lists are quite similar.[10] Tables 3 and 4 reveal a sectional split in both the Republican and Democratic parties comparable to the sectional

[7] Ibid., XLVIII-LIV.

[8] Ibid., XLVIII-LI.

[9] Ibid., XLVII, 1924(a), 1925, 1966, 1645, 1682; XLVIII, 1631, 1638(a), 1638(b), 1641–42, 7969, 5959(a), 5959(b), 6941, 7455; 2502; 5393, 8987, 1057, 5110; XLIX, 4585(a), 4585(b), 4586(a), 4586(b), 4587–88, 2274; L, 4617, 5347, 4561, 4604, 3773, 3818, 3830, 3836, 3866, 4611–13, 4468, 1292(b); LI, 15683, 15687, 16407, 14796, 14797(a), 14797(b), 14802, 12993, 13109. 13150, 9507, 3885, 14088, 14272–74, 14319, 14321(a), 14321(b), 14420, 14459, 14473, 14476, 14526(a), 14526(b), 14527–28, 14530, 14532, 14534, 14546, 14596, 14606–14607, 14610(b), 16170(a), 16170(b), 1567, 2727, 2729–30, 5108, 5163, 8652, 2174, 2237, 2250, 4592, 1230, 1488, 13319, 11805; LII, 4817; LIII, 9032, 12311, 12313, 10062, 13654–55, 13293, 13859, 13870, 7378, 7412, 12313, 2572, 2632, 3431, 3176, 3350, 3371, 3521, 3531, 3602, 3670, 3604, 3685, 3739, 3746, 3754–55, 3758; LIV, 4513(a), 4513(b), 4514(a), 4516(a), 4516(b) 4518(a), 4522(b), 1546, 1597, 1755; LV, 2706.

A description of each of the above votes and how each was evaluated may be found in Howard W. Allen, "Miles Poindexter: A Political Biography" (unpublished Ph. D. thesis, University of Washington, 1959), app. IV.

[10] A few new names have appeared in tables 3 and 4, and some of the names on tables 1 and 2 are not in tables 3 and 4. In contrast to table 1, Borah, of Idaho, and Bristow, of Kansas, are on the list of Republican Senators in table 3 who supported the "reform votes." Their inclusion would seem to substantiate the judgment of the seven enumerated historians. Senators Sherman, of Illinois; Townsend, of Michigan; Gronna, of North Dakota; and Nelson, of Minnesota, who were in the list of opponents of the "reform votes" in table 1, also are included in table

divisions apparent in tables 1 and 2. This is revealed in the following analysis: [11]

Republican supporters of the "reform votes": East, 3; west, 17; total, 20.

Republican opponents of the "reform votes": East, 17; west, 5; total, 22.

Democratic supporters of the "reform votes": East, 9; west, 12; total, 21. North, 18; south, 3; total, 21.

Democratic opponents of the "reform votes": East, 20; west, 10; total, 30. North, 13; south, 17; total, 30.

As tables 3 and 4 show, the most consistent support for the "reform votes" came from Senators representing Pacific coast and Great Plains States. Senators opposing the "reform votes" were largely from New England, the Middle Atlantic States, the South, and from a group of three States in the Rocky Mountain area: Colorado, Utah, and Wyoming. Both Senators from 13 States supported the "reform votes"; all 13 of these States were in the Midwest or on the Pacific coast, and only 2, Illinois and Wisconsin, were located east of the Mississippi.[12] Not a single State east of Illinois and not a single Southern State was represented by two Senators who supported the "reform votes." In contrast, only 2 States west of Illinois were represented by 2 Senators who opposed the "reform votes"; [13] of the 17 States represented by 2 opponents of reform, 14 were located in the South and East.[14]

Every State west of the Mississippi River except Arkansas, Colorado, Louisiana, Utah, and Wyoming, was represented by one Senator supporting the "reform votes," and 16 States east of the Mississippi were not represented by a single Senator who supported the "reform votes." To express it another way, of the 21 States which did not elect a single Senator who supported the "reform votes," only 5 were west of the Mississippi River and 2 of these, Arkansas and Louisiana, are Southern States. However these Senate votes are analyzed, there seems to be a distinct sectional pattern to the groupings.

Thus, the votes cast in the Senate from 1911 through 1916 would seem to constitute evidence in support of the descriptions of progressive reformers made by Nye and Mowry. As Mowry has suggested, there were eastern reformers in the Senate. Martine, of New Jersey, Hollis, of New Hampshire, and Lee, of Maryland, ranked higher in support of the "reform votes" than some midwestern or Pacific coast Senators. In addition, Pomerene, of Ohio, and Hughes, of New Jersey, supported the "reform votes" about half of the times they voted. Vardaman, of Mississippi, Sheppard, of Texas, and Lea, of Tennessee, show that reformers were not absent from the South. But as both Mowry and Nye indicated, the reform measures drew less support from the East than from the trans-Mississippi West. Although this study of voting suggests that the progressive movement was not entirely a sectional movement, it seems to contradict Hofstadter's generalization that supporters of progressive reform lived particularly in the East.

3 in the list of Senators who supported the "reform votes." Senators Clark, of Wyoming, and Stephenson, of Wisconsin, were in the list of Senators who supported the "reform votes" in table 1; in table 3 they are listed with the Senators who opposed the "reform votes." There are no other major differences in the two tables of Republican Senators. Table 4, on the contrary, is quite unlike table 2; for in table 4, the Democratic Senators divide themselves into two distinct groups.

[11] The Mississippi River has been selected as the dividing line between East and West. Only States which seceded in 1860–61 are counted as Southern States.

[12] California, Idaho, Illinois, Iowa, Kansas, Minnesota, Nebraska, Nevada, Oklahoma, Oregon, South Dakota, Washington, and Wisconsin. Wisconsin is an exception in that three Senators from that State are included in tables 3 and 4. Republican La-Follette and Democrat Hustings supported the "reform votes," while Republican Stephenson opposed them.

[13] Colorado, Utah, and Wyoming.

[14] Arkansas, Connecticut, Delaware, Florida, Louisiana, Massachusetts, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, and Virginia. Alabama, Georgia, Maine, and West Virginia might also be added to this list. Only one Senator from each voted frequently enough to be included in this study, and each of these four Senators voted against the "reform votes."

HEALTH CARE FOR THE AGED

Mr. ANDERSON. Mr. President, in the current debate over the most effective means of meeting the obvious needs for health care for our aged citizens, much has been said by way of challenging the entire structure of our social security system. Recently the Journal of the American Medical Association carried an article by Mr. Ray M. Peterson, an insurance actuary, entitled "The Coming Din of Inequity." The article made certain statements regarding the social security program and its extension to the financing of certain health benefits for persons over 65. The article has been given wide circulation and I feel, as a sponsor in the Senate of S. 909, a program to finance health care for the aged through the social security system, that a reply is necessary to put before the American people the true facts in the case.

I asked Dr. Wilbur Cohen, Assistant Secretary of Health, Education, and Welfare and an authority of long standing in the field of social insurance, to prepare an analysis of Mr. Peterson's arguments. It seems that Mr. Peterson has stated his case in terms of setting up "strawmen" then proceeding to knock them down in order to justify his case. Let me just say from my personal experience of over three decades in the insurance business that social security has not spelled the end of private insurance, rather it has been a healthy adjunct.

In New York recently Frederic M. Peirce, president of the General Life Insurance Co. of St. Louis, and no special friend of the social security approach to the problem of health care for the aged, reported that since the adoption of the social security program, life insurance sales had grown from $12 billion annually to more than $75 billion. In addition, I would like to point out that private medical insurance coverage has risen from $8.6 billion in 1950 to an estimated $20 billion in 1960. And I fully expect that the years ahead will see a continued increase in private medical insurance coverage, and I hope it will be supplemented by a system of social security coverage for the ailing aged.

Mr. President, I ask that the reply from the Assistant Secretary of Health, Education, and Welfare appear at this point in my remarks.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

THE DIN OF THE EQUITABLE

A critical analysis of "The Coming Din of Inequity," an article by Ray M. Peterson, vice president and associate actuary of the Equitable Life Assurance Society of the United States

(By Wilbur J. Cohen, Assistant Secretary of Health, Education, and Welfare)

Mr. Peterson's article itself, the fact that it was published in and reprinted from the Journal of the American Medical Association,[1] and the widespread distribution it has been given—including free and wide distribution of reprints by the Equitable Life Assurance Society—make it plain that Mr. Peterson, backed by the facilities of his company, is engaged in an effort with the American Medical Association to try to discredit the old-age, survivors, and disability insurance program and to shake the people's confidence in it. The old-age, survivors, and disability insurance program is too important to the American people to let attempts to discredit it go unchallenged. In my opinion what we have in Mr. Peterson's paper is a carefully prepared attempt to cast serious reflections on the financial soundness of the program. I believe that the old-age, survivors, and disability insurance program as enacted by the Congress is financially sound and that the method of financing the Congress has provided is sound. Mr. Peterson also states, in effect, that there is no foundation for referring to old-age and survivors insurance program as an insurance program, even though the Congress so refers to the program in the law itself. I disagree with Mr. Peterson's view.

SOCIAL INSURANCE IS INSURANCE

Mr. Peterson implies that old-age and survivors insurance is not at all like private insurance, and may even not be insurance at all. Actually, while the social security program differs from voluntary private insurance in many ways, the two types of insurance have many attributes in common. What we have in the current campaign on the part of Mr. Peterson and others is an attempt by some practitioners in private commercial insurance to lay exclusive claim to a term which properly and historically applies to both commercial and social insurance. Governmental programs like old-age, survivors, and disability insurance are in existence in countries all over the world and in some countries have been in effect for generations. Social insurance, recognized as one branch of insurance, is the term used traditionally and properly to describe these programs. As the article on "Insurance" in the Encyclopaedia Britannica says, "The modern institution of insurance is divided into the two broad categories of voluntary or commercial insurance and compulsory or social insurance, both relying on the same basic principles but differing in many details of philosophy and organization."

The old-age, survivors, and disability insurance program is income insurance. The risk insured against is loss of family income because of severe and extended disability, because of retirement in old age (at age 72 the payment is a straight annuity without a test of retirement), and because of the death of the family earner. While people are at work they pay a small part of their earnings into the social security trust funds. Employers match these amounts. In gen-

[1] The article appeared in the Journal of the American Medical Association of Apr. 8, 1961. It was reprinted (in briefer form) in the Wall Street Journal of June 29, 1961.

eral, when the earnings stop because of disability, retirement, or death, insurance benefits are paid from the trust funds to partially replace the earned income that has been lost. The loss occasioned by the occurrence of the risk is averaged among the insured group. The cost of meeting the risks is actuarially evaluated and contributions sufficient to cover these costs are provided for. Benefits are paid from those contributions on a predetermined basis when and if the risks covered eventuate. The right to these insurance benefits is a legal right enforceable in the courts. These are the characteristics that make social insurance "insurance"; they are the same as, or similar to, the characteristics that make private voluntary insurance "insurance."

The two branches of insurance of course differ in some respects. One way in which they differ is the nature of the right to the payment. The terms of the legal right to social insurance are spelled out in a statute, which can be amended as any law can be amended; the rights under private insurance are spelled out in a contract, which for the duration of the period of the contract can be changed only by agreement of both parties to the contract.

The fact that the right to social insurance is not a contractual right is made much of by those who seek to discredit social insurance, yet actually the fact that Congress can change the law is an advantage in social insurance. The contractual nature of private commercial insurance gives it an inflexibility in comparison with social insurance, since the latter can be changed from time to time to keep pace with changing conditions. As the Supreme Court has said in the case of *Flemming* v. *Nester*, "To engraft upon the social security system a concept of 'accrued property rights' would deprive it of the flexibility and boldness in adjustment to everchanging conditions which it demands." To illustrate this point: the social insurance program has been amended several times in recent years to raise the benefits in order to compensate for rising prices and to allow the beneficiaries to participate to an extent in the increase in the general level of living enjoyed by the country as a whole. Most private insurance at the present time does not provide for this type of adjustment although variable annuities now being sold by some private insurance carriers have as their objective to adjust benefits to changing economic conditions.

In this respect it is quite unrealistic for those who contend that the program is not insurance to assert that the right of Congress to amend the law may be used to deliberalize the program rather than to improve it. Those who are trying to make people feel that the right to amend the law constitutes an element of insecurity in the program are, in my judgment, very shortsighted in trying to stir up an uneasiness about contributory social insurance. Moreover, I am sure they do not really believe that the Congress will take away the benefits of millions of people who have contributed toward the cost of those benefits from their earnings.

Incidentally, the Supreme Court, in the recent decision already referred to, very positively indicated that the right to benefits under the social insurance program is protected by the due process clause in the fifth amendment to the Constitution against denial and diminution by arbitrary governmental action. Thus although, fortunately, the Conrgess can modify rights granted under the statute, it cannot do so in an arbitrary manner. Both the majority and minority opinions support the concept that the right to old-age, survivors, and disability insurance benefits is an enforceable valuable right which cannot legally be arbitrarily diminished. The truth is, of course, that the power of Congress to amend the law has been used and will continue to be used to improve the program and keep it up-to-date in terms of changing prices and wages.

Under private insurance, of course, the only possible basis for the arrangement between the insurer and the insured is a contractual one. And there are advantages in private insurance to a long-term contractual arrangement; such an arrangement eliminates the kind of insecurity that can occur when a policy is written to cover a relatively short period of time—1 year, for example—and can be continued in the following year only on conditions that suit the company. The deficiencies of health insurance policies that are cancelable when the insured has proven to be a bad risk are well known. Increasingly, health insurance policies are being made uncancelable and guaranteed renewable. Yet, because the contract is written to protect the insurer as well as the insured, only too often these guarantees are not as meaningful as they seem. Primarily, this is because there is no guarantee that the premiums will not be increased and often they have risen sharply. In other instances the protection afforded to the aged has been reduced below that available to persons insured as members of employment groups. These underwriting practices are proper in private insurance to prevent the insurer from being wiped out by increasing costs that he cannot meet; but they result in a very insecure situation for the people involved.

Another point at which social insurance differs from many branches of private insurance is in the nature of the reserves. Because compulsory social insurance is assured of new entrants into the program, it does not have to build up the kind of reserves that are necessary at all times in an institution that might have no new customers and might be forced out of business. Private insurance is required to maintain the type of reserves that will meet the threat of dissolution. Social insurance, on the other hand, is actuarially sound as long as it operates under a plan of financing which is designed to provide income sufficient to meet all benefit costs as they fall due.

It is because there are differences between private and social insurance that we need both branches of insurance. The characteristics the two branches have in common are what give them claim to the common term "insurance," and the differences are what define the two branches. Yet these differences are cited by those who wish to discredit social insurance and discourage improvements in it in support of their contention that social insurance is not insurance. They seem to reason as follows: "The American people have accepted the idea of insurance; they think insurance is a good thing. If we can convince them that social security is not insurance, that it is unsound, that the benefits can be taken away at any time, and even that this is likely to happen, they will be afraid to press for improvement of the program."

Much of the current propaganda on this subject is based on statements in a brief filed by the Solicitor General under the last administration in the case of *Flemming* v. *Nestor*. This brief was unfortunate in its general slant and emphasis; several of the statements in it are quite misleading. And although the Supreme Court arrived at the same conclusion as the Government brief, it did not endorse the arguments in the brief, nor base its conclusions on those arguments. The Supreme Court specifically stated, "The social security system may be accurately described as a form of social insurance, enacted pursuant to Congress power to 'spend money in aid of the "general welfare" '."

Finally, it should be noted that Congress has referred to the benefits in the law as "insurance benefits" (see, for instance, section 202 of the law) and has entitled the part in the Internal Revenue Code that levies the taxes the "Federal Insurance Contributions Act" (sec. 3126 of the Internal Revenue Code).

To summarize: The program established by title II of the Social Security Act—the old-age, survivors, and disability insurance program—is an insurance program. The Congress has recognized it to be an insurance program. The right to social security benefits is a valuable and enforceable legal right that cannot arbitrarily be denied or diminished. The program is soundly financed. It is a compulsory, statutory social insurance program, and in my opinion it has just as much right to be called insurance as has voluntary private contractual insurance.

YOUNGER WORKERS ARE TREATED EQUITABLY

The main contention of Mr. Peterson's article is that future generations of workers are going to consider themselves inequitably treated under the social security program because a part of the employer contributions paid with respect to the earnings of those future workers will be used to meet part of the cost of the benefits paid to people who retire in the early years of the program and who were not under the program long enough so that their contributions, together with those of their employers, could have an actuarial value equal to that of their benefits.

Underlying Mr. Peterson's contention is an assumption that the employer contributions paid with respect to the wages of a given worker are paid for the use of that worker, and that he has a right to get protection equal to what the sum of his own social security contributions and his employer's contributions with respect to his wages will provide. At the same time that he takes for granted that the employer contributions paid on the wages of a given worker are paid for the benefit of that worker, Mr. Peterson urges that "the self-supporting principle must be retained." If one argues that a subsidy to the program from general revenues should be resisted, he cannot also argue or imply that the individual employee has a right to have the employer contributions paid with respect to his wages devoted exclusively to his own benefit, for if this principle were followed the only source from which to finance adequate benefits for the present aged would be the general revenues.

In other words, Mr. Peterson's basic contention argues for the very thing he recommends against. Mr. Peterson cannot have it both ways. He has to make up his mind whether he wants to propose that the employer contribution be used for the sole benefit of the generation of workers on whose earnings it is paid and accept the resulting necessity for a Government subsidy to the system or whether he wishes to look upon the employer contribution as pooled, as I do, and used where needed to make the system adequate without a Government subsidy.

It is of course perfectly reasonable to consider that the employer contribution is pooled and used where needed to make the program effective in meeting its objectives. This is the philosophy Congress has embodied in the present program. Among the objectives of the program is the payment of full-rate insurance benefits to people already near retirement at the start of the program; another is the payment of insurance benefits that are kept in line with current wages and prices. The man who is covered under social security from age 21 to age 65 has 44 years of earnings out of which to pay toward

the cost of his benefits; it is entirely reasonable to expect him to pay a greater proportion of that cost than the worker who, because the program became effective when he was already along in years, has only, say, 10 years of earnings out of which to contribute toward the cost of his benefits. It is, then, reasonable to say that a relatively large proportion of the employer contribution goes to meet the cost of paying full insurance benefits to workers who were old when the program started and that a smaller proportion is used to help pay for the insurance benefits of future generations.

Actually, there is no reason why younger workers should feel that they are being treated inequitably because in the future they will not get the full advantage of the payroll contributions made by employers. Moreover, those who understand the protection they are getting in return for the contributions they pay will certainly not feel that way. What the younger worker is getting under social security is insurance protection that can, and in all likelihood will, be increased by the Congress as wages go up without a corresponding increase in the contribution rates. Congressional action adjusting benefits upward in 1950, 1952, 1954, 1958, and 1960 make it very clear that the younger worker's protection will be related not to current wages and prices but to those prevailing during the period of his retirement. If wages go up, as of course there is every reason to expect they will, the program is overfinanced at the contribution rates now scheduled, and insurance benefits can be increased to some extent without contribution rate increases.

THE PROGRAM IS ACTUARIALLY SOUND

Mr. Peterson contends that old-age, survivors, and disability insurance is not and cannot be actuarially sound because it does not maintain the same kind of reserves that private insurance must maintain. The philosophy which the Congress has embodied in the present law is that because compulsory social insurance is assured of continuing income (since new workers must come into the program), it does not have to build up the kind of reserves that are necessary in an institution that might bave no new customers and might be forced out of business. Private insurance is required to maintain the type of reserves that will meet the threat of dissolution. Social insurance is financially sound, on the other hand, as long as the legislation on which it is based provides for a plan of financing which yields income sufficient to meet all benefit costs as they fall due. And the social security law does so provide.

Mr. Peterson contends that while social insurance may be fiscally sound, the concept of actuarial soundness cannot be applied. This contention is based on a definition of terms that is not universally used by actuaries. The chief actuary of the Social Security Administration, Mr. Robert J. Myers, has frequently stated that the social insurance program is actuarially sound and that any such program, when its anticipated long-range revenues are adequate to meet anticipated long-range outgo, is actuarially sound and this concept is widely accepted by other actuaries. In any case, there is very little point in this sort of argument about words; the important thing is that Congress has provided the mechanism to assure there will be money to pay the benefits when they are due both in the short range and in the long range.

Mr. Peterson mentions that for the years 1956 through 1965 contribution collections under the social security program and benefits and expenses under that program will be nearly equal, and then concludes that the program is "now almost completely on a 'pay as you go' or 'hope-as-you-pay' basis." The figures given by Mr. Peterson are correct but his conclusion is incorrect. Indeed it is hard to believe that he did not select the decade he mentions for the purpose of coming to this conclusion, since over the coming decade—from 1961 to 1970—the combined assets of the trust funds, now amounting to about $22 billion, are expected to about double.

Mr. Peterson's use of the derogatory phrase "hope as you pay," and his discussion of financing in general, implies that he is opposed to anything less than full-reserve financing in social insurance, or at any rate believes that only with full-reserve financing can a program be sound. Yet a person as sophisticated as he is knows that full-reserve financing in the social security program is neither practical nor desirable nor essential for financial soundness and that any attempt to go to a full-reserve basis would create very serious problems. I cannot help but wonder if Mr. Peterson is not deliberately undertaking to create the impression that full-reserve financing is necessary for actuarial soundness and that therefore old-age and survivors insurance is not financially sound, and, through these impressions, to frighten people away from attempts at improving the program.

Mr. Peterson brings out that a private insurance company taking on the responsibility of providing benefits for only those employees entering the system at the younger ages could provide protection for them at premium rates that are lower than the taxes required to be levied under the social security program to provide the same benefits for both these younger people and people who are already old. This of course is true. In the same way, if insurance company A had a group annuity plan and a rival insurance company offered to take over from the plan the new entrants, the latter could quote a much lower premium rate than the rate under the existing plan. This would not reflect upon the operations of insurance company A. It would be the expected result of the contracting out of the long-service group. The fact that insurance protection for new entrants at younger ages can be provided with lower premium or contribution rates than those required for a group including also people first covered at older ages is just simple mathematics, applicable to both private insurance and social insurance, and not at all a reflection upon the operation, the nature, or equity of the social insurance program.

SOCIAL ADEQUACY

Mr. Peterson criticizes various proposals made to improve the adequacy of social security benefits. This is in line with what appears to be his overall objective to prevent social security from meeting the social needs of the American people. He points out that "social adequacy for some means individual inequity for others." This is a play on words. The program can be improved to meet social as well as individual needs without in any way losing its fundamental insurance characteristic or, on the other hand, becoming a dole. As I have already pointed out, as wages and earnings increase, some improvements can be made in the program without increasing the contribution rate.

Mr. Peterson implies that I have stated that there is no reason why the 50–50 sharing of contributions could not be changed to a 40–60 sharing and that I have stated that the Government should make a substantial contribution to the insurance system. I did discuss these alternatives in a speech. But I have not made any such recommendations. Mr. Peterson makes such implications in an attempt to attribute to people views which they do not hold. It is illustrative of his approach to only refer to part of the facts in making his analysis, thus leaving an inaccurate conclusion in the mind of the reader.

SOCIAL SECURITY FINANCING OF MEDICAL CARE

Mr. Peterson has only two brief paragraphs on the issue of financing medical care under social security. However, it is apparent from the article that the entire din of his views is to set up certain strawmen which he then demolishes in order to attempt to prove why health insurance for the aged should not be made a part of the social security system.

For instance, Mr. Peterson states that "most students, pro and con, believe that it will be virtually impossible to limit benefits to the aged" if health insurance for the aged is enacted. He states: "Such benefits will eventually be extended to all ages." Mr. Peterson is certainly entitled to utilization of his crystal ball to predict what the Congress in the future will do. However, if private insurance satisfactorily meets the problem of financing the health costs of the American people then there should be no fear that Congress will extend any such program to cover younger people. If, however, private insurance fails to make socially adequate protection available to the American people then Mr. Peterson may be correct. I should think therefore that instead of spending his time and energy attacking the social security system he would want to direct his efforts toward so improving private health insurance that the contingency that he fears would be certain not to come to pass.

HIS CONCLUSIONS AND RECOMMENDATIONS

Before stating his specific recommendations, Mr. Peterson indicates the following—in fact he italicizes it—as his guiding principle: "As our society becomes more affluent, the relative role of social programs should diminish." I disagree with Mr. Peterson. Private and public insurance in my opinion are social programs. Does Mr. Peterson believe private insurance should decline relative to economic development? I would hope that as our society becomes more affluent it will recognize that it can afford to do more for its disadvantaged members—the aged, the widows and orphans, the disabled—than it does now, through private and public insurance and other social programs.

Along the same line, Mr. Peterson recommends that no further increases in old-age, survivors, and disability insurance benefits should be enacted except those required to recognize changes in living costs for the aged. If this recommendation were followed the result would be that the aged, and the other groups looking to old-age, survivors, and disability insurance benefits as their major or only source of support, would be effectively excluded from getting their fair share of the increasing productivity and affluence of our society. I would not like to see that happen, and I don't think it will. Mr. Peterson is fighting a rearguard delaying action. I am confident that the people of this country and the Congress not only will continue to support the old-age, survivors, and disability insurance program but will want it improved as was done in the recent social security legislation enacted by the Congress in June 1961.

Mr. Peterson attempts, in his article, to give the reader the erroneous impression that the old-age, survivors, and disability insurance program is inequitable and financially unsound. He completely ignores the fact that Congress has exercised both wisdom and responsibility in devising a system which meets social need in a financially sound manner. He ignores the further fact that in revising the program the Congress has shown great concern for financial soundness and for maintaining a balance between income on the one hand and the costs of benefit changes on the other, not only in the short run but in the long run. Mr. Peterson discusses what he considers to be defects of the program but offers not a single

recommendation for remedying the defects, and, unless one can count his concurrence with the idea of such a bare-minimum improvement as keeping benefits in line with costs of living, he does not offer a single recommendation for any basic program improvement or the removal of any so-called inequity he has discussed.

RENEWAL OF UNANIMOUS-CONSENT AGREEMENT

The PRESIDING OFFICER. The Chair would suggest that, since the unanimous-consent agreement by which time was limited was temporarily set aside for brief insertions in the RECORD, the Senator from New York might renew the unanimous-consent request that the time for the speech he is about to deliver be not charged to either side.

Mr. KEATING. I make that request, and I ask unanimous consent also that the time for the speech which the distinguished Senator from West Virginia [Mr. RANDOLPH] will deliver following my remarks be also not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

INFLATION OF THE 1960's

Mr. KEATING. Mr. President, I rise to say a few words on a subject which some might argue is alarmist.

Public discussion about inflation in our economy rages most heatedly in periods of rapid price increase, when people are alarmed about the prospect of our cheapening dollar. We tend to wait until the horse is out of the barn before we close the gate on price erosion.

Inflation is like a loaded cigar. It goes off when you least expect it, and it burns the people who are least prepared for it.

In recent months, our price index has been relatively steady. For the last 12 months for which figures are available, prices have risen about 1.3 points on the Consumer Price Index.

During the last 10 years, according to reliable statistics, the United States has done comparatively well in the continuing battle against inflation. Only Switzerland, West Germany, Venezuela, and Belgium have done better than the United States. The purchasing power of the U.S. dollar fell 18 percent in the period between 1950 and 1960. Twenty-four of the nations surveyed had worse records. Chile was at the bottom of the list. The value of its currency declined 96 percent. The cost of living in Chile increased by 2,400 percent.

The record of price stability in the United States in the 1950's is still nothing to boast about. We had to fight hard to keep our prices from going higher, and even then the 18-percent decline in the purchasing power of the U.S. dollar placed a heavy burden on earnings of a great many Americans, particularly pensioners who live on a fixed income.

Mr. President, we must not wait until the horse is out of the barn. We in the Congress must never lose sight of the dangers of inflation and the way in which current fiscal policies and key national decisions affect the price level.

Many forces in our economy tend to bring about inflation: Individual price increases, wage increases, the Federal deficit, State and local financing; all have an effect upon prices.

As far as the Federal Government is concerned, there are several programs and types of policy decisions which affect prices. The continuing responsibility of the Federal Reserve Board for monetary policy is one of the key ways in which inflation can be nipped in the bud. But perhaps most important of all, the condition of the Federal budget has an important effect on the price level. If the Federal budget is unbalanced and Federal spending is thereby expanded, there is a natural increase in demand in our economy and prices tend to be forced upward.

The impact of the Federal budget is more than a matter of deficit spending bringing about an increased demand for a relatively smaller supply of goods and services. Deficits also have a deep and significant psychological effect. The Federal budget tells people who are financially in the know whether this is the time to buy "short" or to sell "short" or buy "long" or whatever are the relevant financial terms of art. The stock market, for example, is an important area in which longrun budgetary decisions tend to either stimulate or reduce activity.

In addition to annual budgetary deficits, the Federal debt of some $290 billion is an inflationary force of hurricane proportions. Frankly, the structure of the debt is out of whack. In recent years, our debt has been increasingly financed by short-term bonds sold to banks and other financial institutions. The very perceptive report of the Commission on Money and Credit which was released several weeks ago recognized this fact and stressed the need to finance more of the debt on a long-term basis. I agree heartily with the distinguished members of this Commission.

If the debt is financed wholly or largely by short-term notes, there is a tendency for more money to move in our economy. I am no great expert on the mechanics of this, but I think it is relatively simple economics that if you have short-term bonds which constitute what is called near money, the banks can loan part or all of it to their customers, and there will be more money in circulation and more pressure on prices.

To reiterate, the Federal Government through deficit financing and because of both the short-term structure of the Federal debt and the psychological effects of a given Federal deficit must be exceedingly vigilant that it does not permit the fires of inflation to be ignited.

We in the Congress must adhere to a concept of a fiscally responsible Government. Although the term is much maligned, it is a realistic and workable idea. We have seen in West Germany in the decade of the fifties that sound, responsible fiscal policies stressing a balanced budget and the stimulation of investment have brought about real and fundamental economic growth. The West Germans did not use their budget to stimulate phony purchasing on the part of the Government, although they were advised to do so by a number of the economic experts, who now, I think, are a little too close to the new administration. Instead, they used the various financial activities of the Federal Government to keep prices firm and to stimulate real investment in a free economy.

PROGRAM TO CURB PRICE EROSION

There are several steps we can take right now to keep the price level steady in the decade of the sixties. I have in recent months given considerable thought to a proposal that a massive Government campaign be initiated to encourage merchants to expand their sales by lowering prices. This makes good sense. Inflation means increasing prices. What could be more logical as a means of combating inflation than cutting prices to expand sales and stimulate economic activity and growth? Such a program could easily be initiated by the Secretary of Commerce, who has already said that what the economy needs is more salesmanship. I think salesmanship is fine, but I think that it would be much more meaningful to urge merchants to advertise and stress efforts to provide goods at lower prices. Rather than salesmanship alone, which is a very broad term, efforts to lower prices hit home. Salesmanship often is used as a description of a certain glibness and superficiality, which is not and should not be regarded as a basic stimulator of economic activity.

Another area in which we must work to curb inflation concerns the Federal deficit, which seems to increase every time the administration sends a message to the Congress. I am concerned about this tendency toward this spend today-borrow tomorrow economic policy. The administration has been talking at the same time about great new programs and about tax cuts next year. This is about as consistent as hoping the grass will grow, while praying it does not rain.

There is currently a discouraging lack of interest in viewing the Federal budget as a whole. The idea of a balanced budget has been dropped from the vocabulary of official Washington. The only sacrifices we have been asked to make seem to be sacrifices of commonsense, sensible ideas about the financing of the Federal Government.

I have long favored a Joint Congressional Committee on the Budget. Such a committee would view the budget as a whole and determine whether it is in balance or out of balance, whereas the Appropriations Committees tend to work on individual items to determine their justification and need. This proposal has passed the Senate several times. Despite the reluctance of the other body, I think it is a much needed and urgent reform. It is an important way in which Congress can determine just what the total impact of the budget will be in our economy.

There are several other steps which we can and should take now to see to it that the price stability record of the sixties is even better than that of the fifties. For one, the administration should support and actively espouse the

removal of the 4¼-percent interest rate ceiling so that the Federal debt can be financed on a longer term basis. This measure was vigorously endorsed by President Eisenhower. Although the need for eliminating the long-term interest rate ceiling is not presently as great as it was a year or so ago, this is still a basic reform which should be implemented. We must not wait until the Treasury cannot sell long-term issues to remove the ceiling which in the past has seriously limited their ability to do so. The Commission on Money and Credit strongly recommended that this ceiling be removed.

We are about to make some decisions on tax changes. Here again we must consider the potential inflationary impact of our fiscal policies. What can we do to stimulate investment? Is it true, for instance, that a more comprehensive measure on depreciation allowances would be in the longrun interest of economic stability? I personally feel that what we need is a Hoover-type commission at the Federal level to study our entire tax structure. Although the President has promised such a study, he has so far recommended only temporary piecemeal reforms, such as those which were sent up to the Congress this year.

Other governmental reforms which are needed are the adoption of the item veto, which I have long advocated.

This is a proposal in which the present occupant of the chair, the distinguished senior Senator from Pennsylvania [Mr. CLARK], has evidenced great interest, as have many other persons of various political complexions and thinking.

The distinguished senior Senator from Connecticut [Mr. BUSH] has also taken a special interest in the item veto. In my judgment, it is the single most effective reform that the Congress could enact to bring about greater efficiency and economy in Government.

Mr. BUSH. Mr. President, will the Senator from New York yield for a question?

Mr. KEATING. I am glad to yield.

Mr. BUSH. Has the Senator considered also, in addition to the item veto measure, which I agree would certainly be a tremendous help in controlling the Nation's expenditures, the merits or demerits of the so-called single appropriation bill approach, which would enable Congress to place all appropriations in one bill, to be reviewed together, and then to see what the effect would be on the budget if all appropriations were made in one bill?

Mr. KEATING. I was a Member of the House of Representatives when such a proposal was before that body. The senior Member of the House from New York, who is the ranking minority member of the Committee on Appropriations and a most distinguished Member of the other body, and the chairman of the Committee on Appropriations of the other body were of one mind that this procedure is not desirable. They also agreed that the item veto was not desirable.

I myself believe the single appropriation method would be an improvement, but my impression, though I may be wrong, is that it would be an even more difficult reform to have passed than the item veto.

I believe it would help us materially to bring about a more comprehensive approach to the budgetary process. If a Joint Committee on the Budget were established to review all appropriations, I do not believe that the single appropriation approach would be as important as it would be otherwise. However, I certainly would support the proposal that the distinguished Senator from Connecticut has suggested.

Mr. BUSH. I thank the Senator from New York for his statement. I have in the past introduced such a bill, and I have introduced it again this year, although it has not met with enthusiasm. I have encountered the same situation in the Senate, that the Senator mentioned existed in the House. Many of our senior statesmen do not look with favor upon the bill. On the other hand, such distinguished Senators as the senior Senator from Virginia [Mr. BYRD], who has probably given the whole budgetary problem more study and care than any other Member of either House, believes that such a bill would give Congress much better control of appropriations, a move which is in the direction the Senator's very able remarks insist we should be moving.

Mr. KEATING. If the senior Senator from Connecticut and the junior Senator from New York remain in Congress as long as the chairman of the House Committee on Appropriations and the ranking minority member of that committee have been in Congress, we may well be able to get more action than we have gotten so far. I hope such action will come about before that time, because I observe an increasing feeling on the part of Members of Congress that they do not have their fingers on the Government's enormous financial structure to the extent that they believe they should have.

In addition to the item veto, I suggest the possibility of arranging a regular special session of Congress to focus on appropriations and related economic decisions. Such a session would be held for approximately a month following the adjournment of the regular session.

I do not suggest that such a session take place this year, because that would bring the session to an end, as nearly as I can calculate it now, around Christmas time. While I am perfectly willing to remain here until then, and intend to be here to change rule XXII, if that becomes necessary, this again might meet with disfavor among the more senior Members of this body.

These several steps are steps which are in the interest of longrun price stability. I am not a fiscal stick-in-the-mud. The economic policies of the Congress should be directed toward the stimulation of economic growth as well as the maintenance of price stability. These goals must be pursued jointly, although there admittedly are some areas in which this is difficult. We must also see to it that economic growth in our economy is the harbinger of full employment. The disappointing record of this year, in that unemployment rates did not decline sufficiently as recovery developed, has highlighted the importance of fundamental, structural measures to curb joblessness. Although today I have talked mainly about inflation, I am concerned, as are most in this Chamber, with the interrelationship of these three objectives—growth, price stability, and employment—as regards the role of the Government in our economy.

I repeat my basic premise: If we are to improve our record of price stability in the 1960's, we must make the job of fighting inflation a continuing one. Spend today-borrow tomorrow budgetary policies, a bigger-than-ever Federal deficit, and the continued reliance on short-term bonds in debt management are indications to me that we are failing so far to do this. Therefore, I believe it appropriate to utter a warning that we had better reaffirm our convictions about the basic structure of our economy and about the potential threat of inflation before it is too late.

Mr. President, I yield the floor.

Mr. BUSH. Mr. President, I ask unanimous consent that at this time I may comment on the statement made by the Senator from New York, without having the time I shall take charged to the time available to either side under the unanimous-consent agreement which now is in effect.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BUSH. Mr. President, I wish to compliment the very able Senator from New York [Mr. KEATING] on his splendid address of this afternoon. It was both splendid and very timely; and I hope every Member of the Senate and every Member of the House of Representatives will have an opportunity to read it, and will, indeed, read it in the RECORD tomorrow.

The Senator from New York has dealt with a subject which has been very much neglected by the House of Representatives and the Senate. He has made a very constructive approach to the problem, and has made many very interesting suggestions.

So I warmly compliment him and endorse his efforts to remind the Senate of its responsibilities in connection with the entire question of inflation in the 1960's.

Mr. KEATING. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield.

Mr. KEATING. I want to express my gratitude to the distinguished Senator from Connecticut. I consider what he has said a very high compliment, because of its source. All of us know the Senator from Connecticut is a learned student of the financial structure of the United States. So I am very much heartened by his support for the remarks I have just made, and am deeply grateful for them.

Mr. BUSH. I thank the Senator from New York.

Mr. President, in conclusion on this point, I ask unanimous consent to have printed in the RECORD an editorial entitled "The Danger to the Dollar," published in the Wall Street Journal of to-

day. The editorial bears directly on the remarks of the Senator from New York and the colloquy we have had in that connection.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DANGER TO THE DOLLAR

Jacques Rueff, of France, is a man who brings impressive credentials to any discussion of currency problems. Forty years ago his advice helped many European countries stem the inflation after World War I; within the past few years he was one of the chief architects of the De Gaulle reforms that have restored the franc.

So when Mr. Rueff says that a peril hangs over the American dollar, and therefore over the whole economy of the West, it behooves thoughtful men to listen.

In an article published in the newspaper Le Monde and Fortune magazine, Mr. Rueff writes: "Every day (the) situation more and more resembles the one that turned the 1929 recession into a great depression. The instability in our monetary system is such that a minor international incident or a small economic or financial disturbance could set off worldwide disaster."

Ironically, the threat to the dollar which Mr. Rueff sees grows out of the very strength of the U.S. dollar in the years since World War II, the fact that the dollar has been considered the basic currency of the West upon which nearly every other nation based its own money. This situation, coupled with the absence of a gold standard to discipline governments, has set up the potentiality for an explosion.

All over the world, central banks have been creating money not only against such gold as they may have but also against the dollar balances they hold. That is, a central bank with $1 uses it as a reserve against which to issue several times that amount of francs, lire, or whatever, in exactly the same way our own Federal Reserve System creates many credit dollars against each dollar's worth of gold that it holds.

This has had two effects. The first is that every time an additional U.S. dollar has found its way into a foreign central bank it has formed a base for the inflation of that country's money.

Take Mr. Rueff's country, France. When a Frenchman receives U.S. dollars he takes them to the Bank of France and receives French francs. But since the dollar is considered a reserve currency, the Bank of France can then create new francs against those dollars. In this way, an expansion of the dollar supply also expands the credit system of France. At the same time our own gold supply, which is at the base of this pyramid, does not expand. It is doubly committed; it must support not only the U.S. dollar but the other currencies which are piled atop the dollar.

The second effect from this process is more subtle. Back in the days of the gold standard a nation with a balance-of-payments deficit had to settle in gold. This requirement put a firm discipline upon the economic policies of that country; since no country could create money except against gold or its own national credit, it could not long follow loose policies without a clearly discernible day of reckoning.

Today the situation seems otherwise. When a foreign government acquires surplus dollars, it tends not to demand our gold for them but to keep them as a credit against the United States because these dollars appear to bolster that country's reserve position.

The practical effect of this is that for years we have been in the wonderful position of never really being required to settle our debits abroad. We could pour out dollars in the comforting assurances that those which were not used to buy U.S. goods would stay there, not cashed for gold.

This explains why we have been able to run up a total balance-of-payments deficit of more than $18 billion in the past decade with little sense of pain. If our creditors had demanded payment in gold, our gold reserves would have dropped by $18 billion instead of some $5 billion, a consequence which no one could have ignored or tolerated. The U.S. Government would have been forced to discipline itself.

Instead, the day of reckoning has been postponed, lost in a haze of euphoria. Is this not, in Mr. Rueff's phrase, the marvelous secret of deficits without tears? Can we not go on joyously inflating our money at home and pouring our dollars abroad, in happy unconcern for the deficits and debts that accrue? Why worry if no one asks us to pay up?

Well, the day of reckoning cannot be unreckoned, however long postponed. Against our $17.5 billion of gold, foreigners already hold $20 billion of short-term claims alone, cashable at any time; and this doesn't count the demands on that same gold of the huge money and credit supply within the United States. Furthermore, under present policies these claims will grow.

Perhaps, as with any credit pyramid, all will be well as long as everything goes absolutely smoothly. But it is indeed a perfect setup for a repetition of what happened in 1929, when a worldwide monetary collapse converted what might have been a small recession into a major depression. Today anything—anything at all—that shook this house of cards could turn a passing incident into a catastrophe.

There is only one safeguard against this, and that lies in the political wisdom to face up to what present monetary policies have wrought. The first necessity is to put a halt to the process whereby multiple credit structures are built on the gold reserves of the countries, such as the United States, with key currencies. And then to insist on current settlements of balance-of-payments deficits, rather than letting them be dangerously postponed. The form of these changes may be less important than their substance, but the substance must be a return to firm fiscal discipline.

To postpone this may prolong the painlessness, but whenever euphoria persuades men to ignore danger it can be the most painful course of all.

AMENDMENT OF TITLE 14, UNITED STATES CODE, RELATING TO EXPANSION OF FUNCTIONS OF THE COAST GUARD

Mr. MAGNUSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House bill 6845.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 6845) to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MAGNUSON. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. ENGLE, and Mr. BUTLER the conferees on the part of the Senate.

ESTABLISHMENT OF CAPE COD NATIONAL SEASHORE

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate bill 857, to provide for the establishment of Cape Cod National Seashore.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 857) to provide for the establishment of Cape Cod National Seashore, which were, to strike out the preamble, and to strike out all after the enacting clause and insert:

That (a) the area comprising that portion of the land and waters located in the towns of Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham in the Commonwealth of Massachusetts, and described in subsection (b), is designated for establishment as Cape Cod National Seashore (hereinafter referred to as "the seashore").

(b) The area referred to in subsection (a) is described as follows:

Beginning at a point in the Atlantic Ocean one-quarter of a mile due west of the mean low-water line of the Atlantic Ocean on Cape Code at the westernmost extremity of Race Point, Provincetown, Massachusetts;

thence from the point of beginning along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean, Cape Code Bay, and Provincetown Harbor in generally southerly, easterly, and northerly directions rounding Long Point and then southwesterly to a point a quarter of a mile offshore of the mean low-water line on the harbor side of the dike depicted on the United States Geological Survey Provincetown quadrangle sheet (1949) crossing an arm of the Provincetown Harbor;

thence northerly, along a line a quarter of a mile offshore of and parallel to the low-water line at the dike to a point easterly of the point of intersection of the said dike with the boundary of the Province Lands Reservation as depicted on the said Provincetown quadrangle sheet;

thence westerly to the said point of intersection of the dike and the Province Lands Reservation boundary;

thence along the boundaries of the Province Lands Reservation northwesterly, northeasterly, northerly, and easterly to the easternmost corner of the reservation being near United States Route 6;

thence leaving the said easternmost corner along an extension of the southerly reservation boundary line easterly to the northerly right-of-way line of United States Route 6;

thence along the northerly right-of-way line of United States Route 6 in a general easterly direction crossing the Truro-Provincetown line and continuing in the town of Truro in a generally southeasterly direction to a point four-tenths of a mile southeasterly of the southerly right-of-way line of Highland Road;

thence easterly five-tenths of a mile to a point;

thence turning and running in a southeasterly direction paralleling the general alinement of United States Route 6 and generally distant therefrom five-tenths of a mile to a point approximately 700 feet northwesterly of Long Nook Road;

thence southwesterly along a ridge generally paralleling the alinement of Long Nook Road and distant approximately 700 feet therefrom to a point two-tenths of a mile northeasterly of the northerly right-of-way line of United States Route 6;

thence southeasterly paralleling the general alinement of United States Route 6 and generally distant two-tenths of a mile northeasterly thereof to a point 300 feet south of

the southerly right-of-way line of Higgins Hollow Road;

thence in a general easterly direction paralleling the southerly alinement of Higgins Hollow Road and 300 feet distant southerly therefrom to a point five-tenths of a mile east of the easterly right-of-way line of said Route 6;

thence turning and running in a southeasterly and southerly direction paralleling the general alinement of United States Route 6 and distant five-tenths of a mile easterly therefrom to a point 300 feet north of the northerly right-of-way line of North Pamet Road;

thence in a generally southwesterly direction paralleling the general alinement of North Pamet Road and generally distant 300 feet northerly therefrom to a point approximately two-tenths of a mile east of the easterly right-of-way line of United States Route 6;

thence in a southerly direction paralleling the alinement of United States Route 6 and generally distant two-tenths of a mile easterly therefrom to a point three-tenths of a mile south of South Pamet Road;

thence west to the intersection of Old County Road and Mill Pond Road;

thence following the easterly right-of-way line of Old County Road southward to a point opposite the southerly right-of-way line of Ryder Beach Road at its intersection with Old County Road;

thence eastward to a point 300 feet east of the easterly right-of-way line of said Old County Road;

thence in a southerly direction paralleling Old County Road at a distance of 300 feet to the east of the easterly right-of-way line of said road to a point 600 feet south of the southerly right-of-way line of Prince Valley Road;

thence in a generally westerly direction, crossing Old County Road and the New York, New Haven, and Hartford Railroad right-of-way to the southern extremity of the town landing and beach in the Ryder Beach area, and continuing to a point in Cape Cod Bay a quarter of a mile offshore from the mean low-water line of Cape Cod Bay;

thence turning and running along a line a quarter of a mile offshore of and parallel to the mean low-water line of Cape Cod Bay in a general southerly and easterly direction rounding Jeremy Point and thence in a general northerly direction along a line a quarter of a mile offshore of and parallel to the mean low-water line on the westerly side of Wellfleet Harbor, to a point one quarter of a mile due north of the mean low-water line at the eastern tip of Great Island as depicted on the United States Geological Survey Wellfleet quadrangle sheet (1958);

thence north to the mean high-water line on the north shore of the Herring River estuary in the vicinity of its confluence with Wellfleet Harbor;

thence following the mean high-water line southwesterly, northwesterly, and northeasterly to the easterly right-of-way line of Chequesset Neck Road at its crossing of Herring River;

thence following the course of Herring River along the 20-foot contour line of the southeasterly shore thereof to a point near Mill Creek;

thence crossing Mill Creek in a northeasterly direction to the 20-foot contour level near to and northeast of the confluence of Mill Creek and Herring River;

thence following generally northerly and easterly along the easterly edge of the Herring River marshes on the 20-foot contour to a point north of which the easterly right-of-way line of a medium duty road, as depicted on said Wellfleet quadrangle sheet, crosses northward across a marshy stream near the juncture of said medium duty road with Bound Brook Island Road;

thence crossing said marshy stream along said easterly right-of-way line of said medium duty road, and continuing in a northerly direction to the 20-foot contour level on the north side of said marshy stream;

thence following the 20-foot contour line westward approximately 1,000 feet to its intersection with an unimproved dirt road, as depicted on said Wellfleet quadrangle sheet, leading from a point near the juncture of Bound Brook Island Road and the said medium duty road;

thence following said unimproved dirt road northwesterly for approximately 1,600 feet to the 20-foot contour line bordering the southerly edge of the Herring River marshes;

thence following said 20-foot contour line in an easterly direction to Route 6;

thence crossing Route 6 and continuing to a point on the easterly right-of-way line of a power transmission line as depicted on said Wellfleet quadrangle sheet;

thence in a general southerly direction along the easterly right-of-way line of said power transmission line to the northerly right-of-way line of Long Pond Road;

thence in a general easterly direction along the northerly right-of-way line of Long Pond Road to the line commonly known as the "Head of the Mile Lots" line, which line is approximately 3,200 feet westerly of the Atlantic Ocean;

thence southerly along the "Head of the Mile Lots" line to the southerly right-of-way line to Cahoon Hollow Road;

thence in a general westerly direction along the southerly right-of-way line of Cahoon Hollow Road to the easterly right-of-way line of said power transmission line;

thence in a general southerly, easterly, southeasterly, and again southerly direction along the said easterly right-of-way line of a power transmission line to the Eastham-Wellfleet town line;

thence southeasterly for a distance of approximately 5,200 feet to a point due north of the intersection of the easterly right-of-way line of Nauset Road with the northerly right-of-way line of Cable Road;

thence due south to the intersection of the said easterly right-of-way line of Nauset Road and the said northerly right-of-way line of Cable Road;

thence in a general southerly direction crossing Cable Road and along said easterly right-of-way line of Nauset Road to a point 500 feet north of the northerly right-of-way line of Doane Road and its intersection with Nauset Road;

thence west to a point 500 feet west of the westerly right-of-way line of Nauset Road;

thence southerly and westerly 500 feet from and parallel to the said right-of-way line of Nauset Road to the easterly right-of-way line of Salt Pond Road;

thence southerly along the easterly right-of-way line of said Salt Pond Road to its intersection with the southerly right-of-way line of Nauset Road;

thence westerly along the southerly right-of-way line of Nauset Road to its intersection with the easterly right-of-way line of United States Route 6;

thence southerly along the easterly right-of-way line of said Route 6 a distance of about four-tenths of a mile to the northerly boundary of the Eastham town hall property;

thence easterly to a point one-tenth of a mile from United States Route 6;

thence turning and running in a generally southerly direction paralleling the general alinement of United States Route 6 and generally distant therefrom one-tenth of a mile to a small stream approximately one-tenth of a mile beyond Governor Prence Road extended;

thence southeasterly along the said stream to the Orleans-Eastham town line;

thence along the Orleans-Eastham town line to the southerly tip of Stony Island;

thence generally southeasterly in the town of Orleans by Nauset Harbor Channel to a point due north of the northerly tip of Nauset Heights as depicted on United States Geological Survey Orleans quadrangle sheet (1946);

thence due south to the 20-foot contour line in Nauset Heights as delineated on the said Orleans quadrangle sheet;

thence generally southerly along the said 20-foot contour to a point about one-tenth of a mile northerly of Beach Road;

thence southwesterly along a line intersecting Beach Road at a point two-tenths of a mile easterly of the so-called Nauset Road leading northerly to Nauset Heights;

thence southerly to the head of a tributary to Little Pleasant Bay at the northerly tip of Pochet Neck as depicted on the said Orleans quadrangle sheet;

thence generally southerly along the thread of channel of the said tributary passing westerly and southwesterly around Pochet Island and thence southwesterly into Little Pleasant Bay passing to westerly of the northerly tip of Sampson Island, the westerly tip of Money Head, and the southwesterly tip of Hog Island following in general the centerline of Little Pleasant Bay to Pleasant Bay;

thence generally southeasterly in Pleasant Bay along a line passing midway between Sipson Island and Nauset Beach to a point on the Chatham-Orleans town line one-quarter of a mile westerly of the mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach;

thence generally southerly in Pleasant Bay in the town of Chatham along a line a quarter of a mile offshore of and parallel to the said mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach to a point a quarter of a mile south of the mean low-water line of the southern tip of Nauset Beach;

thence easterly rounding the southern tip of Nauset Beach along a line a quarter of a mile offshore of and parallel thereto;

thence generally northerly and northwesterly, and westerly along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean on the easterly shore of Nauset Beach and on to the outer cape to the point of beginning.

Notwithstanding the foregoing description of the Cape Cod National Seashore, there is excluded from said seashore the area within the town of Wellfleet, being a portion of Griffin Island, which is bounded and described as follows:

Beginning at a point on the northerly side line of Duck Harbor Road distant 500 feet easterly from the mean high-water line of Cape Cod Bay;

thence running easterly and southwesterly by the northerly and easterly right-of-way line of Duck Harbor Road to the northerly right-of-way line of Chequesset Neck Road;

thence northwesterly, westerly and southwesterly by the northerly right-of-way line of Chequesset Neck Road to a point distant 500 feet easterly from the mean high-water-line of Cape Cod Bay; and

thence northerly by a line 500 feet distant easterly from and parallel to the mean high-waterline of Cape Cod Bay to the point of beginning.

In event water access from Pleasant Bay and/or Nauset Harbor is closed from the ocean the Secretary shall take immediate action to provide an adequate passage from those inland waters to the Atlantic Ocean and maintain such opening thenceforth.

SEC. 2. (a) The Secretary of the Interior (hereinafter referred to as "Secretary") is

authorized to acquire by purchase, gift, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property, and improvements thereon and any interest therein, within the area which is described in section 1 of this Act or which lies within the boundaries of the seashore as described pursuant to section 3 of this Act (both together hereinafter in this Act referred to as "such area"). Any property, or interest therein, owned by the Commonwealth of Massachusetts, by any of the towns referred to in section 1 of this Act, or by any other political subdivision of said Commonwealth may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act.

(b) The Secretary is authorized (1) to use donated and appropriated funds in making acquisitions under this Act, and (2) to pay therefor not more than the fair market value of any acquisitions which he makes by purchase under this Act.

(c) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary within such area. The properties so exchanged shall be approximately equal in fair market value: *Provided*, That the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

The Secretary shall report to the Congress on every exchange carried out under authority of this Act within thirty days from its consummation, and each such report shall include a statement of the fair market values of the properties involved and of any cash equalization payment made or received.

(d) As used in this Act the term "fair market value" shall mean the fair market value as determined by the Secretary, who may in his discretion base his determination on an independent appraisal obtained by him.

SEC. 3. (a) As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage in the area described in section 1 of this Act that is in the opinion of the Secretary efficiently administrable to carry out the purposes of this Act, the Secretary shall establish Cape Cod National Seashore by the publication of notice thereof in the Federal Register.

(b) Such notice referred to in subsection (a) of this section shall contain a detailed description of the boundaries of the seashore which shall encompass an area as nearly as practicable identical to the area described in section 1 of this Act. The Secretary shall forthwith after the date of publication of such notice in the Federal Register (1) send a copy of such notice, together with a map showing such boundaries, by registered or certified mail to the Governor of the Commonwealth of Massachusetts and to the board of selectmen of each of the towns referred to in section 1 of this Act; (2) cause a copy of such notice and map to be published in one or more newspapers which circulate in each of such towns; and (3) cause a certified copy of such notice, a copy of such map, and a copy of this Act to be recorded at the registry of deeds for Barnstable County, Massachusetts.

SEC. 4. (a) (1) The beneficial owner or owners of improved property which the Secretary acquires by condemnation may elect, as a condition to such acquisition, to retain the right of use and occupancy of the said property for noncommercial residential purposes for a term of twenty-five years, or for such lesser time as the said owner or owners may elect at the time of such acquisition.

(2) The beneficial owner or owners, not being a corporation, of a freehold estate in improved property which property the Secretary acquires by condemnation, who held, on September 1, 1959, with respect to such property, an estate of the same nature and quality, may elect, as an alternative and not in addition to whatever right of election he or they might have under paragraph (1) of this subsection, to retain the right of use and occupancy of the said property for noncommercial residential purposes (i) for a term limited by the nature and quality of his or their said estate, if his or their said estate is a life estate or an estate pur auter vie, or (ii) for a term ending at the death of such owner or owners, or at the death of the survivor of them, if his or their said estate is an estate of fee simple.

(3) Where such property is held by a natural person or persons for his or their own life or lives or for the life or lives of another or others (such person or persons being hereinafter called "the life tenant"), with remainder in another or others, any right of election provided for in paragraph (2) of this subsection shall be exercised by the life tenant, and any right of election provided for in paragraph (1) of this subsection shall be exercised by the concurrence of the life tenant and the remainderman or remaindermen.

(4) The beneficial owner or owners of a term of years in improved property which the Secretary acquires by condemnation may elect, as a condition to such acquisition, to retain the right of use and occupancy of the said property for noncommercial residential purposes for a term not to exceed the remainder of his or their said term of years, or a term of twenty-five years, whichever shall be the lesser. The owner or owners of the freehold estate or estates in such property may, subject to the right provided for in the preceding sentence, exercise such right or rights of election as remain to them under paragraphs (1) and (2) of this subsection.

(5) No right of election accorded by paragraphs (1), (2), or (4) of this subsection shall be exercised to impair substantially the interests of holders of encumbrances, liens, assessments, or other charges upon or against the property.

(6) Any right or rights of use and occupancy retained pursuant to paragraphs (1), (2), and (4) of this subsection shall be held to run with the land, and may be freely transferred and assigned.

(7) In any case where a right of use and occupancy for life or for a fixed term of years is retained as provided in paragraph (1), (2), or (4) of this subsection, the compensation paid by the Secretary for the property shall not exceed the fair market value of the property on the date of its acquisition by the Secretary, less the fair market value on such date of the said right retained.

(8) The Secretary shall have authority to terminate any right of use and occupancy of property, retained as provided in paragraph (1), (2), or (4) of this subsection, at any time after the date when any use occurs with respect to such property which fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in regulations issued pursuant to section 5 of this Act and in effect on said date: *Provided*, That no use which is in conformity with the provisions of a zoning bylaw approved in accordance with said section 5 which is in force and applicable to such property shall be held to fail to conform or be opposed to or inconsistent with any such standard. In the event that the Secretary exercises the authority conferred by this paragraph, he shall pay to the owner of the right so terminated an amount equal to the fair market value of the portion of said right which remained on the date of termination.

(b) (1) The Secretary's authority to acquire property by condemnation shall be suspended with respect to all improved property located within such area in all of the towns referred to in section 1 of this Act for one year following the date of its enactment.

(2) Thereafter such authority shall be suspended with respect to all improved property located within such area in any one of such towns during all times when such town shall have in force and applicable to such property a duly adopted, valid zoning bylaw approved by the Secretary in accordance with the provisions of section 5 of this Act.

(c) The Secretary's authority to acquire property by condemnation shall be suspended with respect to any particular property which is used for commercial or industrial purposes during any periods when such use is permitted by the Secretary and during the pendency of the first application for such permission made to the Secretary after the date of enactment of this Act provided such application is made not later than the date of establishment of the seashore.

(d) The term "improved property," wherever used in this Act, shall mean a detached, one-family dwelling the construction of which was begun before September 1, 1959 (hereinafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures accessory to the dwelling which are situated on the land so designated. The amount of the land so designated shall in every case be at least three acres in area, or all of such lesser amount as may be held in the same ownership as the dwelling, and in making such designation the Secretary shall take into account the manner of noncommercial residential use in which the dwelling and land have customarily been enjoyed: *Provided, however*, That the Secretary may exclude from the land so designated any beach or waters, together with so much of the land adjoining such beach or waters as the Secretary may deem necessary for public access thereto.

(e) Nothing in this section or elsewhere in this Act shall be construed to prohibit the use of condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances.

SEC. 5. (a) As soon after the enactment of this Act as may be practicable, the Secretary shall issue regulations specifying standards for approval by him of zoning bylaws for purposes of section 4 of this Act. The Secretary may issue amended regulations specifying standards for approval by him of zoning bylaws whenever he shall consider such amended regulations to be desirable due to changed or unforeseen conditions.

All regulations and amended regulations proposed to be issued under authority of the two preceding sentences of this subsection shall be submitted to the Congress and to the towns named in section 1 of this Act at least ninety calendar days (which ninety days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) before they become effective and the Secretary shall, before promulgating any such proposed regulations or amended regulations in final form, take due account of any suggestions for their modification which he may receive during

said ninety-day period. All such regulations and amended regulations shall, both in their proposed form and in their final form, be published in the Federal Register.

The Secretary shall approve any zoning bylaw and any amendment to any approved zoning bylaws submitted to him which conforms to the standards contained in the regulations in effect at the time of the adoption by the town of such bylaw or such amendment unless before the time of adoption he has submitted to the Congress and the towns and published in the Federal Register as aforesaid proposed amended regulations with which the bylaw or amendment would not be in conformity, in which case he may withhold his approval pending completion of the review and final publication provided for in this subsection and shall thereafter approve the bylaw or amendment only if it is in conformity with the amended regulations in their final form. Such approval shall not be withdrawn or revoked, nor shall its effect be altered for purposes of section 4 of this Act by issuance of any such amended regulations after the date of such approval, so long as such bylaw or such amendment remains in effect as approved.

(b) The standards specified in such regulations and amended regulations for approval of any zoning bylaw or zoning bylaw amendment shall contribute to the effect of (1) prohibiting the commercial and industrial use, other than any commercial or industrial use which is permitted by the Secretary, of all property within the boundaries of the seashore which is situated within the town adopting such bylaw; and (2) promoting the preservation and development, in accordance with the purposes of this Act, of the area comprising the seashore, by means of acreage, frontage, and setback requirements and other provisions which may be required by such regulations to be included in a zoning bylaw consistent with the laws of Massachusetts.

(c) No zoning bylaw or amendment of a zoning bylaw shall be approved by the Secretary which (1) contains any provision which he may consider adverse to the preservation and development, in accordance with the purposes of this Act, of the area comprising the seashore, or (2) fails to have the effect of providing that the Secretary shall receive notice of any variance granted under and any exception made to the application of such bylaw or amendment.

(d) If any improved property with respect to which the Secretary's authority to acquire by condemnation has been suspended by reason of the adoption and approval, in accordance with the foregoing provisions of this section, of a zoning bylaw applicable to such property (hereinafter referred to as "such bylaw")—

(1) is made the subject of a variance under or an exception to such bylaw, which variance or exception fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in the regulations issued pursuant to this section and in effect at the time of the passage of such bylaw, or

(2) is property upon or with respect to which there occurs any use, commencing after the date of the publication by the Secretary of such regulations, which fails to conform or is in any manner opposed to or inconsistent with any applicable standard contained in such regulations (but no use which is in conformity with the provisions of such bylaw shall be held to fail to conform or be opposed to or inconsistent with any such standard),

the Secretary may, at any time and in his discretion, terminate the suspension of his authority to acquire such improved property by condemnation: *Provided, however,* That the Secretary may agree with the owner or owners of such property to refrain from the exercise of the said authority during such time and upon such terms and conditions as the Secretary may deem to be in the best interests of the development and preservation of the seashore.

SEC. 6. The Secretary shall furnish to any party in interest requesting the same, a certificate indicating, with respect to any property located within the seashore as to which the Secretary's authority to acquire such property by condemnation has been suspended in accordance with the provisions of this Act, that such authority has been so suspended and the reasons therefor.

SEC. 7. (a) Except as otherwise provided in this Act, the property acquired by the Secretary under this Act shall be administered by the Secretary, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with laws of general application relating to the national park system as defined by the Act of August 8, 1953 (67 Stat. 496); except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

(b)(1) In order that the seashore shall be permanently preserved in its present state, no development or plan for the convenience of visitors shall be undertaken therein which would be incompatible with the preservation of the unique flora and fauna or the physiographic conditions now prevailing or with the preservation of such historic sites and structures as the Secretary may designate: *Provided,* That the Secretary may provide for the public enjoyment and understanding of the unique natural, historic, and scientific features of Cape Cod within the seashore by establishing such trails, observation points, and exhibits and providing such services as he may deem desirable for such public enjoyment and understanding: *Provided further,* That the Secretary may develop for appropriate public uses such portions of the seashore as he deems especially adaptable for camping, swimming, boating, sailing, hunting, fishing, the appreciation of historic sites and structures and natural features of Cape Cod, and other activities of similiar nature.

(2) In developing the seashore the Secretary shall provide public use areas in such places and manner as he determines will not diminish for its owners or occupants the value or enjoyment of any improved property located within the seashore.

(c) The Secretary may permit hunting and fishing, including shellfishing, on lands and waters under his jurisdiction within the seashore in such areas and under such regulations as he may prescribe during open seasons prescribed by applicable law. The Secretary shall consult with officials of the Commonwealth of Massachusetts and any political subdivision thereof who have jurisdiction of hunting and fishing, including shellfishing, prior to the issuance of any such regulations, and the Secretary is authorized to enter into cooperative arrangements with such officials regarding such hunting and fishing, including shellfishing, as he may deem desirable, except that the Secretary shall leave all aspects of the propagation and taking of shellfish to the towns referred to in section 1 of this Act.

The Secretary shall not interfere with navigation of waters within the boundaries of the Cape Cod National Seashore by such means and in such areas as is now customary.

SEC. 8. (a) There is hereby established a Cape Cod National Seashore Advisory Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of ten members each appointed for a term of two years by the Secretary as follows:

(1) Six members to be appointed from recommendations made by each of the boards of selectmen of the towns referred to in the first section of this Act, one member from the recommendations made by each such board;

(2) One member to be appointed from recommendations of the county commissioners of Barnstable County, Commonwealth of Massachusetts;

(3) Two members to be appointed from recommendations of the Governor of the Commonwealth of Massachusetts; and

(4) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be Chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the Commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this Act upon vouchers signed by the Chairman.

(e) The Commission established by this section shall act and advise by affirmative vote of a majority of the members thereof.

(f) The Secretary or his designee shall, from time to time, consult with the members of the Commission with respect to matters relating to the development of Cape Cod National Seashore, and shall consult with the members with respect to carrying out the provisions of sections 4 and 5 of this Act.

(g) No permit for the commercial or industrial use of property located within the seashore shall be issued by the Secretary, nor shall any public use area for recreational activity be established by the Secretary within the seashore, without the advice of the Commission, if such advice is submitted within a reasonable time after it is sought.

(h)(1) Any member of the Advisory Commission appointed under this Act shall be exempted, with respect to such appointment, from the operation of sections 281, 283, 284, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U.S.C. 99) except as otherwise specified in subsection (2) of this section.

(2) The exemption granted by subsection (1) of this section shall not extend—

(i) to the receipt or payment of salary in connection with the appointee's Government service from any sources other than the private employer of the appointee at the time of his appointment; or

(ii) during the period of such appointment, and the further period of two years after the termination thereof, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter concerning which the appointee had any responsibility arising out of his appointment during the period of such appointment.

SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act; except that no more than $16,000,000 shall be appropriated for the acquisition of land and waters and improvements thereon, and interests therein, and incidental costs relating thereto, in accordance with the provisions of this Act.

SEC. 10. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Mr. BIBLE. Mr. President, I move that the Senate disagree to the amend-

ments of the House, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ANDERSON, Mr. BIBLE, Mr. GRUENING, Mr. ALLOTT, and Mr. DWORSHAK the conferees on the part of the Senate.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

H.R. 4324. An act to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes; and

H.J. Res. 472. Joint resolution providing for the apportionment to the Commonwealth of Massachusetts of its share of funds authorized for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961 HAS THE SUPPORT OF A MAJORITY OF THE AMERICAN PEOPLE

Mr. RANDOLPH. Mr. President, this body and the American people, as well as countless peoples throughout the world, are indebted to the distinguished chairman of the Foreign Relations Committee [Mr. FULBRIGHT], and to the able senior Senator from South Dakota [Mr. MUNDT] for their respective contributions to our educational and cultural exchange programs.

It is my conviction that S. 1154 represents a further advance in this field, by providing for more flexibility and coherence of administration in these important programs. Although it is not my intent at this time to speak to the technical features of this measure, we may all recall a rather highly publicized instance, last summer, involving some African students, which revealed some of the limitations of the rigidity of our present statutes.

As I understand the bill introduced by the junior Senator from Arkansas [Mr. FULBRIGHT], one of its purposes is to provide sufficient flexibility in administration to obviate the necessity of appealing to private sources in such an instance. Indeed, the entire measure seems devoted to the aim of bringing greater efficiency and effectiveness to a bipartisan program in which we have had more than a decade of fruitful experience, and which has the endorsement of an overwhelming majority of the American people.

It is appropriate, therefore, to submit at this time added evidence of the popular support for our exchange program. On July 8, Mr. President, a group of 34 students from 19 nations began a weekend visit in Charleston, W. Va., as part of the culmination of their year's study in the United States.

The Charleston Gazette on that day printed a most perceptive and persuasive editorial in support of the contributions of our exchange program to better international comity and understanding. I would add only a few words regarding the particular benefits to the United States.

During the 19th century and the early part of the 20th century, the education of an American was scarcely thought complete until he had studied in one of the great universities of England, France, or Germany. Especially was this so among academicians and professional people. Americans thus educated abroad often looked upon those years as the high point of their lives, and frequently retained a special loyalty and attachment for the countries in which they studied. It is not inconceivable that the United States and the cause of democracy will be similar beneficiaries of our sponsorship of foreign students in this country in the years ahead.

It is my belief that the pending measure will enhance the prospects of realizing this goal. In support of this assumption, and to offer further testimony of the endorsement of our exchange program at the community level, I request unanimous consent that the editorial from the Charleston Gazette of July 8 be printed in the RECORD in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PERSON-TO-PERSON PLANS BRING BEST UNDERSTANDING

Few subjects generate more discussion and heat than how the United States can best use its foreign aid funds to best advantage to best serve the interests of the United States.

Without starting the controversy anew we would like to suggest that as a force for understanding and for promotion of good will between peoples of different cultures the various programs involving the interchange of citizens of one country with another are in the long run as important and as significant as anything yet developed.

Today, 34 foreign students from 19 nations arrive in Charleston to spend the weekend with hosts of the Stonewall Jackson High School Chapter of the American Field Service and students of South Charleston High School. They represent a fraction of the 1,847 students from foreign countries throughout the world who have spent the past year studying in American schools. Following their visit here they head for Washington, New York, and home.

While in Charleston these guests will be feted at open houses, at a series of neighborhood parties, and tomorrow their schedule includes swimming and a picnic at the Charleston Tennis Club.

Admittedly, everyone—guests and hosts—will be on his best behavior, careful not to hurt each other's feelings and on guard against broaching sensitive subjects that might offend. Still, after the introductions, after the adults have retired from the scene, and after the shy formalities have given way to youthful exuberance and impatience, we suspect the conversational interchanges will be interesting, informative, and pertinent. Youth is usually inquisitive and has its own special way of cutting through hypocrisy and cant.

Each participant in this project will learn a little more about the world in which he lives. Each will discover what he probably already comprehends but possibly has not had the chance to learn by personal experience: That people the world over are pretty much the same—with the same drives, the same ambitions, and the same appreciation for the good, the bad, the beautiful, the ugly, even though they may differ by definition or by perception as to what these terms imply.

In this frightfully complicated, dreadfully confused, and eternally suspicious world, there is nothing quite like the person-to-person approach to provide fruitful information, to clear up misunderstandings and to quiet unfounded fears. In short, if there is ever to be an end to war, people are going to have to get to know each other.

Mr. FULBRIGHT. Mr. President, I wish to thank the Senator from West Virginia for support of this program and for his kind remarks about me. I appreciate what he has said.

Mr. RANDOLPH. I am very grateful for the Senator's leadership in this vital endeavor.

Mr. MANSFIELD. Mr. President, am I to understand that we are working under allotted time at the present time, or not under allotted time?

The PRESIDING OFFICER. While the Senator from Montana was out of the Chamber, the Senate, by unanimous consent, gave permission for several Senators, including the last Senator to speak, the Senator from West Virginia, to proceed without the time being charged to either side.

VISIT TO THE SENATE BY GOVERNMENT OFFICIALS OF THE REPUBLIC OF MALI

Mr. GORE. Mr. President, I ask unanimous consent that I may proceed for 2 minutes, irrespective of the current rule of procedure.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? Without objection, the request is granted.

Mr. GORE. Mr. President, today the United States Senate has been honored with a visit by the Minister of State of the Republic of Mali, Mr. Jean Marie Kone. This distinguished gentleman occupies the second position of leadership in his new, growing, dignified, and respected country.

With him at lunch with the Subcommittee on African Affairs of the Committee on Foreign Relations, of which subcommittee I have the honor to be chairman, were the following gentlemen:

Mr. Mamadou Gologo, Secretary of State for Information and Tourism.

Mr. Assamou Dialio, a Member of the National Assembly of the Republic of Mali;

Mr. Sekou Kansave, a Member of the National Assembly of Mali;

Mr. Sory Ibrahima Keita, secretary general of a youth committee, and His Excellency the Ambassador from Mali.

These distinguished gentlemen have done us the honor of being our guests and exchanging with us, which privilege and honor we enjoyed, the views which they hold and the views which we hold of the problems which their country

faces, the problems which our country faces, problems common to all mankind.

It is for the purpose of paying our respects to these distinguished gentlemen from the Republic of Mali and to extend the good wishes of the U.S. Senate and of the people of the United States of America that I take this moment of time of the U.S. Senate.

The PRESIDING OFFICER. On behalf of the membership of the Senate, the Chair wishes to acknowledge the presence in the gallery of the distinguished visitors referred to by the Senator from Tennessee, to welcome them to this tribunal of democracy and freedom, and to assure them that they are welcome. [Applause, Senators rising.]

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. FULBRIGHT. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 1 minute.

Mr. FULBRIGHT. May I inquire of the Senator from South Dakota whether amendment D is the pending amendment?

The PRESIDING OFFICER. The pending amendment is amendment D, offered by the Senator from South Dakota.

Mr. MUNDT. Amendment D.

Mr. FULBRIGHT. Does the Senator wish to speak, or shall I proceed?

Mr. MUNDT. I should appreciate it if the Senator from Arkansas would take a little time to indicate whether perhaps he is willing to accept the amendment.

Mr. FULBRIGHT. I did not wish to preclude the Senator from speaking, if he wishes to make a statement, but I am prepared to make a statement.

Mr. MUNDT. I shall be happy to listen to the Senator.

Mr. FULBRIGHT. Mr. President, how much time do I have remaining on the amendment?

The PRESIDING OFFICER. The Senator has 20 minutes.

Mr. FULBRIGHT. Mr. President, I yield myself 10 minutes.

Mr. President, the amendment, which the able Senator from South Dakota discussed yesterday, would have the effect of deleting any authority for payment for any travel of any dependents. The bill, as introduced, provides authority for payment for travel expense, not for incidental expenses or daily upkeep.

The bill would not create a completely new authority. In the Comptroller General's letter of 1959, which has already been put into evidence and I believe is printed in the RECORD, there is reference to dependents, without a specification of whether the dependents would be of Americans or of persons of foreign nationality. That is an interpretation of the original act. It provided that dependents were contemplated and that payment for their travel expenses was perfectly legal.

The existence of the limited authority, which is inherent in the existing law—which is title VIII of the Smith-Mundt Act—noted by the Comptroller General, is merely specified and is not created by S. 1154. We are putting into the language what we believe to be the existing law, although it was not specified. The authority was derived as an interpretation of the existing language by the Comptroller General.

If the Senate accepts the amendment offered by the Senator from South Dakota, deleting the reference to dependents, it would be interpreted, I am confident, at least by the House Committee on Appropriations, as a denial of the existing authority. In other words, it would be a retrogression in respect to authority now in existence.

As I have already stated, the language does not cover incidental expenses, but only travel expenses of authorized dependents; and the transport of their bodies, if they should die during the tour of service.

With respect to the administration of the existing law, only 156 dependents have been given travel expenses since the decision in 1959; and all of these have been dependents of Americans. That shows the limiting power of the appropriations process.

I should like to state for the record the regulations under which the existing authority is administered. Under the existing law, as interpreted by the Comptroller General, the Department of State already has authority to pay for the transportation of dependent members of the immediate family of the principal grantees. This authority is currently being exercised in accordance with the following rules:

First. Only those countries in which serious recruitment difficulties have been experienced are included in the plan.

Second. Only grantees in the lecturer or teacher categories assigned to these countries for a full academic year are eligible.

Third. Payment of dependents' travel is limited to one dependent member of the grantee's immediate family—which, in 9 cases out of 10, I think, would be his wife.

Fourth. To keep the cost of the program to a minimum, those grantees electing to receive dependents' travel receive two round-trip air fares at the tourist or economy rate, or comparable surface transportation. In other words, they are simply given two tickets. That is what it amounts to. No incidental expenses apply.

The extent to which this authority continues to be used can be very effectively controlled, as it has been, through the appropriating process.

Mr. President, I think it would be an unduly harsh limitation to deprive the Department of this authority, which has been used very sparingly and very seldom at a very small cost. For us to put on a rigid restriction, which would prohibit the making of any exception to the usual rule of not allowing travel for dependents, would be unduly harsh. I hope the Senate will not accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

AMENDMENT OF THE SOIL BANK ACT

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield me 2 minutes on the bill?

Mr. FULBRIGHT. I yield to the majority leader, the Senator from Montana, 2 minutes from my time on the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to the consideration of Calendar No. 498. I do so because of the serious drought and grasshopper condition in the Northern Plains States.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2197) to amend section 107(a)(3) of the Soil Bank Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (S. 2197) to amend section 107(a)(3) of the Soil Bank Act, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, line 7, after the word "area", to insert "for use in the disaster area, the value of such hay, as determined by the Secretary, being deducted from the annual payment applicable to such acreage"; on page 2, line 5, after "1962", to insert "Any deduction made from conservation reserve payments because of any hay removal under this paragraph or because of grazing under section 107(a)(4) may, in the discretion of the Secretary, be reduced by an amount equal to any sums expended by the producers, but not to exceed one dollar per acre, for the purposes of grasshopper control operations on the acreage from which the hay is removed or which is grazed"; in line 20, after the word "area", to insert "by livestock normally maintained in the disaster area, the value of such grazing to be deducted from the annual payment applicable to such acreage"; and, after line 21, to insert a new section, as follows:

SEC. 3. Section 407 of the Agricultural Act of 1949, as amended, is hereby amended by deleting the period at the end of the fifth sentence and adding to such sentence the following: "and shall make feed owned or controlled by it available at any price not less than 75 per centum of the current sup-

port price for such feed (or a comparable price if there is no current support price) for assistance in the preservation and maintenance of livestock in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe in such area, the Secretary determines that an emergency exists which warrants such assistance, such feed to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 107(a)(3) of the Soil Bank Act, as amended, is further amended by adding at the end thereof the following: "The Secretary may, if he determines it necessary, permit the removal of hay from conservation reserve acreage adjacent to or nearby the disaster area for use in the disaster area, the value of such hay, as determined by the Secretary, being deducted from the annual payment applicable to such acreage. The authority of the Secretary to permit the removal of hay from conservation reserve acreage because of damage, hardship, or suffering caused by severe drought, flood, or other natural disaster shall expire on June 30, 1962. Any deduction made from conservation reserve payments because of any hay removal under this paragraph or because of grazing under section 107(a)(4) may, in the discretion of the Secretary, be reduced by an amount equal to any sums expended by the producer, but not to exceed one dollar per acre, for the purposes of grasshopper control operations on the acreage from which the hay is removed or which is grazed."

SEC. 2. Section 107(a)(4) of the Soil Bank Act is amended by adding at the end thereof the following: "Under the authority to permit grazing on conservation reserve acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, the Secretary may, if he determines it necessary, permit the grazing of conservation reserve acreage adjacent to or nearby the disaster area by livestock normally maintained in the disaster area, the value of such grazing to be deducted from the annual payment applicable to such acreage."

SEC. 3. Section 407 of the Agricultural Act of 1949, as amended, is hereby amended by deleting the period at the end of the fifth sentence and adding to such sentence the following: "and shall make feed owned or controlled by it available at any price not less than 75 per centum of the current support price for such feed (or a comparable price if there is no current support price) for assistance in the preservation and maintenance of livestock in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe in such area, the Secretary determines that an emergency exists which warrants such assistance, such feed to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments may be considered and agreed to en bloc; and that the bill, as thus amended, be regarded as original text.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, the bill which is before the Senate has been cosponsored by the Senators from Minnesota [Mr. HUMPHREY and Mr. MCCARTHY], the Senators from North Dakota [Mr. BURDICK and Mr. YOUNG], the Senators from Montana [Mr. MANSFIELD and Mr. METCALF], the Senator from Wisconsin [Mr. WILEY], and the Senators from South Dakota [Mr. MUNDT and Mr. CASE].

Mr. President, I ask unanimous consent that an excerpt from the report of the Committee on Agriculture and Forestry, submitted by the Senator from Georgia [Mr. TALMADGE], be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The excerpt from the report (No. 529) is as follows:

This bill would authorize the Secretary of Agriculture to permit removal of hay from, or grazing on, conservation reserve lands adjacent to or near disaster areas. With the committee amendments it would also permit the sale by Commodity Credit Corporation of feed at any price not below 75 percent of the support price, in any disaster area where because of drought or other catastrophe, such action is needed; and provide for grasshopper control.

The committee amendments—

(1) restrict the hay harvesting and grazing provisions to hay to be used in the disaster area and to grazing by livestock normally maintained in the disaster area;

(2) require the value of such hay or grazing to be deducted from the annual payment applicable to the acreage harvested or grazed;

(3) permit the Secretary to reduce any deduction from the annual payment in the disaster area or adjacent or nearby area on account of permitted haying or grazing by up to $1 to compensate the producer for expenditures for grasshopper control on the lands hayed or grazed; and

(4) permit the Commodity Credit Corporation to make feed available at not less than 75 percent of the support price for maintenance of livestock in disaster areas. Such feed relief could be made only to farmers in financial need of such assistance.

The authority to permit removal of hay would expire June 30, 1962.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, July 10, 1961.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR SENATOR ELLENDER: Senate bill 2197, on which the Department has been requested to report, would amend sections 107(a)(3) and (4) of the Soil Bank Act, as amended, to provide that upon certification of necessity by the Governor of a State the Secretary may, if he determines it necessary to alleviate damage, hardship or suffering caused by severe drought, flood, or other natural disaster within a designated disaster area, permit grazing or removal of hay from conservation reserve acreage in areas adjacent to or nearby the designated disaster area. The approval of the contract signer to permit grazing or removal of hay from such acreage would be required.

This Department recommends that the bill be passed with an amendment which would give the Secretary more flexible authority to supply livestock feed in emergency areas.

Under the soil bank program, the Secretary may permit grazing and the removal of hay from conservation reserve acreage within a designated disaster area. The effect of S. 2197 is to provide the same authority to the Secretary applicable to conservation reserve acreage in areas adjacent to or nearby designated disaster areas and on the same basis.

Should this bill become law, it is contemplated that:

1. The Department will function under this authority in the same manner as it is presently operating within designated disaster areas.

2. Operations would be conducted under the direction of State and county ASC committees.

3. Hay removal or grazing would be authorized by the county committee upon application of the farmer who would agree to relet grazing rights to victims of the designated drought area or to sell hay only to such persons at not to exceed a fair value estimated by the county committee.

4. Conservation reserve payments otherwise due on such land would be reduced by the county committee's appraised value of the grazing or the hay.

There will be some additional administrative costs if this legislation is enacted. The additional cost will depend on the extent of natural disasters calling for such action. The additional expense would probably average about $10 per farm taking advantage of the action authorized.

A proposed section 3 which would amend section 407 of the Agricultural Act of 1949, as amended, is attached. It provides that CCC on such terms as the Secretary of Agriculture may deem in the public interest, shall make feed owned or controlled by it available for assistance in the preservation and maintenance of livestock in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe, the Secretary determines that an emergency exists which warrants such assistance.

The Department is desirous of giving all reasonable assistance as promptly as possible to farmers in areas which have sustained damage from natural disasters. Existing legislation sometimes makes this impossible.

The proposed amendment would permit more expeditious relief under section 407 since assistance would not be confined to major disaster areas as determined under Public Law 875, 81st Congress, and would permit the Secretary to make CCC stocks of feed grain available under such terms and conditions as are most fitting to the existing emergency.

Sincerely yours,

ORVILLE L. FREEMAN.

SEC. 3. Section 407 of the Agricultural Act of 1949, as amended, is hereby amended by deleting the period at the end of the fifth sentence and adding to such sentence the following: "and shall make feed owned or controlled by it available for assistance in the preservation and maintenance of livestock in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation or other castastrophe, the Secretary determines that an emergency exists which warrants such assistance."

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SOIL BANK ACT

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of

not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree;

* * * * *

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals, and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster. *The Secretary may, if he determines it necessary, permit the removal of hay from conservation reserve acreage adjacent to or nearby the disaster area for use in the disaster area, the value of such hay, as determined by the Secretary, being deducted from the annual payment applicable to such acreage. The authority of the Secretary to permit the removal of hay from conservation reserve acreage because of damage, hardship, or suffering caused by severe drought, flood, or other natural disaster shall expire on June 30, 1962. Any deduction made from conservation reserve payments because of any hay removal under this paragraph or because of grazing under section 107(a)(4) may, in the discretion of the Secretary, be reduced by an amount equal to any sums expended by the producer, but not to exceed one dollar per acre, for the purposes of grasshopper control operations on the acreage from which the hay is removed or which is grazed.*

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 103(a)(3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

Under the authority to permit grazing on conservation reserve acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, the Secretary may, if he determines it necessary, permit the grazing of conservation reserve acreage adjacent to or nearby the disaster area by livestock normally maintained in the disaster area, the value of such grazing to be deducted from the annual payment applicable to such acreage.

AGRICULTURAL ACT OF 1949

SEC. 407. The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities or storable nonbasic commodities the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop. The Corporation shall not sell any basic agricultural commodity or storable nonbasic commodity at less than 5 per centum above the current support price for such commodity, plus reasonable carrying charges: *Provided*, That effective with the beginning of the marketing year for the 1961 crop, the Corporation shall not sell any upland or extra long staple cotton for unrestricted use at less than 15 per centum above the current support price for cotton plus reasonable carrying charges, except that the Corporation may, in an orderly manner and so as not to affect market prices unduly, sell for unrestricted use at the market price at the time of sale a number of bales of cotton equal to the number of bales by which the national marketing quota for such marketing year is reduced below the estimated domestic consumption and exports for such marketing year pursuant to the provisions of section 342 of the Agricultural Adjustment Act of 1938, as amended. The foregoing restrictions shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts and oilseeds for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or as to which there is a danger of loss or waste through deterioration or spoilage; (E) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool; and (H) sales for other than primary uses. Notwithstanding the foregoing, the Corporation, on such terms and conditions as the Secretary may deem in the public interest, shall make available any farm commodity or product thereof owned or controlled by it for use in relieving distress (1) in any area in the United States declared by the President to be an acute distress area because of unemployment or other economic cause if the President finds that such use will not displace or interfere with normal marketing of agricultural commodities and (2) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U.S.C. 1855) *and shall make feed owned or controlled by it available at any price not less than 75 per centum of the current support price for such feed (or a comparable price if there is no current support price) for assistance in the preservation and maintenance of livestock in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe in such area, the Secretary determines that an emergency exists which warrants such assistance, such feed to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them.* Except on a reimbursable basis, the Corporation shall not bear any costs in connection with making such commodity available beyond the cost of the commodities to the Corporation in store and the handling and transportation costs in making delivery of the commodity to designated agencies at one or more central locations in each State. Nor shall the foregoing restrictions apply to sales of commodities the disposition of which is desirable in the interest of the effective and efficient conduct of the Corporation's operations because of the small quantities involved, or because of age, location or questionable continued storability, but such sales shall be offset by such purchases of commodities as the Corporation determines are necessary to prevent such sales from substantially impairing any price-support program, but in no event shall the purchase price exceed the then current support price for such commodities. For the purposes of this section, sales for export shall not only include sales made on condition that the identical commodities sold be exported, but shall also include sales made on condition that commodities of the same kind and of comparable value or quantity be exported, either in raw or processed form.

Mr. CASE of South Dakota. Mr. President, the bill reflects a very practical situation. Emergency legislation was limited in its interpretation to the grazing of lands in the soil bank, but was limited in its interpretation to the so-called drought-disaster counties, particularly in the Northwest. Obviously the needs for hay and feed could only be supplied by utilizing lands where grass had grown. The present bill is intended to correct the interpretation that the earlier legislation received during its history in the House, as I understand, where it had been explained that the haying would take place only in the disaster counties. Obviously the relief had come from countries which were disaster counties. The present measure is intended to permit haying and grazing in areas adjacent to the disaster counties on the so-called soil bank acres. Through action of the committee, several safeguards have been written into the measure to prevent the use of the forage from destroying the natural markets. At the same time the amendments are designed to guard against exorbitant pricing for those who are suffering disaster. I think the proposed legislation is well conceived and should be promptly passed.

Mr. MUNDT. Mr. President, I should like to add a few words in explanation of the emergency drought bill, of which I am a coauthor, and the amendments which were reported from the committee, which go beyond the utilization of hay in areas adjacent to the disaster areas. Two very important additions were added by the committee which are of importance to the Senate, because they would be of great help around the country in meeting disaster conditions, whether caused by drought, flood, hurricane, severe prairie fire, grasshopper plague, or other cause.

The first amendment would authorize the Secretary of Agriculture to make available to producers in the disaster areas Government feeds at a price set at not to exceed 75 percent of the 1961 price-support program.

This procedure would make feed available to producers who have been under severe economic pressure because of natural disaster, and provide an opportunity for them to keep their herds together, and an opportunity to do something to provide for themselves the feed which nature has denied them through this economic disaster. This is a projection of what the Senate did in the previous Congress when it passed a bill introduced by the senior Senator from South Dakota to meet an emergency in the Midwest, and which provided a somewhat analogous provision for those producers. The program has worked out very successfully. I am glad the experiment initiated by my bill has worked so effectively.

The second addition made by the Committee on Agriculture and Forestry provides that from the money which is received from the purchase of hay from the adjacent areas, the Secretary of Agriculture would be given permissive authority to allocate not to exceed $1 an acre to help eliminate the grasshopper

menace in those areas which have been harvested. This suggestion was brought to the attention of the committee by the distinguished Senator from North Dakota [Mr. YOUNG], who has pointed out from his experience as a farmer that when hay is cut in such areas, a refuge which has been found by the grasshoppers is destroyed, and the grasshoppers immediately hop or fly out of the cut fields into the adjacent fields and begin their depredations.

As a consequence, it was thought wise by the committee to add a provision which would give the Secretary of Agriculture, under these circumstances, permissive authority to allocate not to exceed $1 an acre to the farmers in that area so that they can spray the grasshoppers and do whatever is necessary to help eliminate the spread of the grasshopper menace to adjacent areas. Senator YOUNG deserves real credit for his leadership on this matter.

I thought the Senate should know about those two important provisions added by the committee because they, too, help to meet the emergency situations confronted by ranchers and farmers in the disaster area.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time, and passed.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. MUNDT. Mr. President, with regard to the pending amendent, I should like to have the attention of the majority leader. I think the amendment refers to an important departure upon which the Senate should voice its collective judgment. I am not so much concerned about utilizing the remaining 22 minutes of my time as I am in having a yea-and-nay vote on the amendment. If we can contrive a way, by unanimous consent or otherwise, to bring Senators to the floor in order to have a yea-and-nay vote on my amendment, I am prepared to yield back the majority of the time which has been allocated to this side.

I do not know how we can do so under the circumstances, but I seek the guidance and cooperation of the majority leader on that point.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. MUNDT. Mr. President, I yield myself 4 minutes. I regret that it is necessary to press the amendment, but if we are to keep this program in the form in which it has operated so successfully for the past dozen years, and if we are not going to open the door entirely to the payment for bringing innumerable dependents to this country, it is essential that the amendment be adopted.

The Senator from Arkansas has just read from a letter written by the Comptroller General. Under the interpretation of the law as it now exists, he is exactly right, that these limitations on dependents have prevailed. However, the proposed language removes these limitations. As a matter of fact, the committee report itself says—and I quote from page 13 of the report:

> The section—

That is the section under consideration now—

> The section also is intended to broaden the existing authority to provide for certain expenses of accompanying dependents, whose travel and transportation may now be provided to a limited degree under existing legislation.

Let us take a look at the bill to see how much we will broaden it. We will broaden it to include the purposes of section 102 of the bill now before us, S. 1154. What does the section provide? It provides for "visits and interchanges between the United States and other countries of leaders, experts in fields of specialized knowledge or skill, and other influential or distinguished persons."

That language expands the subject far beyond the occasional payment for the visits by dependents who are visiting scholars or professors, which is now authorized under existing legislation.

Then we read in the next subsection a further expansion, which could place a great burden on the taxpayers by bringing other dependents to this country under the proposed program, because subsection (ii) includes tours in countries abroad by creative and performing artists and athletes from the United States, individually and in groups, representing any field of the arts, sports, or any other form of cultural attainment.

It provides not only for the exchange, with dependents, but also for the reverse programs. It provides for any people coming from abroad engaging in the fields of arts, sports, or any other form of cultural attainment. They may have their dependents paid for regardless of the number and regardless of the length of their stay.

Then we go even further in subsection (iii):

> The United States representation in international artistic, dramatic, musical, sports, and other cultural festivals, competitions, meetings, and like exhibitions and assemblies.

It provides for the reverse, for anyone coming to this country to participate in an artistic performance or dramatic performance. As I pointed out yesterday, that would include the Bolshoi Ballet troupe coming over here, or any musical activity, such as a great band or a great orchestra. Their dependents could come here and their coming would be paid for by our American taxpayers unless the type of amendment which I have offered and which is presently before the Senate is adopted. It includes sports, such as baseball teams and basketball teams, even the Russian chess team, or golfers. They could all come to this country and bring their dependents. We would pick up the tab for their expenses while they were here, and for their living costs, and if one of them should sustain an accident, also the cost of the hospitalization; and, of course, if one of them should die here, there would be included the cost of transporting the body back to his home country.

This points up what, it seems to me, is a chronic difficulty which confronts us in the Senate. We start out with a very fine program—and we are all agreed that the exchange and cultural program is an outstanding program—and then we begin to load it up and expand it and enlarge it by providing additional authority, until finally it becomes a colossal expense.

I recognize that in this age of SSS—the swift spending sixties—it has become old fashioned to mention the word economy.

The PRESIDING OFFICER. The time——

Mr. MUNDT. I trust that the Presiding Officer is not using his gavel to hammer me out of order because I have mentioned economy on the floor of the Senate, but only to remind me that my time has expired.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. I yield myself 4 additional minutes. I do not know what we can do about it. I do not have too much hope from discussing this important subject successfully in the presence if inkwells and sand pots on the desks of Senators, and I do not know how we are going to communicate to Senators, who are busy elsewhere, what they are being asked to do.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. KEATING. Under existing law, the authority to bring dependents to the country is not given. Is that correct?

Mr. MUNDT. It is not given except, as the Senator from Arkansas has pointed out, in limited cases under the interpretation of the Comptroller General, under which interpretation a person can be brought to this country if he is the dependent—the wife or child or mother or someone in the immediate family—of an exchange scholar or professor. The proposal now before the Senate would expand this highly meritorious consideration to hosts of visitors, including athletic teams and visiting dramatic troupes.

Mr. KEATING. No matter how many children were involved?

Mr. MUNDT. No matter how many children were involved. This opens it

up wide. It provides specifically that dependents of a professor, for example, may be brought here, or perhaps two wives, if the professor happens to be from a country where they have different marriage ethics, or a different concept of family life. He may happen to be a multiple-wife individual, and he could bring those people here. Of course it is important that we maintain good relations with the Arab world and the Mohammedan world. Therefore, if a Mohammedan scholar has 4 wives and 40 children, he, too, would be eligible to be brought here under the proposal.

Mr. KEATING. This poses what to my mind would be a rather ridiculous extension, except that it would not be mandatory.

Mr. MUNDT. It would not be required.

Mr. KEATING. It is discretionary with someone as to whether the United States will pay the costs of bringing these people over.

Mr. MUNDT. It is entirely discretionary. In that respect, it seems to me, we are running into a very serious matter of diplomatic relations, in the creation of good will. Obviously an administrator, confronted by the Appropriations Committee, is going to be reluctant to tell an Arab with 40 children and 4 wives to have them come here, and probably would in a case like that discriminate in favor of a Scandinavian professor with 2 children and 1 wife. That is not any way to create good will. That is not the way to try to win friends and influence people, by giving an administrator a right to discriminate which he must necessarily have to exercise, because of his fear of the Appropriations Committee, to reject certain people simply because they have a different system of marriage ethics than the one we have in the United States.

Mr. KEATING. The Senator from South Dakota has made a convincing case. Even if his amendment is rejected, I believe he has performed a service, because we must understand that whoever administers the program will be in much trouble with Congress if he permits such abuses as the Senator has referred to.

Mr. MUNDT. It would not be an abuse if Congress passes the proposed legislation. I think the administrator would have a very definite obligation to treat a visitor from a Mohammedan country, who brought his 40 children with him, in exactly the same way as he treated a visitor from a Scandinavian country who brought a small family with him.

If we make this proposal the official American policy by adopting it in this vote, I certainly would not expect the administrator to create ill will throughout the world by discriminating against people who have large families and multiple wives; and I hope he would not. It is highly important that we create good will in the developing areas of the world and not limit this concession, this gratuity, this extension of the franking privilege to include the travel of dependents throughout our country, only to certain select groups from selected areas of Western Europe.

Mr. KEATING. Does the Senator from South Dakota have any figures to show the cost, to date, of the administration of this part of the program; namely, the very limited travel which is permitted dependents under present regulations?

Mr. MUNDT. The cost now is only a few million dollars because, as the Senator has correctly pointed out, under existing law travel is severely circumscribed. It is limited to one dependent. It is limited to certain categories of dependents who enter the country with certain types of foreign visitors. It is working well.

The proposal of the committee would open wide the gate to include everyone for all purposes, regardless of the number of dependents.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. MUNDT. Mr. President, I yield myself 1 additional minute.

Mr. KEATING. I realize that accurate figures probably are not available, but does the Senator from South Dakota have any estimated figures as to the probable cost of such a program if all the wives and all the children of exchange visitors were permitted to come into this country?

Mr. MUNDT. I think that would be impossible to estimate. I have been in foreign countries and have visited with families so large that it would be necessary to charter a plane to bring them all to this country. That could be very expensive, unless we rejected this proposal. I believe it is impossible to calculate the expense. The Appropriations Committee appropriates funds for the administration of the act. The administrator would have to determine how much money he was willing to devote to this purpose. But there, again, we should not begin a process of discrimination among our foreign friends, with whom we desire to maintain cordial relationships regardless of the size of their families.

Mr. KEATING. Does the proposal in the bill include members of the immediate family, or does it simply use the word "dependents"?

Mr. MUNDT. It uses the word "dependents." I assume that would mean a child, a mother, a wife.

Mr. KEATING. Does it refer to the dependent members of the immediate family?

Mr. MUNDT. Yes; a child, a wife, a sister, a brother.

Mr. KEATING. If they were living with the family, would parents or brothers or sisters or wives be included?

Mr. MUNDT. I presume that the well-recognized definition of "dependent" as it applies in the filling out of an income tax return probably would be applicable in this instance.

Mr. KEATING. I thank the Senator from South Dakota.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. MUNDT. I yield myself 2 additional minutes.

I was starting to say, before my colloquy with the Senator from New York, that I recognized that anyone who even mentions the word "economy" in the Senate this year is accused of being hopelessly old fashioned. I was a little fearful, when I heard the gavel fall, that perhaps I was even out of order. But if I am not required to take my seat on the ground that I am out of order in discussing economy, I should like to speak for a few moments about economy, because we have a tremendous need in this country for necessary survival expenditures. That makes it all the more essential to economize in other areas.

The programs comprised in the Fulbright Act, the Smith-Mundt Act, and similar acts are an important part of our foreign policy. But if they are run into the ground by opening up the gates to the extent that the bill provides, I think we will not only endanger the program, but will jeopardize the solvency of the Government, because we immediately commit ourselves to these vast expenses.

In my opinion, the proposal has one other very serious deficiency. During the 12 years the Smith-Mundt Act and the Fulbright Act have been in operation, I have had the experience, and I feel certain the Senator from Arkansas has had similar experience, because our names happen to be attached to the acts of a large number of temporary students in this country visiting my office after their tour of study had been concluded, and asking, "Can you not help me to stay in the United States?"

I feel certain that in the last dozen years more than 50 such students have come to my office. They are almost tearful when they enter. They like our country, and that is fine. But it is necessary to explain that the purpose of the Smith-Mundt Act is not to induce these persons to become immigrants to America, but is intended to give them the thrill and the privilege of attending school in America, and then to go back to their homelands and inculcate in their own countries those elements of our society and economic system which they like and approve.

If they bring their whole families here with them, it will be that much more difficult to persuade them to return to their own countries. Under the act, of course, they can be deported; but that is not the way to win friends and influence people. So long as their families remain at home, the visitors to this country have that additional magnet to pull them back after their tour of duty in the United States has been completed.

So on the basis of economy—which I am afraid is a hopeless plea in this body—in the interest of protecting the program and making it work for the purposes for which it is intended, which is to train people in this country so that they may return to their home countries and practice those things they agree to, I urge that the amendment be adopted.

Mr. FULBRIGHT. Mr. President, does the Senator from South Dakota yield back the remainder of his time?

Mr. MUNDT. I have not done so, but I am prepared to yield back the remainder of my time.

Mr. FULBRIGHT. I yield back the remainder of my time.

Mr. MUNDT. I yield back the remainder of my time.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from California [Mr. ENGLE], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Maryland would vote "yea."

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from California [Mr. ENGLE]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from California would vote "nay."

I further announce that, if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], and the Senator from Hawaii [Mr. LONG] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Minnesota would vote "nay."

The result was announced—yeas 47, nays 42, as follows:

[No. 93]

YEAS—47

Allott	Case, S. Dak.	Fong
Beall	Cooper	Goldwater
Bennett	Cotton	Hickenlooper
Boggs	Curtis	Holland
Bridges	Dirksen	Hruska
Bush	Douglas	Javits
Capehart	Dworshak	Johnston
Carlson	Eastland	Jordan
Case, N.J.	Ervin	Keating
Kuchel	Robertson	Stennis
Lausche	Russell	Talmadge
Long, La.	Saltonstall	Thurmond
Miller	Schoeppel	Tower
Morton	Scott	Williams, Del.
Mundt	Smathers	Young, N. Dak.
Prouty	Smith, Maine	

NAYS—42

Aiken	Hart	Morse
Anderson	Hayden	Moss
Bartlett	Hickey	Muskie
Burdick	Hill	Neuberger
Byrd, W. Va.	Jackson	Pastore
Cannon	Kefauver	Pell
Carroll	Long, Mo.	Proxmire
Church	Magnuson	Randolph
Clark	Mansfield	Smith, Mass.
Dodd	McCarthy	Sparkman
Ellender	McGee	Symington
Fulbright	McNamara	Williams, N.J.
Gore	Metcalf	Yarborough
Gruening	Monroney	Young, Ohio

NOT VOTING—11

Bible	Engle	Long, Hawaii
Butler	Hartke	McClellan
Byrd, Va.	Humphrey	Wiley
Chavez	Kerr	

So Mr. MUNDT's amendment was agreed to.

Mr. MUNDT. Mr. President, I move that the vote by which the amendment was adopted be reconsidered.

Mr. MORTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MUNDT. Mr. President, I call up my amendment "6–28–61—A."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed on page 5, lines 12 and 13, to strike out ", including financing the attendance at such studies by persons from other countries".

Mr. MUNDT. Mr. President, I think we can dispose of this amendment rather quickly, if I may have the attention of the Senate, because the issue is very simple and clear. The question is whether we want to now extend the exchange program so that the U.S. taxpayer will be paying for the education of foreign students in foreign schools.

Largely, the issue is whether or not we want to provide Federal aid to education abroad before we finalize the decision on whether there is to be Federal aid to education at home.

Under the proposed program, the U.S. agency would be able to pay the travel expenses, living expenses, and tuition of students attending foreign schools, instead of transferring them to this country, as was intended in the original act, and as it has operated so successfully in the past.

I may also add, for the information of the Senate, because we have a goodly number of Senators present, that I have only two other amendments. The second amendment would deny the use of these funds through the agency of the United Nations and UNESCO, and keep the funds under the control of the American Government. I think that is highly important.

The third amendment would restore the loyalty clearance, which requirement we have had so successfully for 12 years, and not permit the weakening of the loyalty checks.

I am proud to say there have been no instances of disloyal persons being transferred under the operation of the Fulbright Act or the Smith-Mundt Act. I see no reason in the world to loosen the screen and to open up the floodgates.

Those are the three final amendments I am proposing.

The pending amendment would deny authority to extend the exchange program so that students could go, for example, from a home in Turkey to the university at Heidelberg, Germany, at the expense of the American taxpayer. I think it is important that we bring these students to this country, where they can experience American contact, where they can be on American college campuses, where they can live in American homes, and attend American churches.

The whole concept of the program is that, through these exchanges, the persons who come to this country will tend to carry back to their home countries a little piece of America. There they are able, slowly but surely, to eradiate and spread this concept to their associates. I think that is a sound program.

It seems to me it is altogether too costly and altogether out of context to the program to extend it to the point where students may go from an undeveloped country to a college in England, Germany, or some other country, at the expense of the taxpayers of the United States.

Under the original act, there was authority for support of American-supported colleges abroad, like Roberts College and like the American university at Beirut. But, as the committee report itself says, this proposal extends the authority to include assistance in the establishment of such schools and institutions in areas where they do not now exist and to provide for the attendance of students thereon.

My main concern is that we ruin a good program when we carry it to extreme. I think a good argument could be made on occasion for helping a student abroad go to a certain college. But, good gracious Aunt Nellie, when we are taking months to decide whether we are going to have Federal aid to education in this country, to decide to expand such aid on a global basis is going too far too fast.

My amendment would strike out the third-country exchange.

I reserve the remainder of my time.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

There has been considerable experience in seminars which have been centers for American students, usually with American professors, very often with professors who have been sent abroad under this program, where they have gathered together in certain places. I attended one at Oxford.

The seminars have been held at Salzburg. Other teachers come to the seminars—very often these are summer seminars—for studies relating to America; usually American history, the American constitutional system, the American economy, or any other thing pertinent to America.

As a matter of fact, I think this is one of the most economical ways we can use some of these funds. Travel is very expensive. It is very expensive to bring people from many remote lands to America. Many of the students, especially the professors, cannot attend for a full year. This program enables these people to get a very satisfactory training for a short period of time for a minimum of money.

We had a program at Salzburg for a couple of years. It was quite successful.

Instead of this being extravagant, as the Senator from South Dakota indicated, we believe and the administration believes that this is a very efficient way to spend the money. We get as much or perhaps more for our money from these seminars than we get from any other activity in the program. This is especially true in areas like Africa and the Middle East, which are quite far from America geographically and to which the cost of travel is very great.

The amendment would put a very severe limitation upon the administration and would adversely affect the program, if it were agreed to. I hope the Senate will reject the amendment.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. FULBRIGHT. I yield.

Mr. JAVITS. I should like to support the Senator from Arkansas in his opposition to this particular amendment. I supported the previous amendment offered by my colleague, but I cannot support this amendment.

If we are to make the educational exchange really count, we must have a clear understanding it is education we are after. There must be freedom to locate education where it will be the most effective and will do the most good.

In my own experience, I have found that students studying under American auspices in other countries get the flavor of what we are trying to do as effectively as in the United States. There is great economy, very often, both in respect to travel time and cost. The program gives us a mobility we might not otherwise have. It carries out the concept that our empire, in terms of education, is the world—is the mind of man.

I join the Senator in opposing the amendment.

Mr. FULBRIGHT. I appreciate the Senator's support.

Does the Senator from South Dakota wish to yield back the remainder of his time? Is the Senator ready to vote?

Mr. MUNDT. Mr. President, I shall not detain the Senate long.

In addition to the refresher courses which have been pointed out, the committee report states very clearly that this type of program can be attended by foreign nationals either making a first contact with American educational techniques or taking refresher courses. I submit that is going too far. I submit that we will not receive the maximum benefits and results simply by trying to assure that foreign students, no matter how meritorious they are, receive college educations.

This program has been conceived to be one of bringing students to America, where they get much more than an education. These students get to see America. They read American newspapers; they live with Americans. American students in turn go abroad. There is an entirely new emphasis contemplated, Mr. President, which, it seems to me, will be not only expensive but also will open up an entirely new type of program almost impossible to control.

The Senator from Arkansas mentions that for a while this was done at Salzburg. That is correct. The Appropriations Committees of the Congress stopped it. It is not done now, because it proved to be too costly. It was not giving the results desired. It simply provided a nice blanket for the transporting of people from one country to another at American expense.

I should like to do that, if we had an unbounded amount of money. We run out of money at times. We have difficulty in providing for our own educational problems in this country. Our American dollars are not unlimited in quantity.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Kentucky.

Mr. COOPER. I know there are American universities in various countries. I do not know whether it is called an American university or not now, but Roberts University is one, at Istanbul. One is located at Beirut. I think there is one at Cairo.

Is there any provision in the Fulbright Act or in the Smith-Mundt Act which permits grants to students to attend those American universities?

Mr. MUNDT. That is covered in the original act, Public Law 402. My amendment would not change it. The amendment would knock out the new authority to expand the program to other institutions.

Mr. COOPER. If the amendment should be agreed to, students could receive grants to attend those American universities?

Mr. MUNDT. The amendment would not at all change the provision in Public Law 402, which I can identify for the record so that it will be clear. The section in the original act which covers that matter would not in any way be changed. It is included in the basic act, and it would not be changed. The amendment deals only with the new authority to be provided under the bill.

Mr. President, I ask for the yeas and nays on the amendment, and then I shall be willing to yield back the remainder of my time.

The yeas and nays were ordered.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MUNDT. I yield to the Senator from Ohio.

Mr. LAUSCHE. Is the language which the Senator is asking to strike new language in the bill, or is it contained in existing law?

Mr. MUNDT. I am seeking to strike some new authority to be granted under the bill. There is language in the existing law with respect to American schools abroad. That would not be changed.

Mr. LAUSCHE. The language "including financing the attendance at such studies by persons from other countries" is new, and that is what the Senator is asking to strike.

Mr. MUNDT. The Senator is correct.

Is the Senator from Arkansas prepared to yield back the remainder of his time?

Mr. COOPER. Mr. President, will the Senator yield to me first?

Mr. MUNDT. I yield.

Mr. COOPER. I directed a question to the Senator from South Dakota. He was looking for the section in the law. I should like to know if the Senator from Arkansas is in agreement with the Senator from South Dakota on this point.

Mr. FULBRIGHT. As to the amendment?

Mr. COOPER. No. If the amendment should be agreed to, is there any provision in the law which would be continued which would permit students to attend American universities in other countries, such as the American university in Beirut, or the one at Cairo?

Mr. FULBRIGHT. Only if the student came from that same country.

Mr. COOPER. The student could attend those universities.

Mr. MUNDT. The language of the committee bill, I am sure, does not strike the provision of Public Law 402 permitting assistance to those schools.

Mr. FULBRIGHT. No; it does not.

Mr. MUNDT. It does not strike it.

Mr. DWORSHAK. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. DWORSHAK. Under the provision in the bill as it is now written, would it be possible to finance the education of some person abroad in a college behind the Iron Curtain?

Mr. MUNDT. I do not think that would be very realistic. I suppose it would be possible. I am sure the committee does not have that in mind.

Mr. DWORSHAK. In handling these programs nothing is realistic. I should like to have some assurance as to whether the financing under this section, on page 5, might provide for attendance at colleges behind the Iron Curtain or for attendance at colleges which have Communist teachers who might be spreading propaganda.

Mr. MUNDT. I assure the Senator that if my amendment is agreed to the students will not be able to attend those colleges. That is as far as I can go.

If the Senator from Arkansas is willing to yield back the remainder of his time, I am prepared to do so also.

The PRESIDING OFFICER. Does the Senator from Arkansas yield back the remainder of his time?

Mr. FULBRIGHT. I should like to add that there are no such activities as the Senator has mentioned behind the Iron Curtain.

Mr. DWORSHAK. Is there any restriction in the section?

Mr. FULBRIGHT. The Senator can read the authority stated in section 4. There are no such institutions behind the Iron Curtain.

Mr. DWORSHAK. The provision does not restrict the benefits to any particular group of schools or colleges.

Mr. FULBRIGHT. No; and neither does the existing law. If a college should be established by our country on the moon, I suppose theoretically students could be sent there.

Mr. DWORSHAK. I suppose we would send some students there.

Mr. FULBRIGHT. Mr. President, I yield back the remainder of my time.

Mr. MUNDT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from South Dakota. All time has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr BYRD], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from Minnesota would vote "nay" and the Senator from Maryland would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Oklahoma [Mr. KERR], and the Senator from Hawaii [Mr. LONG] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Minnesota would vote "nay."

The result was announced—yeas 40, nays 51, as follows:

[No. 94]

YEAS—40

Allott	Eastland	Robertson
Beall	Ervin	Russell
Bennett	Fong	Saltonstall
Boggs	Goldwater	Schoeppel
Bridges	Holland	Scott
Bush	Hruska	Smathers
Capehart	Johnston	Smith, Maine
Carlson	Keating	Talmadge
Case, S. Dak.	Kuchel	Thurmond
Cooper	Lausche	Tower
Cotton	Miller	Williams, Del.
Curtis	Morton	Young, N. Dak.
Dirksen	Mundt	
Dworshak	Prouty	

NAYS—51

Aiken	Dodd	Hill
Anderson	Douglas	Jackson
Bartlett	Ellender	Javits
Bible	Engle	Jordan
Burdick	Fulbright	Kefauver
Byrd, W. Va.	Gore	Long, Mo.
Cannon	Gruening	Long, La.
Carroll	Hart	Magnuson
Case, N.J.	Hayden	Mansfield
Church	Hickenlooper	McCarthy
Clark	Hickey	McGee
McNamara	Neuberger	Sparkman
Metcalf	Pastore	Stennis
Monroney	Pell	Symington
Morse	Proxmire	Williams, N.J.
Moss	Randolph	Yarborough
Muskie	Smith, Mass.	Young, Ohio

NOT VOTING—9

Butler	Hartke	Long, Hawaii
Byrd, Va.	Humphrey	McClellan
Chavez	Kerr	Wiley

So Mr. MUNDT's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MUNDT. Mr. President, I offer my amendment identified as "B".

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, lines 12 and 13, strike out ", the United Nations and other international organizations,".

On page 7, strike out lines 8 to 13, inclusive.

Mr. MUNDT. If Senators will turn to page 6, lines 12 and 13, of the bill, this amendment can be explained very easily. The issue is whether we wish to change the program from one which is presently directed and controlled by the Department of State and the executive offices of this country through multilateral and bilateral agreements, or whether we want to turn it over to the United Nations and to UNESCO. This language on page 6 conveys authority to the President:

> The President is authorized to enter into agreements with foreign nations—

That is all right—

> the United Nations and other international organizations—

Such as UNESCO.

I speak as a battle-scarred veteran of UNESCO, because that organization grew out of legislation which I introduced in the House of Representatives. It has proved to be very controversial, although it is correcting its record. I believe it is improving its techniques. We grapple with this problem every year in the Appropriations Committee. It gets an appropriation of its own. I have fought hard for it there. Certainly I do not believe that we ought to authorize the President to spend the money we appropriate under this act either through UNESCO or through the United Nations or through any other international organization.

We should continue to maintain control of it as we have in the past—controls emanating from this Government, and expanding both bilaterally and multilaterally, but not permitting appropriations made for this purpose to be channeled out through the United Nations or through any other international organization which we are unable to control. The effect of the language in the bill would be to grant the President unlimited authority in furtherance of either educational or cultural programs and to make agreements with international organizations.

He already does have the authority, which has been used in the main constructively through UNESCO, to work through the United Nations Organization. However, that is a specific appropriation for a specific purpose. Here we are dealing with multimillion-dollar appropriations. Unless we correct the language in the bill it will mean that the money which is appropriated can be channeled out through the United Nations as commitments are made. The United Nations would love to conduct these exchange programs, these educational programs, with our money. We are just now licking our wounds over the very unhappy experience we have had with the United Nations financial arrangements in connection with the difficulties in the Congo, where we have had an increased burden placed upon the American taxpayers, by causing the United States to pay an undue and an unfair share of the total cost.

Time and again in the Appropriations Committee we have tried to reduce down to a third the part that the American taxpayers pay for the support of the United Nations activities. In some areas we have not been able to do even that, despite the fact that there are now, in round figures, a hundred members of the United Nations, despite the fact that some other governments are in better condition financially than the United States, and despite the fact that our proportionate ratio would be much less than the third that is shouldered off to us in increasing percentages.

Unless the language in the bill is corrected, it will mean that money which is appropriated 100 percent from the U.S. Treasury can be directed, channeled, and programed either by the United Nations or by UNESCO or by some other international organization. I do not believe we should commingle these programs. The Fulbright program, the Smith-Mundt program, and other programs have demonstrated a capacity to create results in the direction of American leadership. They should not be commingled with United Nations programs, programs sponsored by UNESCO, or programs conducted by any other international organization. The language of the bill has that sole purpose. The sole purpose of my amendment is to strike that language from the bill.

Mr. President, I reserve the balance of my time.

Mr. McGEE. Mr. President, will the Senator from Arkansas yield 3 or 4 minutes to me?

Mr. FULBRIGHT. Mr. President, I yield 5 minutes to the distinguished Senator from Wyoming.

Mr. McGEE. Mr. President, I have followed this particular phase of the bill fairly closely. I am deeply interested in the principle at stake in the bill. Likewise, I am mindful of the understandable concern of the Senator from South Dakota in his wish to strike certain language from the bill involving running any of the educational exchanges or programs through the United Nations.

I believe it is important, however, that we seek to evaluate what it is we have in mind in our educational effort in this regard. I do not believe it is necessary to remind the Senate that education in pursuit of ideas is not a national image or a national entity; that ideas know no

national boundary lines or no legislative restraints; that we fight ideas with ideas.

We believe in the power of education. Now we are asked to circumscribe its freedom to operate and thus lose its total capability of creating an impact in other parts of the world. I think we in this body would be guilty if we destroyed the language which the Senator from South Dakota seeks to eliminate by limiting our capability and our belief in the role of education in raising the intellectual level throughout the world.

I can personally testify that there are sections of the world, particularly in many of the newly emerging areas, having real sensitivity—parts of Africa, parts of south Asia, parts of our own hemisphere—where we can direct the educational operations of any single country, however rightly or wrongly, in an attempt to propagandize or line up areas which have experienced colonialism.

Those people, on the other hand, have developed a deep and abiding faith in what we call a world organization having unselfish purposes.

However one may wish to quarrel with some of the mechanics of that organization, the fact remains that not only are we committed to it and through it, but we are demonstrated believers in it, and the chief strength of our dedication to it is our utilization of it in order to raise the level, in measurable quantities around the world, by relying not on one approach only. I think we must make every approach we can conceivably take, so as not to prevent our friends in those areas where this program is amenable and acceptable to the countries involved.

What the bill does is to carry the same belief and faith we have through another area and another economy, where it can reach people who otherwise might not be reached, in the interest of the objective we have in mind.

I believe it is more proper for us, with our stature and our confidence, to assure ourselves that we have the right to assume, before the eyes of the world, that we may carry this program one step further, in our conviction that education, unlimited, uninhibited, uncontrolled, in the very broad philosophical sense, is the real power, the real resource at our command.

This further emphasizes to those questioning quarters of the world that we believe in what our words seek to convey; namely, that we believe in cooperative efforts among the nations of the world, through the United Nations, to try to achieve a higher level of human living and human ideals, and the achievement of those standards around the globe.

For these reasons, it seems to me that the amendment of the Senator from South Dakota should be rejected.

Mr. FULBRIGHT. Mr. President, I yield myself 3 minutes. I endorse what the distinguished Senator from Wyoming has said. I also call the attention of Senators to the restrictions which have been placed in the authority, on page 7:

> In such agreements with the United Nations and other international organizations, the President may provide for equitable U.S. participation in and support for, including a reasonable share of the cost of, educational and cultural programs to be administered by such organizations.

In other words, it is not intended by any means, that the United States shall pay all the cost. There are nations, particularly some of our Latin American neighbors, which are reluctant to sign direct bilateral agreements, for fear of being accused of or influenced by what they call colonialism. There are countries which are hypersensitive to that sort of thing. Nevertheless, the condition exists.

There are countries in which we have a great interest, but which do not wish to enter into these programs directly, for fear they will be accused, especially by neutral nations, of becoming satellites of the United States. However, they would be agreeable to a program administered by the OAS.

The bill simply provides authority to the President, but it is not intended, by any means, that the United States shall pay the whole cost; only an equitable share.

One other feature of the bill is the provision for, or the attempt to provide an opportunity to use some of the local currencies in the foreign countries, currencies which it is very difficult for us to use now. We now have available some currencies which may not be convertible into hard currency or dollars, but which may be used in some countries that are contemplated by this authority.

I do not believe there is much danger involved; on the other hand, there would be great opportunities to assist in the expansion of this kind of activity through the OAS, the United Nations, and NATO.

Every time I have attended a conference of the NATO parliamentarians, it has, I believe without exception, adopted a resolution endorsing the idea of NATO scholarships among the various NATO countries.

Also, I believe this program would be valuable in the African area.

Mr. President, I yield 3 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, I think the amendment of the distinguished Senator from South Dakota might handicap the United States in its effort to fulfill the purposes of the act, and might possibly make its administration more expensive in the long run.

I mention one specific interest, namely, the interest of the Western nations in improving conditions in the Congo—restoring the stability of the government and improving the health of the people of the Congo. One of the programs which some of the nations are carrying on now is the training of a large number of Congolese to be, perhaps not doctors, but able to give adequate medical care and treatment. Several hundred Congolese students are being sent to European schools, principally to schools in France, because the Congolese cannot speak English and they would lose a lot of time if they had to master a new language. Some of them already had some training in the fields they are pursuing.

It seems to me that the United States would do better to cooperate with other countries, in cases such as the Congo, in carrying on these programs, rather than to assume the full responsibility ourselves.

We could not possibly do enough, all by ourselves, to meet the needs of those countries. So I believe we would accomplish more if the responsibility were shared.

In this connection, I refer to the fact that training is being given in first aid, so that medical care can be given when it is needed—perhaps not as complete care as would be given by first-grade doctors, but sufficient to be of very definite help to the people of these countries. I am afraid that the amendment, if enacted, would handicap or prevent our participation in that work. I do not know the extent to which we are participating in it, at the present time, if at all. I would expect that the extent of our participation in it would be no greater than the extent to which we are participating in other similar international activities.

Mr. MUNDT. Mr. President, on the question of agreeing to this amendment, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. PELL in the chair). Is there a sufficient second?

The yeas and nays were ordered.

Mr. MUNDT. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 1 minute.

Mr. MUNDT. Mr. President, I can agree with all the noble sentiments expressed by Senators who have been speaking in support of this program. My objection to this part of the provision is that it would make possible the use of U.S. taxpayers' money, through the United Nations, in connection with the program. At the present time we, ourselves, can do this work in the Congo—and it is good work—through multilateral agreements. There is now nothing in the world to prevent our State Department from making multilateral agreements with any countries in the world. But I submit we do not want this program placed in the United Nations, where the Communist countries also would have something to say about how our money is spent in cultural exchange and education programs. But that is exactly what would happen under this language of the bill.

Furthermore, this part of the bill itself offers no protection to the U.S. taxpayers. The Senator from Arkansas has stated that on page 7 the bill includes the words "equitable U.S. participation." I direct attention to the words in line 9, as follows: "the President may provide for".

That part of the bill does not say "the President shall provide for" or "the President must provide for", but it states that "the President may provide for".

Mr. President, the Charter of the United Nations requires—by compulsion—that the Communists pay their fair share in the United Nations; but the

Communists do not do so. This part of the bill would permit the utilization of this fund through UNESCO.

Members of the Senate Appropriations Committee realize full well that Russia has also reneged on its share or contribution to UNESCO. How far do we want to go in placing such burdens on the shoulders of U.S. taxpayers—not only in the case of our legitimate part of the expenses of such an organization, but also in the case of the parts which certain members of the United Nations refuse to pay?

Furthermore, in connection with what all of us are trying to accomplish—namely, the spread, internationally, of Western civilization and Western ideals—it is important to realize that that achievement will not occur if the program is operated through the United Nations, with the Communists having the right to veto, as well as the right to vote and to help direct. I know something about the UNESCO program, because I was in at the borning. We wrote into the UNESCO charter a provision that there could not be a veto, and that the majority would control. But even in that case the presence of the Communists has prevented UNESCO from doing its work as well as it should.

So, Mr. President, now to make these funds available to the United Nations, where the veto operates—as it did, only the other day, against us, again—and where the Russians have welshed on their responsibility to make their fair contributions, and only recently reneged on another part of them, would only thwart our attempts to achieve greater realization of the advantages of Western civilization and the Western way of life.

Mr. President, today, under present law, our Secretary of State can enter into agreements with any country or group of countries in the Congo, in order to win their cooperation and their support. It seems to me that is the basis on which we should proceed.

Mr. LONG of Louisiana. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I am glad to yield.

Mr. LONG of Louisiana. If I correctly understand the legal situation, in the absence of the words the Senator from South Dakota seeks to have stricken out of the bill, the President could still make the agreements. The only difference would be that Congress would have to have an opportunity to see them—as in the case of the ratification of a treaty.

Mr. MUNDT. Yes—although not even that. In the absence of the words which I wish to have stricken from the bill, the President could make such Executive agreements unilaterally. But I object to the part of the bill which would make possible the turning over of these U.S. funds to the United Nations and would make possible the use of those funds by the United Nations.

The issue before us is whether we wish to make available uncounted additional U.S. taxpayers' dollars, which then could be used by the United Nations or by some other international organization entirely removed from control and direction by the U.S. Government, which taxes its people to provide the funds with which to support the program. The issue is as clear as the path to a country schoolhouse. The Senate can decide it for itself. I merely wish to bring these points to the attention of the Senate, as it approaches the yea-and-nay vote.

Mr. President, if the Senator from Arkansas is willing to yield back the remainder of the time under his control, I shall do likewise.

Mr. FULBRIGHT. Mr. President, I yield back the remainder of the time under my control.

Mr. LAUSCHE. First, Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield; I did not realize that the Senator from Ohio was seeking recognition.

Mr. LAUSCHE. I note that the words the Senator from South Dakota seeks to have stricken from the bill constitute an expansion of the existing program.

Mr. MUNDT. That is correct.

Mr. LAUSCHE. I subscribe to the views which have been expressed in regard to opposition to channelizing of funds into the United Nations and other international organizations, inasmuch as we can achieve the same objectives through the normal processes, without going through those organizations.

Mr. MUNDT. I thank the Senator from Ohio.

Let me say we can also achieve those objectives by the established international cultural and exchange program under UNESCO, for which we appropriate specifically every year. So, in addition to multilateral agreements, an existing international organization is already established for this purpose. I simply wish to maintain this U.S. program on its own, so it can continue the very successful operation it has achieved during the past number of years.

The PRESIDING OFFICER. The question is on agreeing to the amendment lettered "B" of the Senator from South Dakota. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Hawaii [Mr. LONG], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Hawaii [Mr. LONG] would each vote "nay."

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from Minnesota would vote "nay" and the Senator from Maryland would vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Minnesota would vote "nay."

The result was announced—yeas 35, nays 57, as follows:

[No. 95]

YEAS—35

Allott	Ellender	Mundt
Bennett	Ervin	Russell
Boggs	Fong	Schoeppel
Bridges	Goldwater	Scott
Bush	Hruska	Smith, Maine
Capehart	Johnston	Stennis
Case, S. Dak.	Jordan	Talmadge
Cotton	Kuchel	Thurmond
Curtis	Lausche	Tower
Dirksen	Long, La.	Williams, Del.
Dworshak	McClellan	Young, N. Dak.
Eastland	Miller	

NAYS—57

Aiken	Gruening	Monroney
Anderson	Hart	Morse
Bartlett	Hayden	Morton
Beall	Hickenlooper	Moss
Bible	Hickey	Muskie
Burdick	Hill	Neuberger
Byrd, W. Va.	Holland	Pastore
Cannon	Jackson	Pell
Carlson	Javits	Prouty
Carroll	Keating	Proxmire
Case, N.J.	Kefauver	Randolph
Church	Kerr	Saltonstall
Clark	Long, Mo.	Smathers
Cooper	Magnuson	Smith, Mass.
Dodd	Mansfield	Sparkman
Douglas	McCarthy	Symington
Engle	McGee	Williams, N.J.
Fulbright	McNamara	Yarborough
Gore	Metcalf	Young, Ohio

NOT VOTING—8

Butler	Hartke	Robertson
Byrd, Va.	Humphrey	Wiley
Chavez	Long, Hawaii	

So Mr. MUNDT's amendment was rejected.

Mr. LAUSCHE. Mr. President, I offer an amendment on page 18, line 17, after the period, to insert the following language:

The Commission shall make a special study of the past effectiveness of programs with emphasis on the activities of a reasonably representative cross section of past recipients of aid and shall submit a report to the Congress not later than June 30, 1962.

The purpose of my amendment is to have a report made to the Congress showing the effectiveness of the program. I do not contemplate that a person-by-person study of the 76,000 persons who have received aid under the program should be conducted. The study would relate to a reasonable cross section of recipients of aid in South America, in Africa, in the Far East, in the Middle East and in Europe.

I make this proposal because discussions have arisen concerning the effectiveness of the program. I am personally not certain, although I lean toward the belief that the program has been effective.

I respectfully ask the Senator from Arkansas to accept the amendment. I think it is reasonable. It will not entail undue expense, and it will provide for the Congress in 1962 a report as to what we have been creating through the program.

Mr. FULBRIGHT. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 3 minutes.

Mr. FULBRIGHT. Mr. President, I think the Senator's amendment has merit. We are interested in having reports. We receive reports from individual countries now. Of course, we also receive an annual report, which reviews what has been done.

If I correctly understand the amendment offered by the Senator, he would like to have a little more thorough review, with a cross section study, rather than a country-by-country analysis. I see no objection to the amendment, with the reservation that I do not wish to put the Department to an undue expense of having to look at the records for all the people involved. A representative cross section study as to what has happened to people would be interesting. We have had approximately 12 years of experience. A world of information is available. Primarily it is a matter of coordinating the information.

I think it is something which ought to be done.

The only concern I have is to keep the report within reasonable limits as to expense. I believe with the language of the amendment and the legislative record the Senator has made, this will be interpreted in the spirit that the Department would not try to run down everyone who has participated. Too many people are involved.

With that explanation, I think it is a good amendment, and I am willing to take it to conference.

Mr. MORSE. Mr. President, will the Senator yield me 1 minute?

Mr. FULBRIGHT. I yield 1 minute to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. MORSE. I am glad the chairman of the committee is accepting the Lausche amendment and will take it to conference. I hope it will survive the conference.

I have one additional suggestion to make. We receive many reports. We are in the habit, in the Senate, of calling for reports from one department or another. We receive the reports and nothing very much is done about them.

As the chairman of the committee knows, I thought we had a very illuminating and helpful discussion this morning in the Committee on Foreign Relations as we talked about this program, in our examination of three nominees for posts of ambassador and one nominee to be an Assistant Secretary of State.

I wish to suggest that the legislative history might show that, after we receive the report, it will be the plan of some of us, at least, in the Committee on Foreign Relations—I assure the Senator from Ohio I shall join with him—to make the report the subject of hearings with the people in charge of the program, so that we can discuss the report with them and ask them questions about the report in an official hearing of the Committee on Foreign Relations of the Senate.

I am sure the chairman of the committee would not oppose such a legislative history. I am sure the chairman of the committee would be glad to join with the Senator from Ohio and the Senator from Oregon in scheduling such a meeting after the report has been received.

Mr. FULBRIGHT. Yes, indeed. I think that would be a very proper procedure.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Connecticut.

Mr. BUSH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in the debate a telegram from Lucia Chase, a director of the American Ballet Theater, who has made four tours abroad in association with the international cultural exchange program, and who especially has been able to observe the effects of performances by American artists in promoting better mutual understanding among the people of the world, particularly those behind the Iron Curtain.

In view of our discussions yesterday about some of the terrible entertainment that we export from this country, I thought it would be refreshing to have Mrs. Chase's testimony as to her own experience with a fine troupe of entertainers, the American ballet group.

I ask unanimous consent also that following Mrs. Chase's telegram there be printed in the RECORD a letter from Mr. William C. Bendig, the publisher of the magazine known as the Art Gallery, in which he heartily endorses the purposes of the proposed legislation.

There being no objection, the telegram and letter were ordered to be printed in the RECORD, as follows:

WATERBURY, CONN., *July 5, 1961.*

Hon. PRESCOTT BUSH,
U.S. Senate, Washington, D.C.:

Having accompanied the American Ballet Theater as director on four tours abroad in association with the international cultural exchange program, I have been able personally to observe the effect performances by American artists have had in promoting better mutual understanding among the people of the world, during recent tours particularly behind the Iron Curtain in Poland, Bulgaria, Rumania, Yugoslavia, and the Soviet Union. I have been impressed by the additional contribution which American artists have been able to make off the stage, particularly young artists who are able to mix with the youth of foreign countries and through their exemplary behavior win admiration for the youth of America in general. For these reasons, I urge the passage of the Mutual Educational and Cultural Exchange Act.

LUCIA CHASE.

THE ART GALLERY,
Hollycroft, Ivoryton, Conn., June 30, 1961.

Hon. PRESCOTT BUSH,
Old Senate Office Building,
Washington, D.C.

DEAR SIR: Recently my attention was called to the fact that there is a bill pending before the Senate in regard to mutual education and cultural exchange. The number of the bill is S. 1154.

As publisher of an art magazine, I am particularly concerned with the cultural environment of our Nation and often involved with organizations and individuals who will be directly affected by further development of the educational and cultural climate.

In addition to my normal contact with this matter, I have deep personal convictions because I am well aquainted with the attitudes of Europeans on this subject. Having just returned from my usual annual 3-month stay in Europe, I am more sensitive than ever to the myth developed there which labels Americans "culturally uncivilized."

During the past 3 years I have been responsible for being and/or entertaining nearly a dozen intelligent Europeans in our country. Most of these Europeans have been friends of long standing and because of friendship they were always very frank in voicing criticism and opinions of America and Americans. These statements were rarely flattering and if at all positive were in most cases given with condescension.

In every single case, after these Europeans had visited the United States and saw the facts for themselves, they not only changed their attitudes but they returned to their various countries respecting America and are now defenders and champions. I had the good fortune on this past trip to overhear many of their positive and thought-out arguments in our favor.

Forgive this long letter, but I hope it will be of value and that you will decide to vote in favor of the previously mentioned bill.

Sincerely yours,

WILLIAM C. BENDIG,
Publisher.

Mr. LAUSCHE. Mr. President, I yield myself 2 minutes.

On page 123 of the transcript of the hearings there appears the testimony of Mr. Coombs, who is the Assistant Secretary of State for Educational and Cultural Affairs. In questions propounded to him by myself he testified that the cumulative figures for 1949 through 1960 showed that out of a total of 76,000 in all, 55,000 foreign exchanges came here, and 21,000 Americans went abroad.

I do not contemplate that the study shall cover the 21,000 students of our country who went abroad, but it would embrace a reasonable cross section of the 55,000 who came from foreign countries to our country.

Mr. President, I yield back the remainder of my time.

Mr. FULBRIGHT. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. LAUSCHE]. All time has been yielded back.

The amendment was agreed to.

Mr. MUNDT. Mr. President, I call up my amendment 6-28-61—H.

The PRESIDING OFFICER. The amendment of the Senator from South Dakota will be stated.

The CHIEF CLERK. On page 13, line 4, immediately after the period, it is proposed to insert the following new sentences:

If an investigation made pursuant to this section develops any data reflecting that the person who is the subject of the investigation is of questionable loyalty or is a questionable security risk, the investigating agency shall refer the matter to the Federal Bureau of Investigation for the conduct of a full field investigation. The results of that full field investigation shall be furnished to the initial investigating agency, and to the agency by which the subject person is employed, for information and appropriate action.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

Mr. MUNDT. Mr. President, the purpose of the amendment is to button down specifically the security provisions which have worked successfully in this theater of activity for the past 12 years. In consultation with the chairman of the committee and his counsel, I believe that the committee has in mind doing pretty much what the senior Senator from South Dakota has in mind, except that it would not specify the proposal so that we could be certain what kind of security provisions we would have.

Therefore, it has been suggested that I offer as a substitute for my amendment language which would achieve the same result, by spelling out, so all would know, what the security provisions are, in language which I shall now discuss. If the proposed language is agreeable to the chairman of the committee, I shall accept it in the form of a substitute for my amendment, and this part of our discussion will be behind us without a rollcall.

It has been suggested that beginning in line 4, page 13, in lieu of the proposed amendment which I have offered, ahead of the word "established" the word "now" be added. It is proposed then to strike out the word "the" so that the final sentence would read as follows: "shall be investigated to insure that the employment or assignment is consistent with the national interest in accordance with standards and procedures now established by Presidential Executive Order 10450, as amended."

Such language would make the measure uniform for employees covered as against other employees in similar positions with the Government, and would provide assurance that there would be no weakening of the security checks without a return of the matter to Congress. If my suggestion is satisfactory, I think we might have a meeting of the minds on this point.

Mr. FULBRIGHT. Mr. President, the only point about the proposal that bothers me is the suggestion of language that would freeze the Presidential order as of the present.

I have no objection to the provision being uniform. In fact, such was the objective of the committee in the language incorporated in the bill. The committee desires to make the security provisions for the program uniform with the security provisions of far more sensitive operations in the Department of State.

The only problem with the language that the Senator has proposed is the word "now." What I should like to ask the Senator to consider is the following language, which I believe would serve his purpose, and certainly would be in accord with the committee's objective. I submit it in place of the language of his amendment. I suggest, instead of "now," that the amendment read:

Procedures as established by Presidential Executive Order 10450 as amended.

Then if any change is made with regard to that order, which is applicable not only to the program which we are discussing, but to all security provisions of the Department of State, it would be uniform. If we include in the amendment the word "now," and freeze it as to the department we are discussing, then if any change were made, it would be applicable to the rest of the department but not to the one we are discussing. Then, again, we would run into differences.

The real problem is not the extent of security, but the differences that would exist between the subject activity and other activities in the Department of State, which is the present situation.

All we are seeking to do is to make the provision uniform. We do not seek to weaken it, but to make it uniform with other activities, so that in the event there were an assignment of a person from the Foreign Service or from any other division in the Department, as occasionally happens, to another division in the Department, we would not have to go through a completely different security clearance performance, which would cause delay and trouble. Our only objective in the provision was to make it uniform with the rest of the security provisions. But I believe if the word "now" were included, or, as was suggested a moment ago, the word "presently," whenever any change is made, either strengthening or changing the law in any respect, such provision would not be applicable to the present measure, but would apply in the rest of the Department. We would then have a recurrence of the difference. The only objective we have is to make the provision uniform so these differences will not occur.

I would accept such an amendment as the one I have suggested.

Mr. MUNDT. Mr. President, if we eliminate the word "now," we might as well eliminate the whole passage, because the only purpose of inserting the word "now," or, as earlier suggested, the word "presently," is that Congress would know precisely what kind of security provisions prevail in this delicate field.

On the question of uniformity, there has never been uniformity. When we passed the measure in the 80th Congress, we specifically wrote a tighter security screen for the proposed activities than we had for the normal activities of civil service—such as for someone who distributes mail or someone who is a secretary in the Post Office Department. The present measure deals with a very delicate problem in various sections of the world. It was properly set apart at that time for special consideration. It was not until several years later that the other departments were brought up to the grade that we had established for the exchange programs. Executive Order 10450, as amended, would provide the kind of security desired, because we have upgraded the other departments.

We got into the present mess because there were times when Presidents were not quite careful enough about writing Executive orders. We have always had orders covering the security field. We got Alger Hiss during the period of time when the orders were inadequate and loose. We got Watson, Lovett, and Dodd. A host of such people came into Government during those days. Finally, in writing the act, we said we would have a special screening, and it has never missed, at least so far as the Senator from South Dakota is aware. I hope we retain the screen for our security.

I am perfectly content with the language as it is now proposed, but if we take out the word "now" or if we take out the word "presently," the passage becomes as meaningless as it was in its original form. The way to write legislation is to set it out, so that we know precisely what it means. It was proposed, instead of repeating the pertinent passages from Executive Order 10450, as amended, that we make reference to the act as presently written. So I said, "All right." Then it was said that we should take out the word "presently." If we do that, the language means nothing, because the language can be changed or altered or modified or eviscerated. We will not know what we have. The Senate should decide at this hour, because this is the time and this is the place, whether we want to weaken in any way our security check, which has worked perfectly, whether we want to reaffirm what is now in the law, or whether we want to leave it to chance, as formerly, when we got into a great deal of trouble all over the world. If I understand the threatening clouds in world conditions today, this is not the time to retreat from the standpoint of making sure that we have only good Americans on guard. I very much hope that the chairman will accept the language, either as spelled out in the amendment at the desk or in the language which is now proposed, so that we may know what we have.

Mr. FULBRIGHT. Mr. President, I yield myself 3 minutes.

I repeat that the language in the bill is not a retreat, and it would not weaken the provision. The Senator completely misrepresents the purposes and the effect of the committee's amendment. The Senator's own bill, which he talks so much about, had a provision in it with reference to the Civil Service Commission. He does not attempt to say that the Civil Service Commission shall ever change its procedures. He is seeking now to inject an entirely new element, which would freeze the existing Executive order for all time until they came and asked his permission to change it. The same thing was true with respect to the Civil Service Commission when his bill was passed. I am perfectly willing to take an amendment limited to the procedure established by the President's order. That covers all our Government agencies, except when there is a specific situation in some particular department, but it covers all existing agencies which have any occasion for security clearance. All we are saying is that there should be uniformity. If it is not adequate as it applies to the Department of State and the Department of Commerce or to the Pentagon, or any other agency, except where there is some special exception, it ought to be strengthened. I was under the impression, as I am sure the Senator is also, that that provision is adequate. I cannot imagine that a President would be so utterly irresponsible as to destroy it. If he did,

I am sure the Senator from South Dakota and others would raise enough of a protest that he would not do it, or it would become a matter of major importance.

I do not believe it is sound legislative procedure to provide that under this program there shall be no change, although there may be changes in the rest of the government. I cannot accept that kind of amendment as a matter of principle. I will accept it if it reads "as established by Presidential Executive order." If the procedure were strengthened in connection with other agencies, it would be strengthened in connection with this agency. That is all I can say. I do not believe we can start freezing these orders for all time in this specific bill.

Mr. MUNDT. Since the Senator from Arkansas is unwilling to agree, I will discuss briefly my amendment which is on the desk. It was not my suggestion that we try to write language which would be agreeable. It came from the other side of the aisle. I have tried to arrive at some adjustment. If the Senator does not want to freeze the order, I have no reason to suggest that it be done. I suggest we go about our business of writing the kind of security provisions we have always had, the kind which are essential and effective and which will apply to this very delicate operation. We do not have uniform security regulations that apply to all agencies. The Senator from Arkansas realizes that someone working in the Atomic Energy Commission has an altogether different kind of clearance from a person who handles the soil conservation program in the happy valleys of Arkansas. We have various kinds of measures and security provisions to meet particular problems.

We are talking about people who will represent us in various areas of the world.

I shall read this simple amendment which is at the desk. It would spell out for this bill, until Congress changes it, the security provision. It would not leave it in the dark. The security provision would not be subject to change at some future time by Executive order which would reduce the security clearance of those who are covered by the bill to the grade of clearances of people who sweep the floors as custodians of Government buildings. I read the amendment:

On page 13, line 4, immediately after the period, I would insert the following new sentences:

If an investigation made pursuant to this section develops any data reflecting that the person who is the subject of the investigation is of questionable loyalty—

This applies only to people with respect to whom the Government investigators have found a question of loyalty—

or is a questionable security risk—

Then what happens? Do we deny the man the job? No. Do we say that some penalty is invoked against him? No. Is he going to be exposed to public scorn? Not at all. If the Government investigator finds that such a person is of questionable loyalty or is a security risk, then—

the investigating agency shall refer the matter to the Federal Bureau of Investigation for the conduct of a full-fledged field investigation.

What under high heaven is wrong with that, if we are interested in protecting the security of the country? This is what is done at present under other statutes with respect to a great many Government employees dealing with problems that affect our security.

In addition:

The results of that full field investigation shall be furnished to the initial investigating agency, and to the agency by which the subject person is employed, for information and appropriate action.

The agency can still hire him if it so desires, but it has been warned in advance. I submit that we are dealing with a very serious business in very serious times. I hope the Senate wants to know what it is legislating about. We are dealing with a program which for a dozen years has operated successfully, because it has involved special protective security measures, such as we have in the Atomic Energy Commission and in many other fields. Why we should even talk about letting down the bars, why we should even talk about buying a cat in a bag, and say that the Executive order, whatever it happens to be for the Civil Service Commission people, shall apply here, I do not understand. It may be good enough for some people, but it is not good enough for me. I want it understood that we should not adopt any program which reduces in any way the protections we have. Let me iterate what the amendment does, and then, so far as I am concerned, I will yield the floor. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MUNDT. The amendment strikes nothing from the bill. It leaves the committee language intact. It merely adds the following sentence:

If an investigation made pursuant to this section—

The section written by the committee—

develops any data reflecting that the person who is the subject of the investigation—

The person seeking the job—

is of questionable loyalty or is a questionable security risk, the investigating agency shall refer the matter to the Federal Bureau of Investigation for the conduct of a full field investigation.

Who among us desires potential Government employees to have less clearance than that in times like these? This is standard operating procedure under the present Executive order. I wish to make certain that it is applicable in this very sensitive field.

Then the amendment provides:

The results of that full field investigation—

The Federal Bureau investigation—

shall be furnished to the initial investigating agency—

The Civil Service Commission or whatever other agency it may be—

and to the agency by which the subject person is employed—

The State Department, in the main, in this instance—

for information and appropriate action.

Even then the language does not provide that such person may not be hired. If the agency insists on hiring such a person, at least a record of him is in the file. At least, it will be known who has done what and for what reason. This provision affords some kind of protection.

Mr. DWORSHAK. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield.

Mr. DWORSHAK. Without the adoption of the Senator's amendment, what procedure is now provided in the bill to insure safeguards against a security risk?

Mr. MUNDT. If the Senator is asking as of now, there is coverage by Executive Order 10450. If he is speaking of 5 minutes from now, no one knows, because the procedure can be changed at any time by Executive order. There is nothing firm, nothing fixed. The question is whether we want to write a bill we can understand or write a bill which will not be understood.

Mr. FULBRIGHT. Mr. President, I yield myself 1 minute. This is exactly the situation with respect to the present Smith-Mundt Act. As of now, we know where the responsibility for the investigation is. It is under the Civil Service Commission. As of tomorrow, the Civil Service Commission could change the regulation. This is true of every security activity under the existing Executive Order 10450, which covers most of the Government.

The Senator from South Dakota seeks to depart from the procedure he has been speaking about with respect to the Smith-Mundt Act, which has been subject to change if the Civil Service Commission wishes to change it. That is true of all such acts. There is nothing strange or insidious about the committee's proposal.

Mr. BUSH. Mr. President, will the Senator from Arkansas yield for a question?

Mr. FULBRIGHT. I yield.

Mr. BUSH. Does the language as it now appears on pages 12 and 13 conform with the existing civil service requirements for investigation with respect to persons who go abroad for the State Department?

Mr. FULBRIGHT. The language in the bill make the standards applicable to this program in accord with the standards applicable to all the personnel of the State Department now.

Mr. BUSH. It does?

Mr. FULBRIGHT. What we seek to do is to make the standards uniform.

Mr. BUSH. In the new language, the language in italics, the same language as applies, under civil service regulations, to other persons who go abroad in the service of the State Department?

Mr. FULBRIGHT. Yes.

Mr. BUSH. It is?

Mr. FULBRIGHT. Yes. It applies to all the other employees of the State Department, and also to employees of the

Department of Commerce. This language conforms with the language that applies to the other employees of the State Department.

We are not seeking to make this program weaker than any other program, but there is no reason why this program should be more sensitive than some other activities, such as the code room of the State Department. It is no more sensitive than that. We are making the requirements uniform. I think it would minimize the amount of paperwork and confusion if there should be a transferring of a person from one activity to another.

I do not believe the standards for investigation by the Civil Service Commission should be more rigorous in any respect or should give us any greater assurance than under the Presidential order.

Mr. MUNDT. Mr. President, I yield myself 1 minute.

The Senator from Arkansas said that this was the same protective clause as was in the original Smith-Mundt Act. However, section 1001 of Public Law 402 of the 80th Congress, which is the Smith-Mundt Act, under the heading "Loyalty Check on Personnel," provides:

> No citizen or resident of the United States, whether or not now in the employ of the Government, may be employed or assigned to duties by the Government under this Act until such individual has been investigated by the Federal Bureau of Investigation and a report thereon has been made to the Secretary of State.

That language remained in the bill until an Executive order was evolved which prescribed adequate and effective security investigations and clearances for other employees, at which time it was made applicable to the Smith-Mundt Act, because the same procedure was followed. We did not always have this provision. We may not always have it. It does not apply to all Government employees. I wish to be certain that the pertinent provisions of this security section are applied to the important people who represent us in the difficult fields overseas.

I am prepared to yield back the remainder of my time.

Mr. FULBRIGHT. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from North Carolina [Mr. JORDAN], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Indiana [Mr. HARTKE], and the Senator from Oklahoma [Mr. KERR] would each vote "yea."

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Maryland would vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Maryland would vote "yea," and the Senator from Minnesota would vote "nay."

The result was announced—yeas 53, nays 35, as follows:

[No. 96]

YEAS—53

Aiken	Dworshak	Muskie
Allott	Ervin	Pastore
Beall	Fong	Prouty
Bennett	Goldwater	Proxmire
Boggs	Hickenlooper	Randolph
Bridges	Holland	Robertson
Bush	Hruska	Russell
Capehart	Jackson	Saltonstall
Carlson	Javits	Schoeppel
Carroll	Johnston	Scott
Case, N.J.	Keating	Smathers
Case, S. Dak.	Kuchel	Smith, Maine
Church	Long, La.	Stennis
Cooper	Magnuson	Thurmond
Cotton	McClellan	Tower
Curtis	Miller	Williams, Del.
Dirksen	Morton	Young, N. Dak.
Dodd	Mundt	

NAYS—35

Bartlett	Hart	Monroney
Bible	Hayden	Morse
Burdick	Hickey	Moss
Byrd, W. Va.	Hill	Neuberger
Cannon	Kefauver	Pell
Clark	Lausche	Smith, Mass.
Douglas	Long, Mo.	Sparkman
Ellender	Mansfield	Talmadge
Engle	McCarthy	Williams, N.J.
Fulbright	McGee	Yarborough
Gore	McNamara	Young, Ohio
Gruening	Metcalf	

NOT VOTING—12

Anderson	Eastland	Kerr
Butler	Hartke	Long, Hawaii
Byrd, Va.	Humphrey	Symington
Chavez	Jordan	Wiley

So Mr. MUNDT's amendment was agreed to.

Mr. KUCHEL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MUNDT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEATING. Mr. President, on behalf of Senators NEUBERGER, BUSH, CASE of New Jersey, FONG, JAVITS, LONG of Hawaii, SCOTT, WILEY, and myself, I call up my amendment numbered 7-7-61-B, and ask for its consideration.

The PRESIDING OFFICER. The amendment offered by the Senator from New York for himself and other Senators will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 26, line 19, to insert the following:

> (e) Subsection (a) of section 4 of the Act entitled "An Act to amend the Immigration and Nationality Act, and for other purposes", approved September 11, 1957 (71 Stat. 639), providing temporary authority for issuance of nonquota visas to certain "eligible orphans" adopted or to be adopted by United States citizens (and their spouses), is amended by striking "June 30, 1961", and inserting in lieu thereof "June 30, 1963".

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. MANSFIELD. I think it is only fair that I notify the Senator that, although I am in accord with what he seeks to achieve, I intend to move to table the amendment offered by my distinguished colleague after he completes his remarks.

I think there is much merit in what the Senator is advocating, but I think, in view of the procedure which is still being carried on by the State Department, through its various agencies, vis-a-vis orphans, the proposal should be made in a separate bill, an immigration bill, rather than in a measure of this kind.

My only purpose in asking the Senator from New York to yield was to notify him that, when he finishes speaking, I shall make a motion to table the amendment.

Mr. KEATING. I hope the Senator will permit other Senators who have asked me for time to speak.

Mr. MANSFIELD. Yes; of course.

Mr. KEATING. In my remarks I will deal with the point made by the majority leader. I appreciate his courtesy in informing me that he intends to make a motion to table.

Mr. President, this amendment would extend the provisions of the Alien Orphan Adoption Act, under which special nonquota visas were granted to alien orphans under the age of 14, for an additional 2-year period.

On June 30, this program, which had been in effect for 13 years, came to an end. Through this program, thousands of parentless children from all over the world have been given an opportunity to enjoy freedom and a new life in America.

This legislation has exemplified in the finest manner the charitable and humanitarian instincts of the people of this Nation.

It is, in my judgment, the finest of all of our immigration programs.

Many bills to extend the program have been introduced by various Members of the Senate. The distinguished Senator from Oregon [Mrs. NEUBERGER] has had a great interest in the alien orphan adoption program, and has offered a bill to extend the program for 3 years.

The distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], has introduced legislation to extend it for 1 year.

My distinguished colleague from New York [Mr. JAVITS] and I are sponsors, with the Senator from Wisconsin [Mr. WILEY], of a bill to extend indefinitely the provisions of the law in a somewhat

modified form. I am sorry to say that to date no action has been taken on any of these proposals and no hearings have been scheduled by the Senate Immigration and Naturalization Subcommittee to examine the merits of these bills.

This amendment is for an extension of 2 years. I have no particular feeling about the length of the extension. If the sense of the Chamber was to extend it for 1 year instead of 2, I would have no great objection. What I object to is the termination of the program on June 30.

Since 1948 almost 17,000 orphans or abandoned children have been able to enter the United States, where the demand for children for adoption is much greater than the number of children available.

Orphan programs were first developed as a result of the tragic plight of thousands of children left homeless after World War II and the Korean war. The continuing political turmoil and unrest throughout the world has made the need for the program even greater.

The Displaced Persons Act of 1948, the first provision for nonquota status for alien orphans were under the age of 10. Under the first program, 4,065 orphans were admitted to the United States.

The act of July 29, 1953, which followed the Displaced Persons Act, permitted the issuance of 500 nonquota visas for orphans adopted overseas by military and civilian personnel.

The third program to be enacted was the Refugee Relief Act of 1953. This act provided for 4,000 special nonquota visas for eligible orphans—3,761 children entered the United States under this act.

Mr. President, I ask unanimous consent to include at this point in the RECORD a table indicating by country the total number of orphans admitted to the United States under special legislation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Immigrant orphans admitted to the United States under special legislation, by country or region of birth: July 1, 1948–Dec. 31, 1960

Country or region of birth	Total	Number admitted under—			
		Displaced Persons Act, 1948	Act of July 29, 1953	Refugee Relief Act of 1953	Act of Sept. 11, 1957
All countries	16,706	4,065	466	3,761	8,474
Europe	9,212	4,052	140	1,622	3,398
Austria	719	169	75	367	108
Czechoslovakia	36	34		2	
Finland	28	4		5	19
France	138	4	1	13	120
Germany	1,795	1,156	54	197	388
Greece	2,891	1,246	4	506	1,135
Hungary	45	39		1	5
Italy	2,230	568	4	464	1,194
Latvia	208	202		2	4
Lithuania	71	69			2
Poland	336	214		1	121
Portugal	73	4		9	60
Spain	118			20	98
Switzerland	37			1	36
U.S.S.R. (Europe)	51	50			1
Yugoslavia	303	236		16	51
Other Europe	133	57	2	18	56
Asia	7,300	1	324	2,092	4,883
China and Formosa	391	1	3	47	340
Hong Kong	255			27	228
Japan	2,691		287	1,315	1,089
Korea	3,301			460	2,841
Philippines	235		15	84	136
U.S. Ryukyu Islands	190			106	84
Other Asia	237		19	53	165
North America	135			11	124
South America	9				9
Africa	45	1	1	16	27
Australia and New Zealand	18		1	9	8
All other	47	11		11	25

Mr. KEATING. Mr. President, the fourth legislative program, the program which expired on June 30 of this year, was set forth in the act of September 11, 1957. This act provided for the issuance of an unlimited number of nonquota visas to eligible orphans under the age of 14, adopted abroad or brought to this country for adoption. These special visas were available only to eligible orphans from oversubscribed quota areas. An eligible orphan was defined in the law as an alien child under the age of 14, orphaned by the death or disappearance of one or both parents, or because of abandonment, desertion or separation from one or both parents. Where the orphan had only one parent, that parent must not have been capable of providing for the child in order for the child to be eligible. Under my proposed amendment to S. 1154, these same provisions would be continued for a 2-year period until June 30, 1963.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table indicating the number of orphan petitions approved by country under the alien orphan adoption program, which expired on June 30.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Orphan petitions approved under the act of Sept. 11, 1957, as amended by act of Sept. 9, 1959, by type of adoption and country or region of birth: Sept. 9, 1959–Dec. 31, 1960

Country or region of birth	Total number	Personally adopted abroad	Proxy adoptions abroad	To be adopted
All countries	2,765	918	924	923
Europe	1,264	563	195	506
Austria	40	20	16	4
France	59	52	1	6
Germany	337	312	7	18
Greece	239	111	77	51
Italy	363	20	22	321
Poland	83	11	49	23
Portugal	28			28
Spain	44	11	7	26
Other Europe	71	26	16	29
Asia	1,434	339	726	369
China [1]	145	9	6	130
Hong Kong	133	7	5	121
Japan	233	168	52	13
Korea	815	96	650	69
Philippines	55	33	2	20
Other Asia	53	26	11	16
North America	48	8	1	39
Africa	13	6	2	5
Oceania	3	2		1
Other countries	3			3

[1] Includes Formosa.

Mr. KEATING. Mr. President, orphans admitted to the United States under special legislation of this kind are living in every State of the Union. The principal concentrations of the orphans who have been admitted in the past 16 months are in the States of California, New York, Illinois, Texas, Pennsylvania, Ohio, and Hawaii.

Reference was made by the distinguished majority leader to the fact that proceedings were going on to take care of this problem. I point out that the law has already expired. It expired June 30. Every night since June 30, all over the country prospective mothers and fathers have been weeping their eyes out because of the expiration of this program. Little orphan children in nearly every country of the world also have been crying every night.

I have been advised that a proposal has been submitted to the Attorney General by the distinguished chairman of the House Subcommittee on Immigration which would have the effect of abandoning the present alien orphan adoption program in favor of an administrative procedure of paroling children into the United States under certain sections of the Immigration Act. This proposal would limit the Attorney General's discretion only to parole into this country of orphans adopted by members of the armed services, by employees of the U.S. Government serving overseas, and by Americans on business trips overseas. In his reply the Attorney General indicated his willingness to modify that requirement by broadening the provisions to include Americans on pleasure trips abroad as well as those on business trips.

Mr. President, the vast majority of Americans who have participated in this

program have not been employees of the Government, have not been members of the Armed Forces, and have not been travelers abroad on business or pleasure trips. The cost of going overseas to adopt a child and returning to the United States would, in most cases, be prohibitive. This proposal would bar people in modest circumstances from adopting any of these children.

The curtailment of the present program by restricting it to the groups which I have outlined would, to a very large extent, curtail the operation of the program. In addition, the proposal would lower the age of eligible orphans from 14 to 12, which would curtail the program even further.

I have made an estimate based on figures I have already submitted for the RECORD. Adoptions from September 1959, to December 1960, totaled 2,765. Of those only 918 were orphans personally adopted by parents who went overseas and adopted them under the laws of foreign countries and then brought them to the United States. A much greater number of orphans were brought to the United States to be adopted under the laws of the State in which they were to reside.

There are some who say this proposal is sufficient to cover the ground. I invite attention to the letter of the Deputy Attorney General replying to the distinguished chairman of the House Subcommittee on Immigration, which appears at page 12253 of the RECORD for July 11. It is apparent that the Attorney General feels he has to yield to the proposal of the chairman of the House Subcommittee on Immigration when it is actually our duty in the Congress to enact the laws of this country.

The Attorney General says, first, that he acknowledges the letter, and so forth, and then says:

> The Department has submitted its report on H.R. 6300 and the purposes of that bill with respect to alien orphans are strongly endorsed—

That is substantially the present alien orphan program. The Department of Justice has endorsed it—

> It is hoped that these provisions will eventually be enacted into permanent orphan legislation—

That is what we are trying to do—

> In view of the statements in your letter, however, it appears unlikely that this or similar legislation in the alien orphan field will be passed in this session of the Congress.

The Attorney General yields because he recognizes that proposed legislation may not be passed.

Whatever is done by the other body, Mr. President, does not relate to our obligation to the public. My opinion is that in this Chamber we should do what we feel is proper about the extension of the act. I am sure other Members of this body have received, as I have, very touching letters from various prospective parents all over the country.

The executive secretary of the Children's Aid and Society for the Prevention of Cruelty to Children in Buffalo, N.Y., writes:

> We urge the extension of the law which expires on June 30 of this year.

A man from West Springfield, Mass., states:

> The future happiness of many children and families depends on the passage of this legislation before June 30. Please help us to get speedy action by Congress to insure its continuance.

The executive director of the Brooklyn Bureau of Social Service and Children's Aid Society writes:

> The Brooklyn Bureau of Social Service and Children's Aid Society has had considerable experience with screening and processing applications for oversea adoptions. We are convinced of the wisdom and importance to many American citizens as well as to orphaned children abroad that this legislation be extended.

A lady from New York City writes:

> We hear that it (the Alien Orphan Adoption Act) will expire June 30. Many needy and underprivileged children will suffer if this bill expires.

A husband and wife from Tonawanda, N.Y., write:

> In our joy with the family we now have, we cannot close our eyes and our hearts to those who also feel impelled to bring one or more of these unfortunate children into the loving arms of their home, for they, too, will find that the joy they receive cannot be measured. It is in their behalf that we urge that every possible means be used to influence the passage of legislation that will permit the continuation of the present law.

Unless the amendment is agreed to, we shall be turning our backs on thousands of orphaned children and on Americans who are anxious to provide homes for such children in surroundings of freedom and love. Childless Americans who seek the opportunity to adopt alien orphans should be given that opportunity.

There are many more people in this country who wish to adopt orphans than there are orphans to be adopted. We have an opportunity to provide those people with the same joy that others of us in America who have children know.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KEATING. I will yield to the Senator in a moment.

I hope very much that the amendment will be agreed to and that we shall, at least in this Chamber, do what we can to extend the program.

I am happy to yield to my colleague from Rhode Island.

Mr. PASTORE. First, Mr. President, I congratulate my colleague from New York for at least arousing the consciousness of the Senate to the fact that this very noble law expired on June 30, and that although we are now proceeding under the provisions of the parole procedure, what it allows does not satisfy us.

As my friend pointed out, as the law now stands it is necessary for a person to travel abroad and to see the child involved before he can initiate any proceedings under the orphan provision of the parole law.

Mr. KEATING. That is not under the law up to June 30, but under the exchange of letters.

Mr. PASTORE. Under the concessions made by the Attorney General in the letter a portion of which was read by my friend from New York.

Mr. KEATING. That is correct.

Mr. PASTORE. Only the other day I had a talk with the chairman of the Committee on the Judiciary. He promised me that if we would introduce a bill—which I did this morning, in conjunction with the minority leader—the bill would be considered during this session of Congress. To quote the Senator, he said, "It is my judgment that an orphan bill will be reported during this session of Congress."

I realize, as the Senator has said, that we cannot be responsible for action on the other side of the Capitol. We cannot be responsible for the action of the House of Representatives. All we can do is to take our own action in the Senate.

Realizing the fact that the minority leader, the majority leader, and the manager of the bill are opposed to the amendment being attached to this particular bill, does the Senator not think we would be making a woeful mistake to have a vote on the amendment, if it would indicate a weakness on our part insofar as the orphan law is concerned? Would it not be better for us to accept the assurance given by the chairman of the Committee on the Judiciary that an orphan adoption bill will be reported later in this session?

Mr. KEATING. I know my good friend from Rhode Island is sympathetic toward the objectives of the amendment, as he has said. However, on the 29th day of May 1961, the distinguished Senator from Wisconsin [Mr. WILEY] wrote a letter to the chairman of the Committee on the Judiciary of the Senate asking for hearings on this proposal and on his proposal relating to orphan adoption legislation.

If we do not act tonight, what assurance have we that legislation will be enacted?

Mr. PASTORE. The Senator has the assurance that a bill has been introduced today by the Senator from Illinois [Mr. DIRKSEN] and myself which bill carries out the intent and purposes enumerated by my good friend from New York. The bill will be acted upon by the committee and will be reported out for action during the present session of the Senate.

Mr. KEATING. I hope what the Senator has said is true. Many of us have been trying for months to obtain hearings on proposed immigration legislation and have been unable to do so. I am not prepared to back down on my amendment merely because of an assurance that at some time in the future we shall have hearings and a bill will be reported out.

As the Senator from Rhode Island has said, perhaps the amendment will be defeated. Perhaps the motion to table will be carried. But so far as I am concerned, I should like the Senate of the United States to be on record as having

at least tried to do something about the situation. If we could not get such an amendment agreed to in the other body, such failure, of course, would be unfortunate.

Mr. PASTORE. The Senator knows that my sympathy toward this kind of legislation is sincere and deep.

Mr. KEATING. I know that.

Mr. PASTORE. I ask my friend from New York this question: Realizing what we are up against and what could take place, why would it not be better to accomplish our objective in an orderly fashion by having the bill considered by the committee and reported from the committee with the assurance that there will be action during the present session of the Congress?

Mr. KEATING. I know of the sincere interest of my friend from Rhode Island. There is no better friend of improvement in our immigration laws than the Senator from Rhode Island. However, if we were to enact by a separate bill the program that we desire, what would we gain? Why do we not add the amendment to the pending bill tonight? Is not the proposal of the Senator from Rhode Island the same as the amendment I have proposed?

I have another proposal which would greatly modify the present orphan adoption program. I think the program should be modified. The proposal is joined in by other Senators. If we wait for hearings to be held on changes in the orphan adoption program, we shall wait a long time.

I offer the amendment with some reluctance, since it would merely extend the present program. I think certain changes should be made. I see no alternative to doing what I propose in order to accomplish the continuance of an orphan program. If the amendment is agreed to by the Senate but eliminated in conference, or if it fails here, I shall continue to fight for an alien orphan adoption law. I have not see the bill introduced by the Senator from Rhode Island and the Senator from Illinois. I am sure he and I are in harmony in respect to what we are trying to accomplish, and I shall work with him on orphan legislation. But I do not think he has stated a reason for withdrawing the amendment, which has been offered in good faith, and in an effort to curb the real sorrow that has been brought into so many homes by the failure of Congress to act by the 30th of June.

Mr. PASTORE. I agree with my friend implicitly. However, apparently he has not been able to convince his leader that the measure should be acted upon in connection with the pending bill. I have not been able to convince my leader that the program should be acted upon in connection with the present bill.

Mr. KEATING. Then I suggest that our leaders vote against the amendment, and we shall vote for it.

Mr. PASTORE. All we may do is catch a headline and not a heartline.

Mr. KEATING. I suggest to my friend from Rhode Island that he support the amendment and let the leaders do whatever they wish to do. The distinguished minority leader introduced a bill to accomplish exactly what I have proposed. His bill would extend the program for 1 year. I would be willing to change my amendment so that it would cover 1 year.

Mr. PASTORE. I am not quarreling with my friend from New York. I am trying to help him. I am interested in results more than I am in speeches. I congratulate my friend for bringing the problem to the attention of the Senate, because I believe he has aroused the conscience of the Senate. I agree with him implicitly. It is a law that certainly should be on our statute books. It is regrettable that the law was permitted to expire. But I do not think the amendment will be agreed to on the present bill.

Mr. KEATING. The Senator may be correct. I do not have quite the defeatist attitude he has, because the amendment is supported by a number of Senators on his side of the aisle as well as a number on this side of the aisle. Many have shown great interest in the program. All I can do is to express the hope that the amendment will be successful.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. KEATING. I yield 5 minutes to the Senator from Oregon.

Mrs. NEUBERGER. I have greatly enjoyed the remarks of the Senator from New York in supporting this important proposed legislation. I respect the opinion and the good remarks of the Senator from Rhode Island.

However, the fact remains that the legislation has expired, and I urgently call the problem to the attention of the Senate in the hope that some kind of legislative action will be taken. Without such action it will not be possible to continue the program, and Congress will probably be flooded with a large number of private bills on behalf of orphans.

The letter of the Deputy Attorney General has been referred to, and I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., July 7, 1961.

Hon. FRANCIS E. WALTER,
Chairman, Subcommittee No. 1,
Committee on the Judiciary,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of June 27, 1961, addressed to the Attorney General, setting forth the proposals of your committee in respect to the parole into the United States of certain adopted orphans after the expiration, on June 30, 1961, of the existing law on that subject.

The Department has submitted its report on H.R. 6300 and the purposes of that bill with respect to alien orphans are strongly endorsed. It is hoped that these provisions will eventually be enacted into permanent orphan legislation. In view of the statements in your letter, however, it appears unlikely that this or similar legislation in the alien orphan field will be passed in this session of the Congress.

Because of the lack of any current legislative authority for the admission of alien orphans, the Department of Justice is prepared to invoke the discretionary parole authority vested in the Attorney General under section 212(d)(5) to parole selected alien orphans into the United States "for reasons deemed strictly in the public interest." The exercise of that discretionary authority thereafter will continue until Congress has considered the various proposals on this subject and has enacted a positive law. The Department would consider it to be strictly in the public interest to authorize the entry of any alien orphan (between whom and his adopting U.S. citizen parent and the latter's spouse the relationship of child and parent has been created by operation of foreign adoption laws) on the personal application or petition of the adopting parents while physically present within the jurisdiction of the adoption tribunal. Additionally, there would be included any alien child for whom a U.S. citizen, abroad in the employ or in the service of the U.S. Government or temporarily abroad on business or pleasure, and his spouse has furnished assurances that the alien child will be adopted by them in the United States and that the preadoption requirements, if any, of the State of such orphan's proposed residence have been met. In both cases parole will be authorized only after investigation identical with that currently conducted under the provisions of the recently expired section 4(a) of the act of September 11, 1957.

After the expiration of 2 years from the decree of adoption, the child, if it has resided with the adopting parents during that period, will be eligible for nonquota status under section 101(b)(1)(E). The department proposes to exercise the authority vested in the Attorney General under section 245 of the Immigration and Nationality Act to adjust the status of the child at that time to an alien lawfully admitted for permanent residence.

Sincerely,

BYRON R. WHITE,
Deputy Attorney General.

Mrs. NEUBERGER. The program to which the Attorney General refers that sort of parole program be instituted, is in my mind, totally inadequate.

The recently terminated orphan immigration program has, on the whole, really worked well. The Immigration Service has conducted investigations to assure that the adoptive and prospective adoptive parents will properly care for the children.

I ask unanimous consent to have printed at this point in my remarks a letter from the Commissioner of Immigration and Naturalization Service, Department of State, dated April 19, 1961, which outlines the nature of the investigations conducted by this Service.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,

Washington, D.C., April 19, 1961.

Hon. MAURINE NEUBERGER,
U.S. Senate, Washington, D.C.

DEAR SENATOR NEUBERGER: Reference is made to your letter of April 10, 1961, concerning the existing orphan immigration program, which expires June 30, 1961.

Since the amendment of September 9, 1959, requiring petitions to be filed with the Attorney General in behalf of orphans adopted abroad, as well as those to be adopted in the United States, 4,018 petitions have been filed with this Service and 3,093 petitions have been approved. These figures are as of February 28, 1961. The average length of time required for approval of a petition is from 60 to 90 days, depending upon the facts in the case. A table giving the num-

ber of orphan petitions approved for the year ended June 30, 1960, by type of adoption and country or origin of birth, is attached.

To ascertain whether the petitioners have the ability to properly care for the orphan, the investigation in each orphan case includes neighborhood, employment, and national agency checks. There is obtained from the interested voluntary agency, if any, and from the welfare department of the State, abstracts of their records, if they conducted an investigation, and, if possible, statements of their views concerning the proposed or completed adoption. The petitioners are interviewed in their own home and information is obtained from them regarding their plans for the rearing and education of the child. Also, to ascertain whether the beneficiary is an eligible orphan, an oversea investigation is conducted at the orphan's place of residence.

Your comments concerning the Service's administration of the program are appreciated.

Sincerely,

J. M. SWING,
Commissioner.

Mrs. NEUBERGER. I urge the Senate to continue the orphan immigration program. I know that the careful attention such legislation has received in the past from the Committee on the Judiciary and its distinguished chairman has helped to bring a number of children to this country; and, as the Senator from New York has said, the program has brought happiness to the foster parents of such children, as well as saved lives. I believe that our amendment should be given favorable consideration at this time, and that the orphan immigration program should be continued.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. KEATING. I yield 5 minutes to the Senator from Colorado.

Mr. ALLOTT. I join with the Senator from New York. I am not one of the sponsors of the amendment, but it seems to me that at a time when we talk of strengthening international relations and promoting mutual understanding among the peoples of the world through educational and cultural exchanges, nothing could better accomplish the purpose or furnish better evidence of our intentions, than to renew the act which, unfortunately, has been permitted to expire.

While the amendment we have before us is an attempt to cure the ills which result from some of the foolish actions of adults we are here dealing with children who are not responsible for the foolish mistakes that others made before them. Those children deserve a claim to a little happiness in this world. The program which we are discussing would make a few of them happy.

So while it may be argued that the bill we have before us is not the proper place for the amendment, I say that when we talk about mutual understanding, we could not do anything better than to attach the amendment to the bill and start the program going again, so that we shall have tangible evidence of our good will toward the children throughout the world who probably need our help more than anyone else.

Mr. KEATING. Mr. President, I thank the Senator for his very cogent remarks.

I now yield 5 minutes to my senior colleague.

Mr. JAVITS. Mr. President, we are considering a program which former Senator Ives had very much in his heart. Members of the Senate will remember that he brought about a renewal of the program on occasion, and that I joined with him when I came to the Senate. Many of us have received a great many letters from parents in this country who have adopted orphans from abroad. The face of our country is generally beneficent in the world. A program of this kind is one big reason for it.

My colleague, the Senator from New York [Mr. KEATING] has expounded this thesis ably and eloquently, as has the Senator from Oregon [Mrs. NEUBERGER]. We all feel very deeply on the subject. The Senator from Rhode Island has also made a contribution, and I am sure he feels as deeply as the rest of us do, although he has some doubts about the timing. With respect to that point, I should like to make two points.

I believe that the Senator from New York [Mr. KEATING] is correct. The amendment should be approved, because this is all a part of the process of attrition. We got as far as we did only because Senator KEATING proposed the amendment. Otherwise, we would never have had a promise of hearing or a promise of action at this session. A rather intractable situation exists in the other body. However, if the Senate expresses itself seriously and purposefully in this situation, both orally and by vote, I do not believe there will be any misunderstanding in the other body—though I hope the motion to table will not carry—and Members of the House will know what we want. Senators will have expressed their determination on this score, notwithstanding the sincere view of both leaders; in fact, that will make even a greater impression and will show that Senators feel very keenly with respect to the motion to table.

Finally, I ask my colleagues in the Senate, especially those interested in immigration, to ask themselves this question: Is this not all of a piece with the problem of enacting immigration legislation? We are told, "If you do not take this, there will be no hearings. If you do not take this, it will be withdrawn. If you do not take this, no bill will be passed at this session"—and so on, ad infinitum. Who controls Congress on the matter of immigration? Are we in control, or are our two committee chairmen? That is the question we must answer. Who is in control of immigration legislation? Are we over 21? Are we cat's paws?

I hope the motion to table will be defeated.

Mr. KEATING. Mr. President, I yield 1 minute to the senior Senator from New Jersey.

Mr. CASE of New Jersey. I commend the junior Senator from New York for sponsoring the amendment. I am happy to be a cosponsor of the amendment with him and other Senators. Of course, all of us understand that the great majority of Members of the Senate and of the other body support the program and have supported it, and, if given an opportunity, would continue it by an overwhelming vote. Yet it may not be continued. What the senior Senator from New York has said about our experience in the past in regard to immigration legislation is true. Time after time no action was taken until the waning days of a session; then we were faced with accepting almost nothing instead of salutary amendments of the Immigration Act.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KEATING. I yield 1 more minute to the Senator from New Jersey.

Mr. CASE of New Jersey. That is why we are so concerned about action in this session of Congress. We do not want this very essential program to come to an end. It is a program which every Member of the Senate supports, which all humanity supports, and which every instinct of decency in all of us cries out for its continuance. Nevertheless, because it may not be pleasing to one or two individuals in Congress who happen to be in positions where they have extraordinary power, we cannot get legislation passed.

We should adopt the pending amendment and move ahead, because the present session may last for another month, or perhaps 2 months. If we do not move forward on issues like this, we shall be faced in the last days of the session with accepting something as inadequate as what we have had to accept in the past.

I commend my colleague, the junior Senator from New York. I hope very much that the motion to table will be defeated. I do not suggest that the sponsors of the motion are not in favor of the program. I believe they are mistaken in their judgment.

Mr. KEATING. I yield 1 minute to the senior Senator from Oregon.

Mr. MORSE. Mr. President, I rise to support the junior Senator from New York and the junior Senator from Oregon and other Senators in connection with the pending amendment. The Senator from New York and the Senator from Oregon have performed a great public service in the Senate. Let us not forget that if we adopt the amendment and take it to conference, that action will have a great influence on public opinion.

Although as a general practice I do not support legislation by way of a rider—and the amendment may be so characterized—I point out that there is no great difference between the purpose of the amendment and the purpose of the bill, because when we talk about cultural exchanges, I do not know of anything that has greater appeal to the humanitarian impulses of the people of the United States than the proposed amendment.

It has a very direct relationship to the motivating purpose of the proposed legislation itself. I also believe that there

is need for education within Congress itself with regard to the subject matter involved. If we add the amendment to the bill and send it to conference I believe it will have some salutary effect on the House side.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KEATING. I yield 1 more minute to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from New York has no more time.

Mr. MANSFIELD. I yield 1 minute to the Senator from Oregon.

Mr. MORSE. We have a great public trust to perform in connection with the subject matter of the amendment. That public trust is great, not only from the standpoint of the human interests involved, but also from the standpoint of public understanding around the world of America's foreign policy. We can certainly justify adding the amendment to what is, essentially, a foreign policy bill.

I commend the Senator from Oregon [Mrs. NEUBERGER] and the Senator from New York [Mr. KEATING] for raising the issue. I hope the amendment will not be laid on the table. I hope it will be adopted and taken to conference. In the best interest of the orphans involved, of the adopting parents, and of America's foreign relations around the world, I hope it will survive the conference and become law.

Mr. MORSE subsequently said: Mr. President, a few minutes ago I spoke on the floor of the Senate in support of the orphans amendment proposed by the Senator from New York [Mr. KEATING] and the junior Senator from Oregon [Mrs. NEUBERGER], and other Senators, to the pending bill.

I ask unanimous consent to have inserted in the RECORD at the close of my remarks at that time a few of the letters I have received from persons in Oregon in support of the Keating-Neuberger-et al. amendment. The legislation with regard to orphans which expired at the end of June is legislation of great interest and concern in the State of Oregon; in fact, the chief sponsors of the program for the adoption of Korean orphans were Mr. and Mrs. Holt of my State. Senator Richard Neuberger, when he was in the Senate, introduced legislation, which I was honored to cosponsor, in behalf of the so-called Holt program for the adoption of Korean orphans.

The correspondence which I have received on this subject matter has been voluminous. There are many letters I could introduced in the RECORD. I have selected only a few very typical letters, but they are letters which will touch the heart of any Senator who reads them, and will leave no doubt in the mind of any Senator of the humanitarian soundness of the Keating-Neuberger proposal. Therefore I am asking unanimous consent that these few letters be inserted in the RECORD at the point where I discussed earlier this evening the Keating-Neuberger amendment.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EUGENE, OREG., *May 27, 1961.*

Hon. WAYNE L. MORSE.

DEAR SIR: Once again I want to thank you from the bottom of my heart for your work in sponsoring bills that have helped to bring so many fine Korean orphan children to our great land of America where they may grow up as good and useful citizens. Surely they will be a great help and blessing to this great country of ours now and in the future. I could tell you of how my adopted son from Korea plans and is studying and shaping his life to become a doctor and surgeon and missionary to the uttermost parts of the earth wherever he will be sent. I do urge you to continue working in behalf of these poor unfortunate children and do all in your power to continue the orphan bill as it now is, S. 1766, if passed, will, I sincerely believe, prevent Congress from being flooded with countless private orphan bills. Again I thank you.

Sincerely,

CLINTON J. SHROYER.

SWEET HOME, OREG., *May 20, 1961.*

The Honorable WAYNE L. MORSE.
Senate Office Building,
Washington, D.C.

DEAR MR. MORSE: We are writing concerning the extension of the orphans bill. We have in our home three adopted children, that are the half white, half Korean, that Mr. Harry Holt, of Creswell, Oreg., has brought to this country. They are 6, 7, and 8 years old, now. Two boys and a girl. Just about the three happiest and best contented youngsters you could find any place, and we about the happiest and proudest of parents. We love the children as if they had been born to us, so it is with heavy hearts that we contemplate the ending of legislation that will end proxy adoptions and their entry into this country. We are especially interested in seeing the passage of bill S. 1766 at the earliest possible date.

We in America have so much to share with those poor little starving youngsters, and it seems there are many more people interested in adopting them. Why should they be deprived of essential food and love when it is here waiting for them? Our youngest son is a first grader this year. We are so proud of him, he has brought home a perfect report card every period, during the school year. He seems to be exceptionally intelligent. Our older son is quite artistically inclined. Our daughter is above average in her schoolwork also, and is just a ray of sunshine wherever she goes. We believe these children each have something to offer the world that is worth salvaging. Then to look at it just from the humane side, who could pass by a hungry child and not feed him if he could? So let's do not let those in Korea and elsewhere die that we can prevent, when there are so many homes yet opened to them.

To see the change in their eyes, from the frightened, hopeless, little things, that remind you of a wild animal in a trap, to the happy, bright-eyed, eager children they become. With a look of all's well, in their faces, that we have witnessed in all three of ours, it leaves no doubt but that the proper thing, both morally and spiritually is to enact legislation that will continue the adoption by proxy program.

Enclosed pictures of our three children taken in this school year.

We perhaps cannot give them wealth as far as worldly goods are concerned, but we are giving them a wealth of love and a feeling of security. They know they are loved and wanted.

Please do what you can to see that this bill S. 1766 passes. Please help those children.

May God bless you.

Sincerely yours,

Mr. and Mrs. ALVIE E. LEACH.

EUGENE, OREG., *June 5, 1961.*

Senator WAYNE MORSE.

DEAR SIR: I'm writing to urge you to consider the orphan bill, which expires June 30, that it may continue as it is; or bill S. 1766, which would continue for 3 years as is. This would make adoption by proxy possible. I can never tell you how much it has meant to us to be able to adopt our darling daughter. How we thank God that she was given to us by the wonderful work of Harry Holt. We wanted her for so long and she has been such a joy to us.

May 18 she became an American citizen. She's very proud although she'll probably never realize the full meaning of it.

Enclosed is her picture. We think she is a little doll.

Sincerely,

Mrs. HELEN A. THOMAS.

ROSEBURG, OREG., *May 31, 1961.*

DEAR WAYNE MORSE: We received your nice letter and were glad to hear from you and to know that you support the orphan bill. There has been another bill introduced which would cripple or eliminate proxy adoptions. The bill, H.R. 6300, which specifies in the case of a child adopted abroad that the petitioner and spouse must have been physically present in the country of such child residence when adoption proceedings were instituted, pending or terminated. We feel that this bill is not adequate with respect to orphans and should be amended or studied further. If it hadn't been for proxy adoption we would not have known the love of our baby girl. She was adopted by proxy in Seoul, Korea, November 10, 1960. We couldn't have been in that country, so please do what you can that proxy adoption will be continued.

Thank you for your nice letter.

Sincerely,

Mr. and Mrs. HAROLD DAVID.

PORTLAND, OREG., *May 29, 1961.*

DEAR SENATOR MORSE: I am writing you, praying that you will support Maurine Neuberger's bill, S. 1766, extending the present orphanage bill. Mr. Harry Holt's wonderful work for the Lord must not be stopped.

My wife and I have three Korean ex-orphans and they have brought a world of joy into our hearts.

Two are now in school and are honor students. They are beautiful and popular, liked by all. These children fit into our family circle perfectly and I know it is God's will that we care for these little ones.

I pray that you will do all you can to support this wonderful work Mr. Holt is doing for God's little waifs in Korea.

Yours sincerely,

CALVIN W. ROGERS.

EUGENE, OREG., *May 29, 1961.*

DEAR SENATOR MORSE: We appreciate what you have done in the past to aid adoption of foreign children by proxy.

Now again we call upon you to aid us. We ask you to support and help pass the bill S. 1766. We believe this bill is adequate as it provides protection for both parents and children. Since we are the proud parents of a lovely 6-year-old daughter we can tell you that the U.S. Immigration Department does a thorough job of investigating homes and parents. Since they have access to all the FBI records, their investi-

gation is much more thorough than any other group could do.

Mr. Holt has given so much of his income and his own strength to set up the mechanics of the proxy adoption. I'm sure you will agree that besides saving the lives of so many children, he has spread more good will in the world and at no expense to the taxpayer.

We do wish you could visit our home and homes of other happy parents and see how important these proxy adoptions are to us. We plan to adopt a sister for our daughter but could never do it if we had to appear in Korea ourselves.

Since you did such a brilliant job of getting the education bill passed, we feel we can count on you to lend your support to get S. 1766 passed.

We are proud of our Oregon Senators.

May God bless you.

Mrs. WALTER E. CROUSE.

TROUTDALE, OREG.,
May 23, 1961.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am enclosing a picture of our two adopted Korean-American children that the Harry Holt Orphanage and the orphan bill you helped sponsor blessed us with. We will be eternally grateful, as I know from talking with other adoptive parents who have Korean-American children are.

I wish you or any other person who could represent you could be at the Portland airport the 27th of this month and see the proud grateful parents to be. I know it would reaffirm your belief in the orphan bill as it stands.

The picture is of our boy and girl, ages 5 and 6. Just finished first grade June 3.

Sincerely,

SAM and NANCY COX.

Mr. MANSFIELD. Mr. President, I yield five minutes to the Senator from Rhode Island.

Mr. PASTORE. First of all, I want the RECORD to be abundantly clear that I have nothing but praise for the distinguished junior Senator from New York, as I said before, for arousing the consciousness of the Senate to the fact that the law, which in my opinion abounds in nobility, expired on June 30, 1961, and should never have been allowed to expire.

However, the Senator from Rhode Island is a very practical and realistic man. He would not want anything recorded on the CONGRESSIONAL RECORD of the Senate to the effect that this amendment was defeated. No Senator would stand up and vote against the weeping mothers, as described by my friend from New York, and the crying orphans on the other side of the water.

America has too generous a heart to permit that sort of impression to get abroad. But because the distinguished Senator from New York did propose his amendment, we have an understanding from the committee that the committee will consider an orphans' law during this session of Congress. If I thought the Senator's amendment would carry, I would be the first to rise and vote not to table. But I am perfectly willing to take the assurance of the committee tonight because I know that is the sure way to have an orphans' law considered.

I have already been told by many Senators who are in favor of the law that they will not vote for the amendment because it is proposed to attach it to this bill. So I repeat: I would not want the people of the country or the people of the world to get the impression from a negative vote on this amendment that we are against an extension of the orphans' law.

That is why I agreed with the leadership that if a motion were made to table the amendment, we could in good conscience vote to table it. Then we would not be in a position of voting down the nobility of this law. We would do this because we have assurance that we will get consideration from the Committee on the Judiciary. I now wish to quote the exact words of the chairman of that committee. I showed him what I had written on this pad before he left the Chamber this afternoon. This is what he said:

My judgment is that an orphans bill will be reported at this session.

I accepted that assurance. If within a reasonable time a bill is not reported by the Committee on the Judiciary, I take this position: I shall move to attach an orphans amendment as a rider to every bill considered by the Senate from now until adjournment sine die.

I ask unanimous consent to have printed at this point in the RECORD the text of the bill which was today introduced by me and the distinguished Senator from Illinois [Mr. DIRKSEN] on this subject.

There being no objection, the bill S. 2237), was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, on or before June 30, 1962, special nonquota immigrant visas may be issued in accordance with the provisions of section 3 of this Act to eligible orphans as defined in section 2 of this Act who are under fourteen years of age at the time the petition is filed with the Attorney General as required by section 3 of this Act. Not more than two such special nonquota immigrant visas may be issued to eligible orphans adopted or to be adopted by any one United States citizen and spouse, unless necessary to prevent the separation of brothers or sisters. No natural parent of any such eligible orphan shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

SEC. 2. When used in this Act, the term "eligible orphan" shall mean an alien child who (1) is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and has in writing irrevocably released him for emigration and adoption; (2) (A) has been lawfully adopted abroad by a United States citizen and spouse, or (B) is coming to the United States for adoption by a United States citizen and spouse; and (3) is ineligible for admission into the United States solely because that portion of the quota to which he would otherwise be chargeable is oversubscribed by applicants registered on the consular waiting list at the time his visa application is made.

SEC. 3. Any United States citizen and spouse claiming that any eligible orphan is entitled to a nonquota immigrant status under section 1 of this Act may file a petition with the Attorney General. The petition shall be in such form and shall contain such information and be supported by such documentary evidence as the Attorney General may by regulations prescribe. The petition shall establish to the satisfaction of the Attorney General that the petitioners will care for such eligible orphan properly if he is admitted to the United States and, if such eligible orphan has not been lawfully adopted abroad, that they will adopt such orphan in the United States and that the preadoption requirements, if any, of the State of such orphan's proposed residence have been met. After an investigation of the facts in each case, the Attorney General shall, if he determines the facts stated in the petition are true and that the petitioning United States citizen and spouse are persons of good moral character, approve the petition and forward one copy thereof to the Department of State. The Secretary of State shall then authorize the consular officer concerned to grant nonquota immigrant status to the beneficiary of such petition after the consular officer has determined that such beneficiary is an eligible orphan as herein defined.

SEC. 4. Any visa which has been or shall be issued to an eligible orphan under this Act or under any other immigration law to a child lawfully adopted by a United States citizen and spouse while such citizen is serving abroad in the United States Armed Forces, or is employed abroad by the United States Government, or is temporarily abroad on business, shall be valid until such time, for a period not to exceed three years, as the adoptive citizen parent returns to the United States in due course of his service, employment, or business.

Mr. MANSFIELD. Mr. President, I move to lay on the table the amendment offered by the Senator from New York [Mr. KEATING] for himself and other Senators.

Mr. JAVITS. Mr. President, on that motion, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Does the Senator from Montana yield back the remainder of his time?

Mr. MANSFIELD. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana to lay on the table the amendment offered by the Senator from New York [Mr. KEATING] for himself and other Senators. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. HARTKE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from North Carolina [Mr. JORDAN], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from Virginia [Mr. ROBERTSON],

and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Kentucky would vote "nay."

On this vote, the Senator from North Carolina [Mr. JORDAN] is paired with the Senator from Maryland [Mr. BUTLER]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Maryland would vote "nay."

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Oklahoma [Mr. KERR], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. RUSSELL] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] and the Senator from Kentucky [Mr. MORTON] are detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from North Carolina [Mr. JORDAN]. If present and voting, the Senator from Maryland would vote "nay," and the Senator from North Carolina would vote "yea."

On this vote the Senator from Kentucky [Mr. MORTON] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Kentucky would vote "nay," and the Senator from New Mexico would vote "yea."

The result was announced—yeas 42, nays 43, as follows:

[No. 97]

YEAS—42

Aiken	Hickey	Metcalf
Bartlett	Hill	Monroney
Bible	Holland	Moss
Burdick	Jackson	Pastore
Byrd, W. Va.	Johnston	Pell
Cannon	Kefauver	Randolph
Carlson	Lausche	Smathers
Carroll	Long, Mo.	Sparkman
Dodd	Long, La.	Stennis
Ellender	Magnuson	Symington
Ervin	Mansfield	Talmadge
Fulbright	McClellan	Thurmond
Hayden	McGee	Yarborough
Hickenlooper	McNamara	Young, Ohio

NAYS—43

Allott	Douglas	Muskie
Beall	Dworshak	Neuberger
Bennett	Engle	Prouty
Boggs	Fong	Proxmire
Bridges	Goldwater	Saltonstall
Bush	Gruening	Schoeppel
Capehart	Hart	Scott
Case, N.J.	Hruska	Smith, Mass.
Case, S. Dak.	Javits	Smith, Maine
Church	Keating	Tower
Clark	Kuchel	Williams, N.J.
Cooper	McCarthy	Williams, Del.
Cotton	Miller	Young, N. Dak.
Curtis	Morse	
Dirksen	Mundt	

NOT VOTING—15

Anderson	Gore	Long, Hawaii
Butler	Hartke	Morton
Byrd, Va.	Humphrey	Robertson
Chavez	Jordan	Russell
Eastland	Kerr	Wiley

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the Keating amendment.

Mr. CAPEHART. Mr. President, on this question, I ask for the yeas and nays.

Mr. KEATING. Mr. President, I join in the request for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. On the question of agreeing to the amendment of the Senator from New York, the yeas and nays have been ordered; and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. FULBRIGHT (after having voted in the negative). Mr. President, on this vote I have a live pair with the Senator from Kansas [Mr. CARLSON]. If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. HARTKE], the Senator from Arizona [Mr. HAYDEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from North Carolina [Mr. JORDAN], the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that, if present and voting, the Senator from Oklahoma [Mr. KERR], the Senator from Hawaii [Mr. LONG], the Senator from West Virginia [Mr. RANDOLPH], the Senator from Arizona, [Mr. HAYDEN], and the Senator from Tennessee [Mr. GORE], would each vote "yea."

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Mississippi would vote "nay."

On this vote, the Senator from Virginia [Mr. BYRD], is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Virginia would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Minnesota [Mr. HUMPHREY], is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Virginia would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY], the Senator from Kansas [Mr. CARLSON], the Senator from New York [Mr. JAVITS], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

If present and voting the Senator from New York [Mr. JAVITS], the Senator from Maryland [Mr. BUTLER], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The pair of the Senator from Kansas [Mr. CARLSON] and the Senator from Arkansas [Mr. FULBRIGHT] has previously been announced.

The result was announced—yeas 69, nays 12, as follows:

[No. 98]

YEAS—69

Aiken	Douglas	Miller
Allott	Dworshak	Monroney
Bartlett	Engle	Morse
Beall	Fong	Morton
Bennett	Goldwater	Moss
Bible	Gruening	Mundt
Boggs	Hart	Muskie
Bridges	Hickenlooper	Neuberger
Burdick	Hickey	Pastore
Bush	Hruska	Pell
Byrd, W. Va.	Jackson	Prouty
Cannon	Keating	Proxmire
Capehart	Kefauver	Schoeppel
Carroll	Kuchel	Scott
Case, N.J.	Lausche	Smith, Mass.
Case, S. Dak.	Long, Mo.	Smith, Maine
Church	Long, La.	Symington
Clark	Magnuson	Tower
Cooper	Mansfield	Williams, N.J.
Cotton	McCarthy	Williams, Del.
Curtis	McGee	Yarborough
Dirksen	McNamara	Young, N. Dak.
Dodd	Metcalf	Young, Ohio

NAYS—12

Ellender	Johnston	Sparkman
Ervin	McClellan	Stennis
Hill	Russell	Talmadge
Holland	Smathers	Thurmond

NOT VOTING—19

Anderson	Gore	Long, Hawaii
Butler	Hartke	Randolph
Byrd, Va.	Hayden	Robertson
Carlson	Humphrey	Saltonstall
Chavez	Javits	Wiley
Eastland	Jordan	
Fulbright	Kerr	

So the amendment offered by Mr. KEATING for himself and other Senators was agreed to.

Mr. MILLER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 21, line 17, it is proposed to strike the letter "i" and to insert in lieu of the remainder of the sentence following the comma (,) on page 21, line 23, the following:

But members of the Board, the Commission, the Committee, or members of any other board, commission or committee serving any other department or agency of the Government in an advisory or consultative capacity only shall not be allowed any compensation as per diem or otherwise in excess of that prescribed by or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended, notwithstanding the provision of any other law.

Mr. MILLER. Mr. President, I shall not ask for the yeas and nays on the

amendment because the manager of the bill, the distinguished Senator from Arkansas [Mr. FULBRIGHT], has indicated no objection to it. It is self-explanatory. It would eliminate the $50 per diem and replace it, for the members of commissions and the members of boards, by the provisions of section 5 of the Administrative Expense Act of 1946, which provides that:

> Persons serving without compensation or at $1 per annum may be allowed, while away from their homes or regular places of business, transportation in accordance with said regulations and said Act of February 14, 1931, as so amended, and not to exceed $10 per diem.

I shall be happy to answer any questions.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. FULBRIGHT. I said I had no objection to the provision because, in addition to applying it to the pending bill, the Senator from Iowa has made it apply to all consultants in all Government agencies.

The only point I made at the beginning was that since it is customary, in other agencies of the Government, to pay consultants a fee of $50 a day, we were proposing it in this bill. The Senator from Iowa objected to that. I said that if he would make the language applicable to all agencies of the Government, I was not seeking any special privileges for these commissions and boards and committees, so he consented to make the amendment applicable across the board to all agencies of the Government, which is satisfactory to me, if all are on the same basis. Therefore, I have no objection.

I should like to have Senators know that this applies across the board to all consultants in every agency.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Do Senators yield back their remaining time?

Mr. MILLER. I should like to amplify one thing in connection with the statement of the Senator from Arkansas. This amendment would not apply to consultants as such. The amendment would apply only to commissions and committees, not to consultants as such. I should like to make that clear, because many independent consultants are paid on a per diem basis. This language would not affect them.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MILLER. I am happy to yield to the Senator from Washington.

Mr. MAGNUSON. Do I correctly understand that the amendment of the Senator from Iowa would provide, with respect to the employment of a consultant by the Interstate Commerce Commission, the Securities and Exchange Commission, or some of the other commissions which require highly technical and skilled consultants, that the pay would be only $10 a day?

Mr. MILLER. No. I attempted to make it very clear. That is not the case. This language would affect only members of commissions and boards serving in a consultative capacity, as consultative boards. It would not affect independent consultants at all.

Mr. SYMINGTON. What is the difference?

Mr. MAGNUSON. I am thinking of one commission in particular. Would it affect, let us say, the American Battle Monuments Commission, whose members serve without pay, though they have to make trips to various places?

Mr. MILLER. Not at all. Those men are already covered by section 5 of the Administrative Expense Act of 1946.

Mr. MAGNUSON. The amendment would apply the act to that Commission?

Mr. MILLER. To the commission under the bill?

Mr. MAGNUSON. Yes.

Mr. MILLER. Yes.

Mr. MAGNUSON. That is all it would do?

Mr. MILLER. I should like for the Senator to understand the amendment. I am not quite sure I understand the Senator's question. I should like to make it clear that with respect to the American Battle Monuments Commission, to which the Senator referred——

Mr. MAGNUSON. I merely used that as an example.

Mr. MILLER. I understand. The American Battle Monuments Commission would not be affected by the amendment, because it is already covered by section 5 of the Administrative Expense Act of 1946.

Mr. MAGNUSON. Yes; but we have modified that act on many occasions in different bills and have granted different authorities to various committees and agencies.

Mr. MILLER. I point out to the Senator that the Administrative Expense Act of 1946 has been amended, and my amendment provides that the Administrative Expense Act of 1946, as amended, shall be applicable.

Mr. MAGNUSON. What I am trying to suggest to the Senator is that, although we have not amended the Administrative Procedure Act, technically, as such, we have passed legislation applying to various commissions and agencies in the field which, in effect, repealed the Administrative Procedure Act as it applied to them. Would this put those commissions under the act again?

Mr. MILLER. I am sorry I cannot give a definitive answer to the Senator.

Mr. MAGNUSON. Was the amendment considered by the committee?

Mr. HICKENLOOPER. Mr. President, will the Senator yield to me so that I may clarify the situation?

Mr. MILLER. I am happy to yield to my colleague from Iowa.

Mr. HICKENLOOPER. It is my understanding of the Senator's amendment that if a board or commission member, who is already operating on an existing board or commission, is called upon to act as a consultant for any other agency, he cannot draw two paychecks. Is that correct?

Mr. MILLER. That is correct.

Mr. HICKENLOOPER. In other words, if a consultant is taken from one agency or commission and serves as a consultant to another commission, he cannot be paid twice.

Mr. SYMINGTON. That is not what the language provides.

Mr. HICKENLOOPER. I ask the Senator if that is what it means.

Mr. MILLER. In response to my colleague from Iowa I say that the amendment certainly does mean that with respect to the example he gave.

Mr. MAGNUSON. I still do not understand the amendment.

Mr. MILLER. Mr. President, I wish to return to the question of the Senator from Washington. I think what is confusing the Senator is the point that was originally brought up about consultants. The amendment has nothing to do with consultants, but has to do only with commissions or boards which are serving in a consultative or advisory capacity. Independent consultants who are hired in the ICC, the CAB, or other agencies are not affected at all.

Mr. MAGNUSON. The amendment refers to the board members who serve without pay?

Mr. MILLER. The Senator is correct.

Mr. MAGNUSON. In respect to a person who serves without pay, no matter what the board is in the Government, he would be put back under the Administrative Procedure Act, and would be entitled to $10 a day?

Mr. MILLER. And his travel expenses.

Mr. MAGNUSON. And his travel expenses.

Mr. MILLER. That is correct.

Mr. RUSSELL. Mr. President, I have heard what the distinguished Senator from Iowa and his senior colleague have said the amendment means, but I insist that the amendment is susceptible of a very different construction from that which is placed on it by the author.

In the 11th hour in respect to action on the bill there is brought before the Senate a little amendment which the author did not think enough of to have printed, so that the Members of the Senate might read and understand it, though it is proposed legislation dealing with every agency of the Government and every consultant of the Government. These are sought to be governed by a provision to be attached to a bill which has to do with educational and cultural exchanges between countries.

This is a far-reaching amendment. It does not pertain merely to one board. It refers to any board or commission or committee which is serving any department or agency of the Government of the United States.

I say that we have reached some kind of new absurdity in legislation when we undertake to agree to an amendment such as the one proposed. It has been rushed up in one little "written out" amendment on a bill of the kind before the Senate at this late hour of the day. The Senate is reaching some kind of new low in legislation when we consider such an amendment to this kind of bill. The

amendment should have been printed. Senators should have had an opportunity to read and understand it. For my part, I do not intend that the amendment be agreed to at any time soon tonight. There are ways in which to legislate. We have been very generous in our extension of the procedures. But the present amendment is not the proper way to legislate. I read the amendment:

But members of the Board, the Commission, the Committee, or members of any other board, commission or committee serving any other department or agency of the Government in an advisory or consultative capacity only shall not be allowed any compensation as per diem or otherwise in excess of that prescribed by or established pursuant to section 6 of the Administrative Expense Act of 1946, as amended, notwithstanding the provision of any other law.

No Senator, including the author of the amendment, can tell us how many laws would be repealed by saying "notwithstanding the provision of any other law." I do not believe we should legislate in such a fashion at this time in connection with the pending bill.

Mr. HOLLAND. Mr. President, I thoroughly approve of what the distinguished Senator from Georgia has said. As I am sure the Senator from Maine [Mrs. SMITH], who is the ranking minority member of the Appropriations Subcommittee on which we both serve, will recall, we have had this very subject up for study in our committee last year and this year, and the Budget Bureau is studying it now.

A list was submitted to us only a few days ago showing the rate paid consultants. It ranges all the way from $50, which I believe was the least amount, to $100.

We have also found, particularly with reference to far off places like the Panama Canal, that a much larger sum is allowed than is the case in some other places. The Budget Bureau is studying the problem. We are trying to handle it in an appropriate way by general legislation. We have referred the subject to the appropriate legislative committee for its study and handling. It seems to me that while this careful effort is underway, it would be inappropriate to try to deal in an arbitrary and intermediate fashion with a subject which has been studied so long, and as to which a real effort is now underway to try to bring about order in our Government in this very important field. Therefore I support the position taken by the Senator from Georgia.

Mr. RUSSELL. I am sure the Senator is not trying to accomplish the object in a dark room.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. MORSE. I completely agree with the Senator from Georgia [Mr. RUSSELL] and the Senator from Florida [Mr. HOLLAND]. We cannot escape the fact that this is a proposal for general legislation. There were no hearings on the proposal. The Senate Committee on Foreign Relations never went into it, even in respect to its reference to the bill before the Senate. But as the Senator from Georgia has pointed out, the amendment would not be limited to the bill. I think the Senate is entitled to advice from the Committee on Appropriations. I think the Senate is entitled to advice from legislative committees having jurisdiction over legislation which involves the commissions, boards, and consulting groups that would be covered by the amendment. I believe that this is an inappropriate bill on which to attach the amendment, and I hope that it will be rejected.

Mr. ANDERSON. In the House there is the so-called Ramseyer rule, which states that proposed legislation to repeal laws must show what is being repealed. I ask the Senator from Georgia if he knows what acts would be repealed by the proposed amendment?

Mr. RUSSELL. No, and I do not think the author of the amendment knows.

Mr. ANDERSON. Does the Senator believe that such procedure would be wise? I do not, and I hope that the Senate will ask for a yea-and-nay vote. We have heard about fiscal irresponsibility. I say that we have before us an example of legislative irresponsibility. No Senator would know what he would be voting to repeal.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SYMINGTON. I wish to associate myself with the remarks of the Senator from Georgia.

Mr. MILLER. Mr. President, I believe I have the floor. I think I can save a great deal of time.

Mr. RUSSELL. Mr. President, I do not know how the Senator from Iowa obtained the floor.

Mr. MANSFIELD. The Senator is speaking under allocated time.

Mr. MILLER. Mr. President, in view of the assurance that has been given to the Senate by the distinguished Senator from Florida [Mr. HOLLAND] that the matter of salaries and per diems for the various boards and commissions is being given very careful study, I withdraw my amendment.

Mr. HOLLAND. I thank the distinguished Senator.

Mr. MILLER. I think it is very important to point out to the Senate that the bill would make a change in the procedure for handling commissions and boards under our cultural exchange program. Up until now people working under that program have been serving without any compensation whatever under the Administrative Expenses Act of 1946. Now it is proposed to change the provisions of that act to pay $50 per day. I think it is a very poor time to make a change, and that is the reason which prompted my original amendment. But it was only upon the suggestion of the more senior Senators that the amendment was broadened in the fashion that it was.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment has been withdrawn. The bill is open to further amendment.

Mr. FULBRIGHT. Mr. President, on behalf of the committee I offer a series of amendments.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 13, line 9, it is proposed to delete "accounts" and substitute "amounts".

On page 17, line 22, it is proposed to insert "and" before the word "public".

On page 18, line 23, it is proposed to insert a comma after "cultural".

On page 24, line 7, it is proposed to delete the hyphen at the end; insert the hyphen between "bona" and "fide".

On page 25, line 16, it is proposed to insert "and" before "will not deprive".

On page 29, line 15, it is proposed to change "scholarship" to read "scholarships".

On page 17, line 14, it is proposed to delete ", (5),".

On page 23, line 9, it is proposed to insert "and (3)" after "(2)".

On page 26, line 15, it is proposed to delete "only" and substitute "also".

On page 26, line 16, it is proposed to delete "acquiring" and insert "who acquired" after "persons".

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Arkansas on behalf of the committee.

Mr. FULBRIGHT. Mr. President, I submit and ask consideration of committee amendments which generally propose changes of a perfecting nature, and raise no controversial question.

The first six items correct typographical errors in the bill, and do not raise any substantive issues whatsoever.

The deletion of the reference to section 102(b)(5) on line 14, page 17, retracts the expansion of the supervisory authority of the Board of Foreign Scholarships to cover research and development activities. The Board currently has no primary role in connection with such activities, and would not normally find them coming within its field of jurisdiction. The executive branch fully supports this deletion.

The insertion of the reference to section 102(a)(3) is an editorial change made necessary by committee action in another context which divided section 102(a)(2) and created a new subsection (3). The effect of this amendment is solely to confirm existing authority as it now stands.

The two related changes on page 26, lines 15 and 16 of the bill, basically are also of an editorial character. They remedy an imperfection in the phrasing of an amendment to the Immigration and Nationality Act which was submitted by the executive branch and accepted by the committee. We have been in touch with the executive branch and the Senate Immigration Subcommittee staff and have complete assurance that these two one-word changes are necessary to the proper interpretation of these lines in the bill.

Mr. President, I ask that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The bill is open to further amendment.

Mr. DIRKSEN obtained the floor.

Mr. DIRKSEN. Mr. President, I yield 1 minute under the bill to the Senator from Iowa.

Mr. MILLER. Mr. President, I thank my colleague from Illinois.

On June 29, I submitted an amendment designated "C." I wish to withdraw that amendment also, and I wish to make clear why it is being withdrawn.

The amendment was designed to clear up a problem that had arisen because of a decision in the Tax Court of the United States known as the Bhalla decision, affecting an Indian student at the University of Tennessee under a grant by the National Science Foundation. I have been apprised that since the amendment was submitted, the Treasury Department has acquiesced in the Bhalla decision, and by that acquiescence has recognized the validity of the decision which my amendment sought to codify. Therefore the reason for the amendment no longer exists.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield 1 minute to the Senator from Idaho.

Mr. DWORSHAK. I wish to ask the chairman of the committee a question. On page 7, section (c), the following appears:

(c) In such agreements with the United Nations and other international organizations, the President may provide for equitable United States participation in and support for, including a reasonable share of the cost of, educational and cultural programs to be administered by such organizations.

I should like to have some clarification by the chairman of the committee as to whether, under the provisions of that section, the supervision of the program would be relinquished and transferred to an organization in which we are outvoted by a vote of 100 to 1?

Mr. FULBRIGHT. The Senator knows the result of the voting, or what influence we have. It is true that the bill gives authority to participate in the exchange programs which the various agencies may guarantee.

The OAS is one in particular, which has a very small program, and the NATO organization also has one largely for the exchange of scientific students. There is no important program, if I am correctly informed, so far as a United Nations exchange program is concerned. However, the Senator from Vermont discussed one which is under consideration for the World Health Organization. I believe there is another one. The Senator from Idaho is correct, that the bill gives authority to participate in such a program.

Mr. DWORSHAK. Mr. President, will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. DWORSHAK. Of course, we all recognize the fact that the cultural exchange program has been quite successful. I should like to know why there is any justification now for a radical innovation which would transfer complete control over this particular exchange program from our own Government to the United Nations.

Mr. FULBRIGHT. I believe the Senator overstates the situation. It could not participate except in pursuance of an executive agreement which our Government might make. Under such an agreement it could set whatever terms of participation it wanted to set, determine how much it wanted to pay, and how it wanted the program to be controlled. This is not a carte blanche proposal, or a turning over of a program without any control at all. The terms of our participation are completely within our control.

Mr. DWORSHAK. If the program has been successful—and I am sure the chairman of the Foreign Relations Committee, will recognize that it has been, and defend it, and agree that it has been successfully operated—why should we propose a radical innovation at this time which may greatly weaken and undermine the program?

Mr. FULBRIGHT. I hope the Senator does not think that this provision means that we will abandon the principal activities under the program. It does not mean any such thing. Whether or not any executive agreements are made to participate to any degree remains to be seen. I believe that it would be a very small undertaking and a very small part of the whole program. There are some countries, as I have already explained, some of our neighbors to the south are involved.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

ORDER FOR ADJOURNMENT TO FRIDAY

Mr. MANSFIELD. Mr. President, for the information of the Senate, after discussing the matter with the distinguished minority leader, I ask unanimous consent that when the Senate adjourns tonight it adjourn to meet at 12 o'clock noon on Friday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR VOTE ON PENDING BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the morning business on Friday next the vote be taken on the passage of the Mutual Educational and Cultural Exchange Act of 1961, which has now been read the third time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I am prepared to yield back the remainder of the time on the bill on this side.

Mr. DIRKSEN. Mr. President, I yield back the remaining time on this side.

The PRESIDING OFFICER. All time on the bill is yielded back.

The unanimous-consent agreement was subsequently reduced to writing as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That on Friday, July 14, 1961, after the conclusion of the morning business, the Senate proceed to vote on the final passage of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. I should like to ask the distinguished majority leader what else will be set for consideration on Friday other than the record vote on the pending bill.

Mr. MANSFIELD. First, there will be no further votes tonight. Second, on Friday, at the conclusion of the vote on the Mutual Educational and Cultural Exchange Act, the pending business, the oceanographic bill, in which the distinguished Senator from Illinois has an interest, will be taken up.

On Monday, very likely consideration of the oceanographic bill will be continued, and the calendar will be called.

On Tuesday it is tentatively anticipated—I know that the Senator from Idaho and the Senator from Washington and other Senators are interested—the Atomic Energy Commission authorization bill will be considered.

On Wednesday, very likely—and again tentatively—the resolution relating to Reorganization Plan No. 5 will be considered. It is anticipated that it will be reported by the Committee on Government Operations on Monday next.

Mr. DIRKSEN. I understand that it is the hope of the distinguished chairman of the Commerce Committee that, while there may be some discussion of the oceanographic bill on Friday, no vote will be had until the following Monday. I do not know whether there has been any concurrence in that respect on the part of the leadership.

Mr. MANSFIELD. If the situation develops in the fashion described by the minority leader, and elucidated by the senior Senator from Washington, there may well be a final vote on the oceanographic bill on Monday. However, I want all Members of the Senate to know that it is not my thought that they will be able to play hooky on Friday. Very likely there will be votes, and Senators will be expected to be in attendance.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. LONG of Louisiana. I did not object to the unanimous-consent agreement, although it will be impossible for me to be present on Friday. I should like the RECORD to indicate that, had I been able to be present, I would have voted in favor of the bill on final passage. I will be present on Monday, and I hope to have an opportunity to offer an amendment to the oceanographic bill. I believe there is an understanding that Senators will have an opportunity to offer amendments to the bill on Monday.

Mr. MANSFIELD. If any development occurs which may impair the Senator's right to do so, I will be prepared on Friday to offer an amendment in his name; I will also do my best to see that he is given a live pair or pairs, if possible.

Mr. LONG of Louisiana. I thank the Senator.

Mr. DIRKSEN. Mr. President, I yield 1 minute on the bill to the Senator from Delaware.

NOTICE OF MOTION TO RECONSIDER VOTE ON S. 2197

Mr. WILLIAMS of Delaware. Mr. President, this morning the Senate Committee on Agriculture and Forestry reported, and a few hours later the Senate passed, S. 2197.

It may well be that there will be no objection to the bill, but certainly if meritorious enough to justify its enactment it is at least worthy of examination.

As it is, I, as well as other Members of the Senate, have never had an opportunity either to read the bill or to study the proposal.

Therefore I now enter a motion to reconsider the vote by which S. 2197 was passed.

The PRESIDING OFFICER. The motion will be entered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent, on behalf of the minority leader and myself, that the time allocated for the remainder of the evening be outside the allotted time.

The PRESIDING OFFICER. Without objection, it is so ordered.

"FEDERAL AID TO EDUCATION"—ADDRESS BY SECRETARY RIBICOFF TO GOVERNORS' CONFERENCE OF JUNE 27, 1961

Mr. MORSE. Mr. President, during the floor debate upon the general aid to education bill, concern was expressed from time to time by Senators lest there be Federal control of our educational systems as a result of Federal aid.

It was and is my position that this fear has no foundation in fact. I have a high confidence in the wisdom of the present Secretary of Health, Education, and Welfare, and I am confident that his successors in that important post, whoever they may be, will share his awareness of the intent of Congress with respect to this point. Furthermore, Congress has at its command safeguards, both legislatively and through the appropriations process, which could effectively impress the executive branch with the firmness with which Congress holds to the conviction that Federal control of the operations of local school systems is undesirable.

Secretary Ribicoff made that point very ably in an address delivered at the Governors' conference on June 27, 1961.

It was a straight-from-the-shoulder speech which gained additional emphasis from the fact that as a former Governor of the great State of Connecticut, he was speaking from firsthand experience. He reminded the Governors of his own devotion to the values of States rights when he was the chief executive of Connecticut, and of the fact that, as Secretary of Health, Education, and Welfare, he has insisted that every draft bill originating in his Department scrupulously observe the legitimate prerogatives of the States.

He reviewed the history of Federal legislation for education and in the course of his exposition he stated:

I cite this historical development to put this discussion of financing our schools and colleges in proper perspective. I have another reason: that is to lay to rest the ghost of Federal control of education that seems to haunt every inquiry into educational finance which involves Federal financial participation.

In my 6 years as Governor of Connecticut and in my 5 months as the Cabinet officer having primary responsibility for Federal education policies and activities, I have never heard from a school principal, a superintendent, a mayor, or a Governor the slightest suggestion of Federal control of education. Quite the contrary, the Federal interest as I have seen it operate strengthens the capacity of State and local government to provide for the educational needs of the country.

There has been distributed to each of you a paper, prepared by our Department, which gives the details of Federal aid to education paid in each of your States, for fiscal 1959, the latest complete figures. The total annual expenditure, exclusive of loans, was nearly $2½ billion. This year the figures are even higher. I want you to look at the funds each of your States received under all of these federally aided programs. I want you to tell me if you know of a single instance of Federal control of education because of these expenditures. And I would also like those who oppose the School Assistance Act of 1961 to tell me which of these existing programs they would like to have withdrawn.

Are you opposed to receiving funds for land-grant colleges, for vocational education, for National Defense Education Act loans and fellowships, for school construction and teachers' salaries in federally impacted areas?

Let us acknowledge the plain truth that after 175 years of Federal financial participation in the support of education, the direction, administration, control, and responsibility for education are all firmly in the hands of State, local, and private agencies. More significantly, there is no support that I know of in education, Government, politics, or public opinion for changing this emphasis. Therefore, let us discuss issues that have real substance.

Mr. President, this is a most significant figure that the Secretary presents. The Federal money for educational purposes, exclusive of loans, which was made available to the States for the fiscal year 1959, amounted to $2½ billion. Yet this was done without Federal control.

In my judgment, Secretary Ribicoff has presented an irrefutable case against the scarecrow arguments of Federal control of our local school systems.

Because I am confident that many Senators are receiving correspondence from sincere citizens who wish to know the facts of this matter, I ask unanimous consent that Secretary Ribicoff's remarks of June 27, 1961, together with the statistical tables setting forth the amounts received by each State for the various educational programs currently being administered be printed at this point in the RECORD.

There being no objection, the address and tables were ordered to be printed in the RECORD, as follows:

REMARKS BY ABRAHAM RIBICOFF, SECRETARY OF HEALTH, EDUCATION, AND WELFARE

I am glad to have a chance to discuss aid to education with this group of realists. You would not hold the positions of leadership in your States had you not demonstrated the ability to be realistic about the problems your States face and realistic about the ways to solve them. And while each of you knows the value of a politically appealing slogan, you also know the hard realities of State and local government which slogans often disguise.

As I have read and listened to the current debate over the President's domestic proposals, one pattern has consistently emerged: The problems before us are the problems of the sixties, but the dialogue is spoken in the rhetoric of the twenties. The catch phrases and slogans of another era are being trumpeted across the land. In many of your States these familiar battle cries evoke a warm response.

But you and I know that the slogans will not solve the problems. Every Governor who has wrestled with his State budget knows that State and local tax resources alone cannot meet the increasing need for all basic State and local services. And so the Governors have in recent decades been eager participants with the Federal Government in the development of federally aided State programs to meet the varied needs of the people.

For brief intervals during each session of Congress, the States rights banner has been hauled down, while realistic Governors and Senators and Congressmen hammered our programs of Federal aid for highways, for welfare grants, for farm programs, for resource development—yes, and for education as well.

Then, with the legislation enacted and the allotment formulas adjusted to take account of variations in State financial resources, the banners are again unfurled, the battle cries are voiced, and invariably the battalions of critics mounting the best assault on Federal assistance are quartered in the States receiving the greatest share of Federal funds.

Let me speak frankly to you. As a Governor I knew full well the true value of States rights. I cherished those rights and greatly valued the opportunity that my State enjoyed to deal with its own problems in ways best suited to its people and their traditions. As a Secretary of Health, Education, and Welfare I am just as concerned about States rights as I ever was—just as concerned as any Governor here. I will always defend the right of every State to deal with local problems free of Federal interference. To

this end I have insisted that every one of the many draft bills which the Department of Health, Education, and Welfare has sent to Congress since January has scrupulously observed the legitimate prerogatives of State government. This meaningful side of States rights I respect.

What I rejected as Governor and still reject as Secretary is the sloganeering aspect of States rights—the false cry of alarm that is raised whenever the Federal Government and the States join together to solve problems of national significance which the States alone cannot solve. I reject the claim that Federal funds mean Federal domination. I did not find this to be true in my State, and I think many of you who readily accept Federal funds and regularly seek increased grants will candidly admit the claim is spurious.

So let us bear these realities in mind as we consider the specific problem of education today. My firm belief is that State and local government—and private effort—cannot alone provide the means of attaining our goals in education, although their effort has been great and is constantly increasing. I am convinced that a still greater local, State, and private effort is required and, in addition, that the Federal Government must provide increased financial assistance for this effort.

Let me make it completely clear there is nothing new about Federal financial assistance to improve education.

Our National Government has provided direct assistance for education during the whole period of our national life. In the Survey Ordinance of 1785—4 years prior to the adoption of the Constitution—the National Government provided for the reservation of lot No. 16 of every township for the maintenance of public schools in every township. The Northwest Ordinance of 1787, in providing for the distribution of Federal lands, declared that "schools and the means of education shall forever be encouraged."

This early national support and encouragement of education has been followed by a long succession of Federal actions to strengthen our schools and colleges. We might never have had our splendid State systems of public higher education had it not been for the Land-Grant College Act of 1862. The Congress has provided additional Federal assistance for land-grant institutions periodically since 1862. The latest addition to such assistance was enacted only last year.

We might never have had the benefit of a universal system of vocational education had it not been for the National Vocational Education Acts, beginning in 1917. The Congress recognized an urgent educational need and assisted the States in meeting it through the public school systems.

Moreover, the educational level of the adult population of this country would not be nearly so high in 1961 had it not been for the GI bills of 1944 and 1952.

Today our Federal Government—in cooperation with State governments and public and private colleges and universities—is making a great contribution to education. Under the National Defense Education Act of 1958, through the programs of the National Science Foundation, the Department of Agriculture, and other departments and agencies, our schools and colleges are being helped to improve their programs in science, mathematics, modern foreign languages, and technical education; students are being helped financially so that they can finish college; graduate education is being strengthened and expanded to meet our educational, industrial, and other needs. These are all areas of crucial national concern.

Under the federally impacted area program, hundreds of millions of Federal funds have been spent in every one of your States for building schools and paying teachers' salaries.

I cite this historical development to put this discussion of financing our schools and colleges in proper perspective. I have another reason: that is to lay to rest the ghost of Federal control of education that seems to haunt every inquiry into educational finance which involves Federal financial participation.

In my 6 years as Governor of Connecticut and in my 5 months as the Cabinet officer having primary responsibility for Federal education policies and activities, I have never heard from a school principal, a superintendent, a mayor, or a Governor the slightest suggestion of Federal control of education. Quite the contrary, the Federal interest as I have seen it operate strengthens the capacity of State and local government to provide for the educational needs of the country.

There has been distributed to each of you a paper, prepared by our Department, which gives the details of Federal aid to education paid in each of your States—for fiscal 1959—the latest complete figures. The total annual expenditure, exclusive of loans, was nearly $2½ billion. This year the figures are even higher. I want you to look at the funds each of your States received under all of these federally aided programs. I want you to tell me if you know of a single instance of Federal control of education because of these expenditures. And I would also like those who oppose the School Assistance Act of 1961 to tell me which of these existing programs they would like to have withdrawn.

Are you opposed to receiving funds for land-grant colleges, for vocational education, for National Defense Education Act loans and fellowships, for school construction and teachers' salaries in federally impacted areas?

Let us acknowledge the plain truth that after 175 years of Federal financial participation in the support of education, the direction, administration, control, and responsibility for education are all firmly in the hands of State, local, and private agencies. More significantly, there is no support that I know of in education, government, politics, or public opinion for changing this emphasis. Therefore, let us discuss issues that have real substance.

Education is an area of national concern in which we must make a common national effort. For the Nation's interest in improving education in every State is clear. If education lags behind in any State, the entire Nation suffers. Our national responsibilities are too great to permit gaps in the pursuit of excellence. And with some 5 million of our population moving across State lines every year, every citizen is entitled to the assurance that first-rate educational opportunities exist in every one of the 50 States.

Let us face the fact that we have not met our needs. Today the classroom shortage stands at 142,000. Two million children attend schools in unsatisfactory facilities.

Teachers' salaries have improved but are still too low. The average earnings for 17 professions requiring college graduation are twice as high as the average for teachers. And today there are 90,000 teachers in our classrooms who fail to meet full professional certification requirements.

In the field of higher education we have to accommodate 1 million more students by 1965. During that period currently available resources for facilities alone will fall short by $2.9 billion.

Our needs are great. And they are growing.

What of our capacity to meet these needs? During the past decade the States and local communities have made an extraordinary effort to keep pace with the Nation's snowballing educational problems. Yet each year—as you well know—the budgetary problems become more and more severe. While Federal tax dollars have increased 85 percent in the years since World War II, State and local communities have had to increase their tax revenues by 221 percent. While the Federal debt has increased by 6 percent, State and local debt has increased more than 300 percent since 1946. Property taxes, the traditional source of revenue for education, are in many areas rapidly approaching the limits of reasonableness. In some areas they may well have exceeded such limits.

What is more, the States vary greatly in the ability to finance education. The State with the highest income has almost 4 times the income per public elementary and secondary school pupil found in the State with the lowest income.

Inequality of ability is reflected in inequality of performance. The two States with the highest capacity and the smallest load are expanding in the order of 2½ times as many dollars per pupil annually as the two States with the lowest capacity and the heaviest load.

While it is possible to argue that a dollar may buy more in Alabama or Arkansas than in New York or New Jersey, it will not buy enough more to explain away a difference between what $225 annual expenditures per pupil will buy and the quality of education which $680 per year per pupil will provide.

If we are to do all that we should do in education—all that we must do—the prospect is the the effort I have described must be approximately doubled during the next 10 years. It is obvious that additional resources—private, local, State, and Federal—must be called upon to accomplish this.

This administration believes in education. We believe that the Federal role in education is to strengthen State, local, and private efforts to meet the goals of education enunciated by the President. We believe that the fiscal resources of the Federal Government must be utilized to a greater extent than before to achieve these goals. The President has placed before the Congress a comprehensive set of farsighted and imaginative proposals to strengthen education. In very brief outline, these are:

A 3-year program of grants to the States for the construction of public elementary and secondary school facilities, the improvement of teachers' salaries, and an attack on special educational problems found in all States. By giving each State its own choice of using funds for either school construction or teachers' salaries, this proposal serves the true spirit of States rights.

Amendment and extension of the National Defense Education Act, which authorizes related programs of vital importance to every level of education.

Continuation of the existing college housing loan program with a 5-year, $250 million annual program for residential housing.

Establishment of a new long-term, low-interest-rate program, also for 5 years, at $300 million a year, for higher education academic facilities—classrooms, laboratories, and libraries.

A 5-year program of scholarships for college students, with sufficient appropriations to permit the award of 25,000 scholarships in the first year, 37,500 in the second, and 50,000 in the three succeeding years.

Increased assistance for medical and dental school construction and a bold program of scholarship aid for one-fourth of the Nation's medical and dental students.

I am confident that the American people, acting as individuals and through their governmental structures, will see to it that the goals of education are achieved. Certainly there is a growing recognition of the necessity for a new standard of excellence in education and in other phases of our national life. And I believe that we have both the means and the determination to make this excellence available to all who are willing and able to pursue it.

We cannot do otherwise.

The United States is the first nation in history to set universal public education as a national goal. Ours is a remarkable and original educational system. It must be strengthened. It must be improved.

We must find the resources to do the job—resources which will assure our continued progress and survival as a free nation.

Summary of Federal funds for education, fiscal year 1959

[In dollars]

State or territory	Grand total	Funds administered by the DHEW	Funds administered by the USDA	Funds administered by the Veterans' Administration	Other Federal funds for education
(1)	(2)	(3)	(4)	(5)	(6)
Total	2,413,188,176	737,865,486	383,555,847	602,035,460	689,731,383
Alabama	46,770,590	17,857,383	10,630,572	17,366,993	915,642
Alaska	14,681,956	7,446,634	544,330	178,827	6,512,165
Arizona	18,642,806	9,330,430	3,210,172	4,622,848	1,479,356
Arkansas	20,934,089	6,460,150	7,492,685	6,549,971	431,283
California	167,511,839	72,369,482	23,018,268	59,846,992	12,277,097
Colorado	28,122,129	11,279,373	3,718,375	7,758,181	5,366,200
Connecticut	19,244,837	6,364,334	3,128,078	5,882,019	3,870,406
Delaware	3,620,127	1,993,573	818,351	540,447	267,756
Florida	50,242,002	22,314,771	7,980,338	18,351,819	1,595,074
Georgia	50,681,256	18,047,884	11,088,497	18,785,163	2,759,712
Hawaii	8,723,224	6,268,747	1,752,632	(1)	701,845
Idaho	9,581,298	4,103,481	2,818,877	2,349,801	309,139
Illinois	66,127,578	19,844,028	14,977,011	25,092,806	6,213,733
Indiana	34,386,230	10,690,748	8,338,568	12,423,408	2,933,506
Iowa	26,738,927	6,598,421	7,241,032	10,946,977	1,952,497
Kansas	22,626,280	9,716,234	5,016,755	6,040,344	1,852,947
Kentucky	28,574,560	9,283,402	9,566,550	9,128,063	596,545
Louisiana	34,042,929	8,999,682	9,397,399	14,344,701	1,301,147
Maine	10,375,781	5,490,374	2,157,204	2,083,512	644,691
Maryland	28,418,818	17,374,363	4,638,062	4,618,911	1,787,482
Massachusetts	53,419,900	18,195,199	7,872,577	17,031,940	10,320,184
Michigan	58,352,348	16,632,878	13,038,304	20,840,155	7,841,011
Minnesota	32,693,051	8,058,787	8,326,755	13,460,584	2,846,925
Mississippi	26,579,794	9,586,191	9,140,958	7,234,234	618,411
Missouri	38,994,917	12,010,612	9,167,353	15,860,103	1,956,849
Montana	9,914,260	2,791,549	2,501,153	2,315,311	2,306,247
Nebraska	15,397,996	5,473,240	3,199,103	6,470,584	255,069
Nevada	3,603,789	2,066,074	696,340	508,471	332,904
New Hampshire	5,873,528	2,555,771	1,253,318	1,698,938	365,501
New Jersey	20,611,922	10,992,415	5,905,387	10,837,239	1,876,881
New Mexico	24,928,522	11,001,940	3,054,071	3,234,088	7,638,423
New York	120,065,530	42,347,922	22,443,854	38,860,263	16,413,491
North Carolina	47,483,863	15,601,061	13,328,390	14,972,679	3,581,733
North Dakota	8,952,028	2,063,003	2,314,043	3,965,514	609,465
Ohio	57,345,452	18,917,493	15,464,646	19,415,761	3,547,552
Oklahoma	34,801,768	15,543,211	6,550,618	10,744,196	1,963,743
Oregon	39,945,226	6,053,341	11,130,990	5,845,796	16,915,099
Pennsylvania	75,865,949	21,206,389	16,217,027	33,520,547	4,921,986
Rhode Island	9,067,556	4,024,628	1,179,610	3,061,318	802,000
South Carolina	28,304,584	10,024,128	7,909,538	9,921,273	449,645
South Dakota	11,149,782	3,951,494	2,322,730	4,040,199	835,359
Tennessee	38,892,529	12,538,495	11,568,784	12,749,448	2,035,802
Texas	96,338,598	36,224,355	17,585,892	28,932,039	3,596,312
Utah	17,942,607	5,767,241	2,583,456	5,940,205	3,651,705
Vermont	3,930,027	1,585,282	1,050,654	958,322	335,769
Virginia	48,201,471	24,005,955	9,431,135	13,484,834	1,279,547
Washington	38,754,147	17,969,208	9,383,561	10,084,867	1,316,511
West Virginia	17,197,692	5,314,027	5,287,942	6,238,241	357,482
Wisconsin	34,273,486	8,334,687	8,531,412	12,053,827	5,353,560
Wyoming	16,822,884	1,949,774	1,186,370	1,037,214	12,649,526
Dist. of Col.	25,755,108	1,993,528	721,047	9,510,758	13,529,775
American Samoa	218,113	0	0	0	218,113
Canal Zone	5,068,045	49,000	0	0	5,019,045
Guam	953,347	928,357	24,990	0	0
Puerto Rico	12,806,646	4,000,691	8,547,948	0	258,007
Virgin Islands	212,710	113,530	99,180	0	0
U.S. possessions	21,627,655	0	0	21,627,655	0
Foreign countries	2,967,074	0	0	2,967,074	0
Unallotted	173,416	0	173,416	0	0
AMA contracts	170,000	0	170,000	0	0
Trust territories	89,539	0	89,539	0	0
National and other	618,394,064	106,160,536	6,570,000	5,700,000	499,963,528

[1] Amount included with U.S. possessions.

Source: Department of Health, Education, and Welfare; Office of Education, "Federal Funds for Education, 1958–59," table 7.

Summary of amounts of Federal loans for educational purposes, fiscal year 1959

State or territory	Total amount loaned	Housing and Home Finance Agency, college housing loans	Department of Health, Education, and Welfare, National Defense Education Act of 1958	
			College student loans	Nonprofit private school loans
(1)	(2)	(3)	(4)	(5)
Total	$216,127,000	$178,407,000	$31,000,000	$6,720,000
Alabama	2,394,896	1,900,000	460,337	34,559
Alaska	9,556	0	6,989	2,567
Arizona	636,579	400,000	206,424	30,155
Arkansas	1,512,307	1,250,000	249,249	13,058
California	10,159,980	6,818,000	2,974,650	367,330
Colorado	468,537	0	423,473	45,064
Connecticut	3,035,801	2,500,000	431,675	104,126
Delaware	713,749	665,000	27,500	21,249
Florida	6,254,238	5,625,000	566,768	62,470
Georgia	6,959,454	6,427,000	510,490	21,964
Hawaii	549,544	437,000	75,040	37,504
Idaho	622,326	490,000	123,939	8,387
Illinois	14,122,337	11,917,000	1,586,598	618,739
Indiana	6,908,020	5,855,000	906,382	146,638
Iowa	2,267,660	1,570,000	592,720	104,940
Kansas	2,437,740	1,875,000	506,694	56,046
Kentucky	4,507,586	4,010,000	401,903	95,683
Louisiana	2,613,532	1,900,000	552,715	160,817
Maine	164,601	0	118,583	46,018
Maryland	1,615,710	1,050,000	422,929	142,781
Massachusetts	4,188,789	2,584,000	1,295,272	309,517
Michigan	4,034,263	2,349,000	1,328,606	356,657
Minnesota	3,187,115	2,310,000	701,108	176,007
Mississippi	5,295,200	4,927,000	341,351	24,909
Missouri	3,802,232	2,871,000	754,327	176,905
Montana	2,575,607	2,430,000	123,166	22,441
Nebraska	1,965,866	1,631,000	296,062	36,804
Nevada	$1,409,488	$1,382,000	$22,635	$4,853
New Hampshire	921,003	750,000	127,902	43,101
New Jersey	1,608,990	700,000	557,410	351,580
New Mexico	456,943	295,000	129,628	32,315
New York	26,827,984	22,574,000	3,246,582	1,007,402
North Carolina	5,498,935	4,763,000	717,028	18,907
North Dakota	533,046	380,000	130,984	22,062
Ohio	15,692,300	13,854,000	1,420,211	418,089
Oklahoma	2,813,764	2,213,000	578,393	22,371
Oregon	417,377	0	380,742	36,635
Pennsylvania	27,988,571	25,458,000	1,844,117	686,454
Rhode Island	2,101,193	1,874,000	164,737	62,456
South Carolina	1,503,002	1,150,000	341,543	11,459
South Dakota	1,335,710	1,175,000	142,014	18,696
Tennessee	3,193,271	2,585,000	572,534	35,737
Texas	11,596,802	9,670,000	1,766,742	160,060
Utah	1,647,450	1,425,000	216,587	5,863
Vermont	1,491,082	1,365,000	103,837	22,245
Virginia	1,134,561	575,000	504,090	55,471
Washington	4,815,983	4,210,000	548,296	57,687
West Virginia	1,314,901	1,100,000	195,966	18,935
Wisconsin	7,249,972	6,170,000	707,581	272,391
Wyoming	55,076	0	49,943	5,133
District of Columbia	1,249,750	848,000	369,758	31,992
Canal Zone	[1] 631	0	0	[1] 631
Guam	3,128	0	0	3,128
Puerto Rico	241,548	0	173,799	67,758
Virgin Islands	3,254	0	0	3,254

[1] Did not choose to participate.

Source: Department of Health, Education, and Welfare; Office of Education, "Federal Funds for Education, 1958–59," table 8.

Federal aid payments to State and local units for selected educational programs: Fiscal year 1960

[In thousands of dollars]

States, territories, etc.	National Defense Education Act	School construction (Public Law 815)	School operation (Public Law 874)	Cooperative vocational education	Library services in rural areas	Colleges for agriculture and mechanic arts	Cooperative agricultural extension work	School lunch and school milk programs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total, including undistributed to States	68,507	70,553	166,661	39,140	7,037	5,052	59,934	231,868
50 States and District of Columbia	67,887	70,034	162,924	38,292	6,790	5,002	50,445	230,384
Alabama	1,924	1,179	4,134	1,063	208	101	1,876	5,614
Alaska	79	2,273	4,937	86	47	71	105	132
Arizona	140	3,360	3,911	205	72	77	347	1,682
Arkansas	883	660	954	781	165	89	1,569	3,480
California	1,869	12,396	26,023	2,084	239	176	1,325	15,791
Colorado	1,163	1,483	4,658	341	88	83	534	2,161
Connecticut	317	361	1,505	352	68	90	267	2,322
Delaware	109	0	641	186	48	73	135	465
Florida	2,025	1,578	4,765	642	146	98	622	5,563
Georgia	821	1,365	4,651	1,094	224	104	2,009	6,316
Hawaii	284	2,331	959	181	55	75	239	996
Idaho	588	602	1,313	232	86	70	394	999
Illinois	1,186	1,073	2,911	1,682	230	157	1,581	11,888
Indiana	1,946	1,438	862	963	0	109	1,309	5,693
Iowa	957	319	598	850	214	96	1,415	4,639
Kansas	487	1,467	4,527	577	77	89	990	2,921
Kentucky	1,055	206	1,113	1,066	221	99	1,895	5,466
Louisiana	1,978	268	850	871	158	97	1,261	5,517
Maine	322	368	1,401	232	61	79	354	1,250
Maryland	485	4,251	5,487	447	72	93	492	3,734
Massachusetts	1,050	573	4,769	733	80	117	379	6,023
Michigan	2,950	2,800	920	1,358	222	134	1,472	10,056
Minnesota	1,678	246	414	935	172	100	1,390	5,670
Mississippi	2,068	684	1,349	961	193	92	1,975	4,956
Missouri	1,641	932	2,050	1,085	199	109	1,706	5,842
Montana	356	1,520	1,415	205	72	76	442	747
Nebraska	512	486	1,557	442	109	83	839	1,686
Nevada	84	125	1,227	180	68	72	172	244
New Hampshire	331	0	1,035	173	62	75	181	737
New Jersey	1,757	963	3,079	768	97	118	362	5,157
New Mexico	663	4,430	4,037	235	73	77	425	1,520
New York	4,762	1,587	3,417	2,482	249	218	1,358	18,185
North Carolina	3,223	703	2,012	1,500	302	111	2,542	8,395
North Dakota	422	846	336	289	42	76	583	1,076
Ohio	1,953	1,048	4,139	1,670	271	149	1,803	11,709
Oklahoma	1,345	3,066	6,615	736	100	92	1,339	3,431
Oregon	849	266	852	390	90	85	572	2,120
Pennsylvania	4,663	6	5,166	2,119	250	175	1,785	11,443
Rhode Island	352	242	1,608	173	59	78	97	906
South Carolina	568	526	2,890	733	128	91	1,384	4,536
South Dakota	269	958	1,699	287	82	77	561	1,139
Tennessee	1,751	226	1,892	1,123	219	103	1,907	6,203
Texas	6,592	4,575	11,099	1,993	288	147	3,090	10,929
Utah	364	690	1,645	190	75	77	311	1,327
Vermont	219	0	65	187	63	74	238	521
Virginia	2,607	4,004	13,007	987	211	103	1,525	5,605
Washington	1,588	1,353	7,100	542	125	94	697	3,517
West Virginia	1,789	0	116	628	168	90	931	2,809
Wisconsin	2,329	0	556	961	190	104	1,381	6,143
Wyoming	303	199	661	171	50	73	280	434
District of Columbia	230	0	0	118	0	0	0	693
Puerto Rico	510	0	2,950	742	220	50	1,369	4,137
Virgin Islands	45	0	75	43	11	0	0	84
Other territories	65	520	712	64	15	0	0	36
Undistributed to States	0	0	0	0	0	0	8,120	−2,773

NOTE.—Detail may not add to total because of rounding.

Source: Treasury Department, Annual Report of the Secretary on the State of the Finances, fiscal year 1960, table 88, cols. 26, 23, 24, 22, 25, 21, 2, 3, and 10.

Col. 1: Other territories includes American Samoa, Canal Zone, Guam, Trust Territory of the Pacific, and certain foreign countries.

Col. 2: Excludes loans, and $18,000,000 payments to individuals, etc., for fellowships, institutes, language centers, and educational media.

Cols. 3 and 4: Assistance to schools in federally affected areas.

Col. 8: Excludes $1,400,000 in cooperative marketing projects. Undistributed amount for penalty mail costs, and retirement costs of extension agents.

Col. 9: Includes $57,000,000 value of school lunch commodities distributed, and $5,000,000 direct payments to private schools. Omits value of certain commodities acquired for removal of agricultural surplus and for price support operations. Payments for special school milk program are net of refunds.

Mr. MORSE. Mr. President, I wish to commend Secretary Ribicoff most highly for his candid, forceful, and frank presentation.

Mr. President, in my judgment, every parent and every schoolchild in this country is greatly indebted to this able, dedicated public servant, the Secretary of Health, Education, and Welfare, Mr. Abraham Ribicoff, for the statesmanship he has demonstrated to the people of our Nation in connection with proposed legislation for Federal aid to education at this session of Congress.

STATUS REPORT ON PENDING EDUCATION BILLS

Mr. President, I have not spoken on this subject in the Senate for some time, because I have been waiting for the legislative process to run its course. Tonight, I owe it to my trust as chairman of the Subcommitte on Education of the Committee on Labor and Public Welfare to raise my voice once more in a fervent plea for justice to the millions of schoolchildren, to the thousands of teachers, to school board after school board, and to the taxpayers who pay taxes on real property in the United States.

In my judgment, Congress cannot possibly justify failing to act on the pieces of proposed legislation providing for Federal aid to education which will be before both Houses of Congress before adjourment sine die. I plead tonight, before the Senate Committee on Labor and Public Welfare meets tomorrow in executive markup session, with the Members of both Houses of Congress, to reflect upon what I consider to be a solemn trust which we owe to the people of the country, the schoolchildren of the country, and the taxpayers of the country to take favorable action on the major pieces of proposed legislation involving Federal aid to education.

I owe it to those across the Nation who are vitally interested in the passage of Federal aid to education legislation to make this very short report as to why, in my opinion, the National Defense Education Act Amendments of 1961 bill has not yet been placed upon the calendar of the Senate.

Ever since May 25, 1961, when the Senate passed S. 1021, the bill providing

for general Federal aid to the public elementary and secondary schools of the Nation, the Subcommittee on Education, of which I have the honor to be the chairman, has been at work on the National Defense Education Act amendments of 1961.

Problems have arisen in connection with the bill. The present Presiding Officer of the Senate, the distinguished junior Senator from Rhode Island [Mr. PELL], knows whereof I speak, because he has maintained a very active interest in the processing of the national defense education bill through my subcommittee.

I am pleased to report tonight, for the RECORD, that my subcommittee, by an overwhelming majority vote, somewhat more than 3 weeks ago reported a national defense education bill to the full Senate Committee on Labor and Public Welfare.

Let me say that the chairman of the Committee on Labor and Public Welfare, the Senator from Alabama [Mr. HILL], is also a member of my Subcommittee on Education. No subcommittee chairman could possibly have received finer cooperation from a colleague than that which I have received from the Senator from Alabama, the chairman of the full committee, before which the bill is now pending. Not only have I received that fine cooperation from the Senator from Alabama as a member of the subcommittee; I have also received that same cooperation from him, in his capacity as chairman of the full committee, ever since the full committee received the subcommittee's report.

I would not wish to give the impression that the Senator from Alabama has always agreed with me in regard to every amendment to defense education bill we considered. He has not done so, and undoubtedly he will make his views known when the matter reaches the floor of the Senate or as the bill is voted on in the full committee. But I wish publicly to thank the Senator from Alabama for his splendid cooperation and for the great assistance he has been to me in connection with the bill.

Mr. President, during the past 3 or 4 weeks, Members of the Senate have been exceedingly busy. On occasion it has been necessary to cancel planned meetings of the full Committee on Labor and Public Welfare. On other occasions it has been very difficult to obtain a quorum at the beginning of our committee session in the morning. Of course, at times under the rules, it has been impossible for the full committee to meet in the afternoon. We are all familiar with the rule that in the absence of unanimous consent by the Senate, its committees cannot meet when the Senate is in session. On a number of occasions we have not been able to obtain such unanimous consent to meet when the Senate was in session.

In fact, we have never been able to obtain the necessary unanimous consent to hold a meeting of the full committee on this particular bill at a time when the Senate has been in session.

I believe I should also explain, in fairness to some of my colleagues on the committee—because there is no doubt that there is at least growing questioning, if not some criticism, about the committee's failure, to date, to report this bill to the Senate calendar—that within the last 3 weeks some of the members of the Senate Labor and Public Welfare Committee have been involved in official commitments involving official business of the Senate which has taken them abroad. This fact—which included the absence of some members who have wished to submit amendments to the full committee—has really made it impossible for us to have held as many meetings of the full Committee on Labor and Public Welfare as both the Senator from Alabama [Mr. HILL] and I would have desired.

Let me also say that distinguished members of our committee, on the Republican side of the table, the distinguished minority leader [Mr. DIRKSEN], and the Senator from Arizona [Mr. GOLDWATER] adjusted their schedules to meet with us last Thursday and Friday. In the course of doing so they made commitments for Monday and Tuesday of this week. As I have indicated, foreign travel assignments on Senate business made it necessary for us to cancel our committee's meetings which had been scheduled for last Thursday and Friday. We would have met today, Wednesday, but for the fact that the Senator from Arizona [Mr. GOLDWATER] had given full notice long in advance to the committee, that he could not be present. He had made a prior commitment in connection with his very important work as a Reserve officer in the Air Force to be on active duty today in accordance with his very important military assignments.

The result is that tomorrow will be the first time it will be possible for us—in more than a week—to schedule a markup meeting of the full Senate Committee on Labor and Public Welfare, on the National Defense Education Act amendments.

I have received assurance that a quorum of the members of the committee will be present at the meeting tomorrow morning. I wish to thank the majority leader, the Senator from Montana [Mr. MANSFIELD], for his cooperation in so scheduling the work of the Senate that an opportunity is being given the Committee on Labor and Public Welfare to meet all day tomorrow, for the final committee action, we hope, on the bill. I sincerely believe that if we have a quorum present at 10 o'clock tomorrow, at our committee meeting, we should be able finally to dispose of our markup of the bill by 6 o'clock tomorrow night.

I wish to state that much of the work on the bill has been completed.

In fact, I wish to say that we have discussed every section of the bill, in our markup work on it. Tomorrow I hope we can consider certain amendments which the Senator from Arizona [Mr. GOLDWATER] wishes to offer; and two or three amendments which may be offered by other members of the committee as well as take final action to order the bill reported.

I felt it was due my subcommittee that I make this statement tonight. Certainly it is due the parents, the teachers, and the schoolchildren of the Nation that the chairman of the subcommittee make an explanation of why the bill has not already reached the Senate Calendar.

Let me also say, most respectfully, that I hope my report tonight will be helpful to some of our associates and colleagues at the other end of the Capitol—the Members of the House of Representatives. I understand from newspaper accounts that there seems to be great concern among Members of the House of Representatives as to whether the Senate proposes to take action on a national defense education bill. Here on the floor of the Senate, we have sought in the past to give assurance that it is the full intention of the majority leadership of the Senate to have the Senate take some action on a national defense education bill. I think I am in a position tonight, Mr. President, to make a prediction which I believe to be a reasonable one, and one in regard to which I have every expectation of fulfillment, that by the early part of next week we shall have a national defense education bill ready for the Senate Calendar.

I wished to make this statement, because I, too, have been receiving a great deal of mail on this subject. The distinguished Senator who now is presiding over the Senate, the Senator from Rhode Island [Mr. PELL], has spoken to me about this matter not less than a dozen times, I suppose. For the information of his constituents in Rhode Island, I wish to state for this RECORD that they could not possibly be represented by anyone who could have—let me say—"watchdogged" this matter more carefully or more kindly than has he. In fact, he has "watchdogged" it by making it perfectly clear to me, as chairman of the subcommittee, that he sincerely hopes I shall be able to get the bill to the Senate Calendar at a very early date.

Mr. President, after making this explanation and report, I close by making a plea to all my colleagues on the Senate committee, Republicans and Democrats alike, to be at the full committee meeting tomorrow morning, at 10 o'clock, so that we can dispose of this very vital legislation.

GEN. DOUGLAS MacARTHUR

Mr. DODD. Mr. President, tomorrow Gen. Douglas MacArthur will return to the United States after once more successfully completing an important mission for our country.

His trip to the Philippines has been called a sentimental journey; and it has been that, not only for him and the people of the Philippines, but for all of us.

The sight of General MacArthur in uniform, as of old, receiving the plaudits of admiring millions, recalls vividly to our minds the picture of our Nation as we would always hope to see it, a nation that had kept its promise, a nation victorious on all fronts, a nation at the pinnacle of worldly power and esteem, a nation triumphantly dedicated to the cause of freedom.

To millions of people at home and around the globe, Douglas MacArthur has seemed a symbol and almost a per-

sonification of America in its finest aspects.

Outwardly there was the unforgettable surface picture, the striking countenance, the confident stride, the legendary hat and glasses and corncob pipe, the resonant, authoritative voice, the grand phrase, the dramatic gesture; and behind this surface picture were all the attributes of excellence, the supreme competence, the serene confidence, the intellectual power, the noble purpose, the complete commitment to the vision of an America that was unconquerable in the service of a just cause.

General MacArthur must always have felt in his bones that electric current of excitement which America and things American brought to the world two centuries ago; and he has had the rare capacity to radiate that current to the people of his time.

Here is a man with a sense of history, with a flair for what is honestly and genuinely dramatic, with an ability to surround himself with an aura of romance and mystery, all effectively and wisely used to advance our national interest.

The name of Douglas MacArthur causes to flash through the mind unforgettable images which are an essential part of the American story: The gallant, magnificent defense of Bataan and Corregidor against hopeless odds; the promise to return and the depth of conviction that made men believe the promise would be kept; the vast, brilliant, island-hopping campaign stretching from Australia to Tokyo which will ever remain a marvel of military genius; the wading ashore at Leyte; the incomparable scene on the battleship *Missouri* where General MacArthur accepted the surrender of our enemy, appropriately concluding a victory so awesome, so complete, so seemingly final; and then the restoration of that fallen enemy, to freedom, social justice, and prosperity.

But if the name of Douglas MacArthur recalls to each of us the supreme hour of national triumph, so too it compels us to face up to the tragic and anguishing picture of our national retreat from that triumph. If General MacArthur was the most eminent spokesman of the American tradition of victory, so also was he the preeminent and perhaps the pivotal casualty of our departure from that tradition.

He had told us:

> In war there is no substitute for victory.

And that statement was not only an expression of military certainty, but an affirmation of the indomitable spirit which this Nation had historically displayed.

The Korean war and the events surrounding it ruptured that tradition.

It ushered something new into American policy.

From then on, fear, indecision, vacillation, the counsels of defeat, of weakness, of appeasement gained a beachhead that has since spread and grown.

The controversy which resulted in the dismissal of General MacArthur and the ensuing loss of the Korean war may prove to have been the turning point in American history, for it marked the first conscious decision by this Nation to accept defeat rather than run the necessary risks of victory.

If the cause of those who support an unyielding policy against Communist aggression could not prevail then, we may well ask ourselves: When can it prevail?

For then, all of the elements were favorable to it.

The United States alone possessed significant nuclear power.

We were engaged in active, open warfare against the Communist criminals and, therefore, our leaders and our people had every reason to be fully aware of the nature of the enemy.

Tens of thousands of our sons were casualties in a war which was being fought aimlessly with one hand tied behind their back.

There was a wave of national protest and disgust at our failure to push the Korean fighting to the victorious conclusion that was within our grasp.

And in General MacArthur, those who stood for victory had as their champion, not only one of the most revered and respected figures of American history, but also one of the most articulate spokesmen that any cause has ever had.

Who can forget the outpouring of sentiment for MacArthur and the cause he represented that swept this country from end to end when he returned to the United States in the spring of 1951?

I have always been convinced that the overwhelming majority of the American people supported the policies which he then outlined as a means of winning the Korean war.

Yet somehow this sentiment failed to translate itself into effective political action.

In the election campaign of 1952, neither party advocated a policy of victory in Korea.

The Democrats stood pat with the policies that led to the sad ouster of General MacArthur.

The Republicans seemed mainly interested, not in winning the Korean war, but in blaming the Democrats for it and in extricating the United States from it.

And so, in a decision for which we as a nation can truly be held responsible, the opportunity to crush the aggressive power of Communist China at its outset was lost by default and America proceeded upon a policy of vacillation and retreat from victory which, with each passing year, brings its harvest of shame and defeat.

For almost a decade General MacArthur has remained aloof from the storm center of political controversy.

His return to the scene of his greatest hours has deeply stirred this Nation and the world.

The universal acclaim for General MacArthur which has swept through the Philippines is in my mind more than just a deserved tribute to a very great hero.

It is as well the symptom of a yearning there and throughout the world for that dynamic, resolute, indomitable American leadership of which General MacArthur was and is the symbol.

There was a time in history when a nation could live for a century and more on the achievements and the example of a man such as Douglas MacArthur.

That time has passed.

But it can be truly said that in this century, in peace and in war, when the vital interests of our country have been placed in the hands of this great man, they have been preserved and advanced.

Tomorrow the soldier will be home once more.

The esteem and love and thanks of a grateful nation go out to him for what he has done, for what he is, and for what he means to our generation and to all generations.

REFUSAL OF AMERICAN COMPANIES TO SUPPLY LUMBER SORTING MACHINES TO RUSSIA

Mr. DODD. Mr. President, before World War II, when we were selling scrap steel to Japan, there were many wise enough to warn that this scrap steel might someday come back at us in the form of bullets.

But our folly in feeding material to Japanese war industry before World War II was an altogether minor matter compared to the folly we are now displaying in helping an even more dangerous and more implacable aggressor to build up his industrial potential.

Unfortunately, our own businessmen are often too prone to think of today's dollar and to ignore tomorrow's political consequence. It is therefore a particular pleasure to learn that there are businessmen in America with enough understanding and enough patriotism to be willing to forgo the sale of industrial equipment to the Soviet Union, even when our own very lax export regulations do not prohibit the shipment of such equipment.

Mr. President, I ask unanimous consent to insert at this point in the RECORD an editorial from the July 1961 issue of Wood & Wood Products, which tells the story of how the Republic Electric Development Co., and Puget Sound Fabricators, Inc., both of Seattle, declined an order worth some millions of dollars for six complete lumber sorting systems, which would have enabled the Soviets to build a more modern mill than any they now have. I also ask consent to insert in the RECORD a letter written to me by Mr. Mortimer B. Doyle, executive vice president of the National Lumber Manufacturers Association, and two articles which appeared in the Seattle Daily Times on June 1 and 3, 1961.

Mr. M. E. Hillman, president of the Republic Co., in announcing his decision said:

> We will have no part in handing this advantage to our sworn enemy.

I commend these words to our business community and to those in charge of our export policy.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Wood & Wood Products, July 1961]

WHY HAND THE REDS OUR HARD-WON KNOW-HOW?

(By Jack Koellisch)

A great deal is being said these days for and against unlimited trade with the Soviet

Union and its Iron Curtain satellites. On the one hand, many American businessmen readily echo President Kennedy's expressed hope for a growth in "nonstrategic trade" with the Communist bloc. Then there are those who frankly refuse to deal with "an enemy that has vowed to conquer us."

Normally, we don't indulge in political issues on this page. But this very moot question hit close to home last month when two west coast manufacturers flatly refused to aid and abet the Russians in building "the largest and most highly automated sawmill in the world."

We daresay many companies in our field will soon be wrestling with this question—whether to place long-term national interest ahead of short-term financial gain. Perhaps others have already made the choice. It's an individual decision, and a tough one. But you can't help cheering when someone refuses to turn over a hard-won leadership in production know-how to interests who admit their technical savvy is 20 years behind ours.

Reviewing the situation briefly, Republic Electric & Development Co. and Puget Sound Fabricators, Inc., both of Seattle, were invited to collaborate in supplying six complete lumber sorting systems with memory controls for installation in a 1,500,000 board feet per day mill to be built in Canada, then disassembled for shipment and erection in Russia.

In declining the invitation, M. E. Hillman, president of Republic, cited the Russian purchasing committee's admission that they could not train enough technical people in the next 20 years to build such a mill and were therefore purchasing American know-how to close the gap to 2 years. "We will have no part," he said, "in handing this advantage to our sworn enemy." Gordon B. Anderson, president of the sorter company, commented that "we must be willing to be counted as thinking of our own country's welfare before the dollar."

Neither of the American firms believed their decision would permanently obstruct realization of the Russians' supermill plans—but refuse the tempting offers they did. For which you can't help admiring their guts—and hoping that sooner or later their sacrifice will be made up to them here and in other friendly countries.

We have seen no signs in President Kennedy's report to the Nation on his recent confrontation with the Soviet leader that the Reds have even slightly altered their avowed purpose of ultimately burying us. So who is there to say that the Seattle manufacturers are not charting a proper course for all Americans to follow? The sawmill equipment in question may not have been restricted by our State Department, but from an economic if not a military standpoint anyone would have a right to question the wisdom of putting in the Reds' hands the means of building a chain of 1,500,000 board feet per day mills to flood world markets with cheap lumber.

We've checked our subscription lists and found that a total of 118 copies of Wood & Wood Products have been going into 6 Iron Curtain countries every month—61 to the U.S.S.R. alone. If we could be sure of lasting peace, we might rest easy. But there are no signs of such assurance on the horizon.

Therefore, we can no longer consciously make it so easy for practical information to be picked up from our pages and used to make an important enemy more formidable. So, henceforth as those 118 Iron Curtain country subscriptions come due we shall cancel them and shall refuse new subscription offers from Russia and her satellites.

It's the least we can do, and we hope other publishers will see the wisdom of doing likewise.

NATIONAL LUMBER MANUFACTURERS ASSOCIATION,
Washington, D.C., June 15, 1961.

Hon. THOMAS J. DODD,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR DODD: Two patriotic Seattle suppliers to the lumber industry have recently demonstrated the philosophy that represents the basic strength of the American business community.

M. E. Hillman, head of Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., acting on principle, have turned down an opportunity to provide Russia six automatic lumber sorters at an estimated profit of $40,000. Supplying the patented memory-control systems would have helped Russia build "the largest and most highly automated sawmill in the world," according to the Seattle Daily Times. Full details of this business action in the national interest are reported in the enclosed reprint of two articles from that newspaper.

The statements by these two businessmen that they would not provide American know-how to a country whose leaders have sworn to conquer the United States is, I believe, worthy of special attention by all Americans. These patriotic citizens exemplify the willingness of the American business community to sacrifice profit for principles.

The eloquent statements by Mr. Anderson and Mr. Hillman stand on their own merits. Nothing I might say could add to their luster.

Anderson said: "We must be willing to be counted on as thinking of our own country's welfare before the dollar."

Hillman said: "Our move is a drop in the bucket, but we hope that other American industry leaders will follow suit in refusing to deal with an enemy which has vowed to conquer us."

The lumber industry is proud to depend upon industrial suppliers such as these, who have the courage to act forthrightly in protecting their Nation's interest.

Sincerely,

MORTIMER B. DOYLE.

[From the Seattle Daily Times, June 1, 1961]

FIRMS HERE DECLINE RUSSIAN CONTRACT

(By Boyd Burchard)

Two Seattle firms today announced they have declined "on principle" a profitable proposal, approved by the State Department, which would help Russia build "the largest and most highly automated sawmill in the world."

M. E. Hillman, head of Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., both Seattle, said the proposal they are declining would have led to an estimated $150,000 order—and a profit of about $40,000.

It called for supplying an advanced type of automatic lumber-sorting equipment to the Russians.

The Russian proposal came to the Seattle firms through Yarrow's, Ltd., British Columbia engineering firm.

Hillman said Republic Electric would "have no part in handling the advantage" to the Russians to "close the gap in the superiority of North American technical know-how from 20 years to 2 years."

Six of the firm's patented memory-control systems were sought.

Anderson said that Puget Sound Fabricators, Inc., will have nothing to do with "giving aid and comfort to an enemy" by supplying fabricated portions of the six lumber sorters.

"We must be willing to be counted on as thinking of our own country's welfare before the dollar," Anderson said.

Both men acknowledged that the refusal to cooperate might block the Russian mill automation only temporarily.

"Our move is a drop in the bucket," Hillman said, "but we hope that other American industry leaders will follow suit in refusing to deal with an enemy which has vowed to conquer us."

[From the Seattle Daily Times, June 3, 1961]

TURNDOWN OF SOVIET DEAL TOOK COURAGE

(By Boyd Burchard)

Easily one of the most inspiring business-news developments of the past week originated in Seattle.

Two businessmen openly weighed the courage of their convictions and their sense of public responsibility against the dollar importance of a sure-profit deal with Russia—and told the Russians to take their dollars and go jump.

The pressures were great on M. E. Hillman, head of the Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., both of Seattle, to agree to supply an advanced type of automatic lumber-sorting equipment for the largest and most highly automated sawmill in the world, to be built in Russia.

The sorter, a patented magnetic memory-control system correlated with mechanical lumber-handling equipment, was unveiled by the two companies more than a year ago.

It was shown to 1,500 Government and industry representatives from all over the world last September at the World Forestry Congress in Seattle.

The mechanical sorter was widely acclaimed as a major advance toward eliminating slow and costly manual sorting of lumber. Many large Canadian and United States mills subsequently expressed interest in installing the equipment—but the domestic lumber business turned slow and no orders have yet been firmed up by North American mills.

When the Russian order came through, in the form of a subproposal from Yarrows, Ltd., of Victoria, British Columbia, to supply $150,000 worth of sorters for a 1,500,000 board-feet-a-day sawmill to be built by the Victoria firm and the Preston Woodworking Machinery Co., Preston, Ont., for the U.S.S.R., it took some soul searching for the American firms to refuse.

But refuse the order they did—and with no illusions as to the very minor obstruction their decision would present to the growing momentum of the Russians' economic steamroller.

In declining to cooperate, Hillman explained to Yarrow: "The one advantage we in North America have over the Communist bloc is our production know-how. To knowingly give away even the tiniest part of that production superiority represented by the excellence of the Magnestat Control System would represent to us admission of the inevitability of world domination by communism.

"Redco will have no part in handing this advantage to our sworn enemy."

Following the Seattle firms turndown of the proposal, a spokesman for Preston Woodworking commented in Canada: "Regardless of what was said in Seattle, we are pressing ahead on this job. We feel this export order would be most beneficial to Canadian secondary industry."

The order obviously would have been temporarily beneficial to Seattle industry, too.

The downright fortitude of the two Seattle businessmen in putting long-term national interest above short-term personal gain deserves recognition—preferably in the form of firm orders from North American sawmills faced with the growing threat of automated Russian competition.

STATEMENT BY THE AFL–CIO EXECUTIVE COUNCIL ON THE INTERNATIONAL CRISIS

Mr. DODD. Mr. President, of all the organizations in our country, there is none that has displayed more wisdom, more consistency, or more courage in the field of foreign affairs than AFL–CIO. Indeed, I consider it significant that there is far more understanding of the nature of international communism in the ranks of American labor than there is in the ranks of American business.

The executive council of the AFL–CIO this last June 27 issued a statement on the present international crisis. I consider this statement so important that I would urge all of my colleagues to read it.

I ask unanimous consent, Mr. President, to have the statement on "The International Crisis" by the AFL–CIO executive council inserted in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE AFL–CIO EXECUTIVE COUNCIL ON "THE INTERNATIONAL CRISIS," JUNE 27, 1961, UNITY HOUSE, UNITY HOUSE, PA.

The international crisis has been acutely aggravated in recent months. Persistent efforts and significant concessions by the United States and its allies to secure amicable solutions of the pressing world problems have been met with scornful Soviet rejection. Moscow has treated all friendly gestures by the United States as if these were indications of American weakness and, therefore, incentives for accelerating its drive for world domination. It has intensified its worldwide subversive activities and expanded Communist infiltration and penetration of the developing countries, under cover of giving economic aid. It has been arming and inciting regimes hostile to the United States (Cuba) and fostering and supporting so-called wars of liberation (Laos). More recently, Khrushchev has made open military threats against the West in his ultimatum over Berlin. Simultaneously, the Soviet dictator has been driving hard to impose a drastic reorganization of the entire structure of the U.N. so as to paralyze its capacity for advancing international cooperation, safeguarding peace, and assisting the economic growth and stability of the new nations.

Toward reducing world tension and promoting peace, the United States ended its own testing of nuclear weapons unilaterally and unconditionally on October 30, 1958. Weeks later, the Soviet Union claimed it also stopped testing. Eagerly striving to secure a treaty banning all further nuclear tests, our country and Britain made numerous concessions to Moscow during more than 32 months of negotiations. It was all of no avail. The final and insuperable obstacle to agreement was the Kremlin's insistence that the nuclear tests be controlled by a three-headed international commission consisting of a Russian, American, and "neutralist" representative, each of whom would have the power to veto any measure for inspection. Under such conditions, there could be no effective international control.

This "Troika" strategy, first projected by Khrushchev in his plan for reorganizing the U.N., has since been proclaimed by the Soviet dictator as a "basic Soviet position and not negotiable." Moscow's determination to extend its "troika" strategy to all international agreements and arrangements dashes every hope for a treaty banning nuclear tests or attaining progressive disarmament. This makes the outlook for agreement with the Soviet Union, except on its own terms, dimmer than ever.

In line with this strategy, the Sino-Soviet negotiators at Geneva have contemptuously blocked every effort to restore peace in Laos and to assure its neutrality and independence. For months, after a cease fire had been declared, the Kremlin-controlled Pathet Lao rebels continued their flagrant violations of the truce. Obviously, Moscow is determined to turn Laos into a Communist puppet state which will serve as a base for further Sino-Soviet aggression against non-Communist states in Asia.

Today, the crisis over Berlin and divided Germany constitutes the gravest source of danger of a world war. In his latest memorandum on Germany, the Soviet dictator demands a Berlin settlement by the end of the year. The Khrushchev settlement would deprive West Berlin of allied military protection, cut it off from economic, financial, political, and cultural ties with the Federal Republic and make its economic life totally dependent on the Soviet Zone. Thus, West Berlin would soon be swallowed up by the Communist sea in which it is today an island of freedom and prosperity. This is the real aim of the Soviet proposal to make West Berlin a so-called free city.

However, Khrushchev realizes that the United States, Britain and France would not agree to his plan. He has, therefore, proposed to get West Berlin in a roundabout manner—through signing a "peace treaty" with Communist East Germany. Through this so-called peace treaty the U.S.S.R. would "give up" its occupation rights and would vest in the Ulbricht quisling regime all authority to control access by air, land and water to West Berlin, thereby putting it at the complete mercy of Moscow's East German puppets. It is rather ominous that Ulbricht has already threatened to shut down the West Berlin Tempelhof Airport and divert all planes to an East Berlin airport. This shows Moscow's intent to squeeze the Allies out of West Berlin; it also shows what serious difficulties the Allies and the people of West Berlin would face after such a change of control of access to the city. The only way in which the Allied rights and access to West Berlin and the freedom of its people can be secure is for the United States, Britain and France to take all measures necessary for protecting and assuring free and unrestricted access to West Berlin for their military personnel and supplies and for civilian travelers and goods.

Agreement by the Allies to accept this change of control by recognizing the East Germans as mere agents of the U.S.S.R. will not assure protection of the Allied rights in West Berlin or the continued freedom of its people.

The future of Berlin is inextricably bound up with the future of Germany. West Berlin may be a bone in Khrushchev's throat, but this does not make it a threat to the security of any country or the peace of the world. Khrushchev's maneuver for turning West Berlin into a so-called free city is nothing but a Soviet move to grab the city and thus speed his drive to put all Germany under the Communist yoke. While Khrushchev loudly proclaims his devotion to self-determination in Africa, he cynically rejects the application of this principle in Germany and seeks to trample on it as brutally as he did in the case of Hungary, Poland, Czechoslovakia, Albania, Rumania, Bulgaria, Estonia, Latvia, and Lithuania.

The executive council fully supports the President in his declaration that "the security of West Europe and, therefore, our own security are deeply involved in our presence and our access rights to West Berlin, that these rights are based on law, not sufferance; and that we are determined to maintain those rights at any risks and thus our obligation to the people of West Berlin and their right to choose their own future."

The executive council categorically rejects the proposal of Senator MANSFIELD to merge the present Communist and democratic sectors of Berlin into one so-called free city, to withdraw the Allied and Soviet troops from all Berlin, and to place the city under the protection of international peace teams until Germany is unified.

The withdrawal of Allied troops would remove the only effective guarantee for the continuation of the freedom of the people of West Berlin. No international agency could defend or guarantee this freedom. Troops from neutral countries could never provide the protection now given by the American, British, and French forces that are symbols of the only combination of power the Kremlin respects. Such international protection would be worthless, especially in view of Soviet insistence that all international bodies be tripartite and subject to Soviet veto.

Senator MANSFIELD's plan would, in fact, undermine the security of West Berlin and open the city to Communist subversion. The net effect of the Mansfield plan would be essentially what Khrushchev seeks—the isolation of West Berlin, strangulation of its people's democratic rights, and its disappearance behind the Iron Curtain. Last, but not least, this plan would tend to make the division of Germany permanent and, thereby, turn the very heart of Europe into an ever more dangerous source of world tension and conflict.

In view of the deepening international crisis caused by the latest Soviet threat to the security of our country and all other free peoples, the executive council urges our Government to take the following measures designed to arouse the free world and give the American people the sense of urgency and readiness the hour demands:

1. Act immediately to alert the American people to the gravity of the international crisis and strengthen our country's capacity for national defense in all possible emergencies.

2. Strengthen NATO's capacity for defense and speedily expand political, economic and scientific cooperation among its members.

3. Request Congress to grant the President full emergency power for mobilizing promptly all resources of the United States required to meet any eventuality.

4. Seek to have Britain and France join with our country in (a) emphatically rejecting Khrushchev's latest ultimatum as rank imperialism against the German people; (b) reaffirming full support of the principle of self-determination and reunification in freedom for Berlin and all Germany; (c) and pledging to the Soviet Union adequate guarantees for its security, if it agrees to join in concluding a peace treaty with a freely elected government of a unified Germany.

5. Call for supporting action by all other NATO powers.

6. Launch an extensive USIA program to enlighten the people on both sides of the Iron Curtain about the crisis over Berlin and divided Germany brought on by the latest Khrushchev ultimatum. We should appeal especially to the people behind the Iron Curtain to help restrain the Kremlin from resorting to military adventures against the peace of Europe and the world.

7. Appeal to the American people and the entire world in behalf of President Kennedy's declaration that, in the interest of its own national security, our country may

soon be forced to resume testing. We further propose that when our Government does resume such tests, it should notify the U.N. about any blasts before triggering them and should call upon Moscow to do likewise.

8. Appoint a special Presidential commission—in which the trade unions and other vital voluntary organizations are to be represented—for the purpose of surveying and making recommendations for the elimination of Government and private policies and practices—such as sale of machinery and food to Communist countries, extension of aid to Soviet satellites, racialism in the United States—which have tended to help the Communist bloc alleviate or overcome its own serious economic and political difficulties.

COMMENCEMENT ADDRESS OF SENATOR DODD AT GEORGETOWN VISITATION COLLEGE

Mr. DODD. Mr. President, on June 7 I had the honor of delivering the commencement address at the graduation exercises of Georgetown Visitation College.

Georgetown Visitation College is one of our fine institutions of learning, and it was a privilege for me to spend a few hours with members of their excellent faculty and with the young ladies of the graduating class.

I ask unanimous consent that my remarks be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY SENATOR THOMAS J. DODD AT GEORGETOWN VISITATION COLLEGE, WASHINGTON, D.C., WEDNESDAY, JUNE 7, 1961

Commencement day is an occasion to reflect upon the past and to attempt to assess the future. No assessment of the future can be in any way realistic that does not include the great problem of our time, the danger of aggressive world communism.

World communism, like a mammoth cloud, darkens the future of individuals and of nations. One-third of the world's people is already enslaved by it; another one-third is teetering on the edge of the chasm; and the lives of all who live in the avowedly anti-Communist world are altered and complicated because of it.

You will pay the heavy price of communism whether you realize it or not.

At the worst, it poses for all of us the threat of war, of enslavement and even of annihilation.

At the least, you will have to pay the expense of resistance to communism in the form of high taxes and continuing inflation; you must sacrifice the inestimable benefits that could otherwise have resulted from the enormous amount of national energy that must go into resisting communism; your lives will be disturbed as those close to you enter the military service; and day-to-day anxiety and uncertainty over the future will continue to affect the daily lives of each of us.

Thinking and compassionate men and women must be deeply and continually saddened by the knowledge that one billion fellow human beings are at the mercy of a ruthless, conscienceless barbarism.

Communism, therefore, stands in the way of peace, of progress, and of security for all mankind.

That is why it is so important that we have a proper understanding of this fearful specter walking the earth. Unfortunately, there is a great deal of confusion, fuzziness, and apathy abroad concerning it, some of it stemming from academic circles.

There are a number of stock arguments which one hears continuously that tend to obscure the real nature of communism and dissipate one of the principal weapons against it, the moral condemnation of decent people.

We hear repeatedly that nothing is gained by calling Communists harsh names or continually raking over their past crimes, as though it would somehow be better to forget the true nature of the enemy.

We read a lot of newspaper accounts of how things have improved behind the Iron Curtain, but precious little about the essential babarism upon which Red rule is founded and sustained in power.

There is a philosophy current that much of our difficulties with the Communists are due to misunderstanding, which implies that the Soviets and the Red Chinese are perhaps well meaning and that our difficulties could be resolved if we would only look at their side of things and get them to look at our side.

We even hear from respected sources that communism is, of all things, a "Christian heresy." This theory gives to the Communists a sort of benevolent aspect, as though they were partially misguided souls who were nonetheless toiling in the same vineyard.

Historically, Christian heresies have been deviations from, or misinterpretations of, one or another article of faith. The heretics shared basic root beliefs with other Christians, such as belief in God. But the Communists, on the contrary, deny every fundamental tenet of Christianity. Communism is the complete antithesis of Christianity. It is the mortal enemy of everything religious.

Perhaps the most popular phrase of those who minimize the evils of communism is that we cannot look at the world scene in terms of "black and white," which of course carries the implication that both the free world and the Communist world are at fault for the present danger and that each side has its good points and its bad points. I willingly concede our bad points, but I have never been able to discover the good points of communism.

This type of thinking, seeping into the American consciousness from all sides, amounts to a tremendous cumulative attrition which is utterly confusing. People who are weary after long years of anxiety are only too happy to seize upon such news items as the building of children's playgrounds in Moscow as an indication that the Kremlin masters are human after all and that everything is going to be all right. This sort of thing, constantly repeated, causes us to let down our guard, to look for an easy way out, and it eventually leads to fatal concessions to the Kremlin.

So first of all, let's get one thing straight. Let's get communism in true focus.

Communism is total evil. It is all black. There is nothing gray about it. There is nothing good about it. Its ends are evil. Its means to those ends are evil.

If, by force of circumstance, Communists are for something right, it is only as an expedient to advance their evil ends.

If they occasionally appear in a worthy light, it is because they must make some appeal to human needs and aspirations.

When they educate the ignorant, it is to perfect their apparatus of enslavement.

When they industrialize, it is to strengthen their capacity for aggression.

When they talk peace, it is just another means of waging war.

When they allow long overdue improvements in living conditions, it is evidence that even Communist oppressors must make some concessions to the wishes of the oppressed.

There is no evil so appalling that Communists would shrink from it, if it would effectively advance their ends. There is no atrocity so hideous that they would not willingly commit it if it served their purposes.

The Red Chinese regime, in the 10 short years of its existence, has as a matter of governmental policy murdered 30 million men, women and children. The horror contained in this statistic is too great for the human mind to assimilate or the human soul to ponder. And this is but a repetition of the crimes of the Russians which have been committed on the same scale.

Communism is at war with the whole human race. It is based on the theory that a human being is just a particle of matter, without independent mind or spirit. It seeks to destroy the family as an institution. It seeks to wipe out religion. It seeks to blot out the human conscience and to distort all concepts of right and wrong. It seeks to reduce man to a mere beast of burden, without a will, without a personality, without a home, without personal property, without knowledge of God, without hope of eternal life.

Of course, they have not yet been successful in this task. They have found the objective of permanently defacing human nature somewhat beyond them. The task has been too great. There have been many retreats, deviations, new approaches.

But the end goal never changes. We must always remember that; and we must continually renew our understanding of it.

Certainly we must live in the world with them, but we must never forget what they are.

Certainly we must confer with them, but we must never concede to them on any basic principle.

The Western World is presently engaged in negotiations with the Communists. Unless there is a fundamental change in Communist doctrine, there is no hope that these negotiations will lead to peace.

I say this for three reasons:

First, communism is fundamentally dedicated to the destruction of the free world and of the ethical and rational bases of that world. Its fixed and unswerving objective is to destroy us. The Communists may have to postpone this destruction, they may have to adopt new approaches to it, but it remains their central objective in foreign affairs. As long as this remains true, there is no hope of any lasting settlement, or of any true relaxation of tensions, since such things must be based on some common interest between East and West.

Second, whereas we in the West regard peace as the normal order of things, and warfare as an interruption of that order, Communist doctrine regards warfare, ceaseless conflict and violence, as the essential order of life. There is no such thing as peace to them. There is only the absence of armed conflict, an absence which must be utilized for other forms of warfare. Therefore, it is only the West that seeks peace, and the notion that peace is being prevented by mere misunderstandings or resolvable differences is absurd.

Third, there is almost no hope that arguments based on reason and truth will have any effect whatsoever on Communists at the bargaining table. For the true Communist, there is no criterion of truth but Communist dogma. While we in the West subject our policies and our principles to many tests of truth which are above, beyond and independent of our political credo, the Communist is incapable of doing so. Argumentation will not move him. Truth will not pierce his dialectical armor. Only the force of events, demonstrating the falsity of Marxist doctrine, can erode away Communist certainty.

These facts are fundamental to any successful coping with communism.

It is all too easy to fall into the error of assuming the Communists are essentially like ourselves. They look like us; they dress like us; they can be affable and good natured; their capacity for pretense is infinite.

It is hard to keep our eye on the ball continually and to keep in mind the fact that on basic issues we do not have and can never have anything in common with them. But this is what your generation must do.

This having been said, I hasten to add that mere rejection by us of communism offers no solution to the worldwide danger. It is not rejection that the world is seeking, but affirmation.

The impoverished, despairing peoples of the world are in search of a prophet, a philosophy, an ideology that promises a way out of their present degradation.

Americans have an old familiar saying "you can't beat something with nothing." We cannot beat false prophets with no prophets. We cannot beat dedication to evil with lack of dedication. We cannot solve the desperate problems afflicting half the world by merely rejecting the Communist solution. We must offer a solution of our own.

We must put forward our solution in the face of many disadvantages. The uncommitted peoples of the world are generally so impoverished that they feel a kinship with the Communist masses, a kinship that they do not feel with the prosperous and advanced peoples of the West.

The record of colonialism of our European allies stands against us in the eyes of those who do not understand that communism is the most ruthless and total imperialism the world has ever known. The totalitarian Communist bloc can act with a unity, a decisiveness, and a single mindedness that is impossible for the democratic coalition. And in the nature of things, the aggressor has an initiative that the free world cannot seem to wrest from it.

But communism possesses one fatal disadvantage. It runs against the grain of human nature. It chokes and destroys the spirit of man.

Communism is essentially evil and man is essentially good. Marxism cannot satisfy any of the higher needs of man, the aspirations, the hopes, the yearnings that distinguish man from lower forms of life.

Only ignorance or despair will drive men to it. Therefore, the principal task of the West is to offer light and hope.

But the battleground today is not only the higher needs of man. It is as well the lower needs, the more tangible, the immediate day-to-day necessities of existence.

Freedom, and all the values that this term suggests, cannot flourish or have meaning without the existence of certain material conditions.

We in America have become used to a constantly rising standard of living. We have come to expect it, as though it were the normal order of things. The college students of today live better than their parents, and you confidently expect your children to enjoy higher standards than you now have. But for a large part of the world, living standards have actually been declining despite the enormous technical advances of the past century.

It is commonplace to say that one-third of the world goes to bed hungry at night. But it is not so generally understood that a large portion of this one-third is eating even less than they were 10 or 20 years ago. And 10 years hence, the outlook for them is even bleaker.

This inevitably feeds the hopelessness upon which communism thrives.

To men who are faced with these basic problems of existence, communism offers a coherent, exciting, tempting body of ideas and programs. And Russia provides the example of a nation which in a short period of time has bridged the chasm from a primitive, agricultural order to that of a highly industrialized state.

The West, despite its primacy in the realm of the spirit and of material things, seems unable to offer a convincing ideological antidote.

The example of our high standard of living or of our flourishing political institutions is not causing the unfortunate peoples of the world to flock to our colors.

Our talk of democracy, of free institutions, of representative government, of private enterprise seems too legalistic, too involved, too concerned with forms, to go to the heart of man's basic needs. And in the eyes of millions our alliances with totalitarian regimes, our racial discrimination, our Hollywood-style glorification of crime and violence make a mockery of our professed ideals.

We seem unable to make our ideological system intelligible to others.

At a time of crucial importance to Western civilization, we seem unable to produce leaders who can so articulate the needs and hopes of men as to inspire the love and admiration and trust that America once enjoyed.

In our history, in our philosophy, in our religion, in the practical programs of assistance already in effect, we have all the needed elements for a new order of justice and peace and plenty, an order that will satisfy the lowest and the highest needs of men. We lack only the statesmen, the prophets, who can combine these elements in a form that will rekindle the hope and the enthusiasm of the world.

Perhaps the young men and women of your generation will fill this need.

If the Western World, with its unparalleled capacity for producing material wealth, can meet the immediate material needs of men, if we can lead the way to the eradication of social injustice, of poverty, of discrimination, of material degradation, then the battle for the hearts and minds of the world's people will change to a conflict in which we of the West will have all the advantages.

For man's higher needs are the very things that Western civilization answers and which the cold, merciless dogma of communism cannot supply.

The highest value that Stalin could put upon man was that he was the most precious form of capital. If that were true, if that were the full significance of man, then communism would indeed inherit the earth.

But it is not true. Man possesses mental and spiritual attributes above and beyond the material world. Man has needs and appetites that no material order or philosophy can satisfy.

He needs friendship. He needs understanding. He needs truth. He needs love. Our Judaic-Christian civilization, nourished by contributions from the Greco-Roman world, is in its finest aspects the highest response to these higher needs of mankind.

Whatever may be our weaknesses in the West, we have one great strength. Our universities are free. Our churches are free.

We have preserved unbroken the tradition of free inquiry started by Plato and Aristotle. We have preserved the knowledge of the tradition, the revelation, and the moral law of God.

The people of the West remain free to seek truth and to love God. It is we and not the Communists, who are able to satisfy man's highest needs. This and this alone will save us.

Our alliances, our weaponry, our economic strength, important as they are, will never establish peace on earth. But the church and the university, in God's good time, will do so.

The terrible example of communism is having one salutary effect on the Western World. It is purging us of our own follies.

The example of their total materialism is making us rightly ashamed of our own materialism.

The example of their total atheism is calling forth a spiritual rejuvenation in the West.

Their attempt to destroy all moral values is causing us to reexamine our own neglect of those values.

Their record of ruthless imperialism has caused the West to be ashamed of its own imperialism.

Their brutality is enlarging our compassion.

In the sins of communism, we see our own sins writ large.

In our desperate need to overcome evil, we are rediscovering our own capacity for good.

To the young men and women in our colleges, there opens the greatest challenge, the greatest responsibility in the long history of our civilization. If you, the products of our free institutions, cannot refine from our heritage a ringing message, an inspiring, uplifting ideology that will satisfy the universal hunger for truth and justice, then our civilization will have lost the capacity to lead, and leadership will pass on to others. Never in our history has so much been staked upon the performance of a single generation. The stakes are mortal, for they are the preservation of all that we have known and cared for, all that is worth preserving.

Thus your lives are endowed with an enormous significance. Always keep in mind the fact that you must toil not for yourselves alone but for the whole future of man.

I hope, I pray, I believe that the young women of this class and the young people of this country will make an effort worthy of the noble task and that, with the grace of God, they shall not fail.

ROBERT S. BALL

Mr. HART. Mr. President, this morning Robert S. Ball went to his eternal rest in Arlington Cemetery. The distinguished majority leader [Mr. MANSFIELD] and the distinguished minority leader [Mr. DIRKSEN] earlier expressed, very eloquently, their high regard and the high regard in which the Members of this body held Bob Ball, both as a newspaperman and as a friend.

I should like to add a highly personal expression with respect to this man, who for many years was my friend. My first meeting with Bob Ball occurred in the 1930's, just as I was leaving law school and while he was a writer on the Detroit News. In those days, our friendship was unrelated to politics or to public business.

Looking back over the years, I realize how fortunate I was in having had his friendship, and later his counsel. I realize that I am but one of many thus blessed.

Bob Ball will be remembered when any of us talk about the really good and effective newswriters of this country.

In this day, when his wife, Marian, who is known to many of us for her work in the radio and television gallery of the Senate, and his son and family are under great stress, it would be helpful for them to know that many of us confidently recognize that his memory long will be with us. It will be a grateful memory of a man who, in the greatest kindness, yet with the greatest courage, observed this scene and reported it effectively.

SOUTH VIETNAM

Mr. HART. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "South Vietnam: Unlimited Aid—Limited Progress." This article was written by Prof. Milton C. Taylor, of Michigan State University. Professor Taylor served as taxation adviser to the Vietnamese Government from January 1959 to July 1960. The article will appear in the September issue of Public Affairs, and has been made available for our use at this time through the kindness of the editor of that journal, Prof. William L. Holland, of the University of British Columbia.

I believe the article is a thought-provoking challenge to all concerned with formulating an effective foreign aid program. In some of its observations it stresses the need for changed emphasis though continued need for aid.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOUTH VIETNAM: UNLIMITED AID, LIMITED PROGRESS

(By Milton C. Taylor)

INTRODUCTION

Casual visitors to the Republic of South Vietnam are usually favorably impressed, especially if they have traveled through other countries in southeast Asia. This is understandable, for in Saigon, the capital city, there is not the conspicuous and grinding poverty found in many other Asian cities: a few tree-lined boulevards with sidewalk cafes are reminiscent of Paris; the stores and marketplaces are burgeoning with consumer goods; the streets are choked with new motor scooters and expensive automobiles; and in the upper-income residential areas, new and pretentious housing is being built. In short, the superficial impression is that most Vietnamese city dwellers do not suffer from material privation and that more than a few are remarkably well off. Furthermore, many of the oppressive political and social aspects of the present regime in Vietnam—like the detention of some 40,000 of its opponents in "political reeducation centers" and the denial of political freedom by authoritarian control—are not visibly or readily apparent.

A trip into the countryside would reinforce this impression of relative well-being. Few countries of the world have such abundant and relatively unexploited agricultural resources or such a favorable ratio of population to land.

The Mekong River delta is one of the most productive rice growing areas in the world—so productive, in fact, that the peasants are disinclined to grow two crops because one is so bountiful. Besides unexploited land, abundant forest and fishing resources largely remain to be developed. By Western standards, to be sure, the peasants live modestly, but the basic requirements of life, such as food, shelter, clothing, and a minimum education for children are obtainable for the mass of the rural population.

Beneath this outward appearance of relative well-being, however, there are serious and pervasive weaknesses in the economy, for much of Vietnam's present standard of living represents a spurious and shaky prosperity in the sense that it is based on a large-scale military and consumption-oriented American aid program. Military aid has given Vietnam a measure of security against external military aggression, while economic aid in the form of imported consumer goods has maintained, possibly even raised the standard of living. But a price has been paid for these accomplishments. From an economic point of view, American aid represents a large-scale relief project more than an economic development program. And because economic development has not been emphasized, termination of American aid would almost certainly produce both political and economic collapse in Vietnam.

Perhaps the most important lesson to be learned from the Vietnamese experience, therefore, is that a generous assistance program in itself is no guarantee of economic growth. It is not possible to buy economic development merely by granting large amounts of dollar aid. Moreover, if economic growth is not a concomitant of assistance, one of the principal results of American aid is that it insures its own perpetuation.

ECONOMIC CHARACTERISTICS OF DIVIDED VIETNAM

Under 80 years of French colonial rule, the two segments of Vietnam—the industrial north and agricultural south—were developed as an economically integrated unit. This was a logical development, for the northern part of the country contained most of the fuel and mineral supplies, while the south had the best agricultural and fishing resources. The result of this territorial specialization was a considerable degree of trade between the two areas: coal, raw materials, and industrial products moved to the south, while part of the surplus agricultural and fishing products of the south was sent to the north. The remainder was exported. Before World War II, about one-half million tons of rice were shipped annually from the south to the north with another one-half million tons available for export. On the other hand, the south received much of its coal supply for the production of electricity from the north, as well as most of its supply of cement, paper, chemicals, glass, and fertilizer. Even the textile industry was concentrated in the north. Thus, whatever else may be said in favor of the political separation of Vietnam at the 17th parallel in 1954, it is certain at least that it was an unnatural and unfortunate economic event.

South Vietnam has also experienced other setbacks which began with World War II and have continued into the present. Japanese occupation during the war initiated the destruction and economic dislocation, while civil war from 1946 to 1954 virtually devastated the economic infrastructure of the country, severely damaging roads, railroads, and inland waterways, and even resulting in the abandonment to the jungle of large areas of agricultural land. Nor is there an end to these destructive political events. At the time that this article is written, the internal Communists in South Vietnam, the Viet-Cong, are so strong that there are actually two governments: when night falls, most of the rural area south of Saigon is controlled by Communist guerrillas.

Compounding these adversities was a host of other problems caused by partition. Independence resulted in an exodus of French firms together with their managers and skilled personnel, the repatriation to France of considerable capital, and of course, a halt to new French investment. The withdrawal of the French Expeditionary Corps resulted in a loss of the most important income-generating factor in the country. Assimilating nearly a million refugees from the north into the economy constituted a heavy burden on productive resources. Meanwhile, the dual pressures resulting from the financing of defense and nondefense programs caused inflationary pressures, which were contained only by massive amounts of American aid.

However, all of these difficulties do not mean that the south came out economically second best as a result of the Geneva agreement of 1954. There was considerable industrial activity in the form of light manufacturing in the south, and this area also provided the export surpluses, primarily rice and rubber, which were the principal means of earning foreign exchange to pay for imports. Furthermore, in contrast to many other countries, per capita income has been traditionally higher in the south than in the north, mainly due to rubber and rice exports and a lower density of population. And finally, as an important link in the non-Communist chain, Vietnam has been the recipient of very large scale U.S. military and economic aid.

THE DEPENDENT ECONOMY

With the exception of Laos, Vietnam is more dependent on American aid than any other country in the world. As compared to Vietnam's economic aid of $13.7 per capita in 1960, Laos received $17. Taiwan $12.5, Korea $8.6, Pakistan $3.8, India $1.9, and Thailand $1.2. For the 6 years from 1955 to 1960, U.S. economic assistance to Vietnam has totaled $1,387.2 million. In addition, military hardware and supplies has amounted to approximately $500 million.

Another indicator of the importance of American aid to the Vietnamese economy is the foreign exchange gap which has been closed by U.S. assistance during the past 6 years. Even with recent reduced levels of aid and some improvements in exports, Vietnam is able to pay for only about one-third of her import needs by virtue of her own export earnings. For example, during 1960 Vietnam exported $84 million of goods and imported $239 million, resulting in a trade deficit of $155 million.

Still another manifestation of Vietnam's precarious economic condition is afforded by the Vietnamese Central Government budget. During 1958, the last year for which actual budgetary expenditures are available, U.S. aid accounted for 62 percent of total public expenditures. If military hardware assistance were included in this budget data, dependence on American aid, of course, would be even more pronounced.

THE RATIONALE OF AMERICAN AID

With this magnitude of American aid, the obvious inquiry that may be posed is the rationale under which the expenditures have been made. In this respect, there is no doubt that priority must be given to political considerations. Vietnam, though admittedly not free or democratic by American standards, has been considered by the architects of American foreign policy as worthy of support as a bulwark against the advance of communism in southeast Asia. In turn, this support has for the most part taken the form of maintaining what is construed to be an adequate level of military strength for the defense of the country against foreign aggression. The political and military rationale of the American aid program is so controlling, in fact, that a U.S. official in Saigon frankly and openly refers to the U.S. objective as holding on to a piece of real estate.

In less gross and insensitive terms, what this official implies is that the size of the aid program in Vietnam has been dictated primarily by military considerations and economic development has been of secondary importance. This means in practice—if his assessment of our policy is accurate—that a high-level decision by the U.S. Defense Department determines the level of American support considered necessary for the Vietnamese armed services, which in turn for any year represents the level of total aid, both military and economic.

One may well question the wisdom of this essentially military rationale for American aid. First, even in the short run, defense goals can only be attained by developing the economic foundation of the economy. Secondly, it is a defensible argument that eco-

nomic growth is the best guarantee for resisting the advance of either internal or external communism. This argument seems well supported by recent events in Vietnam, for it is actually internal Communist strength, nurtured by economic and political deficiences, which has developed as the principal security problem in the country. Finally, the progress which Vietnam is able to make toward national self-sufficiency is obviously a vital concern of the American taxpayer, for it is only economic development which will make possible a reduction in the aid program without at the same time prejudicing the political stability of the country. For these reasons, there is considerable significance to an assessment of the economic impact of the aid program.

THE PROCESSES OF AMERICAN AID

For both military expenditures and economic projects, local currency is made available to the Vietnamese Government through counterpart fund financing, a device extolled by one ICA official as the greatest invention since the wheel. When Vietnamese importers introduced goods into Vietnam under the U.S. commercial aid program, they are required to pay 35 piasters for each U.S. dollar allocation of foreign exchange. These piasters are then deposited as counterpart funds, which are utilized by the Vietnamese Government for either military or economic programs. Thus, it is apparent that the counterpart device serves a double duty: (1) it provides financial resources for the Vietnamese Government to meet its fiscal requirements, and (2) it provides the merchandise required both for consumption purposes and for the capital development of the economy.

But while counterpart financing has a mechanical appeal, the fund's operations since the Geneva agreement demonstrate the two substantive shortcomings of the American aid program: (1) Most of the resources provided to the Government in order to meet its fiscal requirements has been used for military purposes, and (2) the greater proportion of merchandise imports has been used for the maintenance of living standards rather than for the development of the economy.

These contentions may be supported by quantitative evidence. For the 5 fiscal years from 1955 to 1959, the aid program (excluding military hardware) totaled $1,101.1 million, which in turn generated $944.9 million in counterpart funds. Out of this total of $944.9 million, the Vietnamese Government budgeted $750.8 million or 79.5 percent for defense. The remainder, $184.8 million, went for nondefense purposes. The U.S. Operations Mission programed additional nondefense expenditures of $127.6 million in project aid and $16.2 million in technical cooperation. Thus, at least 68 percent of total aid was spent for defense. Moreover, because several of the programs included under project aid, such as the development of highways, are largely undertaken for defense purposes, it is more realistic to say that about 75 percent of all American aid has been used for defense.

Turning now to the other side of the coin, it is one of the objectives of American aid for the commercial import program to make funds available for the importation of investment goods for the capital growth of the country. However, the demand for imports is generated by the economy, and the economy is infected with a compulsion to consume rather than invest. As would be expected, therefore, the counterpart fund has been used largely for the introduction of consumption rather than investment goods.

Because of the manner in which statistics are maintained, precise quantitative evidence in support of this consumption bias in the use of American aid is difficult to present. The U.S. Operations Mission to Vietnam makes available a three-way classification of goods introduced under the commercial aid program: (1) Industrial equipment and machinery; (2) raw materials, fuels, and other essential supplies for industry and agriculture; and (3) all other commodities. The first category, comprising 15.9 percent of commercial aid imports in calendar year 1958, unquestionably represents investment goods. Quite clearly, also, the third category of all other commodities, amounting to 46.6 percent, represents consumption goods. But the remaining category representing 37.5 percent is ambiguous. Appearing here are such capital goods as cement and structural steel, but there are also such items as tobacco and newsprint. These latter products, valuable as they are as raw materials for consumption goods industries, do not result in capital growth. On the basis of available evidence, it is apparent that at least three-fourths of American aid has been used for the importation of either consumption goods or raw materials for the production of consumer goods.

Perhaps even more illuminating are the statistics for certain items imported into Vietnam under the commercial aid program in 1958. Explaining why the Saigonese appear relatively well clothed is the importation of $34.3 million in textile products. This single consumption item alone exceeds the total imports of industrial equipment and machinery of $30.3 million. In a country which is predominantly agricultural, and which must develop agricultural output in order to improve its foreign exchange earnings, a total of $5 million in fertilizers and insecticides was imported in 1958—less than the imports of private passenger vehicles ($7.8 million), petroleum products ($6.9 million), and pharmaceuticals ($7.8 million). In fact, the commercial import program, at one time or other, has imported almost every conceivable type of consumer goods, regardless of how trivial or luxurious. Only three consumption items have not been imported during the history of counterpart financing in Vietnam: wine, perfume, and gold watches.

Another aspect of this consumption-oriented program is its sheer generosity. During 1957, the commercial import programs actually provided counterpart funds at a faster rate than could be spent by the Vietnamese Government. As a result, the level of counterpart fund deposits rose, the total money supply fell by 10 percent, and there was a temporary but strong deflationary influence. Even more alarming, from 1955 to November 1960, Vietnam's foreign exchange reserves rose from $125 to $222 million, an increase of $97 million. In other words, during this period of time Vietnam used part of the proceeds from its own exports to build up a financial hoard while using American aid "for living expenses." What better evidence could be presented for the misuse and superfluity of American aid?

SOME EVIDENCE OF GAIN

A recent visitor to South Vietnam observed that the standard of living was quite obviously higher than in several other nations of southeast Asia. Pressed for the basis of this conclusion, he maintained that nearly every Vietnamese he had encountered wore a wrist watch. Amusing as this criterion is for measuring relative well-being, it demonstrates that only an approximate insight into Vietnam's economic progress may be gained. Statistics are invariably crude and incomplete, and even when technical resources are available for the development of accurate data of certain types, many observers of the Vietnamese economy suspect that the information presented to the public is slanted for political ends.

Conventionally, an assessment of Vietnam's economic gains should begin with an examination of historical changes in such national accounting aggregates as the gross national product and its components. But this is not possible in Vietnam. At the present time, social accounts are available only for 1955 and 1956, and even the data for these years should be used with caution since the statistics represent merely preliminary steps in establishing the accounts. Similarly, there has been no national census since the country became independent in 1954, but there is no dearth of population estimates. Thus, in the absence of reliable aggregative indices which would serve as a measure of economic growth, it is necessary to turn to statistics for particular industries or specific projects. And even these statistics must be used with caution.

A relatively stable price level, while not a measure of economic growth, should be mentioned at the outset as a principal economic gain since 1955. Vietnamese statistics in general provide the information that the price level has been stable. These data are undoubtedly in the nature of political statistics, however, for it is apparent even by visual observation that the general price level has been rising at least in a creeping fashion and that certain prices have been rising quite sharply. Nevertheless, even a moderately increasing price level is an important achievement, for relative stability of the price level provides an inducement to save and invest; conversely it means that such excrescences of inflation as profiteering, speculation, and erosion of low-income group purchasing power have been restrained. The accomplishment is also noteworthy because Vietnam is one of the few countries of the Far East, including those that have received large amounts of American aid like Korea and Taiwan, that has avoided rampant inflation. Some credit for this is due to restraint on the part of the Vietnamese Government, but more credit is due to the largess of the American aid program. It underscores again that American aid—to use the words of an American administrator in Saigon—"has been a lush program aimed at providing sufficient consumer goods so as to provide political stability."

Development efforts on the part of the Government have emphasized the agricultural sector and have been centered on an agrarian reform program. Under the French regime, the land tenure system was typically one of large holdings cultivated by tenants, with this arrangement further corrupted by exorbitant rents and high rates of interest. Rents were in some cases as much at 50 percent of the harvest, while rates of interest were usually 3 to 10 percent—not per year, but per month.

The agrarian land reform program has attempted to resolve these specific defects as well as rehabilitate and develop the whole of the agricultural industry. One ordinance has restricted land rental contracts to no more than 25 percent of the crop value, while another has provided for the resettling of rice land abandoned during the war years of 1945–54. Resettlement has also been undertaken on the high plateau, an undeveloped region paralleling the border with Cambodia. Most publicized of all measures has been the ordinance authorizing the expropriation of all holdings of rice lands (not rubber plantations) exceeding 100 hectares per owner, which has provided for the redistribution of some 700,000 hectares of land to tenants. Finally, all existing agricultural credit agencies have been combined into a new National Office of Agricultural Credit for the purpose of increasing the ease and availability of credit.

All of these efforts have had an appreciable effect on the productive capacity of the agricultural industry. From 1956 to 1959, the rice area under cultivation rose from 2,540,200 to 3,080,000 hectares with an accompanying increase in paddy production from 3,412,000 to 4,482,900 metric tons. During the same period, the area planted in rubber trees increased from 75,100 to 80,000 hectares and the cultivated area from 18,300 to 29,000 hectares. The caveat should be

offered, however, that there are wide variations in these statistics and the ones quoted probably exaggerate considerably the increases experienced. Also, it must be borne in mind that much of the agricultural progress of the past is attributable to previously tilled but unoccupied land. Future efforts on untilled land will not bring the same results.

These development efforts in the agricultural sector represent good politics as well as good economics. The Indochina war demonstrated that peasant support is mandatory for the stability of a government in Vietnam, for it was the peasants, more than any other socioeconomic group, who drove the French from Indochina. But emphasizing the agricultural sector is also good economics, for the country is predominantly agricultural. In addition, capital employed in agriculture probably has a comparative advantage over alternative investment in manufacturing. Therefore, economic progress in Vietnam, in its most elementary terms, may be identified with increased agricultural production, which will permit higher agricultural export levels and a reduction in the foreign exchange deficit.

When the agricultural development efforts are related to export earnings and the foreign exchange deficit, however, past accomplishments in the agricultural sector become quite unimpressive. In 1960, Vietnam imported $239 million in goods and exported $84 million, leaving a commodity trade deficit of $150 million. About 90 percent of Vietnam's export earnings in 1960, in turn, are derived from rice and rubber, with rice exports amounting to $27 million and rubber $48 million. But since no material increase in rubber exports is expected within the next 5 or 6 years, principal reliance for decreasing the exchange deficit of $150 million falls on rice, a product earning only $27 million in 1960. Under these circumstances, even if the exchange deficit were reduced to $100 million by the curtailment of imports, and if rice exports were doubled, a substantial exchange gap would remain.

There is, in fact, some reason to doubt whether rice production by 1960 had even been brought back to the level prevailing during the French regime. In 1940, 1 million tons of rice were exported from the port of Saigon as compared to 340,000 in 1959. Even if the 1940 export total is qualified to account for the inclusion of Cambodian exports in the Vietnam statistics of the prewar era, and for the subsequent growth in population and increase in per capita rice consumption in South Vietnam, it would appear that 1960 rice exports reflect an agricultural output that lags behind prewar levels.

The other way for Vietnam to reduce deficits on commodity trade is to promote industrial development and thereby decrease the need for imported manufactured goods. In contrast to the agricultural sector, industrial development efforts were begun at a later stage, in late 1957, and in more uncertain and modest amounts. Industrial efforts have also emphasized the development of a few large plants wholly or partly owned by the Government rather than a broad program based on private domestic and foreign capital.

At first, it appeared that Vietnam favored a liberal philosophy of encouraging private initiative and capital. The presidential declaration on investment in Vietnam of March 1957, seemed to welcome private domestic and foreign capital by offering substantial tax and other incentives. This was followed in November of 1957 with the establishment of the Industrial Development Center (IDC), an institution with the combined functions of an industrial promotion agency and a development bank. In its promotional role, the IDC was directed to create or assist in the establishment of new industrial enterprises, provide technical assistance, and develop a productivity and training center. To function as a development bank, the Center was provided with American aid in the amount of US $6 million and VN $100 million.

During 1957 or 1958, however, a decision was apparently made in favor of a predominantly planned economy with direct governmental participation in industrial development. As a result, the IDC withered on the vine. By May 1959, the Center had received over 100 loan applications but had extended assistance to only four enterprises. Subsequently, through the efforts of a U.S. management firm, 27 loan applications were processed by the end of 1959. But even so, M. N. Trued, an observer with definitive information, concluded that the IDC "has not become established as the leading organization responsible for promoting industrial progress in Vietnam, nor has it evolved a program for assisting a broad range of industrial enterprises."

In the meantime, the Vietnamese Government's decision to favor Government ownership (as well as to tighten controls over the economy generally) was reflected in the development of a select group of firms either partly or wholly owned by the Government. These included direct investment in coal, sugar, textiles, glass, logging, paper, mineral water, wallboard, and cement. In these developments, foreign capital played only a minor role.

Philosophical support for this program of Government ownership was provided by the economic doctrine of personalism, a nostrum developed by President Diem. Despite many speeches on the subject by Diem and other Government administrators, the doctrine has remained essentially a confused melange of papal encyclicals and kindergarten economics. The primary objective of the proposal appears to be an avoidance of both capitalism and socialism and the attainment of something similar to the organizational form of cooperatives. However, personalism also reflects a suspicion of private businessmen, a fear of foreign capital, and an attitude that little can be accomplished in Vietnam without direct Government ownership and control.

Despite the inhibition imposed by Diem's personalism, there have been some significant industrial gains on a narrow front: For example, in 1959 textile production rose from 68 to 83 million meters and sugar production from 25,000 to 58,000 metric tons. However, the acid test of industrial progress is some reduction in imports, and in this respect the gains are not apparent. Imports fell from $232 million in 1958 to $225 million in 1959, but rose again to $239 million in 1960.

The principal conclusion warranted from Vietnam's effort to promote industrial development is that the results have been minimal and disappointing. An important reason for this is the decision to favor a predominantly planned economy with direct Government participation in industry. In Vietnam, the volume of IDC loan applications proved that there was no dearth of private enterprise, and some degree of foreign investment was also a reasonable expectancy, if adequately encouraged.

On the other hand, Vietnam has only limited Government capital and a conspicuously inefficient and inexperienced bureaucracy. Under these circumstances, it was a fundamental error to place primary reliance on a planned economy and public ownership almost to the exclusion of private enterprise. Clearly preferable would have been a policy of encouraging private enterprise and only relying on public ownership whenever proven to be necessary.

In addition to these direct efforts to raise output in agriculture and manufacturing, American aid has also been spent on a wide range of economic and technical aid projects for the purpose of developing the foundation for economic growth. Classifying these activities by functional areas, they include projects in natural resources, mining, public works, health services, education, public administration, and information. They range from expensive projects like the development of a modern highway system to the modest purchase of a few motorbikes for the National Institute of Statistics. They run the gamut from the very worthwhile, like the malaria eradication program and the provision of textbooks for schools, to the frivolous and the dubious, like the construction of a broadcasting studio in President Diem's palace. They represent projects which will have a direct and immediate effect on enlarging the gross national product, like the digging of canals, to those that will have no effect, like the provision of technical assistance for the fingerprinting of the population. Some of the programs are carried out with dispatch, others with delay and waste.

Despite the excrescences that have developed in these programs, most represent a use of American aid which is entirely justified. The main faults lie not with the minor mistakes that have been committed, but with an imbalance in the use of American aid and in a lack of integrated development planning. From 1955 to 1960, only 13 percent of all American aid was available for economic and technical aid projects. Therefore, the statistics showing the number of canals dug, textbooks provided, and participants trained, which at first glance appear impressive, need to be interpreted in terms of what could have been accomplished if the aid program had emphasized economic development.

Secondly, economic and technical aid projects cannot be undertaken rationally and effectively in the absence of elementary facts of the economy and an intelligent development program. No one will dispute that resources need to be spent on agriculture, education, health services, and transportation, but an efficient allocation of limited resources among these alternatives based on factual data and analysis is an elementary requirement. Even intuitively, one may question the allocation of 45 percent of all project aid from 1955 to 1960 to highway development and only 9 percent to agriculture. By comparison, the basic approach in Vietnam is to sponsor a multitude of piecemeal projects in diverse areas apparently under the tacit assumption that all have some beneficial effect. There is irony in the fact that one of the few areas not the recipient of developmental expenditures has been economic planning.

PROSPECTS FOR THE FUTURE

Sometimes it is argued in Vietnam's defense that only minimum accomplishments could be expected within the last 6 years because the problems faced by the country have been so numerous and forbidding. Even if American aid had been used more effectively, it is alleged, the last 6 years would still represent primarily a period of economic rehabilitation and political stabilization. There is some truth in this argument. Certainly, the prolonged civil war devastated the country, and the heritage of the French colonial regime left the country ill-prepared for economic or political health. Granting all this, however, there is the more important problem of the future. Has Vietnam reached a point in reconstruction where it is possible to be sanguine about the future? Has the country reached a takeoff point in economic development? Unfortunately, future prospects must be viewed pessimistically. There is a complex of problems involved—both political and economic—which appear to prevent a period of sustained economic growth. Perhaps the future is even more bleak than the past.

Predominant among these problems is Vietnam's internal security. For the first several years after the Geneva Agreement,

Viet-Cong Communist guerrillas were only a festering sore and the National Government maintained generally effective control over the country. But since late 1959, Viet-Cong activity has been increasing steadily to the point where the country today is actually in the throes of an unpublicized civil war. Effective Government control no longer exists in the whole of the rural area south of Saigon. This degree of insecurity has had serious political and economic effects. As the strength of the Viet-Cong has increased, there has been growing disaffection on the part of the peasants with a regime that cannot provide security. Political insecurity has also inhibited agricultural reform efforts, has confined the industrial development program to the metropolitan area of Saigon-Cholon, has disrupted public administration in the provinces, and has slowed down the movement of agricultural output to Saigon. Until the security program improves (and judging from the experience in Malaya, this will be a slow and painful process) further economic progress is seriously jeopardized if not forestalled.

A second major problem is the unpopularity of the present regime. President Diem has alienated large segments of the population. Businessmen are restive under the rigidity and complexity of Government controls; the Chinese community is resentful as a result of discriminatory laws; Buddhists claim discrimination because Diem is a Catholic; the South Vietnamese maintain that the Government is controlled by Vietnamese from central and North Vietnam; the peasants complain against insecurity and forced labor in building the agrovilles; and almost everyone with some appreciation for political freedom and civil liberties chafes under a regime that is autocratic. As a result, development policies are carried out in an environment in which the Government lacks broad support and confidence.

Apart from the justification of democratic processes for their own sake, it has become increasingly clear that an anti-Communist Vietnam cannot survive without granting the population rudimentary political rights. Communist advances in Vietnam are attributable more to a lack of widespread support for the Government than to Viet-Cong strength. This lack of support has developed because the population sees little difference between Diem's autocratic control and Communist tyranny. Furthermore, without the will to resist the Viet-Cong on the part of the Vietnamese population, American military aid will only mean that communism will come to Vietnam Tuesday morning instead of Monday afternoon.

Another important inhibition is that Vietnam does not have the quality of governmental leadership and the general public administration skills necessary to formulate and implement a successful development program. While the British, in their colonies, developed a colonial tradition of responsible and efficient public administration, Vietnam's heritage from the French was an archaic and cumbersome governmental organization, a civil service in which Vietnamese were not allowed executive responsibility, and an educational system that did not prepare Vietnamese for public service. Because statistics are crude and professional economists almost nonexistent, economic planning is artless. Because most administrators in Government departments are inexperienced, authority is highly centralized and even minor decisions are made at the Presidency. And because the level of competency and experience is little better at the Presidency, there is an absence of clear and rational governmental policies.

Here, then, is the classic case for the application of foreign technical assistance. However, the Vietnamese have an indisputable talent for resisting outside help. Perhaps the lament most often heard from Americans in Vietnam is that the Vietnamese want our material aid but not our advice. In a sense, this should come as no surprise, for there are good reasons historically to account for a deep and abiding suspicion of foreigners, and not just the French. During most of Vietnam's history, the country has been beleaguered and occupied by the Chinese, French, and Japanese. Nor should it be forgotten that the United States provided most of the supplies and military equipment used by the French during the Indochina War.

At any rate, whether it is xenophobia, pride, nationalism, or original sin, the technical assistant, and for that matter foreign advisers in general, faces strong resistance. There is nothing very "mutual" about the Mutual Security Act in Vietnam. American fiscal experts are provided in order to help the country contribute more of its own resources to economic development, but their advice is sedulously ignored. For several years, American administrators have exhorted and pleaded for a devaluation of the piaster in order to facilitate rational development planning, but the piaster remains overvalued. Americans have advised against the use of such status symbols as nuclear reactors and electronic computers, but both are in operation today. Sensitivities aside, technical assistance in Vietnam is all too often window dressing.

CONCLUSION

Viewing progress in Vietnam in the broader context of the political as well as the economic, there is no gainsaying that there have been some advances of a political nature since 1954. During the first few years of the present regime, an independent National Government was established, the country was unified by the defeat of several militaristic politicoreligious sects, and nearly a million refugees from the north were resettled. But these early political gains must be balanced against retrogression within recent years: the Viet-Cong are presently in control of a substantial part of the country, the early formation of democratic processes has been replaced by authoritarian control, free elections have been denied, and civil liberties have been seriously curtailed. For the past few years President Diem has been riding on the tiger's back. Eventually, he will have to dismount or end up inside.

There have also been some economic gains. Relative price stability has been achieved through massive amounts of American aid, progress has been made toward rehabilitating the agricultural industry, and a modest industrial development program has been initiated. But these accomplishments are unimpressive when compared to the enormity of the job that needs to be done in order for Vietnam to develop a viable and self-sustaining economy. They are even more unimpressive when viewed in the light of the overall aid given to the country.

From an economic, as well as political point of view, the tragedy of the past 6 years is that both American aid and Vietnamese effort have been dedicated to military defense and to the maintenance of consumption levels rather than to the objective of economic growth. Even granting the absolute necessity of military aid at its past and present levels, it is apparent that economic aid has not been employed effectively as an instrument of national development. Sacrifice in the present for longrun economic gain—the sine qua non of economic development—has remained an abstraction. Therefore, whatever else has been accomplished, Vietnam today still remains the prototype of a dependent economy, its level of national income as dependent on outside forces as was the case when the country was a French colony. After 6 years of large-scale American aid, Vietnam is becoming a permanent mendicant. Certainly, if aid were eliminated tomorrow, there would be an unpaid army and unfed civilians. Our aid has built a castle on sand.

THE RELATIVE VOLUME OF UNEMPLOYMENT IS GREATER THAN WE THINK. WHAT SHOULD WE DO ABOUT IT?

Mr. DOUGLAS. Mr. President, in recent years the Census Bureau and the Department of Labor have developed a monthly index of unemployment which helps us to determine the relative and absolute impact of economic conditions upon those who seek work. This is obtained by visiting each month 35,000 families which are selected in accordance with a sampling program, carefully designed to produce a cross section representative of the Nation as a whole. From this sample, there is found monthly: First, the percentage of the people in these families who are in the labor force, and second, the percentage of those in the labor force, who, while seeking paid work, are unable to find it. Third, by applying these percentages to the total population, we can determine the numbers in the total civilian labor force, which ranged from 70 to 71 million during the first 5 months of this year, and the total number of persons who are unemployed in the Nation as a whole. Finally, these totals and percentages are corrected for seasonal fluctuations. On this basis, the estimated total unemployment for May was 4.9 million with a seasonally corrected rate of 6.9 percent. The number of unemployed in June was estimated at 5.6 million. The size of the working force increased because of young people leaving school and college for the summer. Correcting for seasonal fluctuations, this amounted to an unemployment of 6.8 percent of the total working force.

Mr. President, I ask unanimous consent that the table relating to this subject be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Unemployment rates as reported, based on the civilian labor force (rates not adjusted for seasonal variation)*

	January	February	March	April	May	June
Totally unemployed as percent of the civilian labor force: [1]						
1961	7.7	8.1	7.7	7.0	6.7	7.5
1960	6.1	5.7	6.1	5.2	4.9	6.1
1958	6.7	7.7	7.7	7.5	7.1	7.7
1957	4.9	4.7	4.3	4.0	4.0	4.8
1953	3.5	3.2	2.9	2.8	2.5	2.8

[1] Source: Bureau of Labor Statistics, U.S. Department of Labor.

Mr. DOUGLAS. Mr. President, so far so good. But there are two inadequacies in this method which tend to understate the actual percentage of unemployment.

1. SAMPLE INCLUDES SELF-EMPLOYED

The first is the fact that since the sample of 35,000 families is a cross section of the country as a whole, it necessarily includes many who are self-employed or who are unpaid workers in family enterprises. These are the farmers, professional men and women, such as doctors, lawyers, small shopkeepers, and so forth, who are independently self-employed and who do not work for wages or salary. They also include wives who work with their husbands in small stores without separate compensation and children who have a similar relationship. In this case it applies to children of farmers as well.

Now, there are, according to the monthly survey by the Census, from 10½ to 11 millions of these people. As of January 1961, the estimates were 9,069,000 for the self-employed and 1,357,000 for the unpaid family workers.

The real civilian labor force which seeks employment for wages and salary does not amount therefore to 71 million, but rather to 71 million minus 10½ to 11 million, or approximately 60 to 60½ million.

A moment's reflection reveals, however, that the self-employed and the unpaid family workers rarely can be listed as unemployed. Business may be poor, incomes may be low, clients may be few, but since these people own their own jobs and do not seek to hire themselves out to others, they are employed, unless seeking to change to other types of employment, that is, wage or salary jobs. In May of this year, for example, only about 1 percent of these were unemployed, compared to 6.7 of the experienced wage and salary workers, and an even higher rate among those with no previous work experience.

The percentage of unemployment should therefore be computed for those who either are employed for wages or salary or who seek such work. This is a better index of the relative seriousness of unemployment than that for the labor force as a whole.

To the degree that the 35,000 family sample is a fair cross section of the population, it overstates the true denominator and consequently gives too small a quotient as the true percentage of unemployment amongst those who seek hired labor.

On the assumption that the sample is representative, this means that the percentage of unemployment obtained by the present method should be increased by the ratio of 71 to 60. This would give the percentage of unemployment for the wage and salaried section of the working force, which, after all, is the only group exposed to a significant risk of unemployment. These percentages for the first 6 months of 1961, 1960, 1958, 1957, and 1953 are as follows:

	January	February	March	April	May	June
Totally unemployed as percent of the civilian labor force minus the self-employed and unpaid family workers [1] (not seasonally corrected):						
1961	9.1	9.5	9.1	8.3	7.9	8.9
1960	7.2	6.8	7.2	6.2	5.8	7.2
1958	8.0	9.1	9.1	9.0	8.5	9.2
1957	5.8	5.6	5.2	4.8	4.8	5.8
1953	4.2	3.8	3.5	3.4	3.0	3.0

[1] Figures computed by staff of Joint Economic Committee from data of the Bureau of Labor Statistics.

On this basis, therefore, the unemployment this last winter among wage and salaried workers was running around 9 percent, for May it was approximately 8 percent, and returned to almost a 9 percent rate during June.

PART-TIME UNEMPLOYMENT NOT INCLUDED

But even this figure understates the relative amount of involuntary unemployment. For to it should be added involuntary part time or those instances when workers who wanted to work full time were only given the opportunity of working 4, 3, or even 2 days a week. There is a great deal of this lost time within employment and it is indeed encouraged by the merit rating system under employment insurance. For since the employer's contribution rate is graduated according to the benefits paid out to his own employees, and since benefits generally do not begin until earnings have fallen because of lack of work below one-half of the full time earnings, an employer, for example, can cut his unemployment contributions by putting all his men on two-thirds time instead of laying off one-third of them.

The Department of Labor has for many years gathered figures on the number of nonagricultural workers who usually work full-time but who are only given part-time work, together with the numbers of those who fall below their previous part-time average. From these statistics, Mr. James W. Knowles of the staff of the Joint Economic Committee has computed monthly estimates of what the full-time equivalent unemployment would be of the time lost by these involuntary part-time workers. The methods used previously have been described by me. In brief, the hours below 37½ per week for which work was not offered are counted as having been lost because of lack of work. This would seem to be a conservative method, since time lost because of sickness and absenteeism was not counted in the lost hours and 37½ instead of 40 hours was taken as the average working week. The total of hours thus lost was divided by 37½ to get the equivalent number of work weeks lost in this fashion during the calendar week in question. For the month of May these came to an estimated 1,232,000 or a further loss of 2 percent of the working time because of unemployment. In June the full-time equivalent loss because of underemployment amounted to 1,504,000 or 2.4 percent.

The figures for the first 6 months of this year are as follows:

Full-time equivalent of partially unemployed

Month (1961)	Number in thousands	Percent of civilian labor force seeking wage and salaried work
January	1,256	2.1
February	1,293	1.8
March	1,236	2.1
April	1,282	2.1
May	1,232	2.0
June	1,504	2.4

We may now combine these three factors to get better estimates on the amount of time lost through unemployment and the percentages which these form for the months and years in question, as follows:

	January	February	March	April	May	June
Totally unemployed plus the full-time equivalent of part-time employees as a percent of the civilian labor force minus self-employed and unpaid family workers [1] (not seasonally corrected):						
1961	11.2	11.7	11.2	10.4	9.9	11.3
1960	8.9	8.5	8.9	8.0	7.5	9.3
1958	10.1	11.2	11.4	11.3	10.8	11.7
1957	7.3	7.2	6.7	6.3	6.3	7.7
1953						

[1] Figures computed by staff of the Joint Economic Committee from data of the Bureau of Labor Statistics. Note: Figures for 1953 are not available.

It is thus seen that the total proportion of time lost during this last winter by those who sought wage and salaried labor was 11 percent or more, and that in May it was approximately 10 percent, and in June rose to 11.3 percent. If we corrected this last figure for seasonal variation, it probably would be only a little over 10 percent. In absolute terms this is a full 3 percent or three-sevenths higher than the figure commonly used.

The unemployment situation is, therefore, even more serious than is commonly believed.

It is, of course, true that some allowance should be made for those "moonlighters" who are "overemployed" and who hold down two jobs. For example, this is how many of the Wash-

ington cab drivers and Akron rubber workers, who are on a nominal 30-hour week, seek to increase their incomes by taking on another job. Teachers and postal employees frequently do the same thing.

But, even so, the overemployment of some does not help the unemployment or underemployment of others.

IDLE CAPITAL

At the same time that there is an extraordinarily high percentage of time lost through unemployment, there is also a very high percentage of unused plant capacity.

There are two sets of figures on the rates at which plant capacity is utilized. The first are those regularly published in the Survey of Current Business for the cement, petroleum refining, paperboard, and steel ingot industries. The second are the annual surveys conducted by the McGraw-Hill Publishing Co. for all manufacturing.

The figures of plant utilization for the first quarters of selected years are as follows:

Rate of capacity utilization for selected industries (ratios of output to capacity for the 1st quarter of each year shown)

[In percent]

Year (1st quarter)	Cement	Petroleum refinery	Paperboard	Steel
1953	81	93	94	100
1957	69	92	93	96
1958	56	84	84	54
1960	52	84	93	94
1961	47	88	89	54

Source: Survey of Current Business, U. S. Department of Commerce, except for steel, 1st quarter of 1961, estimated by the staff of the Joint Economic Committee, assuming that steel capacity was the same on Jan. 1, 1961, as on Jan. 1, 1960.

In the first quarter of this year therefore approximately half of the productive capacity of the cement and steel industries was lying idle. The idle capacity in petroleum refining amounted to 12 percent and in paperboard to 11 percent. In addition, it is well known that the automobile industry could produce between 9 and 10 million cars a year. Its biggest year to date was in 1955 when it produced 7 million, while this year it has been producing at the rate of approximately 5 million.

The McGraw-Hill Co. found that the rate of utilization of the productive capacity in all manufacturing was 77 percent at the end of 1960. It would seem clear that this rate was under 80 percent during the first quarter of 1961 and probably did not exceed this ratio during the second quarter. Since manufacturers seem to prefer running at from 90 to 94 percent of capacity, it follows that even by the most rigid standards there is at least from 10 to 14 percent of idle and unused capacity—in the field of services, the Survey of Current Business, June 1961, page 24, estimates that in May only 65 percent of the available rooms in hotels were occupied.

FORWARD TO INCREASED PRODUCTION

The evidence is clear therefore that we now have an extremely high volume of unemployment and a large proportion of idle capacity. Prices have been quite steady during the last 8 months. In fact, wholesale prices are lower than in 1958, and consumer prices have risen less than 1 percent per year in this period.

This is within the margin of error. In fact, there tends to be an improvement in quality of goods, so that an index of prices, without taking into account the improvement of goods, tends somewhat to exaggerate the real increase in prices. The immediate problem before us is therefore not inflation but a failure to utilize idle existing resources of both labor and capital. The moral would therefore seem to be clear. What is needed is a lowering of the longtime interest rate to stimulate investment in homebuilding and by small business. This would increase the demand not only for direct labor, but also that for materials and would have a very real stimulative effect.

When we take into consideration the increase in demand for lumber, steel, brick, cement, plumbing, electrical fixtures, iceboxes, furniture, and so on, we can see the general stimulative effect which this would have.

Then the provision of added supplies of bank credit would enable the resultant increase in production to be financed with approximately steady prices.

There is indeed no greater error in modern economics than the all too common belief that an increase in the quantity of bank credit necessarily causes a corresponding increase in prices. This would only be true if output remained constant. If the increase in monetary purchasing power, however, puts idle men to work with otherwise idle capital then the increase in output helps in whole or in part to counterbalance the increase in the quantity of money. There is an increase on both sides in the so-called quantitative theory equation.

The immediate danger is not demand and monetary inflation. Any threatened price increase is more likely to come from administered prices and wages. The basic problem we face is that of idle men and idle capital and a restricted output.

FEDERAL RESERVE BOARD SHOULD NOT APPLY RESTRICTIVE POLICY

The choice is therefore squarely up to the Federal Reserve Board. If, as output increases slightly, the Reserve Board again takes fright, as it did in 1958–59, and again restricts the credit supply so as to raise interest rates, it will once more help to choke off a revival and keep unemployment at an unduly high level, as it has done before. I believe the conscience of the country is aroused and cannot again permit the Reserve Board and the financial world to use an abnormally high ratio of unemployment and idle capital as a built-in stabilizer. Rather it is sound policy to adopt such an interest, monetary, and financial policy as will put idle men to work with presently idle capital to turn out goods and services which would not otherwise be produced. For such a policy means an increase in national product and income, a greater rate of economic growth, an increase in governmental as well as private revenues, and a closer approach to full employment.

Private enterprise, itself, has a heavy stake in this decision. If the Federal Reserve Board has a too restrictive monetary policy, the result is idle capital as well as idle labor. This means a lower overall rate of business profits. It is well known that a decrease in the rate of capital operation causes a more than proportionate decrease in the rate of profits.

I hope and believe that the business community is interested, but even if it is not greatly interested in relieving unemployment, a hardheaded concern for its own self-interest should make it want to expand output and to oppose the past restrictive policies of the Federal Reserve Board.

The issue is therefore directly up to the Federal Reserve Board and the financial authorities in Government and business. Let us hope that they have the wisdom to act wisely and effectively. May Congress and the public encourage them to realize the gravity of the situation in which we are placed and help them to cast aside their old errors which have already cost us so much. We need to get our economic system back on the rails producing the goods and services which we could produce at approximately stable prices. This is the crucial domestic problem of the next few months.

Mr. HART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Michigan.

Mr. HART. As always, when I have an opportunity to listen to a man who not only technically was once a great teacher of economics, but also in fact continues to be that kind of teacher, I am grateful and benefited. One of the great regrets of each of us in this body is that we should be expert in many fields, but can be knowledgeable at best in only a relatively few. It is for this reason that I, for one, am very grateful to the people of Illinois for having given to the Senate one who can inform those many of us who are far from expert in the difficult field of economics. This the distinguished Senator from Illinois ably can do.

The figures which he has presented to the Senate may well be used by the executive branch of the Government as the base for a recommendation of official action, not alone to caution the Federal Reserve Board, not alone to implement legislation to which the Senator from Illinois gave conspicuous leadership and support over a long period of years in redevelopment, but also in contemplating very seriously recommending specific legislation involving additional expenditures, which would be aimed at seeking to produce short-term economic activity through additional public works. Is this not the sort of economic picture which argues strongly that there may be need to recommend to Congress measures such as that presented by the distinguished Senator from Pennsylvania [Mr. CLARK], who has presented the plan which would call for Federal support for public works, which public works could

be put into operation promptly in 30, 60, or 90 days?

Even though I am not an informed economist, am I not correct in interpreting these figures as the sort of alarming index which may cause us to believe that we must do substantially more than heretofore Congress has anticipated doing?

Mr. DOUGLAS. My good friend from Michigan is very alert in connection with these matters. I believe that proper programs which will be efficient and which will meet human and capital needs not otherwise met, may well be proposed. I merely wanted to call attention to the fact that the situation is really much more serious than even the high percentage of 7 percent would lead us to believe. The real percentage of unemployment is around 10 percent, at the very least. To my mind it is highly improbable that this revival which is now underway will reduce this figure to manageable proportions. I hope it will, but I doubt it. I would think that pressure upon the Federal Reserve Board to make it see the error of its past ways is almost one of the first things to be done.

It may well be that we should have a public works program. At this time I do not want definitely to advocate it.

However, public works should be built where the unemployed actually are. All too often what happens is that people talk about community facilities and work for the unemployed, and then it turns out that this means public works in Utah, Arizona, or New Mexico, where there are very few people, or in rural communities, where the unemployed do not congregate.

One of the tests for this program would be localities where the unemployed are located; otherwise, the "pork barrel boys" will run away with the ball.

Mr. HART. I take it that the Senator from Illinois is implying that there is difficulty in Congress in enacting legislation unless it is shotgun in nature, although the program requires a very precise aim.

Mr. DOUGLAS. That is correct.

Mr. HART. And a very sharp thrust.

Mr. DOUGLAS. That is correct. The Senator from Michigan comes from a State with extremely high unemployment. It is the great automobile State of the Union. The automobile industry, as we know, is in great difficulty. Building irrigation projects on the upper Colorado River will not help the unemployed of Detroit or the unemployed foundry workers of Muskegon, or the unemployed workers in Flint; nor will it help the unemployed in southern Illinois. Sometimes high industrial unemployment is used as an excuse for the pork barrel to be rolled out for the areas where there is no unemployment; in fact, one might have a pork barrel polka "Roll Out the Barrel."

Mr. HART. Not to suggest the example that we read in the press during the last few days comes within the last vivid characterization by the Senator from Illinois, I am sure he was struck, as I was, by the remarkable story of a small community in Texas—itself a very great State, but a State where the rate of unemployment is something less than it is in some of the other States of the Nation—that a redevelopment program massive in proportion in relation to the population of the community was programed. This may be very desirable and helpful. I am not criticizing that particular project. But I am making the point that if any objective analysis of unemployment figures indicates that there are readily defined areas in this country where there is continuing and high unemployment and, second, if it is established that public works projects can reduce unemployment and can give employment, and, third, if it is established that in these areas of high and persistent unemployment there are unmet public needs, then the logic is overwhelming that we should aim the gun at the precise targets.

Mr. DOUGLAS. That is correct.

Mr. HART. Not—what is the expression?—scratch one another's back?

Mr. DOUGLAS. Roll each other's log.

Mr. HART. Roll each other's log, because time will run out on us, if the state of our economy is as the Senator has described it.

Again I am very grateful to the Senator for bringing to the Senate and to the public the rich background which is his. He is unique in this body. I repeat that I for one wish that I had this background. I regret that I do not have it. I know that other Senators feel this way. We are fortunate that the Senator from Illinois continues to provide the whole community of America with the benefit of his knowledge.

Mr. DOUGLAS. I thank the Senator from Michigan. He is much too complimentary to me and, characteristically, much too modest about himself.

ADJOURNMENT TO FRIDAY

Mr. DOUGLAS. Mr. President, in accordance with the order previously entered, I move that the Senate stand in adjournment until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 8 o'clock and 48 minutes p.m.) the Senate adjourned, under the previous order, until Friday, July 14, 1961, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 12, 1961

The House met at 12 o'clock noon.

Rev. Harold Lynn Gore, associate pastor, Memorial Baptist Church, Arlington, Va., offered the following prayer:

They that wait upon the Lord shall renew their strength; they shall run and not be weary; they shall walk and not faint—Isaiah 40:31.

O God, our Father, in a time when men are weighted down with crushing responsibilities and perplexed by grave and difficult decisions, when nation threatens to lift up sword against nation and to learn war once more, cause us to turn to Thee with whom is no variableness neither shadow of turning, who fainteth not, neither is weary. Lift up the feeble hands that hang down and strengthen the trembling knees and give guidance to a people who after Thee would seek, a people whom Thou hast sought. Send Thy spirit, Lord, to comfort our beloved Chaplain in this hour of keen sorrow at the passing of his wife. May he truly know that underneath are the everlasting arms. For in Jesus' name do we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill and a joint resolution of the House of the following titles:

H.R. 4324. An act to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes.

H.J. Res. 472. Joint resolution providing for the apportionment to the Commonwealth of Massachusetts of its share of funds authorized for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 845. An act to amend title 38, United States Code, to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes; and

H.R. 5490. An act to provide for more effective participation in the reserve components of the Armed Forces, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1710. An act to amend the act of April 6, 1940, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes; and

S. 1873. An act to amend the Act entitled "An act to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economic courses", approved September 13, 1960 (74 Stat. 899), in order to permit the use of donated foods under certain circumstances for training college students.

The message also announced that the Vice President had appointed the Senator from New Jersey [Mr. WILLIAMS]; the Senator from New Jersey [Mr. CASE]; the Senator from Virginia [Mr. ROBERTSON]; and the Senator from Vermont [Mr. AIKEN], members on the part of the Senate of the New Jersey Tercentenary Celebration Commission.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from North Carolina [Mr. BONNER], I ask unanimous consent that the Committee on Merchant Marine and Fisheries may sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 3 minutes p.m.), the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY THE PRESIDENT OF PAKISTAN

The Speaker of the House presided.

The Doorkeeper announced the Vice President and Members of the U.S. Senate who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints the members of the committee to escort the distinguished visitor into the Chamber, the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from Pennsylvania [Mr. MORGAN], the gentleman from Indiana [Mr. HALLECK], and the gentleman from Illinois [Mr. CHIPERFIELD].

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Montana [Mr. MANSFIELD], the Senator from Georgia [Mr. RUSSELL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Illinois [Mr. DIRKSEN], the Senator from California [Mr. KUCHEL], and the Senator from Wisconsin [Mr. WILEY].

The Doorkeeper announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The ambassadors, ministers, and chargés d'affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 30 minutes the Doorkeeper announced the President of Pakistan.

The President of Pakistan, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, today it is my high privilege, my great pleasure, and I consider it a distinguished honor to be able to present to you, the representatives of the American people, an outstanding world citizen, a man of courage, a man of capacity, the head of a free and ambitious people, and a man who himself and his people are friends of the United States of America, the President of the Republic of Pakistan.

[Applause, Members rising.]

The PRESIDENT OF PAKISTAN. Mr. President, Mr. Speaker, and ladies and gentlemen. I regard it as a great privilege to have been given the opportunity to address this august body, the most powerful and the most distinguished representative institution in the world.

I am told my time is short, so although there are many things I could talk to you about that would probably take longer, I will have to go over the ground rapidly.

I come from Pakistan, which is a country which is allied to the United States of America and a friend of your country. [Applause.]

We gained our independence just under 14 years ago, although we are a people who have a history which stretches back in terms of centuries.

Coming to independence at a time when the world is moving at an enormously fast pace and new countries like ours have to make every effort to move at that pace for the sake of their survival poses an enormous problem. What I am going to talk about are essentially the problems that we in Pakistan face, what sort of mistakes we have made, and what sort of remedies we are trying to evolve for our problems.

It would not be untrue to say that similar conditions by and large apply to other emergent countries. First of all, Pakistan lies in the Indian subcontinent. When the time for independence came, the Moslems of the Indian subcontinent, who numbered then 100 million out of a population of some 350-million-odd, made a demand that they should have a separate homeland where they could develop on the basis of their own ideology.

This demand was based on our resolves to put into practice our beliefs and the principles of our faith. At the same time when it came to a counting of heads in a society like that of India with its caste system and other prejudices, people who do not fit into this caste system have no particular place worth mentioning. So this minority, if you like to call it that, of 100 million felt that in the type of society which is ordained by Hinduism, we shall have no place unless we have a separate homeland. So, therefore, I like you to understand this demand and this carving out of a separate homeland of Muslims in the subcontinent was not based on bigotry or intolerance or anything like that. The whole object was to escape those things to the extent possible. That really is the genesis and the philosophy of Pakistan. We have no intention of creating a theocratic or a priest-ridden state or anything like that. We want only to develop in the light of our faith and our beliefs.

Having said that, I shall then describe the sort of problems we have to face—social problems, economic problems, and political problems. Socially, and it is only recently that we have been trying to break out of that state, we were a feudal society. There was hardly any industry in the areas that comprised Pakistan. We provided the manpower for the British Army which fought—and I, myself, was one of them—for the British cause right from, perhaps, Peiping to New Chapelle. Our society apart from being feudal is very much tribal—with a tribal consciousness, and so on. So after independence, the immediate problem was how to weld this society into a nation. In order to be able to do that measures, such as for instance, the equalization of different strata of society was necessary. At the same time, we had to organize and install political institutions which would enable that society of different stratas to be able to make a wise choice. There was a dearth of education in the country. About 15 percent of the people were educated. Our agriculture was and still is not modern, and unless a country's agriculture is put right and its people are given the food and the necessary ingredients for a healthy life, we cannot carry through other reforms or measures of progress.

Politically we have not gone very far because we just came out of feudalism. We did not have political institutions suited to the genius of the people. Our aim always has been and always shall be to have representative institutions, to have democracy with the people having a direct voice in their own affairs.

We did not have political institutions that could meet our requirements in the light of the state of development of our society. We adopted the British parliamentary form of political system, a highly refined system. We chose this highly refined system because that was the only one with which our leaders were familiar and which had a chance of success.

As far as the basic, shall we say, basic need for having a democratic system is concerned, it was not something that had to be imposed from the outside. Certainly in our Moslem society, there is a deep belief in ideas of brotherhood and fraternity. These are the basic principles of our faith.

In Moslem society there is no such thing as color prejudice or race prejudice. Our people are, shall we say, color-blind and race blind. Therefore, the ingredients of democracy are there.

The question was, How would we evolve, what sort of system could we evolve, that suited our set of problems, that suited the genius of our peoples and their circumstances and their aspirations.

As I said, Pakistan came into being some 14 years ago. After coming into being we were faced with several major problems. There being various areas of Pakistan we had to set up initially a central government and a number of provincial governments. Those governments did not exist as such in the area of the Pakistan; they had to be started from the word "go."

Thereafter, for a time, we had the father of the nation of whom you might have heard, Mohammed Ali Jinnah. He died soon after Pakistan came into being. His very trusted lieutenant, the able Liaqat Ali Kahn as you know, was assassinated some years afterwards. We had a succession of bad leadership when

the need was for powerful leadership, for positive leadership, for leadership that would give stability to the country, and give meaning and purpose to the institutions of democracy, and establish healthy traditions of democratic government.

The day came when we got into a very bad state of affairs indeed; our political affairs ran into great difficulty through political wrangling, through lack of clarity of vision, courage, and character. Some of the men who should have taken the trouble to exert and show their authority failed to do so, and it looked as though the country were going to disintegrate.

Our people are very good people. They bore all this with great fortitude and courage, but after a stage they began to lose heart.

The time came when I heard of it with my own ears. I was then the commander in chief of the army. I had been the commander in chief for 7 years. People openly started saying that this man could save us if he wished to, but he does not have the courage to do so.

They did not realize my problem. My problem was for a new fledgling country to create an army worthy of the people. That was the first thing.

If you will study the history of any country that has gotten its independence, a country that has a good nonpolitical army and a good civil service, in spite of difficulty, has been able to move on and preserve its integrity. Therefore, it was my duty and honor to give the country the army it deserved; and, furthermore, in spite of the prevalence of these trying political conditions, to insure that that army remained nonpolitical.

Before that on several occasions I had been approached by the then head of state to the effect we could see that as we were going on we were not going to make any headway and would I take over power. I refused that offer. It was not that one did not feel the sense of responsibility, but my loyalty was to the soldiers of my country and to that army to which I belonged. However, the stage comes in life when you have to think of your future, the future of your generation and their very existence, and unpleasant decisions have to be made.

Therefore, there was a revolution in our country. I was the head of that revolution and it was, therefore, my responsibility to put into effect the sort of things that would remove the illnesses of the country, and bring it back to life and prepare it for the forward march of development and progress.

We therefore embarked on several measures of reform. The first thing that I thought must be done was to remove or shorten the gap between the "haves" and the "have nots" of the country. Our country, basically an agricultural country, consisted of a large number of landowners, who owned enormous areas of land, and a large number of people without land or a very limited amount of land. In a society like that you cannot work out a balanced wholesome democratic system. If the bulk of the people are under compulsion and obligation to a limited number, no democratic form of government can really go on and work very well.

So I consulted my associates, and I put before them the sort of things I wanted to do, the sort of reforms I considered were necessary. They told me that the land reform was going to be the most difficult reform because this is the sort of thing that affects the most powerful people of the country, and if something goes wrong there will be rivers of blood in the country.

Well, in a difficult situation like that you have got to take courage in your hands, you have to make difficult decisions, and I came to this conclusion: Unless we can resolve this problem, nothing else will have any lasting effect or will be of any use.

We devised a scheme of land reform. It was not based on any form of vindictiveness. It was based on the philosophy that if a family wants to live on land they shall have enough land to be able to occupy their time and give them a good return, so that they can live a decent life and educate their children decently.

Therefore, a very sensible scheme was devised, and for the rest of the land that was taken over compensation was offered and paid. This land was then given to the tenants who became the owners of the land, and they are paying the cost of the land over a period of 20 years. I am glad to be able to tell you that the land reform went off exceedingly well.

A large number of these landowners are personal friends of mine. They are people I went to school with, people I was associated with in the army and elsewhere; we had known each other, we had been together, we had been shooting together, and so forth and so on. I often meet them and I tell them that these misfortunes I had to impose against my own friends I believe served them and the country well. I believe that I have saved my country from a terrible turmoil that was bound to occur if things had drifted on as they were. [Applause.]

As I say, the whole thing went off exceedingly well, indeed, and I felt proud of our people that they saw the signs of the time. Although it is not very easy to part with land—I do not know what happens in your country, but in my country if somebody takes someone else's land, even an inch, they are prepared to shoot him. Now, none of these things happened. There has been a very good friend of America who went there and he met somebody and said: "Well, I am very glad to see the sort of things that have been done in Pakistan by your President, except that he has not shot a single landowner so far." So I told him, "Go and tell him there is no necessity for it—that shooting is not necessary. And it is a most stupid thing to do. It leaves its legacy, it leaves its scar."

In our revolution there were no victims. People who had done wrong were given the option of retiring from public life, if they wished to do so, on specific charges. At the end of those charges there was not even imprisonment provided, because my object was not to get involved in negative things but to be thinking of the future.

We have a limited amount of manpower that must be employed in the reconstruction of our country and of our society.

In the economic field we were badly off. The problem of our balance of payments was going wrong. Our agricultural production was not in a healthy state. From being a surplus food-producing area we became a deficit area, for several reasons. Of course, in addition, the rise in population was a thing that caused us worry, and it still causes us worry.

So we endeavored to put the economy of the country on as healthy a basis as possible under present circumstances and under the present resources of the country.

Politically we had to think and ask ourselves what sort of system can work in our circumstances of today.

Some people think that if there was a parliament elected by the people we could have a democratic arrangement. But the moment that parliament was elected, the members of parliament lost all contact with their constituencies, lost all contact with the people. No democratic system can work unless it has its roots in the daily life of people. It cannot be a system which rather like an umbrella or a parachute can hang in the air. It has to have roots right in the hearts and life of the system. If the system is so designed that its roots go right down, the people are in a position to order their lives. If they order it well, they will reap the reward of it, and if they do not order it well they will suffer.

They learn the art of give and take, the art of discussions. They learn through that way the spirit of accommodation which is so necessary to run any democratic system.

Take your country, or take Britain, for instance. The real democratic system emerges from your trade unions, from your cooperatives, from your associations of all description, where people order their lives collectively in a spirit of give and take. If there is a heated discussion about something and somebody's opinion is not accepted, he does not think that the world is going to come to an end or that the heavens are going to fall. In our country, in our part of the world, political feelings run far deeper than in any other part of the world, so that our concern was to find such an arrangement which would have contact with the life of the people. We had to awaken our people, who live in the villages, and so forth, to the new requirements of the time, and to the necessity for doing their full share in the advancement of the country; and that means day-to-day education, day-to-day acquisition of information and understanding of events and affairs.

And so, therefore, we set up a system which we called, for want of a better name, a system of basic democracy. It was based on this principle, that if you asked a person a question which he or she could answer from that person's knowledge, you would get the right re-

sponse, and you would get the right election. But if your electoral system is so designed that broad masses of the people ask questions on matters with which they do not deal, or they are asked to make decisions about personalities they do not know, then they have to ask somebody else, or somebody else has to go and tell them that somebody is like this and somebody else is like that, and that somebody else often is a political demagog. I do not say all politicians are that way, but certainly there is a difference between politicians, and some of them just mislead the people and further schisms are started within the society.

I know that your system works on a two-party basis and, like any other game, you have got to have rules for it. You cannot have more than two teams in the field, can you? If you have more than two teams in the field you have confusion. You do not know who is losing and who is winning. [Applause.]

In our case, there were to my knowledge 15 teams in the field. You can imagine the state of chaos that that sort of condition creates.

Coming back to this problem which we posed to ourselves and for which we had to provide an answer, it was, What sort of electoral system should we have and what sort of political institutions should we have which would correspond to the lives of the people? We decided to introduce this system of basic democracy. In essence it amounts to this, that eligible voters up to about three to four hundred were given the chance to elect one person.

We found from experience that in about 95 cases out of 100 they elected wisely. In many cases, people of standing and wealth, and so on, had not been elected and somebody else, a person of better character or, shall we say, influence with the people was elected. The meaning of that is that we gave the people a chance to answer a question which they could answer from their own personal knowledge.

About 10 members so elected form one unit in the area—form what we call the basic union council. Thereafter we have people that are elected on the next tier of administration, then the next tier right up to the province. The advantage of that is that these people's representatives will work in conjunction with the Government officials on development plans or welfare work, and so on. Through this period, shall we say, the Government officials will learn the needs of the people through the people's representatives, and will know what is possible within the means of the country and what is not. It will also have the effect of mellowing the bureaucracy, it will have the effect of bringing a sense of responsibility to the people's representatives.

The point is, How does this system finally culminate? It should culminate in a parliament or the election of a president, as we hope we shall have in our country. My belief is that if these some 80,000 elected people become the electoral college, then you can easily and rapidly have the parliament and the election of the President. We will get good response from them because these are people, by and large, having wider horizons, and they have the necessary mental caliber, or should have the necessary mental caliber, to answer questions a little higher than they were asked before. So through that system we hope we will have elected the right people to office and they will do better for the country.

One other thing we have to remember in our circumstances is that while we have a gigantic task of carrying out reforms in order to get rid of our past ills and evils and introduce new reforms, shall we say, when you are dealing with reforms you have to deal with vested interests and you have to take hard decisions, and for that you need stable government, you need strong government. I do not say you need dictatorship, you need strong government.

That is our requirement, to have stable, strong government, for whatever number of years are specified, 5 or 10. So our problem was to devise a system which would give us the substance of what I am talking about, because without that no progress is possible.

We set up a constitutional commission some time ago, and they have submitted a report which is now under examination. I hope that everything will go all right. Our next budget should be passed by a parliament which will be brought into being under the new constitution and under the new system.

One thing I would like to say, and that is this, that sometimes we Moslems are accused of being rather bigoted. But our friends who have been able to work democratic systems more efficiently than us, are also bigoted, too, in this fashion, that if a democratic system does not exactly conform to their pattern they say there is something wrong with it. Well, Pakistan is not going to conform to any one particular pattern, but I certainly hope our pattern will meet all our requirements. I think the essence is this, that as long as the people have the right to choose their leaders, choose their masters, and have the right to remove their masters, the essence of democracy is there. [Applause.]

So when you are looking at our constitution, when it comes into being, I would like you to please bear that in mind and not be too hypercritical because you may well find—and we are not bragging about this—we are only trying to resolve our own problems in the light of the mistakes we have made—but it may well be that this may be the pattern which suits all new people who are emerging and who are struggling to find stability for their country. For what is the good of gaining independence unless you apply yourself to the betterment of your people and to the betterment of their living conditions. In our struggle for economic growth, we have tremendous problems. We have the problem of, shall we say, at the moment a deficiency of food. We have to set up industries in order to be able to employ our manpower more effectively. We have to process our raw materials in order to be able to save foreign exchange on importations and so on. In this effort, to my knowledge, the resources generated by a country wanting to develop, have never been sufficient to enable it to develop and, certainly, not at the pace that we have to develop today because we are up against time. If we do not make the grade, within shall we say another 15 to 20 years, we shall be overtaken by communism and that will be a great, great calamity. So, therefore, whilst your development took place, shall we say, in 70 or 80 or 100 years, and similarly in Europe, we through force of circumstance have to quicken that pace in spite of the tremendous odds we have to face.

In order to be able to maintain our independence and maintain our freedom, which we so dearly love, we have to seek assistance of friendly countries, and your country, your people, have been great friends and have been very generous in assisting us. But, all I can tell you is this. You are carrying out a very noble task, indeed. Let me put it to you like this. Today we want you to assist us to develop. We need foreign capital. We need machines. We need this and we need that. You might say, "We have heard this before."—that you are getting a bit tired of this story. I would like to suggest to you, you had better not get tired of this story. [Laughter and applause.]

I sometimes read the American papers and one impression one gets is this—that foreign aid is a thing that is a real whipping hourse—it gets wet and hot—and the Government gets all the blame in the world. I can understand the reasons. It is a slogan which does not catch votes. It has no particular lobby. We live far away.

It is not really very easy to part with your money in a hurry. It is not a very pleasant thing to do. But, may I put it to you like this? We are pressing against you today as friends. If we make good, I think you will in some fashion get it back—in many ways you will get it back. If we do not make good and if, Heaven forbid, we go under communism, then we shall still press against you—but not as friends. So, to my mind, there is very little choice so far as the affluent countries like yours are concerned. As far as the problem of aid is concerned—you have to give it to us—because it involves the fate of the world and also your own destiny. You have every right to demand and expect that this aid is usefully and profitably and sensibly employed; although there, too, you have missions all over the world dealing with aid problems. And when these inquisitions take place as to how it was spent in this country, that country, they produce horrid stories. I greatly admire the numbers of your people who go out and work in a dedicated fashion in different environment and amongst different people totally foreign to them and do their best. To expect this sort of program, a program of this nature to succeed in every phase is asking too much. You will have to produce very high quality manpower to conduct this operation and you will then have to train them in such situations. It is evident that there must be proper supervision.

But what is the answer? If we go wrong anywhere we want to be told; because, after all, our effort is to make the money spent go as far as possible to get the maximum benefit; but at the same time nobody expects 100 percent return and perfection on the part of everybody. Just study your own industrial development and you will find the kind of mistakes that are to be made in a new country like mine. You made them manifold when you were going through this process.

So what I would like to tell you is that it is good policy to aid your friends, because if we as your friend make good we will gain strength and you will gain strength. [Applause.]

Whilst embarking on a program of this nature one of the things that we in Pakistan have to be very careful about is to avoid the sort of phenomena that occurred in Europe. When a society bursts out of feudalism and enters a more sophisticated sphere of industry, commerce, new stresses and strains emerge, old temples get broken, and the moral fiber of the people gets weakened, unless those who are the leaders of thought are wise enough to see ahead of the times and recognize the demands of society.

My own humble assessment of your problem is that free states fail to recognize the requirements of a new society for the simple reason that they do not quite understand the new strains and stresses that are set up in a developing society, with the result that the affairs of religion get completely divorced from the affairs of the world; secularism, territorial to nationalism and chauvinism develop, bringing untold miseries to mankind. As a revulsion to that I believe emerges communism.

The point is, how can we avoid making similar mistakes? How can we adjust our ideology and our moral code to new developments, so that as we advance materially we also advance spiritually. That to my mind can only be done if you separate the principle of any ideology like ours, or yours for instance, from the method of operations during different periods.

I have a lot of other things here, but I do not think I will waste your time except to say this: Let me tell you that we in Pakistan have the greatest regard for your people. You are a great country. We appreciate the assistance you have given us from time to time, we welcome our friendship with you; we also take a deep interest in your affairs, your thinking, your plans, your actions. If anything goes right here, we take pride in that. If something goes wrong here, that has an adverse effect on our people. You today have world obligations, you cannot hide yourself from this position in the world no matter what you say. If you do, you do so at your own peril.

So, therefore, let me assure you that we have the deepest interest in your affairs and we hope you will have the same interest in our affairs because, let me tell you, that if there is real trouble there is no other country in Asia on whom you will be able to count. The only people who will stand by you are the people of Pakistan. [Applause.] Provided you are also prepared to stand by them. [Applause.]

So I would like you to please remember that whatever may be the dictates of your worldwide commitments, you will, I hope, take care that you will not take any steps that might aggravate our problems or in any fashion jeopardize our security. As long as you remember that, I have no doubt in my mind that our friendship will grow in strength. [Applause.]

I thank you.

At 1 o'clock and 25 minutes p.m., His Excellency President Mohammad Ayub Kahn of Pakistan, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 1 o'clock and 27 minutes p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

RECESS

The SPEAKER. The House will stand in recess until 2:45 today.

Accordingly, at 1 o'clock and 27 minutes p.m., the House stood in recess until 2 o'clock and 45 minutes p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 45 minutes p.m.

PROCEEDINGS HAD DURING RECESS ORDERED PRINTED IN THE RECORD

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE LATE MRS. ANNA C. BRASKAMP

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the House of Representatives has always been fortunate in having as its Chaplain men of God, men of broad understanding, men of deep spirituality, who by their prayers and their presence speak the universal language of religion which appeals to all of us without regard to our own personal religious convictions.

The House of Representatives has been very fortunate, as has the other body, in having such men dedicated to God, mankind, and country. We today are very fortunate in having in such office Chaplain Braskamp.

Guiding and directing Chaplain Braskamp for many years during their married life was the sweet girl with whom he fell in love many years ago, and she with him. She has been an inspiration to him, as is every good wife to every husband. The life of Chaplain and Mrs. Braskamp has been one of nobility of character and one that has exercised great influence upon the minds and lives of all persons with whom they have come in contact.

When a beautiful couple like this is separated all of us feel every sympathy for the one who remains, in this case our beloved Chaplain. Our sympathy goes out to him for the loss he sustained when God in His infinite wisdom took yesterday from this world and from the life of Chaplain Braskamp and his family his dear and beloved wife. I know that Chaplain Braskamp and his family and loved one will derive great consolation in the knowledge that the beautiful life she led will merit the judgment in the hereafter that all of us who believe in God seek to obtain for ourselves.

I am sorry to announce to the House of Representatives the death of Mrs. Braskamp, and I know I express the feeling of all my colleagues in conveying to Chaplain Braskamp and to his loved ones our profound sympathy in their great loss and sorrow.

May God have mercy on her soul.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HALLECK. Mr. Speaker, at noon today when the clergyman acting as Chaplain pronounced the invocation, I learned for the first time of the untimely death of Mrs. Braskamp.

Even those of us who did not have the pleasure of knowing Mrs. Braskamp personally can still appreciate the heavy loss that our Chaplain has suffered, and in that appreciation we can share, in some measure at least, his sorrow.

Throughout recorded history men have paid eloquent and fitting tribute to the women who stand at our sides in times of triumph and despair; who understand and forgive our weaknesses and who exult in our strength; who sustain us in our need and encourage us in our purpose.

Surely the loss of a good and loyal wife is one of man's most previous burdens.

Feeling this deeply, I join with the majority leader and others in offering my most heartfelt sympathy to Dr. Braskamp and his family, trusting that their abiding faith in the mercy of the Lord will comfort them in this melancholy hour.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Speaker, it is with a deep sense of personal sorrow that I

learn of the passing of Anna B. Braskamp, the wife of our beloved Chaplain, Dr. Bernard Braskamp. She passed away in Washington last evening after a prolonged illness.

Dr. Braskamp was born and raised in my hometown of Alton, Iowa, and he and his wife made many visits to the Alton community throughout the years.

Mrs. Braskamp was a beloved and devoted wife and mother. She radiated charm and personality and was a wonderful helpmate to her distinguished husband. Her warm friendship and Christian devotion were a joy to her multitude of friends.

All Members of the House of Representatives will indeed be saddened today and I am sure they all join me in extending our sincere and heartfelt sympathy to Dr. Braskamp and all members of the family.

Besides Dr. Braskamp, Mrs. Braskamp is survived by her daughter, Mrs. Norman Tucker, and son, Bernard, Jr., and three fine grandchildren of whom she was immensely proud.

Funeral services will be held on Friday afternoon of this week at 3 p.m. at the Sixth Presbyterian Church at 16th and Kennedy Streets, NW., with interment following at Rock Creek Cemetery. The family requests that in lieu of floral tributes, memorial contributions may be sent to Children's Hospital in Washington or the American Cancer Society.

May the good Lord of all of us guard and keep our beloved Chaplain and his loved ones under the shadow of His wings until that day when they shall all be reunited in that "house not made with hands," eternal in the heavens.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD and that all others may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SCRANTON. Mr. Speaker, the untimely passing of our Chaplain's beloved wife brings deep sorrow to all of us.

The late Mrs. Anna C. Braskamp was born and raised in Milford, Pa., an important borough and county seat of Pike County, in the 10th Congressional District, which I have the honor of representing.

Mrs. Braskamp was a constant inspiration to her husband during the 35 years of their married life. She labored side by side with her husband in the establishment of many havens of worship, which will linger on as monuments of her unswerving loyalty and dedication.

The people of Pike County and northeastern Pennsylvania join me in expressing our deepest sympathies to Dr. Braskamp and his family in the loss of their beloved one.

Mrs. KEE. Mr. Speaker, our hearts are saddened at news of the passing of an unusually wonderful lady—the beloved wife of our revered Chaplain.

Mrs. Braskamp was the very essence of goodness, faith, and unreserved love of God. These are her eternal treasures. In His loving service she found the laughter of the soul. Life was worth while to this lovely Christian lady because she herself was worth while.

To her husband, so highly esteemed by every Member of Congress, our prayers are for his comfort in this hour of great bereavement. We know that his life mate was especially blessed by the God of all of us.

Mr. ROONEY. Mr. Speaker, I was indeed saddened to learn today from the majority leader, Mr. McCORMACK, of the passing yesterday of the beloved and lovely wife of our respected Chaplain, Dr. Braskamp. My heart goes out to Dr. Braskamp in his great loss. He has lost a loyal helpmate of many years.

He and his son and daughter have the deepest sympathy and prayers of the Rooney family in their bereavement.

Mr. LIBONATI. Mr. Speaker, since the age of 8 she spent her life in Washington. This great city, with its historical monuments, patriotic symbols and manuscripts, stimulated an avid desire to study the history of our country in its past, present, and future influences upon the world. Attending numerous lectures and speeches of great intellectuals and statesmen of the world, upon many divergent subjects, fortified her knowledge of world trends in every field. She studied the modern spiritual concept of man and its relationship to good government.

Her deep interest in Biblical subjects created a strong bond of mutual cooperation in her distinguished husband's work.

He pours his whole soul into every sermon and his analytical treatment of the Nation's problems of the moment are analytically pointed and interpreted in their religious essence and meaning, with emphasis upon the responsibility of the Congress to the people; that in the indulgence of simple prayer, dedicated men and women receive through the Almighty the strength of decision.

Her great love, through the years, soothed the burning fires of his religious views.

She was his shining star that opened the heavens for him to see in the spiritual light of reason, the importance of love and peace of soul in giving enlightenment to others in Biblical interpretation.

Her brilliant mate, whose sermons gained renown, knew she was the staff of strength that moved him on to greater heights.

Her consummate interest in his work made her a valuable helpmate in his religious sermons, teaching, and writings.

Her interest was in those who, only in time of misfortune, seek the strength and solace of prayer.

Reverend Braskamp is a great humanist and religious philosopher. One has only to read the compilation of his prayers before the House of Representatives, as an attestation to his greatness.

In his great loss, Almighty God again has shown his undeviating will—that death alone brings everlasting life; that judgment of the dead will come; that the just shall not suffer; that theirs will be the kingdom of heaven. So be it, for in her blessed life she lived to die in the glory of the Lord.

We, the Members of the House of Representatives of the United States, pay homage to a sanctified, noble lady and mother, who died in the faith of her forebears, and lives again in the hearts of all who knew her. May the prayers of her friends and beloved family enrich her sacred memory. Her family, proud of their heritage, receive strength in this great sadness.

With heartfelt condolences to our distinguished and honored chaplain and his family, we petition the Almighty, in humility, with prayer.

God's will be done.

To her memory I dedicate this poem:

TO A LADY OF PRAYER—THE LATE MRS. ANNA C. BRASKAMP

The sadness of this hour palled
The soul of a holy man.
The flower of his life was called
To heaven's promised land.

His every moment spent in prayer
For those who rule the land,
And now his darling's vacant stare
Seeks not his guiding hand.

Their mutual dreams of treasured love,
Throughout these many years,
Has blessed their hearts, as from above,
With goodness, and now tears.

She strove each day as a noble soul,
To reach the hearts of others,
And never shirked her duties' goal
To make man know his brothers.

In this life ever at his side,
And ne'er cast a stone of offense,
Yet holy virtue shone with saintly pride
To those who need repentance.

And by God's will she leaves this clime
To prepare a castle for her beloved mate.
Awaiting destiny to set his climb
Beyond the pillars of eternity's gate.

Mr. O'HARA of Illinois. Mr. Speaker, all in this body share in the grief that has come to our beloved Chaplain, the Reverend Dr. Bernard Braskamp. In his service here and in our associations together he has given us a spiritual enrichment. Perhaps nowhere in the world is there a secular group of comparable size with as large a percentage of deeply religious members as the House of Representatives of the Congress of the United States, men and women of varying creeds and religions, all deep in their faith that the destiny of nations and of individuals is guided by the will of the God of all mankind. Dr. Braskamp has been very close to us all, and we wish him now to know by our words, humanly feeble through they may be, that he and his family do not stand alone in the void of a broken family circle.

But, Mr. Speaker, those we love never leave us. The human voice, the physical presence, we miss, so deeply miss when that voice is silenced and that presence has taken on the gart of memories. Then, as the sunshine dispelling the mists of the awakening day, the feel of a constant, never-failing spiritual presence takes possession and overpowers the sense of loneliness.

Mrs. Anna C. Braskamp was a fine and noble woman. She loved her husband, her children and her grandchildren, and she loved and served her God. I join my

colleagues in warmest sympathy to our Chaplain, to his son, Bernard Braskamp, Jr., to his daughter, Mrs. Norman Tucker, and to the grandchildren.

FORFEITURE OF FEDERAL RETIREMENT BENEFITS IN CASE OF OFFENSES INVOLVING THE NATIONAL SECURITY

The SPEAKER. The unfinished business is the further consideration of the bill H.R. 6141, which the Clerk will report by title.

The clerk read the title of the bill.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1962

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8072) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1962, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from Arizona [Mr. RHODES], and myself.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8072, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RABAUT. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, today I bring to the House the seventh annual District of Columbia appropriation bill for which it has been my pleasure to act as chairman of the subcommittee. This is the annual appropriation bill which provides funds for the financial operation of the District of Columbia government.

As has been its practice, the committee has attempted to provide an adequate but fully funded spending program for the District. This was our objective this year also, but if we were to recommend appropriations based on presently existing revenue legislation, we would have had to bring to you a bill which would be at least $12 million below the $268,172,400 recommended today. However, the House has already passed the District's revenue bill, H.R. 258, which if enacted in its present form would provide $7.5 million in additional revenue. The Senate District Committee on last Monday reported out an amended bill which would provide approximately $13 million in revenue. The Senate District Committee also strongly urged the District Commissioners to increase the real estate tax from the present $2.30 rate to $2.50 per $100 of assessed value. If the Commissioners heed the advice of this committee and the Senate committee, $4.5 million in revenue will be realized. Therefore, the committee assumed that with these two sources of revenue, first, the revenue bill which should provide at least $7.5 million, and second, the increased property tax of $4.5 million, the District would realize a total of approximately $12 million in revenue. The committee then proceeded to mark up the bill, and after making reductions and increases in the budget estimate, decided that an increase of $5 million in the Federal payment was justified. However, the approved budget, at that point, required further cuts or additional financing, so the committee approved an increase of $4.4 million over the estimate in the District's borrowing authority for the general fund.

To sum up the foregoing, the committee recommends an appropriation of $268,172,400, a reduction of $24,265,788 in the estimates. This is an increase of $3,721,067 above the fiscal year 1961 appropriation. But, in the event the pending revenue bill is not enacted into law, the committee has included a new general provision in the bill which directs the Commissioners to delete capital outlay projects in an amount sufficient to enable the District government to live within available revenues during the fiscal year. The committee, therefore, is of the opinion that it has provided an adequate but fully funded bill for the operation of the District government in fiscal 1962.

As to the bill itself, there are one or two items which I believe I should bring to your attention.

General operating expenses which is a new item and, incidentally, a statement on the consolidation of appropriation items in the bill may be found on page 3 of the report, contains an appropriation for the Executive Office of the Commissioners. Included in the executive office are funds for the Commissioners Youth Council and the committee has recommended $60,600 for its operation. The major portion of the reduction in this activity is $37,500 for the youth fitness program. Prior to the initiation of this program in 1959 the juvenile delinquency rate had dropped each year for 4 years. As soon as the youth fitness program was started the juvenile delinquency rate started to climb. The committee has been concerned as to whether this new program had changed the function of the youth council and whether too much emphasis was being placed on youth fitness and not enough on the prevention of delinquent behavior of children. In an effort to get the youth council back to its original function, the committee, this year, deleted $37,500 which had been appropriated in fiscal 1959 and 1960 for the youth fitness program.

There are two departments under the new item of "Public Safety" which deserves some comment. The first item is the fire department, where the committee has deleted $133,000 which has been budgeted for the board of police and fire surgeons to provide medical services for the 3,800 District police and firemen. The police department also had $108,000 budgeted for this purpose. The committee could see no logical reason to continue this expenditure of almost a quarter of a million dollars to provide medical services to 3,800 individuals when the District is spending over $12 million a year to operate District of Columbia General Hospital. The committee is of the opinion that the members of the police and fire force can receive just as good medical attention from the staff and facilities of District of Columbia General and, therefore, has recommended that the Commissioners abolish the part-time physician positions established for the board and to provide such medical services at District of Columbia General within the funds allowed for that hospital during this fiscal year.

The police department budget contained a request for 110 additional police officers. The committee has approved 59 positions, which will provide an authorized strength of 2,773, making the District police force second in size of cities of comparable population. Chief Murray, who, in my opinion is one of the best chiefs of police that we have had, stated to the committee—and I quote:

> I do not believe that additional policemen alone will solve the crime problem in the District of Columbia.

The committee is also of the same opinion and has recommended for your consideration an increase of 59 additional police officers. However, in the event any difficulty is experienced in recruiting these new officers, the Police Department is directed not to use any of these funds for a sixth day of work, as the Department has done in the past. In addition, the budget proposed an increase up to 50 man-dog teams for the Canine Corps. The committee has approved the $57,000 requested for this purpose this year but in all candor must admit that it has some doubts as to the value of the Canine Corps in the prevention of crime. This sum of money would finance the cost of 11 additional foot patrolmen which should be more valuable in the fight on crime as each dog must be accompanied by one police patrolman, but each police patrolman does not have to be accompanied by a police dog.

Of major concern to any parent is the educational system and its philosophy that his children are subjected to over a long period of years. For the most important activity in the public school budget, which is supervision and instruction, the committee has approved an increase of $994,000 above the 1961 appropriation. This increase will provide a total of $36,457,500 for this purpose during fiscal 1962, and will provide supervision and instruction for the anticipated average daily membership of approxi-

mately 121,000 pupils in the public school system during the coming school year.

The present superintendent of schools, Dr. Carl F. Hansen, has instituted a new concept of education during the past year at the Amidon School in the Southwest area of Washington. The Amidon plan, in brief, is a return to the teaching of the whole class rather than groups in the fundamentals of education—reading, writing, and arithmetic. The committee supports this new concept in teaching here in the District and as evidence of its support, during the hearings in June permitted the school system to obligate $157,000 of 1961 funds, which otherwise would have returned to the District Treasury on June 30, for books and charts to extend the Amidon plan to as many schools as possible. In its report on the bill for 1962 the committee directs that not less than $128,000 shall be used to furnish books and charts to all schools not covered by the original allocation. The committee is of the opinion that the extension of the Amidon plan to all elementary schools in the District will be of inestimable value in the teaching of the fundamental subjects of education to the District's elementary school population.

The second largest increase above the 1961 appropriation is for the Welfare Department. The total appropriation for the Department amounts to $21,816,500 for fiscal 1962. As the report indicates, the public assistance activity requires an increase of $1,660,000 above the 1961 allocation for this purpose and is recommended to finance a constantly increasing public assistance caseload. The total public assistance caseload has increased approximately 50 percent since fiscal 1956 from 8,230 cases to an estimated 12,400 cases in fiscal 1961. Pages 866 and 867 of the hearings contain tables which give the average monthly grant by category of aid, and a comparison of the District grant with selected cities of the United States and with adjacent jurisdictions in the metropolitan area.

The committee has consolidated into one item the six items that were carried in prior bills for capital outlay. The committee has recommended an appropriation of $41,778,900 for this purpose in fiscal year 1962. This is a reduction of $19,096,288 in the budget estimates and a decrease of $5,038,900 below the 1961 appropriation for this purpose. Pages 13, 14, and 15 of the report contain a detailed list of all projects in the capital outlay budget and the committee's recommendation in each instance. The major reduction in this item is the request of $12,925,000 for consolidation of the three main buildings at District of Columbia General Hospital and to rehabilitate the mechanical and utility services at the same hospital. The committee was reluctant to delete this project but in view of the limited funds available to the District the committee has deferred this item to a future budget. There are, of course, a number of other reductions in the capital outlay budget which add up to approximately $6,171,000. Most of these reductions are detailed in the narrative on pages 15 and 16 of the report.

This is a rather brief statement to explain the committee's action on a bill which provides funds for the fiscal operation of a city which is, in effect, our home for the major part of each year.

I think the committee has presented to you for your consideration a fair and adequate bill and the committee urges your support of it.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Alabama.

Mr. ANDREWS. I want to commend the gentleman for what I think is a good job he has done on this bill, and I want to thank him particularly for including funds in here to permit a 50-man-dog team. I made a statement before the committee requesting that the Canine Corps be increased. I had some very interesting figures and facts about what these dogs have accomplished here in the city. This information I received from Chief Murray. You will find that statement on page 1147 of the hearings.

Mr. RABAUT. I remember well the gentleman's statement before the committee.

Mr. ANDREWS. In my opinion, we get a lot for what we spend on these dogs, and I want to thank the gentleman for his splendid work.

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from South Carolina.

Mr. McMILLAN. I want to congratulate the gentleman from Michigan and the members of his committee for the fine work they did in connection with this appropriation bill covering the District of Columbia. I know the gentleman's committee worked days and days to reduce the operating expenses of the District Government. Every Member of this House owes the gentleman a debt of gratitude for the fine work he has done. I wonder if the gentleman and his committee received any encouragement from the businessmen of the District of Columbia, the Board of Trade and newspapers for reducing these expenses in the District of Columbia.

Mr. RABAUT. Anyone who reads the newspapers knows that the subcommittee is criticized from time to time, but this year I think the papers have regarded our bill as a nice one. But the specific answer to the gentleman's question is "No."

Mr. McMILLAN. The gentleman and his committee did a good job in cutting almost $30 million from a close budget. You have increased the Federal payment from $25 million to $30 million. I think that is the proper thing to do, because this House passed the pay raise bill here which came from the Committee on Civil Service and did not come out of the House District Committee. So, the Congress itself is responsible.

Mr. RABAUT. The gentleman is absolutely right. That is one of the many factors on which we predicated our increase.

Mr. McMILLAN. I certainly want to thank the gentleman. I notice you do not have any item in here concerning studies in connection with the Washington Parking Agency.

Mr. RABAUT. No. There is no such item in the bill and, further, no request was made to us for such studies.

Mr. McMILLAN. I thank the gentleman.

Mr. RHODES of Arizona. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, as the very able chairman of the subcommittee has said, this is the seventh District of Columbia appropriation bill which he has handled. It is also the third one which I have helped him handle. I know that most Members prefer that other Members not throw indiscriminate bouquets at each other, but I would find it very difficult to talk on this bill without paying my personal respects to our fine chairman, the gentleman from Michigan [Mr. RABAUT]. Not only is he sound as far as his approach to the problem is concerned, but he is also kind and very considerate to those who work with him. It has been a rewarding experience for me to work with him on these three bills, and I hope we will be working together for many years in the future.

Mr. Chairman, as has been indicated, this is a reduction in the budget estimate of some $24 million. Even so, this is a higher appropriation than was approved last year by some $3,721,000.

The problems of the District of Columbia are manifold; they are varied and they are pressing. This is a city which is changing very rapidly. Because it is the Nation's Capital, it has problems which no other city in the country has. It has requests for funds for activities which probably would not be found in any other city. Also, it must be recalled that this city is not a municipal corporation. This is a district authorized by the Constitution of the United States. This is not a municipal corporation which can borrow money. The only money that can be borrowed by the District of Columbia is money it borrows from the Federal Government. Since there is no corporate entity, naturally there is no possibility of the issuance of any bonds other than evidences of indebtedness which are given by the District to the Federal Government under the borrowing program. Also, this is a unique situation in that the District of Columbia provides facilities which would ordinarily be provided not only by a city but also by a county and by a State, and therefore in considering the expenditures which are appropriated, in considering revenues which are available to meet those expenditures, these facts must be borne in mind.

Now, to go to some specifics in the bill, it will be noted on page 6 of the report that the committee has deleted $12 million, approximately, for construction at the District of Columbia General Hospital. This has been done mainly because we are in the process of experimenting with new hospital construction in other parts of the country and it is felt that perhaps we will learn enough so that this particular hospital can be renovated to be a lower cost hospital than it now is. It is a high-cost hospital. The needs of

the District of Columbia are great, but it is felt that for the time being it would be better to have the facilities which are now available, with the hope that in the future better facilities can be provided which will be more efficient and cost less money.

The able chairman of the committee, the distinguished gentleman from Michigan [Mr. RABAUT], has mentioned the Amidon plan. I might say that as in practically everything, there is unanimous agreement among the members of the subcommittee that the Amidon plan is working and should be expanded. We have provided the funds, we believe, to do just exactly that.

Mr. Chairman, I think I can also safely say that the experiment known as the Amidon plan has gone on long enough and far enough so that some of the other educational systems in the United States might well take a look at it with the idea of adapting all or part of its features to their own problems.

I might also mention in passing a plan which I hope will be known in the future as the "Rabaut plan" because he is the person who provided the impetus which caused it to be set up. This is a plan under which women who are unwed, with children, are able to live in cooperative habitations. They get together in one domicile and help each other. They help each other with jobs babysitting, and the like, and they are able by doing this to make the money which they get go further and to provide a better life for themselves and their children. It is a humane plan. It is a sensible plan. It is working, and the chairman of this committee certainly deserves great credit for it.

The Metropolitan Police force is a fine police force. I feel that in allowing 59 out of the requested 110 additional officers we have probably allowed as many positions as can be filled at the present time with the recruiting of officers at the level it now is. Also, I am pleased to join with the chairman in announcing that we have financed 50 man-dog teams of the K–9 Corps. This particular method of police work does seem to be working, and it does seem to be having the effect of reducing the cost of policing for the area.

It will also be noted on page 9 that in the Recreation Department we have provided for three additional roving leader positions. A roving leader is an adult who travels around in the areas in which young people congregate. He becomes friendly with the young people with the idea of helping them to spend their spare time in a more wholesome manner, perhaps, than they have in the past. The roving leader program has done more to control the problem of juvenile delinquency in the District of Columbia than any other single item of the budget. Three additional roving leader positions will make this program even more effective than it now is.

Mr. Chairman, this is another program which has been instituted during the time that the gentleman from Michigan [Mr. RABAUT] has been chairman of this committee, which deserves comment, and it certainly deserves emulation in other parts of the country.

In giving credit to the subcommittee of the Appropriations Committee on the District of Columbia for many of these items, I certainly do not intend in any way to take any credit away from the very hard working and able members of the Legislative Committee of the District of Columbia. I used to feel, Mr. Chairman, before I became interested in this type of work, that the District of Columbia was a stepchild of the Congress, and that actually very few people spent much time thinking about its problems. This is not the situation. The chairman of the subcommittee of the Appropriations Committee, and its members, and the chairman and members of the legislative committee, work hard and effectively on these problems. I think they do a very creditable job of solving them, with the help, of course, of many honest, sincere, and dedicated people in the District Government itself.

Another matter worthy of comment appears on page 16 of the report. This is under the item "National Zoological Park." It sets forth the fact that at long last the District of Columbia is being relieved of a responsibility of which it should have been relieved many years prior to this time. This is the construction of buildings in the National Zoological Park. This is a Washington park, but, in the larger sense, this is a zoo which belongs to the United States. With tourism as it is, with so many people coming into this Nation's Capital, so many people looking at the zoo, and the needs which are present there, it seems to me eminently fair that the Smithsonian Institution take on itself the job of building whatever buildings are needed in the zoo. This institution has now announced that it will take on this job.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Ohio.

Mr. BOW. May I say to the gentleman on the question of the zoo that I am a regent of the Smithsonian Institution. I for one am very much in favor of the Smithsonian's taking on all of the capital improvements in the zoo. It is long past due. It should have been done long ago. I do not think it should be the responsibility of the District of Columbia to take care of the capital improvements. I think the zoo is more than a local zoo for the District of Columbia. Certainly it is a zoo for the entire Nation. Our surveys indicate that the visitors to the zoo are from the entire country. I would say to the gentleman that I hope we can have the cooperation of his committee and of the House in beginning to make proper repairs on buildings, and do it directly through the Smithsonian Institution rather than through this bill.

Mr. RHODES of Arizona. I thank the gentleman for his always fine contribution. I assure him that the members of the Subcommittee on the District of Columbia are in accordance with the sentiments which he has expressed. As far as the maintenance and operation of the zoo is concerned, this will still be the responsibility of the District of Columbia.

Mr. Chairman, I know of no great dissatisfaction with this bill. I think it is a good bill. I realize that there are items which were not allowed which many people think should be allowed. I am equally sure there are some items in here which many people do not believe should appear.

In closing I would just like to point out one other situation which we have taken into account. That concerns the Hine Junior High School. The Hine Junior High School is housed in an old building which some 2 years ago caught on fire, and a large part which was burned has not yet been repaired. This is a school which has been the victim of a disagreement between the Board of Education of the District of Columbia and the District Commissioners. It has been felt by the one that the building should be repaired and renovated; perhaps rebuilt. I understand it has been the feeling of the Commissioners that this should not be done, but instead the school building should be closed and the students divided among other school districts.

In the report we have recommended that the Board of Education consider very strongly the possibility of redistributing the pupils who now attend the Hine Junior High School in the hope that they can be transferred. We recommend that a facility which is now in the Randall Junior High School, taking up about 300 pupil places, be transferred instead to the newest portion of the Hine Junior High School. We feel this would be a very good solution to the problem. We hope it will be effected by the District Commissioners and the Board of Education.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman spoke of the roving youth leaders or people with some such title as that; is that correct?

Mr. RHODES of Arizona. That is correct.

Mr. GROSS. Has the committee given consideration to roving adult leaders to help stem some of the lawlessness with which this city is plagued or are we to rely upon the police and police dogs to suppress the violence which takes place?

Mr. RHODES of Arizona. I suppose the gentleman from Iowa has as good an answer to that as the gentleman from Arizona. I do not know whether any person could rove hard enough and fast enough to handle the problem mentioned by the able gentleman from Iowa.

Mr. GROSS. Those responsible do not seem to be stemming the lawlessness at an appreciable rate. I wonder what the solution is. Perhaps, it is to be found in the appointment of the latest member of the Board of Commissioners, a man by the name of Duncan. Do you suppose that he can be effective in sup-

pressing this lawlessness or at least putting down some of it?

Mr. RHODES of Arizona. I am very sure that the gentleman who has been appointed, mentioned by the gentleman from Iowa, has that intention and is, certainly, eager to bring about the result mentioned by the gentleman from Iowa. Also, I am sure this problem is not likely to be solved by any one individual. This is a problem which I think illustrates the fact that there is no substitute for home training, and there is no substitute for the influence of our churches and our other institutions which guard the public morals. I doubt very much that the number of police we have allowed in this bill can in itself solve the problem mentioned by the gentleman from Iowa. Books have been written on this. I certainly do not intend to pose as an expert on the subject. I feel, however, that there is a need in this District of Columbia for great amounts of leadership, in this as well as in many other directions.

Mr. GROSS. Perhaps, then, the answer is that instead of assembling the Army and the Navy and the Marine Corps down at Mount Vernon for social occasions such as last night, these forces might be used to put down some of the rapes and other lawlessness that occur in the District.

Mr. RHODES of Arizona. I hope that that would not be necessary.

Mr. GROSS. I do not seriously advocate the use of military force for such purpose at this time, although I am sure military personnel and equipment can be put to better use than carrying out an expensive extravaganza such as was staged last night.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Illinois.

Mr. COLLIER. When was the Hine Junior High School built approximately?

Mr. RHODES of Arizona. The original part was constructed back somewhere around the turn of the century.

Mr. COLLIER. Will this necessitate expansion programs at the high schools to which these students will be transferred? Will this necessitate a building expansion program in those high schools to which they will be transferred or can they be handled by the present facilities?

Mr. RHODES of Arizona. It is the feeling of the committee that this transfer will not necessitate additional construction in the schools which are surrounding the Hine Junior High School area. The pupil population in these schools appear to be at a level which would allow the schools to absorb further pupils from the Hine Junior High School.

Mr. DURNO. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Oregon.

Mr. DURNO. I am very much concerned about the illegitimate birth rate here in the District of Columbia. I notice that from one year to the next there is little difference in the birth rate. It is, of course, as we all know, an astounding birth rate. It costs money to take care of these illegitimate pregnancies, and it also takes a lot of money to take care of the aid to the dependent children program that follows these pregnancies. I am wondering if this committee is doing anything toward trying to cut down on that rate?

Mr. RHODES of Arizona. The gentleman from Oregon is a very outstanding member of the medical profession as well as a very able Member of Congress, I do not know of any profession which is more interested in the subject which the gentleman mentioned than the medical profession. Also, I feel rather certain that nobody is going to come up with a pat answer to the problem. There was a suggestion made to the committee that any person with two illegitimate children should be denied welfare payments. The chairman of this subcommittee, and I think properly, stated it was not our business nor was it our desire to penalize children, and that the denial of such payments would have that effect. I might say to the gentleman from Oregon, however, neither is it the desire of members of this subcommittee to encourage the type of conduct which results in the birth of illegitimate children. However, I doubt that we can legislate this type of morality into existence. It can be encouraged and fostered in many ways, but I am sure there is no single, pat, answer to the problem.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I am very much interested in this, of course, from the standpoint of the Committee on Ways and Means where we have jurisdiction of social security legislation and aid to dependent children. The question was asked or rather let me put it this way—the argument that the gentleman advances that we do not want to deny children these funds has been used frequently, but I think we have to think through this matter a little further.

First, I would say we all agree with that. We do not want to deny this to the children, but at this point the question comes up, that we also do not want children to be raised in an immoral atmosphere. If there is a second illegitimacy in that family, then, obviously, the first as well as the second child is going to be raised in an immoral atmosphere.

The question is, Cannot the money for these dependent children be allocated for the child? Does it not follow the child is being put in a proper environment which is moral? I would suggest that possibly this subcommittee could think along those lines, although I must agree that the primary job is going to have to be done in my own committee in connection with these children problems.

Mr. RHODES of Arizona. I think the gentleman from Missouri will also agree, in order for such a plan to be considered, it would take legislation. In other words, there is no doubt but what the welfare laws would have to be amended in order to have children removed from this environment. I certainly would commend this type of study to members of the legislative committee, even though I am not sure I would welcome the answer suggested by the gentleman from Missouri. Frankly, I do not know what the answer is, but I agree the problem needs great study.

Mr. CURTIS of Missouri. The gentleman is correct. In fact, our problem has not been to set Federal standards but, actually, Federal standards have been operating in reverse for the States that do undertake, in their welfare programs, to meet this aid-to-dependent children. In such a fashion we do not encourage further illegitimacy. Those States have been penalized in the way we have written our Federal laws.

I thank the gentleman for yielding.

Mr. RHODES of Arizona. The gentleman from Missouri is a great student of this problem, and I thank him for his contribution.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on the District of Columbia of the Committee on Appropriations once again brings to the floor of the House for your approval the annual District of Columbia appropriation bill for the fiscal year 1962.

It has been a pleasure serving with our chairman, the able and distinguished gentleman from Michigan [Mr. RABAUT], and the other members of this committee.

The city of Washington is today one of the great cities in the world and, as our Capital city, it should be a model city in every respect. With a metropolitan area which includes a part of two States, four counties, two independent cities and the seat of the Federal Government, we are subjected to problems that require careful study and understanding.

A city with 764,000 people. The census of 1960 shows a decrease in the population from 802,000 in 1950 to the figure just mentioned.

A city with 139,908 schoolchildren; 120,774 are in the public schools.

A city with 30,625 acres. The total taxable acreage of 14,324 acres is assessed for $2,289,058,240. Total exempt acreage from real estate tax in our city amounts to 16,031 acres. The Federal Government controls 13,126 acres and the District of Columbia 1,173 acres. The balance of the exempt acreage is owned by foreign governments, religious and educational organizations and by other groups.

A city reporting 15,554 serious crimes in 1957 and 19,929 in 1960.

The average number of cases receiving public welfare assistance in 1960 totaled 11,458. In 1961 the total will be in the neighborhood of 12,416. Some 37,000 persons will receive surplus food in the District during the year 1961.

Yesterday an article appeared in one of the local newspapers quoting the U.S. Public Health Service to the effect that

one out of every five births in Washington in 1959 was illegitimate. During the year 1959 total births in the District totaled 20,402.

Washington like all other cities is not outmoded and destined to die. Cities are here to stay and will continue to play a major part in our industrial, commercial, economic, and social way of life. A properly balanced growth and expansion of our cities is one of the great domestic problems with which we are confronted today.

It is about time for the city of Washington to take a new look at the demands and dependence of other jurisdictions within the metropolitan area on our water system. We have no authority to extend the present 10-mile square. Therefore, again I say a weaning may be in the offing. Those who squawk the loudest only eat lunch in the District.

Abatement of pollution in the Potomac River and expansion of the water system are two of our major problems. General deterioration in the non-Federal portions of our city is one of the major reasons for our present condition. The downtown area of our city is deteriorating, and has been ignored for a great number of years. We must remember that business and population are rapidly expanding in the suburbs while the level of income and business activity in the District is considerably below suburban levels.

The change in the population in our city has brought additional medical and welfare obligations which are a major reason for our present trouble.

We need better law enforcement in the District. We must realize that population trends have brought about a higher crime rate and more juvenile delinquency.

Use of appropriated funds to pay police officers on their day off is not good law enforcement. This money should be used to place more officers on the force as requested.

The police department in the District is wasting its time trying to enforce the laws when known felons with criminal records are found guilty and receive sentences which are not commensurate with the crimes committed. Some of our judges seem to forget that the people's rights in the District must be protected as well as those of the law violator.

These are some of the problems confronting our Capital City.

In presenting the requests for fiscal year 1962, our two new Commissioners have clearly demonstrated that they intend to do something about the problems facing this city. The task force recently inaugurated is one example of a new and better system of self-analysis on the part of our governing authorities, which should engender better relations between the District of Columbia and Congress. An immediate cry for more money will not be made every time an emergency arises and poor judgment and bad management appear. The District is financed out of five separate funds—a general fund, highway fund, motor vehicle parking fund, water fund, and a sanitary sewage fund.

The Federal payment in the District for 1924 to 1961 has ranged from $4,539,295 to $25 million. Today we recommend a Federal payment of $30 million. The total budget in 1924 totaled $23,923,754 and today we recommend a total of $268,172,400. This is $3,721,067 more than we appropriated for 1961 and $24,265,788 less than the 1962 estimates. We recommend $15,356,600 for general operating expenses; $55,139,500 for public safety; $53,870,800 for education; $7,980,400 for parks and recreation; $62,477,500 for health and welfare; $10,698,700 for highways and traffic; $19,647,000 for sanitary engineering; $1,223,000 for personal services, wage board employees, and $41,778,900 for capital outlay.

We recommend an appropriation of $25,902,000 for the police department. This is $1,196,000 more than the 1961 fiscal year. Funds are provided for 59 more police officers. The amount appropriated provides for a total of 2,773 policemen. This is an adequate force for a city the size of Washington.

Today we recommend the sum of $53,870,800 for the schools of the District. In 1957 the sum of $33,670,750 was appropriated for our schools.

In 1960 the sum of $17,370,000 was appropriated for Public Welfare. Today we recommend the sum of $21,816,500.

For Public Health we appropriated the sum of $20,124,500 in 1952. Today we recommend the sum of $38,759,973.

Our city is rated by the Board of Underwriters as one of the top three cities in the United States from the standpoint of fire prevention. Washington, Detroit, and Los Angeles are the top three. This is a splendid record and Chief Sutton and his men are to be commended. For the fire department we recommend the sum of $11,651,000 for fiscal year 1962.

Mr. Chairman, we carefully considered every request presented and the amounts recommended for fiscal year 1962 are adequate.

Our committee recommends this bill to the Members of the House.

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from South Carolina.

Mr. McMILLAN. First I want to congratulate the gentleman from Kentucky on the fine work he has done as a member of the District of Columbia Subcommittee on Appropriations. I do not know of any man in the House who has worked harder than he has or done a better job in trying to see that every dollar is spent correctly and that we get a dollar's worth of law enforcement and a dollar's worth of anything else that is used in the District of Columbia for the dollars appropriated. The House has recently passed an amendment to the Mallory rule and to the Durham rule, and these two amendments are now before the other body. I think that the other body will pass these amendments so that the Police Department and the other departments will have better equipment to work with in preventing crime in the District of Columbia.

Mr. NATCHER. I thank the gentleman for his comment.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the distinguished gentleman from Iowa.

Mr. KYL. Will the gentleman inform the House as to whether or not the Commissioners are at this time considering the establishment of any auxiliary police force for the District?

Mr. NATCHER. It is my understanding that this matter is under study at the present time by the Commissioners here in the District of Columbia, and as I understand it is before the legislative committee.

Mr. KYL. I thank the gentleman.

Mr. RHODES of Arizona. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS.]

Mr. GROSS. Mr. Chairman, as I look at the figures this bill calls for $268,172,400 which is some $3,721,000 above the figure for last year and some $24 million below the budget asking. I am not much concerned with the budget asking because the District of Columbia is notorious, along with some other agencies of the Government, for their high asking price.

I suppose we should be thankful for small favors in that this bill is only some $3.5 million above last year, but I would like to see the day when some of these agencies are held to the spending, or less than the spending, of the previous year and show at least some slight signs of economy around here. I am opposed to the bill as it stands.

Mr. Chairman, with respect to the bill, I would like a little information from the chairman of the committee, if I may have it.

On page 4 appears this language: "the present acting captain of the Metropolitan Police in charge of the public vehicle unit with the rank and pay of captain while so assigned."

May I ask the chairman of the subcommittee if through this appropriation bill the committee is now fixing the pay of the police in the District of Columbia and indirectly making assignments or lending direction to the making of assignments?

Mr. RABAUT. The gentleman is absolutely correct. We put in the particular language to which you refer at the specific request of the chief of police.

Mr. GROSS. Why?

Mr. RABAUT. Because he is the head of the department.

Mr. GROSS. Is not the police department capable of making assignments and coming to Congress in the ordinary and normal way with respect to pay?

Mr. RABAUT. These particular officers are experts in their work.

Mr. GROSS. I have the feeling that this is not a proper function of a committee of Congress.

Mr. RABAUT. Similar provisions have been in this bill for several years.

Mr. GROSS. These same two people?

Mr. RABAUT. Not the same people, but there have been similar instances. The gentleman asked if this language is setting a precedent.

Mr. GROSS. Is this good?

Mr. RABAUT. I think it is good or I would not have put it in the bill. It

is in the bill at the request of the chief of police. The language is subject to a point of order and if the gentleman wants to make a point of order against it he can take it out.

Mr. GROSS. I know it is subject to a point of order. I hope the gentleman does not challenge me to make a point of order, or I will be constrained to do so.

Mr. RABAUT. I am not challenging the gentleman to do anything. I say it is subject to a point of order. If the gentleman wants to take it out, he may do so very easily.

Mr. GROSS. All I want to know is whether this sort of thing should be done, whether an appropriations committee of Congress should be making assignments in the police department and setting salaries in the police department.

Mr. RABAUT. I have answered that already. We were doing it at the request of the chief of police.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RHODES of Arizona. I think the main reason for this wording is that the particular positions described should have this rank, but there is some feeling that the individuals who hold these positions should have the rank while they hold them but the rank should not be an individual thing. In other words, sometimes you appoint people who are specialists in a particular line to a rank which they hold as long as they have the particular position, but if they should leave the position perhaps their training and abilities are not general enough to hold the position in all areas in which a captain operates.

Mr. GROSS. The gentleman from Arizona does not feel that a continuation of this policy will in any way affect morale in the police department?

Mr. RHODES of Arizona. No, absolutely not.

Mr. GROSS. The gentleman thinks this language is good language and should be in the bill?

Mr. RHODES of Arizona. That is correct.

Mr. GROSS. I thank the gentleman.

Now I want to turn to page 3, line 16, "aid in the support of the Greater National Capital Committee of the Metropolitan Washington Board of Trade."

Do I correctly understand that there is $50,000 included in this $15,356,000 for the promotion of tourism to the National Capital? Is that what this is?

Mr. RABAUT. I would like to explain this language, if I may.

Mr. GROSS. I would be glad to hear it. That is why I secured time.

Mr. RABAUT. This particular program brings the tourist trade to Washington and that trade spends about $1 million a day. The Board of Trade has committed itself to raise $250,000 before this $50,000 of District money is made available to them. This money is "fishing" money that brings in about $1 million a day. If we do not bring this money into the District of Columbia through this and other District of Columbia activities, you can bring the money in through a tax upon the States of the Union for the extra money that will be lost. The Federal payment is up to $30 million now, due to the action of this House. If you want to strike this language, it is subject to a point of order.

Mr. GROSS. Yes, I am well aware of that.

Mr. RABAUT. It is subject to a point of order, but if you take this expense off the District of Columbia, you put the extra expense—not $50,000 but, perhaps, more upon the States of the Union. Of course, that is a decision for the gentleman from Iowa to make.

Mr. GROSS. The explanation is a little hard for me to follow because the $50,000, at least in part, is coming out of the pockets of the taxpayers of the State of Iowa as well as Michigan and every other State.

Mr. RABAUT. This is $50,000 out of the funds available to the District of Columbia.

Mr. GROSS. Let me ask the gentleman this question. Have you got $50,000 for the Waterloo, Iowa, Chamber of Commerce to promote tourists to come to that city?

Mr. RABAUT. The city of Waterloo and the city of Detroit are not in the same position as Washington, D.C.

Mr. GROSS. Has the gentleman ever had any difficulty in getting a hotel room for a constituent who wants to come down here on business? I have had such trouble, and if the gentleman from Michigan has not had, then he has had an unusual experience.

Mr. RABAUT. I will give you the name of the gentleman who is in charge of the tourist bureau and he can take care of you.

Mr. GROSS. What is that?

Mr. RABAUT. I will give you the name of the gentleman in charge of the tourist bureau, and he will take care of you in the future.

Mr. GROSS. I will say to the gentleman, I cannot think of anything any more nonsensical than this business of giving $50,000 to the Washington Board of Trade to promote tourists to come to the National Capital.

Mr. RABAUT. We are permitting the District to spend $50,000 of their own money. They cannot spend their own money without the consent of this Congress.

Mr. GROSS. I am still unable to follow the financial sleight of hand by which the gentleman just tried to explain this to me, and I just cannot see making available $50,000 of money collected from the taxpayers of the District of Columbia and elsewhere to be handed over to the Washington Board of Trade to entice tourists to come to this city.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend from Missouri.

Mr. JONES of Missouri. Did I understand the gentleman from Michigan to say that this Congress had to give the Washington Board of Trade permission to spend their $250,000?

Mr. RABAUT. I did not say that at all.

Mr. JONES of Missouri. That is what I understood the gentleman to say.

Mr. RABAUT. I said the Washington Board of Trade raised the sum of $230,000 last year. I said to them that if they would boost this to $250,000, we would agree to the request of the District government to give them $50,000 out of their funds to do further good work in bringing tourists to Washington. So, in effect we raised their own contribution from $230,000 to $250,000 and then, and only then, the District government could transfer the $50,000 to the Board of Trade.

Mr. JONES of Missouri. What do you mean when you say this is their own money?

Mr. RABAUT. After they had raised $250,000, then the District government could spend $50,000 of their own money.

Mr. JONES of Missouri. I want to get one thing straight. You said that they are spending $50,000 of their own money. If I understand correctly, that $50,000 is going to come out of this $30 million that we are appropriating.

Mr. RABAUT. If you can identify that $50,000, you would be pretty good.

Mr. JONES of Missouri. I am not going to try to identify it. I am taking it for granted that any money they spend on these extracurricular activities is coming out of the $30 million that the Congress is appropriating, which money comes from the taxpayers of my district and from the taxpayers of every other district in the country. If you do not reduce that amount, I am going to vote against the bill and I will have more to say about that when we get under the 5-minute rule.

Mr. RABAUT. If I may answer the gentleman, you cannot identify where the Federal payment of $30 million is going to be spent. The $30 million in a Federal grant goes into the whole revenue picture.

Mr. JONES of Missouri. I can identify the $30 million.

Mr. RABAUT. So can I and so can everybody else—it is a big figure.

Mr. JONES of Missouri. I think any time I offer an amendment to reduce some of these amounts it is going to come out of that $30 million.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. RABAUT. Mr. Chairman, I yield the gentleman from Iowa 5 additional minutes, and ask the gentleman to yield to me.

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. RABAUT. I said to the representative of the Board of Trade: If you raise your contribution to $250,000 the committee will take under consideration the transfer of $50,000 of District funds which will bring your total program to $300,000 per year. The program now brings in $1 million a day, and they think they can do much better. They plan to do more during the winter months by concentrating their efforts for that purpose. I thought it was a good investment.

Mr. JONES of Missouri. Let me ask the gentleman another question; he says they are bringing in $1 million a day. Who is the beneficiary of that $1 million?

Mr. RABAUT. The District of Columbia.

Mr. JONES of Missouri. Oh, now, the gentleman surely is not that naive, to believe it goes to the District of Columbia.

Mr. RABAUT. The District gets a part of it in increased taxpayments.

Mr. JONES of Missouri. But they take very little. The hotels and business people are the ones who get the lion's share of it.

Mr. RABAUT. The Board of Trade is the only body that has ever done anything about it.

Mr. JONES of Missouri. I appreciate the fine work the gentleman is doing but I think they are hoodwinking you. They have come before you every year and said they were going to raise taxes. They started out years ago with a rate of $2.10. They have now got it to $2.30 and now they say they are going to raise it to $2.50, and even if they do the taxes will still be less than they are in my district. Until they assess a proper share of the burden against the District of Columbia I am going to vote against giving them a dime.

Mr. GROSS. Let me ask the gentleman from Michigan: If there is this kind of money available, and the chamber of commerce out in Waterloo, Iowa, raised a budget of a few thousand dollars to promote tourism, would the Federal Government get into the picture for additional funds for that city?

Mr. RABAUT. Does the gentleman want to appear before the committee for that purpose?

Mr. GROSS. No, I certainly do not, and the gentleman knows I would not do so. But the same principle applies.

Mr. RABAUT. If you want to come before the committee we will be glad to give your request every consideration.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. There is no doubt, of course, but what one-tenth of this $50,000 comes from the Federal Treasury any way you take it, because you have a $30 million Federal contribution to a $297 million District appropriation bill, so that is $5,000 that comes out of the Federal Treasury and $45,000 from the District of Columbia.

I do not know whether Waterloo, Iowa, does this or not; I do know that Mesa, Ariz., from its city budget gives money to the chamber of commerce for the purpose of promoting tourism, or whatever you want to call it. They are allowed by the laws of Arizona to give a certain amount of money per capita for each dollar of assessed valuation. This is not entirely a District contribution as appears on the face of it to promote tourism, but they actually get $5,000 of Federal money. If the gentleman wants to offer an amendment to strike out $5,000, I shall be glad to support him.

Mr. GROSS. I will offer an amendment to cut the $50,000 out of the bill because I cannot see any reason why there should be any money, in any amount, expended out of Federal or District tax funds to promote tourism in the Nation's Capital. I do not think it is at all needed. If I thought it was I would not argue against it.

Mr. RHODES of Arizona. Looking around the Capitol Building here and seeing those who are visiting, I sometimes wonder just how much more promotion is needed. At the same time this $45,000 is money which belongs to these people, and it might be if they want it we should allow it.

Mr. GROSS. Then they had better take the $45,000 of District of Columbia money and improve some of the streets that are in bad condition as a result of last winter. It would be better spent there than as provided in this bill.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, I want to commend the chairman [Mr. RABAUT], and the members of the committee on their very thorough study of the District's appropriations.

I take this time to express my concern over the work of the Washington Metropolitan Area Transit Commission which has appropriations in this bill. The alleged purposes of the Commission are commendable and there certainly is need for a centralization of the regulation of interstate transport in this metropolitan area.

It does not appear, however, that the Commission has a full awareness of its responsibility to the public. Several weeks ago the Commission disapproved a low bid for Federal Government bus transportation between the State Department and its Foreign Service School in Arlington, Va., on the basis that another carrier served the area, and therefore received the bid, higher costs notwithstanding. This very action overlooked the competitive bidding procedure. If only one carrier could bid for this service, why go through the hoax of competitive bidding?

Yesterday the Commission granted a 20-percent increase in the limousine transportation fares between the airport and the District, increasing these rates to $1.45 for a 5-mile ride between the District and the airport. This price increase makes this the most expensive airport transport ride in America. It is almost twice the cost of airport transportation between LaGuardia and Idlewild field and the New York City terminal. In my city of Cleveland the airport travel distance is under 12 miles, the fare is $1.35, which includes a 5-cent city franchise charge and 10 cents in Federal excise tax, which is not paid on transportation between the airport and the District. Why should Washington rates be twice as much for half the distance with heavier volume?

Just a few minutes ago we were talking about appropriating money to encourage travel to this community, and here we witness this new Commission going around and raising the cost of this ride to a preposterous level, an increase which is not justified.

The increase in the cost of this service to $1.45 is an outrage. The franchise should be probed and it should be resubmitted for competitive bidding. At these prices, someone stands to make a sweet profit on air travelers to the Nation's Capital.

The Transit Commission must recognize its obligations to the traveling public as well as to the local citizens. It should consider the establishment of more frequent public bus service to and from the airport, so that the airport complex is brought within the reach of everyone at low cost. By legislative compact and by law, the Metropolitan Area Transit Commission has tremendous powers to fix and regulate local transportation service and local transportation charges. The Commission has a vital public trust and should be obliged to represent primarily the interests of the traveling public. Insofar as it fails to discharge this mission, it seriously jeopardizes its newly gained authority.

Mr. RHODES of Arizona. Mr. Chairman, we have no further requests for time.

Mr. RABAUT. Neither do we, Mr. Chairman.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

GENERAL OPERATING EXPENSES

General operating expenses, plus so much as may be necessary to compensate the Engineer Commissioner at a rate equal to each civilian member of the Board of Commissioners of the District of Columbia, hereafter in this Act referred to as the Commissioners; aid in the support of the Greater National Capital Committee of the Metropolitan Washington Board of Trade; $15,356,600, of which $230,000 (to remain available until expended) shall be available solely for District of Columbia employees' disability compensation and $113,000 shall be payable from the highway fund, $23,900 from the water fund, $6,400 from the sanitary sewage works fund, and $48,000 from the motor vehicle parking fund: *Provided*, That the certificate of the Commissioners shall be sufficient voucher for the expenditure of $2,500 of this appropriation for such purposes, exclusive of ceremony expenses, as they may deem necessary.

Mr. GROSS. Mr. Chairman, I make a point of order against the language on page 3, line 16, "aid in the support of the Greater National Capital Committee of the Metropolitan Board of Trade." I make the point of order that the language is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. RABAUT. I concede the point of order, Mr. Chairman. I say that the gentleman wants to put the debt on the state of the Union rather than the District of Columbia, and I offer an amendment.

The CHAIRMAN. The gentleman from Michigan concedes the point of order and the Chair sustains the point of order.

Mr. RABAUT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RABAUT: On page 3, line 18, strike out "$15,356,600" and insert "$15,306,600".

The amendment was agreed to.

The Clerk read as follows:

CAPITAL OUTLAY

For reimbursement to the United States of funds loaned in compliance with section 4

of the Act of May 29, 1930 (46 Stat. 482), as amended, the Act of August 7, 1946 (60 Stat. 896), as amended, the Act of May 14, 1948 (62 Stat. 235), and section 108 of the Act of May 18, 1954 (68 Stat. 103), including interest as required thereby; construction projects as authorized by the Acts of April 22, 1904 (33 Stat. 244), February 16, 1942 (56 Stat. 91), May 18, 1954 (68 Stat. 105, 110), June 6, 1958 (72 Stat. 183), and August 20, 1958 (72 Stat. 686); including acquisition of sites; preparation of plans and specifications for the following buildings and facilities: Garrison Elementary School replacement, elementary school in the vicinity of Fifty-third and C Streets Southeast, Palisades Branch Library, replacement of Third Precinct station house, and National Zoological Park; for conducting the following preliminary surveys; electrical improvements at the Lorton Reservation; erection of the following structures, including building improvement and alteration and the treatment of grounds: Bancroft Elementary School addition, Woodridge Elementary School completion, Davis Elementary School addition, Evans Junior High School, elementary school in the vicinity of Eleventh and Clifton Streets Northwest, warehouse and shops for the Recreation Department, replacement of the dormitories for resident physicians and interns at the District of Columbia General Hospital, educational center replacement at the Reformatory, children's cottage at the Junior Village, chapel at the District Training School, and replacement of dormitories at the District of Columbia Village; $302,000 for purchase of equipment for new school buildings; to remain available until expended, $41,778,900, of which $5,625,000 shall not become available for expenditure until July 1, 1962, $6,500,000 shall be payable from the highway fund, $2,840,359 shall be payable from the water fund, $9,775,000 shall be payable from the sanitary sewage works fund, and $710,000 shall be available for construction services by the Director of Buildings and Grounds or by contract for architectural engineering services, as may be determined by the Commissioners, and the funds for the use of the Director of Buildings and Grounds shall be advanced to the appropriation account, "Construction services, Department of Buildings and Grounds": *Provided*, That not to exceed $105,000 of funds heretofore appropriated under the heading "Capital Outlay, Public Building Construction", 1960, shall be available for the preparation of plans and specifications and the beginning of construction of a structure to replace the Thirteenth Police Precinct station house.

Mr. JONES of Missouri. Mr. Chairman, they are going so fast here it is impossible to keep up. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JONES of Missouri. Will I have an opportunity to offer some amendments to some of these items which the Clerk has already passed?

The CHAIRMAN. The Chair will state to the gentleman that he cannot return to a section for the purpose of offering an amendment. The gentleman may offer an amendment after the conclusion of the reading of each paragraph.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Is it not a fact that the gentleman might return to these items by unanimous consent?

The CHAIRMAN. By unanimous consent.

Mr. TABER. I suggest to the gentleman that he try that.

Mr. JONES of Missouri. I want to say to the gentleman that I thank him for his cooperation, but we have been going so fast here, it is impossible to keep up. I understand what we are trying to do is to get this through pretty quick, but we are reading only three or four words in every section. That is common practice, but we are going too fast here. We do not have an opportunity to ask any questions that way about this bill. What I want to know is, Do I wait until he gets through these sections?

The CHAIRMAN. The gentleman may seek recognition at the conclusion of the reading of each paragraph.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the chairman of the committee about the appropriation recommended for the Public Library. The committee recommends an appropriation of $3,030,000, and, according to the report, that is an increase of $228,000 over the amount appropriated for the fiscal year 1961. The report says that a majority of the increase is to fund the full-year cost of two new branch libraries. Where do I find that in the bill? The committee has rewritten the bill, changed the format of it, and I am trying to locate where this item is in the bill. To which figure shall I address myself?

Mr. RABAUT. Mr. Chairman, is the gentleman talking about the report or the bill?

Mr. JONES of Missouri. I want to know where the item for the Public Library is in the bill, this particular item of $228,000.

Mr. RABAUT. That comes under the item called General Operating Expenses; page 3, line 18. The figure is $15,356,600.

Mr. JONES of Missouri. That refers to the Washington Board of Trade, $15,356,600, which has been amended by the committee.

Mr. RABAUT. The figure the gentleman just quoted includes funds for the Library.

Mr. JONES of Missouri. Mr. Chairman, the point I want to make is this: In Missouri it is customary for public libraries to be supported by specific taxes. In other words, in my home city, and in my home county, the people tax themselves if they want a library. Has the committee explored the feasibility of the people of the District of Columbia financing their libraries by a specific library tax?

Mr. RABAUT. That is a matter of legislation which should go to the appropriate legislative committee. The Committee on Appropriations would have nothing to do with that matter.

Mr. JONES of Missouri. As far as the gentleman knows, there has been no discussion about that?

Mr. RABAUT. I do not know of any discussion about it.

Mr. JONES of Missouri. This is just one instance of several where I think if the people of the District of Columbia want to enjoy certain privileges, such as libraries, parks, or recreation, they should have the privilege and responsibility of voting for those services and also the privilege of approving taxes to pay for them.

Mr. RABAUT. Why does not the gentleman suggest the Missouri system to the proper legislative committee?

Mr. JONES of Missouri. The reason I do not do that is because the Commissioners of the District of Columbia have the authority now to do these things. The Commissioners of the District of Columbia have the authority to set the tax rate. For the past several years I have read in the reports that the District Commissioners are always promising that they are going to look into the matter of increasing the local tax rate. When I came to Congress in 1949, I think the local tax rate was $2.10.

Furthermore, the local tax rate at that time in my home community was close to $7. In my home community we assessed on approximately 30 percent of valuation, whereas the assessment in the District of Columbia at that time was approximately 50 percent. The people in the District of Columbia have never paid their fair share of the taxes. They have looked to the Federal Government and to the Federal contribution for taking care of all of the facilities that in other communities are financed out of special tax levies. That is why I am going to vote against the entire bill. While I agree that the Federal Government has a responsibility, I feel that the contribution approved by Congress should be in proportion to the responsibility accepted by the taxpayers in the District of Columbia, and on the basis of the present assessment should be not less than $3, as compared with the $2.30 which is presently levied. It will be interesting to see to what extent the District Commissioners fulfill the commitment they have made to this committee.

Mr. MATHIAS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MATHIAS. Mr. Chairman, I expect to vote for the appropriation bill for the District of Columbia but I have reservations on certain points. One of these is so compelling that I feel obliged to make a special note of it. The sum of $103,000 and $108,000 have been stricken from the budgets of the fire and police departments respectively. This virtually terminate the operations of the Board of Police and Fire Surgeons.

The committee comments that the District spent $12 million in 1961 to operate the District of Columbia General Hospital and $12.5 million is being appropriated for this purpose in fiscal year 1962. It is implied that this sum is sufficient for hospitalization and medical treatment of police and fire department personnel.

With due respect to the committee, I think that this is an assumption that may have serious consequences in the District of Columbia. It can affect the operation of District of Columbia General Hospital and it can have a real

impact on the morale of the police and fire departments.

If this budget cut is made, we shall create an immediate responsibility to set up new administrative procedures to take over the duties that have been discharged in the past by the Board of Police and Fire Surgeons.

The Clerk concluded the reading of the bill.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8072) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1962, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. RABAUT. Mr. Speaker, I move the previous question on the bill and amendment thereto to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. JONES of Missouri) there were—ayes 52, noes 8.

So the bill was passed.

A motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION APPROPRIATIONS

Mr. ELLIOTT. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 362, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7576) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ELLIOTT. Mr. Speaker, I yield 30 minutes to the gentleman from Kansas [Mr. AVERY] and at this time yield myself such time as I may require.

Mr. Speaker, House Resolution 362 provides for the consideration of H.R. 7576, a bill to authorize appropriations for the Atomic Energy Commission for fiscal year 1962 in accordance with section 261 of the Atomic Energy Act of 1954, as amended. The resolution provides for an open rule with 2 hours of general debate.

The bill will be explained in detail by the distinguished gentleman from California [Mr. HOLIFIELD], chairman of the Joint Committee which reported this bill when the House goes into the Committee of the Whole.

This bill authorizes funds for plant and facility acquisition and construction during the fiscal year 1962. As I understand it, these projects are necessary in order for us to keep pace with the rapidly occurring developments in the atomic energy field. They will increase our knowledge of both civilian and military applications of the atom through the building and improving of reactors, accelerators, weapons, and research laboratories.

There are 10 sections of the bill.

Section 101 authorizes the appropriation of the sum of $226,440,000 for new construction projects during fiscal year 1962. The sum authorized will be used to provide funds for 40 line item projects in the following categories: First, special nuclear materials; second, atomic weapons; third, reactor development; fourth, physical research; fifth, biology and medicine; and sixth, community.

Also included in this section is a subsection concerning general plant projects which provides for miscellaneous minor construction items.

The $226,440,000 amount authorized in section 101 compares with $211,476,000 authorized in fiscal year 1961 and $227,580,000 requested by the Atomic Energy Commission for this bill.

Sections 102 through 106 of the bill contain provisions identical or similar to corresponding sections in previous Atomic Energy Commission Authorization Acts.

Section 102 sets forth certain cost limitations on the initiation of projects.

Section 103 authorizes appropriations for advance planning, construction design, and architectural services.

Section 104 provides funds for the restoring and replacing of plants or facilities destroyed or otherwise seriously damaged.

Section 105 authorizes the appropriation of such sums of money as may be currently available to the Atomic Energy Commission in order to accomplish the purposes of this act.

Section 106 permits substitutions to be made for certain specified projects in this act if the new project is essential to the common defense and security, required by changes in weapon characteristics or weapon logistic operations, and if its estimated cost does not exceed the cost of the original project.

Section 107 of the bill amends last year's Atomic Energy Commission Authorization Act—Public Law 86-457—by increasing the total sum authorized from $211,476,000 to $338,476,000. This additional authorization reflects an additional $111 million authorized for the Stanford linear electron accelerator and an additional $16 million to cover certain increased costs and the addition of test loops to the advance test reactor at Idaho Falls. The linear electron accelerator will promote research in the field of high energy physics. Qualified scientists throughout the United States and the world, as well as those on the Stanford faculty, will be able to use this research tool to explore ever smaller dimensions of the atom. Last year the committee authorized $3 million for design and engineering studies on the accelerator in lieu of authorizing the full construction authorization on the basis that further study of cost data was required. This study has been completed and the committee now endorses going ahead with the full project.

Section 108 of the bill amends various prior year authorization acts by rescinding certain projects which are no longer considered necessary by the Atomic Energy Commission. A total of eight projects amounting to $19,027,000 will be rescinded.

Section 109 concerns the cooperative power reactor demonstration program. In subsection (a) the date for approving projects under the third round of the program is extended from June 30, 1961, to June 30, 1962. Subsection (b) authorizes an additional $7 million funds and $5 million waiver of use charge authority for use in the cooperative power reactor program. The Commission is further authorized to use an additional $7 million for research and development assistance in supporting unsolicited projects from the utility industry. Subsection (c) provides that the Commission may use funds previously authorized in the cooperative power program for a cooperative arrangement with the Dairyland Power Cooperative and the Allis-Chalmers Manufacturing Co. for a boiling water reactor designated as the La Crosse boiling water reactor.

Section 110 of the bill relates to the disposition of electric energy produced during the operating life of the electric generating facilities at the new production reactor, Hanford, Wash., constructed under subsection 101(a) of the bill. Section 110 also provides for the allocation of costs to the electric energy production.

At this point it should be noted that the project to provide electric generating facilities for the new production reactor in the amount of $95 million is the only project in this bill which is the subject of any considerable controversy. The Joint Committee reported each project in the bill favorably. With regard to the authorization for the Hanford project,

however, five members of the Joint Committee have dissented and submitted separate views which are contained in House Report 562.

HANFORD POWER NEEDED IN NORTHWEST

The power from the Hanford reactor electric generating facilities definitely appears to be needed in the Northwest. Finding a market for it apparently will be no problem whatsoever. Claims by opponents of this project that there is no need for the power do not appear to be well founded.

In 1960, the Bonneville Power Administration put on the market 150,000 kilowatts of firm power. That was the first offering of firm power to industry by Bonneville in 7 years. If there was any "surplus" of firm power in the Northwest, as the opponents of the Hanford power facilities now claim, Bonneville would have had difficulty in 1960—hardly a boom year—in disposing of that 150,000 kilowatts.

However, quite the opposite happened. Bonneville received inquiries from Northwest industry totaling 900,000 kilowatts—six times the amount of firm power it had available. This recent experience clearly demonstrates that industry in the Northwest is more than ready to purchase large amounts of additional firm power from the Bonneville Power Administration whenever it is offered.

Failure to approve the Hanford power facilities not only would mean the total waste of enormous amounts of reactor heat. It also would force Bonneville to continue to waste $7 million worth of hydropower per year.

Right now, Bonneville is running water over the dams because it cannot assure prospective purchasers that the power which this water could produce will be available for more than about 3 years. This wasted water is enough to generate 400,000 kilowatts of electricity.

If Bonneville knew that the Hanford power facilities were going to come on the line in late 1964, it could sell this 400,000 kilowatts immediately to industry as firm power. The contracts would be covered for the first several years by the water now going down the Columbia unused, and then picked up near the end of 1964 by the new production reactor powerplant when it came on the line. This would increase the revenues going to the U.S. Treasury by $7 million per year, beginning almost immediately.

In other words, the U.S. Treasury will receive additional income of at least $14 million before the Hanford power facilities ever go into operation if we approve the project and appropriate the funds to get it started.

The minority report quotes statements from the Bonneville Power Administration annual report for 1960 that Bonneville "finds itself in a period of surplus power" and that planned projects will meet estimated "normal" needs through 1970. These statements were made by officials of the Eisenhower administration who seem to have taken a negative view toward the potential for industrial growth and development in the Pacific Northwest. These are definitely not the views of the Kennedy administration nor of Mr. Charles Luce, the new Bonneville Administrator.

I have cited the experience of last year when Bonneville's offering of firm power to industry was greatly oversubscribed. Bonneville is still receiving inquiries from industry in the Northwest for more power. Several industrial firms have indicated they will expand their facilities in an area where unemployment is now 8 to 9 percent, if the reactor power project is approved.

The Bonneville Power Administration is so certain a market for the Hanford power that it will accept full responsibility for repaying out of its total power revenues the entire Hanford power investment with interest, plus operating costs, over the life of the plant. This will be done with no adverse effects on the Bonneville rates.

The U.S. Treasury, therefore, is positively assured of repayment of this investment, with interest.

Without cost to the taxpayer, the country will get an addtional 800,000 to 900,000 kilowatts of low-cost power capacity, plus the benefits of prestige and experience which will come from operating by far the world's largest atomic powerplant. To turn down this project would mean an unforgivable waste of the taxpayers' resources.

The electric energy generating facilities for the Hanford new production reactor represents an unusual opportunity to capture for the American people some peacetime returns on the billions of dollars they have poured into the atomic energy program. I urge Members of the House to vote against the proposed amendment to delete the project.

This bill is the result of extensive hearings by the Joint Committee on Atomic Energy in which every project and provision of the bill was considered as well as possible revisions. The appropriations authorized in the bill appear to have been wisely and thoroughly considered, and it appears that they are essential to security and to the advancement of nuclear technology.

The appropriations here to be authorized are designed to advance knowledge of the uses of atomic energy both for weapons, and for peace.

Mr. Speaker, I urge the adoption of this rule.

Mr. AVERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Alabama has stated, House Resolution 362 makes in order the consideration of H.R. 7576, a bill to authorize appropriations to the Atomic Energy Commission for the fiscal year 1962. Certainly it is necessary to authorize the appropriation for the Atomic Energy Commission.

I am not going to address myself to the technical aspects of this legislation; that will be amply debated tomorrow when the bill is before us, but I do want to point out for your consideration the inclusion in this authorization of authority for the Atomic Energy Commission to become engaged in the production of public power by a nuclear reactor. From my viewpoint, at least, we are not merely considering the authorization here this afternoon, we are not merely considering the additional $95 million that is herein authorized for the Atomic Energy Commission to become engaged in the production of public power, but the main decision is a policy decision which will be made here on the floor of the House tomorrow afternoon. Basic policy is going to be established when this bill is debated tomorrow. We are going to decide tomorrow afternoon, even though it is in a small way, basically whether the Atomic Energy Commission shall be permitted to become engaged in the production of public power, or should power production from atomic energy be left to the resources of private enterprise?

To me that is a major decision, and it will be debated probably throughout the years to follow our decision tomorrow, as the Tennessee Valley Authority has been debated ever since that act was passed in 1933.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I shall be happy to yield to the gentleman from California, a member of the Joint Committee on Atomic Energy.

Mr. HOSMER. I would like to point out that not only is this project involved in public power, but even anticipating, openly anticipating the passage of this legislation and as a precedent, the President of the United States is quoted in this morning's newspaper with regard to the Tennessee Valley Authority.

The President is further quoted as suggesting experiments in conjunction with the Atomic Energy Commission to develop cheaper power atomic energy at rates which will make it competitive. That suggestion was made to the Directors of the TVA. You see what we are getting into in connection with this particular item of the bill.

Mr. AVERY. I agree with the gentleman in what he has said to the House, and I am going to quote further from that same article I think he was quoting from, this morning's issue of the New York Times.

I would like to say it seems to me there are strange and similar overtones in the committee report that come with this bill today, and that found in the record of the debate and the committee report that accompanied the bill authorizing the Tennessee Valley Authority back in 1933. It seems to me it is logical, therefore, to conclude that we are employing the same distorted logic to justify this authorization, as we employed distorted logic when the Tennessee Valley Authority was originally authorized. We can further conclude, then, that the authority that is herein proposed for the State of Washington could someday resemble in many respects the monstrosity, in my opinion, that has developed in the Tennessee Valley.

I have no quarrel with the Members of the House of Representatives from the Tennessee Valley area. I think it is perfectly natural they should defend the preferential customer status that has developed in that area. Subsidized electric power has evolved that naturally is attractive to industry and to their consumers, cheap electrical energy. I

can understand why the Members representing the great Northwest would also favor this legislation which initially authorizes the subsidized production of electric power from nuclear sources.

I have no quarrel with you gentlemen who represent those two respective areas. But I think it is our responsibility, those other Members of the House who represent the taxpaying areas that pay the Federal cost to subsidize these areas, to call this to the attention of the House and urge that no further preferential areas be created. If we in the nonbenefiting areas have to provide our own energy and our own costs, borne entirely by the consumers, I see no reason why we should not apply that same formula to all competing areas within the United States.

Let us take a brief look at what is happening in the Tennessee Valley Authority. In the authorizing language for the Tennessee Valley Authority, as stated on the floor of this House, the primary objective of the Authority was to fully develop the water resources of that area for navigation and flood control. The manufacture of electrical energy was to be incidental to the project. I do not have to tell you that the manufacture of electrical power has become the dominant function of the Authority.

From the cost point of view, this is what has happened: The taxpayers of the United States have contributed $2 billion into the Tennessee Valley area and as of today there is no assurance that the money will be repaid.

What was the effect on individual States? Just as a sample, it goes something like this: The taxpayers of Kansas have contributed $20 million toward the Tennessee Valley, New York a mere $275 million, nearby Virginia, $35 million, Texas, $85 million, and the State of Florida, $50 million.

That may not be so bad. Maybe we have learned to adjust to that situation, those of us representing the nonbenefiting taxpayers. We have not approved but it is the price we have to pay.

The discouraging thing is this: In this year's Public Works appropriation bill there has been recommended by the Bureau of the Budget and by the administration an item of $32 million to further develop the Tennessee Valley Authority.

Now, I was not so much surprised about that until this morning I read in the New York Times where just yesterday, if you please, the Tennessee Valley Authority announced they were reducing the cost of electrical energy to their customers. Now, I ask you in all fairness, Members of the House, is it logical that after receiving $2 billion the Tennessee Valley Authority should come back to the Congress and ask for $32 million more of taxpayer money from the public Treasury, and by the same token announce to their customers they were going to have a further reduced rate?

Now, the reduction is something like this: For the average farm or household that consumes about 500 kilowatts, the estimated electrical energy bill for a month will go from $5.10 down to $4.50. That represents about an 8-percent reduction. Now, this same family, this same consumer in the State of New York, for instance, who consumes 500 kilowatts, their electrical energy bill is $14.11. The subsidy is somewhere near the difference in those two amounts $14, and $4.50. It would seem to me we could further conclude that if that preferential policy is to receive the approval of this body, probably a comparable differential is going to develop between the region on the Pacific coast and other self-supporting non-Federal power areas throughout the United States.

It is my understanding that there will be an amendment offered tomorrow to delete from the authorization bill the $95 million item to acquire the generators necessary to produce this electrical energy. I urge, Mr. Speaker, that the rule be adopted to make debate in order tomorrow, the authorization for the appropriation for the Atomic Energy Commission, but I would further urge and, more importantly, I think, urge the Members to consider very seriously the amendment to be offered a member of the joint committee from our side of the aisle, which will merely delete this $95 million from the bill. It will have no adverse effect on the other well-supported items in the authorization, and I think thereby we may preserve at least another field of endeavor toward private enterprise.

Mr. ELLIOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, the contention that this bill raises a new question on the policy of generating or disposing of electric energy from an atomic reactor is of course in error, section 44 of the Atomic Energy Act of 1954 established such policy 7 years ago.

The minority report states that:

> The project raises important questions of law and policy as to the proper role of the AEC, which must be resolved by this Congress.

The minority also states that:

> The Commission can hardly be considered to be doing anything else but selling "energy for commercial use."

The minority also claims that the production of the electric power is not incident to operation of research and development facilities or the operation of production facilities contemplated by the act.

Let us look to see what questions of law or policy this Congress is being asked to resolve.

On the question of law, it should be clear that section 44 authorizes the production of electric power as an incident to the use of AEC production facilities.

The committee report on the Atomic Energy Act of 1954 makes clear that if the Congress authorizes the construction of electric generating facilities, the AEC will be able to operate those facilities.

This bill clearly authorizes the construction and operation of the electric generating facilities in question.

The minority itself admits this proposition when it says:

> It is not being argued that the generation of such energy would be illegal since this bill is intended to provide adequate authorization.

It is therefore amply clear and admitted by the minority that no questions of law are presented by this authorization.

Now, turning to the questions of policy the minority contends that the question to be resolved is whether "the AEC is to take its place alongside the Department of Interior and TVA as a major producer of Government-generated electrical power." At the outset, the record should be set clear. This project is not a precedent, it is not a yardstick type of program for Government-sponsored power production, and it is not a "foot in the door" for Government in private enterprise.

This question was specifically discussed at the hearings on the AEC authorization bill. Congressman HOSMER, on May 18 in the course of the hearings, asked Mr. Luce, the Administrator of the Bonneville Power Administration, whether he regarded this plant as a precedent for other kinds of steamplants in the Bonneville area. Mr. Luce replied:

> We do not regard this as a precedent for anything. You have a unique problem here of heat or steam energy that is either going to be wasted or used.

Mr. HOSMER pursued this line of questioning further by asking Mr. Luce the following question:

> In other words, this is entirely separate, different, divorced from any other argument we may have over BPA applications to power from steam capacity, is that right?

Mr. Luce replied:

> To my way of thinking, it is. Yes.

It should be kept in mind that the situation with respect to the Hanford plant is unique. It would be wasteful and extravagant, as pointed out by the BPA Administrator, to use the heat from this reactor merely to warm up the Columbia River, when it could be put to use to generate needed electrical energy on an economic basis. It could not be more clear that this authorization is not a precedent for the further development of Government-built steam generating plants

The minority is right in stating that this authorization does present an important question of policy, but the question is not whether the AEC is to become another TVA. The question is rather shall we permit the waste of our natural resources or utilize those resources intelligently to generate needed electrical energy on an economic basis.

THE COAL INDUSTRY, ATOMIC POWER, AND THE NEW PRODUCTION REACTOR ELECTRIC GENERATING FACILITIES AT HANFORD, WASH.

Mr. Speaker, various allegations have been made concerning the effect of the proposed electric generating facilities for the Hanford new production reactor on the coal industry. Back of this question lies the alleged problem of competition

between atomic power and the coal industry.

At this point I would like to insert a statement showing that atomic energy has been and will continue to be a boon to the coal industry. The facts are that AEC atomic installations are enormous consumers of coal for their huge electric power, space heating, and chemical processing requirements.

AEC COAL AND ELECTRIC CONSUMPTION

Portsmouth, Ohio, plant (1,900 megawatts from OVEC), 7 million tons per year.

Paducah, Ky., plant (2,130 megawatts from EEI and TVA), 7,570,000 tons per year.

Oak Ridge, Tenn., plant (1,765 megawatts from TVA), 5,580,000 tons per year.

Total, 5,795,000 kilowatts.

Total, 20,150,000 tons per year of coal.

The carload equivalent of the above coal consumption is:

Carloads (55 tons per carload):	Per day
Portsmouth	349
Paducah	377
Oak Ridge	278
Total	1,004

Hanford plutonium plant (for space heating and chemical processing), 300,000 tons per year of coal.

Mr. Speaker, at this point I would like to insert a statement on the relation of the Hanford reactor electric generating facilities and the development of coal resources in the Northwest. You will note that the Northwest uses very little coal, and the Hanford installation itself is the biggest user. In the future, the use of coal cannot support the major power requirements of the area.

HANFORD REACTOR AND DEVELOPMENT OF COAL RESOURCES IN THE NORTHWEST

The Hanford reactor will have practically no effect on the development of coal resources in the West group area of the Pacific Northwest.

Coal uses in the Northwest have always been very small and for industrial purposes the use of coal has virtually disappeared since natural gas was brought into the region. The following appears on page 48 of the U.S. Army Corps of Engineers report "Water Resource Development—Columbia River Basin."

"REGIONAL FUEL DEFICIENCY

"The region imports nearly all of its fuel, and imported oil has been the principal fuel source for both industrial and residential use during the past 15 years. Coal fields in the area are generally of a low grade and their extensive use must await demands warranting introduction of large-scale modern mining methods. Manufactured gas has been used for residential heating and cooking for years but natural gas which enjoys a more favorable competitive position with electricity and oil has been available only since 1956 when a pipeline to the area was completed. The heating plants of many of the older residences and some of the steam-electric plants were designed to burn sawdust and other lumber mill wastes, but increased timber waste utilization in recent years has largely eliminated this source and plants have been converted to other fuels."

Coal deposits in Oregon and Washington are primarily of the bituminous and subbituminous variety and are located principally in the Coos Bay area of Oregon, the Longview-Chehalis and Kittitas County (central) areas of Washington. The only mines now operating are those of the Northern Pacific Railroad in central Washington and they employ between 110 to 120 people. The output of the mines is approximately 150,000 tons per year. The major customer for this coal is the AEC's Hanford site itself which uses it for chemical processing and space heating. Another major user of this coal is the cement industry. It is understood that if these mines were to be closed, it would not be economical to reopen them again.

It is anticipated that some of the local coal deposits will be developed for power use when it is economical to do so. The coal reserve in the central Washington area is such that it could only support about 750 mw of steampower. The employment of mining people at that time would increase to about 300 to 400 in the Kittitas County area. This is not expected to occur to any substantial degree before the period beginning about 1970–75. Up to that time economical hydro will be available to meet load growth of the region. After that period load growth will have to be met from thermal sources. By that time, annual regional power load growth will be in the order of the size of the new production reactor. Inclusion of the new production reactor as a resource at this time, therefore, would have only about a 1-year effect on development of coal resources.

As a matter of further interest, in January of 1959, the Chief Engineer of Bonneville Power Administration advised the Atomic Energy Commission as follows:

"The Pacific Northwest has relatively meager fossil fuel supplies. There are some economical coalfields but they probably would not support more than 1 or 2 million kilowatts of capacity. After such a steam development, the area would have to import fuels, whether they be coal, oil, or gas."

The above is printed on page 180 of Joint Committee on Atomic Energy committee print March 1961. If 2 million kilowatts of steam power are generated from local coals this would only take care of about 3 years load growth. The other coal deposits to make up this amount in the northwest could be strip mined. (Strip mining requires fewer employees than underground mining.)

Numerous consulting firms have been contacting the Bonneville Power Administration over the past 6 years in connection with the development of vast deposits of high quality in the Alberta, Canada, coal fields. These deposits are located primarily in the Livingston Range district of Alberta. From discussions held with these consultants it is believed that only the coal deposits in central Washington and Coos Bay, Oreg., will be developed economically in the U.S. portion of the West group area and the next most economical source of fossil fuel for power would likely come from the Alberta fields. Reports to date indicate that steam plants could be installed at the mouth of the Alberta mines; power would be generated at that point, and delivered to the U.S. border at a reasonable cost.

Mr. Speaker, at this point I would like to insert an address last year by AEC's Director of Reactor Development on the effect of atomic power on the demand for coal. This statement shows that atomic power will only supplement the additional demand for energy in the years ahead.

NUCLEAR POWER'S EFFECT ON THE DEMAND FOR COAL

(Remarks prepared by Frank K. Pittman, Director, Division of Reactor Development, U.S. Atomic Energy Commission, for presentation at 1960 coal convention of the American Mining Congress, Pittsburgh, Pa., May 9, 1960) [1]

It is with a certain degree of trepidation that I face this audience to talk about the national effort to develop the atom as a source of energy and about the possible impact of this effort on the coal industry. I am very grateful, however, to have the opportunity to appear before you since in a very real sense I believe we are working toward a common objective—i.e., assurance of adequate low-cost energy resources for the future.

At the outset, I would like to establish a credit in your book for myself and the atom by reminding you that the tremendous quantities of electric power used by the Atomic Energy Commission in the production of fissionable material—which can be used for weapons and for nuclear power—require approximately 21 million tons of coal annually. The Commission therefore, through the utilities that provide it the power, is your industry's biggest customer. However, I can well imagine that in spite of this credit the coal industry as a whole is somewhat uneasy about the development of the atom as a source of power, and about the possibility which is so often expressed, that nuclear energy can make great inroads on your largest market—the electric utility industry.

It is not my intention today to try to tell you that nuclear fission will not take its place as an important energy source of the future. To do so would indicate that I have no faith in the extensive nuclear energy development program. I do have faith in our program. I believe, however, that the nuclear fuels it will bring to the people of this country and to the world will supplement existing fuels rather than replace them. The word "supplement" is, in my mind, the key word to any discussion of the impact of nuclear energy on the coal industry.

To develop this theme, let me first say a few words about our nuclear power development program. The Atomic Energy Act declares it to be the policy of the United States that the development, use, and control of atomic energy should, among other things, "be directed so as to improve the general welfare" and "increase the standard of living." It is generally accepted that this policy calls for the development of atomic technology to the point where energy, particularly electrical energy, can be produced from nuclear reactions at costs generally competitive with the cost of energy produced from fossil fuels. Other considerations of national policy, such as the importance of achieving national technological preeminence, argue for the same development. Therefore, it has repeatedly been affirmed at the highest levels of Government that a vigorous nuclear power program should be undertaken.

The Atomic Energy Commission, wth significant collaboration by industry, has been pursuing such a development program on a formalized basis since 1954. The first 5 years of this effort were devoted to research and development and to construction of experimental plants to demonstrate the feasibility of several different technical approaches to the production of power from nuclear fission. Using the knowledge gained in those 5 years we have recently taken a hard look at how far we have come and how far we still have to go. On the basis of this appraisal we have formulated some fairly specific objectives and developed in reasonable detail a program to meet these objectives.

Two of our objectives will be of particular interest to you. In the first place, our immediate program is aimed at reducing the cost of nuclear power so that between now and 1968 at least some utility executives can make a choice between nuclear fuels and fossil fuels on economic grounds. We believe this will occur first in those cases where the plants will have a capacity of 300 electrical megawatts or greater and where they will be located in areas of the United States with high fossil fuel costs. In this context,

[1] Delivered by U. M. Staebler.

we have somewhat arbitrarily defined a high cost area as one where the cost of fossil fuel amounts to 35 cents or more per million B.t.u. Secondly, and on a less clearly defined time schedule, we hope to bring about such further reductions in the cost of nuclear power as will make it competitive in smaller sized units and over wider areas of the United States.

Let us assume that we meet these objectives. What will be the immediate and long-range effect on the coal industry?

In the middle to late sixties, when we have met our objective of making it possible for utility companies to build competitive large scale reactor powerplants in high-cost areas, we can assume that nuclear energy will begin to make its first real impact on the power production scene. Let us examine what the magnitude of this impact may be.

First, we must recognize that even after large nuclear plants become competitive with conventional plants of similar size there is no reason to expect that all utilities which can use large plants and which are in high-cost areas will immediately shift to nuclear plants. Personal preferences, problems of integration into overall systems, and other factors which must be considered in plant selection undoubtedly will mean that unless the economic advantage of nuclear plants is decisive, a certain portion of the new plants will continue to be fossil fueled. Further, nuclear plants will be chosen for many years to come only to meet new demands. I see nothing to indicate that the economic advantage of nuclear plants over fossil fueled plants will be so great in the foreseeable future as to warrant premature scrapping of existing fossil plants.

I have indicated my belief that nuclear plants will not capture the entire market in the areas in which they become competitive. There are those, however, who are more optimistic about the possibilities of nuclear popularity. Let us therefore look at the potential areas that meet our arbitrary definition as high cost fuel areas and also have sufficiently concentrated power demands to warrant the 300,000 to 400,000 kilowatt nuclear units which we feel will first be competitive. To begin with, only about 20 percent of the Nation's electrical energy output is consumed in areas having fuel costs higher than 35 cents per million B.t.u. When the requirement of concentrated demand is added to this, the total fraction of the Nation's energy which can be met by nuclear power, when we have achieved our short-range objective, is rather severely limited. At this time, only certain areas in the Far West and the Northeast can meet the test, but it is possible that increased fossil fuel costs or increased demand could expand these areas by the time our developmental program has achieved its early objective.

During the seventies, when the results of our developmental program further decrease the cost of power from large nuclear units and also decrease the size of the nuclear plants which can compete with fossil fueled plants, the atom will become a major factor in our power economy. I do not envision any sharp discontinuity in the growth curve for nuclear power, but rather a steady increase as the fruits of development bring ever larger areas within the range of competitive nuclear plants.

I will not attempt a quantitative prediction of the schedule on which nuclear energy will become an important supplement to fossil fuels as a national energy source. Others with much greater competence in the power field have already done this, and I accept their judgment.

For example, in a report presented to the Congressional Joint Economic Committee in October of 1959, Mr. Philip Sporn, president of the American Electric Power Co., estimated that by 1975, 7.5 percent of the total electric-power generation would be nuclear. The Edison Electric Institute, in a report to the Congressional Select Committee on National Water Resources in January of this year, was in essential agreement with Mr. Sporn in the prediction that by 1980 about 8 percent of the capability of investor-owned utilities would be nuclear.

These two estimates, made by experts in the field, are based on a careful analysis of the latest technical and economic data on both nuclear- and fossil-fueled powerplants. They are probably much more realistic than the estimates of several years ago which were made when knowledge of some of the real technical difficulties of nuclear-power production had not yet tempered the enthusiasm for nuclear-power prospects.

I think that the conclusion which can be drawn from the facts at hand is that the growth of nuclear-generated electric power during the next 15 or 20 years, while being satisfying and at times spectacular, should not constitute any real threat to the fossil-fuel industry.

When we look further into the future, however, say, to the year 2000, I am satisfied that the picture will be quite different. By that time the technology of nuclear power will have advanced to a point where nuclear plants will be a major factor in meeting the electrical power needs of this country and of the world. I am convinced that by that time a large fraction of all new generating capacity will use nuclear power and that a sizable portion of all electrical power in this country will be generated using nuclear fuels.

This statement, taken by itself, could be cause for concern by members of your industry. There are, however, many knowledgeable people in the field who, with full awareness of this prediction of the growth of nuclear-generated electrical capacity, have predicted an enormous expansion in coal demand during the remainder of this century. We agree with these authorities. Mr. Sporn, for example, has estimated that coal consumption in the year 2000 will be more than 2½ times as great as in 1957, and others are equally optimistic.

How can we reconcile predictions of such startling increases in demand for coal with predictions of reductions in the percentage of coal's contribution to what is its current principal market?

There are several factors which must be considered. Perhaps the most important is the fact that there is universal agreement that the total energy demand which fossil and nuclear fuels will be supplying will be enormously increased by the year 2000. Even if coal furnishes a smaller percent, the total will be so large that the actual amount required will represent a huge increase over that now used. Although the potential increase in overall energy use is less startling than the increase due to electric power alone, the benefit from virtually the entire increase for nonelectric use should accrue to fossil fuel, since there now seems to be little prospect of substantial use of nuclear energy for these purposes during this time period. In the field of industrial process heat, for example, where we now have a developmental program underway, there is little likelihood that nuclear energy will be quantitatively significant for many years.

There are certain other factors which have nothing to do with nuclear energy, that must be considered in arriving at estimates of future demands for coal. These are based on the possibility that supplies of gas and oil may not be sufficient to permit those fuels to share fully in the enormous overall increase expected in the demands for energy, particularly in the period after about 1975.

Thus, I understand it is predicted by those who are knowledgeable in the field that toward the end of the century, coal, while losing a part of the electric utility market to nuclear fuels, will itself make inroads on the share of the market now held by oil and gas.

These same people also foresee that, as liquid fuel supplies dwindle, the use of electricity is likely to increase for both transportation and home heating. This would tend indirectly to return some portions of these markets to coal, since it will continue to supply a fair percentage of the total energy used by electric utility plants.

In summary, if the national effort in nuclear power development is successful, there can be no doubt that some part of the electric power market which coal might otherwise have supplied will be supplied by nuclear fuels. The loss probably will be insignificant in the next 15 to 20 years, but may be substantial in subsequent years. There is little likelihood that nuclear energy will make substantial inroads on coal's other energy markets during this century. The losses which will be sustained, moreover, probably will be compensated several times over by increases in aggregate energy demands and by inroads which coal itself may make on the markets of other fossil fuels.

There is one final point which I would like to make which is somewhat outside the scope of my topic, but which I feel has a bearing on it in that it offers a potential means by which the coal industry can assure that there will be a continued expanding demand for its product. I speak of the possibility of conversion of coal to other products which are of greater value to our economy than the energy which coal now produces. As the atom takes its place as a source of energy, the coal industry should exploit the fact that carbon is a keystone of all organic materials and that its use in the production of such items as chemicals, plastics, and drugs, in the world of the future could make its position as an energy source of the present pale to insignificance. An energetic developmental program which takes full advantage of all modern technology, including the extreme temperatures and radiation fields now afforded by nuclear processes, not only might assist the coal industry to hold its own, but also might open the door to an undreamed of future for this great natural resource.

Mr. AVERY. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Speaker, I wish to commend the Joint Committee for fully authorizing project 61–F–7, a linear electron accelerator at Stanford University. This is a much needed scientific tool of the future. It has been well studied by the Atomic Energy Commission, the Department of Defense, the National Science Foundation, the President's Scientific Advisory Committee, private engineering consultants, and the splendid staff of physicists at Stanford.

The experience of Stanford physicists in the linear accelerator field dates back to the midthirties to scientific breakthroughs made by the brilliant, late Stanford professor, William Webster Hansen, Professor Webster, and research associates, J. R. Woodyard and E. L. Ginzton. All of these men have contributed much to Stanford's background in the field of microwave techniques and the linear accelerator in particular.

Since 1946 10 linear accelerators have been constructed at Stanford or under Stanford's direction. In several other nations, accelerators are either patterned after the Stanford machine, employ Stanford-trained personnel, or have borrowed Stanford staff members for various periods of time. It is safe to say that no university or research institution

has had more to do with proving the feasibility of the linear accelerator principle than has Stanford.

Location of this facility at Stanford will insure the scientific community that the machine will be built and operated by the largest single group of men who have had experience with a machine of the type proposed. The excellence of the staff in the Stanford Physics Department is shown by the facts that between 1948 and 1960 six Sanford men were named to the National Academy of Sciences and two physics professors received the Nobel Prize. Dr. W. K. K. Panofsky has recently received the Lawrence award for outstanding contribution to the field of atomic energy.

The physical location of Stanford provides an ideal environment for research. The university is centrally located to a rapidly developing electronics industry, the manufacturing and research facilities of the Lockheed Missile Systems Division, Ames Laboratory of NASA, the University of California, Lick Observatory of the University of California, the University of Santa Clara, San Jose State College, and San Francisco State College, as well as the University of San Francisco. A new campus of the University of California will soon be located within 40 miles of the Stanford campus.

This project has been well studied and planned over a period of years.

At this point, Mr. Speaker, I submit a chronology of major events in the history of this proposal:

CHRONOLOGY OF STANFORD UNIVERSITY LINEAR ELECTRON ACCELERATOR

1. Year 1953: Serious study on the proposal began at Stanford.
2. Year 1957: Stanford submitted proposal to AEC, DOD, and NSF.
3. In 1958, a special NSF panel on high energy physics recommended the project.
4. Late 1958: AEC requested the President to convene a GAC-PSAC panel on the subject.
5. November 16, 1958: Panel recommended the project.
6. May 14, 1959: In a New York speech, the President announced intentions of requesting congressional authorization.
7. July and August 1959: Hearings held by Joint Committee on Atomic Energy, no final action. Further study recommended.
8. December 1959: John Blume & Associates, under contract with AEC, rendered interim cost and feasibility review.
9. January 1960: GAC-PSAC panel met, reaffirmed its recommendation, and regretted delay of the project.
10. February 1960: Final report forwarded by John Blume & Associates to AEC declaring project feasible and fixing cost of construction at $107.2 million.
11. February 1960: Full PSAC approves recommendation.
12. April 6, 1960: Further hearings held by Joint Committee on Atomic Energy. Committee recommended authorization of $3 million for design studies.

Mr. Speaker, this project has been thoroughly studied and represents the latest in scientific developments. In fact, it is more than current, it looks into the future.

Ironically this same bill which is so progressive in the case of the Stanford electron accelerator, contains another section involving the expenditure of $95 million for a power generating facility which will be obsolete before it is built.

It is difficult for me to understand the reasoning in the report of the Majority of the Joint Committee on Atomic Energy in its recommendation that $95 million be authorized for the installation of steam generating power facilities at the new production reactor at Hanford, Wash.

On page 11 of the report I find the following statement:

> The Joint Committee, in recommending this project does so on the basis of its economic advantages, its assistance to the national defense, its value to national prestige, its contribution to nuclear power technology, and its benefits to both private and public enterprise.

On June 28, the president of the privately owned utility company serving my district, the Pacific Gas & Electric Co., announced that the company would build a large nuclear powerplant at Bodega Bay, 50 miles north of San Francisco.

This announcement was reported in the July 10 issue of Newsweek magazine. In reading this account of the plans of the Pacific Gas & Electric Co. I note the following pertinent facts: The plant will have an installed capacity of 325,000 kilowatts; and energy will be produced for 5.62 mills, which is less than the cost of energy from a conventional plant.

In announcing this plant Mr. Norman Sutherland, the Pacific Gas & Electric Co. president, made a most significant statement, and I quote.

> As with all our atomic projects, we will build Bodega Bay with our own money. There will be no Government subsidy or financial contribution from any other source.

This is an application of the American free enterprise system to the development of nuclear power.

Let us take a moment to look at what we will get for this $95 million and compare it to what this company is doing, without any Government subsidy, in the terms used by the majority of the joint committee.

ECONOMIC ADVANTAGES

Hanford Steamplant: The Federal Power Commission in its supplemental report on new production reactor powerplant economic feasibility study found that energy from the Hanford steamplant during the highly subsidized "dual purpose" period will cost 3.7 mills per kilowatt-hour. Under section 110 of the bill, this energy will be marketed by the Bonneville Power Administration at the Bonneville rate of around 2.5 mills per kilowatt-hour. I am at a loss to see an economic advantage in such an arrangement.

PACIFIC GAS & ELECTRIC CO. BODEGA BAY PLANT

Energy will be produced at 5.62 mills per kilowatt-hour, which is less than the cost from a conventional plant. This is what I call an economic advantage.

You must remember that all costs plus Federal, State, and local taxes are included in the company's figures, while the Hanford figures do not include the full cost of energy production, and no taxes.

NATIONAL DEFENSE

The construction of the Hanford steamplant will not make a contribution to national defense. To the extent that it interferes with the production of plutonium it will be a burden on our defense efforts. The real contribution to national defense of this facility is the production of plutonium, and it should not be altered.

NATIONAL PRESTIGE

Which will do more to enhance our national prestige, the construction of the obsolete, uneconomic subsidized 700,000-kilowatt Hanford steamplant with public funds; or the construction by the company of the 325,000-kilowatt Bodega Bay plant with private funds? To me, the answer is easy. To say the construction of the Hanford steamplant will give us the biggest nuclear plant in the world makes about as much sense as spending millions of dollars to have the largest horse-drawn cavalry in the world.

NUCLEAR-POWER TECHNOLOGY

Which will contribute more to the technology of nuclear power, the Hanford steamplant operating at a pressure of 135 pounds or the Bodega plant operating at a pressure of 1,000 pounds? The Hanford steamplant is a step backward, while the Bodega Bay plant represents real progress.

BENEFITS TO PRIVATE AND PUBLIC ENTERPRISE

Just who will benefit from the construction of the Hanford steamplant? Only one group—the consumers of Federal power in the Bonneville marketing area, and this is true only because of the tremendous subsidy from the Federal Government—the general taxpayers.

Let us look at the Bodega Bay plant. The company will spend $60 million of private funds, the whole economy will be benefited. The company will pay all Federal, State, and local taxes, so this plant will make a general tax contribution where the Hanford steamplant will be a burden on the general taxpayer. The company's consumers will also be benefited, as energy will be produced cheaper than in a conventional plant.

The demands on our Federal budget are great, and many of these demands cannot be eliminated or reduced; for instance, national defense. However, there are others that can and should be eliminated, and the authorization of $95 million for the Hanford steamplant is one of these.

The production of plutonium is a proper function of the Atomic Energy Commission, and it should continue at the level dictated by our defense needs. However, the production and sale of subsidized electric energy is not a proper function of the Atomic Energy Commission, and should not be allowed to be so. Congress should not authorize an expenditure of $95 million for the construction of the Hanford steamplant.

I urge the Congress to be consistently progressive. The Stanford linear accelerator is a great step forward. Let us not nullify that progress with the backward step of constructing the obsolete Hanford steamplant.

Mr. ELLIOTT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE B–70 PROGRAM

Mr. KEITH. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HIESTAND. Mr. Speaker, recent reports that the Soviet Union has developed a super bomber and the impressive air show which it staged over the weekend emphasize the importance of taking a close look at our defense system, principally, we might reexamine the manned bomber field.

I speak once again for the B–70 program which could, particularly in view of Russia's spectacular display of air strength, be decisive in our life-or-death struggle. Has it ever been more clear that our admittedly marvelous B–52 cannot be a perpetual deterrent?

The B–70 is more than a plane; it is an entirely new concept and it is a weapons system which would be unmatched for many years to come.

In passing the Defense Department appropriation bill, the House provided a total of $448,840,000 for the procurement and production of long-range bombers. The House Appropriations Committee said first preference on use of these funds should go for the acceleration of the B–70 program. However, no specific identification is made in the bill.

Yet, never has the need been greater than it is now to reactivate—fully—the B–70 program. It is essential that we identify the above-mentioned funds directly with the B–70 and its development.

The other body, now working on our bill, may well give us another opportunity. It may be the most important decision on defense the Congress has ever been called upon to render.

The Washington Evening Star, July 10, carried a most significant story on the Russian air show and under unanimous consent I include the article in the RECORD:

Moscow, July 10.—The Soviet Union showed off its air might yesterday in a dazzling display that struck Western diplomats as a gesture designed to strengthen Kremlin demands on Berlin.

Premier Khrushchev and Cosmonaut Yugi Gagarin watched side by side along with a crowd of 50,000 while the Soviet air force paraded a spectacular array of new craft at Moscow's Tushino airfield.

Western experts watching the show—first the Russians have staged since 1958—said the United States has nothing to match several of the entries, including a jet fighter that can light up a liquid rocket engine booster in flight to gain a tremendous rate of climb.

"IMPRESSIVE SHOW"

The most spectacular attraction shown publicly for the first time was a delta wing bomber the announcer said had a speed several times that of sound. The plane looked bigger than the eight-engine U.S. B-52 and had four jets, two on the wingtips and two inboard below the wings.

Western air attachés showed keen interest in a flypast of 10 heavy supersonic bombers which also made their first public appearance. This new model's two engines were mounted on the rear atop the long, slender fuselage. It had high sweptwings and was comparable in size to the U.S. B–58, whose publicly admitted speed is 1,500 miles per hour.

"A very impressive show," said the U.S. air attaché, Col. Melvin Neilsen. "It's evident the Russians have continued with the development of all classes of aircraft."

Western observers said the show made clear the Russians are not pinning all their faith on long-range missiles alone.

COPTER CARRIES HOUSE

The fighters carried air-to-air rockets instead of conventional cannon. The new bombers were armed with air-to-surface missiles instead of bombs.

The Russians gave advance billing to a vertical takeoff plane that does not depend on a jet thrust to get it aloft. Called a "screw wing plane" it was a cross between a plane and a helicopter.

Two engines were mounted at the end of each wing, and it had two rotors atop each wing making it highly maneuverable and able to carry either troops or freight.

Another new model was a three-tail jet-powered helicopter that landed and unloaded a cargo of rockets.

One novelty was a giant helicopter capable of hauling 180 men. It appeared carrying a wooden house under its belly and landed it on the field. The house was about the size of a large car trailer in the United States.

The Soviets spiced up their show with a flypast of 15 helicopters each carrying a trapeze on which sat a pretty girl each dressed in the national costume of one of the 15 Soviet Republics.

Another crowd-pleasing feature was a mass drop of 600 men with brightly colored parachutes.

Air Marshal Konstantin Vershinin who directed the show said in an aviation day article in the Communist Party newspaper Pravda that many of the Soviet Air Force's jets have no equal in the world for speed, altitude, and flight range.

DEFENSE AND FISCAL RESPONSIBILITIES

Mr. KEITH. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, since January 20, 1961, the present administration has proposed increased spending totaling almost $12 billion more than that recommended on January 16 by President Eisenhower. Most of this staggering increase has been for nondefense purposes and has necessitated a record peacetime increase in our debt ceiling to $298 billion. In urging this added spending without recommending a cutback in any existing programs, the Kennedy administration has criticized virtually every aspect of our American way of life as being "neglected," "disturbing," "inadequate," or "in peril."

The President's consistent solution in meeting his cited problems has been to suggest spending today and perhaps paying tomorrow. Now we are told that it will probably be necessary to spend $3 billion to $5 billion more for defense purposes, again presumably without cutback in any of the nondefense proposals. Apparently the Federal Government is to have "bureaucracy as usual" on a growing scale at home, while we are spending ever-increasing billions for defense throughout the world.

There is no question that any defense effort that is necessary to our security should be made; and there is no question that expenditures required for national defense can and should be met out of current revenues and the American people would willingly pay the price. The willingness and determination on the part of the American people are there; the only thing lacking is decisive leadership to delineate our problems and define our purposes. The President owes it to the American people to tell us how these somewhat conflicting and competing military and nonmilitary programs will be simultaneously accomplished without destroying confidence in the value of the dollar, an event which would serve Mr. Khrushchev's purpose better than almost any other possible occurrence.

The President should tell the American people what has occurred in recent months that was not previously foreseen to require now that billions of dollars more be added to the $43 billion already being spent for our security. The American people would also like to have these questions answered: Has the Kennedy campaign tactic of downgrading America to second-class status been so convincing that Mr. Khrushchev has been encouraged to new boldness? Has our bungling in Cuba encouraged Mr. Khrushchev to think we will bungle in Berlin? Is the fact that Mr. Acheson is reported to be an influential adviser without portfolio to the President on foreign affairs an encouragement to Mr. Khrushchev to think that America will return to a policy of appeasement? Does Mr. Khrushchev think that we will offer him a tractor deal too? Does Mr. Khrushchev plan to strike before Mr. Kennedy completes his on-the-job training in national and world leadership?

The time is urgently at hand for the Kennedy administration to realize that the Red imperialists will not stop their insidious scheming or their blustery belligerence because of an American threat of future spending. We cannot deal with a July 1961 crisis by demands on the Treasury to finance weapons to be available to us 3 years hence. Dollars contained in an appropriations bill this year will not solve the problem of Laos this summer or the crisis of Berlin this fall. What we need is a demonstration by the administration of steadfast purposes and confident determination to use the tools at hand to meet the crisis at hand.

The Democratic promise during the campaign to get America moving must not now be allowed to mean moving timidly away from Communist challenge or moving evasively away from our international commitments. The promise to get America moving cannot be ful-

filled if the only place we are moving is through the front, back, and side doors of the Treasury Department. The administration must realize that the free world will be confronted with disaster if America follows a foreign policy of reaction only that is restricted in direction to defensive maneuver in response to a relentless Communist initiative. Also, in evaluating urgent national needs the administration must recognize that the only economic progress that will mean anything to the American people is progress accomplished within the framework of fiscal sanity.

The Kennedy administration has an urgent obligation to deal frankly and forthrightly in informing the American people as to our military capability to meet the Communist threat anywhere in the world and our fiscal capability to simultaneously finance the New Frontier on the home front. If we cannot do both, we must recognize that fact and select the course that will responsibly provide for dealing with the most urgent task first.

In conjunction with these remarks I wish to include a calm and well-reasoned editorial appearing in yesterday morning's Christian Science Monitor entitled "Check Those Assumptions":

[From the Christian Science Monitor, July 11, 1961]

CHECK THOSE ASSUMPTIONS

Conclusion jumping is not a safe cold-war pastime. Yet it is being rather freely indulged in following the latest Soviet military gestures. Premier Khrushchev's display of new airplane models and his statement that he is suspending announced cuts in the Soviet defense budget are producing too many unwarranted assumptions.

Citizens in member nations of the Western Alliance do not possess the detailed information to judge the degree of threat involved in either move. But they can readily note that these are publicized gestures, presumably intended for propaganda effects. And they do have an obligation not to panic or push their own leaders into ill-considered action. Certain information is available which can help.

It is highly unwise to take official Moscow statements about military measures as a true guide. The formal defense budget never includes all arms expenditures. Mr. Khrushchev would undoubtedly like to reduce defense costs which take one-quarter of the national income. But there have been indications that demobilization measures were causing some difficulties for him at home.

If he can achieve necessary internal adjustments and at the same time make propaganda abroad so much the better from his standpoint. In any case his words are not safe barometers of Soviet strength. Neither is the showing off of a few new planes. Too often in the past the display of a new model in Moscow has spurred a whole building program in Washington.

Ten years ago a lot of Americans became alarmed by the Bison, a Soviet bomber that was supposed to be the last word. Its production in great numbers was assumed. That assumption partly based a drive for new American fleets and the continued building of the B–36 long after it was obsolete. Then it turned out that less than a dozen Bisons were ever built. What was saved may have gone into big rocket boosters.

Right there we find another instance of jumping to conclusions. Ever since sputnik many Americans have assumed that the Soviet Union possessed enough ICBM's to wipe every city in the West off the map. "Missile gap" became a popular bogy—and a pillar of policy. But lately the experts have leaned to the view that Moscow has a limited number of long-range missiles. The Russians have conducted relatively few missile tests. They have made no salvo tests (the simultaneous firings that would be required for a general surprise attack).

Indeed, Hanson Baldwin, one of the soundest military commentators, now estimates that by the time the Soviet Union gets 150 ICBM's (1962–64) the United States will have as many or more. This does not count the Polaris (which so far appears to leave a gap on the Soviet side) or some 2,000 jet bombers. The Soviet plane display may spur the effort Congress is making already to spend another half billion on bombers.

In this connection some Congressmen point out that nuclear warheads have never been detonated after a missile flight, and that successful firing cannot be assumed. Although technicians have no doubts the fact is that pushbutton devastation cannot be assumed. Neither, of course, is it safe to assume that Mr. Khrushchev is not increasing his military power. But men of steady purpose will seek the facts behind words and gestures intended to upset them. They will check the temptation to shape policy by hasty assumptions.

CIVIL SERVICE RETIREMENT ACT

Mr. KEITH. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MORSE. Mr. Speaker, we live in an age when our national oversights and delinquencies—real or imaginary—are labeled "gaps" by Madison Avenue.

The "gap" I hope to close by the legislation I am today introducing is a very real one.

Under present law, service men and women, who are hospitalized immediately upon or before separation from service because of a service-connected disability, are not granted retirement credit during hospitalization. The "gap" that results—between a man's military service and his return to civilian employment—is obvious. It is time doubly lost, and just benefits unjustly withheld.

My bill would amend the Civil Service Retirement Act so that retirement credit would be provided for periods of hospitalization for service-connected disabilities immediately following discharge from service. It is my understanding that my able colleagues who serve on the House Committee on Post Office and Civil Service will be considering overall revision of the Retirement Act, and I feel confident they will not ignore this "gap" in it.

NATION'S CLEANEST TOWN

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. ADDONIZIO] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, it is most gratifying to me that the lovely city of East Orange in the 11th District of New Jersey has been designated the "Nation's Cleanest Town" in a national program sponsored by the National Clean Up—Paint Up—Fix Up Bureau. The grand national award, the Ernest T. Trigg trophy, is the highest tribute paid any community for demonstrating the greatest degree of improvement in community development and betterment.

In addition to the top award, honors were conferred on cities in eight separate population categories; East Orange was selected as the outstanding community in the 50,000 to 100,000 population class. This award was also made to East Orange in the 1959 contest in which it also won the First Time Entry Award.

In presenting the award, the bureau's president, Joseph F. Battley, commented:

As a relative newcomer, East Orange has demonstrated that the old-fashioned concept of interdependent community is still very much alive. The physical advantages of a clean up-paint up-fix up campaign—improvement of homes and industrial sites and general beautification of the city—are easily observed. Not so apparent are the benefits derived from bringing a community together in a coordinated effort and the fostering of civic pride. Mayor Kelly has done this and should be proud of the achievement of all the people of his city.

With the staggering problems that confront our cities today, it is heartening that so many municipalities are taking constructive, practical action to improve the cleanliness and attractiveness of public and private property. As the able mayor of East Orange, the Honorable James W. Kelly, Jr., pointed out, the hard work and desire of the citizens to make the community a better place in which to live and work made the award possible. I know, however, that the citizens will agree that the leadership must be exerted by the municipal government. The city of East Orange and the other winning cities have shown how much can be accomplished through the joint efforts of the officials and residents in preventing the decay and disrepair which result in slums with all their attendant evils. The clean-up, paint-up, fix-up community development program has been well described as the ounce of prevention that can mean the difference between a neighborhood stripped of its civic, economic, and esthetic value and a happy healthy place in which to live. There are more than 6,000 communities listed on the national honor roll of participating communities, and the number of entries in the annual contest is steadily increasing. I hope that their ranks will continue to grow as more and more communities respond to the challenge to provide their citizens with an opportunity for better living in attractive and ordered surroundings. May I suggest to my colleagues that they encourage the cities and towns in their districts to participate in this useful program.

Mr. Speaker, I believe that the city of East Orange is entitled to recognition by the Congress for this notable civic achievement. I am pleased to introduce in the House a resolution that is being

sponsored in the Senate by the Honorable HARRISON A. WILLIAMS, of New Jersey, extending the greetings and felicitations of the Congress to the city of East Orange for the presentation to it of the Grand National Award in the 1960 national cleanest town contest.

U.S. FOREIGN AID

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN], is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, I have introduced four bills as proposed amendments to the Foreign Assistance Act of 1961 and the appropriations bill that will implement the Foreign Assistance Act. They are H.R. 8078, H.R. 8079, H.R. 8080, and H.R. 8081.

The bills have two objectives: first, to make it clear in unequivocal, forceful language, that the Congress does not intend U.S. foreign aid to be used to assist nations that discriminate against American citizens on the basis of their race or religion; and second, to state, once again, that Congress believes in the principles of freedom of navigation in international waterways and economic cooperation among nations, and does not wish foreign aid used to assist nations that engage in economic warfare, blockades, boycotts, and interference with freedom of navigation.

Mr. Speaker, my bills are aimed at restoring the strong language of previous foreign aid legislation in opposition to the Arab boycott and Arab discrimination against Americans of the Jewish faith.

For years, members of the Arab League have been discriminating against American citizens of the Jewish faith by refusing to let them travel in Arab countries, solely because they are Jewish, and by refusing to let them do business in Arab countries, solely because they are Jewish. At the same time, the Arab nations have engaged in an economic boycott against Israel that has resulted in blacklisting of American ships and firms and refusal of access to the Suez Canal.

To meet this blatant and entirely unjustified discrimination by Arab countries, Congress in its wisdom wrote into the Mutual Security Act of 1960 powerful language indicating its opposition to economic boycotts and blockades and interference with freedom of navigation in international waterways. It directed the administration to give effect to the principles enunciated in the bill in administering the foreign-aid program. Later in the year, Congress wrote into the Mutual Security Appropriations Act equally strong language stating its opposition to Arab discrimination against U.S. citizens on grounds of race or religion and directing foreign aid programs to be administered in accord with this stated position of Congress.

Despite the clear position of Congress on these matters, Mr. Speaker, and despite its own stated intention—set forth by President Kennedy in his foreign-aid message—to link requirements for social justice and morality with receipt of foreign-aid from the United States, the administration this year included in the Foreign Assistance Act it sent to Congress much weaker language on Arab discrimination than was actually written into the 1960 acts.

The language inserted in this year's administration bill is woefully insufficient. It is only a pale carbon copy of last year's, a watered-down version that gives the impression we are retreating and are preparing to acquiesce in Arab discrimination, that gives the impression we are preparing to permit Arab discrimination of the most blatant kind against U.S. citizens.

It is a retreat from what Congress has clearly stated in the past. Such a retreat would easily be misinterpreted abroad and would encourage further discrimination against American citizens and businesses.

Moreover, Mr. Speaker, I was dismayed to read reports that the Senate Foreign Relations Committee has been considering deleting even the weak language of the administration version. This would be like rubbing salt into the wound. Actually, we must make it clear that Congress has not changed its position and is even more determined than ever not to acquiesce in Arab discrimination.

Mr. Speaker, it is for this reason that I have introduced the four bills I mentioned earlier. They would make it absolutely clear that Congress does not intend to retreat, does not intend to weaken previous language, does not intend in any way to acquiesce in Arab discrimination and boycotts.

Mr. Speaker, a crucial question, a question of principle, is involved here. Shall this great and democratic nation permit countries which are receiving economic aid from our hands to practice discrimination against American citizens because of their race or religion? That is the question. The answer is that we must not agree to this discrimination, that we must make our opposition to it clear in very strong language.

The proposed amendments in my bills would write into the act unqualified, unequivocal language and would serve notice to the world that the United States expects the recipients of its foreign aid to adhere to morality and justice.

This would be consistent with the President's own newly announced policy of linking foreign aid with social justice and morality.

My thoughts on the need for amendments such as I am proposing were outlined in my testimony last week, on July 6, before the House Foreign Affairs Committee holding hearings on the Foreign Assistance Act of 1961. Mr. Speaker, under unanimous consent I insert at this point in the RECORD the portion of my testimony, together with supporting material, dealing with amendments I have proposed:

EXCERPT FROM JULY 6 TESTIMONY OF REPRESENTATIVE SEYMOUR HALPERN BEFORE HOUSE FOREIGN AFFAIRS COMMITTEE

Mr. Chairman, I was pleased when the President in his March 22 message put great emphasis on reforms being undertaken by recipients of U.S. foreign aid. I strongly urge the committee, in its AID bill, to give clear and unequivocal endorsement to this principle of reform as a concomitant of aid.

It is high time, Mr. Chairman, that nations realize that they cannot take American foreign assistance for granted. They must qualify through their conduct for such aid.

Too frequently, our concepts and our Government itself are insulted both in deed and in word without fear. While I realize that a momentary misstep by a recipient nation should not be punished by the abolishment of our development assistance, nevertheless standards of conduct should be measured up to.

This concept of linking morality, social justice, and adherence to international law to our foreign assistance program is not new. It was recognized in several sections of the Mutual Security Act of 1954, as amended, and in the Appropriation Acts.

When members of the Arab League extended their quarrel with Israel by blatantly discriminating against American citizens and American businesses engaged in legitimate commerce or travel—when Egypt's Nasser held up American ships and commerce and international traffic through the Suez Canal in violation of U.N. decrees, Congress in its wisdom adopted provisions in both the Mutual Security Act and the Mutual Security Appropriation Acts (as well as the Lehman resolution in the Senate of which the President was a cosponsor) expressing its feeling of repugnance (to paraphrase the language in the statute) against such actions.

Section 102, "Statement of Policy," of the pending bill is, in part, a restatement of these previous congressional declarations. This part of section 102 to which I refer states:

"In addition, the Congress declares that it is the policy of the United States to support the principles of increased economic cooperation and trade among nations, freedom of navigation in international waterways, and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion. Accordingly, the Congress hereby affirms it to be the policy of the United States to make assistance available under this part in scope and on a basis of long-range continuity essentially to the creation of the environment in which the energies of the peoples of the world can be devoted to constructive purposes, free of pressure and erosion by the adversaries of freedom."

It follows the pledges made in the major party platforms. The Republicans stated:

"To seek an end to transit and trade restrictions, blockades and boycotts.

"To secure freedom of navigation in international waterways, the cessation of discrimination against Americans on the basis of religious beliefs."

The Democrats, on their part, stated:

"We will encourage an end to boycotts and blockades, and unrestricted use of the Suez Canal by all nations."

The Legislature of my own State of New York adopted on March 24, 1961, a resolution on this issue.

Recently Senator KEATING and I inquired of the State Department about steps taken, if any, to implement the will of Congress, regarding these qualifications to the foreign aid bills. The replies were, to say the least, equivocal.

Mr. Chairman, I consider the language in section 102 insufficient. It is, in effect, a retreat from what the Congress has quite clearly stated in past years. Such a retreat would easily be misinterpreted abroad and would encourage further discrimination against American citizens and business.

I, therefore, urge that the committee consider strengthening the pending bill to bring

it in line with the much stronger language enacted into the Mutual Security Appropriation Act of 1961, section 108 of which reads as follows:

"SEC. 108. It is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine."

By thus strengthening the language of the pending bill the Congress would not be weakening its position from that previously enacted.

Mr. Chairman, I strongly urge the committee to adopt an amendment along the lines of this language I have offered. And I urge that it be included as a separate section of the bill to emphasize its meaning.

While I believe the bill should be strengthened, it seems to me that there is little point in doing so if the executive departments continue to ignore the will of the Congress, a will which has been clearly spelled out on several previous occasions. In effect something more is required than insertion of a word here, deletion of a word there or the turning of a better phrase. I, therefore, urge that the committee in its report call particular attention to this issue and emphasize that the Congress wishes full force given to its wishes—wishes which have been clearly expressed in prior bills and resolutions, in congressional reports and numerous public statements of members of this body, as well as in the platforms of the two great parties and by the President both in the campaign and in his service in the Senate.

I further suggest, Mr. Chairman, that in submitting the reports required by section 204 of the bill, the State Department make particular reference to activities with respect to the guaranteeing of rights of American citizens abroad, freedom of the seas and the safeguarding of American ships and cargoes passing through international waterways.

Mr. Chairman, this is a vital issue which cannot be stressed too much. It is basic to our ideals and goes to the core of the purpose of this legislation.

In emphasizing the need for such a strong antidiscrimination provision, I believe it would here serve a constructive purpose to add a personal note. It highlights the fact that certain Arab States have little intention of adhering to our recent doctrine that links reform and social justice to aid. They are willing to accept our aid but are unwilling to lift insulting restrictions against American nationals.

Mrs. Halpern and I have been contemplating traveling abroad after the adjournment of Congress. The itinerary we are considering includes a number of the emerging countries of Africa and Asia. Our trip is planned as a private vacation and will not be undertaken at public expense. Although I envision the trip as a personal tour, I would naturally like to observe conditions abroad, especially in those economies related to our own through business affiliations, Government aid programs, loans and participation in international finance agencies. I am particularly interested in these subjects as a member of the House Banking and Currency Committee and its Subcommittee No. 1, which covers international finance. In addition, the trip would provide invaluable background for decisions, as a Member of Congress, on votes on various authorization and appropriation bills involving aid to underdeveloped countries.

In making plans for our trip, Mrs. Halpern and I sought information on airline schedules for the proposed area of the tour. I am indignant to learn that Saudi Arabia, a nation receiving substantial economic and military assistance from the United States, informed the commercial airlines serving Dhahran, a stop on our itinerary, that Americans of my religious faith are not permitted to enter Saudi Arabia, either as tourists or even simply for layovers at the airport while en route elsewhere. This policy of the Saudi Arabian Government is not limited to private citizens of the Jewish faith, but apparently extends also to U.S. Government officials, including ICA and State Department personnel, as well as officers and men of the U.S. Armed Forces whose duties might require assignment to the airfield used by our Government in Dhahran.

Am I to understand, then, that a Member of Congress is to be denied access to Saudi Arabia, to development projects financed by American taxpayers of all faiths? Must a U.S. official, an Air Force pilot, a private citizen, a Congressman obtain a "security clearance" on the basis of his religious convictions in order to visit American-financed facilities in Saudi Arabia?

Saudi Arabia is not the only country practicing religious discrimination as a matter of national policy against American Jews. I refer you to the "Official Airline Guide," which is published for the Air Traffic Conference of America and the International Air Transport Association, and which is a standard guide on travel regulations used by airlines and travel agents throughout the United States. This official publication clearly shows which airlines service the area and reveals detailed restrictions covering persons of the Jewish faith.

Following are a few excerpts:

In the March–May 1961 edition of the Official Airline Guide, part 3, it is noted on page 6 that waiver of visa while transiting Egypt by air is "not applicable to persons of the Jewish faith."

On page 8 is a special note which reads as follows:

"Israeli subjects, Jewish nationals or persons of the Jewish faith, regardless of the passport they hold, may not enter Syria even for transit purposes except those transiting Mezze Airport (Damascus) on the same aircraft and provided they remain aboard the aircraft during the transit period."

On page 14 the Guide states as one requirement for entry to Jordan through the Mandelbaum gate that travelers "hold a church certificate which establishes that they are not of the Jewish faith."

On page 16 the Guide states: "The following persons are prohibited from entering Jordan: (a) nationals of Israel, persons of Jewish faith, and members of Jehovah's Witnesses."

I learn with horror that Jordan, recipient of $230 million in aid from the United States through 1960, requires our citizens to provide a "church certificate which establishes that they are not of the Jewish faith" in order to enter the country. Our assistance funds may enter but our people may not, if of Jewish faith, regardless of whether they are State Department or point 4 officers or even members of the President's own Cabinet, the distinguished Secretaries of Labor, and Health, Education, and Welfare, and to Members of Congress who vote appropriations for air terminal building they may not enter.

At a time when we had to dispatch U.S. marshals to protect the civil rights of our citizens of Alabama, I cannot believe we will again dispatch aid to foreign nations that discriminate even against American officials of Jewish faith dispensing aid to sustain feudalistic and tyrannical regimes.

Could it be that this pattern of discrimination also applies to Members of Congress who vote appropriations for air terminal buildings they may not enter?

It is interesting to note that the Justice Department on June 26 filed suit with respect to the Moisant International Airport at New Orleans, La., requesting a preliminary injunction enjoining discrimination against Negroes and refusal to serve them in a manner equal to white citizens. The suit is based on the fact that the airport was constructed in large part with Federal funds. Yet, with respect to the terminal facilities and the commercial airport at Dhahran, Federal funds were used and American citizens of the Jewish faith are not allowed to use these facilities to any extent—not even on a segregated basis. I cannot accept the inconsistency of the double standard for New Orleans and Dhahran.

In Saudi Arabia we appeased King Saud and agreed not to station U.S. Air Force personnel of Jewish faith at the field leased at Dhahran. Now, despite our heavy financial investment in that field and our surrender of principle—in effect translating foreign bias into U.S. Government religious differentiation among members of our own Air Force—we are being evicted, effective in less than a year from all use of the field. Saudi Arabia further repaid us when its United Nations delegation led the attack on our country on the Cuban issue at the U.N.

Yet, after all this transpired, the International Cooperation Administration in completing work on the civil terminal at Dhahran that I am not permitted to visit.

But it is not an issue of personal outrage. I simply cannot understand our policy of building facilities which discriminate. Only a few weeks ago an American lady's TWA flight happened to land at Dhahran to refuel on a flight from Bombay. The American crew, on learning she was Jewish, became terrified for her safety and virtually hid her aboard the plane until it took off, withholding her U.S. passport from Saudi customs officials. This particular lady, it happens, was so patriotically inclined during World War II that she joined the WAC's and served with devotion. It is but one example of a ridiculous and ignominious situation in which the State Department is failing to protect our citizens while continuing aid to various Arab States that practice Nazi-like policies with seeming impunity.

I raised these matters with the State Department and received an evasive and unresponsive answer. The State Department said, in effect, that I might be a subversive agent of Israel in the Arab view and inimical to Arab security interests. The State Department said that "pressure or coercion," as they phrased it, was unlikely to eliminate Arabian bigotry against Americans of Jewish faith. However, the same State Department is horrified here in the District of Columbia and elsewhere in America when an African student or another foreigner encounters discrimination. Mind you, discrimination not from the U.S. Government, but from some individual restaurant owner or landlord, so I can only conclude that the Department takes a different view of discrimination by American individuals against foreigners than it does of official governmental policies of total restriction by Arab regimes that do not even permit Americans of my faith to set foot in those countries.

On the very same day, June 22, the State Department wrote me a lengthy communication justifying its refusal to implement the stated sense of the Congress, contained in section 108 to which I referred earlier. A contradictory opinion came from another voice in the executive department. Mr. R. Sargent Shriver, Director of the Peace Corps, told the Senate Foreign Relations Committee that the Peace Corps would not aid nations that differentiated among Americans on a basis of race or religion. He cited

section 108 of the act we adopted and declared "we do not enter into agreements * * * which have standards that are unacceptable to the Congress or to the American people."

But it now appears that, unless the amendment I propose is adopted, the State Department may have the final say in its apparent determination to ignore the sense of Congress heretofore expressed in section 108.

Today I learn from reliable press reports, to my great dismay, that the new, weaker clause to which I referred faces elimination by the initiative of the chairman of the Senate Foreign Relations Committee with the reported concurrence of the State Department. The press reported that Assistant Secretary Talbot told the Senate committee that the latest antibias clause was not reflective of the Department's thinking but was submitted to Congress by President Kennedy to indicate administration policy. Mr. Talbot was quoted as stating that the clause could be stricken without objection from his Department and that it served no useful purpose.

It is my hope that the Senate committee retains the provision against bias in the legislation sent to us by the White House. Our citizens, merely because of religious faith, are systematically barred from Saudi Arabia, Jordan, Syria, Yemen, Lebanon, and Iraq, and face insulting but lesser restrictions in Egypt.

It is my proposal that we reject the imposition by foreign nations of religious discrimination against our citizens by adding such wording as you may deem appropriate to this legislation, authorizing severance of aid to any nation that persists in discrimination. I feel that the House Committee on Foreign Affairs should not only retain the antibias clause submitted by President Kennedy but strengthen it to authorize termination of assistance to any nation that imposes religious or racial barriers against American citizens.

If it please the committee, I would like to submit for the record the exchanges on this matter between myself and the State Department.

The documents of the exchanges are as follows:

1. Letter from William S. King, acting secretary of Senate of New York State, to Representative HALPERN transmitting New York State Senate resolution on Arab boycotts and discrimination, March 30, 1961.

2. Text of New York State Senate resolution on Arab boycotts and discrimination.

3. June 2, 1961, letter from Assistant Secretary of State Brooks Hays to Representative HALPERN.

4. June 9, 1961, letter from Representative HALPERN to Secretary of State Dean Rusk.

5. June 22, 1961, reply from Assistant Secretary Hays.

6. June 29, 1961, response by Mr. HALPERN to Secretary Rusk.

THE SENATE, STATE OF NEW YORK,
Albany, N.Y., March 30, 1961.

Hon. SEYMOUR HALPERN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: I am enclosing a copy of Senate Concurrent Resolution No. 131, adopted by the senate on March 24, 1961, and concurred in by the assembly on March 25, 1961, memorializing the Department of State of the United States to take steps to discourage and nullify the effects of trade restrictions, blockades and boycotts by the nations comprising the Arab League against American citizens of the Jewish faith and against American companies controlled or managed by such citizens.

Sincerely,

WILLIAM S. KING,
Acting Secretary of the Senate.

RESOLUTION 131

Concurrent resolution memorializing the Department of State of the United States to take steps to discourage and nullify the effects of trade restrictions, blockades, and boycotts by the nations comprising the Arab League against American citizens of the Jewish faith and against American companies controlled or managed by such citizens

Whereas Arab nations, including the United Arab Republic, Iraq, Jordan, Lebanon, Saudi Arabia, Yemen, Libya, Sudan, Tunisia, and Morocco, functioning as the Arab League, have been conducting a boycott of American citizens, business, and industry; and

Whereas the Arab League has blacklisted all American ships which have touched at Israel ports of call; and

Whereas American firms doing business with Israel are cut off from trade with Arab countries; and

Whereas most American companies controlled or managed, partially or wholly, by Americans of the Jewish faith are not permitted to establish commercial relationships with countries that are members of the Arab League; and

Whereas American servicemen and Armed Forces employees of the Jewish faith are not permitted to serve at the Dhahran Airbase in Saudi Arabia; and

Whereas American citizens of the Jewish faith are generally not permitted to disembark on Arab soil, by land, sea, or air; and

Whereas approximately 500 American business firms during 1960 received warnings through the U.S. mails from Arab boycott officers in Damascus and Kuwait that if Americans have commercial dealings with Israel, they must forgo doing business with Arab countries; and

Whereas individual Hollywood motion picture stars have also been blacklisted; and

Whereas American citizens of the Jewish faith are generally excluded from private employment in any capacity in any Arab owned or controlled company; and

Whereas the U.S. Navy reserves the option to cancel the charter of any vessel carrying Navy cargo, if any Arab country refuses to allow the vessel to load or unload cargo, because the ship's charterers or owners have previously done business with Israel; and

Whereas with the approval of the Department of Agriculture, Commodity Credit Corporation, and the U.S. Navy, contracts for the shipment of U.S. surplus wheat to the United Arab Republic provide that the vessel may not have traded at Israeli ports; and

Whereas the Democratic Party platform of 1960 pledged the protection of the rights of American citizens to travel, to pursue lawful trade, and to engage in other lawful activities abroad without distinction as to race or religion; and has further pledged to oppose any international agreement or treaty which by its terms or practices discriminates against American citizens on grounds of race, or religion; and

Whereas the Republican Party platform of 1960 pledged to seek an end to transit and trade restrictions, blockades and blacklists, and further pledged to secure freedom of navigation on international waterways and the cessation of discrimination against Americans on the basis of religious beliefs: Now, therefore, be it

Resolved (if the assembly concur), That the Department of State be and is hereby respectfully memorialized (a) to take a firm position against Arab interference in the conduct of the affairs of American citizens and businessmen;

(b) to abstain from any cooperation with Arab League boycott activities and policies;

(c) to resist any efforts by Arab nations to maintain or widen its boycott activities in the United States, and

(d) to exert all possible efforts and utilize its resources to the fulfillment of the spirit and purposes of this resolution, and it is further

Resolved (if the assembly concur), That copies of this resolution be transmitted to the President of the United States, to the Secretary of State of the United States and to each Member of the Congress of the United States duly elected from the State of New York, and that they later be urged to devote themselves to the task of accomplishing the purposes of this resolution.

By order of the Senate.

WILLIAM S. KING,
Acting Secretary.

DEPARTMENT OF STATE,
Washington, June 2, 1961.

Hon. SEYMOUR HALPERN,
House of Representatives.

DEAR MR. HALPERN: I have for reply your letter of May 12, 1961, to the Secretary which transmits a copy of a concurrent resolution adopted by the State of New York memorializing the Department of State "to take steps to discourage and nullify the effects of trade restrictions, blockades and boycotts by the nations comprising the Arab League against American citizens of the Jewish faith and against American companies controlled or managed by such citizens." Your letter also inquires about what steps are being taken by the Department or the administration to fulfill the intent of section 2(f) of the Mutual Security Act, which would authorize the President to cut off economic assistance to any nation violating the principle of freedom of passage through international waters.

The Arab League boycott has been a cause of continuing and urgent concern to the Department of State. Our Government neither condones nor recognizes the Arab boycott of Israel. We have consistently made clear to the appropriate governments our disapproval of boycott regulations, particularly those providing for discriminatory actions which adversely affect American citizens or firms. Our missions in Arab countries have standing instructions to reemphasize this fundamental position at every appropriate opportunity. In connection with the warnings received by a number of American firms from Arab boycott offices, referred to in the resolution, the Department took up the matter directly with the appropriate authorities to effect a cessation of this disturbing practice.

The Department has reviewed carefully the concurrent resolution and believes its general purport wholly consistent with U.S. Government attitudes. At the same time, however, we have noted certain premises therein which are not wholly accurate. For example, the resolution states that U.S. Government agencies have condoned the boycott. In fact, the U.S. Navy does not reserve the option to cancel the charter of any vessel because of the effect of the boycott. The Navy discontinued the use of the so-called "Haifa clause" on February 19, 1960, lest it be misconstrued as acquiescence in boycott procedures.

Similarly, contracts for shipments of U.S. surplus wheat as a gift to the United Arab Republic, under the provisions of titles II and III of Public Law 480, do not contain discriminatory or restrictive clauses. In the case of shipments under title I of Public Law 480, which are paid for in the local currency of the recipient government and where title to the wheat in effect passes to that government at dockside, the Department has recently investigated UAR charters. They have included only a clause prohibiting the vessel from "calling at Israeli waters or ports prior to discharge." It will be noted that such a clause does not bear on operations of the vessel prior or subsequent to the voyages provided for in the charter.

With respect to the implementation of section 2(f) of the Mutual Security Act, our diplomatic posts throughout the world were informed of the details of this provision of the Mutual Security Act of 1960, and our missions in the Near East were specifically reminded of the Department's longstanding policy in favor of freedom of navigation through international waterways, including the Suez Canal. They were instructed that efforts should continue to be made through every appropriate means and at every suitable opportunity to make clear the will of the American people with respect to the principles set forth in section 2(f).

In implementing these instructions, our field posts have suggested that we avoid linking Suez transit and boycott questions directly with assistance under the mutual security program and Public Law 480 in the belief that to do so would adversely affect overall U.S. interests without advancing the principles and purposes of section 2(f). Notwithstanding the views expressed in the field, the Department continues to weigh how section 2(f) might best be applied on each occasion when proposals for significant new assistance come under consideration. Given the considered opinions of our field posts, the Department has so far concluded that efforts to link our assistance under the Mutual Security Act and Public Law 480 not only would intensify the very trade and transit restrictions which we hope may be eliminated but also would play into the hands of the Soviet bloc by exacerbating Middle East tensions.

In closing, let me assure you that the Department fully shares your concern that every effort should be made to facilitate progress toward a resolution of the boycott problem and to eliminate discrimination in the use of international waterways. We shall continue to do whatever is feasible, effective, and consistent with our national interest to facilitate a resolution of these complex issues. It remains our view that avoidance of coercive tactics is more likely to produce an atmosphere conducive to a settlement of the fundamental Arab-Israel tensions, from which these restrictions arise, than would unilateral economic pressure from the United States.

I hope that these comments will be helpful to you. If we can be of further assistance, please do not hesitate to call on us.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 9, 1961.

Hon. DEAN RUSK,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: I respectfully wish to invite your attention to a problem that demands action—not because I am personally involved—but to preserve this Nation's heritage of religious freedom.

Mrs. Halpern and I have been contemplating traveling abroad after the adjournment of Congress. The itinerary we are considering includes a number of the emerging countries of Africa and Asia. Our trip is planned as a private vacation and will not be undertaken at public expense.

Although I envision the trip as a personal tour, I would naturally like to observe fiscal and monetary conditions abroad, especially in those economies related to our own through business affiliations, Government aid programs, loans, and participation in international finance agencies. I am particularly interested in these subjects because I am a member of the House Banking and Currency Committee and its International Finance Subcommittee. In addition, the trip would provide invaluable background for my decisions, as a Member of Congress, on votes on various authorization and appropriation bills involving aid to underdeveloped countries.

In making plans for our trip, Mrs. Halpern and I sought information on airline schedules for the proposed area of the tour.

Mr. Secretary, I am indignant to learn that Saudi Arabia, a nation receiving substantial economic and military assistance from the United States, informed the commercial airlines serving Dhahran, a stop on our itinerary, that Americans of my religious faith are not permitted to enter Saudi Arabia, either as tourists or even simply for layovers while en route elsewhere.

This policy of the Saudi Arabian Government is not limited to private citizens of the Jewish faith, but apparently extends also to U.S. Government officials, including point 4 and State Department personnel, as well as officers and men of the U.S. Armed Forces whose duties might require assignment to the airbase leased by our Government in Dhahran.

Am I to understand, then, that a Member of Congress is to be denied access to Saudi Arabia, to a base that flies the Stars and Stripes, to development projects financed by American taxpayers of all faiths? Must a U.S. official, an Air Force pilot, a private citizen, a Congressman obtain a security clearance on the basis of his religious convictions in order to visit Saudi Arabia?

Inquiring into the matter, I was authoritatively informed that despite agreement of the U.S. executive branch to a lease that specifically precluded assignment of U.S. personnel of Jewish faith to the Dhahran base, our Air Force is nevertheless to be barred entirely in less than a year. Our financial investment has been heavy. The compromise of principle proved futile.

Now I learn with dismay that the State Department recently notified King Saud that even though our Air Force is being ousted, and our citizens subjected to religious bias, we will continue spending money to complete construction this summer of a civil air terminal in Dhahran. This is the very terminal, presumably, from which I am barred. A similar situation apparently prevails at a Saudi Arabian port, Damman, where we are spending 20 million of American dollars on improvements despite Saud's arbitrary actions against American Jews.

Mr. Secretary, I am neither a freedom rider nor a freedom flier, but I believe in the freedom of U.S. Congressmen and all Americans regardless of religious faith to visit any nation benefiting from aid provided by all U.S. taxpayers.

How can the use of U.S. funds to complete an air terminal for a nation openly practicing religious discrimination against American citizens be reconciled with our Bill of Rights, which makes religious freedom a central prnciple of our constitutional system? If "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof," can the Federal Government knowingly acquiesce in foreign religious bigotry affecting Americans?

Congress, in keeping with our Federal Constitution, withheld funds from parochial schools. And, under our Constitution, no Federal, State or local legislature or agency of government may validly pursue a policy of religious or racial discrimination, or commit funds for discriminatory institutions. By what authority are funds designated for air terminals abroad where religious discrimination is practiced flagrantly against citizens of this Nation? I am certain that many colleagues share my desire for an answer to that question.

Mr. Secretary, I must respectfully ask the State Department to explain how our aid is being applied, in accordance with President Kennedy's message to Congress linking aid with social justice and reform, in the light of Saudi Arabian policies. This is not a matter of intrusion into internal Saudi Arabian affairs. This is a question of whether during this session you will ask Congress to vote new funds for regimes that apply religious or racial discrimination against Americans.

Saudi Arabia is not the only country practicing religious discrimination as a matter of national policy against American Jews. I refer you to the "Official Airline Guide," which is published for the Air-Traffic Conference of America and the International Air Transport Association, and which is standard guide on travel regulations used by travel agents throughout the United States.

In the May 1961 issue, part III, page 6, I note that a waiver of visas is applicable for Americans at Cairo airport provided the passenger's entry and departure are by air, but this is "not applicable to persons of Jewish faith." I learn with horror that Jordan, recipient of $230 million in aid from the United States through 1960, requires our citizens to provide a "church certificate which establishes that they are not of the Jewish faith" in order to enter the country.

The "Official Airline Guide" also states that "persons of Jewish faith, regardless of the passport they hold, may not enter Syria even for transit purposes except those transiting Mezze Airport (Damascus) on the same aircraft and provided they remain aboard the aircraft during the transit period."

At a time when we had to dispatch U.S. marshals to protect the civil rights of our citizens of Alabama, I cannot believe we will again dispatch aid to foreign nations that discriminate even against American officials of Jewish faith dispensing aid to sustain feudalistic and tyrannical regimes.

Could it be that this pattern of discrimination also applies to Members of Congress who vote appropriations for air terminal buildings they may not enter?

The State Department recently sought to link anti-American discrimination with Israel-Arab tensions. But trouble between various foreign nations is no excuse for American acquiescence in foreign discrimination against U.S. citizens. That would be like saying that, because of tensions between Ireland and Great Britain, we would condone, for example, a decision by England to bar Americans of the Roman Catholic faith.

Mr. Secretary, American citizens of the Jewish faith are barred, I learn, not only from Saudi Arabia, Jordan, and Syria, but also from Iraq, Yemen, Lebanon, and, to some extent, Egypt. Now that your Department is organizing a new Agency for International Development and we have a new theory about linking foreign aid with requirements for social justice and reform, strong efforts on your part would seem to be indicated toward a policy of effectively defending the rights of Americans of all faiths in the Arab States.

Various ambassadors and other officials of the State Department are Jewish. So are two of your colleagues in President Kennedy's Cabinet, Messrs. Goldberg and Ribicoff. I assume these gentlemen have all been advised that they cannot use the air terminal we are completing at Dhahran—even, presumably, to make a trip to aid King Saud with his labor or health, education and welfare problems.

It seems to me mandatory to uphold our national dignity by denying aid to any nation that discriminates against Americans on the basis of race or religion. In fact, it is an obligation of our State Department to protect American citizens abroad and defend their rights.

I fail to see any strategic advantage in financing a "segregated" air terminal that we know will bar Americans on a religious basis and that could well soon be used as a base for Communist-trained instructors. We

gained nothing from our ignominious appeasement of King Saud.

Mr. Secretary, I want to know your views on the questions I am forced to raise. The Dhahran discrimination, particularly, is intolerable. Not only does it affect me, personally, but it is an affront to the entire Nation and the citizens I represent. Thoughtful Americans of all faiths are deeply and intelligently concerned about our foreign policy and the preservation of freedom.

Very truly yours,

SEYMOUR HALPERN.

DEPARTMENT OF STATE,
Washington, June 22, 1961.

HON. SEYMOUR HALPERN,
House of Representatives.

DEAR MR. HALPERN: I have for reply your letter of June 9 to the Secretary of State which expresses your concern over information reportedly given you by unspecified commercial airlines that Saudi Arabia will not grant you a visa for a stopover at Dhahran because of your religious faith and over similar discriminatory practices against Americans of Jewish faith by other Near East governments.

I can well understand your indignation at discriminatory practices against American citizens of Jewish faith and would make it very clear that this Government, as a matter of policy, does not condone discriminatory practices of this sort against its citizens. Further, the Government of the United States would not knowingly aid or abet the implementation of such discriminatory practices against its citizens, and is doing all in its power, also having in mind national security and general foreign policy considerations, to eliminate such practices. You will appreciate, however, that, like the United States, any foreign government has the right to regulate or control the admission of foreigners. The provision of U.S. aid to foreign governments does not impair their right to do so, although it is our hope that it may help to create a favorable political climate in which we can more effectively work for the ultimate elimination of such discriminatory practices and, in the meantime, to assuage their adverse effects on American citizens.

I want to assure you that if you choose to submit an application for a Saudi Arabian visa, the Department of State will most certainly do what it can to support your application, although I should also tell you quite frankly that we can by no means be assured of success. Saudi Arabia and other Arab States contend that they have no desire to discriminate against American citizens on grounds of religion, but that as long as the Arab-Israel conflict continues, they will normally refuse entry to persons who have strongly supported Zionism or Israel. Rightly or wrongly, they view such activity as inimical to their security interests. I mention this not to suggest that the Department of State in any way endorses this view, but because it constitutes a very real factor in the actions of Arab governments which cannot be ignored. In this connection, you no doubt know that certain Americans of the Jewish faith have been admitted to Saudi Arabia, but only in instances where the Saudi Government had satisfied itself that such individuals are of an anti-Zionist persuasion.

In connection with Dhahran airfield, your letter suggests there may be some misunderstanding as to its precise status. The United States does not have an airbase at Dhahran or any extraterritorial rights. Rather, by virtue of an agreement concluded in 1957, the United States has been granted certain operational facilities at the Saudi Arabian airfield at Dhahran. The Saudi Arabian Government announced on March 16 of this year that it does not intend to renew that agreement when it expires on April 1, 1962. At least one reason for the Saudi action has been the somewhat indiscriminate suggestion in various circles in this country that Dhahran is an American airbase, a suggestion which has deeply offended Saudi sensibilities.

Neither the 1957 Dhahran airfield agreement with Saudi Arabia nor the earlier pertinent 1951 agreement, both of which have been published, precludes the assignment of American military personnel of Jewish faith to Dhahran. Persons unacceptable to the Saudi Arabian Government are excluded from the U.S. military training mission in Saudi Arabia, but the determination of any such persons is a matter for Saudi Arabia to make in exercise of its sovereignty. The Department of State would not—indeed, could not—enter into any agreement which, by singling out American citizens of a particular faith, would violate the basic tenets upon which this Nation had been founded and which ascribe to all American citizens equal rights and equal obligations.

In assigning U.S. personnel abroad, both civilian and military, the United States cannot and does not inquire into the religious affiliation of the assignee. With respect to American servicemen of Jewish faith at Dhahran, the United States has made it clear to Saudi Arabia that U.S. servicemen are statutorily required to refrain from engaging in political activity during their period of military service and are expected to carry out faithfully the orders given them by their superior officers. The Government of the United States has absolutely no reason to believe that factors of race, creed or color of themselves adversely affect the desire or the ability of American servicemen to carry out their assigned duties, wherever stationed, in the best traditions of the respective military services to which they belong. We have indicated to Saudi Arabia that the only valid considerations which the Government of the United States can properly take into account in assigning personnel to Dhahran are those of availability and professional qualifications. As far as we are aware, all U.S. servicemen assigned to Saudi Arabia have sought to perform their duties conscientiously, to the best of their abilities, and, we hope, to the Saudi Arabian Government's satisfaction. We have expressed the hope, therefore, that the Saudi Arabian Government will not exclude, for reasons of race, creed or color, any American servicemen from participating in United States-Saudi Arabian military cooperation, which is designed to enhance Saudi Arabia's defensive capability.

There is no formal U.S. economic aid program in Saudi Arabia. In return for the operational facilities at Dhahran, which the Department of Defense has considered as of importance to our national security, the Government of the United States agreed in 1957 to provide certain military training to Saudi Arabia, to build a civil air terminal at Dhahran, and to improve the port at Damman. The already-cited Saudi announcement of March 16 at Dhahran does not affect the U.S. Air Force's use of the Dhahran facilities for the duration of the agreement. In the circumstances, as long as Saudi Arabia is apparently prepared to honor its commitment under the 1957 agreement, we have felt obligated to fulfill our own commitment thereunder. No additional grant aid, military or economic, is presently contemplated for Saudi Arabia.

With respect to baptismal certificates required by the Jordanian Government, the Department of State has actively sought to persuade the Jordanian authorities to drop this requirement, and we have some hope that the Jordanian Government may do so. I would caution, however, that the likelihood of Jordanian remedial action in this matter will be considerably diminished if it is thrown into the public forum.

In the Egyptian region of the U.A.R. there is no discrimination against entry of persons of the Jewish faith. Jewish tourists may enter the Syrian region provided they travel in organized tourist groups. Visas are sometimes denied, however, if persons have visited Israel.

In connection with discriminatory practices against Americans on grounds of race, creed or color, the Department of State has been mindful of section 108 of the Mutual Security Act of 1960 and has considered, where appropriate, whether U.S. foreign aid programs might afford an opportunity to eliminate such practices. We shall continue to do so and to seize every feasible occasion to advance toward a resolution of this problem.

I hope that the foregoing may be of some help in clarifying the U.S. position on what is undoubtedly one of the most disturbing problems that our Government faces today. Discrimination is a worldwide problem and is scarcely likely to be eliminated by pressure or coercion. What is required, I believe you will agree, is persistent, patient persuasion which will, hopefully, ultimately break down such disturbing practices.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 29, 1961.

HON. DEAN RUSK,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: Your communication of June 22, 1961, by Assistant Secretary Brooks Hays concerning discrimination by certain Arab States against American citizens of Jewish faith, has been received.

It is puzzling that the Department of State, in its letter, took a far different policy stand than that espoused simultaneously by another official of the executive department, R. Sargent Shriver, Jr., head of the Peace Corps, who told the Senate Foreign Relations Committee on the very same day, June 22, that the Peace Corps would not assist nations that sought to differentiate among Americans on a basis of race or religion. The State Department, according to your letter to me, rationalizes and evades the same issue.

Mr. Shriver declared openly that the Peace Corps would not conclude an agreement for a project in any nation that insists on discriminating against Peace Corps personnel on religious or racial grounds. Mr. Shriver said the Peace Corps would tell such a country: "* * * we are sorry we are not able to do business with you." Mr. Shriver cited section 108 of the Mutual Security Appropriations Act, expressing the sense of Congress, and declared "we do not enter into agreements * * * which have standards that are unacceptable to the Congress or to the American people."

Apparently, Mr. Shriver is implementing the intent of the Congress but I regret that the State Department and the International Cooperation Administration are not. Indeed, I find the Department's statement indicative of a tendency of appeasement. The effect is the translation of Arab bias into U.S. discrimination among its own citizens, officials, and employees.

The evasive and equivocal stand of the State Department is in sharp contrast to that of Mr. Shriver. I would appreciate an explanation of how one executive department agency follows a consistent policy while other agencies espouse policies entirely different. I can see no reason, if the Peace Corps can effectively insist on defending the religious and racial rights of its personnel, why the State Department cannot implement the same policy.

You have assured me that the Department of State would support my application for a Saudi Arabian visa but also tell me "quite frankly" that "we can by no means be assured of success" because of the Arab-Israel

conflict and apparently an Arab view that I might be an agent of Israeli subversion or "inimical to their security interests." I find such reasoning a gratuitous insult to my patriotism as an American citizen and certainly will insist that the Department defend my rights to travel freely abroad, in any Nation receiving U.S. assistance, on a basis of equality with any other American citizen. I hereby formally request the Department of State to assist me in obtaining the necessary visa for this contemplated private tour at my own expense.

My work and private travel are those of an American. They have nothing to do with my personal faith and I am shocked that the Department is convinced that it would be "pressure and coercion," as you put it, to defend the rights of Americans abroad in nations benefiting from U.S. assistance programs.

There are other aspects of your letter that disturb me. Referring to my intention to visit certain nations in the Middle East you allude to information "reportedly" given me "by unspecified commercial airlines." Let me say that this information was specifically and explicitly given me and not just "reportedly" provided. Surely you must know of many other similar instances. I couldn't have been more specific in my letter of June 9 than by referring you to the "Official Airline Guide" that clearly shows which airlines service the area and reveals detailed restrictions covering persons of the Jewish faith. My further inquiry confirmed such restrictions. For example, TWA, serving Dhahran, informed me that "entry or transit visas would not be issued to persons of Jewish extraction or faith." This, I was informed, would unquestionably bar me, notwithstanding the fact I am a U.S. Congressman.

That is why I asked you in my June 9 letter if I am to understand that a Member of Congress is to be denied access to Dhahran airfield, to facilities financed by American taxpayers of all faiths? Must a U.S. official, an Air Force pilot, a private citizen, a Congressman obtain a "security clearance" on the basis of his religious convictions in order to visit or utilize facilities built with U.S. funds in certain nations receiving our aid?

I wish to refer to other disturbing points in your letter of June 22. Your reference to the Dhahran airfield is one of them. You say that our agreement does not specifically preclude assignment of American military personnel of Jewish faith to Dhahran. Yet, in the next sentence you say, "persons unacceptable to the Saudi Arabian Government are excluded." This is begging the question; it is a play on words and means in effect exactly the same thing. It has long been common knowledge that the persons "unacceptable" to Saudi Arabia are those of Jewish faith.

You say there is no additional grant aid, military or economic "presently contemplated" for Saudi Arabia. There is no question but that current aid is continuing, despite that nation's flagrant discrimination against Americans, and despite the antibias clause in mutual security legislation which authorizes severence of aid. Although you maintain that additional grants are not "presently contemplated," this strategic language is far from reassuring. I might add, should there be any further aid projects to this country, I would appreciate being advised of the details. Also, may I have a complete report of present projects?

You also state, that Saudia Arabia and other Arab States have no desire to discriminate against American citizens, but as long as the Arab-Israel conflict continues they will normally refuse visas to persons who have strongly supported Zionism or Israel. This is not consistent with the facts. Individuals wishing such visas are not questioned as to their beliefs other than their religion. This has been repeatedly borne out and surely the Department is aware of it. A recent instance involves an American lady, a former WAC, who was prevented from disembarking from a plane while in transit in Dhahran on a flight from Bombay because of her religion. A member of my own staff only this week not only made airline inquiry, but also called the Saudi Arabian Embassy in Washington directly. Not even the slightest reference was made by the Embassy, or question asked, as to any Zionist attitude or "friendship for Israel." He received a flat "no" for an answer. The Embassy said they "wouldn't even consider" giving permission to a Jew, even an American citizen, to transit Saudi Arabia.

I should like to point out, too, that the Arab restrictions cited by the "Official Airline Guide" and the representatives of the commercial airline are against persons of the Jewish faith; there is no wording in these restrictions limiting them to Zionists or supporters of Israel. It is self-evident that the restrictions are not merely against Zionists or supporters of Israel—whatever that phrase may mean—but against all persons of the Jewish faith on a blanket, overall basis, regardless of their views or the extent of their activity and feelings toward Israel.

Mr. Secretary, it is my intention to fight vigorously against any appeasement by the United States of Arab bias against Americans in Saudi Arabia, Jordan, Iraq, Yeman, Lebanon, Syria and Egypt, and against any acquiescence by our Government in the insulting religious discriminations practiced by those nations.

The Federal Government, through the Attorney General, has filed suit against racial discrimination at the New Orleans airport terminal. Yet you are simultaneously asking Congress for funds to construct discriminatory facilities for Arab States—states that brazenly pursue a Nazi-like policy against Americans of Jewish faith.

The executive department quite justifiably uses what racists may term "pressure or coercion" in the New Orleans Moisant International Airport suit, and elsewhere in the South. Yet the State Department takes a line reminiscent of those who defy the U.S. Supreme Court decision on desegregation when the Department advocates "patient persuasion," rather than action, in situations in the Near East affecting Americans. You are requesting continued financing by American taxpayers of all faiths of foreign regimes that discriminate against certain Americans.

Mr. Secretary, in acknowledging your communication, I must assure you that I cannot accept the imposition by foreign regimes of second-class citizen status for American citizens of any religion or race. Nor can I accept any acquiescense in such practices. It bespeaks a weak and contradictory policy that undermines our prestige and status as a champion of religious and racial freedom.

Yours sincerely,

SEYMOUR HALPERN,
Member of Congress.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HALPERN (at the request of Mr. KEITH), for 15 minutes, today.

Mr. DERWINSKI (at the request of Mr. KEITH), for 1 hour, on July 19.

Mr. PELLY (at the request of Mr. KEITH), for 15 minutes, on July 13.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. POAGE (at the request of Mr. LIBONATI) and to include extraneous matter and tables.

Mr. LANE in two instances.

Mr. HALPERN.

(The following Members (at the request of Mr. KEITH) and to include extraneous matter:)

Mr. FINO.

Mr. PILLION.

Mr. JUDD.

Mr. DAGUE.

Mr. DOOLEY.

Mr. SAYLOR.

Mr. HOSMER in two instances.

(The following Members (at the request of Mr. LIBONATI) and to include extraneous matter:)

Mr. MULTER.

Mr. REUSS.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1710. An act to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes; to the Committee on Agriculture.

S. 1873. An act to amend the act entitled "An act to authorize the Commodity Credit Corporation to donate dairy products and other agricultural commodities for use in home economic courses," approved September 13, 1960 (74 Stat. 899), in order to permit the use of donated foods under certain circumstances for training college students; to the Committee on Agriculture.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4324. An act to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes; and

H.J. Res. 472 Joint resolution providing for the apportionment to the Commonwealth of Massachusetts of its share of funds authorized for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on July 11, 1961, present to the President, for his approval, bills of the House of the following titles:

H.R. 866. An act to amend section 4004 of title 38, United States Code, to require that

the Board of Veterans' Appeals render findings of fact and conclusions of law in the opinions setting forth its decisions on appeals;

H.R. 1258. An act to amend the Longshoreman's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes;

H.R. 2645. An act for the relief of Wieslawa Alice Klimowski;

H.R. 2953. An act to amend section 521 of title 38, United States Code, to provide that certain service shall be creditable for pension purposes;

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions;

H.R. 4206. An act for the relief of Melvin H. Baker and Frances V. Baker;

H.R. 4349. An act to place Naval Reserve Officers' Training Corps graduates (Regulars) in a status comparable with U.S. Naval Academy graduates;

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date; and

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial.

ADJOURNMENT

Mr. LIBONATI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Thursday, July 13, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1124. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to encourage and aid the development of reconstructive medicine and surgery and the development of medico-surgical research by authorizing the licensing of tissue banks in the District of Columbia, by facilitating ante mortem and post mortem donations of human tissue for tissue bank purposes, and for other purposes"; to the Committee on the District of Columbia.

1125. A letter from the Assistant Secretary of the Treasury, transmitting a certified copy of interpretive rulings and definitions of terms used in certain regulations regarding numbering of undocumented vessels, statistics on numbering, boating accidents reports, and accident statistics, as set forth in a Coast Guard document CGFR 61-25, pursuant to the Federal Boating Act of 1958 (46 U.S.C. 527d); to the Committee on Merchant Marine and Fisheries.

1126. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a copy of the order suspending deportation in the case of Sik Tong Wong, as well as a copy of the required list, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

1127. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting plans for works of improvement relating to the following watersheds: Big Creek, Ark., Ulatis Creek, Calif., South Branch Park River, Conn., Indian Creek, Pony Creek, Iowa, Frog Creek, Kans., Big Reedy Creek, Humphrey-Clanton Creek, Ky., South Branch Cass River, Mich., Plum Creek, Nebr., Upper Red Rock Creek, Okla., Brodhead Creek, Pa., Anasco River, P.R., Houser Creek, Tenn., pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

1128. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting plans for works of improvement relating to the following watersheds: Big Sandy Creek (supplement), Colo., South River, Ga., Middle Fork of Anderson River, Ind., Middle-South Branch Forest River, N. Dak., Twin Parks, Wis., pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

1129. A letter from the Assistant Secretary of the Air Force, transmitting a draft of a proposed bill entitled "A bill to amend section 204(a)(10) of the Career Compensation Act of 1949 with respect to incentive pay for hazardous duty inside a high- or low-pressure chamber"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. H.R. 80. A bill granting the consent and approval of Congress to the northeastern water and related land resources compact; without amendment (Rept. No. 707). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee on the Judiciary. H.R. 1961. A bill to amend sections 1, 17a, 57j, 64a(5), 67b, 67c, and 70c of the Bankruptcy Act, and for other purposes; with amendment (Rept. No. 708). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. Senate Joint Resolution 116. Joint resolution to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962; without amendment (Rept. No. 709). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. Report on equatorial launch sites-mobile sea launch capability (Rept. No. 710). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Science and Astronautics. Report on the National Bureau of Standards and the space program (Rept. No. 711). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. Report of the special study mission to Poland (Rept. No. 712). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 7913. A bill to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength; without amendment (Rept. No. 713). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H.R. 7454. A bill consenting to the amendment of the compact between the States of Pennsylvania and Ohio relating to Pymatuning Lake; with amendment (Rept. No. 714). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 331. An act for the relief of Mrs. Kazuko (Wm. R.) Zittle; without amendment (Rept. No. 695). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 438. An act for the relief of Mrs. Maria Giovanna Hopkins; without amendment (Rept. No. 696). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 1322. A bill for the relief of Georges Khoury; without amendment (Rept. No. 697). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 1369. A bill for the relief of Zsuzsanna Reisz; with amendment (Rept. No. 698). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1712. A bill for the relief of Elsabetta Rosa Colangecco Di Carlo; with amendment (Rept. No. 699). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 1714. A bill for the relief of Nicholas J. Katsaros; with amendment (Rept. No. 700). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1715. A bill for the relief of Joseph Michael Stahl; without amendment (Rept. No. 701). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 2616. A bill for the relief of Habib Mattar; with amendment (Rept. No. 702). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 3485. A bill for the relief of Cornelis Jacobus Overbeeke; without amendment (Rept. No. 703). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 4384. A bill for the relief of Richard Fordham; with amendment (Rept. No. 704). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 5141. A bill for the relief of Vito Recchia; with amendment (Rept. No. 705). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 5735. A bill for the relief of Steven Mark Hallinan; with amendment (Rept. No. 706). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATTIN:

H.R. 8092. A bill to provide for the designation of a highway from a point on the Cana-

dian boundary near the city of East Poplar, Mont., to the southern boundary of Montana, south of Biddle, Mont., as part of the National System of Interstate and Defense Highways; to the Committee on Public Works.

H.R. 8093. A bill to provide for the designation of a highway from a point near West Poplar, Mont., on the Canadian boundary to a point on the Montana-Wyoming border near Biddle, Mont., as part of the National System of Interstate and Defense Highways; to the Committee on Public Works.

By Mr. BEERMANN:

H.R. 8094. A bill to consent to the Lower Niobrara River and Ponca Creek Compact between the States of Nebraska and South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. BROOKS of Louisiana:

H.R. 8095. A bill to amend the National Aeronautics and Space Act of 1958, as amended, and for other purposes; to the Committee on Science and Astronautics.

By Mr. CANNON:

H.R. 8096. A bill authorizing issuance of a postage stamp commemorating the 100th anniversary of the first railway mail car run in U.S. history; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H.R. 8097. A bill to deny tax exemption to certain hospitals and similar organizations which discriminate against doctors of medicine; to the Committee on Ways and Means.

By Mr. JAMES C. DAVIS:

H.R. 8098. A bill to amend the act of August 15, 1950, entitled "An act to provide a 5-day week for officers and members of the Metropolitan Police force, the U.S. Park Police force, and the White House Police force"; to the Committee on the District of Columbia.

By Mr. DAWSON (by request):

H.R. 8099. A bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund; to the Committee on Government Operations.

H.R. 8100. A bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund; to the Committee on Government Operations.

By Mr. FULTON:

H.R. 8101. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. HARRIS:

H.R. 8102. A bill to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 8103. A bill to exempt certain nonprofit orphanages from the manufacturers excise tax on automobiles, trucks, buses, etc.; to the Committee on Ways and Means.

By Mr. JUDD:

H.R. 8104. A bill to amend title II of the Social Security Act to provide that a woman who is permanently and totally disabled may become entitled to widow's insurance benefits without regard to her age if she is otherwise qualified; to the Committee on Ways and Means.

By Mr. NELSEN:

H.R. 8105. A bill to amend section 4(e) of the Natural Gas Act relating to rates of natural gas companies; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of California:

H.R. 8106. A bill relating to the retired pay of certain retired officers of the Armed Forces; to the Committee on Armed Services.

By Mr. HOLTZMAN:

H.R. 8107. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. JARMAN:

H.R. 8108. A bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; to the Committee on Rules.

By Mr. McDOWELL:

H.R. 8109. A bill to amend title 18 of the United States Code, with respect to certain prohibited uses of radio communication; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 8110. A bill to amend the Civil Service Retirement Act to provide credit toward retirement for periods of hospitalization for service-connected disabilities immediately following discharge from military service; to the Committee on Post Office and Civil Service.

By Mr. O'KONSKI:

H.R. 8111. A bill to amend title II of the Social Security Act to provide that illegitimate children may in certain circumstances become entitled to benefits thereunder notwithstanding State laws which would otherwise prevent such entitlement; to the Committee on Ways and Means.

By Mr. BREEDING:

H.R. 8112. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing as a national monument a site on the Old Sante Fe Trail near Dodge City, Kans.; to the Committee on Interior and Insular Affairs.

By Mr. ASPINALL:

H.R. 8113. A bill to amend the act of August 9, 1955, for the purpose of including the Southern Ute Indian Reservation among reservations excepted from the 25-year lease limitation; to the Committee on Interior and Insular Affairs.

By Mr. NYGAARD:

H.R. 8114. A bill for the relief of the Kensal School District, North Dakota; to the Committee on the Judiciary.

By Mr. RIVERS of Alaska:

H.R. 8115. A bill to relieve the cities of Skagway and Hoonah, Alaska, of all liability to pay the United States for certain public works projects; to the Committee on the Judiciary.

By Mr. ST. GERMAIN:

H.R. 8116. A bill to provide annuities from the civil service retirement and disability fund for widows of Government employees for certain additional periods, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SHORT:

H.R. 8117. A bill to amend section 107(a)(3) of the Soil Bank Act, as amended; to the Committee on Agriculture.

By Mr. SIBAL:

H.R. 8118. A bill to amend the Internal Revenue Code of 1954 to exempt from tax transportation furnished solely by railroads which are in receivership; to the Committee on Ways and Means.

By Mr. BETTS:

H.J. Res. 473. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

H.J. Res. 474. Joint resolution proposing an amendment to the Constitution of the United States providing for systematic reduction of the public debt; to the Committee on the Judiciary.

By Mr. BYRNE of Pennsylvania:

H.J. Res. 475. Joint resolution to amend the joint resolution providing for the preparation and completion of plans for a comprehensive observance of the 175th anniversary of the formation of the Constitution of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. RHODES of Pennsylvania:

H.J. Res. 476. Joint resolution to reimburse uncompensated leave to Government Printing Office employees earned during the fiscal year 1932; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 8119. A bill for the relief of Nikolaj Meshenny; to the Committee on the Judiciary.

By Mr. BOYKIN:

H.R. 8120. A bill for the relief of Dr. Walter S. Parsons; to the Committee on the Judiciary.

By Mr. DOOLEY:

H.R. 8121. A bill for the relief of Italia Passarelli; to the Committee on the Judiciary.

H.R. 8122. A bill for the relief of Apostolos Christou Picas; to the Committee on the Judiciary.

By Mr. EVINS:

H.R. 8123. A bill for the relief of George A. Zizicas; to the Committee on the Judiciary.

By Mr. HOLTZMAN:

H.R. 8124. A bill for the relief of Mrs. Klara Schlittner; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 8125. A bill for the relief of Edward J. Maurus; to the Committee on the Judiciary.

By Mr. McCORMACK:

H.R. 8126. A bill to authorize the Honorable HAROLD D. COOLEY, Member of the House of Representatives, to accept the award of certain foreign decorations and to wear and display the insignia thereof; to the Committee on Foreign Affairs.

By Mr. McFALL:

H.R. 8127. A bill for the relief of Antonio Cordeiro Dos Santos; to the Committee on the Judiciary.

By Mr. MONAGAN:

H.R. 8128. A bill for the relief of Kazimierz (Casimer) Krzykowski; to the Committee on the Judiciary.

By Mr. OSMERS:

H.R. 8129. A bill for the relief of Dr. Gholam Reza Lohrasebi Azar; to the Committee on the Judiciary.

By Mr. RAY:

H.R. 8130. A bill for the relief of Kang Dick Eng also known as Kang Dick Joe; to the Committee on the Judiciary.

By Mr. ST. GERMAIN:

H.R. 8131. A bill for the relief of Mrs. Pasqualine E. Lombardi; to the Committee on the Judiciary.

By Mr. SHELLEY:

H.R. 8132. A bill for the relief of Mrs. Iolanda Guazzelli Salvetti; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 8133. A bill for the relief of Alberto Petrella; to the Committee on the Judiciary.

By Mr. MORRIS K. UDALL:

H.R. 8134. A bill to authorize the sale of the mineral estate in certain lands; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Majority of Top Nuclear Experts Unfavorable to Hanford NPR Power Conversion

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 12, 1961

Mr. HOSMER. Mr. Speaker, included in the AEC's authorization bill to be debated tomorrow is a proposal to convert the new production reactor at Hanford, Wash., to generate approximately 800,000 electrical kilowatts as a byproduct of plutonium production. The conversion job would be completed in late 1964 at a cost of $95 million over and above the reactor's cost of $145 million, which includes $25 million for features permitting convertibility.

A few weeks ago I posed to 25 outstanding nuclear experts in industry and at universities the following two questions:

First. Do you believe that conversion of the NPR to power production will make any significant contribution to the advancement of civilian power reactor technology in this country?

Second. In your judgment, is the allocation of $95 million to conversion of the Hanford reactor the most fruitful investment that could be made in terms of developing peaceful uses of atomic energy? Could these funds be used more advantageously for such projects as fuel element research and development, further development of promising civilian power reactor types, research on test reactor development, or radioisotope research, to mention just a few possibilities?

Almost all these top experts replied. There was an understandable degree of hedging. But boiled down, the result approximates the following:

First. About two-thirds see no substantial contribution to civilian technology, with intensity of these opinions ranging from mild to very strong.

Second. Most, about 85 percent, seem to feel power technology could better be advanced by spending $95 million or even a lesser amount of money, on a variety of other projects.

Among reasons cited by those believing a substantial contribution will be made were the following:

First. Knowledge of turbines and other auxiliaries of nuclear reactors will be increased.

Second. If breeding technology does not develop and an alternate method of producing reactors fuel becomes important, the experience will be valuable.

Third. The experience operating a nuclear powerplant of this size will be extremely valuable.

Fourth. Knowledge will be gained on the behavior of zircaloy pressure tubes and zircaloy clad uranium fuel.

Among reasons cited by those believing no substantial contribution will be made were the following:

First. Knowledge of turbines and auxiliaries utilizing steam temperatures and quality available from NPR is of no interest in civilian technology.

Second. Technical information to be obtained will not differ significantly from that available from other type water reactors.

Third. Operating experience to be gained will not parallel that needed for operation of straight central power stations.

Fourth. Much of the operation will be cloaked in military secrecy and, if new technical data is obtained, it will not be made available to industry anyway.

From both sides of the issue came numerous comments not of a strictly technical nature. Here are examples:

The power is needed in the Northwest or The power is not needed there, or I do not know if the power is needed.

So many aspects of the project are classified it is impossible to make a clear judgment.

It would make a contribution only in the sense that any nuclear plant at this early stage of the game will contribute something.

Some use of the heat ought to be made—this may or may not be the best way to do it.

Operation of an 800-electrical-megawatt plant has international prestige value, but I am not qualified to say whether it has $95 million worth.

It will be impossible to get meaningful cost statistics because of the way the Government keeps its books.

Plutonium production, not power will be optimized, so the plant will not satisfy power requirement or prove an economic success.

It would be good if we could get back some of the investment in production reactors.

The decision to build the plant is an outright economic one and should not be confused with technology.

The decision regarding convertibility is a political one.

The decision should be made by agencies other than the AEC and the money be put up by other than the AEC.

The $25 million already put in for convertibility features will be wasted unless the AEC goes ahead, or a good $95 million should not be thrown after a bad $25 million.

It bucks the trend toward higher steam temperature and pressures.

The AEC report is still classified secret and I am wary of commenting for fear restricted information might be divulged inadvertently.

This thing has been studied to death, but we only get to see sterilized versions of the classified studies.

The consensus of opinion on how to spend $95 million more advantageously on peaceful uses of atomic energy was for complete fuel cycle R. & D. aimed at sharply reducing costs. Additional suggestions, not in the alternate and not listed in any particular order were: support for a full line of military reactors; intensified materials research; basic research in all related fields of science; waste products separation; radioisotopes; research aimed at eliminating overconservative safety requirements; promotion of advance reactor concepts, particularly high temperature and integral superheat; underwriting of utility risks of added costs from unforeseen safety requirements imposed by AEC; anything pertinent to simplifying AEC regulation and licensing procedures.

Two replies argued for using the $95 million to get the entire civilian nuclear industry off dead center. This was on the basis that this kind of support would bring in much additional private capital and start industry moving ahead.

"Spread around," one reply said, "even half that amount of money would accumulate a total of much more than 700 electrical megawatts on the line before NPR could start to produce electricity." Another estimated it could get three 330 electrical megawatt central stations into operation by early 1965.

Several writers complained bitterly because industry will not be brought in on the fabrication of fuel elements.

The poll was taken on a confidential basis, and I am not at liberty to list the names of the experts polled or identify a particular individual with the comments quoted.

American Legion Convention, Mamaroneck, N.Y.

EXTENSION OF REMARKS
OF
HON. EDWIN B. DOOLEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 12, 1961

Mr. DOOLEY. Mr. Speaker, the American Legion recently held a convention for its Westchester County, N.Y., leaders in the village of Mamaroneck, where it honored Senator THOMAS J. DODD with the Legion's Americanism citation.

The work which the Legion has done in combating un-American activities has been outstanding and has contributed substantially to the well-being of the country. They have endeavored to stop the gnawing penetrations of the Communists aimed at undermining our society and way of life and directed toward the ultimate destruction of our Government.

As one who was permitted to join in welcoming the distinguished Senator from Connecticut, I had the opportunity to say a few words which I am setting down below:

Mr. Chairman, commander of the Westchester American Legion, Senator DODD, distinguished guests, ladies and gentlemen, as one who has had the privilege of serving as mayor of this friendly village, I do not feel that it is presumptuous on my part to join with our good Mayor Joe Dalfonso and the village officials in welcoming to this village,

the members of the American Legion who are now convening here.

And I want to offer a special welcome to my distinguished colleague in the Congress, the able Senator from Connecticut, THOMAS J. DODD.

On an occasion such as this, marked as it is by the presence of men who served their country with courage and gallantry, I think it is fitting to bring into focus for a moment the dangers which beset us.

In doing so, I do not want to tred on the field allotted to the distinguished Senator from Connecticut who has shown great patriotism in his service to his country and who has consistently fought against the subversive influences which are besetting us from all sides.

In the few moments given me let me remind you that the difficult times we are living in, and the confusion which surrounds us, is partly due to our own collective indifference to the challenge of the Soviet Union. When some years ago, the Russian Commintern boldly decreed that that country was out to destroy us—a remark which was later supplemented by Khrushchev's boast that he would live to see us burn—we should have reacted promptly with the full power we had at our disposal by regarding such insults as a declaration of war and as a threat to our security.

For years now, Russia, which is an army on the march, has won hundreds of battles without firing a shot. First, Latvia, Esthonia and Lithuania were engulfed, then the 40 million people of the Ukraine. Following that came Czechoslovakia, Albania, Rumania, Poland, and a host of minor entities. Wherever the Soviet power prevails, darkness ensues. The light of freedom goes out and man struggles in an abysmal sea of tortuous living and lingering misery.

There is one bright hope which we should not overlook, however. All is not smooth and happy in the Soviet Union. Professor Dobriansky, a keen student of Russian affairs, has pointed out publicly that there is great discord and discontent within the Soviet orbit. Many of the ethnic groups imprisoned in the Russian universe are smouldering with deep resentment at the leadership which of necessity they must follow. They bear no loyalty or allegiance to the controlling faction, and yet they are regarded as part of the Slavish Republic.

If trouble bursts forth, Russia would have its own problem of holding together a loosely flung multitude of states whose allegiance is questionable and whose resentment is subtly evidenced in the scheme of things.

We in this country are fortunate indeed to have a Senate and a House of Representatives highly aware of the problems we face and of the challenge confronting us.

The distinguished Senator from Connecticut is one of a number of men whose patriotism and courage assures our country of maintaining the right direction in these challenging times. Subversion is all about us. Intrigue and deception are part of the package of today's living among a host of anti-Americans whose hope is our ultimate destruction.

To us who are here today, to you who have been conditioned in the glorious tradition of American living—a tradition based on moral value and a sense of what is right as distinguished as from what is evil, such a development is not only incongruous but almost inconceivable.

Wherever we turn we see the inroads of communism. It is evidenced in the lackadaisical indifference of many to the emblem which marks our unity and our country, and in the halfhearted acceptance of the responsibility of shouldering arms in defense of our country.

Let me say in closing that I want to congratulate the Legion for the stand it has taken in upholding the patriotic virtues of our land and our people, of ferreting out those who would destroy us, and insisting that we as Americans have a right to thwart the Communist penetration at every turn in order that we, as a nation, can persist in preserving our own security and in leading the way to the underprivileged nations of the world who are seeking the bright light of freedom.

Congressman Lane Supports Veterans Bills

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 12, 1961

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my statement before the Subcommittee on Compensation and Pensions of the House Veterans' Affairs Committee on July 11, 1961, in support of several of my bills to benefit veterans:

STATEMENT OF HON. THOMAS J. LANE, OF MASSACHUSETTS, IN SUPPORT OF HIS BILLS, H.R. 697, 698, 701, 702, 703, 712, AND 3889, BEFORE THE SUBCOMMITTEE ON COMPENSATION AND PENSIONS, HOUSE COMMITTEE ON VETERANS' AFFAIRS, JULY 11, 1961

Mr. Chairman and members of the committee, in view of the range and complexity of the bills that you study in such a conscientious manner, I shall briefly outline the several bills that I have introduced.

The first is H.R. 697: "To liberalize the pension programs for disabled veterans of World War I, World War II, and the Korean conflict." Although it provides for a modest increase in the rates to compensate for the increase in the cost of living, the principal feature is the exclusion of other sources of income that are presently reported in determining annual income. By the liberalization proposed, the Administrator shall not consider: payments of 6 months' death gratuity; payments under policies of U.S. Government life insurance or national service life insurance, and payments of servicemen's indemnity; payments to an individual under public or private retirement, annuity, endowment, or similar plans or programs; amounts equal to amounts paid to a widow or child of a deceased veteran for his just debts, the expenses of his last illness, expenses of his burial to the extent such expenses are not reimbursed under chapter 23 of this title, and proceeds of fire insurance policies.

These exclusions from reportable income, which are not income in the sense of wages or salary, will make it possible for more veterans who are in need of a pension under today's standard of living, to qualify for a pension.

H.R. 698: "To exclude commercial life insurance payments, not in excess of $10,000, in the consideration of annual income for pension purposes" is concerned with the exclusion of but one type of income, which is traditionally regarded as but a small and nonrecurring nest egg for the survivors of the deceased. Again, the purpose is to liberalize the present low ceiling on incomes that denies pensions to otherwise qualified veterans or their widows.

H.R. 701: "To authorize gratuitous benefits for a remarried widow of a veteran upon termination of her remarriage" will reopen the door to eligibility for benefits if her subsequent remarriage or remarriages has or have been dissolved either by death or by divorce without fault on her part.

I have always believed that the present law which terminates the benefits of a veteran's widow upon her remarriage, makes no allowance for future developments that leave her alone and with no support. If her subsequent marriages are dissolved, she finds herself in her original status as the widow of a deceased veteran, and in all fairness her entitlement should be restored.

H.R. 103: "To provide that veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while hospitalized," will eliminate the delay in determining eligibility and will confirm the condition as a total disability as long as the veteran is hospitalized by this serious disease.

There is a differentiation between this illness and others that require relatively short periods of treatment in a hospital. As the treatment for active pulmonary tuberculosis takes a longer time, and the veteran often suffers relapses which require him to return to the hospital again and again, he should be considered totally disabled—as in fact he is—during periods of hospitalization. He should be entitled to the full pension for such periods.

H.R. 712: "To provide that veterans age 65 shall be deemed to be permanently and totally disabled for pension purposes" recognizes that a veteran, upon reaching that age, is generally suffering from some ailment that handicaps his ability to earn a living. The Social Security Act has established this precedent. At the age of 65, a person with enough quarters of covered employment, can retire under old-age and survivors insurance, with full benefits.

The same standard should apply to veterans applying for a pension at 65. Proof of age and honorable service, without supporting medical affidavits, would be consistent with the eligibility requirements that have become a pattern in the long and developing history of legislation dealing with pensions for veterans.

Instead of speaking on these bills individually and therefore taking up too much of the committee's time, I thought it best to condense my remarks on all into one statement.

Aware of your committee's thorough and reasonable consideration of all bills that concern our veterans, I rely upon your good judgment to do what is best on the proposals I have brought to your attention.

The National Lottery of Japan

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 12, 1961

Mr. FINO. Mr. Speaker, I would like to tell the Members of this House about the national lottery of Japan. This Asian ally of ours is another of the nations realizing the financial merits of such a program.

In 1960, the gross receipts of the Japanese national lottery came to almost $12 million. The total net income to the Government was close to $5 million.

The profits of the Japanese national lottery are earmarked for public works

expenditures. This money is used for the construction of schools, roads, bridges, and hospitals. After the last war, 80 cities ran municipal lotteries in order to gain funds for reconstruction and rehabilitation.

The Japanese are well aware of the benefits that government-controlled gambling brings. Japanese are puzzled by reports of racketeers running gambling in the United States, because in their country, gambling is a legitimate government income source. When will we take the same wise view?

Bonneville Financial Picture Will Not Be Improved by Incorporation of the Hanford Steam Plant Economics Into Its System

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 12, 1961

Mr. HOSMER. Mr. Speaker, the Bonneville Power Administration has been losing money consistently during the last few years. In 1960 its deficit totaled $8.5 million and the deficit for 1961 is estimated, by Bonneville, to be in excess of $12 million.

Even if it is assumed, as the sponsors claim and which I do not admit, that the net benefits to be derived from the converted Hanford reactor would outweigh the costs, they cannot by any stretch of the imagination be considered as sufficient to offset Bonneville's annually increasing deficit.

In reality, no economic advantage can be assumed for the Bonneville system as the result of the construction of power facilities at the Hanford reactor. Consequently, the payout prospect for Bonneville is certain to deteriorate with the addition of a deficit operation to the many already existing deficit producing projects in the Bonneville system.

I merely wish to discuss one questionable aspect bearing on the overall economic outlook for the Hanford project and that is the question of the cost of producing plutonium.

At several points in the March 1961 committee print entitled "Power Conversion Studies of Hanford New Production Reactor," pages xvi, 5, and 9, the point was made that by converting this reactor to dual-purpose production of power and plutonium the unit cost of plutonium would be reduced. It was claimed that if the cost of plutonium in a single-purpose reactor was assumed to be 100, then its cost in the new production reactor converted for dual-purpose operation would be only 70. This would be a cost reduction of 30 percent.

Of course, such a decrease in cost could take place only if some of the economic costs of the reactor while producing plutonium were allocated to something else—in this case power. But the studies on which the feasibility of power production were based allocate all of the project's capital costs to plutonium as well as all of its operating costs—maintenance, operations, fuel, and insurance—while producing plutonium. How can the cost of producing plutonium be reduced if none of the reactor's capital costs and none of its current costs while so engaged are allocated to a revenue producing function?

Some might contend that the power could be sold at a price greater than its cost of production and that the resulting profit would be an offset against the cost of plutonium. In answer to this it can be pointed out that nothing in the record to date supports the contention that the power will be sold at a price that will cover all of its true economic costs, including operations, maintenance, amortization, interest, and an allowance to cover taxes. Instead, the record shows that power produced by the NPR will be sold at the Bonneville rate, a rate that will not even equal the cost of producing the power.

It should also be pointed out that the alleged excess of power benefits over power costs mentioned in the statement of the staff of the Joint Committee on page xvi of the committee print does not indicate that power operations would result in any net monetary profit. Such claimed benefits represent only the difference between the cost of power from a theoretical steamplant and its alleged cost from this project. There is no assurance that this power will be sold at a price commensurate with its cost from a steamplant. Furthermore, even if it should be sold at BPA at a price equal to the cost of steampower, BPA would still suffer significant losses on such sales under its present price schedules. And, if this power is priced to cover only the incremental costs of its production it will also cost a great deal more than the price BPA is getting for its power now, and on the basis of which it is losing money at present.

To cover only the incremental costs during the period of dual-purpose operation, power from the reactor will cost 3.7 mills. If, in addition, part of the costs of producing plutonium is charged to power, its cost would be still greater.

BPA now receives an average of 2.32 mills per kilowatt-hour sold. This power costs BPA 1.61 mills plus 1.01 mills for transmission. On this basis it is accumulating the deficits mentioned above. Consequently, to reduce the cost of plutonium by assigning some of the project's joint costs to power would only increase the deficit of the BPA.

Table I gives a picture of BPA income and expenses by project for 1960:

TABLE I.—*Bonneville Power Administration: Net revenues for the year 1960 after provision for depreciation*

Project:		
Bonneville Dam	−$602,136	
Columbia Basin		+$4,715,473
Hungry Horse		+602,318
Albeni Falls	−122,599	
McNary	−2,401,472	
Detroit-Big Cliff	−180,376	
Lookout Point-Dexter	−167,297	
Chief Joseph	−1,003,244	
Yakima-Kennewick-Roza		+161,084
The Dalles	−868,290	
BPA system	−8,619,468	
Subtotal	−13,964,891	+5,478,875
		−13,964,891
Net revenues for 1960		−8,486,016

The deficit in amounts required for meeting scheduled amortization was even larger than table I indicates. This is because the estimated service lives of some of the fixed plant facilities, such as the hydroelectric generating plants, which are used in computing depreciation, are substantially longer than the prescribed repayment periods, with the result that annual amortization requirements exceed the amounts needed annually to recover plant investment through provision for depreciation expenses. Net revenues fell short of meeting amortization requirements by $11.6 million in 1960.

Table II shows financial results for each project on a payout basis for 1960:

TABLE II.—*Bonneville Power Administration: Deficits in project payouts (1960)*

Project:	*Deficit in net revenues available for amortization*
Bonneville Dam	$920,206
Columbia Basin	
Hungry Horse	
Albeni Falls	22,610
McNary	2,653,341
Detroit-Big Cliff	156,287
Lookout Point-Dexter	110,098
Chief Joseph	179,980
Yakima-Kennewick-Roza	
The Dalles	151,549
BPA system	7,397,802
Total	11,591,873

This deficit is expected to grow in 1961 and 1962 to $15 or $16 million since estimates indicate that net revenues available for repayment of capital investment in those years will decrease by $2 to $3 million while at the same time annual amortization requirements will grow as new higher cost generating plants are placed in service.

America in Today's World—Address by Senator Wayne Morse, of Oregon, to Graduating Class of Suffolk University, Boston, Mass.

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Wednesday, July 12, 1961

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address entitled "America in Today's World," delivered by the distinguished senior Senator from Oregon [Mr. MORSE] to the graduating class of Suffolk University, Boston, Mass.

When I read excerpts from the speech in the New York newspapers, I was so struck by their character that I asked the Senator from Oregon for a copy of his speech.

Senator MORSE challenges both the United States and the countries of Latin America to see to it that the alliance for progress brings economic freedom and sound progress to the peoples of the

Western Hemisphere. His advice in this respect is excellent.

However, I call attention to the basic theme of his speech, the theme that the United States will be effective in its international relations to the extent that it denies the temptation of expediency, and confirms the assurances of basic individual rights, guaranteed by the Constitution.

He points out further that the United States has the duty of assuring, to the largest extent possible, economic and social opportunities for its people.

It is a great speech, sound in its constitutional aspects, but also informed and illuminated by its spirit of humanity and freedom. It reflects the mind and the free spirit of the Senator from Oregon.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA IN TODAY'S WORLD—REMARKS OF SENATOR WAYNE MORSE, OF OREGON, AT SUFFOLK UNIVERSITY, BOSTON, MASS., JUNE 18, 1961

Mr. President, faculty, graduates, parents, and friends of Suffolk University, the twofold honor which Suffolk University has bestowed upon me on this occasion fills me with humility. It is always an honor—in fact, a trust—to have the privilege of making a commencement speech to a graduating class. But "my cup runneth over" by the double honor on this occasion of being the recipient of an honorary degree of doctor of juridical science. It is with deep feelings of appreciation that I express my sincere thanks to this graduating class and to the university for both these honors.

The task of a commencement speaker is to say something to a graduating class that will serve to guide them in their journey beyond the walls of an educational institution. Yet as one who taught in such institutions myself for over 20 years, I always take the view that the speaker cannot say anything in a few minutes that will improve upon what the teaching staff has done or has not done.

So I would rather speak here simply to try to review and to put into perspective some of the conditions and problems with which I struggle as a national legislator and with which you, too, will have to struggle as citizens of your community, your State, your Nation, and your world.

Your commencement program committee suggested that this graduating class might be interested in my making a few comments on the subject of national security problems and foreign policy developments in recent months.

It is important to remember that events of each day in which we live are part of history. History, change, growth, evolution, and revolution did not stop on the date of the last printing of your history textbook. We live today in a world of as much turmoil, unrest, progress, and decline as has ever occurred.

When the members of this graduating class were being born, the United States had taken its place in the world as the foremost nation. Every other industrial country in the world was in shambles.

Japan, Germany, Great Britain, and Russia had lost millions of their people. Their factories and transportation systems were shattered. China was long since devastated by years of war and was in political and economic collapse.

Of all these nations, only the United States was physically unmarked. As a result, this generation of Americans came into a world where we were unchallenged. Many of us, and I include adults, too, came to think of the United States as a director and manager of world affairs, and felt that whenever something we did not like developed in another nation, it was because someone in high office in the United States wanted it that way, or simply allowed it to happen.

Yet, if anything should have been clear, it should have been that this unchallenged power of ours had to be temporary. And it was. Within 15 years, and with assistance from us unparalleled in world history, the nations of Western Europe restored their economies. Our help was extended in equal amounts to the countries we had defeated, Germany and Japan, and as a result, both are again among the great powers of the world.

Great Britain, France, Italy, and the other ruined countries of World War II are more than thriving. The Soviet Union has, much to our dismay, surpassed the United States in at least a few of the dramatic and sensational exploits of technical and scientific achievements. While we cannot be certain of what is going on in China, indications are that China, too, will soon have the scientific and engineering capacity to join the "nuclear club."

The results of this revival of the wrecks of World War II have caused many Americans to feel that it is all our own fault that we now have so many rivals in the world, both in the military sense and in the economic sense.

I do not share that view. I think it is based upon a false assumption that the United States could remain omnipotent in world affairs.

We could not. We can help guide and encourage events to go the way we want. And we did that in the Marshall plan, when we helped restore the economies of Western Europe. But in many other places, especially in areas of the world which are the least like our own economic, cultural, and political systems, our ability to influence events is much less.

That, in my opinion, is a fact we should accept, instead of trying to find some scapegoat to blame it on. Back when I was in your place, graduating from college, it was the British Empire that we thought of as the great manager of the economic affairs and political affairs of the world. There was great disagreement as to whether that management was good or bad. But just in my lifetime we have seen many parts of that Empire take an independent place in the world.

Today, India, Pakistan, Ceylon, and Malaya have joined the community of nations in Asia. Many countries of Africa have emerged into statehood. In our own hemisphere, the new West Indian Federation, a whole group of former British islands in the Caribbean, is in the process of becoming independent. The same thing has happened to the colonial empires of France, Belgium, and the Netherlands.

I do not believe that these changes have necessarily diminished the importance and significance of Great Britain in Western affairs. But they signify the impossibility of one nation maintaining a status quo for very long, in a world whose population is exploding and whose communication in ideas and aspirations is rapidly increasing.

IMPORTANCE OF AMERICAN EXAMPLE

We cannot maintain such a status quo either. In my opinion, our greatest means of influencing world events is through the example we set in our own country. The United States can no more hide its image from the world today than it could in the 19th century when we were the mecca for the oppressed everywhere. As a practical matter, our very freedom invites not only our friends but our enemies to put America under a microscope.

Recent tragic events in the South have produced headlines in Africa and Europe as large as in Massachusetts. There was one big difference, however. We know we are doing something about it. We know that areas of discrimination are gradually being eliminated. But the Africans do not get that side of the story. No matter how much money we put into the Voice of America, words cannot catch up with acts.

This freedom which we cherish imposes heavy burdens. Our acts must conform to our words. This is in remarkable contrast to the Soviet Union and Communist China—the number one closed societies. There is no doubt that we live in a world characterized by a double standard. An open society must do what it says. A closed society can do what it pleases and say what will serve its purposes.

We must also demonstrate to the world that while freedom of all kinds is imperiled by Communist tyranny, we are not going to be duped into curtailing our freedom in the name of preserving it.

There has never been a time when the liberty of American people was not threatened form one source or another. There has not been a period in our history when someone was not saying that unless we dispense with some or all of the Bill of Rights the country was doomed.

What we must strive for in this generation is a realization that a devotion to our liberties, especially to those set forth in our Bill of Rights, is probably the strongest and greatest influence we have in the world.

Moreover, we are in for a long contest with communism. It already has gone on for many decades, and has become acute in the last 15 years. It will stay that way for as long as anyone can see into the future.

This means that any liberty surrendered by the American people in the name of combating communism will be surrendered for an indefinite time, and perhaps permanently. One cannot talk about giving up this or that "for the duration," as we do in time of war, because the term "duration" has no practical meaning.

OUR LIBERTIES MUST BE CHERISHED

So it seems to me we must reexamine what it is that we prize most highly about our country. It is what we prize the most that we must insist be preserved and, if possible, strengthen and expand it. I think it is not far wrong to say that it is our political and personal freedoms which we prize the most highly. It is the right to speak, to assemble, to petition, to worship, and to publish what we think and feel.

These are the liberties our forebears prized so highly they put them into the Bill of Rights. They are the liberties which are under the most severe threat and attack from communism. That is why I say they are the liberties which must be the most firmly protected by those of us who cherish them. They have been lost to others by being taken away; they must not be lost to us by our own volition, by our voluntary surrender.

I point out most respectfully that these are days when we free men and women should reexamine and rededicate ourselves to the governmental principles of democracy which guarantee our freedom.

We are too prone to take these freedoms for granted. We are to quick to accept an expediency in the administration of government, at the sacrifice of a basic civil right which our constitutional form of government was intended by our forefathers to guarantee us.

Let us look for a moment, at just a few of our governmental rights as freemen. These are not platitudes. These are not political slogans of two bygone centuries. These are not impractical constitutional ideals.

These basic principles of government spell the difference between freedom and totalitarianism; between economic freedom of choice for the individual and any form of a

state economy by communism, fascism, state socialism, or cartelism, with its economic dictation through monopolistic combines.

In a very real sense, commencement time is a time for rededication to ideals. It is a time for assuming the responsibilities and opportunities of citizen statesmanship. It is only to the extent that your generation, represented by thousands upon thousands of college graduates all over America, puts into practice the ideals of our democratic form of government, that we have any hope of leaving a heritage of freedom to our great-grandchildren.

Let us look at a few of these abstract principles of government that form some of our basic guarantees of freedom and the right to govern ourselves.

First, you have been taught that we are a government of laws and not of men. This principle of democratic government is not only an ideal of self-government, it is an absolute essential to personal liberty. May I digress from my thesis for a moment to call your attention to the truism that all practicalities are, when all is said and done, just ideals put to work? You will never experience a practicality in your lifetime, except in terms of an ideal put to work. There is nothing practical about an expediency. All an expediency is, I would have you remember, is a rationalization for more or less intellectual dishonesty, or downright corruption.

An expediency is a compromise of principle, and once you compromise a principle just a little bit, you destroy it in its entirety. Therefore, I beseech you not to compromise this basic guarantee of constitutional government, that we are a government of laws and not of men.

This means, of course, that we must be on guard against proposals that seek to give arbitrary, capricious, unchecked power to mere men who hold governmental power, high or low.

Remember, this ideal of self-government is the warp and woof of constitutional government. You learned it in high school, and college, as an essential part of our system of checks and balances. Don't ever waive it, if you want to remain free.

It must be applied to all public servants of the people, if they are not to become masters of the people. It must be applied without fear or favor to Presidents, Congress, and courts. It must be applied in the carrying out of the functions of every government official—national, State, and local.

This leads me to comment on a second ideal of self-government just referred to. We say we are a government under which the people are the masters and the government is the servant. Not only is this a great ideal, but it is an absolute necessity, if we are to remain free.

Sit with me for awhile in the Senate and you will recognize how vital it is that this ideal be carried out in running our Government. Men, mere men in government sometimes forget they are servants and not masters of the people. They don't like it when they are called to an accounting for usurpations of power. They seek to scare the people into believing that the security of the country will be jeopardized if they are not permitted to make little dictators of themselves in some branch of the government, unchecked by legislative inquiry or surveillance.

Remember this, if you remember nothing else from your college courses in government. Our forefathers feared, and rightly so, the exercise of secret powers of government officials. The personal government of the British Crown produced the American Revolution. The history of many revolutions is the history of people fighting a government of men rather than by law—governments in which the people were the servants, the slaves, the pawns, the victims of government masters who had become drunk with unchecked personal power.

To protect us from personal power, our forefathers gave us the precious Bill of Rights. They gave us a free press which in a very real sense is the most potent weapon in the arsenal of democracy against tyrannical government. They gave us freedom of speech, freedom of assembly, trial by jury, freedom of religion, protection from unwarranted search and seizure, protection from self-incrimination, our home as our castle. They gave us the most important personal freedom of all—the right to govern ourselves—the right of the free ballot. From beginning to end, they gave every generation of American boys and girls the greatest charter and covenant of self-government yet penned by man—the Constitution of the United States.

As you commence your life of citizen statesmanship today, please remember that the rights of freedom guaranteed you by that Constitution are your greatest wealth. It is the greatest wealth you can will to your children and theirs.

As I have said, you are now commencing to take up the responsibilities of citizen statesmanship. You cannot pass the buck, so to speak, to Congress or to the President, or to the Supreme Court, if you are to remain free. You, as a citizen, must help them keep you free.

If we are to have a government by law and not by men, then we must support government by law and order and not countenance government by mob. The responsibilities of government by law and order apply to every citizen in every walk of life. It applies to students protesting the work of a congressional committee whose procedures they may not like. It applies to them in San Francisco or New York or anywhere in between. It happens to be a function and duty of a Congress to investigate alleged communism, fascism, racism, or any other form of democracy-destroying maneuver in the United States.

If any of the procedures of congressional investigation violate rights of personal liberty and some of them do, the answer is not mob violence against the committee, but the election of Members of Congress who will change the rules of procedures for conducting such investigations so as to accomplish both the purposes of finding the facts about subversion of all types in our country and protecting the civil liberties of our people at the same time. It can be done and it should be done.

We do not have to worry about the effectiveness of fair procedures in finding the guilty. Shortcuts in police and investigation procedures such as wiretapping, denial of confrontation by those who make secret charges against the accused, refusal to allow cross-examination of those who make the accusation, badgering of witnesses, denial of immediate arraignment, are the procedures of a police state, not of a government by law.

However, the remedy for any such abuses, when they arise, is not mob action. It is not to be found in any attempt to deny government the right and power to conduct investigations into termite forces that would eat away the foundation of our system of self-government. It is to be found in legislative reforms called for by the people at the ballot box.

I would have you be on guard against the subversive activities of not only communistic forces, but other advocates of the law of the jungle. I would have you express your faith in government by due process of law in keeping with the inalienable rights guaranteed all men—both the guilty and the innocent—under our constitutional government by law rather than by men.

That applies to mob rule in Birmingham or Montgomery, Ala., or Mississippi or New York or Chicago or anywhere else in America.

FOREIGN POLICY FOR FUTURE

But America must do even more than preserve the best of our past.

I believe it is essential that if this Nation is to exercise an important role in the creation of a world in which man can enjoy freedom, we must recapture the revolutionary spirit which characterized our Nation in the past. This country did not become great by sitting on its status quo.

Too many Americans have been overtaken by old age before their time. They believe that education which was good enough for grandpa is good enough for grandson; that housing conditions of the 19th century should be perpetuated in the 20th; that relations between the races which hardened into a post-Civil War pattern should be maintained in the interest of domestic tranquillity.

Fortunately, we have a new administration which is young at heart, albeit a trifle inexperienced. Certainly, the President in his public pronouncements has given expression to our aspirations. His statement in his inaugural address, "If a free society cannot help the many who are poor, it cannot save the few who are rich," is a call to action to every American. But a call to action is not enough. It is important to distinguish between statements and results.

PROBLEMS OF ADMINISTERING LATIN AMERICAN POLICY

Let me be specific. It is not enough to announce a vast social program for Latin America. Responsibilities must be fixed in individuals to convert words and dollars into highways, public works, and social reform.

Fortunately, after many months of delay, Mr. Robert Woodward has been appointed to the long-vacant post of Assistant Secretary of State for Latin American Affairs. But for several months, we had a variety of special aides, and task forces outside the State Department, working in this area.

The result was that cooperation with the Congress in this area of foreign policy was virtually nil. The Cuban fiasco was a monument to this scattered and divided command. The good will tour of Ambassador Stevenson can have only the most limited results, unless there is now a systematic followup by regular diplomatic personnel. It is greatly to be hoped that the ad hoc committees will now be terminated.

Now that we have this vital office filled, Mr. Woodward's most important job is to hold the respect and confidence of the governments of the hemisphere.

This is so, in my opinion, because the threat Fidel Castro's communism poses in the Western Hemisphere is directed far more at the republics to the south of us than it is to the United States. This country has infinitely less to fear from Castro than has Venezuela, or Colombia, or Bolivia, or half a dozen other governments.

Castro is not trying to export his revolution to the United States, or to Canada; he is trying to export it to other Latin American countries, and up to now he has had at least a degree of success.

That is what the Alliance for Progress is all about. It is intended to put American capital together with social and economic reform in Latin America, to raise living standards and remove the claim of communism that it alone holds the promise of a better life.

But it is perfectly clear that the major task is not the supplying of capital, which is our end of the job. The major task is social and economic reform, which the cooperating governments must provide.

Senator HICKENLOOPER, of Iowa, and I went to Bogota, Colombia, last September when the Act of Bogota was written, setting forth the pledges of all governments to participate in this effort. But as our report to the Senate made clear, no amount of American capital can overcome the vast gulf

between rich and poor in these countries; these governments must themselves undertake extensive tax reforms, so their own wealth is put to work at home, instead of being put in Swiss and New York banks where much of it goes now.

These Latin American governments must prepare their blueprints for land reform, and then go ahead with it. They must plan for home construction, and then go ahead with it.

The American taxpayers have for over a decade now been supporting some governments in other parts of the world through our foreign aid, when it amounts to little more than supporting a rich, aristocratic class in power. Every year the bill gets higher, as we are finding out in the Senate Foreign Relations Committee as we consider the foreign aid measure. Every year, more corruption and mismanagement comes to light. And every year, another government seems to dissolve anyway, taking our money with it. That happened in Iraq not so long ago, and now it is happening in Laos.

That is a mistake we must not start in Latin America. The Congress has put up $500 million for the Alliance for Progress. Now it is up to the governments of Latin America to show their good faith by using it to promote real and effective and far-reaching economic reform. They cannot get away from the fact that their people are demanding a revolution of one kind or another. The only question is whether it will be peaceful, and guided in the channels of due process and just compensation, or whether it will be Fidel Castro's kind, with confiscation and mass executions.

The alternative whereby the wealthy hang on to their oligarchic position, while the American taxpayers pay a relief bill for the masses of their poor to keep revolution away from their door, is just not available to them.

So this task of encouraging, persuading, and helping the free governments of Latin America to achieve effective economic progress through the wise application of the money we have put up is the most important job we have in this hemisphere.

Every member of the audience here today knows that we are dealing with an implacable enemy. The Soviet Union is, to say the least, unfriendly toward the United States. It is ready to do us in by fair means or foul. The Soviet Union is well organized and has a single-mindedness of purpose which is not characteristic of a free society such as our own.

I say these things because we must never underestimate the capacity of this adversary. We can expect that the Soviet Union will do its utmost to be in the forefront of every revolutionary development of the next decade. It will capture those movements whenever possible. Its closed society will hide internal conditions from the free world. It will lie as it sees fit. It will direct the resources of the Nation toward the education of science, the development of space rockets, or the shipping of luxury goods to new nations, as its purposes are served.

The basic question of our time is whether we can so handle our foreign and domestic policies as to compete with an implacable enemy in such a way not only as to win, but to promote a way of life that will give freedom to the common man—here and abroad.

You are in for troubled times, but if you will keep the faith of freedom, if you will put into practice the ideals of our system of government by law, I have no doubt about your leaving a heritage of freedom for future generations of American boys and girls.

You are needed as the only hope for millions of people around the world who must be won over to the cause of freedom in your generation. By example, we can teach and help them. By betraying our heritage, we will lose them to the cause of freedom.

Lastly, remember that in essence what I have been saying is but an appeal for putting into practice our spiritual teachings. If we truly believe that man is the creation of a Divine Being, and I do, then we should put into practice the moral teachings in respect to our being our brother's keeper.

Many overlook the fact that the constitutional principles I have been talking about sprung from the very deep religious convictions of the men who wrote the Constitution. Most of them were very devout religious men. I ask you to take up the moral as well as the temporal burden of self-government and carry on in the faith of your forefathers.

Yours will be a difficult job. But every generation of Americans has had a difficult job, and every generation has added something to the physical power and to the moral strength of America. Every age since the time of Socrates in ancient Greece has thought that its younger generation was "going to pot," so to speak, and that the future could not be entrusted to it.

I do not feel that way. I think our younger generation today is better equipped and qualified to take its place in society than any previous generation has been. Your tasks will not be easy ones, but I have no fears whatsoever about putting our future in your hands.

I salute you, congratulate you, and wish you well in all your endeavors. I have faith in your citizen statesmanship.

Abuses in the Soil Bank

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 12, 1961

Mr. REUSS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 11, 1961.

Hon. ORVILLE L. FREEMAN,
Secretary, Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: Perhaps the main reason why Congress has let the soil bank lapse was the payment of enormous sums of the taxpayers' money by your predecessor, former Secretary of Agriculture Ezra Taft Benson, to big business multiple-farm operators for not growing crops. In 1957, for example, Secretary Benson paid the sum of $346,546.56 to the Baughman Farms Co., operating wheat farms in Kansas and Colorado.

Some of these payments, made before Congress clamped down on the waste, are probably legal. But there has recently come to my attention a transaction, involving land formerly owned by the Baughman Farms Co., which I believe to be illegal. If material recently inserted into the CONGRESSIONAL RECORD by Senator WILLIAMS of Delaware (CONGRESSIONAL RECORD, February 24, 1961, pp. 2649–2650) is true, as I believe it to be, Wayne E. Tallman, district manager of Baughman Farms Co., has illegally bilked (or proposes to bilk) the taxpayers of $221,000. Furthermore, members or employees of the ASC committees of Kiowa and Kit Carson Counties, Colo., where most of the land lies—the very committees which are supposed to help enforce the law and prevent diversion of taxpayers' funds—appear to be involved in conflict-of-interest difficulties which may account for their failure in the last 4 years to do anything about the case.

Briefly summarized, it appears that Wayne E. Tallman on February 25, 1957 bought 6,960 acres of farm land from Baughman Farms Co., at a price of $20 per acre, or a total of $139,200. Within 30 days, Tallman then divided the ranch into six tracts, leased each one to a different tenant for a 10-year period, under terms that would net him $27,100 annually, or a total of $271,000 for the 10-year lease. The tenants were in turn instructed to place enough of the leased land under the soil bank conservation reserve program to enable them to collect from the Government an annual payment equal to the agreed annual rental. With breathtaking gall, Tallman had his six tenants actually turn over to him the Government Conservation Reserve checks themselves.

As Senator WILLIAMS points out:

"At the end of this 10-year period Mr. Tallman will have $131,800 in cash profit, plus a 6,960-acre ranch, all paid for by the American taxpayers."

Senator WILLIAMS also points out the complicity of ASC committee members and employees in this transaction.

So far, the transaction, while outrageous, doesn't appear to be illegal. But under the laws and regulations in effect during the Tallman transaction, no one producer may receive more than $5,000 a year from the conservation reserve program; and if he tries to evade this, his payments are stopped, and he must refund that which he has illegally pocketed. The relevant regulation provides:

"The total of all annual payments under the conservation reserve program to any producer for any year with respect to all farms in which he has an interest shall not exceed $5,000. All or any part of the annual payment which otherwise would be due any producer may be withheld, or required to be refunded, if he has adopted, or participated in adopting, any scheme or device designed to evade, or which has the effect of evading, the provisions of this section." (6 Code of Fed. Regs., "Conservation Reserve Program Regulations," sec. 485.164.)

I respectfully request that you take prompt action:

1. To preserve for the taxpayers $221,000 (the difference between the $271,000 Tallman will receive during the period 1957–67, if unchecked, and the $50,000 which he is legally entitled to receive under the $5,000 annual regulation). Indeed, the regulation seems to require withholding or refunding of the entire amount of $271,000. Since the county ASC committees appear to be compromised, or at least unwilling to take action to protect the taxpayers, it would seem necessary that you take this action yourself, perhaps in conjunction with the Department of Justice.

2. To prevent further illegal raids on the Treasury by the prompt removal of members or employees of the county ASC committees in question who are involved in conflict-of-interest situations.

I shall appreciate hearing from you on this.

Sincerely,

HENRY S. REUSS,
Member of Congress.

Jobless Teens Critical U.S. Problem

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Wednesday, July 12, 1961

Mr. WILEY. Mr. President, the youth of America represent one of our greatest assets and best hopes for the future.

Upon their shoulders rests the responsibility for preserving and perpetuating our way of life.

A vast reservoir of youth power, they possess great creativity, talent, and energy that can and should be channeled to usefully serving our people and the Nation.

Fortunately, young Americans, for the most part, are contributing constructively to family, civic, social, religious, and other activities of community life.

Regrettably, however, a large and growing number are out of step with society. If the present trends continue, for example, by 1962 an estimated 1 million teenagers will be arrested annually for crimes, misdemeanors, and other kinds of misconduct. Because of the broad scope of this problem—incidentally, a worldwide problem, not merely a U.S. problem—more effective efforts are needed to curb delinquency.

In attempting to resolve the problem of delinquency, however, we must not allow such efforts to overshadow the fine activities and accomplishments of the right-living, right-thinking youth—our adults of tomorrow.

In my judgment, rather, we need to accent the positive—not the negative—by expanding and further improving our youth-development programs.

Particularly, we have not provided the young folks of America with an opportunity to participate to a proper degree in our economic progress.

Recently, the Milwaukee Sentinel published, in Victor Riesel's column, an article by Secretary of Labor Goldberg entitled "Jobless Teens Critical U.S. Problem."

Reflecting upon one of the major aspects of the challenge for youth development programs, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Sentinel, July 10, 1961]

JOBLESS TEENS CRITICAL U.S. PROBLEM

(By Arthur J. Goldberg)

WASHINGTON.—Right now, there are over 1½ million unemployed young people under 19 years of age. This great population of unemployed and out-of-school young people has aptly been called social dynamite.

Continued unemployment among large numbers of idle youth is potentially our most dangerous social condition since it provides such a fertile seedbed for crime and delinquency.

Looked at squarely, what we are facing here is: (1) A problem of the city slum, (2) a problem of employment, and (3) a problem faced largely by minority groups.

There are, of course, other factors, but I consider these three basic.

It is my belief that a decided relationship exists between employment opportunity and delinquency.

In urban areas where large percentages of young people are both out of school and out of work, it seems clear that some or all of the following conditions exist:

Limited employment opportunity at hand; lack of means to go where the jobs are; lack of education and skill to qualify for most jobs today; realization that the school graduate is as hard up to find work as the nongraduate; the feeling among youth that the door out of the slum is not steady work at low pay but an opportunistic gamble.

In attempting to change this environment, certain things imediately suggest themselves as appropriate for Government attention.

The first is the provision of some kind of job training to qualify young people for employment.

The second is the creation of a device to locate jobs and make them available to slum youth.

A third is the vigorous enforcement of anticrime laws.

And a fourth is an acceleration of the effort to eliminate prejudicial practices in business and labor unions.

By 1965 we will have 40 percent more persons under 20 years of age in our labor force than we do today. If we are to move effectively against youth unemployment, we should begin now.

The occupational trouble usually begins not when a young man first comes into the labor force but long before. A training program underwritten by Government should concentrate at the root—in the age group between 16 and 22.

It should, of course, be open to all, regardless of race, color, creed, sex, or place of national origin.

And it should proceed in two directions—private training programs sponsored and conducted by employers, trade associations, labor organizations and other agencies, and public service training programs designed to create employment opportunity in the community.

The second approach is equally appealing to me. The places where youthful unemployment and unfinished educations predominate are the very places severely plagued with public service problems. Training programs for public service, conducted by local and State Governments in cooperation with the Federal Government, open the doors to occupational usefulness in the places of greatest need.

Health work, education, recreation, welfare—work in hospitals and day care centers, in museums and zoos, on programs for children and the aging, housing projects, citizenship programs—a whole list of things, immediately suggest themselves. Allowance payments made to young people engaged in federally supported training for such work would pay national dividends far beyond the financial cost.

There should be, too, some kind of program that links the energy and presently wasted manpower of unemployed young men with the needs in our natural resources and conservation programs. One need seems to complement the other. Conserving the gifts of nature may help release the great human gifts present in our young people and currently stifled in the slum environment.

The President has sent to Congress a bill embodying these proposals—the Youth Employment Opportunities Act, which I hope the Congress will pass soon.

Beyond governmental initiative, however, there is a question of private response. In a free society, the legislative approach to social growth is at best to be considered as a minimum requirement of responsible leadership.

I believe a large share of the responsibility for occupational imprisonment rests upon the policies of management and labor.

No young person can be asked to share in the mores of our society when he cannot share in the work and receive the fruits of the work of that society.

Unions that deny membership and apprenticeship opportunities to the young Negro—firms with unwritten discriminatory policies—help to build the high wall that shuts out the light of opportunity around our poor urban districts.

We can help train young people. We can help turn them to useful work. In public service employment we can guarantee them a nondiscriminatory work environment. But if firms will not hire them, if unions will not take them into membership—then their frustration is compounded.

As I have said many times to management groups and to labor groups, if you want to know what you can do for your country: Stop discriminating.

Admit Red China, Sell the Free World Short

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 12, 1961

Mr. DAGUE. Mr. Speaker, it is alarming to contemplate the determination with which certain persons high in Government seem bent on compromising on the admission of Red China to the United Nations. Officials of the Stevenson-Bowles persuasion seem to have complacently accepted the British idea that admission is inevitable and that the free nations might as well get used to the idea of cohabiting with these international pariahs.

At this stage of the machinations the White House, of course, is maintaining its no recognition, no admission front, but in the light of what has happened in Cuba and in Laos the American people may as well resign themselves to the fact that leadership from that sector is going to be uncertain at best. But the man in the street, as usual, seems to be several jumps ahead of his elected leaders and I have yet to find a single person in my congressional district who thinks that recognition of the Reds would not be folly in the extreme. Indeed, most of those with whom I have talked feel that we made an extremely bad bargain when we recognized Red Russia in 1933—to the everlasting glory of the New Deal—and that to duplicate that ill-considered action in the case of Communist China would be suicidal.

And just why should these Chinese gangsters be accepted into the family of nations? Red China stands adjudged as an aggressor by the very organization to which admission is proposed and the thousands of American youth who died in the rice paddies and on the desolate ridges of Korea cry aloud in protest at the recognition of their bloody-handed killers. As a practical matter, Red China remains wholly and boastfully defiant of the rules of decent international conduct and blatantly and arrogantly proclaims complete dedication to the philosophy of armed combat as the means of promoting her godless ideology.

What, indeed, have we come to when we supinely accept the opportunistic philosophy that we cannot avoid taking these conniving hoodlums to our bosom—these brigands who have shown their true identity in the rape of Tibet? Must we adjust ourselves to the idea that we should accept into our homes every unrepentant thief, crook, and murderer

who knocks at our door? Certainly the spectacle of an intransigent Russia should warn the free nations of what they can expect if these Asiatic killers of their own people are allowed to don the cloak of respectability by acceptance as honorable members of the international community.

And what should we do to forestall this catastrophe? It is really very simple. We should declare to all and sundry—by congressional resolution and Presidential proclamation—that the admission of Red China to the U.N. will result in our immediate and permanent withdrawal from that body. We should then follow our actions by the demand that the U.N. remove its physical presence from our shores within 2 years. Following that, we should serve notice on Red Russia that the next aggressive move on her part in our direction will result in the complete severance of all ties between this Nation and the Soviets.

We are now in a state of war and to continue to fraternize with those who are bent on our destruction is folly in the extreme. Let us have no more of it and let us show both our foes and our fickle friends that we mean what we say.

Buffalo Harbor U.S. Army Engineers

EXTENSION OF REMARKS

OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 12, 1961

Mr. PILLION. Mr. Speaker, on June 10, the Niagara Frontier Port Authority—the Buffalo City metropolitan area—sponsored a ceremony upon the opening of a new 25- by 26-foot Buffalo Harbor entrance.

For the past 3 years the Buffalo area has been suffering from serious economic dislocations with resultant heavy unemployment.

The St. Lawrence Seaway has been a partial cause. The bypass of Buffalo has resulted in a severe reduction of grain storage and transportation. There have been consequent losses of employment in both the grain and railroad industries. Imports have also added to the reduction of employment.

It is hoped that the new harbor entrance will stimulate Buffalo's economy to compensate for its recent setbacks. In essence, the ceremony was a tribute to the U.S. Army Corps of Engineers and its highly competent personnel.

My address at this ceremony follows:

It is a high privilege to be associated with you in this dedication. It is a historic event for Buffalo and the Niagara frontier. The opening, today, of this new north channel is a significant improvement to the economy of western New York. In a large measure, Buffalo's well-being is dependent upon economic water transportation. Our past, present, and future are interwoven with waterborne traffic and transportation costs. The St. Lawrence Seaway and the attendant international competition has intensified the need for this improvement of Buffalo's harbor facilities.

We have now realized a substantial completion of the construction of the Buffalo Harbor and Buffalo River improvement program. This project was first authorized in the year 1945.

It represents an outlay of $11 million. This cost is an investment, an $11 million investment in the continuing growth of this area—in the future strength and prosperity of this Nation.

The 22- by 23-foot depth in the Buffalo River and the 25- by 26-foot depth in the north channel gives Buffalo a modernized, adequate harbor facility.

The U.S. Army Engineers are in the initial stages of planning and construction to deepen the south channel to a depth of 28 to 30 feet.

The relocation of the new north entrance channel and the construction of the new breakwater, provide Buffalo with a safe all-weather harbor that is comparable with that of any other city on the Great Lakes.

Continuing industrial development and expansion in the Buffalo area is basic to our economic welfare. It provides the job opportunities, the payrolls, the public services that are fundamental to an integrated and prosperous community.

This harbor improvement is a substantial contribution toward making the Niagara frontier more attractive to commerce and industry. It is a step toward more jobs, more opportunities, toward greater prosperity and a higher standard of living.

The completion of the north channel has been a community effort. We can, each of us, derive a sense of satisfaction in a job well done. However, special mention should be made of those persons and those organizations that made extraordinary contributions to this effort. This community owes a deep debt of gratitude to the U.S. Army Corps of Engineers for a remarkable and efficient job.

The following officials in Washington were closely identified with this project: Maj. Gen. E. C. Itschner, now retired, Chief of U.S. Army Engineers; and Maj. Gen. William F. Cassidy, Director of Civil Works, U.S. Army Engineers.

The Buffalo district office of the U.S. Army Engineers performed their usual magnificent job of planning, designing, and supervision.

Incidentally, we in Buffalo are both pleased and grateful for the recent decision to keep the Buffalo district office intact. They are a good and efficient team. They have been a great asset to this community. We don't want to lose them or any part of this team.

We acknowledge the outstanding contributions made by Col. Loren W. Olmstead, Col. Earle B. Butler and Col. Stanley Hunt of the Buffalo district office, to this project.

We regret Colonel Butler's impending transfer. He has performed an exceedingly capable job during his stay in Buffalo. We wish him well. We trust that his departure will be in the direction of a well-deserved promotion.

Our distinguished guest, Brig. Gen. Thomas DeF. Rogers, division engineer, is both a truthful and generous gentleman. Last night, he told me that Col. Stanley Hunt of the Buffalo office was one of the most capable engineers in the U.S. Army Corps of Engineers. His team of design engineers is one of the world's best design groups. That was a generous and courteous expression. It was also a statement of fact.

The critical decision in this project was made in the year 1956. At that time, Colonel Olmstead had to decide whether to deepen the existing channel in rock, or to relocate the channel into a soft material area. His decision to relocate the channel was the right one. In spite of various pressures, he had the fortitude, foresight, and wisdom to delay this work for 1 year, until the studies and model tests could be completed. His judgment has been completely vindicated. As a result, we have a better and safer harbor entrance. When needed, this channel can, at any time, be readily deepened to accommodate the 27-foot seaway depth. The eventual deepening to seaway depth in this newly alined channel, can be made with an estimated saving to our taxpayers of approximately $17 million.

Colonel Olmstead, as district engineer, was in overall charge of the supervision of the construction of the St. Lawrence Seaway. This was one of the world's outstanding engineering jobs. We, in western New York, are most pleased with his decision to associate himself with the Niagara Frontier Port Authority. His experience, his stability, his mature judgment will prove to be a most valuable contribution to the port authority and to this community.

We owe our thanks to Buffalo's two fine newspapers, the Buffalo Evening News and the Buffalo Courier-Express. They have been constant in concentrating community support for this project.

The Buffalo Chamber of Commerce has given its continuing support to the realization of this project. I recall the numerous visits of Cliff Fitchner to Washington and his fruitful appearances before congressional committees.

We can appropriately acknowledge the splendid efforts of Mayor Sedita, Senator Mahoney, the Buffalo Common Council, and the Erie County Board of Supervisors.

The Niagara Frontier Port Authority has been most helpful. John Ulinski, Joseph P. Molony, Charles Penney, and Harold Ehrlich were most cooperative and attentive to every phase of this project.

But, all in all, we can't look upon this project as a panacea or cure-all for our economic ills. Navigation costs are a significant factor but not a major factor in our total production costs.

This project is merely an example of how we can and how we must continue to meet, equal, and surpass the competition we face both nationally and internationally.

We must constantly keep in mind that we, in Buffalo, are competing with every other industrial city on the Great Lakes. We are competing with every other area in the South, North, East, and West of this Nation. It is competition in the quality, the utility, the production quantity, and above all, the costs of our products and services.

We are handicapped by higher than average local, school, city, county, and State taxes, by restrictive laws, rules and regulations.

In some instances, we have suffered from a hostility in labor-management relations. I know of two firms where this has been a significant factor resulting in the loss of nearly 10,000 jobs for western New York.

New York State suffers from a lack of effective political representation in Congress and in Washington. In the Senate, our two Senators have one-fiftieth or 2 percent of the voting power. They lack the votes to effectively represent New York's population—10 percent of this Nation.

In the House of Representatives, the 43 Representatives are almost equally divided in their political philosophy. They merely cancel each other out. They lack political unity and political effectiveness.

As a partial result of our political anemia, New York's taxpayers pay approximately $10 billion of taxes annually into the Federal Treasury. We receive back approximately $7.5 billion in total payments and benefits. A $2.5 billion annual deficit balance of payments between the State of New York and the U.S. Government is a severe handicap to our economy, to our welfare, to our future.

We must face Federal-aid programs that are political subsidies to other States. These 100-odd programs return $1 to New York for each $2.50 paid in. These subsidies enable other States to offer lower State taxes to attract industry and business.

Agricultural, reclamation, and irrigation subsidies are politically tailored to favor other areas of the Nation at the expense of the Northeastern States.

Huge Federal subsidies for public power projects enable other sections of the country to offer public power at costs ranging from 2 to 3 mills per kilowatt-hour. Our costs range from 5 to 7 mills per kilowatt-hour.

The St. Lawrence Seaway is bringing us into competition with other nations and with other world products.

I am not, however, pessimistic. I like to consider myself a practical optimist about our future.

We have both the human and material resources for a continuing expansion of our economy. We have the will and the determination to make this community a better place to work in and to live in. But, only by our continuing cooperation in projects such as this can we make it so.

Congressman Lane Appears Before Veterans' Affairs Committee in Support of World War I Pension Bill

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 12, 1961

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my statement before the Subcommittee on Compensation and Pensions of the House Veterans' Affairs Committee on July 11, 1961, in support of H.R. 3745 providing a pension for veterans of World War I:

Mr. Chairman and members of the committee, the average age of World War I veterans is beyond the 65-year mark that generally qualifies a person for retirement due to age.

More than 42½ years after the armistice of November 11, 1918, these veterans petition the Congress for a pension based on their service. The income limitations specified in H.R. 3745 are consistent with the provisions of pension legislation now in effect. What we seek is a broader coverage, and at a higher rate that bears some relation to the minimum cost of living.

Under its provisions, a veteran of World War I who is married and has dependents, would receive a pension of $1,228.56 per year. Even if he did have an income that reached the ceiling of $3,600—and most of them do not—his pension plus income would be slightly more than $4,300. This total is considerably less than the minimum required to support an aging veteran and his wife.

I reiterate the fact that most veterans, even with the proposed pension, would not have a total income anywhere near the situation I have described.

There was no GI bill of rights for those who served in World War I. It is impossible, of course, to enact retroactive legislation whereby the Nation would accord to them the same benefits enjoyed by the veterans of World War II, and Korea.

But it is possible to make up, in part, for this deficit, through the medium of H.R. 3745, to provide a pension based on age, and honorable service.

When a veteran reaches the age of 65, the reasonable presumption is that his health is not as good as it was at 40, 50, or 60. Furthermore, he labors under a very real economic disability in holding the job he has, and more so if he loses his job through a reduction in force and has to seek other employment.

Many of their best earning years were canceled out by the long depression of the 1930's. Those who were steadily employed, did not receive wages that would permit them to build up savings sufficient to meet today's high cost of living. What they did manage to put aside has depreciated from its original value, due to inflation.

Social security benefits, averaging $74 per month, even when supplemented by old-age assistance provide an austerity standard of living.

Medical costs alone, make a mockery of this security. The exorbitant prices charged for drugs that can be mass produced at a lower unit cost, is but one instance of the straightened economic circumstances in which too many World War I veterans find themselves in the "twilight of their lives."

The whole history of pension legislation for veterans—covering all the wars before 1917—is a mandate for approval of H.R. 3745. In fact, pensions for the veterans of previous wars have frequently been more liberal, both as to qualifying age and benefits than the bill now under consideration by this committee.

It was less than 42 years after the end of the Civil War that the act of February 6, 1907 was passed. According to the new law, veterans having had a minimum of 90 days' service in the Civil War, who were honorably discharged, and who were at least 62 years of age, were eligible for pensions.

Pensions for veterans of the Spanish-American War were provided for less than 22 years after the end of that conflict. A minimum of 90 days' service, an honorable discharge, and attainment of the age of 62 were required for eligibility.

Most of the veterans of World War I never sought special assistance from the Government. More than half the total of those who served have since passed away.

Of the survivors, more than 600,000 are not now receiving pensions, even though their average age is past 65, and their ability to earn a living commensurate with today's needs is gone.

They have already lost 3 years of pension benefits that were granted to the veterans of the Civil War, and the veterans of the Spanish-American War, who became eligible at the age of 62.

Because of this irretrievable loss, I respectfully urge this committee to report favorably without further delay, on H.R. 3745, the World War I Pension Act of 1961.

Imports Destroy Local Industry and Nurture Widespread Unemployment

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 12, 1961

Mr. SAYLOR. Mr. Speaker, it is always a privilege to be able to associate myself with the gentleman from West Virginia [Mr. BAILEY] on matters pertaining to international trade. His long record of support for American industry and labor against the crushing impact of imported goods produced by workers whose wages are shamefully low is recognized and admired in Pennsylvania as much as in his own State.

I am happy to find that the West Virginia State Legislature has taken an active interest in the U.S. Tariff Commission investigation initiated because of the losses sustained by America's glass industry to unfair foreign competition. Western Pennsylvania has also felt the effects of unrealistic tariff policies that permit imported glass and other consumer items to destroy local industry and nurture widespread unemployment and hardship. Other State legislatures should be encouraged to take similar action. Perhaps Congress, when the voice of the people at home becomes sufficiently loud and clear through such media as State legislatures, will finally make restitution for the surrender of its constitutionally delegated power over international commerce.

We who have been exposed to the impoverishments of our communities through irresponsible trade policies are quick to appreciate any decisions by the Tariff Commission that are beneficial to the economy of this country. Decisions of this nature are so few and far between, however, that there is seldom an occasion for jubilation. It is particularly distressing when a favorable Tariff Commission recommendation is rejected by the White House, although such procedure has come to be expected in recent years.

It would seem past time, Mr. Speaker, that Members of Congress accept the fact that present foreign trade policies are entirely inadequate, indefensible, and inane. Even under most satisfactory conditions, the Tariff Commission is without authority to provide the kind of protection American industry and labor must have for proper development and moderate prosperity.

We most assuredly welcome whatever consideration the Tariff Commission proffers. Nonetheless, Members of this legislative body who are dissatisfied with the executive department's arrogation of authority over trade policy, who object to the displacement of American workers through reckless importation of commodities from abroad, and who recognize the long-term damage involved in a program that gives precedence to foreign exporters over domestic considerations; those of us who consider America's economy and defense our first responsibility must join together in drawing up a set of rules not presently being observed. Congress can no longer stand by and watch national welfare be sacrificed in favor of so-called diplomacy. Opening markets without regard to the effect on employment in this country was a connivance of the disciples of internationalism which has not only failed to win us more friends, but in actuality has produced a healthier grade of enemies. Russia's current invasion of energy markets in Europe, Africa, South America, and the Far East is lending emphasis to the futility of this country's attempts to purchase friendship with either hard cash or soft import policies.

There is also danger of supply gaps in all industries whose capacity to meet mobilization requirements is being depleted by competition from abroad. Glass is a good example. When a growing ratio of domestic demand is met by foreign supplies, America's own glass production is stinted instead of moving forward with the growth in population and rise in living standards. The glass industry finds it impossible to continue at normal operational levels when its markets are overrun by products shipped in from overseas. Glassworkers must seek employment in other industries, sometimes far removed geographically. If an emergency comes and imports are cut off, the domestic glass industry could not be expected to meet the sharply accelerated requirements.

Here is where we must make the decision to be sure that there will be no supply gaps under mobilization conditions. Whatever the product—glass, oil, coal, machine tools, pottery—Congress must erect the necessary safeguards. You name it. There are few congressional districts where the impact of unfair foreign competition has not been felt. I invite my colleagues to join me and my distinguished colleague from West Virginia in our long battle for a logical foreign trade policy. With the Reciprocal Trade Agreements Act expiring a year hence, now is a most appropriate time to serve notice on the executive department that future trade pacts must be made in favor of America's industries and labor instead of assorted peoples whose only interest in us is what our Government can do for them.

Social Justice and Self-Respect in Foreign Aid

EXTENSION OF REMARKS
OF
HON. SEYMOUR HALPERN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. HALPERN. Mr. Speaker, as we are asked to consider new and extended administration proposals for foreign aid, it is in order to consider two vital elements in any long-range program to extend economic and technical assistance to other countries.

These elements are the principles of morality, social justice, and the necessity for national self-respect in the measures which the citizens of this country are asked to underwrite.

The President himself has laid down the principle that American foreign aid should support standards of morality and social justice. However, we show ourselves lacking in dignity and self-respect when we extend assistance to countries which systematically discriminate against American citizens on the basis of race, creed, or color.

This was the point which I made in a speech delivered to the ninth annual convention of the New York State Zionist Region, ZOA, at Grossinger Hotel, Liberty, N.Y., on June 3, 1961.

Mr. Speaker, inasmuch as the subject matter of my talk is pertinent to a vital aspect and basic principle in the foreign aid legislation now being considered by this Congress, under unanimous consent I include the text of my speech in the CONGRESSIONAL RECORD:

Ladies and gentlemen of the New York Zionist Region, I am very pleased that you have invited me to join you tonight on the happy occasion of the New York State Zionist Region Convention. It is significant that this convention coincides with Israel's 13th birthday—her bar mitzvah.

When one is confronted with a well-informed and perceptive audience such as you are, he has indeed a challenging assignment.

Several weeks ago I was proud to be among the Members of Congress—Jews and non-Jews, Republicans and Democrats—who arose to commemorate Israel's bar mitzvah anniversary. The stress was on Israel's remarkable achievements, American-Israel friendship, and the mutual affinity linking our two nations.

But at the age of 13, not only is a Jewish youth accorded privileges and status in the Jewish religious community, he is also vested with certain responsibilities. He becomes a guardsman and a soldier. The most brilliant annals of Jewish military history, from Judas Maccabeus and Bar Kochba to the heroic Haganah, from David who slew Goliath to Degania, the oldest kibbutz in Israel, record the deeds of our youth. For it was in Degania that teenaged Jewish boys in 1948 destroyed Arab tanks with flaming bottles of gasoline and saved the Jordan Valley south of the Sea of Galilee. Outnumbered and virtually unarmed, boys as young as 13 fought and died to rebuild and defend the Galilee.

The Arabs had invaded the area assigned by the United Nations partition to the Jews. But there were no United Nations forces nor world powers to defend Jewish life, honor, and dignity. There were only the Jews—boys and men, girls and women—and the tremendous support from abroad including the Zionist movement in America—from the very ladies and gentlemen I have the honor to address tonight.

When circumstances demanded in our history, Jewish youths of 13 became the soldiers, the watchmen, the guardians of our people. Now Israel has attained her bar mitzvah. You all know the ancient Hebrew proverb: "The watchman of Israel does not sleep and does not slumber."

So it is today. Israel has attained wonderful achievements and status, by her own sweat and blood and by the efforts and vigilance of her friends abroad including the faithful Zionists gathered here tonight.

But the watchman of Israel may not sleep and may not slumber even today. We have lived to see great progress. However, a tremendous challenge remains along with a continuing—even increasing—need for vigilance on the part of Israel and her friends.

That great Zionist, the late Mr. Justice Brandeis, maintained that Zionism made for better Americanism. Never has that been more true than today. America and Israel share the same goal: preservation of freedom. America and Israel face the same threat: communism and fellow-traveling Arab nations. Support of Israel is identical with the interests of America and the free world as well as those emerging nations that sincerely strive for human equality and progress.

We are living in a chaotic change of civilization. There have been incredible achievements in science, in space exploration, in medicine, in the prolongation and enrichment of life. Brotherhood of mankind is moving rapidly forward. But so are the threats to our very existence.

On the world scene, there is missile gap as well as moral gap. Democracy is not self-propelled, like a rocket. We must keep building freedom to make it survive and spread. This is not done by hypocrisy and two-faced policies. America must implement its professed ideals, whether in Alabama or Arabia.

Every one of us appreciates the gravity of the world problems facing America tonight. Americans, regardless of political party, race, color, or creed, give President Kennedy our hopeful and sympathetic good will and support as he negotiates abroad, seeking the preservation of peace and freedom. All Americans participate in our open society. We must debate issues and resolve the best course. And we must say what we mean—and mean what we say—whether dealing with Cuba or with Arab blockade and boycott tactics.

While I mention Cuba, it is interesting to note that some of those sincere humanitarians, in justifying approval of Castro's tractors-for-prisoners swap, have compared it with the offer of the notorious Nazi criminal, Adolf Eichmann, to exchange Jews for trucks. But there is a difference. The Cubans in question were soldiers who invaded Cuba to free it. The Jews for whom Eichmann sought ransom were merely innocent men, women, and children who had made no invasions but were only trying to survive.

Speaking of the Eichmann case, I do not understand the State Department's tacit boycott of the legal proceedings in Jerusalem. I regret that America was one of the two countries (the other was England) that refused to send diplomatic observers.

The State Department deplores the wanton acts of Dictator Castro. Should not it be as concerned about crimes against Jews, indeed the murder of 6 million? It is hard to understand this unless it is a part of a policy to avoid offending Colonel Nasser, the Castro of the Middle East. The United Arab Republic is defending Eichmann and has accused Israel—mind you—of committing all the crimes of which Israel accuses Eichmann.

The Arabs respond emotionally and venomously every time America makes any move they interpret as supporting Israel. This may explain the perennial appeasement tendency in the State Department and the shocking boycott by our Government of the Eichmann trial.

The State Department has in its files the Nazi archives captured in Berlin in 1945. In fact, among material just released was a German official Foreign Ministry document, No. 1232. This was a proposal to Hitler by the Grand Mufti of the Arabs "in agreement with the Iraq Government, the Saudi Arabian Government, the leading statesmen of Syria" that Hitler backed "the right of the Arab countries to solve the Jewish question in the national and racial interest of the German model." The Arabs tolds Hitler secretly during the war: "The enemies of the Arab countries and Germany are the same * * * the Jews, and the Americans."

The State Department archives establish that the Arab States congratulated the Nazis on Adolf Eichmann's mass murders. The Arabs, and their apologies, displayed no concern about Jews being kidnaped from one Nazi-occupied country to another nor about so-called ex post facto laws nor even about juridical considerations of the crematoria.

The shocking truth is that the Arabs today would like nothing better than to put Eichmann back into operation.

The Israeli Chief of Staff recently reported a massive military buildup by the United Arab Republic. Over $4,500 million has been earmarked by Nasser in a 5-year plan. The plan does not seek to raise the miserable

living standards of his Arab subjects. It is for a new aggression against Israel—and a grandiose scheme for an empire encompassing Africa as well as the Middle East. To gain his ends, Nasser is collaborating with the Soviet Union and benefiting from huge shipments of Russian tanks, jets, and guns.

There is need for greater vigilance than ever by Israel and her friends. Nasser's intrigues facilitate Communist penetration of the Middle East and Africa. He plays off East against West. At the United Nations, the Arabs almost invariably vote with the Sino-Soviet bloc against the free world.

In the guise of backing new nations of Africa, Nasser is striving to turn them against Israel and the West. As far back as 1956, President Kennedy, then a Senator, described Nasser as "the chief provacateur against the West." At the recent United Nations General Assembly, Nasser voted with the Soviet Union on 53 occasions but only 4 times with America.

In 1960, Congress in its wisdom, adopted an amendment to the Mutual Security Act, which I am proud to have cosponsored in the House—setting forth in no uncertain terms the U.S. position opposing boycotts, blockades and restrictions in the use of international waterways. The President was authorized to deny aid to any nation violating the principle.

Earlier, in 1959, Congress amended the Mutual Security Appropriations Act to state in strong language the U.S. opposition to discrimination against any American, for reason of race or religion, by recipients of American aid. This provision was continued in the 1960 Appropriations Act. Both these amendments provided unquestioned standards for nations seeking to qualify for American aid. And no state should be an exception. The President under this authority could, and quite justifiably, disqualify a nation from receiving economic aid paid for by all American taxpayers if that nation practiced discrimination against American citizens on account of race or religion.

Despite the strong, unqualified intent of these amendments, aid to the Arab States continued. And I don't have to tell you that there has been no lessening of the boycott or discriminations. What a joke this makes of the expressed will of Congress—the representatives of the American people.

President Kennedy as a candidate on August 25, 1960, declared that "the influence of this Nation and other maritime powers must be brought to bear on a just solution that moves all discrimination from the Suez Canal." He promised to implement the amendments to the Mutual Security Act intended to deny American aid to nations which discriminate through boycott and blockade tactics and which bar Americans because of race or religion.

The political platforms of both parties in 1960 pledged action against the flagrant Arab boycott, blockade, and discriminatory tactics.

It was hoped that the New Frontier would act quickly and constructively in the Near East. But, its spokesmen maintain, there was crisis after crisis elsewhere: Laos, Cuba, the space race, Alabama, etc.

Recently Senator KEATING and I inquired of the State Department about steps taken, if any, to implement the will of Congress regarding these qualifications to the foreign aid bills. The reply was disappointing. The Department contended that it would play into the Communists' hands to annoy the Arabs on this issue. Imagine that. The Department went further and said it feels "that avoidance of coercive tactics in such area disputes is more likely to produce an atmosphere conducive to the settlement of the basic problem."

Are we to conclude from this that we should avoid adherence to decency, morality and justice because it is a "coercive tactic"? Are we to assume that the will of Congress—the representatives of the American people—is "coercive" because they ask that those who receive our direct aid qualify for it by adhering to international law and decency. Since when should such moral standards be avoided?

When the State of New York, through a resolution adopted by the legislature in March of this year, deplored the affect of the Arab bias on American citizens and on commerce, Senator KEATING and I forwarded it to the State Department. In its response the Department sought to debunk the resolution. It—the Department—actually contended that Israel was discriminating against ships that called at Arab ports. It omitted the fact that the Arabs seize Israel-bound cargo that touches an Arab port. So, it was the victim who was blamed.

The Department meanwhile claimed that the New York State Legislature "portrayed the boycott as more discriminatory than it actually is." The spokesman for the State Department contended that only 25 American ships were blacklisted for trading with Israel. Should we say "dy-a-nu"?

Even if it were only one ship, it cannot be justified or condoned. But the truth of the matter is that several hundred ships flying the flags of all countries have been blacklisted by the Arab League. Some of these ships are American even though they may not be flying the American flag. And who knows how many ships have avoided trade with Israel in order to escape being blacklisted?

The Department failed to note that Americans of Jewish faith are barred, because of their religion, from Arab nations. Nor did it report how distinguished American scientists of Christian faiths were blacklisted by Cairo because they dared attend a scientific meeting in Israel.

How much further is this compromise with principle to go? This acquiescense? A huge new administration foreign aid request for almost $5 billion has just been placed before Congress. The executive department asks Congress, in the preamble of the new bill, to support "freedom of navigation in international waterways and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion."

I need not tell you the State Department and the White House already have such authority. It is heartening to see that the administration is openly recognizing these antidiscrimination principles and that they have written them into the act. However, this year the language is watered down and is not nearly as precise and sweeping as the 1959 and 1960 amendments. This is regretable and I, for one, expect to do everything I can to strengthen the language. But the important thing is not merely the words, but the action. Let us hope, now, that deeds not mere words will prevail. We must—and I cannot urge enough—press for unqualified, unequivocal language in the bill and the fullest implementation of it. To do otherwise would be interpreted as a weakening of the U.S. position—a retreat from what Congress has quite clearly stated previously.

Thus far the picture in the State Department isn't encouraging. I hope I am wrong but I can only go by recent developments as expressed by the State Department in the replies to inquiries I mentioned earlier. The Department's policy is inconsistent, to say the least, with the high principles set forth by the President regarding our foregoing aid program.

On one hand there has been an enunciation of a so-called new concept of foreign aid, liking it to social justice and responsible behavior on the part of the recipients. On the other hand, the State Department belittles New York State.

Are we to assume then that this "social justice" is apparently not meant to apply to Arab discrimination against American Jews, nor boycotts and blockades affecting American ships and others carrying cargo to Israel?

A new agency, to be called the Agency for International Development, is announced. This sounds good; and is desirable for some purposes. But I regret to report that the only policy change I see in the Near East is a likely increase of allocations to the Arab States. I understand that grandiose new aid projects for Nasser are envisaged, completely without regard to all the talk about linking aid with democratic traditions and ideals.

The United States, of course, should seek friendship of all governments and encourage them to resolve conflicts. But we cannot be neutral between these who are for aggression and those attempting to peacefully survive.

America is untrue to its ideals, and destroys the image we seek to project, when it subsidizes regimes that behave like the United Arab Republic. By so doing it taxes our people to support a government that works against our survival as a free people.

When the new aid bill is examined in Congress, I, for one—and I'm certain many other members—intend to fight for the ideas I have expressed to you. Also, I'm sure you agree that handouts to Nasser and other Arab States embolden them to further excesses—if we do not insist on adherence to international law and moralty. We need this clarification of our newly espoused foreign aid goals.

Between July 1, 1945, and the end of 1960, the United States provided foreign aid grants and loans totaling about $87 billion. This would have paid for a rocket to the moon—that is, if we could get there before the Arabs and Soviet bloc establish boycott and blockade restrictions on the moon.

The United Arab Republic has just conceived a plan for a so-called United African Military Force to battle the West, and support Communists like the late and unlamented Lumumba of the Congo. Is this what we are to support?

We have given Arab Jordan $230 million through 1960, including radio broadcasting facilities. This American-financed station broadcast that "the history of the Jews had been a history of crime." This, too, I imagine, is viewed by the State Department as "free speech" in consonance with American ideals. After all, the State Department announced that our diplomats in Arab states unanimously agreed last March to avoid linking American assistance to compliance with the antidiscrimination clause of the Mutual Security Act. They felt this would be "unilateral economic pressure by the United States."

An opportunity exists to bring all these matters out before Congress votes on the newly requested appropriations. I also feel that the President and the executive department, in the national interest, accomplish nothing by severing diplomatic relations with Cuba while supporting financially Mr. Nasser, the Castro of the Nile. Nasser's radio sounds just like the Havana radio. Instead of "gringos" as we are called by Castro, Nasser broadcasts to Black Africa that Americans are "white dogs."

If Havana is a springboard for Communist penetration of Latin America, Cairo certainly serves a similar function in Africa. Cairo is a funnel for Communist weapons and propaganda, a springboard from which over 40 Red Chinese missions have jumped into various areas of turbulent Africa.

Meanwhile, Israel is building democracy in Africa and Asia. It is extending technical assistance to many underdeveloped nations.

On its 13th anniversary, Israel finds itself firmly based on two pillars. One is comprised of the message of our prophets, our messianic concept of brotherhood peace, justice, liberty. The other pillar supporting Israel rests upon the discoveries in science and technology, which Israel is using to build itself into a proud and increasingly viable nation.

There is a great hope for a brilliant future. Israel grows stronger, not only militarily, but in the hearts of decent men. The saga of "Exodus" and the Eichmann trial proved that free world opinion is developing a deep affection and fascination toward Israel. Israel is working, producing, growing, expanding. It is dynamic. You have taken a vital role in its success.

Let us not be so upset by problems that you don't take justifiable pride in your own activities involving America's best friend in the Near East.

The housing shortage in Israel will be eliminated within the next year. Food, once scarce, is now so plentiful many items are being exported. Industry had made remarkable strides. Total Israeli production increased from about $400 million to $1 billion annually in the last 10 years. Agricultural production is up by 300 percent. Exports have increased from $70 million to $350 million a year.

New mineral resources are exploited. Unemployment is at the lowest point in Israel's history. There is a working force of some 750,000 in a population of 2,100,000. A shortage actually exists in some types of skilled labor.

You cannot imagine my pride as a Jew when I visited Israel last year with my wife. From the ghettos and death camps, a new nation has emerged bringing a sense of justice to history and vindicating the indomitable will of a people who refuse to perish.

Israel will outlive the Eichmanns of the ages. The day may also come when, in some profound way, the new Jewish nation will help our own country, America, which has done much to support Israel. Differences emerge and are resolved when there is a basic bond of mutual adherence to freedom and the brotherhood of man under the fatherhood of God. Such a link ties America and Israel.

I wish to compliment you on your work, on this meeting, and urge you to strive on. For we recall the words of Isaiah: "I, the Lord have called thee in righteousness and will hold thine hand, and will keep thee, and give thee for a covenant of the people, for a light of the nations."

Mr. Speaker, in connection with this regional conference which I was privileged to address, I would be remiss if I did not comment on the occasion and the fine folks who participated in it. I couldn't have been more impressed than by the spirit of dedication and enthusiasm that prevailed.

One could feel the intense patriotism of the many folks who gathered from all parts of what is known as "Up-State New York" for an annual conclave to review, discuss, and deliberate matters of concern to their great cause—a cause that reflects the great American ideals of human understanding, freedom, and the dignity of the individual.

Much praise should go to the president of the region, who was renamed for another term, Samuel J. Wineburgh, of Niagara Falls for his unstinted dedication and unselfish work for the organization. I know, in these words, I echo the feeling of high regard, esteem, respect, and affection of the entire membership of the New York State region. I feel certain, too, that I reflect the admiration of the group in extending compliments to Irving Fraser, the able, genial, and tireless executive director, for his outstanding efforts, far beyond the call of duty.

Likewise, commendations are due Rabbi Samuel I. Porrath who presided over the ninth annual session, and to Rabbi Seymour Schorr, the secretary of the region, for their significant roles, not only at the convention but at all times as leaders in the Jewish community—and as outstanding Americans.

Yes, Mr. Speaker, my heartiest admiration goes to these fine folks and to all those leaders and members who comprise the sections of the region and who have contributed so much to their faith and to the great ideals of our Nation.

Economic Aspects of Continuing Feed Grains Adjustment Programs

EXTENSION OF REMARKS
OF
HON. W. R. POAGE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 12, 1961

Mr. POAGE. Mr. Speaker, as Chairman of the Subcommittee on Feed Grains and Livestock of the Committee on Agriculture, I receive many inquiries regarding the 1961 feed grains adjustment program. These inquiries indicate widespread misconceptions regarding the economic effects of the continuation of this program.

In view of these inquiries, I asked Dr. Walter Wilcox, of the Legislative Reference Service, to make an analysis of the more important economic aspects of feed grains adjustment programs.

If feed grains adjustment programs are continued, his analysis indicates:

Government costs would be reduced as compared with continuing the 1959–60 program for feed grains.

Feed grains and livestock prices would be maintained at higher levels.

Cash receipts from sales of all livestock and livestock products would be increased.

Excess Government stocks of feed grains would be reduced.

The value of hay and pasturage, as well as feed grains, would be increased.

Prices of feeder cattle, lambs, and pigs would be higher than otherwise.

Feed costs to the livestock feeder who purchases feeds would be increased more on a percentage basis in the feed-surplus than in the feed-deficit areas.

Over a period of several seasons, livestock feeders and large-scale egg and broiler producers who buy all their feed would neither benefit nor be adversely affected by feed grains adjustment programs which stabilized feed grains supplies and prices.

Dr. Wilcox's analysis follows:

ECONOMIC ASPECTS OF CONTINUING FEED GRAINS ADJUSTMENT PROGRAMS

The high signup for the 1961 feed grains program indicates that acreage reductions in corn and grain sorghums on cooperating farms will equal 25 percent of the total acreage of corn and grain sorghums grown in 1959–60. On the basis of the July crop report, corn production will be reduced about 20 percent. Although payments in kind to cooperating producers may total about 700 million bushels of grain, the long-run savings to the Government are expected to be substantial.

Had the 1959–60 feed grains price support program been continued, it is estimated that net additions to Government stocks would have totaled 300 million bushels of corn, after sale of out-of-condition grains and supplying special export programs. Since feed grain stocks have increased each year since 1952, and we now have 10-year-old corn in storage, net additions to Commodity Credit Corporation stocks at this time would be stored indefinitely. Each 100 million bushels of corn added to CCC stocks in recent years, if kept in storage 7 years would cost the Government about $210 million in acquisition plus storage costs; if kept in storage 10 years the cost would be about $255 million.

Because of the savings in future storage costs by avoiding further additions to stocks, even though no actual reduction in stocks is achieved, the 1961 feed grains program will result in a reduction in long-run Government costs, as compared with continuing the 1959–60 program. If the 1961 program results in a net stock reduction of several hundred million bushels, as now seems probable, long-run savings to the Government will be in the neighborhood of half a billion dollars.

In addition to savings to the Government, it appears that feed grain prices will be maintained at levels at least 10 percent higher than would have prevailed under the 1959–60 price-support program. If a program of this type is continued, it appears that feed grain and livestock prices can be maintained at levels about 10 percent higher than if the 1959–60 program were continued, and 30 to 35 percent higher than if feed grain production were unrestrained with price supports at or below market levels.

Brandow and Hathaway, using a carefully formulated demand model for the entire agricultural economy, estimate that with feed-grain production held to 140 to 150 million tons a year, the goal of the 1961 program, cash receipts from all major categories of livestock products would be higher in 1965 than if feed grain production were unrestrained with price supports at or below market levels.[1]

ALL LIVESTOCK RECEIPTS HIGHER WITH 145 MILLION TONS FEED GRAINS

Cash receipts from livestock and livestock products in 1959–60 and estimated cash receipts in 1965 under different situations are as follows:

[In millions of dollars]

	1959–60 [1]	In 1965, feed grain production unrestrained [2]	In 1965, feed production held to 145,000,000 tons [2]
Cattle and calves	7,636	6,944	7,584
Hogs	2,890	2,400	3,068
Sheep and lambs	336	263	296
All chickens	1,088	1,061	1,229
Turkeys	343	308	364
Eggs	1,569	1,357	1,766
Dairy products	4,676	4,778	5,523
Total	18,538	17,111	19,830

[1] From USDA farm income report.
[2] Joint Economic Committee. Op. cit., tables 16 and 18.

[1] 86th Cong., 2d sess., Joint Economic Committee. "Economic Policies for Agriculture in the 1960's." Washington, 1960. (Joint committee print.)

If feed grain production were unrestrained with price supports at or below market levels, hog and beef cattle producers would experience the greatest declines in cash receipts from 1959–60 levels. Egg producers, however, would experience a decline of 14 percent in cash receipts, second only in percentage to the decline of 17 percent estimated for hog producers.

If feed production were held to 145 million tons a year in contrast to permitting unrestrained production, Brandow and Hathaway estimate increases in cash receipts for the various classes of livestock and livestock products on a percentage basis as follows:

Increase in cash receipts in 1965 with feed grain production restriced to 145 million tons versus unrestricted production and price supports at or below market levels

	Percent
Cattle and calves	9
Hogs	28
Sheep and lambs	13
All chickens	16
Turkeys	18
Eggs	30
Dairy products	16
All livestock and products	16

MEAT SUPPLIES TO INCREASE EVEN THOUGH FEED GRAIN SUPPLIES ARE RESTRAINED

Hathaway reports that with feed grains stabilized at 140 to 150 million tons, the goal of the voluntary 1961 program, with normal feeding rates output of meat animals would increase sufficiently to result in a 10 to 13 percent increase in red meat per capita by 1965 as compared to 1959. Even though feed grain production is restricted to this extent, per capita red meat supplies would be expected to set new records, exceeding the previous record established in 1956.[2] In the absence of production restrictions or continued additions to Government stocks, livestock production would exceed all past records even further and prices would fall to extremely low levels.

Prices for livestock and livestock products at the farm would not be expected to average higher in 1965 than in 1959 if feed grain adjustments were continued as in 1961 and feed grain supplies were stabilized at about 145 million tons a year. If marketing costs do not rise, consumer prices for food would be expected to average about the same as in 1959.

Actually, a continuation of some program similar to the voluntary 1961 feed grain adjustment program is needed to stabilize farm prices of livestock and livestock products at recent levels and permit moderate increases in per capita food supplies without further stock accumulations by the Government.

FEED GRAIN STOCKS ALMOST THREE TIMES DESIRABLE LEVELS

The carryover at the end of this crop year will approximate 2 billion bushels of corn and the equivalent of another billion bushels of corn in other feed grains. There is substantial agreement that a carryover of a billion bushels of corn is sufficient when wheat is in ample supply.

Even though the 1961 program is successful in reducing stocks by several hundred million bushels, such a program would have to operate over a period of several years before stocks were reduced to desirable levels.

EFFECTS OF RESTRICTIONS OUTSIDE FEED GRAIN PRODUCING AREAS

It is generally agreed that the major benefits of feed grains adjustment programs flow to the producers of feed grains and the owners of the feed grain producing land. Contrary to popular opinion, however, producers of hay and pasture and producers of feeder animals grown on hay and pasture also benefit substantially.

Feed grains contribute only about one-third of all feeds utilized in livestock production. Hay and pasture account for more than 50 percent of the total. Commercial byproducts account for about 10 percent of all feeds consumed, with miscellaneous feeds accounting for the remainder.

Since all feeds to a limited extent, are substitutes for each other, feed grains producers, as a result of competitive forces, cannot avoid sharing their gains with the producers of forage crops and oilseeds. Feed grain adjustment programs, by holding the supply of feed grains in check, increase the value of all other feed supplies.

It has already been noted that cash receipts for all classes of livestock and livestock products would be higher in 1965 if feed grain supplies are restricted moderately. The smaller supply of feed grains and of total feeds under a moderate restriction program has a higher value because of the higher value of the smaller supply of livestock and products.

Livestock producers (such as commercial cattle feeders and large-scale producers of eggs and broilers) who buy all their animals and all their feed would be adversely affected in the short run if their feed costs increased in advance of an increase in the price of their finished animals and livestock products. Over a period of several feeding seasons, however, smaller total supplies of livestock products would result in higher prices for grain-fattened cattle, eggs, and broilers, fully offsetting the increase in feed prices. Since the only major outlet for feed grains, forages and byproduct feeds is the feeding of livestock, except during a brief adjustment period, prices of feedstuffs must adjust to levels which permit profitable livestock feeding.

The longrun economic adjustment on the part of various livestock producers to feed grain adjustment programs which would stabilize feed grain prices about 10 percent above recent levels, rather than allowing unrestrained production and a 25-percent decline in prices, would be:

Livestock producers who produced all their own feed would produce less feed and less livestock products, receiving higher prices and higher incomes than otherwise.

Dairymen who produce their own roughage but buy their grain would receive higher prices and more income from milk than otherwise and would use a part—but only a part—of the increased income to cover increased feed grain costs. A part of the increased income from milk would be available as an increased return for the home-produced forages.

Beef cattle and sheep raisers who produce feeder animals would find the value of their hay and pasture increased as a result of the higher prices for their animals. A part of the increase in the market value of the slaughter animals sold out of feed lots—but only a part—would be required to cover increased feed grain costs and the remainder, as a result of competitive market forces would go to the producers of feeder animals.

Cattle feeders who buy and fatten cattle entirely on purchased feeds and commercial egg and broiler producers who buy their feed, would find that over a period of several seasons competitive forces resulted in usual feeding and profit ratios for them. They would neither benefit nor be adversely affected by the restricted supply and higher prices of both feeds and livestock products.

GREATEST PERCENTAGE CHANGES IN FEED GRAIN PRICES OCCUR IN SURPLUS AREAS

One other economic influence is worthy of note. In the absence of feed grains adjustment programs, prices in the surplus areas would fall more proportionately than in the deficit areas. For example, when corn is $0.90 in the surplus areas and $1.20 a bushel in the feed deficit areas because of transportation and handling charges in moving grain, a drop of 25 cents a bushel is a drop of 27.8 percent in the surplus area, but only 20.8 percent in the deficit areas. Feed costs for hog producers, cattle feeders, dairymen, and poultrymen would be lowered in all areas by increased supplies, but the decline in feed costs would be about one-third greater in the surplus than in the feed deficit areas.

Conversely, a national average increase in feed grain prices of, say, 10 percent resulting from a feed grain adjustment program would increase feed costs about 30 percent more in the feed surplus than in the feed deficit areas. Thus a change in the national level of feed grain prices changes the competitive position of livestock producers in the feed surplus versus the feed deficit areas.

WALTER W. WILCOX,
Senior Specialist in Agriculture.

[2] "Joint Economic Committee Report." Op. cit., p. 47.

Statement of the Honorable Abraham J. Multer, Democrat, of New York, in Support of H.R. 5487

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 12, 1961

Mr. MULTER. Mr. Speaker, I was privileged today to testify before House Judiciary Subcommittee No. 3 on behalf of H.R. 5487, which amends section 1498 of title 28, United States Code, so as to permit patent holders to bring civil actions against Government contractors who infringe their patents while carrying out Government contracts.

I commend to the attention of our colleagues my remarks before the subcommittee:

STATEMENT OF CONGRESSMAN ABRAHAM J. MULTER, OF NEW YORK, WITH REFERENCE TO H.R. 5487, TO SUBCOMMITTEE NO. 3 OF THE COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, JULY 12, 1961

I appreciate this opportunity to discuss H.R. 5487 with this subcommittee of the Committee on the Judiciary.

H.R. 5487 amends section 1498 of title 28, United States Code, to permit patent holders to bring civil action against Government contractors who infringe their patents while carrying out Government contracts. The provisions of section 1498 now provide that the aggrieved patent holder has no recourse against such infringement except to enter suit against the United States in the Court of Claims. Such remedy has been held to be exclusive and comprehensive in character.

In effect, the United States is placed between the infringing contractor and the patent holder and the contractor is relieved of the consequences of his infringement. H.R. 5487 restores to the patent holder the right to sue the infringing contractor under section 1338, title 28 and chapter 29, title 35, United States Code, for the recovery of his reasonable compensation for the use and manufacture of his invention.

It should be noted, however, that this bill denies injunctive relief to the patentholder against the use or manufacture of his invention for the United States "in time of war or national emergency hereafter declared," or "if the Secretary of Defense certifies to the court that such use or manufacture is necessary in the interest of the national security." The restriction on in-

junctive relief makes it possible for the Government to proceed with its procurement without fear of restriction or delay caused by patent infringement claims or controversies.

This removes the objection that the bill might deprive the Government of the use of the invention at a time of national emergency. At all other times, it is only fair that the patentholder should have the right to enjoin the infringement of his patent.

This bill now makes available to a patentholder, whose invention has been infringed by a Government contractor, the same remedies that are available to all patentholders for patent infringement, subject to the restriction in injunctive relief in time of war, national emergency, or in the interest of national security. By bringing the remedies available to such patentholder in line with the remedies available to all patentholders, we reaffirm the sanctity of patents and remove confusion and doubt from an area which is in need of clarification.

The need for H.R. 5487 became apparent as a result of hearings on proprietary rights and data, which were held before Subcommittee No. 2, of which I am chairman, of the House Select Committee on Small Business, on March 29, 30, and 31, 1960. As these hearings progressed we found ourselves in a wondrous never-never land in which the only certainty was uncertainty. We were confounded with claims, counterclaims, conflicts, and confusion. We were not even sure where proprietary rights began or ended.

In this state of confusion we discovered, however, one proprietary or property right which was easily ascertainable and well defined. The owner of a patent had a firm, well documented property right in his invention. It seemed desirable to rescue this property right from the general confusion and uncertainty in which proprietary rights were enmeshed. This could serve as a start in bringing order out of chaos.

In the course of our hearings the spotlight of enlightenment was cast upon the dismal scene of Government procurement practices in relation to patent rights. In response to a question to Mr. G. C. Bannerman, Director for Procurement Policy, Office of the Assistant Secretary of Defense (Supply and Logistics) on whether the law which permits an unlicensed person to supply a patented item to the Government and restricts the aggrieved patentholder to a suit against the Government in the Court of Claims for such infringement is fair and equitable, and whether such law should be changed, Mr. Bannerman candidly testified:

"I would be glad to express a personal opinion on that. I think that that particular conclusion which has the effect of law at the present time is not fair. It was our practice over quite a number of years, when faced with the situation where it was necessary for us to buy an item which was patented, and where we had determined, first that the patent was valid and, second, that our requirement necessitated an infringement, it was our practice, as I say, to buy either from the patent holder or one of his licensees.

"There was a decision of the General Accounting Office as of last summer, with which I am sure you are familiar, which upset the practice, and made it necessary in an advertised situation for us to award to the low bidder, so long as this low bidder would protect the Government against suits, even though we knew that we were thereby causing an infringement of a valid patent. This has the effect of law, so far as we are concerned.

"We have accommodated this decision to our regulation. It is currently in there. I, for one, would be happy to see it out. But I do not think I have that power or authority, and I do not think anyone else in the Department of Defense has that power."

We examined the decision (B–136916 Aug. 25, 1958) to which Mr. Bannerman made reference in his testimony, which considered whether an award may be properly made to a low bidder even though such bidder is not a licensee of the owner of the patent covering the article to be procured by the Government. The decision stated:

"In our opinion, to reject the low bid and make an award to one of the licensees for the purpose of enforcing and protecting the rights of the patent owners and their licensees, would constitute an improper restriction of competition under the circumstances, and would not serve the interest of the United States which 28 United States Code 1498 was intended to secure, but would limit the application of the provision of that statute. Under the provisions of the invitation, the United States receives the benefit of the low price offered, and is held harmless by the patent indemnity clause in the event of suit by the patent owners in the Court of Claims."

With this decision we had now traveled the complete dismal circle in our procurement practices. It was no longer optional with the procurement agency whether to infringe the patent; it was now mandatory. To purchase from the patent holder or his licensee was now in violation of law.

This is a strange reversal of accepted American values. The patent infringer is rewarded for his infringement with a Government contract; he is given immunity from suit for damages, and cannot be restrained by injunction by the patent holder; all this with the sanction of law.

The aggrieved patent holder on the other hand, is left only with a suit against the Government. Alice, in her travels through Wonderland, never encountered a more topsy-turvy world.

Upon close scrutiny of patent rights in relation to Government procurement, we found that what started out to be a patent turned out to be a claim against the United States, enforcible in the Court of Claims. The patent holder became a claimholder. It mattered not that his patent was infringed under unwarranted circumstances; if the infringement occurred in connection with Government procurement, his one remedy was by suit against the Government in the Court of Claims.

Needless to say, this was the one position in which the small business patent holder did not wish to find himself. He had developed his invention at his own expense and at great effort to further his business activity, and to enhance his competitive position. Instead, he now found himself cast in the role of litigant. He neither desired, nor in many instances possessed, the time or funds to pursue the Government through the Court of Claims.

As we viewed it, the situation was untenable, and called for remedial legislation. In the report of these hearings, our committee recommended that the appropriate legislative committee consider legislation amending section 1498, title 28, United States Code, to read as set forth in H.R. 5487.

At this point, we ought to spend a moment to consider the nature and history of patents. Perhaps, if we view the problem through the eyes of history, we may be aided in reaching a proper decision. Patents have been with us a long time. Before the Constitution was adopted, many of the American Colonies and States granted patents.

The colonial and State patents, unlike modern patents, were issued only by special acts of legislation. There were no general laws providing for patents; it was necessary for an inventor to make a special appeal to the governing body. The first patent on this continent was granted by the Massachusetts General Court to Samuel Winslow in 1641 for a novel method of making salt.

When the delegates from the various States met in Philadelphia in 1787 to frame the Constitution, they considered the problem of giving protection to inventors. From their deliberations came article I, section 8, which contained the following provision:

"Congress shall have the Power * * * To promote the Progress of Science and useful Arts by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."

On March 4, 1789, Government under the new Constitution began operation, and on January 8, 1790, President Washington, addressing the 2d session of the 1st Congress, meeting in New York City, urged the representatives to give "effective encouragement to the exertion of skill and genius at home." A week later, a committee was instructed to bring in separate bills on patents and copyrights, and on February 16, 1790, this committee presented the patent bill, which was passed after debate in the House and in the Senate.

On April 10, 1790, President Washington signed the bill, which laid the foundations of the American patent system. For the first time in history, the intrinsic right of an inventor to profit from his invention was recognized by law. Previously, such right was dependent upon the prerogative of a monarch, or upon special acts of legislation. Now the inventor's right to certain privileges is established in law.

In 1790, three patents were granted; in 1960, 50,322 patents were granted. Up to July 4, 1961, the Patent Office has granted a total of 2,991,474 patents since is inception.

The patent system is one of the strongest bulwarks of democratic government today. It offers the same protection, the same opportunity, the same hope of reward, to every individual. The American patent system plays no favorites. Under the patent system, American industry has flourished. New products have been invented, new uses for old ones discovered, and employment given to millions. Under the patent system, a small, struggling nation has grown into the greatest industrial power on earth.

This historical view of our patent system suggests its own answer. We ought to regard with great skepticism legislation which diminishes or impairs the inventor's protection.

The problem we are considering has ethical and moral implications. If our Government is to endure, it must deal fairly and justly with its citizens.

It is immoral for the stronger to take from the weaker.

It is unethical to give less in exchange than what is taken.

Some argue that the patentholder is compensated for the infringement; therefore, the amenities are observed, and no wrong is committed. Closer scrutiny proves this untrue.

I ought not to be compelled to relinquish that which is mine, except that I consent thereto. You may offer me $1 million for this pin, but, as it is mine, I may refuse to relinquish it, and if I do refuse, that ought to end the matter. To take this pin from me, because you are stronger, is immoral. If the pin is essential to your life, health, or safety, then it is immoral for me to refuse to relinquish it; you ought to have it. I ought to be made to relinquish it. This, then, should be the position of the Government in relation to patent rights. It ought to respect the rights of the patentholder, and take its proper place in line. There is no valid reason why the Government, in the absence of a national emergency, should infringe a patent with impunity, throw a protective cloak over the infringing contractor, and consign the patentholder to a suit in the Court of Claims.

It must be remembered that we speak here of a privately developed patent, to which the Government contributed nothing. Such patent is as much private property as is your hat or home, and ought not to be invaded without consent.

On the other hand, in time of war, national emergency, or in the interest of national security, the invention ought to be available to the Government. The bill provides for just that. Under such circumstances, the Government may infringe the patent for its own use, and the patent holder is denied injunctive relief to stay such continued infringement, but may receive compensation for its use in the Court of Claims.

Some argue that the patent holder receives his quid pro quo for the infringement, and ought not to complain. Unfortunately, the quid and the quo are not equal. What is taken is a valuable property right, with which the small business patent holder hoped to further his business activity and enhance his competitive position. What he gets in return is a lawsuit, which neither furthers his business nor enhances his competitive position.

The exchange is simply not equal, and is therefore, unethical. The invention is not integral to the patent holder's business and central to its development; the lawsuit is neither.

Resort to the Court of Claims, with its interminable delays, is tantamount to a denial of relief. At present, it takes an average of about 4 to 5 years to prosecute a case to a conclusion in this court. Frequently the small business patent holder has long since departed the scene, and gone on to greener pastures by the time the suit is determined.

In conclusion, it seems a matter of simple justice and decency to give the same dignity to the patent property right which is accorded other property rights. It ought not to be invaded, impaired, or destroyed, except in a time of war, national emergency, or in the interest of national security, and even then, upon proper payment. I, therefore, ask this committeee to report out H.R. 5487.

I want to thank this committee for the opportunity to make this statement and for its kind attention to my remarks.

What Can You Do for America?

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 12, 1961

Mr. JUDD. Mr. Speaker, under leave to extend my remarks I include an address given by me on May 1, 1961, before the U.S. Chamber of Commerce during its annual meeting in Washington, D.C.

WHAT CAN YOU DO FOR AMERICA?

(Address by Hon. WALTER H. JUDD, of Minnesota)

President Motley, members of the U.S. Chamber of Commerce, ladies and gentlemen, your meeting comes this year at a time that is characterized by perhaps as great a mixture of moods and emotions as in any period in our history. On one hand, we have the deepest gratitude for the goodness of living that is possible for us in this beautiful and blessed land; on the other hand, there is great uneasiness, uncertainty, perplexity, dismay, even anxiety and despair.

Less than 16 years ago we won total victory in World War II. We had every advantage, every superiority. Yet today we are soberly asking, What can we do to survive?

How could so much be lost in so short a time? What went wrong? Not who was to blame, but how and why did we so miscalculate? What were the mistakes that caused us to allow so great a victory, purchased at so great a price, to slip through our fingers?

We are profoundly grateful that no such thing has happened in our country as we saw happening in Hungary 4 years ago, and in Tibet just 2 years ago, and in Cuba in the last few weeks. But no person in America can feel at ease that such things can be happening to anybody anywhere right in the middle of this supposedly enlightened 20th century.

Can Korea go on indefinitely half slave, half free? Or Asia, the next country on the verge there today being Laos? Or Germany, divided arbitrarily with the naive idea such a division would satisfy Communist ambitions? Do we think Europe can go on indefinitely, or the whole wide world, half slave and half free? Down deep inside we sense that the answer is, "No." But what are we to do about it?

You belong to this great organization and you come to this meeting primarily to get new ideas, make new contacts, learn new techniques or skills, that will enable you to carry on your own business more efficiently, more rewardingly. You want not only financial success, you want the deep satisfactions that come from producing goods or services that people need and getting them distributed as equitably and as economically as possible. You know that what happens in your business back home depends today more than ever on what happens in Washington. Your Government determines what you can do in your business, how much you can earn, how much you can keep of what you earn, how much what you are permitted to keep will buy.

But decisions in Washington today depend more than ever on what happens in Cuba and Laos and the Congo and Algeria and Berlin.

And what happens in those places depends to a greater extent than we have generally realized on decisions made in Moscow and Peiping.

And the decisions in Moscow and Peiping depend, I am sure, to a greater degree than we realize on what we in the United States do—what you and I do as businessmen, men in public life, professional men—or what they think we will do.

Before any one of us is a businessman or a physician we are citizens of this Republic. We are taxpayers. Most of us are parents. And all of us are trustees of a way of doing things, a philosophy of life, a set of values that are under cold, calculated, determined assault the whole world around.

May I suggest three simple forward steps we must take; three shifts in emphasis we must make in our thinking and in our actions if we are to deal as successfully with the problems of our day and generation as those who developed this land did with the problems of their day.

The first is: We must gain a deeper understanding of the conflict which shakes our world, the mightiest conflict in all of human history.

We know that it is a conflict of arms. Whichever side wins the missile race can compel the other to surrender, or perish. Because of our moral restraints we have not and we would not use superior power for that purpose. But the other side rejects all moral restraints and announces that if it gets such superiority, it will use its power for that purpose.

We are seeing more clearly than we have, I believe, that it is also a conflict of economic systems. You have heard that discussed this morning. Which will crack up first under this awful load? If we don't spend more and more to keep abreast in arms, we invite insecurity—and disaster. If we do spend more and more for arms, and for everything else that has been promised, we make sure a renewal of inflation—and disaster. Either way—disaster. This is why Mr. Khrushchev smiles as he says, "We will bury you."

We see that it is also a conflict of educational systems. Which will produce not only the smartest, but the toughest minds? Out of some 400 graduates at one of our Minneapolis high schools a few years ago, the top 5 honor students all came to this country since the end of World War II as the children of displaced persons. Do they have higher IQ's than our native-born Minnesota youngsters, mostly of Scandinavian ancestry? Of course not. It is just that they appreciate their opportunities in this land and apply themselves.

It is also a conflict in scientific skills. Sputnik jarred us into realizing that we were behind. We began to work in earnest and are catching up.

We are beginning belatedly to see that it is a conflict not so much of weapons and wealth as of wills. Which side will work the harder? Which has the stronger and steadier nerves?

Still more fundamentally, it is a conflict between two totally different philosophies of life, and therefore of government. Ours is based primarily on the importance of the individual human being; while the other is based on the importance of the masses—the individual does not count.

Our society is based on the right of free individuals to join voluntarily in free organizations and associations to handle their problems and manage their affairs to the extent that they can, whether those affairs be business, civic, social, political, educational, religious, or other interests. The other system denies individuals this right of voluntary association. The state, or the Communist Party which runs the state, determines what the individual must or must not belong to; what he can and cannot do.

Regularly and consistently, we must admit, we have lost ground in this world conflict during these 16 postwar years, primarily because we have failed or refused to do our homework, refused to study the nature of the Communist adversary and his philosophy.

For example, because all of the governments we have dealt with in previous periods operated in terms of what their leaders believed to be their national interests, we have assumed that Communist governments also operate on that basis, in terms of national interest. But it is not so. They operate in terms of the world revolution toward which they drive unceasingly—no matter what the zigs or the zags.

Some of our leaders agreed to such things as a warm water port for the Soviet Union on the China Sea and Communist control of 100 million non-Russians in Eastern Europe and East Germany in order to satisfy historic Russian aspirations and urges. This, they thought, would quiet Russian fears; Moscow would be satisfied and we would have a period of peaceful coexistence and competition with security and progress for all. Of course it did not happen that way. The Communists in Moscow are not Russian nationalists; they are Communists, which means world revolutionists.

For more than 30 years since I got out from 8 months under the Communists in China, I have been a poor salesman for one simple idea. The idea is that Communists act like Communists. They do not act according to our concepts. They act the way they say they will act. We always insist on

projecting our commercial, political, and moral concepts into their minds, and then we get angry when they do not live by those standards. But they have never said they would do so; they have said they are not going to live by our standards.

Some Americans and citizens of other Western countries have argued for years that we did not need to worry about Red China because, for example, the national interests that the Chinese Communists supposedly have as Chinese, their concern for the welfare of the Chinese people, would inevitably lead them into conflict with Russian Communists. There is not a shred of evidence to support that wishful thinking. The Communists in Peiping are not Chinese patriots. They were born Chinese, they look like Chinese, they speak Chinese; but they are not Chinese, they are world revolutionists. They have starved Chinese people by the millions in order to export grain to carry on the world revolution.

One way the simple idea might become fixed in our minds is to realize that communism is like a cancer. A cancer is a group of cells which, for some unexplained reason have rejected the law-abiding processes of growth. Communists, like all cancers, cannot stop with the organ where they began; they live only by encroaching on normal tissue that does not belong to them, and like all cancers, they spread in two ways—by direct extension through the basement membrane or the capsule of the organ (which corresponds to the boundary of a country) and by malignant cells lodging in other organs and eating them up from within. Doctors call those cancerous daughter growth metastases; in international politics, we call it subversion. We do not get angry with cancer, we just recognize its nature and combat its spread. We do not expect cancer cells to act like normal cells; they act like cancer cells.

Mr. Nehru, the leader of India, at one time sort of scolded us because he felt we did not understand communism in Asia. We were too militaristic and too imperialistic, so he said. He was sure he could deal with Chinese Communists because, he said, they were Asians. So he sat down with Chou En-lai, a good many years ago and worked out what they called the five principles of coexistence. The Chinese Communists used that agreement to keep India quiet and carrying the ball for them internationally, while they built their roads across Tibet, working day and night, and then they occupied the borders of India.

Communists are not Asians, they are not Russians; they are world revolutionists. The real method by which they make headway is to get Communists in all lands to undermine their own countries. They get American Communists to work against America, discredit us abroad, make us lose faith in ourselves and our system here at home. They emphasize racial discrimination or slums here and equate those with millions in slave labor camps in Communist countries. They want you and me to come to say, "After all, we have some things that are wrong too. There's not too much difference."

They try to get Mexican Communists to pull down Mexico and Cubans to pull down Cuba and Greeks to pull down Greece, from the inside. They get Koreans to try to destory Korean independence, and get Lao to try to make Laos subservient to the world revolution. Communists are not nationalists.

Also, Communists are not capitalists. They do not produce and distribute goods and services in order to improve the lives of people, and make an honorable living in the process. They do not trade for commercial reasons. They trade for political reasons. How do you carry on trade with an organization or a regime or with persons for whom a signature has no validity, who make promises in order to break them? If you cannot depend upon the signature on a contract or the signature on a check, how do you do business? How do you meet the prices of people who believe that individual human beings have no rights or essential importance. Communist competitors can take reductions in their prices out of the hides of their workers. How do you meet that competition?

To carry on trade you have to have a common set of ground rules that are accepted by both sides. We do not have them with Communists. It is like a baseball team trying to play with a football team on a tennis court. How do you do it?

Again, Communists are not democrats in the sense of being interested in the well-being and responsive to the wishes of their people, as democratically minded governments are.

Communists are also not Christians. They do not believe in the Judeo-Christian body of ethics on which our society is based—the Ten Commandments, the sacredness of life, the sanctity of the home, the pledged word, property, reputation, and so on. They openly declare they do not believe in those things. We cannot rightfully accuse Communists of betraying Christian values which they have never professed and which, in fact, they denounce.

Still more fundamental than any of these, the world struggle is a conflict between two totally different concepts as to the nature of Man; which means of the Universe; and that means, of course, two different concepts as to the nature of God, or whether God is. It is a conflict of faiths. What do men really believe? What do we believe? What are we willing to work for, and die for, if necessary? This challenge to the basic assumptions on which our whole society, including business, is founded involves the future of every person and of almost every institution in our land.

Some years ago I heard the eminent Lebanese philosopher, Dr. Charles Malik, recently president of the United Nations General Assembly, say that when the Conference on Human Rights convened in Paris after World War II, the delegates spent several months trying, in vain, to agree on what man is. For how could they declare what the rights are to which a human being is entitled until they decided what a human being is?

Our society was founded by men who wrote as their concept of the nature of man, "We hold these truths to be self-evident, that all men are created * * *." They believed that there is a creator, that man is His child and therefore a part of the Creator, in the same way that your boy is a part of you, and, therefore, has in him the capacity to become more and more like you, if he is willing to respond to your yearning quest of him.

So, we believe that man has in him qualities and capabilities that are different from those possessed by any animal; he has something of the Divine in him. He has the capacity to make moral judgments and independent decisions—"yes" or "no"—based on those moral judgments.

The philosophy and faith of the Communists denies all this. They deny that there is a creator. They deny that there are such things as moral laws, such things as truth and falsehood, right and wrong, good and evil; and they deny that man is by nature a moral being. They insist that man is merely the smartest of the animals, the animal with the largest brain—no more.

They believe, therefore, that just as the eminent Russian physiologist, Pavlov, demonstrated that he could take young dogs and, by consistent control of their environmental stimuli, could condition them to make predictable, unvarying, automatic responses, so with human beings. The Communists believe that you and I think we have consciences and the capacity to make moral judgments and independent decisions, only because we have been taught that we have such a capacity. But if we were not taught it, we would not have it.

So, they regard it as their mission to "liberate" us from what they believe to be the errors in our society, resulting from errors in our faith.

To "liberate" us from these errors, they must first conquer the whole world. Only then can they abolish the institution of private ownership of property which, they say, gives man the notion that he is a distinct individual, with "inalienable rights" and importance as a person.

They must remove the child from his parents' control or guidance—as is done now in Red China—before the parents can communicate to their own child the "false" ideas regarding man's nature which the parents in their childhood received from their parents. The State will then rigidly control the child's environment and what goes into his mind. Such control will include the jamming of any broadcasts of the Voice of America that might get across the idea to their youth that there is such a thing as a moral order in the universe and that man is a moral being endowed by his Creator with inalienable rights to life, liberty, and the pursuit of happiness.

Thus, they will condition the child to seek nothing for himself—because the individual does not count. They will teach him, so they say, to be cooperative and to desire only to serve the masses. Because no one will then try to get anything from anyone else, there will be no more clashes. Policemen will not be needed. The state will wither away and the perfect society, with peace and friendship, will be established everywhere.

Do not underestimate the appeal of all this to the millions around the world who are just emerging from the Middle Ages, awakened by ourselves to a belief that they do not have to remain in ignorance, disease, poverty, squalor forever. The Communist doctrine seems to give a quick answer to their needs and desires.

There are holes in the argument, but they are so dedicated and so sure of themselves that after spending many hours listening to them expound their faith, as I have had to do, a person finds himself wondering whether they or we are right.

Some in the free world will always object that "they cannot change human nature." They reply that there is no such thing as human nature; that human nature is what you make it. They say that capitalism makes it selfish; communism will make it selfless. Therefore, capitalism inevitably leads to clashes and war and that communism and only communism can lead to peace.

As they see it, they are missionaries working to bring the world to "peace." They have a world doctrine; it requires world control. They cannot be stopped by the offering of a little concession in Laos or a deal in some other area of struggle.

The reason why it has not been possible to get any real agreement with them in the past, whether at Yalta or in the United Nations, whether at Panmunjon or at Paris, whether in Laos or Cuba, is because they are not pursuing the same objectives as we are pursuing. We want peace; they want conquest. We want to end the struggle; they intend to win it.

Why are they not pursuing the same objectives as we? It is because they do not believe the same things as we believe—about man, about the universe, and about God.

Many people still think that the world conflict with the Communists is like that between the two major political parties in America. Both parties want a good, happy, free, strong, prosperous, secure America. The difference—and it is very real and has

been effectively pointed out here this morning—is over which are the better ways to achieve those good objectives and keep them. But our conflict with the Communists is not over different means toward the same ends; it is over the ends. It is not over which are the best way to attain the same good objectives; it is over objectives.

It is absurd to expect them to recognize and safeguard the inalienable rights with which we believe man is endowed by his Creator, when they deny there is a Creator.

The outcome will depend largely on how deeply we understand our adversary and how skillfully and with what dedication we work for our own faith as against theirs.

This leads to my second suggestion: not only must we gain a deeper understanding of this world conflict and the nature of the adversary; it is equally urgent that we gain a deeper understanding of our own culture and heritage.

For seven centuries, beginning with Magna Charta, our ancestors fought to restrict the powers of government as the way to gain maximum freedom and dignity for every human being and thus to achieve a better life and society. "Liberalism" in those centuries meant winning for men the right to try to solve their problems on their own.

Our forefathers came to this country not to get government to do things for them but to get a chance to do things for themselves. They devised, for the first time on a major scale in all of human history, a system whereby people control government instead of government controlling people. It worked. It released the creative capacities previously unrecognized in all sorts of persons from all sorts of races, climes, and countries. It led to an unprecedented outburst of creative energy, imagination, effort, production, and progress.

Why did that happen? Was it because Americans had some superior ability that the other 94 percent of the people of the world who had produced approximately the same amount of wealth did not have? Of course not. Was it because we had greater resources than they? No; for theirs in total were much greater than ours. Was it because we were spared the destruction of two wars in a generation? That was a factor, but not the decisive one; the pattern of superior production here had been established before the wars came along. The basic reason was an economic system based primarily on the right of the individual, and on providing him opportunity and incentive to get ahead in accordance with his own ability and effort.

And now it would seem we are supposed to be ashamed, or embarrassed, about the system which made it all possible and which the rest of the world so desperately needs, if it too is to produce and be free.

I served on the Economic Committee of the General Assembly of the United Nations 3 or 4 years ago, and most of the countries wanted to set up a multibillion dollar program of economic development around the world. They always wanted the United States to put up 50 percent of the capital. I would ask why one country should put up 50 percent? They would answer, "Because you have 50 percent of the wealth." Then I would ask, "Why do we have half of the wealth? There must be some reason for that. Don't you sometimes wonder why 6 percent of the people of the world have produced half of the wealth and have distributed it more widely than all the other 94 percent put together? Maybe that is the secret you need. We can give you our wealth—which is a result. We can give you our goods; these also are a result. We can give you our tools; they are also a result. But what has led people here to develop the tools to produce the commodities and the wealth?"

That is what the world needs most from America—the cause, not just the result. That is the heritage and system which you and I also need to regain a deeper understanding of.

Some people today believe our Government should provide equal rewards to its citizens. Others of us believe the main function of a good government is to provide equal opportunities for our citizens—not because we do not want the fullest possible rewards for our citizens, but precisely because we do want such rewards, and believe that is the best way to get them.

Some sincere persons in our country, because of their preoccupation with those who are unfortunate—and there will always be such—become so concerned about helping them that they think this is the primary, almost the sole function of a good society. Others, equally sincere, believe that the primary concern of a good government is not handouts for the relatively few, but solvency for the many. For only as a society provides opportunity and incentive for the many to become solvent will there long be anything with which to help the unfortunate.

In short, a good government will provide a floor below which no citizen is allowed to fall in hunger, disease, ignorance, or squalor. But it will not try in vain to build a bed on which all its citizens can rest without further need to struggle.

The system of government-from-above-down always looks so good at first. It hands out so much in apparent benefits, until it has used up the fat accumulated by previous, more provident generations. The people are better off until they have lost their freedom, and then the benefits are soon gone too.

Some time ago I read of a foreign student in one of our theological seminaries who was engaged to occupy a pulpit in Iowa during the pastor's summer vacation. In his first sermon, the student said that America must share her wealth with the world; whereupon the trustees of the church decided that for the remainder of the summer he should tassel corn rather than preach. His position was wholly understandable. The gap between what he saw here and what he knew existed in so many other countries, was so great that his first reaction was to try to meet the needs of other peoples by dividing America's wealth with them.

Now, if sharing our wealth with them would solve their problems, we should do it. But it would not solve their problems. Our wealth would soon be gone, and they would be little or no better off. It would weaken us and not strengthen them. For what the world needs most from us is not our wealth, but the secret of our wealth—which is the secret of our production.

And what is the secret of our production? It is an economic system which provides opportunities and incentives for people to improve their condition in accordance with their own merit, their initiative and their effort.

From what did that economic system come? It came from a political concept—the right and the importance of the individual.

And from what did that political concept come? It came from a religious faith—the conviction that every person is precious because he is created by a Creator. He is a child of God.

So it was because of the establishment here of a free society, based on a philosophy of government which, in turn, came from the Judeo-Christian faith and its emphasis on the worth of the individual human being, that America came to be the land, the movement, of which we are trustees. It is our mission to preserve and to strengthen and to spread this heritage, not by coercion, but by persuasion and example.

Lastly, it is not enough to gain a deeper understanding of our adversary and to regain a deeper understanding of ourselves and our philosophy and faith. We must develop a deeper dedication to, and enthusiasm for, the things we believe.

The outcome of this mighty conflict will be determined not by which philosophy or faith is true, but by which has the more dedicated disciples and the more convincing and contagious advocates.

How can we get dynamic words to go along with our dynamic deeds? The Communists have such appealing and exciting words, however dishonest, to describe their deeds and their promises. It is not enough for us to have done wonderful things in our free society; we must find ways and words to explain and sell our ideas that will catch fire in people's minds and make our system as attractive and appealing in our day and generation as it was in the past.

For, ladies and gentlemen, power comes not from an idea. It comes from the generation of emotional commitment to an idea, to a cause. How completely do we believe it? How hard are we willing to work for it? That is the test.

For a long time, as you know, many said, "Don't worry about communism; communism regiments the human mind, and the human mind when regimented will not be creative." Well, that was a comforting thought. But a scientist is trained to insist that when an hypothesis will not explain some indisputable facts, he has to reexamine the hypothesis. The indisputable facts are that the Communist mind is extraordinarily creative; it has too frequently left us behind, right in the fields where we had sort of taken it for granted that we had a monopoly of superiority because of our freedom. Maybe it is not just freedom which releases, challenges and calls into operation the creative capacities of the human mind and spirit. Maybe it is enthusiasm; or—a better word—dedication.

That is, it is not enough to know the truth, or even to write it out in a brilliant ad or discuss it in a monograph. We must give ourselves to it. Until we come to care as well as to know, not much will happen. We are like a wonderful automobile, a perfect concept and machine, without any gas. It will not go.

A couple of years ago a friend sent me a little book entitled "They Signed for Us." It was just a thumbnail sketch of the 56 men and their families who signed the Declaration of Independence, which has been quoted here this morning. They wrote, "For the support of this Declaration, we mutually pledge to each other"—did they say "our vacation, our occasional weekend, our spare change, or whatever is left after taking care of our other needs?" No, they wrote "For the support of this Declaration we pledge our lives, our fortunes, and our sacred honor."

You may have forgotten that they did not sign the Declaration on July 4; they just voted it and then got away before they should get picked up as traitors by the British. They met secretly a month later and signed. Their names were not made public for 6 months. One of them never got back to his home through the whole war; the British had occupied it. Before one from New Jersey could get back to his home, the British had seized it, his sick wife and some of his children and thrown them into dungeons. They had pledged their lives and they gave them.

They also pledged their fortunes; and they gave them. For example, the four who signed from New York were all rich. Two had vast ocean fleets. All of them were reduced to poverty. Not a man wavered. They had an idea; and they also had dedication to it. They had committed themselves to their faith. They had enthusiasm for their cause. And therefore they had power.

We have come now to a showdown in this world struggle. It is intolerable that the United States should continue, like Gulliver's giant, to be bound down by so many small

restrictions here and there, mostly self-agreed to in different times and situations, that the vast powers of this country for the freedom of man are rendered ineffective, almost paralyzed, as we saw last week in Cuba.

In ancient times, the regulations that grew up around observance of the Sabbath, each of which had a good point, had become so restrictive that the Sabbath could not be used for the benefit of man. Ways had to be found to modify or break through those regulations. Jesus had to break some of them, saying, "The Sabbath was made for man and not man for the Sabbath."

Similarly, the time has come when the United States, born in freedom and dedicated to its preservation and extension, must find ways to support it. It is time for this Nation to announce a new doctrine, if you please; namely, that whenever and wherever men's freedom is denied or threatened and men are giving their lives for freedom, the United States cannot consider itself restrained or prevented by lesser considerations or commitments from using its every resource, as it deems necessary or effective, in support of freedom and man's struggle for it.

When Abraham Lincoln signed the Emancipation Proclamation a case could be and was made that it was legally wrong. But it was morally right, and it was morally necessary.

We too must again become free to help men who are fighting for freedom. The greater commitments must take precedence over the lesser. First obligations—those to man—must again be first.

So we are once more at the brink. It is not because Kennedy wants to be at the brink, any more than Eisenhower and Dulles wanted to be at the brink. The Communists pull us to the brink, testing us, testing us. We have only two courses: to stand firm at the brink, or weakly to go over the brink. Every time we have stood firm, nobody has gone over the brink. Every time we have just stood by, wringing our hands while still more people were brought under Communist subjugation and enslavement by one devious means or another, we did not thereby prevent expansion of the conflict, we made it more certain. The enemy was made stronger, we and our allies weaker, and the ultimate atomic holocaust brought nearer.

There is risk now if we stand firm at the brink, but there is hope. There is greater risk if we do not stand firm—and no hope.

So what America and the world needs most from us is that we recapture a faith in our faith comparable to the faith the Communists have in their faith, comparable to the faith our forefathers had in theirs.

With all my heart, I believe that the system of government by voluntary federation under law, which our fathers established here, represents the best set of political ideas ever put together in one place in the world's history. I think they are the hope of mankind. The achieving of a world of freedom and peace and prosperity depends upon our understanding their true nature, making them work better here at home, and helping to spread them throughout the world with all our hearts and souls, as well as our minds.

This world conflict is not an old-fashioned struggle for control of land; it is a struggle for the control of man—the mind of man, the soul of man, the whole of man. It is total conflict. Never did we in America face such a fundamental challenge to the ultimate values of life. Never did we have to think so deeply and work so hard as we shall have to in the years just ahead, if we are to live in freedom and dignity and usefulness, or even to live at all.

Our generation cannot escape the call to great dedication and heroic effort if we are to secure the blessings of liberty for ourselves and our posterity. And without the blessings of liberty, there are no others.

John Foster Dulles, in his last appearance before my committee, said this: "All through nature, whatever is in motion tends to prevail. If it is the drop of water that is in motion, it takes a long time but it prevails over the rock. If it is the rock that is in motion, very quickly it prevails and penetrates the water."

When our country began, it was in motion. Men knew what they believed in; they gave their lives, their fortunes for it. They studied government. They organized to build the country. They set their goals and then gave themselves to achieving them. They were in motion. The whole world looked to America. Forty million people came here in one 5-decade period—not driven, but drawn.

Now we have become rich and comfortable. We say we want peace. What most of us really want is just to be left in peace. We are on the defensive. Where are we to make our stand? On the 40-yard line? The 10? The 2?

At the same time, the Communists are on the offensive. They are lean and tough. They know what they want and they have slick, clever slogans, however dishonest, that appeal to youth and to newly independent peoples everywhere. They are on the march and they are winning.

What can we do for America? Get ourselves and our faith once more in motion.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 13, 1961

The House met at 12 o'clock noon.

The Reverend Don Jones, Sixth Presbyterian Church, Washington, D.C., offered the following prayer:

O God, our heavenly Father, from whom we receive the gift of liberty and from whom we draw the power to govern one another, grant us Thy wisdom and Thy guidance as we consider these matters before us. We would not dare to presume to be all-wise, but turn to Thee as our predecessors did to reaffirm our need for divine knowledge. Deepen our faith, and grant us wisdom which is more than human to make our decisions.

Bless our beloved Chaplain, we pray Thee, in his time of loss and loneliness. As he has ministered to us in our times of need, so may we express to him our deepest sympathy and support. May he find in this time of grief a closer walk with Thee, O Father, with whom he has walked through the years. May he find confirmation of his faith that Thy gift to us in time of loss is the assurance that the ties of love are never broken, even though we be separated in this physical world. Bless him and his family in the knowledge that Thou, O Lord, are the giver of life, and the strength of those who suffer loss. In the name of Jesus Christ, we ask this prayer. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate insists upon its amendment to the bill (H.R. 6845) entitled "An act to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard"; disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. ENGLE, and Mr. BUTLER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 857) entitled "An act to provide for the establishment of Cape Cod National Seashore," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. BIBLE, Mr. GRUENING, Mr. ALLOTT, and Mr. DWORSHAK to be the conferees on the part of the Senate.

CAPE COD NATIONAL SEASHORE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 857) to provide for the establishment of Cape Cod National Seashore, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, O'BRIEN of New York, RUTHERFORD, SAYLOR, and KYL.

FOREIGN AID

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, if an authorization is approved for foreign aid, then I shall support a bill providing the appropriation for the amount necessary to discharge our commitments.

May I say for the record that foreign aid is presently planned on a long-range basis. What the administration wants is not long-range planning; they have that. They want less scrutiny by the Congress and the congressional committees.

BILLS TO AMEND ANTITRUST LAWS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I introduce at this time four bills to amend the antitrust laws. These bills result from continuing investigations by the

House Antitrust Subcommittee and Senate Subcommittee on Antitrust and Monopoly. They also result, in part, from the recent hearings on the price-fixing conspiracies in the electrical equipment industry as well as from other hearings. Taken together, they constitute, in my opinion, the most significant proposed antitrust legislation since section 7 of the Clayton Act was amended by passage of the Celler-Kefauver Anti-merger Act, 11 years ago. Further, it is my view that if these bills are enacted into law they will substantially increase the effectiveness of antitrust enforcement and thereby enhance competition in American industry to the decided advantage of the consuming public and the welfare of the Nation.

The longstanding conspiracies in the electric equipment industry, unearthed in the Philadelphia cases and explored in detail in the recent hearings, are among the most flagrant violations of the Sherman Act in the history of antitrust. Something must be done to make certain that such violations of the antitrust laws never happen again. The electrical hearings, as well as other hearings, have clearly shown that compliance with the antitrust laws cannot be assured without, first, more stringent penalties for violations and, second, an increased obligation on the part of directors, officers, and other highly placed corporate executives to see to it that the antitrust laws are obeyed. The bills which I am introducing today do just that. Each of these bills remedies a particular weakness in our antitrust laws.

The first bill increases the monetary penalty for violations of sections 1, 2, and 3 of the Sherman Act from $50,000 to $100,000. Further, when a corporation violates one of these sections within 10 years of a previous conviction under the same section, the maximum penalty is extended to $500,000. And, if an individual is convicted of such a second violation, he will be both fined and sentenced to jail. This bill strikes directly at repeated violations such as have been the antitrust case histories of certain large corporations. Moreover, it will deter corporations from treating fines for antitrust convictions as expenses which can be written off as a cost of doing business.

The second bill amends section 1 by dealing specifically with price fixing and market allocation, the most common and the most flagrant anticompetitive practices covered by that section. Both of these restraints of trade have been held repeatedly by the Supreme Court to be per se illegal. Under this bill, a corporation convicted of fixing prices or allocating markets or customers can be fined up to $500,000. Individuals are subject to fine up to $100,000 and a year or less in jail.

A very troublesome problem, from the point of view of enforcement, highlighted by the electrical hearings, was the fact that many highly placed corporate executives can and do wink at violations of the law going on right under their noses, or make sure to carefully avoid having any direct knowledge of activities of their immediate subordinates which flagrantly violate the law. The third bill provides a long step toward preventing such calculated ignorance. It amends section 14 of the Clayton Act to require that a corporate director, officer, or agent who knows, or has reason to believe, that any of the penal provisions of the antitrust laws are being violated, or are about to be violated, stop or prevent such violation. If he does not have authority to stop or prevent an antitrust violation, he is obliged to report it to a corporate official who has such authority. Failure to take such steps is deemed by the bill to be ratification of the violation and is punishable in the same way as if the director, officer, or agent had authorized, ordered, or done the violation in question.

Moreover, this bill brings the penalties under section 14 in line with those of sections 1, 2, and 3 of the Sherman Act. In 1955, the penalties under sections 1, 2, and 3 of the Sherman Act were increased to $50,000, but the penalty under section 14 of the Clayton Act remained at $5,000. This has recently been the subject of vexing and unnecessary litigation.

The final bill deals with the problem of identical sealed bids on Government contracts. To enable the Government to better protect itself against collusive, anticompetitive bidding, this bill requires Federal procurement officers to obtain certificates of noncollusion from bidders who, during the preceding 2 years, have quoted prices identical to those of their competitors. If identical prices are the result of bona fide competition, such a certificate will be no more onerous than the declaration of correctness and truth which every taxpayer must sign in preparing his Federal income tax return. If, however, identical prices are the result of agreement by competitors in violation of the antitrust laws, these certificates will permit the Government to prosecute not only under the Sherman Act, but under the false statement provision of title 18 as well.

I strenuously urge the prompt adoption of these bills. Together, they constitute a far more effective weapon for enforcement of the antitrust laws and of preservation of our competitive, free enterprise economy.

COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CALL OF THE HOUSE

Mr. SISK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 111]

Alger	Hébert	Rains
Adair	Kearns	Riley
Buckley	Kilburn	Rivers, S.C.
Cannon	Kluczynski	Roberts
Dawson	McCulloch	Shelley
Denton	Moeller	Thompson, La.
Fogarty	Peterson	Tupper
Gray	Powell	

The SPEAKER. On this rollcall 408 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION, 1962

Mr. HOLIFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7576) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 7576, with Mr. SISK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. HOLIFIELD] will be recognized for 1 hour, and the gentleman from Pennsylvania [Mr. VAN ZANDT] will be recognized for 1 hour.

The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, there are 2 hours of general debate and following that, of course, will be the amendment period. So far as I know, there will be only one amendment offered because the committee is in harmony with every item in the bill with the exception of one item. The debate, therefore, I assume, will be mostly on the one item, and the issue is whether the Government shall finance generating facilities to utilize heat which will be a byproduct of a reactor producing plutonium weapon material. Our bill today authorizes appropriations for the Atomic Energy Commission for the fiscal year of 1962. In form the bill is similar to the AEC authorization bills reported out of the Joint Committee during the past 5 fiscal years.

Section 101 of the bill authorizes $226,440,000—a total of 40 new construction projects. This sum is $1,140,000 less than the $227,580,000 which the AEC had requested in its proposed bill. It also may be compared with the average amount authorized for AEC construction projects for the past 5 fiscal years, which is about $258,400,000. This is broken down into several different types of authorizations.

Mr. Chairman, I will say to the Members of the House that I am going to make a very short statement; I am going to try to summarize. It is not going to be a long, dry statement full of statistics, but will be very short. Those who wish the full details will find them adequately set forth in the committee's report. If you will give me your attention I can make this summary in 5 or 6 minutes.

One section of the bill refers to special nuclear materials, and $114,725,000 is provided for that. This is for weapons.

The second section of the bill provides $14,500,000 for manufacture and fabrication of these materials.

Then the third section is the reactor development, and carries an item of $33,375,000. This goes into various phases, much of it is for assistance in research and development for private utility companies who are building nuclear reactors. This money goes into that phase of the work.

Then there is an item of $21,440,000 for physical research—all branches of physical research which have to do with the utilization of the nuclear material.

There is an item of $4,960,000 in the bill for biology and medicine. We are using radioactive isotopes and other forms of radioactive material in the field of diagnosis and in the field of treatment of disease, and we have some very promising results that we believe will occur from such treatment. In fact results have already occurred in some instances.

Then there is $2,930,000 for community facilities. This for use in those isolated communities where there are certain types of community facilities necessary to be built by the Government, where private industry cannot do the job.

I am happy to say that we have eliminated one item of over $2 million because in one installation we did get a private industrial concern to go in and build houses in one of these installations at Los Alamos, N. Mex.

In another section of the bill we have a total rescission in the bill of previous authorizations of $19,027,000. The committee has found that we can cancel these items.

There are two major items in the bill in addition to those I have mentioned. One item is a 2-mile-long linear accelerator. You will see on page 12 of the report a description of a linear accelerator. I can only say to you in layman's terms that this is a device for the further exploration of matter. It has been asked for by the scientists of the United States and the whole world. It was endorsed by the previous administration; it has been studied by our committee for 3 years. Due to the fact that we did study this problem we have saved many millions of dollars by suggesting better methods of building this accelerator.

You ask, why should we have this kind of accelerator when you have other types of accelerators? I will say in answer that this is a different kind of accelerator than the ones we have.

You may ask, what is the particular application of the information we will derive from this particular type of accelerator? And I would remind you of our early efforts to split the atom and building accelerators in which we could bombard small particles of matter invisible to the human eye. In doing this we learned to split the atom, and as a result of learning to split the atom we were able to develop a wide category of nuclear and thermonuclear weapons on which the freedom and liberty of the free world depend.

We want to go further into the exploration of matter, and it takes this giant machine to do that. As far as I know, there is no objection on the part of the committee; there is no objection in the scientific world. There is great enthusiasm for us to go ahead and explore further some of the properties of matter which we have not been able to explore with existing scientific machines.

What will be the practical result? I can no more tell you that than I could have told you what they would do with the atom once they split the atom. Now we use it for the protection of the free world in weapons and we use the heat which comes from the splitting of the atom in reactors for the generation of electricity.

This brings me to the next largest item, an item of $95 million. I want you to listen carefully because there has been a great deal of misinformation spread about this particular item. The private electric utilities have declared an all-out war on this particular item. They have claimed it will lead to the socialization of the power industry. They have claimed that it will replace coal. They have made many claims. Most of the claims which they have made are false, and it will be demonstrated, I think during the debate, that they are false.

The issue is not socialization of the power industry. The issue is not replacing coal, because this is in an area that does not use coal for the generation of electricity. This area uses hydroelectric falling water power, and it uses oil, and in some instances, gas. There are no appreciable coal fields in the area. There is only one small mine that employs 110 miners working in that mine. The majority of that coal is bought by the Atomic Energy Commission for use not for generating electricity but for use in heating space in buildings and for chemical processing and small amounts for experiments with radioactivity in relation to coal. We are trying to find out some of the reasons why they have trouble in the coal industry, we are trying to bring about some processes which will solve the problem in the coal areas. Again, I say that coal is not used in this area of the country for the generation of power.

Let us turn now to the whole field of coal. The biggest purchaser of coal in the United States is the Atomic Energy Commission. In the TVA area, Paducah, in the Ohio Valley Authority group at Portsmouth, AEC buys 20 million tons of coal a year for use in the atomic energy plants. They are one of the biggest coal buyers in the country.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, I say to my friends from the coal fields we, through the AEC, are using more coal for electric energy, for producing special nuclear materials, than any other one entity in the United States.

Again, let me say that this reactor which is being built and will be finished by 1962 at a cost of $145 million has already been authorized and funded by the Congress. It is in the process of being built; it will be finished in 1962. So nothing you do here today is going to affect that. It is for the purpose of producing plutonium to be used in weapons. But there is a byproduct, heat, as the result of this fissioning of the atom. In the production of plutonium there is a tremendous supply of heat which comes out of the process. You can blow the heat into the air, you can turn it into the Columbia River and heat the Columbia River, or you can run it through a generator and produce between 700,000 and 800,000-kilowatt-hours of electricity.

That is practically twice the amount of energy that is produced by the Bonneville Dam. Yes, this electricity will be turned into the Bonneville grid. To begin with, even before the reactor is finished, before the facilities are finished, starting next year, we will be able to sell 400,000 kilowatts of electricity from the Bonneville grid which now goes over the dam in waste water because it is not firm power.

Now, who uses this power in the Bonneville system? Is it used by private utilities, or is it used by public bodies? From 53 to 55 percent of the present power generated by the Bonneville Dam goes into private utility distribution systems and private industries, so more than half of it goes into the private utility systems today at a very cheap price. And, who profits by it? The Government profits by it because it gets a return from it. The private utilities profit by it because they participate in the distribution. The consumers profit because they get electricity from this hydroelectric power at reduced rates. Forty-three percent of the present Bonneville power takes care of the public bodies in the area, the co-ops and the municipalities. There is no reason to believe that this pattern will change. There is evidence in our hearings by Mr. Luce, the Administrator of the Bonneville system, that 100 percent of this power from the NPR will go to private utilities and private industry. Now, if an additional city up there wants it, of course, it has a right to it, but they are satisfied now. So, the expectation is that this power will go to private utilities and private industry.

So, why are the private utilities objecting? Why are they buttonholing every Member of Congress? They are taking a dog-in-the-manger attitude that they do not want to see this heat used; they want to see it wasted. Now, if you want an economy vote, here is an economy vote. Every dollar of this $95 million, according to the studies we have, will be paid back to the U.S. Government and paid back with interest, and in addition

a profit will accrue to the taxpayers of the United States, because the money will be returned into the general fund.

Mr. Chairman, I will probably want later to utilize these charts, which we have up here on the floor but I think I have used up about the time that I expected to use up now, and I want to reserve the rest of my time for the purpose of trying to demonstrate to this House that we have good answers for any arguments which will be made by my friends on the opposition.

At this point I would like to include a description of the other sections of the bill.

As in previous authorization bills sections 102 through 106 of the bill contain standard provisions. Section 107 contains amendments to previous authorization bills, which have already been discussed.

Section 108 of the bill rescinds certain previously authorized projects which no longer are considered necessary by the Commission or the Joint Committee. Eight projects authorized in prior years amounting to $19,027,000 will be rescinded except for funds already obligated. The Atomic Energy Commission recommended an additional rescission which was not included in the bill by the committee. It is project 57–c–1, aircraft nuclear propulsion ground test plant in Idaho which authorizes $55 million for facilities to handle full-power testing of the indirect cycle nuclear aircraft engine system. Although the overall nuclear aircraft project has been canceled and the $55 million has not been appropriated, the committee is unanimous in its belief that authorization for this project should remain in the event the administration subsequently decides to reinstitute the program.

Section 109, as in previous years, pertains to the cooperative power reactor demonstration program. Subsection (a) extends for an additional year, until June 30, 1962, the date for approving proposals under the third-round power reactor demonstration program which previously had expired June 30, 1961. Subsection (b) authorizes the appropriation of additional funds in the amount of $7 million and the waiver of an additional $5 million of the Commission's use charge for the purpose of carrying out the power reactor demonstration program. Subsection (b) also permits the use of amounts not to exceed $7 million of authorized funds for research and development assistance in support of unsolicited proposals from the utility industries. A total of $27 million will thus be available for this purpose. Subsection (c) authorizes the Commission to enter into a cooperative arrangement with the Dairyland Power Cooperative and the Allis-Chalmers Manufacturing Co. for construction of a 50-electrical-megawatt boiling-water reactor, designated as the La Crosse boiling-water reactor under the Commission's second round.

Section 110 pertains to the disposition of electrical energy to be produced through the addition of electric generating facilities at the new production reactor at Hanford, Wash., which facilities are set forth as a line item in the bill—project 62–a–6. This project, which would make it possible to utilize approximately 11 million pounds of steam per hour coming from the cooling system of the reactor which otherwise would be wasted, is the only line item in the bill which did not receive the unanimous approval of the committee and is the subject of separate views by five members of the committee. Under section 110, the electric energy to be produced will be delivered to the Secretary of the Interior who, in turn, shall dispose of the energy in accordance with section 44 of the preference clause of the Atomic Energy Act of 1954, as amended. The committee specified disposition of the energy to be governed by section 44 in order that the Department of the Interior operating through the Bonneville Power Administration would not be required to include a 5-year pullback provision in contracts with privately owned utilities. The Bonneville Power Administration, under the Bonneville Act in contracting for the sale of power to privately owned utilities, is required by law to include a 5-year pullback provision in such contracts.

On the basis of testimony from the administrator of the BPA, it is the committee's understanding and expectation that in the disposition of electric energy from the NPR under section 44 of the Atomic Energy Act which contains no pullback provision that Bonneville will have authority to market the power to nonpreferred customers under firm contracts of approximately 10-year periods. Section 110 of this bill further provides that the Commission and the Secretary of the Interior will jointly determine the allocation of cost to the production of the electric energy and that in the event of disagreement, the President shall make the determination. Costs so allocated will be returned to the Treasury from revenue obtained by the Secretary of the Interior from the sale of the electricity marketed through the Bonneville Power Administration.

The bill contains a number of changes from the bill originally proposed by the AEC. The committee eliminated three new construction line items from section 101 totaling $3,640,000.

The first item was $2,790,000 to construct private homes at White Rock, Los Alamos, N. Mex. The committee eliminated the project which would have authorized appropriation of Government funds for construction of 100 private dwellings when it received information that a private builder was willing to use private funds to construct these needed homes. The committee was pleased that private investment is to be made available thus eliminating the need for Government financing.

The second item eliminated was $300,000 for community support facilities to provide certain municipal facilities for private housing development at White Rock, N. Mex. These facilities were provided for through H.R. 7209 separately reported out by the Joint Committee and enacted as Public Law 87–52 to permit the use of currently available funds.

The third item eliminated by the committee was $550,000 for construction of a chemical laboratory in Nagasaki, Japan, for the Atomic Bomb Casualty Commission. It was deleted on the basis of testimony that the AEC was able to continue to lease the necessary facilities.

In addition the committee added three projects to the bill which had been recommended by the Commission but had not been included in the budget for a total of $2,500,000. This compares with the $3,640,000 which was the total of the three projects deleted by the committee. The added projects are:

First. Project 62–g–5, a physics building at the University of Chicago, $800,000. This building will be part of the Enrico Fermi Institute for Nuclear Studies and is urgently needed to provide additional area for experimental work connected with the zero gradient synchrotron at Argonne National Laboratory due to be completed in 1962, as well as work at the University of Chicago.

Second. Project 62–i–3, controlled environmental laboratory, Brookhaven National Laboratory, $1 million. This will be a three-story building to house chemical and biological laboratories for radiobotany research.

Third. Project 62–i–4, animal bioradiological laboratory, Lawrence Radiation Laboratory, $700,000. This will give the laboratory needed space and room for studies of long-term radiation effects on animals and simulated space biology radiation effects.

My colleague, MEL PRICE, who is chairman of the Subcommittee on Research, Development, and Radiation, will discuss in more detail the basis for the committee's addition of these three projects and benefits to be derived from them. He will also discuss the importance of project 61–f–7 whereby construction of a 2-mile linear accelerator at Stanford University at a cost of $114 million is authorized.

Mr. VAN ZANDT. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, we have before us for consideration H.R. 7576, a bill to authorize appropriations for the Atomic Energy Commission for the fiscal year 1962.

My distinguished colleague, the gentleman from California, Representative HOLIFIELD, chairman of the Joint Committee on Atomic Energy, has wisely and diligently conducted extensive hearings to explore all the pertinent considerations of the items covered in this bill. I think that such action by my very able friend and colleague from California has resulted in a bill the enactment of which will generally enhance our Nation's leadership in the field of atomic energy.

I have but one exception to make to this bill and I should like to devote the remainder of my allotted time to voice my objection to this one particular item.

I am opposed to the authorization of $95 million for the addition of electric generating facilities for the new production reactor at Hanford, Wash., as spelled out on page 2 of the bill, project No. 62–a–6, lines 12 to 14, inclusive.

Advocates of this project claim that the addition of these generating facilities is economically justified, that it

would make a contribution to national defense that it would increase our international prestige, that it will advance nuclear power technology, and that it is needed to supply the future power requirements of the Northwest.

All of these claims can easily be shattered by a look at the facts.

While I wish to comment briefly on my rebuttal of these claims, I should like first to bring to your attention something that is more fundamental in this consideration of the Hanford steamplant and, in my opinion, transcends economics, international prestige and knowledge of nuclear technology.

In essence the Hanford steamplant presents to this Congress a crucial question of national policy.

This question can be stated as follows:

Should the AEC take its place alongside the Department of Interior and TVA as a major producer of government-generated electric power?

Or in plain words—should we put the Atomic Energy Commission in the power business?

I think we would be remiss in our responsibilities if we were to pass on the authorization of funds for the Hanford steamplant without considering this fundamental point.

For there is no doubt that the installation and operation of nearly 800,000 kilowatts of electric generating capacity puts the Atomic Energy Commission in the power business.

By any standard of measure, nearly 800,000 kilowatts of electric energy is a very sizable amount of generating capacity.

It will be the largest bloc of power produced from one heat source in this country, and probably the world.

Its turbines will be among the largest; but I might also point out—the most obsolete in the country.

The capacity of this plant, if it is built, will be larger than the system capacity of many fair size utility companies.

Because the plant is expected to be utilized over three-quarters of its estimated lifetime for the production of power—not plutonium—the power thus produced cannot be considered incidental either to the production of plutonium or the functions of the Atomic Energy Commission. Whether it is intended or not, let me mention again that the Hanford steamplant will put the Atomic Energy Commission in the power business—and in a very big way.

If this is the case, Congress must ask itself this question: Should another governmental agency go into the business of producing power?

We should ask these questions:

First. Does Congress think it is necessary to put the Atomic Energy Commission in the power-producing business?

Second. Is it wise to give Atomic Energy Commission additional responsibilities of this nature?

Third. Will additional governmental expansion into business result in the most prudent use of our Nation's resources?

These are the questions we must ask ourselves and answer before we can logically resolve the question of whether generating facilities should or should not be added to the new production reactor at Hanford, Wash.

I should like to give you my answers to these questions.

But before doing so, I want to speak briefly on the present functions of the Atomic Energy Commission because of their bearing on the points in question.

In addition to its regulatory, licensing, and atomic weapons responsibilities, the Commission is directed to exercise its powers in such a manner as to insure the continued conduct of research and development activities in the peaceful applications of atomic energy.

In discharging its responsibilities in the research and development field, the Atomic Energy Commission has acted wisely, and I think I can say that this Congress has assisted it by enacting prudent legislation of the general type we are considering today.

The result is we are proud that the United States leads the world in the advancement of nuclear power technology.

In addition, we can be proud of the fact that our Nation's diversified program of research and development of many nuclear power reactor types has put us on the threshold of economically competitive nuclear power. Frankly, the Atomic Energy Commission's role of supporting, coordinating, and conducting research and development is the major reason why we can make this claim.

Mr. Chairman, in addition, if the Atomic Energy Commission should take on an electric utility responsibility, there is no doubt in the minds of many that this basic and important research and development functions of the Atomic Energy Commission will be adversely affected.

Let me ask these questions:

First. Is it necessary that the Atomic Energy Commission perform this utility function?

Second. Is the electric power situation in our country in such a predicament that the Government must give it a helping hand?

The answer, of course, to these questions is a resounding "No."

Throughout war and peace our electric utility industry has met the demands placed upon it.

We have more electric power capacity than the combined capacity of the next five nations. We have three times the electric power capacity of Russia.

Therefore, I ask in all sincerity—"In view of these accomplishments—is further expansion of Government into the power business necessary?"

Many of you may not be in sympathy with this appraisal of the proper role of Government in regard to the production of electric power.

But regardless of your ideological beliefs concerning the power business, you must consider the prudence of making the Atomic Energy Commission another governmental power agency.

I for one think it would not be wise to have the Atomic Energy Commission assume additional responsibilities that are not in keeping with its main function and most significant contribution to our economy.

Such a course of action would dilute its research and development activities.

Even if it were considered necessary to expand governmental activities in the power business, why do it through the Atomic Energy Commission, an agency dedicated to nuclear research and development?

Mr. Chairman, we cannot hope to have the Commission continue its valuable research and development work if it also must run a power system.

We cannot expect the Atomic Energy Commission to run a power system and also serve as our Nation's regulatory agency for the nuclear power industry.

In addition, the present nuclear power policy of the United States, as stated in the Atomic Energy Act of 1954, is that "the development, use, and control of atomic energy shall be directed so as to strengthen free competition in private enterprise."

Certainly the governmental operation of a nearly 800,000-kilowatt nuclear powerplant is not in conformity with this policy.

If the Congress sees fit to change this policy, it should fully debate the advantages and disadvantages of such a change and then make its decision.

Authorization of the Hanford steamplant will circumvent such a debate and thus establish a precedent which, regardless of the interest of Congress, will change our Nation's nuclear power policy.

Frankly, do we want to take such a course of action?

In any consideration of putting the Atomic Energy Commission into the power business, we also must consider the other ways in which such expenditures of taxpayers' money could be used.

My distinguished colleague from California, Representative HOSMER, solicited the advice of nuclear experts in attempting to resolve this point.

The majority of these experts stated that no substantial contribution to civilian nuclear power technology would be made by adding generating facilities to the Hanford reactor.

About 85 percent of these experts felt that nuclear power technology could be better advanced by spending the $95 million on other projects.

Many felt that even a smaller expenditure could make a bigger contribution to nuclear power technology if it were spent on basic research rather than on the construction of low-pressure generating facilities.

Mr. Chairman, a few weeks ago I pointed out to the House the inconsistency of authorizing $400 million for loans and grants to revitalize depressed areas and then spending $95 million to subsidize power and lure industry away from areas in need of additional employment opportunities.

The expenditure of $95 million being sought today is not only unnecessary but unwise.

Mr. Chairman, we have been told by our President of the great needs for strengthening our national defenses, the importance of accelerating our conquest of space, and the contributions we

must make to the security and well-being of friendly foreign nations.

These legitimate functions of government require large expenditures of taxpayers' money.

Why then must we add to this burden by taking the first step of putting the Atomic Energy Commission in the power business with an expenditure of $95 million?

Perhaps some of you might feel that I am viewing this out of perspective, and that I have pinpointed one isolated, special case in which AEC produces incidental electric power which should not be cause for concern.

As I have stated, the production of a nearly 800,000-kilowatt bloc of power over an extended period of time certainly cannot be considered as incidental.

Even if this block of power were incidental or insignificant in quantity, such an approach can establish a very dangerous precedent.

We are all familiar with the start of a river basin authority where hydroelectric power was to be sold incidental to the stated purpose of the Authority, namely, flood control and navigation.

Today, this Authority has the largest power system in our country and, while hydroelectric power is still incidental, it is now incidental to the tremendous thermal electric installations this Authority has built.

Whether you agree or disagree with the operations of this governmental agency, which I know you all recognize as TVA, you must agree that the original intent of Congress is now "incidental" to its main function.

Mr. Chairman, what assurance do we have that Hanford steam plant will not have the same effect on the AEC that hydropower had on TVA?

What assurance do we have that Hanford will not be the precedent on which a Federal nuclear power system will be built?

It should be kept in mind that the legislative history of the Atomic Energy Act of 1954 makes it clear that Congress did not endorse a power utility responsibility for the Atomic Energy Commission.

Senator HICKENLOOPER of Iowa, who was then the vice chairman of the Joint Atomic Energy Committee, said in discussion on the passage of this act that, "the Atomic Energy Commission is not primarily an operating agency; it is a research and development agency." Yet today we are considering the authorization of a nearly 800,000 kilowatt powerplant for the Atomic Energy Commission. In this connection, we must recognize the true role that the Atomic Energy Commission will have if we authorize it to operate a plant of this capacity.

Mr. Chairman, in concluding, I would just like to briefly comment on the arguments put forth by those advocating the Hanford steamplant.

I have already indicated that the majority of nuclear experts who were asked to comment saw no technological contribution with the addition of generating facilities to the Hanford reactor which is in sharp contrast to the assertion made by those who favor the Hanford steamplant.

Utility engineers have stated that there is no reason why industry should seek experience in the manufacture and operation of turbines that utilize the low-quality, low-temperature, low-pressure and inferior saturated steam of the Hanford reactor.

Volumes have been written in an attempt to justify this project on an economic basis.

A full discussion of the weakness of these studies is not possible here, but I should like to quote just one short sentence from the testimony given by one of the key experts at the hearings of the Joint Committee.

This expert said in part:

> The addition of generating facilities to new production reactors may appear economically justified on some set of assumptions and might be judged questionable on others.

Mr. Chairman, certainly this is not a reassuring statement when an expenditure of $95 million is involved.

International prestige, a very evasive commodity at best, is offered as still another reason for conversion at Hanford. I cannot see this as a compelling argument when one considers the steam technology that would be used.

The utility industry—ages ago—utilized the low-pressure, saturated steam such as Hanford will use and, frankly, this cannot possibly add to our prestige.

It has been asserted that a dual-purpose reactor will be a significant factor in national defense considerations.

With electric generating facilities the Hanford reactor, so the reasoning goes, would allow flexibility in adjusting operations of the plutonium production reactors to any future changes in the field of international agreements on nuclear weapons.

In addition, the proponents of Hanford point out, Russia has dual-purpose plutonium production reactors and if we do not, we will be at a strategic disadvantage.

Such reasons are based on two assumptions:

First. That nuclear disarmament is not only possible but imminent; and

Second. Any such possible nuclear disarmament agreement would permit the operation of dual-purpose reactors.

Mr. Chairman, while we all hope and pray that nuclear weapons disarmament is possible and will continue to work for it, we would have to be extremely optimistic to believe that agreement with the Soviets is imminent at this time in view of the record at Geneva.

We would likewise have to be extremely optimistic to assume that any nation suspicious of our intent would permit us to operate a dual-purpose reactor, under a disarmament agreement, that admittedly can be swiftly converted to weapons-grade plutonium production.

We have heard also in testimony given by Mr. Luce, Administrator of the Bonneville Power Administration, that BPA will have sufficient hydropower to serve the needs of its preference customers for the next decade and that the power from the Hanford steamplant is needed to supply power requirements of nonpreference customers in the area.

And yet we have not heard the nonpreference customers in the Northwest speak out in favor of Hanford. Apparently they believe they are capable of meeting their own future power requirements. In this connection the taxpayers would be pleased if they did.

Incidentally, the 1960 annual report of the BPA stated that for the first time in nearly 15 years the Bonneville Power Administration found itself in a period of surplus power instead of power scarcity. As a challenge to the 1960 report, advocates of the Hanford generating facilities argue that a deficit of firm power is estimated to occur in a few years unless the Hanford electrical facilities are added. The deficiency estimate, incidentally, is 117,000 kilowatts of firm power in 1965–66 if streamflows get below certain critical waterflow levels in that particular year. This is to be compared with a firm generating capacity now available of approximately 5 million kilowatts in the Pacific Northwest. The probability of this small shortage ever occurring, of course, is extremely low.

Even if one gives credence to these estimates, there is no reason for the Government to step in to build power facilities since utilities in the Northwest are building or seeking to build hydroelectric plants to meet all foreseeable demands. Further, there will, in 1965–66, be surplus power in the east group of the Northwest power pool which can be made available to west group utilities if it is needed. This situation is hardly a recommendation for the expansion of power facilities. Thus a closer look at the main arguments for the Hanford generating facilities leaves some unanswered questions.

Mr. Chairman, as I indicated earlier in this speech, something more basic than economics, international prestige, and knowledge of nuclear technology is at issue before this Congress.

And that is whether or not the Government should expand its position in the electric power industry and whether or not the AEC is an appropriate agency for such an expansion.

In all sincerity, I do not think it is wise to put AEC in the power business side by side with TVA and the Department of the Interior. Therefore, I have expressed my reasons for this and I urge that the Congress consider the basic policy in question.

Mr. Chairman, if we vote to authorize the generating facilities at Hanford, we will abdicate our position in this matter. For that reason, at the proper time it is my intention to offer an amendment to strike from the bill, project No. 62–a–6 on page 2, lines 12 to 14, inclusive.

I hope that the amendment will be approved.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Mr. Chairman, it is a good deed for our country when we can save our Government from making an unnecessary expenditure.

That is why I will support an amendment to H.R. 7576, the Atomic Energy

Commission authorization bill. The amendment strikes out $95 million which it is proposed to spend for installing electric generating facilities in the new production reactor at Hanford, Wash.

There is no good reason for this amount, or, indeed, any amount, for the purpose specified.

The proponents of this appropriation would be on firmer ground, perhaps, if the proposed electric generating facilities were designed to make a substantial contribution to the technology of civilian power. The addition at Hanford can make no such contribution.

In New England, the resourcefulness of our taxpaying public utilities and their scientists, engineers, and technologists has given us the Yankee Atomic powerplant at Rowe, Mass. Even though the proposed plant at Hanford is supposed to be six times as large as the privately owned, publicy used atomic powerplant at Rowe, it is striking to note that the Hanford plant would be less efficient than the plant at Rowe, from which we have learned much already and will continue to learn as things go along, about the production of nuclear power for public utility uses.

The power that could be produced at the plant at Hanford, proposed with the $95 million authorization, would be enough to supply the needs of a city of over a million population. It is more than twice as much as even the projected power requirements of the Atomic Energy Commission's plant at Hanford for many years in the future. Therefore, if this plant is built, there will be power to sell, or to waste, produced at the expense of the taxpayers.

There is no shortage of power in the Northwest at the present time to meet the needs of industry. The Bonneville Power Administration said in its 1960 report:

> For the first time in nearly 15 years, Bonneville Power Administration finds itself in a period of surplus power instead of power scarcity.

And for the future? The Bonneville Power Administration says:

> These projects—
>
> Hydroelectric projects resulting from the Columbia River Treaty—
>
> together with those existing or under construction, assure the Pacific Northwest of power to meet the estimated normal firm power requirements of the region through 1970.

Clearly, there is no imminent power shortage in the region. Taxpaying public utilities in the Northwest are building, or seeking authorization to build, hydroelectric plants which will meet the power demands of that area for at least 10 years. This program of building to meet anticipated loads will certainly continue in the future. It is unnecessary for the Federal Government to build a project with the highly questionable economics of the nuclear-power reactor at Hanford, since its power would merely replace or offset power from other sources.

With such a great electric-energy capacity in excess of the present or future needs of the region, the next step would be to offer, at the expense of all of the taxpayers of the Nation, lower and lower rates to attract industry from other sections of the country.

In this session of the Congress we have passed legislation authorizing $400 million in loans to assist in the revitalizing of the country's depressed areas.

This public-power plum would help not a bit in this job. Actually, it would aggravate the conditions we are trying to correct.

The addition of 700,000 kilowatts of generating capacity to Hanford, in an area where it is not needed, would provide energy equivalent to that produced by 2.3 million tons of coal a year, if the same quantity of electricity were generated in a modern steam plant.

The impact on the Nation's economy can be indicated by expressing this quantity of coal in terms of man-days of employment for miners, or in terms of railroad coal cars necessary to transport this vital national resource. The generation of the same amount of power as is contemplated by the public-power generator at Hanford would mean 191,000 man-days of employment at the coal mines. It would mean the use of 37,000 coal cars to haul the fuel from mine to point of utilization. Both these factors would have beneficial effects on the national economy.

Despite numerous studies prepared for the Atomic Energy Commission and for the Joint Committee on Atomic Energy of the House and the Senate, it has not been demonstrated that the Hanford reactor would produce economic electric power. Actually, the evidence in these studies indicates that the reactor will produce power that will be expensive and uneconomic in the Pacific Northwest.

The $95 million which it is proposed to spend to produce commercial power at Hanford could be much better used in other ways in developing atomic technology, which is the job of the Atomic Energy Commission, not to upset the private enterprise economy of the Nation.

Mr. HOLIFIELD. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. PRICE].

Mr. Chairman, will the gentleman yield for 1 minute?

Mr. PRICE. Yes, I shall be glad to yield to the distinguished chairman of the Joint Committee on Atomic Energy.

Mr. HOLIFIELD. I would just like to answer briefly two or three points made by the gentleman from Pennsylvania [Mr. VAN ZANDT].

In the first place, the action of this House today is not in the nature of new policy action; that action was taken in 1954 when we wrote the Atomic Energy Act. Let me read the pertinent part of that act:

> SEC. 44. Disposition of Energy. If energy is produced in production facilities of the Commission or is produced in experimental utilization facilities of the Commission, such energy may be used by the Commission, or transferred to other Government agencies, or sold to publicly, cooperatively, or privately owned utilities or users at reasonable and nondiscriminatory prices.

Skipping down a little:

> Nothing in this act shall be construed to authorize the Commission to engage in the sale of distribution of energy for commercial use except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission or of production facilities of the Commission.

Note that it says "except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission or of production facilities of the Commission."

This is a production facility, so this energy can be distributed. It is not new policy. The policy has already been established by the Congress and we are at this time selling energy from the Shippingport reactor, and the Santa Susanna reactor, which are all experimental reactors. We are selling electrical energy from these reactors to private utilities. So that disposes of the gentleman's argument as to this being a new policy. It is an already established policy. It is authorized by law. We are merely following out the dictates of Congress as enunciated in the Atomic Energy Act.

Mr. PRICE. I thank the gentleman from California and agree with his position.

Mr. Chairman, I hope the House this afternoon will not let this debate develop into a controversy over private versus public power. In my opinion that question is not involved here.

I support the new production reactor because I believe it is vital to our national defense, and I think every member of the Joint Committee on Atomic Energy knows that it is vital to our national defense. I think there has been ample testimony before our committee to alert us to the danger of eliminating the conversion generating features of this new reactor which reactor as the chairman of our committee stated is going to be built anyway. I thing the members of our committee know what I am referring to.

This will be the only one of the plutonium-producing reactors that we have that will have this feature, and I regret that the nature of the testimony before our committee was a classified nature and does not permit me to bring details out here on the floor of the House, but the members of the committee are aware of them and I think they should consider this on the basis of national security and not on the basis of a fight between public and private power. This is a national security measure; this is for the defense of our country; this is vital to the defense of this country, and I am sincerely hopeful that members who will talk here this afternoon will resist any effort to take this very important national defense and national security item out of this legislation.

I am as interested in the private utilities system of this country as any other Member of this House. I am as interested in the coal-producing areas of my country as any other Member of the House, and I say to you none of these things will prevail unless the security

of this country is maintained. I personally believe that this is a most important item in this bill in the interest of national defense and in the interest of national security. I hope these things will be uppermost in the minds of the Members of the House this afternoon as they deal with this subject.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. The gentleman mentioned a moment ago the great heat that will be developed from this nuclear plutonium reactor. I would remind the gentleman that we have other reactors that generate a great deal of heat that is presently wasted. Once we establish this precedent by passing the provision in this bill, what is to prevent its being applied to these other installations where presently there is a tremendous loss of heat in the operation of these plants?

Mr. PRICE. The gentleman from Pennsylvania will recall the appearance before the Joint Committee on Atomic Energy of the former Chairman of the Atomic Energy Commission, Admiral Strauss, who said that in his opinion any future plutonium reactors should be of the convertible type. I am not saying that he personally would favor the project we are recommending here this afternoon—I do not know—but you will recall the former Chairman made that statement and he made it because he knew the potentials of a dual-purpose reactor.

I may say to the gentleman that the other reactors are old reactors. They do not lend themselves readily to convertible features; therefore they do not have the conversion feature. I cannot picture ourselves in the United States in the next 2 years building these particular types of plutonium reactors on a wholesale scale, and I doubt very seriously whether we will be building another of this magnitude in years to come.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. VAN ZANDT. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, I rise to express my opposition to this $95 million item for the conversion of the plutonium reactor at Hanford to the production of electricity because the scheme lacks integrity. It lacks integrity because the arguments that the majority have been able to muster for it are either fallacious, specious, or unconscionable, or all three.

What this plutonium reactor actually does is this: It is a manufacturing facility. It is designed primarily to manufacture plutonium for the military out of uranium. As a byproduct of this manufacturing operation the plant produces nuclear radiation and heat.

Just as with any other manufacturing facility or plant where you have a primary product and byproducts, you are faced with the question whether or not it is economical, whether or not you will get your money back if you try to recover some or all of the byproducts. In the case of the saline water plants your main product is fresh water, yoor byproduct is a solution that is heavily concentrated with salt, magnesium, gold, and other byproducts. But you do not hear of anybody wanting to spend $95 million, or even a million dollars to recover those byproducts simply because, in the first place, it is not economical; and, in the second place, it is not anything to attract the attention of the powerful public power lobby. In our restaurant downstairs, for instance, there is produced a byproduct, garbage, in the serving of meals, but nobody wants to recover that byproduct because it is not sensible to do so. Neither is it sensible to attempt to recover the byproduct heat at Hanford.

Let us see why. In the first place, we are told that the Government is going to make some money by taking this byproduct, heat, and generating electricity out of it. That is the so-called economic argument. We pay $95 million for these generating facilities, the Atomic Energy Commission has put that up, and the Bonneville Power Administration gets for nothing the heat from the reactor. Presumably over the period of production the Bonneville Power Administration would sell enough electricity to add up to $95 million and other expenses. The way the committee majority argues this will happen is by referring not to anything in existence but to some hypothetical nonexistent thermoelectric plant dreamed up for comparison purposes, finding out what the hypothetical cost would be, and saying, their hypothetical cost is X, that the cost of Hanford conversion is X minus something, and your profit is that something. They have never been able to calculate what that something is, so they have been unable to give us any figures. This is because the whole business is a gamble, depending on things which have not happened yet and which cannot be predicted. Actually, if we get down and make our comparisons and calculations on the basis of dollars in and dollars out, we come up with an entirely different picture and a clear and concise one.

Incidentally, I would like everybody to take a look at page 8, of the committee's report, because there is so much economic gobbledygook there that even the printer got mixed up when he printed it. He got two paragraph 4's in there, the copy must have just driven him crazy. The truth of the matter is that even according to this page 6 gobbledygook, there admittedly are only 8 years out of the 33 years that the generating facilities could operate at a profit. Those are the first 8 years when the plant would be primarily devoted to the production of plutonium. So, you must during these 8 years recover in cash dollars an average of $12 million a year over and above costs, otherwise you will not amortize the $95 million investment.

Now, what is happening out there? Simply this. The report shows that the cost of generating and transmitting this power from Hanford would be 2.37 mills per kilowatt hour. And, I ask you what price are they going to sell it for? They are going to sell it for 2.32 mills, .05 mill less than it costs them to generate it. So, you are not getting any cash money for amortization this way; instead of the necessary $12 million a year, you get a net loss. So, what do they say? They say, "We will forget that, because we have a potential of 800,000 kilowatts out there to sell at prime rates. If we can firm it up with Hanford power—if we do that the Bonneville system will get additional revenue of $7 million a year."

All right, let us assume that is true. But pose the question: For how long? This is the answer: The only reason they cannot sell that firm power now is because in the year 1965–66 there will be a water shortage up there for hydrogeneration. So, with the boost from Hanford, they can start picking up the $7 million a year in 1964, instead of 1967. That is, in the 3 years 1964, 1965, and 1966 for a total of $21 million. Actually, that is all the extra money they are going to get out of this thing as against the $95 million they are going to invest into it, which leaves us exactly $74 million in the hole. Rather than reducing the cost of the plutonium, it will raise it by some 30 to 40 percent. Even if we grant them the $7 million for the whole 8 years, they will pick up only $54 million in revenue and $39 million will still be left unrecovered in this cost, thereby increasing plutonium costs by 25 percent to 30 percent. So, the taxpayers are going to have to pick up the tab for many millions of dollars any way you figure. That is, if you evaluate this project in actual dollars instead of in relation to hypothetical nonexistent assumptions. I say my economics are correct, because they are based on actual dollars spent and recoverable. The majority of the committee is incorrect, because its economics are based on hypothetical benefits over never-to-exist coal-firing steamplants and therefore are a figment of the imagination. Whatever benefits they claim are illusions. By contrast while my calculations of cash losses in the multimillions are cold, hard facts which will come out of the taxpayers' pockets.

Enough for their economic argument. Next, they try to tell us the power conversion is needed for national defense. They tell us if you have an agreement with the Soviets to stop producing plutonium, and if it falls through, and if the reactor is running for power, it can quickly be reconverted to producing plutonium again. The fallacy of the argument is that if ever the time comes under such circumstance we needed plutonium, it would be whatever we had on hand at that moment that would save the Nation, not what you could produce thereafter. No matter how much you are able to produce afterward, it would not stop our enemies at that moment, thus the argument is fallacious.

A further fallacy in it is that if, at such time, the plant were converted to plutonium production, it would pull down the power production just when all these defense industries, that have been pirated to the Pacific Northwest, from your area and in mine, would need it for defense production. So the national defense argument is specious. Next they argue that this 800,000 kilowatts of so-called nuclear power will be a great thing for the international prestige of the

United States. This is equally specious; 154 years ago a man named Robert Fulton invented the steamboat, and he ran his steamboat, the *Claremont*, up the Hudson River. It had a boiler in it that made steam which ran the engine which turned the paddle wheel. The fact of the matter is that the steam that would be produced out at Hanford is so low in temperature, so wet and of such a low pressure that it is more like the steam Robert Fulton used 154 years ago than it is to the steam used in modern day production of electricity.

If we are going to "move ahead," as the popular phrase goes, instead of retrogress, this certainly is the opposite from the way to do it. How much international prestige are you going to get by going back almost a century and a half in technology? None at all. The people overseas are going to look at such foolishness and laugh at us. We would not gain prestige; we would lose it by foolishness like this.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the distinguished gentleman from Pennsylvania.

Mr. VAN ZANDT. Is it not true that during the course of the hearings the gentleman asked Mr. Quinn of the Atomic Energy Commission as to whether or not any utility companies in the United States had indicated any interest in this so-called surplus or waste heat at Hanford?

Mr. HOSMER. That is right. They had to say no, they would not buy it because no private industry can afford to go in there and lose money on it. But now we are being asked to lose the taxpayers' money on it. I think it is our constitutional obligation to stand up on our feet and stop this sort of foolishness.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the distinguished gentleman from Massachusetts.

Mr. BATES. Did Mr. Quinn indicate how much the private industry would be willing to pay for this information?

Mr. HOSMER. He admitted they would not pay 5 cents for it. I do not know if they would pay something less than 5 cents.

Mr. BATES. Something less than 5 cents.

Mr. HOSMER. Something less than 5 cents. Mr. Chairman, again on this matter of international prestige, I have here the May issue of a magazine called Nuclear Power. It is published in Great Britain. It is one of the two standard publications in this field, and is read all over the world; the other one being Nucleonics, an American magazine also read worldwide. When all of these economic studies that the chairman referred to and the gentleman from Illinois [Mr. PRICE] referred to came out, where do you think this alleged international prestige factor landed in this international magazine? Way back on page 58 somewhere, a small item, almost lost even on this obscure, inside page of the magazine.

Now, you have all gone through campaigns and bought ads in newspapers. Do you think that is $95 million worth of prestige? Of course not. That international prestige argument is specious, fallacious, and a boomerang.

What do they tell us is another reason why this should be built? Technological benefits. I referred to them when I talked to them about Robert Fulton and his steamboat. The gentleman from Pennsylvania [Mr. VAN ZANDT] and the gentleman from Massachusetts [Mr. BATES] referred to them when they both emphasized nobody would pay 5 cents for the technical information to be obtained from this conversion and when they brought up the fact that no private utility has shown any interest at all in taking this byproduct heat, simply because it is uneconomic to do so.

One of the other arguments they used in the report to bolster the technical claims is an allegation it would give us information on the use of metallic fuel elements. This is grossly in error. I cannot understand the majority trying to reach that far, because these metallic fuel elements will be used in the reactor during the production of plutonium. Thus we will get that information anyway. Electricity production has nothing to do with it. As a matter of fact, when the plant would go over to the power-only period the metallic elements are going to be removed and replaced with metal-clad uranium oxide fuel elements. So this argument is purely specious; I cannot understand it.

Reference was made by the gentleman from Pennsylvania to my survey of 85 leading nuclear experts in this country in industry and the universities. That survey can be found in yesterday's CONGRESSIONAL RECORD at page 12422. Eighty-five percent of these experts, internationally known, top men of nuclear science in the United States of America, say that we had better spend this $95 million on something else if we want to promote nuclear progress in this country.

The fifth and final argument that is made in the report on behalf of the people who want to spend this $95 million is that it would provide benefits to private and public utilities and industry. If we assume that these alleged benefits are actually there, benefits to public and private utilities, then I believe it is immoral to take the people's money, $95 million of it, to benefit any of these special groups. I sincerely hope a majority of this body will feel the same. Particularly as to benefiting industry, not only is that same unconscionable result apparent, but this 800,000 kilowatts of power would be used to lure industry to the Pacific Northwest from New England, from the East, from the South, from the Midwest, from the Southwest, and from the Pacific Southwest.

Along this line I would like to take this opportunity to agree with what another gentleman said when he spoke from this well on March 21, 1952. You will find his remarks at page 2672 of volume 98, part II, of the RECORD. It was during a debate on whether or not there should be steamplants down in the Tennessee Valley Authority. This gentleman to whom I refer was from New England. He was then a Member of this body. His name is John Fitzgerald Kennedy. He said in part:

> Certainly I am in favor of developing power in the South. On the other hand, I do not expect that we should contribute tax money in large quantities to the South which will result in loss of our industry.

Do you know what the large quantity of money he was talking about was? Not $95 million but $14 million.

During my research I ran across another statement which I am sure you gentlemen will appreciate. It was made by our usually genial colleague from Alabama [Mr. JONES] about a month later, on April 10, 1952, to be specific, by which time he became so excited over what Mr. Kennedy had said that he took a special order, which appears at page 3988 of the RECORD, to which I have referred, in which he said:

> TVA has enemies. * * * Their wishes prevail only when they are temporarily joined by the ill informed or frightened. They were joined in the recent vote by at least one Member on this side of the House, the personable gentleman from Massachusetts, Mr. Kennedy, who appeared to be both.

Both ill informed and frightened? I cannot agree with what Mr. Kennedy says today, about steamplants, but I certainly agree with the opposition he expressed in 1952 concerning the pirating of industry from other parts of the country by reason of such measures as this.

In conclusion, let me say this: This $95 million will not bring any economic advantages, but result in economic losses, it will not assist national defense, it will be of no value to, but a detriment to, international prestige. It contributes nothing to nuclear power technology. If it benefits private outfits and private purchasers from public bodies, it is an immoral taking of the people's $95 million to benefit the few.

Where does this all leave us? Right today we are talking about mobilizing the reserves for national defense. The National Science Foundation has asked that we spend a total of $8.2 billions more, not for foolish things like this, but for scientific research to bring our country's safety up to the par Americans expect to have.

Therefore, I ask, let us face up to the obligations of our oath of office, let us delete this proposal, and get on with the vital business of America in this day of great national peril.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I take this time to answer two or three points which the gentleman from California, my colleague, has raised. He makes the argument that this is an obsolete type of electricity generation and he makes that point on the basis that this involves approximately 135 pounds of steam pressure as against some of the new modern machines which use up to 1,000 pounds of pressure. But I want also to call to the attention of the gentleman this fact. I hold in my hand a list of low-pressure turbines that have been built by the General Electric Co. alone, and there are plenty of others that have been built by other companies. I hold in my hand a list of 30 turbines—turbines of this

type utilizing pressure from steam of from 96 pounds per square inch to 150 pounds per square inch in parts of the machine. They are all used by well-known power companies like Commonwealth Edison; Consolidated Edison; Detroit Edison; Indiana, Kentucky, and Ohio Electric Co.; and all these other companies. So there is a place for both kinds.

Furthermore, remember this: We will be utilizing steam that does not cost 1 penny—this is free steam during the dual-purpose period. Of course, it is not as efficient as steam at 1,000 pounds per square inch. Everybody realizes that, but this is free steam. This is steam which is going to be shot out into the air, if we do not use it. I will place this information in the RECORD:

Modern turbines with low pressure sections 96 to 150 pounds per square inch absolute throttle pressure—General Electric turbines

The following list of modern turbines placed in service since 1955 are cross-compounded single- and double-flow turbines incorporating 38 inches and 43 inches last stage buckets. The low-pressure section in these cases produces approximately 50 percent of the total unit rating. Crossovers to the low pressure section range in pressure from 96 pounds per square inch absolute to 150 pounds per square inch absolute. Units marked by (*) are of the cross-compound single-flow type; others are cross-compound double-flow.

Name	Station	Rating
Detroit Edison	River Rouge No. 1	260,000
Appalachian Power	Glen Lyn No. 6	225,000
Ohio Power	Kammer No. 1	225,000
Do	Kammer No. 2	225,000
Do	Kammer No. 3	225,000
Do	Muskingum No. 3	225,000
Do	Muskingum No. 4	225,000
Indiana-Kentucky Electric	Clifty Creek No. 1	217,260
Do	Clifty Creek No. 2	217,260
Do	Clifty Creek No. 3	217,260
Do	Clifty Creek No. 4	217,260
Do	Clifty Creek No. 5	217,260
Do	Clifty Creek No. 6	217,260
Ohio Valley Electric	Kyger Creek No. 1	217,260
Illinois Power	Hennepin No. 2	200,000
Commonwealth Edison	Will County No. 2	165,000
*Metropolitan Edison	Portland No. 1	150,000
*South Carolina	McMeekin No. 1	125,000
*Do	McMeekin No. 2	125,000
Consolidated Edison	Arthur Kill No. 2	335,000
Do	Astoria No. 3	335,000
Commonwealth Edison	Joliet No. 6	335,000
Do	Waukegan No. 7	325,000
Detroit Edison	St. Clair No. 5	325,000
Commonwealth Edison	Will County No. 3	275,000
*Union Electric	Meramec No. 3	250,000
*Appalachian Power	Clinch River No. 1	223,000
Do	Clinch River No. 2	223,000
Chicago District	State Line No. 3	207,000
*Niagara Mohawk	Dunkirk No. 3	200,000

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from California.

Mr. HOSMER. I would point out to the gentleman who is concerned over this wasted steam or wasted heat, I wonder if he is contemplating taking the heat from the geyser at Yellowstone Park and using that?

Mr. HOLIFIELD. Of course, that is an absurd question.

Mr. HOSMER. This is an absurd proposal.

Mr. HOLIFIELD. If the gentleman will wait just a moment, I will tell the gentleman why his proposal is absurd. You do not have a constant flow of steam from the geyser at Yellowstone Park, and the gentleman well knows that.

Another argument that the gentleman makes is based on his figures on economics. His figures on economics are his own and, of course, he is entitled to make them. But, his figures on the economics of this thing do not agree with the studies made by the General Electric Co. who are experts in this field and who are operating the Hanford Reactor nor do the gentleman's figures agree with the figures of the Federal Power Commission or the figures of the Atomic Energy Commission. I would point out to the gentleman that the Atomic Energy Commission now has three Republican members on it. They have studied this and they have approved it. So the gentleman is entitled to his figures—I do not know where he got those figures but he is entitled to them.

Mr. LANE. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Massachusetts.

Mr. LANE. May I ask the gentleman this question which is of great concern to the New England States. So much has been said here on the floor about the TVA luring industry away from other areas of the country. Of course, we have heard in the past that some of our industries have been lost from the New England area to the TVA area, and whether that is so or not remains to be seen. But, I am wondering whether or not there is any likelihood if this project is adopted here today, it will in any way affect any of our industries in New England. That, of course, as the gentleman realizes is a very important matter for us in New England.

Mr. HOLIFIELD. I will try to answer the gentleman. Of course, I am not arguing the TVA question today because that is a completely different question than the matter we have before us now. Here we have free steam which we are going to utilize. It costs money to generate steam in the steamplants of the TVA. I am not arguing that question. The gentleman asks—will this lure industry away? Well, the Administrator of the Bonneville Power Administration was before us, and he said there was absolutely no evidence of the luring away of industry into the Bonneville area from any other section of the country. However, the power that was made available in the Bonneville area by the Bonneville Dam and other dams did enable them to start some new industries in the Northwest. One such new industry was the mining of phosphate minerals and the treatment of them. Of course, there were some other industries. So there is no evidence on that and this is just another one of the bugaboos brought up to scare people.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Tennessee.

Mr. EVINS. As I understand the gentleman, this project was approved by the Federal Power Commission as a project that was economically feasible at this time; is that correct?

Mr. HOLIFIELD. That is right.

Mr. EVINS. And it has also been recommended by the Bureau of the Budget.

Mr. HOLIFIELD. That is right.

Mr. EVINS. And by your committee.

Mr. HOLIFIELD. That is right, and by the Atomic Energy Commission, three of whose members are Republicans and very conservative men.

Mr. HOSMER. Mr. Chairman, will the gentleman yield for a correction?

Mr. HOLIFIELD. I yield.

Mr. HOSMER. The gentleman quoted General Electric as approving this. I call the gentleman's attention to a letter dated March 16, 1961, found on page 671 of the hearings.

Mr. HOLIFIELD. The gentleman did not say that the General Electric Co. approved this. The gentleman said that the General Electric Co. had made thirty turbines of the type that utilized low-pressure steam. The General Electric Co. did study this problem, and they did say it was economic.

Mr. HOSMER. I am referring to another portion of the gentleman's remarks. In their letter——

Mr. HOLIFIELD. What page is that?

Mr. HOSMER. Page 671, with reference to the so-called economic studies, they state:

The General Electric Co. is not expressing any opinion as to whether certain elements of cost should or should not be included since this is fundamentally a matter of policy for the Government to decide. However, the company does reiterate the thought expressed previously that this study together with the studies preceding it, enlightening though they may be, can only serve as aids to the judgment of those who will decide whether the Government should undertake conversion of the plant; they cannot be and should not be represented to be absolute determinations of economic feasibility or nonfeasibility.

Very truly yours,

W. E. JOHNSON,
General Manager.

Mr. HOLIFIELD. Why, of course. All studies are for that purpose. The gentleman states nothing new. All studies are for the purpose of giving the opinions of people, and, of course, you are projecting into the future. You cannot tell exactly what is going to happen.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. PRICE. The gentleman from California [Mr. HOSMER] made a statement in his presentation from the well of the House that this project had no value as far as the national defense of our country is concerned. Would the gentleman from California, chairman of the committee, agree with that statement?

Mr. HOLIFIELD. Oh, I am in disagreement with it.

Mr. PRICE. Does the gentleman believe it is vital and important to the national defense?

Mr. HOLIFIELD. I have spoken on this subject and will do so again at the proper time. The resumption of plutonium production after a reactor shutdown could be very important to the national defense. This resumption could occur in a few days in a dual-purpose

reactor. It would take months with a single-purpose reactor.

Mr. Chairman, at this time I yield to the gentleman from West Virginia [Mr. BAILEY], 5 minutes.

Mr. VAN ZANDT. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia.

The CHAIRMAN. The gentleman from West Virginia [Mr. BAILEY] is recognized for 7 minutes.

Mr. BAILEY. Mr. Chairman, serious questions have been raised here today concerning the advisability of adding electric generating facilities to the Hanford reactor and adequate answers have not been forthcoming from the proponents. While I make no claims about being a nuclear expert, one does not have to be a nuclear expert to see the shortcomings of this waste of Federal funds.

The need for constructing these electric generating facilities has not been proved. The economic feasibility of generating power at this plutonium reactor has not been established except by using some very questionable assumptions. It is not in the best interests of the country to spend $95 million on such a project when the Government is already preparing to spend up to $400 million to aid depressed areas, many of which are in coal-mining territory.

The coal-mining industry today is in a depressed state largely as a result of competing fuels. With coal reserves sufficient to meet this country's energy needs for many years to come, there is no valid reason for federally subsidizing still another competing fuel, particularly when no real progress would be made toward the objective of developing economic nuclear power.

The generation of electric power today constitutes the major market for the output of the Nation's coal mines. This market represents the most hopeful avenue of growth for the coal-mining industry in the years to come. Coal can stand on its own merits and its position as the major fuel source of electric power generation is secure for many years. The coal industry has no intention of attempting to block genuine progress in developing the technology of nuclear power plants. However, it should not be forced to help pay—by its taxes—for the Federal subsidization of a nuclear power reactor like the Hanford plant which will not advance power reactor technology.

There is no power shortage in the Pacific Northwest and indications are that this 800,000 kilowatts of Hanford power will create a further surplus and necessitate construction of Federal transmission interties at more taxpayers' expense to export power by Bonneville to other areas. This was indicated March 28 when Interior Secretary Stewart Udall said the addition of electric generating facilities to Hanford "would make some type of intertie almost essential."

The economic feasibility of the proposed Hanford power is a statistical illusion. The feasibility studies published by the Joint Committee on Atomic Energy indicate that various necessary costs have been excluded from consideration. For instance, the $25 million required to make conversion to power production possible is not included, even though the Federal Power Commission stated in its studies that this $25 million should be recovered in the Hanford power rates. Furthermore, such other items as a portion of the capital costs of the reactor itself, of reactor maintenance and operation, fuel, repairs, insurance, and replacements, are all omitted from the cost of power and charged to plutonium. Clearly this is juggling the figures to make the Hanford power cost look good in the hope that some Members of Congress will be duped into supporting this item.

Subsidized electric power from the reactor apparently is to be used by the Bonneville Power Administration to lure new industrial development into the Pacific Northwest. In urging the addition of these generating facilities to the Hanford reactor at once, the Bonneville Power Administrator said it would enable BPA to market immediately, on a long-term basis, 400,000 kilowatts of firm industrial power which is not now available on a regular basis. This is truly a case of robbing Peter to pay Paul. It is unfair to the Nation as a whole and unfair to the areas that have suffered from prolonged unemployment—especially coal mining areas—to use tax money raised from all the Nation to subsidize electric power designed to lure industrial expansion only to a favored region.

Mr. Chairman, this whole project is even more disturbing in the light of evidence that the Bonneville area already has a surplus of power. The BPA annual report for 1960 states there now is a surplus for the first time in 15 years. In addition, we are told large quantities of additional power will become available under the United States-Canada Columbia River Treaty.

While it may be true that there is not much coal-fired power generated now in the Bonneville region, unquestionably the time is coming soon when thermal power is going to be needed there. Surely, if the argument can be advanced that subsidized thermal nuclear power is justified now in the Bonneville area, then there should be a better argument for nonsubsidized coal-fired power. Adding these electric generating facilities to the Hanford nuclear plant can only serve to postpone the day when the Pacific Northwest will be calling on coal-fired stations to firm up much of its nonfirm hydropower.

The 800,000 kilowatts of power proposed for the Hanford plant—and I understand that the potential of this plant runs to over 1 million kilowatts—represents an equivalent consumption of well over 2 million tons of coal a year. In terms of coal-mining employment, in railroad activity to transport this coal, and in impact on the industries serving the coal mines, this would be a significant stimulation to the Nation's economy.

Therefore, Mr. Chairman, I sincerely urge every Member of this House to vote against this authorization for the addition of electric generating facilities at the Hanford project. It is clearly not justified on the grounds of economy, nor of genuine proven need, nor on the grounds of being in the national interest. The $95 million proposed for this project can serve the Nation much more effectively in some other capacity—even in other aspects of nuclear technology. It should not be used to aggravate depressed conditions for which Congress has already authorized the spending of millions of dollars in an effort to correct. It should not be used to subsidize competition with a basic fuel industry that is so important to this country.

The Appalachian Power Co., together with some of its sister companies of the American Electric Power System, serves many areas in West Virginia, and has been dedicated to the improvement of our economy. J. C. Hansbarger, of Appalachian, remarks:

> It seems clear that this (proposal) could in no way advance the technology or economics of nuclear power, and as a matter of straight economics the amount of power produced could not justify the expenditures required.

Mr. Chairman, it is my intention to join in the further debate on this legislation in the Committee of the Whole. I would be remiss in my duty to my State of West Virginia and its major industries if I failed to make every effort to block this item.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I might say that this displacement of coal represents 191,360 man-days or 37,911 coal cars. It not only affects employment in the mines, but it affects likewise employment on the railroads of the United States.

Mr. BAILEY. I thank the gentleman.

Mr. VAN ZANDT. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Chairman, the bill before you is very technical and many facets of it are quite impossible for a layman to comprehend.

The Chairman of the Joint Committee has explained to you the many aspects that the bill entails. I shall address myself only to one item, the dual purpose reactor at Hanford, Wash. I know of no disagreement on the other sections of the bill.

The real purpose of this reactor is to make plutonium for our atomic weapons. In the course of this production, heat or steam is produced as a byproduct which is emptied into the Columbia River. The proponents of this item advocate the use of this steam for power purposes rather than permit it to be lost. At first glance, this would appear to be the sensible thing to do. I would like to explore this matter with you.

Is it wrong or sinful not to use this steam? If it is, then we have sinned for many years and so have many other nations throughout the world. Have we been wasteful and extravagant by not using similar heat at the eight production reactors at Hanford and the five at Savannah River? Have we been

wrong in not harnessing the steam from Old Faithful at Yellowstone Park? The argument is the same. The question is not one of waste and whether this steam could be used, but rather can it be used economically.

Natural steam, that is steam occurring in nature as a result of the interaction of subsurface water and molten rock originating within the earth, has been known to mankind for many generations. Natural steam has been put to use in Iceland, Italy, and the United States, but only on the basis of economic competitiveness with conventional sources of steam.

In Iceland, for example, much of the city of Reykjavik is heated by natural steam and natural hot water pumped from hot springs about 40 miles from the city. Natural steam was first used in Lardirello, Italy, where a generating station was built above a series of geysers.

In our own country, the Pacific Gas & Electric Co. recently began operating a 12,500-kilowatt generating station called the Geysers Station located some 92 miles north of San Francisco. Many years of research and development had been invested in this plant before the economic decision to build was made.

None of these natural steamplants would have been approved if the proposals had not been determined to be competitive with conventional sources of man generated steam. Does the Hanford reactor meet this test?

Mr. W. E. Johnson, general manager, Hanford Atomics Products Division, General Electric Co., stated on page 320 of the hearings:

> One of the most important questions, of course, is whether conversion of the plant to its dual purpose state will be economical. Actually, this question cannot be answered with any degree of finality because the answer depends on some very important and basic assumptions that can be made only by the Government.

The details of his remarks indicate the question of how long plutonium will be produced and how much of the charges the Government will absorb.

When we are told that this project is economical, it does not take into consideration a good portion of properly assignable or even direct costs. Yet, under the "power only" phase which represents 75 percent of the estimated life of the plant, the economics claimed are about "break even or moderately favorable." During the dual purpose period—1964–72—no portion of the cost of maintenance, operations, and fuel for the reactor will be charged to power. Even the direct cost for conversion, that has nothing to do with plutonium, in the amount of $25 million will not be charged against power costs. This would increase the costs by 25 percent. This is a proper charge, specifically for power. The economics would be considerably less than break even if this valid and proper figure is added.

Let us examine the economics of this matter another way. Pacific Gas & Electric has just announced that it will build a private nuclear plant at the capital cost of $181 per kilowatt. I am informed that steamplants in the Seattle and Portland areas would cost about $160 per kilowatt. It is estimated that the plant now before us will produce about 750,000 kilowatts. If we do not include any of the charges mentioned before except the additional cost included in this bill of $95 million and the $25 million previously appropriated, we would get a total of $120 million. This represents a cost of $160 per kilowatt which is about the cost of a steamplant in that area when all—not a part—of the cost is included. High additional operation costs millions of dollars. Money would also be saved by shorter transmission lines because it would be built at the best location—where it could flow readily into the grid. In addition, a coal, gas or oil plant to be smaller and do the job can be used a greater percentage of the time. At best, this is a poor bargain for the taxpayers of America.

There has been some argument that this plant will contribute to national defense. Such a contention is a very weak reed, indeed. As a member of the Armed Services Committee I can assure you that there are many, many places where we could spend $95 million on defense much more profitably.

It is said that in the event we conclude an agreement with Russia in respect to disarmament, we can then use this reactor solely for power. Then, in the event that the Soviets violated the agreement we could readily return this plant back to plutonium production. This is wishful and dangerous thinking. In the first place, if we do not have any more success in the difficult question of disarmament than we had on nuclear test inspections, the question is academic. If we are successful in a disarmament agreement, it seems to me that our negotiators would realize that by permitting the Soviets to keep all their dual-purpose reactors the United States would come out on the short end of something like a 5-to-1 ratio. We would have to insist that all reactors, whether single or dual purpose, which are capable of making plutonium be completely dismantled.

There has also been used as an argument that this proposal will increase our international prestige. I can just imagine how the Hottentots in the Congo will send out messages on their drums when this project becomes a reality. I hope they do not add that Russia already has five of them. The fact of the matter is, my prime concern is not what others may think but rather are we doing the right thing for the United States of America? This also applies to other issues. If we are the leader of the free world, let us lead—let us not be followers who decide our fate on the basis of international polls. There is no validity for the consideration of international prestige here anyway. There could not be less interest overseas on anything than there would be on this matter.

Does this proposal make a significant contribution to the technical art of nuclear power reactors? Dr. Seaborg stated in the hearings that "conversion to dual-purpose operation would provide limited benefits to nuclear power technology, insofar as the reactor itself is concerned." He then indicated certain experiences which would be gained. These would be of a low order of importance considering the price of $120 million.

The senior Senator from Rhode Island stated in the hearings:

> There is no pretense on the part of anyone that this project is going to improve the nuclear technology.

Our function is to develop the art and there are many fields of atomic energy where the money could be put to much better advantage.

It is claimed there will be a power shortage in the Northwest within the next 10 years. In its annual report in 1960, the Bonneville Power Administration stated:

> For the first time in nearly 15 years, Bonneville Power Administration finds itself in a period of surplus power instead of power scarcity.

It goes further and states projects existing or under construction plus those planned assure the Pacific Northwest of power to meet the estimated normal firm power requirements of the region through 1970.

This year, Mr. Luce of BPA indicates that if there is a critical water shortage in the Pacific Northwest in the year of 1965–66 there will be a shortage of 117,000 kilowatts. In the following year, the power supply will be increased by 780,000 kilowatts by reason of the Canadian treaty. The critical power shortage in the 1965–66 period was determined by taking the worst year on record for precipitation in the last 60 years. The picture could not be painted worse. Yet, even if this should happen the shortage would only amount to less than one-fourth of 1 percent. This is insignificant and meaningless.

In brief, Mr. Chairman, let us not waste dollars to have waste steam. Let us not send good money after bad. This project should be eliminated from the bill.

It is expensive; it does not contribute to the art; it cannot be justified in terms of national defense; we favor one area at the expense of many depressed areas; it promotes the concept of public power even though there will be enough power available through 1970 in the Northwest according to Bonneville experts; this will be produced for distribution to the private companies through a public system and the private utilities are opposed to this proposal.

Mr. Chairman, the arguments for this proposal fall of their own weight. It should be defeated.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. BATES. I will be glad to yield to the gentleman from California.

Mr. HOSMER. I think it is quite interesting, the point the gentleman is making, that the whole object of putting this plant in is to get some additional revenue supposedly to make money. As the gentleman is explaining, you are not going to get those additional revenues. What is the alternative? How could you get those revenues?

Interestingly enough, as to the cost to consumers out there, the average revenue that the Bonneville Power Administration has received for the last 2 years

has been less than the cost of the produced power. One-tenth of a mill increase in the sale price of power is worth to BPA $1,818,672 a year. According to my calculations, if they would just increase the price out there two-tenths of a mill from whatever it is now, which no consumer would ever feel, over the 33-year estimated life of this particular $95 million item, and without spending 1 single cent of the taxpayers' money, the U.S. Treasury would pick up over $120 million. So, if you are worried about money and worried about cutting plutonium costs, the way to do it is to make this insignificant power rate increase and not gamble on the unknown or speculate upon this $95 million bucket of bolts.

Mr. BATES. I thank the gentleman.

Much of the information that the committee had available to it is not available to this House because we have not gone into this matter of the question of plutonium. We cannot reveal the cost of making plutonium. Therefore, I cannot give you the full information on all the costs involved in this problem.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BATES. I yield to the gentleman from California.

Mr. HOLIFIELD. Regardless of the power produced, the cost of making the plutonium would be the same, is that not true?

Mr. BATES. That is not my judgment.

Mr. HOLIFIELD. So if we could reveal the figures on plutonium, this does not affect the argument that is now before the House.

Mr. BATES. It would affect the point I am making, because in making the power we have additional costs in operating the reactor by a factor of several million dollars.

Mr. HOLIFIELD. That of course is true, but the revenue from the power takes care of that.

Mr. BATES. I am sorry, the operating costs of the reactor during the dual period in which we will be making plutonium and also producing power will be completely absorbed by the plutonium cost, and not attributed at all to power.

Mr. HOLIFIELD. No, the costs that go into the reactor that will make the plutonium during the dual period will be charged regardless, and the excess-cost feature of it is attributed to generating the power.

Mr. BATES. I am discussing the question of the extra operating cost that will be incurred at the reactor site.

Mr. HOLIFIELD. The gentleman is talking about the additional employment?

Mr. BATES. Yes.

Mr. HOLIFIELD. That is absorbed in the economics of the sale of electricity.

Mr. BATES. No. There is no contention whatsoever that during this dual-purpose period these millions and millions of dollars in operating costs will be absorbed by power. Those will be absorbed in the cost of making plutonium.

Mr. HOLIFIELD. Not the cost of making plutonium, but the additional costs that would be there for people in the facility would be charged to the sale of electricity.

Mr. BATES. I will say to the gentleman, so we can end this discussion right now, that I am going to offer an amendment which will insure that the additional cost will come out of power and not be charged to the cost of plutonium.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. BATES. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. Is it not true that this $25 million is being spent at the moment for the construction of the reactor at Hanford, and they have made no decision whatsoever as to whether it should be considered a capital cost or charged to power?

Mr. BATES. There is absolutely no knowledge in the mind of any of the members of the committee as to what charges will be attributed to power. As to that decision, if you look at page 12 of the bill, you will see that the Secretary of the Interior and the Atomic Energy Commission at a later date are going to sit down and determine what costs are going to go into the question of power. Nobody can speak today with finality on the question because the decision has not been made and it will not be made until a later date. But my amendment will tie down these costs so that the costs attributable to power will be paid for by power.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. BATES. I yield to the gentleman from California.

Mr. HOSMER. Is it not true that the $95 million and the $25 million, a total of $120 million, plus whatever it costs to operate this generating facility, all must be returned by way of revenue to the Government before there is a nickel of profit, a nickel of reduction in the cost of the plutonium, and that the gentleman's contention and the figures he uses to back it up show that the U.S. Government will not get back anywhere near this amount of money on the sale of power and, therefore, the taxpayers will be charged that money rather than be making a profit, and the cost of plutonium will go up rather than go down?

Mr. BATES. The taxpayers of America are going to pay this bill. There is no question about that unless you figure into the cost of the power all of the cost that should be attributed to power. At best this is power paid for by the taxpayers of America.

Mr. HOSMER. Without reference to anyone in particular, as the old saying goes, figures can lie and liars can figure.

Mr. BATES. Different people have different judgments on different matters.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield such time as he may require to the gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Chairman, I have often stated in the past few years my belief that our program of peacetime research and development in atomic energy is lagging, and have urged more vigorous and less apathetic leadership. I am glad to report that there are signs in the Kennedy administration of the new vitality and spirit we need if we are to exploit our opportunities and assert our leadership in this New Frontier of technology. I am equally glad that the Joint Committee on Atomic Energy is supporting and recommending these first steps by the new administration to invigorate the program for the peaceful uses of atomic energy.

In my opinion, the Joint Committee on Atomic Energy has taken actions of the greatest importance in recommending to the Congress the construction of the world's most powerful machine for probing the structure of the atomic nucleus, and for the creation of the world's largest atomic power facility. These are the major projects included in the authorization bill for the Atomic Energy Commission which the Joint Committee reported on June 21.

The 2-mile electron accelerator to be built at Stanford University will lead to a greater understanding of the nature of matter and so eventually will extend our ability to make use of the enormous forces within the nucleus of the atom. The 800,000-kilowatt power facilities for the new production reactor at Hanford, Wash., will result in by far the largest single utilization of these forces to date for peacetime benefits to the American people.

Unfortunately, a minority of the Joint Committee has seen fit to oppose the Hanford power facilities. This minority would prefer to dump into the Columbia River all of the heat to be produced from the Hanford reactor—enough to produce as much power as about 1½ Bonneville Dams. They not only seek to block a unique opportunity to take a large step forward in the use of atomic energy but propose a line of reasoning inimical to every program and project aimed at aiding the development of any region of our country.

The committee report on the AEC authorizing bill, H.R. 7576, sets forth the reasons for building the Hanford reactor power facilities. The reactor is being built in any event to produce plutonium for weapons. A series of careful and competent studies by the General Electric Co., the Federal Power Commission, and the engineering firm of R. W. Beck & Associates have shown that it is technically and economically feasible to convert this heat to electricity. The Bonneville Power Administration, which serves Hanford, can market all the power produced, and from the power revenues pay back the power investment plus interest, and pay all power operating costs with no adverse effect on the Bonneville rates.

It is astonishing to me that there could be opposition to making good use of energy which otherwise will be wasted. In my opinion, the minority report indulges in strained and fallacious reasoning to find grounds for opposing the Hanford power facilities.

For example, the minority say the power facilities would not advance nuclear power technology. We have heard expert opinion to the contrary but in any case this is no reason whatsoever

for not making economical and practical use of huge quantities of energy which otherwise will only warm up the fish in the Columbia River. This argument is irrelevant.

The minority report also says that the low-cost power from the Hanford plant "would be used to attract industry from other regions." It expresses concern for the allegedly adverse effect that Hanford power would have upon the depressed coal mining industry of the Appalachian region. This argument is spurious because it assumes that there is some fixed amount of industry potential in the country to be divided up among all regions—an assumption which is demonstrably false.

This argument is not only false but dangerous, for it is designed to set one region against another—to suggest that no project which benefits one region can be undertaken except at the expense of the others—that we are not one nation but a collection of quarrelsome economic principalities scrabbling over the division of inadequate resources. I suggest to those primarily concerned with the welfare of the depressed Appalachian region that this divisive line of argument can be turned against them when proposals are made, as they surely will be made, to aid that great region to develop as it wants to and as it should.

The other fallacious aspect of the argument is that Hanford power somehow will hurt the market for eastern coal. The Pacific Northwest buys almost no coal to produce power and, when the time comes that it does, I doubt if much coal will be purchased in Pennsylvania, West Virginia, or Kentucky. To argue that disapproval of the Hanford powerplant will help the hard-pressed miners of the Appalachian region is to foster a cruel illusion.

The depressed coal-mining areas should not be persuaded to seek to solve their problems by blind opposition to any and all power projects which do not employ coal as a fuel. If they are concerned about low-cost power development in other regions, then their answers should be the development of low-cost power in the depressed coal-mining regions.

Let the representatives of the depressed coal-mining areas come forward with constructive proposals for natural resource conservation and development in their region, for low-cost power based on the large-scale use of coal, and they will find widespread support in the Congress. There should be no sympathy, however, with proposals to deny to other regions the wise use of their resources simply because they do not involve the burning of Pennsylvania, West Virginia, or Kentucky coal.

The minority report goes astray again in terming the Hanford power facilities an "encroachment of Government in private business." This is utter poppycock. The private utilities in the Pacific Northwest have known since 1958 that the heat energy of the Hanford reactor would be available for power production and were invited by former AEC Chairman John McCone to make a proposal to use it. They have never made any proposal whatsoever, and the alternative to Federal power production is outright waste of the heat. We are asked to believe that the waste of this enormous energy resource would represent a benefit to private enterprise.

The fact is that more than half of all Bonneville Power Administration power goes to private enterprise right now. It is probable that virtually all of the Hanford power will go to private enterprise for at least 10 years.

The other reasons dredged up by the minority are no more justified than those on which I have commented.

The Hanford power facilities represent a unique opportunity to make beneficial use of a huge amount of byproduct heat from a reactor already virtually built. It is our largest opportunity to date to return to the American people some peacetime benefits from the billions of dollars they have poured into the atomic energy program. The power project is not going to hurt anyone, it is not going to cost the taxpayers anything, and it will demonstrate to the world our ability to make sensible use of our own resources.

Our atomic power program has been lagging. The Hanford plant will be by far the world's largest atomic power plant. President Kennedy has said again and again that it is time this Nation move ahead. This project and the Stanford accelerator are important elements in his program. They represent forward steps which we should take and which I hope we will take in that spirit of boldness and imagination which has characterized our country in its best years.

Mr. HOLIFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER. Mr. Chairman, authorization for electric generating facilities for the reactor at Hanford is an issue which has stirred up a vast amount of controversy.

West Virginia, the greatest coal-producing State in the Nation, already is going through an economic revolution, bringing in its train unemployment and human misery in the coal fields. Will this measure bring further economic distress to the coal miners and the coal industry? The United Mine Workers representatives think that it would. Telegrams I have received from coal companies say the same.

Private enterprise everywhere shudders at the specter of Government competition. In West Virginia, our public-spirited electric power companies have spent vast sums in unselfish efforts to bring new industry to the State, and to expand existing industry. Will this measure now threaten a great industry in our State? Representatives of the power companies fear this will endanger them. They have come to my office personally to tell me so. Letters and telegrams declare likewise.

I have pondered these questions in trying to make up my mind on this critical issue. I have reviewed carefully the majority report and minority report and have read the testimony. It seems to me that this issue has generated so much heat on both sides that it might be more productive to harness the steam generated here in Congress rather than fool around with plutonium.

Others far better qualified than I will analyze the complex ramifications of this issue. It seems to me that what we are trying to do here is merely to take what otherwise would be waste and convert it into something that can be terribly useful for a great region of our Nation. I understand that most of the power would be made available to the private power companies—to help bolster, and not to undermine private enterprise. In essence, this represents progress, and I do not feel that in any field—the current world situation being what it is—America can afford to stand in the way of progress. We did not prohibit the development of the automobile just because it threw some blacksmiths and harnessmakers out of work.

I honestly feel that the coal miners and the coal industry can really make some notable gains as atomic energy develops.

The fact is that coal and atomic energy have been, and can continue to be, eminently successful partners. Atomic energy has proved to be one of coal's best customers. As a typical example the electric suppliers for AEC's Paducah gaseous diffusion plant burn one carload of coal every 4 minutes, or 800 tons an hour, to produce the necessary energy for the operation of the plant. This represents over 7 million tons of coal per year. In the Ohio Valley at Portsmouth, we have another huge atomic energy plant which uses coal for its energy requirements. Its consumption is estimated to be 7 million tons per year. The AEC Oak Ridge facility requires electric power from coal at the rate of 5½ million tons per year. Thus, at these three installations alone, more than 20 million tons of coal are used annually. These are only a few instances of expanded markets for coal developing from atomic energy.

And the future for the partnership of coal and atomic energy can be made even brighter by expanding the uses of atomic energy. Work is already underway on the application of process heat from nuclear reactors in the gasification of coal. Other work is being done in the irradiation of coal to increase its combustibility and energy potential. A recent AEC report lists at least 110 potential applications of atomic energy to the coal industry. These, and other projects, are all designed to assist in finding new markets for coal.

Now, these are considerations which lead me to believe that coal and atomic energy are not enemies. But on the other hand, both the coal companies and the mine workers don't see it this way yet.

There is another point which disturbs me in this Hanford proposal, and it disturbs my private power companies, too. I have not gotten a very clear explanation of the cost of this power at Hanford. If its generating cost is as much as 5 mills, as the minority contends, that does not make power production very economical. I hope the proponents explain this point more carefully.

This could be a very easy vote for me. I could silently cast my vote against the proposal for Hanford, and my local newspapers would praise me editorially, the big contributors would help me in my campaigns, the John Birch Society which has been yapping at my heels would not have something to yap about, and everybody would nod and say, "You are a smart politician."

I come from a close district, marked for conquest every 2 years without fail. I think I know the formula for survival—pay attention to your mail, do some favors, get back to the district often, and do not stick your neck out in your voting record. But mere survival here can be a form of personal death.

Not long ago, I was very much impressed to hear an address by my colleague from Minnesota [Mr. JUDD], who also keynoted the 1960 Republican National Convention. Incidentally, that was one of the best keynote speeches of either party in many conventions. Here on this floor, my colleague from Minnesota underlined the fact that we are not here as Representatives of Minnesota, or West Virginia, or other States, but as Representatives of the United States of America.

We in West Virginia are interested in helping the economy of other sections of this great Nation. We are proud to vote to bring economic benefits to the great Pacific Northwest, for the Nation will benefit thereby. To my friends from West Virginia who oppose my action in this instance, I reason thus with you: We can no longer afford, either as an industry or as a State, to look inward, to be isolationist, to think only of our own, to fight a rearguard action against progress. We must think in terms of the national interest of this, the greatest free nation on the face of the earth.

To my friends in the Pacific Northwest, I say: We in West Virginia thank you for your votes which helped to pass the area redevelopment bill which means so much to our economy. That is still another reason why I will proudly join in a move to help the Pacific Northwest.

In short, I believe the evidence on balance indicates that this $95 million authorization will help strengthen the Nation, and will help our national defense, and that is why I hope the Hanford proposal will pass and I hope the amendment will be defeated.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. HECHLER. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. As one who comes from the Northwest and represents the city that had one of the highest unemployment rates in the Nation in January 1958, may I say to my colleague from West Virginia that we in Oregon are truly grateful for the statesmanlike attitude he has taken. We must have more electrical power to provide jobs for our unemployed. As he so ably pointed out, many of us in the Northwest were concerned about the depressed areas bill. We are not concerned just about unemployment in Oregon—we are also concerned about unemployment in the coal-producing areas of West Virginia, Kentucky, and Pennsylvania; and we gave our wholehearted support to depressed area legislation because we thought it was in the interest of the entire Nation. We will not get $1 in Oregon from the depressed areas bill; yet I supported it because I thought the Nation's need required it. We are glad that the gentleman from West Virginia looks at this legislation from the national viewpoint.

Mr. HECHLER. I thank the gentlewoman from Oregon.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HECHLER. I yield.

Mr. HOLIFIELD. I also wish to thank the gentleman for his statement and say that this committee is interested in the utilization of coal as well as the use of atomic energy in the research which we are doing, as the gentleman knows in this field to develop new uses for coal.

Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. ASPINALL]

Mr. ASPINALL. Mr. Chairman, I think that there is a tendency in this discussion for us to divide on a matter of policy that should not be involved in this particular legislation.

To me this is not a matter of public versus private utility power whatsoever. In my work in Congress, I am interested primarily in the matter of conservation. It makes very little difference to me what particular natural resource is involved. In this particular matter I think we do have a conservation project in that we have a resource—in this case steam—which as soon as it is released from the Government production plant, regardless of what the fuel may be, becomes a value of national significance. We should protect this national value if it is economically sound to do so. I agree entirely with the gentleman from Massachusetts [Mr. BATES] that this project should be economically feasible if it is to be constructed. To me waste of steam is just as much a loss of a natural resource as if it were wasted water itself. In fact, it is water, although in a different form. Accordingly, I think we should protect and conserve it. If the price of the power which will be produced in this particular matter can be sold to the consumer at a rate comparable to other power produced in the area and at a return which will repay the Federal Treasury for the expenditures which it must advance, then, in my opinion, the national resource should be saved. We have served the consumer, whether it is a private utility or whether it may be a preferred customer. We have also protected the pocketbook of the United States.

There has been quite a bit said about the economics of this question. Here we are considering a project which primarily is a producer of a needed national security product. Because of the dual nature of what is proposed, I can understand how those who recommend and support it cannot give us the direct and exact figures that we would like to have, figures which I would have if I came before this body, as I shall in the future, on the question of production of power by use of hydroelectric facilities under the old and well established reclamation program.

The Hanford plant is a producer of plutonium for weapons. The cost of plutonium products is classified but will affect the economics of the energy produced by this project. We have been assured by studies made by the FPC and the AEC that it is economical. We also know that the longer it will be operated as a dual purpose plant the better will be the economies.

Accordingly, I endorse the program which is supported, may I say, by most of those interests in the Federal Government which are involved and which have considered it carefully and over a long time.

Mr. HOLIFIELD. Mr. Chairman, I yield 3 minutes to the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, several of my colleagues have pointed out that the electric power generated by the proposed dual-purpose facility would meet crying needs in the Pacific Northwest. There is a sure market for the 700,000 kilowatts which will be produced by this plant. There is a guarantee of repayment to the Treasury, in an unusually short period of time, of the funds needed to make it a reality. The alternative before the Congress in this unique situation is the choice between utilizing the excess heat produced by the plutonium production reactor, or simply letting it go to waste. I have listened to the arguments from the minority side about waste ever since I have come to the Congress. Here is an opportunity to avoid incredible waste. Here is an opportunity, for a relatively small investment, to turn a weapons-producing facility into a dual-purpose facility capable of a real economic contribution to the entire Nation.

I urge my colleagues on the opposite side to turn their words about waste into action against waste and join in supporting this bill.

But, Mr. Chairman, if there were not one kilowatt involved for the industries and the people of the Pacific Northwest, if this reactor were to be located in an entirely different part of the country, I would still support it. But there is a reason which is even more compelling than the argument of direct economic benefit, which leads me to greet this bill with enthusiasm. I am referring here to the tremendous example this plant will be, of the American desire to turn the primal energies of the universe to the service of mankind—that the atom may give man a better life—and not just a faster death. If we build nothing at Hanford save a weapons facility, we are adding nothing to our national wealth.

The Russians have reaped a good deal of propaganda benefit from their claim that their nuclear plants are dual-purpose plants, usable for either power or for weapons production.

As the building of this new plutonium production reactor is presently envisaged, this reactor will be an addition to our nuclear weapons capability—and to that alone. But, if the committee bill is enacted, as reported, the excess heat from this reactor will be utilized to provide electric power as well. Not just Washington—not just the Northwest—but the

people of the entire Nation will be the beneficiaries.

I urge the adoption of the committee language.

Mr. ULLMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I rise in support of H.R. 7576 as reported by the Joint Committee on Atomic Energy and in opposition to the amendment to delete the authorization for electric generation facilities to utilize the heat which will be generated by the new production reactor now under construction at Hanford, Wash.

The proposal that we eliminate these proposed facilities amounts to suggesting that we engage in an act of colossal waste because of the distorted and shortsighted fears of the private power industry. Furthermore, the wasteful action which is being suggested would be injurious to our national security, our international prestige, and the economic potential of the Pacific Northwest and our country.

Despite the efforts of the minority to cloud the issue, the basic question before us is a simple one. The Atomic Energy Commission currently has under construction a new production reactor at its Hanford facilities. This reactor, authorized by Congress in 1958, has been designed as a dual-purpose facility with the primary function of producing plutonium for weapons material but producing as a byproduct substantial amounts of heat. The question before us is whether we will utilize that heat to produce electric energy and thus insure that the Hanford reactor will be, as Senator JACKSON has characterized it, "both a sword and a plowshare," or will dissipate the heat into the Columbia River.

It is difficult to see how anyone can justify the unconscionable waste which would be the result of the latter course of action.

On the contrary, aside from the simple fact that authorization of the generating facilities to utilize this heat represents sound conservation sense, these facilities recommended by the President are fully justified by other important factors.

As a Representative from one of the States of the Pacific Northwest, I want to emphasize the economic justification for the proposed addition to the firm power supply which will be available to the Bonneville system as a result of these facilities. Our area, perhaps more than any other in the Nation, has suffered and is continuing to suffer from the misguided "no new starts" policy of the previous administration. Although the new administration has rightly repudiated this approach to resource development and use, it remains true, as I have pointed out before, that the effects of it will continue to be felt for a long time. What has this to do with the Hanford reactor? Simply this, that contrary to the contention of the minority that the Bonneville system has a surplus of power, the fact is that it is the lack of assurance of substantial firm power supplies for the years ahead which is handicapping the Bonneville system in its efforts to attract major new industrial development to the area. It is because of the long dominance of the "no new starts" policy in the executive branch over the past years that there will be no new generating units coming on the lines of the U.S. Columbia River power system from 1962 until 1967—a period which could be crucial to the economy of the region. Authorization of the Hanford facilities proposed would make available a block of power exceeding 700,000 kilowatts beginning in 1964 or 3 years before the John Day project generators begin to come into use, and 2 years before we can expect increased power supplies as a result of Canadian storage.

BPA Administrator Luce has testified to the fact that Bonneville can sell this firm power if its availability is assured. He has also pointed out that the sale of a block of 400,000 kilowatts of firm power would increase Bonneville's revenues by $7 million annually. This would mean, in effect, that the generating facilities we are authorizing could pay for themselves in less than 15 years. The record of economic development of the Pacific Northwest in the years when Democratic principles of full development were adhered to, speaks for itself and makes abundantly clear that we are proposing a wise investment in the economic future of the area and the Nation.

A second important factor involved here is our international prestige. While it was the United States which initiated the international atoms-for-peace program, it remains true that virtually all of the Soviet Union's nuclear reactors are designed as dual-purpose facilities and they have used this fact to advance their propaganda claims to be dedicated to development of peacetime uses of atomic energy. Authorization of the Hanford facilities would provide dramatic evidence of our own efforts in this field, since it would be the largest of its kind in the world, several times larger than any known Soviet plant. The point, I believe, speaks for itself.

Third, Mr. Chairman, is the factor of national security. As the Joint Committee has pointed out, utilization of the dual-purpose features of the new production reactor at Hanford will provide vital flexibility to our Government by assuring that this reactor could be kept on an operating basis even in the event that the plutonium production aspect were to be suspended. As has been indicated, the Soviet Union is providing itself with this sort of flexibility by constructing plutonium reactors on a dual-purpose basis. Our own country, on the other hand, has none and will continue to operate at this disadvantage if we do not authorize conversion and use of the Hanford reactor as recommended.

In the face of this impressive case for authorization, the minority can only repeat the same old scare words about the threat of Government encroachment in business. The fact is that more than half of the power which will be produced is expected to go to privately owned utilities and industries. Another very substantial block of this power will be utilized by the Atomic Energy Commission itself. Those of us from the Pacific Northwest are hardly surprised by the opposition to this proposal being voiced by the spokesmen for private power interests. We have learned to expect it in every instance in which it is suggested that the people utilize their own resources for the broadest public good. It is somewhat refreshing, Mr. Chairman, to note that in this case, there is at least no pretension to the effect that "private industry stands ready to do the job." There cannot be any such pretension because the issue is crystal clear—BPA Administrator Luce put it in these terms:

> You have a unique problem here of heat or steam energy that is either going to be wasted or used.

That heat is as much a public resource as our great navigable rivers or our national forests. To fail to utilize it for the general welfare would be bad economics and worse public policy. I urge my colleagues to back the President, the Atomic Energy Commission, and the Joint Committee by authorizing the full and proper utilization of this heat resource to broaden the energy base on which our economy rests.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JONES of Alabama. Mr. Chairman, the installation of the electric generating facilities at the Hanford Reactor is in the best interest of all of the American people. What could be more justified than to convert into electricity—at no cost to the taxpayers—the tremendous amounts of reactor heat which otherwise will be wasted? To blow this steam into the air or use it to heat up the Columbia River surely would be regarded by people everywhere as an incredible extravagance.

The question before us today is a very simple one. Either we approve the proposal to make use of this energy or it will be utterly wasted. There is no other alternative. If the Atomic Energy Commission does not install the turbine generators to convert the reactor steam to power, no one else will do so. The power companies and public power systems in the Northwest have had 3 years in which to come forward with a proposal of their own to make use of the reactor steam. Former AEC Chairman John McCone invited them to do so. No proposal has ever been forthcoming and there is none whatsoever in prospect.

The question, therefore, of whether we waste 900,000 kilowatts of low-cost power down the Columbia River is squarely before this House, and will be decided by how we vote.

The opponents of this project seem to me unusually misguided. One of their arguments against it, for example, is that the power would be highly subsidized and would attract industry from other regions. In the first place, the

power will not be subsidized. The revenues from the power will more than pay for the power investment, with interest, as well as cover power operating costs. In addition, the Bonneville Power Adminstrator and Atomic Energy Commission officials have indicated that these revenues doubtless will suffice to repay a significant portion of the $145 million investment which already has been made in the reactor. Far from being subsidized, the Hanford power probably will pay off some investments already spent. What more do the opponents want?

For the fear expressed that the power would attract industry from other regions, there should be nothing but impatience. This is an argument from the backwoods. These United States are one country—not the Balkans of Europe. We can keep this country strong and united only if we legislate for it as one country. To adopt the narrow and divisive philosophy of the minority report would be to set one region against another in destructive legislative and economic warfare.

To torpedo the Hanford generating facilities would help no other region and to approve them will harm no other region. On the contrary, every time we make optimum use of the resources we have at hand in whatever part of the United States, the entire country benefits. The Hanford power facilities are no exception.

Where do the opponents of this project suppose the turbines and generators for the Hanford reactor will be manufactured? Most of the funds for them doubtless will go to industrial plants in the East. Furthermore, the industries, homes and farms of the Northwest which will use this power are not isolated from the American economy, as the opponents would have us believe, but are integral components of it. A more prosperous Northwest will be a far better customer for the goods and materials grown and manufactured in the East, South, Midwest, and West.

Some of the members from Eastern coal-mining regions perhaps are worried about the effect of this project on coal. However, the Pacific Northwest is a hydropower region. The utilities there buy relatively little coal and full development of the regional waterpower resources will not be attained for at least 10 more years. When the utilities must turn to steamplants, it is highly unlikely that they will be buying coal from West Virginia or Virginia or Pennsylvania or Kentucky. The transportation costs would be too great. To kill the Hanford power project would not help the Eastern coal industry a nickel's worth.

Rather than opposing projects located in other regions, those from the depressed coal-mining areas might well propose further resource development programs to strengthen the economy in their own region. I am sure they will find widespread interest and support.

The Hanford reactor electric energy generating facilities will be a completely self-liquidating investment of great benefit to the entire Nation. I urge the members to vote against the proposed amendment to delete the project.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I would like to cover, if I may, just a few points in these 5 minutes.

The tremendous amount of byproduct heat which is produced by the reactor in any event will be wasted into the Columbia River or into the air unless the turbine generators are installed. Adding the power facilities is thus primarily a conservation measure to make use of a major energy resource. This is not a natural resource, but it is a national resource. If the Government does not install the generating equipment, these resources will be totally wasted.

Now, there has been some discussion that this was offered to the private utilities, and there were no takers. This is true. Former AEC Chairman, John McCone, did offer this heat to the private companies in the area, and they did not accept it. But the fact that they did not accept this heat does not necessarily mean that the heat is not valuable. The heat is generated, anyway; 135-pound-pressure steam costs plenty of money to generate, and it is being used from 100 to 150 pounds throughout the United States in generators, and, therefore, the argument seems to me to be on the line of utilizing this heat which we will produce, anyway.

The dual-purpose new production reactor would add from 700,000 to 800,000 kilowatts to the Nation's low-cost power capacity and help offset the AEC's enormous power consumption at numerous installations. At this installation alone, for instance, the AEC is using 350,000 kilowatts and it will soon be using 400,000. So at least half of this would go into the operation of the Hanford facility which is already in existence. The power investment here will be self-liquidating at the regular Bonneville rates. Our latest studies on this show that it will be self-liquidating. Power revenues will be more than enough to cover the power-operating costs and to pay back the power investment to the Treasury with interest. These studies have been made, incidentally, on 4 percent money, which is above that of the Government charge on money.

It has also been figured on the basis of $25 million insurance which, again, the Government does not pay on any of the reactors it has at the present time, but nevertheless, in computing the cost of this factor, it has been computed into this.

Mr. Chairman, I think you could state it this way. This fact, too, should be called to our attention. The dual-purpose new production reactor would be by far the largest atomic power plant in the world, 7 to 8 times the size of the largest plant in operation in the Soviet Union. And let me say at this time that all of the reactors in the Soviet Union, as far as we know, are dual-purpose reactors. They produce not only weapons material but also power. This brings up the point of national defense value. I do not know whether we are going to have a disarmament agreement or not. But if we should have a disarmament agreement and we shut down our single-purpose plutonium-producing reactor, which is the only kind we have, then if disarmament fails, it would take us many months to get back into plutonium production. But on this reactor—and here is where our national defense comes in—you could start up in a few days making plutonium, because all you would have to do would be to take out the power fuel rods and put in the plutonium-producing fuel rods.

This is an important factor because if we should want to start up and produce plutonium after shutting down, every reactor in the Soviet Union could transfer itself from a power-producing facility to a plutonium-producing facility in a very few days. This would be the only one the United States would have.

Whether we will have disarmament or not I do not know, but this is a factor that I think you have got to think about when you vote on this bill.

The new-production reactor power is needed in the Northwest. It is true at this time there is surplus power in the Bonneville system but this is not firm power, this is secondary power. But the power curve is shown on the chart to my right, the estimate of how much power you are going to need in the United States, and it shows the Pacific Northwest following very close to it. Over there, on the chart on my left, we have the existing hydropower in the Northwest. We have a very small line which this reactor implementation would provide, about the amount of 1 year's growth need for power in the Pacific Northwest.

Then there is the potential power from the Canadian storage which will result if a treaty is signed by Canada. We do not know whether it will be, but we think it will. There are still some new hydro facilities which can be utilized in the Northwest. These are shown on the righthand side of the black line on the chart in the center.

But notwithstanding the use of all these potential amounts of power, the study of requirements shows that after using all of those, you will still have to use some thermal power.

The type of thermal power that you use up there is estimated by most people to be either that of gas from the Canadian gasfields or oil. That is the type that is being used now. There may be some used from coal, but very little from coal because of the lack of the type of coal deposits that are needed up there. There is a very sharp limitation in the amount of coal deposits and the grade of coal in the State of Washington. So you are going to utilize everything you have there if you are going to meet the future requirements for power in the Pacific Northwest.

Again I want to accent that this power is going to go to private utilities to distribute in the Northwest. This is not the normal public power project, regardless of what the utilities have to say. Fifty-three percent of the power is now going to private utilities and private industry from the Bonneville system. The preference clause in this bill is different from the Interior clause. The

Interior preference clause regulates only 5-year contracts with private utilities. We have put here in the Atomic Energy Act a special clause which allows the Bonneville system to make 10-year contracts with private utilities. This is one of the strangest things I have even seen, that here is power needed in an area where most and probably all of this additional power will be distributed by private power companies and private industry, yet we find the people that are for private power fighting this sort of thing.

Mr. VAN ZANDT. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I am a Member of Congress from the district in which the plutonium reactor and the new production reactor generating unit is located, but this is not a Pacific Northwest bill. It is only by geographical accident that we have this new production reactor power in the State of Washington. The argument that should prevail here has nothing to do with whether this is in Pennsylvania, Washington, Oregon, Massachusetts, or New York.

Reasons have been given here why Members should support this not from the viewpoint of public versus private power but in the interest of the Nation and avoidance of waste, and many excellent arguments have been presented.

Mr. Chairman, I should like to take up one more point here to follow up a statement made by the distinguished chairman of the committee, in which he emphasized the great importance of what has been called the "plow-share" features of this project.

Mr. Chairman, it should be pointed out that in operation of the reactor, both private and public power would have available to them vast experience in the production of atomic power. This experience will be very valuable to private industry as it takes over the operation of large nuclear power stations.

I would also like to point out that in the report on this bill, it is stated: The committee does not intend that this project result in the Federal Government competing with private or public utilities in the production and sale of electric power. The report also states: Although power will be distributed under a section in which preference is given to public bodies and cooperatives or to privately owned utilities, privately owned utilities and industries will be the principal beneficiaries of the power produced by the Hanford reactor.

Mr. Chairman, as the Members of this body know, I take a moderate viewpoint on spending proposals such as this. I have given this matter considerable study and believe that this project has great merit and would be of considerable benefit and credit to our Nation in the peaceful uses of atomic energy.

I have followed with interest the very comprehensive studies which have been concerned with the economics of generating electrical energy at the reactor as a byproduct to the production of weapons plutonium. The latest of these exhaustive studies was completed earlier this year by the Federal Power Commission in cooperation with the Atomic Energy Commission, General Electric Co., the Bonneville Power Administration, and the U.S. Army Corps of Engineers. The latest estimates of power requirements for the Pacific Northwest area were considered, as was a complete study of the area's future energy resources.

Justification from the economic standpoint for adding power facilities to the Hanford NPR is evident from two standpoints. Otherwise wasted heat can be utilized for electric power production. The production of power from the reactor will lower the cost of producing plutonium.

I have already mentioned the prestige that would come to the United States from the operation of this dual-purpose reactor. It would be the largest single reactor plant in the world to generate electrical energy, and thus would prove our intention to develop the peaceful use of the atom.

This dual role of the NPR has an equally great, if not greater significance, Mr. Chairman. As far as we know, all of the newer plutonium-producing reactors in the Soviet Union are dual-purpose reactors. The United States, at the present time, has none. Depending upon international developments on any agreements regarding nuclear weapons production, our Nation could, with this dual-purpose reactor, convert either to or from the production of weapons plutonium without significant delay. The startup of a single-purpose plutonium reactor requires an extended period of time.

In this regard, operation of a dual-purpose reactor for either purpose keeps on hand a hard core of trained scientists and technicians. If our single-purpose plutonium production reactors are shut down, these scientists and technicians would naturally go to other fields. In other words, the team would not be kept together. You cannot turn a switch and create training and knowhow overnight. Thus, our ability and flexibility to convert to plutonium is indeed significant.

These are reasons, Mr. Chairman, that I give my support to the authorization of electric generating facilities to the new production reactor at Hanford.

Mr. VAN ZANDT. Mr. Chairman, I yield such time as he may require to the gentleman from Kansas [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, I rise in support of the proposed Van Zandt amendment.

Perhaps I should say at the outset that I will support the authorizations provided in H.R. 7576 except for the electric generating facilities for the new plutonium production reactor at the AEC Hanford installation.

But the $95 million proposed for electric power generating facilities for the NPR at Hanford would subsidize an area which is a direct competitor with my district for industrial development and job opportunities.

Over the past 7 or 8 years my district has—for various reasons—lost some several thousands of manufacturing jobs. Those jobs are the backbone of the economy. They are the leverage jobs. Each job in manufacturing creates between one and a half and two and a half other jobs.

Now, Mr. Chairman, all elements of my district, the Second District of Kansas, are working together to help attract and create industrial development and job opportunities: Labor leaders, business leaders, ordinary citizens, and local governments. Our outstanding Governor, John Anderson, Jr., has revitalized the Kansas Industrial Development Commission, and we are on the upswing.

But the fact remains that competition among areas for industrial development and job opportunities is most severe.

And, it is well known that the cost of electric power is a major factor in this competition. We in our area have seen with our own eyes industrial developments drawn to communities served by federally subsidized electric power, attracted in substantial measure by the appeal of cheap power.

Mr. Chairman, I am not against any area. But I am most certainly for my own district and its people. And I am most certainly against any measure the effect of which would be to put my district, my people, at an unfair, unsound, unjustly discriminatory disadvantage.

When all that is said, however, the overriding questions of essential advances in nuclear power technology, national defense, and international prestige, remain to be examined.

I am convinced, and the record indicates, that the proposed addition of a steam-driven turbogenerator facility at Hanford—which is what H.R. 7576 would do—would not advance nuclear power technology.

I am convinced, and the record indicates, that the addition of electric generating facilities to the new production reactor would not aid national defense. Indeed, it is quite possible that the appendage of electric generating facilities to what is essentially a weapons plutonium manufacturing plant would impede the development of a workable international arms control agreement.

I am convinced, and the record indicates, that the proposed project would not enhance our international prestige. All this project would do would be to provide an old-fashioned, low-pressure, saturated steamplant which actually represents a step back rather than forward, as far as power production is concerned.

For the foregoing reasons, Mr. Chairman—reasons related not only to my district, but also to the Nation as a whole—I urge the adoption of the amendment.

Mr. VAN ZANDT. Mr. Chairman, I yield to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, as a member of the Committee on Appropriations, there is an aspect of this Hanford plant which disturbs me greatly.

It is this: Although it is contemplated that this $145 million plutonium reactor would be used solely for power production over 25 years of its 35-year life, none of its cost is allocated to power—not even

the $25 million conversion features authorized in 1958, which were included solely for power-generating purposes.

Well, this sort of thing is not new to members of our Appropriations Committee. We have seen the Department of the Interior juggle figures to make Federal power look cheap. They made cost allocations to flood control, irrigation, fish and wildlife, and have tried to justify allocations to recreation, national defense, stream pollution, transportation, and every activity one can imagine. This, of course, was done to make Federal hydropower seem cheap.

Now we see the start of it in the atomic-power field. Of course, they can make this Hanford power look cheap if they can shift the cost of the plant itself to America's taxpayers.

The Bonneville Power Administration will be the marketing agency for power from this Hanford plant, if it is authorized. As all members of the Appropriations Committee know, BPA has for some years been losing money. They keep coming in for more appropriations for more power facilities, even though they are operating at a loss.

They are operating at a loss simply because it costs them more to produce their power than they are getting for it.

Now this scheme would dump high-cost Hanford power into the Bonneville system. This would, of course, increase the Bonneville deficit because the cost of Hanford power, if all costs were properly included, would be much higher than the BPA resale rate.

So they resort to this subterfuge of cost allocation—shifting the cost of the Hanford plant away from the Bonneville power users and onto the backs of the taxpayers in Ohio, New York, Pennsylvania, Missouri, Michigan, and all others in this land of ours.

So in the Department of the Interior projects we see cost shifting in connection with power dams, to every conceivable activity. In the case of Hanford we see cost shifting away from power to plutonium under the guise of national defense.

Members of the Appropriations Committee have always been most generous with the West, especially so where reclamation and water resources projects are concerned. Many have done it to their own detriment in their own States and in their own congressional districts. They have seen many millions of people migrate from their own States to Washington, Oregon, and California. Many States in the East, the South, and the Middle West are losing congressional seats while the West is gaining them as a result of this population shift. Some of this shift particularly to the Northwest, has been expedited by the cheap tax-free Federal power available there. It was put there by Members of Congress from all over the United States, who provided money from their States for this very purpose.

Since I have been in Congress, I have pointed this out many, many times, and have consistently opposed these giveaways. It seems to me that this latest proposal should be brazen enough to alert even the most generous among us.

If this plant is authorized, the Appropriations Committee will be asked to appropriate the $95 million to build this 700,000-kilowatt Government steamplant in the State of Washington. They will then promptly allocate the cost of the plant—not to power—but to plutonium—or maybe even something else later on—and see the power at bargain basement rates, subsidized by all of us. These 700,000 cheap subsidized kilowatts might attract to the West or Northwest, a steel mill from Canton or Youngstown, Ohio, a textile plant from Massachusetts, an automobile plant from Detroit, or other manufacturing or processing plant from your State or mine.

So, I say, the Appropriations Committees and this Congress should take another look at all authorizations and appropriations for West and Northwest power schemes. If we are to abandon our concept of these projects paying for themselves—even though many never will—and embrace pure Government power projects for the sole purpose of supplying subterfuged and subsidized power to plants from your State and mine—then we better recognize that we have been "had" and act accordingly.

Clearly, the major economic purpose of the Hanford plant would be to put the Federal Government into the business of producing and marketing electric power as an end in itself. It does not come to us as a flood control or reclamation project—we all know about those—but in an atomic energy authorization bill. It is not hydro—it is steam. Only in the TVA monopoly area has the Federal Government financed steamplants; now they want to extend it to the Pacific Northwest, and attract our industries and payrolls.

Mr. VAN ZANDT. Mr. Chairman, I yield to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I will vote against the amendment to this Atomic Energy Commission authorization bill which will be offered and which would eliminate $95 million provided in the bill for an 800,000-kilowatt electric generating facility to the new reactor being built at Hanford, Wash.

I have carefully considered the arguments pro and con for utilization of the steam going to waste and converting this excess heat to a dual-purpose plant producing both plutonium and power. To me the economic benefits justify this facility. However, I wish to make my position clear; namely, my decision is not based on a matter of firming up power and the economic benefits to the area alone. If I believed that this Federal generating facility had a single purpose of generating electric power and that this energy was not a byproduct, I would join those who want to see the $95 million eliminated. I do not favor the Federal Government entering into the business of generating electricity as a single-purpose project. I view with distaste indeed the suggested plan of a Federal intertie. Talk of a giant power high-voltage regional intertie promoted by public ownership forces is something that I strongly oppose. It would include a connecting intertie between the Columbia River basin and California which would be a giant step toward nationalization of the electric industry and through it the economy of the regions served. It would place huge economic power in the hands of centralized government and that I view with alarm.

However, after careful inquiry and study, I find no connection between the Hanford generating project and any such proposal. The testimony shows that there will be no surplus power in the Bonneville pool for the foreseeable future even after the Canadian Government agrees to the joint development program. The Hanford project or the firming up of power under the Columbia River Treaty and storage dams which will follow will not provide surplus power to be piped outside the Pacific Northwest into other areas of the country.

So, Mr. Chairman, as one who has supported local control such as will come through interstate compacts and as one who looks forward to abundant low-cost power to industrialize my State, I am voting for the Hanford dual purpose plant. The demand for the output of this new generating facility has been indicated. In other words, there is a market for all the power the Bonneville Power Administration will have to offer. This will not be a case of taking manufacturing plants from other areas with low-cost subsidized rates.

In conclusion, Mr. Chairman, I urge that this amendment to knock out the $95 million be defeated and this comes from one who opposes the federalization of power. It comes from one who has not had a single private utility expression of opposition to this new proposed facility in my area, nor have I had any of my chambers of commerce or other groups express opposition. As far as I know, everyone in my State favors this project.

I urge, as I say, that this amendment be defeated.

Mr. VAN ZANDT. Mr. Chairman, I yield the remaining 4 minutes to the gentleman from Indiana [Mr. BRUCE].

Mr. BRUCE. Mr. Chairman, a few moments ago one of the gentlemen referred to the difficulty, as I understood it, for those who try to take the middle-of-the-road approach. I make no pretense of taking a middle-of-the-road approach. I am not a middle-of-the-roader, as some of you may have guessed by this time. I am a believer in the free enterprise system—yes, in what has become a nasty word—in the capitalist system. For many years I have become increasingly concerned by the attempts of the Federal Government to move in on the control of the sources of our electric energy. My concern has become even more pronounced in recent days. There are many implications in this proposed Hanford steamplant calling for the authorization of an addition of 800,000 kilowatts of generating capacity to the new Hanford reactor. I do not think that we can justify it on the basis of a reactor to Soviet propaganda—not to the American taxpayer. As carefully as possible, I have tried to study the committee reports, both the majority and minority views. I will say I was most impressed with what I considered to be

the well-reasoned and logical case made by the signers of the separate views contained in the committee report that the Hanford steamplant should not be authorized. I sincerely hope everybody has read both sides of this, and if they have read these minority views, I am sure the outcome of this vote should not be in doubt. There is one particular section of the statement attached to the committee report, and I would like to touch just briefly upon it. That is that the proposed Hanford steamplant would be used to justify the construction of transmission lines leading to a gigantic all-Federal electric power grid.

Mr. Chairman, there should be no question of what the establishment of such a national all-Federal power system would do to our Nation's power supply and, in turn, to our traditional economic system. I am sure we are all aware, if we go back and study the history of the past 30 years or so, or go back even further, that one of the clear, stated goals of the Socialist Party, U.S.A., was the control and ownership of the power industry, the power system. We have in a period of 30 years gone from the point where this was considered a ridiculous idea in the free enterprise system to where, first, you approve a project as an experiment for just a short time and, then, you come back and say we are going to have to expand and, then, this experiment grows and moves out into greater areas. Where does this Hanford "dollar evaporation plant" fit into such a pattern? The proponents of this project claim that the electric generating capacity is necessary in order to meet some possible shortage of power in the Pacific Northwest in the 1965–66 period. It is interesting to note that Secretary Udall wrote a letter to the Joint Committee on last March which is quoted in the committee report stating:

> The value of these facilities will be greatly enhanced by the construction of regional interties which will substantially increase the marketability of the power produced by the Hanford steamplant.

The report goes on to point out that on March 10 Secretary Udall appointed a special task force, headed by Mr. Charles Luce, the Bonneville Power Administrator, to study the feasibility of such a high-voltage intertie between the Bonneville area and southern California. Finally, on March 28, Mr. Udall stated that the conversion of the Hanford reactor would make some type of intertie almost essential. Another task force is also studying an all-Federal intertie all the way down through the Southwest and over to the Tennessee Valley.

Mr. Chairman, it seems to me that every one of us should seriously question whether we would be acting in the best interest of our own taxpaying constituents by authorizing this expenditure of $95 million of sorely needed Federal funds to go further down the road laid out by Socialist planners of the past few decades. I, for one, cannot feel that I would be serving the best interests of my constituents by doing so, and I sincerely urge every other Member who is proud of our private enterprise system to vote against the inclusion of this project in the AEC authorization bill.

Mr. HOLIFIELD. Mr. Chairman, I yield such time to the gentlewoman from Washington [Mrs. HANSEN] as she may desire.

Mrs. HANSEN. Mr. Chairman, I rise in support of this bill and also in support of the Hanford reactor; and, speaking for just a moment to the Members of this House, I can remember knowing in our State almost 30 years ago that many Members of this body spoke on this floor against the construction of Grand Coulee Dam. They contended that dam was a waste of the taxpayer's money; yet I think it is an accepted fact in the Northwest that had it not been for Grand Coulee Dam's power supply the prosecution of World War II would have been at a much slower pace. Today we urge in the name of our national economy and our national defense the same forward look and the construction of the Hanford reactor.

Speaking further in support of H.R. 6744, the authorization bill for the Atomic Energy Commission, I wish to emphasize some particular factors in this legislation which affect the congressional district which I represent.

My specific comments pertain to project 62–a–6, which would authorize $95 million for the addition of electric energy generating facilities for the new production reactor now under construction at Hanford, Wash.

We are all aware that in the production of plutonium, which is an essential need in the continuing defense effort of our Nation, a large amount of heat results. At this time when our Nation is in a competitive economic race with Russia, it is sound business to avail ourselves of any energy-producing resource. This is particularly important when such heat or energy-producing resource is a waste or byproduct from the needed defense plutonium production. Availing ourselves of this heat resource for the production of electric energy which will add to this Nation's supply of energy for economic development, and conservation of energy-producing resources is good economic sense.

The second point of importance to my congressional district is that all of the counties, with the exception of one, are furnished electric service by locally owned and controlled public utility districts. All of these districts rely upon the Federal power supply system for their wholesale power. The private power company serving the one remaining county of my district also has obtained substantial amounts of electric power from the Federal power system. This legislation will authorize the construction of electric generating facilities which will produce approximately 700,000 kilowatts, or an amount of electricity equivalent to nearly two additional Bonneville Dams.

Here are some important facts relative to this power production which I would like to emphasize:

First. The Government's cost of plutonium production from the reactor could be reduced, according to a report recently completed by the staff of the Federal Power Commission, by the addition of these facilities and production of electric power.

Second. These power-generating facilities would be self-supporting and self-liquidating with repayment to the Federal Government with interest for such investment from power sales revenues.

Third. This particular project is essential to answer a power deficit which faces the Pacific Northwest region in 1965. With the addition of these facilities, power sales would be permitted not only to bridge the deficiency gap but also to provide additional sales for the Bonneville Power Administration and thereby help maintain the present low power rates so essential to an important segment of this Nation's industrial economy.

Fourth. The facility would provide a valuable opportunity for training electric utility technical personnel in atomic powerplant operation. This could be of essential benefit to other parts of the Nation which will have to rely upon atomic fuel-fired generating plants in future years.

Fifth. There would be substantial international prestige attached to the project by the mere fact that it would be far the largest atomic powerplant for producing electricity for commercial use in the world.

These points emphasize the desirability of authorizing project 62–a–6.

My third, or final, point of importance in supporting the Hanford power project is one particularly unique for my district, a district which involves the south border of the State of Washington along the Columbia River to its mouth and then this extends northward more than 100 miles from the mouth of the great river. In this district the harvesting and processing of seafoods, as well as sport fishing, is of tremendous importance.

In the early 1940's when the single-purpose reactors were placed under construction by the Federal Government during World War II, the selection of the Hanford site in Washington was made because substantial amounts of low cost electric power were available, plus the presence of a large clean, cold water river available for the necessary heat dissipation in the reactor process. A large amount of Columbia River water is used in the Hanford reactor process in the operation of single-purpose reactors not only to dissipate heat but also assist in the waste disposal problem. The Government has expended and still expends considerable money to make constant checks of the situation pertaining to the effect of heat on the fisheries resource, plus the added factor of protecting downriver areas from waste radioactivity.

Actually heat dissipation has resulted in a marked increase in the temperature of the Columbia River below the Hanford site. There is some indication—at least a substantial question—relative to what effect this increase in stream temperature has on our valuable salmon resource. The degree of effect has not yet been positively ascertained, but I believe that many fish biologists agree that a long

continuation of this heat could have adverse effects on salmon migration habits.

Therefore, I am vitally interested in the development and production of electric energy from sources which will also allow the highest possible degree of preservation and conservation of our national resources, which are part of our national heritage and national asset.

The CHAIRMAN. The time for general debate having expired, the Clerk will read the bill.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. PLANT OR FACILITY ACQUISITION OR CONSTRUCTION.—There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of section 261a(1) of the Atomic Energy Act of 1954, as amended, the sum of $226,440,000 for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, as follows:

(a) SPECIAL NUCLEAR MATERIALS.—

Project 62-a-1, modifications to production and supporting installations, $7,500,000.

Project 62-a-2, fission product recovery, phase II, Hanford, Washington, $1,500,000.

Project 62-a-3, modifications for improved natural fuel elements, Savannah River, South Carolina, $3,950,000.

Project 62-a-4, solvent purification installation, Savannah River, South Carolina, $500,000.

Project 62-a-5, additional reactor confinement, Savannah River, South Carolina, $3,000,000.

Project 62-a-6, electric energy generating facilities for the new production reactor, Hanford, Washington, $95,000,000.

(b) SPECIAL NUCLEAR MATERIALS.—

Project 62-b-1, relocation of Clinch River pumping station, Oak Ridge, Tennessee, $1,425,000.

Project 62-b-2, feed vaporization building, Paducah, Kentucky, $585,000.

Project 62-b-3, permanent Gallaher Bridge, Oak Ridge, Tennessee, $1,265,000.

(c) ATOMIC WEAPONS.—

Project 62-c-1, weapons production, development, and test installations, $7,500,000.

Project 62-c-2, specialized plant addition and modification, Oak Ridge, Tennessee, $3,500,000.

Project 62-c-3, Tandem Van de Graaff facility, Los Alamos, New Mexico, $3,500,000.

(d) REACTOR DEVELOPMENT.

Project 62-d-1, test plant for Project SNAP, Santa Susana, California, $3,375,000.

Project 62-d-2, experimental beryllium oxide reactor, National Reactor Testing Station, Idaho, $8,000,000.

Project 62-d-3, fuels recycle pilot plant, Hanford, Washington, $5,000,000.

Project 62-d-4, high radiation level analytical laboratory, Oak Ridge National Laboratory, Tennessee, $2,000,000.

Project 62-d-5, improvements to radioactive liquid waste system, Oak Ridge National Laboratory, Tennessee, $1,700,000.

Project 62-d-6, experimental organic cooled reactor loops, National Reactor Testing Station, Idaho, $6,000,000.

Project 62-d-7, ultrahigh temperature reactor experiment building, Los Alamos Scientific Laboratory, New Mexico, $3,500,000.

(e) REACTOR DEVELOPMENT.—

Project 62-e-1, additional transient housing, Argonne National Laboratory, Illinois, $300,000.

Project 62-e-2, technical services building, National Reactor Testing Station, Idaho, $1,500,000.

Project 62-e-3, instrumentation and health physics building, Brookhaven National Laboratory, New York, $2,000,000.

(f) PHYSICAL RESEARCH.—

Project 62-f-1, modifications to CP-5 reactor and low energy accelerator installations, Argonne National Laboratory, Illinois, $1,650,000.

Project 62-f-2, accelerator and reactor additions and modifications, Brookhaven National Laboratory, New York, $1,875,000.

Project 62-f-3, accelerator improvements, Cambridge and Princeton accelerators, $500,000.

Project 62-f-4, accelerator improvements, Lawrence Radiation Laboratory, California, $550,000.

(g) PHYSICAL RESEARCH.—

Project 62-g-1, high energy physics laboratory, Argonne National Laboratory, Illinois, $6,900,000.

Project 62-g-2, chemistry laboratory, Brookhaven National Laboratory, New York, $6,000,000.

Project 62-g-3, cosmotron laboratory, Brookhaven National Laboratory, New York, $525,000.

Project 62-g-4, mechanical shops building, Lawrence Radiation Laboratory, California, $2,640,000.

Project 62-g-5, physics building, University of Chicago, Illinois, $800,000.

(h) BIOLOGY AND MEDICINE.—

Project 62-h-1, laboratory for mixed fission product inhalation studies, Lovelace Foundation, Albuquerque, New Mexico, $2,000,000.

(i) BIOLOGY AND MEDICINE.—

Project 62-i-1, cell physiology laboratories, Oak Ridge National Laboratory, Tennessee, $500,000.

Project 62-i-2, mammalian genetics laboratories, Oak Ridge National Laboratory, Tennessee, $760,000.

Project 62-i-3, controlled environment laboratory, Brookhaven National Laboratory, New York, $1,000,000.

Project 62-i-4, animal bioradiological laboratory, Lawrence Radiation Laboratory, California, $700,000.

(j) COMMUNITY.—

Project 62-j-1, additional junior high school construction, Los Alamos, New Mexico, $1,750,000.

Project 62-j-2, additional elementary school construction, Los Alamos, New Mexico, $700,000.

Project 62-j-3, Mesa public library addition, Los Alamos, New Mexico, $70,000.

Project 62-j-4, real estate development, Los Alamos County, New Mexico, $410,000.

(k) GENERAL PLANT PROJECTS.—$34,510,000.

SEC. 102. LIMITATIONS.—(a) The Commission is authorized to start any project set forth in subsections 101 (a), (c), (d), (f), and (h), only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsections 101 (b), (e), (g), (i), and (j), only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Commission is authorized to start a project under subsection 101(k) only if it is in accordance with the following:

1. For community operations, the maximum currently estimated cost of any project shall be $100,000 and the maximum currently estimated cost of any building included in such project shall be $10,000.

2. For all other programs, the maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such a project shall be $100,000.

3. The total cost of all projects undertaken under subsection 101(k) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

SEC. 103. ADVANCE PLANNING AND DESIGN.—There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 104. RESTORATION OR REPLACEMENT.—There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 105. CURRENTLY AVAILABLE FUNDS.—In addition to the sums authorized to be appropriated to the Atomic Energy Commission by section 101 of this Act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this Act such sums of money as may be currently available to the Atomic Energy Commission.

SEC. 106. SUBSTITUTIONS.—Funds authorized to be appropriated or otherwise made available by this Act may be used to start any other new project for which an estimate was not included in this Act if it be a substitute for a project or portion of a project authorized in subsections 101 (a), (b), and (c) and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

(a) the project is essential to the common defense and security;

(b) the new project is required by changes in weapon characteristics or weapon logistic operations; and

(c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

SEC. 107. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 86-457 is amended by striking therefrom the figure "$211,476,000" and substituting therefor the figure "$338,476,000".

(b) Section 101(f) of Public Law 86-457 is amended by striking therefrom "Project 61-f-7, design and engineering, linear electron accelerator, $3,000,000" and substituting therefor "Project 61-f-7, linear electron accelerator, $114,000,000".

(c) Section 101(d) of Public Law 86-457 is amended by striking therefrom the figure "$24,000,000" for project 61-d-9, advanced test reactor, and substituting therefor the figure "$40,000,000".

SEC. 108. PROJECT RESCISSIONS.—(a) Pub-Law 86-457 is amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 61-b-2, high-velocity test track, Sandia Base, New Mexico, $2,100,000.

(b) Public Law 86-50, as amended, is further amended by rescinding therefrom authorization for projects, except for funds heretofore obligated, as follows:

Project 60-a-2, prototype installations, gaseous diffusion plants, $1,000,000.

Project 60-b-1, cylinder storage area, Paducah, Kentucky, $500,000.

(c) Public Law 85-590, as amended, is further amended by rescinding therefrom authorization for projects, except for funds heretofore obligated, as follows:

Project 59-c-9, test assembly building, $510,000.

Project 59-d-1, reprocessing pilot plant, Oak Ridge National Laboratory, Tennessee, $3,500,000.

Project 59-d-3, fast reactor safety testing station, Nevada test site, $1,367,000.

(d) Public Law 85-162, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 58-b-6, additions to gaseous diffusion plants, $6,600,000.

(e) Public Law 84-506, as amended, is further amended by rescinding therefrom authorization for projects, except for funds heretofore obligated, as follows:

Project 57-a-6, charging and discharging system, Hanford, Washington, $3,450,000.

SEC. 109. COOPERATIVE POWER REACTOR DEMONSTRATION PROGRAM.—

(a) Section 111 of Public Law 85-162, as amended, is further amended by striking out the date "June 30, 1961," in clause (3) of subsection (a) and inserting in lieu thereof the date "June 30, 1962."

(b) There is hereby authorized to be appropriated to the Atomic Energy Commission the sum of $7,000,000 to be available, in addition to the funds heretofore authorized, for carrying out the Commission's power reactor demonstration program in accordance with the terms and conditions provided in sections 110 and 112 of Public Law 86-50. The maximum amount of the program authorization, specified in subsection 110(b) of Public Law 86-50 and section 109 of Public Law 86-457, is increased by $12,000,000. In addition to the amounts authorized under subsection 110(c) of Public Law 86-50 and section 109 of Public Law 86-457, the Commission is authorized to use funds not to exceed $7,000,000 in the aggregate, to provide research and development assistance in support of unsolicited proposals from the utility industry to construct nuclear powerplants.

(c) Funds appropriated to the Commission pursuant to the authorization contained in subsections (b) and (d) of section 110 of Public Law 86-50 shall be available to the Commission, notwithstanding the provisions of section 111(f) of Public Law 85-162, for a cooperative arrangement in accordance with the basis for an agreement described in the program justification data for arrangement numbered 60-110-2, a cooperative power reactor project designated as the LaCrosse boiling water reactor.

SEC. 110. DISPOSITION OF ELECTRIC ENERGY.—

(a) Electric energy produced during the operating life of the electric generating facilities constructed under section 101(a) shall be delivered by the Commission at the site of said generating facilities to, and pursuant to agreement with, the Secretary of the Interior who shall transmit and dispose of such energy under the terms prescribed by section 44 of the Atomic Energy Act of 1954, as amended.

(b) Allocation of costs to the production of such electric energy shall be made jointly by the Commission and the Secretary of the Interior, and, in the event of disagreement, shall be made by the President. Costs so allocated shall be returned to the Treasury from revenue derived by the Secretary from the disposition of electric energy marketed through the Bonneville Power Administration.

Mr. HOLIFIELD (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and that it be open to amendment at any point.

Mr. VAN ZANDT. Mr. Chairman, reserving the right to object, it is my understanding of the request that the bill be considered read and that all pending amendments will be considered? Is that right?

The CHAIRMAN. The bill to be considered as read and open to amendment at any point.

Mr. HOLIFIELD. The bill will be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT, of Pennsylvania: Page 2, lines 12-14, inclusive, strike out "Project 62-a-6, electrical energy generating facilities for the new production reactor, Hanford, Washington, $95,000,000."

Mr. VAN ZANDT. Mr. Chairman, the amendment before us will strike from the bill, project 62-a-6, page 2, lines 12 to 14, inclusive, which authorizes the sum of $95 million to cover the cost of the installation of electric energy generating facilities for the new plutonium production reactor now under construction at Hanford, Wash.

In support of this amendment, I should like to point out a few facts already mentioned during the course of general debate on the bill concerning this $14.5 million plutonium production reactor now under construction at Hanford, Wash.

To begin with, when the plutonium production reactor is in operation it will produce a low-quality, low-temperature, low-pressure inferior saturated steam which does not meet the standards of the steam used in today's turbine generators. As a matter of fact, during the course of the committee hearings, our colleague the gentleman from California [Mr. HOSMER] asked Mr. Quinn, Director of the Division of Production of the Atomic Energy Commission if he knew of any utility interested in information regarding the operation of a central power station with this temperature and quality of steam who would pay 5 cents for that information. Mr. Quinn answered:

No sir, I do not.

Therefore, the record of the hearings do not reveal any real confidence in the Hanford project as it relates to the utility industry's use of this low-pressure saturated steam.

Next, the spending of $95 million to add electric generating facilities to the Hanford reactor will not advance nuclear power technology. This is confirmed by Atomic Energy Commission Chairman Dr. Glenn T. Seaborg when he said during the hearings on the bill that the project is not being justified primarily on the basis that it would advance nuclear technology. It would only have limited benefits to nuclear power technology, he said.

Public utility experts stated frankly that already the plans for these electric energy generating facilities are for a model T generating facility since it would operate at around 135-pound steam pressure, whereas atomic powerplants under construction today operate at more than five times this steam pressure.

In addition, if these electric energy generating facilities are added to the Hanford reactor, a block of power of some 800,000 kilowatts—enough to supply the needs of a city of 1 million people—will be sold by the Atomic Energy Commission in violation of section 44 of the Atomic Energy Act of 1954 which reads as follows:

Nothing in this act shall be construed to authorize the Commission to engage in the sale or distribution of energy for commercial use except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission, or of production facilities of the Commission.

I know there is language in the bill that is designed to amend the Atomic Energy Act of 1954 so as to give the Atomic Energy Commission authority to dispose of this electric energy. However, by referring to the language used—"during the operating life"—the bill glosses over the question as to whether the Atomic Energy Commission has the authority to operate facilities primarily for the generation of electrical energy.

It will be of interest for the Committee to know that back in 1958 during the debate on the legislation authorizing this plutonium production reactor sponsors of the project unequivocally stated that if electric energy generating facilities were added to the reactor at some future time, the power produced should not be subjected to a preference clause. Let me read what Senator CLINTON ANDERSON, then chairman of the congressional Joint Committee on Atomic Energy said on the floor of the Senate:

I am happy to note for the record that, so far as I am concerned, when that matter comes to Congress, and I am still a Member of it, I hope we put such restrictions on the power that it will not become public power in the ordinary sense of being subject to a preference clause for the sale of power to cooperatives. It need not be and it should not be. However, in the meantime, the Government should not deprive itself of the tremendous economic advantages of building the convertible plant, which has been recommended by everyone who has studied the subject (CONGRESSIONAL RECORD, vol. 104, pt. 11, p. 13805).

Senator JOHN PASTORE, also a member of the Joint Committee, assured the Senate this power would not go into the grids of either public or privately owned utilities, saying:

Therefore, Mr. President, if we invest the additional $25 million will power which will go into the grid of either private or public utilities in that area be produced? Of course not. Instead, we shall produce only 300 megawatts of electric power which is needed very badly at Hanford; and thus we shall have met our responsibility, because power from auxiliary sources will still be needed if the reactors break down. (CONGRESSIONAL RECORD, vol. 104, pt. 11, p. 13810.)

Senator JACKSON, also a member of the Joint Committee, said:

That is exactly the point. The power would be used at the Hanford reservation. There is no provision in the bill for the sale of power to a private or public utility. (CONGRESSIONAL RECORD, vol. 104, pt. 11, p. 13805.)

Mr. Chairman, in the light of this proposed legislation these statements of these distinguished Members of the Senate represent a record of broken assur-

ances if the Hanford project is approved because a careful analysis of section 44 of the Atomic Energy Act of 1954, as amended, clearly establishes that there is no legal guarantee electric energy produced at the Hanford plant will be marketed to private utilities.

Now the advocates of the project have argued that the proposal to add this electric capacity to the Hanford reactor would enhance our international prestige.

It is difficult to see the underlying reason in this argument since there is no justification for the plant in the race of the United States-Soviet economies.

The privately owned U.S. electric industry has far outstripped the Government-owned system in Russia. More electric capacity has been added in the United States in the past 4 years than Russia's present total. The electricity gap between the United States and Russia is expected to grow, not shrink, in years to come.

In the field of nuclear power, 130 private companies in the United States are spending more than $331 million on 26 projects. Furthermore, the Hanford project would not produce power economically. In this connection it must be remembered that no agreements on the allocation of costs between power and plutonium have yet been made for this proposed project, nor have the principles to be used been specified.

Accordingly, the economic data needed to reach a decision on the economics of the project cannot be developed. It can be stated that the feasibility studies submitted for the proposed project are not based on allocating any of the costs of the $120 million reactor to the cost of power. In addition, there appears to be no doubt that the uranium cost estimates used in the studies are below those published by the Atomic Energy Commission as the sale price to power utilities.

It should also be pointed out that this project would be used to attract industry into the Bonneville area from other regions of the country. There is no denial of the fact that the subsidized power from the Hanford reactor would be used in such a manner. In addition, nothing in the bill or the record indicates the cost allocations which will be made and therefore, no assurance is available that all costs of generating power will be included in the rate base.

It seems to me highly illogical to spend $95 million to subsidize electricity to lure potential industry away from depressed areas when only a few months ago Congress provided nearly $400 million in loans and grants to stimulate development of industry in those very same depressed areas.

Mr. Chairman, if project 62-a-6 remains in the bill, it will constitute a precedent for the further encroachment of Government in private business. Over a period of years, the Joint Committee on Atomic Energy has consistently avoided using the Nation's atomic energy program as a means of strangling our private enterprise system.

The Atomic Energy Act of 1954 states very plainly:

The development, use, and control of atomic energy shall be directed so as to * * * strengthen free competition in private enterprise.

Now, though, the proposed addition of electrical facilities and the authorization of the Atomic Energy Commission to operate the Hanford reactor strictly for the generation of power puts the Government squarely in a field of business which has traditionally been carried out by private enterprise.

Mr. Chairman, in conclusion, Congress should take special note of the fact that the authorization of electric energy generating facilities for the Hanford reactor will make the first legislative acceptance of Government-constructed steam electric generating plants outside the TVA area. Up to this time Congress has been scrupulous to assure that such plants were not constructed outside the rigidly defined TVA area.

Therefore, I submit that the precedent to be established by the approval of this project would be a most dangerous one.

Mr. Chairman, Congress should not be misled by the respectable cloak of necessary plutonium production into permitting this very significant encroachment on private enterprise.

Therefore, I hope the amendment will be adopted.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, at this time I would like to inquire of the gentleman from Pennsylvania [Mr. VAN ZANDT] how much time will be needed on this amendment. I would be perfectly willing to stay here until midnight as far as I am personally concerned, but a number of Members on both sides of the aisle have come to me and expressed a desire to know when the vote will occur. So, I will ask the gentleman if he can give me some idea as to when we can, by mutual agreement, by unanimous consent, set the time.

Mr. VAN ZANDT. Mr. Chairman, if the gentleman will yield, it is my suggestion that the gentleman permit the debate to continue for a reasonable period and then I think we can confer and agree on a time and cut debate so that we can proceed to vote on the amendment.

Mr. HOSMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, during the course of the afternoon I think it has been adequately demonstrated that the five reasons upon which the proponents of this project depend to support the expenditure of this considerable amount of money, $95 million, are incorrect. In the first place, it has been shown that there are not economic advantages but economic disadvantages, losses to the Government, to the taxpayers' pocketbooks, on account of this, because money will not be recovered from electric revenue in anywhere near the amount of the investment required to produce the electricity. It has been demonstrated that the addition of electric generating facilities to the reactor required to produce plutonium does not in any way help the national defense. It has been demonstrated that rather than enhancing the U.S. prestige, this regression to the technology of a century and a half ago would cause U.S. prestige to diminish. It has also been shown that it would be unconscionable to permit this $95 million to be spent to benefit those locally in the Pacific Northwest at the expense of the Nation's taxpayers. Particularly would it be unconscionable to permit industry to be pirated from the other parts of the country to the Pacific Northwest through the existence of this facility.

But, over and above that, I think that nobody has yet touched upon the real reason that this project should be knocked out of the bill, and that reason is simply that this is a part of the decades-old overall scheme by Fabian Socialists to capture or control the power of the Nation in order to implement their Socialist desires, the same scheme they worked in the United Kingdom and elsewhere. Control the Nation's power and you control the Nation, is their motto.

Why do I say this? Simply because this 800,000 kilowatts of power is a large, large bloc of power. It is in addition to some 2 million additional kilowatts that will be available in the Pacific Northwest on and after 1966 from Libby Dam and as a consequence of the new treaty with Canada.

Now, that will provide power far in excess of that which can be used in that area. Therefore, it will spawn a demand and provide argument for a power intertie to southern California to connect up the whole Pacific coast. Already there is a demand for a giant transmission system, to be financed, built, and owned by the Government in connection with the vast upper Colorado River hydropower development and which would be intertied with Hoover Dam, Calif., and Bonneville Power. In time all this would be connected to the Missouri Valley, then on to the Tennessee Valley and all of the other public power areas by further interties. That is what this thing leads to. That is why the public power lobby has taken such a vast offensive in this matter. I refer you to a letter you have just received from Clyde Ellis, director of the Rural Electric Cooperatives Association, supporting on the same page this project at Hanford and the upper Colorado transmission project.

If you think this is not a precedent and not the forerunner of many, many more such projects which will make this first $95 million look like peanuts, recollect that only last Tuesday in commenting on the TVA the President of the United States told the TVA directors this: I want to see TVA go forward, not rest on its laurels." He then suggested experiments in conjunction with the Atomic Energy Commission to develop cheaper power from atomic energy.

So you see you have the whole TVA getting into this thing and no end of spending from the public till.

Gentlemen, I ask you at this moment of great national peril, when we have to spend our money to preserve this Nation's very existence, what madness is it that possesses us to meet here and seriously talk about spending $95 million on such a bucket of bolts?

I ask you to support the amendment, and knock out this outrageous proposal.

Mr. JENSEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as a member of the Committee on Appropriations for the Atomic Energy Commission and the Public Works Committee, I am duty-bound to speak out now against this proposal to waste $95 million of the taxpayers' money on an outmoded type of steam generating plant as downright folly. It is like building an 1880 vintage woodburning locomotive to compete with today's modern diesel-electric locomotives and claiming it would help develop the art.

Mr. Khrushchev has said that our grandchildren will be living under socialism, that we would spend ourselves into bankruptcy and fall to communism like a ripe apple from a tree. Certainly this attempt to put the Federal Government into the production of electric power from an obsolete type of steam electric generating unit would only hasten the day of national bankruptcy that will certainly follow if we do not stop such unnecessary spending of our already overburdened taxpayers.

We have before us in project 62–a–6 a proposal to build a model T electric generating plant in a jet age. Today's modern steam electric generating plants are designed to operate with steam pressures ranging from 2,000 to 3,500 pounds pressure per square inch and steam temperatures of 1,000° to 1,050°. In these modern plants a kilowatt-hour of electric energy can be produced with less than three quarters of a pound of coal.

What possible technical experience and benefit can be gained through the construction of a 1910 model T vintage electric generating plant with steam pressure of one-tenth that of modern-day electric generating units? The answer is obvious: There can be no benefit.

A modern generating unit of equal capacity would take up only a fraction of the space required for a lumbering 1910 model. It is like building a 1910 model steam-engine-driven threshing machine to compete with a modern-day grain combine.

Another thing that bothers me no end is the fact that in the Pacific Northwest under normal or median water conditions there is and will be for the next 10 years up to 3,500,000 average kilowatts of surplus power going to waste during 3 to 12 months of the year. For instance, in 1965 the year after this proposed new production reactor generating plant is scheduled to be in operation, the Northwest power pool utilities estimate there would be 8 months of a median water year when from 1 million to 3,300,000 average kilowatts of surplus electric energy is expected to be available. All but 388,000 kilowatts of this would be hydroelectric energy wasting away to the sea for lack of a market. Any generation by the new production reactor plant during these months could only increase the surplus power.

Another spurious claim is to the effect that the power will be cheap and can be sold at Bonneville's present 2-mill-per-kilowatt-hour rate. Such claims can only be based on various writeoffs of capital costs and unrealistic assumptions as to what operating and other costs are chargeable to power production. On any sort of an honest appraisal the cost of power from this new production reactor would be at least 5 to 7 mills per kilowatt-hour. Why should the taxpayers of the Nation continue to subsidize the production of electric power in the Pacific Northwest for sale to a selected preferential group in that region? The taxpayers of the Nation have already furnished several billion dollars for the construction of hydroelectric plants in this area.

We are told that all these taxpayers' funds will be returned to the Federal Treasury, but the fact is that every year since the first major hydroelectric plant was built in the Pacific Northwest—some 20-odd years ago—the taxpayers of the Nation have been called upon to take more money out of the Treasury than has been put back in. This excess in payout over repayment will continue as long as the Federal Government is called upon to supply below-cost power to any special group of citizens and special industrial plants. It is neither right nor fair to the people of the Nation as a whole.

Why, for instance, should the people in the depressed areas of West Virginia be called upon to help subsidize low-priced power for an industry in the Pacific Northwest that might otherwise locate in West Virginia?

I hope enough of my colleagues will see that this Nation cannot long survive the expenditure of its substances on projects such as this. The major non-Federal utilities in the Pacific Northwest have stated their desire and ability to provide for the future load growth of the region if permitted to do so. It is high time the Federal Government quit trying to monopolize the production of power.

Another thing to consider is the reliability of the proposed new production reactor generating plant. We are told that we can expect an average of 14 unscheduled outages a year on the reactor plant that would provide the heat to generate the steam for the electric generating unit. In addition there would have to be scheduled outages to permit proper maintenance of the plant. This means that other generating capacity must be available to supply the load when the new production reactor plant is out of service.

When Congress first considered the new production reactor at Hanford, we were told that by spending $25 million additional it could be made convertible to power production and that the dual operation would reduce the cost of plutonium. Now its proponents want to charge the $25 million off to plutonium production cost and to charge all the fuel cost during the dual-purpose operation to plutonium and none to power. The proponents, in order to build up a fictitious picture of low-cost power production, also want none of the capital costs of the reactor charged to power even in the power-only operating period.

Even a magician could not explain away how you can reduce the cost of plutonium by spending $25 million extra for the convertibility features and charging it up to plutonium, and then spend an additional $95 million for an electric generator plant which will be operated with free heat from the reactor plant. It is not possible and its proponents, if they are honest, know it cannot be done.

I hope there will be enough of my colleagues on both sides of the aisle who will vote to eliminate this generating plant authorization.

I recently came across an article in the Utility Reporter for June 1961 which I found to be of considerable interest and very timely. The Utility Reporter is a newspaper published by a California local of the International Brotherhood of Electrical Workers.

This article contained a historical timetable summary of the activities of the Pacific Gas & Electric Co. in the nuclear-power field. This timetable begins in 1951, when this company entered the study phase of its nuclear-power program, and continues through 1955, when it joined the nuclear-power group which later built the Dresden Nuclear Power Station; through 1956, when they announced they would build and operate the atomic plant at Vallecitos in the San Francisco Bay area; in 1957 this plant went into operation. In 1959 this company filed applications for a 50–60-megawatt reactor in the Humboldt Bay area in northern California, and in 1960 they continued with extensive tests for the novel pressure-suppression system. This plant is now under construction and is to be completed in 1962.

The article from the International Brotherhood of Electrical Workers' newspaper reads as follows:

RADIATION ROUNDUP—P.G. & E. POWERPLANTS MAY BE ATOMIC AFTER 1960'S

(By Sam L. Casalina)

The Pacific Gas & Electric Co.'s confidence in the future of nuclear-generated power was illustrated recently in a talk given by C. C. Whelchel, chief mechanical engineer.

In his presentation, Mr. Whelchel said: "We believe atomic power is a must in California in the foreseeable future. We expect that, except for special situations, our last conventional steam unit will be installed in the late sixties. From then on it could well be that our big system plants will be atomic. They are expected to produce power at a lower cost per kilowatt-hour than conventional plants, and they will release oil and gas for other purposes."

P.G. & E. NO "JOHNNY COME LATELY"

As reported in last month's column, P.G. & E. is no greenhorn in the nuclear power field. The company has been involved in a program extending from nuclear feasibility studies to actual reactor operation for about 10 years.

In the late 1940's, utility company personnel were required to have security clearances because all information pertaining to reactors was classified "secret." This was

due to the fact that a reactor used materials and reactions not unlike those of nuclear weapons. Today, most information dealing with commercial reactors has been declassified.

A historical timetable summary of P.G. & E.'s activities in the nuclear field would be as follows:

In 1951–54: P.G. & E. begins nuclear power program. First 4 years—"study phase." Joins Nuclear Power Group (a nationwide association of utility companies concerned with nuclear power development).

In 1955: Nuclear Power Group decides to build the Dresden Nuclear Power Station. Dresden to be built by General Electric, and owned and operated by Commonwealth Edison Co. P.G. & E. contributes nearly $3 million toward research and development.

In 1956: P.G. & E. and GE announce they will jointly build and operate an atomic plant at Vallecitos.

In 1957: The Vallecitos boiling water reactor completed and in operation. Five thousand kilowatts of generation capacity.

In 1959: P.G. & E. files application with Atomic Energy Commission to build a 50–60 megawatt reactor in the Humboldt Bay area.

In 1960: Extensive tests are conducted on the novel "pressure suppression system" (a system which would channel the accidental release of high pressure contaminated steam, into a water pool instead of depending on the conventional dome-shaped steel building to contain the radioactivity). AEC construction permit issued.

In 1961: Construction underway (foundations and reactor caisson).

Mid-1962: Reactor completed, ready for fueling.

UNION INTEREST

Local 1245 has a vital interest in the future of nuclear generated power. Through the foresight of this local's officers, the union will be prepared to share in the responsibilities and benefits to be gained from the atomic age.

Apparently this union feels as I do that there are still some things left in this country which private initiative can do and will do, and that we do not have to depend on the Nation's taxpayers to put up the money so that the big, benevolent Federal Government can do everything for us.

Soon this Congress is going to be asked to approve the authorization of some $95 million to build a 700,000-kilowatt nuclear white elephant—an already antiquated white elephant—at Hanford, Wash. All sorts of arguments and reasons are advanced for the Government building this big Government steamplant. The majority of the members of the Joint Committee on Atomic Energy, in recommending this reactor, stated in its report on page 11:

The Joint Committee, in recommending this project, does so on the basis of its economic advantages, its assistance to the national defense, its value to the national prestige, its contribution to nuclear power technology, and its benefits to both private and public enterprise.

I suggest that from reading this report and particularly the views of the distinguished minority members who filed dissenting views, including the distinguished gentleman from Pennsylvania [Mr. VAN ZANDT], the distinguished gentleman from California [Mr. HOSMER], and the distinguished gentleman from Massachusetts [Mr. BATES], that the majority would have been more forthright if they stated that they were recommending this Hanford reactor to put the Federal Government deeper into the power business. Many Federal power advocates envision this reactor as a golden opportunity to go deeper into the power business in the Northwest, to set a precedent for more Federal steamplants outside the TVA area and to justify the extension of Federal transmission lines all over America.

I suspect that these are the real motivations behind this scheme.

Above in my quotes from the Joint Committee report, you will note that this reactor is recommended because of its contribution to nuclear power technology. In its dissenting views, the minority members say of this reactor:

It will yield only low-pressure saturated steam better suited to the boiler of an old-fashioned locomotive than to a modern turbine generator. As was disclosed in the hearings this represents retrogression rather than progress as far as power production is concerned, either nuclear or conventional.

The distinguished minority members certainly do not feel that this reactor would contribute anything to nuclear power technology. This reactor would operate at very low pressure and very low temperature.

I am glad to say that once again we can point with pride to the fact that private enterprise and private initiative if left unshackled by Federal intervention and competition, still leads the way.

Just last week the Pacific Gas & Electric Co. announced its plans to construct a 325,000-kilowatt nuclear powerplant on Bodega Bay, some 40 or 50 miles north of San Francisco.

The president of that company, in announcing this project, said—and this should be good news to all overburdened taxpayers in America:

As with all our atomic projects, we will build Bodega Bay with our own money. There will be no Government subsidy or financial contribution from any other source.

This plant and related facilities will cost some $60 million, all of which will be on the tax rolls. So we have a private utility using private funds to build a high pressure, high temperature, ultramodern plant which will result in increased taxes, as compared with the Hanford reactor, low pressure, low temperature, antiquated before it is authorized, and which would cost the taxpayers money to build, operate at a loss to taxpayers, and put the Government deeper into the tax-subsidized power business.

This private utility plant will embody the latest scientific advances in nuclear power, utilizing saturated steam at a thousand pounds per square inch and 550°. It will utilize the pressure-suppression containment system, developed by this company at its own expense, involving several hundred thousand dollars. This, too, was done without subsidy from America's taxpayers.

Federal power advocates are advocating this Government Hanford plant which is already antiquated before it is authorized on the basis that it would contribute to nuclear power technology. This latest announcement by this private utility proves otherwise.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. JENSEN. I will be glad to yield to the distinguished gentleman from Pennsylvania, whose patriotism has never been questioned.

Mr. VAN ZANDT. The gentleman certainly, as he serves on the House Committee on Appropriations, as he has mentioned, receives firsthand information concerning the distribution of power in the Northwest grid. Is it true that 50 percent of the Bonneville Power Administration power is distributed by private utilities?

Mr. JENSEN. Of course it is not true. The facts are, and the record will prove, that less than 20 percent of the sales of the Bonneville Administration power in 1960 went to the private utilities, and a large portion of this was dump power that the Bonneville Power Administration had no other market for.

I just heard the gentleman from California [Mr. HOLIFIELD] say, that the private utilities would market this power generated at the proposed Hanford plant. Nothing could be further from the truth. May I say to the gentleman from California that I do not know where the gentleman got such information. The facts are that this power would be sold direct by the Bonneville Power Administration to private industry and others; of course, some of it would be wheeled over private-utility transmission lines.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield for an answer?

Mr. JENSEN. I yield to the gentleman from California.

Mr. HOLIFIELD. The testimony before our committee, I will say to the gentleman, was that 53 percent of the power at this time is sold to private utilities and private industries who distribute the power at their own prices in the area.

Mr. JENSEN. The gentleman is wrong again; the facts are that that testimony plainly shows specifically that only 18.8 percent of the Bonneville power is being distributed by the private utilities.

Mr. HOLIFIELD. What?

Mr. JENSEN. I suggest the gentleman reread that testimony.

Mr. HOLIFIELD. No member of our committee challenged that.

Mr. JENSEN. I challenge it, having been for the past 19 years on the committee that appropriates for the Bonneville Power Administration and I know whereof I speak. Let us keep the records straight, and let us be fair to the taxpayers of the United States of America by adopting this amendment and saving this $95 million.

Mr. HARSHA. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the Atomic Energy Act of 1954 specifically declares it to be the policy of the United States that the development, use and control of atomic energy shall be directed so as to strengthen free competition in private enterprise.

This is a significant and most commendable statement of purpose. For it is our free private enterprise system that makes this country the greatest economic phenomena of the world today.

Yet we are continually destroying our private enterprise system by the encroachment of the Federal Government on traditional business enterprises. Government is forever expanding into business, smothering the private enterprise structure and leading us down the path of socialism.

Another prime example of such encroachment is the project 62–a–6 which would authorize $95 million for the installation of power generating facilities in the new production reactor at Hanford, Wash. If such a project is authorized it will be the initial step and justification for the construction of Federal transmission lines, leading to the ultimate construction of a gigantic Federal electric power blanket, which will be subsidized by the American taxpayer and will compete against private electric power companies, ultimately driving them out of existence. They obviously cannot compete, in a highly competitive business, against subsidization by the Federal Government with an apparent unlimited source of tax dollars to finance the operation and construction, resulting in greater unemployment, the loss of sorely needed tax dollars and further socialization of private enterprise.

This in itself should be sufficient reason to remove this authorization from H.R. 7576, but there are several other compelling reasons in addition.

Several weeks ago Congress approved the area redevelopment bill authorizing almost $400 million for loans and grants to revitalize the Nation's depresesd areas. Approval of this $95 million authorization would only aggravate the conditions the area redevelopment bill was designed to correct. The addition of electric generating facilities to the Hanford reactor would result only in producing heavily subsidized electricity by nuclear fuel which in turn would be used to lure industries away from the depressed areas and areas of substantial underemployment. In addition thereto, it would have serious adverse effects on the coal industry which is already in dire circumstances.

The project would not produce power economically. Evidence in numerous studies prepared for the Atomic Energy Commission and for the Joint Committee on Atomic Energy indicate that this reactor will produce power that will be high cost and uneconomic in the Pacific Northwest, resulting in a further squandering of taxpayers' dollars to subsidize the power to dispose of it on the market.

There is no need for this additional energy in the Pacific Northwest. The 1960 Annual Report of the Bonneville Power Administration states that for the first time in nearly 15 years the BPA finds itself in a period of surplus power instead of power scarcity and the report further states that these projects—resulting from the Columbia River Treaty—together with those existing or under construction assure the Pacific Northwest of power to meet the estimated normal firm power requirements of the region through 1970. Certainly under such circumstances it is not necessary for the Federal Government to build a project with such highly questionable economics. We are not in a race just to see how much of the taxpayers' money we can spend or are we?

Furthermore it would not, as alleged, enhance our national defense. Any effective international disarmament agreement would preclude the operation of any such facility that could be readily converted. Neither would the project advance nuclear power technology. The Chairman of the Atomic Energy Commission said in hearings on the bill that the project would only have limited benefits to nuclear power technology. It is generally accepted that the proper role of the Commission in the development of nuclear power should be research and development in processes that might ultimately lead to economic and efficient nuclear power.

There are in addition other significant reasons, each sufficient in and of itself, to justify the removal of this project from the bill.

I earnestly urge you to stop this further encroachment by the Federal Government into private business and to halt this needless waste of taxpayers' money on a project that is not economically justifiable and would not aid our national defense.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word, and rise in support of the amendment.

Mr. Chairman, in the 15 or more years I have been a Member of this body, I have voted for practically every improvement in the Northwest section of this country and the west coast in the nature of flood-control dams, irrigation, and other improvements involving Federal money. I shall continue to do that when I think they have a worthwhile project. But I would be remiss in my duty to my State of West Virginia and the States surrounding West Virginia whose major industry is the production of soft coal if I did not protest here with my vote and voice an item of this kind.

Let me give you one more reason why I am opposed to this. This body in 1945 authorized legislation, at a time when Germany was sinking our oil tankers, setting up a study of liquid fuels. As the result of that legislation, we appropropriated money to set up a study of liquid fuels. We set up a laboratory at Morgantown, W. Va., to carry out a study in connection with the Federal Bureau of Mines and the West Virginia Department of Mines, trying to develop a process of creating high-octane gasoline and lubricating oil from processing coal.

Some time ago, when we found out from that research that it was necessary to produce 3,300° F. in order to break coal down to its component parts to make those necessary researches which would set up an industry which would guarantee prosperity to these coal-producing States for the next 500 years by processing their coal into high-octane gasoline and lubricating oil, I took this matter up with the Atomic Energy Commission and the gentleman's committee, and I got a polite runaround.

Why should I vote for an item of this kind when if you would install a reactor at this research bureau at Morgantown we could cut down the cost of producing 3,300° F.? This would restore the prosperity to my own and the several other coal-producing States.

We found that the major item of cost was the cost of using conventional fuels to produce 3,300° F., in order to break the coal down into its component parts. An atomic reactor over there would well demonstrate that we could cut that down, and I have a letter in my files from Mr. Strauss, the Commissioner at that time.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I will yield to the gentleman, if he will please be brief.

Mr. HOLIFIELD. I will certainly try to be brief.

Mr. Chairman, I ask unanimous consent that the gentleman from West Virginia may have 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. HOLIFIELD. I will say to the gentleman from West Virginia that most of the Members on this side supported the Morgantown appropriation, and I will say that he is asking for something that we cannot give. We cannot handle 3,300° F. of heat in a reactor for experimental purposes. That is one of the things that is holding back our development. We do not have the metallurgy knowledge, the knowledge of metals, to permit the use of heat at that rate.

Mr. BAILEY. You installed one out at the University of Maryland a few months ago. What was that for?

Mr. HOLIFIELD. That is not the high rate that the gentleman is talking about.

Mr. BAILEY. I still insist that the coal-producing State, my State of West Virginia, has been getting the runaround by legislation and acts of this Congress, and here is another one of them which will deprive us of markets for maybe as much as 2 million tons of coal annually. I am going to insist that my position is correct and that I am justified in voting against this legislation.

Mr. PRICE. Mr. Chairman, I rise in opposition to the amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, may I inquire of the gentleman from Pennsylvania as to a determination as to when we can vote on this amendment. Would 10 minutes suffice?

Mr. VAN ZANDT. Let us make it 15 minutes.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that debate on the pending Van Zandt amendment close at 3:30 p.m., with the last 5 minutes to be reserved for the chairman of the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The gentleman from Illinois [Mr. PRICE] is recognized.

Mr. PRICE. Mr. Chairman, I regret exceedingly that extraneous issues have been involved in the debate here this afternoon on a very important national defense project. I will say to my friend, the gentleman from West Virginia [Mr. BAILEY], whom I admire and with whom I am seldom in disagreement, that he

can conscientiously vote against this particular amendment in the interest of national defense and in the interest of the security of this Nation, and all the other nations of the free world. There is only one issue involved here.

I challenge any member of the Committee on Atomic Energy to deny that we have not had testimony throughout our hearings on this subject that national security is involved and that it is in the interest of our national defense to spend this $95 million for the conversion of this reactor. This is strictly a national defense item.

Mr. BAILEY. I would remind the gentleman that I represent a district in the State of West Virginia and that I shall vote to protect the interest of that district regardless of how the gentleman characterizes it.

Mr. PRICE. I am not impugning the gentleman's motives in any way. I know the gentleman will also recognize the fact that 99 times out of 100 I vote with the gentleman.

Mr. BAILEY. Thank you.

Mr. PRICE. I have a strong feeling here today because of the testimony that was given to our Committee on Atomic Energy that this is vital to our national defense. I regret that so many arguments extraneous to the issue and the subject have been drawn into this debate.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I thank the gentleman for yielding. I understood the gentleman to say that most of the Congress has voted with the West Virginia delegation for the Bureau of Mines station at Morgantown.

Mr. PRICE. Yes.

Mr. STAGGERS. I would like to review history just a little bit. That bill passed by unanimous consent late in the day and when it came to get funds we did not get any funds from this Congress. To clear the record, those funds that we did get came from other activities of the Interior Department and we did not have enough money at that time. Later under a Republican administration, under Mr. McKay, they brought money from other activities of the Department to set up the Bureau of Mines in Morgantown. It was not done by colleagues on this side of the aisle.

Mr. PRICE. I made no reference to the Morgantown matter except to say I supported the position of the West Virginia delegation.

Mr. STAGGERS. I am telling the gentleman it was not voted upon. My colleague from West Virginia was with me when we tried to get funds.

Mr. PRICE. I will say that Morgantown has been an issue on many occasions but I was referring to the similarity of my voting record to that of the gentleman from West Virginia.

Mr. STAGGERS. I will say it has been an issue.

Mr. PRICE. But it is not an issue in connection with this bill.

Mr. Chairman, one of the stated purposes of the Atomic Energy Act of 1954 as set forth in section 3 of the act is to provide for a program of conducting, assisting, and fostering research and development in order to encourage maximum scientific and industrial progress. As chairman of the Subcommittee on Research, Development, and Radiation, I particularly have been interested in reviewing the various projects and programs of the Atomic Energy Commission to the extent that they are directed toward research and development and are encouraging and assisting in furthering our knowledge in the atomic field.

ATOMIC GENERATING FACILITIES FOR NEW PRODUCTION REACTOR

As previously discussed by Chairman HOLIFIELD and as set forth in the committee report, project 62–a–6 which would provide electric generating facilities for the new production reactor at Hanford, Wash., is justified primarily from a standpoint of economically utilizing otherwise wasted heat from the plutonium production reactor. As also pointed out, it will be of assistance to our national defense and result in increased international prestige.

In addition, however, certain information will be derived from this plant which will be of assistance to the atomic energy industry. During the course of the hearings Dr. Glenn T. Seaborg, Chairman of the Atomic Energy Commission and a renowned nuclear scientist, in recommending this project cited the following potential advances in technology resulting from this project:

First. Valuable experience would be gained in the manufacture and operation of very large turbines employing low pressure saturated steam.

Second. The project will provide important experience in operating a large nuclear powerplant in conjunction with an existing large power system.

Third. The generation of over 700,000 kilowatts from a single reactor would provide confidence for the extension of nuclear power technology into larger and more economical reactor types.

Fourth. These facilities will provide training in the operation of a large nuclear power generating plant. The extensive training of both private and public utility company employees will greatly facilitate the future integration of nuclear power into existing utility systems.

Although the project is primarily being recommended for other reasons, information of assistance to our nuclear industry will definitely result from it. Let me read what Dr. Albert K. Kaufmann, vice president and technical director of Nuclear Metals, Inc., an outstanding nuclear metallurgist, has stated:

I am an enthusiastic supporter of the new production reactor project since it will afford the first large-scale evaluation of zirconium-clad metallic uranium fuel. For economic production of electricity only, this fuel would need to go to much higher burnup than is desirable for plutonium production. Evaluation of the fuel at these high burnups could be carried out on a reduced scale while the bulk of the fuel is being used to make plutonium. This could be done without the immediate installation of generating facilities providing that there was a firm policy to carry out such tests and to constantly improve the fuel. Unfortunately such a policy would probably not be executed unless there was a great incentive to achieve success. The installation of generating equipment at the present time would provide such an incentive (p. 465, JCAE hearings on AEC auth. leg., fiscal year 1962.)

Finally, let me read what Dr. Walter H. Zinn, former director of the AEC Argonne National Laboratory and one of the world's greatest reactor designers, had to say. It was Dr. Zinn who designed and constructed the first atomic reactor which made electric power. According to Dr. Zinn:

Currently, conventional generating units of 800-megawatt size are being built. Nuclear powerplants will also have to reach very large size if they are to be used in the greatly expanded electricity generating industry in the future. The new production reactor single reactor powerplant is such a unit and would clearly establish leadership of our country in the large-scale application of nuclear energy. In addition, operating experience will yield valuable technical data for power production. In view of the fact that the various studies presented indicated little if any, unrecovered cost for the addition of the generating facilities it is my opinion that project 62–a–6 is desirable and justified (p. 463, JCAE hearings on AEC auth. leg., fiscal year, 1962).

We have observed that a poll has been made as to the research benefits of new production reactors. But it has been done in secret. These experts have spoken out in public.

STANFORD LINEAR ELECTRON ACCELERATOR

One of the most important projects in this bill with regard to furthering our knowledge of basic research is project 61–f–7, the so-called Stanford linear accelerator. Authorization requests for this project were previously submitted to the Congress in authorization bills for fiscal years 1960 and 1961. Last year the committee recommended and the Congress approved $3 million for design and engineering studies. These studies were completed and received by the Joint Committee in January of this year, and on the basis of these studies and detailed testimony received during the hearings on this year's authorization bill, the committee recommended full authorization for construction of the project.

When completed, this accelerator will be used to accelerate electrons to energy of between 10 and 20 billion electron volts. Large high energy particle accelerators are necessary to permit scientists to explore and learn more of the structure of the atom. In effect, these accelerators are microscopes for the nuclear physicists. To date about 30 different particles have been identified through accelerators which have opened up this strange new scientific frontier called antimatter.

The growing importance of high energy physics has resulted in an increasing number of accelerators in the billion electron volts range being constructed in Switzerland, England, Italy, Sweden, Germany, and the U.S.S.R. For several years the U.S.S.R. has operated a 10-billion-electron-volt proton synchrotron at Dubna. Four other accelerators in the billion-electron-volt range including a 70-billion-electron-volt proton synchrotron are under design or in construction in the Soviet Union.

Our scientists today are attempting to discover if the particles we know today are truly fundamental or whether or not they may be further broken down into smaller units. The Stanford accelerator, when completed, will tremendously expand the range of possible experiments. It will be used as a research tool by qualified scientists in the United States and throughout the world. It most certainly will add in the advancement of scientific frontiers.

THREE PROJECTS ADDED BY THE JOINT COMMITTEE

Each year when reviewing AEC proposed authorization bills, the Joint Committee has found that certain projects holding a high priority of need by the Atomic Energy Commission have been eliminated for somewhat obscure budgetary reasons. Three such projects which the Joint Committee ascertained to be desirable, and in agreement with the Commission were added to the AEC fiscal year 1962 authorization bill. Since they were not in the bill as originally proposed, I would like to review them for you in some detail.

First. Project 62–g–5, Physics Building, University of Chicago, $800,000: The University of Chicago as you well know has contributed greatly to atomic energy research going back to the very beginnings of the Manhattan project. The first atomic pile was constructed at Stagg Field—University of Chicago—in great part through the vision and inspiration of the nuclear pioneer, Enrico Fermi, now deceased, after whom the Enrico Fermi Institute for Nuclear Studies is named.

It is the purpose of this particular project at the University of Chicago to erect a physics building at the institute to be able to continue the great foundation of theoretical and experimental nuclear physics research which Fermi contributed so greatly to.

Experiments in high energy physics to be performed at the University of Chicago's accelerator facilities and at the Argonne National Laboratory utilizing the zero gradient synchrotron require adequate space. The zero gradient synchrotron or ZGS is a 12.5 billion electron volt proton accelerator presently under construction and is scheduled to be completed in July 1962. It is thus desirable to provide adequate space in advance for the fullest utilization possible of this research tool and those at the University of Chicago.

The Midwestern University Research Associates or MURA, of which the University of Chicago is a member, will participate on a joint basis with other universities to conduct nuclear physics research at Argonne National Laboratory using the zero gradient synchrotron.

Due to an increase of experimental data beyond originally planned facilities, it has become urgent to provide additional staging areas for the various experimental preparations to carry out scientific experiments of many kinds.

The high level technical staff in the physics department at the University of Chicago along with the scientists from the other universities comprising the Midwestern University Research Associates who will be utilizing the facility will be better able to do their important work and will make it a most worthwhile investment on the part of the Government.

Second. Project 62–i–3, Controlled Environment Laboratory, Brookhaven National Laboratory, $1 million: The Subcommittee on Research, Development, and Radiation recently held hearings on the application of radioisotopes and radiation in the life sciences. During the hearings the various uses of radioisotopes and radiation in the life sciences were explored in an effort to review what had developed in the past 5 years since similar hearings were held.

Research has been conducted in the plant sciences in order to understand the selective uptake by roots and leaves of a variety of radioisotopes, the movement of these elements in the soil, and the factors that modify these things. These efforts have been intensified to produce much fundamental knowledge of soils, of plant metabolism, plant genetics, and of the environmental relationships of living things in artificial and natural habitats. Thus we can, with greater efficiency, add to our storehouse of knowledge for the betterment of mankind.

This Controlled Environment Laboratory will be the first such facility in the United States. It will be a building to house chemical and biological laboratories specifically equipped for radiobotany research. The term "radiobotany" refers to the use of radioisotopes and radiation with plants for fundamental research studies.

As was noted in the recent life sciences hearings our need to know the effects of radiation and the mechanisms by which such effects are produced in biological systems has brought forth much new knowledge in the field of genetics. It was indicated that research in this area could not reveal such knowledge by any other presently known method.

Since 1956 a number of new varieties of important crop plants, for example, have been released to farmers as a direct consequence of radiation-induced mutations of new species.

These mutations have imparted new desirable characteristics to these crops which make them more satisfactory than their predecessors. Without basic studies of the responses of plants to radiation, none of these practical advances would have materialized. The need to accelerate research at the fundamental level becomes clearly apparent when one is aware of the practical advances already made despite the fragmentary state of our theoretical knowledge at the present time.

Third. Project 62–i–4, Animal Bioradiological Laboratory, University of California, $700,000: This project is phase II of a project the first part of which was authorized last year. The phase I project was 61–h–1, installations for support of biomedical research in atomic energy. It consists of erecting a building for a new animal facility at the Lawrence Radiation Laboratory.

The phase II part of this project which we are now recommending would permit two things: One, a place for the biomedical people to work and two, to enlarge the animal facilities, particularly from the standpoint of larger animals for work using some of the higher weight radioactive elements being used in some of the Lawrence Radiation Laboratory projects. These facilities will be used for studies of long-term radiation effects on animals and simulated space biology radiation effects. The neighboring accelerator facilities will be used to enhance the overall flexibility of this program.

I believe the three projects added by the Joint Committee are good projects and will materially assist our research and development programs. I also believe the entire bill recommended by the Joint Committee is a good bill, and I join with the chairman in urging the bill be approved as reported out of committee.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY] for 1 minute.

Mr. BAILEY. Mr. Chairman, there is little one can say at this time in 1 minute except I regret very much that feelings have been stirred up here and led us somewhat astray on this matter.

I still feel I am justified in the position I have taken in opposition to the committee's position, because I am not representing the entire United States; I am representing the State of West Virginia. We do not propose to stand for any more national legislation that puts us to an economic disadvantage, puts us in the sorry case that we are in. It is just one more move to destroy what little bit of our economy is left and put more people on the public dole.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. KYL].

(By unanimous consent, the time allotted Mr. KYL and Mr. VAN ZANDT was given to Mr. BECKER.)

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. BECKER].

Mr. BECKER. Mr. Chairman, it seems today that when you have a weak cause, when you are fighting a cause that does not depend on its merits, then let us talk about national defense. I say that a colleague of ours on this floor virtually threw this project in our teeth by saying if we did not vote for it we are against national defense. I think that is a disgrace to the Members of this House. Here is a project, if you are going to build it, build it on its merits. I defy anyone to stand up on this floor and challenge the Americanism or patriotic views of any Member of this House when he votes on any piece of legislation. I think it is a terrible point in our history when we must use national defense as an excuse to pass bad legislation. I say to you the evidence and the testimony before the committee will point out that what you are doing here is building an obsolete plant, a great obsolete teakettle. You are going to build something to produce 135 to a maximum of 235 pounds of pressure, when private utilities are building plants today that will produce from 2,400 to 3,500 pounds of pressure, not at taxpayers' expense.

Our Government is going to spend $95 million to build a great big obsolete generator to produce 135 to 235 pounds of pressure. What is this going to do for national defense? I will tell you what it is going to do for our international prestige. If we think our international prestige has been going down, the building of this plant is going to bring international notoriety to our country, and detract further from our prestige.

I say to the Members of this House that if we vote for this plant, if you do not support this amendment, we are going to destroy more and more what this country is able to do and what our private companies, under the free enterprise system, are doing all over this Nation.

It is an injustice to the taxpayers of this country to waste $95 million on a project to produce 135 pounds of saturated steam pressure for electricity.

I hope the pending amendment will be adopted. Let us not worry or be worried about national defense in this particular instance, because this is needed for national defense like I need a hole in the head.

Mr. Chairman, one of the several arguments offered by proponents of the Hanford steamplant is the international prestige they claim this project will bring to our country. Although I may have difficulty in following some of the more technical arguments put forth in favor of this project, I am in complete agreement that this plant will attract international attention—it certainly will not go unnoticed.

How can it go unnoticed, for we will be telling the world that we have the biggest and most obsolete generating equipment in the world. Not only that but, if I understand the testimony given before the Joint Committee, we will be proudly boasting of the experience we will obtain in operating very large turbines employing low-pressure saturated steam. Apparently we intend to build bigger and better teakettles. But if this is to be our course of action in developing nuclear power, I suppose that this experience at Hanford will be important because I doubt if many of the present-day turbine operators are old enough to have operated plants of this ancient vintage.

At the Joint Committee hearings on the Hanford steamplant, our distinguished colleague from California [Mr. HOSMER] asked if there was any utility who would pay 5 cents for information regarding the operation of a central power station with this temperature and quality steam. Mr. HOSMER has had no takers except the Atomic Energy Commission which has stepped forward—or was it pushed—and has even raised the ante from 5 cents to $95 million.

Yes, our technological progress will not go unnoticed, for we will be saying to the world, "Look, while the utility industry is striving to attain higher temperature and pressures in its nuclear development work, and while the utility industry is building new conventional plants with pressures of 2,400 pounds per square inch, and even 3,500 per square inch, the AEC, the fountainhead of nuclear knowledge in our country will build a plant to operate at 135 pounds per square inch." And, in addition, when we curtail this production of weapons-grade plutonium, we will really get rolling with a pressure of 235 pounds per square inch.

But I am sure there will be no need to stop there. We also can point out that thermal plant efficiencies of 35 to 40 percent are passé. We have found the true measure of efficiency at Hanford—20 to 25 percent.

In developing its nuclear power program, Great Britain originally saw a need for the immediate use of nuclear power to replace high-cost fossil-fuel-fired thermal plants. In this understandable initial drive for kilowatts rather than knowledge, Great Britain took pains to explain the poor steam conditions it would attain in its pioneer plants. The Calder Hall dual-purpose type plants produce steam at about 600° F., and 200 pounds per square inch. Great Britain's first generation straight power producing plants will raise this pressure to about 300 pounds per square inch. This would appear to be progress. But not according to what we will be telling the world. Apparently the important thing to do is build them big. Whether they are ancient and wasteful does not matter—as long as they are big.

While the proponents of the Hanford steamplant want to make progress toward achieving international prestige by taking a technical giant step backward, Mr. Chairman, the electric companies in this country are moving forward quietly and carefully toward larger and scientifically more sophisticated nuclear electric plants. I need only look to my native State of New York for an example of what the electric utilities are doing in this field and I should like to present some of the facts in summary.

Taken together, 10 New York companies are directly associated with 7 nuclear power projects in this country. For example, Consolidated Edison Co. of New York is building at Indian Point a 275,000-kilowatt central station plant featuring a nuclear system which will generate 163,000 kilowatts of the total capacity at a cost of about $100 million. New York companies are members of the Power Reactor Development Co. which is building the Enrico Fermi Power Reactor in Michigan, and other New York companies are members of Atomic Power Development Associates, the research and development organization which has supported the Enrico Fermi project. New York companies are members of the High Temperature Reactor Development Associates, an organization of more than 50 companies formed to build a high-temperature reactor of advanced design capable of making use of the very turbines—the technically advanced turbine-generating systems—which the Hanford proponents so blissfully overlook.

I could mention others, but I cannot overlook in this summary the Empire State Atomic Development Associates, an organization of seven New York companies formed for the purpose of carrying out a multi-million-dollar research and development program in the nuclear power field. Their research is expected to lead to a decision to build a large central station nuclear power reactor with a capacity of something on the order of 300,000 electrical kilowatts.

New York State companies are associated, Mr. Speaker, with one reactor project that is in operation and three others that are expected to be carried to completion. These four power reactor plants will, when completed, have a total generating capacity of 483,000 kilowatts, more than half the capacity of the proposed Hanford steamplant. But size is not important; the important thing is that each of the four reactors will be contributing something to the advancement of the field of nuclear power, including the use of reactor-generated steam in the modern turbine systems. Each of these projects, in its own way, already has drawn international attention, and has contributed to the Nation's prestige.

Mr. Chairman, if the Hanford steamplant is built it will not go unnoticed. It will draw international attention, but not the kind we want. It would stand as a monument to fiscal indifference and retrogressive engineering. Let us remember that international attention or notoriety is not international prestige.

Mr. Chairman, the separate views of three of our colleagues in the House along with two Members of the other body on the Joint Committee on Atomic Energy which were attached to the report on this bill contained some very cogent statements on this point. I would like to repeat them now for the consideration of every Member. The separate views say, "It is difficult to understand in this age of spectacular space explorations how one can claim that international prestige will accrue from building an obsolete type of nuclear powerplant. The attempt to impress the rest of the world today by merely saying that now this Nation has a project which is seven or eight times larger than the Soviet Union's 1958 plant would seem to have little impact."

No, Mr. Chairman, there would be no international prestige value to this project, and I call upon every Member of this House to support the amendment to delete this project from the AEC authorization bill.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, before Members vote on this amendment they ought to read the letter appearing on page 670 of the hearings, dated February 2, 1961, from the Bonneville Power Administration.

From that letter you will see you are going to commit $95 million without proper economic planning which ought to precede an expenditure of that magnitude. That $95 million generating unit will be another foot in the door to extend public power; because you may then find you will have to extend transmission facilities.

The power situation with respect to market and alternate sources of power has not been thoroughly examined.

You cannot say that this has been demonstrated to be an economical activity after reading the Bonneville Power Administration's letter of February 2, 1961.

I may point out that one possible reason privately owned public utilities were not interested in buying this steam is because they cannot be sure on the basis of available information that it would be an economical and sound activity for them to engage in and commit their stockholders' funds.

The Van Zandt amendment should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I think that some of the tempers have risen too high and that as a consequence people are saying rash things that they will probably regret tomorrow. I think that we ought to look at this proposition a little more coolly. There are two things, I think. I think that the bill is an investment in our natural resources and it is a development of our natural resources and our public domain, and to do otherwise, to vote in favor of the amendment, is to say we will not develop our natural resources, we will not develop the public domain but that we will leave it for exploitation by private utilities only. Here we have energy going to waste, and by a very, very small investment the energy will be put to good use and, incidentally, will assist in the national defense. Is it a change of principle? We have a great public domain that we are developing with public agencies. This is just another instance of developing our public domain with public agencies.

The energy requirements of our country keep growing every year at a rapid rate. Our coal, gas, and oil resources are not replenishable and therefore it is prudent to use this heat which would otherwise be dissipated into the Columbia River and the atmosphere—especially when this is an economical operation.

The Federal Power Commission has completed a study for the AEC which shows that this is an economically feasible project and this has been affirmed by other engineering analyses. The President has requested some $60 million in fiscal year 1962 to initiate the construction of the power features, the total cost of which will be $95 million to generate 700,000 kilowatts of power.

One of the most significant factors in this development is that the United States can conserve its natural resources instead of wasting the byproduct heat while making plutonium, and demonstrate to the world the largest atomic power project ever constructed. Furthermore, this is a very desirable project because it fits well into the operations of the Federal Government's power system in the Pacific Northwest.

The AEC has spent hundreds of millions of dollars for basic research and development on power reactor technology. The Federal Government has provided research and development costs and has provided practically all the reactors or fuel in the experimental or small scale commercial atomic power projects undertaken to date. Federal construction of the proposed Hanford power reactor is perfectly proper and the costs involved in making possible the generation of a large block of power will be returned to the Treasury.

Mr. Chairman, I hope that my colleagues will vote against the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I would like just to set the record straight. There have been some references made during this debate that this powerplant is a socialistic proposal. I would like to point out to the Committee that this proposal was in fact made back in 1953 by the General Electric Co. to the Atomic Energy Commission and was in fact submitted by Mr. Ralph J. Cordiner, president of General Electric. I am sure Members will realize that neither Mr. Cordiner nor the General Electric Co. would ever touch any socialistic proposal with a 10-foot pole.

There has also been some reference here to the effect this program might have on depressed areas. Let me just say that I, too, represent a depressed area, Schenectady, N.Y., the home of General Electric. If the committee's proposal goes through, we in Schenectady will be very much interested in building the turbine generators that will be needed for this Hanford project. And, I may say to the gentleman from New York [Mr. BECKER] that General Electric's Schenectady turbine division does not build "obsolete teakettles" or model T machinery. Building these huge low-pressure turbines represents, in fact, a challenge in a difficult and a complicated technical field, and one which I know General Electric's Schenectady engineers are prepared to solve.

So I hope we in our depressed area of Schenectady may have a chance to get back into our area some of the jobs that might be involved in such an important turbine contract. New York badly needs this kind of highly technical manufacturing business.

I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ULLMAN].

Mr. ULLMAN. Mr. Chairman, I hope the Members of the House will keep this issue in proper perspective. This is not a regional issue; it is a national issue. It is not an abuse of public versus private power. The power will go to both public and private agencies to meet a great need in the Pacific Northwest. This is not an issue against the coal industry of the Nation. No one has voted more consistently for the coal industry than I have together with most of my colleagues from the West. This is an issue of development. Yes, and it is an issue of waste, not of $95 million but of a tremendous resource that we have created through the expenditure of $145 million to build a giant reactor at Hanford. Now you are saying if you adopt this amendment that you are going to waste that tremendous block of energy that is being developed in that reactor. Yes, it is an issue of waste, and I cannot understand how anyone who favors economy, who looks at the security of the free world and our need for national strength can vote an amendment that would waste a tremendous resource that means so much not only to our region but to the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Chairman, I attempted to say before my time expired a little while ago that I have had some background in military affairs—and that question has arisen here on the floor of the House today. I have had some 10 years on active duty and 12 years on the Committee on Armed Services. The gentleman from Pennsylvania [Mr. VAN ZANDT] has been associated with the military for over 30 years. It is our judgment that this matter does not contribute to national defense. I can think of many, many places where we can spend $95 million and get defense. I see no defense in this item nor any defense for it.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD] for 5 minutes, to close the debate.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that all Members have permission to extend their remarks on this bill at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HALL. Mr. Chairman, I should like to point out in answer to the stated hopes of the gentleman from New York that I, too, am interested and surrounded by hydroelectric power projects in the Ozark region of southwest Missouri. Some are public and some private. I do not wish to debate the merits of conservation or free enterprise at this time, but simply to point out some not generally available information:

Recently at Table Rock Dam, in the district I am privileged to represent, in company of the district engineer I noted two new turbines being installed which were forged and made in Manchester, England—the United Kingdom. On questioning this procedure I was told that in spite of a $25,000 "lug," the cost of shipping, and on the required competitive bid basis there was a saving of $37,000 per "wheel"—even if we figured in the cost of installation and adaptation—difficult—to Westinghouse turbines and grid systems by American laborers.

Mr. Chairman, since that time a bid has been considered—because it is the low one—from a Swedish firm in the Beaver, Ark.—White River—Dam. We are beggaring the question, ladies and gentlemen. The gentleman's situation in New York will not be helped even if we do spend the $95 million for the public-power boondoggle at the Hanford engineering works in Washington. The

trouble is, we have "killed the goose that lays the golden egg," between the fallacious foreign policy, wherein the State Department and its quotas or tender tariffs imposed in the interest of wooing foreign favor on the one hand; and high and spiraling, and unrealistic labor costs—as compared with oversea labor costs—on the other.

I fear the Syracuse workers will not have additional employment under such administration policies.

Mr. FINDLEY. Mr. Chairman, is the generation of power a proper activity of the Federal Government? That is the basic question in the proposed amendment.

National defense is involved only by the most remote line of argument. I believe it is against the public interest that Federal Government gain this substantial new toehold in power generation. This Nation has achieved most of its progress through private enterprise. When we supplant private ownership with public ownership, we actually endanger the public interest. Government cannot effectively be its own watchdog.

Mr. MOSS. Mr. Chairman, I support the authorization of funds for project 62–a–6, the power generating facilities at the Hanford reactor. This authorization is supported by President Kennedy, by the Department of Defense, by the Interior Department, by the Atomic Energy Commission, by labor, by thousands of power producers, and by innumerable citizens and organizations throughout the country. The opposition to this project comes only from the private power indsutry and some chambers of commerce.

The Hanford reactor was designed as a dual-purpose facility, pursuant to the directives of Congress in Public Law 85–590, enacted in 1958, so that it could produce either plutonium alone, or both plutonium and electrical energy from the excess heat which would otherwise be wasted if only plutonium is produced.

I am against the waste of our Nation's natural resources. I am against waste in any form. The strength of our Natior depends on the skill and efficiency with which we use our national resources. We cannot compete against communism if we throw away power, energy, and other resources. Even the opponents of this project concede that it would be wasteful to dump the excess heat from the reactor into the Columbia River.

I do not know whether any of the fish in the Columbia River have filed a petition with some of the opponents of this project to have the surplus heat used to warm their river. Or perhaps such a petition may have been filed by enemies of the fish in order to stifle their habitat with overly warm waters. In either event, I am against using the valuable excess heat from the nuclear reactor to warm the Columbia River. I am against such extravagant waste of our national resources.

I am in favor of a strong nuclear power program. Our nuclear power program is far behind the programs of other nations, such as Russia and Britain. We cannot afford to fall by the wayside in the development of nuclear power. We are indeed fortunate this great need for expanding our nuclear power capability can be achieved in this instance in a way that is economically feasible, that strengthens our national defense, that enhances our national prestige, that contributes to our nuclear power technology, and that provides great economic benefits to the power customers, the people, and the power industry of the Pacific Northwest.

I am astounded by the lack of substance in the arguments of the five Joint Committee members who oppose the authorization of electric power generating facilities at the Hanford reactor. Their arguments are contrary to the facts, and are misleading in many respects. They raise the strawman of the irrelevant public versus private power issue, and attempt to hide the benefits that the Nation will derive from this project.

Let us look at their arguments.

First. The five minority members say that the project will not advance nuclear power technology. Such an argument is fallacious on its face. The experience which can be gained from the manufacture and operation of a large nuclear powerplant would be most valuable for extending nuclear power technology into larger and better future reactor plants. Thousands of people in the power industry could receive most valuable training that will greatly facilitate the integration of nuclear power into existing utility systems.

Second. The five minority members say that this authorization is contrary to the spirit, intent, and specific language of section 44 of the Atomic Energy Act of 1954. Yet in the very next breath they admit that the generation of electrical energy would not be illegal, since the bill we are now considering would provide adequate authorization. Instead, they argue that this bill raises the policy question whether the Atomic Energy Commission is to become another TVA.

In the first place, I think a great deal of TVA. TVA has been one of the finest investments ever made by our Nation in the growth and development of both the TVA region and the Nation as a whole. The fact, however, is that the matter of having electrical generating facilities at the Hanford reactor is quite different from the matter of constructing fossil-fuel steamplants. What we have here is simply the question of whether heat or steam energy that will be produced as a byproduct of plutonium production is going to be used or wasted. The issue here, therefore, is not whether we shall build new sources of energy production from materials that can be used at a later time—such as coal, oil, gas. The issue here is simply whether we are going to let this large amount of byproduct heat go to waste or whether we are going to use this valuable resource as intelligent people should; namely, to produce electrical energy for the use and benefit of the people.

Third. The five minority members then turn to the preference provisions in section 44 of the Atomic Energy Act and contend that the private power companies would have no guarantee of any benefit from the power produced at the Hanford reactor. This contention simply flies in the face of the facts. In the Pacific Northwest, the power outlook for the next 10 years makes it clear that it is the private utilities and basic industries which would receive the primary benefits of Hanford-produced power. The preference customers needs for the next 10 years are going to be met with hydropower marketed by Bonneville Power Administration. Moreover, under the specific terms of section 44 of the Atomic Energy Act, which is made applicable in this bill, private utilities will be able to receive the Hanford power under firm 10-year contracts and without the 5-year pullback restriction present in the Bonneville Act.

Fourth. The argument that the construction of electrical generating facilities at the Hanford reactor would not aid national defense is wholly unsupported by the five minority members. Instead, they go off on the tangent that Russia would not agree to international disarmament if we have a nuclear powerplant that can be easily converted to nuclear production.

In the first place, such a contention is utterly naive. The Russians themselves are building dual-purpose nuclear powerplants. They could hardly challenge our dual-purpose plants while maintaining and constructing such plants themselves.

In any event, I would not gamble, and I am sure that no responsible Members of this House would gamble, with the security of our Nation. I am not going to cripple the ability of the United States to develop dual-purpose plants simply while we wait for the possibility of a disarmament agreement with Russia. If the minority opponents really believe their argument, then they should vote against funds for all national defense activities of our country. The appropriations for the Military Establishment are as much a deterrent to a possible future international disarmament agreement, if not more so, than the funds for the construction of generating facilities for the peaceful production of electrical energy from nuclear power. Are the minority members who signed the separate statement opposing the Joint Committee's recommendation going to vote against national defense? I just don't think they mean to be as irresponsible as their argument indicates.

Fifth. The five minority members then say that no additional power is needed in the Pacific Northwest. Yes, there is a surplus of power there now. But that surplus will soon be gone in about 4 years. All available firm power will be taken up by the preference customers, and little will be left for the private utilities. Industrial growth will be restricted.

I am not satisfied with a static economy for this Nation. I know that our country needs energy to grow. The development of new power for the Pacific Northwest is needed not only to take care of the power shortage that is going to develop there in a few years; it is needed not only to stimulate the growth of new industry in that region; but it is also needed to develop the strength,

confidence, and growth which will result for the entire Nation from the development of new power sources.

Sixth. The five minority members raise the hobgoblin that the Hanford power will be used to entice existing industry in other parts of the country to move to the Pacific Northwest. Even if that argument were true, such sectional and divisive argument is not worthy of Members of Congress who represent the Nation as a whole. But that argument is entirely untrue. They cannot show a single instance in which the development of new hydroprojects in the West has taken any industry away from other sections of the country. Instead, such new power has developed new industry, and thereby benefited both the region and the Nation as a whole.

The scare-cry that construction of the Hanford electrical generating facilities would prevent the use of eastern coal for fossil-fuel steamplants is pure fiction. Coal from the East could not economically be used in steamplants on the Pacific coast.

Seventh. The minority members then say that the Hanford power would be used as further justification for construction of Federal transmission lines, leading to a construction of a giant national electric power grid. Here is confusion worse confounded. The construction of the California intertie, to link the Pacific Northwest and Southwest does not depend on the construction of the Hanford electrical generating facilities, nor does the construction of the Hanford facilities depend on the construction of the intertie. Each stands on its own. Each is necessary and useful even if the other were not constructed.

Let me say at the outset that I have given a great deal of study to the California intertie. I have read the various reports made by the Government and private engineers which demonstate the great benefits that will come from the construction of such an intertie. I think we need that intertie, and I hope it will be constructed, either by the Federal Government or by non-Federal agencies under provisions which provide the greatest benefit to all persons and regions of the Pacific coast area.

But I think the need for the California intertie would exist even if no electrical power is generated at the Hanford reactor. I cannot see how the need for the California intertie can be used as a scare argument against the Hanford electrical facilities.

Eighth. So we come to what seems to be the main argument of the five minority members, namely, that the project would not produce power economically. If this argument were based on fact—if this argument had even a semblance of support—if this argument were even logically documented by the minority, it would be a most important matter to consider. But the facts are entirely otherwise. Every study that has been made as to the economic feasibility of the Hanford electrical generating facilities—by the Atomic Energy Commission, by the Federal Power Commission, by the Corps of Engineers, by the Bonneville Power Administration, and by the Joint Committee on Atomic Energy—shows that the project is economically feasible. All expenditures for power purposes will be repaid within 33 years, with full allowance for interest, amortization, operation and maintenance costs.

The fact that the Federal Power Commission did not charge the $120 million cost of the reactor itself as a cost of power, which the five minority members criticize, is obviously irrelevant. To charge such cost to power in determining the feasibility of the power facilities would not be proper since the reactor is purely for defense purposes and would be constructed even if the power facilities were not constructed. As for the $25 million conversion facilities, it is my understanding, contrary to the implications by the five minority members, that that cost will be considered by the Secretary of the Interior and the Atomic Energy Commission in determining the allocation of costs for power.

The argument that Bonneville Power Administration will lose money by integrating Hanford power is nonsensical. The fact is that the addition of Hanford power will enable the Bonneville Power Administration to market additional firm power on long-term contracts and thereby increase its annual revenues by many millions of dollars. I see nothing in the fearful and negative predictions of high costs which the minority makes to support their contention that the project is not economically justifiable.

Ninth. The argument that the construction of the electrical generating facilities will not enhance the international prestige of the United States is a joke. Russian prestige skyrocketed in 1958 when Russia announced its 100,000-kilowatt dual-purpose nuclear powerplant. The Hanford reactor will have seven to eight times as much capacity. I need not say more.

Tenth. Finally, the five minority members expose their real fear when they contend that construction of the Hanford reactor is simply further encroachment of Government in private business. This argument stretches the bugaboo of private antipathy to public power beyond the limits of elasticity. More than half of the 700,000 to 800,000 kilowatts of power that would be produced at the Hanford reactor; namely, 350,000 to 400,000 kilowatts will be needed to offset the needs of the reactor for electrical power now obtained from Bonneville Power Administration.

In any event, the Hanford situation is not an encroachment by Government into private business. Private business is not now producing that power. Private business is not creating a new source of power here. Private business is not losing anything. On the contrary, the issue here is whether excess heat that will be produced by the Government in the course of its nuclear plutonium production is going to be wasted by dumping it into the Columbia River, or whether it is going to be converted into low-cost electrical energy for the benefit of the Pacific Northwest and the Nation. This is not Government encroachment by Government on private business. This is needed national action to conserve our national resources and to avoid waste.

I urge this House to support the authorization for the electrical generating facilities at the Hanford reactor as a project that is in the national interest.

Mr. HOLIFIELD. Mr. Chairman, I believe this bill has been thoroughly debated. I want to compliment all who have participated on their good humor, on the seriousness of their arguments with regard to this matter. I doubt if there is anything I can say that would not be repetitious. Therefore, I am going to yield to the gentleman from Texas [Mr. THOMAS] at this time.

Mr. THOMAS. Mr. Chairman, may I talk with you about a subject that I have been interested in since the Manhattan days. The House has displayed good temper. The Members have heard some conscientious arguments on both sides of this question. I do not want to get mixed up in the technicalities of it. I do not want to engage in any debate on the power question, as we call it. I want to talk to you about this project on its individual merits.

It is very seldom that I disagree with my genial and able friend from Pennsylvania. I see quite a bit of him every day in places other than on this floor.

Mr. Chairman, I want to talk about the dollars and cents in this proposition. Read your report. I am not the expert, my able chairman is not the expert, my lovable friend from Pennsylvania is not the expert on power. You have a regular agency of your Government, the Federal Power Commission, who is our governmental expert. The Federal Power Commission says, "This is a good, sound proposition, and we recognize it." This is a byproduct. If there has been any mistake made—and I am not saying that there has been a mistake, either—it was when you built the big plant itself. That is, if you say it was a mistake, and I do not think so. It is in existence. Here it is. You are going to recover $7 million a year from your investment.

Let us say the investment is not $95 million, but $100 million, and let us do a little mental arithmetic. This return is $7 million a year. They say it will increase. This project will amortize itself a whole lot sooner than many other projects that you and I and all the rest of us have voted for many, many times. Are we going to throw away this $7 million a year just because it is power? We cannot be that foolish, if I may use that word, can we?

Look what the Census Bureau says, and in my judgment that is a great agency in the Department of Commerce. They say, and they are usually right, that barring a world upheaval this country in another 32 or 33 years will have not the 175 million people we have today but what? Think about it—350 million people. What is that great Northwest country going to do for power? This will not be a drop in the bucket, will it?

Sometimes we say that it is a bad proposition, it is not technically correct, that this will produce 800,000 kilowatts a year which are not needed. But think about it. It will not be built inside of 4 or 5

years. This is a sound project. I am talking about the dollars and cents involved. Who on this floor will go back to his people next week and say, "I threw away an opportunity to recover for years and years $7 million on a $100 million investment."

This amendment should be voted down, and I respectfully submit it to the House on that basis.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. VAN ZANDT].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. VAN ZANDT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. VAN ZANDT and Mr. HOLIFIELD.

The Committee divided, and the tellers reported that there were—ayes 176, noes 140.

So the amendment was agreed to.

The CHAIRMAN. Under the rule, there being no further amendments, the Committee will rise.

Accordingly, the Committee rose and the Speaker pro tempore [Mr. ALBERT], having assumed the Chair, Mr. SISK, Chairman of the Commitee of the Whole House on the State of the Union reported that that Committee having had under consideration the bill (H.R. 7576) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, pursuant to House Resolution 362, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF FEDERAL WATER POLLUTION CONTROL ACT

Mr. BLATNIK. Mr. Speaker, I call up the conference report on the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 675)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That (a) the last sentence of section 1(a) of the Federal Water Pollution Control Act (33 U.S.C. 466(a)) is amended to read as follows: 'To this end, the Secretary of Health, Education, and Welfare (hereinafter in this Act called the "Secretary") shall administer this Act.'

"(b) Sections 2, 3, 4, 5, 6, 7, and 8(c)(3), and the first sentence of section 10(a), of such Act are each amended by striking out 'Surgeon General' and 'Surgeon General's' wherever they appear therein and inserting in lieu thereof 'Secretary' and 'Secretary's', respectively.

"(c) Sections 4(a) and 7(c) of such Act are each amended by striking out 'Public Health Service' and inserting in lieu thereof 'Department of Health, Education, and Welfare'.

"(d) Sections 7(a)(2)(B) and 10(b) of such Act are each amended by striking out 'Secretary of Health, Education, and Welfare' and inserting in lieu thereof 'Secretary'.

"(e) Section 10(a) of such Act is amended by striking out the second and third sentences thereof.

"SEC. 2. Section 2 of the Federal Water Pollution Control Act is amended by inserting '(a)' after 'SEC. 2.' and by inserting at the end of such section the following:

"'(b)(1) In the survey or planning of any reservoir by the Corps of Engineers, Bureau of Reclamation, or other Federal agency, consideration shall be given to inclusion of storage for regulation of streamflow for the purpose of water quality control, except that any such storage and water releases shall not be provided as a substitute for adequate treatment or other methods of controlling waste at the source.

"'(2) The need for and the value of storage for this purpose shall be determined by these agencies, with the advice of the Secretary, and his views on these matters shall be set forth in any report or presentation to the Congress proposing authorization or construction of any reservoir including such storage.

"'(3) The value of such storage shall be taken into account in determining the economic value of the entire project of which it is a part, and costs shall be allocated to the purpose of water quality control in a manner which will insure that all project purposes share equitably in the benefits of multiple-purpose construction.

"'(4) Costs of water quality control features incorporated in any Federal reservoir or other impoundment under the provisions of this Act shall be determined and the beneficiaries identified and if the benefits are widespread or national in scope, the costs of such features shall be nonreimbursable.'

"SEC. 3. (a) The proviso in paragraph (4) of subsection (a) of section 4 of the Federal Water Pollution Control Act is amended to read as follows: '*Provided*, That the Secretary shall report annually to the appropriate committees of Congress on his operations under this paragraph;'.

"(b) Section 4 of such Act is further amended by inserting at the end thereof the following new subsections:

"'(d)(1) In carrying out the provisions of this section the Secretary shall develop and demonstrate under varied conditions (including conducting such basic and applied research, studies, and experiments as may be necessary):

"'(A) Practicable means of treating municipal sewage and other waterborne wastes to remove the maximum possible amounts of physical, chemical, and biological pollutants in order to restore and maintain the maximum amount of the Nation's water at a quality suitable for repeated reuse;

"'(B) Improved methods and procedures to identify and measure the effects of pollutants on water uses, including those pollutants created by new technological developments; and

"'(C) Methods and procedures for evaluating the effects on water quality and water uses of augmented streamflows to control water pollution not susceptible to other means of abatement.

"'(2) For the purposes of this subsection there is authorized to be appropriated not more than $5,000,000 for any fiscal year, and the total sum appropriated for such purposes shall not exceed $25,000,000.

"'(e) The Secretary shall establish, equip, and maintain field laboratory and research facilities, including, but not limited to, one to be located in the northeastern area of the United States, one in the Middle Atlantic area, one in the southeastern area, one in the midwestern area, one in the southwestern area, one in the Pacific Northwest, and one in the State of Alaska, for the conduct of research, investigations, experiments, field demonstrations and studies, and training relating to the prevention and control of water pollution. Insofar as practicable, each such facility shall be located near institutions of higher learning in which graduate training in such research might be carried out.

"'(f) The Secretary shall conduct research and technical development work, and make studies, with respect to the quality of the waters of the Great Lakes, including an analysis of the present and projected future water quality of the Great Lakes under varying conditions of waste treatment and disposal, an evaluation of the water quality needs of those to be served by such waters, an evaluation of municipal, industrial, and vessel waste treatment and disposal practices with respect to such waters, and a study of alternate means of solving water pollution problems (including additional waste treatment measures) with respect to such waters.'

"SEC. 4. (a) Subsection (a) of section 5 of the Federal Water Pollution Control Act is amended by inserting immediately following 'June 30, 1961, $3,000,000' the following: ', and for each succeeding fiscal year to and including the fiscal year ending June 30, 1968, $5,000,000'.

"(b) Subsection (f) of section 5 of the Federal Water Pollution Control Act is amended by striking out 'and' at the end of paragraph (4) thereof, by striking out the period at the end of paragraph (5) thereof and inserting in lieu thereof the following: '; and', and by adding after such paragraph (5) the following new paragraph:

"'(6) sets forth the criteria used by the State in determining priority of projects as provided in section 6(b)(4).'

"(c) The amendment made by subsection (a) of this section shall take effect July 1, 1961.

"(d) The amendment made by subsection (b) of this section shall take effect July 1, 1962.

"SEC. 5. (a) Clause (2) of subsection (b) of section 6 of the Federal Water Pollution Control Act is amended to read as follows: '(2) except as otherwise provided in this clause, no grant shall be made for any project in an amount exceeding 30 per centum of the estimated reasonable cost thereof as determined by the Secretary, or in an amount exceeding $600,000, whichever is the smaller: *Provided*, That the grantee agrees to pay the remaining cost: *Provided further*, That, in the case of a project which will serve more than one municipality (A) the Secretary shall, on such basis as he determines to be

reasonable and equitable, allocate to each municipality to be served by such project its share of the estimated reasonable cost of such project, and shall then apply the limitations provided in this clause (2) to each such share as if it were a separate project to determine the maximum amount of any grant which could be made under this section with respect to each such share, and the total of all the amounts so determined or $2,400,000, whichever is the smaller, shall be the maximum amount of the grant which may be made under this section on account of such project, and (B) for the purpose of the limitation in the last sentence of subsection (d), the share of each municipality so determined shall be regarded as a grant for the construction of treatment works;'.

"(b) Subsection (b) of such section 6 is further amended by striking out 'and' at the end of clause (3) and by inserting before the period at the end of clause (4): '; and (5) no grant shall be made under this section for any project in any State in an amount exceeding $250,000 until a grant has been made thereunder for each project in such State (A) for which an application was filed with the appropriate State water pollution control agency prior to one year after the date of enactment of this clause and (B) which the Secretary determines met the requirements of this section and regulations thereunder as in effect prior to the date of enactment of this clause'.

"(c) The third sentence of subsection (c) of such section 6 is amended to read as follows: 'Sums allotted to a State under the preceding sentence which are not obligated within six months following the end of the fiscal year for which they were allotted because of a lack of projects which have been approved by the State water pollution control agency under subsection (b)(1) of this section and certified as entitled to priority under subsection (b)(4) of this section, shall be reallotted by the Secretary, on such basis as he determines to be reasonable and equitable and in accordance with regulations promulgated by him, to States having projects approved under this section for which grants have not been made because of lack of funds: *Provided, however,* That whenever a State has funds subject to reallocation and the Secretary finds that the need for a project in a community in such State is due in part to any Federal institution or Federal construction activity, he may, prior to such reallocation, make an additional grant with respect to such project which will in his judgment reflect an equitable contribution for the need caused by such Federal institution or activity. Any sum made available to a State by reallotment under the preceding sentence shall be in addition to any funds otherwise allotted to such State under this Act. The allotments of a State under the second and third sentences of this subsection shall be available, in accordance with the provisions of this section, for payments with respect to projects in such State which have been approved under this section.'

"(d) Subsection (d) of such section 6 is amended to read as follows:

"'(d) There are hereby authorized to be appropriated for each fiscal year through and including the fiscal year ending June 30, 1961, the sum of $50,000,000 per fiscal year for the purpose of making grants under this section. There are hereby authorized to be appropriated, for the purpose of making grants under this section, $80,000,000 for the fiscal year ending June 30, 1962, $90,000,000 for the fiscal year ending June 30, 1963, $100,000,000 for the fiscal year ending June 30, 1964, $100,000,000 for the fiscal year ending June 30, 1965, $100,000,000 for the fiscal year ending June 30, 1966, and $100,000,000 for the fiscal year ending June 30, 1967. Sums so appropriated shall remain available until expended: *Provided,* That at least 50 percent of the funds so appropriated for each fiscal year shall be used for grants for the construction of treatment works servicing municipalities of 125,000 population or under.'

"(e) Section 6 is further amended by adding at the end thereof the following new subsection:

"'(f) The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on projects for which grants are made under this section shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor, in accordance with the Act of March 3, 1931, as amended, known as the Davis-Bacon Act (46 Stat. 1494; 40 U.S.C., secs. 276a through 276a–5).'

"SEC. 6. (a) The first sentence of subsection (a)(1) of section 7 of the Federal Water Pollution Control Act is amended to read as follows: 'There is hereby established in the Department of Health, Education, and Welfare, a Water Pollution Control Advisory Board, composed of the Secretary or his designee, who shall be chairman, and nine members appointed by the President, none of whom shall be Federal officers or employees.'

"(b) The first sentence of subsection (a)(2)(A) of such section 7 is amended by inserting before the period at the end thereof: ', and (iii) the term of any member under the preceding provisions shall be extended until the date on which his successor's appointment is effective'.

"(c) Members of the Water Pollution Control Advisory Board (established pursuant to section 7(a) of the Federal Water Pollution Control Act as in effect prior to enactment of this Act) serving immediately before the date of enactment of this Act shall be members of the Water Pollution Control Advisory Board, established by the amendment made by subsection (a) of this section, until the expiration of the terms of office for which they were appointed.

"SEC. 7. (a) Subsection (a) of section 8 of the Federal Water Pollution Control Act is amended to read as follows:

"'ENFORCEMENT MEASURES AGAINST POLLUTION OF INTERSTATE OR NAVIGABLE WATERS

"'SEC. 8. (a) The pollution of interstate or navigable waters in or adjacent to any State or States (whether the matter causing or contributing to such pollution is discharged directly into such waters or reaches such waters after discharge into a tributary of such waters), which endangers the health or welfare of any persons, shall be subject to abatement as provided in this Act.'

"(b) Subsection (b) of such section 8 is amended by striking out 'interstate waters' and inserting in lieu thereof 'interstate or navigable waters'.

"(c) Paragraph (1) of subsection (c) of such section 8 is amended to read as follows:

"'(c)(1) Whenever requested by the Governor of any State or a State water pollution control agency, or (with the concurrence of the Governor and of the State water pollution control agency for the State in which the municipality is situated) the governing body of any municipality, the Secretary shall, if such request refers to pollution of waters which is endangering the health or welfare of persons in a State other than that in which the discharge or discharges (causing or contributing to such pollution) originates, give formal notification thereof to the water pollution control agency and interstate agency, if any, of the State or States where such discharge or discharges originate and shall call promptly a conference of such agency or agencies and of the State water pollution control agency and interstate agency, if any, of the State or States, if any, which may be adversely affected by such pollution. Whenever requested by the Governor of any State, the Secretary shall, if such request refers to pollution of interstate or navigable waters which is endangering the health or welfare of persons only in the requesting State in which the discharge or discharges (causing or contributing to such pollution) originate, give formal notification thereof to the water pollution control agency and interstate agency, if any, of such State and shall promptly call a conference of such agency or agencies, unless, in the judgment of the Secretary, the effect of such pollution on the legitimate uses of the waters is not of sufficient significance to warrant exercise of Federal jurisdiction under this section. The Secretary shall also call such a conference whenever, on the basis of reports, surveys, or studies, he has reason to believe that any pollution referred to in subsection (a) and endangering the health or welfare of persons in a State other than that in which the discharge or discharges originate is occurring.'

"(d) Paragraph (3)(A) of subsection (c) of such section 8 is amended by striking out 'interstate' and inserting in lieu thereof 'interstate or navigable'.

"(e) Subsections (d), (e), and (f) of such section 8 are amended to read as follows:

"'(d) If the Secretary believes, upon the conclusion of the conference or thereafter, that effective progress toward abatement of such pollution is not being made and that the health or welfare of any persons is being endangered, he shall recommend to the appropriate State water pollution control agency that it take necessary remedial action. The Secretary shall allow at least six months from the date he makes such recommendations for the taking of such recommended action.

"'(e) If, at the conclusion of the period so allowed, such remedial action has not been taken or action which in the judgment of the Secretary is reasonably calculated to secure abatement of such pollution has not been taken, the Secretary shall call a public hearing, to be held in or near one or more of the places where the discharge or discharges causing or contributing to such pollution originated, before a Hearing Board of five or more persons appointed by the Secretary. Each State in which any discharge causing or contributing to such pollution originates and each State claiming to be adversely affected by such pollution shall be given an opportunity to select one member of the Hearing Board and at least one member shall be a representative of the Department of Commerce, and not less than a majority of the Hearing Board shall be persons other than officers or employees of the Department of Health, Education, and Welfare. At least three weeks' prior notice of such hearing shall be given to the State water pollution control agencies and interstate agencies, if any, called to attend the aforesaid hearing and the alleged polluter or polluters. On the basis of the evidence presented at such hearing, the Hearing Board shall make findings as to whether pollution referred to in subsection (a) is occurring and whether effective progress toward abatement thereof is being made. If the Hearing Board finds such pollution is occurring and effective progress toward abatement thereof is not being made, it shall make recommendations to the Secretary concerning the measures, if any, which it finds to be reasonable and equitable to secure abatement of such pollution. The Secretary shall send such findings and recommendations to the person or persons discharging any matter causing or contributing to such pollution, together with a notice specifying a reasonable time (not less than six months) to secure abatement of such pollution, and shall also send such findings and recommendations and such notice to the State water pollution

control agency and to the interstate agency, if any, of the State or States where such discharge or discharges originate.

"'(f) If action reasonably calculated to secure abatement of the pollution within the time specified in the notice following the public hearing is not taken, the Secretary—

"'(1) in the case of pollution of waters which is endangering the health or welfare of persons in a State other than that in which the discharge or discharges (causing or contributing to such pollution) originate, may request the Attorney General to bring a suit on behalf of the United States to secure abatement of pollution, and

"'(2) in the case of pollution of waters which is endangering the health or welfare of persons only in the State in which the discharge or discharges (causing or contributing to such pollution) originate, may, with the written consent of the Governor of such State, request the Attorney General to bring a suit on behalf of the United States to secure abatement of the pollution.'

"(f) Subsection (h) of such section 8 is amended to read as follows:

"'(h) Members of any Hearing Board appointed pursuant to subsection (e) who are not regular full-time officers or employees of the United States shall, while participating in the hearing conducted by such Board or otherwise engaged on the work of such Board be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding $100 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"'(i) As used in this section the term—

"'(1) "person" includes an individual, corporation, partnership, association, State, municipality, and political subdivision of a State, and

"'(2) "municipality" means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law.'

"SEC. 8. Section 9 of the Federal Water Pollution Control Act is amended by adding at the end thereof the following new sentences: 'In his summary of any conference pursuant to section 8(c)(3) of this Act, the Secretary shall include references to any discharges allegedly contributing to pollution from any Federal property. Notice of any hearing pursuant to section 8(e) involving any pollution alleged to be effected by any such discharges shall also be given to the Federal agency having jurisdiction over the property involved and the findings and recommendations of the Hearing Board conducting such hearing shall also include references to any such discharges which are contributing to the pollution found by such Hearing Board.'

"SEC. 9. Section 11 of the Federal Water Pollution Control Act is amended by striking out subsections (d) and (e) and inserting in lieu thereof the following:

"'(d) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

"'(e) The term "interstate waters" means all rivers, lakes, and other waters that flow across or form a part of State boundaries, including coastal waters.'

"SEC. 10. Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), is amended by striking out all beginning with '*Provided*,' in the first proviso to the colon at the end of the second proviso and inserting in lieu thereof the following: '*Provided*, That the cost of any construction or modification authorized under the provisions of this section shall be determined on the basis that all authorized purposes served by the project shall share equitably in the benefits of multiple purpose construction, as determined by the Secretary of the Army or the Secretary of the Interior, as the case may be: *Provided further*, That before construction or modification of any project including water supply provisions for present demand is initiated, State or local interests shall agree to pay for the cost of such provisions in accordance with the provisions of this section: *And provided further*, That not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands where State or local interests give reasonable assurances, and there is reasonable evidence, that such demands for the use of such storage will be made within a period of time which will permit paying out the costs allocated to water supply within the life of the project'.

"SEC. 11. This Act may be cited as the 'Federal Water Pollution Control Act Amendments of 1961'."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

GEORGE H. FALLON,
JOHN A. BLATNIK,
FRANK SMITH,
ROBERT JONES,
JOHN F. BALDWIN,
Managers on the Part of the House.

DENNIS CHAVEZ,
ROBERT KERR,
PAT MCNAMARA,
JENNINGS RANDOLPH,
FRANCIS CASE,
HUGH SCOTT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment strikes out all of the House bill after the enacting clause and inserts a substitute. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The major differences between the House bill and the substitute agreed to in conference are noted in the following statement.

FIRST SECTION

The House bill amended subsection (b) of the first section of the Federal Water Pollution Control Act to strike out the specific reference to boundary waters of States and added a clause stating that nothing in the Federal Water Pollution Control Act should be construed as impairing or affecting the power authority and jurisdiction of the States to enforce State water pollution control laws and regulations.

The conference substitute does not make these amendments to existing law.

SECTION 2

The Senate amendment amended section 2 of the Federal Water Pollution Control Act to add a new subsection (b) which would grant authority to Federal agencies to include capacity in reservoirs for water quality control. This capacity is not to be a substitute for adequate treatment of sewage. A determination would be made of the benefits of such capacity and an appropriate share of the cost allocated to this purpose. Beneficiaries would be determined and if the benefits are widespread or national in scope, the costs of such capacity would be nonreimbursable.

The House bill did not contain such a provision.

The conference substitute adopts the amendment of the Senate.

SECTION 3(a)

The House bill amended section 4(a)(4) of the Federal Water Pollution Control Act to remove the limitation that not more than $100,000 could be used to establish and maintain research fellowships.

The Senate amendment did not remove this limitation.

The conference substitute would remove this dollar limitation but would require an annual report by the Secretary to the appropriate committees of Congress on his operations under that provision of law.

SECTION 3(b)

The Senate amendment added a new subsection (d) to section 4 of the Federal Water Pollution Control Act. This new subsection would require the development and demonstration by the Secretary of (1) practicable means of treating sewage and other wastes to remove the maximum amounts of pollutants in order to maintain the Nation's water at a quality suitable for repeated reuse, (2) improved methods of identifying and measuring pollutants, and (3) methods for evaluating the effects of augmented streamflows to control pollution not otherwise susceptible to abatement. An authorization for these purposes of not to exceed $5,000,000 per fiscal year with a total limitation of $25,000,000 is also provided by the amendment.

The House bill contained no such provision.

The conference substitute is identical to the Senate amendment.

SECTION 4

The House bill increased grants to States and interstate water pollution control agencies for the operation of their programs beginning with the fiscal year 1962 from $3,000,000 to $5,000,000 and extended the authorization through June 30, 1971. It also amended the law to require that State plans must contain the criteria used by the State in determining the priority of projects.

The Senate amendment is the same as the House bill with respect to increasing the authorization from $3,000,000 to $5,000,000 except that the authorization is extended only through June 30, 1966. The Senate amendment did not require the State plan to contain the criteria used in determining priority.

The conference substitute is the same as the House bill except that the increased authorization to $5,000,000 is extended only through June 30, 1968, and the States are given until July 1, 1962, to conform with the requirement that their plans set forth the criteria used in determining priority of projects.

SECTION 5

The House bill amended subsection (b) of section 6 of the Federal Water Pollution Control Act to provide that no construction grant shall be made for any project in an amount exceeding whichever of the following is smaller: (1) $800,000, or (2) the total of 30 percent of the first $1,000,000 of the reasonable cost of the project as determined by the Secretary, plus 15 percent of the next $2,000,000 of such cost, plus 10 percent of the remainder of such cost.

The Senate bill amended the same provision of law as the House bill to provide that no grant shall be made for any project in an amount exceeding 30 percent of the estimated reasonable cost thereof, or in an amount exceeding $500,000, whichever is smaller.

The conference substitute is the same as the Senate amendment with exception that the amount of $500,000 is increased to $600,000.

SECTION 5(b)

The House bill amended subsection (b) of section 6 of the Federal Water Pollution Control Act to provide no grant should be made for any project under that section in an amount exceeding $250,000 until a grant had been made for each project (1) for which an application was filed with the appropriate State water pollution control agency prior to the date of enactment of amendment and (2) which meets the requirements of the section and regulations thereunder as in effect prior to such date of enactment.

The conference substitute is the same as the House bill with the exception that the priority given by this amendment has been extended to all those smaller projects for which applications are filed before one year after the date of enactment of this amendment.

SECTION 5(c)

The House bill amends subsection (c) of section 6 of the Federal Water Pollution Control Act to provide that if an allotment to a State is not obligated within six months after the end of the fiscal year for which it was made because of a lack of approved projects then the Secretary can reallocate those unobligated amounts on a reasonable and equitable basis. These reallocated amounts are to be available for projects approved for grants before the end of the fiscal year following the fiscal year for which the original allotment was made.

The Senate amendment provides for the reallocation of sums allotted to a State not obligated at the end of the fiscal year following the fiscal year for which they were allotted because of a lack of approved projects. The reallocation shall be to those States having approved projects for which grants have not been made because of a lack of funds, with the exception that whenever the Surgeon General finds that the need for a project in a community in the State is due in part to a Federal institution or Federal construction activity, he may, before making any reallotment, make an additional allocation to the project which will reflect an equitable contribution for the need caused by the Federal institution or activity.

The conference substitute is essentially the same as the Senate amendment with the exception that the States are given 18 months to obligate their allotment as provided in the House bill, rather than 24 months as provided in the Senate amendment. In addition, the conference substitute makes it clear that an additional grant may be made to a project in a State by the Secretary because of the Federal institution or activity in the State only from funds allotted to that State which are subject to reallotment because of a lack of approved projects in that State.

SECTION 5(d)

The House bill amended subsection (d) of section 6 of the Federal Water Pollution Control Act to increase the amount authorized for grants under that section from $50 million to $100 million per fiscal year. The aggregate authorization of such sum is also increased from $500 million to $1 billion.

The Senate amendment amended the subsection to provide an authorization of $70,000,000 for the fiscal year 1962, $80,000,000 for the fiscal year 1963, $90,000,000 for the fiscal year 1964, $100,000,000 for the fiscal year 1965, and $100,000,000 for the fiscal year 1966. In addition the Senate amendment repealed the restriction in existing law that at least 50 percent of funds appropriated must be granted for treatment works servicing municipalities of 125,000 population or less.

The conference substitute provides authorization of $80,000,000 for the fiscal year 1962, $90,000,000 for the fiscal year 1963, and $100,000,000 for each of the fiscal years 1964 through and including 1967. In addition the conference substitute retains the restriction requiring the use of at least half of the funds appropriated for projects in cities of 125,000 population or less which was repealed by the Senate amendment.

SECTION 6(c)

The House bill amends section 7(a) of the Federal Water Pollution Control Act to establish in the Department of Health, Education, and Welfare a Water Pollution Control Advisory Board composed of the Secretary or his designee, as chairman, and 9 members appointed by the President, none of whom shall be Federal officers or employees.

The conference substitute is the same as the House bill except that it is made clear that the members of the existing Advisory Board shall be members of the newly created Board until the expiration of the terms of office to which they were appointed.

SECTION 7(a), (b), AND (d)

The House bill provided that pollution of navigable waters would be subject to abatement under the Act.

The Senate amendment provided that interstate or navigable waters shall be subject to abatement under the Act.

The conference substitute is the same as the Senate amendment.

SECTION 7(c)

The House bill provides that a conference initiating Federal enforcement procedures must be called on the request of (1) the Governor, (2) the State water pollution control agency, or (3) with the concurrence of the State water pollution control agency, the governing body of any municipality, whenever the pollution endangers the health or welfare of persons in a State other than that in which the discharge originates (hereafter referred to as "interstate pollution"). The Secretary on his own initiative may call such a conference when he has reason to believe that such interstate pollution is occurring. Such a conference must be called whenever requested by the Governor, the State water pollution control agency, or, with the concurrence of such agency, the governing body of any municipality when pollution is endangering the health or welfare of persons only in the State requesting the conference (hereafter referred to as "intrastate pollution"), unless the Secretary determines that the effect of the pollution is not significant enough to warrant the exercise of Federal jurisdiction.

The Senate amendment differs from the House bill in that a conference could be called because of interstate pollution on request of the Governor of the State or the State water pollution control agency and could be called because of intrastate pollution only upon the request of the Governor of a State.

The conference substitute provides that a conference could be called in the case of interstate pollution upon the request of the Governor, the State water pollution control agency, or, with the concurrence of both the Governor and the State agency, the governing body of any municipality. The Secretary may call such a conference on his own initiative in the case of interstate pollution. The conference substitute provides in the case of intrastate pollution that a conference may be called only when requested by the Governor of the State where the pollution is occurring. In cases involving intrastate pollution the Secretary may refuse to exercise Federal jurisdiction if in his judgment the pollution is not of sufficient significance to warrant so doing.

SECTION 7(e)

The House bill amends subsection (e) of section 8 of the Federal Water Pollution Control Act to provide that the board which under present law conducts the public hearing to make findings whether pollution is occurring and whether effective progress towards abatement is being made shall be formally known as a Hearing Board. The House bill further amends section 8(e) of existing law to provide that findings and recommendations of the Hearing Board shall be those of the Secretary except to the extent the Secretary believes other findings or recommendations are warranted. The House bill also authorizes the Secretary to make an order requiring the abatement of pollution, which order shall become final sixty days after its issuance unless an appeal is taken.

The Senate amendment made no changes in the existing law.

The only change in existing law which the conference substitute would make would be to formally designate the board holding the public hearing as a Hearing Board.

SECTION 7(e)

The House bill amends subsection (f) of section 8 of the Federal Water Pollution Control Act to provide a detailed method for appealing an order of the Secretary issued under subsection (e) of section 8 as proposed to be amended by the House bill.

The Senate amendment made no change in existing law.

The conference substitute provides that if pollution is not abated within the time specified in the notice following the public hearing the Secretary of Health, Education, and Welfare may request the Attorney General to bring a suit on behalf of the United States to secure abatement in the case of interstate pollution; however, in the case of intrastate pollution he may request the institution of such a suit in the name of the United States only with the written consent of the Governor of the State.

SECTION 7(e)

The House bill amends subsections (g) and (h) of section 8 of the Federal Water Pollution Control Act to provide for the jurisdiction of the court with respect to orders issued by the Secretary under subsection (e) of such section 8 as proposed to be amended by the House bill.

The Senate amendment made no changes in the existing law.

The conference substitute makes no changes in the existing law in this respect since the conference substitute does not provide authority for the Secretary to issue orders as was the case in the House bill.

SECTION 10

The Senate amendment amends the Water Supply Act of 1958. The House bill contained no such amendment. The present Water Supply Act of 1958 provides authority for the Corps of Engineers and the Bureau of Reclamation to include municipal and industrial water supply capacity in reservoirs under their jurisdiction. The present law provides that not to exceed 30 percent of the total cost of any project may be allocated to anticipated future demands if State or local interests give reasonable assurances that they will contract for the use of storage for anticipated future demands within a period of time which will permit paying out the cost allocated to water supply within the life of the project. The Senate amendment will permit the Federal agency concerned to make its own determination of future water supply needs and, on the basis of such determination, to include capacity in a project without definite contractual commitments from State or local interests.

The conference substitute adopts the provisions of the Senate amendment.

TITLE

The Senate amended the title of the bill to more nearly reflect the amendments made by the Senate.

The conference substitute adopts the title of the bill proposed by the Senate.

GEORGE H. FALLON,
JOHN A. BLATNIK,
FRANK SMITH,
ROBERT JONES,
JOHN F. BALDWIN,
Managers on the Part of the House.

Mr. BLATNIK (interrupting reading of the conference report). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers on the part of the House be dispensed with.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Minnesota?

Mr. GROSS. Mr. Speaker, reserving the right to object, I trust the gentleman will take ample time to explain the conference report.

Mr. BLATNIK. We will take all the time that is necessary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the conference report which is before the House on H.R. 6441, amending the Federal Water Pollution Control Act, is in essence the bill which overwhelmingly passed the House several weeks ago by a vote of 307 to 110. As a result of the conference there were certain modifications in the bill as passed by the House which I will now attempt to explain to you.

The conferees agreed to a number of major changes in the bill as it passed the House. In addition, certain provisions agreed to in the other body and not included in the House bill were accepted in conference. For instance, the bill now contains a provision on water quality control which provides that the Corps of Engineers, Bureau of Reclamation, or other Federal agency shall give consideration in the survey or planning of any reservoir to inclusion of storage for streamflow regulation for water quality control purposes, except that such storage and releases shall not be provided as a substitute for adequate treatment or other waste-controlling methods at the source.

Also the bill contains an amendment to the Water Supply Act of 1958 which was not included in the original House version. The present Water Supply Act of 1958 provides authority for the Corps of Engineers and the Bureau of Reclamation to include municipal and industrial water supply capacity in reservoirs under their jurisdiction. The present law provides that not to exceed 30 percent of the total cost of any project may be allocated to anticipated future demands if State or local interests give reasonable assurances that they will contract for the use of storage for anticipated future demands within a period of time which will permit paying out the cost allocated to water supply within the life of the project. The conference report will permit the Federal agency concerned to make its own determination of future water supply needs and, on the basis of such determination, to include capacity in a project without definite contractual commitments from State or local interests.

In addition, the research provisions of the House bill were substantially strengthened by the addition of a new subsection which would require the development and demonstration by the Secretary of, first, practicable means of treating sewage and other wastes to remove the maximum amounts of pollutants in order to maintain the Nation's water at a quality suitable for repeated reuse; second, improved methods of identifying and measuring pollution; and, third, methods for evaluating the effects of augmented streamflows to control pollution not otherwise susceptible to abatement. An authorization for these purposes of not to exceed $5 million per fiscal year with a total limitation of $25 million is also provided by the amendment.

These were three additions to the bill accepted by your conferees.

In addition to these new provisions, your conferees agreed to certain modifications in the House-passed bill, most important of which were reductions in grants for sewage treatment plant construction and changes in Federal enforcement procedures. With regard to construction grants, the conference substitute provides authorization of $80 million for the fiscal year 1962, $90 million for the fiscal year 1963, and $100 million for each of the fiscal years 1964 through and including 1967. This total authorization of $570 million represents a decrease of $198 million from the House-passed bill and an increase of $130 million in the amount originally approved by the Senate. Also, the conference bill increases the maximum grant allowable from $250,000 to $600,000, which is $200,000 less than originally approved by the House and $100,000 more than the Senate version.

With regard to enforcement, the House bill provided that a conference initiating Federal enforcement procedures, must be called on the request of: First, the Governor; second, the State water pollution control agency; or third, with the concurrence of the State water pollution control agency, the governing body of any municipality, whenever the pollution endangers the health or welfare of persons in a State other than that in which the discharge originates. The Secretary on his own initiative may call such a conference when he has reason to believe that such interstate pollution is occurring. Such a conference must be called whenever requested by the Governor, the State water pollution control agency, or, with the concurrence of such agency, the governing body of any municipality when pollution is endangering the health or welfare of persons only in the State requesting the conference, unless the Secretary determines that the effect of the pollution is not significant enough to warrant the exercise of Federal jurisdiction.

The Senate amendment differed from the House bill in that a conference could be called because of interstate pollution on request of the Governor of the State or the State water pollution control agency and could be called because of intrastate pollution only upon the request of the Governor of a State.

The conference substitute provides that a conference could be called in the case of interstate pollution upon the request of the Governor, the State water pollution control agency, or, with the concurrence of both the Governor and the State agency, the governing body of any municipality. The Secretary may call such a conference on his own initiative in the case of interstate pollution. The conference substitute provides in the case of intrastate pollution that a conference may be called only when requested by the Governor of the State where the pollution is occurring. In cases involving intrastate pollution the Secretary may refuse to exercise Federal jurisdiction if in his judgment the pollution is not of sufficient significance to warrant so doing.

The House bill amended subsection (e) of section 8 of the Federal Water Pollution Control Act to provide that the board which under present law conducts the public hearing to make findings whether pollution is occurring and whether effective progress toward abatement is being made shall be formally known as a hearing board. The House bill further amended section 8(e) of existing law to provide that findings and recommendations of the hearing board shall be those of the Secretary except to the extent the Secretary believes other findings or recommendations are warranted. The House bill also authorized the Secretary to make an order requiring the abatement of pollution, which order shall become final 60 days after its issuance unless an appeal is taken.

The Senate amendment made no changes in the existing law.

The only change in existing law which the conference substitute made would be to formally designate the board holding the public hearing as a hearing board.

The House bill amended subsection (f) of section 8 of the Federal Water Pollution Control Act to provide a detailed method for appealing an order of the Secretary issued under subsection (e) of section 8 as proposed to be amended by the House bill.

The Senate amendment made no change in existing law.

The conference substitute provides that if pollution is not abated within the time specified in the notice following the public hearing the Secretary of Health, Education, and Welfare may request the Attorney General to bring a suit on behalf of the United States to secure abatement in the case of interstate pollution; however, in the case of intrastate pollution he may request the institution of such a suit in the name of the United States only with the written consent of the Governor of the State.

Mr. Speaker, the bill before the House represents a half century of effort on the part of many dedicated people, mayors and municipal officials, State health and sanitation officials, conservationists, women's organizations and other civic groups and Members of this House to bring about enactment of an effective Federal water pollution control program. Passage of this bill today

will give the Federal Government working in a joint effort with State and local authorities the necessary tools to prevent the wasteful blight of polluted waters. I urge its adoption.

At this point, Mr. Speaker, I yield such time as the gentleman from Alabama [Mr. JONES] may require to explain briefly those two features of the conference report with which he is most intimately and thoroughly familiar.

Mr. JONES of Alabama. Mr. Speaker, I appreciate the opportunity afforded me by the chairman in yielding to me. However, Mr. Speaker, this matter has been completely discussed previously in this forum. As far as I know there has been no objection to these two sections dealing with water quality control and the Water Supply Act of 1958 from either side of the aisle. As the chairman has explained, these amendments merely clarify the Water Supply Act of 1958, which was part of the Flood Control Act of that year and bring into law water quality control. I believe these amendments are very important and very useful sections of this bill. They will aid tremendously in the development of reservoirs to be constructed by the Department of the Interior and the Corps of Engineers and other agencies charged with the responsibility of our national water resources program.

Mr. GROSS. Mr. Speaker, will the chairman yield to me for a question?

Mr. BLATNIK. I would be glad to yield to the gentleman.

Mr. GROSS. I inquire of the gentleman what the money figure in this bill now is. What it was and what it now is. What was it when it left the House?

Mr. BLATNIK. The per-project limitation raised the existing $250,000 per project in the present law up to $800,000. The Senate figure was $500,000, and we settled on $600,000. Our sliding scale was struck out. The conference report sets a figure of $600,000, or 30 percent of the project cost whichever is the lesser. We made this additional allowance in order to accommodate the smaller communities to the effect that all applications now pending up to a $250,000 limit, and all further applications yet to be filed for a year from the date of the enactment of this law on the same figure, should it become law, shall have priority. They must be disposed of first and have first claim on sewage grant funds before any of the larger projects are awarded.

Mr. GROSS. Do I understand that the amount involved in this bill is now down to something like $570 million; is that correct?

Mr. BLATNIK. Yes. The House bill had a total figure of $768 million and the Senate figure was $440,000. We came down to $570 million over a 7-year fiscal period.

Mr. GROSS. If the gentleman will yield further and bear with me, because I do not like to ask him to be repetitious, but on the intrastate control will the gentleman explain that again, although I do not wish for him to go over all of his remarks?

Mr. BLATNIK. On the intrastate matter—exclusively intrastate dealing with Federal enforcement action—the bill requires that the Secretary call a conference on intrastate pollution only when requested by the Governor of the State involved and that request refers exclusively to intrastate pollution on intrastate navigable waters. The Governor must ask for the Secretary to come in before he can act.

Mr. GROSS. I thank the gentleman.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I will be pleased to yield to the distinguished gentleman from Michigan.

Mr. DINGELL. The House bill as originally passed had language at the bottom of page 1 which read as follows:

> To this end the Secretary of the Department of Health, Education, and Welfare, hereinafter in this Act called the "Secretary," shall administer this act.

It was my understanding that the purpose of that language was to remove from the Surgeon General at least temporarily the water pollution control enforcement activities and to vest them directly in the Secretary.

Is that language in the conference report, and is it in the language adopted by the conferees?

Mr. BLATNIK. Yes, the language is in the conference report, and it was adopted by the conferees. They did upgrade the Department and took it out of the basement where it has been for many years and put it up directly under the Secretary of the Department of Health, Education, and Welfare.

Mr. DINGELL. I want to thank the gentleman, and I want to commend the conferees for retaining this section. As one of the coauthors and cosponsors of this particular measure, I have been very much distressed by the fact that the bureaucrats within the U.S. Public Health Service have consistently and continually stifled this program and have deliberately and callously and calculatedly hamstrung the efforts of the people who have been seeking to do the work to clear up this pollution. I am speaking as one of the coauthors and cosponsors of this legislation. I will look with favor on any move which will upgrade this Department, as has been put in the conference report.

Mr. BLATNIK. The gentleman has every right in the world to speak as he does, and I would like to have the RECORD show that during the hearings before our full committee it was the gentleman from Michigan's testimony that was most pertinent and very convincing on the need for such upgrading. It was action that the House committee took and which the House passed, and which was sustained at our request in conference by the Senate.

Mr. DINGELL. I certainly want to commend the gentleman, and state that if this recommendation of Congress is not taken by the Secretary and the bureaucrats concerned I shall regard it as a personal affront, and I hope this body will so regard it also.

Mr. O'HARA of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. O'HARA of Michigan. I should like to bring to the gentleman's attention the new subparagraph (f) added to section 3 of the act which authorizes a study with respect to the quality of the water of the Great Lakes and an evaluation of the municipal, industrial, and vessel waste treatment and disposal practices with respect to such waters, and a study of alternate means of solving water pollution problems with respect to such waters. May I inquire of the gentleman if it is his understanding that increased diversion of the Great Lakes water would be permitted for such a study in terms similar to those provided in the O'Brien bill of the last Congress?

Mr. BLATNIK. This would not permit increased diversion, but it recognizes the pollution problem in the Great Lakes area where in recent years because of increased population and industrial growth in the Great Lakes area plus the influx of the liners from the high seas has seen a growth of pollution in this region. We need more study. That is the purpose of this paragraph. It would be a study of the nature, cause, and possible cure for the situation that exists on the Great Lakes.

Mr. O'HARA of Michigan. I wish to commend the gentleman from Minnesota for his interest in this problem. I represent a district which borders on the Great Lakes. I agree with the gentleman's analysis of the very serious problem we are facing in that region. I commend him for his advocacy of this kind of provision. I also wanted to make the record clear that it did not include the type of diversion of which I spoke.

Mr. BLATNIK. That is correct.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I take this opportunity to speak out of order to thank all Members of Congress that have participated in the congressional baseball game to be held at Griffith Stadium on the 18th. We are sold out. I am told today there have been 28,000 tickets sold, thanks to all of you gentlemen.

I appreciate the gentleman's giving me this opportunity to make this statement.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Iowa.

Mr. KYL. Merely seeking information, certainly with no criticism of anyone or any legislation of this kind, may I say there are several departments and agencies of Government which are involved in trying to clear up questions of water pollution and the desalinization of salt water and brackish water, and so on. Is there any one group anywhere in the Government which is attempting to coordinate the efforts of these various agencies of the Government?

Mr. BLATNIK. On the matter of water pollution abatement and control there is one agency, which is in the Surgeon General's Office, now under the Secretary of Health, Education, and Welfare. We are trying to broaden the scope of their operation and place the program on a higher level. As to desalinization, that is a new field of scien-

tific and technological exploration, to try to find methods by which salt or brackish water can be made into sweet water. Pollution abatement, by reducing pollutants and affording pollution control, permits the reuse of existing water many times.

Mr. KYL. It is my understanding that this provides for such research?

Mr. BLATNIK. Yes.

Mr. KYL. Insofar as that research is concerned, it is obvious that you would be dealing with many similiar problems. I was simply inquiring to find if there is coordination in this kind of research that is going on in all the related fields. Certainly there is a relation.

Mr. BLATNIK. I am confident there will be coordination between the desalination program and pollution abatement program, and any further advances with respect to these new chemicals and new diluents which are used in streams and rivers which will help solve this problem.

Mr. KYL. I hope the gentleman is correct.

Mr. BLATNIK. Mr. Speaker, I yield 10 minutes to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Speaker, I thank the gentleman for yielding me this time and my remarks will be brief.

Let me explain three or four aspects of this legislation to put it possibly in a better focus.

First. I am very much in favor of adequate water pollution control throughout the country. So the question is: How are you going to get it? In my opinion, the only way we are ever going to get water pollution control in America is not by appropriating billions of dollars in Washington and not by taking over the jurisdiction of the States and not by sopping up existing State jurisdiction over intrastate streams and, thus, causing the States to withdraw from the program, but rather the way to solve it is to encourage the States to come into it. Does this bill fit that pattern? Does this conference report fit into that pattern? The bill initially passed by the House, as I stated to the Members, did not, in my opinion, accomplish it. This conference report is little if any better, and in some respects it is worse. It does not accomplish it either. What does it do? In the first place, to continue this program going, you do not need this legislation. You already have $50 million a year authorized for the next 5 years. You have an existing program of $500 million. In addition to that, you have a program of over $100 million under the Area Redevelopment Act which we passed earlier in this session of the Congress which under certain conditions might be allocated to the construction of disposal treatment plants. That is what we are talking about in this authorization. That is the only thing we are talking about in this authorization—how much money should the Federal Government put into sewage disposal treatment plants on a grant-matching basis—the Federal Government with the local community? I tried to get the committee to bring the States into the picture so that it would be a State-Federal-local relationship. But, no, the Federal Government wants to deal directly and solely with the municipalities so far as the State allocation of funds is concerned. So we have an existing program.

The existing program has been working well. It has caused the States to do what? It has caused the States to accelerate their own programs. What is this program going to do by adding $50 million a year more and taking away the State jurisdiction and giving the Federal Government in the enforcement provisions jurisdiction over every stream in America that can float a log. Let me repeat that—this bill gives from an enforcement standpoint jurisdiction to the Federal Government for the first time for water-pollution abatement purposes jurisdiction over every stream in America that can float a log. That is the best definition you can give for a navigable stream. So, instead of the present circumstances and the present law, where the Federal Government has jurisdiction only when a stream crosses the State boundaries and, therefore, it is an interstate stream, and where the pollution is interstate, which is a sound approach, the Federal Government now wants to come in under this legislation and the proponents want the Federal Government to come in and take over the State jurisdiction of any of these intrastate streams for pollution purposes. If they do it for pollution purposes, what is going to be the next purpose of the Federal Government taking over jurisdiction? So the effect of it will be that it will dry up the States' responsibility. It will dry up the incentive on the part of the States to do something about this problem. So this bill, this proposal, this conference report, does not meet the fundamental test of solving this problem on a partnership basis. It concentrates more power in Washington and it gives the Federal authority more jurisdiction, but it does not encourage the States to try to continue with the job they have been doing and which they have been accelerating under the 1956 act, which is presently in existence. So the Federal-State relationships are being affected very substantially by this legislation.

This conference report does not stress fiscal responsibility at all. Already that has been shown. So there are fundamentals involved in this legislation: Federal-State relationships, proper budget authorization, the question of fiscal responsibility. The Members of this House will have occasion to vote for fiscal responsibility. The States should be encouraged to pay for their share of the problem.

Why should fiscal responsibility be stressed? Let us review briefly what the House has already done with regard to spending money just in this session of Congress: Appropriations now approved or pending in the House amount to $85 billion, substantially in excess of President Eisenhower's proposal.

The cost of enacted and proposed major programs in the House of Representatives is estimated as follows:

Bill or program	Description	Estimate for fiscal year 1962	5-year potential assuming current plans
		Billions	*Billions*
*Housing	$8,800,000,000 back door	$2.3	$9.05
*Depressed areas	$300,000,000 back door	.394	1.5
*Keogh bill	In loss of revenue	.125	1.825
*Water pollution	Increase over previous	.050	.250
*Federal highway	Deviation from general fund	.150	.750
*Public Law 480 extension	Required dollar amounts to reimburse CCC	2.0	2.0
*Feed grains bill	$339,800,000 in advance certifications to be matched after planting season, plus $18,000,000 in USDA funds through appropriation bill.	.698	.698
*Unemployment extension		.990	.990
*Aid dependent children	$350,000,000 over 15-month period	.280	.350
*School lunch program	$105,000,000 in CCC funds—back door	.105	.105
*Direct loan veterans program	$1,200,000,000 back door over 5-year period	.240	1.2
Foreign aid		4.8	26.8
General education	$2,500,000,000, 3 years	.833	4.1
Higher education	$1,250,000,000, 5 years	.300	1.25
National Defense Education Act	$375,000,000 over 3 years in loans to private schools	.125	.625
Impacted areas		.310	1.55
Civil defense	$100,000,000 1st year, much more later	.100	.800
Job retraining	$100,000,000 1st year, $600,000,000 thereafter	.100	2.5
Airport aid	$375,000,000, back door	.375	1.875
Agricultural proposals		10	50
Total		24.335	107.918

*Indicates bill has already passed the House.

Thus Congress is grappling with proposals which would cost over $24 billion in fiscal year 1962 and at least $107 billion in the next 5 fiscal years if enacted. This is a modest estimate, since funds counted as back-door spending could be spent more rapidly and new authority enacted to take its place. Also, future appropriations will not diminish if this year is an example of future policies.

Appropriations now passed and pending in the House total some $85 billion. Thus, counting present appropriations, future authorizations and back-door spending, Congress is already being forced to deal with budgets stretching far in excess of $100 billion annually.

The House has already enacted new programs calling for new spending in the amount of $7,332 million, including $50 million for water pollution or sewage disposal plant construction grants.

Is not that reason to be skeptical when you have before you a conference report in which they are asking $30 million more than provided by existing law for fiscal 1962, $40 million more for 1963, and $50 million a year more for 3 years

commencing with fiscal year 1964, and an additional $100 million for fiscal year 1967.

So there are the basic considerations involved. The conference report did not cure the fundamental objections which I have previously pointed out and which I repeat at this time. We are encroaching on the States in the enforcement section. There is no question about it. If you have an interstate stream pollution problem the States are never necessarily brought into the picture. Under present law it is required that they agree and consent to a court action to carry out the finding of the Board. Under this proposal as to interstate streams the States need never be consulted before the Federal Government goes in and gets an order carrying out what the Federal Government alone and exclusively has decided that the States should do. I say that is a major injection of the Federal Government into State and local functions. The Congress 5 years ago specifically stated in existing law that any time an enforcement action should be brought into court for determination that the States have to consent to it. That provision has been eliminated with regard to interstate streams. We tried to put it back in conference and we failed.

So for these fundamental reasons I say this legislation is just as objectionable as it was at the outset.

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAMER. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. I am informed that in the Senate bill there is a statement which does not occur in the House bill and occurs only in extremely veiled terms in the conference report. The statement is "that when need for pollution control in a community is due to Federal activity an additional allocation may be made to meet an equitable portion of such need."

I ask this question because some of us have Federal installations in our districts and in some cases they have posed quite a problem.

Mr. CRAMER. The distinguished gentlewoman has brought up a question which was considered by the conferees. The conference version provides relief for Federal institution impact similar to the bill passed by the Senate, but decreases the time before unobligated funds can be reallocated for this purpose. It decreases the time in which they will be available for obligation by a State, and not turned back to the Treasury for reallocation in other States, from 2 years to 18 months, and then permits the Secretary prior to such reallocation to make an additional grant from such funds with respect to projects in that same State where the need for such projects is due in part to Federal institutions or construction activity.

Mr. BLATNIK. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Speaker, I rise in support of this conference report. The assignment of conferees representing the House in a bill of this kind is for the purpose of taking the matter up with the conferees in the other body and to see if within the limitations or borders of the two bills passed by the respective bodies a better bill can be brought out.

In my opinion, the bill that is now before the House is tightened up, it is a better bill than the one originally passed some weeks ago. I must respectfully disagree with my colleague from Florida who has done a very able job in this committee as to his contention that there is a larger authorization in this bill than in the original bill. I do not believe the conference report bears that out.

The law as it exists today and prior to the passage of this bill provides an authorization of $50 million per year, with a maximum of $500 million. The bill that passed the House increased that authorization to $100 million per year, with a maximum of $1 billion, again no limitation on the number of years. It was not actually limited to 10 years. So the additional authorization passed by the House over the amount appropriated to date amounts to $768 million because $232 million has been appropriated to date.

The Senate passed a bill that authorized $440 million. So, there were the two boundaries: the $768 million by the House and the $440 million by the Senate. The conference report that is now before you is a compromise between those two figures in the sum of $570 million authorized over the next 6 years and a carryover from the 5 years past of $18 million, making a total maximum of $588 million.

Now, this bill passed the House originally by a vote of 308 to 110. Anyone who at that time voted for the bill can be sure that this bill offers lower authorized expenditures than you voted for at that time. Actually, it likewise reduces the maximum application for any one project from a maximum of $800,000 to $600,000, and therefore you will be able to have this allocated to more individual applicants in your area than was true in the bill as it passed the House originally.

As to enforcement, I think this bill is a better bill from the standpoint of enforcement than the original bill, because we gave the Secretary power that I did not think was proper to give to him, and that was the power to issue an order, power for him to amend any decision of a hearing board and then to issue an order without any right of appeal in the meantime and then have him issue an order to enforce whatever determination was made. This is a very broad allocation of power, and that power to issue such an order was taken out of this conference report and reverted back basically to the original law which requires that he issue a notice and then, if there is no compliance, he has the right to ask the Attorney General to bring a case into court for enforcement, and therefore it better protects any person's right he has under court procedure. I think anyone who voted for this bill originally, a month ago, can safely vote for it now again, and those who are interested in the amount of allocation, which is actually lower than the original bill, and who voted against the bill originally, might find it possible to vote for the conference report today.

Mr. BLATNIK. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. HALLECK].

PROGRAM FOR THE BALANCE OF THE WEEK AND NEXT WEEK

Mr. HALLECK. Mr. Speaker, I take this time to inquire of the majority leader as to the program for the balance of the week and next week.

Mr. McCORMACK. There is no further program for the balance of the week after the disposition of this pending conference report on which the conferees have done an excellent job. It is a very excellent bill.

The chairman of the Committee on Ways and Means just indicated that he is going to ask unanimous consent to call up a bill a little later on to concur in the Senate amendments and a bill extending the time to December of this year, I think it is, of the feed grain bill relating to agriculture, a law that expires tomorrow, and unanimous consent will be asked for.

Mr. HALLECK. Will the gentleman permit me to make one observation at this time?

Mr. McCORMACK. Yes.

Mr. HALLECK. I know that was included in what is known as the omnibus farm bill when we had the same sort of situation existing with the extension of the school milk program. Now, I have agreed to let this one be called, but I just want to serve notice that I am a little resentful of this practice that has grown up and is becoming too prevalent of putting measures that would be difficult to vote against in some big controversial measure, and then when you cannot get the controversial measure out wanting us to agree because it presents an emergency to enact legislation which has expired. As I say, I have agreed to this, and I have talked to the gentleman from Iowa [Mr. HOEVEN], about it, and we have agreed to let this measure go through, but I must say that hereafter under certain circumstances like that I might not find it possible to go along with the request.

Mr. McCORMACK. I might say in reply to that, without knowing the particular matters that the minority leader has in mind that we Democrats have found ourselves in the same position when the gentleman's party was in power and we rather admired him for his tactical leadership.

Now for the program. On Monday there will be seven bills called under suspension. They are as follows:

First. H.R. 44, U.S.S. *Arizona* Memorial. That is an authorization bill.

Second. H.R. 6691, a bill to provide protection for the Vice President, Vice President-elect and former Presidents.

Third. H.R. 7403, relating to the postal service. This is known as the downgrading bill. This has to do with situations where an employee through reclassification is given a lower grade but retains his salary of the higher grade. At least, that is my understanding of the purpose of the bill, and I believe it is a meritorious one.

Fourth. House Joint Resolution 435, a joint resolution relating to the centennial of the Department of Agriculture.

Fifth. House Joint Resolution 436, relating to the centennial of the land-grant universities and colleges.

Sixth. H.R. 2555, a bill relating to pay and allotments of Federal employees in advance.

Seventh. H.R. 4473, to amend the Bankruptcy Act in relation to limiting priority.

The Consent Calendar will be called on Monday.

On Tuesday we will have the Private Calendar.

For Wednesday, Thursday, and Friday we shall take up Reorganization Plans No. 7, 6, and 5, in that order. In relation to Nos. 7 and 6, the minority have the right if they desire, to bring up either one of these plans on the question of rejection.

Mr. HALLECK. Mr. Speaker, will the gentleman explain to us why we are taking them up in that inverse order? Some of us think that they ought to be brought up in the order in which they came up here, Nos. 5, 6, and 7.

Mr. McCORMACK. They can be taken up either way, but we are simply taking them up in the order of Nos. 7, 6, and 5.

Mr. HALLECK. Is that some more of the tactical leadership the gentleman referred to?

Mr. McCORMACK. I would say that we are keeping them in some kind of chronological order, at least so far as the numbers are concerned.

There is the usual reservation that conference reports may be brought up at any time, and any further program will be announced later.

Mr. BLATNIK. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Mr. Speaker, I think I heard some kind of a groan when the gentleman from Minnesota yielded me 5 minutes of time to speak. I resent that just a little bit because I have been working for a long time on a speech that I hope will be the best one that I ever gave to the Congress. Now I find there are some people here who do not want to listen to it. I cannot understand it. I hope that this call of "Vote," an indication of complaint, did not come from those Members whom we normally recognize as the Tuesday-to-Thursday boys around here. I would like to suggest that you are going to get paid for tomorrow, whether we are in session or not. And while I know that this speech I am going to give is good enough to keep you over for a day, I do not propose to take that much time.

Mr. Speaker, no one in the Congress can be more interested in the conservation of our natural resources or in resolving the pollution problems than the Congressman who has the privilege of serving the First District of the State of Iowa.

My interest on this question stems back to the time I was a very young man and while I was living on an Iowa farm. My father, who had been born and reared in another country, told me about the terrible sin of abusing the soils and the natural resources that have been preserved for us by God and nature.

Since that time, I, of course, have had much time to reflect on what was and is a part of my own heritage, to read about it, to study and become acquainted with the total problem of conservation and its many phases that are important and need our attention.

This explains, too, why I have been so interested in studying and considering the legislative phase of this question.

After I came to the Congress and was assigned to the Public Works Committee, my interest was quickened and my study was increased and slowly but surely I came to the conclusion that here is a question that needs attention by every American and needs sympathetic consideration by every public official who can have an influence on reasonable and right solutions to this manifold and sometimes frustrating problem.

Because the problem was complex and difficult and misunderstood, I joined with State Senator J. V. Whitfield, of North Carolina, and a number of other conservationists and with the chairman of our subcommittee, the distinguished gentleman from Minnesota [Mr. BLATNIK], to ask the Secretary of Health, Education, and Welfare, Arthur Flemming, and President Eisenhower to call a White House Conference on this question.

They accepted our recommendation. A Conference was held here in Washington, D.C., in December of 1960.

To this Conference came men and women from all over America, from every walk of life and from every interest group, to discuss the problem and some solutions to the problem.

It was my pleasure to have the opportunity to attend the Conference, to join in some of the discussions and listen to some very appropriate and timely statements and discussions that bear upon this question.

In order that the House may have the benefit of knowing something about what took place here, I ask unanimous consent to have placed in the RECORD at this point a brochure entitled "Clean Water: A Challenge to the Nation, Highlights and Recommendations of the National Conference on Water Pollution."

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The matter referred to follows:

CLEAN WATER: A CHALLENGE TO THE NATION

(Highlights and recommendations of the National Conference on Water Pollution—U.S. Department of Health, Education, and Welfare, Public Health Service Publication No. 816)

"It is a pleasure to send greetings to the citizens assembled in Washington for the National Conference on Water Pollution. It is heartening to know that this conference has attracted such a splendid representation from across the land.

"We in the United States are fortunate in having generally adequate amounts of rainfall over large areas of our country, but we waste much of this precious natural resource by water pollution. We cannot continue to do so and still have enough good water for the growing needs of our population, industry, and agriculture. Nor can we continue to expose our people to the health hazards of water pollution.

"In asking the Department of Health, Education, and Welfare to call this National Conference, I stressed the mutual responsibilities of all segments of our society in cleaning up our waterways. We need appropriate action by Federal, interstate, State and local agencies. We need greatly expanded research, the continuing efforts of industry and agriculture, and, most important of all, we need the wholehearted support of the individual citizen. It is the business of the Conference to study and assess the problem of water pollution in all its aspects and to develop goals and programs that will assure progress in this field.

"I am delighted to add my best wishes for a most successful meeting.

"DWIGHT D. EISENHOWER."

"The National Conference on Water Pollution will affect the economic and public health planning of our Nation for many years to come. It held up to public view one of the critical problems of our time; it helped develop new information and fresh points of view about pollution control; and it focused attention on many different areas where new action is needed.

"The Conference opened a few hours after the onset of the worst snowstorm to occur in Washington in many years, one which virtually paralyzed the city. Despite the weather, nearly 1,200 people registered at the Conference and took part in its deliberations. For their attendance and for their help in shaping its recommendations, they deserve the gratitude of the American people.

"LEROY E. BURNEY, M.D.,
"Surgeon General."

INTRODUCTION

The National Conference on Water Pollution was called at President Eisenhower's request. In a message to the Congress, February 23, 1960, he stated that such a meeting was needed to "provide a forum in which all concerned can confront and better appreciate their mutual responsibility for solving this pressing problem."

The Honorable Arthur S. Flemming, Secretary of the Department of Health, Education, and Welfare, subsequently called upon the Public Health Service to organize the Conference and at the same time invited 37 distinguished citizens to serve as a steering committee to help and advise the Service. The committee was composed of highly qualified individuals representing municipal, State, interstate, industrial, civic, labor, and women's organizations, and other citizens' groups having an interest in the water pollution problem. The committee met with the Public Health Service staff for the first time on June 22, 1960, and worked closely with it during the summer and fall. The Conference itself opened at the Sheraton-Park Hotel in Washington, D.C., on December 12.

This booklet presents the highlights of the Conference—excerpts from some of the principal addresses, reports of the various panel groups, and a final summary of Conference recommendations. It is not, nor can it be, a complete and balanced report of the Conference; for this, readers must wait for the final proceedings which will be published in the near future. But it may give an overall view of what went on during the 3 days of December 12, 13, and 14, 3 days which may have a lasting influence on American attitudes toward the management of water resources and the need for control of water pollution.

Conference planning

Early in its planning for the Conference, the steering committee and the professional staff fixed upon four basic areas of concern in the field of water pollution control. These

became, with only small change, the topics assigned to the four panel groups. The first was the effect of pollution on the Nation's health, welfare, and economy; the second was the importance of water pollution control on the management of water resources; the third was the responsibilities of government, industry, agriculture, and the public in combating pollution; and the fourth was the need for research and professional training.

The division fixed upon by the committee and staff worked well. It was possible to obtain four outstanding people to serve as panel chairmen and with their help, to build self-sustaining and effective programs. The chairmen, whose reports are presented in this booklet, were the Honorable Thomas A. McCann, mayor of Fort Worth, Tex., and a member of the Water Pollution Control Advisory Board; Dr. E. A. Ackerman, executive officer of the Carnegie Institution of Washington, D.C.; Dr. Abel Wolman, professor of sanitary engineering at the Johns Hopkins University, Baltimore, Md.; and Dr. Gordon M. Fair, professor of sanitary engineering at Harvard University, Cambridge, Mass.

The four panel sessions ran concurrently on the second day of the conference; on the first day, one plenary session was held and a banquet at which outstanding Members of Congress spoke. On the third and final day there was a plenary session for closing remarks and conference summary.

The Conference was conducted without the adoption of formal resolutions. Reports and recommendations were prepared by subcommittees which are listed elsewhere in this document. The subcommittees were chosen in such a way as to insure that all interested groups were represented. Following each panel session and summary report an opportunity was provided for comments from the floor. This summary report contains only the reports of the subcommittees. Floor discussion will be found in the proceedings.

The program set up during the summer and fall suffered one defeat as the result of the winter weather beginning on December 11. It was necessary, in the face of a crippling snowfall, to forgo the opening morning session and to postpone the scheduled address of Secretary Flemming to the final day of the meeting. In all other respects the program went on as originally planned.

Public information

A basic part of preconference activity was the carrying on of an intensive public information program to focus attention on the problem of water pollution and to increase public awareness of the need for its control. The conference staff published a monthly bulletin, as well as a series of leaflets covering the effects of water pollution on recreation, on fish and wildlife, and on the public health and welfare. A chart book was also published and distributed at the time of the Conference and other promotional material was planned.

The steering committee was helpful not only in planning and directing the Conference, but also in developing the public awareness program. Organizations represented on the steering committee distributed Conference material to their members, published a great deal of information about the Conference in their own magazines and journals, and in some cases carried on cooperating publicity programs. A number of other organizations and groups not associated with Conference planning also contributed to the information activities, most notably the advertising council, the National Association of Broadcasters and the Outdoor Writers' Association. John Charles Daly contributed greatly to the radio and TV information program.

The Conference itself was widely publicized in the press and on radio and TV during its 3 days of sessions.

Accomplishments

It is too early to assess what the long-range impact of the Conference may be. Three things, however, seem apparent—the Conference brought new public attention to the problem of water pollution; it reached agreement on many significant issues connected with water pollution control; and, finally, it identified two major areas of disagreement.

The first of these areas of disagreement concerned the Federal Government's role in pollution control. An examination of Conference minutes shows no serious questioning of the need for a Federal program and no serious questioning of the general areas in which this program should function. But there was sharp divergence of view, reflected in this booklet, on what the extent of Government activity should be.

There was also uncertainty among Conference participants on the standards of cleanliness which should be set for our rivers and streams. What is economically feasible for a community, a river basin, or a nation to insist upon? What safeguards should be set against some of the newer pollutants, and what safeguards should be set against the use of chemicals which will eventually reach our water supplies?

If no agreement could be reached on these major issues, very considerable agreement was possible on a number of others—the need for more research and basic data, public awareness, keeping water as clean as possible, comprehensive river basin development, a need for stronger State leadership, the important responsibility of the Federal Government in research and technical assistance, and the need for more and better trained manpower. Published in this booklet are the 30 recommendations which were developed by the subcommittees and presented to the Conference group for comment. They represent the consensus of informed and highly interested persons representing every significant point of view on water problems.

The final accomplishment of the National Conference is the one which may in the end have the most effect upon how we use our water resources in the future. The conference, in 6 months of planning and in 3 days of actual session, brought new national attention to the need for the control of water pollution in the United States.

As executive secretary of the Conference, I should like to express the thanks of the Public Health Service to members of the steering committee, to Conference speakers and participants, and to my fellow members of the staff.

FRANK A. BUTRICO,
Executive Secretary, National Conference on Water Pollution.

CLEAN WATER

(By Dr. Leroy E. Burney, Surgeon General, Public Health Service)

This Conference is one of many heartening indications that the American people are coming to a full recognition of the realities of our technologic age. To a far greater extent than ever before, we live in a man-created and man-controlled environment. It is within our power to shape our own future, to guide the evolving patterns of society and determine the nature of the surroundings in which we and our children will live.

Few if any problems are more intricately interwoven into the fabric of our society than the control of water pollution. Clean water is essential to life itself; it is essential to our industrial technology, and to agriculture; is essential to the conservation and use of the many natural resources upon which the richer life depends.

FEDERAL VIEWPOINT

In describing the water pollution picture from the viewpoint of a Federal health agency, I should like to develop four principal points:

First, that water pollution control is an integral part of the broader problem of water resource development and use;

Second, that water pollution control is an inseparable part of the broader problem of environmental health protection;

Third, that an impressive amount of productive activity is already underway in controlling water pollution;

And, fourth, that the problem demands a still stronger effort on the part of Federal, State, and local authorities, industries, and all others concerned.

AN ECONOMIC IMPERATIVE

All of you are well acquainted with the overwhelming statistics on water usage, both today and in the foreseeable future. Already, in many areas, there is not enough water to go 'round. To cite one outstanding example, it is estimated that the water in the Ohio River, at times of low flow, is used almost four times as it flows from Pennsylvania to the Mississippi. It is at this point of reuse, of course, that the threads of water quality and water quantity become inextricably interwoven. And it is at this point also that considerations of national health enter the equations.

A BIOLOGICAL IMPERATIVE

There is no room for doubt that we are presently passing through a second industrial revolution. Its byproduct wastes and side effects threaten a new kind of health problem for our own and future generations, caused by the environmental pollutants and conditions to which we are continuously exposed every day of our lives—the chemicals in the water we drink, the food we eat, and the air we breathe, plus ionizing radiation from both natural and manmade sources.

I do not intend to suggest, of course, that our microbiological problems are solved, once and for all. I do wish to emphasize, however, that in the public health professions we stand at the microchemical frontier.

We know that the biological effects of some chemicals in our environment, and of low-level radiation, may build up over long periods of time. The hazard to the individual may well be related to the cumulative total of radiation or toxic chemicals received throughout his lifespan, continuously or intermittently, whether their source be water, air, food, or any of several others. A substance like lead, for example, coming from such sources as agricultural sprays and automotive exhausts, is present in food, water, air, and tobacco.

The effect on human health of the contemporary environment cannot be neatly packaged in mutually exclusive categories labeled "water pollution," "air pollution," "radiation," "occupational health." The individual's health is, at root, indivisible. The total environment has a cumulative impact upon it.

PROGRESS IN POLLUTION CONTROL

The present Robert A. Taft Sanitary Engineering Center is the largest research enterprise of its kind in the world. Among its recent accomplishments has been the development of new and extremely sensitive devices to extract and identify organic compounds in extremely small amounts. Other developments at the center include new criteria for using sand filters in water-treatment plants, and a successful pilot project of a sewage-treatment procedure applicable to housing subdivisions beyond the reach of

metropolitan sewer systems. Among the many basic problems now under study are methods of identifying compounds present in wastes and determining whether or not these compounds can be successfully assimilated by the treatment plant or the stream.

We recognize, of course, that even this greatly accelerated research effort is only a beginning. Research must be expanded and diversified manifold, not only in Public Health Service installations but also at universities and other research centers throughout the land.

BASIC DATA

The Public Health Service has initiated a long-range basic data program which includes among others: (1) A national network of 75 stream sampling stations, to be increased eventually to 300, on interstate streams to measure water quality; and (2) inventories of water, sewage, and industrial waste facilities in the United States, published at regular intervals.

INTERSTATE ENFORCEMENT

Where pollution of interstate waters endangers the health or welfare of persons in a State other than the one in which the pollution originates, the Surgeon General and the Secretary of Health, Education, and Welfare are empowered to take action to abate pollution. Enforcement actions have been taken thus far in 13 interstate pollution situations, involving more than 4,000 miles of streams. The remedial measures agreed upon will include the construction of some $500 million worth of waste treatment facilities.

CONSTRUCTION GRANTS

A total of 2,483 sewage treatment projects have been approved for Federal construction grants from 1956 through November 30, 1960. Of these, 1,246 are completed, 717 are under construction, and the rest are awaiting construction. They received grants of $205 million, and the total project costs were $1.2 billion. The stimulating effect of the Federal grants is seen in the better than 64 percent rise in sewage treatment plant construction since the grant funds became available.

PROGRAM GRANTS

The Federal Water Pollution Control Act authorizes $3 million a year for 5 years as grants to help support State and interstate pollution control programs. The States are required to pay from one-third to two-thirds of the costs of these programs. In general, the States have been able to expand their operations, and some have initiated new research and stream surveys as a result of the grants. Appropriations by the States for water pollution control activities have risen from $4.2 million (in 1956) to $6.5 million (in 1959) since the program grants became available.

TRAINING

The Public Health Service offers advanced training for engineers, chemists, and other scientists and technicians from Federal and State agencies, municipalities, industries, and foreign countries, as another of its services designed to aid the States and other allied agencies and organizations.

THE SHAPE OF THE FUTURE

There has been genuine progress in pollution control. There has been a heightened willingness on the part of the many agencies and groups concerned to assume their rightful responsibilities. In short, there is cause for encouragement.

There is not, however, cause for complacency. The condition of our waters is a national disgrace. It is tragic for the world's richest, most powerful and most technologically advanced Nation to foul its own nest, limit its own growth, and threaten the health of its people.

Plainly, the most fundamental responsibility of all rests at the source—with the municipalities and industries concerned. Our success or failure in pollution control will be proportional to the application of control measures by those who discharge wastes to the waters.

Clearly, too, the States must continue to be keystones of our pollution control efforts. Historically, legislatively, and logically the strength of the State agency is a major determinant of success in pollution abatement.

Finally, there is an unmistakable Federal responsibility derived from the national scope and enormous complexity of the problem itself—a responsibility for leadership in research and investigation, for contributing to an enlightened awareness on the part of both the public and the professions involved, for aiding and strengthening programs at State and local levels.

Water pollution control is a national problem of the first magnitude, both in its relationship to water resources development and in its involvement with man's health. It is not, however, an insuperable problem. In a nation such as ours, we can find enough money; we can develop enough scientific and technological capability, enough public concern, and enough mutual confidence and good will to reach a balanced solution.

A MATTER OF SURVIVAL

(By Albert E. Forster, president and chairman of the board, Hercules Powder Co., Wilmington, Del.)

The responsibility for solving the water pollution problem belongs to each individual American, working in community with his neighbors until it becomes one all-consuming national effort. Every American contributes to the problem simply through the fact of his existence, and because of his insistence on a high standard of living.

The seriousness of the water situation is the fault of no one group or organization, yet every one of us is responsible for depleted stocks and increased requirements. Trying to point the finger of blame may be easy and tempting but is utterly devoid of constructive criticism.

Recently there was proposed a three-part water management program in the Pacific Northwest. This was an industry-oriented program, one which I wholeheartedly endorse because it takes into full account the equities of all water users. This program would perform the following three steps:

1. By areas, the present and future beneficial water uses of an area would be determined and enunciated. These uses most certainly would include the disposal of industrial wastes as a legitimate water use.

And at this point I would like to emphasize the word "area." Water problems differ sometimes radically from one area to another. The answer to a problem in Delaware might be totally inadequate in California. For that reason the first step toward any solution of water resources problems must begin within the area, whether that be a municipality, State, or geographic region.

2. Water quality criteria would be established to protect these uses—criteria which would allow maximum use and reuse of the waters.

3. A program of monitoring to maintain required standards would be established and carried out.

This proposed program springs from a self-centered motive—the motive to survive. It is proposed by industry which is facing tremendous problems of industrial waste disposal. It is carefully thought out and it preserves the equities of all concerned.

REUSE OF WATER

We are apt to overlook the tremendous extent to which the reuse of available water now makes the same million gallons of water serve many masters. It is estimated that the present reuse of water by industry approaches 100 percent, and that this may be expected to rise to 400 percent in the future—that is, one gallon of intake water would be used five times.

It is obvious to those of you here today that conservation of water by dams and reserve stocks along our great rivers will assist materially in the near future both for supply and pollution control. I think it is also obvious that the desalting of sea water on a cost basis which we can bear will become a reality before too long. Neither of these factors, however, will obviate the present and future need to reuse the water we have many times over.

I would like to submit for your consideration a program and philosophy I believe must be embraced in order for us to succeed as a Nation in solving our water resources problem.

My first and most important proposal is that water resources and pollution control be considered on a State level, with funds, manpower and dedication as important as highways and schools.

In too many States, attention has been put to these problems only when everything else has been budgeted, if indeed any action at all has been taken. What's left over provides a pitiful amount of money to engage the services of too few professionals in this field. And the whole program, small as it is, is stripped of any authority to do anything because the States' lawmakers are so blind to the critical urgency of it.

In most all of our States, the greatest emphasis, attention, money, and public support is given to highways and schools. Certainly, better schools and highways are needed, and undoubtedly more money can be wisely spent on each of these items. But at the same time, we must allocate more to water resources if we insist upon continuously raising our standard of living.

Therefore, I say that each State should have the necessary facilities, empowered by the necessary laws, and staffed by the best engineers, so that the overall problem is licked first on the State level and working closely together with other States or interstate agencies on a regional level. Guiding this development of State and regional control should and must be the Federal Government, acting very much as our research and development team in industry does.

State and interstate control agencies must be able to call upon the Federal Government for guidance and counsel. A duplication of research effort on the State level would be impossibly costly and futile of any great achievement, since there are not enough trained personnel to go around.

Furthermore, the science of sanitary engineering is finding it increasingly difficult using known methods to solve some of the problems now being faced. New ones are cropping up every year.

Therefore, my second proposal is that a vastly increased research effort be brought to bear immediately upon the water pollution problem under the guidance of the Public Health Service, utilizing to a far greater extent than is now done the research programs being carried out by industry and private foundations on this common problem.

Coordinate, I suggest, all of the existing extensive research done on water pollution, find in that manner where more is needed, and then organize all of this knowledge and talent so that it may be immediately available and usable to anyone.

What will it take to carry out this research? Public Law 660 of 1956 now provides for a broader research program within the Public Health Service and for greater Federal cooperation on these areas through research grants, research fellowships, contract research and training. In addition, it

provides for strengthening the broad research program within the Public Health Service.

This is now being utilized to the extent consistent with appropriations being made under the law by Congress. It is evident that these are insufficient. Therefore, increased funds should be made available by Congress so that these programs in research can be implemented at a greater rate.

My third proposal, I sincerely believe, holds the key to success or failure of our common effort. I said at the start of my talk that the problem of water management in the United States is the responsibility of every citizen. Until a majority of our citizens are convinced, first that a problem does exist, second that we have no choice but to find a solution—and soon—and third that they must assume their share of responsibility in the solution, we as a Nation will fall short of the solution required.

INFORMATION PROGRAM NEEDED

In simple words, I am suggesting that a well planned information and education program must be launched and carried through to success if we are to solve our water resources problem.

This program of information and education is another example of a job too big for any one of us alone. We must establish a common ground of attack, pool our resources, our available skills and funds, and then move on all fronts at one time to convey in many forms, and using many media, the vital importance of water conservation.

Government on a Federal, State, and municipal level, industry and the citizenry, must work out together the management and improvement of this resource in order that we may continue to live and grow and prosper.

In the last few decades, I submit that industry for the most part has not only assumed its responsibility in the conservation and safekeeping of water supplies, but has done so at a faster rate than many municipalities so anxious and eager to have industry as a neighbor.

The chemical industry, which I represent, has been outstanding in its program of water pollution control. In the past year alone, more than a hundred million dollars has been spent by the chemical industry of the United States on water pollution control.

Some of it has been done by edict, and I will be the first to admit that there are now—and perhaps always will be—those members of the business community who require the harsh arm of the law to make them act as good citizens.

I am gratified that most of it has been done voluntarily. The recalcitrants, like the bad apples in any segment of our society, and each segment has them, should be treated as the exception to the rule and not be allowed to blemish the reputation of the majority.

In developing a total approach to adequate water supplies we must consider maximum utilization of our flowing streams. No longer can we afford the economic loss from recurring periods of flood, or the waste of this water so necessary for implementing dry-weather flows. Regulation of flow throughout the year will provide additional summertime volume, thus increasing the assimilative capacity of the stream as well as providing additional volume for use by all.

Such a program for harnessing our streams is one which must encompass an entire watershed and which would affect several States. It is therefore, one in which Federal participation must be considered. In such a national approach to our water resources problem, flood control, power generation (where feasible with flood control), flow regulation and recreational use must be completely correlated for maximum use consistent with the economic benefits to be derived.

POLLUTION IS A PEOPLE PROBLEM

(By Dr. Ira N. Gabrielson, president, Wildlife Management Institute)

The public to which casual reference sometimes is made, and whose viewpoint I was asked to express today, is the sum total of all the people who use water. It extends from householders to farmers, from industrialists to recreationists, and from city planners to businessmen who try to accelerate community and State development and advancement.

Regardless of position and affluence, we share a common need for adequate supplies of uncontaminated water. We benefit from water that is clean, and we are penalized by that which is dirty. This is why I say that water pollution is a problem of the people.

The head of the family ends up paying the bill regardless of the pollution-control philosophy that is followed. He pays it in the form of extra cents on his shopping bills when the costs of industrial water treatment facilities are passed to the consumer. He pays the cost as taxes which are levied to underwrite municipal, State, and Federal programs.

The people pay in another way when pollution abatement responsibilities are ignored. They pay by having to live with recurring water shortages, blighted neighborhoods, impaired health, loss of industrial, business, and real estate revenues, and sacrifice of social, cultural, and recreational opportunities. When waste treatment belatedly comes to those many areas where it has been delayed, the people still are going to be out-of-pocket.

Some appraisals of the threat of water pollution overlook achievements that have been and are being made by industry, agriculture, and local, State, and Federal units. Progress has been made in a number of important ways.

The record shows clearly, however, that these efforts collectively fall short of the mark. They are too few and too isolated to have substantial impact.

Much more must be done. Research must be accelerated and the findings applied. Industry should recognize pollution abatement as a regular operational expense. Clean water requires substantial expenditures at all levels.

A contributing factor to the present dilemma is the number of people who persist in viewing watercourses as sewage and waste disposal channels regardless of the difficulties imposed on others.

Inspired, dedicated, and as well equipped as the staff personnel may be, State programs are hampered by the unwillingness, reluctance, or inability of the legislative bodies to provide necessary appropriations. Funds for State agencies have about tripled in the last decade, rising from $2.2 million in 1950 to $6.5 million last year. The average State and jurisdictional investment in 1959 was approximately $130,000, a grossly inadequate sum. This weakness is further underscored by the realization that 40 percent of the $6.5 million was invested by four States.

The Federal contribution to State programs last year was $2.6 million. Federal funds have comprised between 28.7 and 29.5 percent of the State's programs during the past 3 years. The record also shows that State investments fell off during the years 1953–56 when Federal assistance was not available.

Federal grants and assistance programs to the States are not recent innovations. The first began in the 1870's.

It is my personal opinion, and one which apparently is held widely, that the Federal program of grants-in-assistance for the construction of pollution abatement facilities presently is one of the best approaches to this national dilemma that is making clear water a scarce resource.

FEDERAL INVESTMENT VITAL

Federal investment for the protection of our surface and ground water supplies is fully as vital to our national life as are expenditures for defense, post office, transportation, agriculture, and others.

Only three States have substantial grants programs for assisting municipalities in meeting their responsibilities for constructing water treatment facilities. State leadership toward solving water pollution problems continues to lag. And the dim prospects for any greater participation appear to be the principal reason for the vigorous support of the Federal program by State water pollution control administrators and sanitary engineers.

Water pollution control has outgrown its classification as primarily a public health problem. Pollution now rates full membership in the vexing relationships that dominate the entire water resources field. Freeing water of contaminants and preventing the introduction of additional pollutants is an overriding water resources challenge of this century. This technological and construction gap cannot be denied parity with flood control, storage, navigation, and irrigation.

There is concern about the "Final Report of the Study Group on Mission and Organization of the Public Health Service," dated June 7, 1960, which recommends inclusion of the water pollution control functions in a Division of Water Supply and Pollution Control in a new Bureau of Environmental Health. Five of the six divisions of this Bureau would incorporate functions and responsibilities of existing organizational units. This plan offers no boost for water pollution control. That activity already has divisional status. Other activities, such as air pollution and occupational health, which presently have only branch and program status, would be elevated to divisions. This recommendation clearly falls short of public expectations. Pollution control would remain a sub-basement activity with a mission that is primarily directed toward public health. The published public record makes doubtful congressional acceptance of this report.

Extensive amendments to the Federal Water Pollution Control Act are being readied for introduction in the 87th Congress. These proposals most likely will include the status of the program within the Federal establishment, construction grants to municipalities, program grants to States and interstate agencies, extension and strengthening of Federal enforcement, and the control of polution from Federal installations.

Several points whose acceptance by all water users would do much to assist in achieving pollution control objectives are:

1. A national system of water quality standards from a health, recreational, industrial and aquatic life basis should be developed and accepted by all units of government. These standards should be enforced vigorously and uniformly. Damage and loss should not be required as proof of pollution.

2. All users of water have the responsibility of returning water with all wastes removed from it that can be achieved up to and including ultracleansing where required. The national objective should be to keep pollutants out of streams. The design capacity of treatment systems should be computed for maximum treatment of wastes independent of the estimated capacity of streams to absorb and stabilize wastes.

3. Users of water do not have an inherent right to pollute. A desire for clean water was the foremost viewpoint expressed in communications from national membership organizations.

4. Public awareness programs should be expanded at all levels.

5. The public should insist that all jurisdictions accept and fulfill responsibilities to protect the national well-being by keeping surface and ground waters free of pollutants.

6. Pollution control objectives should be achieved by use of construction grants for waste treatment facilities, tax amortization incentives, watershed erosion control measures, and strengthened law enforcement at local, State, and Federal levels.

7. States and municipalities should be encouraged to participate more fully in water pollution control activities. Federal persuasion and leadership should be provided to obtain acceptance of local and State roles where necessary. The Federal Government does have responsibility for research, enforcement, grants assistance, and other necessary activities.

8. Federal assistance should be conditioned on guarantees of stronger State programs and improved participation in pollution control activities.

Water Pollution Image

(By Mark D. Hollis, Assistant Surgeon General and Chief Engineer, Public Health Service)

If we agree that water pollution results from concentrations of people in a progressive dynamic economy, then certainly it should surprise no one that we have today an involved and complex problem. This is simply in keeping with the tenor of the times. A requisite need, perhaps, is to break down barriers of provincialism, the prejudices of proprietary interests, and varieties of narrow traditional points of view, too commonly shared by so many of us.

What is now important, it seems to me, is to see whether this National Conference can stimulate something beyond a cool air of coexistence; to see if we can modify the spirit of competing interest, of conflicting interest—to something more akin to a spirit of allied interest, of common goals and common objectives; to remove the feeling of incompatibility between the reasonable protection of the Nation's waters and the obvious necessary use of these same waters for the final disposal of liquid wastes.

As we look ahead two decades, by 1980, the urban population will be in the 200 million range. The population depending on surface streams for drinking water will be about 165 million. The sewered population will be at 200 million. We assume all waste will be treated. Average stream flows will be the same. For most streams the waves of pollution shocks will become somewhat additive—there will be little time for the stream to recover between such shocks. Distances between waste outfalls and water intakes will be wedged closer and closer together. Hundreds of new type, more persistent pollutants will further complicate the situation.

The pollution image will broaden and likely it will darken. At the same time water needs will spiral upward toward astronomical figures. Repeated reuse of waters will become the rule—not the exception. Three-fourths of the 1980 population will live in metropolitan areas. Six-times reuse of the same water must be anticipated. What then will water quality be like? What will the stream environment be like? What about recreational and aquatic values? These are pertinent questions.

Let's remember that waste treatment is partial treatment—not purification. Treatment is designed to condition the waste and reduce its pollutional shock—with the stream completing the job. For most areas, this concept is still workable and will so remain for the predictable future. Economically this is important, because costs are quite high for advanced stages of treatment. On the other hand, in some areas, the composite residual loadings after treatment are already overtaxing stream capabilities. This situation will become common in the years ahead. Improved treatment will be needed. This is one of the several new situations we must face as we move toward our bright new world.

Today metropolitan and industrial wastes are huge in volume and include increasing amounts of new type synthetic chemical contaminants. Most of these wastes were practically nonexistent in 1940. Now they are present in concentrations up to 500 parts per billion in several major streams. These synthetic organics do not break down like natural organics; they are persistent over long periods, and to a considerable extent, they are not removed either by sewage treatment or by normal water purification practices. We have much to learn about the behavior of these new contaminants in streams, their relationship to natural stream purification phenomena, and their long-range subtle effects on public health, on aquatic life, and on municipal and industrial water supplies. They add the question of toxicity to the age-old problems of typhoid fever and similar diseases.

CANNOT IGNORE POLLUTION

This aspect of the pollution situation is characterized more by what we don't know than by what we do know. This is not the type of problem that should be "swept under the rug" and forgotten. It needs to be in the open and it needs to be worked on. For when we project trends for a decade or two this aspect of pollution does have sobering implications and creates a real sense of urgency for research action now. The public health aspect of water pollution again moves front and center.

PREVENT, DO NOT CORRECT

Let's remind ourselves that we are in the midst of an era of accelerating change—with increasing tempos affecting almost every facet of our daily lives. Pollution control in the past has been largely corrective. In the future it must be preventive. Remedial measures must replace corrective actions. The tenor of the times and the complexity of the problem simply outmode the philosophy of postponement. The present so soon becomes the past that continually, from here on, we must work with a critical eye to the future.

We must remember too, that when we speak of 1980 or 1990, no longer do we mean some far distant dim future that the next generation might worry about. On water pollution, the need for clear concepts and principles, for stepped-up research and bold action cannot be postponed. This need is not tomorrow—it is today. Perhaps even it was yesterday.

We must recognize that we cannot enjoy the great advantages of modern technology without accepting some of the consequences. Pollution is one of these. But the pollution impact from human activity in these areas of "wall-to-wall" people can be moderated—and it must be moderated. How clean and pure we attempt to maintain our streams is a matter of economics and realities, and of values both tangible and intangible. If our objective be pristine purity for purity's sake, we can easily "price" ourselves out of progress. On the other hand, if our objective be solely the dollar sign, continually to undercut the necessary cost of controls, we can easily "prosper" ourselves out of critically essential water resources. Between these extremes come the tough hard choices.

To say it costs too much to prevent excessive pollution is just plain nonsense. But we do need a clear understanding and a clear definition of "excessive." Obviously, pollution must be kept below the levels of significant personal health damage. It should be kept within bounds that do not destroy recreational and wildlife values. It is desirable to keep pollution within bounds which preserve the natural stream habitat. For every stream, each of these levels has its corresponding price tag—and you can be sure that the cleaner and purer, the higher the cost. And present cost will move upward where there are ill-advised, indiscriminate watershed developments.

In other words, while there are limits to what can be accepted as technological progress, there are also limits to how far such progress must, or will, yield to desirable but less than critical aspirations. The difficulty always lies in identifying limits. Certainly these cannot be generalized—necessarily they will vary, from area to area, and from stream to stream, depending on the state of development and other realities. This emphasizes the need for development of truly comprehensive water use programs—basin by basin—with some means of assuring strict adherence to the agreed-upon plans and objectives. With a few exceptions—this we now do not have.

In these times we must learn to run faster and faster to stay in the same place. Annual construction should be $600 million—up 50 percent over the current rate—to take care of the backlog, the increasing sewered population, and obsolescence—the latter will increase substantially in the sixties. Assuming the industrial waste load as equal that of municipalities—and certainly it is no less—this means a construction rate of more than a billion dollars per year on into the future. There is no substitute—we might as well face it.

In the backwash of all these tidal waves, at least five factors need to be underscored:

1. There is less and less justification for any city or industry to discharge untreated sewage and waste to the waters of the United States—especially in the inland waters.

2. For most cities and industries, the treatment requirements will shade upward from primary treatment to at least secondary treatment.

3. It is important promptly to accelerate the rate of constructing treatment works to the level required to erase backlog and to keep up with growing needs and obsolescence.

4. We need a substantial program of research with three primary objectives:

(a) To assess the public health significance of the growing array of new type contaminants.

(b) To develop practical methods for measuring and for removing dissolved pollutants—for application where wastes have serious toxic potentials.

(c) To develop practical supplemental treatment methods to stabilize further the effluents from conventional treatment. This is for application in those areas where stream use justifies almost completely stabilized organic discharges.

5. Considering pollution from all sources—there is real need to update the national system of monitoring streams.

In water pollution we all have much in common and much at stake. Water pollution control is now big business—it's important business and it's urgent business. On a tonnage basis, waste treatment is, by far, the biggest business in the United States. In far too many areas it has been a neglected business—out of sight, out of mind. The only way to control pollution is to treat wastes, and this costs money—lots of money.

With few exceptions, this money is not willingly spent. Hence, public understanding is essential. And this must be backed up by effective regulatory controls.

This points up the great need for public understanding and public awareness. We have a challenge and an opportunity to speak out on this pollution situation. Our objective should be to alert, not alarm—to clarify, not confuse. As we move ahead, let's keep Mr. Citizen in mind—because so much depends on what he thinks, and wants, and is willing to pay for.

THE LEGISLATOR LOOKS AT WATER POLLUTION

Presiding: Dr. Leroy E. Burney.

Master of ceremonies: John Charles Daly, member, Water Pollution Control Advisory Board.

Speakers:

Hon. ROBERT S. KERR, U.S. Senator.

Hon. FRANCIS CASE, U.S. Senator.

Hon. JOHN A. BLATNIK, U.S. Representative.

Hon. WILLIAM C. CRAMER, U.S. Representative.

Senator ROBERT S. KERR, of Oklahoma, chairman of the Senate Select Committee on National Water Resources:

"We must no longer endanger the national health or survival by permitting a price tag to prevent action. We must do what is required. I believe this will be the attitude of the new Congress and the new administration.

"The time for just talk has long since passed, and I am sure that everybody here is fully aware of that. Vigorous action at every level of government has long been an urgent necessity, and becomes more so daily. But, for whatever reason this Conference was called, it can, and will, accomplish something real, by spurring the necessary action. We in Congress need your support to get this job done. Why isn't this the time and place to start an organized campaign?

NEW POLLUTION BILL

"On the opening day of the 87th Congress I will introduce another pollution bill with the added feature of a stepped-up program of research.

[EDITOR'S NOTE.—Senator KERR has introduced the new legislation which includes an increase from $50 to $75 million annually for the Federal matching funds to help construct municipal sewage disposal plants. The 10-year total authorization would be $750 million.]

"Thus far, research has been so inadequate that the question of pollution elements, not yet identified, may be as serious as the problem of neutralizing and handling the pollution already known to exist. Therefore, greater research is an absolute necessity, not as a vehicle for passing the buck, or as a justification for delay. It is a necessity as a means to find ways to better abate pollution, and to do it more rapidly at less cost.

"I quote conservative sanitary authorities who say that $600 million annually for the next 8 years is the minimum required for the construction of disposal facilities of human sewage alone. Added to this is the cost of handling industrial and natural pollution, plus the maintenance of a steady flow of water for waste dilution.

"The problem of water pollution, like that of municipal water, is primarily a local responsibility. Both Federal and State Governments must provide leadership and assistance. At the Federal level, I intend to do all I can to help pass the necessary legislation to provide both incentive and enforcement."

[EDITOR'S NOTE.—Senator KERR, pointing out the need to dramatize the menace of water pollution, suggested facetiously a "mermaid with a broom" as a popular symbol necessary to awaken the Nation to the need to clean up its streams. Such a symbol, he said, "would do what 'Smokey Bear' and the 'Litterbug' label have done to alert the public to the need to combat forest fires and to prevent littering of streets and highways."]

Senator FRANCIS CASE, of South Dakota, ranking minority member of the Senate Public Works Committee:

"In addition to the millions of cubic miles of ocean water, how much more salt and otherwise minerally polluted water exists in underground pools and streams, I lack the imagination to estimate. But our knowledge of artesian supplies and shallow wells that are heavily saline in character indicates that a tremendous reserve does exist when man achieves the conquest of desalination and demineralization.

"We are at work on this job. In 1952, Congress passed a bill which authorized a program of research contracts with private and public institutions in the desalination of water. It attracted little general attention at the time. We had difficulty getting appropriations. I recall once when a Boston scientist was being badgered by questions as to what he would do with the money, he asked: 'If I knew what we would find out,' he replied, 'we wouldn't need the research.'

"But we did get some funds and in 1953 research contracts were made with some of the organizations or institutions which had shown some interest in the field.

"First thoughts were of sea water because of its abundance. California Congressmen Fletcher, McDonough, Phillips, and Engle, the latter now Senator, had all pushed bills on the subject in the House. Senators Anderson of New Mexico, O'Mahoney of Wyoming, Cordon of Oregon, Hayden of Arizona, Wiley of Wisconsin, and Johnson of Texas, were among those most active in the Senate. My special interest stemmed from a fairly intimate acquaintance with alkali water and its brackish cousins in the arid and semiarid regions of the West.

"The initial program was organized in the Interior Department by David Jenkins of Ohio. Subsequently, Secretary Seaton created a fullfledged Office of Saline Waters and placed former Nebraska Congressman Dr. A. L. Miller in charge. His professional knowledge and energetic direction have done much to bring the program to where it now is—one of the most promising and constructive activities of the Federal Government in the whole field of water conservation and utilization.

"Research contracts on various processes have been carried on with both oceanic and inland waters. In 1955 we extended and expanded the original authorization. By 1957 a number of processes showed real promise. Senate committee hearings developed testimony which supported the belief that results warranted practical, full-size demonstration plants. In 1958 Congress passed and President Eisenhower approved a bill to authorize five practical-size demonstration plants—three to deal with sea water, two to treat inland brackish waters.

"PROGRAM NOW UNDERWAY

"This program is now underway. The location and the processes of each one are revealing as to the nature of this water pollution problem and the range of solutions.

"Plant No. 1 is now 40 percent complete at Freeport, Tex. It will convert 1 million gallons per day of gulf waters into potable drinking water at an estimated cost of 97 cents per 1,000 gallons. If increased to a 10 or 15 million gallon capacity, the cost can be cut in half, it is believed. This plant will use what is known as the long-tube vertical distillation process.

"WATER FROM PACIFIC OCEAN

"Plant No. 2 will be at Point Loma, San Diego, Calif. Ground-breaking ceremonies are being held December 19, 1960. It, too, will produce 1 million gallons per day, using water from the Pacific Ocean in a multiple-effect evaporation process.

"Plant No. 3 will be at Webster, S. Dak. Contracts for it have recently been signed and construction will start in the spring. This plant, using electrodialysis with water passing through membrane stacks, will treat waters that are about 2,200 parts per million in solids. Many towns of the West have a constant battle with such waters that eat out or clog water pipes and sewerlines with a variety of effects upon the human system. Its capacity will be 250,000 gallons per day and the cost is expected to be in the vicinity of 50 cents per 1,000 gallons.

"Plant No. 4 will be at Roswell, N. Mex. There, water will be used that has a hardness of 24,000 parts per million. A process will be used of forced vapor circulation with drop condensation.

"Plant No. 5 will be located somewhere on the east coast of the United States to work on waters of the Atlantic Ocean. The process will probably be an adaptation of natural freezing similar to one that has received considerable publicity for use by the new State of Israel.

"Dr. Miller envisions an eventual cost of water recovery by these methods approximating 30 to 35 cents per thousand gallons. This can be put alongside of an average distribution cost for American cities of 35 cents as estimated by the American Water Works Association.

"The contaminated waters of the Potomac River flow into the Atlantic Ocean. And even the longest of rivers winds at last into the sea. The very processes of distillation and recovery which are being developed in the saline water program may offer the answer to many local water pollution problems with which your conference will deal.

"DISPOSAL OF ATOMIC WASTES

"And may I remind you that the disposal of atomic wastes probably carries the ultimate threat in water pollution. Radioactive raindrops disturb not only water supplies but milk and growing crops. Even lead-lined boxes deposited at sea offer cause for concern—especially since bathysphere divers last summer discovered that fish living at the bottom of the ocean's deepest trench depend upon oxygen carried to them by deep-sea currents.

"One of the staunchest supporters of the desalination program has been Senator ANDERSON, for many years chairman of the Joint Committee on Atomic Energy. His interest springs, in part, from his belief that what is developed in this program may be important to man's survival in an atomic age.

"This program of desalting or demineralizing the great, ultimate reserves and storehouses of the world's water in the oceans and the underground reservoirs may seem so vast as to be discouraging as are some of the profit-protecting practices employed by industry and the topsy-grown habits of modern life which pollute our streams. But progress is being made."

Representative JOHN A. BLATNIK of Minnesota, chairman of Subcommittee on Rivers and Harbors of the House Public Works Committee:

"I plan to introduce extensive amendments to the Water Pollution Control Act when Congress convenes in January.

"These proposed amendments will call for (a) greater Federal research, (b) expanded Federal enforcement jurisdiction, (c) stepped-up Federal aid to communities for the construction of waste treatment plants, (d) extended Federal grants-in-aid for State pollution control activities, and (e) the establishment of an independent agency in the Department of Health, Education, and Welfare to handle Federal water pollution programs and activities.

"The problem of water pollution has been too long ignored by all levels of government,

by industry, and the public as well. Despite 12 years of Federal efforts, the pollution problem is worse than ever, costing the Nation over a billion dollars a year in lost resources.

"Water pollution is no longer primarily a health problem. The control of pollution is a key aspect of the entire water resource problem. Effective pollution control is necessary to permit repeated reuse of water in the coming years when the demand will equal and exceed the supply.

"Industry opposition to Federal pollution control legislation is shortsighted in view of industry's great need for water. Industry should cease its opposition to Federal grants to municipalities, especially in view of industry's support of tax benefits for themselves for the construction of industrial treatment facilities."

Representative WILLIAM C. CRAMER, of Florida, third-ranking minority member of the Subcommittee on Rivers and Harbors of the House Public Works Committee:

"The Federal Water Pollution Control Act of 1956 is a step in the right direction but I plan to strengthen the act by introducing amending legislation in the 87th Congress.

"Amendments to the 1956 act will have four principal objectives:

"1. To strengthen State and interstate water pollution control programs.

"2. To make more effective assistance to municipalities in the construction of necessary sewage treatment works.

"3. To provide for more effective prevention and control of water pollution caused by Federal Government installations.

"4. To strengthen the role of the Federal Government in abating pollution of interstate waters.

"I intend to introduce legislation which would extend the provision for Federal grants to State and interstate water pollution control agencies for administration of their programs.

"This legislation, if passed, would make it possible for several communities to get individual Federal grants and use these funds in the construction of a single sewage treatment facility.

"I would make all interstate navigable waters and coastal waters subject to Federal abatement enforcement authority whether or not there is a showing of interstate pollution, if abatement action is requested by a State or municipality with the concurrence of the State, and I would also authorize the Secretary of Health, Education, and Welfare to issue orders in enforcement actions.

"Discharges from Federal installations should be subject to administrative findings and recommendations in Federal water pollution abatement actions conducted by the Department of Health, Education, and Welfare.

"I believe that these proposed amendments will provide an improved statutory base for the Federal-State water pollution control and abatement program.

"With the shift of people from farm to city as the mechanization of farm operations has reduced the need for farm labor, it is almost trite to point out that we have become an urban nation. What is of greater significance is that we are rapidly becoming a metropolitan nation. Between 1950 and 1960, over 85 percent of the net increases in population occurred in metropolitan areas, and it is estimated that by the end of the century only about 5 percent, or perhaps 17 million people out of about 330 million, will live on farms.

"With the area from Washington-Norfolk to Boston, Mass., becoming largely a metropolitan area, it is obvious that even metropolitan water problems have become interstate problems, as have many other natural resources problems. This fact has recently given rise to numerous requests by States for interstate compact ratification legislation by Congress. Such compacts obviously are essential and can serve useful purposes in many instances.

"Constitutionally the Federal Government's authority has traditionally been mere ratification, thus permitting the States to act under such interstate compact authority. Recently, legislation with the northeast compact bills as an example, proposed a drastic deviation from established policies by providing for actual voting participation on such compact commissions by the Federal Government representatives, including the right of veto. This involves a very serious State-Federal relationship as well as constitutional questions which resulted in the Justice Department's opposing this approach last session.

"Concurrently, with this growth of the metropolis, a rapid increase in personal income and in general living standards has taken place which has provided people with both far greater leisure time and means with which to enjoy it. The resulting trek to sun, sand, and sea has resulted in a boom in my own home State of Florida which today is not only stimulating enterprise to provide for all of these people who seek recreation and relaxation in a benevolent climate, but has induced efforts to develop new types of industry and commerce to provide economic opportunity on a year-round basis for our tremendous increase in population which this boom has brought about.

"But these situations have brought about a most important bearing on our national water resources picture. Huge quantities of water of acceptable quality must, in the future, be provided for these areas. And of even greater significance, the waste products of these great congregations of people must be properly disposed of in such a way as not to foul our rivers, lakes and oceans, if they are to continue to supply not only water for municipal and industrial use, but for the support of fish and for the creation of environmental factors required if we are to enjoy our increasing leisure time."

SUBCOMMITTEE REPORT

(By Hon. Thomas A. McCann)

Neither the extent nor the effects of water pollution are sufficiently known to permit precise agreement at this Conference on the topic assigned to panel I, "Water Pollution and Our Changing Times: Effects of Pollution on the National Health, Welfare, and Economy." But an analysis of the papers and discussion indicates that the future quality of our water resource and the range of human needs the resource can serve can be as high or as low as we wish it to be, depending on the values we wish to protect and the price we are willing to pay.

Known threats to human health from water pollution under existing treatment levels are not seen as catastrophic by public health officials, but better knowledge of the short- and long-term effects of pollutants may show dangers where none are now anticipated.

Certain minimum steps are indicated to minimize threats to public health from pollution: investigation of potential health hazards as an integral part of development of processes and products producing pollutants, and preservation of uncontaminated water supplies and regulation of waste disposal.

The information needed to protect public health can be obtained only by the combined efforts of public and private interests, inspired by a keen sense of responsibility for water quality. Government responsibility in factfinding should be exercised in a strong and foresighted manner in order to provide sound bases for action programs. Examination of the public health consequences of technical and industrial processes must be a regular and necessary part of research and development. The eventual cost to our society of achieving hygienic security will be much less than the potential cost of dealing with the effects of pollution.

Effects on recreation and esthetic values are difficult to measure because the judgments on use of water for such purposes are subjective.

Impacts of pollution on fish and wildlife are extensive. The U.S. Fish and Wildlife Service has stated that the area of habitat rendered unproductive each year by pollution is greater than the habitat established by all public agencies conducting wildlife restoration programs.

INDUSTRY'S WATER NEEDS VARY

Impacts of water pollution on industry are difficult to generalize upon because of the almost infinite variety of industrial uses. The largest industrial use is for cooling, where a wide tolerance in quality is permissible. In food and pharmaceutical manufacture, on the other hand, standards well above those for drinking water may be necessary.

Industrial management does not often seek public action to protect its water supply; it is reported as inclined to accept the burden of treating the water it needs for its processes. Industrial management, for the most part, believes that pollution of industrial water supplies will not increase to more critical levels in the near future. Water quantity and quality are important in plant location decisions; so is the extent and cost of pollution abatement which is likely to be required of industry.

The problem of evaluating pollution—of finding acceptable ways of comparing costs and benefits—is very difficult, but must be resolved if specifics are to supplant generalities as a basis for the establishment of sound public policy. Documentation of pertinent kinds of water quality deterioration is necessary. The prime difficulties are that various pollutants cause varying kinds of water supply deterioration, and measures of pollution effects vary with the values being considered. A pollutant damaging to recreation may be harmless to industrial users.

A precise definition of the different kinds of values with which we are concerned is essential. At least three kinds of values must be considered—health values, recreation values including esthetic values, and market values. The relative importance of these values will vary with changing demands.

Measurement of physical and biological relationships—to relate water quality to volume, temperature, etc., as well as to the usual problems of waste disposal—is essential.

In consideration of the impacts of water pollution on our changing times, the subcommittee members assigned to panel I have prepared a series of recommendations designed to protect and enhance the values of the water resource. The subcommittee believes that the following recommendations are reasonable and warrant vigorous implementation:

1. We recommend that the Conference express its conviction that the goal of pollution abatement is to protect and enhance the capacity of the water resource to serve the widest possible range of human needs, and that this goal can be approached only by accepting the positive policy of keeping waters as clean as possible, as opposed to the negative policy of attempting to use the full capacity of water for waste assimilation.

2. There is need for a more systematic approach to the evaluation of water pollution problems, to include health, esthetic, and market values. A framework for analysis must be developed which will provide a relatively precise understanding of benefit-cost and which will form the basis for the design of public policies and programs for effective water quality management.

3. States should develop water monitoring programs for bacteriological, biological, chemical, physical, and radiological quality. This work should be coordinated with the efforts of an expanded national water quality network of the Public Health Service. More data should be collected on the condition of streams both before and after water-pollution abatement.

4. The construction of municipal waste treatment facilities should be expanded immediately with continued increases to keep up with population growth and to abate the backlog of pollution by 1970. A similar program expansion should be applied to the wastes from industry.

5. Each Federal installation should be required by Congress to treat its wastes in accordance with the standards for cities and industries in the area, with 1964 set as the target date for providing minimum treatment.

6. It is recommended that improved methods be developed for measuring pollution abatement progress. New engineering parameters which encompass all pollution components, as well as yardsticks for measurement of stream quality, are critically needed.

7. The administrative level of the water supply and water pollution control activities in the Public Health Service and in the States should be commensurate with the importance of this problem.

8. We recommend that public policy formally recognize the recreation value of our water resources as a full partner with domestic, industrial, and agricultural values in water quality management policies and programs.

9. We recommend that appropriate public and private agencies mount and sustain an expanded program of public information to the end that enlightened public opinion can be brought to bear on the accomplishments, costs, needs, opportunities, and problems involved in water quality management, noting that this Conference should provide a dramatic opportunity to launch such a program.

10. It is recommended that the Public Health Service assume leadership, in collaboration with other public and private agencies, in collecting, compiling, and publishing pertinent data on the toxicity of water contaminants. This should include criteria, standards, methods of testing, and safe allowable concentrations for human consumption; also that efforts be made to stimulate toxicological and epidemiological studies to be made to determine long- and short-range effects.

11. In order to facilitate assessment of the total pollution problem, it is recommended that particular attention be given to accelerating the collection of information on industrial waste loading. The Public Health Service should coordinate collection of this information on the national level.

12. The Conference feels that financial incentive should be provided to encourage industry to install needed waste treatment facilities. This may be accomplished by permitting industry, for corporate income tax purposes, to charge the cost of nonproductive waste water treatment facilities as an expense.

(NOTE.—During the discussion period following this report, there were a number of comments made with reference to recommendation No. 1, especially referring to the policy of keeping waters as clean as possible as opposed to using the full capacity of water for waste assimilation. The recommendation as written received general agreement in panels I, II, III, although in panel III two changes were suggested. These changes are indicated at the conclusion of the panel III report.)

SUBCOMMITTEE REPORT

(Dr. E. A. Ackerman)

The members of panel II regard their assignment as one of the more difficult at this conference. An analysis of pollution control as a means of increasing water supplies requires a great deal of the information and expert knowledge which came forth in panels other than this. Our panel's question is complex because we not only must know what the present dangers are but also what impacts various types of pollution will have in the future upon the Nation's water supplies. We must know what the future needs for water will be for specific purposes and total demands as they extend into the future. We must know how pollution control measures are to be handled, and how they will fit into our legal and administrative systems. This job of analysis is not one which we have taken lightly.

Participating with us in our panel sessions and deliberations have been representatives from all major regions of the country. We have listened to lawyers, legislators, engineers, administrators, geologists, biologists, and chemists. Included in these have been Federal Government officials, State government officials, municipal officials, and men from private industry, private foundations, and trade associations. Speaking for the panel subcommittee, I should like to state its consensus in comments on three broad questions: (1) How much do we know about water pollution? (2) What can we see for the future? and (3) In areas where other water needs exist, or may be reasonably anticipated, what should be done to minimize waste disposal demands upon water resources?

We already know more about pollution and pollution control than we put to practical use. As Mr. Powers observed in our session, there are many water quality intelligence programs in this country. These include those of the U.S. Geological Survey, the newly established National Water Quality Network under Public Health Service supervision, regional projects like the Ohio River Valley Water Sanitation Commission, and numerous others of a local information gathering nature by private industry and municipalities. Through these means we have a reasonably broad picture of stream contamination by microbiotic organisms as indicated by the coliform bacteria, and much specific knowledge of the inorganic and organic contaminants of industrial origin usually found in urban areas or in densely settled regions.

We have a reasonably good picture of the control of pollution from natural causes. Indeed the reduction of sediment in streams, and the control of undesirable dissolved solids in streams may offer major opportunities for water improvements.

Carl B. Brown of the Soil Conservation Service stated, "Silt pollution is a major deterrent to the effective development of the water resources of most drainage basins in the United States." He further estimated that annual losses from silt pollution may be on the order of $350 million a year for the country as a whole. Mr. Brown also pointed out that substantial amounts of our reservoir capacity are lost every year from silt or sedimentation. He further noted that about 2 trillion gallons of water must be filtered annually to remove suspended silt. We know the sources of much of this sediment, and even the type of erosion which causes it. Within recent years even metropolitan areas have been adding their increment to the sediment load of streams, as suburban development has soared.

Yet there are many things which we do not know. According to Mr. Klassen, for example, adequate analytical methods do not exist to determine the quantitative presence in water of 400 new substances for washing clothes, cleaning cars, killing weeds, controlling insects, and other uses. According to Mr. Klassen and Mr. Cunningham, we need to accelerate research on viruses and means of their control as an additional safeguard to potable water supplies. Dr. Cottam pointed out that we do not even know the total consumption or production of all pesticides. Mr. Klassen observed that present laboratory methods for determining water quality compliance are, in most instances, giving us nothing more than a history of conditions that existed one or more days previously. Methods are needed to determine what conditions are at a given moment so that better knowledge of hazards to water can be ascertained.

MORE EFFICIENT TREATMENT NEEDED

Finally, treatment processes presently available for use in urban waste disposal are less than 90 percent efficient. For that reason, treated wastes cannot be discharged to receiving streams without deterioration of quality. Economically feasible "totally complete" treatment has not been developed yet.

If there are gaps in our knowledge of the present, it can be expected that the gaps are even larger as we look at the future, the contours of which we need to appraise in answering the questions put to this panel. Surprisingly, however, we do have some important information in this respect. Recent inventories of the relation of water resources to future demands indicate that on 22 major watersheds of the Nation 5 will show a deficiency of supply as compared to projected needs in 1980. This means that for these five basins there will be a demand for water which can be produced through the techniques of reuse or pollution control. Already some such water is in use in these basins. The greatest prospective deficiency occurs in the Southwestern States, and it is there that quality control to permit water reuse becomes essential for future economic development. Before the end of the century, three more basins, the western gulf, the upper Arkansas-Red River Basins, and the Western Great Lakes area, are expected also to become deficient areas. On the other hand, most drainage basins east of the Mississippi and those on the lower Missouri, the lower Arkansas-White-Red, and the Columbia show adequate supplies, with proper conservation and normal control measures, even at the end of this century.

This situation does not describe many difficult subregional and local situations. The general outline is such that Mr. Banks stated, "We have reached the point where any use of water that does not give optimum economic and social return is wasteful. Maximum use with minimum quality deterioration must be our goal if we are to so budget our water expenditures that the available supply will be adequate to meet our growing needs."

Probably for this reason several endorsements of comprehensive development were made. Descriptions were given of the process of comprehensive planning as it is now being carried on for the southeastern river basins by the U.S. Study Commission, Southeast River Basins. Such development has progressed systematically within a few river basins, like the Columbia, the Colorado, the Central Valley, and the Missouri. Completed planning studies for comprehensive development have been made in additional basins as for the New England-New York basins, and those of the Arkansas-White River Basins. In addition to the southeastern river basins, studies are in progress for Texas rivers and in the Delaware Basin.

The progress of comprehensive development is of substantial interest to those in-

terested in pollution control. It is basic to any knowledge of the extent to which pollution control will be needed as a source of water. Only through comprehensive planning can we obtain an estimate of total needs over a reasonable future period. Only through comprehensive planning can we obtain an intelligent picture of alternative sources to meet these needs. At least two speakers defined comprehensive development in terms of plans which aim at the maximum benefits for all purposes. One suggested that this be in terms of the maximum contribution to gross national product.

There is more to comprehensive development as it has been conceived by the speakers than engineering and technical organization. A legal and administrative structure which will permit the progress of such development and management is a question requiring serious attention. Even though comprehensive plans may be proceeding or have been finished for a number of important river basins, the legal support necessary to carry out comprehensive water management to the fullest needs study and attention. Our legal structure may or may not be compatible with the needs of comprehensive development. Thus the concept of water quality rights was introduced by Mr. Banks as almost certain to be a needed part of the legal structure of the future. In many of our States we now have water quantity rights, although not in all, but water quality rights need defining and legislative sanction.

It appears inevitable that as water quality deteriorates and interferes with established uses of water, litigation regarding water quality will increase in frequency and magnitude. Water quality rights therefore will achieve greater recognition and more precise definition.

In connection with these rights the question of water quality standards arose. Some speakers stated quite emphatically that no standards of water use could be applied to the entire country; indeed, that each community, or each river reach, presents an individual problem in water quality standards. Others felt that this may be a somewhat narrow interpretation of water quality criteria. There are certain standards which can be nationwide, indeed, universal. Thus, our knowledge of pathogens can tell us what will make people ill anywhere, and permissible levels of radioactivity will be the same anywhere. However, there are a number of criteria which can be only locally or regionally.

Out of these and many other interesting and significant statements which were made in the course of Panel II sessions, the subcommittee has developed a few recommendations which it offers to the Conference.

The Panel recommends the following measures to facilitate the control of pollution in the Nation's streams and underground waters:

1. Comprehensive development:

Planning for the comprehensive development of each major basin or water resource area should be established as a fixed national policy. By comprehensive development we mean the application of integrated multiple-purpose design, planning, and management which include the joint consideration of ground and surface waters, systematic conservation by water users, and the treatment and management of waters having substandard quality. Consideration of every appropriate technique would be a routine part of planning for such development.

Such planning, insofar as feasible, should include consideration of all important industrial plant sites. An early and important objective should be a systematic program of flow regulation. State initiative toward comprehensive planning should be encouraged, and participation by all major interests should be encouraged. The objective should be one of eventually producing maximum total benefits from all economic and social uses.

2. Reservoir site acquisition:

Provision should be made, legally and financially, for the identification and acquisition at an early date of reservoir sites needed in the execution of comprehensive plans. The mounting population, the spread of settlement, and general intensification of valley land use otherwise may make many good sites totally unavailable or prohibitively costly.

3. Water quality criteria:

Provision should be made within the Public Health Service for developing the water quality criteria which are suited to application on a national basis. However, many water quality criteria are not uniformly applicable because of the effects of area usage differences, stream characteristics, and other factors. State and local determinations of some criteria also will have to be made. It is recognized that periodic revision of these criteria not only will be in order, but should be sought, as new data are made available.

4. Water quality monitoring:

Enlargement and extension should be made of the water quality monitoring programs now in effect, so as to reveal more adequately conditions, existing and future, in rivers and streams. We believe that the protection of the public health and the preservation of water supply sources for accepted beneficial uses require such extension and enlargement.

5. A national credo:

We recommend the adoption of a national credo, to be given as wide and consistent publicity as is feasible. The content of the credo would be:

(a) Users of water do not have an inherent right to pollute; (b) users of public waters have a responsibility for returning them as nearly clean as is technically possible; and (c) prevention is just as important as control of pollution.

6. Basic research:

It should be regarded as an obligation on the part of industry to undertake basic research which will determine the biotic and other effects influencing the public welfare of the products they distribute. This should apply to detergents, insecticides, pesticides, herbicides, fertilizers, and other microchemicals and microbiologicals, and to the effects of metallic wastes such as compounds of chromium and cyanide. Where the effects of these or other health hazards or potential public nuisances are not adequately treated within industry, the Federal Government or the States must provide for and budget such research. Additional research of peculiar public responsibility includes the effect and interpretation of reducing anaerobes, nitrifying bacteria, viruses, protozoa, and other biota, and radiation hazards.

7. Sediment and salinity control:

The value of soil conservation, sediment control, and salinity control as pollution abatement measures should be recognized through planning and budget in our National, State, and local resource development programs. They should be considered as tools to be applied in water development and management. Pollution abatement is a problem with roots in rural land use and agronomy, as well as in urban congestion and industrial growth.

(NOTE.—During the discussion following the presentation of this report, questions were raised concerning the implications of some of these recommendations. Although no changes were made in the report by the chairman, he explained the intent of the recommendations in some detail. This explanation will be included in the proceedings of the conference.)

SUBCOMMITTEE REPORT

(By Dr. Abel Wolman)

Panel III has as its principal objective a comprehensive study of the various problems involved with "keeping water clean." This broad subject included the responsibilities of Government, industry, and the public in controlling the rising volume of pollution in the Nation's rivers and streams.

In opening the session on the not-so-innocent theme of "keeping water clean," the panel chairman posed several questions as a framework upon which the discussion might evolve. These questions were not intended to cover all of the problems, but they were designed to point up some of the issues which are associated with the subject of keeping water clean. They are listed as follows:

1. How clean should the Nation maintain its rivers and streams; for what purpose; and at what price?

2. What are the responsibilities of private industry, as well as the local, State, and Federal Governments in keeping water clean?

3. How can public sentiment be created and maintained as part of the continuing fight against water pollution?

4. Who is to pay for the stepped-up program against water pollution?

5. What are the inadequacies of various water pollution control laws, and what should be done to strengthen these laws?

The subcommittee, following the formal panel session, pursued these questions at considerable length in order to arrive at a set of recommendations which would be acceptable to the varying points of view represented at the session.

Panel III developed a set of six broad recommendations which spelled out the responsibilities of Government, industry, and the public in keeping the Nation's rivers and streams clean. These are as follows:

1. We recommend that the conference express its conviction that the goal of pollution abatement is to protect and enhance the capacity of the water resource to serve the widest possible range of human needs, and that this goal can be approached only by accepting the positive policy of keeping waters as clean as possible as opposed to the negative policy of attempting to use the full capacity of water for waste assimilation.

2. Administration of water pollution control programs on State and interstate streams should continue to be the responsibility of the State agencies which therefore must be supported by adequate budgets and staffed by competent directors, engineers, scientists, and related professional personnel. It is essential that State legislatures appraise more realistically their opportunities and responsibilities in carrying out the principle herein stated and are urged to take appropriate action where necessary.

3. The Federal Government has clear responsibilities in its working relationship with State and local governments with respect to: research, leadership in personnel training, regulatory procedures, water resources inventories and investigations, and standards of water quality.

No agreement was reached among the conferees as to the extension of authority of the Federal Government in the area of water pollution control.

4. The Federal grants-in-aid program has provided a valuable stimulus to the control of stream pollution. Other methods of financing construction of sewage and waste treatment works deserve thorough study and investigation to determine the most appropriate means available or which might be made available for sound and equitable

allocation of costs. Several other means of financing were suggested in one or two papers presented at the conference. The view of the Panel subcommittee was that these should be listed and appraised without any commitment on the part of the subcommittee as to which, if any, should be recommended. It did suggest that these and others unnamed should be explored at some subsequent time:

(a) Incentive grants from Federal and State appropriations;

(b) Guaranteed bonds;

(c) Revenue bonds;

(d) Marketing long-term revenue bonds under a Federal system of guarantees such as FHA-guaranteed mortgages or loans for defense production purposes;

(e) The creation of a Water RFC or such Federal finance agency to discount, purchase, or collateralize such bonds for loan purposes; and

(f) The earmarking of specific taxes, notably from Federal licensing of pleasure boats and sale of fuel to all waterborne craft, for water-pollution control purposes.

5. The Panel agreed that State statutes and organizational structures for water-pollution control should be reviewed and strengthened or revised where necessary. The following revisions were proposed in the suggested 1950 State Water Pollution Control Act as a guide for State legislation in this field. The proposals were: (a) Vast comprehensive authority in the State water-pollution control agency, which would be given independent status in its organizational placement in State government; (b) insure construction of municipal treatment facilities ordered by the State agency by authorizing courts to direct all necessary steps, including bond issues, tax levies, and revenue charges, if required; (c) authorize the establishment of sanitary districts to deal with local pollution-control problems beyond municipal limits.

The Panel did not arrive at an agreement on these proposals.

6. There was general agreement that the public needs more information on pollution and its abatement. Government agencies and other informed individuals should make every effort to present the facts in understandable form for use by individuals, organizations, and the general media of communication. Such material should include factual information and suggested methods of attack as have been discussed by the Conference.

In making his report, the Chairman of Panel III indicated that some members of his Panel subcommittee suggested the recommendation No. 1 originally proposed by Panel III should be deleted, and that recommendation No. 1 made by Panel I on this same subject be substituted in its place. The recommendation suggested for deletion read as follows: "The national goal with respect to stream protection should be the safeguarding of water quality. Every stream should be made to provide for the fullest range of uses for the type of society served and consistent with the variabilities within and among different basins."

It was suggested that Panel I's recommendation should be amended to include the concept of economic feasibility. The subcommittee reported that although there was no objection to including this concept in the recommendation, the limited time available did not permit agreement on the exact phraseology and recommended returning to the original proposal to delete Panel III's version of recommendation No. 1 and to substitute that of Panel I.

The National Technical Task Committee on Industrial Wastes further suggested that recommendation No. 1 should be modified to express the conviction of the Conference that the control of pollution is intended:

(a) To protect and enhance the capacity of the water resources to serve the widest possible range of human needs, and

(b) That this goal can be approached only by accepting the policy of keeping water clean, consistent with the variabilities within and among different river basins.

SUBCOMMITTEE REPORT

(Dr. Gordon M. Fair)

The awareness of American public authorities to water pollution reaches back no more than the Biblical span of man's life. Then, toward the end of the 19th century, as today also, it was the growing urbanization and industrialization of the Nation that forced the attention of the public to the need "for protecting the purity of inland waters." Then, as today again, it was recognized that the problems of water pollution were so complex, so varied, and so many that existing knowledge was not enough for their solution, that existing knowledge would have to be expanded in pace with the quickening water requirements of the country, and that only by the synthesis of a great variety of subjects "requiring for its achievement the organic cooperation of specialists under inspiring leadership," would satisfactory progress be attained. Then, as today, therefore, it was realized that investigators were wanted to carry on the necessary research, that money and facilities were essential to the success of a research program, and that men were wanted, too, for leadership in reducing the discoveries of the laboratory to practice.

First, the State and, later, the Federal Government were asked to conduct fundamental and applied research in laboratory and field on the relation of water pollution to the development of water resources for municipal and industrial uses, and on the sanitation of water supplies for the prevention of enteric disease.

The achievements of the generation that accepted that challenge were magnificent; so great were they, indeed, that by the end of the first third of the 20th century, the machinery of public water control could settle down into the grooves of, more or less, complacent routine. Then came "the great leap forward" in population, and in science and industry. Faster than seemed believable, the industrial revolution of our age intensified the competition for water and, at the same time, its degradation by ever-growing and ever-varying pollutants, ranging from thermal factors through inorganic substances to organics of such construction that they cannot be metabolized by the scavenging hosts of micro-organisms.

Parenthetically, it is these biological workmen to which we look for returning our lakes, streams, and tidal estuaries to natural cleanliness by themselves, or for removing even the most fractious substances committed to water by household or factory, in treatment works constructed so as to provide the most favorable environment for the operations of these beneficent micro-organisms.

MORE SPECIALISTS NEEDED

Once again, therefore, we are confronted by great changes; changes that demand of us the concurrent creation in adequate numbers of specialists and leaders and stimulation of research, that through analysis, synthesis, and reduction to practice will develop the technological support of pollution control that is promising of success today. To provide the sophistication necessary for a successful discussion of resources, research, and training for water pollution control in our times, the roster of specialists that was attached to Panel IV included not only engineers, but biologists and chemists, physiologists and toxicologists and economists and political scientists and, according to Dr. Gilbert White, we may have missed the boat by not including geographers and anthropologists—not only figures from universities and Government agencies, but also leaders in industry and men of affairs.

It follows that a very wide spectrum of talent considered the problems that we face in research and training for water pollution control and brings its report to this meeting.

The outlook for research is most promising because there has been a revolution in science as well as a scientific revolution. To draw a distinction between these two concepts that, otherwise, would seem to be identities, it should be explained that the scientific revolution has brought us new products and capabilities that are changing our mode of life and our environment, whereas the revolution in science is unifying the scientific disciplines and making it possible for scentists to understand one another's problems and to cooperate in their solution in radically new ways.

A striking example of the scientific revolution, as Prof. A. E. Kennelly, whose name is attached to the Kennelly-Heaviside layer, now generally called the ionosphere, used to suggest, is the fact that we can send a message around the globe in the time it took for the cry "land ahead" of the lookout on Columbus' ship the *Pinta* to reach the helmsman's ear.

REVOLUTION IN SCIENCE

To exemplify the revolution in science, we need merely to attempt to define the boundaries between the formerly well established compartments of science, labeled physics, chemistry, and biology. Today we find it largely impossible to answer a question such as, "Where does physics stop and chemical physics begin?" Or, to continue, where shall we draw the line between chemical physics and physical chemistry; between physical chemistry and chemistry; between chemistry and biological chemistry; between biological chemistry and chemical biology; between chemical biology and biology; between biology and physical biology; between physical biology and biological physics; and, to come full circle, between biological physics and physics?

The destruction of the barriers between the sciences, not by interdisciplinary or cross-disciplinary cooperation, but by the fusion of the disciplines themselves, is illustrated by the report that a Nobel Prize winner in physics plans to direct his future work into biology. Such indeed is the nature of the revolution that is taking place in science itself. In a sense, therefore, we have become, as a group, like medieval man who as a natural philosopher aimed at the mastery of all human knowledge.

MATHEMATICAL CONCEPTS

Because of this great change in science, we can look forward with assurance to the solution of almost any problem. Among our least realized capabilities, it should be noted, is the utilization of developing mathematical concepts. Whereas the time-lag between the discovery of scientific principles and their utilization has been narrowed progressively, the backlog of mathematical ideas has continued to mount. The promise of progress, therefore, remains great.

But let me turn to the specific report of the findings and recommendations of Panel IV.

The Panel, as you will see from the report itself, brings in certain recommendations and supports these by certain factual material. Since I do not have the time to read the entire report, I shall confine myself to reading the recommendations of the Panel and indicating, insofar as time allows, the nature of some of the supporting statements.

Our first recommendation is related to the flow of engineers and scientists.

1. The flow of engineers and scientists who are competent to advance and administer the scientific, technological, and economic conservation of our water resources, including, in particular, the control of water

pollution, must be increased promptly by recruitment and training of basically qualified personnel at two levels: (a) the professional or predoctorate level; and (b) the postdoctorate level.

Now, the reasons for this are that we do not have enough engineers. We do not have enough men in the chemical, physical, and biological sciences to deal with the problems that we face. We must reach over into already established scientific disciplines and entice individuals to come over into our field; very much as Dr. Glazer is being enticed by his own interests into the field of biology, we need to bring people from chemistry and biology and the social sciences and mathematics into our particular area.

There are about 5,500 practicing sanitary engineers of whom about two-thirds (3,700) are engaged in the development and control of water resources. It is estimated that about 280 newly trained men are needed yearly to maintain present strength. This estimate is based on an assumed 5-percent loss per annum by retirement, death, or defection. About 100 additional men are needed annually to keep pace with the requirements of population growth, and 350 are wanted as soon as possible to insure the accomplishment of urgently required technological advances. This implies doubling the professional population in 12 years and doing this in the face of growing competition for prospective scientific talent.

Work in this field demands, for the most part, training to the masters and doctorate levels. The current annual output of sanitary engineers is about 300, of whom only about 130 have earned a master's degree and fewer than 10 a doctorate. About 25 percent of these advanced students are trainees from foreign countries, leaving about 100 with significant education in depth for employment in the sanitary engineering fields in the United States. Obviously, this is too few even for current operations.

The universities of the Nation award 60,000 master's degrees per year. Of these, 5,400 are in engineering and 17,000 in the physical and biological sciences. Sanitary engineering is losing out badly in competition for professional talent, therefore. At the doctorate level the situation is even more disturbing. Of the 300-odd doctorates awarded annually in science and engineering, less than 10 percent have been in sanitary engineering.

Data are lacking on the existing numbers of qualified chemists, biologists, economists, and political scientists in the area of water resource development and conservation. However, both quantitative and qualitative estimates point to deficiencies that are at least proportional to, if not greater than, those in the engineering group.

The manpower needs for research are particularly acute. If research is expanded to an estimated requirement of $20 million by 1970 and if $20,000 will sustain 1 investigator for 1 year, about 1,000 investigators will have to work in this field. If 40 percent of these are to be engineers and 60 percent basic scientists, educational institutions will have to produce 400 sanitary engineers and 600 basic scientists with academic training that qualifies them for research. The current output of only 6 to 10 doctorates in all branches of sanitary engineering is far short of meeting the need, and the competition for basic scientists is so great that a determined effort must be made to recruit needed numbers of research leaders in the respective fields related to water quality control.

2. The capability of graduate schools or university departments of engineering and public health to produce a sufficient number of engineers and scientists who are able to deal effectively with the mounting problems of water resource control must be enlarged by support of staff, student body, and teaching and research facilities, as well as by grants-in-aid of research. Interdisciplinary research should be encouraged in particular. Because the use of personnel and the application of research lie in the public domain, the Federal Government must be expected to assume a substantial portion of the required financial burden.

A solid look at our graduate schools shows that they are not too well prepared for such a load. The capacity of 45 schools surveyed at different times including a series of direct interviews at 23 institutions shows the following: 68 schools report the availability of graduate training in sanitary engineering. Of these, 36 offer training beyond the M.S. degree. Only 15 have averaged 3 or more M.S. and Ph. D. degrees per year since 1954. An additional 17 have averaged at least 1 but less than 3 per year. Eighteen of the schools have not granted any such degrees during this entire period. This is neither a balanced nor an efficient organization in a nationally vital area.

The following deficiencies in capacity for research and training are estimated to exist:

(a) A 38-percent increase in teaching staff, and operation at optimum level of enrollment, will provide less than half the expected annual requirements for personnel trained at the graduate level.

(b) The expectations of an increased requirement of nearly twice the present research activity is dependent upon acquiring both the added personnel for teaching and the full-time research staff, or a total staff of 144.

(c) To provide the desired capacity for training and research will necessitate the addition of nearly 500 qualified persons for teaching and research.

Corresponding increases in research funds and facilities are required to sustain needed investigators and to provide them with technical support and equipment. Only a small fraction of the Public Health Service funds devoted to medical research is going into research for water supply and water pollution control—currently less than 1 percent. A committee of Congress has estimated that the national support of needed research could and should increase to about $3 billion by 1970, and that the Federal Government should expect to contribute about two-thirds of this amount. If we apply the same growth factor to research in water supply and water pollution control, we arrive at a national research budget of about $15 million, a major part of which would have to be financed by the Federal Government.

3. The flow of research findings on the water environment must be increased and intensified in depth as well as breadth.

Fundamental research is needed in many aspects of water pollution control including determination of the limits to which receiving bodies of water and biological as well as other treatment units can be safely loaded for the disposal of increasingly complex waste materials; identification of the role of water as a carrier of viral diseases, such as infectious hepatitis; and studies of long-range chronic effects of trace contaminants in water.

We need to increase our research effort on the behavior and fate of newly introduced organic contaminants; and newly recognized viruses. We need to develop more effective means of removing pollutants from water in municipal and industrial water treatment plants; more effective process controls of industrial waste discharges; better recovery or utilization of industrial process wastes; and more sophisticated industrial waste treatment processes.

Water supply and pollution trends show that one of the most pressing problems in water quality management is the development of new treatment processes that will remove more of the contamination from municipal waste waters than present methods are able to do. Currently, large quantities of water must be made available to dilute and transport the residual wastes after treatment. When this water is not available, serious pollution hazards may result.

To discover and develop the required technologies will demand a major coordinated research program utilizing the best minds in the country and attracting physicists, physical, organic and biochemists, toxicologists, hydrologists, economists, geographers, and anthropologists who have not up to now been seriously engaged in water pollution research.

4. The flow of treatment-plant operating personnel as well as engineers and scientists working the wider field of water supply and water pollution control must be increased and their training broadened.

Two types of training are generally available: First, in-plant training of operating personnel for water and waste-water treatment works. This should be a requirement of all municipal sewage treatment works, particularly of those benefiting from Federal aid. Second, academic training of such personnel. This is available largely through short-course programs and conferences in universities and colleges. This training is most desirable. However, the means and resources are quite limited in comparison with the number of technicians that will be required within the next 15 years for pollution control purposes.

5. The field of water supply and pollution control has become so complex that we must think more generally than in the past, of a multidisciplinary approach to the solution of developing problems. This implies the introduction of representatives of many disciplines including economists and political scientists, as well as applied mathematicians and physicists to this field and the creation of requisite institutes or centers for environmental health research at which needed personnel can be brought together.

Rapid changes and increasing complexity characterize our social and industrial growth. Research for the solution of today's problems calls for the group attention of scientists from the physical and biological sciences, sanitary engineering, applied mathematics and physics, and economics and political science. The making of headway is hampered by lack of communication with representatives of these areas. Unless a challenging program can be developed to encourage increased multidisciplinary attention to research in this area, we must be apprehensive of our ability to cope with environmental health problems that the technological advancements of the next several decades promise to bring.

Sample problems are: operations research or systems analysis of water resources developments including water quality control; integration of water purification and waste-treatment processes for maximum efficiency and economy; instrumentation for in situ, wide-scale, and longitudinal identification of pollution hazards and their control or prevention; automation of sampling and analysis of data; automatic computer control of treatment operations and warning systems for special hazards; and advanced methods of separation or destruction of solids in water. There are many others of like complexity and challenge that can be envisaged as lying before both in the immediate and more distant future.

6. The total national support for research in water supply and water pollution control should be increased substantially.

In research, funds and facilities are needed to sustain investigators and to provide them with technical support and equipment. Only a small fraction of the Public Health Service funds devoted to medical research is being applied to research in water supply and water pollution control—currently less

than 1 percent. A committee of Congress has estimated that the national support of needed research in all fields of science and engineering could and should increase to about $3 billion by 1970, and that the Federal Government should expect to contribute about two-thirds of this amount. If we apply the same growth factor to water supply and pollution control, we arrive at a national research budget of about $15 million, a major part of which will have to be provided by the Federal Government.

(NOTE.—During the discussion that followed this report, it was suggested that a statement be included favoring the establishment of four Public Health Service regional laboratories for stream monitoring and applied research work. As an alternative it was suggested that laboratories be established at carefully selected universities. The chairman concurred in this suggestion.)

FEDERAL ROLE IN POLLUTION CONTROL

(By Hon. Arthur S. Flemming, Secretary of Health, Education, and Welfare)

I am happy to have the opportunity of participating in the first National Conference of Water Pollution.

I am delighted that through this conference those who are interested in the advancement of fundamental and practical knowledge in this area and those who are interested in promoting action programs have had the opportunity of getting together under the auspices of the Federal Government.

As a result of the short but intensive education that I have had in this area over a period of the last 2½ years, I am convinced that action on many fronts is one of our Nation's most pressing needs.

I can assure you, however, that I will consider all of the conference recommendations addressed to the Federal Government; and if it is possible for me to take future action designed to strengthen the role of the Federal Government in this area I will do so.

In addition, I believe that as a result of the privilege I have had of serving in this office, I will have an obligation as a private citizen to do everything I can to urge support for programs that are designed to strengthen the role of the Federal Government in this area.

In this closing address, therefore, I am going to identify the steps that, if taken, will enable the Federal Government to play the role it should play in dealing with the major national problem of water pollution.

Before, however, identifying some things that I believe should be done, I want to speak first of all about some of the things that should not be done. I refer to the proposal that some have made to transfer responsibility for the Federal Government's programs in the water pollution area from the U.S. Public Health Service.

I believe that such a move would result in progress in this area being retarded rather than accelerated. Here are my reasons:

The Public Health Service over the years has recruited and trained for service in this area a group of unusually competent and dedicated public servants.

The work of these men in the water pollution area has been integrated with the total program of the Public Health Service in such a manner as to enable them to draw on resources that could not possibly be duplicated at any other point in the Federal Government.

The men who have moved to top leadership in the Public Health Service recognize that crusading for clean streams is one of their major responsibilities. This is reflected in the way in which they press both within the executive branch and on Capitol Hill for additional resources to discharge this responsibility more effectively.

The career civil servants who play such an important role in the conduct of all of the programs for which the Department of Health, Education, and Welfare has responsibility recognize that the water pollution control area provides the Department with a unique opportunity for constructive service.

There is no question in my mind but that future officials who are placed in top political positions in the Department will also propose and support programs of action in this area.

Now I want to identify what I am going to work for in an effort to make the Federal Government a more effective partner with the States, municipalities, and private organizations in the crusade to clean up the streams of the Nation.

I believe that the Federal Government should continue to make available additional resources to the Public Health Service for the collection and dissemination of such information. The Federal Government's opportunity for leadership in this area is virtually unbounded. This leadership will rest on a solid foundation only if the Public Health Service is provided with the resources that it needs to bring together the facts on which action by government at all levels and by private groups can be based.

I believe that the Federal Government should continue to make available additional resources for the conduct of research programs by its own personnel and for making grants for research and training projects and demonstrations to public and private agencies. The investment that has been made to date in this area has produced significant results. It is impossible to develop sound action programs to deal with many of the problems in this area because we have not yet, through research, identified the type of action program that will produce results. It is clear, therefore, that unless we do increase the resources that are available for research in this area, we are being penny wise and pound foolish.

I believe that the Federal Government can very appropriately make additional resources available for giving technical assistance to State and interstate agencies. In transmitting a communication to the Congress last spring, I included in it this statement:

"With the improved State programs that have been strengthened by Federal program grants, it has been possible for the Public Health Service to put more of its resources into the larger problems requiring assistance."

This statement, it seems to me, points up the fact that if we are willing to do more than pay lipservice to the idea of State participation in these programs, we can get results.

I believe that the authority which expires on June 30, 1961, to make grants to State and interstate agencies to assist them in meeting costs of establishing and maintaining adequate water pollution prevention and control programs should be extended for another 5 years. Furthermore, I believe that the annual appropriation authorization should be increased from $3 million to $5 million. Here again the Federal Government is provided with the opportunity of stimulating action at the State and interstate level which, if successful, will make unnecessary Federal involvement in direct operating programs in this area.

I believe that the program under which the Federal Government has made grants available to localities to pay part of the cost of constructing municipal sewage treatment works has been a very successful program. I am impressed with the fact that during the period that this program has been operating, for every Federal dollar that has been spent, our municipalities have spent almost five.

I believe that there should be an expansion of the activities of the Public Health Service in the area of developing comprehensive plans for water pollution control by major water drainage basins. These plans must, of course, be developed in cooperation with State and interstate agencies, municipalities, and industry.

I firmly believe in the role of the interstate compact in dealing with this problem. I believe the Federal Government should continue to encourage and to lend assistance in the development of these compacts.

I believe that steps should be taken to provide for more effective prevention and control of water pollution caused by Federal installations. A step can be taken in this direction by amending the enforcement section of the Water Pollution Control Act so as to provide that findings and recommendations of the hearing boards set up under the act shall include specific recommendations relative to discharges from Federal property.

I believe that the role of the Federal Government in abating pollution of interstate waters should be strengthened.

The enforcement procedures now included in the Water Pollution Control Act provide a mechanism for bringing into play the combined strengths of State water pollution control agencies, interstate agencies, and the Federal Government.

These procedures, however, are now authorized only for cases of pollution which are damaging to health or welfare of persons in a state other than a state or origin. I believe that these procedures should be made available also whenever there is pollution affecting legitimate uses of the waters of any navigable interstate stream, whether or not there is interstate pollution.

I also believe that the Water Pollution Control Act should provide a mechanism for the initiation of enforcement procedures by a municipality adversely affected by water pollution. I also believe, however, that this avenue for remedial action should be limited to situations in which the Governor or State water pollution control agency has concurred in the municipality's request.

Likewise on the basis of my experience, I believe the Congress should clarify and strengthen the role of the Secretary of Health, Education, and Welfare in the enforcement process by providing that the findings and recommendations of the hearing boards shall be the Secretary's findings and recommendations except to the extent modified by him and providing for issuance of an order (instead of a notice) by him for abatement of any pollution found to exist. Parties of interest should be provided with the opportunity of appealing the order of the secretary to the U.S. court of appeals.

Finally, I believe that the definition of "interstate waters" in the Water Pollution Control Act should be amended so as to include all waters which flow across or form a part of State boundaries. Coastal waters would be specifically included within this definition.

In conclusion, I have been tremendously impressed by the team spirit that has been and is being displayed by all who are related to this major national problem. I do not think that there is any real argument over objectives. From time to time disputes arise as to the factual situation that confronts us and as to the best methods to follow in order to achieve our objectives.

My experience with the enforcement provisions of the Water Pollution Control Act convinces me that once a competent and respected body has provided interested parties with findings of fact and recommendations based on these facts, they are willing to go ahead and carry out the recommendations.

INDUSTRY IS COMPLYING

As far as I can recall, there is not a single instance where industry has failed to move

in the direction of complying with the recommendations of these hearing boards.

Likewise, governmental bodies have shown a willingness to comply with these recommendations.

There is one exception to this generalization, namely, St. Joseph, Mo., which is now being followed up in the courts.

Contrasted with this one situation, however, is the fact that voters went to the polls in November and approved bond issues totaling over $100 million for the construction of facilities which are needed in order to carry out the recommendations of these hearing boards.

The response that we have received as a result of action taken under the enforcement section is, in my judgment, a reflection of an increasing determination on the part of the people of this Nation to clean up our streams and waterways.

By your presence and by your participation in the conference, you have made a major contribution to the achievement of this objective.

I look forward to the opportunity of continuing to work with you. I am confident that, working together, we are going to get results.

CONFERENCE SUMMARIZATION

(By Stuart Finley, documentary film producer)

During this conference you have received about 250,000 words of prepared texts. They have been thrown at you in the individual panel sessions, and here in the main hall. When you get home, your associates, of course, are going to walk up to you and ask, "What happened?"

And I wonder how many of you have one succinct sentence that will describe what the lead story here is. I daresay that most of you have not analyzed it that thoroughly yet, and the process of assimilation certainly is going to take a while.

Permit me to summarize what I have seen and heard and read here. The measure of success of this conference, as I see it, will be the degree to which what was said here influences your work in the coming years. I might add parenthetically that the Air Pollution Conference of a couple of years ago was talky, inconclusive, nonspecific, and yet many concrete activities of great value, stimulated by the public concern generated there, can be traced directly back to that meeting.

This National Conference on Water Pollution has developed 30 recommendations. Many of these were predictable in advance.

As you came here, you expected unanimous consent that pollution is bad and precisely this happened. Dr. Burney called it "a national disgrace." Mr. Lynch, of the Milwaukee Journal, called it a "galloping national disease." Mr. Fox, of Resources for the Future, Inc., put it realistically, when he said, "The word 'pollution' connotes evil; therefore it must be opposed."

But disagreement comes on this point. How bad is bad? How evil is evil? or, as Mr. Gill put it, "How clean is clean?"

On this question there is a tremendous range of opinion, some of which was audible in quotations like these, for example from Panel II:

"We recommend the adoption of a national credo, to be given as wide and consistent publicity as is feasible. The content of the credo would be: (1) users of water do not have an inherent right to pollute; (2) users of public waters have a responsibility for returning them as nearly as clean as is technically possible; and (3) prevention is just as important as control of pollution."

Panels I and II came up with another, even more positive synthesis: "We recommend that the Conference express its conviction that the goal of pollution abatement is to protect and enhance the capacity of the water resource to serve the widest possible range of human needs, and that this goal can be approached only by accepting the positive policy of keeping waters as clean as possible, as opposed to the negative policy of attempting to use the full capacity of water for waste assimilation."

In sum, then, it would seem that we must amend our first area of agreement somewhat. The National Conference on Water Pollution is not unanimously against all pollution. But the accent should be on the positive—keep streams as clean as possible, rather than working them to death digesting wastes.

There was, of course, another view as expressed by Leonard Pasek: "To a very substantial extent, American industry—and thereby our economy—has been built upon the base of that valuable asset, the ability of our great waterways to dilute, assimilate, and carry away industrial wastes."

Another question considered is "How well are we doing?" The answers brought out another range of opinion—"Corrective action is not keeping pace with the problem," and, "In the last few decades industry for the most part has not only assumed its responsibility in the conservation and safekeeping of water supplies, but has done so at a faster rate than municipalities."

At the banquet on the evening of the first day's session you heard each of the four Members of Congress outline their proposals to amend the Federal Water Pollution Control Act.

With all of the words uttered at this conference, it is important to understand that the recommendations drawn up must necessarily be tentative. This is a political fact of life at the beginning of a new administration. It is also an economic fact of life in a society in which the equations are constantly changing, being rebalanced.

While there are sharp divergent views on the methodology for accomplishing water-pollution control, you stand agreed that it is a matter of vast and urgent concern. You stand agreed that the Federal Government, interstate agencies, municipalities, industries, and the general public must augment their present efforts, separately and jointly. You stand agreed, I think, that there is work enough for all and glory enough for all.

As you go back to your jobs, I hope it will be with a sense of urgency, and perhaps with a desire to change the question "Who's in charge?" to "How can we work together?"

RECOMMENDATIONS OF THE CONFERENCE

1. That the Conference express its conviction that the goal of pollution abatement is to protect and enhance the capacity of the water resource to serve the widest possible range of human needs, and that this goal can be approached only by accepting the positive policy of keeping waters as clean as possible, as opposed to the negative policy of attempting to use the full capacity of water for waste assimilation.

2. The adoption of a national credo, to be given as wide and consistent publicity as is feasible. The content of the credo would be:

(a) Users of water do not have an inherent right to pollute; (b) users of public waters have a responsibility for returning them as nearly clean as is technically possible; and (c) prevention is just as important as control of pollution.

3. There is need for a more systematic approach to the evaluation of the water pollution problems, to include health, esthetic, and market values. A framework for analysis must be developed which will provide a relatively precise understanding of benefit-cost and which will form the basis for the design of public policies and programs for effective water quality management.

4. Planning for the comprehensive development of each major basin or water resource area should be established as a fixed national policy. By comprehensive development we mean the application of integrated multiple-purpose design, planning, and management which include the joint consideration of ground and surface waters, systematic conservation by water users, and the treatment and management of waters having substandard quality. Consideration of every appropriate technique would be a routine part of planning for such development.

Such planning, insofar as feasible, should include consideration of all important industrial plant sites. An early and important objective should be a systematic program of flow regulation. State initiative toward comprehensive planning should be encouraged, and participation by all major interests should be encouraged. The objective should be one of eventually producing maximum total benefits from all economic and social uses.

5. Provision should be made, legally and financially, for the identification and acquisition at an early date of reservoir sites needed in the execution of comprehensive plans. The mounting population, the spread of settlement, and general intensification of valley land use otherwise may make many good sites totally unavailable or prohibitively costly.

6. The value of soil conservation, sediment control, and salinity control as pollution abatement measures should be recognized through planning and budget in our National, State, and local resource development programs. They should be considered as tools to be applied in water development and management. Pollution abatement is a problem with roots in rural land use and agronomy, as well as in urban congestion and industrial growth.

7. That public policy formally recognize the recreation value of our water resources as a full partner with domestic, industrial, and agricultural values in water quality management policies and programs.

8. Administration of water pollution control programs on State and interstate streams should continue to be the responsibility of the State agencies which therefore must be supported by adequate budgets and staffed by competent directors, engineers, scientists, and related professional personnel. It is essential that State legislatures appraise more realistically their opportunities and responsibilities in carrying out the principle herein stated and are urged to take appropriate action where necessary.

9. The administrative level of the water supply and water pollution control activities in the Public Health Service and in the States should be commensurate with the importance of this problem.

10. That State statutes and organizational structures for water pollution control should be reviewed and strengthened or revised where necessary. The following revisions were proposed in the suggested 1950 State Water Pollution Control Act as a guide for State legislation in this field. The proposals were:

(a) Vest comprehensive authority in the State water pollution control agency, which would be given independent status in its organizational placement in State government;

(b) Insure construction of municipal treatment facilities ordered by the State agency by authorizing courts to direct all necessary steps, including bond issues, tax levies, and revenue charges if required;

(c) Authorize the establishment of sanitary districts to deal with local pollution control problems beyond municipal limits.

Panel III did not arrive at an agreement on these proposals.

11. The Federal Government has clear responsibilities in its working relationships with State and local governments with respect to: research, leadership in personnel

training, regulatory procedures, water resources inventories and investigations, and standards of water quality.

No agreement was reached among the conferees as to extension of authority of the Federal Government in the area of water pollution control.

12. That appropriate public and private agencies mount and sustain an expanded program of public information to the end that enlightened public opinion can be brought to bear on the accomplishments, costs, needs, opportunities, and problems involved in water quality management, noting that this conference should provide a dramatic opportunity to launch such a program.

13. There was general agreement that the public needs more information on pollution and its abatement. Government agencies and other informed individuals should make every effort to present the facts in understandable form for use by individuals, organizations, and the general media of communication. Such material should include factual information and suggested methods of attack as have been discussed by the Conference.

14. The Federal grants-in-aid program has provided a valuable stimulus to the control of stream pollution. Other methods of financing construction of sewage and waste treatment works deserve thorough study and investigation to determine the most appropriate means available or which might be made available for sound and equitable allocation of costs. Several other means of financing were suggested in one or two papers presented at the conference. The view of the Panel Subcommittee was that these should be listed and appraised without any commitment on the part of the subcommittee as to which, if any, should be recommended. It did suggest that these and others unnamed should be explored at some subsequent time:

(a) Incentive grants from Federal and State appropriations;

(b) Guaranteed bonds;

(c) Revenue bonds;

(d) Marketing long-term revenue bonds under a Federal system of guarantees such as FHA-guaranteed mortgages or loans for defense production purposes;

(e) The creaton of "Water RFC" or such Federal finance agency to discount, purchase, or collateralize such bonds for loan purposes; and

(f) The earmarking of specific taxes, notably from Federal licensing of pleasure boats and sale of fuel to all water-borne craft, for water pollution control purposes.

15. The construction of municipal waste treatment facilities should be expanded immediately with continued increases to keep up with population growth and to abate the backlog of pollution by 1970. A similiar program expansion should be applied to the wastes from industry.

16. That financial incentive should be provided to encourage industry to install needed waste treatment facilities. This may be accomplished by permitting industry, for corporate income tax purposes, to charge the cost of nonproductive waste water treatment facilities as expense.

17. Each Federal installation should be required by Congress to treat its wastes in accordance with the standards for cities and industries in the area, with 1964 set as the target date for providing minimum treatment.

18. Enlargement and extension should be made of the water quality monitoring programs now in effect, so as to reveal more adequately conditions, existing and future, in rivers and streams. We believe that the protection of the public health and the preservation of water supply sources for accepted beneficial uses require such extension and enlargement.

19. In order to facilitate assessment of the total pollution problem, it is recommended that particular attention be given to accelerating the collection of information on industrial waste loading. The Public Health Service should coordinate collection of this information on the national level.

20. States should develop water monitoring programs for bacteriological, biological, chemical, physical, and radiological quality. This work should be coordinated with the efforts of an expanded National Water Quality Network of the Public Health Service. More data should be collected on the condition of streams both before and after water pollution abatement.

21. Provision should be made within the Public Health Service for developing the water quality criteria which are suited to application on a national basis. However, many water quality criteria are not uniformly applicable because of the effects of area usage differences, stream characteristics and other factors. State and local determinations of some criteria also will have to be made. It is recognized that periodic revision of these criteria not only will be in order, but should be sought, as new data are made available.

22. That the Public Health Service assume leadership, in collaboration with other public and private agencies, in collecting, compiling, and publishing pertinent data on the toxicity of water contaminants. This should include criteria, standards, methods of testing, and safe allowable concentrations for human consumption; also that efforts be made to stimulate toxicological and epidemiological studies to be made to determine long- and short-range effects.

23. The total national support for research in water supply and water pollution control should be increased substantially.

24. The flow of research findings on the water environment must be increased and intensified in depth as well as breadth.

25. That improved methods be developed for measuring pollution abatement progress. New engineering parameters which encompass all pollution components, as well as yardsticks for measurement of stream quality, are critically needed.

26. It should be regarded as an obligation on the part of industry to undertake basic research which will determine the biotic and other effects influencing the public welfare of the products they distribute. This should apply to detergents, insecticides, pesticides, herbicides, fertilizers, and other microchemicals and microbiologicals, and to the effects of metallic wastes such as compounds of chromium and cyanide. Where the effects of these or other health hazards or potential public nuisances are not adequately treated within industry, the Federal Government or the States must provide for and budget such research. Additional research of peculiar public responsibility includes the effect and interpretation of reducing anaerobes, nitrifying bacteria, viruses, protozoa, and other biota, and radiation hazards.

27. The flow of engineers and scientists who are competent to advance and administer the scientific, technological, and economic conservation of our water resources, including, in particular, the control of water pollution, must be increased promptly by recruitment and training of basically qualified personnel at two levels: (a) the professional or predoctorate level; and (b) the postdoctorate level.

28. The field of water supply and pollution control has become so complex that we must think more generally than in the past of a multidisciplinary approach to the solution of developing problems. This implies the introduction of representatives of many disciplines including economists and political scientists, as well as applied mathematicians and physicists to this field and the creation of requisite institutes or centers for environmental health research at which needed personnel can be brought together.

29. The capability of graduate schools or university departments of engineering and public health to produce a sufficient number of engineers and scientists who are able to deal effectively with the mounting problems of water resource control must be enlarged by support of staff, student body, and teaching and research facilities, as well as by grants-in-aid of research. Interdisciplinary research should be encouraged in particular. Because the use of personnel and the application of research lie in the public domain, the Federal Government must be expected to assume a substantial portion of the required financial burden.

30. The flow of treatment-plant operating personnel as well as engineers and scientists working in the wider field of water supply and water pollution control must be increased and their training broadened.

Conference Participants

Conference Steering Committee

This group was composed of highly qualified individuals representing municipal, State, interstate, industrial, civic, labor and women's organizations, and other citizens' groups having an interest in the water pollution problem.

American Federation of Labor and Congress of Industrial Organizations, George H. Taylor.

American Municipal Association, Justus H. Fugate.

American Public Health Association, Dwight F. Metzler.

American Society of Civil Engineers, Edward J. Cleary.

American Water Works Association, Morrison B. Cunningham.

Association of State and Territorial Health Officers, Russel E. Teague, M.D.

Chamber of Commerce of the United States, Felix E. Wormser; alternate, Richard W. Smith.

Conference of State Sanitary Engineers, David B. Lee.

Conservation Foundation, Roger Hale; alternate, Stephen W. Blodgett, and W. D. Bowman.

Council of State Governments, Page L. Ingraham.

Edison Electric Institute, L. W. Cadwallader.

Engineers Joint Council, Richard D. Hoak; alternate, John C. Geyer.

General Federation of Women's Clubs, Mrs. E. Lee Ozbirn.

International Association of Game, Fish, and Conservation Commissioners, Harry Cornell.

Izaak Walton League of America, Inc., Frank Gregg.

League of Women Voters of the United States, Mrs. Arthur E. Whittemore.

Manufacturing Chemists' Association, Inc., Kenneth S. Watson; alternate, George E. Best.

National Association of County Officials, Bernard F. Hillenbrand.

National Association of Manufacturers of the United States of America, Donald J. Hardenbrook; alternate, Daniel W. Cannon.

National Association of Soil Conservation Districts, Gordon K. Zimmerman.

National Council for Stream Improvement, George E. Dyke.

Natural Resources Council of America, C. R. Gutermuth.

National Technical Task Committee on Industrial Wastes, A. J. Steffen; alternate, Leland C. Burroughs.

National Wildlife Federation, Louis Clapper.

Resources for the Future, Inc., Irving K. Fox; alternate Francis Christy.

Soil Conservation Society of America, H. Wayne Pritchard.

State and Interstate Water Pollution Control Administators, David F. Smallhorst; alternate, Milton P. Adams.

U.S. Conference of Mayors, Hon. Richardson Dilworth.

Water and Sewage Works Manufacturers Association, Inc., Harry E. Schlenz.

Water Pollution Control Advisory Board, Seth Gordon and John S. Samson.

Water Pollution Control Federation, Ray E. Lawrence.

Wildlife Management Institute, Dr. Ira N. Gabrielson.

Members-at-Large, Charles A. Bishop, Robert F. Boger, Dr. Gordon M. Fair, Blucher A. Poole, and J. V. Whitfield.

WATER POLLUTION CONTROL ADVISORY BOARD

These outstanding public officials and leading business executives who are appointed by the President have been requested by the Surgeon General to assist in implementing the Conference recommendations as they apply to the Public Health Service.

Chairman (ex officio)

Burney, Dr. Leroy E., Surgeon General, Public Health Service, U.S. Department of Health, Education, and Welfare, Washington, D.C.

Members

Boruff, Dr. Clair S., technical director, Hiram Walker & Sons, Inc., Peoria, Ill.

Daly, John Charles, New York, N.Y.

Gordon, Seth, conservation consultant, California State Department of Fish and Game, Sacramento, Calif.

Long, Frank E., chairman, Wyoming Stream Pollution Control Advisory Council, Buffalo, Wyo.

McCann, Hon. Thomas A., mayor, Fort Worth, Tex.

Samson, John S., chairman, Nebraska State Water Pollution Control Council, Omaha, Nebr.

Teague, Dr. Russell E., commissioner, Kentucky State Department of Health, Frankfort, Ky.

Wise, William S., director, Connecticut State Water Resources Commission, Hartford, Conn.

Executive secretary

Ayers, Robert C., Division of Water Supply and Pollution Control, Public Health Service, U.S. Department of Health, Education, and Welfare, Washington, D.C.

PROGRAM PARTICIPANTS

These include conference speakers, discussants, other program participants and Public Health Service staff.

A

Aandahl, Hon. Fred G., assistant secretary for water and power development, U.S. Department of the Interior, Washington, D.C.

Ackerman, Dr. E. A., executive officer, Carnegie Institution of Washington, Washington, D.C.

Adams, Milton P., executive secretary, Michigan State Water Resources Commission, Lansing, Mich.

Ayers, Robert C., executive secretary, Water Pollution Control Advisory Board, Public Health Service, Washington, D.C.

B

Banks, Harvey O., director, California State Department of Water Resources, Sacramento, Calif.

Barnhill, John T., program officer, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

Berger, Bernard B., chief, research branch, Division of Water Supply and Pollution Control, Public Health Service, Cincinnati, Ohio.

Best, George E., secretary, water pollution abatement committee, Manufacturing Chemists' Association, Washington, D.C.

Biemiller, Andrew J., director, department of legislation, American Federation of Labor and Congress of Industrial Organizations, Washington, D.C.

Bishop, Dr. Charles A., director, chemical process development, United States Steel Corp., Pittsburgh, Pa.

BLATNIK, Hon. JOHN A., Representative, Eighth District, Minn.; chairman, Subcommittee on Rivers and Harbors, House Public Works Committee, Washington, D.C.

Blodgett, Stephen W., secretary, the Conservation Foundation, New York, N.Y.

Boger, Robert F., publisher, Engineering News-Record, New York, N.Y.

Boruff, Dr. Clair S., technical director, Hiram Walker & Sons, Inc., Peoria, Ill., member, Water Pollution Control Advisory Board.

Bowman, W. D., associate director of research, the Conservation Foundation, New York, N.Y.

Brandt, Dr. Karl, member, Council of Economic Advisers, Washington, D.C.

Brown, Carl B., watershed program specialist, Office of the Assistant Administrator for Watersheds, Soil Conservation Service, U.S. Department of Agriculture, Washington, D.C.

Burgess, Ian K., conference staff, engineering, Public Health Service, Washington, D.C.

Burney, Dr. Leroy E., Surgeon General, Public Health Service, U.S. Department of Health, Education, and Welfare, Washington, D.C.

Burroughs, Leland C., assistant to the vice president, manufacturing, Shell Oil Co., New York, N.Y.

Butrico, Frank A., executive-secretary, National Conference on Water Pollution, Public Health Service, Washington, D.C.

C

Cadwallader, L. W., vice president, Potomac Electric Power Co., Washington, D.C.

Cannan, Dr. R. Keith, chairman, Division of Medical Sciences, National Research Council, Washington, D.C.

Cannon, Daniel, W., conservation committee, National Association of Manufacturers, New York, N.Y.

CASE, Hon. FRANCIS, U.S. Senator, South Dakota; member, Senate Select Committee on National Water Resources, U.S. Senate, Washington, D.C.

Clapper, Louis, acting conservation director, National Wildlife Federation, Washington, D.C.

Cleary, Edward J., executive director and chief engineer, Ohio River Valley Water Sanitation Commission, Cincinnati, Ohio.

Christy, Francis, research associate, Resources for the Future, Inc., Washington, D.C.

Cornell, Harry, chief, fish division, North Carolina Wildlife Resources Commission, Raleigh, N.C.

Cottam, Dr. Clarence, Welder Wildlife Foundation, Sinton, Tex.

CRAMER, Hon. WILLIAM C., Representative, First District, Florida; member, Subcommittee on Rivers and Harbors, House Public Works Committee, Washington, D.C.

Cunningham, Morrison B., superintendent and engineer, city water department, Oklahoma City, Okla.

Curley, Frank E., partner, Hawkins, Delafield & Wood, municipal bond attorneys, New York, N.Y.

Curran, John, legislative representative, American Federation of Labor-Congress of Industrial Organizations, Washington, D.C.

D

Daly, John Charles, member, Water Pollution Control Advisory Board, New York, N.Y.

Dean, Dr. L. A., research investigations leader, Soil and Water Conservation Research Division, U.S. Department of Agriculture, Washington, D.C.

Dilworth, Hon. Richardson, mayor, Philadelphia, Pa.

Durham, Charles J., conference staff, information, Public Health Service, Washington, D.C.

Dyke, George E., chairman, board of governors, National Council for Stream Improvement, New York, N.Y.

E

Eliassen, Dr. Rolf, professor of sanitary engineering, Massachusetts Institute of Technology, Cambridge, Mass.

ENGLE, Hon. CLAIR, U.S. Senator, California; member, Senate Select Committee on National Resources, U.S. Senate, Washington, D.C.

Engler, Herschel, conference staff, engineering, Public Health Service, Washington, D.C.

F

Faber, Harry A., research grants administrator, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

Fair, Dr. Gordon M., professor of sanitary engineering, Harvard University, Cambridge, Mass.

Finley, Stuart, documentary film producer, Washington, D.C.

Flannery, James J., economist, technical services branch, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

Flemming, Hon. Arthur S., Secretary of Health, Education, and Welfare, Washington, D.C.

Forster, Albert E., president, Hercules Powder Co., Wilmington, Del.

Fox, Irving K., vice president, Resources for the Future, Inc., Washington, D.C.

Fugate, Justus H., city commissioner, Wichita, Kans.

G

Gabrielson, Dr. Ira N., president, Wildlife Management Institute, Washington, D.C.

Geyer, Dr. John C., chairman, department of sanitary engineering and water resuorces, the Johns Hopkins University, Baltimore, Md.

Gilbertson, Wesley E., chief, Division of Engineering Services, Public Health Service, Washington, D.C.

Gill, James M., plant manager, Ethyl Corp., Pittsburg, Calif.

Gleason, M. James, Multnomah County Commissioner, Portland, Oreg.

Gordon, Seth, conservation consultant, California State Department of Fish and Game; member, Water Pollution Control Advisory Board, Sacramento, Calif.

Green, Richard S., chief, basic data branch, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

Greene, Edward A., conference, staff, information, Public Health Service, Washington, D.C.

Gregg, Frank, executive director, Izaak Walton League of America, Inc., Glenview, Ill.

Gutermuth, C. R., Natural Resources Council of America, Washington, D.C.

H

Hale, Roger, vice president, the Conservation Foundation, New York, N.Y.

Hall, Warner W., conference staff, information, Washington, D.C.

Hardenbrook, Donald J., chairman, Conservation and Management of Natural Resources Committee, National Association of Manufacturers, New York, N.Y.

Harlan, James R., conservation consultant, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

Hazen, Richard, partner, Hazen & Sawyer, consulting engineers, New York, N.Y.

Hillenbrand, Bernard F., executive director, National Association of County Officials, Washington, D.C.

Hoak, Dr. Richard D., senior fellow, Mellon Institute, Pittsburgh, Pa.

Hollis, Mark D., assistant surgeon general and chief engineer, Public Health Service, U.S. Department of Health, Education, and Welfare, Washington, D.C.

Howells, David H., chief, construction grants branch, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

Hubbard, Earle C., director and executive secretary, North Carolina State Stream Sanitation Committee, Raleigh, N.C.

Hutchings, Robert S., conference staff, information, Public Health Service, Washington, D.C.

I

Ingraham, Page L., director of research, the Council of State Governments, Chicago, Ill.

K

Kehoe, Dr. Robert A., director, the Kettering Laboratory of the College of Medicine, University of Cincinnati, Cincinnati, Ohio.

KERR, Hon. ROBERT S., U.S. Senator, Oklahoma; chairman, Senate Select Committee on National Water Resources, U.S. Senate, Washington, D.C.

Klassen, Clarence W., director, division of sanitary engineering, Illinois State Department of Public Health, Springfield, Ill.

Krause, Keith S., chief, technical services branch, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

L

Lawrence, Ray E., president, Water Pollution Control Federation; Partner, Black & Veatch, consulting engineers, Kansas City, Mo.

Leake, Dr. Chauncey D., dean and professor of Pharmacology, College of Medicine, Ohio State University, Columbus, Ohio.

Lee, David B., director, bureau of sanitary engineering, Florida State Board of Health, Jacksonville, Fla.

Light, Dr. Israel, conference staff, information, Washington, D.C.

Long, Frank E., chairman, Wyoming Stream Pollution Control Advisory Council, Buffalo, Wyo.; member, Water Pollution Control Advisory Board.

Lynch, R. G., columnist, Milwaukee Journal, Milwaukee, Wis.

M

McCallum, Gordon E., chief, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

McCann, Hon. Thomas A., mayor of Fort Worth; member, Water Pollution Control Advisory Board; and member, U.S. Conference of Mayors; Fort Worth, Tex.

Mason, Karl M., director, bureau of environmental health, Pennsylvania State Department of Health, Harrisburg, Pa.

Metzler, Dwight F., director, division of sanitation, Kansas State Board of Health; chairman, Conference of State Sanitary Engineers, Topeka, Kans.

O

Ozbirn, Mrs. E. Lee, president, General Federation of Women's Clubs, Washington, D.C.

P

Palange, Ralph C., conference staff, engineering, Public Health Service, Washington, D.C.

Partain, Lloyd E., Curtis Publishing Co., Philadelphia, Pa.

Pasek, Leonard, assistant to the president, Kimberly-Clark Corp., Neenah, Wis.

Pearson, Dr. Erman A., associate professor of sanitary engineering, University of California, Berkeley, Calif.

Poole, Blucher A., technical secretary, Indiana State Stream Pollution Control Board, Indianapolis, Ind.

Powers, Thomas J., consulting director, Dow Industrial Service Division, Dow Chemical Co., Cleveland, Ohio.

Pritchard, H. Wayne, executive secretary, Soil Conservation Society of America, Des Moines, Iowa.

Putney, Bryant, conference staff, information, Public Health Service, Washington, D.C.

R

Richards, Roland, conference staff, engineering, Washington, D.C.

Rohlich, Dr. Gerard A., professor of sanitary engineering, University of Wisconsin, Madison, Wis.

S

Samson, John S., chairman, Nebraska State Water Pollution Control Council, member, Water Pollution Control Advisory Board, Omaha, Nebr.

Sanders, Richard T., director, division of legislative drafting and codification of statutes, North Carolina State Department of Justice, Raleigh, N.C.

Schad, Theodore M., staff director, Senate Select Committee on National Water Resources, U.S. Senate, Washington, D.C.

Schlenz, Harry E., president, Pacific Flush Tank Co., vice president, Water Pollution Control Federation, Chicago, Ill.

Smallhorst, David F., director, division of water pollution, State department of health, Austin, Tex.

Smith, Richard W., manager, natural resources department, U.S. Chamber of Commerce, Washington, D.C.

Steffen, A. J., chairman, National Technical Task Committee on Industrial Wastes, Chicago, Ill.

Stein, Murray, chief, enforcement branch, Division of Water Supply and Pollution Control, Public Health Service, Washington, D.C.

Svore, Jerome H., regional program director, U.S. Department of Health, Education, and Welfare, region VII, Division of Water Supply and Pollution Control, Dallas, Tex.

T

Taylor, George H., department of research, American Federation of Labor-Congress of Industrial Organizations, Washington, D.C.

Teague, Dr. Russell E., commissioner, Kentucky State Department of Health; member, Water Pollution Control Advisory Board, Frankfort, Ky.

Towne, W. W., chief, field operations section, technical services branch, Division of Water Supply and Pollution Control, Cincinnati, Ohio.

Warrick, Louis F., executive secretary, National Technical Task Committe on Industrial Wastes, Washington, D.C.

Watson, Kenneth S., consultant, water management and water control, General Electric Co., Schenectady, N.Y.

Weber, Eugene W., special assistant to the director of civil works, Office of the Chief of Engineers, Department of the Army, Washington, D.C.

White, Dr. Gilbert F., professor of geography, University of Chicago, Chicago, Ill.

Whitefield, J. V., chairman, State Stream Sanitation Committee, North Carolina Department of Water Resources, Raleigh, N.C.

Whittemore, Mrs. Arthur E., chairman, water resources committee and director, League of Women Voters of the United States, Hingham, Mass.

Wilson, Chester S., attorney, formerly commissioner, Minnesota State Department of Conservation, Stillwater, Minn.

Wise, William S., director, Connecticut State Water Resources Commission, Hartford, Conn.; member, Water Pollution Control Advisory Board.

Wolman, Dr. Abel, professor of sanitary engineering, the Johns Hopkins University, Baltimcre, Md.

Woodruff, James W., Jr., chairman, U.S. Study Commission, Southeast River Basins, Atlanta, Ga.

Wormser, Felix E., consulting mining engineer, Greenwich, Conn.

Z

Zapp, Dr. John A., director, Haskell Laboratory, E. I. du Pont de Nemours, Newark, Del.

Zimmerman, Gordon K., executive secretary, National Association of Soil Conservation Districts, Washington, D.C.

Mr. SCHWENGEL. Mr. Speaker, today we are considering H.R. 6441, a bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control.

That title to this act is appropriate and if it actually would do what the title indicates no one could really conscientiously oppose this bill, if he really served the public interest.

But I, as a Congressman, would be remiss in my duty if I did not take the time to point out some shortcomings that seem very evident to me and to many others who have a vital interest in this question.

In House Report No. 306, 87th Congress, 1st session, a report of the Committee on Public Works in the House of Representatives, page 2, under the title, "Purpose of the Bill," it reads:

> The purpose of H.R. 6441 is to extend and strengthen the Federal water pollution control program and to assist the States and local communities in providing for more effective programs of water pollution control at all levels of government.

Here again, if this were a true statement and could be sustained by actual facts, one could not conscientiously oppose this bill. But the facts, when considered in the light of reason and commonsense, do not bear out what the objective states is or will be attained.

First of all, as has been pointed out many times by the gentleman from Florida [Mr. CRAMER], the bill completely bypasses the States which the sponsors of the bill claim they want to assist. If bypassing States is assisting them, then I totally misunderstand the meaning of assist.

Also, I can assure the membership of the House, as I have assured the members of the committee, that there is much talent in the State health departments, conservation commissions, and other groups that could be harnessed if we would provide the proper atmosphere and leadership.

In addition to this, there are virtually thousands of people in our educational institutions and in industry who have dealt with municipalities and institutions that have pollution problems who would be very glad to help by giving public bodies valuable assistance based upon experience and study in solving these problems. But in this bill they do not have the opportunity to help as much as they could if given a chance.

In this instance, I believe it should be a committee at the national level composed of representatives of various municipalities, States, and businesses who would have authority to coordinate these studies, and to promote cooperative research projects and to make recommendations to the Federal Government, the States, municipalities, industries, and all who have a vital interest in resolving this terrible pollution problem that needs abatement at a very early date if we are to preserve the great natural resources that relate to the proper handling of water in this country.

Mr. Speaker, as we consider this important legislation and the total problem of pollution, it is my very deep conviction that the goal of pollution abatement is and should be first of all to protect and enhance the capacity of the water resources so that they may serve the widest possible range of human needs.

I am convinced, too, that this goal can be approached and achieved only by accepting the positive policy of keeping waters as clean as it is possible to keep them. I am convinced, too, that we should oppose the negative policy of attempting to use our waters anywhere to the full capacity of water for waste assimilation.

In addition, we here in Congress and those who are interested in water conservation, should adopt some kind of a national credo that is consistent with the goals we want to attain for ourselves and for posterity. In my opinion, that credo should embody the following thoughts:

First. That users of water have no inherent right to pollute our public streams or waters anywhere.

Second. That users of public waters—waters which belong to all of us—have a responsibility for returning them as clean as it is technically possible to do so.

Third. The credo should include prevention programs for in most instances prevention is just as important as is the control of pollution.

Mr. Speaker, there is need for a more systematic and intelligent approach to the evaluation of the water pollution problem. That approach should include the consideration of the health, esthetic, and market values. A framework for analysis must be developed which will provide a relatively precise understanding of benefit cost and which will form the basis for the design of public policies and programs for effective water quality management.

Planning for the comprehensive development of each major basin or water resource area should be established as a fixed national policy. By comprehensive development we mean the application of integrated multiple-purpose design, planning, and management which include the joint consideration of ground and surface waters, systematic conservation by water users, and the treatment and management of waters having substandard quality. Consideration of every appropriate technique would be a routine part of planning for such development.

Such planning, insofar as feasible, should include consideration of all important industrial plant sites. An early and important objective should be a systematic program of flow regulation. State initiative toward comprehensive planning should be encouraged, and participation by all major interest should be encouraged. The objective should be one of eventually producing maximum total benefits from all economic and social uses.

Provision should be made, legally and financially, for the identification and acquisition at an early date of reservoir sites needed in the execution of comprehensive plans. The mounting population, the spread of settlement, and general intensification of valley land use otherwise may make many good sites totally unavailable or prohibitively costly.

The value of soil conservation, sediment control, and salinity control as pollution abatement measures should be recognized through planning and budget in our National, State, and local resource development programs. They should be considered as tools to be applied in water development and management. Pollution abatement is a problem with roots in rural land use and agronomy, as well as in urban congestion and industrial growth.

Mr. Speaker, it is important that public policy formally recognize the recreation value of our water resources as a full partner with domestic, industrial, and agricultural values in water quality management policies and programs.

Administration of water pollution control programs on State and interstate streams should continue to be the responsibility of the State agencies which therefore must be supported by adequate budgets and staffed by competent directors, engineers, scientists, and related professional personnel. It is essential that State legislatures appraise more realistically their opportunities and responsibilities in carrying out the principle herein stated and are urged to take appropriate action where necessary.

Mr. Speaker, if the Congress would make it their business to create a committee with proper authority to make an appeal to and enlist the help of Governors, State legislators, directors of conservation and health programs in the State, and representatives of various interest groups with authority to institute cooperative research and study programs, they would get much more support from the people everywhere, from the municipalities and from the States where the need for increased interest is greatest.

We in this body have an experience that we can point to with pride and which can serve as a model for this type of thing in this area. It is the ASSHO tests that we have conducted for the past several years and which have been so very successful in finding answers to the many problems that have presented themselves in the general area of building roads and highways.

The administrative level of the water supply and water pollution control activities in the Public Health Service and in the States should be commensurate with the importance of this problem.

That State statutes and organizational structures for water pollution control should be reviewed and strengthened or revised where necessary. The following revisions were proposed in the suggested 1950 State Water Pollution Control Act as a guide for State legislation in this field.

These recommendations, too, would be easier if we had a program as I have already mentioned. Also, the following recommendations which are consistent with the recommendations of the conference to which I have already referred, would be much easier to institute and become effective. They are:

First. Vest comprehensive authority in the State water pollution control agency, which would be given independent status in its organizational placement in State government;

Second. Insure construction of municipal treatment facilities ordered by the State agency by authorizing courts to direct all necessary steps, including bond issues, tax levies, and revenue charges if required;

Third. Authorize the establishment of sanitary districts to deal with local pollution control problems beyond municipal limits.

I reiterate, the Federal Government has clear responsibilities in its working relationship with State and local governments with respect to: research, leadership in personnel training, regulatory procedures, water resources inventories and investigations, and standards of water quality.

No agreement was reached among the conferees as to extension of authority of the Federal Government in the area of water pollution control.

That appropriate public and private agencies mount and sustain an expanded program of public information to the end that enlightened public opinion can be brought to bear on the accomplishments, costs, needs, opportunities, and problems involved in water quality management, noting that this Conference should provide a dramatic opportunity to launch such a program.

There was general agreement that the public needs more information on pollution and its abatement. Government agencies and other informed individuals should make every effort to present the facts in understandable form for use by individuals, organizations, and the general media of communication. Such material should include factual information and suggested methods of attack as have been discussed by the Conference.

The Federal grants-in-aid program has provided a valuable stimulus to the control of stream pollution. Other methods of financing construction of sewage and waste treatment works deserve thorough study and investigation to determine the most appropriate means available or which might be made available for sound and equitable allocation of costs. Several other means of financing were suggested in one or two papers presented at the Conference. The view of the panel subcommittee was that these should be listed and appraised without any commitment on the part of the subcommittee as to which, if any, should be recommended. It did suggest that these and others unnamed should be explored at some subsequent time:

First. Incentive grants from Federal and State appropriations;

Second. Guaranteed bonds;

Third. Revenue bonds;

Fourth. Marketing long-term revenue bonds under a Federal system of guarantees such as FHA-guaranteed mortgages or loans for defense production purposes;

Fifth. The creation of "Water RFC" or such Federal finance agency to discount, purchase, or collateralize such bonds for loan purposes; and

Sixth. The earmarking of specific taxes, notably from Federal licensing of pleasure boats and sale of fuel to all

water-borne craft, for water pollution control purposes.

The construction of municipal waste treatment facilities should be expanded immediately with continued increases to keep up with population growth and to abate the backlog of pollution by 1970. A similar program expansion should be applied to the wastes from industry.

That financial incentive should be provided to encourage industry to install needed waste treatment facilities. This may be accomplished by permitting industry, for corporate income tax purposes, to charge the cost of nonproductive waste water treatment facilities as expense.

Each Federal installation should be required by Congress to treat its wastes in accordance with the standards for cities and industries in the area, with 1964 set as the target date for providing minimum treatment.

Enlargement and extension should be made of the water quality monitoring programs now in effect, so as to reveal more adequately conditions, existing and future, in rivers and streams. We believe that the protection of the public health and the preservation of water supply sources for accepted beneficial uses require such extension and enlargement.

In order to facilitate assessment of the total pollution problem, it is recommended that particular attention be given to accelerating the collection of information on industrial waste loading. The Public Health Service should coordinate collection of this information on the national level.

States should develop water monitoring programs for bacteriological, biological, chemical, physical, and radiological quality. This work should be coordinated with the efforts of an expanded National Water Quality Network of the Public Health Service. More data should be collected on the condition of streams, both before and after water pollution abatement.

Provision should be made within the Public Health Service for developing the water quality criteria which are suited to application on a national basis. However, many water quality criteria are not uniformly applicable because of the effects of area usage differences, stream characteristics, and other factors. State and local determinations of some criteria also will have to be made. It is recognized that periodic revision of these criteria not only will be in order, but should be sought, as new data are made available.

That the Public Health Service assume leadership, in collaboration with other public and private agencies, in collecting, compiling, and publishing pertinent data on the toxicity of water contaminants. This should include criteria, standards, methods of testing, and safe allowable concentrations for human consumption; also that efforts be made to stimulate toxicological and epidemiological studies to be made to determine long- and short-range effects.

The total national support for research in water supply and water pollution control should be increased substantially.

The flow of research findings on the water environment must be increased and intensified in depth as well as breadth.

That improved methods be developed for measuring pollution abatement progress. New engineering parameters which encompass all pollution components, as well as yardsticks for measurement of stream quality, are critically needed.

It should be regarded as an obligation on the part of industry to undertake basic research which will determine the biotic and other effects influencing the public welfare of the products they distribute. This should apply to detergents, insecticides, pesticides, herbicides, fertilizers, and other microchemicals and microbiologicals, and to the effects of metallic wastes such as compounds of chromium and cyanide. Where the effects of these or other health hazards or potential public nuisances are not adequately treated within industry, the Federal Government or the States must provide for and budget such research. Additional research of peculiar public responsibility includes the effect and interpretation of reducing anaerobes, nitrifying bacteria, viruses, protozoa, and other biota, and radiation hazards.

The flow of engineers and scientists who are competent to advance and administer the scientific, technological, and economic conservation of our water resources, including, in particular, the control of water pollution, must be increased promptly by recruitment and training of basically qualified personnel at two levels: First, the professional or predoctorate level; and second, the postdoctorate level.

The field of water supply and pollution control has become so complex that we must think more generally than in the past of a multidisciplinary approach to the solution of developing problems. This implies the introduction of representatives of many disciplines including economists and political scientists, as well as applied mathematicians and physicists to this field and the creation of requisite institutes or centers for environmental health research at which needed personnel can be brought together.

The capability of graduate schools or university departments of engineering and public health to produce a sufficient number of engineers and scientists who are able to deal effectively with the mounting problems of water resource control must be enlarged by support of staff, student body, and teaching and research facilities, as well as by grants-in-aid of research. Interdisciplinary research should be encouraged in particular. Because the use of personnel and the application of research lie in the public domain, the Federal Government must be expected to assume a substantial portion of the required financial burden.

The flow of treatment-plant operating personnel, as well as engineers and scientists working in the wider field of water-supply and water-pollution control, must be increased and their training broadened.

Mr. Speaker, I will vote for this legislation, but with the understanding that it is insufficient, inadequate, and incomplete, and in the hope that we will consider it only a beginning in working toward the solution of the grave problem that presents itself.

It is my hope that the Members of the Congress and people outside of Congress who are interested will watch closely the results of this program and continue to make their recommendations and in various ways have their influence felt to bring about an early reconsideration of this total problem so that we can finally come to grips with it in a more intelligent, realistic, and practical manner.

Mr. Speaker, I will support this bill but with the realization that it is not adequate and that it has many shortcomings that a thorough study and consideration of this matter would bring out. In my opinion, it is not a completely intelligent approach to the solution of the problem of pollution, but I hope that it will do some good while we are learning from experience and we will benefit from the mistakes that will become evident, I think, as time goes on.

Mr. EDMONDSON. Mr. Speaker, this bill represents a great forward step by the Congress in one of the most important fields on which we will legislate this year—the field of water pollution control.

I want to compliment the distinguished chairman of our subcommittee, the gentleman from Minnesota, Congressman JOHN BLATNIK, for his great leadership in connection with this legislation.

I strongly urge the adoption of the conference report.

Mr. BLATNIK. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD, on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

RESIGNATION

The SPEAKER laid before the House the following resignation:

JULY 13, 1961.

HON. SAM RAYBURN,
The Speaker,
U.S. House of Representatives,
Washington, D.C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the U.S. Civil War Centennial Commission to take effect forthwith.

I take this opportunity to express to you my deep appreciation of the appointment. I have enjoyed serving as a member of the Commission.

My normal duties and responsibilities are increasing to such an extent as to make it impracticable for me to devote such time to the Commission as is required.

With assurances of my highest esteem and cordial good wishes, I am,

Very respectfully yours,

WM. M. TUCK.

EMERGENCY LIVESTOCK LOANS

Mr. KING of Utah. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1710) to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(c) of the Act of April 6, 1949, as amended (12 U.S.C. 1148a–2(c)), is amended by striking out at the beginning of the first sentence, "For a period of four years from the effective date of this subsection", and inserting in lieu thereof, "Until December 31, 1961,".

(b) Section 2(c) of such Act is further amended by striking out in the second sentence thereof "July 14, 1961", and inserting in lieu thereof "December 31, 1961".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DUTIES ON METAL SCRAP AND HORSEMEAT

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4591) to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes, with amendments of the Senate thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, line 3, strike out "This" and insert "The first section of this".

Page 2, line 3, after "shall" insert "not".

Page 2, after line 4, insert:

SEC. 3. (a) Section 201 of the Tariff Act of 1930, as amended (19 U.S.C., sec. 1201), is amended by adding at the end thereof the following new paragraph:

"PAR. 1826. Horsemeat, fresh, chilled, or frozen, whether or not decharacterized (except horsemeat packed in immediate containers weighing with their contents less than ten pounds each)."

(b) The amendments made by this section shall apply to articles entered, or withdrawn from warehouse, for consumption, on or after the date of enactment of this Act, and to articles covered by entries or withdrawals which have not been liquidated or the liquidation of which has not become final on such date of enactment.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the bill that deals with horsemeat?

Mr. MILLS. The bill that passed the House dealt with scrap metal. While the bill was in the other body, one of the distinguished Members of that body from the State of Kansas offered an amendment that placed on the free list imported horsemeat. The finance committee of that body and the other body unanimously agreed to the amendment, having been persuaded by the author to believe that there was an ever-increasing demand in this country for horsemeat for use in connection with the manufacture of food for pets, and an ever-decreasing supply in this country of horsemeat.

Mr. GROSS. Can the gentleman tell us where this horsemeat is going to come from, that is, the major share of it?

Mr. MILLS. It is the chairman's understanding that the meat would come from Argentina and Mexico.

Mr. GROSS. But none from Russia?

Mr. MILLS. No.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CERTIFICATION BY FAA OF FLIGHT ATTENDANTS

Mr. MACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK. Mr. Speaker, I have introduced a bill to require certification by the Federal Aviation Agency of flight attendants, such as stewards and stewardesses, employed by the airlines of the United States.

Flight attendants have never been required to meet a standard of proficiency in the operation of safety and emergency equipment and in the conduct of emergency procedures for evacuation of passegers.

The airlines themselves have varying standards for these employees, depending on what the individual airline considers adequate training. I believe that air travelers should have the assurance that every member on the crew of every airline has been adequately trained to meet their responsibilities in an emergency.

My bill would amend the Federal Aviation Act of 1958 to include flight attendants within the definition of "airman," thereby making them subject to certification and regulation by the FAA.

I have no hesitancy in urging the House to support this measure as one that is necessary for the further protection of the air traveling public.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT OVER UNTIL MONDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FOREIGN POLICY APPEASEMENT

The SPEAKER. Under previous order of the House, the gentleman from Washington [Mr. PELLY] is recognized for 15 minutes.

Mr. PELLY. Mr. Speaker, I am deeply concerned with regard to numerous incidents of appeasement in our foreign policy.

Recently I wrote a letter to Secretary of Commerce Luther Hodges, requesting that I be furnished the names of American firms seeking export licenses permitting sale of our surplus farm products to Russia and other Communist nations, as authorized by a new Department of Commerce directive.

While my request has not as yet been formally acknowledged, I do know the nature of the reply I shall receive. When Secretary Hodges appeared before the House Merchant Marine and Fisheries Committee on July 11, an opportunity was presented for me to personally ask about the matter, and the Secretary stated that the decision had been made not to disclose the names of any such firms doing business with the Kremlin.

In further response to my question, the Secretary stated that the commodities and material being exported and the destination of these cargoes would be provided, but the names of the American exporters are classified and therefore are not available to the public.

Frankly, this statement from the Secretary of Commerce came as no surprise. It will be recalled that earlier this year, in my own city of Seattle, Wash., our distinguished colleague, Congressman Moss, announced with great fanfare that the names of all firms dealing with the Communists were to be announced. Congressman Moss, chairman of the Subcommittee on Government Information, stated that Secretary Hodges had informed him:

In the future the public can find out the names of every firm granted export licenses, what is being shipped aboard, and the destination of the shipments.

As added confirmation, a few days later White House Press Secretary Pierre Salinger, on April 18, in a letter addressed to Mr. Eugene Pullian, Jr., managing editor of the Indianapolis News, stated without equivocation:

Commerce Secretary Hodges has disclosed he is planning to reverse a 20-year-old secrecy policy on identity of firms granted export licenses.

Mr. Salinger went on to say:

This was positive evidence of the President's attitude on information.

Time passed. The Secretary hedged on issuing the formal order lifting the secrecy ban. On being pressed, the Commerce Department finally announced

that the Secretary was only "tentatively considering" the advisability of making the information public, and now we have the decision which classifies as secret the names of such firms who deal with the Reds.

President Kennedy has made much about the need for sacrifice. In this connection, I would like to ask my colleagues if they do not consider trading with our avowed and mortal enemy a form of economic subversion. I submit that these firms would not do business if it were not profitable. Certainly the Communists would not do business unless they needed the materials, machinery, and food. Can the American taxpayers be expected to shell out ever-increasing taxes to support foreign aid, Peace Corps, USIA, and a host of expensive programs needed to combat communism when U.S. firms are actively trading with these same Communists?

Let us consider this subject of food for a moment. Are we so naive as to believe that agricultural commodities are not strategic materials? By what strange logic, then, does the Department of Commerce justify its new directive, which permits the exporting of agricultural products, as nonstrategic materials, to the Communist countries of Eastern Europe? Ask the military leaders of any age what an army travels on. There is just one answer—its stomach.

Today every Iron Curtain country is having trouble feeding its populace. Hungry men are not efficient on a production line. Are the Members of this House expected to believe that by providing this food we are not lending aid and comfort to the enemy?

Certainly it is logical to assume that these American firms are profiteering on the cold war and that the Communists are receiving direct benefits from their actions. What manner of man is it who places his love of country and pride in our American heritage on an auction block to be sold to the highest bidder? And what manner of men do we have in the executive branch of Government, who would condone and protect these men and their firms by placing a "classified" stamp on their activities?

It is not my prerogative to judge, nor my purpose to condemn, but it is the right of the American people to know who among us would place profit above the national interest. This incredible directive and the conspiracy of silence thereto is only one of the most recent in a series of "be kind to Khrushchev" gestures.

Let me cite just a portion of the sorry record of appeasement beginning on January 20 of this year.

This administration lifted the ban on importation of Soviet crabmeat.

This administration authorized sale of grain pumps, via Canada, to Red China.

This administration authorized an American loan to pro-Communist Ghana, for construction of a $168 million power dam, financed jointly with Russia.

This administration is still permitting the importation of approximately $46 million worth of goods from Communist-controlled Cuba.

This administration revoked postal inspection of pro-Communist propaganda originating abroad and destined for delivery to unsolicited sources in the United States.

This administration continues the self-imposed moratorium on nuclear bomb testing.

This administration sanctioned the Cuban invasion, yet withheld promised air support.

This administration sacrificed American prestige by informal support of the Tractors for Cuba Committee in connection with the Castro blackmail attempt.

This administration dropped Federal prosecution of Igor Melekh, the Soviet spy apprehended by the FBI in Chicago, Ill.

And now, the State Department of this administration has pending on its agenda recognition by the United States of the Outer Mongolia People's Republic—a Moscow-controlled Communist State—and pursuant to this recognition, subsequent admission to the United Nations.

In this connection, Mr. Speaker, thoughtful Americans everywhere know that if the architect and engineer of this project, Under Secretary of State Chester Bowles, is successful, diplomatic recognition of Outer Mongolia and that country's subsequent admission to the United Nations constitutes a prelude to similar actions with regard to Red China.

If and when this happens, the circle which began 28 years ago, when diplomatic recognition was extended to the U.S.S.R., will have been completed.

Too long we have listened to the so-called realists among us, who say that we cannot continue to ignore 600 million people. These same realistic arguments were used in 1776, when the embattled American colonists were told it was unrealistic to even dream of combating the might of the British Empire.

Using these same fallacious arguments, realistic thinkers almost 100 years ago attempted to persuade President Abraham Lincoln to give up the struggle and recognize the Confederate States of America. There are many other similar occasions where our country was urged to compromise its honor on the altar of realism.

Only the voices in this chorus have changed—the music is the same. In the past we have always found the strength to throw off the philosophy of realistic compromise and have gone on to meet our destiny. Pray God that we will again find the strength, the wisdom, and the leadership to resist these siren voices and deliver into the hands of our children and their children, unto the third and fourth generation, the unsullied American heritage that was handed to us by our forefathers.

Mr. Speaker, I am sorely troubled and deeply disturbed by these unaccountable and futile gestures of appeasement to Mr. Khrushchev. At this critical moment in history, I fear the President listens to the wrong advisers, whose counsel of realistic compromise can lead but to the eventual defeat of this Nation.

Complacency, indifference, ignorance of the Communist conspiracy are the unconscious allies of this philosophy. To achieve victory in the preservation of our free institutions and individual liberty will require the united efforts of the American people, dedicated to one purpose, one national goal, the defeat of international communism and all it entails.

In the words of the immortal patriot, Patrick Henry:

> Is life so dear or peace so sweet as to be purchased at the price of chains and slavery? Forbid it, Almighty God.

BILLS TO HELP SMALL BUSINESS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

BILLS TO HELP SMALL BUSINESS; TEMPORARY CEASE AND DESIST ORDERS BY FTC PROHIBIT SALES BELOW COST AND TAX RELIEF FOR SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, it is believed that the Members would like to be advised about the status and prospects of some of the bills which have been introduced to help small business. Of course, many bills have been introduced by Members during this session of the 87th Congress to help solve various problems besetting small business. However, judging from mail and other communications, it appears that the bills in which small business are now expressing the most interest are first, the proposals which would empower the Federal Trade Commission to enter temporary cease-and-desist orders; second, to prohibit sales at prices below cost; and third, to provide small business with a measure of tax relief through amendment to the Internal Revenue Code by allowing deductions from taxable income up to certain limits when the income is reinvested in the business.

HOUSE SMALL BUSINESS COMMITTEE SUPPORTS

Members of the House Small Business Committee strongly support bills of this kind to help small business. In the final report of the Select Committee on Small Business to the House of Representatives at the conclusion of the 86th Congress, House Report 2235, at page 167, the Small Business Committee recommended that the appropriate legislative committees of the House give serious consideration to proposals for empowering the Federal Trade Commission to enter temporary cease-and-desist orders; to prohibit sales at prices below cost; and to provide tax adjustment for small business by allowing a deduction for the taxable year in an amount measured by the additional investment in the trade or business up to a limit of $30,000. Within the last week, Members of the House Small Business Committee have reiterated their position to this effect.

GOOD REASONS FOR PROPOSALS

There is good reason why Members of the House Small Business Committee have taken the position they have for these legislative proposals. Among these good reasons are the following:

First. The legislative proposals are sound and in the public interest;

Second. Representatives of small business are pleading for their enactment; and

Third. There is strong bipartisan support for these measures in both Congress and the executive branch of the Government.

Much has been said and written about the backlogs and delays which have occurred in the work of our Federal regulatory agencies and commissions. The President of the United States received a report on that on December 15, 1960, in which it was stated:

Inordinate delay characterizes the disposition of adjudicatory proceedings before substantially all of our regulatory agencies.

The Federal Trade Commission was singled out as an agency where the problem was particularly accute and its efforts to expeditiously dispose of its work frustrated. On March 21, 1961, a report was made to me by the Federal Trade Commission which discussed how serious this problem had become at that agency. I placed that report in the RECORD on March 22, at pages 4611–4612. That report showed that a large number of the cases in which small business was vitally interested had been pending at the Federal Trade Commission for periods ranging from 6 to 10 years unresolved. Many of these cases were directed against practices which were alleged to be destroying small business. Thus, it can be seen that destruction of small business from these practices has continued while prolonged litigation about them has been in progress. We are not saying that the Federal Trade Commission has been at fault; perhaps it has done as well as it could with the tools Congress has given it, but that brings us to the question, what can be done about this problem. The conclusion has been reached that perhaps the most effective action that can be taken would be to empower the Federal Trade Commission to issue temporarty cease-and-desist orders to stop these destructive practices while these protracted cases are being litigated. That conclusion led to the introduction of a number of bills having that objective. One of the bills is H.R. 1233, introduced by the gentleman from Oklahoma [Mr. STEED], I, Mr. EVINS and Mr. ROOSEVELT, and other Members of the House have introduced identical bills. Other Members have done likewise.

On June 15, 1961, the Executive Office of the President, in reporting to the chairman of the House Committee on Interstate and Foreign Commerce, stated:

The Departments of Justice and Commerce, the Federal Trade Commission, and the Small Business Administration have all submitted reports favoring the objectives of these bills. The Department of Justice and the Federal Trade Commission have pointed up a number of technical difficulties which they feel need clarification before enactment. The Bureau of the Budget concurs with the reports of these agencies.

Efforts are being made to clear away all technical difficulties and to arrange for hearings and favorable consideration by the Committee on Interstate and Foreign Commerce on these bills at the earliest date possible. The prospects are bright for favorable action because, as I noted earlier, there is widespread support for this legislative proposal. In the 86th Congress, bills containing this proposal were introduced by approximately 30 Members of the House. One was introduced by the ranking minority member of the Committee on Interstate and Foreign Commerce, the legislative committee having jurisdiction over the matter. The Democratic platform in the presidential campaign of 1960 contained a pledge for this kind of legislation. In the report made to the President of the United States on December 15, 1960, for improvement of our regulatory agencies and commissions, a recommendation was made that legislation of this kind be enacted. Representatives of small business are urging action on this legislation.

It is my thought that Members of the Congress would want this information and through it be better informed on how they may act to serve small business and the public interest more effectively. I urge careful consideration of this matter and that the Members express themselves to those who are in a position to help on this at this time.

Another legislative proposal in which representatives of small business have expressed a deep interest and are urging Congress to give its favorable consideration at an early date is the proposal to prohibit sales at prices below cost. This proposal is contained in H.R. 127 and a number of other identical bills introduced by Mr. STEED, Mr. ROOSEVELT, and other colleagues of ours. Mr. MULTER and other Members have introduced similar bills. As I pointed out earlier, the House Small Business Committee, in its final report to the 86th Congress, House Report 2235, at page 167, made a strong recommendation that the Federal Trade Commission Act be amended to provide that sales at unreasonable low prices be declared an unfair act or practice. Many House Members have expressed interest in this legislative proposal. They have done that because small business firms are continuing to complain to us about this practice of making sales at prices below cost. For example, on June 13, 1961, we received a vigorous complaint about it from a very responsible business firm. In conclusion, the head of that firm stated:

I believe reasonable selling at retail has gone by the boards. Either an item is given away or the charge is very excessive.

The practice of making sales at prices below cost was dramatically brought to light during the course of the hearings before the Special Subcommittee on Small Business Problems in the Dairy Industry, under the chairmanship of the Honorable TOM STEED, and in hearings before Subcommittee No. 5 on Small Business Problems in the Food Industry, under the chairmanship of the Honorable JAMES ROOSEVELT. It will be recalled that during these hearings one witness after another, as officials of big business firms, admitted using the great resources of their companies in making sales at prices below cost to the detriment of small business.

The practice continues unabated with devastating effects. Subsequent to the conclusion of the hearings before the House Small Business Committee's Special Subcommittee on Dairy Problems, we received information that the large firms are continuing to make sales at prices below cost to eliminate small business firms. On May 14, 1960, a representative of small business complained to Members of the House that the National Dairy Products Corp.—Sealtest—was selling dairy products in Kentucky at unreasonably low prices, and in that connection stated:

The unreasonably low price at which these products are being sold would seem to be for the sole purpose of destroying competition, especially independent dairies such as ourselves. This can be very easily done by a large national concern such as Sealtest who operate in many different geographical localities and are able to finance and subsidize a price war against small dairies who sell in competition.

By using these unfair competitive practices, they would, in effect, force us out of business within 30 to 60 days. Therefore, the urgency for action is of the utmost importance. We ask that you help us eliminate these unfair practices as quickly as possible by contacting Senator LYNDON JOHNSON of Texas and asking him to supply this information to Congressman WRIGHT PATMAN.

These charges by representatives of small firms are similar to complaints received from representatives of other small firms doing business in other parts of the country. In some of the areas where the nationwide distributors have gained monopoly control of prices, the public is paying higher prices than those which prevailed before competition was eliminated. Therefore, it should be emphasized that the proposals we are making for legislation have as their principal objective the maintenance of competition. Only through preservation of competition can the public be assured of the low prices provided through competition. Prices representing sales made temporarily at levels below cost provide the public only with temporary advantages. These advantages are paid for by other members of the public at the same time or by the same members of the public at other times. It is for that and other reasons we are discussing that we favor legislation which would prohibit sales at prices below cost. We are against that monopolistic practice because it leads to monopoly-controlled prices at high levels. In other words, by fighting for legislation which would prohibit sales at prices below cost, we are fighting against high prices as the inevitable result of monopoly control.

A bill similar to H.R. 127 was introduced during the 86th Congress. It was H.R. 10235 in the 86th Congress. At that time a large number of small business firms wrote to us urging action on that legislation. With leave to revise and extend my remarks, I would like to include in the RECORD, at this point, a few of those communications:

VIRGINIA WHOLESALERS' ASSOCIATION, INC.,
Richmond, Va., May 13, 1960.

Mr. WRIGHT PATMAN,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR MR. PATMAN: Thanks for yours of May 6.

We are asking our membership to contact Members of Congress from Virginia, requesting them to support your bill H.R. 10235.

Legislation of this kind is sorely needed and it is our wish that it can become effective very soon.

Thanking you, we beg to remain,

Sincerely yours,

E. W. CHRISTIAN, *President.*

WEST POINT WHOLESALE GROCERY CO., INC.,
West Point, Ga., May 11, 1960.

Hon. WRIGHT PATMAN,
Chairman, House Small Business Committee, Washington, D.C.

DEAR CONGRESSMAN PATMAN: Once again I am writing to thank you for your efforts on behalf of small businessmen for whom you have been so active and helpful for many years. I appreciate your good letter of May 5 enclosing a copy of H.R. 10235, proposed legislation to protect business from the ravages of sales at unreasonably low prices, including those made at levels below cost.

I am today writing to Harold Smith, executive vice president of the U.S. Wholesale Grocers' Association, of which organization I am vice president and member of the executive committee, asking that the USWGA give its support to this proposed legislation. I am also writing to Mr. Barron Thorpe, executive secretary of the Georgia Wholesale Grocers' Association, asking that this group also endorse the legislation.

With reiterated thanks and every good wish, I am,

Cordially,

ALFRED K. HAGEDORN,
President.

KENTUCKY FOOD STORES, INC.,
Lexington, Ky., May 12, 1960.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR SIR: We have your letter of May 6, 1960, together with the CONGRESSIONAL RECORD and other matter concerning H.R. 10235, bill introduced by you in the House of Representatives.

The board of directors of the Kentucky Food Stores, Inc., a retail-owned cooperative food organization, it was unanimously decided to advise you that we are wholeheartedly behind you in the proposed legislation and we are also writing our Congressman and our U.S. Senators urging them to support this proposal.

You are to be congratulated for the interest you have shown in the small businessman of this country which is the very backbone of our great country.

We would be delighted to do anything we can to help in this proposal.

Cordially yours,

W. L. MURRAY,
Manager.

FRANKFORD GROCERY CO., INC.,
Philadelphia, Pa., May 11, 1960.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D.C.

SIR: From what we have heard of your House bill (H.R. 10235), we believe that you should be complimented for your efforts in behalf of clean competition and a fair deal for all business.

Mr. Ben Shatz, of the Camden Grocers' Exchange, Camden, N.J., telephoned me about your interest in this bill and suggested that I write, asking that you send us a copy so that we can study its provisions and have our organization comprised of more than 1,800 grocers, support your efforts.

Yours very appreciatively,

HERMAN J. HEIM,
President.

LUCE & CO.,
San Francisco, Calif., May 16, 1690.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

MY DEAR MR. PATMAN: Thank you for your letter of May 3, 1960, with a reprint from the CONGRESSIONAL RECORD of February 8, 1960, concerning proposed Federal legislation to prohibit the unfair practice of using the so-called loss leaders by some larger concerns as a means of reducing or eliminating competition by small business firms.

H.R. 10235 which you have introduced would appear to accomplish this purpose and render the necessary Federal support to existing State laws (California included) where interstate commerce is involved.

I am in full accord with your objective and will support your efforts in any way possible.

Respectfully yours,

_____ _____.

THE DAIRY INSTITUTE OF KANSAS,
OFFICE OF THE EXECUTIVE SECRETARY,
Lawrence, Kans., June 14, 1960.

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D.C.

MY DEAR MR. PATMAN: In reference to your letter of May 13, 1960, relative to H.R. 10235:

The officers and members of the Dairy Institute of Kansas support and urge you and your committee to put forth all possible effort in order to insure the passage of H.R. 10235.

The aforementioned bill should stop sales at unreasonably low prices, including those made below cost. If the unfair practices and below-cost selling continues the health and welfare of the consumer may well be placed in jeopardy.

Many States have enacted similar legislation; however, State laws have no application in interstate commerce. Therefore, Federal legislation is needed to fill this existing void.

We wish to thank you for your letter of May 13, 1960.

Sincerely yours,

VINCENT DE COURSEY,
President.

IVAN VAN NORTWICK,
Executive Secretary.

THE PAGE MILK CO.,
Merrill, Wis., June 9, 1960.

Hon. WRIGHT PATMAN,
Chairman, House Small Business Committee,
House Office Building, Washington, D.C.

DEAR SIR: I understand that hearings are scheduled in connection with your bill, H.R. 10235.

We are extremely hopeful that you will succeed in getting a favorable report on this bill and that some action may be taken before Congress adjourns. Protection such as this bill will afford is vital to small business.

Small business, as you know, is always willing to compete on the basis of production and merchandising, but when big business undertakes to compete by throwing the power of their financial backing into the scale, then small business is placed in an unfair and untenable position.

Personally, and on behalf of other small businesses, I want to thank you for your continuing interest in the problems of small business.

Very truly yours,

_____ _____.

Now, regarding the status of H.R. 127, the current bill to prohibit sales at prices below cost. As you know, it is designed to accomplish that objective through an amendment to the Federal Trade Commission Act. Therefore, it was referred to the House Committee on Interstate and Foreign Commerce, the committee having legislative jurisdiction over the matter. On February 9, 1961, the chairman of that committee requested the Federal Trade Commission, the Department of Justice, the Small Business Administration, and the Department of Commerce for reports on the bill. It is understood that following the organization of those agencies, after transition to the new administration, studies were made of this proposed legislation and reports thereon have been prepared. It is expected that they will be transmitted by the Executive Office of the President to the Committee on Interstate and Foreign Commerce shortly. It is our hope that the Commerce Committee will hold hearings on this bill very soon. Under date of July 11, 1961, I received a letter from the chairman of that committee in which he referred to the fact that he is expecting reports from the Federal Government agencies on H.R. 127. In that connection, he stated:

> When the reports are in and we have had an opportunity to evaluate them, your request for a hearing on this legislation will be given careful consideration.

We must not lose sight of the fact that small business firms throughout this country are looking to us for legislation of this kind to prevent the destructive practices of making sales at prices below cost and which result in the destruction of small business in our free and competitive enterprise system.

In addition to the two legislative proposals I have discussed, the one to provide tax relief for small business stands high on the list of legislation small business is asking us to enact. As I have stated, the House Small Business Committee, in its final report to the 86th Congress, House Report 2235, recommended that the Internal Revenue Code be amended to provide a program of tax adjustment for small business and for persons engaged in small business by allowing as a deduction, for the taxable year, an amount measured by the additional investment in such trade or business for the taxable year, not to exceed $30,000 or 20 percent of the net income, whichever is the lesser. At that time, we pointed out that such a plan for allowing a tax adjustment for small business had been made the subject of recommendations in reports submitted by the Small Business Committee on previous occasions. Also, prominent members of the Ways and Means Committee from both sides of the aisle in the 85th Congress, introduced bills to this effect—H.R. 2 and H.R. 13. We pointed out earlier in this report that a tax adjustment of this nature for business is needed in order to help us realize the rate of economic growth considered essential for our country. This is true because small business firms rely on retained earnings for reinvestment in business to effect modernization and expansion. They cannot retain a sufficient amount of their earnings for these purposes unless legislation along the lines proposed is enacted.

In keeping with those recommendations, our colleagues, the Honorables FRANK IKARD and TOM CURTIS, both of whom are prominent members of the Ways and Means Committee, are sponsoring H.R. 2 and H.R. 2003 of the 87th Congress to accomplish what the Small Business Committee recommended. Mr. EVINS, Mr. MULTER, Mr. STEED, Mr. MCCULLOCH, Mr. MOORE, Mr. AVERY, Mr. ROBINSON, and Mr. HARVEY also intro-

duced small business tax bills. The gentleman from Oklahoma [Mr. STEED] who is serving as chairman of Subcommittee No. 4 of the House Small Business Committee, a subcommittee dealing with small business tax problems, introduced H.R. 3470, a revised version of the bill introduced by Mr. IKARD of Texas and Mr. CURTIS of Missouri.

Of course, the chief feature of Mr. STEED'S current tax bill, H.R. 3470, is the provision enabling any person engaged in trade or business to deduct from taxable income certain amounts "plowed back" into the firm as reinvestment in depreciable assets. This sum would be limited to 20 percent of earnings or $30,000, whichever is lesser.

Mr. STEED'S new provision calls for a deduction of the entire amount of the first $5,000 plowed back into the business. "This feature would have its greatest impact in the form of benefits to small businessmen engaged in retail trade," Mr. STEED pointed out. "And this is precisely the area where our present tax structure is contributing to an alarming and rising number of failures." Mr. STEED cited a Dun & Bradstreet report of January 16, entitled "Upturn in Business Failures."

On July 11, 1961, the House Small Business Committee held a meeting in which the concensus expressed was that efforts should be made to secure a hearing and favorable report by the Ways and Means Committee on proposals for tax relief for small business which would allow deductions from taxable income for limited amounts of earnings reinvested in business. It is our hope that the Ways and Means Committee will provide hearings on this important matter and provide the House with an opportunity to vote on the question of whether we will, through this means, provide help for small business and in that way contribute to the economic growth of this great country of ours.

PERMISSION TO ADDRESS THE HOUSE ON MONDAY NEXT BEFORE THE LEGISLATIVE BUSINESS OF THE DAY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that on Monday next at the appropriate time when Members are recognized to address the House for 1 minute, I may have permission to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore (Mr. IKARD, of Texas). Is there objection to the request of the gentleman from Texas?

There was no objection.

TORRANCE, CALIF., HAD A LOT OF HELP

The SPEAKER pro tempore. Under the previous order of the House the gentleman from West Virginia [Mr. BAILEY], is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter and tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, statements that are difficult to reconcile with the facts and conclusions that are not supported by the facts are found in the article, "We Did It Ourselves," in the June 18, 1961, issue of Parade. The subtitle of this article by Sid Ross and Ed Kiester states: "Faced With America's Toughest School Problem, This Community Solved It—Without Help From Outside." The community dealt with in the article is Torrance, Calif., a suburb of Los Angeles.

The article recounts the accomplishments of the community in meeting the needs of an expanding school population by providing new classrooms and teachers and meeting the demand for improvement in quality of education without help from outside. The article quotes an official of the district, Dr. J. H. Hull, as saying:

> We've shown that we don't need Federal aid.

The article also states that the chamber of commerce has been "an emphatic school supporter." Mr. R. W. Altha is quoted as stating:

> But here we like to keep our prerogatives of local control and responsibility, and let the Federal Government keep its money.

Records at the U.S. Office of Education show that during the period with which the article deals, beginning in 1951, the Torrance Unified School District has applied for, and has received, several million dollars in Federal aid, and applications are now pending from that district for additional amounts of Federal moneys, despite the disavowals reported by Mr. Ross and Mr. Kiester in their article.

Since the Congress passed Public Law 815 in 1950 to provide financial assistance for construction of school facilities, nine different projects have been approved for a total of $4,355,000 in Federal funds. These include three high school projects. These 9 projects will house approximately 4,427 of the Torrance School District's 25,000 pupils, or approximately one-fourth of them. These projects were submitted by the district and were approved in 1952, 1953, 1954, 1955, 1956, and 1957. The last project submitted under Public Law 815 by the Torrance School District was in November 1958 and covered the increase period of July 1, 1958, to June 30, 1960.

Information submitted by the Torrance Unified School District in its last application under Public Law 815 showed an assessed valuation of $181 million and a bonded indebtedness of $14 million which is less than 8 percent of the assessed valuation. The article stated that the district had voted $34 million in bonds. It is a fact to be noted that many school districts in California have a higher ratio of bonded debt to assessed valuation than the Torrance school district.

The Torrance Unified School District has also applied for and received Federal funds for current operating expenses—including teachers' salaries—under Public Law 874 each year since the law has been in effect. The attached table shows how much the Torrance district has received each year under this law. It received approximately $225,000 in 1961.

Another attached table lists some information which was available for only part of the years as shown on the applications. This table shows the total receipts reported by the school district from 1954 to 1959 for current operating expenses. The percentage has been computed from each source and it was found that State funds, and not the local taxpayers, paid well over 50 percent of the amounts used for operating expenses each year except in 1959, when the State percentage, although still greater than the local percentage, was just under 50 percent, or 49.2 percent. Federal funds received each year for maintenance and operation—including teachers' salaries—at the Torrance Unified School District have ranged as high as 11.8 percent.

Information has been obtained that a substantial amount of the funds used for constructing schools at Torrance has come from the State of California and not from local taxpayers, but we do not have the exact statistics on that item in Washington.

Federal funds have been paid to the Torrance Unified School District through the State department of education at Sacramento on projects submitted by the Torrance School Board under title III of the National Defense Education Act which provides financial assistance for strengthening science, mathematics, and modern foreign language instruction. The Federal share of payments on three projects during the fiscal year 1959 appeared in amounts of $2,721, $2,034, and $6,903. Payment from Federal money was made in amount of $2,971 during fiscal year 1960.

The Federal share of funds paid to the Torrance Unified School District under the National Defense Education Act, title V–a, for guidance, counseling, and testing, was also made through the State department of education. Under this title, the district applied for and received $3,500 in Federal funds on a project in fiscal year 1959. In fiscal year 1961, the district received $9,600 in Federal funds on a project. An application is now pending from the Torrance Unified School District for $8,500 on a project for fiscal year 1962.

Torrance Unified School District, Los Angeles County, Calif.—Payments computed under Public Law 874, as amended, for fiscal years 1951–61 (providing financial assistance for maintenance and operation of schools)

Year:	*Amount*
1951	$152,516
1952	133,792
1953	98,473
1954	126,253
1955	86,478
1956	144,973
1957	189,545
1958	204,662
1959	275,793
1960	233,678
1961	[1] 224,868
Total	1,871,031

[1] Estimated entitlement based on initial processing.

TORRANCE UNIFIED SCHOOL DISTRICT, LOS ANGELES COUNTY, CALIF.

Amount of revenue receipts for current expenditures and percent of total by source [1] in fiscal years 1954–57 and 1959

Receipts [2]	1954		1955		1956		1957		1959	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
State funds	$1,415,964	54.0	$1,909,475	57.3	$2,467,840	58.2	$3,140,614	54.1	$4,175,718	49.2
Local funds	1,057,089	40.3	1,336,922	40.1	1,625,458	38.3	1,978,812	34.1	4,053,243	47.8
Federal funds	148,368	5.7	87,000	2.6	149,159	3.5	684,063	11.8	251,576	3.0
Total receipts	2,621,421	100.0	3,333,397	100.0	4,242,457	100.0	5,803,489	100.0	8,480,537	100.0

[1] From applicant's reports for Public Law 874 for 1954–57; from "Annual Report of Financial Transactions Concerning School Districts of California" for 1959.
[2] Excludes revenue receipts expanded for food services, community services, capital outlay, and debt service and any beginning balance.

TORRANCE UNIFIED SCHOOL DISTRICT, TORRANCE, CALIF.

The last Public Law 815 application received from this school district was filed in November 1958.

This application reported that the assessed valuation of the school district was $181,289,230 and the bonded indebtedness was $14,320,000 which represents 7.9 percent of the assessed valuation.

The total pupil membership in the school district as of September 1958 was reported to be 23,295 and this membership figure was verified by our field representative. The assessed valuation per child was $7,782.

Our field representative subsequently reported that total membership on October 30, 1959, was 25,296.

School facilities constructed with financial assistance under Public Law 815

(1) Date Federal funds reserved	(2) School facilities constructed	(3) Cost of school facilities constructed		(4) Number of children housed
		Federal funds	Non-Federal funds	
May 11, 1953	4-classroom elementary school addition	$80,372.58		132
Apr. 24, 1953	14-classroom new elementary school	395,474.99		462
July 25, 1952	do	270,428.15		462
June 16, 1954	18-classroom new elementary school	423,472.86		638
May 19, 1955	27-classroom new high school	858,690.00	$840,284.41	770
July 25, 1957	15-classroom high school addition	180,000.00	1,009,689.01	375
Sept. 10, 1957	22-classroom high school addition	1,330,000.00	490,426.93	550
Feb. 1, 1955 [1]	18-classroom new elementary school	[1] 312,781.00	55,429.00	638
July 18, 1956 [2]	Lump-sum payment under Public Law 382	[2] 504,063.00		400
	Total	4,355,282.58	2,395,829.35	4,427

[1] Reimbursement payment.
[2] Lump-sum payment, July 18, 1956. It is not known for what the payment was expended; however, based on California construction costs in 1956, this payment would construct school facilities for about 400 elementary and high school children.

FOREIGN SERVICE OFFICERS' TRAINING CORPS

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELY-BROWN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, I have introduced today a bill to establish a Foreign Service Officers' Training Corps, and I should like briefly at this point to explain the bill.

This bill contains a somewhat different approach toward the solution of a situation to which I referred on the floor of the House on January 30 last, when I introduced a bill to provide for the establishment of a Foreign Service Academy.

Since then I have been giving the entire problem more study. I still believe strongly that the objectives which I sought in my earlier bill are desirable and necessary objectives for our Government.

Most of the points which I made in my statement to the House in support of my earlier bill are just as strong and just as valid in support of this new bill.

It is true at all times, but it is especially so in these years of the "cold war," that there are as many battles to be won or lost at the diplomacy table as in a shooting war. The diplomacy table is the symbol. It is the ultimate in the process which goes on from day to day, involving a great variety of actions by the men and women of our Foreign Service in other countries, with other governments and with the people of other countries.

In the days and months and years to come, we must depend upon a better trained Foreign Service to be our "shock troops" and to win battles that not only will make a shooting war unnecessary, but will actually prevent one.

The situation being what it is, it is ironical that the Department of State, officially rated as the foremost department in our Government, the Department whose peregrinations are vaster even than the military, because they extend to every country of the world with which we have relations, has no assured reservoir of trained and dedicated, competent personnel to help the Foreign Service keep up with its problems and responsibilities.

In the new State Department building in Washington, it is said that they have everything—everything, that is, except a bookstore, a barbershop, and the facilities for providing the men and women who are trained for Foreign Service as a vocation, more than as a mere livelihood.

The Foreign Service in the State Department today consists of more than 8,300 men and women, which is about 1,400 more than the total employment in this Service 6 years ago. Of these, almost two-thirds are Foreign Service officers and Foreign Service Reserve officers—the latter are temporary employees for specialized missions or duties—and the other third are Foreign Service staff officers, who are stenographic, clerical, and technical personnel.

Of these 8,300 employees, about 1,400 are in Washington, and the others are on duty at posts all around the world.

During the current fiscal year, the State Department plans to recruit 240 junior Foreign Service officers.

The Department will get the candidates for these appointments through competitive examination, and the examination will be conducted next December in examination centers throughout the United States and its possessions. Last year, 8,000 took the examination. I do not know how many qualified for appointment, but 200 were appointed. The others were placed on an eligibility list, in descending order based upon their standing in the examinations, and if they have not received an appointment by the end of 30 months, they will be dropped, and, if interested, will have to take the examination again.

The bill which I have introduced establishing the Foreign Service Officers' Training Corps would, I sincerely believe, get better candidates and would prepare them better and orient them earlier than the method now used.

Under the bill as introduced, candidates would select the Foreign Service as a career at the completion of secondary schooling, as a boy usually does now if he is going into a profession, or aims at a military career.

The bill would let the candidate choose his own college, provided it was one that offered the curriculum required by the State Department. The Government would pay the tuition and related expenses of the accepted candidate, upon his enrollment in the Foreign Service Officers' Training Corps, and would pay him a retainer of $100 a month for not to exceed 4 academic years while he continued in the Foreign Service Officers' Training Corps, provided he agreed to serve at least 3 years in the Foreign Service after graduation.

The authorized strength of the Foreign Service Officers' Training Corps is stipulated in the bill which I have introduced to be 3,000. This may be re-

vised as the future need is indicated. This figure, however, contemplates an entering class the year the corps is started of 1,500. If the experience in the military service academies, and, indeed, in most of the colleges, can be accepted as a guide, there will have been an attrition of this number to 750 by the end of the fourth year, and each succeeding entering class will have had a similar attrition. Thus, an entering class of 1,500 each year seems prudent and practical until the need and the capacity to satisfy that need is established.

The bill establishes eligibility for the Foreign Service Officers' Training Corps as those males between 17 and 23 years of age who meet the mental, moral, and physical qualifications established by the Secretary of State, who agree to serve in the Foreign Service for a minimum of 3 years after completion of their training, and who are endorsed by the Representative in Congress from the district in which the candidate resides, or by a Senator from the State in which he resides.

The last provision is one which will be effective, I believe, in eliminating one of the most frequently voiced criticisms of our Foreign Service. It will help to assure that our country will get at all times the best and most dedicated career men, from every State, regardless of their race, creed, or color.

The satisfactory completion of the curriculums in 4 years in the college or university of his choice would be followed for the Foreign Service Officers' Training Corps member by a probationary appointment for 2 years in the Foreign Service, after which he would receive a regular appointment. He could be separated from the training corps, under provisions of the bill, at any time he failed to maintain the academic standards prescribed by the Secretary of State. Also, the training corps student could be separated at any time when the Secretary of State considers the interests of the Foreign Service so require.

This, in effect, provides 4 years for the screening of Foreign Service officer material, so that those who are unfit for other reasons besides academic—such as psychiatric, physical and moral reasons—can be discovered. The unpleasant personnel and security problems of previous years eventually could be almost completely removed, under the plan of the Foreign Service Officers' Training Corps.

I would like to quote, in support of the type of program called for in the Foreign Service Officers' Training Corps bill, from a book which has just been published by the Center of International Studies at Princeton University. The book is called "Present Problems of the Foreign Service," and the author is Mrs. Zara Steiner, a research associate at the university.

The Foreign Service—

Says Mrs. Steiner—

must concentrate on creating a group of officers who can use methods of the natural, social, and military sciences in hammering out a national strategy. * * * The Department sorely needs men who can bridge fields: Political officers who can deal with questions of military strategy, who can assess the political and propaganda of a proposed ICA policy, who can foresee the social problems that industrialization of the underdeveloped states will create. At the very top, the Secretary of State must have men who can assist him in meshing the various strands of foreign policy into a coherent pattern.

I believe that the Foreign Service Officers' Training Corps in time would provide the best means for meeting these needs.

The State Department has a training center, a graduate-level institution called the Foreign Service Institute, which was established in 1947 by order of the then Secretary of State, George C. Marshall. The Institute was to furnish training only after an applicant for a State Department position had been admitted to the Foreign Service or to another job in the Department.

This training, as set forth in Secretary of State Marshall's order, was to "improve the skills, broaden the understanding and develop the abilities of all officers and employees engaged in the field of international, political, and economic affairs for Foreign Service officers at various stages during their careers."

The bill which I have introduced establishing the Foreign Service Officers' Training Corps enlists the resources and the full capabilities of all of the best colleges and universities of our country to do this, and to do this as a part of the fundamental training and indoctrination and development of the young candidate for a Foreign Service career. Under this bill, the Foreign Service would get better prepared men, at an earlier age, than under the method now in use.

Incidentally, the Princeton research associate whom I have quoted above considers the training at the Foreign Service Institute inadequate and incomplete in important respects. I shall not attempt here to give a judgment as to that by myself or by others.

The Foreign Service Institute is composed of two separate entities, the School of Foreign Affairs and the School of Languages. Both are conducted at Washington, and the School of Languages also has five branches in Germany, Mexico, Japan, Formosa, and Lebanon.

Training is required for all junior Foreign Service officers upon appointment, and the course includes instruction in the duties and functions of Foreign Service officers, a survey of the Department of State and the Foreign Service and their relationships with other Government agencies, also training in procedures of reporting, trade promotion, protection, and consular services, and administration.

These junior appointees also must take intensive courses in French, German, or Spanish as part of their basic training. They cannot be promoted to the next highest grade unless they have a proficiency in at least one of these languages.

Foreign Service officers of any rank, unless exempted, go to the School of Languages to study the language of the country to which they are going, before departing for a new post.

All of this is commendable, and is in fulfillment of the policy of Congress expressed in the Foreign Service Act amendments of 1960, that chiefs of mission and Foreign Service officers appointed or assigned to serve the United States in foreign countries shall have, to the maximum practicable extent, among their qualifications, a useful knowledge of the principal language or dialect of the country in which they are to serve, and knowledge and understanding of the history, the culture, the economic and political institutions, and the interests of such country and its people.

The bill which I have introduced establishing the Foreign Service Training Corps would accomplish these objectives, and would do it with a saving, not only of months, but actually of years.

Nearly everyone, in government, in business, and many of those who travel abroad for pleasure, is agreed that the training of Americans in foreign languages is a great problem in this country today.

Competent testimony before committees of the Congress indicates that a 12-week to 16-week course in one of the world languages, French, German, or Spanish, such as is offered at the Foreign Service Institute, can provide only an introduction to the language. A student completing such a course could not expect to be able to carry on any but the most rudimentary conversation with a native in the country of assignment. This necessarily would be even more so in the cases of the other 49 or 50 less familiar and less widely used languages that are taught by the Foreign Service Institute.

In the Foreign Service Officers' Training Corps, in any college that met the State Department's requirements, this language training could continue for 4 years. The trainee could acquire proficiency in more than one language.

He could get, during the entire period of his undergraduate education, the orientation and the training that the Foreign Service Institute in its School of Foreign Affairs now tries to cram into the new junior officers in a matter of a few weeks.

The Foreign Service Officers' Training Corps can give us younger and better trained Foreign Service officers. It can give us men who have found the right path for their lives early, as with those who go into the priesthood, or into medicine, or into law, or into the military.

The Foreign Service Officers' Training Corps is the answer to the needs of the Peace Corps, at least so far as selection and training are concerned.

It can give us the diplomats of the future, risen from the ranks, just as it can give us the men in all of the continually spreading duties of the Foreign Service, to give us at every step of our foreign relations, the dedication, the skill, yes, the genius that we require, as we seek it, too, in the Armed Forces, in technology, in industry, in business.

The Foreign Service Officers' Training Corps, as proposed in the bill which I have introduced, can give us most of all and best of all what the Foreign Service needs, the best material from the heartland of America, from every State and

from every district in the country. Starting in their formative years, which is the way successful and dedicated careers are best made, the young men who are the cream of the crop can be the best people we ever have had to be our spokesmen and our agents on the far limits of our international relations.

In this connection, too, it is significant that in this very session, the Congress has at last decreed that qualified citizen soldiers are the equal of those who have been trained at the service academies, and have removed all restrictions upon promotion and advancement of Reserve officers in any of the military services who are otherwise qualified.

The Foreign Service Officers' Training Corps proposal is a constructive move, and one that can be of the greatest importance and significance since 1924 when we passed the Rogers Act, which combined the consular and the diplomatic branches of the State Department and created the Foreign Service.

THE 1961 PLATFORM OF THE YOUNG REPUBLICAN FEDERATION

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. BATTIN] may extend his remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BATTIN. Mr. Speaker, at this point in today's proceedings I would like to have printed in the body of the CONGRESSIONAL RECORD the 1961 platform of the Young Republican National Federation.

PLATFORM ADOPTED BY THE YOUNG REPUBLICAN NATIONAL CONVENTION, MINNEAPOLIS, MINN., JUNE 24, 1961

PREAMBLE

The Republican Party—the great opportunity party—offers to the young men and women of this Nation a better life based upon individual initiative and freedom. This Nation was built by individual initiative, has sustained itself through individual initiative, and shall progress only by individual initiative. While we recognize the need for government, we believe that the foundations of Republican philosophy are a strong faith in the individual human being and his capacity and rights. We believe in the ability of each individual to determine the course of his life, and that it is the duty of the Government to help people reach a position where they are able to make and carry out their own decisions, rather than to tell the people which choice they must accept. Thus we agree with the framers of the Constitution that a government should have only enough power to meet the needs of the people and not enough to undermine the sense of individual and local responsibility.

The Republican program is more than a political creed, it is the application to the specific problems and challenges of the present and the future of the great human principle: "faith in the individual." We reject the attempts of the Democrat scaremongers to create an atmosphere of panic and fear so they can call for the placing of all power in the hands of the Government. History has shown us the results of centralized government often enough so that we believe the controls spelled out in the Constitution are still necessary today.

FISCAL POLICY

Financial responsibility is one of the cornerstones of representative government. We deplore the Democrat incompetence in fiscal affairs which has recurred in the new national administration. The waste and irresponsibility demonstrated in the host of new Democrat spending proposals show clearly our opponents concern for special interests at the expense of the Nation as a whole. We believe that every Government expenditure must be tested by its contribution to the general welfare, not to any narrow interest group.

Although we realize it is hard for our legislators and administrators to resist the pressures placed on them to spend more than the revenues provided by taxation, we reject the tempting policy that a little inflation won't hurt. We continue to see the results of the Democrat policy of inflation which penalizes thrift and has often destroyed the independence of those living on savings, pensions, or other fixed incomes.

We believe our Nation must live within its means. We call for early and regular reduction in the Federal debt. We know this can be achieved only by restricting the activities of our Federal Government to the legitimate and urgent needs of the Nation which cannot be met by the States, local governments or the people themselves.

We believe that all money for Federal programs should come from annual appropriations by the Congress.

We support the movement for a complete revision of the tax structure of the United States, for we feel the present laws are braking the development of our economy. If our country is to grow and if we are to provide the jobs necessary for our increasing population, we must adopt policies that permit the accumulation of capital and encourage its use.

A sound banking system is a necessary part of our free enterprise economy and we reassert our belief in an independent Federal Reserve System free from political domination.

We urge the orderly liquidation of the Federal Government's involvement in areas of our Nation's economy which are more naturally and properly the province of private enterprise.

AGRICULTURE

There seems to be little disagreement with the statement that the agriculture policy being followed by the present administration is no longer workable. Originally developed to sustain our economy and to provide incentive for full production during wartime, it is not properly fitted to an era of continuing surpluses. We favor a program of gradual withdrawal from the regulation of agriculture by the Federal Government and eventual restoration of a free market. We favor a continuation of the Eisenhower program, a program of gradual government withdrawal from agriculture and an eventual restoration of a free market. More specifically, we believe there should be a reduction and finally an elimination of government subsidies and the controls necessary to such a program.

We favor a policy that develops an agricultural production geared to the domestic and export market provided by the free enterprise system, rather than a policy geared to a false market created by Government purchases. Certainly we completely oppose the suggestion that the citizens of the United States and the Congress place all responsibility for the control of agriculture in the hands of the executive branch which would be allowed to develop any program it desired.

We feel this country must do everything it can to encourage free and independent farmers to combat rising production costs with great productivity which, coupled with lower unit cost, will produce greater individual income.

We also deplore the present application of estate taxation to the property of individual farmers and urge they be placed in the same category with small businessmen and allowed a number of years to satisfy such liabilities to the Federal Government.

We oppose the exemption of agricultural cooperatives from the antitrust laws and call upon Members of Congress to vote against the provision in the pending omnibus farm bill which is a violation of this principal.

NATIONAL SECURITY AND PEACE

The paramount objective of the foreign policy of the United States should be the protection and preservation of this Nation and all other free nations in the world. In the present cold war with communism, the U.S. Government must realize that their policy of trying to end the cold war, instead of winning this ideological conflict, can only lead to further loss of free people. Today the United States has the strongest Military Establishment in the world and we believe the United States can and must provide whatever is necessary to insure its security and that of the free world. We feel we must maintain a diversified defense organization of professional military men which is superior to all potential foes. We reject the concept that this requires the giving of unlimited funds to the executive department to be spent without supervision, for we feel the constitutional provision giving to the Congress the power to raise and support armies and to provide a navy is a desirable safeguard. We have today a well-balanced force, ranging from our Strategic Air Command to our Polaris Missile force, to our naval fleet, our missile forces and our mobile ground forces, which we are proud to claim as the result of a Republican administration that overcame years of Democratic mismanagement.

We believe it essential to our own security and that of the world to resume testing of nuclear weapons immediately.

We can support the United Nations only to the extent that the organization effectively serves the freedom of man. We realize that the time may have arrived when it will no longer be possible for the United States to place reliance in the U.N. as an agency to solve world problems. We feel that the United States must be willing to take action by itself in any case where it feels action is necessary but is unable to obtain U.N. support.

We oppose the admission of Red China into the United Nations because we feel that the continued suppression of human rights within China and that government's continued aggression without its borders make it unfit for membership. If Red China is admitted to the United Nations, we feel that at a minimum all U.S. financial support should be withdrawn from that organization immediately, and the complete withdrawal of the United States then be seriously considered. Further we feel the Government of the United States should continue to withhold diplomatic recognition of Red China.

We are in favor of whatever military action may be necessary to protect West Berlin, for we are completely opposed to the forced surrender of any area of the free world to communism.

We believe it is the duty of the Government of the United States to take any means necessary to carry out the principles of the Monroe Doctrine. We believe we should join the other Republics of the Americas in carrying out our treaty commitments to protect the countries of this hemisphere from outside intervention or internal Communist subversion. We feel if it is not possible to obtain the support of our neighbors, it re-

mains our responsibility to act to prevent any spread of communism into the New World.

We feel that the only argument the Communists respect is strength and the only way to stop aggression is for the free countries to show that they will not allow any Communist oriented group to seize power anywhere in the world. However, containment is not enough as the world cannot remain half slave and half free. We, therefore, urge that this Nation dedicate itself to the freeing of those peoples who have been enslaved by the Communists.

We recognize that an even greater threat to the free world is subversion and we favor an aggressive and coordinated assault on all forms of subversion here in the United States by the Congress, the FBI, and other branches of the Federal and State Governments. We applaud the recent decisions of the Supreme Court as a long overdue sign that it, too, is aware of this threat to our country and the duty of our Government to deal with it.

There should be an expansion of the services and an upgrading of the staff of the U.S. Information Agency as a major part of our efforts to counter the Communist attempt to subvert the countries in the free world. We believe that every medium should be employed to spread the truth about the success of the unique American system of self-government, and the failures of socialism.

Our experience in giving aid to foreign nations shows us that we have been treating the symptoms rather than attempting to cure the causes. We demand a reevaluation of all our programs in this field and a realization by our leaders that we must use this aid to create the beginnings of capitalist economies. For this was the means by which the United States has been able to grow strong and self-sustaining. We must not attempt to underwrite socialistic economies by our aid, for we know that it is impossible for any such economy to succeed.

We feel that private enterprise possesses far greater resources for the provision of capital than does the Government of the United States or even of all the governments of the developed world. We urge that our Government curtail its spending, and expend its efforts in opening the way for private investment to be allowed a chance to fill the needs of those countries less fortunate than the United States.

We hope that the day will come when it is no longer necessary for each country to retain protective tariffs, but we recognize that the time has not yet come, nor will it come until fair labor standards are established throughout the world. As an example we cite the problem of our textile industry, where thousands of jobs are threatened by low-priced imports.

We recognize the Communist conspiracy is committed to the ultimate destruction of our form of government. Accordingly, we urge that an absolute embargo be imposed and enforced on all trade with Communist nations. We urge the adoption of similar legislation with relation to Cuba.

We actively support the House Un-American Activities and other such organizations that are combating the Communist conspiracy in the United States.

INTERIOR AND COMMERCIAL AFFAIRS

We reaffirm our belief in the economic principles underlying our system of free enterprise from which our Nation has derived its greatness and its strength. It has been proven private enterprise is capable of providing for the basic needs of the individual and that the Government should do for the people only those things which are without question beyond the resources and capabilities of private enterprise. We further believe that the economic and political freedom of the individual, and the dynamic growth of our Nation can best be guaranteed and maintained if more citizens are encouraged to become capitalists.

We recognize that one of the most important requirements of modern society is a cheap and adequate supply of energy. We feel that the basic responsibility for the production and distribution of energy lies with private enterprise, and whether we talk of atomic power, electricity, coal, fuel oil or natural gas, we believe that the responsibility should remain with private enterprise. The entry of the Federal Government should be restricted to those instances where adequate development cannot possibly be obtained from private sources, and steps be taken to turn existing projects over to private enterprise.

We recognize that a strong and growing economy requires vigorous and persistent attention to wise conservation and sound development of all our resources. Teamwork between individuals, business, and State and local entities is essential and must be continued. We do not believe that any program will ever be effective if it is solely the responsibility of central government, for we know that it requires not only the support but the cooperation of the individual citizen in order to be effective.

We believe that the time has come for a complete examination of the existing policies of the Congress in the field of regulation of transportation. Originally, the independent agencies were established to allow a more flexible transportation policy than if the Congress were to set forth every detail of Government supervision.

We feel that the Interstate Commerce Commission through its maze of complex and unworkable regulations, is strangling the transportation systems of this country. We urge a complete examination of the operations of the ICC and the establishment of policies which will encourage economic, safe, and competitive systems of transportation in this country.

We reject the current demands to place control over the independent agencies in the hands of the Executive. We believe that the original circumstances giving rise to their creation still exist and that these agencies should continue as instruments by which the Congress can delegate its power to regulate and control. We do not believe that either the FCC, the FTC, the FPC, the ICC, or the CAB, to name but a few, could properly carry out their duties, if they become tools of the President.

We support the right of the Puerto Rican people to achieve statehood, whenever they freely so determine.

LABOR

We respect the role of labor unions within our society, for we recognize the part they played in protecting the rights of the individual which were endangered by the pressures of the industrial revolution. We also believe in the application of democratic processes to the internal affairs of unions. We believe that business and labor should be treated equally, entitled to the same rights and privileges and subject to the same limitations and controls. We believe antimonopoly type legislation should be applied equally both to business and labor.

We reaffirm our past statements that the following steps must be taken to protect the rights of the individual union members:

1. Union elections conducted by secret ballot in a truly free and fair manner.

2. Free disclosure of union finances for the benefit of dues-paying members.

3. Rigid enforcement of the ban on political contributions by labor unions.

4. Protection of union members from any political assessments by their officers.

The only way all Americans are going to be able to realize their full potential is for labor, management, and Government to understand there is common ground in the long-range interests of all three groups. We believe any proposed solution to unemployment must be based on a recognition that a major cause of unemployment has been an increase in wage rates beyond a level justified by productivity increases. As a consequence, many products have been priced out of domestic and world markets, with lost jobs and unemployment the direct results. We feel the heated exchanges over automation, featherbedding, and other problems will not provide solutions. Nor do we feel that the solution to the problem of unemployment is to force a business to keep men at work or to subsidize forever those who are unemployed. We believe the best solution is to help those who do not have jobs to find employment, and that it is the joint responsibility of business, unions, and local government to help in placement and retraining.

We support the right of the States to determine their own law with respect to the right of workers to belong or not to belong to a collective-bargaining unit.

HUMAN NEEDS

We believe in the inherent worth and dignity of each individual and that this country can reach its full strength only when there is an opportunity for each individual to employ his talents to the full extent of his ability, free from discrimination and prejudice.

We feel that the conduct of the voting process in the 1960 election was a shocking indictment of the failure of United States to allow its citizens the right to vote and to have their votes counted accurately. We demand that constituted authorities enforce the voting laws more vigorously in future elections. We urge the Republican Party to double and redouble its efforts to provide trained watchers at every polling place to insure that each voter is allowed to cast his own ballot and that each ballot is correctly counted. We oppose the current attempts to establish socialized medicine in the United States, for we have seen the failure of such programs in other nations.

We oppose all efforts to rely on federally sponsored health insurance to meet the health needs of the people of this country. We commend the efforts of the voluntary health insurance groups in working together with the medical profession to find adequate methods of caring for the sick, without Federal intervention.

We believe that the pension programs now available through private sources make it possible to turn the old-age and survivors program into a supplementary source of aid and that it should no longer be mandatory. We do not believe that the social security program should be used to bribe the voters. We urge that legislation be adopted to place social security on a sound financial basis before it becomes insolvent or reaches a point where the Government cannot provide individuals with the benefits for which they have been taxed. This can be accomplished through the establishment of a "Federal Reserve type" organization to assure independent management of the hard earned funds of the people of our Nation.

We believe that the Republican Party should encourage State legislatures and local school boards to augment their present efforts so each child will have the opportunity to obtain a good education. We believe the States and localities can shoulder this responsibility more effectively than can the Federal Government. We believe that plans of Federal aid to education, such as direct contributions to or grants for teachers' salaries or school construction, can lead only to Federal domination and control of our schools to which we are unalterably opposed. We believe that the responsibility for education must be kept close to the people it serves, for they are the best judges of whether or not the schools are doing a good job. We reject the thinking that the Federal Government can or should prescribe a

standard curriculum for a school or that it can direct from Washington how a school can be best operated.

We applaud the development of loan programs by our colleges and private groups to insure that no qualified student is deprived of an opportunity for a college education.

PERSONAL EXPLANATION

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and revise and extend his remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I was unavoidably absent on June 19, 1961, during two rollcalls.

The first rollcall was on H.R. 6765, a bill to authorize acceptance by the United States of an amendment to the charter of the International Finance Corporation, an affiliate of the World Bank. Had I been present, I would have voted "aye."

The second rollcall was on H.R. 7712, the fourth supplemental appropriations bill, 1961, to provide moneys for the Departments of State, Justice, Treasury, and Defense. Had I been present, I would have voted "aye."

MONEY AND CREDIT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. MULTER], is recognized for 30 minutes.

Mr. MULTER. Mr. Speaker, one of the most important nongovernmental reports issued in recent times by any group of Americans is that entitled "Money and Credit" by the Commission on Money and Credit established by the board of trustees of the Committee for Economic Development.

Whether one agrees with all of its findings and recommendations is not of too great consequence. Many of its recommendations will find almost unanimous support. Even those which may create great controversy are deserving of the closest study.

Although I did not participate in any of the studies or discussions of the commission, I am pleased to note that not less than 26 of its recommendations follow closely my own suggestions. Many of these are covered by bills introduced by me to accomplish those purposes.

Not the least important are the subjects of my bills: H.R. 6900 to eliminate the gold reserve requirement for Federal Reserve obligations, House Resolution 44 to order a study of credit controls, H.R. 5447 to change the term of office of the Chairman of the Federal Reserve Board to make it coterminous with that of the President, H.R. 1046 to retire the misnamed capital stock held by member banks, H.R. 508 to improve the tax structure, vis-a-vis business investment, and H.R. 825 to make available Federal charters to mutual savings banks.

The consolidation of the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation, unifying into one agency all Federal bank examinations and review of legislation to assure arm's-length transaction to prevent self-dealing, are musts.

For those who cannot find the time or the inclination to read the entire report, I commend a summary as it appeared in the American Banker on June 20, 21, and 22, 1961. The author—Gaylord A. Freeman, Jr.—is president of the First National Bank of Chicago and a member of an advisory committee which reported on the social aspects of the material prepared by the Commission on Money and Credit.

[From the American Banker, June 20, 1961]

HISTORY OF DEVELOPMENT OF STUDY OF MONEY AND CREDIT OUTLINED—CHICAGO BANKER REVIEWS PROGRESS FROM ALDRICH REPORT

(By Gaylord A. Freeman, Jr.)

In 1908, as the Nation sought to recover from the financial panic of 1907, Congress adopted the Aldrich-Vreeland Act of May 30, 1908, pursuant to which a commission, chairmaned by Senator Nelson W. Aldrich, was appointed to analyze the requirements of a sound monetary system and to make legislative suggestions.

After approximately 4 years of study the Aldrich Commission, in January 1912, reported its recommendations to the President of the Senate.

These suggestions, as you know, culminated in the Aldrich bill which proposed the creation of a central bank in the form of a national reserve association.

Although the Aldrich bill never was reported out of committee, the findings of the Aldrich Commission's exploration, the discussions which they evoked and a determination to avoid future crises such as the panic of 1907, along with the virtual unanimity of opinion among the economists of the time that we should emulate the century of central banking experience abroad—adapted to the American political and social environment—all led to the adoption of the Federal Reserve Act on December 23, 1913.

In the half century since the appointment of the Aldrich Commission there have been many changes in our economy. Two World Wars, a great depression and a gradual equalization of wealth have produced conditions substantially different than those which existed in 1908.

The Government has entered many areas of finance and has extended direct loans, guarantees, and loan insurance which by mid-1960 amounted to $70 billion. A tremendous expansion in Government debt has carried the total to a level 237 times as great in 1960 as in 1908.

There has been a growing public recognition of the need for the Government to attempt to moderate both inflationary booms and deflationary busts. A matter of particular concern to bankers has been the declining significance of the commercial banks and the rapid rise of investment trusts, pension funds, savings and loan associations and credit unions. These vigorous competitors have prospered in part as a result of Government-granted advantages but also in part because they have aggressively merchandised services which commercial banks did not offer—at least not on equal terms.

These and other developments of the past 50 years led some scholars and a few businessmen to feel that it was time again to take another careful look at both the policy and machinery of our financial economy. There was ample precedent for periodic review of the financial machanism, not only in our own Aldrich committee and in the reanalysis in connection with the Banking Act of 1935, but also in the Macmillan committee in the early 1930's and the Radcliffe committee in 1958–59, both of which conducted exhaustive studies of the British financial system.

What I believe was the first modern suggestion for a thorough and objective study of the U.S. monetary and financial system was that made, almost 13 years ago, in 1948, by the Committee for Economic Development (CED).

Two years later, in 1950, the Douglas subcommittee of the Joint Committee on the Economic Report recommended a "thorough and complete study of the monetary and credit system and policies of the United States."

There was no immediate result of these suggestions, but in December 1955, Allan Sproul, then president of the Federal Reserve Bank, New York, suggested "a renaissance in the study of money and banking in general and of central banking in particular." He followed this up in an address before the New Jersey Bankers Association on May 24, 1956, by urging "an inquiry into the whole intricate and complicated arrangement of financing institutions which has developed during the past 40 years and particularly during the latter half of that period.

"We cannot afford much longer—or we can only afford it because we are rich—to go ahead not really knowing what to expect of our central banking system, of our commercial banking system, of our savings banks and building and loan associations, of our insurance companies and pension trusts, and of all the other bits and pieces which we are using to try to keep our production facilities and our credit facilities in balance. The task would be a difficult one. The rewards could be commensurate with the difficulties," he stated.

This statement by Mr. Sproul, unlike the earlier suggestions of the CED and the Douglas subcommittee, developed considerable interest.

Academicians saw a chance to overcome inadequacies in the Federal Reserve Act. The administration felt there was an opportunity to improve our monetary and financial services. Certain leaders grasped at a possible vehicle to change policies they thought too severe on the common man and perhaps to make some political capital in the process.

Although, with a few exceptions, bankers and businessmen were silent, others—primarily academicians and Government officials—supported the idea of such a monetary reappraisal.

President Dwight D. Eisenhower accepted the need and concluded that he should appoint a commission to make such a study. However, although he had ample power to appoint a commission himself, obtaining the funds needed for research required congressional authorization.

Also, if the resulting recommendations were to attract the bipartisan support necessary for their enactment, it was important that the commission be established by joint action of the Congress and the President. Thus, in his state of the Union message on January 10, 1957, President Eisenhower suggested that Congress authorize "a broad national inquiry into the nature, performance, and adequacy of our financial system, both in terms of its direct service to the whole economy and in terms of its function as the mechanism through which monetary and credit policy takes effect."

You may remember that at that time, although the administration was Republican, both the Senate and the House were Democratic, and the Democrats were concerned that if the President were allowed to appoint a commission he would choose men of his own philosophy, including bankers.

Representative SPENCE, the chairman of the House Banking and Currency Committee, said this would be most inappropriate as

"those who have a direct interest in the result (bankers) should not be permitted to sit on the investigation committee."

Representative WRIGHT PATMAN went further when he stated (in the CONGRESSIONAL RECORD, September 19, 1957): "We reject the view that the highest and best judgment in this field is that of the experts. On a matter which affects the welfare of every citizen, affects the whole economy of the United States, I say the highest and best judgment is the congressional judgment, rather than expert judgment. It is representative of, and similar to, public judgment."

Some legislative leaders felt that such an inquiry was properly the prerogative of the legislative arm of the Government. Others may have considered this an opportunity to make a little political capital by conducting such an investigation of their own. This is suggested not only by the fact that they turned down President Eisenhower's request, but also by the fact that they thereupon fought among themselves to see who would get the opportunity to conduct the investigation.

All through the first quarter of 1957 it looked as though the investigation would be given to a subcommittee of the House Committee on Banking and Currency, which subcommittee would be chairmaned by Congressman PATMAN.

This would so clearly have been a war of nerves against the financial world, as one Congressman said, that 38 Democrats (mostly conservatives from Southeastern States) joined with Republicans to defeat the proposal.

In the resulting confusion Senator HARRY BYRD stepped in and announced that his Senate Finance Committee had unanimously determined that it would assume responsibility for an investigation and make a complete study of the financial condition of the United States, including:

1. The revenues, bonded indebtedness, and interest rates on all public obligations, including liabilities.

2. Policies and procedures employed in the management of the public debt and the effect thereof upon credit, interest rates, and the Nation's economy and welfare.

3. Factors which influence the availability and distribution of credit and the interest rates thereon as they may apply to public and private debt.

It was my good fortune to participate in this study during the summer of 1957 as a consultant to the Secretary of the Treasury, George Humphrey.

It soon became evident that some Senators were as interested in political as in economic gains.

The committee had almost no staff, and consequently what apparently had been proposed as a serious investigation deteriorated into a political contest using economic theories as the weapons.

The administration accepted the challenge and assumed the offensive, presenting the Treasury Secretary's testimony for 15 days as an aggressive declaration of the administration's economic philosophy. He was followed by Under Secretary Burgess and later by Bill Martin. Little new information was developed and the investigation was finally allowed to abort in April of 1958.

Even during the Finance Committee's study the White House quietly expressed the hope that after the Senate had finished, some independent nonpolitical group would assume responsibility for a serious investigation.

The CED responded, and on November 21, 1957, announced plans for the creation of a committee to be selected from a wide sector of the society and the basis of the members' reputations for competence and objectivity. To assure such a membership, the CED designated as the selection committee the following:

Robert D. Calkins, president, Brookings Institution, chairman; Arthur F. Burns, president, National Bureau of Economic Research; Everett Needham Case, president, Colgate University; Charles W. Cole, president, Amherst College; Morris A. Copeland, professor of economics, Cornell University; August Heckscher, director, Twentieth Century Fund.

Also: Pendleton Herring, president, Social Science Research Council; J. E. Wallace Sterling, president, Stanford University; H. Christian Sonne, chairman, National Planning Association; Herman B. Wells, president, Indiana University.

These men proceeded to choose as commissioners men from the fields of labor, government, and business, reflecting a variety of political attitudes.

In May 1958, the CED announced the creation of the Commission on Money and Credit with Frazar B. Wilde, president, Connecticut General Life Insurance Co., as chairman. Mr. Wilde has long been prominent in the fields of insurance and finance, and his extensive public service includes the position of vice chairman of the CED's board of trustees.

This distinguished commission was composed of the following members:

Vice chairman, H. Christian Sonne, New York; Adolf A. Berle, Jr., New York; James B. Black, chairman, Pacific Gas & Electric Co.; Marriner S. Eccles, chairman, First Security Corp.; Lamar Fleming, chairman, Anderson, Clayton & Co.; Henry H. Fowler, Fowler, Leva, Hawes & Symington.

Fred T. Greene, president, Federal Home Loan Bank, Indianapolis; Philip M. Klutznick, Park Forest, Ill.; Fred Lazarus, Jr., chairman, Federal Department Stores, Inc.; Isador Lubin, Arthur T. Vandergrift professor of public affairs, Rutgers University; Irwin Miller, chairman, Cummins Engine Co.

Robert R. Nathan, Robert R. Nathan Associates, Inc.; David Rockefeller, president, Chase Manhattan Bank; Beardsley Ruml, New York; Stanley H. Ruttenberg, director, department of research, AFL–CIO; Charles Sawyer, Taft, Stettinius & Hollister; William F. Schnitzler, secretary-treasurer, AFL–CIO.

Earl B. Schwulst, president and chairman, Bowery Savings Bank; Charles B. Shuman, president, American Farm Bureau; Allan Sproul, Kentfield, Calif.; Jesse W. Tapp, chairman, Bank of America, N.T. & S.A.; J. Cameron Thomson, retired chairman, Northwest Bancorporation; Willard L. Thorp, director, Merrill Center for Economics, Amherst College; Theodore O. Yntema, vice president, finance, Ford Motor Co.

Joseph Dodge replaced Mr. Sproul and later resigned, as did Mr. Schnitzler, who on May 18, 1960, was succeeded by Mr. Emil Reive. Beardsley Ruml passed away and I was appointed to succeed him. Fred Greene died just this spring.

After the Kennedy administration was installed Henry Fowler was appointed Under Secretary of the Treasury, Adolf Berle was designated special envoy to the Latin American Task Force, and Philip Klutznick was appointed as the U.S. representative to the United Nations Economic and Social Council.

The remainder are still serving.

An advisory committee primarily composed of economists was designated to work with the commission and was composed of the following:

Lester V. Chandler, professor of economics, Princeton University; Gerhard Colm, director of research, National Planning Association; Neil H. Jacoby, dean, School of Business Administration, University of California; Richard A. Musgrave, professor of economics, University of Michigan; Richard Newstadt, professor of political science, Columbia University.

Paul A. Samuelson, professor of economics, Massachusetts Institute of Technology; Edward S. Shaw, professor of economics, Stanford University; Sumner H. Slichter, Lamont professor, Harvard University; Alan H. Temple, vice chairman, First National City Bank, New York; Jacob Viner, professor of economics, Princeton University.

I was a member of the above group, but I later went to the commission. Professor Slichter since has passed away.

The commission appointed as its research director and chief of staff Bertrand Fox, professor and director of research at the Graduate School of Business, Harvard University, and as deputy research director Eli Shapiro, professor of finance at Massachusetts Institute of Technology.

These two extremely able and conscientious men gathered around them a competent staff of Robert Z. Aliber, formerly with the Yale University department of economics; George K. Brinegar, professor of agricultural economics, University of Connecticut; Joseph W. Conrad, associate professor of economics, Swarthmore University; John C. Dawson, assistant professor of economics, Grinnell College; James Duesenberry, professor of economics, Harvard University; Burton Hallowell, professor of economics, Wesleyan University; Vivian C. Howard, formerly with the Division of Research and Statistics, Board of Governors, Federal Reserve System; Harvey C. Mansfield, professor of political science, Ohio State University; Lawrence S. Ritter, chief domestic research division, Federal Reserve Bank, New York (on leave), and adjunct associate professor of economics, New York University; Ira O. Scott, Jr., associate professor of finance, Graduate School of Business, Columbia University; Ezra Solomon, professor of finance, University of Chicago; Mary C. Wing, formerly with the National Bureau of Economic Research, Inc.; Robert F. Lenhart, executive secretary; Earl L. Packer, assistant to the executive secretary; Porter McKeever, director of information; John H. Crider, deputy director of information; Harry E. Rabey, comptroller.

The Ford Foundation agreed to advance $500,000 to get the work underway. Subsequently the Merrill Foundation contributed $35,000, and the Ford Foundation advanced an additional $800,000.

Before attempting to choose a course of action, the GMC first sought to determine the goals toward which public economic policy should be directed. Three principal goals, of special concern to the Commission because of their relevance to monetary and fiscal policies, were agreed upon:

1. An adequate rate of economic growth.
2. Sustained high levels of production and employment.
3. Reasonable stability of prices.

In the course of its deliberations, the commission concluded that "under American economic and political institutions it is possible to achieve satisfactory performance in all three of these objectives simultaneously."

The commission also recognized as additional goals, though not necessarily less important, the following:

1. Adequate national security.
2. Harmonious international economic relations.
3. Economic development abroad.
4. A desirable degree of economic freedom and reliance on market mechanism, balanced by a desirable degree of governmental coordination and regulation.
5. Workable competition in our private enterprise system.
6. Equitable distribution of income and opportunity.

The commission subdivided its examination into the following categories, to each of which a task force was assigned.

Seven committees or task forces were selected and assigned various subjects.

The task forces, their subjects, and members were:

The Federal Reserve System: Chairman, Willard L. Thorp; vice chairman, Fred Lazarus, Jr.; Marriner S. Eccles; David Rockefeller; Stanley H. Ruttenberg; and Charles Sawyer.

Government fiscal and debt management policies and other Treasury monetary activities: Chairman, Jesse W. Tapp; vice chairman, Robert R. Nathan; Adolf A. Berle, Jr.; William F. Schmitzler; J. Cameron Thomson; and Gaylord A. Freeman, Jr.

Activities of other Federal credit agencies: Chairman, Earl B. Schwulst; vice chairman, David Rockefeller; Lamar Fleming, Jr.; Henry H. Fowler; Fred T. Greene; Robert R. Nathan; Charles B. Shuman.

Private financial institutions, their role and regulation: Chairman, Theodore O. Yntema; vice chairman, J. Cameron Thomson; Adolf A. Berle, Jr.; James B. Black; Fred T. Greene; Fred Lazarus, Jr.; Irwin Miller; Charles Sawyer; Gaylord A. Freeman, Jr.

Money in relation to inflation, employment, and growth: Chairman, Isador Lubin; vice chairman, James B. Black; Lamar Fleming, Jr.; Henry H. Fowler; Irwin Miller; Robert R. Nathan; Stanley B. Ruttenberg; Charles B. Shuman; J. Cameron Thomson.

Governmental organization for policy determination: Chairman, Philip M. Klutznick; vice chairman, Henry H. Fowler; Marriner S. Eccles; Charles Sawyer.

International monetary problems: Chairman, David Rockefeller; Theodore O. Yntema; Isador Lubin; Earl B. Schwulst; H. Christian Sonne; Adolf A. Berle, Jr.; Robert R. Nathan; Stanley H. Ruttenberg; Willard L. Thorp.

Each task force analyzed the specific issues involved in its subject and, through the staff and the advisers, assigned problems for intensive research by outside academicians.

Some 110 professors worked on research projects and brought in reports totaling more than 11,000 pages which were digested by the staff and reported to the respective task forces.

Each task force held a series of meetings, always with representatives of the staff and generally with some of the advisers present. In these meetings ideas were explored and positions expressed, debated, the ideas reviewed and discussed again.

The attitude of the majority on each issue was then rewritten, adopted as the report of the task force, and submitted to the commission as a whole.

The full commission held 11 meetings, and during the past winter and early spring it met for almost 1 week out of each month. During the past few months the entire report was rewritten and, finally, the completed report was delivered to the President June 19.

The commission's recommendations propose both structural changes intended to improve the functioning of the economy and broad guides for policy. They do not attempt to prescribe in detail for particular current problems, nor do they call for the wholesale overhaul of our financial structure.

It obviously is impossible to evaluate the commission's recommendations or their impact on our economic life—only time will provide that answer. Furthermore, since I have been so close to the commission's work, I probably am not able to present a very dispassionate appraisal. With this disclaimer, however, I would like to suggest some modest conclusions about the commission's work with which I am confident all of my associates on the commission would agree.

1. Some such a study was needed.

2. The magnitude of the investigation and the pressure of early completion precluded as detailed a study or as scholarly a treatment as might have been desirable.

3. Within the limits of the time available and in the face of an astonishing diversity of informed professional opinion on virtually every issue, a most conscientious effort was made to understand the issues, to explore alternative courses of action and to arrive at those recommendations which in our collective judgment best serve to repair inadequacies and to reshape the economic system (within the framework of a free enterprise society) to the present and the future needs of the society.

4. Although there is always a temptation to try to characterize any complex study with a short label (such as "radical," "liberal," "conservative," etc.) it would be difficult to find any satisfactory description for the variety of positions on the numerous issues covered in this report.

5. In an effort to achieve as high a degree of unanimity as possible each member has accepted many provisions with which he might not have been fully in agreement. An inevitable consequence of the effort to achieve unanimity is that the report is a product of many compromises. But the opportunity for any member to write a dissent has prevented these compromises from making the report itself a jumble of apparent inconsistent positions, a quality that some ascribe to the Radcliffe report.

6. The report reflects what to many of us may be an unwelcome but apparently undeniable fact, that with the growing complexity of our national and international economies the Government has been playing and is likely to continue to play an increasing role. While recognizing the inevitability of Government intervention in the economy, the commission's recommendations are primarily restricted to policies that have a generalized, impersonal effect and avoid those policies that would involve the Government in detailed regulation of the economy.

7. Any grant of additional monetary or fiscal controls to, or utilization by, the Government involves the risk of some inflationary bias, for expansionary policies are more immediately attractive to the people than are restrictive policies. This places an even greater premium on both good men in public office and an informed and economically sophisticated citizenry.

8. The report will reflect the fact that there have been vast changes in our money and credit system since the Aldrich report, which helped lead to the passage of the Federal Reserve Act. The rapid rise of new institutions, the shift of population to the suburbs and the increase in credit needs of agriculture are all recognized.

9. The recommendations in respect to private financial institutions, though somewhat critical of what the commission considers unnecessarily conservative practices in the past, is understanding of the banks and advances suggestions which although novel in some instances, are not radical and should, on the whole, prove advantageous both to bankers and to the public.

10. Although there is no one single dramatic recommendation comparable to the Aldrich Commission's suggestion of a central bank, the report does contain many recommendations which if adopted should make our country stronger, our economy more stable, and our people better off.

11. Consequently I, and I think the other commissioners, consider that the results more than justify the time, effort, and money that have gone into the commission's work and should prove significant for these times.

12. I sincerely recommend the commission's report to everyone.

It is difficult, perhaps even inappropriate, to attempt to digest the recommendations, for the precise language in some is the result of many hours of discussion and refinement, but with this caveat, I will attempt to give the general feel of the 300-page report, which contains almost 100 recommendations.

In doing so, I might observe that I did not agree with all of the suggestions (indeed, some distress me), but it is natural that a group representing so many conflicting points of view will arrive at many conclusions which are not acceptable to every member. In a sense, this is the very value of such a joint project.

Briefly, and not too accurately stated, the principal recommendations are:

Monetary policy is an important instrument in economic stabilization policy; because of its prompt reversibility and the possibility of changing policy by small steps, monetary policy can be used effectively at times when more powerful fiscal policy measures might not be called for.

The average rate of growth of the money supply should be consistent with the maintenance of high employment, recognizing that in any one year the money supply may grow faster or slower than the average rate.

Removal of the gold reserve requirement would strengthen the international position of the dollar and improve the Federal Reserve's ability to deal with domestic problems.

Open market operations should continue to be relied upon as the most important monetary policy tool, but these operations should be in all maturities of Government securities, rather than bills only, so as to influence the structure as well as the level of interest rates.

Member bank borrowing does not seriously interfere with the effectiveness of policy and the privilege should be retained.

Continued efforts should be made to assure uniform standards of discounting practice among the reserve districts.

Changes in Federal Reserve discount rates should continue to be determined as at present, rather than tying the discount rate to the bill rate or in any other way making it automatic.

Changes in reserve requirements should be used sparingly and for longrun rather than countercyclical purposes.

Demand deposit reserve requirements should be made identical for all member banks, eliminating the present classifications of banks as country or reserve city banks, and Congress should continue to allow a range within which the Board may set requirements.

Investigations should be made of better forms of consumer credit controls in case they should be needed.

While there should be greater authority for the VA and FHA programs, control of mortgage credit by Federal Reserve regulation is not necessary.

The Government should investigate possible methods of controlling inventories and business investment expenditures on a selective basis.

All insured commercial banks should be required to become members of the Federal Reserve System.

But the commission recommends against the extension of direct Federal Reserve controls over nonbank financial institutions.

With respect to the Federal Reserve Board itself, the size should be reduced to five, terms reduced to 10 years, and salaries sharply increased; the chairman and vice chairman should serve 4-year terms coterminous with the President's.

Policy responsibility should rest exclusively with public officials; to this end, the Reserve bank presidents should be removed from the Open Market Committee and serve in only an advisory capacity on policy matters.

The Board also should have authority to select the membership of the Federal Advisory Council from among nominees presented by the Reserve banks.

The capital stock of the Reserve banks should be retired and membership in the system evidenced by a nonearning membership certificate.

The Federal Reserve should inform the public with reasonable promptness and detail of the major policy decisions and actions in order to avoid misunderstanding and misinterpretation.

None of the difficulties posed by the existing public debt are so great as to justify giving priority to a policy of debt reduction if such a policy should interfere with a stabilizing fiscal policy.

The Treasury should not adopt policies that make holdings of public debt compulsory for any investors.

First priority should be given to halting the shortening of maturity structure which has occurred since World War II through a refunding program which, over time, would lead to a more balanced maturity structure for the debt.

Once the shortening of the debt structure is arrested, debt management should make a modest contribution to economic stability.

The proportion of the publicly held debt in the form of savings bonds should be increased.

The Treasury's discretionary debt management authority should be broadened by abolishing the ceilings on total debt and interest rates.

The experiment with advance refundings should be continued and the possibility of using the auction technique for securities longer than bills should be explored.

As a means to improve the market for Government securities and thus assist debt management, minimum margins on Government securities should be applied by the proper supervisory authorities to presently nonregulated lenders.

Subject to the right of congressional veto, Congress should delegate to the President power to make temporary across-the-board adjustments in personal income tax rates to implement countercyclical policy.

The Government should set a long-range program for postponable public works and increase or reduce such expenditures as an instrument of countercyclical policy.

When unemployment is low, it is better to encourage investment through a Government surplus and debt retirement than through tax reduction.

When the economy is depressed, consumption can be better stimulated by reduction in tax rates than by increasing exemptions.

The basic tax structure should be reviewed to minimize tax deterrents to business capital formation and to reduce the steeply graduated rates on personal income.

High priority should be given to Government expenditures for basic research.

Regulation of financial institutions should not only promote safety but also stimulate economic growth.

Lending power of commercial banks and savings institutions should be less restricted and gradually made more equal.

While the authority to invest in equities should continue to be restricted, the commercial banks should be given greater freedom to so invest.

Federal charters should be available to mutual savings banks.

National banks should be allowed to have branches within their trading areas irrespective of State laws.

So should Federal savings and loan associations and mutual savings banks.

The prohibition of the payment of interest on demand deposits should be continued.

The limitation on maximum interest rates payable on savings should be removed—though there should be a standby power to regulate (with the possibility of differentiation between domestic and foreign deposits). If and when any limit is imposed, it should be comparable for all competing institutions.

Statutory reserve requirements against savings and time deposits should be gradually eliminated. In the meantime, reserves should be invested in cash and short-term Government obligations and should be more equal for all types of competing institutions.

Insurance by FDIC and FSLIC should be standardized and ultimately administered by one agency.

Federal income taxation of the commercial banks, mutual savings banks and savings and loan associations should be such as to (a) encourage adequate capital and reserves, and (b) insure competitive equality (to the extent that taxation is a competitive factor).

Authority for issuance of subordinated debentures and preferred stock should be studied.

At the Federal level the Federal Reserve System should be the only examining authority of the commercial banks. There also should be a unified authority for the examination of all federally insured savings and loan associations and mutual savings banks. The activities and standards of these two Federal authorities should be coordinated with each other and with the respective State examining authorities.

A regulatory body should be given responsibilities over private corporate pension funds. This authority would include the power to enforce appropriate investment standards, to assure periodic publication of financial statements and to bring suit against malfeasance on behalf of the beneficiaries.

Congress should review legislation to assure arm's-length transaction and to prevent self-dealing.

Federal credit programs to stimulate competition should be self-supporting.

Loan insurance is preferable to direct Federal lending.

The FHA loan insurance program should be continued.

The voluntary home mortgage credit program and FHA certified agency program should be made permanent.

There should be some loan insurance program for long-term farm loans, but only for farms of adequate size which are subject to reasonable farm planning.

There should also be a loan insurance program for 3- to 10-year farm equipment loans.

If the Small Business Investment Corporation program proves inadequate, some other program for channeling private credit into small business may be necessary.

Federal credit programs to alter allocations of credit to achieve a public purpose may require a subsidy in below-market interest rates for credit terms. A loan guarantee program is preferable to direct Federal lending.

Direct Federal lending should be included in the budget.

Federal credit programs should be sensitive to general monetary policy.

FHA and VA programs should be in harmony with monetary policy and the interest rates should be allowed to fluctuate with the going mortgage rates.

The FHLB should operate its program in harmony with monetary policy.

Interest rates on Government guaranteed loans should be varied in accord with monetary policy.

Direct Federal loan programs should be financed by Treasury issues rather than guaranteed borrowing by Government corporations.

Fixed interest rate ceilings should not be used on Federal credit programs which rely on private financial institutions for loan funds.

Federal agencies to maintain secondary mortgage markets should buy and sell at market prices.

The burden of improving the payments balance of the United States must fall on selective measures to expand U.S. receipts, to reduce private payments, to reduce the drain from direct Government payments, or a combination thereof.

The present dollar price of gold should be retained but if a change in the exchange rate is necessary, it should be worked out by international negotiations, perhaps through the machinery provided by the IMF.

The U.S. gold reserve requirement should be eliminated and our entire monetary gold stock be made available for maintaining the value of the dollar in foreign exchange.

Protection of the world exchange mechanism against exchange crisis should be accomplished by greater cooperation with the central banks of other developed countries in handling short-term capital movements and through further evolutionary development of the IMF.

The decision on Government expenditures and direct lending programs should be made in terms of a high employment budget and on the basis of judgment as to the value of the programs compared with the value of private consumption or investment which would be sacrificed.

The basic tax structure, designed to provide adequate investment and work incentives and related to the strength of the underlying trend in the economy, especially that of private investment demand, should not be changed.

The Congress should write into the Federal Reserve Act and the Employment Act of 1946 the goals of "a low level of unemployment, an adequate rate of economic growth and reasonable price stability."

The central responsibility for organization and coordination should be lodged in the Presidency.

The Employment Act of 1946 should be amended to require that the President report to the Congress quarterly, when the current situation appears to be running counter to the objectives set forth in the Employment Act, and to set forth the steps taken by him and by Government agencies to better achieve the goals of the Employment Act. Should the President not so act, the Congress by concurrent resolution may request such a statement from the President.

Mr. Speaker, a more complete summary was prepared by the Commission on Money and Credit and the publication thereof paid for as a special section of the New York Times of June 25, 1961, as follows:

MONEY AND CREDIT—THEIR INFLUENCE ON JOBS, PRICES, AND GROWTH

(Summary of report of the Commission on Money and Credit)

(By Frazar B. Wilde, chairman)

THE COMMISSION ON MONEY AND CREDIT

The Commission on Money and Credit was established in 1957 by the board of trustees of the Committee for Economic Development to study the public and private financial institutions of the United States.

In his announcement of the commission, Donald K. David, chairman of the Committee for Economic Development, stressed its independent nature and stated that it would conduct an impartial inquiry with financial support from the Ford Foundation, the Merrill Foundation, and the Committee for Economic Development.

The members of the commission were appointed by Mr. David with the advice and consent of a selection committee of scholars headed by Dr. Robert B. Calkins, President of the Brookings Institution. Frazar B. Wilde, chairman of the board of the Connecticut General Life Insurance Co., Hartford, Conn., was named chairman, and H. Christian Sonne, New York, was named vice chairman of the commission.

Dr. Bertrand Fox, director of research and Edsel Bryant Ford, professor of business administration at the Graduate School of Business Administration, Harvard University, was appointed director of research. Dr. Eli Shapiro, professor of finance, School of Industrial Management, Massachusetts Institute of Technology, was named deputy research director; they headed a staff recruited from various universities.

Preliminary work of the commission was divided among six task forces headed by Messrs. Willard L. Thorp, Jesse W. Tapp, Earl B. Schwulst, Theodore O. Yntema, Isador Lubin, David Rockefeller, and Philip M. Klutznick.

More than 100 research papers were prepared for the commission by scholars and several trade associations submitted monographs. Meetings were held in New York, Chicago, and San Francisco during the course of the study.

INTRODUCTION

This report represents the deliberations of a diverse group of American citizens. They were assisted by an able staff of scholars and by a group of advisers of great competence. The members of the commission were deliberately selected to provide a group of men with different backgrounds: banking, business, government, labor, and the professions. All members had broad, practical economic experience. It could fairly be said that their conclusions represent a consensus of American philosophy and economic judgment today.

No member of the commission, whether or not he has written or joined in specific footnotes, endorses personally every specific proposal in its entirety or concurs fully with every statement in the supporting analysis, but all approve the major substance of the report and urge careful consideration of its interrelated recommendations.

Foundation support

The funds for this effort were provided by the Ford Foundation, the Merrill Foundation, and the Committee for Economic Development. None of these organizations exerted the slightest pressure. There were no restrictions as to the scope and method of the work, and certainly no restrictions as to the judgments reached.

This report is deliberately short, perhaps too short in view of the vital importance of the areas covered. The purpose was to gain more readers. We have not attempted to set forth in the report itself the mass of evidence on which our recommendations and conclusions are based. Much of the material used in reaching conclusions will be published separately as supporting papers. These will appear under the names of their authors with no indication of concurrence or disagreement by members of the commission, its advisers, or its staff. They will be published for the benefit of those dealing with the same problems and to stimulate scholars to probe further into areas where firm knowledge is patently inadequate.

The commission hopes that many Americans will be interested in reading the entire report, because any summary in matters of such complexity as those discussed suffers by oversimplification.

The reader will no doubt gain the impression that this report stresses particularly the significance of Government in our affairs, using the term Government in its broadest sense. This is natural since the subject of the commission's work is the responsibility of governmental institutions in promoting the success of our economy.

Marketplace dynamics

The commission recognizes that our society is based upon the dynamics of the marketplace. Individual decisions largely determine the direction and growth of our product and its distribution. The greater part of American activity by far is based upon the private sector. What is emphasized is the important and vital complementary role of government in helping a relatively free society to do a better job—and a better job does not envisage economic Utopia.

Although the commission is vitally concerned with the attainment of our national goals, it recommends no precise and specific formula for this purpose. To do so would be inconsistent with our traditions and practices and probably totally unrealistic.

If we are to be free, some fluctuation in our economic growth pattern is unavoidable. If the commission's recommendations were to be adopted, one could hope and expect that the degree of fluctuations might be further reduced. They have been reduced in the last decade.

A fundamental and basic element in this report is the recommendation that the help of government in its various phases requires more liaison between the different institutions involved and more coordination. The significant role of the President in this regard is pointed out but that is not to say that the Chief of State is solely responsible for the success of a free country which must grow and prosper by the individual initiative, industry and judgment of free citizens.

OBJECTIVES

The Commission on Money and Credit was charged with making a comprehensive study of the public and private monetary and financial institutions of the United States. From this it was to determine what changes, if any, in the structure, operation, regulation and control of the national monetary system were necessary to promote more effectively the major economic objectives of national policy in the years ahead.

From the beginning three major objectives, which are clearly the primary aims of monetary, credit and fiscal policies, stood foremost in its deliberations. These are: an adequate rate of economic growth, sustained high levels of production and employment, and reasonable stability of prices.

The commission assigns priority to none of these, nor does it believe that they stand alone. Other important national objectives must be kept in mind. Among them, of course, are the national security, the increasing need for harmonious international economic relations, and continuing economic development abroad.

The commission holds a desirable degree of economic freedom and reliance on the market mechanism for allocation of products and resources to be a continuing national objective. But at the same time it recognizes the role of government in providing a proper degree of useful goods and services and in providing appropriate coordinating and regulatory functions. Further correlated objectives are the preservation of workable competition to assure the proper functioning of the economy, the efficient use of resources in response to market forces, and an equitable distribution of income and opportunity.

The commission concludes that, under American economic and political institutions, it is possible to achieve satisfactory performance in all three major objectives simultaneously. Indeed, to a large degree, the attainment of one is likely to be helpful, if not essential, to the attainment of others.

Despite this fundamental compatibility, however, the commission warns that two problems must be recognized. First, the extent of compatibility among goals will be greatly influenced by the measures used to obtain them. Some policies may serve their purpose with virtually no cost in terms of other ends, other policies may clearly sacrifice one objective for the attainment of another. Second, it is not possible by monetary, credit, and fiscal policies alone to achieve a satisfactory performance in terms of all goals simultaneously.

With these objectives and these limitations firmly in mind the commission set out to examine the financial system. It did so against an historical background of great changes that have come about in the past half century, which had seen the foundation of the Federal Reserve System, a doubling of per capita real national products, the greatest depression of modern times, two World Wars, the passage of the Employment Act of 1946, and a period of postwar prosperity, rising prices, and four recessions.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Rieve and Sonne and may be found in the full-length edition of the report.)

NATIONAL ECONOMIC GOALS

In the course of its examination of the U.S. monetary and credit system, the commission has studied the role of the Federal Reserve System and the effectiveness of its control measures. It has examined the debt management and monetary activities of the Treasury, as well as the broader aspects of its fiscal policy.

The commission also examined the lending activities of the Federal credit agencies, the regulatory policies of the Federal and State governments, and their effect upon the dominant part of our financial system, the private sector. It has examined the problems of Government organization and administration of monetary, credit, and fiscal policies. It has examined certain problems of international liquidity and credit and the balance-of-payments adjustment mechanism.

Recommendations for change

From these examinations several recommendations for structural and institutional changes have emerged. For the most part, these recommendations propose either structural and institutional changes that will contribute to the more effective functioning of the economy or propose broad guides for specific policy decisions. The commission has tried to avoid specific policy prescriptions for particular problems. It has tried to confine its recommendations and suggestions for change only to situations where the present structure has not worked well. It has avoided recommendations for change merely for the sake of change or merely to achieve a more logically consistent structure. The recommendations do not call for the wholesale overhaul of our financial structure. They consist of many small changes which frequently affect revolving trends.

The recommendations are based on the fundamental assumption that the economy will continue to be largely a private enterprise economy. This form of economic organization, with its stimulus to individual initiative, has been a key element in explaining our outstanding record of economic growth and national well-being and is well suited to perform effectively in the years ahead. The commission believes, however, that both private enterprise and Government have major and complementary roles to play in achieving national objectives, and that neither one nor the other can do the whole job. Consequently, the recommendations deal with both Government and private enterprise, and they try to strengthen the effectiveness of both.

In the private sector the recommendations aim largely at policies designed to stimulate the forces of enterprise and competition by relaxing the constraints imposed by overrestrictive Government regulation, by eliminating specific controls that distort the workings of the market mechanism, and by creating an environment conducive to growth. In the Government sector they emphasize the interrelationship of monetary, debt management, fiscal, and credit agency

control measures in their influence on the levels and composition of demand in the economy. A coherent combination of measures is essential to an effective national economic policy.

The commission believes that national economic policy is an integrated whole, and recommendations are made as to how the relationship among monetary, credit, and fiscal measures might be planned, reviewed, and related to other measures at the Presidential level.

The commission recognizes clearly the limitations of what a study such as this can accomplish. We do not live in a perfect world, and neither the commission nor anyone else can prescribe mechanisms, structures, and policy guides which will guarantee the ideal attainment of national objectives. We can and should strive for a significant improvement in performance, and the commission believes that the changes suggested will contribute toward that improvement.

The commission has reached certain major conclusions relating to the three major economic goals. Although not satisfied with recent rates of growth, the commission does not recommend the establishment of any specific rate of growth as a target in itself. However, using available estimates as a guide, it finds that it is reasonable to assume a growth rate of real gross national product of somewhere between 3½ and 4½ percent per year in the 1960's, if the United States can succeed in maintaining the level of aggregate demand necessary to assure low-level unemployment.

As a target for monetary, credit, and fiscal measures, low-level unemployment it has defined as being somewhere near the point where the number of unfilled job vacancies is about the same as the number of unemployed. In such circumstances there will still be substantial unemployment as well as unfilled vacancies, but both difficulties can be eased by other, noncredit measures specifically designed to improve the functioning of the labor market.

Price stability

As to price stability, the commission finds that, even without special action to eliminate or offset the inflationary biases in the economy, a more satisfactory record of smaller price increases than in the period since 1952 should be attainable. National policy clearly should be to avoid even mild increases in the price level, as long as the cost in terms of other equally vital objectives is not excessive.

Since it is deeply concerned with the role of all Government agencies involved in originating or executing economic policies, the commission would place greater responsibility in the Office of the President for the proper, continuing, and effective coordination of money and credit instruments necessary to achieve the national economic goals. It would seek to coordinate the Federal Reserve System more closely with the Government's economic policies, in accordance with the mandates of the Employment Act of 1946. The commission also seeks a greater degree of centralization for the Federal Reserve System.

Policies for control

The commission's recommendations for the private sector of the economy are aimed largely at policies designed to stimulate the forces of enterprise and competition by relaxing the restraints imposed by overrestrictive Government regulations. Here it would eliminate specific controls that distort the working of the market mechanism, and thus create an environment conducive to growth.

For the private banking and nonbanking institutions its recommendations are aimed at increasing, through a lessening of restrictions and controls; the availability of credit in the hope of thus releasing capital to stimulate economic growth.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Black, Eccles, Miller, Ruttenberg, Shuman, Sonne, Thomson, and Thorp, and may be found in the full-length edition of the report.)

MONETARY POLICY

Control over conditions governing the quantity of money is inevitable in a modern industrial society. As the Nation has adopted more positive economic goals, it has become interested in whether monetary control can be used flexibly to influence the behavior of expenditures, output, employment, and prices. Clearly it can, but monetary adjustments alone cannot insure attainment of these goals. On the other hand, the lack of an appropriate monetary policy can frustrate their accomplishment.

Changes in the degree of restraint or ease in monetary policy have an effect on the total flow of expenditures and in turn on output, employment, and prices. Because the link between the initial actions taken by the Federal Reserve to influence bank reserves and these variables is general, pervasive, and indirect, and because no attempt is made by the monetary authority to allocate credit among specific users, this approach to monetary policy is frequently referred to as general monetary control.

Monetary control

The concept underlying general monetary control is relatively straightforward. Monetary restraint reduces the availability of credit and increases its cost; and these retard the flow of expenditures, employment, income, and output. Monetary ease in general has the opposite effects on credit, and thus encourages an expansion in these flows.

The Federal Reserve System exercises general monetary control through the use of three major instruments. These are: (1) The power to set the level of required reserves that member banks must hold; (2) engagement in open-market operations, which alter the volume of actual reserve balances available to banks; and (3) changes in the terms under which banks may replenish a deficiency in required reserves by borrowing from Federal Reserve banks. All three instruments of policy, and open-market operations in particular, directly affect the net reserve position of member banks. They also have direct impacts on other economic variables.

A change in monetary policy may take the form of positive actions, such as open market sales, increases in required reserve ratios, or changes in discount policy. But a shift to a restrictive policy often takes the form of failing to increase reserves in the face of a rising demand for credit.

The Federal Reserve authority may attempt to restrain economic activity by engaging in open market sales of Treasury bills. These sales influence at least six distinguishable elements in the economy: net bank reserves are reduced; the money supply falls; the price of Government securities tend to decline and yields to rise; the money value of total assets tends to fall; the overall liquidity of financial portfolios is reduced; and the ability and willingness of banks to lend is reduced.

With interest rates higher, some individuals and businesses reduce their demand deposits on which they earn nothing and purchase securities or shift to interest-bearing thrift deposits. The demand deposits are made available to other individuals and businesses who wish to increase their expenditures, or to financial institutions which make loans to individuals and businesses who want to borrow to increase their outlays. Thus, even though the money supply has not expanded, the mobilization of idle balances will finance more expenditures, and the velocity of money is increased. But this does not mean that a restrictive monetary policy is fully offset.

Monetary restraint causes a reduction in the willingness and ability of nearly all institutional lenders to meet all the credit demands made on them. While it is difficult to make any precise assessment of the volume of loans refused during recent tight money episodes, it appears to have been substantial.

Monetary restraint also affects the desire of the public to spend, through the changes it brings about in the rate of interest and in the market value of income-yielding assets, and the liquidity of the public's wealth holdings.

In general, the sensitivity of demand for real assets to a change in interest rates and credit terms depends on the relative importance of interest charges in the total cost. Interest is a large element of cost in most home purchases and the demand for housing shows marked sensitivity to changes in mortgage interest rates and credit terms—expanding significantly during periods of easy money and contracting sharply when money is tightened.

Borrowing by State and local governments for capital expenditures also tended to increase when credit has been easy, to decrease when credit conditions became tight.

Changes in policy

The studies of the actual behavior of business investment and interest rates have not reliably isolated the effect of monetary policy from shifts in other determinants of investment. The evidence, however, indicates that some kinds of investment are sensitive to changes in interest costs.

The evidence on consumer expenditures other than for residential construction, indicates that changes in credit terms have some slight direct effect.

Changes in monetary policy have other less direct effects on the rate of expenditures than through their effect on the cost and availability of credit. The very announcement or recognition of a change in monetary policy may contribute to changes in attitudes and expectations as to the future rate of growth of demand, sales, income, and profits and the future level of prices. These attitude changes may have a substantial effect on investment expenditures since a direct restraint in State and local construction, residential construction, and some categories of business investment will reduce the flow of new orders to a wide range of businesses. Moreover, job uncertainty for employees may also increase, and consumers may become less willing to incur new indebtedness, and curtail consumer durable purchases.

A policy of monetary ease to stimulate an expansion of expenditures operates through the same processes as a restrictive policy but in the reverse direction. An expansive policy would tend to increase the net reserve position of member banks, to increase the prices and reduce the yields on Treasury securities, to improve the liquidity of banks and other lending institutions, to enhance the wealth position of all holders of financial assets, and to increase the money supply. These changes, however, may not be as effective in stimulating economic activity as the reverse measures can be in restraining it.

Combination of effects

The changes in the degree of monetary restraint or ease appropriate to the conduct of countercyclical policy does not have a controlling impact on any specific sector of expenditure, but the pervasive and cumulative combination of a number of small effects is sufficient to make flexible monetary policy a useful instrument of stabilization policy.

It is true that a policy of monetary restriction has sometimes been carried on for

too long, and that at other times the expansions of bank reserves or reduction in Reserve requirements in a recession has created problems in controlling the ensuing upswing. These weaknesses reflect not inherent defects of monetary management, but rather the inadequacy of the techniques employed and the criteria used for the timing of the changes in monetary policy. However, certain measures can be taken to speed up the effects of monetary policy.

Monetary restraint on the upswing will be more effective if idle cash in the hands of the public can be held to a minimum, if excess bank liquidity at the start of the upswing is minimal, and if the Federal Reserve and Treasury, taken together, work to increase the long-term Federal debt in the hands of the public. The effectiveness of monetary policy on the downswing will be increased if the Treasury and Federal Reserve take direct action to reduce long-term as well as short-term interest rates. If excessive liquidity positions of banks, other lending institutions, and the public are not allowed to develop, and if the Federal Reserve and the Treasury take direct action to speed the adjustment process of long-term as well as short-term interest rates, the impact of monetary policy should be felt sooner.

The commission does not advocate placing sole reliance on monetary policy for stabilization purposes. Because of its reversibility and the possibility of changing policy by small steps, monetary policy can be used in precisely the circumstances when discretionary fiscal policy changes should not be used because the need for so powerful an instrument is not yet clear. In summary, the commission believes that especially when monetary policy is used in conjunction with other stabilization measures, it is a valuable and effective instrument of stabilization policy.

Longrun monetary policy

Countercyclical monetary policy is concerned with timing net injections or withdrawals of bank reserves so that they will best dampen fluctuations in the level of economic activity. Longrun monetary policies must provide a monetary climate consonant with an adequate and sustainable rate of growth and overall price stability. This climate should permit the banking system to expand its loans and investments and hence the supply of money at a rate commensurate with the economy's underlying growth potential. Since the quantity of money needed to permit economic growth will depend on a variety of elements, particularly changes in the stock of money substitutes, the money supply need not increase at the same rate as the increase in the economy's growth potential.

The commission urges that the average rate of growth of the money supply should be consistent with the continued maintenance of high employment at stable prices and adequate economic growth, but we recognize that, in accordance with particular circumstances, it may be appropriate for the money supply to grow more or less rapidly than the output of the economy at high employment.

Instruments of control

The commission concludes that open-market operations should be the normal or usual instrument of general monetary policy. Instead of relying on a "bills only" policy the Federal Reserve should, when domestic or international conditions warrant, influence directly the structure as well as the level of interest rates in pursuit of countercyclical monetary policies and should deal in securities of varied maturities. This recommendation does not mean a return to a pegged structure of prices and yields for government securities. And the normal use of open-market operations in bills to carry out technical and seasonal changes in bank reserves is appropriate.

The commission concludes that the discount facility is still of considerable value in our banking system, and that it should be retained as an ultimate source of temporary credit.

Clearly the intent of the Federal Reserve Board is to have discount administration relatively homogeneous among the 12 Federal Reserve banks, and the commission urges continued efforts to assure uniform standards of discounting practice. Uniform standards, of course, mean that like circumstances result in like treatment, at the same time permitting differences in practice where regional differences in economic conditions or needs so require.

Discount rates are now set for each Federal Reserve bank by vote of its board of directors, subject to the review and approval of the Federal Reserve Board. However, credit markets have become essentially national in character, and the possibility of utilizing differential regional discount-rate policies is negligible. Regional differences in discount rates would be ineffective, in view of the active market for Federal funds and Treasury bills. Under these circumstances, a national discount-rate policy is appropriate to correspond with a national open-market policy.

Reserve requirements

While changes in reserve requirements are a powerful instrument of credit control, they are awkward and cumbersome in comparison with open-market operations and present difficult problems of adjustment for many medium and small banks. The commission believes that the power to change reserve requirements should be used only sparingly and to serve longer run objectives.

The present general form of fractional reserve requirements against net demand deposits is adequate for the purposes of general monetary policy, and the commission recommends that it be continued.

Reserve requirements for demand deposit for all member banks should be made identical and the classification of banks into country banks and Reserve city banks should be eliminated.

The commission recommends that existing statutory reserve requirements against savings and time deposits be repealed, and that pending repeal of such requirements those banks and competing thrift institutions subject to them be permitted to hold reserves in the form of either cash or Treasury securities with maturities up to 5 years.

The reserve base required to support a longrun expansion in the stock of money can be supplied either through open-market operations or through a reduction in required reserve ratios. Which method is used will affect the leverage with which monetary control operates; that is the multiple by which demand deposits can be increased or decreased for any change in required reserves; net Treasury interest costs; and the level of bank earnings.

The commission recommends that Congress continue to grant to the Federal Reserve Board a range within which reserve requirements can be set for demand deposits, perhaps from 8 to 18 percent, so that the Board can adjust the specific level to meet the needs of growth or to meet emergency needs.

Selective controls

One suggestion frequently made for strengthening the effectiveness of monetary policy is that there should be more use made of selective monetary measures. If selective controls were used, the authorities could alter the terms and conditions on which credit is made available for particular purposes. Now the only selective control available to the Federal Reserve authorities is the power to alter margin requirements on credit granted by any lender—banks and others—for the purpose of purchasing or carrying listed securities.

Proposals for selective controls over other specific uses of credit are usually directed toward controlling volatile sectors of spending, such as spending on consumer durable goods, housing, inventory, accumulation, and industrial plant and equipment.

Whether the Federal Reserve should be granted additional powers to alter the pattern of credit and resource allocation through the exercise of new selective controls is a practical matter. It hinges largely on whether particular types of changes in the composition of spending among broad classes of output not readily affected by general controls can be identified at the time as being so destabilizing as to threaten the achievement of major economic objectives.

Consumer credit

The commission is almost evenly divided as to the desirability of granting standby authority to the Federal Reserve Board for consumer credit controls. In the absence of a consensus, no recommendation is made except to urge an investigation of better forms of such controls, which can be administered more effectively if they should be needed.

The arguments for variable controls over the terms of housing mortgages are similar to those for consumer installment credit controls. The commission recommends that the terms of housing loans insured or guaranteed under VA and FHA programs be varied in support of the countercyclical and price stabilization policies of the Government. These changes would be administered by VA and FHA. No further power to change credit terms on residential mortgages by the Federal Reserve Board is believed necessary.

The instability of business spending for inventory accumulations and for plant and equipment purchases has contributed significantly to cyclical fluctuations. General monetary controls do not appear to have rapid effects on either, although selective controls might.

No seemingly effective selective control device has yet been devised for affecting these volatile business expenditures. It may well be that controls of such expenditures more effective than general credit measures will be necessary to achieve our major economic objectives, and the commission suggests that possible methods of influencing inventory and business investment expenditures on a selective basis be investigated by the Government.

Span of control

Because the Federal Reserve authorities do not have direct control over some 8,000 commercial banks which are not members of the System, and because they also have no direct power over nonbank financial institutions the suggestion has frequently been made that the direct reach of Federal Reserve control should be extended to cover both categories of institutions.

The problems presented by nonmembership in the Federal Reserve System have long been recognized. The commission recommends that all insured commercial banks be required to become members of the Federal Reserve System.

The more rapid growth of nonbank financial intermediaries than of commercial banks has focused attention on the question of their significance as a potential offset to monetary policy. Because of their closeness to money, changes in the volume of these near-money assets issued by nonbank financial institutions may have an important effect on the demand for money balances and hence on the velocity of money.

Because the contributions of nonbank financial institutions to cyclical changes in the velocity of money appear to be too small to warrant such an extension, and because their effect on velocity over the long run can

easily be taken into account in regulating the longrun money supply, the commission recommends that there be no extension of direct Federal Reserve controls over nonbank financial institutions.

Organization of Federal Reserve

The basic questions about the structure of any Federal agency are both administrative and political. The basic issue involved was the independence of the Federal Reserve from other parts of the Government and from the banking community it both serves and regulates. While accepting basic arguments for independence, the commission nevertheless finds that the need for better coordination is very important.

From this premise the commission made several recommendations for changes in the structure of the Federal Reserve System. They are as follows:

The Chairman of the Board and the Vice Chairman of the Federal Reserve should be designated by the President from among the Board's membership to serve a 4-year term coterminous with the term of the President of the United States. The commission felt that this strikes a balance in formal status between tenure at the President's pleasure, which some members of the commission prefer, and no change, which other members advocate.

The Federal Reserve

The Federal Reserve Board shall consist of five members with overlapping 10-year terms, one expiring each odd year. (Members should be eligible for reappointment.)

The Federal Reserve Board Chairman should be the chief executive officer of the Board, empowered to handle administrative matters.

Occupational qualifications for Board members should be eliminated. Instead, the statute should stipulate that members shall be positively qualified by experience or education, independence, and objectivity. Salaries of top Government officials should be sharply increased, and in view of the gravity of their responsibilities Federal Reserve Board members should be compensated at the highest salary level available for appointive officers in the Government.

The present statutory Advisory Council should be replaced by an advisory council of 12 members appointed by the Board from nominees presented by the boards of directors of the Reserve banks. At least two nominees should be presented by each bank, not more than one to represent the same sector of the economy, and the Board should make its selection, one from each district, in such a manner as to secure a council broadly representative of all aspects of the American economy. Council members should serve for 3-year terms, not immediately renewable.

The law should formally constitute the 12 Federal Reserve presidents as a council to meet at least 4 times a year with the Board.

Open-market policies

Open-market policies should be vested in the Board. In exercising its open-market policy the Board should consult with the council and 12 Reserve bank presidents.

The determination of the rediscount rate (the same for all Reserve banks) should be vested in the Board. In establishing the rate the Boards should consult with the 12 Reserve bank presidents.

The determination of reserve requirements should continue to be vested in the Board. In determining these requirements the Board should consult with the 12 Federal Reserve bank presidents.

The present capital stock of the Federal Reserve banks should be retired. Instead, membership in the System should be evidenced by a membership certificate of $500, the same for each member bank.

The commission believes that the Federal Reserve should follow the general rule that the public be kept informed with reasonable promptness and detail of the reasons for its major policy decisions and actions.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Lazarus, Nathan, Rieve, Ruttenberg, Shuman, Sonne, Tapp, Thomson, and Thorp, and may be found in the full-length edition of the report.)

THE PUBLIC DEBT

The size of the public debt—at the end of fiscal 1960 the direct and fully guaranteed debt of the Federal Government was $286.5 billion—has long been a major policy issue because it has been considered a burden on this and future generations.

Although the Federal debt was at a peak at the end of fiscal 1960, it had grown slowly relative to all other debt in the postwar period. Today it comprises less than one-third of all public and private debt in the United States as compared with nearly three-fifths in 1946.

The debt may indeed impose a burden if the taxes it requires for paying the interest on it restrict production. It also imposes a burden to the extent that it can redistribute income in a way that society does not favor. And it may also be considered a burden if it reduces the effectiveness of monetary policy in contributing to national economic goals.

To the extent that the debt causes these adverse effects on balance—and it has not done so significantly—there is an element of truth in the proposition that existing debt burdens present and future generations. Conversely, it may be a boon if it acts as a network to spread the effects of monetary policy swiftly throughout the country.

Increasing or decreasing the debt should depend on the general design and requirements of stabilization policy. Such a policy need not lead to an increasingly burdensome debt.

The commission concludes that none of the difficulties imposed by the existing debt are so great as to justify giving priority to a policy of debt reduction if such a policy should interfere with a stabilizing fiscal policy. A gradual reduction in the debt can be effective as a stimulant to economic growth only if combined with other measures which maintain low levels of unemployment and relative price stability. In short, the debt should be permitted to fluctuate in response to the policies required for economic stability and growth.

Managing the debt

The publicly held debt, which excludes Government securities held by Federal agencies and investment accounts and by the Federal Reserve banks, amounts to $202 billion. Since stabilization policy is designed to influence the private sector of the economy, it is the management of this portion of the total public debt which has a direct relevance to the attainment of our economic objectives. Debt management is control over the composition of the publicly held debt outstanding.

The Federal debt is now managed on the premise that the public must be induced to buy Treasury securities by their attractiveness in the market relative to competing investment opportunities. The commission accepts this premise as appropriate for our economic system and as reasonably effective in operation. It rejects proposals for compulsory holding of Government securities by financial institutions—as secondary or security reserve requirements—to insulate a portion of the debt from market forces.

The commission concludes that the advantages of compulsory holdings of debt are not sufficient to offset the disadvantages that may result from complicating the reasonably smooth operations of the money and capital market in response to free choices by investors. The Treasury should continue to induce purchases of Government securities on the basis of their attractiveness relative to competing instruments.

During the postwar years the maturity structure of the publicly held debt has shortened considerably. Short-term Government securities can be more readily converted into cash than long-term issues because they mature sooner and can be sold more readily at less risk of capital loss. The commission concludes that the debt will grow excessively liquid unless strong measures are adopted to counter this trend. It therefore concludes further that sound debt management requires that we arrest the shortening of the outstanding publicly held marketable debt which has occurred since World War II. The Treasury should pursue a program which, over time, would lead to a more balanced and sustainable maturity structure for the debt.

Aid to stabilization

The commission has recommended that the Treasury give prompt attention to achieving a more balanced maturity distribution of the debt. It recommends further that this objective should be instituted at a time when underlying economic conditions call for a policy of restriction. It has also recommended that the Treasury undertake a countercyclical debt management policy once it has achieved a better maturity distribution of the debt. Since the Treasury is unlikely to pursue such a stabilizing policy on a continuous basis, it would be desirable for the Federal Reserve to conduct its open market operations on a more flexible basis throughout the maturity structure in the event Treasury operations tend to counter the credit policy pursued by the central bank. These considerations lead to the conclusion that the Federal Reserve's apparent abandonment of its bills-only policy should be viewed as in the interest of better coordination of monetary and debt management policy.

The commission concludes that countercyclical debt management can make some contribution to stabilization. It may also tend to affect interest cost. At the same time, if the Treasury fails to issue long-term securities in the upswing, it must issue them in the downswing as long as it is desired to prevent a secular shortening of the debt. The commission concludes that once the shortening of the debt structure is arrested, management of the marketable debt can and should make some contribution to stabilizing the level of economic activity. However, the primary responsibility for achieving this objective must be borne by monetary and fiscal policy.

At the close of fiscal 1960, about 25 percent of the $205 billion publicly held debt consisted of nonmarketable savings bonds. In recent years, the nonmarketable portion of the debt has diminished in size. The flexible use of monetary policy in the last decade has posed problems in adjusting the nonmarketable debt in fluctuating interest rates, and in consequence, some types of these securities have been retired on maturity and not replaced. The commission believes that among the many public debt instruments there should continue to be one for the small saver. It therefore recommends that the Treasury take measures to maintain and, if possible, to expand the proportion of the public debt in the form of savings bonds on terms which are competitive with yields of suitable alternative forms of savings for small investors.

The Treasury's management of the debt can interfere with an appropriate monetary policy if, by increasing the frequency and volume of refinancing, it reduces the time for maneuver by the Federal Reserve. Also

there may be some interference with monetary policy if debt management is so conducted that the Federal Reserve finds it necessary to provide direct support to a refinancing. Similarly, Federal Reserve policy may interfere with debt management by its influence on the Government securities market. Therefore, monetary and debt management policy should be formulated and executed in close harmony.

The commission does not favor so drastic a measure as consolidation of the Treasury and the Federal Reserve as a means of coordinating debt management and monetary policy. The commission believes that Treasury-Federal Reserve coordination should be resolved within the framework of the suggestions for coordination within economic policy suggested in the final chapter of this report.

Remove debt ceiling

Congress is the final authority in matters concerning the public debt. In recent years Congress has expanded the authority of the Treasury to exercise discretion in the debt management area. Today, the President and the Secretary of the Treasury enjoy a considerable degree of latitude in managing the debt. But there are still several obstacles to a wholly desirable degree of flexibility.

One is the limit imposed upon the size of the debt. The ceiling has long been a source of inflexibility and inefficiency in the management of public finances. Although the ceiling's defenders claim that it induces fiscal responsibility and acts as a curb on public expenditures, the commission finds this argument to be historically untrue.

Another rigidity which mitigates against flexibility and efficiency, the Commission finds from its studies, is the 4¼-percent ceiling rate on all new issues of Treasury bonds. This ceiling has been in effect since first imposed by Congress in 1918.

The commission objects to the continuance of both ceilings, on the grounds that such ceilings run counter to sound principles of monetary and debt management policy. In concordance with its other findings the commission favors broadening the range of discretionary debt management authority exercised by the executive branch of the Federal Government. Specifically, it recommends the abolition of the debt limit and elimination of the interest rate ceiling.

The techniques used to manage the debt may be important in determining the success of the Treasury in competing for funds in the capital market.

Authority over margins

One reason for market resistance to long-term offerings is that they are typically exchanged for maturing issues often held by short-term investors. To keep long-term funds continuously invested, the advance refunding technique, where holders are offered an opportunity to exchange present holdings for securities with a comparable maturity as their original issue, would increase the average maturity of the outstanding debt. More holders of the outstanding long-term securities would be interested in the new issues.

The commission recommends that the Treasury continue to experiment with the use of the advanced refunding technique.

The Treasury also is experimenting with wider use of the auction method, formerly restricted to 90-day bills. The commission recommends that the Treasury should continue to experiment further with the use of the auction technique.

Although the commission does not favor broad authority over margins for the secondary market in Treasury securities, it urges continuance of that minimum margin now set by the New York Stock Exchange and the Comptroller of the Currency and recommends that similar minimum margins be applied to presently nonregulated lenders, including nonfinancial corporations.

The commission finds no reasons to suggest changes either in the present organizational structure of the Government securities market or in arrangements for financing dealers in Government securities.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Nathan, Ruttenberg, Shuman and Yntema, and may be found in the full-length edition of the report.)

FISCAL POLICY

The commission in its deliberations has dealt with fiscal policy only in its most general sense. Thus it has examined the effects of changes in the budget surplus or deficit on economic activity. The role of fiscal policy in economic stabilization is far better understood today than it was during the depression of the thirties, and it is now likely that the adjustments in fiscal policy undertaken in major inflations or depressions will be appropriate in direction if not in magnitude. The challenge for the future is to improve the use of fiscal tools to smooth lesser fluctuations of prices, output, and employment, and to promote economic growth.

The Federal budget has served as a useful stabilizing force in the economy, partly through the exertion of automatic changes in tax receipts and transfer payments as incomes rise and fall, and partly through deliberate changes in tax and spending programs. The combination of automatic and discretionary budget forces has generated surpluses in prosperity and deficits in recession. The surpluses helped restrain booms and the deficits helped cushion the recession and aid recovery. But neither the size nor the timing of fiscal policy have been appropriate to the movement of the business cycle.

With a given tax and expenditure structure, changes in total income and output result in automatic changes in tax yields and in certain outlays by the Government. As national income falls, for example, the yield of the personal income tax falls also, while payments for unemployment compensation rise. Consequently the absolute decline in income available for spending is less than the absolute decline in national income. As national income rises, the opposite effect takes place. Tax receipts rise and unemployment compensation payments drop. These cushioning effects happen automatically without administrative or legislative interference. Hence they are known as automatic stabilizers.

It is impossible to estimate precisely the effectiveness of existing automatic stabilizers. The best available evidence indicates that during the postwar period the built-in flexibility of the Federal budget offset between one-third and two-fifths of the fall (or increase) in the gross national product. This is a sizable fraction, far greater than that prevailing before World War II. Recent experience with recurrent and moderately severe recessions raises the question whether the automatic stabilizers can and should be strengthened to play a greater role in reducing the amplitude of cyclical fluctuations.

The commission, seeking possible means of strengthening the automatic stabilizers without altering the existing level of tax rates and government expenditures, has considered these possibilities: (1) Changes in the tax structure. (2) Revision of unemployment insurance. (3) The more novel proposal of "formula flexibility."

The commission has examined a variety of proposed changes in the existing tax structure. It concludes that modest improvements in automatic stabilization might be made by some of those alterations but that they would not be large enough to affect significantly the overall impact of the automatic stabilizers. It therefore concludes that no changes in the existing tax structure that would result in substantial gains for automatic stabilization are feasible.

The essential purpose of unemployment insurance is to protect the unemployed. It cannot be given prime responsibility for achieving this stability itself. The commission's study of the role of unemployment insurance leads it to conclude that the contribution to stabilization of the present system of unemployment compensation is significant, and it can and should be increased. At the same time, it also concludes that the addition to built-in flexibility which can be derived from this source will be limited.

Approach by formula

In view of the recognized limitations of the automatic stabilizers the commission concludes that proposals for a program of what is generally called formula flexibility merited attention as a feasible method of substantially strengthening stabilization. Formula flexibility implies provision for automatic changes in the level of certain tax rates whenever prescribed economic indictators change by specified amounts. Although at first glance this may seem a radical proposal, actually it would do little more than make explicit what is now implicit in the conventional type of automatic stabilizers.

The most attractive possibility would be to provide that the first-bracket rate of the personal income tax should be reduced by a specified number of percentage points whenever these economic indicators suggested deficient demand, and conversely that the tax rate would automatically be raised to its old level when the indicators revealed the restoration of adequate demand. In a similar fashion the first-bracket rate of the personal income tax could be increased by a specified number of percentage points whenever the indicators suggested excess demands; conversely, the tax rate would be lowered automatically to its original level as excess demand was eliminated.

The formula approach has much to recommend it. It would ensure that changes in tax rates, by their very nature, would work both ways. If rates were cut in a recession because of the formula adopted, the same formula arrangement would insure that they would be raised again in the upswing. Thus, the formula approach would avoid any bias that might result from discretionary action. In making discretionary changes, the decision-making authority, either legislative or executive, might well be subject to heavier pressure to reduce tax rates in recession than to raise them back to normal during the subsequent recovery and to above normal in booms.

The commission believes that a strengthening of the existing degree of built-in stabilization would be desirable. This increase cannot be provided to any significant degree by changes in the structure of taxes or expenditures of the conventional sort. A promising approach that merits detailed investigation is formula flexibility by which changes in the first-bracket rate of the personal income tax would be made automatically in response to changes in appropriate economic indicators.

Even if the automatic stabilizers can be improved, discretionary fiscal measures will remain an important instrument of stabilization policy. Consequently, the advantages and disadvantages of possible discretionary actions must be considered.

Discretionary measures

Two major objections are commonly raised against discretionary fiscal measures. The first is that economic forecasts are necessarily so inaccurate that there is always the

possibility that discretionary action taken on the basis of such forecasts may do more harm than good. However, this objection is applicable to all discretionary stabilization policies, monetary or fiscal. It is a serious objection, for much is yet to be learned before we can assess the economic outlook as well as we need to. Nevertheless, the commission is convinced that judicious use of discretionary measures, including fiscal policy, cannot be dispensed with.

The second major objection to discretionary fiscal policy is that the time required by Congress to enact discretionary measures and by the executive to put them into effect may rule them out. For instance, the time required by Congress to enact tax changes is frequently alleged to rule out such changes as a desirable means of discretionary stabilizing action. It is claimed, for example, that the time necessary to enact tax reductions to combat a recession is so long that they are not likely to take effect until the subsequent recovery is well underway and that consequently these reductions, enacted to cut short a recession, may in fact feed a subsequent boom.

Discretionary fiscal policy requires speed of decision and effect and can only be successful if temporary and reversible fiscal changes for stabilization purposes are disassociated from permanent and structural changes. Techniques should be developed by which taxation and expenditure policies can be applied more flexibly, and the first step in this direction lies in a sharp demarcation between short-run cyclical changes and long-run structural changes.

Thus, the commission's recommendations for a stabilizing fiscal policy are based on the assumption that the basic tax structure and the basic Government expenditure programs are not to be varied for stabilization purposes.

The tax structure and expenditure programs do change from time to time and must be changed periodically as the growth of the economy alters the tax revenue-expenditure relationship. The periodic reassessment of the relationship between tax revenues and expenditures is necessary, and an effective stabilizing fiscal policy calls for changes required by the reassessment to be timed to coincide with stabilization needs.

First-bracket rate

As a stabilization instrument, the first-bracket rate adjustment is superior to proportional adjustments in the entire rate structure in stimulating consumption, since for each dollar of income tax reduction the lower income groups would receive a proportionately larger share of the reductions.

A change of this sort is also flexible and reversible. Withholding changes can be made promptly, regardless of their size. Congress and the administration have had experience with intrayear changes in withholding rates, for example in 1948, 1950, and 1951. The technique is readily and easily applicable. Declarations of estimated tax can also be promptly modified in line with the new tax liabilities.

The commission therefore concludes that when discretionary tax adjustments are used to promote short-run economic stabilization, they should consist of variations in the first-bracket rate of the personal income tax.

The Congress should grant to the President limited conditional power to make temporary countercyclical adjustments in the first-bracket rate of the personal income tax. The grant of such power, however, should be accompanied by certain qualifications and safeguards.

First, it should be available for use only when the President has issued a statement saying that, in his judgment, economic conditions are running significantly counter to the objectives of the Employment Act of 1946 as amended. (The proposed amendment, as here cited, is described in chapter X, "Organization and Coordination for National Economic Goals.") Second, the range of permissible adjustment should be limited to 5 percentage points upward or downward, or one-quarter of the present 20 percent rate. Third, the duration of the adjustment should be limited to 6 months, subject to renewal by the same process, unless Congress acts sooner to extend or supplant it. Fourth, the exercise of this discretionary power by the President should be subject to a legislative veto by concurrent congressional resolution by both Houses before any tax adjustment takes place.

To this end the President should be required to lay before the Congress any proposal to adjust the tax rate, the proposal to lie there up to 60 days, unless a concurrent resolution of disapproval is sooner voted on and rejected, and to take effect only if no such resolution is voted on in that time. In the same law that authorizes the adjustment, the parliamentary rules of the two Houses should be amended ad hoc in a manner to assure that a concurrent resolution of disapproval may be introduced and voted on within a 60-day period.

The commission's recommendations on the use of public expenditures for countercyclical purposes are:

1. There should be more adequate planning for postponable projects; suitable expenditure programs should be enacted for a number of years so as to permit greater executive flexibility and timing.

2. For countercyclical expenditures, projects and programs should be initiated or expanded only if these expenditures are essential and useful and if the length of the project as well as its time pattern are appropriate. To combat a recession a high ratio of spending in the early period relative to subsequent periods would be favorable.

3. Changes in planning and budgeting techniques would also help to make expenditure policy more flexible. The possibility of advance appropriations for public works programs should be considered.

A proper appraisal of the role of budget policy in economic stabilization requires that the Federal budget be presented in several different ways. The present conventional or administrative budget and the cash consolidated budget need to be supplemented by a budget as it will be reflected in the national economic accounts. Finally, the significance of changes in tax and expenditure policy should also be presented under the assumption of a high-employment level of income and reasonable stability of the price level. Information should also be given which will show the impact of public expenditures on an order basis.

Fiscal policy and growth

The commission next examined the relationship of fiscal policy to economic growth. It finds that those responsible for determining fiscal policy must chart their course between two extreme positions. One extreme holds that, in order to accelerate growth, fiscal policy must reduce consumption and increase savings, thus freeing resources to use for capital formation. The other holds that if fiscal policy is to speed up growth through capital formation, a high rate of consumer demand is necessary. Neither position is universally applicable to conditions in the real world.

The commission recommends that when economic conditions are such that unemployment is at minimum levels and when growth may be accelerated merely by raising the supply of new investable funds through increased private saving or a larger Government surplus used for debt retirement, primary reliance should be placed on increasing the Government surplus rather than on the drastic change in the tax structure required to accomplish an equivalent result.

From similar reasoning the commission concludes that when economic conditions are such as to require a higher level of consumption, primary reliance should be placed on reducing the level of tax rates rather than on changes in the composition of the tax structure.

Tax deterrents

Having examined the effects of tax policy on the general supply of saving, the commission adds that tax policy also affects the willingness of investors to engage in capital formation by using the supply of funds which is available to them. To this effect it suggests that tax deterrents to capital formation be minimized. An important contribution can be made through such incentives as accelerated depreciation on new investment, or a tax credit on new investment.

While it would go beyond the purview of the commission to consider these problems in detail there is definite need for a review of the basic tax structure, with the aim of minimizing tax deterrents to business capital formation. This concern is consistent with the commission's expressed view that changes in tax structure are not a desirable means to control the general level of saving.

The commission finds from its studies that the planning, enactment, and execution of public capital expenditures at present are not well adapted for a farsighted and sustained program of public investment. It recommends that Congress should explore which projects are of particular importance to growth and enact a program of such capital expenditures on a 5-year basis. A review of public capital formation must include the State and local level. Indeed, a comprehensive program for public capital expenditures cannot be developed without a fresh look at the appropriate division of responsibilities between the various levels of government and the interrelation of the revenue source.

Basic research needed

The commission concludes its section on fiscal policy with a plea for the encouragement of vigorous programs to promote technical progress, with high priority given to budgetary provisions on a sustained basis for basic research and training of research talent.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Freeman, Lazarus, Miller, Nathan, Ruttenberg, Shuman, Thomson, and Yntema, and may be found in the full-length edition of the report.)

PRIVATE FINANCIAL INSTITUTIONS

Variety is the salient characteristic of our private financial institutions. Despite their many differences, nearly all perform one common function. They serve as intermediaries between savers and borrowers, providing the financial assets savers want and the funds borrowers want. By offering financial assets that differ in liquidity, in maturity, in yield, and in risk, they attract funds from a wide variety of savers. At the same time, they make funds available to borrowers on a wider variety of terms than individual savers could if they dealt directly with borrowers.

Not every intermediary stands as the direct link between borrower and saver. Some, such as the small loan companies and sales finance companies, link ultimate borrowers and other intermediaries. The security exchanges and brokers and dealers provide the machinery for marketing and trading the debt and equity instruments of all borrowers. And many financial institutions perform other economic functions in addition to that of intermediary.

During this century the private financial system has grown not only in absolute terms but also in relation to the economy. As it has grown it has had to adapt itself to demands for new sources of, and outlets for, funds. This change is evidenced not only in the increase in the number and variety of institutions, and in the changing relative importance of these institutions, but in the emergence of new types of capital market instruments and credit techniques.

Growth of institutions

While the share of commercial banks in the total assets of private financial institutions has declined, and those institutions have come to place less reliance on short-term trade financing and more on consumer and term loans and on security investments, such institutions as savings and loan associations, mutual savings banks, and the savings departments of commercial banks have tended to grow in assets. Credit unions, private pension funds, and investment companies, which were nonexistent at the turn of the century, now account for a growing share of the assets of all private financial institutions.

The 1920's remain one of the most inventive and expansive periods in U.S. financial history, with many types of credit instruments and specialized institutions being created and developed, especially in the realm of consumer credit.

In the 1930's and 1940's, financial innovations reflected the large-scale intervention of the Federal Government in the financial sphere. Government social security and pension plans, Government lending organizations, Government-guaranteed mortgages, and Government deposit insurance had direct effects on the financial system. Few innovations in capital market instruments or financial institutions came during World War II, but the tremendous increase in the Government debt led to one novel and basic characteristic of the postwar period—the important use of Treasury obligations as the principal instrument for the investment of liquid funds.

In the 1950's, changes in practice in the financial system were reflected in greater use of leasebacks, new financing techniques in the oil and gas industry, foreign investment through international organizations, and, more recently, the creation of small business investment companies under the Small Business Investment Corporation Act of 1958.

Although financial institutions increased in size and the volume of most capital market instruments grew, the 1950's were not a period of pronounced innovation. Most financial developments can be traced to well before 1945. This is true of investment companies, finance companies, direct placement of securities, term loans by banks, and standardized consumer credit. The private pension fund developed to substantial size. And on a smaller scale, mortgage companies became increasingly important.

Financial legislation

Distrust of concentrated financial power throughout our history also has favored the development of the dual system of regulatory authorities. Today, it hinders efforts to unify regulations under Federal authority and to permit financial institutions to expand their operations geographically.

Financial legislation has also been influenced by the desire to accomplish other objectives such as the wide promotion of thrift, the encouragement of homeownership, the provision of small loans, and control of the money supply.

With the shattering experiences of the early 1930's, when banks failed and thrift institutions became insolvent despite traditional financial regulation, it became evident that a new approach to financial regulation was called for. This took the form of measures designed to affect the liquidity and solvency of the system rather than of the individual institutions. Thus, at the present time, the traditional approach to financial regulation persists, with its emphasis on fairly detailed control over individual institutions alongside newer measures designed to affect the environment in which all institutions operate. Both approaches for safeguarding the financial system should be retained, but they can and should be improved.

Conflicting objectives

The commission's recommendations seek to reconcile two heretofore partially conflicting objectives. One strand of the recommendations seeks to preserve the safety of the financial system as effectively and perhaps more so than existing regulations. The other strand aims at providing greater flexibility of portfolio investment, hence increased mobility of funds, and a larger number of alternatives available to savers and borrowers—all to stimulate the contribution of the financial system to economic growth. Because the commission believes that both purposes must be fulfilled simultaneously, it is imperative to stress that the recommendations are interrelated.

The commission restricts its studies to a relatively small number of institutions: commercial banks, savings banks, savings and loan associations, life insurance companies, and private pension funds. Together, these institutions hold more than three-quarters of the assets of all private financial institutions. They are the principal repository of the financial savings of the economy. They all offer fixed dollar obligations to the public and compete actively with one another for the savings of the public. Except for private pension funds they are generally the most regulated of all private financial institutions and they are subject to the general basic regulations—regulation of chartering, investments, capital and reserves, and deposit rates.

The present restrictiveness and unequal application of investment regulation for commercial banks, savings banks, savings and loan associations whereby certain types of investments are prohibited and the acquisition of other debt instruments are limited in amount, reduce the capacity and efficiency of the private financial system to carry out their economic functions.

Mobility of credit

Investment regulation today restrains financial institutions from directing their lending into those areas and uses where the requirements may be the most urgent, the commission said. By restricting the mobility of credit it impedes the effectiveness with which urgent demands are satisfied and net yields are brought into equality. It reduces provision for credit needs of certain classes of credit risk. It diminishes enterprise in, and competition among, private financial institutions.

The longrun ability of the financial system to adapt to future credit needs would be substantially improved by greater investment flexibility.

The commission recommends that the regulatory authorities be authorized to permit greater flexibility to savings banks and savings and loan associations to acquire a wider range of suitable long-term debt instruments. Commercial banks should be allowed the same flexibility in investing their time and savings deposits. Financial institutions would be permitted to change their investment practices but they would not be obliged to do so.

Geographical restrictions

The commission urges that certain present geographical restrictions on lending should be revised. It recommends that restrictions on financial institutions which prevent or impede lending over a wider geographical area than at present be liberalized, and that State laws restricting interstate lending on sale, leasebacks, and mortgages, be eased to encourage the free flow of funds.

Although equity investments generally are inappropriate for institutions which issue fixed claims, and are so recognized by regulatory authorities, regulation of them varies by States and is, in general, more liberal for mutual savings banks than for national banks and savings and loan associations. However, commercial banks in the investment of their savings and time deposits, savings banks, and savings and loan associations should all enjoy the least burdensome restriction available to any one of them.

Federal charters are now available for commercial banks, savings and loan associations, but not for savings banks. Only 17 States now have provision for the establishment of savings banks. They are thus denied entry into the market area of two-thirds of the States. Federal charters, which would permit operation in any State, would stimulate competition and enterprise, improve banking facilities in some communities, and might encourage greater conventional mortgage lending activities in all areas. The commission recommends that Federal charters should be made available for mutual savings banks.

Branch banking

Since the World War II, especially since 1952, branch banking has spread rapidly. Only 21 percent of bank offices were branches in 1945; 41 percent were branches in 1959. While some of the branches resulted from mergers with existing banks, about three-quarters of them were established as new offices. Most branch banking, however, is local, with branches existing in the head-office city or county.

Federal legislation permits national banks to branch to the same extent as State banks are allowed by State law. Much of the postwar growth in branch offices has been in response to the migration of people and industry from cities into the suburbs. While the migration of people and industry has not been restricted by city, county, or State boundaries, the migration of banks by branching often has been restricted.

Banking competition

There is reason to believe that competition among branches of several large institutions and with unit banks will produce more adequate banking facilities in a community than competition among several small independent institutions, although the evidence is not conclusive. Liberalization of branch banking which gives proper balance to the desirability of competition should diminish the concentration of banking power which now exists in some communities served by one or perhaps two banks. The economy needs, and will support, many small as well as large banks. The evidence suggests that small unit banks can compete successfully with large branch banks even in the long run.

The commission recommends that the provisions of the National Banking Act be revised so as to enable national banks to establish branches within "trading areas" irrespective of State laws, and State laws should be revised to provide corresponding privileges to State-chartered banks. A "trading area" is defined as a geographical area that embraces the natural flow of trade from an outlying geographical territory to and from a metropolitan center; it may be statewide, less than statewide, or more than statewide. The task of drawing boundaries should be delegated to an appropriate governmental agency as was done in establishing Federal Reserve districts.

Chartering practices

In exercising this power to grant branches, the chartering authority should adopt the

following practices: (1) It should avoid undue concentration of the local market. (2) It should give new entrants a chance to compete even if their business must be partially bid away from existing competitors, and should place considerable reliance on the applicant's integrity, managerial competence, and his judgment in regard to the earning prospects of the new branch. (3) It should treat the applications for new branches on a par with new unit bank applications. (4) It should treat applications for new branches of nonlocal banks on a par with applications for new branches of local banks.

The commission also recommends that the branching privileges recommended for national banks should be made available to the federally chartered savings banks and savings and loan associations, and that State banking laws be changed to conform with this provision.

Savings and time deposits

Since 1933 commercial banks have been prohibited from paying interest on demand deposits, and the Federal Reserve and the Federal Deposit Insurance Corporation have regulated the maximum rates payable on their savings and time deposits. This legislation was adopted to reduce competition for deposits among commercial banks and thereby to relieve pressure for increased earnings which led to imprudent loans and investments. By rendering special services and in other ways, some banks, in effect, now pay interest indirectly on demand deposits.

The commission recommends continuation of the present prohibition of interest payments on demand deposits.

Additional considerations apply to the regulation of interest payments on savings and time deposits of commercial banks. During most of the period since 1933, maximum interest rates on these deposits have exceeded the rates which the banks actually paid. But this has been less true recently as institutions, including the Treasury, which were usually exempt from rate regulation have competed for the funds in savings and time deposits of commercial banks.

Competition for savings accounts has also come from thrift institutions. Mutual savings banks not insured by the Federal Deposit Insurance Corporation are not subject to Federal regulation of interest rates on deposits, and in some States where large volume of savings bank deposits are located, there is no legislative provision for regulating interest rates on deposits. Dividends on depositor shares in Federal savings and loan associations are not regulated by statute, and regulations on dividends of State associations vary among the States.

Competition for time deposits also has been intensified. Maximum rates on time deposits of banks are regulated, but the yields on marketable short-term investment paper and Treasury securities are not regulated. Consequently commercial banks, especially in periods of rising short-term yields, find it difficult to retain and compete for the funds of corporations, State and local governments, and foreigners.

The commission recommends that the present statutes authorizing regulation of interest rates on savings and time deposits for commercial banks be revised (a) to convert the present power into a standby authority rather than continuous regulation, (b) to include under the appropriate regulatory authorities savings and time deposits and similar liabilities of savings banks and savings and loan associations, and (c) to permit differentiation among types of deposits, including those of U.S. residents and those of foreign residents. The commission further recommends that these institutions should be subjected to maximum rates only when, in the opinion of the appropriate authorities, further interest rate competition for these deposits is deemed not in the public interest, and that when applied, consideration be given to maintaining appropriate but not necessarily identical interest rate maxima for competing institutions.

Payment of interest

Prohibiting the payment of interest on demand deposits and permitting it on time and savings deposits requires a precise definition of each type of deposit if the difference in treatment is to be equitable. Regulation Q of the Federal Reserve Board defines demand deposits precisely. The definitions for time and savings deposits are less specific, and both are tending to become more and more like demand deposits.

Certain legal reserves requirements are imposed on time and savings accounts, in member banks by the Federal Reserve and in nonmember banks by State law. Mutual savings banks in seven States, where most of the deposits are held, are not subject to reserve requirements. Savings and loan associations which are members of the Federal Home Loan Bank System (which accounts for 97 percent of all such associations' assets), must maintain a minimum of 6 percent withdrawal accounts in cash and Federal Government securities.

Where a reserve against time and savings deposits has been required, the principal reason apparently has been to impress upon financial management the need for making adequate provision for liquidity. Since reserve requirements for time and savings deposits do not serve as instruments of monetary control (as do reserve requirements on demand deposits) and make only a slight contribution to the effectiveness of monetary policy, and since the liquidity objective imposes no absolute need for such requirements, the commission believes it is unnecessary to require statutory reserves against savings and time deposits in banks and competing institutions. Management and supervisory authorities are able to see to it that such liquidity as may be necessary with respect to such deposits is maintained.

The commission recommends (a) that existing statutory requirements be repealed, and (b) that, pending repeal of such requirements, those banks and competing institutions subject to these requirements be permitted to hold their required reserves in the form of either cash or Treasury securities with maturities up to 5 years.

Savers frequently believe that their deposits in all financial institutions are insured. However, not all banks and savings and loan associations carry deposit insurance. Deposit insurance available to commercial banks and mutual savings banks differs somewhat from that available to savings and loan associations. Deposit insurance should be brought in line with the savers' beliefs and practice.

Federal deposit insurance

The commission recommends that Federal deposit insurance for all savings banks and savings and loan associations be available from the Federal Savings and Loan Insurance Corporation, and that State chartering authorities urge such participation.

Greater efforts should be made to devise incentives which would increase simultaneously both risk-taking and reserve cushions for financial institutions. The commission examined the present tax provisions relating to this area and found they do not provide a satisfactory method for assuring capital adequacy for the financial system, and do not apply equally to competing institutions. It is easier to state the need for capital adequacy and equality of treatment than to devise a tax formula which accomplishes these objectives.

The commission does not recommend a specific tax provision but it is confident that the responsible authorities can work out a satisfactory practical tax formula to better secure the objectives of capital adequacy and equitable treatment of competing institutions.

The commission recommends that commercial banks, mutual savings banks, and savings and loan associations be subjected to the Federal corporate income tax in such fashion as to contribute to capital reserve and adequacy and to insure competitive equality.

The commission recommends increased coordination of examining and supervisory authorities. At the Federal level there should be only one examining authority for commercial banks. The Comptroller of the Currency and his functions, and the FDIC should be transferred to the Federal Reserve System. The commission also recommends that there be a unified authority at the Federal level for the examination of all federally insured savings and loan associations and mutual savings banks. The activities and standards of these two Federal authorities should be coordinated with each other, and with the respective State examining and supervisory authorities.

The management of financial institutions in making loans, and examiners in reviewing them, frequently deal with loans to new, promising ventures which are important to encourage economic growth. Financial institutions should always bear in mind their role in promoting economic growth. Unless this is understood, the mere alteration of the statutes will accomplish very little.

Finally, in view of the rapid postwar growth of financial institutions, the commission recommends that Congress review the adequacy of existing legislation, and that supervisory authorities review their existing regulations and examination procedures to insure against any unwarranted personal benefits accruing to individuals responsible for handling institutional funds, which might be associated with, or deprived from, the use or investment of the funds.

Pension funds

Noninsured corporate pension funds—the largest and fastest growing of all private pension funds—are allowed broader investment powers, both geographically and among types of investments, than commercial banks, thrift institutions, and life insurance companies. While the commission found this latitude praiseworthy it harbored some concern regarding the trusts' investment practices. It concludes that an appropriate regulatory body should be given added responsibilities over private corporate pension funds. Among these responsibilities should be the power to provide and enforce appropriate standards for investment of the funds; to assure adequate periodic disclosure to beneficiaries of the financial statements of the fund; and to bring suit against malfeasors on the behalf of the plan participants and their beneficiaries.

Life insurance companies

Life insurance companies today enjoy greater investment flexibility than that accorded to mutual savings banks, saving and loan associations, and credit unions, although less than that available to private pension funds. While life insurance companies may invest in many credit and equity instruments, limits are set on their holdings of particular assets and each type of asset must meet specified minimum standards before it may be acquired.

During the last decade some States have devised "leeway" or "basket clauses" in their life insurance company regulatory laws. These allow added flexibility and mobility of investment by enabling life insurance companies to invest in types of assets not otherwise permitted, up to some proportion of assets or of capital and surplus. They facilitate direct lending to small businesses and aid them indirectly by allowing life companies to invest in State development

credit corporations. They afford life companies an opportunity to experiment and innovate in their lending, while at the same time assuring protection to their policyholders. The commission favors this balanced approach to promoting economic growth, and recommends that other States follow this practice.

Credit unions

The commission has examined the State chartering function (Federal charters are not available to life companies) and the influence which New York's traditionally strict insurance laws and high standards have had over the years on the industry and its regulations as a whole. It finds that the economic growth of the country has, over time, eroded the importance of New York as a key regulatory State. (In order to avoid increasing complications of multiple State regulation the commission recommends that overriding Federal charters and regulation should be available.)

Because of their specialized characteristics and the basic voluntary self-help feature of credit unions, the commission has not made specific recommendations with regard to them. If credit union shares are made eligible for deposit insurance, the appropriate insurance body would be the Federal Savings and Loan Insurance Corporation. Membership in this insurance scheme would necessitate supervision of their operations by the insuring body. The conditions of membership in the insurance scheme would have to relate to other than mortgage loans, thereby requiring further change in the FSLIC. Presumably the insurance premium would be based on the loss experiences of credit unions rather than thrift institutions as a class.

Credit unions still account overall for only a small share of financial savings: they are of increasing importance in some localities as competitors with other thrift institutions. The commission makes no recommendation concerning the present tax exemption of credit unions, but believes that as credit unions grow in size and gradually change their characteristics to those resembling commercial institutions, their tax exemption should be reconsidered.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Black, Freeman, Lazarus, Miller, Nathan, Ruttenberg, Shuman, Tapp, Thorp, Yntema and may be found in the full-length edition of the report.)

FEDERAL CREDIT PROGRAMS

The influence which Federal credit programs have on the flow of credit in the United States has become increasingly important in recent years. Credits of more than $20 billion a year are being extended by the Federal Government in direct or guaranteed loans by various agencies.

The basic purpose of Federal credit programs is to redirect the flow of loan funds, private and public, so that particular types of credit use are stimulated. Since the market system does not work perfectly, especially in the face of an uncertain future, in some instances the Government has deemed it appropriate to intervene in the credit allocation process to affect the allocation of resources and the composition of output.

Continuing Federal credit programs have been established to meet two kinds of situations apart from those programs developed to help persons or businesses temporarily in trouble because of a natural catastrophe or other emergency. In the first, the Government intervenes to remedy what appear to be imperfections in the functioning of the private credit system. The second type of situation is one in which the Government seeks to achieve social, economic, military, and other policy objectives which even a perfectly functioning market system would not achieve.

Four major programs

The commission has examined all types of Federal credit programs but has limited its recommendations in this field to those which have a pervasive influence on major sectors of the economy and on the money and capital markets. Its general recommendations pertain to the relationships of the programs to the private credit market, their role in improving the effectiveness of the financial system and their impact on, and potentian contribution to, Federal stabilization activities.

There are four major types of Federal credit programs. These involve direct lending, loans by federally sponsored credit institutions, guarantees of private loans, and insurance of private loans. They differ in organization, their source of finance, their potency to reallocate resources, the extent to which they supplement or compete with private credit institutions, and in their elements of subsidy.

Direct lending programs receive their funds from the Treasury or from the proceeds of their own securities issues; they then extend loans to private parties. Federally sponsored credit institutions are generally designed to be self-supporting after the initial contribution of Government capital. They sell securities in the national capital market to obtain funds which are loaned to private financial intermediaries, which in turn extend credit to private borrowers. Loan guarantee and loan insurance programs underwrite the credit of private borrowers, either partially or in full, although the actual funds are supplied by private lenders.

Based on its study of Federal credit programs, the commission developed seven broad guides for Federal credit programs. These guides relate to the selection of particular types of credit programs for various purposes, sources of finance for credit programs, and their use as countercyclical measures. The commission has not surveyed new opportunities to utilize Federal credit programs to reallocate resources. If Congress determines that reallocations of resources are desirable in the national interest, Federal credit programs may well be the form of Government assistance used to achieve them. In this event, the general guides developed by the commission should be useful in the establishment of such programs.

General guides

Federal credit programs designed to broaden the allocative function of private credit markets and to stimulate greater enterprise and competition therein should be self-supporting. In general, loan insurance programs are preferable to programs that establish federally sponsored lending agencies.

Federal credit programs designed to alter the allocation of resources to achieve a public purpose which even a perfectly functioning market system would not attain require a subsidy in the form of below-market interest rates or credit terms. In such instances, the choice among types of credit programs should be made on the basis of which one will work best at the least cost and which one will interfere least with the private financial system. Where possible, a loan guarantee type of program should take preference over a direct lending program.

Since direct lending programs to achieve a particular allocation of resources resemble Government expenditure programs, the amount of credit extended should be determined as a part of the budgetary process. However, the amount of credit extended under direct Federal lending programs should not be singled out as uniquely appropriate for countercyclical variation merely because it constitutes credit rather than expenditure programs or because it is insulated from such variation.

Reliance to monetary policy

Credit programs established to increase the effectiveness of the private credit system should be designed to be sensitive to general monetary policy. Some programs, especially loan insurance programs, should at times be used to supplement and reinforce general monetary policy by varying their lending terms.

Where the funds for direct lending programs come partly from the Treasury and partly from private financial institutions participating in direct loans on a guaranteed basis, the interest rates on the private participations should be varied in response to the needs of general monetary policy. Where direct lending programs are to be financed by security issues in national capital markets, Treasury issues rather than fully guaranteed issues of Government corporations should be employed.

The harmful effects of interest-rate ceilings outweigh their automatic contribution to economic stabilization and they should be abolished, as should the various interest-rate ceilings or limitations that affect agricultural credit.

Federal agencies designed to create and maintain secondary markets for financial instruments, such as mortgages, should buy and sell the instruments at market prices and should not attempt to control their prices.

In line with these general guides, the commission makes a number of specific recommendations regarding specific Government credit agencies.

Housing programs

In the field of housing it recommends the continuation of the Federal Housing Administration loan insurance programs in order to facilitate the flow of private funds into residential construction. It recommends that, in order to insure the continued availability of insured loans in all areas of the country, the voluntary home mortgage credit program and the FHA certified agency program of the FHA be encouraged. It suggested that the terminating Veterans' Administration direct lending program be replaced by a similar FHA program which would apply not only to veterans but to all borrowers whose efforts to obtain insured loans through other programs have failed.

Pending the development of more effective private secondary mortgage institutions, we recommend that the secondary market operations of Federal National Mortgage Association be continued but be made more effective. The special assistance and market support programs of FNMA which are inconsistent with the dealer function should be operated in an entirely distinct and separate manner from the secondary market operations, preferably by a separate agency.

The Federal Housing Administration and Veterans' Administration underwriting programs should be used to aid in implementing the countercyclical and price stabilizing policies of the Government by varying the terms of the underwritten loans and by allowing interest rates to rise and fall with conditions in the mortgage market.

Agricultural programs

Turning next to agriculture where in spite of the success of the federally sponsored credit system, major actual and potential credit problems remain, the commission recommends that a limited self-supporting Federal insurance program should be developed and administered by an established farm credit agency for mortgage loans featuring low downpayments, long maturities, and not necessarily complete amortization.

Such insurance should be available only under stringent conditions, such perhaps as (1) the new farm unit should be of adequate size to take advantage of existing technology and provide a satisfactory level of family income under reasonably good management, and (2) appropriate farm plans should be developed by farmers in cooperation with the lenders. Professional services for developing the plans, and management consultation, might be supplied for a specified period or until the mortgage has been reduced to a level appropriate for a conventional farm mortgage.

The commission also recommends a Federal loan insurance program for intermediate term credit of 3 to 10 years to help farmers finance the acquisition of capital assets, other than real estate, required for an efficient farm unit. Professional consultation for the development of an efficient farm plan and management assistance might also be supplied in connection with these loans.

The commission finds the evidence inconclusive as to whether a significant gap exists for credit facilities for new and small business firms which have a realistic prospect of successful operation. The small business investment corporations have not been in existence long enough to prove whether they effectively contribute to small business financing needs. It has considered, but does not recommend, establishment of a loan insurance program by the Small Business Administration which would insure part of the risk in providing intermediate term credit to small business firms.

(Memoranda of comment, reservation, or dissent were contributed to this chapter by Messrs. Lazarus, Nathan, Ruttenberg, and Shuman, and may be found in the full-length edition of the report.)

INTERNATIONAL MONETARY RELATIONS

Since 1950 (except in 1957), the United States has had an annual average payments deficit. In the first 7 years the average annual deficit was approximately $1 billion. Beginning in 1958, however, the situation changed markedly, and the annual deficit for the past 3 years has exceeded $3.5 billion.

The U.S. deficit has not resulted from a deficit in the merchandise balance or from a deficit in the current account. Rather, U.S. exports have not grown fast enough in relation to the growth in U.S. imports to offset the change in net payments on Government account and on the private capital account.

A second important point is that the net capital outflow on private account and Government account has exceeded the U.S. payments deficit in most postwar years. In this sense, the United States has not been living beyond its income; rather, it has sold gold and liquid dollar assets to help finance an even larger amount of foreign investment.

Changes in the relative prices of competing goods produced here and abroad, in consumer tastes and Government quotas and exchange controls, have affected the U.S. merchandise account. Although U.S. prices for some goods important in world trade rose in relation to corresponding foreign prices, indexes of the U.S. price level did not rise more rapidly than those of most other industrial nations.

Except in 1960, there was a net short-term capital flow to the United States in each year of the past decade. Foreign banks and private parties were building up liquid balances depleted during the war and postwar years. In 1960, United States and foreign-owned funds were shifted from dollars to foreign currencies in response to higher interest rates abroad than those in the United States and to speculation against the dollar. The adverse change in the short-term capital account between 1959 and 1960 was about $4 billion.

Continuing imbalance

The continuing imbalance in international payments over the past 3 years, reflected in the persistent, large deficit of the United States and the persistent, large surpluses of some other countries, raises the question of the adequacy of the adjustment mechanism.

The importance of the United States as a world trader and world banker limits its choice of policies to secure a net increase in its receipts from abroad to match its larger payments. Restrictive monetary and fiscal measures may be too costly in terms of the level of domestic unemployment and the rate of economic growth. Controls on dollar payments may make it more difficult to get other countries to reduce their remaining restrictions and might breed retaliatory restrictions. An increase in restrictions would lessen the salutory impact of foreign competition on the price, wage, and productivity developments in the U.S. economy and elsewhere. Most measures have their shortcomings, yet choices, often uncomfortable ones, must be made to achieve a satisfactory payments balance.

Use of monetary policy

The classical policy prescription for reducing a payments deficit is a restrictive monetary policy. Even if such restrictive monetary and credit measures would improve the balance of payments in the near future, they would lessen our ability to export in the longer run because they would lower the U.S. growth rate. With lagging incomes and demands the incentives to the development of new products and new processes, to new domestic investment, and to increased productivity so essential to a healthy export trade would be chilled. And if foreign economies were growing faster in comparison with the U.S. economy, they would be even more attractive as locations for U.S. direct investment.

The commission believes that the costs in terms of unemployment and lower growth would be so great from trying to correct our balance of payments deficit by general restrictive monetary and fiscal policies that alternative means must be sought to achieve the necessary balance.

The use of monetary credit, and fiscal measures to achieve adequate growth, high employment, and reasonably stable prices should contribute to an improvement in our payments balance. In the past, export industries have been among the leaders in increasing productivity. The international competitive position of the United States will improve if the economic climate contributes to continued productivity gains and if these gains are partially reflected in lower prices for goods important in international trade. Even though the year-to-year declines may be small, the compound effect over a few years may substantially affect international price relationships.

Easing regulations

Some measures to increase receipts are desirable in themselves, and the present situation is a compelling reason to adopt them. These include increased Government efforts to induce other countries to lower still further, or to eliminate, their remaining restrictions on international payments, especially their discrimination against U.S. goods.

If the U.S. banks were able to operate abroad on a less restricted basis, U.S. exports might be facilitated. Regulations should be eased, where possible, to permit U.S. banks abroad to compete on more equal terms.

An additional aid to exports would be the provision of more adequate sources for intermediate-term export credits in the United States. The new export credit guarantee programs of the Export-Import Bank adopted in 1960 may give U.S. exporters coverage against political, exchange, and credit risks equal to that available in other developed countries. If new private facilities develop to combine the credit investigating facilities of the banks with the long-term credits available from the thrift institutions, the Eximbank guarantee programs may be sufficient to insure the necessary credit. Otherwise, the Eximbank should increase the direct financing of the U.S. exports.

Grants and loans

A large part of Government grants and loans for economic aid give rise to U.S. exports even though the recipients are not required to spend the proceeds here. Normally, U.S. aid will be most beneficial to recipient countries if the dollars can be used to purchase goods from the least expensive source, even if this involves non-U.S. sources of supply. But tying the assistance to expenditures in the United States to ease the U.S. payments problem would be clearly preferable to reducing the assistance, if these become alternatives to ease the payments deficit.

None of the above measures entails direct restrictions on imports of goods and services or on capital movements. The imposition of direct trade restriction would inevitably result in a curtailment of world trade, the more so because of probable retaliation.

There may be enough specific measures other than restrictive payments controls and changes in the exchange rate structure available to the United States and to foreign countries to permit attainment of a satisfactory balance in hard-core accounts without sacrifice of domestic and international objectives. The problem, however, requires the kind of comprehensive and coordinated consideration in the Government recommended in the final chapter.

A change in the structure of exchange rates is an alternative to deflation at home or inflation abroad as a way to change the relationship of the prices of goods and services among countries. But if the depreciating country is an important trader, the effects of the depreciation will be widespread and may set in motion forces for similar devaluations by many countries.

If large U.S. payments deficits appear persistent, the need for a change in the exchange rate structure must be recognized by other countries. The change can be either a U.S. devaluation or appreciation of some other currencies.

Price of gold

The commission believes that the present dollar price of gold should be retained as a central pivot in the exchange rates structure among IMF member countries and that any needed realignment of the structure should be around this pivot.

A stable exchange rate structure policed aggressively by the International Monetary Fund should prove workable, provided appropriate domestic policies are pursued. It is likely that the structure of exchange rates will require only occasional changes.

International liquidity

The problems of international adjustment and international liquidity are closely related. It is inevitable that imbalances will develop between payments and receipts in a nation's international accounts. Consequently, to tide over the period until balance is restored, a nation must maintain an adequate supply of assets acceptable for international settlements if it is not sure it will be able to borrow to finance its deficits.

If international liquidity is to be adequate, both long-run and short-run problems must be solved. In the long run, as world trade

and payments increase, the supply of assets acceptable in settlement of international payments must also increase. In the short run arrangements must be made to safeguard the payments system against liquidity crises. Securing these objectives requires decisions on measures the United States can take unilaterally to safeguard the dollar against exchange crises, and on multilateral measures to provide an adequate supply of international reserves in a payments system which is secure against these crises.

Measures for strength

Strengthening the U.S. position as a world banker can be facilitated by a number of measures.

The requirement that gold be held against the note and deposit liabilities of the Federal Reserve banks tied up nearly $12 billion of U.S. gold at the end of 1960, leaving a "free gold" stock of less than $6 billion available for international settlements.

The retention of the domestic gold reserve requirement is not necessary for domestic monetary control. In the efforts to achieve adequate economic growth, low levels of unemployment and reasonable price stability, the monetary authorities should not be limited by so mechanical a rule.

The commission believes that threat of a confidence crisis would be greatly reduced if it were generally recognized, both here and abroad, that all U.S. gold is available to meet our international obligations. Any doubts about the U.S. policy should be removed by elimination of the gold reserve requirement at the earliest convenient moment so that all of the U.S. gold stock is available for international settlements.

Measures for ease

Sudden large shifts of liquid funds sensitive to international interest rate differentials and speculative expectations frequently serve little useful purpose. If these outflows occur during a recession, the Federal Reserve should adopt those measures that provide monetary ease with the least depressing effects on short-term interest rates. Greater reliance on fiscal measures would also reduce the amount of monetary ease needed to secure business recovery. The resulting larger budget deficit could be financed with short-term issues which would keep short-term interest rates higher and would thereby discourage the outflow of short-term capital.

One way to increase international liquidity is to increase the quantity of reserves; another way is to make certain that a country will be able to borrow to finance a payments deficit. Accumulating reserves is a more expensive way than borrowing because it ties up national savings in assets with low yields. Countries have chosen to do so in the past because the ability to borrow has been uncertain.

World reserves could be increased by raising the price of gold in terms of all currencies and the monetary value of the world's gold could be increased to the desired extent.

Aside from the wisdom of devoting additional resources to gold mining, the arguments against changing the gold price are based on the unequal sharing of benefits. The Commission believes that the arguments against an increase in the world gold price at this time counsel against such a step.

The Monetary Fund

The International Monetary Fund was established to assist its member countries in financing their temporary payments deficits by extending exchange stabilization credits to them. Its capital, now $15 billion, was obtained from subscriptions of member countries.

The IMF was set up as a multilaterally managed pool of currencies, in which each member country gave the IMF the right to lend its currency to other member countries who needed assistance in financing their payments deficits. Whenever a country wishes to obtain this assistance it uses its own currency to purchase another currency already held by the IMF.

Under its present articles of agreement the amount of assitance the IMF can extend is limited by its capital—its direct holdings of the currencies in demand and the additional amounts of currencies which it can acquire by selling gold—and by the amount of foreign currencies that countries might lend it.

If member countries make increased use of the Fund, two questions remain. Are maximum drawing rights based on country quotas adequate to meet a specific country's reserve needs? Are the present resources of the Fund adequate to perform effectively its function?

Maximum drawing rights could be increased by increasing the country quotas, as was done in 1959, or the limitation on drawing rights based on quotas could be lifted. The Fund's total resources could be increased either by increasing quotas or by strengthening its ability to borrow the currencies of member countries.

Short-term shifts

A second proposal is for the establishment of lines of credit among the central banks of the industrial countries as a means to reduce the possibility of an exchange crisis arising from large shifts of short-term funds. Central banks participating in such an arrangement would agree to accumulate a limited amount of the currency of countries subject to such shifts rather than converting it into gold.

A more drastic revision of the IMF would give it standby power to borrow a limited amount of a country's currency if its holdings of this currency become inadequate in response to the demands of other countries.

It is implicit in this proposal that the problem of long-run reserve adequacy can be satisfactorily met from new gold production and from increased reliance on the Fund. This might be true if countries integrate their Fund quotas in their reserves so that a larger part of payments deficits are financed by drawing on the Fund.

Another proposal would transform the IMF into an international central bank (Fund Bank) which would eventually hold as deposits all the official foreign exchange reserves of its members. Country reserves would consist eventually of gold and deposits in the Fund Bank.

In the transitional stage, countries would turn over a percentage of their total reserves of gold and liquid foreign assets to the Fund Bank in exchange for deposits in the Fund Bank. Initially, the assets of the Fund Bank would consist of gold and these short-term claims. The Fund Bank would be empowered to create new deposits for the account of member countries with payments deficits. It would take their promissory notes and in exchange, credit them with deposits of equal value.

All these proposals are technically feasible. Provided that the resources available under each plan were sufficient, and that members are willing to extend credit directly to other countries or indirectly through the IMF or the Fund Bank, these proposals could successfully accomplish their objectives of assuring adequate liquidity in the long run and greater protection against exchange crises. The key issues are more political than economic. They involve the extent of the willingness of participating countries to place themselves in a position in which they may be committed to acquire a large volume of claims on other countries.

Multilateral arrangements

The United States should now seek multilateral arrangements to protect the world payments mechanism against exchange crises. This objective can be accomplished through greater cooperation with central banks of other industrial countries in handling short-term capital movements and through further evolutionary development of the International Monetary Fund. IMF resources should be increased so there is no doubt that they are adequate to meet the maximum foreseeable needs of its members consistent with their economic stability. This can be accomplished by further increases in member quotas and by formalizing the right of the Fund to borrow the currencies of countries in payments surplus.

(Memoranda of comment, reservation, or dissent were contributed to this chapter by Messrs. Eccles, Ruttenberg, Shuman, Sonne, and Thorp and may be found in the full-length edition of the report.)

CHOICE AND COMBINATION OF INSTRUMENTS

Because they influence our economy in so many important ways, it is essential that Federal policies on expenditures, taxation, debt management, and credit terms should be explicitly chosen in such a way as to foster the achievement of sustained high employment, reasonable price stability, and an adequate rate of growth. Those goals cannot be achieved by the private-enterprise system alone or by the Federal Government alone, but we are not likely to achieve them unless monetary, fiscal, debt management, and credit policies are chosen with reference to their effect on the achievement of those goals. It is not appropriate to blame the Government for every defect in the performance of our economy. But when the economy's performance is not entirely satisfactory, it is appropriate to ask whether changes in Government policies can be made to improve its performance.

For economic prescription to be precise, economic diagnosis must be correct. Such diagnosis is likely to be laggard, imperfect, and sometimes wrong. In actual practice we shall usually be uncertain as to the character of our economic difficulties. This necessarily limits the effectiveness of the use of single-control instruments and of a combination of them. The improvement of diagnosis is vital to the full use of the refinements suggested here. Nevertheless, our policy measures can be combined more effectively than in the past even with the present state of the art of appraising current business conditions.

There is no unique, ideal combination of policy measures which is best suited to the achievement of our major economic objectives at all times. Our economy is dynamic; it is in a constant state of flux as consumer tastes change, as new products are developed, as production processes change with new technology, as the size, geographic distribution, and skill distribution of the labor force changes, and as variations occur in many other factors which affect the level and composition of output. Most of these changes require adjustments to restore new balances between demands and outputs of particular products, and these adjustments are induced by changes in prices and responses thereto. The market mechanism is most effective in adapting to such changes if aggregate demand and its broad composition are adequate to keep production at, or near, high-employment levels.

Monetary, credit, and fiscal policies can influence significantly the composition of demand among broad classes of expenditures, as well as the aggregate level of demand. The problem of the mix of policy measures is so to influence the level and composition of demand that the aggregate levels of public plus private demands will result in sustained high-level output and employment, and that the share of capital formation in total output will generate an adequate rate of growth.

Basic decisions

At any given point of time there is a certain basic tax structure, a pattern of Government expenditure programs, a set of Government credit programs, a level of money supply, a structure of interest rates, and other monetary and credit conditions, all of which are inevitably effecting the level and composition of demand in the economy. As time passes, the continued growth of the economy creates more resources to use for all sorts of purposes. Because of the nature of the progressive tax structure, tax revenues will grow more rapidly than total output in the economy. The existing monetary, credit, and fiscal structure will inevitably influence the pattern of use of the added resources, and the opportunity exists to alter that influence and affect the way the resources will be used. There is also the necessity of utilizing the opportunity to make changes in policy measures because they must be adapted to the growing size and ever changing trends in the private sector of the economy.

Several sets of basic decisions by the Government are involved. The first is an evaluation of proposals for Government expenditure programs against the alternative of either an equivalent amount of private consumption expenditures and/or private investment. These are political decisions and must be made through the democratic process. The commission said, however, that the decisions on Government expenditure and direct lending programs should be made in terms of a high employment budget and on the basis of judgments as to the value of the programs compared with the value of the private consumption or investment. The bulk of the expenditures under such programs should then proceed smoothly without being changed for countercyclical purposes.

The second relates to the normal tax structure. The commission has stated that there should be a clear separation between the normal tax structure and temporary tax adjustments made for stabilization reasons. It has stated its deep conviction that the basic tax structure should be designed so as to be equitable, and to provide adequate investment and work incentives, and then left unchanged for a time. However, because the tax structure affects the levels and the composition of personal consumption and saving, the levels of private investment expenditure, the levels of business saving, and work and investment incentives, the basic tax structure should be related to the strength of the underlying trends in the economy, especially that of private investment demand. It should be designed to influence the level of private investment and the level of consumption so that they together with Government expenditures will generate full employment. It should also take into account the stimulus to private investment desired to enhance the growth rate of the economy.

The money supply

A third decision relates to the magnitude of the money supply. The commission has urged that the money supply be increased over the long run at a rate commensurate with the productive potential of the economy. Increases in the money supply are, in effect, the portion of current saving that the public chooses to hold as cash balances. The public also choose to hold additional portions of current saving in the form of highly liquid earning assets, such as savings and time deposits, savings and loan shares, savings bonds, short-term Government securities, and other readily marketable short-term securities. The demand for liquid assets in the form of money is not a constant proportion of total output in the economy. The preferences of the public for liquid reserves shifts between money and other liquid assets with changes in their relative yields and their relative availabilities. The monetary authority must allow for these changing preferences in providing the proper amount of money to match the proportion of current saving that the public wishes to hold in this particular form.

It should be noted also that the supply of some other types of liquid assets is under the control of the Treasury. By its debt management activities, the Treasury can increase the portion of its debt which is in the form of short-term bills and savings bonds. As the economy grows, there will be an increased demand for liquid assets of types such as these and the Treasury needs to take this into account in its long-range debt management policies. The Treasury and the monetary authority must work in harmony in the provision of money and short-term securities because, to a degree at least, one form is substitutable for the other.

Levels of interest rates

There has been considerable discussion in recent years of the level of interest rates and what that level should be to maintain a healthy growing economy. There is no uniquely right interest rate level independent of the character of fiscal policy and of the state of private investment demand and savings habits. Given a satisfactory level of aggregate demand, the policy for controlling the money supply outlined above, and no change in the private investment situation, then a recommendation that interest rates should be higher or lower than they actually are must at the same time be accompanied by a recommendation for a change in fiscal policy. A reduction in interest rates can only be achieved under these conditions by reducing the share of government expenditures in total output, by tax measures which reduce the share of consumption, by tax measures which reduce business investment, or by direct controls on credit. The opposite moves would be required if an increase in interest rates were desired. Interest rate policy cannot be discussed in isolation. Monetary policy and fiscal policy are coordinate tools which must be used together.

There is more than one set of tax programs, expenditure patterns, monetary conditions, and direct controls which is consistent with a given level of total demand and private investment and a given rate of growth. The choice among the alternative combinations must be on the basis of their impact on such things as business investment, residential construction, private consumption, the level and types of saving, international capital flows, the distribution of income, the degree of reliance on the price system for allocation decisions, and tax fairness. The choice of a combination at a particular time involves a balancing of effects on many diverse economic and noneconomic elements in the society. This is necessarily a broad political choice and no firm guides are available. The commission emphasized strongly, however, that the various measures are coordinate with, and to some extent substitutes for, each other. Decisions on the use of one type of control measure should be made with knowledge of its wide ramifications and should be harmonized with decisions on the use of other types of control measures.

Stabilization policy

The objective of stabilization policy is to keep the level of demand close to the output of the economy when it is using its physical and human resources at a high level, has reasonably stable prices, and is growing at an adequate rate. The most useful kind of stabilization measure is one which can be put into action quickly, which takes effect quickly, and whose effects can be quickly stopped or reversed. For it is desirable to be able to influence expenditures of businesses, households, and governments fairly quickly in either the upward or downward direction. Unfortunately, those policy measures which are judged most effective in terms of one of these criteria are not always best in terms of the others.

Levels of demand

Stabilization policy should maintain levels of demand which will lead to low levels of unemployment without inflation. Not only is it necessary to have a demand target, but allowance must be made for the margin of error between the actual and the predicted course of events. How large an allowance for uncertainty must be made in the choice of policy measures depends on the flexibility of available policy measures and the speed with which they can be modified or reversed to correct errors once a mistake is recognized. It will also depend on the cost of making an error, i.e., how much of a price increase will result if demand exceeds the desired level for a given length of time or how much unemployment will result if demand is inadequate.

In almost every recession situation, whatever its cause, there is danger that an initial decline in income will lead to a further decline in expenditures and income and so on in a cumulative downward spiral. The first object of policy, therefore, should be to insure that such a spiral does not develop. The automatic stabilization resulting from changes in tax and transfer payments has already greatly reduced our vulnerability to downward cumulative processes. Monetary policy can be gradually eased and the debt structure can be shortened to provide downward pressure on interest rates; credit terms for federally insured and guaranteed mortgage loans can be eased. Placing of Government orders can be expedited and Government expenditures on existing programs can be increased to expand demand.

If action is confined to these policy measures, which can be moved gradually and quickly reversed, the chance that a recession will develop is reduced, while the risk of creating excessive demand is minimized.

If demand resumes its upward course, we can—according to the rapidity of its growth—refrain from further expansive action or reverse the action already taken. If demand fails to increase sufficiently, stronger policy measures to encourage demand can be undertaken gradually.

Ordinarily, temporary tax reductions should not be used before an actual decline in income has occurred. But when income grows slowly for any considerable length of time, and when unemployment and excess capacity have risen to unsatisfactory high levels, the balance between tax revenues and Government expenditures should be reassessed to ascertain whether our basic fiscal policy is unduly restrictive.

Reversible policy measures

Temporary reductions in the first-bracket rate of the personal income tax are appropriate as soon as it is certain that income is declining.

If a serious decline in consumption is avoided, some measure of recovery is often likely within 6 to 9 months after the onset of a recession because inventories often decline rapidly in the early stages of a recession and then level off.

The reversal of the movement of inventories, the stimulus to consumption provided by the tax cut, and the easing of monetary and credit terms all help to stimulate private investment. Finally, those Government expenditures can be undertaken which will be completed within perhaps a year from the time a decision is made to initiate them.

The policy measures just discussed are by their nature reversible so that they may be used with somewhat less caution than

others. But the extent of their use and the reliance on one instrument rather than another must be varied with circumstances.

When the investment situation is less clear, and when initial unemployment is not high, it is desirable to proceed with more caution.

In the early stages of a recovery, few changes in policy measures are necessary. If, as time passes, output grows slowly and does not reach a high employment level, the measures required are those appropriate for recession policy when income fails to increase.

Reducing liquidity

When an upswing is definitely underway, the temporary tax cut should be terminated and the Federal Reserve should take action to reduce bank liquidity. This latter policy should not be carried so far as to restrict bank lending; it should be designed to reduce the time required for a more restrictive policy to take effect, should it later be deemed necessary. The Treasury's debt management operations can also be used to reinforce general monetary policy in reducing the liquidity of the economy and in affecting the structure of interest rates.

Despite these restrictive measures, a vigorous recovery may develop into an overinvestment boom, inventory speculation, and strong inflationary pressures.

The general overinvestment boom, the growth of speculative investment, and the stock market boom reinforce each other in the boom phase, and when the downturn comes, they reinforce one another in the downward direction.

In such a situation, the objectives of policy should be to reduce the rate of growth of aggregate demand and, where possible, to curb investment in the particular sectors most susceptible to an overinvestment boom. The first objective can be achieved by policy measures which restrain expenditures. These would include continuous tightening of monetary policy aided by further lengthening of the public debt. This is the type of situation in which a temporary increase in the first-bracket tax rate should be activated.

The use of whatever selective controls are available may contribute to meeting the second objective. Increasing the margins on security loans may restrain stock market speculation. Other selective controls can be made more restrictive.

A variety of tools

A variety of stabilization instruments are available, and in many instances a choice can be made among them. The considerations involved in the choice and combination of individual instruments are the speed with which they can be activated, take effect, and be reversed; the potency of the effect; and the sector of the economy they will influence.

The degree of freedom available in the choice of measures is limited also by other considerations. The commission has already indicated the desirability of having the basic decisions of Government expenditure, lending programs, and the tax structure made in terms of a budget related to a high-employment economy. Departures therefrom for stabilization purposes would be limited to those for which temporary variations would not jeopardize the purpose of these programs. The commission also prefers not to use direct control measures if they can be avoided. Balance-of-payments considerations also affect the choice of stabilization measures. All these considerations suggest that reliance cannot be placed on any single measure but that aggressive, imaginative, and integrated use of our general instruments of stabilization policy is necessary within a framework appropriate to a healthy growing economy.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Freeman, Lazarus, Nathan, Ruttenberg, Shuman, and Yntema and may be found in the full-length edition of the report.)

ORGANIZATION AND COORDINATION

The policy recommendations which the commission has made in the preceding chapters of this report touch the jurisdictions of many departments and agencies, State as well as national. In order to implement the policy measures advocated by the commission and to foster the simultaneous achievement of threefold goals, higher rate of sustainable growth, lower levels of unemployment, and more stable price levels, changes in the organization and structure of some of these agencies and departments are necessary.

In considering the many complex problems involved in organization and coordination, the commission takes no doctrinaire position. It has sought realistic ways and means, under already established authority, of broadening areas and diversifying the channels of competition, and of improving the standards of safety and inspection. Here again its maxim of not making change merely for change's sake applied. In the course of its examination of the political aspects on money and credit policies, it has observed certain limiting principles that derive from the nature of American society and the commission's role in it.

Coordination is one of the most difficult and delicate of the organizational demands that can be made upon a governmental system as large and as decentralized as that of the United States. It is also one of the most urgent because the goals of policy are multiple, and success depends on their simultaneous fulfillment; and because the instruments of policy are interdependent and to an important degree interchangeable. If unemployment levels, price level stability, and economic growth hang together on the outcome of a combination of a great many moves, how can the actions be knowledgeably and purposefully concerted?

For present purposes, problems of coordination seem especially acute and critical in four areas: (1) at the top center of the administration, the President and his so-called Executive Office, including such staff aids as the Budget Bureau and the Council of Economic Advisers; (2) in the interdepartmental domestic field where monetary, fiscal, and credit policies impinge and where the Treasury, the Federal Reserve, and the major agricultural and housing credit agencies operate; (3) in the also interdepartmental foreign field where the balance of payments is an object of concern and State, Treasury, Defense, Agriculture, and the foreign lending agencies pursue their several objectives; and (4) in the interactions between the Executive and the Congress.

The most prudent course to achieve coordination in the Federal Government, the commission finds, is to build from present strength, to try modest advances along historically traveled routes, and to concentrate on creating conditions more conducive to coordination than those of the past. After having examined many methods the commission concludes that the most feasible and realistic approach lay in strengthening procedures that had already been partially laid out in the Employment Act of 1946.

Recognizing that the first essential prerequisite of coordination is unity of purpose among the principal agencies with powers relevant to the achievement of national economic goals, and that the purposes of Government agencies are best expressed in their organic statutes, the commission recommends that Congress should modernize and make consistent the legislative mandates which set out national economic goals in the two basic statutes bearing most directly on the field of the commission's concern, namely, the Federal Reserve Act and the Employment Act of 1946. Identical language should be incorporated simultaneously in each to formulate the goals of a low level of unemployment, an adequate rate of sustainable growth and reasonable price stability as applicable to all Federal agencies administering economic programs.

Three recommendations

The commission makes three further recommendations for the improvement of the Employment Act procedures:

The first of these is that the monthly publication, "Economic Indicators," should be issued by the Executive Office of the President.

The second sharpens the President's responsibility for reports to Congress and the public. The law should be amended to provide that whenever in the President's judgment the current situation reveals any tendency running significantly counter to the objectives set forth in the Employment Act as amended, and for so long as the unfavorable tendency prevails, the President shall supplement his monthly report with a statement setting forth: (1) his understanding and assessment of the factors in the economy responsible for it; (2) the steps being taken by him and by Government agencies (including the Federal Reserve System) to use existing instruments and resources available for better achieving the goals of the Employment Act as amended; (3) explanations for any seemingly inconsistent use being made of any of these instruments; (4) recommendations for any congressional action he considers advisable; and (5) any other comments he thinks appropriate.

Third, the commission recommends that the Congress may, by concurrent resolution, request the President to supplement his monthly report with such a statement (if the President has not already done so) whenever it finds that the current situation reveals any tendency running significantly counter to the objectives set forth in the Employment Act as amended.

Assuming the adoption of these changes in the Employment Act, the President will need to make suitable arrangements for staff and interagency consultative machinery, to assist him in discharging his expanded responsibilities. No statutory council should be created which has the effect of constricting his choice of advisers or formalizing their advice. The commission recommends that the President consider setting up under a chairman to be designated by him, a council along the lines of the Advisory Board on Economic Growth and Stability, and planning its work so that weekly meetings of departments and agency deputies, supported by staff assistance from the Council of Economic Advisers, culminate in monthly meetings of their chiefs in the presence of the President.

Consistent with this recommendation is the suggestion by the commission that Congress should amend the Government Corporation Control Act of 1946 in such a way as to instruct the Secretary of the Treasury in the exercise of his clearance power over the issuance and sale of the securities of government-owned corporations, to take into account explicitly the full range of objectives of the Employment Act as amended, and not merely debt management considerations. In the case of disagreement the Secretary or the corporation involved should be permitted to appeal to the President.

Given the adoption of previous recommendations, no major additional changes in organization seem needed for coordinating domestic lending agencies. The coverage of the President's reports under the Employment Act should include attention to the actions and policies of the credit agencies. Budget controls apply to most of them in varying degrees.

National Advisory Council

The emergence of the balance-of-payments problems makes timely a reappraisal of the National Advisory Council. The commission recommends that the President should fix a clear and continuing responsibility for the direction and coordination of actions required to deal with the balance-of-payments problem, and, for the coordination of grant, loan, and trade policies as aspects of American foreign policy. To clear the way, the Bretton Woods Agreement Act of 1945 should be amended to enable the President to designate the chairman and membership of the National Advisory Council on International and Financial Problem (NAC) and to assign responsibility for staff support.

Executive discretion

The simultaneous achievement of the low levels of unemployment, reasonably stable prices, and an adequate rate of growth will require finer adjustments in the use and coordination of the tools of economic policy than our Government has so far been able to manage. It is a task for the sixties to do better.

There is a normal presumption that when Congress legislates it will phrase its mandates as specifically as circumstances allow, for our traditions run against unrestricted delegations of power. There is an equally normal presumption that a prudent lawgiver will not tie the hands of the Executive where that may defeat the larger ends in view; and statesmen do not seek high office to perform merely ministerial tasks. Commonly, Congress strikes some balance between delegation and specification, even within a single statute. When specifics are frozen into law, they sometimes prove later on to be obstacles to the development of a policy that needs to be based on wider perspectives than were in the minds of the framers of the law.

The commission believes it is a good rule to state objectives broadly, to fix responsibilities sharply, and to make available in statutory authorizations a variety of means for their discharge. In fuller observance of that rule lie opportunities for better executive coordination and improved cooperation between Congress and the Executive for the furtherance of national goals.

(Memorandums of comment, reservation, or dissent were contributed to this chapter by Messrs. Ruttenberg, Shuman, Thomson, and Thorp and may be found in the full-length edition of the report.)

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 20 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. SCRANTON (at the request of Mr. DEVINE), for 1 hour, on July 20, 1961.

Mr. BASS of New Hampshire (at the request of Mr. DEVINE), for 1 hour, on July 26, 1961.

Mr. MULTER (at the request of Mr. BURKE of Kentucky), for 30 minutes, today, to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mr. DEVINE) and to include extraneous matter:)

Mrs. BOLTON.

Mr. GOODELL.

Mr. SCRANTON.

Mr. FINO.

Mr. WILSON of California.

(The following Members (at the request of Mr. BURKE of Kentucky) and to include extraneous matter:)

Mr. MULTER.

Mr. ROGERS of Florida.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H.R. 4324. An act to provide uniformity in certain conditions of entitlement to reenlistment bonuses under the Career Compensation Act of 1949, and for other purposes; and

H.J. Res. 472. Joint resolution providing for the apportionment to the Commonwealth of Massachusetts of its share of funds authorized for the National System of Interstate and Defense Highways for the fiscal year ending June 30, 1963.

ADJOURNMENT

Mr. BURKE of Kentucky. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p.m.) under its previous order, the House adjourned until Monday, July 17, 1961, at 12 o'clock noon.)

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1130. A communication from the President of the United States, transmitting proposed supplemental appropriations in the amounts of $153,532,000 for fiscal year 1962 and $3,831,000 for fiscal year 1961 and prior years, and a budget amendment involving a reduction or $2,843,000 in the estimate of the Department of State (H. Doc. No. 210); to the Committee on Appropriations and ordered to be printed.

1131. A communication from the President of the United States, transmitting amendments to the Department of Defense military construction budget for the fiscal year 1962, involving increases in the amount of $9,568,000 (H. Doc. No. 211); to the Committee on Appropriations and ordered to be printed.

1132. A letter from the Director, Office of Civil and Defense Mobilization, Executive Office of the President, transmitting a draft of a proposed bill entitled "A bill to further amend section 201(i) of the Federal Civil Defense Act of 1950, as amended, and for other purposes"; to the Committee on Armed Services.

1133. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

1134. A letter from the Assistant Secretary of the Interior, relative to the receipt of a project proposal relating to the Weber-Box Elder Conservation District of Ogden, Utah, in which they have applied for a loan, pursuant to the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

1135. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALEY: Committee on Interior and Insular Affairs. S. 54. An act to grant 81 acres of public domain to the Cocopah Indians in Arizona; without amendment (Rept. No. 715). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 3531. A bill to supplement and amend the act of June 30, 1948, relating to the Fort Hall Indian irrigation project, and to approve an order of the Secretary of the Interior issued under the act of June 22, 1936; with amendment (Rept. No. 716). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 5235. A bill to authorize the Confederated Tribes of the Warm Springs Reservation of Oregon to acquire land within the boundaries of their reservation; without amendment (Rept. No. 717). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 1021. A bill to extend for 2 years the definition of "peanuts" which is now in effect under the Agricultural Adjustment Act of 1938; with amendment (Rept. No. 718). Referred to the Committee of the Whole House on the State of the Union.

Mr. LIBONATI: Committee on the Judiciary. H.R. 5754. A bill to carry into effect a provision of the Convention of Paris for the Protection of Industrial Property as revised at Lisbon, Portugal, October 31, 1958; with amendment (Rept. No. 719). Referred to the House Calendar.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 44. A bill to authorize the appropriation of $200,000 for use toward the construction of a U.S.S. *Arizona* Memorial; with amendment (Rept. No. 720). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BOLTON:

H.R. 8135. A bill to amend title 10 of the United States Code to permit male nurses to receive commissions in the Regular Army, Navy, and Air Force; to the Committee on Armed Services.

By Mr. CELLER:

H.R. 8136. A bill to amend the Sherman Act by increasing the penalties for the violation thereof; to the Committee on the Judiciary.

H.R. 8137. A bill to provide penalties for certain violations of section 1 of the Sherman Act, and for other purposes; to the Committee on the Judiciary.

H.R. 8138. A bill to amend the Clayton Act, as amended, to supplement the antitrust laws with respect to the liability of the directors, officers and agents of a corporation, to increase the penalties for violations of the antitrust laws, and for other purposes; to the Committee on the Judiciary.

H.R. 8139. A bill to supplement the antitrust laws with respect to procurement by Government agencies on sealed bids and for other purposes; to the Committee on the Judiciary.

H.R. 8140. A bill to strengthen the criminal laws relating to bribery, graft, conflicts of interest, and for other purposes; to the Committee on the Judiciary.

By Mr. HAYS:

H.R. 8141. A bill to revise the laws relating to depository libraries; to the Committee on House Administration.

By Mr. KING of New York:

H.R. 8142. A bill to amend title 18 of the United States Code to authorize certain communications to be intercepted in compliance with State law, and for other purposes; to the Committee on the Judiciary.

By Mr. KOWALSKI:

H.R. 8143. A bill to permit the use of certain construction tools actuated by explosive charges in construction activity on the U.S. Capitol Grounds; to the Committee on Public Works.

By Mr. LANE:

H.R. 8144. A bill to amend title 38, United States Code, to provide hospital care, in foreign hospitals for eligible veterans, who reside in Ireland or other foreign country, and who have not relinquished their U.S. citizenship; to the Committee on Veterans' Affairs.

By Mr. NYGAARD:

H.R. 8145. A bill to amend section 107(a)(3) of the Soil Bank Act, as amended; to the Committee on Agriculture.

By Mr. LENNON:

H.R. 8146. A bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; to the Committee on Rules.

By Mr. SEELY-BROWN:

H.R. 8147. A bill to establish a Foreign Service Officers' Training Corps; to the Committee on Foreign Affairs.

By Mr. SLACK:

H.R. 8148. A bill to provide for the establishment of the John Peter Salley National Park in the State of West Virginia; to the Committee on Interior and Insular Affairs.

By Mr. BERRY:

H.R. 8149. A bill to amend section 107(a)(3) and section 107(a)(4) of the Soil Bank Act and section 407 of the Agricultural Act of 1949; to the Committee on Agriculture.

By Mr. BONNER:

H.R. 8150. A bill to simplify the admeasurement of small vessels; to the Committee on Merchant Marine and Fisheries.

H.R. 8151. A bill to amend title 14, United States Code, to require authorization for certain appropriations; to the Committee on Merchant Marine and Fisheries.

H.R. 8152. A bill to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954; to the Committee on Merchant Marine and Fisheries.

H.R. 8153. A bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws; to the Committee on Merchant Marine and Fisheries.

H.R. 8154. A bill to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity; to the Committee on Merchant Marine and Fisheries.

By Mr. BUCKLEY:

H.R. 8155. A bill to amend the act of July 14, 1960, relating to rivers and harbors and flood control to add a new title thereto relating to water resources planning; to the Committee on Public Works.

By Mr. DAVIS of Tennessee:

H.R. 8156. A bill to amend the act of July 14, 1960, relating to rivers and harbors and flood control to add a new title thereto relating to water resources planning; to the Committee on Public Works.

By Mr. BLATNIK:

H.R. 8157. A bill to amend the act of July 14, 1960, relating to rivers and harbors and flood control to add a new title thereto relating to water resources planning; to the Committee on Public Works.

By Mr. SMITH of Mississippi:

H.R. 8158. A bill to amend the act of July 14, 1960, relating to rivers and harbors and flood control to add a new title thereto relating to water resources planning; to the Committee on Public Works.

By Mr. HEALEY:

H.R. 8159. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MACK:

H.R. 8160. A bill to amend section 101(7) of the Federal Aviation Act of 1958, so as to include flight attendants within the definition of "airman"; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H.J. Res. 477. Joint resolution granting the consent of Congress to the several States to enter into an interstate compact on mental health, and authorizing the District of Columbia's participation in such compact; to the Committee on the Judiciary.

By Mr. CONTE:

H.J. Res. 478. Joint resolution establishing a temporary loan guarantee program under the direction of the Secretary of State in connection with the 1962 world sport parachuting championship to be held at Orange, Mass.; to the Committee on Foreign Affairs.

H.J. Res. 479. Joint resolution to provide protection for the golden eagle; to the Committee on Merchant Marine and Fisheries.

By Mr. SISK:

H.J. Res. 480. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. McVEY:

H.J. Res. 481. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. ADDONIZIO:

H. Con. Res. 348. Concurrent resolution extending the greetings and felicitations of the Congress to the city of East Orange, N.J., in recognition of its having been chosen as the Nation's cleanest town; to the Committee on the Judiciary.

By Mr. LENNON:

H. Con. Res. 349. Concurrent resolution expressing the sense of Congress on representation of China in the United Nations; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADEMAS:

H.R. 8161. A bill for the relief of Maria G. Karabatsos; to the Committee on the Judiciary.

H.R. 8162. A bill for the relief of Georges Apostolopoulos; to the Committee on the Judiciary.

H.R. 8163. A bill for the relief of Evgenia E. Glikofridis; to the Committee on the Judiciary.

By Mr. BURLESON:

H.R. 8164. A bill for the relief of Elmer Wright; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 8165. A bill for the relief of Rifka Ibrahim Toeg; to the Committee on the Judiciary.

By Mr. COLLIER:

H.R. 8166. A bill for the relief of Stanko Lukanic; to the Committee on the Judiciary.

By Mr. CURTIN:

H.R. 8167. A bill for the relief of Agostina Imbesi; to the Committee on the Judiciary.

By Mr. DOOLEY:

H.R. 8168. A bill to admit the oil screw tugs *Barbara*, *Ivalee*, *Lydia*, and *Alice* and the barges *Florida*, DB 8, *No. 220* and *No. 235* to American registry and to permit their use in the coastwise trade while they are owned by Standard Dredging Corp., a New Jersey corporation; to the Committee on Merchant Marine and Fisheries.

By Mr. FLYNT:

H.R. 8169. A bill for the relief of Dr. Ramon Noel Borromeo; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H.R. 8170. A bill for the relief of Alexandra, Emily, and (Shurki) Shukri (Dabbeekeh) Dabeekeh; to the Committee on the Judiciary.

By Mr. TOLL (by request):

H.R. 8171. A bill for the relief of McGann Manufacturing Co., Inc., of York, Pa.; to the Committee on the Judiciary.

By Mr. LINDSAY:

H.R. 8172. A bill for the relief of Fanaollah Sobhani; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 8173. A bill for the relief of Masao Watanabe; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H.R. 8174. A bill for the relief of Maria Concetta Intondi; to the Committee on the Judiciary.

By Mr. UTT:

H.R. 8175. A bill for the relief of Miguel Vasquez-Cervantes; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. Res. 371. Resolution providing for sending the bill (H.R. 8071) for the relief of the H. K. Ferguson Co. and the Macco Corp., together with accompanying papers to the Court of Claims; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Teaching of Courses About Communism

EXTENSION OF REMARKS
OF

HON. CHARLES E. GOODELL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1961

Mr. GOODELL. Mr. Speaker, one of the great dangers we face in the cold war struggle with international communism is lack of understanding among our people about the aims, objectives, and tactics of this conspiracy. Knowledge about what the Communists are seeking to achieve, combined with alertness to their moves, is essential if we are to survive as free people.

The junior Senator from New York, the Honorable KENNETH B. KEATING, recently emphasized these points in a commencement address at Geneseo State Teachers College. This fine institution, which is located in my district, has an outstanding record of high-level teaching and successful graduates.

Because of his long study of this problem and his demonstrated record of awareness of the menace of the Communist conspiracy, Senator KEATING's remarks to the graduates deserve wide circulation. I, therefore, under unanimous consent, include his address in the CONGRESSIONAL RECORD:

Dr. Moench, distinguished members of the council of the college and of the faculty, graduates of the class of 1961, parents and families of the graduates, and commencement guests—

This is not only a happy day but also a memorable day for each and every one of you who are about to leave your beloved alma mater. It is a day you will hold forever in your hearts. You stand on the threshold of the future. The past is a door that closes softly behind you—a door that you will open again many times with the key of remembrance, but through which you will pass no more.

What makes today unforgettable in your lives is not that you hold a diploma in your hand. That is only the symbol. The true and abiding significance of commencement is that you pass from the stage of receiving from life to the stage of giving to life. The years of preparation are over. The years of dedication have come. From others you have learned. To still others now you will impart the gift of learning—the precious gift that is within your power to give—the treasure that has no price tag because it is beyond the arithmetic of price.

At this most meaningful moment in your lives, here at the very sunrise of your careers, I should like to talk to you about your individual relationship to the new world in which you are about to enter: the world where you take on a new role, where you face a new responsibility, where you meet a new and different challenge.

Shakespeare said, "All the world's a stage." Indeed it is—and the drama in which each of us plays a part is an epic that no film, no play, no story could ever capture in its full sweep, in its tremendous and universal action.

You have heard the famous line: "No man is an island." The meaning is clear. No human can live outside humanity. None of us can ignore the life around us any more than a flower can ignore the morning sun, any more than a tree can ignore the wind. In a word, the world stage that Shakespeare spoke of is not for us to refuse to walk upon. Life is no solo act. It is a command performance that involves us all.

Having studied history, you know that there are periods when the drama of human existence attains the proportions of climatic struggle—when, in a very real sense, humanity's fate and future hang in the balance.

It is not for me to bring to you the knowledge that we are presently in such an era of destiny. The news of every day is a running commentary on the global struggle in which we are engaged; with the forces that would preserve and extend freedom on the one hand, and, on the other hand, the forces that would stifle and destroy that freedom.

In the face of this massive life-or-death contest, the feeling of many people is that they are not personally involved—that only governments are—that in this global competition between power blocs they are spectators, as unable to influence history as a cork in the ocean is powerless to control its direction.

I would warn you against this philosophy—because it is not only dangerous; it is deadly. It assumes that you are unimportant, that your destiny is not in your own hands, but shaped by others; that you are a population statistic, not a person with a mind, a heart, a soul, a sense of dignity.

If we are to defend freedom, we must hold fast to the basic concept of what freedom means. It means precisely that the individual citizen of a free society is not a tool of government. He is the creator of government, inherits not only rights and privileges, but also duties and responsibilities that—if I may put it in this way—freedom is not an award, not a gift, but a sacred trust. Above all it is not a birthmark that cannot be removed. We have too many tragic examples of peoples who were born free and lost their freedom.

The human spirit was not created by God to be a prisoner. It was made to bear not chains, but wings. Yet we live in a world where millions of people exist in a state of captivity. There is, moreover, a planned and relentless global campaign to extend that vast prison enclosure to new lands, new peoples—to create a world where freedom holds no citizenship, where the map of the world will be one gigantic mass of red, blood red.

You go out from your alma mater, therefore, into a world that holds a challenge not only to the governments of free nations like our own, but to you, personally, to you as an individual American.

Today I would stress to you particularly the importance—the vital importance—of the new attitude, the new approach, the new thinking that are called for as you assume the status of adult Americans as you become a part of the strength, a part of the spirit, a part of the greatness that America represents for us all.

You may have heard some people say, "What can one person do?"

Too many Americans today belittle themselves as individuals. In the language of the market, they sell themselves short with such apologies as "I'm only one person." Or, "What can one person do?" Or, "Let the President and the Congress run the country. That's why we elected them."

What can one person do? You and I know—the pages of history have told us. This great world of ours was shaped, was developed, was transformed, not by governments, but by individuals. The tremendous forward surge out of the past into the present—socially, politically, scientifically, has received its spark, its thrust, its direction, not from bureaucratic government but from individual man. Abraham Lincoln was such a man. And, on the other side of the coin, let us remember, Karl Marx was such a man.

The tendency to let government think for us, as well as act for us, is to me, a dangerous trend, presupposing as it does that freedom is not our personal concern but is safe in a bank vault down in Washington.

In this regard I was appalled recently to learn that the cornerstone of our freedom—the Constitution and the Bill of Rights—were shown, in a national test, to be shamefully unfamiliar, in text and significance, to many of the students of this Nation. This fact—this acceptance of freedom as a kind of museum piece rather than a living, dynamic, present reality—should be of special concern to the many of you who will, in a few short months, be entrusted with the young minds, the young hearts, of our citizens of the future. It is not enough to prepare them for examinations. Above all, they must be prepared for the great adventure of life—and basic to that adventure is a knowledge of the values upon which our Nation, our civilization, rests. They must know that other Americans have fought and died for them—and they must know why those brave men gave their lives.

It's high time there was a rebirth of interest in American history and in the priceless values and principles our Nation stands for. At the same time, I hope the schools and colleges of this country will launch a mighty campaign to educate our young people about the dogma, practices and techniques of international communism.

It is imperative for the future safety of our country that our people know the nature of the foe which is dedicated to the destruction of our way of life. Certainly, in dealing with the Communists, to be forewarned is to be forearmed. It is true that progress has been made toward this goal here in New York State and elsewhere, but much more remains to be done.

I would like to see courses about communism and how it operates instituted in every secondary school and in every college in the United States. By knowing our potential enemy and what he is up to, we will be better prepared to combat his insidious scheme for taking over the world.

Vigilance, in these perilous times, is not merely a matter of having a gun at the ready, or a rocket at the ready. It is a matter of having our minds at the ready, too—of having them sharpened to alertness—of knowing the enemy as we know ourselves.

The potential enemy that faces us across the world has a master plan. It is to submerge the individual, to brainwash—yes, to heartwash and soulwash man until he loses all self-respect, all individuality, all the God-given heritage of personal dignity that gives sense and reason to our existence on earth.

The enemy is militant. Freedom, too, must be militant if it is to survive. You may never be called upon to die for freedom—but you must resolve to live for freedom. To live for freedom—to protect it, to preserve it does not require that you carry a gun or wear a uniform. It requires rather that you arm yourself spiritually, morally, and intellectually to give meaning and life

and vigor to the beliefs you hold, to the principles by which you live.

Let me translate for you more clearly what I mean. As a free person you must exemplify in your own individual life the attributes of freedom. You must not sell yourself on the idea that you are unimportant—because, if you do, you are retreating not only from reality—no free man is unimportant—but you are backing away from the responsibility to commit your talents, your energy, your dedication—to the day-by-day creation of a better world—a world that it is in your power to improve, whether you think it is or not.

"To thine own self be true" is one of the great lines of literature. It is, as well, the great guideline of the kind of affirmative living which is the source and strength of a free society. If your basic beliefs and convictions are worth holding, they are worth defending. The moment you allow yourself to become an intellectual or moral chameleon—taking your color from your environment—you are that much less a free American, you are that much more untrue to yourself.

History has taught us that no peoples are more ripe for tyranny than those who abdicate their right to think and act as individuals, who keep their freedom submerged in the "deep freeze" of apathy.

And so I would counsel you today that you are going into the world not merely to make a living but to make living mean something. You will be not merely part of a work force. You will be a part of the deep and eternal struggle of man to make himself the image of God, not the faceless slave of human tyranny.

Your families believe in you. Your teachers, your friends—yes, your country believes in you. In being true to yourselves, and to the great heritage of our Nation's past, you cannot fail to be true to the sacred cause of free men—the cause that makes life not a mere physical experience, but an adventure of the soul.

May each of you embark today on that great and memorable adventure—and may you—by giving strength and meaning to your individual lives—contribute your full share to the ultimate victory of free men over the dark destroying forces of tyranny.

The Spanish National Lottery

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 13, 1961

Mr. FINO. Mr. Speaker, I should like to present to the Members of this House the example of the Spanish national lottery. This lottery is an excellent indication of the success that may be had in bringing gambling under the control of the state.

It is estimated that the Spanish national lottery soaks up approximately 90 percent of all potential gambling money in the nation. If a national lottery in the United States could meet with half this success, the results would be tremendously gratifying as some $30 billion is gambled here yearly. Besides which, the loss of gambling revenues, and this has been accomplished in Spain and elsewhere, would be a staggering blow to organized crime.

Spain is not a rich nation by any means—far from it—but the national lottery brings in $90 million a year. The Government's income is over $30 million. If the United States had a lottery that could attract 90 percent of potential gambling money—and the Treasury could hold on to one-third of these receipts—we would have $10 billion in revenue. To deny us this money is to foist off on the taxpayers a gross injustice.

Regular Commissions for Men Nurses

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 13, 1961

Mrs. BOLTON. Mr. Speaker, I am introducing a bill today to authorize men nurses to be appointed as regular commissioned officers in the Army and Navy. Present statutes give permissive authority to the Air Force to commission men nurses as regular officers, but an amendment to the law is necessary to give the same authority to the Army and Navy.

Since 1955—as a result of Public Law 294, 84th Congress—men nurses have been appointed as reserve officers. Prior to that time they could serve only as wardmen or corpsmen in an enlisted status although many had the same training and qualifications as women nurse officers. There has now been a sufficient time to evaluate the usefulness, potential, and limitations of men as commissioned officers in the Nurse Corps. Experience has shown that men are particularly useful and effective as general duty nurses, anesthetists, psychiatric nurses, and operating room nurses. While women have never been assigned to airborne divisions, the authority to commission men nurses has permitted the assignment of Army Nurse Corps officers to these units. Here, the man nurse makes a much needed contribution to the medical units of these special divisions.

The number of professional nurses in the United States is not keeping pace with the national requirements for this profession and this is reflected in efforts to keep the Nurse Corps of the Army and Air Force at required strength. Experience has shown that authorization of regular commissions for men nurses will assist in retention of motivated individuals in military service as a career. At the same time it would insure the possible utilization of additional numbers of men if career incentives are equalized with those now offered to women. In addition, the added recognition of men nurses by the services will be an incentive for others to enter the nursing profession, thereby helping to relieve the overall shortage of nurses in the civilian as well as military fields.

It is my hope that the Committee on Armed Services will favorably consider this legislation, and that early action will follow in the House and Senate.

Fourth of July Address by Senator George Smathers, of Florida, to B'nai B'rith at Miami Beach

EXTENSION OF REMARKS
OF
HON. PAUL G. ROGERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 13, 1961

Mr. ROGERS of Florida. Mr. Speaker, Florida's Senator GEORGE SMATHERS, in a Fourth of July address to B'nai B'rith at Miami Beach, has pointed up some of the great dangers facing all our people if we are to continue as a free nation.

Recalling our brave efforts as a new Republic, Senator SMATHERS notes that there are some Americans who apparently feel that, by not acting now, our troubles will go away later. Cuba is cited as a case in point.

Members of this Congress, as well as the citizens of Florida, know well Senator SMATHERS' great interest in Latin America, and we share his concern for the continued independence of the countries to the south which may come under the domination of outside forces, as has happened in Cuba. By calling this to the attention of the American people time and again, he has performed a great service; and because of his high position I am sure his voice will have great influence in the determination of our future policies toward these and other problems facing us.

Knowing Senator SMATHERS' remarks will be of interest to all Members, I include his address at this point in the RECORD:

FOURTH OF JULY ADDRESS BY SENATOR GEORGE SMATHERS, OF FLORIDA, TO B'NAI B'RITH AT MIAMI BEACH

I am greatly honored that the B'nai B'rith has invited me to participate in tonight's significant occasion.

Individually and collectively, the Jewish people have been a vital factor in the development of the American community and in the evolution of democracy's ideals. And, in contemporary life of American Jewry, there has been no force more active nor more effective than B'nai B'rith.

I deeply believe in the preservation of group culture within the context of American society. I believe that America's diversity is one of the bedrocks of its strength. An unbelievable confluence of cultural strains has given this land of ours a heritage as wide and as elemental as the Mississippi River. Like that "Father of Waters," we have gathered our surging power from far places, and the far places have contributed to a mighty torrent of strength and stability.

And at this critical juncture in our history, the United States therefore cannot afford a condition where men within our country seek to force on other men views or religions or ideas which are not their own.

We must remember that we are not a nation of faceless men, worshiping a denatured "gray-flanneled god," and for this I say thanks and amen, and long years to B'nai B'rith for following its special star wherever it may lead.

Tonight we celebrate a historic and hallowed occasion—the signing of the Declaration of Independence.

This occasion should cause all of us to pause briefly in our enjoyment and reflect

on the wonders of our freedom and our own good fortune at being privileged to live under this Government.

At Independence Hall in Philadelphia in 1776 when the great Benjamin Franklin, after having affixed his signature to the Declaration of Independence, was walking out of the hall, a woman bystander said to him, "What kind of a government have you given us?" And Benjamin Franklin replied, "A republic, if you can keep it."

For 185 years, through six major wars against foreign foes, through one bloody Civil War, through economic unheavals, through trials and tribulations, our Republic has been preserved.

During that time, it has grown from the small, loosely organized group of Colonies situated along the coastline into a vast Nation of 182 million people, with a power and influence throughout the world never before equaled.

And so to Mr. Franklin, we say as of July 4, 1961, our democracy has been preserved and it is our honest prayer that we who now enjoy this cherished heritage of democracy will be able to pass it along to future generations as strong and as pure as when it came to us.

Today, however, there are many dangers that assail our Nation. Everyone has knowledge of the fact that we as leaders of the free world are engaged in a titanic struggle with the forces of oppression, regimentation, and dictatorship. We are also poignantly aware that since 1945 our foe in this struggle has extended his power and his influence to the point that he now controls 44 percent of the world's population, directly, and much more indirectly.

We who live in Florida are acutely aware that on this July 4, the forces of oppression beat upon our shores and threaten us in a fashion never before faced by Americans.

And so, it is appropriate that on this day we pause and rededicate ourselves to that spirit and that motivation which was in the hearts and minds of those who on July 4, 1776, signed the Declaration of Independence.

At the time this document was wrought, that little group of citizens was challenged by the power of other nations which far exceeded their few rifles, their sparse ammunition, their paltry numbers. They were faced with what appeared to be an unfriendly, a cold, an inhospitable land; and the total picture for them was one of hardship, struggle, and sacrifice, if they were to achieve that freedom which they sought.

But their spirit, their dedication, their courage knew no obstacles. It was all eloquently summed up in the clarion cry of Patrick Henry, of Virginia, when in the Virginia Convention at Richmond (March 23, 1775), he said, "I know not what course others may take, but as for me, give me liberty or give me death."

This was the spirit which birthed this great Nation and, ladies and gentlemen, this is the spirit which we now need throughout America tonight, and tomorrow, and for the days ahead.

In 1776 there was no tendency on the part of those willing to make their "decision for freedom" to endlessly debate, to negotiate, to equivocate, or to back up. They knew what they wanted; they knew of its importance to their welfare and they were willing to make total sacrifice, if need be, in order to get it.

I am greatly disturbed that there is growing up in America today in the face of encircling and encroaching dictatorship, a so-called cult of the status quo—a group of people who somehow believe that in the final analysis, the enemy must somehow be reasonable, fair, and prudent.

Those who belong to the cult of the status quo, which is made up primarily of editorial writers, columnists, politicians, and certain dreamy but well-intentioned private citizens, have the belief that if we do nothing about the growing strength, the growing encroachments and challenges of the enemy, somehow it will disappear. Somehow crawl under a rug and hide. In essence, they argue, do nothing now—for it will go away later.

This group, the cult of the status quo, the nonactivists, the hands-off set, argue that it is most unfortunate that Cuba has fallen into the hands of the Communist conspiracy, but we must not become hysterical about it. In fact, we must not do anything. For, if we were to act decisively we might frighten someone or appear to have bad manners. They claim it is virtuous and intelligent to be restrained and polite and somehow learn to live with these problems.

The New York Times, just last week said in an editorial that the United States must recognize that Cuba is a communistic state with sovereignty and independence, and that we in the United States must now learn to get along with it.

Ladies and gentlemen, in my humble judgment, this is dangerous sophistry. We cannot abandon Cuba to the Communists. We cannot consider Cuba as lost or as unimportant, or of no major concern to us.

While it is true that at this moment the issue of Berlin seems to be, and undoubtedly is, a more dangerous and explosive problem than that of Cuba, nevertheless I cannot agree with those respected Senators, Congressmen, writers, and private citizens, who say that Cuba is on the periphery or the outskirts of our problem and, therefore, we should make no immediate plans to bring about its liberation.

Recently, in a speech at the University of California, Pedro Beitran, Prime Minister of Peru, warned—

"If the United States does not step forward now with dynamic leadership to meet the unceasing conspiracy * * * of the Soviet Union and Red China, Latin America is lost. And if Latin America, with all its 200 million people, is lost, so also is the United States.

"And would it not be tragic if the United States won the Congo, secured Berlin, triumphed in Laos, Ghana, and the islands of Quemoy and Matsu, while in the end a victorious Communist thrust for power took place in the heart of its own hemisphere?"

He said to us—"You could have won, thousands of miles away, and yet been beaten by the Kremlin in your own block."

He went on to add, "This hypothetical case, which you here suppose to be impossible is, unfortunately, not impossible south of the Rio Grande, in your sister Republics of Latin America."

Ladies and gentlemen, this is the pattern of postponement of decision which brought into existence Red China. This is the pattern of nonaction, which let Hitler get a running start. They follow a course of reasoning which first says—because we are intelligent, and therefore realists, let's recognize that the problem (such as communism in Cuba) exists, thereafter, because to act precipitously would appear emotional and uneducated—we must endlessly debate, while learning to tolerate that condition. Then, in time, because we've grown accustomed to the problem, the process then calls for one of acceptance of the condition in fact, if not in law.

Ladies and gentlemen, we cannot sit still in this struggle between communism and freedom. There is no status quo in this conflict any more than there is status quo in life itself.

Things just do not stand still; either they grow, they emerge, they flourish, or they diminish, they die, they disappear. And they do one or the other, depending upon the determination, the energy, the direction applied by the people who are concerned.

I believe, ladies and gentlemen, that we must be realists. We must not commit ourselves to that which we cannot do; but I firmly believe that we can and we must meet the growing threat of communism, not only with economic programs and educational programs, but with strength and courage where the situation demands it.

Consequently, in the light of the inevitable upcoming confrontations between the free world and the Communists, I deeply believe we must immediately begin to rally our physical strength for what are to be perilous and difficult days ahead.

It has already been demonstrated, beyond the peradventure of a doubt that, even with all our money, we cannot purchase friendship, and certainly it has been demonstrated that we cannot purchase peace. Surely, after $71 billion and 15 years of energy, we must have learned that lasting friendships are built upon community of interests, similarity of beliefs and, above all, respect one for the other.

In our anxious efforts to bring about a peaceful disarmament, some 5½ years ago we unilaterally agreed to stop nuclear testing. We undertook that program in an effort to demonstrate our good faith in peaceful solutions of the world's problems. We offered to let the Communists inspect anything that we had, or anything we would do in this field. But we have asked them for 5 years to let us make a similar inspection of their activities. Through weeks, months, and years of wrangling we have been unable to get an agreement from the Communists for any type of bilateral inspection, and obviously the time has now come when in our own self-defense, and to help reestablish our strength and position, we must resume nuclear underground testing.

Winston Churchill once said that the greatest hope for peace lay in the destructive power of the American Strategic Air Command. Then, in his matchless prose, he said that "in strength lies the only hope for peace." And what a great prophet history has proven him.

Surely, today we are harried and embattled from all sides and all parts of the globe. A look at the map reveals that all over the world, democracy with its high hopes and shining example is nevertheless still losing peoples and countries and struggles, not by choice of the people, but by exploitation, subversion, and brute force.

Surely, the time has now come when we in the United States must be warned by the thunder in the distance. Surely, the time has come when, at least, we must begin to gather our strength and emulate the spirit of those men who affixed their signatures to the Declaration of Independence on July 4, 1776.

Patriotism is a word we hear much about on this day and other July Fourths. But patriotism must be more than a word—it must be a commitment, an act, a deed, a dedication. And patriotism is the responsibility of every citizen.

The preservation of freedom is not alone the duty of an administration or the responsibility of the few. It is a stern demand made upon each of us. Each of us singly, each of us in common, and each of us as a whole.

Freedom is indivisible. It cannot exist within the partitions of the Western Hemisphere. It cannot survive with faint hearts, apathy, weariness, or debility. It is as strong as each of us is strong.

Let us, therefore, seize this time of stress and this occasion to rededicate ourselves to the eternal revolution of freedom.

For, surely, we want all people to have freedom, as we want all people to have peace—but not peace at any price.

For, surely, peace without liberty, or peace in chains, or peace with unending fear, is not worth having. There are the truisms that our people in 1776 understood. For they had lived with fear and oppression and tyranny. And it was because they understood what was at stake that they sounded the Declaration of Independence whose last sentence proclaimed:

"And for the support of this Declaration, and with a firm reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor."

Surely, we who inherited this great tradition of freedom, can today do no less than those who gave it to us.

Supreme Court Reaffirms Principles of Mallory Rule

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 13, 1961

Mr. MULTER. Mr. Speaker, a short time ago this body approved H.R. 7053, providing that a defendant's statements and confessions shall not be declared inadmissible in the courts of the District of Columbia "solely because of delay" in arraigning the arrested person. At that time I urged my colleagues to vote against this measure, for it would, if enacted, make rule 5(a) of the Federal Rules of Criminal Procedure, which requires that an arrested person shall be brought before the nearest available committee magistrate "without unnecessary delay," a dead letter in the District of Columbia. Such action would, I noted, greatly reduce the protection which the law now gives to arrested persons.

The Supreme Court of the United States unanimously declared in *Mallory* v. *United States* (354 U.S. 449 (1957)) that, under rule 5(a), any confessions or damaging evidence extracted by the police from an arrested person during the period of illegal detention may not be used as evidence against him. Time and time again, in hundreds of judicial decisions, a similar rule forbidding the use of illegal evidence has been adhered to by the Federal courts. On June 19, 1961, the Court extended the principle of barring the use of illegal evidence to embrace even State courts. Justice Clark, writing for the majority in the Mapp case, forcefully stated:

To hold otherwise is to grant the right (of exclusion) but in reality to withhold its privilege and enjoyment. Only last year the Court itself recognized that the purpose of the exclusionary rule is to deter—to compel respect for the constitutional guaranty in the only effectively available way—by removing the incentive to disregard it.

This principle is the same one which motivated the Court's declaration of the Mallory rule. The rule itself, forbidding the use of evidence obtained during periods of illegal detention, is not new. In *McNabb* v. *United States* (318 U.S. 332 (1943)) the Court said that the rule of arraignment without unnecessary delay "requiring that the police must with reasonable promptness show legal cause for detaining arrested persons, constitutes an important safeguard not only in assuring protection for the innocent but also in securing conviction of the guilty by methods that commend themselves to a progressive and self-confident society. For this procedural requirement checks resort to those reprehensible practices known as the third degree which, though universally rejected as indefensible, still find their way into use. It aims to avoid all the evil implications of secret interrogation of persons accused of crime."

The Mallory rule prevents the prolonged detention of suspects which naturally encourages the opportunities and increases the probabilities of some form of coercion on the part of the police in an attempt to extract a confession. Uneducated or youthful, and sometimes, mentally defective suspects, unaware of their rights and privileges, are easily coerced by the mere circumstances of lengthy detention. One held incommunicado for long periods of time cannot easily prove coercion. The purpose of rule 5(a) and the Court's decision in Mallory, which H.R. 7053 would emasculate, in Justice Clark's words is, "to deter—to compel respect for the constitutional guaranty in the only effectively available way—by removing the incentive to disregard it."

Mr. Speaker, not only in the Mapp case has the Court recently upheld the rights of arrested persons, but also on June 19, in Culombe against Connecticut, a case quite similar in the circumstances concerning a "voluntary" confession to the 1957 Mallory one, the Court overturned the conviction for murder of Culombe by a Connecticut court on the grounds that the lengthy detention had made the interrogation proceedings "an effective instrument for extorting an unwilling admission of guilt."

Mr. Justice Frankfurter, writing for the majority, asserted that the circumstances surrounding prolonged detention of a suspect make for coercion of the prisoner. At one point he firmly declared:

Recognizing the need to protect criminal suspects from all of the dangers which are to be feared when the process of police interrogation is entirely unleashed, legislatures have enacted several kinds of laws designed to curb the worst excesses of the investigative activity of the police. The most widespread of these are the ubiquitous statutes requiring the prompt taking of a person arrested before a judicial officer; these are responsive both to the fear of administrative detention without probable cause and to the known risk of opportunity for third-degree practices which is allowed by delayed judicial examination.

The Supreme Court, the judicial defender of our liberties, has thus once again declared its antipathy to lengthy and unnecessary delay in arraigning arrested persons. Moreover, in stating that coercive activity by the police in an attempt to obtain a confession is incompatible with the guarantees of our Constitution, it has reaffirmed what commonsense naturally tells us—that long police interrogation too easily becomes coercion. It is unfortunate that the Columbe and Mapp decisions were not rendered before my colleagues voted on the Mallory bill. I am sure that these vigorous reassertions of the constitutional rights of arrested persons and of the inadmissibility of illegal evidence would have convinced many to vote as I did, in support of the court's refusal to permit evidence obtained during illegal detention to be admitted in the District of Columbia courts.

These decisions should also make crystal clear that the Supreme Court will not permit amendment of the Constitution by congressional action that falls short of following the amendatory procedure laid down in our organic law.

I interpret these Supreme Court decisions as a warning that any enactment such as H.R. 7053 will be stricken down as a back-door attempt to establish a rule of evidence in order to deliberately invade our constitutional guarantees of security of person and of due process.

Radio Station WEJL Winner of National Radio Free Europe Award

EXTENSION OF REMARKS
OF
HON. WILLIAM W. SCRANTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 13, 1961

Mr. SCRANTON. Mr. Speaker, the people of northeastern Pennsylvania were very proud to learn this week that radio station WEJL, which operates from studios in the city of Scranton, has been named, along with a Boston, Mass., radio station, as winner of the National Radio Free Europe Awards.

This is particularly significant because WEJL won this coveted honor in 1959 and thus becomes the only station in the United States to have been so honored twice.

It is no coincidence that this honor should come to a broadcasting station in northeastern Pennsylvania. It is the opinion of many that no section of our Nation has a population more interested in forwarding freedom and more dedicated to the frustration of Communist plans for the world.

Our people have made a proud record for themselves in their wholehearted cooperation with numerous drives and movements designed to encourage the freedom of the captive nations.

Northeastern Pennsylvania is populated by large numbers of people whose ancestors came to America to avoid tyranny similar to that which exists today in the European nations which have fallen under the yoke of communism.

There has been an outpouring of well-deserved congratulations from the people of my district to radio station WEJL, to its able general manager, Cecil Woodland, and to its fine staff. Their accomplishment in behalf of freedom's cause is a reflection of what the people of northeastern Pennsylvania firmly believe.

Our Air Defenses

EXTENSION OF REMARKS
OF

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 1961

Mr. WILSON of California. Mr. Speaker, the recent Soviet air show in Moscow has revealed in shocking reality the fact that Russian development of manned aircraft never was curtailed, as Nikita Khrushchev earlier had indicated. Instead, it was carried on at such a high rate of technological refinement that today it poses a serious threat to this Nation and the rest of the free world. I think it now is obvious to everyone that Khrushchev's former statements to the effect that such aircraft were obsolete was nothing more than a smokescreen behind which the Communists continued their development and production program.

The planes displayed in Moscow the other day—after a lapse of 5 years—were ample proof that this program has been pushed vigorously throughout that entire period. None of the aircraft was a prototype. Instead, each represented the latest known capabilities and was a production model. The propaganda victory gained through the show, both within the Communist world and in free nations, was enormous. With the possible exception of a few officials in our own and allied governments, no one knew of the advances made by the Soviet military in this field. As a result, Mr. Speaker, there now is a rising feeling of alarm and concern that our own air defenses and striking capability may be inadequate to meet the threat posed.

In this connection, it should be pointed out that surface-to-air guided missiles are but last-ditch weapons and have serious limitations. They have few, if any, capabilities prior to the actual outbreak of hostilities, and then are useful only if the entire defense perimeter is completely covered with a high rate of fire. On the other hand, the manned interceptor is capable of performing a most vital function. Following the outbreak of hostilities, it can range far out from our borders and attack incoming bombers with missiles, rockets, and gunfire long before the enemy could reach the target area.

The human element, so often associated with error in the minds of the public, nevertheless provides the most vital difference in capabilities between manned aircraft and missiles. A trained and skilled pilot at the controls of an interceptor can anticipate and offset the evasive maneuvers and tactics of a bomber pilot. He can perform these functions effectively, even in the event of subsystem failure. On the contrary, any malfunction in a guided missile renders it totally ineffective.

The manned interceptor also can be shifted rapidly from one base of operations to another. This feature allows the air defense commander to shift and concentrate his forces to meet and defeat a shifting threat. The air defense missile, by comparison, is more or less immobile and fixed to its base. In the event of the destruction of a defended target by hostile bombers, the unused or unfired missiles and missile systems remaining after the attack are not available for the defense of other targets.

The Soviet display of three new types of strategic bombers, of which at least two are supersonic and of which several were flown with air-to-surface missiles suspended beneath their wings, indeed makes the time for the reexamination of our defenses timely. Our air defense forces, and those of the free world, must be equipped with the fastest, longest ranged, highest flying, and most sophisticated interceptors that can be produced in the shortest time possible.

Unfortunately, Mr. Speaker, there is but one type of all-weather interceptor which can be produced to meet the new threat. This is the improved model version of the F–106, whose speed can be increased from mach 2 to mach 2.4, whose radius of action can be extended to 800 nautical miles and which can be equipped with the latest fire control system and air-to-air guided missiles available—the AN/ASG–18 and GAR–9, respectively. Because production of the latest model of the F–106 has just been completed, we can have at the earliest possible date this necessary and vital potential.

There is little time to ponder, there is little time to study, there is little time to reconsider—we must act. If we do not, the tools will be scrapped, the trained and skilled work force will disperse, the suppliers in almost every State of this Nation will seek other lines of endeavor and this invaluable national asset will be lost—perhaps forever. The alternative—the development of a new all-weather interceptor—would consume at least 5 years, time we may not have.

Last year, fiscal 1961, Mr. Speaker, the Congress appropriated $100 million for the procurement of F–106's, but these funds were not used. I feel that the Congress will approve any necessary increase in funds and/or authorization to implement and augment this vital program. We must have the latest and best manned interceptors and we must have them in sufficient quantities to meet the threat. We must replace attrition losses in the shortest possible time.

In referring to this Soviet threat, Mr. Speaker, let us not focus our total attention on the U.S.S.R. Only 90 miles off our southern coast lies a new and menacing threat—Cuba—which now is being equipped with modern combat aircraft by her Communist allies.

Last week the Soviet delivered to Indonesia two Bison bombers, declaring that this delivery was but the forerunner of a horde of bombers. The Cubans have 300 pilots undergoing training in Czechoslovakia. How will we respond to this new threat if each of these pilots flies home in a Bison bomber? Our entire southern border lies naked and devoid of effective air defense forces.

At this point, Mr. Speaker, under unanimous consent, I include in the RECORD two items, one a column by David Lawrence appearing in the July 11 edition of the Washington (D.C.) Evening Star entitled "Soviet Warplanes Entering Cuba," and the other an editorial in the July 12 edition of the New York Times entitled "The Needs of Defense."

I would like to quote one sentence from the former:

> The Russian Government naturally would disclaim all knowledge and responsibility, and yet considerable injury might well be inflicted for which no recompense could be obtained.

I would also like to quote from several sentences of the second:

> No propaganda is stronger than the action of government; it cannot be considered apart from these actions. * * * Actions now will be considerably more impressive than words—and more studies. The needs are clear; more funds for * * * new types of piloted aircraft. * * * What is needed now is decision and action.

The complete articles follow:

[From the Washington Evening Star, July 11, 1961]

SOVIET WARPLANES ENTERING CUBA—ACTION HELD DEFINITE ATTEMPT BY REDS TO SET UP MILITARY BASE IN HEMISPHERE

(By David Lawrence)

Authoritative information has been received here that Russian Migs have been supplied to the Castro government in Cuba. The warplanes did not arrive in time to be of help to the Cuban dictator before the ill-fated invasion in the spring, but the presence today of Soviet war supplies is confirmed.

This step is one that has not been given any publicity. The reasons are not known. Those who do comment on it privately say the Cuban Government requested the munitions and theoretically is free to buy them from any country in the world.

But while, strictly speaking, any government may obtain aid from an ally, the United States does not recognize the right of any European power to gain a foothold in any country in this hemisphere. Originally known as the Monroe Doctrine, this principle has been adopted as part of the international law of this hemisphere by the other countries in Latin America.

What the United States now observes, therefore, is a definite attempt on the part of the Soviet Government to set up a military base in this hemisphere. The fact that this is being done in collaboration with an existing government does not alter the principle involved. Cuba is 90 miles away from the United States and a relatively short distance from other countries in Central and South America which have free governments.

For some strange reason, some of the Latin American governments have been hesitant to come out forthrightly against the Soviet infiltration of this hemisphere. Yet if any one of them got into trouble, it would be pleading with the United States for help. Unfortunately, the administration here has not crystallized its own Latin American policy except to announce just before the Cuban invasion that the United States would not intervene militarily. This was, unhappily, construed widely to mean that under no circumstances would the Washington Government come to the assistance of a Latin American government if it should be subverted or, indeed, seized by a foreign power and a puppet government established to carry on its diplomatic relations as well as other functions.

The Soviet scheme is to set up puppet governments everywhere. Moscow has done so in the Balkans. It is preparing to do so in other Latin American countries, as it has in Cuba.

So the concrete question which confronts the U.S. Government is whether a puppet government, established with the economic and military aid of a European power which now sends warplanes to such a country, should be ignored and no steps taken to combat the hostile influence which has been generated. Certainly the relations between the United States and Cuba have grown steadily worse under the inspiration of Soviet advisers who play a prominent part in the Cuban Government.

The basic fact is that Cuba today has a puppet government. There have been no elections to give the Cuban people a chance to express themselves. They have been enslaved through methods introduced by Soviet stooges who occupy advisory positions in the Government at Havana. Thus, a police state, instead of a free government, prevails in Cuba.

The Kennedy administration has not yet made up its mind what its policy eventually will be in Cuba. But it is difficult to see how there could be a completely hands-off attitude while the Soviets quietly ship in more and more munitions of war to aid the Castro government. The Russian Migs could at any moment pursue guerrilla tactics and damage American cities. The Russian Government naturally would disclaim all knowledge and all responsibility, and yet considerable injury might well be inflicted for which no recompense could be obtained.

The Cuban problem has been drifting along without any concrete action by the United States. The shipment of Russian Migs to Cuba, however, accentuates the danger, and it is surprising that even in Congress so little attention is being paid to what is happening 90 miles away from the territory of the United States.

[From the New York Times, July 12, 1961]

THE NEEDS OF DEFENSE

There is a curious air of unreality about the President's order to the Defense Department for another major review of our military strength and readiness.

The order was pegged to the Berlin crisis and to Premier Khrushchev's announcement of plans for a sharp increase in Soviet military readiness. As such, it is part of the war of nerves and conflict of propaganda that will become more and more strident between now and the fall.

But the decision to undertake what Secretary of Defense McNamara called still another examination of our defense posture lacks conviction. No propaganda is stronger than the action of government; it cannot be considered apart from those actions. There has been ample opportunity in the 6 months the Kennedy administration has been in office to review our military posture. Indeed, Mr. McNamara's regime in the Pentagon has studied some 140-odd projects, which deal with all phases of military security. The 1962 defense budget has been studied, reviewed, revised and increased. The strengths and weaknesses of the services should be well known by this time to the new civilian officials in the Pentagon and to the President himself.

Actions now will be considerably more impressive than words—and more studies. The needs are clear: more funds for increasing reserve readiness; more Army manpower; more money for Army modernization and Navy ship replacement; continued development of new types of piloted aircraft; some strengthening of our forces in Europe; a limited callup here. What is needed now is decision and action.

SENATE

FRIDAY, JULY 14, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Almighty God, Father of our spirits, in knowledge of whom standeth our life:

From the tumult of world contentions would we seek the sanctuary of Thy presence, not that we may escape from the world, but that we may turn with a quiet mind to the perplexing maze of its tragic issues.

Whatever outward things these dangerous days take from us, by Thy grace may these testing times make us inwardly more adequate and wise, dependable and strong. As the winds blow harder may our spiritual roots strike deeper. Open our eyes to the evils among us that we condemn in others. Fit us faithfully to protect the Republic from outward aggression and from the treason of inner selfishness.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 12, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1710) to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961, and for other purposes.

The message also announced that the House insisted upon its amendments to the bill (S. 857) to provide for the establishment of Cape Cod National Seashore, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. RUTHERFORD, Mr. O'BRIEN of New York, Mr. SAYLOR, and Mr. KYL were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 4591) to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 6141. An act to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes;

H.R. 7576. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; and

H.R. 8072. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1962, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 6141. An act to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7576. An act to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; placed on the calendar.

H.R. 8072. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1962, and for other purposes; to the Committee on Appropriations.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Government Operations was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Finance.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCLELLAN, from the Committee on the Judiciary:

Jack D. Obbink, of Nebraska, to be U.S. marshal for the district of Nebraska.

By Mr. HILL, from the Committee on Labor and Public Welfare:

Edward Stidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review.

By Mr. BYRD of Virginia, from the Committee on Finance:

John E. Streltzer, of Colorado, to be collector of customs for customs collection district No. 47, with headquarters at Denver, Colo.;

Lucia M. Cormier, of Maine, to be collector of customs for customs collection district No. 1, with headquarters at Portland, Maine; and

Russell F. Niquette, of Vermont, to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. BYRD of Virginia. Mr. President, from the Committee on Armed Services, I report favorably 96 nominations in the grade of major and below. All of these names have already appeared in the RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk, for the information of any Senator.

The VICE PRESIDENT. The nominations will be received, and will lie on the desk, as requested by the Senator from Virginia.

The nominations are as follow:

Vice Adm. Claude V. Ricketts, U.S. Navy, to be Vice Chief of Naval Operations in the Department of the Navy, in the rank of admiral while so serving;

Paul J. Kilday, of Texas, to be a judge of the Court of Military Appeals;

Col. Paul T. Cooper, Regular Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force; and

James H. Pemberton, and sundry other persons, for appointment in the Regular Air Force.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

AMBASSADORS

The Chief Clerk proceeded to read sundry nominations of ambassadors.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of Robert F. Woodward, of Minnesota, a Foreign Service officer of the class of career minister, to be an Assistant Secretary of State.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

INTERNATIONAL COOPERATION ADMINISTRATION

The Chief Clerk read the nomination of Seymour J. Rubin, of the District of Columbia, to be General Counsel of the International Cooperation Administration, in the Department of State.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred as indicated:

District of Columbia Charter Act

A communication from the President of the United States, transmitting a draft of proposed legislation to provide an elected mayor, city council, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes (with accompanying papers); to the Committee on the District of Columbia.

Water Resources Planning Act of 1961

A communication from the President of the United States, transmitting a draft of proposed legislation to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Plans for Works of Improvement in Various States

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Big Creek, Ark., Ulatis Creek, Calif., South Branch Park River, Conn., Indian Creek and Pony Creek, Iowa, Frog Creek, Kans., Big Reedy Creek and Humphrey-Clanton Creek, Ky., South Branch Cass River, Mich., Plum Creek, Nebr., Upper Red Rock Creek, Okla., Brodhead Creek, Pa., Anasco River, Puerto Rico, and Houser Creek, Tenn. (with accompanying papers); to the Committee on Agriculture and Forestry.

Amendment of Career Compensation Act of 1949, Relating to Incentive Pay for Certain Hazardous Duty

A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation to amend section 204(a)(10) of the Career Compensation Act of 1949 with respect to incentive pay for hazardous duty inside a high- or low-pressure chamber (with an accompanying paper); to the Committee on Armed Services.

Rulings and Definitions of Terms Used in Certain Regulations Regarding Numbering of Undocumented Vessels, Statistics on Numbering, and Boating Accident Reports and Accident Statistics

A letter from the Assistant Secretary of the Treasury, transmitting, pursuant to law, a copy of interpretative rulings and definitions of terms used in certain regulations regarding numbering of undocumented vessels, statistics on numbering, and boating accident reports and accident statistics (with an accompanying paper); to the Committee on Commerce.

District of Columbia Tissue Bank Act

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to encourage and aid the development of reconstructive medicine and surgery and the development of medico-surgical research by authorizing the licensing of tissue banks in the District of Columbia, by facilitating ante-mortem and post-mortem donations of human tissue for tissue bank purposes, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

Establishment of Advisory Board on Indian Affairs

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to establish an Advisory Board on Indian Affairs (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Project Proposal Under Small Reclamation Projects Act of 1956

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the receipt of a project proposal under the Small Reclamation Projects Act of 1956 from the Weber-Box Elder Conservation District, of Ogden, Utah; to the Committee on Interior and Insular Affairs.

Reports on Aliens Paroled into the United States

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports on aliens paroled into the United States between January 1, 1961, through May 15, 1961 (with accompanying papers); to the Committee on the Judiciary.

Suspension of Deportation of a Certain Alien

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to

law, a copy of the order suspending deportation in the case of Sik Tong Wong, together with a statement of the facts and pertinent provisions of law pertaining to the alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

PLANS FOR WORKS OF IMPROVEMENT IN COLORADO, GEORGIA, INDIANA, NORTH DAKOTA, AND WISCONSIN

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Big Sandy Creek (supplement), Colo., South River, Ga., Middle Fork of Anderson River, Ind., Middle-South Branch Forest River, N. Dak., and Twin Parks, Wis. (with accompanying papers); to the Committee on Public Works.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Texas; ordered to lie on the table:

"SENATE CONCURRENT RESOLUTION

"Whereas on July 14, 15 and 16, the State of Texas will be honored with the presence of His Excellency the President of the Republic of Pakistan, the Honorable Mohammed Ayub Khan, on the occasion of his visit to the home of our distinguished Vice President of the United States, the Honorable LYNDON B. JOHNSON; and

"Whereas the Vice President of the United States with his guest, the President of the Republic of Pakistan, will visit in Austin on the morning of July 17; and

"Whereas this distinguished guest occupies the highest office in the government of his nation, comparable to our own Presidency, having succeeded to that office on October 27, 1958, after a brilliant career in the military branch of his country. In preparation for his career, he studied at Aligarh Moslem University and graduated from the Royal Military College at Sandhurst, England. He served with distinction in the British Indian Army and saw action during World War II on the Burma front. From 1951–58, he ranked as commander in chief of the Pakistan Army and was made a field marshal in 1959.

"Whereas the visit of His Excellency, Mohammed Ayub Khan, is of great significance in furthering our fine relations with the people of Pakistan and it is a distinct privilege to welcome this dedicated leader of the people of the Republic of Pakistan to our State of Texas; and

"Whereas the appearance of the Vice President of the United States and the President of the Republic of Pakistan is of worldwide significance, and it is the desire of the Legislature of the State of Texas to be host to these two distinguished world leaders; Now, therefore, be it

"*Resolved*, That the Senate of the State of Texas (the House of Representatives concurring), in due recognition of the visit of the Vice President of the United States, the Honorable LYNDON B. JOHNSON, and the President of the Republic of Pakistan, Mohammed Ayub Khan, to the State of Texas, and in particular to the capital city of Austin, will meet in joint session at 10 o'clock on Monday morning, July 17, 1961, in the House of Representatives, for the purpose of hearing the Vice President of the United States and the President of the Republic of Pakistan."

A resolution adopted by the Wisconsin Better Government Committee, protesting against Senate bill 1643 and House bill 6400, relating to farm legislation; to the Committee on Agriculture and Forestry.

A resolution adopted by the Wisconsin Better Government Committee, relating to General Walker and his promotion of Americanism in the Army; to the Committee on Armed Services.

A resolution adopted by the Wisconsin Better Government Committee, protesting against the enactment of the Housing Act of 1961; to the Committee on Banking and Currency.

A resolution adopted by the Wisconsin Better Government Committee, protesting against the enactment of the Peace Corps bill; to the Committee on Foreign Relations.

A resolution adopted by the Wisconsin Better Government Committee, protesting against the acceptance of Castro's plan of "tractors for freedom"; to the Committee on Foreign Relations.

A resolution adopted by the Wisconsin Better Government Committee, relating to the practice of "back-door spending"; to the Committee on Government Operations.

A resolution adopted by the Wisconsin Better Government Committee, favoring the enactment of Senate Joint Resolution 35, relating to the treatymaking power; to the Committee on the Judiciary.

Two resolutions adopted by the American Association of University Women, New York City Branch, Inc., endorsing the administration's foreign-aid program and the inter-American program for school progress; to the Committee on Foreign Relations.

A resolution adopted by the board of directors of the East Hillsborough County Chamber of Commerce, Plant City, Fla., favoring an investigation of the Department of State; to the Committee on Foreign Relations.

JOINT RESOLUTION OF WISCONSIN LEGISLATURE

Mr. PROXMIRE. Mr. President, I am in receipt of a letter from the chief clerk of the Senate of the State of Wisconsin, enclosing a joint resolution adopted by the Legislature of Wisconsin. I ask unanimous consent that the letter of transmittal and the joint resolution be printed in the RECORD, and appropriately referred.

There being no objection, the letter and joint resolution were referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

WISCONSIN LEGISLATURE,
SENATE CHAMBER,
Madison, Wis., July 12, 1961.

Hon. WILLIAM PROXMIRE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: I am enclosing a copy of joint resolution No. S. 39, "Memorializing Congress to enact legislation permitting localities to demand an accounting from recipients of cash payments under the aid to dependent children categorical aid program administered by the Federal Department of Health, Education, and Welfare, and also permitting distribution of such aid in commodity or voucher form in appropriate cases."

This joint resolution was adopted unanimously by both houses of the Wisconsin Legislature.

Your very truly,

LAWRENCE R. LARSEN,
Chief Clerk, Senate.

SENATE JOINT RESOLUTION 39

Joint resolution memorializing Congress to enact legislation permitting localities to demand an accounting from recipients of cash payments under the aid to dependent children categorical aid program administered by the Federal Department of Health, Education, and Welfare, and also permitting distribution of such aid in commodity or voucher form in appropriate cases

Whereas a news item appearing in the Milwaukee Journal on Sunday, October 16, 1960, reported the fact that in August of this year 10,571 Wisconsin families with 27,660 children received financial help through the aid to dependent children program, which is partially financed by contributions from the Federal Government under the laws relating to aid to dependent children categorical aid program administered by the Federal Department of Health, Education, and Welfare; and

Whereas the Federal Government contributes funds for such aid to dependent children program, which is commonly known both as mothers' aid and as State aid, only upon the condition that such aid be disbursed in cash payments, and that no accounting be demanded of individual recipients thereof as to how such cash is spent; and

Whereas the 1959 annual report of the Milwaukee County Department of Public Welfare has disclosed that in that year said department disbursed over $5,500,000 in aid to dependent children payments, of which the Federal Government contributed 48.28 percent and the State government contributed 33.05 percent; and

Whereas the same annual welfare report revealed that in December of that year 2,888 women in Milwaukee County were receiving cash payments for themselves and their children under the aid to dependent children program, and that of such women 32 percent were divorcees, 24.2 percent were unmarried mothers, and 16.7 percent were wives abandoned by their husbands (or a total of 72.9 percent), which figures tend to show that the vast majority of aid recipients under this assistance program are women in rather unfortunate circumstances; and

Whereas another recent news item in the daily press on the subject of such aid has indicated that according to records in the office of the clerk of Milwaukee County circuit court, about one-third of the women and their children involved in the 10,000 current support and alimony cases on file in that office are getting public assistance (from which it can be assumed that most of these women are receiving aid to dependent children); and

Whereas it would be beneficial to the public interest to permit local authorities to exercise such discretion and control in cases where the recipients of such aid either manage their money unwisely, or conduct themselves improperly, or care for their children inadequately: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Wisconsin Legislature respectfully request the Congress of the United States to consider and enact legislation in 1961 amending the laws relating to aid to dependent children categorical aid

program administered by the Federal Department of Health, Education, and Welfare to grant discretionary authority to local governing bodies and public welfare directors to enable them to demand an accounting from recipients of cash payments under the aid to dependent children program, and also to enable them to distribute such aid in the form of commodities or vouchers for the same in lieu of direct cash payments, as such local governing bodies or public welfare directors may deem appropriate in individual cases; and be it further

Resolved, That authenticated copies of this resolution be transmitted to the Wisconsin Members of the Congress of the United States; and be it further

Resolved, That such Wisconsin Members of Congress be requested to take joint action to insure that this resolution be spread upon the CONGRESSIONAL RECORD for the purpose of making known the contents thereof to all Members of the Congress of the United States.

LAWRENCE R. LARSEN,
Chief Clerk of the Senate.
W. P. KNOWLES,
President of the Senate.
ROBERT G. MAROTZ,
Chief Clerk of the Assembly.
DAVID J. BLANCHARD,
Speaker of the Assembly.

PROPOSALS TO MODIFY AID-TO-DEPENDENT-CHILDREN PROGRAM

Mr. WILEY. Mr. President, over the years, Uncle Sam, in cooperation with the States, has developed and carried forward a wide variety of programs to meet the needs of our people, particularly in distressed circumstances.

Among these programs is that of aid to dependent children.

Generally, the program, financed cooperatively by the Federal, State, and local governments, has provided cash payments for recipients.

In my home State of Wisconsin, however, there is a growing feeling that the administrative agencies of such aid ought to have authority to inquire into the utilization of benefits. The purpose would be to prevent abuses or mishandling of such funds.

Recently, the Wisconsin Legislature adopted a joint resolution, S. 39, petitioning Congress to modify the law and permit local agencies to require an accounting of the expenditures of benefits under the aid-to-dependent-children program.

I ask unanimous consent to have the joint resolution printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE JOINT RESOLUTION No. 39

Joint resolution memorializing Congress to enact legislation permitting localities to demand an accounting from recipients of cash payments under the aid to dependent children categorical aid program administered by the Federal Department of Health, Education, and Welfare, and also permitting distribution of such aid in commodity or voucher form in appropriate cases

Whereas a news item appearing in the Milwaukee Journal on Sunday, October 16, 1960, reported the fact that in August of this year 10,571 Wisconsin families with 27,660 children received financial help through the aid to dependent children program, which is partially financed by contributions from the Federal Government under the laws relating to aid to dependent children categorical aid program administered by the Federal Department of Health, Education, and Welfare; and

Whereas the Federal Government contributes funds for such aid to dependent children program, which is commonly known both as mothers' aid and as State aid, only upon the condition that such aid be disbursed in cash payments, and that no accounting be demanded of individual recipients thereof as to how such cash is spent; and

Whereas the 1959 annual report of the Milwaukee County Department of Public Welfare has disclosed that in that year said department disbursed over $5,500,000 in aid to dependent children payments, of which the Federal Government contributed 48.28 percent and the State government contributed 33.05 percent; and

Whereas the same annual welfare report revealed that in December of that year 2,888 women in Milwaukee County were receiving cash payments for themselves and their children under the aid to dependent children program, and that of such women 32 percent were divorcees, 24.2 percent were unmarried mothers, and 16.7 percent were wives abandoned by their husbands (or a total of 72.9 percent), which figures tend to show that the vast majority of aid recipients under this assistance program are women in rather unfortunate circumstances; and

Whereas, another recent news item in the daily press on the subject of such aid has indicated that according to records in the office of the clerk of Milwaukee County circuit court, about one-third of the women and their children involved in the 10,000 current support and alimony cases on file in that office are getting public assistance (from which it can be assumed that most of these women are receiving aid to dependent children); and

Whereas it would be beneficial to the public interest to permit local authorities to exercise such discretion and control in cases where the recipients of such aid either manage their money unwisely, or conduct themselves improperly, or care for their children inadequately: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Wisconsin Legislature respectfully request the Congress of the United States to consider and enact legislation in 1961 amending the laws relating to aid to dependent children categorical aid program administered by the Federal Department of Health, Education, and Welfare to grant discretionary authority to local governing bodies and public welfare directors to enable them to demand an accounting from recipients of cash payments under the aid to dependent children program, and also to enable them to distribute such aid in the form of commodities or vouchers for the same in lieu of direct cash payments, as such local governing bodies or public welfare directors may deem appropriate in individual cases; and be it further

Resolved, That authenticated copies of this resolution be transmitted to the Wisconsin Members of the Congress of the United States; and be it further

Resolved, That such Wisconsin Members of Congress be requested to take joint action to insure that this resolution be spread upon the CONGRESSIONAL RECORD for the purpose of making known the contents thereof to all Members of the Congress of the United States.

LAWRENCE R. LARSEN,
Chief Clerk of the Senate.
W. P. KNOWLES,
President of the Senate.
ROBERT G. MAROTZ,
Chief Clerk of the Assembly.
DAVID J. BLANCHARD,
Speaker of the Assembly.

RESOLUTIONS ADOPTED BY 53D ANNUAL MEETING OF GOVERNORS' CONFERENCE, PEARL HARBOR, HAWAII

Mr. MANSFIELD. Mr. President, I present, for appropriate reference, a series of resolutions adopted by the 53d annual meeting of the Governors' conference, at Pearl Harbor, Hawaii. I ask unanimous consent that the resolutions be printed in the RECORD.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Armed Services:

"RESOLUTION ON U.S.S. 'ARIZONA' MEMORIAL

"Whereas more than 19 years have passed since the battleship *Arizona* was sunk, its flag still flying, in the surprise attack of Pearl Harbor; and

"Whereas nearly one-third of the 3,600 military personnel killed in that attack still lie in the *Arizona*, their tomb and their shrine; and

"Whereas the old hulk, mostly below water, is rusting badly; but even with the maintenance which it requires, the ship alone would be a poor memorial to these men from 48 States of our great Nation, and an unsuitable focal point for patriotic remembrance; and

"Whereas more than $350,000 has been raised by the Pacific War Memorial Commission of Hawaii in private donations and in contributions by the State of Hawaii for erecting a permanent memorial above the ship; and

"Whereas preliminary construction of the structure has already been accomplished; and

"Whereas legislation has been introduced in the Congress to authorize appropriation of up to $135,000 to complete the project; and

"Whereas the memorial will not only provide appropriate tribute to the deceased men of the *Arizona* but it will also stand as a national memorial to eternal vigilance against the dangers of surprise attack: Now, therefore, be it

"Resolved by the Governors' conference, in extraordinary session assembled at the site of the final resting place of the U.S.S. Arizona. That the U.S.S. *Arizona* Memorial constitutes a national project in every sense of the word; and be it further

"Resolved, that the Congress of the United States make every effort to expedite said appropriation by favorable consideration of S. 180 and H.R. 44, in order that the timetable can be met so that formal dedication services of the U.S.S. *Arizona* Memorial can be held on December 7, 1961, the 20th anniversary of Pearl Harbor; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, the Vice President, the Speaker of the U.S. House of Representatives and the chairmen of the Armed Services Committees of the U.S. Senate and House of Representatives."

"RESOLUTION ON FALLOUT PROTECTION AND CIVIL DEFENSE

"Whereas it is abundantly clear that our Nation and all free peoples are desperately challenged by a hostile system which is explicitly and vigorously committed to the elimination of both freedom and human dignity; and

"Whereas the American Nation and its people must stand firmly and purposefully in support of their fundamental beliefs or see those beliefs eroded throughout the world, nation by nation, through subversion and nuclear blackmail; and

"Whereas in order for the American people to have the will to defend their beliefs, they must have the capacity to survive a nuclear attack; and

"Whereas the American people today do not have the facilities to protect themselves and their families from fallout—the most dangerous aspect of nuclear war—and their vulnerability constitutes a serious national weakness in the event of a crisis; and

"Whereas fallout shelters could save many tens of millions of American lives in the event of nuclear war; and

"Whereas fallout protection for our civilian population is possible and is feasible; and

"Whereas it is a matter of utmost gravity to the strength and survival of the Nation and the preservation of peace that immediate steps be taken to obtain fallout protection for all our people and otherwise to reinforce our civil defense: Now, therefore, be it

"Resolved, That this conference hereby declares its support for and agreement with the judgment expressed by the President of the United States on May 25, 1961, that 'there is no point in delaying the initiation of a nationwide long-range program of identifying present fallout shelter capacity and providing shelter in new and existing structures, and, further, that this form of survival insurance fully justifies the necessary expenditure of our effort, time, and money; and be it further

"Resolved, That, since the best way to begin to meet the urgent civil defense requirements of our people is to initiate promptly a positive nationwide program for fallout protection, the Governors of our 50 States, for the safety of our people, the defense of our Nation, and the preservation of freedom, take executive action and request local legislation in line with national policy to—

"1. Provide fallout shelters to the extent feasible in all State buildings as well as in other public facilities; and

"2. Provide income tax deductions (in those States having a State income tax), and exempt the cost of fallout shelters from local real estate taxes, up to a maximum of $100 per planned shelter occupant; and

"3. Stock foods, medicines, and supplies in strategic locations throughout each State; and

"4. Construct an alternate protected seat of State government and assist local governments in acquiring similar protected seats of authority so as to assure the continuity of government functioning in times of emergency; and

"5. Revise, in cooperation with local governments, all building codes and specifications, where necessary, to permit fallout shelter construction; and be it further

"Resolved, That we do hereby reaffirm the recommendations and resolutions adopted by the 1960 Governors' conference on fallout protection and civil defense; and be it further

"Resolved, That the Governors' conference standing committee on civil defense meet with the President of the United States and cooperate with the responsible Federal officials in developing the necessary procedures and policies for the Federal Government's new and affirmative program for civil defense and in allocating among the Federal, State, and local governments the responsibility for such a program; and be it further

"Resolved, That copies of this resolution be transmitted by the chairman of the conference to the President of the United States, to the Secretary of the U.S. Senate, to the Clerk of the House of Representatives of the United States, and to each Member of Congress; and that the leadership of the Federal Government in cooperation with the States is hereby solicited in this crucial undertaking to insure the strength and the survival of the American Nation and its people."

To the Committee on Banking and Currency:

"RESOLUTION ON REPRESENTATION ON FEDERAL DEPOSIT INSURANCE CORPORATION

"Whereas the States and State chartered banking institutions at present have no direct representation in the management of the Federal Deposit Insurance Corporation, which has certain regulatory responsibilities over participating State banks; and

"Whereas the Comptroller of the Currency, despite his direct statutory responsibility for the regulation and operation of national banks, also exercises considerable authority over the activities of participating State banks in his auxiliary role as a member of the Board of the FDIC, and therefore is called upon to perform functions which are not fully compatible and involve certain conflicts of interest; and

"Whereas presently, applications for branches of State banks are subject to the approval of either the FDIC or the Federal Reserve Board: Now, therefore, be it

"Resolved, That the Congress and the President of the United States be and hereby are respectfully memorialized to enact at the current session of the Congress:

"1. Legislation to remove the Comptroller of the Currency from the Board of FDIC and to substitute a three-man board on which State banking systems can be represented.

"2. Legislation to assign to FDIC sole responsibility for approval of branch applications for State as well as national banks in those States which permit branch banks; and be it further

"Resolved, That copies of this resolution be transmitted to the Secretary of the U.S. Senate, the Clerk of the U.S. House of Representatives and the President of the United States."

"RESOLUTION ON ABANDONED PROPERTY

"Whereas the Commission on Uniform State Laws and the American Bar Association have recommended adoption of uniform 'abandoned property' or 'escheat' laws under which reciprocal provisions would protect the rights of all States to abandoned properties; and

"Whereas a majority of the States have enacted such legislation and bills are now pending in the Congress for reporting Federal funds which may be subject to escheat or abandoned property laws of the respective States: Now, therefore, be it

"Resolved by the Governors' conference that:

"1. All States be urged to enact reciprocal abandoned property or escheat procedures as recommended by the Commission on Uniform State Laws; and

"2. Congress be urged to enact legislation by which abandoned or escheatable funds held by Federal agencies may be reported and delivered to the appropriate States; and

"3. The Comptroller of the Currency or the Congress prohibit national banks from making service charges on dormant accounts which might become subject to escheat in all States which prohibit State banks from levying such charges."

To the Committee on Finance:

"RESOLUTION ON INHERITANCE, ESTATE, AND GIFT TAXES

"Whereas the obsolescence of the Federal credit for State inheritance and estate taxes enacted in 1926 is one of the longstanding problems in Federal-State tax relations; and

"Whereas the improved coordination of State and Federal inheritance, estate, and gift taxes would contribute materially to reducing the compliance burdens of taxpayers and the tax enforcement costs of State governments; and

"Whereas State governments have pressing needs for additional tax revenues to finance governmental progress; and

"Whereas the Advisory Commission on Intergovernmental Relations has developed and has recommended to the President and the Congress a comprehensive legislative program to achieve these ends: Now, therefore, be it

"Resolved, That the Governors' conference urge the President and the Congress to give early and favorable consideration to the revision of the Federal credit for inheritance and estate taxes paid to States as provided under section 2011 of the Revenue Code of 1954; and be it further

"Resolved, That copies of this resolution be forwarded to the President and each Member of the Congress of the United States."

To the Committee on Government Operations:

"RESOLUTION ON FEDERAL INTERFERENCE IN STATE GOVERNMENT ORGANIZATION

"Whereas the scope of Federal activities, particularly in the field of Federal-aid programs, has increased during the past years and may increase in the years ahead; and

"Whereas Federal agencies have endeavored to exercise control over the organizational structure of our State departments through the Federal-aid programs; and

"Whereas recommendations of the various Federal agencies with respect to State organizational structure may be established without sufficient consideration of overall State government efficiency, thereby tending to create waste of manpower and impeding progress and innovation in the States to meet the needs of changing times; and

"Whereas Federal control is exercised by the threat, express or implied, that if any State agency does not conform to the recommendations of the Federal agency Federal aid and assistance shall be withdrawn and terminated; and

"Whereas the strength and vigor of our Federal system rises from the ability of the separate States to experiment and break new ground in organization and programs, to provide leadership and to promote efficiency: Now, therefore, be it

"Resolved by the 53d annual meeting of the Governors' conference that:

"1. The conference deplores the tendency of Federal agencies to dictate the organizational form and structure through which the States carry out federally supported programs.

"2. The Council of State Governments is requested to investigate the matter of Federal statutory and administrative requirements dealing with State organization under the various Federal grant-in-aid programs and to make a report of its investigation to the Governors' Conference Committee on Federal-State Relations, the Advisory Commission on Intergovernmental Relations and the next Governors' conference."

To the Committee on the Judiciary:

"RESOLUTION ON WATER RESOURCES COMPACTS

"Whereas it is evident that population growth and intensified use of water and related land resources will impose increased demands on a relatively inflexible supply of such resources; and

"Whereas the individual States and the Federal Government have legitimate interests, aspirations, and responsibilities in protecting, fostering, and conserving water and related land resources; and

"Whereas the activities of the States and the Federal Government in the water field and in related resources areas need to be coordinated to achieve maximum effectiveness; and

"Whereas the interstate compact is one of the oldest devices used to facilitate intergovernmental cooperation and coordination of effort: Now, therefore, be it

"Resolved, That the Governors' Conference urge that early and favorable consideration be given the legislation to grant Congressional consent to the Delaware River Basin Compact and the Northeastern Water and Related Land Resources Compact; and be it further

"Resolved, That copies of this resolution be transmitted to the Secretary of the U.S. Senate, the Clerk of the U.S. House of Representatives, and each Member of Congress."

To the Committee on Labor and Public Welfare:

"RESOLUTION ON FEDERAL HEALTH GRANTS

"Whereas the Federal Government currently provides grants-in-aid to the States for certain specific categories of public health services, namely general health services, venereal disease control, tuberculosis control, heart disease control, and cancer control; and

"Whereas the amount of Federal funds going to the States in these categories is relatively small in comparison with total State and local funds appropriated for the same purposes; and

"Whereas the Federal grants are allotted among the several States under separate and different formulas for each category; and

"Whereas the relative priority and emphasis which each State deems necessary to give to the respective categorical programs may vary from year to year depending upon the incidence of the particular problem within a particular State; and

"Whereas increased flexibility in the use of said Federal funds is necessary in the interests of effective State and local programing, budgeting, and accounting: Now, therefore, be it

"Resolved, That the Governors' Conference urge the President and the Congress to give early considerations to the recommendations of the Advisory Commission on Intergovernmental Relations which provide for (a) amending the Public Health Service Act of 1944 to permit the transfer of up to one-third of Federal grant funds from any one of the stated categories into any other stated category or categories, at the option of the State and (b) further amending said act to provide a single formula uniform among categories for the apportionment and matching of such Federal funds; and be it further

"Resolved, That copies of this resolution be forwarded to the President of the United States and to each Member of the Congress of the United States."

"RESOLUTION ON FEDERAL AID TO EDUCATION

"Fundamental to the greatness of the United States and to the preservation of our democratic order is an informed and responsible citizenry whose preparation for the complexities of modern society is guaranteed by the maintenance of an adequate system of public education.

"The importance of education to the success of our Nation cannot be underscored too strongly. Our expanding economy and material abundance are founded on the full development of our human resources.

"There are, however, many obstacles confronting the further advance of education within our States and territories. In some areas, the demands upon our educational systems have continued to outdistance our ability to satisfy these demands from State and local revenues.

"We have become increasingly convinced that the problems confronting education must be resolved at all three levels of government.

"Our desire is to weld a partnership of public school support that is capable of meeting the educational tasks which we, as a nation, face: Therefore, be it

"Resolved, That the 1961 National Governors' Conference advocate and support a Federal program that will provide grants-in-aid to the States and territories to assist in the construction of adequate classroom facilities, loans for the construction and improvement of facilities for higher education, and funds to the States and territories to expand adult education programs conducted through colleges and universities; and be it further

"Resolved, That the conference urge Congress to enact legislation to implement these vital goals."

Ordered to lie on the table:

"RESOLUTION ON VICE PRESIDENT LYNDON B. JOHNSON

"Whereas Vice President LYNDON B. JOHNSON graciously accepted on very short notice an invitation and flew thousands of miles to address the Governors' Conference; and

"Whereas Vice President LYNDON B. JOHNSON addressed the conference in the highest terms of statesmanship, setting forth the facts of the world situation and calling for national unity rather than partisan division; and

"Whereas Vice President LYNDON B. JOHNSON has always been willing to extend understanding cooperation to the Governors of the States; now, therefore, be it

"Resolved, That the 53d annual meeting of the Governors' Conference does hereby extend its warmest thanks and appreciation to Vice President LYNDON B. JOHNSON."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate (Rept. No. 543).

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service, without amendment:

H.R. 5432. An act to make permanent certain increases in annuities payable from the civil service retirement and disability fund (Rept. No. 545).

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, with amendments:

H.R. 3279. An act to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes (Rept. No. 544).

ADDITIONAL FUNDS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE—REPORT OF A COMMITTEE

Mr. HILL, from the Committee on Labor and Public Welfare, reported an original resolution (S. Res. 181) providing additional funds for the Committee on Labor and Public Welfare, which was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Committee on Labor and Public Welfare hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-seventh Congress, $15,000 in addition to the amount, and for the same purpose, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946.

REPORTS OF COMMITTEE ON RULES AND ADMINISTRATION

Mr. MANSFIELD. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, two resolutions, and I ask unanimous consent for their immediate consideration.

The VICE PRESIDENT. The first resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 173) to print 1,500 additional copies of hearings on foreign aid, part 2, for use of the Committee on Foreign Relations.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Foreign Relations fifteen hundred additional copies of part 2 of the hearings entitled "International Development and Security", held by that committee during the Eighty-seventh Congress, first session.

The VICE PRESIDENT. The next resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 172) to print 1,500 additional copies of hearings on foreign aid, part 1, for use of the Committee on Foreign Relations.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Foreign Relations fifteen hundred additional copies of part 1 of the hearings entitled "International Development and Security", held by that committee during the Eighty-seventh Congress, first session.

Mr. MANSFIELD. Mr. President, the reason for asking for the immediate consideration of these resolutions is that in adopting such a procedure some thousands of dollars will be saved, because the plates are in place at the Government Printing Office.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ANDERSON:

S. 2246. A bill to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. AIKEN:

S. 2247. A bill for the relief of Elvira Ciccotelli; to the Committee on the Judiciary.

By Mr. JAVITS (for himself, Mr. DOUGLAS, and Mr. METCALF):

S. 2248. A bill to amend the Internal Revenue Code of 1954 so as to permit charitable contributions, bequests, transfers, and gifts to the United Nations Children's Fund (UNICEF) to be deductible for income tax, estate tax, and gift tax purposes; to the Committee on Finance.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. BENNETT:

S. 2249. A bill to amend the Internal Revenue Code of 1954 for the purpose of stimulating growth, activity, and employment in the metal mining and coal mining industries; to the Committee on Finance.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appear under a separate heading.)

By Mr. PASTORE:

S. 2250. A bill to provide for the incorporation of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, organized 1883, 78 years old; to the Committee on the District of Columbia.

By Mr. HUMPHREY:

S. 2251. A bill for the relief of Ching Kwock Kin; to the Committee on the Judiciary.

By Mr. KEFAUVER (for himself and Mr. CARROLL):

S. 2252. A bill to amend the Sherman Act by increasing the penalties for the violation thereof; to the Committee on the Judiciary.

By Mr. KEFAUVER (for himself, Mr. CARROLL, and Mr. HART):

S. 2253. A bill to provide penalties for certain violations of section 1 of the Sherman Act, and for other purposes; to the Committee on the Judiciary.

By Mr. KEFAUVER (for himself and Mr. CARROLL):

S. 2254. A bill to amend the Clayton Act, as amended, to supplement the antitrust laws with respect to the liability of the directors, officers and agents of a corporation, to increase the penalties for violations of the antitrust laws, and for other purposes; to the Committee on the Judiciary.

By Mr. KEFAUVER (for himself and Mr. HART):

S. 2255. A bill to supplement the antitrust laws with respect to procurement by Government agencies on sealed bids, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. KEFAUVER when he introduced the above bills, which appear under a separate heading.)

By Mr. CARROLL (for himself and Mr. BIBLE):

S. 2256. A bill to amend section 5 of the War Claims Act of 1948 to provide detention and other benefits thereunder to certain Guamanians killed or captured by the Japanese at Wake Island; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 2257. A bill to modify the project for the Duluth-Superior Harbor, Minn. and Wis. to provide for the abandonment of the 21st Avenue west channel, and for other purposes; to the Committee on Public Works.

By Mr. CLARK:

S.J. Res. 117. Joint resolution to amend the joint resolution providing for the preparation and completion of plans for a comprehensive observance of the 175th anniversary of the formation of the Constitution of the United States, and for other purposes; to the Committee on the Judiciary.

RESOLUTIONS

TO PRINT AS A SENATE DOCUMENT AN ARTICLE ENTITLED "KHRUSHCHEV AND THE BALANCE OF WORLD POWER"

Mr. HUMPHREY submitted the following resolution (S. Res. 179); which was referred to the Committee on Rules and Administration:

Resolved, That there shall be printed as a Senate document the article entitled "Khrushchev and the Balance of World Power," by Dr. Joseph G. Whelan of the Legislative Reference Service of the Library of Congress, as taken from the Review of Politics, April 1961.

ADDITIONAL EXPENDITURES BY COMMITTEE ON APPROPRIATIONS

Mr. HAYDEN submitted the following resolution (S. Res. 180); which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-seventh Congress, $15,000, in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

ADDITIONAL FUNDS FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HILL, from the Committee on Labor and Public Welfare, reported an original resolution (S. Res. 181) providing additional funds for the Committee on Labor and Public Welfare, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. HILL, which appears under the heading "Reports of Committees.")

WATER RESOURCES PLANNING ACT OF 1961

Mr. ANDERSON. Mr. President, I introduce for appropriate reference a bill to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning.

This bill is the President's water resources bill of 1961. The bill is brought about by the recommendations of the Select Committee on Water Resources, the chairman of which is the distinguished Senator from Oklahoma [Mr. KERR] and the cochairman of which is the able Senator from California [Mr. KUCHEL].

A very fine job was done by the committee. Recently we sent to Congress and had referred S. 1629. It was prepared by Senators who felt that the recommendations of the Select Committee on Water Resources should be enacted into law as rapidly as possible.

That bill has been partially considered, but will be dropped now in favor of the bill which is the President's water resources bill, which I am happy to introduce in this session.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2246) to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning, introduced by Mr. ANDERSON, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

TAX-EXEMPT STATUS FOR UNICEF DONATIONS

Mr. JAVITS. Mr. President, on behalf of the Senator from Illinois [Mr. DOUGLAS], the Senator from Montana [Mr. METCALF], and myself, I introduce, for appropriate reference, a bill to make contributions and bequests to UNICEF—the United Nations Children's Fund—tax deductible.

The bill would reverse a 1958 ruling by the Internal Revenue Service, which interpreted current law as permitting only domestic charities to be eligible for tax-exempt status.

This ruling has resulted in a decline in contributions to UNICEF, which is one of the greatest lifesaving and lifegiving agencies in modern history. All the nations of the United Nations have joined in this effort to wage a war against the ravages of disease and hunger which afflict so many areas of the world. Although governments are the principal supporters of UNICEF, we must do everything we can to promote individual participation in UNICEF, to demonstrate the deep American interest in the welfare of the impoverished and diseased children of the world. In fact, I do not think I need describe further to this body the lifegiving functions of UNICEF to children all over the world.

The important work of UNICEF was dramatized for millions of Americans in a prizewinning television show, produced by Edward R. Murrow, "The Secret Life of Danny Kaye," which was repeated only last night over the CBS television network. Incidentally, Danny Kaye was here, the other day, to give his own support to this effort.

My bill would amend the Internal Revenue Code, so as to give, for UNICEF, the same Federal tax exemption now enjoyed by domestic charitable organizations.

I hope very much the bill will receive early attention.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD, in connection with my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2248) to amend the Internal Revenue Code of 1954 so as to permit charitable contributions, bequests, transfers, and gifts to the United Nations Children's Fund (UNICEF) to be deductible for income tax, estate tax, and gift tax purposes, introduced by Mr. JAVITS (for himself, Mr. DOUGLAS, and Mr. METCALF), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That section 170(c) of the Internal Revenue Code of 1954 (relating to the definition of charitable

contributions) is amended by adding at the end thereof the following new paragraph:

"(6) The United Nations Children's Fund (UNICEF) established by the General Assembly of the United Nations. A contribution or gift by a corporation to such Fund shall be deductible by reason of the preceding sentence only if it is to be used within the United States or any of its possessions for the purposes for which such Fund was established."

SEC. 2. Section 2055(a) of the Internal Revenue Code of 1954 (relating to transfers for public, charitable, and religious uses) is amended (1) by striking out "or" at the end of paragraph (3), (2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and (3) by adding after paragraph (4) the following new paragraph:

"(5) to the United Nations Children's Fund (UNICEF) established by the General Assembly of the United Nations."

SEC. 3. Section 2106(a)(2)(A) of the Internal Revenue Code of 1954 (relating to transfers for public, charitable, and religious uses in connection with the definition of taxable estate) is amended (1) by striking out "or" at the end of clause (ii), (2) by striking out the period at the end of clause (iii) and inserting in lieu thereof "; or", and (3) by adding after clause (iii) the following new clause:

"(iv) to give the United Nations Children's Fund (UNICEF) established by the General Assembly of the United Nations."

SEC. 4. (a) Section 2522(a) of the Internal Revenue Code of 1954 (relating to deduction of charitable and similar gifts by citizens or residents) is amended (1) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon, and (2) by adding after paragraph (4) the following new paragraph:

"(5) the United Nations Children's Fund (UNICEF) established by the General Assembly of the United Nations."

(b) Section 2522(b) of such Code (relating to deduction of charitable and similar gifts by nonresidents) is amended (1) by striking out the period at the end of paragraph (5) and inserting a semicolon in lieu thereof, and (2) by adding after paragraph (5) the following new paragraph:

"(6) the United Nations Children's Fund (UNICEF) established by the General Assembly of the United Nations; but only if such gifts are to be used by such Fund within the United States."

SEC. 5. The amendment made by the first section of this Act shall be effective with respect to taxable years ending after December 31, 1958, the amendments made by sections 2 and 3 of this Act shall apply only to estates of decedents dying after December 31, 1958, and the amendments made by section 4 shall apply with respect to gifts or transfers made after December 31, 1958.

REMOVAL OF THE 50 PERCENT OF TAXABLE INCOME LIMITATION ON PERCENTAGE DEPLETION WITH RESPECT TO METAL MINES AND COAL MINES

Mr. BENNETT. Mr. President, I introduce, for appropriate reference, a bill which would remove the 50 percent of taxable income limitation on percentage depletion with respect to metal mines and coal mines. Percentage depletion for those purposes would then be computed on the basis of the stated percentages of gross income from the property as set forth in existing law, but would be limited to 100 percent of taxable income from the property computed without an allowance for depletion. It would not apply to foreign-held reserves.

PRESENT LAW DISCRIMINATES AGAINST ECONOMICALLY DISTRESSED METAL AND COAL MINING INDUSTRIES

The present law discriminates against nearly the entire economically distressed lead-zinc and coal mining industries and against a portion of the copper and many other metal mining operations. These important segments of the mining industry most in need of help are denied their full percentage depletion allowances.

This anomalous situation arises because the actual depletion allowance is limited to the lower of two figures: A specified percentage of the gross income from the property—coal, 10 percent; copper, 15 percent; lead-zinc, 23 percent—or 50 percent of the taxpayer's taxable income from the property. Thus, those producers whose costs are high in relation to gross income must base their percentage depletion allowances on net income. That is, they are subject to the 50 percent of net income limitation, and as a result receive only a fraction of the stated percentage allowance. In industry parlance, they are on net.

In contrast, the operator who is amply clearing his costs on his particular property is on gross. That is, his costs are relatively low in relation to gross income; so he usually gets the full stated percentage depletion allowance and is untroubled by the 50 percent of net income limitation.

EXAMPLES OF DISCRIMINATION UNDER PRESENT LAW

I have received confidential communications from many coal and metal mining operators showing how the present law discriminates against them. There follow several typical illustrations taken from throughout the United States:

Lead and zinc mine A

(Stated percentage under existing law: 23 percent)

Actual percentage received:	Percent
1956	17.8
1957	7.7
1958	2.6
1959	6.6
1960	10.0

Lead and zinc mine B

(Stated percentage under existing law: 23 percent)

Actual percentage received:	Percent
1956	12.98
1957	10.16
1958	7.10
1959	13.4
1960	8.97

Lead and zinc mine C

(Stated percentage under existing law: 23 percent)

Actual percentage received:	Percent
1956	9.30
1957	4.22
1958	2.43
1959	6.14

Lead and zinc mine D

(Stated percentage under existing law: 23 percent)

Actual percentage received:	Percent
1956	4.32
1957	1.48
1958	1.84
1959	1.86
1960	4.56

Lead and zinc mine E

(Stated percentage under existing law: 23 percent)

Actual percentage received:	Percent
Average 1954–59	7.1

Lead and zinc mine F

(Stated percentage under existing law: 23 percent)

Actual percentage received:

For the years 1956 through 1959, "the actual percentage we have received has never exceeded 15 percent."

Copper mine A

(Stated percentage under existing law: 15 percent)

Actual percentage received:	Percent
1956	15
1957	5.26
1958	-----
1959	15

Copper mine B

(Stated percentage under existing law: 15 percent)

Depletion deductible (if amount based on gross income were limited to 100 percent—net income):

Percent of gross income:	Percent
1956	12.7
1957	3.3
1958	6.6
1959 (8.4 percent)	8.0

Depletion actually deducted (based on gross income but limited to 50 percent of net income):

Percent of gross income:	Percent
1956	8.8
1957	1.6
1958	3.3
1959 (5.1 percent)	4.0

Entire coal industry

(Stated percentage under existing law: 10 percent)

Treasury data show that in no year from 1938 through 1958 has the profitable part of the industry—that is, coal-mining corporations reporting net incomes—been able to deduct for depletion as much as 4 percent of gross income or as much as 50 percent of net income before depletion. Only a few coal mines in the country get the maximum depletion allowance.

BILL WILL GIVE SELECTIVE TAX RELIEF TO THOSE WHO NEED IT MOST

I need not belabor the well-established fact that the lead-zinc, coal, and vital segments of the copper and other metal-mining industry are in serious economic circumstances. By approving my bill, Congress could give substantial assistance to those mining operations whose need is the greatest. Significantly, it would be of most help to those operators who are relatively efficient but whose costs are nonetheless high in relation to gross income. However, such a change would not increase the depletion allowances granted to operators of the more profitable mineral deposits.

PERCENTAGE DEPLETION—AN ESSENTIAL AND EQUITABLE INCENTIVE FOR THE MINING INDUSTRY

A healthy mining industry is a necessary component of national security and peacetime prosperity. One need only mention some basic metals—iron, aluminum, copper, lead, zinc, molybdenum, manganese—or the more exotic metals—uranium, thorium, beryllium—to suggest the essential part that metals play in our national well-being.

Incentives are necessary to maintain a healthy mining industry. The percentage depletion allowance provides such an incentive to the mining industry and does so in a manner which is equitable and is probably less costly to the Nation than subsidies or programs designed to restrict foreign competition by means of quotas or tariffs. However, it can never be a substitute for tariff relief in some instances, such as lead and zinc. Rather, it would be complementary.

The mining industry's need for an incentive such as the percentage depletion allowance and the effects on the industry of this allowance will be more evident from a brief consideration of—

First. The distinctive character of the mining industry.

Second. The need for depletion in the mining industry.

Third. Possible inadequacy of the depletion allowance.

Fourth. Extension of the benefits of percentage depletion to high-cost mines.

DISTINCTIVE CHARACTER OF THE MINING INDUSTRY

The problems of the hard-rock miner are basically different from those of the merchant or manufacturer. Some of the problems illustrating this fact are: Availability of raw materials, investment in plant and equipment, and product goodwill.

AVAILABILITY OF RAW MATERIALS

Maintaining a supply of raw materials is an essential function of businesses engaged in producing or selling. To maintain his supply of raw materials, the manufacturer or merchant reorders and restocks; the lumberman plants trees in place of those he cuts down; and the rancher breeds more cattle to replace those he plans to sell. But the miner's supply of raw materials is his mine, a wasting asset which, by the very nature of mining operations, is itself consumed. Hence, if the miner is to maintain the supply of raw materials that he requires in order to stay in business, he must replace his supply of ore through the discovery of additional mineral deposits.

The work of replacing ore supplies is difficult, costly, and risky. It requires the search for new mineral deposits involving a long process of exploration in which there can be no assurance of success and the expenditure of large sums of risk capital, one of the primary sources of which is the profits from successful operations. A banker might be persuaded to advance funds to a merchant or manufacturer who had demonstrated his past record of rapid and profitable turnover; but banks are not in the habit of financing anything as speculative as wildcat exploration. Although detailed statistics seem lacking for the exploration activities of the mining industry, it is a matter of common knowledge that commercially valuable mineral deposits are disclosed in only a very small percentage of the total number of properties on which prospecting and exploration activities are conducted. This percentage may be expected to become even smaller in the future, because the world's ore deposits which were first developed were those which were most easily found and closest to market. As these deposits became exhausted, the mining industry has had to look further and further afield for its needed reserves.

After a mineral deposit has been disclosed, further large expenditures are required to determine more precisely its extent and quality, to develop it for mining, and to provide the plant and equipment necessary for extraction and treatment of the ore. Highways and railroads must often be built to relatively inaccessible areas; and housing and related facilities for a self-sufficient community must often be established. These expenditures are usually of value only in connection with the particular deposit for which they must be provided. Little or no salvage value may be realized when the mineral deposit is exhausted.

When the mine is at last developed, the miner has acquired all the raw materials he will ever have throughout the life of the mine. A major part of the cost of his raw material is thus incurred in a relatively short period of time and before he is in a position to recover any of this cost through the sale of his product. Hence the mine operator has a much larger portion of his capital tied up in raw materials than does the manufacturer or merchant, who may purchase his raw material in limited quantities on a short-term basis and recover his costs before he purchases again.

INVESTMENT IN PLANT AND EQUIPMENT

For the manufacturer and for the miner there is a fundamental difference in the economic function of investment in productive facilities.

For the manufacturer, a relatively large investment in plant and equipment means relatively increased volume or decreased cost. After the original investment has been made, the manufacturer usually may make additional investments in plant and machinery, also with a reasonable expectation of increased volume or decreased cost. Increased production may ordinarily be maintained year after year.

Quite different results flow from the miner's decision as to the size of a shaft or the capacity of a mill. For the miner, a relatively large investment in productive facilities will merely increase the speed with which the available ore reserves of the mine are exhausted and will not increase the cumulative total which may be produced over the limited life of the mine. After his initial plant investment, the miner will usually find it impractical to increase productive capacity; for example, it will usually be prohibitively expensive to increase the diameter of a shaft or to widen a mine adit or tunnel to permit the installation of double tracks.

Beyond having to replace equipment because of normal wear and tear, the miner is in the peculiar position of being required to make additional investment in production facilities merely for the purpose of maintaining production. As the mine face recedes or as the mine workings deepen, the miner must often lay additional track, buy additional mine cars, and provide additional ventilating, lighting, and water facilities. Even with such additional investments in productive facilities, the mine will often produce not more, but less, as the miner intrudes further and further into the earth.

PRODUCT GOODWILL

The manufacturer or merchant strives continually to improve the quality of his product and the service rendered to his customers. He hopes the goodwill thus engendered will insure the continued profitability of his business. The products of a mine, however, are not unique. One pound of copper, lead, or zinc is essentially the same as another. The consumer of metal is normally unaware of and usually indifferent to the source of the ore from which the metal is refined. Even if the customer could be made mine conscious, the effect would usually not be long lasting because of the relatively short life of most mines. Since the basic metals are world commodities in which no style or quality factors are involved, the individual miner can do little to individualize his product so as to affect its selling price or increase its appeal to customers.

THE NEED FOR DEPLETION IN THE MINING INDUSTRY

The distinctive character of the mining industry, as outlined above, makes it essential that adequate depletion allowances be provided as an incentive for the successful operator. As a simple matter of equity, adequate depletion allowances are also required so that, as mineral resources are withdrawn from the ground, an income tax will fall only on income and will not constitute a levy on the capital that produces the income.

The Constitution originally granted the Federal Government the power to levy direct taxes in proportion to population and indirect taxes in a uniform manner throughout the United States. However, the 16th amendment, ratified February 25, 1913, stated:

> The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

Although the 16th amendment gave Congress the power to tax income without regard to population, it did not grant the right to levy a direct tax on capital except in proportion to population. Accordingly, beginning with the Revenue Act of 1913, all of our income tax laws have contained provisions to permit the deduction from gross receipts of any amounts representing a mere conversion of capital assets or a return of capital invested. The provisions of the tax laws relating to depreciation and depletion are specifically designed to exclude capital conversion or recovery in the case of plant and equipment and natural resources, respectively.

Without adequate depletion deductions, a so-called income tax will, in reality, be levied on the capital now invested in the mining industry and investors with newly available capital will not find investment in the mining industry attractive or even prudent. Therefore, unless equitable depletion allowances are granted by the tax laws, a healthy domestic mining industry cannot exist.

INADEQUACY OF THE DEPLETION ALLOWANCE

The depletion allowance must be adequate to preserve the capital employed in the industry on an industrywide basis and to provide incentive to potential mine operators and investors. Nevertheless, opposition frequently arises with respect to the percentage depletion deduction. Opponents of percentage depletion all concede that some deduction should be allowed for the amortization of investments in mines. The principle of depletion is not subject to challenge. Opposition has been entirely with respect to the amount of the depletion deduction permitted by present tax laws.

It is not possible to prove with precision whether the depletion deduction presently allowed is adequate or inadequate. Recognizing that there are a great number of complex economic factors bearing upon the financial well-being of any industry, we may nevertheless compare the financial health of those industries to which percentage depletion is allowed with the financial health of industry in general. One way in which this may be done is to express annual corporate net income as a percentage of the related invested corporate net assets. Such percentages have been compiled for many years by the First National City Bank of New York for groups of leading corporations in a representative number of fields of business.

The percentages for the 28-year period 1932 to 1959 have averaged approximately 8.6 percent both for the metal-mining group and for the all-industry group, which includes manufacturing as well as nonmanufacturing businesses. Percentage depletion was first allowed for metal mines in 1932, so that the allowance was available to the metal-mining group for this entire period, 1932–59. But the equality of the percentage rate of return cited above contradicts any assertion that the rate of return for the metal-mining industry has been excessive when compared to the rate of return for industry as a whole. And if a similar comparison is made for the period 1957 to 1959—the three most recent years for which such information is available—the percentages have been approximately 9.8 percent for industry as a whole, but only approximately 7.3 percent for metal mining. This indicates that while, during the 1957–59 period, the rate of return for industry as a whole was approximately 14 percent above the 28-year average previously mentioned, the rate of return for metal mining was approximately 15 percent below the comparable 28-year average. Thus, at the present time, the existing allowances for percentage depletion not only are not resulting in an excessive rate of return to the metal-mining industry, but apparently are inadequate to enable this industry to maintain a rate of return equal to that of industry as a whole. Of course, many mines are operating with virtually no profit or at a loss. In view of some of the previously mentioned features of the metal-mining business, investment therein will always be considered somewhat speculative; therefore, the metal-mining industry might have been expected to show a somewhat higher rate of return on investment than that shown by industry as a whole. To the extent that the percentage depletion allowances are means for helping to produce this result, it would appear that the present percentage depletion allowances in the metal-mining industry are inadequate and, therefore, should be increased.

Further indications of this inadequacy may be found in the daily newspapers. The iron and steel industry is operating at about 50 percent of capacity. There is an overproduction capability in the aluminum industry of about 25 percent. The copper industry has an overproduction capacity of about 10 percent. The domestic mine production of lead fell in 1960 to 225,000 tons, the lowest level since the turn of the century and less than half the output of the 1920's. The prices of both lead and zinc were lowered by producers during December 1960, bringing lead to 11 cents a pound and zinc to 12 cents a pound, both down 1 cent for the year.

EXTENSION OF THE BENEFITS OF PERCENTAGE DEPLETION TO HIGH-COST MINES

The economic recession in industries engaged in the production and processing of metals cannot be blamed solely on the inadequacy of the percentage depletion deduction. Undoubtedly, the construction of facilities to meet expected demand that did not materialize, the impact of foreign competition, and in general the cost-price squeeze, are among the factors also contributing to the depressed conditions in these industries.

The restrictions of foreign imports by means of tariffs would have a beneficial effect on the depressed mining industry. Subsidies might also be helpful in isolated instances. However, a step which would certainly be of tremendous direct benefit to the mining industry would be a change in the method of computing the percentage depletion allowance so that in the case of the mining industry the amount allowed would be limited to 100 percent, rather than to 50 percent, of the net income from the property.

There is adequate precedent in the tax laws for this change. In the Revenue Act of 1913, the first income tax act after the adoption of the 16th amendment, the deduction for depletion in the case of mines, was 5 percent of the gross value at the mine of the output for the year.

In the Revenue Act of 1916, the deduction for depletion—based on fair market value as of March 1, 1913—could exceed the total net income from a particular mine and thus serve to offset income from other sources. The depletion provisions of the Revenue Act of 1918 broadened the concept of capital recovery of "values" by permitting the depletion deduction to be based not only on the fair market value as of March 1, 1913, but also on the fair market value of the property at the time of its discovery, provided such "discovery value" was materially disproportionate to the cost of the property. During the hearings on the Revenue Act of 1921, the Treasury Department recommended that discovery value depletion be limited to 50 percent of the net income from the property in order to prevent any possibility of such depletion offsetting other income. This proposal was respected, but the Senate Finance Committee did impose a limitation of 100 percent of net income. The Revenue Act of 1924 substituted the 50 percent net income limitation for the 100 percent limitation of the 1921 Act. Percentage depletion was first enacted in the Revenue Act of 1926, replacing discovery depletion with respect to oil and gas, and the deduction was limited to 50 percent of net income, following the limitation which had been applicable for discovery depletion.

Before discussing the economic consequences that might be expected to flow from the removal of the 50 percent net income limitation, I present the following illustration of the arithmetic of percentage depletion at this point in my remarks:

	Lead-zinc	Copper	Low cost oil operation
Gross income from the property	$1,000	$1,000	$1,000
Costs	950	850	440
Net income from property	50	150	560
Percentage depletion:			
(a) Computed under present law:			
27½ percent of gross income			275
23 percent of gross income	230		
15 percent of gross income		150	
50 percent of net income	25	75	280
Allowance (the lower of 2 amounts above)	25	75	275
(b) Computed with a limitation of 100 percent of net income	50	150	275

In the case of each business—lead, zinc, copper, and oil—I have assumed that the gross income from the property is $1,000. In the case of lead, zinc, or copper, such gross income from the property represents, in effect, the value of the concentrate or precipitate resulting from milling or leaching the crude ores. The values added by smelting and refining—or by any other process beyond the ordinary processes of mining, as defined in code section 613(c)—may not be included in gross income from the property. For the oil well, such gross income from the property corresponds to the field price of the oil at the wellhead.

The costs assumed in this illustration probably bear some relation to reality. The lead-zinc miner in this illustration is barely clearing his costs. Many of his fellow lead-zinc miners are, in fact, operating at a loss. The copper miner is doing slightly better. However, some of his associates are also failing to cover their costs. The operator of the oil well, however, appears to be amply clearing his costs on this particular property. In the natural resource industries, this oil operator would be described as being "on gross." On the other hand, the lead, zinc, and copper miners in this illustration are "on net," which is to say that they are producers whose costs are high in relation to gross income, and whose percentage depletion allowances are, therefore, based on net income; that is,

are subject to the "50 percent of net income" limitation.

Incidentally, this illustration should not be considered as criticism of the percentage depletion allowance presently granted to the oil operator or to any other producer of the minerals whose use has contributed so much to our economic well-being. The tax benefit applicable to the $275 depletion deduction is necessary to restore the capital expended in the initial development of the well and, even more important, to restore the capital expended in exploration and in drilling wells that proved dry or uneconomic. Since there are 48 unprofitable wildcat wells out of every 49 drilled, it is most appropriate to provide for adequate percentage depletion deductions as one incentive for the operator of the single well which proves successful.

Percentage depletion under present tax law does reward the apparently successful, and presumably efficient, operator. However, the lead-zinc miner and the copper miner in the above illustration, while not notably successful, are not necessarily inefficient. There are undoubtedly many mines which, even with the most capable management available, could not possibly be operated at a relatively great profit, so as to place their depletion allowances "on gross." By removing the 50-percent net income limitation; that is, by computing percentage depletion on the basis of the stated percentages of gross income from the property, limited to 100 percent of the taxable income from the property, Congress could increase the percentage depletion allowances for the relatively efficient operators whose need is greatest. Such a change would not increase the depletion allowances granted to operators of the more profitable mineral deposits, whose allowances would still be based on stated percentages of gross income from the property, as in the case of the oil operator in the above illustration.

WHY COAL INDUSTRY WOULD BENEFIT FROM REMOVAL OF 50-PERCENT-OF-TAXABLE-INCOME LIMITATION ON PERCENTAGE DEPLETION

IN GENERAL

The actual percentage depletion allowance is the lower of two figures: A specified percentage of the gross income from the property—in the case of coal mining, 10 percent—or 50 percent of the taxpayer's taxable income from the property—1954 code, section 613(a). In the event that depletion based on cost would result in a greater deduction, however, such cost depletion must be deducted instead of percentage depletion. But percentage depletion deductions can still be taken after previous depletion deductions on a given property have equaled basis.

As the quoted language of the statute indicates, depletion is figured separately for each property. This is important because a particular taxpayer may have a number of different properties of widely varying gross income and net income attributes. On some properties, the effective rate of depletion may be the percentage of gross income specified in the law, on others it may be 50 percent of net income, and on still others it may be an allowance based upon cost. The general definition of the term "property" is "each separate tract or parcel of land"—1954 code, section 614(a). There are many exceptions to, and qualifications of, this general rule, and in the coal industry a "property" in most cases is substantially equivalent to a "mine."

In order to apply the percentage depletion formula to any given taxpayer, it is necessary to determine not only what his properties are but also what his gross income and taxable income from each property are. Depletion is based only on the gross income from mining and cannot be computed on receipts from other sources—1954 code, section 613(c)(1). Mining includes three categories of operations: First, the extraction of the ores or minerals from the ground; second, the ordinary treatment processes normally applied by mine owners or operators in order to obtain the commercially marketable mineral product or products; and third, transportation to treatment plants not to exceed 50 miles—1954 code, section 613(c)(2). Although code section 613 was extensively amended in 1960, the provisions relating to coal were not changed.

Although 10 percent is usually described as "the depletion rate" for coal, just as 27½ percent is commonly called "the depletion rate" for oil and gas, the allowance of this rate is by no means automatic or universal. Because of the 50-percent-of-taxable-income limitation, a coal producer must have a taxable income amounting to at least 20 percent of gross income from a particular property before he receives the advantage of the full 10 percent of gross income with respect to that property. Relative to the total number of coal mines in the country, only a few earn such good profits that they get the maximum depletion allowance.

As mentioned above, a separate depletion deduction must be computed for each mineral property, which generally means for each coal mine. Unless the mine shows a profit—or, in the terms of the code, unless there is "taxable income" from it—in any given taxable year, no percentage depletion deduction at all is taken regardless of the popularly stated "depletion rate" on the minerals involved. Many mines are unprofitable for many years, which emphasizes the fact that capital recovered out of earnings in good years must be adequate to make up for the lack of any capital recovery for lean years. This is particularly true in the coal industry, which is a cyclical one, with wide variations in demand and production from year to year. During the last decade it has been shrinking, having fallen from a production in 1960 of about 413 million tons or about 33 percent. Profitwise, this is an extremely painful process, because a shrinking industry does not earn steady or good profits.

Moreover, individual mines will vary from year to year in profit or loss results due to changes in demand, in prices, in underground conditions, in quality of product, in mining equipment used, in mining techniques used, and in management personnel. It is extremely difficult to find a mine which is uniformly profitable year after year.

POOR PROFIT HISTORY OF COAL INDUSTRY

The industry as a whole has not had a good profit history. For example, during the 12-year period from 1928 to 1939, inclusive, data published by the Treasury Department show that the bituminous coal industry wound up with a net loss of over $313 million.

(See attachment A.)

The same data show that for the 19-year period 1940 to 1958, inclusive, which included the war years and good business years of the postwar period, the total net profit after all charges and taxes was $1,017,832,000 or an average of $53,570,000 per year. But within that period, net income varied from $196 million in 1948 to a net loss of about $1 million in 1954. There were 2,163 corporate returns filed for this year 1948, of which 1,434 showed a net profit and 729 showed a net loss. For the year 1954, there were 1,424 corporate returns—note the shrinkage in numbers—of which 462 showed a net profit and 962 showed a net loss. For 1956, a good year, there were 1,800 returns, of which half—900—showed a net profit and half—900—a net loss.

Treasury data show that in no year from 1938 through 1958 has the profitable part of the industry—that is, coal mining corporations reporting net incomes—been able to deduct for depletion as much as 4 percent of gross income or as much as 50 percent of net income before depletion.

(See attachments B and C.)

Nineteen hundred and fifty-six was a good year profitwise, the net profit of the industry—active corporations filing returns—being about $70 million. This was produced from a gross income of about $2½ billion. Net profit was therefore about 2.8 percent of gross income, which is not a good showing for an industry characterized by so many risks. Depletion allowed for the year was about $76 million, or slightly over 3 percent of gross income.

(See attachment A, data as to all active corporations making returns.)

The data shown by attachments B and C, being compiled only on returns showing net incomes, indicate higher percentages for depletion in relation to gross income and to net income than would be true for the industry as a whole; that is all active corporations filing returns reporting net incomes and net losses.

Attachment D translates various data into cents per ton of coal. Note that depletion deductions generally run less per ton than depreciation deductions and that in recent years the depletion allowance varies between 10 and 15 cents per ton.

The provisions for averaging incomes by carrying back and forward net operating losses are extremely helpful to the coal industry, but are of little help to the coal mining industry in respect of percentage depletion deductions. The reason is that the carryback, carryforward provisions are applied on a taxpayer basis while the percentage depletion deductions are computed on a separate property basis.

EXAMPLES OF OPERATION OF 50 PERCENT OF TAXABLE INCOME LIMITATION

Perhaps a few examples will illustrate the situations that frequently face coal mine operators. Let us assume that in one year the coal operator has a gross income from mining from a particular mine of $5.25 per ton, and that his production cost before taxes and depletion is $5.25 per ton—a situation which happens all too frequently. In the next year the operator has a gross income from mining of $7 per ton with the same production cost of $5.25 per ton. Under the present law, this operator will have no percentage depletion deduction in the first year and 70 cents a ton in the second year, or an average allowance for the 2-year period of 5.7 percent of the gross income from the property for the 2-year period. However, if the 50 percent limitation were removed, the deduction for percentage depletion would be 52.5 cents a ton in the first year—in lieu of nothing—and would still be 70 cents a ton in the second year.

When the operator has no net income from his mining but does have some outside income for the same year, he may have no net operating loss or break even in his total operations. In such a situation, he would have no carryback or carryforward, under present law.

Let us assume, to further illustrate the application of depletion, that the taxpayer operates two coal mines and in the same year one makes money and the other loses money. We further assume that they are separate properties. He would get a percentage depletion deduction for the profitable mine but none for the unprofitable mine. But since he had no operating loss on his whole operations, he would not have any carryforward or carryback.

Again, let us assume that the taxpayer operates more than two mines. Some companies operate as many as 15 or 20. Some of these mines may be consistently profitable, some consistently unprofitable, and some may vary back and forth from red ink to black ink in different years. It is obvious that capital recovery on all the mines must come from the profits of the profitable mines. There would be no benefit from the carryforward and carryback provisions except with respect to those years when there is a net loss on the entire operations. The point is that, with respect to percentage depletion, each mining property is considered by itself and not in relation to any other property, and no percentage depletion deduction is allowed for that property except in those years when it has a net taxable income.

WHY COAL MINES SOMETIMES MUST OPERATE AT A LOSS

One may well ask why a coal operator keeps coal mines in production year after year if they do not earn money. There are a number of answers to this question. One is that once the investment has been made in developing the mine and equipping it with machinery, the only possible chance of earning any profits and recoving the capital investment is by continued operation. If a mine is closed down and liquidated, a substantial loss ensues. Sometimes lease provisions require continued operation of properties even though they are not consistently profitable.

In other cases a losing mine may supply a type of coal which fits a particular market of the producer and which may aid in the sale of coal from his other mines. In other cases, by spreading overhead over several mines, including one or more unprofitable ones, the overall results may be better because of lower overhead per ton of coal produced than would be the case if the losing mines were closed. Again, it is often cheaper to operate a coal mine at a loss than it is to shut it down and hold it in standby condition. A closed-down mine deteriorates very rapidly and its labor force is dissipated and difficult to reassemble.

CONCLUSION

The 50 percent of taxable income limitation should be removed, not only to give the industry a better chance to recover needed capital from earnings, but also to make the industry more attractive for investors.

I ask unanimous consent that the four attachments to which I have referred be printed in the RECORD at this point.

I also ask unanimous consent that the bill be held on the desk for additional sponsors until the close of business Tuesday, July 18.

The PRESIDING OFFICER (Mr. METCALF in the chair). The bill will be received and appropriately referred; and, without objection, the statements will be printed in the RECORD and the bill will lie on the table, as requested.

The bill (S. 2249) to amend the Internal Revenue Code of 1954 for the purpose of stimulating growth, activity, and employment in the metal mining and coal mining industries, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Finance.

The attachments presented by Mr. BENNETT are as follows:

ATTACHMENT A

Profit-and-loss statistics, bituminous coal mining industry, 1928 to 1958—Total of all active corporations making returns

[Money figures in thousands]

Year	Number of returns	Gross income [1]	Net income (+) or deficit (−) before depletion	Depletion [2]	Net income (+) or deficit (−)	Federal taxes on income	Net profit (+) or net loss (−)
1928	2,705	$949,339	−36,514	$17,994	−$24,508	$3,442	−$27,950
1929	2,342	992,408	+7,345	18,648	−11,303	3,940	−15,243
1930	2,239	874,783	−26,089	15,982	−42,071	2,637	−44,708
1931	2,095	624,693	−37,525	10,220	−47,745	1,039	−48,784
1932	1,804	469,698	−41,488	9,679	−51,167	777	−51,944
1933	1,851	519,032	−35,610	11,939	−47,549	1,029	−48,578
1934	2,017	718,428	+7,215	14,799	−7,584	3,308	−10,892
1935	1,975	768,497	+1,034	16,610	−15,576	2,750	−18,326
1936	1,945	883,570	+15,430	18,740	−3,310	3,214	−6,524
1937	1,815	928,042	+17,243	18,020	−777	3,208	−3,985
1938	1,887	717,194	−14,833	11,834	−26,667	1,661	−28,328
1939	1,820	816,205	+9,521	15,689	−6,168	2,844	−9,012
1940	1,756	955,143	+34,408	20,012	+14,396	6,593	+7,803
1941	1,722	1,297,747	+69,973	27,321	+42,651	19,055	+23,596
1942	1,737	1,302,301	+100,535	32,620	+67,916	33,790	+34,125
1943	1,623	1,447,048	+136,195	40,038	+96,157	49,244	+46,913
1944	1,584	1,603,123	+137,302	44,566	+92,736	48,925	+32,810
1945	1,544	1,544,376	+110,509	39,206	+71,294	35,613	+35,681
1946	1,640	1,627,846	+121,045	40,508	+80,537	29,975	+50,562
1947	1,837	2,314,511	+334,797	76,139	+258,658	90,225	+168,433
1948	2,163	2,714,334	+398,317	88,691	+309,626	118,038	+196,588
1949	2,070	1,927,298	+144,800	47,477	+97,323	43,038	+54,285
1950	1,996	2,420,817	+223,048	59,922	+163,126	69,425	+93,701
1951	1,813	2,562,199	+189,415	75,720	+113,695	57,096	+56,599
1952	1,665	2,288,388	+127,089	57,895	+69,194	35,713	+33,481
1953	1,572	2,049,822	+93,907	52,544	+41,363	28,825	+12,538
1954	1,424	1,667,895	+54,230	39,270	+14,960	15,948	−988
1955	1,502	2,028,487	+127,257	60,214	+67,043	30,418	+36,625
1956	1,800	2,456,858	+194,517	75,818	+118,699	48,802	+69,897
1957	1,750	2,603,232	+173,047	84,245	+88,802	44,799	+44,003
1958	1,481	2,040,982	+107,099	60,307	+46,792	25,602	+21,190

[1] Includes some income from sources other than mining, but the amount thereof cannot be isolated.

[2] Includes cost depletion as well as percentage depletion, but the amounts of each cannot be determined.

Source: "Statistics of Income," U.S. Bureau of Internal Revenue.

ATTACHMENT B. BITUMINOUS COAL MINING

Relationship of depletion to gross income (corporations reporting net income)

[Dollar amounts in thousands]

Year	Gross income [1]	Depletion [2]	Percent depletion is to gross income
1938	$253,467	$4,705	1.9
1939	390,621	8,506	2.2
1940	658,961	15,486	2.4
1941	871,404	17,274	2.0
1942	1,126,449	30,289	2.7
1943	1,277,666	37,540	2.9
1944	1,425,746	42,092	3.0
1945	1,347,600	36,576	2.7
1946	1,424,400	38,690	2.7
1947	2,216,763	74,780	3.4
1948	2,542,354	86,286	3.4
1949	1,578,787	44,596	2.8
1950	2,063,095	57,778	2.8
1951	2,129,717	71,089	3.3
1952	1,776,265	52,435	3.0
1953	1,530,402	47,890	3.1
1954	1,159,895	34,780	3.0
1955	1,701,953	56,862	3.3
1956	2,040,456	69,838	3.4
1957	2,263,220	81,518	3.6
1958	1,582,063	54,487	3.4

[1] Includes some income from sources other than mining, but the amount thereof cannot be isolated.
[2] Includes cost depletion as well as percentage depletion, but the amounts of each cannot be determined.

Source: Statistics of Income, U.S. Bureau of Internal Revenue.

ATTACHMENT C. BITUMINOUS COAL MINING

Relationship of depletion to net income before depletion (corporations reporting net income)

[Dollar amounts in thousands]

Year	Net income before depletion	Depletion [1]	Percent depletion is to net income before depletion
(1)	(2)	(3)	(4)
1938	$15,817	$4,705	30.0
1939	26,763	8,506	32.0
1940	45,499	15,486	34.0
1941	74,105	17,274	23.3
1942	107,331	30,289	28.2
1943	140,693	37,540	27.0
1944	143,092	42,092	29.4
1945	117,988	36,576	31.0
1946	128,243	38,690	30.2
1947	339,531	74,780	22.0
1948	404,883	86,286	21.3
1949	167,399	44,596	26.6
1950	238,141	57,778	24.3
1951	210,553	71,089	33.8
1952	140,698	52,435	37.3
1953	120,483	47,890	39.7
1954	81,720	34,780	42.6
1955	143,897	56,862	39.5
1956	204,643	69,838	34.1
1957	195,706	81,518	41.7
1958	127,071	54,487	42.9

[1] Includes cost depletion as well as percentage depletion, but the amounts of each cannot be determined.

Source: Statistics of Income, U.S. Bureau of Internal Revenue.

ATTACHMENT D. BITUMINOUS COAL MINING

Tax, depreciation, and depletion (corporations reporting net income and no net income)

[Cents per ton]

Year	Income tax	Excess profits tax	Total tax	Depreciation	Depletion [1]
(1)	(2)	(3)	(4)	(5)	(6)
1938	0.5	(2)	0.5	10.5	3.4
1939	.7	(2)	.7	9.2	4.0
1940	1.3	0.1	1.4	8.3	4.3
1941	2.5	1.2	3.7	7.9	5.3
1942	3.6	2.2	5.8	6.6	5.6
1943	4.7	3.7	8.4	6.6	6.8
1944	4.6	3.3	7.9	6.5	7.2
1945	4.2	1.9	6.1	7.1	6.8
1946	5.6	(2)	5.6	8.2	7.6
1947	14.3		14.3	8.0	12.1

See footnotes at end of table.

ATTACHMENT D. BITUMINOUS COAL MINING—Continued

Tax, depreciation, and depletion (corporations reporting net income and no net income)—continued

[Cents per ton]

Year	Income tax	Excess profits tax	Total tax	Depreciation	Depletion [1]
(1)	(2)	(3)	(4)	(5)	(6)
1948	19.1		19.1	11.5	15.0
1949	9.8		9.8	16.3	10.8
1950	13.1	.3	13.4	16.2	11.6
1951	10.5	.2	10.7	15.8	14.2
1952	7.6	.1	7.7	18.1	12.4
1953	6.3	(2)	6.3	18.1	11.5
1954	4.1		4.1	22.1	10.0
1955	6.5		6.5	19.6	13.0
1956	9.7		9.7	19.9	15.1
1957	9.1		9.1	22.9	17.1
1958	6.2		6.2	27.4	14.7

[1] Includes cost depletion as well as percentage depletion, but the amounts of each cannot be determined.
[2] Less than 1/10 of 1 cent.

Source: Primary Data Statistics of Income, U.S. Bureau of Internal Revenue, and U.S. Bureau of Mines.

RELIEF FROM DISCRIMINATORY MARITIME FREIGHT RATES ESSENTIAL—AMENDMENT TO SHIPPING ACT

Mr. GRUENING. Mr. President, on behalf of myself and my colleague, Mr. BARTLETT, I submit, for appropriate reference, an amendment to the bill (H.R. 6775) to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences. This bill is at present before the Senate Committee on Commerce.

This amendment was the same one we offered to S. 2154 late last month when the Senate had before it an amendment proposing to extend for 1 year the exemption from the application of the antitrust laws now enjoyed by dual rates established by steamship conferences.

The other body refused to agree to an extension of 1 year and the exemption was extended by action of both Houses until September 15 of this year.

Thus if the legality of these dual steamship conference rates is to be preserved after September 15, some action will have to be taken by the Congress before then.

The amendment we are proposing is a simple one and is of limited applicability. It provides that if the chief executive of a State believes that his State is being unfairly discriminated against under a conference fixed rate, he may file a formal protest with the Maritime Board. The discriminatory rate would thereupon be suspended for 90 days to afford the shipping conference involved an opportunity to show cause why the discriminatory order should not be set aside. It should be noted that the procedure contemplated under our amendment cannot be utilized by any shipper who feels himself aggrieved by a rate set by a steamship conference. The remedy is available only to the Governor of a State or a territory.

We have taken steps to guard carefully against needless or frivolous harassment of steamship lines. The action under our amendment can be initiated only by the chief executive of the State. It would be most difficult for anyone to say that one holding the highest elective office in any of the States would take advantage of the procedures provided in our amendment to harass the steamship lines.

At present the slow processes of the Maritime Board permit of no adequate, effective method of obtaining relief—however sorely needed—against steamship rates set by conferences which discriminate against the entire peoples of a sovereign State of the Union.

And that is exactly what has happened with respect to the peoples of the State of Alaska. They have been mercilessly saddled through the conference system with an arbitrary 30-percent surcharge on ocean freight moving between Alaska and Japan. Thus, though the distance from Tokyo to Anchorage is appreciably less than from Tokyo to Seattle, Portland, or San Francisco, the ocean freight rate between Tokyo and Anchorage is computed by arbitrarily adding to the rate between Tokyo and San Francisco an additional amount equal to 30 percent. This is a deliberate and callous maneuver to discourage the development of the infant but growing commerce between Japan and Alaska—a commerce which, if permitted to grow without artificial hindrance, holds great promise of aiding in reducing Alaska's abnormally high cost of living.

To begin with that cost of living has to a great extent been raised to its present heights by abnormally high water transportation costs artificially maintained. When therefore the beginnings of a mutually profitable trade with Japan showed promise of bringing down living costs it is intolerable to have the shippers get together—under protection granted by the present exemption from the antitrust laws of conference established rates—to stifle that growing hope of Alaskans.

It is true that when this amendment was offered on the floor of the Senate on June 28, 1961, I subsequently withdrew the amendment, but only after receiving assurances from the able and distinguished chairman of the Senate Commerce Committee that Alaska's plight would be considered by his committee. This amendment is being submitted at this point, therefore, so that the Senate Commerce Committee will have it before it when it begins its hearings on July 17, on H.R. 6775, a bill designed to bring these conferences established rates under reasonable regulation.

It is my intention to present an oral statement to the Senate Commerce Committee at the appropriate time indicating the justice of Alaska's position in this matter. Legislation in this area must be enacted by September 15 if the legality of many of the steamship conferences actions is not to be called into question. It would be intolerable if the legislation enacted did not contain provisions making it absolutely certain that this unfair discrimination against the State of Alaska—or against any other State for that matter—could not be maintained. I shall press strongly for such a result.

Mr. President, it is my sincere hope that the Senate Committee on Commerce, long before the September 15 deadline, will be able to report to the Senate an acceptable version of H.R. 6775, which can be enacted by both Houses of the Congress. Under the able and distinguished leadership of the chairman of the House Committee on the Judiciary, Congressman EMANUEL CELLER, that committee has conducted extensive hearings on the operations of steamship conferences. It has found that the American public has through the years, been the victim of numerous abuses.

This may raise the question, in the weeks ahead, Mr. President, if corrective legislation is not enacted, as to whether the American shipping industry—and the American people—may not in the long run be better off without a continuation of the exemption from the application of the antitrust laws to the operations of the steamship conferences.

On that point I must reserve my judgment.

But on one point I am certain. Alaska, the people of Alaska and the Alaska trade would be far better off without an extension of this exemption than with an extension which leaves Alaska in the present position of being at the mercy of unbridled discrimination on the part of the steamship conferences.

I ask unanimous consent that the amendment be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment was referred to the Committee on Commerce, as follows:

At the end thereof add the following new section:

"SEC. 8. Section 16 (first) of the Shipping Act, 1916 (39 Stat. 734; 46 U.S.C. 815) is hereby amended by adding at the end thereof the following: '*Provided*, That within thirty days after enactment of this Act, or within thirty days after the effective date or the filing with the Board, whichever is later, of any conference freight rate, rule, or regulation, the Governor of any State, Commonwealth, or possession of the United States may file a protest with the Board upon the ground that the rate, rule, or regulation unfairly discriminates against that State, Commonwealth, or possession of the United States in which case the Board shall by order suspend the effectiveness of such rate, rule, or regulation and issue an order to the conference to show cause why the rate, rule, or regulation should not be set aside; if such suspension and order to show cause issues, the Board shall within ninety days of such issuance determine whether or not such rate, rule, or regulation is unfairly discriminatory and issue a final order either dismissing the protest or setting aside the rate, rule, or regulation.'"

ESTABLISHMENT OF U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY—ADDITIONAL COSPONSORS OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the names of Senators JAVITS, PELL, and PROXMIRE be added as cosponsors to my bill, S. 2180, to establish a U.S. Disarmament Agency for World Peace and Security.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROTECTION OF THE GOLDEN EAGLE—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Alaska [Mr. GRUENING] may be added as a cosponsor to Senate Joint Resolution 105, the resolution I have submitted to protect the golden eagle from extermination.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROPOSED RAILROAD MERGERS—ADDITIONAL COSPONSOR OF RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the senior Senator from Illinois [Mr. DOUGLAS], be added as a cosponsor to Senate Resolution 150 which I introduced on behalf of myself and several of my colleagues on May 19, 1961. This resolution urges the Interstate Commerce Commission to study carefully the proposed railroad mergers which have been proposed in recent months.

The PRESIDING OFFICER. Without objection, it is so ordered.

COOPERATION WITH FIRST WORLD CONFERENCE ON NATIONAL PARKS—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of June 28, 1961, the names of Mr. MORSE, and Mr. LONG of Missouri were added as additional cosponsors of the bill (S. 2164) to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes, introduced by Mr. MAGNUSON (for himself and other Senators) on June 28, 1961.

NOTICE OF HEARINGS ON S. 2212 AND H.R. 187, RELATING TO JUDICIAL REVIEW OF DEPORTATION

Mr. JOHNSTON. Mr. President, on behalf of the Subcommittee on Immigration and Naturalization of the Committee on the Judiciary, I wish to announce that public hearings have been scheduled for Thursday, July 20, 1961, at 10:30 a.m. in room 2228 of the New Senate Office Building on bills S. 2212 and H.R. 187, providing for the judicial review of deportation.

Anyone desiring to testify or submit a statement for the record should notify the office of the subcommittee, room 2306, New Senate Office Building, phone extension 2347, as soon as possible so that a schedule of witnesses may be prepared.

NOTICE OF HEARING ON S. 2242, TO AMEND SECTION 491 OF TITLE 18, UNITED STATES CODE, PROHIBITING CERTAIN ACTS INVOLVING THE USE OF TOKENS, SLUGS, DISKS, DEVICES, PAPERS, OR OTHER THINGS WHICH ARE SIMILAR IN SIZE AND SHAPE TO THE LAWFUL COINS OR OTHER CURRENCY OF THE UNITED STATES

Mr. LONG of Missouri. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, July 19, 1961, at 10:30 a.m., in room 2228 New Senate Office Building, on S. 2242, to amend section 491 of title 18, United States Code, prohibiting certain acts involving the use of tokens, slugs, disks, devices, papers, or other things which are similar in size and shape to the lawful coins or other currency of the United States.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas [Mr. MCCLELLAN], the Senator from North Carolina [Mr. ERVIN], the Senator from Nebraska [Mr. HRUSKA], the Senator from New Hampshire [Mr. COTTON], and myself, as chairman.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. DODD:

Address by him at annual conference of National Council of Juvenile Court Judges, at San Francisco, Calif., on June 30, 1961.

By Mr. COOPER:

Tribute to Emery L. Frazier, Chief Clerk of the U.S. Senate, published in KERR-ent Status, a release by Senator KERR, of Oklahoma.

By Mr. HRUSKA:

Letter to President of the United States, dated July 11, urging proclamation of the third week in July as "Captive Nations Week."

Telegram to Mr. Ruben Lippett, Henry Monsky Lodge, B'nai B'rith, in respect to presentation to Frank P. Fogarty of B'nai B'rith's Americanism citation, together with Mr. Fogarty's "Creed for American Business."

NATIONAL DEFENSE PREPARATIONS

Mr. ROBERTSON. Mr. President, I read with interest in today's newspapers a statement by our distinguished assistant majority leader, the Senator from Minnesota [Mr. HUMPHREY], that because of an acute food shortage, the Soviet Union is not ready for a war. No one, so far as I know, has assumed that the Soviet Union wants an all-out nuclear war—food shortage or no food shortage. As a matter of fact, the food shortage referred to by the distinguished Senator from Minnesota is primarily in China.

For fear that the American public may take the Humphrey report as an

indication that we may complacently assume that the alleged Berlin crisis is a "phony" crisis and that, therefore, we may proceed with business as usual and pleasure as usual, I wish to point out that from all the information I can get on the Berlin crisis, Premier Khrushchev intends to carry out his promise to create an independent state of East Germany and then force the NATO countries to deal with that new state with respect to access to West Berlin. Without any military help from the Soviet Union, East Germany has a larger ground army than that of the NATO allies. The NATO allies have taken the position that access to Berlin is granted by a four-nation treaty which cannot be repudiated by the Soviet Union acting independently; that they will refuse to negotiate with the Soviet dictators of East Germany concerning the exercise of those treaty rights; and that if East Germany establishes a roadblock to West Berlin, the NATO allies will force their way through.

In other words, the problem confronting us is whether the Soviet Union will prevent its new satellite state, East Germany, from starting war over access to West Berlin, assuming that we and our allies do not back down from our declared intention to fight such a war if it is forced on us.

As acting chairman of the Defense Subcommittee of the Senate Appropriations Committee, I have been deeply disturbed over our apparent lack of preparedness to fight a brush war with conventional weapons in Germany or anywhere else. Last Saturday, I brought that concern to the attention of the President; and he directed the Department of Defense to make an immediate review of our military posture. That review is still under way; and I understand that by the last of next week, the Department of Defense will notify the chairman of the Senate Appropriations Committee what additional sums the President would like to have included in the pending Department of Defense appropriations bill.

In the meantime, there have been news stories to the effect that the President is considering the advisability of declaring an emergency and calling to active duty the National Guard, and perhaps some members of the Reserve Forces. I am pleased to bring to the attention of my Senate colleagues the views on the wisdom of mobilizing National Guard and Reserve Divisions of one of Virginia's most brilliant military leaders, Maj. Gen. E. Walton Opie, retired. General Opie is publisher and editor of the Staunton News Leader, which carries as its leading editorial in its issue of today a recommendation of General Opie, entitled "Take Positive Action Now." I ask unanimous consent that the editorial be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TAKE POSITIVE ACTION NOW

News that some National Guard and Reserve divisions may be mobilized may be followed at any moment by an announcement of impending orders by the President.

If the growing crisis over Berlin and East Germany is as serious as high authorities in Washington London, Paris, and Bonn appear to believe, let the President call up all Guard and Reserve divisions.

Mobilization of the National Guard in 1916, ostensibly because of raids across the Mexican border by the bandit forces of Pancho Villa but actually because the threat of U.S. involvement in World War I had become acute, proved to be an invaluable measure of preparation for entry into that conflict the following April.

Mobilization of the National Guard in 1940–41 was inspired by the clear and present danger that Axis aggression would involve us in World War II. By acting when they did, President F. D. Roosevelt and Congress afforded a period for expansion of Guard divisions to war strength and for hard training for combat when it came following the Pearl Harbor attack.

In both of the world conflicts, the Guard was the nucleus around which our great armies were formed.

Mobilization now would no doubt be intended primarily as a deterrent to Russian aggression incident to the Soviet plans for forcing the West out of Berlin and establishing East Germany as a full-fledged nation by an illegal separate peace treaty to force the West to deal with the stooge regime.

President Kennedy sought at his Vienna conference with Premier Khrushchev to warn him against miscalculation (Kaiser's Germany and Hitler's, for historic examples) which would lead him into overt action and war. A highly placed Government informant of the Staunton Leader points out that "we backed down in Laos, and when the time came to give air protection to the invasion of Cuba, we also backed down. So, Khrushchev seems to be betting that when it comes to fighting for West Berlin we again will back down. If we back down on defending West Berlin, we might as well back down all over the world and, therefore, it is very important for us to convince Khrushchev that we will fight, if necessary, to maintain our legal right to access to West Berlin with the hope that if we do so he will not permit East Germany to blockade our current means of access to West Berlin."

Calling up the Guard and Reserve divisions might be laughed at by Mr. Khrushchev, because he has heavily superior ground force within easy striking distance of NATO defenses in Europe and he knows that our reserve components are nowhere ready for combat. Nevertheless their presence on active duty would release divisions of Regulars for early dispatch to Europe, and with British, Belgian, French, and Canadian reinforcements, a strong holding force could be constituted.

Mr. Khrushchev may miscalculate in the face of our mobilization. He may miscalculate also in regard to our use of nuclear weapons for if NATO defenses were close to collapse we would have to resort to them or see Western Europe overrun by the Russian hordes.

These eventualities are horrible to contemplate. It is therefore the part of wisdom, both as a possible deterrent, a positive notification that we mean business, and a step toward preparation for a conflict the exact nature of which no one can say with certainty, the whole National Guard and the Ready Reserve divisions should be mobilized and made ready for combat.

The President and the Congress should act without delay, for the crisis is approaching its climax in early September. Only positive measures can place Khrushchev in the role of backdowner this time.

INTEGRATE NOW—NEGOTIATE LATER

Mr. JAVITS. Mr. President, it seems clear that we cannot rely on negotiating with the Soviet Union as the main effort now to ease the tensions of the cold war. Let us negotiate when the Russians want to do so with enough interest to have an agenda and adequate preliminary arrangements. Let us be wary of negotiating when the negotiations represent obvious delaying tactics, such as is now the case in regard to the nuclear test ban talks at Geneva, or propaganda exercises, such as the negotiations offered by Chairman Khrushchev on a German peace treaty.

It is for this reason that I urge our Government to reject Chairman Khrushchev's proposal, as made in his recent address to the military academy graduates in the Kremlin, for the convocation of a peace conference on Germany.

Such a peace conference under the Soviet threat to cut off Berlin from the West cannot be accepted under such auspices. We should, rather, adopt the resolution on Berlin which I introduced, making clear that the basis on which we are willing to begin to negotiate, in essence, is the 1959 allied plan, together with any Soviet counterproposals.

I urge also that if we do reject the Khrushchev proposals, the scene of conversations ought to be shifted to the United Nations. In this way the channel of communication can be kept open without many of the disadvantages of closed summit negotiations. The free world needs to look into its own problems and resources. It needs a rest from the tension of relying on negotiations to dispel the fear of war.

Instead let us make our main effort now to integrate the free world—economically, politically, militarily, and culturally—as the best action we can take now for world peace. Let us recognize that there are occasions when not to negotiate is also a technique of diplomacy. We can then return to the negotiations with much more promise.

To negotiate, by Webster's definition, means "to hold intercourse with a view to coming to terms." The past record of negotiations with the Soviet Union has demonstrated that to negotiate, by Communist definition, generally means with a view to coming to Communist terms; unless the Communists wish to agree as they did on Berlin after the airlift, on Trieste, on the Austrian peace treaty, and Korean truce.

Americans seem frustrated by this situation. They have grown tired of seeing the Communists use negotiations, as they have on Laos, as a delaying tactic or to lull us into inaction while they took over most of the country. We can gain nothing and lose much, from permitting the bargaining table to be used for a Communist game of charades. In short, negotiations with the Soviet Union cannot succeed so long as Chairman Khrushchev really does not want them to succeed.

The free world is beginning to look for a better coordination of its own means and resources in the cold war.

This is the meaning of the Norstad proposals to strengthen NATO; the desire in south and southeast Asia for U.S. firmness to stop the Communist advance there; the demand of 20 Latin American Republics for greater attention to their economic and social development and the refusal of so many new nations of Africa, south of the Sahara, to follow the U.S.S.R. and the Communist bloc; and the cool response to Chairman Khrushchev's terms for negotiations on Berlin, notwithstanding his rocket and missile rattling.

Almost imperceptibly the views of the American people are changing, too, causing our policy to pass from the generally unsuccessful reliance upon negotiations to the more realistic building up of the free world through the development of better international means for cooperation and integration of the free world's resources, both human and material.

Integration of the free world is the key right now. We must make it more effective and we must enlarge its scope, while respecting the nationhood and self-determination of each part. These are the principal elements of free world integration.

First. The expansion of two-way free world trade.

Second. The acceleration of international exchange activities in culture, science, education, sports, and production techniques.

Third. The acceleration of economic development effort in the emerging free world nations, which will break the bondage of poverty now holding over 1 billion people of the free world.

Fourth. The establishment of more open channels of top-level communication among free world allies so that we can move together on all political cold war issues.

Fifth. The mounting of a productivity drive within the United States which can form the rallying point for free world economic strength and the basis of free world military and political power.

Sixth. Making the U.N. and regional cooperative organizations more effective.

The West has for too long been on the defensive. The Communist successes in southeast Asia and Cuba have given Chairman Khrushchev far more confidence than is deserved—he mocked Great Britain and France recently and called the United States a "wornout runner." If Chairman Khrushchev really seeks to increase the personal living conditions of the Soviet and satellite peoples, he will have even less reason to be cocky, so great is now the gap with the poeple of the industrialized nations of the free world. The free world has the resources to dispel Khrushchev's cockiness and to halt the string of Soviet successes. But to do so we must proceed immediately—on a grand scale—to the better integration of the whole free world.

WHITTAKER CHAMBERS

Mr. DODD. Mr. President, I wish to pay tribute to the memory of a great American who passed away over the weekend.

His name was Whittaker Chambers. History, I am certain, will mark his name well.

Our country and the entire free world owe a far greater debt to Whittaker Chambers than is commonly realized.

There is perhaps a tendency to think of Chambers simply as the man who exposed Alger Hiss and whose testimony sent him to prison. But Whittaker Chambers was far more than this. He was, as he described himself, a "witness." He was a witness to evil and a witness to the truth.

He had embraced communism as an intellectual and as an idealist, because he sincerely believed that it pointed the way to a better life for mankind. Slowly, painfully, he came to realize the true nature of communism. His book "Witness" is hated by the Communists because it is, above all, a testament to their moral and ideological bankruptcy.

Before the advent of Whittaker Chambers, our society had lived in a political ivory tower. Stories about Communists in government were generally regarded as red herrings, and those who credited these stories were looked upon as black reactionaries or witch hunters.

As a result of Chambers' revelations and of the revelations made by other people, we now know that there was a serious Communist infiltration of Government departments at every level. Apart from the special case of Alger Hiss, this infiltration included the No. 2 man in the Treasury Department, Harry Dexter White; the head of the Latin American Division of the Department of State, Lawrence Dugan; the head of the International Monetary Fund, Frank Coe; the former head of the National Labor Relations Board, Nathan Witt; and many others of lesser rank.

We now understand, or we should understand, that Communist infiltration in Government is not a chimera or pipedream, but a deadly serious reality against which we must be constantly on guard.

It is a tragic commentary on our times that the sympathy of so many people was initially on the side of Alger Hiss, and against Whittaker Chambers. And even when the evidence had accumulated to the point where Alger Hiss could no longer be defended, there were many erstwhile defenders of Hiss who became more bitter, not less bitter, against Whittaker Chambers. It was almost as though they could never forgive him for proving Hiss guilty. They reviled him as a degenerate, as an informer, as a psychopath; they spread all sorts of base rumors about his private life. So effectively did they do their job that it became impossible for him to retain his position as a senior editor of Time magazine.

Though he was abused and vilified by the Communists and the crypto-Communists, by the fellow travelers and the demifellow travelers and the muddle-headed liberals, Chambers bore himself with unswerving dignity, and he gave his testimony without rancor or bitterness.

Whittaker Chambers is dead. But his name and his testament will endure so long as there is a free world and men who cherish freedom.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of Whittaker Chambers' letter to his children, with which he opened his book "Witness."

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

FOREWORD IN THE FORM OF A LETTER TO MY CHILDREN

Beloved children, I am sitting in the kitchen of the little house at Medfield, our second farm which is cut off by the ridge and a quarter-mile across the fields from our home place, where you are. I am writing a book. In it I am speaking to you. But I am also speaking to the world. To both I owe an accounting.

It is a terrible book. It is terrible in what it tells about men. If anything, it is more terrible in what it tells about the world in which you live. It is about what the world calls the Hiss-Chambers case, or even more simply, the Hiss case. It is about a spy case. All the props of an espionage case are there—foreign agents, household traitors, stolen documents, microfilm, furtive meetings, secret hideaways, phony names, an informer, investigations, trials, official justice. But if the Hiss case were only this, it would not be worth my writing about or your reading about. It would be another fat folder in the sad files of the police, another crime drama in which the props would be mistaken for the play (as many people have consistently mistaken them). It would not be what alone gave it meaning, what the mass of men and women instinctively sensed it to be, often without quite knowing why. It would not be what, at the very beginning, I was moved to call it: a tragedy of history.

For it was more than human tragedy. Much more than Alger Hiss or Whittaker Chambers was on trial in the trials of Alger Hiss. Two faiths were on trial. Human societies, like human beings, live by faith and die when faith dies. At issue in the Hiss case was the question whether this sick society, which we call Western civilization, could in its extremity still cast up a man whose faith in it was so great that he would voluntarily abandon those things which men hold good, including life, to defend it. At issue was the question whether this man's faith could prevail against a man whose equal faith it was that this society is sick beyond saving, and that mercy itself pleads for its swift extinction and replacement by another. At issue was the question whether, in the desperately divided society, there still remained the will to recognize the issues in time to offset the immense rally of public power to distort and pervert the facts.

At heart, the great case was this critical conflict of faiths; that is why it was a great case. On a scale personal enough to be felt by all, but big enough to be symbolic, the two irreconcilable faiths of our time—communism and freedom—came to grips in the persons of two conscious and resolute men. Indeed, it would have been hard, in a world still only dimly aware of what the conflict is about, to find two other men who knew so clearly. Both had been schooled in the same view of history (the Marxist view). Both were trained by the same party in the same selfless, semisoldierly discipline. Neither would nor could yield without betraying, not himself, but his faith; and the different character of these faiths was shown by the different conduct of the two men toward each other throughout the struggle. For, with dark certitude, both knew, almost from the beginning, that the great case

could end only in the destruction of one or both of the contending figures, just as the history of our times (both men had been taught) can end only in the destruction of one or both of the contending forces.

But this destruction is not the tragedy. The nature of tragedy is itself misunderstood. Part of the world supposes that the tragedy in the Hiss case lies in the acts of disloyalty revealed. Part believes that the tragedy lies in the fact that an able, intelligent man, Alger Hiss, was cut short in the course of a brilliant public career. Some find it tragic that Whittaker Chambers, of his own will, gave up a $30,000-a-year job and a secure future to haunt for the rest of his days the ruins of his life. These are shocking facts, criminal facts, disturbing facts: they are not tragic.

Crime, violence, infamy are not tragedy. Tragedy occurs when a human soul awakes and seeks, in suffering and pain, to free itself from crime, violence, infamy, even at the cost of life. The struggle is the tragedy—not defeat or death. That is why the spectacle of tragedy has always filled men, not with despair, but with a sense of hope and exaltation. That is why this terrible book is also a book of hope. For it is about the struggle of the human soul—of more than one human soul. It is in this sense that the Hiss case is a tragedy. This is its meaning beyond the headlines, the revelations, the shame and suffering of the people involved. But this tragedy will have been for nothing unless men understand it rightly, and from it the world takes hope and heart to begin its own tragic struggle with the evil that besets it from within and from without, unless it faces the fact that the world, the whole world, is sick unto death and that, among other things, this case has turned a finger of fierce light into the suddenly opened and reeking body of our time.

My children, as long as you live, the shadow of the Hiss case will brush you. In every pair of eyes that rest on you, you will see pass, like a cloud passing behind a woods in winter, the memory of your father—dissembled in friendly eyes, lurking in unfriendly eyes. Sometimes you will wonder which is harder to bear: Friendly forgiveness or forthright hate. In time, therefore, when the sum of your experience of life gives you authority, you will ask yourselves the question: What was my father?

I will give you an answer: I was a witness. I do not mean a witness for the Government or against Alger Hiss and the others. Nor do I mean the short, squat, solitary figure, trudging through the impersonal halls of public buildings to testify before congressional committees, grand juries, loyalty boards, courts of law. A man is not primarily a witness against something. That is only incidental to the fact that he is a witness for something. A witness, in the sense that I am using the word, is a man whose life and faith are so completely one that when the challenge comes to step out and testify for his faith, he does so, disregarding all risks, accepting all consequences.

One day in the great jury room of the grand jury of the southern district of New York, a juror leaned forward slightly and asked me: "Mr. Chambers, what does it mean to be a Communist?" I hesitated for a moment, trying to find the simplest, most direct way to convey the heart of this complex experience to men and women to whom the very fact of the experience was all but incomprehensible. Then I said:

"When I was a Communist, I had three heroes. One was a Russian. One was a Pole. One was a German Jew.

"The Pole was Felix Djerjinsky. He was ascetic, highly sensitive, intelligent. He was a Communist. After the Russian Revolution, he became head of the Tcheka and organizer of the Red Terror. As a young man, Djerjinsky had been a political prisoner in the Paviak Prison in Warsaw. There he insisted on being given the task of cleaning the latrines of the other prisoners. For he held that the most developed member of any community must take upon himself the lowliest tasks as an example to those who are less developed. That is one thing that it meant to be a Communist.

"The German Jew was Eugen Levine. He was a Communist. During the Bavarian Soviet Republic in 1919, Levine was the organizer of the Workers and Soldiers Soviets. When the Bavarian Soviet Republic was crushed, Levine was captured and court-martialed. The court-martial told him: 'You are under sentence of death.' Levine answered: 'We Communists are always under sentence of death.' That is another thing that it meant to be a Communist.

"The Russian was not a Communist. He was a pre-Communist revolutionist named Kalyaev. (I should have said Sazonov.) He was arrested for a minor part in the assassination of the Tsarist prime minister, von Plehve. He was sent into Siberian exile to one of the worst prison camps, where the political prisoners were flogged. Kalyaev sought some way to protest this outrage to the world. The means were few, but at last he found a way. In protest against the flogging of other men, Kalyaev drenched himself in kerosene, set himself on fire and burned himself to death. That also is what it meant to be a Communist."

That also is what it means to be a witness.

But a man may also be an involuntary witness. I do not know any way to explain why God's grace touches a man who seems unworthy of it. But neither do I know any other way to explain how a man like myself—tarnished by life, unprepossessing, not brave—could prevail so far against the powers of the world arrayed almost solidly against him, to destroy him and defeat his truth. In this sense, I am an involuntary witness to God's grace and to the fortifying power of faith.

It was my fate to be in turn a witness to each of the two great faiths of our time. And so we come to the terrible word, "communism." My very dear children, nothing in all these pages will be written so much for you, though it is so unlike anything you would want to read. In nothing shall I be so much a witness, in no way am I so much called upon to fulfill my task, as in trying to make clear to you (and to the world) the true nature of communism and the source of its power, which was the cause of my ordeal as a man, and remains the historic ordeal of the world in the 20th century. For in this century, within the next decades, will be decided for generations whether all mankind is to become Communist, whether the whole world is to become free, or whether, in the struggle, civilization as we know it is to be completely destroyed or completely changed. It is our fate to live upon that turning point in history.

The world has reached that turning point by the steep stages of a crisis mounting for generations. The turning point is the next to the last step. It was reached in blood, sweat, tears, havoc, and death in World War II. The chief fruit of the First World War was the Russian Revolution and the rise of communism as a national power. The chief fruit of the Second World War was our arrival at the next to the last step of the crisis with the rise of communism as a world power. History is likely to say that these were the only decisive results of the World Wars.

The last war simplified the balance of political forces in the world by reducing them to two. For the first time, it made the power of the Communist sector of mankind (embodied in the Soviet Union) roughly equal to the power of the free sector of mankind (embodied in the United States). It made the collision of these powers all but inevitable. For the World Wars did not end the crisis. They raised its tensions to a new pitch. They raised the crisis to a new stage. All the politics of our time, including the politics of war, will be the politics of this crisis.

Few men are so dull that they do not know that the crisis exists and that it threatens their lives at every point. It is popular to call it a social crisis. It is in fact a total crisis—religious, moral, intellectual, social, political, economic. It is popular to call it a crisis of the Western World. It is in fact a crisis of the whole world. Communism, which claims to be a solution of the crisis, is itself a symptom and an irritant of the crisis.

In part, the crisis results from the impact of science and technology upon mankind which, neither socially nor morally, has caught up with the problems posed by that impact. In part, it is caused by men's efforts to solve those problems. World wars are the military expression of the crisis. World-wide depressions are its economic expression. Universal desperation is its spiritual climate. This is the climate of communism. Communism in our time can no more be considered apart from the crisis than a fever can be acted upon apart from an infected body.

I see in communism the focus of the concentrated evil of our time. You will ask: Why, then, do men become Communists? How did it happen that you, our gentle and loved father, were once a Communist? Were you simply stupid? No, I was not stupid. Were you morally depraved? No, I was not morally depraved. Indeed, educated men become Communists chiefly for moral reasons. Did you not know that the crimes and horrors of communism are inherent in communism? Yes, I knew that fact. Then why did you become a Communist? It would help more to ask: How did it happen that this movement, once a mere muttering of political outcasts, became this immense force that now contests the mastery of mankind? Even when all the chances and mistakes of history are allowed for, the answer must be: Communism makes some profound appeal to the human mind. You will not find out what it is by calling communism names. That will not help much to explain why communism whose horrors, on a scale unparalleled in history, are now public knowledge, still recruits its thousands and holds its millions—among them some of the best minds alive. Look at Klaus Fuchs, standing in the London dock, quiet, doomed, destroyed, and say whether it is possible to answer in that way the simple question: Why?

First, let me try to say what communism is not. It is not simply a vicious plot hatched by wicked men in a subcellar. It is not just the writings of Marx and Lenin, dialectical materialism, the Politburo, the labor theory of value, the theory of the general strike, the Red Army, secret police, labor camps, underground conspiracy, the dictatorship of the proletariat, the technique of the coup d'état. It is not even those chanting, bannered millions that stream periodically, like disorganized armies, through the heart of the world's capitals: Moscow, New York, Tokyo, Paris, Rome. These are expressions of communism, but they are not what communism is about.

In the Hiss trials, where communism was a haunting specter, but which did little or nothing to explain communism, Communists were assumed to be criminals, pariahs, clandestine men who lead double lives under false names, travel on false passports, deny traditional religion, morality, the sanctity of oaths, preach violence, and practice treason. These things are true about Communists, but they are not what communism is about.

The revolutionary heart of communism is not the theatrical appeal: "Workers of the world, unite. You have nothing to lose but your chains. You have a world to gain." It is a simple statement of Karl Marx, further simplified for handy use: "Philosophers have explained the world; it is necessary to change the world." Communists are bound together by no secret oath. The tie that binds them across the frontiers of nations, across barriers of language and differences of class and education, in defiance of religion, morality, truth, law, honor, the weaknesses of the body and the irresolutions of the mind, even unto death, is a simple conviction: It is necessary to change the world. Their power, whose nature baffles the rest of the world, because in a large measure the rest of the world has lost that power, is the power to hold convictions and to act on them. It is the same power that moves mountains; it is also an unfailing power to move men. Communists are that part of mankind which has recovered the power to live or die—to bear witness—for its faith. And it is a simple, rational faith that inspires men to live or die for it.

It is not new. It is, in fact, man's second oldest faith. Its promise was whispered in the first days of the creation under the tree of the knowledge of good and evil: "Ye shall be as gods." It is the great alternative faith of mankind. Like all great faiths, its force derives from a simple vision. Other ages have had great visions. They have always been different versions of the same vision: the vision of God and man's relationship to God. The Communist vision is the vision of man without God.

It is the vision of man's mind displacing God as the creative intelligence of the world. It is the vision of man's liberated mind, by the sole force of its rational intelligence, redirecting man's destiny and reorganizing man's life and the world. It is the vision of man, once more the central figure of the creation, not because God made man in His image, but because man's mind makes him the most intelligent of the animals. Copernicus and his successors displaced man as the central fact of the universe by proving that the earth was not the central star of the universe. Communism restores man to his sovereignty by the simple method of denying God.

The vision is a challenge and implies a threat. It challenges man to prove by his acts that he is the masterwork of the creation—by making thought and act one. It challenges him to prove it by using the force of his rational mind to end the bloody meaninglessness of man's history—by giving it purpose and a plan. It challenges him to prove it by reducing the meaningless chaos of nature, by imposing on it his rational will to order, abundance, security, peace. It is the vision of materialism. But it threatens, if man's mind is unequal to the problems of man's progress, that he will sink back into savagery (the A- and H-bombs have raised the issue in explosive forms), until nature replaces him with a more intelligent form of life.

It is an intensely practical vision. The tools to turn it into reality are at hand—science and technology, whose traditional method, the rigorous exclusion of all supernatural factors in solving problems, has contributed to the intellectual climate in which the vision flourishes, just as they have contributed to the crisis in which communism thrives. For the vision is shared by millions who are not Communists (they are part of communism's secret strength). Its first commandment is found, not in the Communist manifesto, but in the first sentence of the physics primer: "All of the progress of mankind to date results from the making of careful measurements." But communism, for the first time in history, has made this vision the faith of a great modern political movement.

Hence the Communist Party is quite justified in calling itself the most revolutionary party in history. It has posed in practical form the most revolutionary question in history: God or Man? It has taken the logical next step which 300 years of rationalism hesitated to take, and said what millions of modern minds think, but do not dare or care to say: If man's mind is the decisive force in the world, what need is there for God? Henceforth man's mind is man's fate.

This vision is the Communist revolution, which, like all great revolutions, occurs in man's mind before it takes form in man's acts. Insurrection and conspiracy are merely methods of realizing the vision; they are merely part of the politics of communism. Without its vision, they, like communism, would have no meaning and could not rally a parcel of pickpockets. Communism does not summon men to crime or to utopia, as its easy critics like to think. On the plane of faith, it summons mankind to turn its vision into practical reality. On the plane of action, it summons men to struggle against the inertia of the past which, embodied in social, political and economic forms, communism claims, is blocking the will of mankind to make its next great forward stride. It summons men to overcome the crisis, which, communism claims, is in effect a crisis of rending frustration, with the world, unable to stand still, but unwilling to go forward along the road that the logic of a technological civilization points out—communism.

This is communism's moral sanction, which is twofold. Its vision points the way to the future; its faith labors to turn the future into present reality. It says to every man who joins it: the vision is a practical problem of history; the way to achieve it is a practical problem of politics, which is the present tense of history. Have you the moral strength to take upon yourself the crimes of history so that man at last may close his chronicle of age-old, senseless suffering, and replace it with purpose and a plan? The answer a man makes to this question is the difference between the Communists and those miscellaneous Socialists, liberals, fellow travelers, unclassified progressives, and men of good will, all of whom share a similar vision, but do not share the faith because they will not take upon themselves the penalties of the faith. The answer is the root of that sense of moral superiority which makes Communists, though caught in crime, berate their opponents with withering self-righteousness.

The Communist vision has a mighty agitator and a mighty propagandist. They are the crisis. The agitator needs no soapbox. It speaks insistently to the human mind at the point where desperation lurks. The propagandist writes no Communist gibberish. It speaks insistently to the human mind at the point where man's hope and man's energy fuse to fierceness.

The vision inspires. The crisis impels. The workingman is chiefly moved by the crisis. The educated man is chiefly moved by the vision. The workingman, living upon a mean margin of life, can afford few visions—even practical visions. An educated man, peering from the Harvard Yard, or any college campus, upon a world in chaos, finds in the vision the two certainties for which the mind of man tirelessly seeks: a reason to live and a reason to die. No other faith of our time presents them with the same practical intensity. That is why communism is the central experience of the first half of the 20th century, and may be its final experience—will be, unless the free world, in the agony of its struggle with communism, overcomes its crisis by discovering, in suffering and pain, a power of faith which will provide man's mind, at the same intensity, with the same two certainties: a reason to live and a reason to die. If it fails, this will be the century of the great social wars. If it succeeds, this will be the century of the great wars of faith.

You will ask: Why, then, do men cease to be Communists? One answer is: Very few do. Thirty years after the Russian Revolution, after the known atrocities, the purges, the revelations, the jolting zigzags of Communist politics, there is only a handful of ex-Communists in the whole world. By ex-Communists I do not mean those who break with communism over differences of strategy and tactics (like Trotsky) or organization (like Tito). Those are merely quarrels over a roadmap by people all of whom are in a hurry to get to the same place.

Nor, by ex-Communists, do I mean those thousands who continually drift into the Communist Party and out again. The turnover is vast. These are the spiritual vagrants of our time whose traditional faith has been leached out in the bland climate of rationalism. They are looking for an intellectual night's lodging. They lack the character for Communist faith because they lack the character for any faith. So they drop away, though communism keeps its hold on them.

By an ex-Communist, I mean a man who knew clearly why he became a Communist, who served communism devotedly and knew why he served it, who broke with communism unconditionally and knew why he broke with it. Of these there are very few—an index to the power of the vision and the power of the crisis.

History very largely fixes the patterns of force that make men Communists. Hence one Communist conversion sounds much like another—rather impersonal and repetitious, awesome and tiresome, like long lines of similar people all stolidly waiting to get in to see the same movie. A man's break with communism is intensely personal. Hence the account of no two breaks is likely to be the same. The reasons that made one Communist break may seem without force to another ex-Communist.

It is a fact that a man can join the Communist Party, can be very active in it for years, without completely understanding the nature of communism or the political methods that follow inevitably from its vision. One day such incomplete Communists discover that the Communist Party is not what they thought it was. They break with it and turn on it with the rage of an honest dupe, a dupe who has given a part of his life to a swindle. Often they forget that it takes two to make a swindle.

Others remain Communists for years, warmed by the light of its vision, firmly closing their eyes to the crimes and horrors inseparable from its practical politics. One day they have to face the facts. They are appalled at what they have abetted. They spend the rest of their days trying to explain, usually without great success, the dark clue to their complicity. As their understanding of communism was incomplete and led them to a dead end, their understanding of breaking with it is incomplete and leads them to a dead end. It leads to less than communism, which was a vision and a faith. The world outside communism, the world in crisis, lacks a vision and a faith. There is before these ex-Communists absolutely nothing. Behind them is a threat. For they have, in fact, broken not with the vision, but with the politics of the vision. In the name of reason and intelligence, the vision keeps them firmly in its grip—self-divided, paralyzed, powerless to act against it.

Hence the most secret fold of their minds is haunted by a terrifying thought: What if we were wrong? What if our inconstancy is our guilt? That is the fate of those who break without knowing clearly that communism is wrong because something else is right, because to the challenge, God or man? they continue to give the answer, man. Their pathos is that not even the Communist ordeal could teach them that man

without God is just what communism said he was: the most intelligent of the animals, that man without God is a beast, never more beastly than when he is most intelligent about his beastliness. "Er nennt's Vernunft," says the Devil in Goethe's Faust, "und braucht's allein, nur tierischer als jedes Tier zu sein"—Man calls it reason and uses it simply to be more beastly than any beast. Not grasping the source of the evil they sincerely hate, such ex-Communists in general make ineffectual witnesses against it. They are witnesses against something; they have ceased to be witnesses for anything.

Yet there is one experience which most sincere ex-Communists share, whether or not they go only part way to the end of the question it poses. The daughter of a former German diplomat in Moscow was trying to explain to me why her father, who, as an enlightened modern man, had been extremely pro-Communist, had become an implacable anti-Communist. It was hard for her because, as an enlightened modern girl, she shared the Communist vision without being a Communist. But she loved her father and the irrationality of his defection embarrassed her. "He was immensely pro-Soviet," she said, "and then—you will laugh at me—but you must not laugh at my father—and then—one night—in Moscow—he heard screams. That's all. Simply one night he heard screams."

A child of reason and the 20th century, she knew that there is a logic of the mind. She did not know that the soul has a logic that may be more compelling than the mind's. She did not know at all that she had swept away the logic of the mind, the logic of history, the logic of politics, the myth of the 20th century, with five annihilating words: one night he heard screams.

What Communist has not heard those screams? They come from husbands torn forever from their wives in midnight arrests. They come, muffled, from the execution cellars of the secret police, from the torture chambers of the Lubianka, from all the citadels of terror now stretching from Berlin to Canton. They come from those freight cars loaded with men, women and children, the enemies of the Communist State, locked in, packed in, left on remote sidings to freeze to death at night in the Russian winter. They come from minds driven mad by the horrors of mass starvation ordered and enforced as a policy of the Communist State. They come from the starved skeletons, worked to death, or flogged to death (as an example to others) in the freezing filth of subarctic labor camps. They come from children whose parents are suddenly, inexplicably, taken away from them—parents they will never see again.

What Communist has not heard those screams? Execution, says the Communist code, is the highest measure of social protection. What man can call himself a Communist who has not accepted the fact that terror is an instrument of policy, right if the vision is right, justified by history, enjoined by the balance of forces in the social wars of this century? Those screams have reached every Communist's mind. Usually they stop there. What judge willingly dwells upon the man the laws compel him to condemn to death—the laws of nations or the laws of history?

But one day the Communist really hears those screams. He is going about his routine party tasks. He is lifting a dripping reel of microfilm from a developing tank. He is justifying to a Communist fraction in a trade union an extremely unwelcome directive of the central committee. He is receiving from a trusted superior an order to go to another country and, in a designated hotel, at a designated hour, meet a man whose name he will never know, but who will give him a package whose contents he will never learn. Suddenly, there closes around that Communist a separating silence, and in that silence he hears screams. He hears them for the first time. For they do not merely reach his mind. They pierce beyond. They pierce to his soul. He says to himself: "Those are not the screams of man in agony. Those are the screams of a soul in agony." He hears them for the first time because a soul in extremity has communicated with that which alone can hear it—another human soul.

Why does the Communist ever hear them? Because in the end there persists in every man, however he may deny it, a scrap of soul. The Communist who suffers this singular experience then says to himself: "What is happening to me? I must be sick." If he does not instantly stifle that scrap of soul, he is lost. If he admits it for a moment, he has admitted that there is something greater than reason, greater than the logic of mind, of politics, of history, of economics, which alone justifies the vision. If the party senses his weakness, and the party is peculiarly cunning at sensing such weakness, it will humiliate him, degrade him, condemn him, expel him. If it can it will destroy him. And the party will be right. For he has betrayed that which alone justifies its faith—the vision of almighty man. He has brushed the only vision that has force against the vision of almighty mind. He stands before the fact of God.

The Communist Party is familiar with this experience to which its members are sometimes liable in prison, in illness, in indecision. It is recognized frankly as a sickness. There are ways of treating it—if it is confessed. It is when it is not confessed that the party, sensing a subtle crisis, turns upon it savagely. What ex-Communist has not suffered this experience in one form or another, to one degree or another? What he does about it depends on the individual man. That is why no ex-Communist dare answer for his sad fraternity the question: Why do men break with communism? He can only answer the question: How did you break with communism? My answer is: Slowly, reluctantly, in agony.

Yet my break began long before I heard those screams. Perhaps it does for everyone. I do not know how far back it began. Avalanches gather force and crash, unheard, in men as in the mountains. But I date my break from a very casual happening. I was sitting in our apartment on St. Paul Street in Baltimore. It was shortly before we moved to Alger Hiss' apartment in Washington. My daughter was in her high chair. I was watching her eat. She was the most miraculous thing that had ever happened in my life. I liked to watch her even when she smeared porridge on her face or dropped it meditatively on the floor. My eye came to rest on the delicate convolutions of her ear—those intricate, perfect ears. The thought passed through my mind: "No, those ears were not created by any chance coming together of atoms in nature (the Communist view). They could have been created only by immense design." The thought was involuntary and unwanted. I crowded it out of my mind. But I never wholly forgot it or the occasion. I had to crowd it out of my mind. If I had completed it, I should have had to say: Design presupposes God. I did not then know that, at that moment, the finger of God was first laid upon my forehead.

One thing most ex-Communists could agree upon: They broke because they wanted to be free. They do not all mean the same thing by "free." Freedom is a need of the soul, and nothing else. It is in striving toward God that the soul strives continually after a condition of freedom. God alone is the inciter and guarantor of freedom. He is the only guarantor. External freedom is only an aspect of interior freedom. Political freedom, as the Western World has known it, is only a political reading of the Bible. Religion and freedom are indivisible. Without freedom the soul dies. Without the soul there is no justification for freedom. Necessity is the only ultimate justification known to the mind. Hence every sincere break with communism is a religious experience, though the Communist fails to identify its true nature, though he fails to go to the end of the experience. His break is the political expression of the perpetual need of the soul whose first faint stirring he has felt within him, years, months, or days before he breaks. A Communist breaks because he must choose at last between irreconcilable opposites—God or man, soul or mind, freedom or communism.

Communism is what happens when, in the name of mind, men free themselves from God. But its view of God, its knowledge of God, its experience of God, is what alone gives character to a society or a nation, and meaning to its destiny. Its culture, the voice of this character, is merely that view, knowledge, experience, of God, fixed by its most intense spirits in terms intelligible to the mass of men. There has never been a society or a nation without God. But history is cluttered with the wreckage of nations that became indifferent to God, and died.

The crisis of communism exists to the degree in which it has failed to free the peoples that it rules from God. Nobody knows this better than the Communist Party of the Soviet Union. The crisis of the Western World exists to the degree in which it is indifferent to God. It exists to the degree in which the Western World actually shares communism's materialist vision, is so dazzled by the logic of the materialist interpretation of history, politics, and economics, that it fails to grasp that, for it, the only possible answer to the Communist challenge: Faith in God or faith in man? is the challenge: Faith in God.

Economics is not the central problem of this century. It is a relative problem which can be solved in relative ways. Faith is the central problem of this age. The Western World does not know it, but it already possesses the answer to this problem—but only provided that its faith in God and the freedom He enjoins is as great as communism's faith in man.

My dear children, before I close this foreword, I want to recall to you briefly the life that we led in the 10 years between the time when I broke with communism and the time when I began to testify—the things we did, worked for, loved, believed in. For it was that happy life, which, on the human side, in part made it possible for me to do later on the things I had to do, or endure the things that happened to me.

Those were the days of the happy little worries, which then seemed so big. We know now that they were the golden days. They will not come again. In those days, our greatest worry was how to meet the payments on the mortgage, how to get the ploughing done in time, how to get health accreditation for our herd, how to get the hay in before the rain. I sometimes took my vacation in hay harvest so that I could help work the load. You two little children used to trample the load, drive the hay truck in the fields when you could barely reach the foot pedals, or drive the tractor that pulled up the loaded harpoons to the mow. At evening, you would break off to help Mother milk while I went on haying. For we came of age on the farm when we decided not to hire barn help, but to run the herd ourselves as a family.

Often the ovenlike heat in the comb of the barn and the sweet smell of alfalfa made us sick. Sometimes we fell asleep at the supper table from fatigue. But the hard work was good for us; and you knew only the peace of a home governed by a father

and mother whose marriage the years (and an earlier suffering which you could not remember) had deepened into the perfect love that enveloped you.

Mother was a slight, overalled figure forever working for you in the house or beside you in the barns and gardens. Papa was a squat, overalled figure, fat but forceful, who taught John, at nine, the man-size glory of driving the tractor; or sat beside Ellen, at the wheel of the truck, an embodiment of security and power, as we drove loads of cattle through the night. On summer Sundays, you sat between Papa and Mama in the Quaker meeting house. Through the open doors, as you tried not to twist and turn in the long silence, you could see the far, blue Maryland hills and hear the redbirds and ground robins in the graveyard behind.

Only Ellen had a vague, troubled recollection of another time and another image of Papa. Then (it was during the years 1938 and 1939), if for any reason she pattered down the hall at night, she would find Papa, with the light on, writing, with a revolver on the table or a gun against the chair. She knew that there were people who wanted to kill Papa and who might try to kidnap her. But a wide sea of sunlight and of time lay between that puzzling recollection and the farm.

The farm was your kingdom, and the world lay far beyond the protecting walls thrown up by work and love. It is true that comic strips were not encouraged, comic books were banned, the radio could be turned on only by permission which was seldom given (or asked), and you saw few movies. But you grew in the presence of eternal wonders. There was the birth of lambs and calves. You remember how once, when I was away and the veterinarian could not come, you saw Mother reach in and turn the calf inside the cow so that it could be born. There was also the death of animals, sometimes violent, sometimes slow and painful—nothing is more constant on a farm than death.

Sometimes, of a spring evening, Papa would hear that distant honking that always makes his scalp tingle, and we would all rush out to see the wild geese, in lines of hundreds, steer up from the southwest, turn over the barn as over a landmark, and head into the north. Or on autumn nights of sudden cold that set the ewes breeding in the orchard, Papa would call you out of the house to stand with him in the now celebrated pumpkin patch and watch the northern lights flicker in electric clouds on the horizon, mount, die down, fade and mount again till they filled the whole northern sky with ghostly light in motion.

Thus, as children, you experienced two of the most important things men ever know—the wonder of life and the wonder of the universe, the wonder of life within the wonder of the universe. More important, you knew them not from books, not from lectures, but simply from living among them. Most important, you knew them with reverence and awe—that reverence and awe that has died out of the modern world and has been replaced by man's monkeylike amazement at the cleverness of his own inventive brain.

I have watched greatness touch you in another way. I have seen you sit, uninvited and unforced, listening in complete silence to the third movement of the Ninth Symphony. I thought you understood, as much as children can, when I told you that that music was the moment at which Beethoven finally passed beyond the suffering of his life on earth and reached for the hand of God, as God reaches for the hand of Adam in Michelangelo's vision of the creation.

And once, in place of a bedtime story, I was reading Shakespeare to John—at his own request, for I never forced such things on you. I came to that passage in which Macbeth, having murdered Duncan, realizes what he has done to his own soul, and asks if all the water in the world can ever wash the blood from his hand, or will it not rather "the multitudinous seas incarnadine?" At that line, John's whole body twitched. I gave great silent thanks to God. For I knew that if, as children, you could thus feel in your souls the reverence and awe for life and the world, which is the ultimate meaning of Beethoven and Shakespeare, as man and woman you could never be satisfied with less. I felt a great faith that sooner or later you would understand what I once told you, not because I expected you to understand it then, but because I hoped that you would remember it later: "True wisdom comes from the overcoming of suffering and sin. All true wisdom is therefore touched with sadness."

If all this sounds unduly solemn, you know that our lives were not; that all of us suffer from an incurable itch to puncture false solemnity. In our daily lives, we were funloving and gay. For those who have solemnity in their souls generally have enough of it there, and do not need to force it into their faces.

Then, on August 3, 1948, you learned for the first time that your father had once been a Communist, that he had worked in something called "the underground," that it was shameful, and that for some reason he was in Washington telling the world about it. While he was in the underground, he testified, he had worked with a number of other Communists. One of them was a man with the odd name of Alger Hiss. Later, Alger Hiss denied the allegation. Thus the great case began, and with it our lives were changed forever.

Dear children, one autumn twilight, when you were much smaller, I slipped away from you in play and stood for a moment alone in the apple orchard near the barn. Then I heard your two voices, piping together anxiously, calling to me: "Papa, Papa," from the harvested cornfield. In the years when I was away 5 days a week in New York, working to pay for the farm, I used to think of you both before I fell asleep at night. And that is how you almost always came to me—voices of beloved children, calling to me from the gathered fields at dusk.

You called to me once again at night in the same orchard. That was a good many years later. A shadow deeper and more chilling than the autumn evening had closed upon us—I mean the Hiss case. It was the first year of the case. We had been doing the evening milking together. For us, one of the few happy results of the case was that at last I could be home with you most of the time (in life these good things usually come too little or too late). I was washing and disinfecting the cows, and putting on and taking off the milkers. You were stripping after me.

In the quiet, there suddenly swept over my mind a clear realization of our true position—obscure, all but friendless people (some of my great friends had already taken refuge in aloofness; the others I had withdrawn from so as not to involve them in my affairs). Against me was an almost solid lineup of the most powerful groups and men in the country, the bitterly hostile reaction of much of the press, the smiling skepticism of much of the public, the venomous calumnies of the Hiss forces, the all but universal failure to understand the real meaning of the case or my real purpose. A sense of the enormous futility of my effort, and my own inadequacy, drowned me. I felt a physical cold creep through me, settle around my heart and freeze any pulse of hope. The sight of you children, guiltless and defenseless, was more than I could bear. I was alone against the world; my longing was to be left completely alone, or not to be at all. It was that death of the will which communism, with great cunning, always tries to induce in its victims.

I waited until the last cow was stripped and the last can lifted into the cooler. Then I stole into the upper barn and out into the apple orchard. It was a very dark night. The stars were large and cold. This cold was one with the coldness in myself. The lights of the barn, the house and the neighbors' houses were warm in the windows and on the ground; they were not for me. Then I heard Ellen call me in the barn and John called: "Papa!" Still calling, Ellen went down to the house to see if I were there. I heard John opening gates as he went to the calf barn, and he called me there. With all the longing of my love for you, I wanted to answer. But if I answered, I must come back to the living world. I could not do that.

John began to call me in the cow stable, in the milkhouse. He went into the dark side of the barn (I heard him slide the door back), into the upper barn, where at night he used to be afraid. He stepped outside in the dark, calling: "Papa, Papa"—then, frantically, on the verge of tears: "Papa." I walked over to him. I felt that I was making the most terrible surrender I should have to make on earth. "Papa," he cried and threw his arms around me, "don't ever go away." "No," I said, "no, I won't ever go away." Both of us knew that the words "go away" stood for something else, and that I had given him my promise not to kill myself. Later on, as you will see, I was tempted, in my wretchedness, to break that promise.

My children, when you were little, we used sometimes to go for walks in our pine woods. In the open fields, you would run along by yourselves. But you used instinctively to give me your hands as we entered those woods, where it was darker, lonelier, and in the stillness our voices sounded loud and frightening. In this book I am again giving you my hands. I am leading you, not through cool pine woods, but up and up a narrow defile between bare and steep rocks from which in shadow things uncoil and slither away. It will be dark. But, in the end, if I have led you aright, you will make out three crosses, from two of which hang thieves. I will have brought you to Golgotha—the place of skulls. This is the meaning of the journey. Before you understand, I may not be there, my hands may have slipped from yours. It will not matter, for when you understand what you see, you will no longer be children. You will know that life is pain, that each of us hangs always upon the cross of himself. And when you know that this is true of every man, woman and child on earth, you will be wise.

YOUR FATHER.

NUCLEAR TEST BAN MORATORIUM

Mr. DODD. Mr. President, within recent months, according to the latest Gallup poll, there has been a very dramatic shift of opinion on the continuation of the nuclear test ban moratorium. Indeed, I can recall few shifts of opinion so dramatic or so rapid.

In December 1959, the Gallup poll found that 77 percent of the public favored continuing the moratorium, which was then approximately 1 year old.

In samplings taken at the end of June of this year, the Gallup poll found that 55 percent of the public thinks the United States should resume tests, while only 26 percent remain opposed. I was particularly impressed by the fact that among college graduates the percentage

favoring the resumption of testing was even higher than for the general public: 59 percent.

It is my belief, Mr. President, that this poll has again demonstrated the basic good sense of the American public and its ability to reevaluate positions in the light of new evidence. The American people now seem to understand that the Soviets have been using the Geneva negotiations for their own purpose and that we are jeopardizing our own security by continuing a moratorium which the Kremlin has in all probability never observed.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the recent report by George Gallup, director of the American Institute of Public Opinion, as printed in the New York Herald Tribune for July 12, 1961.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

POLL FINDS DISTRUST OF REDS: PUBLIC SHIFTS—MAJORITY NOW FOR TEST-BAN END

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N.J., July 11.—A majority of the American public now thinks the United States should resume nuclear bomb tests.

This marks a reversal of opinion from December 1959, when the Gallup poll found an overwhelming majority (77 percent) of the public favoring a continuance of the then year-old agreement between the United States and Russia to ban nuclear bomb tests.

Today, with the moratorium on tests almost 3 years old, 55 percent of the public thinks the United States should resume tests, while 26 are opposed.

With the debate going on in official circles over the pros and cons of resuming tests, Gallup poll reporters put the following question to a carefully selected cross section of the American public:

"Since November 1858, the United States and Russia have been trying to reach a permanent agreement on the control and inspection of nuclear bomb tests. During this period each country voluntarily agreed not to conduct any tests, but no permanent agreement has been reached. Do you think the United States should resume tests at this time, or not?"

Here are the results:

United States resume testing?

	Percent
Should	55
Should not	26
No opinion	19

Among those who have had some college training, opinion is 59 percent to 33 percent in favor of the resumption of tests, as the following table shows:

United States resume tests?

	Should	*Should not*	*No opinion*
College	59	33	8
High school	56	27	17
Grammar, none	50	23	27

Men are somewhat more in favor of resuming tests than are women.

Attitudes on this issue cut across party lines, with little difference being noted between the views of Republicans, Democrats, and Independents.

The survey finds that opinion on the question divides largely on the basis of whether or not a person believes that Russia is living up to its part of the agreement.

Again and again the belief is expressed that Russia is secretly testing nuclear bombs and that the United States must, therefore, resume tests so that Russia will not get into a position of greater power than the United States.

A 63-year-old nurse's aid from Osage, Iowa, put it this way:

"I don't know why we should sit back and wait for them—they're probably going ahead with testing."

The same distrust of Russia's activities underlies the reasons of others who would like to see the ban lifted. They make the point that the United States must be prepared in case of an attack and that a resumption of tests vital to our survival.

Typical comments:

"We should test so that we won't be caught short. If we keep right on working, we will have the same as they have," said a 42-year-old diesetter in Romulus, Mich.

A 47-year-old clergyman in Allentown, Pa., reasoned this way: "It's a matter of survival. Russia possibly has been testing secretly."

Some who want a resumption of tests point out that they are necessary if we are to develop new knowledge concerning nuclear weapons.

Underlying the opinion of those who think the United States should not resume testing is the belief that Russia is so far living up to their part of the agreement.

Many in this group think that the United States should stick to the agreement and that we should not break the treaty unless Russia starts testing.

"We should be as good as our word," is the view of a 71-year-old judge from Alamo, Tenn.

"An agreement is an agreement unless we have proof Russia is testing," said a 65-year-old dairy farmer in Vermont.

Others urge that we should geep negotiations going if possible and keep working for a permanent agreement.

Some of those opposed to the resumption of nuclear bomb tests do so on the ground of health and point to the dangers of radioactivity:

"There is a lot of sickness coming through those things," said a 69-year-old candymaker in Portland, Maine. "They should be stopped—they are upsetting the world."

SENATOR AIKEN DESCRIBES RURAL AMERICA'S DEBT TO THE LATE SENATOR NORRIS

Mr. PROXMIRE. Mr. President, this week we celebrate the 100th anniversary of the birth of the late Senator George W. Norris. Senator Norris is remembered as the valiant champion of rural electrification. It was he who led the long struggle to free rural America from the bondage of darkness, by bringing to the people of our farm areas the great benefits of electricity which we now take for granted.

George Norris was a great Senator, one of the greatest. Besides the REA, he championed many other measures to improve the conditions of life of that greatest of majorities, the American common man. The battle for the Tennessee Valley Authority and the fight against private power and oil interests are two other crusades for which he is remembered.

And beyond his enormous legislative achievements, George Norris was a great human being. He was a man of moral stature, and to know him was an enrichment and a source of personal improvement. The late President Franklin D. Roosevelt, in a profoundly moving speech at McCook, Nebr., Norris' birthplace, during the 1932 presidential campaign, said of him:

He stands forth as the very perfect, gentle knight of American progressive ideals.

This was said when Norris still had 12 years to live, but it remains today as a singularly appropriate epitaph for this great American.

Mr. President, our distinguished colleague, the senior Senator from Vermont, Senator AIKEN, has recently written an article on "The Debt Rural America Owes George Norris," which was published in the July 1961 issue of the Wisconsin REA News.

The Senator from Vermont [Mr. AIKEN] is thoroughly familiar with the benefits which rural electrification has brought to our Nation. His sage and witty wisdom has served us well on the Agriculture Committee, of which he was formerly chairman. He knows whereof he speaks when he salutes the late Senator Norris.

It gives me great pleasure, therefore, to ask unanimous consent that Senator AIKEN's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DEBT RURAL AMERICA OWES GEORGE NORRIS

(By Senator GEORGE D. AIKEN, of Vermont)

(The late, great Senator from Nebraska, whose 100th anniversary the Nation observes July 11, made it possible for farmers and rural people to enjoy the blessings and benefits of modern, electrical living.)

Nearly all of the farm and rural people of America today enjoy the blessings, and benefits of modern electrical living, thanks in large measure to the valiant and persistent struggle that the late, great Senator George W. Norris waged to pass the Rural Electrification Act a quarter of a century ago.

Senator Norris' championing of the REA Act, of which he was both author and cosponsor, freed rural America from the "Dark Ages." This monumental contribution to the welfare of rural people will always be a living memorial to this fearless statesman from Nebraska whose 100th birthday the Nation commemorates July 11.

But REA is only one of an impressive list of accomplishments emblazoned on Norris' long record of public service which included 40 years in the U.S. Congress.

Another of his notable achievements was the courageous fight he led to establish the Tennessee Valley Authority. In my opinion, TVA and REA have done more to raise the standard of living of rural people and to give hope to millions of farm families than anything else in the history of our Nation.

Although George Norris championed the cause of people generally, he was particularly concerned with the welfare of rural people. This deep concern for farm folks was indelibly imprinted on his character during the formative years of his life.

Left fatherless at the age of 4 and having lost his only brother, who could have become the family mainstay, one can readily understand why young George bitterly resented the fact that his mother was required to work incessantly—indoors and out—to raise her large family.

Impressions fixed on one's character between the ages of 4 and 14 can never be erased, and the hardship years which Norris spent on his mother's Ohio farm undoubtedly molded into his character the dedication to the cause of alleviating the hardship and

drudgery of the people of this Nation who had to till the soil for a living.

His determination to help rural people, coupled with his indomitable courage, led to the establishment of TVA and REA, in spite of opposition that would have seemed insurmountable to any one of lesser fortitude.

Largely as a result of the REA victory, American agriculture has become the envy of the world and it is our country's most potent weapon in the defense of democratic government.

Were it not for the fact that TVA and REA tower above his other accomplishments as a legislator, he would still command an impressive position in history by virtue of his successful efforts in the cause of the workingman and the efficient functioning of the legislative branch of the Federal Government.

To this day, vested economic interests and unscrupulous political powers detest the name of George Norris and this fact in itself creates another monument to his name.

When we celebrate the 100th anniversary of a great man, it is not sufficient merely to note his achievements. Such a commemoration would hardly constitute a tribute worthy of his noble name, for George Norris carried on a work which he did not begin and which he did not finish. It will never be finished.

The degree to which we honor his name will be determined by the manner in which we carry on the work he left unfinished. For instance, millions of citizens of this Nation are still waiting for the benefits of natural resources development, which the people in the TVA and other areas have enjoyed for many years.

The United States needs strong leadership today to carry on the battle to develop our natural resources for the benefit of all, and not just for the profit of a few.

The memory of George Norris should serve to remind us that the challenge today is as urgent as it was in his day.

The continuing trend toward concentration of people, industry, and political power in a relatively few mammoth industrial and urban areas must be stemmed if we are to maintain maximum economic, social, and security levels in this country.

The rural areas must be preserved and revitalized if we expect our Nation to remain strong. George Norris recognized this to be a fact. This is one reason why he exerted such heroic efforts to establish the TVA and REA programs.

If he were alive today, he would be in the forefront of the crusade to reverse the declining economy of rural America. It now falls to our lot to continue the work he so valiantly carried on. Great areas of the country are still awaiting the full development of their land, water, and other resources. When this is done, large sections will become available for increased agricultural and industrial development and these areas will furnish thousands of people with a far more rewarding and satisfying way of life than they have ever before experienced.

Development of our resources in those areas will provide a background and an environment of forests, lakes, rivers, farms, villages, churches, modern schoolhouses, and electrically equipped homes. This is the type of environment that George Norris fought for—healthy places where men and women could live and work in decent surroundings.

And, in keeping faith with the Norris legacy, we must see to it that the people of our Nation have the vast amounts of electricity they will need, and at the lowest rates possible.

It requires no sixth sense or crystal ball to realize that the electric industry, and particularly cooperative rural electrification, are on the threshold of a period of skyrocketing demands for their product. During the first 25 years of rural co-op electrification, the use of power on the farms has doubled about every 5 years.

To meet the rapidly growing needs of consumers of rural electric systems presents a challenge of tremendous proportions. For instance, it is estimated that within the next 10 years the demand by all power users will increase 1 trillion kilowatt-hours, requiring about 85 percent more generating capacity than we have today.

To provide this colossal increase in electrical production will require all the resources of public, cooperative, and commercial power interests combined. It will necessitate the construction of generating plants of from 300,000 to a million kilowatts' capacity.

More efficient generating plants will have to be built, and we shall have to rely more and more on power produced from atomic energy. In addition, we must harness the remaining sources of hydroelectric power.

To distribute the huge amounts of electricity that will be used in the future, a nationwide system of transmission lines will be necesary with both private, public, and co-op utilities pooling their supplies and drawing from these common-carrier, high-voltage lines to serve the needs of their consumers.

The trend to giant generating and transmission facilities has already begun. It cannot be stopped.

The question confronting Americans now is whether this trend shall be permitted to grow into a huge power monopoly or whether it shall be so managed as to contribute the greatest benefit possible to the most people possible.

Since 20 percent of the new energy which we must develop during the next decade will be used on farms and rural areas, it is our job in carrying on the unfinished work of George Norris to see that our rural people are not only furnished with adequate electricity at reasonable prices, but, also, that they have full access to power sources, old and new, on terms equal to those given the most favored corporate interests.

This challenge of insuring full and equitable development and distribution of the products of our natural resources is as great a challenge as any that confronted George Norris. The finest and most meaningful honor which we can pay him, and the one which I know he would appreciate most, will be to resolve that we will carry on his crusade to make a better life for the people of America.

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

Mr. JOHNSTON. Mr. President, there are several reasons why I am opposed to the Mutual Educational and Cultural Exchange Act and, therefore, will vote against this program. In the first instance, I oppose this exchange program on grounds that it is entirely too inclusive in nature, in that it attempts to be a consolidation of many enactments now on the statute books. It has failed in this endeavor because it is not specific enough. This is, of course, legislation to enact the program and, therefore, does not carry any appropriations, but the fact that no limitation has been established on how much money will be spent is bad. The threat of wasting money under the program by overspending will always confront us. Then, again, there is no provision for the termination of this program. We are creating a creature with an all too permanent characteristic. In my opinion, it is simply a devious means of appropriating foreign aid without calling it such.

In the second case, I feel that educational programs, as part of our foreign relations, have had no direct relationship to our foreign policy. These exchange programs, by the very nature of the language of the legislation, are not meant to be propaganda instruments to try to convert anyone to our point of view or even our system of democracy; whereas, on the other end of the stick, when our students go overseas they are confronted in many cases with a barrage of propaganda.

In the third instance, I oppose this program because the cost will be a tremendous financial burden on taxpayers who at this particular time in our history, we all know, are going to be called upon to tighten their belts and "shell out" more money for national defense. The world situation seems to be closing in on us as it was prior to World War II. I think the Congress can find a much more useful and beneficial way to spend money for the protection of our Nation and the perpetuation of democracy.

I sincerely believe that encouraging foreigners to be interested in and to understand our American way of life and the principles of democracy is necessary and good. Certainly we in the United States have much to offer other nations, culturally and educationally; however, when we must underwrite and pay for the whole deal practically, then I think we are carrying such a program to an extreme. There is this fact to remember: In the United States today there are literally hundreds of capable American students being turned away from institutions of higher learning because of the increasing pressure of tremendous enrollment, so when we encourage the importation of foreign students, we must remember we are possibly creating a condition that will deprive an American student of education. The State governments, private foundations, and even the Federal Government are striving at every turn to increase facilities at universities and colleges but we still can not keep up with the population expansion. I sincerely feel that a definite limit on spending and other aspects of this legislation should be written out clearly and in definite terms. The program also should be limited in scope so that it will automatically come before the Congress for review.

And last but not least, I want to make an objection to that provision of the bill which would allow for money which is appropriated 100 percent from the U.S. Treasury to be directed, channeled, or programed through the United Nations, UNESCO, or some other international organization. At the present time we already have provisions which allow funds to be provided to such international organizations, primarily UNESCO.

The question is whether we want to change our other programs from ones which are directed and controlled by the Department of State and executive offices of this country or whether we want to turn our programing over to the

United Nations and UNESCO. Personally, I vigorously oppose supplying additional funds to organizations which are influenced as much by the Communists as they are by our Government, even though we supply the financing. If we are going to spend U.S. tax money to lift the standard of living of peoples of other nations, then I do not want the Communists to have any control over the way the money is spent, and I certainly want the United States, not the United Nations, to get credit for providing our tax money.

I cannot vote for the creation of a never-ending, no-limit-to-spending, vague piece of legislation such as this bill. For these reasons I shall vote against this proposed legislation.

JOHN BIRCH SOCIETY LEADERS USE TACTICS HINDERING FIGHT AGAINST COMMUNISM

Mr. YOUNG of Ohio. Mr. President, to meet the challenges posed by Communist imperialism in this grim period of international anarchy, our country needs the harmonious accord of all our people.

The organization which now is doing the most to undermine national unity is the John Birch Society, so-called. Only the lack so far, of M–1 rifles and a military organization separates the John Birch Society and its duce Mussolini, Robert Welch, from fascism and nazism. His doctrine is fascism and his goal is power. He is aping Adolf Hitler and using the tactics Hitler used on his road to power.

The Fascist-minded dictator who runs the John Birch Society with an iron hand once sought office through democratic channels. In 1950 he was defeated for the Republican nomination for Lieutenant Governor of Massachusetts. His campaign failed miserably. Frustrated by his lack of personal political success, Welch turned against the political process itself, and against our form of government.

This demagog of the far right has written:

> Democracy is merely a deceptive phrase, a weapon of demagogery, and a perennial fraud.

In his privately circulated book, "The Politician," Welch said the "whole Supreme Court is a nest of Socialists and worse."

He termed General Eisenhower "a dedicated, conscious agent of the Communist conspiracy." He added of Eisenhower, "There is only one possible word to describe his purpose and actions. That word is treason."

Others he attacked as "agents" or "supporters" of communism included Allen Dulles, Gen. George Marshall, and Dr. Milton Eisenhower.

Welch's equivalent of "Mein Kampf" is the Blue Book, a transcript of the 2-day monolog he delivered to 11 anonymous men at Indianapolis in December 1958.

This blue book is the biggest mishmash of pseudophilosophy, mangled religion, poetry, and jumbled history ever offered to the American public.

In the United States, Welch asserts that as of July 1, 1960, the Communists have a 40 percent minimum of total control. He fulminates against what he calls Communist influence over press, radio, and television. He says preachers "use their pulpits to preach outright communism."

In his view, even the American Medical Association has been seduced and the chamber of commerce "infiltrated" by Communists.

Then comes his conclusion, "that American support of the international Communist conspiracy is now the backbone of its strength and has been for many years."

Robert Welch is a Fascist-minded demagog. He has made it clear that the type of government he advocates would be against civil rights and hysterically antilabor. He hopes to weld the anti's—the spreaders of racial hate, the bully boys, and the lunatic rightwing fringe everywhere into a political movement for power. His plan apes Mussolini's "Squadristas." No doubt later will come the castor oil and horsewhips.

Since the witchhunts of early 1950's, some of our fellow citizens have enjoyed seeing spooky things under their neighbors' beds. Not only do some persons see Communists and other spooks under beds, but like legendary old maids, they hoist their skirts from imaginary mice. The John Birch society preys on those fears.

These radicals of the right in many communities have been practicing character assassination without regard for the truth, threatening merchants with boycotts, threatening college professors and school principals with dismissal. They spread fear, hatred, and suspicion. They even propose infiltrating such fine, worthwhile civic organizations as the Parent-Teachers' Association.

In my judgment, the Fascist-minded John Birch society organizers are as serious a threat to our security and way of life as is internal communism. Unfortunately many well meaning men and women are being duped by the mercenary promoters of this ultrarightwing society—or group of cells with secret membership lists modeled on the Communist Party.

Mr. President, on the front page of today's Washington Post and Times Herald there appears the report of an interview with a former Russian spy, Anatoli Granovsky. Mr. Granovsky was formerly a captain of political intelligence in the ministry of state security of the Soviet Union in 1945 and 1946. Earlier he had been a member of the NKVD, the Soviet secret police. He is evidently a man well experienced in Russian subversive techniques and eminently qualified to speak on this subject. It is noteworthy that Mr. Granovsky is quoted as saying:

> The Soviet Communists would sacrifice a thousand American Communists to save the John Birch Society, for instance. I don't mean the Birch Society is Communist infiltrated. It doesn't have to be. By discrediting prominent Americans, it confuses the population about whom to trust.

The article also points out methods used by Mr. Granovsky and other Soviet agents in destroying democracy in Czechoslovakia and replacing it with communism. It states:

> The Soviets also used tactics to divide Protestants and Catholics, Czechoslovakians, Sudeten-Germans and Slovaks, and to discredit businessmen, he said. Czechoslovakia was a highly developed country, the only one in eastern Europe to maintain a democratic form of government between the two World Wars, and had a high standard of living. "Not just backward countries, but any community or country can thus be destroyed," declared the former NKVD man.

Mr. President, if these are the tactics required to undermine a free society and democratic institutions and therefore pave the way for communism, the leaders of the John Birch Society are unwittingly acting as the handmaidens of the Soviet Union. In their attempt to spread fascism—a sister ideology of communism—these leading John Birchites are in reality furthering Communist aims.

As I have said before, we should not have a congressional investigation of the John Birch Society. These rightwing, wrong-minded radicals, misguided as they are, have the right to organize, collect dues, make ludicrous claims and seek to discredit worthy, loyal, and devoted Congressmen and jurists.

We have the means and the will to inform the people. With the people informed, I have no doubt that this totalitarianism of the right will be rejected and our great American system of government and our traditional American way of life will continue to flourish.

While jousting with alleged Communists they falsely claim are among their neighbors and faculties of our colleges and in the clergy, these pseudo-Fascists make no mention of Communist aggression from abroad. Their real interest is not in helping to prevent the spread of communism but rather to undermine our own basic institutions in order to better enable them to seize power and turn America into a Fascist state.

Deluded people persuaded to join the John Birch Society would do well to repudiate mercenary Fascist-minded demagogs who have been misleading and deceiving them.

Regarding the so-called John Birch Society, Attorney General Robert F. Kennedy stated:

> They make no contribution, in my estimation, to fight against communism here in the United States. In fact, I think if anything, they are a hindrance.

I fully agree with this statement by the chief legal officer of our Government. Thoughtful informed Americans know that the present grave danger to this Nation and to the peace of the world comes from Communist Russia and Red China.

RED CHINA AND THE UNITED NATIONS

Mr. BENNETT. Mr. President, during the past few days I have been reading with increasing alarm the newspaper accounts which indicate that our policy with respect to admission of Red China into the United Nations is softening.

The administration now seems to have taken a position that there is not much use fighting this battle any longer. Secretary of State Rusk admitted during his press conference on June 27 that the United States has no plan whatsoever for blocking the move for consideration of Red China's admission.

I believe the attitude of the administration is outlined quite effectively in a newspaper article in which Representative M. BLAINE PETERSON, of Utah, reports on a briefing session in which Adlai Stevenson outlined his views on this subject. The article, from the Ogden Standard Examiner, Ogden, Utah, of July 10, 1961, is as follows:

Representative M. BLAINE PETERSON, Democrat, of Utah, said today a program should be launched immediately "to condition the U.S. mind" to the admission of Red China to the United Nations.

The Ogden Democrat said Adlai Stevenson, U.S. Ambassador to the U.N., is convinced Red China will be admitted to the U.N. at its next General Assembly.

Representative PETERSON said Mr. Stevenson expressed this belief during a briefing session of Congressmen at the dedication of the United States new Embassy building in early June.

"During a trip to New York City, several Congressmen were called into a briefing session with Mr. Stevenson.

"He told us that the next time the admission of Red China comes up in the U.N. the vote will favor Red China. Mr. Stevenson indicated England and other of our allies are in favor of giving Red China a U.N. seat."

Representative PETERSON quoted Mr. Stevenson as saying, "We don't have the votes to head it off."

The Utahan said a member of Mr. Stevenson's staff was asked what policy the United States has developed to follow if Red China is admitted to the U.N.

"He said we have no policy if this happens," Representative PETERSON said.

The Utah Congressman said "we need a policy to follow if Red China is admitted and we must condition the United States' mind to it."

Mr. President, I think the grave situation we now face throughout the world calls for a more resolute, a more determined, a more imaginative approach to the Communist threat than is indicated in this article. Admittedly, our United Nations delegation faces a difficult problem with respect to the upcoming vote on admission of the Chinese Communists. But instead of devoting their attention to conditioning the American mind to a defeat on this vote, our leaders should be making every effort to prevent such defeat. This administration has shown itself to be extremely adept at the art of legislative maneuvering on Capitol Hill; I would think they would have some techniques which could be used effectively in promoting our cause in the U.N.

Mr. President, the Communists believe that time is on their side, and that the tide of events is moving in their direction. A posture of retreat on the part of the United States can only add to that conviction. Instead, let us again resume an attitude of resolution and determination worthy of a great nation such as ours.

DEPARTMENT OF URBAN AFFAIRS AND HOUSING

Mr. CLARK. Mr. President, at the recent Governors' conference held in Hawaii, a group of our State chief executives particularly concerned about the mounting seriousness of the problems facing urban and metropolitan areas considered the proposal by President Kennedy that a Department of Urban Affairs and Housing be created.

It was the judgment of this informal group of 17 Governors that the President's proposal, as contained in S. 1633, which I was happy to cosponsor, along with 13 other distinguished Senators, was worthy of their support.

As I have indicated, this was an informal gesture on the part of these Governors, and represents, as such, I am sure, only a partial list of the State chief executives who stand in support of the establishment of this important new Department.

These Governors, plus many others who support the bill, recognize that the solution of urban and metropolitan problems is critical to the continued welfare of their own States—as well as for the Nation as a whole.

I believe it is quite obvious that the economic health and social well-being of our urban and metropolitan areas is essential to the economic health and social well-being of the States of which they are a part.

These Governors have recognized that the new Department is intended to work with them and for them in helping local governments solve the great problems developing out of urbanization and metropolitanization. They also recognize that the Department is an essential instrument in helping them to strengthen their own hands in coming to grips with these problems with ever-increasing effectiveness and dispatch.

Mr. President, I ask unanimous consent that the endorsement of these 17 Governors as expressed in the telegram to the Senator from Arkansas [Mr. MCCLELLAN], chairman of the Senate Government Operations Committee, and to Representatives DAWSON, chairman of the House Government Operations Committee, be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JUNE 28, 1961.

Senator JOHN L. MCCLELLAN,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.
Hon. WILLIAM L. DAWSON,
Chairman, Government Operations Committee, U.S. House of Representatives, Washington, D.C.:

The following Governors attending the 53d annual meeting of the Governors' conference in Honolulu, Hawaii, recognize that 7 out of 10 persons live in the urban political subdivisions of the States and confront the States and Nation with the need for coordinated development of housing, transportation, slum clearance, and urban renewal. We therefore, recommend the establishment of a cabinet department at the Federal level to join the States and localities in meeting these problems in an effective manner. We urge the Congress to consider and adopt legislation at this session to accomplish this end along the lines proposed by the President to the Congress.

Edmund G. Brown, California; David L. Lawrence, Pennsylvania; Robert Meyner, New Jersey; Steve McNichols, Colorado; John B. Swainson, Michigan; Albert D. Rosellini, Washington; John Dempsey, Connecticut; Buford Ellington, Tennessee; Gaylord Nelson, Wisconsin; Bert T. Combs, Kentucky; Matthew E. Welsh, Indiana; William W. Barron, West Virginia; John A. Notte, Rhode Island; Elbert N. Carvel, Delaware; William M. Guy, North Dakota; Ralph M. Paiewonsky, Virgin Islands; and J. Howard Edmondson, Oklahoma.

THE JOHN BIRCH SOCIETY

Mr. CLARK. Mr. President, in this morning's Washington Post and Times-Herald there appeared an interesting article written by Marquis Childs entitled "Birchites Finding Allies in Military." The article refers to the ultra right-wing members of our military forces who are holding public meetings under the auspices of chambers of commerce and like organizations, in order to advance the point of view expressed by the fanatical lunatic fringe which constitutes the John Birch Society. One of these meetings took place in Pittsburgh, Pa., recently, and was, therefore, of keen interest to me.

Mr. President, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIRCHITES FINDING ALLIES IN MILITARY

(By Marquis Childs)

One of Secretary of Defense Robert McNamara's goals is to make sure that the military is not playing politics under the guise of educating the public to the menace of the cold war.

It was an Eisenhower administration directive of 1958, still in force, that put the military in the business of helping to alert Americans to the need for an overall cold war strategy. This was a radical departure from American tradition which has held that the place of the military in American life is strictly limited to the professional task of training and equipping the armed services for the Nation's defense.

A memorandum recently sent from Capitol Hill to the White House and thence to the Department of Defense suggests that, with the directive as a justification, some of the military are aiding and abetting the radical right which at the extreme end of the political spectrum is represented by the John Birth Society. This goes so far as to include opposition—implied if not open—to programs such as foreign aid championed by both Presidents Eisenhower and Kennedy.

There is particular sensitivity about the foreign-aid issue, since the President is currently and somewhat belatedly trying to rally the widest possible support for his proposal to expand the scope of the foreign-aid program. For the radical right and certain of its military allies, spending for foreign aid is not merely a waste but perhaps downright subversive. Men in uniform have taken a leading part in, and in some instances have initiated, the memorandum points out, "Alerts," "Seminars," "Freedom Forums," "Strategy for Survival Conferences," and "Fourth Dimensional Warfare Seminars."

"The content no doubt has varied from program to program," the study notes, "but running through all of them is a central theme that the primary, if not exclusive, danger to this country is internal Communist infiltration. Past and current international difficulties are often attributed to this or ascribed to 'softness,' 'sellouts,' 'appeasements,' et cetera. Radical rightwing speakers dominate the programs.

"The thesis of the nature of the Communist threat often is developed by equating social legislation with socialism and the latter with communism. Much of the administration's domestic legislative program, including continuation of the graduated income tax, expansion of social security (particularly medical care under social security), Federal aid to education, et cetera, under this philosophy, would be characterized as steps toward communism."

The memorandum cites several examples. One was a "Fourth Dimensional Warfare Seminar," sponsored by the Chamber of Commerce of Greater Pittsburgh "in cooperation with various military organizations in the Pittsburgh area." The principal speaker was an Adm. Chester Ward (Ret.) who was quoted as saying that "some of the advisers now surrounding the President" have philosophies regarding foreign affairs "that would chill the typical American." He referred to Ambassador to the United Nations Adlai Stevenson and Ambassador to Yugoslavia George F. Kennan by name.

A year ago the U.S. Naval Air Station at Glenview, Ill., initiated an "Education for American Security" school. The speakers were for the most part professional anti-Communists who earn their living by specializing on the "danger from within" theme.

The fear of congressional and other critics of this approach is that far from uniting Americans in the face of a grave threat from the Communist challenge everywhere it has the opposite effect. By creating fear, suspicion, and hatred it sets Americans against each other. Hammering on the theme of infiltration and internal subversion, it suggests that professional agencies such as the FBI have failed to protect the Nation. Or, conversely, it implies that security agencies, preferably military, should be put in charge of indoctrination of the civil population.

A proper step has just been taken in putting the activities carried out within the scope of the directive of 1958 under the Assistant Secretary for Public Affairs, if the military is to take part in this kind of activity it should at the very least be coordinated with the programs the Government is actively sponsoring.

There is little sense in one arm of the Government undercutting the policy that another arm of Government is trying to implement. The net effect is to make this country look so confused and so frightened as to be unable to contemplate the realities of the present-day world.

TAX LOOPHOLES

Mr. CLARK. Mr. President, we shall soon have an opportunity in the Senate to vote to close loopholes in our tax laws so as to obtain more revenue under our tax system and to enable our Government to finance its operations, and to prevent people from using improper ways and means to avoid just taxation.

An excellent editorial on this subject, entitled "Spare No Expenses," was published in the Washington Post and Times Herald this morning, and I ask unanimous consent to have it printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SPARE NO EXPENSES

The Ways and Means Committee has been struggling with the thorny question of business expense allowances. Our credit card economy, which has appropriately been called the ultimate flower of demand feeding, costs the Government some $250 million annually in revenues that the Treasury would like to collect. The Treasury deserves support particularly for its proposal to cut down sharply on business entertainment allowances.

To disallow an expenditure as a tax deduction does not prohibit the activity. It merely means that the Treasury bows out as cohost, letting the full cost fall upon the business that chooses to spend this money. That, in our judgment, is precisely where the cost of yachts, hunting lodges, and other forms of high corporate living belongs.

Here for once is an opportunity to close a so-called tax loophole and at the same time improve in some measure the use to which resources are put. In many other instances of loophole closing, the tax tends to fall upon money that otherwise might have been used for productive investment. Disallowance of entertainment expenditures, insofar as it reduces them, serves to curtail pure luxury consumption. As the economy expands again and begins once more to strain productive capacity, the labor and capital involved can be more usefully directed toward investment in plant and equipment that will aid economic growth.

The Treasury has been told that its proposal would hurt restaurants, theaters, and other parts of the entertainment world. It would be a very adverse commentary upon the needfulness of these business expenditures if the withdrawal of the Federal subsidy caused them to be largely discontinued. Likewise, it would be a sad commentary upon the entertainment industry if it proved to have been supported entirely by businessmen out of the goodness of their expense accounts. The chances are that business entertaining would not come to a full stop even if it ceased to be deductible. In our affluent society there are presumably some people who have been enjoying good food and wine at their own expense.

As far as the theater is concerned, at least one witness close to show business has testified that the Treasury's proposal would be an excellent thing. It would give the rank and file, many of whom have given up trying for tickets, a better chance to get in. The theater will in any case remain heavily subsidized by the Treasury, in the form of tax deductions claimed by the angels supporting unsuccessful shows. If the Government is to subsidize the theater, which seems appropriate, there is no reason why the play bill should be largely determined by the tastes of tired businessmen with an evening in town to kill. More people will see better theater if the expense account is less in evidence.

PROPOSED DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY

Mr. CLARK. Mr. President, I commend to the attention of Senators an excellent editorial on recent proposals made by President Kennedy to establish a U.S. Disarmament Agency for World Peace and Security. I point out that, to my way of thinking, the proposed legislation is one of the most important subjects now pending before the Congress. I hope it will be promptly reported to the Senate and passed by a large majority.

I ask unanimous consent that the editorial entitled "A Small Wager on Peace," published in the Evening Bulletin of Philadelphia on July 5, 1961, be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A SMALL WAGER ON PEACE

It is a sad commentary on the state of the world that President Kennedy's proposal for the establishment of a U.S. Disarmament Agency for World Peace and Security has created only a small ripple of comment.

The reason obviously lies in the disillusionment produced by a long succession of disappointments. Discussions with the Russians that began hopefully have all foundered on Soviet intransigence. The collapse of the nuclear test ban talks is only the latest in a long series, and, in some ways, the most disheartening.

This disillusionment may serve a useful purpose if it puts an end to wishful thinking that an accord with the Russians can be attained quickly by unilateral concessions, and that defense preparations can, meanwhile, be suspended as we are now doing with our voluntary suspension of atomic tests. In matters of national survival there can be no substitute for realism.

But realism is a coin with two faces, and requires that, whatever the disappointments, there shall be no abandonment of efforts to explore every path that might lead to a genuine and lasting peace. If it is realistic to recognize that all approaches thus far lead only to a stone wall or the surrender of freedom, it is also realistic to continue studying why these approaches have failed and to examine every possibility of a better approach.

President Kennedy's extremely able and experienced disarmament adviser, John J. McCloy, certainly no idle dreamer, has carefully prepared a program for doing this, through the Agency which the President has now asked Congress to approve. It is a program which would begin with extensive research into all the technical, economic, and political fields involved in plans for disarmament, and proceed on the basis of these studies to make disarmament recommendations and, if these are approved, to conduct negotiations.

Its cost in the first year is estimated at $6 million. What the President is asking is that the Nation make a small—a very small—wager on the possibility of finding a way by which the arms race can be ended without endangering the Nation's safety. The most determined pessimist can hardly contend that such a prize isn't worth this modest bet.

KIPLING ON INTERNATIONAL BLACKMAIL

Mr. LAUSCHE. Mr. President, the frequency with which history repeats itself and the similarity of world and national problems and maneuvers by aggressor nations from decade to decade is brought to light in a poem written in 1911 by Rudyard Kipling entitled "Dane-Geld." At that time, Kipling, an ardent patriot, saw his country, England, threatened by the rising power of Germany and wished to awaken his fellow citizens to the potential need for brave men to face perilous times.

Mr. Kipling appropriately selected the title and subject matter for his warning poem, the phrase "Dane-Geld," which refers to an ancient annual tax

of the Anglo-Saxons to maintain forces to resist the Danes. It was first paid in 991, when Ethelred, King of England, purchased the retreat of the invading Danish army, which had reached as far as Maldon in Essex County. The tax was continued until the time of King Stephen—1135–54—as one of the rights of the Crown. It was not actually repealed until Henry II's time in 1163.

Mr. President, the warning sounded by Mr. Kipling in 1911 and no doubt the reason for the repeal of the tax in 1163 are apropos to our own country and the free world today.

Americans will respond to the President's plea for personal sacrifice in order to provide a strong bulwark of national defense, but Americans will not play the game of international blackmail.

Mr. President, I shall read the poem, "Dane-Geld," by Rudyard Kipling:

DANE-GELD

It is always a temptation to an armed and agile nation
To call upon a neighbour and to say:
"We invaded you last night—we are quite prepared to fight,
Unless you pay us cash to go away."
And that is called asking for Dane-geld,
And the people who ask it explain
That you've only to pay 'em the Dane-geld
And then you'll get rid of the Dane!
It is always a temptation to a rich and lazy nation,
To puff and look important and to say:
"Though we know we should defeat you, we have not the time to meet you.
We will therefore pay you cash to go away."
And that is called paying the Dane-geld;
But we've proved it again and again,
That if once you have paid him the Dane-geld
You never get rid of the Dane.
It is wrong to put temptation in the path of any nation,
For fear they should succumb and go astray;
So when you are requested to pay up or be molested,
You will find it better policy to say:
"We never pay any-one Dane-geld,
No matter how trifling the cost;
For the end of that game is oppression and shame,
And the nation that plays it is lost!"

—*Rudyard Kipling.*

I think the thoughts expressed by Rudyard Kipling in his poem written in 1911 are applicable to the present time. If we keep paying the enemy, he will never go away, and in the end the cost will become a loss of honor, a loss of courage, and eventually a loss of government.

FOOD FOR PEACE

Mrs. NEUBERGER. Mr. President, we welcome back to the Chamber the Senator from Minnesota [Mr. HUMPHREY], who has recently completed a very important trip for our country. I am sure I express the views of many Senators. We have read the wonderful reports on the Senator's trip that have been published in our daily newspapers.

But in addition to his accomplishments on his trips, the Senator from Minnesota has long been known for his association with Public Law 480. He has often remarked on the floor of the Senate and in other speeches that this is a non sequitur for a very important piece of legislation. Before he left on his recent trip, the Senator from Minnesota addressed the First National Conference of the American Food for Peace Council, and his remarks are so interesting that I think they are worthy of inclusion in the RECORD. I ask unanimous consent that his address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY AT THE FIRST NATIONAL CONFERENCE, AMERICAN FOOD FOR PEACE COUNCIL, WEDNESDAY, JUNE 28, 1961, SOUTH AMERICAN ROOM, THE STATLER-HILTON HOTEL (AS ACTUALLY DELIVERED)

Thank you very much, Olive Clapper—my good friend, our good friend—and Senator Javits, Secretary Freeman, the Reverend Clergy. I'm going to be careful now, I don't want to mix up all these titles, members of the Council, and ladies and gentlemen.

The first thing I want to say is how grateful I am for the privilege of sharing this platform, as my esteemed colleague from New York has said, with a fellow Senator. How wonderful it is to share the platform with one who has the enlightened attitude on public questions that Senator JAVITS has. I would say that it is my fond hope that everyone in Congress would have the same attitude and the same philosophy of public service and public welfare. But I must say to you that all of us are not alike, and, therefore, you will have to deal with us as we are.

They tell the story about an early English anthropologist who came to the American Colonies in the early 1700's. At that time the discipline of anthropology was a bit primitive. He came over here to observe the habits and the customs of the native American Indian, and when he went back to England he published his works. The key sentence and the main thought were as follows: "I went to the Colonies to study the habits of the American Indian. All Indians walk single file—at least the one I saw did." May I say that all Senators think as JACOB JAVITS. At least the one I heard tonight did. I am only grateful that we have him and I wish we had more like him.

I just want to reminisce a little bit with you so that you will know that this is really an informal gathering. The first thing I would like to say, Olive, is that you introduced me as the assistant majority leader—and this is why I don't have the tux on tonight. Brother JAVITS got away before I did. I was given the dubious honor of putting the Senate to bed, and it was still singing (and not snoring) when I left. I was somewhat doubtful as to whether I could even stay when I arrived. But, fortunately, we were guaranteed that there would be no expression of the collective will tonight by a rollcall vote. There is only an expression at this hour of our collective ideas given through individual interpretation.

But I couldn't help but think as I sat here tonight alongside my friend, and our very much admired and hard working Secretary of Agriculture, Orville Freeman, of something else that Olive Clapper mentioned. She said that it was my privilege when I was mayor of Minneapolis to have an administration in which we had the first municipal fair employment practices ordinance. That's right. I was the mayor and Orville Freeman was the lawyer who wrote the ordinance. So here we are. And, by the way, the man that's going to be mayor next week of Minneapolis was the secretary and kept both of us on the beam. We sort of let things go a little while out there, but we're reclaiming possession again, you see. We don't want you to think that there's any sort of political aristocracy or inheritance, but we wouldn't mind it if there were.

As I looked down the table tonight and saw Mrs. McGovern I couldn't help but think of how much we miss George McGovern on an occasion like this. He really gave a part of his health for the cause. He's recuperating right now. But George McGovern was a neighbor of Secretary Freeman and me out in South Dakota. I think Eleanor feels that I sort of talked George into politics, or at least had something to do with it. I remember one time when I told George that I thought it would be a great idea for him to run for Congress, Eleanor was reaching up for the poison bottle—for me. Now here she is, as attractive as ever, and her husband doing a great job, even though momentarily indisposed. We can think of many happy remembrances.

When I first heard the name SYMINGTON I couldn't help but think of a Senator who has served on the Committee on Agriculture and Forestry during all these days that we tried to build, expand, and develop what we call the food for peace program. And here tonight is the fine and illustrious son of a fine and patriotic and illustrious father—father and son, Jim Symington, the son of Senator STUART SYMINGTON, both of whom have given so much to this program. And you literally can go up and down this table and all through this room and reminisce in this manner.

Here is Dr. Sen, whom I've known and who has given me such inspiration through the years and whom I visited one time over in his office only briefly at Rome. Some of the first inspiration I received for the use of food and fiber as an instrument of peace and the development of human concern came when I talked with Dr. Sen and some of his associates back here in 1950 and 1951.

On my wall in the Senate is one of my proudest possessions, a picture of the former Secretary of State, Dean Acheson; the former Ambassador from India, Madame Pandit; the former U.S. Senator, Herbert Lehman; the former Congressman from Arkansas, Brooks Hays; and my good friend, Dr. Sen. We were all together in one picture for the ceremony of signing the agreement when India purchased from the United States of America under special legislation what was known as the emergency food aid program to India—4 million tons of our cereal grains. I happen to have been one of the authors of that bill. It was a bipartisan endeavor. But it is in my mind the one program that meant more to me, least in the early days of my Senate work, than anything else that I ever attempted or ever accomplished.

Tonight, I'm going to visit with you a little about the food for peace program. There isn't a thing new that one can say. All of you have heard from me too many times, but of course you need self-discipline, you need to make some sacrifices. Remember what our President said: "Ask not what your country can do for you. Ask what you can do for your country." And tonight you can sit and listen to HUBERT HUMPHREY. This is just one of those little things.

And so here we go, I'm going to talk to you. I'm not going to review for you the four titles of Public Law 480. You know them better than I do. Yet, when Herbert Waters, Dwayne Andreas, and I traveled in 1957 to 10 countries in southern Europe, north Africa, and the Middle East, I say most respectfully and without in any way trying to embarrass anyone, that I found the foreign ministers and the agricultural ministers and the ministers of commerce and the ministers of welfare and education in the other countries knowing more about our food for peace program, then called Public Law 480, than our own ambassadors did or any of the people in our embassies with one or two exceptions. And if we did nothing else in

that particular tour, we gave an on-the-spot adult education program on the use of food and fiber. When I came back, and you people know me well enough, I was breathing some fire and maybe a lot of smoke, but at least I had a little heat. I went to the Secretary of State and to the Secretary of Agriculture (and, by the way, Governor, I didn't go to the Department, they came on over—I never was invited to the Department in those days—I want to thank you for your kindliness).

When we came back we went to the proper officials of this Government, including the President of the United States, and asked that the least we could expect was that our own officials, that our own foreign service, that our own ambassadors, that our own economic consultants abroad know of what we had in this great program for the use of food and fiber as an instrument of economic and social development and progress. And we started to make some headway, other Senators became keenly interested, and as you know, let me be very frank, Senators on both sides of the aisle are interested. Not enough of us are interested, but some of us are.

If you want to know what you can do for what you have in mind, you go the next day that you are here and catch every Senator and Congressman here at least one more day before the Fourth of July. Call on them, talk to them about this program. I wonder how many of you know that we've had to fight day and night to be able to get what we now have and to hold what little gains we have made. If you are not like Horatio at the bridge, if you are not there like the Spartans at the pass of Thermopylae meeting these attacking political Persians coming down the line on you, why you will not be able to hold any of these gains.

The Public Law 480 (which is a miserable name for a wonderful program)—the food-for-peace program—is in trouble today in Congress. It is in trouble in the House, and it may be in trouble in the Senate. And if you want it, and I know you do, you will have to do more than meet in the Statler Hotel or the State Department or Blair House. You will have to get up and pound the pavement, walk those long corridors of the Senate Office Building and find us. We can hide out, you know—you're right, we're clever rascals once in a while. You will have to find us and then you will have to get specific commitments. You won't have to get them from Senator JAVITS. You won't have to get them from Senator AIKEN, but there will be some and I ask for your help.

I'm not on the Committee on Agriculture any longer but I am keenly interested in its work. I'm on the Committee on Foreign Relations, the Committee on Appropriations. I learned after being in the Congress going on my third term, it's always good to be close to the spigot, so I go over on the Committee of Appropriations. It's very helpful. It seems to have a way of penetrating through the whole fabric of government, plus the fact it gives you an opportunity to exercise some influence on many departments and many activities of government rather than the one or two to which you may be assigned in what we call the legislative committees. But I appeal to you fine men and women here tonight. I appeal to the chairman and the cochairmen of this council and advisory group, I appeal to you to mobilize in your communities support for this program.

It's popular; for the life of me I can't understand why we have so much difficulty in Congress. I think the main reason is that the people don't understand it in its particulars. It is very easy for a man to go home from Congress and say, "Oh yes, I'm for food for peace." But how much of it is he for? Is he for the use of the currencies generated from this program? How is he for their use? Is he for converting food into hospitals?

You know, back in the Middle Ages, the kings used to hire what they call alchemists. These were the scientists of their day, and rather than trying to find a way to fly to the moon or outer space they were just trying to convert base metal into gold. They used to lock these fellows up in the towers, give them a sort of kingly commission, and say to them, "Now go to it. Here's the base metal, convert it into gold." Of course they had a very good system of incentive. If you failed, you didn't come out of the tower. That's why there was a shortage of scientists. There were very few that were successful. But, my good friends, we can convert food and fiber from the fields of the United States of America into everything that you want for this world. We can convert it into happier homes, healthier people, and economic development. We can convert food and fiber into schools, into books, into libraries, into community health centers, into out-patient clinics, into scholarships, and into international research.

I had the privilege of being host to a group of parliamentarians from Finland when I was in Finland in 1958. Mrs. Humphrey and I were journeying in that part of the world. I visited the hospitals all over Europe in our program of international medical research. We have made progress. One of the few things that we have been able to get out of our negotiations with the Soviet Union is a better exchange of medical information. That was the result of that trip. Five requests were made of Premier Khrushchev and all five were fulfilled in the field of medical research and medical cooperation.

Before I went to Moscow I stopped in Helsinki. I went to the general hospital to what they call the brain damage center. I went to their hospitals for the amputees, for rehabilitation. And what did I find out? I found out that they were sorely in need of financial resources and I also found out that we had literally millions of dollars worth of Finnish currency waiting there in the banks of Helsinki unused, currency that could be used for economic development (it subsequently was), and currency that could be made available to send young Finnish doctors, scientists, and educators to conferences in other parts of the world and to buy them facilities and materials. And I was told by the President of the Finnish Parliament just 10 days ago that that one act, that one moment of encouragement which was followed through by our Government after the report, that that one thing had done more to promote Finnish science than anything else that the United States had done in Finland.

We took wheat and made scientists. We took wheat and educated students. We took wheat and made the cripple walk. That's what food for peace means.

To me, this program is filled with everything I ever believed in. It's full of the best of politics, it's filled with good economics and it's filled with the best we can hope for in international relations. I don't believe that one ought to justify any program on the basis that we can do it better than somebody else. Or that this is the way to beat someone down. I have said from many a platform and I repeat it here tonight, that a foreign policy based on merely negative aspects, a foreign policy that is predicated only and primarily upon anticommunism will fail. It does not succeed. It takes more than that. The best way to defeat evil is to do good, and the best way to overcome ignorance is to teach and to educate, and the best way to drive from this earth the scourge of totalitarianism and communism is to preach freedom and to practice it and to permit people to enjoy some of the fruits of life. This is the way we ought to be doing things.

In the use of food and fiber we have this wonderful opportunity of a very, very constructive program that can mean so very much to us.

But just let me give you an example. I say, the best thing to do is what is right and I like what our President said in his inaugural address. He said: "We are not going to do these things merely to outmatch or to do them because the Communists may get us or to do them merely to get votes. We are going to do them because they are right." Every man who has ever run for office knows that the best politics is to do what is right, and to do it right enough so that the right stands out as if it were in neon lights. Do it big enough so that the people can understand it, even those in distant places. Do it with such sincerity that even with its silence, it is like the roaring thunder of a storm. And we can do just that.

I noticed the other day that Mr. Khrushchev gave a little lecture. I spoke about it tonight in the Senate. I asked, for example, that we not always gear our sights to what he is doing. I suggested that when he insisted that we run that it might be well just to walk steadily, confidently. We shouldn't always have our eye on his latest trickery or his latest threat. But I noticed Mr. Khrushchev after he was through threatening us on Berlin, threatening us on this and that, finally had to admit that down in certain parts of the Soviet Union horsemeat was tasty, that horsemeat had all the fat that was in it, at least he had so been told, and he suggested that horsemeat was just what they needed for their diet. Here is the leader of a nation that says that by 1970 they are going to overtake us and the standard of our living—9 years from now. Here is a man who boasts of their superiority, of their power. And here is a man who only in recent months has faced shortages of pork, shortages of beef, shortages of fats and oils, and now shortages of meats of all kinds and is now recommending horsemeat. On the same day that he recommended horsemeat for his people, we took the tariff off horsemeat for our dogs.

It may be an odious comparison, but think of it for a moment. We are not recommending that. We are recommending a good diet. I am not saying that some people may not have difficulty in finding protein and use foods that we are not accustomed to. We must have a food program, by the way, that meets the dietary needs of people in different parts of the world. It cannot always be packaged "U.S.A." and signed, sealed, and delivered according to the latest advertising standards of our own country. But I want to suggest to this audience tonight that if you think we have troubles (and most Americans are going around now bent over like a pretzel. I have seen very few that look out any more. They are kind of walking around like this, not in a sort of reverent spirit but with the burdens of the world on their backs, apparently). Well, I want to remind you that other people have things go wrong, too.

Yes, sir. There is lots of trouble in Cuba. Mr. Stevenson reports plenty of trouble in Latin America, and he only reaffirmed what the facts obviously indicated. And if you think Cuba is troublesome to us, think of the colossal defeat that the people of Africa in their passionate desire for independence and freedom have given to the totalitarians and Communists. This is a defeat the like of which no country has suffered in recent years. They have an inadequate food sup-

ply, problems all through the economy, rebellion in Albania, and obvious idealogical differences within the so-called monolithic bloc.

We have trouble? We are a peaceful household. As Senator JAVITS said, with our fabulous resources, with the unbelievable amount we could put to work, it could be a great future if we could do it for all that we believe.

The other day a young man passed me a little note in the hearing of a Foreign Relations Committee. He said, "How incredible that the free peoples of the world with 75 percent of the known wealth of the world seem to be in retreat before a bloc of nation states that have less than 15 percent of the wealth."

And why? Because we refuse, as has been indicated here tonight, first to properly coordinate our resources, and secondly, to state our goals and objectives. One goal and one objective, very simple: We can banish hunger. We ought to announce it to the world, and the Food and Agriculture Organization has said that it is within our means to conquer famine. We can announce to the world tonight that never again will famine plague this earth. What other people can do that? The free peoples of the world are those that live within this realm of freedom, and this does not only include those allied with ourselves. The free peoples of the world, tonight, with coordinated effort, can banish from this earth the scourge of hunger and famine. I think that is more important than going to the moon, and there are more people who will be interested in it, too. I don't say that the other is not of vital importance, because it is. I'm not one who believes that you have to be selective; you can do both, if we so will it.

These last few days I've had the experience of being involved in many good enterprises: foreign aid. (It's going to be difficult, we're going to need your help if you believe in this not only to pass this bill, but to emphasize how it is to be administered.) I know changes have been made on top and I'm proud to be associated with the President, the Secretary of State, and with an administration that seeks to see that our foreign aid gets to the people, to build a better life, to find ways and means of enriching this life and preserving independence and extending the areas of freedom. But we are going to need your help to remind people that this foreign aid is to get to people, and we are going to have to use some of our foreign aid through the great voluntary agencies that are so much a part of our way of life.

I have tried to get the message across to this country that our Government is like the tip of an iceberg. It represents only a small part of the power of this Nation. As Senator JAVITS has so well pointed out tonight it represents a very small part of the total resources of our Nation, and unless the free peoples in the free countries of the world can learn how to mobilize their resources, private and public, voluntary and governmental, we haven't a chance. An undisciplined, uncoordinated majority is an easy prey for a disciplined, hungry, tough minority. Our job, it seems to me, is to learn how to mobilize these resources and to state our objectives.

First of all I see the objective to banish hunger, and I want to see us do it. I want to see us announce it. I want every American to state it all the time. Not that we alone will do it, for it's not in our power to do it alone. But as has been pointed out so well, we can teach people how to help themselves. This we can do, not alone, but with our Japanese friends, for example, who are outstanding in the field of agriculture, to help train people, to teach people better agricultural habits. Here is where the United Nations may have a better understanding of some conditions in other parts of the world than even our own farmers in our own agriculture. But we have in the Department of Agriculture one of the greatest research establishments the world has ever known, not only research on the production of food but also research on the use of land.

I think that it is unfortunate that the Department of Agriculture has not been used to a maximum, stretched to the breaking point, in helping people lift themselves from the quagmire of their poverty and of their obsolescence. We can do this but it will take you to help get it done. What we need is some rethinking; we need to get our thinking clear. Do you know what we have thought of agriculture lately? "Costly," "price supports," "production control." We've had people who have been critical of our agriculture, so critical that they so abused it that the American people don't realize what they have. I am sure the Secretary told you as he has told every audience in America over radio, TV and public platform, that agriculture is the greatest success story that America has ever had. And it is. The production of our economy, our agricultural economy, is so fabulous that we pay people not to produce. Maybe this is necessary for the disciplines of our modern economic system.

But I sat down today, as I told Mrs. Javits, and wrote myself a letter. I hadn't very much time to prepare for this particular meeting. I'm going to introduce a bill tomorrow on the National Disarmament Agency and I wanted to do a little work on that, and the nuclear test ban, and the whole problem of our disarmament negotiations which is one area in which I'm supposed to have some information. In betwixt I try to see all the people who come from home, and a few other things. I didn't get much time to write myself much of a letter. But I pointed out one thing: there are those who feel that this program merely intensifies our foreign aid costs and adds a continuing burden to the Federal budget. If there is one thing I hear about the food-for-peace program it's what it costs and I am here to disabuse every mind of that fallacious and erroneous idea.

What it costs? The total agricultural program of this country, representing one-third of the population of the Nation, representing over $30 billion of production and more, representing the very health and well-being of this Nation, the total costs of everything we do for our schoolchildren, for our needy, for our elderly, for our farmers, for our foreign aid, in agriculture is less than 9 percent of our defense budget. Let me tell you, my fellow Americans, if you take away 3 percent of that 9 percent you won't need any defense budget because this country will be in such unbelievable economic condition and the world will be in such panic that you couldn't produce enough weapons to protect yourself.

Food has become a shield for freedom and more than that it has become a penetrating weapon far more powerful than this so-called nuclear fusion that I keep reading about. I wish I could get as many people excited in this country as to what we could do with food, how we could process it, how we could ship it, how we could store it, how we could make it available to the millions of people in this world as we can get people all excited about that the Russians might be cheating on nuclear tests. They may be cheating on nuclear tests, but I'll tell you one thing, they are not cheating on agriculture: It's a known failure in their country and we ought to know that. And all over Latin America they need our help. We've got the chance of a lifetime and at the same time the greatest challenge to help these people help themselves. By the way, the world is not industrialized, my well-fed, industrialized, well-to-do, affluent fellow Americans. The world is agriculturalized and most of it in very primitive condition. You would think every time we talked about these conditions, we had to build a steel plant for somebody. They need hoes, just a garden hoe, a plow, before they need a steel plant. We may have to help them with the steel plant as a symbol of their new-found independence and power, and many nations do need steel plants, but let me assure you what is more needed is a steel plow or at least a tip of steel on the plow. What is needed is a pump, what is needed is seed, what is needed are experimental stations, what is needed are ways and means of preserving food cheaply, what is needed are storage facilities in far-off distant places, what is needed is commodity stabilization.

I listened to Ambassador Stevenson's report yesterday in executive session and let this one sink in: If the price of coffee in Latin America drops one-half cent a pound it will wipe out all of the foreign aid we intend to give them next year, all of it. So you can pour in a half a billion dollars of foreign aid and flush it down the proverbial sewer if the price of coffee drops one-half a cent a pound.

Maybe we ought to be thinking about commodity stabilization, maybe we ought to be thinking about how we can develop farm cooperatives, credit unions so that a little farmer and a peasant in a far-off place can borrow $10 and not have to have three generations of his family pay off the usurious interest. Maybe we can help people build a simple little house in which their love and attention can make a home, maybe these are the things that we can do and I submit that we can do it with food. Ambassador Stevenson told us yesterday about the flood of propaganda material against America. May I say most respectfully to my friends, the clergy, that the flood of anti-religious material of every faith, Catholic, Protestant, and Jew, poured into Latin America—from where?—from the propaganda poison wells of Communist China.

Here stands mighty America with its drugstores and its bookstores loaded with some of the worst junk I have ever seen in my life in terms of paperbacks. You go to any one of these places, there's shelf after shelf, some of it unfit even for human inspection, much less human digestion. But there are paperback books there until you can't haul them in or haul them out and yet the richest country on the face of the earth can't afford to send paperback books about Lincoln, about Jefferson, about Franklin Delano Roosevelt, about social welfare, about the good neighbor, about the future of Latin America. No, we are too broke.

We're nuts.

And where are we going to get the money? Well, I'll tell you where you can get some of it: you don't have to print all the books here, print them down there. Where can we get some of the money? From the wheat, from the vegetable oil, from the feed grains, from the cotton, from the corn, from whatever we send that we trade. It can be done, you know. We once took $5 million of these soft currencies and turned them into books, and sent them to Japan, paperback books. We met the Communists' price. We could drive them out of the market if we will it, but we sometimes feel that these things are not economic. I want to say most respectfully, my friends, what we need are dreamers in this program, not just budget-keepers. I believe in budgets but I want to say that we need people who dare to make a mistake and if they are fired for it they are just one of the casualties, people who are willing to take a chance or there won't be any chance to take a chance.

So I say when you talk about the cost of this program, think about what it will cost if you didn't do it. I'll give you some ideas about the cost. Have you ever thought how much it costs to keep an acre of land idle in this country? Have you ever thought about how much it costs in this country in kind and in cash for programs? Have you ever thought about how much it costs in idle manpower and idle machines to have unemployment? To have people driven from the land because they can't make a living? Many of the people in our cities today that are on the unemployed roles were former farmers driven off the land because they weren't allowed to produce.

They weren't allowed to be patriots, and now instead they are problems. But we are beginning. It didn't take long for the Secretary of Agriculture, this Secretary, to put a food-stamp plan in operation. The law was already on the books for a long time. I know. I passed it. I was its author. But it was unused. It didn't take the President of the United States long to say we are going to distribute more food to our needy. Did the American people complain? Have you ever heard one American complain? They say, "Hurrah! Why didn't you do it before?" The American people are not going to complain because we are generous. The American people are not going to complain if you share food and fiber. They may complain if the money we pour in doesn't get down to the right people, if it's chewed up and used up and consumed by corruption. They are not going to complain when you feed people, when you help people, and here's where our voluntary agencies come into such a significant role.

I think that food for peace cannot be geared to an economy of scarcity. I don't believe that food for peace should be considered surplus disposal. I don't think the people of the world want to be looked upon as sort of GE, Westinghouse, Frigidaire disposal units. I think they would like to be looked upon as human beings.

I don't think that food for peace should merely be considered an aid to American agriculture, even though it is based in part on that. Food for peace requires a philosophy in this country of producing for abundance. Food for peace is going to force this country to wake up to the challenge that we face. You can't beat an all-out producing Soviet economy with an American economy in which you try to choke off its productive capacity in the name of profit. It can't be done.

The economics of scarcity is a mortal evil to the survival of freemen and if that sounds sort of revolutionary, so it is. We had better make up our mind that we need more teachers, that we need more doctors, that we need more nurses, that we need more iron ore, that we need more clothes, that we need more food, that we need more of everything we can lay our hands on that is worth while. It's a sad commentary on free people and freemen in a world of great want and great need that we can't produce it. But I want to let you in on a secret. If tomorrow morning the Berlin crisis should develop into world war III, we would ask every farmer to produce twice what he is producing, and we would have a place for it, and there would be no more people. There would be fewer because an awful lot would be dead the first 15 minutes. You know it. Tomorrow morning our steel plants would run at 110 percent capacity as their goal and within 3 months they would be at capacity. Tomorrow morning men would be called back to jobs, if we pull the trigger.

So why don't we pull the trigger for peace? What is it that uses material in war any more than the materials that we use in peace? Surely we would waste some in peace. Of course we would. We waste them in war. I suggest that you have better control over the waste in peace. Not only that. It's more enjoyable. You can gripe about it. Food for peace requires programs of production and distribution, of a variety of commodities, and this Secretary above all knows it. We pledged fats and oils to hungry people to wake up to find out we don't have it. We pledged in our enthusiasm powdered milk to find out that we had cut back the dairy industry so much that the poor cow who wants to be a 100-percent patriot can only be about 80 percent.

We need production goals, we need distribution goals and we need to ask our farmers, not to demand of them, not to require of them, but to ask of them to meet these goals. I think our farmers would like to know that they were being given a chance to participate in a great crusade for peace. I think food for peace requires processing of food and fiber to meet the needs of many peoples in many climates. It requires research on our part in this area. Food for peace is, as has been said, an instrument of peace and an expression of justice. It's a tangible expression of our real humanitarian concern for our fellow men.

I know that food for peace isn't the only avenue to peace, but it is an approach. I'll tell you something—one who at least is given the hope and the opportunity of a little food is possibly just a little more peaceful and a little more reasonable. It is fair to say that wherever hunger stalks the land, so does ignorance, so does sickness, so does poverty. It is fair to say wherever hunger goes unchallenged, there walks the tyrant, if not the political tyrant, the tyrant of despair and the hopelessness which is every bit as evil and every bit as demanding. So I think that this program offers a great opportunity to awaken in America its sense of moral consciousness. Let me conclude on this note: There isn't any way to get peace and justice without a sense of moral conscience. You can't get it by manipulation. You won't get peace by just more foreign aid, or by a new Secretary of State, or by changing Presidents. You won't get peace by establishing a national agency on disarmament for world peace and security. We will get it when we somehow or other arouse throughout the world, at least throughout this part of the world that has such a great responsibility for a just peace, a sense of morality, a sense of decency. For peace is equated with justice, for peace is equated with freedom, and here it is equated with plenty and with opportunity and that's why I am for the program.

Now I want your help. This has been the sermon. Now let me take up the collection. Let me say very frankly to you again, that before you leave this city, quit talking to yourself and go talk to Congress, go on up and find out who the members are of the Foreign Relations Committee, the Committee on Agriculture, and the Committee on Appropriations. If you don't know their names, come to my office and we will give you a list. Go to the people of your State, talk to them, reason with them, appeal to these fine men. They will do what is right when they see what is right, and they will be more willing to see when it comes from their neighbor, from their constitutent, from their friend.

Talk to your editors back home, get American editors aroused as much about hunger as they are about tyranny. Get them as aroused about hunger and the hope of using food for peace as they are about Castro and a few others. Get them on the side of being for something, and when the people of America get this message as you have gotten it, there isn't any doubt what Congress will do. We are going to need it for a long term, not 1 year.

Forget it, if this is just going to be a 1-year program; go home, enjoy the evening, go out someplace because you are just wasting your time. We must be willing to pledge to the world at least for another decade that America stands ready, always, stands ready like a minuteman, like a stalwart soldier to help people as they try to help themselves to build a better world.

Thank you.

Mr. HUMPHREY. Mr. President, I merely wish to thank the Senator from Oregon for her generous remarks and for the kindness and courtesy that she has extended to me.

Mrs. NEUBERGER. I am glad to see the Senator back.

VOICELESS PEOPLE

Mrs. NEUBERGER. Mr. President, for years now, religious, charitable, and social organizations have endeavored to bring to our attention the plight of our migratory farmworkers and their families. It has long been the hope and aspiration of many conscientious Americans to extend economic and social justice to our migratory farmworkers.

It was, therefore, with a great deal of interest that I noted an excellent editorial entitled "Voiceless People," which appeared in the Washington Post on Friday, June 23.

The editorial gives well-deserved recognition to the Senate Subcommittee on Migratory Labor, the chairman of which is the distinguished junior Senator from New Jersey [Mr. WILLIAMS], and the efforts which are being made to alleviate many of the most serious problems facing our migratory farmworkers. Characteristically, the Senator from New Jersey is pursuing the solution with understanding and compassion.

The editorial points out that:

Senator HARRISON WILLIAMS and the Subcommittee on Migratory Labor which he heads have studied the problem with extraordinary patience and have framed pragmatic, realistic legislative measures to deal with it.

I understand that six migratory farm labor bills have received the wholehearted support of the administration through the testimony of Secretary of Labor Arthur J. Goldberg and Secretary of Health, Education, and Welfare Abraham Ribicoff, and that these bills, which are now awaiting executive consideration by the Committee on Labor and Public Welfare, pertain to the prohibition of agricultural child labor outside school hours, improved educational opportunities for migratory farm children and adults, Federal registration of crew leaders, improved health services and facilities for migratory farm families, and the establishment of a National Citizens' Council on Migratory Labor.

It is indeed encouraging to know of the positive action being taken in this field. Because the editorial is indicative of growing national concern for our migratory farmworkers and their families, I ask unanimous consent that the editorial appear in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VOICELESS PEOPLE

Slowly, slowly, Congress seems to be moving toward remembrance of that most desperately forgotten element in American life—the migrant farmworkers. Senator HARRISON WILLIAMS and the Subcommittee on Migratory Labor which he heads have studied the problem with extraordinary patience and have framed pragmatic, realistic legislative measures to deal with it. The administration has given these measures vigorous support through testimony by Secretaries Goldberg and Ribicoff. The subcommittee has already given its approval to half a dozen of the Williams bills and will soon act, we trust, on several others requisite to a rounded remedy for the plight of the migrants.

The migrant workers are a national and very nearly a nationwide problem. At least 22 States depend on them to harvest their perishable fruits and vegetables each year. But their employment is seasonal, their earnings miserably meager, their living conditions usually shameful, their opportunities for the education of their children tragically limited. In very large measure, they are the victims of a bitter kind of exploitation—sometimes by employers, sometimes by crew leaders. And because they are without roots or status, they are, in a very real sense, as a spokesman for the AFL-CIO put it, "voiceless people."

The Williams bills are designed, in brief, to prohibit agricultural child labor outside of school hours for children below the age of 15, to provide educational opportunities for migratory workers and their children, to require registration and regulation of agricultural labor contractors, to promote health services for the migrants, to assure minimum standards in housing, and to establish a minimum wage. In addition, these bills would authorize the Secretary of Labor to provide improved programs of recruitment, transportation, and distribution of agricultural workers throughout the country.

The plight of these people is a reproach to the United States, a drag on the national economy, and a strain upon the country's pretensions as an advanced democracy. Twentieth century America is no place for a hopeless, landless peasantry.

HOW DO YOU SPELL CONSUMER?—PACKAGED CONSUMER GOODS

Mrs. NEUBERGER. Mr. President, the Judiciary Subcommittee on Antitrust and Monopoly, under the chairmanship of the junior Senator from Michigan [Mr. HART], held hearings on accusations of misleading packaging and labeling.

One of the witnesses was the New York author, Marya Mannes, who is also a housewife. She has commented on some of the problems that face the consumer as she observed that the word "consumer" is sometimes spelled "s-u-c-k-e-r."

Her testimony took members of the committee through a store, face to face with such adjectives as "new," "improved," "activated," "super," "full," "tall," "giant," "all-purpose," "economy," and "jumbo."

I ask unanimous consent that a portion of the pithy and thought-provoking testimony be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BEFORE THE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, WASHINGTON, D.C., JUNE 28, 1961

My name is Marya Mannes. I am a writer and a housewife. As a writer I sell words and ideas. They are not packaged. The buyer can see exactly what they are and pay what he thinks they are worth. As a housewife I buy what is sold to me. It is packaged. I buy it on faith. That is why, these days, the word consumer is sometimes spelled "s-u-c-k-e-r."

And that is why I stand before you here not as a writer but as a sucker—one of millions who wonder why so much money drains out of the foodbag and the handbag every week, and who then forget about it.

Now, I have always believed that the majority of people were too good to be smart. Ever since we bartered a beaver pelt for 10 eggs, we have assumed that the eggs were fresh and the pelt was supple, for how else can decent business be transacted? Except for the relation between man and wife, nothing is more intimate than the relation between the buyer and the seller—and there would be neither marriage nor commerce if the fundamental basis of both were not trust. Without trust, a civilized society cannot endure. When the people who are too smart to be good fool the people who are too good to be smart, then society begins to crumble. I think this is what is happening now, and I believe it must be stopped before our integrity as Americans is chiseled away as fast as our dollars are.

What am I talking about? I am talking about certain practices in the market which manage to evade the spirit of the law while adhering by an eyelash to the letter of the law. I am talking about what happens when a housewife like myself goes to buy food for her family—and how she spends her money doing it.

And I am talking about the many small deceptions, most of them deliberate, which make a rational buying choice—the basis of free enterprise—meaningless. You can only choose when you know what you are choosing, and the plain truth is that much of the time we don't. That great American institution, the supermarkets—those gleaming palaces of convenience and bounty—have come to be the greatest exercise in planned confusion since the bazaars of Samarkand. If you don't believe me, climb into my pushcart and come around with me, shelf by shelf.

Need some applesauce for the baby? Pick up a few of brand A's new jars. They look just like the old ones. They cost the same. But do you know that the new jar has only 7½ ounces of applesauce while the old one had 7¾ ounces? No? You mean you didn't look at that fine print with your glasses? Now, how about some breakfast food? Well, brand B's old box contained six biscuits and weighed 6 ounces, but when you open the new box which is exactly the same size, you'll find only 5 ounces of biscuits—a drop in contents of about 16 percent. Oh sure, they tell you what's inside the jar or box, but you need a slide rule to figure out the difference. And what housewife with a kid inside the cart and one at her heels can spare the time?

This is confusion No. 1: to make you think you're getting the same value in the same box at the same price when you're actually getting less. If you complain, the manufacturers say that they're saving you a price raise by reducing the contents. Can you beat it?

Confusion No. 2 is in sizes. Know the difference between "giant" and "jumbo"? Between 2-ounce and a big 2-ounce? Between a quart and a full quart? What's a tall 24-inch? What does "extra long" mean? Who's kidding who? And what's the matter with simple sizes, like a pint or 2 pints or a quart or 2 quarts? I'll tell you what's the matter. They're too easy to figure. You might know what you were getting. And that goes for the "economy size" too. What economy? If you stop to figure it out, half the time the price per unit remains exactly the same regardless of size, and you save nothing. It just seems economic to us suckers.

Now, let's stop at detergents, where the giant sizes are. Well, with a box of brand C, giant means 3 pounds 5½ ounces, but with brand D, giant means 3 pounds 1¼ ounces—but both boxes look the same size and cost the same price—77 cents. Are the ingredients of the one so superior to the ingredients in the other that 4 ounces don't matter? And how do you know it, anyway?

Let's move next door to the all-purpose liquid cleaners. With 69 cents you can buy 1 quart of brand E, or 1 pint, 12 fluid ounces of brand F. The shapes are slightly different but they look the same size. Do you know where the 4 ounces go? Do you care?

Want some soap pads? Well, you can buy a box of brand G or a box of brand H for 13 cents, but unless you turn the box upside down and use your bifocals, you won't know that there are only four pads of brand G compared to five pads of brand H. Care about one less pad? Half the time, the quantity of such products is printed in very small type or in a color that merges in the background. Sometimes it's even printed underneath the flap, and you can't see it until you open it. Do you see it even then?

Now, you would think that if packages were different sizes, they'd contain different amounts, but that's because you're congenitally dumb. Brand I, a table salt, is in a box 1 inch taller than brand J, another table salt, but each has exactly 1 pound and 10 ounces in it. And how are you to know if the first box is slightly thinner than the second one? Where was your tape measure?

Then there are the simple devices of not really filling the box or bottle. You open up a cereal, say, and you find an inch or more space on the top—slack-filled, it's called. Or the liquid in a bottle has an inch or more empty space above it. And there's the business of using paper to wrap around crackers or soap and fill the loose space. The manufacturers will, of course, claim these are necessary for safe handling and so forth. But we're paying enough for outer space not to have to pay for inner space, too.

There's another good gimmick to confuse you—funny shapes of bottles that make any real estimate of contents impossible.

Then there are all those lovely phrases like the "new," the "improved," the "activated," the "super," etc. Don't they give you the impression that you were getting a better product, justifying a higher price? Well, half the time you aren't. These words are like the bells the scientists ring to make dogs salivate. You see the word "new" and you reach for it.

For now, you see, there is no salesman any more to tell you what you are getting. In supermarkets the package is the salesman. The more space he takes up on the shelf—that's the reason for "giant" and "jumbo," not economy—the louder his letters scream at you, the sooner you'll notice him. But while he shouts "Buy me!" at you, he also talks doubletalk out of the side of his mouth. And while you put him in your cart, he picks your pocket.

Why? Because you're dumb? Because you're gullible? Because you're careless? Some of us are all of these. But most of us are simply too busy or too tired or too harassed to take a computer, a slide rule, and an MIT graduate to market and figure out what we're buying. And the makers of the goods we buy know this. In fact, they know far more about us than we know about them. They have spent millions of dollars studying us—the consumer. They know what colors and what sizes and what shapes and what words we go for. Compared to them the Big Brother in George Orwell's "1984," who knows all and sees all, is a piker. The big brothers in our society today are not Government dictators—they are the sellers and their brainwashing handmaidens, the behavioral scientists. Together, and under the banner of free choice and open competition, they have made us believe that we are getting what we pay for. Their purpose is that innocent goal of free enterprise—to make an extra buck. But when their profit becomes our loss, how innocent is that goal? And what is our loss?

Not much, you may say. An ounce here, a cent there, and what real difference does it make?

Most of us have learned to accept the added charges of packaging and advertising and distribution along with the product. But must we pay for deception too?

Just take one figure—baby foods again. Remember the brand where you paid the same price as you used to but got a quarter ounce less food? Well, if your baby ate 4 jars of this applesauce or carrot puree a day, he would eat 24 pounds less food per year—without your knowing it. Do you care? Does it matter?

Maybe it doesn't. We are a spoiled and lazy and wasteful people, our paychecks were never higher and so what—that's the way business is done. A little less applesauce, a few less crackers, a few more pennies here and there—who cares?

But it isn't a question of applesauce. It's a question of morality. Little deceptions of single consumers can add up to a mighty deception of a whole people. You may only lose a penny here and there—but the loss in dollars sustained daily by American consumers who pay for more than they get is estimated to be greater than the staggering amount we forfeit to crime and corruption. But it's not sensational. It doesn't fit the headlines. And who is going to bring it to your attention? The press which depends on advertising? Television which owes its existence to products? The makers of the products? As Eliza Doolittle said in My Fair Lady, "Not bloody likely."

Only those whose prime concern is people and not profit can tell us the score: Organizations like the Consumers Union and those agencies of Government who regulate the pure and basic world of weights and measures and law and justice, so that the exchange of goods is a transaction of trust.

But we, the public, have got to want to know the score. If we don't care, nobody else will care. Dishonest practices, because they succeed, will drive out honest practices, because they don't. In the end, our condition depends entirely on us. And I think at last we may be beginning to realize it.

TEXTILE IMPORTS

Mr. MUSKIE. Mr. President, on April 27, 1961, I introduced, with the cosponsorship of 10 of my colleagues, the Orderly Marketing Act of 1961, S. 1735. This proposed legislation is designed to alleviate import problems in the United States resulting from competition with low-wage countries.

One of the industries most seriously affected by low-wage imports has been the textile industry. The President has recognized this problem, and at his direction, the Department of State has initiated a series of negotiations designed to reduce pressure on the domestic cotton textile market. I have urged the President and the Department of State to consider the import quota formula proposed in S. 1735 as a possible approach to sensible and practicable trade agreements with other textile exporting and importing countries.

Under S. 1735, where low-wage imports were found to be injuring domestic industries the President could direct the Department of State to enter into negotiations with exporting countries for import quotas based on their average share of the domestic market. Quotas would be revised annually to reflect the increase in domestic consumption. Such an approach would have the advantage of stabilizing the domestic market, without playing a straitjacket on exporting countries.

One of the more encouraging results of the introduction of S. 1735 has been the healthy and intelligent discussion it has stimulated, especially within the affected industries. One of the best examples of this discussion was a recent letter I received from Mr. James R. Franklin, assistant to the president of the J. P. Stevens Co. The report which Mr. Franklin gave me offers some constructive and thoughtful suggestions which I believe will be helpful to other Members of the Senate in considering trade legislation.

I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 11, 1961.

Hon. EDMUND S. MUSKIE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUSKIE: Since receiving your letter of May 23 regarding my letter to the Washington Post and your new bill entitled the "Orderly Marketing Act of 1961," I have conferred with many persons within our company, the textile industry and other industries adversely affected by unrestricted imports.

You asked for our thinking on your bill, S. 1735, and I am pleased to comply with your request by including a few quotes from some of the people I contacted.

A textile industry association wrote that no action regarding S. 1735 had been taken within that group because "we have been fully occupied preparing our statement for presentation to OCDM and other governmental departments mentioned in the President's seven-point program. It is not likely we will be in a position to support any legislation until we have exhausted the possibilities under the President's recommendations."

A leading association of many industries interested in greater safeguards for American industry affected by foreign trade wrote, in part, as follows:

"The general purposes of the bill predispose me (personally) to favor it. Furthermore, its premise, set forth in section 2, and elaborated by Senator MUSKIE in the Senate on April 27, is the same as that underlying the proposals the council has been formulating to assure fair competition between foreign and domestic goods.

"The bill's distinctive feature is the provision authorizing the United States to enter into quota agreements with other countries. These are described in the bill as 'orderly marketing agreements,' but, if effective, they would probably result in shifts in production here and abroad, inasmuch as producers of the affected goods would avoid piling up undisposable surpluses.

"The agreements envisioned in the bill would affect the U.S. domestic market only. However, multilateral negotiations of this kind are difficult to confine to one market and, in practice, would undoubtedly result in world realinement of markets. In this respect the most nearly analogous situation is probably the sugar agreement and our implementing Sugar Act which governs the foreign and domestic shares of the U.S. market, but which influences world production and marketing in some degree.

"Advantages of such arrangements are:

"1. The foreign producing countries are assured of a share in the U.S. market, which they are not under tariff arrangements, and, of course, this benefit also applies to the U.S. producing organizations.

"2. The arrangements are entered into on a voluntary basis which may be less disruptive of international good will than unilateral approaches. However, it must be recognized that an agreement, while freely entered into by a foreign country, would be at U.S. insistence and so is not completely 'voluntary.'

"3. The U.S. Government is expressly authorized to enter into an agreement which otherwise might violate antitrust laws as being in restraint of trade.

"4. A firm agreement is less open to misunderstanding and possible recrimination than, for example, the present voluntary arrangements of Japan which are actually unilateral undertakings on her part.

"Assuming the bill is acceptable in principle, the procedures are commendable. The Tariff Commission and the executive departments are assigned their proper roles, and the preliminary and review procedures seem effective and fair.

"The standards and criteria of injury raise some questions. The essential allegation (sec. 3(a)) is a 'differential between domestic and foreign costs of production,' which the Tariff Commission has found increasingly difficult to determine in recent years. Actually the bill is so worded that the Commission does not have to find whether the allegation is proved or not by the investigation. Rather, it is actually an application for relief, and the Commission's investigatory, finding and recommendatory directives (sec. 3(b)) are separate and cover other matters than those alleged.

"The chief problem is how the Commission interprets the language of section 3(d) (p. 3, lines 22–25; p. 4, lines 1–7). Words requiring judgment are 'significantly,' 'substantial,' 'increasing,' 'decreasing,' and 'reducing.' The last three can be considered as absolutes, whereas many times injury occurs to a domestic industry from relative conditions. For example, a U.S. industry that maintains its domestic sales and employment levels while imports absorb an expanding domestic market is being injured because it is not sharing in the expansion.

"Neither 'injury' nor 'industry' is defined and, as you know, these terms are currently the crucial and bothersome ones in the Commission's consideration of escape clause applications.

"On the formula for quotas and their method of application, I cannot form a valid opinion. They seem fair, but the best way of ascertaining how fair they would be in practice would be to have a number of industries report how the procedures would work in their particular cases. One effect would be to freeze the historical supplying pattern for the life of the agreement. It might be advisable to allow a small portion of the total quota to be allocated to countries that are potential, but not historic, suppliers.

"S. 1735 appears to stand on its own feet. It does not amend, or relate to, current tariff or trade agreement laws. It violates concepts of the General Agreement on Tariffs and Trade, which forbids quotas, even voluntary ones, except for balance-of-payments or industrial-development reasons. The fact that the bill runs counter to GATT is not a criticism. I raise the question only to point up that the bill will cut across present laws and commitments of the United States and I believe a decision would have to be made whether to try to accommodate it in present law or to expand it as a substitute. I would hope the latter.

"As I noted earlier the bill provides only for regulating the domestic market yet can hardly avoid affecting trade elsewhere. This situation brings up questions that are sure to concern this council. Is the inevitable result of the bill's approach the creation of international commodity agreements covering manufactured products as well as raw materials? Would pricing agreements follow with cartelization of production and marketing? Would we be entering a planned economy era on an international scale? If so, the principle of comparative advantage, to which Senator MUSKIE refers in his April 27 Senate speech, might enter again in full force.

"These questions would need to be answered before a decision on S. 1735 could be reached by our group.

"In the meantime, we are most grateful to Senator MUSKIE for initiating an imaginative, fresh approach to this complicated problem."

I read in the daily press portions of the State Department letter you received in response to your request for information regarding State's reaction to S. 1735. I am interested in the final conclusions State may reach.

I appreciate the kind words you expressed in your May 23 letter regarding my letter to the editor of the Post and also I want you to know of my appreciation for your support of the June 22 congressional letter to the President which you and 38 of your Senate colleagues and 124 Members of the House signed.

With best wishes.

Sincerely yours,

JAMES R. FRANKLIN,
Assistant to President, J. P. Stevens & Co., Inc.

MEDIA FOR CULTURAL EXCHANGE—DANA COLLEGE CHOIR

Mr. CURTIS. Mr. President, in our discussions of the several media for cultural exchange, I want to make note of the many fine things which are being done in this area by voluntary organizations. To me, these endeavors transcend any activity of Government, for they are self-supporting and their motives are the highest.

I would like to call to the attention of my colleagues a tour which has been undertaken this summer by the Dana College Choir of Dana College, Blair, Nebr. This college, an excellent academic institution and one supported handsomely by its church, has sent a group of 48 collegians on a 5-week concert tour of Denmark. They have made numerous public appearances and, to use our vernacular, had a hit in all their appearances. The fact that they can perform songs dear to the hearts of our Danish friends in the native tongue makes this an especially moving series of concerts.

Typical of the reaction which improves this Nation's stature is an expression made by a gentleman residing in Copenhagen after meeting with and hearing the Dana College Choir:

It is amazing what a false impression of America and American youth we have received. We expect you to appear in black leather jackets with huge knives strapped to your sides. Instead you come to us neatly clothed in red, our native color, with your beautiful college seal and the motto, "Truth Conquers." This group is indeed the best example of America and we need more like them.

Again my faith in our free institutions is revived when I take note of the great successes of this fine organization. I am reminded that suggestions of programs such as a Peace Corps may have an emotional appeal, but can they possibly exceed the wonderful work which has been done by American missionaries of all faiths since the foundation of our many churches in this country. I want to express my warmest regard for the fine work being done in this tour by Dana College and to remind that relations abroad are not made entirely within the limits of governmental programs.

U.S.S. "ARIZONA" MEMORIAL

Mr. FONG. Mr. President, on June 27, the Governors' conference held in Honolulu, Hawaii, unanimously adopted a resolution constituting the U.S.S. *Arizona* Memorial a national project and also urging the Congress to expedite favorable consideration of S. 180 and H.R. 44, both measures proposed for the purpose of authorizing appropriations necessary to complete the memorial.

The resolution was adopted at the poorly marked grave of the 1,102 crewmembers who are still in the U.S.S. *Arizona* at the bottom of Pearl Harbor. It was the hope of the many State Governors present at this unusual session of the Governors' conference that funds would be provided for the completion of this badly needed grave marker. I share this hope.

On July 11 of this year, the House Armed Services Committee reported favorably H.R. 44, a bill which would authorize the appropriation of $150,000 for the U.S.S. *Arizona* Memorial. I hope my colleagues in the Senate will give early and favorable consideration to my bill—S. 180—which is substantially the same as H.R. 44.

I ask unanimous consent that the full text of the resolution adopted by the Governors' conference be printed in the RECORD at this point, together with the remarks of Rear Adm. Robert L. Campbell, commandant of the 14th Naval District, at Memorial Day services aboard the U.S.S. *Arizona*.

There being no objection, the resolution and remarks were ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED AT THE 53D ANNUAL MEETING OF THE GOVERNORS' CONFERENCE IN EXTRAORDINARY SESSION AT PEARL HARBOR, HAWAII, JUNE 27, 1961

Whereas more than 19 years have passed since the battleship *Arizona* was sunk, its flag still flying, in the surprise attack of Pearl Harbor; and

Whereas nearly one-third of the 3,600 military personnel killed in that attack still lie in the *Arizona*, their tomb and their shrine; and

Whereas the old hulk, mostly below water, is rusting badly; but even with the maintenance which it requires, the ship alone would be poor memorial to these men from 48 States of our great Nation, and an unsuitable focal point for patriotic remembrance; and

Whereas more than $350,000 has been raised by the Pacific War Memorial Commission of Hawaii in private donations and in contributions by the State of Hawaii for erecting a permanent memorial above the ship; and

Whereas preliminary construction of the structure has already been accomplished; and

Whereas legislation has been introduced in the Congress to authorize appropriation of up to $135,000 to complete the project; and

Whereas the memorial will not only provide appropriate tribute to the deceased men of the *Arizona* but it will also stand as a national memorial to eternal vigilance against the dangers of surprise attack: Now, therefore, be it

Resolved by the Governors' conference (in extraordinary session assembled at the site of the final resting place of the U.S.S. Arizona), That the U.S.S. *Arizona* Memorial constitutes a national project in every sense of the word; and be it further

Resolved, That the Congress of the United States make every effort to expedite said appropriation by favorable consideration of S. 180 and H.R. 44, in order that the timetable could be met so that formal dedication services of the U.S.S. *Arizona* Memorial could be held on December 7, 1961, the 20th anniversary of Pearl Harbor; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the Vice President, the Speaker of the House, and to the chairmen of the Armed Services Committees of the U.S. Senate and House of Representatives.

REMARKS BY REAR ADM. ROBERT L. CAMPBELL, U.S. NAVY, COMMANDANT, 14TH NAVAL DISTRICT AT MEMORIAL DAY SERVICES, MAY 30, 1961, ABOARD U.S.S. "ARIZONA," PEARL HARBOR, HAWAII

On this spot almost 20 years ago, the United States was literally exploded into World War II.

In the holocaust which resulted 1,176 officers and men lost their lives in one ship—U.S.S. *Arizona*.

Of those killed on December 7, 1941—2,403 including military and civilians—more than half were in this ship.

As a result, the *Arizona* has become a symbol of all those who gave their lives that day.

What this landmark represents—Pearl Harbor Day and its dead—will forever be prominent in the world's violent history.

Ironically, it is our first World War II dead, who are the last to be given a suitable marker for their common grave.

What you see here today is a relatively simple concrete platform. What you cannot see:

1. The years of work and effort already expended.

2. The concrete pilings driven over 140 feet deep into the harbor floor, to support the pile caps, the heavy girders and the very deck on which we are.

3. That the major portion of the *Arizona* Memorial is completed in terms of cost, and in terms of engineering and construction difficulties.

The funds for what has been accomplished have been made available through the efforts of the Pacific War Memorial Commission, through an appropriation by the legislature of the 50th State, through generous donations by the Fleet Reserve Association and

the American Veterans of World War II (AMVETS)—all of whom are represented here today—through the Ralph Edwards' production, "This Is Your Life," and the Elvis Presley benefit show and through tens of thousands of smaller contributions, many by visitors who have come to Pearl Harbor.

What of the future?

Just last week we learned that Congress may soon consider favorably a bill for funds to complete the memorial.

So we hope that today you are witnessing the last Memorial Day ceremony on an open platform.

It is our hope that by December 7 you will see the walls, the roof, and the configuration of the *Arizona* Memorial rising above this platform.

We hope that all of you will be here to see the culmination of many years' effort.

We hope, also, that you will not miss the significance and the symbolism of the *Arizona* Memorial.

At the least, it will be a suitable grave marker.

More important, it is a tribute and an acknowledgment of gratitude to the Navy and Marine officers and men who gave the supreme sacrifice for our country throughout the Pacific.

Of greatest importance, the *Arizona* Memorial will serve as "the *Arizona* reminder" to our American citizens to keep strong and ready in a troubled world.

The future will test us severely.

To fail the test of the future would be to have failed our lost shipmates of December 7, 1941.

We could not fail to build an *Arizona* Memorial.

However, an even greater monument to our war dead will be to meet the challenge of the future with moral and military strength.

Memorials are not only for the dead.

They are for the living, for those who must remember.

The challenge is therefore upon all of us to gird ourselves with courage and devotion to meet the inevitable tests yet to come.

To keep the United States strong and victorious—this is our greatest tribute and monument to our war dead; not only our dead of Pearl Harbor, but our dead who are buried in other parts of the world.

We honor them here today by being here.

It is our sacred duty to honor them by our deeds in the future.

FEDERAL AID TO EDUCATION

Mr. SCHOEPPEL. Mr. President, much has been said, both for and against, the Federal aid to education bill that passed the Senate over my protest on May 25, and has now met considerable opposition in the House of Representatives. I pointed out on the floor of the Senate, as did many of my colleagues, that the States and local communities have been doing a good job of meeting their public school requirements without Federal assistance.

Mr. President, I ask unanimous consent to have printed as part of my remarks an excellent editorial, "Flunking the Test," from the July 14 issue of the Wall Street Journal, which emphasizes some of the facts I have previously been pointing out to this body.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FLUNKING THE TEST

Almost everyone agrees that the administration's proposed program of Federal aid to education is in trouble on Capitol Hill, but we didn't realize how tough things were until we came across this last-ditch plea in the New Republic:

"Many States and localities have reached the limits of their borrowing capacity; their overall debt has increased 400 percent since the war, that of the Federal Government only 8 percent. They must have Federal aid. More and more economists cite education as a means to reduce unemployment and boost our social capital."

These alarmist views are frequently heard from supporters of Federal aid, but they fall far short of reality.

Some States have hardly any official indebtedness. Altogether, State and local debt totals some $64 billion; that of the Federal Government, which has gone up only 8 percent since the war, is $289 billion.

According to a 1959 survey by the U.S. Office of Education, only one-half of 1 percent of all school districts in the United States have reached the limit of their available bonded indebtedness for school construction. In 1960, the volume and approval rate of school bonds set new records at elections: The amount, $1.7 billion; the approval rate, 82 percent.

Interestingly enough, moreover, no State legislature has ever asked the Federal Government for school aid. Nor has a local school board official ever testified in favor of a Federal-aid bill. Instead, the States and localities have gone ahead in recent years building classrooms at the rate of some 68,000 annually—a pace that could result in a classroom surplus by the end of the decade rather than the lamented shortage.

There are a number of reasons, some of them irrelevant, why the Federal-aid proposal is in trouble in Congress. But undoubtedly one reason is that the weak arguments raised in its behalf simply flunk the test of fact.

Mr. MANSFIELD. Mr. President, is morning business concluded?

The PRESIDING OFFICER. Is there further morning business?

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACT OF 1961

The Senate resumed the consideration of the bill (S. 1154) to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges.

Mr. MANSFIELD. Mr. President, under the unanimous consent agreement arrived at on Wednesday, it is my understanding that at the conclusion of the morning hour there would be an immediate vote on the Mutual Educational and Cultural Exchange Act of 1961.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays on the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further morning business?

Mr. MANSFIELD. Mr. President, I had asked previously——

Mr. GOLDWATER. Mr. President——

Mr. MANSFIELD. I had asked if morning business was concluded, and I understood that it had been concluded. That is what I understood the Chair to announce.

Mr. GOLDWATER. That was not the understanding I had with the minority leader. Both the Senator from New York and I have other morning business to transact. Is it the intention to resume morning business after the vote on the pending bill?

Mr. MANSFIELD. Yes; it will be resumed.

Mr. GOLDWATER. I understood the majority leader to ask whether there was further morning business.

The PRESIDING OFFICER. The Chair misunderstood the majority leader. Morning business had not been closed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that morning business be concluded at this time, that the Senate proceed to vote on the pending bill, and that at the conclusion of the vote on the bill morning business be resumed.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on the passage of S. 1154, the educational and cultural exchange bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SMATHERS (after having voted in the affirmative). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. Were he present and voting, he would vote "yea"; were I permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Louisiana [Mr. LONG], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mr. MORSE], the Senator from Massachusetts [Mr. SMITH], the Senator from Mississippi [Mr. STENNIS], and the Senator from Missouri [Mr. SYMINGTON], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Wyoming [Mr. MCGEE], the Senator from Massachusetts [Mr. SMITH], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Mississippi [Mr. STENNIS], would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Illinois [Mr. DIRKSEN] is absent because of illness.

The Senator from Delaware [Mr. BOGGS], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], and the Senator from Kentucky [Mr. MORTON], are necessarily absent.

If present and voting, the Senator from Delaware [Mr. BOGGS], the Senator from

Indiana [Mr. CAPEHART], and the Senator from Kentucky [Mr. MORTON], would each vote "yea."

The result was announced—yeas 79, nays 5, as follows:

[No. 99]

YEAS—79

Aiken	Fulbright	Metcalf
Allott	Gore	Miller
Anderson	Gruening	Monroney
Bartlett	Hart	Moss
Beall	Hartke	Mundt
Bennett	Hayden	Muskie
Bible	Hickenlooper	Neuberger
Bridges	Hickey	Pastore
Burdick	Hill	Pell
Bush	Holland	Prouty
Byrd, Va.	Hruska	Proxmire
Byrd, W. Va.	Humphrey	Randolph
Carlson	Jackson	Russell
Carroll	Javits	Saltonstall
Case, N.J.	Jordan	Schoeppel
Case, S. Dak.	Keating	Scott
Church	Kefauver	Smith, Maine
Clark	Kerr	Sparkman
Cooper	Kuchel	Talmadge
Cotton	Lausche	Wiley
Curtis	Long, Mo.	Williams, N.J.
Dodd	Long, Hawaii	Williams, Del.
Douglas	Magnuson	Yarborough
Dworshak	Mansfield	Young, N. Dak.
Engle	McCarthy	Young, Ohio
Ervin	McClellan	
Fong	McNamara	

NAYS—5

Goldwater	Robertson	Tower
Johnston	Thurmond	

NOT VOTING—16

Boggs	Eastland	Smathers
Butler	Ellender	Smith, Mass.
Cannon	Long, La.	Stennis
Capehart	McGee	Symington
Chavez	Morse	
Dirksen	Morton	

So the bill (S. 1154) was passed.

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. FULBRIGHT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I cannot let this occasion pass without expressing my profound admiration for the distinguished Senator from Arkansas [Mr. FULBRIGHT], chairman of the Committee on Foreign Relations, for his fine accomplishment in creating S. 1154 and steering it through this body to final passage.

There has been abundant evidence for some time that there was confusion and duplication of effort within the executive branch in terms of operating our exchange programs under no fewer than six major pieces of legislation and within virtually as many departments and agencies.

Many people most intimately concerned with our exchange programs—whether in the executive branch or the Congress, or serving in the various advisory groups—have long expressed the need for improvements in these programs. There has been a crying need for improved methods of financing the programs, for better coordination, and for the lifting of restrictions which have hampered our efforts to date. No one has pretended that this is a simple task.

The distinguished chairman of the Foreign Relations Committee has, I believe, rendered his country a great service in presenting us with the bill which we have just approved. Drawing on his long and intimate experience with the exchange programs, he has done a superb job of reducing an extremely complex collection of existing statutes to one consolidated and clear basic document.

Mr. President, it is no accident that this latest legislative initiative should have come from the distinguished Member of Congress who was the first to originate legislation in this field. I am confident that this new Fulbright program will deservedly be as famous an instrument for mutual understanding around the world as was the original Fulbright Act. It is my sincere hope, Mr. President, that S. 1154, when enacted, will carry the name of the distinguished chairman of the Committee on Foreign Relations, and I know that an overwhelming number of Senators will join me in this expression of hope and appreciation for the outstanding service rendered by the Senator from Arkansas, not only to his country, but to the entire free world.

Mr. CASE of South Dakota. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. CASE of South Dakota. I wish to join in the tribute paid by the distinguished majority leader to the leadership offered and given in this instance by the distinguished Senator from Arkansas [Mr. FULBRIGHT], chairman of the Committee on Foreign Relations. I have thought many times that of all the legislation Congress has enacted to meet the challenges of the present day, the so-called Fulbright Act and the Smith-Mundt Act have been in the very forefront. In paying tribute to the Senator from Arkansas [Mr. FULBRIGHT], I know that neither he nor the Senator from Montana [Mr. MANSFIELD] will resent my saying also that I think tribute is due my colleague, the senior Senator from South Dakota [Mr. MUNDT], for his work originally on the Smith-Mundt Act, which was passed in the 80th Congress. Former Senator Smith of New Jersey and my senior colleague [Mr. MUNDT] joined together in working for the enactment of the Smith-Mundt Act, which buttressed and supplemented the program which was developed by the Senator from Arkansas [Mr. FULBRIGHT].

During the past week, there has been considerable debate on the floor of the Senate on various provisions of the bill. I am sure the Senator from Montana will agree with me that my senior colleague [Mr. MUNDT], in offering various amendments, was fulfilling the obligations which he felt rested upon him, from his viewpoint, in seeing to it that this measure, which consolidates the several existing programs, would have the benefit of the experiences with the operation of that act, as he views them; and by means of the amendments he submitted and fought to have the Senate adopt—and in that connection I have particularly in mind the amendment in regard to the loyalty oath and other amendments—I am sure my senior colleague made important contributions which will help make this new act fulfill all of the promise and all of the achievements of the previous acts, and, we hope, will make for a better program in the days immediately ahead.

Mr. MANSFIELD. Mr. President, I agree wholeheartedly with what the distinguished Senator from South Dakota has just now stated.

As a member of the Smith-Mundt committee, when it toured Europe at the conclusion of the Second World War, and as one who served on the Foreign Affairs Committee of the House of Representatives with the distinguished Senator from South Dakota [Mr. MUNDT], when both of us were Members of that body, I am fully aware of the many great contributions he has made; and I am delighted that he also played a very important part in connection with the passage of this measure, through his constructive criticism and through the offering of his amendments, by means of which he sought to strengthen and make more understandable, in one document, the measure the Senate recently has passed.

So I think the Senator from South Dakota [Mr. MUNDT] is entitled to great credit for his outstanding interest through the years and for the constructive part he took in the promulgation of this measure.

Mr. FULBRIGHT. Mr. President, will the Senator from Montana yield?

The PRESIDING OFFICER (Mr. Moss in the chair). Does the Senator from Montana yield to the Senator from Arkansas?

Mr. MANSFIELD. I yield.

Mr. FULBRIGHT. I cannot refrain from expressing my appreciation to the Senator from Montana for his very generous words.

I must say this measure was certainly not just my creation. The bill originated in meetings last fall; and many persons in private life, as well as many Members of this body, contributed a great deal of time and effort to it. I played only a small part in the development of the bill.

I certainly wish to join the Senator from Montana in expressing our appreciation to the Senator from South Dakota [Mr. MUNDT], not only in this connection, but also because of his sponsorship of the previous act, which, as the Senator from South Dakota [Mr. CASE] has said, originated in the 80th Congress.

I am certainly pleased with the result of the vote of the Senate; and I hope this bill will bring greater order and efficiency into the administration of this important activity.

Mr. MANSFIELD. I thank the Senator from Arkansas.

Mr. LAUSCHE. Mr. President, in connection with the cultural exchange bill, I wish to make reference to a statement made by Mr. Edward R. Murrow, USIA Chief on Sunday, July 2, during his participation in the ABC program entitled "Issues and Answers."

A part of the colloquy between Mr. Murrow and the panel members, Mr. Edward P. Morgan and Mr. Lew Shollenberger, dealt with our cultural exchange program. Mr. Morgan propounded a question as follows:

ED. What is your philosophy on exchange programs on a broader basis? This is a very unique one that we have been talking about. But this people-to-people exchange

that we have been committed to is fascinating to me, and I think there is a great deal of validity in it, but perhaps the emphasis has been backward, perhaps we should do it in terms of establishing universities in other countries rather than bringing people here. What are your thoughts about that?

Mr. MURROW. Well, this as you know is outside the purview of this Agency, because it is handled by the State Department. However, I agree with you that in the past we have tended too much to believe that if we bring huge masses of foreign students to this country, the net result must necessarily be good. I think the whole program should be reexamined and in certain countries, such as India, certain of the African countries, I think we might much better serve their interests were we to provide them with the wherewithal for teacher training institutes, perhaps for vocational schools, so that they can train the essential personnel in their own country, rather than shipping great masses of them abroad, because in many cases the foreign students who come to this country and to Western Europe, you both know from personal experience, become to a degree denationalized. They are reluctant to go back to their own countries.

If they do go back, they are rather inclined to stay in the urban centers, rather than going out to the villages where their services are required. I think a reexamination of this whole program is in order.

Mr. President, I concur with the views as expressed by Mr. Murrow that the whole overseas exchange program should be reexamined.

We just passed the Educational Cultural Exchange Act of 1961. I hope that before legislation on this subject again comes before the Congress, both the agency administering the act and the Congress will have reexamined the whole program and its effectiveness, and make recommendations for its improvement. In light of the remarks made by Mr. Murrow and facts brought out during the Senate debate on the pending bill, I feel that a reappraisal is due and necessary.

LEGISLATIVE PROGRAM

Mr. KUCHEL. Mr. President, earlier today I asked the distinguished majority leader to continue over until later—perhaps for as long as a week—consideration of Calendar No. 399, the oceanographic research and survey bill, otherwise scheduled to be taken up this afternoon.

In view of that request, I wonder whether the distinguished Senator from Montana will indicate to the Senate the plans for today and for the first of next week.

Mr. MANSFIELD. In response to the question asked by the distinguished acting minority leader, let me say I have discussed the matter with the distinguished chairman of the Commerce Committee [Mr. MAGNUSON] and with the ranking minority member of that committee [Mr. SCHOEPPEL]; and, at their request, the Senate will take up the oceanographic bill probably later next week.

It is anticipated that this afternoon the Senate will take up, instead, the conference report on the water pollution control bill, a bill reducing temporarily the exemption from duty enjoyed by returning residents, and the bill which deals with the longevity provisions for postal employees.

I do not anticipate—although I cannot guarantee it—that there will be any further yea-and-nay votes this afternoon. But the prospects look pleasing, and I think the Senate should be so informed.

TRANSACTION OF ROUTINE BUSINESS

The PRESIDING OFFICER. Let the Chair announce that pursuant to the previous order, the Senate will now resume morning-hour business.

MONTANA HAS STAKE IN DAKOTA'S CENTENNIAL

Mr. MANSFIELD. Mr. President, this summer our good friends and neighbors in North Dakota and South Dakota are celebrating the centennial of the Dakota Territory.

The observance of this important occasion is of vital interest to the State of Montana. Not only are there close kinship and interstate communication between Montanans and the people of the Dakotas, but there is also a very close historical tie which links together these three States. At one time, all of Montana east of the Continental Divide was a part of the Dakota Territory. The Dakota Territory was formed in 1861, and included the present States of North Dakota and South Dakota and parts of the present-day Montana and Wyoming.

Both States have a heavy schedule of events planned for this observance; and it is something that everyone will want to check into, should he be traveling in the West this summer or early fall.

The Dakotas have a very colorful past; and these 100 years are a testimonial to the wonderful and industrious people who live in the Dakotas today, and who are so ably represented by their Senators—Senators MILTON YOUNG and QUENTIN BURDICK, of North Dakota; and Senators KARL MUNDT and FRANCIS CASE, of South Dakota. It is a real pleasure to serve with these men, and it is a great honor for the people of Montana to share in the Dakota Territory Centennial.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD an article from the Sunday magazine section of the Great Falls Tribune for July 9, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONTANA HAS STAKE IN DAKOTA'S CENTENNIAL—VAST STATE AREA ONCE IN TERRITORY

Many Montanans are watching with interest this summer's observance by the neighboring States of North and South Dakota of the centennial of Dakota Territory.

The event is of special interest to those eastern Montanans who live not far from the borders of the two Dakotas and to many who are former residents of the two States to the east.

But proximity and former associations are not the only reasons for this interest. Historically, Montana is closely linked with the Dakotas. All of Montana east of the Continental Divide once was part of Dakota Territory.

Further, the Dakota centennial serves to remind Montana that its 100th anniversary of achieving Territorial status is only 3 years away.

Dakota Territory was formed March 2, 1861, and included the present States of North Dakota and South Dakota, as well as parts of present-day Montana and Wyoming. President Abraham Lincoln appointed Dr. William Jayne the first Territorial Governor in April of that year. Jayne had been Lincoln's physician.

In 1862, the first territorial legislature met in Yankton, now in South Dakota.

Previously, the vast area included in Dakota Territory had been under the flags of France, Spain, and Great Britain. It later was under the jurisdiction of seven territories—Louisiana, Missouri, Michigan, Wisconsin, Iowa, Minnesota and Nebraska.

The name of Dakota Territory was taken from the Sioux Indian language. "Dacotah" means "many in one," and was roughly translated as "an alliance of friends."

When the first Territorial legislature met in Yankton, there were less than 2,500 whites in all the area.

One of the first laws of Lincoln's administration was the Homestead Act, and a land office was opened at Vermillion, now in South Dakota, April 8, 1861. On January 1, 1863, at 12:01 p.m., Mahlon Gore filed a claim on land near Vermillion. It was the first in Dakota Territory and the first in the United States.

The Homestead Act was the tocsin of the Sioux Nation. Increasing settlement ignited the Sioux outbreak in 1862, which was ended by a council at Old Fort Sully in 1865.

Hostilities were renewed almost immediately the same year, though, with the Red Cloud war and attacks on pioneers using the California Trail through the Territory.

Under the treaty of 1886, the Sioux won the land west of the Missouri River as a permanent hunting ground. The United States pledged this land would belong to the Sioux as long as the "grass is green and rivers shall run."

But Lt. Col. George Armstrong Custer, a man with ambitions, discovered gold on French Creek in the Black Hills in 1874 and broadcast the fact widely to eastern newspapers before notifying his superiors.

The news touched off a wild gold rush to "the richest 100 miles on earth" and by 1876, Deadwood Gulch was a roaring settlement of 25,000. Crazy Horse and the Sioux exacted some satisfaction from Custer and the 7th Cavalry at the massacre on the Little Big Horn River, in present Montana, on June 25 of that year.

Gold brought the railroads and a new wave of settlers. When President Benjamin Harrison issued a proclamation admitting South Dakota to the Union on November 2, 1889, it had over 300,000 people. North Dakota was admitted to the Union that same day. Bismarck, which had become the Territorial capital in 1883, became the North Dakota capital and Pierre became South Dakota's capital.

November 8, 1889, 6 days after the Dakotas were admitted to the Union, President Harrison signed a proclamation admitting Montana as the 41st State.

Montana, east of the divide had been severed from Dakota Territory in 1863, when the Territory of Idaho was formed. A year later Montana Territory was created, including the territory taken from Dakota and the present area west of the divide which had previously been in Oregon and Washington Territories.

Both the Dakotas got their centennial celebrations underway in early spring and the festivities will continue into September.

Today, July 9, military units from North and South Dakota will participate in an observance in South Dakota's Forest Sisseton State Park.

Two outdoor dramas are being staged through the summer in North Dakota. "Old Four Eyes," the story of Theodore Roosevelt's life as rancher in the North Dakota badlands in the 1880's is being presented four times weekly until September 4 at a natural outdoor theater near Medora, not far from the Montana line on U.S. Highway No. 10.

"Trail West" the story of General Custer and his trek that ended in death in Montana, is being presented five times a week in Fort Lincoln State Park south of Mandan.

South Dakota has centennial jubilees scheduled at Armour, today through July 11; Isabel, August 5 and 6, and White River, August 18 and 19. The most ebullient event, however, will be Gold Rush Day August 27 near Huron, where spectators will dig for more than $35,000 in cash and merchandise buried in the ground.

In addition both States have had and will be having numerous concerts, rodeos, and local celebrations in honor of the territorial centennial.

Mr. CASE of South Dakota. Mr. President, will the Senator from Montana yield briefly?

Mr. MANSFIELD. I am delighted to yield.

Mr. CASE of South Dakota. I merely wish to say that those of us who live in the Dakotas appreciate the generous recognition by the distinguished majority leader of the Dakota centennial. This summer we are having a series of observances in the Dakotas; and I wish to join the Senator from Montana in suggesting that any Senators or others who may be traveling west during the summer or fall will find these events most worth while. One or more of them can be enjoyed by visitors at any given time; and all will be most welcome.

FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1961—CONFERENCE REPORT

Mr. KERR. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6441) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 13, 1961, pp. 12471–12475, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KERR. Mr. President, I request the adoption of the report.

I ask unanimous consent to have printed at this point in the RECORD a brief statement in explanation of the action taken by the conference committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KERR

The report is signed by a majority of the conferees on the part of the House and the Senate, and the report has been accepted by the House of Representatives.

The Senate amendment strikes out all of the House bill after the enacting clause and inserts a substitute. The House receded from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The major differences between the House bill and the substitute agreed to in conference are noted in the following statement.

FIRST SECTION

The House bill amended subsection (b) of the first section of the Federal Water Pollution Control Act to strike out the specific reference to boundary waters of States and added a clause stating that nothing in the Federal Water Pollution Control Act should be construed as impairing or affecting the power authority and jurisdiction of the States to enforce State water pollution control laws and regulations. The Senate bill made no such amendment.

The conference substitute does not make these amendments to existing law.

SECTION 2

The Senate amendment amended section 2 of the Federal Water Pollution Control Act to add a new subsection (b) which would grant authority to Federal agencies to include capacity in reservoirs for water quality control. This capacity is not to be a substitute for adequate treatment of sewage. A determination would be made of the benefits of such capacity and an appropriate share of the cost allocated to this purpose. Beneficiaries would be determined and if the benefits are widespread or national in scope, the costs of such capacity would be nonreimbursable.

The House bill did not contain such a provision.

The conference substitute adopts the amendment of the Senate.

SECTION 3(a)

The House bill amended section 4(a)(4) of the Federal Water Pollution Control Act to remove the limitation that not more than $100,000 could be used to establish and maintain research fellowships.

The Senate amendment did not remove this limitation.

The conference substitute would remove this dollar limitation but would require an annual report by the Secretary to the appropriate committees of Congress on his operations under that provision of law.

SECTION 3(b)

The Senate amendment added a new subsection (d) to section 4 of the Federal Water Pollution Control Act. This new subsection would require the development and demonstration by the Secretary of (1) practicable means of treating sewage and other wastes to remove the maximum amounts of pollutants in order to maintain the Nation's water at a quality suitable for repeated reuse, (2) improved methods of identifying and measuring pollutants, and (3) methods for evaluating the effects of augmented streamflows to control pollution not otherwise susceptible to abatement. An authorization for these purposes of not to exceed $5 million per fiscal year with a total limitation of $25 million is also provided by the amendment.

The House bill contained no such provision.

The conference substitute is identical to the Senate amendment.

The Senate bill amended section 4(a) of the Federal Water Pollution Control Act by providing for the establishment of research and field demonstration facilities with an authorization for the appropriation of not more than $10 million. This amendment was deleted because it was concluded that sufficient authority for such facilities were contained in subsection (e) of section 4 of the Senate bill and subsection (d) of section 4 of the House bill. These subsections would authorize the establishment and maintenance of field laboratory and research facilities, including, but not limited to, one in the Northeast area, one in the Middle Atlantic area, one in the Southeast area, one in the Midwest area, one in the Southwest area, one in the Pacific Northwest, and one in Alaska.

The House bill amended section 4 by adding a subsection calling for research and technical development work, and make studies, with respect to the quality of waters of the Great Lakes, including an analysis of water quality under varying conditions of waste treatment and disposal. The Senate bill contained no such provision. The conference substitute is identical to the House amendment.

SECTION 4

The House bill increased grants to States and interstate water pollution control agencies for the operation of their programs from $3 million to $5 million and extended the authorizations through June 30, 1971.

The Senate amendment is the same as the House bill in this respect except that the authorization is extended only through June 30, 1966.

The conference substitute is the same as the House bill except that the authorization is extended only through June 30, 1968.

SECTION 5

The House bill amended subsection (b) of section 6 of the Federal Water Pollution Control Act to provide that no construction grant shall be made for any project in an amount exceeding whichever of the following is smaller (1) $800,000, or (2) the total of 30 percent of the first $1 million of the reasonable cost of the project as determined by the Secretary, plus 15 percent of the next $2 million of such cost, plus 10 percent of the remainder of such cost.

The Senate bill amended the same provision of law as the House bill to provide that no grant shall be made for any project in an amount exceeding 30 percent of the estimated reasonable cost thereof, or in an amount exceeding $500,000, whichever is smaller.

The conference substitute is the same as the Senate amendment with exception that the amount of $500,000 is increased to $600,000, and the multiproject limitation of $2,400,000, as contained in the House bill, was retained.

SECTION 5(b)

The House bill amended subsection (b) of section 6 of the Federal Water Pollution Control Act to provide that no grant should be made for any project under that section in an amount exceeding $250,000 until a grant had been made for each project (1) for which an application was filed with the appropriate State water pollution control agency prior to the date of enactment of amendment and (2) which meets the requirements of the section and regulations thereunder as in effect prior to such date of enactment. The Senate bill contained a similar provision.

The conference substitute is the same as the House bill with the exception that the priority given by this amendment has been extended to all those smaller projects for which applications are filed before 1 year after the date of enactment of this amendment.

SECTION 5(c)

The House bill amends subsection (c) of section 6 of the Federal Water Pollution Control Act to provide that if an allotment to a State is not obligated within 6 months after the end of the fiscal year for which it was made because of a lack of approved projects then the Secretary can reallocate those unobligated amounts on a reasonable and equitable basis. These reallocated amounts are to be available for projects approved for grants before the end of the fiscal year following the fiscal year for which the original allotment was made.

The Senate amendment provides for the reallocation of sums allotted to a State not obligated at the end of the fiscal year following the fiscal year for which they were allotted because of a lack of approved projects. The reallocation shall be to those States having approved projects for which grants have not been made because of a lack of funds with the exception that whenever the Surgeon General finds that the need for a project in a community in the State is due in part to Federal institutions or Federal construction activity, he may, before making any reallotment, make an additional allocation to the project which will reflect an equitable contribution for the need caused by the Federal activity.

The conference substitute is essentially the same as the Senate amendment with the exception that the States are given 18 months to obligate their allotment as provided in the House bill, rather than 24 months provided in the Senate amendment. In addition, the conference substitute makes it clear that an additional grant may be made to a project in a State by the Secretary because of a Federal activity in that State only from funds allotted to that State which are subject to reallotment because of a lack of approved projects in that State.

SECTION 5(d)

The House bill amended subsection (d) of section 6 of the Federal Water Pollution Control Act to increase the amount authorized for grants from $50 million to $100 million per fiscal year. The aggregate authorization of such sums is also increased from $500 million to $1 billion.

The Senate amendment amended the subsection to provide an authorization of $70 million for the fiscal year 1962, $80 million for the fiscal year 1963, $90 million for the fiscal year 1964, $100 million for the fiscal year 1965, and $100 million for the fiscal year 1966. In addition the Senate amendment repealed the restriction in existing law that at least 50 percent of funds appropriated must be granted for treatment works servicing municipalities of 125,000 population or less.

The conference substitute provides authorization of $80 million for the fiscal year 1962, $90 million for the fiscal year 1963, and $100 million for each of the fiscal years 1964 through and including 1967. In addition the conference substitute retains the restriction requiring the use of at least half of the funds appropriated for projects in cities of 125,000 population or less which was repealed by the Senate amendment.

SECTION 7 (a), (b), and (d)

The House bill provided that pollution of navigable waters would be subject to abatement under the act.

The Senate amendment provided that interstate or navigable waters shall be subject to abatement under the act.

The conference substitute is the same as the Senate amendment.

SECTION 7(c)

The House bill provides that a conference, initiating Federal enforcement procedures, must be called on the request of (1) the Governor, (2) the State water pollution control agency, or (3) with the concurrence of the State agency governing, the governing body of any municipality, whenever the pollution endangers the health or welfare of persons in a State other than that in which the discharge originates (interstate pollution). The Secretary on his own initiative may call such a conference when he has reason to believe that such interstate pollution is occurring. Such a conference must be called whenever requested by the Governor, the State water pollution control agency, or, with the concurrence of such agency, the governing body of any municipality when pollution is endangering the health or welfare of persons only in the State requesting the conference (intrastate pollution), unless the Secretary determines that the effect of the pollution is not significant enough to warrant the exercise of Federal jurisdiction.

The Senate amendment differs from the House bill in that a conference could be called because of intrastate pollution only upon the request of the Governor of a State.

The conference substitute provides that a conference could be called in the case of interstate pollution upon the request of the Governor, the State water pollution control agency, or, with the concurrence of both the Governor and the State agency, the governing body of any municipality. The Secretary may call such a conference on his own initiative in the case of interstate pollution. The conference substitute provides in the case of intrastate pollution that a conference may be called only when requested by the Governor of a State where the pollution is occurring. In cases involving intrastate pollution the Secretary may refuse to exercise Federal jurisdiction if in his judgment the pollution is not of such significance to warrant the exercise of Federal jurisdiction.

SECTION 7(e)

The House bill amends subsection (e) of section 8 of the Federal Water Pollution Control Act to provide that the board which under present law conducts the public hearing to make findings whether pollution is occurring and whether effective progress toward abatement is being made shall be formally known as a hearing board. The House bill further amends section 8(e) of existing law to provide that findings and recommendations of the hearing board shall be those of the Secretary except to the extent the Secretary believes other findings or recommendations are warranted. The House bill also authorizes the Secretary to make an order requiring the abatement of pollution, which order shall become final 60 days after its issuance unless an appeal is taken.

The Senate amendment made no changes in the existing law.

The only change in existing law which the conference substitute would make would be to formally designate the board holding the public hearing as a hearing board.

The House bill amends subsection (f) of section 8 of the Federal Water Pollution Control Act to provide a detailed method for appealing an order of the Secretary issued under subsection (e) of section 8 as proposed to be amended by the House bill.

The Senate amendment made no change in existing law.

The conference substitute provides that if pollution is not abated within the time specified in the notice following the public hearing the Secretary of Health, Education, and Welfare may request the Attorney General to bring a suit on behalf of the United States to secure abatement in the case of interstate pollution; however, in the case of intrastate pollution he may request the institution of such a suit in the name of the United States only with the written consent of the Governor of the State.

The House bill amends subsections (g) and (h) of section 8 of the Federal Water Pollution Control Act to provide for the jurisdiction of the court with respect to orders issued by the Secretary under subsection (e) of such section 8 as proposed to be amended by the House bill.

The Senate amendment made no changes in the existing law.

The conference substitute makes no changes in the existing law in this respect since the conference substitute does not provide authority for the Secretary to issue orders as was the case in the House bill.

SECTION 10

The Senate amendment amends the Water Supply Act of 1958. The House bill contained no such amendment. The present Water Supply Act of 1958 provides authority for the Corps of Engineers and the Bureau of Reclamation to include municipal and industrial water supply capacity in reservoirs under their jurisdiction. The present law provides that not to exceed 30 percent of the total cost of any project may be allocated to anticipated future demands if State or local interests give reasonable assurances that they will contract for the use of storage for anticipated future demands within a period of time which will permit paying out the cost allocated to water supply within the life of the project. The Senate amendment will permit the Federal agency concerned to make its own determination of future water supply needs and, on the basis of such determination, to include capacity in a project without definite contractual commitments from State or local interests.

The conference substitute adopts the provisions of the Senate amendment.

Mr. COOPER. Mr. President, I should like to ask the distinguished Senator from Oklahoma two questions, for the purpose of interpretation.

The conference report extends—in my judgment—the jurisdiction of the Surgeon General. At present, the Surgeon General has enforcement powers over interstate waters. The conference report will extend that definition, so as to apply to navigable waters, as well.

I should like to ask the distinguished Senator from Oklahoma this question: In the event it should be determined that navigable waters include a navigable lake which is wholly within a State, if the Surgeon General instituted an action, would it be necessary for him to secure approval by the Governor of the State, before the Surgeon General could institute an enforcement action in court?

Mr. KERR. Under the bill, the answer is "Yes." Under the law existing prior to this bill, enforcement authority has been limited to interstate waters; and the procedures of enforcement are very clearly set forth in the present law.

Under the bill as it came from the House, the authority of the Surgeon General—and that has been changed, by the way, to the Department of Health, Education, and Welfare—to initiate enforcement proceedings was expanded to include navigable waters. Under the language as it came from the House, an order of the Secretary of Health, Education, and Welfare would be effective unless appealed from in the U.S. Court of Appeals.

The Senate amended that provision quite drastically limiting the expansion of the enforcement jurisdiction to a situation described as interstate or navigable waters, and provided that, with reference to intrastate waters—such as a

navigable lake wholly within a State, as described by the Senator from Kentucky—action by the Department of Health, Education, and Welfare could be taken only upon the request of the Governor of the State in which the intrastate waters were located. Then the procedure would be before a U.S. Federal court.

Mr. CASE of South Dakota. Mr. President, will the Senator yield at that point?

Mr. KERR. I yield to the Senator from South Dakota on this point.

Mr. CASE of South Dakota. I merely want to state for the record that was the clear understanding on the part of the conferees—that if action were sought by anyone with respect to pollution abatement of waters that are wholly within a State, the Secretary of Health, Education, and Welfare's notices or recommendations could be effective only if he had been requested to come into the picture by the Governor. The Governor's request would be necessary before the Secretary of Health, Education, and Welfare could enter into pollution abatement actions where waters are wholly intrastate, including the calling of a conference.

Mr. KERR. Then the procedure would be to seek relief in a court.

Mr. CASE of South Dakota. That is correct.

Mr. COOPER. Mr. President, will the Senator yield for a further question?

Mr. KERR. Yes.

Mr. COOPER. I know the conference report expresses this, but I think it is worth while to ask this question for the record and the information of the Senate. As the bill came from the House, it provided that after the Surgeon General—or, now, the Secretary—had made a decision upon an issue, the case made would be a prima facie case and the appeal would have to be to a circuit court. Is it correct to state that, as the conference report comes before the Senate, any action by the Secretary of Health, Education, and Welfare would be instituted in a U.S. district court?

Mr. KERR. The Senator is correct. The language which the Senator from Kentucky has referred to as being in the bill as it passed the House was deleted by the Senate, and was left out by the conferees.

Mr. COOPER. These matters caused me some concern in the committee. I am glad the Senator has taken good care of them, as he always does.

I am very strongly in support of the bill.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. The adoption of the conference report will mark the enactment, so far as passage of the bill by Congress is concerned, of an expanded new Federal Water Pollution Control Act. The purposes of the bill are known to all, and its features will be stressed in various ways by various people.

Some comment has been made in the press that the bill does not go as far in the direction of providing funds for large projects as some people feel it should. On the other hand, it should be noted that the conferees, in reaching their agreement, provided greater amounts for large projects than does the present law when those projects had been taken care of that are under $250,000 and for which applications have been filed prior to 1 year after the date of enactment of this bill.

We sought by this device not only to accommodate the needs of the larger cities, but also to protect the interests of the smaller communities where 30 percent of the project cost would not exceed $250,000.

Under that protection, I feel the conference report provides aid to the larger cities as well as protects the smaller communities, and thereby preserves the purposes of the act.

The bill as finally agreed to in conference does not provide as much overall money as some persons had talked about, but on an annual basis the program is very substantial and is considerably larger than it has been in the past. Yet it does respect the situation of the Treasury Department to a certain extent.

The conference agreement was one I felt I could support in view of the many points of view that had to be considered.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. KERR. Mr. President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. CASE of South Dakota. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, I wish to say a word in tribute to the members of the Committee on Public Works for the job they did in handling the legislation in committee and on the floor, and to their representatives in conference. The final report is due to the efforts of all members of the committee.

Again I wish to make the record clear that the distinguished Senator from South Dakota [Mr. CASE], the ranking Republican on the committee, lived up to his fine reputation of constructive statesmanship, purposes, and ability to cooperate in handling and improving legislation on a bipartisan basis, and, along with his colleagues, did a fine job. He especially did a great job in the leadership he manifested and in the work he performed.

The distinguished Senator from Utah [Mr. Moss] had an amendment which was accepted and then retained by the Senate conferees in the conference with the House.

Other Senators on the Democratic side, including the distinguished Presiding Officer at this moment [Mr. METCALF], made a fine contribution to the development of this legislation, which, in the judgment of the Senator from Oklahoma, is going to make a tremendous contribution to water conservation, development, pollution abatement, and water quality control in the United States.

Mr. CASE of South Dakota. Mr. President, will the Senator yield before he takes his seat?

Mr. KERR. I yield.

Mr. CASE of South Dakota. I wish to join in what the Senator has said about the bipartisan way in which the bill was handled, and to commend the Senator from Oklahoma for his leadership in this field, which is so closely related to the work of the Select Committee on Water Resources which he headed so ably.

SENATOR BYRD OF VIRGINIA

Mr. WILLIAMS of Delaware. Mr. President, there appears in yesterday's Washington Evening Star an article by Gould Lincoln entitled "Byrd's Flag Is Flying High." I wish to quote two or three sentences from the article:

> The people of Virginia believe in Senator BYRD. They respect his honesty and courage. The sweeping victory of a Byrd supported ticket for Governor and other major State offices in Tuesday's primary is just another evidence of that faith.

There are hosts of Americans, both in and out of the State of Virginia, who will join Gould Lincoln in paying respect to this very able Member of Congress from the State of Virginia. I ask unanimous consent that the entire article be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BYRD'S FLAG IS FLYING HIGH

(By Gould Lincoln)

Rarely has any man so dominated the politics and policies of his State for so long a time as has Senator HARRY FLOOD BYRD of Virginia. The people of Virginia believe in Senator BYRD. They respect his honesty and courage. The sweeping victory of a Byrd supported ticket for Governor and other major State offices in Tuesday's primary is just another evidence of that faith. Senator BYRD's grip on the politics of Virginia and the State government has brought many times a charge of machine politics, of "bossism." But in all the many years of the so-called Byrd machine, the State has been well governed economically and without corruption.

The victory of the Byrd ticket for Governor will be hailed as a victory for conservatism. It will have its repercussions throughout the country, and it will leave Virginia, as it has been for years, in a commanding position as a leader in the South. Certainly, the radical Democrats of the North and the Kennedy Frontiersmen can take no joy in the results. Senator BYRD did not say a single word in favor of the election of President Kennedy in the 1960 campaign. His silence was interpreted as opposition to the Democratic presidential candidate. Mr. Kennedy lost Virginia.

The Virginia Senator is no religious bigot. He did not withhold approval of the Kennedy ticket because Mr. Kennedy is a member of the Catholic Church. He withheld his approval because he was strongly opposed to the Democratic national platform and Mr. Kennedy's pledge to go forward with the program contained in that platform. Back in 1928, when Senator BYRD was Governor of Virginia, he fought hard in the presidential campaign to elect Gov. Alfred E. Smith of New York, the first Catholic ever nominated by a major political party for President of

the United States. Governor Smith also was in favor of repeal of national prohibition, a real issue in those days. Despite Governor BYRD's efforts, the State was lost to Herbert Hoover, the Republican candidate.

AGAINST KENNEDY POLICIES

Senator BYRD, who has been on many occasions a lone voice crying in the wilderness of financial irresponsibility by Government, has no use for many of the domestic proposals of the Kennedy administration. He is violently opposed to deficit spending—except when necessary for national defense. He believes that the States, not the Federal Government, should deal with the schools. He has been an advocate of "massive resistance" to the integration of the public schools in Virginia. He is opposed to some of the Kennedy social welfare measures, believing that the States, not Washington and the Federal Government, should see to the welfare of their citizens. The policies he has advocated have been based on principle, not on partisan politics.

Had the Tuesday primary election seen the defeat of the Byrd ticket, it would have been called a defeat for Senator BYRD and the principles he advocates. His influence and prestige in the Senate would have been marred even though he himself was not on the ticket.

Senator BYRD is a Democrat. He has never announced support of a Republican candidate, either for the Presidency or for office in Virginia. In 1952 he went so far as to say he could not support Adlai Stevenson, the Democratic nominee for President. In 1956 he remained silent when Mr. Stevenson was again nominated, and in 1960 the Senator again said nothing about the presidential race. In all three presidential elections, Virginia was carried by the Republican candidates.

GOVERNOR AT 38

Born in 1887, Senator BYRD was elected to the State senate in 1915 when he was 28 years old. He was 38 years old when he was chosen Governor, to serve a 4-year term extending from 1926 to 1930. As Governor, he immediately made his mark. He became a political power of major proportions. Three years later, he was appointed to the Senate to fill a vacancy caused by the resignation of Senator Claude Swanson. He later was elected to fill out the Swanson term in the Senate and has been a member of the Senate ever since.

Senator BYRD's friendship has been sought and valued by many Presidents. His personal relations with President Kennedy are very friendly. Indeed, President Kennedy flew last spring in a helicopter to land on the lawn of Senator BYRD's home at Berryville to attend a luncheon party. But Senator BYRD's personal friendship for Mr. Kennedy, with whom he served in the Senate for 8 years, does not affect the Virginian's theories of government and financing.

There were many conflicting angles involved in the primary election won by the Byrd organization. The outcome, however, reflects the conservative viewpoint of Virginia voters. The opposition ticket, which drew a very considerable vote, pulled out all the stops in its fight to overthrow the Byrd control. An amazing feature of the primary, in view of the hard campaign and great publicity, was the small turnout of voters. Although more than a million qualified voters are on the rolls, only 350,000 went to the polls. The Republicans, of whom there is an increasing number in the State, are included in the million qualified to vote. It had been expected, however, that some 375,000 to 400,000 voters would cast their ballots.

The Democratic nomination for Governor in Virginia has been tantamount to election. There seems no reason to challenge that precedent, although the GOP will have a candidate in the field in November.

TRIBUTE TO DEAN ERNEST C. MARRINER

Mrs. SMITH of Maine. Mr. President, one of the most outstanding citizens of Maine, Dean Ernest C. Marriner, of Waterville, Maine, a prominent educator and former dean of the faculty of Colby College, recently made his 500th 15-minute broadcast on radio station WTVL of Waterville, Maine.

This program—which is 13 years old—is undoubtedly the most popular local radio program in the State of Maine. It is the oldest Maine radio program in Maine with the same sponsor. More than that, it is the oldest in New England.

I think that a true measure of the great public service of this program and its tremendous popularity is in the fact that it has had the same sponsor from the very beginning—the Keyes Fibre Co.

But this is not surprising in any manner to me—because I have been privileged to know Dean Marriner for many, many years. I have never known a finer person. I have never had a friend of whom I was more proud than Dean Ernest C. Marriner.

I have never known anyone in my life who was more respected and for whom there was greater deep affection than that which the people of Maine have for Dean Marriner.

I ask unanimous consent that his 500th broadcast be printed in the body of the CONGRESSIONAL RECORD, together with an account in the May 20, 1961, Waterville Morning Sentinel about this broadcast and program and a biography of Dean Marriner.

There being no objection, the article, account, biography, and broadcast were ordered to be printed in the RECORD, as follows:

MARRINER WILL PRESENT HIS 500TH BROADCAST

(By Everett Webb)

Thirteen years ago—it was in the fall of 1948—Dean Ernest C. Marriner agreed, although somewhat hesitantly, to fill in on a 15-minute WTVL (Waterville) radio program for "3 or 4 weeks."

Sunday the popular Dean Marriner will present his 500th broadcast. During the past 13 years, the current historian at Colby College has compiled an enviable record.

At the same time, he has given central Maine an insight into the colorful past of Waterville, Kennebec County, Somerset County, and other sections of Maine.

"Little Talks on Common Things," which is the name of his 15-minute Sunday night chats, has covered such interesting history as the covered bridges of Maine, the narrow-gage railroads, the Abnaki Indians of Waterville, Waterville's first murder, the Coolidge murder, oldtime doctors hereabout, and unnumbered other tidbits of days gone by, including Maine's famous racehorses.

And through it all only one sponsor has ever been associated with the program. Keyes Fibre Co. of Waterville first sponsored the programs on the dean's third broadcast. They are still the sponsors.

To honor Dean Marriner for achieving 500 programs on the air, the Kennebec Broadcasting Co. and the Keyes Fibre Co. presented him an 18-carat gold-plated 16-inch record.

Marriner proudly points to the fact that his is the oldest Maine radio program in Maine with the same sponsor. It is also the oldest in New England.

He is also proud that his sponsors do not ever interrupt during his program for commercials. The only mention of the sponsor is in the introduction and at the end of the program.

Marriner Wednesday related how the program had its origin.

He said that Carleton Brown, who is a neighbor of Marriner and president of the Kennebec Broadcasting Co., stopped him one day in the fall of 1948.

Brown said, "Couldn't you give me something to fill in for a few weeks?"

He explained, according to the dean, that it would only be for a few weeks.

Brown said he was looking for a program "that would be meaningful" to follow the Drew Pearson program, which was on the air from 6 to 6:15 p.m.

"I didn't care what he talked about, as long as he would talk," Brown said. He compared the dean's voice to that of the late President Franklin D. Roosevelt, and said that the dean reminded him of the time when F.D.R. had his fireside chats.

Brown added that he told Marriner, "Before you start, I want you to come downtown to the corner of Temple and Main Streets and watch the people getting on and off the Oakland bus. Prepare yourself to talk to those people, because they are the ones you'll be talking to."

The dean did just that.

After Marriner had agreed to do the broadcast, Brown called him one day and asked, "What are you going to talk about?"

The dean replied, "Little Talks on Common Things." And the first broadcast was just that. He discussed the birth of a baby.

Marriner states that since his third broadcast he has never had to do any digging and research for his programs. And a look at his library would explain the reason. People who listen to the program offer him items, historical information, articles of days gone by, and through these contributions comes the materials for his 15 minutes each Sunday.

The only break in the series is during the summer, when he takes his vacation. But every September he resumes and continues through each June.

How was the sponsor obtained? Before the third program, back in 1948, Brown and Marriner went to visit the late Wallace Parsons, then president of the Keyes company, and Ralph Cutting, current president of the firm, to discuss the possibility of sponsoring the program. Brown said it was stressed that it was a quality program and that it was not designed to sell "products but to sell good will."

In his collection, accumulated over the years, are numerous items of value, many irreplaceable. They all have a tie-in with the past in Maine.

The program also made possible the two books published by the dean, one entitled "Kennebec Yesterdays" and the second "Remembered Maine."

Marriner is former dean of the faculty at Colby College and is chairman of the board of trustees of the Waterville Public Library.

Among his most highly prized possessions are a copy of Maine's first newspaper, the Falmouth Gazette of 1785 (vol. 1, No. 1), and a copy of the Boston Gazette of March 12, 1770, containing the earliest first hand-printed account of the Boston Massacre.

BIOGRAPHY OF ERNEST CUMMINGS MARRINER, HISTORIAN

Ernest Cummings Marriner was born October 16, 1891, in Bridgton. The son of Wyllis and Margie Whitney Marriner, he graduated from Bridgton High School in 1909 and from Colby College in 1913.

As an undergraduate he was president of the senior class, the track team and the varsity debating team. He won several prizes in public speaking.

During the summers of 1915 and 1916, he studied English at Harvard Summer School. In 1937 he received his A.M. degree from

Suffolk University, and in 1953 an honorary L.H.D. from Colby. In awarding the degree President Bixler praised him "for a record that is unique in Colby's annals." He has also received honorary degrees from Suffolk University and from the University of Maine.

On June 27, 1917, in Wells Depot, Maine, he married Eleanor Creech, a member of Colby's class of 1910. They have two children, Ernest, Jr., city manager of Pittsburg, Calif., and Ruth, now Mrs. Eugene S. Szopa, whose husband is U.S. Vice Consul at Warsaw, Poland.

Dean Marriner entered teaching in 1913 as head of the English department at Hebron Academy. From 1920 he was acting principal of Hebron, resigning to become state representative for Ginn & Co., book publishers, a position he held until 1923 when he was named librarian and professor of bibliography at Colby.

In 1929 the college appointed him dean of men and professor of English. In 1947 he was appointed dean of the faculty. He continued in this post until the spring of 1957 when he resigned to become historian of the college. A two-volume history of Colby which he has been preparing is expected to be published in 1961–62.

The dean formally retired from the Colby faculty in June 1960.

During the war years, while the Army Air Force used some of Colby's facilities, he was academic dean for the 21st College Training Detachment.

He has held many civic offices, serving as a member of the State board of education since 1949. He was elected its chairman in 1956, serving in that capacity until 1958.

Dean Marriner has served for several years as a moderator of the First Baptist Church of Waterville.

In 1952 he was chairman of a committee to supervise the staging of Waterville's sesquicentennial observance.

He was president of the New England College Admissions Board from 1936–45 and a trustee of Lee Academy, Thomas Junior College, former trustee and board chairman of Coburn Classical Institute, and a former trustee of Higgins Classical Institute.

He was a member of the committee on examinations of the college entrance examination board from 1946 to 1952.

Dean Marriner is author of several volumes including the "History of Hebron Academy" (1921); "Jim Connolly and the Fishermen of Gloucester" (1929); "Kennebec Yesterdays" (1953); "Remembered Maine" (1959), plus articles in various magazines.

For more than a decade Dean Marriner has conducted a weekly radio program over WTVL, Waterville. His broadcasts are called "Little Talks on Common Things" and cover various items of Maine history.

Dean Marriner was chairman of a committee on the minimum essentials of English for Maine secondary schools from 1930 to 1932. In 1946 he was named to a special committee of the New England Association of Colleges to cooperate with the U.S. Civil Service Commission in developing plans for improving relations between the Commission and the colleges.

He is a member of Phi Beta Kappa, Alpha Tau Omega, the Kiwanis, and the Masons.

"LITTLE TALKS ON COMMON THINGS"—500TH BROADCAST, MAY 21, 1961

As improbable as it seems to me, this is indeed the 500th broadcast of "Little Talks." I cannot pretend that any of them have been important, but if they have given pleasure to any listeners over the years, I am sufficiently rewarded for the effort that has gone into their preparation.

An important aspect of this program is that it is one of very few radio programs in the whole Nation that has continued for 39 weeks of each year, for 13 consecutive years, under the same sponsor. Putting and keeping "Little Talks" on the air would have been quite impossible without the sponsorship of the Keyes Fibre Co. I am sure listeners appreciate that, from the day these broadcasts started 13 years ago in 1948, they have never been interrupted by advertising. In a few simple words at the beginning and at the end, you are told that the program comes to you as a public service, not a commercial ad, of the Keyes Fibre Co. Never once has the company in any way sought to control the contents of the program. I have been completely free to say anything I pleased. I assure you that whenever I have spoken about Keyes Fibre on these broadcasts, it has been entirely on my own initiative. But I want everyone to know that I am very grateful to that company for making this program possible.

I am often asked where I get the material for the broadcasts, and I have often replied that it comes chiefly from listeners. Without the generous help of hundreds of persons, the program could never have reached 500 broadcasts.

People have loaned me precious letters and family documents, account books and diaries, maps and scrapbooks, old newspapers and handbills—every sort of written or printed record. Items have come not only from the Kennebec Valley and other parts of Maine, but from Massachusetts, Vermont, New York, Pennsylvania, Ohio, Minnesota, Texas, and California. One very interesting item reached me from Alaska.

As you know, the program has resulted in the publication of two books, "Kennebec Yesterdays" and "Remembered Maine." In those books are memorialized the narrow gage railroads, the stagecoach lines, the call of Maine boys to the gold fields of California, the old country stores, the disastrous river floods, the rigors of pioneer living, the squatters on the land, and many other topics. In each of those books is the story of a Maine murder case.

During the past 4 years, since the publication of "Remembered Maine," what have been the topics that received most favorable reception? By far in the lead has been the subject of Maine railroads—not only the narrow gage lines about which much has been added in the past 4 years to what I had already told in the two books—but also much about Maine's broad-gage railroads. We have discussed the origin of the Maine Central, the adventurous building of the Portland & Ogdensburg, which became the Maine Central's Mountain Division. We have seen how the prosperous Bangor & Aroostook grew out of the old Aroostook Railroad. We have talked about the battle of the gages, about the first Maine Central locomotive, about railroad postmarks, and railroad souvenirs.

Almost as popular as the railroads have been stories about Maine's famous racehorses of the 19th and early 20th centuries. Naturally Waterville's famous horse, world champion Nelson, has led the list, but quite as famous in their day were the bitter competitors, General Knox and Hirim Drew, whose matched races drew immense crowds.

Two other subjects, each of which supplied material for several programs, were the diary of Charles Keith of Winslow and the voyage of William Heath around the world. The Keith story is important because it covers nearly 30 years of daily records, and is especially informative about the Winslow Congregational Church. The Heath narrative is one of the most amazing stories ever recorded about a Maine boy, and it comes from that boy's own diary, telling in detail how he shipped out of San Francisco alone for Honolulu, just before his 16th birthday in 1850, and how he unintentionally went on to China and around the world before he returned to his Maine home just after his 17th birthday.

Local listeners were especially interested in the story of John McKechnie, the man who surveyed the lots along the river for the Plymouth Company, who was this community's first physician, and who built its first mill.

Several broadcasts devoted to two well remembered political figures attracted attention. Both of them were belligerent Democrats—Ben Bunker, publisher of the Kennebec Democrat in the 1880's and William R. Pattangall, publisher of the Waterville Sentinel in the early 1900's. I contend that one of the most brilliant works of political satire ever written in Maine is Pattangall's "Meddybemps Letters."

Other stories that listeners tell me they enjoyed were the California adventures of Thomas Flint, the young medical student whose testimony clinched the conviction of Waterville's Dr. Coolidge for murder; the pre-Revolutionary journeys down the Kennebec and the Androscoggin of the military engineer, John Montressor; and several broadcasts dealing with that splendid, upright and industrious sect, the Shakers.

Some of the oldtime things we have mentioned in recent years on the program have been ox helves and beetles, bridle chains and scantling, sulfur matches and sarsaparilla, tobacco tags and hardtack, rag peddlers and street sprinklers.

The different persons we have mentioned, only in the last 4 years, have been more than 200. We have had much to say about the leading families of the Kennebec: the Gardiners, the Norths, the Conys, the Langs, and the Burleighs; the Appletons and the Redingtons, the Plaisteds and the Heaths, the Boutelles and the Gilmans, the Moors and the Stackpoles; the Geralds, the Connors, the Totomans, and the Laurences; the Clevelands and the Coburns, the Jackmans and the Whipples. Recently we have paid fitting respect to our central Maine men in the Civil War, to whom as a part of the Union forces, we owe the fact that we are now a united, not a divided Nation.

Are the topics exhausted? Have we said all there is to say? Have the nearly a million words that have gone over the air in these 500 broadcasts exhausted the discoverable historical information about ordinary living in Maine towns and villages? By no means. On the contrary, new information continues to pour in, and I assure you there is enough to keep this program going for some time to come.

To show you how true it is that something new is always coming along, let me tell you for the first time about a letter written by a Civil War soldier almost a hundred years ago. The letter was written from the camp of the Fifth Maine near White Oak Church, Va., on April 19, 1862, by James Littlefield of Greenwood, Maine, the town in which is the village of Bryant's Pond. The letter was addressed to Littlefield's female cousin, Miss Martha Rice, at Waterville. She later married a Bickford and became the mother of Bertel and Webster Bickford of North Belgrade. Martha Rice Bickford herself died in Smithfield in the 1880's.

The greater part of the Littlefield letter is confined to the ordinary details of life in the Civil War camps, with which many other letters have made us familiar. It contains the usual gripes, such as, "It may be all right to make pack mules of us poor devils, but I cannot see it in that light." But what distinguishes this letter is the writer's sudden injection of astounding news. Let us have it in his own words:

"I will tell you of a strange circumstance that happened here a few days since. Perhaps you will think it a rather indelicate subject, but I must tell you about it and ask you to excuse me. A corporal in a New York regiment near us, while on picket a few days since, was delivered of a child. Perhaps you will think that incredible, but such is a fact. He, or I should say she,

came with the regiment as a soldier and has been with it since its organization. Her sex has remained undiscovered until now, but most likely she will now get her discharge. I think she ought to have a pension in order to bring up the child in good style."

For a chance to see that amazing letter I am indebted to Richard Sturtevant of North Belgrade, who with his brother Laurence Sturtevant has already supplied many interesting items for this program over the years.

Another recently found item is a letter written by Robert E. Pattison, when he was president of Waterville College in 1838. The letter was addressed to a very good friend and trustee of the college, William King, who 18 years earlier had been Maine's first Governor. To Governor King the Waterville College president said: "I am very anxious to spend a few weeks at Harvard University, that I may make myself acquainted with whatever they have that is peculiar. This I cannot do except in the winter vacation. Besides this, friends in Boston have notified me that, if I will visit them, they will do something for the college. I can accomplish both objects by a single journey."

Why did Pattison say he could make no extended visit to Harvard except during the winter vacation? The answer is that, in 1838, the long vacation of the college year came in the winter, in order that the students might have opportunity to teach a full term in the public schools. In the period between 1820 and 1880 almost every student at the college in Waterville was a teacher in the one-room rural schools during the winter. The college year was then composed of three terms. The fall term began in September and closed just before Christmas. Then came the long vacation, with the spring term opening early in March and closing in May. It was followed, after recess of only 1 week, by what was then called the summer term, from late May to the middle of August. The year ended with the commencement exercises about August 20.

President Pattison's letter to William King had the following postscript: "You, Judge Weston and Mr. Marsters were appointed at our last meeting a committee to solicit aid of the legislature at their approaching session. I hope, dear sir, that it may come before that body at a favorable time, for although I am far from sanguine as to the result, I hope that something will be done. Mr. Boutelle will supply all necessary facts."

The Mr. Boutelle referred to was Waterville's leading citizen, Timothy Boutelle, who was then treasurer of the college. Every year, after Maine became a separate State, the struggling new college at Waterville got a small grant, never more than $3,000 and often as little as $1,000. But those grants ended in 1833, and even with the prestige assistance of William King, President Pattison's attempt to scare another grant in 1838 met with failure.

Now, as we close this 500th broadcast, I want to express my appreciation of Carleton Brown, president of the Kennebec Broadcasting Company and manager of this station WTVL. To him and to his staff, especially the several young men, who from time to time have announced this program, I am profoundly grateful.

PADRE ISLAND NATIONAL SEASHORE

Mr. YARBOROUGH. Mr. President, on Friday, June 30, 1961, there was published in the Washington Post and Times Herald Outdoors section a very fine article written by Mr. Aubrey Graves, the Outdoors editor for the newspaper, under the title "Texans Push Padre Island Project—Bill Would Save for Public Use 88 Miles of Unspoiled Shore."

Mr. President, this is the finest article, word for word, about Padre Island that I have read. I pay tribute to Mr. Graves' ability as a writer, to be able to write so concisely, so accurately, and so interestingly in such a short space. He is an outstanding conservationist known all over the country as such, in addition to being the Outdoors editor for the Washington Post and Times Herald.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BILL WOULD SAVE FOR PUBLIC USE 88 MILES OF UNSPOILED SHORE

(By Aubrey Graves)

After languishing for two decades, the Padre Island National Seashore project is being vigorously pushed for approval at this session of Congress.

This is part of a rejuvenated drive to save for public use some of the remnant of our vanishing shorelines.

A bill introduced by Senator RALPH YARBOROUGH, Democrat, of Texas, would establish as a national seashore an 88-mile section of the 117-mile-long island which stretches along the gulf coast of Texas from Corpus Christi almost to the Mexican border.

This is the longest reach of unspoiled coastline remaining in America, exclusive of Alaska.

Varying in width from a few hundred yards to 2 miles, Padre Island has wide, clean, gently sloping beaches, composed of fine sands and broken shells, which stretch from horizon to horizon. It is an ideal place for swimming, surf fishing, and other sports.

On the gulf side are sand dunes which are shaped and reshaped by the wind. Others, stabilized by grasses and vines, rise to 40 feet in height. Behind them are broad flats and occasional ponds, some fresh with rain water.

In the remoteness of the island live such endangered bird species as the reddish egret, roseate spoonbill, Cabot's tern, royal tern, and black-bellied tree duck. It is a stopping place for many migrants.

Overwhelming citizen support for the area's preservation was registered during public hearings in Corpus Christi 18 months ago. Real estate interests, however, want to lop off 23 miles at the ends of the proposed area. These 23 miles, dotted with fresh water ponds, comprise the choice parts of the island.

Another group is demanding that the legislation include a guarantee that a highway will be built the full length of the island, with connecting causeways.

Inserting the provisions desired by these two groups, Representatives JOHN YOUNG and JOE M. KILGORE, Democrats, of Texas, have introduced in the House a bill that would restrict the length of the seashore to 65 miles and would put a highway the full length of the island.

At a Senate Public Lands Subcommittee hearing last April, Interior Secretary Stewart L. Udall expressed opposition to a through road for two reasons.

Some sections, he pointed out, are subject to washout from storms. And no studies of cost or feasibility have been made.

Secondly, he declared that millions of people are interested in the preservation of wild, unspoiled places as sources of physical and spiritual refreshment.

"For them," he said, "wild landscapes, marshes, dunes, beaches, native plant and animal life and the feeling of spaciousness, away from the sights, sounds and the smell of automobiles, should be preserved."

At the same time, he said, he favored "adequate roads and other facilities for people who do not wish to get away from them."

"Let us be provident and generous," he pleaded, "not only to the American public but also to our children, to future generations, by preserving an adequate National Parks Service."

Senate committee hearings on the legislation have been completed and the House committee has held hearings to accommodate out-of-town witnesses. National Park Service witnesses, however, have not yet been heard.

LONG-RANGE BOMBERS

Mr. YARBOROUGH. Mr. President, in recent discussions about the B–52, the B–58, and the B–70, there has been considerable discussion as to what constitutes a long-range bomber. I find that this definition is not static and it has, throughout the history of military aviation, been relative. At all times, however, the elements of definition of a militarily useful long-range bomber have been tempered with considerations which describe the bomber's ability to penetrate and survive the enemy's defensive environment and to deliver its bombs upon the target. These are speed, altitude, maneuverability, defensive armament, and effective electronic countermeasures capability. The ability to operate at extremely high speeds at minimum altitudes is a characteristic of ever-increasing importance.

Prior to the advent of nuclear weapons, the payload of any bomber was described in terms of pounds. The tremendous increase in yield of nuclear weapons coupled with the ever-decreasing weight of these weapons of increased efficiency has rendered this parameter obsolete when talking of strategic weapons. This parameter is now expressed in equivalent tons of TNT—1 megaton equals 1 million tons—delivered on the target or targets. The accuracy and reliability of the bomb aiming system plays an extremely important part in measuring relative effectiveness.

In consideration of the fluid nature of the definition of the term "long range," we must assume, at this time, that the range of the B–52 describes a long-range strategic bomber. There have been eight successive model improvements of the B–52. Approximately two-thirds of the total quantity delivered and on order are models A through F. The range of the best of these has a total unrefueled range of about 7,700 miles. One must conclude, therefore, that this describes the range of a long-range bomber.

While the G and H models of the B–52 have increased range capability, they will represent less than one-third of the total and, more important, this increased range capability cannot be realized until the wings have been replaced and this will take several years to accomplish and will cost about $1 million per airplane. It is significant that none of the many modifications or model improvements of the B–52 have increased its speed or its altitude over the target.

Let us look, then, at the range of the B–58. There have been no model improvements of this airplane ordered although like any airplane, it has a lot of growth potential. The unrefueled range of the B–58A—the production model being delivered today—is about 5,500 miles. A model improvement which I shall call for convenience the B model, which requires no invention or costly developments, could bring the unrefueled range of this airplane to over 7,000 miles. This range is certainly comparable to the range of about two-thirds of our B–52 fleet, so it follows, Mr. President, that the B–58 must be classified as a long-range strategic bomber.

If we consider other parameters such as speed, altitude over the target, and so forth, the B–58, as it should be, is a far more effective weapons system. We find that the cruising speed of the B–58 is over 100 miles per hour faster than the B–52, its top speed is over twice as fast, its altitude over the target about 20,000 feet higher, and its penetrating speed at low altitude is over 200 miles per hour faster than the B–52. It has the latest and most accurate bombing system yet devised, and is equipped with the most effective and advanced electronic countermeasures equipment available. It demonstrated its weapons systems effectiveness superiority by winning the SAC bombing competition during its first operational year—a feat unequaled in the history of any SAC weapons system.

Another straightforward model improvement of the same order which has become customary, that is changing the engines and the leading edge of the wing will allow the B–58 to cruise continuously at mach 2.4—the current limit of aluminum structural materials due to aerodynamic heating—which is about 270 miles per hour faster than the high speed of the current A model and is equal to the top speed of the new Russian interceptors and is about 1,000 miles per hour faster than the top speed of the B–52.

In summary, Mr. President, the B–58A requires one aerial refueling to hit 100 percent of the SAC targets from bases in the United States. The B–52 also requires one aerial refueling to hit 100 percent of the SAC targets from bases in the United States. The B–70, when it is developed and available, will require one aerial refueling to hit 100 percent of the SAC targets from bases in the United States.

If I recall the axiom from plane geometry correctly: "Things equal to the same thing are equal to each other," it follows therefore, that the B–58A is a long-range strategic bomber and it is capable of many and steady improvements in range, speed, payload, and altitude.

Mr. President, I ask unanimous consent to have printed in the RECORD, at this point, an editorial from the New York Times of July 12, 1961, entitled "The Needs of Defense"; another editorial from the New York Times of July 11 entitled, "Bombers Here To Stay Awhile"; a letter to the editor of the Evening Star of July 11, 1961, entitled "Bombers and Missiles," written by Sidney Koretz; an article published in the Fort Worth Star-Telegram of July 13, 1961, entitled "Red Plane Transport, Supersonic"; and another article from the Fort Worth Star-Telegram of that same date entitled "AF Readying Plea for Bomber Buildup."

There being no objection, the editorials, letter, and articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 12, 1961]

THE NEEDS OF DEFENSE

There is a curious air of unreality about the President's order to the Defense Department for another major review of our military strength and readiness.

The order was pegged to the Berlin crisis and to Premier Khrushchev's announcement of plans for a sharp increase in Soviet military readiness. As such, it is part of the war of nerves and conflict of propaganda that will become more and more strident between now and the fall.

But the decision to undertake what Secretary of Defense McNamara called "still another examination of our defense posture" lacks conviction. No propaganda is stronger than the action of government; it cannot be considered apart from those actions. There has been ample opportunity in the 6 months the Kennedy administration has been in office to review our military posture. Indeed, Mr. McNamara's regime in the Pentagon has studied some 140-odd projects, which deal with all phases of military security. The 1962 defense budget has been studied, reviewed, revised, and increased. The strengths and weaknesses of the services should be well known by this time to the new civilian officials in the Pentagon and to the President himself.

Actions now will be considerably more impressive than words—and more studies. The needs are clear: more funds for increasing reserve readiness; more Army manpower; more money for Army modernization and Navy ship replacement; continued development of new types of piloted aircraft; some strengthening of our forces in Europe; a limited callup here. What is needed now is decision and action.

[From the New York Times, July 11, 1961]

BOMBERS HERE TO STAY AWHILE

For a weapon which has been so long described as obsolescent, the bomber has shown a remarkable longevity and viability.

The Soviet Air Force Day last Sunday emphasized that Russia (like the United States) is continuing to develop the piloted plane, including the bomber, even in the age of the missile—and for good reason. The bomber is far more flexible to command; it is more accurate; it can carry more powerful bombs than any missile now in service. And, even more important, it has a reliability which the missile cannot yet match.

The Tushino airshow demonstrated that the bomber and other varieties of piloted aircraft are, despite Premier Khrushchev's missile bombast, here to stay for awhile. What it showed about comparative technological developments in aviation in the United States and the U.S.S.R. is as yet uncertain. Soviet airshows, like any public demonstration in Russia, are carefully rehearsed extravaganzas; and they are confined by restrictions and secrecy unknown to the West. Five years ago, at the last similar show, there was a great initial fanfare about new Soviet models. But some of them, time has shown, were "clunkers"; none of them was superior to the best comparable American types.

This year's new "stable" of Russian aircraft cannot be adequately evaluated until more data are available. But it is clear that the piloted bomber, as well as the missile, occupies an important role in the Soviet armory, with all that this implies for our own military policies and our complicated system of air defense.

[From the Evening Star, July 11, 1961]

BOMBERS AND MISSILES

More than 2,000 years ago, on seeing a dart fired by a machine brought from Sicily, the Spartan King Archidamus exclaimed: "Oh, Hercules, the valor of man is at an end." He was way ahead of the story. It is only now that we are faced with the possible obsolescence of human qualities in warfare. Barbarism, with the superior weapon, can win over civilization.

It is time to discard the old rule: "Don't fire until you see the whites of their eyes." Not yet, according to retiring Air Force Chief of Staff, Gen. Thomas D. White. Men are still important, he says, and the manned combat airplane is nowhere near its end.

A manned bomber can do things that a mere missile can't. The former has flexibility of performance, can carry a greater load than any rocket, and can have its mission altered.

Maybe this is just a temporary respite for the "valor of man." Last year, Dr. Norbert Wiener, noted mathematician, spoke of a new kind of machine. Machines can be developed that possess sufficient originality to consider, test, and then accept or reject suggestions that have been fed into them, arriving at an answer long before its operator can comprehend the nature or long-range wisdom of its decision.

These would put us in the position of the sorcerer's apprentice who did not have the stop formula.

SIDNEY KORETZ.

[From the Fort Worth (Tex.) Star-Telegram, July 14, 1961]

AIR FORCE READING PLEA FOR BOMBER BUILDUP—RED SHOW LIFTS HOPE FOR B–58'S

(By Jack Raymond)

WASHINGTON, July 12.—The Air Force is preparing a vigorous appeal to Congress to invest more heavily in bombers and other manned aircraft in view of the impressive Soviet airshow at Moscow's Tushino airfield Sunday.

Qualified sources said that Gen. Curtis E. LeMay, Chief of Staff of the Air Force, planned to urge greater outlays than the administration has requested to develop the controversial B–70 supersonic, high-altitude bomber.

LeMay also was described as ready to appeal an administration decision to end production of B–52 and B–58 bombers, as scheduled by the Eisenhower administration for late next year.

Secretary of Defense Robert S. McNamara recently said that he would advise President Kennedy not to spend the money appropriated by the House for manned bombers. The $43 billion defense money bill is now before the Senate.

SIMILAR TO B–58

The Air Force, in response to questions, said that the Soviet airshow indicated that the Moscow regime had "made major progress" in developing "all types of aircraft."

The Air Force identified the new heavy bomber displayed in the Sunday show as one that has been known to be under development for a number of years. A similar prototype of this bomber was shown by the Soviets in 1958, the Air Force said.

The bomber was described as powered by turbojet engines and of "obviously a supersonic design with its highly swept delta-wing configuration." It was described as 200 feet long, with a wingspan of about 80 feet.

The Soviets also displayed 10 supersonic aircraft of a type "roughly comparable" to the U.S. B–58 medium bomber, the Air Force

added. The Soviets also demonstrated several "advanced type fighters." The Russians reported that one of these, the delta wing E–66, had set a new altitude record of more than 111,000 feet. This was unconfirmed, the Air Force said.

The Soviets announced in April that one of their pilots, Georgi Kislov, had set an altitude record with the E–66, adding that the papers documenting the flight were being sent to the Federation Aeronautique Internationale, the official body that deals with world flying records.

PHOTOS AWAITED

The previous height record ratified for normal takeoff aircraft was 103,395 feet, set by Joe Jordan in a Lookheed F–104C jet in December 1959.

In response to questions, the Air Force observed that photographs of the Soviet aircraft were being awaited before an analysis could be completed. Nevertheless, the Air Force added that the appearance of advanced transports and helicopters gave "further evidence" of the considerable Soviet effort in all phases of aircraft development.

The Air Force drive for bombers, reinforced by the Soviet airshow and support from several Senators who appeared Tuesday before the Senate Defense Appropriations Subcommittee, was certain to encounter opposition from the administration.

Deputy Secretary of Defense Roswell Gilpatric said at his news conference Tuesday that the Soviets clearly had made progress in manned aircraft but that the administration nevertheless believed that the country's strategic bomber forces were adequate.

Administration sources recalled that LeMay, long a leading advocate of bombers, was among the officers who testified on behalf of a bomber buildup to match Soviet efforts a few years ago. The Air Force afterward conceded that it had overestimated Soviet bomber production.

Administration officials said they were more concerned with the immediate needs of the Berlin crisis than with long-range objectives that they will incorporate in their budget mesage for next year.

OTHER PLANS EYED

The Pentagon is preparing recommendations for dealing with the Soviet threat to turn Berlin access routes over to the East German regime and other situations all over the world, such as in southeast Asia, which are expected to become critical in the next 6 to 10 months.

The Pentagon report, requested by President Kennedy, was originally said to have been due in about 2 weeks but there were signs Wednesday that it may be sent to the White House by the end of this week.

RED PLANE TRANSPORT, SUPERSONIC—GD ENGINEERS HERE SAY MOSCOW CAPTURED LEAD AGAIN FROM UNITED STATES

(By Marshall Lynam)

The American people don't know it yet, but the Russians have just clobbered us again—this time with a faster-than-sound transport plane.

That's the feeling of several top-notch General Dynamics engineers who have been studying news photos of a big new Soviet jetplane unveiled at Sunday's airshow in Moscow.

Western aviation experts who saw the plane said it looks bigger than the U.S. B–52 Stratofortress, which is 157 feet long.

The Russians identified the new plane as a bomber, capable of speeds several times that of sound.

That alone was enough to disappoint General Dynamics engineers, knowing as they do that unless somebody in Washington acts pretty fast, the General Dynamics B–58, America's only supersonic bomber, is going out of production. But that's not all.

A close study of the pictures from Moscow has convinced these engineers that while the new Soviet ship undoubtedly can serve as a bomber, its design clearly proves it can serve as a supersonic airliner as well.

They point out that the ship has a big, roomy fuselage—a feature totally unnecessary in a day when nuclear bombs are so small that even the 97-foot-long B–58 can carry five of them.

Then, too, the Soviet ship has a conventional tail—that is, a horizontal stabilizer and elevators. This, as engineers see it, means at least two things:

First, it allows the ship to have wing flaps, giving it the slower landing speed needed in an airliner but not necessarily in a warplane. The B–58, for example, has no flaps, because the place where they would ordinarily be located on the wings is used for elevons—dual-purpose control surfaces combining the functions of elevators and ailerons.

Second, the tail on the Soviet ship gives it more stability than it otherwise would have. Here again is a factor not too important in military planes, because flight crew and bomb load remain pretty well in one place all during the flight.

But on a transport, or airliner, the load often shifts, depending on such things as baggage loading and how many people wander back to the washroom during the flight.

It would be bad enough if the Russians had just caught us flatfooted without any plans at all for a supersonic transport.

But the fact is—and this is what makes the engineers really disappointed—several companies, including General Dynamics, have submitted proposals to the Government to build such a plane.

In 1959, for example, the General Dynamics plant here proposed to build a supersonic airliner—the model 62.

The new Soviet plane, as a matter of fact, looks remarkably like the model 62—or rather, what the model 62 would have looked like if it had ever been built. But nothing has ever come of the proposal.

"Now the Russians have beat our brains out again," one engineer observed.

Experts are guessing that the new Russian plane can fly at speeds ranging from mach 1.6 to 2.4 (that is, from 1.6 to 2.4 times the speed of sound) if it is built of aluminum.

If, on the other hand, the plane is built of stainless steel or titanium, which can better withstand the heat generated by air friction at supersonic speeds, the Russian plane may be capable of speeds of more than mach 3.

"One day before long Khrushchev will probably try to find an excuse to come over here again," one engineer predicted. "Then he'll crawl out of this airplane and say what a nice 3-hour flight he had from Moscow."

FLUNKING THE AID TO EDUCATION TEST

Mr. HOLLAND. Mr. President, I have seen many fine editorials in the press stating good reasons why the Federal aid to education program should not be passed, but I have seen none better than the one published in today's issue of the Wall Street Journal entitled, "Flunking the Test." I read it into the RECORD, because I think it is sufficiently terse and important to be included in the RECORD:

FLUNKING THE TEST

Almost everyone agrees that the administration's proposed program of Federal aid to education is in trouble on Capitol Hill, but we didn't realize how tough things were until we came across this last-ditch plea in the New Republic:

"Many States and localities have reached the limits of their borrowing capacity; their overall debt has increased 400 percent since the war, that of the Federal Government only 8 percent. They must have Federal aid. More and more economists cite education as a means to reduce unemployment and boost our social capital."

These alarmist views are frequently heard from supporters of Federal aid, but they fall far short of reality.

Some States have hardly any official indebtedness. Altogether, State and local debt totals some $64 billion; that of the Federal Government, which has gone up only 8 percent since the war, is $289 billion.

According to a 1959 survey by the U.S. Office of Education, only one-half of 1 percent of all school districts in the United States have reached the limit of their available bonded indebtedness for school construction. In 1960, the volume and approval rate of school bonds set new records at elections: The amount, $1.7 billion; the approval rate, 82 percent.

Interestingly enough, moreover, no State legislature has ever asked the Federal Government for school aid. Nor has a local school board official ever testified in favor of a Federal aid bill. Instead, the States and localities have gone ahead in recent years building classrooms at the rate of some 68,000 annually—a pace that could result in a classroom surplus by the end of the decade rather than the lamented shortage.

There are a number of reasons, some of them irrelevant, why the Federal aid proposal is in trouble in Congress. But undoubtedly one reason is that the weak arguments raised in its behalf simply flunk the test of fact.

HURRICANE DIVERSION

Mr. CASE of South Dakota. Mr. President, the morning newspaper published an article on the front page entitled "August Test Slated To Find Way To Divert or Dilute Hurricanes." The article relates the plans for seeding the eye of a hurricane by use of an aircraft and a silver iodide generator. This grows out of a program being sponsored by the National Science Foundation under legislation which we passed a couple of years ago, which I had the privilege of presenting to the Senate.

In my judgment, nothing that is being done today is more important than research in the field of atmospheric physics, and particularly the modification of clouds. In my own State of South Dakota private groups and county commissioners are joining to try to break the drought by the use of silver iodide dispersed from aircraft, and some very dramatic results are being obtained. The results are spotted, of course, because they must work on individual clouds. But the seeding of clouds with silver iodide or dry ice or other particles to provide nuclei to start the coalescence of droplets is one of the most significant things that is happening today.

General White has testified before the Armed Services Committee that nothing exceeds in possible importance the modification of weather from a national defense standpoint. It also has dramatic possibilities for the relief of areas threatened by hurricane and the relief of

drought areas. I believe that the article to which I refer is well worth inclusion in the CONGRESSIONAL RECORD, and I ask unanimous consent that it be printed as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AUGUST TEST SLATED TO FIND WAY TO DIVERT OR DILUTE HURRICANES

(By Howard Simons)

Hurricane Donna, which last September ravaged the Nation's east coast, killing 164 persons, may have provided scientists with a clue that will enable them to divert or dilute future hurricanes.

Late next month a flotilla of Weather Bureau research airplanes, assisted by Navy jet aircraft, will attempt to seed a relatively small cloud accumulation on the rim of a hurricane eye.

This seeding experiment is designed to treat the clouds with chemical compounds to convert supercooled liquid water into ice.

The cloud accumulation to be seeded, which is called a convective cell, was found to have been the flue or stovepipe through which the energy that drove Donna was released.

RELATIVELY SMALL CELL

The cell was located along the right front quadrant of a circle of clouds surrounding the hurricane center. It was relatively small, measuring some 15 miles wide and 30 to 40 miles long.

Sometime this summer, when a hurricane is located, the flying researchers will attempt to learn whether cloud-seeding techniques can change the pattern of energy release through this particular cell.

If seeding proves effective, two possibilities will be open to meteorologists determined to modify severe storms.

1. Changing the forces that govern the maximum winds around the hurricane eye through seeding this particular cell may momentarily divert a hurricane from its natural path.

2. Seeding the cell might cause the eye to rip into two or more storm centers, which might then "fight" one another, thereby causing internal friction that will dilute the hurricane's damaging winds.

This Weather Bureau project—part of the national hurricane research program—represents the most nearly complete, controlled efforts to evaluate the effects of cloud seeding on hurricanes.

Robert H. Simpson, Deputy Director of Meteorological Research for the Weather Bureau and director of the hurricane seeding project, cautions that the present effort "is not an attempt to deflect hurricanes, but will be useful in providing more information on the effects of seeding on hurricanes."

The cloud-seeding techniques to be tested involve silver iodide dispersal. As now scheduled, when a hurricane is spotted, four Weather Bureau research planes will sweep the hurricane and single out the key cell. When the cell is located, a monitor plane surveying the storm by airborne radar will contact high-flying jet aircraft.

THEORY STUDY SUPPORTED

The jets will circle the hurricane and drop newly developed silver iodide canisters. As these pods fall through the cell, they burn and generate smoke containing trillions of submicroscopic silver iodide particles.

Simultaneously, the four Weather Bureau planes will employ conventional silver iodide burners to disperse the particles below the cell, where the chemical particles will be swept upward.

The seeding project is being supported by the National Science Foundation, which is simultaneously supporting a New York University study of the theory of hurricane modification. The hurricane-seeding project will complement this academic work, and what is learned from one project will help the other.

Hurricanes derive their power from a release of heat or energy either by converting water vapor to liquid water or water to ice. Previous hurricane studies have shown that the amount of energy being released can be altered. Scientists, however, still do not know whether they can cause enough energy to be released to make a difference in a storm's intensity. This is one of the questions to be resolved in the forthcoming seeding experiment.

SEEK TO ALTER FORCES

The flying weatherman will try to determine whether by converting water to ice they can release enough heat of fusion into the free atmosphere to alter the natural forces operating in a storm and thereby alter its intensity or its movement.

The lowering of pressure toward the center of a storm, which is responsible for the hurricane's winds, has been found to be controlled by the amount of heat concentrated at elevations above the freezing level, some 16,000 feet in hurricanes.

When water solidifies into ice by cooling, latent heat of fusion is released. This type of heat would be potentially useful in altering the forces in the storm's lower layers that control the intensity of the winds.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. KEATING. I wish to express my gratitude to the distinguished Senator from South Dakota for the leadership which he has taken in this field. It is a field that has interested me a great deal. The control of weather, particularly the effort to break up hurricanes, which have been most destructive and have wreaked havoc throughout our country, is most important. Hurricanes in the last few years have done a great deal of damage along the east coast. I think the Senator from South Dakota is entitled to great commendation.

Mr. CASE of South Dakota. Mr. President, I appreciate the remarks of the Senator from New York, and I wish to say that he has pointed out the possibility of the modification of winter storms in metropolitan areas. His New York State University is presently engaged in projects and research along this line as is pointed out in the article which I have asked to be printed in the RECORD. This project, I believe, is under the direction of Dr. Vincent Schaefer, who originally worked with Dr. Irving Langmuir, famed scientist of the General Electric Co., who were the pioneers in cloud modification. Mr. Schaefer is working on this project in the State of New York, and his efforts promise to contribute a great deal to knowledge in this field. The Senator from New York may well be proud of what the scientists of his State have done in atmospheric physics. Dr. Schaefer is the one who first directed attention to the possibility of modifying hurricane buildups, I believe, and the project noted today warrants the attention of everyone.

LOAN TO BRAZIL TO DEVELOP OIL SHALE INDUSTRY

Mr. CARROLL. Mr. President, I am pleased to know that the administration has decided to give sympathetic consideration to a loan to Brazil to help develop its oil shale industry.

This is something many of us have long sought, not only as a necessary step in the development of Brazilian energy resources, but also as an indirect benefit to the oil shale industry of the United States.

What the Brazilians learn as they begin to produce oil from shale will probably affect the growth of a whole new fuel industry in the United States.

The United States possesses the largest known oil shale deposits in the world. Brazil is second. Between our two countries we own 80 percent of the world's oil shale reserves. It is fitting and proper that, in a sense, a partnership should develop between our countries in the creation of this new fuel industry in the Western Hemisphere.

I am happy that this administration is now moving to establish close ties with Brazil in the development of its oil shale resources.

The approach to this position has not been easy. It required intensive study and consideration.

However, I think we can now agree that a policy position by the administration has been adopted, and I commend the State Department for its forward-looking decision.

I have in my hand a letter given to me by the senior Senator from Oregon [Mr. MORSE], the chairman of the Subcommittee on Latin American Affairs of the Senate Foreign Relations Committee. In this letter the Department of State tells Senator MORSE that it considers the development of Brazilian oil shale "meritorious," and that "sympathetic consideration" will be given an application for a loan to construct a prototype plant in Brazil to extract oil from shale.

Mr. President, the nation of Brazil and the oil-shale-bearing Rocky Mountain States have no better friend in this matter than the Senator from Oregon. Without his help I doubt that the merits of developing a Western Hemisphere oil shale industry could have been dramatized and given significant attention by the necessary people in our Government.

The Senator from Oregon has for some time urged that our Government abandon its longstanding policy of not lending help to a country whose oil industry was nationalized. Brazil's oil industry is nationalized under the government company Petrobras. The Senator from Oregon, in his South America report of January 20, urged that the new administration reverse a previous policy of "no help to government-run oil outfits of foreign countries." On March 27, acting on President Kennedy's orders, the Export-Import Bank announced its new policy.

An article in the Wall Street Journal of March 27 fully describes that action instigated by the new President, and at this point in the RECORD, Mr. President, I ask that the article appear.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK TO ASSIST IN FINANCING MORE ITEMS SOLD ABROAD—AGENCY RESPONDS TO KENNEDY'S CALL TO HELP EASE GOLD DRAIN; OIL EQUIPMENT TO BE COVERED

WASHINGTON.—The Export-Import Bank is expanding the coverage of its credit and loan guaranteeing facilities to include more products and more firms in the export trade.

The object is to spur U.S. sales abroad and reduce the outflow of gold to foreign countries.

Chief among the items added to the list of eligibles for bank credits are oil exploration, drilling and refining equipment. The purchaser can be either a private enterprise overseas or one of the government-run outfits of many foreign countries.

The Bank's plans were announced by Harold Linder, new President and Board Chairman. He said the Bank acted in response to orders from President Kennedy early in February. The President called for an expansion of Export-Import Bank activities to give U.S. exporters full equality with their foreign competitors in terms of Government financial help.

The Export-Import Bank, an independent agency, offers financing for short-, medium-, and long-term export transactions and guarantees against political as well as credit risk. It also makes development loans with the proviso that proceeds be spent exclusively in the United States. Its aid to exporters frees them from responsibility for defaults by the foreign purchaser. Self-supporting in most years, the Bank has on occasion earned profits which are applied to Federal budget receipts.

EXPANDED COVERAGE

With its expanded coverage, the Bank will offer its credits or guarantees to back up exports of practically any kind of materials or equipment. Heavy capital goods such as locomotives and power generators currently make up the bulk of the Bank's financing business. Radios, automobiles, sewing machines and other consumer items which have not been regularly financed by the Bank now will join the list.

The Bank will establish tie-in arrangements with banks and insurance companies to provide guarantees for credit risks, as well as political risks, on export transactions of 180 days or less. At present only political risks are protected under the Bank's provisions, officials explained. Firms dealing in short-term transactions, mainly small- and medium-sized exporters, will be able to obtain comprehensive credit and political risk coverage from selected banks and insurance companies around the country. The Export-Import Bank will issue guarantees to the insuring institutions.

The Bank, which now provides assistance principally to capital goods sold on medium terms, 180 days up to 5 years, will offer its credit assistance for semifinished materials and products and consumer durable goods when sold under medium-term transactions.

POLITICAL RISK INSURANCE

The Bank will insure against political risk such items as equipment or materials going abroad for exhibitions, trucks or special gear shipped overseas on lease.

The creditworthiness of a purchaser or buyer is to be based on more flexible standards in line with what the Bank considers the accepted practices of foreign issues of credit. The Bank will rely heavily on the exporter's record of experience, credit agency reports, and the general reputation of the buyer rather than upon detailed financial reports. But Mr. Linder emphasized that, though less rigid, the standards will be carefully applied. "We are not going to throw our reputation for prudence to the winds," he declared.

Mr. Linder called the new moves a significant departure and said they will be permanent policy. The balance-of-payments problem is "going to be with us a long time," he said.

Mr. Linder would not estimate the effect of these and other measures on the volume of Bank activity. But there had been strong complaints from oil equipment manufacturers, among others, he explained, because their products were not included in the Bank's activities. "We have seen some startling examples of business losses." In one such transaction in Argentina recently, he asserted, several million dollars of U.S. business was lost to European manufacturers of oil drilling and refining equipment because the U.S. Government could provide no credit or loan guarantees to the purchaser.

Mr. CARROLL. After the Brazilian oil shale problem was brought to the attention of Senator MORSE he promptly communicated with Under Secretary of State George Ball and Director of the International Cooperation Administration Henry Labouisse.

The Senator from Oregon [Mr. MORSE] dispatched them the following strong message:

Believe it imperative that United States make firm and definite loan proposal to Petrobras for its oil shale program. It had been my understanding that loan had approval of Department of State and was ready to go; now I am advised that loan funds are said to be exhausted and that nothing is available for this particular loan.

I am not impressed with this contention, any more than I am with arguments that world oil supply is plentiful without Brazil's oil shale coming into production, or that the United States should not lend to a government monopoly. Brazil must utilize whatever resources it has for benefits of its people, just as the United States does. If this country is unwilling to provide loan funds, then Brazil will develop its oil shale with someone else's help.

It makes no sense to send increasing arms aid to South America with the alleged purpose of fighting communism, when a short-sighted aid policy compels a great nation like Brazil to turn to Communist countries for financing and technical help for its fuel supply. The United States would be further ahead to reduce arms aid by $7 million and lend it to Petrobras, instead.

On June 28, the Senator from Oregon took to the floor of the Senate with this issue and made a ringing argument in support of a $7 million loan to Brazil for construction of a prototype plant to extract oil from shale.

Now, as a result of the Senator's entreaties, I think we have what must be considered a firm U.S. commitment to assist Brazil.

On July 5, Assistant Secretary of State Brooks Hays communicated with the Senator from Oregon and at the Senator's request I asked unanimous consent that the Secretary's letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., July 5, 1961.

The Honorable WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: In your telegram of June 28 to Mr. Ball, you urged that a firm and definite loan proposal be made to Brazil to finance a prototype plant for the extraction of oil from shale.

The Department has considered the project and believes it to be meritorious, subject, of course, to a full examination of its technical features. Our Embassy in Rio de Janeiro was consulted on the economic feasibility and priority of the project and the political desirability of U.S. Government financing. The Embassy reply was favorable on both counts.

On June 1, Mr. de Barros, a representative of Petrobras, and Mr. Cameron, of Cameron & Jones, met with the Assistant Secretary of State for Economic Affairs and then with officers of the Export-Import Bank. Mr. de Barros was informed of this Government's sympathetic interest in the oil-shale project and it was made clear that Petrobras sponsorship was no longer an obstacle. Certain difficulties in the way of U.S. Export-Import Bank financing of the project were, however, pointed out, such as the extent of the Export-Import Bank's existing commitments in Brazil and the experimental nature of this prototype plant project. It was suggested that the Brazilian Government might wish to consider shifting to this project certain Export-Import Bank funds available to Brazil from previously authorized credits that have not been fully committed. Should the Brazilian Government wish to do this, the Export-Import Bank would give most sympathetic consideration to an application for the plant.

Mr. de Barros was also informed that, regardless of the source of funds, the Bank could not make a firm commitment in the absence of a fully documented application on the basis of which its Board could pass on the economic and technical feasibility of the project. No such application has as yet been received.

Mr. de Barros returned to Brazil to talk both with the Board of Directors of Petrobras and Finance Minister Mariani to determine whether the Brazilian Government would be prepared to give the prototype plant priority in the use of Export-Import Bank funds already available to it, and to discuss the submittal of a formal application, which Petrobras had been previously unwilling to do. We are awaiting further word from Mr. de Barros and the Government of Brazil.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

Mr. CARROLL. Senators will notice, Mr. President, the firm commitment of the United States, subject naturally to receipt from Brazil of a fully documented application which would justify the technical feasibility of the project.

This, the technicians tell me, is a matter of mere formality.

They have the technical plans ready, and have absolute faith in their ability to produce cheap oil from shale.

The Brazilians, I am advised, are highly encouraged by the tone of the State Department's response.

Secretary Hays says:

The Department has considered the project and believes it to be meritorious.

He says further that the U.S. Embassy in Brazil favors the project on two counts: First, its economic feasibility and priority; and, second, its political desirability.

The Secretary concludes that the United States will give "most sympathetic consideration to an application for the plant."

Sympathetic consideration is what the Brazilians had been receiving for months from the Russians, but not until Secretary Hays wrote Senator MORSE on July 5 had the U.S. Government clearly and officially taken this position.

Now that this policy is established, Mr. President, I am hopeful that the Petrobras representatives and the State Department will quickly work out the technical details so that the $7 million loan can move forward and the prototype plant be quickly put into operation.

This is a project I wholeheartedly support because it is to the benefit of the entire Western Hemisphere.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

REDUCTION OF EXEMPTION FROM PAYMENT OF DUTY BY RETURNING RESIDENTS

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 452, H.R. 6611.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 6611) to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 6611), which had been reported from the Committee on Finance, with amendments on page 1, at the beginning of line 8, to insert "(or $200 in the case of persons arriving directly or indirectly from the Virgin Islands of the United States, not more than $100 of which shall have been acquired elsewhere than in the Virgin Islands of the United States)", and on page 2, after line 11, to strike out:

SEC. 2. In applying paragraph 1798(c)(2)(A) of the Tariff Act of 1930, as amended, to articles acquired in the Virgin Islands of the United States by any person—

(1) who arrives in the United States (as defined in sectin 401(k) of such Act) during the period beginning on the 30th day after the date of the enactment of this Act and ending on June 30, 1963, and

(2) who has remained outside the United States (as so defined) for less than 48 hours, the 48 hour requirement in such paragraph 1798(c)(2)(A) shall be treated as satisfied.

And, in lieu thereof, to insert:

SEC. 2. In applying paragraph 1798(c)(2)(A) of the Tariff Act of 1930, as amended, to articles acquired in the Virgin Islands of the United States by any person who arrives in the United States (as defined in section 401(k) of such Act) during the period beginning on the 30th day after the date of the enactment of this Act and ending on June 30, 1963, the 48-hour requirement in such paragraph 1798(c)(2)(A) shall be treated as satisfied.

Mr. BYRD of Virginia. Mr. President, the present law provides a duty-free exemption of $500 for the average U.S. resident returning from abroad.

The pending bill would reduce this $500 exemption to $100 until the close of June 30, 1963, by eliminating the $300 additional exemption and by reducing the $200 basic exemption to $100. Except as explained below with respect to articles acquired in the Virgin Islands, the bill continues the present absence requirements set forth in paragraph 1, above. The exemption may be claimed not more often than once every 30 days. On and after July 1, 1963, the tourist exemption allowances presently in effect would be restored.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the RECORD excerpts from the report. There being no objection, the excerpts from the report, No. 483, were ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide a temporary reduction from $500 to $100 in the amount of purchases abroad that a returning resident of the United States may bring back into this country free of duty. This proposal was recommended by the President as a part of a program to counter our unfavorable balance of payments.

AMENDMENT

The Finance Committee amended the bill to provide that an additional duty-free $100 worth of goods may be brought in from the Virgin Islands. This would mean that a citizen returning from the Virgin Islands could enter without payment of duty a total of $200 worth of foreign goods, provided that at least $100 of it was acquired in the Virgin Islands. It was felt that, because of its close relationship to the United States, its new program for the promotion of tourism could be assisted in some degree, and that the outflow of dollars to the territories and possessions of the United States is of a much less serious nature than that to other parts of the world. However, the 48-hour rule which applies to all areas except the Virgin Islands would be invoked on all goods not originating there. It should be noted that the amendment does not provide for an additional $200 for the Virgin Islands over and above the $100 provided for other areas. The maximum which could be brought in under any set of circumstances without payment of duty would be $200.

GENERAL STATEMENT

Under existing law, a returning U.S. resident is allowed the following personal exemptions from duty on articles he has purchased abroad:

"1. If the returning resident remains outside the territorial limits of the United States for at least 48 hours, he may claim an exemption from duty for $200 worth of articles acquired abroad. If, however, he returns through a port of entry on the Mexican border, he need only have been absent from the United States for such time (not to exceed 24 hours) as the Secretary of the Treasury has by regulation provided with respect to such port. At present, these regulations require an absence of at least 24 hours (the maximum requirement permitted under the law) in the case of residents returning through one of the southern California ports below Los Angeles. In the case of other ports along the United States-Mexican border, there is no period of absence provided for. The exemption from duty described in this paragraph may be claimed once every 30 days.

"2. If the returning resident remains outside the territorial limits of the United States for 12 or more days, he may claim an exemption from duty for $300 worth of articles acquired abroad. This additional exemption, which may be claimed together with the basic exemption described above, can be utilized only once in every 6-month period."

Thus, for the average U.S. resident returning from abroad, there is an effective duty-free exemption of $500.

The bill reduces this $500 exemption to $100 until the close of June 30, 1963, by eliminating the $300 additional exemption and by reducing the $200 basic exemption to $100. Except as explained below with respect to articles acquired in the Virgin Islands, the bill continues the present absence requirements set forth in paragraph 1, above. The exemption may be claimed not more often than once every 30 days. On and after July 1, 1963, the tourist exemption allowances presently in effect would be restored.

Four hundred dollars of the present $500 exemption allowed returning residents reflects legislation enacted in the early post-World War II period aimed at stimulating the flow of dollars to those countries which then badly needed dollars. In 1948, Congress increased the tourist exemption from $100 to $400. In 1949, an additional $100 was added, bringing the total exemption to its present level of $500.

Dating back to at least 1799, all persons arriving in the United States from abroad were permitted free entry of their personal effects. This exemption was aimed at permitting persons emigrating to the United States to bring in their personal belongings free of duty. However, the law was so written and applied that many U.S. tourists returning from abroad were given the same treatment as was extended to immigrants. In many cases it was alleged that these tourists brought back as personal effects articles which they had purchased on their trip. Because of these alleged abuses the Congress, in 1897, restricted the personal effects provision to immigrants and at the same time provided a $100 tourist exemption for returning U.S. travelers. This $100 allowance remained in effect from 1897 until it was raised in 1948.

In a letter to the Speaker of the House of Representatives requesting this legislation, dated February 24, 1961, the President said:

"After World War * * * foreign countries faced a dollar shortage and, as one measure to ease this shortage, Congress increased the tariff exemption by $300 in 1948 and by $100 in 1949, bringing the total exemption to $500. However, in the light of the existing balance-of-payments problem, this more liberal customs exemption, designed to encourage American expenditures abroad, is not presently warranted. Accordingly, the customs exemption should be returned to the traditional amount."

The reduced amount of tourist exemption called for by the bill will still leave the United States in the position of extending to its returning tourists more favorable duty-free treatment of articles purchased abroad than do most other countries of the world.

The bill provides that, as to articles acquired in the Virgin Islands of the United States, any person who arrives in the United States during the period beginning on the 30th day after the date of the enactment of the bill and ending at the close of June 30, 1963 (the same period that the first section of the act is effective), and who has remained outside the United States for less than 48 hours, the 48-hour requirement in paragraph 1798(c)(2)(A) of the Tariff Act of 1930 shall be treated as satisfied. For this purpose the term "United States" has the meaning given to it in section 401(k) of

the Tariff Act of 1930 and includes all territories and possessions of the United States except the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the island of Guam.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

"TARIFF ACT OF 1930

"Title II—Free List

"SEC. 201. That on and after the day following the passage of this Act, except as otherwise specially provided for in this Act, the articles mentioned in the following paragraphs, when imported into the United States or into any of its possessions (except the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the island of Guam), shall be exempt from duty:

* * * * *

"PAR. 1798.

* * * * *

"(c) In the case of any person arriving in the United States who is a returning resident thereof—

1. All personal and household effects taken abroad by him or for his account and brought back by him or for his account; and

2. Articles (including not more than one wine gallon of alcoholic beverages and not more than one hundred cigars) acquired abroad as an incident of the journey from which he is returning, for his personal or household use, but not imported for the account of any other person nor intended for sale, if declared in accordance with regulations of the Secretary of the Treasury, up to but not exceeding in aggregate value—

(A) [$200, if such person] *$100 (or $200 in the case of persons arriving directly or indirectly from the Virgin Islands of the United States, not more than $100 of which shall have been acquired elsewhere than in the Virgin Islands of the United States) if such person arrives before July 1, 1963 (or $200 if such person arrives on or after July 1, 1963), and he either* arrives from a contiguous country which maintains a free zone or free port (see subparagraph (d) of this paragraph), or arrives from any other country after having remained beyond the territorial limits of the United States for a period of not less than forty-eight hours, and in either case has not claimed an exemption under this subdivision (A) within the thirty days immediately preceding his arrival; and

(B) [$300 in addition, if such person] *$300 in addition, if such person arrives on or after July 1, 1963, and he* has remained beyond the territorial limits of the United States for a period of not less than twelve days and has not claimed an exemption under this subdivision (B) within the six months immediately preceding his arrival.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 6611) was read the third time and passed.

Mr. KERR. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CASE FOR THE YOUTH CONSERVATION CORPS

Mr. HUMPHREY. Mr. President, recently my attention was called to an excellent editorial, which appeared in the Berkshire Eagle, published in Pittsfield, Mass., in support of the Youth Conservation Corps legislation which I am sponsoring in the Senate. I ask unanimous consent that this editorial, along with an article from the same publication on the lasting contribution which the CCC camps of the 1930's made in the Berkshires, be printed at this point in the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Berkshire Eagle, Mar. 25, 1961]

THE CCC IS WORTH REVIVING

When the Civilian Conservation Corps disbanded 19 years ago under the pressures of World War II, it left a legacy of outdoor projects whose benefits we still experience. From Roycroft Lookout in Florida to Bash Bish Falls in Mount Washington, the CCC developed the Bershires' natural resources in a way that has enhanced the enjoyment of countless thousands since.

Greylock's Bascom Lodge, Notch Road, Thunderbolt Ski Run, and Stony Ledge Trail; the Pittsfield State Forest's open slope, two ski trails and Berry Pond Road; the Savoy State Forest's Tannery Falls; the Beartown and East Mountain ski areas in South Berkshire—these are but the best known of the landmarks developed during the CCC's 9 years. Elsewhere in the county, the CCC carried out dozens of timber-cutting, trail-cutting, lake-making, and insect-extermination projects whose effects were less lasting but nonetheless welcome at the time.

Supplying the labor for these large-scale outdoor jobs were able-bodied young men—numbering over 3,000 at 14 camps in the Berkshires at the CCC's peak in the mid-thirties—who were unemployable during the great depression. The organization thus did much in the fields of conservation and natural resources development, while helping to ease the chronic unemployment. Of course some boondoggling took place at Berkshire's CCC camps, as it did elsewhere in the country, but on the whole the record here was excellent, good enough to sustain the CCC's reputation as one of the most constructive and creative Federal programs in U.S. history. For this reason older Berkshire residens who remember the CCC and younger Berkshire residents who know of its work will be especially interested in the new administration's proposal for a Youth Conservation Corps.

As outlined this week, the YCC would have much the same basic aims as the CCC. That is, it would provide low-cost labor for a wide range of park, forest, water and soil conservation activities urgently needed today, while furnishing employment for unemployed youths. It is planned to start with about 80,000 young men between the ages of 17 and 19 and expand over a 2-year period to some 150,000.

At present about 200,000 American youths who have dropped out of secondary school are unable to land jobs. Some 7½ million dropouts are expected during the current decade, so that a pool of potential campers will be ready made.

Of course there is one big difference between the CCC and the YCC: the economic atmosphere surrounding them. Back in the 1930's a job—any job—was much coveted; and the week's wages often were all that stood between one man and his fellows on the breadline. Today cash and credit come easier; young men dream bigger dreams; low paid manual labor out in the woods exercises less appeal. Without the CCC's stimulus of starvation and without the Peace Corps' idealistic challenge, the YCC may not be as popular with today's younger generation as it deserves to be. Recruitment may be a problem.

But if the necessary appeal can be generated, the program should prove another success on the order of the CCC. Certainly it promises much in the way of conserving and developing our natural resources while conserving and developing the useful potential of our otherwise idle young men.

[From the Berkshire Eagle, May 15, 1961]

CCC CAMPS MADE LASTING CONTRIBUTIONS TO BERKSHIRES

(By Jack Batty)

The Civilian Conservation Corps was both praised and damned during its existence from 1933 to 1941. But few can criticize the CCC's lasting contributions to the development of natural resources and landmarks here in the Berkshires.

The Berkshires, blessed with some of the East's most scenic country, had hundreds of unknown and undeveloped beauty spots in the early 1930's. Thanks to the efforts of the CCC, which operated 14 camps in the Berkshires during its peak in 1935—many of these natural wonders now are enjoyed by countless thousands of residents and tourists.

Further development of Berkshire scenic areas along similar lines is a distinct possibility now that the Youth Conservation Corps is in the news again. As outlined recently, the Youth Corps would have much the same basic aims as the CCC; providing low-cost labor for a variety of park, forest, water and soil conservation activities, while furnishing employment for unemployed youths. The YCC would start with about 80,000 young men between the ages of 17 and 19, and expand over a 2-year period to some 150,000.

PROPOSED BY SENATOR HUMPHREY

The first results of the newly formed oversea Peace Corps may have a bearing on whether the domestic-oriented Youth Corps is given the go-ahead by Congress. The YCC idea is not a product of the Kennedy administration. It was first proposed in 1959 by Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, who also coauthored the original Peace Corps proposal.

The impetus for the YCC comes from the CCC, started by President Roosevelt in April 1933 to create work for thousands of unemployed young men during the great depression, while also beginning urgently needed conservation work.

Very little of the oft-publicized boondoggling took place in Berkshire CCC camps. Critics of the CCC have pointed to the entire effort as a "busy work project," consisting of leaf-raking and rock-pile jobs. To be sure, there were such cases—but they were rare exceptions. George E. (Coddy) O'Hearn, of Pittsfield, who was a supervisor for some of the Mount Greylock CCC field developments, recalls that the men did "real work." "There was no foolishness, no dolling up," Mr. O'Hearn says.

A look at the CCC's accomplishments around the county would bear out that the organization meant business.

MOUNT GREYLOCK, PRIME EXAMPLE

Mount Greylock is one of the county's most unique attractions. Not only is it the highest peak in the State, but Greylock's 3,491-foot altitude is topped in New England by

only a few peaks in the Green Mountains of Vermont and the White Mountains of New Hampshire. Yet before the 1930's, this landmark was practically inaccessible. The CCC put in the Notch Road to North Adams and gravel topped the Rockwell Road from Lanesboro. Along the way, vistas were carved out of dense forest growth to provide motorists with panoramas of the area.

On the summit, Bascom Lodge was completed. Today it is a tourist resting spot and an overnight haven for hikers on the Appalachian Trail, which goes over the Greylock summit.

In addition to clearing of undergrowth, planting of trees, and other conservation projects, the Mount Greylock CCC men developed the famous Thunderbolt Ski Run and the Stony Ledge Trail, and carved out the large auto parking lot at the summit.

The CCC's lasting contributions to Pittsfield State Forest are many. Perhaps the most important was the discovery in May of 1934 of the wild azalea fields near Berry Pond. The azaleas, believed to have been planted by a Revolutionary War veteran, were seen by only a very few people until a CCC worker happened on them during construction of the Berry Pond Road. Now the since-completed auto road to the 2,100-foot summit of Berry Hill enables thousands to view the flowering fields of pink each year in late May and early June.

BOON TO SKIING

On the construction side, the Pittsfield forest can thank the Civilian Conservation Corps for the open ski slope, the Ghost and Shadow ski trails, the ski lodge and State forestry cabins, outdoor picnic spot development, footbridges, parking space, public restrooms, hiking shelters, truck trails, bridle trails, a 10,000-gallon reservoir at the foot of the Shadow Trail, and a 150-acre reservoir of trout raising. In addition, the 128th Company at Camp Pittsfield in the State forest was responsible for the planting of trees, in conjunction with State conservationist aims. A sewage system and water system were also realized.

The Pittsfield forest camp closed in August 1941, with several projects still undone. These included a skyline drive from Route 20 in Hancock to Berry Pond and lookout towers on both Berry Hill and Tower Mountain.

At October Mountain State Forest, the main gravel roads were put in providing entrance to the park from three directions, also picnic and recreational grounds, attractive trails, footbridges, log cabins for tourists, hiking shelters, good guardrails, and two manmade ponds (Felton's and Half-Way). Here, too, considerable attention was given to cutting out undesirable trees, deadwood, and scrub growth while new trees were planted and steps taken toward disease control. Also fire prevention work was undertaken in the forest.

BEARTOWN PROJECTS

In 1953 there were three CCC camps in what is now the October Mountain State Forest. Today the State forest which covers 22 square miles, is one of the largest and ruggedest natural beauty spots in southern New England.

Beartown Mountain, in South Berkshire, which may next winter be revived as a ski area, also was opened up by the work of the CCC. Mile after mile of stone-based gravel-finished roads between Lee and Monterey, Great Barrington and Otos was put in. In all, 22 miles of road were put in around 2,200-foot Mount Wilcox in the park. In addition, numerous picnic areas were established and undergrowth cleared.

The story of Greylock, Pittsfield Forest, October Mountain, and Beartown is repeated at Savoy State Forest, Windsor Mountain, beautiful Bash Bish Falls in Mount Washington, Roycroft Lookout in Florida, and at numerous other Berkshire locations.

While the Youth Corps still awaits a definite legislative effort in Washington, backers of such a movement are active in the Berkshires.

Two years ago a group of local people formed a committee to seek out the advisibility of a conservation work program, to be developed under the Massachusetts Department of Natural Resources. The committee, a United Community Services project, was headed by Daniel J. Renfroe, of Pittsfield. While the committee got a sympathetic hearing with the natural resources department, they were told that a lack of funds precluded any State-sponsored work program.

The conservation work committee also sought unsuccessfully to obtain use of the present Shaker property in Hancock for a campsite.

DEVELOPMENTS AWAITED

At present the committee is not engaged in any active effort for their cause. However, United Community Services spokesman Thomas L. McFalls indicated that the group stated agreement with the original Humphrey proposal in 1959. Mr. McFalls said the committee would watch with interest any efforts this year along national lines to re-create a CCC-like organization.

As an Eagle editorial stated in 1935, it took the CCC to illustrate to Berkshirites the county's many natural assets. Unfortunately, private enterprise has not taken advantage of this potential in the intervening years. The county is still a reservoir of hundreds of untapped natural wonders. Perhaps a Youth Conservation Corps in this decade would rekindle private efforts to take full advantage of our richly blessed environment. The solid legacy of the CCC is one that can be happily built upon.

THE PEACE CORPS

Mr. HUMPHREY. Mr. President, I commend to the attention of my colleagues two commencement addresses delivered by the able and distinguished Director of the Peace Corps, Mr. Robert Sargent Shriver.

The addresses, delivered at the University of Notre Dame on June 4 and at De Paul University on June 7, are inspiring expositions of the ideals and goals of the Peace Corps. I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS, UNIVERSITY OF NOTRE DAME, NOTRE DAME, IND., JUNE 4, 1961, BY ROBERT SARGENT SHRIVER, JR.

Today is graduation day at Notre Dame—your graduation day—the day you have longed for and worked hard to reach—the day your parents have saved and planned for. It is a day for congratulations and rejoicing. On this day every hope and dream and ambition seems attainable. The young can optimistically anticipate futures filled with happiness and success; parents and teachers can thank God for permitting them to share in the present triumphs and to indulge in happy foretastes of future achievements.

But today is an important day, not only in your lives, but in the history of higher education in our country. For on this day I am privileged to announce the first agreement of its kind ever reached between an agency of the U.S. Government, a consortium of American universities, and a foreign country.

The foreign country is Chile.

The agency of the U.S. Government is the Peace Corps.

The consortium of American universities is the Indiana Conference on Higher Education, with your own university, Notre Dame, taking the lead and serving as the principal agent in this new arrangement.

What's new about this agreement? Many things.

First: There are 34 colleges and universities all cooperating in it. That's never happened before.

Second: Among these colleges are Catholic, Quaker, Methodist, Presbyterian, and other religious institutions, all working together to achieve a national goal. And these private, educational groups have been joined by the public universities and colleges like Purdue, Indiana University, and Indiana College. This broad cooperation on a joint enterprise has never happened before.

Third: This consortium of private, educational institutions has agreed to work with and through a private Chilean organization called the Instituto de Educación Rural—and for the first time the Chilean Government has put its blessing on such an undertaking.

Fourth: The U.S. Government, represented by the Peace Corps, has entered an agreement with all these universities and colleges more flexible, simpler, easier to administer and satisfying to the academic community than ever before.

And finally, of course, this is the first Peace Corps agreement ever negotiated with any university or group of universities.

So far as I am concerned, this is not just news in the transient sense of here today, gone tomorrow. Much more than that, it is the fulfillment of a most important objective.

In his message to Congress on the Peace Corps, President Kennedy said that many of the most important Peace Corps projects would be carried out in partnership with American colleges and universities. Those of us in the Peace Corps have felt from the very beginning of this program that the academic institutions of our Nation have the accumulation of oversea experience the reservoir of trained leadership and the inherent core of intellectual and spiritual dynamism necessary to make a far-reaching contribution to international service. For example, in our new budget of $40 million, we have in fact proposed that $26 million—much more than one-half the total—be expended through universities and private, voluntary agencies.

But it hasn't been easy to work out this new marriage between government and education. At one point Father Hesburgh, Peter Fraenkal, of Indiana University, and a Peace Corps staff member went all the way to Chile and worked there for 2 weeks straightening out details. Also, within the Federal Government there are many laws and regulations to observe in any attempt, no matter how well intentioned, to open up new, more effective ways of doing business between private institutions and the public.

But success has come, and with it a great new chance for our universities, our Government, and for our university professors and students. Under this new agreement, young men and women from the heartland of America will be recruited, trained, and sent abroad to work in that part of Chile where the need and the opportunity are greatest. They will go there not for a summer vacation of fun or excitement, not to look-see like tourists, not to look down upon the ignorant and poor from a position of lofty, Yankee superiority. Instead they will be sent to work and work hard alongside other human beings in need of what we and we alone can give them—hope, skill, and a knowledge of the dignity of man under the Fatherhood of God.

Peace Corps volunteers will work in horticulture, animal vaccination, carpentry, family education and recreation, home economics, health education, first aid, and child care. They will work with Chilean experts and with Chilean students.

One of their most important tasks will be to develop more interest in radio educational programs designed to lift the standard of learning in the villages of Chile.

In our country, Peace Corps volunteers will receive intensive training—in languages, in physical fitness, in the history, culture, and customs of Chile. And in Chile they will get additional training from the Instituto de Educación Rural, the private Chilean organization distinguished for its excellent program in fundamental education and community development in rural areas.

But you may say: Why should we go to all this trouble for Chile? There are many problems here at home. The poor and the needy are here too.

The answer is easy and true even though you may not believe it. It's very simple.

First of all, there's nobody in this country as poverty striken and hopeless, no one as cut off from education opportunity and medical assistance as the millions in the southernmost Chile, in India, in Pakistan, in northeastern Brazil, and in many other countries. There is no comparison between the need abroad and the need here at home.

Second, and more important, is the fact that we as Christians must fulfill our obligations to our fellow men, or God may well permit others to crush us. Either we do these jobs or the Communists will. And if we don't meet the test, the days of the Catacombs will return sooner than anyone in this audience suspects. For as our Lord Himself said:

"Would that you were cold or hot; and so because you are lukewarm and neither cold nor hot, I am going to vomit you out of my mouth.

"You say, 'I am rich and have become wealthy and have no need of anything. But you do not know that you are wretched and pitiable and poor and blind and naked.' "—Apocalypse 3: 15–17.

The shocking fact is that this is exactly what the Communists say about us.

The Communists say that Americans have gone soft. Only recently Khrushchev branded American young people as "dissident good-for-nothings." On my recent trip around the world, I encountered serious doubts about the ability of Americans to make the sacrifices essential for the Peace Corps or any other program of voluntary service abroad. The one big question seems to be, Is America qualified to lead the free world?

I believe we are and I'll tell you why.

The Peace Corps has been in existence only 3 months, but I have talked to many would-be volunteers who have the faith and conviction to make the sacrifices necessary to serve under the Peace Corps conditions and according to Peace Corps standards in various parts of the world.

They have been called the silent generation, these men and women who are volunteering to serve in the Peace Corps, as surveyors in Tanganyika, farm extension workers in Colombia, teachers in rural schools in the Philippines, and now as community development workers in Chile. They are coming quietly to enlist for 2-year terms of hard work in Africa, Asia, and Latin America. I believe they will meet the great tests they will face abroad with calm humor and steady perseverance.

For inside the silence, contained by a tough shell of skepticism, is a core of idealism. The stirring words of Wilson and the radiant optimism of Roosevelt have been tempered by world wars and depressions and by the long winter of the cold war. But I am convinced that faith in democracy, the belief in a civilization based on the God-given dignity of the individual human being, the readiness to sacrifice to enable such a civilization to live and grow—this is there, this has been waiting to be tapped, this is what the Peace Corps is tapping.

Nikita Khrushchev is not alone in doubting the fiber of modern Americans. This is a question asked all around the world.

In India, Ashadevi, a spirited woman associate of Gandhi, was so stirred by the idea of the Peace Corps that she interrupted her pilgrimage in Assam, traveled 3 days and 3 nights on a train, to put one great question to me:

"Yours was the first revolution," she said. "Do you think young Americans possess the spiritual values they must have to bring the spirit of that revolution to our country?"

"There is a great valuelessness spreading in the world, and in India, too," she said. "Your volunteers must not add to this. They must bring more than science and technology. They must be carriers of your best American values and ideals. Even the Russians have their values beyond science and technology. Your Peace Corps must touch the idealism of America and bring that to us."

This is our aim, I assured her.

But how will we accomplish it?

First of all, by a very careful selection of the men and women who are accepted as volunteers. The academic tests which each applicant takes, the personal interviews he will have, the medical and psychological examinations, and the screening that will go on during training are all designed to pick out volunteers who will represent the best of American life, thought, dedication, and skill. We want men and women who are fit, physically, mentally, and spiritually, who are ready to work with their heads, their hands, and their hearts; who are able to discuss the Declaration of Independence and the problems of modern democracy with a student in Ghana or a farmer in Colombia; and who are trained to do a job that is needed and desired in the host country. I believe we will find these men and women among the 10,000 who have already volunteered.

Second, we will provide intensive training in the language, history, current affairs, and customs of the country to which they are going; in the health care required; and in the work to be done. Intensive refresher courses in American history and Government will help prepare volunteers for some of the questions they will be asked. Training periods will also be conducted in some of the countries where the volunteers will serve.

For men and women selected and trained in these ways, there is an abundance of jobs in the developing nations. The Peace Corps needs both college graduates and skilled workmen who have not been to college; we need both liberal arts graduates and graduates with specialized degrees; we need both men from business and men from labor unions; we need women as well as men. The list of requests already includes doctors, nurses, public health workers, lawyers, farmers, labor negotiators, management experts, engineers, plumbers, electricians, athletic coaches, and teachers of all kinds, including teachers of English, for primary and secondary schools and in universities.

The eight countries I recently visited asked for more than 3,500 Americans immediately. Prime Minister Nehru of India, President Nkrumah of Ghana, Prime Minister U Nu of Burma, President Garcia of the Philippines all hailed the Peace Corps. Some of them, I do not have to remind you, have not been favorable to all American policies.

In the Punjab, the chief of a village said: "If someone from the Peace Corps would come here, we would welcome him. Whatever poor facilities we have, we would share with him." In another country the governor of a province said: "We have the mind and heart to do things. Our people are ready to move. We need your skills to help us start."

The real question, then, is not one of demand, but supply. Can we really find, recruit, and train Americans who will meet this challenge?

I think we can. Almost 4,000 Americans have already taken the first Peace Corps tests. Applications are coming in at the rate of more than 100 a day. These volunteers are saying to the world: "You can count on us."

There is a worldwide struggle going on. A revolution. All men are trying to achieve human dignity and a common identity. You and I are part of that struggle, for no matter whether a man be Jew, Buddhist, Moslem, Hindu, Communist, or Christian, he has been born of woman like every other man alive, he is living on this small spinning planet like every other man alive; he needs food, shelter, and spiritual comfort like every other man alive; and he will die the death like every other man alive. And if there is a destiny after death, the community of our experience here on this earth indicates that any life hereafter will be common to all.

It is easy to see and even magnify the differences among men: Color, education, genetical inheritance, religion. But the new generation is beginning to realize that whereas political nationalism and economic aggressiveness may divide men, the most important of all experiences unite them—birth, marriage, death, destiny.

Many people in our land and overseas may not yet even understand why they are so stirred within their deepest reaches, but, as President Kennedy said in his message to Congress on the Peace Corps: "Throughout the world people are struggling for economic and social progress which reflects their deepest desires. Our own freedom, and the future of freedom around the world, depend, in a very real sense, on the ability to build growing and independent nations where men can live in dignity, liberated from the bonds of hunger, ignorance, and poverty."

The purpose of the Peace Corps is to permit Americans to participate directly, personally and effectively, in this struggle for human dignity. A world community is struggling to be born. America must be present at that birth, helping to make it successful.

Our volunteers must go with a true spirit of humility, seeking to learn as well as to teach. If they go in this spirit, America will gain most. And our greatest gain will be measured in the lives of the volunteers. They will, as President Kennedy has said, "be enriched by the experience of living and working in foreign lands * * * they will return better able to assume the responsibilities of American citizenship and with greater understanding of our global responsibilities."

Notre Dame is famous for its Victory March. It is famous for its philosophy of playing the game to win. As General Douglas MacArthur said and as Notre Dame practices—"There is no substitute for victory."

I hope and believe that in its program with the Peace Corps Notre Dame will live up to its reputation for success.

COMMENCEMENT ADDRESS, DE PAUL UNIVERSITY, CHICAGO, ILL., JUNE 7, 1961, BY ROBERT SARGENT SHRIVER, JR.

In speaking to you men and women of De Paul, I want to set forth not the doctrine of what Theodore Roosevelt called ignoble ease, but the doctrine of the demanding life, the life of sacrifice and service, of work and toil in the interest of your country.

Around this globe people are wondering if Americans can live that doctrine as well as preach it. There is one big question: Is America qualified to lead the free world?

Why are they asking it? Why is there doubt? Because of the evidence that Americans have gone soft and are no longer capable of sustained personal sacrifice for their country. The president of one of our largest universities says we are beset by "spiritual flabbiness." I recently heard it said that we are producing a strange new kind of human being—"a guy with a full belly, an empty mind, and a hollow heart."

John Steinbeck, writing to Adlai Stevenson, pointed with alarm to four impressions of the American people he has gained in the last few years: First, a creeping, all-pervading immorality; second, a hunger, a thirst, a yearning for something unknown; third, the violence, cruelty, and hypocrisy symptomatic of a people which has too much; and, fourth, the surly, ill temper that afflicts human beings when they are frightened.

Where do we go to gather additional evidence? We might pick up the New York Times and glance at the accounts of price fixing in the business community and featherbedding in the labor movement. We might go to the Department of Army records of American prisoners of war in Korea and discover that one-third of those prisoners collaborated with the enemy and 38 percent of them died—as contrasted to the 229 Turkish soldiers imprisoned of whom none died and none collaborated with the enemy.

We might call as a witness Forrest Evashevski, athletic director at Iowa State, who would tell us that when he recommended a top graduate for a job with a major American company, the first question the young man asked was: "What are the pension benefits?"

Americans are not alone, however, in doubting the intellectual and spiritual fiber of modern America. I encountered these doubts all around the world on my recent trip. "Yours was the first revolution," I was told in India by Ashadevi, a vigorous woman associate of Mahatma Gandhi. "Do you think young Americans possess the spiritual value they must have to bring the spirit of that revolution to our country? Your Peace Corps must touch the idealism of America and bring that to us. Can you do it?

She put that question to me and I pass it on to you—to those of you who may be saying, as college graduates often do: "I can't think of anything to do."

Let me tell you that a world is waiting for you, and there is plenty to do. I came back from this trip with requests for more than 4,000 Americans to work in just the eight nations I visited. I am convinced that 50,000 jobs need filling—and they need filling now—in the 103 underdeveloped areas of the world. One after another the leaders of Africa and Asia not only welcomed the idea of the Peace Corps, but they requested Peace Corps volunteers to serve in their countries.

Prime Minister Nehru asked us for agricultural extension workers to help meet India's staggering food deficiency. Gandhi himself had said India teems with millions who have to go without two meals a day and to whom the only form in which God dare appear is food. The Peace Corps is going into the Punjab in India; I hope some of you here will go with us.

Prime Minister Nkrumah of Ghana asked for plumbers, teachers, and electricians. "Send us teachers," he said, "teachers of science and math and of all subjects—teachers for our elementary schools and our secondary schools and our universities. And send them," he asked, "by August."

U Nu in Burma wants health workers—sanitation engineers, nurses and nurses' aids, doctors, dental technicians, just to mention a few—and he needs them desperately to help his people lift the burden of disease from their lives.

The leaders of Nigeria—Prime Minister Azikiwe, Sir Tafewa Balewa, and Sardona of Sukutu—unanimously requested teachers. A similar request came from President Garcia of the Philippines. You may know of the magnificent work done in the Philippines 50 years ago by Americans—known as the Thomasites because of the name of the ship that carried them over. These Americans went out to teach English. They helped to make it the national language—the glue that holds together the diverse elements of the Philippines—so that today English is in fact the national medium of instruction after the third grade. Unfortunately, the capacity of the Philippine school system to teach English effectively has steadily declined so that today it is becoming more and more corrupted by local dialects and usage. The Government of the Philippines has asked the Peace Corps—and we have agreed—to send 300 teachers' aids to stem the current deterioration of English instruction. Again, I hope some of you will be among those teachers who will serve in the Philippines.

Do you need to be an expert in teaching English or a specialist in the teaching of science? No. The principal resources that you would take to the school situation in the Philippines would be your command of English as a native speaker and a general background in the field of science and technology. Those talents would be improved by a period of intensive training under Peace Corps auspices before you leave America.

Perhaps you are beginning to see that the basic concept of the Peace Corps is to send trained and talented Americans to do needed jobs in other countries of the world. The resources of capital, of technology, and of leadership in these countries could be far more productive than they are today if one critical element were not missing. That missing element is middle manpower—not leadership at the top, for many of the leaders in these countries possess exceptional qualities and were trained in Western universities; and not unskilled manpower at the bottom level, for these countries usually have an abundance of manual laborers. But a gap exists in the middle level for people who can and will do a job. The Peace Corps proposes to help fill those gaps in the low-income countries by sending men and women with college, university and professional training, with teaching, craft, farming, organizing and leadership skills. Rather than advise and counsel the local people on how to accomplish their jobs, Peace Corps volunteers will go to help do the work and in the process will teach local people to do it themselves.

Life for Peace Corps volunteers will be simple and inconspicuous, and the standard of living will be similar to that of the local people, but sufficient to maintain health and effectiveness. The work will be hard and demanding and at times may be even dangerous. But there are rewards that go beyond the living allowance and the $75 a month that the volunteer earns while in the Corps.

Peace Corps Volunteers will learn from a different culture; they will be performing important work for another country; they will be serving their own country and the cause of freedom; above all, they will be proving that Americans are ready to join hands with other people in a serious pursuit of peace.

The demand is there—for every kind of talent, skill, and profession. Now the question is: What of the supply? Are enough qualified Americans available and willing to spend 2 years in a tough assignment abroad?

Mr. Khrushchev says, "No." Only the other day he branded American young people as "dissipated good-for-nothings." I think he will eat those words when he learns that response to the Peace Corps is already proving that Americans of diverse training and abilities are stepping forward in large numbers to say, "You can count on us."

Almost 4,000 Americans of all ages took the first battery of Peace Corps examinations last week—despite the fact that the tests were given during final examination periods on many college and university campuses and despite the fact that our tests are purely voluntary. (What kind of response would a professor at De Paul get if he announced, "We're going to have an exam Saturday; you're invited to take it if you want to.")

Another barometer of the response the Peace Corps has evoked are the descriptive statistics of volunteer questionnaire forms we have received. Of the first 4,800 eligible questionnaires that we have examined, these interesting figures turn up:

Seven hundred and twelve applicants have professional skills in operating a tractor. One hundred and seventy-two can run a bulldozer. There were 616 people with professional skills as carpenters, 205 as surveyors, 295 as electricians, 193 as masons, and 196 in metalworking. Three hundred and seventy applicants had professional experience with biology laboratory equipment and 473 with chemical laboratory equipment. Two hundred and seventy were professional nurses.

Of the 4,800 applicants, 1,817 were college graduates and 1,203 persons had 1 or more years of graduate work. One thousand of them can speak Spanish and another thousand can speak French. Sixty-six speak Portuguese, 24 speak Arabic, 22 speak a Chinese language, and 12 speak Hindu or Urdu.

Out of the first 4,800 [1] qualified applicants, here are a few statistics:

Ages	Male	Female	Marital status	Total
21 to 25	1,729	778	Single	2,507
26 to 30	497	189	do	686
31 to 50	317	120	do	437
66 and over	72	27		99

NOTE.—Total of all ages: 3,061 males, 1,356 females, single—174 married couples.

Skills	Professional	Amateur
Farm equipment	580	538
Bulldozer	172	290
Carpenters	616	1,462
Plumbers	259	680
Nursing	270	344
Electricians	295	684
Surveyors	205	371
Automobile mechanics	406	926
Handicrafts	313	868
Tractor operators	712	263
Knowledge of foreign areas	2,462	

Language skills: Give a short talk, read a newspaper, write a letter, understand a discussion: Number who can do at least two—Spanish, 1,028; French, 1,048; Italian, 203; Portuguese 66; Hindu and Urdu, 12; Mandarin, Cantonese or other Chinese, 22; Arabic, 24. Forty-eight claimed skills in language of Far Eastern countries.

Activities: Football, 880; swimming, 2,520; mountain climbing, 495; working with youth groups, 2,100; volunteer in hospital or clinic, 407.

Educational level: 1,203 had 1 or more years of graduate or professional skill; 1,817 had completed college; 1,248 had completed 1 to 3 years of college; 389 had completed high school; balance were less than 12th grade or indicated a different arrangement, such as foreign educational school systems, tutors, etc.; 70 or more hours of English and foreign languages, 207; 70 or more hours of engineering, mathematics, chemistry, 192; people who have taken education courses, 1,047.

[1] Peace Corps now has 10,000 applicants.

But these first 4,800 are going to be only a drop in the bucket of demands that have been and will be made for Peace Corps volunteers. We are still getting more than 150 applicants a day. But even so, there is going to have to be a total response by the American community if America through the Peace Corps is going to be successful in mankind's relentless struggle against poverty, disease, ignorance, and tyrrany.

A major response must come from American business. Paying taxes is no longer in itself sufficient; the Peace Corps needs the kind of trained and aggressive people who make a success in business. I spent 12 years in the business world in Chicago and I saw men and women with the fire and drive we need in the Peace Corps. I say to them: "We need you. Come and join. Your ideas, your innovations, your dynamism will find a fertile field in the newly emerging nations." I hope American businesses and industries will provide 2-year leaves of absences, without pay, but with reemployment benefits for their employees—whether top-level administrators or secretaries—who can meet a critical need abroad.

American labor must respond, too. Already we have received urgent requests for plumbers, electricians, carpenters, and teachers for technical trade schools. Can we meet these requests? Only if the American labor movement can provide the skilled manpower from its ranks to serve abroad. I am hopeful that labor—like business—will grant its people who enter the Peace Corps the reemployment rights that have been accorded up to now only to veterans of war.

Others must also respond. The academic community must give us teachers and administrators to fill critical shortages around the world. Farm groups must step forward with youth trained in agriculture, animal husbandry, animal disease control, irrigation, seed and plant multiplication and distribution, and machinery repair. Women must respond, too. Many countries have already specifically requested women to serve as nurses' aids, teachers, and child care workers.

But in the final analysis, the most urgent response must come from you men and women here today. You are America's capital—her most valuable resource—in the revolution that rocks the foundations of the world even at this moment. We cannot fail in this great contest between freemen and tyranny. Communists are not supermen. They are average human beings who often perform below average. If we fail, it will be because we did not give the best that is in us.

Since that day Abraham set out from his city founded "on blood and fear and injustice" searching for a city "whose builder and founder is God," men have longed for a new order. Plato wrote about it in his Republic. Gandhi saw it in the "Kingdom of Ruma." Sir Thomas More yearned for it in Utopia. The Hebrew prophets peered into the future for the day when nations would beat their swords into plowshares.

Today the longing is epidemic for a new order in which justice and peace prevail and all men share a better life. The Peace Corps is a small part of the effort needed to achieve that order.

I go back to the words of Ashadevi, who traveled 3 days and nights in India in order to put one question to us: "Your Peace Corps must touch the idealism of America and bring that to us. Can you do it?"

Only you can answer her question.

ATTITUDE OF AIR FORCE ON BOMBERS

Mr. GOLDWATER. Mr. President, the freedom of the press carries with it a double responsibility. One responsibility is to report to the people, and the other responsibility, of course, is to report accurately. I believe a great majority of the press in this country recognize these responsibilities, and do their best to adhere to both of them.

However, yesterday in the New York Times there appeared an article which I must take the floor to correct. The article I refer to carried the headline "Air Force Charts Plea for Bombers." The subheadline was, "Plans Vigorous Appeals for More Funds in Wake of Soviet Show of Power."

The article was written only 2 or 3 days after the Sunday show in Moscow, and to my definite and absolute knowledge the Air Force had not discussed the show in an official way.

The article quotes "qualified sources," which, of course, is a good "gimmick" to use if it is desired to escape responsibility. The writer uses the expression "qualified sources" in maying:

> Qualified sources said Gen. Curtis E. LeMay, Chief of Staff of the Air Force, planned to urge greater outlays than the administration had requested to develop the controversial B–70 supersonic high altitude bomber.

I have inquired of the Air Force concerning this report, because of my rather close connection with it. I had not heard of any plans of the Air Force to urge speedier development of this aircraft, even though I personally believe that such action should be taken. I was told that neither General LeMay nor Secretary Zuckert had at any time in the last few days made any remarks to anyone that would indicate that the headline and the substance of the story that appeared in the New York Times carried any truth at all.

I asked representatives of the Air Force about the article, because, naturally, a Senator is interested particularly in a subject that is fairly close to his own heart. I was told that no comments have been made to the press relative to this subject, and that the only possible source that could have been depended upon was a press release that was made by the Department of Defense, not the Air Force. That release was handed out, I believe, either Monday or Tuesday morning by the Department of Defense. But in the New York Times article, in using the release almost verbatim, the article stated:

> In response to questions, the Air Force observed—
>
> Further down—
>
> The Air Force said—

Mr. President, the release was made by the Department of Defense. Again I can report to my colleagues in the Senate that no release has been made by the Air Force concerning the show is Moscow last Sunday. I do not doubt that a release will be made, but such a release has not been made up until now.

At another point in the article it stated:

> The Air Force in response to questions—
>
> No questions have been asked or answered, so far as I have been able to ascertain. The article further states:
>
> The Air Force identified the new heavy bomber displayed in last Sunday's Moscow show as a craft that had been known to be under development for a number of years.

Mr. President, although I do not have the Defense Department release in my hand, I am sure this part of the article was taken almost verbatim from the Department of Defense release, not from any release issued by the Air Force. The Air Force has not officially identified this or any other craft in the show of last Sunday.

This is a time in the Nation's history when newspaper reporters must work very assiduously to make certain that what they print in their papers is true. This article can be read by the casual reader of the newspaper as an attempt by the Air Force officials to repudiate the orders and desires of their Commander in Chief, the President of the United States, John Kennedy. That certainly would be the last thing that either Curtis LeMay or Secretary Zuckert would ever do. Neither of these men would do that, or go over the desires of the President, even though there are some of us who would like to see them do it. They owe allegiance to their Commander in Chief, and they observe allegiance to their Commander in Chief. I believe that the New York Times was wrong in attributing this source to the Air Force, and in attributing certain words and actions to the Air Force. That is not the case at all.

WITH ALL DELIBERATE SPEED

Mr. KEATING. Mr. President, in these days of world crisis, none of us should engage in captious criticism and no one would want our Government to act hastily. No one would want the administration to initiate any policy without careful study.

Yet at the same time, Mr. President, there is a limit to what can be accomplished in the world by study alone. The Federal Government is not writing textbooks; it must ultimately formulate and carry out policies, on a worldwide arena. Even in the daily conduct of our Federal bureaucracy, where it is customary to move with all deliberate speed, deliberation should not be a substitute for decision. It is a matter of genuine concern then, when we learn that our Government's response to the Berlin crisis is a study—a new study—of our Nation's defenses. One such study has already been undertaken. If the first study was not good enough, how will the second one be any better? What we need now on Berlin is a position, not a position paper. A policy, not a mere preamble.

The deliberation with which the wheels of our Government turn was most forcibly and directly brought to my attention this week when I received a communication from the Department of State dealing with another crucial area of international relations, Cuba. The letter was in response to my expression of concern over the Government policy of permitting continued importation of such Cuban products as tobacco, molasses, fruits, and vegetables. It was dated July 7 and it advised me that the administration shared my concern that the hostile Castro regime was still deriving

benefits from U.S. trade. I was assured that the administration had the question of Cuban-American trade relations under intensive study but had not yet reached a decision.

Yet, Mr. President, the letter had a familiar ring. Back in February, I received a reply to an earlier query which I had sent to the Department of State on this very question. At that time I was assured that the Department, together with other agencies of the government, was studying the Cuban trade question with the view of determining what further actions in this area might be taken.

Now I submit, Mr. President, that any problem of trade relations placed under the microscope of intensive study for a period of nearly 5 months should be analyzed sufficiently to suggest positive remedial action. If tiny Cuba requires such protracted intensity of study, without result, our trade relations with the rest of the world seem to pose an eternal and insoluble problem.

After all this labor of the mountain with not even a mouse forthcoming, I believe it is reasonable to express concern that a matter of such serious import has taken such an inordinately long period of study. Delay is no ally of ours. It can only strengthen the hand of the Cuban commissar, and advance the very cause we are pledged to oppose.

Mr. President, how long will it be before the Soviet Union establishes military bases and missile launching sites in Cuba?

How long will it be before the island is virtually annexed to the Soviet Union as another Soviet Socialist Republic? How long are American dollars going to be used to help Castro buy Red arms and equipment to use against his own people?

The question is under study, we are told. But someone may not have been doing his homework because it is certainly time for this study to be concluded and for a new chapter to be written in which the American people demonstrate their determination to rid the hemisphere of Castro's Communist satellite.

Mr. President, in order that my colleagues may also have an opportunity to study the question of Cuba and the need for a complete trade embargo against Cuba, I ask unanimous consent to have both letters from the Assistant Secretary of State printed directly following my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., February 16, 1961.

Hon. KENNETH B. KEATING,
U.S. Senate.

DEAR SENATOR KEATING: I have received your communication dated January 31, 1961, in which you express concern over the policy of permitting the importation of Cuban tobacco, molasses, and other products, thereby providing Castro Cuba with dollar exchange.

As you know, Cuba's dollar earnings were reduced by some 70 percent when the Cuban sugar quota was set at zero. The current annual rate of importation from Cuba is now estimated to be $60 million consisting, as you have stated, mainly of tobacco, molasses, fruits, and vegetables.

I can assure you that the Department, together with other agencies of the Government, is studying the Cuban trade question with the view of determining whether there are further actions in this area which might be taken in a manner consistent with our international obligations.

Please call on us if we can be of further assistance.

Sincerely yours,
WILLIAM B. MACOMBER, Jr.,
Assistant Secretary.

DEPARTMENT OF STATE,
Washington, D.C., July 7, 1961.

Hon. KENNETH B. KEATING,
U.S. Senate.

DEAR SENATOR KEATING: I have received your letter of June 22, 1961, inquiring whether the Department is giving consideration to the imposition of an embargo against Cuban goods, a step you have suggested on several occasions.

The Department appreciates your continuing interest in this matter and, as you know, shares your concern that the hostile Castro regime continues to derive benefits from trading with the United States, although on a greatly reduced scale. I can assure you that the administration has the question of Cuban-United States trade relations under intensive study. A final decision on this matter, however, has not been reached at this writing.

Please call on us whenever we can be of assistance.

Sincerely yours,
BROOKS HAYS,
Assistant Secretary
(For the Secretary of State).

CONFERENCE ON "WELCOME CORPS"

Mr. KEATING. Mr. President, on July 5 I wrote a letter to Secretary Hodges urging that he call a conference of the several national organizations which have a role to play in greeting and assisting foreign visitors in communities throughout the country. I think these activities should be coordinated and accelerated. They are an important adjunct of the U.S. Travel Service recently established by the Congress to promote tourism to the United States. I propose calling these local groups Welcome Corps.

Yesterday I received a reply to my letter from Mr. Edward Gudeman, Under Secretary of Commerce, indicating that the Department is actively interested in efforts to assist foreign visitors. Because I believe this is an extremely important program, I ask unanimous consent to have the text of my letter appear at this point in the RECORD, in order that it may receive the attention of local or national groups which would have an interest in working on the several functions which I have listed as possible activities of the Welcome Corps.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 5, 1961.

Hon. LUTHER H. HODGES,
Secretary of Commerce,
Department of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: As one of the Senate cosponsors of the bill to set up a travel service in the Department of Commerce, I want to wish you every success in the implementation of this useful and important program which was signed into law by the President last Thursday.

Several weeks ago, I mentioned on the floor of the Senate that one of the most important aspects of promoting tourism to the United States should be the establishment of voluntary, community programs to see to it that our visitors are well received once they arrive in the United States. In a sense, this is the other side of the coin of the Travel Service. If we do not make visitors comfortable while they are in the United States, then all of our efforts to promote tourism will be to no avail.

I hope you agree that it would be helpful for local groups in key areas to set up programs to greet and assist foreign visitors. I have suggested calling these groups Welcome Corps.

Efforts are already underway in New York City to develop a comprehensive, citywide program to assist foreign visitors. Among other activities, such a program could include: (1) meeting and aiding incoming tourists at the major terminals; (2) seeing that foreign language speaking personnel are available in stores and hotels; (3) providing an information center for foreign visitors in an accessible place; (4) arranging opportunities for Americans to meet socially with visitors of similar interests and background; and (5) dealing with emergencies and crises that may arise while a visitor is in the United States.

I feel strongly that the work of the Welcome Corps would be a valuable supplement to the travel service program which your Department is about to undertake. Furthermore, I think it would be entirely appropriate for you to organize and sponsor a conference in Washington of representatives of the several national organizations which would have a role to play at the local level in conjunction with the work of community Welcome Corps. I urge you to give serious consideration to calling a conference along these lines to explore the need for coordinated local programs to welcome and assist visitors from abroad. These programs would greatly enhance the value and meaning of the work of the U.S. Travel Service as regards promoting oversea tourism as well as strengthening America's image to people of the free world.

With best personal regards, I am,
Very sincerely yours,
KENNETH B. KEATING.

UNITED STATES TO ASSIST WORTHWHILE FOREIGN AID PROJECT

Mr. KEATING. Mr. President, some time ago, in mid-April, I inserted in the RECORD an article from the New York Times outlining the fine work performed in India by Dr. Welthy Fisher, of Rome, N.Y., at Literacy Village in Lucknow, India. Dr. Fisher has organized and runs what I would call a private foreign aid project in India to combat illiteracy, by teaching adults to read and by encouraging others to do the same. Like a stone thrown into a pond, her efforts have multiplied in benefits.

For some time, Dr. Fisher has tried to obtain a small amount of assistance from our official Government foreign aid agencies. I am very happy to report that the Department of State has just informed me that under the terms of Public Law 480, $151,000 in local currency will be made available to supplement Dr. Fisher's work. I also understand that a Fulbright exchange lecturer will assist in the training of new literates. And there is also a possibility that two Peace Corps volunteers may be assigned to the program.

Mr. President, if all our foreign aid projects were as carefully directed to the needs of the people, as devoutly and sincerely carried out, and as successful in their results as the work of Dr. Fisher, the free world would have nothing to fear from Communist dictators. The work of Dr. Fisher deserves continued support and encouragement.

Mr. President, I ask unanimous consent to include letters from the Department of State, from the Peace Corps, and from Dr. Fisher herself in the RECORD at this point.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., July 10, 1961.

Hon. KENNETH B. KEATING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KEATING: Your request of June 17 for information on the status of Mrs. Welthy H. Fisher's application for Public Law 480 assistance to her literacy village project in India has been referred to the Department by the International Cooperation Administration.

I am pleased to report that the Department's Bureau of Educational and Cultural Affairs has already approved the allocation of the equivalent of $151,000 in Indian rupees under Public Law 480, section 104(k), for this project and that Mrs. Fisher has been informed of this decision. All that remains to be done is to negotiate a grant-in-aid with Mrs. Fisher's organization, World Education, Inc. These negotiations should be completed within the next few weeks.

Mrs. Fisher's organization has done some excellent work in India. One of the most significant aspects of this work, the plan to develop a School of Writing for New Literates, will receive assistance under the Public Law 480 grant. This school will train writers to produce materials for newly literate people who so frequently slip back into illiteracy if they are not provided with suitable reading materials. Mrs. Fisher is very enthusiastic about this project and, during her most recent visit to the Department, indicated that she was very pleased that the Department had found it possible to provide some financial support for it.

If I can be of any further assistance to you on this matter, do not hesitate to call on me.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

JULY 6, 1961.

Hon. KENNETH KEATING,
U.S. Senate, Washington, D.C.

DEAR SENATOR KEATING: Reference is made to your June 17 request for a report on an application to the Peace Corps for two volunteers for Literacy House in Lucknow.

Attached is a note on our India program which I hope will provide you with the information you desire. We will be pleased to elaborate if you wish more detail.

With kind regards,

Sincerely yours,

ROBERT SARGENT SHRIVER, Jr.,
Director.

PEACE CORPS PROGRAM IN INDIA—LITERACY HOUSE

The India Peace Corps program grows out of conversations held in New Delhi in May at the invitation of Prime Minister Nehru. At that time Mr. Shriver and the Prime Minister agreed that the initial pilot Peace Corps projects would concentrate in the field of agriculture in the Punjab. Since that time representatives of the Peace Corps have been negotiating with officials of the Punjab and central governments with a resulting formal request for a project on June 20.

A number of additional proposals have been advanced for projects in other parts of India. Among these is a request by Literacy House for two volunteers. When Mr. Shriver was in New Delhi this request was discussed briefly. Embassy officials spoke favorably of the project and it is among those which have been suggested to the Government of India for their consideration. However, the Government of India has not yet endorsed any proposal except the Punjab project.

The Peace Corps is asking its representative in New Delhi to continue to keep this request in mind in his conversations with Government of India officials regarding projects additional to the Punjab program.

We understand from the Department of State that a grant in aid for rupees valued at $151,000, under section 104(k) of Public Law 480 has been approved for Literacy House and is now subject to negotiation. Mrs. Fisher has been in personal contact with the Department in recent weeks.

LITERACY HOUSE,
Lucknow, U.P., May 23, 1961.

Hon. Senator KENNETH KEATING,
The Senate Building,
U.S. Government,
Washington, D.C.

DEAR SENATOR: I cannot tell you how happy I was when members of the American Embassy in New Delhi sent me the statement which you gave in the Senate about Literacy Village, and your request for the inclusion of Paul Grimes' New York article in the CONGRESSIONAL RECORD.

We are making a dent on illiteracy, I do believe, and are making the necessary aids that are required to buttress the early steps of literacy. We are becoming specialists in puppetry, flannel-graphs, and in writing simple constructive readers and books on all subjects that will awaken minds that have been walled in so long.

These audiovisual aids are as necessary to the literacy road as medicine and surgery are to health.

Literacy Village has reached some milestones. The U.S. Education Foundation is sending us a Fulbright lecturer in journalism who will work in our School of Writing for New Literates. At my request she has studied Hindi this past year and can already read and write it very well. She arrives in August and is going to help us enormously.

Since the need for literacy is so great and our plans are expanding so rapidly, I have requested two Peace Corps men or women and hope for the best.

Last July, 1960, I wrote a proposal to the U.S. Government as president of World Education, Inc., for Public Law 480 funds. I presented it to Mr. Henry J. Smith of the State Department who later sent it on to the American Embassy in India. Ambassador Bunker and his staff examined the proposal thoroughly and said to me "I think it will go through."

Mr. Tyler Wood of the ICA told me he felt confident that the proposal would be accepted. Since many of the requests came naturally under USIS, Dr. Kenneth Bunce came to Lucknow and spent a day there examining our center and sent the proposal through his agency to Washington. I do not know the present status of the proposal but do know that we are in desperate need of the money even though we receive only half of it at a time. I do hope to hear some good news.

I feel needed in India and prefer to stay here, but must return to United States to raise funds.

I do appreciate, my dear Senator, your deep interest and your conviction of the need of literacy.

With high regards,

Very sincerely yours,

WELTHY HONSINGER FISHER.

DISAGREEMENT BY SENATOR GOLDWATER TO VIEWS OF SENATOR FULBRIGHT CONCERNING FOREIGN POLICY

Mr. GOLDWATER. Mr. President, I should like to direct my remarks today to an address delivered June 29 by my esteemed colleague from Arkansas, Senator J. WILLIAM FULBRIGHT, entitled "Some Reflections Upon Recent Events and Continuing Problems." Since this presentation was described by the press as a major foreign policy speech and because the Senator from Arkansas is chairman of the Committee on Foreign Relations, I presume that it reflects, in large part at least, the views of the Democratic administration. For this reason, I feel that we who disagree strongly with the Government's policy, or lack thereof, in the area of international relations cannot allow certain assertions made by the Senator from Arkansas to go unchallenged.

Mr. President, as I study the address delivered by the distinguished chairman of the Committee on Foreign Relations, I find myself becoming first surprised, then amazed, and finally, alarmed. In essence, it strikes me as an argument for continued drifting in the wrong direction; for inaction on all major cold war fronts; for further costly implementation of an outmoded weak-kneed foreign policy which accomplishes nothing but more and greater losses of freedom's territory to the forces of international communism. It is a plea for more useless expenditures in the name of more hopeless objectives. It is part and parcel with the prevalent belief in administration circles that all we have to do is increase the foreign aid budget and Khrushchev will back off, Castro will be rendered ineffective and a tremendous host of nations will quickly effect social and economic reforms and clasp the United States to their bosom as the savior of underdeveloped areas.

If our largesse is increased, we are led to believe, neutrality among the uncommitted nations of the world will be merely a disguise for free world partisanship, and countries struggling with centuries-old social and economic institutions and habits will suddenly develop a form of dynamic anti-Communist progress similar to that which has taken place in Western Europe.

Mr. President, I say also that the reflections of the chairman of the Foreign Relations Committee would seem to rest our entire case against the powerful Soviet-Sino axis on economic, social, and political arguments to the exclusion of military considerations. For example, the Senator from Arkansas seems to view with alarm the voices, as he puts it, that "are saying the United States is the strongest country in the world, and should not hesitate to commit its strength to the active defense of its policies anywhere outside the Communist empire."

In this connection, I agree wholeheartedly with the chairman of the Committee on Foreign Relations that an increasing number of voices are saying exactly what he claims. They are American voices; they are the voices of our

citizens who are suddenly and finally aware of what threatens us and what is not being done to meet that threat. They are the voices of nationwide concern to which the policymakers of this administration would do well to listen, rather than dismiss them as noises made by people who do not understand the benefits which can flow from American-financed social and economic reform.

It might be well for the administration to give more consideration to why the American people are skeptical. Some day, Mr. President—and the way things are going, I am beginning to wonder whether it will ever come—those in official capacity in this country will have to stand up and tell the American people why it is that this approach to the realities of the cold war has cost us billions and billions of dollars while communism continues to gain, both in prestige and territory. The plain fact is that this is not a way to meet effectively the challenge of the cold war. It is the way to weaken freedom by draining our strength and undermining our economy.

But let us consider how such administration partisans as the Chairman of the Committee on Foreign Relations regard the growing demand for action from the American people. He calls it a dangerous doctrine and says nothing would please the Communists more than to draw the United States into costly commitments of its resources to peripheral struggles in which the principal Communist powers are not themselves directly involved.

Mr. President, I suggest that a far more dangerous doctrine is the one advanced by the Senator from Arkansas—one that would make the principle of "nonintervention" under any circumstances a national policy. All we have to do, as a Nation, is to assure the forces of international communism that we will never take unilateral action anywhere unless Russia and China are officially committed, and that the world—all of it—is theirs merely for the taking. This is the truly dangerous doctrine; and every time it gets new currency from those who are trying to tell us that the removal of poverty will destroy communism, the United States of America loses more respect throughout the globe.

And the threat to our survival and freedom's cause deepens.

Also, I believe there is something that would please the Communists more than the costly commitments of military strength, and that is the action we are taking right now. I assure you, Mr. President, that a show of American strength, even in peripheral areas, would not please the Communists. What pleases them is our present policy of making costly commitments throughout the world, commitments which carry with them no elements of real strength, but which rest on theoretical dreaming that the way to fight Communist bullets is with relief packages, Communist tanks with plows, Communist bombs with elaborate charts for monetary reform.

I disagree also with the inference of the Senator from Arkansas that peripheral areas are negligible in a military sense. The areas he talks about are the periphery of freedom—a periphery, I might add, that is growing steadily smaller in direct ratio to our failure to act from strength. I cannot say I find any concern for this development in the scholarly words of the chairman of the Committee on Foreign Relations. This is particularly true when he speaks about the closest point of freedom's encirclement—Cuba—which the Senator concedes has been transformed into "a Communist-oriented totalitarian state," but which he does not want us to regard as a threat requiring action. Let me quote his exact words:

> It is idle to expect the present Cuban regime to reform, to collapse, or to be overthrown by its exiles. And I submit that to overthrow it by American force, or by some combination including American force, would be self-defeating and would create more problems than would be solved.

But that is not all. I continue to quote:

> We often hear that the existence of a Communist regime in Cuba is intolerable to the United States. But is that really the case? I know it is embarrassing and annoying and potentially dangerous, but is it really intolerable?

Here is more, and I believe this is one of the most amazing statements ever made by an American official concerning the Cuban situation. I continue to quote:

> The possibility of Soviet missile bases and jet aircraft bases in Cuba is frequently noted. I suppose we would all be less comfortable if the Soviets did install missile bases in Cuba, but I am not sure that our national existence would be in substantially greater danger than is the case today. Nor do I think that such bases would substantially alter the balance of power in the world.
>
> What would substantially alter the balance of power in the world would be precipitated action by the United States resulting in the alienation of most of Latin America, Asia, and Africa.
>
> I believe that if we intervene unilaterally in Cuba, we prejudice our cause in the hemisphere.

Mr. President, let me take up these statements in the order of their assertion. What the chairman of the Committee on Foreign Relations tells us is that there is a Communist state 90 miles off our southern border, a state which will not reform, collapse, or be overthrown from within. Then he says that American force, used either unilaterally or in combination, would be self-defeating. I simply cannot understand this reasoning. He establishes a threat, says nothing will be done to erase or lessen it without outside action, and then forecloses the wisdom of meeting the threat either through American action or through American action in concert with other nations. This, it seems to me, would deny even the remote possibility of joint action by the Organization of American States.

Moving on to the Senator's next statement, or rather his question: Is the establishment of a Communist bastion dedicated to the destruction of everything the United States stands for off our Florida coast really intolerable? I should say, Mr. President, that the American people are answering that question every day. These are the voices the Senator from Arkansas referred to—the voices of America—that have been telling every one of us who would listen that Castroism on our doorstep and in this hemisphere is very definitely intolerable.

Not only that, Mr. President, but the New Frontier itself certainly felt at one point that communism in Cuba was intolerable. If it had not believed this, why would the President have sanctioned an American-organized and directed invasion attempt? I say actions speak louder than words, and I am very much afraid that one experience of unrealistic action directed at Cuba has made the Government gunshy. But this certainly is no reason for poohpoohing the entire Castro menace—even to the point of saying that the establishment of missile bases 90 miles from Florida would only make us less comfortable. I submit, Mr. President, that the establishment of Communist missile bases in Cuba is a very immediate and dangerous possibility. And I doubt whether 100 speeches by the chairman of the Senate Foreign Relations Committee would convince either the American people or our military leaders that such establishment would not increase the danger to our national existence. This possibility is real, and is not subject to erasure or reduction through the medium of diplomatic rhetoric.

Now, Mr. President, I come to the Senator's fear that by taking action in Cuba, the United States would alienate most of Latin America, Asia, and Africa. This is patently ridiculous. It is another instance of this Government's preoccupation with an ephemeral something called world opinion. This is an area of official concern which has no reason for existing. If this so-called world opinion were worth courting, it certainly would not countenance international communism with its history of violence, slavery, and oppression. But world opinion does countenance communism. In fact, the forces of slavery seem to hold more prestige and respect throughout the world than does the United States.

No, Mr. President, that argument will not hold water. In fact, the thing that is really alienating most of Latin America, Asia, and Africa right now is our weakness, our timidity, our failure to act in our own best interests. This refusal of a world power to function and act like a world power is what is pushing people away. They think we are afraid of communism; and this is the kind of thinking that breeds lack of enthusiasm—even contempt—for the cause of freedom.

Mr. President, as I read the Senator's remarks, he believes that our course in Cuba is to convince the Latin American countries that the big threat of Castroism is a threat to them, not to the United States. Presumably, he would encourage these countries to do something about the threat while the United States remains neutral. I suggest that it is

going to be very difficult—in fact, impossible—for us to convince the Latin American countries that we are so little concerned that we cannot take part. They are not likely to forget that the United States has already demonstrated its concern through its ineffective, but nonetheless real, participation in the abortive April invasion attempt.

And, if the Foreign Relations Committee chairman is now afraid of what "precipitate action"—as he terms it—by the United States would do to alienate world opinion, why was there no emphasis on this possibility before the New Frontier sanctioned the invasion attempt? That was precipitate action in the most dramatic sense. And if it did not alienate all of Latin America, Asia, and Africa, why are we asked to believe that new action—successful action—by the United States would hurt us now?

As I said earlier, Mr. President, the remarks of my esteemed colleague from Arkansas on these important matters do not provide us with a new insight into how the Nation's foreign affairs should be conducted. At the most, they add up to an apologia for inaction, to an excuse for a continuation of stumbling and groping in the cold war.

Mr. President, I should like to see us get on the right track, once and for all, in our approach to foreign policy matters. And I believe the first step is for the President of the United States to declare officially that it is our purpose to win the cold war, not merely wage it in the hope of attaining a standoff. Further, I would like to see the chairman of the Senate Foreign Relations Committee urge this action on the President, and back him to the hilt if he agrees.

Mr. President, it is really astounding that our Government has never stated its purpose to be that of complete victory over the tyrannical forces of international communism. I am sure that the American people cannot understand why we spend billions upon billions of dollars to engage in a struggle of worldwide proportions unless we have a clearly defined purpose to achieve victory. Anything less than victory, over the long run, can only be defeat, degradation, and slavery. Are these stakes not high enough for us? Is not this reason enough for us to fight to win?

I suggest that our failure to declare total victory as our fundamental purpose is a measure of an official timidity that refuses to recognize the all-embracing determination of communism to capture the world and destroy the United States. This timidity has sold us short, time and time again. It denied us victory in the Korean war, when victory was there for the taking. It refused General MacArthur the right to prosecute a war for the purpose of winning, and caused him to utter these prophetic words:

> The best that might be said for the policymakers responsible for these monumental blunders is that they did not comprehend the truism, as old as history itself, that a great nation which voluntarily enters upon war and does not fight it through to victory must ultimately accept all of the consequences of defeat—that in war, there is no substitute for victory.

Mr. President, we would do well to heed those words of General MacArthur, and apply them to the present—apply them to our position in the cold war, for if we engage in this cold war, and do not fight it through to victory, we must be prepared to accept the consequences of defeat. And, the consequences of such a defeat, I can assure you, Mr. President, will be slavery for all the peoples of the world.

In addition to an overall objective of victory, we need a careful appraisal of what such an effort will cost, and a priority list of essentials to measure against the willy-nilly demands for spending on all sectors. This is a clarification which the American people are demanding. In this respect, I refer to the findings of Mr. Samuel Lubell, a public opinion expert who recently took samplings in 19 States. He reached these conclusions:

> If President Kennedy is to gain public support for a more intensive cold war effort, two basic reforms seem needed:
>
> 1. Existing programs must yield better results.
>
> 2. All of the Government spending effort, domestic and foreign, must be unified into a thought through, first-things-first system of priorities.

Mr. President, I am not one who ordinarily takes the findings of public-opinion pollsters as the last word in popular sentiment; but I must say that the findings of Mr. Lubell are in keeping with everything which my office mail, as well as conversations I have had with people across the face of this country, have been telling me. There is a great restiveness among our people, because they have the feeling that the administration's programs have been thrown together without sufficient regard for an overall objective or for final costs. They are disturbed at reports that the State Department is toying with a so-called two-China policy; at indications that we may negotiate with Khrushchev on Berlin instead of standing firm; at the possibility that a flimsy, "phony" pretext will be found for diplomatic recognition of Communist Outer Mongolia.

To date, Mr. President, the American people have nothing to which they can point as a positive indication that the New Frontier means to stand up to the forces of international communism, after the fashion of a great world power. They have waited patiently—and in vain—for this Government to resume nuclear testing, against growing evidence that the Soviet Union is already secretly engaged in this vital activity. Let me say that I believe right here is where the New Frontier could act to show us that it does not intend to be hoodwinked forever by Soviet negotiators. I do not think there is any longer a reason for even fixing a deadline for the resumption of these tests. I believe the United States should just pull its representatives back from the test meetings, and begin work—work that has been delayed too long, in the face of new and greater Communist threats around the world.

These are the things, I believe, that our Nation needs right now, instead of more excuses for inaction and more justifications for an expanding foreign-aid program, which needs drastic alterations before it can yield results. We need a declaration that our intention is victory. We need a careful cost-accounting of what will be required to meet this objective within the framework of our economic ability. And we need an official act, such as the resumption of nuclear testing, to show our own people and the other freedom-loving peoples of the world that we mean business.

These are minimum requirements, Mr. President, in the nature of first steps. But they are essential if we are to chart a positive course aimed at total victory in a struggle for the future of freedom.

PROHIBITION OF SERVICE OR CONSUMPTION OF HARD LIQUOR ON COMMERCIAL AIRCRAFT

Mr. MILLER. Mr. President, on February 9, Senate bill 887 was introduced by the distinguished Senator from South Carolina [Mr. THURMOND], the distinguished Senator from Minnesota [Mr. HUMPHREY], the distinguished Senator from Kansas [Mr. CARLSON], and me. This bill would prohibit the service or consumption of hard liquor on board any commercial aircraft while in flight between two points in the United States, and also the admission or transportation of intoxicated persons aboard such aircraft. I am informed that to date no action has been taken on this proposed legislation.

Such legislation is needed as a means of insuring maximum safety on our commercial aircraft. The Airline Pilots Association has approved it. This association, along with its sister association of pilots and hostesses, has kept records of drinking incidents on board commercial aircraft. I ask unanimous consent to have printed in the RECORD a reprint of an article, by Capt. Dave Kuhn, published in Flying magazine, which appeared in the July 10 issue of the Christian Science Monitor. The article discusses the problems of airborne alcoholism.

Also, Mr. President, in the July 10 issue of the Des Moines Register appeared a news story with a Los Angeles dateline, about an incident on United Air Lines flight 853, from Chicago to Los Angeles, carrying 118 passengers. Although no one was injured, one of the passengers had a whisky bottle taken away from him by a stewardess; whereupon he became enraged and brandished a pocketknife. I ask unanimous consent that the Register article be printed in the RECORD.

Mr. President, a great many people use the airlines or have relatives and friends who do, and they would like to see this proposed legislation acted upon. It cannot possibly do any harm and it might well result in saving some lives.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, July 10, 1961]

PROBLEMS OF AIRBORNE ALCOHOLISM

(By Capt. Dave Kuhn)

There are many problems connected with operating a safe airline. Some of them are

self-induced. Most carriers insist on serving alcohol to the customers despite the serious threat to safety drunks aloft pose.

The captain in command is charged under the law not to carry persons under the influence of drugs, liquor or narcotics. Yet, there is not a plush flight flown by the large U.S. carriers today, but that some of the passengers get "boiled" by the time they reach destination. Why this treatment is necessary has never been explained.

Now, pilots have been known to gaze at the grape on occasions. However, they have long protested the added chore of wet-nursing inebriated passengers. It is a nuisance at best. It takes only one drunk on a flight to create enough havoc to jeopardize safety. Aside from the social aspects, such as cursing, vomiting or responding to Cupid, a drunken crazed inebriate can wreck a plane.

Then, of course, there is no way to determine which passenger will get out of hand after imbibing. On one occasion, a movie mogul was caught trying to bash a window out with his shoe. He was too warm and couldn't raise the sash. Had he been successful he would have left like a shot from an air gun. There also would have been more serious problems, such as getting down to a breathing altitude in time to save the flight.

One wild-eyed passenger broke into the cockpit and started pummeling the captain on the head. The flight was a bit late and the drunk was urging more speed. He was tied up, with a ditching rope, for the remainder of the flight.

Drinkers are careless with cigarettes and matches. There are not many situations more dreaded than fire aloft. This writer had one such incident caused by careless drinkers. The hostess came up front in tears. A group of six men returning from a sales convention were in the lounge section insisting on being bartenders. The hostesses, being outnumbered, had lost a battle. A first look revealed a group of salesmen in a singing, drinking, storytelling mood. A second look revealed smoke pouring from under a seat. A live cigarette had been dropped between the rugs. Rugs on airplanes are fire resistant to some extent. However, grease from the ramp, hydraulic oil, and whisky can make a start on a good fire, especially when a live cigarette is used as an igniter.

The ALPA and their sister union, ALSSA (pilots and hostesses), have kept records of drinking incidents. They are rather impressive to those taking the time to read them. The worst cases develop from individuals who have had a few belts prior to boarding. Altitude gives an added lift from the booze already consumed.

Being irresistible (he thinks), he gets miffed when he is requested to sit so that others might be served. If he does not get all the drinks he thinks he needs, everyone in the plane is informed that the president of the airline will hear of this outrage. He advises that he is "gonna get someone's job." (It is doubtful if he would like the pay of a hostess.)

On rare occasions, the passenger agent will request that you take a look at a suspected inebriate prior to boarding. Without looking you know from past experience that the suspect is either stumbling, incoherent, or abusive. You take a look anyway. It is impossible to inspect 120 people for sobriety before departure. Besides, some folks look drunk in their natural state. Many flights have been forced to land and deplane drunks. Lawsuits result. The companies have trapped themselves. It costs millions each year to give free liquor to customers that may destroy a flight or cause additional expense. Unscheduled landings mean late arrivals which mean late originations or cancellations. The Canadian airlines carry passengers and do not feel obligated to pour free drinks. It seems that a fast, smooth, safe trip would suffice. Bars are not competing with airplanes.

Despite several pages in the company manuals on how to cope with drunk passengers, the instructions never seem to fit the conditions. Bars have husky bouncers. On an airplane, a 110-pound hostess has no place to bounce a 210-pound Casanova. The final word is to advise the captain.

In 1954 the Airline Pilots Association adopted a policy prohibiting drinking aloft. Unfortunately, they have been less successful implementing this policy than the "fail safe concept." Congress has before it two bills outlawing drinking aloft. ALPA was instrumental in getting these bills on the agenda. It is hoped Congress will act.

[From the Des Moines (Iowa) Register, July 10, 1961]

LEGAL SNARL IN JET KNIFE EPISODE

LOS ANGELES, CALIF.—A vacationing Illinois janitor, who caused a ruckus with a pocketknife aboard a crowded jetliner, is causing a headache for authorities because of a legal no man's land.

And it appears that the headache may require legislative relief from Congress.

Joseph Newkirk, 60, of Argo, Ill., was arrested Saturday after threatening two persons aboard United Air Lines flight 853, carrying 118 passengers from Chicago to Los Angeles.

DISARMED

No one was injured. Newkirk, who at first told police he was a salesman, was booked on suspicion of assault with a deadly weapon. Investigators told this story:

Shortly after takeoff from Chicago's O'Hare Field, Newkirk became enraged because a stewardess took away his whisky bottle. Later, as the plane whisked over Nevada at about 32,000 feet, he became belligerent, pushed a stewardess and brandished his knife when a young marine intercepted.

The marine, Pvt. Donald James Schwalbach, of Highland Park, Ill., slugged and disarmed Newkirk. The janitor was bound by the crew and held captive in the lounge until Los Angeles police boarded the plane here.

After booking Newkirk, police discovered they had no jurisdiction over a crime allegedly committed over Nevada. They called the FBI and the Federal Aviation Agency (FAA).

The FBI said it would have to discuss the situation with headquarters in Washington, D.C.

The FAA said it could not prosecute Newkirk on a criminal charge, but could charge him in a civil action with violating FAA drinking regulations aboard an airliner.

LOOPHOLE

Then someone discovered a massive loophole in the law.

Assistant U.S. Attorney Tom Sheridan said he knows of no Federal statute covering passengers aboard a plane in interstate flight.

"We have all sorts of laws for trains and several new ones for planes," he added, "but I don't know of any for something like this."

An FAA spokesman here said the Agency will seek immediate action by Congress for emergency legislation to cover such episodes.

Meanwhile Newkirk, who was en route to Hawaii, was in jail.

He told police: "All I remember is being drunk when I got on the plane."

Newkirk said he was going to Hawaii because "I was tired of cooking for myself. I was going over there to look for a rich widow."

PROPOSED LEGISLATION RELATING TO AMENDMENT OF THE ANTITRUST LAWS

Mr. KEFAUVER. Mr. President, I introduce four bills to amend the antitrust laws, and ask that they be appropriately referred.

Companion bills are today being introduced in the House of Representatives by Representative EMANUEL CELLER, chairman of the Committee on the Judiciary of the House of Representatives. Representative CELLER, chairman of the Subcommittee on Antitrust and Monopoly of the Judiciary of the House of Representatives has also held hearings along the lines covered in these bills, and he has been very interested in the problem.

Also, the distinguished Senator from Colorado [Mr. CARROLL], a member of the Antitrust and Monopoly Subcommittee of the Senate Committee on the Judiciary, is a cosponsor of three of these bill. The Senator from Colorado has given the problems they are designed to meet much penetrating and enlightened study, and his cosponsorship is greatly appreciated. The able Senator from Michigan [Mr. HART], a member of the subcommittee is the cosponsor of two of the bills. His intelligent interest in this subject adds much to a fuller understanding of the problems involved.

These bills result from continuing investigations by the House Antitrust Subcommittee and Senate Subcommittee on Antitrust and Monopoly. They also result, in part, from the recent hearings on the price-fixing conspiracies in the electrical equipment industry as well as from other hearings. Taken together, they constitute, in our opinion, the most significant proposed antitrust legislation since section 7 of the Clayton Act was amended by passage of the Celler-Kefauver "Antimerger" Act, 11 years ago. Further, it is our view that, if these bills are enacted into law, they will substantially increase the effectiveness of antitrust enforcement and thereby increase competition in American industry to the decided advantage of the consuming public and the welfare of the Nation.

The long-standing conspiracies in the electric equipment industry, unearthed in the Philadelphia cases, and explored in detail in the recent hearings, are among the most flagrant violations of the Sherman Act in the history of antitrust. Something must be done to make certain that such violations of the antitrust laws never happen again. The electrical hearings as well as other hearings have clearly shown that compliance with the antitrust laws cannot be assured without, first, more stringent penalties for violations and, second, an increased obligation on the part of directors, officers, and other highly placed corporate executives to see to it that the antitrust laws are obeyed. The bills which we are introducing, today, do just that. Each of these bills remedies a particular weakness in our antitrust laws.

The first bill, cosponsored by the Senator from Colorado [Mr. CARROLL], increases the monetary penalty for violations of sections 1, 2, and 3 of the Sherman Act from $50,000 to $100,000.

Further, when a corporation violates one of these sections within 10 years of a previous conviction under the same section, the maximum penalty is extended to $500,000. And, if an individual is convicted of such a second violation, he will be both fined and sentenced to jail. This bill strikes directly at repeated violations such as have been the antitrust case history of certain large corporations. Moreover, it will deter corporations from treating fines for antitrust convictions as expenses which can be written off as a cost of doing business.

The second bill, cosponsored by Senators CARROLL and HART, amends section 1 by dealing specifically with price fixing and market allocation, the most common and the most flagrant anticompetitive practices covered by that section. Both of these restraints of trade have been held repeatedly by the Supreme Court to be per se illegal. Under this bill, a corporation convicted of fixing prices or allocating markets or customers can be fined up to $500,000. Individuals are subject to find up to $100,000 and a year or less in jail.

A very troublesome problem, from the point of view of enforcement, as highlighted by the electrical hearings, is the fact that many highly placed corporate executives can and do "wink" at violations of the law going on right under their noses, or make sure to carefully avoid having any direct knowledge of activities of their immediate subordinates which flagrantly violate the law. The third bill, cosponsored by Senator CARROLL, provides a long step toward preventing such calculated ignorance. It amends section 14 of the Clayton Act to require that a corporate director, officer, or agent, who knows or has reason to believe that any of the penal provisions of the antitrust laws are being violated, or are about to be violated, stop or prevent such violation. If he does not have authority to stop or prevent an antitrust violation, he is obliged to report it to a corporate official who has such authority. Failure to take such steps is deemed by the bill to be ratification of the violation, and is punishable in the same way as if the director, officer, or agent had authorized, ordered, or done the violation in question.

Moreover, this bill brings the penalties under section 14 in line with those of sections 1, 2, and 3 of the Sherman Act. In 1955, the penalities under sections 1, 2, and 3 of the Sherman Act were increased to $50,000, but the penalty under section 14 of the Clayton Act remained at $5,000. This has recently been the subject of vexing and unnecessary litigation. In fact, a district judge very recently appears to have erroneously assumed, from the fact that Congress did not increase the section 14 penalty in 1955 as we increased the penalties for violating sections 1 and 2 of the Sherman Act, that we meant section 14 to be the exclusive means of imposing criminal punishment of officials of corporations which violate sections 1 and 2. It is not our intention in this bill to make section 14 the exclusive means of imposing criminal punishment on corporation officials, nor was it, in our opinion, the intent of Congress in the 1955 amendment.

The final bill, cosponsored by Senator HART, deals with the problem of identical sealed bids on Government contracts. To enable the Government to better protect itself against collusive, anticompetitive bidding, this bill requires Federal procurement officers to obtain certificates of noncollusion from bidders who, during the preceding 2 years, have quoted prices identical to those of their competitors. If identical prices are the result of bona fide competition, such a certificate will be no more onerous than the declaration of correctness and truth which every taxpayer must sign in preparing his Federal income tax return. If, however, identical prices are the result of agreement by competitors in violation of the antitrust laws, these certificates will permit the Government to prosecute not only under the Sherman Act, but under the false statement provision of title 18 as well.

We strenuously urge the prompt adoption of these bills. Together, they constitute a far more effective weapon for enforcement of the antitrust laws and of preservation of our competitive, free enterprise economy.

Mr. President, I ask unanimous consent that the bills lie on the desk for 5 legislative days, until July 21, 1961, in order that any Senator who may wish to associate himself with the bills as a cosponsor may have the opportunity to do so.

The PRESIDING OFFICER. The bills will be received and appropriately referred and, without objection, will lie on the desk as requested.

The bills, introduced by Mr. KEFAUVER, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

By Mr. KEFAUVER (for himself and Mr. CARROLL):

S. 2252. A bill to amend the Sherman Act by increasing the penalties for the violation thereof.

By Mr. KEFAUVER (for himself, Mr. CARROLL, and Mr. HART):

S. 2253. A bill to provide penalties for certain violations of section 1 of the Sherman Act, and for other purposes.

By Mr. KEFAUVER (for himself and Mr. CARROLL):

S. 2254. A bill to amend the Clayton Act, as amended, to supplement the antitrust laws with respect to the liability of the directors, officers, and agents of a corporation, to increase the penalties for violations of the antitrust laws, and for other purposes.

By Mr. KEFAUVER (for himself and Mr. HART):

S. 2255. A bill to supplement the antitrust laws with respect to procurement by Government agencies on sealed bids, and for other purposes.

PRICES OF DRUGS

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article from the May 1961 issue of Consumer Reports, entitled "Rx Drugs: A Strong Wind of Discontent Is Blowing Across the Country." I believe this article will be of interest to my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RX DRUGS: "A STRONG WIND OF DISCONTENT IS BLOWING ACROSS THE COUNTRY"

For the past 2 years, the price of drugs, particularly "ethical" or prescription drugs, and the advertising practices of ethical drug companies have been very much in the news. There have been many articles and comments on the findings of Senator ESTES KEFAUVER and his Subcommittee on Antitrust and Monopoly regarding administered drug prices and drug promotion. Consumer's Union has learned from sources in Washington that Senator KEFAUVER has readied new legislation to remedy some of the evils uncovered in the hearings—a "Drug Industry Antitrust Act" amending the Sherman (antimonopoly) law, and amendments to the Food, Drug, and Cosmetic Act. When hearings are held on these or other bills which are sure to be introduced, Consumer's Union will report on the specific proposals. Meanwhile, here is a review of the main issues involved.

That legislation would come has long been obvious; a strong wind of discontent has been blowing across the country. A few consumer groups have sought to solve the problem of high drug prices by forming cooperatives for the purchase of prescription drugs and sundry drug items. Mail-order prescription services have sprung up with promises of 25-percent reductions. Prepaid insurance plans to cover the cost of major prescription drugs have been started in Atwater, Calif., and Windsor, Ontario, and additional prepaid drug plans are under consideration in a few other cities. Some major-medical insurance policies include payments for drug and sickroom supplies. Labor-management medical centers in New York and other cities have set up pharmacies on their premises, where medications are dispensed at reduced prices. A large group of unions in New York City plans a citywide chain of stores to take advantage of the price savings possible with volume purchasing, more selective stocking of drugs, and prescription by generic rather than brand name, since many drugs are less expensive when prescribed that way. The New York County Medical Society has urged its members to prescribe drugs by generic rather than brand name. Many State welfare agencies have sought to control the prescribing of costly drugs for welfare patients by requiring generic prescribing, and by other restrictions on the use of expensive new drugs which do not have proven advantages over older, less expensive standard drugs.

Expenditures for prescription and over-the-counter drugs increased from $300 million in 1929 to more than $3,500 million in 1960, of which at least 75 percent goes for prescriptions. Between 1929 and 1960, the average price per prescription increased from 85 cents to more than $3. This increase is not accounted for by increases in the prices of standard pharmaceuticals, such as morphine, codeine, atrophine, the barbiturates, digitalis, and aspirin, but reflects a switch of doctors' prescriptions to the new and invariably more expensive drugs. The greater part of prescription expenditures are for the so-called wonder drugs—antibiotics, tranquilizers, metabolic regulators, and hormones. Besides the increase in price per prescription, the number of prescriptions sold per family per year has risen, from 7.6 in 1950 to about 12 in 1960.

The increasing costs, and especially the burden they impose on the chronically ill, the aged, and the lower-income families, have focused attention on the drug industry, its competitive practices, its pricing methods, its profits, its research and promotion activities.

The Kefauver hearings have been the main agency for disclosure of important facts about administered rather than competitive

prices for drugs, about the high profits, about the exaggerated role the cost of research plays in raising drug prices, about the extravagances and abuses of selling practices. Although the hearings are not concluded, they already have exerted considerable influence. Consumers and some doctors have begun to show a skepticism about the public service facade of the drug industry. More important, as a consequence of the hearings, the prices of broad-spectrum antibiotics, for example, were cut by about 15 percent after having remained unchanged for some 10 years. Senator KEFAUVER has estimated that such reductions already have saved consumers $55 million.

Also stemming from the hearings have been grand jury investigations and antitrust actions against certain producers of antibiotics and tranquilizer drugs. In February, the Federal Trade Commission indicated intentions to introduce legislation requiring inclusion of full disclosure of possible side effects in all prescription-drug advertisements. And the Food and Drug Administration has introduced new regulations requiring fuller disclosure of possible undesirable side effects on labels of prescription drugs.

GENERIC NAMES VERSUS BRAND NAMES

Before much headway can be made in generic-name prescribing, two conditions have to be met. First, it is important to make the generic names as easy to remember as trade names. At present, generic names, usually impossible tongue-twisters, are chosen in the main by the drug companies which develop them; it would seem desirable to place this responsibility in the hands of an independent authority, such as the World Health Organization, the FDA, or a professional organization.

Second, physicians must have assurance that every drug put up for sale meets adequate standards of purity and potency. At the present time, the FDA has resources enough to test the quality of only a small fraction of the drugs sold in interstate commerce. Adequate funds and staff must be provided for a more comprehensive job of testing drugs and supervising manufacturing methods.

It should be known, however, that not all drugs are less expensive under their generic names. When a company develops a new drug, a patent is issued on it. Then, if the company licenses one or more other companies to sell the drug under other brand names, the price structure established usually allows for no competition. In such circumstances, it makes little or no difference to the patient's pocketbook whether the doctor uses the generic name or the trade name. The degree to which large brand-name pharmaceutical companies have used patent laws to preserve their privileged position in the marketplace was revealed in much of the testimony before the Kefauver committee.

This is not to say that the drug industry is not highly competitive. But its competitive efforts are expended less in achieving price reductions than in capturing the prescription pads of the busy doctors who, in most instances, cannot remember the generic names or, for that matter, cannot judiciously weigh the real properties of drugs against the promotional claims. The doctors' problem in this respect is heightened by a major loophole in present laws regulating new drugs. A drug company need not provide adequate proof of efficacy of a prescription drug. A new-drug application is granted to the manufacturer if there is plausible evidence of its safety in the dosage recommended on the label. It would seem self-evident that proof of efficacy as well as safety needs to be required.

"RESEARCH" AND "EDUCATION"

Research expenditures have been cited by the manufacturers as a major factor contributing to current high drug prices. The argument usually runs that the drug industry is engaged in a feverish research program designed to save life and health. It is true that some drugs developed by pharmaceutical-company chemists are valuable contributions to medical practice. However, expenditures for "research," even with the most favorable definition of this term, by the 20 largest drug companies have been only about 6½ percent of sales. Selling expenditures account for about 25 percent of sales: about 4 times the amount spent on research. The great amounts spent on promotion are defended as postgraduate "education" for physicians.

Dr. Austin Smith, formerly editor of the Journal of the American Medical Association and now president of the Pharmaceutical Manufacturers Association, claimed in a statement to the AMA Journal that "Detail men form an indispensable link between the doctor and new knowledge that can help or save a patient. * * * In a few minutes the detail men can acquaint the doctor with the capacities and the limitations of a new drug."

But Dr. George E. Moore, director of the Roswell Park Memorial Institute in Buffalo, a leading surgeon, teacher, and investigator, in a letter to the AMA Journal, stated:

"This just is not possible. Most detail men do not have an adequate background for evaluating therapeutic agents. What is the source of their information? Are they capable of sorting out the pertinent and statistically meaningful results of animal studies and preliminary human trials of a new drug? How can they know enough about the subtle differences in the structure of similar compounds that are being sold by rival companies? The busy practitioner grasps this weak crutch because of the difficulty of finding and evaluating medical reports scattered through a dozen journals."

Many leaders in the fields of medical research and teaching—Drs. Maxwell Finland, Walter Modell, Louis Lasagna, Harry S. Dowling, Frank L. Meleney, and others—criticized the promotion and "research" activities of the pharmaceutical industries in testimony before the Kefauver committee. In addition, many lay publications (including Saturday Review, Life, and of course, Consumer Reports), a few physicians, and rare medical journals (the New England Journal of Medicine, for one) have spoken up, deploring the kind of "education" provided by ethical-drug promotion.

One of the most important of these statements appeared in an article by Dr. Charles D. May, "Selling Drugs by Educating Physicians," in the Journal of Medical Education for January 1961. Dr. May is an eminent pediatrician, editor of Pediatrics, the official journal of the American Academy of Pediatrics, and a professor of pediatrics at New York University Medical School. He writes:

"For the past 3 years major pharmaceutical companies have been engaged in a competitive struggle to increase the sales of their particular brands of antibiotics by a confused and misleading barrage of promotion. * * * The educational effect on doctors was to confuse them and lead them to believe wonderful new [antibiotic] drugs were available and that minor differences in blood level and the rate of absorption [of these antibiotics] are significant therapeutic advantages. The untrustworthiness of educational material employed to promote basic [drug] products is not peculiar to antibiotics. Similar disregard for the available evidence and for authoritative opinion can be seen frequently.

"Reference is often made to unpublished data from 'personal communications,' 'case reports in the company's files' which are collected at random, and even individual testimonials. None of these can be readily evaluated in an acceptable fashion.

"Quotations lifted out of context are a favorite means of misusing sound sources, and inferior articles in the medical literature may be selected to support the claims even when superior work is available to refute them. Only one or two of an impressive list of references may have any pertinence to the claims being propounded.

"Most lamentable is the lack of concern for the authenticity of material in the advertising pages in medical journals, which almost outweigh the editorial text in bulk and influence. Few journals show signs of a determined effort to reject misleading advertisements."

But, Dr. May notes, "A notable effort is being made to overcome the inadequacies of education of physicians by an independent group of competent physicians who are publishing The Medical Letter." This biweekly, four-page newsletter accepts no advertising. It is edited by and has among its consultants distinguished pharmacologists and physicians in leading medical schools. The Medical Letter, published in New York City, has gained wide influence as an unbiased source of information for physicians and other health personnel on the therapeutic properties and side effects of current drugs.

JUST PLAIN TOO MANY DRUGS

One of the more thorough discussions of the trouble with ethical-drug research and promotion has been contributed by Dr. Walter Modell, a distinguished pharmacologist-physician, and director of clinical pharmacology at Cornell University Medical College. In an editorial in the January-February 1961 issue of Clinical Pharmacology and Therapeutics, of which he is editor, Dr. Modell commented as follows:

"If the pharmaceutical chemists took the time to look back at the net result of their prolificacy, would they be shocked to discover that the point of no return may have been passed? Do they suspect that now, instead of helping mankind with new drugs, they may be making matters worse?

"Untoward reactions to medication have * * * increased at a staggering rate. This comes about primarily because of lack of experience with many different and entirely new active drugs and because of inability to master the full implications of these agents as rapidly as they are marketed.

"If this was all a hazard inherent in medical progress * * * there would be some justification for it, but too often this is not the case. Too often new drugs are turned loose on the public to horn in on a market which has been created by someone else's discovery, to compete with drugs which have recently been established as good and useful. Too often they are hurried into use to get in on a market before it vanishes. I know of a pharmaceutical company in possession of a series of congeners which kept what it deemed to be the best * * * and licensed the inferior ones to other distributors.

"There is a manufacturer who sells one drug entity in this country and a congener in another country, making precisely the same claims in each case; namely, that each is the best for the same purpose. * * * Since more than one drug cannot be the best for the same indication, we simply don't have enough diseases to go around. At the moment the most helpful contribution is the new drug to counteract the untoward effects of other new drugs; we now have several of these.

"Are physicians characteristically irrational and irresponsible? No. But they may sometimes appear to be because of the sheer impossibility of dealing rationally and responsibly with so many new drugs, about which so little is known but for which extravagant claims are made and for the use of which pressure is exerted by the drug industry and by patients who have heard of new cures through newspapers, magazines, and other patients. Vigorous drug promotion even before the drugs are available helps build up pressure to use them.

"Excessive numbers of drugs are now being introduced, excessive in view of the working capacities of those competent to test their safety and utility in man, excessive in view of the subjects available for the testing of their effects, dangers and uses in man, and excessive in view of the ability of those who must assimilate the essential knowledge and learn how to prescribe them effectively and safely and rationally.

"It makes little difference if, under the impression that it is the best, a housewife buys the next best detergent. But you may not fool any of the people any of the time about drugs. * * * If, under the misapprehension that if it is the best, a doctor prescribes * * * less than the best, it may be the difference between life and death. Unlike the housewife and her detergent, it is clearly immoral if the physician is even slightly misled by claims made for the drugs he is importuned to use on the sick. * * * There is the very real ethical question of whether the pharmaceutical industry has the right to sell all the drugs it creates and whether it does not have the moral obligation to select only the elite of its creations.

"Industry should * * * terminate the current practice of the hurried introduction of new drugs * * * to establish a foothold on the market while leaving the real testing of drugs to practicing physicians, with patients as unwitting subjects."

CU'S CONCLUSION

It is obvious, in CU's view, that much is wrong with the pricing, promotion, and research activities of ethical-drug companies. The consumer, even more than the physician, has a life-conserving as well as financial stake in these problems. Voluntary action by the pharmaceutical industry can help to correct abuses. But today the fact is inescapable that Government action also is needed. The problems of the overproliferation of drugs, of their uncertain safety and effectiveness, are pressing; the need for establishing better standards for evaluating drug effects is urgent. CU believes that the only real solution is more direct Federal factory supervision and certification of drugs, and the organization of special facilities for the systematic and controlled trial of new drugs. Also required are more cooperation between the FDA and State agencies, and more vigorous action by the FTC in regulating ethical-drug promotion.

AMENDMENT OF THE SOIL BANK ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of the motion to reconsider S. 2197.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2197) to amend section 107(a)(3) of the Soil Bank Act, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

LET US BEGIN TO REFORM THE TAX SYSTEM

IMPROVED COLLECTION BY WITHHOLDING AT THE SOURCE TAXES OWED ON DIVIDENDS AND INTEREST

Mr. DOUGLAS. Mr. President, in my previous speech on tax reform, I stressed the way in which many business executives are evading taxes by making excessive and improper deductions for entertainment, travel, gifts, and so forth. The Government is losing many hundreds of millions of dollars each year from these practices. This evasion makes the burden upon other taxpayers much heavier than it otherwise would be, while it breeds extravagance and loose standards of behavior throughout the community.

Today I want to deal with another great abuse. This is the failure of a large segment of our population to report income which they have received and who consequently evade their just share of taxation.

The amount of personal income which is not reported and hence, upon which taxes are not paid, is, indeed, startling. Thus, Norman Ture, the former tax expert for the Joint Economic Committee, estimated that in 1959 the total personal income which was not reported on individual tax returns amounted to no less than $27.9 billion.[1] This was 8⅓ percent, or one-twelfth of the estimated total adjusted personal income in that year. This estimate by Mr. Ture has since been accepted by the Treasury, as shown by Secretary Dillon's testimony before a subcommittee of the Senate Appropriations Committee.[2]

Some of those who failed to report were, of course, those whose incomes were less than the total exemption provided under our income tax laws. The largest component of this group are the retired persons over the age of 65 who have a much greater exemption from taxation than is commonly believed.

The total amount of this exempted income has been set by the Treasury at $3.5 billion for 1959.[3] This left a residual of $24.4 billion of total income which should have been reported but which was not. The taxpayers, therefore, as a whole evaded from taxation approximately 7 percent of their adjusted personal income. The attendant loss of revenue for 1959 is estimated by the Treasury to have been $4 billion. I believe this is a most conservative estimate and that the total may be nearer $5 billion. Unless some effective measures are taken, this huge total is likely to increase in the future both because of the probable increase in national income and the progressive demoralization which continued flouting of the law inevitably creates.

The Secretary of the Treasury in his testimony before the Senate Appropriations Committee made some informed estimates on the amounts which were evaded by the various component groups.

Mr. President, I ask unanimous consent that a table from Secretary Dillon's testimony, giving the estimates of income received by certain groups of individuals but which did not appear on tax returns, be printed in the RECORD at this point in my remarks.

[1] "The Federal Revenue System" (printed for use of the Joint Economic Committee, 87th Cong., 1st sess., 1961, p. 11).

[2] Testimony of Secretary of the Treasury Dillon before subcommittee of Senate Appropriations Committee, 1961, p. 182.

[3] Testimony of Secretary Dillon, ibid., p. 182.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Income received by individuals during 1959 not accounted for on tax returns, by type[1]

	Billion dollars
Total income not reported on tax returns[2]	27.9
Less: Income received by individuals not required to file returns	3.5
Equals: Total reportable income not accounted for on tax returns	24.4
Dividends	.9
Interest	2.8
Annuities and pensions	.6
Business and farm profit	12.0
Wages and salaries	6.5
Other income[3]	1.6

[1] Estimates based on preliminary data.

[2] "The Federal Revenue System: Facts and Problems, 1961," p. 10 (publication of Joint Economic Committee).

[3] Unreported income from all other sources not specified such as rents, royalties, and capital gains.

Source: Research Division, Internal Revenue Service, May 4, 1961.

With respect to the revenue effects of this underreporting, we have made estimates for some of the categories but not for all. The failures to report dividend and interest incomes were estimated to have reduced revenues by $342 and $522 million, respectively, or a total of $864 million at the 1959 income levels. Our studies in the other areas have not progressed far enough to make comparable estimates. One problem is that while this income should have been reported under the tax-filing requirements, not all of the income would have been taxable even if reported. For example, some of the unreported income from businesses and farms would have been on returns which would not be taxable after allowances for deductions and exemptions. As a rough overall estimate, I would say that the total revenue loss from the failure to report the $24.4 billion was at least $4 billion.

Mr. DOUGLAS. Mr. President, the independent entrepreneurs, such as farmers, professional men and women, and independent businessmen, were estimated not to have declared about $12 billion of net income. This was about a quarter, or 25 percent, of the probable total of farm, business, and professional income for 1959.[1] It is indeed a somber thought that the percentage of evasion amongst this group should be so high. It makes understandable some of the difficulties in collecting income taxes in countries such as France, where business is still largely conducted on an individual basis.

While the total amount of wages and salaries which were not reported and which were estimated at $6.5 billion may seem large in absolute amounts, it should be noted that this was only 2½ percent of the total wage and salary payments in that year of $268 billion. On a relative basis, therefore, this was a 10 times better record than the 25- to

[1] See Economic Indicators, May 1961, p. 4. If we exclude the $3½ billion of imputed income of farmers in the form of the rental value of farm homes and food grown on the farm and consumed by farm families, and take only taxable cash income, this figure would be nearer 27 percent.

27-percent loss in unreported income from entrepreneurial income. This is not due in my judgment to any superior virtue on the part of wage earners and salaried folk, but simply to the fact that a withholding tax of 18 percent is imposed upon their incomes. This is deducted by their employers from their pay and forwarded to the Treasury.

DIVIDENDS AND INTEREST

The total unreported income was estimated by the Treasury as $940 million for dividends and $2.8 billion for interest. Mr. President, I ask unanimous consent that tables from Secretary Dillon's testimony before the House Ways and Means Committee showing the estimated dividend gap in the years 1955 through 1959 and the estimated interest gap in the years 1956 through 1959 be included in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Estimated dividend gap, 1955–59

[Dollar amounts in millions]

	1955	1956	1957	1958	1959
Dividends includible on individual tax returns	$9,433	$9,983	$10,283	$9,975	$10,654
Dividends reported on individual tax returns	8,100	8,892	9,432	9,058	9,714
Dividend reporting gap	1,333	1,091	851	917	940
Dividend reporting gap as a percentage of dividends includible on individual tax returns	14.1	10.9	8.3	9.2	8.8

Estimated interest gap, 1956–59

[Dollar amounts in millions]

	1956	1957	1958	1959
Interest includible on individual tax returns	$5,525	$6,524	$6,983	$8,194
Interest reported on individual tax returns	3,453	3,990	4,378	5,357
Interest reporting gap	2,072	2,534	2,605	2,837
Interest reporting gap as a percentage of interest includible on individual tax returns	37.5	38.8	37.3	34.6

Office of Tax Analysis, Office of the Secretary of the Treasury, May 3, 1961.

Mr. DOUGLAS. Mr. President, since the total dividend payments in 1959 which were includible on individual tax returns were $10.7 billion, this meant that about 8.8 percent of dividend payments includible on individual tax returns was not reported. In relative terms, this was nearly 3½ times as great as the estimated evasions in the case of wages and salaries.

Since the net interest payments in 1959 which were includible on individual tax returns were estimated at $8.2 billion, it would probably be safe to estimate the relative amount of evasion was at least 34.6 percent in the case of interest payments, or almost 14 times the relative loss in the case of wages and salaries.

Apparently this is an evasion of about one-third, so far as interest payments are concerned.

The Treasury estimates that the total amount of tax revenue lost because of evasion in reporting dividends and interest amounted to $342 and $522 million respectively, or a total of $864 million, on an annual basis.

Mr. President, I ask unanimous consent that a table from Secretary Dillon's testimony before the House Ways and Means Committee showing the revenue effect on witholding dividends and interest for the year 1959 be inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Revenue effect of withholding on dividends and interest, 1959

[In millions of dollars]

	Dividends	Interest	Total
A. Total estimated gap	940	2,837	3,777
To nontaxable filers	106	842	948
To taxable filers	[1] 834	1,995	2,829
B. Revenue gain from complete enforcement	[2] 342	522	[2] 864
C. Revenue gain from 20-percent withholding rate only	[2] 167	333	[2] 500
Difference (B minus C)	175	189	364
Due to—			
Certain unreported interest not subject to withholding		85	85
Tax on unreported interest and dividends of taxpayers with marginal rates higher than 20 percent	175	104	279
D. Revenue gain from withholding plus estimated improvement in upper income brackets [3]	[2] 254	359	[2] 613
Estimated improvement in upper income brackets [3] (D minus C)	87	26	113

[1] Assumes repeal of dividend exclusion.
[2] Assumes repeal of dividend exclusion and credit.
[3] For dividends, it is assumed that withholding will result in ½ of the dividend gap being fully reported and bearing a 41-percent effective rate, and the other half of dividends being taxed only at the withholding rate. For interest, it is assumed that only 25 percent of the interest gap subject to withholding will be fully reported and bear a 26-percent effective rate, and 75 percent would be taxed only at the 20-percent withholding rate.

Office of Tax Analysis, Office of the Secretary of the Treasury, May 3, 1961.

SURVEY IN FAILURE TO REPORT DIVIDENDS AND INTEREST

Mr. DOUGLAS. Mr. President, Secretary Dillon supplied some additional information for the RECORD which was very useful and extremely revealing. First of all, the Internal Revenue Service's Research Division did some sample surveys, based on information documents, of the tax compliance in reporting dividends and interest in 1959.

In the case of dividends in the survey, of some 2,289 cases only 1,455 tax returns, or 64 percent, had dividends reported in full. On 616 returns, or in 27 percent of the cases, dividends which were received were only partially reported, and in 218 cases, or 10 percent of the returns, there were no dividends reported at all. Consequently, in 37 percent of the cases the dividends received by the taxpayers in this survey were either not reported or only partially reported. I ask unanimous consent that a table from Secretary Dillon's testimony, giving the results of the survey, be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tax compliance in reporting dividends in 1959—Sample survey based on information documents

	Number or amount	Percent of total
Number of cases: [1]		
Total in survey	2,289	100
With dividends fully reported	1,455	64
With dividends partially reported	616	27
With no dividends reported	218	10
Amount of dividends on information documents: [1]		
Total in survey	$2,192,893	100
Reported on returns	1,990,317	91
Unreported on returns	202,576	9

[1] Limited to taxpayers who filed form 1040.
Research Division, Internal Revenue Service, May 3, 1961.

Mr. DOUGLAS. Mr. President, with respect to interest, of the 2,841 returns surveyed some 200, or 7 percent, only partially reported the interest received, and 462, or 16 percent, failed to report any of the interest which was received. In other words, in this survey some 662 tax returns, or 23 percent of the total, either failed to report any of the interest received or only partially reported the interest received.

Mr. President, I ask unanimous consent that a table giving the result of this survey on tax compliance in reporting interest be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tax compliance in reporting interest in 1959—Sample survey based on information documents

	Number or amount	Percent of total
Number of cases:		
Total in survey	2,841	100
With interest fully reported	2,179	77
With interest partially reported	200	7
With no interest reported	462	16

Tax compliance in reporting interest in 1959—Sample survey based on information documents—Continued

	Number or amount	Percent of total
Amount of interest on information documents:		
Total in survey	$3,105,000	100
Reported on returns	2,559,000	82
Unreported on returns	546,000	18

Research Division, Internal Revenue Service, May 3, 1961.

FAILURE TO REPORT INTEREST ON SAVINGS DEPOSITS

Mr. DOUGLAS. Mr. President, some further studies were conducted by the Research Division of the Internal Revenue Service. One of the most interesting of these was that conducted in New England on the interest paid in 1958 on deposits in mutual savings banks. This survey showed that of 1,279 cases, interest was fully reported by depositors on only 539 returns, or in 42 percent of the cases. On another 69 returns, or in 5 percent of the cases, interest was only partially reported. But no interest was reported at all on 671 returns, or in 53 percent of the total cases. Thus, in 58 percent of the cases, interest paid to depositors in mutual savings banks was either completely unreported or only partially reported on tax returns.

Mr. President, I ask unanimous consent that a table giving the results of this survey from Secretary Dillon's testimony be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tax compliance in reporting savings account interest in 1958—Sample survey based on depositors in mutual savings banks in New England

	Number	Percent of total
Number of cases:		
Total in survey	1,279	100
With interest fully reported	539	42
With interest partially reported	69	5
With no interest reported	671	53
Amount of interest on savings accounts:		
Total in survey	129,790	100
Reported on returns	80,644	62
Unreported on returns	49,146	38

Source: Internal Revenue Service, Research Division, May 3, 1961.

FAILURE TO REPORT INTEREST ON E-BONDS

Mr. DOUGLAS. Mr. President, Secretary Dillon also placed in the record of the House hearings the results of a study of tax compliance in reporting series E-bond interest by taxpayers who redeemed E-bonds in 1951. This survey showed that 86 percent of those who redeemed E-bonds in 1951 failed to report on their tax returns the interest which they received from these bonds. Another 3 percent reported only a part of the interest received, and in only 11 percent of the cases was this interest fully reported. Thus, in the case of interest on E-bonds, the sample survey shows that 89 percent of the tax returns either failed to report or only partially reported the interest received on E-bonds.

Mr. President, I ask unanimous consent that this table from Secretary Dillon's testimony be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tax compliance in reporting E-bond interest by taxpayers who redeemed bonds in 1951—Sample survey[1]

	Number (thousands)	Percent of total
Number of individuals redeeming bonds:		
Total number earning interest, where tax return was located for inspection	4,060	100
With interest fully reported	449	11
With interest partially reported	128	3
With no interest reported	3,483	86
Amount of interest on E-bonds (thousand of dollars):		
Total paid out by Treasury, where tax return was located for inspection	$246,357	100
Reported on returns	71,930	29
Unreported on returns	174,427	71

[1] The survey sample results have been "blown up" to represent all taxpayers who redeemed E-Bonds in 1951.

Source: Internal Revenue Service, Research Division, May 3, 1961.

INDIVIDUAL EXAMPLES OF FAILURE TO REPORT DIVIDENDS AND INTEREST

Mr. DOUGLAS. Mr. President, Secretary Dillon also placed in the record a number of examples of underreporting of dividends and interests. The first table gives some 33 cases of individuals who failed to report their income from dividends and/or interest in various years.

I ask unanimous consent that this table and the two other tables which show underreporting or interest and dividends by certain individuals for 1959 from Secretary Dillon's testimony be printed as an appendix to my speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOUGLAS. Let us look at some of the examples from these tables.

The first example is that of an attorney. Now, attorneys supposedly know about the law and know that a tax is owed on income from dividends and interest. But here is an example of an attorney who failed to report $3,979 in 1951, $2,508 in 1952, $2,732 in 1953, and $4,016 in 1954, of dividends or interest payments which he must have known were owed to the Government.

Another example is that of a dentist. In 1954 he had $3,186 of dividends and interest income but reported only $75. In 1955 he had $4,283 of interest and dividend income but reported only $75. In 1956 he had $4,828 of dividends and interest income but reported only $75. In 1957 he had $5,665 of interest and dividend income but reported only $92. And in 1958 he had $5,292 of interest and dividend income but reported none at all.

Another example is an executive who failed to report in the 3 years of 1955, 1956, and 1957, $17,949 of interest and dividend income.

This next case is most interesting. It is that of a tax assessor who is also a movie operator. In the 3 years of 1953, 1954, and 1955 he had $7,878 of dividend and interest income on which taxes were owed. This tax assessor, who supposedly knew his business, failed to report a single dollar of this interest on his tax return.

The next case is that of a doctor who, in the 5 years 1954 through 1958, failed to report $6,942 of interest and dividend income.

There is the case of a retired mail carrier who received dividend and interest income of $22,522 in the 4-year period, 1953 through 1956, but did not report a single dime of this income on his tax return.

Another case is that of a dentist who failed to report $26,788 of dividend and interest income in the 4 years, 1954 through 1957.

The Treasury has given us more examples.

An executive whose income reported on his tax return was $14,811 failed to report $986 of interest.

The next case is that of a lawyer whose income, as indicated on his tax return, was $62,000. Apparently he is a pretty high priced lawyer. He ought to know the law. He failed to report $32,570 of taxable inerest. In fact, he reported receiving only $27 in the way of interest. A highly paid lawyer had an income of at least $95,000 a year, $32,570 of which was taxable interest, but he reported only $27 of taxable interest.

Another case is that of a real estate broker with adjusted gross income of $25,615, but he failed to report $3,250 of taxable interest. Another case is that of a certified public accountant—surely he must know the tax laws—who with an income of $34,728, failed to report $2,900 of taxable dividends.

A geologist who made $40,895 in 1959 failed to report $2,040 of taxable dividends.

Another real estate broker had income of $28,963, but he failed to report $324 of taxable dividends.

WHY DIVIDENDS AND INTEREST SHOULD BE WITHHELD AT THE SOURCE

Mr. President, we have seen from the figures and tables which I have already placed in the RECORD that a very substantial amount of dividend and interest payments which are made in this country and on which taxes are actually owed is not reported on the income tax returns of the taxpayers receiving this income.

I stress the fact that under the law, income from dividends and interest is taxable. Some of those who are op-

posing the proposal to withhold taxes on dividends and interest at the source either believe or are spreading the false information that no tax is owed on such amounts and that what the Treasury is proposing is to tax them for the first time.

I cannot stress too strongly that taxes are owed on these amounts. The fact that many people are under the false impression that no taxes are owed on such amounts certainly strengthens the case for withholding at the source both dividends and interest. The fact that some who should know better are deliberately circulating false information is an even stronger reason why the tax on these amounts should be withheld at the source.

In the case of dividends, some $940 million of dividend payments, or 8.8 percent of the total which should be included on tax returns, is not reported.

On interest payments, some $2.8 billion, which represents 35 percent of all interest payments in this country, is not reported on tax returns.

We have seen that even when allowances are made for those whose incomes are so low they owe no taxes, the revenue loss to the Treasury is some $864 million a year. I emphasize again and again that these taxes are owed and that the figure of $864 million represents the amount of taxes evaded or avoided by taxpayers.

To meet this problem the Treasury is proposing a very simple solution, namely, that taxes on dividends and interest should be withheld at the source as is now done in the case of wages and salaries. Furthermore, the Treasury has proposed a very simple method of doing this.

A single rate of 20 percent would be applied to those dividend and interest payments which would be made subject to withholding. To simplify matters there would be no adjustment for exemptions, income levels of the recipients, or the length of the payment period. At the time a corporation or a bank or a savings and loan company or a stock broker or other payor of the dividend and/or interest made the payment, he would merely credit or transmit 80 percent of the total to the person to whom it was owed and transmit the other 20 percent to the Treasury. Under the proposal the bank or other paying agent would not have to send to the Treasury—I repeat, would not have to send to the Treasury—a detailed list of those who received the dividend or interest payment.

They would merely transmit the total amount. Consequently, this is a very simple way of withholding.

The person who received the dividend or interest payment would report that amount on his income tax return at the end of the year. He would then take one-fourth of that amount and add it to the amount received. This would then give the total of dividends and interest he had received including the amount withheld. To take a simple example, suppose a taxpayer in a particular year had an income from dividends and interest in the amount of $100. Twenty percent of this would be withheld at the source and he would receive $80, while the company or bank which paid it to him would have transmitted $20 to the Treasury without identifying to whom the money went. At the end of the year, on a new section of the tax return, the taxpayer would merely do the following: On line 1, indicate total amount of dividends and interest received by you during the year, $80; on line 2, put down one-fourth of line 1—this equals the amount withheld at 20 percent—$20; and on line 3, add lines 1 and 2 to indicate the total of interest and dividends received, $100.

The taxpayer then computes his tax in the usual way. To determine how much he owes the Government or how much the Government owes him, he subtracts from his tax liability, in the usual way, the amounts withheld from wages and salaries and, in addition, the amounts withheld on dividends and interest. This, of course, is the figure in line 2 above.

It is therefore clear that the proposal of the Treasury is a very simple one, both in the case by which the paying corporation could withhold and transmit merely the gross amounts to the Treasury, and in the case by which the taxpayer could work out his tax return at the end of the year.

WHAT ABOUT OVERWITHHOLDING?

The Treasury is also providing that in those few cases where overwithholding will occur because the simple flat rate of 20 percent is used, the taxpayer would be able to file a simple refund form at the end of each quarter. The taxpayer would not have to wait until the end of the year in order to receive a refund. Frankly, I believe this is a very generous proposal. There is no such provision in the law at the present time for those whose wages and salaries are overwithheld against.

Because of unemployment and the fact that far more persons with income from wages and salaries receive amounts too small to make them subject to Federal taxes than is the case with those who receive dividends and interest, this is a most generous provision for those who receive income from dividends and interest. Frankly, they have no legitimate case at all against these provisions.

The Treasury presently pays refunds on income tax returns to some 35 million taxpayers at the end of the year. The Treasury estimates that only 1 million taxpayers would have such refunds due them because of overwithholding on dividends and interest. Yet, in order to meet the objections of this class of people who receive dividends and interest, the Treasury is proposing they be allowed to receive refunds each quarter. Surely 1 million people who will receive quarterly refunds on dividends and interest cannot object to a procedure which puts them in a much more favorable position than the 35 million people who receive only yearly refunds on wages and salaries.

Let me be even more specific about the possibility of overwithholding with respect to various classes of taxpayers.

First. With respect to individuals, there could never be overwithholding for taxpayers in brackets above the lowest one. Hence, there is no problem there. In addition, of course, the small number in the lowest bracket or those who do receive enough income that they would owe any tax at all, would be allowed to file for a quarterly refund.

Second. In the case of corporations, dividend overwithholding would, in many cases, be compensated for by interest underwithholding. Furthermore, corporations would be allowed an offset credit against installment payments of the estimated corporate tax.

Third. In the case of regulated investment companies, personal holding companies, real estate investment trusts, and so forth, they would be allowed to count the amounts withheld on dividends and interest received by them as credits against the amount which they are required to withhold on payments to their own shareholders.

Fourth. In the case of State, local, and foreign governments and tax-exempt organizations, they would be allowed to offset currently the amounts withheld against them against the amounts they withhold from their employees and for social security tax purposes.

I would like to point out that this applies to churches, orphanages, and charitable organizations which are tax exempt. They are allowed to balance the amounts which are withheld from those who receive dividends and interest against the amounts which the nonprofit making organizations may withhold on their employees and on social security taxes.

ARGUMENTS AGAINST THE PROPOSAL

A number of stock arguments are being made against the proposal to withhold on dividends and interest. They are made largely by those who are uninformed or by those who should know better, but who are nonetheless opposing this proposal. The first argument is that the proposal would cause an undue hardship to widows and retired persons who live on dividend and interest income. This argument is just not true. It has as its source the assumption that most of the noncompliance is merely that people with low incomes, who would not owe taxes anyway, are the main recipients of dividend and interest payments.

The facts show that this is not true. According to the testimony of the Secretary of the Treasury, approximately 89 percent or nine-tenths approximately, of the dividends which are not reported on income tax returns are received by those with income of over $5,000 a year. Seventy-one percent of the interest which is not reported is received by those with incomes of over $5,000 a year. See page 34, testimony of Secretary Dillon, before House Ways and Means Committee, May 3, 1961. In other words, over 10 percent fail to report 71 percent of the interest which is not reported.

The fact is that individual taxpayers with incomes below $5,000 a year receive

very little income from dividends and interest. Of all taxpayers with incomes below $5,000 a year only 6.4 percent of them, according to the Treasury, have any income from dividends at all. The $646 million of dividends on the returns of all these with less than $5,000 of income per year—on 24.1 million returns—represents only nine-tenths of 1 percent of the adjusted gross income—$74.2 billion—of all those with incomes below $5,000 per year. Those with incomes of less than $5,000 get less than 1 percent of their income in dividends.

If we take those taxpayers who earn between $5,000 and $10,000 a year we find a similar situation. In this group only 9.7 percent receive any dividend income at all. The $1.2 billion in dividends on the returns of those with incomes between $5,000 and $10,000 represents only 1 percent of the adjusted gross income of $120 billion, which is the amount reported by all those in the $5,000 to $10,000 class.

The Treasury has also provided information which shows that the dividend income received by individuals who do not file tax returns because of their low incomes amounts to only 1 percent of all the taxable dividends which are paid—page 143, Secretary Dillon's testimony to House Ways and Means Committee.

To put this another way around, 99 percent of the dollar amounts of taxable dividend payments go to those whose income is large enough that they are required to file income tax returns.

From these facts it is certainly clear that the argument that withholding is unnecessary because the taxes which are evaded or avoided are from income which goes to those in the very low income class, is just not true.

WIDOWS AND ORPHANS

Mr. President, every time we attempt to make our tax laws fairer, the cry goes up, "What about widows and orphans?"

I hold in my hand an advertisement from the South Bend Tribune of Wednesday, June 7, 1961, which charges that orphanages, widows, pensioners, and even little children would be at a great disadvantage if we were to withhold on dividends and interest. The same thing is also said in connection with the revision of the depletion allowance or the repeal of the dividend credit, to mention only a few of the abuses where the wealthy opponents of the proposal use the widows and orphans to dress up their opposition.

In other words, the wealthy would evade or avoid taxes, and a few widows and orphans would be put in the front-line to be used as a front to enable the wealthy to escape paying the taxes which they themselves should pay.

Mr. President, I ask unanimous consent that the advertisement published in the South Bend Tribune of June 7, 1961, be printed at this point in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

WARNING

This message is vital to anyone who has U.S. savings bonds, savings in a bank, savings in a savings and loan association, a life insurance policy, stocks or bonds of business corporations, or mutual fonds.

Your interest or dividend will be subject to withholding taxes of 20 percent by the Federal Government under bills now proposed to Congress.

This means that churches, synagogues, orphanages, union trust funds, hospitals, all charitable organizations, widows, pensioners, and even little children must file complicated tax forms to obtain refunds. Can you imagine the redtape involved in getting a 50-cent tax refund.

The aged, blind, or indigent earning less than necessary to pay income tax will have to wait months or perhaps a year to get refunds. Meanwhile who buys the groceries while the Government keeps their dividend money at no interest?

Who gains when funds rightfully belonging to the Community Chest, local hospital building fund, or Red Cross are delayed by the tax collector?

This is an added burden to you, as an individual, and the cost of such a mountain of paperwork to our Government could easily be more than the added revenue.

Remember, this insidious bill is not yet passed but hearings to decide the outcome are being held this week in Washington. Act now before it is too late.

If you feel that this withholding tax against your savings is unfair, now is the time for protest; not after the bill is passed. Write your Congressman and Senators today:

Congressman, Third District: JOHN BRADEMAS, House Office Building, Washington, D.C.

Senators: R. VANCE HARTKE, and HOMER E. CAPEHART, Senate Office Building, Washington, D.C.

This message is sponsored in the public interest by the Savings & Loan Associations of South Bend and Mishawaka.

Mr. DOUGLAS. Mr. President, let us consider the argument with respect to dividends paid to widows and orphans.

The Treasury Department's Office of Tax Analysis has provided information with respect to who receives dividends. The table giving this information is to be found on page 169 of Secretary Dillon's testimony before the House Ways and Means Committee. What it shows is very interesting.

In the first place, only 8.7 percent of all tax returns; namely, 5.1 million of some 59 million tax returns, included any dividends at all. In other words, 91.3 percent of all tax returns showed no income from dividends.

When we examine the figures even further, we see that 55 percent of all dividends were on the tax returns of less than 1 percent of those who filed. It is also true that 75 percent of all dividends were reported on the tax returns of only 3 percent of those who filed returns. We further see that almost 75 percent of all dividends went to those who reported adjusted gross income of more than $20,000 a year, and 33 percent of all dividends were paid to those with adjusted gross incomes in excess of $50,000 a year.

What we see from these figures, Mr. President, is that the taxpayers in the very low brackets and the widows and orphans, in whose name tax reform is opposed, merely receive a few crumbs of the total dividend income which is received by the taxpayers in this country. But the well-to-do taxpayers, who are opposing withholding on dividends and interest, and who receive the overwhelming amounts of dividends and interest, are using the supposed plight of the low income taxpayers as an excuse to defeat this legislation.

Yet more than 91 percent of all taxpayers receive no dividends at all, while 1 percent of the taxpayers with income in excess of $20,000 a year receive 55 percent of the dividends.

Not daring to argue these issues on their merit, these groups attempt to invoke the sympathy of legislators and the public for widows and orphans in order to prevent us from legislating to require these powerful groups to pay their fair share of the taxes owed.

INTEREST ON COUPON BONDS

Whenever, in the past, we have proposed withholding on interest and dividends—and I have done so for a number of years—one of the objections raised is, "What do you do about coupon bonds?" The question is raised, "How does the corner grocery store withhold on coupon bonds?"

Mr. President, I have never heard of a corner grocery store cashing a coupon bond. It is possible that at some time or other this may have been done, but we all know that coupon bonds are cashed by banks. In fact, more often than not, the owner of the bond will have the coupons in his safety deposit box in the bank, and when he decides to clip a coupon bond, he will turn it over to the bank for payment so that he can get his cash.

Under the Treasury proposal, the bank which accepted the interest coupons for collection would pay the bearer 80 percent of the amount of interest which was due, and would withhold 20 percent. In turn, the bank would receive from either the corporation or the Government who owned the bond 80 percent of the amount due. The amount withheld would be transmitted to the Treasury by the ultimate payor, not by the bank or any other institution which cashed the coupon.

Nothing could be easier. Nothing could be more simple. The question "What about coupon bonds?" should not affect our deliberation on this bill in any way, for it is irrelevant to the basic question.

COST OF COMPLIANCE

I have already shown the simplicity of the proposal of the Treasury. It is nonetheless argued by some that it would cost more to withhold on dividends and interest than it would be worth. Certainly it would cost very little to the companies involved and to the banks and the savings and loan companies, as I have pointed out. In fact, there would be almost no added burden at all, because they would not have to itemize the amounts which were withheld from wages; they would merely have to deduct 20 percent of the total amount, without itemization. It would not be necessary for them to make a single extra entry. Also, the cost to the Treasury would be relatively small.

The Treasury estimates that under its proposal for withholding at the source on dividends and interest it would receive additional revenue of at least $613 million of the $864 million a year of in-

terest and dividend income which is now owed the Government but which is now evaded or avoided.

The Treasury also estimates that the cost of collecting this amount by withholding would be $18 million a year, or only 3 percent of the $613 million which the Treasury would receive. It does not seem to me that the argument about cost is supported by the facts.

CONCLUSION

Mr. President, some $940 million in dividend payments and some $2.8 billion in interest payments made yearly in the United States, and on most of which taxes are owed, are nevertheless not reported on the income tax returns of taxpayers. When every allowance is made for low-income taxpayers, we find that some $864 million in taxes on these amounts which are owed now escape taxation and are not reported by taxpayers.

The Treasury has devised a simple method of collecting these taxes by withholding on dividends and interest at the source. As I have repeatedly said, it would require almost no paperwork by the withholding organization. It would cause very little trouble to the taxpayer. Furthermore, where overwithholding would exist, this group of taxpayers is to be given a special break over the 35 million taxpayers whose wages and salaries are now overwithheld against and they are to be given a quarterly refund if they apply on a simple form.

While every argument known to man is thrown up as an objection against withholding on these amounts, I suspect the real reason is that many among those who now receive or disburse such dividend and interest income are under the false illusion that they now owe no taxes on these amounts.

This, of course, is not true. Taxes are owed on these amounts. When $836 million of taxes owed are evaded or avoided by these taxpayers—who as a class are among the highest income groups in the country—then others and lower income taxpayers must make up the difference in the higher taxes which they pay.

This is unfair and unjust and will lead to the decay of our tax system if it is not changed by the simple proposal which the Treasury has made.

Mr. President, the tax program of the President is obviously in trouble in the House of Representatives. If the Senate is to act on a tax bill this year, it is necessary that the bill should come over to the Senate relatively soon. The Treasury began to present its evidence on May 5. The hearings were concluded on June 9. The Committee on Ways and Means has been meeting since June 9. Almost every day press notices are issued to the effect that this feature and that feature of the President's tax program has been either eliminated or whittled down. The House is likely to find itself faced with an extremely truncated measure.

Some of us withheld offering amendments to the tax bill which came before the Senate toward the end of June, on the promise, as I understood, that the House would send a bill to us by July 15. July 15 will occur tomorrow. There is no prospect that the bill will be out of committee by that time. After the Committee on Ways and Means has concluded its action on the bill, it will have to go before the Committee on Rules and will have to be voted on by the House. It is likely to come to the Senate in a very mangled form.

Unless the House acts quickly, and unless the Senate acts promptly thereafter, we shall likely find ourselves either legislating too late in the session or passing an extremely inadequate tax measure. I hope Senators may awaken to the seriousness of the situation, and that both within the Committee on Finance and, if necessary, on the floor of the Senate, changes may be presented in the House bill which will place in effect most of the features of the President's program and plug many of the tax loopholes which now exist and which greatly weaken the tax structure.

EXHIBIT 1.—*Selected examples of substantial underreporting of dividends and/or interest in recent fraud prosecution cases*

Case No.	Dividends and/or interest: Determined to be reportable	Dividends and/or interest: Reported on return	Dividends and/or interest: Underreported	Tax year	Adjusted gross income per return	Occupation of taxpayer
1	$6,110	$250	$5,860	1954	$1,582	Farmer.
	5,779	0	5,779	1955	1,641	
	5,705	0	5,705	1956	1,605	
	5,388	0	5,388	1957	1,621	
2	4,490	397	4,093	1954	22,432	Picture theater.
3	1,962	871	1,091	1954	3,109	Maintenance service.
	1,994	837	1,157	1955	4,079	
	927	0	927	1956	4,912	
	2,194	1,686	508	1957	8,379	
4	3,143	0	3,143	1953	1,490	Broker-sales.
	5,695	0	5,695	1954	1,501	
	6,046	0	6,046	1955	1,402	
5	7,371	0	7,371	1953	4,366	Home builder and farmer.
	10,459	0	10,459	1954	24,464	
6	16,321	3,449	12,872	1955	19,062	Furniture store.
7	7,009	3,030	3,979	1951	11,766	Attorney.
	5,947	3,439	2,508	1952	12,563	
	5,631	2,899	2,732	1953	(831)	
	11,725	7,709	4,016	1954	20,841	
8	20,785	5,183	15,602	1954	8,403	Rental property.
	45,682	9,466	36,216	1955	33,776	
	47,689	29,046	18,643	1956	45,069	
9	3,186	75	3,111	1954	4,249	Dentist.
	4,283	75	4,208	1955	4,400	
	4,828	75	4,753	1956	7,720	
	5,665	92	5,573	1957	8,322	
	5,292	0	5,292	1958	10,892	
10	1,396	0	1,396	1953	3,289	Self-employed.
	1,576	0	1,576	1954	2,764	
	1,835	0	1,835	1955	2,695	
	2,400	0	2,400	1956	4,240	
11	2,377	0	2,377	1953	(863)	Cattle dealer.
	3,610	0	3,610	1954	4,736	
12	12,473	6,128	6,345	1955	80,661	Executive.
	15,216	6,442	8,774	1956	79,800	
	21,777	18,947	2,830	1957	96,223	
13	2,961	1,961	1,000	1953	12,438	Salesman and salesgirl.
	3,171	2,035	1,136	1954	12,637	
	3,677	2,269	1,408	1955	10,400	
14	100,457	0	100,457	1953	?	Real estate.
	78,673	0	78,673	1954	9,554	
	69,086	0	69,086	1955	8,558	
	74,496	22,649	51,847	1956	382,043	
15	3,140	0	3,140	1953	2,000	Extractor.
	3,109	0	3,109	1954	2,117	
	3,269	755	2,514	1955	2,945	
	3,231	1,420	1,811	1956	1,557	
16	28,693	0	28,693	1953	(1)	Not stated (delinquent return).
	26,143	0	26,143	1954	70,347	
17	$1,778	$325	$1,453	1953	$1,660	Farming.
	1,939	350	1,589	1954	2,124	
	2,341	365	1,976	1955	1,960	
18	2,347	1,119	1,229	1956	7,450	Not stated.
19	7,163	0	7,163	1955	16,876	Farmer.
	12,827	0	12,827	1956	16,239	
20	14,647	0	14,647	1952	(1)	Not stated.
	14,989	0	14,989	1953	(1)	
	15,412	0	15,412	1954	(1)	
	16,704	0	16,704	1955	(1)	
	18,852	0	18,852	1956	(1)	
	19,101	0	19,101	1957	(1)	
21	11,718	0	11,718	1954	(1)	Do.
	15,266	0	15,266	1955	(1)	
22	3,132	0	3,132	1955	(1)	Do.
	2,640	0	2,640	1956	(1)	
23	97	0	973	1953	5,800	Store manager.
	----------	0	1,117	1954	7,446	
	----------	0	1,423	1955	7,652	
	----------	0	3,609	1956	24,659	
24	422	0	422	1953	?	Farming.
	1,669	658	1,011	1954	3,923	
	2,520	792	1,728	1955	2,907	
	2,424	1,436	988	1956	424	
25	2,239	0	2,239	1953	8,615	Tax assessor and movie operator.
	2,486	0	2,486	1954	9,045	
	3,113	0	3,113	1955	10,638	
26	7,504	4,976	2,528	1952	16,161	Merchandise warehousing and trading.
	5,303	5,271	32	1953	14,409	
	7,456	5,646	1,810	1954	15,969	
27	2,334	361	1,973	1954	12,212	Physician and surgeon.
	2,086	611	1,975	1955	13,668	
	3,203	2,310	893	1956	14,203	
	3,664	2,580	1,084	1957	16,336	
	3,714	2,697	1,017	1958	15,445	
28	4,550	0	4,550	1953	1,632	Retired mail carrier.
	4,654	0	4,654	1954	1,632	
	6,010	0	6,010	1955	1,664	
	7,308	0	7,308	1956	1,824	
29	12,721	4,043	8,678	1954	8,514	Dentist.
	12,082	6,469	5,613	1955	11,247	
	12,877	6,892	5,985	1956	11,950	
	14,902	8,390	6,512	1957	13,612	
30	5,504	523	4,981	1953	7,863	Not stated.
	7,128	873	6,255	1954	9,038	
	8,453	1,023	7,430	1955	8,558	
	10,262	1,523	8,739	1956	6,761	
31	7,226	121	7,105	1953	3,288	Self-employed.
	6,706	1,508	5,198	1954	7,600	

(1) No return.

EXHIBIT 1.—*Selected examples of substantial underreporting of dividends and/or interest in recent fraud prosecution cases*—Continued

Case No.	Dividends and/or interest: Determined to be reportable	Dividends and/or interest: Reported on return	Dividends and/or interest: Underreported	Tax year	Adjusted gross income per return	Occupation of taxpayer
31	$9,811	$164	$9,647	1955	$10,652	
	18,671	336	18,335	1956	10,762	
	15,848	476	15,372	1957	13,610	
32	117,367	89,940	27,427	1953	89,940	Investments.
	113,671	93,532	20,139	1954	409,516	
	66,592	60,325	6,267	1955	163,899	
32	$112,950	$91,410	$21,540	1956	$140,110	
33	5,515	2,548	2,967	1953	6,105	Printer.
	4,903	2,023	2,880	1954	6,494	
	6,015	2,885	3,130	1955	7,846	
	6,803	3,426	3,377	1956	9,100	

Selected examples of substantial underreporting of interest on 1959 income tax returns

Case No.	Taxable interest: On information documents	Taxable interest: Reported on return [1]	Taxable interest: Underreported	Adjusted gross income per return	Occupation of taxpayer
1	$2,100	-$470	$2,100	$5,515	Renting of property.
2	774	26	774	3,972	Executive.
3	657	0	657	13,201	Steel cutter.
4	986	0	986	14,811	Executive.
5	1,680	513	1,680	8,934	Not stated.
6	907	0	907	7,044	Retired.
7	992	94	992	2,581	Farmer.
8	801	0	801	4,058	Do.
9	606	0	606	7,201	Not stated.
10	8,000	3,790	8,000	15,105	Student.
11	32,570	27	32,570	62,617	Lawyer.
12	8,400	706	8,400	[2] 1,713	Not stated.
13	1,800	495	1,305	4,952	Do.
14	650	0	650	6,224	Do.
15	738	0	738	8,688	Switchboard operator.
16	719	0	719	10,212	Corporation officer.
17	607	0	607	1,185	Not stated.
18	1,157	133	1,157	3,617	Teacher.
19	2,344	1,152	2,344	11,141	Housewife.
20	1,001	0	1,001	4,336	Not stated.
21	$679	0	$679	$10,463	Farmer.
22	1,375	$555	1,375	2,016	Retired.
23	1,425	706	1,425	9,720	Merchant.
24	649	0	649	10,932	Orchardist.
25	729	51	729	10,283	Janitor and custodian.
26	3,066	1,650	3,066	3,399	Cattle.
27	682	0	682	6,658	Farmer.
28	2,562	0	2,562	10,839	Real estate and insurance agent.
29	678	0	678	7,843	Farmer (retired).
30	792	0	792	10,066	Merchant.
31	1,364	858	506	4,036	Dairyman.
32	780	0	780	24,780	District manager.
33	1,182	0	1,182	1,940	Not stated.
34	3,250	0	3,250	25,615	Real estate broker.
35	6,152	3,948	3,064	32,574	Hotel executive.
36	2,839	0	2,839	23,691	Farming.
37	765	0	765	4,059	Packing plant.
38	1,273	0	1,273	8,996	Insurance clerk.

[1] Unreported interest is the amount reported on information returns but not reported on the return. The interest reported on the return may cover amounts not covered by information documents, especially in the case of joint returns where documents for only 1 spouse were available. As a result, the "underreported" amount may not equal the difference between the document and the return amounts.
[2] Loss.

Selected examples of substantial underreporting of dividends on 1959 income tax returns

Case No.	Taxable dividends: On information documents	Taxable dividends: Reported on return [1]	Taxable dividends: Underreported	Adjusted gross income per return	Occupation of taxpayer
1	$871	$231	$640	$7,866	Mechanic.
2	1,470	572	898	2,016	Factory worker.
3	1,361	421	940	4,182	Clerk.
4	344	0	344	11,804	Do.
5	343	0	343	3,971	Collector.
6	2,087	1,125	1,152	5,715	Barber.
7	1,711	22,172	1,711	43,561	Not stated.
8	590	0	590	5,035	Clerk.
9	538	241	453	4,467	Dressmaker.
10	3,214	3,676	2,900	34,728	Certified public accountant.
11	$405	0	$405	$4,335	Not stated.
12	918	$519	467	716	Clerk.
13	5,546	3,020	3,253	12,970	Not stated.
14	2,448	408	2,040	40,895	Geologist.
15	6,814	1,796	6,147	2,435	Not stated.
16	12,373	0	12,573	11,222	Lawyer.
17	2,661	3,067	702	19,089	Housewife.
18	1,937	2,656	726	25,880	Not stated.
19	324	0	324	28,963	Real estate broker.
20	6,657	5,479	1,865	6,821	Not stated.
21	761	425	336	4,120	Laborer.

[1] Unreported dividends are the amounts reported on information returns but not reported on the return. The dividends reported on the return may cover amounts not covered by information documents, especially in the case of joint returns where documents for only 1 spouse were available. As a result, the "underreported" amount may not equal the difference between the document and the return amounts.

FEED DISASTER RELIEF

Mr. MANSFIELD. Mr. President, according to my understanding, the parliamentary situation is that the Senate is now considering the motion for the reconsideration of the vote by which Senate bill 2197 was passed.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The question is on agreeing to the motion that the Senate reconsider the vote by which Senate bill 2197, to amend section 107(a)(3) of the Soil Bank Act, as amended, was passed. [Putting the question.]

The motion was agreed to.

The PRESIDING OFFICER. The motion to reconsider has been agreed to; and Senate bill 2197 is now before the Senate for further consideration.

Mr. MANSFIELD. Mr. President, this bill was reported on last Wednesday from the Committee on Agriculture and Forestry. On the same day it was brought before the Senate, for consideration—largely on my own responsibility. I thought I had checked with all Senators concerned, but I did not quite cover the entire field. The result was that reconsideration of the vote by which the bill was passed was requested; and that request was made within the rights of Senators and the rules, and procedures of the Senate, because no report on the bill was available for general distribution at the time when the bill was brought up in the Senate; and extremely quick action was taken on the bill, which had been reported unanimously, that day, from the Committee on Agriculture and Forestry.

It is my hope that on the basis of the action taken a moment ago by the Senate on the motion to reconsider, with the result that the bill is now before the Senate, we shall be able to bring about a nailing down in regard to exactly the intent of the bill, because enactment of

the bill is vitally needed for the benefit of the northern Great Plains States, in the area extending from Montana, east of the Continental Divide, I believe, all the way into Wisconsin.

The bill has been sponsored by the distinguished Senators from South Dakota [Mr. MUNDT and Mr. CASE], the distinguished Senators from Minnesota [Mr. HUMPHREY and Mr. MCCARTHY], the distinguished Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], the distinguished Senator from Wisconsin [Mr. WILEY], and by my colleague from Montana [Mr. METCALF], and myself.

So I express the hope that after the exact effect of the bill is made clear, the bill will promptly be passed.

Mr. MUNDT. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. Yes, indeed.

Mr. MUNDT. Mr. President, in support of what the majority leader has said, let me state, for the benefit of my good friend, the Senator from Delaware [Mr. WILLIAMS], that earlier in the week the majority leader had announced to the Senate that as soon as the Committee on Agriculture and Forestry reported the bill, he would seek to have the bill brought up for immediate action by the Senate; and when I brought up the bill and motioned it out of committee on the day when it was reported to the Senate, I stated that the majority leader had made that announcement. As a matter of fact on a previous occasion the vote on the bill was reconsidered, and the bill was returned to the Committee on Agriculture and Forestry, because of some confusion of language which had to be straightened out.

Although it is true that the Senator from Delaware [Mr. WILLIAMS] is exactly within his rights, because there was no opportunity to have the report on the bill printed and circulated in the normal fashion, yet it is important to note that in this instance we are dealing with a measure to provide relief in an emergency situation, and we are trying to fight the disaster of drought with all the tools available, plus the fact that the concept of this bill is foursquare with what Congress has done previously, in similar circumstances, in years gone by.

Mr. MANSFIELD. Mr. President, let me say to the Senator from South Dakota that in an attempt to "touch all the bases," I did contact the chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], the Senator from Georgia [Mr. TALMADGE], who reported the bill, the Senator from South Dakota [Mr. MUNDT], the distinguished minority leader [Mr. DIRKSEN], and all other Senators I could think of in connection with the bill. But I did miss contacting the Senator from Delaware [Mr. WILLIAMS], and I must apologize for that.

Mr. MUNDT. The Senator from Delaware formerly was a distinguished member of our committee; and if he were still a member of it, he would certainly have been notified. We hated to have him leave the committee, even though frequently we disagreed with his counsel.

Mr. MANSFIELD. Furthermore, the Senator from Delaware has stated many times his belief—and he was quite correct, I think—that the reports on bills should be on the desks of Senators when Senate consideration of the bills is requested.

Mr. WILLIAMS of Delaware. Mr. President, I regretted the necessity of filing the motion requesting reconsideration of the vote by which the bill was passed. I realize the threat of disaster which faces the people of the area affected, and I realize the necessity for taking prompt action. I informed the majority leader that I would cooperate with him in that regard. I was only requesting an opportunity to check on certain features of the bill.

As I said in the beginning, I am in wholehearted agreement with the objective of the bill, which is to assist those in the affected area who, through no fault of their own but solely as a result of the drought, are threatened with disacter unless some action is taken.

But I wish to make sure that the bill will not be susceptible to abuse. In that connection, I refer to abuse such as that which developed a few years ago under a similar plan which was developed for the relief of those in the Southwest. As members of the committee so well remember, at that time we found, for example, that the famous King Ranch was obtaining relief under that drought-relief program, although certainly it was never intended that the King Ranch should have been eligible. That ranch covers an area larger than the total area of my own State, and certainly the owner of that much land does not need public relief.

In another situation we found that the owner of a racehorse was obtaining relief under that act, at the same time that his horse was winning the Belmont Stakes. I venture to say that that was the first time in the history of the United States that a racehorse winning the Belmont Stakes won it for the benefit of an owner who was on relief. I know of no Member of Congress who intended that to happen. Nevertheless, it did happen.

That is why I wish to make sure that when we enact this bill to provide needed drought relief—which we wish to provide—the bill be in such form that the relief provided thereunder will go to those farmers in the area who need it, not to those who do not need it.

Mr. TALMADGE. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. TALMADGE. In order to make perfectly clear the legislative record on this matter, let me say that I certainly agree with the Senator from Delaware that any person who does not need such assistance should not receive it. Certainly the owners of racehorses should not be on Government relief. However, I may say to the Senator from Delaware that the action in that instance was an administrative rather than a legislative matter.

In order to make perfectly clear the intent of this measure, I wish to read, as part of the legislative history of the bill, a portion of the committee report, as follows:

> Such feed relief could be made only to farmers in financial need of such assistance.

Those words are to be found in the next to the last paragraph on page 1 of the committee report. The paragraph is identified by the numeral "(4)."

Mr. WILLIAMS of Delaware. I agree as to that; and the Senator from Georgia was entirely correct when he said the difficulty in the case to which I referred was largely the result of loose administrative action. But the Government was not able to collect a refund on its claims once the payments were made—at least, I do not know of any instance in which the Government was able to collect on any of its claims.

The Senator from South Dakota stated that Senate bill 2197 will merely extend existing law. Perhaps he is correct, but——

Mr. MUNDT. Mr. President, let me point out that I did not make such a statement. I said this bill is foursquare with the concept of measures of this sort which the Congress previously has passed.

Let me point out that the committee amendment on page 3 of the bill, in lines 7 through 11, includes the following:

> Such feed to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them.

In that connection, Mr. President, I emphasize the word "hardship." I do not think anyone could find, under any circumstances in the world, that it was a hardship for the King Ranch to buy feed for animals owned by it.

Mr. WILLIAMS of Delaware. I appreciate what the Senator from South Dakota has said. But in the first part of section 3 of the bill we find this language:

> Section 407 of the Agricultural Act of 1949, as amended, is hereby amended by * * * adding to such sentence the following—

And on page 3 of the committee report, in the third paragraph, we find the following:

> The proposed amendment would permit more expeditious relief under section 407 since assistance would not be confined to major disaster areas as determined under Public Law 875, 81st Congress, and would permit the Secretary to make CCC stocks of feed grain available under such terms and conditions as are most fitting to the existing emergency.

This latter quote is from a letter written by the Secretary of Agriculture, Orville L. Freeman, and I understand that section was adopted as a part of the bill.

If section 407 has been modified to confer upon the Secretary authority to determine what is a distressed area then I am correct in my understanding that the bill is being broadened.

Mr. TALMADGE. We have not changed in any degree the authority of the local officials, or ultimately the

President of the United States, to determine a disaster area; but, in order to cover in detail finally, and I hope fully, what the Senator has raised in his question, as to who are authorized and qualified to get the feed, I call attention to page 3 of the bill itself, line 7, and I read beginning after the comma:

Such feed to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them.

I assume the Senator is fully familiar with the reasons for the legislation. Vast sections of our country are having droughts of very serious proportions. In fact, the situation has become so serious that many farmers have already begun liquidation of their foundation herds. This already has depressed the price of livestock some 4 cents a pound, and it will be lowered further if liquidation continues. In addition, farmers will be deprived of their means of livelihood if they are forced to liquidate their herds.

Most of the Nation's $9-billion-plus agricultural surplus is in grain. We have been giving it away to other countries which have used it for various purposes. The Committee on Agriculture and Forestry felt that it would be a grave injustice to drive farmers out of business in the United States of America while the taxpayers are bearing the costs of storage charges for surplus grain and such grain is being given away overseas.

This bill authorizes the Secretary of Agriculture to sell to distressed farmers who cannot get feed through normal channels the grain they need at 75 percent of the current support price. The bill enables the Secretary, under certain conditions, to permit grazing on lands in conservation reserve contiguous to drought areas. It also permits the cutting of hay from such lands under certain conditions.

In general, this is a bill to deal with a hardship situation—to help farmers who are victims of nature and do not have feed to sustain their livestock herds.

Mr. WILLIAMS of Delaware. I find myself in complete agreement with that objective. I am not quarreling with the objective which the Senator from Georgia and the committee are trying to achieve. It may well be that the bill is drafted in such a form that it will restrict itself to that objective alone, but I want to be sure. I think we should do something to assist farmers in keeping their basic herds, but I do not see anything in this language which would prevent, we will say, a man who has a feeder lot from receiving these same benefits. He may be suffering financial hardship, too. A lot of them are in financial hardship as feeders of cattle purely as the result of market conditions whether they are in a drought area or not. Many feeders were going to buy feed, regardless of whether there was a drought or not. Perhaps he never intended to produce his own feed.

We should do something to safeguard and protect farmers who are trying to maintain their basic herds, but I am afraid the bill is not drafted in such language as would confine it to them.

Is there anything in the bill which would prevent a feeder, a man who has, say, 100 steers in the feed lot and who was going to buy all of his feed anyway, from participating under the benefits of this cheap feed? If so, then he will have a competitive advantage over his neighbor who lives just across the line of the declared area.

Mr. TALMADGE. This bill is designed to give relief to farmers adversely affected by the drought. The cattle feeder would not be involved in the situation at all. If he is a feeder he is not a farmer, and this bill is designed for farmers affected by the drought, not for cattle feeders, in or out of drought areas.

Mr. WILLIAMS of Delaware. Would the Senator have any objection to amending the bill specifically spelling out that point? Or can we be assured that the present language so provides?

Mr. TALMADGE. I am not the author of the bill. I merely reported it from the committee. I see no objection to it if the language is designed in such form as to provide that where one is engaged in feeding, or feeding only, these provisions do not apply. There may be some situations where a person will be operating a pasture and feeding at the same time, where the provisions of the bill will be applicable to him with respect to his pasture and not be applicable to him with respect to his feeding operations.

Mr. WILLIAMS of Delaware. I am speaking particularly of section 3.

Mr. TALMADGE. I certainly think the Secretary and his subordinates would not be carrying out the spirit of the act if they implemented it in any way to help those engaged solely in the business of feeding cattle. The purpose of the bill obviously is to help a farmer who has a pasture which has dried up and who has no feed for his cattle. The bill is designed to save the foundation herds of such farmers.

Mr. WILLIAMS of Delaware. If we can get the bill in a form to carry out that objective, not only will I withdraw any opposition to it but I will also wholeheartedly support it. All I want to do is make sure we are doing only that which is intended, rather than opening it up for abuse.

One suggestion I made to some Members would go far in trying to eliminate abuses. A lot of the problems are administrative ones. I recognize that fact. But if we could incorporate a provision in section 3—and I am not speaking of the other two sections because this would not be applicable to them—in which we could require some percentage of State participation in the cost, then we would be sure we were going to have local supervision over the operation of the law.

In the past I have suggested 25 percent State participation. I am not arguing for that specific figure of 25 percent. It is not the percentage that counts. Perhaps the States could put up 10 percent. If we had some sort of local and State participation, public opinion would see to it that the relief was granted only where it was needed. I wonder if the sponsors of the bill would be willing to approach the problem in that way.

I am in complete agreement with the objective stated by the Senator. I just want to be sure we do not open the program up to abuse.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. I hope the Senator will not press that point. What he has said has merit, but may I point out that Montana was one of two States which were not prepared, legislatively, to make the necessary appropriation when most of our State was declared a drought disaster area.

Furthermore, if the Senator pursues this particular proposal, it would mean that in practically every State in the northern Great Plains a special session of their legislatures would be necessary, which in turn would be quite expensive and might not be able to accomplish what the Senator has in mind.

I express the hope, most respectfully, that the Senator will give this serious consideration before he pushes it.

Mr. WILLIAMS of Delaware. I was speaking only with reference to amending section 3. We could make it applicable only to section 3 of the bill. The other two sections would go into effect immediately. The other two sections are the sections which were in the bill as originally introduced. Section 3 primarily is a committee amendment which was put on as a last minute proposal.

While I realize that such action may necessitate having special sessions of the legislatures of the States, nevertheless, as one who has advanced this proposal on at least a dozen different occasions in the past 5 or 6 years, I must say it has been passed over, as the Senator from Montana well knows, each time on the basis that "The legislatures are in adjournment now; let us do it later." We never get around to doing it.

Mr. MANSFIELD. Mr. President, if the Senator will yield further, I wish to state we really are in a most terrible emergency situation at the present time due not only to the drought but also to the grasshoppers.

Mr. WILLIAMS of Delaware. I realize that. As I say, this would not affect the other two sections of the bill. Those deal with the use of the soil bank and with the hay. This proposal would not affect those sections. It would not affect anything except section 3, which was added to the bill in committee.

I am not threatening to push the proposal at this time. I realize that we are dealing with something very important to the people in the drought and disaster area and that it is necessary for the Congress to take action promptly. I am not trying to delay action. If we can work out some language which will give adequate protection I am willing to go along with it, even though I personally feel that State participation is the ultimate answer to the problem. I am not threat-

ening to delay the bill if it does not require some sort of State participation.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I appreciate the constructive attitude which the Senator from Delaware uses in his approach to the problem. The Senator has very properly brought to the attention of the Senate and of the country some abuses in regard to prior relief programs. None of us wishes to see those abuses repeated.

My personal interest rests primarily with the early part of the amendment itself, relating to hay and the grazing on the soil bank acres in counties which may be adjacent to or nearby the disaster area. The relief has to come there, so far as hay is concerned, because in the true disaster counties there is no hay.

Addressing myself to the particular problem the Senator from Delaware has raised, as it relates to section 3 of the amendment, section 407 of the basic act, and to this particular language quoted, it seems to me there is a possible interpretation we could use, which we could establish in the debate before the Senate, to meet the problem the Senator has in mind.

I invite attention to the fact that the last clause of the amendment proposed for the act says "feed for livestock owned by them." I purposely emphasize the word "owned."

A livestock feeder buys stock. In his operation he is buying and turning over the stock. What we are seeking to do is to provide for the preservation of foundation herds for livestock which is owned or livestock which is raised by the man. We are not seeking to make provision for the man who is a commercial feeder, who is in the business of buying cattle and turning them over. We are seeking to provide for the preservation of the foundation herds.

A county agency told me the other day he thought that in his county and in the two counties adjacent thereto 65 to 75 percent of the cattle were moving out or being sold now. Obviously that will impair the earning ability of those farmers—it will do so for 2 or 3 years, even if they are good years—before the farmers can get back on their feet.

It does not seem to me that the man who is in the business of buying and selling cattle should rebuy at a distress feed figure. If a man is in that business, he expects to buy feed at the commercial rate. That is a commercial operation. If a proper interpretation is put upon the word "owned," it seems to me there is a limitation in the language itself. This is a program to make feed available to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them.

That would make it possible for a feeder to take care of the livestock he has on hand. I doubt that the language should be construed to permit a feeder to feed cattle out and then go to the market and buy more cattle to feed at 75 percent of the normal cost of feed.

Mr. YOUNG of North Dakota, Mr. TALMADGE, and Mr. BURDICK addressed the Chair.

Mr. WILLIAMS of Delaware. I will yield to the Senators in a moment.

I know the Senator from South Dakota, as is true of other Senators, has the same objective I have. I am confident we can work out something, whether it is in amending the language or in strengthening the legislative intent. I repeat, I am not in any way trying to block the objectives of the bill, but I am determined to have it protected against abuse.

Mr. President, I yield first to the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, I agree completely with the objectives of the Senator from Delaware to prevent misuse of the program. If the amendment were approved requiring that the States contribute part of the money for the program, two or three problems would arise. One of them, of course, is the problem with respect to time required for the legislatures of the States to meet and enact the necessary programs. A long delay would result. There would be still more hardship for these farmers, and still more liquidation of herds.

I think there also would be a problem in regard to any program requiring matching funds from the States. If such a program were to be enacted, it should not apply just to farmers. I think, when there is matching by States, we should include all of the programs. It would be a bit difficult to write legislation of that kind hurriedly.

Mr. WILLIAMS of Delaware. I agree with the Senator from North Dakota that it should cover all of them, but I do not think it would be too much of a problem to get the proper language because the proposal has passed the House of Representatives on one occasion and it has been before the Senate committee when both the Senator and I were members of the committee. In fact, I think we have the language already drafted.

I recognize the desire for prompt action on this bill. If we can work out a solution in some other manner I am not going to push that particular proposal for State participation at this time even though I do think it should be the ultimate objective.

At the same time, I am a little bit concerned about this particular language. Perhaps we can provide some modification of the language, or perhaps we can let section 3 go over to a later date, until we have it more properly drafted. Anyway, the first two sections of the bill are not in any way affected by what I am proposing now.

Mr. TALMADGE and Mr. BURDICK addressed the Chair.

Mr. WILLIAMS of Delaware. I yield first to the Senator from Georgia, who is in charge of the bill.

Mr. TALMADGE. I appreciate the cooperation of the Senator from Delaware in not insisting that States in the drought area call special sessions of their legislatures to pass enabling legislation and raise matching funds.

As the Senator knows, we are dealing with a disaster situation. The problem is critical and time is of the essence. Anything which requires joint participation by the Federal Government and the respective States would require a great deal of time.

I think the legislative history has been made quite clear on this matter. Every Senator who has made comments on the problem has been of the opinion that the program is designed solely and simply for the purpose of helping farmers who, because of the drought which has adversely affected their pastures, do not have adequate feed to maintain their foundation herds. It applies in no way to the cattle feeders. It is not designed to assist those who are engaged solely in the cattle-feeding business.

As the Senator knows, a great many farmers in the area produce calves and feed those calves after they have been weaned. They are engaged in the production as well as the feeding of calves. When one tries to delineate as between those who are farmers and those who are feeders there is often a hybrid situation, and sometimes the names apply to both groups.

I do not know how an amendment could be drafted which would specifically exclude feeders and at the same time not exclude farmers.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. TALMADGE. The Senator from Delaware has the floor. If the Senator will permit me to do so, I shall yield at this time to the Senator from South Dakota.

Mr. WILLIAMS of Delaware. Mr. President, I yield.

Mr. CASE of South Dakota. Mr. President, I was trying to suggest that there is a delineation in the language, in the use of the word "owned." A feeder is in the business of buying. I do not think anybody would suggest that we wish to encourage speculation in the feeding of cattle by encouraging somebody to buy cattle for the purpose of taking advantage of a 75-percent rate on feed. If the cattle are owned at the time of enactment of the legislation or at the time the disaster area is declared to exist, then when the disaster strikes it seems to me to be logical for those persons to receive the benefits of the act.

Mr. TALMADGE. I believe the Senator is entirely correct. I do not think he could go out and purchase cattle at the present time and come under the provisions of the act. A farmer could not purchase cattle after the passage of this act and then feed them under the provisions of it.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HRUSKA. In reading the language contained on page 5 of the report, I cannot see how that reasoning and conclusion can possibly be reached.

Mr. TALMADGE. I agree fully with the Senator.

Mr. HRUSKA. Obviously from this language there is no requirement that the cattle be owned in order to be eligible for the feed at 75 percent of the price.

Mr. CASE of South Dakota. Does the Senator suggest that farmers would go out and speculate with the intention of taking advantage of the 75-percent price?

Mr. HRUSKA. Yes; I think such farmers would be eligible under the proposed language. I will tell the Senator why. There is no time limitation under the amendment. The catastrophe to which the amendment would apply has not arisen, and we can only speculate as to whether it will arise next fall. If it does. And if an emergency is then declared, the cattle will not be owned at this time. There is nothing in the language of the bill that provides the cattle must not be newly purchased cattle. Then when farmers apply for feed at 75 percent price and assert that they own the cattle, they can have the feed under the terms of the proposed legislation.

Mr. CASE of South Dakota. If the Senator will read further in the basic act, he will see there is a limitation. This is the part of the sentence to which I am referring:

* * * Notwithstanding the foregoing, the Corporation, on such terms and conditions as the Secretary may deem in the public interest, shall make available any farm commodity or product thereof owned or controlled by it for use in relieving distress (1) in any area in the United States declared by the President to be an acute distress area because of unemployment or other economic cause if the President finds that such use will not displace or interfere with normal marketing of agricultural commodities and (2) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U.S.C. 1855), and shall make feed owned or controlled by it available * * *.

It would have to be in a distressed area, and so declared.

Mr. HRUSKA. The Senator is right, but there is nothing in the bill that provides that any farmer must limit his application for feed to cattle on hand at the time the emergency is declared. There is no limitation whatsoever.

Mr. CASE of South Dakota. I examined the application blanks last year, when we had similar legislation before us. I discussed this problem with the people in the Accounting Office. They told me that the application blank that they used last year does not permit one to go out and buy cattle. An applicant must testify that he owns the cattle. The farmer must get the feed within a certain period of time, and the application blank does not contemplate at all that one could go out and buy cattle for this purpose. The application blank that the farmer must sign does not permit him to go out and buy cattle in order to speculate on the purchase of feed at a discount price.

Mr. HRUSKA. The statement of the Senator is not at variance with what the Senator from Nebraska has said. All I have stated is that, within the language of the statute, such action can be taken. If there is a provision in the application or the regulations on that subject, that is another question.

I believe the Senator from Georgia has put his finger on the problem. There is enough legislative history being made here that the Secretary of Agriculture could incorporate some of the sense of this debate in his application so there will be a limitation in the application. Then the applicant could be failed out in the original instance, but he would be prevented from repeating the investment.

Mr. TALMADGE. When we enact legislation we must assume that it will be administered by an official of the Government who is not a fool or a knave.

Mr. HRUSKA. That is a great assumption at times, but I am sure we are in accord.

Mr. TALMADGE. I do not see how we can presume that the present Secretary of Agriculture will act either a fool or a knave. He knows that the purpose of the proposed legislation is to alleviate drought conditions in a disaster area.

I call to the attention of the Senator line 2, page 3, which provides, "For assistance in the preservation and maintenance of livestock in any area of the United States where, because of flood, drought, severe hurricane, earthquake."

The Senator knows, coming from the great State of Nebraska, that the preservation and maintenance of livestock does not mean feeding them for sale. It means keeping them from starving. That is what the bill is designed to do.

Mr. WILLIAMS of Delaware. I agree with the objectives of what is being said here. But I point out that if we pass the bill, as it is presently drafted, section 3 would be permanent legislation. Section 3 deals not only with the drought in the area which we are discussing here today but with all future situations. If I am in error in this statement I hope I will be corrected. Is there any expiration date on section 3?

Mr. TALMADGE. There is no expiration date on section 3. There is an expiration date on the other two portions.

Mr. WILLIAMS of Delaware. That is the point.

Mr. TALMADGE. Section 3 is permanent legislation.

Mr. WILLIAMS of Delaware. Section 3 is permanent legislation. Section 3 as permanent legislation is a liberalization of the existing law as provided in section 407, because, under the existing law in section 407, Congress defined what would be a disaster area. Now that definition has been expanded wherein we would confer upon the Secretary of the Agriculture the power to determine that an emergency exists in some area which warrants such assistance.

As I understand the bill, the Secretary of Agriculture, Mr. Freeman, or whoever may succeed him in the years to come, can under section 3 determine that an emergency exists in any area of the country and start delivering cheaper feed out at 75 percent of its cost. If I am in error on that point, I should like to be corrected.

Mr. CASE of South Dakota. Mr. President, does the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CASE of South Dakota. Before an area is declared by the President to be a disaster area, the Governor of the State must make a request and if the Senator will read——

Mr. WILLIAMS of Delaware. If the Senator will yield for a moment, I should like to ask him if he can think of a situation in which the Governor of a State, when the State would not have to pay anything or contribute to the cost, would refuse to make such a request?

Mr. CASE of South Dakota. Yes; I have seen a reluctance on the part of Governors to have their States declared a disaster area.

Mr. WILLIAMS of Delaware. I have, too, in cases where it would cost them something.

Mr. TALMADGE. They are not anxious to have such an appellation ascribed to any of the counties in their States.

Mr. WILLIAMS of Delaware. We have not had section 3 heretofore.

Mr. TALMADGE. The Secretary's hands are not free. The President must make a finding of disaster before the Secretary can act. The provision would cover only an area of the United States declared by the President to be an acute distressed or major disaster area in need of assistance. The Secretary of Agriculture would not have a free hand.

Mr. WILLIAMS of Delaware. I will continue to read from section 3:

or other catastrophe in such area, the Secretary determines that an emergency exists which warrants such assistance.

The proposed legislation states that the President can take the action, and if he does not do so, as I see it, under section 3, the Secretary could. If we do not want the Secretary to take such action then let us strike that language out and return it to the original provisions of the law, under which the President alone would take the action.

Mr. BURDICK. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BURDICK. I believe that the legislative history is quite clear on this point, but to make it crystal clear, I would suggest that at the end of section 3, section 407, after the word "them," to insert a comma and to add,

Provided, however, this section shall not apply to commercial feeding.

Would such language take care of the objection of the Senator from Delaware?

Mr. WILLIAMS of Delaware. What definition would the Senator from North Dakota give to the words "commercial feeding"?

Mr. TALMADGE. We cannot make it descriptive, because it would be impossible to define a commercial feeder. The provision reads:

Shall not be available to cattle purchased in the disaster area subsequent to a declaration of a disaster.

It would prevent a man from going out and buying up cattle in order to get the available feed. I do not think the language of the act makes it crystal clear that there can be no speculation on other farmers' hardship.

Mr. WILLIAMS of Delaware. No, but it would be attractive on the eve of a declaration of the area as a disaster area to buy cheaper cattle and to feed them out. It has been suggested that this is an effort to preserve the basic foundation herd. Could we not just put that language in the bill?

Mr. CASE of South Dakota. What would be considered a foundation herd?

Mr. MANSFIELD. Let us hear what the Senator suggests by way of language.

Mr. WILLIAMS of Delaware. On line 3, page 3, I suggest, immediately before the word "livestock" the insertion of "foundation herd."

Mr. HUMPHREY. What would be the interpretation of a foundation herd?

Mr. CASE of South Dakota. That would be stock raised by the owner.

Mr. HUMPHREY. One could have a pasture full of steers, which would not be related to the foundation herd.

Mr. WILLIAMS of Delaware. The Senator is correct. That is the trouble. There could be a pasture full of steers, and in the majority of situations like that the owners would be buying feed anyway, even in the midst of plenty. Does the Senator intend to allow those who are in that area to feed the steers at 25 percent less in cost than the man on the other side of the county line which was not a distressed area?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HUMPHREY. One of the underlying reasons for the introduction of the bill is to permit what we are talking about. There are farmers in the Great Plains States who are preserving their foundation herds at great expense to themselves and at great sacrifice, having sold off much of the cattle that they had bought possibly on credit, and selling them at market conditions that are not conducive to a fair return. If we are not to provide emergency relief for the people in those States who are suffering through no fault of their own, there is no need to provide anything. If we continue to talk long enough about this situation, there will be no need to worry about it, because there will be no cattle left.

Mr. WILLIAMS of Delaware. The bill could have been brought up last week. We were here last week, and we did no business for 3 days. We had a vacation, although we had been called back by the leadership because we were told that we would transact business.

Mr. HUMPHREY. It takes time to process a bill.

Mr. WILLIAMS of Delaware. I was here. Some of the Senators who are speaking today were not present. I do not believe I should be criticized and told that I am holding up the bill merely because I am trying to prevent it from being abused.

Mr. HUMPHREY. The Senator from Minnesota introduced the bill. The committee processed the bill. The bill was passed in the Senate. The only Senator who objected to it was the Senator from Delaware. He has the responsibility.

Mr. WILLIAMS of Delaware. All I asked was for an opportunity to read the bill. I have a right to read the bill. Perhaps if the Senator from Minnesota had not been out of the country we could have considered it sooner. I am not being unreasonable in asking for an opportunity to read a bill which was passed by the Senate even before it was printed and put on the calendar.

Mr. HUMPHREY. The Senator is entitled to do that.

Mr. WILLIAMS of Delaware. The Senator should not say that I am unreasonably delaying the bill. I have tried to be cooperative. I just want to make sure that it is drafted in language which will prevent it from being abused. I am willing to have it amended to provide for foundation herds.

Mr. TALMADGE. Would the Senator agree to providing for foundation herds and steers at present on hand?

Mr. WILLIAMS of Delaware. No.

Mr. TALMADGE. Why not?

Mr. WILLIAMS of Delaware. If we start subsidizing the feeding of steers in the feedlots then the program is in trouble. Most of the steers in feedlots will be fed on purchased feed anyway.

Mr. TALMADGE. If the herd is already in the feedlot, it is not necessary to have pasture.

Mr. WILLIAMS of Delaware. That is correct.

Mr. TALMADGE. Then it is already a commercial herd, and I do not believe it would be eligible under the terms of the bill.

Mr. WILLIAMS of Delaware. It should not be. Then why does the Senator object to having it specifically excluded?

Mr. HUMPHREY. Why does not the Senator from Delaware accept the language suggested by the Senator from North Dakota, to exclude commercial feed, and indicate that that is what we are talking about—namely, the foundation herd and steers in pasture that were acquired prior to the area being in a disaster condition?

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. The proposal of the Senator from Minnesota and his colleagues, the Senators from South Dakota and North Dakota and Montana and other States, comprised sections 1 and 2 at the time of the introduction. If I am in error, I hope I will be corrected, but I believe section 3 was incorporated afterward as a result of a conversation we had with people in Montana who were up against very stiff prices in the purchase of feed grain to take care of their cattle.

Mr. METCALF. The incorporation of section 3 came about as a result of conversations we had with the ACP chairmen of Montana, who had had similar conversations with chairmen in the Dakotas and other drought areas. It was pointed out that as a result of going into a new marketing year the price of such feed grains as barley had gone up 25 percent, while the price of beef, because of selling in a disaster market, had fallen by about the same amount.

So the majority leader and I asked that the amendment be incorporated into the bill to take care of the unusual circumstances occasioned by the application of a new marketing year to the feedgrain bill, and to provide that the Federal Government could sell, at the price during the last marketing year, the barley that was in storage, which had been purchased for a lesser amount and was in warehouses and storage bins.

That is the history of why we asked for section 3.

Mr. MANSFIELD. Of course, that should not preclude the Senator from Delaware exercising his rights. The bill was brought out in a hurry. He is perfectly within the rights in what he is doing.

Mr. WILLIAMS of Delaware. So far as sections 1 and 2 are concerned, I am not raising any question about them. I am not quarreling with what I believe is sought to be achieved in section 3. I merely wish to be sure that we do not open the situation wide. I am wondering if in section 3 perhaps we can redefine the word "livestock" in some way to provide for a termination date with respect to section 3. We are writing permanent legislation here. I wonder why it was suggested that we give authority to the Secretary of Agriculture to determine when an emergency may exist. Why not leave the determination as provided under existing law?

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MUNDT. It seems to me that we might be able to adjudicate the issue by a very simple device. What we are trying to do is to meet an emergency which now exists in a certain area of the country. The Senator from Delaware made the point that there is perhaps some ambiguity in section 3. By a very careful study we might be able to define what we are trying to do. I suggest that we put the whole bill on the same basis, of temporary legislation. Let section 3 expire on June 30, 1962, along with the rest of the bill. That would give the committee an opportunity to analyze it.

Mr. MANSFIELD. I believe that would be perfectly satisfactory, because the committee could consider the problem in the meantime. What we should provide for now is the emergency.

Mr. MUNDT. With this legislative history now being written, the Secretary of Agriculture will move cautiously, because we must come back on January 1 to seek a renewal of the legislation. So I suggest that we let it all expire in June 1962. If we start to amend definitions on the floor of the Senate, the result will be a worse bill than the one now before us.

Mr. CASE of South Dakota. Notwithstanding the fear that my colleague has just expressed, I venture to offer some language which I think would be practical and useful in connection with the word "livestock."

The junior Senator from South Dakota does not hesitate to say that he is in the livestock business. However, I shall not take advantage of the proposed legislation. I expect to buy on the open market whatever feed I have to buy. So I venture to make a suggestion which occurs to me, notwithstanding the fact that I am in the business of producing feeder cattle today. After the word "livestock," I propose to insert these words:

Produced by the owner or owned by him at the time the area was declared to be in distress.

This would prevent speculation. It would provide a definition for a foundation herd, without going into that question. A man who owns cattle at a time an area is declared to be in distress, either cattle which he has bought or cattle which have been raised by him, obviously did not get the cattle with the idea of encountering a distress period. The cattle must be owned by him or have been produced by him at the time the area was declared to be in distress.

Mr. WILLIAMS of Delaware. The suggestions made by both Senators from South Dakota will go far toward solving the problem. I wonder if we cannot go one step further. Is it really necessary to grant the Secretary the power to determine what is an emergency area rather than have it determined by the President after the Governors have made recommendations?

Mr. HRUSKA. After reading the bill which was passed, and appears on page 5 of the report, and after referring to Public Law 875 of the 81st Congress, which I have before me, I am confident that the requirement that the Governor shall certify an area as a distressed area and that the President shall then so declare it, is still inherent in the bill. Is there anything in the bill to the contrary?

Mr. TALMADGE. No.

Mr. WILLIAMS of Delaware. We can make it clear that this is our thinking concerning the proposal and that will take care of the situation.

Mr. CASE of South Dakota. What the Senator from Nebraska has said is true. If Senators will read the first part of the bill we have been talking about, they will find that it is first necessary for the President to have found an acute distress area and to have determined that a disaster exists. It is only in the areas in which the President has found distress to exist that the Secretary may then enter into the picture. This language does not empower the Secretary to go out and determine de novo that the area is in distress. He is limited in his designation of areas to those which the President has previously determined to be distressed areas.

Mr. YOUNG of North Dakota. Mr. President, has any thought been given to the last part of section 3, which reads, in part, "such feed to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them"?

I emphasize the phrase "without undue financial hardship."

Mr. WILLIAMS of Delaware. I appreciate the statement of the Senator from North Dakota. I know that that is what we have in mind. I think language which would, perhaps, carry out the intent can be developed in a few minutes. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, after consultation among Senators from the areas which are most vitally affected and the Senator from Delaware, I believe agreement has been reached upon language which will accomplish the objective of the proposed legislation, while at the same time alleviating the fears of the Senator from Delaware and others that there might be some abuses under the program. If the Senator from Delaware is prepared to submit his amendment, I think agreement can be reached.

Mr. WILLIAMS of Delaware. On page 3, line 6, I propose to strike the word "Secretary" and insert in lieu thereof "the President, pursuant to Public Law 875, 81st Congress". The language would then read: "* * * the President, pursuant to Public Law 875, 81st Congress, determines that an emergency exists."

The PRESIDING OFFICER. Is there objection to the amendment of the Senator from Delaware?

Mr. TALMADGE. I accept the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. WILLIAMS of Delaware. The purpose of the amendment is to restore the existing law, which provides that only the President may determine a distressed area.

Mr. TALMADGE. That is correct. The language would make certain that the responsibility is upon the President, not the Secretary of Agriculture, to determine what are disaster areas upon the request of the Governors of the affected States.

Mr. WILLIAMS of Delaware. That is correct.

Mr. President, at the end of section 3, after line 11 on page 3, I propose that the bill be amended to provide the same expiration date as is provided in the other sections of the bill, namely, June 30, 1962.

Mr. TALMADGE. I have no objection to that.

Mr. HRUSKA. Mr. President, is it the intention of the committee or of the Senator from Delaware to apply the time limitation to only the 75 percent of support price provision? There is a permanent statute in effect which we would not want to limit to the date of June 30, 1962.

Mr. MANSFIELD. No; but, as the Senator from South Dakota [Mr. MUNDT] has said, this proposal would give the Committee on Agriculture and Forestry time in which to reconsider the problem. In the meantime, provision would be made for the emergency.

I suggest the following language at the conclusion of the bill, page 3, line 11:

Provided, That the authority herein provided shall expire June 30, 1962.

Mr. WILLIAMS of Delaware. The members of the staff have just suggested language which would accomplish the purpose better. After line 11, it is proposed to add a new section, section 4, which would read as follows:

The amendments made by this Act shall be effective only until June 30, 1962.

That will take care of all changes which are being made in the bill, and the expiration date for all of them will be as of June 30, 1962.

Mr. TALMADGE. I have no objection to that amendment.

The PRESIDING OFFICER. If there be no objection, the amendment is agreed to. Are there further amendments?

Mr. WILLIAMS of Delaware. Mr. President, with these two amendments and with the understanding and the legislative record being made that the purpose of the bill is to help financially distressed farmers to preserve their foundation herds alone and not to subsidize commercial feeding in feeder lots, I have no further objection. I understand now that the bill offers no subsidy to those who would normally have been buying grain regardless of whether a drought had occurred or not. I think the purpose of the measure is now clear. The purpose of the measure is not to provide relief for farmers who would have had to purchase feed for their feeder cattle anyway, regardless of drought conditions.

With that legislative record established, I have no objection to the passage of the bill.

Mr. TALMADGE. Mr. President——

Mr. WILLIAMS of Delaware. I yield to the Senator from Georgia.

Mr. TALMADGE. First, let me say that I appreciate the cooperation of the Senator from Delaware. At the present time, I serve with him on the Finance Committee. Formerly, he served on the Committee on Agriculture and Forestry, on which I still have the honor to serve. He is a very able, conscientious, and valuable Senator.

What we are trying to do through this bill is to be almost as good to farmers in our own drought-disaster area as we are to foreign countries to which our Government is selling our surplus grain for foreign currencies which can-

not be exchanged for any other currency which our Government subsequently gives back.

This measure is designed simply to alleviate the distress and hardship which exist in drought-disaster areas where farmers do not have grass on which their cattle can graze. Those farmers are faced with the necessity of either liquidating their herds or seeing their cattle starve to death. This bill is to help them and no others.

I think the amendments the able Senator from Delaware has submitted have closed any loopholes through which any thieves could evade or abuse this law.

Mr. WILLIAMS of Delaware. I thank the Senator from Georgia.

Mr. CASE of South Dakota. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from South Dakota will be stated.

The CHIEF CLERK. On page 3, in line 3, after the word "livestock," it is proposed to insert "produced by the owner or owned by him at the time the area was declared to be in distress."

Mr. WILLIAMS of Delaware. Mr. President, I have examined the amendment. I wonder whether it will open up the bill to such an extent that the owner of 1,000 steers, who had them in the feedlots and owned them on that date, would be able to be benefited. Would not this amendment open the bill wider than anyone intends?

I think we now have the bill fairly well tied down; and I wish to be sure that we do not open it up again. But the words "produced by the owner or owned by him" might include a man who had 1,000 head of steers in the feedlots. He was not planning to feed them with grain produced on his farm, anyway, but was going to buy the feed. Would he not be able to qualify for a subsidy under this amendment?

Mr. CASE of South Dakota. My personal knowledge of the disaster-stricken counties is that in them there are practically no cattle feeders of the sort the Senator has mentioned—and certainly none with a thousand steers. Moreover, under the supposititious case the Senator has suggested, such a feeder would not be able to show financial distress or hardship. But the bill requires that he show financial hardship.

Moreover, no one in any of these counties—and it must be remembered that these distress-stricken areas are generally designated by counties or by certain portions of counties—has gone into the business of getting a thousand steers in one of these distress-stricken areas, in anticipation of encountering a drought. If he is in one of these disaster-stricken counties, it seems to me he should be able to feed any stock he had at the time when the disaster developed, with the feed provided under such a relief measure.

Mr. TALMADGE. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. TALMADGE. I think the legislative record has been made abundantly clear; namely, that this legislation is for the purpose of assisting farmers who are operating herds on pastures that are destroyed by drought conditions. If such cattle happened to be steers the farmer owned prior to the passage of this act, I think they would come under the provisions of this measure.

From his experience in the cattle business, the Senator well knows that the feeders feed their cattle carbohydrates or some form of cottonseed or other feed cake which puts the best flesh on the animals. If animals are on feed, I do not think they would come under the provisions of this bill. If they are or have been in pasture, I think they would come under them. As heretofore stated in the debate, one in the business of feeding livestock would not come under the financial requirement, on page 3, in line 9—"are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them."

If the owner is in the business of feeding cattle, he has some equity in the cattle. He can acquire credit through normal channels of trade and could not have to come to the Federal Government to obtain disaster relief.

So I see no possibility of the existence of any loopholes in that connection, with the result that, in the absence of this amendment, someone in the cattle-feeding business could obtain this Government subsidy. The bill was not introduced for that purpose; the committee did not report the bill for that purpose; the Senate is not considering the bill for that purpose; and the bill could be used for that purpose only if a combination of thieves got together for the purpose of distorting the intent of the law.

Mr. CASE of South Dakota. Then does the Senator from Georgia agree that the intent of the bill and of the amendments which have been adopted is to make it clear that the bill provides no relief for a speculator or feeder or for someone who purchases cattle with the intent of obtaining the benefit of the 75-percent provision?

Mr. TALMADGE. I certainly agree with the Senator from South Dakota; and I think that has been made abundantly clear throughout the legislative history which has been written by means of this debate.

Mr. WILLIAMS of Delaware. That is also my understanding.

Mr. CASE of South Dakota. It is also my understanding.

Mr. President, if the Senator in charge of the bill makes that interpretation, and if the Senator from Delaware, who raised this question, is satisfied, certainly I am satisfied, because I do not think there was any intent of that sort in the first place.

Mr. TALMADGE. Then, Mr. President, I certainly hope the bill will be passed, so that the feeding of these starving cattle can begin.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2197) was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 107(a)(3) of the Soil Bank Act, as amended, is further amended by adding at the end thereof the following: "The Secretary may, if he determines it necessary, permit the removal of hay from conservation reserve acreage adjacent to or nearby the disaster area for use in the disaster area, the value of such hay, as determined by the Secretary, being deducted from the annual payment applicable to such acreage. The authority of the Secretary to permit the removal of hay from conservation reserve acreage because of damage, hardship, or suffering caused by severe drought, flood, or other natural disaster shall expire on June 30, 1962. Any deduction made from conservation reserve payments because of any hay removal under this paragraph or because of grazing under section 107(a)(4), may, in the discretion of the Secretary, be reduced by an amount equal to any sums expended by the producer, but not to exceed one dollar per acre, for the purposes of grasshopper control operations on the acreage from which the hay is removed or which is grazed."

SEC. 2. Section 107(a)(4) of the Soil Bank Act is amended by adding at the end thereof the following: "Under the authority to permit grazing on conservation reserve acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, the Secretary may, if he determines it necessary, permit the grazing of conservation reserve acreage adjacent to or nearby the disaster area by livestock normally maintained in the disaster area, the value of such grazing to be deducted from the annual payment applicable to such acreage."

SEC. 3. Section 407 of the Agricultural Act of 1949, as amended, is hereby amended by deleting the period at the end of the fifth sentence and adding to such sentence the following: "and shall make feed owned or controlled by it available at any price not less than 75 per centum of the current support price for such feed (or a comparable price if there is no current support price) for assistance in the preservation and maintenance of livestock in any area of the United States where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe in such area, the President, pursuant to Public Law 875, Eighty-first Congress, determines that an emergency exists which warrants such assistance, such feed to be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for livestock owned by them."

SEC. 4. The amendments made by this Act shall be effective only until June 30, 1962.

Mr. CASE of South Dakota. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. TALMADGE. Mr. President, I move that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to

lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

PROCUREMENT POLICIES OF DEFENSE DEPARTMENT

Mr. WILLIAMS of Delaware. Mr. President, criticism of the needless expenditures of millions of the taxpayers' dollars through the inexcusable waste and mismanagement by the loose procurement policies of the Defense Department has become an almost daily occurrence. The danger lies not altogether in the specific cases of waste which have been mentioned, but rather in the callous disregard by the procurement officers of the Defense Department of their responsibility to end this waste.

When the Department of Defense appropriation requests are before the Congress, Members have been very reluctant to cut these appropriations, because we want to be sure that adequate funds are provided to meet the security requirements of our country. Perhaps this desire has resulted in our becoming just a little careless in demanding greater efficiency. While we do want to be sure to provide every dollar that is needed to safeguard our defense, nevertheless, the time has come when Congress must put a tighter clamp on the Nation's purse strings, and this means on the loose spending habits of the military, in particular.

Taking away from the Defense Department some of its requested funds, and then demanding that the remaining funds be spent more efficiently, may be the answer. Perhaps the request that some of the officials responsible turn in their resignations may be in order.

As one Member of the Senate, I am getting very impatient at the shopworn excuse which is offered by the Defense Department each time the Comptroller General calls to our attention specific examples of indefensible waste and mismanagement, when all they say is, "We will correct this situation and do better the next time."

This excuse has been repeated over and over for the past several years, and I think it is about time we insist that the "next time" be "now."

Today again I call the attention of the Senate to two additional reports submitted by the Comptroller General, both dated June 30, 1961, and both dealing with situations where millions of dollars have been unnecessarily wasted by the Defense Department. Both reports contain the shopworn promise of the Defense Department to do better the next time.

I shall place in the RECORD a detailed summary of these two reports, but first I shall quote from the Comptroller General's Report No. B-122261, dated June 30, 1961:

Our review disclosed that millions of dollars' worth of replacement equipment was needlessly purchased in fiscal year 1960 because the Air Force does not have an effective means of knowing the quantity and location of the equipment it already owns. On the basis of our review, we estimated that over $6.7 million worth of replacement equipment purchased in fiscal year 1960 could have been avoided, and requirements for another $20.8 million, on which procurement was deferred principally for lack of funds, could have been eliminated had the Air Force maintained effective control over the equipment procured and received in the supply system.

In this report the Comptroller General cited a specific example wherein 852 generator sets valued at approximately $14 million were not even accounted for in the reported inventory data.

On this one sample audit which was made by the Comptroller General it was shown that about $164 million worth of items had been procured, but were not properly included in inventory reports. Had these inventories been properly recorded, the Comptroller General said, the Defense Department requirements in that one area "for fiscal year 1960 could have been further reduced by $20.8 million."

There can be no possible excuse for this Department having over $164 million worth of inventory on hand without such inventory being properly carried on the books.

The second report is No. B-133372 also dated June 30, 1961, and, as I stated earlier we find the same criticism in this audit report.

I quote the Comptroller General's comments on this audit:

We found that the military departments had purchased new items of production equipment costing over $700,000 without having considered suitable and available idle equipment assets on hand within the the Department of Defense. We found also that unnecessary administrative costs are being incurred because there are four independent organizations, and numerous supporting activities, performing the same or similar management functions. Combining these organizations and activities could be expected to effect significant reductions in present administrative costs which exceed $3 million annually.

Continuing, the Comptroller General said:

Our review disclosed that the military departments expended $587,461 during 1959 and 1960 in 34 procurement actions for 45 new items of production equipment instead of using idle assets available within DOD.

Both of these reports are full of specific examples of the Defense Department buying equipment and parts when at the same time, had the inventories been properly recorded, the Department would have known that it had more than an adequate supply on hand.

Both of these reports are typical of the periodic criticisms which are called to our attention by the Comptroller General's office, wherein the Defense Department completely ignores any semblance of sound business practices in administering the Department.

This wasted money represents not only a loss to the American taxpayers, but also less defense for the United States.

The Comptroller General and his staff have been and are doing an excellent job of calling these situations to the attention of the Congress, but I suggest that in the future they include in their reports a more specific identification of the procurement officers who are in charge of the arsenals, wherein these loose practices are found. Then Congress can deal specifically with those responsible.

At this point I ask unanimous consent to have a summary of each of the two reports I have referred to incorporated in the RECORD as a part of my remarks.

There being no objection, the summaries were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., June 30, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Enclosed is our report on review of management within the Department of the Air Force of replacement equipment subject to the Air Force Unit Authorization List (UAL) reporting system. This review was made for the purpose of examining into the effectiveness and efficiency of Air Force management of such equipment.

Our review disclosed that millions of dollars' worth of replacement equipment was needlessly purchased in fiscal year 1960 because the Air Force does not have an effective means of knowing the quantity and location of the equipment it already owns. Our review was limited to about 1 percent of the items and 12 percent of the value of the $2.8 billion inventory reported. In this review we established that about $164 million worth of the items selected for examination had been previously procured but was neither included by using organizations in the inventory reports used in computing the requirements nor otherwise accounted for.

On the basis of our review, we estimated that over $6.7 million worth of replacement equipment purchased in fiscal year 1960 could have been avoided, and requirements for another $20.8 million, on which procurement was deferred principally for lack of funds, could have been eliminated had the Air Force maintained effective control over the equipment procured and received in the supply system. For example, in our selected review of family grouping 6115AA1W—generator set, we found that 852 sets, valued at approximately $14 million were not accounted for in reported inventory data. At organizations visited, our review disclosed that eight generator sets which should have been reported were not included in the UAL data used by the Sacramento Air Materiel Area (SMAMA) in the fiscal year 1960 computation. The computation made by SMAMA showed a buy requirement for fiscal year 1960 of 266 units. As no adjustment was made for the 852 unaccounted-for assets, and purchase of 101 units was deferred, procurement action was initiated for an additional 165 units at an estimated cost of $2.8 million. Had the Air Force maintained effective control over the units procured and received into the supply system, there would not have been 852 unaccounted-for units, and a sufficient number of such units should have been available for use so that procurement of the additional 165 units at an estimated cost of $2.8 million would have been unnecessary while requirements for another 101 units at an estimated cost of $1.7 million could have been eliminated.

Since our review was very limited, we are of the opinion that there are substantially more unaccounted-for equipment and substantially more unnecessary procurement than we estimated on the basis of our findings.

We brought our findings and conclusions to the attention of agency officials. In a letter dated January 23, 1961, the Assistant Secretary of the Air Force (Materiel) agreed, generally, that the products of the Air Force UAL system are incomplete and inaccurate and do not adequately support the Air Materiel Command in the computation of equipment procurement requirements. The Assistant Secretary informed us of a number of actions already taken and others proposed which in the opinion of the Air Force should materially alleviate the deficiencies in UAL reporting that now exist.

The success of the actions taken, as well as those planned, is largely prospective in nature and their effectiveness will depend upon the manner in which they are carried out. Accordingly, we are not prepared to say whether the actions taken and planned by the Air Force will successfully overcome the serious and widespread problems observed by us.

In subsequent reviews of Air Force supply management activities, we plan to make further inquiries into the Air Force's management of replacement equipment and the effectiveness of the proposed improvement program.

This report is also being sent to the President of the Senate. Copies are being sent to the President of the United States, the Secretary of Defense, and the Secretary of the Air Force.

Sincerely yours,

JOSEPH CAMPBELL.

HIGHLIGHTS

Millions of dollars worth of replacement equipment was needlessly purchased during fiscal year 1960 because the Air Force did not have an effective means of knowing the quantity and location of replacement equipment it already owned. Lack of this information also resulted in the failure to supply items of equipment required in that year to support Air Force organizations. Very limited tests by us have established conclusively that substantial quantities of equipment actually on hand at Air Force organizations at September 30, 1958, were omitted from inventory reports used to determine procurement requirements for fiscal year 1960. Our review was limited to about 1 percent of the 15,330 family grouping items and about 12 percent of the value of the inventory reported. This review disclosed that about $164 million worth of these items had been previously procured but were neither included by using organizations in the inventory reports used in computing requirements nor otherwise accounted for.

In order to determine whether significant amounts of the unreported and unaccounted-for $164 million worth of equipment were actually available, and whether the failure to report this equipment resulted in actual overprocurement, we visited 645 of the more than 6,700 reporting organizations. At these organizations we found that over $9 million worth of equipment on hand, of the items we were testing, had not been reported to inventory managers. Had these items at these organizations been considered, procurement would have been reduced by more than $1 million.

We estimated that, had the $164 million worth of unaccounted-for assets at these and other organizations been properly reported and considered in computing fiscal year 1960 requirements, purchases of over $6.7 million could have been avoided. In addition, we estimated that, if these unaccounted-for assets had been properly reported and considered, the requirements computed for fiscal year 1960 could have been further reduced by $20.8 million. These overstated requirements had not resulted in overprocurement principally due to a lack of funds.

Since our review covered only 12 percent of the $2.8 billion inventory of replacement equipment reported, we believe that there is substantially more unreported equipment than the $164 million disclosed in our review and that there is substantially more unnecessary procurement included in the $210 million authorized for fiscal year 1960 than the estimated $6.7 million of purchases that could have been avoided with respect to the items we tested. (See pp. 13 to 22.)

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., June 30, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Enclosed is our report on review of management of idle production equipment within the Department of Defense.

Our limited review disclosed that inadequate management and coordination of idle production equipment activities among and between the military departments are resulting in significant additional costs to the Government and are adversely affecting the utilization of idle assets in lieu of new acquisitions. Unnecessary purchases are resulting from the failure of the military departments to use suitable idle equipment available within the Department of Defense; the use of different identification numbering systems for common-use items is interfering with the interservice utilization of idle assets; and there are costly duplication and overlap of idle production equipment management functions and organizations.

We found that the military departments had purchased new items of production equipment costing over $700,000 without having considered suitable and available idle equipment assets on hand within the Department of Defense. We found also that unnecessary administrative costs are being incurred because there are four independent organizations, and numerous supporting activities, performing the same or similar management functions. Combining these organizations and activities could be expected to effect significant reductions in present administrative costs which exceed $3 million annually.

The Department of Defense has taken certain measures to improve the management and utilization of available production equipment; however, we believe that the centralization of the functions and responsibilities presently being performed by many relatively independent Department of Defense organizations and activities would result in a more effective and economical management of idle production equipment. Accordingly, we proposed to the Secretary of Defense that present production equipment policies, procedures, organizations, and functions be reviewed and evaluated to determine the manner and means whereby centralization under his direction and control could be accomplished.

In view of the need for increasing the degree of redistribution and utilization of idle production equipment, as demonstrated by our review, we proposed also to the Secretary of Defense that immediate interim measures be taken to obtain maximum utilization of idle production equipment under existing conditions. We suggested, for example, adoption of one identification numbering system for all common-use equipment items, more timely screening and rescreening of idle equipment inventory records, and improved management and control procedures for the production equipment redistribution group, the organization presently responsible for establishing and maintaining Department of Defense-wide inventory records of idle machine tools.

Although the Assistant Secretary of Defense (Installations and Logistics), commenting on our findings in his letter of February 21, 1961, stated his belief that the instances of unnecessary procurement were within reasonable limits, he advised that a departmentwide study of the management of production equipment, including special consideration of single management, would be undertaken. He stated also that our suggestions for interim management improvements either had been or would be adopted.

This report is also being sent today to the President of the Senate. Copies are being sent to the President of the United States, the Secretary of Defense, and the Secretaries of the Army, Navy, and Air Force.

Sincerely yours,

JOSEPH CAMPBELL.

FINDINGS AND CONCLUSIONS

The present efforts to coordinate and integrate production equipment management separately conducted by each of the military services have not been fully effective. Our review disclosed that inadequate management and coordination of idle production equipment programs and activities among and between the military departments are resulting in significant additional costs to the Government and are adversely affecting the redistribution and utilization of idle assets in lieu of new acquisitions. While steps have been taken to effect improvements in this area, we found the existing organizations, operations, and procedures inadequate to provide maximum economy and efficiency in the management of production equipment.

FAILURE TO UTILIZE IDLE ASSETS

The individual military services failed in a number of instances to screen and use idle assets available within the other military services before acquiring new equipment. In the course of our review, we identified procurements costing over $700,000 which were made when identical or substitutable idle equipment was available. On the basis of advice of DOD technical personnel regarding the suitability of the available equipment, we consider the procurements to have been unnecessary. We found also that two procurements totaling $26,600 were planned by an Army installation without considering on a timely basis assets available within DOD. These planned procurements were canceled after we identified suitable idle assets held by another military service and available for redistribution.

Unnecessary procurements made when suitable assets were available

Our selective review of procurement actions by Army, Navy, and Air Force organizations, directly or through contractors, disclosed 42 instances in which equipment costing over $700,000 was procured when, according to the advice of DOD technical personnel, suitable idle machines were available within the Department of Defense. These cases are summarized in appendix I. The circumstances surrounding certain of these procurements are described below.

A review of an Army Corps of Engineers contract disclosed that the contractor had been authorized to procure for the account of the Government during the period 1956 to 1960 numerous items of industrial production equipment without first screening idle DOD assets. As a result, 111 items of equipment were purchased at a cost of

$1,712,000 without consideration being given to the possibility that suitable assets which were not in use might be available within DOD. The military procurement agency advised us that it had been unaware of its responsibility to arrange for utilization of available equipment in lieu of acquiring new items but that it would screen future requests for equipment against available assets. From our review of a selected number of these 111 items, we found that the Army approved the purchase of at least 18 new machines when equipment with identical or similar descriptions was available in idle status. DOD technical personnel reviewed these items and informed us that 10 machines may not have been suitable because of age, condition, or specifications for offering to the contractor. However, eight of these machines were considered adequate to meet the requirements and should have been used in lieu of new procurement costing $118,039. Some of these items are still available while others have been declared excess and thus subject to disposal as surplus. We noted that the contractor had on occasion used idle equipment in Government reserves when funds to purchase new equipment were not available; however, in other instances when funds were available, new equipment was procured without considering idle assets.

In addition to the 8 items above, our review disclosed that the military departments expended $587,461 during 1959 and 1960 in 34 procurement actions for 45 new items of production equipment instead of using idle assets available within DOD. In each of these instances, we found that (1) the departments had purchased, or approved the procurement of, the equipment although identical or substitutable items of idle equipment were available according to OSD or departmental inventory records, (2) the idle equipment was or would have been available prior to the dates the new procurement actions were approved, and (3) the idle equipment was suitable, in the opinion of qualified DOD and departmental technical personnel, for offering to procuring activities for their consideration prior to approving the new procurement.

The 34 instances of unnecessary procurement were identified in our review of 225 procurements of production equipment in 1959 and 1960. These procurements were selected for review in detail on the basis that they covered commonly used rather than specialized types of equipment and thus suggested a possibility that the requirements could have been met from existing inventories of idle equipment. We found that 92 of the 225 procurements appeared questionable and warranted further review inasmuch as identical or substitutable equipment was on hand within the DOD. However, we eliminated 58 of these 92 cases from further review because military technical personnel were doubtful of the adequacy of the possible substitutes or because the items of production equipment:

1. Would not have been available at least 60 days prior to the purchase of the new equipment or the approval of new procurement action.

2. Were manufactured prior to 1950 or were not condition-coded N–1 (new-excellent), N–2 (new-good), E–1 (used-reconditioned-excellent), E–2 (used-reconditioned-good), O–1 (used-usable without repairs-excellent), or O–2 (used-usable without repairs-good).

3. Had numbers and technical descriptions substantially different from the numbers and descriptions covering the new machines.

The 34 remaining cases, approximately 15 percent of those selected for review, were referred by us to the representatives at PERG and the appropriate Army, Navy, and Air Force personnel for technical review and evaluation. In their opinion, the idle assets available at or prior to procurement were either identical or substitutable to meet the requirements.

Typical examples of these 34 cases, which are included in appendix I with the 8 cases previously discussed, are the following:

1. One vertical turret lathe, $83,525: This procurement was authorized on or about September 22, 1959, by the Army's Chicago Ordnance District. However, for varying periods of time prior to July 22, 1959, three vertical turret lathes owned by the Air Force and two owned by the Navy were available for redistribution from idle assets. The Air Force and Navy items were still available as of July 15 and 28, 1960, respectively.

2. Two shapers, $19,072: A contract was awarded on March 16, 1959, for the procurement of nine shapers, at a unit cost of $9,535.80, to meet a requirement of the Army's Rossford Ordnance Depot. The procurement of two of the shapers, which cost $19,072, was unnecessary, inasmuch as a shaper owned by the Army and one owned by the Navy were available for redistribution from idle assets for varying periods of time long before January 16, 1959. These items were still available as of August 22, 1960.

3. One turret drill, $54,965: This procurement was authorized by Navy's Bureau of Ships on September 23, 1959. Invitations for bids were issued on December 16, 1959, and a purchase contract was awarded on January 25, 1960, for $54,965.20. However, on November 25, 1959, 60 days prior to the award of the contract, a turret drill owned by the Air Force became available for redistribution from idle assets. This item was still available as of July 15, 1960.

4. One screw machine, $41,006: This procurement was authorized by the Air Force on July 1, 1959. However, in April and May of 1959 two screw machines owned by the Navy became available for redistribution. These idle machines were still available on August 31, 1960. Air Force and OSD records indicate that this requirement for a new screw machine was not screened at either activity.

5. One grinding machine, $18,470: This procurement was authorized by the Air Force after a screening of records of idle inventories failed to disclose suitable equipment to meet requirements. Records of both the Air Force and OSD had been screened in May 1959. However, prior to May 1959, there was one grinding machine owned by the Navy available for redistribution. The Navy item was still available as of June 12, 1960, and was apparently overlooked when inventories were screened.

The comments of the Assistant Secretary of Defense (Installations and Logistics) included statements of the three military services on each of the 42 cases. Our analysis of the statements indicates that in 20 of the cases there had been a failure to screen and that in 14 other cases the screening had been ineffective and had failed to disclose the availability of suitable idle equipment. In the remaining eight cases, procurement was stated to have been necessary because the available idle equipment would not have met specifications. As previously indicated, these eight cases were among those referred by us, during the course of our review, to appropriate personnel in PERG and the three military services for technical review and evaluation. In their opinion, the idle assets available at or prior to procurement were either identical or substitutable to meet the requirements. Furthermore, our review disclosed no evidence in these eight cases that the requirements had been screened prior to procurement.

EXECUTIVE SESSION

Mr. KUCHEL. Mr. President, I move that the Senate proceed to the consideration of executive business for the purpose of considering an executive nomination.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider executive business.

NOMINATION OF EDWARD STEIDLE TO BE A MEMBER OF THE FEDERAL COAL MINE SAFETY BOARD OF REVIEW

Mr. KUCHEL. Mr. President, Mr. Steidle was originally nominated by President Eisenhower in 1954. The minority leadership has conferred with the two distinguished Senators from Pennsylvania [Mr. CLARK and Mr. SCOTT] on the matter, and under those circumstances, I ask the Senate to proceed to the consideration of Mr. Steidle's nomination.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1964.

Mr. KUCHEL. Mr. President, in connection with the nomination, I ask unanimous consent that a biographical sketch of Mr. Steidle, which I have in my hand, appear at this point in the RECORD.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SKETCH OF EDWARD STEIDLE

Edward Steidle, dean emeritus, College of Mineral Industries, Pennsylvania State University, was born at Williamsport, Pa., June 23, 1887. He received a bachelor of science degree in 1911, and an engineer of mines degree in 1914 from Pennsylvania State University, and a doctor of science degree from Alfred University in 1943.

He worked as a miner and mine sampler in a high-grade silver mine at Cobalt, Canada, during the summers of 1908, 1909, 1910, and worked as a miner and millman in a low-grade gold mine at Mogollon, N. Mex., for 1 year following graduation.

Dean Steidle then joined the staff of the newly created U.S. Bureau of Mines and helped to pioneer the mine health and safety movement in this country. He was in charge of mine rescue cars in various districts, and of the Bureau's exhibits, including "The Mine" at the Panama Pacific International Exhibitions at San Francisco, and of the Federal "Safety First Train" in cooperation with the Baltimore & Ohio Railroad.

He is the author of the Bureau's miners circular 19, "Dangerous and Safe Practices in Bituminous Coal Mining," and of circular 23, "Causes and Prevention of Fires and Explosions in Bituminous Coal Mining." These circulars were the first organized visual aids used in promoting mine safety, and he later produced similar visual aids in motion pictures made underground. He aided in a number of initial field studies made by the Bureau. These included studies of silicosis, which led to wet drilling in hard-rock mining; of lead poisoning and hookworm dis-

eases; and of the body effect of high temperature-high humidity working conditions, which resulted in the use of salt tablets.

From November 1917 to May 1919, the dean served with the Armed Forces, World War I, as first lieutenant, Company A, 30th Engineers, attached to Special Brigade, Royal Engineers, B.E.F. He was then commissioned captain, Company D, Second Battalion, and finally commanding officer, First Battalion, First Gas Regiment, attached to First Army, A.E.F., twice wounded in action, and awarded the Victory Medal with six battle clasps, the Pershing Citation, and Purple Heart with oak leaf cluster.

Upon leaving the service he joined the staff of Carnegie Institute of Technology as associate professor of mining engineering; supervisor, research fellowships in mining, fuel technology, and metallurgy; and secretary, mining and metallurgical advisory boards. All of these activities were carried on in cooperation with the Pittsburgh Experiment Station, U.S. Bureau of Mines, and the mining, and iron and steel industries of western Pennsylvania. He revised the curriculum in mining engineering and planned and installed mining and mineral preparation laboratories. The research fellowships resulted in 76 bulletins which are the first bulletins covering organized research published by Carnegie Institute of Technology. He took a leading role in the practical application of rock dusting of bituminous mines to prevent and limit coal dust explosions, and designed the dust-feeding-aerating mechanism used in the first commercial, standard rock-dusting machine during this period.

He was appointed dean, School of Mines and Metallurgy, Pennsylvania State University in 1928, and reorganized the school into the present unified, decentralized College of Mineral Industries, to include all interrelated, interdependent branches of earth sciences, mineral engineering, and mineral technology, together with an extension division, experiment station, mineral constitution laboratory, instrument shop, mineral industries library, geology camp, mineral museum, and art gallery. When the dean retired in 1953, the College of Mineral Industries had a modern physical plant, together with a comprehensive program of service to meet the future needs of the Commonwealth.

Related activities of the dean include consulting engineer, Mine Safety Appliances Co.; special assistant, U.S. Coal Commission (while at Carnegie Institute of Technology); consulting engineer, U.S. Bureau of Mines; chairman, American Institute of Mining and Metallurgical Engineers' Committee on Bituminous Coal Research Planning; judge, Coal Age "Coal for Victory" awards; member of subcommittee of National Research Council, Washington, D.C.; and of Science Advisory Committee to the Century of Progress, Chicago. He was a member of the Greater Pennsylvania Council, under Governor Pinchot; and of the executive committee, Pennsylvania Economic Development Council, Pennsylvania Chamber of Commerce, Harrisburg.

Upon request of officials of the U.S. Bureau of Mines, and U.S. Geological Survey, the dean organized a U.S. section of the Pan American Institute of Mining Engineering and Geology in 1942, and served as Chairman until 1948. He was an official delegate, Commonwealth of Pennsylvania, under Governor James, to the organization meeting of Pan American Congress of Mining Engineering and Geology, Chile, 1942; and an official delegate, U.S. Department of State, to the Second Congress, Brazil, 1946. In 1944, the Inter-American Development Commission, Washington, sponsored a trip by the dean to the Latin American countries in the interest of the Congress, the war effort, and of mineral industries education. He was a delegate of said U.S. section to a third meeting of the Congress held in conjunction with the first Inter-American Conference on Mineral Resources, Mexico, 1951; and a delegate of American Institute of Mining and Metallurgical Engineers to the United Nations Scientific Conference on Conservation and Utilization of Resources, New York City, 1949.

More than 100 papers by the dean are in print on mine safety, mineral education, and mineral economics, including two texts, "Mineral Industries Education" and "Mineral Forecast 2000 A.D.," published by the Pennsylvania State University in 1950 and 1952, respectively. He has visited practically every important mineral producing country, excepting Russia and Red China. He is a member of American Institute of Mining and Metallurgical Engineers and four additional mineral societies, is a charter member and past president of the National Mine Rescue Association, and of the Mine Rescue Veterans of the Pittsburgh District, and is a registered professional engineer in Pennsylvania. He is a member of Phi Delta Theta and Triangle, social fraternities, and of Tau Beta Pi, and four additional scholastic fraternities, of Centre Hills Country Club, and of the Cosmos Club, Washington, D.C., and is listed in "Who's Who in America," "American Men of Science," and three additional listings similar in nature.

Dean Steidle has served as Chairman of the Federal Coal Mine Safety Board of Review since 1953.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Mr. Edward Steidle to be a member of the Federal Coal Mine Safety Board of Review?

Without objection, the nomination is confirmed.

Mr. KUCHEL. Mr. President, I ask that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KUCHEL. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

HORSEMEAT

Mr. WILLIAMS of New Jersey. Mr. President, as a horse owner myself, I was somewhat disconcerted when Premier Khrushchev urged his countrymen to eat greater quantities of horsemeat with a greater degree of enthusiasm than they had hitherto been able to muster.

It seems unfair to the horses, and the humans might have a few reservations, too.

But, thanks to the personal experience of a New Jersey newspaper reporter, I now see that perhaps things are not as bad as they might seem—at least, for the humans.

George Kentera, chief of the Newark Evening News bureau here in Washington, has written an article in which he indicates that a horsemeat ball can be a very welcome main course, particularly when one happens to be in a prison camp.

There is no evidence as yet as to the sentiments of the horses, but there is little likelihood that there will be. So I ask unanimous consent, for the instruction of our citizens and those of the U.S.S.R. that an article entitled "Horsemeat—For Them That Likes It," from the July 11 issue of the News, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HORSEMEAT—FOR THEM THAT LIKES IT—AS FOR ONE VETERAN OF GERMAN PRISON FARE, PLEASE COUNT HIM OUT

(By George Kentera)

WASHINGTON.—In the interest of international understanding and the betterment of Soviet-American relations, let me be recorded in limited agreement with Premier Khrushchev on a dietetic matter.

I, too, have eaten horsemeat, and I, too, liked it—at the time.

The time was the late winter of 1945 when I was a nontouring and thoroughly unwilling guest of Nazi Germany at Stalag 3-A near Luckenwalde. I was quartered at the stalag hospital as the result of some accurate antiaircraft fire and the subsequent crash of my P-47, which bore out the truth of an airman's adage, "It's not the fall that gets you, it's that sudden stop."

The adage represents immutable law. I was pleased to hear it quoted recently by this country's first astronaut, Cmdr. Alan B. Shepard, Jr. In a rapidly changing world, it is comforting to reflect that some truths are eternal.

In those days, U.S. B-17's were pounding Berlin by day and British bombers were doing it by night. Inevitably, some of the attackers were shot down, and one afternoon some B-17 survivors were brought to our hospital.

They were quickly beseiged with questions, most of them about how things were in the United States of America. One questioner wanted to know what the big song hits were in the States, and there was wonder, concern and some disbelief when one of the newcomers disclosed that a tune known as "One Meatball" was pretty big back home.

"How does it go?" asked one "kriegie," or war prisoner, and the newcomer obligingly broke into a faithful rendition of an alleged tune about how you got no bread with one meatball. A shaggy, underfed and vermin-ridden prisoner of 6 months expressed the prevailing opinion: "Hell. I don't think I want to be rescued."

The German diet for prisoners of war wasn't exactly sumptuous in those days, largely because there wasn't much food around even for the Germans themselves.

Ordinarily, the song "One Meatball" would have set the prisoners to dreaming of and drooling about meatballs they had enjoyed in the past. But the fact is that we had only recently enjoyed meatballs—of horse flesh.

On three occasions in my experience at Stalag 3-A, our jailers provided us with one horsemeat ball and gravy. (We got bread, too, one hunk of the heavy, dark, and sour German bread.)

Since I had not tasted meat for several months, I found the first meatball delicious. So did the other prisoners. We asked our German guard, whom we called Jack, the reason for this dietary largesse.

IN RECIPROCATION

His reply was not at all unexpected in the light of the official German view that allied bombs hit nothing but hospitals, schools, churches, and open pastureland. Jack and a B–17 salvo had brought death in the afternoon to a sizable number of pure Aryan horses and that the meatballs were our reward for such marksmanship.

This bothered our undersatisfied appetites not a whit. Some of us, in fact, began to feel we would last longer—and the war would end no later—if the U.S. Air Force forgot about bridges and heavy industry and, instead, concentrated on horses.

Tactical considerations apparently ruled otherwise. We received a meatball on only two other occasions. The meat was redder than beef, it was stringier than other meats and somewhat lacking in flavor, although the latter may have been the cook's fault. Otherwise, the horsemeat tasted similar to hamburger and we were happy to get it.

Time dims most things, including taste, but I am not sure I would go along with Mr. Khrushchev's recent words about the delights in store for his people if and when they turned to horsemeat for calories and culinary contentment.

"That is why we have to develop production of this meat," the Premier said after a eulogy of its cheapness, its nourishing qualities, its fat content.

"We have many people who are accustomed to using this meat and we have some people who do not like it.

"But those who do not like this meat now will become accustomed to it because, once they have tasted it, you will not be able to drag them by the ears from this meat."

In 1945, I must confess, I would have eaten horsemeat until it came out of those ears referred to by Mr. Khrushchev. But, in 1961, horsemeat as a main course has little attraction for me.

It all reminds me of my mother-in-law out in Ohio whose dog, which usually ate table scraps, refused to consider even a mouthful of a high-priced dogfood containing liberal quantities of horsemeat. My mother-in-law is a practical woman. To ascertain the reason behind her pet's reluctance, she tried a spoonful of the dogfood.

"Humph," she said after this experiment. "I wouldn't eat the darned stuff myself."

INTEGRATE NOW—NEGOTIATE LATER

Mr. JAVITS. Mr. President, earlier today I addressed the Senate in respect to the present so-called Berlin crisis, making the point that negotiations with the Soviet Union did not seem to be fruitful until such time as the Communists themselves decided that they meant to negotiate seriously, as they did on Berlin after the airlift, or on Trieste, the Austrian Peace Treaty, or the Korean truce; and I suggested that the free world's main effort should be toward the opportunity to strengthen our united effort through integrating—economically, politically, militarily, and collectively.

Subsequent to my remarks, I saw from the news ticker that our distinguished colleague, the Senator from Arizona [Mr. GOLDWATER], made a speech in which he specifically referred to the idea of our resuming nuclear testing—I assume on the ground—as a way of demonstrating that we do not intend to allow the Communists to take their good time to negotiate about what the world should or should not do in order to avoid war.

In light of those remarks, and in light of the views expressed by the Senator from Arizona [Mr. GOLDWATER], I wish now to comment on the speech made by the chairman of the Committee on Foreign Relations about merely being "firm" or "tough." I think the people of our country and the people of the free world want progress and affirmative action in dealing with the dread danger we face today. Yesterday that danger was imminent in respect of Laos. Today it is in respect of Berlin. Although it seems to me the Berlin crisis is the major crisis we have faced in some years, tomorrow it may be somewhere else, as it was in Lebanon and the Congo, or as it was in Quemoy and Matsu some months ago.

Therefore, I would like to add to the store of this thinking, which is stimulating, provocative, and entirely in keeping with the Senate's great tradition of interest and responsibility in respect to our foreign policy.

I should like to underline and to emphasize the need for having not simply a "firm" or a "get tough" attitude; and certainly for not having the opposite, a weak or mawkish attitude, assuming that only negotiation is going to serve us in this dread situation. We, as American people and people of the free world, are certainly not in a mood to buy ourselves out of this dilemma in the struggle of freedom versus communism. The fact is that there is a path of greatest usefulness to the free world which could be and should be the great effort now. We should utilize the enormous opportunities we have for the purpose of better coordinating resources, human and material.

Let us contemplate those resources. Let us consider what courage, intelligence, capability, and sacrifice needs to be expended in the way of reaching our goal.

The general basis I have in mind relates to fruitful negotiations with the Communists, regardless of what we may be carrying on in the meantime—whether it be Mr. McCloy's conversations in Moscow, or a continuing of the sort of petering-out discussions on nuclear testing in Geneva. All those can go on, although, I submit, they ought now be transferred to the United Nations. That is the best channel I have in mind today.

The important point to emphasize is that we show the Russians, Mr. Khrushchev, the free world, the neutral powers, the uncommitted nations, that we really know how to put our own strength together so as to put ourselves in the best position in order to prevail by the sheer force of the effort which we make—or to prevail in terms of negotiations, because we shall have demonstrated to the Russians what all of us know they must have demonstrated to them constantly; that is, the success of and the capability of our system to prevail over theirs.

The test of that will be who wins the one and a quarter billion people in the uncommitted nations of the free world.

Mr. President, if we will address ourselves to that primarily, on the first order, with the highest of priority, we will give the people of the world the feeling that we are doing something, that we know what we are doing, that we are purposeful. To my mind that will be the most effective single means by which we can keep the peace and make war unprofitable to the Communist powers.

What can we do? First, we can expand two-way free world trade. Think of the struggle which we have to fight, which will be fought in this Chamber, concerning the problems of competition from imports, the need to expand our export trade, the agreements with the whole free world, especially with respect to the unusually low wage countries from which come imports which hurt our industries at home. I think that should not be permitted to distort the whole pattern of two-way free world trade, which is extremely important in the national interest. This is a stupendous effort in which we should engage, and should engage promptly.

Second are the international exchange activities. We passed a bill for international exchange and education. Think of what we can accomplish with an international exchange of culture, of science, as well as of education, of sports, and of production techniques.

Third, there is the enormous problem of the acceleration of the development of the lesser developed areas, with the Alliance for Progress for Latin America, in which Europe should participate as well as ourselves, and with the new concept of long-term foreign aid before us in the foreign aid program.

Fourth is the establishment of better means for conferring with each other—what is called, under the NATO tent, consultation.

Fifth is the need for mounting of a productivity drive in the United States, which is widely recognized by the administration and by everyone else.

Finally, we need to make the United Nations and our regional cooperative organizations—NATO, SEATO, CENTO and the Rio pact—far more effective than they are today.

Mr. President, these are historic opportunities in absolutely enormous areas of effort which can result most fruitfully in bringing the whole free world to our side in a most capable and effective way.

I say, let us set our effort to that as the main focus of the free world activities and the free world intentions as the best way, in my view, to register with the Russians the fact that it is not our children who will live under communism but their children who will live under freedom.

I think, Mr. President, if we reorient our thinking with that as the main effort we shall have a real opportunity, at a stage of the road which is ahead of where we are today, to negotiate with the Russians and to negotiate successfully and fruitfully; whereas right now I think the mood of the Russians is such, apparently, that negotiations are sterile in terms of making any progress.

Somehow or other we have to get off dead center. I do not think we can get off dead center the most effectively by being simply "tough" or simply by arm-

ing. I think we can get off dead center the most effectively by transferring as many of the present discussions as possible to the United Nations, where discussions can continue, and by making our main effort at integration of the free world in the ways in which I mentioned only a few minutes ago.

Mr. HRUSKA rose.

Mr. JAVITS. Mr. President, I was going to address myself to another subject. Does the Senator from Nebraska wish to have me yield?

Mr. HRUSKA. No.

BUSINESS MANAGEMENT AND THE NATION'S GOALS

Mr. JAVITS. Mr. President, somewhat along the same line I have been discussing, there is a new attitude in American business which we are now beginning to observe, which is directly conducive to the concepts I have described.

Whereas businessmen have been very much afraid of Government, businessmen at the highest level are now beginning to understand that in order to succeed in this struggle for survival, which is even more vital than the struggle for good business, as I am sure businessmen agree, there must be far more business and government cooperation than the businessmen heretofore have considered acceptable.

This attitude is symbolized in a speech entitled "Business Management and the Nation's Goals," delivered by M. J. Rathbone, president of the Standard Oil Co., of New Jersey, on the occasion of the 50th anniversary of the New Jersey State Chamber of Commerce, June 28, 1961.

Mr. President, I ask unanimous consent that the address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

BUSINESS MANAGEMENT AND THE NATION'S GOALS

(Speech by M. J. Rathbone, president, Standard Oil Co. (New Jersey), on the occasion of the 50th anniversary of the New Jersey State Chamber of Commerce, Newark, N.J., June 26, 1961)

President Stewart, past presidents, guests of honor, and fellow members of the New Jersey State Chamber of Commerce, when Hugh O'Brien telephoned me last March about speaking tonight he seemed somewhat apprehensive about my reaction. I guess he did not realize how much I appreciated the honor of the invitation.

As a resident of New Jersey, as a director of this chamber, and as a businessman whose company bears the name of this State, I was happy indeed to accept. Of course, our association with New Jersey goes further than a corporate name. Our company from the day it was founded has directly or through affiliates been a part of the economy of New Jersey. Our oldest refinery was established here 84 years ago, and our research activities on an organized basis began in laboratories in the Bayway refinery in 1919. Over the years these activities grew to the point that a separate research organization became necessary and was established in Linden; and since that time, in 1959 as you know, we have opened a new research and engineering center at Florham Park.

I did not, however, come here tonight to talk about Jersey Standard, nor even the growth of business and industry in New Jersey and the part which the State chamber has played in that growth. Any speaker on such an occasion as this would be properly tempted to dwell upon the work of the chamber in creating the favorable climate in which Jersey industry has prospered. And, I may add, not only has the chamber done well in what I may call direct business activities but, just as important, have been its civic activities. No noneducational organization in the State, for example, has worked harder or more effectively for more or better schools, higher salaries for teachers, and higher education for more young people. I could mention, also, other important areas in which the efforts of the chamber have borne fruit; but as I have said, these themes are not my assignment tonight.

In inviting me to speak, Mr. O'Brien suggested that an appropriate theme would be the evolution of business policies in the last 50 years and the emerging forces of which business policies must increasingly take account. This is a large order and can hardly be covered in a few minutes. Yet I do have some things on my mind on this subject and I believe this is an appropriate occasion to express them.

The United States has come a long way since 1911 when our chamber was founded. The Nation had at that time just arrived on the international stage. We had gained world power. Now, after 50 years, we have found as a nation that power has brought great and sobering responsibilities. And so it has been with business. Business organizations reached sizable proportions 50 years ago. In the succeeding years their numbers and influence have increased, but so also the demands made on them. I believe these demands have in large measure been recognized and in large measure have been met.

Despite the impression you may get from occasional incidents the Elmo Roper opinion research organization tells us that the public today is generally favorable toward business. Heavy majorities—between 80 and 90 percent—believe in the private ownership of business. By a 2-to-1 ratio, the public feels big companies are on balance good for the country. They believe that big business is best able to develop more and better products, pay good wages to labor and provide the most security on the job.

I am only too aware of the political attacks made from time to time on this or that industry. I know, too, that business has been and will continue to be under the critical scrutiny of students and writers. But so also have labor, government, education, and every major institution of our society. Criticism there will always be, and the possession of power and influence will always attract it. Some of this criticism is justified; some of it is completely without foundation; most of it, however, has elements of both right and wrong. The important thing is to see it in perspective, in the light of the general attitude over an extended period of time.

The public admiration for business is not ideological. It has little to do with altruistic enthusiasm for something we call free enterprise. The admiration of the public is empirical—it is based on the concrete fruits of the American business system. In the past 20 years, for example, business has vastly improved the art of management. We have, with some interruptions, maintained a steady rate of growth. We have created what has been called a new industry of discovery bringing to the market at a rapidly increasing pace new products, new services and new techniques. We have improved the relationship between management and labor. We have been able to develop ways and means for planning ahead, taking into account to the fullest extent long-term considerations. We have improved productivity. We have created better lines of communication with stockholders, with the public, with the communities in which our plants are located, with organizations of all kinds, with political leaders, and Government officials.

This list, of course, is by no means complete. I'm sure you will all be able to add other items. The interesting thing is that the businessman's sensitivity to criticism sometimes causes him to forget this record. We forget that U.S. business is paid today the high compliment of imitation throughout the world. Western Europe is now giving us a strong dose of competition in our own markets. This didn't just happen. We ourselves encouraged it. Under the Marshall plan, for example, no less than 66 survey teams came to the United States from the United Kingdom alone in the 3 years between 1949 and 1952. And what was it they found? They reported back, of course, important technical developments. Most of those were, in fact, already known through the technical journals, even though they were not applied. But the secret was not techniques. Above all, what those productivity teams found was good management. This, they saw, was the dynamic element in American economic life; enlightened management organizing human and natural resources in progressive business enterprises.

We may think we are somewhat harried by the pressures of government, labor and public criticism, but these visitors from abroad shed no tears for us. On the contrary they envied us. In America, they reported, industrial management was not only a business or a career but was also recognized on all sides as the mainspring of high productivity, a function deserving of social respect and esteem, and the prime contributor to the Nation's strength and progress.

That was 10 years ago. Since then the role of business management which so impressed these visitors has continued to grow. If any one piece of evidence is needed that business is well regarded we have only to take note of the ambitions of our college youth. The majority want to join a business corporation. Some may say they have this desire because of money, and certainly they do not have to be ashamed of seeking to advance themselves materially. But also, I suggest, they see in the business organizations of the United States opportunities for vital, interesting work. We have been hearing a lot about new frontiers—and in some ways I like the term. But these are not to be found only in politics. American politics. American youth flock to interviews with recruiters for business corporations because they have seen the amazing new frontiers crossed by business in the past 20 years, and they recognize that the current research revolution promises even more exicting prospects for them in their own working lifetime.

Moreover the preparation for a business career has been given increasing attention in our colleges and universities. Business administration has become a major part of college curriculums. And no less than 50 colleges and universities have development programs for executives returning temporarily to the campus from business life. The trend is the same abroad. Business schools on the American model have been established in many countries. In a world in which rapid industrialization has become an almost universal goal, management is increasingly recognized as an essential economic resource; indeed, the lack of it is probably the greatest problem faced by developing nations.

I would not have you believe that the millenium has come and that business management can now rest secure in its achievement. Clearly the reverse is the case. The

world, as we are often told these days, is entering a period of change more rapid than ever before. Whatever the demands made on business management in the past, they are likely in the future to be both heavier and more important. Of one thing we can be certain, they will be different. In the next decade we will, I am sure, make further progress along the lines I mentioned earlier—in creating new products, in increasing productivity, in improving relations with employees, the community, and the general public, and in raising standards of living here and abroad. But what concerns me is not so much our ability to continue making progress in areas with which we are familiar. It is rather our ability to cope with the new forces that are pressing upon us on all sides.

It is clear, we live in no ordinary age. First, there is the scientific revolution. As Sir Charles Snow expresses it, "I believe the industrial society of electronics, atomic energy, automation is, in cardinal respects, different in kind from any that has gone before and will change the world much more." But there are other revolutions, too; over 30 colonial nations have become independent since 1945 and each is now determined to match its new political sovereignty and racial equality with rapid economic development. I have already referred to the new "industry of discovery." More scientists and engineers are being trained than ever before, more funds are being allocated to research, more organized teamwork is being applied to finding new products and processes, and, with speedier communications, these discoveries are more quickly disseminated worldwide. Considerable change once took considerable time, usually more than a single lifetime. Generally mankind could start from relatively fixed conditions and adapt over a few lifetimes to important changes. Not so today. The son no longer lives in his father's world.

What, then, does this mean for us? What will the speaker at your 100th anniversary be able to say of the evolution of business policies from 1961 to the year 2011? I hope he will be able to say that businessmen continued to meet the needs of the times.

What, then, are today's urgent needs? They are, in a phrase, to control and guide the world revolutions of which I have spoken. Politics as usual, business as usual, education as usual, cannot cope with these unusual times. The world's aspirations will be served. The question for us is whether they will be served by democratic freedom or the totalitarian state. How can such an alternative be resolved? Surely only by the use of every national resource of brains and effort, only by the fullest cooperation between every segment of our society, including, above all, cooperation between government and business and labor.

While labor is a most important part of these three key factors in our Nation's progress, I do not propose tonight to discuss the need for better cooperation between labor and business and government, vital as that need is.

I want to confine the balance of my remarks to the relationship between business and government. And here, in the presence of so many leaders of both business and government, may I say that I think we could do with a lot more understanding and a lot more realism on both sides. Businessmen are only too often overly antagonistic to government, and, equally, those in government have found it politically useful to harass business. We still describe our system by the term "private enterprise," but it is obvious we now have a mixed public-private economy. And that is the fact upon which we must work. Unless we believe we can turn the clock back, that must be the starting point of any realistic discussion of business and political affairs. There are no readymade criteria easily applicable for every situation. We are, as I have said, dealing with a world in revolution. In such a condition we need flexibility; we need realism. What is the problem and what is the best solution of it? These are the questions we should ask ourselves, and we must find the best solution using all the means, public and private, that lie at our disposal.

Such an approach has already proved abundantly fruitful. Look at the defense program. Here urgent national needs have generated a vast private industrial and governmental complex, producing research, weapons, equipment and supplies in great amounts and of great complexity. Our missile program and our space program are a joint Government-business project which brings the energy and initiative of private enterprise into the service of national and international goals. Our primary problems are now global in scope. They are altogether too vast for Government or business corporations to resolve alone. To meet the demands of the cold war, clearly a working partnership between business and labor and Government is needed. The Soviet Union is strong, it is well organized, it has a single purpose, and its resources are skillfully used. How possibly can we compete with them unless we have such a partnership similarly dedicated to well understood goals and similarly armed with a comprehensive strategy?

The danger in all this is, of course, that in fighting the cold war abroad we may lose liberty and private initiative at home. In competing with the Communist state we may dangerously overextend the powers of the state in America. Here, then, is the dilemma. How can we both have a strategy for protracted conflict, and at the same time preserve personal liberty? How can we do what is necessary in the area of public policy and at the same time maintain freedom of enterprise and decision in private business? The answer is not easy. It is evident, however, that we must find new forms of government and business cooperation reconciling these objectives. Upon people like us here tonight lies a special responsibility to offer constructive suggestions to this end. I am not advocating any submission by business, either individually or collectively, to principles it feels are basically unsound. Nor am I saying that to cooperate business should remain silent in the face of unwise or unjust Government actions. Our basic freedoms would not last long in such a climate. But clearly, if we are to avoid the extension of Government authority, we must propose and vigorously push better means of getting the job done.

Now I assure you I know from experience that working with government is no bed of roses. In Jersey Standard we have had the occasion many times to oppose governmental policies, and to deplore what appeared to us a lack of understanding of our business. Again and again the same issues arise and our store of patience becomes sorely depleted. But in justice we must admit there are usually two sides to every question. Government too has its problems; politicians have theirs. What is needed is a real effort of each party to understand the problems of the other. So business and government must make that effort and then, patiently, firmly, and thoughtfully, work out joint solutions. This cooperative approach to solving our Nation's problems is, however, no one-way street. Government must cooperate as much as business. Distrust and suspicion, petty political harassment, unwarranted attacks, and the belief that bigness is badness, can have no place in our Government's share of the cooperative approach.

The point I would especially make tonight is that in many areas of public policy, business and Government must be and are both involved. Maintaining steady employment, promoting economic growth, stimulating research and development, aiding economic advance in underdeveloped countries while maintaining the freedom the individual, and providing efficiently and resourcefully for our vital military needs. Are these not the primary goals of the Nation? They are also, I suggest, those of business, as well as of Government.

In the past 20 years business has gone through what has been called a big change. The next big change is now upon us. We may be stewards of private business but the hard facts of today's international life have made us participants in public affairs. Let us then, above all, be constructive participants. Vast forces of transformation are loose in the world. We must act constructively and flexibly or they will run their course without us and most probably against us. The opportunity is here now. Once gone it may never return.

Mr. JAVITS. Mr. President, I wish to key the point I am now making to the following few sentences.

Mr. Rathbone said:

We still describe our system by the term "private enterprise" but it is obvious we now have a mixed public-private economy.

He also said:

Our primary problems are now global in scope. They are altogether too vast for Government or business corporations to resolve alone. To meet the demands of the cold war, clearly a working partnership between business and labor and Government is needed. The Soviet Union is strong, it is well organized, it has a single purpose, and its resources are skillfully used. How possibly can we compete with them unless we have such a partnership similarly dedicated to well understood goals and similarly armed with a comprehensive strategy?

Mr. President, this is most important. These are the most important words I have seen in years coming from a leader of big business. He concludes his address as follows:

The point I would especially make tonight is that in many areas of public policy, business and Government must be and are both involved. Maintaining steady employment, promoting economic growth, stimulating research and development, aiding economic advance in underdeveloped countries while maintaining the freedom of the individual, and providing efficiently and resourcefully for our vital military needs. Are these not the primary goals of the Nation? They are also, I suggest, those of business, as well as of Government.

Mr. President, it is my intention, when we consider the foreign aid bill, to offer an amendment to the bill which would carry out the concept of introducing the whole private enterprise system into management of the foreign aid program and cementing what is, in such a statesmanlike way, put before us by Mr. Rathbone—the idea that we cannot win this struggle unless business as well as Government realizes there must be a cooperative enterprise.

REDUCTION OF EXEMPTION FROM PAYMENT OF DUTY BY RETURNING RESIDENTS

Mr. JAVITS. Mr. President, I wish to invite attention to the fact that

Calendar No. 452, H.R. 9611, the bill to reduce the exemption from duty for incoming tourists from $500 to $100, was acted on in the Senate today while I was engaged in entertaining some distinguished representatives from Brazil. I had an amendment to the bill, Mr. President, which was printed and which was on the desk, which would have increased, at one and the same time, the allowance for foreign tourists coming into this country from the present level of $10 for gifts which they might wish to bring in to a corresponding $100.

The amendment, incidentally, was recommended by both the Treasury Department and by Clarence Randall, who made a famous study in the former administration on behalf of the President on how to increase tourism. I have discussed the subject with the chairman of the Committee on Finance. I am satisfied that the Committee on Finance did not have an opportunity to act upon the measure which I proposed by way of an amendment in time to consider it on the bill. I am assured the committee will give the subject the utmost consideration in respect to another bill which will go to the same committee from the other body, and I am satisfied, therefore, that this subject will receive attention. I commend the subject to Senators merely by way of notice that it will be brought up before us before the session ends.

TRANSPORTATION OF EXPRESS MATTER

Mr. McCARTHY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 499, H.R. 1986.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1986) to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. JOHNSTON. Mr. President, H.R. 1986, to repeal certain provisions of the Railway Mail Pay Act which became law 45 years ago, has been the subject of extensive public hearings, held on June 15, 22, and 23 of this year.

This measure has been carefully studied, all views of the effects of enactment have been weighed, and the committee has concluded that favorable action is necessary if the Railway Express Agency is to survive as a private enterprise. The committee is in agreement that survival of REA is in the public interest.

The section of the act of July 28, 1916, as amended, which would be repealed by H.R. 1986, has two basic provisions:

First. It provides that the Postmaster General shall obtain from the Interstate Commerce Commission information showing revenue received by railroad companies from express companies for the transportation of express matter.

Second. It authorizes the Postmaster General to reduce rail rates paid by the Post Office Department to the railroads for carrying non-first-class mail to the level of the express rail rates, if the express rates are lower.

These provisions were designed to prevent rate discrimination by the railroads against the Government in the transportation of non-first-class mail. Since cost-ascertainment procedures were crude at that time, these provisions gave the Government the best known test of reasonableness—rate comparison. The Postmaster General, from time to time, has requested the ICC to furnish information as provided by law on rail rates for carrying express matter. The Commission, in declining such a request, stated in effect that the law does not place upon it the duty to make an investigation for the purpose of formulating rail rates for the carriage of express matter.

The ICC has contended that the Railway Express Agency has never operated on a profit-and-loss basis, since it simply turned over to the railroads whatever amounts it had left after deducting its operating expenses at the end of each month. REA always broke even on its own books, although the business as a whole has been losing money for years. Because of the contractual arrangements between the railroads and REA, the ICC has held that rates, as such, were not paid, and that for this reason the provisions of the 1916 law could not be complied with.

Revitalization of the Express Agency is now going forward. Under the direction of a young and forward-looking president, REA has in recent years greatly reduced its annual losses. The provisions of the old law, however, stand in the way of the Agency's return to solvency. Under the terms of a new contract between REA and the railroads, scheduled to become effective July 1, 1961, the express company would change its method of operation to one based upon profit and loss, and it could then be construed that rates were being paid. The railroads and the express company fear that the provisions which H.R. 1986 would repeal might then be invoked. This could result in huge losses to the railroads in rates paid by the Post Office Department for the transportation of non-first-class mail.

Opponents of this measure have contended that H.R. 1986 would remove a restraint on the railroads and would permit below-cost charges to REA which would be difficult or impossible to discover and which would permit REA to make below-cost rates to the public, thus unfairly injuring competition.

I have been assured by the Interstate Commerce Commission, in correspondence contained in the report on H.R. 1986, that the ICC has authority—beyond the provisions of the Railway Mail Pay Act—to require and make public the rate information which it was feared would be suppressed. I am convinced that ICC possesses all the authority it requires to prevent any destructive business practices by either REA or the railroads. Upon the basis of assurances given to the committee by ICC, and in the face of clear evidence that the Express Agency's revitalization will fail unless congressional action is taken, this measure has been favorably reported.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. CARLSON. I concur in the statement made by the distinguished Senator from South Carolina, chairman of the Committee on Post Office and Civil Service, in regard to the pending legislation. Full hearings, which extended over a period of 3 days, were held. The bill was unanimously reported by the committee. It had been approved by every agency of the Government. It costs the Government no money. I sincerely hope the Senate will act favorably on it.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, and was read the third time, and passed.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CARLSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF THE SOIL BANK ACT

Mr. HRUSKA. Mr. President, I should like to express my gratification that S. 2197, which amends the Soil Bank Act so as to make feed available to drought-stricken States and providing other relief, has been passed by the Senate this afternoon.

I am particularly gratified at the understanding and tolerance of the Senator from Delaware [Mr. WILLIAMS]. He interposed some objections and raised questions on the bill. Yet, upon assurance from those of us from the Midwest and the members of the committee and upon the approval of certain amendments, he was willing to compromise.

It is fortunate for the citizens of my State of Nebraska that we are not in the drought-stricken area, but we know of the hardship of a drought. The States to the north and west of us are now suffering these hardships.

On their behalf and on behalf of our own people in Nebraska, I express gratification to the Committee on Agriculture and Forestry for reporting the bill and successfully guiding it through to passage.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. MANSFIELD. I compliment the Senator from Nebraska for the many contributions he made to the bill having to do with relief for the drought-stricken areas of the Midwest and the Northern

Plains. It was because of what he did that I believe we were in large part successful in getting a bill that was unanimously approved by the Senate and sent to the House this afternoon.

Mr. HRUSKA. The Senator from Montana is always generous, even as he is now.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of Senators, on Monday the unobjected-to items on the calendar beginning with Calendar No. 458 will be discussed. The Senate will consider also Calendar No. 443, S. 1459, a bill to amend the provisions of law relating to longevity step increases for postal employees. On that measure there will very likely be a yea-and-nay vote, and I think Senators should be on notice.

ORDER FOR CALENDAR CALL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on Monday next, at the conclusion of the morning hour, the Senate proceed to the consideration of items on the calendar to which there is no objection, beginning with Calendar No. 458.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

THE GERMAN AND BERLIN SITUATIONS

Mr. COOPER. Mr. President, during the last month I have made two statements in the Senate on the Berlin issue.

One suggested that the President and the Secretary of State draw into consultation men of both parties—men with wide experience and political judgment—who had dealt directly with the German and Berlin issues since World War II. Such consultation would serve two purposes: It would give confidence to the Nation that these issues are receiving the fullest and best consideration, and it would provide for the President the widest base of support.

My second statement suggested that it is better to keep open the channels of communication with the Soviet Union, regarding our rights in Berlin and access thereto, than to be faced later with the question of deciding whether we will discuss these rights with East Germany.

For if the Soviet Union should sign a peace treaty with East Germany, we will be faced, at some time, with this question: Will the United States negotiate with East Germany over these rights, thereby admitting, even de facto, the status quo of East Germany—or, as the Soviet Union would contend, admitting the sovereignty of East Germany?

And, if we should refuse to discuss these rights with East Germany after a peace treaty, we know that situations could be provoked, such as the blocking of our access routes, which would require the United States to decide whether it would use force, and commit itself to the possibility of war.

In making these suggestions, I did not attempt to offer specific details or plans regarding the Berlin issue. The ultimate decision is the President's; he ought to have latitude to develop the specifics of the implementation of our rights in Berlin, and the defense of the freedom of West Berlin. And, he ought to have the freedom to consider and propose every honorable means to preserve these rights without war.

The phrase "stand firm" is not the beginning and end of our policy respecting Berlin. To the extent that it expresses firm support of the principles that the United States is in Berlin, and has access thereto, as a matter of right, and that we are committed to the defense of the freedom of the people of West Berlin, the phrase has meaning. These rights are not negotiable.

But if the phrase "stand firm" means the fixed position that the President ought not to examine the realities of the situation, or communicate with Soviet Russia, or take any honorable means to prevent the commencement of hostilities which might expand into a third world war, I disagree.

And I disagree unequivocally with those who, using the term "stand firm," consider it appeasement if any attempt is made by Members of Congress, or by the Executive, to discuss Berlin, except in dogmatic or belligerent terms.

I suggest today two areas in which the President, and the Congress, can give greater meaning to the term "stand firm."

First. Let us stand firm by taking every step, at whatever cost, to assure that the United States has the military power, ready and effective, to support our country in this crisis over Berlin.

We know that the object of our military power is to deter war. But it is also to protect this country, and its freedom, for freedom could perish without power. And today our ability to deal with the Soviet Union on the Berlin issue depends upon our military power, as well as diplomacy.

For 8 years, our military strength has been questioned by Members of the Congress, by military leaders—chiefly after retirement—and by President Kennedy himself during the past campaign.

I have no reason to doubt the statements made by President Eisenhower last year, by President Kennedy this year, and by Secretary of Defense McNamara that our defenses are adequate. But I must say frankly that I would like to know more about our defenses, and I believe my position is shared by other Members of the Congress.

We have great confidence in the members of the Armed Services and Appropriations Committees who are charged primarily with responsibility respecting our defenses. It can be argued that every Member of the Congress can secure adequate information by attending meetings of the Armed Services and Appropriations Committees, reading reports, and listening to debates. But I know from my experience, and my own efforts to secure information, that this system provides Members with a very sketchy outline of defense policies and programs.

Therefore, I suggest that the Secretary of Defense and his Department present to the entire Congress—organized in appropriate groups—full information, within the limits of security, regarding our present strength, and regarding their policies and plans.

Policies to provide military power must be established by those who have expert knowledge—by the Secretary of Defense and his advisers, and ultimately by the President. But it is the duty of the Congress—and I believe its most vital duty today—to provide, at whatever cost, the organization and means to assure the security of this Nation.

It is to enable the Congress to discharge more effectively this vital duty, and to assure the fullest support in this time of the Berlin crisis, that I make this suggestion. I hope that it will be considered by the appropriate committees of the Congress, and by the executive branch.

It would enable the full membership of the Senate—if we will work at it—to carry out the constitutional and now mortal duty to provide an effective defense system. If this is done, the confidence that our country is militarily prepared to meet any danger will be communicated to the Nation, and to our allies.

Second. Let us stand firm on the President's foreign aid program.

The newspapers report today that compromises are being considered by the Senate Foreign Relations Committee and the House Foreign Affairs Committee, and perhaps by the administration.

I have spoken many times in past years upon the importance of developing a foreign aid program which would insure continuity of at least 5 years, and assure its financing by authorizing the foreign aid agency to borrow from the Treasury. I will not repeat these arguments today.

I ask unanimous consent to have inserted in the body of the RECORD at the close of my remarks the speech which I made on this subject over a year ago.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COOPER. Mr. President, our foreign aid program—supported by Presidents Truman, Eisenhower, and Kennedy, and by the Congress—has continued since World War II. And whatever the objections, we know it will continue in the years ahead. This being true, we are irresponsible whenever we do not provide the means for its effective organization—economy in the use of our funds, effective use by the countries which receive our aid, and assurance to these countries that the United States will continue to support their economic development as well as their political independence and freedom—for the two are inseparable.

I hope earnestly that the newspaper reports are not true—that the President will not compromise, that the leaders of his party in the Senate and the House will not compromise. If they will stand firm, there are many Republicans who will support them—and the Congress will stand firm on the President's program—a program substantially recommended by President Eisenhower.

A victory in the foreign-aid program at this crucial time will demonstrate to our country, to our allies, and to the world that the Congress supports the President, that it has confidence that we will come through the Berlin crisis, and that it has confidence in the maintenance of our leadership in the world. This I contend, is a positive step, a stand-firm policy which can help in this time of crisis.

One further word. If national defense, and foreign aid, call for expenditures too burdensome for our budget and present tax levies, I submit that the President should call for, and the Congress should enact, additional taxes—even a sales tax paid by all during this crisis—for no burden is too great when the security and freedom of our country are at stake.

Let us stand firm by acts—and not by words alone.

EXHIBIT 1

I believe that if the foreign-aid program is to survive, it demands a reorganization by the executive branch, and by the Congress.

One of the chief reasons for the growing disillusionment over our foreign-aid program, in my view, is that many people do not believe that it is as effective as it could be, considering the amount of money that we appropriate each year. From my observations for a short time in another country, that was my belief—that it is not as effectively used as it should be, and that it demands reorganization.

I wish to suggest a few points today which I believe this administration, or the incoming administration, and the Congress and its appropriate committees might take into consideration in the formulation of a foreign-aid program for the future.

My first point is that military assistance and defense support should be stricken from the mutual security bill and placed in the defense budget.

The second point I make—and I believe this is the most important of all—is that if a foreign-aid program is to be truly effective, it must be given continuity by the administration and by Congress.

The Marshall plan succeeded, in my judgment, because Congress made a statement of policy, a moral commitment to a 5-year program. The European countries were able to plan programs to fit their needs. They were able to organize their plans and programs for a 5-year period. The United States on its part was able to make its economic arrangements, its delivery of supplies over a period of 5 years. This course produced an effective program. And the cost was less than was contemplated at the time of the adoption of the Marshall plan.

As long as we have an economic program under which appropriations are made year by year, the recipient country cannot plan its expenditures; it cannot manage its foreign reserves. The United States cannot plan with the recipient country programs which would be most effective in that country. As a result, a country will not undertake wealth-creating programs because it does not know that help will be forthcoming from succeeding Congresses.

Russia has an advantage in this respect: It can select one or two great projects in another country, of large cost, which are wealth creating. It will make commitments at one time, to enable the major projects to go forward under Russian aid.

It seems contradictory to the very spirit of this country—a country which prides itself on its efficiency, and on the effectiveness of its private enterprise system, where plans are made years ahead—for the Congress to appropriate vast sums of money year by year, piecemeal, which deny the very effectiveness and the fulfillment of the objectives of our foreign-aid program.

Continuity for 5 years would make possible a far more effective foreign-aid program, with the same amount of money we appropriate now, or even with smaller sums.

The third point I make relates to the selection of projects in the recipient countries. Our programs are bilateral. Usually a country submits to the United States a program which it would like to undertake. It is difficult for the United States to say that a better program could be initiated. To do so offends the sense of sovereignty of the other country. It offends their sense of freedom and independence in a newly established country. A multilateral organization, however, could assist in the selection of the best program for a country, without difficulty.

I should like to see the State Department and the executive branch be able in the future to arrange consultations with the World Bank, or with the United Nations program of preindustrial planning. If the preindustrial planning program of the United Nations or the World Bank were used to determine the most suitable programs for recipient countries, we could be sure then our money would be spent on the best programs and would be more effectively used.

My fourth point is that we should give more attention to agriculture. As these countries industrialize, the slow advances in personal income will first be spent on food and clothing. Unless they make progress toward modern agricultural development, we will see inflation in these countries, and the small advance in personal income from their industrial progress will be wiped out.

We know that our foreign-aid program, in self-interest, takes into account the struggle between the two great world forces—the democratic countries and the Communist countries. But for many people throughout the world—and I know this to be true from my service in other countries and from my service in the United Nations—this struggle has little appeal. It ought to have appeal, but it does not reach the people. Many countries are engaged in a revolution, peaceful or violent, to upset the old order in their countries—an order which they believe has held down their living standards and prevented them from attaining equality in the world. Whether it be a democratic revolution or a Communist revolution, there is a mystique and attraction in revolution. We see this today in Latin America.

If we base our mutual aid program with these countries solely in helping us maintain our own defenses and our own security against communism, the program will not have full appeal to the countries that are developing. Although they know of our self-interest, they want to be certain that our purpose in maintaining this program is also to help the newly independent and developing countries advance in the ways our country has advanced. We can communicate that purpose to them only through action.

So, if we are to have a mutual security program which the country will continue to support, this program must be reorganized. I have had the unique experience of observing this program from both sides (as a Member of the Senate and as Ambassador to India); and I have made these same recommendations since 1955 and 1956, when I saw our mutual security program in operation.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JAVITS. It is typical of the Senator, when he addresses himself to the subject of foreign policy, notwithstanding the almost understated way in which he does it, that he makes a contribution to the country on the highest level.

It has been my great good fortune to be able to cooperate with the Senator from Kentucky in these endeavors, in which he and I hold such parallel views.

I should like to see if we cannot, perhaps, together sum up what he has said, what I have said, and what is the quintessence of thinking so far developed—at least by persons like the Senator from Kentucky and myself in this debate, which was sparked, I may say, not only by Khrushchev's newest ultimatum, but also by the suggestion of the majority leader that perhaps a resolution of this difficulty might be found in some other way, through the creation of a free city of Berlin.

As I understand the Senator from Kentucky, and based upon my own concepts of this problem, I believe we would agree upon these four points: First, negotiate so long as the Russians in good faith are willing to negotiate. There are some things which are negotiable. We do not believe that our presence in Berlin is negotiable; but the terms and conditions under which that presence is administered may be negotiable, and the door should never be closed to that possibility, whether it is done in Berlin or in the United Nations or in whatever forum seems to be most congenial, provided that our allies, the United Kingdom and France, are kept fully informed and are consulted, as direct parties to any negotiations.

At the same time, let us not close the door to the possibility that there may be some ways in which negotiation can be effected without, at the same time, negotiating what is nonnegotiable, to wit, our presence in Berlin, as I understand it, but keeping our eye on the ultimates. Whatever may be the forms which are employed to clear traffic, whatever may be the color of the caps of the particular officers who are standing at the particular gates which clear traffic, the ultimate point is that we do have complete access; that our presence is unimpeded; that West Berlin is able to operate as a free society, in the way it is operating today.

I do not believe—and I say this as a lawyer—that there are any forms of law which the Russians could use, through the East Germans—and the East Germans are nothing but the alter ego of the Soviet Union—to adopt any "peace treaties" or anything else.

Second, in order to speak with the proper voice and proper determination, we need military strength. I join with

the distinguished Senator from Kentucky and applaud him for the suggestion that in a serious time like this, all of us should have the most complete briefings upon this subject, not simply from the committees, in whom we have great confidence, but who, after all, cannot discharge our responsibilities to the people of our own States.

Let us understand that we are not talking here about light matters. The State of New York has a population of 17 million. I am one of its Senators. New York has the greatest port in the world and the largest city in the world, in terms of power and magnitude. New York is very much bigger than most countries in the world. So when we talk here as we do, I think what we are considering is very sound. I congratulate the Senator from Kentucky for being so clear and realistic on the question of military strength.

Mr. COOPER. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. COOPER. My point in making the suggestion is that in a few days we shall be called upon to vote upon the appropriation bill for the Department of Defense. As I have said and as the Senator from New York has so well said, we have great confidence in the chairman and other members of the Committee on Appropriations and the chairman and other members of the Committee on Armed Services. Nevertheless, we, too, have our responsibilities. All Senators are not on these committees every year. Perhaps in the last few years we may not have exercised our responsibility as fully as we should have.

Last year, when I returned to my State, not only as a candidate but as a representative of that State, and wanted to be able to tell the people what I thought about the defense situation of our country, I did not have enough information from the committees or from the debates in the Senate on which I felt I could speak with the greatest honesty to them.

That is no reflection upon the members of the committee or upon their efforts. It is simply a statement of the way in which we work and of the impossibility of knowing what we ought to know.

So I went to the Department of Defense. I talked not only with the military leaders there, but also with Dr. Herbert F. York, Director of Defense Research and Engineering, and with Dr. T. Keith Glennan, Administrator of the National Aeronautics and Space Administration. Out of those meetings, we were able to get some idea of our position with respect to defense and space. Those men confirmed, at least to us—it was a bipartisan group comprised of Democrats and Republicans—that the Nation was all right. So I was able then to speak honestly to the people of my State and say that the Nation was all right. But we must know today that we are all right now. Otherwise, our position as affecting Berlin could be a gigantic bluff.

I think we are all right; but if we can have some means of learning more in detail about our strength, it would be communicated in the form of confidence among Members of Congress. It would give a confidence which we could communicate to the country and to our allies, which would serve a great purpose in this time of crisis.

Mr. JAVITS. Simply to complete this thought, points 1 and 2 were that we would negotiate what is negotiable; and second, see to our military strength as an actuality, not simply in words.

The third point relates to the success of the long-term foreign aid program. I join with the Senator from Kentucky and pledge my support for the long-term concept of foreign aid. I join him in urging the administration not to compromise us out of what will make that program really effective. I served 8 years as a member of the House Committee on Foreign Affairs. Incidentally, the distinguished majority leader is a former member of that committee and served with me on it. We have seen the validity of this concept. Let us not compromise ourselves out of it in a time of such grave emergency. Let us have faith that Congress is over 21 and can see its duty in the proper light—if the matter is put before us in the proper light—with the right strength.

Mr. COOPER. Mr. President, will the Senator from New York yield again?

Mr. JAVITS. I yield.

Mr. COOPER. I wish to emphasize this point. If the committee compromises this question, before the foreign aid program comes before the Senate itself, there will not, of course, be much opportunity for those of us who believe in an effective program—and who support the President's program, as we also supported President Eisenhower's program—to do much about it. On the other hand, if the committee reports to the Senate a bill which follows the President's program, then I think we can battle for it and have it pass the Senate.

Mr. JAVITS. I am reminded of the fact that we were told only the other night that something could not be done. But it was done because the Senate insisted on acting on the subject of immigration. So I could not agree more with the Senator from Kentucky when he says we should try to accomplish this purpose, because the object is certainly worthy of our effort.

Fourth—and this comes to the point I was making earlier—let us utilize this opportunity to strengthen cooperation among the countries of the free world in respect to economic and other problems of the utmost importance, and to strengthen the effectiveness of our regional organizations. If the effectiveness of the United Nations cannot be strengthened because of the Russian bloc, the effectiveness of NATO, SEATO, and other regional organizations of which we are a part can be strengthened.

Finally, I join with the Senator from Kentucky in the pledge that whatever amount is necessary will be spent. If more taxes are necessary, I will vote for them, just as the Senator from Kentucky says he will vote for them. It is high time the whole country awoke to the fact that we do not get anything for nothing. We certainly do not get freedom for nothing. It has cost oceans of the blood of many, many millions of men throughout history, and tons and tons of money; and in my opinion, the price is no cheaper now. We must make up our minds that we love freedom more than life or money, otherwise we will not preserve them.

I congratulate the Senator from Kentucky for again sparking, as he has so often done, the idea of a sound, constructive, positive way in which to deal with the foreign policy of our Nation. I am delighted to have the privilege of sitting next to him and of joining with him in this debate.

Mr. COOPER. Mr. President, I thank the Senator from New York most sincerely. We find ourselves in agreement on many questions, but I am glad we find ourselves in agreement that some very strong positions must be taken by Congress at this time upon the questions of defense and the foreign aid program—upon positive elements in our position of strength, and upon positive ways in which we must back up the President and our country in this time of crisis.

Mr. MILLER. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield.

Mr. MILLER. I commend the statements made by the distinguished Senator from Kentucky and the distinguished Senator from New York, and compliment them upon their courage and forthrightness in calling for the taxes necessary to implement this program.

Of course, all of us know that we would not even have to call for these taxes if the administration had been content to set priorities for Federal spending and to come forward with first things first—such as national defense and this very important foreign aid, and to let other, domestic-type expenditures take the hindmost. But, unfortunately, that was not done. For instance, the Congress has received innumerable spending proposals, all of them on a must or an urgent basis; and now we are down to where it really hurts, and we are told this is the most important of all.

But if priorities had been established and if discretion in spending had been exercised up until now, it would not have been necessary for the Senator from New York and the Senator from Kentucky to request increased taxes in order to meet the spending which will be required by these—ultimately the most important—expenditures.

I wish I could be sufficiently optimistic to think their call would be heeded; but I have yet to see any evidence that taxes with which to meet these increased expenditures are being requested, and I have yet to see any Senator on the other side of the aisle sound the same clarion call for fiscal responsibility that my two able colleagues have sounded today.

So I must say that I am pessimistic. I hope I am wrong; but I do not expect to see the necessary taxes requested, much less legislated, in order to meet all the spending incurred at this session of Congress.

The net result will be that the taxpayers will have both. They will have these "must" items, and they will have everything else—all these domestic expenditures; and they will be faced with continued deficits.

We now have left a fiscal year with a $3 billion deficit. We have a minimum $5 billion deficit staring us in the face for this fiscal year, as of now; and already there is talk of from $2 billion to $5 billion more, for national defense, piled on top of that.

I do not know where all this will end. But I must say it can be cured only by increased taxes—that seems to be the only way it can be cured now—or by decreasing expenditures and following the call of the President to put aside things that are merely desirable, in favor of things that are absolutely essential.

Mr. MANSFIELD. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield.

Mr. MANSFIELD. Mr. President, I heard a small portion of the Senator's speech. I have had the pleasure and the privilege of reading it since I returned to the Chamber. I wish to join my colleagues in commending the Senator for his forthrightness and his courage.

However, I must disagree with some of the statements made by the Senator from Iowa when he talks about first things first and deficits and taxes.

I recall that this administration has requested of this Congress that postal rates in the various categories be increased, so that something on the order of $900 million could be raised. But I know of no action taken by this Congress yet, although I have spoken on the subject, and have stated that I was prepared to support the President in that respect.

I have also stated that I am prepared to vote for additional taxes, if need be.

I point out that when a Senator talks of a $3 billion deficit for the past fiscal year—that ending on June 30—he is not talking of a Kennedy deficit, but he is talking of an Eisenhower-Kennedy deficit. And when a Senator talks of a possible $5 billion deficit this fiscal year, I point out that not too many years ago—and believe me, Mr. President, I do not like to become political—under a previous administration we had a deficit of between $12,500 million and $13 billion—the highest peacetime deficit, I believe, in the history of the United States.

So I hope that when we discuss such matters as Berlin and foreign aid—both of which are vital to the security of our country, as I see it—we do not become involved in partisan politics, because the stakes are too high. There is no easy or cheap or quick way out of the difficulties which confront us today; and the sooner we face up to these realities and the sooner we get away from the emotional aspects of the side issues, the sooner we, as a people, and our friends throughout the free world—including West Berlin—will be much better off.

Again I wish to commend most highly the distinguished Senator from Kentucky for the courage and the forthrightness he has shown today, here on the floor. It is nothing new for him; it is the way he almost always—if not always—acts.

Mr. COOPER. I thank the Senator from Montana for his remarks.

EXEMPTION OF DURUM WHEAT FROM ACREAGE ALLOTMENTS AND MARKETING QUOTAS

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KUCHEL. What is the pending business?

The PRESIDING OFFICER. There is none.

Mr. KUCHEL. Mr. President, I move that the Senate proceed to the consideration of calendar 473, Senate bill 1107.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1107) to exempt the production of Durum wheat in the Tulelake area, Modoc, and Siskiyou Counties, Calif., from acreage allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert: "That section 334(i) of the Agricultural Adjustment Act of 1938, as amended, is amended—

(1) by striking "1958 through 1961" out of the first sentence thereof, and inserting "1958 through 1963"; and

"(2) by adding at the end thereof the following additional sentence: "Any provision of law providing for a general reduction in farm acreage allotments, or for an acreage diversion program, for the 1962 crop of wheat shall not be construed to apply to farms for which acreage allotments are increased under the provisions hereof unless such provision of law is made applicable specifically to such farms."

Mr. KUCHEL. Mr. President, this bill was introduced by me and my colleague from California [Mr. ENGLE]. It has been cleared by the minority and also by the majority.

In a word, the bill would extend Public Law 390, of the 85th Congress, to cover the 1962 and 1963 crops of Durum wheat in the Tulelake area of California.

I ask unanimous consent to have printed at this point in the RECORD a portion of the report of the Senate Committee on Agriculture and Forestry on the bill.

There being no objection, the excerpt from the report (No. 505) was ordered to be printed in the RECORD, as follows:

Since 1958 that law has provided for a minimum Durum wheat acreage allotment of 8,000 acres in the specified area. S. 1107, as introduced, would have exempted the producers in the area from all acreage restrictions on Durum wheat permanently. In view of present excessive supplies of all wheat and possible oversupplies of Durum wheat in future years, the committee believed a complete exemption would be undesirable and would set a bad precedent, but that the limited relief provided by the committee amendment was reasonable and necessary.

The Tulelake division of the Klamath project was developed by the Bureau of Reclamation and released by it for homesteading by World War I and II veterans. At least 90 percent of those now farming in the area are such veterans.

Only a few crops can be grown successfully in the area and Durum wheat was introduced in 1952. When special legislation was in effect in 1956 and 1957 to promote the production of Durum wheat in this and other areas, producers expanded their acreage but such acreage could not be counted as history for purposes of allocating future acreage allotments. Consequently, Public Law 390, 85th Congress, was enacted, giving the Tulelake producers an 8,000-acre allotment which could be counted as acreage allotment history.

Durum wheat, which is the preferred cereal for the manufacture of macaroni, spaghetti, and similar products, will grow properly in only a few areas of the United States. These areas are located in Minnesota, North Dakota, South Dakota, Montana, and the Tulelake region of California. Durum wheat from the Tulelake area has created and sustained a new market, which cannot be economically supplied by wheat from the other areas. If this supply is now sharply reduced, severe disruption of this new industry may result and farmers of the area will be foreclosed from using a market which is ready to utilize their product.

The additional acreage would be allotted within the area on the basis of relative needs, tillable acreage, and other factors, and if planted, would be taken into account in establishing future State, county, and farm allotments. No wheat on a farm receiving an additional acreage allotment would be eligible for price support.

The committee amendment also adds a provision to prevent the minimum Durum wheat acreage allotment provided by the bill from being nullified by any general reduction in wheat acreage allotments in 1962, and to prevent producers receiving allotments under the bill from participating in any wheat diversion program that may be provided for 1962.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to provide a two-year extension of the existing provision for a minimum wheat acreage allotment in the Tulelake area of California."

Mr. KUCHEL. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

SOCIAL SECURITY AMENDMENTS AND SAFETY OF THE SOCIAL SECURITY SYSTEM

Mr. MILLER. Mr. President, Congress recently passed some amendments to the social security law. These were accompanied by a slight increase in the tax, which the proponents assured us

would cover the cost of these amendments. As a result, it is my recollection that the bill containing these amendments passed the Senate without dissent.

During the debate, some questions were raised about the so-called solvency of the social security trust fund. Also, an effort was made to obtain some assurance that the President's medical-care bill would be taken up at this session. There seems to be a general feeling that this medical-care bill, which would blanket in everyone now on social security, will not be taken up until an election year, namely, 1962.

In the June 29 issue of the Wall Street Journal there appeared a scholarly article by Mr. Ray M. Petersen, a vice president of the Equitable Life Insurance Society. It is a condensation of a longer article published in the Journal of the American Medical Association. The article is thought provoking and sobering. It points up the fact that the older generation of today is piling up a staggering debt on the shoulders of the younger generation, with respect to the social security system. For example, Mr. Petersen states that if taxes had ceased in 1950, the trust fund would have covered 113 percent of the benefits promised for the future for those then in receipt of payments; but it is estimated that if taxes should cease in 1965, only 20 percent of the benefits for those then on the rolls would be covered, with no provision at all for those not then on the rolls.

This is indeed a horrifying fiscal picture; and, as Mr. Peterson says—

> When the magnitude of this inequity becomes more fully understood, will the "din of inequity" arise? Will there be a demand for support from general revenues? Will there be a refusal to pay increased social security taxes? Will there be a demand for reduction of benefits?

These are timely questions today—particularly so when there is a proposal to put medical care for everyone 65 years of age or over under the social security program, with no one now on the rolls having to pay anything at all to finance the program, and with—as Mr. Peterson points out—millions of active workers and their employers paying in taxes only a fraction of the cost of the benefits.

It seems to me, Mr. President, that we had better forget about automatically furnishing everyone, whether in need or not, with medical care just because he happens to be on the social security rolls, and start worrying about the preservation of the future benefits of social security pensioners under the present program. I might add that Mr. Peterson's article also shows that the debt being passed on to future generations under the present program alone is around $300 billion—representing the difference between the present worth of future benefits and the present worth of the future taxes people now in the program will pay. Needless to say, interest will have to be paid on this debt, too, by future generations.

I ask unanimous consent that the article from the Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 29, 1961]

SOCIAL SECURITY-GO-ROUND: BECAUSE IT'S NEITHER INSURANCE NOR DOLE, MASSIVE PROBLEMS PORTEND

(By Ray M. Peterson)

A great national debate is now in progress as to the issue of providing medical care and hospital benefits under the social security system. That debate can be pursued intelligently and wisely only if we understand the true nature and implications of the social security financing mechanism.

Advocates of the social security approach assert that it is best because the social security financing mechanism is "time-tested" and "tried and proved." In my opinion this is not so. The social security financing mechanism has not yet met the test of time; its crucial tests still lie ahead.

The public is being given the false impression that our social security program has many of the unique attributes of voluntary private insurance—attributes which the American people have come to value highly. When the American people ultimately come to know that the nature of our social security program is distinctly different, a rude awakening may occur, one which could have important political and economic consequences. Will the youngsters of the future protest what the oldsters of this generation have voted for themselves? During the decade ahead, will we oldsters, as we seek to enjoy our social security benefits, hear a rising clamor of unfairness—a din of inequity? Let us examine the situation that is building up.

VITAL BACKGROUND

Here is some vital background information. In financing a national old-age pension program, there are possible two approaches as extremes—"pay as you go" and full reserve—and an infinite number of combinations of the two.

Pay as you go financing, as the term is used in the field of social insurance, means that the Government raises currently through taxes just enough funds to pay the cost of benefits currently due. No reserve is accumulated; no element of prepayment is involved; money is raised as and after payees become eligible to receive benefits. In this latter sense (i.e., relative to the time persons become eligible for benefits) pay as you go is really a post-paid system of financing.

Full reserve financing, on the other hand, is a prepaid system of financing. All benefits are fully paid for or financed during the years prior to the time they are entered upon. Under full reserve financing, the dollar sum of all payments into the fund, together with the interest income earned from its investment, is sufficient to pay off all liabilities for guaranteed or promised benefits. No benefits are promised beyond what can be provided for—at any given point in time—by payments into the fund, plus interest earned.

Full reserve financing in the field of private insurance is the test of actuarial soundness, and it is the only concept of actuarial soundness with which the American people are generally familiar. The actuarial soundness of private insurance is assured by the use of insurance principles; any fiscal soundness (not actuarial) possessed by social insurance depends mainly on the taxing power of the Government. To call a social insurance program actuarialy sound just because income balances outgo is to misuse the term.

Two other important points need to be made. One is that under voluntary private insurance the principle of individual equity is preserved; i.e., there is a direct relationship between contributions and benefits; one receives as insurance or annuity coverage precisely what one pays for. This is rarely the case under a social insurance program. There, a new concept, called social adequacy, prevails. As defined by R. A. Hohaus, in 1942: The measure of protection should be social adequacy for the insured and their families—that is, it should represent, as far as practicable, a basic layer of protection. Social adequacy usually makes it impractical to have individual equity for the insured in the sense of a mathematical quid pro quo return on account of the contributions made by or on behalf of the individual. A socially adequate benefit provides an income sufficient as basic protection against want and destitution, and, consequently, may be much more, or even much less, than an equity benefit.

THE TRUE NATURE

Now, let us establish the true nature of our social security financing mechanism. Evolving through a political process, there has been, beginning with the 1939 amendments, a continuing shift away from substantial individual equity toward social adequacy, and the financing method has become a mixture of full reserve financing and "pay as you go," with the latter far outweighing the former. All this has been clearly stated by the Chief Actuary of the Social Security Administration. He said:

"The issues of underlying philosophy for an old-age benefit formula under the social insurance approach have been summed up in the expression 'individual equity versus social adequacy.' It was generally recognized that individual equity is of paramount importance in administering voluntary old-age insurance on a sound financial basis, since each individual has the right to purchase insurance or not as he wishes. However, under a governmental social insurance plan, individual equity in the relationship of the individual's future benefit to his current contribution is not essential to financial soundness, since the individual has no choice as to being covered or as to his rate of benefits or contributions.

"The issue was resolved in the 1939 amendments by a major change in emphasis, as a result of which the old-age benefit formula is based largely on the adequacy concept—and thus to only a small extent on the equity concept."

Then, as to the financing method, he added:

"The principles upon which to base the financing of old-age and related benefits in a social insurance system have been discussed at great length both in this country and abroad.

"This debate was especially active early in the development of our old-age insurance system, when the size of the fund to be accumulated was a burning question. As is often the case in this country, the answer was arrived at through a pragmatic political process rather than through a theoretical philosophical process. And, as is also often the case, the pragmatic process has resulted in an answer which, to date at least, has worked out satisfactorily. Just as the benefit formula is a blend of equity and adequacy, with much greater emphasis on the latter, so is the financing method a blend of 'reserve' and 'pay-as-you-go,' with the latter having the greater weight."

Are these blends so bland as to blind us to blunders? There is grave danger of this.

Let us turn now to another authoritative source, which describes the "pay-as-you-go" nature of our financing method and shows that an individual's benefits are not financed by his own contributions but by the contributions of others. In an opinion handed down on June 20, 1960, the Supreme Court of the United States had this to say:

"The program is financed through a payroll tax levied on employes in covered em-

ployment, and on their employers. * * * The tax proceeds are paid into the Treasury as internal-revenue collections * * * and each year an amount equal to the proceeds is appropriated to a trust fund, from which benefits and the expenses of the program are paid.

"Persons gainfully employed, and those who employ them, are taxed to permit the payment of benefits to the retired and disabled, and their dependents. Plainly the expectation is that many members of the present productive force will in turn become beneficiaries rather than supporters of the program. But each worker's benefits, though flowing from the contributions he made to the national economy while actively employed, are not dependent on the degree to which he was called upon to support the system by taxation."

For the years 1956 through 1965, tax collections for old-age, survivors, and disability insurance (OASDI) will total $115.1 billion and OASDI benefits and expenses will total $114.5 billion. These figures clearly show that we are now almost completely on a pay-as-you-go or hope-as-you-pay basis.

SOCIAL ADEQUACY

Now, let us return to the terms "individual equity" and "social adequacy." What is their significance? Individual equity, remember, equates contributions (or taxes, emplcyee's and employer's combined) and benefits; the benefit is earned by the contribution. A socially adequate benefit, however, may be more or less than an equity benefit. The fact is that, for the vast majority of present members of the OASDI system, benefits will be much greater than an equity benefit. An income that meets social needs includes a large element of unearned benefits or unearned increment for most of the present members. But the pendulum swings the other way for the youngest members and for all new entrants. Social adequacy for some means individual inequity for others.

The decided swing away from substantial individual equity toward social adequacy which began with the 1939 amendments has been accelerated since 1939. This has been the result of deferring scheduled tax increases, extending coverage to new groups, and increasing benefits for both retired and nonretired groups without increasing the taxes with respect to them by an amount sufficient to cover the cost of their increased benefits.

One need not be an actuary to realize that if large classes of persons receive benefits of greater value than the taxes paid with respect to them, then somebody else must pick up the tab. The unearned benefits are in one sense a subsidy which the older generation has voted for itself, and in another sense a debt representing the present worth of the subsidy which that same generation has assigned to younger generations for service or payment. In view of section 1104 of the Social Security Act giving Congress "the right to alter, amend, or repeal any provision" of the act, this debt does not have the same legal character as the national debt represented by Government bond promises to pay, but if social security promises are to be honored, the debt is just as real as the national debt. The younger generations can either pay off the debt or they can settle for just paying the interest on it.

But is it that simple? Are these really two choices? The great emphasis on social adequacy has some very disturbing implications.

The first is the dawning realization that we have but one choice, and that choice is to pay the interest on the debt forever, since the debt is permanent. The only way the debt can be reduced is to have a given generation of workers build up a huge reserve fund (over and above present payments) solely for that purpose. To expect this to happen is to be politically and economically unrealistic. With no reserve fund in sight to reduce the debt, the burden being passed on to future generations is permanent. It is not something that will somehow work itself out, or go away; it is not an actuarial fantasy.

PASSING THE BURDEN

Second, not only is the debt permanent, but the burden being passed on to future generations is a growing one. Under the 1956 act, the debt arising out of the unearned increments was estimated to be $269 billion. This is the difference between (a) the present worth, $486 billion, of all future benefits and expenses for all persons then OASI members, and (b) the sum of the present worth, $194 billion, of all the future taxes with respect to such members and the trust fund, $23 billion. The corresponding present worth of unearned increments at the end of 1958 was $289 billion. Estimates of the writer, based on available data, show the debt growing from about $150 billion under the 1952 Act to $200 billion under the 1954 act, and on to about $300 billion under the 1958 act. The 1960 act will produce some further increase.

Third, and most serious of all, because of this debt, employee and employer taxes with respect to the average new entrant will always exceed the value of the benefits such a new member will receive. The constant combined employer-employee tax rate estimated as sufficient to pay for all future benefits was 7 percent of taxable payrolls under the 1954 Act. Of this, 4.6 percent was needed to support benefits for the average new entrant, and 2.4 percent was interest on a debt of about $200 billion. Under the 1958 act, such tax rate requirement was about 8.75 percent, of which 5.25 percent was needed for a new entrant and 3.5 percent for interest on a debt of about $300 billion. Under the 1954 act, the value of total new entrant taxes was 152 percent of the value of the benefits (7 divided by 4.6); under the 1958 act this became 166⅔ percent (8.75 divided by 5.25). There is no intrinsic reason why this cannot exceed 200 percent.

At this point, the average new employee, alone, more than pays his own way. Today, the average new self-employed person is paying 20 percent more than the value of his benefits.

DIM PROSPECTS

When the magnitude of this individual inequity becomes more fully understood, will a "din of inequity" arise? Will there be a demand for support from general revenues? Will there be a refusal to pay increased social security taxes? Will there be a demand for reduction of benefits? Will an employer ask a private insurance company whether he can obtain larger benefits for new employees with same joint employer-employee contributions? If he should ask me, this is what I would say: "About 80 percent of joint employee-employer taxes involving your new employees is for old-age benefits for the employee, his wife or his widow. The remaining 20 percent is for survivor and disability benefits before retirement. Depending upon the marital status and the sex of your new employees and the rate of earnings, this 80 percent of taxes would buy under an Equitable group annuity contract, at our present rates, 40 to 60 percent more in old-age benefits than are provided under the OASI system."

The foregoing situation would be further aggravated if more is added to this unearned-increment debt by deferral of scheduled tax increases and by benefit increases without fully compensating tax increases with respect to those receiving the benefits.

The shift in principle from individual equity to social adequacy and from "full reserve" emphasis to pay-as-you-go financing is vividly reflected by the change in the relationship between the amount of the old-age and suvivors insurance (OASI) trust fund and the value of the benefits for persons currently on the benefit rolls. (Disability benefits and trust fund excluded.) If taxes had ceased in 1950, the trust fund would have covered 113 percent of the benefits promised for the future for those then in receipt of payments; but if taxes should cease in 1965, it is estimated that only 20 percent of the benefits for those then on the rolls would be covered, with no provision for those not on the rolls.

We have observed the growth of unearned increments and the departure from individual equity in the name of social adequacy. For a social insurance system established to provide only a minimum basic coverage as protection against want and destitution, this is fully justified. It is in harmony with the 1937 Supreme Court decision which declared the system constitutional as a welfare measure. The advocates of great expansion of social programs, however, have now dropped the adjective "social" and speak only of adequacy. Here are proposals for departure from social adequacy to higher orders of adequacy.

"GREATER ADEQUACY"

Prof. Wilbur Cohen, of the University of Michigan (now Assistant Secretary of Health, Education, and Welfare), recently said we must develop a concept of "greater adequacy." Speaking of the 50–50 payroll-tax financing, he said that there was no reason why it could not be 40–60, or have the Government make a substantial contribution.

Nelson H. Cruikshank, director of the AFL–CIO department of social security, recently wrote:

"The proportion of present earnings that is represented by benefits on retirement must be materially increased for workers in the middle- and upper-income brackets. A worker with average wages in industry today receives only about 30 percent of his present earnings. In order to keep pace with the rising levels of living and to maintain confidence in the system on the part of those in the middle- and upper-wage ranges, he should receive, 25 years from now or sooner, at least 60 percent of his earnings on retirement."

Based on a current average wage of $4,600, the primary amount is about 32 percent for an employee, and the total benefit for a married couple is 48 percent.

These proposals go far beyond the concept of social adequacy. Their enactment could increase the permanent social security debt to more than one-half trillion dollars.

What happens when the social security financing mechanism is used for medical benefits? Let us first recall that the proponents of the contributory old-age and survivor's insurance system, led by Arthur Altmeyer, have always been anxious to preserve the contributory principle; i.e., no one receives cash benefits under that system unless he contributes for a minimum period of time. Even though contributions have been only token payments for hundreds of thousands of members, Congress has adhered to this principle. Now, with an entirely new type of proposed benefits, i.e., medical care, for which the present persons on the old-age payment rolls would pay nothing, this principle is thrown overboard; all present social security payees would be blanketed in. Also, millions of active workers and their employers would pay in taxes only a fraction of the cost of the benefits.

With no necessary application of the principle of social adequacy, another segment of unearned increment would be granted which would add to the permanent social security debt on which future generations and their

employers would need to pay interest. A good guess would place this sum at $25 to $30 billion for the Forand bill, $15 to $20 billion for the King-Anderson bill, and around $30 billion for the McNamara bill. This would be only a start. The admitted political technique is a fragmentary approach.

In this steady procession of developments, the principle of social adequacy—the idea of basic protection against want and destitution—is lost, with no replacing anchor of control to restrain expansion of so-called social insurance.

Our social security system can be preserved only if we keep benefits within the limits of carefully defined social objectives. Abraham Epstein, a pioneer in the development of old age income programs, is reported to have said the social insurance is like a drug: A limited quantity can serve a vital need; an excessive quantity can be fatal.

ADJOURNMENT TO MONDAY

Mr. GRUENING. Mr. President, in accordance with the previous order, I now move that the Senate stand in adjournment until Monday next at noon.

The motion was agreed to; and (at 5 o'clock and 11 minutes p.m.), the Senate adjourned, under previous order, until Monday, July 17, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 14, 1961:

U.S. TARIFF COMMISSION

Ben David Dorfman, of the District of Columbia, to be a member of the U.S. Tariff Commission for the term expiring June 16, 1967, vice James Weldon Jones, term expired.

TAX COURT OF THE UNITED STATES

William M. Fay, of Pennsylvania, for appointment as judge of the Tax Court of the United States for the unexpired term of 12 years from June 2, 1956, vice J. Edgar Murdock, retiring.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 14, 1961:

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS

Edward T. Wailes, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czechoslovak Socialist Republic.

William P. Snow, of Maine, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

deLesseps S. Morrison, of Louisiana, to be the representative of the United States of America on the Council of the Organization of American States, with the rank of Ambassador.

DEPARTMENT OF STATE

Robert F. Woodward, of Minnesota, a Foreign Service officer of the class of career minister, to be an Assistant Secretary of State.

INTERNATIONAL COOPERATION ADMINISTRATION

Seymour J. Rubin, of the District of Columbia, to be General Counsel of the International Cooperation Administration, in the Department of State.

FEDERAL COAL MINE SAFETY BOARD OF REVIEW

Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1964.

EXTENSIONS OF REMARKS

B'nai B'rith Americanism Citation to Frank P. Fogarty

EXTENSION OF REMARKS
OF
HON. ROMAN L. HRUSKA
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Friday, July 14, 1961

Mr. HRUSKA. Mr. President, Omaha's broadcasting executive Frank P. Fogarty was the 61st recipient of the B'nai B'rith citation presented by the Henry Monsky Lodge No. 354.

Mr. Fogarty is a man of many civic achievements and honors. He has also gained wide recognition in his own field of radio and television communications.

Mr. Fogarty has a keen sense of ethics and fair dealing and the important part they must play in our business community. He is opposed to the type of expedience which is sometimes thought to be necessary in order for business to thrive and prosper.

Mr. Fogarty accepted the award on June 6 of this year. At that time he read and endorsed a creed for American business. I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD the text of that "Creed for American Business," together with my telegram of congratulations.

There being no objection, the telegram and creed were ordered to be printed in the RECORD, as follows:

JUNE 6, 1961.

Mr. RUBEN LIPPETT,
Henry Monsky Lodge,
Omaha, Nebr.:

In presenting to Frank P. Fogarty the B'nai B'rith's Americanism citation your good Henry Monsky Lodge is maintaining the high standards and excellence of its tradition of awards programs. All Omahans and Nebraskans take pride in Frank Fogarty's splendid record as a civic leader as well as businessman. He has been a part of the growth of a wholesome and sound city and State for a quarter century in a very meaningful way. We congratulate and salute Mr. FOGARTY. We commend your lodge for extending this richly deserved, well-earned recognition.

ROMAN L. HRUSKA,
U.S. Senator, Nebraska.

A CREED FOR AMERICAN BUSINESS

(By Frank P. Fogarty, Executive Vice President of the Meredith Broadcasting Company, and Vice President and General Manager of WOW–AM–TV–FM, in a speech on acceptance of the Americanism Citation Award presented by the Henry Monsky Lodge of the B'nai B'rith, Omaha, June 6, 1961)

We believe that business should earn a profit, and that it should wear its profits proudly. Too long have we permitted short-sighted critics to point the finger of shame at profits, as something to be schemed, bargained and taxed out of existence.

We believe that business should be more eloquent and evangelistic in explaining and defending the profit system, otherwise known as free enterprise. We have failed to convince the people that out of profits must come the money to make jobs, to promote philanthropy, to support the Government, and to finance the growth of the country. We have erected what we fondly hope are adequate defenses for the physical targets of the Communists, but we have failed to provide for the defense of their ultimate targets, our profit system, our democracy and our faith in God.

We believe that a business should be deeply integrated into the community it serves, so that it will know the needs, desires and problems of that community.

We believe that a business should accept its full share of responsibility for the things that make a community a better place in which to work and live. Concretely, this means that a business should interest itself in schools, churches, hospitals, parks, museums, settlement houses, health and welfare organizations, old people's homes, and nurseries, among other institutions.

We believe that a business should be a good citizen in the formal or political sense of the world. It should of course pay its just share of taxes fully and promptly. Over and above that, it should take an interest in government and encourage its employees, customers and associates to do so. Business should support city planning and foster soundly conceived public works, looking upon them, not as a burden, but as an investment.

We believe that business should sweep broad horizons in its thinking, that business should be accurately informed about and emotionally involved in the problems that confront the United States, both in so-called normal times, such as you and I have seldom experienced in our lives, and also in these days of cold war and hot peace. We believe business should contribute to the Nation its full share of thinking and leadership. We think business should speak out more frequently, more clearly, more bravely.

We believe that a business should contribute to the economic health of its community. It should work vigorously for a political climate in which business can prosper, thereby broadening the base for taxation, creating jobs and developing opportunity for the young. Business should lay out the welcome mat for other businesses, even though of the same type.

Address of Senator Dodd at Annual Conference, National Council of Juvenile Court Judges

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES
Friday, July 14, 1961

Mr. DODD. Mr. President, during the week of June 26, the Nation's juvenile court judges assembled in San Francisco

for the 24th Annual Conference of the National Juvenile Court Judges. This conference marked an important step in the direction of cooperation between our Nation's juvenile court judges and officials of the various levels of State and Federal Government who also deal with the problem of juvenile delinquency.

Participating in this week of activity were representatives from the Federal Government, including the Department of Labor, the Department of Health, Education, and Welfare, the Attorney General's Office, and the Senate Subcommittee To Investigate Juvenile Delinquency.

Our Senate subcommittee has been investigating the relationship of televised crime, violence, and brutality and juvenile delinquency. I think it was one of the significant events of the conference when the judges, who come in closer contact with delinquents than does anyone else in our society, unanimously adopted a resolution decrying television shows devoted to themes of crime, violence, brutality, sex, and sadism.

I am sure that in this and many other areas, through the cooperation of the National Council of Juvenile Court Judges and the Federal Government, we will achieve important progress in our battle with the youth crime problem.

I ask unanimous consent to have my remarks, entitled "1961—a Turning Point for the Nation's Juvenile Courts" printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR THOMAS J. DODD, OF CONNECTICUT, AT THE ANNUAL CONFERENCE OF THE NATIONAL COUNCIL OF JUVENILE COURT JUDGES, SIR FRANCIS DRAKE HOTEL, SAN FRANCISCO, CALIF., JUNE 30, 1961

I am pleased and honored that you have invited me and members of my staff to be with you at this meeting of the National Council of Juvenile Court Judges.

We are here to listen and learn and to take back to Washington information and insights that will help us in our work.

Upon becoming chairman of the Senate Subcommittee To Investigate Juvenile Delinquency, the first thing I did was to go for help and guidance to those who are in the best position to give it—the juvenile court judges. I asked three of your colleagues, Judge Connelly of Boston, Judge Riederer of Kansas City, and Judge Blessing of New Orleans to come to Washington and tell me what they thought had to be done about this menace of juvenile crime and what our subcommittee could do to help in the struggle. I remember their surprise at being asked. But they came and they came right away.

We sat down together and through our talks and later correspondence worked out a program of action for our subcommittee which we have been trying to carry out.

This is the way I hope we can work together in the future, as partners in one of the most important efforts of our time, the salvaging of a million young Americans who have started down the road of crime and degeneracy.

No one who is not in your shoes can fully comprehend the responsibilities placed upon you, the full dimensions of the problems you face, and the meagerness of the means which society has given you to solve them.

Each day that you sit on the juvenile court bench, you see before you the victims of a creeping sickness in America.

Each case represents its own variety of tragedy. Each brings its reminder of the weakness of human beings. Each retells the familiar story of parents who have failed, of schools which have proved inadequate, of church efforts unequal to the task, of a society whose tone has helped to corrupt rather than elevate, of community facilities so inadequate as to raise in your minds and in mine the question—do our people really care?

We believe, we must believe, that the majority of our people do care, that they are willing and anxious to deal with this problem, that they are ready to support the expense and effort required, and that the pitiful state of our facilities for dealing with youthful offenders is due not to indifference, but to ignorance and misunderstanding, caused in some measure by our own failure to communicate effectively.

And so we are trying, each in his own way, to dramatize this problem, to outline the ways in which it can be solved, to solicit the help that we must have. Thus we have a committee of the Congress investigating youthful criminality and bringing the facts before the public; we have an administration publicly recognizing the menace and proposing a many-sided attack upon it; we have crusading, enterprising newspapers taking up the fight all across the Nation; we have a small but growing body of scholars and social scientists probing deeper and deeper into this malignant social disease; and we have this National Council of Juvenile Court Judges, acting with a new unity and purpose, meeting here in San Francisco to exchange information, to develop new approaches, to make an impact on national opinion.

And so, though the problem before us is graver than ever before, we can well approach it, not with despair and gloom, but with hope and confidence.

What is the size and shape of the menace that we are grappling with?

In the past 20 years, crime in America has become organized to such a degree as to assume many of the accouterments of respectability. It has the structure of a corporation, the legal talent worthy of a government, and capital reserves comparable to those of Wall Street.

And the growth of juvenile crime has outstripped that of organized crime, offering to its czars a growing body of eager recruits.

In the last 10 years, referrals of young boys and girls to the juvenile courts have risen almost 200 percent. The latest figures for 1960 show a continuation of this upward surge. And new and uglier aspects of juvenile crime are involved in these statistics.

Competent surveys available today point to a sharp increase in crime among the children of higher income families, a shocking rise in youthful offenses in rural areas, and an alarming increase in brutal, sadistic criminal acts committed for no apparent reason other than the mere desire for brutality and sadism.

Even teenage girls, heretofore a comparatively law-abiding group, are now an important element of the juvenile delinquency pattern.

Today delinquency knows no barriers; no social barriers, no economic barriers, no geographic barriers.

An ever-increasing army of juvenile criminals is on the march. Count the noses. In 1960, half a million strong. Include the traffic violators, many of whom are serious offenders, and it was almost a million. And if only the present rate of increase is continued, by 1970 about one and a half million juvenile cases will come before the courts. This is indeed an army.

The juvenile court is the heavy artillery in the battle against youth crime.

The boy standing before the bench is standing face-to-face with the rest of his life. Whether he knows it or not, the judge before him is his last and best hope on earth.

True, there are the training schools, treatment and rehabilitation centers, and the dedicated probation departments. But each is already overcrowded, understaffed, and poorly financed. Each operates under circumstances that make rehabilitation improbable.

After the family, the school, the church, and all the other social forces have failed to lead the child away from delinquency and crime, he comes before the juvenile court bench and it is the judge to whom he looks for help, sometimes unknowing and ofttimes angry. Seldom does he realize that this may be his last chance, that beyond this point he can well sink lower and lower until he ends up on the scrap heap of humanity.

From this moment on, the judge, the probation staff, and other court personnel replace the child's parents in looking after his interests, because the parents have already failed. Thus, whatever is done to the child after he comes to court, be it dismissal, probation, or placement in an institution, it is the judge who makes the decision. And making the decision is an awesome responsibility.

Because the court does replace the family and other agencies, it is imperative that the court's own effectiveness be beyond reproach.

Each of you know, however, the court does not always have the resources necessary to effectively discharge its responsibilities.

There are courts the Nation over where justice is a farce because there is too much to be done by too few. Not only is there overcrowding, but a critical lack of trained and qualified personnel. Court-connected services are deficient and budgets are skimpy. The result is a breakdown of intelligent, selective action in favor of enforced haste.

Similar conditions exist in detention homes, training schools, and in practically all youth rehabilitating institutions.

During our committee investigations we have found overwhelming evidence of this. The hands that are strangling our efforts to fight the youth crime juggernaut have 10 fingers.

First, of the 3,000 juvenile courts in the United States, a large number have judges untrained in the delinquency field, and some even in law.

Second, only one-half of the counties dealing with delinquents have the barest kind of probation services.

Third, with a conservatively estimated need of 15,000 trained juvenile probation officers, there exist only 2,100 probation officers dealing with children alone, with an additional 3,400 handling both adults and juveniles.

Fourth, only 1 out of 10 of these probation officers has completed any type of training for the job.

Fifth, an additional 4 out of 10 do not have the educational background to make them eligible for professional training.

Sixth, in many State training schools administrators have to go out into the street for personnel, give them a few days of training, and put them to work with highly disturbed youths.

Seventh, 3 out of 10 of our State training schools have no staff social workers and 4 out of 10 of these schools have no staff psychologist.

Eighth, trained persons to handle the 100,000 children who are confined annually in our jails because of a lack of juvenile institutions are practically nonexistent.

Ninth, 1 out of every 2 cities over 10,000 population has no special juvenile officers.

Tenth, all too frequently, juvenile offenders are thrown into jail with adult offenders.

More shocking, our committee found numerous cases of children being confined with adult criminals for long periods of time while awaiting a court hearing which may well find them not to be offenders at all.

This is the national situation as I see it. If we do not make major efforts now, we can look to a disaster of gigantic proportions in the near future. And aside from these deficiencies, I would be remiss in my assignment if I did not emphasize what I consider to be a double jeopardy:

On the one hand, we have competent judges overwhelmed by an endless flow of serious offenders cascading through their courts. On the other hand, we have the ill-equipped, incompetent judges described by a fellow judge as "honorable peacocks preening themselves on the juvenile court benches of this country" who "bluster, pontificate, and posture while youngsters slip deeper into trouble and families deteriorate for want of proper judicial and probationary services."

We see, as from afar, a vast tidal wave looming up on the horizon, moving toward our jerry-built patchwork of dikes and levees. Somehow we have got to rebuild our defenses and redirect the tidal currents that threaten to drown us.

We are at a turning point in the history of the juvenile court system. It will either rise to the occasion and begin to show discernible progress year by year, or it will go under.

No judge wants to be a poor judge, an honorable peacock. No judge wants to run an inadequate court. No judge wants to harm the boys and girls that he ought to be helping. And so our first step must be education, education of the judges themselves and education of the public. And you are in the best position to do the job.

What can be done?

First, you and I and all others who are involved in this field have got to start arriving at answers instead of asking the same old questions. One of the most discouraging and frustrating aspects of this whole area is the lack of firmly held opinions, the lack of a consensus among informed people as to what ought to be done. These disagreements are manifest here in this hall today.

Certainly you cannot expect the Nation to rally behind a determined, coherent effort if you, the authorities, the juvenile court judges, cannot agree yourselves on any concerted plan of attack.

There is a division among you on many key questions—division as to whether juvenile courts should be governed principally by concepts of criminal law and legal procedure or by social-psychological considerations; whether due process of law must be strictly observed in juvenile court or whether the nature of these proceedings calls for informality and flexibility; whether the juvenile court should conduct its affairs in secrecy or whether the press and public should be permitted to attend and examine and publicize the operations of the court, always assuming that the identity of persons involved would not be made public; whether the jurisdiction of the juvenile court ought to be enlarged or reduced; whether the age limit defining juvenile offenders should be raised or lowered; whether or not petty cases now handled in court could be better handled outside.

Your colleagues on juvenile benches across the Nation, our legislators, our newspapermen and editors, our scholars and social scientists, our police departments, and the American people need your advice and ought to be getting authoritative recommendations from this body.

I see in the growing effectiveness of the National Council of Juvenile Court Judges an increasing hope that you will lead us toward a consensus of opinion on these questions.

I would like to recommend that during the next year or two the National Council of Juvenile Court Judges organize task forces to study specifically the most vital controversial issues which you face; that you present these problems in the form of reports at your annual conferences; that you debate them and vote if necessary. You must resolve these controversies within your own house, for only then will you be able to hasten and accelerate the growth of a unified and reliable set of standards, policies, and rules of procedure for the operation of our juvenile court systems.

Like the Governors' conference or the American Bar Association, the National Council of Juvenile Court Judges must be a leading and unifying force in its respective field and it can be such a force by effectively using the mechanisms available to organizations of this nature. These are the conference, the debate, the resolution, the vote, and the task force or workshop.

A second major undertaking is that of dramatizing to the Nation what we are up against.

There is now a surge of interest in this field. The President has identified juvenile delinquency as a major national problem. The Attorney General has focused the spotlight of attention upon it. The Senate subcommittee on which I serve has for years been bringing this problem before the Nation.

Now is the time for these efforts to be joined by a major effort on the local level by the juvenile court judges themselves. I am asking you, overworked as you are, to add to your present burdens the task of informing the people of your community of the gravity of this problem and of the pitifully inadequate resources you have with which to meet it.

This means for you a weary circuit of public speaking. It means the issuing of public statements. It means the explaining of court proceedings to the public and the press that they might better understand the nature of this work. The public will adequately support only those activities it understands and you have the knowledge, the respect, and the stature to help them to understand.

The third great avenue of attack is legislation, local, State, and national.

This year we are going to have, for the first time, national legislation aimed at attacking deficiencies in our defense against juvenile delinquency. This legislation has already passed the Senate and I am confident that it will be strengthened in the House of Representatives and signed by the President. It will be a beginning toward a truly national effort. It will provide funds for research into the facets of our society that contribute to youth crime, funds for pilot projects and demonstration programs for dealing with juvenile delinquents so that we can find out in some organized way which approaches work and which do not work; funds for the education of scholars in this field, funds for the training of probation officers, of detention home employees, of social workers.

This legislation, of course, is experimental. It is an untried program in an uncertain field. It is a natural target for the attacks of those who like to scoff at "do-gooders." Whether or not this bill succeeds will depend in large measure on the help and cooperation and counsel that you juvenile court judges give to it. You have got to give us the ideas and the critiques for proposals to establish these various projects, research programs, and training courses. You have got to help us to make sure that what we do is practical, down to earth, and effective.

And you have got to lead the effort to have these pilot programs duplicated on the local level where the overwhelming bulk of the fight against juvenile delinquency must be made. Detention homes, study centers, and other rehabilitative institutions must be built. Community programs for youth employment and for the occupation of those young people who drop out of school must be provided. Creative substitutes must be developed by our communities to channel the energies and emotions that are now going into destructive, violent, antisocial acts by an element of our young generation which is obviously frustrated, confused, and seemingly unable to fit into the shifting pattern of American life in the 1960's.

Thus far I have been dealing mainly with ways and means of coping with juvenile delinquency after it has already occurred. This inevitably is our first problem. We are fighting an epidemic that has already struck and it is natural that our principal effort should go into fighting the effects of that epidemic. But a very important part of our problem, perhaps the most important, is the elimination of those corrupting influences which have taken such a heavy toll of our youth. We have got to strike closer to the source.

And those of us on the Senate Subcommittee to Investigate Juvenile Delinquency have been trying to do just that. We are trying to identify and combat those aspects of our society that aid the development of delinquency, those influences that have a corrupting effect on our young people.

We are presently in the midst of an exhaustive inquiry into the effect on our young people of several hours a day of television violence, crime, and depravity.

We are developing legislation to halt the juvenile traffic in the lesser drugs which are the first steps on the road to narcotics addiction.

We are drafting bills to deal with the interstate juvenile traffic in guns, and have already succeeded in obtaining the voluntary support of many of the responsible elements in the production, transportation, and sale of weapons.

We are exploring ways and means of combatting the corrupting and despicable flood of obscene and pornographic literature.

We have undertaken a massive study of the effects of idleness and youth unemployment upon juvenile delinquency. We are in touch with the responsible authorities in every sizable community in the Nation in an attempt to evolve recommendations that will take our young boys and girls off the streets and put them on the road to productive lives.

In all of these activities, we seek the help and advice of you who are in the front lines of this battle.

Our committee exists to help you by the passage of legislation, by the furtherance of research, by the dramatizing of your problems so that the public will understand them.

I like to think of my appearance here today and of the cooperation between the Senate subcommittee and the juvenile court judges over the past year as a symbol and a forerunner of the cooperation and coordination of all levels of our government in mounting a concerted effort to fight this problem.

We are concerned in this convention with the faults and weak spots of our American society. But our concentration on this should not obscure the fact that we in the United States have created and developed the finest and the grandest society ever known to man.

Our people have had a unique success, an unparalleled progress. And that success and progress naturally breed unique and unparalleled problems.

We have transformed the nature of human existence on this planet. We have accomplished a humane but mighty revolution that has put mankind upon a new road toward happiness, fulfillment, and well-being.

This transformation, this revolution, inevitably causes dislocations and maladjustments.

I believe that these faults, these maladjustments are not the portents of a corrupt and failing civilization but rather the

backwash of a rising civilization that is greater than any before it and that will survive and flourish.

Urbanization, television, the automobile, miracle drugs, inexpensive literature, leisure, material prosperity, the growth of civil liberties—all of these things are essential forces for the liberation and improvement of man.

Each of them brings problems. Each of them is subject to abuse and misuse. But these abuses are not the death rattle of our society. They are only its "growing pains."

My faith in our free society is such that I am confident that we have but to recognize this problem and put it before the American people and they will take the necessary action.

Surely we in this incomparable country of ours have the resources, the skills, the knowledge, the money, the energy, and the will to do this job.

Our task, yours and mine, is to mobilize these resources, to guide these skills, to give direction to this energy, to motivate this will.

I have been heartened and encouraged by the activity of all levels of government during the past year and of the progress made by our fine organization of juvenile court judges. I think we can leave this convention with more reason for confidence and optimism than we have felt for many a year. The call for action has at last been sounded loud and clear, and the American people and their government are responding to that call.

Emery L. Frazier

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Friday, July 14, 1961

Mr. COOPER. Mr. President, I was very much pleased to find that a recent issue of Senator KERR's "KERR-ent Status" was devoted to Mr. Emery L. Frazier, the Chief Clerk of the Senate, for whom all of us have great affection. Mr. Frazier is a native of Kentucky. Formerly he was mayor of Whitesburg, Ky. Kentucky is proud of Emery Frazier.

I am sure that all of us will endorse Senator KERR's recognition of Mr. Frazier's fine human qualities and remarkable ability as an officer of the Senate.

I am very happy to be able to request that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATESIDE SCENE

When the roll is called out yonder, Frazier's there in the middle of it all. "A-l-a-b-a-m-a" booms the distinctive voice of the Senate's Chief Clerk, Emery L. Frazier, during dramatic rollcalls at the Democratic national convention each and every 4 years. He's been polling the States for more conventions than he likes to admit, and a whole generation of radio listeners and TV lookers associate him as a part of the podium proceedings. He's had more television exposure than Howdy Doody and Maverick.

Actually, the Chief Clerk is on a temporary assignment here. He ran the Kentucky Legislature with such skill that a Senator by the name of Barkley asked him to spend a session in Washington. That was in 1933. He's been around ever since handling legislation on the floor, calling rolls, and supervising the complex duties of the other clerks in the Secretary of the Senate's office and overseeing other activities under the Secretary.

Despite his resounding resonance during readings and rollcalls, Emery Frazier is a quiet, soft-spoken man who loves to just visit and to work with choice woods. He likes to collect rare or historic timber and make something from it. The stately Senate desks are his primary hobby, and he has compiled a complex history of them all.

Frazier must have been born during an election, for he has been surrounded by politics and the men who practice it all his life. In his old Kentucky home they had bitter elections and if a man couldn't beat an opponent at the polls he'd simply shoot him out of office. It was unsportsmanlike, but effective.

The Chief Clerk is a great conservationist of Senate treasures. He has rescued scores of old objects that might have become kindling. He cherishes ancient Senate records and collects rare books on history. His tastes run to the genuine, the solid, the substantial. He had a field day when the Chamber was remodeled in 1950 and workmen ripped treasured materials from the historic room. Frazier's desk area resembled a junior-sized lumber yard. Since the first and last Presiding Officer who used the furniture were Kentuckians, the original equipment now is preserved in the capitol at Frankfort.

About 100 Senators hope Frazier's temporary stay here is extended indefinitely. They like to hear him call "Mr. AIKEN, Mr. ALLOTT" each day, and "A-r-k-a-n-s-a-s, A-r-i-z-o-n-a" every fourth year.

Captive Nations Week

EXTENSION OF REMARKS

OF

HON. ROMAN L. HRUSKA

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, July 14, 1961

Mr. HRUSKA. Mr. President, the coming week, July 16 through July 22, is of special significance to the American people and freedom-loving people throughout the world. The third week in July of each year has by resolution of Congress been set aside for the observance of Captive Nations Week.

In a joint resolution approved on July 17, 1959, and enacted as Public Law 86–90, the Congress has authorized and requested the President to—

Issue a proclamation designating the third week in July 1959 as Captive Nations Week and inviting the people of the United States to observe such week with appropriate ceremonies and activities. The President is further authorized and requested to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world.

Congress has thus sensed the importance of focusing the attention of the free world upon the plight of the captive nations. The compelling reasons which prompted it to take this action are pointed out in the body of the resolution.

The resolution recites the fact that the "imperialistic policies of Communist Russia have led through direct and indirect aggression to the subjugation of the national independence" of 22 countries. The countries listed are Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, and North Vietnam.

The resolution further recites that "since 1918 the imperialistic and aggressive polices of Russian communism have resulted in the creation of a vast empire which poses a dire threat to security of the United States and of all the free peoples of the world." It reminds us that "these submerged nations look to the United States, as the citadel of freedom, for leadership in bringing about their liberation and independence."

These are not reckless statements, Mr. President. They cannot be discounted as exaggerated emotional charges of irresponsible alarmists. This is the Congress of the United States speaking the cold, hard, unpleasant truth. We must never forget it. The observance of "Captive Nations Week" helps us not to forget it.

Public Law 86–90 states the case for some 900 million people who are now captives of the Communist Empire. It reminds us that any apathy we may display would mean their despair. Their despair means the loss of 900 million silent allies.

Mr. President, we now have 40 years of experience to guide us if we have any doubts about Communist Russia's aggressive, imperialistic intentions. By 1921 the Bolsheviks had already crushed the independence of Ukraine, White Ruthenia, Armenia, Georgia, Idel-Ural, Cossackia, and Turkestan. In 1939 Lithuania, Latvia, and Estonia were overrun.

Following World War II Poland, Hungary, Czechoslovakia, Rumania, Bulgaria, and Albania were pulled behind the Iron Curtain. The mainland of China was next, and in 1948 some 700 million Chinese were placed under the Communist yoke.

Then came East Germany, North Korea, Tibet, and North Vietnam, and we can now add Cuba to the list.

Mr. President, at no time in history has so much misery and oppression been packed into so few years. Never has there been such a systematic, determined, and ruthless suppression of human freedom.

But, if nothing else, these shameful years furnish us our lessons for the future. And as we approach the challenges of the future, we know that human nature is on our side. Man has an inborn desire to be free. His freedom can be suppressed, but his desire to regain it cannot.

We also know, however, that man's desire for freedom will soon turn to frustration unless he has hope. The captive peoples must have reason to hope. They must know that although they have been silenced, they have not

been forgotten. They must know that they will not be abandoned for the sake of the status quo and so-called peaceful coexistence.

So long as there is a spark of hope there is a spark of resistance, and that resistance, whether it be real or potential, means a help to assure our security.

In 1959 and 1960, Public Law 86-90 was implemented by a Presidential Proclamation designating Captive Nations Week and inviting the American people to participate in its observance. I hope the President will again add the dignity of his Office to the occasion this year, especially in view of some of the more recent world events. On July 11, I sent a letter to the President urging him to do so.

I ask unanimous consent that a copy of the letter be printed in the RECORD, together with my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
July 11, 1961.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I write to urge that a proclamation be issued again this year designating the third week in July as Captive Nations Week.

You are well aware of the plight of the millions of people behind the Iron Curtain and the need for preserving and strengthening their desire for freedom. I won't belabor the obvious.

The annual observance of Captive Nations Week can be an effective means of rekindling hope and reassuring the victims of Communist oppression that they will not be forgotten. I hope you will see fit to set aside the coming week for the rededication of the American people to the cause of freedom in those countries where it is now denied.

Respectfully yours,

ROMAN L. HRUSKA,
U.S. Senator of Nebraska.

